UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 82d CONGRESS
FIRST SESSION

VOLUME 97—PART 5

MAY 28, 1951, TO JUNE 27, 1951
(PAGES 5855 TO 7296)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1951

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UNITED STATES OF AMERICA
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Congressional Record

PROCEEDINGS AND DEBATES OF THE 82d CONGRESS, FIRST SESSION

SENATE

MONDAY, MAY 28, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. F. Norman Van Brunt, associate minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

Eternal and Almighty God, from the strident, impelling forces of strain and stress which bear down upon us in the heat of day we come into the quiet solemnity of this moment of prayer. Let the hush of Thy spirit descend upon us and clear our vision of Thy purpose for us in these days when the choice is dust or destiny.

Grant that we may never become blind to the grim realities of our day and never divorce ourselves from these forces by thinking of Thee as only a haven of refuge or beacon of hope. Thou art that to us—but Thou art also a citadel of courage.

From this sacred moment send us into the day renewed in spirit and ennobled of mind that ever we may be worthy of the trust that has been placed in us. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 24, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 25, 1951, the President had approved and signed the act (S. 1227) for the relief of sundry former students of the Air Reserve Officers' Training Corps.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 372) to furnish emergency food aid to India, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment to the bill; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RICHARDS, Mr. CARNAHAN, Mr. RIBICOFF, Mr. VORYS, and Mr. SMITH of Wisconsin were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. COOPER, Mr. DINGELL, Mr. MILLS, Mr. REED of New York, Mr. JENKINS, and Mr. SIMPSON of Pennsylvania were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 108. An act to amend section 28 of the Enabling Act for the State of Arizona relating to the terms of leases of State-owned lands; and

H. R. 2952. An act to authorize the attendance of the United States Navy Band at the final reunion of the United Confederate Veterans to be held in Norfolk, Va., May 30 through June 2, 1951.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MAYBANK, and by unanimous consent, the Banking and Currency Committee was authorized to meet this afternoon during the session of the Senate, in order to continue its hearings on the defense production bill.

CALL OF THE ROLL

Mr. McFARLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hill	Moody
Benton	Holland	Morse
Bricker	Humphrey	Neely
Bridges	Hunt	Nixon
Butler, Md.	Ives	O'Conor
Butler, Nebr.	Jenner	O'Mahoney
Cain	Johnson, Colo.	Robertson
Capehart	Johnson, Tex.	Russell
Case	Johnston, S. C.	Saltonstall
Chavez	Kefauver	Schoeppel
Clements	Kem	Smathers
Connally	Knowland	Smith, N. J.
Cordon	Lehman	Smith, N. C.
Douglas	Long	Sparkman
Duff	Magnuson	Taft
Ellender	Malone	Thye
Ferguson	Maybank	Tobey
Fulbright	McCarran	Underwood
George	McCarthy	Watkins
Gillette	McClellan	Welker
Green	McFarland	Wherry
Hayden	McKellar	Williams
Hendrickson	McMahon	Young
Hennings	Millikin	
Hickenlooper	Monroney	

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS], the Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. HOEY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from Oklahoma [Mr. KERR] is absent because of a death in his family.

The Senator from West Virginia [Mr. KILGORE] is absent on public business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a represenative of our Government to attend the International Labor Conference, to be held in Geneva, Switzerland, beginning June 6.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Utah [Mr. BENNETT], the Senator from Kansas [Mr. CARLSON], the Senator from Illinois [Mr. DIRKSEN], the Senator from Montana [Mr. ECTON], the Senator from North Dakota [Mr. LANGER], the Senator from South Dakota [Mr. MUNDT], the Senator from Maine [Mrs. SMITH], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from Idaho [Mr. DWORSHAK], the Senator from Vermont [Mr. FLANDERS], the Senator from Massachusetts [Mr. LODGE], and the Senator from Pennsylvania [Mr. MARTIN] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

THE CENTRAL ARIZONA PROJECT

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of Senate bill 75.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to; and the Senate proceeded to consider the bill.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to transact routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

ALBERT GOLDMAN

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation for the relief of Albert Goldman, postmaster at New York, N. Y. (with accompanying papers); to the Committee on the Judiciary.

DONATIONS BY NAVY DEPARTMENT TO NONPROFIT INSTITUTIONS AND ORGANIZATIONS

A letter from the Secretary of the Navy, reporting, pursuant to law, a list of institutions and organizations, all nonprofit and eligible, which have requested donations from the Navy Department; to the Committee on Armed Services.

REFORESTATION AND REVEGETATION OF CERTAIN FOREST AND RANGE LANDS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for the reforestation and revegetation of the forest and range lands under the administration or control of the Department of the Interior, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

AMENDMENT OF AIR COMMERCE ACT OF 1926

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Air Commerce Act of 1926, as amended (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 29

"Joint resolution relative to memorializing the Congress of the United States in relation to the furnishing of Federal assistance, including arms, ammunition, clothing, and equipment, to the California Defense and Security Corps and/or the California National Guard Reserve

"Whereas Public Law 849, Eighty-first Congress, second session, amends section 61 of the National Defense Act to authorize the maintenance of State troops in the absence of the National Guard while in Federal service; and

"Whereas Public Law 849 authorizes the Secretary of the Army in his discretion and under regulations determined by him to issue for the use of State troops, upon request of the Governor, such arms, ammunition, clothing, and equipment as he deems necessary; and

"Whereas in view of the passage of Public Law 849, the California legislature was not requested to provide funds for the acquisition of arms, ammunition, clothing, or equipment for the California Defense and Security Corps and/or the California National Guard Reserve and State funds are not now available for such purpose; and

"Whereas the Governor has requested the Secretary of Defense, the Secretary of the Army, the Chief of the National Guard Bureau, Supply Division of the General Staff, the Office of the Chief of Ordnance, the Office of the Provost Marshal General, the Headquarters Army Field Forces, and all Federal officials concerned to furnish to the California Defense and Security Corps and/or the California National Guard Reserve the assistance authorized by Public Law 849; and

"Whereas the Federal Government and the agencies and officials thereof have not acted under the authority granted in Public Law 849, and have not authorized the issue or sale to the California Defense and Security Corps and/or the California National Guard Reserve of any excess or obsolete property or equipment that may be in the control of the Federal Armed Forces; and

"Whereas until Federal assistance is available to the California Defense and Security Corps and/or the California National Guard Reserve it cannot organize, train, or be employed as an effective State internal security force: Now, therefore be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to again amend section 61 of the National Defense Act to eliminate the provisions thereof which authorize the Secretary of the Army, in his discretion, to furnish the assistance therein described and to add thereto a provision directing and requiring the Secretary of the Army to supply such Federal assistance to State troops; and be it further.

"Resolved, That the Legislature of the State of California further respectfully memorializes the Congress of the United States to take such further legislative action as may be necessary to assure the prompt and immediate grant to State troops of the Federal assistance described in Public Law 849; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Senate Joint Resolution 29

"Joint resolution relative to the American Indian

"Whereas the American Indian has, on numerous occasions, demonstrated his worth and value as an American citizen; and

"Whereas he has participated in the wars in which his country has engaged, and has served her ably and with distinction, receiving many citations for valor and battlefield courage; and

"Whereas he has grown in political and civic stature and understanding so as to demonstrate by his conduct, both in war and in peace, that he is deserving of United States citizenship without any diminution, restriction, or exception whatsoever: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to dispense with any and all restrictions, whatever their nature, whereby the freedom of the American Indian is curtailed in any respect, whether as to governmental benefits, civil rights, or personal conduct; and be it further

"Resolved, That the Secretary of the Senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 32

"Joint resolution relative to memorializing Congress to take necessary action to provide a national cemetery in the vicinity of Los Angeles

"Whereas H. R. 2055 has recently been introduced before the Eighty-second Congress to provide for a national cemetery in the vicinity of Los Angeles; and

"Whereas there are approximately 800,000 veterans in the Los Angeles area and there is at present no national cemetery in this area to provide a last resting place for these veterans; and

"Whereas the only national cemeteries in the State of California are located at San Bruno, Calif., approximately 500 miles from Los Angeles, and at Fort Rosecrans in San Diego, Calif., approximately 100 miles from Los Angeles, and these two national cemeteries are inadequate to supply interment for the numerous deceased California veterans; and

"Whereas the Los Angeles area with its thousands of veterans is in dire need of a national cemetery: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Congress of the United States be respectfully memorialized to take whatever action is necessary to provide for a national cemetery in the vicinity of Los Angeles; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 22

"Joint resolution relative to memorializing Congress to consider the use of the road from Georgetown to Wentworth Springs and Chambers Lodge at Lake Tahoe on Highway 89 as an east-west traffic artery for civil and military defense in case of emergency

"Whereas, the ever-increasing tempo of our national defense and military and civil preparedness plans makes vital the matter of transport over the Sierra Mountains between the west coast and the Eastern States; and

"Whereas the road from Georgetown to Wentworth Springs and Chambers Lodge at Lake Tahoe on Highway 89 lies approximately midway between U S 40 and U S 50, with maximum elevation of only 6,776 feet, lower than either Donner Summit (7,135) or Echo (7,382); and

"Whereas ordinary passenger cars can use all but about 5 miles of this entire road; and

"Whereas rights-of-way are established, practically no timber clearing would be required, and the cost of putting this road in condition for heavier vehicles would be less than for any comparable emergency route; and

"Whereas this road traverses the top of the divide ridge, there are no large streams to cross, no vulnerable bridges, and putting it out of commission for any length of time would be practically, impossible; and

"Whereas the route is accessible from many other roads, including the road from Folsom to Cool and Georgetown, the road from Highway 50 at Placerville, also from Shingle Springs and Georgetown, from Highway 50 at Riverton over Ice House Cutoff, from Highway 40 at Auburn; and from several points between Roseville and Auburn, and from numerous other roads; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to give serious study and consideration to the advantages of using the said Georgetown-Lake Tahoe Road as an east-west traffic artery for civil and military defense in case of emergency; and be it further

"*Resolved*, That the Secretary of the Senate is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Senate Joint Resolution 24

"Joint resolution relative to memorializing Congress to consider the use of California State Highway Sign Route No. 88 as an east-west traffic artery for civil and military defense in case of emergency

"Whereas the ever-increasing tempo of our national defense and military and civil preparedness plans makes vital the matter of transport over the Sierra Mountains between the west coast and the Eastern States; and

"Whereas the present California State highway designated by Sign Route No. 88 is the shortest route between the port of San Francisco and California's eastern border; and

"Whereas Sign Route No. 88 conveniently connects with United States Highway Routes Nos. 395 and 50; and

"Whereas Sign Route No. 88 presents minimum difficulties in construction and maintenance, and minimum liability to sabotage or destruction by enemy action, due to the fact that it follows a ridge nearly all of its distance across the Sierras, requiring no bridges of consequence along its entire route: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to give serious study and consideration to the advantages of using California State Highway Sign Route No. 88 as an east-west traffic artery for civil and military defense in case of emergency; and be it further

"*Resolved*, That the Secretary of the Senate is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A telegram in the nature of a petition from the Newark annual conference of the Methodist Church, Bloomfield, N. J., signed by Joseph Blessing, secretary, relating to universal military service and training; to the Committee on Armed Services.

A resolution adopted by San Diego (Calif.) Naval Lodge, No. 736, International Association of Machinists, relating to amendment of the Federal Income Tax Act with respect to exemptions; to the Committee on Finance.

A letter in the nature of a petition from Francisco A. Delgado, of Washington, D. C., praying for the enactment of legislation to provide an additional $100,000,000 for urgently needed rehabilitation of the collective and private economy of the Philippines; to the Committee on the Judiciary.

Resolutions adopted by the American Defenders of Bataan and Corregidor, Inc., New Brunswick, N. J., relating to the War Claims Commission, and so forth; to the Committee on the Judiciary.

A telegram in the nature of a memorial signed by Mrs. Max Pedersen, and sundry other citizens of Orem, Utah, remonstrating against the confirmation of the nomination of Clyde Weeks as postmaster at Orem, until an opportunity to make a selection has been had; to the Committee on Post Office and Civil Service.

A telegram in the nature of a petition from the Newark Annual Conference of the Methodist Church, at Bloomfield, N. J., signed by Joseph Blessing, secretary, relating to emergency food for India; ordered to lie on the table.

COMMUNISM—RESOLUTION OF NATIONAL EXECUTIVE COMMITTEE, THE AMERICAN LEGION, INDIANAPOLIS, IND.

Mr. McCARTHY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the national executive committee of the American Legion, at Indianapolis, Ind., relating to communism, and so forth.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

RESOLUTION 11 ADOPTED AT THE MEETING OF THE NATIONAL EXECUTIVE COMMITTEE, THE AMERICAN LEGION

Be it resolved by the national executive committee of the American Legion in regular session assembled in Indianapolis, Ind., May 2–4, That—

1. It has now become more manifest than ever before that the Soviet Union and the satellite governments under their domination have embarked upon a course of conduct calculated to enslave the world. They have deliberately scoffed at, ridiculed, and in every way shown contempt not only for the principles and ideals of the United Nations but also for the basic human values of freedom, independence, and human dignity.

2. There was a time when we hoped that the Soviets and the satellite governments under their domination would seize the opportunity to become peaceful and law-abiding components of the international community of nations and that they abandon their subjugation of people. In this hope we have been proved premature. Their conduct has in every instance been characterized by duplicity, savagery, immorality, and lawlessness. They have continued with their "master plan" of world conquest long-since exposed and resisted by the American Legion.

3. We reiterate our condemnation of that conduct and we state unequivocally that we do not hesitate for an instant to shoulder our immediate responsibilities of an economic, political, and military nature to strengthen the remainder of the world, and to declare so that all may understand that international banditry by the Soviet Union and the satellite governments under their domination will no longer be tolerated.

4. At the same time, and although the Soviets have acted in such a strident and contemptible fashion and have posed so many obstructions to the development of orderly relations among nations, we counsel against the disposition in many quarters to lose sight of the dual problem which is presented. There is an immediate problem which is that not only of containing the forces of Kremlinism but of driving them back by means of such firm commitments among nations as will leave no room for doubt that further attempts to expand will meet with collective and decisive force. In dealing with this immediate problem, however, the American Legion deems it wise not to disparage or lose sight of the long range problem, which is that of working toward the ultimate establishment of international peace and good will through universal adherence to the principles of collective security based upon mutual respect for the concepts of equal rights and self-determination of peoples.

5. The American Legion, regardless of the darkness and skepticism of the hour, reaffirms its faith in the ultimate victory of the principles and ideals of the United Nations.

6. We again urge that there be no cessation of effort upon the part of the United States or of any of the nations associated with it in other defense arrangements such as the North Atlantic Treaty to continue to work toward the strengthening of the United Nations so that it may become the great and powerful force for good which we expected it to be when it was formed.

7. We particularly recognize the difficulty of obtaining a good-faith acceptance of the principles and ideals of the United Nations by Russia, but we counsel against permitting the difficulties of the task to induce us to forsake it entirely and resort to the theory of the complete inevitability of war.

8. It has been said that aggressors appreciate only the existence of a superior force which can be arrayed against them. We concur in that view and reassert, therefore, that it is in the interest of the peace of the world that while we create regional force, we also continue working for the establishment of a United Nations police authority which will be capable of enforcing its decisions. By such a police authority we do not mean one which is hastily improvised after the fact of aggression, such as was done in the case of Korea, in which the United States has shouldered an immense proportion of the load. We mean an international force of permanent standing and immediate availability, adequately contributed to by all nations and of sufficient strength to enforce the decisions of the family of nations against any aggressor, large or small. We urge that the United States demand of the other members of the United Nations that they make their full contribution militarily, economically and politically to the war now raging in Korea, and that the United States seek of the United Nations permanent machinery to guarantee that all participating nations in the United Nations organization furnish their proportionate and proper number of troops to meet given emergencies throughout the world in defense of the world.

9. In all this, we are fully aware of the imperfections of the moment. For example, we recognize that the intrusion of the Chinese Communists into the Korean war has revealed an appalling degree of ideological backsliding even on the part of those whom we know accept and generally live up to the ideals of the United Nations. To that extent, we believe that a disservice has been rendered to the cause of American forces and the future of the United Nations. We urge that in the future of all nations unhesitatingly, courageously and promptly acknowledge the facts of a given aggressive situation and act immediately with the full force, militarily, economically, and politically which is available under the United Nations and its component regional defense arrangements.

10. In our adherence to the principles and the ideals of the United Nations and in our recommendations concerning methods of strengthening the United Nations, it must be clearly understood that we in no way subscribe to or endorse the participation of the United States in any form of world federation of world government or any intermediate federative organization, which would, in whole or in part, involve the sacrifice of United States sovereignty. We reiterate our opposition, therefore, to United States participation in any form of world federation, world government, or any intermediate federative organization.

11. The collapse of the free nations of the world is the ultimate goal of the Soviet police state. Only then will the Comintern with the world's capital at Moscow have completely enslaved the world. Since our most powerful immediate weapon is the economic stability and strength of the Western World, and since Stalin has admitted that he cannot succeed in world conquest unless our economy is crumbled, we must make certain that all our future plans and strategy do not overburden the already hard-pressed financial structure of the United States.

12. We must continue to aid those nations of Western Europe and others throughout the world which have joined with us in the

global struggle to destroy the forces of Communist aggression. But we say the time for give-away programs has ended. The Santa Claus attitude of our State Department has not won us fighting friends but has only increased the cries from all over the world for more and more of the American taxpayers' dollars.

13. Future grants of financial assistance should be made with a realistic appraisal as to whether or not such grants will further the global strategy of our defense chiefs. The primary questions to which appropriate answers must be given as necessary prerequisites to the rendering of aid are: (a) Is the Nation receiving the aid helping us? (b) Are such nations trying to help themselves and our United Nations allies to contain the advance of the Soviet police state? (c) Is the Nation to receive aid trading in war materials with Soviet Russia or her satellites? (d) Is the aid vitally needed at this moment or can it be deferred to enable us to meet more immediate needs?

14. So that the drain on the United States Treasury will be stopped, we recommend that—

(a) Marshall-plan aid be limited, reduced, and discontinued as soon as possible—that a statement to this effect be issued by our Government to present recipients so that these nations can start planning now on budgets that do not include Marshall-plan aid.

(b) Point 4 aid be limited to its original purpose of offering American technical "know-how" to the underdeveloped areas of the world and the administration of point 4 should be removed from the State Department and placed in the hands of an independent Government agency. Any activities other than technical assistance should be carried out by competitive and free enterprise and not by agencies of our Government with public funds. We favor development of the resources of foreign nations, for we realize that eventually such development will preserve our own resources and manpower, will cut the cost of foreign aid and will further world trade, but we do not favor such development of such resources of foreign countries by agencies of our State Department or other governmental agencies or departments.

15. We see a growing tendency on the part of the State Department to become an operating department rather than a policy-making agency. Instead of giving away the substance of America in a very unrealistic way, we suggest that the State Department concentrate on the major task of formulating American plans to combat the very real threats to our security throughout the world.

16. We urge that, in searching for solutions to these problems, our democratic institutions be preserved and the opinion of the American people be heeded and respected.

17. We urge the continued strengthening of the military and political effectiveness of the North Atlantic Treaty organization. All appropriate and necessary armaments of men and material should be made available to fulfill our commitments under the pact. To further the strengthening of NATO, we urge that Spain, Greece, and Turkey, all of whom have shown a will to combat Communist aggression by force and all other means at their command, be invited to join the North Atlantic Treaty.

18. We urge closer diplomatic cooperation among the nations of the pact.

19. We applaud and approve the so-called Pleven plan, which would institute and recruit an army of Europe.

20. Western Germany must be strengthened economically, politically, and militarily, so that she can make a real contribution to the North Atlantic Treaty military forces, can eventually assume her rightful place among the nations of the world, and particularly as a member of the North Atlantic Treaty organization, and can do her share in preventing further Communist aggression by Soviet Russia.

21. The United Nations resolutions of June 25, 1950, and June 27, 1950, which recommended that the United Nations furnish such assistance to the Republic of Korea as was necessary to repel the armed attack against the Republic of Korea and to restore international peace and security in that area and the action which provided for the occupation of all of Korea by the United Nations forces is again and in the light of the present military situation highly commended and approved.

22. Now that the United Nations has named Communist China as an aggressor, we urge that it be treated as such in every sense of the word.

23. We oppose the recognition of any aggressor nation. We therefore oppose the recognition of Red China by the United States. We oppose its admission to the United Nations and urge that our delegates to the United Nations be instructed accordingly, and that they be further instructed to use our veto power, if necessary, to prohibit the seating of Red China's delegates for any purpose whatsoever in the United Nations.

24. Abundant evidence has been presented that not only are Americans dealing in strategic material with Communist countries by and with the consent of the United States Government, but also that Britain and other nationals of other countries, which are members of the United Nations, are so dealing similarly with the consent of their governments, knowing that such material is to be used not only against Americans but also against nationals of our allies as well. This material is used to destroy our own as well as our allied troops. The sale and delivery of these materials to Russia and its satellites is giving aid to enemies of the United Nations, will prolong the Korean conflict, and is directly responsible for the loss of thousands of American lives, as well as the lives of allied soldiers fighting in Korea. The American Legion condemns such sale and shipment to our enemies and asks the Congress and the United Nations to take such steps as may be necessary, including the imposition of a blockade, to stop this vicious trade.

25. It is urged that the Congress of the United States should immediately demand that authority be given the commander of the United Nations forces now fighting in Korea to attack and destroy Communist bases and concentration of troops, supplies, and equipment in China or wherever they may be found to prevent their being used by the forces of aggression to forestall and make more costly the successful prosecution of the present conflict in Korea.

26. The defense of Formosa should be continued until every threat to free and independent nations in that area from the forces of communism and aggression has been completely eliminated.

27. Support is urged for any organizations or patriotic groups of Chinese, such as Nationalists, who will vigorously and effectively fight any aggressors in order to secure and preserve a free and entirely independent nation of China. It is urged that all restrictions against the Chinese Nationalists be removed. It is further urged that full advantage be taken of the opportunity afforded for effective support and encouragement of guerrilla activities against the Chinese Communists so that the weakness of that regime may be fully exploited.

28. We urge the speedy conclusion of a peace treaty with Japan by the appropriate powers without further delay, and it is our recommendation that this treaty be consummated regardless of the disposition or lack of cooperation of Soviet Russia. In this connection, it is our belief that one of the primary considerations for the United States to give attention to is that of strengthening Japan economically, politically, and militarily so as to enable Japan to make a real contribution to the military forces opposed to communism available in that area. We likewise look forward to the time when Japan may assume a rightful place among the nations of the world and may be enabled to do her share in preventing further Communist aggression by the Soviet Union or its satellites.

29. We reiterate the position previously expressed by the national executive committee favoring aid to the fullest extent to the Philippine Government in its attempt to resist Communist aggressors and revolutionaries and also for the protection of American interests. We further urge that the recommended military aid to the Philippines should be stepped up and made effective as rapidly as possible. In this connection, we believe that the United States should hold itself willing to assist to the fullest extent in the reactivation of the Philippine Scouts.

30. Support is urged by the United States of a regional defense pact under article 51 of the United Nations Charter by and for the mutual defense of the free nations of the far Pacific and Southeastern Asia, some of which have been invaded and all of which are constantly under threat of aggression from and infiltration by Communists. Furthermore, the United Nations forces should ever be vigilant and ready and willing to aid the armed forces of the nations in this area to ward off any attempt of aggression by any nation.

31. We are particularly concerned with the precarious geographical location and the strategic and economic importance of Iran, and we urge that any attempt by outside influences to take over control of that country be vigorously opposed by the U. N., by military means if necessary.

32. Much has been said recently regarding the need for food to the nation of India. We are informed that several hundred thousand acres of land have been voluntarily taken out of grain production by that nation. In addition, India has vast strategic materials, such as manganese, beryllium, thorium, monazite sands, which it is unwilling to make available to the United States. Under the circumstances, we recommend that grain which India needs should be supplied to India in exchange for the strategic materials which we need and which they can provide to us.

33. We are disturbed by the consistent reports of the ineffective administration of the Voice of America program. In our opinion, the Voice of America program, together with other methods of psychological operations against Sovietism, are of extreme importance in enabling us to win an ultimate victory over the forces of Sovietism. We, therefore, reiterate the necessity for revitalizing and effectively administering all such programs. In our opinion, this can best be accomplished by removing the responsibility for the operation of the program from the Department of State and vesting it in an independent administrative and operating agency.

34. Because of the alarming gains made by communism in the propaganda war of ideals and ideas since 1945 we emphasize the necessity of establishing a vigorous and constructive program for peace. This program should be directed at winning the ideological war by developing a plan to expand our information program, to establish a superior intelligence system and to develop all possible means of communication

which would show the masses of Europe and Asia how democracy and our form of economy will raise their standard of living and protect the liberties and freedom that communism would destroy.

There are one-half million Russian refugees in Western Europe alone. Herewith is the foundation of a fifth column which can counteract the effect of the Communist fifth column, world-wide in scope, if it is properly directed and financed. There are 15,000,000 political prisoners within the Soviet Union and many more who feel as though they do not only within Russia but within all nations of the Soviet bloc.

We urge establishing communications with these dissentient elements and lending support to guerrilla and associated activities and the encouragement of and aid to all who will be defectionists.

We call upon leaders of government, industry, and labor to join with us in establishing and furthering a constructive program of psychological warfare, recognizing that we must win one of two conflicts, either the ideological or military, to defeat the avowed objective of communism to dominate the minds of men throughout the world.

35. We believe that we have outlined a strong, bold, and realistic program. If we turn our minds and hearts to it vigorously, we may yet avoid world war III. This program, however, demands dynamic and courageous leadership on the part of our international policy makers. We don't have that kind of leadership in our State Department today. To get the leadership required, we must remove the present corps of leaders whose every action has reflected incompetency, indecision, and defeatism. They must be replaced by a corps of realists—men of high purpose and courage, who are not afraid, who have undeviating confidence in American power and ingenuity, and who will, by meriting our respect, face the future with resolution and faith.

36. In making pronouncements upon the subject of American foreign policy the American Legion is deeply conscious of the complexity of the subject matter and of the responsibility which it has to arrive at calm and yet determined judgments. These judgments must reflect the opinions and beliefs of Legionnaires at the post level. For that reason every effort must be made by the Foreign Relations Commission and by the national organization to obtain the benefit of the individual thinking of the members of the American Legion, and, further, once a policy has been decided upon, every effort must be made to disseminate the news of that policy not only to the individual Legionnaires but also to the nonveteran public on as broad a scale as possible. Then, and only then, will the American Legion have succeeded in fully discharging its obligations and responsibility in this most crucial field of its leadership.

THE SECRETARY OF STATE, DEAN ACHESON—REPORT OF EXECUTIVE COMMITTEE, AMERICAN LEGION, DEPARTMENT OF WISCONSIN

Mr. McCARTHY. Mr. President, I present for appropriate reference a report adopted by the executive committee, the American Legion, Department of Wisconsin, relating to the proposed retirement of Dean Acheson, and so forth, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the report was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

The following report of the foreign relations committee, American Legion, Department of Wisconsin (Charles F. Nolan, Oshkosh, chairman; Charles Curran, Mauston, and James Martineau, Oconto, members) unanimously adopted by the department executive committee at its meeting of May 19, 1951.

1. Dean Acheson must be immediately retired to private life. The American people have lost confidence in him and others in the State Department who were so fantastically wrong in their appraisal of the nature of the Chinese Communists. We cannot have unity in our foreign policy until we have a new Secretary of State and staff in whose judgment the American people have the fullest confidence.

2. We condemn the policy of restricted police action in Korea. We demand that immediate affirmative action be taken to bring the war to a prompt and victorious conclusion by all military means and force at our disposal; that the continued unnecessary slaughter of American boys to maintain the so-called prestige of the United Nations cannot be tolerated and if the United Nations does not sanction such an all-out effort, we recommend that our troops be withdrawn from Korea and the other United Nations members may then enforce such limited police action with such other troops as they may desire to commit to that action.

3. We continue to stand ready to assist by force of arms any nation that is willing and ready to fight to defend itself from Communist aggression. The time for give-away programs has ended. The Santa Claus attitude of our State Department has not won us fighting friends, but has only increased the cries from all over the world for more and more of the American taxpayer's dollar.

4. We favor the training of adequate troops for the defense of the United States. We do not believe all or substantially all of the American forces should be sent abroad. Military service should be required of all and not merely those who fail to meet certain educational standards. We do not believe any American boy is too intelligent to be drafted and serve in the Armed Forces.

5. In the future the people and their Congress must know how close American diplomacy is moving to war so that they may check its advance if imprudent and support its position if sound. A diplomacy which relies upon the enemy's first overt act to insure effective popular support for the Nation's final war decision is both outmoded and dangerous in the atomic age. To prevent any future Pearl Harbor more tragic and damaging than that of December 7, 1941, there must be constant close coordination between American public opinion and American diplomacy.

6. We urge every Legionnaire to read and fully acquaint himself with the foreign relations policy adopted at the 1950 national convention of the American Legion and reaffirmed in the 1951 May meeting of the national executive committee.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KEFAUVER, from the Committee on the Judiciary:

S. J. Res. 51. Joint resolution providing for United States participation in the celebration at Philadelphia, Pa., of the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence; with amendments (Rept. No. 358).

By Mr. McCARRAN, from the Committee on the Judiciary, without amendment:

S. 360. A bill for the relief of the Z. D. Gilman Co., Inc. (Rept. No. 360);

S. 1010. A bill for the relief of Dominic Arcelia (Rept. No. 361);

S. 1425. A bill for the relief of Mrs. Okuni Kobayashi (Rept. No. 362);

S. 1438. A bill for the relief of Paul D. Banning, chief disbursing officer, Treasury Department, and for other purposes (Rept. No. 363);

H. R. 574. A bill for the relief of the estate of James Patrick Hackett and Charles L. Stover (Rept. No. 364);

H. R. 621. A bill for the relief of the Morgan Foods Corp. (Rept. No. 365);

H. R. 737. A bill for the relief of Judith Leone Banks (Rept. No. 366);

H. R. 1415. A bill for the relief of Gabriele Gildo Falvo Citrigno (Rept. No. 367);

H. R. 1593. A bill for the relief of Charles E. Maulden (Rept. No. 368);

H. R. 1676. A bill for the relief of Elizabeth Sabow (Rept. No. 369);

H. R. 1854. A bill for the relief of Maria Roca Tarnowska (Rept. No. 370);

H. R. 1910. A bill for the relief of Henry Kolish (Rept. No. 371);

H. R. 2284. A bill for the relief of Ethel Martha Quinn (Rept. No. 372); and

H. R. 3141. A bill for the relief of Evelyn Reichardt (Rept. No. 373).

By Mr. McCARRAN, from the Committee on the Judiciary, with an amendment:

S. 29. A bill for the relief of Teresa E. D[illegible]er (Rept. No. 374);

S. 1362. A bill for the relief of Howard Lovell (Rept. No. 375);

H. R. 512. A bill conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Mrs. Walter J. Bickford (Rept. No. 376);

H. R. 671. A bill for the relief of Mrs. Sylvia Laquidara (Rept. No. 377);

H. R. 953. A bill for the relief of Joseph A. Myers, Hazel C. Myers, and Helen Myers (Rept. No. 378);

H. R. 1692. A bill for the relief of Chester A. Macomber (Rept. No. 379); and

H. R. 1789. A bill for the relief of Sgt. Benjamin H. Martin (Rept. No. 380).

By Mr. McCARRAN, from the Committee on the Judiciary, with amendments:

H. R. 2119. A bill to amend sections 544 and 546 of title 28, United States Code (Rept. No. 381).

STUDY OF HEALTH PROBLEMS—REPORT OF A COMMITTEE (REPT. NO. 359)

Mr. LEHMAN. Mr. President, from the Committee on Labor and Public Welfare, I submit, pursuant to Senate Resolution 273, Eighty-first Congress, second session, and Senate Resolution 39, Eighty-second Congress, first session, a report relating to the health problems of the Nation, and I ask unanimous consent that a statement I have prepared as a foreword to the report be printed in the RECORD.

The VICE PRESIDENT. The report will be received and printed, and, without objection, the statement by the Senator from New York will be printed in the RECORD.

The statement is as follows:

STATEMENT BY SENATOR LEHMAN

FOREWORD [1]

On behalf of the Committee on Labor and Public Welfare and as chairman of its Subcommittee on Health, I have submitted to the Senate a report on health-insurance plans in the United States prepared by a

[1] Senator LEHMAN's explanatory remarks, addressed to the Presiding Officer of the Senate upon the introduction of Rept. No. 359.

special staff working under the direction of Dr. Dean A. Clark, director of the Massachusetts General Hospital, pursuant to Senate Resolution 273 of the Eighty-first Congress and Senate Resolution 39 of the Eighty-second Congress and I ask that the report be printed.

This report is an objective and factual study of health-insurance plans as they now exist in the United States. Your subcommittee on health regards it as the most complete, unbiased, and definitive compilation of data on the subject currently available anywhere. We believe it represents an outstanding contribution to our knowledge of the problems of health insurance. We think it will prove of great value to doctors and laymen concerned with the extension and expansion of health-insurance programs and to legislators concerned with the many-sided problem of how the people of America can best finance their participation in our American system of medical care.

Nevertheless, the Subcommittee on Health wants it clearly understood that the report does not set forth any recommendations for legislation directly affecting the economics of medical care and that it represents the findings of Dr. Clark and his associates rather than the opinion of the subcommittee or any of its members.

Dr. Clark, who served as consulting director of the staff and who is now director of the Massachusetts General Hospital, has had long and varied experience as a medical administrator and educator which included 4 years as medical director of the health-insurance plan of Greater New York. Mr. Morris Pike, vice president of the John Hancock Mutual Life Insurance Co., member of the New York State bar, and an associate member of the Society of Actuaries and of the Casualty Actuarial Society, served as assistant director of the study group as did Mr. Elling Aannestad, currently engaged in a research project for the Rockefeller Foundation and the Carnegie Corp. and formerly director of statistical services for the Welfare Council of New York City. They were ably assisted by Miss Cozette Hapney, assistant in medical care at the Harvard School of Public Health.

The Subcommittee on Health has asked me to express to these individuals our appreciation of the conscientious, intelligent, and thoroughly objective manner in which they have carried out their assignment.

We are particularly gratified by the fact that, despite the very complex nature of health insurance problems and the degree of emotionalism which has so often characterized discussion thereof, this report represents the unanimous findings of so competent and diverse a group.

I have spoken of how valuable a contribution to our understanding of legislative proposals the report itself represents. Equally important, however, and perhaps of even greater value to the Senate, is the idea which underlays the making of this study and the manner in which that idea was carried out.

The Subcommittee on Health of the Committee on Labor and Public Welfare of the Eighty-first Congress, had five bills proposing major changes in our system of medical economics referred to it. After some weeks of hearings on those bills, Senator MURRAY, then chairman of the Subcommittee on Health, and Senator Donnell, of Missouri, representing both the majority and the minority, decided that the hearings were not helping committee members to resolve the points at issue. The hearings were in fact repetitions of the many, many hearings which had been held by similar committees of the Senate for more than a decade. Hundreds of witnesses had been heard and volume after volume had been filled with hotly argued testimony. Yet after 10 years of such testimony, there were still pending five decidedly different proposals for solving an admitted problem and the testimony being received seemed no more likely to resolve those differences than had similar testimony in earlier years.

Therefore, on October 11, 1949, Senators MURRAY and Donnell, although they had sponsored antithetical health bills, joined together in cosponsoring a resolution which resulted in a staff analysis of the earlier hearings. It was found that, as is often the case, the wide differences of opinion between equally sincere, intelligent, and patriotic witnesses and legislators could perhaps be accounted for quite simply: each was convinced that the measure he supported was correct in the light of what he conceived to be the real situation. But very few were agreed as to just what were the facts regarding either the extent of the problem or the degree to which it was being solved by existing methods. The staff so reported to the subcommittee and recommended a completely nonpartisan attempt to dig out the basic facts regarding health insurance as it exists in the United States—a study to be made under the auspices of the Senate itself rather than by a governmental or private agency whose findings might be regarded as biased.

The subcommittee unanimously favored the idea as did the full committee and when it was presented to the Senate as Senate Resolution 273 by Senator Thomas of Utah, it was approved. The subcommittee, in order to assure itself that the study would be as objective as possible, decided that the staff director would be chosen by majority vote of the committee and that Republican and Democratic members of the subcommittee would each be entitled to appoint an assistant director. Senator MURRAY requested every member of the subcommittee to seek out and suggest candidates for the position of staff director and when the nominations were in, he moved and the committee unanimously approved the appointment of the man recommended by Republican Senator SMITH of New Jersey. Such was the spirit with which the study on which this report is based was undertaken.

Subsequently, our Republican colleagues appointed an assistant staff director; the Democratic members of the subcommittee authorized Dr. Clark to fill the other vacancy as he saw fit, and the work got under way.

From that day on throughout the life of the Eighty-first Congress, no Senator from either side of the aisle interfered with the work carried on by Dr. Clark and his associates in any manner whatsoever. When the Eighty-second Congress convened and I became chairman of the Subcommittee on Health, my new colleagues unanimously agreed with me that we would punctiliously maintain that policy. We have done so.

As a result, I believe the Congress and the people now have a much better basis than ever before both for the formulation and programs in the field of health insurance by private organizations and for the formulation of legislative proposals in that field by Members of the Congress. We may and no doubt we will disagree as to some of the conclusions we draw from these facts. We may find ourselves on opposite sides as regards the legislative proposals which will flow from them, but we will at least be talking the same language, reading from the same book, reasoning from the same facts. And that, as all who have been concerned with health legislation will agree, is a great step forward.

The measures which come before the Subcommittee on Health are of serious import. Often the actions we recommend with respect to those measures can quite literally mean life or death to thousands of our fellow citizens. They should never be weighed in an atmosphere of blind partisanship, of preconceived notions, or of high emotionalism. They should be approached in the same spirit as characterized the undertaking of this report. That is why I have taken the unusual step of setting forth the background of this study in such great detail.

As chairman of the Subcommittee on Health, I intend to see to it that we undertake all our deliberations and conduct all our hearings and investigations in that same spirit. I know that in so doing I shall have the full cooperation of my colleagues on the subcommittee. I hope that all those lay and professional organizations who share our concern over problems affecting the health of the Nation and who spend so much time and effort influencing public opinion about proposed solutions to those problems will join us in so doing.

REPORT OF PERSONNEL AND FUNDS BY SPECIAL COMMITTEE TO INVESTIGATE ORGANIZED CRIME IN INTERSTATE COMMERCE

Pursuant to Senate Resolution 123, Eightieth Congress, first session, the following report was received by the Secretary of the Senate:

Special Committee To Investigate Organized Crime in Interstate Commerce, Apr. 30, 1951

Estimated additional expenses:	
Annual leave lump-sum payment	$8,318
Reimbursable detail from Library of Congress	3,800
Expenses not yet submitted:	
Expense accounts	1,000
Transportation	500
Telephone and telegraph	2,000
Witness expense	500
Miscellaneous	300
Total	16,418

ESTES KEFAUVER,
Chairman.

Special Committee To Investigate Organized Crime in Interstate Commerce, statement of expenditures, Jan. 1–Apr. 30, 1951

Salaries:		
Monthly	$52,260.81	
Per diem	43,309.42	
		95,570.23
Expense accounts		18,703.78
Transportation		9,965.79
Telephone and telegraph		4,665.96
Witness expense		3,545.18
United States marshals' expense		247.76
Stenographic record		764.58
Miscellaneous (photostats, postage, stationery, newspapers, charts, medical examination fees for witnesses, etc.)		3,442.93
Reimbursable detail:		
George Robinson (Air Force)		5,168.25
George White (Narcotics Bureau)		2,747.71
George White, transportation expenses		567.94
Philip King (Maritime Administration)		1,223.59
Philip King, transportation expenses		511.16
		10,218.65
Total vouchers processed or in process		147,124.86

Amount available for expenditure, Jan. 1	$142,970.64
Deficit, Apr. 30, 1951	4,154.22
Estimated additional expenses	16,418.00
Total deficit	20,572.22

ESTES KEFAUVER,
Chairman.

APRIL 30, 1951.

REPORT OF SPECIAL COMMITTEE TO INVESTIGATE ORGANIZED CRIME IN INTERSTATE COMMERCE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, Eightieth Congress, first session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from January 1, 1951, to April 30, 1951, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Amis, William D., investigator	$5,985.33	$1,451.37
Arnold, Julia Giles, receptionist	4,415.40	1,112.26
Burling, John L., associate counsel	9,019.59	2,254.89
Collins, Robert B., Jr., messenger	1,903.90	35.42
Coutsonikas, Melba J., administrative assistant	4,762.70	1,501.77
Goddard, Lawrence C., investigator	4,849.61	1,400.98
Goldstein, E. Ernest, assistant counsel	7,609.41	1,627.54
Hafley, Rudolph, chief counsel	17,900.00	5,833.32
Halligan, Edward J., stenographer	3,032.97	938.22
Hileman, Elsie V., stenographer	4,067.49	1,269.44
Hirten, John E., Jr., assistant clerk	2,439.17	676.52
Kiley, Henry P., investigator	7,194.65	139.09
Kilgore, Shirley S., stenographer	3,800.78	317.23
Klein, Alfred M., associate counsel	7,326.46	2,508.80
Knight, Edith M., chief clerk	5,371.02	1,794.54
Lazarus, Reuben A., special counsel	10,761.59	2,032.72
Longland, Mary E., assistant clerk	3,960.99	1,312.06
Lustick, Freda, stenographer	3,960.80	1,128.24
Mack, Joyce W., editor	4,941.30	1,345.66
Martin, George H., director of information	7,377.60	2,394.90
McCormick, John N., investigator	4,965.80	1,529.00
McDonnell, Vyonne G., stenographer	3,960.99	1,326.84
Mellon, L. Carl, assistant clerk	4,067.49	1,167.62
Mitchell, Mary V., stenographer	3,960.59	1,216.27
Murphy, John J., investigator	4,241.29	338.44
Murray, Patrick C., investigator	9,351.40	2,035.37
Nellis, Joseph L., assistant counsel	7,326.46	1,861.60
Newland, Paul A., clerk	4,067.49	966.15
Rice, Downey, associate counsel	9,019.59	3,006.52
Robinson, Harold G., associate counsel	12,000.00	1,503.67
Sears, Lillian F., editor	4,067.49	1,382.68
Shivitz, David L., special counsel	10,761.59	2,032.72
Tyman, Anne F., stenographer	3,906.76	666.18
Walsh, James D., special counsel	10,761.59	2,032.72
Yavner, Louis E., special counsel	10,761.59	2,032.72

ESTES KEFAUVER,
Chairman.

APRIL 30, 1951.

REPORT OF SPECIAL COMMITTEE TO INVESTIGATE ORGANIZED CRIME IN INTERSTATE COMMERCE

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, Eightieth Congress, first session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from January 1, 1951, to April 30, 1951, together with the funds available to and expended by it and its subcommittees:

The following are per diem employees of the committee employed in New York, N. Y., Philadelphia, Pa., Boston, Mass., Washington, D. C., Miami and Tampa, Fla., New Orleans, La., St. Louis, Mo., Cleveland, Ohio, Detroit, Mich., Chicago, Ill., Las Vegas, Nev., San Francisco and Ontario, Calif., on the base annual or per diem salaries as indicated:

Name and profession	Rate of annual salary	Total salary received
Addison, John T., certified public accountant	$5,940	$220.54
Ahern, Francis J., investigator	3,420	1,264.46
Alfano, Anthony A., clerk	2,640	651.38
Allmendinger, Frances L., stenographer	2,760	102.37
Bezahler, Nathan, clerk	1,140	6.15
Blomquist, Herbert A., investigator	5,940	1,929.18
Brand, Howard R., investigator	5,940	1,227.66
Brenner, Margaret A., stenographer	2,760	75.63
Burns, Edward T., investigator	5,940	1,676.63
Butler, George E., consultant	2,420	742.86
Cahill, Thomas J., investigator	3,420	1,264.46
Caldwell, Ben E., investigator	5,940	660.86
Carmody, William A., Jr., special consultant	[1]25	180.63
Cassano, Dorothy B., stenographer	2,940	343.97
Cavan, Ann E., stenographer	3,420	242.57
Carnley, Marie A., stenographer	3,420	242.57
Doll, Patricia P., stenographer	2,760	62.52
Dunkin, Sol R., clerk	2,160	121.60
Fickeissen, George, investigator	5,940	1,803.03
Forrest, Mabel R., stenographer	2,760	487.70
Friedman, Lillian A., clerk	1,140	6.15
Gaustney, Fannie R., stenographer	2,940	849.64
Hoffman, Marjorie N., stenographer	2,760	191.73
Holody, Lucy E., chief typist	2,160	191.73
Karsten, Thomas L., special counsel	[1]25	512.17
Kenny, John E., investigator	5,940	801.78
Kostelnaetz, Boris, special counsel	[1]25	482.04
Laird, Charles H., stenographer	2,640	300.55
Langenbahn, William E., investigator	5,940	676.03
Lell, Barney, clerk	1,140	6.15
Libey, Ruby-Nelle, stenographer	2,160	80.45
Lynch, Raymond J., investigator	5,940	200.43
Maxwell, Betty L., stenographer	2,760	87.51
Mills, Ralph, investigator	5,940	1,653.37
Monaghan, William L., accountant	6,960	26.86
Myers, Elizabeth K., stenographer	2,940	728.20
O'Shea, Dennis J., investigator	5,940	1,152.80
Pfund, Carol C., stenographer	3,420	15.16
Phillips, Lillian L., stenographer	2,760	75.63
Roberts, Mary C., stenographer	2,940	370.42
Roosevelt, Arthur V. P., stenographer	2,760	25.01
Rothman, Norman, clerk	1,140	6.15
Russo, Stanley R., special consultant	[1]25	150.63
Salo, Roberta R., stenographer	2,760	237.64
Schneider, Virginia A., stenographer	2,760	225.09
Sexton, Hilda, stenographer	3,420	206.12
Sharpe, Mary Ellen, stenographer	2,760	180.66
Sheehan, Margaret M., stenographer	2,280	25.01
Stacey, Sarah N., stenographer	2,760	87.53
Steinberg, Lillian, stenographer	2,460	99.91
Tobin, Albert J., investigator	5,940	75.16
Towne, Marion S., stenographer	2,760	62.52
Turnbull, William, investigator	3,780	16.60
Ungvary, John J., investigator	3,780	16.60
Van Brunt, Herbert R., investigator	5,940	1,653.38
Walters, Howard E., investigator	5,940	450.97
Ward, Betty D., stenographer	3,420	151.60
Wolf, Agnes S., investigator	4,680	1,354.43
Augenti, Bruno J., investigator	5,940	501.09
Bretnall, Harold B., investigator	5,940	1,202.61
Ebb, Carmel P., assistant counsel	5,940	1,335.72
Fein, Arnold I., special consultant	5,940	1,337.88
Raymann, William G., special counsel	[1]25	512.17
Winberry, John J., consultant	5,940	901.09
Ploscowe, Zelma, research consultant	5,940	751.63

[1] Per day.

ESTES KEFAUVER,
Chairman.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 28, 1951, he presented to the President of the United States the enrolled bill (S. 106) to amend section 28 of the Enabling Act for the State of Arizona relating to the terms of leases of State-owned lands.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEFAUVER:

S. 1549. A bill to amend the Pay Readjustment Act of 1942, as amended; to the Committee on Armed Services.

S. 1550. A bill to provide for fixing maximum rents charged by Government agencies for housing accommodations; to the Committee on Banking and Currency.

S. 1551. A bill to authorize the Tennessee Valley Authority to purchase a tract of land; to the Committee on Public Works.

S. 1552. A bill for the relief of Dewey Esco Hill; and

S. 1553. A bill to amend section 1 of title 17 of the United States Code; to the Committee on the Judiciary.

By Mr. BENTON:

S. 1554. A bill for the relief of the John D. McWilliams Co., Inc.; to the Committee on the Judiciary.

By Mr. McCARTHY (for himself and Mr. WILEY):

S. 1555. A bill for the relief of Rosarina Garofalo; to the Committee on the Judiciary.

By Mr. McMAHON:

S. 1556. A bill for the relief of Evangelos Christos Mirtsopoulos; to the Committee on the Judiciary.

PROPOSED INVESTIGATION OF OPERATION OF PROGRAM FOR PROCUREMENT OF SUPPLIES, MATERIALS, ETC., FOR NATIONAL DEFENSE

Mr. THYE. Mr. President, I am about to submit a resolution providing for a study and investigation of the operation of the program for the procurement and construction of supplies, materials, and so forth, for the national defense, and I ask unanimous consent that I may make a short statement in connection with the resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and the Senator from Minnesota may proceed.

Mr. THYE. Mr. President, there recently has been submitted to the Congress by President Truman a budget for the military functions of the Department of Defense of more than $60,000,000,000, in addition to nearly $32,000,000,000 for non-military-budget requirements of the Government during the next fiscal year.

The new military budget will largely be devoted to purchase of equipment and supplies, and for construction of bases, camps, and other facilities. Of the total of $60,700,000,000, about $43,000,000,000 will be for procurement and construction.

In submitting this vast military budget the President has pointed out a significant fact in his statement that "this military program will have an increasing impact on our economy, especially as equipment orders are translated into actual production."

Testimony of our military leaders before the Committee on Appropriations has already revealed that vastly increased costs are likely to push our defense expenditures even higher than now anticipated, or else will require a severe cut-back in essential needs. We find in

some budget requests submitted the increased costs have risen several hundred percent.

Hours of debate have already taken place on the floor of the Senate as to how we can bring about a reduction in nondefense expenditures as well as provide for a recapture of unexpended defense appropriations.

Taxes are certain to be higher in this critical period. It is our duty to thoroughly examine every detail of the budgets of all Government agencies and to insist on economy and efficiency in every outlay of public funds—including the military defense expenditures.

By economy I do not mean only reduction in appropriations or percentage savings and cuts, necessary as they may be as a congressional check on administrative expansion. I mean getting a dollar's value for every dollar spent.

The American people are ready, as they always have been, to pay the necessary bill for making this Nation strong and secure. They have a right to expect their representatives in Congress to see that they get full value for the tax dollars spent, and to make proper provision to cushion "the increasing impact upon our economy" of these vastly expanded military costs.

It is an immense responsibility. It will require endless vigilance, and long hours of hard work on the part of the Members of Congress. It must be effectively and expeditiously done in the interests of the American people.

For these reasons, Mr. President, I am submitting a resolution to authorize and direct the Committee on Appropriations, or a duly authorized subcommittee, to make a full and continuing study and investigation of the operation of the program for the procurement and construction of supplies, materials, munitions, vehicles, aircraft, vessels, and facilities in connection with the national defense.

Although the implementation of the resolution is intended to come within the scope of the Legislative Reorganization Act of 1946, it is modeled on the pattern so successfully and effectively worked out by the famous Truman committee which functioned as a special Senate committee in a period very similar to the present one, only a decade ago. It is essential, I believe, to tie up the functions and responsibilities of such a group in one place, rather than to have certain related functions scattered among various committees as at present. Since it will be dealing largely with fiscal matters related directly to the wise use of appropriations, the logical place for such an undertaking at this time seems to me to be within the Committee on Appropriations, as the resolution would provide.

I think that such an undertaking by the Senate at this time will enable the Government to save considerable funds, and iron out all wasteful expenditures. I believe its immediate authorization will be approved and commended by the American people who are being called upon to pay the bill.

The resolution (S. Res. 145), submitted by Mr. THYE, was referred to the Committee on Appropriations, as follows:

Resolved, That, for the purpose of establishing safeguards with respect to the use of appropriated and other funds, the Committee on Appropriations, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation of the operation of the program for the procurement and construction of supplies, materials, munitions, vehicles, aircraft, vessels, plants, camps, and other articles and facilities in connection with the national defense, including:

(1) the types and terms of contracts awarded on behalf of the United States;

(2) the methods by which such contracts are awarded and contractors selected;

(3) the utilization of the facilities of small business concerns, through subcontracts or otherwise;

(4) the geographic distribution of contracts and location of plants and facilities;

(5) the effect of such program with respect to labor and the migration of labor;

(6) the performance of contracts and the accounting required of contractors;

(7) benefits accruing to contractors with respect to amortization for the purposes of taxation or otherwise;

(8) practices of management of labor, and prices, fees, and charges, which interfere with such program or unduly increase its cost; and

(9) such other matters as the committee deems appropriate. The committee shall report to the Senate, from time to time, the results of its study and investigation, together with its recommendations.

SEC. 2. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ on a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

ADDITIONAL CLERICAL ASSISTANTS FOR COMMITTEE ON FOREIGN RELATIONS

Mr. CONNALLY submitted the following resolution (S. Res. 146), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Foreign Relations is authorized to employ two additional clerical assistants, until otherwise provided by law, to be paid from the contingent fund of the Senate at a rate of compensation to be fixed by the chairman in accordance with section 202 (3) of the Legislative Reorganization Act of 1946, and the provisions of Public Law 4, Eightieth Congress, approved February 19, 1947.

INVESTIGATION OF CERTAIN MATTERS CONCERNING FUNDS AND SECURITIES OF THE SEVERAL INDIAN TRIBES

Mr. BUTLER of Nebraska submitted the following resolution (S. Res. 147), which was referred to the Committee on Interior and Insular Affairs:

Resolved, That the General Accounting Office is authorized and directed to make a study and investigation for the purpose of ascertaining the amounts of the funds and securities of the several Indian tribes, including those of tribal organizations, whether held in the Treasury of the United States, in private banks or elsewhere, and the rates of interest on such funds, and such other information with respect to such funds for the period beginning on July 1, 1928, as it may deem pertinent, for the purpose of bringing up to date the report of the Comptroller General (S. Doc. 263, 70th Cong.) made pursuant to the Second Deficiency Act, fiscal year, 1928 (49 Stat. 887).

SEC. 2. The General Accounting Office shall report to the Senate at the earliest practicable date the results of the study and investigation made pursuant to this resolution.

COLORADO RIVER DAM AT BRIDGE CANYON—AMENDMENTS

Mr. KNOWLAND (for himself and Mr. NIXON) submitted an amendment in the nature of a substitute intended to be proposed by them, jointly, to the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. KNOWLAND (also for himself and Mr. NIXON) submitted an amendment intended to be proposed by them, jointly, to Senate bill 75, supra, which was ordered to lie on the table and to be printed.

AMENDMENT OF CODE RELATING TO ADJUSTMENT OF BASIS OF PROPERTY FOR DEPRECIATION, ETC.—AMENDMENT

Mr. GILLETTE. Mr. President, on behalf of my colleague, the senior Senator from Iowa [Mr. HICKENLOOPER] and myself, I submit for appropriate reference, an amendment intended to be proposed by us, jointly, to the bill (H. R. 3168) to amend section 113 (b) (1) (B) of the Internal Revenue Code with respect to the adjustment of the basis of property for depreciation, obsolescence, amortization, and depletion, now pending before the Senate Finance Committee, to restore the bill to the form in which it was originally introduced in the House.

As thus amended the bill would correct for all years the gross injustice resulting from the 5-to-4 decision of the Supreme Court in the Virginian Hotel Corporation case decided in 1943—Three Hundred and Nineteenth United States Reports, page 532—an injustice which is most glaringly illustrated in the Blackhawk-Perry Corporation case which arose in my State and in which certiorari was denied by the Supreme Court at the present term.

The VICE PRESIDENT. The amendment will be received, referred to the Committee on Finance, and printed.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. MCCARRAN, from the Committee on the Judiciary:

Noel Malone, of Mississippi, to be United States attorney for the northern district of Mississippi, vice Chester L. Sumners, term expired.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc.,

were ordered to be printed in the Appendix, as follows:

By Mr. MAGNUSON:

An address on the subject of the outstanding contribution made, in war and in peace, by the merchant marine and the maritime industry in general, delivered by Senator O'CONOR at the annual Maritime Day dinner of the Propeller Club, Washington, D. C., May 22, 1951.

By Mr. JOHNSON of Colorado:

Radio program entitled "Pro and Con," on the subject, Cease Fire in Korea, in which Senator JOHNSON of Colorado was interrogated by Frank Bourgholtzer, White House National Broadcasting Co. correspondent, and editorials from the Louisville Times and the Washington Post relating to the subject of ending hostilities in Korea.

An open letter from Louie Albi protesting against the competition of the Government with private business.

By Mr. BENTON:

Article entitled "Fair Trade in Ideas," written by Senator HUMPHREY, and published in the March 1951 issue of Educational Leadership.

Article by Chester Bowles dealing with the comparison of democracies with communism, published in the New York Times magazine on May 13, 1951.

Statement by Henry Albert, of Flushing, N. Y., national commander of the Jewish War Veterans of the United States, regarding the reduction in the appropriation for the Voice of America.

By Mr. DUFF:

Address on the subject, Let's Get Organized, delivered by Dr. Robert L. Johnson, president of Temple University, and national chairman of the Citizens' Committee for the Hoover Report, and broadcast over the facilities of the American Broadcasting Co. on May 15, 1951.

By Mr. CHAVEZ:

Statement of Miss Nellie Towns, of Rome, Ga., before the Subcommittee on Labor and Federal Security Agency of the Committee on Appropriations of the Senate, on the subject of the distributive education program.

Statement of Miss Patsy Ann Reed, of Clay, W. Va., before the Subcommittee on Labor and Federal Security Agency, of the Committee on Appropriation, on the subject of the distributive education program.

By Mr. KEFAUVER:

Editorial from the New York Times of May 13, 1951, relative to the invitation to Members of the United States Congress to attend the next session of the Consultative Assembly of the Council of Europe, to be held next fall at Strasbourg, France.

Article entitled "The Right To Refuse To Answer" by Florence Perlow Shientag, published in the magazine section of the New York Times of April 22, 1951.

By Mr. JOHNSON of Texas:

Editorials with reference to the proposed Military Training Act, from the Milwaukee Journal, the Indianapolis News, the Pittsburgh Press, the Cincinnati Post, and the New York Times.

By Mr. McCARTHY:

A radio address dealing with the homecoming of General MacArthur delivered by Sam Jones, over radio station KOY, Arizona, on April 19, 1951.

Article entitled "Appeasement Plan Made Plain," written by David Lawrence and published in the Washington Star of May 28, 1951.

Editorial entitled "What Is 'Manifest Destiny' of United States Under Present Imperial Pressures?" written by Herman Everett Gieske, and published in the Parkersburg (W. Va.) News of May 23, 1951.

By Mr. LEHMAN:

Article entitled "A Front on Which We May Serve," written by Mrs. Eleanor Roosevelt, and published in the United Nations World, dealing with the fight against poliomyelitis.

OBSERVANCE OF MEMORIAL DAY—PRAYER FOR PEACE

Mr. FERGUSON. Mr. President, I ask unanimous consent to proceed for 5 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. FERGUSON. Mr. President, I wish to invite the attention of the Senate to the Memorial Day statement issued by the President last Thursday, in which he reminds us "that we all have a duty on that day to pray for permanent peace as well as to honor the heroes of past wars"—and those of the present war also, I may add—and designates 11 a. m. eastern daylight saving time, on Memorial Day, as "an appropriate time for each American according to his own religious faith to beg divine aid in bringing an enduring peace to a troubled world."

I ask unanimous consent that the statement issued by the President be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. FERGUSON. Mr. President, I am greatly pleased that the President of the United States has issued this clear call to the American people. I am personally gratified because I was the sponsor of the original joint resolution of the Congress which calls upon the President to proclaim each Memorial Day as a day of prayer for permanent peace.

Far beyond any feeling of personal gratification, however, I think it is altogether fitting that each American should call upon the guidance of God to bring us closer to that which is our common aspiration in this country—permanent world peace.

Our Nation and other nations are arming feverishly. At the moment we are even fighting a war, all in the name of peace.

But each of us must feel the futility of this emphasis on the material, and on mere physical force. It is the certain road to destruction.

We must do something more than marshal our material strength. We must marshall all of our spiritual resources, as well. As individuals and as a nation we must draw upon our spiritual strength to bring us toward peace. We must do that, and we can do that by the grace of God and our humble petitions to him.

When the resolution calling for a Memorial Day of prayer for peace was first introduced, I said that "The Bible has warned us that faith without works is dead;" and I asked, "Have we lost the faith and clung to the works of destruction?"

Mr. President, that is one of the fundamental questions confronting the people of this Nation and the people of the world.

With honesty and sincerity of purpose we must find and pursue a new way to peace; we must use the approach of faith which is as old as the ages. We must have faith in our purposes as individuals, faith in God to preserve the individuals He created as human beings, the faith that moves mountains of distrust and enmity, of hatred and honor. It is the faith that believes in prayer. With such faith and with a Nation united in prayer, other nations could join us in the beginning of a new world.

Mr. President, those are some of my reasons for feeling so highly gratified in the statement issued by the President. I earnestly hope that the people of this country will join in acknowledging his moving message.

It is also appropriate at this time to acknowledge the inspiration for this Memorial Day of prayer which has been proclaimed by the President in accordance with a congressional joint resolution, and which I hope will become a national institution of moving force.

The author of the idea was Carl Saunders, editor of the Jackson (Mich.) Citizen Patriot. For the editorial which gave birth to this Memorial Day of prayer and for other distinguished editorial writing in behalf of the Hoover Commission's program, Mr. Saunders was awarded the highest of all journalistic honors in this country, a Pulitzer prize.

The Memorial Day of prayer for peace is a monument to the wisdom and high sense of Christian responsibility possessed by this distinguished editor. As a tribute to him, I ask unanimous consent to have printed at this point in the RECORD Mr. Saunders' editorial entitled "Suppose All America Prayed for Peace," which appeared in the Jackson Citizen Patriot, May 16, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SUPPOSE ALL AMERICA PRAYED FOR PEACE

The United States is generally classified as a Christian Nation.

If that means anything at all, it means that the vast majority of our people accept the basic tenets of the Christian faith. Beyond that there is a large minority of Americans who worship in the Hebrew faith. Both Christian and Hebrew believe in God as the maker of heaven and earth.

Yet as a nation we seem utterly unaware of God or of His place in the making of history.

As individuals many Americans worship. Many pray to God daily or more often.

Why, then, should not America pray as a Nation in a time when as a Nation we are in dire need of help and guidance?

We do have 1 day in the year supposedly dedicated to thanksgiving, when we as a people are expected to offer thanks to the Supreme Being for the blessings showered upon us.

But we have no day or hour or minute when as a people we turn to prayer.

If we are a Christian Nation, isn't a national moment of prayer a logical natural course?

Differences in creed or systems of worship or dogma need not enter into this discussion if as a people we believe that there is a God who shapes the course of our lives.

It should be possible for Protestants, Catholics, Jews, and others to join in a common appeal to a common God.

The world is troubled today. America is deeply troubled. The threat of war hangs over all of us, yet we want peace. We are

not a warlike people. We cherish the lives of those young people who become sacrifices in war. We are ready to be tolerant of all nations which do not menace us, regardless of divergent ideologies.

So far as this newspaper is concerned, it believes that the preparation for defense of our country is wise and is not in contravention of basic religious beliefs. We appreciate, of course, that some good people disagree with us. They do not believe a fire department is needed to protect us from war's flames even though conflagration threatens.

But first things should come first.

And the first defense against disaster should be prayer. The first appeal for peace should be to the Omnipotent Master of the universe.

We as mortals do not know what are His plans for us and for the world.

We know only that, as the poet has said:

"God moves in a mysterious way His wonders to perform."

But a troubled Christian nation should turn to prayer. Its people should lift their voices as from a single throat in supplication to the Divine Architect of our destinies, rememberng always "Thy will be done."

Through the medium of newspapers and the radio we have great opportunities for mass supplication. We as a nation can duplicate the mass prayers of the early Christians who gathered, a small handful, to present their appeals.

Suppose that Congress were to set aside a day and an hour and a minute as the time to pray for peace.

Suppose that by request from Congress all newspapers on that day were to publish the appeal for prayer at the set time and were to print the proposed words for prayer.

Suppose that every radio station at the same moment broadcast the prayer for peace.

Suppose that millions of Americans turned their radios high at that same moment.

The voices of prayer would echo and re-echo from the White Mountains of Maine to the Black Mountains of California, from the warm currents of the Gulf Stream to the cold fogs of the Bering Sea.

All America asking for guidance, appealing for peace, pleading that our leaders be made wise and blessed.

We are not thinking that a 150,000,000-person pressure group can force God to create a peace disregarding His own great purpose. We would not want to be interpreted as anticipating that merely for all of us to rub the lamp of prayer will produce some white magic peace out of the heavenly mists. But we are suggesting that when 150,000,000 people by common consent turn their minds and hearts to the Spirit which created this world rather than leaning wholly upon the materialism of man's own strength, then something is bound to happen to those people, something which conceivably will make easier the accomplishment of God's purpose. Not knowing what that purpose is, whether in His great scheme of things we are to have peace or war, to survive or pass into the limbo of broken nations—not knowing, we still will have the inner warmth and cleanliness which is brought by prayer.

Inevitably would not such a moment of consecration raise us up? Would it not in a measure at least lend authenticity in a moment of travail to our proud claim to being a Christian nation?

We suggest that the President or Congress, or both, set a day and a moment for a national prayer for peace. Perhaps the early evening of May 30 would be a most fitting time. We suggest that in proclaiming such a period of supplication, all mediums of information—newspapers, radio, etc.—be asked to join.

"And pray unto the Lord for it; for in the peace thereof shall ye have peace" (Jeremiah, 29: 7).

EXHIBIT 1

STATEMENT BY THE PRESIDENT, MAY 24, 1951

I want to remind everyone that next Wednesday will be Memorial Day, and that we all have a duty on that day to pray for permanent peace as well as to honor the heroes of past wars.

In the proclamation which I issued on May 23, 1950, subject to a joint resolution of the Congress, I proclaimed each succeeding Memorial Day as a day of prayer for permanent peace and suggested 11 a. m. in the morning, eastern daylight saving time, as an appropriate time for each American according to his own religious faith to beg divine aid in bringing an enduring peace to a troubled world.

I called then and call again upon the press, radio, and television and other media of public information to participate in this objective.

This proclamation was first issued before the Communist aggression which made it necessary for the free nations to turn back the invaders in Korea.

With our men and the men of the other free nations fighting this Memorial Day in Korea, it is more important than ever that we join—every one of us—in praying for the peace which is our objective.

HOME RULE FOR THE DISTRICT OF COLUMBIA

Mr. CASE. Mr. President, in attempting to determine what powers the Commissioners of the District of Columbia have and what powers it would be appropriate to transfer to an elected council for the District of Columbia, I and my assistant, Mr. Albrook, encountered considerable difficulty. I should like to make a brief statement in regard to this matter, and I now ask unanimous consent that I may proceed for 2 minutes on this subject.

The VICE PRESIDENT. Without objection, the Senator from South Dakota is recognized for 2 minutes.

Mr. CASE. Mr. President, Mr. Jesse C. Suter, for many years the civic affairs editor of the Washington Star, and a leading advocate of national representation for the District of Columbia, in his weekly column published yesterday asked whether anyone could enumerate fully the powers of the present government of the District of Columbia. That is a good question. I ran into this difficulty recently in trying to determine what powers would or could be transferred to a local elected council under any of the proposed home-rule bills. In a statement to the press on Saturday, I spoke of this as a problem arising in connection with the writing of intelligent and intelligible home-rule legislation.

Now Mr. Suter has properly asked the question:

Without knowledge of the exact powers the District Government has, how can the District of Columbia Government be intelligently and efficiently reorganized or otherwise improved?

Mr. President, I hope we can soon have before us proposed legislation aimed at meeting this problem in a realistic consideration of the home-rule question. Therefore, at this time, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a portion of the article entitled "Civil Problems, Civic Bodies," by Mr. Suter, and an editorial relating to the same subject, both of which appeared in the Washington Star of May 27, 1951.

There being no objection, the excerpt from the article and the editorial were ordered to be printed in the RECORD, as follows:

CIVIC PROBLEMS, CIVIC BODIES—COMMISSIONERS' POWERS AND FUNCTIONS; NEED FOR UNITED COMMUNITY ACTION

(By Jesse C. Suter)

POWERS AND FUNCTIONS OF DISTRICT COMMISSIONERS

Numerous suggestions have been made in recent years for the transfer to some other governmental agency of the powers and functions of the Board of Commissioners of the District of Columbia. But what are these powers and functions? Who can enumerate them? Some of those queried on the subject will tell you the answer is to be found in the District of Columbia Code of Laws and subsequent legislation.

Of course, the code and subsequent legislation must necessarily carry identification of the powers and functions. However, a long search would be required to discover what we are after and then some pertinent legislation in appropriation bills may be entirely overlooked.

This is a very practical matter and is not at all one for mere academic discussion—real and important issues are involved requiring an exact knowledge and understanding of these powers and functions. For instance, recent past and pending legislation, to be thoroughly understood, requires a definite knowledge of these unidentified powers and functions.

The reasons for bringing this question up for consideration are both rational and timely.

The Auchincloss bill of the last Congress (H. R. 28, 81st Cong., 1st sess.) in section 421 (a) reads, "Except as otherwise provided in this act, all functions granted to or imposed upon the Board of Commissioners of the District are hereby transferred to the District Council," (b) of the same section would abolish the Board of Commissioners.

The pending Kefauver bill (S. 656, 82d Cong., 1st sess.) in section 321 (a) reads: "Except as otherwise provided in this act, all functions granted to or imposed upon the Board of Commissioners of the District are hereby transferred to the District Council." And under (b) the Board of Commissioners is abolished.

The powers and functions granted to a governmental agency should be specific and a knowledge of the extent and limitation should be readily available to the citizens, the judiciary, and the legislators. Without such knowledge, how can the government of the District of Columbia be intelligently and efficiently reorganized or otherwise improved? Advocates of the so-called home rule bills have taken much for granted in specifically supporting the provisions of such proposals. Those individuals and organizations who have endorsed the bills in principle have acted completely in the dark regarding definite provisions and only approved a label which may or may not correctly describe the contents.

Wanted—a complete and accurate list enumerating all of the powers and functions of the Board of Commissioners of the District of Columbia, from whatever source derived.

GET A FINAL RULING

Four judges now have stated their views with respect to the legality of the "lost statutes" forbidding racial discrimination in District restaurants, bars, and so forth. And they are about as far apart as it is possible for judges to be.

The statutes—really regulations—were adopted by the short-lived Legislative As-

sembly of the District in 1872 and 1873. Their obvious purpose was to strike down segregation and other forms of discrimination in such places as restaurants. Several attempts at enforcement failed in 1872, however, and, until last year, there had been no further effort to enforce them. Actually the regulations have not even appeared in the code of laws for 50 years.

Last year several Negroes demanded and were refused service in a restaurant. A test case was taken into court by the District authorities, and Municipal Judge Myers ruled that the regulations had been repealed by implication in subsequent congressional enactments.

The municipal court of appeals now has spoken. Chief Judge Cayton thinks the regulations were valid when adopted and that they are still in force. Associate Judge Clagett thinks that the enactment of 1872 was repealed by the enactment of 1873, but that the latter remains valid and enforceable. Associate Judge Hood thinks both enactments are and were invalid because they amounted to civil rights legislation rising to a higher plane or dignity than mere regulation of restaurants and other places of public entertainment. His point is that the Legislative Assembly had power to adopt mere police regulations, but could not enact anything in the nature of general legislation.

The immediate effect of this ruling is to sustain the legality of the 1873 enactment. It has been announced, however, that the case will be taken to the United States Court of Appeals, and Corporation Counsel West has said that he will not attempt to enforce the regulation until that higher court has acted.

This is the proper attitude. The Star does not believe that Negroes should be denied service in restaurants merely because they are Negroes. But a 78-year-old enactment by a discredited legislative body, an enactment which could not be and was not enforced in the Washington of that day, is a poor instrument for achieving this reform. It should not be used until there has been a final ruling as to its validity.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3842) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

Mr. McFARLAND. Mr. President, I have been asked when there will be a vote on Senate bill 75. In order that Senators may know when the bill will be voted on, I now ask unanimous consent that it be ordered that on the calendar day of Tuesday, June 5, 1951, beginning at the hour of 12 o'clock noon, debate on any motion, including appeals, which may be pending or which may thereafter be proposed to Senate bill 75, authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes, commonly known as the central Arizona project bill, shall be limited to not to exceed 30 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and myself, provided that in the event I am in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Senator from California [Mr. KNOWLAND] or some other Senator designated by him, and that no amendment or motion which is not germane to the subject matter of the said bill shall be received.

I also ask unanimous consent that it be ordered further that debate on the question of the final passage of the bill shall be limited to not to exceed 1 hour, to be equally divided and controlled, respectively, by the junior Senator from Arizona and the senior Senator from California [Mr. KNOWLAND] or some other Senator designated by him.

The Senator from California has raised a question as to whether an amendment he has just submitted, which is in the nature of a substitute, would be germane. I ask that his amendment in the nature of a substitute, which he has just sent to the desk, be excluded from the proposed unanimous-consent agreement, so far as the question of germaneness is concerned—in other words, that it be considered germane.

Mr. KNOWLAND. Mr. President, I should like to say to the Senator from Arizona that my own interpretation of the amendment is that it is germane because it deals with taking the matter to the Supreme Court. However, I wish to be certain that an amendment to strike out all after the enacting clause and provide for judicial determination would be considered germane, as in the nature of a substitute. I thank the Senator for including it. It may be that a substitute along the same line, but in slightly different language, will be proposed; and I would want to be sure that a substitute of that type would be privileged for consideration.

The VICE PRESIDENT. Is there objection to the proposed unanimous-consent agreement?

Mr. McCARRAN. Mr. President, I regret that I was compelled to be out of the Chamber. I should like to know what the unanimous-consent proposal is.

Mr. McFARLAND. It is that beginning a week from Tuesday, on June 5, there be a limitation on debate to 30 minutes on amendments and 1 hour on the bill, to be divided equally between the two sides.

Mr. McCARRAN. That is proposed for 1 week from Tuesday?

Mr. McFARLAND. Yes; 1 week from Tuesday, tomorrow.

Mr. McCARRAN. Will consideration of the bill require that much time?

Mr. McFARLAND. I do not think it will take that long. If it does not, we have other matters which can be considered in the meantime, and should be considered promptly.

Incidentally, I understand that the Appropriations Committee will report two appropriation bills this week, and both should be disposed of promptly. That is one reason why the limitation is proposed for next week, rather than this week—so as not to interfere with prompt consideration of appropriation bills.

Mr. WHERRY. Mr. President, I understood the Senator from Arizona to request, first, that the limitation be upon any motion or amendment. He also means to have the limitation apply to any debate; does he not?

Mr. McFARLAND. That is correct.

Mr. WHERRY. I am in favor of the proposed limitation.

I should like to ask the distinguished majority leader this question: If the proposed agreement is adopted, will it alter in any way the plans the Senator has for the sessions of the Senate this week? As I understand, announcement has already been made that on Wednesday the Senate will not be in session. I wonder whether the proposed agreement will have any effect on the schedule for the days either preceding or following Wednesday.

Mr. McFARLAND. No; the proposed agreement, if entered into, will not have any effect on the schedule for the remainder of this week, because we had anticipated that appropriation bills might be considered this week, anyway.

Mr. WHERRY. So if appropriation bills are ready and if it is desired to bring them before the Senate for consideration, that might be done on Thursday or Friday of this week, after the holiday on Wednesday, or it might even be handled before then, in the event the bills are ready for presentation to the Senate. Is that correct?

Mr. McFARLAND. There is one other bill which is deemed important by the Committee on Labor and Public Welfare, which, if the Senator from Utah [Mr. WATKINS] is willing, the Senate could consider; but I should not want to take it up unless it is agreeable to him.

Mr. WHERRY. I thank the distinguished majority leader. Inasmuch as Senators are now making their Memorial Day plans, I think the RECORD should plainly show that it is the intention of the majority leader that there be no session of the Senate on Wednesday, but that there be a session of the Senate today and tomorrow, and also on Thursday and Friday, at which time it is intended to take up the Labor and Federal Security appropriation bill (H. R. 3709) or the independent offices appropriation bill (H. R. 3880), and possibly Calendar 227, the bill (S. 630) to suspend until December 31, 1952, the application of certain Federal laws with respect to an attorney employed by the Senate Committee on Labor and Public Welfare.

The VICE PRESIDENT. Is there objection to the agreement for which unanimous consent is requested? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, as later reduced to writing, is as follows:

Ordered, That on the calendar day of Tuesday, June 5, 1951, beginning at the hour of 12 noon, debate on any amendment or motion (including appeals) that may be pending or that may be proposed to the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with

certain appurtenant dams and canals, and for other purposes, shall be limited to not exceeding 30 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and Mr. MCFARLAND: *Provided*, (1) That in the event any such amendment or motion is favored by Mr. MCFARLAND, the time in opposition thereto shall be controlled by Mr. KNOWLAND or some Senator designated by him; and (2) that no amendment or motion that is not germane to the subject matter of said bill shall be received.

Ordered further, That debate on the question of final passage of the said bill shall be limited to not exceeding 1 hour, to be equally divided and controlled, respectively, by Mr. MCFARLAND and Mr. KNOWLAND or some Senator designated by him.

Mr. WELKER. Mr. President, will the Senator from Arizona yield?

Mr. McFARLAND. I yield to the Senator from Idaho for a question.

Mr. WELKER. Does the Senator prefer not to be interrupted in the course of his remarks?

Mr. McFARLAND. It does not matter. I should prefer to finish my prepared statement first, but I shall be glad to yield to the Senator.

Mr. WELKER. I shall wait. Questions which will be asked by Senators will no doubt go into the matter rather deeply.

Mr. McFARLAND. Mr. President, as I shall point out later in more detail, the bill now before the Senate, S. 75, is practically the same as S. 75 of the Eighty-first Congress, which the Senate passed by a vote of 55 to 28. It authorizes the construction of a multipurpose project known as the Bridge Canyon project, which includes a dam and other works on the Colorado River in northwestern Arizona, works in central Arizona, and a dam and works in New Mexico. The primary purposes are to provide urgently needed irrigation water for more than 725,000 acres in Arizona and New Mexico; and to furnish an installed capacity of approximately 770,100 kilowatts of power needed for domestic, commercial, and pumping purposes.

Mr. President, at the very outset, and before discussing this bill in detail, I want the Senate to understand one thing clearly and definitely.

My colleague, the senior Senator from Arizona [Mr. HAYDEN] and I will offer an amendment which will provide that during the existence of the present national emergency, no construction may be undertaken, no contracts for construction may be entered into; and no appropriation may be made for construction.

We desire to make that plain now because we do not want anyone to think for one moment that we would propose or expect to use money, materials, or manpower needed for the national defense. We hope that this amendment will effectively dispose of any arguments that the construction of this project will interefere in any way with national defense.

On the other hand, although not a dime could be spent on this project during the national emergency, it is necessary that the bill be passed now so that a justiciable legal issue may be established. Thus, the long-existing legal dispute between the States of Arizona and California over their respective water rights to Colorado River water could get into the Supreme Court and be finally adjudicated. While, as I shall point out later, I have no doubt that those rights have been definitely and equitably settled in the past by the California Self-Limitation Act, it remains unfortunately true that the continual challenge to our legal right to use Colorado River water is seriously hindering the entire economic development of the State of Arizona, and, I may say, of the entire lower basin.

Mr. President, I should like to emphasize once again that passage of this bill now is necessary, not alone to bring about a legal settlement of the issues, but for an even larger and more basic reason. Passage now will permit planning for the future—intelligent planning for the improvement of the domestic economy of the United States.

Simply because we are today exerting all our efforts to strengthen ourselves militarily does not mean that we should forget about tomorrow and our domestic economy. It is very essential that we know what we are going to do when the emergency is over.

It has been our foresight in developing our natural resources which has made our country great and strong. Had it not been for the plans made by our predecessors, we would not be in the favored position among nations we are today.

Mr. President, I desire to turn now to an explanation of the bill and an analysis of the need for this project.

The project recommended by this bill, which has been approved by the Department of the Interior, has been exhaustively studied by the committee during 15 days of testimony in the Eightieth Congress on a predecessor and a related bill—S. 1175 and Senate Joint Resolution 145—and 20 additional days in the Eighty-first Congress. In all more than a hundred witnesses were heard and the printed records comprise several thousand pages of testimony, tables, charts, and diagrams.

Those hearings prove beyond question that the project authorized by the bill is not only one of the most important reclamation programs in the entire United States but that the economy of much of the State of Arizona is largely dependent upon its completion. Thousands of farmers live on the 725,000 acres in Arizona which would receive irrigation water from the project. Additional thousands of families, merchants, suppliers, bankers, and workers on these farms are directly dependent for their very existence on the continued production of these areas. The area will revert to desert if additional water is not soon made available.

It was established clearly during the hearings that not only is there at present a serious shortage of electrical power in the entire lower basin area, which includes the States of Utah, New Mexico, Arizona, Nevada, and California, but that the demand for electrical energy will continue to grow far beyond present means of supply. It is clear that the industrial economy of these five States will be severely impaired and retarded if additional hydroelectric energy is not quickly developed.

There exists a dispute between two States, Arizona and California, as to the right to use Colorado River water. While it is clear that both States have rights to the use of the water, witnesses representing Nevada and California questioned the right of Arizona to use Colorado River water for the project here recommended.

The committee report shows that the committee is firmly of the opinion that, regardless of the contesting claims of the States which have rights to Colorado River water, the project here recommended should be authorized and that the bill, Senate bill 75, should be passed.

The bill contains the provisions known as the O'Mahoney-Millikin amendment, which was adopted by the committee in reporting Senate bill 75 in the Eighty-first Congress. This provision preserves the rights of the contesting parties by permitting a suit to be brought within 6 months from the date of enactment of this bill, which suit would judicially determine the rights of the parties. The amendment provides that the Government of the United States may be made a party to such suit. Moreover, the amendment fully protects the rights of the States involved by prohibiting construction of works required solely for diverting, transporting, and delivering water from the main stream of the Colorado River for use in Arizona during the 6-month period and during the pendency of the suit.

Specifically, Senate bill 75 authorizes works and facilities for the delivery of Colorado River water to the area embraced in the central Arizona project and to generate hydroelectric energy, the principal features of which are as follows:

(a) A dam and incidental works, including a generating plant, at Bridge Canyon on the Colorado River above Lake Mead in northwestern Arizona. The dam would be 673 feet high above the bed of the Colorado River at an elevation of not more than 1,877 feet above sea level.

(b) A related system of main conduits and canals for the transportation of water to the project area, including a main canal from Lake Havasu above Parker Dam to the Salt River above Granite Reef Dam, and incidental pumping plants required to raise water from the lake to flow by gravity; a canal from the Salt River to the Gila River above the town of Florence, Ariz.; thence a canal to Pichacho Reservoir; and thence a canal to the flood plains of the Santa Cruz River.

(c) A dam at the Hooker site in New Mexico, and such other dams, canals, and other works as may be necessary for the transportation of water and the effectuation of exchanges of water between the users in the lower regions of the Salt and Gila Rivers and the users on the higher elevations of such rivers which cannot be reached by a gravity flow of the Colorado River. These exchanges would permit the supply of Colorado River water to lower lands now receiving water from the Salt and Gila Rivers and their respective tributaries, thereby releasing the demands

upon such latter water in the lower areas and making the released water available for use on the higher lands.

(d) Complete plants, transmission lines, and incidental structures suitable for the fullest economic development and delivery of electric energy generated from water at the works to be constructed under the bill, both for use in the operation of the project and for sale in accordance with Federal reclamation law.

The provision for construction of the tunnel originally included in the bill passed by the Senate in the Eighty-first Congress, has been eliminated in accordance with action taken by the Irrigation and Reclamation Subcommittee of the Public Lands Committee in the House. This elimination does not alter the basic authorization for the project, since the original bill provided for pumping plants and also required additional authorization action by Congress before the tunnel could be constructed. However, elimination of the tunnel authorization is the answer to California's arguments of extravagant costs of the project. The project report submitted by the Interior Department was based on the construction of the project without the tunnel. Hence the bill now conforms to the report in this respect.

So much, Mr. President, for the works and facilities which would be authorized. What purposes would be accomplished by these facilities? Briefly summarized, they may be stated thus:

(a) To supply supplemental water for the central Arizona project and for lands now being irrigated from the Gila River in New Mexico. In describing this phase of the project, the regional director of the third region of the Bureau of Reclamation, in his report to the Bureau, page 118, House Document No. 136, Eighty-first Congress, first session, central Arizona project, said:

> It has been shown previously that the central Arizona project is essentially a "rescue" project designed to eliminate the threat of a serious disruption of the area's economy.

(b) To provide a great new source of hydroelectric power to supply the rapidly expanding economy of the area and the tremendously increasing demand for electric energy. The Bureau of Reclamation, page 161, House Document No. 136, states that the most conservative forecast indicates that present total energy requirements would be doubled by about 1960. The Federal Power Commission, in a survey made by it based on data available through 1946, declares that energy requirements would be doubled by 1959.

(c) To furnish other substantial benefits such as flood and erosion control, advantageous exchanges and conservation of water, augmented supplies of water for municipal purposes, fish and wildlife conservation, and recreation.

Approximately 99 percent of the cost of this project is reimbursable. Only a small portion, approximately 1 percent of the cost, is charged to over-all public benefits for flood control and fish and wildlife conservation and therefore not reimbursable. The committee points out that as to such reimbursable costs, the project will be a self-supporting and financially solvent undertaking. A related feature lies in the circumstance that part of the power generated at the Bridge Canyon plant will operate the pumps required to lift the water from Lake Havasu; and the remainder of that power, about two-thirds of the total output, will be available for commercial sale.

The central Arizona project, as I previously stated, embraces some 725,000 acres of which approximately 445,000 acres are in Maricopa County, 200,000 acres are in Pinal County, and 40,000 acres are in Graham and Greenlee Counties. The report of the Bureau of Reclamation was thorough and complete as to the need for a supplemental supply of water for these lands. This report was fully corroborated to the satisfaction of the committee by testimony during the hearings on Senate bill 75 in the Eighty-first Congress and its predecessor, Senate bill 1175, in the Eightieth Congress. The evidence in those hearings shows clearly that most of the farmers on these lands have similar water rights which precludes solving the problem by merely eliminating part of the land from cultivation. There is no such simple solution; the plain fact is that the economy of the entire 725,000 acres is directly affected.

Mr. President, it would be useful and illuminating here to cite examples of the need at this very moment for additional water in the State of Arizona.

The Salt River Valley Water Users Association project, comprising 242,000 acres in Maricopa County, is the largest and oldest project in Arizona and has had the most adequate water supply. That supply consists of waters stored in the Roosevelt Dam and three other dams on the Salt River and two dams on the Verde River with a total capacity of approximately 2,000,000 acre-feet and a supplemental water supply secured by pumping from underground water. Storage capacity is sufficient; yet water supply has been adequate in only 2 of the past 25 years. It has fallen as low (in 1947) as 2 acre-feet per acre and this year (1951) to less than 1 acre-foot per acre. But the Bureau of Reclamation estimates that the minimum per acre requirement to produce crops under proper irrigation practices is 4 acre-feet at the farmer's headgate.

The second example of severe deficiency of water is afforded by the San Carlos irrigation and drainage district, which comprises 100,000 acres of land irrigated in part by pumped water and in part by water flowing by gravity from the Coolidge Reservoir on the Gila River. The San Carlos district is the second largest of the subdivisions of the central Arizona project, and half of the district lands is owned by the Pima Indians who with their forebears are the pioneer irrigators of Arizona. In 1947 there was only one-fourth enough water.

Throughout 1951 there has not been and there is not now, any stored water in the reservoir for this project. That reservoir has been bone dry this year. Thus, the farmers must rely only on such water as can be pumped, which is less than one-half acre-foot per acre. This means not more than one-eighth of the project land can be irrigated this year.

Stated in another way, this means that every farmer who owns 160 acres will be able to farm only 20 acres of his land; every small farmer who owns 40 acres and depends upon that for his family's livelihood, will be limited to irrigating 5 acres. And in our State we can farm only what we can irrigate. No water—no crops.

Other Arizona lands have a similar or even less adequate supply of water. Supplemental water not only will rescue these lands, but will afford a solution to one of Arizona's problems involving its Indian residents.

However, in the Senate committee's opinion, benefits to be received from the development of the project cannot be measured merely by the number of acres which would be saved from going back to desert if the project is authorized. The testimony showed that the economy of the whole State depends largely upon irrigation. It was testified by witnesses that from 150,000 to 250,000 people would have to seek new homes if the economy of the State is not saved by this project. Banking institutions, stores, and other businesses now both serving and depending upon these people would be seriously affected by these lands going out of productivity, which would result in the loss of homes and work for this large number of people.

Mr. President, the objectives of Senate bill 75 are best understood if considered against the background of the long and toilsome battle Arizonians have waged to reclaim desert land and to convert it through the magic of irrigation to productive abundance. To preserve and maintain the rewards of this monumental struggle, we are now in mortal necessity of a supply of water with which to supplement such inadequate stores as nature and terrain have made available. The plain fact is that existing stores of water are depleted to an extremely critical point.

We in Arizona have a high appreciation of the value of water and its proper and conservation use. Probably no State in the Union has produced more with less. Our available water supply is pitifully inadequate. As I have stated, there are approximately 725,00 acres of irrigated land in central Arizona, practically all of which would receive supplemental water from this project. In addition, Arizona has irrigated from the Colorado River approximately 60,000 acres of the original Yuma project lands, and certain other areas which would not be benefited by this bill.

As pointed out in the report of the Bureau of Reclamation the central Arizona project is "essentially a 'rescue' project designed to eliminate the threat of a serious disruption of the area's economy."

The existing agricultural development in Arizona has made it a rich agricultural empire, founded upon irrigation, playing a considerable part in the economy of the Southwest. The remains of

irrigation facilities found by early settlers are evidence of an extensive prehistoric agricultural development, which was abandoned because of water shortage. Our present irrigation work started in Arizona as far back as the 1860's.

When I served on the superior court bench in Arizona I tried water cases which involved, directly, or indirectly, practically all the water rights of the State. I heard witnesses tell the story of the pioneers coming to Arizona. They did not come equipped with modern machinery such as is available today, but employed horsepower; and with little more than their bare hands they pioneered the irrigation of the fertile valleys which are now cultivated. It is the results of the work and toil of those pioneers of the State which we are trying to save through the pending legislation. Mr. President, there is no question that Arizona needs a great quantity of water to maintain her economy. Witnesses representing California acknowledged the existence of Arizona's need but merely questioned the extent of water necessary to meet such need.

In the report of the regional director appears the following language—page 114, House Document No. 136:

> In spite of the developments now available, there is an acute water shortage in the project area. The 1940–44 average annual surface water supply was 1,676,660 acre-feet. This figure includes some reuse of surface water. To supplement the surface water supply an average of 1,163,000 acre-feet annually was pumped from the groundwater basin during the same period. This pumpage is estimated to be about 468,000 acre-feet in excess of the safe annual yield of the underlying ground-water basins. Obviously continued pumping at the present rate will lower the water table to such a point that many of the wells will become dry. The wells on the edge of the water basin could not be rehabilitated by deepening because the perimeter of the water-bearing strata will be constructed as this process continues.

The Senate Committee on Interior and Insular Affairs declared flatly that if this project is not authorized the farmers of the area will continue to lower their water level by overpumping. There will not be available sufficient water to keep the salt washed out of their soil and the whole 725,000 acres will gradually become submarginal. This will continue until the whole economy of the area is affected.

Mr. President, in general, we in Arizona regard our principal irrigation systems as falling within two areas traversed by the Gila and Salt Rivers and their respective tributaries. For the record I should like to explain this in some detail.

Our present sources of water supply for central Arizona consist of gravity water from the Salt and Gila Rivers and their tributaries, and water pumped from underground. The first major dam for the storage of water to be built in Arizona was the Roosevelt Dam, on the Salt River, which dam has a storage capacity of approximately 1,637,000 acre-feet of water. Its construction was begun in 1903 and was completed about 1910 or early in 1911. Since that time, there have been constructed three other storage dams on the Salt River and two storage dams on the Verde River, a tributary of the Salt River. The resultant total capacity of all reservoirs for the Salt River is somewhat in excess of 2,000,000 acre-feet of water. Within the borders of the Salt River Valley Water Users' Association project there are 242,000 acres of irrigated lands. Adjoining this project there are several smaller ones. Some of these lands are irrigated entirely by gravity water, some by pumped water, and some both by gravity and pumped water. The total irrigated area of these smaller projects, some of which are below the confluence of the Salt and Gila Rivers, is about 200,000 acres.

On the Gila River, we have the San Carlos project which comprises about 100,000 acres, half of which are Pima Indian Reservation lands. It is irrigated in part by pumped water and in part by water impounded at the Coolidge Dam, which has a storage capacity of 1,200,000 acre-feet of water. There are also in Pinal County, adjoining the San Carlos project, more than 100,000 acres of land irrigated entirely by means of pumped water.

Further upstream on the Gila River, there is the Upper Gila project, in Graham and Greenlee Counties, comprising some 40,000 acres, which are dependent entirely upon the normal flow of the river and upon pumped water.

It is essential to bear in mind that although the capacity for the storage of water is commensurate to the need thereof, the supply of water required for these areas is woefully inadequate.

The need for additional water for this area arises from an overdevelopment, which has resulted from two causes:

First. In the early days of the Bureau of Reclamation, it was estimated that the annual per acre requirement at the farms was 3 acre-feet, and the water supply was estimated accordingly. This was based upon general farming practices at that time. The chief crops were grain and alfalfa. Grain requires a relatively small amount of water. But with the development of irrigation, it was found to be more profitable, because of highly fertile soils and the long growing seasons permitted by favorable climatic conditions, to grow specialized crops out of season to most of the Nation at times when they are otherwise not available. However, this type of farming requires a high duty of water, and it is now found that 4 acre-feet of water per acre at the farm is required to maintain such production.

Second. Pumping first started principally because some of the lands were waterlogged; but with the increased efficiency of pumping and lower power costs, pumping increased because it was very profitable for irrigation. The net result is that pumping has been overdeveloped, and the underground water supply is being exhausted. This overpumping from the basins underlying the central Arizona project area was estimated by the Bureau of Reclamation to be 468,000 acre-feet a year from the period 1940 to 1944, inclusive.

Even with the water developed from overpumping—and Mr. President, I wish to say that we are merely borrowing from the future when we overpump—much of the land, in some seasons, has been out of cultivation. The Bureau of Reclamation estimates that between 1940 and 1944 an average of 115,790 acres was out of cultivation due to water shortage. I wish to point out that it was in the winter of 1941 that our dams were filled; and that time included a wet period. The number of acres irrigated each year depends upon the water supply. The farmer must make this determination from the amount of water in storage in the reservoirs at the beginning of the season, and, where supplemental pumped water is used, the amount he can reasonably expect to pump during the season.

Mr. President, I should like to invite the attention of the Senate to the fact that the surface-water supply, which is estimated by the Bureau at 1,676,600 acre-feet per annum, includes reuse water and, according to the report, this amount is comparable to the average over longer periods of time. For example, generally all the water in the river is diverted at Granite Reef for irrigation of Salt River Valley Water Users' Association lands. There is a return flow to the river, all of which is rediverted for the Buckeye project lower down the river, and the water which returns to the river from irrigation in the Buckeye project, and the return flow from the Arlington project is rediverted at Gillespie Dam for irrigation below that dam.

The Bureau of Reclamation in its report on the central Arizona project, page 4, estimates that in order to obtain the needed water for the project it will be necessary to divert 1,200,000 acre-feet of Colorado River water, which will deplete the main-stream flow 1,077,000 acre-feet.

The balance will be returned to the river. This, together with a small development from other dams, would make up the supplemental water supply for the central Arizona project. This new water made available for diversion at the head gates of the irrigation districts each year would be sufficient to, first, replace the overdraft on the groundwater basins; second, permit the drainage of excess salts out of the areas and maintain a salt balance; third, provide supplemental water supply for practically all the 725,000 acres which do not have an adequate supply; and, fourth, increase the water supply for the city of Tucson.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the tables and reports of the Bureau of Reclamation with respect to the present water supply and the supply which is needed.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Table 5, found on page R–31 of the Bureau of Reclamation Report, shows the new surface water needed at the district head gates to be 1,082,000 acre-feet, which needs are set forth in the following table:

Water needed—Ultimate development

	Acre-feet a year
New surface water at district head gates	1,082,000
Pumpage in excess of safe annual yield	468,000
Increase in safe annual yield of ground water due to Colorado River water diverted to area	400,000
Net reduction in pumping	68,000
Outflow to maintain salt balance	376,000
Net reduction in pumping available for irrigation	444,000
Reduction in water at farm head gate, assuming a 15-percent loss for pumped water	377,000
Surface diversions required to replace 377,000 acre-feet a year, assuming losses of 30 percent for diverted water	539,000
Supplemental water required for lands now irrigated	113,000
Water required for municipal supply	12,000
Subtotal	664,000
Water available for lands formerly irrigated but now idle for lack of water	418,000

The new surface water to be developed to meet these needs is set forth in table 4, p. R–28, of the Bureau of Reclamation Report, as follows:

New surface water developed by Central Arizona project—Ultimate development

	Acre-feet a year
New water available:	
Diverted from Colorado River	1,200,000
Developed by Horseshoe Dam enlargement	42,000
Developed by Buttes Reservoir	64,000
Developed by upper Gila River developments	19,000
Channel losses conserved by Charleston Reservoir	7,000
Gross new surface water	1,332,000
Losses, Granite Reef aqueduct	200,000
Losses, Salt-Gila aqueduct	50,000
Total aqueduct losses	250,000
New surface water at district head gates	1,082,000

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. CHAVEZ. I should like to ask the Senator from Arizona a question. Do the tables which he has inserted in the RECORD include the subterranean water supply or only the water which comes down some river?

Mr. McFARLAND. The tables which I have just inserted in the RECORD show the amount of new surface water which would be developed and indicate pumpage in excess of safe annual yield.

Mr. CHAVEZ. Surface water?

Mr. McFARLAND. Yes; surface water to be developed.

Mr. President, the need for the additional water for irrigation in Arizona cannot be overemphasized; and the only remaining source is the main stream of the Colorado River; all other sources have been exhausted. As has been shown by the Bureau of Reclamation tables, Arizona is overpumping her present underground water supply to the extent that if she does not get relief it will mean disaster. The underground water supply is dropping lower each year, and with the use and reuse of this water its salinity has become greater—to the extent that in a matter of time much of it will not be usable.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. CHAVEZ. I do not like to interrupt the Senator if he does not care to be interrupted.

Mr. McFARLAND. I am glad to be interrupted.

Mr. CHAVEZ. About 12 months ago the upper-basin States—Wyoming, Colorado, New Mexico, and Utah—held a conference with reference to the distribution or allocation of waters under the Boulder Dam compact. As I understand, the bill which the Senator is now sponsoring does not propose in any way to interfere with the rights which have heretofore accrued under the Boulder Dam compact, or the understandings among the upper-basin States.

Mr. McFARLAND. It would not in any way affect the compact between the upper-basin States to which the Senator has just referred.

Mr. CHAVEZ. Colorado is allocated a certain amount, Wyoming a certain amount, Utah a certain amount, and New Mexico a certain amount. Is it true that the proposed legislation would not in any way interfere with those rights?

Mr. McFARLAND. The distinguished Senator from New Mexico is correct. However, I may say to him that while under our interpretation of the Colorado River compact and the Boulder Canyon Project Act, they could not be affected in any way. If one accepts some of the interpretations by California interests as to some of the meanings of the pact, they would be affected. I shall discuss that question a little later.

I should like to point out the fact that this is not a simple proposition of taking a part of the land out of cultivation. That cannot be done; and without this supplemental water, the farmers would continue to farm their lands with an inadequate water supply.

I digress at this point; I show why it cannot be done. As I previously stated, these lands have a similar water right. During years when water is in the dam, the farmers cannot be prevented from irrigating all of their land, which exhausts the supply for the coming year. There is a tendency to try to irrigate too much land with the amount of water available. The result is that the proper yield is not obtained from the lands, and salinity increases. In turn that makes the land worthless.

The water they would have available would be of high salt content, and under these conditions they could not produce anywhere near the maximum amount of crops their land is capable of producing. So, practically all the farmers of the State would in time become bankrupt and those dependent upon them would be unable to pay their portion of the bonded indebtedness for the schools and other improvements built upon the present economy.

It would mean that thousands of people would lose their homes, and this would affect the bankers and businessmen and break down the whole economy of the State of Arizona. But that is not all. It would mean that all these people, farmers and businessmen, would lose their buying power. They could not continue to purchase manufactured articles and supplies from other sections of the United States; and perhaps most significant of all, it would mean that the present sum of bank dollars paid annually in income taxes to the United States Government would dwindle to practically nothing. The mines and other industries of the State would be saddled with all the bonded indebtedness of the State and its subdivisions, and the added burden of all the costs of State government including the support of the schools. Thus, the whole economy of Arizona would be seriously affected. It has been estimated, as I have previously stated, that a quarter of a million people would actually have to leave the State. Those people would be displaced persons. Where would they go, under ordinary circumstances?

There can be no question that Arizona needs this water to maintain her economy. Witnesses representing California interests acknowledge the existence of Arizona's needs, but question the extent of water necessary to meet such needs.

Now, Mr. President, let us turn to the question of the water supply. When speaking of the availability of water, one must remember that there is the separate item of the physical quantities which may be available, and the distinct but related item of legal entitlement to the use of water.

I say with positive assurance that there is adequate water in the Colorado River fully to supply the central Arizona project, and that Arizona is clearly entitled, as a matter of right and justice, to the exclusive use of that water. Moreover, such use will not interfere with or burden any other right of use existing in law.

The long-term—1897–1943—average annual flow of the Colorado River under virgin conditions at Lee Ferry was 16,270,000 acre-feet; at the international boundary it was 17,720,000 acre-feet.

The feasibility of any project naturally depends on the availability of water for

the project. In this case, the question of availability of water involves mixed considerations of law and fact. The computation of the Bureau of Reclamation (p. 151, H. Doc. 136) plainly shows the presence in the river of a sufficient quantity of water to supply the central Arizona project.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. KNOWLAND. I do not like to interrupt the Senator from Arizona. He will agree, however, will he not, that this is a matter which is in dispute, and that the States of Nevada and California do not agree with the interpretation of the State of Arizona? I think the RECORD should be clear, that while the Senator, of course, has every right to make the statement which he is making, because it represents the point of view he is presenting, nevertheless that question is in dispute as between the lower basin States.

Mr. McFARLAND. I will say to my distinguished friend from California that, while we recognize that California disputes our rights to the water, for reasons which I shall cite in a few moments, we believe their claims to be unfounded.

Mr. President, I ask unanimous consent that the computation of the Bureau of Reclamation to which I referred be printed in the RECORD at this point as a part of my remarks.

There being no objection, the computation was ordered to be printed in the RECORD, as follows:

	Acre-feet a year
Division between upper and lower basins and Mexico:	
Virgin flow of Colorado River at international boundary	17,720,000
Apportioned to the upper basin by art. III (a) of Colorado River compact	7,500,000
Apportioned to lower basin by art. III (a) and (b) of Colorado River compact	8,500,000
Allocated to Mexico by terms of Mexican treaty	1,500,000
Subtotal	17,500,000
Total surplus to be allocated under the terms of art. III (f) of Colorado River compact	220,000
Water available to Arizona:	
Apportioned to lower basin under art. III (a) and (b)	8,500,000
Apportioned water for California under Limitations Act	4,400,000
Nevada contract	300,000
Lower basin uses by New Mexico and Utah	130,000
Subtotal	4,830,000
Remainder	3,670,000
To be allocated to Arizona under act. III (f) of the compact	55,000
Available to Arizona	3,725,000

	Acre-feet a year
Disposition of water available to Arizona (present irrigation depletions):	
Little Colorado River Basin	59,000
Virgin River and Kanab Creek Basins	5,000
Williams River Basin	3,000
Gila River Basin	1,135,000
Colorado River Indian Reservation	15,000
Gila project	34,000
Yuma project	157,000
Subtotal	1,408,000
Losses from reservoirs on or benefiting main-stream developments of Colorado River present and future; estimated total losses 900,000 acre-feet a year, Arizona charged with proportion based on ultimate use of main-stream Colorado River water	313,000
Increased depletion by potential projects:	
Snowflake project	10,000
Hurricane project	12,000
Hassayampa project	20,000
Colorado River Indian Reservation	285,000
Gila project	566,000
Central Arizona project	1,077,000
Unassigned water	34,000
Subtotal	2,004,000
Total, all uses	3,725,000

Mr. McFARLAND. Mr. President, these figures cannot be successfully challenged or disputed. The testimony clearly established the fact that this quantity of water is now flowing in the river wasted and unused. Arizona would only be using her just share of the eight to ten million acre-feet now annually flowing and wasting into the ocean.

We now come to the question of Arizona's legal right to use this water. This phase of the case may be much more readily presented and grasped by a review of matters leading to our present situation.

I come now to the subject with reference to which the Senator from California asked me a question a few moments ago.

In the year 1922, the States of the geographical area described in the testimony as the Colorado River Basin, were striving among themselves to arrive at an agreement leading to the beneficial use of the waters of the Colorado River for irrigation and the generation of electric power. The delegates from these States proposed the now renowned Colorado River compact. A controversy arose over the inclusion of the waters of the Gila River within the Colorado River system and hence with those to be apportioned by the compact, a move unalterably resisted by the Arizona delegation because the waters of the Gila had long been put to beneficial use by the citizens of our State, and because the waters of the Gila enter the Colorado at a point so southerly as to prevent the enjoyment thereof by any of the basin States other than Arizona.

In fine, Mr. President, the Gila was no part of the Colorado waters which were the proper subject of apportionment. The Arizona delegates were agreeable, however, to the provisions of article III (a) of the compact, which proposed the annual apportionment to the upper basin, and a like apportionment to the lower basin, of 7,500,000 acre-feet of water from the Colorado River if the waters of the Gila were reserved for Arizona. As a consequence, and in order to compensate Arizona for the inclusion of the Gila waters in the Colorado River system, the delegates agreed upon article III (b) of the compact which reads as follows:

(b) In addition to the apportionment in paragraph (a), the lower basin is hereby given the right to increase its beneficial consumptive use of such waters by 1,000,000 acre-feet per annum.

This quantity of 1,000,000 acre-feet per annum corresponds to the then estimated annual flow of the Gila River at its mouth where it empties into the Colorado.

That this 1,000,000 acre-feet of water provided for in article III (b) of the Colorado River compact was intended by the framers of the compact for the use of Arizona to compensate her for the inclusion of the Gila waters in the Colorado River system is established by the testimony of witnesses who testified at the hearings, such as Ralph Meeker, who was engineer adviser for the State of Colorado, and who was present at the compact sessions and of his own personal knowledge is familiar with the background of the compact. At the hearings he quoted from statements made by Frank C. Emerson, commissioner for the State of Wyoming, and from a citation by Reuel Leslie Olson showing that this was understood by L. Ward Bannister, special representative for Colorado at the negotiations. A letter to W. S. Norviel, from the Honorable Herbert Hoover, then Secretary of Commerce, who represented the Federal Government and presided at the compact sessions, which was placed in the record of the hearings; statements of Thomas E. Campbell, former governor of Arizona; W. S. Norviel, Arizona's commissioner at the compact sessions, and C. C. Lewis, another of the Arizona members at such sessions, which were placed in the record during the hearings on S. 1175 and S. 75, disclosed the same understanding. Many other witnesses corroborated this view in their testimony. The 1,000,000 acre-feet of water is the estimated amount of water by which the use of the water of the Gila River depleted the main stream flow of the Colorado River.

When Arizona's delegate signed the compact in November 1922, he did so with the clear understanding and agreement that the States of Arizona, California, and Nevada would enter a tri-State agreement which, among other things, would apportion to Arizona the exclusive beneficial use of all water of the Gila River, the equivalent of the 1,000,000 acre-feet of water apportioned in article III (b) of the compact—see pages 222, 225–226, 228–229, hearings on S. 1175. Thereafter, California would

not agree to a just division of the water of the Colorado River which had been apportioned to the lower basin; so the people of Arizona would not ratify the compact at that time.

The Colorado's uncontrolled flow proved increasingly harmful as well as wasteful of potential benefit. California's anxiety to avoid floods along neighboring California lowlands and to procure water and electric energy for her coastal communities made her especially anxious to harness and utilize the Colorado. Further interstate negotiations having proved unavailing, congressional action for the construction of Boulder Dam was inaugurated.

I shall not take the time of the Senate to reiterate the long history of this fight which led to the adoption of the Colorado River compact and the passage of the Boulder-Canyon Project Act, 45 Statutes 1057, Public Law 642, Seventieth Congress, on December 21, 1928. I think that the act itself is plain in its terms, and that, coupled with the California self-limitation statute, it clearly establishes Arizona's right to use of this water.

I should like to call attention to the fact that the act by its own terms—section 4 (a) was to become effective upon either of two conditions. The first of these was ratification of the Colorado River compact within 6 months by all seven of the States affected. The second was ratification of the compact by six of the interested States, including California, and the irrevocable and unconditional enactment by the legislature of the latter State of a statute in conformance with the Boulder Canyon Project Act. I now quote the exact language of section 4 (a) of that act:

shall agree irrevocably and conditionally with the United States and for the benefit of the States of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming, as an express covenant and in consideration of the passage of this act that the aggregate annual consumptive use (diversions less returns to the river) of water of and from the Colorado River for use in the State of California, including all uses under contracts made under the provisions of this act and all water necessary for the supply of any rights which may now exist, shall not exceed 4,400,000 acre-feet of the waters apportioned to the lower basin States by paragraph (a) of article III of the Colorado River compact, plus not more than one-half of any excess or surplus waters unapportioned by said compact, such uses always to be subject to the terms of said compact.

California promptly enacted a statute—act 1492, California Statutes, 1929, page 38—sometimes spoken of as the Self-Limitation Act, the pertinent part of which is verbatim the language just quoted from the Boulder Canyon Project Act. In view of the extremely liberal quantity of water specified as a maximum, and in view of her need for flood control, water, and electrical energy, California's willingness to adopt her Self-Limitation Act is quite understandable.

Section 4 (a) of the Boulder Canyon Project Act also unequivocally voiced the permanent intention of the Congress to define and limit California's maximum rights and California irrevocably and unconditionally agreed to that limitation.

Having limited California to 4,400,000 acre-feet per annum of the 7,500,000 acre-feet apportioned by article III (a) of the Colorado River compact, as I have already shown, and having further limited California to half of any excess or surplus waters unapportioned by that compact, Congress further provided:

The States of Arizona, California, and Nevada are authorized to enter into an agreement which shall provide (1) that of the 7,500,000 acre-feet annually apportioned to the lower basin by paragraph (a) of article III of the Colorado River compact, there shall be apportioned to the State of Nevada 300,000 acre-feet and to the State of Arizona 2,800,000 acre-feet for exclusive beneficial consumptive use in perpetuity, and (2) that the State of Arizona may annually use one-half of the excess or surplus waters unapportioned by the Colorado River compact, and (3) that the State of Arizona shall have the exclusive beneficial consumptive use of the Gila River and its tributaries within the boundaries of said State, and (4) that the waters of the Gila River and its tributaries, except return flow after the same enters the Colorado River, shall never be subject to any diminution whatever by any allowance of water which may be made by treaty or otherwise to the United States of Mexico.

Mr. President, the foregoing factors plainly define the congressional purpose. I wish to point out that this provision is an interpretation of the Self-Limitation Act which California enacted before the Boulder Canyon Project Act became effective. It was an interpretation that the specified amount of water was to be left available for the other States; otherwise Congress would not have placed such a provision in the measure which provided for the ratification of a compact for that amount of water.

Congress manifestly intended that of the 7,500,000 acre-feet of Colorado River water apportioned by article III (a) of the compact, Nevada is to receive 300,000 acre-feet; Arizona not less than 2,800,000 acre-feet; and California not to exceed 4,400,000 acre-feet. It is also clear that Arizona should receive, in addition, all the waters of the Gila River, both because of the previously mentioned insertion in the compact of its article III (b)—which apportions 1,000,000 acre-feet per annum to the lower basin to compensate Arizona for inclusion of the Gila in the Colorado River system—and because of the specific authorization—in section 4 (a) of the Boulder Canyon Project Act—of the agreement whereby Arizona is to receive all the water of the Gila and its tributaries within Arizona's boundaries. Thus it is clear Arizona has a legal right to the use of the water for this project.

Mr. President, as I have stated before, the California Self-Limitation Act was thus interpreted by the Congress—in other words, as leaving that amount of water available for the other States. When California adopted the Self-Limitation Act, it accepted and adopted that interpretation by the Congress. It is the water which Congress has set apart for Arizona that we are trying to use in this project.

Certain witnesses representing some California interests have used strained constructions in order to set up a claim for the water and in order to prevent the enactment of this measure. They would charge Arizona with all the evaporation losses in the dams, instead of providing for the equitable distribution of those losses which Arizona contends should be made. They would charge Arizona for all the water which falls in its watershed, instead of the 1,000,000 acre-feet by which they diminish the main stream of the Colorado River at the place where the Gila enters the Colorado River. They would try to place upon section 3 (b) a construction to the effect that it is unapportioned water, because they and their witnesses admit that they are not entitled to section 3 (b) water if it is not apportioned.

However, Mr. President, the language is plain. As I have pointed out before, and as I shall do so again before this debate is over, the Supreme Court of the United States has held that this is apportioned water.

Mr. President, on the last day of the hearings on Senate bill 1175, a joint resolution calling for litigation on this subject was introduced. It was developed by the testimony of able lawyers of recognized ability, including witnesses from Colorado, New Mexico, Utah, and Wyoming, who came before the committee opposing the joint resolution, that at the present time such a justiciable issue does not exist, and that the only effect of the passage of the joint resolution, which I assume is similar to the amendment submitted today by the distinguished Senator from California, would be to delay action until all the water could be put to use in certain areas in southwestern California, with the result that they could use the additional argument that we could not take away water from people who then were using it.

Mr. President, the courts have held that there must be an existing injury of serious magnitude or an immediate threatened injury of the same type before there can be a justiciable issue.

Mr. KNOWLAND. Mr. President, will the Senator yield at this point?

The PRESIDING OFFICER (Mr. HUNT in the chair). Does the Senator from Arizona yield to the Senator from California?

Mr. McFARLAND. I yield.

Mr. KNOWLAND. I merely wish to say to the Senator from Arizona that for a considerable period of time the States of California and Nevada, through their respective governors, have urged that the matter either be arbitrated or conciliated, or if that could not occur, that it be submitted to the courts for a legal adjudication.

If the able Senator from Arizona had agreed a year or 2 years ago to have that done, when the matter was first presented, we would have had a case before the Supreme Court long before now, because I can assure the Senator from Arizona that we are just as much interested in getting this matter solved and in having it heard by the Supreme Court of the United States as the Senator from Arizona is or as he should be.

Mr. McFARLAND. Oh, yes, Mr. President; for more than 20 long years Arizona has tried to get a settlement of these issues. We have tried arbitration. We attempted to have the governors arbitrate it. We have tried every possible means. We have gone into the courts and have tried to obtain a settlement. But California opposed us every time.

It was only when we introduced legislation and only when we had it under consideration by Congress, and only after distinguished lawyers said there was not a justiciable issue and that years would be spent for naught if we went into court without a justiciable issue, that those who represent California come forward and said, "Yes, we will arbitrate or conciliate or attempt to obtain an adjudication."

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. ANDERSON. Let me ask whether the Senator from Arizona is aware that certain members of the Committee on Interior and Insular Affairs had doubts as to the over-all project, but were very happy to vote for this measure in order to be sure there would be a justiciable issue.

Mr. McFARLAND. That may be, Mr. President. Certainly they wanted this controversy settled.

Mr. ANDERSON. They want to have an opportunity, do they not, to get this question into the courts? They want to be very sure that there will be a justiciable issue. By enactment of the bill authorizing the project, we know there will be a justiciable issue, and then the court will not simply kick the case back at us and say there will not be any distribution of these waters.

Mr. McFARLAND. That is correct. That view is shared by two eminent and outstanding lawyers in the Senate, lawyers who know water law. I refer to the Senator from Colorado [Mr. MILLIKIN] and the Senator from Wyoming [Mr. O'MAHONEY]. We cannot simply brush aside lightly the opinions of such eminent lawyers, particularly when they themselves are not interested in the controversy as it affects the States below theirs.

Mr. KNOWLAND. Mr. President, if the Senator will yield further in connection with the point raised by the Senator from New Mexico, I should like to say that, in the first place, there is an honest difference of opinion relative to the justiciable issue; and, in the second place, it seems to me that if that view were correct—although I do not agree it necessarily follows that it is correct—it would be possible to obtain a case at a point which would cost less than $2,000,000,000 or more. It would be possible to have the issue presented by means of a project which would cost one-twentieth or one-fiftieth of that vast sum of money, exceeding over $2,000,000,000 in cost to the taxpayers of the United States.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. ANDERSON. In reply to what has just been stated by the Senator from California, let me say that, of course, those who have passed on this matter do not recognize that it is a $2,000,000,000 project. It is one which, over a period of years, will turn money into the Treasury of the United States instead of taking money out of it.

On the other hand, how will those of us who will eventually be affected—the States of Arizona and New Mexico—ever get this issue settled if it does not come before the Supreme Court in some way along the lines of what the Senator from Arizona now proposes?

The pending measure would authorize the use of a great amount of water. I believe that this measure, if enacted, will create a justiciable issue on which the courts will pass; and when the courts pass on it, they will pass on the rights of other States involved, particularly those of Colorado and New Mexico.

Let me ask the Senator from Arizona whether those States have any other chance to have their rights in this issue passed upon.

Mr. McFARLAND. I do not think so.

In reference to the wild charges that this project involves a cost of $2,000,000,000, let me say, Mr. President, that, of course, there are in California many persons who understand this question and who have written to me stating that Arizona is entitled to this water. On the other hand, some of those who represent California have been saying for so long that this project will cost $2,000,000,000 that they themselves begin to believe that it will cost that much. However, Mr. President, this project does not call for the expenditure of any sum resembling $2,000,000,000. In a few minutes I shall discuss the cost.

I never saw more unfair propaganda disseminated against any State than that which has been circulated against Arizona here. Look at this printed folder, Mr. President. It lies on the desk of every Senator today. I would be ashamed to come into Congress with such misleading propaganda, expecting the Congress to rely upon it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. KNOWLAND. I may say to the Senator that there is no mystery as to source of the information which has been supplied for the benefit of the Senate. It was placed on every Senator's desk in an envelope with my name upon it; so I may say that no material is being disseminated from an unknown source.

In the second place, I may say to the able Senator from Arizona, he may believe that the taxpayers of the United States are not concerned about the matter of interest; but the Government is now operating on a deficit. One may purchase for $750 an E bond for which at maturity the Federal Government will pay to the holder $1,000. The project which the Senator is proposing will not be paid back in 10 years. By the admission of its proponents, it will take at least 73 years, and some of us feel that it will take 90 years. To discount the item of interest is fair neither to the taxpayers nor to Members of Congress.

Mr. McFARLAND. Ah! I shall discuss the cost of the project in detail, but I never saw Californians come forward to talk about interest, and about what the eventual cost would be when they sought approval of the Central Valley project in California, a project which has been supported by the Senators from New Mexico and Arizona. The Californians did not talk about interest charges then. They do not talk about them when they want millions upon millions of dollars for flood control. All they emphasize then is the amount of money authorized for the construction of their project.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from New Mexico.

Mr. ANDERSON. Is it not true that the Central Valley project in California carries an interest rate, of course, but that it has profits going back to the Treasury of the United States through the sale of power? Would it be fair to charge the California project, and did the Senator from Arizona ever charge the California project, with interest, when it was known there were collateral benefits flowing to the Treasury, benefits which far outweighed the interest involved in the project?

Mr. McFARLAND. Of course not, and I may say further, when we talk about payment of the national debt, that, if the Central Valley of California were not developed through that project the Government would lose far more in direct benefits than the interest would amount to for the irrigation features of the project. This sort of argument is the most unfair I have ever heard. This is the first time that I have ever known of a reclamation State—a State which has received practically everything she wanted in the way of reclamation funds—coming forward to talk about what it is going to cost in terms of the national debt. It is only when little States like Arizona or New Mexico want to do a little developing that we hear talk about interest. Oh, Mr. President, the little fellow should not get anything; we should give it all to the big boys. That is their argument.

Mr. LEHMAN and Mr. ANDERSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Arizona yield, and if so, to whom?

Mr. McFARLAND. I yield first to the Senator from New York.

Mr. LEHMAN. Is it not a fact that in connection with every substantial project for the development of power, irrigation, or reclamation an interest component is calculated, and that such interest component, which is a charge against the project, is sufficient to amortize the project over a certain period of years, whether it be 40, 50, or 70 years? It was done in connection with Boulder Dam. It was done in connection with every one of the large power and irrigation projects which we have been considering in the Committee on Interior and Insular Affairs. Is it not a fact that is the policy which is always pursued?

Mr. McFARLAND. Certainly the Senator from New York is correct so far as the power features are concerned, they draw interest.

Mr. THYE. Mr. President, will the Senator yield?

Mr. McFARLAND. In a moment. The Senator from California is talking, of course, about the irrigation features. But no irrigation project has had to pay interest. No irrigation project which has been authorized has to carry interest in connection with the power features. I have never seen my friend from California come forward to object to getting interest-free money to the extent of millions of dollars for irrigation works. It is only when Arizona has a project that we suddenly hear about interest on irrigation projects. I now yield to my distinguished friend from Minnesota.

Mr. THYE. The colloquy engaged in by the distinguished Senators from Arizona, New Mexico, and New York was of such a character that I was impressed by the idea that we should include the St. Lawrence seaway in the same argument, and go ahead with it, because it is of national importance, and the bonds for it would be retired eventually as the income was received from the project, through hydroelectric power or otherwise. So, while Senators are discussing these matters, I hope they will include the St. Lawrence seaway, so that it may be proceeded with.

Mr. McFARLAND. I thank the Senator from Minnesota.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from New York.

Mr. LEHMAN. I may say to the Senator from Minnesota that he can be quite sure that I do have in mind the development of the St. Lawrence seaway, and the development of power in connection with the St. Lawrence seaway, which may also be paid out of the amortized charges.

Mr. THYE. Did I correctly understand the Senator from New York to say that he will think favorably of it? I so understood him.

Mr. LEHMAN. I not only will think favorably of it, but I have thought favorably of it for 20 years.

Mr. THYE. I felt sure that was what the Senator said.

Mr. LEHMAN. I have fought for it ever since I have been in the Senate.

Mr. THYE. I thank the Senator.

Mr. McFARLAND. I wish to say that the distinguished Senator from New York is one of the cosponsors of the bill to which the Senator from Minnesota refers, and he is one Senator who has discussed it with me more than most.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from New Mexico.

Mr. ANDERSON. Did the Senator from Arizona notice that on this folder a $2,000,000,000 tax burden is estimated for this project. The folder alleges a $34,000,000 tax on the State of Washington as its share of the cost of this project? Is the Senator aware that when the Grand Coulee project in the State of Washington was under consideration, the Senator from Arizona or any of the other Senators came forward with a chart to show how much the Grand Coulee Dam was going to cost the State of Arizona, the State of New Mexico, or the State of Colorado? Did they not approve that project? Did not the Senator from Arizona and other Senators work for the project, regardless of any tax cost which might affect their States?

Mr. McFARLAND. Yes. And I may say to the distinguished Senator from New Mexico it was money well spent; it was money well invested. Where would we be today, if we did not have the Grand Coulee Dam?

Mr. ANDERSON. It was not only money well spent, but if a person could buy Grand Coulee today for what it cost the Treasury of the United States, and could sell it for what it would be worth to a utility, it would be the only deal he would have to make in his whole life.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from California.

Mr. KNOWLAND. The question of Hoover Dam has been raised here. For the benefit of the able Senator from New York, who was not in the Senate at the time, as most of the Senators now present were not in the Senate at the time, the RECORD should show the fact that when the Hoover Dam was constructed, it was required of the Metropolitan Water District and the various users of power and of the irrigation features in southern California that they sign contracts providing for the complete payment of the costs of the Hoover Dam, plus interest at 4 percent, which was later modified to 3 percent. So every single dollar which went into this project was guaranteed in advance. The Metropolitan Water District and the Bureau of Light and Power, in Los Angeles, had to agree to take a certain amount of the output and pay for it whether it used it or not.

I may say to the able Senator from New York and to the able Senator from Arizona that, if this were a project of that type, and if there were not this honest difference of opinion as to the amount of water available, the Senator from California would be supporting the project. But, instead of paying out, as the reclamation laws have always provided that such projects should be paid out, within 40 years, plus a 10-year period for the irrigation features, and thus have a chance to work themselves out and to get underway, this project would destroy the yardstick we have always used, and would mean that the repayment features would continue at least 73 years, by the admissions of the proponents, themselves; and we believe it will take 90 or 100 years to repay it. If we throw away the yardstick in this project we shall destroy the basic soundness of our reclamation laws.

Mr. McFARLAND. Mr. President, I cannot leave unchallenged the statement made by the distinguished Senator from California. The people about whom he was speaking, who contracted for power in California, received the best deal they ever received in their lives. They agreed to buy power at a certain price, and it was a low price. They did not agree that if the dam went out they would pay for it. They agreed to pay only for the power for which they contracted. Arizona could tell them, "If you do not want it, we have plenty of use for this power in the State of Arizona." All we are asking for now is just what California has received all along the line. The project is based upon the same premise as is the California Central Valley project. Later on during the discussion I expect to show that.

Mr. KNOWLAND. Mr. President, will the Senator yield further? I shall not interrupt him again.

Mr. McFARLAND. I yield.

Mr. KNOWLAND. I am sorry that the able Senator has attempted to raise the issue of a large State versus a small State. As a matter of fact, the State of Nevada, which is a smaller State than the State of Arizona, agrees with California that the bill is not economically sound, that there is an honest difference of opinion as to the amount of water available, and that the question should be adjudicated by the States.

It is easy to try to raise the issue of a large State versus a small one. I have never operated on that kind of a basis since I have been a Member of the Senate. I have supported the important projects, as the senior Senator from Arizona [Mr. HAYDEN] will bear out. But I believe we have a right at this time, during wartime, when we have been operating under deficits for a period of 18 years, to present to the Congress of the United States and to the American people the facts with respect to a project which will ultimately cost the American people in principal and interest more than $2,000,000,000. I think we have a right to invite the attention of the Senate to the situation without being accused of being a large State which is trying to prevent a small State from receiving that which is its due.

Mr. McFARLAND. Mr. President, some persons in Nevada have opposed this project. Apparently they have been affected by the propaganda of California.

I do not want to go into a detailed discussion of the relative value of the projects, but simply in answer to what has been said, this project is no different from the Central Valley of California project. I have received a large volume of mail from persons in California who are supporting the project.

Mr. President, I want to return to the justiciable issue question. As previously pointed out, in order to have a justiciable issue, there must be imminent damage, a present injury, or a threatened injury. Unless there be facilities to take this water, there can be no threatened injury. When we want to give California the opportunity to settle the question, California talks about the cost. California knows that it cannot be injured by this bill. The provisions of the O'Mahoney-Millikin amendment thoroughly protect it. California talks about cost and wants to defeat us on that ground alone.

From the mere reading of the language of the Boulder Canyon Project Act it is evident that Congress proposed to California the terms of a contract for the explicit benefit of Arizona, Nevada,

and the other interested States. The contract thus proposed was as follows: Of the 7,500,000 acre-feet of Colorado River water apportioned to the lower basin by article III (a) of the compact, California should have not to exceed 4,400,000 and that California could use not more than one-half of any water in excess or surplus to the water apportioned by the compact, which might be available in the lower basin. California, by adopting its Self-Limitation Act, unequivocally and unconditionally accepted this proposal and thereby completed a binding contract. As California may not have more than 4,400,000 acre-feet of the water apportioned by article III (a) of the compact, the remainder is for Nevada and Arizona; and Congress has in terms indicated its intent that Nevada have 300,000 acre-feet and Arizona not less than 2,800,000 acre-feet. This intent has been executed. The water involved in article III (b) of the compact not only is apportioned water, but is in effect apportioned to Arizona for the reasons shown. The Colorado River water which is available in the lower basin in excess of or surplus to that apportioned by articles III (a) and III (b) of the compact is to be equally divided between California and Arizona.

This contract between the State of California and the United States—for the benefit of the States of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming—just as completely settled California's rights as any compact could do. Congress, by approving in advance a compact between Arizona, California, and Nevada, definitely gave its interpretation of the California Self-Limitation Act, which is the one upon which Arizona now relies; and California, by adopting the act, accepted and agreed to this interpretation.

Arizona, relying on the protection thus afforded her, adopted and ratified the Colorado River compact. A large number of people of Arizona believed that Congress had not required California to limit herself to a small enough quantity of the waters of the Colorado River. However, Arizona had little choice, as the rights of the States were well defined in the Boulder Canyon Project Act. She has entered into a contract with the Secretary of the Interior, which contract calls for delivery of 2,800,000 acre-feet of Colorado River main-stream water per year, plus one-half of the excess or surplus water unapportioned by the compact which may be available in the lower basin, less one twenty-fifth of such surplus water, to be used by Nevada. The contract appears at pages 240–243 of the hearings on Senate bill 1175.

California admits that she is bound by the California Self-Limitation Act and is not entitled to more than 4,400,000 acre-feet of III (a) water and one-half of any excess or surplus water unapportioned by the compact. However, in an effort to procure more so-called surplus waters, thereby in actuality reducing the quantity of apportioned water to which Arizona is rightfully entitled. Certain witnesses representing some California interests have elected to pursue a stratagem based largely upon two patently strained and inequitable constructions of the wording of the Colorado River compact. In a general way, these false constructions may be stated as follows:

(a) The water described in article III (b) of the compact is water unapportioned by the compact.

(b) A definition of "beneficial consumptive use" which would charge Arizona with the total water reaching the Gila watershed rather than with the amount by which she depletes the waters of the Colorado River at the mouth of the Gila.

I should like to invite attention to the fact that these two strained constructions are particularly beneficial to the State of California, because she has no tributary to the Colorado River. She has no watershed. She furnishes no measurable amount of water to the Colorado River. Therefore, some of the witnesses from California would like to place these strained interpretations upon the interstate compact. California is already getting more than the lion's share of the water.

Neither of these contentions is supported by the intentions of the framers of the compact or by those of the Congress.

As to the contention that the water embraced in article III (b) of the compact is not apportioned and, therefore, falls within the class of surplus or unapportioned water, of which California may have half under the provision of the Boulder Canyon Project Act, I think I have pointed out sufficient facts to demonstrate its utter fallacy. Congress, in effect, has indicated its intention as to the division of the waters apportioned by article III (a) of the compact, namely, California, not more than 4,400,000; Nevada, 300,000; Arizona, not less than 2,800,000; total, 7,500,000. As shown, the ultimate purpose of article III (b) was to apportion the waters of the Gila to the lower basin for use by Arizona, and Congress explicitly recognized this apportionment by express language in the Boulder Canyon Project Act. It is therefore clear to anyone who cares to see, that the waters upon which article III (a) of the compact is effective, namely 7,500,000 acre-feet of Colorado River water and those upon which article III (b) is operative; that is, in final effect, the 1,000,000 acre-feet of the Gila, which was thought to be substantially all thereof, are apportioned water. The excess or surplus waters above such apportioned water are for equal division between California and Arizona.

The record abounds with proof, both within the context of the compact and of the Boulder Canyon Project Act, as well as in collateral circumstances, thoroughly establishing Arizona's position.

There is nothing more indicative of a stubborn intention to gobble up much more than the lion's share of the water than the stand taken by certain witnesses representing California interests upon the question of evaporation losses. That State contributes nothing to the Colorado, as I have previously pointed out, and she is far and away the greatest beneficiary thereof. Yet they would have California bear none of the loss by evaporation, and would foist that, too, upon her sister States. Arizona favors an equitable distribution of these losses in proportion to the beneficial interests.

The record of the hearings shows that Arizona's position on these three principles is supported by the disinterested witnesses from other States. I call attention to the testimony of such eminent lawyers as Judge Clifford H. Stone, director of the Colorado Water Conservation Board and commissioner for Colorado for the Upper Colorado River Basin Compact Commission; Fred E. Wilson, member of the Colorado River Basin States Committee, representing New Mexico; Jean S. Breitenstein, of the Colorado Water Conservation Board; and Judge J. A. Howell, of Utah, chairman of a special legal committee of the Colorado River Basin States Committee.

Arizona's position is also supported by the Colorado River Basin States Committee, an organization composed of official representatives of the States of Colorado, New Mexico, Utah, Wyoming, and Arizona.

I wish particularly to emphasize the concluding remarks of the Honorable Clifford H. Stone, during the hearings on Senate bill 1175, in which, after minutely refuting the arguments of California, he used the following language:

> Then, in conclusion, the Congress, we believe, will not approve an unconscionable position in interpreting the Colorado River compact for the purpose of proposed legislation. Nor would a court give approval to any interpretation of a solemn agreement among States which would be inequitable. It cannot be assumed that the compacting States intended to apportion water between the upper and lower basins of the Colorado River by terms and conditions the interpretation of which would limit one of the States to its existing uses of water when the compact was made, with a comparatively small opportunity for future development. We submit that the States did not do so.

These are the words of Judge Stone, an eminent lawyer from the State of Colorado and an outstanding authority on water law.

It is our contention that these rights are fully established and fully settled by Congress, and that it is the duty of Congress to protect them and not to permit a State, because of her size and power, to take the very lifeblood of her neighbor.

Certain witnesses representing some California interests have used these strained constructions in order to set up a claim for this water and in order to prevent the enactment of this legislation. On the last day of the hearings on S. 1175 they had introduced a resolution calling for litigation upon this subject. It was developed by the testimony of able and recognized lawyers, including witnesses from Colorado, New Mexico, Utah, and Wyoming, who came before Congress opposing such resolution, that there does not exist at the present time a justiciable issue; that the only effect of the passage of resolutions such as Senate Joint Resolution 4 and its predecessor, Senate Joint Resolution 145 would be to delay action, until the water could all be put to use in certain areas in southern Cali-

fornia so that they could use the additional argument that we cannot take water away from the people who are now using it.

The courts have held that there must be an existing injury of serious magnitude, or an immediately threatened injury of the same type, before there can be a justiciable controversy. Neither California nor Arizona is using the amount of water to which they are respectively entitled. It is therefore clear that there is no present injury.

It is equally clear that without the authorization of the central Arizona project for the use of additional water there can be no threatened injury. There is no project under construction or authorized in any part of the Colorado River Basin which would in any way threaten to reduce or diminish the flow of the river so as to make less water available to California. The only project which has thus far been tangibly put forward is the central Arizona project. But unless and until the project is authorized, it cannot be said that such project constitutes a threat to the State of California.

A threat not coupled with an actual, or apparent, or probable ability to effectuate such threat is in law no threat at all.

Without the authorization of the central Arizona project Arizona has absolutely no physical means whatsoever wherewith to divert water to an extent which would in any way impinge upon rights claimed by California. The converse is true in regard to California. Without the passage of this bill authorizing the central Arizona project there is no Arizona project which would be threatened by California's immediate or future use of the water.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. WELKER. I dislike to interrupt the Senator, but he is now talking about something about which I should like to know a little more. As I understand the Senator's recent statement, the dam must be built before there is a threatened injury which would entitle a party in interest to go into court. Am I correct in that statement?

Mr. McFARLAND. The project must be authorized. I do not mean to say that it must be actually constructed, but there must be a project which, if authorized would be a threat to the use of the water. I think the authorization is sufficient, because when Congress authorizes a project, it means that eventually it will be constructed, and, therefore, it might become a threat.

Mr. WELKER. Knowing the Senator from Arizona as a distinguished jurist before he came to the United States Senate——

Mr. McFARLAND. I thank the Senator.

Mr. WELKER. Is it not a fact that if it is desired to litigate the subject, the parties in interest, the State of California and the State of Arizona, can stipulate the facts for a declaratory judgment?

Mr. McFARLAND. I shall go into that question later. I want to say to my good friend that we have on two occasions tried to get into court on that question, but each time the court said that the plans for the project were not sufficient.

Mr. WELKER. Did the people of California and the people of Arizona ever stipulate the facts as they existed, that the dam, with its appurtenances, was to be built, and, if built, certain damage might be done to the States of Arizona and California? I cannot conceive, under the declaratory-judgment statutes which are in effect, that the States cannot get into court on the question.

Mr. McFARLAND. The Supreme Court has decided to the contrary. So far as securing a stipulation that the project can be built if the rights were adjudicated, California would not do that. California stated that they would fight us even if the water rights were adjudicated.

I want to say to my good friend from Idaho, whose intentions I know are the best in the world, that we have tried in every possible way to bring about a settlement, but every time we come forward with a proposal California comes forward with something different. I do not have any hope that we can get into court on the basis of a stipulation.

I have a brief on the question, a copy of which I shall furnish the Senator so that he may study it in advance, and I shall discuss it more in detail, because, as the Senator from Idaho knows, it is an involved legal question. However, I shall discuss it briefly at this time, and later I shall discuss a little more in detail the question of the justiciable issue. I call the attention of my distinguished friend from Idaho to the case of *Arizona* v. *California* (298 U. S. 558), in which Arizona filed a petition for an equitable apportionment of the waters of the Colorado River. While this case was disposed of on the ground that the United State was a necessary party, the Supreme Court, in discussing the existing rights of Arizona, said:

> Arizona, by her proposed bill of complaint, asserts no right arising from her own appropriation of the waters of the Colorado River. No infringement of her rights acquired by appropriation is alleged, and no relief for their protection is prayed. While it is alleged that definite plans have been made for the irrigation of 1,000,000 acres of unirrigated land in Arizona, and a right to share in the water for that purpose is asserted, it does not appear that any initial step toward appropriation of water for such a project has been taken.

In speaking of a declaratory judgment, in the case of *Alabama* v. *Arizona* (291 U. S., 286), the Supreme Court said:

> This Court may not be called upon to give advisory opinions or to pronounce declaratory judgment * * *. Its jurisdiction in respect to controversy between States will not be exerted in the absence of absolute necessity.

Mr. President, I shall elaborate upon this question later. I wish to say at this time, however, that we have attempted to get our case into court, but have been met by opposition on the part of our friends from California every time we tried. It was only on the last day of a Senate committee hearing, when we were making a desperate effort to obtain water which is so urgently needed by the State of Arizona that they came forward and talked about arbitration. Had they agreed at an earlier period that some action be taken, the situation would have been different. After Arizona has been forced to fight for many years for what she considered to be her rights, during which period California has not shown any inclination to enter into an agreement with us; after we have filed three suits in court asserting our rights, why should we be forced to do anything other than that which such eminent lawyers as the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Colorado [Mr. MILLIKIN], who have studied water law and water rights for so many years, say is necessary to be done in order that we may get into court?

No harm can result from passage of the bill because, as I stated before, the O'Mahoney-Millikin amendment provides that none of the works may be constructed during the pendency of the lawsuit. California would thus be fully protected. That is a method which was worked out after the suggestion was made in the House during the hearings, as a result of a question put to me by Representative ENGLE of California. No, Mr. President, the opponents of this project do not want us to go into court on an equal basis with them. They are afraid that if this bill should be passed we would be on an equal basis with them.

That there is need for additional water in the area affected by the bill is, I believe, uncontroverted. Even a casual winter visitor, knowing little about farming or irrigation, can attest to that fact. Not so obvious, but almost equally serious, is the need for additional hydroelectric power. On this point there is unanimity. The situation has been dispassionately but effectively summarized in the report of the regional director of the third region of the Bureau of Reclamation.

I ask unanimous consent, Mr. President, that excerpts from this report be printed at this point as part of my remarks.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

> There is an urgent and measurable need for additional electrical energy in Arizona, southern California, southern Utah, and southern Nevada. Studies by the Federal Power Commission, power distributing agencies, and the Bureau of Reclamation indicate that the present power load in this area, already taxing existing facilities, will double in the next 10 or 15 years. The major potential sources of electrical energy to serve these requirements are hydroelectric developments on the Colorado River and steam or Diesel developments. Steam and Diesel generating power plants consume natural gas, oil, or coal. Diminishing natural gas and oil supplies in southern California have already caused major concern. There are no sources of inexpensive coal available to the power-market area. These natural resources should be conserved by utilizing hydropower whenever practicable (p. 115, H. Doc. No. 136).
>
> An examination of the marketing possibilities in the lower basin power-market area for energy produced by the potential power developments of the central Arizona project indicates that an ample market would exist for the output of these plants when they are completed. As previously noted, the rapidly

expanding economy of the area has created a tremendous demand for electric energy. This condition, combined with the drought of recent years and the lag in the installation of new generating facilities during the war, has caused a power shortage in the area. This shortage is particularly acute in Arizona and seems likely to continue for some time. Generating equipment planned for installation in the near future will eliminate most of the deficiency, but large-scale additions to the system will be needed to continue meeting the rapidly growing load.

The two most important factors causing the rapid increase in total energy requirements have been industrial expansion and population increase. During the war the growth in these phases of the economic life was very rapid. In the postwar period the growth has continued, with the result that total energy requirements in the area are greater than during the last year of the war. The States of Nevada, California, and Arizona are among the States experiencing the greatest percentage increase in population during recent years. Both Arizona and California have recorded gains exceeding 25 percent. Postwar building construction and industrial expansion in the urban areas of southern California has been unprecedented in the market area. The metropolitan area of Los Angeles is now rated as the second largest manufacturing center in the Nation.

TABLE E-8.—*Summary of power features*

Power plants	Installed capacity in kilowatts	Gross average power head in feet	Annual firm energy at plant in million kilowatt-hours		
			Initial conditions	Average during first 50 years of operation	Ultimate conditions
Bridge Canyon	750,000	612	4,475	4,205	4,114
Horseshoe	10,000	181	49	40	40
McDowell	4,100	84	23	21	19
Buttes	6,000	457	32	35	35
Total	770,100	.....	4,779	4,301	4,208
Energy replacement at Stewart Mountain	.....	.....	25	28	31
Total	.....	.....	4,785	4,329	4,177
Energy requirements Havasu and McDowell pumping plants	.....	.....	1,154	1,305	1,633
Firm commercial energy	.....	.....	3,594	3,070	2,544

In addition to the growth in population and industry, several other fields of activity have contributed to the increased demand for electric energy. Among these are agricultural expansion and new industrial uses. Increased irrigation pumping, added farm use, and the use of electrometallurgical processes in the mineral industry have all caused an increase in the total requirements. Residential use of electricity has greatly increased in recent years not only because of the increased population but also because of the trend of increased per capita use (pp. 160-161, H. Doc. No. 136).

The demand for electric energy in Arizona, southern California, and southern Nevada is increasing at an estimated rate of 1,600,000,000 kilowatt-hours annually. The area is looking to the Colorado River for energy to meet that increasing demand, and to forestall the requirements for burning oil and natural gas reserves in meeting those demands (p. 191, H. Doc. No. 136).

Mr. McFARLAND. Mr. President, witnesses testifying as to Arizona's need for additional electric energy have stated that there will be a demand in the State for all the electricity generated by the project by the time it is completed, and they introduced as evidence an application of the Arizona power authority for the acquisition of all such electricity.

So much then, Mr. President, on the basic questions of availability of water for the project, the legal questions involved, and the necessity of passage of the measure so that a justiciable issue will be raised, and the need for and revevenues to be derived from the hydroelectric development.

Let us turn now, briefly, to the question of costs of the entire project.

It is estimated in the report of the Bureau of Reclamation on this project, on factors prevalent July 1, 1947, that the project here recommended would cost $708,780,000.

Mr. President, I ask unanimous consent that a table showing a breakdown of these costs be inserted in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Costs

The costs of the project were estimated on factors prevalent July 1, 1947. Upon that basis, such costs may be broken down as follows:

Coconino Dam and Reservoir	$7,487,000
Bridge Canyon Dam and Reservoir	191,939,000
Bridge Canyon power plant	78,439,000
Havasu pumping plants	25,978,000
Granite Reef aqueduct	131,716,000
McDowell pumping plant and canal	2,326,000
McDowell Dam and Reservoir	16,226,000
McDowell power plant	1,012,000
Horseshoe Dam (enlargement) and Reservoir	7,078,000
Horseshoe power plant	2,028,000
Salt-Gila aqueduct	34,585,000
Buttes Dam and Reservoir	29,037,000
Buttes power plant	1,139,000
Charleston Dam and Reservoir	2,270,000
Tucson aqueduct	6,401,000
Safford Valley improvements	4,090,000
Hooker Dam and Reservoir	15,434,000
Irrigation distribution system	54,066,000
Drainage system for salinity control	9,978,000
Power transmission system	68,771,000
Total	708,780,000

Mr. McFARLAND. Mr. President, in view of the fact that this project cannot, by the terms of the amendment, be constructed or even undertaken during the present emergency, the actual cost may be much less than this 1947 estimate. The estimate of the Bureau of Reclamation presented before the House committee was $788,000,000 based on 1951 price levels. However, in my judgment we can ignore completely these 1951 estimates, since construction will not be undertaken at a time when there is a scarcity of labor and materials. On the contrary, it is reasonable to assert that when construction is actually begun, the cost of the project may be even lower than the 1947 estimate and nearer the level of prewar prices.

As is the case in multipurpose projects, the farmer cannot afford to repay all costs attributable to the irrigation features, and it is therefore necessary that some portion of the proceeds from sale of power be devoted to repayment of the cost of irrigation features. This is the normal situation, and accords with our established national policy. By way of illustration and comparison, I want to read from a brief table which compares the power rate, and the portion of the power rate required for irrigation subsidy in the central Arizona project, with the figures of four other well-known similar projects:

	Average firm power rate [1] (A)	Portion of rate required for irrigation subsidy [2] (B)	B/A
	Mills per kw.-hr.	*Mills per kw.-hr.*	*Percent*
Central Valley of California	5.30	0.68	13
Colorado-Big Thompson	5.10	.89	17
Columbia Basin	1.00	.36	36
Missouri Basin	5.50	2.47	45
Central Arizona	4.82	.72	15

[1] Estimated average power rates in Average Rate and Repayment Studies for Power System on Bureau of Reclamation Projects, dated January 1949.

[2] Increase in estimated average power rate to provide for necessary irrigation subsidy.

Thus it will be seen that the subsidy rates shown are less than in most of the irrigation projects.

The sale of power at the rates indicated, and the delivery of water to irrigators at a charge of $4.75 per acre-foot, which the farmers state they are able and willing to pay, and of municipal water at 15 cents per thousand gallons are the basis for the Bureau's estimates. The net result is that the project will liquidate the reimbursable items of its cost over a period not to exceed 75 years, a not inappropriate length of time in proportion to the magnitude and importance of the project. The present bill is different from that passed by the Senate in the Eighty-first Congress in that the repayment period is definitely limited to not to exceed 75 years.

Witnesses representing California interests presented arithmetical comparisons and illustrations, such as expressions of the cost of the project on a per-acre basis in accordance with a premise or assumption preconceived by them. For example, they divided the cost of the entire project by the limited number of acres which they asserted would be benefited, thus arriving at the conclusion that the project was extremely expensive when expressed on a cost-per-acre basis.

It is unfortunate, of course, that in their anxiety to disparage the project, some people will resort to fantastic legerdemain in order to support their own views. The Senate committee, however, made up of experienced men who know something about irrigation problems, refused to accept these contentions as valid. On the contrary, the committee made clear in its report that the project must be considered on an over-all basis rather than on the cost-per-acre premise. It declared in its report:

The committee has not elected to proceed upon any such unrestricted hypothesis, but has viewed the project wholly and objectively against the perspective of the long period of its life and the over-all interests

of the Nation and region affected. Thus considered, it is the opinion of the committee that the project is entirely feasible and economically sound.

In summary, Mr. President, what do we find? The facts, not the arguments and contentions of biased witnesses, support the soundness of the project. The findings of objective engineers, the official reports of Government agencies, the Bureau of Reclamation, all definitely show that the central Arizona project is both engineeringly and financially feasible under the provisions of S. 75.

These facts add up to the conclusion that the project could be reasonably expected to repay the reimbursable portions of the construction costs well within the useful life of the project.

As I have pointed out, it has been found that $4.75 per acre-foot, which local interests have indicated they are willing and able to pay, would more than pay the operation and maintenance costs and replacement costs allocated to irrigation and part of the construction cost. It has also been found that a charge of 15 cents per thousand gallons for municipal water would fully repay all costs allocated to that purpose and would be equally advantageous to the municipal water users. The power rate necessary to accomplish a repayment of all reimbursable costs assigned to be repaid from power revenues would be extremely reasonable. Such low-cost power would represent a distinct advantage to power users in that area.

The project represents a sound investment in that the tangible benefits of the project would exceed the total cost in the ratio of 1.63 to 1.

Furthermore, there would be innumerable intangible benefits accruing to the State of Arizona and to the Nation as a whole as a result of the central Arizona project.

Mr. President, the bill now before us is one of the most carefully drawn pieces of legislation in the field of irrigation and reclamation ever presented to Congress. It protects the rights of all the interested States. It gives to Arizona the opportunity which she has long sought to have this matter finally settled. There have been several cases in which Arizona has attempted to go into court to have her rights adjudicated, as I have previously pointed out; but at every cross of the road she has been fought by California; and the Supreme Court has held that there does not exist a justiciable issue.

Members of Congress have been flooded with propaganda from California interests in regard to this project. They have tried to make our colleagues believe that this bill would take water to which California is justly entitled. In making the argument, an effort has been made to stress the great need for this water in California. Even if there were a need as claimed, such need alone would certainly not give California any right to water which belongs to and is needed by the State of Arizona. However, inasmuch as they have flooded Congress with such propaganda, I desire to point out various facts which demonstrate that the need does not in truth exist, and that the claim in this respect is not supported by the evidence.

To begin with, California herself admits that her present annual use of the Colorado River water is something like 3,000,000 acre-feet, well within her limitation of 4,400,000 acre-feet. Certain witnesses from that State also admit in their testimony that they desire to place under cultivation an additional 300,000 acres of the areas known as the east and west mesas in the Imperial Valley, Calif. They do not deny that if this land were not placed under cultivation, California would have all of the water she claims she needs, present and future. I desire to make it clear that California's asserted need is for the future to permit her to grow and expand; Arizona's need is immediate, not for growth and expansion, but for the maintenance and support of the property and livelihood which our people now have and are in jeopardy of losing.

In connection with the proposed irrigation of the 300,000 acres in the east and west mesas of the Imperial Valley in California, I would like to call attention to the fact that a land classification development report and an economic repayment capacity report have been made by the Bureau of Reclamation on the lands of the east mesa, which reports were based upon soil surveys conducted cooperatively by California's own university and the United States Department of Agriculture. These reports clearly show that the lands are not practicable of irrigation and reclamation. The Secretary of the Interior has so affirmatively declared. In this connection, he stated:

> In view of land classification and repayment feasibility reports, irrigation development of public lands on the east mesa by either the Government or the district would be inimical to the public interest.

Think of it, Mr. President, that is what the Secretary of the Interior said officially about lands upon which it is proposed to pour precious water—and, I say, our water. Certain witnesses from California would take water from Arizona to irrigate lands declared worthless. It would not be in the public interest to irrigate them. I now continue the quotation:

> The east mesa area lies within the Imperial irrigation district served by the All-American Canal in southern California.
>
> While the lands were originally withdrawn from public entry in the hope that they could be successfully developed, detailed investigations which have since been made revealed them to be not practicable of irrigation and reclamation. The detailed land investigations were made by the Department of Agriculture, the University of California, and the Bureau of Reclamation.
>
> While reports have not been made on the west mesa, it is admittedly no better land.
>
> I understand that reports have been submitted for the consideration of California and that they contain the same recommendations in regard to the lands referred to.
>
> I wish further to call attention to the fact that practically all of these lands are owned by the Federal Government.

Mr. President, consider the facts. Here are federally owned lands which are worthless for farming on which the Californians propose to pour precious water. Listen to this paragraph from the letter of the Secretary of the Interior describing the California land for which water is sought:

> In view of the conclusions reached in the land classification and development report of April 1947 and in the repayment feasibility report issued in March 1948, both of which you have received, and which I have approved, it is evident to me that the irrigation development of public lands on east mesa, either by the United States or by Imperial irrigation district, would be inimical to the public interest, inasmuch as such lands are not practicable of irrigation and reclamation.

So here, Mr. President, we have a situation where the United States Government owns the land, where it says that the land is not worth irrigating—that is what the Secretary of the Interior said, speaking for the United States Government—and for this reason refuses to permit its irrigation, and yet certain witnesses come before Congress and say they need and want water to irrigate this land.

Think of it, with the economy of the whole State of Arizona at stake, they would like to take water and irrigate land which their own university held not fit to be irrigated.

Mr. President, these facts clearly prove beyond any question that California does not need this water. Moreover, it is important to note that if California succeeds in preventing Arizona from using water for the central Arizona project, the water will either be used in Mexico, in addition to that amount provided for in the treaty, or be allowed to continue to waste into the ocean. Moreover, Mr. President, it should be noted that California is now wasting into the Salton Sea approximately a million acre-feet annually that could be put to beneficial use. Yet the Californians would try to deprive us of the 1,200,000 acre-feet of water which is necessary to save the economy of our State.

Mr. President, may I say that we have no objection to California's growing and expanding. The record, as I have just pointed out, clearly shows that she has ample water to grow and to expand, and I certainly have no objection to her doing so.

On the other hand, Arizona is here fighting for her very existence. We are not seeking to grow or expand. All we want the Congress of the United States to do is to help us save our present economy. If our economy collapses, the result will be felt all over the United States. All we ask of Congress is to give us the legislation which will permit us to use that to which we are rightfully entitled. Enact S. 75 into law, and it will give us that opportunity.

Mr. President, the conclusions of the Senate Committee on Interior and Insular Affairs, a bipartisan group of experienced, conscientious men who have studied the project and the facts surrounding it painstakingly and carefully

for several years, state the facts cogently and emphatically. The committee voted to report the bill favorably by a vote of 10 to 2.

Here is what the committee says on page 17 of Senate Report No. 163:

In reporting the bill S. 75 favorably and recommending its immediate enactment, the committee has come to the following conclusions:

1. There is palpably an urgent need for the benefits which this bill would provide, and construction work to speed such benefits should be authorized promptly.

2. The welfare and livelihood of a large number of citizens and the economic future of a substantial area of this country are dependent upon the early completion of this project.

3. No substantial opposition has been raised against many of the constituent parts of the project, including the dam and power plant at Bridge Canyon and works with Arizona and New Mexico.

4. Water litigation in the Supreme Court may require, as it has in the past, a period of many years.

5. California possesses the physical works and facilities—

And they were built with Federal money—

by no means of which she can divert Colorado River water even to the extent of her maximum claim, so that in this respect she enjoys a distinct advantage. Arizona has no facilities to obtain Colorado River water for use in Arizona.

6. If litigation is deemed necessary to settle the conflicts between California and Arizona, such litigation should in fairness be both facilitated and expedited toward a full resolution of issues. Although it seems undesirable for the Congress to attempt to constrain any State to participate in any such litigation, by the same token, participation should not be denied to any State, the rights of which may be affected by the project or by litigation in connection therewith.

7. The project will make a substantial contribution to the conservation and utilization of great natural resources and a corresponding contribution to national and regional welfare.

8. The project is feasible.

The committee therefore urges prompt authorization of the project, subject to the limitations appearing in the bill.

Mr. President, the bill is fair and equitable. It gives every State the opportunity of coming forward, as has been so well pointed out by the junior Senator from New Mexico, and presenting its claim to the Supreme Court. It affords a means which eminent lawyers from the upper basin States, including two of our own Members who are lawyers, the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Colorado [Mr. MILLIKIN], have recommended as the proper means of settling the controversy.

Mr. President, the hardy pioneers of the early days of Arizona builded an agricultural empire; made the desert blossom as the rose, to use a familiar biblical expression. They made its soil produce important food products needed to sustain life and important fibers needed to help win the last war, and we are now producing it again to arm ourselves and our allies in the great defense effort we are making. This great agricultural empire must be safeguarded by the passage of the pending bill.

If this project is not launched in time, the desert will close in upon the people of Arizona.

The prosperity of the farmers in the rich fertile area in the center of the State keeps the economic heart of Arizona beating strongly.

If the farmers working the 725,000 acres in central Arizona should go bankrupt, the effects of that disaster would be felt throughout the State and many neighboring States.

If these vital acres were allowed to become a desolate region of dust and death, the miners, the industrial workers, the businessmen of Arizona, and the Southwest would suffer a terrible blow.

What would happen to the bonded indebtedness of the State and the overhead cost of the State government and the subdivisions thereof, as well as to the schools? All the cost would fall upon the mining industry and the other industries of Arizona. At least 250,000 people would have to leave Arizona to find a means of life elsewhere. They would be displaced persons just as truly as the people in Europe who lost their homes in World War II. Where would they go? How would they be cared for?

This bill is a rescue project, Mr. President. This bill is designed to save a great State from an economic cyclone. It would not put a single additional acre of land under cultivation. It would not give Arizona an unfair advantage over any other State. It would simply save the people of Arizona from a catastrophe.

It is true that the population of Arizona is small, as compared to the population of some other States. It is true that we have always been at a disadvantage when fighting against the representatives of a powerful State like California. But the strength of our Federal Union rises from the fact that the people of many large States have been willing to aid the people of small States in a just cause.

I know that the cause of Arizona is just. I know that this bill provides the way to save the economy of Arizona and the way to settle the controversy between Arizona and California, with justice for all.

For these reasons, Mr. President, I ask my friends and colleagues to join me now in enacting this fair and carefully considered bill which is so vital to my State.

Mr. WELKER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). Does the Senator from Arizona yield to the Senator from Idaho?

Mr. McFARLAND. I yield.

Mr. WELKER. Does the Senator from Arizona have in mind the cost per acre of the proposed reclamation project? I refer to the cost per acre to the farmer who will use the irrigated land.

Mr. McFARLAND. In answer to my friend, Mr. President, let me say that this project cannot be considered on a cost-per-acre basis. This project has a multiple purpose. The major portion of the project, namely, hydroelectric power, is desired by both California and Arizona. As a matter of fact, former Senator Downey, of California, offered an amendment which would have permitted the construction of the major portion of the project.

This project is based upon the sale of power at a reasonable and just rate to the people who will use it and the delivery of irrigation water to the people at a reasonable cost. Those two sources of revenue, when added together, will pay for the project. It is a rescue project, and it cannot be considered on a cost-per-acre basis.

Mr. WELKER. Mr. President, if the Senator will yield further, let me say that I am familiar with certain rescue projects, for I happen to own a piece of land in a Federal project, and I know how much the water on that project has cost me per acre.

I wonder whether the Senator from Arizona can inform the Senate at this time approximately what the landowner will have to pay for the use of water on his land, in connection with this project?

Mr. McFARLAND. He will pay $4.75 an acre-foot.

Mr. WELKER. Four dollars and seventy-five cents an acre-foot is nearly $4 an acre less than I pay for water to irrigate land in the Owyhee project, built in 1932.

Mr. McFARLAND. I am not talking about the over-all cost of irrigating 1 acre of land. The figure I have given is the cost for 1 acre-foot of water. Four acre-feet of water are required to irrigate 1 acre of land.

Mr. WELKER. Then, according to the Senator's figures, the cost of irrigating 1 acre of land in connection with this project would be approximately $16.

Mr. McFARLAND. No; it would not be that much, because the water we already have comes at a somewhat cheaper rate, although it is not cheaper this year. However, the water provided under this project, which would be supplemental water, would cost $4.75 an acre-foot; and at least 4 acre-feet of water are required to irrigate 1 acre.

If only Colorado River water were used, the cost of irrigating 1 acre of land would be $18; but, of course, we do not anticipate that any new land will be irrigated. Therefore, none of the land irrigated will use only Colorado River water.

Mr. WELKER. If the Senator from Arizona will permit, I should like to say that $4 an acre is a reasonable charge. The Bureau of Reclamation charges on the basis of the acre, not on the basis of an acre-foot of water, in assessing its charges against land which is irrigated; at least, that is the practice in my State, and I am sure the same is true in the State of Arizona.

Mr. McFARLAND. In my State the water for irrigation purposes is charged for on the basis of acre-feet. The first 2 acre-feet are sold at a certain rate, and each additional acre-foot costs an additional amount.

I am somewhat familiar with the practice in the distinguished Senator's State. In his State there is plenty of water, and therefore a flat charge can be made for

the water that is used for irrigation purposes. However, in the State of Arizona we cannot do that, because we do not have sufficient water. Therefore, the charge has to be made on an acre-foot basis.

Mr. WELKER. Mr. President, I should like to have the Senator from Arizona answer a question, please, in respect to the 725,000 acres of arid, desert land involved in this case: Has it ever been irrigated heretofore?

Mr. McFARLAND. Oh, yes. It is not arid, desert land, I may say to my distinguished friend. It is fertile, productive land, producing for years but short of an adequate water supply. The irrigation of that land began back in the early sixties. If my memory serves me correctly, I believe the first water rights in Maricopa Valley, which is in the Salt River Valley Water Users' Association territory, were established in 1868; and the charges for the normal flow of water are made on a graduated scale.

Construction of the Roosevelt Dam was begun in 1903, and it was completed about 1907. That was when the first water was obtained from the Roosevelt Dam project. So a great deal of this land has been irrigated for a long time.

The only difficulty, I may state—I do not known whether the Senator from Idaho heard my previous remarks—is that there has been overdevelopment in connection with the use of irrigation-project water. That is often the trouble with irrigation projects. So it is necessary to be very careful, because the people living in those areas are usually inclined to put under cultivation more acres than should be cultivated.

In this connection, perhaps I may be pardoned a reference to a personal experience. Let me refer to the Salt River Valley Water Users' Association project, in connection with which I tried a case involving water rights. That project involves 242,000 acres. As I have previously stated, the Bureau of Reclamation originally estimated that approximately three acre-feet of water would be sufficient to irrigate the land, but now four acre-feet of water are required. In that project, which has the best water rights of all, the water users are in need of a little more than one foot of water per acre in addition; and even when they obtain that water, they will need additional water in order to firm their present supply and to be sure that they will obtain regularly the amount of water they require.

Mr. WELKER. When land is already under cultivation, I can see from the Senator's argument that there is very little likelihood that any veterans or any new residents will come to Arizona to take out homesteads or develop new land.

Mr. McFARLAND. Veterans have already come there; we have veterans of both World War I and World War II farming this land at the present time. I have received letters from some of them who now are in the reserves and are being called into active service at this time. One of them invested all his means in farming for this year, and he wished to have a postponement from active service until he could gather his crop.

Many of the fathers and mothers of those veterans have all their means invested in this land. A large number of veterans have come to Arizona and have located in the towns there, and they have their entire livelihood tied up in the economy of this area. They have invested their money. They have their homes there. If 250,000 people were forced to move away, those homes would become practically worthless. This project is very important to the veterans of the State of Arizona. I cannot conceive of any large group of people to whom the construction of this project is more important than it is to the veterans and to the Indians.

Mr. WELKER. Mr. President, if the distinguished Senator will yield further——

Mr. McFARLAND. I yield.

Mr. WELKER. I am sure that the Senator from Arizona appreciates the fact that the junior Senator from Idaho is certainly familiar with what water has done for the West, and I am sure he appreciates the fact that the questions I ask are for the purpose of eliciting information, in order that I may become better informed on this subject.

Mr. McFARLAND. I certainly understand that.

Mr. WELKER. I do not know of any State which has blossomed and grown within our lifetime as Arizona has, solely by reason of the availability of water. I want to be one who helps the great Southwest to develop along that line.

I am somewhat confused by the argument that this bill should be passed now, a bill which would permit a lawsuit to be brought for the purpose of establishing prior rights as between the States of Arizona and California. I have the brief which was submitted to me a moment ago, and I shall study it. After studying it, I shall probably interrogate the Senator about it at a later date. But before leaving the floor, will the distinguished majority leader answer a question? Under this development, the Senator proposes the generation of approximately 780,000 kilowatts of prime power. At this time, who generates the major portion of power within the State of Arizona?

Mr. McFARLAND. We have, of course, in the Salt River Valley project, the Roosevelt Dam, and we have below it about four other dams, mostly power dams, which generate electricity. On the Gila, we have the Coolidge Dam, where some electricity is generated. We receive the remainder of our electricity from dams on the Colorado River.

Mr. WELKER. Is the Senator able to tell me whether there will probably be any question as between public and private power in this connection?

Mr. McFARLAND. I understand the Senator's reason for asking the question, and I may say to him that there is no controversy as between the so-called co-ops and the power companies in the State of Arizona. Each recognizes the other's territory. I do not anticipate that there will be any controversy in regard to the power.

Mr. WELKER. Certainly, at this time, 775,000 kilowatts of power is not generated within the State of Arizona, is it?

Mr. McFARLAND. No. I shall supply the Senator later with the figures on that point. I do not have them at hand at the moment.

Mr. WELKER. In view of the fact that this installation would generate approximately 775,000 kilowatts of prime power, or "new" power, as we may call it, who is to market that power?

Mr. McFARLAND. The Arizona Power Authority has made a firm commitment to purchase every kilowatt of power which will be produced. We have need for that power in Arizona and can use it economically as soon as it is ready. If the Senator will pardon me, I forgot to mention one additional source of power. First, most of our power comes from the Colorado River. We have been getting some from Parker Dam. We will get some from the Davis Dam, and we are entitled to some from the Hoover Dam which we have not yet received. But there are also some large steam plants in Arizona which generate electricity, which we have had to install. We would not have to use those steam plants if we had additional hydroelectric power.

There is a tremendously growing demand for more power. For example, there is mining property in Pinal County which the Federal Government wants to see developed, and which will be one of the big new mines. The Government wants it developed for the production of needed copper, and it will take power from the proposed new dam.

Those who have made an estimate feel that, by the time this project is completed, we will have more than an ample market for the power. However, I may say that I doubt very seriously that our friends in California will be willing for us to have all this power, although the dam site is entirely within the borders of the State of Arizona, and it would seem that we should have first choice. But we want to be fair about power use. We are willing to have the power developed, and, if California does not want any of it, we can and will use it.

Mr. WELKER. Does the Senator mean to tell me that the Department of the Interior at this time has not told the people of California what is going to happen to the 750,000 kilowatts of prime electrical energy?

Mr. McFARLAND. I may say that the State of California is rapidly becoming an importer of oil, rather than an exporter. The people of California have used oil for the generation of electricity. They have used it for other power purposes, and they are going to be in a desperate situation with respect to power if some of this hydroelectric power is not developed. Californians have put up money to help make a survey above Bridge Canyon for the Glen Canyon Dam project. So, there is ample opportunity to sell this power;

and it is really needed. We, in Arizona, have a growing economy which can use all of this power. But the Senator may ask, "What would California do?" We anticipate that the Glen Canyon Dam will be built, and that there will then be ample power for everyone, if we can get both dams constructed.

Mr. WELKER. Mr. President, if the Senator from Arizona will yield further, my reason for pursuing this line of examination is that it would seem to me the bill is premature, and that we should first know what is going to happen to the 750,000 kilowatts of electrical power. I may say to the distinguished Senator from Arizona, by way of illustration, that there is a bill, known as the Hell's Canyon bill, which is now in just the embryonic stage, and which has not yet reached the floor of the Senate. The Secretary of the Interior has promised a certain amount of electrical energy which would be furnished to the people of Idaho under that bill. The people of the State know now the number of kilowatts they could expect. The remainder of the power to be generated at that giant installation would go to the States of Oregon, Washington, and, I assume, California. That is my reason for pursuing this line of inquiry.

Mr. McFARLAND. I can understand that.

Mr. WELKER. Along with the reclamation features of the bill, it seems to me that a block of power as great as 750,000 kilowatts would represent an output of energy second only, I believe, to that of Grand Coulee Dam, in the entire field of the generation of electrical energy within the United States.

Pursuing my line of inquiry further, I am wondering whether, when and if this power is placed upon the market, some private power unit would suffer as a result of the vast load of Government-produced power which would be competing with it.

Mr. McFARLAND. No. I may say that in the testimony there was no dispute whatever as to the need of power, either on the part of the witnesses from California, or on the part of witnesses from other States. All the witnesses unanimously agreed that the power was needed.

Mr. WELKER. For the record, would the Senator mind telling me what the power is needed for at this time?

Mr. McFARLAND. One of the needs of this power, of course, is for the purpose of additional supply to the cities of Arizona. The growing economy of the State demands more and more power.

Another need is to supplement the power for irrigation and reclamation. Another is to supply industries of various kinds. The mining companies use electric power. As I stated, there is going to be a new development in Pinal County, and some persons are very anxious about it. There is not any question in the mind of anyone as to the need for the power. As a matter of fact, former Senator Downey and the Senator from California [Mr. KNOWLAND] offered an amendment to construct a dam for power purposes, because everyone recognized its importance. There are various small industries which use power for pumping. We have been desperate because of the shortage of power. I will say to my good friend that the counties of Yuma and Pinal do not have sufficient power. There have been times when crops suffered because of lack of power to pump water. The farmers bought expensive Diesel engines and imported Diesel fuel with which to operate them. But, as the Senator knows, there is a shortage of Diesel fuel.

I shall be glad to refer my good friend to a brief which is in the hearings. Everyone recognizes the need for the power.

Mr. WELKER. The Senator says that some of the farmers are generating power by Diesel energy, but that Diesel fuel is in short supply. As I understand, the Senator and his colleague have drafted an amendment to the effect that no building will go on this installation until after the present emergency is over.

Mr. McFARLAND. That is correct.

Mr. WELKER. So there is no hope in Arizona, California, or any other place for relief from the shortage of electrical energy or of water until the emergency is over.

Mr. McFARLAND. That is correct. I emphasize the fact we are exhausting our underground water supply. The water level is going down deeper and deeper each year. It will be only a matter of time until we can no longer get any water from our underground water supply.

Prices are very high at this time. When the emergency is over prices will not be so high. Some of the persons who are pumping water from great depths will be employed in the construction of the project and they may leave their farms idle for a while, but we feel that the construction of this project would help the economy of Arizona, even though actual construction be postponed.

We presented an amendment as a practical matter. We did not believe the Congress of the United States would want to construct large projects unless they were absolutely necessary for the defense of the Nation. On the other hand, we are anxious to get an authorization, because it will make a justiciable issue and permit us to get the litigation under way. When the emergency is over we can start construction of the Bridge Canyon Dam, which would be of great benefit both to the State of Arizona and the State of California, even if the irrigation features are never constructed.

Mr. WELKER. I may say to the distinguished majority leader that the only reason I am interrogating him at all is because we should bring to the Senate as many facts as may be possible. It seems to me to be a weak point in the Senator's argument that we so badly need this installation, and yet we do not propose to buy any materials or build any works on the installation until after the emergency is over. In the young life of the junior Senator from Idaho, I think we have spent a long time in an emergency. I recall the statement of General Eisenhower in his address at the Library of Congress when he was asked when he thought the emergency would be over, to which he replied, "In 10, 20, or maybe 30 years."

So what I am trying to get away from is some idle proposed legislation, unless the people of the Nation can see some hope in the immediate future, because, if we authorize this construction, I think, as the Senator well knows, we shall create plenty of hardships. There will be speculation in Arizona and there will be persons waiting for the time when the vast flood of water and electrical energy becomes available. I wonder whether it would not be better for us to await the time when we can say to the people of Arizona and California, "We are going to erect this project. It will commence and will be finished at such and such a time."

Mr. McFARLAND. I would say in answer to my good friend, with reference to his first suggestion, that I will concede that we are taking a chance when we say the project will not be constructed until the end of the emergency. But I think that is a chance which we have to take. I think other projects in the United States are going to have to wait and take a similar chance. I believe we should get the projects ready, however. On the other hand, if we wait until after the emergency is over, if we make a justiciable issue and then have long years of litigation, our people would certainly be desolate.

I am sure there could be no speculation coming from the passage of this bill, because the lands involved are already owned; they are already under cultivation; they are already being farmed. The people well know that they are not going to get any immediate relief. They will do the best they can.

It has been said, life is just a bundle of hope. The authorization would give to them a hope, because they know that if the Supreme Court says there is water available for the project, if the Court does not hold against it, the project will eventually be built. They have confidence that right will prevail and that the Supreme Court will so hold. For us to wait longer, after all these years—we have been waiting and trying desperately to accomplish our desire—it would be a terrible blow to the people of Arizona to think that Congress was not willing to give them, at least, an opportunity to get the question settled and to say to them, "You can close your lawsuit, and eventually we will help you get water in your State just as we helped to get water in California."

Mr. WELKER. If I may answer the Senator with respect to the proposition dealing with the authorization of the project, I do not think there is a man in the United States who did more for the people of Idaho with regard to the famous Palisades project than did the distinguished majority leader. He, through untiring efforts and with the cooperation of other Senators, made it possible to authorize for the State of Idaho the famous Palisades project with its reclamation and power facilities.

I might invite the Senator's attention to the fact that much hardship has resulted from that project, because, although the Eighty-first Congress authorized it, in the Eighty-second Congress the Bureau of the Budget did not

allow one cent for its development. It is a deserving project, or the Senator would never have endorsed it. But the people of Idaho suffered and still suffer, and will continue to suffer, because of the fact that the Bureau of the Budget said, "We have other more important matters." Not one dime was budgeted for the building of the Palisades project which the Senator from Arizona helped to make possible last year. If Congress should authorize the project covered by the pending bill I wonder whether we would not find ourselves in the same situation; that it could not be developed for 5, 10, or, yes, even 30 years.

Mr. McFARLAND. We will, however, be going into it with our eyes wide open. I am hopeful, and I pray that the emergency will not last for any such period of years. I do not believe it will. It is necessary, of course, that all the time be taken that is necessary for us to win the peace.

I believe we in Arizona are in a more desperate situation than are the people of Idaho with respect to the Palisades project. I recognize that that is a sound and worthy project. I hope emergency conditions will slacken to the point where Congress can see fit to appropriate some money for the building of that project. I do not believe the project will have to wait for as many years as the Senator from Idaho believes. I certainly hope it will not have to wait so long. I appreciate the disappointment of the people of the Senator's State who, of course, did not anticipate that the appropriations for the project would be held up. We in Arizona realize that appropriations may be held up for a considerable time. We are willing to take our chances. I wish to say, moreover, that I shall be happy to assist the Senator in securing an appropriation to build the project in his State, because I believe it should be built.

Mr. WELKER. Mr. President, I appreciate the fine spirit in which the Senator from Arizona has answered my question.

In conclusion, let me say that I am concerned at this time with two major matters. The first one is why it requires an act of Congress in order that a billion dollars, or perhaps more than a billion dollars, may be authorized with respect to a vast project such as the one we are discussing, before a court of law can render a decision on the subject of water rights or other rights of priority existing between the State of California and the State of Arizona.

The Senator from Arizona has submitted a brief to me, and I shall attempt to study it. It seems to me we are opening a wide gate when we authorize a vast project such as this with the one prime principle in mind, the authorization being for the benefit of the lawyers and the litigants who are to try a lawsuit involving rights as between two States.

My second point is this: I know that the Senator appreciates the fact that I am thinking about a situation which might hurt my own arid State of Idaho, namely, whether we may not be developing too many farms. The Senator recalls our vast Mountain Home Air Base at Mountain Home, Idaho, which has one of the longest runways in the world. In Idaho we had such a surplus of potatoes that we were obliged to dump upon the runway thousands and thousands of tons of Idaho potatoes and have a huge roller run over and smash them in order to spoil them for food either for livestock or human beings. I wonder if it is not time that we did some serious thinking about the subject of parity, about the taxpayers all over the Nation paying for surpluses of farm commodities and crops.

I ask my distinguished friend from Arizona to consider this point: If the very productive lands of Arizona are developed and plenty of water reaches those lands, will that not soon result in draining off the economy of the farmers of Idaho, Utah, Wyoming, and other farming sections who must depend in considerable measure upon the market afforded by the people in the southwestern area of the United States? That is something we should discuss. Many Senators with whom I have talked have asked me that very question. Is not such development likely to put out of business farmers in North Dakota, Idaho, Montana, and other States?

Mr. McFARLAND. I appreciate the concern of the Senator from Idaho about the overproduction of food. With respect to the justiciable issue I point out that three times we have tried to get into court to have the matter settled. That should be enough. The court has refused to take jurisdiction.

When Arizona was admitted as a State the Federal Government required her to give up any claim to lands along the Colorado River. If tomorrow we had the money to build the project ourselves we would have to secure a right-of-way in order to go over those Federal lands. After the Senator has studied the enabling act of Arizona, after he has studied the cases from which I have quoted, as well as other cases dealing with this litigation, and after he has studied opinions of eminent lawyers such as Judge Stone, who testified in the hearings; Mr. Tipton, who has spent years in such litigation, Mr. Wilson, of New Mexico, and lawyers from Utah—all of them with the exception of the lawyers from California—he will agree that it is a desperate thing to require a State to come before Congress for relief, if it can be obtained in any other way.

With respect to the question raised by the Senator from Idaho, that of oversupply of food, I wish to say in reply that our population is increasing very rapidly. No state and no nation can be prosperous unless it has a sound agricultural foundation. Our Nation has been prosperous because we have had a frontier to which we could go to obtain land. Our forefathers could go west and take up land. My father and your father, Mr. President, could stake out a claim in the West and there build a home. The hardy pioneers who went west have made the United States what it is today.

The records will show that we do not have a surplus of farm lands, farm lands which we will need and which can be developed by such projects as the one we are considering. That is a subject on which I should like to talk at some length, and will do so later, if necessary. I should like to show that the development of irrigation and reclamation in the United States is the only frontier that is left. Such development furnishes the only opportunity for the United States to remain great and powerful among nations. If we stop developing our natural resources we shall in a few years begin to deteriorate.

No, Mr. President, I do not believe we should stop and consider whether a project in Idaho is going to hurt the people of Arizona or whether a project in Arizona is going to hurt the people in Idaho. The reason I made that statement is that the two States raise different kinds of crops. In Arizona, in particular, we try to raise crops which are not grown in other areas of the United States in large quantities.

I am hopeful that after the Senator has studied the record he will see the necessity for helping the sons and the daughters of the hardy pioneers who have built this agricultural empire, and help them maintain their economy.

We speak of ex-service men and women, men and women who have fought in the war to help maintain the United States. As was previously pointed out in the debate, one large group which will be benefited will be the Pima Indians. It was members of that tribe who helped raise the American flag on Iwo Jima.

Yes, Mr. President, those people need help; and they need the hope which the passage of this bill will give them.

Mr. WELKER. Mr. President, will the Senator yield further?

Mr. McFARLAND. I yield.

Mr. WELKER. I promise not to detain the Senator much longer.

I am impressed by the statement of my friend from Arizona with respect to the help which the people of Arizona will receive, and especially the help which the Indian tribe to which he has just referred will receive. I believe that he and I agree that our treatment of the American Indian, not only in Arizona, but in Idaho, has been disgraceful, and will be a blot on the record of the American people as long as we continue to treat them as we have treated them.

I should like to make one reference to the question of whether or not the State of Arizona is competing with the State of Idaho, the State of Wyoming, the State of Nebraska, or any other State, by the development of this reclamation project. The Senator's State raises more alfalfa per acre than does any other State that I know of. Alfalfa is one of the principal crops of Idaho. The Senator's State produces a great many cattle, as well as sugar beets and potatoes. There is no question in my mind that the proposed project would have some effect.

In conclusion, I wish to admonish the very distinguished Senator from Arizona, who is making a very valiant fight for the people of his State and for the welfare of his State, that it seems to me, if he will allow a newcomer to be critical, that he is making a very serious mistake if he does not have some kilowatts tied down for the State of Arizona,

rather than to have all the power go into the public power pool, to be sold and distributed all over the State of California and the Southwest by a group of gentlemen who repose in the Department of the Interior.

I have fought all the way in respect to the Hell's Canyon bill. Before I ever favor that bill, my State must be secured to the extent of at least 300,000 kilowatts of electrical energy.

The pending bill strikes me as being rather broad. If I may appear critical, it might at some time embarrass the people of Arizona, because if California is as greedy as the Senator has described in the debate, the people of California might well come in and take all of Arizona's electrical energy.

I thank the Senator very much for giving me this time. I appreciate his efforts.

Mr. McFARLAND. I thank the Senator.

I do not like to use the word "greedy" in speaking of my friends from California. Many of them have told me that they favor the Bridge Canyon Dam project. It is human nature for everyone to try to get everything he can.

I am sorry that we do not grow sugar beets. We grow a few potatoes, and we grow alfalfa, but the alfalfa is needed at home in Arizona. I think the price of alfalfa clearly indicates that there is not an oversupply.

Mr. NIXON. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. NIXON. Let me say that I join with my colleague from Idaho [Mr. WELKER] in commending the Senator from Arizona for his very eloquent statement in behalf of his position. Of course, I find that I am in disagreement with the conclusions he reaches. I think it would be valuable, however, if certain areas of agreement might be reached, so far as concerns the issue between those who favor the bill and those who oppose it.

I understand that the Senator from Arizona has made the statement that 99 percent of the cost of the project will be repaid through the sale of power, and through contributions from the sale of water. I believe the Senator from Arizona, in referring to cost in that instance, is referring to the principal only. Is that correct?

Mr. McFARLAND. Principal, of course, with respect to the irrigation features, and interest with respect to the power features.

Mr. NIXON. So far as concerns the interest on slightly more than $2,000,000,000, as estimated by the Bureau of Reclamation, no part of that interest will be repaid, as I understand.

Mr. McFARLAND. Oh, yes. I believe that directly and indirectly every bit of it will be repaid, and more, too.

Mr. NIXON. Is there any requirement, apart from the indirect payment of interest and benefits which the Senator believes will accrue from the project, for the repayment of interest? Is there a legal requirement for the repayment of interest?

Mr. McFARLAND. The power part of the project must pay interest. My good friend from California understands, of course, that the project will be on exactly the same basis as the Central Valley project of California.

Mr. NIXON. With respect to the Central Valley project in California, is it not correct that the irrigators—the farmers, shall we call them? for this purpose—in the Central Valley project of California will pay, and are obligated to pay, 52 percent of all the cost allocable to irrigation, whereas in the case of the central Arizona project the irrigators or farmers will be paying three-tenths of one percent for costs allocable to irrigation? Does the Senator consider that to be a similarity?

Mr. McFARLAND. That is the Senator's interpretation. I will let him make that statement on his own time. However, that is not our interpretation.

Mr. NIXON. The Senator disagrees, then, with that conclusion?

Mr. McFARLAND. Yes; I disagree.

Mr. NIXON. I should like to ask the Senator from Arizona another question. Referring to the cost of this project, does he recognize that in order for the Bridge Canyon Dam project to be feasible, it will be necessary to construct also the Glen Canyon Dam?

Mr. McFARLAND. Yes; or other dams up the river. It has been reported that the people of the State of the Senator from California have already put up money for a survey for the Glen Canyon Dam. I expect the Glen Canyon Dam to be constructed at a very early date. It cannot be tied to this project, because it is in the upper basin, and the upper-basin States felt that they need that project for the regulation of their water and delivery to the lower basin, as well as for power purposes, to help them build their own projects.

Mr. NIXON. Apart from the legal questions involved, is it not true that the Bridge Canyon project will not be feasible unless and until the Glen Canyon project is also completed?

Mr. McFARLAND. No; I do not agree with that statement at all. I have never yet seen a dam which was filled with silt. Unless California opposes the upper basin States as she has fought us—and she may do so—it is inconceivable that the people in the upper basin will not want to build dams and develop the upper basin. They will probably be ahead of us in a few years. Whether they will build the Glen Canyon Dam or not, they will build other dams in Wyoming or in some other State.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. O'MAHONEY. I desire to make the record quite clear that the upper-basin States do want to use the water of the Colorado River. For more than 30 years we have seen only one project really constructed upon this stream, namely, the Hoover Dam. There are vast possibilities in the upper basin States. There are great resources in those States which can be developed only if we have a final determination of the issue between the State of California and the State of Arizona with respect to the utilization of these waters.

If the development of the Colorado River is to be eternally blocked by a controversy which in the present state of the law cannot be settled by the Supreme Court, then it seems to me that the United States as a whole will be suffering a great loss because of lack of development in the upper basin States. I have often wondered why the State of California would not cooperate with other States to make certain that we obtain this development. As I see it, the principal objective of the bill is to have a justiciable controversy, which can be settled by the Supreme Court, so that we may proceed. If we do not succeed in doing so the result will be that the only development will take place in California. As I pointed out when we previously acted upon the bill, not a single drop of water of the Colorado River system rises in the State of California.

Mr. MALONE. If the distinguished Senator from Arizona will yield I should like to ask a question of the distinguished senior Senator from Wyoming.

Mr. McFARLAND. I shall yield the floor in a moment.

Mr. MALONE. It is in line with the present discussion.

Mr. McFARLAND. Mr. President, I cannot overemphasize the fact that I am worried about the colloquy which suggests a belief that the development of one State hurts the development of another State. I do not believe we can build a better Nation in that way. We must help each other. I have no fear that any one State will become overdeveloped or that there will be an overdevelopment of irrigation projects or agricultural land. It may have been true at one time, but with the increase in population, as shown in the last census, that danger is disappearing.

I am now willing to yield the floor, in order that the Senator from Nevada may ask a question of the distinguished Senator from Wyoming [Mr. O'MAHONEY]. I thank the distinguished Senator from Wyoming for his contribution. I think it has been very helpful.

Mr. O'MAHONEY. Is the Senator referring to me?

Mr. McFARLAND. Yes.

Mr. O'MAHONEY. I want the RECORD to show that I thank the Senator from Arizona.

Mr. LONG obtained the floor.

Mr. MALONE. Mr. President, will the Senator from Louisiana yield so that I may ask a question of the Senator from Wyoming?

Mr. LONG. Mr. President, I ask unanimous consent that the Senator from Nevada may ask a question of the Senator from Wyoming, and that the Senator from Wyoming may make his reply, without my losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MALONE. I should like to ask the distinguished chairman of the Com-

mittee on Interior and Insular Affairs if it is not a fact that there are now five separate bills in the committee upon which no hearings have been had and upon which no notice of hearing has been given, which bills cover a range of projects from a relatively small one of a few hundred acres to a project of 60,000 acres.

Mr. O'MAHONEY. I am not quite sure that I understand the Senator's question.

Mr. MALONE. Has the Senator from Wyoming made any attempt to hold any hearings on the bills, which the junior Senator from Nevada introduced, to irrigate Nevada land with water from the Colorado River?

The bills deal with five projects ranging from a small project to one embracing 60,000 acres.

Mr. O'MAHONEY. The Senator from Nevada will recall that it has been the general opinion of the members of the Committee on Interior and Insular Affairs that it would not be worth while, in the present state of our expenditures for national defense, to report bills which would involve additional expenditures at this time. For that reason, when we reported S. 75 we were careful to adopt a very important amendment which made it clear that there would be no construction and no expenditure under the bill at the present time. I received a letter from the two Senators from Arizona stating that it would be their intention to offer amendments to the bill which would make that point very much clearer. The Senate last year passed the provisions of the pending bill. The bill raises a justiciable issue. I have had no request from any member of the Committee on Interior and Insular Affairs for any hearing on the bills to which the Senator from Nevada refers.

Mr. MALONE. The bills were introduced, and they are in committee. The Chairman may call them up at any time.

Mr. O'MAHONEY. That is correct.

Mr. MALONE. They are in committee at the pleasure of the distinguished chairman of the committee.

Mr. O'MAHONEY. No; I disagree with that statement. They are there at the pleasure of the committee. If the Senator from Nevada desires to call them up let me suggest that he do so at the very next meeting of the committee.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. MALONE. I should like to continue my questioning of the Senator from Wyoming.

Mr. LONG. Without losing my rights to the floor I ask unanimous consent that the Senator from Nevada may ask another question of the Senator from Wyoming and that the Senator from Arizona may also ask questions of the Senator from Wyoming, again without prejudice to my rights to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MALONE. Mr. President, I should like to make the categorical statement, first, that there is nothing in Senate bill 75 which prohibits the construction of a project even if the Supreme Court took jurisdiction and decided that the water was not available in the quantity the Secretary of the Interior said should be available. In other words, they could still go ahead with construction.

Mr. O'MAHONEY. Of course, there could not be anything in any bill which would prevent Congress from carrying out its legislative function. The Senator did not mean that, I am sure.

Mr. MALONE. I accept the correction, although it is rather technical; the project may go ahead regardless of the action of the Supreme Court. However, in view of the fact that there are five bills requiring much smaller amounts of water in committee which would permit the Supreme Court to take action for the irrigation of land in Nevada, it would be less dangerous to act on one of those. I may say, to digress for a moment, that there are five States in the lower basin, and the junior Senator from Nevada is becoming a little irritated to hear the controversy referred to as a fight between California and Arizona. Nevada has received little water from the Colorado River. It could use 900,000 acre-feet. Apparently a deliberate attempt is being made to sidetrack the States of Nevada, New Mexico, and Utah, and make it appear to be a fight between California and Arizona.

With all due respect to the Senator from Wyoming I say that it is not a fight between the States of Arizona and California. It is a fight between five States.

I will say further that the Congress of the United States has never in its history appropriated money to take water out of an interstate stream for the benefit of one State in the basin, in the absence of an interstate compact or an adjudication by a court of competent jurisdiction.

The Senator from Wyoming certainly cannot point to one such instance.

He is very technical about it when it concerns his own State. The State engineer and the governor of every State must agree before he will permit anything of that nature to be brought up affecting his own State.

Mr. O'MAHONEY. The Senator from Nevada attributes to me a power which I neither claim nor attempt to exert.

Mr. MALONE. I have heard the Senator assert the principle.

Mr. O'MAHONEY. Mr. President, for the RECORD I desire to make clear that I hold in my hand the report of the Committee on Interior and Insular Affairs. The junior Senator from Nevada is a very able and helpful member of the committee.

Mr. MALONE. I am cognizant of the methods followed in the committee. I know the distinguished Senator's procedure.

Mr. O'MAHONEY. The report was submitted by the Senator from Arizona on the unanimous vote of the committee. No minority view appears in it. No member of the committee has even attempted to file a minority view. Therefore I am at a loss——

Mr. MALONE. I was present, and I voted against it.

Mr. O'MAHONEY. Frankly I am at a loss to understand what the Senator from Nevada means.

Mr. MALONE. I voted against it.

Mr. O'MAHONEY. There is no minority view.

Mr. MALONE. Is it necessary to file a minority view to be recorded against a bill? Does the Senator say it was the unanimous vote of the committee? I deny it was unanimous.

Mr. O'MAHONEY. Then I misunderstood the position of the Senator from Nevada.

Mr. MALONE. The Senator did not misunderstand at the time.

Mr. O'MAHONEY. As I say, there is no minority view.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. MALONE. I admit there is no minority view. The Senator from Wyoming well knows that there was more than one vote that would have been recorded against the project in committee.

Mr. O'MAHONEY. I do recall that there was.

Mr. MALONE. I will accept the Senator's explanation.

Mr. McFARLAND. If the Senator will let me explain, 10 votes were cast in favor of the bill and 2 votes were cast against it, but no member of the committee saw fit to file a minority view, as the distinguished Senator from Wyoming has pointed out.

I should also like to call attention to the fact that the junior Senator from Nevada only recently introduced his bills. Of course, under the rule a bill must be reported by the committee to which it is referred, before it can be acted on by the Senate.

We never have had any controversy with Nevada; we have conceded that Nevada is entitled to the water Senator Pitman said the State wanted. However, Nevada has not yet come forward with a bill calling for that water.

Mr. MALONE. Mr. President, I deny that. Five bills have been introduced that will utilize the 900,000 acre-feet of water which a regularly appointed engineering committee reported Nevada could use in 1935.

Mr. LONG. Mr. President, I ask unanimous consent that the Senator from Nevada may make a brief statement, without prejudicing my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered; and the Senator from Nevada may proceed.

Mr. MALONE. Mr. President, since the Senator from Wyoming has not bothered to read the bills I have introduced, I wish to ask him a question.

Mr. O'MAHONEY. Mr. President, permit me to interrupt the Senator from Nevada long enough to say that he has never requested the chairman of the committee to hold a hearing on any of these bills.

Mr. MALONE. I did not understand that I had to make such a request. The Senator from Wyoming has the bills before him, as chairman of the committee.

I wish to ask this question: Would not it be well to pass a bill authorizing a smaller project which would not use more than one-half million acre-feet of water, which includes the same provision for the reference to the Supreme Court, thus making the matter a justiciable issue? Would it not be better to act upon a bill that would not require such large works or expenditure?

Mr. O'MAHONEY. I see no objection in principle to doing that.

Mr. McFARLAND. Of course, Mr. President, all of us agree that Nevada is entitled to 300,000 acre-feet. So a bill calling for the use of 100,000 acre-feet would not make the matter a justiciable issue.

Mr. MALONE. I think it would. In any event, let me say that Nevada is entitled to 900,000 acre-feet of water, not 300,000 acre-feet.

THE TIDELANDS CONTROVERSY—PERSONAL STATEMENT BY SENATOR LONG

Mr. LONG. Mr. President, in the Washington Post of Thursday, May 24, the Drew Pearson column ran a very erroneous and possibly deliberate false report concerning the action of the Committee on Interior and Insular Affairs with regard to tidelands legislation. Several things about that story are so obviously false that I believe in fairness to the Senators who are on the committee, I should set the record straight.

Mr. Pearson's column referred to me as the spokesman for the oil lobby. As a matter of fact, the committee hearings will show that the oil industry appeared in support of the O'Mahoney-Anderson bill which I have been opposing because I have felt that it would greatly prejudice the rights of coastal States. Therefore, to be fair about the matter, I can be considered as much a spokesman against the oil industry as a spokeman for it. Of course, the oil companies are presently willing to go along with any kind of legislation that would prevent the Federal authorities from taking their leases from them. Although the Attorney General of the United States solemnly told the United States Supreme Court that these States leases would be protected, the oil companies nonetheless fear that certain Democratic politicians may take the side of various Federal lease applicants who hope to obtain leases worth many millions of dollars at the expense of a mere $10 filing fee for a Federal lease. This results from the fact that State leases have been let by competitive bidding, while Federal leases have been let by noncompetitive bidding on a more or less first-come, first-served basis.

The Pearson story goes on to say that the Senator from Wyoming [Mr. O'MAHONEY] tried unsuccessfully for 2 hours to persuade me to compromise, but that I would not budge. The truth of the matter is that I have at all times expressed to other Senators a willingness to work out any sort of compromise arrangement that would not prejudice what I consider to be the ultimate rights of the States. I have made as much effort to persuade the Senator from Wyoming to see the States' point of view as he has made to show me the Federal side of the picture.

The Drew Pearson column also makes the false statement that the senior Senator from Nebraska [Mr. BUTLER] voted the proxies of the Senator from Montana [Mr. ECTON] and the Senator from Utah [Mr. WATKINS] in support of certain amendments that I offered. Nothing could be farther from the truth, Mr. President. The Senator from Montana and the Senator from Utah were not present, and neither of them was recorded. It is my understanding that the Pearson article is a part of a campaign of libel and smear in an effort to intimidate those two Senators by putting them on notice that they will be the victims of falsehood and vilification if in their conscience they should feel that the States are entitled to some consideration in the administration of their submerged lands.

When I undertook to support the rights of the coastal States, I was warned that I could expect to be smeared by many of the syndicated columns. My friends told me that certain Federal jobholders, both past and present, have a way of getting libelous falsehoods into print in columns of the type of Mr. Pearson's. I was also informed that certain Federal lease applicants, hoping to obtain for practically nothing, leases worth millions of dollars, have gone to the expense of setting up quite a propaganda machine in an effort to bring their campaign to a successful conclusion. Personally, I have no regret and no hard feeling about this type of character assassination. I expected it when I undertook to support the rights of my State. Nevertheless I do regard it as very unfair and certainly unfortunate that Senators who were not even present and recorded should be the subject of falsehood and libel merely for the purpose of intimidating them in the event that their own conscience should dictate that they recognize certain equities existing in favor of the States of this Nation.

I ask unanimous consent that the article which I have referred to be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post of May 24, 1951]

THE WASHINGTON MERRY-GO-ROUND

(By Drew Pearson)

LOBBIES USE MACARTHUR PROBE

One result of the MacArthur controversy is a field day for the lobbyists. With the country absorbed with the MacArthur dispute, the lobbyists are able to put across all sorts of fancy deals without the public realizing it. One of the latest is a move to reverse the Supreme Court in regard to tidelands oil.

In 1936, when President Roosevelt tried to reverse the Supreme Court by an act of Congress, it made headlines for weeks. But without benefit of headlines, the big oil lobbyists are now trying to reverse the Supreme Court ruling that the submerged oil lands off the coast of the United States belong to all the 48 States, not merely to California, Texas, and Louisiana.

Last week the lobbyists quietly won out in their initial move. They finagled the Senate Interior Committee into voting—7 to 4—to return tidelands oil to these three States.

The vote was over the objection of chairman, Senator JOE O'MAHONEY, Democrat, Wyoming, who tried to block the oil lobby with a compromise bill, and who spent 2 hours privately trying to persuade Senator RUSSELL LONG, Democrat, Louisiana, spokesman for the lobby, to compromise. But LONG wouldn't budge.

Closed-door vote

In the show-down voting behind closed doors, Senator HUGH BUTLER, Republican, from the inland State of Nebraska, with no water boundary other than the Missouri River, showed up with the proxies of two other Senators, ECTON, Republican, from the landlocked State of Montana, and WATKINS, Republican, from the desert State of Utah.

Joined by Senator CORDON, of Oregon, this made four Republican votes for the oil companies.

Chairman O'MAHONEY had counted on the vote of the Senate Majority Leader MCFARLAND, of Arizona, since the majority leader is supposed to vote with the administration on all major policies. However, MCFARLAND owes a debt to persuasive, potent BOB KERR, Democrat, Oklahoma, the man who really made him majority leader, and MCFARLAND joined two other Democrats—LONG, of Louisiana, and SMATHERS, of Florida—in overruling the Supreme Court. O'MAHONEY was able to muster only three votes besides his own—ANDERSON, Democrat, New Mexico; MURRAY, Democrat, Montana; and LEHMAN, Democrat, New York.

After the tidelands vote, MCFARLAND rose to leave, sheepishly offered his proxy to O'MAHONEY on some minor votes.

"It's too late now," snorted O'MAHONEY. "I could have used it a while ago."

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. LONG. I yield for a question.

Mr. O'MAHONEY. Has the Senator from Louisiana concluded the statement he wished to make?

Mr. LONG. Yes.

Mr. O'MAHONEY. Then, Mr. President, I ask for recognition in my own right.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. O'MAHONEY. Mr. President, I merely desire to confirm much of what the Senator from Louisiana has said. There is no necessity, however, to restrict my intervention to a mere question.

Let me say that the Senator from Louisiana is entirely correct in his statement; in other words, the Senator from Nebraska [Mr. BUTLER] did not vote the proxies of the Senator from Montana [Mr. ECTON] or the Senator from Utah [Mr. WATKINS]. Both those Senators were absent from the committee meeting. Their votes were not cast there.

It is only fair to them to say that at a previous meeting of the committee they voted, with the chairman of the committee and other members, against the so-called quitclaim bill.

So the story from which the Senator from Louisiana has quoted has to date at least completely misrepresented the position which those two Senators have taken.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly.

Mr. MILLIKIN. I have not seen the particular article to which reference is made, but I wonder whether the distinguished Senator can advise me whether my position has been interpreted. I voted for the quitclaim bill and I voted for the Long amendment. I

hope there is no confusion about that. Can the Senator advise me whether there is any confusion about it?

Mr. O'MAHONEY. The Senator from Louisiana has the article to which reference has been made. However, I do not believe there was any confusion at all about the position taken by the Senator from Colorado.

Mr. MILLIKIN. I must say that it seems to me that if the distinguished Senator from Louisiana did not look after the oil interests of his State, he would be justly subject to vilification. Therefore, I should think he could take with considerable pride any vilification which might come to him for having looked after the interests of his State.

Let me inquire what this matter is all about, in other words.

Mr. O'MAHONEY. Mr. President, I was about to add that I think it is quite correct that I have used as much time in trying to persuade the Senator from Louisiana to agree with me as he has used in attempting to induce me to agree with him. However, to date neither one of us has succeeded.

THE DESTRUCTION OF OUR INDEPENDENT ECONOMIC AND MILITARY SYSTEM

THE ATLANTIC UNION COMMITTEE

Mr. MALONE. Mr. President, I call the attention of the Senate to the activities of an organization known as the Atlantic Union Committee.

ONE FURTHER STEP

Anyone who has read the literature put out by this organization can plainly see that they are attempting one further step in a carefully thought out plan to subjugate the United States of America to an international government and to merge the political, economic, military, and social life and destiny of this country with that of Western Europe.

There has been introduced in Congress a resolution prepared by this organization. It would provide another big step toward an economic and military union in which the United States would have just one vote—a plan destined to destroy America—that is, Mr. President, the America which you and I have known. In this union, the United States would have no more voice than would Luxemburg.

PUSHING US INTO A FEDERATION

Mr. Pearson, Prime Minister of Canada, as well as prominent officials in England and other interested countries, have referred to the Atlantic Union as the Atlantic Federation—a federation of nations—such as our federation of States, which led to the United States of America, each country of which would have an equal vote in the federation of nations or at best a vote based on population.

CHANGE THE CONSTITUTION

The particular point at issue is that establishment of the Atlantic Union would require a slight modification of the Constitution of the United States, to the end that each of the 12 members of the North Atlantic Pact, and in any enlargement thereof every other nation which became a member in the regular way, would have one vote, each as powerful as our own, and the Congress of the United States would no longer be the controlling factor of our destiny, but would be relegated to the status of the legislature of a separate state in the federation.

FOREIGN NATIONS NOTHING TO LOSE

Small nations are, of course, anxious for this union, provided the United States is in it. We hear no talk of a United States of Europe which could have been a great organization, such as the United States of America with each of the European nations having the status of a State in the federation.

Those nations have a common interest. Their living standards are near enough alike to enable them to have such a union, and they could reach the ultimate in economic and military strength.

SOCIALIST IDEAS RUN TRUE TO FORM

Atlantic Union, it is just another way of their getting more out of Uncle Sam. The nations of Europe would not be interested in this plan at all unless we were in it. Like all socialistic ideas, the fellow with nothing would like the fellow with something to agree to divide equally their total assets. I have seen no evidences that Western Europe wants to do anything for America because it is for America.

WE HAVE BEEN THROUGH A GREAT SICKNESS

Unfortunately, there has grown up in our minds a philosophy which would surrender patriotic Americanism. We have gone a long way down the road toward abandoning Americanism. The American people have stood for a lot, but I cannot bring myself to believe that they would stand for this complete sell-out of America.

Our case is like that of a man who has been through a great illness. We see signs of convalescence. That is, there are signs that it is a little more popular to be for the United States of America. I believe that those signs are going to be strengthened.

MANY STATES ACTED—THEIR MOST RECOVERED

The resolution prepared by the Atlantic Union Committee was introduced in many States. Some of the States turned it down flatly, because they immediately recognized that it was a sell-out of America. The States which immediately turned the resolution down flatly were Delaware, Indiana, Iowa, Minnesota, Nebraska, New Mexico, New York and Vermont.

Not only did the Michigan legislature turn down the resolution but that patriotic body of Americans jumped in and immediately passed a resolution vigorously opposing that type of government.

Among the States which passed the unionists' resolution was Oklahoma, but although the legislature passed this resolution, the Oklahoma voters threw it out at the general election by a vote of 4 to 1.

A number of other States passed the resolution, being thoroughly deceived by the propaganda, but when they realized what it was all about, they rescinded the resolution. The States which rescinded the unionists' resolution are Alabama, California, Colorado, Florida, Georgia, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Missouri, New Jersey, Oregon, Rhode Island, and Tennessee.

I am sure that all patriotic Americans are gratified that that leaves only a little handful of States with the unionists' resolution still on the book. No doubt they too will see the light and rescind.

Those who would sell us out quite obviously want us to scrap the Constitution and join with Western Europe.

ENTAIL MERGING OUR SOVEREIGNTY

That would entail, as the junior Senator from Nevada has said, a slight change in the Constitution of the United States, so that the Congress of the United States would no longer be the controlling factor in the destiny of this country.

It would no longer be possible to have an American policy or any other doctrine which conformed to American interests. It would no longer be possible to formulate an American policy.

AN AMERICAN POLICY

It has been a long time since we have had an American policy. On April 18 of this year, the junior Senator from Nevada addressed the Senate outlining the need for and what might be included in a statement of American policy.

It has been so long since we have had an American policy that the school children, now graduating into college, have never heard of it.

USING ALL THE SCHEMES—INCLUDING BLACKMAIL

The schemers are using all the tricks. They are using the threat of communism and the necessity of defending Europe. They are using the Atlantic Pact; they are now referring to an "Atlantic Federation." They propagandized for our sending troops to Europe. They have favored all give-to-Europe programs. They warn against blockade of Red China, as "it might anger Britain," who is still dealing with our enemy, the Chinese Communists; who have attacked us—and where our latest, casualty list, reluctantly and belatedly released by General Marshall, Secretary of Defense numbers more than 140,000 men and not 65,000 as first reported.

SOME ENGLISH EDITORS HORRIFIED

A Manchester, England, editor recently remarked, in substance, "Why the next thing you know, they will be expecting us to bomb supply bases in Communist China." That is horrible.

THE CROWNING INSULT TO AMERICA

Mr. President, as a crowning insult, a British judge in Hong Kong awarded to the Chinese Communists 40 American-made transport planes intended to be used against the Chinese Communists.

A letter addressed to the junior Senator from Nevada by Claire Lee Chennault, major general, United State Army, retired, lends some intelligence to this commitment by the British judge of the American-made planes to Communist China. He says:

> This is the latest round in the fight which Mr. Willauer and I and our associates have been making for the last 18 months to make sure that this war-vital fleet of air transport planes does not fall into the hands of the Chinese Communists—and it has never been more important than now that this should not happen.

Perhaps the British are subtle enough to understand how this action of their Hong Kong court can be squared with the United Nations embargo on the shipment of war materials to Red China—which the British say they are supporting. I am frank to say that I—and I think most simple-minded Americans—find this action incomprehensible.

The British may feel they have offset their action on these planes by their recent embargo on rubber shipments from Malaya to Communist China. But this embargo will not slow up the Reds for a long time to come. They have their British-fed stockpiles to draw on and they can still get rubber from Indonesia. These planes, however, give the Communists a tremendous lift to the war potential now just where they need it most—in air transport.

If this Hong Kong court decision and the Malayan rubber embargo were a trade, I say we have been traded a rabbit for a horse.

SHIPPED RUBBER—TIN—STEEL

Mr. President, the junior Senator from Nevada was in Hong Kong and Singapore late in 1948 and saw shiploads of tin and rubber and steel which were going to Communist China.

WARNED FOR 3 YEARS

I stood on the Senate floor at various times in the past 3 years explaining what was happening, that the result of the Marshall plan and ECA would be to arm Russia and her satellites through her 95 trade treaties with the Marshall plan countries, and that this material was going to Communist China.

Finally, the Senate passed a resolution, after 3 years of arguments pounding like raindrops on a roof.

I hope Congress will not move so slowly in waking up to the other vital matters which affect our sovereignty and very existence.

TRANSPORT PLANES TO COMMUNISTS—BRITISH JUDGE

Mr. President, in the Washington News of May 22, 1951, appears a report under the byline of Clyde Farnsworth, a Scripps-Howard staff writer, headed "Calls sale to Chennault 'conspiracy'. British justice awards 71 transports to Chinese Reds." I read briefly from the article:

HONG KONG, May 22.—It sounded like a radio broadcast from the Chinese Red regime at Peiping, but it was the wigged and gowned British Chief Justice for Hong Kong who delivered this opinion: That Maj. Gen. Clare Chennault and his partner, Whiting Willauer, conspired with the illegal (Nationalist) government in Formosa to deprive the Chinese Central People's Government of assets of two "Communist-liberated" airlines. And they committed an impropriety hostile to the legal government and interests of the Chinese people.

Mr. President, I ask unanimous consent to include in the RECORD at this point the remainder of the article. It simply describes the decision and the results which will flow from the decision.

There being no objection, the remainder of the article was ordered to be printed in the RECORD, as follows:

Such was the substance of the judgment by Chief Justice Sir Gerard Howe in the Hong Kong Supreme Court sustaining the Chinese Reds' ownership of 40 transport planes and other airline property in Hong Kong.

In effect, the ruling, unless reversed, will turn over to the Reds a total of 71 planes, most of them transports, since another airline is involved in a similar case.

NOT CONSIDERED

The potential military use of these planes, Red China's war on the United Nations in Korea, and the fact that most of China's pro-Communist civil aviation came from American taxpayers' bounty did not enter the case.

Moreover, transfer of the planes to Peiping would conflict with the spirit, at least, of the new U. N. embargo against exports of potential military value to Red China.

Peiping stood on her sovereign immunity and was not formally represented in the suit. It was brought by Civil Air Transport, Inc., the company formed by General Chennault, the wartime commander of Flying Tiger fame, and his partner, against the Central Air Transport Corp., which once was Nationalist-controlled.

SEIZED CONTROL

Some turncoat Central Transport employees, together with some from the China National Aviation Corp., seized control of the airlines' Hong Kong assets after the Chinese Nationalists took refuge in Formosa.

Although Britain then recognized the Nationalists, nothing was done in Hong Kong legally to restore Nationalist authority over the planes and other property.

Thus, the Reds were in possession and control from the beginning of the investigation, which seemed somehow to help prove ownership to the British Chief Justice.

IT'S RETROACTIVE

On December 12, 1949, when General Chennault and Mr. Willauer made their business deal with the Nationalists, Britain still had not recognized the legality of the Red regime, but did so on the following January 5. Now Sir Gerard rules that British recognition was retroactive to October 1, 1949, when the Communists proclaimed their rule in China and invited the recognition of other nations.

"I hold, therefore, that as from October 1, 1949, these aircraft were owned by the Central People's government," the Chief Justice decreed. He dismissed the suit, and, because "there must be finality in this matter," he trimmed an allowable 6 months for appeal to 2.

Sir Gerard decided that the Formosa Nationalists must have foreseen British recognition of Peiping and thereupon improperly contracted with the American partners to sell their assets for promissory notes on condition that the Chinese Communists would never benefit—that passengers and goods would never be carried within, to, or from Communist areas of China. He ruled:

"HOSTILE TO CHINESE

"This transaction was clearly hostile to the present Government of China, and I consider it hostile to the interests of the Chinese people.

"I have no hesitation in reaching the conclusion that not only was it one designed to embarrass the people's government, but it was against the interest of the Chinese people and it was a transaction incompatible with that trusteeship which every government must assume.

"Loss of these aircraft in a country so large as China and with poor communications would be severe."

The planes in dispute are now "pickled" at Hong Kong's Kai Tak Airfield. The Americans announced they would appeal. Appeal failing, the only way Hong Kong could withhold the militarily valuable planes from Red China would be to apply a recently adopted requisition ordinance.

Mr. MALONE. Mr. President, I have before me an editorial from the Washington News, dated May 22, 1951, entitled "Hostile to United States," reading, in part, as follows:

The British judge in Hong Kong who awarded 40 American-made transport planes to Red China, holding their sale to General Chennault, "hostile to the interests of the Chinese people," must have overlooked the point that the Chinese Communists are at war with the United Nations, including the British Empire.

BRITAIN RECOGNIZED COMMUNIST CHINA

Mr. President, that may or may not be true, but the British Empire has recognized Communist China.

It has on two occasions offered an approach for stopping the fight in Korea, or the war, as some us call it—or police action, as the President calls it.

PROPOSED RECOGNITION OF COMMUNIST CHINA

Two conditions laid down were that the Communist Chinese Government be admitted to the United Nations in place of the Nationalist Chinese representatives, and that Formosa be given to the Chinese Communists. There were other equally abhorrent conditions, Mr. President, but those were the two outstanding.

I should like to say at this point that I believe the secretary of state is still in favor of the recognition of Communist China. He repudiated the speech recently made by Dean Rusk, which was perhaps to allay the fears of the people of the United States that the State Department actually could be in favor of such a thing.

I recall, Mr. President, that in September 1949, I stood on this floor and said, while the international conference was in progress between England, Canada, and the United States, that as soon as the British representatives returned home, or in the very near future, they would devalue their currency.

I also said that Mr. Acheson had agreed secretly to join them in support of their move and in the recognition of Communist China, and her admission to the U. N.

Of course, in the U. N. we would vote against it in a perfunctory manner, and then, with the overwhelming vote which was anticipated at that time, the Chinese Reds would be admitted and we would be propagandized, as I said then, by the great State Department throughout the Nation, suggesting that we might as well follow in such recognition to protect our economic interests and other factors.

There was such a furor raised that they have not dared to do it, but they still have it in mind and will still follow Britain. Please remember that.

BRITAIN—DEVALUED CURRENCY FOR TRADE ADVANTAGES

As to my other prediction, Sir Stafford Cripps denied seven times during that month and the following month that Great Britain intended to devalue her currency, but practically as soon as he reached home the currency was devalued.

Mr. President, I ask unanimous consent to have the remainder of the editorial printed in the RECORD at this point in my remarks.

There being no objection, the remainder of the editorial was ordered to be printed in the RECORD, as follows:

He seems also to have ignored some other pertinent facts.

The Chinese Nationalist Government sold the planes to General Chennault and his associates on December 12, 1949. At that time Britain recognized the Chiang Kai-shek regime as the Government of China. Britain recognized the Red Government at Peiping on January 5, 1950. But, to square the record with his verdict, the Hong Kong judge held that British recognition was retroactive to October 1, 1949, the date the Reds proclaimed their formation of a provisional government.

Britain, having joined the United States in an arms embargo against the Chinese Reds, surely will not let these planes be delivered to them for use in servicing their troops in Korea. But, if there is any doubt of that, our own Government should make sure that it doesn't happen. These planes, when sold on easy terms, were intended to assist Nationalist China in a recovery program. Giving them to the Communists would be an act hostile to the interests of the American people.

BRITAIN SHOCKED BY OUR RESOLUTION

Mr. MALONE. Mr. President, as a matter of fact, radio broadcasts from Britain over the week end would indicate that Britain is horrified that America should want her to stop trading with our enemy, the Chinese Communists.

TWO-YEAR EXTENSION OF FREE TRADES

Mr. President, the one-worlders, who would sell us out, were successful last week in making the Senate swallow the free-trade program—hook, line, and sinker—for two more years, and their next step is to pump a new $10,000,000,000 foreign-aid program for Europe.

Incidentally, free trade is part and parcel of the one-economic-world scheme, a step toward leveling our standard of living with that of other countries, meaning a lowering of our American standard of living.

For two more years the American workingmen and investors are placed in the hands of a thoroughly discredited State Department.

THE INTERNATIONAL TRADE ORGANIZATION

The Secretary of State and his cohorts appearing before the Senate Committee on Finance promised that they would not bring up again the International Trade Organization, but the junior Senator from Nevada proved beyond the shadow of a doubt last Monday, Tuesday, and Wednesday, that with the adoption of the commercial policy section, chapter 4, of the International Trade Organization Charter by GATT (General Agreement on Tariffs and Trade), and other bills which have been introduced and which were described at that time, they would, in effect, have adopted the International Trade Organization, notwithstanding.

TRANSFER OUR SOVEREIGNTY TO FOREIGN NATIONS

The military, political, and economic phases of the scheme are closely related and under the total scheme would transfer our sovereignty to a group of foreign nations.

Mr. President, the unionists, who obviously work in close harmony with Secretary Dean Acheson, will shortly have General Eisenhower leave Europe—leave the unionists' military program in Europe—long enough to come to Washington to support the next part of their scheme, the sending of another $10,000,000,000 of American taxpayers' money to Europe.

ONE HUNDRED BILLION DOLLARS TO FOREIGN NATIONS

Mr. President, it may be of interest at this time if I refer briefly to an article written by Walter Trohan and published in this morning's Washington Times-Herald. I read from it in part as follows:

Demand is growing in Congress for a full-scale investigation of foreign-aid spending which is approaching $100,000,000,000 for the last 10 years.

Sentiment for inquiry is mounting on two fronts. There is concern over reports of waste, extravagance, corruption, and boondoggling on a world-wide scale.

Mr. President, what do we expect with a world-wide WPA in the hands of the WPA'ers? I continue to quote from the article:

And there are fears that foreign spending is being employed as an avenue to bring this country into a union with western European allies or a world federation.

A world federation of nations, Mr. President.

World spending and world union advocates are advancing the same arguments for their programs. These are that the programs are essential for implementing defense against the Soviet Union, vital to the accumulation of strategic materials and will raise the standard of living throughout the world to make the world free and secure.

Within the past month, Canadian foreign minister Lester B. Pearson expressed hope that the North Atlantic alliance will grow into a federation, and Joseph C. Grew, former Under Secretary of State, indicated that preservation of the North Atlantic pact as a step to federation is more important than the war in Asia.

Both Pearson and Grew are advocates of world federation, which would place America's wealth, manpower, resources, and production at the vote of European nations.

EUROPEAN NATIONS GROUP VOTE TO CONTROL UNITED STATES

Mr. President, the article does not refer to a vote of Congress, as we have been used to voting upon the recommendation of a one-economic-world-minded administration.

It refers to a vote of a combination of European countries, not a vote by Congress.

To have the matter go through a vote of Congress is rather dull and often delays the imposition of additional taxes on American citizens.

Some Senators even have the temerity to debate the subject on the Senate floor. But after Congress is bypassed it will be a very simple matter.

I continue to read from the article:

The State Department and ECA publicly releases hammer at one-world ideas, although being careful not to do so explicitly.

On March 2, ECA Administrator Foster, in a speech, confidently implied a permanent ECA to finance Western Europe for both defense and general welfare betterment. He said the way to a truly safe world is to help our friends—East and West—to attain a better life.

The Gray and Rockefeller reports would expand point 4 aid to backward nations—into a permanent policy and link it to Western European defense operations. These reports were prepared for the White House by Gordon Gray, former Army Secretary, and Nelson Rockefeller, former Coordinator of Inter-American Affairs.

THREE-POINT PROGRAM—ONE ECONOMIC WORLD

Mr. President for 3 years on the Senate floor the junior Senator from Nevada has said that there was a three-point program for a one economic world.

What were the three points?

One was the free-trade program as practiced by the State Department under the 1934 Trade Agreements Act, as extended, with the State Department in sole charge of leveling all the tariffs and import fees to the point where the products of the sweatshop labor of Europe and Asia could come in unchecked, in direct competition with the products of a higher standard of living. Then there is the choice of writing down wages and investments to meet the competition, or going on unemployment relief.

MAKE UP TRADE BALANCE DEFICITS

The next point is—and it has so been stated by the Secretary of State and Assistant Secretary, Mr. Willard L. Thorp, not once but several times before congressional committees—that the ECA and the Marshall plan were simply temporary expedients to make up the trade-balance deficits.

Those are not the exact words, but that is exactly what the statements add up to.

And do that until such time as what? Until such time as the markets of this Nation could be divided with the nations of the world through the free-trade program of the State Department.

THE THIRD POINT

What was the third point, Mr. President? The third point was the International Trade Organization, which simply was an organization of 55 or 60 nations, whatever nations would come into the organization—and they all would.

We would be the key to the organization. If we did not come in, of course, there would be nothing to divide.

The joining of that organization, the approval of Congress, was on the must list of the President for three different years, Mr. President. Only now they are saying they are not bringing it up any longer.

JOINING STEP BY STEP—GATT

I have traced the procedure step by step. The International Trade Organization is to be gotten through Congress without actually confronting Congress with the legislation itself, which means that the sponsors of the organization were not sufficiently bold to come out with the whole matter at once, so they are bringing it in piecemeal.

The Organization, composed of 55 or 60 nations would have charge of setting the tariffs and import fees of the member nations. The same result will be arrived at through the piecemeal legislation and the Torquay pronouncements, ending three international conferences beginning at Geneva in 1945.

That is not quite all. They could set quotas of production for the member nations. If they thought too much wheat was being produced in the United States, or too much tungsten, or too much of any kind of textile, or of precision instruments, they could reallocate the amount to be producted by each nation.

They could seat all these great State Department brains around the table, and knowing exactly what each nation would utilize for the coming year, simply divide the production.

THROUGH THE BACK DOOR

So they go through these laborious passageways to arrive at something through the back door. Even Mr. Acheson, as optimistic as he has been that Congress could not read or understand what it read, or if it did read it, there would be a majority in the Senate that would be in favor of dividing the markets, the source of our income, went to the great Senate committee—and it is a great Senate committee, Mr. President, and some of the finest Members of the Senate are members of that committee—and promised that committee that the International Trade Organization would not come before this body.

He did not say, however, that the parts would not come before this body and make up the whole when the parts had finally been approved by Congress a part at a time. That would be like shipping parts of an airplane to China, the engine first, then the wings, then the body, and finally the plane being assembled in China.

Mr. President, I ask that the remainder of the article of Walter Trohan be printed in the RECORD at this point.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Since passage of the original Lend-Lease Act in March 1941, more than $81,000,000,000 have gone to foreign aid in lend-lease, the British gift-loan, UNRRA, inter-American aid, Greek, Turkish aid and other programs. This figure was prepared by the Library of Congress for aid up to June 30, 1950.

In the current fiscal year, the budget calls for $8,300,000,000 for foreign aid. Last week President Truman asked for $8,500,000,000 for the next fiscal year beginning July 1. These would bring the total of foreign aid to $97,800,000,000, or two-fifths of the total national debt of $256,000,000,000.

The expenditures were authorized and carried out on a piecemeal basis. No real investigation has ever been made as to the performance and results of these programs. Congressional committees have roamed the world on various junkets, but no over-all investigation has ever been made.

The Senate was a so-called watchdog committee on aid composed of Senators MCCARRAN, Democrat, of Nevada, and BRIDGES, Republican, of New Hampshire. The two Senators lack the time and means of investigating the expenditure of sums difficult even to comprehend.

Recently, under growing pressure for an accounting, the Senate Republican Policy Committee appointed a committee to inquire into economic and military aid and the methods of its administration.

Those Senators appointed are WILEY, of Wisconsin, chairman, SMITH of New Jersey, BRIDGES, of New Hampshire, SALTONSTALL, of Massachusetts, FERGUSON, of Michigan, and WHERRY, of Nebraska.

THROUGH THE DOORS AND WINDOWS

Mr. MALONE. Mr. President, it is all tied together neatly. There is a definite pattern indicating a complete sell-out. They not only come in through all the doors, they come in through the windows too.

SAME KIND OF LEGISLATION

Mr. President, I should like to say that since the junior Senator from Nevada has been on the Senate floor the tenor, the kind of legislation, the tempo of the legislation coming across the Senate floor has not changed.

THE SENATE TO BLAME

Before the junior Senator from Nevada was a Member of the Senate, many people said that it was Mr. Roosevelt who brought all this about. Then Mr. Roosevelt died, but the legislation continued coming across the Senate desks at the same tempo.

Then it was said that it was Mr. Truman's fault, because he makes so many mistakes.

A STRAIGHT LINE TO SOCIALIZATION

Mr. President, the junior Senator from Nevada is reminded of a humble illustration. The mistakes which Mr. Truman makes and the mistakes which Mr. Roosevelt made remind me of someone slightly under the influence going home about 3 o'clock in the morning.

He steps off the sidewalk on one side, then gets back on, and brushes up against the wall of a building on the other side. After a little while he is back off the sidewalk; but after he has walked four or five blocks, it can be said that he has gone in a straight line.

For 18 years there has been no let-up, no change, and no deviation in the kind of legislation which has come to this floor.

It leads to one thing—one economic world, and to the nationalization and socialization of the industries of this country, and the utter destruction of the economic system of this country step by step.

NO REFLECTION UPON INDIVIDUALS

This is not intended to cast any reflection upon some of those who have permitted their names to be used in connection with this organization.

However, I do say that in the humble opinion of the junior Senator from Nevada many persons are being used by schemers against America. Well-meaning citizens—in fact, some of my friends—have fallen for the propaganda.

When they study the question I am sure they will immediately withdraw their support.

SUBORDINATING THE AMERICAN MILITARY AND ECONOMY

Mr. President, the Atlantic Defense Alliance is moving slowly but surely toward subordinating the American economy and the American Military Establishment. Likewise America's industrial potential, her shipping, her manpower, and her resources, are destined to slip under foreign domination if the unionists have their way.

Perhaps the real workers in this unionist organization are good, hard-working, conscientious people. They do not see the whole picture.

Perhaps they could not individually be disloyal to this country. They are simply for something which finally added to the other factors, adds up to disloyalty.

MUST WELD THE ENTIRE PICTURE TOGETHER

As the junior Senator from Nevada has many times pointed out, the mistake of the Senate is to take it for granted that each of the trick suggestions, and each tricky piece of legislation brought forward during 18 years of legislation, stands upon its own feet—in other words, that each is independent of the other.

That is the mistake which the Congress makes. How are the people of the United States to know the dangerous over-all picture if we do not detect it here?

As a matter of facts, each is only a step in the well-conceived plan to merge this Nation with the nations of Europe. The combination leads to a deliberate attempt to destroy the national economic structure and the workingmen and investors along with it.

In that connection, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks another dispatch under the byline of Walter Trohan. This dispatch is entitled "British Scheme To Merge United States with West Europe Revealed," and is dated May 22, 1951. The subhead is: "Planners Using Atlantic Pact To Scrap Constitution and Control Yank Might."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald of May 22, 1951]

BRITISH SCHEME TO MERGE UNITED STATES WITH WEST EUROPE REVEALED—PLANNERS USING ATLANTIC PACT TO SCRAP CONSTITUTION AND CONTROL YANK MIGHT

(By Walter Trohan)

The North Atlantic Pact is being employed to promote a scheme to merge America with the military, political, economic, and social life and destiny of Western Europe.

The Atlantic Union committee met here last week to pump for scrapping the Constitution and unite with Western Europe, particularly with Great Britain.

The threat of communism and the necessity for defending Europe were emphasized by speakers as arguments for Union Now. At the same time, the unionists warned against blockade of Red China as a step that would anger Britain and imperil the Atlantic Pact, the first step toward union.

The administration was putting final touches to a proposed demand upon Congress for a new $10,000,000,000 foreign-aid program for western allies. The program is being advanced as a means of meeting the Communist threat.

UNITED STATES ARMS SUBORDINATED

The foreign-aid program and the sending of American troops to Europe are bringing American military might under foreign control. The Atlantic defense alliance is slowly moving toward subordinating the American Military Establishment.

In time the United States Army, Navy, and Air Force would be placed under pact domination, in which the United States would have but one vote. Also the Nation's industrial potential, shipping, manpower, and

resources would slip under foreign domination.

Indication of foreign control of the American Military Establishment came out of London Saturday when it was announced that the United States and Britain had decided to reconsider plans for establishment of naval command. It was considered significant that the announcement came from London rather than here.

NAVAL COMMAND HELD UP

The British want command of the navy in the Atlantic, although their navy is vastly inferior in ships and men. The United States has designated Admiral William B. Fechteler as supreme naval commander in the Atlantic. In the fact of British opposition, Fechteler's appointment was held up, thus clearly demonstrating subordination of America to Britain.

Unionists would subordinate American interests to British interests in the Pacific. Joseph C. Grew, former Under Secretary of State and former Ambassador to Japan, denounced General MacArthur's suggestion for an American blockade of Red China.

Grew told members of the Atlantic Union committee that the blockade could lead to a shooting war against British shipping and imperil the North Atlantic Pact. He said the blockade could result in war if American vessels fired on British ships. It has been disclosed in Congress that British ships have been supplying essential war materials to the Chinese Communists, including rubber.

PENDING IN CONGRESS

The Union Now promoters have a resolution pending in Congress calling upon President Truman to invite Atlantic Pact nations to meet with this country to explore the possibility of political union.

Senator KEFAUVER, Democrat, of Tennessee, was induced to take time off his investigation into the alliances between crime and politics in order to present the resolution. KEFAUVER and 26 senatorial colleagues signed the resolution.

A larger section of the Senate believes that the Atlantic Union scheme is a plan to destroy America. Some opposition Senators are convinced that the Atlantic Pact is the wedge by which the internationalists would tear down the American Republic.

NAME THE SCHEMES

Mr. MALONE. Mr. President, let me name just a few of the schemes which started in 1924 and continue to the present time. The most recent action on the floor of the Senate was last week, in the extension of the 1934 Trade Agreements Act.

According to history, would-be rulers of the world for 2,000 years have operated on the theory that in order to control a people they must destroy or take away from them the thing which they used for money.

THE METAL BASE FOR CURRENCY

The first act—by the way, with the approval of the Senate—took away the metal base for the currency of the United States. It is said by certain persons that they want to stop inflation. They may as well say they want to stop a balloon from going up in the air without anchoring it to anything.

Inflation is very easily stopped, but the man who stops it will not be popular.

The second step, as the junior Senator from Nevada has described on the floor of the Senate many times, was the free-trade program, to divide the markets, the source of our income, with other nations of the world.

DEFICIT FINANCING

The third item was deficit financing. I am sorry to say that a great many people are easily sold on the idea that the more money we spend the more wealth we shall have.

The junior Senator from Nevada never could make a banker believe that.

There is only one difference between an individual and his unbusinesslike practices and a nation with its unbusinesslike practices. That is that the individual is through when his bank and his friends desert him, whereas a nation is finished with its unbusinesslike practices only when the money which it prints no longer has any value.

SUBSIDIES

The fourth item is the subsidies which we pay in lieu of tariffs and import fees.

We remove tariffs and import fees and make it possible for all the other nations of the world to come in with their agricultural products and other products without restraint.

We pay a subsidy to those industries which we want to survive, to hold the economy until such time as we are ready to manipulate it for another purpose.

That means, of course, that we are subsidizing and stabilizing the prices of the agricultural and other products of surrounding countries, but we have plenty of money, so we have deficit financing, and make the people believe that the more we spend, beyond what we can collect, the better off we are. That idea has been sold to this country, starting, I suppose, with the British Keynes program, and continuing through to the present time. Mr. Keyserling, in the White House, still believes it. I suppose he will believe it until the Government can no longer sell its bonds.

SECURITIES AND EXCHANGE COMMISSION

The Securities and Exchange Commission was established to prevent new financing, not merely to make sure that the investor knows the truth.

It has been taken for granted for a hundred years in this Nation that the function of government regulation is to make sure that the people know the truth.

But now before we can sell securities we must convince the engineers and the hand-raised economists of the Securities and Exchange Commission that the enterprise will be a success.

When we were examining some of the engineers before a committee, the junior Senator from Nevada informed them that if they could see underground as they indicated and determine whether or not a mine was going to be successful, whether the ore pinched out and became leaner or whether it widened out and became enriched, or if they could see into the future and determine whether or not a particular building would be a profitable investment, they were wasting their time here.

We could take them somewhere where they could make some real money.

ONE-WORLD FEDERATION OF NATIONS

Then there is the one-world federation of nations, which would take authority away from the Congress of the United States.

The Congress would become a legislature, the same as a legislature in any State of this Nation.

ONE POLITICAL WORLD WILL RESULT

I admit that some of the actions which have been taken on the Senate floor might lend weight to the argument that perhaps we should be demoted.

However, I would say that we should not be demoted in that way. Mr. President, when you have one economic world, which you will have when you have enough inflation, when you have spent enough money abroad, and when you have divided the wealth of this Nation and divided the markets of this Nation, with the avowed purpose to which the Secretary of State has testified, one political world will not be long in coming.

The first step is to destroy the economic system of our country with the myriad approaches.

As the junior Senator from Nevada has stated, the action taken by the Senate last week in extending for 2 years the absolute dictatorship of a thoroughly discredited State Department over every workingman and investor in the United States of America was just extending the first step in that plan and program.

OFFICIALS OF ATLANTIC UNION

The president of the Council of the Atlantic Union Committee is the Honorable Owen J. Roberts, a former Justice of the United States Supreme Court. He is from Philadelphia, Pa.

One vice president is the Honorable Will L. Clayton, former Under Secretary of State. He is from Houston, Tex. Another vice president is the Honorable Robert P. Patterson, former Secretary of War. He is from New York City.

The secretary is the Honorable Lithgow Osborne, of Auburn, N. Y. The treasurer is Elmo Roper, of West Redding, Conn. The chairman of the executive committee is Hugh Moore, of Easton, Pa. The vice chairman of the executive committee is Arnaud C. Marts, of Whitehouse, N. J. The executive director is Walden Moore, of New York City.

A CONGRESSIONAL COMMITTEE MAY BE IN ORDER

Mr. President, I invite the attention of some of the congressional committees which may have some time on their hands to give the Atlantic Union a little attention.

The State Department has been engaged for 18 years, and through three international conferences, starting at Geneva in 1947, and including Torquay, England, which has just been completed in dividing our markets with the nations of the world, their absolute authority has just been continued for two more years, to divide our markets with the nations of the world.

Removal of the metal base of the currency of the United States, the resulting inflation, subsidies, deficit financing, prevention of new financing through the SEC form the combination and add up to a deliberate attempt to destroy the national economic structure of this Nation.

NOMINATIONS IN THE ARMY, NAVY, AND MARINE CORPS

Mr. CAIN. Mr. President, as in executive session, from the Committee on Armed Services, I report certain routine nominations in the Army, Navy, and Marine Corps. The list of nominations includes 353 Military Academy graduates, who will be commissioned on June 1, 1951. In order to avoid the expense of printing the nominations on the Executive Calendar, I ask unanimous consent that the nominations be confirmed en bloc at this time, and that the President be notified.

The PRESIDING OFFICER. Without objection, as in executive session, the nominations are considered and confirmed en bloc. Without objection, the President will be notified forthwith.

THE MACARTHUR CONTROVERSY

Mr. CAIN. Mr. President, on May 3, 1951, the Committee on Armed Services and the Committee on Foreign Relations, sitting jointly, began their inquiry into the military situation in the Far East and the facts surrounding the relief of General of the Army Douglas MacArthur from his assignment in that area.

The junior Senator from Washington is a member of the Committee on Armed Services, and he has attended, with one exception, every session of the committees sitting jointly.

Since the inquiry began, I have not thought it proper or necessary to offer to the Senate any views whatever concerning the hearings. This afternoon I believe it is completely proper and necessary that I make a small portion of the joint committee record available to every Member of the Senate and to every American citizen who wishes to read it. It has been thought and said by some persons that Gen. Douglas MacArthur disobeyed some military directives which guided the conduct of his campaigns in Korea. Up to this minute, Mr. President, there is not a single shred of evidence to support any such view.

General MacArthur testified under oath before the committees that at no time had he disobeyed a military directive.

Gen. George C. Marshall, Secretary of Defense, testified under oath that he knew of no failure on the part of General MacArthur to obey literally every military directive.

Gen. Omar Bradley, Chairman of the Joint Chiefs of Staff, testified under oath that he knew of no failure on the part of General MacArthur to obey literally every military directive.

However, on Friday of last week, May 25, Gen. J. Lawton Collins, Army Chief of Staff, suggested under oath that General MacArthur had disobeyed a particular military directive. This allegation, sir, came in response to a question asked by the Senator from New Jersey [Mr. SMITH]. I wish to read from the short colloquy which ensued:

Senator SMITH. In spite of this statement of yours, all the testimony has said that General MacArthur never in any way violated any directive from the Joint Chiefs of Staff or from the President with regard to action or his carrying out——

General COLLINS. There was one——

Senator SMITH. Military action.

General COLLINS. There was one specific incident that did occur, Senator, which I don't know whether it has been introduced in the testimony or not; but one of the instructions that the Joint Chiefs had issued to General MacArthur was that he would not use anything but Korean troops on the frontier, and he did not comply with that.

He sent American forces directly to the frontier without advising us ahead of time on it, and when we asked him, challenged his doing this, he said that he did it because of military necessity.

The action had already been taken and we did not countermand it, but that was a specific example.

That testimony appears on pages 3198 and 3199 of the hearings of May 15, 1951.

I read from page 3200 of the hearings:

Senator SMITH. And you told him not to send any troops within what distance?

General COLLINS. I do not recall that we specified the distance, but it was a clear-cut directive that he was not to employ troops other than South Koreans close to the frontier.

As Senator SMITH was engaged in his colloquy with the Army Chief of Staff the Senator from California [Mr. KNOWLAND] was listening with deep interest. A few moments later, in his own right and time, the Senator from California, at page 3236 of the hearings of May 25, 1951, said:

Now, General, in the light of those messages, can you indicate any place in your record where General MacArthur violated a directive of the Joint Chiefs of Staff that he must not use American troops in going to the Yalu?

General COLLINS. Yes, sir. I did not intend to indicate when I cited that as an example—I was asked specifically were there any instances which did——

Senator KNOWLAND. I understood that.

General COLLINS. Cause us to view his action with alarm, and I gave you a correct answer. On the 27th of September a directive had been sent to General MacArthur. I think this can be paraphrased, to this effect:

"Under no circumstances, however, will your forces cross the Manchurian or U. S. S. R. borders of Korea, and as a matter of policy"—not a flat directive but as a matter of policy—"no non-Korean ground forces will be used in the northeast provinces bordering the Soviet Union or in the area along the Manchurian border."

Mr. President, as the Senator from New Jersey [Mr. SMITH] and the Senator from California [Mr. KNOWLAND] were interrogating the Army's Chief of Staff on his allegation that General of the Army Douglas MacArthur had disobeyed and violated a military directive, I was listening with close attention to those interrogations, against which in my own right and time, on Saturday, the 26th day of May, 1951, I had a colloquy with the Army's Chief of Staff. I wish to read it from the record in a fashion identical to that in which it became a part of the committee record, so that Americans everywhere and our friends across the seas can judge for themselves whether General of the Army Douglas MacArthur ever violated or refused to carry out to the letter a military order and/or directive which had been imposed upon him by higher authority. This colloquy begins on page 3408 of the joint committee hearing of May 26, 1951:

Senator CAIN. General Collins, in World War II, I was privileged on occasion to serve in units which were on your right or left flank.

General COLLINS. On our left flank, sir.

Senator CAIN. That experience taught me to grow to understand your fairness, your courage, and your intelligence. In a word, sir, I hold you in very high regard, and I mention that because I know you will take no exception, or I hope you will not, to several questions I would like to pose to you now.

General Collins, this inquiry deals with two questions, one of which, in part, is the splendid reputation of an American, which has been the pride of our Nation for many years. I want to do everything I can to see that this reputation is neither tarnished nor doubted nor criticized in any single respect without complete justification.

From what you said yesterday, I know that you believe that Gen. Douglas MacArthur has been and remains among the foremost military leaders in our American history.

General COLLINS. That is correct, sir.

Senator CAIN. I am convinced, General Collins, that you seek, intentionally, to do him no harm.

General COLLINS. Definitely.

Senator CAIN. On yesterday, General Collins, I think you unintentionally, and I emphasize that word, unintentionally did a first-rate hatchet job on General MacArthur; and certainly you led the Nation to believe that General MacArthur violated a field directive, a field order, when, in my opinion, he did no such thing.

In an effort to find out who is right, I want to ask you several more questions about your statement of yesterday, that General MacArthur had disobeyed one of the JCS instructions, that General MacArthur should not employ anything but Korean troops on the frontier.

My first question, General Collins: I wonder if you intended to say anything yesterday, or thought you said it, which justified this headline in last night's Evening Star: "Collins says push to Yalu broke orders."

And, in the first paragraph of that story, I want to quote it:

"Gen. J. Lawton Collins, Army Chief of Staff, said today General MacArthur disregarded a specific Joint Chiefs of Staff directive last fall by sending American troops near the Manchurian frontier."

Did you intend, yesterday, General Collins, to support those two contentions made in this medium of public opinion, sir?

General COLLINS. Certainly not the headlines, Senator.

Needless to say, I don't write headlines, and I was not seeking headlines.

I thought I had clarified it, and in one or two comments that I listened to over the radio last night, it seemed to me that they were a fair evaluation of what I said; and it is true that in answering the first question, I indicated that it was a violation of a directive, or words of that effect.

I promptly corrected that, and made the point that what, in my opinion, and I still have this opinion, General MacArthur did, was to not follow a matter of policy which had been clearly delineated to him in a directive of the 27th of September, if I remember the date correctly.

Now, of course, in the field, we endeavor to give our field commanders as much leeway as possible, and certainly we gave General MacArthur lots of leeway.

The point I was making, and I think I clarified it in the testimony, was that that condition being true, in other words, that being our normal procedure, to give our field commanders plenty of leeway, then we felt that it was incumbent upon them to follow our broad policies and that when they felt impelled to vary from them, to consult with us.

General MacArthur did not consult with us when he issued his directive, I think it was the 24th of October, in which he took the wraps off of his field commanders and when we called him on it, he came back and said he did it as a matter of military necessity.

That is a matter of judgment, and, as I indicated yesterday, I refused to get involved in the discussion where judgment of that character is involved, because we are a long ways away.

The only point now in my raising this question, and you will recall that I did not volunteer this—I made this point in answer to a question before this committee.

The point that I endeavor to make, and which I hope now to make abundantly clear, is that this did represent an instance where a policy clearly enunciated by the Chiefs was not followed, and was not followed without consulting with the Joints Chiefs of Staff. In my judgment there was plenty of time during which the Chiefs could have been consulted prior to the issuance of this directive.

I said that, to me, the fundamental one of the two fundamental points in this whole inquiry is whether or not the President has the—whether we owe it to the President to give to him a field commander who is in consonance or in general accord with the basic policies under which we are operating. I think this was one indication among many others, which certainly have been clear, that General MacArthur was not in consonance with the basic policies that led us gradually to fear that just as he violated a policy in this case without consulting us, perhaps the thing might be done in some other instance of a more serious nature.

Now we again followed this up. This particular point we again followed up in November when we suggested, we did not direct but we suggested, that General MacArthur should stop his forces short of the Yalu.

Now, since you raised the question, Senator, I feel now compelled to tell you that I don't agree and did not agree with General MacArthur's reply that it would not be possible to stop on the high ground overlooking the Yalu.

I would not have made this statement except that you have pressed me now for an explanation of why I raised the question yesterday.

Senator CAIN. Out of fairness, General Collins, I have to press you, sir.

General COLLINS. I don't object to it.

Senator CAIN. Your answer speaks exactly for itself.

General COLLINS. I do not object to it. My only point is that I regret that I am forced to go into a discussion of this. I have the utmost respect for General MacArthur. I think his campaign from Australia to the Philippines was sheer brilliance, one of the most brilliant campaigns that I know of in military history. I think in this instance I disagree with him. That doesn't mean I am right and that he is wrong, but I disagree.

Senator CAIN. General Collins, will you permit me to say this, sir: My military experience is very limited, but I certainly know the difference between an order and a policy.

General COLLINS. I did not say that he violated an order.

Senator CAIN. Sir, let me ask you a few more questions. My recollection of yesterday is this: The Senator from New Jersey, Mr. SMITH, said: "General Collins, both General Bradley and General Marshall have testified in no uncertain terms that in no single instance did Gen. Douglas MacArthur ever violate or disobey a directive or an order."

I think my memory is fairly clear, and in part helped by the record, that General Collins said: "But I will give you an instance in which he did disobey"—and these are the words that you used, and we seek to clear it up out of fairness to you and out of fairness to a man who has been to this American a hero all his life——

General COLLINS. And he has been to me.

Senator CAIN. And you say, sir:

"One of the instructions that the JCS had issued to General MacArthur was that he would not use anything but Korean troops on the frontier, and he did not comply with that."

I have a question to this point, sir. Will you tell me what a JSC instruction is? I ask you that against your words because I have not understood what an instruction is. Is it an order or is it a suggestion?

The Senator from New Jersey [Mr. SMITH] then entered the colloquy:

Senator SMITH. Will the Senator yield at that point just for further corroboration of the point he is making? On page 3200 General Collins said in answer to a question of mine when I said, "And you told him not to send any troops within that distance?

"General COLLINS. I do not recall that we specified the distance, but it was a clear-cut directive that he was not to employ troops other than South Koreans close to the frontier."

General COLLINS. And that was later corrected, Senator, when it was brought to my attention, the wording. Frankly, I had forgotten the exact wording of that, and I did correct it for the record yesterday afternoon, not this morning; yesterday afternoon, as soon as it was brought to my attention.

Now, the point I am driving at, Senator CAIN, I did not intend, and I think that again was clearly indicated in the testimony yesterday, to accuse General MacArthur of insubordination or anything of that sort.

I still make the point that the directive that was issued to him clearly indicated that as a matter of policy we didn't want him to send American troops close to the front. He did send them close to the front without consulting us, when he could readily have consulted us, and then the decision would have been made here, and if we said no we would have accepted the responsibility for it.

That would have cleared him as a field commander completely. We would have had the responsibility then.

Senator CAIN. Right. That is not my concern at the minute, because the first order and directive which you imposed upon General MacArthur was to protect and preserve the security of his command as in his judgment military necessity required. Now, I have one question on this, sir.

General COLLINS. Well, you see now you force me to say, Senator CAIN, that in my opinion to secure his command did not necessarily require the use of American troops for such probing actions because actually not only did he send American troops, but he also sent a Korean column, and if the Korean column was competent to do the job, other Korean columns could have done the job.

Senator CAIN. Exactly, sir, but he is 7,000 miles away, or was that distance away. He wanted to protect the integrity of his command as his judgment best dictated.

He used both American troops and South Korean troops, and—

The censor deleted the next line. I continued:

I could only conclude that General MacArthur's judgment must be within his own province, but here is my last question on this subject so that everybody knows, general, and you and I and everybody else understand this problem.

Was there any mandatory provision of any kind, character or description in the instruction in question which prevented General MacArthur from deploying his forces as military necessity dictated?

General COLLINS. There was not. There shouldn't have been. I would not have supported such a flat mandatory order.

Senator CAIN. I appreciate your answer, and I think that clears that matter away for all time.

Mr. President, the two committees, sitting jointly, seek the truth in the form of facts surrounding the relief of General of the Army Douglas MacArthur of his commands in the Far East.

The Army Chief of Staff, Gen. J. Lawton Collins, whom I have said—and I meant it—I hold in very high regard, was careless and thoughtless in his allegation that Gen. Douglas MacArthur had disobeyed a military directive. General Collins has honestly and willingly corrected the record of the two committees.

I have presented General Collins' testimony for the CONGRESSIONAL RECORD, so that every Member of the Senate of the United States may be able to read for himself that the Army Chief of Staff may have had policy disagreements with General MacArthur, but the Army Chief of Staff does not any longer maintain that General of the Army Douglas MacArthur ever disobeyed or failed to carry out in literal fashion a military directive.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield for an observation?

Mr. CAIN. I am very happy to yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. As one of those who participated in the very interesting colloquy which the Senator from Washington has just related to the Senate, I wish to commend the Senator from Washington for placing the full record before the Senate and before the people of the United States, because it was very confusing to all of us to have this question raised by one of the Chiefs of Staff, after we had heard General Marshall and General Bradley say that there never had been an occasion when in any way General MacArthur had violated a military directive, and then, finally, to have the Army Chief of Staff, General Collins, admit that, even if such directive had been given, he would not have been in favor of it, and he did not believe that it was the kind of thing which should have been insisted upon in the case of General MacArthur. I feel that the Senator from Washington has done a real service in bringing out the whole discussion, because the newspapers certainly have been terribly misled as to just what happened. They have been given the impression, at least, that there was complaint of an instance in which General MacArthur violated a military directive.

Mr. CAIN. I may say that one of my reasons for thinking it proper to bring this colloquy to the attention of the Senate this afternoon was that in

reading a number of American newspapers over the week end, I found, at least to my satisfaction, that about 50 percent of those newspapers had been misinformed, and that they continued to believe that General of the Army Douglas MacArthur had disobeyed some military directive received from higher authority, whereas the Senator from New Jersey, the Senator from Washington, and every one of the 26 members of the two committees which were sitting jointly, know that no such allegation is founded in any way whatever upon fact. I greatly appreciate the comments just made by the Senator from New Jersey.

Mr. SMITH of New Jersey. I thank the Senator for his splendid exposition.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

Mr. McFARLAND obtained the floor.

Mr. NIXON. Mr. President——

The PRESIDING OFFICER (Mr. SMITH of North Carolina in the chair). Does the Senator from Arizona yield to the Senator from California?

Mr. McFARLAND. I yield.

Mr. NIXON. Will the Senator yield in order that I may suggest the absence of a quorum?

Mr. McFARLAND. Mr. President, it is 10 minutes to 5, and, unless some Senator wishes to speak——

Mr. NIXON. I understand that my colleague [Mr. KNOWLAND] would like to speak on the central Arizona project.

Mr. McFARLAND. Does he want to speak this afternoon?

Mr. NIXON. I think he would like to speak briefly.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. WHERRY. Is the Senator from California [Mr. KNOWLAND] still in the hearings?

Mr. NIXON. He is in a hearing before the Appropriations Committee. He will be here in a few moments.

Mr. WHERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. WHERRY. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, because of the lateness of the hour, I do not want to go on with the main presentation on my part in opposition to the central Arizona project. I do want the opportunity to and shall read the complete RECORD with the speech of the Senator from Arizona [Mr. McFARLAND]. I was present during a good deal of the time the Senator was speaking, but later in the afternoon I had to go to an important hearing before the Appropriations Committee. However, I do wish to put into the RECORD and to briefly discuss a few of the phases of the proposal which I think are extremely important, so that Members of the Senate who will have the opportunity of reading the RECORD and the speech of the junior Senator from Arizona may have some information which gives the point of view of those of us who doubt the economic feasibility of the project and also other factors in connection with it.

I want to say, briefly, that in the 6 years during which I have been a Member of the Senate, and for many years prior to that time, as a newspaperman, I have favored the general policy of reclamation. I think this country made great progress under the original Reclamation Act, and, I might say, with considerable pride, under the Republican administrations which sponsored the original reclamation law and the various developments which have taken place.

At the same time, those of us who represent the Western States have an obligation to the other Members of the Senate of the United States and to the Nation to make certain that any project which is presented for the assistance of the Federal Government shall be a sound project and that it shall so measure up by the yardstick which the Congress of the United States itself has laid down.

The great danger to western reclamation, in my judgment, would be the presentation of projects which are not economically sound to the extent that people would lose confidence in our whole system of reclamation. I say on my responsibility as a Senator of the United States that it is my judgment that if this project is approved in the form in which it is now before us, it will, in fact, destroy the yardstick which we have previously used, and hereafter it will be most difficult for the Congress of the United States to object to other uneconomical projects which may come before it.

I am quite willing to admit that on the question of the amount of time which should be allotted for repayment of the irrigation features of a reclamation project there may be a basis for some extension. It has been set as a period of 40 years, with a development period of 10 years, or a total of 50 years. There may be a basis for extending the period because of rising costs, because of changed conditions, let us say, to 55 years. But if we do extend the period to 55 years, then I submit as a matter of equity and of sound legislation, the same period of time should apply to every project which comes before the Congress. In other words, we should use the same yardstick not only on the so-called central Arizona project, but on every other project in the country.

Because I happen to come from a western reclamation State I do not believe that the yardstick and the measurement should be destroyed or that it should be so impaired that people over the Nation who are not in reclamation States or not in a position to benefit from the reclamation laws would say that the whole situation is unsound.

That is the great danger which I think those of us who come from the West have to face if we completely destroy the measurement standards we have heretofore had.

It may be, Mr. President, that instead of extending the period for 5 years, it could perhaps be extended for 10 years, and we could say that the project, in order to be considered feasible, would have to be paid back in 60 years. But in that case I submit, Mr. President, that the same standard and the same yardstick should apply not only to a project in Arizona, in California, in Texas, in Nevada, in Colorado, in Wyoming, or in any of the other reclamation States, but we should be sure that the standard is understood and that everyone abides by the same standard.

If we depart from that, Mr. President, I submit we shall get into a situation in which no one knows what the standards of feasibility are, and the only test we will have, as was the case in the old days of the tariff, will be a log-rolling situation which will develop in connection with those projects which can line up the most votes, and regardless of their feasibility, they will be the ones that will receive approval. A State which might not be able to get support for its project, even though it be a sound one, might be the one that would be completely left out of the picture. I do not think that makes for sound legislation. I do not think it makes for a sound system of reclamation.

Mr. President, earlier in the day the statement was made that there are a number of things that are comparable between the central Arizona project as proposed and the Central Valley project of California. The similarities are that both are multiple-purpose water and power projects and the irrigation features of both are to provide supplementary water to existing farms. The contrasts, based on data in official reports of the Department of the Interior as hereafter noted, are shown by a table which I have before me. I shall read the figures for the Central Valley project of California and then for the proposed central Arizona project.

As to construction costs allocated to irrigation, the amount devoted to water supply in the Central Valley of California is $200,000,000. For the Central Arizona project it is $382,000,000.

The distribution and drainage systems in California amount to $64,000,000; in central Arizona, $68,000,000.

The total irrigation costs in California are $264,000,000; in central Arizona they are $450,000,000.

The water to be supplied in California, 1,959,000 acre-feet. In the central Arizona project, 1,070,000 acre-feet.

Now here are where the vast contrasts take place. The farmers pay in California $72,500,000, or approximately 36 percent of the water supply costs, as I have previously noted, whereas in Arizona the farmers pay $1,500,000, or approximately 0.4 percent of water supply costs.

In addition to that, there are the distribution costs. The other costs were at canal side. But in order to get the water onto the farm there are the distribution costs. In the Central Valley of California those distribution costs are estimated at $64,000,000, which is paid for 100 percent by the farmers of my State, whereas in the central Arizona project the distribution costs are not paid for at all by the farmers of the State. So that the total costs paid for by the farmers in the Central Valley of California amount to $136,500,000, or approximately 52 percent of all the irrigation costs paid for by the farmers receiving the water, whereas in Arizona the amount will be $1,500,000, or approximately 0.3 percent.

Now as to power production. In the Central Valley of California the power production is entirely sold in California in the project area and the vicinity, whereas in the central Arizona proposed project a large portion is to be sold in California and Nevada outside the area to be benefited directly or indirectly by the project.

Thus, the irrigation construction costs of Central Valley are little more than half the irrigation costs of central Arizona; Central Valley will furnish about twice as much water as central Arizona. Farmers pay in Central Valley 52 percent of all irrigation construction costs, but the farmers in central Arizona would pay practically nothing toward such costs, even for distribution and drainage systems which in every other project in the country are paid 100 percent by the farmers.

Forty-eight percent of all the irrigation construction costs of Central Valley will be paid from power revenues, but all the revenues, both for water and power, will be paid by consumers in California, in and near the project area. One hundred percent of irrigation construction costs of central Arizona would be paid by power, but the bulk of the power revenues will be obtained from power sales to California and Nevada consumers, outside the area to be benefited directly or indirectly by the project. The claim by Arizona proponents that Arizona will consume all central Arizona project power in any reasonable length of time, is without foundation.

After those remarks, Mr. President, I ask to have inserted in the RECORD citations to various documents. If the Members of the Senate want to check the statements I have made, they will find from official sources full confirmation of the statements.

I ask unanimous consent that the citations may be printed at this point in the RECORD.

There being no objection, the citations were ordered to be printed in the RECORD, as follows:

(a) House Document No. 146, Eightieth Congress, first session, page 15.

(b) Testimony of P. E. Coe, hearings on H. R. 1500 before House Committee on Interior and Insular Affairs, March 1951, table 1.

(c) Senate Document No. 113, Eighty-first Congress, first session, page 137.

(d) House Document 146, supra, page 11.

(e) House Document 136, supra, page 153.

(f) House Document 146, supra, page 22.

(g) Testimony of P. E. Coe, hearings on H. R. 1500, supra. Also letter Secretary of the Interior to Senator KNOWLAND. Answer to question 11.

Mr. KNOWLAND. Mr. President, mention was made a little earlier in the day as to the amounts of available water supply. There is an honest difference of opinion in this regard. As to the States of California and Nevada, one happens to be a larger State than Arizona; one happens to be a smaller State than Arizona. I think it is unfortunate that the able Senator from Arizona, who is my good friend and colleague, found it necessary to raise that issue. That is not an issue in this situation at all. But we, as Senators of the United States, have a responsibility to all the people of the country. It is true that we represent our respective States, but we are also Senators of the United States. I think that we have an obligation to bring the facts regarding an issue of this kind to the attention of the 96 Members of the Senate of the United States, because it is going to be the total population of the country that makes a contribution to this or any other project.

I submit that it is one thing if this country was operating on a balanced budget, with a substantial surplus, and if the Congress in its wisdom wanted to make certain allocations of appropriated funds, they might come to the point of view where they could—I will not say disregard, but perhaps place less emphasis on the loss of interest. But I submit that when the country has been running along for 18 years with a deficit, when we are faced with tremendous war expenditures, when right now there is pending in the House of Representatives a new tax bill to levy taxes of billions of dollars more upon an already overburdened population, that we do have a right, and we would be derelict in our duty if we did not do so, to point out the fact that right now the Federal Government is borrowing money to conduct its operations. In order to borrow money it has to pay interest. To say that we can ignore or discount or underemphasize the fact that every dollar that is borrowed must be repaid plus interest, I submit is certainly not the result of sound fiscal thinking, and I do not think, in the long run, is constructive.

We all know that in order to finance this great and costly Government of ours, it will now cost, as shown by the President's budget, over $71,000,000,000. As a member of the Armed Services Committee of the Senate of the United States, I believe that, based on information which has come to our attention, it is not unlikely that that budget in the next year may be $80,000,000,000. In order to meet this vast expenditure of public money we have to go to our citizens and sell them $100 E-bonds which they buy for $75 each, but when they come to cash them in 10 years later, they will receive in return $100 for each E-bond. That shows in a very small way the fact that borrowing money costs the Federal Government a substantial amount.

I have mentioned that the E-bond increases by that amount in a 10-year period. But the project is not a 10-year project, Mr. President. It is not a 20-year project for repayment. It is not a 30-year project, it is not a 40-year project, it is not a 50-year project, as contemplated under the reclamation law. It is not a 60-year project. It is not a 70-year project. The most optimistic estimates, even by the proponents of the measure, is that it will take 73 years before it can be repaid, and many of us who have studied the matter believe that it will be closer to 90 or 100 years before the funds can be repaid. So we do have a right to look into a project which, by the admissions of the proponents themselves, will involve some $780,000,000, without interest; that when by the figures of the Department of the Interior itself the interest will bring that amount to over two billions of dollars, and I think will bring it even to a great deal more than that.

Taking the figures of the proponents themselves, that it will require some 73 years to pay back, which we believe is a very conservative figure, the facts are indisputable that the Bureau of Reclamation and the Department of the Interior admit that unless certain upper-river dams are constructed, which are not provided for in this bill, the dam herein proposed will fill up with silt in 35 or 40 years. How is repayment going to be made under those circumstances? This is just the entering wedge for other projects, which will be as unsound as this is, in order to protect this project.

On the question of water supply, I admit that there is an honest difference of opinion. The Governor of California, on behalf of my State, and the Governor of Nevada, on behalf of his State, have for a period of years endeavored to bring about, either by arbitration or by negotiation, a settlement of this honest difference of opinion. The State of Arizona, through its Governor, has rejected either negotiation or arbitration. I make no complaint about that. That is their right as a sovereign State. But I submit, Mr. President, that when individuals cannot negotiate and cannot arbitrate, under our constitutional system there is only one thing left for them to do, and that is to go into a court of competent jurisdiction. We have advocated that that be done. There is no desire on the part of the State of California unnecessarily or unduly to delay this matter. We have been willing on numerous occasions to set a period of time—6 months or some other reasonable period of time—within which we would have to

bring action in the Supreme Court of the United States. Under our constitutional system, when there is a dispute between two of our States, that is the place where it must be settled, so far as a court of competent jurisdiction is concerned.

My friend from Arizona [Mr. McFARLAND] stated that there was no question that there was an adequate supply of water available. I submit that that question is in dispute. He has his point of view, and I honor him for it. We have our point of view, and he at least should honor us for that.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks some official figures which show that no Colorado River water is available for the central Arizona project. This is a tabulation of the water of the Colorado River. For the period from 1897 to 1943, the Colorado River average annual virgin or undepleted flow at Lee Ferry was 16,270,000 acre-feet. The tabulation shows the various deductions and additions, and what finally comes out at the end.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

OFFICIAL FIGURES SHOW NO COLORADO RIVER WATER AVAILABLE FOR CENTRAL ARIZONA PROJECT

Water supply

	Acre-feet
Colorado River average (1897–1943 period) annual virgin or undepleted flow at Lee Ferry	16,270,000
Upper basin allocation by Colorado River compact	−7,500,000
Lower basin's available supply at Lee Ferry (estimated long-time average, which would be reduced to 7,500,000 acre-feet as a 10-year average in severe drought periods)	8,770,000
Net average gain (less river losses) of lower basin tributaries, except Gila River	+400,000
Main stream reservoir losses, Lake Mead, etc. (USBR estimate, including Davis and Bridge Canyon projects)	−870,000
Lower basin available supply from main Colorado River	8,300,000
Gila River Basin of Arizona net beneficial consumptive use	2,300,000
Probable salvage of natural main stream losses, upper and lower basins	300,000
Lower basin total average available supply	10,900,000

Water requirements

Nevada—contract with United States, plus a possible claim on portion of surplus	300,000
Utah and New Mexico—portions in lower basin USBR estimate, but these States' claims may be greater	138,000
Mexico—including regulation losses, estimated not less than average of	1,700,000
California—operating projects, by contracts with the United States	5,362,000
Arizona:	*Acre-feet*
Gila Basin present use	2,300,000
Yuma project in Arizona	200,000
Parker Valley Indian lands	300,000
Little Colorado River and other tributaries	90,000
Mojave Valley, etc., on Colorado River	10,000
Gila project (new) from Colorado River	600,000
Total for present and authorized projects (does not include 1,200,000 acre-feet annually called for by the proposed central Arizona project)	3,500,000
Lower basin total for present and authorized projects	11,000,000
Lower basin total average available supply	10,900,000
Deficit indicated on long-time average basis (amount of beneficial consumptive use on the Gila River is in controversy, but this does not affect the main stream deficit because the figure for such beneficial consumptive use, no matter what it may be, appears on both the credit and debit sides of the computation)	100,000
The figure of 100,000 is based upon United States Bureau of Reclamation records up to 1943; low flows on the river since that date increase the deficit to	300,000

NOTE.—Despite the ultimate deficit of from 100,000 to 300,000 acre-feet now confronting operating and authorized projects, the proposed central Arizona project seeks to take another 1,200,000 acre-feet annually.

Data from United States Bureau of Reclamation March 1946 report, the Colorado River, appendix 1, pages 282-283, except as noted. Lee Ferry is division point between upper and lower basins.

WHY ARIZONA'S PROJECT IS OPPOSED

Senate bill 75 and House Resolution 934 would authorize the central Arizona project, the estimated cost of which is $738,000,000 for the initial development.

The project is planned to "rescue" 150,000 acres of desert land, put under cultivation during the war boom. To do so will require a capital subsidy of at least $1,750 per acre, or $280,000 for a 160-acre farm. (Land for general farming in Arizona is worth about $300 per acre, with water.) The irrigators will pay no part of the $400,000,000 of capital to be invested in irrigation works. It is an interesting fact that 55 percent of this $400,000,000, or $202,000,000, would be spent to benefit approximately 400 large landholders.

The $400,000,000 of irrigation investment, as well as the power investment, is proposed to be collected in charges for power sold to the Government's public power customers. However, there is no assurance that the power can be sold at the artificially high rates to be imposed in order to absorb the project cost and the huge irrigation subsidy.

The general taxpayers of the United States will be called upon to pay whatever deficiencies occur, plus the write-off on nonreimbursables such as $40,000,000 for recreation, fish and wildlife.

No revenues will be provided by the project to pay interest on the public debt occasioned by its construction. Such interest will be paid by the taxpayers.

The plan does not contemplate the payment of interest to the Federal Treasury on any part of the investment—not even the investment in hydroelectric works, as is the case at Hoover Dam.

Principal features of this proposed project are: (1) Bridge Canyon Dam on the Colorado River, above Hoover Dam; (2) Parker Dam pump lift, to raise irrigation water a total height of 985 feet; (3) aqueducts and canals to transport water a distance of 315 miles to grow ordinary field crops.

In addition, S. 75 and H. R. 934 provide for construction of an 80-mile tunnel. When built, this would result in the abandonment of the Parker pump lift and would raise the total estimated cost of the project to far more than $1,000,000,000.

LEGAL RIDER MISLEADING

On July 1, 1949, Arizona's Senate bill 75 was approved by the Senate Interior and Insular Affairs Committee, with a so-called Supreme Court rider.

This rider must not be confused with the California-Nevada plan for a clean-cut and final Supreme Court settlement.

The Supreme Court rider on S. 75 is so worded that the extravagant $738,000,000 Arizona irrigation works would be authorized to be built even if the Supreme Court should rule against Arizona's disputed water claims.

The only way this unjustifiable proposed raid on the Federal Treasury can be averted is to defeat S. 75 and H. R. 934.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. McFARLAND. Does the table which the Senator has offered for the RECORD show who prepared it?

Mr. KNOWLAND. I will take the responsibility for it. It was prepared by the Colorado River Association.

Mr. McFARLAND. I thank the Senator.

Mr. KNOWLAND. I also ask to have printed in the RECORD at this point as a part of my remarks a tabulation showing the cost to the Nation's taxpayers, based on the 1951 report of the Bureau of Reclamation, with interest at 2½ percent. The tabulation shows just what the total cost to the Nation's taxpayers would be. One figure is based upon the estimates of the Secretary of the Interior and the other is based upon revised estimates because we believe that certain figures were not accurately presented, or perhaps changes in cost have taken place since that time. One tabulation shows that the total cost, instead of being the conservative estimate which I had previously indicated of more than $2,000,000,000, would figure out $3,322,297,000. Based upon the other set of figures, the cost would reach $4,500,000,000.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Central Arizona project—Cost to Nation's taxpayers (based on 1951 Reclamation Bureau's report) (interest at 2½ percent)

Line	Item	I Secretary of Interior	II Revised
(1)	Construction cost (1951 prices)	$788,265,000	$788,265,000
(2)	Interest during one-half of 8-year construction period	81,832,000	
(2a)	Interest during one-half of 15-year construction period		160,412,060
(3)	Interest on irrigation allocation during 10-year development period		126,052,000
(4)	Total investment at start of repayment period	870,097,000	1,074,729,000
(5)	Investment and compound interest at 2½ percent for 75 years	5,544,441,000	6,848,390,000
(6)	Less investment	870,097,000	1,074,729,060
(7)	Interest for 75 years	4,674,344,000	5,773,670,000
(8)	Annual net revenue compounded at 2½ percent for 75 years	2,322,144,000	2,322,144,000
(9)	Less construction cost		788,265,000
(10)	Net revenues to pay interest charges		1,533,879,000
(11)	Unpaid interest on investment	2,352,200,000	4,239,791,000
(12)	Construction cost	788,265,000	
(13)	Interest during construction	81,832,000	160,412,060
(14)	Interest during development period		126,052,000
(15)	Cost to Nation's taxpayers	3,222,297,000	4,526,255,060

NOTES

1. Column I, lines (1) to (11), inclusive, follows the same method used by the Secretary of the Interior in his answer to Question 17 asked last year by the House committee. The only changes are those made necessary by the increased construction costs and revenues shown in the Reclamation Bureau's current report on the project. The amount of $2,352,200,000, line (11), would be the Secretary's revised answer to Question 17, "how much interest on the national debt occasioned by the project would be borne by the Nation's taxpayers?"

However, it will be noted, line (8), that the Secretary applies all net project revenues to pay interest. None of the construction costs would be repaid during the 75 years. In other words, on this basis the total project construction cost plus interest during construction would be unpaid and outstanding at the end of the 75-year period. Note that the question deals only with interest. Therefore, in order to determine the total cost of the project to the Nation's taxpayers, there must be added to line (11) the two items of construction cost, line (12), and interest during construction, line (13).

2. Column II differs from Column I in the following respects: (a) A 15-year construction period, line (2a), is used instead of the Secretary's 8-year period, line (2); (b) column II includes interest during an irrigation development period, line (3), as such was recommended in the project report (this item was omitted by the Secretary); (c) column II follows the bill in providing for repayment over 75 years of construction costs, line (9), making the correct answer to question 17, $4,239,791 (line 11). (The Secretary's answer, had he followed the bill as to repayment of construction costs, would be $3,140,465,000, line (11) plus line (12).)

Mr. KNOWLAND. The bill, as it shows on its face, was introduced in the Senate on the 8th day of January of this year. It is true that legislation along this general line was before the Eighty-first Congress. I addressed a communication to the chairman of the Senate Committee on Interior and Insular Affairs and told him that I had written, on behalf of both my colleague [Mr. NIXON] and myself, to the Secretary of the Interior propounding certain questions and asking that they be answered, requesting that before hearings were held, and certainly before the bill was reported to the Senate, we might have the benefit of that information.

Without a hearing of any kind in the Eighty-second Congress the bill, which would take from the taxpayers of the Nation more than $2,000,000,000—and I am still being conservative in my figures—was reported to the Senate some 22 days after it was introduced.

Mr. President, I submit that that is a rather unusual situation. This Nation is now faced with a heavy war expenditure. We are being called upon to pass new tax bills imposing taxes amounting literally to billions of dollars on the already overburdened taxpayers. If there is any interest in economy in this country it seems to me that this is the time and place for Members of the Senate to examine this proposal with care, because if we let this one through we shall have no basis of any kind upon which to stop any other unsound project which may be presented to us at this session of the Congress.

Mr. NIXON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to my colleague.

Mr. NIXON. Is it not significant also, in pointing out the fact that no hearings were held on this bill during the Eighty-second Congress, that the hearings which were held on a similar bill during the Eighty-first Congress were held before the Korean war began? The suggestion might be made, in explaining the justification for failure to hold hearings during the Eighty-second Congress, that the same bill was before us for consideration in the Eighty-first Congress. However, the facts have changed. We have become involved in a great national emergency since the hearings were held during the Eighty-first Congress; and those facts should be taken into consideration now.

Mr. KNOWLAND. The Senator is quite correct. Conditions have changed. I think it is an amazing thing that, with the country at war, with the people being called upon for sacrifice, this project, amounting to well over $2,000,000,000, should be reported to the Senate without a hearing of any kind.

Mr. President, I wish to take time this evening, before closing this phase of the discussion, to invite attention to the action taken by the House committee. There is a House committee which deals with western reclamation projects. That committee held prolonged hearings, as was proper, and as should have been done, in my judgment, in the Senate, and as should be done on any project costing the people of the United States billions of dollars. Testimony was presented by the proponents and by the opponents. Finally the committee voted on the subject. I should like to read the vote of the House Committee on Interior and Insular Affairs. Representatives voting to postpone action, who felt the bill should not be reported out, were Mr. AANDAHL, of North Dakota; Mr. BOW, of Ohio; Mr. BUDGE, of Idaho; Mr. CRAWFORD, of Michigan; Mr. D'EWART, of Montana; Mr. HARRISON of Wyoming; Mr. JENISON, of Illinois; Mr. SAYLOR, of Pennsylvania; Mr. TAYLOR, of New York; Mr. WHARTON, of New York; and Mr. POULSON, of California. That makes 11 Republicans.

The Democrats who voted for postponement were: Mr. MCMULLEN, of Florida; Mr. REGAN, of Texas; Mr. ENGLE, of California; Mr. YORTY, of California; and Mr. BARING, of Nevada. That makes a total of 16 votes against reporting the central Arizona legislation.

Mr. President, I submit that on the list are the names of men who for years have been interested in western reclamation. A number of them come from western reclamation States. They heard all the testimony given by both the proponents and the opponents of the bill. Sixteen of them voted against the legislation.

Voting against the motion to postpone action on it, were Mr. EBERSEN, of Texas; Mrs. BOSONE, of Utah; Mr. DAWSON, of Illinois; Mr. DONOVAN, of New York; Mr. FINE, of New York; Mr. MORRIS, of Oklahoma; Mr. REDDEN, of North Carolina; and Mr. MURDOCK, of Arizona. That makes eight Democrats.

So, Mr. President, by a bipartisan vote of 16 to 8, or by a 2 to 1 vote, with three members of the committee present not voting, the committee in the House of Representatives rejected the proposal.

What did the committee say at that time? I think it is important that the statement be made a part of the RECORD. Therefore, I wish to read a part of the statement and then I shall ask that the entire statement be printed in the RECORD as a part of my remarks. It is a statement of certain members of the Committee on Interior and Insular Affairs concerning S. 75 and H. R. 1500, dealing with the central Arizona project.

Mr. Chairman, the Committee on Interior and Insular Affairs of the House has given several weeks of study to this proposed legislation. We have heard experts on all aspects of the project. We have just returned from a trip to the Southwest, where all features of the project were viewed and personal interviews were undertaken. As a result of these studies, we have arrived at certain suggestions and conclusions concerning S. 75, and the companion bill H. R. 1500.

Then the committee, in a very well documented and well thought-out statement, presents its conclusions and its

reasons for feeling that it was not sound to proceed with the measure.

The statement is signed by the gentlemen whose names I have previously read. In addition there is a concurring statement signed by Mr. CLAIR ENGLE and Mr. SAM YORTY.

Mr. President, I ask unanimous consent that the entire statement be printed in the RECORD at this time as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF CERTAIN MEMBERS OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS CONCERNING S. 75 AND H. R. 1500—CENTRAL ARIZONA PROJECT

Mr. Chairman, the Committee on Interior and Insular Affairs of the House has given several weeks of study to this proposed legislation. We have heard experts on all aspects of the project. We have just returned from a trip to the Southwest, where all features of the project were viewed and personal interviews were undertaken. As a result of these studies, we have arrived at certain suggestions and conclusions concerning S. 75 and the companion bill H. R. 1500.

The committee knows of the extreme drought situation that faces the area from western Kansas to the Pacific Ocean and from the Navajo country to the Mexican border. On the trip members of the committee witnessed many empty reservoirs and vast fields that could not be irrigated, due to lack of water. We discovered a shortage of power because of shortage of water for hydroelectric facilities. We learned of lowering water tables. On the other hand, in the Colorado River the committee saw thousands of second feet of water not being presently used.

We are fully cognizant of the great benefit that could accrue to central Arizona if this water, presently going to waste, could be put to use in this drought-stricken area.

We believe, however, that the proposed bills, as presently presented to the committee, would not provide the relief hoped for. We want to be helpful to Arizona and her people in the solving of the serious present water problem. We feel, however, that the bills, in their present form, would not resolve the water problem facing Arizona. We think that the legal question of the right to the use of waters of the lower Colorado River Basin would not be resolved by the legislation; that the adjudication of the water rights should come before authorization of the project, and not following; the committee is fearful that the method provided in the legislation is not the proper procedure and would not result in obtaining adjudication of these rights by the Supreme Court of the United States.

The need for adjudication of the rights to the use of waters of the lower Colorado River Basin was admitted by every witness before the committee. Adjudication has been recommended by the President, the Secretary of the Interior, Bureau of the Budget, the Judiciary Committee, and this committee of the Congress. It is a fact recognized in section 13 of the bills under consideration. There is no argument on this point. The following quotations indicate the agreement of all concerned for the necessity of the adjudication of the water rights in the lower Colorado River Basin:

"Authorization of any of the projects inventoried in the report should not be considered to be in accord with the program of the President until a determination is made of the rights of the individual States to utilize the waters of the Colorado River system." (H. Doc. No. 419, 80th Cong., p. 1.)

"The first question raised was whether there is enough water in the Colorado River, available for use in Arizona, to satisfy the needs of this project on a permanent basis. The President has stated many times that he would like to see a definitive settlement of the rights of the various States to waters of the Colorado River system, in order that decisions on projects to be developed in the public interest may be made on a firm basis with respect to water rights. The President consistently has indicated his unwillingness to take any position favorable to authorization of the central Arizona project until settlement of the water-rights controversy has been brought about." (Bureau of the Budget, in letter to chairman of House Committee on Public Lands, dated April 19, 1950.)

"There is agreement among all agencies concerned as to the urgent need for resolution of the water-rights issues involved." (Report of Director of Bureau of the Budget, May 7, 1948, hearings, H. J. Res. 225, 80th Cong., House Judiciary Committee.)

"That further development of the water resources of the Colorado River Basin, particularly large-scale development, is seriously handicapped, if not barred, by lack of a determination of the rights of the individual States to utilize the waters of the Colorado River system." (Report of Commissioner of Reclamation, H. Doc. 419, 80th Cong., 1st sess., Secretary's interim report on Colorado River.)

"Assurance of a water supply is an important element of the plan yet to be resolved. The showing in the report of the availability of a substantial quantity of Colorado River water for diversion to central Arizona for irrigation and other purposes is based upon the assumption that the claims of the State of Arizona to this water are valid. It should be noted, however, as the regional director and the Commissioner of Reclamation have pointed out, that the State of California has challenged the validity of Arizona's claim. If the contentions of the State of Arizona are correct, there is an ample water supply for this project. If the contentions of California are correct, there will be no dependable water supply available from the Colorado River for this diversion." (Secretary of Interior's report in letter of transmittal of the Project Planning Report, H. Doc. 136, 81st Cong.)

"There is not available for use in the other State sufficient water for all the projects, Federal and local, which are already in existence or authorized." (Report of the Secretary on S. J. Res. 145, 80th Cong.)

"* * * the committee feels the dispute between these two States on the lower Colorado River Basin should be determined and settled by agreement between the two States or by court decision because the dispute between these two States jeopardizes and will delay the possibility of prompt development of any further projects for diversion of water from the main stream of the Colorado River in the lower Colorado River Basin.

"Therefore, the committee recommends that immediate settlement of this dispute by compact or arbitration be made, or that the Attorney General of the United States promptly institute an action in the United States Supreme Court against the States of the lower basin, and any other necessary parties, requiring them to assert and have determined their claims and rights to the use of the waters of the Colorado system available for use in the lower Colorado River basin." (House Committee on Public Lands, in Rept. No. 910, July 14, 1947, on H. R. 1597 (reauthorizing the Gila project).)

The point we wish to make here is the complete agreement of administrative and legislative agencies, including the President, Secretary of the Interior, Bureau of the Budget, House Judiciary Committee, and this committee of the Congress, as to the need of adjudication of the waters of the lower Colorado River Basin.

If the committee should proceed with the authorization of the central Arizona project, as contemplated in the proposed legislation, in the light of the foregoing, this committee and the Congress might well find itself in the position of having authorized a project which would entail the spending of hundreds of millions of dollars that, because of a Court decision (which must be made), might well find itself without sufficient water, and therefore uneconomical and unfeasible.

The testimony before the committee was to the effect that the funds could not be appropriated until the water rights were determined. (See sec. 13 of the bills.) We are not convinced this is the case. It will be noted the section deals with expenditures, not appropriations, and provides for the suspension of expenditures for the construction of certain features of the project while a suit is pending. (Described in sec. 12.) However, the resumption of the Secretary's power of expenditure is not conditioned on the result of the suit. In other words, he may resume construction and thereby the use of appropriations as soon as the suit is ended, regardless of the result.

To state the matter in another way: the prohibition in this section against expenditures would end (1) if the State brought no action within 6 months, or (2) if the Court should dispose of the action on technical ground without settling the controversy.

It further appears to us that the matter of prohibition against expenditures is one that would be determined by the Secretary of the Interior—not by the Congress—if this bill was enacted into law. In other words, the spending of appropriations would be determined by the Secretary, and not by the Congress. We feel that such a determination is one that should rest with the Congress before expenditures are made.

Argument was made before the committee that enactment of this proposed legislation is necessary in order to set up a justiciable case for consideration of the court. We are inclined to believe that is not the case and that, in fact, because of the limitations in this bill, the matter will cause the Court to refuse consideration. The committee finds that the Court did hear an almost identical case, *Nebraska* v. *Wyoming* (325 U. S. 589). The prayer, the issues, and the results, as described in that case, all closely parallel with the central Arizona project.

"The prayer was for a determination of the equitable share of each State in the water and of the priorities of all appropriations in both States, and for an injunction restraining the alleged wrongful diversions." (*Nebraska* v. *Wyoming* (325 U. S. at p. 592).)

Again, in hearings on the Gila project in the Eightieth Congress before this committee, the committee stated:

"* * * the committee feels the dispute between these two States on the lower Colorado River Basin should be determined and settled by agreement between the two States or by court decision because the dispute between these two States jeopardizes and will delay the possibility of prompt development of any further projects for diversion of water from the main stream of the Colorado River in the lower Colorado River Basin." (Rept. No. 910, July 14, 1947, on H. R. 1597.)

"That further development of the water resources of the Colorado River Basin, particularly large-scale development, is seriously handicapped, if not barred, by lack of a determination of the rights of the individual States to utilize the waters of the Colorado River system." (From Secretary's Interim Report by Commissioner of Reclamation on the Colorado River, H. Doc. No. 419, 80th Cong., 1st sess.)

"The evidence supports the finding of the special master that the dependable natural flow of the river during the irrigation season has long been overappropriated. A genuine controversy exists. The States have not

been able to settle their differences by compact. The areas involved are arid or semiarid. Water in dependable amounts is essential to the maintenance of the vast agricultural enterprises established on the various sections of the river. The dry cycle which has continued over a decade has precipitated a clash of interests which between sovereign powers could be traditionally settled only by diplomacy or war. The original jurisdiction of this Court is one of the alternative methods provided by the framers of our Constitution." (*Nebraska* v. *Wyoming* (325 U. S. 589, 608).)

Obviously, these are parallel situations to one which now presents itself to this committee. The Court's summary of the controversy in the case of *Nebraska* v. *Wyoming* reads, in part, as follows:

"* * * If this were an equity suit to enjoin threatened injury, the showing made by Nebraska might possibly be insufficient. But *Wyoming* v. *Colorado*, supra, indicates that where the claims to the water of a river exceed the supply a controversy exists appropriate for judicial determination. If there were a surplus of unappropriated water, different considerations would be applicable. Cf. *Arizona* v. *California* (298 U. S. 558, 80 L. ed. 1331, 56 S. Ct. 848). But where there is not enough water in the river to satisfy the claims asserted against it, the situation is not basically different from that where two or more persons claim the right to the same parcel of land. The present claimants being States, we think the clash of interests to be of that character and dignity which makes the controversy a justiciable one under our original jurisdiction." (From p. 610 of the Court's summary.)

It will be noted the Court held that there was a justiciable controversy and one under its original jurisdiction.

It should be remembered that for 29 years a fruitless effort to arrive at an interstate compact for the use of the waters of the lower Colorado Basin has been going on.

In the case of *Nebraska* v. *Wyoming* (325 U. S. 589, at p. 616), the Court has this to say:

"But the efforts at settlement in this case have failed. A genuine controversy exists. The gravity and importance of the case are apparent. The difficulties of drafting and enforcing a decree are no justification for us to refuse to perform the important function entrusted to us by the Constitution."

These considerations justify the opinion stated by the Secretary of the Interior at hearings before this committee on H. R. 934 and 935, Eighty-first Congress, first session, page 1150.

"The bare statement of these questions, the knowledge that there is disagreement between Arizona and California about the answers to be given them, and the fact that, if the contentions of either State are accepted in full and if full development of the upper basin within the limits fixed by the Colorado River compact is assumed, there is not available for use in the other State sufficient water for all the projects, Federal and local, which are already in existence or authorized would seem to indicate that there exists a justiciable controversy between the States."

The committee notes that it took the Court only 3½ to 8 months to decide the three previous cases of *Arizona* v. *California*. We therefore believe that this committee was wholly justified when it recommended that immediate settlement of this dispute by compact or arbitration be made, or that the Attorney General of the United States promptly institute an action in the United States Supreme Court against the States of the lower basin, and other necessary parties, requiring them to assert and have determined their claims and rights to the use of the waters of the Colorado River system available for use in the lower Colorado River Basin.

We think that this suit could be brought at an early date and that this committee have the benefit of the determination of the Court of the water rights of the lower Colorado River Basin.

We would like to call attention to the limitations in the bills before us which might result in the refusal of the Court to resolve the dispute. Sections 12 and 13 prescribe the manner and instructions with respect to the suit proposed in the legislation to be submitted to the Supreme Court. There is a limitation on the subject matter of the suit to the right to divert water through aqueducts or tunnels to be constructed pursuant to this act. It is noted that only the diversion proposed in S. 75 and H. R. 1500 would come within the prerogative of the Court under limitation prescribed by this legislation. We doubt the Supreme Court could arrive at an equitable determination of the rights involved if it accepted the case under these limitations.

It appears to us that there are several acts and compacts, in addition to the proposed legislation, that would enter into the controversy. There is the Colorado River compact, the Boulder Canyon Project Act, the California Self-Limitation Act, and the Boulder Canyon Project Adjustment Act. Also, there is the Mexican Water Treaty, the Act of the Arizona Legislature of 1944, which recognized certain rights in California, and possibly others. It is difficult for us to see how the Supreme Court could determine the aggregate rights of the States to the use of waters in the lower Colorado River Basin under the limitations imposed by secs. 12 and 13 of the bills. It might result in the Court refusing to consider the suit.

We recognize the great need for additional water for maintenance of the present economy in Arizona and would like to be helpful in solving the present difficulties. We therefore suggest to the proponents of S. 75 and H. R. 1500 that steps immediately be taken for the adjudication of the rights to the use of the waters in the lower Colorado River Basin; that a firm settlement be reached with the Indians who will be damaged by the construction of the project (we feel that sec. 14 is not a satisfactory solution).

It seems to us most unfortunate that two great States of this Union, both so vitally affected by the use of Colorado River water, should not arbitrate these issues.

Engineers and financial experts, whose position would be one of neutrality between the States involved, could be found to determine these issues on a sound, equitable and feasible basis. Such action by both States would be an indication of a desire to resolve the issue in the best interests of the Nation. Propaganda and charges and counter charges have but befogged the issues and undoubtedly jeopardized the position of both States.

We urge the parties in interest to give serious consideration to such arbitration so that we may take affirmative and constructive action.

WALTER S. BARING, J. ERNEST WHARTON, DEAN P. TAYLOR, JOHN P. SAYLOR, EDWARD H. JENISON, FRED G. AANDAHL, A. L. MILLER, FRED L. CRAWFORD, FRANK T. BOW, WILLIAM HENRY HARRISON, NORRIS POULSON, HAMER BUDGE, WESLEY A. D'EWART, CLAIR ENGLE, SAM YORTY.

CONCURRING STATEMENT BY ENGLE AND YORTY

The undersigned, not having participated in the original drafting of the foregoing statement, wish to concur with the following explanation in two instances:

First, with reference to the third paragraph on the first page: There is water presently going to waste and the use of it would benefit Arizona. But, this is water belonging to the upper basin which is unused at the present time, and water belonging to Arizona and California for presently constructed or authorized projects and to Nevada, Utah, and New Mexico, which is not currently being used. Consequently, although this water is currently going to waste, it will be used; and no further projects (the central Arizona included) can be predicated on it.

Second, the third paragraph on page 11: It is admitted that additional water would help the economy of Arizona as it would any area in the arid Southwest. But Arizona has exercised no care in the utilization of her existing water, and is flagrantly overusing her water. The record is replete with evidence of this fact, including the records of the Department of Agriculture that agricultural production in Arizona since 1946 in spite of her short water supply has increased more in volume and dollars than any State in the Union.

Finally, we think the statement is clear that it is premature to determine the disputed question of economic feasibility of the proposed project until the water rights in the lower basin are first determined, and that that basic question is reserved for future consideration.

CLAIR ENGLE.
SAM YORTY.

Mr. KNOWLAND. Mr. President, I do not intend to pursue the matter further this evening. I do expect tomorrow to take up some other aspects of it because I feel, in view of the presentation by the Senator from Arizona [Mr. MCFARLAND], that the Senate should have some additional material before it, so that every Senator may understand just what is involved in this vast project in which the water supply is in dispute—and a very honest and vigorous dispute it is—and so that every Senator may examine the economic feasibility of the project, and understand that if the Senate breaks down the standards which have been formerly used in western reclamation projects the door will be opened wide. If the bill is passed, I do not see how any other unsound piece of legislation can be stopped.

In this Congress, when we are going to be called upon in a few weeks to levy a tax of at least $5,000,000,000, and perhaps a great deal more, upon the American taxpayers, I cannot believe that Senators, busy men that they are, when they examine the facts, can possibly vote in favor of the project, with the precedents that would be opened up and with the tremendous cost that would be placed upon the American people.

EMERGENCY FOOD TO INDIA

The PRESIDING OFFICER (Mr. SMITH of North Carolina in the chair) laid before the Senate the following amendment of the House of Representatives to the bill (S. 872) to furnish emergency food aid to India, together with a message from the House of Representatives insisting upon its amendment, and requesting a conference with the Senate thereon:

Resolved, That the bill from the Senate (S. 872) to furnish emergency food aid to India, do pass with the following amendment: Strike out all after the enacting clause and insert:

"That this act may be cited as the 'India Emergency Assistance Act of 1951.'

"SEC. 2. Notwithstanding any other provisions of law, the Administrator for Economic Cooperation is authorized and directed to provide emergency food relief assistance to

India on credit terms as provided in section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, including payment by transfer to the United States (under such terms and in such quantities as may be agreed to between the Administrator and the Government of India) of materials required by the United States as a result of deficiencies, actual or potential, in its own resources. The Administrator is directed and instructed that in his negotiations with the Government of India he shall, so far as practicable and possible, obtain for the United States the immediate and continuing transfer of substantial quantities of such materials particularly those found to be strategic and critical. The Administrator is authorized and directed to issue notes for this purpose from time to time during the fiscal years 1951 and 1952 in an amount not to exceed $190,000,000 for purchase by the Secretary of the Treasury who is authorized and directed to make such purchases; and in making such purchases, the Secretary of the Treasury is authorized and directed to use, as a public debt transaction, the proceeds of any public debt issue pursuant to the Second Liberty Loan Act, as amended: *Provided*, That funds made available for purposes of this act shall be used only for the purchase of food grains or equivalent in the United States: *Provided*, That with respect to the procurement of any agricultural product within the United States for the purpose of this act the Secretary of Agriculture shall certify that such procurement will not impair the fulfillment of the vital needs of the United States: *Provided further*, That the assistance hereunder shall be for the sole purpose of providing food to meet the emergency need arising from the extraordinary sequence of floods, droughts, and other natural disasters suffered by India in 1950.

"SEC. 3. Notwithstanding the provisions of any other law, to the extent that the President finds that private shipping is not available on reasonable terms and conditions for transportation of supplies made available under this act, the Reconstruction Finance Corporation is authorized and directed to make advances not to exceed in the aggregate $20,000,000 to the Department of Commerce, in such manner, at such times, and in such amounts as the President shall determine, for activation and operation of vessels for such transportation, and these advances may be placed in any funds or accounts available for such purposes, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose: *Provided*, That pursuant to agreements made between the Reconstruction Finance Corporation and the Department of Commerce, the Reconstruction Finance Corporation shall be repaid without interest not later than June 30, 1952, for such advances either from funds hereafter made available to the Department of Commerce for the activation and operation of vessels or, notwithstanding the provisions of any other act, from receipts from vessel operations: *Provided further*, That pending such repayment receipts from vessel operations may be placed in such funds or accounts and used for activating and operating vessels.

"SEC. 4. No materials made available by the use of funds provided, authorized, or made available by this act may be transported from the United States unless at least 50 percent thereof are moved in American-flag vessels.

"SEC. 5. Notwithstanding any other provisions of law, the Administrator for Economic Cooperation is authorized to pay ocean freight charges from United States ports to designated ports of entry in India of relief packages and supplies under the provisions of section 117 (c) of the Economic Cooperation Act of 1948, as amended, including the relief packages and supplies of the American Red Cross. Funds now or hereafter available during the period ending June 30, 1952, for furnishing assistance under the provisions of the Economic Cooperation Act of 1948, as amended, may be used to carry out the purposes of this section."

Mr. McFARLAND. Mr. President, I move that the Senate disagree to the amendment of the House; agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and that the chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. GILLETTE, Mr. MCMAHON, Mr. FULBRIGHT, Mr. WILEY, and Mr. SMITH of New Jersey managers on the part of the Senate at the conference.

RECESS

Mr. McFARLAND. I move that the Senate stand in recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 26 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 29, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 28 (legislative day of May 17), 1951:

RECONSTRUCTION FINANCE CORPORATION

Peter I. Bukowski, of Illinois, to be Deputy Administrator of the Reconstruction Finance Corporation.

IN THE AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502, 508, and 509 of the Officer Personnel Act of 1947 and section 306 of the Women's Armed Services Integration Act of 1948. Those officers whose names are preceded by the symbol (×) have been examined and found physically qualified. All others are subject to physical examination required by law.

To be majors

CHAPLAINS

Baumgaertner, Martin Williams, 18778A.
Flowers, Elijah Valentine, 18779A.
Lewandowski, Chrysostom John, 18777A.

To be captains

UNITED STATES AIR FORCE

Adams, Howard Raymond, 16065A.
Adams, Marvin Leslie, 16144A.
Agnew, Robert Russell, 16124A.
Alder, Louis Orin, 16280A.
Allran, Braxton Emanuel, 16128A.
Anderson, Arthur, 16216A.
Anderson, Julian Paul, 16137A.
Ash, Ralph Kenneth, 16113A.
Ashby, Charles Benjamin, 16175A
Bailey, James Wallace, 16293A.
Bales, William Brooks, 16197A.
Ballentine, Wilbur Allen, 16185A.
Barker, Dorsey G., 16151A.
Barnes, Clarence Edwin, Jr., 16169A.
Baum, Samuel I., 16160A.
Beard, Charles Elwood, Jr., 16143A.
Bennett, John Joseph, 16218A.
Berline, Henry Lee, Jr., 16262A.
Bielski, Casimer, Jr., 16117A.
Blevins, Mack Alexander, 15533A.
Blomberg, Julian Milton, 16096A.
Boley, Maurice Clifford, 16129A.
Boosembark, Franklin Keith, 16276A.
Borders, John Edgar, 16290A.
Boroughs, Samuel Laird, 16158A.
Bradshaw, Timothy Henry, 14985A.
Brooks, Robert Osgood, 16163A.
Buckley, Louis Brooke, 16157A.
Butler, Wesley Fred, Jr., 16226A.
Butscher, Frederick Weimer, 15304A.
Campbell, Bill Bradford, 14623A.
Campbell, John Franklin, Jr., 16269A.
Campbell, John Fremont, 16130A.
Carr, Herbert Maynard, Jr., 16249A.
Carr, James Anthony, Jr., 16155A.
Chapman, Roy McKinley, Jr., 16225A.
Childs, Charles Whiteman, 16281A.
Childs, John Swasey, 16254A.
Clark, Roy Edward, 16166A.
Coleman, James Earl, 16195A.
Collins, Burt Harrison, 16284A.
Collins, Preston Bradley, 14099A.
Conder, William Thomas, 16180A.
Cooch, Robert L., 16229A.
Cross, Jim Morgan, 16111A.
Cusworth, Maynard Clarence, 16133A.
Daher, Anthony John, 16264A.
Davies, Nedwin Reed, 16077A.
Davis, William Codett, 16279A.
DeCamp, Donald Fredrick, 16080A.
Dechaine, Wallace Paul, 16125A.
DeCourcey, Paul Byron, 16189A.
Dillon, Robert William, 16286A.
Dodds, John Earl, 16289A.
Dolan, James Melvin, 15357A.
Doyle, Richard McGinley, 16203A.
Doyle, William Albert, 16075A.
Dudman, Garry Ashley, 16179A.
Dunn, Melvin Everett, 16201A.
Dwyer, John Joseph, Jr., 16221A.
Dyberg, Robert Raymond, 16089A.
Eckert, Raymond Harold, 16231A.
Eisman, Charles Floyd, Jr., 15532A.
Esposito, Alfred Lewis, 16278A.
Farrell, Thomas Dalton, 16200A.
Farris, Garland Oliver, 16115A.
Felts, Marion Cleveland, 16177A.
Fikes, Maurice George, 14517A.
Fiore, Patrick Joseph, 15669A.
Fish, William Eugene, 16232A.
Flack, Jack Orville, 14695A.
Fligor, Robert Dale, 16287A.
Flook, Harry Edward, Jr., 16192A.
Ford, James Lee, Jr., 16184A.
Foster, Donald Everett, 16230A.
Frank, Reuben Jack, 16063A.
Frank, William LeRoy, 16241A.
Frese, Gregory Clement, Jr., 16244A.
Fuller, Grady Barron, 16265A.
Gary, Theodore Arthur, 14762A.
Gillan, Robert William, Jr., 16275A.
Gilliam, Claude Watts, 14241A.
Goad, James Raleigh, 16237A.
Godwin, Claude Harrison, 16222A.
Goff, William Shannon, Jr., 16267A.
Golder, Roy Howard, 16194A.
Good, Ronald Clark, 16092A.
Gordon, James Henry, 16165A.
Gordon, Ray Curtis, Jr., 16097A.
Graham, Carroll Ray, 16098A.
Graham, Oscar Dale, 16285A.
Graham, Robert Leeland, 16252A.
Gray, Rex Marley, 16079A.
Greider, Billy Glenn, 16102A.
Guidera, Albert Lawrence, 16164A.
Hall, Paul LaRue, Jr., 15771A.
Hamilton, Maynard George, 16172A.
Hamrick, James Quinton, 16126A.
Hanley, Claude Waldo, Jr., 16204A.
Hannaford, Gordon Coyle, 16173A.
Hartley, John Robert, 14146A.
Harvey, Hubert Edgar, 16270A.
Hatcher, Chester Louis, 16108A.
Hatley, Hubert Morris, 16119A.
× Haynes, Jessie Clyde, 16141A.
Hearn, Lura Ernest, 14483A.
Heath, Robert, 16220A.
Hill, Harry Malcolm, 16073A.
Hillebrand, Mahlon Arthur, 15970A.
Holley, James Brantley, 16162A.
Hopkins, Curtis Edward, 16066A.
Horton, Wallace Dale, 16261A.
× Howard, Terry DeLa, 16135A.
Howell, Robert Grant, 14775A.
Inglis, James, 16074A.
Jackson, Robert Alexander, 16121A.
Jacobs, Jesse Pruitt, Jr., 16190A.
Jameson, Ronald Anthony, 16240A.
Johnson, Harold Richard, 16208A.
Johnson, Lawrence Henry, 16212A.

Johnson, Richard LeRoy, 16081A.
Johnston, Edward Ruel, 16122A.
Kale, Delbert Raymond, 16258A.
Kaposta, Louis John, Jr., 16132A.
Kelly, Joseph Park, 15176A.
Kent, Bernard Benjamin, 16188A.
Kight, Freddie Charles, 16062A.
King, Joseph Charles, 16090A.
Kirkbride, James William, Jr., 16223A
Kleindienst, Louis Ball, 16123A.
Kline, Gordon Paul, 16238A.
Krueger, Rudy, 16106A.
Lang, Walter George, 16154A.
Larkin, Clayton Edmund, 16147A.
Lee, Frank Casto, 16245A.
Lette, Le Roy Leland, 16104A.
Lewis, John Charles, 16283A.
Lien, Allan Stanley, 16181A.
Lindsay, John Charles, 15460A.
Lisec, Victor, 16118A.
Lohman, Eugene Alexander, Jr., 16070A.
Long, William Ernest, 16069A.
Loomis, Robert Grant, 16248A.
Loving, George Gilmer, Jr., 16167A.
Lutener, William Irvin, 16227A.
Lynn, Arthur Gilliland, 16256A.
Lyons, Leslie Eugene, 16257A.
Maillot, George Edward, 16260A.
Marcinko, Steve Anthony, 16112A.
Martin, James Milton, 15691A.
Martin, John Warren, 16061A.
Martin, William Plunkett, Jr., 15611A.
McAtee, Martin Roaul, 16217A.
McCall, Bruce Donald, 16294A.
McCarthy, Donald Joseph, 16274A.
McGarvey, Billie Jack, 16176A.
McKennon, Sandy John, 16090A.
McKinney, Robert Milton, 16251A.
McLain, Jack William, 16139A.
Melgard, Robert Bruce, 16168A.
Miller-Potter, Gloria Kaup, 21345W.
Millikin, Paul Hiler, 16183A.
Moore, David Alexander, 16193A.
Moore, Wallace Earl, 16215A.
Moore, William Wallace, 16150A.
Morgan, Howard Douglas, 16145A.
Morlan, Maurice Glen, 16263A.
Morris, Harry Brown, 16282A.
Mulcaire, Patrick Bernard, 16114A.
Murray, John Joseph, 16140A.
Muse, Kindred Henry, 16170A.
Myers, Harold Arthur, 16109A.
Nations, James Owen, 16242A.
Netherland, Brooksie Elise, 21298W.
Newell, Frank Craig, 16100A.
Nixon, Benjamin Oliver, 16134A.
Nolan, Marshall Emerson, 15831A.
Norris, George W., 16277A.
Ohrt, Robert Thompson, 16291A.
Paden, Donald Robert, 16247A.
Pagels, Roger Edward, 16174A.
×Parnell, Claude Eugean, Jr., 16148A.
Patterson, David Andrew, 16116A.
Persons, Frank, 16101A.
Peterson, Leo Thomas, 16271A.
Peterson, Max Darrell, 14358A.
Phillips, Carthon Paris, 16228A.
Pope, Jack L'Estrange, 16088A.
Rader, Benjamin Neale, 16071A.
Rand, Phillip Allen, 16085A.
Randolph, Robert Raymond, 16243A.
Ravey, Bill Jim, 16149A.
Reynolds, Garth Laverne, 16083A.
Rice, C. N., Jr., 16236A.
Ritchey, Andrew Jackson, 16250A.
Roberts, John Pershing, 14477A.
Roderick, David Wallon, 14731A.
Rodgers, Felix Austin, 16183A.
Rosenbaum, John David, 16266A.
Roswurm, Robert Urban, 16178A.
Russell, Henry George, 13955A.
Scherer, Donald Otto, 16087A.
Schlansker, Forrest Wheeler, 16202A.
Schultz, Robert Norman, 15288A.
See, Harold Wesley, 16234A.
Sexton, Charles Dean, 16239A.
Shepard, Earl, 16153A.
Sherman, Laurence Fales, 16268A.
Sicklesteel, Milton Edward 3d, 16199A.
Simons, John Walter, 16205A.
Simpson, Lloyd Willard, 15020A.
Slane, Robert Murray, 16161A.
Slentz, George Lewis, 16094A.
Smith, Bascom Perle, 15523A.
Smith, Eben Darrell, 16120A.
Smith, Harry Edward, Jr., 16292A.
Smith, James Edward, 16272A.
Stanhope, James Herman, Jr., 16068A
Starkey, Robert Earl, 16067A.
Stevnes, Harry, 16138A.
St. Claire, Chester John, 16082A.
Stedman, Robert Sheldon, 16095A.
Stegemann, Charles William, 14706A.
×Storey, Henry, Jr., 16107A.
Stout, Donald Eugene, 16198A.
Sturdevant, Philip Ardsley, 16008A.
Suttle, Harry Martin, Jr., 16171A.
Talley, John William, 16136A.
Taylor, Donald Lewis, 16196A.
Thomas, Edward Dean, 16187A.
Thompson, Clair Gene, 16253A.
Tipton, William Jack, 16131A.
Uhlmann, Russel Rudolph, 16159A.
Vogeley, Charles Bligh, 16209A.
Vollett, Donald Williard, 13969A.
Warfle, Elwyn J., 16259A.
Warne, Charles Lewis, 16146A.
Webb, Arthur Philip, 16142A.
Weed, Edward Richard, 16086A.
Weinhuff, Howard Earl, 16156A.
Wellings, Donald James, 16110A.
Whiteley, Floyd Lee, 16105A.
Whitmire, Warren Taylor, 16235A.
Wightman, William Edward, 15957A.
Williams, Paul Eugene, 16224A.
Williams, Terry Benson, 16219A.
Williams, Wayland Whitney, 16072A
Wood, Branson LeHew, Jr., 16152A.
Worrad, Edward George, 14014A.
Worsley, Joseph Norman, 16103A.
Wright, Marvin, 16207A.
Yarbrough, Lavern Andrew, 16255A.
Yazak, Dean Donald, 16210A.
Yeager, Charles Elwood, 16076A.
Yearwood, John Charles, 16273A.
Young, Charles Wahlfred, 14111A.

MEDICAL

×Borman, James Gerard, 20836A.
Bray, Joshua Carter, 19836A.
×Doan, Glenn B., 20012A.
×Livermore, David Ieuan, 19533A.
Logan, John Bronson, 19608A.
×McLin, Leonard Dale, 19835A.
Reid, Robert Huestis, 19663A.
Roth, Charles Walter, 19929A.
Soelling, Warner Manfred, 19752A.
Thoma, George E., Jr., 19367A.
West, Louis Jolyon, 19834A.

MEDICAL SERVICE

Edmonds, Clarence Wilbur, 19524A.
McDermaid, Richard, 19575A.
Smith, Frank Keeler, 19525A.

To be first lieutenants

UNITED STATES AIR FORCE

Adams, Robert L., 17928A.
Allen, Ralph Gordan, Jr., 17911A.
Ballard, Carl W., 17886A.
Banks, Lester, 17888A.
×Barentine, Herbert B., 17870A.
Barker, Arnold G., Jr., 17866A.
Barnard, John Ross, 17920A.
Barnes, George Wise, Jr., 21467A.
Bell, Robert Edward, 17919A.
Blanding, Charles Briggs, 21468A.
Bloodgood, Donald D., 17863A.
Bost, John H., 17875A.
Boyette, Albert Wellons, 20712A.
Bracete, Manuel, Jr., 17864A.
Bressler, Ray B., Jr., 17891A.
Briand, Paul L., Jr., 17882A.
Brinson, Pat D., 17887A.
Brown, George Gardner, Jr., 17914A.
Buckley, Ernest Lynn, 17912A.
Burdette, James Miles, Jr., 17930A.
Burkholder, Richard W., 17883A.
Burleigh, Albert Henry, 20714A.
Carlson, Donald Delton, 17916A.
Crane, George A., Jr., 17893A.
Crumpton, Lloyd Alfred, 20718A.
Cusworth, Charles, 17901A.
×Daniel, John I., 3d, 17923A.
Davis, Victor M., Jr., 17824A.
Delaune, Herman Louis, 17915A.
Dick, James Liggett, 17906A.
Dobbs, Charles Edward, 20708A.
Donlon, William E., Jr., 17895A.
Doughty, David Hamilton, 20722A.
Downing, Charles Abner, 17903A.
Doyle, Lawrence A., 17897A.
Dunlap, John Verdier, 20723A.
Dyer, Kenneth Layton, Jr., 20717A
Eckerlin, Robert Carl, 17917A.
Foitik, Harrell D., 17862A.
×Foster, Richard, 17878A.
Frear, Carl R., Jr., 17869A.
×Gooch, John Milton, 20709A.
Gornall, John Lowell, 20721A.
Grant, Alexander William James, 20703A.
Harlow, Raymon W., 17892A.
Hickey, John King, 17902A.
Hobart, Charles Franklin, 20706A.
Hofacker, William A., 17880A.
Hooker, Malcolm Patterson, 20715A.
Hoxie, Lloyd Eugene, 20705A.
Humphreys, Charles Baldwin, 17913A.
Ihrig, Maxwell Junior, 20719A.
Kilpatrick, Albert Raymond, 20720A.
King, Welton Roger, 21465A.
Knotts, Ulysses S., Jr., 17874A.
Kvamme, Orville James, 17918A.
Latham, Donald Rising, 17904A.
Lewis, Jere Jean, 17926A.
Longwell, Frank C., 17890A.
Lyon, Herbert Arthur, 17905A.
MacPherson, Stephen Joseph, 20710A.
Malone, William Riley, Jr., 18307A.
Martin, James Clarence, Jr., 17909A.
Marvin, Marion Arnold, Jr., 20704A.
McBride, Clyde DeWitt, 20698A.
McCollum, Ernest Leland, 17898A.
McElmurry, Thomas Uriel, 17908A.
McGee, Robert E., 17924A.
McPherson, Daniel Edward, Jr., 17907A.
Middleton, John A., 3d, 17876A.
Miller, William Field, 17910A.
Monier, Robert B., 17889A.
Monroe, Earl M., 17873A.
Moseley, Elwyn Albert, 20716A.
Mueller, Norman Fred, 18308A.
Nichols, Joseph Carl, Jr., 20699A.
O'Clock, Robert, 17899A.
Parker, Michael N., 17929A.
Pasenhofer, Arlo Harding, 20696A
Petree, Lennox I., 17865A.
Poland, LaVerne W., 17868A.
Renick, Ned Weldin, 20701A.
Rindy, Dean R., 17927A.
Schauwecker, Paul Gard, 21466A.
Schiele, Joe Scott, 17921A.
Schlapper, Robert A., 17894A.
Schmal, Gordon William, 20700A.
×Sharp, James Martin, 17980A.
×Shipp, John Bonney, Jr., 17975A.
Sizemore, Robert Emmett, 17970A.
Sorge, Marlowe B., 17885A.
St. Clair, Eugene Christian, 20697A.
Steele, Donald Franklin, 17966A.
Stockhouse, Robert Erland, 17922A.
Stokes, Francis R., 17867A.
Sturgill, Stanley L., 17879A.
Tetrick, Jacques K., 17977A.
Thompson, John C., 17871A.
Thompson, William David, 20711A.
Thorpe, William J., 17896A.
Tighe, Leo Joseph, 20707A.
Tooley, Bobby J., 17925A.
Townshend, Jesse Frederick, Jr., 20724A.
Trowbridge, Lee Myron, 20702A.
Tucker, James S., 17861A.
Wissow, Leonard Shandelman, 17972A.
Wytock, Harry L., 17872A.
Zollinger, Joe E., 17877A.

MEDICAL SERVICE

Black, Wilbert Anderson, 21629A.
Tingen, Ray Howard, 21630A.

The following-named officers for promotion in the United States Air Force under the provisions of section 107 of the Army-Navy Nurses Act of 1947, as amended by Public Law 514, Eighty-first Congress. All officers are subject to physical examination required by law.

To be captains

AIR FORCE NURSES

Baker, Mabel Mae, 21016W.
Bernard, Geraldine Barbara, 21153W.
Ford, Eunice Merle, 21134W.

WOMEN'S MEDICAL SPECIALIST

Farry, Edna Haley, 21198W.

NOTE.—All officers nominated for promotion to major, captain, and first lieutenant are eligible for permanent promotion during the months of July, August, and September, 1951. Dates of rank will be determined by the Secretary of the Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 28 (legislative day of May 17), 1951:

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

The nominations of Alan Beresford Todd et al., for promotion in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947, which were confirmed today, were received by the Senate on May 4, 1951, and appear in full in Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Alan Beresford Todd, which appears on page 4869, and ending with the name of Comfort Kent Starr, which is shown on page 4871.

The following-named cadets, United States Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, effective June 1, 1951, upon their graduation, under the provisions of section 506 of the Officer Personnel Act of 1947 (P. L. 381, 80th Cong.):

Thomas Elwood Aaron
David Manker Abshire
Bruce Allen Ackerson
Albert Bayliss Akers
Joseph Albenda
Herbert Hugh Albritton
Richard Crawford Allen
Don Charles Anker
Eric Ferdinand Antila
Carl Franklin Arnold
Floy Lauren Ashley
Edward Breed Atkeson
Ralph Lee Auer
Bruce Barton Bailey
Merton Juel Bangerter
Ransom Edward Barber
William Chauncey Barott
James Thomas Barron
Philip Charles Barth, Jr.
Harold Anthony Barton
Frank Myer Bashore
Robert Edmond Bauers
Peter Anthony Beczkiewicz
Aaron David Bernstein
David Anderson Betts
George Anthony Bicher, Jr.
James Donald Bick
David Leroy Bills
Elmer Havens Birdseye
James Gowen Boatner
John Joseph Bohan, Jr.
John McGee Bohen
William James Bradley, Jr.
Richard Clay Breakiron
James Sereno Brett
Patrick Matthew Brian
Norman James Brown
Charles Edwin Bryant
Richard Joseph Buck
John Wendell Buckstead
John Robertson Byers
Charles Draper William Canham II
Gerald Joseph Carlson
David Alliene Carroll
David Giles Carter
Lewis Marquardt Casbon
Robert William Chapman
Theodore John Charney
James Alden Check
Joseph William Clarke II
Ryburn Glover Clay, Jr.
Joseph Gordon Clemons, Jr.
Roland Eugene Cooper
Sanders Ashford Cortner, Jr.
Albert Crescenzo Costanzo
Paul Allin Coughlin
John Hartley Cousins
Jimmie Stewart Cox
Francis Washington Craig
Lawrence Pope Crocker
William Edward Crouch, Jr.
Charles Arthur Crowe
J. Godfrey Crowe
Philip Archinard Cuny
John David Daigh
Michael McQuatters Davis
Richard Backer Dawson
Allen Matthew Robert Dean
Anthony Joseph Delano
Frederick Lockwood Denman
William Lawrence Depew
Thomas Barnett DeRamus, Jr.
John Thomas Derrick
Otto Carl Doerflinger, Jr.
John Joseph Dorton
Laurence Condon Dosh
Juan Francisco Doval
Lee Edward Duke
Norman Eugene Dunlap
William Carl Euler
Bruce Erland Elmblad
Alan Clare Esser
Henry Cotheal Evans, Jr.
Charles Boal Ewing, Jr.
Joseph Lewis Fant III
William Dwight Farrington
George Charles Filchak
Robert Elliot Fitch
Robert William Flanagan
Joseph Vincent Fleming
John Daniel Foldberg
Redmond Vincent Forrester, Jr.
Peter John Foss
John Bernard Foster
Thomas George Foster III
Alan Arthur Frick
Hugh Stephen Galligan
George Henry Gardes
John Hillman Gardiner
Rodney Bruce Gilbertson
Charles Rolland Gildart, Jr.
William Leneas Givens II
George Massie Gividen, Jr.
Chandler Goodnow
John Alexander Graham III
Seldon Bain Graham, Jr.
Clinton Edwin Granger, Jr.
John Walter Granicher
Myles Standish Grant
Theodore William Griesinger, Jr.
William Everitt Grugin
James Talbot Guyer
Philip Haines Gwynn
Frank Edmund Hamilton
Eben Nathaniel Handy, Jr.
George Davis Hardesty, Jr.
George Lawrence Harman
Richard Lee Harris
Barry McKnight Harriss
Thomas Ure Harrold
Edward Patrick Hartnett III
Thomas Hubert Hastings
John Phillip Haumersen
John Vaughn Hemmler, Jr.
John Allen Hamphill
Kenneth Guynn Herring
Roy Jacob Herte, Jr.
John Peter Hill
Paul Richard Hilty, Jr.
John Hinton, Jr.
Jonathan Lane Holman, Jr.
John Ferguson Hook
John Randolph Hook
Thomas Bernard Horgan
Robert Arthur Howes
Joseph Wood Hutchinson, Jr.
Robert Allison Hyatt
Jerry Shannon Ingram
Frederick French Irving
Robert Michael Isaac
Thomas Zadock James
Guy Earlscort Jester, Jr.
Dean DeLaine Johnson
Harlan Warren Johnson
Kermit Douglas Johnson
Maynard Benjamin Johnson
Robert Lloyd Johnson
Russell Leroy Johnson
Walter Henry Johnson
Lincoln Griffin Jones
Norman Dean Jorstad
Donald Joseph Kasun
James Addison Keeley
Earl Loyd Keesling
Lawrence Michael Kelly
James Richard Kintz
Walter Albert Klein
Charles Leland Knapp
Albert Ray Knight, Jr.
Joseph William Knittle, Jr.
Michael Kovalsky
Marvin Joseph Krupinsky
Joseph Delta Lafleur, Jr.
Donald James Leehey, Jr.
John Joseph Leffler
William Lyman Lemnitzer
John Broadus Lewis
Alan Arthur Lichtenberg
Robert Bruce Lins
Harry Warner Lombard
William Charles Louisell, Jr.
Joseph Albert Luger
Edward Page Lukert, Jr.
Samuel Ayer Lutterloh
Patrick Hugh Lynch
Robert Eulass Macklin
William Andrew Malouche
Edward Murphy Markham III
Jack Wayne Martin
Louis Brooks Martin
Robert Lee Massenburg
Edward Eli Matney
Glenn Edward McChristian
Richard Carlyle McClure
Neil Oliver McCray
Lynn Maynard McCrum
Richard Rougier McCullough
James William McDonald
Robert Heyburn McIlwain
Charles Crawford McIntosh
Charles Brannon McLean, Jr.
Richard Philip McLean
George Allen Meighen
Edward Charles Meyer
Louis Guy Michael, Jr.
Rex Douglas Michel
Ronald Hugh Milam
Robert William Milburn
Fred Richard Miller
Stuart Livingston Miller
Walter Bernard Miller, Jr.
Wayne Dickson Miller
Lawrence Lester Mintz
John Little Moffat
William Sidney Monsos
Newton Bedford Morgan, Jr.
John Joseph Moroney, Jr.
Edward John Mueller, Jr.
Dean Duane Mulder
Frank Ager Mullens
Daniel James Myers
Edwin Thompson Nance, Jr.
Paul Eugene Niedringhaus, Jr.
Cecil Ward Nist, Jr.
Donald James Norton
John Bernard Norvell
Thomas Christian Odderstol, Jr.
Desmond O'Keefe, Jr.
Robert Orlikoff
George William Orton
Henry Charles Otten
Garland Logan Owens
William Gladstone Owens, Jr.

Everette Sanford Parkins
Norton Lacy Parks
Hugh Heflin Pattillo
Robert James Pazderka
Donald Dean Peifer
Ernest Dishman Peixotto
Edouard Albert Peloquin
Karl William Peltz
Elmer Dean Pendleton, Jr.
Richard Arney Perry
Edward Compston Peter II
Charles Davis Phillips
James Holden Phillips, Jr.
James Richard Pitts
Robert Allan Prehn
George Peter Psihas
Charles Cowdry Pursley
Robert Allen Rachek
Joseph Wyndham Rawlings
Philip Neill Reed
George McKinley Reid, Jr.
Andrew Cunningham Remson, Jr.
Joseph Peter Rice
William Rowland Richardson
Kenneth Volkert Riley, Jr.
Delmar Lawrence Ring
George Gardner Ritter
Ronald Arthur Roberge
Lew Sidney Robinson
Roscoe Robinson, Jr.
Frederick Gore Rockwell, Jr.
James Mitchell Rockwell
Ronald Joe Rogers
John Lawton Ross
Herbert Roth, Jr.
Christian Foltz Rupp III
Walter Brown Russell, Jr.
Richard Louis Ryan
Derrick William Samuelson
Raymond Francis Sargent, Jr.
Freddie Gene Sartin
Charles Joseph Satuloff
S. Arthur Scalise
Max Burton Scheider
George Peter Scheuerlein
William Ferdinand Scheumann, Jr.
William Wallace Schooley, Jr.
Joseph Francis Schuman
Donald Ray Schwartz
Richard Alfred Schwarz
John Eugene Schweizer
Stanley Stuart Scott
James Roe Semmens
Leonard Paul Shapiro
Daniel Gorman Sharp
Donald Thomas Sheridan
Stan Roger Sheridan
Francis Joseph Sheriff
Aaron Sherman
John Early Shillingburg
Michael John Simpson, Jr.
Robert Ingalls Simpson, Jr.
Guerdon Sterling Sines
Joseph Lee Sites
Donald Lovett Smith
Gorman Curtis Smith
Joseph St. Clair Smith
Howard Wayne Snyder
Melvin Claude Snyder, Jr.
Robert William Snyder
William Spence, Jr.
John Jay Stahl, Jr.
George Willis Stannard
Howard Merritt Steele, Jr.
Walter Richard Steidl
Wallace Chace Steiger, Jr.
Floyd Gilbert Stephenson
Francis Adelbert St. Mary
William Kenneth Stockdale
Louis John Storck
Thomas Anthony Stumm
Paul Dilwyn Summers, Jr.
Richard Anthony Szymczyk
Duane Ray Tague
John May Tatum, Jr.
Roland Dean Tausch
Malcolm Brandt Tennant
Edgar Cornell Thomas, Jr.
William Neal Thomas
Dudley Thompson
Peter Louis Thorsen
Raymond Lawrence Toole, Jr.
Lowell Emmett Torseth
William Edward Vandenberg
Edwin Van Keuren, Jr.
Donald Augustus Van Matre
Frank Paul Vellella
Herman Joseph Vetort
Gustave Villaret III
Robert DeWitt Vincent
Robert Hartness Volk
Douglas Frederick Wainer
Francis Joseph Waldman, Jr.
Charles Jenkins Walker
Charles Nathan Wallens
Russell Fleming Walthour
Thomas Joseph Wanko, Jr.
John Duke Ward
Daniel Hurlburt Wardrop
John Richard Wasson
Robert Earl Welch
Richard Marshall Wells
Alexander Mulqueen Weyand
Howard Cameron Williams
Edward Martin Willis
Franklin Loeb Wilson
Francis Edward Winfield
Francis Lally Winner
Thomas Roger Woodley
William Brooks Woodson
Robert George Yerks
Edward Lauriston Zuver
Bernard Zwerling

XCVII—372

The following-named cadets, United States Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, effective June 1, 1951, upon their graduation, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Kie Oldham Doty
William Frederick Lackman, Jr.
James Myrick Lowerre
William Fulton Magill III
Edward Allen Partain
Walter Carper Phillips, Jr.
Bruce Harry Robertson

The following-named individual for appointment in the Regular Army of the United States in the grade of second lieutenant, effective June 2, 1951, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to graduation from the United States Naval Academy and subsequent discharge therefrom:

Robert Adam Renneman

IN THE NAVY

The following rear admirals, when retired, to be placed on the retired list with the rank of vice admiral:

Rear Adm. Robert M. Griffin, United States Navy.

Rear Adm. Alfred E. Montgomery, United States Navy.

Rear Adm. Arthur C. Miles, United States Navy.

PERMANENT APPOINTMENTS

The following-named officers of the Navy for permanent appointment to the grade of lieutenant commander in the corps indicated, subject to qualification therefor as provided by law:

Line

Rosina F. Bachhuber
Sybil A. Grant
Myldred E. Jones
Rosalie W. Martin
Virginia K. Peterson
Mildred A. Robertson
Elesnor J. Sowers
Gladys M. Sperrie
Ethel A. Weyant

Medical Corps

Gioconda R. Saraniero

Supply Corps

Bessie Hagopian
Arlene M. Sheehan

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy:

James W. Bohlander
Gordon R. Bryan, Jr.
Lloyd H. Carpenter
Donald E. Ellis
Donald I. Garnett
James F. George
Kenneth L. Holmes
Cecil B. Johnson
Robert J. Piette
Charles H. Propster, Jr.
John A. Richardson
Rogers P. Ryerson
Robert W. Wilson

William F. Blaze (Naval Reserve Officers' Training Corps) to be an ensign in the Navy, in lieu of ensign in the Navy as previously nominated and confirmed, to correct name.

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy:

John F. Hassenplug
John D. Tomlinson

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy, in lieu of ensigns in the Navy as previously nominated and confirmed:

Clovis M. Baker
Gerald Barton
Daniel W. Blaylock II
David T. Boyd
John M. Daniel, Jr.
Albert D. Falther, Jr.
Arthur C. Folli
Newton R. Fuller
Gary D. Ghostley
Karl R. Jacobson
Richard C. F. Kerwath
Rufus M. King
Willet B. Kiplinger
John A. Kohler
Bertil R. Koller
Richard J. Larsen
Gary C. Leighty
Franklin "J" Lesh
Allan G. Lewis
James R. Maxwell III
Robert G. Rogers, Jr.
Charles H. Samuelson
Herbert W. Severns
Jack L. Short
Robert T. Silkett
Glenn A. Tomlinson
Eugene A. Ulrich
Matthew H. VanOrder
Andrew J. Walsh
Bruce C. Young
Robert E. Young

Roger H. Burnet (Naval Reserve Officers' Training Corps) to be an ensign in the Civil Engineer Corps of the Navy.

George L. Otis, Jr. (Naval Reserve Officers' Training Corps) to be an ensign in the Civil Engineer Corps of the Navy, in lieu of ensign in the Navy as previously nominated.

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Civil Engineer Corps of the Navy, in lieu of ensigns in the Navy, as previously nominated and confirmed:

Charles J. Roth, Jr.
George P. Turci

The following-named (Naval Reserve Officers' Training Corps) to be second lieutenants in the Marine Corps:

Harry E. Atkinson
James P. Coley
James P. Connolly II
William P. Foxworth
David D. Francis
William H. Hildemann
John H. House
Joseph P. Inman, Jr.
Branch Jordan
William D. Lauerman, Jr.
Fred D. MacLean, Jr.
Richard C. Marsh
Clarence E. May, Jr.
Rowland M. Murphy
Martin I. Penner
Benjamin C. Pratt
John P. Recher
John B. Reynolds
William R. Riddell, Jr.
Walter A. Robertson
John J. Ross III
Dan W. Schausten
Paul A. Shrader
Paul L. Siegmund
William J. Southerland, Jr.
Charles C. M. Woodward
Thomas V. A. Wornham

Leo M. Schneider, Jr. (Naval Reserve Officers' Training Corps) to be a second lieutenant in the Marine Corps, in lieu of ensign in the Navy as previously nominated and confirmed.

The following-named (civilian college graduates) to the grades indicated in the Medical Corps of the Navy:

LIEUTENANT

Harry "D" McGee

LIEUTENANTS (JUNIOR GRADE)

Francis L. Bergquist
Ralph E. Munson

The following-named to be ensigns in the Nurse Corps of the Navy:

Sylvia J. Lanneau	Gilda G. Whitfield
Dorothy I. Moore	Gloria M. Whitfield

The following-named officers to the grade indicated in the Nurse Corps of the Navy:

LIEUTENANTS

Shirley M. Bailey
Kathryn M. Drozda
Frances R. Kissinger

Midshipman Robert P. Fasulo (Naval Academy) to be an ensign in the Navy, in lieu of second lieutenant in the Marine Corps, as previously nominated and confirmed.

Midshipman Richard L. Anderton (Naval Academy) to be a second lieutenant in the Marine Corps, in lieu of ensign in the Navy as previously nominated and confirmed.

The following-named midshipmen (aviation) to be ensigns in the Navy:

John R. Arnold	Carl W. Koch
Clifford S. Babock	Roger J. Lahn
Walter L. Briant	Robert G. Landon
Bradford N. Bunnell	Arthur R. Loomer
Burford A. Carlson	David I. McGinnis
William P. Dudek	Vincent J. Madden
Owen W. Dykema	Richard B. Oldenburg
William H. Finn	Royc C. Pichler
Richard T. Fling	Francis L. Ready
Robert W. Gillespie	Harry A. Saunders
Monroe C. Gollaher	Robert DeL. Schbert
Douglas C. Gregory	Douglas J. Smith
John G. Guffner	William R. Sonnemann
Richard B. Hansen	Howard C. Springer
Lawrence C. Hartley	David W. Tompkins
Henry F. Herbig	George C. Schitzer
Hugh P. Janes	John R. Shaughnessy

Ronald D. Hartell (Naval Reserve Officers' Training Corps), to be an ensign in the Navy, in lieu of ensign in the Navy, as previously nominated and confirmed, to correct name.

Byron S. Hollingshead, Jr. (Naval Reserve Officers' Training Corps), to be a second lieutenant in the Marine Corps, in lieu of second lieutenant in the Marine Corps, as previously nominated and confirmed, to correct name.

The following-named (civilian college graduates) to the grades indicated in the Medical Corps of the Navy:

LIEUTENANT COMMANDER

Carl E. Wilbur

LIEUTENANT

John B. Riggsbee

LIEUTENANTS (JUNIOR GRADE)

Howard Adler	James E. Odell
Robert W. Gibson	Nahum R. Shulman

The following-named (civilian college graduates) to the grades indicated in the Dental Corps of the Navy, in lieu of lieutenants (junior grade) in the Dental Corps of the Navy, as previously nominated and confirmed:

LIEUTENANTS

Charles W. Fain, Jr.
Paul M. Leyden.

Walter N. Johnson (civilian college graduate) to be a lieutenant (junior grade) in the Dental Corps of the Navy.

The following-named (civilian college graduates) to be ensigns in the Medical Service Corps of the Navy:

Thomas G. Akers	James P. Milano
James H. Berrian	Thomas G. Mitchell
Joseph C. Boudreaux, Jr.	Richard L. Sedam
	Joseph M. Tyler, Jr.
Richard M. Cox	Harry L. Wise
Daniel M. Goodacre III	

The following-named to be ensigns in the Nurse Corps of the Navy:

Hilda Evans	Rebecca H. Jackson
Dorothy M. Hanson	Patricia H. MacDonald
Patricia A. Miller	Anna E. Venishnick
Barbara Norris	Clara P. Wienczek

The following-named midshipmen (aviation) to be ensigns in the Navy, to rank from the 1st day of June 1951, in lieu of ensigns in the Navy, to rank from the 5th day of June 1951, as previously nominated and confirmed:

Richard F. Ballew, Jr.
Paul J. Melee

The following-named midshipmen (aviation) to be ensigns in the Navy, in lieu of ensigns in the Navy, as previously nominated, to correct names:

Roy C. Pichler	Robert DeL. Schubert
George C. Schnitzer	Davis W. Tompkins

William H. Posladek (Naval Reserve Officers' Training Corps) to be an ensign in the Navy.

Joseph P. Goodson (civilian college graduate) to be a second lieutenant in the Marine Corps.

The following-named (civilian college graduates) to be second lieutenants in the Marine Corps, in lieu of second lieutenants in the Marine Corps (Naval Reserve Officers' Training Corps), as previously nominated:

Harry E. Atkinson	Benjamin C. Pratt
James P. Coley	John P. Recher
James P. Connolly II	John B. Reynolds
David D. Francis	Walter A. Robertson
John H. House	John J. Ross III
Joseph F. Inman, Jr.	Paul A. Shrader
Branch Jordan	William J. Souther-
William D. Lauerman, Jr.	land, Jr.
	Charles C. M. Wood-
Fred D. MacLean, Jr.	ward
Richard C. Marsh	Thomas V. A. Worn-
Clarence E. May, Jr.	ham
Martin I. Penner	

Ross D. Alexander (civilian college graduate) to be an ensign in the Medical Service Corps of the Navy.

The following officer of the Marine Corps for permanent appointment to the grade of first lieutenant for limited duty:

Fred K. Thornton

Kathryn M. Nau to be a lieutenant in the Nurse Corps of the Navy, in lieu of lieutenant in the Nurse Corps of the Navy, as previously nominated, to correct name.

IN THE MARINE CORPS

APPOINTMENTS IN THE MARINE CORPS

Lt. Gen. LeRoy P. Hunt, United States Marine Corps, to have the grade of lieutenant general on the retired list in the Marine Corps effective from the date of his retirement.

The following-named officers of the Marine Corps for permanent appointment to the grade of major general:

Robert H. Pepper
Gerald C. Thomas

The following-named officers of the Marine Corps for permanent appointment to the grade of brigadier general:

John Halla	Randolph McC. Pate
Edwin A. Pollock	Clayton C. Jerome

The nominations of Lance T. McBee et al. for appointment in the Marine Corps to the grade of captain, subject to qualifications therefor as provided by law, which were confirmed today, were received by the Senate on April 30, 1951, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Lance T. McBee, which is shown on page 4547, and ending with the name of Kenneth M. Stayer, appearing on page 4548.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 28, 1951

The House met at 12 o'clock noon.

Rev. L. Gordon Leech, Jr., Presbyterian Church, Monroe City, Ind., offered the following prayer:

Our Father God, we thank Thee that Thy providential care has covered us as a mantle during days past. We thank Thee for all the Godly influences which help to make our Nation truly great and this body one of which our Nation can be justly proud.

May the hands of each public servant of this important body be held up by prayers in their behalf lifted unto Thee, O God.

May the growing edge of Thy truth be nourished in this assembly, that the leaves of righteousness, justice, and mercy may spread the cool shade of peace upon our land.

Save anyone from disillusionment and despair who is seeking to serve this country faithfully.

May prayer serve as an asbestos shield for each Member of this House against the fiery darts of the wicked, who seek to use or abuse them for selfish or unrighteous interests.

Grant that the presence of Thy spirit in each life here may build up an inner strength to offset the tremendous outer pressures that are constantly felt. In the name of our Heavenly Father. Amen.

The Journal of the proceedings of Thursday, May 24, 1951, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 2952. An act to authorize the attendance of the United States Navy Band at the final reunion of the United Confederate Veterans to be held in Norfolk, Va., May 30 through June 2, 1951.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3842. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. HAYDEN, Mr. RUSSELL, Mr. MCCARRAN, Mr. O'MAHONEY, Mr. BRIDGES, Mr. FERGUSON, Mr. WHERRY, and Mr. CORDON to be the conferees on the part of the Senate.

ADJOURNMENT OVER

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

DISTRICT OF COLUMBIA BUSINESS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that on Monday, June 4, after the disposition of the Consent Calendar, it may be in order to consider legislation reported by the Committee on the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SPECIAL ORDER GRANTED

Mr. ROGERS of Texas asked and was given permission to address the House for 30 minutes on Thursday next, following any special orders heretofore entered.

NEW DEAL LEGISLATION

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a report of the Home Owners Loan Corporation which I think will be of great benefit to the Members, especially those who were in the habit of criticizing New Deal laws.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, the Home Owners Loan Corporation was established by an act of Congress in 1933, one of the first major steps taken by the New Deal under President Franklin Delano Roosevelt to bring the Nation out of the demoralized economic collapse resulting from the great Republican depression of 1929. It saved the homes of over 800,000 American home owners caught in that depression. It also averted disaster for hundreds upon hundreds of building and loan associations and small banks by bailing them out from under the loans they carried on these homes. It was one of a number of laws enacted by the New Deal for the purpose of aiding the Nation and bringing about the rebuilding of our economy which I urged and advocated at that time.

Year in and year out we have heard the Republicans criticize, assail, and attack the sound, liberal, progressive, and helpful New Deal program. It should be remembered, I repeat, that this was not the only beneficial legislation enacted at that time; it was one of many laws passed by the Democratic administration that helped save the Nation from complete collapse.

This was an emergency measure, and while loans ceased to be made in 1936 under the provisions of the act, the major work of the Corporation was in collecting on its mortgages and assisting untold numbers of borrowers in meeting their obligations and retaining their properties.

The entire issue of HOLC bonds, amounting to $3,500,000,000, has been fully paid off. What a record. The original capital of $200,000,000 has been returned to the Treasury. All of the cost of personnel and expense of operation of HOLC was paid for out of earnings. Its losses on the sale of foreclosed properties were absorbed in their entirety. In other words, this operation has not cost the taxpayer a dollar.

Mr. Speaker, the history of HOLC is a striking illustration of what Government assistance can accomplish for our people in distress when private financial institutions fail to meet the obligation they purport to carry on. In this instance, the banks, the savings and loan associations and private investors found themselves completely incapable of meeting the great emergency. Government did the job. This should serve as an eye-opener, as well as convincing proof, to those who are constantly and continually opposing Government aid to the needy in the housing and home-ownership field—who persistently proclaim the capability of private enterprise to provide the wage earner and the man of limited means with proper shelter for himself and his family.

The statement and the lending record accompanying it speaks for itself. I commend it to the careful attention of every Member of this House:

NEW YORK, May 28.—The Home Owners' Loan Corporation has now closed its books, locked its doors and gone out of business as a lending and mortgage-holding agency of the Government.

This was reported by the Home Loan Bank Board today following delivery of an HOLC check for nearly $14,000,000 of surplus to the United States Treasury, representing the financial results of the Corporation's three and a half billion dollar rescue task of the depression years.

The key was turned in the doors today at the HOLC offices at No. 2 Park Avenue here in the presence of Raymond M. Foley, Administrator of the Housing and Home Finance Agency, and William K. Divers, Chairman, and J. Alston Adams, member, of the Home Loan Bank Board, which has directed HOLC's operations.

The announcement of the passing of HOLC came at the end of a speeded-up program of liquidation of the Corporation through sale of its mortgage assets to private financial institutions, which was begun late in 1949. By this step and through earlier campaigns to encourage more rapid payment by borrowers, it is estimated that the lifetime of HOLC as a Government agency has been shortened by some 8 to 10 years, as contrasted with the period necessary if its loans had been carried to maturity by the Corporation.

At the peak of the Corporation's activity in 1934—examining a huge number of applications and making new mortgages and establishing its Nation-wide system of loan servicing and collections—HOLC embraced a salaried personnel of 21,000 and thousands of fee attorneys and appraisers, working out of 458 local, State, and regional offices throughout the country. In recent years all of its operations have been conducted from one office, located in New York City.

The statement by the Home Loan Bank Board recalled that on June 30, 1949, the HOLC had 201,000 mortgages outstanding on its books, remaining from the million loans originally made. Their dollar value amounted to $319,000,000.

With mortgage balances by that time well reduced, the present Home Loan Bank Board then decided to hasten the demise of HOLC by the State-by-State sale or assignment of the liens to private financial institutions, through advertising for bids at par or better. By October 1950 contracts had been signed for the sale of all of those mortgages. Meanwhile, some of the loan balances were being paid off in full by the borrowers directly to HOLC.

HOLC has now completed the physical transfer of mortgage documents to the buyers, numbering about 180 savings and commercial banks, savings and loan associations, insurance companies, and other financial institutions located in all parts of the country. The purchasers agreed to maintain the liberal terms of the HOLC contracts.

From cumulative earnings, HOLC has paid the interest on the bonds with which it financed itself, as well as the total for salaries of personnel, office rentals and equipment, upkeep of owned houses, travel, fee services, and other expenses. Its losses on the sale of foreclosed properties have been absorbed likewise.

All issues of HOLC bonds, amounting to $3,489,000,000, have been paid off, as well as HOLC's original capital of $200,000,000 which had been supplied free of interest by the Treasury Department.

HOLC was established by the almost unanimous vote of Congress in 1933, when foreclosures of homes were taking place at the rate of a thousand a day. During the next 3 years the Corporation refinanced 1,017,821 defaulted home loans, equivalent to one out of five of all the mortgages on owner-occupied homes in the Nation's nonfarm areas. The average borrower was then delinquent 2 years on his old mortgage and up to 3 years in arrears on taxes. These families were granted modernized monthly payment loans at liberal interest rates—a new chance to save their homes.

In these loans—plus later advances to borrowers and expenses incurred in connection with properties it was obliged to foreclose—the Corporation invested a total of nearly three and a half billion dollars. This has been liquidated 100 percent.

Chairman Divers has estimated that through the work of HOLC some 800,000 home owners—or about four out of every five borrowers—were able to avert loss of their properties by foreclosure.

Other groups strengthened by this takeover of distressed loans during the depression included harassed financial institutions and individual lenders, who received $2,750,000,000 from HOLC in exchange for frozen mortgages. Then and later the Corporation also disbursed $490,000,000 to local cities and towns in payment of delinquent taxes of its borrowers and taxes on its own acquired properties. These actions helped to restore collapsed values of residential real estate.

"This vast salvage enterprise under the original Home Loan Bank Board presented a series of problems of social, financial, and economic import that required prompt determination of policy," said Mr. Divers.

"Since it ceased making loans in 1936, the major work of the Corporation has been collecting on its mortgages and assisting many thousands of its still troubled borrowers to meet their payments and retain their properties.

"An additional task was the management, repair, rental, and sale of 198,000 properties of borrowers which were foreclosed by HOLC, mostly in the fiscal years 1937 to 1940. These foreclosures, which took place after long forbearance, were necessary to protect the interest of the Government in the loans. They were chiefly due to noncooperation of the borrower, refusal to pay, total inability to carry the debt, or abandonment of the property.

"The cumulative book loss on the sale of these houses reached about $338,000,000—consisting of the difference between the capital value and the sales price of the properties. Capital value included unpaid principal, interests arrears, and later charges for

foreclosure, taxes, reconditioning, and other expenses. Many of these sums directly stemmed from the Corporation's policy of lenience to borrowers in trouble.

"These real-estate losses were offset by HOLC's net income, coming mainly from interest on its loans plus rentals of houses while in its possession. The result has been the accumulation of the surplus turned over to the Treasury Department. This outcome contrasts sharply with some forebodings when the Corporation was created that its venture might eventually bring losses of up to half a billion dollars to the Government."

"Two factors threatened to delay the final liquidation of HOLC," Mr. Divers commented. "First was the need to grant long-term financing to expedite the sale of the properties that were taken over by the Corporation. The second was the necessity to give some of the borrowers more time than the 15-year term of the HOLC loans.

"As economic recovery lagged during the thirties, many borrowers became seriously delinquent in their payments," Mr. Divers said. "Under a special act of Congress, HOLC extended the loan terms up to 10 additional years for about 250,000 of these borrowers, giving them a new chance to save their homes by reducing the monthly payments. This program was highly successful in avoiding foreclosures."

Mr. Divers listed several favorable factors in the financial experience of the Corporation. One was the self-reliant attitude of most of its borrowers in struggling to save their homes and repay their debt to the Government. A second was the early decision of the management to set up a comprehensive loan service section with a large force of selected field men to visit borrowers in arrears individually and help them with practical advice on overcoming their problems. Such a common-sense approach was effective in pointing the way for many thousands of borrowers to climb out of their difficulties. As conditions improved, the loan service section was reduced.

A third influence was the general rise in people's earnings and real-estate values, beginning just before World War II.

In financing its work, HOLC also benefited from the general decline over the years in the cost of money. It was able to market its issues of bonds at rates substantially below the interest earned on its loans.

HOLC lending record by States

	Number of original loans	Total HOLC investment	Foreclosures on original loans	Ratio of homes saved for owners
				Pct.
United States	1,017,821	$3,498,900,627	194,134	80.9
Alabama	16,611	41,277,266	3,062	81.6
Arizona	6,508	17,688,080	915	85.9
Arkansas	10,344	20,974,182	1,661	83.9
California	51,554	148,503,816	5,492	89.3
Colorado	11,613	24,978,261	1,232	89.4
Connecticut	10,281	30,358,724	2,389	76.8
Delaware	1,642	5,484,403	230	86.0
Florida	13,524	33,335,588	1,317	90.3
Georgia	14,850	36,697,570	1,775	88.0
Idaho	4,692	8,900,578	415	91.2
Illinois	89,985	305,150,768	9,057	87.1
Indiana	48,815	120,131,166	6,566	86.5
Iowa	19,633	42,402,620	2,894	85.3
Kansas	18,504	40,176,608	5,776	68.8
Kentucky	9,234	27,896,022	1,524	83.5
Louisiana	14,379	43,855,152	2,352	83.6
Maine	3,398	8,666,381	656	80.7
Maryland	15,928	54,134,235	3,459	78.3
Massachusetts	24,524	133,159,428	10,132	58.7
Michigan	81,126	258,759,224	7,147	91.2
Minnesota	21,021	52,676,327	2,765	86.8
Mississippi	8,762	18,715,978	1,313	85.0
Missouri	24,535	84,331,997	6,713	72.6
Montana	3,679	7,908,956	339	90.8
Nebraska	13,597	32,945,339	3,974	70.8
Nevada	1,211	3,424,492	53	95.6
New Hampshire	1,867	5,253,335	406	78.3
New Jersey	30,339	213,076,804	13,956	61.6
New Mexico	2,462	5,508,201	188	92.4
New York	80,115	512,015,681	34,399	57.1

HOLC lending record by States—Continued

	Number of original loans	Total HOLC investment	Foreclosures on original loans	Ratio of homes saved for owners
				Pct.
North Carolina	12,319	34,681,245	1,607	87.0
North Dakota	4,410	10,973,119	1,208	72.6
Ohio	98,556	327,534,533	12,408	87.4
Oklahoma	23,900	61,809,687	6,050	74.7
Oregon	9,416	20,138,462	916	90.3
Pennsylvania	58,793	189,085,600	10,514	82.1
Rhode Island	6,118	27,441,195	1,445	76.4
South Carolina	5,653	14,498,084	627	89.0
South Dakota	6,122	12,778,520	1,859	69.6
Tennessee	13,761	34,900,080	2,203	84.0
Texas	44,355	113,373,646	7,950	82.1
Utah	10,749	27,152,534	1,595	85.2
Vermont	1,576	4,805,882	382	76.8
Virginia	12,631	40,987,709	2,053	82.9
Washington	21,448	42,645,623	2,614	87.8
West Virginia	9,079	23,966,152	759	91.6
Wisconsin	33,101	132,039,240	7,415	77.6
Wyoming	2,446	5,708,063	129	94.7
District of Columbia	2,087	12,808,709	232	88.9
Puerto Rico	951	1,888,397	11	98.1
Hawaii	481	1,296,355		

NOTE.—The differences in the column at right are largely due to regional variations in the duration and severity of the depression, the level of real-estate prices and the ratio of mortgage debt to value prior to 1933, and the rate of taxation on real estate.

AMENDING FEDERAL EMPLOYEES' COMPENSATION ACT

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from the further consideration of the bill (H. R. 4062) to amend the Federal Employees' Compensation Act to extend coverage to certain persons engaged in civil defense, and that it be referred to the House Committee on Education and Labor.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

AERONAUTICAL RESEARCH

Mr. MITCHELL, from the Committee on Rules, reported the following privileged resolution (H. Res. 239, Rept. No. 502), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately following the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1179) to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

IRAN

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, we desire and need Britain's friendship—but not at the cost of becoming involved in a war to control the internal affairs of Iran. This we should make crystal clear, for the British are jeopardizing the peace of the Middle East for trade, and only for trade. There is no other issue. Communism is not at this time a consideration, except to the extent that the Iranians may be pushed into the arms of the Communists.

The nationalization of oil in Iran is Iran's business; not ours, not Britain's. We did not protest the nationalization of industry in Britain, nor did Iran. In fact we helped finance it. The British, having nationalized much of their own industry, cannot in good grace object to it elsewhere.

Iran seeks to divert some of the fabulous profits from her own oil to her people, and no one denies that their lot needs improving. Those profits now go to foreign owners, principally British. Whether Iran has the ability to operate her oil industry is an unknown factor, but as a sovereign state the decision to try is hers to make.

HARMONY WEEK IN TOLEDO

Mr. REAMS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. REAMS. Mr. Speaker, in periods of great stress in our Nation's history we have been blessed by the ability to sing. Our national anthem came out of the War of 1812. Stephen Foster gave us his great melodies to cheer us through other years of crisis. America must never lose its ability to sing.

Most harmonious haven in a turbulent world during the interlude of June 6 to 10, inclusive, will be the city of Toledo, my home town.

From every State in the Union, as well as from Canada and more distant points, lovers of good close harmony, as perfected by the barbershop quartets with their distinctive style of blending four male voices, will converge upon Toledo for the biggest event of the year in the realm of harmonizing.

This event is the thirteenth annual international convention and contest sponsored by the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America, Inc. In the vanguard will be the officers and the international board members to hold their business sessions, which will be climaxed by 2 days of exquisite harmony, June 8 and 9, destined to produce the 1951 international champions. Forty quartets from 19 States, the District of Columbia, and the Province of Ontario, will vie for the title of kings of harmony. They will represent 36 different cities from Miami to Seattle and from Schenectady to Dallas.

It is gratifying to note that the Nation's Capital is one of the few cities among the 650 chapters of the SPEBSQSA able to qualify two quartets, the Columbians and the Potomac Clippers. This should provide a ringing answer to those who deplore the lack of harmony here in Washington.

I understand that Toledo's mayor, the Honorable Ollie Czelusta, has proclaimed the week of June 3 Harmony Week in Toledo. I wish to take this opportunity to invite all of my harmony-loving colleagues to attend the coming barbershopping classics in Toledo's Paramount Theater and Sports Arena. It will do us all good.

AMENDING FEDERAL EMPLOYEES COMPENSATION ACT

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the bill (H. R. 4062) to amend the Federal Employees Compensation Act, to extend coverage to certain persons in the Federal Government,, and that the bill be referred to the Committee on Education and Labor.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

COMMITTEE ON PUBLIC WORKS

Mr. DEANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. Res. 237) to provide funds for the expenses of the investigation and studies authorized by H. Res. 158.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 158, Eighty-second Congress, incurred by the Committee on Public Works, not to exceed $20,000, shall be paid out of the contingent fund of the House on vouchers authorized by such committee and signed by the chairman of the committee and approved by the Committee on House Administration.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

WORLD ASSEMBLY FOR THE MORAL REARMAMENT OF THE NATIONS AT MACKINAC ISLAND, MICH., JUNE 1–12, 1951

Mr. DEANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DEANE. Mr. Speaker, the Members I am sure have received within the past few hours a letter from our colleagues the gentlemen from Michigan [Mr. DINGELL and Mr. WOLCOTT] inviting the Members of the Congress to attend the World Assembly for the Moral Rearmament of the Nations at Mackinac Island, Mich., from June 1 to 12, 1951. It is to be hoped that many Members of the House will attend this assembly at those times when the House of Representatives is not engaged in official business.

On Tuesday, May 15, a luncheon was given in the Speaker's dining room which was attended by 32 Members of this House, many accompanied by their wives, to hear the evidence of what this force of moral rearmament has done recently in the airlines industry in Miami, and in uniting the peoples of Europe behind a dynamic idea which is proving to be the best hope now on the horizon for a solid answer to communism.

Mr. Speaker, as a result of this luncheon there was considerable interest developed for an informal congressional delegation to attend the Mackinac conference. Accordingly, two of the senior members of the Michigan delegation, Mr. DINGELL and Mr. WOLCOTT, have sent a letter to every Member of the House urging those who are interested in observing this conference to work out the details of transportation and other matters by getting in touch with Mr. DINGELL's office, telephone extension 327.

Mr. Speaker, this conference affords one of the rarest opportunities which has been presented to us to meet with leaders of top rank from many of the pivot nations around the world and to plan together for a major initiative in the world war of ideas which will put the democracies on the offensive.

Among those who have stated that they will be present at the conference next month at Mackinac Island are Mr. Sophocles Venizelos, the Prime Minister of Greece, the speaker of the lower house of the Swedish Parliament, a special representative of Chancelor Adenauer of Western Germany, the chairman of the justice committee in the French Chamber of deputies, the Director of Posts and Telegraph for India, members of the Governor General's Council from Malaya, members of the Indonesian Parliament, a party of 35, including 5 Diet members, from Japan, members of the Swiss Parliament, and a number of former Communist German miners, as well as a number of dock workers from London, who, through their training in moral rearmament, have recently averted at least one crippling strike in the vital British docks.

Mr. Speaker, this conference is also being attended by a wide cross section of leadership among the American people from coast to coast. Just to name one industry alone, Pan American Airways will be represented by some 150 of their key personnel drawn from both coasts.

The national commander of the American Legion, Erle Cocke, and the master of the National Grange, Herschel Newsom, have both notified the national officials in their organizations of this conference.

I cannot emphasize too strongly, Mr. Speaker and Members of the House, the major importance that I attach to this conference. I believe that with the tremendous problems that we face in these coming days here in the United States Congress in mobilizing to meet a global threat and at the same time to keep our economy at home in balance that we are, through this conference, being afforded an opportunity to find together a moral and spiritual dynamic which already has begun to bring about a rebirth of unselfishness in this country. This conference can do much to unite us within the borders of our land and present to the world an attractive and compelling way of life which cannot only galvanize the free world but penetrate the iron curtain with an idea superior to Marxism.

Mr. Speaker, special trips are being organized for both week ends of this conference, namely, from June 1 to 5 and from June 8 to 12, and they are being so timed as not to miss any roll-call votes.

I sincerely hope that as many Members of this House as is humanly possible will plan to arrange their affairs so as to attend this conference and to notify Mr. DINGELL's office of their intention to do so.

FOURTH SUPPLEMENTAL APPROPRIATIONS, 1951

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3842) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, with amendments of the Senate thereto, and consider the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 11, strike out "$46,800,000" and insert "$59,323,000."

Page 1, after line 11, insert:

"OFFICE OF HOUSING EXPEDITER

"Salaries and expenses

"The amount made available under this head in the Supplemental Appropriation Act, 1951, only for the payment of terminal leave, as amended by the Third Supplemental Appropriation Act, 1951, is changed from $1,750,000 to $1,000,000."

Page 2, line 9, strike out "$35,000,000" and insert "$32,000,000."

Page 3, line 6, strike out "$1,274,000" and insert "$1,250,000."

Page 3, line 11, strike out "$20,873,000" and insert "$20,500,000."

Page 4, line 1, strike out all after "further," down to and including "$400,000,000" in line 3 and insert "That the amount to be expended on the purchase of land or the construction of buildings of any character for the expansion of private plants shall not exceed $100,000,000."

Page 5, line 10, strike "$360,000,000" and insert "$340,000,000."

Page 5, lines 14 and 15, strike out "$300,000,000" and insert "$281,664,000."

Page 6, after line 5, insert:

"CHAPTER III

"DEPARTMENT OF THE INTERIOR

"BONNEVILLE POWER ADMINISTRATION

"Construction

"For an additional amount for "Construction," $3,672,000, to remain available until expended."

Page 6, line 6, strike out "III" and insert "IV."

Page 6, line 7, strike out "301" and insert "401."

Page 7, line 14, strike out "302" and insert "402."

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Senate amendments be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I move that the Senate amendments be agreed to.

The SPEAKER. The question is on agreeing to the Senate amendments.

Mr. CANNON. Mr. Speaker, the number of the amendments proposed by the Senate are comparatively few. And with two exceptions all are reductions or typographical changes. It is gratifying to have this rare cooperation from the other body in our efforts to retrench expenditures, and the managers on the part of the House are glad to collaborate by recommending agreement to all reductions.

The two exceptions, in which the Senate proposes increases, consist of an additional $12,523,000 for the Atomic Energy Commission, raising that appropriation from $46,800,000 to $59,323,000, and a new paragraph providing $3,672,000 for construction under the Bonneville Power Administration.

The additional amount for the Atomic Energy Commission is in response to an amended budget estimate transmitted to the Senate after the bill passed the House, and represents an increase in cost for a major production facility at the Hanford plant of the Commission.

The new paragraph carrying an appropriation of $3,672,000 for the Bonneville Power Administration provides funds for transmission lines servicing a new aluminum plant.

The budget estimates considered in the House totaled $6,472,981,000. The bill as reported by the committee and passed by the House carried $6,468,206,000.

The estimates considered in the Senate aggregated $6,489,653,000. The bill with Senate amendments now before the House amounts to $6,442,668,000, a decrease in the original estimates of $46,985,000, a substantial reduction in view of the fact that practically the entire bill is for national defense.

I yield 5 minutes to the gentleman from New York [Mr. TABER], the ranking minority member of the committee.

Mr. TABER. Mr. Speaker, I am not going to object to this because I have been told that the representatives of the subcommittees have all agreed to them. The second amendment and the ninth I have very grave doubts about. Under the circumstances I do not see how I can put up a fight. I do not have sufficient information to justify it, so I do not feel I should do it.

With reference to the items relating to the military, I would say the cuts that the Senate has made are undoubtedly justified.

Mr. MAHON. Mr. Speaker, I ask unanimous consent to insert a brief statement at this point in the RECORD with respect to some of the military items.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, the Senate reduced by $20,000,000 the funds provided in the House bill for Air Force procurement. A reduction in the sum of $3,000,000 was made in the subappropriation for travel of the Army. Air Force and Army officials requested of the House committee that the afore-mentioned sums be restored and they presented to the House committee data and arguments in favor of restoration.

However, in view of the limitations of time, it was determined that it would not be practical to further delay the final passage of the bill by going to conference with the Senate. Therefore, the House committee has concurred in the Senate amendments. Generally speaking, the House version of the bill was not greatly changed by the Senate.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Missouri that the Senate amendments be agreed to.

The motion was agreed to.

A motion to reconsider was laid on the table.

RECEIPT OF MESSAGES FROM THE SENATE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that notwithstanding adjournment of the House until Thursday the Clerk be authorized to receive messages from the Senate and the Speaker be authorized to sign bills and joint resolutions found duly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

RAILROAD RETIREMENT ACT

Mr. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Speaker, in recent days, the Michigan delegation on the floor of the House has been raising its voice in support of H. R. 3669 which provides added benefits for those who are covered by the Railroad Retirement Act. I am supporting H. R. 3669 or a bill similar thereto and I hope that all Members of the House will join with those of us from Michigan who are seeking its passage. This bill would once again assure that the Railroad Retirement System would be equal to or better than social security. This is vital when one considers that the people working on the Nation's railroads pay four times as much for their retirement plan as do those who are covered by social security.

I trust that the Interstate and Foreign Commerce Committee, as well as the House Rules Committee, will make it possible at an early date for the House to give attention to this important problem.

Within my congressional district are some of the largest railroad shops and repair installations in the State of Michigan. These thousands of employees have a very vital interest in what is done here in Congress with reference to our retirement plan. I am confident that the Congress will not fail them.

SPECIAL ORDER GRANTED

Mr. BUSBEY asked and was given permission to address the House today for 30 minutes, following the legislative business of the day and any special orders heretofore entered.

FOUR HUNDRED AND FIFTY-SECOND BOMB WING

Mr. HILLINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include two letters.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HILLINGS. Mr. Speaker, it has become evident that a very serious situation has developed to impair the morale of the men in the Four Hundred and Fifty-second Bomb Wing now fighting in Korea. For some weeks I have been receiving letters from relatives of many of these men who live in my district, and I have also received letters from the men themselves. These communications have consistently pointed to the fact that the Air Force has failed to institute a rotation program, that needed aircraft and replacement parts have not been provided when requested, and that air crews which have been flying their missions at maximum effort daily have not been replaced as promised in a FEAF directive issued last January.

As these protests from the men and their families of the Four Hundred and Fifty-second increased the wing commander, Brig. Gen. Luther W. Sweetser, Jr., was suddenly removed from his command about 2 weeks ago and ordered returned to the United States. The Air Force has as yet not made public the reasons for General Sweetser's dismissal. However, an Associated Press dispatch from Tokyo, dated May 18, declared that General Sweetser was removed because he had sided with his men and had urged the Air Force to improve conditions under which the Four Hundred and Fifty-second is fighting.

The Four Hundred and Fifty-second Bomb Wing is an Air Force Reserve unit composed mostly of men from the southern California area. Most of them are veterans of World War II. This unit was activated and sent to Korea shortly after hostilities broke out last year and it has established a distinguished fighting record in the war against the Communists. Only 77 days elapsed between the time the Four Hundred and Fifty-second received orders to active duty and the time when combat missions were being flown against the enemy.

Mr. Speaker, the Congress has appropriated billions of dollars for the Air

Force in recent months and has authorized it to greatly increase its size and manpower. Despite this fact, the Air Force has failed to institute a rotation and replacement program which will relieve men in units like the Four Hundred and Fifty-second who daily face enemy fire in Korea. The Air Force also has apparently failed to supply these men with proper equipment and replacement parts to offset losses sustained. It is time the Congress demanded that something be done immediately to provide better equipment for these men and to send replacements to relieve members of the Four Hundred and Fifty-second and similar units who have long since flown a reasonable number of missions against the enemy. Apparently, the only answer the Air Force has given is its action in removing a general who has attempted to point out this unfair situation to his superiors.

I have risen today to bring this matter to the attention of the Congress because it has had a very serious effect on the effort of this Nation to win the war in Korea. I hope that members of the Armed Services Committee in the other body before whom General Hoyt S. Vandenberg, Chief of Staff of the Air Force, is testifying today will have an opportunity to urge the development of a sound rotation and replacement program for all Air Force personnel. I hope, too, that the Air Force will not adopt a policy which will dismiss any Air Force commanding officer who asks for a better deal for his men as was the case in the unfortunate dismissal of General Sweetser. If no remedial action is instituted by the Air Force to rectify this situation, then I believe it is the duty of the House Armed Services Committee to launch a thorough investigation into this very vital problem.

I insert at this point two letters which I received from mothers and friends of boys now fighting in the Four Hundred and Fifty-second. In order to prevent any retaliation which the Air Force might direct at the men involved in these communications, I shall delete the names of the writers:

Representative PATRICK J. HILLINGS,
Washington, D. C.

DEAR SIR: My son is in the Four Hundred and Fifty-second Bomb Wing and he has been writing some things home and he has been mentioning about being very nervous and somewhat overworked and he adds: "Everything is such a mess." They think you are taking advantage of them because they are Reserve units and experienced veterans. In his opinion General Sweetser was fired because he stepped on too many toes. There is no question but what General Sweetser was sticking by his men and was asking for replacements for his men, parts for the planes, etc.

They called themselves an expensive outfit. There are many men of high rank and the planes are getting old and hard to keep in shape. They think they are just a little active Reserve unit that has been forgotten and that Congress is not making any provisions for their replacements along with other branches of the services.

I am sure General Sweetser was for his men, and his men for him.

Respectfully,

(Name withheld.)

Representative PATRICK J. HILLINGS,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN HILLINGS: I wonder if you are aware of the fact that members of the Air Force Reserves are being treated poorly. I am thinking particularly of the fellows who fly the B–26s from Japan, as a friend of mine is doing. They are mostly married, far over age, poorly trained, and though they have completed their 50 missions they are given no replacements.

It looks to them as if they are going to be kept until they have all been killed. Can't something be done about this?

Sincerely,

(Name withheld.)

"ACHESON IS A SYMBOL OF DEFEATISM," SAYS LEGION COMMANDER

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, the following are excerpts of an address by National Commander Erle Cocke, Jr., of the American Legion at Congressional Women's Club, Washington, D. C., May 25:

The time has arrived for a reappraisal of the situation as it relates to the American Legion and the Far East.

Several of the recommendations advocated by the American Legion long before the present controversy became a street-corner discussion already have been accepted by the United States Government in its presentation of the problem to the people. There is no conflict, except in minor detail, between the position of the American Legion and our duly recognized officials in Washington on such matters as defending and holding Formosa and a blockade of Red China.

In view of some of the recent pronouncements, there also is some indication that the United States is leaning toward more specific and definite aid to the Chinese Nationalists, a step toward the use of Chiang Kai-shek's troops, and the bombing of the staging areas in Manchuria.

It is my understanding that General Ridgway has been given the authority, if time does not permit sanction by the United Nations, to utilize air power against the Red Chinese across the Yalu River, providing Red China employs disproportionate air power in the limited Korean war.

Therefore, it seems highly desirable from every standpoint that the present hearing should not be exploited by the politicians of either or both sides.

The American Legion has always supported the policy of victory, which is consistent with American traditions. Political victory in 1952 should not be allowed to transcend the desirability of ending the Korean conflict in victory.

There are those who seem proud to point out that the Red Chinese are suffering casualties at the rate of 40 or 50 to 1 compared to American losses. These statements, however, will not satisfy beloved ones of those American boys who are dying and suffering thousands of miles away from their homeland.

We should remember the saying attributed to a Chinese general when his forces were suffering similar losses in the war with Japan. At that time it was pointed out to this Chinese military leader that the Japanese were exacting a 100-to-1 toll in the battle. The reply of the Chinese general was: "Pretty soon no more Japanese."

As of the moment, the American people are vitally interested in what the future policy is to be in Korea. Our attitudes never have been geared and probably never will be geared to fight a no-decision war. The hour has come to lift this whole controversy out of the political arena, and establish a unity of purpose that will achieve victory on the home front as well as in the Far East. In order for this to be accomplished, both sides will have to give.

My travels have convinced me that Secretary of State Acheson is a symbol of defeatism. Rightly or wrongly, and I believe rightly, the people in overwhelming numbers blame a fumbling State Department for our being involved today in Korea. Therefore, it would seem that the first step to achieve unity would be to remove Secretary Acheson and those who had anything to do with formulating far-eastern policy.

SPECIAL ORDER GRANTED

Mr. VELDE asked and was given permission to address the House for 15 minutes on Thursday next, following the legislative business of the day and any special orders heretofore entered.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. BUSBEY] is recognized for 30 minutes.

SUBVERSIVE ACTIVITIES

Mr. BUSBEY. Mr. Speaker, the question as to how Communists and their fellow travelers have managed to worm their way into positions of importance and trust in our Government has puzzled many people for years.

Such cases as Hiss, Coplon, and Remington have shed some light on the subject and brought out the bitter truth, regardless of claims to the contrary, that the Communists have infiltrated the Government service.

Time and time again I have urged the use of stringent methods to ferret out these undesirables, and time after time I have called attention to the inadequacies of the loyalty program as set up by Presidential directive. Time after time I have called attention to the incompetence of the Civil Service Commission as well as the tragic failure of the Loyalty Review Board under the chairmanship of Seth W. Richardson.

By Presidential proclamation Congress is denied access to the records of the Civil Service Commission and its Loyalty Review Board, yet the same Civil Service Commission appears before Congressional Appropriations Committees every year and asks for millions of dollars for the continuation of a program about which Congress has been denied information. The part that I cannot understand is that each year Congress appropriates the funds with full knowledge that they will be denied access to the records and will never be able to determine if the funds were squandered or well spent.

The Loyalty Review Board was created by Executive Order 9835 and the same authority placed the Board under the jurisdiction of the Civil Service Commission. For more than 3 years Seth W. Richardson served as Chairman of the Board. Recently he was selected by

President Truman to be Chairman of the Subversive Activities Control Board, created by the McCarran Act.

The selection of Mr. Richardson as Chairman of this new Board certainly was not on the record the Loyalty Review Board made in ridding the Government service of Communists and fellow travelers. Undoubtedly the selection was made on the basis of Richardson's ability, with the help of the President, to conceal from Congress and the people the shameful and disgraceful failure of the loyalty program as provided for by Presidential directive.

The selection of Mr. Richardson to head the new agency created by the McCarran Act was not on the basis of any particular or special qualifications because the record, as it unfolds, will reveal Mr. Richardson to be one of the most uninformed persons on the subject of subversive activities in addition to being plain ignorant on the subject of front organizations.

I want to illustrate these points. On December 7, 1950, Mr. Richardson appeared before a subcommittee on independent offices appropriations of the House Committee on Appropriations for a supplemental appropriation covering the balance of the fiscal year of 1951. He was asking for $250,000 for the operation of the Subversive Activities Control Board for the 6 months remaining in the fiscal year. The Board was formally organized on November 1, 1950, and had received $60,000 from the emergency funds of the President. Mr. Richardson said the $60,000 would be exhausted by December 1, 1950.

Now I want to read from the testimony of Mr. Richardson before the subcommittee, on pages 262 and 263. I want to use his words as proof of my contention. He said:

> Now let me give you this thought, which you must keep in mind throughout the consideration. The Attorney General presented me on the loyalty board with 130 organized activities in the United States which he asserted were subversive, and the whole picture of the loyalty program principally is based on those 130 subversive organizations—the whole 130 are still existing, and there are about 100 more that have grown up after the last war—that is, Nazi and Fascists and special groups—but that is not the group I am talking about. I am only considering the 130 that we might expect to find in the loyalty program with employees who might be involved in membership in the association. Now, of course, the fundamental agency that covers all of these 130 organizations is the Communist Party, because they are all splinter groups from the Communist Party, and if the Communist Party is not found to be subversive then this splinter group cannot be so found.

Under the provisions of Executive Order 9835, the Attorney General has the authority to designate organizations as coming within one or more of six particular groups. The groups so designated are:

First. Totalitarianism.
Second. Fascist.
Third. Communist.
Fourth. Subversive.

Fifth. Organizations which have adopted a policy of advocating or approving the commission of acts of force and violence to deny others their rights under the Constitution of the United States.

Sixth. Organizations which seek to alter the form of government of the United States by unconstitutional means.

The 130 organizations mentioned by Mr. Richardson come within the third, fourth, and sixth groups. So that there can be no misunderstanding I am including here the names of those organizations as they appear on a letter from the Attorney General to Mr. Richardson, dated October 30, 1950.

They are:

(1) Abraham Lincoln Brigade.
(2) Abraham Lincoln School, Chicago, Ill.
(3) Action Committee to Free Spain Now.
(4) American Association for Reconstruction in Yugoslavia, Inc.
(5) American Branch of the Federation of Greek Maritime Unions.
(6) American Committee for European Workers' Relief.
(7) American Committee for Protection of Foreign Born.
(8) American Committee for Spanish Freedom.
(9) American Committee for Yugoslav Relief, Inc.
(10) American Council for a Democratic Greece.
(11) Greek American Council.
(12) Greek American Committee for National Unity.
(13) American Council on Soviet Relations.
(14) American Croatian Congress.
(15) American Jewish Labor Council.
(16) American League Against War and Fascism.
(17) American League for Peace and Democracy.
(18) American Peace Mobilization.
(19) American Polish Labor Council.
(20) American Rescue Ship Mission (a project of the United American Spanish Aid Committee).
(21) American Russian Institute, New York.
(22) American Russian Institute, Philadelphia.
(23) American Russian Institute (of San Francisco).
(24) American Russian Institute of Southern California, Los Angeles.
(25) American Slav Congress.
(26) American Youth Congress.
(27) American Youth for Democracy.
(28) Armenian Progressive League of America.
(29) Boston School for Marxist Studies, Boston, Mass.
(30) California Labor School, Inc., 216 Market Street, San Francisco, Calif.
(31) Central Council of American Women of Croatian Descent; (32) Central Council of American Croatian Women; (33) National Council of Croatian Women.
(34) Citizens' Committee to Free Earl Browder.
(35) Citizens Committee for Harry Bridges.
(36) Civil Rights Congress and its affiliated organizations, including: (37) Civil Rights Congress for Texas; (38) Veterans Against Discrimination.
(39) Comite Coordinador Pro Republica Espanola.
(40) Committee for a Democratic Far Eastern Policy.
(41) Commonwealth College, Mena, Ark.
(42) Communist Party, United States of America, its subdivisions, subsidiaries and affiliates, including: (43) Citizens Committee of the Upper West Side (New York City); (44) Committee to Aid the Fighting South; (45) Daily Worker Press Club; (46) Dennis Defense Committee; (47) Labor Research Association, Inc; (48) Southern Negro Youth Congress; (49) United May Day Committee; (50) United Negro and Allied Veterans of America; (51) Yiddisher Kultur Farband.
(52) Communist Political Association, its subdivisions, subsidiaries and affiliates, including: (53) Florida Press and Educational League; (54) Peoples Educational and Press Association of Texas; (55) Virginia League for Peoples Education.
(56) Connecticut State Youth Conference.
(57) Congress of American Revolutionary Writers.
(58) Congress of American Women.
(59) Council on African Affairs.
(60) Council for Pan-American Democracy.
(61) Detroit Youth Assembly.
(62) Emergency Conference To Save Spanish Refugees (founding body of the North American Spanish Aid Committee).
(63) Friends of the Soviet Union.
(64) George Washington Carver School, New York City.
(65) Hawaii Civil Liberties Committee.
(66) Hollywood Writers Mobilization for Defense.
(67) Hungarian-American Council for Democracy.
(68) Independent Socialist League.
(69) International Labor Defense.
(70) International Workers Order, its subdivisions, subsidiaries, and affiliates, including: (71) American-Russian Fraternal Society; (72) Carpatho-Russian Peoples Society; (73) Cervantes Fraternal Society; (74) Croatian Benevolent Fraternity; (75) Finnish-American Mutual Aid Society; (76) Garibaldi American Fraternal Society; (77) Hellenic-American Brotherhood; (78) Hungarian Brotherhood; (79) Jewish Peoples Fraternal Order.
(80) Peoples Radio Foundation, Inc.; (81) Polonia Society of the IWO; (82) Romanian-American Fraternal Society; (83) Serbian-American Fraternal Society; (84) Slovak Workers Society; (85) Ukrainian-American Fraternal Union.
(86) Jefferson School of Social Science, New York City.
(87) Jewish Peoples Committee.
(88) Joint Anti-Fascist Refugee Committee.
(89) Joseph Weydemeyer School of Social Science, St. Louis, Mo.
(90) Labor Youth League.
(91) League of American Writers.
(92) Macedonian-American People's League.
(93) Michigan Civil Rights Federation.
(94) Michigan School of Social Science.
(95) National Committee for the Defense of Political Prisoners.
(96) National Committee To Win the Peace.
(97) National Conference on American Policy in China and the Far East (a conference called by the Committee for a Democratic Far Eastern Policy).
(98) National Council of Americans of Croatian Descent.
(99) National Council of American-Soviet Friendship.
(100) National Federation for Constitutional Liberties.
(101) National Negro Congress.
(102) Nature Friends of America (since 1935).
(103) Negro Labor Victory Committee.
(104) New Committee for Publications.
(105) North American Committee To Aid Spanish Democracy.
(106) North American Spanish Aid Committee.
(107) Ohio School of Social Sciences.
(108) Oklahoma Committee to Defend Political Prisoners.
(109) Pacific Northwest Labor School, Seattle, Wash.
(110) Partido del Pueblo of Panama (operating in the Canal Zone).

(111) Peoples Educational Association, incorporated under name: (112) Los Angeles Educational Association, Inc.; (113) Peoples Educational Center; (114) Peoples University; (115) People's School.
(116) People's Institute of Applied Religion.
(117) Philadelphia School of Social Science and Art.
(118) Photo League (New York City).
(119) Progressive German-Americans, aka Progressive German-Americans of Chicago.
(120) Proletarian Party of America.
(121) Revolutionary Workers League.
(122) Samuel Adams School, Boston, Mass.
(123) Schappes Defense Committee.
(124) Schneiderman-Darcy Defense Committee.
(125) School of Jewish Studies, New York City.
(126) Seattle Labor School, Seattle, Wash.
(127) Serbian Vidovdan Council.
(128) Slovenian-American National Council.
(129) Socialist Workers Party, including American Committee for European Workers' Relief.
(130) Socialist Youth League.
(131) Tom Paine School of Social Science, Philadelphia, Pa.
(132) Tom Paine School of Westchester, N. Y.
(133) Union of American Croatians.
(134) United American Spanish Aid Committee.
(135) United Committee of South Slavic Americans.
(136) United Harlem Tenants and Consumers Organizations.
(137) Veterans of Abraham Lincoln Brigade.
(138) Walt Whitman School of Social Science, Newark, N. J.
(139) Washington Bookshop Association.
(140) Washington Committee for Democratic Action.
(141) Washington Commonwealth Federation.
(142) Wisconsin Conference on Social Legislation.
(143) Workers Alliance.
(144) Workers Party, including Socialist Youth League.
(145) Young Communist League.
(146) Industrial Workers of the World.
(147) Nationalist Party of Puerto Rico.

So, instead of 130 we find 147. Mr. Richardson says the whole 130 are still in existence. Time nor space does not allow for a discussion of Mr. Richardson's statement nor a detailed statement regarding the present existence of all these organizations. However, without further verification and without fear of contradiction I believe the following organizations have been out of existence for some years:

(1) Abraham Lincoln School.
(2) Action Committee to Free Spain Now.
(3) American Association for Reconstruction in Yugoslavia, Inc.
(4) American Committee for Spanish Freedom.
(5) American Committee for Yugoslav Relief.
(6) American Council for a Democratic Greece.
(7) Greek American Council.
(8) Greek-American Committee for National Unity.
(9) American Council on Soviet Relations.
(10) American League Against War and Fascism.
(11) American League for Peace and Democracy.
(12) American Peace Mobilization.
(13) American Polish Labor Council.
(14) American Rescue Ship, Mission.
(15) American Youth Congress.
(16) American Youth for Democracy.
(17) Boston School for Marxist Studies.
(18) Central Council of American Women of Croatian Descent.
(19) Central Council of American Croatian Women.
(20) National Council of Croatian Women.
(21) Citizens Committee to Free Earl Browder.
(22) Citizens Committee for Harry Bridges.
(23) Commonwealth College, Mena, Ark.
(24) Citizens Committee of Upper West Side (New York City).
(25) Committee to Aid the Fighting South.
(26) Dennis Defense Committee.
(27) Southern Negro Youth Congress.
(28) Florida Press and Educational League.
(29) Peoples Educational and Press Association of Texas.
(30) Virginia League for Peoples Education.
(31) Communist Political Association.
(32) Connecticut State Youth Conference.
(33) Congress of American Revolutionary Writers.
(34) Council for Pan-American Democracy.
(35) Detroit Youth Assembly.
(36) Emergency Conference To Save Spanish Refugees.
(37) Friends of the Soviet Union.
(38) Hollywood Writers Mobilization for Defense.
(39) International Labor Defense.
(40) Joint Anti-Fascist Refugee Committee.
(41) League of American Writers.
(42) Macedonian-American People's League.
(43) Michigan Civil Rights Federation.
(44) Michigan School of Social Science.
(45) National Committee for the Defense of Political Prisoners.
(46) National Committee To Win the Peace.
(47) National Conference on American Policy in China and the Far East.
(48) National Federation of Constitutional Liberties.
(49) National Negro Congress.
(50) Negro Labor Victory Committee.
(51) North American Committee To Aid Spanish Democracy.
(52) North American Spanish Aid Committee.
(53) Oklahoma Committee to Defend Political Prisoners.
(54) Peoples Northwest Labor School, Seattle, Wash.
(55) Photo League (New York City).
(56) Samuel Adams School.
(57) Schappes Defense Committee.
(58) Schneiderman-Darcy Defense Committee.
(59) Seattle Labor School.
(60) United American Spanish Aid Committee.
(61) United Harlem Tenants and Consumers Organization.
(6) Washington Bookshop Association.
(63) Washington Committee for Democratic Action.
(64) Wisconsin Conference on Social Legislation.
(65) Workers Alliance.
(66) Workers Party.
(67) Young Communist League.
(68) Industrial Workers of the World.

However, Mr. Richardson represents to Congress that all of those organizations are still in existence and infers that the Attorney General eventually will file complaints against all of them. I assure you that the office of the Attorney General is well aware of the fact that the greater number of those organizations are but a part of history.

Mr. Speaker, the selection of a person to administer such a vital program as that provided for by the McCarran Act who has so little knowledge of subversive organizations is ridiculous.

Mr. Richardson appeared before a subcommittee of the House Appropriations Committee on February 22, 1951, asking for $620,000 for the operation and maintenance of his board for the fiscal year of 1952—page 323. On May 4 on the floor of the House I moved to strike from the appropriations bill that part relating to the Subversive Activities Control Board. The motion failed. No one realizes the need for some kind of control on subversive activities more than I, but I am firmly convinced that any kind of board or agency that is headed by Seth Richardson is doomed to failure from the very beginning. These are not idle words so I must have some reason for such a conclusion. I will give you a few, but I have many more.

In the testimony before the Appropriations Subcommittee on February 22, 1951—page 337—Mr. Richardson said:

Now at the end of it, I think the Loyalty Review Board discharged something like 300.

Mr. Richardson was not talking about firecrackers, he was talking about Government employees. As to the truth of that statement I want Mr. Richardson to name just 1, not 300, employees of the Government who were discharged by the Loyalty Review Board while he was the chairman.

Mr. Speaker, the record of the Loyalty Review Board under the chairmanship of Seth W. Richardson is to the contrary. Instead of discharging 300 Government employees the Loyalty Review Board reversed agency and regional loyalty boards' findings of ineligibility in hundreds of cases. If Mr. Richardson insists I am in error let the Civil Service Commission produce the records.

Further, Mr. Richardson testified—pages 339–340:

Mr. RICHARDSON. That raises another question. You remember the papers had something in them to the effect that the Loyalty Review Board now was asking the President to change his order and make it so that if there was any doubt as to the loyalty, the man must be discharged. Well, the interesting part of it is that I went back and looked over the correspondence in connection with recommendations we made to the Civil Service Commission back in 1948 when I recommended having the order changed.

Mr. YATES. To the same effect?

Mr. RICHARDSON. In the same general direction. I did not go so far as to apply the order to everybody, but I urged the Commission to put the reasonable doubt test on all applicants for jobs, on all of the new men coming in. I said: "You can keep the old standard, if you want, with reference to people who have years of status with the Government and have civil-service status, but with reference to the new people coming in, why not amend it and, if there is any doubt as to their loyalty, do not let them come in." I do not know what the Civil Service Commission did with my recommendation, but I did everything I could with reference to it.

That was Mr. Richardson's testimony as to what he did, although he used the word "we" in referring to the recommendations made to the Civil Service Commission.

Now I will tell you exactly what Mr. Richardson did. In December 1948 he wrote Harry B. Mitchell, who at that time was Chairman of the Civil Service Commission, suggesting that the standards in the executive order be "modified so that the Government could be protected by a broader discretion in employing new employees than the order gives to the Government with respect to existing employees."

In his letter Mr. Richardson said:

> It might be sufficient if the order was amended to read "that the person involved (might be) disloyal to the Government," or some other phraseology which would give the examining boards a less severe test for applicants. It might be provided that an unfavorable determination might be made where a "strong suspicion of possible disloyalty" exists.

So here is the record as to what Mr. Richardson actually did toward having an unworkable order modified. He, not the Loyalty Review Board, merely suggested to the Civil Service Commission that the Executive order be changed, leaving the loose standards to apply to those already in the Government service, but creating a stricter standard to applicants for Government positions. He did not call a meeting of the members of the Loyalty Review Board and have them make a recommendation to the President.

It took more than 1 year, or from the time of his appointment as Chairman of the Loyalty Review Board until December 1948, for him to discover that the order under which he operated was not ridding the Government of employees of questionable loyalty. He let 2 more years pass without doing a single thing to correct an unsavory situation.

But, Mr. Speaker, consider for a moment the change in the standards advocated by Mr. Richardson. He would have two sets of standards—one for employees and a more strict one for applicants. In other words, Mr. Richardson would differentiate between the employee and the applicant in measuring their loyalty to the Government of the United States. There can be no dividing line when it comes to loyalty. A person is either loyal to his country or he is not loyal.

The same yardstick should be used to measure the loyalty of all.

Briefly, let us compare the efforts of Mr. Richardson as Chairman of the Loyalty Review Board with the efforts of the present Chairman, Hiram Bingham. Mr. Bingham came to the Loyalty Review Board with far less qualifications than Mr. Richardson, who is so often referred to as an assistant attorney general under the Hoover administration. It did not take Mr. Bingham a year to realize that the job of keeping undesirables out of the Government service could not be accomplished under the restrictive standards laid down in the Executive order. Did he complain to the Civil Service Commission? No. He called a meeting of the full membership of the Loyalty Review Board and laid the problem before them with a strong recommendation that action be taken. Immediate action in the form of a recommendation to the White House, through the Civil Service Commission, that the standards used for determining the loyalty of applicants and employees be changed. You know the results. The President amended his Executive order, changing the standards from "is disloyal" to "reasonable doubt" as to loyalty.

Not content with having the Executive order changed, Mr. Bingham has recently ruled that hundreds of cases given clearance under the old standards are to be reopened and considered under the new standards.

What was done by Mr. Bingham should have been done by Mr. Richardson long ago. With some knowledge as to complete failure of the Loyalty Review Board under the chairmanship of Mr. Richardson, it is only natural that I hold but little hope for the success of the Subversive Activities Control Board under Richardson's direction and guidance. As far as I am concerned, he is not only unqualified but is not competent for such a vital and important position, and I am opposed to the allocation of any funds to pay him or any agency he manages.

The Subversive Activities Control Board has started to function. The Attorney General has filed with the Board a petition to require the Communist Party of the United States to register as provided by section 7 of Public Law 831, Eighty-first Congress. The Chairman of the Board, Seth W. Richardson, had an excellent opportunity to use any knowledge he had gained from his 3 years' chairmanship of the Loyalty Review Board, as well as demonstrate his ability as an attorney that won him an appointment as special assistant to the Attorney General some years ago. Instead Richardson set up a panel to hear the case against the Communist Party. He named Charles M. LaFollette as chairman, with Peter Campbell Brown and Kathryn McHale as panel members. Last Thursday LaFollette walked out of the hearings in a huff.

The Communist Party is represented by Vito Marcantonio, whose record is well known to every member of this body, and John J. Abt, who was named a member of the Communist Party by Lee Pressman. LaFollette had permitted Marcantonio to extend his examination of Government witnesses far beyond the legitimate field of cross-examination and into an exploration of the personal lives of the witnesses for the evident purpose of conducting a smear campaign.

I am confident that the transcript of the hearings will show that LaFollette has repeatedly ruled against the Government, demonstrating a personal bias in favor of the Communist Party.

Of the five members of the Subversive Activities Control Board appointed by President Truman, Seth W. Richardson, Kathryn McHale, Peter Campbell Brown, Charles M. LaFollette and David J. Coddaire, Mr. Brown is probably the only one qualified for the position. The record left behind as chairman of the Loyalty Review Board is positive proof of the utter lack of qualifications of Mr. Richardson. The actions of Mr. LaFollette in his rulings favoring the Communist Party, and his conduct of last Thursday, is ample evidence of his unfitness.

All of this presents the question as to how and why such persons were selected for these positions of importance. It must be remembered that it was necessary to pass the Subversive Activities Control Act over the veto of the President. Does it not appear that all of this is designed to sabotage the McCarran Act because it did not meet with Presidential approval?

The foregoing misrepresentations to the House Appropriations Committee should be ample evidence to disqualify Mr. Seth Richardson from being chairman of the Subversive Activities Control Board. The dismal failure of the Loyalty Review Board for more than 3 years under his chairmanship is additional evidence to disqualify him from receiving such appointment by President Truman.

There is only one logical conclusion any patriotic person can possibly arrive at from the above facts, and that is President Truman is not interested in causing the Communists in the United States any inconvenience whatsoever, otherwise he would not have selected men like Richardson and LaFollette as members of the Subversive Activities Control Board. It also indicates that the President is determined to thwart the law of the United States by doing everything possible to scuttle the McCarran Act, and that he is receiving able assistance from at least four of his appointees in accomplishing his objective.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I had received unanimous consent to extend my remarks in the Appendix and include a speech with some extraneous matter. I have an estimate from the printer that it will exceed the allowed cost by $799.50, and will consume 9¾ pages. Notwithstanding the additional cost, I ask unanimous consent that I may make the extension.

The SPEAKER pro tempore [Mr. HAVENNER]. Is there objection to the request of the gentlemen from New York?

There was no objection.

Mr. O'BRIEN of Michigan asked and was given permission to extend his remarks in two instances and include in one a newspaper article.

Mr. HÉBERT asked and was given permission to extend his remarks in two instances and include articles in each.

Mr. MADDEN asked and was given permission to extend his remarks and include two editorials.

Mr. BARING asked and was given permission to extend his remarks.

Mr. GORDON asked and was given permission to extend his remarks and include an article.

Mr. MORANO (at the request of Mr. McGUIRE) was given permission to extend his remarks and include an article.

Mr. SMITH of Mississippi asked and was given permission to extend his remarks in two instances.

Mr. TEAGUE asked and was given permission to extend his remarks in three instances and include extraneous material.

Mr. ROGERS of Texas asked and was given permission to extend his remarks and include an article by Dr. J. A. Hill.

Mr. RILEY and Mr. JONES of Alabama asked and were given permission to extend their remarks.

Mr. PRICE asked and was given permission to extend his remarks on the record of the liquidation of the Home Owners Loan Corporation and include a newspaper article, and further to extend his remarks in two instances and include extraneous matter.

Mr. HARRIS asked and was given permission to extend his remarks and include an address by Mr. NORRELL to the high-school graduating class of Dumas, Ark., on Friday, May 25.

Mr. POLK asked and was given permission to extend his remarks and include an article from the Cincinnati Times-Star entitled "No Direct Ceiling Put on Sale of Livestock" and an editorial from the Cincinnati Post entitled "The Beef Battle."

Mr. DORN asked and was given permission to extend his remarks and include an editorial.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks and include extraneous matter, notwithstanding it exceeds the limit and is estimated by the Public Printer to cost $184.50.

Mr. HALE asked and was given permission to extend his remarks and include extraneous matter.

Mr. KEATING asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. FARRINGTON asked and was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. HESELTON asked and was given permission to extend his remarks in three instances and to include extraneous matter.

Mr. TOLLEFSON asked and was given permission to extend his remarks in two instances and in each to include extraneous matter.

Mr. SCHWABE asked and was given permission to extend his remarks in four instances and in each to include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks and include an editorial.

Mr. HILL asked and was given permission to extend his remarks and include a letter.

Mr. GROSS asked and was given permission to extend his remarks and include extraneous matter.

Mr. JENISON asked and was given permission to extend his remarks and include an editorial.

Mr. RADWAN asked and was given permission to extend his remarks and include a resolution.

Mr. REED of New York asked and was given permission to extend his remarks in four instances, in each to include extraneous matter.

Mr. MACK of Washington asked and was given permission to extend his remarks in two instances, in each to include extraneous matter.

Mr. HUNTER asked and was given permission to extend his remarks and include extraneous matter.

Mr. WOOD of Idaho asked and was given permission to extend his remarks and include an article.

Mr. VELDE asked and was given permission to extend his own remarks in two instances.

Mr. BAILEY asked and was given permission to extend his remarks in the RECORD and include an editorial from the Nassau Daily Times-Star relating to education.

ENROLLED BILLS SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2952. An act to authorize the attendance of the United States Navy Band at the final reunion of the United Confederate Veterans to be held in Norfolk, Va., May 30, through June 2, 1951.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 108. An act to amend section 28 of the Enabling Act for the State of Arizona relating to the terms of leases of State-owned lands.

BILLS PRESENTED TO THE PRESIDENT

Mr. STANLEY, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On May 25, 1951:

H. R. 593. An act for the relief of Cleo C. Reeves, Floyd L. Murphy, and Fabian P. Durand; and

H. R. 3939. An act to amend the act of June 23, 1949, with respect to telephone and telegraph service for Members of the House of Representatives.

On May 27, 1951:

H. R. 2952. An act to authorize the attendance of the United States Navy Band at the final reunion of the United Confederate Veterans to be held in Norfolk, Va., May 30 through June 2, 1951.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 46 minutes p. m.), under its previous order, the House adjourned until Thursday, May 31, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

472. A letter from the Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to amend the Air Commerce Act of 1926, as amended"; to the Committee on Interstate and Foreign Commerce.

473. A letter from the Acting Postmaster General, transmitting a draft of proposed legislation entitled "A bill for the relief of Albert Goldman, postmaster at New York, N. Y."; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MITCHELL: Committee on Rules. House Resolution 239. Resolution providing for consideration of H. R. 1179, a bill to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research; without amendment (Rept. No. 502). Referred to the House Calendar.

Mr. DEANE: Committee on House Administration. House Resolution 237. Resolution to provide funds for the expenses of the investigation and studies authorized by House Resolution 158; without amendment (Rept. No. 503). Ordered to be printed.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. Fifth Intermediate Report of the Committee on Expenditures in the Executive Departments, an inquiry concerning certificate of necessity and Government plant expansion loans; without amendment (Rept. No. 504). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Subcommittee on Study of Monopoly Power of the Committee on the Judiciary. Report pursuant to House Resolution 95, Eighty-second Congress, first session; without amendment (Rept. No. 505). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Interior and Insular Affairs. H. R. 3033. A bill authorizing the Secretary of the Interior to lease certain land in the State of Montana to the city of Poplar and the county of Roosevelt, Mont.; with amendment (Rept. No. 506). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 52. An act for the relief of Delfo Giorgi; without amendment (Rept. No. 507). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 53. An act for the relief of Vittorio Quilici; without amendment (Rept. No. 508). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 155. An act for the relief of Victor G. Lutfalla; without amendment (Rept. No. 509). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 178. An act for the relief of Zdenek Marek; with amendment (Rept. No. 510). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 223. An act for the relief of Azy Ajderian; without amendment (Rept. No. 511). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 276. An act for the relief of Dr. Alexander V. Papanicolau and his wife, Emilia; without amendment (Rept. No. 512). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 291. An act for the relief of Claudio Pier Connelly; without amendment (Rept. No. 513). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 297. An act for the relief of Tsung Hsien Hsu; without amendment (Rept. No. 514). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 348. An act for the relief of Jacoba van Dorp; without amendment (Rept. No. 515). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 356. An act for the relief of Edith Winifred Henderson; without amendment (Rept. No. 516). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 362. An act for the relief of Tu Do Chau (also known as Szetu Dju or Anna Szetu); with amendment (Rept. No. 517). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 363. An act for the relief of Irmgard Kohler; without amendment (Rept. No. 518). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 364. An act for the relief of Mrs. Suzanne Wiernik and her daughter, Genevieve; with amendment (Rept. No. 519). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 463. An act for the relief of Alice de Bony de Lavergne, without amendment (Rept. No. 520). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 548. An act for the relief of Freidoun Jalayer; without amendment (Rept. No. 521). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 648. An act for the relief of Evald Ferdinand Kask; with amendment (Rept. No. 522). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1092. An act for the relief of Dr. Francesco Drago; without amendment (Rept. No. 523). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 598. A bill for the relief of Sonja Lohmann and her minor son; with amendment (Rept. No. 524). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 702. A bill for the relief of Karl Chimani and Ada Chimani; with amendment (Rept. No. 525). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 732. A bill for the relief of Konstontios N. Bellos; with amendment (Rept. No. 526). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1119. A bill for the relief of Mario DiFilippo; without amendment (Rept. No. 527). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 1581. A bill for the relief of Thomas G. Fabinyi; with amendment (Rept. No. 528). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1973. A bill for the relief of Sanae Iida; with amendment (Rept. No. 529). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 2369. A bill for the relief of Panagiota Kolintza Karkalatos; with amendment (Rept. No. 530). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 2408. A bill for the relief of Mrs. Margit Helena Falk Rabo; without amendment (Rept. No. 531). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 2449. A bill for the relief of Jadwiga Pulaska; without amendment (Rept. No. 532). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 3665. A bill for the relief of Mrs. Margarete Katharina Metz; without amendment (Rept. No. 533). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Louisiana:

H. R. 4278. A bill to increase the income limitations governing the payment of pension to certain veterans and their dependents; to the Committee on Veterans' Affairs.

By Mr. BAKER:

H. R. 4279. A bill to provide for the construction by the Tennessee Valley Authority of a bridge across the Powell River at or near Lead Mine Bend, Tenn.; to the Committee on Public Works.

H. R. 4280. A bill to amend the Housing and Rent Act of 1947 so as to provide for control of rents charged by the United States for housing accommodations at Oak Ridge, Tenn.; to the Committee on Banking and Currency.

By Mr. HAGEN:

H. R. 4281. A bill to provide for the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 4282. A bill providing for equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. JOHNSON:

H. R. 4283. A bill to authorize and expedite the construction of family quarters needed at permanent military installations by authorizing the Secretaries of the military departments to contract for the construction of family quarters and to apply the occupants' basic allowances for quarters to the payment of the cost of construction, provided that no monthly payment for any unit shall be less than $75, and for other purposes; to the Committee on Armed Services.

By Mr. KEOGH:

H.R. 4284. A bill amending section 34 of the Trading With the Enemy Act of October 6, 1917 (40 Stat. 411), as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MORRIS:

H. R. 4285. A bill to reserve certain land on the public domain in Nevada for addition to the Summit Lake Indian Reservation; to the Committee on Interior and Insular Affairs.

By Mr. MURDOCK:

H. R. 4286. A bill authorizing investigation, research, and development work by the Secretary of the Interior and the construction and operation of facilities, including not more than one demonstration plant, to determine and demonstrate the economic feasibility of producing electric power and energy by means of a wind-driven generator operated in conjunction with an electric power system, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RANKIN (by request):

H. R. 4287. A bill to amend Veterans Regulation No. 1 (a), as amended, to increase the additional rates of compensation provided for specific service-incurred disabilities; to the Committee on Veterans' Affairs.

By Mr. COMBS:

H. R. 4288. A bill granting the consent of the Congress to the negotiation of a compact relating to the waters of the Sabine River by the States of Texas and Louisiana; to the Committee on Interior and Insular Affairs.

By Mr. LARCADE:

H. R. 4289. A bill granting the consent of the Congress to the negotiation of a compact relating to the waters of the Sabine River by the States of Texas and Louisiana; to the Committee on Interior and Insular Affairs.

By Mr. O'HARA:

H. J. Res. 264. Joint resolution to authorize a sum, not to exceed $80,000,000, to provide adequate protection from flooding of the Minnesota River in the Minnesota River Valley; to the Committee on Public Works.

By Mr. SAYLOR:

H. Res. 240. Resolution to authorize the Committee on Foreign Affairs to conduct an investigation of the alleged attempt of a Government employee to prevent shipment of military supplies to Europe; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. MORRIS: Memorial of the State Legislature of the State of Oklahoma requesting the Congress of the United States to amend or supplement the laws relating to veterans of the armed services of the United States so as to extend to citizens of the United States who served in the Armed Forces of the Allies of the United States the benefits of such laws; to the Committee on Veterans' Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, requesting the passage of legislation to properly compensate members of the Armed Forces of the United States who are now or will be engaged in combat; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Maine, relative to two joint resolutions, relating to rescinding proposal for considering a Constitutional Convention of the United States or amendments to the Constitution of the United States, relating to the strengthening of the United Nations and limited world federal government and for the calling of a convention to propose an amendment to the Constitution of the United States relating to tax problems; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ENGLE:

H. R. 4290. A bill for the relief of Keddie Resort, Inc.; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 4291. A bill for the relief of Low Yat Ming; to the Committee on the Judiciary.

H. R. 4292. A bill for the relief of Low Ve Long; to the Committee on the Judiciary.

H. R. 4293. A bill for the relief of Aldo De Fenzi; to the Committee on the Judiciary.

H. R. 4294. A bill for the relief of Mr. and Mrs. Vencelaus Vondrak; to the Committee on the Judiciary.

By Mr. KEATING (by request):

H. R. 4295. A bill for the relief of Theodore J. Hartung and Mrs. Elizabeth Hartung; to the Committee on the Judiciary.

By Mr. SCHWABE:

H. R. 4296. A bill for the relief of Franklin Jim; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

298. By the SPEAKER: Petition of Frederick H. Burke, clerk, Cambridge, Mass., relative to the vote to sustain the low-rent housing program, and favoring passage of H. R. 3880; to the Committee on Banking and Currency.

299. Also, petition of P. H. Spaak, president, Consultative Assembly of the Council of Europe, Strasbourg, France, relative to problems of common concern to the United States and Europe; to the Committee on Foreign Affairs.

SENATE

TUESDAY, MAY 29, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we turn to Thee at the noontide hour when, from the Nation's beginnings, our fathers have paused to seek Thy face. Commissioned to be peacemakers in a contending world, we first need a peace within our own hearts far deeper than the world can give. Amid the confusion and clamor of strife without may our hearts be garrisoned by the peace which is the gift of Thy grace.

Defeat the doubts within our minds that battle for the supremacy of our wills. Quicken our faltering faith with the strength of Thy eternal purpose which cannot be ultimately defeated. Transform our wavering aims into strong and sacrificial endeavor set toward building the kingdom of Thy love and justice. In this forum of deliberation and debate, amid the din and clash of differing human opinions, may we unite in keeping always an altar of prayer where a constant sense of the eternal may save us from spiritual decay, from moral cowardice, and from any betrayal of the highest public good. In the dear Redeemer's name, we ask it. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 28, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following act and joint resolution:

On May 28, 1951:

S. 77. An act for the relief of Mircea Grossu and his family.

On May 29, 1951:

S. J. Res. 35. Joint resolution to permit the board of supervisors of Louisiana State University and Agricultural and Mechanical College to transfer certain lands to the Police Jury of the Parish of Rapides for use for holding livestock and agricultural expositions.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3842) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, and it was signed by the President pro tempore.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. MCCLELLAN was excused from attendance on the sessions of the Senate until Monday next.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. HOLLAND, and by unanimous consent, the Committees on Armed Services and Foreign Relations, sitting jointly, were authorized to meet this afternoon during the session of the Senate.

On request of Mr. SMATHERS, and by unanimous consent, a subcommittee of the Committee on Labor and Public Welfare was authorized to meet this afternoon during the session of the Senate.

NOTICE OF HEARING ON NOMINATION OF JOE WARREN SHEEHY TO BE UNITED STATES DISTRICT JUDGE, EASTERN DISTRICT OF TEXAS

Mr. MCCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for 9:30 a. m., Tuesday, June 5, 1951, in room 424, Senate Office Building, upon the nomination of Joe Warren Sheehy, of Texas, to be United States district judge for the eastern district of Texas, vice Hon. Randolph Bryant, deceased. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. MCCARRAN], chairman; the Senator from North Carolina [Mr. SMITH]; and the Senator from New Jersey [Mr. HENDRICKSON].

TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to transact routine business, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PETITION

The PRESIDENT pro tempore laid before the Senate a resolution adopted by representatives of major national veterans' organizations, organized labor, municipal officials, private construction interests, and housing officials of the New England area, at Boston, Mass., relating to the low-rent housing program, which was referred to the Committee on Banking and Currency.

RESOLUTIONS OF NORTH DAKOTA ASSOCIATION OF RURAL ELECTRIC COOPERATIVES

Mr. YOUNG. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, some excellent resolutions adopted by the North Dakota Association of Rural Electric Cooperatives. These resolutions are very timely as they deal with amendments to the Interior Department Appropriation bill now being considered by the Senate Appropriations Committee.

There being no objection, the resolutions were referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

RESOLUTIONS OF NORTH DAKOTA ASSOCIATION OF RURAL ELECTRIC COOPERATIVES

RESOLUTION 1

Whereas the eighteenth meeting of the North Dakota Association of Rural Electric Cooperatives held in Bismarck, N. Dak., this 17th and 18th of May 1951 has discussed and explored various phases of the many problems confronting farm families living on North Dakota farms with a view to improving the living conditions and the security on the land of these farm families, not only by providing abundant electric power available to every farm, but also by making rural telephones available on an area-wide basis, and by protecting and improving our State and our homes, both rural and urban, through a comprehensive and intelligent and complete development of the Missouri Valley area; and

Whereas we have observed recently a distinct trend on the part of Congress to curtail and reduce necessary appropriations urgently needed now in order to carry out a coordinated program of development, generation, and transmission of power; and

Whereas it is a recognized fact that agriculture is one of our most important defense industries and anything which assists the American farmer to produce more food and fiber directly assists in our defense effort: Now, therefore, be it

Resolved, That we commend our Senators and Congressmen for their efforts to date and ask them to exert every effort and influence against the attempts being made to curtail and defeat our own right to generate and transmit power by reduction of appropriations or otherwise, and we further urge their continued support of a complete and coordinated development of the Missouri Valley.

RESOLUTION 2

In order to encourage the fullest use of power for a more abundant rural life, we recognize that power must be provided to the farm at the lowest possible cost. To facilitate this, we urge Congress to act favorably upon hydropower developments or other low-cost power-generation developments and we insist that wherever necessary to provide lower-cost distribution of said power high-voltage transmission grids be provided, either cooperatively or publicly owned.

RESOLUTION 3

Whereas we recognize that rural telephones are an important part of a farmer's equipment; and

Whereas in most areas of our State, telephone service is highly inadequate; and

Whereas we further recognize that the task of providing all of the farmers of our State with telephone service is an enormous undertaking which will require the fullest

cooperation from many segments of our population and from our Government: Therefore be it

Resolved, That we respectfully invite and request the cooperation of our National Congress, of the Rural Electrification Administration, Extension Service, Public Service Commission, farm organizations, other civic organizations, and the existing telephone industry in developing our rural telephone program. We ask Congress specifically to appropriate the necessary funds for such a program and that the various material allocation boards give favorable consideration to adequate allocations of necessary materials for telephone construction. We further recommend that rural telephone cooperatives in our State be organized large enough to insure feasibility of service to all people in the area.

RESOLUTION 4

The State association reaffirms the position taken at the annual meeting last November in requesting the various manufacturers interested in carrier current telephone equipment or any other new development in telephone research install test installations at several points within the State for research and experimental purposes, and we further request that the Rural Telephone Administration at Washington give every assistance in the RTA development in our State.

RESOLUTION 5

Whereas labor, agriculture, and industry are interdependent on each other, therefore we urge that REA cooperatives, not only in our State but nationally, support labor. In addition, we recommend that organized labor give careful thought and study to the particular labor problems of REA cooperatives.

RESOLUTION 6

Be it resolved by the North Dakota Association of Rural Electric Cooperatives assembled in convention at the Patterson Hotel, Bismarck, N. Dak., May 17 and 18, 1951, That the Electrification Research Division, Department of Agriculture, Washington, D. C., be requested to continue financial support to the rural electrification research now being conducted at the department of agricultural engineering, North Dakota Agriculture College, Fargo, N. Dak., it being pointed out that results of research at this point are applicable to problems in North Dakota, South Dakota, and Minnesota.

RESOLUTION 7

Whereas the National Tax Equality Association still appears to be viciously active in their endeavors to confuse Congress and the public in general regarding the issue of taxation of cooperatives; and

Whereas testimony before competent congressional committees has shown that cooperatives are carrying and always have carried their fair share of the tax burden: Now, therefore, be it

Resolved, That we respectfully request our congressional delegation to be alert and vigilant in their opposition to any proposals or measures designed to impose an unjust and unfair tax burden upon cooperatives; be it further

Resolved, That we strongly urge all our REA cooperatives, the NRECA, and Rural Electrification Administration to use all information devices available to distribute as widely as possible the true facts relating to taxation of cooperatives and regarding NTEA's attacks.

RESOLUTION 8

Be it resolved, That we express our appreciation of the efforts of our power-use committee and urge their continued and expanding efforts in bringing the program to complete development.

RESOLUTION 9

Whereas the United States House of Representatives has recently passed several amendments to the Department of the Interior appropriations bill which would seriously cripple the programs of the Department's power agencies; and

Whereas these amendments, particularly the Keating amendment, threaten to destroy the long-established Federal policy of transmitting electric power produced at Federal dams to rural electric systems and other preference customers; and

Whereas the Keating amendment endangers the basic right and ability of rural electric systems in North Dakota and throughout the country to obtain over self-liquidating Bureau of Reclamation transmission lines electric power produced at Federal dams: Now, therefore, be it

Resolved, That we, the representatives of 60,000 farm family members of rural electric systems in North Dakota, do hereby urge our Senators and Representatives in the Congress of the United States to reject the Keating amendment to the Department of the Interior appropriations bill and any other amendments that seek to destroy our Nation's established Federal power policy and program.

RESOLUTION 10

Be it resolved by the North Dakota Association of Rural Electric Cooperatives, in convention assembled this 17th and 18th of May 1951, in Bismarck, N. Dak., That we hereby express our sincere thanks to the city of Bismarck, the Patterson Hotel, the Corps of Army Engineers, to our visitors and speakers and all others who have helped to make this meeting a success.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCARRAN:

S. 1557. A bill to provide for the care of members of the Coast Guard and their dependents in naval hospitals in certain cases; to the Committee on Armed Services.

(See the remarks of Mr. McCARRAN when he introduced the above bill, which appear under a separate heading.)

By Mr. IVES:

S. 1558. A bill for the relief of Alex Harfenist; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 1559. A bill to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation; to the Committee on Interstate and Foreign Commerce.

S. 1560. A bill for the relief of Camilia Pintos; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. LANGER):

S. 1561. A bill to provide for the appointment and compensation of counsel for impoverished defendants in certain criminal cases in the United States district courts; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 1562. A bill for the relief of Harvey Marden; to the Committee on the Judiciary.

By Mr. O'CONOR (for himself, Mr. KEFAUVER, Mr. HUNT, Mr. TOBEY, and Mr. WILEY):

S. 1563. A bill to provide for the licensing of certain persons engaged in the dissemination of information concerning horse or dog racing events and betting information concerning other sporting events by means of interstate and foreign communications by wire or radio, and for other purposes; and

S. 1564. A bill to make unlawful the transmission in interstate commerce of gambling information concerning a sporting event which is obtained without consent of the person conducting such sporting event; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. O'CONOR when he introduced the above bills, which appear under a separate heading.)

CARE OF MEMBERS OF COAST GUARD AND THEIR DEPENDENTS IN NAVAL HOSPITALS IN CERTAIN CASES

Mr. McCARRAN. Mr. President, I send to the desk for appropriate reference a bill which will authorize the peacetime treatment and care of Coast Guard personnel and certain of their dependents in naval hospitals in accordance with joint regulations to be issued by the Secretary of the Treasury and the Secretary of the Navy.

There appears to be no provision in the existing law or regulations whereby dependents of Coast Guard personnel may be hospitalized in any Government hospital in the Washington, D. C., area. Such dependents are not accepted for treatment in either Walter Reed Hospital or Bethesda, but most go to private hospitals where they pay the usual rates and are treated by medical personnel of the Public Health Service free of charge.

It is provided in section 253 (b) of title 42 that such dependents shall be furnished medical advice and out-patient treatment by the Public Health Service in its hospitals and relief stations and they shall also be furnished hospitalization at hospitals of the Public Health Service, if suitable accommodations are available, at a per diem cost which is prescribed from time to time by the President.

Title 24, section 32, provides for the hospitalization of dependents of naval and Marine Corps personnel at naval hospitals, and in section 36 of the same title, it is provided that dependents of Coast Guard personnel may be hospitalized in naval hospitals when the Coast Guard is operating as a part of the Navy.

Since the Coast Guard has, by statute, become a "military service" I see no reason why the facilities available to them in naval hospitals in wartime should not, under reasonable conditions, be also made available in peacetime.

The bill (S. 1557) to provide for the care of members of the Coast Guard and their dependents in naval hospitals in certain cases, introduced by Mr. McCARRAN, was read twice by its title and referred to the Committee on Armed Services.

LICENSING AND DISSEMINATION OF INFORMATION CONCERNING SPORTING EVENTS

Mr. O'CONOR. Mr. President, on behalf of myself, the Senator from Tennessee [Mr. KEFAUVER], the Senator from Wyoming [Mr. HUNT], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Wisconsin [Mr. WILEY], I introduce for appropriate reference two bills; the first to provide for the licensing of certain persons engaged in the dissemination of information concerning horse- or dog-racing events and betting

information concerning other sporting events by means of interstate and foreign communications by wire or radio, and for other purposes, and the second to make unlawful the transmission in interstate commerce of gambling information concerning a sporting event which is obtained without consent of the person conducting such sporting event. I ask unanimous consent that the bills, together with a statement by me may be printed in the RECORD.

The PRESIDENT pro tempore. The bills will be received and appropriately referred, and, without objection, the bills and statement will be printed in the RECORD.

The bill (S. 1563) to provide for the licensing of certain persons engaged in the dissemination of information concerning horse- or dog-racing events and betting information concerning other sporting events by means of interstate and foreign communications by wire or radio, and for other purposes, introduced by Mr. O'CONOR (for himself, Mr. KEFAUVER, Mr. HUNT, Mr. TOBEY, and Mr. WILEY), was read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Communications Act of 1934 is amended by inserting after section 606 a new section as follows:

"DISSEMINATION OF INFORMATION CONCERNING HORSE AND DOG RACING EVENTS AND OTHER SPORTING EVENTS

"SEC. 606A. (a) It shall be unlawful for any person who is engaged in disseminating information concerning horse racing or dog racing events or betting information concerning any other sporting event to disseminate any such information by means of any interstate or foreign communication by wire or radio unless such person has a valid license for such purpose granted under the provisions of this section.

"(b) The Commission shall grant to any applicant therefor a license to disseminate information concerning horse racing or dog racing events or to disseminate betting information concerning any other sporting events by means of interstate and foreign communications by wire or radio, if such applicant shows to the satisfaction of the Commission that such information will not be disseminated primarily for use in facilitating gambling activities which constitute violations of the laws of the States in which such information will be disseminated, unless the Commission determines that the public interest will not be served by the granting of such license or unless the Commission finds that the applicant is not of good moral character (or in the case of a corporation, that one or more of its officers, directors, or principal stockholders are not persons of good moral character). In any case in which it appears that the applicant will disseminate such information to any person who will further disseminate such information, or any portion thereof, such applicant shall show the purposes for which such information, or portion thereof, to be further disseminated will be used, and the Commission shall take such purposes into consideration in determining whether the information which will be disseminated by the applicant will not be disseminated primarily for use in facilitating gambling activities which constitute violations of the laws of the States in which such information will be distributed.

"(c) A license granted pursuant to subsection (b) shall be valid for 1 year from the date of issuance (unless sooner revoked by the Commission pursuant to subsection (d), but such license may be renewed from year to year, upon application made therefor in compliance with the provisions of subsection (b).

"(d) The Commission may revoke any license issued under this section if it is shown to its satisfaction—

"(1) that any material statement or allegation in the application for a license, or in any hearing held upon such application, was false or misleading; or

"(2) that subsequent to the granting of the license, the holder of the license has engaged in activities which would disqualify him for issuance of a license under the provisions of subsection (b); or

"(3) that the public interest is no longer being served by the continuation of such license.

"(e) An appeal may be taken, in the manner provided by subsections (c), (d), (e), and (f) of section 402, from decisions of the Commission to the United States Court of Appeals for the District of Columbia by (1) any applicant whose application for a license under this section is denied or (2) any person whose license granted under this section is revoked.

"(f) It shall be unlawful for any person to lease or otherwise obtain from a common carrier or other supplier a communications facility to be operated for or in connection with the dissemination of information concerning horse racing or dog racing events or of betting information concerning any other sporting event by interstate or foreign communications by wire or radio unless such person files with such carrier or other supplier an affidavit that the facility to be obtained is to be used for such purpose. Any such affidavit on file shall be open to inspection by appropriate local, State, and Federal law-enforcement agencies. Each common carrier or other supplier shall maintain a list of the terminal points and drops (receiving and sending) on any communication facility leased or otherwise furnished to any person to be operated for the dissemination of information concerning horse racing or dog racing events or of betting information concerning any other sporting event by interstate or foreign communications by wire or radio, including the address of each such terminal point and drop, and such list shall be open to inspection by appropriate local, State, and Federal law-enforcement agencies.

"(g) As used in this section, the term 'disseminating information' shall not include publication in any newspaper of general circulation, or broadcasting to the public over any duly licensed radio station, or the collection or transmission of news for such publication or broadcasting; and this term 'betting information concerning any other sporting event' includes information as to bets or wagers, betting odds, changes in betting odds, probable winners, and probable starting line-ups in connection with any sporting event other than a horse or dog racing event."

The bill (S. 1564) to make unlawful the transmission in interstate commerce of gambling information concerning a sporting event which is obtained without the consent of the person conducting such sporting event, introduced by Mr. O'CONOR (for himself, Mr. KEFAUVER, Mr. HUNT, Mr. TOBEY, and Mr. WILEY), was read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That chapter 50 of title 18 of the United States Code is amended by adding at the end thereof a new section as follows:

"§ 1084. Transmission of certain gambling information by telephone, telegraph, or radio.

"(a) Whoever knowingly sends or transmits, or causes to be sent or transmitted, in interstate or foreign commerce by means of telephone, telegraph, or radio any gambling information concerning any horse or dog racing event or other sporting event which has been obtained surreptitiously or through stealth and without the permission of the person conducting such horse or dog racing event or other sporting event shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. Each sending or transmission shall constitute a separate offense.

"(b) For the purposes of this section, the term 'gambling information' means information intended to be used for illegal gambling purposes, including, but not limited to, information as to bets or wagers, betting odds, changes in betting odds, probable starting line-ups, scratches, jockey changes, weights, probable winners, or probable results."

SEC. 2. The analysis of chapter 50 of title 18 of the United States Code is amended by inserting at the end thereof the following: "1084. Transmission of certain gambling information by telephone, telegraph, or radio."

The statement presented by Mr. O'CONOR is as follows:

STATEMENT BY SENATOR O'CONOR

In its study of the techniques and procedures of crime syndicates in the profitable field of race-track gambling, the Senate Committee To Study Organized Crime in Interstate Commerce soon became convinced that the race-wire services were the very life blood of illegal gambling operations. Furthermore, the disclosures in many areas made it clearly apparent that bookmaking on a national scale could not exist without the transmission of up-to-the-minute information of racing results and other information.

Consideration of legislative proposals to combat large-scale racketeering and gambling found the committee unanimous in agreement that prohibition of the transmission of information about racing through the channels of interstate commerce would be the most completely effective move. We were convinced that such prohibition would be in the public interest because it would eliminate the present huge profit incentive involved in the control of such wire services, an incentive that has attracted the worst type of hoodlum and racketeer.

It was felt to have been clearly proven that such wire services are maintained and operated only by and for gamblers, and make little or no contribution to other types of business. Further, they are a perfect example of the type of problem that only Federal authorities can reach, since they involve networks which extend beyond the jurisdiction of any State or local body.

These wire services thus would appear to be the most vulnerable spot in the Nationwide gambling structure for attack on the Federal level, and the legislation herewith proposed to outlaw them is intended to be, and we are convinced will be, if approved, a death blow to such interstate operations.

In drafting the proposals which are aimed so directly at the heart of the gambling system, the committee kept definitely in mind its responsibility to avoid injury or inconvenience to the many legitimate newspapers, press services, radio stations, etc., which handle some such information in the regular course of their operations. We were of the opinion that the dissemination of ordinary news about sporting events through

these legitimate channels should not be burdened with the requirement of obtaining an annual license. Accordingly, newspapers, news services, radio stations, etc., are to be specifically exempted from the licensing requirements of the bill.

In cases where licenses are to be required, applicants will have the burden of showing that the information they propose to disseminate is not primarily intended for the use of gamblers. Applicants who cannot make this showing (or who fail to show good moral character or a reasonable relationship between their activities and the public interest) will be barred from all channels of interstate communication, as to the prohibited types of information, by this new law.

The second bill introduced today strikes at the other most vulnerable point of the wire services and the gambling empires which depend on them. In almost all jurisdictions, the race tracks and other public places where sporting events are held have sought the cooperation of local authorities to prevent the surreptitious transmission of information about such events to the gamblers. Obviously, if such information is cut off at its source (without, of course, affecting the legitimate news reporting which is done with the permission of the track owners), it would greatly impair the effectiveness of the gambling wire services. This is also an area in which only the Federal Government can act effectively, because it involves direct use of the channels of interstate commerce.

The present bill has therefore been so drawn as to make it a Federal offense for any person to transmit gambling information obtained surreptitiously or by stealth through any channel of interstate commerce or communication.

THE CENTRAL ARIZONA PROJECT—AMENDMENTS

Mr. KNOWLAND (for himself and Mr. NIXON) submitted amendments intended to be proposed by them, jointly, to the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. McFARLAND (for himself and Mr. HAYDEN) submitted amendments intended to be proposed by them, jointly, to S. 75, supra, which were ordered to lie on the table and to be printed.

WAIVING OF REQUIREMENT OF PERFORMANCE AND PAYMENT BONDS IN CONNECTION WITH COAST GUARD CONTRACTS—CHANGE OF REFERENCE

Mr. McCARRAN. Mr. President, the Committee on the Judiciary has pending before it H. R. 2394, to amend the act of April 29, 1941, to authorize the waiving of the requirement of performance and payment bonds in connection with certain Coast Guard contracts, which was referred on April 3, 1951. On February 22, 1951, S. 948, a bill similar to H. R. 2394 was referred to the Committee on Armed Services, where it is now pending.

In 1941 a bill was introduced to amend the act of August 24, 1935—Forty-ninth Statute, page 793—the so-called Miller Act by granting discretionary power to the Secretary of War or the Secretary of the Navy to waive the furnishing of performance and payment bonds by contractors. This bill was referred to and reported favorably from the Committee on Military Affairs and was enacted into law on April 29, 1941—Fifty-fifth Statute, page 147; Title 40, United States Code, section 270e.

During the Eighty-first Congress, H. R. 9229, similar to the present H. R. 2394, passed the House of Representatives and following its referral, the Committee on the Judiciary was discharged from further consideration, and the bill was referred to the Committee on Armed Services.

The Committee on the Judiciary has considered H. R. 2394 of the present Congress and is of the opinion that it comes within the jurisdiction of the Committee on Armed Services in view of the history of previous similar legislation granting discretionary power to certain branches of the military service to waive the furnishing of performance and payment bonds.

I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of H. R. 2394 and that it be referred to the Committee on Armed Services.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. WHERRY:

An article entitled "Theater on the Hill," written by Hon. HOWARD BUFFETT, Representative in Congress from the Second District of Nebraska, and published in Human Events for May 23, 1951, dealing with the Office of Price Stabilization.

By Mr. BYRD:

An address entitled "The Tax Education of Mr. Jones," delivered by Irving S. Olds, chairman of the board of the United States Steel Corp., before the annual meeting of the Chamber of Commerce of the State of New York.

By Mr. McMAHON:

An editorial entitled "Cold War Counterattack," published in the New York Times of May 28, 1951, commenting on broadcast to the Russian people by the Secretary of State.

By Mr. SMATHERS:

An article entitled "Financing America Needs Know-How," from the Jacksonville American for May 1951, dealing with the need for skill in handling Government finance.

AIRPORT PROJECT, PALMER, ALASKA

Mr. MUNDT. Mr. President, I ask unanimous consent that I may address the Senate for 3 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. MUNDT. Last week the Senate Investigations Subcommittee filed a report on an investigation of an airport project in Palmer, Alaska. Our report shows that an attempt has been made to defraud the Government and the Federal taxpayers in connection with this project.

As a result of the investigation, the Civil Aeronautics Administration has now taken steps to tighten up its handling of the people's money and doubtless certain officials, both Federal and Territorial, who were involved in the scheme have learned that such mishandling of a public trust will not be tolerated by the Congress.

In connection with this investigation I believe certain accolades should be made. In the first place, Senators should realize that this investigation was brought into the open last July as a direct consequence of stories published by the Fairbanks (Alaska) Daily News-Miner, the farthest north daily newspaper published under the American flag.

After that it was brought to the attention of the Senate by the Senator from Nebraska [Mr. BUTLER], ranking Republican member of the Senate Committee on Interior and Insular Affairs, and following that, under the courageous leadership of the chairman of the Investigations Subcommittee of the Committee on Expenditures in the Executive Departments, the Senator from North Carolina [Mr. HOEY], the investigation was carried out to a successful conclusion.

The investigation has now been completed, and the report is now available to the public.

It was following the resolution submitted by the Senator from Nebraska [Mr. BUTLER] that the investigation was made possible.

The deal, as the investigation has shown, amounted to a conspiracy to place an inflated value on several parcels of land to be used for a new airport, to be financed in part by Federal funds.

A higher valuation was placed on the land, thereby enabling the Territory to claim an increase in the amount of the Federal grant-in-aid from $94,750 to $150,125.

This has now been blocked. The facts of the case will be reviewed by the Comptroller General before any money whatsoever is paid on the project, and I think we can depend upon the Comptroller General, Lindsay Warren, to see to it that the public funds are not misused in that connection.

As has been stated, new regulations put into effect by the CAA since the start of the investigation will prevent recurrences of this type of dealing in the future. The Investigations Subcommittee has served notice on the Agency that further checks will be made to assure proper administration of Federal funds allocated for these purposes.

The action of the Fairbanks News-Miner and of the other Alaska newspapers which undertook to inform their readers of the deal victimizing taxpayers, shortly after its consummation, is in keeping with the highest traditions of the American free press.

There were elements in Alaska public life who did not take kindly to having their manipulations thus exposed to public view. The Alaska newspapers who published this story were attacked bitterly for their performance of this public service.

Those elements now have their answer in the report of the subcommittee, again demonstrating that an alert and unfettered press remains an irreplaceable guardian of the public interest.

Mr. President, I salute that newspaper, I salute the Senator from Nebraska for

having brought the matter to the attention of the committee, and I salute the committee which has now corrected the situation.

T. L. MORROW

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 1424) for the relief of T. L. Morrow, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McCARRAN. Mr. President, this is a private relief bill which passed the House for $5,000 and which the Senate reduced to $2,500. The House has disagreed to the Senate amendment and asked for a conference.

I move that the Senate insist on its amendment, agree to the conference requested by the House, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. KILGORE, Mr. MAGNUSON, and Mr. WILEY conferees on the part of the Senate.

HARRY C. GOAKES

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 1822) for the relief of Harry C. Goakes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McCARRAN. Mr. President, this is a private relief bill which passed the Senate with an amendment reducing the amount of the award. The House approved the bill for $3,194. The Senate accepted the recommendation of the Judiciary Committee to reduce this amount to $208. The House has disagreed to the Senate amendment, and has requested a conference.

I move that the Senate insist on its amendment, agree to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. O'CONOR, Mr. KEFAUVER, and Mr. JENNER conferees on the part of the Senate.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. Mr. President, is there a message on the desk relating to Senate Concurrent Resolution 12, favoring the suspension of deportation of certain aliens?

The PRESIDENT pro tempore. The Chair is advised that such a message is not at the desk.

Mr. McCARRAN. Mr. President, I now understand that Senate Concurrent Resolution 12 has been referred to a conference committee. Will the Chair kindly advise me as to that point?

The PRESIDENT pro tempore. The Chair is advised that the Senate has asked for a conference. That request has gone to the House, and the House has not yet acted on it.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

Mr. KNOWLAND. Mr. President, the unfinished business, S. 75, deals with the central Arizona project. During the course of my remarks, I desire to go into some of the very basic fallacies in the proposed legislation, but because of the fact that a number of the Members of the Senate from time to time have indicated an interest in the background of the Colorado River and the controversy which confronts the Senate at this time, I thought it might be helpful, for the RECORD, to discuss some of the background before going into the details of the bill.

One-twelfth of the land area of the United States is drained by the Colorado River. Down from the highest western mountains, across great plateaus of forest and desert and through the deepest canyons of the continent, the Colorado River flows 1,600 miles to its delta in the Gulf of California. Compared to some other American rivers, however, the Colorado is not big; but no other river in this country has been the subject of more legal and political controversies, and no other river means more to the people it serves.

The population of the Colorado River Basin States in 1950 was as follows:

Arizona	745,295
California	10,490,070
Colorado	1,318,048
Nevada	158,283
New Mexico	677,152
Utah	686,797
Wyoming	288,800

Agriculture, industry, and both rural and urban households in seven immense Western States depend upon the water and power that come from the Colorado River. These basic needs have created complicated disputes and lengthy arguments.

The Colorado River controversy has its roots in history, yet it rages today in the legislative halls, the city offices, and the country stores of the Colorado River Basin States, as well as in the United States Congress, where it has been debated frequently over more than a quarter of a century.

The Colorado River controversy is more than a fight over water and hydroelectric power that might conceivably be settled by common agreement. It is a fight over American economic policy. Involved are principles and doctrines, conceptions and theories, out of which have come fundamental programs for the expansion and development of the western half of the United States. It is a fight waged by millions of people for their homes and shops, their schools and churches, their own security and that of their children.

In fact, hundreds of men in the arid West have died fighting to preserve their precious water rights.

THE "WORTHLESS" LAND

It was in 1857 that a brave explorer but a poor prophet, Lt. J. C. Ives, took a small Government steamboat 400 miles up the lower Colorado from the Gulf of California and reported to the War Department:

> The region is altogether valueless. * * * It seems intended by nature that the Colorado River along the greater portion of its lone and majestic way shall be forever unvisited and unmolested.

Today, along the lower Colorado stand Hoover Dam, tallest in the world; Davis Dam, Parker Dam, Imperial Dam, and other monuments to American engineering genius. Across the lone and majestic Colorado the greatest migration in our history has moved westward to the Pacific coast within the last 11 years. In southern California alone nearly 4,000,000 people live in areas now served by water from the Colorado River. In the six other States of the basin other hundreds of thousands are dependent for their very existence on water from the Colorado system.

THE COLORADO RIVER COMPACT

In a state of nature few American rivers were more violent, more unpredictable, more devastating in both drought and flood than the Colorado.

It was imperative that the early developers and leaders of the basin States should seek to reach an agreement for the use and division of the waters of the river, without which all progress would be legally menaced and all investments would be insecure. Control of the river's ravaging floods had to be achieved, and that meant the building of great dams costing millions of dollars. Dependable and indestructible diversion systems were necessary if the rich but arid lands were to be cultivated successfully and growing communities were to be supplied. That meant many costly projects.

The first question was, How was the water to be divided?

It was in 1921 that men from the seven basin States finally sat down together to work out a compact to govern the entire Colorado River system. The Federal Government participated. Herbert Hoover, then Secretary of Commerce, became Chairman of the Colorado River Commission.

For nearly 11 months the Commissioners talked, wrangled, and finally came to terms. In Santa Fe, N. Mex., on November 24, 1922, the Colorado River compact, which is still the basic law of the river, was signed. It was an historic day, memorable in the annals of western development, and especially a vital milestone in the advancement of reclamation.

But as remedial and progressive as the compact was, it did not bring peace to the Colorado River.

Chiefly the compact divided the river basin into two parts—an upper and a lower basin—and apportioned waters to each basin. Still remaining was the all-important task of dividing the water among the individual States in each basin.

Only in 1949, a quarter of a century later, were the States of the upper

basin—Wyoming, Colorado, Utah, New Mexico, and Arizona, the latter with a very small interest in the upper basin and a larger in the lower basin—able to reach an agreement satisfactory to themselves.

LOWER-BASIN CONTROVERSY

In the lower basin—California, Nevada, and Arizona—the controversy over division of the waters continues with mounting fervor. It rests on the fact that California and Arizona interpret differently the series of documents and statutes that have come to be known as the law of the river.

There are three main issues in the conflict between Arizona and California, and more than 26 years have been spent in futile attempts to reach an agreement on all or any one of them.

Faced with this apparent stalemate, California and Nevada, two of the three lower-basin States, have proposed that all the issues be placed before the United States Supreme Court for final settlement. Legislation to accomplish this has been introduced in both Houses of the Eighty-second Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks Senate Joint Resolution 26, which was sponsored by the two Senators from Nevada and the two Senators from California.

There being no objection, the joint resolution (S. J. Res. 26) granting the consent of Congress to joinder of the United States in suits in the United States Supreme Court for the adjudication of claims to waters of the Colorado River system available for use in the lower Colorado River Basin, was ordered to be printed in the RECORD, as follows:

Resolved, etc., That consent is hereby given to the joinder of the United States of America as a party in any suit or suits commenced in the Supreme Court of the United States by any of the States of the lower Colorado River Basin, as defined in the Colorado River compact, for the adjudication of claims of right asserted by such State or States, or by the United States, with respect to the use of waters of the Colorado River system available for use in the lower Colorado River Basin. Such suit or suits must be commenced within 1 year from the effective date of this resolution, and process therein may be served upon the Attorney General.

Mr. KNOWLAND. Because the Federal Government is a necessary party to the proposed court litigation, California and Nevada must obtain permission of Congress to carry the controversy before the highest Federal tribunal. That is the purpose of the joint resolution introduced in the Senate, and the several similar joint resolutions which have been introduced in the House of Representatives. Arizona is fighting passage of any of them on the grounds, first, that there is no justiciable issue involved; second, that despite California's contracts with the Federal Government, California has no right to the water California claims; third, that the water in question belongs to Arizona, and that Congress can settle the whole controversy simply by giving the water to Arizona.

I may say that over a number of years, as I mentioned in my remarks of yesterday, the Governor of California, representing that State, and the Governor of Nevada, representing that State, have written communications to several of the Governors of Arizona, suggesting that the matter be negotiated or arbitrated. Both those suggestions have been declined by the Governor representing the people of Arizona. I have no quarrel with his decision. Representing a sovereign State, he, of course, had the right to make such decision if that was his desire. But, as I pointed out yesterday, when it is impossible to negotiate and bring about an agreement to arbitrate, under our constitutional system, when the dispute is between sovereign States of the Union, the only way for the question to be settled is to submit it to a court of competent jurisdiction. In this particular case that means the Supreme Court of the United States.

CALIFORNIA'S FEDERAL CONTRACTS

California has signed contracts with the Federal Government calling for delivery of 5,362,000 acre-feet of Colorado River water annually in the lower basin. This water is allocated by the contracts among the southern California projects in this way:

For lands, principally agricultural, in the Imperial and Coachella Valleys, in the Palo Verde district, and for the Yuma project, a total of 4,150,000 acre-feet.

For the metropolitan water district, a group of 32 southern California cities, 1,212,000 acre-feet. As Senators know, an acre-foot is the amount of water necessary to cover an acre of land with water 1 foot deep.

THE ISSUES

The three main issues of the controversy are not difficult to understand, even for those unfamiliar with technical water problems. Yet, settlement of them is vital to future development and meantime an insurmountable barrier to progress is before the basin States because of the existence of these unresolved arguments.

ISSUE NO. 1

Under article 3, paragraph A, of the Colorado River compact signed in 1922, the lower basin States of the Colorado River watershed are apportioned in perpetuity the exclusive beneficial consumptive use of 7,500,000 acre-feet of river water a year.

The States of the upper basin receive a similar amount under the compact.

This is known as three-A water.

Article 3, paragraph B, of the compact states:

In addition to the apportionment of paragraph A, the lower basin is hereby given the right to increase its beneficial consumptive use of the Colorado River waters by 1,000,000 acre-feet per annum.

This is known as three-B water, and this million acre-feet is in controversy.

A million acre-feet is a great deal of water. It would cover a million acres of land 1 foot deep. It is sufficient for the irrigation of about a quarter of a million acres of arid land, or it would serve all the needs of about 5,000,000 city dwellers.

Arizona refused to ratify the compact when it was created, but the six other basin States did ratify. Under the law, that was a sufficient number of ratifications to put the compact into operation, provided that the State Legislature of California also enacted a limitation act.

The California State Legislature swiftly passed the required limitation act. This is what it says:

California agrees to limit its use of Colorado River water to 4,400,000 acre-feet of the waters apportioned to the lower basin by paragraph A, plus not more than one-half of any excess or surplus waters.

Thus, California agreed to take 4,400,000 acre-feet of three-A water and not more than one-half of the excess or surplus waters unapportioned by the compact. California maintains that the term "excess or surplus" includes all three-B waters.

The question to be settled here is: Does California share equally in this million acre-feet of three-B water?

California says "Yes." Arizona says "No."

This is a matter of interpretation of the California Limitation Act and the Boulder Canyon Project Act, which the Supreme Court should be asked to settle.

ISSUE NO. 2

In a state of nature, the Gila River in Arizona was a "wasting" tributary of the Colorado. Especially in the last 100 miles before it joins the Colorado, its bed is wide, sandy, flat, and subject to the intense heat of the desert.

The Bureau of Reclamation estimates that in a state of nature the Gila emptied approximately 1,100,000 acre-feet of water into the Colorado per year. The Gila River is a main tributary of the Colorado, a part of the system, and drains into the main stream a few miles above the Mexican border.

Water from the Gila is used chiefly now in the Phoenix area of Arizona, and there about 2,300,000 acre-feet of water are taken each year from this stream and used up—consumed.

The difference between these figures, or about 1,200,000 acre-feet, was, before development of the Phoenix area, lost by evaporation, deep seepage, and other causes, as the Gila flowed in its course from the Phoenix area to the main Colorado River.

The words "beneficial consumptive use," as they are used in the compact, are important in this phase of the controversy, as the compact apportions water for "exclusive beneficial consumptive use."

Arizona contends that Arizona should be charged only for 1,100,000 acre-feet of Gila River water, the amount that it is estimated emptied into the Colorado from the Gila in a state of nature, before development of irrigation in the Phoenix area and other places.

California contends, that Arizona actually takes, uses, and "beneficially consumes" 2,300,000 acre-feet of water from the Gila, and therefore should be charged with that amount. All of this 2,300,000 acre-feet of Gila River water that Arizona takes is being beneficially and consumptively used in Arizona. California does not question Arizona's right to use this water.

Therefore, the second question to be answered by the Supreme Court is:

Where and how must Arizona measure the amount of water it uses from the Gila River?

California says this water must be measured where it is actually beneficially consumed. Arizona says this water must be measured where the Gila River empties into the main Colorado.

But the Gila does not even flow into the main Colorado as it did in prehistoric days. Today the Gila is all used up—"beneficially consumed"—in the Phoenix area.

ISSUE NO. 3

Lake Mead is the immense reservoir behind Hoover Dam.

Under the Project Act California limited itself to taking 4,400,000 acre-feet of three-A water, plus not more than one-half of the excess or surplus, of which California claims the three-B water is a part. California's contracts with the Federal Government for water of both categories total 5,362,000 acre-feet.

There are large evaporation losses in Lake Mead, as there are in other reservoirs of the basin.

Arizona says that California must deduct these losses from its apportioned water.

California says that the quantity of three-A water to which California has limited itself is a net quantity of 4,400,000 acre-feet.

The question to be answered here by the Supreme Court is:

Is the amount of three-A water to which California is entitled a net quantity, or is it subject to reduction by reason of evaporation and other losses in Lake Mead and elsewhere?

A CASE FOR THE SUPREME COURT

After many years of attempting to agree with Arizona on these problems California turned to the United States Supreme Court. California asks strict enforcement of the compact and Boulder Canyon Project Act. California is not asking for more water from the Colorado River. It only seeks to protect and preserve the water it believes was awarded to it by the Federal contracts.

Under the Constitution, when two or more States are unable to agree through negotiation or arbitration, the only course of action available is in the highest Federal court.

That is the American way, and that is the fair way. California urges this way of settlement. Arizona opposes it.

ARIZONA'S RECORD ON THE COLORADO RIVER

The State of Arizona for nearly 30 years has consistently refused to permit peace on the Colorado River, refused to negotiate, refused to arbitrate, but the State of Arizona has steadfastly held to its demands that only on its own terms will the problems of the river be resolved.

Today the State of Arizona is continuing to use each and every means it can to prevent a settlement of problems which have kept peace from the Colorado River Basin for more than a quarter of a century.

Today, at the same time, while pursuing a course of obstruction, the State of Arizona is attempting to take water from the Colorado River to which Arizona has no legal right—water which Arizona desires for a multi-million-dollar project.

These are not idle charges. They are founded upon historical facts, they are substantiated in the records of the Congress and the courts of the land, and they are supported by events transpiring at this very time.

Let us look at the record.

There are seven States in the entire basin of the Colorado River. They are Wyoming, Colorado, Utah, New Mexico, Nevada, Arizona, and California. The first four named form the upper division, the last three the lower division.

In 1921, delegates from the seven States began a series of meetings in an effort to formulate an agreement which would permit the development of the Colorado River on a sound and secure basis. For months these delegates diligently worked, and at last they found themselves in accord on a fundamental compact. This historic document, the Colorado River compact, was signed on November 24, 1922, by the authors and was then submitted to their respective State legislatures for approval.

The compact was unconditionally approved in 1923 by all the States of the basin, except Arizona. Arizona remained out of the compact.

By this action, Arizona blocked development and peace on the Colorado River, just as these long-sought goals were in sight.

The compact could not become operative without ratification by all seven basin States and approval by the Congress.

But the six States which had ratified the compact were not do be thwarted by the attitude of one State. Therefore, machinery was set in motion to have the compact given life as a six-State agreement; that is, without Arizona.

It took 6 years to accomplish this, with Arizona a disrupting force throughout the long negotiations. At last Congress, in 1928, after Arizona had blocked action in four sessions of Congress, passed the Boulder Canyon Project Act, which authorized construction of the largest dam in the world, provided, however, that six of the basin States, including California, ratified the compact and that California enacted a limitation act.

The States of Colorado, Utah, Wyoming, Nevada, New Mexico, and California quickly ratified the compact, and California swiftly enacted the required limitation act, which pertains to the amount of Colorado River water California may use.

On June 25, 1929, President Herbert Hoover proclaimed the Boulder Canyon Project Act effective, and so the Colorado River Compact also became operative.

Arizona's efforts to block the compact had failed. The compact was now the basic law of the river.

But Arizona had not given up the fight.

The Secretary of the Interior at that time, Ray Lyman Wilbur, was faced with the problem of allocating the electric power to be produced by Boulder—now Hoover—Dam. Contracts for the power had to be secured for users, and under the law these contracts, guaranteeing full repayment to the Government of the cost of the project, had to be signed before Congress appropriated the first money to build Hoover Dam.

I may point out at this time, Mr. President, that in some quarters there is quite a misconception relative to the construction of Hoover Dam. In the case of many, if not most, of the projects throughout the country, the Congress goes ahead and authorizes them and appropriates funds; and afterward, under the obligations the parties at interest have undertaken, the funds are to be repaid—both principal and interest in the case of a power project, and principal in the case of an irrigation project. As we know, the general reclamation law provides a period of 40 years, with an additional period of 10 years, making it, in effect, a period of 50 years, in which the cost of the project should be paid back.

I may say that the proposal now before us would not be measured by the yardstick of the Reclamation Act, namely, a period of 50 years, but according to the admission of the proponents themselves, would extend the period to at least 73 years; and many of us who are opposing this proposal believe we can show that it is more likely to be a period of 80 or possibly 100 years.

The facts in the RECORD, I think, are indisputable: that unless certain other dams are built in the upper reaches of the Colorado River, this dam will be filled with silt within 30 to 40 years, so it would not be able to pay back the cost unless a number of other projects were added, upstream. We think that under those conditions this proposal is uneconomic and unsound.

As to the Hoover Dam, again I call attention to the fact that before the contracts were let and before the dam was built, it was required that firm contracts be signed with various agencies, largely in southern California, including the Bureau of Light and Power, the Metropolitan Water District, the Southern California Edison Co., and other units and other areas in southern California, to pay back the entire cost of the construction before it was undertaken. So far as Hoover Dam is concerned, the interest was first at 4 percent, and later was generously reduced to 3 percent.

So when we discuss the question of interest, we feel that as a matter of sound business, the Senate of the United States should be interested in the fact that the central Arizona project, while it includes both power and irrigation, by virtue of the long period of years before it could possibly pay back the cost—and we do not believe it could ever pay back the original amount—would mean that the Federal Government would lose interest in an amount exceeding $2,000,000,000.

(At this point Mr. KNOWLAND yielded to Mr. MCCARTHY, who addressed the Senate on the subject of the Loyalty Board. On request of Mr. MCCARTHY, and by unanimous consent, his remarks were ordered to be printed in the RECORD at the conclusion of Mr. KNOWLAND'S speech.)

Mr. KNOWLAND. The Secretary of the Interior called hearings. All major parties interested in Hoover Dam power were present, except Arizona.

Arizona remained adamant, ignoring all pleas of the Secretary and the other basin States. Arizona maintained its hostile attitude despite the fact that 18 percent of Hoover Dam power was reserved for Arizon's use at any time within 50 years.

At last the Secretary proceeded to sign the power contracts with the communities and companies that would use it.

The way now was cleared for Congress to make the first appropriation for building Hoover Dam. This amounted to $10,660,000.

Again Arizona rushed out to do battle, opposing the appropriation. Arizona fought in Congress and filed its objections with the United States Comptroller General. But progress was not to be halted. The appropriation was passed by Congress.

Still determined to prevent the building of the dam, which was so vital to the growth of the lower basin, Arizona now turned to the courts.

On October 13, 1930, Arizona filed suit in the United States Supreme Court against the Secretary of the Interior and the six States of the Colorado River Basin to stop construction of Hoover Dam. Arizona also asked the Court to declare the Colorado River compact and the Boulder Canyon Project Act unconstitutional.

What did the Supreme Court tell Arizona? The Court said this:

(a) Authority to construct Hoover Dam was a valid exercise of congressional power.

(b) The Boulder Canyon Project Act did not abridge the water rights of Arizona.

(c) There was no threat to Arizona by Secretary Wilbur or the six basin States.

The Arizona suit was dismissed.

Twice more did Arizona appeal to the highest tribunal of justice on other phases of the controversy, and twice more Arizona's suits were denied.

Still determined to stop progress on the Colorado River, Arizona adopted desperate means. Arizona threatened the use of military force.

At this time—1934–35—Parker Dam was being built, 155 miles downstream from Boulder Dam. Parker Dam creates the reservoir—Lake Havasu—from which water begins its long transdesert journey through the great Colorado River aqueduct to Los Angeles and 31 other cities some 400 miles away on the coastal plain of southern California. This dam was built with money contributed to the United States by the Metropolitan Water District of Southern California, a publicly owned enterprise.

Arizona apparently did not want these thirsty cities to have this river water, and so Arizona physically prevented continuance of Parker Dam construction. She sent her militia, with machine guns, to stop construction, and they did so. Work ground to a stop.

In January 1935, the United States Government brought action in the Supreme Court to halt Arizona in these acts of violence, asking an injunction.

The court did not grant the injunction because the complaint of the Government failed to show that construction of Parker Dam was authorized by statute. However, Congress subsequently reauthorized the construction of the dam, work was resumed, and the dam was completed.

The foregoing is only a partial recitation of Arizona's record in the years when the people of six great Western States were struggling to progress, to develop their God-given natural resources, to make secure their homes and shops and farms, and to build on a solid foundation for the security of their children.

Let us look at events of the moment.

The Colorado River controversy still rages in the lower basin. On one side stands the State of Arizona, still demanding settlement on its own terms, or none at all. On the other side the other two States of the lower division, California and Nevada, stand together, still struggling for the peace that will let development proceed in an orderly and legal way. They have offered to negotiate or to arbitrate. Arizona has refused.

In the face of this stalemate, California and Nevada have now proposed that the issues of the controversy be placed before the United States Supreme Court for final settlement.

Will Arizona agree to this? Arizona will not. Arizona still says these issues will be settled her way, or not at all.

So California and Nevada have introduced joint resolutions in the Congress asking permission to carry the controversy before the high Court. The permission of Congress for this litigation is necessary, because the United States Government must be a party to the action, and the United States can be made a party only with the consent of Congress.

These resolutions are affected not at all by political considerations. California's Representatives, Democrats and Republicans, and Nevada's Representative, have introduced identical measures. The Senators from California and Nevada have introduced a joint resolution of the same kind.

With every force at its command Arizona is fighting to prevent passage of these joint resolutions.

What else is Arizona doing today?

As it fights passage of the Supreme Court resolutions, Arizona is asking Congress to authorize construction of the $788,000,000 central Arizona project to "rescue" some 200,000 acres of privately owned land in central Arizona.

Arizona, the State that fought to prevent the authorization and construction of Hoover and Parker Dams and development and progress on the Colorado River, now wants to take an additional 1,200,000 acre-feet of water from the Colorado for this proposed central Arizona project. It wants water stored by Hoover Dam and wants to divert it from Parker Dam's reservoir.

Furthermore, it wants the American taxpayers in all States to foot the bill. The cost to taxpayers if Congress should approve S. 75 and H. R. 1500 is shown in a table which I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Without objection, it is so ordered.

The table is as follows:

Cost to Nation's taxpayers, by States, of central Arizona project

State	State's percent of total [1]	Cost to taxpayers [2]
Alabama	1.17	$24,286,000
Arizona	.37	7,680,000
Arkansas	.72	14,945,000
California	8.32	172,701,000
Colorado	.80	16,606,000
Connecticut	1.67	34,665,000
Delaware	.40	8,303,000
Florida	1.29	26,777,000
Georgia	1.40	29,060,000
Idaho	.32	6,642,000
Illinois	7.59	157,548,000
Indiana	2.29	47,534,000
Iowa	1.58	32,797,000
Kansas	1.15	23,871,000
Kentucky	1.20	24,909,000
Louisiana	1.22	25,324,000
Maine	.44	9,133,000
Maryland	1.68	34,872,000
Massachusetts	3.40	70,575,000
Michigan	4.71	97,767,000
Minnesota	1.86	38,609,000
Mississippi	.71	14,738,000
Missouri	2.53	52,516,000
Montana	.35	7,265,000
Nebraska	.86	17,851,000
Nevada	.13	2,698,000
New Hampshire	.29	6,020,000
New Jersey	3.29	68,291,000
New Mexico	.28	5,812,000
New York	14.67	304,509,000
North Carolina	1.59	33,004,000
North Dakota	.34	7,057,000
Ohio	5.78	119,977,000
Oklahoma	1.17	24,286,000
Oregon	1.04	21,588,000
Pennsylvania	7.62	158,171,000
Rhode Island	.56	11,624,000
South Carolina	.76	15,776,000
South Dakota	.36	7,473,000
Tennessee	1.37	28,438,000
Texas	4.38	90,917,000
Utah	.34	7,056,000
Vermont	.18	3,736,000
Virginia	1.49	30,928,000
Washington	1.65	34,250,000
West Virginia	.92	19,097,000
Wisconsin	2.10	43,590,000
Wyoming	.18	3,736,000
District of Columbia, Hawaii and Alaska	1.48	30,721,000
United States total	100.00	2,075,729,000

[1] Percentages of total tax burden that each State will bear were computed by the Council of State Chambers of Commerce, Washington, D. C.

[2] Cost to the Nation's taxpayers of $2,075,729,000 is an official estimate of Oscar L. Chapman, Secretary of the Interior. It is based on the provisions of S. 75 (central Arizona project bill) and the following specified conditions: Construction cost estimate of $708,780,000 made by the Bureau of Reclamation (S. Rept. No. 832, 81st Cong., 1st sess.); an interest rate of 2½ percent; an 8-year construction period; and a 75-year financing period.

The Secretary's statement appears in his letter dated June 28, 1950, to J. Hardin Peterson, chairman of the House Public Lands Committee. The statement was approved by the Bureau of the Budget.

These figures prove that the central Arizona project will not be self-supporting, as claimed by its promoters. Actually, it will cost taxpayers of all the States billions. Spending this huge sum will not help the current national defense effort in any way. Instead, it would divert and use up manpower and large supplies of steel, cement, copper, and other critical materials.

Mr. KNOWLAND. Mr. President, in connection with the table I have just placed in the RECORD, I wish to say that, since the original estimate of the Secretary of the Interior of a loss to the Nation's taxpayers of more than $2,000,000,000, the Reclamation Bureau has increased the estimated construction cost of the central Arizona project from approximately $708,000,000 to $788,000,000, an increase of $80,000,000 in construction cost. That, of course, means an even

greater total cost to the taxpayers of all States.

Mr. President, President Truman has stated that the proposed central Arizona project is not in accord with the administration's program at this time. The President also has called for prompt settlement of the California-Arizona controversy.

The Bureau of the Budget, the Department of Agriculture, the Federal Power Commission, and other departments and high officials have expressed opposition to the proposed Arizona project. The Department of the Interior and its Bureau of Reclamation have admitted that until the lower basin controversy is settled there can be no assured water supply for the project.

In the face of this situation, Arizona is continuing to fight for the costly central Arizona project, and Arizona's Representatives have introduced measures in Congress asking for its authorization.

Mr. President, following is how the cost of the Arizona project is broken down by the Reclamation Bureau:

Power (interest bearing)	$266,070,000
Irrigation (interest free)	415,343,000
Municipal water supply (interest free)	17,871,000
Flood control (at Government expense)	6,489,000
Fish-wildlife (at Government expense)	3,007,000
Total	708,780,000

But, as I pointed out, since that first breakdown was made available, the Reclamation Bureau has now estimated the construction cost at $788,000,000.

In addition to enormous pump lifts—requiring immense amounts of power—subsidiary dams, reservoirs, and hundreds of miles of tunnels and canals, the Arizona project plan calls for the building of Bridge Canyon Dam, located several hundred miles from the land to be irrigated.

This would be a power dam. It is not needed to regulate the flow of the Colorado River. It is included in the project only to supply free power for the pump lifts and to bring in revenue by selling power.

LARGE LANDOWNERS ARE FAVORED

The proposed Arizona project would give benefits of more than $500,000 each to a select 400 large landowners.

This unprecedented favoritism is revealed by facts contained in the official Bureau of Reclamation report on the project:

Under present reclamation law, $415,343,000 would be allocated for irrigation features of the project.

Deeply buried in the Reclamation Bureau's report are to be found these statements:

An estimated 6,000 farms are in the project area.

Seven percent of these farms are 500 acres or larger in size.

The 7 percent contain 55 percent of the irrigated land.

Seven percent of 6,000 farms is 420 farms.

As these 420 privately owned farms contain 55 percent of the irrigated land, they therefore would get 55 percent of the benefits of $415,343,000 that would be spent for irrigation features of the project.

That amounts to $228,438,650, or an average of $540,000 for each farm.

The other 5,580 farms in the project would get only 45 percent of the irrigation benefits. This is unequaled class legislation.

The entire $2,000,000,000 interest cost of the Arizona project would be an obligation of all the taxpayers of the United States. The electric-power users of various States also would be called upon to repay most of the construction cost. Through these outside sources the Arizona landowners would get the great development virtually for nothing.

CALIFORNIA'S STAKE IN THE RIVER

California has a great deal more at stake in the Colorado River than has Arizona, and California would suffer far more than Arizona under an adverse political settlement of the controversy between the two States. That is because California has invested immense sums of money in Colorado River developments and Arizona has invested comparatively small sums. California has 15 times more people needing power and water and has more industry and agriculture entirely dependent on the Colorado River.

More than 4,000,000 people have migrated to California since 1940. There are more than 10,000,000 residents in the State. The Colorado does not serve the northern part of the State, but the 5,000,000 living in southern California are dependent on it.

Only because of the foresight and determination of the people of California do the millions of new residents in the State, the new industries, and the vast national defense plants have a dependable supply of water today.

INVESTMENT OF THE PEOPLE

Altogether, the people of southern California have invested or incurred obligations aggregating more than half a billion dollars in projects to bring Colorado River water and power to their farms, homes, and industries. These projects include the Hoover Dam, the Metropolitan Aqueduct, the All-American Canal, and many others.

Contrast the California developments with the plan for the central Arizona project. California has paid its own way, the people putting up their own money to bring water to their farms, their homes, their industries—on sound and fair business principles. Southern California has borrowed large sums of money from the Federal Government, but only under firm contracts to repay it, with interest. The people of southern California have not asked the Government, or the people of other States, to pay for these projects.

Arizona, however, wants the biggest single reclamation and power project in history, wants the Government and the people of other States to pay for 99 percent of it, and wants to leave the taxpayers of the Nation holding the bag. The original cost of the Arizona project would be more than has been spent for reclamation projects in 17 Western States, including Arizona and California, in the 11-year period from 1939 to 1949.

The Colorado River controversy now before the Congress involves questions and problems that must be resolved if western development is to go forward on a sound basis, without special privilege to politically selected areas, and without taxing the many to benefit the favored few.

For all these reasons S. 75 and its companion bill, H. R. 1500, which are twin bills, should be opposed and defeated.

Mr. President, as I pointed out yesterday, the House Committee on Interior and Insular Affairs, by a bipartisan vote of 16 to 8, determined that the project should not be approved until after the Supreme Court had an opportunity to act on the question. Hearings were held for a period of many weeks. The proponents and opponents had ample opportunity to present the facts to the House committee.

On that committee are representatives of many of the western reclamation States, as well as representatives of other States of the Union. After hearing the testimony and weighing it carefully, by a vote of 2 to 1, the committee determined that it was not advisable to go ahead with such a project until the water rights of the lower basin States had been determined. I submit that it is a most unusual procedure, in connection with legislation calling for a project which would cost the Federal taxpayers, in the ultimate result, well over $2,000,000,000, to report such a bill from the Senate committee this year without even a hearing.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a number of communications which I think will be of interest to the Senate and to the country.

The first is a letter from Mr. Oscar L. Chapman, Secretary of the Interior, in reply to a previous communication from me in which I had requested information regarding what tribal or other Indian property would have to be utilized if S. 75 were enacted into law.

The next is a letter which I received from the Federal Power Commission in response to a communication which I had addressed to it under date of April 2.

Then follow a series of communications, the first one a letter addressed to Mr. Oscar Chapman, Secretary of the Interior, by my colleague, the junior Senator from California [Mr. NIXON], and myself, asking for certain information from the Secretary; his first acknowledgment of that letter, dated February 14; a communication which we addressed to him under date of February 13, and the latter two of which letters apparently crossed in the mails; his reply of March 2, 1951; and finally the answers to the questions, which were received under date of May 2, 1951, after going through the Bureau of the Budget. The last letter is signed by Mr. Oscar L. Chapman, Secretary of the Interior.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., April 2, 1951.

Hon. WILLIAM F. KNOWLAND,
United States Senate.

MY DEAR SENATOR KNOWLAND: Your letter of February 9, 1951, requesting information

regarding what tribal or other Indian property would have to be utilized if S. 75 were enacted into law has been received.

The central Arizona project, as formulated by this Department, would involve acquisition or inundation of lands within several Indian reservations. The majority of the Indian lands affected are of little value, and no established communities are expected to be adversely affected. There follows a breakdown of the areas which would need to be acquired or for which we will need flow easements or rights-of-way over Indian lands if S. 75 were enacted.

BRIDGE CANYON DAM, RESERVOIR, AND POWER PLANT

Some 9,600 acres of land within the Hualapai Indian Reservation would be acquired. This entire area is practically worthless and inaccessible land in the canyon bottoms. No organized grazing is possible; only occasional strays ever get down to the area. No established communities exist, and we know of no habitation of any kind which would be affected. In addition to the above, approximately 1,500 acres of land on the canyon rim would be needed for such incidental facilities as access roads, power substations and terminals, camp sites, etc. This area includes some good grazing lands, but no established community would be affected and few, if any, habitations would need to be relocated.

GRANITE REEF AQUEDUCT, LAKE HAVASU TO GRANITE REEF DAM

Right-of-way for this aqueduct would be required through comparatively small areas of Indian lands.

M'DOWELL CANAL, GRANITE REEF DAM TO M'DOWELL DAM

Right-of-way for this short canal would be required over Salt River Indian Reservation lands. The total area involved is not large, and most of it is undeveloped desert land.

M'DOWELL DAM AND RESERVOIR

The reservoir basin at this site lies partly within the Salt River Indian Reservation. The Indian lands affected are primarily low-value grazing lands, although small areas in the Verde River bottom are irrigated. Improvements consist of fences, wells, and a few scattered dwellings of the one- or two-room adobe type. The majority of the area is similar to adjacent national forest lands which are leased for grazing purposes at 5 or 10 cents an acre.

The only other Indian areas which would be affected under the provisions of S. 75 are small areas of land required for distribution works, most of which would benefit Indian lands, and rights-of-way for transmission lines and other operating facilities, which would have little effect upon use of the land. We anticipate no relocation problems for Indians because of this project, and the amount and value of Indian lands used will be greatly outweighed by the benefits accruing to other Indian lands.

Essentially all the information available in this office on this subject is contained in the foregoing statements. If you desire more detailed information on any of these matters, the Bureau of Reclamation and the Bureau of Indian Affairs will be glad to procure any such data available from their field offices.

Sincerely yours,

OSCAR L. CHAPMAN,
Secretary of the Interior.

FEDERAL POWER COMMISSION,
Washington, April 30, 1951.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

DEAR SENATOR KNOWLAND: Further reference is made to your letter of April 2 in regard to S. 75, a bill to authorize the Bridge Canyon project and certain appurtenant dams and canals. The several questions which you have asked with respect thereto are discussed below.

1. Please refer to House Document 136, Eighty-first Congress, first session, page 105, where the "Letter of Comment from the Chairman of the Federal Power Commission," dated May 21, 1948 has been reproduced. With reference to that letter:

1 (a). Would there be any substantial change in the comments made by the Commission as applied to the present bill (S. 75) which omits Bluff Dam and the gravity tunnel?

Referring to above-mentioned letter on the report of the Secretary of the Interior on the central Arizona project, there would be no substantial change in the comments made by the Commission as applied to the present bill (S. 75) which omits Bluff Dam and the gravity tunnel.

1 (b). With reference to page 108, first paragraph, of House Document 136, under the present bill would there be any physical relationship between Bridge Canyon project and the diversion project.

Under the present bill there would be no change in the Commission's view that the Bridge Canyon project has no essential physical relationship with the central Arizona diversion project.

1 (c). In regard to the comments in the fourth and fifth paragraphs on the same page (H. Doc. 136, p. 108):

1 (c) 1. On the basis of the new cost estimates what would be the cost of Bridge Canyon power if divorced from the irrigation project and what would be the subsidy to irrigation at the rate of 5.17 mills now proposed by the United States Bureau of Reclamation?

On the basis of the new cost estimates—understood to mean the estimates in the report on S. 75, Eighty-second Congress, first session, being the 1947 estimates less the Bluff Reservoir—the staff estimates the cost of power at about 3.9 mills. This compares with 4.1 mills on page 108, and is 1.27 mills less than the 5.17-mill rate stated in your letter.

1 (c) 2. As a matter of policy, should not the power be sold on the basis of its cost without the irrigation burden?

The Commission's position with respect to Federal power projects has consistently been that power should be sold on the basis of the recovery of its cost to the United States. The question of whether power from reclamation projects should be sold at some rate in excess of its cost in order to assist in defraying the cost of other project purposes is one of policy that has to be considered in relation to the particular problem, circumstances, and improvement at hand.

1 (c) 3. What rate do you consider in the class of low-cost power?

Firm energy delivered to load centers in southern California at a price of from 4 to 4.5 mills can be considered as low-cost energy. For the Arizona area a price of from 4.5 to 6 mills can be considered as low-cost energy, depending upon the location of the load centers to which it is delivered.

1 (d). With the elimination of Bluff Dam, is it not even more important that Glen Canyon and Bridge Canyon Dams be constructed at the same time? (See H. Doc. 136, p. 109.)

The Commission's view is that with or without Bluff Reservoir the Glen Canyon Reservoir should be initiated very soon after the Bridge Canyon project is constructed. The elimination of Bluff serves to emphasize the need for Glen Canyon.

2. Without construction of upstream storage for reservoir regulation and sediment control, what is the estimated useful life of the Bridge Canyon Reservoir and power plant?

The matter of useful life must be considered (1) in relation to storage capacity at Bridge Canyon, and (2) to the power plant at that dam. The staff advises that without construction of upstream storage, the storage capacity of Bridge Canyon would probably be filled with silt in about 30 years. Knowledge and techniques have not yet advanced to the point of exactness in such estimates and, under extremely adverse conditions, the storage capacity might be filled in less than 30 years.

The usefulness of the power plant would not cease with the filling of the reservoir, under which circumstance it would probably operate satisfactorily as a run-of-river plant. The efficiency of the equipment would probably be reduced somewhat and the advantage of the regulatory storage at Bridge Canyon would be lost and the firm power reduced.

3. Without construction of upstream storage, what would be the annual firm power production of Bridge Canyon power plant?

With respect to this and other questions relating to firm power production at Bridge Canyon, the Bureau of Reclamation's estimate (with which the Commission staff substantially agrees) of annual firm energy under initial conditions of 4,675,000,000 kilowatt-hours is based upon adverse stream flows, with regulation from Bridge Canyon and Bluff Reservoirs. As further upstream regulation takes place, there will be depletions of flow resulting in loss of firm power production at Bridge Canyon as indicated in the Bureau's estimates. On the basis that your question, then, is directed to the elimination of Bluff Reservoir, the staff reports that as a maximum, under conditions of the adverse year, the firm output at Bridge Canyon would be reduced, possibly to 3,370,000,000 kilowatt-hours. The above discussion is not directed to questions of siltation but of stream flow regulation.

4. What is the estimated cost of the upstream storage, if any is necessary, to assure production of firm power at the Bridge Canyon Dam and power plant in the annual amounts estimated in House Document 136, Eighty-first Congress, first session?

Based upon the above answer to question 3 the cost of the upstream storage, Bluff Reservoir, using July 1, 1947, prices, is $29,628,000 according to estimates of the Bureau of Reclamation.

5. Could long-term contracts be made for sale of Bridge Canyon power without provision for upstream storage?

No reason is seen why long-term contracts could not be made for sale of Bridge Canyon power without provision for upstream storage. Such contracts, of course, would have to have regard for the situation as it exists initially and as it will be in the future when sedimentation begins to reduce the effectiveness of the active storage at Bridge Canyon for regulation, until finally without upstream storage it would become a run-of-river plant.

6. What is the commercial value of the power to be used for project pumping?

The energy used for project pumping pumping would be firm energy. If the balance of the firm energy (after pumping) could be disposed of at the rate of 5.17 mills, mentioned in your letter, the probabilities are that all project firm energy could be disposed of at the same rate.

7. What would be the annual firm power output of Bridge Canyon power plant, without use of any downstream capacity to firm up Bridge output, and without upstream reservoir storage in operation for river regulation and sediment control?

Very preliminary estimates by the Commission staff indicate that when Bridge Canyon is first constructed the average output through the critical period (of from 10 to 20 months, depending upon drawdown), considered as firm, assuming independent operation, would be about 2,900,000,000 kilowatt-hours per year. Under conditions of the reservoir being completely filled with sediment the average output in the minimum month of July 1934 would be about 78,000,000 kilowatt-hours, or at the annual rate of about 940,000,000 kilowatt-hours when con-

sidered on a firm basis. The aggregate output during the minimum 12-month period would be about 2,500,000,000 kilowatt-hours.

8. What would be the annual firm power output of the Bridge Canyon power plant with Glen Canyon Reservoir, as currently proposed, constructed, and in operation?

Studies are not now available of the direct effect, measured in terms of firm power output, of Glen Canyon upon Bridge Canyon. Considering the two projects alone, they should and probably would be operated for the best total power at the two projects, consistent with meeting the requirements of the Colorado River compact and the treaty with Mexico. As pointed out, the chief value of Glen Canyon to Bridge Canyon would be the prevention of loss of firm power due to siltation.

9. In view of the Secretary of the Interior's statement that no sediment should be allowed to enter Bridge Canyon Reservoir that can be prevented, and of the recognized dependence of Bridge Canyon power development upon Glen Canyon Reservoir for sediment control as well as necessary river regulation, should not Glen Canyon Reservoir be constructed and placed in operation concurrently with the Bridge Canyon Dam and power plant?

As stated in answer to 1-d, Glen Canyon should be initiated very soon after Bridge Canyon is constructed in order to protect the downstream reservoir from serious reduction in efficiency from sedimentation. Glen Canyon need not necessarily be constructed concurrently with Bridge Canyon but the latter should not be undertaken unless it has been determined to follow it shortly thereafter with Glen Canyon.

10 (a). How much increase in the installed capacity of steam generating plants by utilities in Arizona is anticipated within the next 20 years?

There were 228,500 kilowatts of steam capacity in Arizona in 1950. At present only 30,000 kilowatts of additional steam-electric capacity is reported as scheduled by utilities in the State. Based upon past growth of power usage in Arizona, and the fact that a considerable amount of hydroelectric capacity is available for development in and near Arizona, it is estimated that by 1970 the installed capacity of steam plants in that State will be about 500,000 kilowatts.

10 (b). Will not such increase be required in any event for auxiliary and stand-by purposes?

It is a reasonable assumption that by 1970 the estimated 500,000 kilowatts of steam-electric capacity in Arizona will be operated in coordination with hydroelectric capacity much in the same ratio and manner as the hydro and steam are being coordinated in that State today.

11. In your opinion, could Arizona absorb by 1960, as claimed by Mr. K. S. Wingfield, Arizona Power Authority spokesman, all the output of Bridge Canyon power plant as estimated by the Bureau of Reclamation, in addition to the Arizona allotments from Hoover and Davis power plants and the required auxiliary steam capacity?

Electric utilities operating in Arizona had total sales of electric energy in the State of approximately 1,631,000,000 kilowatt-hours in 1950. If transmission and distribution losses, company uses, and energy deliveries without charge are added to the energy sales, the State's requirements for 1950 total about 2,400,000,000 kilowatt-hours. These requirements are exclusive of industrial establishments which have their own power supply. Under normal load growth it is estimated the load will increase about 1,300,000,000 kilowatt-hours during 1950 to 1960. The additional power to be available for use in Arizona from the Davis and Hoover power plants and from new steam-electric plants should supply a substantial part of this load growth. In view of this situation, the total output of the Bridge Canyon project could not be used in Arizona until sometime after 1960. However, availability of electric power is a prime consideration in the location of certain types of large power consuming industries, and it is entirely possible that the Bridge Canyon project might attract such industries to the extent that a large part of its total output would be absorbed by 1960. The extent to which Mr. Wingfield's estimates include these types of loads is not known.

12. Would it be practicable to operate the Bridge Canyon power plant under the head proposed with water of high silt content?

The staff believes that it would be practicable to operate the Bridge Canyon power plant under the head proposed with water of high silt content. It is assumed that you refer to the condition under which the storage capacity would be silted up and the plant would operate as run of river, with water of high silt content, especially under high stream-flow conditions. Under those assumptions, which are severe, there would undoubtedly be wear on the turbine runners, even with stainless-steel construction, and a maintenance problem with the gates and seal liners.

13. Do you know of any hydro plants operating satisfactorily and economically with water of high abrasive silt content at heads comparable to the proposed Bridge Canyon project?

The staff is not directly familiar with any projects operating under the conditions assumed above for Bridge Canyon. However, Francis-type units are reported as now being installed in Colombia, South America, of capacity of 35,000 horsepower each, to operate under 1,000-foot head and under silt-problem conditions. The Bridge River development in Canada, with 62,000 horsepower impulse turbines, operates under a head of 1,118 feet with water that carries a large quantity of fine abrasive silt. The staff believes that the continuing advances being made in design and improvement of materials should make it possible satisfactorily to design and operate power-generating facilities at the Bridge Canyon project under the assumed severe conditions.

14. Does the Federal Power Commission favor, as a matter of policy, the utilization of the interest component of power revenues to repay capital costs?

The Commission has consistently taken the position that all costs of power, including the interest component of power revenues, should be returned to the Federal Treasury.

15. Does the Federal Power Commission approve the utilization of power revenues to subsidize irrigation features of a multiple-purpose project to the degree proposed for the central Arizona project by House Document 136, Eighty-first Congress—that is, relief of the water users from payment of any part of the capital costs of irrigation features, plus relief from payment of more than 90 percent of the cost of the distribution works?

The Commission, in acting upon rates for the disposal of Bonneville and Fort Peck projects power, and of power from projects under the control of the Secretary of the Army, has consistently been guided by legislation of the Congress prescribing the widespread use of power at the lowest possible rates consistent with the return to the Treasury of the cost of producing and transmitting the electric energy, including the amortization of the capital investment allocated to power. The Commission has not had occasion to consider the policy question as to whether power rates of a reclamation project should be fixed high enough to contribute toward the cost of irrigation features, in addition to returning to the Government the investment, with interest, allocated to power.

Sincerely yours,

THOMAS C. BUCHANAN,
Acting Chairman.

Hon. OSCAR L. CHAPMAN,
Secretary of the Interior,
Washington, D. C.

MY DEAR MR. SECRETARY: We are informed that the chairman of the Senate Committee on Interior and Insular Affairs has requested you to submit a report on the bill S. 75, Eighty-second Congress, first session, which was introduced by Senator MCFARLAND on January 8, 1951, and referred to that committee.

Although differing in some respects, the bill above referred to is substantially the same as a bill, S. 75, which was passed by the Senate on February 21, 1950. It would authorize the so-called central Arizona project.

The only report on this proposed central Arizona project by the Department of the Interior is that submitted to the Congress on September 16, 1948 (Project Planning Rept. No. 3-8b, 4-2, dated December 1947), which was subsequently printed in part in House Document No. 136, Eighty-first Congress, first session. The bill S. 75, now pending and referred to you for report, would authorize a project which is different in certain important respects from that presented in the Department's report above referred to.

The reports which you have heretofore submitted on the bill S. 75 pursuant to previous requests, viz, letter of March 18, 1949, to chairman of Senate Interior and Insular Affairs Committee, and letter of April 20, 1950, to chairman of the House Public Lands Committee, have not presented any facts and figures on the project which the bill would authorize under the terms provided therein. The result is that neither the committee nor the Congress in considering this legislation have had the benefit of a feasibility report by the Secretary of the Interior on the project which the bill S. 75 would authorize.

Attached hereto is a list of questions with respect to the proposed central Arizona project. It is respectfully suggested that answers to these questions be incorporated in your report on S. 75, Eighty-second Congress, first session. It is requested, in any case, that you furnish us with specific answers to the questions sufficiently in advance to the Senate hearings so that we will be fully prepared to discuss the problem before the committee.

Respectfully,

WILLIAM F. KNOWLAND.
RICHARD M. NIXON.

QUESTIONS SUBMITTED BY SENATORS KNOWLAND AND NIXON TO THE SECRETARY OF THE INTERIOR WITH RESPECT TO CENTRAL ARIZONA PROJECT AS PROPOSED TO BE AUTHORIZED BY S. 75, EIGHTY-SECOND CONGRESS, FIRST SESSION (ACCOMPANYING LETTER OF JANUARY 20, 1951)

1. (a) What features, works and facilities would be authorized by the bill S. 75, and in what particulars do these differ from those proposed in the Department's report on the central Arizona project (H. Doc. 136, 81st Cong., 1st sess.)? (Specify and describe all features.)

(b) What specific works and facilities would be authorized under the general authorizations provided in the bill, including page 2, lines 12 and 13, and lines 19 to 21, inclusive, and on page 3, lines 5 to 11, inclusive?

2. What are the estimated construction costs (at current prices) of the entire project and the individual units thereof, that would be authorized by S. 75?

3. What are the estimated annual costs (at current prices) of operation, maintenance and reserve for replacement (by units and in total)?

4. What are the estimated allocations of construction costs and of annual costs (by units and functions)?

5. What are the amounts of power output and water supply that would be furnished by the project (by units)?

6. What are the estimated revenues of the project, separately for power, irrigation, municipal water supply, or other sources, and the bases and derivation thereof?

7. What are the financial aspects as to repayment ability of the project? (Please furnish detailed financial analyses.)

8. In the hearings on S. 75 (81st Cong., 1st sess.) before the Senate Committee on Interior and Insular Affairs, Senator MCFARLAND made the following statement (printed hearing, page 35):

"According to the report, if this water supply is made available for the project, 73,500 of the 105,790 acres formerly irrigated but now idle for lack of irrigation, can be irrigated. In addition to this amount, as shown in table B-5 of the report, it would be possible to sustain irrigation of an additional 152,520 acres which would otherwise have to be retired from irrigation. This would mean a total of 226,020 acres, which would otherwise be compelled to remain forever idle, could be maintained in production by this project."

(a) Does Senator MCFARLAND's statement correctly and accurately summarize the statements and figures appearing in the report of the Bureau of Reclamation (Project Planning Report No. 3-8b, 4-2, dated December 1947) on the central Arizona project, including tables B-5, B-23 and B-24 and pertinent statements in the text?

(b) Based upon the Bureau's estimates, what is the construction cost of the central Arizona project allocated to irrigation, per acre, on the 226,000 acres of land that would be maintained in production by the project?

9. In accordance with the statements and figures submitted in the report of the Bureau of Reclamation on the central Arizona project, viz, pages C-41 and C-48 of the appendixes of the report (not printed) and page 140 of House Document No. 136 (81st Cong., 1st sess.), what is the reasonable value of general crop farming land in the project area with a full irrigation supply?

10. Based upon the figures set forth in the Bureau's report on the central Arizona project, which show (table B-24 and p. B-85, appendices) that water would be made available by the project for the irrigation of 73,000 acres of lands "formerly irrigated but now idle for lack of water," in the amount of 418,000 acre-feet, or about 39 percent of a total of 1,070,000 acre-feet a year that would be furnished by the project for irrigation, what is the amount of the project construction cost allocated to irrigation that is attributable to the 73,000 acres, and the corresponding cost per acre?

11. What part of the construction cost allocated to irrigation is to be paid by the irrigators?

12. How much of the construction cost is to be repaid from revenues from sale of commercial power?

13. How much of the cost allocated to irrigation features is to be repaid by the use of the interest component on cost of power features?

14. Under section 5 of the bill, would the same rate for irrigation water be charged to areas now possessing distribution systems as to those areas for which distribution systems must be constructed, or would the farmers for whom distribution systems would be constructed have to pay an additional charge over the $4.75 rate per acre-foot shown in the Secretary's report on the project?

15. Does S. 75 provide for repayment by the farmers of the construction cost of distribution and drainage systems under repayment contracts as required by the reclamation law?

16. What is the estimated construction cost, and the annual cost (including amortization, annual carrying charges, operation, maintenance, and replacement reserve, and all other costs) in total and per kilowatt-hour, for the power to be used for project pumping delivered at pumping plants?

17. What is the commercial value of the power to be used for project pumping?

18. How is the power to be used for project pumping to be financed or paid for?

19. Without upstream storage for river regulation and sediment control, what is the estimated useful life of the Bridge Canyon Reservoir and power plant?

20. What would be the annual firm power output of Bridge Canyon power plant, without use of any downstream capacity to firm up Bridge output, and without upstream reservoir storage in operation for river regulation and sediment control?

21. What would be the annual firm power output of the Bridge Canyon power plant with Glen Canyon Reservoir as currently proposed, constructed, and in operation?

22. In view of the Secretary's statement that no sediment should be allowed to enter Bridge Canyon Reservoir that can be prevented, and of the recognized dependence of Bridge Canyon power development upon Glen Canyon Reservoir for sediment control as well as necessary river regulation, should not Glen Canyon Reservoir be constructed and placed in operation concurrently with the Bridge Canyon Dam and power plant?

23. Will you please submit a financial analysis of the irrigation, power, and other features of the project that would be authorized by S. 75, conforming to the recommendations in the report of the President's Water Resources Policy Commission?

24. Will you please state the amendments to S. 75 which would be required to bring it into conformity with the recommendations of the President's Water Resources Policy Commission?

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., February 14, 1951.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

MY DEAR SENATOR KNOWLAND: Please refer to your and Senator NIXON's letter of January 20 with which was enclosed a list of 24 questions relating to S. 75, a bill "authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes," which was introduced by Senators MCFARLAND and HAYDEN.

Although I am advised that S. 75 has already been reported out by the Senate Committee on Interior and Insular Affairs, you may be assured that answers to your questions will be furnished as soon as the necessary information can be assembled.

Sincerely yours,

OSCAR CHAPMAN,
Secretary of the Interior.

FEBRUARY 13, 1951.

Hon. OSCAR L. CHAPMAN,
Secretary of the Interior,
Washington, D. C.

DEAR MR. SECRETARY: On January 20 I wrote you in regard to S. 75, the central Arizona project, enclosing a list of questions which Senator NIXON and I directed to the Department asking for specific answers.

Inasmuch as the Bureau of the Budget has been extremely interested in this I would appreciate your sending your answers to the questions to me through the Bureau of the Budget so that any comments they wish to make can be included in the final reply to the correspondence.

Yours very truly,

WILLIAM F. KNOWLAND.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., March 2, 1951.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

MY DEAR SENATOR KNOWLAND: This is in response to your letter of February 13 in which you refer to the list of questions directed by Senator NIXON and yourself to the Department relative to the central Arizona project.

In accordance with your request, our replies to the questions will be transmitted to the Bureau of the Budget for comments before sending them to you.

Sincerely yours,

OSCAR L. CHAPMAN,
Secretary of the Interior.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., May 2, 1951.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

MY DEAR SENATOR KNOWLAND: In response to your and Senator NIXON's letter of January 20, 1951, relative to Senate hearings on the central Arizona project, I am enclosing answers to 22 of the 24 questions submitted therein. It has not been possible to supply answers to questions No. 23 and No. 24 regarding the effect which adoption of the recommendations of the President's Water Resources Policy Commission would have on the financial and legislative aspects of the propect. To do so would require me to make assumptions with respect to certain recommendations of the Commission, and their application to the central Arizona project. The report of the Commission, however, is directed to the President, who has not as yet indicated his position with respect thereto. The conclusions of the Commission are now being studied by this Department, as well as by other agencies within the executive branch of the Government. In the light of these considerations, I do not feel prepared to answer questions No. 23 and No. 24 at the present time.

The questions and answers we have prepared, follow:

1. QUESTION

(a) What features, works and facilities would be authorized by the bill S. 75, and in what particulars do these differ from those proposed in the Department's report on the central Arizona project (H. Doc. 136, 81st Cong., 1st sess.)? Specify and describe all features.

(b) What specific works and facilities would be authorized under the general authorizations provided in the bill, including page 2, lines 12 and 13, and lines 19 to 21 inclusive, and on page 3, lines 5 to 11 inclusive?

ANSWER

(a) The Department believes that S. 75 would authorize the construction of the following features, works, and facilities:

1. Coconino Dam, a silt- and flood-control dam on the Little Colorado River near Cameron, Ariz., would impound 22 percent of the silt load of the Colorado River at the Bridge Canyon Dam site.

2. Bridge Canyon Dam and power plant would be located on the Colorado River 117½ miles upstream from Hoover Dam. Energy generated would be used for project pumping and for commercial sale.

3. Havasu pumping plants would lift Colorado River water from Lake Havasu behind Parker Dam to the Granite Reef aqueduct.

4. Granite Reef aqueduct would consist of approximately 241 miles of concrete-lined canal extending from Lake Havasu to Granite Reef Dam.

5. McDowell pumping plant and canal, located near Granite Reef Dam, would raise aqueduct deliveries which were temporarily in excess of demands and deliver them to the reservoir formed by the potential McDowell Dam.

6. McDowell Dam and power plant would be located just below the confluence of the Salt and Verde Rivers to provide terminal storage for the Granite Reef aqueduct. Available head developed would be used for the generation of electrical energy.

7. Horseshoe Dam, an existing dam on the Verde River, would be enlarged to regulate occasional flood flows now escaping from the area. A power plant would also be installed at this location to generate electrical energy.

8. Salt-Gila aqueduct would deliver Salt River water diverted from the existing Stewart Mountain Reservoir to lands in the flood plain of the middle Gila and lower Santa Cruz Rivers. It would consist of a concrete-lined canal having a length of approximately 74 miles.

9. Buttes Dam and power plant would be constructed on the Gila River about 62 miles below Coolidge Dam to conserve flood flows entering the Gila below Coolidge Dam and to generate electrical energy.

10. Charleston Dam, on the San Pedro River, would regulate the erratic flows of that stream, provide flood control, and facilitate the diversion of water to lands downstream and to the city of Tucson.

11. Tucson aqueduct would consist of approximately 70 miles of closed conduit through which water would be conveyed from the reservoir formed by Charleston Dam to the city of Tucson.

12. The Safford Valley improvements would function to conserve and utilize the existing water supply of that area by consolidating and improving the existing distribution systems.

13. Hooker Dam on the Gila River near Cliff, N. Mex., would regulate stream flows and provide flood control and silt retention for the benefit of downstream irrigators.

14. An irrigation distribution system would be required to supplement the present system which, upon the construction of the project, would in some cases be inadequate.

15. A drainage system for salinity control, consisting of wells, pumps, and open drains, would be required to prevent waterlogging and excess salinity of lands lying in the lower portions of the project.

16. The power transmission system would be required to convey power from the project power plants to the pumping plants and to commercial load centers.

The above features in no way differ from those proposed in the Interior Department's report on the central Arizona project (H. Doc. 136, 81st Cong., 1st sess.). One feature originally considered, Bluff Dam, would be eliminated under the terms of S. 75.

(b) Much of the language referred to in question 1b provides only general authorizations and does not refer to specific features. The principal works contemplated to be constructed by the Department of the Interior under those general authorizations or under provisions of section 1 of S. 75 are those described in the answer to question 1a. It is assumed, of course, that the bill's employment of general authorizations will permit the construction of incidental works or minor revisions in plan which are frequently associated with the construction and operation of any large projects. In no event, however, do we understand those authorizations to provide for the construction of Glen Canyon Dam, Marble Canyon Dam, Marble-Kanab power diversion or the tunnel route from Bridge Canyon Reservoir to central Arizona.

2. QUESTION

What are the estimated construction costs (at current prices) of the entire project and the individual units thereof, that would be authorized by S. 75?

ANSWER

Answers to questions 2, 3, and 4 are provided in tables I and II, attached. These tables give construction costs, annual operation and maintenance costs, and the annual reserves for replacements, set out by units and functions.

3. QUESTION

What are the estimated annual costs (at current prices) of operation, maintenance, and reserve for replacement (by units and in total)?

ANSWER

See tabler I and II.

4. QUESTION

What are the estimated allocations of construction costs and of annual costs (by units and functions)?

ANSWER

See tables I and II.

5. QUESTION

What are the amounts of power output and water supply that would be furnished by the project (by units)?

ANSWER

Over a period of 75 years (a period equal to the repayment period), it is estimated that the weighted average annual firm power output generated at project power plants would be as follows:

	Million Kilowatt-hours
Bridge Canyon	4,301
Horseshoe	40
McDowell	20
Buttes	35
Total	4,396

New water which would be developed under the central Arizona project is summarized, by average annual amounts, in the following table:

	Acre-feet
Colorado River	1,200,000
Less aqueduct losses	250,000
	950,000
Developed on Verde River by Horseshoe Dam enlargement	42,000
Developed on Gila River Buttes Dam	64,000
Upper Gila area	19,000
	83,000
Developed on San Pedro River by Charleston Dam	7,000
Total new water developed	1,082,000

6. QUESTION

What are the estimated revenues of the project, separately for power, irrigation, municipal water supply, or other sources, and the bases and derivation thereof?

ANSWER

The estimated annual revenues of the project are:

(a) Power: Based on an average power rate of 5.171 mills per kilowatt hour, the average annual revenue from power would be $13,921,600 or $1,044,120,000 in the 75-year period. The average power rate would produce sufficient revenues to cover the cost of operation and maintenance, reserve for replacement, and capital costs allocated to power amortized in 75 years with interest at 3 percent.

(b) Irrigation: Based on the irrigators' ability to pay, the value of irrigation water is taken as $4.75 per acre-foot at the farm head gate or (assuming 30-percent losses) $3.30 at the main canal head gates. Probable deliveries of irrigation water at the main canal head gates are taken as averaging 961,670 acre-feet annually based on an average delivery of 907,500 acre-feet for 50 years and 1,070,000 acre-feet for 25 years. Computed on these bases, the annual revenue from irrigation water would amount to $3,173,500 or $238,012,500 for the 75-year period.

(c) Municipal water supply: Based on a price of $0.15 per thousand gallons and a delivery of 10,800 acre-feet (12,000 acre-feet less 10 percent loss) annually, the annual revenue would be $527,900 or $39,592,500 in a 75-year period.

7. QUESTION

What are the financial aspects as to repayment ability of the project? (Please furnish detailed financial analyses.)

ANSWER

All project capital costs, except those apportioned to the nonreimbursable functions of flood control and fish and wildlife conservation, would be repaid by revenues derived from the sale of irrigation water, municipal water, and hydroelectric energy. In this connection it should be noted that the portion of the project capital costs incurred for the construction of irrigation features would be repaid largely through the application of the interest component of commercial power revenues. All reimbursable project operation, maintenance, and replacement costs would be repaid by revenues derived from the sale of irrigation water, municipal water, and hydroelectric energy. None of these latter costs would be repaid through the use of the interest component of commercial power revenues.

A summary indicating the relationship of project costs and anticipated revenues follows:

	Construction costs
Reimbursable:	
Power	$306,732,000
Irrigation	450,056,000
Municipal water supply	21,585,000
Subtotal	778,373,000
Nonreimbursable:	
Flood control	6,830,000
Fish and Wildlife	3,062,000
Subtotal	9,892,000
Total construction costs	788,265,000
OPERATION, MAINTENANCE, AND REPLACEMENT COSTS, 75-YEAR PERIOD	
Reimbursable:	
Power	269,595,000
Irrigation	236,437,500
Municipal water supply	3,802,500
Total reimbursable operation, maintenance, and replacement costs	509,835,000
Total project expenditures	1,298,100,000
Less nonreimbursable construction costs (see subtotal above)	9,892,000
Total reimbursable project expenditures	1,288,208,000
PROJECT REVENUES, 75-YEAR PERIOD	
(The bases and derivation of these revenues are included in the answer to question 6.)	
Power	1,044,120,000
Irrigation	238,012,500
Municipal water supply	39,592,500
Total project revenues	1,321,725,000

Anticipating that substantial values would accrue to the community at large as well as to the project irrigators, the Department of the Interior in its project plan has proposed that such indirect beneficiaries be reached through the formation of a local agency of the conservancy-district type with power to tax all properties within the project-service

area. It has done so in the belief that, in addition to the direct and obvious benefits of the project to the individual landowners, through furnishing them with a supplemental water supply and through the maintenance of a favorable salt balance in their ground-water supply, there will also come correlative benefits to farm labor, to merchants, to lending institutions, and to others, and that it is proper that these beneficiaries should bear, in part, a share of the cost of the project. However, the amount of the revenues which could be obtained through taxes imposed by an agency of the conservancy-district type is indeterminable at the present time, and, hence, is not included in the estimates of project revenues stated above.

8. QUESTION

In the hearings on S. 75 (81st Cong., 1st sess.) before the Senate Committee on Interior and Insular Affairs Senator MCFARLAND made the following statement (printed hearing, p. 35):

"According to the report, if this water supply is made available for the project, 73,500 of the 105,790 acres formerly irrigated but now idle for lack of irrigation, can be irrigated. In addition to this amount, as shown in table B–5 of the report, it would be possible to sustain irrigation of an additional 152,520 acres which would otherwise have to be retired from irrigation. This would mean a total of 226,020 acres which would otherwise be compelled to remain forever idle could be maintained in production by this project."

(a) Does Senator MCFARLAND's statement correctly and accurately summarize the statements and figures appearing in the report of the Bureau of Reclamation (Project Planning Rept. No. 3–8b.4–2, dated December 1947) on the central Arizona project, including tables T–5, B–23, and B–24, and pertinent statements in the text?

(b) Based upon the Bureau's estimates, what is the construction cost of the central Arizona project allocated to irrigation, per acre, on the 226,000 acres of land that would be maintained in production by the project?

ANSWER

(a) Senator MCFARLAND's statement directs attention to certain of the project benefits outlined in the report, but does not summarize them in their entirety. Actually as also stated in the report, an irrigated area of 640,000 acres would be directly benefited by the project by reason of the fact that supplemental water would be provided for that area. Without the provision of this water, losses and distress to individual farmers will be large. Industries and business houses dependent upon farming enterprises will also suffer, and the Federal, State, and local governments will be confronted with a reduction of tax revenues.

(b) The central Arizona project is considered by the Department of the Interior as a means of restoring and stabilizing a regional agricultural economy rather than as a project designed solely to maintain 226,000 acres of land in cultivation. The economy of Arizona has largely an agricultural base and this economy has deteriorated because of diminishing water supply and the lack of facilities for the drainage of saline waters from the project area. Any subsantial reduction of the cultivated acreage in the State would, as pointed out in the answer to question 8 (a), result in losses not only to the individual farmers, but also to the economy of Arizona as a whole. The central Arizona project has been designed to avert this threat to the region by the provision of a supplemental water supply to the entire project area of 640,000 acres. It should also be noted that the obligation to repay irrigation construction costs that are within the ability of the water users to repay, and to pay irrigation operation, maintenance, and replacement costs, would be borne by the farmers throughout this entire area. In view of the widespread local benefits, together with the additional benefits that will accrue beyond the boundaries of the State of Arizona, and in view of the distribution of the repayment burden among all users of supplemental water from the project, it is deemed inappropriate for us to attempt to develop a relationship between the project costs allocated to irrigation and an acreage that represents only a portion of the area to be served with, and to be charged for, the project water supply.

9. QUESTION

In accordance with the statements and figures submitted in the report of the Bureau of Reclamation on the Central Arizona Project, viz, pages C–41 and C–48 of the Appendices of the report (not printed), and page 140 of H. D. No. 136 (81st Cong., 1st sess.), what is the reasonable value of general crop farming land in the project area with a full irrigation supply?

ANSWER

Land in the project area having an average water supply and used for general farming purposes is now selling for about $400 an acre. If this land had a full water supply, its value would be considerably greater. In general, lands in the Salt River Project have a more stable water supply than other lands within the potential Central Arizona Project. These lands, when sold for general farming purposes, bring $600 per acre. Acreages containing developed citrus groves or which are particularly valuable for specialized crops have sold for more than $2,000 an acre. Very few farms within the project boundaries have a full and stable water supply. With such a supply, land values would substantially exceed those now prevailing.

10. QUESTION

Based upon the figures set forth in the Bureau's report on the Central Arizona Project, which show (table B–24 and p. B–85, appendices) that water would be made available by the project for the irrigation of 73,000 acres of lands "formerly irrigated but now idle for lack of water," in the amount of 418,000 acre-feet, or about 39 percent of a total of 1,070,000 acre-feet a year that would be furnished by the project for irrigation, what is the amount of the project construction cost allocated to irrigation that is attributable to the 73,000 acres, and the corresponding cost per acre?

ANSWER

This question is apparently predicated on the assumptions that the 73,000 acres referred to can be treated as a readily identifiable and separate parcel or parcels of land, and that the only water that will be available to irrigate these areas will be that provided by the central Arizona project. Neither of these assumptions is correct.

The 73,000 acres are not an integral block or blocks of land which have been taken out of cultivation on a more or less permanent basis. An example is offered to illustrate this point. A farm operator with 100 acres in the Salt River Valley requires about 450 acre-feet of water for a full supply—a rate of 4.5 acre-feet per acre. That farmer can anticipate, under average existing circumstances, a delivery of 300 acre-feet. On this basis he will probably elect to cultivate 85 acres by applying 3.5 acre-feet per acre, thereby realizing less than a full crop on that land. The remaining 15 acres would be consigned to idleness as a result of the existing water shortages. From time to time this 15 acres probably would be rotated, and so would not be the identical parcel year after year. The 73,000 acres referred to in the question are the aggregate of all these individual parcels which, in an average year, are left out of production in order to permit the farmers to adjust their cultivated acreages to their short water supply.

It must be emphasized that these lands will not, and cannot be treated as if they will receive their entire water supply from the central Arizona project. In operation under the project the individual farmer described in the preceding paragraph who owns basic water entitlements for the whole of his farm would spread his basic water supply over all of his land and purchase sufficient project water to round out a full supply. Each acre in his farm would receive both new water and water from the supply to which the farmer is currently entitled.

Since the assumptions upon which the question appears to be based are untenable, it is considered inappropriate for us to attribute any specific portion of the project water supply or capital cost to these 73,000 acres.

11. QUESTION

What part of the construction cost allocated to irrigation is to be repaid by the irrigators?

ANSWER

In 75 years the total payment by the irrigators, based on a water charge of $4.75 at farm head gates, would be approximately $238,012,000. During this period the annual costs of operation, maintenance, and replacement incurred for irrigation purposes would approximate $236,438,000. The difference between these two figures—$1,574,000—would be paid by the irrigators toward the construction costs allocated to irrigation.

12. QUESTION

How much of the construction cost is to be paid by revenues from the sale of commercial power?

ANSWER

Commercial power revenues would be adequate to amortize the capital costs allocated to power in 75 years at 3 percent interest and to pay the annual costs of operation, maintenance, and replacement incurred for power purposes. Costs allocated to power include the costs of project features devoted exclusively to the production and transmission of commercial energy, plus commercial power's proportionate share of the costs of project facilities used jointly by various project functions. As an example, the costs of Bridge Canyon power plant would be allocated between irrigation and commercial power on the basis of the proportionate use each of these functions made of the power plant.

During the 75-year repayment period construction costs directly paid by power would amount to the portion of the total project capital costs properly allocable to commercial power or $306,732,000. In addition, the portion of the interest component of commercial power revenues used to defray the costs of other reimbursable project functions would amount to as much as $448,482,000, or as little as $434,277,000, depending upon disposition of revenues from municipal water in excess of those required for operation, maintenance, replacement, and capital costs allocated to municipal water.

13. QUESTION

How much of the costs allocated to irrigation features is to be repaid by the use of the interest component on the cost of power features?

ANSWER

During the 75-year repayment period, commercial power revenues would include interest, computed at 3 percent on the unamortized capital costs allocated to power, in the amount of $467,793,000. Of the $450,056,000 of construction costs allocated to irrigation, this interest component of power revenues would be called upon to assume payment of as much as $448,482,000 or as little as $434,277,000 depending upon disposition of revenues from municipal water in excess of those required for operation, maintenance, replacement, and capital costs allocated to municipal water.

14. QUESTION

Under section 5 of the bill, would the same rate for irrigation water be charged to areas now possessing distribution systems as to those areas for which distribution systems must be constructed, or would the farmers for whom distribution systems would be constructed have to pay an additional charge over the $4.75 rate per acre-foot shown in the Secretary's report on the project?

ANSWER

The financial analyses provided in these responses assume a uniform charge for water at the main canals equal to the irrigators' repayment ability, without regard to whether a distribution system must be provided for any specific irrigator or group of irrigators. Those irrigators for whom a distribution system would be provided could not be assessed additionally for that system without the total charges exceeding the repayment ability of the irrigators.

15. QUESTION

Does S. 75 provide for repayment by the farmers of the construction cost of distribution and drainage systems under repayment contracts as required by the Reclamation law?

ANSWER

Our repayment analysis does not assume a breakdown between distribution, drainage, and supply works. The estimated returns from the sale of irrigation water would pay all of the annual costs of operation, maintenance and replacement incurred for irrigation purposes. Such costs include not only the annual costs of facilities used solely for irrigation, such as distribution and drainage systems, but also the share allocated to irrigation of the annual costs of facilities used jointly for irrigation and other purposes, such as Bridge Canyon Dam and power plant. The remaining revenues from the sale of irrigation water, amounting to about $1,574,000, would be applied toward the reimbursement of capital costs allocated to irrigation, including the costs of distribution and drainage works.

16. QUESTION

What is the estimated construction cost and the annual cost (including amortization, annual carrying charges, operation, maintenance and replacement reserve, and all other costs) in total and per kilowatt-hour for the power to be used for project pumping delivered at pumping plants?

ANSWER

The portion of project construction costs that can properly be assigned to the production of energy for irrigation pumping amounts to $133,179,000. It is estimated that the energy requirements for project pumping delivered at the pumping plants would average about 1,370,000,000 kilowatt-hours a year. The annual charges necessary to meet all capital and other costs of the power features allocated to irrigation pumping, computed on the interest-free basis established for irrigation facilities, are as follows:

Amortization of construction costs (repayable in 75 years without interest)	$1,775,700
Operation and maintenance	789,900
Replacement reserve	486,800
Total	3,052,300

Project pumping energy, delivered at the pumping plants, would cost about 2.2 mills per kilowatt-hour, under the foregoing computations.

17. QUESTION

What is the commercial value of the power to be used for project pumping?

ANSWER

On the basis of current construction costs, firm electrical energy produced by the central Arizona project for commercial sale could be made available at load centers at a rate of 5.17 mills per kilowatt-hour. Inasmuch as this is believed to be a competitive rate, it can be said to be one measure of the value of any new energy developed in the market area.

It is important to note that the costs of the energy which would be used for irrigation pumping, as computed in the answer to question 16, reflect all out-of-pocket expenses incidental to generation of project energy, but do not include interest on the cost of that part of the electrical plant devoted to irrigation pumping. This exemption from interest represents an application of the long-standing congressional policy to provide for the repayment without interest of investments in irrigation facilities. If the irrigation pumping energy were to be diverted to commercial sale, the procedures currently in use under the Federal reclamation laws would require that the energy rates be sufficient to return interest on capital costs in addition to all out-of-pocket expenses.

18. QUESTION

How is the power to be used for project pumping to be financed or paid for?

ANSWER

Energy used for project pumping would come from the hydroelectric plants constructed under the central Arizona project and their interconnections. The generating facilities and the necessary transmission system would be employed for the production and conveyance of energy used in project pumping, as well as for that sold commercially. The dams, of course, would serve several purposes in addition to the production of power. All capital costs of power features, and the related costs of operation, maintenance and the provision of a reserve for replacement, would be allocated to the separate functions served in accordance with the proportionate uses made of the power features by these separate functions. That part of the capital costs of the power facilities appropriately apportioned to irrigation pumping purposes would be repaid from revenues derived through the sale of irrigation water, and from the interest component of commercial power revenues.

Operation, maintenance, and replacement costs allocable to irrigation pumping, including an appropriate share of the costs of dams and related power plants, and of transmission lines, would be paid out of revenues derived from irrigation water sales.

All of the foregoing items of cost with respect to irrigation pumping are included in the reimbursable irrigation costs stated in tables I and II and in the answers to questions 7, 11, and 13. Similarly, the portion of the interest component of commercial power revenues which would be applied against the capital costs of irrigation pumping power is included in the figure of $448,482,000 stated in the answers to questions 12 and 13, and would not constitute an additional burden on commercial power revenues.

19. QUESTION

Without upstream storage for river regulation and sediment control, what is the estimated useful life of the Bridge Canyon Reservoir and power plant?

ANSWER

The Bridge Canyon Reservoir is relatively small and its useful life as an effective storage reservoir is particularly dependent upon its protection from excessive sediment inflow. Sound conservation principles demand that no sediment be allowed to flow into Bridge Canyon Reservoir that could practicably and economically be withheld in larger reservoirs or in those of little or no other economic value. It was for this reason that Bluff Dam on the San Juan River and Coconino Dam on the Little Colorado River were included originally as features of the central Arizona project.

It has always been assumed that Bluff Dam would not be constructed if there were assurance that construction of Glen Canyon Dam would be undertaken within a reasonable time after the completion of Bridge Canyon Dam. All of those familiar with Colorado River problems have recognized that a major reservoir and power development at Glen Canyon would be economically attractive in itself and imperative in any plan for the full development of the upper basin of the Colorado River. Construction of Glen Canyon Dam is a definite part of the Department's recommended program for the Colorado River, as has been brought out in our report No. 4—8a.81-0 entitled "Colorado River Storage Project and Participating Projects."

The provisions of S. 75 are so drafted as to preclude the construction of Bluff Dam. The Senate Committee on Interior and Insular Affairs also excluded Bluff Dam from the scope of S. 75 of the Eighty-first Congress. In explanation of this action the committee, in its report to the Senate, stated:

"The Glen Canyon Dam, in the opinion of the committee, should and will be authorized and constructed at an early date."

If Glen Canyon is constructed in accordance with this statement, it is apparent that silt from the main stem of the Colorado River would not flow into Bridge Canyon Reservoir for any appreciable period. Based upon the assumption, however, that neither Bluff Reservoir nor Glen Canyon Reservoir would be available for river regulation and sediment retention, it is estimated that Bridge Canyon Reservoir would be essentially filled with sediment within 35 to 45 years. Thereafter, Bridge Canyon power plant could in the opinion of the Department, be operated as a run-of-the-river plant, contributing indefinitely to the firm energy output of the Colorado River system.

20. QUESTION

What would be the annual firm power output of Bridge Canyon power plant, without use of any downstream capacity to firm up Bridge output, and without upstream reservoir storage in operation for river regulation and sediment control?

ANSWER

Based on a strict interpretation of the term "firm power output" and using the lowest water supply year of record (1934) Bridge Canyon power plant would produce about 2,500,000,000 kilowatt-hours a year under the terms stated in the question. We estimate that at the end of the 35- to 45-year period, when the reservoir would be filled with sediment as outlined in the answer to question 19, an annual energy output of 2,500,000,000 kilowatt-hours a year could still be expected under these same terms. Runoff for 1934 amounted to only 30 percent of the 1906–47 average, while the second lowest year of record (1931) produced a flow equal to 44 percent of the 1906–47 average. If the 1931 runoff were to be used as the basis of computation, the firm power output would substantially exceed that stated above.

The Department, moreover, wishes to emphasize that coordinated operation of hydroelectric plants on the Colorado River produces the largest possible amount of firm energy for use in the power market area. Under this system plants with small reservoirs generate considerably more energy during periods of high runoff than they do in low runoff periods. Concurrently, plants with large storage capacity reduce their output during periods of high stream flow to conserve water for use during low runoff periods. This system of operation makes possible the generation of considerably more system firm energy than would be the case if all plants were operated independently. For this reason, it has never been the intention of the Department that the Bridge Canyon power plant would be operated as an isolated plant to serve an independent load. Coordinated operation of Bridge Canyon

power plant with downstream power plants would increase the firm energy output of the former, even if all storage capacity in Bridge Canyon reservoir should be lost through siltation, to about 3,000,000,000 kilowatt-hours a year.

21. QUESTION

What would be the annual firm power output of the Bridge Canyon power plant with Glen Canyon Reservoir, as currently proposed, constructed, and in operation?

ANSWER

Under the assumptions given in the question and also assuming that there would be integration with other Colorado River power plants, the firm power production at Bridge Canyon power plant under initial conditions would be 4,675,000,000 kilowatt-hours annually. Under the same assumptions, the weighted average firm power production at Bridge Canyon power plant over a period of 75 years would be 4,301,000,000 kilowatt hours annually.

22. QUESTION

In view of the Secretary's statement that no sediment should be allowed to enter Bridge Canyon reservoir that can be prevented, and of the recognized dependence of Bridge Canyon Power development upon Glen Canyon reservoir for sediment control as well as necessary river regulation, should not Glen Canyon reservoir be constructed and placed in operation concurrently with the Bridge Canyon Dam and power plant?

ANSWER

As explained in the answer to question 19, Bridge Canyon reservoir, without upstream sediment detention facilities, would be essentially filled with silt in 35 to 45 years. The best planning would, of course, require that upstream protective capacity be installed as early as possible, and, in any event, considerably before the end of this 35- to 45-year period. However, in view of the facts given in the answers to questions 19 and 20, it would not be essential that the construction of such upstream capacity be undertaken concurrently with the construction of Bridge Canyon Dam, nor would it be necessary that this protective capacity be located specifically at the Glen Canyon site.

In response to your request, the foregoing answers have been submitted to the Bureau of the Budget for its consideration. The comments received from the Director of the Bureau of the Budget are quoted below:

"This office has reviewed the answers to the questions and finds that they are in general conformity with the information cleared by this office on June 27, 1950, and submitted to the House Committee on Public Lands last year. In view thereof and since our position on the relationship of Senate bill 75 to the program of the President has not changed, we have no further comments to make at this time and there would be no objection to the submission of your proposed letters to Senators KNOWLAND and NIXON and Congressman ENGLE of California."

Sincerely yours,

OSCAR L. CHAPMAN,
Secretary of the Interior.

TABLE I.—*Summary of costs—Allocations based on project repayment period of 75 years and Senate revisions of S. 75—Central Arizona project*

[Costs based on unit prices as of January 1951; 1,200,000 acre-foot diversion]

Feature	Construction costs					
	Total	Allocation				
		Power, interest bearing	Irrigation, interest free	Municipal, interest free	Flood control, nonreimbursable	Fish and wildlife nonreimbursable
Coconino Dam and Reservoir	$8,491,000	$5,557,000	$2,828,000			$106,000
Bridge Canyon Dam and Reservoir	224,604,000	147,920,000	75,265,000			1,419,000
Bridge Canyon power plant	92,219,000	68,652,000	23,567,000			
Havasu pumping plants	30,248,000		30,248,000			
Granite Reef aqueduct	133,335,000		133,191,000			144,000
McDowell pumping plant and canal	3,691,000		3,691,000			
McDowell Dam and Reservoir	17,481,000	4,705,000	9,493,000		$3,140,000	143,000
McDowell power plant	1,195,000	890,000	305,000			
Horseshoe Dam (enlargement) and Reservoir	7,244,000	2,322,000	4,684,000			238,000
Horseshoe power plant	3,031,000	2,256,000	775,000			
Salt-Gila aqueduct	35,154,000		35,136,000			18,000
Buttes Dam and Reservoir	33,287,000	7,934,000	15,506,000	$7,409,000	2,076,000	362,000
Buttes power plant	1,364,000	1,015,000	349,000			
Charleston Dam and Reservoir	10,502,000		3,386,000	5,824,000	775,000	517,000
Tucson aqueduct	8,352,000			8,352,000		
Safford Valley improvements	4,203,000		3,785,000		418,000	
Hooker Dam and Reservoir	17,994,000		17,458,000		421,000	115,000
Irrigation distribution system	57,300,000		57,300,000			
Drainage system for salinity control	10,611,000		10,611,000			
Power transmission system	87,959,000	65,481,000	22,478,000			
Total	788,265,000	306,732,000	450,056,000	21,585,000	6,830,000	3,062,000

TABLE II.—*Summary of annual costs—Allocations based on project repayment period of 75 years and Senate revisions of S. 75—Central Arizona project*

[Costs based on unit prices as of January 1951; 1,200,000 acre-foot diversion]

Feature	Operation and maintenance						Replacement reserve					
	Total	Allocation					Total	Allocation				
		Power	Irrigation	Municipal	Flood control	Fish and wildlife		Power	Irrigation	Municipal	Flood control	Fish and wildlife
Coconino Dam and Reservoir	$16,100	$10,500	$5,400			$200	$2,400	$1,600	$800			
Bridge Canyon Dam and Reservoir	24,500	16,100	8,200			200	76,200	50,200	25,500			$500
Bridge Canyon power plant	1,174,800	874,600	300,200				930,600	692,800	237,800			
Havasu pumping plants	324,100		324,100				221,300		221,300			
Granite Reef aqueduct	377,300		376,900			400	23,000		23,000			
McDowell pumping plant and canal	31,200		31,200				15,200		15,200			
McDowell Dam and Reservoir	508,900	165,600	334,100		$4,200	5,000	23,100	7,300	14,800		$800	200
McDowell power plant	36,000	26,800	9,200				9,700	7,200	2,500			
Horseshoe Dam (enlargement) and Reservoir	6,600	2,100	4,300			200	2,100	700	1,300			100
Horseshoe power plant	58,000	43,200	14,800				21,700	16,200	5,500			
Salt-Gila aqueduct	73,300		73,300				6,000		6,000			
Buttes Dam and Reservoir	18,100	4,300	8,500	$4,000	1,100	200						
Buttes power plant	42,300	31,500	10,800				11,200	8,300	2,900			
Charleston Dam and Reservoir	6,900		2,200	3,800	800	400						
Tucson aqueduct	38,400			38,400			4,500			$4,500		
Safford Valley improvements	47,300		42,600		4,700							
Hooker Dam and Reservoir	10,900		10,600		200	100						
Irrigation distribution system	272,200		272,200				28,400		28,400			
Drainage system for salinity control	159,400		159,400				18,100		18,100			
Power transmission system	1,383,700	1,030,100	353,600				813,300	605,500	207,800			
Total	4,610,000	2,204,800	2,341,600	46,200	10,700	6,700	2,206,800	1,389,800	810,900	4,500	800	800

Mr. KNOWLAND. Mr. President, in addition to the other communications which I have asked to have printed in the RECORD at this point, I also ask that there be printed in the RECORD a letter dated January 20, 1951, addressed to Mr. Lawton, Director of the Bureau of the Budget, by my colleague and myself together with a copy of his reply of March 28, 1951.

The PRESIDING OFFICER (Mr. FREAR in the chair). Without objection, the letters may be printed in the RECORD.

The letters are as follows:

JANUARY 20, 1951.

Mr. FREDERICK J. LAWTON,
Director, Bureau of the Budget,
Washington, D. C.

MY DEAR MR. LAWTON: On January 8, 1951, a bill, S. 75 (82d Cong., 1st sess.), was introduced in the Senate, which would authorize the so-called central Arizona project. This is substantially the same as the bill S. 75, which at last year's session of Congress passed the Senate but failed to receive favorable action in the House Public Lands Committee.

We are informed that the chairman of the Senate Interior and Insular Affairs Committee has requested the Secretary of the Interior for a report on this bill. It is presumed that the Secretary's report, before transmittal, will be referred to you for consideration and comment.

The most recent communication of the Bureau of the Budget with respect to S. 75 and the central Arizona project appears to be your letter of April 19, 1950, to the chairman of the House Public Lands Committee. In that letter you state:

"The Budget Director has commented on the central Arizona project in previous letters—to the Secretary of the Interior on February 4, 1949; to the chairman of the Senate Committee on Interior and Insular Affairs on February 11, 1949; and to the Secretary of the Interior on April 20, 1949. Copies of these letters are attached for convenient reference. These letters raised two main questions about the project.

"The first question raised was whether there is enough water in the Colorado River available for use in Arizona to satisfy the needs of this project on a permanent basis. The President has stated many times that he would like to see a definitive settlement of the rights of the various States to waters of the Colorado River system in order that decisions on projects to be developed in the public interest may be made on a firm basis with respect to water rights. The President consistently has indicated his unwillingness to take any position favorable to authorization of the central Arizona project until settlement of the water-rights controversy has been brought about.

"S. 75, in its present form, is intended to prevent one means by which this controversy might be settled. I am unable to express to the committee at this time any views concerning the efficacy of the bill for this purpose.

"The second question raised in the previous letters of the Budget Director, particularly the letter of February 4, 1949, related to the economic feasibility of the project as outlined in the report of the Secretary of the Interior.

"S. 75, as passed by the Senate, would authorize a project which is different in certain respects from that outlined in the Secretary of the Interior's report on the central Arizona project. The bill provides for a tunnel and canal between Bridge Canyon and Cunningham Wash, and omits authorization for construction of a dam at the Bluff site on the San Juan River. It omits certain nonreimbursable cost allocations. Taking these changes into account, the comments on economic feasibility made in the previous letters of the Budget Director still apply to the project which would be authorized by S. 75."

The Budget Director's letter of February 4, 1949, contains the following statement:

"From an examination of the report, of the comments of the affected States, and of the remarks of other interested Federal agencies, it is apparent that there are a number of important questions and unresolved issues connected with the proposed central Arizona project. The provision of adequate water supply, if found to be available, is admittedly a high-cost venture which is justified in the report essentially on the basis of an urgent need to eliminate the threat of a serious disruption of the area's economy. Even so, the life of certain major parts of the project is appreciably less than the recommended 78-year pay-out period. The work could be authorized only with a modification of existing law or as an exception thereto. Furthermore, there is no assurance that there will exist the extremely important element of a substantial quantity of Colorado River water available for diversion to central Arizona for irrigation and other purposes.

"The foregoing summary and the project report have been reviewed by the President. He has instructed me to advise you that authorization of the improvement is not in accord with his program at this time and that he again recommends that measures be taken to bring about prompt settlement of the water-rights controversy."

It would be greatly appreciated if you would inform us whether the views of the Bureau of the Budget, as expressed in the foregoing, still apply to the project proposed to be authorized by the pending bill, S. 75.

In your letter of April 19, 1950, to the chairman of the House Public Lands Committee, you also refer to the President's Water Resources Policy Commission and the President's position in his budget message to the Congress in January 1950 as affecting authorization of projects involving basic policy questions. Will you please advise us whether, in your opinion, the report of the President's Water Resources Policy Commission changes the views of the Bureau of the Budget in regard to economic feasibility of the central Arizona project as proposed to be authorized by S. 75 (82d Cong., 1st sess.)?

There is enclosed a copy of our letter to the Secretary of the Interior, stating several questions with respect to this project. We suggest that the subject matter of these questions be covered in the Department's report on S. 75. Whether that is done or not, we request that the Secretary furnish us with specific answers to these questions. It would seem appropriate that his reply be routed through the Bureau of the Budget, in view of the previous connection of your office with this problem.

You will note that some of our questions are intended to bring about a presentation of the project which accords with the recommendations of the President's Water Resources Policy Commission. Consideration of S. 75 by the Congress would appear to be premature until the recommendations of that Commission can be translated into legislative proposals and the policy questions determined on a Nation-wide basis instead of by piecemeal-project legislation, as was so well pointed out in the President's budget message of a year ago.

We would appreciate an early reply to our letter so that we will be fully prepared to discuss the problem before the Senate Committee on Interior and Insular Affairs.

Respectfully yours,

WILLIAM F. KNOWLAND.
RICHARD NIXON.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., March 28, 1951.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

MY DEAR SENATOR KNOWLAND: Receipt is acknowledged of the letter from you and Senator NIXON dated January 20, 1951, concerning S. 75, a bill which would authorize the central Arizona project. You inquire whether (a) the views expressed in our letter of April 19, 1950, to the chairman of the House Public Lands Committee and our letter of February 4, 1949, to the Secretary of the Interior apply to the project proposed to be authorized by the pending bill S. 75, and (b) whether in our opinion the report of the President's Water Resources Policy Commission changes our views in regard to the economic feasibility of the central Arizona project as proposed to be authorized by S. 75 (82d Cong., 1st sess.). You also enclose a copy of a number of questions transmitted to the Secretary of the Interior, the replies to which you state it would seem appropriate to route through this Office.

As stated in the attached copy of a letter to Senator O'MAHONEY, Chairman of the Senate Committee on Interior and Insular Affairs, there has been no change in the relationship of the proposed legislation to the program of the President as outlined in our letters to the Secretary of the Interior dated February 4 and April 20, 1949, our letter to the Senate Committee on Interior and Insular Affairs dated February 11, 1949, and our letter to the chairman of the Public Lands Committee of the House of Representatives dated April 19, 1950. We also point out that pending a complete review within the executive branch of the recommendations of the President's Water Resources Policy Commission we are unable to comment on their effect on the authorization contemplated in S. 75.

The Department of the Interior's report to the Senate Committee on Interior and Insular Affairs has been cleared without objection. It is understood that Interior is now preparing the answers to the questions enclosed with your letter to the Secretary. We have not received any information as to the contents of their proposed reply but it is assumed that we will receive copies of the answers to the questions and that they will be submitted to you in due course.

Sincerely yours,

P. J. LAWTON,
Director.

Mr. KNOWLAND. Mr. President, one of the factors which I think is of considerable interest is that a considerable part of the crops in the proposed central Arizona project will be so-called field crops. As I think Senators know, from time-to-time the Federal Government has been obliged, by various means of subsidy, to allocate funds to help take care of some of our field crops.

At this point I desire to have appear in the RECORD as a part of my remarks a letter which I received from Mr. Harold K. Hill, Deputy Administrator of the Production and Marketing Administration of the United States Department of Agriculture, together with certain tables which are enclosed. The letter is brief, and I shall read it:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Washington, D. C., April 12, 1951.

Hon. WILLIAM F. KNOWLAND,
United States Senate.

DEAR SENATOR KNOWLAND: This is in reply to the telephone request from your office for the costs to the Government in the Department of Agriculture for the price-support program and for activities under section 32 of Public Law 320, Seventy-fourth Congress. These data by commodity for the fiscal years 1947 through 1950 are reflected on the attached schedules:

(1) Commodity Credit Corporation—Analysis of program results from October 17, 1933, through February 28, 1951.

(2) Removal of surplus agricultural commodities (sec. 32)—Obligations by commodities—fiscal years 1947, 1948, 1949, and 1950.

We trust that this information will fill your needs.

Sincerely yours,

HAROLD K. HILL,
Deputy Administrator.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

SCHEDULE 8.—*Analysis of program results from Oct. 17, 1933, through Feb. 28, 1951 (realized gains and losses)* [1]

Program and commodity	Oct. 17, 1933, through June 30, 1941	July 1, 1941, through June 30, 1946	Fiscal year ended June 30				Fiscal year 1951, through Feb. 28, 1951	Oct. 17, 1933, through Feb. 28, 1951
			1947	1948	1949	1950		
Price support program: [1]								
Basic commodities:								
Corn	*$20,078,488	*$14,336,569	$278,492	*$27,030	*$66,187	*$17,189,119	*$6,326,601	*$57,745,502
Cotton:								
Domestic	*27,401,798	218,328,306	46,536,525	*344,914	*1,023,816	3,419,604	27,698,141	267,212,048
Puerto Rican		*126,011	*4,187					*130,198
Export differential [2]		*27,651,360	*13,735,415	25,557				*41,361,218
Rubber barter		11,055,451						11,055,451
Peanuts			727,481	*2,757,330	*23,794,910	*40,592,601	*8,188,158	*74,605,518
Rice					1,786	*1,293,780	132,818	*1,159,176
Tobacco	*2,107,589	7,074,300	7,437	59,800	115,524	195,495	196,383	5,541,350
Wheat	*6,199,460	*11,775,173	605,569	*11,727	*3,740,046	*28,384,123	*19,354,697	*68,859,657
Total	*55,787,335	182,568,944	34,415,902	*3,055,644	*28,507,649	*83,844,524	*5,842,114	39,947,580
Designated nonbasic commodities:								
Milk and butterfat:								
Butter						*4,111,861	*35,571,535	*39,683,396
Cheese						*1,031,078	*22,373,823	*23,404,901
Milk, dried			*12,487	415,987	149,335	*14,619,145	*33,564,707	*47,631,017
Honey				*404,056	*470,414		63	*874,407
Potatoes, Irish [3]		*25,197,222	*62,920,977	*47,405,542	*203,886,603	*75,090,315	*30,128,157	*444,628,816
Tung oil				*4,747	*306,844	30	*1,841	*313,402
Wool	*176	*15,834,163	*33,484,669	*19,501,357	*12,707,148	*10,755,942	111,774	*92,171,681
Total	*176	*41,031,385	*96,418,133	*66,899,715	*217,221,674	*105,608,311	*121,528,226	*648,707,620
Other nonbasic commodities:								
Barley		*40,019	50,550	275	*672,499	*2,608,939	*2,027,123	*5,297,755
Beans, dry edible		*179,753	155	10	3,988	*880,329	*8,187,073	*9,243,002
Castor beans		*171,224		31				*171,193
Cotton, American-Egyptian		*338,573	37,023	6,577	*2		7,788	*487,187
Cottonseed and products						*297,728	3,686,998	3,089,270
Eggs [4]		*224,002	*11,532,784	*25,879,017	*773,476	*41,622,784	*33,442,172	*133,474,235
Flax fiber			6,100	*179,852	*155,842	*67,464		*397,058
Flaxseed and linseed oil		*22,209	2,727	40,293	1,163,915	*3,765,056	*23,579,539	*26,159,869
Fruit, dried:								
Apricots					13,368			13,368
Dates					*1,297			*1,297
Figs					9,304			9,304
Peaches					9,769			9,769
Prunes				*8,771,559	259,236	238,192	55,636	*8,218,495
Raisins		*109,489		*6,791,826	155,377	61,145	*8,847	*6,693,640
Grain sorghum		437,456	10,141	*18	*3,590,174	*10,514,934	*17,876,938	*31,534,467
Grapefruit juice				*1,732,374				*1,732,374
Hemp and hemp fiber		*20,201,373	*1,267,169	*7,702	8,946	*98	*38	*21,457,456
Hops	*162,036	*792,164						*954,200
Naval stores	*4,435,579	5,997,861	*460	*107,063	*420,567	*449,795	*2,368,122	*1,783,725
Oats			3,056	287	*45,714	*413,295	*122,770	*578,436
Peas, dry edible		*3,012	648		140	*658,800	*357,057	*1,018,081
Pecans		*3,751						*3,751
Rye	*4,575	60,751	14,952		*2,186	*223,210	*42,284	*196,572
Seeds		*148,193	18,660	*13,731	*364,337	*74,026	*4,969	*586,596
Soybeans			2,741,090	4,987	26,054	1,754,206	*127,652	4,398,685
Sugar, Puerto Rican and Virgin Island				23,830				23,830
Sugar beets				*11,859,187	*4,658,082			*16,517,269
Sweetpotatoes			95	*138,181	1,985	1,453	*773	*135,421
Turkeys				*3,708	*495	44,458	*31,539	8,716
Vegetables, canned		*6,888	12,631	6,281	*82			11,942
Total	*4,602,190	*15,944,584	*9,892,605	*55,401,647	*9,032,671	*50,777,004	*104,426,494	*259,077,195
Total price support	*60,389,701	125,592,975	*71,894,836	*125,357,006	*254,761,994	*249,229,839	*231,796,834	*867,837,235
Supply program: [1]								
Cotton and linters		1,592,551	24,865	245,904	12,879			1,876,199
Grains and seeds		23,969,000	23,792,977	19,094,280	4,548,038	2,981,561	341,834	74,727,690
Oils (bulk)		29,937	67,620	107,442	291,296	363,692	55,396	915,383
Tobacco		4,179,335	588,749					4,768,084
General commodities purchase [5]			176,701,759	11,127,662	*342,973	*1,246,411	*318,041	185,921,996
Processed and packaged commodities [6]			26,438,161	10,517,533	1,092,093	752,657	12,426	38,812,870
Sugar, Puerto Rican raw						37,157	661	37,818
Other		*3,120,517	*420,893	494,691	*368,475	*2,041		*3,417,235
Total supply program		26,650,306	227,193,238	41,587,512	5,232,858	2,886,615	92,276	303,642,805
Foreign purchase program: [7]								
Cotton		5,439,464	457,029	*758				5,895,735
Fats and oils		22,543,441	17,955,560	*1,491,644	*53,306	1,524	*37,417	38,918,158
Foodstuffs		4,620,232	2,441,131	*1,555,187	102,305	47,482	11,989	5,667,952
Other		*274,627	18,102	3,089			4,681	*248,755
Total foreign purchase		32,328,510	20,871,822	*3,044,500	48,999	49,006	*20,747	50,233,090
Commodity export program:								
Cotton [8]		*7,008,694	*5,490,500	*8,120	60,632	1,753		*12,534,929
Wheat		*1,299,445	*618					*1,210,063
Total commodity export		*8,308,139	*5,491,118	*8,120	60,632	1,753		*13,744,992
Storage facilities program		*10,087,438	721,069	*133,209	*438,460	*91,959	*20,067	*10,050,064
Accounts and notes receivable (charge-offs)		11,134	*470,532	*106,602	*138,717	*86,113	*91,776	*882,606
Total (excluding wartime consumer subsidy costs) [9]	*60,389,701	166,187,348	170,929,643	*87,061,925	*249,996,682	*246,470,537	*231,837,148	*538,639,002
Wartime consumer subsidy program [10]		*2,130,581,589	22,364,160	4,025,128	2,235,782	*113,351	*240,050	*2,102,309,920
Grand total	*60,389,701	*1,964,394,241	193,293,803	*83,036,797	*247,760,900	*246,583,888	*232,077,198	*2,640,948,922

*Denotes loss.

[1] Allocation of losses and gains as between "Price-support program" and "Supply program" for the period prior to the fiscal year 1947 was made on the basis of an analysis completed in April 1949. Since accounting records maintained prior to July 1, 1946, did not provide for this segregation, it was necessary to analyze program results in detail and in some cases make an estimate of the distribution between "Price support" and "Supply" of the total operating result as shown by the accounting records. This analysis was based on all known factors concerning the operations with respect to each commodity.

[2] Includes export differential on owned or pooled cotton only. Differential on exporters' cotton included under "Commodity export program."

[3] Includes price support loss of $2,829,639 on the 1943 and 1944 potato programs, which was formerly included under the general commodities purchase program.

[4] Includes price support loss of $11,956,386 on the 1944 egg program, which was formerly included under the general commodities purchase program.

[5] Includes gain of $178,697,002 carried as "Special reserve, general commodities purchase program" as of June 30, 1946, and transferred to income in May 1947. Also see footnotes 3 and 4.

[6] During the period July 1, 1946, through June 30, 1949, activity under this program was reported as general supply program.

[7] Insofar as possible, operating results have been retroactively classified to correspond with current budgetary programs. In some instances, the accounts maintained prior to July 1, 1946, did not make possible a precise segregation of the results of foreign procurement operations.

[8] Includes export differential on exporters' cotton only.

[9] Includes losses totaling $56,239,432 on price-support commodities disposed of in accordance with Public Laws 389 and 393, 80th Cong., i. e., transferred to foreign assistance outlets at a price equal to price of a quantity of wheat having equivalent caloric value. The Corporation was reimbursed for these losses by the Secretary of the Treasury.

[10] Subsidy losses on corn for alcohol, wheat for alcohol, and wheat for feed are included on an estimated basis. For detail of subsidy costs by commodities by fiscal years, see report of financial condition and operations as of June 30, 1949.

Removal of surplus agricultural commodities (sec. 32)

OBLIGATIONS BY COMMODITIES, FISCAL YEAR 1950

Program and commodity	Unit	Quantity	Value
DIRECT DISTRIBUTION			
Dairy products:			
Butter	Pound	10,157,499	$12,778,197
Milk, nonfat dry	do	12,060,295	2,801,249
Fruits:			
Apples, fresh	Bushel	3,249,383	7,391,242
Pears, fresh	Box	834,478	2,676,346
Prunes:			
Dried	Ton	300	97,938
Fresh	Bushel	32,586	114,560
Raisins, dried	Ton	1,613	290,601
Honey	(1)		181,337
Poultry products:			
Eggs	Pound	6,149,858	6,598,948
Turkeys	do	8,648,473	3,650,380
Vegetables:			
Beans:			
Dry	Hundredweight	5,639	51,027
Snap	Bushel	32,222	50,113
Cabbage	50-pound bag	105,472	128,972
Irish potatoes	Bushel	3,339,758	4,857,430
Spinach	do	30,000	44,459
Sweetpotatoes	do	56,903	137,228
Total		xxx	41,760,027
EXPORTATION			
Cotton	Bale	2,600	260
Eggs	Pound	5,672,511	3,033,833
Flaxseed	Bushel	320,755	317,741
Fruits:			
Apples, fresh	do	2,151,469	2,866,633
Oranges, fresh	Box	1,258,167	2,093,176
Orange juice:			
Single strength	Case	72,093	73,590
Concentrated	Gallon	48,600	72,342
Pears, fresh	Box	132,886	166,102
Prunes, dried	Ton	42,364	3,851,379
Raisins, dried	do	67,662	5,677,000
Honey	Pound	3,665,920	164,956
Linseed oil	do	13,378,732	407,851
Peanuts	do	62,032,959	4,590,192
Wheat	Bushel	6,244,853	2,295,025
Total		xxx	25,249,080
DIVERSION			
Cotton	Bale	1,448	19,900
Fruits:			
Figs, dried	Ton	192	11,580
Prunes, dried	do	31,349	1,869,402
Raisins, dried	do	19,274	1,541,920
Sorghum grains	Hundredweight	13,520	26,386
Tree nuts:			
Almonds	Pound	2,389,867	760,870
Filberts	do	4,216,018	394,453
Walnuts	do	8,497,754	2,949,635
Total		xxx	7,444,146
Total all programs			74,453,253

OBLIGATIONS BY COMMODITIES, FISCAL YEAR 1940

DIRECT DISTRIBUTION			
Eggs, dried	Pound	6,190,010	$8,836,193
Fruits:			
Apricots, dried			[2] 51,430
Apples:			
Canned			[2] 12,080
Dried			[2] 55,798
Applesauce, canned			[2] 180,361
Figs, dried			[2] 26,751
Orange juice, canned			[2] 76,191
Peaches, dried			[2] 133,675
Plums, canned			[2] 45,186
Prunes, dried	Ton	3,381	866,547
Raisins, dried	do	[1] 4,483	925,864
Honey	Pound	11,591,304	1,715,673
Nonfat dry milk solids	do	13,747,391	1,823,099
Vegetables:			
Beans	Bushel	10,811	15,064
Cabbage	50-pound bag	121,000	135,851
Irish potatoes	Bushel	5,229,520	10,650,193
Sweetpotatoes	do	153,117	295,810
Total		xxx	25,784,646

[1] Transportation costs on prior-year commodities.
[2] Transportation on prior year purchases.

Removal of surplus agricultural commodities (sec. 32)—Continued

OBLIGATIONS BY COMMODITIES, FISCAL YEAR 1940—continued

Program and commodity	Unit	Quantity	Value
EXPORTATION			
Cotton	Bale	18,840	$1,884
Eggs	Pound	7,644,285	5,035,707
Flaxseed	Bushel	4,099,379	4,191,686
Fruits:			
Citrus juice, blend	Case	636	328
Grapefruit:			
Fresh	Box	212,195	175,192
Canned	Case	1,600	1,325
Juice	do	7,741	3,626
Oranges, fresh	Box	513,719	582,936
Orange juice:			
Concentrated	Gallon	16,329	14,035
Single strength	Case	3,870	2,148
Pears, fresh	Box	48,906	25,080
Prunes, dried	Ton	48,605	3,294,572
Raisins, dried	do	54,008	3,480,594
Peanuts	Pound	189,277,580	10,167,023
Total		xxx	26,977,136
DIVERSION			
Cotton	Bale	10,988	233,487
Figs	Ton	2,583	193,234
Pears, fresh	Box	108,367	48,765
Total		xxx	475,486
Total all programs			53,237,208

EXPENDITURES BY COMMODITIES, FISCAL YEAR 1948

PURCHASES FOR DIRECT DISTRIBUTION			
Eggs, dried	Pound	9,051,109	$13,120,487
Fruits:			
Apricots, dried	Ton	1,415	852,422
Apples:			
Canned	Pound	1,193,760	108,104
Fresh	Box	885,844	2,113,003
Dried	Ton	3,703	1,009,114
Applesauce, canned	Pound	18,255,842	1,268,585
Figs, dried	Ton	6,684	1,330,348
Grapefruit juice, canned	Pound	73,309,368	3,455,209
Orange juice, canned	Gallon	467,213	1,398,753
Peaches, dried	Ton	7,331	1,884,888
Pears, fresh	Box	120,404	304,302
Plums, canned	Pound	4,107,712	290,350
Prunes, dried	Ton	7,967	1,648,832
Raisins, dried	do	7,205	1,332,448
Honey	Pound	5,639,780	822,158
Tree nuts:			
Filberts	do	482,160	223,537
Walnuts	do	1,800,000	910,283
Vegetables:			
Beans, snap	Bushel	67,850	117,098
Beets, topped	50-pound bag	8,681	7,160
Cabbage	do	53,423	68,342
Potatoes:			
Irish	Bushel	5,200,256	12,390,924
Sweet	do	496,293	989,312
Total		xxx	45,426,239
EXPORTATION			
Cotton	Bale	973,365	2,022,263
Eggs	Pound	37,463,534	6,592,707
Fruits:			
Apricots, dried	Ton	1,390	143,663
Dates, dried	do	750	33,777
Figs, dried	do	6,788	281,056
Peaches, dried	do	1,702	102,928
Prunes, dried	do	35,166	1,661,146
Raisins, dried	do	11,897	516,385
Tobacco	Pound	76,255,359	8,546,500
Total		xxx	19,900,425
DIVERSION			
Cotton, insulation	Bale	16,021	460,319
Pears, fresh	Box	61,640	27,738
Potatoes, Irish	Bushel	6,831,151	7,526,922
Total		xxx	8,014,979
Total all programs			73,341,643

Removal of surplus agricultural commodities (sec. 32)—Continued

EXPENDITURES BY COMMODITIES, FISCAL YEAR 1947

Program and commodity	Unit	Quantity	Value
PURCHASES FOR DIRECT DISTRIBUTION			
Beans	Bushel	2,020	$3,221
Beets	50-pound bag	140,251	116,433
Cabbage	do	119,414	114,737
Carrots	do	20,119	17,003
Onions	do	246,558	264,111
Potatoes:			
Irish	Bushel	4,050,340	4,791,497
Sweet	do	536	882
Spinach	do	179,480	183,024
Canned citrus juice	Pound	1,278,078	34,062
Canned sauerkraut	do	839,266	15,107
Eggs	do	8,333,633	10,697,769
Total		xxx	16,207,846
EXPORTATION			
Cotton	Bale	1,781,077	32,770,280
Potatoes	Bushel	1,063,808	971,745
Total		xxx	33,742,025
DIVERSION TO BY-PRODUCTS AND NEW USES			
Cotton insulation	Bale	45,000	1,688,112
Potatoes	Bushel	25,802,471	20,068,662
Total		xxx	21,756,774
Total, all programs		xxx	71,706,645

Revised, Office of Budget, Sept. 20, 1949.

Mr. KNOWLAND. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a copy of a letter which I received from Mr. G. W. Lineweaver, Acting Commissioner of the Bureau of Reclamation, furnishing certain information relative to a number of projects, with respect to operation and maintenance costs for irrigated acres.

The reason I am asking to have this letter printed in the RECORD at this time is that it is our belief that some of the operation and maintenance estimates which have been used to justify the central Arizona project are, in fact, much lower than they should be. While there are some minor exceptions to the general tendency, generally speaking, operation and maintenance costs have been moving upward, which is entirely natural and to be expected in many circumstances. In view of the fact that the original estimates of the time required to build the central Arizona project covered a period of 8 years, and in view of the fact that we know that it would be more likely to be 15 years, based upon the experience in connection with many other projects, by the time we reached the point where the project would be actually constructed and operating, the costs of operation, with our inflated dollars and deficit spending, would probably be much higher than the estimates which are presently shown.

There being no objection, the following letter was ordered to be printed in the RECORD.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington D. C., April 18, 1951.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

MY DEAR SENATOR KNOWLAND: I am pleased to acknowledge receipt of your letter of April 3 relating to the increase of operation and maintenance costs in irrigation and power since June 1, 1947.

In estimating operation and maintenance costs for irrigation and power projects in the planning stage, an amount is determined which in our best judgment will represent the average annual payments required during the amortization or repayment period. In arriving at this cost, consideration is given to probable future developing trends as well as to increased efficiency and other factors which will tend to lower cost. Admittedly, this extension of cost in the future may be subject to some error, but it should be pointed out that if future price trends cause a rise in operating cost above the estimated cost, commodity prices will rise also, thus producing a more or less equivalent increase in the repayment ability of the beneficiaries.

The power operation and maintenance costs used for estimating purposes on proposed projects have not been increased since June 1, 1947, for the reason that a general increase in such estimating costs was made early in 1947 principally to allow for estimated increasing wages of operating and maintenance forces.

I am attaching a historical record of the cost of operation and maintenance per irrigated acre for some representative irrigation projects in the southwest. As you know, during the war, when labor and material were scarce, maintenance was declared on many irrigation projects. This resulted in more money being spent in the subsequent years when the deferred maintenance was performed. For this reason, the operation and maintenance costs shown in the table reflects factors in addition to the normal fluctuation in the cost of labor and materials during the years shown.

I appreciate your interest in our program and if you should need additional information applying to any particular project, I would be pleased to furnish it.

Sincerely yours,

G. W. LINEWEAVER,
Acting Commissioner.

Operation and maintenance cost per irrigated acre

State and project (division or district)	1947	1948	1949
Arizona: Salt River	$9.68	$11.26	$14.82
Arizona-California:			
Yuma:			
Mesa division (auxiliary)	29.14	28.98	24.02
Reservation division	7.98	8.82	6.12
Valley division	7.00	9.08	11.50
California:			
All-American Canal (Imperial irrigation district)	5.06	6.01	5.66
New Mexico: Carlsbad	3.90	4.23	5.42
New Mexico-Texas:			
Rio Grande:			
Elephant Butte irrigation district	4.51	4.71	5.30
El Paso County water-improvement district No. 1	4.38	4.77	5.02

THE LOYALTY BOARD

During the delivery of Mr. KNOWLAND'S speech,

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to permit the Senator from Wisconsin to make insertions in the RECORD, provided I do not thereby lose my right to the floor.

Mr. McCARTHY. Mr. President, I ask unanimous consent that these insertions appear at the end of the remarks of the able Senator from California.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCARTHY. Mr. President, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD at this point an article entitled "Anonymous Evidence in Loyalty Hearings," taken from the Washington edition of the Daily Worker, namely, the Washington Post, dated May 12, 1951. The article was issued by the Americans for Democratic Action. It is an attack upon the attempt of the new Loyalty Board, headed by former Senator Bingham, to bring some order out of chaos in the loyalty program. The article is signed by Francis Biddle and by Joseph L. Rauh, Jr. I ask unanimous consent that the entire article be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A COMMUNICATION—ANONYMOUS EVIDENCE IN LOYALTY HEARINGS

Americans for Democratic Action concurs in the statement in your May 6 editorial, Exit One Star Chamber, that "the administration should never have asked the courts to sanction star-chamber blacklisting even for the convenience of its loyalty boards. And now that a decision has been rendered it cannot act too quickly to substitute fair hearings and fair adjudication upon the evidence for the present arbitrary and unauthorized procedure."

But we in the ADA go further. We believe that the decisions in the Bailey and Joint Anti-Fascist Refugee cases not only warrant but, indeed, in the interest of civil liberties, require the reconsideration by the administration of both the ex parte blacklisting of organizations and the basic loyalty procedures.

The most significant thing about the Joint Anti-Fascist Refugee case was that four Justices of the United States Supreme Court (Frankfurter, Black, Douglas, and Jackson) agreed that the Attorney General's action in listing subversive organizations without a hearing was a violation of due process of law.

Mr. Justice Burton's opinion was not the controlling opinion, as your editorial indicated. His vote was controlling, as that vote was necessary to send the case back to the district court for further action. Otherwise, there would have been a 4–4 split as in the Bailey case and the court of appeals' ruling that no hearing was required would have remained in effect.

But far more significant than who wrote the controlling opinion, is that four Justices of the Supreme Court of the United States, one of them a former Attorney General and all of them men with great experience in administrative procedures, held that the Attorney General's listing was a violation of the Constitution.

In the Bailey case, the Judges divided 4–4 and no opinion was therefore rendered in that case. But in their opinions in the Joint Anti-Fascist Refugee case, Justices Frankfurter, Black, Douglas, and Jackson made it abundantly clear that they considered the Government action in the Bailey case a violation of due process by law.

Justice Douglas was the most outspoken in this respect. Referring to the fact that the Loyalty Board acted on the statements of informants who not only were not subject to cross-examination, who not only were not under oath, but whose identity was not even known to the board, Justice Douglas wrote as follows:

"Dorothy Bailey was not, to be sure, faced with a criminal charge and hence not technically entitled under the sixth amendment to be confronted with the witnesses against her. But she was on trial for her reputation, her job, her professional standing. A disloyalty trial is the most crucial event in the life of a public servant. If condemned, he is branded for life as a person unworthy of trust or confidence. To make that condemnation without meticulous regard for the decencies of a fair trial is abhorrent to fundamental justice."

Eight Justices have spoken. (Justice Clark did not participate.) Four of them have spoken clearly and charged the administration with a fundamental violation of due process of law. The question thus squarely presented to the administration is whether it should utilize its technical victory in the Bailey case and continue on its course of allowing findings of disloyalty to be based on unsworn, uncross-examined, and unidentified statements.

Americans for Democratic Action urges the Attorney General to recommend to the President a reevaluation of the entire loyalty program in the light of these decisions and the substitution of a system based on the essential elements of fairness and decency. This is particularly important since the Nimitz Commission, appointed by the President to make such a reevaluation, is, for the present, at least, unable to function.

This reexamination is particularly necessary at this time in view of the Executive order changing the test of disloyalty from "reasonable grounds" to "reasonable doubt." While there may not be too much difference in the legal significance of these terms, if the loyalty boards once feel that this change constitutes a directive to be "tougher," the program may well deteriorate into the "witch hunt" which the President is so anxious to avoid.

A statement by the administration at this time that it is going to provide the "due process" safeguards demanded by Justices Frankfurter, Black, Douglas, and Jackson would do much to rebuild the waning morale of those who are subjected to the present unjust loyalty program.

FRANCIS BIDDLE,
Chairman, National Board.
JOSEPH L. RAUH, Jr.,
Chairman, Executive Committee,
Americans for Democratic Action.

Mr. McCARTHY. Mr. President, in connection with having this article printed in the RECORD, I wish to call attention to the fact that Mr. Rauh, who is chairman of the executive committee of the Americans for Democratic Action, was the attorney for William Remington, the convicted Communist.

I should also like to read into the RECORD parts of a statement which Mr. Rauh issued on January 30, 1950, after Dean Acheson made his famous statement about refusing to turn his back on his dear friend Alger Hiss:

We firmly believe that even if Secretary Acheson had avoided the subject and filibustered his views on Alger Hiss, the "yammerers in our midst" and the Formosa-firsters would have been no more charitable toward his position. Indeed, one can venture the hope that their knowledge of the depth and caliber of the man at whom they are "yammering" will give them pause in their struggle against him.

Then, going on to comment further on Dean Acheson's statement, Rauh had this to say:

Dean Acheson has given inspiration to those who aspire to Government service and renewed faith to those already in the Government service.

We can add no luster to his act of greatness. Neither can his detractors sully it.

That also appeared in the Washington edition of the Daily Worker on the 30th of January 1950.

Then, Mr. President, so as to give a better picture of Francis Biddle, who would protect Communists from the loyalty board, I should like to read very briefly from an article which also appeared in the local Daily Worker on June 3, 1950, in which Mr. Biddle says:

I was shocked by the announcement on May 27 that Secretary of Commerce Sawyer had called for the resignation of William W. Remington and Michael H. Lee, "in the interest of good administration in the department."

It will be recalled that Remington subsequently was convicted of perjury in connection with his communistic activities.

I read further from Biddle's signed statement:

The Secretary has, so it seems to me, not only committed a cruel injustice against these two employees, but has seriously injured "good administration."

I call this to the attention of the loyalty board, headed by former Senator Bingham, so they will better identify this man who attacks whenever it appears they may do a good job.

I read further from the Biddle article:

I suggest that the Secretary lacks courage, when courage is so needed in these days of McCarthyism and mass hysteria—the kind of courage that his predecessor, Averell Harriman, displayed when Dr. Condon was under the same kind of attack from the Committee on Un-American Activities.

FRANCIS BIDDLE.

In connection with Mr. Rauh, who is the secretary, and who also signed the article condemning the Loyalty Board, it should be noted that Rauh also wrote a very favorable review of Max Lowenthal's book entitled "The Federal Bureau of Investigation." This also appeared in the local "Daily Worker" on November 26, 1950. In it, he praises to high heaven Lowenthal's smear upon the Federal Bureau of Investigation.

In connection with that, I should like to have inserted in the RECORD a number of documents. I think they should appear in connection with Biddle's accusation that the new Loyalty Board is indulging in a star chamber blacklisting of Communist fronts. I should like to insert in the RECORD the confidential documents covering the listing by Biddle early in 1942, of some 12 different Communist fronts—a very reluctant listing, it will be understood.

First, I ask unanimous consent to insert in the body of the RECORD the comments made by Martin Dies, appearing in the CONGRESSIONAL RECORD, volume 88, part 6, page 7441. I believe this entire picture should appear in chronological order, in order that we may better assess some of the attacks which have been made, and which will be made hereafter, if the Loyalty Board does a decent job. The remarks which I ask to have inserted appear in the CONGRESSIONAL RECORD, volume 88, part 6, pages 7441 and 7442.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

QUESTION OF PERSONAL PRIVILEGE

Mr. DIES. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state his question of privilege.

Mr. DIES. Mr. Speaker, in a pamphlet published and widely distributed by the National Federation for Constitutional Liberties, the following charges were made:

"For 4 years Dies and his committee have, through a vigorous campaign of diversion and suppression, obscured the activities of the Nazi network, the fifth column in the United States.

"Their tactics have been the tactics of Goebbels.

"Their tactics have been the tactics of many of the seditionists, long sheltered by Dies and his committee, indicted last month.

"Dies and his committee have shielded agents of the Axis.

"Dies and his committee jeopardize national unity.

"Dies and his committee delay the day of victory.

"The American people must learn the truth.

"The activities of Dies and his committee in relation to the 28 seditionists indicted last month and other Axis agents must be investigated by a Federal grand jury.

"The National Federation for Constitutional Liberties is therefore making public the documents compiled from official publications and the press and submitted by it on August 6, 1942, to the Department of Justice in support of a demand for a grand jury investigation of Martin Dies.

"GEORGE MARSHALL,
"Chairman, National Federation for Constitutional Liberties."

The SPEAKER. The Chair thinks the gentleman has proceeded far enough.

Mr. DIES. I want to read one more excerpt:

"Federal Bureau of Investigation exposes Dies' attack on 1,119 as fake."

Mr. Speaker, I submit that both of those articles entitle me to the floor.

The SPEAKER. The gentleman is recognized.

Mr. DIES. Mr. Speaker, the newspapers of the country carried a story on September 8, 1942, to the effect that the FBI had exonerated 1,100 Federal employees accused by the Committee on Un-American Activities of being linked to the Red movement in this country. I will read some of the headlines that appeared in some of the newspapers of the country.

From the New York Times:

"Federal Bureau of Investigation exonerates Federal workers accused by Dies. Biddle tells Congress inquiry it ordered has brought only 36 employee dismissals."

In the New York Herald Tribune:

"Biddle clears United States workers of disloyalty."

I will not take the time of the House to read the headlines that appeared throughout the country. My purpose in reading this is to point out the fact that the general impression was given that our committee had accused 1,124 employees of being Communists, that the Federal Bureau of Investigation had investigated the facts and had found that only 2 of them were Communists, and had been dismissed.

Now, Mr. Speaker, what are the facts? The facts are that, under an amendment offered by the gentleman from Ohio, Mr. Jones, the House instructed and directed the Federal Bureau of Investigation in the following language:

"For personal services in the District of Columbia, $8,750,000, of which at least $100,000 shall be available exclusively to investigate the employees of every department, agency, and independent establishment of the Federal Government who are members of subversive organizations or advocate the overthrow of the Federal Government, and report its findings to Congress."

The language of this amendment is very clear. What the Congress was telling the Federal Bureau of Investigation was to investigate the employees of the Federal Government, determine who were members of subversive organizations, and report the facts to the Congress. As a matter of course, that mandate implied the necessity of determining what organizations are subversive. It was, therefore, incumbent upon the Department of Justice to report the facts to this Congress with regard to the number of Federal employees who belonged to subversive organizations, and the names of the subversive organizations.

I shall show you this afternoon that the Department of Justice has made no attempt to report these facts. I do not attack the Federal Bureau of Investigation because I believe it is one of the most efficient agencies of this Government. I do maintain, however, that the Attorney General, by his regulations and instructions in the beginning of the investigation, made it impossible for the Federal Bureau of Investigation to carry out the mandate of Congress.

Now, what did the Attorney General do? I have the report here of the Federal Bureau of Investigation. When the investigation was ordered by the Congress the Attorney General issued instructions to govern the FBI in the conduct of the investigation. In the instructions he told the FBI to forward all complaints to the heads of the employing agencies and those agencies that wanted the employees investigated could then request investigations from the FBI. The FBI would then, and only then, be authorized to conduct the investigations, and having done so it could report the facts without any recommendation. For 3 months, according to the FBI report, the FBI submitted 1,597 complaints to the heads of the employing agencies and received approximately 193 requests for investigation. This is important in order to understand the attitude of the employing agencies. In the first place, they were the men who employed these people in the first instance. They were, apparently, not anxious to have an investigation. However, they should have been, because during a critical moment in our history it had been demonstrated that the Nazis had worked through fifth columns, and was it not a matter of the greatest interest to the heads of agencies when they received 1,597 complaints from the FBI to immediately request an investigation of every complaint? But according to the FBI's report they did not receive more than 193 requests. They therefore lacked jurisdiction to proceed in accordance with the mandate of Congress. The Attorney General was then compelled to modify his order to require an investigation in the first instance by the FBI, but under the limitations that had been made on the investigations, the only thing the FBI could do was to submit to the heads of the employing agencies, some of whom belong to these very same organizations, the information and data collected by FBI agents, without any recommendation or opinion, and trust to the men who hired these people in the first instance to discharge them upon receipt of the information from the FBI.

Now, let us understand the attitutde of some of these employing agencies. In 1938, when our committee exposed the American League for Peace and Democracy, which had

approximately 565 Government employees as members of the organization, some of the heads of the employing agencies denounced the committee in the press of the country and went so far as to say that they were proud of their membership in the American League. They defied the committee. They said they intended to continue their activities to recruit members for this organization. This was publicly announced at the time by some of the heads of these employing agencies.

In 1938 our committee had exposed beyond any question that the American League for Peace and Democracy was dominated and controlled by Communists, and our committee had also proved, by their own records, that the American League had gone on record in favor of securing positions for its members in defense industries so that in the event of war they could sabotage our war efforts.

Mr. Speaker, all that the Department of Justice has attempted to do in this report is to create a false impression throughout the country—the impression that our committee made some charges that were unfounded. I shall show you by the confidential memoranda of the Attorney General what he should have reported to this House. I have a photostatic copy of the confidential memoranda which was distributed by the Attorney General to the heads of the respective departments, in which he branded 12 organizations as Communist-controlled organizations. I shall further make the statement that according to the FBI's own report, they did not investigate 1,124 submitted by us to them, that they actually investigated 601, and that they received replies from 501; and I here and now on my own responsibility make the positive assertion that if the subcommittee of the Committee on Appropriations which originated this amendment will subpena the records of the FBI, they will find that the overwhelming majority of the 601 Government employees were members of these organizations.

Mr. Speaker, permit me to read what the Attorney General, in the confidential memoranda, said about these organizations that we were ridiculed throughout the country in 1938, 1939, and 1940 for calling Communists. Remember that Secretary Perkins and some of the Cabinet officers were publicly ridiculing us in the press of this country for suggesting that such organizations as the American League Against War and Fascism, the American League for Peace and Democracy, the American Youth Congress, the League of American Writers, and many others were Communist. When we made that statement in our reports, we were bitterly assailed as being Red baiters. I am going to read excerpts from the Attorney General's memoranda and ask unanimous consent that the entire document may be included in this RECORD for the benefit of any Member who has any doubt about these organizations, their nature, and their purpose.

Mr. McCARTHY. I also ask unanimous consent to have inserted in the body of the RECORD at this point the contents of a document which is marked "Strictly confidential." It is a listing of the American League Against War and Fascism, the American League for Peace and Democracy as Communist fronts.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Strictly confidential]

THE AMERICAN LEAGUE AGAINST WAR AND FASCISM—THE AMERICAN LEAGUE FOR PEACE AND DEMOCRACY

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation or charges of participation.

(It is assumed that each employee's case will be decided on all the facts presented in the report of the Federal Bureau of Investigation and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

(Please note that the statement is marked "Strictly confidential," and is available only for use in administration of the mandate of Public, No. 135.)

AMERICAN LEAGUE AGAINST WAR AND FASCISM

The American League Against War and Fascism is the first of three organizations established in the United States in an effort to create public sentiment on behalf of a foreign policy adapted to the interests of the Soviet Union. Its successor, the American League for Peace and Democracy, was established in 1937 and it, in turn, gave way in 1940 to the American Peace Mobilization which, since the German invasion of Russia and the establishment of a prowar policy by Communists in the United States, has been known as American People's Mobilization.

A world congress, devoted to the foundation in each country of a league against war and fascism, was held in Amsterdam in 1932, under the aegis of the Communist International. It was at this time that Communists throughout the world were teaching that capitalist forces were about to make war upon the Soviet Union. The danger that Hitler might soon come into power in Germany accentuated this belief. The American delegation to the congress was headed by H. W. L. Dana, an avowed Communist, who called his group a workers' delegation. In accordance with the resolutions of the congress, organizations having as their stated aim opposition to war and fascism were founded in the countries in which the Communist International maintained sections.

The American League Against War and Fascism was formally organized at the First United States Congress Against War and Fascism, held in New York City, September 29 to October 1, 1933. The manifesto of this congress called attention to the black cloud of imperialish war hanging over the world, and pointed to the National Recovery Administration, the Civilian Conservation Corps, and the other policies of the Roosevelt administration as indications of America's preparedness for war and fascism. Only in the Soviet Union, the manifesto continued, has the basic cause of war—monopolistic capitalism—been removed; the Soviet Union alone among the governments of the world proposes total disarmament; only by arousing and organizing the masses within each country for active struggle against the war policies of their own imperialist governments can war be effectively combated. The program of the first congress called for the end of the Roosevelt policies of imperialism and for the support of the peace policies of the Soviet Union, for opposition to all attempts to weaken the Soviet Union, and for effective international support to all workers and antiwar fighters against their own imperialist governments. Subsequent congresses, in 1934 and 1936, reflected the same program.

The close affiliation of the American League Against War and Fascism with the Communist movement in the United States is manifest both in its program and in the statements about it by Communist leaders. Earl Browder, general secretary and leader of the Communist Party, United States of America, called the league a transmission belt of the Communist Party. He defined a transmission belt as a tactic by which the Communists attempt to reach the masses of the people. Further, he described it as an outstanding part of the united-front effort of the Communist Party. The united front, according to Browder, is a question of fundamental strategy, a basic policy of struggle for class unity of workers against the bourgeoisie. Its program, he declared, is so clear and definite in facing the basic issues that to carry it out in fact entails clearly revolutionary consequences; it has never tried to avoid the issue of Communist Party participation in this broad united front. Browder has stated that when the party was forced to go underground on the west coast in 1934 it stood up well, for already on August 1 in San Francisco the party broke through the terror, holding an open public meeting under the auspices of the American League Against War and Fascism.

The first head of the league, J. B. Matthews, who later renounced communism, has often written and testified concerning the Communist participation in its establishment and program. Dr. Harry F. Ward, who succeeded Matthews as its chairman, declared its purpose to be to promote a wider understanding of the peace policies of the Soviet Union and to cooperate with other agencies to prevent an attack on the Soviet Union. Ward also stated that there was no way to organize peace constructively except by adopting throughout the world the basic organization on which the Soviet Union is founded. It was through Dr. Ward and the Methodist Federation for Social Action, of which he has long been a leader, that Earl Browder declared the league served the party as a contact with those church organizations which are for the destruction of capitalist society.

At its ninth annual convention in 1936 the Communist Party, United States of America, resolved that it would work untiringly to help widen the basis of the league, especially among the trade-unions and farm organizations. In this connection, Party Organizer, September 1935, the organ of the central committee of the Communist Party, United States of America, stated that our party did its utmost at the beginning to build the American League, which must become the main instrument * * * for the defense of the Soviet Union. * * * We must show them [the masses] that we are the real driving force of the movement, and in this way, by our example, create new enthusiasm, new impetus for the masses to march forward.

Communist affiliation with the American league was reflected in the membership and the leadership which installed Earl Browder as vice president and many Communist leaders on the executive board. Resolutions and manifestos of the league were printed in official Communist publications, and the Federal Bureau of Investigation reports from confidential sources that the league is among those organizations which received financial assistance from the Amtorg Trading Corp.

Communist control of the peace movement outside of Russia was revealed in a report to the Seventh World Congress of the Communist International held in Moscow in 1935 in which it was stated that "we must penetrate among the pacifist masses and carry out the work of enlightenment among them, using forms of organization and action which are adapted to the level of consciousness of these masses and which give them the possibility of taking the first step in the effective struggle against war and capitalism. We must take two things into account. The first is that the organization of the pacifist masses cannot and must not be a Communist organization; the second is that in working in this organization Communists must never give up explaining with the greatest patience and insistence their own point of view on all the problems of the struggle against war."

AMERICAN LEAGUE FOR PEACE AND DEMOCRACY

In accordance with the final statement of this report to the Seventh World Congress—that the organization of the pacifist masses cannot and must not be a Communist organ-

ization—and in accordance with the so-called Trojan-horse policy, adopted at the same world congress, by which Communists seek to penetrate many organizations without revealing their identity, the American League Against War and Fascism at its fourth congress in 1937 became the American League for Peace and Democracy. It has been reported that the reason for the change in name may be found in the fact that the original organization had become widely identified in the popular mind as a Communist-controlled group.

The program of the new league reflected the change in tactics. References to the Soviet Union were omitted. The first items in the program referred to the rights of labor and called for the defeat of legislation attempting to compel incorporation of trade-unions or the inspection of union finances. Guaranties to Negro people and the foreign-born and the demand for an antilynching law followed. The program called for the promotion of the people's boycott of Japanese goods and for the removal of restrictions on shipments to China and Spain. The same program was reflected at the fifth congress of the league, held in January 1939, with the addition of a demand for the abolition of the poll tax, the strengthening of the Wagner Act, and opposition to antisemitic propaganda. In all of these policies the league was following the Communist Party line.

The American league was composed of national and local organizations. The highest governing body was nominally the national congress operating through the national committee, representation on which was based on the membership in affiliated organizations. The national committee in turn was controlled by the executive board on which were several Communists. Funds were collected from members and affiliates and J. B. Matthews, former head of the American League Against War and Fascism, wrote that when the league could not secure sufficient funds in this way it would first call on someone like Corliss Lamont, the Communist "angel," and in the most extreme cases would call upon Earl Browder.

Communists boasted of their control of the American League Against War and Fascism. The Communist Party, the Young Communist League, most Communist-front organizations, and Communist leaders were openly affiliated with it. The American League for Peace and Democracy, on the other hand, was designed to conceal Communist control, in accordance with the new tactics of the Communist International. The adoption of a new name and the broadening of the program to include measures and policies calculated to enlist a wider support in no way lessened the Communist control and direction of the league.

Mr. McCARTHY. I also ask unanimous consent to insert in the RECORD at this point another document marked "Strictly confidential," entitled "American Peace Mobilization, 'Now Called American People's Mobilization'," which is the listing of it as a Communist-front organization.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Strictly confidential]

AMERICAN PEACE MOBILIZATION (NOW CALLED AMERICAN PEOPLE'S MOBILIZATION)

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation of charges of participation.

(It is assumed that each employee's case will be decided on all the facts presented in the report of the Federal Bureau of Investigation and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

(Please note that the statement is marked "Strictly confidential" and is available only for use in administration of the mandate of Public, No. 135.)

American Peace Mobilization was formed in the summer of 1940 under the auspices of the Communist Party and the Young Communist League as a "front" organization designed to mold American opinion against participation in the war against Germany. Its existence terminated within a month after the German invasion of Russia when it became American People's Mobilization and adopted a program favoring complete assistance to Britain, Russia, and China. American Peace Mobilization attracted to its fold two types of members: The Communists and fellow travelers ever ready to promote party interest or follow the party line and those Americans devoted to the maintenance of peace who were for the most part unaware, at least before the German invasion of Russia, of the Communist control of American Peace Mobilization.

American Peace Mobilization had two predecessor organizations. The first, the American League Against War and Fascism, had its origin in 1932, when the Communist International, fearing a European war against the Soviet Union, directed its sections throughout the world to stimulate peace movements in their respective countries. Earl Browder, general secretary and chief officer, testified before the Dies committee that the Communist Party participated actively in forming the league. When Russia began making a military alliance with France in 1935, these movements gradually were allowed to lapse throughout the world, and in the United States the American League Against War and Fascism was succeeded by the American League for Peace and Democracy. Browder has characterized this second organization as a "transmission belt" of the Communist Party. He defined a "transmission belt" as a technical term referring to the tactics whereby the Communists established their relations with the masses of people. Both the League Against War and Fascism and the League for Peace and Democracy followed the customary Communist tactic of placing prominent non-Communists in titular positions, while Communists themselves took the controlling positions. In addition to the Communists who supported them as a matter of party policy, both organizations attracted to their membership many unsuspecting persons.

The American Peace Mobilization was by its own definition open to everyone. It was formally founded at a meeting in Chicago at the end of August 1940, known as the Emergency Peace Mobilization. Although the Communist Party as such did not only participate in the propagandizing for and organizing of this meeting, its workers' schools in collaboration with the American Youth Congress and other Communist-front organizations took a prominent part throughout this meeting. In addition, American Peace Mobilization sponsored the march on Washington, January 25–27, 1941, when the delegates attempted to picket the Capitol and to see congressional and administration leaders. Later, on April 4 and 5, 1941, it sponsored the so-called American People's meeting in New York City. These meetings were dominated by leaders of Communist-front organizations and the programs and pamphlets issued in connection with these meetings contained advertisements and greetings of Communist-penetrated organizations.

During its existence of less than a year American Peace Mobilization was concerned with keeping America out of the imperialist war. It directed its attention chiefly to the Burke-Wadsworth bill for conscription and the lend-lease bill. Its aims were not limited to this legislation, but included a number calculated to enlist wider support. It called for the end of discrimination against Negroes, aliens, and Jews. It demanded a restitution of constitutional rights, the passage of anti-poll tax and social legislation, and it condemned legal proceedings then pending against Harry Bridges and Earl Browder. It attacked the Dies committee and its investigation of such genuinely democratic groups as International Labor Defense and the Transport Workers' Union. It sponsored meetings in collaboration with such Communist-penetrated organizations as the American Youth Congress, Workers Alliance, and the National Negro Congress, and it collaborated closely and sponsored meetings jointly with such an important Communist organization as the International Workers' Order. It continually attacked the Churchill government and the Tory imperialism of Britain. Each of the foregoing positions conformed exactly to Communist Party line. American Peace Mobilization numbered among its officers and sponsors several leading Communists and the heads of several Communist-penetrated groups.

The most conspicuous activity of American Peace Mobilization was the picketing of the White House, which began in April 1941, in protest against lend-lease and the entire national defense program of the administration. On June 17, 1941, Frederick V. Field, national secretary, who had called for the picketing of the White House, stated the aims of the organization once more. He said that there was widely propagandized in America a myth of two alternatives: That of a Nazi-dominated world or a victory of British-United States imperialism. The American Peace Mobilization program afforded a third possibility: Keep America out of Europe's war, improve the standard of living, retain and defend our constitutional liberties, and work for a people's peace. It was Field who had called the Selective Service and Training Act of 1940 a spearhead of the attacks on our democracy, and the national defense program a part of the march toward fascism, and who a week after the German invasion of Russia stated that in view of the new world situation America should give full aid to Britain, Russia, and China.

Just 4 days after Field had redefined the aims of American Peace Mobilization, on the afternoon of June 21, 1941, he suddenly called off the picket line around the White House. Eight hours thereafter German armies had crossed the Russian frontier. Within 1 week American Peace Mobilization stated that the international situation had changed and that the national board of the organization had adopted a new program which called for aid to the Soviet Union against the forces of the Nazi military machine. Three weeks later American Peace Mobilization explained that to meet the needs created by the "new world situation"—a phrase which featured all official Communist literature of that time and since—American Peace Mobilization was changing its name to American People's Mobilization and henceforth was adopting the "V" slogan for "victory over fascism." At the same time, Field announced that arrangements were being made for an American tour by the dean of Canterbury, one of the leading English sympathizers with the Soviet Union and author of The Soviet Power, which was widely distributed by the Communist Party.

Ever since 1918, and before, there have been in existence in the United States organizations devoted to peace and to the goal of keeping America out of war. Not one of these organizations, however, was formally represented as an organization in any way in American Peace Mobilization. These organizations devoted to antiwar activities

have been continuously ignored in the columns of the Daily Worker and other Communist publications, whereas these same periodicals gave full support to American Peace Mobilization.

Membership in American Peace Mobilization cost only 50 cents, and for the unemployed 10 cents. Through a Nation-wide newspaper campaign calling on Americans to contribute a dime and become "volunteers for peace," it has been estimated by the Federal Bureau of Investigation that American Peace Mobilization numbered as members or contributors about 14,000,000 persons, the bulk of whom were undoubtedly unaware of the Communist control of American Peace Mobilization.

Mr. McCARTHY. I also ask unanimous consent to insert in the body of the RECORD at this point another document entitled "American Youth Congress," which is stamped "Strictly confidential."

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Strictly confidential]

AMERICAN YOUTH CONGRESS

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation of charges of participation.

(It is assumed that each employee's case will be decided on all the facts presented in the report of the Federal Bureau of Investigation and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

(Please note that the statement is marked "Strictly confidential" and is available only for use in administration of the mandate of Public, No. 135.)

The American Youth Congress is defined by its 1940 constitution as a "nonprofit, educational association to serve as a cooperating center and a clearing house for all youth organizations, youth-serving agencies, local, State, and regional youth councils and assemblies, and organizations desiring to promote the welfare of youth." It originated in 1934 and since its inception has been controlled by Communists and manipulated by them to influence the thought of American youth. The process has been described by a high official of the Communist International, referring specifically to the congress, as "the radicalization of the youth." Under such leadership and in the guise of a youth program, the force of opinion of the youth of America, expressed in the proceedings and resolutions of the American Youth Congress, purporting to be representative of the American youth organizations which compose it, has been rallied to the support of every position taken by the Communist Party upon issues relating to the foreign and domestic affairs of the United States.

The concept of a nonpolitical "congress" of American youth organizations originated with one Viola Ilma and was inspired by a similar gathering which she had attended in Europe in 1933. The first American Youth Congress, held at New York in August 1934, was attended by delegates from a broad range of representative national organizations. Prior to the congress and at its opening session, however, the Young Communist League in collaboration with certain Socialist and pacifist groups set in motion a series of maneuvers which resulted in the ouster of Miss Ilma and the establishment of Communist control which never has been relinquished.

Corroboration of the conquest of the American Youth Congress by the Young Communist League is to be found in the admissions of innumerable Communist speeches and writings. In an address before the Seventh World Congress at Moscow in 1935, Otto Kuusinen, who is a member of the executive committee, its presidium, and secretariat of the Communist International, and one of the most powerful figures in the Communist world, said:

"Comrades, the Young Communist League of the United States, headed by Comrade Green, went to the American Youth Congress and achieved a great success. The congress was transformed into a great united front of radical youth, and when somewhat later a second general youth congress was held, our young comrades already enjoyed a position of authority in it. The Communists alone have been able to foster the radicalization of the youth in bourgeoisie organization."

The first American Youth Congress claimed to speak for 79 organizations having a total membership of 1,700,000. Although essentially dedicated to a program for youth, the congress promptly declared "We do not believe that the fundamental problems before us are special youth problems, amenable to solution by special youth demands alone. We declare that they are the general problems of the masses of the people * * *" and called for a "youth movement * * * to work for the building of a new social order, based upon production for use rather than for profits." It thereupon adopted a series of favoring resolutions substantially setting forth the Communist Party program of that day.

The congress likewise adopted a "resolution against war and fascism." Its preamble observes in part:

"Today, on the twentieth anniversary of the last war, American youth again faces the danger of a new war. * * * Hitler and Japan are trying to forge a united front for war against the Soviet Union. * * * The events since the last war prove the futility of depending on statesmen and upon disarmament gatherings to end war. The only constructive proposal toward peace at these conferences have been offered by the Soviet Union. * * * The recent trend toward fascism has been looked on with terror by all right-thinking sections of the people. * * * The last year has witnessed a growing trend toward fascism and preparation for war in the United States. * * * Many strikes have been met with the use of militia. Poison gas and rifles are frequently used as weapons to smash labor's rights; lynchings have increased, as well as anti-Semitism. Vigilantes' raids on strikes in San Francisco and the brutality of New York police with labor pickets indicates that the weapon of Fascist tendencies exists from coast to coast."

The congress, therefore, pledged itself to work for the abolition of all forms of military training in high schools and colleges, the diversion of military funds for increased educational and relief expenditures and facilities, the abolition of the Citizens' Military Training Corps, opposition to the use of the National Guard against labor organizations and activities, the freedom of all imprisoned in Fascist countries for their opposition to fascism and the defense of the democratic rights gained by the masses of the people, opposition to all forms of exploitation and hatred directed against national and racial minorities, especially Negroes, Mexicans, Japanese, Jews, etc., and the immediate withdrawal of all American armed forces from colonial countries such as China and the Philippines, and for the support of the peace proposals of the Soviet Union for complete disarmament. The record of each succeeding congress reflects a similar conformity to Communist Party line.

The above resolutions are to be found in a pamphlet entitled "Program of American Youth Congress," published by its continuations committee and printed by Prompt Press, which prints the bulk of the literature issued by the Communist Party and its affiliates and is reliably known to be owned by the Communist Party.

As indicated by its 1934 resolution, the league opposed war and fascism. In common with all Communist organizations, it subsequently opposed the imperialist war and attacked the lease-lend bill, the Burke-Wadsworth bill, which subsequently became the Selective Service and Training Act, and all legislation directed toward military preparation for defense. It participated in peace demonstrations and sponsored town meetings throughout the United States to oppose America's entry into the war. The chief of these town meetings was held at Washington, D. C., in February 1941. Subsequent to the Nazi invasion of Russia in June 1941, however, the congress reversed its position, and at its congress held at Philadelphia only 2 weeks thereafter passed a resolution pledging full support to the British and Russians in their fight against the Nazis. A second resolution adopted at that convention voiced opposition to any appeasement toward Japanese aggression against China, proposed an embargo on war materials for Japan, and at the same time asked that all restrictions be lifted on the purchase of war materials by the Chinese.

The organization grew in strength, probably reaching the peak of its influence in 1939 when it claimed to speak for over 500 national and local organizations. Due to its communistic leadership and policies, however, a number of organizations thereafter withdrew and at its 1940 convention only 177 organizations and 67 local and neighborhood councils were represented, many of which were merely paper organizations which, if not completely nonexistent, consisted of a local Young Communistic League member endeavoring to secure some sort of local sponsorship. Unquestionably, there were legitimate, non-Communist delegates at the conference, but there were equally as many representing little more than themselves. The report of the credentials committee of the 1940 congress claimed, notwithstanding, to represent 5,159,499 young people in America.

The report of the credentials committee of the 1941 congress, held at Philadelphia, as reflected by the Washington Post of July 7, 1941, claimed a representation of 1,110 youth councils, student, religious, labor, farm, social, and fraternal organizations having 5,463,760 members. Such statistics, however, are valueless because of the duplication of representation and the exaggerated tabulating methods used whereby the membership of each attending local branch of an organization is added to the total membership of the national organization which includes it; a representation chosen by a packed minority at an underattended local meeting is presumed to speak for an unverified total membership.

The extent of Communist control is indicated by the following facts relative to the 1940 congress held at Lake Geneva, Wis. Representatives included 15 known Communist-controlled or led organizations, 7 similarly controlled or led labor unions whose policies have followed every turn of the Communist Party line, and a number of fellow-traveler organizations. Its credentials committee had a minimum Communist majority of 6 to 4; its constitution committee a majority of 7 to 3; its nominations committee a minimum of 8 to 7; its rules committee a majority of 4 to 1; and its resolutions committee a probable majority of 10 to 8. The congress cabinet was controlled by the Young Communist League by 18 to 15. The poor representation of the non-Communist majority operated to strengthen Communist control but at the same time rendered the congress less effective as a Com-

munist vehicle because of its greater exposure as a Communist Party front organization. For this reason, Communists are struggling to retain nonparty support and to continue a sufficient number of non-Communists in office to preserve a nonpolitical appearance without sacrificing control.

Throughtout its existence the officers of American Youth Congress unquestionably have included persons who were non-Communists. The majority of the officers, however, have always been identifiable with Communist Party or known party affiliates. The congress publishes a magazine entitled "Winner," the editor of which is Barry Wood, Communist Party name for Jeff Kimbre, well-known party leader of southern California. Officers of the congress individually have taken part in Communist Party functions regularly. This close association between the congress and the party and its affiliates has been notorious from the outset.

Mr. McCARTHY. I also ask unanimous consent to insert in the body of the RECORD at this point another document, entitled "League of American Writers," stamped "Strictly confidential."

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Strictly confidential]

LEAGUE OF AMERICAN WRITERS

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation of charges of participation.

(It is assumed that each employee's case will be decided on all the facts presented in the report of the FBI and elicited, where a hearing is ordered, by the Board or committee before which the employee is given an opportunity to appear.

(Please note that the statement is marked "Strictly confidential" and is available only for use in administration of the mandate of Public, No. 135.)

The League of American Writers, founded under Communist auspices in 1935, for some years attracted to its fold many of the most prominent American writers, Communist and non-Communist. In 1939 the league began openly to follow the Communist Party line as dictated by the foreign policy of the Soviet Union, and at that time most of the non-Communists disaffiliated themselves from it and declared their opposition to its policy.

The League of American Writers was founded at a congress of American revolutionary writers held in New York City, April 26–27, 1935. The call for the congress was signed by members of the John Reed Club, including such well-known Communists as Earl Browder, Isidor Schneider, John L. Spivak, and Michael Gold. The congress greeted Gold as the best-loved American revolutionary writer, and Gold in turn told the gathering that "Our writers must learn that the working class which has created a great civilizat'on in the Soviet Union is capable of creating a similar civilization in this country." The leading speakers at the congress were all prominently identified with the Communist movement in the United States and featured such men as M. J. Olgin, editor of the Communist Yiddish daily, Morning Freiheit, Alexander Trachtenberg, head of the party's publishing house, International Publishers, Inc., and Clarence Hathaway, editor of the Daily Worker, whose masthead then proclaimed it the official organ of the Communist Party, United States of America, section of the Communist International. The league was created, among other things, to enlist writers in a national cultural organization for peace and democracy and against fascism and reaction, to support progressive trade-union organizations and the people's front in all countries, and to cooperate with the progressive forces.

Soon after the league was established, the Seventh World Congress of the Communist International in Moscow decided upon the Trojan-horse policy for Communist parties everywhere. By this policy Communists sought to infiltrate existing organizations without revealing their identity. Accordingly, it became necessary to conceal the Communist influence in the League of American Writers. The revolutionary slogans and resolutions were discarded. In the years from 1936 to 1939 the league made an effort to secure as members the leaders of liberal thought among American writers. Although its Communist control was deliberately obscured, it sponsored a policy which accorded with the Communist Party line in those years, including condemnation of the Franco revolution in Spain and an interpretation of that revolution as presenting an issue of communism versus fascism. In its congresses held in these years the league condemned fascism and praised the "Soviet peace policy." It sought to make its program attractive by sponsoring the Federal arts project and attacking those who were opposed to any of the social legislation then being enacted in the United States

At the time of the Russo-German pact in August 1939 the League of American Writers began once more to follow the Communist Party line openly and without much attempt at dissimulation. It was in this period that most of the prominent non-Communist writers resigned from the league. Thomas Mann stated that the league "thinks too much about politics and not enough about literature." In 1940 and up until June 22, 1941, the league devoted its efforts principally to keeping the United States out of the "imperialist war." Its activities were featured in the Daily Worker, and it in turn complimented the Daily Worker for the recognition it was giving to the league's anti-war program. Many leading Communists were openly active in the league at this time.

On June 6, 1941, the league held its Fourth Annual Writers' Congress in New York City. It condemned the "imperialist war," which it called a war for world markets. Speakers charged that the President was attempting to lead the country into war, and condemned the administration for its action in sending troops to quell the North American Aviation Co. strike and for its prosecution of Harry Bridges. The American Peace Mobilization and its picketing of the White House was endorsed. Less than a month later the league issued a call to all writers and writers' organizations for "all immediate and necessary steps in support of Great Britain and the Soviet Union."

Not only did the league follow the Communist Party line in regard to foreign affairs, but its program since 1940 has shown a close parallel to the leading domestic issues supported by the party, including a campaign in behalf of Negro rights, opposition to what is called political persecution in the United States, and praise of the Soviet Union and its leaders.

The League of American Writers maintains an annual writers' school in New York City, featuring courses in labor journalism and pamphlet writing taught by Communists. Once each week it sponsors a "work in progress" reading by some author. The Daily Worker, in its regular reports of these readings, indicates that the majority of invited readers are known Communists or fellow travelers.

The overt activities of the League of American Writers in the last 2 years leave little doubt of its Communist control. The resignations of many writers who had affiliated themselves with it in the era of the Trojan horse and their statements at the time of disassociating themselves from it largely remove all possible speculation as to the facts.

Mr. McCARTHY. I also ask unanimous consent to insert in the body of the RECORD at this point another document, entitled "National Committee for the Defense of Political Prisoners and National Committee for People's Rights," again stamped "Strictly confidential."

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Strictly confidential]

NATIONAL COMMITTEE FOR THE DEFENSE OF POLITICAL PRISONERS AND NATIONAL COMMITTEE FOR PEOPLE'S RIGHTS

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation of charges of participation.

(It is assumed that each employee's case will be decided on all the facts presented in the report of the Federal Bureau of Investigation and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

(Please note that the statement is marked "Strictly confidential" and is available only for use in administration of the mandate of Public, No. 135.)

The National Committee for the Defense of Political Prisoners is an organization created ostensibly to support and defend civil liberties. In January 1938 its name was changed to the National Committee for People's Rights although so far as known, no substantial change was made in its set-up or functions. At the present time it is referred to interchangeably under both names.

Information regarding this organization is limited. It is not known when the National Committee for the Defense of Political Prisoners was formed but there is a record of its meeting as early as July 1921. At that time it appeared to follow an anarchistic trend and not to be connected with the Communist Party. In fact, a meeting held at New Orleans in 1925 was reported to have been broken up by Communists when a speaker attempted to address it regarding "Political Prisoners of Russia." Communist penetration appears to have begun about 1926 when Elizabeth Gurley Flynn, its then secretary, who was active in the International Workers of the World and the Peoples' Council, a radical organization, joined the Communist Party. She is presently a member of the party's national committee and one of its outstanding leaders.

Information secured from confidential informants, in a position to speak reliably, indicates that the National Committee for the Defense of Political Prisoners is substantially equivalent to International Labor Defense, legal arm of the Communist Party. Unlike International Labor Defense, however, which operates principally among the middle and lower classes, the subject organization caters to financially and socially prominent liberals to attract the influence of their patronage and their contributions in support of civil liberties cases selected for defense. Its membership, which in 1937 was stated under oath by a southern official to number approximately 150 persons, has never been sought to be increased substantially. It maintains a national office in New York City and from time to time has had branch offices at Boston, Philadelphia, Cleveland, and in northern and southern California. The organization works through local branch offices opened in the locality of an alleged "political persecution" selected for representation. Such local offices conduct publicity campaigns through press releases and solicit funds to defray the cost

of defending the alleged victims and of supporting their dependents during and after trial.

Information of the confidential character referred to above is to the effect that for a number of years past the NCDPP or NCPR has been infiltrated and controlled by the Communist Party. In one instance an informant reported that it received financial support from Amtorg Trading Co., the principal Soviet commercial agency in the United States, while another informant stated that funds of the NCDPP has been diverted to Communist Party uses. These allegations are supported by substantial evidence.

For years persons prominently identified with communism in this country have been associated with it, including members of the national committee of the Communist Party, Communist State officers, a present coowner of the Daily Worker, and numerous fellow travelers who were also closely associated with various Communist-front organizations, contributors to Communist publications, and otherwise outstanding in Communist activities. A former national chairman of the NCDPP, a member of the Communist Party, United States of America is confidentially reported to have toured the country with a German "political prisoner," lecturing on conditions in Germany and raising considerable funds, a portion of which were diverted to Communist Party uses. The organization has also collaborated with many other known Communist-front groups in their activities. According to another confidential source, plans for agitation and organization of the unemployed in the State of New York, leading eventually to the national hunger march of 1931, were partially formulated at its national office. It is significant that the cases selected for defense, so far as known, have, without exception, been those of Communists or cases publicized by the Communist Party.

The NCDPP figured prominently in demonstrations on behalf of the Scottsboro boys; vigorously protested the prosecution of Angelo Herndon, presently a high Communist official; condemned the "persecution" of William Schneiderman, California State secretary of the Communist Party, and Earl Browder, general secretary of the Communist Party, United States of America; came to the fore in defense of individuals prosecuted for soliciting recruits for armies of Loyalist Spain; defended those prosecuted for procuring forged signatures to a Communist election petition in Pennsylvania; organized the Oklahoma Committee to Defend Political Prisoners; and solicited funds and sought to obtain as much Nation-wide publicity as possible on behalf of Robert Wood, Oklahoma State secretary of the Communist Party, and his Communist codefendants in the recent syndicalism trials in that State.

It also has followed the Communist Party line in numerous instances, condemning the Dies committee and the methods of the Federal Bureau of Investigation, the use of troops in connection with the North American Aviation Co. strike in California in June 1941, and protesting the administration's foreign policy prior to the Nazi attack on Russia. Subsequent to the invasion it sponsored a people's meeting.

The organization has also engaged in activities which are not strictly civil liberties in character. In April 1938, for example, it cooperated with the Congress of Industrial Organizations, the American Civil Liberties Union, International Labor Defense, American League for Peace and Democracy, and Workers Defense League in staging a New Jersey Congress of Industrial Organizations organizing rally. In addition, it conducted an investigation of mining conditions in the States of Kansas, Missouri, and Oklahoma with particular regard to the development of silicotic and tubercular conditions. In connection with this project a former Kansas Communist State official testified before the Dies committee that the extensive correspondence between himself and various governmental agencies on silicosis in those States, introduced into evidence, had been prepared by the Communist Party headquarters in New York City and dispatched by him on behalf of the NCPR. Testimony before the Dies committee has characterized the NCDPP or NCPR as a "transmission belt" or front for the Communist Party.

Mr. McCARTHY. I also ask unanimous consent to insert in the body of the RECORD at this point another document entitled "The National Federation for Constitutional Liberties," again stamped "Strictly confidential."

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Strictly confidential]

THE NATIONAL FEDERATION FOR CONSTITUTIONAL LIBERTIES

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you without undue burden of detail with the nature of the evidence which has appeared to warrant an investigation of charges of participation.

(It is assumed that each employee's case will be decided on all the facts presented in the report of the Federal Bureau of Investigation and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

(Please note that the statement is marked "Strictly confidential" and is available only for use in administration of the mandate of Public, No. 135.)

The National Federation for Constitutional Liberties, with headquarters in Washington, D. C., and affiliates throughout the United States, is part of what Lenin called the solar system of organizations, ostensibly having no connection with the Communist Party, by which Communists attempt to create sympathizers and supporters of their program among those who would never affiliate themselves openly with the party. Membership in the national federation or its affiliates likewise consists of those sympathetic to the stated aims of the organization, who may or may not be aware of its Communist control, as well as party members and fellow travelers.

The National Federation for Constitutional Liberties was established as a result of a conference on constitutional liberties held in Washington, D. C., June 7–9, 1940. Sixty-one organizations are said to have participated in this conference. In a pamphlet issued by the national federation it is stated that it was organized to coordinate several existing organizations concerned with the preservation and further realization of democratic rights as guaranteed by the Constitution. It has affiliates or chapters in various parts of the country, such as the Oklahoma Federation for Constitutional Rights, the Michigan Civil Rights Federation, and the Washington Committee for Democratic Action. Its method of operation, like that of International Labor Defense, the legal-aid arm of the Communist Party with which it is closely affiliated, is the creation of special committees for specific cases.

In one of its publications the federation states that it was founded because our constitutional guaranties are in danger, "as individuals we are powerless, but all together we are strong." The program of the federation seeks wider support by calling for the maintenance of the Bill of Rights, the preservation of the Wagner Act and of the guaranties to labor, the end of persecution of labor unions and aliens, and the repeal of poll-tax legislation. It demands the end of the "Gestapo activities" of the Federal Bureau of Investigation and the abolition of the Dies committee.

The program of the federation parallels closely the Communist Party line of 1940. This adherence to the party line is illustrated by the opposition, contained in much of the federation's pamphlet literature, to compulsory military training, which "would introduce dangerous major steps in the direction of Fascist control over the entire life of the community and especially over the labor movement." It was at this time that Communists were opposing conscription and the entire national defense program. One of the tactics which they used to attack the program was the emphasis on the threat to civil liberties and the rights of labor and of minority groups. Thus the National Federation the Constitutional Liberties served a useful function to Communists as it declared that "Ours is the task of true national defense."

The national federation represents the principle of interlocking leadership common to Communist-front and penetrated organizations. Owen A. Knox, the national chairman—resigned September 30, 1941—for example, is treasurer of the Michigan Civil Rights Federation and a member of the National Committee of International Labor Defense and of the Citizens Committee To Free Earl Browder. Most of the national sponsors and most of the national executive committee and many of the local heads of the federation are leaders of Communist organizations or are prominently identified with Communist activities.

The activities of the national federation have been manifest chiefly in the various committees specially created for the defense of certain individuals. The defenses of Communist leaders such as Sam Darcy and Robert Wood, party secretaries for Pennsylvania and Oklahoma, have been major efforts of the federation. Through pamphlet literature and by appearances of members before legislative committees, the federation has also been active in behalf of or in opposition to legislation. It has led the recent fight against the continuance of the Dies committee, taken up by all Communist-front organizations throughout the country. In both these aspects it has operated in close affiliation with the International Labor Defense. The latter has now become clearly identified as a Communist organization and has thus lost much of its usefulness in attracting adherents. The National Federation for Constitutional Liberties is one of the equivalent organizations set up to attract those who would not openly affiliate themselves with Communist groups if apprised of the facts.

Mr. McCARTHY. I also ask unanimous consent to insert in the body of the RECORD at this point another document entitled "National Negro Congress," stamped "Strictly confidential."

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Strictly confidential]

NATIONAL NEGRO CONGRESS

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation of charges of participation.

(It is assumed that each employee's case will be decided on all the facts presented in the report of the Federal Bureau of Investigation and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

(Please note that the statement is marked "Strictly confidential" and is available only

for use in administration of the mandate of Public, No. 135).

The National Negro Congress is a federated organization of affiliated National, State, local, and community bodies which, according to the preamble of its constitution, "seeks to unite the Negro people and all friends of Negro freedom for complete social justice and full citizenship for the Negro Americans." Its stated aims and purposes include the abolition of Negro discrimination and intolerance, promotion of trade-unionism, broader employment opportunities, education and housing for colored people, and the spread of "truth regarding their traditions and contributions to American democracy." Earl Browder testified before the Dies committee, however, that it functions as a "transmission belt" for the Communist Party, and it has been characterized by James W. Ford, Communist Party Negro leader, as "a broadening of the people's front in America."

The National Negro Congress was proposed in May 1935 by a "national sponsoring committee," ostensibly unidentified with any organization, which issued a call for a convention, or congress, to be held at Chicago in February 1936. At this first congress A. Phillip Randolph, the president of the organization, in a keynote address, condemned the "hard, deceptive, and brutal capitalist order," and proclaimed that "the maneuvering and disposing of the forces of Negro peoples and their sympathetic allies against their enemies can only be effectively worked out through the tactics and strategy of the united front." He denied that the National Negro Congress was dominated by Communists or that he and John P. Davis, whom he described as "the moving spirit of the congress and secretary," were Communists although he was "willing to go down fighting for the rights of any Negro to exercise his constitutional right as a free man to join the Communist Party or any other party he may choose to join." Davis in fact was a prominent Communist Party "front" organization leader. Subsequently, however, at the Third National Negro Congress in April 1940, Randolph refused to be a candidate for the presidency of the organization on the ground that it was "deliberately packed with Communists and Congress of Industrial Organizations members who were either Communists or sympathizers with Communists.

Commencing with its formation in 1936, Communist Party functionaries and "fellow travelers" have figured prominently in the leadership and affairs of the congress. One of the principal speeches before the first congress in 1936 was delivered by James W. Ford, the perennial Communist Negro Vice-Presidential candidate, who previously, in 1935, had told the plenum of the central committee of the Communist Party that the National Negro Congress "promises to be one of the broadest movements ever organized among the Negroes of this country," which "the Communist Party endorses." Active at this congress also were Benjamin Davis, Jr., and Louise Thompson, both members of the central committee of the Communist Party, and Edward E. Strong, the chairman of the presiding committee of the youth section of the congress, a leader of the Young Communist League. The Second National Negro Congress, held in October 1937, was likewise addressed by leading Communists or fellow travelers, including James W. Ford, Clarence Hathaway, former editor of the Daily Worker, Dr. Harry F. Ward, chairman of the American League for Peace and Democracy, Louise Thompson and her husband, William E. Patterson, also a prominent Communist leader and vice president of International Labor Defense.

The National Negro Congress, throughout its existence, has closely followed the Communist Party lines, espousing causes and adopting issues sponsored by the party, and with regard thereto has sought to affiliate itself and form united fronts with other organizations. It has characterized all legislation deemed a threat to the civil liberties of Communists or any alien or minority group as repressive and Fascist and has endorsed the defense of the Scottsboro boys, Angelo Herndon, and Tom Mooney. It is also actively engaged in the current campaigns to free Earl Browder and for the discontinuance of the Dies committee. In the field of American foreign policy it called for united action on the part of the democracies (including the Soviet Union) against fascism prior to the Russo-German pact of nonaggression, but after the signing of the pact assailed the imperialist conflict as having nothing to do with saving and extending democracy. When the Nazis attacked Russia, however, the leaders of the congress advocated all-out aid to the Soviet Union and urged immediate entrance of the United States into the war on the side of Britain and the Allies.

In the fields of activity normally attractive to Negro organizations, the National Negro Congress has been an agitational force against lynching and all forms of so-called Negro discrimination, lobbying for or against legislation on such questions through mass demonstrations, picket lines, telegrams, letters, and petitions. In the field of organized labor it has assisted the unions in their strikes and organizational work, and advocates union membership for all Negroes. Presently it is in the forefront of the struggle, along with numerous other penetrated or Communist-led Negro organizations, for increased employment of colored persons in war industries, greater opportunities for the Negro in the Army and Navy, and for additional civil rights.

Throughout its existence, the congress has worked closely with other Communist-front organizations, all of which has been faithfully reported in the Communist press. Leaders of these groups are guests or speakers at functions of the congress or send their greetings and pledges of support, which, in turn, are reciprocated by officers of the Negro congress. It frequently joins such organizations in sponsoring meetings and demonstrations and is affiliated with some of them, such as the American Council on Soviet Relations. From time to time the National Negro Congress has received financial aid from International Workers Orders, one of the strongest Communist organizations, and according to A. Phillip Randolph, John P. Davis, secretary of the congress, has admitted that the Communist Party contributed $100 a month to its support.

From the record of its activities and the composition of its governing bodies, there can be little doubt that it has served as what James W. Ford, elected to the executive committee in 1937, predicted "an important sector of the democratic front," sponsored and supported by the Communist Party.

Mr. McCARTHY. I also ask unanimous consent to have inserted in the body of the RECORD at this point another document entitled "Washington Cooperative Book Shop," again stamped "Strictly confidential."

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Strictly confidential]

WASHINGTON COOPERATIVE BOOK SHOP

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation of charges of participation.

(It is assumed that each employee's case will be decided on all the facts presented in the report of the Federal Bureau of Investigation and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

(Please note that the statement is marked "Strictly confidential," and is available only for use in administration of the mandate of Public, No. 135.)

The Washington Cooperative Book Shop, under the name "The Book Shop Association," was incorporated in the District of Columbia in 1938 for the stated purposes of providing a meeting place for persons interested in literary and cultural activities, providing for the cooperative purchase and resale of literature and works of art for the profit of its members as consumers, maintaining a r nting library and ticket service, and fostering other activities of a literary, educational, and cultural nature. The association is a nonstock corporation operated on the cooperative plan, with 9 trustees elected by the membership, which, according to its announcements, have numbered 1,000. It maintains a book shop and art gallery at 916 Seventeenth Street NW., Washington, D. C., where literature is sold and meetings and lectures are held.

Evidence of Communist penetration or control is reflected in the following: Among its stock the establishment has offered prominently for sale, books and literature identified with the Communist Party, and certain of its affiliates and front organizations, including works on the Communist Party of the Soviet Union, reports concerning American Youth Congress, literature of American Peace Mobilization, articles on the Young Communist League, and Communist periodicals, such as New Masses. In this connection the Washington News of May 22, 1941, reported that the Washington delegates to the People's Convention of the American Peace Mobilization at New York City in that year were advised that only at the Washington Cooperative Book Shop could they buy literature approved by that organization. Information received from confidential sources indicates that certain of the officers and employees of the book shop, including its manager and executive secretary, have been in close contact with local officials of the Communist Party of the District of Columbia. One member of the association has reported that he received literature, unsolicited, from the Communist Party of the District of Columbia, a circumstance which he attributed only to his membership in the association. In May 1941, Joseph Starobin, one of the editors of New Masses and a teacher at the Communist Party Workers School in New York City, lectured at the book shop, reportedly following the Communist Party line of that day, stressing the invincibility of the Soviet Union, and criticizing the Roosevelt administration. A quantity of literature of the type above described was displayed near the entrance of the book shop on that occasion.

In May 1941, the book shop desired to promote a membership drive and solicited the cooperation of the Cooperative League of the District of Columbia. The league, having received reports that the book shop was Communist-controlled, requested it to provide certain information. The information was not furnished and the book shop resigned from the league, stating it was doing so as a result of unfavorable publicity attached to the incident. At about the same time the Washington press carried news items reporting seizure by representatives of the Dies committee of a membership list of the book shop allegedly initialed to indicate those members who were regarded as "Stalinists." A meeting of the members of the book shop denied Communist control, and thereafter adopted a resolution disclaiming Communist domination and affirming adherence to the foreign policy of the administration.

In view of the nature of the enterprise, investigations of charges of participation in the Washington Cooperative Book Shop have

been restricted to exclude mere patrons or subscribers and to include only those fairly charged with participation in its administration.

Mr. McCARTHY. Here is an interesting document entitled "Washington Committee for Democratic Action," which is stamped "Strictly confidential." It is interesting to note that the then Attorney General, Francis Biddle, listed this organization as a Communist front. This is the Washington Committee for Democratic Action, as distinguished from the Americans for Democratic Action, although, under the leadership of Mr. Biddle and Mr. Rauh, there appears to be but very little difference between the Washington Committee for Democratic Action and the Americans for Democratic Action. I ask that this document, entitled "Washington Committee for Democratic Action," be printed in the body of the RECORD at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

[Strictly confidential]

WASHINGTON COMMITTEE FOR DEMOCRATIC ACTION

(NOTE.—The following statement does not purport to be a complete report on the organization named. It is intended only to acquaint you, without undue burden of detail, with the nature of the evidence which has appeared to warrant an investigation of charges of participation.

(It is assumed that each employee's case will be decided on all the facts presented in the report of the Federal Bureau of Investigation and elicited, where a hearing is ordered, by the board or committee before which the employee is given an opportunity to appear.

Please note that the statement is marked "Strictly confidential" and is available only for use in administration of the mandate of Public, No. 135.)

The Washington Committee for Democratic Action is the affiliate in the District of Columbia of the National Federation for Constitutional Liberties.

The National Federation is part of what Lenin called "the solar system of organizations," ostensibly having no connection with the Communist Party but by which Communists attempt to create sympathizers and supporters of their program among those who would never affiliate themselves openly with the party. It was established at a conference of some 61 organizations held at Washington June 7–9, 1940, and it operates through affiliates or chapters in various parts of the country. In a pamphlet issued by the federation it is stated that it was organized to coordinate several existing organizations concerned "with the present and future realization of democratic rights" as guaranteed by the Constitution. Its method of operation, like that of the International Labor Defense, the legal aid arm of the Communist Party with which it is closely affiliated, is the creation of special committees for specific cases.

The program of the federation is made attractive by including the maintenance of the Bill of Rights and the preservation of the Wagner Act and of the guaranties to labor, the end of persecution of labor unions and aliens, and the repeal of poll-tax legislation. It further demands the end of the "Gestapo activities" of the Federal Bureau of Investigation and the abolition of the Dies committee.

This announced program of the federation shows a close parallel to the Communist Party line of 1940. The adherence to the party line is convincingly illustrated by the opposition of the federation to compulsory military training at the time that Communists were opposing conscription and the entire national defense program. One of the Communist tactics was to attack the program by emphasizing the threat to civil liberties and the rights of labor and of minority groups. In this way the national federation served a useful function to the Communists.

The national federation represents also the principle of interlocking leadership common to Communist-front and penetrated organizations. Most of the national sponsors and leaders and many of the local heads of the federation are prominent in Communist organizations or closely identified with Communist activities.

As a local chapter of the national federation, the Washington Committee for Democratic Action is reportedly an outgrowth of part of the membership of the American League for Peace and Democracy, which dissolved in the spring of 1940. The date of its formation thus probably coincides approximately with that of its parent organization. Many of its members were also active in the league's successor, the American Peace Mobilization.

The program of the Washington committee followed that of the national federation. National Communist leaders have addressed its meetings, and conferences sponsored by it have been attended by representatives of prominent Communist-front organizations. It has actively supported the right of Communists to meet whenever they please without police intervention and has otherwise followed the line of the national federation and of the Communist Party.

Just as membership in the national federation, or its affiliates, includes those sympathetic to the stated aims of the organization, who may or may not be aware of its Communist control, as well as Communist Party members and fellow travelers, so also some members of the Washington Committee for Democratic Action may be unaware of its Communist control. Ample opportunity to observe this affiliation and control has been present, however, throughout the committee's existence, and it is doubtful that many active members remain unsuspecting.

Mr. McCARTHY. I also ask unanimous consent to insert in the RECORD at this point the remainder of the remarks of Mr. Martin Dies, appearing in the CONGRESSIONAL RECORD, volume 88, part 6, beginning on page 7448 with the concluding paragraph of the second column, and ending on page 7449, near the end of the third column, with the words "Constitutional liberties."

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

In discussing the American League Against War and Fascism, and then the American League for Peace and Democracy, the Attorney General, and the Interdepartmental Committee established by him, confirmed all of the findings of our committee and as a matter of fact in stronger language than we ever used, they branded them as Communist-controlled organizations. And remember, 576 of these employees were members of the American League, according to the membership records obtained from the headquarters of the organization in the city of Washington, and identified under oath by the chairman of the organization who himself was a Government official, as representing the bona fide membership list of the organization. The American peace mobilization which succeeded the American League for Peace and Democracy and which was 100 percent a Communist organization was also in equally strong language branded by the Department of Justice as a Communist-controlled organization. Then the National Federation of Constitutional Liberties, which is the organization that published and distributed the pamphlet, excerpts from which I read a moment ago, was disposed of by the Department of Justice in the following language:

"The National Federation for Constitutional Liberties, with headquarters in Washington, D. C., and affiliates throughout the country, is part of what Lenin called the solar system of organizations, ostensibly having no connection with the Communist Party, by which Communists attempt to create sympathizers and supporters of their program among those who would not have affiliated themselves openly with the party. Membership in the national federation or its affiliates likewise consists of those sympathetic to the stated aims of the organization, who may or may not be aware of its Communist control, as well as party members and fellow travelers. The National Federation for Constitutional Liberties was established as a result of a conference on constitutional liberties held in Washington, June 7 to 9, 1940. In the pamphlet issued by the national federation, it is stated it was organized to coordinate several existing organizations concerned with the preservation and further realization of democratic rights as guaranteed by the Constitution. It has affiliates or chapters in various parts of the country such as the Oklahoma Federation for Constitutional Rights, the Michigan Civil Rights Federation, and the Washington Committee for Democratic Action."

That is the organization that published this pamphlet, and the majority of the Washington, D. C., officials of that organization are employees of the Federal Government, as I shall prove from their own letterheads. Now, let us see what the Attorney General had to say about the Washington Committee for Democratic Action, which is the local branch of the National Federation for Constitutional Liberties:

"Just as membership in the national federation, or its affiliates, includes those sympathetic to the stated aims of the organization, who may or may not be aware of its Communist control, as well as Communist Party members and fellow travelers, as also some members of the Washington Committee for Democratic Action may be unaware of its Communist control. Ample opportunity to observe this affiliation and control has been present, however, throughout the committee's existence and it is doubtful that many active members remain unsuspecting."

In the statement the Attorney General dealt with the question of whether or not the members of that organization could be innocent, and he stated in effect that this organization had been closely observed by the Government, that it was so openly communistic that he could not see how any active member could have any misgivings as to the control, nature, and purposes of the organization. I want to quote the exact language of the Department of Justice in order to hammer home the next point, which is that if the Attorney General, the Department and the Interdepartmental Committee found as a result of their painstaking and careful investigation that this organization was completely dominated by Communists, and that the Communist nature and purpose of it was so plain that few in it could mistake its purpose, then I want to address my inquiry to the Attorney General, whose representative is in the gallery, "Why is it that you exonerated 19 Government officials who are officers and sponsors of this organization?"

Under your own language, Mr. Attorney General, you have not only branded the organization as a Communist organization, but you have gone a step further and you have said that there could be little doubt about the nature of it, and yet when you come to report to the Members of Congress you did not report the discharge of 19 Gov-

ernment officials whose names and records I propose to read to Congress upon this occasion. You did not reprimand them, and as of September 15 of this year they are still on the Federal payroll.

There are 78 leaders, officers, and sponsors of the National Federation for Constitutional Liberties. Of that number, 53 were also leaders and officers of the American Peace Mobilization. They were identified with every Communist movement that sprang into existence from the time of the American League for Peace and Democracy, succeeded by the American Peace Mobilization, and finally the National Federation for Constitutional Liberties.

Mr. Speaker, for the time being I will pass from the question of reading the names of these officers and sponsors, whose names appear on the letterheads of the organization, to a discussion of the American Peace Mobilization. As I said a moment ago, 53 of the officers and sponsors of the National Federation were also leaders of the American Peace Mobilization, the most completely Communist organization that was ever formed in the United States. This is the same organization that picketed the White House for 1,500 hours. It is the same organization that provided services and advice for those who wanted to evade the draft law of the country. It is the same organization that instigated strikes in the defense industries of our land.

For instance, I hold here a telegram sent by the Washington office of the American Peace Mobilization to the Congress of Industrial Organizations strike headquarters of the North American aircraft workers, in Inglewood, Calif.:

"The perpetual peace vigil of the American Peace Mobilization now in its seven hundred and thirty-eighth hour supports you in your strike for decent wages. Today we put a sign on our picket line in front of the White House, "The right of labor to organize and strike goes hand in hand with the right to work. Strikebreaking by the American Army is Hitlerism."

This was the plant which the President ordered taken over by the Army after the Communist leadership of the union had halted production.

Let me read from their own files what they have to say about their purposes and intentions. For instance, in this folder from the American Peace Mobilization:

"By now we know for sure that all aid short of war to England means war. Admitted in 1917 the flag follows the dollar and our stake in England is growing daily. But even if we do not approve of England's war, is not her side still preferable to Hitler's and isn't it better to fight to beat Hitler with England than without her? No. An English victory will result in the same sort of imperialism and antidemocratic peace as will a Nazi victory. The basic question is not which side of the war is preferable, but what will happen to democracy in this world if we go to war. Democracy has long gone from Germany, is being blacked out fast in England, and is being strongly attacked here in the United States. Spread the war to the United States and the black-out of democracy will be complete in all three countries, with only fascism, native and foreign, the victor."

In the program they recommend opposition to the Conscription Act. They held a meeting in New York at which thousands of delegates, including 600 from the District of Columbia attended. At that meeting they went on record denouncing the President of the United States as a tool of the warmongers of Wall Street. They issued pamphlets characterizing the President as a warmonger, determined to lead the American people to destruction.

In other words, this was the organization that, prior to Hitler's invasion of Russia, was engaged in a bold and deliberate attempt to sabotage our preparations for war and our defense measures. Notwithstanding that fact, here are these same Government employees who are now active in the National Federation for Constitutional Liberties, who were active in the American Peace Mobilization and in its predecessor, the American League for Peace and Democracy.

Permit me to read for you one song that they sang at the convention of the American Peace Mobilization in New York:

"C for conscription and C for Capitol Hill.
C for conscription and C for Capitol Hill.
It's C for the Congress that passed that g—— d—— bill.
This here New York City water tastes like cherry wine.
This here New York City water tastes like cherry wine.
They tell me Army water tastes like turpentine.
I'd rather be here at home and live in a hollow log;
I'd rather be here at home and live in a hollow log;
Than go to the Army, be treated like a dirty dog."

Those excerpts will give you some idea of the true nature and purposes of this organization. I need not dwell upon the facts. I again mention it briefly that the leaders of the National Federation, this organization that has undertaken to indict the Committee on Un-American Activities, has had the effrontery to write to the Attorney General and demand a grand jury investigation of our committee; this organization was permitted to picket for 1,500 hours at the White House, to do all within its power to sabotage our defense program. It was active in the strikes that were then going on in the defense industries of America. Not one time was the organization ever prosecuted in the United States.

The same leaders were also prominent in other organizations; they were active in the American Committee for the Protection of the Foreign-Born. Among the 78 individuals making up the leadership of the National Federation for Constitutional Liberties a majority have also been identified with the American Committee for the Protection of the Foreign-Born. Their leaders have also been active in the American Committee for Democracy and Intellectual Freedom. I need not go into further details, because, as I have said, the Attorney General himself and the Department of Justice have confirmed the findings of our committee in branding this organization as Communist-controlled.

Where, Mr. Speaker, does the National Federation for Constitutional Liberties receive its funds? We recently investigated the funds of a foundation known as the Robert Marshall Foundation. Robert Marshall was at one time an important official of the Government. He left a will under which he bequeathed $1,535,000 to be used for the education of the people of the United States of America to the necessity and desirability of developing an organization of unions of persons engaged in work or unemployed persons in the advancement of our American system in the United States based upon the theory of production for use and not for profit and other purposes. Among the trustees he named was Gardner Jackson, the same Gardner Jackson who confessed before our committee that he paid the money which purchased the forged letters that attempted to link me with William Dudley Pelley. Mr. Jackson was later rewarded by a promotion; he is now the principal economist in the Department of Agriculture. I hold in my hand his telephone bills showing his active participation in an effort by Communist organizations to spread their propaganda to defeat the Special Committee on Un-American Activities.

I also have the telegrams that were received from time to time by the National Federation for Constitution Liberties.

Mr. McCARTHY. I also ask unanimous consent to have printed in the RECORD at this point in my remarks a letter dated September 3, 1942, addressed to the Honorable SAM RAYBURN, Speaker of the House of Representatives, signed by Martin Dies. The purpose of this is to show the character of the man who is making the attacks upon the present head of the Loyalty Board, because of his attempt to get rid of some of the unusual people who have been cluttering the Washington scene. It will show that, even at that early date, Mr. Biddle was following the same pattern he follows today. It will show, for example, that he claimed that the FBI had cleared a considerable number of individuals who were named as Communists or fellow travelers, and that he deliberately lied in so doing. It will show that the FBI did not investigate a sizable number of those individuals; that they were not investigated because Mr. Biddle had so provided in his orders in which he said "They shall not be investigated, unless the employing agency"—in other words, the man who hired them—"has first asked the FBI to investigate."

I ask that that letter be inserted in the body of the RECORD at this point. It appears in the CONGRESSIONAL RECORD, volume 88, part 10, pages A3231–A3233. I believe that this will give the country as a whole, and perhaps some of the members of the Loyalty Board, a better picture of the man who is so disturbed now because the Loyalty Board has sent back the cases of some 896 persons for further investigation. It will also give, I believe, a fairly good picture to some of the members of the ADA of what the officers of that organization are trying to do at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 3, 1942.

The Honorable SAM RAYBURN,
Speaker, House of Representatives,
The Capitol, Washington, D. C.

MY DEAR MR. SPEAKER: The Attorney General has placed before you a report on his investigation of the membership of Federal Government employees in subversive organizations. I am compelled to charge that the Attorney General has utterly failed to carry out the mandate of the Congress as expressed in Public Law No. 135 of the Seventy-seventh Congress. Instead of fulfilling the mandate of the Congress, the Attorney General has issued a meaningless conglomeration of statistics set in a framework of general conclusions which are either totally irrelevant to the issues involved or dangerous to the internal safety of this country if applied to employment in the Federal Government. A brief analysis of the Attorney General's report will show wherein and in what manner he has failed to carry out his responsibilities:

1. Public Law No. 135 of the Seventy-seventh Congress instructed the Department of Justice to investigate the employees of every department, agency, and independent establishment of the Federal Government who are members of subversive organizations or advocate the overthrow of the Federal Government, and report its findings to Congress. The Attorney General has not done this. What he did do was to write a

letter on October 7, 1941, asking our committee to send him a list of the employees of the Federal Government who were members of subversive organizations. Our list was compiled largely from membership records which the committee had obtained by subpena and were identified as such by the officials of the organizations involved. Having received this list from us, it appears that the Attorney General set forth to discredit it rather than to make a thorough investigation and report to Congress on the Federal Government employees who are members of subversive organizations.

2. The device employed by the Attorney General in the attempt to discredit the list which we forwarded to him at his request is to announce that only two of those whose names we submitted have been discharged by their superiors, as a result his (the Attorney General's) investigation and his report to various departmental heads in the Government. The fact that their superiors have discharged only two persons whose names appeared on our list may mean several things other than a reflection upon the list itself. For example:

(1) It may reflect seriously upon the thoroughness or the sincerity of the Attorney General's investigation;

(2) It may reflect upon departmental heads who refuse to discharge their subordinates no matter what the evidence of their pro-Communist activities may be.

I call your attention, Mr. Speaker, to the fact that the Federal Bureau of Investigation's report to the departmental heads carried no recommendations whatever. Discharges were solely the responsibility of the departmental heads themselves. Furthermore, I am in possession of conclusive proof that some of those whose names we submitted to the Attorney General were put under strong pressure to resign "voluntarily" many weeks before the Federal Bureau of Investigation ever began its investigations under the mandate of Public Law No. 135. For example, there was the case of a departmental head himself who was publicly on record as advocating the violent overthrow of the United States Government. A few days after we submitted our list to the Attorney General this departmental head voluntarily gave up his $8,000 salary. According to the Attorney General's report, 97 of the persons whose names appeared on our list were "no longer employed by the Federal Government." The Attorney General's report does not state that they were not in the employ of the Federal Government at the time we submitted their names. Why and how they left their Government employment is a mystery so far as the Attorney General's report is concerned. But of two things I am sure, and for these things I can offer indisputable proof, they were on the Federal Government payroll at or about the time we submitted their names to the Attorney General, and they were all affiliated with subversive organizations which were designated as such by the Attorney General. Knowing, as I do, the case of the departmental head cited above who resigned voluntarily, I cannot exclude the possibility of a gigantic ruse in the form of forced "voluntary" resignations of 97 persons whose names appeared on our list, before their cases were ever considered by the Federal Bureau of Investigation's investigators.

3. I also call your attention, Mr. Speaker, to the fact that the Attorney General's report states that, in the cases of 100 of the persons investigated, the departmental heads have to date ignored the findings of his investigation. In the first place, this is a sad commentary on the cooperation which the administrative heads of Government agencies have offered in this investigation. Knowing, as I do, the strong disposition of some departmental heads in the Federal Government to shield and favor their subordinates, regardless of their subversive activities, I cannot exclude the possibility that these 100 cases include some of the most flagrant cases of employees who have worked long and hard for the Communist Party's "front organizations." Let the Attorney General provide the Congress with a list of the departmental heads who have thus thumbed their noses at this investigation of their departmental subordinates.

4. The Attorney General appears to think it a matter of noteworthy importance that out of a total of 501 cases on which he has reported to departmental heads, only two have resulted in dismissal from Government service. The Attorney General does not shed the smallest ray of light on what his report to these departmental heads contained in these 501 cases. Did he find that the employees involved were indeed members of subversive organizations? There is no answer to that question in the Attorney General's report. On my part, I am prepared to charge and prove beyond any doubt that in substantially all of the 501 cases the employees were affiliated with subversive organizations, and as a corollary to that proposition to level the indictment against these departmental heads that they do not care a twopence how much their subordinates engage in the activities of the "front organizations" of the Communist Party. I can submit conclusive proof that many of these 501 employees have been affiliated with three or more subversive organizations. I may point out in this connection that the hands of many departmental heads are tied. Their own Government jobs would hardly be worth a nickel if they ordered wholesale dismissals on account of their subordinates' affiliations with subversive organizations and thereby proved the truthfulness of our charges that the Communist Party has obtained many Government positions for its fellow travelers.

5. One of the most important aspects of this whole problem has been entirely ignored in the Attorney General's report. Wholly apart from the guilt or innocence of the individual Government employee who has been affiliated with the subversive organizations of the Communist Party, there stands the all-important question of the degree to which the Communist Party and its front organizations have been able to penetrate into and influence the ranks of the Federal Government's personnel. If the Attorney General had said frankly in his report to the Congress that so many Government employees have been affiliated with this Communist front organization and so many with that, the Congress would have before it some indication of the magnitude of the problem of Communist influence in Washington. As the Attorney General's report stands, we have nothing that remotely bears on this question.

6. In his very able decision on the case of Harry Bridges, the Attorney General had the following to say concerning the front organizations of the Communist Party: "Testimony on front organizations showed that they were represented to the public for some legitimate reform objective, but actually used by the Communist Party to carry on its activities pending the time when the Communists believe they can seize power through revolution." Mr. Speaker, that is a succinct and altogether true statement concerning the sinister character of the front organizations of the Communist Party. Holding that view of these organizations, the very least which the Attorney General could have done in the report which he has just submitted to you was to state what his investigations disclosed as to the number of employees of the Federal Government who have been affiliated with such sinister organizations. He has not done that. In fact, there is not one word of information on that all-important point in his alleged investigation. Unless and until the Attorney General conveys to the Congress the results of his investigation on this fundamental point, he has not made a report of his findings in any true sense of the word. As a matter of fact, the present report of the Attorney General which has been placed before you takes an altogether different tone concerning the front organizations of the Communist Party. In his Bridges decision, these organizations are clearly described as the instruments of the Communist Party for the ultimate overthrow by force and violence of the Government of the United States. In his present report to the Congress, these same organizations are so innocuous that membership in them is wholly consistent with the highest qualifications for employment by the Federal Government.

7. In his decision on the Bridges case, the Attorney General did not hesitate to name the "front organizations" of the Communist Party which were in any way related to the Bridges matter. In that connection he named the Workers' Alliance, the International Labor Defense, and the American League Against War and Fascism. In his present report to the Congress he indicates that certain organizations were designated by him as "subversive," but their names are withheld from the Congress. In view of the fact that the Attorney General has so clearly pronounced upon the dangerous and subversive character of the Communist Party's front organizations, and in view of the fact that he rightly holds that innocent persons are sometimes drawn into the activities of these organizations, it is strange that he should fail to communicate the names of these organizations to the Congress. Such information would have contributed not only to the enlightenment of the Congress but also to the protection of the Federal Government employees who unwittingly associate themselves with subversive groups. I feel it incumbent on me to reveal the names of these organizations which the Attorney General himself designated as subversive for the purposes of this very investigation upon which he has now reported.

The following is the Attorney General's own list of subversive organizations which fall in the category of front organizations of the Communist Party:

American League Against War and Fascism.
American League for Peace and Democracy.
American Peace Mobilization.
American Youth Congress.
League of American Writers.
National Committee for the Defense of Political Prisoners.
National Committee for People's Rights.
National Federation for Constitutional Liberties.
National Negro Congress.
Washington Cooperative Bookshop.
Washington Committee for Democratic Action.

The foregoing organizations, 11 in number, together with the Communist Party itself, making 12 in all, are the subversive organizations referred to on pages 11 and 12 of the second section of the Attorney General's report.

8. I should like to point out that to my own knowledge approximately 400 of these Government employees who were allegedly investigated by the Attorney General knowingly affiliated themselves with the American League for Peace and Democracy and the American Peace Mobilization, two front organizations of the Communist Party which are somewhat familiar to the public generally. I should also like to remind you, Mr. Speaker, that the American League for Peace and Democracy is the same front organization which had Earl Browder as its vice president and numerous other Communist functionaries on its national executive committee. To give you a thorough insight into the

nature of this organization, I quote from the program of the league as follows:

"It (the American League) proposes a plan of action at the specific points where the war machine can and must be stopped. It builds on the fact that the conduct of war depends upon many men and women—those who run the mines and factories, railroads, and ships that manufacture and transport supplies for war, those who create and distribute war propaganda in schools and press, in churches and on the air, the farmers who raise the food supplies, and the millions of men, women, and children in all walks of life who make it possible—or impossible—for a nation to wage war. By withdrawing their services and support, these masses of people—industrial, middle class, agricultural—can stall the war machine in its tracks."

From the foregoing quotations, it is evident that this organization was not only Communist but was engaged in treasonable activities. The same was true of the American Peace Mobilization which, you will recall, spent much time picketing the White House, opposing lend-lease and preparedness, setting up committees to instruct draftees how to avoid the draft, and engaging in other despicable forms of sabotage of our preparedness program. This was all done upon direct instructions from the Communist Party. Now, the Attorney General's report completely exonerates those Government employees who were affiliated with these two organizations, and, as I review the Attorney General's report, I can come only to the conclusion that what he has done in effect is to give a license to every Government employee to engage in any Communist subversive activity so long as he does not go to the extent of actually carrying publicly a paid-up membership card in the Communist Party.

9. Included in the Attorney General's "Findings of Fact" in his decision on the case of Harry Bridges, is one which reads as follows: "That the Communist Party of the United States of America, from the time of its inception to the present time, is an organization * * * advising, advocating, and teaching the overthrow by force and violence of the Government of the United States." In view of this unequivocal statement of fact by the Attorney General, it is astonishing that he has not proceeded against the Communist Party. It is even more astonishing, if that be possible, that he now dismisses so flippantly the fact that hundreds of employees of the Federal Government have been affiliated with numerous organizations that are under the direct control of the Communist Party and, to use the Attorney General's own language, are "actually used by the Communist Party to carry on its activities pending the time when the Communists believe they can seize power through revolution.

10. Finally, Mr. Speaker, I call your attention to the fact that representatives of the Department of Justice appeared before the Senate Committee on Appropriations to urge the elimination from Public Law No. 135, of the provision calling for this investigation upon which the Attorney General has now reported. The Department of Justice has not at any time been in favor of this inquiry into the subversive activities of Federal Government employees. Now that the investigation has been almost completed, the Attorney General brands it as a sort of inquisitorial procedure. In view of this opposition, it is not strange that nothing but attempts to smear our committee has resulted from the Department's expenditure of $100,000.

In view of the facts which I have cited, I respectfully urge that the Congress reject the report of the Attorney General as having failed utterly to fulfill the mandate given the Department of Justice under Public Law No. 135.

Respectfully yours,

MARTIN DIES,
Member of Congress.

Mr. McCARTHY. I thank the Senator from California for having yielded to me.

After the conclusion of Mr. KNOWLAND's speech,

Mr. NIXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that further proceedings incident to the call of the roll be dispensed with and that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. NIXON. Mr. President——

The PRESIDING OFFICER. The junior Senator from California (Mr. NIXON) is recognized.

SENATOR McKELLAR'S RECORD ON FARM LEGISLATION

Mr. McKELLAR. Mr. President, will the Senator yield to me for a few minutes?

Mr. NIXON. Yes.

Mr. McKELLAR. I must leave the Chamber, to attend a committee meeting at 2 o'clock, and I wish to speak for 5 or 10 minutes on a subject entirely different from the one the Senator from California is about to discuss. If he will yield to me for this purpose, I shall appreciate it very much.

Mr. NIXON. I yield for that purpose.

Mr. McKELLAR. Mr. President, I was born and reared on a farm. I believe I have done every kind of work that is done on a farm. Naturally, therefore, since I have been in the House and Senate of the United States, I have been intensely interested in all legislation having for its purpose the welfare and protection of farmers. I have sought in every way to pass such legislation that would give them an even break with management, with labor, and all other interests of our great Republic.

The place of the farmer in peace and in war, in tranquillity or in crisis, is clear. He is, and has always been, indispensable in peace, and our national economy as primarily founded is dependent upon him and others who live and work with their hands and by the sweat of their brows.

When war comes, however, he is even more indispensable. An army cannot win a fight on an empty stomach. In our national set-up it is the farmer's job to supply the food and fiber to our own people, and especially to our Armed Forces, and to those who side with us in freedom's cause. The American farmer has always performed this outstanding duty faithfully and well; not only that, but he has ever been ready in peacetime to keep our own people well fed and to give aid to the people of other countries when famine came to such countries.

In the past few years the position of the farmer in America has been greatly improved. This has come about not by accident but by well-considered plans which brought the farmer and the Government into a working team. Most of this legislation has been passed in the last 50 years. Indeed, in that time the progress of the teamwork has been remarkable. It has been of vast importance to the Government itself and of vastly more importance to the farmer. Indeed, this partnership has worked for the benefit of all of our citizens. For the most part it has given us an adequate food supply. During all these years it has given us a bountiful food supply of the highest standard of nutrition in the world.

Under this dome of our Nation's Capitol, I have had the privilege for almost 40 years to take an active part in the development of the legislation and of the partnership between the farmers and the Government. I have not been a leader in this great work; I have only been a sincere and earnest worker in the great cause. I have helped to advance many bills that have become laws—laws that help form the pattern which today has brought our agricultural index of production from 83 percent, when I first came to Congress in 1911, to 137 percent in 1950. I have worked to keep the partnership between the farmer and the Government a going concern for the good of our country. I have advocated laws that have helped the farmer bring production to the point where on a per capita basis 150,000,000 Americans today are eating 11 percent more food than 132,000,000 were 10 years ago. I have seen how the farmers met the challenge of two wars, and have watched them year after year keep pace with the demands, normal and abnormal, put upon them by wars and world crises.

So it is with pardonable pride, I hope, that I look back over the last half century of farm legislation—legislation that has aided the American farmers to attain these magnificent heights of production and well-being for themselves and the Nation—legislation in which I say with pride that I have had a continuing part.

The act creating the Department of Agriculture stated that its first purpose was research and the dissemination of information to all the people. We have all lived to see this research of the Department grow 10 blades of grass where 1 grew before. We have seen them bring forth miracles in insect and pest control. We have seen our milk become pure and richer, and our livestock protected against epidemics such as the hoof-and-mouth disease, Bang's disease, to the point where there is negligible loss from these once wanton killers. In fact we have seen our livestock become the most healthy and productive the world has ever known.

The act creating the Department of Agriculture was passed on February 9, 1889. This was the first great step taken in the partnership between the farmers and the Congress. As I have said before, the first purpose of that act was

research and the dissemination of information to all the people. This research also has been remarkable in its improvement of our entire farm system.

I have had my record looked up, and I have received great satisfaction in having had an opportunity to introduce or support and advocate bills which encouraged research resulting in the increased production of our farms.

Among such bills were: one for providing for investigation and experimentation in the dairy industry; one for the inspection of contagious diseases in animals and their prevention and quarantine when necessary. Investigating the disease of hog cholera and its control and eradication was another research act I fostered that has paid dividends in millions of pounds of healthy pork and fine litters of good pigs.

Other acts to encourage research which I aided in passing included one for providing for investigation and experimentation in the dairy industry. Another was for the investigation and experimentation in animal feeding and breeding husbandry, including cooperation with State agricultural experiment stations. And a third related to livestock which I advocated was one for investigating animal tuberculosis and its prevention, independently or in cooperation with farmers' associations and State and county authorities.

I also worked for a bill for the investigation of plant diseases and another for the investigation of insects affecting fruits, orchards, vineyards, and nuts. Still more research that I encouraged was for the investigation of insects affecting southern field crops, including insects affecting cotton, tobacco, rice, and sugarcane; also a measure for control of insects affecting potatoes, sugar beets, cabbage, onions, tomatoes, and peas. I also advocated a bill for the investigation and improvement of cereals and methods of cereal production and the study of cereal diseases—and another that provided for the investigation and improvement of grades of alfalfa, clover, and other forage crops.

In the field of marketing research, I aided in drafting the bill to establish the Bureau of Markets, giving valuable assistance and information to both producers and consumers. Among the many marketing bills I advocated was another providing for investigating the preparation for marketing and grading, packing, drying, storing, transportation, and preservation of poultry and eggs. And in 1946 I advocated the passing of the Research and Marketing Act, which provided for continuous research to improve the marketing, handling, storage processing, transportation, and distribution of agricultural products.

When the results of agricultural research in the field and laboratory began to produce results in finding better ways of farming, another step was called for. This was to find the best means of getting this vital information to the farmer. The knowledge of the scientist locked up in his own head of course is no good to the farmer unless it is transmitted to him in terms that enable him to put it to practicable use. It was because of this urgent need that I advocated one of the first pieces of major legislation that had as its aim getting to the farmer the results of research.

I gave my ardent support to the Agricultural Extension Act which was passed in 1914 and revolutionized the techniques of bringing the best farming methods to the farmers in terms which they could utilize. This act authorized cooperative action with the land-grant colleges in giving instruction in agriculture and home economics to persons not attending State colleges. It brought the information to the farmer by means of establishment of county agent and home demonstration agents, who, working with the land-grant colleges and the Department of Agriculture, took on to every farm and into every home information in a usable form on the latest discoveries of the scientists.

There were many other informational channels which I advocated opening to the farmer—channels that brought to him the knowledge which made possible the record achievements of agriculture of which I have already spoken. There was a bill authorizing bulletins on hogs and cattle raising in the South which I long ago worked for. I advocated and aided in passing laws providing for the publication and distribution of farmers' bulletins which passed on to the farmer in simple terms the thousand practical means of making his way of life better and increasing his profits.

Prior to 1914 there was dire need by the farmer for information on the market price of his products. Private channels had their own reports which were kept secret, but a farmer had no way of knowing what other farmers were getting for a product of a type similar to that which he wanted to offer for sale.

I advocated a bill which was passed for collecting and distributing by telegraph and otherwise information as to supply, demand, commercial distribution, quality, and market prices of dairy and poultry products. I also worked for a similar bill for collecting and distributing information concerning market prices and commercial movements of fruits and vegetables.

As a corollary of this assistance to the farmer, it was necessary that he also have some standard grades by which he could determine whether the price offered was to his advantage or not. I therefore stood firmly for a bill for investigating, demonstrating, and promoting the use of standards of the different grades, qualities, and conditions of cotton, and for investigating the ginning, grading, stapling, baling, marketing, compressing, and tare of cotton.

I have believed throughout my legislative career that when the farmers are not receiving a reasonable return for their labors, it is the function and duty of democracy, as I understand it, to see that these inequalities of return are wiped out and the farmer is put on the same basis as other classes of people.

When this condition does not obtain all our people suffer because the farmer, existing at a substandard of income, cannot buy the products of our mines, mills, and factories and in turn labor and the whole economic system finally pays the penalty. So it is that I have labored, worked, and fought to see the farmer secure his rightful place in the economy of our country. To this end I have initiated legislation and worked for legislation on literally thousands of bills which in some way or other affected the economy of the farmers. A few of the outstanding ones I should like to recall.

There was the first AAA which in the light of my basic precepts I supported.

In 1933 with mounting surpluses and stagnant markets staring farmers in the face, the argument for production control began to gain ground. Control legislation was freely discussed in 1932, and prototypes heralding the coming Agricultural Adjustment Act in Congress during the winter of 1932–33.

In the spring of 1933, the AAA, several times amended, was passed. This act was enacted to establish and maintain such balance between the production and consumption of agricultural commodities and such marketing conditions therefore as would reestablish prices to farmers at a level that would give agricultural commodities a purchasing power with respect to articles which farmers buy equivalent to the purchasing power of agricultural commodities in the base period, namely, August 1909 to July 1914, except in the case of tobacco and potatoes for which the base period was August 1919 to July 1929. I played an active part in the passage of this legislation, offered five amendments to improve the provisions of this bill when it was before the Senate, and gave special attention to the tobacco and cotton provisions of the bill.

When the adjustment program was brought to a sharp halt by the Supreme Court in January 1936 I took a part in shaping the Agricultural Adjustment Act of 1938 and the Soil Conservation and Domestic Act of 1936. The Soil Conservation and Domestic Allotment Act stressed as its objective, in addition to those present in the Soil Erosion Act, the preservation and improvement of soil fertility and the promotion of the economic use and conservation of lands, by the encouragement of soil-conserving and soil-rebuilding practices rather than the growing of soil-depleting commercial crops.

When the REA legislation was before the Senate I was not only very much in favor of it but also submitted a clarifying amendment to the bill. Rural Electrification Act of 1933 created and established the REA as an agency of the United States. The administrator is authorized and empowered to make loans to persons, corporations, States, Territories, subdivisions, and agencies thereof, municipalities, people's utility districts, and cooperatives, nonprofit organizations, and others for establishing systems for the furnishing of electric energy to persons in rural areas who are not receiving central station service. Loans are also authorized for the purpose of financing the wiring of premises of persons in rural areas and the acquisition and installation of electrical and plumbing appliances and equipment. We have all witnessed the fabulous achievement of this legislation in the form of electric lights and power machinery on farms.

I voted for the Lend-Lease Act which passed the Senate March 8, 1941, and provided for the lease, loan, and so forth of war materials, including agricultural commodities or articles in the interest of the defense of the United States. Inadequate provision was being made for the American farmer for his all-out production to meet the war conditions and in defense of the farmer.

I stated on the floor in 1941:

Surely, if we are authorizing the Secretary of War to subsidize industrialists in order to get the materials of war, we certainly have a right to subsidize the farmers, through the Secretary of Agriculture, when greater production of agricultural commodities is needed for the same purpose. * * * It would not be honest for the Government to ask farmers to increase their production of corn, vegetables, and dairy products and then leave them in the lurch after the matter is concluded. I do not believe the Congress ever has done that in our history. We pursued a plan similar to this during the last war of 1917–19, and I am sure that the Congress will pursue the same course at this time.

I supported the so-called Steagall amendment of the act of July 1, 1941, which authorized the Secretary of Agriculture to support a price for the producers of any nonbasic agricultural commodity at 85 percent of the parity or comparable price therefor through commodity loan, purchase, or other operations, when he found it necessary to encourage the production of such commodity. By the act of October 2, 1942, the rate was increased from 85 to 90 percent. By the act of June 30, 1944, the rate on cotton was increased to 92½ percent, and by the act of October 3, 1944, the rate on cotton was again increased to 95 percent.

I was happy that I was in the Senate to support the Bankhead-Jones Farmer-Tenant Act at a time when conditions of farm tenants had reached its lowest ebb. The act provided for: First, loans to farm tenants and other eligible individuals to enable them to acquire farms; second, rehabilitation loans to eligible individuals for operating and subsistence needs; and third, a program of land conservation and land utilization, including the retirement of submarginal lands.

In commenting on this bill on July 1, 1937, I stated:

I can conceive of no more desirable condition of our country than that those engaged in farming should own the lands which they cultivate. Nothing, perhaps, contributes so much to independent citizenship as the ownership of land. A farmer who owns his land will rarely become a Communist or a Socialist or any other kind of improper "ist"; and, in my judgment, an ideal agricultural situation in this country would be for all farmers to own their farms and have no mortgages on them.

I also voted for the Federal Crop Insurance Act of 1938. This act was created as an agency of the Department of Agriculture, in order to promote national welfare by alleviating the economic distress caused by wheat-crop failures, by insuring producers against loss of yields and to purchase, handle, store, insure, provide storage facilities for, and sell wheat, and pay any expenses incident thereto in connection with crop insurance.

I have steadfastly throughout the years devoted my effort to expending the credit facilities for farmers at reasonable interest rates. I was behind the Farm Credit Act passed in 1933. This act authorized the Governor of the Farm Credit Administration to organize and charter production credit corporations and production credit associations for the purpose of providing short-term credit for general agricultural purposes. In addition, this act authorizes the creation of "banks for cooperatives" to make loans to cooperative associations in order to aid them in financing the handling of readily marketable agricultural commodities, and for other purposes. I found a great deal of satisfaction in aiding the passage of this legislation, since I had worked many years in Congress for adequate authority to provide loans for the production and marketing of agricultural products.

I voted for the Jones-Costigan Sugar Act of 1933 and have actively supported similar Sugar Acts of 1937 and 1948. These acts provide for making benefit payments to producers of sugar and quota allotments to restrict the amount of sugar imported as well as the amount moving in interstate commerce.

The Agricultural Marketing Agreement of 1937, which I advocated, authorizes the Secretary of Agriculture to enter into marketing agreements and, in the case of certain specified commodities, to issue orders regulating the handling of agricultural commodities by fixing the grade, size, or quantity of such commodities that may be shipped and in the case of milk, by fixing the minimum prices to be paid the producers. I supported this legislation because it was another measure which sought to improve the quality and marketing of agricultural commodities and increased the farmers' income.

The legislative work to which I have called attention, of course, represents but a few high lights in the vast and intricate pattern of our agricultural problems and achievements over the past 40 years. It does point out, however, that the farmer today is not being called upon to do his part in the world crisis without the earnest and understanding help of his Government.

As I said in the beginning, I was born and reared on a farm, planting cotton and corn and other products. I turned the land, I planted the crops, constantly plowing and growing the crops. I did every other kind of work that is done on a farm. I am proud of it. I am proud that I have had a hand in the passing of legislation that has made the work of the farmer more bearable, more lucrative, and altogether more satisfying and gratifying to the farmers themselves.

All honor to the farmers of America. I hope in the years to come the partnership between the farmers and the people of the world will be maintained and will continue to bring the wonderful results which were the fruit of the efforts which were begun by the Houses of Congress in the administration of President Wilson and which have continued through the succeeding administrations.

Mr. President, I thank my friend, the Senator from California [Mr. NIXON] very much for his kindness in permitting me to make this statement at this time.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

Mr. NIXON. Mr. President, in the discussion of this project, I recognize that our friends from Arizona have presented their case, both on the floor and off the floor, to other Members of the Senate in a very eloquent and persuasive fashion. I also know that one of the issues upon which they have seized particularly is the issue referred to as justiciability—the necessity, in other words, of having the Congress approve this project, so that the water rights between Arizona, California, and Nevada may be settled through a Supreme Court decision.

The argument runs somewhat like this: Clearly apart from whether the project is feasible from an economic standpoint, clearly apart from whether any project involving this amount of money should be approved at this time when we have so many expenditures which are required for military purposes, this project can be justified and can be supported solely on the basis that it is the only way by which we can obtain a determination of the rights of the States of California and Arizona to the water of the Colorado River.

Mr. President, referring to the very technical and also very important issue of justiciability, I think it would be well to set forth in the RECORD, at this point, the position not only of those from California who oppose this proposed legislation, but also the position of many within the legal field who have studied this problem.

The contention of Arizona is that the controversy between the States of the lower Colorado River Basin is not now justiciable and that to make it justiciable a project must be authorized in order to create a threat to injure the other States. Hence, say its proponents, S. 75 should be passed. I may say, incidentally, this is a sharp reversal of the position taken by Arizona in the Senate hearings in the Eightieth and Eighty-first Congresses, in which she denied the necessity of, and opposed, a judicial settlement of the controversy.

A legal controversy in varying form, has existed among the States of the lower basin for more than a quarter of a century. There seem to be only two methods of resolving it, either by interstate compact or by an action in the original jurisdiction, in the Supreme Court. The States have exhausted the possibility of a compact and are unable to agree. A suit is the only alternative.

The Supreme Court has squarely held—*Arizona* v. *California* (298 U. S. 558, 1936)—that the United States, by reason of its manifold interests in the

subject matter, is a necessary party to any interstate litigation on the lower Colorado River. It cannot be sued without its consent. The only function of Congress in the matter is to determine whether, in view of the grave importance of the controversy, it should exercise its authority and consent that the United States be made a party to the suit, in order that the existing deadlock among the States may be resolved. It is not the function of the Congress to decide the controversy. That is the function of the court. Accordingly, I shall not undertake to make any extended statement on the merits of the legal questions which are involved. It is sufficient to say that the controversy is real, it is substantial, and it has for many years beclouded the rights of the States. More important to us in the Congress, it creates a situation which plainly forbids the authorization of a new project for the use of waters of the lower basin.

Thus, the Secretary of the Interior has said in his report entitled "The Colorado River"—House Document 419, Eightieth Congress, first session, page 5:

> That further development of the water resources of the Colorado River Basin, particularly large-scale development, is seriously handicapped, if not barred, by lack of a determination of the rights of the individual States to utilize the waters of the Colorado River system.

Since the date of this report, the making of the upper Colorado River Basin compact has clarified the rights of the upper basin States. No change has taken place as to the lower basin.

Commenting on this report, the Director of the Budget in a letter of July 23, 1947—hearings on S. 75, Eighty-first Congress, first session, page 127—stated:

> The authorization of any of the projects inventoried in your report should not be considered to be in accord with the program of the President until a determination is made of the rights of the individual States to utilize the waters of the Colorado River system.

In 1947 hearings were held by the House Committee on Public Lands on a bill reauthorizing the Gila project, near Yuma in Arizona. It was pointed out by California witnesses that the block of water intended for the Gila project, 600,000 acre-feet, was the last noncontroversial water available for use in Arizona. California suggested that Arizona should choose whether that block of water should be used on the vacant public lands in the Gila project, or should be reserved for the central Arizona project, which was then in the planning stage. The House committee, in its report—hearings on S. 75, Eighty-first Congress, first session, page 127—stated:

> The committee feels the dispute between these two States on the lower Colorado River Basin should be determined and settled by agreement between the two States or by court decision, because the dispute between these two States jeopardizes and will delay the possibility of prompt development of any further projects for the diversion of water from the main stream of the Colorado River in the lower Colorado River Basin.
>
> Therefore the committee recommends that immediate settlement of this dispute by a compact or arbitration be made or that the Attorney General of the United States promptly institute an action in the United States Supreme Court against the States of the lower basin and other necessary parties requiring them to assert and have determined their claims and rights to the use of the waters of the Colorado River system available for use in the lower Colorado River Basin.

It was then that California permitted the Gila bill to pass both Houses on the consent calendar.

Thus it is plain that the committee put Arizona squarely on notice nearly 4 years ago that the controversy must be resolved, or, failing that, further authorization of Arizona projects could not be expected. It is plain, also, that Arizona made her choice, and knew, when she obtained the authorization of her public land project, that she would shortly be presenting to the Congress an impassioned and ostensibly desperate plea that that the Congress must rescue her whole economy by authorizing an additional project, based wholly upon controversial water. Either the good sense or the good faith of such procedure is open to question.

Nevertheless, in the Eightieth and Eighty-first Congresses Arizona strenuously opposed enactment of resolutions—Senate Joint Resolution 145 and Senate Joint Resolution 4—which would have consented to the joinder of the United States and thus opened the door of the Court. The Senate Committee on Interior and Insular Affairs, however, saw that a determination of the issues was indispensable and approved certain amendments to the bill which we now have under consideration, which I shall discuss later. Arizona now reverses her position and claims that the great objective of S. 75 is to furnish a basis for the commencement of a suit in the Supreme Court.

Let us now examine this claim. The Supreme Court has jurisdiction to hear and determine interstate suits. Arizona asserts that the Court will not exercise this jurisdiction unless the case is justiciable. Arizona says, further, that a case is not justiciable unless there is involved the element of either present injury to the complaining State, or a threat of imminent injury. Next, she says that unless a project is authorized which would take water from the river, and thereby threaten the rights of other States, there is no injury, nor threat of injury. Hence, says Arizona, it is essential that the Congress adopt such a bill as S. 75, in order that a justiciable case may be presented to the Court. Parenthetically, as I have said, this now seems to be the main immediate purpose of S. 75, for its author, the Senator from Arizona [Mr. MCFARLAND], in the committee report on the bill—Report No. 163, page 15—frankly says:

> Section 15 of the bill provides that no construction shall be begun so long as materials or labor necessary for construction of the project are needed for national defense. This section will probably mean no part of the project will be constructed for years, but inasmuch as the project is authorized it will constitute a threat sufficient to make a justiciable issue for the courts and the issues can be litigated during the present emergency.

How far is Arizona's argument valid and what are its weak spots? It is true that the Supreme Court will not take a case unless it is justiciable. It is true that in some types of cases, of which the chief example is an injunction case, it is necessary that there be shown either injury or threat of injury, or the case is not justiciable. This, however, is by no means a universal rule. In other cases, such, for example, as a quiet title case, there need be no injury nor threat of injury. The plaintiff in a quiet title case, as all lawyers will recognize, need simply allege that there is an invalid adverse claim made against his property, and that is enough to entitle him to a hearing and, if proved, to a judgment.

Next, it is not true that it has ever been held that it is necessary to show that a project has been authorized in order to make an interstate water case justiciable. There is simply no authority for that statement. It rests in pure assertion on Arizona's part, assertion so often repeated that it seems to have substance. This is the weak link in her argument. It will not support the weight she puts on it, and the chain falls apart.

Not only has the Supreme Court never held that the authorization of a project is essential to make a case justiciable. It has directly held the opposite in the last great water suit between States which it has decided. That was the case of *Nebraska* v. *Wyoming and Colorado* (325 U. S. 589), decided in 1944. In that case, Nebraska originally sued Wyoming alone, complaining that existing diversions of water from the North Platte River in Wyoming were presently interfering with Nebraska's ability to get water she needed downstream on that river. Also mentioned in that phase of the case was the fact that Congress had authorized construction of the Kendrick project in Wyoming, which would further prejudice Nebraska's ability to get water. In Nebraska's complaint—page 592 of the Court's opinion—the Court said:

> The prayer was for a determination of the equitable share of each State in the water and of the priorities of the appropriations in both States, and for an injunction restraining the alleged wrongful diversions.

Wyoming, mindful of the facts that some upper headwaters of tributaries of the North Platte extended from Wyoming into the northern Colorado mountains and knowing that Colorado had some plans for new diversions from these tributaries, desired that all parties be before the Court, so that it would have all the phases of the North Platte problem before it and could deal with the river system as a whole. Accordingly, Wyoming impleaded Colorado as a defendant.

Now let us note that the Kendrick project lay on one part of the river system, namely the main stream of the North Platte. It was, therefore, an important element in the issues between Nebraska and Wyoming, but only in a most indirect way was it a factor in any issues between Wyoming and Colorado. On the other hand, Colorado's inchoate plans for development related to a different part of the river system, namely, the headwater tributaries in Colorado. Colorado's plans affected directly the

issues between Colorado and Wyoming, in fact were the crux of those issues, but only remotely, if at all, affected the issues between Wyoming and Nebraska. There were, in effect, two lawsuits in one, with separate subject matters, consolidated because geographically Wyoming was in the middle.

With this background, what did Colorado do and what did the Court hold?

As the Court says—page 592:

Colorado argues here that there should be no affirmative relief against her and that she should be dismissed from the case.

Page 607:

As we have noted, Colorado moves to dismiss the proceeding. She asserts that the pleadings and evidence both indicate that she has not injured nor presently threatens to injure any downstream user.

And that is the precise test which Arizona would apply to the justiciability of the case in the lower basin of the Colorado River.

Colorado supported her motion by arguments which Senators will recognize as being exactly those which Arizona now advances—page 608:

The argument is that the case is not of such serious magnitude and the damage is not so fully and clearly proved as to warrant the intervention of this Court under our established practice. (*Missouri* v. *Illinois* (200 U. S. 496, 521; 50 L. Ed. 572, 579; 26 S. Ct. 268); *Colorado* v. *Kansas* (320 U. S. 383, 393, 394; 88 L. Ed. 116, 123, 124; 64 S. Ct. 176).) The argument is that the potential threat of injury, representing as it does only a possibility for the indefinite future, is no basis for a decree in an interstate suit, since we cannot issue declaratory decrees. (*Arizona* v. *California* (283 U. S. 423, 462–464; 75 L. Ed. 1154, 1169–1171; 51 S. Ct. 522) and cases cited.)

We fully recognize those principles. But they do not stand in the way of an entry of a decree in this case.

The factual situation, as described by the Court, was—page 608:

The evidence supports the finding of the special master that the dependable natural flow of the river during the irrigation season has long been overappropriated. A genuine controversy exists. The States have not been able to settle their differences by compact. The areas involved are arid or semiarid. Water in dependable amounts is essential to the maintenance of the vast agricultural enterprises established on the various sections of the river. The dry cycle which has continued over a decade has precipitated a clash of interests which, between sovereign powers, could be traditionally settled only by diplomacy or war. The original jurisdiction of this Court is one of the alternative methods provided by the framers of our Constitution.

Every word of the Court's statement of the facts might have been written about the lower Colorado River. The facts are not only parallel, they are identical. The natural flow of the lower Colorado has long been overappropriated. A genuine controversy is admitted to exist. The States have not been able to settle it by compact. The area involved is arid. Water is essential to maintenance of vast agricultural enterprises which are established. Even the 10-year dry cycle—1931–40—is identical.

So the Court's comments on the fact that Colorado had certain "proposed projects," just as Arizona now has a proposed project, have special significance. The Court says—page 609:

The claim of Colorado to additional demands may not be disregarded. The fact that Colorado's proposed projects are not planned for the immediate future is not conclusive in view of the present overappropriation of natural flow. The additional demands on the river which those projects involve constitute a threat of further depletion.

Senators will observe that the Court states that Colorado's proposed projects constituted a threat and does so entirely irrespective and independent of the existence of the Kendrick project. That fact the Court was, for the time, eliminating from its consideration of, and action on, the case.

If the Colorado projects, which were "not planned for the immediate future" were a threat, how much greater threat is the central Arizona project, which is planned for immediate development. The Secretary of the Interior has filed with the Congress his project report—House Document 136, Eighty-first Congress, first session—and the pending bill, S. 75, is the vehicle for its implementation.

The Court summarizes the controversy in Nebraska against Wyoming thus—page 610:

What we have then is a situation where three States assert against a river, whose dependable natural flow during the irrigation season has long been overappropriated, claims based not only on present uses but on projected additional uses as well. The various statistics with which the record abounds are inconclusive in showing the existence or extent of actual damage to Nebraska. But we know that deprivation of water in arid or semiarid regions cannot help but be injurious. That was the basis for the apportionment of water made by the Court in *Wyoming* v. *Colorado* (259 U. S. 419, 66 L. Ed. 999, 42 S. Ct. 552, supra). There the only showing of injury was the inadequacy of the supply of water to meet all appropriative rights. As much if not more is shown here. If this were an equity suit to enjoin threatened injury, the showing made Nebraska might possibly be insufficient. But *Wyoming* v. *Colorado*, supra, indicates that where the claims to the water of a river exceed the supply a controversy exists appropriate for judicial determination. If there were a surplus of unappropriated water, different considerations would be applicable. Cf. *Arizona* v. *California* (298 U. S. 558, 80 L. Ed. 1331, 58 S. Ct. 848). But where there is not enough water in the river to satisfy the claims asserted against it, the situation is not basically different from that where two or more persons claim the right to the same parcel of land. The present claimants being States we think the clash of interests to be of that character and dignity which makes the controversy a justiciable one under our original jurisdiction.

So the Court held, again, in words that might have been written about the lower Colorado, instead of the North Platte, that the controversy was justiciable, and that the rights of the States to the water could be determined, even though the facts constituting the threat might not be sufficient in an injunction case.

The Court clinches the point, after discussing the case of *Colorado* v. *Kansas* (320 U. S. 383), by saying in reference to that case—page 611:

Moreover, we made clear (320 U. S., p. 392, note 2, 88 L. Ed. 123, note 2, 64 S. Ct. 176) that we were not dealing there with a case like *Wyoming* v. *Colorado* (259 U. S. 419, 66 L. Ed. 999, 42 S. Ct. 552, supra), where the doctrine of appropriation applied in each of the States which were parties to the suit and where there was not sufficient water to meet all the present and prospective needs.

The Court's action is stated—page 611—as follows:

Colorado's motion to dismiss is accordingly denied.

No amount of argument can distort what the Court thus did, nor the premises upon which it acted. It plainly based its action upon a broad ground, which entirely disregards the existence of the Kendrick project. Nor can any amount of argument, based on generalities to the effect that the Court will not issue declaratory judgments nor advisory opinions, be convincing in the face of the accomplished fact, the Nebraska-Wyoming decision. In fact, this thought is pointed up by the dissenting opinion of Mr. Justice Roberts. He said—page 657:

I am sure that, on the showing in the present case, none of the States is entitled to a declaration of rights.

Yet, that is exactly what the Court held should be done, and that is the law of the United States.

One more quotation from the decision in the Nebraska case in which the Court discusses the fruitless efforts of the States in that case to arrive at an interstate compact. In the case of the lower Colorado, the States have failed to make a compact after scores of intense efforts, running over nearly 30 years. The Court said—page 616:

There is some suggestion that if we undertake an apportionment of the waters of this interstate river, we embark upon an enterprise involving administrative functions beyond our province. We noted in *Colorado* v. *Kansas*, supra (320 U. S., p. 392, 88 L. Ed. 123, 64 S. Ct. 176), that these controversies between States over the waters of interstate streams "involve the interests of quasi-sovereigns, present complicated and delicate questions, and, due to the possibility of future change of conditions, necessitate expert administration rather than judicial imposition of a hard and fast rule. Such controversies may appropriately be composed by negotiation and agreement, pursuant to the compact clause of the Federal Constitution. We say of this case, as the Court has said of interstate differences of like nature, that such mutual accommodation and agreement should, if possible, be the medium of settlement, instead of invocation of our adjudicatory power." But the efforts at settlement in this case have failed. A genuine controversy exists. The gravity and importance of the case are apparent. The difficulties of drafting and enforcing a decree are no justification for us to refuse to perform the important function entrusted to us by the Constitution.

I have laid before the Senate the decision of the Supreme Court in the Nebraska case so thoroughly because—

First. It is one of the most important and most exhaustively considered decisions of the Court in an interstate water rights case;

Second. It is the most recent such case;

Third. It is the most recent important decision on the question of justiciability;

Fourth. It is based on facts which could hardly be more precisely identical

with the situation in the lower Colorado River Basin; and

Fifth. The Court, if it had so chosen, might have decided the case on the ground which Arizona now so vigorously asserts to be the law. It did not do so, but elected to hold the opposite.

So much for the decision in the Nebraska case. What other support is there for the view that the present controversy in the lower basin is justiciable? The Secretary of the Interior has advised the Senate of his opinion, and it is unequivocal. After analyzing the legal questions which are in controversy he states—hearings, House Committee on Public Lands on H. R. 934 and 935, Eighty-first Congress, first session, page 1150:

The bare statement of these questions, the knowledge that there is disagreement between Arizona and California about the answers to be given them, and the fact that, if the contentions of either State are accepted in full and if full development of the upper basin within the limits fixed by the Colorado River compact is assumed, there is not available for use in the other State sufficient water for all the projects, Federal and local, which are already in existence or authorized would seem to indicate that there exists a justiciable controversy between the States.

It is true that he added—page 1150:

Should the Congress, however, entertain doubt about the existence of such a controversy, it could dispel that doubt by authorizing the construction of the central Arizona project, a report which has been prepared by this Department and has been sent, pursuant to the provisions of section 1 of the Flood Control Act of 1944, to the States of the Colorado River Basin and to the Secretary of the Army for consideration and comment.

But the Secretary either did not intend that suggestion seriously—the Budget Bureau frowned on it in a letter dated May 7, 1943, idem., page 1154, and reported the project not to be in accord with the program of the President in a letter dated February 4, 1949, idem., page 1156—or else he was offering that suggestion as a hedge in case the proposed suit should be cast as an injunction action; for he followed at once with this language:

It is probably true that, in view of the existing physical water supply in the lower basin—a supply which is as ample as it is chiefly because the upper basin States are using far less than the 7,500,000 acre-feet apportioned to them by the compact—the situation is not such that the Court would be warranted in granting an injunction against either California or Arizona if it were found to be using more water than it is entitled to use. The controversy, nevertheless, appears to be the sort that would justify the Court's determining the rights of the parties and definitely adjudicating their respective interests in the waters available to the lower basin. It matches in every particular the requirements for a case or a controversy in the constitutional sense of these words as those requirements were spelled out by the Supreme Court in *Aetna Life Insurance Company* v. *Haworth* (300 U. S. 227, 240 (1937)). "A 'controversy' in this sense," the Court said, "must be one that is appropriate for judicial determination." * * * The controversy must be definite and concrete, touching the legal relations of parties having adverse legal interests. * * * It must be a real and substantial controversy admitting of specific relief through a decree of a conclusive character, as distinguished from an opinion advising what the law would be upon a hypothetical state of facts. * * * Where there is such a concrete case admitting of an immediate and definitive determination of the legal rights of the parties in an adversary proceeding upon the facts alleged, the judicial function may be appropriately exercised although the adjudication of the rights of the litigants may not require the award of process or the payment of damages. * * * And as it is not essential to the exercise of the judicial power that an injunction be sought, allegations that irreparable injury is threatened are not required."

This positive opinion of the Secretary of the Interior is referred to in a later letter of March 18, 1949, to the chairman of the Senate committee—hearings on S. 75 and Senate Joint Resolution 4, Senate Committee on Interior and Insular Affairs—in which the Secretary says—page 9:

A report of this Department upon those resolutions was presented to your committee in a letter dated May 13, 1948. In that letter it was pointed out that the United States is an indispensable party to any litigation that may be brought to decide the dispute which now exists among the States of the lower basin of the Colorado River and that that dispute appears to have the elements of a justiciable controversy. There is, therefore, no need for me to elaborate on these matters here.

Thus Arizona, in order to convince the Senate that the present controversy is not justiciable, must not only overcome the decision of the Supreme Court in a strikingly similar case, but must show the Senate that the same Secretary of the Interior who has filed his project report with the Senate holds an opinion as to the justiciability of the present controversy, which is flatly wrong.

If Arizona cannot convince the Senate that both the Secretary and the Supreme Court are wrong, her house of cards falls.

THE CONTROVERSY IS JUSTICIABLE UNDER ARIZONA'S OWN CRITERIA

There is another major reason why there is no need to authorize a billion-dollar project in order to permit the Supreme Court to entertain the case. This reason does not depend upon the controlling force which the Court set upon purely prospective projects in the Nebraska case. Testimony of responsible witnesses before congressional committees shows that there is already a deficit of several hundred thousand acre-feet a year in the water supply of the lower basin, compared with the demands upon that supply to serve existing projects, projects already authorized and those for which other commitments exist—hearings on S. 75, Senate Committee on Interior and Insular Affairs, page 265; letter from Commissioner of Reclamation to Senator McCARRAN, Senate Document 39, Seventy-first Congress, page 8.

The Secretary of the Interior has found the facts in slightly different terms—hearings on H. R. 934, House Committee on Public Lands, Eighty-first Congress, first session, page 1152:

The water which California projects, Federal or other, now in existence or under construction will require when they are in full operation is a great deal more than the amount which that State is entitled to use if all of Arizona's contentions are taken to be true. Similarly, the water which Arizona projects now in existence, under construction, or authorized, will require when they are fully developed is much more than the supply available to that State, if all of California's contentions are taken to be true.

Put in this way, it is clear that one State or the other has already invaded the other's water entitlement. It makes no difference which State has done so, the fact is that the water supply is already overencumbered. This, too, without including the proposed central Arizona project. The conclusion is inescapable that the controversy is now justiciable under the very tests and criteria of justiciability for which Arizona contends.

WHAT IS WRONG WITH SECTIONS 12 AND 13 OF S. 75

I now come to comment on the provisions of sections 12 and 13. They read as follows:

SEC. 12. If any State or States within 6 months after the effective date of this act shall begin a suit or suits in the Supreme Court of the United States to determine the right to the use of water for diversion from the main stream of the Colorado River through aqueducts or tunnels to be constructed pursuant to this act for beneficial consumptive use in Arizona, and to adjudicate claims of right asserted by such State or States or by any other State or States, under the Colorado River compact, the Boulder Canyon Project Act (45 Stat. 1057), the California Self-Limitation Act (Cal. Stat. 1929, ch. 16), and the Boulder Canyon Project Adjustment Act (54 Stat. 774), consent is hereby given to the joinder of the United States of America as a party in such action or actions. Any State of the Colorado River Basin may intervene or be impleaded in such suit or suits. Any such claims of right affected by the project herein authorized and asserted by any defendant State, impleaded State, or intervening State under said compact and statutes, or by the United States may be adjudicated in such action. In any such suit or suits process directed against the United States shall be served upon the Attorney General of the United States.

SEC. 13. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act: *Provided*, That no moneys appropriated under the authority of this act shall be expended for the construction of works authorized by this act which are required solely for the purpose of diverting, transporting and delivering water from the main stream of the Colorado River for beneficial consumptive use in Arizona, during the period of 6 months after the enactment of this act and during the pendency of any suit or suits in which the United States shall be joined as a party under and by virtue of the consent granted in section 12 of this act. The pendency of a motion for leave to file a bill of complaint shall be considered pendency of a suit or suits for the purposes of this act: *Provided further*, That power sales contracts shall be made with a view to the reservation of generating capacity sufficient for the operation of all features of the project and that rates for power shall be fixed in accordance with the Federal reclamation laws; and that revenues derived from the sale of power shall be credited in accordance with the provisions of the act of May 9, 1938 (52 Stat. 291, 318).

(At this point Mr. NIXON yielded to Mr. GEORGE, who submitted the conference report on H. R. 1612, the Trade Agreements Extension Act of 1951, which, after debate was agreed to. On request of Mr. GEORGE, and by unanimous consent, the debate and proceedings on the conference report were ordered to be printed in the RECORD following Mr. NIXON'S remarks.)

Mr. NIXON. Mr. President, referring again to sections 12 and 13 of the bill, these sections and their provisions are now pointed to by Arizona as the prime objective of S. 75. In the words of Representative MURDOCK, of Arizona, in the hearings recently held in the House Committee on Interior and Insular Affairs, of which he is chairman, speaking on March 1, 1951—volume III, report, transcript, page 251:

> On this matter of a suit in the Supreme Court, I want to tell you that as author of the bill, it is my first and prime objective to get authorization which will make it possible to have a final determination of this suit in the highest court of the land.

Again Mr. MURDOCK declared, on March 16, 1951—volume XIV, report, transcript, page 1276:

> I hope I have made myself clear to the committee, but one further word: I would give my right arm if we could get the highest court of the land to tell us within the briefest possible time, "Arizona, you have so much water coming to you," or even if we have not water coming to us, I would like to know that.

Arizona thus seems to accept the suit as inevitable and desirable, although from 1947 to 1949 she vehemently denounced the idea as a red herring cast in her way for the sole purpose of delaying the consummation of the central Arizona project. The sincerity of her conversion may be open to question, as I shall later point out, but she has high authority for the necessity of the suit.

The Director of the Budget, in a letter of April 19, 1950, to Chairman MURDOCK, said:

> The first question raised was whether there is enough water in the Colorado River, available for use in Arizona, to satisfy the needs of this project on a permanent basis. The President has stated many times that he would like to see a definitive settlement of the rights of the various States to waters of the Colorado River system, in order that decisions on projects to be developed in the public interest may be made on a firm basis with respect to water rights. The President consistently has indicated his unwillingness to take any position favorable to authorization of the central Arizona project until settlement of the water-rights controversy has been brought about.
>
> S. 75, in its present form, is intended to provide one means by which this controversy might be settled. I am unable to express to the committee at this time any views concerning the efficacy of the bill for this purpose.

Mr. President, I now wish to lay before the Senate some of the things that are wrong with sections 12 and 13.

First. They are totally inequitable.

Second. As a matter of policy, they are improvident, sham, and stultifying.

Third. As a matter of law, they are unworkable.

Taking up my first point, it is only simple justice that Arizona should be required to prove her right to sufficient water for the central Arizona project. As the Director of the Budget indicates, the very first prerequisite of a sound irrigation project is the existence of an adequate and permanent water supply. To take an every-day illustration, a man owns a lot and wants to borrow money on it to build a house. The lending agency asks for a title search. It discloses that there is on record in the name of a third person an unreleased claim to the title of the lot. The borrower says the claim is bad. The lending agency, as a matter of course, insists that he bring suit to quiet title, or have no loan.

That is exactly the position Arizona is in, except that Arizona has nothing as definitive as a plain record title to the water right she claims. Arizona wants to borrow $788,000,000 from the United States; that is, she wants the United States to advance that amount for her benefit, although she does not make any gesture toward binding herself to pay it back. It develops from the public records, indeed, it is a matter of common knowledge, that the claims of another State overlap Arizona's to such a great extent that, if the other State is correct, as the Secretary of the Interior says—House Document 136, Eighty-first Congress, first session, page 122:

> There will be no dependable water supply available from the Colorado River for this diversion.

In common fairness, if Arizona wants the United States to advance the money, she should assume the burden of proving first that she has the water right. That is, in the ordinary course of business, her natural obligation. The very fact that, after denying for years that any suit was necessary, she now is reluctant to go forward and prove her case, leads to the surmise that she has no confidence that she can prove her case.

At any rate, it is wholly out of order, and inequitable, that California or any other State should be called upon, as sections 12 and 13 require, to take the laboring oar and prove the negative fact that Arizona has no water right for the project.

One of the early drafts of these sections—Committee Print No. 1—expressed the correct theory. It provided that no appropriations should be made to carry Colorado River water to central Arizona during the pendency of the suit:

> Nor thereafter unless the Supreme Court * * * shall have held that water is available therefor.

For another reason sections 12 and 13 are unjust. Arizona's chief counsel, Mr. Charles A. Carson, testified before committees of both Houses that, in his judgment, the bill as drawn would be susceptible of use, and he intended to use it, as evidence of the fact that Congress had, by approving the project, thrown the weight of the United States into the scales in favor of Arizona. It is inconceivable that Congress would so intend to affect a lawsuit between States.

The present provisions of S. 75 are thoroughly unusual and totally inequitable and indefensible.

My second point is that the provisions of the bill are improvident, sham and stultifying.

The bill purports to commit the United States Treasury to an expenditure of $788,000,000, of which $450,000,000 is for the irrigation scheme, and the rest is for power. To authorize the expenditure of nearly half a billion dollars on the assertion that it is necessary to get a lawsuit started, is more grandiose in conception than merely burning down a house to roast a pig. Why, it has been asked by a member of the House Committee in its recent hearings on the project, could not some $10,000,000 project be found in one of the States of the lower basin which would definitely overdraw the water supply and create a threat, if any threat is needed? The answer is, of course, that no new threat is needed to get the case into court. Arizona's theory is one that enables her to get her foot in the door, and that is the reason for its existence.

The suit provision in sections 12 and 13 are sham. The consent that the United States be sued is coupled with and based on an authorization of the Arizona irrigation scheme. That authorization is essentially so conditioned upon the court's degree that it is thoroughly fictitious. What does it mean? At the outset, the authorization is, by section 13, one under which no expenditures may be made while the suit is pending. It is, therefore, one in suspended animation, having no present vigor or consequence. It is not what the chairman of the House committee, Mr. MURDOCK, has correctly declared to be necessary, an authorization that is real and bona fide. Hearings on House Resolution 1500, volume 13 of reporter's transcript, 1143. Is there any reason to believe that the Supreme Court, if it thought that a threat was material to the case, would regard such a floating and disembodied ghost of an authorization as a threat? Or would it say that Congress certainly was not so careless of the taxpayers' money as to intend to authorize a project whether it had a water supply or not?

Looking forward, what is the intention of Congress as to how the authorization shall operate after the Court has rendered its decree? Proponents of S. 75 must admit that there is nothing in sections 12 or 13 to suspend the authorization, the minute the Court has spoken. Unless Arizona wins 100 percent on every point in contention, there will not be water available to her sufficient to serve the project, as designed. But suppose that Arizona does not win 100 percent. Suppose that Arizona loses 100 percent and there is no water supply at all for the project. Is Congress then to be understood as meaning that nevertheless the project shall be built, as a monument to its mistaken judgment? Of course not. I suppose proponents would say. No Appropriations Committee would do such a foolish thing. Would Congress then repeal the act and thereby admit that it had to stultify itself?

The possibilities of an intermediate decision by the Court are endless. As the

Secretary of the Interior has said—hearings on H. R. 934, 935, House Committee on Public Lands, Eighty-first Congress, first session, page 1152:

I have not attempted to examine the merits of the contentions made by the spokesmen for Arizona and California on these questions. Assuming, however, that there is some merit to both sides on all four of the major questions, it is obvious that there are many answers, in terms of the number of acre-feet of water which California may use under section 4 (a) of the Boulder Canyon Project Act, that might conceivably be given. Using the long-run average flows shown in this Department's report on the Colorado River Basin as a basis for computations, the answers might range from as much as 6,250,000 acre-feet per year to approximately 4,000,000 acre-feet. Likewise, there is a great range in the amount of water from the Colorado River system which might be found available for use in Arizona. The maximum might be somewhat over 3,500,000 acre-feet, the minimum nearly as little as 2,250,000 acre-feet.

Suppose the Court holds that Arizona has a right to only a third, or a half, of the 1,200,000 acre-feet a year required to serve the project, as designed. Would it now be taken as the intention of Congress that the full-size aqueduct be built? Or would it be taken as the intention of Congress that in such an event the canal, pumps and all other features would have to be redesigned and their feasibility and financial plan be reexamined and justified? Of course, the latter is the only course that would be rational and I cannot believe that the courts would willingly interpret an act of Congress as being irrational.

If what I have said is true, what becomes of the authorization? It is plainly not a fixed and firm decision of the Congress. It seems to be nothing "real and genuine." In fact, it seems to be an act which Congress is asked to pass with its tongue in its cheek and with its fingers crossed. It is superficially a cleverly designed stepping stone to the Court. The Court, however, is thoroughly accustomed to looking through the superficial to the real. I cannot believe that it would be deceived by such a sham.

Sections 12 and 13 are unworkable. They would not achieve the object which proponents of the bill profess to advocate.

The rights of the five States in the lower basin of the Colorado, Arizona, California, Nevada, New Mexico, and Utah, to the use of the waters of the river, constitute an interrelated complex. The rights of any one State cannot be ascertained alone, but depend on definition of their relation to the whole. The settlement of the controversy in the lower basin can only be arrived at when the rights of each State, and all, are determined. It is such a settlement to which the suit should be directed, or it has failed to serve its purpose.

Does Section 12 consent that the United States be sued in such a suit? Definitely, no. Such narrow limitations are cast about the suit that it may be doubted whether it will serve any purpose.

Section 12 limits the suit to one "to determine the right to the use of water for diversion from the main stream of the Colorado River through aqueducts or tunnels to be constructed pursuant to this act for beneficial consumptive use in Arizona." Thus, it is at least arguable that the suit is not an equitable apportionment suit, nor a quiet-title suit, in which there could be determined Arizona's total entitlement, and what commitments she has made from that entitlement and what residue may remain for the project authorized by the act. Apparently it would be a suit to determine only the narrow question of Arizona's right to take water for this one project. I presume Arizona would argue that it must be an injunction suit and subject to the limitations of that type of case. At any rate, the burden of proving the negative of such a limited proposition as the right to water for one project should not be cast on any other State, as I have said.

Section 12 provides—"and to adjudicate claims of right asserted by such State or States or by any other State or States, under" four specific documents, the Colorado River Compact, the Boulder Canyon Project Act, the California Limitation Act, and the Boulder Canyon Project Adjustment Act. This language might be taken as opening the door to a full-scale investigation of the rights of all the States. It may not. In the first place the language ignores four significant pieces of the puzzle, first, the Mexican Water Treaty; second, the act of the Arizona Legislature of February 11, 1944, by which Arizona recognized California's rights within the terms of her Limitation Act; third, the upper Colorado River compact; and, fourth, the appropriative rights in each of the States which existed before any of the statutes and compacts. It may be that the Court would choose to consider these elements. Certainly, however, section 12 is not so drawn as to demonstrate that it should do so.

The second reason why the clause of section 12 last quoted may be inadequate is that in the second sentence following it is declared:

Any such claim of right affected by the project herein authorized and asserted by any defendant State, impleaded State, or intervening State under said compact and statutes, or by the United States may be adjudicated in such action.

Here I ask whether it is the intent that the claims of the States shall only be adjudicated to the extent they are affected by the project. If so, is not the controlling clause of section 12 the first one, which, as I have suggested, may be taken as limiting the scope of the action to the naked question whether Arizona has a water right for the one project?

If the Court should hold as I have suggested, would it not hold that it is utterly impracticable and futile for it to examine into the water right for one project in one State, without having before it the subject matter by which it could approach that result, namely, all the rights and all the present uses in all the five States? If so, the plan of section 12 is unworkable. It would not lead to any useful result.

In order to let the Members of the Senate know why I am perhaps a shade skeptical of the real intent behind the drafting of section 12 and the uncertainties which I find in it, I should say that in the hearings held in March 1951, before the House committee the chief counsel for Arizona, Mr. Carson, disclosed that in his opinion and judgment, California could never state a justiciable case of action, even though the central Arizona project was authorized, unless California could truthfully allege that Arizona was presently interfering with California's satisfying her rights to take water from the river. In view of the fact that there is now flowing down the river to the Gulf of California around 5,000,000 acre-feet of water which belongs to the upper basin under the Colorado River Compact, but which the upper basin is not now using, and in view of the fact that this unused water may not be put to use by the upper basin for 25, 50, or 100 years, and in view of the fact that during such a period the unused upper basin water would be physically present in the river and temporarily available to meet California's needs, I am led to wonder just what Mr. Carson means. Taking his statement at face value, and assuming he is correct, which I emphatically deny, then no justiciable cause of action could be stated by California, or any other State in this generation, or perhaps the next. What becomes, then, of the compelling necessity which the Arizona Senators allege, I assume in the utmost good faith, to authorize the central Arizona project in order to make the case immediately justiciable? The sober truth is that sections 12 and 13 are unworkable and Mr. Carson thinks he knows how to prevent them from working.

Arizona's present excuse for authorizing the central Arizona aqueduct is that it will make the controversy justiciable and permit it to be settled by the Court. But we now discover that Arizona's chief counsel believes he can convince the Court that, notwithstanding the act, the controversy is still not justiciable and will not be justiciable until some distant day when one State or another is unable to draw water from the river to satisfy her rights.

If he should succeed in this dubious maneuver, the result is that, under section 13, as soon as the court dismisses the suit, the authorization of the aqueduct becomes immediately and fully operative. Such a result would not comport with the representations which have been made to the Senate and cannot be squared with good faith.

To sum up:

First. Under the decision of the Supreme Court in the case of Nebraska against Wyoming such a controversy as that existing in the lower basin of the Colorado River is now justiciable.

Second. Under the opinion of the Secretary of the Interior, that particular controversy is now justiciable.

Third. Independent of both opinions, the factual situation in the lower basin is that there is already a shortage of water supply to meet all lawful demands which may be made on it by existing and presently authorized projects and other commitments; hence, the case is now justiciable under the very criteria urged by Arizona. This statement does not

take into account the remarkable and revealing position of Mr. Carson.

Fourth. Sections 12 and 13 of the bill are inequitable, improvident, sham, and unworkable. Indeed, if Mr. Carson were correct, they would accomplish nothing.

We are approaching the fourth anniversary of the introduction of the first central Arizona project bill—S. 1175, Eightieth Congress; S. 75, Eighty-first Congress; S. 75, Eighty-second Congress. Through this period there have been pending before the Congress brief, clean-cut resolutions introduced by all four Senators from Nevada and California providing for joinder of the United States in an immediate suit in the Supreme Court—Senate Joint Resolution 145, Eightieth Congress; Senate Joint Resolution 4, Eightieth Congress; Senate Joint Resolution 26, Eighty-second Congress.

Arizona has vehemently opposed the California-Nevada resolutions. She originally opposed any provision for suit, but has now reversed herself, and insists that the suit must proceed, but only after she has obtained the ambiguous authorization of her project provided for in S. 75.

While the debates have been running on in the political forum, the issue of justiciability could have been decided by the Court several times over. That issue lies at the threshold of the litigation. The Court is able to dispose of such a preliminary question in a matter of months. We know this is true. In the three cases brought by Arizona against the other States in the basin—*Arizona* v. *California et al.* (283 U. S. 423); *Arizona* v. *California et al.* (292 U. S. 341); *Arizona* v. *California et al.* (298 U. S. 558) issues of similiar legal character were presented, argued, and determined with a promptness which may be surprising. The actual elapsed time from the filing of the bill to the date of decision in those three cases was 5 months, 3½ months, and 8 months, respectively.

I respectfully submit that had not Arizona opposed Senate Joint Resolution 145 in 1947 and thereafter, any question as to the justiciability of the case could long since have been settled by the Court. The Senate could be relieved of this argument and could have gone about more pressing and productive business.

TRADE AGREEMENTS EXTENSION ACT OF 1951—CONFERENCE REPORT

During the delivery of Mr. NIXON'S speech,

Mr. GEORGE. Mr. President, will the Senator from California yield to me so that I may present a conference report? I do not think it will provoke any controversy.

Mr. NIXON. I am very glad to yield.

Mr. GEORGE. Mr. President, I ask that all proceedings in connection with the conference report be printed in the RECORD at the conclusion of the remarks of the distinguished Senator from California.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GEORGE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 7, and 8 and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with the following amendments: On page 2, of the Senate engrossed amendments, strike out lines 12, 13, and 14, and insert the following: "imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the"; on page 3 of the Senate engrossed amendments, strike out lines 12 and 13, and insert the following: "increased quantities, either actual or relative, as to cause or threaten serious"; on page 4 of the Senate engrossed amendments, strike out lines 4, 5, and 6, and insert the following: "cession, being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the."

And the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: On page 6 of the Senate engrossed amendments, line 11, strike out "20" and insert "25."

And the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SEC. 11. The President shall, as soon as practicable, take such measures as may be necessary to prevent the importation of ermine, fox, kolinsky, marten, mink, muskrat, and weasel furs and skins, dressed or undressed, which are the product of the Union of Soviet Socialist Republics or of Communist China."

And the Senate agree to the same.

WALTER F. GEORGE,
TOM CONNALLY,
HARRY F. BYRD,
E. D. MILLIKIN,
ROBERT A. TAFT,
Managers on the Part of the Senate.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
W. D. MILLS,
DANIEL A. REED,
THOMAS JENKINS,
RICHARD M. SIMPSON,
Managers on the Part of the House.

Mr. GEORGE. Mr. President, as the conference report shows, the House recedes from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 7 and 8.

In the case of amendment numbered 5 the House recedes from its disagreement to the amendment of the Senate and agrees to it with the following amendments:

On page 2 of the Senate engrossed amendments, strike out lines 12, 13, and 14 and insert the following: "imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the"—

Then follows the language in the bill.

Mr. MORSE. Mr. President, will the Senator yield on that particular amendment?

Mr. GEORGE. I am glad to yield to the Senator from Oregon.

Mr. MORSE. Will the Senator explain to the Senate what, in his opinion, is the difference between that section of the Senate bill and the section as amended by the conferees?

Mr. GEORGE. The amendment as agreed to is in the nature of a clarification. It is intended to meet a situation which might not have been met by the language of the Senate bill. In the Senate bill the language read:

Imported into the United States in such relatively increased quantities, measured by a prior representative period—

And so forth. In conference our attention was called to the fact, which I think persuaded our conferees, that during World War II some of our industries were virtually choked off, and new industries were established, which had no comparative prior period to which the relatively increased imports might be compared. For that reason we thought it best to make it clear that whenever the articles were imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry, the American industry should have the full advantage of the escape-clause provision in the bill.

Mr. MORSE. Mr. President, will the Senator further yield?

Mr. GEORGE. I am pleased to yield. I think the distinguished Senator from Colorado [Mr. MILLIKIN] will verify our reason for making this change.

Mr. MORSE. Will the Senator permit me to make an observation, and then comment upon it, or permit the Senator from Colorado to comment upon it?

Mr. GEORGE. I am pleased to yield.

Mr. MORSE. Do the Senator from Georgia and the Senator from Colorado agree that I am correct in my interpretation of the language which was adopted in the conference by way of modification of the Senate language, in that the new language strengthens and makes more effective the operation of both the peril-point and escape-clause principles?

Mr. GEORGE. I think undoubtedly it does. I should be very glad to have the distinguished Senator from Colorado express himself on that point.

Mr. MILLIKIN. Mr. President, I will say to the distinguished Senator from Oregon that I think there is a strengthening of the escape-clause procedure, for the reasons stated by the distinguished senior Senator from Georgia. We might arrive at a case in which there was not a fair representative period prior to a concession. So since we are not only planning to take care of matters now, but also requiring a new standard to be placed in the escape clauses in the future, we thought this would tend to round out the subject in a better fashion.

Mr. MORSE. At the same time, it also makes more effective the operation of the principle of the peril point, because the two cannot really be separated, can they?

Mr. MILLIKIN. I think there is a separation. In the first instance, we are trying to prevent the future occurrence of an injury under a particular standard.

In the second instance we are trying to escape from injury if injury should occur.

Mr. MORSE. But to the extent that we have a procedure for handling the escape problem, we also serve notice upon the individuals who negotiate the reciprocal trade program that they should continue to pay attention to the peril-point problem at the time of negotiation, and in the subsequent administration thereof.

Mr. MILLIKIN. I think the Senator is entirely correct. If they pay proper attention to the rates when they make them, they will greatly minimize the need for the escape-clause procedure.

Mr. MORSE. That is my point.

Mr. GEORGE. On page 3 of the Senate engrossed amendments, the same amendment is inserted; and on page 4, the new language which we have just discussed is again inserted.

The Senate conferees agreed to these changes.

In the case of amendment No. 6, the House recedes from its disagreement to the amendment, and agrees to it with an amendment as follows:

On page 6 of the Senate engrossed amendment, line 11, strike out "20" and insert "25."

The Senate conferees agreed to this change.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the distinguished Senator from Florida.

Mr. HOLLAND. Is this portion of the report the one which deals with section 8 (a) of the Senate bill?

Mr. GEORGE. The Senator is correct.

Mr. HOLLAND. Is it correct to say that the House has accepted section 8 (a) of the Senate bill, with the exception of the fact that the conferees changed the period of time in which the Tariff Commission must act from 20 days to 25 days?

Mr. GEORGE. The Senator is correct. The House conferees accepted section 8 (a) in its entirety, with this change, from 20 days to 25. The Tariff Commission, through its Chairman, advised that 20 days was hardly ample, and the House conferees strongly insisted upon 30 days. The Senate conferees insisted upon 20 days. Finally it was compromised by inserting 25 days.

It was strongly believed, and is strongly believed by the conferees on the part of both House and the Senate, that in the case of highly perishable fruits or vegetables the President himself will act without referring the matter to the Tariff Commission; but if he should refer it to the Commission and await action by the Commission, both the Commission and the President must act within 25 days. That is an over-all limitation upon the time in which they must act.

Mr. HOLLAND. Mr. President, will the Senator yield for one more question?

Mr. GEORGE. Yes.

Mr. HOLLAND. In the event that the President does send the matter to the Tariff Commission, after having received the report and recommendation of the Secretary of Agriculture, the President may, notwithstanding the fact that he has sent the matter to the Commission, act at any time within the 25-day period without awaiting the report of the Tariff Commission, may he not?

Mr. GEORGE. That is correct. As a matter of fact, the bill contemplates that the Secretary of Agriculture will find the facts, that he will notify both the President and the Tariff Commission, and that the President may act immediately, without awaiting the lapse of even 1 day, if he should determine to do so and think it wise to do so. I believe it should be worth something in the construction of the provision that the conferees, both on the part of the House and on the part of the Senate, were of the opinion that in all cases of highly perishable fruits and vegetables, to which injury or threat of injury was imminent, the President probably would act without awaiting action or recommendation by the Tariff Commission.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. GEORGE. I am glad to yield.

Mr. MILLIKIN. I should like to add one thought. I believe the conferees were unanimous in the view that if the matter went to the Tariff Commission, the Tariff Commission should not always take 25 days, but should take action as rapidly as possible, and under no circumstances take more than 25 days.

Mr. HOLLAND. Mr. President, I thank the distinguished Senators. In my judgment they have done excellent work in conference, because it seems to me the House has substantially accepted the Senate amendment, which is designed to help domestic producers of perishable commodities. Heretofore there has been no adequate machinery in existence for their protection under the act.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. GEORGE. Yes.

Mr. MILLIKIN. I believe there was also general agreement among the conferees that both the Tariff Commission and the Secretary of Agriculture should do what is necessary to be done so as to be able to anticipate emergencies, and thus be able to expedite the procedure when requests for action are made.

Mr. HOLLAND. I thank the distinguished Senator.

Mr. GEORGE. In the case of amendment No. 9, the House recedes from its disagreement and agrees to it with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SEC. 11. The President shall, as soon as practicable, take such measures as may be necessary to prevent the importation of ermine, fox, kolinsky, marten, mink, muskrat, and weasel furs and skins, dressed or undressed, which are the product of the Union of Soviet Socialist Republics or of Communist China."

It was the opinion of the conferees on the part of both the Senate and the House that with this mandatory provision for action to prevent the importation of the several named furs into the United States from the Union of Soviet Socialist Republics and from Communist China the chief source of supply of these furs or of importation of them would be cut off. Not only that, but immediately upon the passage and approval of this act, the fur producers of this country would have the complete right to proceed under the escape clause. It was believed by the conferees that the matter inserted by the conference committee, with the remedy then available to the producers of furs, would give reasonable relief against the importation of the furs, from which they have undoubtedly suffered in the past.

Mr. President, I should like to say that included in the amendment numbered one is the provision which relates to the effective date of the act and its duration. The House conferees agreed with the Senate, and the act would be extended for 2 years only, from June 12, 1951.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

THE FLOOR UNDER WAGES AND INVESTMENTS

Mr. MALONE. Mr. President, reserving the right to object, I should like to ask the distinguished Senator from Georgia if any language was inserted by the conference committee which would direct the President to take cognizance of the recommendations of the Tariff Commission in regard to any trade agreements about to be made under the peril-point provision, or if any language was inserted which would direct the President to take any action under the escape clause.

ONLY FURS EXEMPTED

Mr. GEORGE. There was no change made by the conference committee in either one of the provisions named, to wit, the peril point provision or the escape clause. The last amendment to which I have invited attention is an express mandatory directive to the President to take steps as early as practicable which will prevent the importation of the furs from the two countries named.

Mr. MALONE. The junior Senator from Nevada approves of the amendment as far as it goes. It covers one product out of several thousand. In other words, it covers only the furs named.

Mr. GEORGE. The Senator is perhaps correct. I do not know the number of products. It covers only furs.

Mr. MALONE. That is correct.

Mr. GEORGE. We were faced with the situation, as I am sure the Senator will appreciate, that, whether or not one agrees with the Trade Agreements Act and the agreements made thereunder, such agreements are international in character, and until appropriate steps are taken to escape from an agreement it is a rather high-handed piece of business on the part of any state a party to the agreement to disregard it. In the case of furs, it is absolutely necessary to provide for the termination, so to speak, of present arrangements and to prevent the importation of the furs, and then to leave the parties, whether they be producers of furs or producers of other commodities, free to act under the escape clause in the bill. The Senator is quite correct in saying that no change has

been made in the language of the peril point or escape clause provisions on the point to which he directs attention.

ALL PROVISIONS OPTIONAL WITH THE PRESIDENT

Mr. MALONE. In other words, to keep the record straight no change has been made in the bill as first reported to the Senate by the Committee on Finance or as finally passed by the Senate which would direct the President to do anything about any injury to a domestic business, or direct the President to take action under the escape clause after such business is injured. It is entirely optional with the President as was categorically stated by the junior Senator from Nevada during the Senate debate on the 21st, 22d, and 23d of this month.

Mr. GEORGE. We had considerable argument on the floor. The distinguished Senator from Nevada insists that this matter is entirely optional. The senior Senator from Georgia and others on the Finance Committee do not think it is entirely optional except in the sense that the absolute power to act is left with the President; but there are many limitations, which we think are highly persuasive, upon the exercise of that power.

However, the Senator is correct; the same issues were raised in the debate, and there has been no change with respect to those issues, except in the case of furs. I think there is a slight change in that case, but otherwise there has been no change.

Mr. MALONE. Mr. President, further to clarify the RECORD as to the provisions of the bill actually agreed upon in conference, let me say that the only product out of the several thousand products upon which there has been a change is furs. I heartily agree about the exception; it seems strange however that one product should be exempted from the operation of the act out of several thousand.

The point I wish to make is that nothing in this measure directs the President to do anything.

This means that the President must write a letter to Congress explaining his reasons if he disregards the report by the Tariff Commission pointing out the danger point for an existing industry.

Of course, Mr. President, in my judgment, having had 4½ years' experience with the fantastic reasoning advanced by the President of the United States and a distinguished but entirely discredited Secretary of State, little attention will be paid to any suggestion by a tariff commission.

OBJECTIVES ALREADY ANNOUNCED

The provisions amount only to suggestions—which would interfere with the already announced administration objectives. In the last 4 years, at least once each year—four or five times—testimony by the Secretary of State or his assistants before congressional committees, has definitely stated that their program is the division of the markets of the United States with the nations of the world.

OUR CHIEF EXPORT IS CASH

That is their announced program; it is not something which is left to conjecture by Congress. We know what the program is, and in the meantime we make up in cash the trade-balance deficits of the other nations through Marshall plan and ECA.

Much was made by committee members of the promise of the Secretary of State that the International Trade Organization would not be brought before the Senate again.

INTERNATIONAL TRADE ORGANIZATION COMPLETED

Mr. President, but chapter 4 of the ITO Charter, the commercial policy chapter of the International Trade Organization, was adopted through the General Agreement on Tariffs and Trade, generally known as GATT, an arrangement which was begun in Geneva and has been added to, from time to time until the holding of the Torquay Conference, where the job of setting the stage for the adoption of the ITO was practically completed.

The result has been that practically every commercial provision of the International Trade Organization—which was made a part of the CONGRESSIONAL RECORD during the debate—will now be effective, except in the case of the points which need approval by the Congress of the United States, and avenues are being used now to secure that approval.

In a release made at that time by the Secretary of State, there was a warning that that would be done.

THE CUSTOMS SIMPLIFICATION BILL

A very innocuous-looking bill, under the heading "Simplification of Customs," is now before the Senate committee.

I have found six separate "sleepers" in that bill. If the bill were passed by the Congress, the result would be that the job of adopting ITO would be practically complete.

Mr. President, the bill as it now stands has been passed upon by the Senate.

So, for the purpose of the RECORD, I say again that the bill simply extends for two more years the effective provisions of the original bill.

Under this legislation, everything is left to the judgment and discretion of the President of the United States and is the same free-trade bill passed in 1934; and under which the administration has effectively removed the floor under wages and investments.

The President and the Secretary of State, if they so desire, may call another Torquay Conference and can go through the same procedure as the one they went through at Torquay, where several thousand products were either frozen at their existing rates or lower tariffs imposed.

There is nothing in this measure to prevent the continued raid upon American markets by foreign nations.

IMPORT FEES NOW LARGELY BELOW PERIL POINT

I would point out further, Mr. President, as was proven on the floor of the Senate during the debate, that the great majority of the tariffs and import fees which have been tinkered with and manipulated during the last 18 years, now are below the peril point.

Therefore, the peril-point provision—even if mandatory, which it is not—comes after the tariff structure has been effectively destroyed.

The VICE PRESIDENT. Is there objection to the request for the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

Mr. GEORGE. Mr. President, I wish to thank the Senator from California, and I desire to express regret that so much of his time has been consumed.

Mr. NIXON. That is perfectly all right.

STANDING COMMITTEE ON VETERANS' AFFAIRS

After the conclusion of Mr. NIXON's speech,

Mr. FERGUSON. Mr. President, on behalf of the Senator from Vermont [Mr. FLANDERS], myself, and 34 other Senators, I am about to submit for appropriate reference a Senate resolution to create in the Senate a standing Committee on Veterans' Affairs, to consist of 13 Senators.

For the RECORD, I should like to read the name of each of the cosponsors who have joined the Senator from Vermont and me in offering this revision of the Senate rules:

Mr. WHERRY, Mr. MORSE, Mr. GILLETTE, Mr. KILGORE, Mr. O'CONOR, Mr. SALTONSTALL, Mr. MCCARTHY, Mr. ECTON, Mr. HOLLAND, Mr. LODGE, Mr. WELKER, Mr. MUNDT, Mr. IVES, Mr. MALONE, Mr. WILEY, Mr. CHAVEZ, Mrs. SMITH of Maine, Mr. MCCARRAN, Mr. YOUNG, Mr. CASE, Mr. SMATHERS, Mr. MARTIN, Mr. BUTLER of Maryland, Mr. BUTLER of Nebraska, Mr. LANGER, Mr. MOODY, Mr. SCHOEPPEL, Mr. NEELY, Mr. CARLSON, Mr. JENNER, Mr. DWORSHAK, Mr. MURRAY, Mr. HENDRICKSON, and Mr. NIXON.

Mr. President, tomorrow will be Memorial Day. On the eve of that occasion it is entirely fitting that this bipartisan group, comprising more than one-third of the Senate's membership, should pay tribute to the veterans of military service in this country by recognizing the essential importance of veterans' legislation in the business of the United States Congress.

There are today in the United States approximately 19,000,000 living veterans of military service. More are being added to the veterans' rolls daily. Approximately $4,900,000,000, or 7 percent, of the Federal Government's annual budget is devoted to various phases of veterans' benefits and care.

It is extraordinary that a phase of our national life so sweeping in its scope should not have the benefit of specialized committee attention in the United States Senate. A field of such broad legislative implications deserves specialized attention for the full protection, not just of the veterans, but of the Nation as a whole.

The field has such specialized attention in the House of Representatives by virtue of its Committee on Veterans' Affairs. We propose that a committee of identical jurisdictional authority be established in the Senate. It would assume jurisdiction over matters now handled principally by two other standing committees, Finance, and Labor and Public Welfare. Under the terms of this resolution, the new committee would have jurisdiction over the following matters:

First. Veterans' measures generally.

Second. Pensions of all wars of the United States, general and special.

Third. Life insurance issued by the Government on account of service in the Armed Forces.

Fourth. Compensation of veterans.

Fifth. Vocational rehabilitation and education of veterans.

Sixth. Veterans' hospitals, medical care, and treatment of veterans.

Seventh. Soldiers' and sailors' civil relief.

Eighth. Readjustment of servicemen to civil life.

Mr. President, this proposal for a standing Committee on Veterans' Affairs is not novel. A similar recommendation came in 1946 from no less an authority than the noted Joint Committee on the Organization of Congress. The bill embodying the joint committee's recommendations, which was introduced in the Senate by former Senator La Follette, contained provision for just such a committee.

In response to objections on the floor that the two-committee assignment rule would deprive the new committee of the long experience with veterans' affairs possessed by members of the Finance Committee which had had jurisdiction of such affairs since World War I, the provision for the new committee was stricken from the bill by Senator La Follette.

At the time, however, Senator La Follette observed that a Veterans' Affairs Committee would have to be set up "in the near future in order to relieve the Finance Committee of a tremendous burden." A part of that argument by Senator La Follette may have been met by the subsequent division of veterans' matters between the Finance, and Labor and Public Welfare Committees. At the same time that division of responsibility lessens the force of the argument which prompted Senator La Follette to drop his original recommendation for a standing Committee on Veterans' Affairs.

Mr. President, all the reasoning behind the recommendation for a veterans' committee in the original La Follette-Monroney report of 1946 remains valid. And there are even more impelling reasons today.

The Korean war, the extension of selective service, and the possible advent of some form of universal military training—all within the context of an accelerated defense effort of perhaps limitless duration—point to a gradual accumulation rather than any lessening of veterans' problems in the future. It has also became increasingly clear that the proper conduct of the Veterans' Administration is of such vital concern to the veteran and the public that Congress should have a single committee in each House to exercise the responsibility of pin-pointed overseeing.

I am pleased to say that the proposal I am bringing forth today bears the endorsement of the Veterans of Foreign Wars, the Disabled Veterans of America, the AMVETS, and the American Legion. The Senator from Vermont [Mr. FLANDERS] and I are indebted to each of these organizations for their counsel and support in the preparation of this resolution.

Mr. President, there were some technical problems involved in the creation of a new or sixteenth standing committee in the Senate. One problem was the upset of committee assignments and alinements which would occur with its introduction in the midst of any Congress. To avoid any general disruption in other phases of the legislative process, we propose that the new committee become operative with the organization of the next Congress.

Another problem was mathematical—to assure a full complement of Members on the new committee while observing the two-committee assignment rule. To solve that mathematical problem it was necessary to designate a third committee—we designated the Committee on Post Office and Civil Service—as a committee on which service would not count under the two-committee assignment rule. Also, in order to assure complete committee representation and balance no matter what the party make-up of the Senate might be, it is provided that 18 members of the majority and 6 of the minority shall come within the exceptions to the two-committee assignment rule.

These, however, are details. They have been worked out in consultation with authorities on congressional organization, but we have no pride of authorship in them and grant they may be subjected to revision upon further examination.

The important thing which this resolution represents, and which we urge upon the Senate for speedy action, is the creation of a specialized agency in this body for the handling of veterans' affairs. The American veteran and the American public deserve no less.

Mr. President, I send the resolution to the desk and ask unanimous consent that it be received and appropriately referred.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Without objection the resolution will be received and appropriately referred.

The resolution (S. Res. 148) submitted by Mr. FERGUSON, for himself and other Senators, was referred to the Committee on Rules and Administration, as follows:

Resolved, That commencing with the Eighty-third Congress, rule XXV of the Standing Rules of the Senate (relating to standing committees) is amended by—

(1) striking out subparagraphs 10 through 13 in paragraph (h) of section 1;

(2) striking out subparagraphs 16 through 19 in paragraph (1) of section 1;

(3) inserting in section 1 after paragraph (o) the following new paragraph:

"(p) Committee on Veterans' Affairs, to consist of 13 Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Veterans' measures, generally.

"2. Pensions of all wars of the United States, general and special.

"3. Life insurance issued by the Government on account of service in the Armed Forces.

"4. Compensation of veterans.

"5. Vocational rehabilitation and education of veterans.

"6. Veterans' hospitals, medical care, and treatment of veterans.

"7. Soldiers and sailors' civil relief.

"8. Readjustment of servicemen to civil life.";

(4) striking out section 4 and inserting in lieu thereof the following:

"(4) Each Senator shall serve on 2 standing committees and no more; except that 18 Senators of the majority party, and 6 Senators of the minority party, who are members of the Committee on the District of Columbia, the Committee on Expenditures in the Executive Departments, or the Committee on Post Office and Civil Service, shall serve on 3 standing committees and no more. During any period in which the minority party has a total membership of 15 Senators or less, such 6 Senators of such party who shall be members of 3 committees may be members of any 3 standing committees."

WASTEFUL GOVERNMENT EXPENDITURES

Mr. FERGUSON. Mr. President, last week, when we were discussing the fourth supplemental appropriation bill, I made passing reference to some truly amazing figures which appear in another bill, to provide luncheons for certain exchange students coming to this country under the sponsorship of the Department of State. I want to discuss those figures further at this time, as they appear in the State Department's budget requests for fiscal 1952.

In referring to these figures I want to make two points:

First. This all-time record budget which has been submitted to us for 1952 is overloaded with items which might find some justification in normal times but for which there can be no justification whatsoever in times when Government is taking every third dollar earned by an individual and when only the minimum conduct of essential governmental business can be justified as an expenditure superimposed upon our terrifying defense requirements.

Second. I want to point out graphically as I can the impact which some of these nonessential expenditures have upon an average citizen's pocketbook. I am going to show how many American families it takes to support this particular State Department operation.

The amount involved is small in number of dollars, but I think it is significant as pointing out what will happen unless we are willing to screen, and very carefully screen, the different appropriations.

Mr. President, there is too little appreciation of the personalized consequences of governmental extravagance. Let us say we have a program whose wastefulness is proved beyond any shadow of doubt, and let us say it costs $1,500,000. Some might think that breaks down into only 1 cent for each person in the country, and that does not amount to much. But multiply that single wasteful program, or the amount of waste in that program, and we see where our money goes.

An even better way of figuring the effect of that waste is to compute how many individual taxpayers are paying for it. If an average wage earner's income tax payment is $250, then something like 6,000 American families are paying for the hypothetical waste of $1,500,000 I mentioned a minute ago.

In effect, that wasteful project belongs to them—that particular 6,000. I should like to see how long those 6,000 families would stand for the continuation of that waste if they could see that

it was their hard-earned money that was being poured down such a rat hole.

I think such an approach to the subject of governmental extravagance is what we need, Mr. President. We must impress upon every American taxpayer the personal interest that he has in every dollar of governmental waste. I am very sure that waste would be eliminated once its cost becomes personalized, as it would be if, let us say, a community of 6,000 taxpayers of average income assumed full responsibility for the hypothetical program I have mentioned. If the program was not worth the $1,500,000 being spent on it, it would not take those 6,000 families long to see to it that it was placed in the scrap pile where it belongs.

Mr. President, the President of the United States has taken great pains to tell the American people about what he has called the "tight" budget he has submitted for the next fiscal year.

Some time ago when questioned by reporters with reference to possible economies to be effected in the 1952 budget as presented to the Congress, the President replied that any reduction made in his budget would be a curtailment of absolutely necessary programs, and he actually dared the Congress to cut the budget.

The President was unequivocal and most positive in stating that there was no "water" in this budget. In other words, any cut at all would represent the curtailment of an absolutely necessary program.

I believe the Director of the Budget, too, has since testified before the House Ways and Means Committee that the budget as submitted was not susceptible to reduction without seriously impairing absolutely necessary governmental services to our citizens. I emphasize the words "impairing absolutely necessary governmental services to our citizens."

I invite the attention of the Senate to one minor item appearing in the budget for the Department of State under the title "International Information and Educational Activities." My reason for mentioning this item at this time is that I referred to it in passing the other day on the floor of the Senate, and I think it deserves an explanation. The item appears in the activity "exchange of persons." The 1952 estimate for the whole program is $10,652,960, an increase of $4,757,689, or 80.7 percent, over the 1951 allowance of $5,895,271. That small item—I say "small" because we are accustomed to speak of Government figures in terms of billions of dollars— representing an increase of 80 percent, can be multiplied over and over. That is why the budget is increasing enormously from year to year.

Justification for one item for which a mere $31,875 is sought—an increase of $22,477 or 239.16 percent, over the 1951 allowance of $9,398—appears on page 657 of the justifications furnished the Committee on Appropriations. Imagine the situation. This one item has gone up 239 percent over the 1951 allowance of $9,398.

This item makes very interesting reading, and I quote it in full:

The estimate will provide: (a) entertainment within the United States at an estimated cost of $24,875, and (b) transportation (limousine and taxi service), newspapers, publications, and so forth, for orientation and service centers at an estimated cost of $7,000 for a total of $31,875.

Entertainment within the United States: The Department's experience over many years with the Latin American program, and the more recent experience with Eastern Hemisphere programs, has demonstrated the very real value of hospitality (official luncheons, receptions, etc.), given by the Department to leader grantees from other countries as a means of official recognition of a welcome to the grantee.

Through these affairs, also, the grantee is brought in contact under official auspices with prominent persons from American public and private life who may be interested in his visit and the inclusion of such persons as guests has had a definite public relations value to the exchange of persons program. Activities of this type are considered an important element in the programs undertaken by foreign leaders visiting this country under the auspices of the Department.

It is requested that the appropriation limitation be increased for 1952 to provide for a substantial increase for expenses of official entertainment which has a very definite and positive effect in connection with the success of the program.

It is estimated that 679 leaders and specialists will visit the United States during the fiscal year 1952. Of this number, it is estimated that luncheons will be given for 375. The breakdown is as follows:

Number of functions and estimated cost

75 regular luncheons, 14 persons per luncheon at $125	$9,375
100 luncheons for 3 grantees each 18 persons per luncheon at $155	15,500
Total	24,875

When one reads the language in the average budget message, one is inclined to be impressed with the great necessity for such a program, and the necessity for these expenditures. But let us break it down and look at it as it really exists.

The number of functions is 75 regular luncheons, with 14 persons per luncheon, at $125, or $9,375.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SMATHERS in the chair). Does the Senator from Michigan yield to the Senator from Illinois?

Mr. FERGUSON. I am glad to yield to the Senator from Illinois.

Mr. DOUGLAS. How much does that come to on the basis of each meal?

Mr. FERGUSON. I have it figured out. For the first item it is $8.93 for each meal served, and for the second item it is $8.61 for each meal.

Mr. DOUGLAS. How many of such meals will be eaten by members of the State Department?

Mr. FERGUSON. I will figure that out a little later. I shall try to obtain that figure.

Mr. DOUGLAS. Would the Senator from Michigan propose a diet for these gentlemen?

Mr. FERGUSON. I believe it is Mr. Wheeler who is now writing in the newspapers about his diet. It might be well to give some of our State Department representatives a copy of his diet book. It might help some.

I am glad to have the Senator interrupt me, because I know that he is interested in some of these items. It may be said that we are talking about peanuts today, when we consider the amount of money involved. However, these items show what goes on unless we really dissect the budget and look underneath to see what is going on.

I shall never forget what occurred one day as we were coming out of the Appropriations Committee. I am pretty sure it was a day when we had under consideration one of the large war budgets of approximately $80,000,000,000.. Another Senator remarked to the Senator from Michigan, "You know, I really understood the last two items which we discussed." I recalled what the last two items were. One item was for $50 for stamps for the office of the Sergeant at Arms. The other item represented an increase of $150 for William, in the cloakroom. We could very thoroughly understand those two items, in relation to the billions about which we were talking.

So unless we boil them down and understand what these things are costing, we are likely not to understand what is going on in the way of expenditures.

The second item involves 100 luncheons for three grantees each, or 18 persons per lunch at $155 for each luncheon, or $15,500. If we add up the two totals we get $24,875.

I continue to read:

Miscellaneous contractual services for orientation and service centers: These services cover transportation (limousine and taxi service) expenses of meeting grantees at the various ports of entry and for newspapers, publications, and other miscellaneous services of the orientation and service centers. The small increase for 1952 is attributable to the increase in program.

Now let us analyze the cost of furnishing our foreign visitors with luncheons, which are necessary services, of course, or they would not be in the budget. As the President would have it their absence would permit the spread of communism and hazard our defenses. In the function designated 1, there will be 75 regular luncheons, each for 14 persons—1 foreign visitor and 13 State Department emissaries—at a cost of $125 for each luncheon, or $8.93 for each meal served.

In the function designated 2, there will be 100 luncheons each for 18 persons—3 foreign visitors and 15 State Department emissaries—at a cost of $155 for each luncheon, or $8.61 for each meal served.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. DOUGLAS. Do I correctly understand that there would be 13 State Department functionaries for each foreigner at these luncheons?

Mr. FERGUSON. That is the way the list is given in the budget.

Mr. DOUGLAS. Does it remind the Senator from Michigan of the way in which parents sometimes feel it is necessary to take their children to the circus?

Mr. FERGUSON. Yes; I would say so.

Mr. DOUGLAS. Could this be called a form of outdoor relief for starving members of the State Department?

Mr. FERGUSON. It may be called relief. I know many parents enjoy going to the circus enough to take their children to it. I am inclined to think that there are plenty of State Department employees who will enjoy going to the luncheons. It does remind one of the combination of one elephant and one rabbit.

Mr. DOUGLAS. In other words, in order to feed one foreigner it is necessary to feed 13 State Department officials?

Mr. FERGUSON. That is the way the figures are listed. The second group of functions covers 100 luncheons each for three grantees, for 18 persons—three foreign visitors and 15 State Department emissaries—at a cost of $155 for each luncheon, or $8.61 for each meal served. That represents a little higher percentage. It is 15 to 3.

Mr. DOUGLAS. Is the Senator from Michigan certain that he is correct in the figures?

Mr. FERGUSON. I have looked at the figures. I shall be glad to check them again after I leave the Chamber. I am glad the Senator calls the point to my attention. Of course we have a large State Department. There are almost 28,000 persons employed in the State Department.

Mr. DOUGLAS. I know we have a large State Department, but it does not follow that each member of the State Department has to be large.

Mr. FERGUSON. I do not need to ask how many of my constituents, or even how many of my fellow Senators, enjoy a diet of $8 luncheons. A fair question, however, is how it is possible to eat $8 worth of food at one sitting. Yet that is what the budget data say these luncheons will cost, per plate.

The total sum requested, $24,875, for serving these simple luncheons as a bulwark against communism and for the attainment of the objectives of the Campaign of Truth, is perhaps insignificant in comparison with the total cost of running our Government—a drop in the budget, as it were. But let us project the cost of this entertainment of visitors to its effect on individual taxpayers, which, as I have said, we must do if we are to bring home to the people the true meaning of governmental waste.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Delaware.

Mr. WILLIAMS. Do I understand correctly that the expense is justified on the basis that the State Department desires to keep these people from going Communist?

Mr. FERGUSON. We do almost everything for that purpose, and that is one of the purposes of our foreign policy.

Mr. WILLIAMS. Is it for the purpose of keeping the foreigners from going Communist, or keeping the State Department employees from going Communist?

Mr. FERGUSON. I do not believe I am capable of answering that question.

The Bureau of the Census has reported that for the calendar year 1949, the average income per average family of 3.6 persons was $3,107. They have no figures for the year 1950, and hesitate to hazard an estimate as to the average income per family for 1950, for which year we recently completed our tax returns and tax payments. But let us say that the average family income during 1950 was $4,200, and that the average family was composed of four persons. The average cited may be an optimistic one, but will serve for this comparison. The Bureau of Labor Statistics reported that the total annual cost of a city worker's family budget in 34 large cities ranged from $3,453 in New Orleans and $3,507 in Mobile, to $3,926 in Washington, D. C., and $3,933 in Milwaukee, as shown by an analysis for October 1950. So it can be seen that the figure I shall use for illustration is adequate.

Taking the income of $4,200 for the average family of four persons, their tax for 1950, using the short form table on page 4 of Form 1040, would have been $244.

To meet the cost of these luncheons, which add so much to the defense of this country and are such a bulwark against Communism, and which are set at $24,875 in the justifications, would require all the individual income taxes paid by approximately 102 family heads. While the sum requested for this purpose is small in relation to the total cost of government, it would use all the taxes paid by 102 family heads receiving an average family income of $4,200 during 1950.

I suppose the President, the Secretary of State, and the Budget Director all deem this expenditure of public moneys for luncheons costing in excess of $8 per person to be inviolate, and not susceptible of reduction by the Congress. I hardly believe this view will be shared by the American taxpayer. I am very certain that the 102 family heads in this country who would be called upon to bear the burden of this luncheon program do not subscribe to that view.

I wish that our fiscal situation were such that we could readily afford such grandiose gestures of good-will to our neighbors—neighbors whose budgets are perhaps in better condition than our own. I wish that our Government could afford to pay for the meals for our own Government employees who wish to entertain these visiting functionaries. But I know, and everyone else knows, that we cannot. Yet it is this very spendthrift habit which keeps our tax rates soaring.

It is not the necessary expenditures for defense and other needed purposes that alarm us. Rather, it is the very obviously water-soaked budget in which an appalling number of these items are not only countenanced by the President and the Bureau of the Budget but which, in fact, are stoutly defended as absolutely essential.

Mr. BUTLER of Maryland. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask that the further proceedings incident to the quorum call be dispensed with and that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

Mr. KNOWLAND. Mr. President, I desire to discuss certain of the features of Senate bill 75, the central Arizona project measures.

THE BUREAU AND THE PROJECT

First. In September 1948 the Secretary of the Interior transmitted to the Congress the report of the Bureau of Reclamation on the central Arizona project—House Document 136, Eighty-first Congress, first session. In this report—page IV—the Secretary frankly admits:

> Assurance of a water supply is an important element of the plan yet to be resolved. The showing in the report of the availability of a substantial quantity of Colorado River water for diversion to central Arizona for irrigation and other purposes is based upon the assumption that the claims of the State of Arizona to this water are valid. It should be noted, however, that the State of California has challenged the validity of Arizona's claim. If the contentions of California are correct, there will be no dependable water supply from the Colorado River for this diversion.

These facts were as well known to the Bureau of Reclamation in the year 1944 as they are today. The Bureau knew then that, in the absence of an interstate compact on the subject, the only means by which the controversy could be authoritatively settled would be by a decision of the Supreme Court in an interstate suit. Nevertheless, in July 1944 the Bureau made an agreement with Arizona to investigate and report on the project and allocated $200,000 of taxpayers' money to start financing the investigation—Hearings on S. 75, Senate committee, page 566. I presume, from the elaborate character of the studies and reports that have ensued, that the total cost to the taxpayers must have been well over $1,000,000. I ask to have printed at this point in my remarks a letter which I have received from the Bureau of Reclamation, showing the costs of these various investigations.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> UNITED STATES
> DEPARTMENT OF THE INTERIOR,
> BUREAU OF RECLAMATION,
> *Washington, D. C., April 6, 1951.*
>
> Hon. WILLIAM F. KNOWLAND,
> *Committee on Appropriations,*
> *United States Senate,*
> *Washington, D. C.*
>
> MY DEAR SENATOR KNOWLAND: Reference is made to your letter dated April 3, 1951, wherein you request the total amount of funds

expended or obligated for expenditure in behalf of the Central Arizona project.

Please be advised that the cost of this project totals $1,543,759.12, which covers expenditures for investigation and planning up to and including February 1951.

Sincerely yours,

G. W. LIEBENBAUER,
Acting Commissioner.

Mr. KNOWLAND. Mr. President, this has been done by the Bureau on the very dubious foundation of a naked assumption that Arizona's claims are valid. It strikes me that the most unusual procedure followed by the Bureau in this project puts the cart before the horse. Knowing that, as the Secretary says—House Document 136, page IV—"The Bureau of Reclamation and the Secretary of the Interior cannot authoritatively resolve this conflict," and knowing that there was open to Arizona a method of resolving it, by suit, and knowing that the existence of a dependable water supply is the first prerequisite of an irrigation project, the Bureau chose to expend large amounts of public money on a detailed investigation which took it 4 years to complete. It appears to me that in so doing the Bureau laid itself open to censure.

The financial plan of the project, as presented by the Bureau, violates the standards of feasibility and financing prescribed by general law. General law—Reclamation Project Act of 1939, sections 9a, 9d—requires that the irrigators repay the capital costs allocated to irrigation within 40 years, following a development period of not more than 10 years. As we pointed out heretofore, the requirement of a maximum period of 40 years plus the 10-year development period, or a total of 50 years, is violated, on the face of it, by this project, which the proponents themselves admit will take at least 73 years to pay out, and which we believe will take nearer to 90 or 100 years, and will not even then pay itself out. The Bureau's plan calls for 78 years—S. 75, section 3, says 75 years—and contemplates a development period—House Document 136, page 166. Assuming a 10-year development period and a 15-year construction period—hearings on S. 75, Senate committee, page 599—those hearings being in the Eighty-first Congress, because no hearings were held by the Senate committee in the Eighty-second Congress—and that the "paper" estimates of the Bureau are actually realized, then the project would not pay out until 100 years from the time construction commences. It is open to serious doubt, considering current crop surpluses, that this country needs farm products so badly that it should finance irrigation projects on a 100-year basis.

General law—Reclamation Project Act of 1939, section 9c—has always been understood to express the policy of the Congress that the power features of a reclamation project should repay to the Treasury their construction cost, plus 3 percent interest thereon. Congress has never considered that power plants should be subsidized by being put on an interest-free basis, as is irrigation.

Nevertheless, some years ago the Solicitor of the Interior Department issued an opinion under which the Bureau claims the right to divert to the repayment of irrigation capital cost the entire interest component of power revenues. The effect is twofold: The Treasury does not get the interest to offset the interest which it pays on the public debt, and power is relieved of contributing to the aid of irrigation to the extent of the interest diverted; in other words, power is actually made interest-free. This Solicitor's opinion seems to me, though I am not a lawyer, to be a pure trick of legal sleight of hand. It was promptly so denounced both in Congress and by many responsible leaders in the reclamation States. The Congress has never approved it. Bills to correct it and to reaffirm the fixed policy of the Congress were introduced in the Seventy-ninth, Eightieth, and Eighty-first Congresses, but failed of passage by reason of the determined opposition of the Bureau of Reclamation. The Appropriations Committees in two successive years voiced their disapproval of the Solicitor's opinion—House Conference Report No. 1013, Eightieth Congress, first session, page 15; House Conference Report No. 2398, Eightieth Congress, second session, page 28. Also, the recent report of the President's Water Resources Policy Commission likewise opposes the diversion of the interest component to repayment of irrigation costs—volume 1, page 71.

The Bureau's financial plan for the central Arizona project requires that the interest component of power revenues be applied to the payment of irrigation capital cost. In fact, the interest component would pay practically all the irrigation costs—hearings on S. 75 before Senate committee, Eighty-first Congress, page 922. This is, I believe, the first time that the Bureau has directly asked the Congress to sanction the Solicitor's opinion. An indirect and evasive proposal for a like purpose was made in connection with the Columbia Basin account feature of the 1950 rivers and harbors bill. The Columbia Basin account amendment was rejected by the Senate.

I submit that there is no honest way to use a single dollar to pay a dollar's worth of interest and at the same time to pay a dollar's worth of capital. I respectfully ask the Senate to rebuke that kind of double-dealing financial sleight of hand.

Existing law (Reclamation Project Act of 1939, sec. 9a) requires that the Bureau of Reclamation justify the financial feasibility of a reclamation project. The criterion is whether or not the project will repay its reimbursable costs. No law requires or authorizes the Bureau to justify a project on the basis of its so-called benefit-cost ratio. The data submitted in the project report as to the ability of the central Arizona project to repay are scanty and lacking in detail. The report does set out with great elaboration and argument the Bureau's views as to the ratio between national benefits of the project and its costs. Why is this?

In this and other recent reports the Bureau has borrowed the benefit-cost-ratio practice from the Corps of Engineers. The corps is obliged by law to use this method of project justification because its projects are nonreimbursable. Why does the Bureau do it?

The answer seems to be that the benefit-cost method readily lends itself, in willing hands, to unsound theorization as to "paper" national benefits. It also lends itself to the concealment of real national costs, or as they are sometimes called, negative values.

Let us look at a few of the ways that the Bureau set up a national benefit from irrigation of $25,268,000—House Document 136, page 188. The greater part of this national benefit, $18,306,000—House Document 136, page 164—is the gross value of the crops raised, due to the building of the project. As to such use of gross crop values, the Secretary of Agriculture comments—House Document 136, page 105:

> Frankly, we were unable to determine from your report whether or not the benefits actually would exceed the costs. In the estimate of benefits, gross, rather than net, crop values have been used in the calculation of irrigation benefits. You will recall that in commenting upon previous reports prepared by the Bureau of Reclamation, we have pointed out that this procedure disregards the cost of producing the crops.

Is it not remarkable that all the Bureau's experts could have overlooked this fact? In other words, they took the gross value of the crops and entirely ignored the cost of producing the crops. Since we know that in many instances the Commodity Credit Corporation and the Department of Agriculture have had to subsidize crops, it could very well mean that some of the crops which are proposed to be produced in central Arizona will not only have to be paid for once by the Federal taxpayers out of the $2,000,000,000 cost, but the Commodity Credit Corporation and the Department of Agriculture will have to subsidize new crops because of the general economic situation.

The Secretary of Agriculture is not alone in his opinion. The President's Water Policy Commission says in its recent report—volume 1, page 60:

> Estimates of benefits should add together the expected gains to all beneficiaries, beginning with those most immediately affected and going as far as available information will allow and similarly deducting costs and losses. This is known as the net contribution to national income basis for evaluation.

At any rate, the $25,000,000 of irrigation benefits is more than half of the $41,000,000 of total benefits claimed by the Bureau—House Document 136, page 190. If it were trimmed down to a net figure, the benefit cost ratio would likely be reduced to less than 1 to 1.

Even on the preposterous theory that gross crop values constitute a national benefit, there is one item within the Bureau's figure that warrants scrutiny. The Bureau first lists the acreage at present in various crops. Thus it finds that there are 213,000 acres in cotton and 40,000 acres in vegetables—House Document 136, page 141. Then it gets out its crystal ball and estimates the changes in crops that will occur during the next 75 years. So it finds that there will be a decrease of 55,000 acres in cotton and

an increase of 40,000 acres in vegetables—House Document 136, page 164—due to the building of the project. This is the purest nonsense. Both the growing of cotton and the growing of vegetables are responsive to market demand and prices. Cotton today is a notable example. If there is a market demand and an attractive price for vegetables, the shift to 40,000 more acres of vegetables will take place, whether the project is built or not. So the increased value of vegetables, in comparison with cotton, is not a national benefit due to the project. That particular item, by the way, happens to be about $7,000,000 of the $18,000,000 which the Bureau's expert estimators have estimated as the total gain in gross crop values due to the existence of the project.

Perhaps the most entertaining example of imaginative estimation of national benefits in the Bureau's report is its presentation of recreation benefits. They are not small. They were used originally to support a claim that $34,000,000 of the project costs should be assigned to recreation and made nonreimbursable—House Document 136, page 203, table F-5. Better judgment has prevailed and this item is not authorized in the present version of Senate bill 75. Nevertheless it remains as a part of the computation of benefit-cost ratio, and the process of reasoning employed is an excellent illustration of what willing hands may do by way of converting into money figures the wholly intangible values of recreation.

First, an attempt is made to estimate the number of people who will, in the uncertain future, visit Bridge Canyon Dam for recreation; then the proportions of that number that will come from different parts of the Union; then the distance they will travel to see the dam; the number who will stay one night and those who will stay longer—appendixes to Bureau report, page G-51. Estimates are then carefully made as to just what it will cost the visitors to travel to the dam, and what their meals, lodging, and incidentals will cost. These figures are added up, and the total is $1,717,000, which is announced to be the annual national benefit of recreation at Bridge Canyon. The theory seems to be that the visitors must be presumed to have gotten their money's worth. That may or may not be. But the leap by which this is made out to be a national benefit is a pure feat of gymnastic brilliance. Senators may be surprised to know that the meal they will buy beside Bridge Canyon Dam is a national benefit, whereas the one they buy in a Washington restaurant is of interest only to themselves. But that is the view of the Bureau of Reclamation.

A similar bit of nonsense crops up in connection with the estimate of fish and wildlife benefit, practically all of which is derived from fish—appendixes to Bureau report, page G-30. Neither the report nor the appendixes containing its substantiating material shows how the fish benefit was computed. I am informed, however, that an inquiry made of the Bureau's planning officials elicited this information: An estimate was first made of the number of fish which would be in the future reservoir, and of the weight of each. It was assumed that all the fish would be fished out each year. Accordingly, the value of the fish, at 50 cents a pound, is found to be an annual national benefit. No offset is allowed for the fisherman's labor, his expenses, nor his occasional mental suffering and frustration.

And since the act of August 14, 1946, so permits, the annual fish benefit, capitalized at 3 percent, becomes a nonreimbursable factor in the bill, S. 75. It is small, but it sheds a light on the Bureau's way of thinking.

The four items discussed thus far are on the benefit side. Let us turn now to the matter of costs, the other side of the ledger: The Secretary of Agriculture, in his comments on the project report says—House Document 136, page 104:

> The actual relation of benefits to costs is still further obscured by what appears to be a failure to use the market value of power, in estimating, for evaluation purposes, the cost of pumping the water supply. Market value must be used in economic evaluation, because the power has alternative uses.

What the Bureau has done is to set up as a cost only the price of two mills per kilowatt-hour which it proposes to charge the farmers for pumping, instead of the market value of 5.17 mills. The difference, as I have elsewhere explained, applied to the 1,500,000,000 kilowatt-hours per year to be used for pumping, is a matter of national loss or cost in the sum of $4,700,000 per year.

The plan to divert water from the Colorado River to central Arizona could not be carried out unless, first, there were Hoover Dam, to conserve the floodwaters of the river and make them available for use and unless, second, there were Parker Dam, to create the diversion pool from which the water is to be pumped. Hoover Dam is being paid for by the power consumers of Nevada and California. Parker Dam was paid for exclusively by the Metropolitan Water District of Southern California. There is no pretense in the financial plan of the central Arizona project that Arizona is to pay anything for these benefits. There is no accounting for the costs of the dams as a national cost, yet they are as truly a part of the benefit-cost picture as the cost of Bridge Canyon Dam.

I have shown that there is no uncommitted water belonging to the lower basin of the Colorado River, and that, as a consequence, water can only be taken from the river for central Arizona by limiting existing projects in the basin and rendering idle in whole or in part the facilities whch have been constructed to serve those projects.

There is, in the Bureau's benefit-cost accounting, however, no indication of this national loss. It should, like all elements of loss, be shown as a cost.

Enough has been shown to explain why the Secretary of Agriculture says:

> Frankly, we were unable to determine from your report whether or not the benefits actually would exceed the costs.

And why he says further—House Document 136, page 104:

> In at least the respects mentioned above, the benefits and costs used in testing out the economic soundness of the project are in error. We would suggest, therefore, that further and more careful consideration be given to the economic evaluation of the proposed irrigation project.

Enough has been said to explain why the Secretary of the Army said, in his comments on the Bureau's project report—House Document 136, page 102:

> The legal and economic premises upon which the project as a whole is based appear to be open to serious question, particularly with respect to water rights and to the analysis of the economics of the works.

Enough has been said to show why the Director of the Budget said in his letter of February 4, 1949—House Document 136, page 5:

> From an examination of your report, of the comments of the affected States, and of the remarks of other interested Federal agencies, it is apparent that there are a number of important questions and unresolved issues connected with the proposed central Arizona project.
>
> The foregoing summary and the project report have been reviewed by the President. He has instructed me to advise you that authorization of the improvement is not in accord with his program at this time * * *.

And enough has been said to explain why the very regional director of the Bureau of Reclamation who drafted the project report, after remarking that the project had engineering feasibility, said—House Document 136, page 118:

> Financial feasibility of the project is more difficult to determine.

I ask unanimous consent that there may be printed at this point in my remarks the series of letters written by the Director of the Bureau of the Budget relative to this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letters are as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., March 2, 1951.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'MAHONEY: This will acknowledge receipt of your letter dated January 11, 1951, requesting a report on S. 75, a bill "Authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes."

S. 75 as introduced in this session of Congress is understood to provide, except for the elimination of Bluff Dam and Reservoir, for substantially the same works as contained in the project planning report of the Department of the Interior, published in House Document 136, Eighty-first Congress, first session.

You are advised that there has been no change in the relationship of the proposed legislation to the program of the President as outlined in our letters to the Secretary of the Interior dated February 4 and April 20, 1949, our letter to you dated February 11, 1949, and our letter to the Chairman of the Public Lands Committee of the House

of Representatives dated April 19, 1950, copies of which have been furnished you.

In our letter of April 19, 1950, to the Chairman of the Public Lands Committee of the House of Representatives we drew attention to the fact that national policies governing Federal participation in water resources developments were then under study by the President's Water Resources Policy Commission. Since that time the Commission has reported and its recommendations are now under review within the executive branch. Until we have had an opportunity to complete this review, I am unable to inform the committee on the effect which the Commission's recommendations might have upon the authorization contemplated in S. 75.

Sincerely yours,

F. J. LAWTON,
Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 19, 1950.

Hon. J. HARDIN PETERSON,
Chairman, Committee on Public Lands,
House of Representatives,
Washington, D. C.

MY DEAR MR. PETERSON: On February 23, 1950 you wrote me on behalf of your committee requesting the comments of the Bureau of the Budget on S. 75, now before your committee for consideration. This bill would authorize certain works on the Colorado River and in Arizona, commonly referred to as the central Arizona project, mainly for irrigation and hydroelectric power purposes.

As you know, the President strongly supports the sound development and use of land and water resources, not only in the West, but in every part of the Nation. Despite the difficult budgetary situation, the President has felt it necessary to recommend in recent budgets increased amounts for the Bureau of Reclamation, Corps of Engineers, and other agencies which carry out investment programs to conserve and use the waters of our river systems for irrigation, flood control, navigation, power, and other purposes. For example, the appropriation estimates for the Bureau of Reclamation submitted in the President's 1951 budget are more than twice as large as those in the 1947 budget. At the same time, the President firmly believes that these investment programs must proceed on a basis of comprehensive and long-range planning, in order to avoid waste and to assure lasting benefits at minimum cost.

It is against this background that I write you now in reference to S. 75. The Budget Director has commented on the central Arizona project in previous letters: to the Secretary of the Interior, on February 4, 1949; to the Chairman of the Senate Committee on Interior and Insular Affairs, on February 11, 1949; and to the Secretary of the Interior, on April 20, 1949. Copies of those letters are attached for convenient reference. Those letters raised two main questions about the project.

The first question raised was whether there is enough water in the Colorado River, available for use in Arizona, to satisfy the needs of this project on a permanent basis. The President has stated many times that he would like to see a definitive settlement of the rights of the various States to waters of the Colorado River system, in order that decisions on projects to be developed in the public interest may be made on a firm basis with respect to water rights. The President consistently has indicated his unwillingness to take any position favorable to authorization of the central Arizona project until settlement of the water rights controversy has been brought about.

Senate 75, in its present form, is intended to provide one means by which this controversy might be settled. I am unable to express to the committee at this time any views concerning the efficiency of the bill for this purpose.

The second question raised in the previous letters of the Budget Director, particularly the letter of February 4, 1949, related to the economic feasibility of the project as outlined in the report of the Secretary of the Interior.

S. 75, as passed by the Senate, would authorize a project which is different in certain respects from that outlined in the Secretary of the Interior's report on the central Arizona project. The bill provides for a tunnel and canal between Bridge Canyon and Cunningham, Wash., and omits authorization for construction of a dam at the Bluff site on the San Juan River. It omits certain nonreimbursable cost allocations. Taking these changes into account, the comments on economic feasibility made in the previous letters of the Budget Director still apply to the project which would be authorized by S. 75.

Since the Budget Director commented on the central Arizona project last year, the President has established a Water Resources Policy Commission to study existing national policies for the development, conservation and use of water (and related land) resources, and to recommend improvements in those policies which the Commission may find to be desirable. The President has asked the Commission, among other things, to consider the basic policy questions relating to the Federal reclamation programs, in order that he may be prepared to recommend to the Congress definite legislative proposals with regard to these matters. A copy of the Executive order establishing the Commission and a letter from the President to its chairman is attached for convenient reference.

Your attention is also called to the position taken by the President in his budget message to the Congress in January, 1950 (p. M 65) relative to changes in water-resources legislation pending the completion of the report of the Water Resources Policy Commission.

Sincerely yours,

F. J. LAWTON,
Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 20, 1949.

The honorable the SECRETARY OF THE INTERIOR.

MY DEAR MR. SECRETARY: Conversations with the Office of the Under Secretary and with Mr. Vernon Northrop confirm the delivery to you of a copy of a letter addressed to me on April 13 by the Honorable CECIL R. KING, Member of Congress for the Seventeenth District of California. In his letter, Mr. KING requests that I either transmit directly, or through you, to the Speaker of the House, a copy of my letter to you of February 4, 1949, relative to the central Arizona project.

In view of the fact that the letter of February 4 is the official notification of action by the Bureau of the Budget in accordance with the provisions of Executive Order 9384, I believe that it should be transmitted by you to the Speaker with a recommendation for inclusion as a part of House Document 136, Eighty-first Congress, now in type. However, since my letter of February 11, 1949, address to Senator O'MAHONEY indicates a modification of Presidential position, I believe that it also should be forwarded to the Congress together with a copy of this letter.

The modification of the President's position is to be found in the last sentence of the last paragraph of the February 11 letter to Senator O'MAHONEY which reads as follows:

"If the Congress, as a matter of national policy, makes a determination that there is a water supply available for the central Arizona project, the President will consider all factors involved in any legislation to authorize the project and will inform the Congress of his views respecting the specific provisions of this legislation."

The intent of this language was to indicate exactly what it says, namely, that in spite of the announced position of opposition contained in my letter of February 4, the President would reconsider his position if the Congress, by affirmative action, should settle the water-rights controversy.

I shall be grateful if you will forward the letters to the Speaker at your earliest convenience.

A copy of my letter to Representative KING is attached.

Sincerely yours,

FRANK PACE, JR.,
Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., February 11, 1949.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Committee on
Interior and Insular Affairs,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'MAHONEY: Members of the Congress have raised a question as to the interpretation to be placed upon the last clause of the last sentence of my letter of February 4, 1949 addressed to the Secretary of the Interior advising him of the relationship to the program of the President of the Central Arizona project. The clause referred to reads as follows: "* * * and that he (the President) again recommends that measures be taken to bring about prompt settlement of the water-rights controversy."

During the last Congress in connection with consideration of Senate Joint Resolution 145 and House Joint Resolution 227, this office advised the Attorney General that it would be in accord with the program of the President to resolve the water-rights controversy by waiving immunity of the United States to suit and by granting permission to the States to bring such actions as they might desire, if the Congress felt it to be necessary to take such action. This advice was transmitted to the Congress by the Attorney General. Similar advice was also transmitted by the Secretary of the Interior, together with specific suggestions as to a form of a resolution which the Congress might consider.

In order that there may be no misunderstanding of the President's position, I shall be grateful if you will advise the members of your committee that the President has not at any time indicated that suit in the Supreme Court is the only method of resolving the water-rights controversy which is acceptable to him. On the contrary, the letters addressed to the Congress last year, as indicated above, stated specifically that enactment of the resolution authorizing suit would be acceptable to the President "* * * if the Congress feels that it is necessary to take such action in order to compose differences among the States with reference to the waters of the Colorado River * * *".

The project report and materials relating to the positions of the several States affected are now before your committee for consideration. If the Congress, as a matter of national policy, makes a determination that there is a water supply available for the central Arizona project, the President will consider all factors involved in any legislation to authorize the project and will inform the Congress of his views respecting the specific provisions of this legislation.

Sincerely yours,

FRANK PACE, JR.,
Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., February 4, 1949.

The honorable the SECRETARY OF THE INTERIOR.

MY DEAR MR. SECRETARY: In Director Webb's letter of September 16, 1948, concerning your report on the central Arizona project, he pointed out that the Bureau of the Budget had not completed its review and analysis but agreed with your suggestion that the report should be forwarded to the Congress. I am now able to advise you that the Bureau of the Budget has completed its study of the report and a determination has been made of the relationship of the proposed project to the program of the President.

The report proposes the construction of the Bridge Canyon Dam and power plant, a pumping plant at Lake Havasu, and an aqueduct from there to Granite Reef Dam in central Arizona, together with other appurtenant works for the purpose of providing supplemental water to irrigation areas in central Arizona and hydroelectric power in the Arizona-southern California area. The total estimated cost of the project as of January 1948 is $738,408,000, of which (based on existing law) $420,000,000 would be allocated to irrigation, $291,000,000 to electric power, $18,000,000 to municipal water supply, $6,000,000 to flood control, and about $3,000,000 to fish and wildlife. It is proposed to install 750,000 kilowatts capacity of power generation at Bridge Canyon Dam, with about 2 percent additional generation at smaller dams on the project.

The report calls for an ultimate annual diversion of 1,200,000 acre-feet of water from the Colorado River at Lake Havasu (Parker Dam) with a pump lift of 985 feet to the Granite Reef Aqueduct through which it would be conveyed for a distance of 241 miles to the Phoenix area of Arizona as a supplemental supply of irrigation water. The use of such supplemental water would be "(1) to replace the overdraft on the groundwater basins, (2) to permit the drainage of excess salts out of the area and maintain a salt balance, (3) to provide a supplemental supply to lands now in production but not adequately irrigated, (4) to increase the water supply for the city of Tucson, and (5) to maintain irrigation of 73,500 acres of land formerly irrigated but now idle for lack of water." It is proposed to charge the district $4.50 per acre-foot of water. The duty of water varies between projects and between surface and pumped water. However, diversion demand of surface water at district headgate is given as an average of something about 5 acre-feet per acre. The rate for power would be (under existing law) 6.22 mills.

It is the opinion of the Regional Director of the Bureau of Reclamation that the "project has engineering feasibility in the sense that there are no physical obstacles * * * that could not be overcome." He states, however, that "financial feasibility of the project is more difficult to determine" and further in his report to the Commissioner of Reclamation, he raises the question of adequacy of the water supply for this project.

It is pointed out in the report that the project as proposed is economically infeasible under existing reclamation laws and that it is essentially a "rescue" project designed to eliminate the threat of a serious disruption of the area's economy. Modifications in these laws are therefore proposed in the report to extend the repayment period for the entire project, including power, to 78 years and to use one-fifth of the interest component on the commercial power investment to aid in the repayment of irrigation features.

The State of Arizona says that under the Colorado River compact, other agreements, and California's self-limitation act, Arizona has allocated to its use 3,670,000 acre-feet of water per year. It states that it is now using from the mainstream of the Colorado and its tributaries in Arizona a grand total of 1,408,000 acre-feet of water per year, thus leaving 2,262,000 acre-feet for additional consumption which cannot be lawfully used elsewhere than in Arizona. It estimates the (consumptive) use for the central Arizona project at 1,077,000 acre-feet, which together with the other planned uses will still leave in the mainstream, according to the State's estimate, a balance of 619,000 acre-feet apportioned to Arizona for future use and for reservoir losses. Arizona bases its case for diversion of water from the Colorado River upon these figures and proposes to use such water as a supplemental supply for lands now inadequately irrigated. It states further that the irrigation of lands in central Arizona has been expanded beyond the water-supply of central Arizona and that this is resulting in an exhaustion of their underground supply with insufficient surface stream flow to maintain production in the lands now irrigated. To avoid the danger to the entire economy of the State, it considers it essential that the central Arizona project be expedited.

The Commissioner of Reclamation states that assurance of a water supply is an extremely important element of the plan yet to be resolved; that the showing in the report of there being a substantial quantity of Colorado River water for diversion to central Arizona for irrigation and other purposes is based upon the assumption that claims of the State of Arizona to this water are valid. He states that the State of California challenges the validity of Arizona's claim and that 'if the contentions of the State of California are correct, there will be no dependable water supply from the Colorado River for this diversion. He further states that the Bureau of Reclamation and the Department of the Interior cannot authoritatively resolve this conflict between States and that it can be resolved only by agreement among the States, by court action, or by an agency having proper jurisdiction.

The comments of the several affected State governments and interested Federal agencies with respect to his report contain a number of objections and reservations with respect to the proposed project. Specifically the Department of Agriculture questions whether the benefits actually exceed costs. It questions, as it has on numerous other occasions in commenting on proposed reclamation projects, the use of the gross rather than the net crop return method of computing benefits. The Department further says: "The actual relation of benefits to costs is still further obscured by what appears to be a failure to use the market value of power in estimating for evaluation purposes the cost of pumping the water supply. Market value must be used in economic evaluation because the power has alternative uses." Commenting further on benefits, the Secretary of Agriculture states "* * * while it is necessary that benefits exceed costs if a project is to be considered economically justified, this alone is not sufficient. Sound economics and common sense require: First, the consideration of possible alternatives; and second, the choice of that alternative yielding the largest return on the investment." The comments of the Department of Agriculture go even further and state: "At least in the respects mentioned above, the benefits used in testing the economic soundness of the project are in error. We would recommend, therefore, that further and more careful consideration be given to the economic evaluation of the proposed project."

The Federal Power Commission points out that there is no essential physical relationship between the Bridge Canyon power project and the central Arizona diversion project, but that the two are linked together in the report because of the need for subsidies from electric power income to help finance the irrigation improvement. It also indicates that the burden of the irrigation costs are considerable and that the proposed charges for electric power consequently approach a level where such power cannot be classed as "low cost" in this region. The Federal Power Commission also suggests that further studies are required before the proper installed capacity at Bridge Canyon power plant can be finally determined and that it could probably be considerably more than the 750,000 kilowatts proposed.

The State of Nevada says: "There is a grave question regarding the availability of water to Arizona to supply the project. * * * Studies have been made by California and Nevada engineers which show there will be little or no water for the central Arizona project. * * * Investigations and reports should be held up or be only preliminary in character where there is a question as to availability of water." The State of Nevada further says that some engineers have expressed an opinion that the Bridge Canyon Dam and Reservoir cannot be utilized properly and to its full extent as a power project because of the limited storage behind the dam which in a few years would fill with silt and power service would depend on natural fluctuating river flow. They raise questions as to whether it would not be desirable to construct Glen Canyon, which would provide much additional storage capacity at the same time as Bridge Canyon.

The State of Nevada, in commenting on the economic justification of the project, computes the net irrigation construction costs on the acreage which will be salvaged by the project at $1,469 per acre and questions the justification of such costs in the fact of an estimated farm-land value with irrigation of $300 per acre.

The State of California says that a controversy has existed between California and Arizona for many years as to their respective claims to Colorado River water and that conferences held on this subject throughout have not brought a solution. The State further says that until there is a final settlement of the water rights, the aggregate of Arizona and California claims to Colorado River water will exceed the amount of water available to the lower basin States under the Colorado River compact and relevant statutes and decisions. It states that as long as the present unsettled situation exists, each State in the lower basin must, of necessity, interest itself in the others' projects which would overlap its claims. Accordingly, the State of California submits the following conclusions: (a) The plan for construction, operation, and maintenance of the proposed project is not financially feasible under existing Federal Reclamation law and the modifications thereof considered in the report; (b) consideration of an authorization for the central Arizona project should be withheld until a determination has been made of the respective rights of the lower basin States to the waters of the Colorado River system; and (c) extensive and detailed studies and investigations should be made by the Bureau of Reclamation of local water supply and use in order to determine accurately the amount of supplemental water needed for existing irrigated lands in the Salt River and Middle Gila River valleys and to formulate plans for additional conservation of local water supplies.

With reference to the controversy that exists between the claims of the States of the lower basin, it is concluded that the situation has not changed since your interim report of July 14, 1947, on the status of your investigations of potential water resource developments in the Colorado River Basin. In the report of the Commissioner of Reclamation, approved by you, it is stated "that further development of the water resources of the Colorado River Basin, particularly large-scale development, is seriously handicapped, if not barred, by lack of a determination of

the rights of the individual States to utilize the waters of the Colorado River system."

On July 23, 1947, Director Webb replied to your letter of July 19, 1947, as follows:

"Acting under authority of the President's directive of July 2, 1946, I am able to advise you that there would be no objection to submission of the proposed interim report to the Congress, but that the authorization of any of the projects inventoried in your report should not be considered to be in accord with the program of the President until a determination is made of the rights of the individual States to utilize the waters of the Colorado River system."

From an examination of the report, of the comments of the affected States, and of the remarks of other interested Federal agencies, it is apparent that there are a number of important questions and unresolved issues connected with the proposed central Arizona project. The provision of adequate water supply, if found to be available, is admittedly a high-cost venture which is justified in the report essentially on the basis of an urgent need to eliminate the threat of a serious disruption of the area's economy. Even so, the life of certain major parts of the project is appreciably less than the recommended 78-year-pay-out period. The work could be authorized only with a modification of existing law or as an exception thereto. Furthermore, there is no assurance that there will exist the extremely important element of a substantial quantity of Colorado River water available for diversion to central Arizona for irrigation and other purposes.

The foregoing summary and the project report have been reviewed by the President. He has instructed me to advise you that authorization of the improvement is not in accord with his program at this time and that he again recommends that measures be taken to bring about prompt settlement of the water rights controversy.

Sincerely yours,

FRANK PACE, Jr.,
Director.

Mr. KNOWLAND. I may say at this time, Mr. President, lest anyone feel that the picture has changed since those letters were written, that only a week ago I had the privilege of seeing the President of the United States on another matter. The President made it very clear to me at that time that he was not participating in the controversy over the Central Arizona project, and that he felt the matter should be settled, so far as the controversy was concerned, prior to the time the project was constructed. I merely mention that because it so happens that the able Senator from Arizona, in addition to having his duties as a representative of his State, which he ably represents, is also majority leader of the Senate of the United States. I do not think any impression should thereby be given to the Senate that this is an administration measure. I think the record is very clear that the Director of the Bureau of the Budget on several occasions, speaking for the President of the United States, indicated that, as I have stated, he was not participating in this controversy relative to the Central Arizona project and the dispute growing out of the Colorado River controversy.

THE PRESENT BILL MAKES FULFILLMENT OF THE BUREAU'S FINANCIAL PLAN IMPOSSIBLE

The provisions of the bill now under consideration destroy this project from an engineering and financial standpoint. I refer to page 3 of the bill beginning with the last word in line 22:

Provided, That this authorization shall not include (a) any works, dam, or reservoir at the Glen Canyon site or any other site in the upper Colorado River Basin which would flood the Glen Canyon site.

It is to be noted that this language expressly prohibits any authorization by this bill of any dam in the upper Colorado River Basin. The project, as originally designed by the Bureau of Reclamation, which is to be constructed under the bill, provided for the construction of Bluff Dam on the San Juan River in the upper basin. On page 145 of House Document 136, in the Report and Findings of the Secretary of the Interior, there appears a list of the features comprising the Central Arizona project. The first feature there listed is the Bluff Dam. On that page is a description of this dam and a statement of its purpose:

This dam would be constructed on the San Juan River at a point 12 miles downstream from the town of Bluff, Utah, and 132 miles upstream from the confluence of the San Juan and Colorado Rivers. It would be built primarily as an adjunct to the Bridge Canyon Dam with primary functions of silt retention, river regulation, and flood control. Bluff Dam would prolong the useful life of the Bridge Canyon Reservoir by retention of about 30,000 acre-feet of silt a year. In addition, by regulating the flow of the San Juan River, stored water could be released in such a manner as to increase the firm energy output of the Bridge Canyon Dam.

The last sentence of the Secretary of Interior is to be particularly noted, for he says that Bluff Dam would firm up the energy generated at the Bridge Canyon Dam. That is most important because the whole financial structure of this project is dependent upon the amount of commercial power available from the Bridge Canyon Dam for sale in the power markets of the Southwest. Leaving out of consideration the interest lost to the Nation's taxpayers, it is intended that the sale of the commercial power will pay the construction cost of this entire project in approximately a century.

The Bluff Dam was also made a part of the project by the Bureau in order to retain a large part of the silt that would otherwise flow into the Bridge Canyon Reservoir. Thus, it had two very important purposes in the project plan. It would regulate the flow and thus increase the firm power for sale at Bridge Canyon Dam and it would protect the Bridge Canyon Reservoir from silt.

The report of the Senator from Arizona [Mr. MCFARLAND] from the Committee on Interior and Insular Affairs under date of March 12, 1951, shows what happened to the authorization of the Bluff Dam. I quote from page 2:

The bill also contains what was known as the Watkins amendment which was adopted by the committee in the Eighty-first Congress, which eliminates from the project the construction of a dam, designed for silt control, on the San Juan River at what is known as the Bluff site. Construction of the Bluff Dam was, in the committee's opinion, made unnecessary in view of abundant evidence before it that entire problem of silt control for the over-all project herein authorized would be fully and adequately solved by the construction of a dam at the Glen Canyon site, a project strongly favored by the Colorado River Basin States, and on which a report is being prepared by the Bureau of Reclamation for consideration by the committee.

This statement by the Senator from Arizona is interesting for what it does not say as much as it is for what it does say. It is to be noted that this statement entirely overlooks the fact that the Bluff Dam was a part of the project and designed by the Bureau in order to store water that could be released in such a manner as to increase the firm energy output of the Bridge Canyon power plant.

It has become a matter of considerable interest how much the Bluff Dam would increase the firm energy output of the Bridge Canyon Dam. In the recent hearings in the House Interior and Insular Affairs Committee this year, questions were asked of the representatives of the Bureau of Reclamation as to what this difference would amount to. The answer was that with Bluff Dam eliminated and the Glen Canyon Dam prohibited, the firm energy would be reduced from 4,675,000,000 kilowatt-hours per year to 3,500,000,000 kilowatt-hours. This is a loss of more than a billion kilowatt-hours of firm energy each year. The Bureau now expects to market its firm energy at a rate of 5.171 mills per kilowatt-hour. By simple multiplication this lost power amounts to a loss in revenue to the project of over $6,000,000 per year. The exact figure is $6,056,000 annually. This loss of revenue will continue as long as Glen Canyon Dam is not in operation.

In recent testimony before the House committee, Bureau witnesses have assumed that Glen Canyon Dam will be authorized and that it will be in operation 15 years after Bridge Canyon goes into operation. On this assumption, the revenues of Bridge Canyon Dam will fall short, by over $90,000,000 of fulfilling the financial plan of the project.

The simple fact, then, is that this project as designed by the Bureau will not pay out its own construction cost in the period estimated by the Bureau, unless either Bluff Dam or Glen Canyon Dam is constructed. The terms of this bill require that the project pay out in 75 years. This is found on page 5, lines 13 to 21, of the bill.

This bill cannot serve as an authorization for either the Bluff Dam or the Glen Canyon Dam because the one is omitted and the other is expressly prohibited. Unless one or the other is built, there is only one remaining alternative, and that is to increase the rate for the sale of commercial power. On that point the Bureau officials have testified positively in the recent House hearings. They stated that without Bluff Dam or Glen Canyon Dam the power rate would have to be increased to a point above the market value of commercial power. It would have to be increased to between 8 and 9 mills per kilowatt-hour. The power could not be sold for such a high figure.

I began by stating that the provisions of the bill destroy this project from an engineering standpoint. There can be no escape from that fact unless the proponents of the bill are willing to say

that Glen Canyon Dam must be in operation when the Bridge Canyon Dam begins to produce hydroelectric power. If they are willing to concede that fact, then we should be assured that the Glen Canyon Dam is at least authorized for construction before this project is authorized.

The project as designed by the Bureau, which includes Bluff Dam, contemplates full coordination with Hoover Dam in the production of hydroelectric power. In order to do this, the existing Hoover power contracts would have to be renegotiated. Hoover power is now being sold to Nevada and California agencies. Since Hoover Dam was completed, Arizona has had a right to apply for 18 percent of that power. Arizona has just exercised that right recently and generators are now being installed to furnish that additional power. The effect of a coordination of Hoover Dam power and Bridge Canyon power is a subject of sharp conflict. The Hoover power contractors are under no legal obligation to revise their contracts. They consider that it would be disadvantageous for them to do so. If Hoover Dam power cannot be coordinated with Bridge Canyon power, then Bridge Canyon power output will be reduced by another billion kilowatt-hours of energy annually. The loss of revenue will be $12,000,000 annually instead of $6,000,000 annually. This makes the financial plan of this project impossible for a second reason. Either reason is sufficient standing alone.

This analysis has demonstrated that the Glen Canyon Dam must be in operation as soon as the Bridge Canyon Dam begins to produce hydroelectric energy. Unless this fact is assured, the project cannot produce sufficient commercial energy to pay its own capital cost. This leaves out of consideration the billions of cost borne by the Nation's taxpayers in the form of lost interest. This is concerned solely with the question whether the project can pay its own construction cost as a project completely free from any obligation to pay interest in any amount.

There is another factor that requires that the Glen Canyon Dam be in operation as soon as the Bridge Canyon Dam below it becomes a barrier to the flow of the Colorado River. To come back now to the problem of silt, we find the Secretary of the Interior has spoken on the subject.

The Chairman of the House Committee on Public Lands submitted certain questions to Secretary Chapman last year regarding this project. He was asked this question as question No. 12:

> Without the construction of upstream storage for reservoir regulation and sediment control, what is the estimated useful life of the Bridge Canyon Reservoir and power plant?

His answer in substance assumes that the Glen Canyon Dam will be constructed, but I quote a few sentences from his letter to the Chairman of the House Public Lands Committee in answer to that question:

> The Bridge Canyon Reservoir is relatively small as compared to Lake Mead or the Glen Canyon Reservoir. Its useful life as an effective storage reservoir is particularly dependent upon its being protected from excessive sediment inflow. Sound conservation principles demand that not one acre-foot of sediment be allowed to flow into Bridge Canyon Reservoir Basin which could, as a practical and economical matter, be withheld in longer-lived reservoirs or in reservoirs of little or no other economic value.

The underlying reason for this statement is the startling fact that, without upstream storage to receive the silt, Bridge Canyon Dam will be filled with silt to the spillway level in 35 to 45 years. This is admitted by the Secretary. He says in his answer to question 12:

> It is estimated that Bridge Canyon Reservoir would be essentially filled with sediment within 35 to 45 years.

Yet the payout time, according to the proponents of the bill, is to be 73 years. We believe that the facts will demonstrate that it will require a century to pay out, if, indeed, it ever does pay out.

Thereafter it would operate, if at all, as a run-of-the-river plant with a far smaller power production than is indispensable to fulfill the financial plan. It obviously could not pay out the construction cost within 75 years.

If, as the Secretary of Interior states, "sound conservation principles demand that not one acre-foot of sediment be allowed to flow into Bridge Canyon Reservoir Basin," then the Glen Canyon Dam must be constructed. This bill prohibits its construction as a part of this project. It is true that the Bureau of Reclamation has recently submitted a project which includes Glen Canyon to the affected Colorado River Basin States for comment. That project provides for the ultimate construction of ten dams in the upper basin, including the Glen Canyon Dam. The total cost of the ten dams is estimated at $1,139,100,000. The Glen Canyon Dam will cost more than any of the others. Its contemplated cost is $363,900,000 at 1949 prices. It would probably be around $400,000,000 at 1951 prices.

In the face of our present emergency, how can we authorize this central Arizona project, at a construction cost of almost a billion dollars, that will cost the taxpayers of the Nation additional billions, when it is dependent for both economic and engineering feasibility upon another dam that is only in the planning stage, particularly when that dam must be a completed structure when this project goes into operation, and more particularly when that dam will cost nearly four hundred million, and is a part of a project that includes nine other dams and will cost over a billion? I do not mean by what I have said to take the position that Glen Canyon Dam will not be built. If it is sound as an engineering matter, which has not been determined, and if it can be soundly financed, as to which we have little information, then, if and when our national economy will permit, it should be built. It is plain, however, that there are serious problems yet to be solved. It is still plainer that each year of delay in the completion of Glen Canyon Dam will enhance the extent to which Bridge Canyon power plant will fail to produce the power necessary to carry out the financial plan. Proponents of S. 75 assert that the project will liquidate its capital cost in 75 years. From what has been said, it is clear that every year of delay in building Glen Canyon Dam makes that result progressively more impossible. In a word, to build Bridge Canyon Dam first is to put the cart before the horse.

(At this point Mr. KNOWLAND yielded to Mr. BUTLER of Nebraska for the purpose of making a statement on the beef-limitation order of the Office of Price Stabilization, which, on request of Mr. BUTLER of Nebraska, and by unanimous consent, was ordered to be printed at the conclusion of Mr. KNOWLAND's speech.)

CONSTRUCTION COST PER ACRE

Mr. KNOWLAND. Let us examine this project in the terms of its cost. The figure submitted by the Bureau of Reclamation for January 1951 is $788,265,000. This is the figure submitted by the representatives of the Bureau of Reclamation to the House committee on February 28, 1951, as shown in table I. This is the construction cost.

However, the Bureau says that the local water supply is not enough to water all the lands in central Arizona, and that without the project, 152,000 acres would have to go out of production. There are 73,000 acres more, that once were irrigated, but now are not irrigated, that will be returned to production by this project. That is a total of 225,000 acres that Arizona and the Bureau of Reclamation say will be rescued if this project is constructed—see table C–5, page C–22, Project Planning Report No. 3–8b.4–2, December 1947; also page 35 of hearings on S. 75 where Senator MCFARLAND gives this figure as 226,020.

The construction cost of the irrigation features of this project, at January 1951 prices, according to the Bureau of Reclamation, is $450,056,600. It is most elementary arithmetic to divide this $450,000,000 of irrigation construction cost by the 225,000 acres benefited. The resulting capital cost is $2,000 per acre. The United States Treasury, then, will advance $2,000 for construction cost to each acre of the land to be rescued. The average market value of that land today is less than $300.

This raises a very serious national problem. Last year the President appointed a Water Resources Policy Commission. In December that Commission reported in a large volume what it termed a "water policy for the American people." The Commission urged that the Congress enact legislation to set standards and yardsticks to measure what was and what was not a good investment of Federal funds in the Nation's rivers. It discussed in the following words the matter of construction cost per acre benefited; I quote from pages 171–172:

> The cost per acre of reclamation projects has been tending upward. In connection with certain proposed projects it is greatly in excess of the value of the land after it has been irrigated. Thus, while the cost of existing irrigation projects in the Columbia Basin averages only $65 per acre, the costs of projects now under construction will average just under $350 and the corresponding cost per acre of potential projects is estimated at $450.

These costs are increasingly beyond the repayment abilities of prospective users of irrigated lands, even if some additional repayment is sought through conservancy districts embracing commercial communities which will gain indirectly from the projects. The question naturally arises as to whether there is any reasonable limit to the extent of Federal investment. Stated differently, the question is whether projects involving relatively high Federal investment per acre should be approved.

Let me repeat some of those statements, Mr. President. We are advised by the Commission that the cost of projects now under construction will average $350 per acre, and the corresponding cost per acre of potential projects is estimated at $450 per acre. In this project we have a construction cost alone of $2,000 per acre. It is over four times the average cost of the potential projects as envisioned by the President's Commission. So the question posed by the Commission, namely, "Is there any reasonable limit to the extent of Federal investment in irrigation projects?" is in these uncertain days acutely pertinent. With a stupendous national debt, with deficit budgets, with a crushing load of taxation on our people, which is about to increase, there can be only one answer, which is that the cost of the central Arizona project presently before us grossly exceeds any reasonable limit which our people should be required to bear at this or any other time.

TOTAL COST TO THE NATION

I have mentioned only the construction cost of the central Arizona project, Mr. President; but that cost is only the beginning. What is the real total cost of this project to the Nation?

Last year the House Committee on Public Lands submitted to the Secretary of the Interior 17 questions with regard to the central Arizona project. The last question reads as follows:

How much interest on the national debt, occasioned by the project, would be borne by the Nation's taxpayers, assuming a 75-year-repayment period and a reasonable construction period?

The Secretary answered the question in a letter to the chairman of the Public Lands Committee of the House of Representatives, under date of June 28, 1950. In his answer to the last question he assumed 8 years to be a reasonable construction period. Assuming 2½ percent as the interest rate paid by the United States, his answer was $2,075,000,000—over $2,000,000,000. What is this figure of $2,000,000,000, and how did he arrive at it? There is nothing complicated or difficult about the answer.

He began with the cost of the project, which at that time was called $708,000,000, at 1947 prices. Parenthetically, Mr. President, I say again that this year they testified that the price estimate was up to $788,000,000. According to the financial plan of this project, not 1 cent of interest is ever to be paid as such to the United States Treasury on any part of the cost, either during the assumed construction period of 8 years or during the 75-year-repayment period. In this project there is one large power dam that will produce power that will be sold in the commercial market. The power rate set up by the Bureau includes, it is true, a factor of interest on the cost of the power features. General law requires that the rate charged for power amortize the construction cost of power features and cover interests on such cost. In this project, however, the interest will not go back to the Federal Treasury as compensation for the use of money; it is to be diverted from that purpose, and is to be applied to pay the construction cost of the irrigation features. The irrigation features of this project will cost $450,000,000. The farmers who will get the water will barely be able to pay for the operation and maintenance of the irrigation system after it is built. All the interest that power would ordinarily pay back to the Treasury will therefore be diverted to irrigation-construction costs. Since 1902, it has been the policy of Congress not to require interest to be paid on the Federal money which is used for irrigation purposes. It has been the policy of Congress that a profitable power installation should pay interest. The small amount of municipal water supply in this project will pay no interest. The result then is clear, namely, that not 1 cent of interest on any part of this project is ever to be returned as such to the Treasury of the United States.

Let us examine this result briefly. The situation is that three-quarters of a billion dollars would be borrowed from the United States for an 8-year construction period and a 75-year repayment period, and not 1 cent of interest would be paid into the Treasury over the 83-year period. President Coolidge once remarked that England should repay its war debt. He expressed it this way: "They hired the money, didn't they?" That is the situation here. Arizona hires the money for this project for at least 83 years, but no interest is to be paid for the use of it. The Treasury, however, will have to borrow this money at 2½ percent in order to let this project have the use of it for 83 years. In addition, the Treasury will have to borrow the money to pay the interest. The national debt will be increased by that much. The accumulating interest over the 83-year period will be over $2,000,000,000. That is how the Secretary of the Interior figured it, and that is his answer. This $2,000,000,000 in lost interest is an entirely separate item from the construction cost. Suppose we add this burden of lost interest, as figured by the Secretary, to the construction cost of the irrigation features of the project. Then let us see how much benefit each acre of Arizona land gets from this Federal investment.

Again the arithmetic is simple. When the irrigation construction cost of $450,000,000 is divided by the 225,000 acres benefited the result is $2,000 per acre. We now add $2,000,000,000 of lost interest. Four hundred and fifty million dollars is about one-fourth of $2,000,000,000, and four times $2,000 is $8,000. So we should add $8,000 to $2,000, giving a total figure of about $10,000 invested in each acre of Arizona land benefited. The exact figure is $10,888.38. Call it $10,000 or $11,000, it is the amount of Federal money which goes into each acre of Arizona land benefited by this project, and each acre has a present value not to exceed $300.

It was contended in the Senate last year by its proponents that this project is self-liquidating. A brief examination discloses that the project as proposed by the Bureau intends to return to the Treasury, after a construction period and 75 years, the construction cost of the project, leaving out of consideration entirely this matter of $2,000,000,000 in lost interest. The Secretary admits that the taxpayers of the Nation will be carrying this separate load of lost interest while the power revenues and so-called interest component of the project are paying off the construction cost of three-fourths of a billion dollars. But in his attempt to keep this interest load of $2,000,000,000 as low as he could, the Secretary performed an interesting feat of mathematics. He not only answered the question asked by the chairman of the Public Lands Committee of the House, but he accompanied his answer with his method of computation. An examination of his method of computation discloses that he kept reducing the amount of lost interest as he went along through the 83-year period by the amount of all the net revenue from the project. When he announced the figure of $2,000,000,000, he had used all the project returns in order to reduce it to that sum. The result is that the interest burden of the taxpayer is lower, but he leaves no revenues with which to pay off the project. The figure then is $2,000,000,000 of lost interest, with a project unpaid for at the end of 83 years. Of course, the project must be paid for, so one has a choice; either leave the project revenues alone to pay off the project, in which event the lost interest will be nearly $3,000,000,000, or reduce the lost interest by project revenues and leave to the Treasury at the end of 83 years a project unpaid for. In either event, the burden on the taxpayers of the Nation, based on the Secretary's own answer, is nearer $3,000,000,000 than $2,000,000,000.

Of course, the consideration of a national burden of $3,000,000,000 for this one project for a small area within a single State should be more than sufficient to preclude further argument. However, it is only reasonable to go a step further to bring these figures up to present prevailing prices, in accordance with the facts of the situation. This can be done briefly and the subject concluded.

In his computations the Secretary was using 1947 construction costs, $708,780,000, just as the report of the Senate Interior and Insular Affairs Committee does this year. Testimony from the Interior Department in the House committee this year discloses that construction costs on this project as of January 1951 would be $788,265,000, instead of $708,780,000. The addition, then, of $80,000,000 to the construction cost is a substantial one.

Furthermore the Secretary used an 8-year construction period in making his

calculations. That would require almost $100,000,000 a year to be appropriated by Congress for the construction of this one project in this one State. The Bureau of Reclamation engineers testified last year, as shown on page 599 of the hearings on S. 75, that they anticipated a construction period of 15 years, and the Senator from Arizona [Mr. MCFARLAND] agreed to that as "more likely." This would extend the period of use of the money, and would thereby increase the national debt by the amount of the lost interest.

Furthermore, the Secretary is permitted, under existing reclamation law, to allow a 10-year development period. In his report on this project, House Document 136, at page 166 (e), he goes into some detail regarding the irrigation development contemplated on central Arizona lands. It is only realistic to expect him to allow the development period permitted by law, before any capital returns are expected from this phase of the project. Again, interest will be lost to the Nation's taxpayers during this period of deferment. Correcting the Secretary's figures, then, for these three items, namely, the increased cost, the greater construction period, and the irrigation development period, we find that the actual burden to the Nation's taxpayer is increased from $3,000,000,000 to $4,526,255,000.

The money, then, is hired for a construction period of 15 years, for a development period of 10 years on the irrigation features, and for 75 years while power is repaying the project construction costs. The total is 100 years. During all of this long period the taxpayer is carrying this enormous debt without a return of interest. The Nation loses interest on the borrowed money in the amount of $4,500,000,000.

Compare such a plan with Hoover Dam. That project is by law required to pay, and is paying, 3 percent interest to the Treasury every year for its repayment period, including a like amount of interest during its construction period. It can be stated without reservation that Hoover Dam has not cost and will not cost the taxpayers of this Nation one dollar.

Again, let us recompute the cost per acre of this project. The Nation donates, without any possibility of repayment, $4,500,000,000 in order to improve approximately 225,000 acres of land in Arizona. That amounts to a Federal grant of $17,000 for each Arizona acre benefited.

The proponents of this project contend that 725,000 acres will receive benefit from the project. That is the whole irrigated area affected by the project. We find on the first page of the Senate committee report under date of March 12, 1951, that one of the primary purposes of the project is to provide needed irrigation water for 725,000 acres. That statement is not in accordance with the facts. Admittedly there is enough water for two-thirds of this land. Assuming, for the sake of argument, that all of this area will get some benefit either directly or indirectly, what does it cost the Nation? The answer is $6,206.89 per acre. This, then, is a Federal grant of more than $600,000 to every 100-acre farm. How can the proponents of the project contend that it is self-liquidating?

BEEF-LIMITATION ORDER OF THE OFFICE OF PRICE STABILIZATION

During the delivery of Mr. KNOWLAND's address,

Mr. BUTLER of Nebraska. Mr. President, I ask unanimous consent that the Senator from California may yield to me at this point, with the understanding that he will not lose his right to the floor, and with the further understanding that my remarks will appear at the conclusion of the address being made by the Senator from California.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUTLER of Nebraska. Mr. President, from the most recent order issued by the Office of Price Stabilization, it is clear that this administration is not through making experiments with the cattle industry. I refer to the order issued over the week end limiting packing houses to a slaughter quota for the coming month of 80 percent of the weight of cattle slaughtered during the base period; in other words, slightly over 80 percent of the same period last year.

Mr. President, I cannot think of a more ridiculous order than this one. Farmers have cattle to sell; meat packers have customers to serve; and consumers want beef: So the OPS announces that the quantity of beef to be made available to the general public will be only a little over 80 percent of what was available last year.

Since the OPS issued its orders establishing ceiling prices on meat and cattle a few weeks ago, there has been a good deal of criticism of the cattle industry for opposing the orders. Yet, as each week goes by, it becomes more and more clear that the cattlemen know what they are talking about when they say this system of regulations will prevent the housewife from getting the beef she wants. In fact, the evidence shows that the cattle industry has tried desperately to expand production and to provide increased quantities of meat, but it has been hampered and restricted at every turn by the OPS.

During 1950, the number of cattle increased by approximately 4,000,000 head, and the number of cattle on hand on the first of this year was approximately 84,200,000. That was near an all-time-record-high number. Prior to these orders it was freely predicted that by the end of this year we would have a new record in cattle numbers and that we might even go up to 90,000,000 head within another year or two. Hog numbers last year likewise increased by 5,000,000 head, and sheep numbers by 1,000,000 head.

Furthermore, there were 4 percent more cattle on feed in the Corn Belt this year than last year. Last year was a good production year.

All the evidence shows that increased supplies of beef were on the way until these orders were issued.

Now we are told that instead of being permitted to sell more beef to consumers, cattlemen will not be allowed to sell as much as they did last year. The housewife is expected to reduce her purchases of beef by something like 20 percent in order to permit the OPS to try out some impractical theory of manipulation of the cattle industry.

Mr. President, just what are farmers and cattlemen supposed to do with the cattle which the packers are not allowed to buy? I wish some responsible leader in this administration would answer that question. Let us suppose that during this month cattle continue to be shipped to market at the normal rate. The packers purchase cattle for slaughter as usual until they begin to reach their quota limits. Then they must tell the farmers that they are not allowed to buy any more cattle. Just what is the livestock man supposed to do with his additional cattle which the packers are not permitted to buy from him? Again, I wish a responsible leader in the administration would answer the question.

Mr. President, I will tell you the answer to that question. Those cattle will go into the black market. There is no place else for them to go. If the legitimate packers are not allowed to buy all the cattle that are sent to market for sale, it is obvious that those extra cattle will have to go somewhere.

Old-timers around the stockyards are already commenting that there are a great many new faces among the buyers. There are many new men in the market buying cattle, and taking them no one knows where. In this very brief time since the OPS started trying to regulate the cattle industry, already the black market has moved in. The boys who got their training in black marketing during the war years—1941 to 1946—are back on the job.

Mr. President, I do not know just how long it would take to create a shortage of meat in this country under this type of regulation if it continues. Unfortunately, there is little doubt that such a shortage is on the way. Already the slaughter of cattle in federally inspected plants has dropped off sharply from last year. I have secured figures showing federally inspected slaughter by months for the first 4 months of 1951 and 1950. In January, before the first freeze order went on, cattle slaughter increased from 1,103,000 last year to 1,160,000 this year.

Immediately after the freeze in January, federally inspected slaughter dropped rapidly. In February 1951, 52,000 fewer head of cattle were slaughtered than in February of 1950. In March cattle slaughter declined 117,000 head from March of the previous year. In April cattle slaughter declined 65,000 head from the same month of the previous year.

These are the figures for federally inspected slaughter, not total slaughter. We have no way of knowing how many cattle were slaughtered under other conditions. Of course these other slaughtering facilities provide the principle source for black-market beef.

Mr. President, as I said at the beginning of my remarks, it appears that the OPS has picked the cattle industry as a sort of example for its experiments in the technique of price control. The Nation's meat supply has been put into a test

tube in the price-control laboratory, while the OPS officials stand around watching to see how their theories work out.

I would like to have some responsible official in the OPS explain how OPS arrived at the idea that exactly 80 percent of last year's beef production is the correct amount to produce this year. If a reduction was considered best for the people, then why not 60 or 50 percent or even 30 percent of last year's quota Who ever heard of lower costs to the consumer through a restriction of production?

I shall give you my personal answer to those questions, Mr. President. We have been given new faces in the top-flight officials, but it is my idea that back of the front offices of Wilson, Johnston, and DiSalle, we shall find thousands of the old OPA gang writing these foolish quota and similar regulations. However, America did not become strong through an economy controlled by bureaucrats.

I do not believe these price regulations will work, Mr. President. In particular, I do not believe the 80-percent slaughter quota order will work. I believe the Nation's meat supply has fallen into the hands of impractical theorists who are more interested in the results of their experiments than they are in providing a steady, dependable supply of beef to the consumer. I believe the Congress should think twice or perhaps three times before extending the power of the OPS to continue to disrupt the productive efficiency and the marketing machinery of the cattle and beef industry.

Mr. President, I thank the Senator from California for yielding to me.

THE INCONSPICUOUS MR. FINLETTER—ARTICLE BY ALFRED DOUGLAS

Mr. McFARLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the stimulating article entitled "The Inconspicuous Mr. Finletter," written by Mr. Alfred Douglas, and published in the April issue of Harper's magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE INCONSPICUOUS MR. FINLETTER

(By Albert Douglas)

The private office of the Secretary of the Air Force, a long room on the fourth floor of the Pentagon, is furnished with many of the perquisites of high governmental station, including a separate table for conferences. Assembled here on one occasion, following a change in occupants of the job, were the general officers of this, the newest service. In spite of the fact that on their shoulders, together with the stars of rank, rests the future of national air power, they are aggressively youthful in appearance. The most familiar would be Gen. Hoyt S. Vandenberg, chief of staff, thin-lipped and thin-figured, or Lt. Gen. Lauris Norstad, now commander of the United States Air Force in Europe, whose small bony face is capped with a crop of boyish hair. As they left the room, one of the others, a brigadier, is said to have asked: "What do you think of the new boss?"

"Can't figure him out," was the reply reported, "but thank God he's a sucker for logic."

This impromptu characterization, though the subject of the remark denies that it was made, is probably the best that circumstances will allow; for Thomas Knight Finletter, master of the Air Force and custodian of one of the most powerful strike weapons on the face of the earth, is not the most dramatic person in Washington, nor does he stimulate descriptive comment. Set beside the flash and glitter of his officers, in fact, Finletter is a bald-headed, medium-sized citizen as American as the First National Bank on the corner and twice as plain. "Yes, I know," he says of himself, "no points."

Though it is anomalous that the man chosen by the President to run interference for the razzle-dazzle Air Force should be so untheatrical, Finletter has little "ham" in his make-up. But he is not without humor. Talking off the record at the Mayflower Hotel in January, he was asked a lengthy question as to whether Korean refugees might be transported to Southeast Asia following the end of the Korean campaign, and quickly replied: "That is a very interesting question. It is also one on which I will yield to no man in Washington on lack of information." His speech is plain and unadorned, and the bare facts of his everyday life are so unspectacular that one of the Secretary's close associates cannot remember whether or not he ever takes a drink. His posture and general appearance are formal, yet he would be lost in a crowd of three.

Other vitally unimportant statistics: the Secretary lives in a rented house in the heart of Washington. He arrives at the office at 8:30. He lunches there, usually combining sustenance with business, and remains at the Pentagon until any hour of the night. He works 7 days a week. Anyone who did not know him might make the mistake of labeling Finletter a lightweight Government drone who knows just enough to do his job and keep out of hot water, but the appearance is deceptive. For example, he does not look athletic, but Maj. Robin Hippenstell, all-Services tennis champion in 1949, once took the Secretary on in doubles. "Sure, we beat him," Hippenstell says, "but not by much. He plays a hard brain game. I would rank him one of the best doubles players in town."

Similarly, an Air Force general, after a conference with Finletter, found that he had swung from one impression to another. "That man," he told a colleague, "first told me that he knew nothing about my problem, then listened carefully while I explained it to him, and finally asked one question—which led directly to the solution. He's a damn genius."

The question of whether or not he is a "damn genius" is one that Finletter himself would presumably answer in the negative, but a list of his acknowledged accomplishments (since he took office last April) might include the following:

1. If not inventing, at least promoting real understanding of the "joint task concept"—the philosophy of judging what has to be done for defense in terms of how the combination of Army, Navy, and Air Force can best do it—which has lifted military teamwork a long way above the bitter wrangle of the "B-36 investigation" by the House Armed Services Committee, a few months before Finletter took office;

2. Strengthening the principle that the strategic air arm have first priority in United States military planning by arguing persuasively to his colleagues and superiors that the atomic bomb, plus our ability to deliver it, is the greatest single force for peace in the world today;

3. Building up the total Air Force, with the aid of popular support resulting from the Korean war, from 48 groups (at the time he took office) to somewhere along the road toward the 95 "wings" scheduled for sometime in 1952 (a "wing" is equivalent to a combat "group," plus its necessary housekeeping attachments);

4. Introducing to Air Force councils, in the words of Under Secretary of the Air Force John A. McCone, "a vast international experience, an atmosphere of thoughtfulness, an insistence on facts and research, and an ability to cooperate and get along with the officials of the other two services. He is today the Air Force's chief critic and its most determined advocate."

Add to this record the facts that to date he has made no enemies and that he appears to be able to work calmly and objectively in an atmosphere of political high tension. Nominally a Democrat, Finletter is rarely seen at party conclaves but paradoxically is a whiz on Capitol Hill, where his testimony of last July before the House Appropriations Committee, on the delicate subject of future funds for his service, was so well received that Congress appropriated all he asked and more besides.

At the time he took charge of the Air Force, however, very little was known about Finletter in the country at large. He had served the year before as ECA administrator in England, and the year before that he had been chairman of the President's Air Policy Commission, which described our defense against atomic attack as "hopelessly lacking" and recommended a 70-group Air Force. In 1945 he had been consultant to the United States delegation at the United Nations Conference at San Francisco, and during the war he had worked for the State Department as a special assistant to the Secretary of State.

Even in the Government, where this much was known, many people had a hard time remembering what Finletter looked like when he returned to Washington. "Funny thing about Tom," one of his friends remarks, "he is as anonymous as a bug under a rock. It isn't that he objects to notoriety—he just doesn't bother about it."

II

This past November 11, Secretary Finletter was 57 years old, though he looks 10 years younger. He was born in Philadelphia; his father, the late Judge Thomas Dickson Finletter, was presiding judge of a common-pleas court for 36 years (his grandfather had been a common-pleas judge for 20 years). Young Finletter was as clearly headed for the bar as anyone could be.

Two facts of his early life are worth mentioning. First, he was born smart as paint: at the age of 17 he was graduated at the top of his class from Philadelphia's Episcopal Academy. Second, he lived in France for a year. He went there with his mother to learn French and grow up, as he describes it today. He also took piano lessons. As a result, he speaks French today almost without an accent, and he still plays, according to his daughter, Margot, a "mean four-handed piano."

In the fall of 1911, Finletter entered the University of Pennsylvania and in due course was graduated with top honors. He went on to the university's law school. Before we entered the war, he left law school halfway through to join the first Plattsburg encampment, the extraordinary volunteer group which turned out so many trained junior officers at a time when the Army needed them most. Shipped to France with the Three Hundred and Twelfth Field Artillery, he emerged a captain. Today, when he discusses it, which he does only under protest, the Secretary privately dismisses this period in his life as "my Napoleonic war" and neglects to mention having met an attractive volunteer worker at a Paris YWCA canteen.

She was Margaret Blaine Damrosch, better known as Gretchen, daughter of the late conductor and granddaughter of President Harrison's Secretary of State (later she was to write winningly of her childhood in a book called From the Top of the Stairs). Shortly after the armistice, Captain Finletter was released from the Army and the two were engaged. Returning to the States and law

school, Finletter graduated with top honors and was editor in chief of the law review; in mid-July 1920, back in Paris, they were married.

On his return to America, Finletter decided not to practice law in Philadelphia, in spite of the advantages his family tradition might have offered. Though he might well have wound up a judge in his own right had he chosen to stay, on talking the matter over with his father and his new wife he decided to move to New York, where he thought there would be more opportunity for a bright 24-year-old lawyer. The gamble paid off; he started with the law firm of Cravath & Henderson and shifted at the age of 32 to Coudert Bros., where he has been ever since, except for the periods he has spent in the Government. In 1926 he became a full Coudert partner.

Why and how Finletter decided to go into teaching in his mid-thirties is hard to determine, but teach he did, commuting for 10 years between his Manhattan office and his old law school in Philadelphia. One of Finletter's academic innovations, since widely adopted by other law schools, was to permit students to bring into the examination rooms any notes or books they chose. "We're training future lawyers how to use books, not to memorize them," was his explanation. Not content merely with practicing law and teaching it he also wrote three texts on the general subject of corporation bankruptcy in his spare time. "I marveled then and I marvel now," a New York publisher who has known him well remarks. "He is a hard worker."

By the time he was 45 Finletter had apparently done pretty much what he set out to do—he had become a corporation lawyer in a good New York firm, won an enviable reputation, and provided comfortably for his wife and two daughters. He had a small country house in East Norwich, Long Island, and he could well afford, as he did in 1939, to take his family abroad in the summer for a cycling trip through Germany. In some ways the trip was a turning point in his career and the beginning of his Government service, for anyone who saw Germany at the peak of her prewar power could make a good guess at her future intentions.

Finletter came home convinced that we would have to do something to stop the Nazis. He didn't have long to wait. In 1939 France called on Coudert Bros., who did considerable foreign business, to prepare the legal groundwork for a large order of military aircraft in the United States, and Finletter was handed the job. Even though from the start it was hopeless, this assignment did serve to expose the future Secretary to some of the difficulties of getting aircraft production under way. The French were desperate for planes, and the job was to expand our production in time to get the badly needed aircraft to the French front and stop the German assault. Actually, few of the planes ever got there, and this introduction to the perplexing problem of "lead time" in the building of aircraft was something Finletter never forgot.

In March 1941—9 months before Pearl Harbor—he willingly accepted an offer by Secretary of State Cordell Hull to be his special assistant. The job has never received the publicity it might have, and even today the Secretary merely comments that it was a "stockpiling" operation—purchasing critical materials from all over the world which would be needed in a war economy. Later on it turned out to be a double-edged business, obtaining substances which would be useful to the Nazis and thus depriving them of essential supplies. In 1943 Secretary Hull established the Office of Foreign Economic Coordination, and Finletter was appointed, first, Executive Director and, later, Deputy Director of the new organization.

Herbert Feis, a State Department adviser on international affairs, recalls that Finletter "threw himself into every task with intensity" and was in his element when handed a complex assignment. "He could slice to the heart of any matter with the dispatch of a sharp knife cutting bread." Some of Finletter's assignments were broad in scope—for example, the obtaining of badly needed chrome ore from abroad. We needed chrome to make steel, and our supplies were dangerously low. The Turks possessed chrome ore in quantity, but Turkey was neutral and constantly threatened with war by the watchful Nazis. Finletter was handed the task of buying chrome ore under the noses of the Nazi Embassy in Ankara, arranging secret transportation from Turkish mines to a seacoast port via a carefully watched railroad, and finding neutral shipping to haul the load to this country while avoiding German submarines. It is to his credit that thousands of tons of chrome ore did arrive here from Turkey, maintaining the quality of our steel production. (This past February, at the request of the Turkish Government, the State Department sent Finletter on a 2-week tour of inspection of Turkey's military preparedness.)

When Stettinius became Acting Secretary of State early in 1944, there was a general shake-up in the Department, and Finletter's OFEC was absorbed by the Foreign Economic Administration. Thereupon Finletter resigned. Various reasons have been given for his action, but the concensus is that he was unhappy about the bickering and rivalry in the Department and felt sure that the war was coming to a close. A man who worked in the Department and knew him well during this period recalls, "He was a remarkably good chairman. He was one of the few who would accept responsibility without being called to do it. If he took charge of a meeting, for example, it would never adjourn without something getting done. He probably left the Department for the same reasons he went into teaching—he was thinking through and beyond his job."

The same characteristic caused Finletter to become an author. Returning to his law practice, he wrote in 1945 a book called Can Representative Government Do the Job? in which he proposed linking the executive and legislative leaders of the Government in a joint Cabinet. He suggested a sort of parliamentary compromise in which the President and Members of Congress would each serve a term of 6 years in office; in any deadlock between the Congress and the President, the latter would be empowered to dissolve Congress and the Presidency and call a national election. "I got the idea from the way Mr. Hull worked with Congress," Finletter observes. Both President Roosevelt and his Secretary of State had been determined that lack of cooperation between Congress and the Executive would not prevent United States acceptance of the United Nations, as the rift between President Wilson and the Senate resulted in the rejection of the Treaty of Versailles and the League of Nations.

Arthur Krock, of the New York Times, commented that the idea was "the most original and ingenious suggestion for the stabilization of the American Government this correspondent has seen." Other critics, however, like Finletter's friend Robert Moses, New York's outspoken parks commissioner, found the plan stimulating, visionary, and unworkable. Perhaps the best explanation for the book is that the author had to get it out of his system, and though it may have been an intellectual exercise, it led him directly to the problem of representative government for the world as a whole.

First, he was called as consultant to join the United States delegation to the United Nations Conference at San Francisco; Finletter's job there was largely to meet the press and represent the American contingent, though the post did offer a liberal education in the problems of international government. That job done, he returned to his desk at Coudert Bros. He joined a group known as Americans United for World Organization—which merged in 1947 with the United World Federalists—and he did considerable work, including articles for the Atlantic, to stimulate interest in the idea of preventing aggression by applying internationally the rule of law. In October 1949, he testified before the House Foreign Affairs Committee in favor of a congressional resolution approving in principle the theory of giving the United Nations sufficient, though limited, powers to prevent war. To date the resolution has not passed Congress but the concept has survived. It can be found in a document the New York Times described on its publication as "one of the most solemn reports on the defense of the United States ever prepared in time of peace," the President's Air Policy Commission report entitled "Survival in the Air Age."

Why the President picked Finletter to head the temporary Air Policy Commission is something of a mystery, except that he was known to be impartial, if not ignorant, in aviation matters, and he was credited with tackling and solving complex economic and logistical problems in the State Department. In a letter dated July 18, 1947, the President wrote five men expressing his concern over "danger that our security may be jeopardized * * * by a failure of the aircraft industry to keep abreast of modern methods" in aviation development; he asked them to form a commission to make "an objective survey into national aviation policies and problems." The survey was to include commercial as well as military aspects, for if Russian rearmament threatened our military position in the air, the domestic airlines at home were also in critical financial shape, and the overseas airlines could be considered commercial instruments of national policy.

For almost 4 months, Finletter and his four commissioners listened to the testimony of 150 witnesses, the leaders of the Nation's military and commercial aviation establishment. There is probably no more individualistic group of men than those who run American aviation, and the majority were bitter over the drop-off in size of the Air Force and the plight of the aircraft industry following the war. Finletter and his colleagues listened patiently, toured the Nation's air bases and aircraft factories, and in December settled down to write the report.

"Survival in the Air Age" made good reading for aviation enthusiasts. Painstakingly it reviewed every aspect of national aviation; in plain nontechnical language the commission described what it had found and warned that the old safeguards of armies, navies, and oceans were "no longer enough" in an atomic age; it submitted that 1952 was the date beyond which it would be "reckless" to assume that other nations might not have the atomic bomb in quantity, and made long-range recommendations for strengthening the forces of the military and commercial air arms. It also called for funds for pure research, a reorganization of civilian aviation policy, a 70-group Air Force, and a modernized air reserve of military planes and pilots. The New York Times remarked editorially that the report presented a "policy so well thought out, so calmly presented, so well buttressed by straight thinking that it is difficult to see where it can be attacked except in details." And the Times did not go into details.

Finletter worked hard on the report—in fact, he wrote a major portion, the section dealing with military requirements, himself. The introduction of the report stated Fin-

letter's own conclusions on the necessity for establishing the rule of law in the United Nations. "We will not be rid of war," he wrote, "until the nations * * * give the United Nations * * * the legal and physical powers * * * to keep the peace." For this view he was to be attacked when he later became Secretary. The president of the Veterans of Foreign Wars complained that the World Federalists were "making capital" out of Finletter's appointment. Truman replied characteristically:

"There is no better or more able public servant than Finletter * * * he is better equipped to be Secretary of the Air Force than any man in the United States, and that is the reason I appointed him."

On May 19, 1948, Paul G. Hoffman, Economic Cooperation Administrator, appointed Finletter Chief of the agency's Special Mission to the United Kingdom, and shortly afterward, with his wife and daughter, Margot, Finletter left for London to tackle one of the most ambitious assignments in Europe—nothing less than the economic revival of Great Britain and the whole sterling area.

Times were bad in England in the spring of 1948. At a moment when Americans were enjoying an economic boom, the average Englishman considered himself lucky to get one egg a week, and a single slice of bacon with the egg was not only luxurious, but in many cases illegal under the rationing system. The Government was making every effort to maintain full employment, control inflation, and with the aid of the American gift money to close the dollar gap.

Eight months later, in January of 1949, Finletter reported to the Senate Foreign Relations Committee that he had spent $1,200,000,000 and that England was on her way to recovery. Thanks to American aid, British exports were on the increase, and the fear of collapse—including the threat of actual starvation—was no longer felt. Furthermore, he reported that United States aid to England in the second year could be reduced to $900,000,000, and that a dollar balance between the two countries at the end of 4 years was probable.

Perhaps just as important as the financial results was the manner in which Finletter played the part of Santa Claus to a proud and desperately dollar-poor nation. The British had to accept the American gift whether they liked it or not. The fact that the aid was offered through Finletter with care and courtesy did much to keep our relations with England something more than cordial. Sir Stafford Cripps, commenting on the achievement, remarked that there was a Finletter cult within the British Treasury which was prepared apparently to do anything he asked.

In June 1949, feeling that his job was over the hump and that England was getting back on her feet, Finletter resigned, and after a short rest again returned to his law practice. Less than a year later, he was back in Government harness as Secretary of the Air Force.

III

From the moment he entered the Pentagon, Finletter was under sharp appraisal, for there was much at stake in the way he handled his job. The interservice brawl, in which Navy and marine elements had been quarreling publicly with the Air Force over money and missions, was only 4 months dead, and there were still officers on both sides so bitter they were scarcely on speaking terms. The critics of strategic air power had been baying at it like hounds after a treed coon, and at the same time President Truman had impounded $735,000,000 which Congress had earmarked for a 58-group Air Force.

The Air Force was then at 48 groups, far below the 70-group level for which Finletter had argued in Survival in the Air Age, and there was no evidence of willingness on the part of high officials in the National Military Establishment to go for a bigger force. It might have been asked whether Finletter had not been compromised in accepting the apparent policy to hold the Air Force near its 48-group strength.

His answer would be that he made no commitment when he took the job to advocate an Air Force of any size other than that in which he believed, and once in the Pentagon he began a series of studies to bring Survival in the Air Age up to date—to find out how big an Air Force was now desirable. Within 24 hours of taking office, he attended an Air Force commanders' meeting in Puerto Rico, and for 2 days and nights he listened to officers from all over the world talking with complete frankness of their own problems and proposals. Back in Washington, he spent most of the next 2 months in briefings, the Pentagon's question-and-answer sessions with charts.

Gen. Curtis E. LeMay, the cigar-chewing chief of the Strategic Air Command, came in from Omaha with his staff to tell the Secretary what targets they could hit, how long it would take to do how much damage, and how long an attack could be kept up with the existing supply of bombs and bombers. Lt. Gen. Ennis C. Whitehead, then commander of the Continental Air Command, and his officers came down from Mitchel Air Force Base, N. Y., to tell the Secretary how well the United States could be defended against air attack. They told him that an enemy raid in force would get through, and that the best radar and interceptor defense money could buy would stop only a relatively small part of the invading aircraft. These reports were supplemented by those from other commands.

In all of this, Finletter sat and listened and asked thousands of questions. From time to time he would interrupt to say, "Excuse me, General, I'm a little stupid. Would you go over that again." Or, "If I get this correctly, what you have been saying, General, is that * * *" and then sum up in a few sentences the substance of a long discussion. These briefings did two things: First, they acquainted the Secretary and his officers with each other; second, they left Finletter with a burning conviction that in order to keep peace in the world this counrty must give first priority to long-range bombers.

To be sure, this belief had been implicit in Survival in the Air Age, in which Finletter had forcefully expressed his feeling that a strong counteroffensive weapon would be the best "deterrent"—a word he still uses frequently—to discourage an aggressor from a war with the United States. Thus he was already identified with a plea for a strong Air Force, and when he returned to Washington it remained to be seen how this would affect his dealings with the other services.

By the time Finletter became Secretary, the Air Force-Navy difficulties which centered around the B–36 investigation were over. The appointment of Admiral Forrest Sherman as Chief of Naval Operations had brought this unhappy period to a close, and cooperation between the three services had been much improved. But it can be said of Finletter that he has consolidated the peace, and by his friendly personal relations with his co-Secretaries, Frank Pace of the Army and Frank Matthews of the Navy, he has done much to stimulate an indispensable spirit of objectivity.

"I do not attempt," he said in a speech at the University of Pennsylvania last June, "to arrogate to any one service a special position of importance in our Defense Establishment. * * * We must not have each service carrying out its assignments all by itself with a sharp division of responsibility such as used to characterize the operation of allies. * * * Loyalty to a service, however important, must be subordinated to the interest of the country." Finletter believes that each task which is put before the Department of Defense must receive the coordinated effort of all three arms, and though this "joint task concept" is not revolutionary it differs greatly from the idea of narrow and limited loyalty to one service merely because one happens to be in it.

The joint task concept, in Finletter's hands, is also applied to matters outside the Air Force. He believes that in defending the free world the idea must be extended to all nations who decide to act together, and he argues this view persuasively as representative of the Department of Defense in the relatively new senior staff of the National Security Council, which meets three times a week in the old State Department Building next door to the White House.

The place of strategic air power in that defense, and in preserving the peace, has been debated at length, but Finletter's thesis is briefly this. The nations of the free world today cannot hope to compete with an enemy such as Russia in terms of our outnumbered ground forces. Similarly, Russia has no great naval power with which to launch a major attack by sea. In the air, however, Russia is believed to have an air force great in numbers and growing fast—and, more important still, an atomic bomb stockpile that is also growing. But as long as her stockpile is substantially less than ours, or at least insufficient to mount a major attack on the United States, Russia cannot hope to be anything but the loser in an all-out war. Our strategic bombers, if she were to launch such an action, would immediately strike at the Russian heartland in such numbers and intensity that industrial and military Russia would be devastated and demoralized.

As long as our Air Force can keep the Russian leaders aware of this awesome possibility, Secretary Finletter will argue devoutly that we must maintain and develop long-range bombers with all possible speed and efficiency. While this force is operating as an effective "deterrent," he hopes that it will be possible for the statesmen of the world to keep talking, and through the United Nations to work for an equilibrium in which peace through agreement might possibly be maintained.

Though a variety of divergent opinions will no doubt continue to be voiced, one of the main objections to this thesis so far has been a moral one, centering on the threat of the atomic bomb. On this point Secretary Finletter is clear and categorical. "I do not believe," he said in the same speech at the University of Pennsylvania, "that the moral position of the United States will be judged by the kind of weapons we have in our arsenal or the kind of strategy and tactics we use. I believe that our moral position will be judged by the vigor with which we push our efforts to achieve peace.

"There is no merit, moral or otherwise, in having a defense force which is no good. Nor is there the slightest sense in trying to make a war a bearable business. But if anyone can say truthfully that we are not doing all we should to eliminate war as a human institution, then we would have cause to worry about our moral position.

"I have little sympathy with the idea that we should not be ready to defend ourselves if despite all our efforts to achieve peace we are attacked. Indeed I conceive the morality to be the opposite. I believe we would be faithless to our duty to ourselves and to our friends and allies of the free world if we were not to have a military force which would make it very plain to all that it would be a mistake to break the peace."

EXECUTIVE SESSION

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SMATHERS in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. McMAHON, from the Joint Committee on Atomic Energy: Henry DeWolf Smyth, of New Jersey, to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1956 (reappointment).

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTER

The legislative clerk read the nomination of Arthur L. Jennings, to be postmaster at Texarkana, Ark.-Tex.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of Noel Malone, of Mississippi, to be United States attorney for the northern district of Mississippi.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McFARLAND. Mr. President, I ask that the President be immediately notified of the confirmations of nominations made this day.

The PRESIDING OFFICER. Without objection, the President will be immediately notified of the confirmations of nominations made today.

RECESS TO THURSDAY

Mr. McFARLAND. Mr. President, as in legislative session, I move that the Senate stand in recess until next Thursday at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 51 minutes p. m.) the Senate took a recess until Thursday, May 31, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 29 (legislative day of May 17), 1951:

INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

John W. Snyder, of Missouri, to be United States Governor of the International Monetary Fund, and United States Governor of the International Bank for Reconstruction and Development for a term of 5 years. (Reappointment.)

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

The following-named persons to be representatives of the United States of America to the sixth session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization:

Howland H. Sargeant, of Rhode Island.
George D. Stoddard, of Illinois.
Mrs. Helen C. Russell, of California.
Elvin C. Stakman, of Minnesota.
George F. Zook, of Virginia.

IN THE AIR FORCE

The following-named persons for appointment in the United States Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947), and title II, Public Law 365, Eightieth Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947):

To be major USAF (medical)

Archibald G. M. Martin III, O509520.

To be captains, USAF (medical)

Ferdinand Barnum, AO1718415.
Earl R. Claiborne, AO1906127.
George C. Jernigan, Jr., O348598.
Clair D. Langner.
Jack R. Robison, AO1907216.
Harry N. Simmonds, O1764986.
Paul M. Walczak, AO1718974.
Dale H. Weifenbach, AO2213529.
Weeley C. Whitehouse, Jr., AO1765910.

To be first lieutenants, USAF (medical)

George N. Austin, AO396031.
William S. Gaines, AO971606.
John W. George, AO680204.
Billy Grimmer, AO2212172.
Francis Kruse, Jr., AO2209668.
Robert Levine, AO401188.
Edward C. Mann, AO689322.
Paul D. Murphy, AO2213530.
Paul V. Nolan, AO2213626.
Willard H. Pennell, AO2213393.
Josiah F. Reed, Jr., AO1906403.
Frederic R. Simmons, AO1540386.
Arthur G. Smith, AO1906318.
Leonard S. Staudinger, AO2213452.
Merton J. Vanderhoof, AO2213625.
Stephen Wartella, Jr., AO977430.

The following-named persons for appointment in the United States Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

To be first lieutenants

Gerhard R. Abendhoff, AO767718.
Bruce H. Abraham, Jr., AO686440.
Charles J. Adams, AO804642.
William A. Alden, AO814482.
Zane S. Amell, AO1012838.
Douglas M. Ames, AO590245.
James W. Babb, AO718499.
Ralph T. Ballard, Jr., AO761536.
Gabriel P. Bartholomew, AO817875.
Robert M. Beall, AO720122.
Carroll H. Bledsoe, AO938039.
Ewald C. Braeunig, AO695405.
John L. Bridges, AO789666.
Lloyd E. Brunson, AO829155.
John R. Burgess, AO2081887.
Welbon D. Burnham, AO784853.
Richard C. Burriss, AO784854.
Russell L. Bush, AO802530.
John L. Butz, AO929854.
John G. Callahan, AO2091022.
Keith L. Christensen, AO783914.
Kenneth B. Clark, AO756492.
Richard L. Clay, AO794638.
Winston H. Clisham, AO748914.
Victor P. Coletti, AO721975.
Archie L. Cook, AO2070775.
Paul D. Copher, AO751725.
Peter Cotellesse, AO2087408.
Donald D. Cross, AO720694.
Harry T. Cummins, Jr., AO691730.
Harlan F. Daniel, AO559078.
B. H. Davidson, AO523333.
Joseph P. Davies, Jr., AO2093173.
Charley L. Davis, AO2092658.
Harry W. Deffebach, AO715158.
Eugene P. DeMartini, AO801804.
Irvin H. Derrick, AO718257.
Glenn E. Dill, Jr., AO746702.
Franklin P. Dixon, AO590040.
Richard C. Dumm, AO558805.
Robert L. Eckman, Jr., AO780896.
William R. Edgar, AO825810.
Robert F. Edwards, AO795718.
Hixon B. Eldridge, AO726347.
Frank W. Elliott, Jr., AO825605.
William O. Ezell, AO797497.
Luther W. Feagin, AO2056081.
Relf A. Fenley, AO720233.
Theodore P. Ferrato, AO520688.
Ralph F. Findlay, AO771681.
Bruce B. Fish, AO755908.
Frank L. Gailer, Jr., AO638813.
Donald H. Gehri, AO563082.
Keith L. Gillespie, AO524329.
Rowley E. Gillingham, AO747703.
John P. Gonge, AO700921.
Granville I. Gore, AO666274.
Harold W. Grace, Jr., AO2088909.
Edward M. Grey, AO819260.
Robert E. Grovert, AO538576.
Joseph L. Gulinson, AO850610.
Joseph A. Hagemann, AO806667.
Keith C. Hanna, AO783105.
LeRoy B. Hansen, AO556304.
Warren W. Harding, AO2033311.
Paul R. Hartmann, AO2100229.
Alvin P. Herrewig, AO776305.
George J. Homza, AO394875.
Robert W. Hopkins, AO817946.
Raymond S. Horey, AO691104.
Thomas P. Hubbard, AO654728.
Joseph V. Johns, AO2062663.
Arthur H. Johnson, AO1699353.
Fon E. Johnson, AO695425.
Robert C. Johnson, AO797137.
Robert L. Jones, AO2068397.
Byron R. Kalin, AO756608.
Nelson Kasten, AO722324.
Walter A. Kells, AO395426.
Walter G. Kelley, AO877492.
Oran R. Key, Jr., AO671662.
Joseph C. Kinkead, AO926775.
Joseph H. Kipping, AO583326.
Don R. Kohl, AO302530.
Michael M. Kovach, AO1113792.
William A. Lafferty, Jr., AO326212.
Robert F. LaLonde, AO2099522.
Victor J. Loughnan, AO515817.
Arthur M. Lien, AO521663.
George M. Lunsford, AO794262.
David W. Lykins, AO777733.
Gerald R. Marshall, AO695195.
Oren V. Maxwell, AO778878.
Floyd M. McAllister, AO777738.
Chauncey L. McDermott, AO772091.
William T. McDonald, AO862722.
James G. McDonnell, AO2101907.
Robert H. McDonnell, AO2072403.
Joseph F. McKone, AO825932.
Orville E. Miller, AO767852.
Clarence H. Mills, AO797876.
Collins P. Mitchell, AO442216.
D. P. Morgan, Jr., AO2056814.
James E. Muldoon, Jr., AO799051.
William J. Murphy, Jr., AO937183.
George B. Myers, AO753236.
Arthur M. Neal, AO748221.
Charles D. Owens, AO722144.
Robert E. Pace, AO2056153.
Waldo M. Page, AO707801.
Henry O. Parman, Jr., AO2079905.
Cuthbert A. Pattillo, AO826756.
Charles T. A. Paul, AO753414.
Walter A. Petkus, AO730742.
William C. Phillips, AO2061256.
Fletcher S. Porter, AO860904.
Barton S. Pulling, AO410832.
Harvey B. Roberson, AO669499.
Howard G. Roberts, AO709653.
Warren A. Rodewald, AO930250.
Wilson Rolfe, AO837054.

Eric W. Rood, AO752907.
David W. Saxton, AO866101.
Jack C. Schwab, AO773829.
James G. Silliman, AO792353.
Lloyd D. Smith, AO590459.
Richard W. Smith, AO590144.
Andrew W. Smoak, AO800062.
Orrin W. Snyder III, AO938421.
William G. Solomon, AO766106.
William N. Steele, AO2059858.
Walter T. Steves, Jr., AO570399.
Douglas D. Stewart, AO933521.
James L. Stewart, AO2066061.
Jimmie Taylor, AO465462.
Reginald P. Thibodeau, AO828351.
Howard N. Tomchak, AO707751.
Armand L. Tremblay, AO756127.
Leslie B. Van Hoy, AO793868.
Charles D. Vollmer, AO771591.
William H. Walding, AO722402.
Joseph B. Warren, AO668675.
Audrey H. Watkins, AO823180.
William F. Welsh, AO881067.
Fielding F. West, AO734286.
Raymond E. White, AO818059.
James M. Whitler, AO1701035.
Morris F. Williams, AO772627.
Willie G. Williamson, AO2068148.
Richard C. Wilson, AO671324.
William W. Wilson, AO448075.
Thomas B. Wood, AO2034653.
William A. Wood, AO693443.
Clyde W. Younger, Jr., AO711056

To be second lieutenants

LeDewey E. Allen, Jr., AO942534.
Paul C. Arndt, AO877345.
Jacob C. Baird, AO2098450.
John C. Ball, AO693249.
James W. Barkwill, AO2058394.
Donald E. Beebe, AO812918.
Jack R. Benson, AO2020704.
Robert J. Bissell, AO709267.
Kenneth R. Bland, AO2076513.
Eugene L. Brady, AO2066793.
Albert W. Buesking, AO2101606.
Stuart R. Childs, AO667942.
Robert W. Clark, Jr., AO2076549.
George D. Cooksey, Jr., AO761041.
Arthur S. Cooper, AO785761.
Roderick W. Coward, AO8070424.
Darrell S. Cramer, AO730390.
Wallace L. Criswell, AO556380.
Clarence G. Curry, Jr., AO590504.
Robert W. Daniels, AO663869.
Samuel A. Darby, Jr., AO772031.
John Deas, AO834617.
John F. Disharoon, Jr., AO840356.
William Djinis, AO873732.
Walter L. Doerty, Jr., AO1908527.
Joe B. Dougherty, AO2017030.
Henry J. Dunn, Jr., AO841177.
Nathan B. Durham, Jr., AO2093327.
Burns R. Eastman, AO769405.
John J. Eddington, AO727704.
James I. Eden, AO587724.
James B. Fagan, AO714685.
Walter B. Favorite, AO758973.
Thomas J. Flake, Jr., AO791808.
Donald S. Floyd, AO827413.
Albert D. Fowler, AO568180.
Elwood S. Fraser, Jr., AO707255.
John T. Gaffey, AO739764.
Kenneth H. Gallagher, AO756214.
Robert J. Goebel, AO681645.
Edmond D. Gray, AO833086.
Robert G. Hageman, AO691748.
Ermine L. Hales, AO689045.
Grover L. Heater, Jr., AO1848508.
Clarence L. Hewitt, III, AO706390.
John K. Higdon, AO1847085.
William M. Higgins, AO821012.
Joseph W. Hinerman, AO825170.
John P. Honaker, Jr., AO802115.
Anderson B. Honts, Jr., AO817679.
Gene Hopkins, AO2080701.
Alden F. Hughes, Jr., AO1908681.
Milo F. Hunter, Jr., O2208626.
Kenneth D. Hurley, AO2078997.
Thomas J. Hutchison, AO859622.
Paul G. Jameson, AO729344.
Dale S. Jeffers, AO809812.
Marvin W. Johnson, AO685233.
Melvin E. Johnson, Jr., AO2080603.
Dale N. Jones, AO827212.
Ralph F. Jones, AO424965.
Richard W. Jones, AO721007.
Charles Kaiser, Jr., AO711418.
William C. Kaufman, AO2092289.
Bertram Kemp, AO2057943.
Eugene C. Kiger, Jr., AO565848.
Iven C. Kincheloe, Jr., AO1904137.
Edward E. Lane, AO773165.
Arthur M. Lilley, AO481919.
John L. Mansfield, AO842228.
Reese S. Martin, AO834845.
Ralph S. Matsen, AO2093375.
Joseph J. McCabe, AO794268.
Charles G. McCarthy, AO930112.
Richard M. McClure, AO1846838.
Carlton H. McConnell, AO729772.
Eugene P. McGlauflin, AO820530.
Thomas B. Meeker, AO664217.
Norman F. Merritt, Jr., AO649092.
William S. Miller, AO799224.
Joseph P. Minton, AO710999.
Theodore E. Mock, AO2087681.
Walter S. Moe, Jr., AO777212.
Wilner P. Moon, AO772222.
William J. Mulcahy, AO731323.
David J. Murphy, AO725631.
Naaman L. Myers, AO789587.
George H. Normand, AO927371.
James R. Norris, AO429971.
Clyde A. Northcott, Jr., AO930213.
Timothy G. O'Shea, AO1559737.
Henry G. Parrish, Jr., AO670227.
Floyd A. Peede, Jr., AO820906.
Jack I. Posner, AO834881.
Jack B. Price, AO669923.
George Rhodes, AO581130.
Paul B. Rice, AO840855.
Robert O. Rollman, AO561937.
Marvin O. Rowland, AO1848730.
Donald F. Rudolph, AO728739.
Marvin W. Russell, Jr., AO779228.
Gilmore L. Sanders, AO2057418.
Julius F. Sanks, AO2071713.
Floyd E. Saunders, AO591048.
George H. Saylor, AO713969.
Robert E. Schellhous, AO769954.
Earl C. Schmeling, AO733735.
Willis G. Shaneyfelt, AO1849148.
John L. Sherburne, AO808748.
Clayton C. Sherman, AO2093788.
Robert W. Smothers, AO927836.
Richard H. Spooner, AO701695.
Ellis E. Stanley, AO1846851.
Philip Steiner, AO1854146.
Wesley T. Stewart, AO715635.
John H. Strand, Jr., AO730988.
Carl R. Swartz, AO738498.
Milton G. Swearengin, AO861727.
Ralph J. Swofford, AO688982.
Harry W. Taylor, Jr., AO1850152.
Harvey J. Taylor, AO2030078.
Charles E. Teague, AO2059374.
Hal M. Terry, Jr., AO800968.
William G. Thomas, AO439742.
James W. Thompson, Jr., AO427791.
James E. Tidwell, AO2076041.
Artyv T. Tisdail, AO778618.
George E. Tormoen, AO743218.
Joseph M. Tyndall, AO874094.
John J. Voll, AO705511.
Ernie A. Walker, AO835728.
Ivan Ware, AO1848706.
Thomas W. Whitlock, AO1908785.
Johnny T. Williams, AO1905387.
Marshall G. Williams, AO719524.
Alvin L. Wimer, AO785038.
Voy A. Winders, AO797756.
Francis L. Wright, AO2093266.
Henry C. Yawn III, AO2068328.
William H. Young, AO833454.

The following-named persons for appointment in the United States Air Force, in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947), and section 301, Public Law 625, Eightieth Congress (Women's Armed Services Integration Act of 1948):

To be second lieutenants

Marguerite Butler, AL1908804.
Dolores J. Cleary, AL1908805.
Marjorie L. Riepma, AL1904020.
Mary B. Wilkinson, AL1853888.

The following-named distinguished aviation cadets for appointment in the United States Air Force, in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

To be second lieutenants

William T. Capers III
Robert J. Ford
Gene R. Johnson
Otto K. Lahlum
Donald E. Leiffert
Eugene C. Wicker

Subject to physical qualification and subject to designation as distinguished military graduates, the following-named distinguished military students of the Senior Division, Reserve Officers' Training Corps, for appointment in the United States Air Force, in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

Earl J. Collins
David P. Frizell
Edwin E. Lee, Jr.
Thomas C. Pinckney, Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 29 (legislative day of May 17), 1951:

UNITED STATES ATTORNEY

Noel Malone, of Mississippi, to be United States attorney for the northern district of Mississippi.

POSTMASTER

ARKANSAS-TEXAS

Arthur L. Jennings, Texarkana.

SENATE

THURSDAY, MAY 31, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. Clarence W. Cranford, Calvary Baptist Church, Washington, D. C., offered the following prayer:

We thank Thee, O God, for the dream that has made America great—the dream that on these shores men would find a sanctuary of freedom in which they could breathe the invigorating air of liberty. We thank Thee that here we believe man is a child of God, and not just a creature of the state; that here we believe it is the truth that sets men free, and therefore men must be free to seek the truth. We thank Thee for our freedom to acknowledge Thee according to the dictates of our conscience. Help us to use this freedom, not as a privilege to be abused but as a heritage to be preserved and to be shared with all. We pray in Jesus' name. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 29, 1951, was dispensed with.

LEAVES OF ABSENCE

Mr. CASE. Mr. President, I regret that a commitment, which has been standing for some time, will necessitate my absence from the Senate to speak at a meeting of the Association of Unemployment Compensation Officials of the several States, meeting in my State next week. Therefore, I ask unanimous consent that I may be excused from attendance upon the sessions of the Senate next week.

The VICE PRESIDENT. Without objection, it is so ordered.

On his own request, and by unanimous consent, Mr. FULBRIGHT was excused from attendance on the sessions of the Senate next week, beginning Monday.

COMMITTEE MEETINGS DURING SENATE SESSIONS—THE MACARTHUR HEARINGS

Mr. McMAHON. Mr. President, will the Senator from Arizona yield?

Mr. McFARLAND. I yield.

Mr. McMAHON. Mr. President, I ask unanimous consent that the Committees on Armed Services and Foreign Relations, meeting jointly, be permitted to continue their meetings during the session today.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SALTONSTALL. Mr. President, will the Senator from Arizona yield to me so I may ask the Senator from Connecticut a question?

Mr. McFARLAND. I yield.

Mr. SALTONSTALL. The Senator from Connecticut has just asked unanimous consent, which was granted, that the Committees on Armed Services and Foreign Relations may meet during the session of the Senate today. It is my understanding that the chairman of the Committee on Armed Services, the Senator from Georgia [Mr. RUSSELL], intends to bring up this afternoon the conference report on the selective service bill. I make my remarks in the form of a question, and also in somewhat the form of a statement.

Mr. McMAHON. Mr. President, I will say in reply to the Senator that the committees will probably remain in session until about 1 o'clock today.

Mr. President, I might say that we shall have to make some kind of arrangement with respect to those committees. There are 26 members of the two committees. There is other business which must be done in the Senate besides working over a subject which has been pretty well covered already. That does not mean that I am against pursuing the subject with some other witnesses, but I call attention to the fact that there is some extremely important atomic business pending in the Joint Committee on Atomic Energy, and I have not been able to hold a meeting in 3 weeks. We shall have to work this conflict out somehow.

Mr. McFARLAND. Mr. President, I am glad the Senator from Connecticut has made this statement. I am one who wants the hearings before the Committees on Foreign Relations and Armed Services to be full and complete. I do not want anything that should be presented not presented. On the other hand, I have noticed, from reading the record, that a good portion of the time of the committees is taken up by speeches made by Senators who are members of the committee, and by repetition of questions. When almost one-third of the membership of the Senate is taken away from the Senate for the purpose of conducting these hearings it makes it very difficult to transact business on the floor of the Senate. But when the membership of the two full committees, representing nearly one-third of the Senate, is occupied in the hearings, thus taking them away from hearings that should be had by other committees, it results in slowing down the work of all the committees of the Senate. I desire to ask the distinguished Senator from Connecticut if the committees meeting jointly cannot find some way of expediting the hearings; so there will be fewer speeches made by Senators, and more testimony given by the witnesses, with less repetition of questions.

Mr. McMAHON. I will say to the Senator that we have adopted a time-limitation rule on examination which I think will facilitate the investigation. The committees have now voted to hear Mr. Acheson, Mr. Harriman, and I believe General Wedemeyer and ex-Secretary of Defense Johnson. At the end of this series of witnesses I think it will be necessary to take a very careful look, not at closing off the hearings but rather to see how we are going to integrate this business with the work of the committee.

As the Senator knows, we have the appropriation bills to consider, we have the economic aid program and the arms implementation program to consider, and we also have the matter of the extension of the National Production Defense Act to consider. We must consider other matters of prime importance. Members of these two committees, incidentally, will have to sit on much of this important legislation.

I make these observations for the RECORD to show that, however necessary this investigation may be, it is delaying the action of the Congress on extremely important legislation.

Much good has come out of these hearings. I do not want to be understood as saying that I am ready to close them. I am not. But I think the country should know that almost one-third of the Membership of the Senate is engaged in these hearings, and that is why we are not going ahead as we should be with the program which must be accelerated if we are to do a good job.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McFARLAND. Yes.

Mr. SALTONSTALL. I do not desire to prolong the discussion now, but I think it is only fair to say that I have attended most of the hearings of the committees sitting jointly, and I believe the questions asked by members of the committees on both sides of the aisle have been very sincere and tend to bring out all factual information that is possible. While the questions have sometimes been long, and the hearings have been long, I feel that every member of the committee is making an effort to try to get to the bottom of the situation, for a better understanding by the Members of the Senate and the Congress and the people of the country as a whole. Does not the Senator from Connecticut agree with me about that?

Mr. McMAHON. Yes, I would say that I agree, but I would like to point out to the Senator from Massachusetts that the committees have never defined exactly the objectives of the investigation. Primarily I assume it is to weigh the advisability and the wisdom of certain proposals which were made to us by a five-star general now recalled. I must say that there has been a tendency to reexamine the past actions of the Government over a period of a good many years. That causes me no embarrassment whatsoever. However, it is lengthening the investigation. Primarily, as I see it, the job given the committee was to weigh the recommendations which were made by General MacArthur to see whether or not it was advisable to adopt them, and that I think could be done in a fairly short time; in fact I think the record now is complete enough to come to an adjudication of that issue. Although, lest somebody should say that the Senator from Connecticut wants to end the hearings, I hasten to add that I will sit there as long as a majority of the committee wants to keep examining into affairs past, present, and to try to peer into the future.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. McFARLAND. I yield.

Mr. KNOWLAND. I have heard most of what the Senator from Connecticut has had to say. I believe that no one wishes unnecessarily to delay the hearings. However, they deal with as important a subject as has ever confronted the American people. They deal with the matter of the war in Korea, this Nation being engaged in the fourth largest war in its history, without a declaration of war by the Congress. They deal with a situation in which already we have suffered more than 70,000 military casualties, plus a number almost that great incapacitated by other than military means.

I believe that the hearings are developing a great deal of information of importance not only to the Congress, but to the American people. I think we have not yet explored the things which need to be explored by the committee. If the time of almost a third of the Members of the Senate is required properly to do this job, I think the time is well spent.

It may be that with respect to some important legislation the committees, sitting jointly, may have to meet in the mornings and evenings, the Senate continuing to meet in the afternoons. Personally I would have no objection to that procedure.

However, a great deal of misinformation has been put out from time to time. For example, on the 20th of April, about 9 days after General MacArthur's summary removal—and he first heard of his removal through his wife and aide hearing it over the radio in Tokyo—a statement was issued by some unnamed Pentagon spokesman to the effect that it had been done upon the unanimous recommendation of the Joint Chiefs of Staff.

The record is clear that at no time did any individual member of the Joint Chiefs of Staff, nor the Joint Chiefs as a whole, ever initiate a recommendation for General MacArthur's removal. They did concur in the removal after they had been advised that that was the desire of the President of the United States.

There are other matters with respect to which I feel there has not been an accurate presentation of the facts to the American people. I think these hearings will clear them up.

Mr. McMAHON. Mr. President, will the Senator from Arizona yield to me to make reply?

Mr. McFARLAND. I yield.

Mr. McMAHON. The Joint Chiefs of Staff have now been heard. There can be no doubt in the RECORD that they fully supported the action of their Commander in Chief, and believe that he did the right thing in the action he took in regard to General MacArthur. They have supported that decision with what I consider to be valid reasons and good common sense.

Mr. HUNT. Mr. President, will the Senator from Connecticut yield?

The VICE PRESIDENT. The Senator from Arizona [Mr. McFARLAND] has the floor.

Mr. McFARLAND. I yield to the Senator from Wyoming.

Mr. HUNT. I should like to clear up one point. I believe the Senator from California—certainly not with any intent to mislead or to leave an erroneous impression—has left a wrong impression. As I have heard the testimony by the Joint Chiefs of Staff, they were called and told of the contemplated action, and were asked for their advice and reaction. They were unanimous in feeling that General MacArthur should be removed. I think that is just a little different interpretation from that of the Senator from California.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. KNOWLAND. The record, I believe, is very clear. I certainly would not make a misstatement to the Senate or to the country. My statement was that at no time did the Joint Chiefs, as a body, or as individual members of the Joint Chiefs of Staff representing either the Navy, the Army, or the Air Force, or the nonvoting chairman, General Bradley, initiate a recommendation for the removal of General MacArthur. The first they even heard or contemplated that such a thing would take place was when General Bradley received a telephone call from someone—he cannot remember just who it was—on the 5th of April—indicating that the White House had that action under consideration.

I quite agree with the Senator from Connecticut that when they learned that the President of the United States was going to remove General MacArthur, and their opinion was asked from a military point of view, as to whether the job should be done, they concurred in the determination of the Commander-in-Chief, the President of the United States, to appoint a new commander.

So far as I know, no one in the Senate or in the country has questioned the constitutional right or the power of the President of the United States to remove any commander whom he desires to remove. I am merely saying that I believe it was not a fair representation to the American people for an unnamed Pentagon spokesman, on the 20th of April, to say that it was done upon the unanimous recommendation of the Joint Chiefs of Staff. I believe that the record and the hearings have cleared up that phase of the situation.

Mr. HUNT. Mr. President, will the Senator from Arizona yield to me?

Mr. McFARLAND. I yield.

Mr. HUNT. I should like to say to the distinguished Senator from California that it was done upon the recommendation of the Joint Chiefs of Staff and the Secretary of Defense. The action was not taken until they were invited into conference and asked for their suggestions and opinions. They all agreed that General MacArthur should be removed.

Mr. KNOWLAND. They concurred. They did not recommend the decision.

Mr. HUNT. The action was not taken until after they concurred and went along with the proposal of the President of the United States that he should be removed.

Mr. McMAHON. Mr. President, will the Senator from Arizona yield for an observation?

Mr. McFARLAND. I yield.

Mr. McMAHON. The Joint Chiefs of Staff and the Secretary of Defense, who are charged with a review of our policy, having in consideration global strategy, also have been shown in these hearings to be adamantly opposed, in all particulars, to certain military adventures, contrary to the stories which have been coming from various sources and which have been printed in various columns, to the effect that there was secret sympathy on the part of some members of the Joint Chiefs of Staff with such adventures. It has now been demonstrated beyond peradventure in the record that they have adamantly opposed the position which was taken by General of the Armies Douglas MacArthur.

Mr. KNOWLAND and Mr. SALTONSTALL addressed the Chair.

Mr. McFARLAND. Mr. President, before I yield to any other Senator, I should like to make one observation.

There is one thing upon which I think we can all agree, and that is that General Ridgway and General Van Fleet are doing a wonderful job in Korea.

Mr. BUTLER of Maryland. Mr. President——

Mr. McFARLAND. I think there is another thing that we can all agree upon, and that is that no one could be doing a better job. I believe that it is for us to think a little more as to how we can strengthen them and help them, rather than to live altogether in the past. I am willing to go into these matters of the past in detail, but I do not think we ought to neglect the future. That is the important thing.

At this time I wish to say that personally I feel that General Ridgway and General Van Fleet should be highly commended for the wonderful job they are doing in Korea.

Mr. SALTONSTALL and Mr. KNOWLAND addressed the Chair.

The VICE PRESIDENT. Does the Senator from Arizona yield, and if so to whom?

Mr. McFARLAND. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Let me say to the Senator from Arizona that, of course, I agree that General Ridgway and General Van Fleet are doing a good job now. The basis of the inquiry by the Armed Services Committee and the Foreign Relations Committee was, as I understand, to consider, first, the broad general questions of policy in the future, which must be based upon the experience of the past; and second, the justification and the wisdom of the dismissal of General MacArthur, and the manner in which he was dismissed.

I think we all agree that the President had the right to dismiss him. I think the Joint Chiefs of Staff, when their opinion was asked, concurred. But they did not all agree as to the manner in which General MacArthur was dismissed, even though, in broad terms, they concurred in the wisdom of the dismissal.

I think that needs to be made clear, in answer to the Senator from Connecticut and the Senator from Wyoming.

TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McFARLAND. Mr. President, I do not wish to be in the position of farming out time. Several Senators desire to transact routine business. If Senators wish to do so, they may speak on the subject under discussion following the transaction of routine business.

The VICE PRESIDENT. Under the rule, with which all Senators are familiar, the Senator who has the floor can yield only for a question, except by unanimous consent.

Mr. McFARLAND. Yes. I do not wish to violate the rule by farming out time. Therefore, Mr. President, I ask unanimous consent that Senators may transact routine matters for the RECORD, without debate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The Chair will enforce the part of the unanimous-consent agreement which provides for routine business to be transacted without debate. Senators who wish to speak formally on any subject must do so in their own time.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON ADMINISTRATION OF REGISTRATION PROVISIONS OF SUBVERSIVE ACTIVITIES CONTROL ACT

A letter from the Attorney General, transmitting, pursuant to law, a report on the administration and enforcement of the registration provisions of the Subversive Activities Control Act, for the period from September 23, 1950, to May 31, 1951 (with an accompanying report); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

REPORT OF THE PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

A letter from the Chairman of the Public Utilities Commission of the District of Columbia, transmitting, pursuant to law, a report of its official proceedings for the year ended December 31, 1950 (with an accompanying report); to the Committee on the District of Columbia.

U. S. COMMERCIAL COMPANY—AMENDMENT ADOPTED BY RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate the following letter from the Secretary of the Senate, which was read and ordered to lie on the table:

UNITED STATES SENATE,
OFFICE OF THE SECRETARY,
May 31, 1951.

The PRESIDENT OF THE SENATE:

I am in receipt of a letter from the Secretary of the Reconstruction Finance Corporation, transmitting, pursuant to law, two certified copies of an amendment adopted on May 21, 1951, to paragraph 9 of the U. S. Commercial Company, which have been placed in the files of the Senate.

Respectfully,

LESLIE L. BIFFLE,
Secretary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

The petition of Earl N. Bathrick, of Saratoga Springs, N. Y., praying for the enactment of legislation providing assistance to the Institute for Neurological Diseases; to the Committee on Labor and Public Welfare.

A resolution adopted by the Flushing (N. Y.) Council of Women's Organizations, Inc., favoring the enactment of legislation providing for adequate appropriation for the expansion of personnel to guard all ports of entry, etc., relating to the illegal importation of narcotics (with an accompanying paper); to the Committee on Finance.

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. MAGNUSON:

S. 1565. A bill for the relief of Andy Dumik; to the Committee on the Judiciary.

By Mr. McMAHON:

S. 1566. A bill for the relief of Constantin Alexander Solomonides; to the Committee on the Judiciary.

By Mr. O'MAHONEY (for Mr. MURRAY):

S. 1567. A bill authorizing the issuance of a patent in fee to Mrs. Ursula Rutherford Ollinger; and

S. 1568. A bill authorizing the issuance of a patent in fee to Mrs. Mary Rutherford Spearson; to the Committee on Interior and Insular Affairs.

By Mr. WILEY:

S. 1569. A bill for the relief of Dr. Klaus C. Karde and Ingeborg Karde; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 1570. A bill to amend the immunity provision relating to testimony given by witnesses before either House of Congress or their committees; and

S. 1571. A bill to amend chapter 19, title 5, of the United States Code, entitled "Administrative Procedure Act," so as to prohibit the employment by any person of any member, official, attorney, or employee of a Government agency except under certain conditions; to the Committee on the Judiciary.

By Mr. CORDON (for himself and Mr. MORSE):

S. 1572. A bill to authorize the presentation of claims of the Coos (or Kowes) Bay, Lower Umpqua (or Kalawatset), and Siuslaw Tribes of Indians to the Indian Claims Commission; to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY:

S. 1573. A bill for the relief of Adone Lorenzetti; to the Committee on the Judiciary.

By Mr. O'CONOR (for himself, Mr. BREWSTER, Mr. BRICKER, Mr. BRIDGES, Mr. BUTLER of Maryland, Mr. DUFF, Mr. GREEN, Mr. IVES, Mr. MARTIN, Mr. PASTORE, Mr. SALTONSTALL, Mr. WILLIAMS, and Mr. TOBEY):

S. 1574. A bill to provide geographical equality for appointments to the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. O'CONOR when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 1575. A bill relating to the survival of civil actions by or against public officers when such officers die, resign, or otherwise cease to hold office during the pendency of such actions; to the Committee on the Judiciary.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 1576. A bill to clarify the status of apple cider under the laws relating to alcoholic beverages and under the Federal Alcohol Administration Act; to the Committee on Finance.

S. 1577. A bill for the relief of Constantinous Tsortzis; to the Committee on the Judiciary.

S. 1578. A bill to amend section 9 of the Civil Service Retirement Act of May 29, 1930, so as to give credit in accordance with such section for service rendered by offiers and employees of a Federal home-loan bank for service for which through inadvertence no deductions from salary were made; to the Committee on Post Office and Civil Service.

By Mr. BENTON (for himself, Mr. HUNT, Mr. BRICKER, and Mr. SALTONSTALL):

S. 1579. A bill to establish a National Citizens Advisory Board on Radio and Television; to the Committee on Interstate and Foreign Commerce.

GEOGRAPHICAL APPOINTMENT OF MEMBERS OF INTERSTATE COMMERCE COMMISSION

Mr. O'CONOR. Mr. President, on behalf of myself, the Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], the senior Senator from New Hampshire [Mr. BRIDGES], my colleague, the junior Senator from Maryland [Mr. BUTLER], the junior Senator from Pennsylvania [Mr. DUFF], the senior Senator from Rhode Island [Mr. GREEN], the Senator from New York [Mr. IVES], the senior Senator from Pennsylvania [Mr. MARTIN], the junior Senator from Rhode Island [Mr. PASTORE], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Delaware [Mr. WILLIAMS], and the junior Senator from New Hampshire [Mr. TOBEY] I introduce for appropriate reference a bill to provide geographical equality for appointments to the Interstate Commerce Commission, and I ask unanimous consent that the bill, together with a statement by me, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill and statement will be printed in the RECORD. The Chair hears no objection.

The bill (S. 1574) to provide geographical equality for appointments to the Interstate Commerce Commission, introduced by Mr. O'CONOR (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That so much of section 24 of the Interstate Commerce Act as reads "Not more than six commissioners shall be appointed from the same political party" (49 U. S. C., sec. 11), is amended by striking out the period at the end thereof and inserting in lieu thereof ", nor shall more than four be appointed from the same geographical area. As used in this section the term "geographical area" shall mean any one of the following areas: (1) All States (excluding Wisconsin) which lie wholly east of the Mississippi River and north of the line formed by the Ohio River and the southern boundaries of West Virginia and Maryland, (2) all States which lie wholly east of the Mississippi River and south of the line formed by the Ohio River and the southern boundaries of West Virginia and Maryland, and (3) all States which lie wholly west of the Mississippi River, including Minnesota, Wisconsin, and Louisiana."

SEC. 2. This act shall be effective as of July 1, 1951. Commissioners serving under appointments made prior to that date shall not be required to be removed, but all appointments and reappointments made after that date shall be valid only if made in accordance with the provisions of this act.

The statement presented by Mr. O'CONOR is as follows:

STATEMENT BY SENATOR O'CONOR

I have introduced in the Senate for myself and a group of other Senators a bill to make possible equal representation of the various sections of the country in the membership of the Interstate Commerce Commission.

For transportation purposes the United States is divided into three territories—the eastern territory, which generally is that

group of States situated east of the Mississippi and north of the Ohio and Potomac Rivers; the southern territory, comprised of those States east of the Mississippi and south of the Ohio and Potomac Rivers; and the western territory, which comprises the States lying west of the Mississippi River.

The following approximate percentage of the total United States population is located in the territories shown:

Eastern	47.25
Western	34.25
Southern	18.0

The percentage of the total freight transportation originated in the three territories is approximately the same as percentage in population located in each territory. On the basis of ton-miles of transportation performed, we find the east performing about 42 percent, the west about 43 percent, and the south about 15 percent. From the standpoint of passenger traffic, the division of passenger-miles handled is about the same as the percentage of population.

The Interstate Commerce Commission is composed of 11 members presently made up of 6 or 7 from the west, 3 from the southeastern territory, and 1 from the eastern territory. Thus a great preponderance of this membership is located in the western territory while the southeastern territory seems to have a little more than its percentage of population and transportation service performed would call for. The east with only one member, who is from the westernmost State (Illinois) in the eastern territory, is not adequately represented.

The Interstate Commerce Commission regulates transportation on a national basis but must constantly be aware of how its regulations will affect each separate section of the country. The members naturally draw on their personal experience for some of their knowledge about transportation. Thus when the collective experience of the membership barely touches on the territory comprising almost half of the population and performing almost half of the transportation service of the country, it might well be that the interests of this group are not properly represented in the deliberations of the Commission.

The purpose of the bill is to provide that not more than 4 members of the Commission should come from one of three areas described in the bill.

These areas are: (1) Eastern States, (2) Western States, (3) Southern States.

SURVIVAL OF CIVIL ACTIONS BY OR AGAINST CERTAIN PUBLIC OFFICERS

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill relating to the survival of civil actions by or against public officers when such officers die, resign, or otherwise cease to hold office during the pendency of such actions, and I ask unanimous consent that a statement by me be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD. The Chair hears no objection.

The bill (S. 1575) relating to the survival of civil actions by or against public officers when such officers die, resign, or otherwise cease to hold office during the pendency of such actions, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY

Some months ago I was disturbed by a decision of the Supreme Court ruling that because of a legal technicality, the widow of a Navy petty officer was required to start all over again in her once successful effort to win a $1,365 lawsuit against the Navy. That legal technicality came about through no fault of her own but was related to the fact that the Navy had appointed a new Paymaster General and her court papers had failed to name that new appointee.

The Supreme Court, of course, undoubtedly ruled in accordance with the proper interpretation of the law. It is not for me to take issue with that. It does appear to me, however, that it would be most unfair to allow a statute to exist on the books which would interfere with the application of justice. A person who deserves a judgment on the basis of the merits of the case should not be prevented from receiving judgment simply because the holder of the office who is nominally being sued as a representative of the Government has been succeeded by another official.

The bill, which I introduced today, is designed to correct that inequity by amending the United States Code to provide that when a Government officer dies or otherwise ceases to hold office and is a party to legal action, he shall be deemed to have been substituted by his successor.

THE CENTRAL ARIZONA PROJECT—AMENDMENT

Mr. KNOWLAND (for himself and Mr. NIXON) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes; which was ordered to lie on the table and to be printed.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1952—AMENDMENTS

Mr. JOHNSTON of South Carolina submitted amendments intended to be proposed by him to the bill (H. R. 3973) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1952, and for other purposes, which were referred to the Committee on Appropriations and ordered to be printed.

AMENDMENT OF IMMUNITY PROVISION RELATING TO TESTIMONY BY CERTAIN WITNESSES BEFORE CONGRESS—AMENDMENT

Mr. FERGUSON submitted an amendment intended to be proposed by him to the bill (S. 1570) to amend the immunity provision relating to testimony given by witnesses before either House of Congress or their committees, which was referred to the Committee on the Judiciary, and ordered to be printed.

AMENDMENT OF DEFENSE PRODUCTION ACT OF 1950—AMENDMENT RELATING TO TAX AMORTIZATION CERTIFICATES

Mr. MAYBANK. Mr. President, I submit for appropriate reference an amendment intended to be proposed by me to the bill (S.1397) to amend the Defense Production Act of 1950, and for other purposes, relating to tax amortization certificates, and I ask unanimous consent that an explanatory statement of the amendment by me be printed in the RECORD.

The VICE PRESIDENT. The amendment will be received, and printed, and will lie on the table; and, without objection the statement will be printed in the RECORD.

The statement presented by Mr. MAYBANK is as follows:

STATEMENT BY SENATOR MAYBANK TO ACCOMPANY PROPOSED AMENDMENT TO S. 1397 RELATING TO TAX AMORTIZATION CERTIFICATES

This amendment does three things:

1. It requires DPA to process pending applications on a product classification basis before it can process a second application by a manufacturer who has previously been granted a tax amortization certificate for the same product.

2. After the pending backlog is cleared up, those applying for a second approval must await their turn until applications filed for the first time on that product during the same month have been processed.

3. The date by which facilities must have been completed to qualify for tax amortization is changed from December 31, 1949, to July 1, 1950, a date shortly after the outbreak of the Korean affair. Outstanding amortization certificates for facilities completed between those dates are allowed to remain in effect only for 12 months instead of 60 months.

If adopted, these amendments should have the desirable effect of requiring more orderly processing of applications for tax amortization certificates. In a recent appearance before the Joint Committee on Defense Production, Mr. Harrison, who was then Defense Production Administrator, testified there were too many pending applications which had not been processed. Nevertheless, in several instances larger corporations seem to have obtained rapid approval of their applications for a particular product. It is hoped that these amendments will accomplish a more equitable processing of tax amortization applications, especially those filed by independent small business.

The amendment also attempts to relate the granting of amortization certificates to facilities contributing to the defense emergency brought on by the outbreak of the Korean affair. On that theory the proposed date, July 1, 1950, seems very liberal from the standpoint of the industry. For those who have amortization certificates on facilities completed between December 31, 1949, and July 1, 1950, the certificates are allowed to remain valid for a consecutive 12-month period. After that the facility must be depreciated for Federal income tax purposes at normal rates.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the Appendix, as follows:

By Mr. WILEY:

Memorial Day address delivered by him at a Memorial Day celebration in West Allis, Wis., May 30, 1951.

By Mr. LODGE:

Memorial Day address delivered by him at Mount Wollaston Cemetery, Quincy, Mass., May 30, 1951.

By Mr. LEHMAN:

Memorial Day address delivered by Senator MCMAHON at Memorial Day services, Hyde Park, N. Y., May 30, 1951.

Article entitled "Americans Still Don't Understand It," regarding the war in Korea, written by Marquis Childs and published in the Washington Post of May 30, 1951.

By Mr. BENTON:

Address by Senator LEHMAN at the Sidney Hillman Foundation dinner, Commodore Hotel, N. Y., May 25, 1951, on the occasion of the presentation to him of the Sidney

Hillman award of $1,000 for meritorious public service.

Two articles by Anne O'Hare McCormick, the first entitled "The Iran Crisis as It Touches Point 4," published in the New York Times of May 23, 1951, the second entitled "Italy Wins a Second Battle With the Communists," published in the New York Times of May 30, 1951.

A statement made by him before a subcommittee of the Senate Committee on Interstate and Foreign Commerce on Senate Resolution 127, providing for an investigation of television programing trends and policies with respect to public service and educational programs.

Editorial entitled "Voice of America," published in the New York Times of May 31, 1951.

By Mr. McMAHON:

Address by Jacob Potofsky, president of the Sidney Hillman Foundation, on the presentation of the $1,000 award for meritorious public service to Senator LEHMAN by the Sidney Hillman Foundation, at the Hotel Commodore New York City, May 25, 1951, together with the text of the citation.

Article entitled "The JCS Verdict on MacArthur," written by Ernest K. Lindley, and published in National Affairs.

Article regarding the dismissal of General MacArthur entitled "General Vandenberg Speaks," written by Walter Lippmann.

Article entitled "American Might Versus Soviet Massed Manpower," containing an interview with Senator McMAHON by Ernest K. Lindley on the significance of the recent atomic tests in Nevada and at Eniwetok.

By Mr. McFARLAND:

Address entitled "The Big Truth Versus the Big Doubt," delivered by the Secretary of Agriculture, at the Democratic National Committee Midwest and Western States Conference, in Denver, Colo., dealing with the policies of the Democratic Party and world conditions.

By Mr. HUMPHREY:

Address on the subject The Racketeers of Inflation, delivered by James B. Carey, at an anti-inflation conference in Washington, D. C., on May 18, 1951.

By Mr. MUNDT:

Editorial entitled "Faith Shows the Way," from the Rapid City (S. D.) Journal.

By Mr. MAYBANK:

Articles from the New York Times and the New York Herald Tribune, and a letter from Gen. Claire L. Chennault, dealing with the award of transport planes to Chinese Communists.

By Mr. SCHOEPPEL:

Statement regarding the price of beef, by A. G. Pickett, secretary of the Kansas Livestock Association.

Article entitled "Untruth Takes Time to Expose," written by David Lawrence, and published in the Washington Evening Star of May 30, 1951, dealing with the MacArthur controversy.

By Mr. PASTORE:

Article entitled "We Need More Doctors," written by Dr. Franklin D. Murphy, dean of the Kansas Medical School, and published in the Saturday Evening Post of May 26, 1951, dealing with proposed grants and scholarships for medical education.

By Mr. WELKER:

Article entitled "McCARTHY in '52," written by Jim Dan Hill, Ph. D., president, Superior State College, Wisconsin.

By Mr. BUTLER of Nebraska:

Editorial entitled "The Governors' Trip," published in the Daily Alaska Empire of Juneau, Alaska, relating to the visit to Alaska of Governor Warren, of California.

By Mr. KEFAUVER:

Letter from Dean Alfange, published in the New York Times of Sunday, May 27, 1951, dealing with the necessity and desirability for a code of conduct for the guidance and direction of congressional investigating committees.

COMMITTEE MEETING DURING SENATE

On request of Mr. LEHMAN, and by unanimous consent, the Subcommittee on Labor-Management Relations of the Committee on Labor and Public Welfare was authorized to meet during the session of the Senate today.

AMERICANS FOR DEMOCRATIC ACTION—STATEMENT BY SENATOR HUMPHREY

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD a very brief statement which I have prepared with reference to Americans for Democratic Action.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

I was not on the floor of the Senate on Tuesday when the junior Senator from Wisconsin made some remarks about Americans for Democratic Action and about its two top officers, former Attorney General Francis Biddle and Joseph L. Rauh, Jr.

To be perfectly frank, it required rather close and careful scrutiny of the CONGRESSIONAL RECORD to discover those remarks. I was quite surprised when I came across them in the CONGRESSIONAL RECORD. I think that most Members of this body can recall the day when similar statements by my colleague from Wisconsin were easy to find on the front pages of most newspapers. They were emblazoned in black bold-face type.

I have no intention of making any lengthy comments on the remarks made last Tuesday by the gentleman from Wisconsin. There is obviously no necessity for my doing so.

But for the benefit of those select few who, like myself, are close students of the CONGRESSIONAL RECORD, I want to make clear—as I have many times in the past—that I am proud of my association with Americans for Democratic Action. I am now a vice chairman of that organization. My colleague the junior Senator from New York [Senator LEHMAN] is also a vice chairman of Americans for Democratic Action. I know that he too is proud of his affiliation with this group.

Americans for Democratic Action, under the leadership of men like Francis Biddle, Joseph Rauh, and many other distinguished citizens has, from its very inception fought vigorously and effectively against communism. It has fought just as courageously in defense of the rights and liberties of individuals.

I know there are some people who appear to believe that these two fights cannot be waged at the same time. If the majority of the American people agreed with them, then we would not only lose the battle against Communist totalitarianism, we would lose our own freedom in the bargain.

I can sympathize most deeply with the junior Senator from Wisconsin because his remarks of last Tuesday received so little publicity. But I am confident that he will not misunderstand me when I say that I personally do not think his remarks were very newsworthy.

In my opinion there are very few people in this country who would put any stock in a story that insinuated that men like Francis Biddle and Joseph Rauh or an organization like Americans for Democratic Action are guilty of disloyalty simply because they have the courage and determination to defend the rights and liberties of their fellow men.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

Mr. HAYDEN obtained the floor.

Mr. McFARLAND. Mr. President, will my colleague yield for the purpose of my suggesting the absence of a quorum?

Mr. HAYDEN. I yield for that purpose.

Mr. McFARLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McFARLAND. Mr. President, I ask unanimous consent that further proceedings incident to the call of the roll may be suspended, and that the order for the call of the roll may be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, the bill which is now before the Senate, authorizing the construction of the central Arizona project, has several important features which I wish to call to the attention of Senators and to discuss.

My colleague and I have, by letter addressed to Senators, set forth the need for the project in two respects. According to the Bureau of Reclamation, more than 200,000 acres of land now under cultivation in Arizona will revert to the desert unless additional water is made available. This project is needed to sustain the existing agricultural economy of the whole of central Arizona, and the only adequate source of supply of supplemental water is the Colorado River.

The Bureau of Reclamation and the Federal Power Commission have estimated that the electrical energy requirements of the area to be served will be doubled within the next 7 to 15 years, which fully justifies the power features of this project.

The bill contains, in section 12, a provision for a Supreme Court determination of the water rights involved. This provision is the same as the amendment which was adopted last year when this matter was before the Senate for consideration. The provision in question was drafted by two able lawyers, the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Colorado [Mr. MILLIKIN]; and I am confident that the other able lawyers in this body will listen to their explanations of what they intended to accomplish. To me, as a layman, Mr. President, it appears certain that this provision will bring California up to the snubbing post where that State must promptly participate in an action before the Supreme Court to have the disputed water rights determined.

I know the Californians do not like this provision. What they want is delay and more delay—delay for many years to come—in the hope that in the meantime more people will go to southern California and that thereby a greater need for the water may be built up. The effect of this provision is to withhold any appropriation for the purpose of construction of any irrigation works intended to bring Colorado River water into central Arizona, until the Supreme

Court decides that there is a supply of water in the Colorado River for the central Arizona project. As a consequence, at this time the total authorization in the bill is reduced in the amount of $267,000,000, at 1947 prices; but it is made clear that if the Supreme Court in due course of time decides that Arizona has a right to what she claims, then construction of the irrigation features provided for in the bill may proceed.

The provision is designed to make certain that there will be what the lawyers call a justiciable issue. After twice successfully urging the Supreme Court to find that there was no such issue, the Californians now say that one exists, despite the fact that there has been no change in the situation and will be none for years to come unless Congress authorizes the construction of the central Arizona project or some similar development.

Mr. KNOWLAND. Mr. President, will the Senator permit a question at that point which may be helpful?

Mr. HAYDEN. Certainly.

Mr. KNOWLAND. Is the amendment relative to the suit the same as the provision which appeared in the bill last year?

Mr. HAYDEN. It is.

Mr. KNOWLAND. I should like to ask the Senator for his interpretation of this language. I am not a lawyer; I am a newspaper man. The Senator from Arizona may be a lawyer. The amendment intended to be proposed by the Senators from Arizona reads in part as follows: *"Provided further,* That during the period of 6 months after the enactment of this act and during"—and I emphasize these words—"the pendency of any suit or suits in which the United States shall be joined as a party under and by virtue of the consent granted in section 12 of this act, no construction of works which are required solely for the purpose of diverting, transporting, and delivering water from the main stream of the Colorado River for beneficial consumptive use in Arizona authorized by this act shall be undertaken and no contract for such construction shall be entered into and no moneys shall be appropriated for such construction. The pendency of a motion for leave to file a bill of complaint shall be considered pendency of a suit or suits for the purposes of this act."

My question is this: As a layman, as I read this language and try to understand it, it seems to me that so long as a suit is pending or is on file in the Supreme Court of the United States, these certain things cannot be done. But assume that the Supreme Court decided adversely to Arizona: As I read the language of the amendment, and as I know that the bill itself authorizes this provision, it seems to me that, in that event, he might have an adverse decision of the Supreme Court and yet have an authorized project. Will the Senator please clarify that?

Mr. HAYDEN. I am no more a lawyer than is the distinguished senior Senator from California, but he also is a member of the Senate Committee on Appropriations, as I am. I should like to ask him what he believes would be the chance of obtaining money from the Treasury of the United States with which to build a reclamation project, after the Supreme Court had decided that there was no water for it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. My observation has been that, once the camel gets his nose under the tent with an authorization, and considering the persuasive abilities of the Senator from Arizona, it is entirely possible that the political situation might be so ripe that its advocates would have an authorized project. They could start by getting small driblets and then a major avalanche of funds. So it would seem to me that if the Senator really were trying through this amendment to do what should be done, it should be made very clear that, in the event of an adverse Supreme Court decision, or until an affirmative decision with respect to Arizona's use of the water is obtained, a prohibition should be contained in the bill against any construction.

I may say to the Senator from Arizona that I have offered such an amendment today, which I think is very clear. If the Senator will permit, it says:

SEC. 13. No monies shall be appropriated or expended for construction of works provided for herein for the diversion or transportation of water from the main streams of the Colorado River for consumptive use in Arizona unless and until the Supreme Court of the United States shall have held that water is available therefor in the amount of substantially 1,200,000 acre-feet per annum.

It would seem to me that, if the Senators from Arizona would accept that amendment, it would clarify the situation.

Mr. HAYDEN. Not being a lawyer, and knowing that this provision in the bill was drafted by able lawyers, I am not competent to pass upon the language which the Senator from California suggests. But let me say how it would work. Suppose a suit were filed in the Supreme Court of the United States, and that the Court decided there was no justiciable issue, so that the question could not be tried in that Court; then, as I read the Senator's amendment, it would forever bar the enactment of additional legislation whereby the State of Arizona could obtain water from the Colorado River.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. I may say that both the Senator and I are now discussing legal points, though we are not lawyers. I admit there is an honest difference of opinion on this point, but I would say that we have been advised by competent counsel that there is a justiciable issue in this matter, without the authorization or construction of this project. Even assuming for the moment—which I do not assume, because we have competent legal advice to the contrary—that it would be necessary to authorize a project, our contention is that it is not necessary to authorize a project, of which the construction cost alone is in excess of $788,000,000, and the over-all cost, including the interest lost to the Government, runs well over $2,000,000,000. So it seems to me that is an expensive way of determining the existence of a justiciable issue in a matter which concerns not merely the State of California alone, but also Nevada, which happens to see eye to eye with California in this matter.

Mr. McFARLAND rose.

Mr. HAYDEN. Before I yield to my colleague, permit me to say that I seriously object to the Senator from California's padding my speech with his figures. I yield to my colleague.

Mr. McFARLAND. I merely wanted to point out one thing to my colleague, and then to ask a question based upon my statement. I should like to say that this very amendment was considered by the Committee on Interior and Insular Affairs, when this bill was before it. It was the opinion of the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Colorado [Mr. MILLIKIN], who drafted this amendment, which has become a part of the bill, that, in effect it would be asking the Supreme Court for a declaratory judgment; and, inasmuch as the filing of a suit then would prevent any possibility of ever getting an appropriation, it would not be a threat of an injury, and, therefore, the Supreme Court might not take jurisdiction. All these matters were most carefully considered by the committee. Leaving out my own opinion and that of the lawyers from Arizona, it was the opinion, let me say to my colleague, of all of the lawyers who testified before the committee, except those from California, that the present language, as incorporated in the bill, was necessary in order to make a justiciable issue.

Let me ask my colleague this question: What would anyone want with a project, or want to get money for one, if the courts were to hold that there was no water for it? To me it is simply ridiculous to suggest such a thing. Who would want to build a project where there was no water? There is simply nothing to the argument. It ought again to go out the window, where it was thrown by the committee.

Mr. HAYDEN. That was the suggestion I made to the Senator from California, namely, that as a practical matter, he and I both being members of the Senate Committee on Appropriations, we have yet to appropriate any money for any irrigation project which does not have a water supply. The provision in the bill we have been discussing is designed to make certain that there will be what the lawyers call a justiciable issue. After twice successfully urging the Supreme Court to find that there was no such issue, the Californians now say that an issue exists. The fact is that there has been no change in the situation, and there will be none for years to come, unless the Congress authorizes the construction of the central Arizona project or some similar development.

I never was a law student, but in my early thirties, I served for 5 years as the

sheriff of my county which gave me an opportunity to listen to legal arguments in the courtroom. It was firmly impressed upon my mind at that time that in any civil action one could not stay long in court unless he could show that something was actually being done or quite certain to be done which was to his distinct disadvantage.

About 20 years ago, the people of my State became convinced that there were powerful interests in California which desired to secure an unfair and undue share of the water of the Colorado River and thereby seriously injure Arizona. On three different occasions, in 1930 (283 U. S. 423), 1933 (292 U. S. 341), and 1935 (298 U. S. 553), the State of Arizona filed suits in the United States Supreme Court against the State of California in the hope that the Court might be willing to determine what would be Arizona's equitable share of the 8,500,000 acre-feet of water apportioned by the Colorado River compact to the States of the lower basin of which Arizona and California are a part.

Able lawyers were employed by Arizona, but in all three instances, the Supreme Court declined to entertain a suit, and in its first decision stated that "the contentions are based not upon any actual or threatened impairment of Arizona's rights but upon assumed potential invasions" (283 U. S. 425).

After three times resisting an Arizona effort to have the Supreme Court divide the waters of the Colorado River in the lower basin, the Californians have now executed an about-face and say they want the Court to do that very thing. We in Arizona have a good reason to suspect that this is just another scheme to postpone action. They say they want such a lawsuit, but they do not say when.

The record is very full and complete as to the need of this water in central Arizona. Our reservoirs are now practically dry and our farmers have available only a fraction of the water that is needed to raise a crop. One of the most distressing situations is in Pinal County, where there are 100,000 acres that should be receiving water from the Coolidge Dam on the Gila River, and there is no water behind that dam, and never has been an adequate supply since it was constructed. Fifty thousand acres of this land are owned by whites and fifty thousand by the Indians, and they are all in really bad shape. This year there will be less than one-eighth water supply for this land.

I made a request of Dr. Paul S. Burgess, dean and director of the college of agriculture of the University of Arizona, to give me the facts, based upon his own knowledge, as to why Arizona needs water and why America needs Arizona's products. Dr. Burgess is a member of the President's Water Resources Policy Commission which recently submitted a report to Congress in respect to water problems throughout the United States. This is what Dr. Burgess has written under date of March 6, 1951, and there is no one better qualified to state the facts:

When I came to Arizona 27 years ago, less than 450,000 acres were under irrigation in the entire State. In the Salt River Valley (Maricopa County) approximately 300,000 acres were irrigated and over 1,000 acres in this valley were waterlogged and out of production. In some places water was standing on the surface. The water table at that time varied from 1 foot to 20 feet below the surface with an average of 16.5 feet, and had been slowly building up for many years. On the Salt River project no pump water was then being used for irrigation. About this time (1924) 99 large wells were drilled and pumps installed for drainage purposes. As time passed, more wells were put down so that, at the present time, approximately 1,375 pumps are in almost continuous operation (500 district wells and 875 privately owned wells). At first, drainage was the objective but in later years supplemental water for irrigation has been the only reason for more and more pump installations. Today groundwater is 75 to 150 feet down and being lowered each year.

Even worse conditions exist in the Casa Grande Valley (San Carlos project), and in the adjacent areas, as well as in the upper Gila River valley around Safford. There are also some five or six smaller irrigated areas in southern Arizona, each comprising five to ten thousand acres, where the water table likewise is receding below economic pumping levels.

The reservoirs behind the Roosevelt Dam and lower dams on the Salt River furnish the irrigation water supply for the Salt River Valley. They have a combined capacity of approximately 2,000,000 acre-feet, but they haven't been full for 10 years and during the past 9 years of below-normal rainfall they have been drawn down until, at present, only 280,000 acre-feet remain for use.

The reservoir behind the Coolidge Dam on the Gila River furnishes water for the Casa Grande Valley which includes the San Carlos Project. It has a capacity of about 1,200,000 acre-feet, but at present contains but 836 acre-feet. In the last 20 years more than 990 wells have been put down in the Casa Grande Valley, including the Coolidge, Eloy, and Stanfield areas, to supplement water from the reservoir behind the Coolidge Dam on the Gila River. The groundwater table in this region has been reduced by from 80 to 125 feet during this period, and the lift in some areas at present exceeds 220 feet.

The Safford Valley now depends largely on pumped water and the use of a part of the surplus flow of the Gila River. The water table here has been rapidly receding in recent years so that many wells can only be used a part of the time to irrigate a limited acreage.

In 1948 the Arizona Legislature passed the Underground Water Code which now prevents all well drilling in critical areas where the water table is receding, but this came too late to improve the present critical situation. However, it will prevent future expansion where sufficient water is not available.

Only along the western border of Arizona where about 100,000 acres are irrigated in the Yuma and Parker districts from the Colorado River has an adequate water supply in recent years been available. During the past year more than 70 percent of all water used in the State was pumped. Farmers spent more than $15,000,000 for their 1950 supply of irrigation water.

I might say, in passing, that this situation is an exact duplicate of what happened in the San Joaquin Valley in California. There was in the beginning an ample supply of surface water. Then they had to drill wells. Then the water table went down, and it was necessary to bring water from another watershed, just as is proposed in the pending bill.

The year 1951 opens with central Arizona reservoirs almost empty and with groundwater supplies decreased during the past 9 years by twice the capacity of these great surface reservoirs, or by nearly 7,000,000 acre feet.

This heavy pumping has lowered groundwater tables by from 70 to 200 feet in Maricopa, Pinal, and Pima counties which together represent some 785,000 acres of irrigated farm land.

Stating it another way we might say that the replenishment of water in the three counties in the 9-year period was adequate to irrigate but about one-half of the land actually irrigated during that period. Should the replenishment of water in the future be at the same rate as occurred in the 9-year period just passed, then there must be an agricultural abandonment in these three counties of about 400,000 acres, not counting such acreage as will be abandoned because of the increased city residential and industrial requirements for water. The industrial decentralization of American industry and of American population has been a factor in bringing about a great growth of Arizona's industries and cities. The population of these three counties of central Arizona—Maricopa, Pinal, and Pima—increased 78 percent from 1940 to 1950 according to the Federal census. Residential areas, industrial areas, war plants, and air fields have been built and are using much water which formerly supported agriculture.

This water famine might not be considered so serious were there any possibility of recharge from natural rainfall, but, as stated above, this is impossible. For years we have been pumping at a rate many times greater than possible recharge from a 10-inch to 20-inch average rainfall over the area. The water at present pumping levels is old, geological water that has been slowly accumulating at these lower depths for thousands of years and probably never can be replaced.

With an adequate water supply, Arizona's soils are among the richest in the world. She has attained the distinction of leading all other States in the Union for 2 years in succession in the amount of cotton produced per acre. A yield in 1950 of approximately 890 pounds of high-grade Upland cotton per acre on 231,000 acres compared with an approximate yield of 770 pounds per acre in California and a United States average of 265 pounds. Arizona also ranked seventh among the States in the amount of cotton produced in 1950. Similar high yields might be cited for long-staple cotton, small grains, alfalfa, flax, winter vegetables, and citrus.

Our country at present is in a real emergency. In order to survive as a nation we must prepare for any eventuality. One of the important products needed for defense is a good supply of long-staple American-Egyptian cotton. The Sacaton field station of the United States Department of Agriculture has developed the two best varieties of this commodity for production in this country—the Amsak and the Pima-32.

Throughout the years, Arizona has grown most of the long-staple cotton produced in the United States due to its favorable climate for this crop which requires a long-growing season and plenty of water. In 1942 when water was available, Arizona grew long-staple cotton on 129,700 acres from which it produced over 52,000 bales or about 75 percent of this cotton grown in the United States that year, and it can do it again with adequate irrigation water. A price support of $1.04 per pound recently announced should again assure adequate production this year if water is available.

Just last week, Secretary of Agriculture Brannan announced that, "The CCC will develop a program to purchase up to 5,000 tons of registered and certified cotton seed of the 1951 crop of Amsak and Pima-32 varieties of American-Egyptian cotton. This program is being undertaken in accordance with a request of the Munitions Board to assure production of sufficient extra long-staple cot-

ton in an emergency to fill military and essential civilian requirements." Arizona is the only place where the bulk of this order can be filled.

During 1950 the cash value of all products sold from the farms and ranches of Arizona amounted to over $273,000,000. Besides cotton lint and seed which amounted to about $118,000,000 meat animals (cattle and sheep) also are important to our defense effort. These sold for approximately $59,000,000. Lettuce, melons, and fresh winter vegetables brought $42,000,000, and feed grains and baled alfalfa hay shipped chiefly to Los Angeles markets for dairy production in that area sold for $20,000,000.

A 16,000,000-bale cotton crop has been requested by the Federal Government for 1951 to meet defense needs. About 400,000 acres will be planted to cotton in Arizona this year if water is available. Such an acreage should yield at least 600,000 bales.

Meats and dairy products are also requested in large amount. This is another place where this State can play an important role if water is sufficient for adequate feed production.

Arizona has millions of acres of deep, fertile soils. All that is needed to make it produce abundantly is water. It is now putting to beneficial use all the water that is presently available within its borders, and in many cases reusing it through pumping. In fact, it is consuming its principal as well as the interest and, at present rates of use, will soon be bankrupt unless another source is made available. The only new source is the Colorado River from which it is entitled to receive more than 1,000,000 additional acre-feet. Even with this welcome addition which will but firm up present acreage needs, only about 1,000,000 acres, or less than 2 percent, of the State's total area can ever be tilled.

Mr. President, in this connection I desire to clear up one other matter. It has been repeatedly stated by the opponents of this bill that the water which Arizona proposes to take out of the Colorado River would benefit comparatively few people. As a matter of fact, we have in central Arizona approximately 725,000 acres of excellent land all of which has been under irrigation and all of which would be under irrigation now if there were a water supply for it. As has happened in other States, as in California, we have exhausted the water supply in our streams by overexpansion of irrigation and we have exhausted the underground water. Our case is almost identical to that of the Central Valley project in California. Congress saved the economy and civilization of that highly productive section of California, and we ask Congress to save a similar civilization and economy in central Arizona. Every precedent which has been established in connection with the central California project applies with equal force to the central Arizona project.

What we propose to do by authorization of the central Arizona project is to bring approximately 1,000,000 acre-feet of water from the Colorado River to central Arizona. The farmers will be required to pay for that water at the rate of $4.75 an acre-foot. That is a rather high rate for irrigation water which bars the cultivation of new land, but this water is not intended for new land. On the other hand, it is intended as a supplemental supply for lands heretofore irrigated. Just as is the case in California, and just as it was in the case of the eastern slope in Colorado, where water is brought through the Big Thompson Tunnel for supplemental irrigation of lands out on the plains, the final acre-foot of water is the one on which profit or loss depends and for that reason the farmers can afford a substantial price for that final acre-foot.

The productivity of the irrigated land in central Arizona is great, among the highest in the United States, and for that additional acre-foot of water the farmers can bear the charge without any difficulty at all. It is not intended that a contract will be made with individual landowners but contracts for this water will be made with organized water users associations or irrigation districts which are in effect municipal corporations with the power to tax. They have another power which is even more effective and that is to withhold water if an assessment is not paid. That is the most effective way of obtaining payment for water anywhere in the desert region. The contracts for this water will require the contracting organizations to pay for it whether they use it or not. If it happened to be a wet year they may not use it, but must still pay as an insurance against the dry years.

In connection with the central Arizona project, there has been considerable propaganda as to the benefits that would be derived by a few land owners with large holdings. I wish to make the situation perfectly clear by saying that on the 725,000 acres of land that will be benefited by the central Arizona project, there are approximately 30,000 farmers who live on that land and this does not include the Indians on the San Carlos project in Pinal County, Ariz.

There is a further matter that I would like to mention in the southern California propaganda against the central Arizona project. A statement is repeatedly made that Colorado River water is required to supply the needs of five million. What 5,000,000 people, Mr. President? Not the people who presently live in southern California, because only a small fraction of the water used by those people now comes from the Colorado River. I wish to submit a table of figures from the United States Geological Survey showing actual diversions from the Colorado River through the metropolitan district aqueduct beginning from the year 1941 to the year 1949, inclusive:

Year:	*Acre-feet*
1941	30,700
1942	31,140
1943	34,630
1944	51,633
1945	58,350
1946	80,395
1947	85,356
1948	194,245
1949	178,597

Ever since that aqueduct was completed, approximately 8,000,000 acre-feet of water have gone to waste out of that river into the Gulf of California each year. The water was there but it was not taken by the metropolitan water district because it was not needed. It is perfectly evident from these facts that all this talk about 5,000,000 people who need the water has no legitimate relation to those who now live in southern California but is just camouflage which is being used so that another 5,000,000 people can be told that if they come to southern California there will be ample water for them. This is just another means of delaying until more people can be induced to move to southern California and thereby a claim be filed for additional need for water.

It should be borne in mind that the Colorado River water originates largely in the States of Colorado, Wyoming, and Utah, with a sizable contribution made by the States of New Mexico and Arizona and no contribution by California. Yet, in effect, California says to the people of Wyoming, Utah, New Mexico, Colorado, and Arizona: You cannot take any of that water even though you have good use for it in your particular State because California might need it for some 5,000,000 people who in the future may move to southern California.

While all this great interest is being shown by our sister State of California in our central Arizona project and those from southern California are developing a sad "last water hole" philosophy about Colorado River waters, I want to direct your attention to a much more progressive approach being made by A. D. Edmonston, the State engineer of California. Mr. Edmonston knows something of what he is talking about, does not let emotion overcome vision, has a responsibility for seeing that southern California gets some water. Therefore, he avoids the error so many of our southern California friends are falling into. He does not start looking for water where there is not water, but starts by looking for water where there is water—water wasting to the sea—and he has found a lot of it right in California for California's own use.

Mr. President, I have in my hand a statement by Mr. Edmonston, delivered by him at a meeting of the American Geophysical Union, section of hydrology and meteorology, Fresno, Calif., on February 9, 1951. In this report Mr. Edmonston lays to rest considerable misapprehension that might be raised by misinformation spread by some of our friends from California to the effect that the Los Angeles area in California south of the Tehachapis might at some future date be without water when the central Arizona project is completed. Mr. Edmonston points out that this will not be the case, that California has a lot of water of its own that it can develop without taking any other State's water, that the sensible thing to do is for California to get busy and develop its own water for its own use. I like that philosophy. I always have liked that philosophy from any State in the Union. That is just what we have done in Arizona, and during my years in the Senate I have had opportunity to help other States do likewise with real and tangible results. I intend to try to assist California's State engineer, Mr. A. D. Edmonston, to carry out his program, for it is just plain common sense to go get water where there is water and not try to get water where there is not water. In Mr. Edmonston's presentation to his constituents he

showed that there were millions of acre-feet of water wasting unused to the ocean from California's streams north of San Francisco while all this clamor went on over the waters of the Colorado. He went on to point out that, "On the basis of the inventory of the water resources and estimates of the ultimate water requirements so far made, adequate water supplies can be developed and regulated from California's water resources," and continued to state just how this could be done.

In his report Mr. Edmonston states that the board of which he is the chairman was created by act of the California Legislature passed in 1945, and directed to make an investigation of the water resources of the State on a State-wide basis. The data which he accumulated show a seasonal run-off in acre-feet in California amounting to 70,794,000 acre-feet. The principal sources of that run-off are the north coastal area, where 28,000,000 acre-feet is the seasonal average, and the Central Valley, where 33,000,000 acre-feet is the seasonal average. The tabulation in the report shows that division.

Mr. Edmonston states:

Comparing the ultimate water requirements of the several areas with the available water supplies therein, it is found that the north-coast and central-coast areas and the Sacramento River Basin have available water supplies in excess of their ultimate needs. On the other hand, the San Francisco Bay area, the San Joaquin River Basin—including the Tulare Lake Basin—and the South Pacific coast, Lahontan, and Colorado desert areas have ultimate water requirements far in excess of their available local water supplies.

It is quite evident, therefore, that in any plan for the ultimate development and utilization of the water resources of the State, water must be transferred from the areas of surplus water supply to areas of deficiency. The areas from which these surpluses must come are the Sacramento River Basin and the north coast.

Another paragraph reads as follows:

On the basis of the inventory of the water resources and estimates of the ultimate water requirements so far made, adequate water supplies can be developed and regulated from California's water resources, including California's rights in and to the waters of the Colorado River, in available surface reservoir sites and ground water basins to meet the probable ultimate water requirements in the State without importing water from a source outside of the State of California, such as the Columbia River in the Pacific Northwest.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. Earlier in his remarks the Senator mentioned some of the amounts of water which are running down the Colorado into the sea. Is it not a fact that under the Colorado River agreements the water was divided between the upper basin States and the lower basin States, and that the upper basin States have a clear allocation of 7,500,000 acre-feet. They have not yet had the opportunity to develop all their projects. So it is entirely possible that a large part of the water which is flowing into the sea at the moment happens to be water which, under the allocations, will go to the upper basin States. Is not that correct?

Mr. HAYDEN. The point I am making is that the metropolitan water acqueduct was never filled, and was never used to its capacity at any time when water was in the Colorado River that could have been taken over the mountains into southern California.

Mr. KNOWLAND. Mr. President, will the Senator yield for a further question?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. The Senator does not deny, does he, that the State of California has firm contracts with the Federal Government for 5,362,000 acre-feet?

Mr. HAYDEN. I do deny that. I deny the validity of the second contract. There is no doubt about the right of the State of California to use 4,400,000 acre-feet of water, which amount of water the State pledged itself to take out of the Colorado.

Mr. KNOWLAND. That is the so-called 3 (a) water?

Mr. HAYDEN. Yes. That is the 7,500,000 acre-feet of water allocated by the compact to the lower basin.

Mr. KNOWLAND. Then they were to get one-half of the so-called surplus water.

Mr. HAYDEN. But the unfortunate thing is that California interests first got a contract for apportioned water and then they discovered that the amount of surplus water might not be available. My opinion is that what they are trying to do is to validate a contract for water which may not be in the river for them; and the only way to do it is to take that water away from the State of Arizona.

To continue with Mr. Edmonston's report, which is most interesting, he states:

The advantages of the proposed plan for furnishing a supplemental water supply to the western slope of the San Joaquin Valley, and the south coast and Lahontan areas are that the conduit would traverse in large part terrain underdeveloped, would not interfere with the operation of existing water supply systems, would not involve any exchange of waters, would be so located to furnish by gravity from the conduit additional water supplies to existing systems and to new areas capable of development and in need of water. It is feasible of construction from both engineering and geological standpoints, and it is believed would have a first cost less than any other plan and would be capable of serving a complete supplemental water supply for the full development of the south coast area and the desert area in Los Angeles, San Bernardino, and Riverside Counties.

The estimated annual supplemental water that would be diverted from the delta in accord with this plan are 2,000,000 acre-feet for about 1,000,000 acres on the west and south sides of the San Joaquin Valley, 2,500,000 acre-feet for the south coast area, and 2,500,000 acre-feet for the desert area, or a total of 7,000,000 acre-feet.

In other words, by merely going to the wasting waters of California to the North, Mr. Edmonston sets forth that it would be possible to bring this water southward to irrigate great areas of California north of the Tehachapis which are now without water supply, and then continue onward by tunneling through the Tehachapi Mountains to reach the San Diego, Los Angeles, and Riverside County areas with new good sweet water, and plenty of it—in fact, millions of acre-feet of higher quality water, more than any Californian has ever said California had a right to from the Colorado Basin.

This does not take water away from anyone. It is new water, over and above future needs for anyone else, water that is now wasting from California into the Pacific Ocean.

That is 7,000,000 acre-feet of water which California can get, its own water, water from the State of California. That is almost 2,000,000 acre-feet more than the total amount of Colorado River water that anyone in California ever said California was entitled to.

I like Mr. Edmonston's idea. He has not fallen into this narrow-vision defeatist philosophy that the Colorado is southern California's last water hole and that the only way southern California can prosper is to take neighboring States' water from the Colorado. He starts to solve his problem by the more sensible method of looking for water for California where there is water in California, and to me that makes a great deal more sense than telling neighboring States they must not develop their water because California might want it some time. I am going to help him, and I am delighted to see that California's own State engineer takes such a long-visioned approach. I stand with him on a philosophy of plenty instead of a philosophy of scarcity.

Mr. Edmonston stated in his report that he has the wholehearted cooperation of Federal agencies in conducting his studies. The reclamation law, in which I have long been interested, and under which California has received many benefits, both in the Central Valley and in southern California, requires that the Secretary of the Interior investigate and report to the Congress on possibilities of irrigating arid land. I happen to know that for several years the United States Bureau of Reclamation has been conducting even more extensive studies along the same lines as are outlined by Mr. Edmonston. Those studies were undertaken by the Bureau of Reclamation, not only because of the general requirement in reclamation law on the Secretary of the Interior but also at the specific instruction of the Congress in a resolution introduced by another Californian of great vision, the late Representative Richard Welch, of San Francisco.

Mr. President, I ask unanimous consent to have printed in the RECORD as an exhibit at the conclusion of my remarks the entire statement made by Mr. Edmonston to which I have referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HAYDEN. Back in the Eightieth Congress, Dick Welch, a Republican, who served as chairman of the House Public Lands Committee, brought before his committee a resolution, which was passed by the committee, authorizing and directing the Secretary of the Interior to investigate and report upon the long-

distance diversion of water from the Pacific Northwest, including northern California, to the southward to meet the requirements of southern California and Arizona. That investigation has gone forward and a report will be made to the Congress upon the results of such studies, which will be, I hope, even more complete than Mr. Edmonston's able work.

Here we have a most responsible California public official abandoning the philosophy of scarcity and laying down the thesis that California has water of its own to meet its own requirements without taking any neighbor's water from outside its own confines. I am sure that he knows what he is talking about, which is, that California can achieve its destiny with its own water supplies.

I understand that the Reclamation Bureau report, which I mentioned previously, is practically complete. In fact, I have seen newspaper reports to the effect that it is at the insistence of certain California Representatives that the report has not been made public up to this time. Perhaps they think the information it contains might be of interest to the Senate in connection with the passage of the pending bill. Be that as it may, I now insist that the Reclamation Bureau make its report public at the earliest possible date, because when the pending bill reaches the House of Representatives the information contained in the report will be of the greatest interest to the Members of that body.

There is another question which I should like to ask. Why is it that the Californians seek delay? No substantial irrigation or power development can take place on the Colorado River or its tributaries without aid from the Federal Treasury. That aid cannot be obtained except by votes in Congress and the approval of the President. The 1940 census found approximately 7,000,000 people in that State and therefore it has now 23 Representatives in Congress. The latest census shows a population of 10,586,223 which means that in 1952 there will be at least 30 California Congressmen and the State will have 32 electoral votes. As it now stands, California has a great advantage, but if any additional use of Colorado River water can be postponed until 1952, the probability of blocking further development anywhere in the basin except California will be materially enhanced.

If the central Arizona project and other projects in other States can be stalled off for another 10 years and the hoped-for 5,000,000 additional people come to southern California, the political power of that State will be further enhanced. In the meantime, the underground water upon which the people in Arizona are now relying will be exhausted and these people will be compelled to leave Arizona and will not be counted when the census taker makes his rounds.

The people who speak for New Mexico, Colorado, Utah, and Wyoming, after making many contacts and holding fruitless conferences with the Californians, know just what they have in mind. That is why the accredited representatives of these four States have on various occasions approved resolutions supporting the central Arizona project. I read into the CONGRESSIONAL RECORD on February 8, 1950, such a resolution. I call attention to a similar resolution recently passed by the Upper Colorado River Commission:

Whereas, in their comments on the central Arizona project at the time the report on such project was submitted for comments pursuant to provisions of section 1 of the Flood Control Act of 1944, the States represented on the Upper Colorado River Commission either endorsed the authorization of such project or offered no objections to such authorization; and

Whereas, having once more considered the question of the feasibility of the project, the Upper Colorado River Commission deems that the central Arizona project is feasible; and

Whereas the Upper Colorado River Commission recognizes the extreme need for the project to prevent the collapse of the economy of a sovereign State: Now, therefore, be it

Resolved, That the Upper Colorado River Commission does hereby endorse authorization of the central Arizona project in accordance with the terms of S. 75 and H. R. 1500 now pending in the Congress.

The southern Californians base their claim to a greater share of their water from the Colorado River upon the needs of an ever-increasing population. The number of people in the southern half of that State has jumped from 2,932,795 in 1930 to 3,541,603 in 1940, and to 5,436,025 in 1950. With true California optimism, they confidently expect another 5,000,000 in the next 10 years. They therefore demand that Congress deny Arizona's claim to its share of Colorado River water, or at least indefinitely delay any recognition of that claim until they will be in a better position to get it.

Today there is an acute shortage of power in southern California, just as there is in Arizona. Arizona has indicated her willingness to contract for all of the commercial power that can be produced at Bridge Canyon Dam. Power from Davis Dam, which has just come on the line, was greatly oversubscribed. This power shortage is serious even without the demands that will undoubtedly be made for defense purposes.

If southern California could be assured of control over all of Bridge Canyon power without any aid for irrigation in Arizona, they would be enthusiastically supporting authorizations and appropriations for the immediate construction of that dam, silt or no silt. In proof of what I am saying, I quote from an annual report of the metropolitan water district of Los Angeles:

The department has maintained the position that no further Colorado River projects involving withdrawal of water from the lower basin should be authorized until the decision of the Nation's highest Court has finally determined the rights of the States.

In the meantime, department engineers are continuing cooperation with the Bureau of Reclamation in exploring dam sites, and in urging authorization by the Congress of development of hydroelectric power. A suitable site already has been determined at Bridge Canyon, and drilling is being carried on at Glen Canyon to locate a satisfactory location.

Power dams at Bridge Canyon and Glen Canyon, neither of which involve withdrawal of water from the river, and which were included in the original plans for the development of the Colorado, are needed to supply the constantly expanding markets created by the population and industrial growth of all three lower-basin States. The combined projects, which can duplicate the contribution of Hoover Dam to the economy of the Southwest, without cost to the Government, will provide 1,535,000 kilowatts of generating capacity and utilize water power equivalent to consumption of 15,000,000 barrels of fuel oil annually—energy that will flow on, forever wasted, until harnessed for the production of electricity.

The people who live in southern California need power much more than they need water, and complete proof of that is that up until now much less than the 4,400,000 acre-feet of water which Arizona concedes to California has been put to beneficial consumptive use. Let us put this matter in another way. If there was no proposed irrigation development which required pumping, if only gravity water was taken from the Colorado River, then none of the Bridge Canyon power would be used for pumping, and if there were no irrigation subsidy in connection with the Bridge Canyon power, such power would be much cheaper. If southern California could get this cheaper power without any irrigation-subsidy burden, they would be happy. I say the principle of an irrigation subsidy from power is exactly the same at Bridge Canyon in Arizona as it is in the Central Valley project in California, the Missouri Basin, or in the Columbia Basin, or anywhere else. It is impossible to proceed with any further irrigation developments throughout the entire arid West without a substantial power subsidy, and as far as Arizona is concerned, the Bridge Canyon Dam is wholly within our State and we are willing to contract for that power at a price that will repay irrigation costs beyond the ability of the farmers to repay.

On numerous occasions the California opponents of the bill have taken the position that the proposed legislation is in conflict with a report of the Water Resources Policy Commission. An examination of this report reveals that it consists of 3 volumes.

Volume I is the actual report of the Commission and represents the result of the study made by the Commission and their conclusions. I do not want to be critical of this report, but I do want to point out that if it is carefully examined, there are a number of statements made that may be susceptible of more than one interpretation. Until there is presented to Congress for consideration, legislation to implement and put into effect the recommendations and conclusions contained in the report, there is no ground for any deliberate consideration of the report, and of course, until Congress does enact some law as a result of the report, the report can be considered nothing more than advice and recommendations to Congress. Congress, after all, has to decide the questions involved.

I understand that a bill is being drafted by the members of the Commission, and undoubtedly will be submitted to Congress, to carry out the recommendations of the Commission. The quotation which I note on the billboard behind me is not a quotation from the report of the Commission; it is a quotation from information gathered by a task force.

Volume II of the report is in effect not a report of the Commission at all. This volume is entitled "The Ten Rivers in America's Future," and in the covering letter the Commission expressly points out that this volume consists of studies prepared as a background to assist the Commission in working out the policy recommendations in volume I, and the statement is made that "although the material contained in the studies has been available to assist the members of the Commission in their work, this volume has not been reviewed in detail by all the Commissioners." So this volume is in effect a compilation of data submitted by the experts or staff members who worked for and with the Commission, and it is from this particular volume that quotations have been made from time to time by opponents of the bill now before us—quotations which these opponents contend indicate a conflict between the provisions of the pending bill and the President's Water Resources Policy Commission. This is not true. The conflict, if any, is between certain of the staff members and the bill, and not between the bill and the President's Water Resources Policy Commission.

There is one final matter that I would like to discuss briefly, namely, that in the propaganda that has been used by California opponents of the bill in their effort to block its enactment, every attempt has been made to convey the impression that a very large sum of money is to be taken out of the Federal Treasury at a time when there is a great demand for economy in operation of the Government and a still greater demand for defense purposes.

The size of the sum of money mentioned in connection with this project has been violently exaggerated, and the thought is conveyed that the whole amount is to be expended in this critical time when the national debt is being increased for defense purposes.

Beyond doubt, $708,780,000 is a sizable sum of money to be made available by Congress for any purpose if it were to be used in any 1-year or 2-year period. However, despite the propaganda to the contrary, such is not the fact because the bill delays any appropriation for irrigation works, estimated to cost $267,000,000, until after the Supreme Court of the United States has had an opportunity to pass upon the question of the availability of the Colorado River water for the project. There may be eight parties to that lawsuit—the United States and the seven States of the Colorado River Basin. No one knows how long it will take all of these interested parties to prepare for and argue the case, and how long thereafter it will take the Supreme Court to decide it.

There are included in the bill a number of features on which construction will not be commenced for a number of years. When the bill becomes a law and when Congress sees fit to make appropriations for the project, common sense and orderly procedure would indicate, first, the construction of the Bridge Canyon Dam. It will take, according to the engineers' estimates, from 5 to 10 years to build that great dam. It is necessary to have the dam well on the way before any other works are undertaken. There must first be the power from the dam to lift the water into the aqueduct.

When construction of the Bridge Canyon dam is almost complete, the necessary power features will have to be installed, and all of this will take considerable time.

After all of this is done and after power is actually available, if Arizona then has been successful in the Supreme Court on the water question, the main aqueduct from Havasu Lake to McDowell Reservoir in central Arizona can be undertaken. It cannot be undertaken at an earlier date. Then, and only then, can some of the other works provided for in the bill be undertaken.

Many of the different features which are very necessary to the full development of the project will, as a matter of common sense, not be undertaken for several years. It has been estimated that completion of all of the features of this project may require as much as 15 or 20 years after work has first begun.

I should now like to take time to discuss in some detail the reason for and the effect of the amendment that my colleague, the junior Senator from Arizona [Mr. MCFARLAND], mentioned in his opening statement. I have joined him in submitting the amendment. It will take the place of the present section 15 of the bill. We thought that by section 15 we had provided in no uncertain terms that no construction of any portion of the project would be commenced while materials and manpower were needed for the national defense. This was always our intention, and this was what we thought section 15 provided for. However, opponents of the bill have on numerous occasions attempted to say that authorization of the project at this time would be in conflict with the national defense effort. In order that this matter may be definitely settled, in order that there can be no misunderstanding, in order that once and for all we can make it crystal clear that we are not seeking authorization for appropriations that will in any way interfere with the national defense effort, we have prepared and as my colleague, the junior Senator from Arizona, has pointed out, we are offering an amendment that will definitely accomplish that result.

The amendment provides that no appropriation for any portion of the project is authorized and no construction of any portion of the project can be commenced during the period of the present national emergency when manpower and materials are needed for the defense effort. This is a simple, clear-cut provision, exactly what we always have had in mind.

In the first place, we do not want to build the project or any portion of it with the present prevailing high prices of manpower and materials. We know that the time will come when manpower and materials will not be so critically needed for national defense and when the cost of construction of the project will be decreased. These conditions may be expected on the basis of the situation that existed a little over a year ago. Construction costs reached a peak during the years 1947 and 1948, and then began to decline. Contracts were being let for less than the estimated costs based on the 1947 prices. When it became necessary for us to send troops to Korea and to manufacture munitions for them and to supply them with food and clothing, prices naturally increased. It is only reasonable to expect that costs will go down when the demand for war materials and supplies for the armed services drops off.

But more important still, under no circumstances would we have the people of the United States, and particularly Members of Congress, think that we want to build all or any portion of this project while manpower and necessary materials are needed in the national defense effort. Such was never our intention, and by this amendment we make it certain, once and for all, that not one dime can be appropriated or spent on any portion of this project until the materials and manpower necessary to build the project can be used without conflicting with the national defense effort, and, of course, until the Congress believes that in the interest of the national economy, appropriations for construction of the project are justified. Any propaganda about a raid on the Federal Treasury at this particular time is just another example of the misleading and delaying tactics that have been employed either to defeat or postpone action on this bill.

Again I emphasize that what we are trying to do by means of this bill is to secure an authorization that will enable us without further delay to have the Supreme Court of the United States take jurisdiction over the water-rights dispute that has been so long drawn out, and to get that dispute settled beyond any future question. If, as we confidently expect, the Court decides that Arizona is entitled to the water necessary for this project, and if the needs of the national defense effort are such that manpower and materials can be released, and if the national economy justifies the making of the necessary appropriations, then, as I have heretofore pointed out, we can proceed in an orderly fashion, over a period of years, to build the central Arizona project, which is of vital importance to my State, and certainly is in the national interest.

In conclusion, I emphasize: First, that this is not a new reclamation project; second, that it is a rescue project; third, that the benefits, direct or indirect, particularly the Federal taxes that will be saved and paid as a result of the authorization of the project, will greatly exceed

the cost of the project; fourth, that the United States as a whole will benefit materially from this development; and fifth, that in the interest of the economy and welfare of the United States, Congress must approve this project.

EXHIBIT 1

STATEMENT OF A. D. EDMONSTON, STATE ENGINEER, AT MEETING OF AMERICAN GEOPHYSICAL UNION, SECTION OF HYDROLOGY AND METEOROLOGY, FRESNO, CALIF., FEBRUARY 9, 1951

Mr. Chairman, members of the section of hydrology and meteorology, American Geophysical Union, and friends, I wish to express my appreciation at this time for the opportunity to appear at this meeting of your organization and present a paper on the water resources of California. It is a privilege and an honor.

The setting is significant. For it is here in the Kings River delta that you have one of the earliest and now probably the most extensive and comprehensive use of water for irrigation than in any place in the United States. It is reported that the first water was turned out of the Kings River in 1867 to irrigate a small acreage. Now nearly 1,000,000 acres are under intensive cultivation producing crops having an unprocessed value of nearly $200,000,000 annually. Also, only 2 months ago, a flood of previously unrecorded proportions, 80,000 second-feet, coursed down the Kings River, causing destruction in its path. This situation however is to be corrected in the near future by the Pine Flat Dam now under construction with Federal funds, by the Corps of Engineers, United States Army.

In presenting or discussing the subject, Water Resources of California, I believe it is of interest to mention that California was admitted to the Union of States in 1850, 100 years ago. The area of the State, then and now, is 100,000,000 acres. The stream systems are the same and topographic conditions have not changed to any material extent. The population, on the other hand, has increased in these 100 years from 92,600 to 10,600,000. This tremendous increase in population has resulted in widespread development and utilization of water for domestic, irrigation, and industrial purposes to the extent that now the use of water in California aggregates 20,000,000 acre-feet annually, substantially greater than the use in any other State in the Union and approximating the domestic use in the entire United States. Approximately one-half of the water so used in California comes from surface streams and reservoirs, and one-half from ground water basins.

The purpose of this paper is not to review or discuss the history of this past development and the legal, engineering, and administrative problems that it generated, but to present information on a study of the water resources of the State being conducted by the State division of water resources under the direction of the State water resources board, looking to the future needs of the people of the State. This board, created by chapter 1514, Statutes of 1945, was directed by chapter 1541, Statutes of 1947, to make an investigation of the water resources of the State on a State-wide basis. The adopted investigational program has for its objective the preparation of a plan for the full practicable conservation, control, and utilization of the State's water resources, both surface and underground, to meet present and future water needs for all beneficial purposes in all areas of the State. This plan has been designated "The California Water Plan."

It is planned to submit the results of this investigation in four printed bulletins. Bulletin No. 1 is now in the process of being printed. It contains a State-wide inventory of water resources, including tabulations of precipitation, runoff, flood frequencies, and quality of surface and ground waters. Bulletin No. 2 will set forth information on present water utilization and water requirements, including data on land use, consumptive use of water, and water available under existing rights and development for present and potential water service areas throughout the State. Bulletin No. 3 will present the California water plan for the conservation, control, protection, and utilization of the waters of the State. Bulletin No. 4 will summarize in concise form, the data contained in the first three bulletins.

Field and office work has been carried on concurrently on all phases of the investigations in preparation for the foregoing bulletins. Excellent cooperation has been received from Federal and State agencies and others having an interest in the study and the prospective plan.

The data in Bulletin No. 1 relating to runoff of the stream systems in California may be summarized by the seven major geographical areas as follows:

Area	Seasonal runoff in acre-feet	
	Average season	Percent of total
North coastal	28,886,000	40.8
San Francisco Bay	1,240,000	1.8
Central coastal	2,448,000	3.4
South coastal	1,227,000	1.7
Central Valley	33,637,000	47.5
Lahontan	3,177,000	4.5
Colorado Desert	179,000	.3
Total	70,794,000	100.0

The foregoing tabulation does not include the seasonal runoff of the Colorado River, estimated at about 18,000,000 acre-feet per year at Yuma, under natural conditions and in which California has rights in the amount of 5,362,000 acre-feet annually.

The studies with reference to water utilization and water requirements have not progressed sufficiently so far as to present figures for the entire State. However, approximate preliminary estimates are available for some of the areas.

In all of the studies leading to the formulation of the plans for the development and utilization of the water resources in any particular area, first and prime consideration is given to the requirements, both present and ultimate, for all uses in the local area, before a determination is made of the amounts of surplus waters that may be available for exportation to areas of deficient supply. For example, in the north coast area provision is being made not only for domestic, municipal, irrigation and industrial uses, but also for recreational needs, and for development of hydroelectric power.

Comparing the ultimate water requirements of the several areas with the available water supplies therein, it is found that the north coast and central coast areas and the Sacramento River Basin have available water supplies in excess of their ultimate needs. On the other hand, the San Francisco Bay area, the San Joaquin River Basin (including the Tulare Lake Basin) and the South Pacific coast, Lahontan and Colorado Desert areas have ultimate water requirements far in excess of their available local water supplies.

It is quite evident, therefore, that in any plan for the ultimate development and utilization of the water resources of the State, water must be transferred from the areas of surplus water supply to areas of deficiency. The areas from which these surpluses must come are the Sacramento River Basin and the north coast. The central coast surplus exists only in the narrow coast line southerly from the Monterey Peninsula and is relatively small in total quantity and the area is lacking in suitable reservoir sites for the regulation and control of such surplus waters. On the other hand, many reservoir sites feasible of development from engineering and geologic standpoints exist in the north coast area and the Sacramento River Basin. In the north coast area, more than 50 dam and reservoir sites have been found physically feasible of development to an aggregate reservoir capacity of 16,000,000 acre-feet and capable of being utilized to produce more than 2,000,000 kilowatts of electric power, an amount almost equal to all the present hydroelectric power installations in California. In the Sacramento River Basin, reservoir sites in excess of 40 in number and capable of storing more than 15,000,000 acre-feet of water are also feasible of development. With these installations, the ultimate requirements of those two areas can be met and, in addition, provide surplus waters to areas of deficient water supply.

On the basis of the inventory of the water resources and estimates of the ultimate water requirements so far made, adequate water supplies can be developed and regulated from California's water resources, including California's rights in and to the waters of the Colorado River, in available surface reservoir sites and ground water basins to meet the probable ultimate water requirements in the State without importing water from a source outside of the State of California, such as the Columbia River in the Pacific Northwest.

The general plan proposed for the development of the water resources of the north coastal area calls for the construction of a series of multipurpose reservoirs of relatively large capacity on the major stream systems which have relatively low gradients and widely varying seasonal flow. A hydroelectric power plant would be located at each dam. The reservoirs would be operated for water conservation, flood control, power generation, maintenance of stream flows throughout the year for propagation and maintenance of fish life and recreational purposes, and providing surplus waters for exportation when needed to the areas of deficient supply. In the Sacramento River Basin, the reservoirs would be operated for domestic, municipal, irrigation, and navigation purposes, flood control, electric power generation, recreation, and propagation and maintenance of fish life.

The plan presently contemplated for serving the areas of deficiency heretofore mentioned would divert water from the Sacramento-San Joaquin Delta, the central source of supply, at sea level. For the San Francisco Bay area, the point of diversion would be on Italian slough at the Alameda-Contra Costa County line. The water would be lifted by pumping to an elevation of 700 feet, whence it would be conveyed through a tunnel some 8,000 feet in length to an available regulatory storage site on the north side of Livermore Valley. Releases from this storage would be conveyed through two branch conduits. One branch would bear southerly, serving the south bay shore of Alameda County and the east side of the Santa Clara Valley, with terminal storage in a reservoir to be constructed to elevation about 500 feet on Silver Creek near Evergreen, 7 miles east of San Jose. The other branch would bear westerly to a reservoir in Crow Canyon capable of development to 80,000 acre-feet to serve supplementary water to the central bay shore area of Alameda County. It would also be physically possible to supply additional water to upper San Leandro and San Pablo Reservoirs of the East Bay Municipal Utility District and to areas in Contra Costa County through extensions of this branch. Supplementary water could be made available from the conveyance system to Livermore Valley and the Niles Cone. The distances from the intake

at Italian slough are approximately 52 miles to the Silver Creek reservoir site and approximately 26 miles to the Crow Canyon site.

The conduit to serve the west side of the San Joaquin Valley and southern California which has been studied preliminarily would divert from Old River in the San Joaquin Delta about 5 miles northwest of Tracy. The water would be lifted through four pumping plants to a canal at elevation 225 feet and would parallel the Delta-Mendota canal from one-quarter to one-half mile to the west for 85 miles to a point near the south line of Merced County, where a pumping plant would lift the water to elevation 400 feet. The canal would then follow approximately on grade contour along the west side of the San Joaquin Valley passing west of Huron and Kettleman City, to the Buena Vista Hills, a distance of about 250 miles from the point of diversion where another pumping plant would lift the water to elevation 550 feet. The canal would then extend southerly 5 miles east of Taft and thence easterly about 25 miles due south of Bakersfield. At this point a pump lift would raise the water to elevation 900 feet, and within 3 miles through another pump lift to elevation 1,300 feet to Pastoria Creek. Five pump lifts located along that creek would lift the water to elevation 3,300 feet to 6.5 mile tunnel which would convey the water through the Tehachapi Mountains to the divide between the Santa Clara River Basin and the desert, 310 miles distant from the point of diversion in the San Joaquin Delta. The canal would then follow easterly along the desert side of the mountains toward Fairmont Reservoir of the city of Los Angeles, passing that reservoir about one-half mile to the west and 250 feet above the water level of the Los Angeles aqueduct; then would follow above and south of the Antelope Valley to mile 340 where a tunnel through Portal Ridge would emerge into Amargosa Creek. The canal would follow the south side of Amargosa Creek Basin to a point south of the Palmdale Reservoir about 450 feet above that reservoir. The direction would then be south across Soledad Pass, along the south side of Antelope Valley, crossing Little Rock Creek below the Little Rock-Palmdale Dam. The course would then be easterly across the Mojave Desert above the town of Hesperia, thence southerly to a crossing of the Mojave River, and to the east portal of a 4-mile tunnel at elevation 3,250 feet, into Devils Canyon, a tributary to the Santa Ana River. The route of this conduit would then follow easterly along the south slope of the mountains about 7 miles north of San Bernardino and Redlands; thence south about 10 miles east of Redlands; then easterly to a point 3 miles northeast of Beaumont into a siphon at elevation 3,200 feet to a low of 2,525 feet elevation across the San Gorgonio Pass between Beaumont and Banning. The conduit would then extend southerly along the mountains east of the San Jacinto Valley, crossing the Riverside-San Diego County line and then toward Lake Henshaw, passing above that reservoir. From that point the route would be southerly to a crossing of headwaters of the San Diego and Sweetwater Rivers and to a terminus at a tributary of Tia Juana River at an elevation of 3,150 feet, for a total length of canal of 675 miles from the point of diversion in the San Joaquin Delta.

A conduit route that would serve Santa Barbara and Ventura Counties also has been studied. It would divert at elevation 550 feet from the conduit about 270 miles from the point of diversion in the San Joaquin Delta. Here a pumping plant would lift the water to elevation 1,000 feet, then a series of 250-foot lifts with short lengths of canal between the lifts would raise the water to elevation 3,500 feet. A 5.5-mile tunnel at the intake on Santiago Creek would discharge into Quatal Canyon which drains into the Cuyama River, with additional conduits, water could be delivered from this point to the headwaters of the Sisquoc, Santa Ynez, and Ventura Rivers.

The advantages of the proposed plan for furnishing a supplemental water supply to the western slope of the San Joaquin Valley and the south coast and Lahontan areas are that the conduit would traverse in large part terrain undeveloped, would not interfere with the operation of existing water supply systems, would not involve any exchange of waters, would be so located to furnish by gravity from the conduit additional water supplies to existing systems and to new areas capable of development and in need of water. It is feasible of construction from both engineering and geological standpoints and it is believed would have a first cost less than any other plan and would be capable of serving a complete supplemental water supply for the full development of the south coast area and the desert areas in Los Angeles, San Bernardino, and Riverside Counties.

The estimated annual supplemental water that would be diverted from the delta in accord with this plan are 2,000,000 acre-feet for about 1,000,000 acres on the west and south sides of the San Joaquin Valley, 2,500,000 acre-feet for the south coast area, and 2,500,000 acre-feet for the desert area, or a total of 7,000,000 acre-feet.

A study of the available water supply in the Sacramento-San Joaquin Delta over the past 10 years shows that a demand of 600,000 acre-feet per month could have been met over and above the demands of salinity control, delta consumptive use, irrigation of delta uplands, and full continuous operation of the Delta-Mendota canal (4,600 second-feet) and Contra Costa canal (325 second-feet) for a minimum period of 5 months to a maximum of 8 months in any one year. To furnish a demand of 600,000 acre-feet per month throughout the year would require supplemental storage in the Sacramento River Basin or in the north coast area.

Analyses of the water available in the delta show that its chemical quality is class I for irrigation and that it falls well within accepted standards for drinking water. For domestic and municipal uses, however, the water would require bacteriological treatment as do practically all raw waters.

The plan of utilizing the Sacramento-San Joaquin Delta as the source of supply and point of diversion has many practical advantages. The point of diversion is below all riparian owners and users of water in the basin above the delta and, therefore, is not subject to objection by such owners. The delta channels are recipient of all the flood flows and return waters from an area of about 50,000 square miles. The supply to the delta, therefore, is not dependent on the vagaries of a single stream. Water developed in any part of the Sacramento or San Joaquin River Basins could find its way by gravity to the delta, and the same is true of surplus water that would be transferred from the north coastal area to the Sacramento River Basin.

In this State-wide investigation and study, being conducted by the division of water resources under the direction of the State water resources board, wholehearted cooperation is being received from Federal and State agencies and departments, private companies, and individuals. It is only through such cooperation that it will be possible to formulate a sound feasible plan for the future development and utilization of the waters of this State.

Mr. NIXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I desire to take a few minutes to clear up some of the points raised by the senior Senator from Arizona [Mr. HAYDEN].

In the first place, he has left the impression, perhaps, in the minds of some of his listeners that it is a matter which would concern only a fraction of the population of California, in the southern section of that State. I would say that it is a very substantial fraction which is involved, and I wish to make the record perfectly clear that it concerns not only the southern area of California, but is of concern to the entire State.

I should like to read at this time Joint Resolution No. 1, passed by the Legislature of California in January of this year. On January 12 it was passed by the State senate, and on January 16 it was passed by the assembly. It reads as follows:

Whereas there is pending before the Congress of the United States a bill which would authorize construction of the central Arizona reclamation project; and

Whereas no provision is made for payment by the project of any part of the interest on the national debt, which would be incurred to construct the project; and

Whereas the Secretary of the Interior has reported that he estimates the cost of the project at $708,000,000 and the time for the recovery of the principal at 75 years and, therefore, that the project would cost the taxpayers of the United States for interest alone, at 2½ percent per annum, in excess of $2,000,000,000; and

Whereas the taxpayers of California would be required to pay in excess of $172,000,000 of such interest; and

Whereas the central Arizona project is designed to provide irrigation at exorbitant cost to grow common field crops, with the result that additional taxes would be required to pay Government subsidies on such crops and such project would not, therefore, enhance the national welfare; and

Whereas the central Arizona project would require the use of 1,500,000,000 kilowatt-hours of hydroelectric power annually (the equivalent to the use of 2,500,000 barrels of fuel oil) to pump irrigation water to a height of 1,000 feet, and such use would be an economic waste of an urgently needed public resource; and

Whereas the construction cost of the irrigation features of the project alone would be many times the value of the land, when irrigated and the irrigators would not repay any part of such construction cost; and

Whereas such central Arizona project is, therefore, economically unsound; and

Whereas sufficient water for such central Arizona project could be secured only by diverting to that project water now needed to serve authorized and existing projects in the lower basin of the Colorado River; and

Whereas the diversion of water from such existing projects would jeopardize the water supply of over 4,000,000 residents of California, who, in reliance on their contracts for water executed by the United States Government, have invested more than $500,000,000 to provide facilities to enable them to use their share of water and power from the Colorado River; and

Whereas the rights of California to the use of Colorado River water have been established by prior appropriations and by contracts with the Secretary of the Interior under the Boulder Canyon Project Act, and the Secretary of the Interior has declared that "If the contentions of California are correct, there will be no dependable water supply available from the Colorado River for this diversion": Now, therefore, be it

Resolved by the Senate and Assembly of the State of California (jointly), That the Congress of the United States be memorialized to refuse passage of any bill authorizing the Central Arizona project as proposed; and be it further

Resolved, That the Congress of the United States be memorialized to adopt legislation consenting to the joinder of the United States in an interstate suit in the Supreme Court for the determination of the water rights of the States of the lower basin of the Colorado River; and be it further

Resolved, That the Colorado River Board of California and all other agencies and officers of the State of California are directed to use all means within their power to carry out the objectives of this resolution; and be it further

Resolved, That the secretary of the senate be directed to transmit copies of this resolution to the President, to the President of the Senate, and Speaker of the House of Representatives of the Congress of the United States, to the chairman of appropriate congressional committees, and to each Senator and Representative from California in the Congress of the United States.

I merely wanted the record to be clear that the viewpoint which we have expressed is the viewpoint of the entire State of California and not the viewpoint of simply one segment of the State.

Mr. President, I think the Senate might be interested in a resolution which was adopted at the sixty-ninth annual convention of the American Federation of Labor, which met in Houston, Tex., on September 18, 1950. I read from page 31 of the official proceedings of that convention:

CENTRAL ARIZONA PROJECT

Resolution 29, by Delegate W. J. Bassett, Central Labor Council, Los Angeles, Calif.:

"Whereas a bill which provides for the proposed central Arizona project is now before Congress; and

"Whereas the central Arizona project, under the guise of reclamation is designed to provide irrigation at exorbitant cost for a relatively small acreage of land to grow common field crops; and

"Whereas data supplied by Secretary of the Interior, Oscar L. Chapman, reveals that the Arizona project will cost American taxpayers $2,075,729,000 for interest alone; and

"Whereas to supply irrigation through the central Arizona project would require 1,500,000,000 kilowatt-hours of hydroelectric power annually to lift irrigation water to a height of 1,000 feet and carry it over 300 miles in an expensive canal; and

"Whereas construction cost for irrigation features alone is estimated to be over $1,800 an acre; and

"Whereas the field crops anticipated through irrigation provided by the central Arizona project are the same crops which are now in surplus and are being subsidized by the United States Government; and

"Whereas the exorbitant cost of construction and operation of the central Arizona project will not add to the national welfare, but will create additional taxes through an increase in surplus crops which must be subsidized by the United States Government: Therefore be it

"*Resolved*, That the sixty-ninth convention of the American Federation of Labor convening on the 18th of September 1950, in Houston, Tex., instruct the officers to oppose the adoption of this legislation which would create an unjustifiable heavy tax burden for a project that will not enhance the Nation's economy."

Referred to committee on resolutions.

It is shown on page 31 that the resolution was referred to the committee on resolutions. What I have just read was from the report of the Monday morning session, the session of the first day.

Then, in the report of the proceedings of the fifth day, the Friday morning session, on page 475, the following comment appears:

Resolution 29, by Delegate W. J. Bassett, Central Labor Council, Los Angeles, Calif., and Resolution 39, by Delegate C. J. Haggerty, California State Federation of Labor.

Resolutions 29 and 39 deal with the same subject matter. They are identical. Your committee recommends the adoption of Resolution 29. No action is necessary on Resolution 39. Committee Secretary Soderstrom moved the adoption of the committee's report. The motion was seconded and carried.

Mr. President, I ask unanimous consent to have printed in the RECORD immediately following the point at which I read the resolution by the American Federation of Labor opposing the central Arizona project, a resolution which was adopted by the National Grange at its eighty-fourth annual session, in Minneapolis, Minn., November 15–25, 1950, in opposition to the central Arizona project.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE NATIONAL GRANGE OPPOSING ARIZONA PROJECT BILL

Whereas a bill is now before the Congress which, if passed, will authorize the central Arizona project; and

Whereas the proponents of the bill admit that it is designed to rescue about 236,000 acres of land where the underground supply of water is being or has been voluntarily overdrawn; and

Whereas the construction costs of the irrigation features designed to serve the "rescued" land will amount to more than $1,800 per acre, with little, if any, of the cost being repaid by the landowners; and

Whereas Oscar L. Chapman, Secretary of the Interior, has officially stated to Congress that the central Arizona project will cost the American taxpayers over $2,000,000,000 for interest alone, which will not be repaid, and

Whereas the central Arizona project can be built and operated only if the established principles of economic feasibility as set forth in the national reclamation laws are grossly violated: Now, therefore, be it

Resolved, That the National Grange does hereby oppose the passage of this legislation and urges its defeat.

Mr. KNOWLAND. Mr. President, I should now like to call attention to a number of other factors that have been raised during the course of the discussion. It has been stated that the central Arizona project is comparable if not identical with the Central Valley project.

In 1947 the Secretary of the Interior transmitted to the Speaker of the House of Representatives a report of the Bureau of Reclamation on engineering feasibility, the total estimated capital costs, and the allocation and probable repayment of these costs of the Central Valley Project of California—House Document 146, Eightieth Congress, first session.

This report represented a payment analysis which included a proposal to use the interest component of power revenues for repayment of irrigation construction costs, just as is now proposed to be done for the central Arizona project.

But the fact is that the Congress has never acted upon or approved the cost allocation and repayment program for the Central Valley project of California as set forth in that report of the Secretary of the Interior.

Furthermore, the State of California officially neither requested such a payout plan involving such proposed use of the interest component, nor has it approved the Bureau's report above referred to. Furthermore, reports issued by the State of California on proposed projects in California have never advocated use of the interest component as proposed by the Bureau of Reclamation.

We are convinced that the Central Valley project is financially sound and that it can pay out in a period of 50 to 60 years with reasonable rates for water and power without resort to the use of the interest component, as proposed by the Bureau.

This proposal to use the interest component for repayment of irrigation construction costs, which the Bureau of Reclamation seeks to establish, based upon an opinion issued by the Solicitor of the Department of the Interior in 1944, has never been approved by the Congress.

The effect of adopting such a principle of financing for multiple purpose reclamation projects, coupled with the proposed extension of the repayment period to 75 years or more, is clearly revealed by the report of the Secretary of the Interior that the cost to the Nation's taxpayers of the central Arizona project would be over $2,000,000,000. This would be the real cost to the Nation for a project with an estimated original construction cost of about $780,000,000, even if the reimbursable cost were paid back.

Extend this same principle to the billions of dollars of other projects being planned and the result would be such an unbearable and unjustified burden on the taxpayers that it is likely to stop further reclamation development in the West.

I pointed out in my remarks made to the Senate on Monday, May 28, and again on Tuesday, May 29, some of the factors that go into making the central Arizona project, as proposed, an unsound one. I repeat that I believe an argument perhaps can be made for changing the existing reclamation laws so that instead of a 40-year period to repay, with a 10-year development period, or making a total of 50 years, the Congress of the United States, in its wisdom, because of changed economic factors, might feel that under such circumstances the reclamation law itself should be changed to extend that period, we will say to 55 years, and there could be no objection from a policy point of view if the Congress, after proper hearings, reached that determination. But my point is that if Congress should

extend the period from 50 to 55 years, the same yardstick should apply to every project in the Nation, and that every project in the Nation which comes under the reclamation law should known in advance what the standards are under which it is eligible to receive Federal aid. If Congress, in its wisdom, after hearings before the proper legislative committee, wanted to extend the period to 60 years, there could be no objection to that change being made, but if the Congress of the United States wanted to change the reclamation law and make the period 60 years, then I say that that yardstick should apply to every project in the Nation which comes under the reclamation law.

As one who has supported reclamation in the West, and supported other projects such as the Tennessee Valley Authority, my objection to this project is that if the yardstick is destroyed, then there is no basis upon which to turn down future unsound projects. It is my judgment that if the Congress takes this path, those who advocate such unsound projects will ultimately so disgust the Members of Congress, and, more important, the American people who are already overburdened with taxes, that there will be a revulsion of feeling against the whole project for reclamation and other public developments. I believe those who represent the reclamation States should be the first to insist that we establish sound standards, that those standards be honest standards of feasibility, that we should be prepared to support those of our projects which can measure up to such sound and honest standards of feasibility, and when they cannot measure up to those standards of feasibility, we in the West should be the first to turn down those projects, because otherwise the confidence of the country will be destroyed in the whole theory of reclamation.

Mr. President, the assertion has been made that—

> The California contracts exceed the quantity of water permitted California by her Limitation Act; California seeks to violate that act.

My answer to that is:

First. These statements rest in pure assertion. They cannot be proved until the Court decides the controversy. They assume that Arizona is right, and California is wrong, on all contentions in the controversy.

Second. Since the Limitation Act was adopted, California's spokesmen have without exception stated, in public and in private, that California intends to honor and abide by its provisions.

Third. In the last case in the Supreme Court between Arizona and California—Two Hundred and Ninety-eighth United States Reports, page 558—the Court said, as to the California Limitation Act:

> By its provisions the use of the water by California is restricted to 5,484,500 acre-feet annually.

The California contracts aggregate 5,362,000 acre-feet annually.

Fourth. By article 7 (h) of Arizona's water contract with the Secretary of the Interior, dated February 9, 1944, "Arizona recognizes the right of the United States and agencies of the State of California to contract" for Colorado River water provided such contracts "shall not exceed the limitation of such uses" provided in the Limitation Act.

The assertion is made that California contributes no water to the Colorado River, yet she claims the lion's share of the river. My answer to that is that anyone who knows the water law of the Western States as well as do the Senators from Arizona must be aware:

First, that the foundation of that law is the doctrine of appropriation; that is, "first in time is first in right."

Second, that under that doctrine, the one who first uses his energy, money, labor, skill, and vision to divert water for a beneficial use and continues to do so with due diligence is rewarded by title to a water right.

Third, that whether an area originates the water is utterly immaterial. In fact, typically the area on which the water is used is not the area of its origin, and may be even hundreds of miles removed.

Fourth, that beginning as far back as 1877, California pioneers appropriated, before the other States did, large quantities of Colorado River water, and have risked their substance and strength since that time in continuous and diligent application of the water to beneficial use. Her present claims are primarily based on rights which vested in her citizens long before 1900.

The assertion is made that 8,000,000 or 10,000,000 acre-feet are annually wasting into the Gulf of California. That assertion was made this afternoon by the senior Senator from Arizona [Mr. HAYDEN]. The question is asked, Why should Arizona not be entitled to use this wasted water?

My answer is, first, the correct figure is 7,000,000 acre-feet, according to the statement of Bureau Engineer E. G. Nielsen before the House committee on February 27, 1951.

Second, 5,000,000 acre-feet of this is the unused right of the Upper Basin, which is now using not more than 2,500,000 of the 7,500,000 acre-feet perpetually allotted to it by article III (a) of the Colorado River compact. No lower basin project, be it in Arizona, California, or Nevada, can be premised on the use of that water, which does not belong to them. It belongs to the upper basin States, and no one is challenging their right to that water.

Third, the remaining 2,000,000 acre-feet will be required to serve projects in the lower basin when fully developed. Such projects are either now constructed, now authorized and under construction, or they are projects for which commitments have been made by compact or contract. In fact, there is a deficiency to meet those needs. Comments of State of Nevada, House Document 136, page 97; letter from Commissioner of Reclamation to Senator MCCARRAN, Senate Document 39, page 8; hearings S. 75, Senate committee, page 265.

The assertion is made that California will, in the future, as in the past, oppose all projects in the upper basin States. My answer is:

First, the best test of California's future conduct is her conduct in the past. California has to this date opposed no upper-basin project. On the other hand, California has affirmatively supported the Paonia project, Colorado; the Mancos project, Colorado, and the Eden project, Wyoming, which are the only projects in the upper basin that have come before Congress in recent years.

Moreover, California has not opposed the following legislation for projects in the upper basin States, but not in the basin:

(a) Provo—Deer Creek project, Utah.
(b) Weber Basin project, Utah.
(c) Fort Sumner project, New Mexico.
(d) Vermejo project, New Mexico.
(e) Big Thompson project recreation, Colorado.
(f) Upper basin compact.

Mr. President, as a Senator from California and as a member of the Appropriations Committee, on numerous occasions I have supported, and expect to support in the future, sound reclamation projects in the upper basin as well as in the lower basin, and public works projects in other sections of the Nation. I have made it a point since coming to the Senate to visit many areas of the country, including the Tennessee Valley. I have taken a personal interest in the development of other areas. I have been in the State of Missouri to look at some of the flood-control problems. During the time I have been in the Senate and on the Committee on Appropriations I have diligently supported such projects, regardless of the particular area of the country in which they may have been located.

However, I oppose the central Arizona project because I think it is fundamentally unsound. I think it would be destructive of sound public works projects all over the country, and I believe that it would undermine the confidence of the Nation in our reclamation laws. That is why I am opposing the project.

Furthermore, I believe there is an honest difference of opinion between the State of Arizona on one side, and the States of Nevada and California on the other side, as to the availability of water in the lower reaches of the Colorado River.

It is unfortunate that the question of the large State versus the small State should be raised. I am under no illusions as to why that issue is raised in the Senate. Under our constitutional system each State is represented in this body by two Senators, whether it be a smaller State such as Nevada, or the largest State, New York. I believe in our constitutional system. I believe that the framers of the Constitution of the United States were wise when they made one House of Congress based upon population and the other on the principle of equal representation of sovereign States.

I happen to represent in part one of the largest States of the Union. We must come here and present our case. We must present the facts. We recognize the fact that on some issues we may

win, and on others we may lose. But I submit that if we win or lose, we should win or lose on the merits of the case, and not on the basis of an appeal to prejudice in the Senate, arousing the smaller States, of which there are many, against the larger States.

I say, with all the conviction I possess, that the people of California have contributed mightily to the national effort in peace and war. They have contributed their sons in two World Wars, and in the war now going on in Korea. They do so on the same basis of the population which entitles them to representation in the Congress of the United States.

They contribute more than $3,000,000,000 to the Federal Treasury through taxes. I say that we should not allow in this body an appeal to prejudice, which would aline the smaller States against the larger States, merely because California happens to be a larger State, because we are honestly and sincerely presenting a point of view which we think the Senate and the country are entitled to have.

Do Senators want us to remain silent when we believe that there is involved a project which would undermine the reclamation law, a project which we believe is economically unsound, and which we believe would do a great injustice not only to the large State of California, with her ten and a half million people, but to the small State of Nevada, with her 165,000 people?

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. DWORSHAK. Can the Senator advise us whether S. 75 would serve merely to send this water controversy into the courts for adjudication relative to the specific rights of Arizona and California, or whether the so-called Bridge Canyon project would be authorized for construction?

Mr. KNOWLAND. The Bridge Canyon project would be authorized for construction, at a cost of some $788,000,000, and at a cost to the Federal taxpayers running well over $2,000,000,000. It is my interpretation—although I am not an attorney, but a newspaperman—that the provision in the bill to send the question to the Supreme Court is not a fair method of doing so, because if there were an adverse decision in the Supreme Court, under the wording of the amendment, in my judgment the project would still be authorized.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. McFARLAND. Who would want the project authorized or built if the decision in the Supreme Court were adverse, and if there were no water for the project?

Mr. KNOWLAND. Those who advocate this project, unsound as it is, might advocate that it be built, even though the Supreme Court had decided against it.

Mr. McFARLAND. There is about as much reason in what the Senator has said as there is in the rest of his argument.

Mr. NIXON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to my colleague.

Mr. NIXON. So far as that is concerned, if that is not the intention of the particular provision of the bill, I raise the question as to why the proponents of the bill do not change the section to say something else, if they mean something else.

Mr. KNOWLAND. I quite agree with my colleague. As he knows, he and I jointly have offered substitute language which would make it clear that the project would not be built until the Supreme Court had affirmatively decided that the State of Arizona had the right to the use of the water which it claims.

Mr. McFARLAND. Mr. President, will the Senator yield further?

Mr. KNOWLAND. I am glad to yield to my good friend from Arizona.

Mr. McFARLAND. I would say further that it would, in the judgment of the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Colorado [Mr. MILLIKIN], and many other lawyers, except those from California, be asking the Supreme Court for a declaratory judgment.

Mr. KNOWLAND. I think the only way the question can be answered is to let the Supreme Court decide it. In that way able lawyers from Arizona would have an opportunity to argue the point, and I assume that California would have able lawyers to argue the point. It is our opinion that the question can go to the Supreme Court as a judiciable issue without the passage of the pending bill. In any event, even if the Senator were correct—which I do not concede—it would be necessary to tax the taxpayers of this Nation, all 150,000,000 of them, more than $2,000,000,000. It would be possible to get a much smaller project, costing much less, to raise the issue, if it were necessary to do so.

Second. California has many times officially recorded her desire that the entire Colorado River Basin proceed as early as possible to the fullest practicable development.

Third. California expects to examine future upper basin projects on their merits and act accordingly.

The assertion has been made in the past that Imperial Valley, Calif., is wasting 1,000,000 acre-feet of water a year into Salton Sea. My answers are:

First. Except for occasional flood flows from storms, this flow is drainage water necessary to maintain "salt balance" just as in central Arizona. It is, therefore, not waste, but an operational loss—hearings on H. R. 934 before House Committee on Public Lands, Eighty-first Congress, first session, page 879.

Second. It is not excessive compared with other projects, for example, it is on an acreage basis, only a little more than half the return flow per acre from the Yuma project, Arizona—idem.

Third. The water is too salty to be used for irrigation—idem.

Fourth. At the present time, with 7,000,000 acre-feet annually flowing into the Gulf of California, the point is utterly immaterial. The amount flowing in Salton Sea has no bearing on whether Arizona has a water right for the central Arizona project.

The assertion is made that Arizona has applied for all Bridge Canyon power, and will be able to consume it when available.

My answers are:

First. Arizona's present annual power consumption is on the order of 2,000,000,000 kilowatt-hours—statement of K. S. Wingfield before House committee, March 15, 1951. Bridge Canyon power available for commercial sale will be about 3,200,000,000 kilowatt-hours per year. In addition, Arizona has had available to her since 1937, and has not used, but is now getting ready to use, 18 percent of Hoover Dam firm power, reserved for her under the Boulder Canyon Project Act—House Document No. 717, Eightieth Congress, second session, page A240. Arizona has also been allocated, but has not used, half the power to be produced at Davis Dam. The sum of Arizona's Hoover and Davis power is 1,200,000,000 kilowatt-hours—statement of State engineer of Nevada before House committee March 16, 1951. That plus Bridge, 3,200,000,000, makes 4,400,000,000.

Second. That Arizona can, within, say 10 years, increase her power use from 2,000,000,000 to 6,400,000,000 kilowatt-hours a year is considered by responsible engineers as open to question.

Third. If Arizona's power consumption is trebled, it could only be as the result of a tremendous industrial expansion which would so enhance Arizona's economy that the loss of irrigation of 150,000 acres of land would be trivial to her.

The assertion has been made that the project will liquidate itself in 75 years from revenues for power and water. My answer is:

First. Cost: The cost to be liquidated is $788,000,000.

I wish to call attention to the testimony of Mr. Nielsen before the House committee, as follows:

> As of January 1, 1951, we estimated the cost to be $788,000,000.

I may say that the $783,000,000 is $80,000,000 more than the Committee on Interior and Insular Affairs of the Senate reported the testimony shows the project would cost. I wish to call attention to the fact that this vast project, which would cost the taxpayers of this country in excess of $2,000,000,000, was reported by the Senate Committee on Interior and Insular Affairs within approximately 2 or 3 weeks after it was introduced in the Senate, and without any hearings being held on it whatever.

Second. Power repayment: Power revenues would pay over 99 percent of the $788,000,000. The power rate necessary to make the project feasible is "5.1715 mills per kilowatt-hour of firm energy"—Nielsen, galley CC90.

The initial production of power at Bridge Canyon was stated in the Secretary's report of 1947—House Document 136, page 176—at 4,675,000,000 kilowatt-hours per year, reducing gradually to 4,114,000,000 kilowatt-hours under ultimate conditions. Witness Coe in a table

presented to the House committee March 1, 1951—galley CC31—still assumes the same power production.

The Secretary's report was written when Bluff Dam, which is in the upper basin, was a part of the project. The Watkins amendment of 1950 to section 1 of the bill—page 3, line 22—reads:

Provided, That this authorization shall not include (a) any works, dam, or reservoir at the Glen Canyon site or any other site in the upper Colorado River Basin, or (b) any dam in the lower Colorado River Basin which would flood the Glen Canyon site.

The Secretary's answer to question No. 13 on June 28, 1950, was:

Question. Without construction of upstream storage, what would be the annual firm-power production of Bridge Canyon power plant?

Answer. * * * On the basis of these operation studies, it is estimated by the Department that the annual firm power production of the Bridge Canyon power plant would be 3,500,000,000 kilowatt-hours under initial conditions of operation. As outlined in the answer to question 12, which is based upon the premise that neither Bluff Dam nor Glen Canyon would be in operation, Bridge Canyon Reservoir would be substantially filled with silt within 35 to 45 years.

In other words, here is a project which its proponents estimate will be repaid in 75 years. The official testimony of Government witnesses indicates that without the construction of the upper dams it will fill with silt in half that time.

The Secretary's answer continues:

Bridge Canyon power plant would of necessity be operated thereafter as a run-of-the-river plant. So operated the firm output is estimated to be about 3,000,000,000 kilowatt-hours annually.

The project report and present Bureau testimony are based on the assumption that Glen Canyon Dam will be built in 15 years.

Mr. President, I understand that the chairman of the Committee on Armed Services is eager to bring up the conference report on the so-called manpower bill. I have no desire to delay the Senate's consideration of that important legislation. Therefore I now ask unanimous consent that the remainder of my remarks, which I had intended to make on the pending bill, be printed as a statement at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The remainder of Mr. KNOWLAND's remarks are as follows:

Bureau Engineer E. G. Nielsen testified (galley CC38):

"Mr. ENGLE. Just taking this bill by its four corners, if Bluff Canyon is stricken from the project and Glen Canyon is prohibited, I ask you whether this project is feasible, within the four corners of this bill, without any assumptions. Can you answer that 'Yes' or 'No.'

"Mr. NIELSEN. No, I can't."

* * * * *

"Mr. ENGLE. Do you admit also that in your testimony last year that you stated your report was predicated upon the assumption that Glen Canyon would be built in 15 years.

"Mr. NIELSEN. Yes, and this testimony is still predicated upon that."

* * * * *

"Mr. ENGLE. Then you concluded the power revenues would be a certain figure; and if those assumptions no longer hold the power revenues would be less than those stated here?

"Mr. NIELSEN. Yes." (Nielsen, galley CC85.)

"Based upon the specified premise that neither Glen Canyon nor Bluff Dam would be in operation during the first 75 years of Bridge Canyon operation, and assuming no other regulatory facilities provided in the upper basin during the same period, initial generation at Bridge Canyon would be 3,500,000,000 kilowatt-hours per annum. That generation would taper off to 3,000,000,000 kilowatt-hours at the end of 35 to 45 years, according to the Secretary's answer to question 13. Mr. ENGLE was willing, I believe, that we bring in a response based upon the median estimate of 40 years.

* * * * *

"Analyzing the matter first on the basis of a 40-year life, in 75 years there would be available for sale 116,000,000,000 kilowatt-hours over a 75-year period. A power rate of 8.86 mills would be necessary to liquidate project costs on this premise." (Galley CC86.)

"Mr. ENGLE. * * * I see you fixed the power rate at 8.86 mills. Do you regard that as a commercial rate?

"Mr. NIELSEN. I don't think that would be a competitive rate; no, sir.

"Mr. ENGLE. In other words, you couldn't sell the power?

"Mr. NIELSEN. No.

"Mr. ENGLE. And that means, in other words, the project is infeasible.

"Mr. NIELSEN. Infeasible under the premise that Glen Canyon not be built within a 75-year period following construction of Bridge Canyon Dam."

* * * * *

"Mr. ENGLE. * * * in other words, if we are to be perfectly honest with the Congress and Members of the House who are not familiar with this legislation we would have to tell them, would we not, that if we pass this bill it is absolutely necessary in order to insure the feasibility of the project to build some up-stream projects, which will give the sediment control and the river regulation necessary to make the power features pan out?

"Mr. NIELSEN. Those up-stream features are necessary to the success of this project; yes, sir." (Galley 12AN.)

"Mr. NIELSEN. * * * we would start out initially under present-day conditions with a firm output of about 3,500,000,000 kilowatt-hours without Glen Canyon.

"Mr. YORTY. Now your estimate of revenue that you gave us to make the project feasible, was that based upon 3,500,000,000 or 4,500,000,000?" (Galley 13AN.)

"Mr. NIELSEN. Our estimate of the project's repayability is based upon 4,600,000,000 kilowatt-hours.

"Mr. YORTY. Isn't that just what I said, that there is 1,100,000,000 annually difference between the Bridge Canyon output with Glen Canyon in operation, and without it?

"Mr. NIELSEN. Yes."

* * * * *

"Mr. YORTY. Now you have assumed that Glen Canyon would be built in 15 years.

"Mr. NIELSEN. Yes, sir.

"Mr. YORTY. And have you then shown in your table that during the first 15 years at least the power output would be 3,500,000,000 instead of 4,600,000,000?

"Mr. NIELSEN. Our analysis of repayment ability is based upon initial production of 4,675,000,000 kilowatt-hours."

* * * * *

"Mr. YORTY. Well now what I want to know is, if you are assuming that Glen Canyon will be built in 15 years, * * * I cannot understand how you assume the full output of Bridge Canyon from the very start when you told Mr. ENGLE that you would have to reduce it by 1.1 billion kilowatt-hours per year if Glen Canyon were not in operation.

"Mr. NIELSEN. Frankly, I can't either.

"Mr. YORTY. In other words, then during at least the 15 years, and I say at least, because this bill prohibits Glen Canyon, and certainly there is nothing in this bill that I can see to cause the assumption that it will operate in 15 years; in other words, then, I think the committee would be very interested in that, in just assuming that it takes 15 years to get Glen Canyon in operation, 1.1 billion kilowatt-hours times 5.171 mills per kilowatt-hour, which is the estimate the Bureau gave us, equals $5,685,000 per year and they assume that Glen Canyon will be built in 15 years, and on that basis, they are in error $85,321,500 in their cost repayment period for the operation and construction of this project.

"Mr. NIELSEN. Well, I will try to find out if there is an error there or if I can explain it, or rather, if Mr. Coe can explain it to you."

The exact computation on Mr. YORTY's point is:

Four billion six hundred and seventy-five million kilowatt-hours per year minus 3,500,000,000 kilowatt-hours per year equals 1,175,000,000 kilowatt-hours per year times $0.005171 per kilowatt-hour equals $6,075,925 shortage per year.

Six million seventy-five thousand nine hundred and twenty-five dollars per year times 15 years equals $91,138,875 shortage in 15 years.

So, with respect to power revenues alone, the project wil fail to liquidate itself in accordance with the Bureau's financial plan by over $90 million.

Mr. Coe, on March 13, 1951, filed a memorandum to the effect that it "is conceivable" that Glen Canyon "may be" into operation before Bridge Canyon, instead of 15 years after Bridge Canyon and that if it commenced only 1 year after Bridge Canyon, the project would pay out as planned. Nevertheless, he still says that the 15-year assumption is "logical."

Such an evasive "explanation" of an obvious error in the financial plan of the project does not carry conviction. Mr. Coe's memorandum is as follows:

Mr. YORTY asked a question on March 7. We have not yet replied to that question because we understood from the chairman's statement that it would be satisfactory if we lumped all the remaining questions propounded by committee members and the answers together and supplied the material for the record. We assume that the chairman's instructions in this regard now apply to all questions except Mr. YORTY's.

Mr. YORTY's question is to the effect as to why there is a difference in the contemplated power output of Bridge Canyon Dam between the 3,500,000,000 kilowatt-hours shown in the answer to question No. 13 of the Secretary's letter to Mr. Peterson, chairman of this committee during the Eighty-first Congress, and our present estimate of 4,675,000,000 kilowatt-hours under initial conditions if Glen Canyon is not built for 15 years. I point out, first, that our assumption has been that Glen Canyon Dam would be built within 15 years. That this is a logical assumption is borne out by the fact that the Congress will have before it yet this session a report recommending the authorization of Glen Canyon Dam. It is conceivable, therefore, that Glen Canyon may be authorized and constructed prior to similar steps for Bridge Canyon. With Glen Canyon, the annual production of Bridge Canyon will be 4,675,000,000. However, being as responsive as I can to the question, I state that if Glen Canyon came into operation 1 year after Bridge Canyon, there would then be 1 year during which Bridge Canyon would produce only 3,500,000,000 kilowatt-hours, providing there occurred during that

year the same water-flow conditions assumed for the derivation of that figure, namely, the year 1934. The effect of 1 year's operation at this reduced output upon the pay-out analysis of the project would be negligible. It follows, however, that every year for which there is a lag the effect becomes more pronounced, still assuming that through each of those years of lag there again was maintained the minimum flow shown for the year 1934. We feel that this is not a good nor proper assumption.

3. IRRIGATION REPAYMENT

A. The irrigators would repay only $1,700,000 of the construction cost in 75 years, or two-tenths of 1 percent (galley 6AN).

"Mr. POULSON. Will the irrigators pay any part of this construction cost?

"Mr. NIELSEN. A small part—very small.

"Mr. POULSON. What part?

"Mr. NIELSEN. The irrigators will pay on the total construction cost allocated to irrigation approximately $1,700,000 throughout the 75-year period." And this is a figure within the limits of error or accuracy of the estimates. The Commissioner of Reclamation remarked of a deficiency of $5,000,000 resulting from an irrigation rate of $4.50 per acre-foot (H. Doc. 136, p. 111):

"In view of the magnitude and complexity of the proposed project and of the long-range cost-index projection involved, this 2-percent differential is considered to be well within the limits of accuracy of estimating operation, maintenance, and replacement costs, and payment by irrigators."

The amount of water delivered by the project to district headgates is estimated to be 1,082,000 acre-feet a year (H. Doc. No. 136, p. 155). This is subject to losses between district headgate and farmer's headgate of 30 percent (H. Doc. No. 136, p. 156), making the net delivery to the farmer 675,400 acre-feet. The farmer pays only for the water delivered to his headgate (H. Doc. 136, p. 111).

Bureau Engineer Coe testified on March 1, 1951, before the House committee (galley CC31):

"The estimated average annual returns from these items would be (1) from irrigation water, $3,173,500; * * *."

This sum, divided by $4.75, gives a result of 668,105, which would represent the number of acre-feet paid for. This figure is so close (1 percent) to the theoretical 675,400 acre-feet, supposed to be delivered to farmers' headgates, as to be open to serious question. It assumes throughout 75 years:

(a) Perfection in the present estimate of the quantity of water physically available for delivery to the project, i. e., that the river will never fall short;

(b) Ideal operation and maintenance of a most complex system of delivery works which spreads across Arizona from the river to New Mexico, including a power plant, transmission lines, several pumping plants, 315 miles of main canal and thousands of miles of laterals, i. e., that through mechanical failure, act of God, or human error no part of the works will ever fail to deliver the full quantity of water now estimated; responsible engineers estimate that a deduction of 200,000 acre-feet should be allowed for this factor (statement of M. J. Dowd before House committee, March 15, 1951);

(c) Unceasing demand for the water for irrigation, i. e., that the farmers will, in wet cycles, never fail to order their full allotment, although history shows that in the 1920's their lands were oversupplied and waterlogged by the local Gila-Salt River supplies; also that the farmers will never, in depressions fail to have the money to pay, although history shows a uniform condition, in times of stress, of reclamation project write-offs, moratoria, and compromises.

B. There is another and more tangible reason for challenging the Bureau's estimate of irrigation repayments. Early in the current House hearings (March 1, 1951) it developed that the Bureau has just issued to the States in the Colorado River Basin for comment a proposed report on the upper basin storage project. In that report (USBR Project Planning Report No. 4-8a-81-0, p. 56), a new estimate of the amount of the flow of the Colorado River into the lower basin at Lee Ferry appears. This figure, 15,590,000 acre-feet is 680,000 acre-feet less than the comparable figure 16,270,000 acre-feet (galley CC27; H. Doc. 136, p. 150), which is the starting point of the calculation of water supply for the central Arizone project set out in the project report and the Bureau testimony (galley CC33).

The upper basin report was prepared by region IV of the Bureau, and the central Arizona report by region III.

The result of this discrepancy is, that on the Bureau's own method of calculation, starting with region IV's figure at Lee Ferry, instead of region III's, the quantity available for central Arizona project becomes 920,000 instead of 1,200,000 acre-feet, or a shortage of nearly 25 percent (table, galley CC37).

So, with 25 percent less water to deliver, the project would collect 25 percent less revenues for irrigation water. Irrigation revenues would fall short by $740,000 a year, or $55,500,000 in 75 years. Instead of irrigation revenues paying $1,700,000 of capital cost in 75 years, they would fall by over $53,000,000 to cover operation, maintenance, and replacement costs and even these charges would have to be subsidized, or would not be paid.

No reclamation project is conceivable, in which the farmers cannot pay for the operation and maintenance of the works.

Although it is the more recent, it is not intended to accept region IV's report as correct, rather than region III's. Both may be wrong. The fact is, however, that the Bureau is supporting the central Arizona project when its last report shows that the financial plan will not work out.

4. OPERATION AND MAINTENANCE COSTS

The two subjects just examined relate to obvious and serious errors of the Bureau of Reclamation in estimating revenues of the project. As serious and obvious an error exists with respect to the Bureau's latest showing of an important factor of cost.

The project report, which is based on prices as of July 1, 1547, shows the total cost of the project, after eliminating Bluff Dam, to be $708,780,000 (H. Doc. No. 136, p. 200). The Bureau's present estimate of total cost, based on January 1, 1951, prices is $788,265,000, showing an increase of 11 percent. (Table I, statement of Bureau Engineer Coe before House committee March 1, 1951.)

The project report, after eliminating the item for Bluff Dam, shows annual operation and maintenance costs as $4,610,000 (H. Doc. 136, p. 209). The present estimate of the same cost is exactly the same figure, $4,610,000 (table II, Coe statement).

The error is plain. It is common knowledge that costs of labor and material used in operation and maintenance of such projects has substantially increased since July 1, 1947. Data recently submitted to the House committee show that on large water and power operations of a character similar in many respects to the central Arizona project, such as those of Imperial irrigation district, metropolitan water district and the water and power departments of city of Los Angeles, labor and material costs for operation and maintenance have increased since July 1, 1947, at various rates running from 17½ to 25 percent.

Assuming that the proper rate for the central Arizona project should be only 15 percent of the Bureau's estimated $4,610,000 a year, the Bureau has underestimated operation and maintenance costs by $691,500 a year, or $51,862,500 in 75 years. The project revenues will fail to pay out in 75 years by that amount. By the same token, irrigation revenues will fail to cover irrigation operation, maintenance and replacement reserve by $330,200 a year, or over 10 percent.

Three major errors have been shown in the Bureau's estimates. The project costs will not be liquidated from project revenues in 75 years by the following amounts:

(a) Error in Bridge Canyon power production, $91,138,875.

(b) Error in water deliveries and payments for water, $53,000,000.

(c) Error in operation and maintenance costs, $51,862,500. Someone other than the irrigators must help pay, annually, irrigation operation, maintenance and replacement reserve.

Total errors: $196,001,375.

Mr. KNOWLAND. Mr. President, I merely wish to say in conclusion that this is not a controversy between California and Arizona in connection with which there is any unfriendliness; at least, there is no unfriendliness on our part. This is a conflict between three of the lower-basin States; at least, the bulk of their area lies entirely within the lower basin. They are the States of Arizona, Nevada, and California. Two of those States—Nevada and California—see eye to eye on the situation. The State of Arizona has a different point of view. I am not quarreling because of the fact that Arizona has a different point of view. I would expect Arizona to hold out for its rights if it honestly believed it had such rights, and I attribute to Arizona that honest difference of opinion. On the other side of the controversy, the States of Nevada and California should at least be accorded the same recognition of having an honest difference of opinion.

This is a very basic matter; it is one which deeply concerns the people of all three of these States. Nevada and California have tried to negotiate this matter, but the State of Arizona has refused. Nevada and California have offered to arbitrate, but the State of Arizona has refused.

When there is a difference of opinion and a difference between sovereign States of the Union, the only way by which the matter can be settled is to have it passed upon by a court of competent jurisdiction, which in this case is the Supreme Court of the United States.

Since 1947, to my own personal knowledge since I have been a Member of the Senate, we have offered several resolutions which would have brought this matter before the Supreme Court. We were willing to agree to a time limitation in that connection, namely, that we would do so within 6 months. Had Arizona not obstructed those resolutions, which were presented by California and Nevada, we would by this time have had either (a) an adjudication of this great question before the Supreme Court of the United States, or (b) a definite determination that it was not a justiciable issue unless certain things were done. I submit that by now we would be far along with this matter if it had not been for the stand taken by the State of Arizona on this point.

Mr. President, we respect Arizona and her needs. I have been in Arizona, and I admire her people. I recognize that Arizona has a tremendous problem, as

to all the other Western States, for water is their lifeblood.

Mr. President, in the 6 years that I have been in the Senate I have tried to approach all questions on a constructive basis. I say to my colleague, the Senator from Arizona, that I would be much happier if on the floor of the Senate today I could be supporting the efforts of Arizona and could be helping her get the things she needs, as I have supported time and time again, in the Appropriations Committee, the needs of Arizona and the needs of other States of the Union. However, I cannot do so on the basis of the pending bill, because, I say again—and the RECORD amply demonstrates it—this is not a sound or an economic project, and in connection with this project it is proposed to take water which is in dispute between three sovereign States of this Union.

Mr. McFARLAND. Mr. President, the remarks of the distinguished Senator from California are rather amusing to me, for he has stated that Arizona has attempted to block something, whereas, as a matter of fact, we have tried three times to have this question settled in court. I wish the people of California had been as earnest in attempting to have it settled as the Senator from California has suggested they have been.

Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HENNINGS in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Hayden	McKellar
Bennett	Hendrickson	McMahon
Benton	Hennings	Millikin
Brewster	Hickenlooper	Moody
Bricker	Hill	Morse
Bridges	Holland	Mundt
Butler, Md.	Humphrey	Nixon
Butler, Nebr.	Hunt	O'Conor
Byrd	Ives	O'Mahoney
Cain	Jenner	Pastore
Case	Johnson, Colo.	Robertson
Chavez	Johnson, Tex.	Russell
Clements	Johnston, S. C.	Saltonstall
Connally	Kefauver	Schoeppel
Cordon	Kem	Smith, N. J.
Dirksen	Kerr	Smith, N. C.
Douglas	Kilgore	Sparkman
Duff	Knowland	Stennis
Dworshak	Lehman	Taft
Ellender	Lodge	Tobey
Ferguson	Magnuson	Watkins
Frear	Malone	Welker
Fulbright	Maybank	Wherry
George	McCarran	Wiley
Gillette	McCarthy	Young
Green	McFarland	

Mr. JOHNSON of Texas. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. HOEY], the Senator from Louisiana [Mr. LONG], the Senator from Oklahoma [Mr. MONRONEY], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. SMATHERS], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from Arkansas [Mr. MCCLELLAN] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference to be held in Geneva, Switzerland, beginning June 6.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Kansas [Mr. CARLSON], the Senator from Montana [Mr. ECTON], the Senator from North Dakota [Mr. LANGER], the Senator from Maine [Mrs. SMITH], the Senator from Minnesota [Mr. THYE], and the Senator from Delaware [Mr. WILLIAMS] are absent on official business.

The Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. FLANDERS], and the Senator from Pennsylvania [Mr. MARTIN] are necessarily absent.

The PRESIDING OFFICER. A quorum is present.

UNIVERSAL MILITARY TRAINING AND SERVICE ACT—CONFERENCE REPORT

Mr. RUSSELL. Mr. President, I send to the desk the report of the conference committee on S. 1, the military manpower bill.

The PRESIDING OFFICER. The clerk will read the report.

The legislative clerk read the report.

(For conference report, see proceedings of the House of Representatives, June 7, pp. 6244–6252.)

Mr. RUSSELL. Mr. President, I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. Is there any objection?

Mr. CASE. Mr. President, reserving the right to object, I have in my hand what I am told is the only copy of the report which is available on the minority side. Looking at it very quickly, I see that it contains 15 pages of italics which purportedly constitute the new manpower draft bill or universal military training bill.

In the introduction which the clerk has read, there is no statement which permits of a comparison between the bill which was passed by the House and that which was passed by the Senate. I recognize the fact that the distinguished chairman of the Armed Services Committee and the members of that committee can, undoubtedly, answer questions which any Member of the Senate might be disposed to ask this afternoon with reference to the report, but I do not know how any Member of the Senate can intelligently ask questions as to the contents of the report or the changes which have been made in the version passed by either the House or the Senate, without having some opportunity to see it in print or to have a specific comparison between the provisions of the bill as passed and the report which is here presented in the nature of a substitute.

Therefore, Mr. President, I am very reluctant to agree that the report may be taken up at this time.

I recognize that a new Member of the Senate raising an objection at this time and under these circumstances is not regarded as conforming to the customary procedure, but I submit, Mr. President, that the report deals with a bill which purports to establish the standards for the extension of the Selective Service Act and another bill to establish some sort of a program of universal military training. The latter is a measure which is a great departure from past history and past traditions, and it seems to me that the Members of the Senate, if they want to justify the reputation of the Senate as being the last stronghold of democracy and as being a great deliberative body, should have an opportunity to see the report in print and to know what it involves.

Therefore, Mr. President, unless some persuasive reason can be given for proceeding with the report at this time, and not waiting until tomorrow, when printed copies of the report will be available, I shall feel constrained to object.

Mr. RUSSELL. Mr. President, I can well understand how the distinguished Senator from South Dakota feels. I have always endeavored to uphold the deliberative characteristics of this body. In my opinion, that is one of the distinguishing marks of the Senate which sets it apart from any other parliamentary body in the world of which I have any knowledge.

I should like to say to the distinguished Senator that there is no rule of the Senate which requires that any report be made as to the comparable language of various bills. The House of Representatives has such a rule, but the Senate does not, and I have never seen in the Senate any conference report which endeavored to do that. The conference report does not contain any feature which was not in either the House or the Senate bill, but it does represent a compromise.

If the Senator from South Dakota desires to insist on his objection, I shall not move the consideration of the report. The Senator knows, of course, that in the Senate a motion to proceed to the consideration of a conference report is not debatable. I would not have one Member of this body denied the privilege of insisting upon his right to see a printed copy of the report. If the Senator desires that consideration of the report go over until tomorrow, I shall certainly be happy to agree to that.

I should like to say to the Senator that the reason why there are no printed copies of the report available is that yesterday was a holiday, and the Government Printing Office was not in operation last evening as it is on every other week night when there is no holiday.

I have been rather occupied with some other matters in the past few days. I have felt like a juggler who stands on a one-wheeled bicycle with a ball in one hand, a hoop in the other hand, and another hoop on his foot. I have not been able to keep up with all the details, and I did not know until today that copies of the report were not available. I do not think the report does violence to any provision of the Senate bill, although the Senate conferees were compelled to yield a great deal more of the provisions of the Senate bill than the Senator from Georgia liked to surrender.

If the Senator objects, I shall not move to proceed to the consideration of the report at this time, but will let it go over until tomorrow, and ask the distinguished majority leader to hold a session tomorrow afternoon. I had

hoped that we might proceed to the consideration of the report this afternoon, because certain hearings are in progress. I had hoped that we would have all day tomorrow to proceed with the hearings, which have been running along for several weeks, and from all indications, will continue for some time in the future. There are two rather important committees of the Senate which are thus unable to deal with legislative matters, and I was anxious to save every possible minute. But we can let the consideration of the report go over until tomorrow. I should prefer to do that rather than have any Senator feel that he has not had an ample opportunity to see the report in printed form and to read it.

Mr. CASE. Mr. President, I have attended some of the hearings presided over by the distinguished Senator from Georgia, and he is doing a fine job. His conduct of the hearings reflects credit on him and adds to the reputation of the Congress.

Mr. RUSSELL. I thank the Senator.

Mr. CASE. At the same time, however, it has seemed to me that in view of the far-reaching scope of the report, the Senator from Georgia and the Senate itself would be happier if the consideration of the report were to go over until tomorrow. The Senator from South Dakota does not like to put himself in the position of actually objecting. He would much rather have the distinguished chairman of the Committee on Armed Services defer consideration of the report in view of what he himself has said, that he did not know until a few moments ago that copies of the report were not available to Members of the Senate.

Mr. RUSSELL. I am sorry, but I did not make that statement. I said I did not know until this morning that printed copies were not available. I learned that fact about 8:45 or 9 o'clock this morning. But inasmuch as the report as now presented contains such slight modifications of the bill which the Senate had passed by an overwhelming vote, I did feel that the Senate might be willing to conclude consideration of it today.

Mr. TAFT. Mr. President, I commend the Senator from Georgia for being willing to postpone consideration of the conference report. It is true there is no rule requiring a printed report. It is also true that the Senate itself has adopted a rule, which has not been agreed to by the House of Representatives, requiring the submission of a joint statement by the conferees to accompany a conference report, signed by the managers on the part of the Senate as well as by the managers on the part of the House. The Senate has thus indicated its view, I think, that there should be such a statement submitted before action on a conference report is considered. I understand that the House of Representatives is not going to meet seriously until the 6th or 7th of June any way, so there will be no real delay occasioned by the Senate's postponing consideration of the conference report.

Mr. RUSSELL. I am not at all persuaded, Mr. President, by the statement of the Senator from Ohio that because the Senate has adopted a rule which has not been considered in the House, we should adopt the policy he has indicated of filing a statement to accompany the report. That is not persuasive to me. But if any Senator wants the report to go over until tomorrow, on the ground that he has not had an opportunity to read the bill as reported by the conferees, that is persuasive. In view of the statement which has been made, I shall be happy to yield the floor, with the report pending, and tomorrow, as soon as I can obtain the floor, I shall proceed to discuss the report.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MORSE. I had hoped that the Senator from Georgia would not yield the floor. I can well understand the view of the Senator from South Dakota [Mr. CASE]; in fact, I am inclined to share that view. I think it would be wise for the Members of the Senate to have before them printed copies before they come to vote on the conference report. I do not think the Senator from South Dakota should have entertained the least bit of hesitancy in raising the point he has raised.

I should like to make a suggestion to my friend from Georgia, but before doing so I wish to say that in my opinion the greatest service rendered in the Senate of the United States at this session has been that of the Senator from Georgia [Mr. RUSSELL] and the Senator from Texas [Mr. JOHNSON] in the great leadership they have demonstrated in carrying the military manpower bill through the Senate and through conference.

Mr. President, I happen to be one who believes that this bill deals with the most important question before the country at the present time, and there should be the earliest and most expeditious consideration of the conference report. I say that as one who did not agree with the Senator from Georgia and the Senator from Texas in regard to various features of the bill. I am very happy to find that in conference they came nearer to agreeing with me than they did on the floor of the Senate. That, however, is beside the point.

What I desired to say was that they have done a great job for the Senate. I think we should take early action on the report. I think it would help the Senate if the Senator from Georgia would take advantage of the opportunity this afternoon, even though we are not going to vote on the conference report, to give the Senate an explanation of it, so that it can be printed in the CONGRESSIONAL RECORD tonight and be available to the Members of the Senate tomorrow for their study of the bill along with the report before we come to the floor of the Senate. I think it would be very helpful to us if the Senator would proceed at this time to make the explanation of the report he was planning to make so it will be in the RECORD when we come to vote tomorrow.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. McFARLAND. I have been asked at what time we would take up the conference report tomorrow. Regardless of whether the distinguished Senator from Georgia makes his explanation this afternoon or tomorrow, it is my hope we can take up the conference report immediately after the Senate convenes tomorrow at 12 o'clock noon. I make that announcement now so that Senators will know at what time to be on the floor for the conference report.

Mr. CASE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CASE. I wish to say in conclusion that I deeply appreciate the courtesy shown by the Senator from Georgia [Mr. RUSSELL]. I think it reflects credit on him and on the Members of this body.

I may suggest that it might be helpful if unanimous consent were obtained, if it is necessary that such consent be obtained, to have the report appear in the RECORD at this point.

Mr. RUSSELL. Mr. President, I was just prepared to make such a request when I deferred to Senators who asked me to yield.

The PRESIDING OFFICER. The Chair is advised that the report will appear in the RECORD as a matter of course.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MALONE. I, too, want to join with the distinguished Senator from South Dakota [Mr. CASE] in thanking the chairman of the Armed Services Committee, the Senator from Georgia [Mr. RUSSELL], for his courtesy and consideration in deferring consideration of the conference report for two reasons: First, the bill as it was originally introduced, as S. 1, by special consideration of Members of the Senate, was never considered by the committee.

A substitute for that bill was considered. The substitute was submitted by Mrs. Rosenberg and General Marshall.

The bill was of an entirely different character from the Russell-Malone S. 1, but the S. 1 was attached to it. When the junior Senator from Nevada found that the latter bill had been substituted for the original Russell-Malone S. 1, he immediately appeared before the committee and called attention to that situation, and that he disagreed with its provisions.

The universal military training provisions of the Russell-Malone S. 1 were a definite part of the bill and which was joined in by other Senators.

That is now the reason why I consider it very appropriate that consideration of the matter be put over until tomorrow, until all Senators may understand that the universal military training feature has been entirely separated from the bill itself, and that it is no longer a part of the legislation.

Mr. President, I ask unanimous consent to insert in the RECORD at this point as a part of my remarks my statement

before the Senate Armed Services Subcommittee.

There being no objections, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. GEORGE W. MALONE, UNITED STATES SENATOR FROM THE STATE OF NEVADA

Senator MALONE. Universal military training versus universal military service: Mr. Chairman, I would like to say, since the hearings are closing today, that I am disturbed by the change in the principle between the original Russell-Malone bill introduced as S. 1 and the Marshall-Rosenberg substitute. Mr. Chairman, since I was one of the sponsors of the universal military training bill, and since the substitute known as the universal military service bill, that has not even a remote resemblance to the original bill, I am compelled to appear in opposition to it.

Changes trained citizens' reserve to a professional army: The substitute completely changes the principle of the proposed military training from a trained citizens' reserve army under the UMT to a professional army under a universal military service bill.

The Defense Department conscription plan changes a civilian Reserve training policy of 4 to 6 months, or whatever the committee may have finally established, providing for alternate educational programs in colleges, academies, or officer training school, or whatever scientific training might have been chosen or to be selected, to a 27 months' continuous active service followed by 69 months Inactive Reserve duty or a total of 8 years' obligation for the entire service. The Marshall-Rosenberg substitute for the Russell-Malone bill apparently has the blessing of the State Department.

May train army in any nation any place: The Marshall-Rosenberg substitute provides for 27 months' continuous service, and that the President may send them anywhere to any nation outside of the United States for training or fighting at his discretion without consulting Congress further.

Senator JOHNSON. Training in the United States, but service can be anywhere.

Senator MALONE. I understand that nothing in the bill prohibits the President from sending the inducted troops to train or fight anywhere at any time without further approval of Congress.

Destroys civilian training units: Then automatically he enters the Reserves for approximately 6 years, after his 27 months' service. The changes destroy the National Guard and class A Organized Reserves; certainly it would tend to destroy the National Guard. The original bill would have preserved the civilian training units.

No recruits will be available to National Guard and Organized Reserves for 27 months. The civilian components will shrink to almost nothing in that time.

Practically all Reserves except Army Reserves and one-third of the National Guard have already been called to duty.

We will have a regular armed force of 3½ millions with no Organized Reserves from June 30, 1952, and thereafter. This big professional army will be too small to scare or fight Russia but it will denude our labor market and our colleges and cost billions we do not have.

The Marshall-Rosenberg substitute professional defense force will contain an estimated 1,400,000 ground troops. These cost $5,000 per year per man.

Present cost of National Guardsmen and class A Reserves is $601 per year per man.

The trained civilian army method: If all eligibles are inducted for Army training as proposed by the Defense Department bill and on completion of training one-half are chosen by lot or selection board for duty in the National Guard and Organized Reserves, the following results will obtain:

June 30, 1952

	Regular Army infantry	Civilian components
Number	1,000,000	400,000
Cost	$5,000,000,000	$240,000,000

Saving $1,760,000,000 over cost of 1,400,000 regulars.

Four hundred thousand men would have been sent home to families, jobs, and schools and for duty in the Organized Reserves.

This process can be continued until the Reserve force in being is one, two, or three million, whatever Congress thinks the threat requires.

These men will be stationed all over the United States where they will be immediately available in the event of air-borne raid or atom bombing.

Thus, we can build more long-range defensive strength against communism for less money and we can keep a large proportion of young Americans at home, on the job, and in school.

The people confused. The country is entirely confused about the Marshall-Rosenberg substitute while still retaining S. 1. My recent mail indicates the people believe that the substitute upon which the hearings have been held is the original Russell-Malone American Legion or veterans' bill, which several of us joined in introducing.

This is the third time I have joined in the introduction of the universal military training bill, but I find now the hearings are not being held on the UMT bill that was originally introduced at all. The hearings are being held on the substitute UMS bill which, while retaining the S. 1 designation, changes the entire policy and procedure and character of the Army.

The completely different principle established by the substitute UMS bill can be changed by this committee following the hearings and, of course, they can report the original bill to the Senate floor if they so desire, and I am hopeful that they will do just that.

Senator JOHNSON. The Chair would like to interject that any misapprehension the people have been laboring under is not due to anything the committee did or failed to do. We had 10 days of hearings before we had a hearing on any bill. We had hearings on the general manpower problem. At the end of that 10-day period the Department of Defense finally, at the urging of the chairman of this committee, brought forth a bill, at which time it was announced on the floor of the Senate, and in the committee, that this bill would be introduced by request. We have taken testimony on that bill, introduced by request, since that time.

It is true that the American Legion and the veterans' organizations have come here and testified on this bill, introduced as an amendment by request, and have embraced it and endorsed it, but we have never left the impression or never intended to or never wanted to convey the information to the country that we were holding hearings on the original S. 1.

Senator MALONE. Mr. Chairman, I am sure that you, the chairman, had never had any idea of any misrepresentation; but I will call to the attention of the chairman that the Russell-Malone universal military training bill was introduced on the first day bills were accepted on the Senate floor, and was before this committee from the beginning before any hearings were started, but the Marshall-Rosenberg bill was immediately substituted and no hearings were ever held on the Russell-Malone bill.

Not in accord with the substitute: Mr. Chairman, I considered it important to clarify the matter from my own personal standpoint, and to say that I am not in accord with the bill upon which hearings are now being held.

The committee of course may, if it so desires, revert to the original Russell-Malone universal military training bill, which the veterans of this Nation have supported in principle for 25 years.

Mr. Chairman, since the principle of S. 1, which I joined in introducing, has been changed from a trained citizens' reserve army to a professional army status, and that 18-year-old boys are to be inducted for 27 months' actual service plus 69 months' Reserve status, instead of a 4 to 6 months' training period, and then left at home until actually needed, I felt constrained to appear in opposition to it.

The bill under consideration by the subcommittee is not the Russell-Malone universal military training bill represented in S. 1, but it is the Marshall-Rosenberg bill supported by the State Department.

Senator JOHNSON. Thank you a lot, sir.

Senator MALONE. Thank you very much.

Senator JOHNSON. The next witness is Mr. David Whatley, an attorney of Bethesda, Md. The committee will be glad to hear from you. Afterward we expect to go into executive session.

Mr. MALONE. Under the bill approved by the conference report a committee is to be appointed by the President to further consider universal military training at a later date.

So it is entirely different than the Russell-Malone bill introduced in the first instance, which was the legislation sponsored by the veterans' organizations for 25 years; and although certain provisions they favored such as an effective National Guard and Reserve have been put back in the bill in a left-handed way, well, sort of like stuffing rags between the dry staves of a rain barrel, they are not very effective, and could be disregarded.

So, Mr. President, I join with the distinguished Senator from South Dakota in the request which was made for 1 day's delay of the report, and to which the distinguished senior Senator from Georgia has agreed.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. I wish to take a minute to make an observation respecting the point just raised as to whether there is a rule which requires a conference report to be accompanied by a statement to be signed jointly by the managers on the part of the House and the managers on the part of the Senate. The Senate adopted a concurrent resolution, providing for such a rule on April 11; I believe that was the date. I took deep interest in that concurrent resolution. I agree with the distinguished Senator from Georgia that it is not an effective rule by reason of the fact that the House has not adopted it. Yet I feel that I should not let this opportunity pass without calling attention to the importance of the House agreeing to the concurrent resolution. I am not speaking of its importance particularly with respect to this particular bill.

An analysis of the conference report was handed me, and I was agreeable to vote on it this afternoon, because, as the report will reveal, I am satisfied now that the bill is a much better bill than it was when it left the Senate. So I am not complaining about the bill itself or about the action of the conferees.

In view of the stellar work done by the Senator from Georgia [Mr. RUSSELL] and the Senator from Texas [Mr. JOHNSON], as was pointed out by the Senator from Oregon, I should like to call their attention—and when I refer to the Senators in this manner, I am not needling them, I am telling them the truth—to the fact that they can be helpful in bringing about action on the part of the House on the concurrent resolution. It is a pretty good thing to have the conference reports as they are brought accompanied by statements jointly signed by the conferees on the part of both Houses. I am fully in accord with the point raised by the distinguished Senator from South Dakota [Mr. CASE] on that point. When we have conference reports submitted in that manner, especially reports dealing with bills covering such extensive subjects, there can be no doubt what is in minds of the conferees. Then we can use our own interpretation respecting the signed report on the part of the mangers of both the Senate and the House on a bill. The concurrent resolution is a valuable one. I hope the House can be persuaded to adopt it so that we may have a rule in both Houses which will give us the benefit of the interpretation on the part of the managers of both the House and the Senate respecting such important pieces of legislation.

Mr. RUSSELL. Mr. President, I regret that my friend from Nebraska is slightly contradictory in his two statements. He first stated that we had been so successful in conference that the bill was much more to his liking; and he asked us to use the same persuasive powers which proved ineffective in the conference, in securing the adoption of the concurrent resolution by the House of Representatives.

Mr. WHERRY. I do not believe that the Senator has been defeated. I think he has been successful in securing a worthwhile bill.

Mr. RUSSELL. I am afraid my friend was a bit sarcastic when he asked us to use the same powers which had been so ineffectual in preserving all of the Senate bill, although I can assure him that the Senate conferees strove valiantly to do so. I am afraid we would not get very far with the concurrent resolution. So I suggest to my friend that he approach someone who has more influence with the House, and in that way bring about adoption of the concurrent resolution which, I may say, incidentally, is very desirable.

Mr. WHERRY. The last statement really counteracts everything the Senator has said. I still wish to let my statement stand. I know the Senator. As a conferee he suits me. I think he could get the resolution adopted in the House if he applied a little heat.

Mr. President, I ask unanimous consent that immediately following my remarks Senate Concurrent Resolution 1 be printed in the RECORD.

There being no objection, the concurrent resolution (S. Con. Res. 1) was ordered to be printed in the RECORD, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall accompany every report of a committee of conference a statement, in writing and signed by at least a majority of the managers on the part of each House, explaining the effect of the action agreed on by the committee.

SEC. 2. The foregoing section shall be a rule of each House, respectively, and shall supersede any other rule thereof but only to the extent that it is inconsistent with such other rule.

Mr. RUSSELL. Mr. President, I wish to express my deep appreciation to the Senator from Oregon and other Senators for the very complimentary remarks which they have made with respect to the efforts of the Senator from Texas [Mr. JOHNSON], chairman of the subcomimttee which conducted the hearings and wrote the bill, and to me as chairman of the Committee on Armed Services, to obtain a truly effective military manpower bill. We have striven earnestly in our efforts to obtain such a bill.

In my opinion the Senate bill was the farthest step forward that had ever been taken by either branch of the Congress in the establishment of a dependable, long-range military program for this Nation.

It provided for the needs of the hour in continuing the operation of the Selective Service Act.

It provided for the long-range defense plans of the Nation, through a universal military training program.

The conference agreement on this bill, the Universal Military Training and Service Act, is a significant advance in our long search for a program for a permanent and economical utilization of the manpower of the United States. I believe that this report is basically sound and merits the complete endorsement of both Houses of Congress.

The Senate conferees were not able to sustain all of the more desirable features of the Senate bill. We were compelled to agree to a compromise which omits some features of the bill as it originally passed the Senate on March 9. However, in my judgment the conference agreement which has been reported today retains the major features of the Senate bill without receding on any points which are of vital importance to the operation of a military manpower act.

There were a number of points of difference between the Senate bill and the House amendment by way of a substitute. They proved rather difficult to resolve. We met in conference on a number of occasions. I would not undertake to estimate the number of hours devoted to the conference, but we had complete and full discussion of all the points of disagreement.

I must say in passing that I believe the difficulties in resolving the differences between the two bodies were more apparent than real. Basically the bills sought the same objective, even though we undertook to travel different routes to arrive at that objective.

There were approximately 20 points of difference between the two bills at the outset. Some were very important. Others were relatively trivial. I shall discuss very briefly what we regard as the more important differences.

CONTINUED LIABILITY FOR THOSE DEFERRED

There was an issue on the continued liability for induction of persons who had been deferred from service or training. The provision in the House substitute provided that an individual who had been deferred for occupational reasons should retain his liability for service until he attained the age of 35 years. The Senate bill contained no such provision, but it appeared to us that the House amendment was obviously reasonable in principle, and therefore it was adopted by the conferees.

The House version of the bill contained a provision on the cutting back of the physical and mental standards of acceptability. Under the terms of this item the physical and mental standards of acceptability for persons inducted through selective service would be cut back to the standards which prevailed in 1945. The Senate bill contained no comparable provision, it being the feeling of the Senate conferees that such a cut-back should not be undertaken until all services were meeting their personnel requirements through selective service rather than the present system of selective service for the Army and enlistment in other components. A satisfactory compromise was reached by requiring physical standards to be cut back to the 1945 level. Indeed, that provision has been in effect for some time. We reduced the mental requirements from a classification cut-off score of 70 to the equivalent of 65. The House provision would have reduced it to 60.

With reference to conscientious objectors——

Mr. CASE. Mr. President, will the Senator yield before he proceeds to a new topic?

Mr. RUSSELL. I yield.

Mr. CASE. Since the Senator from Georgia has mentioned the physical and mental standards, I am wondering if he can tell us whether the conference agreement does anything to freeze into law the practice or policy announced by the Director of Selective Service, General Hershey, of instituting examinations whereby young men who attain a certain mark may be assured of deferment. Those who have written me on that subject feel that that is an unfortunate step.

Mr. RUSSELL. I may say to the Senator that there is a considerable depth of feeling on that subject, as reflected in my own mail. There is nothing in this bill which makes such educational deferments mandatory. In fact, the bill very carefully leaves with the local draft boards the decision as to deferment; and the examinations to which the Senator has referred are in no wise mandatory upon local draft boards.

Mr. CASE. So the report, if adopted and finally enacted into law, will not fasten upon the country the discrimination which many people feel is implicit in saying, "If you pass a special mental test with a score of 70 you can have your service deferred."

Mr. RUSSELL. The test to which I referred has nothing whatever to do with the so-called college examinations to which the Senator refers. I was referring merely to the minimum standard of mental acceptability which applies to those who are drafted, without regard to any deferment for purpose of college attendance.

Mr. CASE. They are the basic minimum mental qualifications?

Mr. RUSSELL. Yes.

Mr. CASE. Does the bill do anything with reference to freezing into practice or law the policy of granting deferments to students?

Mr. RUSSELL. No; it does not. I understood the Senator's question was not directed to the provision which I was discussing.

Mr. CASE. That is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. With reference to the observation made by the distinguished Senator from South Dakota, does the chairman of the Committee on Armed Services have any information as to how the local draft boards would administer the proposed provision with reference to the deferment of college students? I have had a great many letters from draft boards asking whether there will be a measuring stick used throughout the country, or whether the local draft boards would be permitted to make their own rulings.

Mr. RUSSELL. The findings of the National Selective Service System based on such examinations are in no way binding on local draft boards. They serve merely for informational purposes. The local draft boards in the last analysis will still have to pass on the question of deferment.

Mr. WHERRY. Will the national selective-service board have some sort of measuring stock for its use?

Mr. RUSSELL. There is no such thing as the national selective-service board.

Mr. WHERRY. I mean the administration.

Mr. RUSSELL. The Selective Service System is going ahead with the examinations. However, the pending bill would make it perfectly clear that any report which might be made as the result of such examinations would be merely informative to the draft board, and would in no way be binding or conclusive on any local boards.

Mr. WHERRY. I believe the administration of the Selective Service Act by local draft boards is the proper way of handling it.

Mr. RUSSELL. So do I.

Mr. WHERRY. I believe such determinations should be made on the local level.

Mr. RUSSELL. I agree with the Senator.

Mr. WHERRY. How would it operate at the local level? If the question is left for determination to each draft board, how is a draft board going to arrive at deferments?

Mr. RUSSELL. It would be left to each individual draft board. The problems in the various jurisdictions are different.

Mr. WHERRY. Does not the Senator think it would be much more difficult to administer?

Mr. RUSSELL. I have never favored having any kind of mass examinations held throughout the country and making the results of the examinations binding on local draft boards. I am very strongly opposed to it. I believe that in the last analysis we must depend on the local draft boards to deal with the problem. Of course, there will be some errors committed in some jurisdictions, but in the last analysis that is the best way to do it.

Mr. WHERRY. Where are such examinations given now? Are they given at the local level?

Mr. RUSSELL. I cannot answer the question. There has been no specific act passed authorizing such examinations.

Mr. WHERRY. I notice that young students are taking examinations. Will such examinations be given at the grass roots, or will the students be brought to some place to take the examinations? Does the Senator have any information on that point?

Mr. RUSSELL. Mr. President, if it is agreeable I should like to yield to the Senator from Texas [Mr. JOHNSON], who can supply the information on that point.

Mr. JOHNSON of Texas. If the Senator will permit me, the Director of Selective Service has announced, as the Senator from Nebraska will recall, that Selective Service System would give such tests. That announcement was made while the bill was pending. Representative KILDAY, of Texas, offered an amendment to the bill when it was being considered in the House, which was adopted. I know it will interest the Senator from Nebraska, in the light of what he has said, and if the chairman will permit me to do so, I shall read the amendment:

> No local board, appeal board, or other agency of appeal of the Selective Service System shall be required to postpone or defer any person by reason of his activity in study, research—

I skip a little—

> solely on the basis of any test, examination, selection system, class standing, or any other means conducted, sponsored, administered, or prepared by any agency or department of the Federal Government or any private institution, corporation, association, partnership, or individual employed by an agency or department of the Federal Government.

The purpose of the amendment was to make it abundantly clear that Congress did not intend to have the local draft board guided by any of the tests on a mandatory basis. If a local draft board decides that it wants to take the results into consideration in making various evaluations, it can of course voluntarily do so.

Mr. WHERRY. It may use the information.

Mr. JOHNSON of Texas. Yes.

Mr. RUSSELL. We have gone as far as we can go to protect the local draft boards in the administration of the law.

Mr. WHERRY. I thank the Senator. I believe it is a good provision.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. RUSSELL. Yes.

Mr. BUTLER of Maryland. Is the Senator from Maryland correct in understanding that the limitation on the number of persons to be deferred by reason of being in college has been eliminated?

Mr. RUSSELL. If the Senator will indulge me, I should like to read further. In doing so I shall touch on the point he has brought up. I will deal with it in a moment, if the Senator will be so kind as to indulge me.

CONSCIENTIOUS OBJECTORS

The Senate bill provided that conscientious objectors who are opposed to military service in any form should be required to do work of national importance under civilian control. In other words, Mr. President, the Senate bill contained the same provision which was in effect for conscientious objectors during World War II.

The House amendment continued the procedure provided in the existing law—I refer to the 1948 act, which has been once extended—that is, that conscientious objectors simply would be deferred. Both Houses receded from their original positions and adopted a plan whereby conscientious objectors who are opposed to military service in any form may be required by their local boards to perform for a period equal to the prescribed period of induction such civilian work contributing to the national health, safety, or interest, as the local board may deem to be appropriate. In the event the individual fails to comply, he is subject to prosecution under the penalty section of the act.

ENLISTMENT OF ALIENS

The Senate bill amended the Lodge Act so as to increase the number of aliens who may be enlisted in the Regular Army from a total of 2,500 to a figure of 25,000 per annum for 5 years. In other words, it would have been possible to enlist a total of 125,000 aliens, who of necessity would have been screened by the processes provided in the Lodge bill.

The House amendment contained no provision for the enlistment of aliens in our armed services.

The conference agreement authorizes the enlistment of not to exceed 12,500 aliens by June 30, 1955. The provisions of the existing law requiring concurrence by the Secretary of State and the Bureau of Immigration in the screening of these individuals remains in effect. These provisions are not disturbed by the conference agreement.

WOMEN IN THE ARMED FORCES

The Senate bill suspended until July 31, 1954, the existing 2-percent limitation on women in the Regular components of the Armed Forces. The House amendment contained no similar provision. The conference agreement adopts the Senate language in the form in which it was passed by this body on March 9.

In other words, we suspend until 1954 any limitation on the enlistment of women in the Regular components of the armed services.

PERIOD OF INACTION

As to the period of induction, the Senate version of the bill provided for an induction period of 24 months. The House amendment specified a period of 26 months. Here, again, the House receded, and the conference agreement adopts the Senate version, namely, 24 months.

MANPOWER CEILING

As to the ceiling strength of the Armed Forces, the Senate version of the bill contained a provision which imposed a ceiling of 4,000,000 on the aggregate active-duty strength of the Armed Forces, such ceiling to remain in effect only during the period during which the authorized strength of the Armed Forces is suspended. The House substitute contained no comparable provision; in the bill as passed by the House there was no manpower ceiling whatever. This point proved to be a very difficult one upon which to reach an agreement. However, the conferees on the part of the House have accepted the principle of a manpower ceiling, and the conference report establishes the figure at 5,000,000, instead of the figure contained in the bill as passed by the Senate.

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MOODY in the chair). Does the Senator from Georgia yield to the Senator from Oregon?

Mr. RUSSELL. I yield.

Mr. MORSE. I wish to say to the Senator from Georgia that I am particularly pleased that the principle of a ceiling, which was adopted by the Senate, has been retained in the conference report. Needless to say, I would have preferred a lower ceiling; but I wish to say that I think the Senator from Georgia [Mr. RUSSELL], the Senator from Texas [Mr. JOHNSON], and all the other Senate conferees are entitled to a word of commendation on this point, because in the debate on the floor of the Senate the Senators who subsequently were appointed to be the Senate conferees were not in favor of a ceiling; and the fact that the bill as passed by the House did not contain provision for a ceiling would have made it very easy, as I think those of us who have been on conference committees know very well, for the conferees on the part of the Senate to have compromised on that particular point.

When conferees do what the conferees on the part of the Senate have done in this respect, in placing in the conference report a provision embodying a principle which has been adopted by the Senate, even though as individual Senators on the floor of the Senate they did not vote for it, certainly they are entitled to have favorable note taken of their action on the floor of the Senate; and I do so now.

Mr. President, I wish to say that I consider it to be particularly good for the country that this check is being maintained by Congress on the military. Even though the ceiling is 5,000,000, nevertheless it is a check, and it establishes in the history of our military legislation the very important point that, after all, the military must look to the Congress for checks upon the size of the military; and when they need more men they have an obligation to come to Congress and show the need.

Let me say in passing that, in my opinion, it also demonstrates that the argument of one of the Joint Chiefs of Staff, made by means of a letter which was read on the floor of the Senate during the closing hours of the debate, as time has gone by has proved not to be a very important argument, as I contended at the time. I refer, of course, to General Collins' argument in his letter of March 7, when he said:

> In the short range, the Army would be adversely affected as to combat effectiveness and morale.

He was speaking against a statutory ceiling. Then he said:

> For want of authority to go overstrength from time to time—a condition which cannot be accurately predicted because of battle conditions in Korea and fluctuations in current international tensions, our present plans for rotation of personnel in Korea might be completely upset.

As the Senator from Georgia knows, I did not support that argument at the time. As a member of the Armed Services Committee, I knew that General Collins had already testified before the committee as to their plans for rotation under a military manpower proposal of 3,462,000, which they themselves were requesting, whereas all we were asking for was a ceiling of 4,000,000, finally; and they have gone ahead with their rotation program with an armed forces strength which today has reached only 2,600,000.

So I am glad time has proved what I thought was the obvious fallacy of the argument of General Collins, as set forth in his letter; and I hope this experience will teach the Joint Chiefs of Staff that when they throw into the debate on the floor of the Senate, in the eleventh hour, letters which they hope will influence the vote on the issue then pending, they must be a little more accurate than General Collins was in his letter.

Again I wish to say that I thank the Senator from Georgia and the Senator from Texas for making the fight for the Senate in the conference committee, and seeing to it that the principle of a ceiling is maintained in the conference report.

Mr. RUSSELL. Mr. President, at this time I shall not debate the merits of the ceiling in the manpower bill. When the amendment offered by the Senator from Oregon was pending, I stated that I thought it would be most unfortunate to have a ceiling provided in the manpower bill. That was my thought at the time when I made the statement, and I believe it to be accurate now. I did not believe it was wise to insert provision for a ceiling, and thus serve notice to the entire world as to how far we were going.

Four of the five conferees on the part of the Senate—the Senator from Georgia [Mr. RUSSELL], the Senator from Texas [Mr. JOHNSON], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from New Hampshire [Mr. BRIDGES]—voted against the ceiling, and I think three of us spoke against it on the floor of the Senate. However, Mr. President, I have always tried to be very careful in handling in conference an issue on which I have been defeated in a fight on the floor of the Senate; under such circumstances I always fight just a little harder in the committee of conference because I realize that at that juncture I am an agent and a representative of the Senate itself, and I feel bound to insist upon the position taken by a majority of my colleagues in the Senate, even though it does not represent my own view.

Of course, this was an issue which required considerable debate in the committee of conference, where is was discussed at great length. The House did not desire to have provision made for any ceiling. Four of the five conferees on the part of the Senate did not desire to have provision made for a ceiling, but they pressed as hard as they knew how for a ceiling because they were the agents of the Senate. That issue certainly had been debated thoroughly and voted on in four or five different ways in the Senate. There could be no doubt about the position of the Senate on it.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the junior Senator from Wyoming, who is a member of the Committee on Armed Services.

Mr. HUNT. As I interpret the conference report, I am led to believe that, regardless of the fact that the President may authorize the deferment of 75,000 students who are engaged in the study of medicine, dentistry, or any of the allied specialties, if the local draft boards do not see fit to defer such students, they will not be deferred.

Mr. RUSSELL. Mr. President, I think the Senator from Wyoming is undoubtedly correct; that is what the law provides at the present time. That is my understanding of this measure—namely, that we must depend upon the judgment and the patriotism of the members of the local draft boards.

Mr. President, if I had an opportunity to do so, I should like to pay tribute to those who serve on the local boards. If there is any thankless job in any community, it is the job of serving on the local selective-service board. Those who serve on those boards realize that there is no way on earth by which they can enforce the law with any degree of satisfaction to all of their neighbors. No compensation is paid to the members of the local draft boards. They do not even receive commissions which they can frame and hang on their walls. Although at times the members of the draft boards make errors, I think they are, in the main, distinguished citizens who are trying to serve their country.

Mr. HUNT. Mr. President, I should like to ask the chairman of the committee whether he feels it is simply impossible for every local draft board throughout the United States to keep itself well informed on the medical, dental, and other scientific needs of the Nation? I am of the opinion that in deleting from

the bill the requirement that 75,000 of such students shall be deferred, we shall be seriously injuring—perhaps indirectly—the health of the Nation, and as a result we may find ourselves in the same situation in which we were following World War II, and in which we are now, namely, we shall be faced with a tremendous shortage of physicians and dentists.

Mr. RUSSELL. Of course, that is entirely possible. I think the members of the local draft boards are kept fairly well informed by the various instructions and advice which come to them from the national headquarters. The Senator from Wyoming may know of instances where the local draft boards have not been kept well informed regarding deferment criteria. However, so far as I am advised as to conditions within my own State, I do not believe that is the case. The shortage to which the Senator from Wyoming refers is not, in my judgment, brought about by drafting the men into the service; it has been due to the lack of sufficient facilities for the education of dentists and physicians.

Mr. HUNT. That was not so, Mr. President, immediately following World War II, when we were graduating only 200 or 300 from our schools, within the first few years following the war, simply because the pre-medic and pre-dental student had been inducted into the service instead of being allowed to complete his education. We are today suffering from that procedure, and in case of a major war, if we followed the same procedure again the situation would be even worse, following a third world war, than it is at the present time, following World War II.

Mr. RUSSELL. That could be, Mr. President. It is a matter on which the Senator from Wyoming is perhaps as well informed as any man in Washington, D. C., certainly as well informed as any Member of the Senate, and I would defer to his judgment.

The Senate conferees argued vigorously in behalf of the 75,000 provision, of course, but the House conferees simply would not agree to any such project. If I recall correctly, they would not even discuss it with us after the first 5 or 10 minutes. We were left to talk it out on our own.

Mr. HUNT. I appreciate the position taken by the Senate conferees. I am greatly disappointed that they were not successful in their effort. I shall not attempt to have the Senate disapprove the conference report on this point, but I reiterate that I think we are making a very bad mistake.

Mr. RUSSELL. As I stated before, I attach great weight to the comment and opinions of the Senator from Wyoming on this issue. I do so on any issue, but particularly on this one, because he has made quite an intensive study of it. I hope that what he apprehends will not come to pass. But I am sure that no one desires that there shall be a dearth of physicians and dentists, and if it appears that the bill as now presented does not work satisfactorily or is likely to prove crippling in supplying physicians, dentists, and other scientific specialists who are essential to the maintenance of the American people and of the national interests, we can introduce a separate bill.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Oregon.

Mr. MORSE. I hope the Senator from Georgia will not take offense at my interruption.

Mr. RUSSELL. Not at all. The Senator from Oregon has made a great contribution in shaping the bill. A number of his views which did not prevail in the committee or on the floor of the Senate were supported so vigorously by the conferees on the part of the House that they appear in the final report, even though they were not adopted by the Senate.

Mr. MORSE. I appreciate the Senator's statement. I should be less than human if I did not say that I am very much pleased to note that the conference report comes nearer to carrying out the so-called Morse amendments to the bill than was the case when the bill passed the Senate. I am glad that in several particulars the principles of my amendments are now a part of the bill.

What I rose to say was that the one thing I seek to do is to be helpful in developing the legislative history of the bill for future reference. Consideration of the handling of the specialist students, or the need of specialists in the Military Establishment, referred to by the Senator from Wyoming, causes me to ask the chairman of the committee whether it is not true that there is nothing in the bill as now presented which would prevent the Military Establishment working out with the colleges a special training course for military draftees along the lines of the V–12 program of World War II and other similar programs, if the military should want to do it. In other words, there is nothing in this bill which says that there cannot be established a special service for the training of specialists who may be needed by the military establishments in cooperation with the colleges, if the colleges and the military can only get together. Is that not true?

Mr. RUSSELL. There is nothing whatever in the bill which would prevent any such action on the part of the military, if they had the authority.

Mr. MORSE. I may say, then, for future reference, and in the interest of the legislative history, that when the so-called deferment program for the 75,000 students was before the Armed Services Committee, there were a great many reservations in the minds of some of us as to whether that was the appropriate way to handle it. Some of us felt that it would be better to work out what we referred to as a program resulting in a marriage between the colleges and the military for special courses which would give the needed training while the young men were in uniform. I have been thinking over the problem in the months which have passed since the committee hearings, and I say now that I am not at all disturbed by the fact that the conference report does not carry the provisions of the Senate bill in this regard. To the contrary, the conference bill presents to the Military Establishment and to the colleges a great opportunity to come forward with a joint training program for the training of specialists, whether they be physicians, dentists, physicists, biochemists, engineers, or whatnot, whereby young men will receive training, in accordance with their merits, while in uniform, and will then give their military service over and above that. What the bill offers now is an opportunity, when the Military Establishment and the colleges get together on this subject for future legislation, which I think will really strengthen our whole military manpower program.

In closing, I desire to say that I hope the college presidents will face this question a little more realistically than they have done to date, because as I have come to study the attitude and the proposals of the college presidents, I have reached the conclusion that, by and large, they have missed the boat on the whole matter of special training for the specialists needed in the Military Establishment. It seems to me they have been too anxious to develop a program which did not require what I have called the direct marriage relationship between the colleges and the Military Establishment. I think they will have to come to it now, and I hope they will now get their heads together, and bring forth a program which will meet that which the Senator from Wyoming has in mind.

Mr. RUSSELL. I thank the Senator from Oregon for his contribution.

Mr. SALTONSTALL and Mr. CASE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Georgia yield, and if so, to whom?

Mr. RUSSELL. I yield first to the Senator from Massachusetts, a member of the conference committee.

Mr. SALTONSTALL. In furtherance of what the Senator from Wyoming has said, am I not correct in saying that the so-called Holloway plan, as concerns the Navy, is still in existence, and is not affected by this bill in any way? The Army has named a certain number of colleges, I do not know how many, as officers' training schools, and they are not in any way affected by the bill so far as concerns specialist training in medicine, biology, chemistry, and so on. Those programs are not programs of the military so much as they are programs which will be carried forward by the scientific groups where they are needed. They are not specifically military programs, and the young men will not be in uniform. Am I not correct in that?

Mr. RUSSELL. I do not know of any plan at this time to establish any V–12 classes in medical training, but there is nothing in this bill to prevent its being done. Such a provision was not in conference between the two Houses. I think it would be fair to say that the basic assumption of the bill is that there will be deferments by local draft boards of a sufficient number of men to fill the requirements of the civilian population in the sciences.

Mr. HOLLAND and Mr. CASE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Georgia yield, and if so, to whom?

Mr. RUSSELL. I yield first to the Senator from Florida [Mr. HOLLAND] after which I shall yield to the Senator from South Dakota [Mr. CASE].

Mr. HOLLAND. As a predicate to my questions, I should like to say to the Senator from Georgia that I compliment him and his associates warmly upon their work in connection with this difficult conference.

Mr. RUSSELL. I thank the Senator.

Mr. HOLLAND. I may say likewise that, on this particular feature, it seems to me that the conference report is an improvement over the Senate version.

The Senator will recall that when the bill was debated on the floor of the Senate, the Senator from Florida had grave doubts as to the wisdom of the provision in the Senate bill which would have required not for deferment before induction but for the giving of opportunities to not more than 75,000 of the men of each year's selection, after they had completed their basic training, and upon their having subjected themselves to a uniform examination, to be chosen by a national commission to become students in schools which turn out physicians, dentists, scientists, engineers, or even to become students in those various courses which are called the humanities. The Senator from Florida felt that program was exceedingly objectionable from several points of view. Is it now correct to say that the local boards are continued in the full jurisdiction which they had during World War II to defer before induction young men of premedical or predental training or of aptitudes in various important scientific fields so that they secure college training in those particular specialized fields?

Mr. RUSSELL. I well remember the fears expressed by the Senator from Florida when the bill was under consideration. In answer to his question, I wish to say that, in my opinion, the conference bill, if anything, strengthens the power of the local draft boards to decide upon the deferments to which the Senator refers. It contains language covering the authority of the local draft boards which was not contained in the law in effect during the war period.

Mr. HOLLAND. I thank the Senator. If I may be permitted to observe, I think that system will much more nearly assure fair geographic distribution of the students and also fair racial distribution of the students, it being my observation that particularly with reference to students of the Negro race, unless they are allowed to compete with members of their own race alone, they are very apt to be denied, in many cases, the opportunity to go to either medical or dental schools. The Senator will recall the interesting figures upon that subject which were developed by the Library of Congress sometime ago.

Mr. President, I have one more question. Is there anything in this measure which will in any way prohibit the armed services from proceeding with the program under which they now very frequently discharge inductees who have already received basic military training or who have gone beyond that stage, at the time when they are admitted to medical schools or dental schools in which they have had applications pending and for which they have perfected their preliminary work?

Mr. RUSSELL. The bill in nowise affects the regulations under which the discharges referred to by the Senator are made.

Mr. HOLLAND. If the Senator will allow me to make one more observation, the Senator from Florida feels that this will allow in a perfect way the continuation of a cooperative and understanding handling of individual cases between the armed services and the faculties of various institutions of learning who have heretofore worked together congenially in this field. I feel that with the very large number of students who have completed their premedical and predental work, amounting, as the Senator knows, to many more than the number who could be admitted in any one year or in several years, there is a tremendous pool to draw from under which either the local boards or the faculties of the schools, in conjunction with the commanders in the Armed Forces, will find a way to give opportunities to the best prepared young men, whether white or Negro, to take the professional or scientific training which they are ambitious to receive.

I commend the Senator from Georgia and his committee upon the program as reported in the conference report.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield first to the Senator from South Dakota, and then to the Senator from Maryland.

Mr. CASE. If the results of the tests are not to be obligatory or mandatory upon the local boards, why should they be given at the expense of the Government?

Mr. RUSSELL. I am sorry, but I did not hear the Senator's question.

Mr. CASE. If the results of the tests which prospective inductees were taking, and which more are soon to take, are not to be mandatory upon the local boards, so far as deferment is concerned, why should they be given?

Mr. RUSSELL. I cannot answer that question with authority. I assume the local boards might use the information as a guide, even though it does not constitute a directive. There is absolutely nothing in the bill which would enable the Selective Service to make its acceptance compulsory on the local boards. The Senator knows that long before this bill was passed, while the bill was on the Senate floor, in March, it was announced that the tests were not to be given under any provision contained in the bill. They are being given under general authority of the Selective Service Director to provide deferments deemed essential to the national health, safety, or interest. The Senator from Georgia must absolve himself of any participation in the giving of tests. I did not have anything whatever to do with the giving of the test to which the Senator has referred.

Mr. CASE. It occurs to me that something should be done to correct the impression given to people generally that the tests are going to result in deferments of the prospective inductees who are taking the tests. My correspondence indicates that many take the tests with the expectation that if they reach a mark of 87, or whatever the figure may be, they will be deferred. Furthermore, colleges have been making plans to receive students on the basis of the prospective enrollees they may have as a result of the tests. If there is any way to clarify that situation, I think the press and the country generally should be advised that the tests are not obligatory upon the local boards.

Mr. RUSSELL. They are not obligatory upon the local boards. I would not have my statement understood as saying that the local boards cannot apply them. I think a great many boards will be glad to get the information afforded by the tests, and will undoubtedly use it in arriving at deferments, whether they use it in exactly the order in which the Selective Service intends or not. Perhaps some of the local boards will follow it down to the last suggestion of the Selective Service System. But there is nothing in the bill which makes the acceptance of information gleaned from the requirements or tests which the Selective Service System may offer obligatory upon the local boards. On the contrary, there is a provision which protects the jurisdiction of local boards.

Mr. CASE. Mr. President, with further reference to educational deferments, in the galley-proof print of the conference report which I have before me it appears, at the bottom of page 11 and top of page 12, that there will be a deferment for prospective inductees who are in high school if they are maintaining a satisfactory course, until the time of their graduation, or until they reach the twentieth anniversary of their birth. Is that correct?

Mr. RUSSELL. I did not know that any point had been raised about high school students. The Senate bill contained a provision which mandatorily deferred all high school students until they had graduated or had reached the age of 19 years. The House version of the bill contained a provision which deferred them until they were graduated or had attained the age of 20 years. Some figures were introduced which showed that only a small percentage failed to graduate by the time they were 19 years of age. We accepted the House provision of 20 years, which is the same as the present law.

Mr. CASE. The next paragraph deals with deferments at a college, university, or similar institution, and a hurried reading of the paragraph suggests to me that the result of the action of the conferees is to say to a person who is in college at the time he receives his call for induction and upon the presentation of those facts to the local board, that he will be deferred until the end of the particular academic year in which the call occurs, but no longer, unless he be deferred by reason of the application of regulations promulgated by the President under the section relating to the National Security Training Corps. Is that correct?

Mr. RUSSELL. If he is in college when he receives his orders, he is deferred until the end of the academic year.

Mr. CASE. But no longer.

Mr. RUSSELL. The Senator is correct; but no longer.

Mr. CASE. Unless he comes in the scientific group.

Mr. RUSSELL. Yes, or unless he is deferred by the action of the local board.

Mr. CASE. On the basis of some other qualification?

Mr. RUSSELL. Yes, section 6 (h) of the present law.

Mr. CASE. But he has no mandatory deferment?

Mr. RUSSELL. He has no mandatory deferment other than for the scholastic year in which he is engaged at the time he receives his notice.

Mr. CASE. I thank the Senator from Georgia.

Mr. RUSSELL. I apologize to the Senator from Maryland [Mr. BUTLER]. I shall now be glad to deal with the matter he raised.

Mr. BUTLER of Maryland. Mr. President, I am very reluctant to interrupt the Senator from Georgia because I know he would like to proceed with his explanation of the measure.

Mr. RUSSELL. I am happy to be interrupted by the Senator from Maryland.

Mr. BUTLER of Maryland. I raised the point because the Senator from Georgia and the Senator from Florida raised the question in my mind. We have the question of a man who has completed his premedical college education. He has matriculated and been accepted in a medical school. He is also a member of the Active Reserve, and has gotten his orders to report for active duty. Is there anything that would defer that man from active duty in the Army?

Mr. RUSSELL. There is nothing that would make it mandatory that he be deferred, but I should think that a showing that he would be admitted to a recognized medical school, and was qualified for admission, would certainly be most persuasive in securing a delay in his call to active duty.

Mr. BUTLER of Maryland. The case I have cited is an actual one. I feel there should be some provision in the bill to defer a man under such circumstances, and make it mandatory that he be deferred.

Mr. RUSSELL. Will the Senator again state the conditions?

Mr. BUTLER of Maryland. The man has completed his academic education. He has matriculated and been accepted in an accredited medical school. He is also a member of the Organized Reserve, and as such has been alerted and has now received his orders for active duty. His draft board has deferred him, but he is now on the other horn of the dilemma. He is in the Active Reserve and has been called to duty. Should he not be exempted under this measure?

Mr. RUSSELL. I certainly think he should be deferred. I do not know whether he should be exempted, but certainly he should be deferred. I do not believe, I may say, that that is something which properly belongs in this bill. A bill will come to the Senate within a few days dealing with the Reserves. The pending bill concerns itself with the Selective Service System and the universal military training program. We will later have before us legislation dealing with the Reserve components. We hope, if the committee can get down to work on it, that we can present the matter to the Senate at an early date.

Mr. BUTLER of Maryland. This man went through the ROTC in his college, and was then certified to his unit after graduation, and a month or so ago was alerted, and now he has his actual orders. Meantime he has been matriculated and accepted in an accredited medical school.

Mr. RUSSELL. If he has been accepted in an accredited medical school I think the Army in which he is—it is the Third Army in my State—should have deferred the man and enabled him to go to school, but I know of no law which would give him deferment.

Mr. BUTLER of Maryland. I thank the Senator.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. Is it not true that when a man takes an ROTC training in a college he takes it at the expense of the Government, and he agrees to give at least 3 years of service?

Mr. RUSSELL. It depends on the type of ROTC training. Under the Holloway Act, trainees receive, I believe, $50 a month and uniform. In the ROTC units in the Army, in the Air Force and the regular Naval ROTC they receive considerably less.

There is no question about his legal obligation to serve. He has such an obligation. I have known of cases of men who were in the Army, who had enlisted in the Army voluntarily, and were members of a regular component of the Army, but when they were accepted in an accredited medical school, the Army would discharge them and permit them to go to school. That is the reason why I said I thought under the facts stated it would have been the part of better judgment to have deferred the individual to whom the Senator from Maryland refers.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. There is no mandatory provision in any law that provides for what the distinguished Senator from Maryland wants done?

Mr. RUSSELL. None so far as I know.

Mr. WHERRY. It is a question of whether or not the military authorities will defer such a man as a medical student, rather than to permit the military to take him as an active officer. Answering the Senator's question, there is not any mandatory provision that gives the relief the premedical student would like to have at this time.

Mr. RUSSELL. No; there is absolutely no mandatory law that requires such action to be taken. But I may say to the Senator from Nebraska that I am quite sure such action has been taken. Deferments have been granted in some cases.

Mr. BUTLER of Maryland. I do not want the Senator from Georgia to get the impression that the Army has turned down this particular man. It has not. His case is now pending. I wondered if there was anything in the proposed legislation that would protect him in this situation.

Mr. RUSSELL. There is nothing whatever in the proposed legislation that would affect him in the slightest degree. But if the man's record is as the Senator has stated, my judgment is that the Army will defer him.

Mr. WHERRY. Mr. President, will the Senator yield for one further question?

Mr. RUSSELL. I yield.

Mr. WHERRY. I do not wish to labor the point respecting the deferment of college students or those who are to be given technical training. When the conference report is taken up tomorrow we will thoroughly discuss that question, I imagine. I should like to say to the distinguished Senator from Georgia that, for the life of me, I cannot see why the Selective Service requires the examination to which reference has been made, or gives it, if it is unnecessary or will not be made use of by the draft boards. I cannot understand yet why that is done.

Mr. RUSSELL. Mr. President, I stated on the floor of the Senate that there is nothing obligatory or mandatory on the local draft boards with respect to the examinations referred to. But the draft boards may, if they wish, use the information thereby obtained, as a basis for deferment.

Mr. WHERRY. Have the local draft boards asked that these examinations be given? Why does the Selective Service take the initiative and give the examinations without any request on the part of the draft boards? Of course, I can see how it would be informative to a draft board that wants to defer a student, possibly, on application. I wondered if the Senator could help me by having that point clarified either today or tomorrow. I do not understand why the examination should be given.

Mr. RUSSELL. I assume it is because the Director of Selective Service thought that the information thus obtained would be helpful to the draft boards. He might have thought that this bill would emerge from Congress in such form that it would be mandatory upon the draft boards to accept these findings. The regulation was issued by the Director of Selective Service, as I recall, while this bill was pending in the Senate. When it went to the House, in order to prevent these tests from being obligatory on the local draft boards the amendment was adopted on the floor of the House in the language read by the Senator from Texas [Mr. JOHNSON] to protect the draft boards from compulsory regulation that they abide by the examination results.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. RUSSELL. I yield.

Mr. WHERRY. Where did the Director of Selective Service get the idea that it become obligatory?

Mr. RUSSELL. I am sorry I cannot answer that question. I do not know whether he thinks it might become ob-

ligatory. I was giving what I thought might be a reason. I do not know what prompted the Director of Selective Service to issue the call for the examination. I have not seen him since he appeared as a witness before the Johnson subcommittee, which was several weeks before the examination order was issued. I am quite sure that the Senator from Nebraska, if he were to call the Director of Selective Service, would be given some of the reasons which prompted him to take such action.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FERGUSON. Is there anything in the conference bill which permits the giving of these examinations and provides exemptions for certain individuals who pass the examinations?

Mr. RUSSELL. No; I read the provision which prevents the Director of Selective Service from making it mandatory on the local boards. I will read it again.

Mr. FERGUSON. No; it will not be necessary for the Senator to do that. I should like to know whether it is discretionary, not whether it is mandatory; whether the Director can give the examinations and then say that those in the upper grades shall be exempt and go to college, or that those below a certain mark shall go into the Army?

Mr. RUSSELL. I do not think there is anything in the bill which would prohibit an examination from being held, but there is a provision which prevents the Director of Selective Service from requiring that the draft boards accept the results of such examinations.

Mr. FERGUSON. Then one draft board may accept them and another draft board may reject them?

Mr. RUSSELL. Of course, that is so. We have that situation today. Some draft boards are more generous with educational deferments to college men than others.

Mr. FERGUSON. Is there now in the bill anything which permits the giving of the examination?

Mr. RUSSELL. There is nothing in the bill which would either permit or prohibit the giving of the examination. It does not concern itself with the giving of these examinations. It merely deals with the effect which such examinations might have on the local draft board.

Let me again read the language:

> Notwithstanding any provisions of this act, no local board, appeal board, or other agency of appeal of the Selective Service System shall be required to postpone or defer any person by reason of his activity in study, research—

And so forth.

Mr. FERGUSON. Does not the Senator feel that if we shall adopt the conference report, in the light of the knowledge we have as to the examinations being given and the intention of the administration to exempt from military service those attaining the upper grades, we will approve such a system, and that it will be carried into effect?

Mr. RUSSELL. Not only does the Senator from Georgia not feel that way, but he thinks that would be a most far-fetched construction. This provision was written into the bill on the floor of the House, and the argument was used that it was to prevent the very thing to which the Senator from Michigan refers.

Mr. FERGUSON. I know that the opinion of the Senator from Georgia will be given great weight in interpreting what may be an ambiguity in the bill.

Mr. RUSSELL. I do not consider it to be ambiguous. I think it is about as specific as it could be made, that no person shall be postponed or deferred by reason of his activity, study, or research. I continue quoting where I left off a moment ago—

> solely on the basis of any test, examination, selection system, class standing, or any other means conducted, sponsored, administered, or prepared by any agency or department of the Federal Government or any private institution, corporation, association, partnership, or individual employed by an agency or department of the Federal Government.

This amendment was written to prevent these examinations from being obligatory on the local board; and I think it does so as clearly as the English language could do.

Mr. FERGUSON. Then does the Senator feel that the adoption of the conference report would not be a confirmation of the proposed plan?

Mr. RUSSELL. I am confident it would not.

Mr. FERGUSON. I appreciate having the Senator's remarks in the RECORD.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. HOLLAND. Is it not the case that one of the arguments for the provision written in in the House and confirmed by the conference committee is that the problems of the Selective Service boards vary so greatly from one community to another that in one community they might have need for every man of a certain age and of good physical qualifications to meet their quota, while in another community—even in the adjoining county or area—there might be a completely different problem, requiring the local draft boards to exercise a different descretion, depending on the specific nature of the problem which they had to meet?

Mr. RUSSELL. That could have been the reason, because that condition certainly prevails. There are great variations among the different draft boards.

Moreover, I think there was a feeling that, after all, the people who live in a man's home community, who associate with him every day and who know him, are much better qualified to pass upon the question of his deferment than someone who arrives at the result by a test given on a national basis.

The Senator from Florida and I are adherents of a group which has been threatened with extinction, namely, the Jeffersonian Democrats. Of course, we believe in the largest possible measure of local home rule and self-government in the local communities of the Nation.

Mr. HOLLAND. And the program incorporated in the conference report guarantees just that.

Mr. RUSSELL. Exactly.

Mr. HOLLAND. I thank the Senator.

AGE OF INDUCTION

Mr. RUSSELL. As to the induction age, the age of induction for service in the Armed Forces and for training in the National Security Training Corps was one of the major points at issue. The Senate bill had an induction age of 18 years, with, of course, the provision with which all Senators are familiar, that it would be necessary to exhaust the pool of those above 19 before coming down to 18 years 9 months, 18 years 6 months, and so forth. The House amendment placed the age at 18½ years. The compromise agreement authorizes induction for service in the Armed Forces to begin at 18½, and induction for training in the National Security Training Corps—the so-called UMT—at the age of 18.

RESERVE SERVICE

As to the total period of service liability, under the Senate bill an individual was liable for an aggregate of 8 years of service. This aggregate included both active duty service of 24 months and time spent as a member of a Reserve component.

Under the House amendment the aggregate period was 6 years. The House receded on this point, and the conference agreement establishes the aggregate service period—that is, active duty plus Reserve service—at 8 years.

AUTHORIZED PERIOD OF ACTIVE DUTY FOR RESERVE COMPONENTS

As to the active duty of reservists, the Senate bill authorized the call to active duty of reservists for the normal induction period of 24 months. The House amendment provided that such individuals could be ordered to active duty for not to exceed 21 months, regardless of the normal induction period imposed upon all other individuals. The House receded on this point, and the conference agreement authorizes members of the Reserve components to be ordered to active duty for a period of not to exceed 24 months. The authority to order the Reserve components to active duty terminates July 1, 1953.

As to the cut-off date on selective service——

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. Would the Senator be willing to bring out at this time, in connection with the point with regard to the Reserves, the question of calling up Reserves who have had more than a year's service in World War II, or would he prefer not to discuss it at this time?

Mr. RUSSELL. I shall be very glad to discuss it.

Mr. SALTONSTALL. Does that subject come at a later point in the Senator's statement?

Mr. RUSSELL. I had intended to deal with it at a later point, but I shall be glad to deal with it now.

Mr. SALTONSTALL. Whatever the Senator desires.

Mr. TAFT. I should like to ask the same question. What the Senator has been referring to is the Reserve unit itself, as a unit.

Mr. RUSSELL. In effect, yes; not the volunteer or the inactive Reserves.

Mr. TAFT. The inactive reserves are different. Can the Senator tell us exactly the line between the active and inactive Reserves?

Mr. RUSSELL. I shall be happy to undertake to do so now.

There is a very substantial difference between inactive or volunteer reservists and the active reservists, who are normally assigned to units. The great difference is that the inactive or volunteer reservists receive no compensation whatever. The active reservists normally receive compensation based upon their attending training for a certain number of hours each month. I may say that in some cases the training is frequently book work. In addition, they receive certain credits toward retirement, whereas the inactive reservist does not normally receive the same credit toward retirement unless associated with a volunteer unit. The difference is that the inactive reservists normally get no pay and no credit toward retirement. The active reservists receive some compensation and credit toward retirement. That is the difference between them.

Mr. FERGUSON. Mr. President, will the Senator yield on that point?

Mr. RUSSELL. I yield.

Mr. FERGUSON. Does a man who enlists become an inactive reservist, or is he in a different category?

Mr. RUSSELL. His enlistment would have nothing whatever to do with it. As a matter of fact, most of the men entered the Reserves when they came out of the service, at the time they were released from active duty. Many of the services urged that the men go into the inactive Reserves, and thousands of them did so.

Mr. FERGUSON. A reservist is entirely different from a man who voluntarily enlists and does not go through Selective Service.

Mr. RUSSELL. A person could well become a volunteer reservist without first being inducted through selective service. If he is in any branch of the service, whether he is a volunteer or comes in through selective service, he may later become an inactive or volunteer reservist when released from active duty.

Mr. FERGUSON. When the Senator answers those questions, will he include in the answer a statement as to whether or not a person who has enlisted and has been in the service, let us say for a period of 3 years, will be able voluntarily to leave the Army?

Mr. RUSSELL. Does the Senator mean to sever his connection with the Reserve unit?

Mr. FERGUSON. Yes, after 3 years. Let us say that his term of 3 years expires in July of this year, and that he went in voluntarily. Would this bill keep him in longer, or could he voluntarily withdraw?

Mr. RUSSELL. Under the terms of this bill when a person who has served 3 years under a voluntary enlistment comes out of the active service he is automatically placed in a reserve status for a period of 5 years.

Mr. FERGUSON. Then he may be taken back as a reservist?

Mr. RUSSELL. Yes; but only in the event his recall is authorized by Congress.

Mr. SALTONSTALL. A man who enlisted for a 3-year period prior to a certain date—I forget the exact date——

Mr. RUSSELL. Prior to the passage of this act.

Mr. SALTONSTALL. Prior to the passage of this act. If my memory serves me correctly, when he comes out he is free from any reserve duty, is he not?

Mr. RUSSELL. Yes.

Mr. FERGUSON. He is free?

Mr. RUSSELL. He has no further obligation.

Mr. FERGUSON. Does that apply to all grades?

Mr. RUSSELL. Yes.

Mr. FERGUSON. To officers, as well as to enlisted men?

Mr. RUSSELL. Yes; it applies to all grades and ranks.

Mr. CASE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CASE. As the Senator is aware, when the Korean War broke out, there was considerable difficulty caused by the calling up of reservists who were on the inactive list before calling up those who were on the active list or members of organized units.

Mr. RUSSELL. Yes.

Mr. CASE. Does the bill establish any priority of call in such situations which may arise hereafter?

Mr. RUSSELL. No; it does not. There are separate bills pending in the two committees which deal with the establishment of a permanent Reserve system, which contain priorities. The only priorities which the pending bill establishes is with reference to the release of inactive or voluntary reservists who are on active duty today. It would give them prior release from duty. I can turn to that provision now if the Senator would prefer me to do so. I have not yet reached it in order.

Mr. CASE. I would prefer to have the Senator from Georgia proceed in his own way.

Mr. RUSSELL. The final major point of disagreement, or at least one of the major points of disagreement—and perhaps the word "conflict" is a better word to use—between the two versions was the House provision for arbitrarily returning members of the inactive or voluntary Reserve who qualify as World War II veterans under the 1948 act to their homes at the completion of 12 months of service.

The Senate, and more particularly the Senate conferees, recognized that many injustices have been done to thousands of our reservists, who saw long tours of duty during World War II since the recall program began in July 1950.

The Senate Committee on Armed Services has repeatedly insisted to the Chiefs of Staff and to the secretaries of the several services, as well as to the Secretary of Defense, that the services should formulate a program for the release of these inactive reservists which would alleviate such inequities at the earliest possible moment. Each of the services formulated a program for the release of such reservists. The programs went into effect within the past 30 days, I believe. The particulars of the program have been released to the public. The great bulk of the voluntary or inactive enlisted reservists who saw duty during World War II, who desire to return to civilian life will be returned to their homes or will be released according to a definite and clear-cut return program.

I think I should interpolate at this point that there are some small groups of men who are in critical specialties who are not being released under this program. However, they are relatively few in number.

Insofar as the Army and Air Force are concerned, the returns will be completed within a year after entry on active duty. Those two great branches of service, that is, the enlisted inactive and volunteer reserves will be released within 12 months. The Navy will release its inactive volunteer reservists as soon after 12 months as trained replacements are available.

Mr. TAFT. Is that 12 months after the passage of the act?

Mr. RUSSELL. It is 12 months from the time they were called to duty after June 25, 1950. None of the reservists was called back until late in July. As a practical matter, it would run from some time in late July.

Under the conference agreement a limit or deadline of 17 months is established. After the passage of that time all inactive or voluntary reservists must be returned to their homes. Of course, we make it perfectly clear by the language of this bill that this 17-month maximum period is not intended to be used as an excuse for retaining the men, but that it is to apply to those who have not yet been returned in accordance with this program, which, as I have said, is 12 months in the case of the Army and Air Force, and as soon after 12 months as the replacement is provided in the case of the Navy.

Mr. FERGUSON. The 17-month period applies to the few specialists to which the Senator has referred?

Mr. RUSSELL. No. If the Secretary of one of the armed services finds that any individual—I can conceive of a man who is an interpreter, for example—is essential to the maintenance of the combat effectiveness of the service to which the individual belongs, he could hold him.

Mr. FERGUSON. For how long a period?

Mr. RUSSELL. For a period of up to 21 months.

Mr. FERGUSON. So there is, first, the 12 months, then the 17 months, and then the 21 months for the specialists who are retained by orders of the Secretary of Defense?

Mr. RUSSELL. If a finding is made that such a man is essential to the maintenance of the combat effectiveness of the Army, Air Force, or Navy.

Mr. FERGUSON. That would be up to 21 months, then?

Mr. RUSSELL. Yes.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. Yes.

Mr. SALTONSTALL. Perhaps the Senator has made his point clear, but I am not certain he has done so. Therefore, I should like to ask him whether it is not correct to say that there is nothing in the bill which deals with the programs of the Army and the Navy with respect to the 12-month period. It is a program. The conference report only refers to the 17 months, although there is a program with respect to enlistees under which they would be released after a year.

Mr. RUSSELL. I tried to make it clear that a program had been formulated in the Department of Defense, which was due to the insistence of the Committee on Armed Services as much as to any other individual factor.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. TAFT. Does the 12-month provision apply only to enlistees, and not to officers?

Mr. RUSSELL. It applies only to enlistees. The 17-month period applies to all. Take, for example, the Air Force. They had to call up many pilots who were reservists. They had specialized training in the flying of airplines. If they had to release those officer pilots, it would have been disastrous. The Air Force was trying to increase its strength from 500,000 men to more than a million. It is essential that the Air Force has trained pilots. However, within 17 months they must release the officers. The 12 months applies to enlistees in the Air Force.

Mr. FERGUSON. Could it be possible that it would be 24 months, instead of 21 months, for the so-called specialists?

Mr. RUSSELL. It would be 24 months for those who would be called up hereafter. Under the existing law, it is 21 months.

Mr. FERGUSON. Those who came in afterward would have to serve 24 months?

Mr. RUSSELL. Yes; they could be kept in serve for 24 months if they were essential to the maintenance of the combat effectiveness of the service, whether it be the Army, the Navy, or the Air Force. It is a drastic finding, I may say.

Mr. FERGUSON. The Secretary of Defense would have to make such a finding?

Mr. RUSSELL. No; the Secretary of each component service. It would be the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force.

Mr. FERGUSON. I understand. I thank the Senator.

CUT-OFF DATE FOR SELECTIVE SERVICE

Mr. RUSSELL. Mr. President, as to the cut-off date on selective service, the bill as passed by the Senate contained no expiration date for selective service, whereas the House amendment provided that inductions into the Armed Forces through selective service could not be made after July 1, 1954. This issue proved to be a rather controversial one; it was the subject of long discussion. Finally the conferees agreed to the House amendment, so as to cut off inductions under the Selective Service Act on July 1, 1955, rather than July 1, 1954, as provided in the original House substitute.

PROGRAM FOR TRAINING 75,000 STUDENTS ANNUALLY FOR 3 YEARS

As to the provision for the deferment of 75,000 students, the bill as passed by the Senate contained a provision for selecting from among persons who had completed their basic training, 75,000 students during the next 3 years, and these students were to have the remainder of their military service obligation suspended until they had completed their studies or research. The House substitute did not contain a similar provision. The conferees on the part of the Senate were unable to secure any form of compromise on this program, and the conference report entirely eliminates the provision.

PROVISIONS FOR UNIVERSAL MILITARY TRAINING

Although the bill as passed by the Senate and the bill as passed by the House are in complete agreement on the desirability of accepting a permanent program of universal military training, yet the measures for the implementation of such a program varied considerably as between the House and the Senate versions of the bill. The basic difference lay in the fact that the bill as passed by the Senate gave universal military training an unqualified green light as of the date of the enactment of the bill. Although the Senate was clearly aware of the fact that some implementing legislation would be necessary, the bill as passed by the Senate did not prohibit the program from getting under way until such provision had in fact been enacted.

On the other hand, the House amendment, although solidly supporting the philosophy of universal military training, required that a second look be taken at the proposition by the Congress before any inductions could be made into the National Security Training Corps.

This basic point of disagreement between the Senate provision, which adopted universal military training now, and the House provision, which required that a second look be taken, was the rock upon which the conferees almost suffered a catastrophe; we nearly foundered on that rock.

As chairman of the committee of conference, it therefore gives me great pleasure to report that this issue has finally been resolved. The conference report in no way withdraws congressional endorsement of universal military training; however, it does recognize what we have always clearly understood, namely, that some additional implementing legislation will be necessary before the program can actually begin. Some of this legislation must be put on the statute books before any inductions are made into the National Security Training Corps, to receive this training.

The conference agreement provides for establishment of the National Security Training Commission and outlines its responsibilities and duties. Particular care has been taken to assure that the Commission, although establishing the policies and standards which govern the National Security Training Corps, does not write the detailed military program. The military program is made the responsibility of those who are best qualified to prepare it, namely, the Department of Defense and the three military services.

The agreement provides that within 4 months after the Commission has been confirmed by the Senate, the Commission must submit to the Congress its legislative recommendations which will govern the policies, standards, code of conduct, death and disability benefits, and other essential elements of such a program. These legislative recommendations must be acted upon by the respective committees within 45 days and must be reported to the two Houses. After they are reported, they go on the calendar as measures of the highest privilege which may be called up at any time on the motion of any single Member of either House.

The conference agreement does not prohibit the universal military training program from getting under way until all of these legislative recommendations shall have been enacted. It does provide that it cannot get under way until two of the recommendations—the code of conduct and measures outlining death and disability benefits for trainees—are adopted by the Congress. Inductions cannot be made until these measures, and any portion of the other measures, have been enacted into law.

A final condition precedent to the making of inductions would be the finding that the period of service for persons under age 19 could be either reduced or eliminated. Of course, it would be necessary that this be done before the program could be effective.

Mr. SALTONSTALL. Mr. President, if the Senator from Georgia has finished discussing the universal-military-training item, I should like to ask a question of him, if he will yield.

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). Does the Senator from Georgia yield to the Senator from Massachusetts?

Mr. RUSSELL. I am glad to yield.

Mr. SALTONSTALL. Perhaps the Senator from Georgia would wish to discuss this matter more in detail. Is it not true that in connection with the legislative requirements of the code of conduct, the safety measures, and other measures, a concept of the entire policy and plan is that the military training in and of itself will not necessarily be subject to legislative recommendations. Do I make my point clear?

Mr. RUSSELL. I do not think it is essential that the training program be made the subject of legislative recommendations.

Mr. SALTONSTALL. No; just the opposite is the case.

Mr. RUSSELL. That is correct.

Mr. SALTONSTALL. The theory is that under the broad outline which the Commission will have to submit within 4 months of its appointment, the military part of the program will be under

the military, and, we hope, will not be subjected to specific congressional recommendations.

Mr. RUSSELL. Of course, the intent of the committee of conference—and I may say I do not think the Senate was alone in that respect, although we differed as to the kind of language necessary to secure the desired result—was that the civilian commission should have broad, overall supervision of the national training program, but that the military aspects of the program should be under the military. That was what we sought to achieve by the language adopted in the conference report.

In other words, this is a program of military training, and we do not desire to see it become, some kind of indoctrination center for certain ideas or philosophies or a natural-education program or something in the nature of a great works-projects program. We wish to see to it that the military features of this training are military and are under the control of the military, without interfering with the general over-all supervision by the civilian commission.

Mr. SALTONSTALL. Mr. President, will the Senator yield further?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. It is the concept of the Senator from Georgia, is it not—as it is mine—that the legislative recommendations and the legislative acts coming from them should not, we hope, prescribe and define the military training?

Mr. RUSSELL. I should think it would be most unfortunate for the Congress to undertake to write military training details. We have neither the background nor the knowledge which would enable us to prescribe for military training. In the past Congress has never sought to write out a course of military training for the Air Corps, the Marine Corps, or any other branch of the armed services; and I see no reason why we should depart from the precedents in that respect.

Mr. SALTONSTALL. The theory of having the Commission set forth the broad outline is to have it inform Congress as to what is planned in the form of training, so that it can establish a legal code of conduct and can provide various safety measures and all the other protective features which go with establishing a new corps. Is not that correct?

Mr. RUSSELL. The language is "a broad outline for a program deemed by the Commission, and approved by the Secretary of Defense, to be appropriate to assure that the training carried out under the provisions of this act shall be of a military nature; but nothing in this paragraph shall be construed to grant to the Commission the authority to prescribe the basic type or types of military training to be given members of the National Security Training Corps." I think that makes it very clear what our purpose was. Of course, we cannot bind this Congress, not to speak of any subsequent Congresses. If they were to undertake to enter the field of writing a military program, I assume that they could do it, but in my opinion it would be a very foolish step.

Mr. SALTONSTALL. What I was trying to bring out in conjunction with the Senator from Georgia was the fact that we hoped the military would care for the military training, and that it would not be interfered with by the civilian members, nor by the Congress.

Mr. RUSSELL. If I got the sense of the conference, it was that each member of the conference, from both Houses, was of opinion that the military should have control of the military training aspects of this program.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Michigan.

Mr. FERGUSON. Then, will the Commission, which is to be composed in part of military members and in part of civilians, have the right to determine the length of period of training?

Mr. RUSSELL. Of course not. It is written out in the law. It is 6 months.

Mr. FERGUSON. It is prescribed in the law, is it?

Mr. RUSSELL. It is, and it is 6 months.

Mr. FERGUSON. So the Commission will not have either the time or the actual mode of training under their jurisdiction. Is that correct?

Mr. RUSSELL. They will not have, as to the military details.

Mr. FERGUSON. Am I correct in understanding the Senator to say it must all be military training, not civilian?

Mr. RUSSELL. I do not know that it goes quite that far, but I certainly gave it that construction. It does not say there cannot be any civilian training, because there is a rather thin line of demarcation there.

Mr. FERGUSON. I appreciate that.

Mr. RUSSELL. That is, if it is desired to train a man how to string a telephone wire for the Signal Corps, for example, or to give a young man training so he will be a valuable reservist in communications in the event of the outbreak of war, that would be civilian training; but the bill makes it perfectly clear that the training shall be basic military training in its nature.

Mr. FERGUSON. Therefore the military alone would determine what the training should be, would it not?

Mr. RUSSELL. Yes, as to the military training.

Mr. FERGUSON. If there were to be other kinds of training, could the Commission as well as the military determine what the other kind of training would be?

Mr. RUSSELL. Let me read the language to the Senator. I shall read the language to the Senator from Michigan:

> The Commission shall, subject to the direction of the President, exercise general supervision over the training of the National Security Training Corps, which training shall be basic military training. The Commission shall establish such policies and standards with respect to the conduct of the training of the members of the National Security Training Corps as are necessary to carry out the purposes of this act. The Commission shall make adequate provisions for the moral and spiritual welfare of members of the National Security Training Corps. The Secretary of Defense shall designate the military departments to carry out such training. Each military department so designated shall carry out such military training in accordance with the policies and standards of the Commission.

Here is the important sentence:

> The military department or departments so designated to carry out such military training shall, subject to the approval of the Secretary of Defense, and subject to the policies and standards established by the Commission, determine the type or types of basic military training to be given to members of the National Security Training Corps.

Mr. CASE. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield to the Senator from South Dakota.

Mr. CASE. Will the status of privilege which the Senator has said this bill provides for the recommendations of the Armed Services Committee prevent the consideration of amendments at that time?

Mr. RUSSELL. No. As a matter of fact, the bill specifically authorizes amendments to any part of it.

Mr. CASE. Could the affirmative action be in the nature of a concurrent resolution, or would it require a regular bill to be passed by both Houses and signed by the President?

Mr. RUSSELL. It would be in the nature of a law or an act.

Mr. President, the conferees feel that the adoption of this report by both Houses and its approval by the President of the United States will not only provide for our temporary needs through the selective service, for a training and service program, but it will make it possible for the armed services to initiate their long-range planning for universal military training, and to begin developing immediately the detailed techniques which it will require.

We have provided a system for an orderly phasing in of universal military training rather than for an arbitrary initiation of the program at some future time after a complete demobilization of our present active-duty forces.

Additionally, the features most essential to the successful operation of the program—a sound code of conduct and equitable death and disability benefits—must be enacted by the Congress before inductions may commence.

Mr. President, in presenting this report in behalf of the Senate conferees and the Senate Committee on Armed Services, I wish to submit that this program will enable us not only to meet the present requirements of a large active-duty force but to build an adequate and well-trained reserve over the coming years. For events have all too clearly reemphasized, since the onset of the Korean episode, that our military security is irrevocably meshed with a program for the systematic building of a reserve of trained manpower.

At the present time, while we have several million reservists, we have no real Reserve program; and the lack of such a program has resulted in the hardships of which we have heard so frequently. Here were the services, looking for re-

servists; they would reach into some community, where there might be two reservists living across the street from each other. One might have a wife and two children; the other might be unmarried. The Departments did not even have sufficient information to tell where the greater hardship lay, and, from the cases which have been brought to my attention, it seemed that their capacity for selecting the worst hardship cases was considerable, to say the least. We must establish in this country a real Reserve program. We must do it for the reason that a real and complete Reserve program will enable us in time of emergency to avoid multiplication of the hardship cases of those called to service. We must do it, Mr. President, if we would not disrupt the civilian economy of the United States.

This Nation cannot indefinitely carry the burden of maintaining an armed force of 4,000,000 or 5,000,000 men on active duty, with all the costs thus incurred. We cannot do it by resorting to a large short-term civilian establishment having a rapid rotation, or by undertaking to create a large permanent professional army the members of which will follow the science of warfare as life careers. We must follow the thought which was in the contemplation of the first President of the United States, George Washington, who envisioned a system of trained Reserves rather than the maintenance at all times of a large Regular Military Establishment.

The plan which we have offered is not as direct and positive a solution of the problem as was the original Senate bill, or as I should like to see it, but I believe, Mr. President, that the plan we have suggested is sound and workable. It affords Congress an opportunity to see the nature of the code of conduct which will be put into effect, and provision will be made for benefits for men in the universal military training before any inductions are made.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HOLLAND. Mr. President, I share the regret of the Senator from Georgia that the program as reported by the conference for universal military training is not as direct, definite, and certain as was provided for in the Senate bill, but if I correctly understand, the conference measure does definitely lay a predicate for a universal military training program, and with that conviction underlying, I should like to ask this question of the distinguished chairman of the Armed Services Committee:

Is it correct to say that, under the conference report, whenever the state of our national preparedness is such in relation to our international situation that the selectees, when called to service, will not be needed more than 6 months, then universal military training shall come into existence under this program which is established under the conference report?

Mr. RUSSELL. That is generally a fair statement of the effect of the conference report.

Mr. HOLLAND. Is it further correct to say that the time limitation upon the machinery which was described so ably by the Senator and which is included in the conference report with the purpose of bringing back to the Congress specific measures on the code of conduct and with respect to death and disability benefits, is such that that machinery will certainly function so quickly as to have ready a completed program for universal military training before the time will be reached when the selectees need not serve more than 6 months?

Mr. RUSSELL. I certainly think that is the case. If we have any degree of good luck at all there is no reason why much of the machinery for this system should not be well along before the end of this session of the Congress.

Mr. HOLLAND. I greatly appreciate that expression on the part of the distinguished Senator, and I should like to ask one more question on an unrelated portion of the military-manpower program. Perhaps I missed it, but I did not hear the Senator comment on that part of the Senate bill which related to the National Guard of the several States. Are we to understand that there is no change in the conference report from the provisions of the Senate bill relating to the National Guard?

Mr. RUSSELL. None whatever. Every protection thrown around the National Guard by the original Senate bill is retained in the conference report.

Mr. HOLLAND. I thank the Senator.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FERGUSON. Does the conference report establish an age limit?

Mr. RUSSELL. Yes.

Mr. FERGUSON. Is it 18 years?

Mr. RUSSELL. That is correct.

Mr. FERGUSON. Suppose a young man has not finished high school at that age; does he wait until he finishes high school?

Mr. RUSSELL. Yes. He is deferred.

Mr. FERGUSON. Until he finishes high school?

Mr. RUSSELL. Yes, or until he reaches the age of 20 years.

Mr. FERGUSON. So he cannot remain in high school longer than age 20 years?

Mr. RUSSELL. I think most boys ought to be able to finish high school by that time.

Mr. FERGUSON. Yes. I wondered if there was a loophole there.

Mr. RUSSELL. We give them every opportunity to finish high school before they are called into service.

Mr. President, I hope that on tomorrow the report will be agreed to by the Senate and that it will then meet with favorable action on the part of the House of Representatives. I think, as I have stated, that it provides not only for the present emergency, but for a long-range military program. It will save money; but, more than that, in my opinion, it will save the lives of American youth. It will avoid again placing them in a position where it will be necessary to induct men immediately, taking them from their homes without proper training, and exposing them to enemy fire on some far-flung battlefront. It will put us in a posture of defense so that the whole world will know that we have a reserve program that will enable us within a few days—not a few months or a few years—to assemble an armed force able to function efficiently for the protection of our liberties and the discharge of our obligations as free people.

It has been said by many distinguished Americans, one of the most recent being Gen. Douglas MacArthur, that if we had had universal military training in this country it is altogether possible that World War I and World War II might have been avoided. We offer the report, Mr. President, in the hope that its adoption will avoid world war III or any other great catastrophe that might cause the whole world to be again on fire; but should these disasters come upon us, we feel that because of this program we will be better prepared to cope with them. It will save not only money, but American lives, will impose on us only a burden we are able to bear, and will contribute to the day of permanent and lasting peace on earth.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I was about to yield the floor. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Is there not one more thing? If the universal military training measure becomes effective, will it avoid the sending back into service of men who served in a previous war, thus taking them away from their families because we do not have sufficient number of trained youth?

Mr. RUSSELL. It would unless we were engaged in a world war of such proportions that it would be necessary to summon every bit of our manpower. It would certainly prevent it in such a situation as we have today.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FERGUSON. It would depend upon the size of the military force, would it not?

Mr. RUSSELL. That is what I have said, that we must have a force necessary to assure us victory.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. McFARLAND. I desire to compliment the Senator from Georgia upon his excellent explanation of the conference report, and I particularly commend him for what he has had to say about universal military training. I think it is time the people of the United States realize that if we are going to have a lasting peace, we must have proper preparedness, with conditions as they are today.

Mr. RUSSELL. I thank the Senator, and I associate myself completely with his statement. I yield the floor.

The PRESIDING OFFICER. The conference report will lie on the table.

DEDUCTIONS TO BE DRAWN FROM HEARINGS ON THE REPLACEMENT OF GENERAL MacARTHUR

Mr. HICKENLOOPER. Mr. President, in view of the fact that the matter of hearings before the Foreign Relations Committee and the Armed Services Committee which are currently under way has been discussed on the floor by a few Senators, I feel compelled to give certain views of my own, in brief summary, as to the correctness and reasonableness of deductions that can be drawn from the hearings to date. I do so at this time because apparently at least one phase of the hearings has been substantially concluded, namely, the military position and the military explanation of the administration in connection with the relief of Gen. Douglas MacArthur. I think the record in broad measure should be brought up to date. I shall not attempt to document each and every occurrence by quotations from the record. That would necessitate the presentation of an interminable instrument. But I shall attempt to review what in my judgment has happened up to this time, and what the reasonable conclusions from the evidence should be.

Mr. President, for the past 5 weeks I have devoted most of my time in attendance at all the hearings of the Armed Services and Foreign Relations Committees, sitting jointly, relative to the summary recall of Gen. Douglas MacArthur and the foreign policy of the United States in Korea and the Far East. I was tremendously impressed by General MacArthur's address to the joint meeting of the two Houses of Congress. My opinion as to the soundness of the general's views was further strengthened by his 3 days of testimony before the committee. The record clearly shows that General MacArthur testified without any rancor toward anyone; that he was fully responsive to all questions; that he separated fact from opinion, and that he presented professional military views for attaining sound objectives in Korea which inspire me with confidence.

Senators from both sides of the aisle had unlimited opportunity to interrogate General MacArthur. In no instance was there any confusion in the information received as a result of such interrogation. There was no "policy vacuum" in General MacArthur's testimony.

Since the testimony of General MacArthur the administration has produced its official family of military stars—General Marshall, Secretary of Defense; General Bradley, Chairman of the Joint Chiefs of Staff; and the Joint Chiefs of Staff themselves, General Collins, Chief of Staff of the Army; General Vandenberg, Chief of Staff of the Air Force; and Admiral Sherman, Chief of Naval Operations. And unless other reasons develop, it appears as though the military testimony of the administration is at an end.

I desire to recall for the RECORD that I moved, at the close of General Bradley's testimony, that the Joint Chiefs of Staff be requested to indicate in writing where they might disagree with the evidence given by their superiors. I anticipated that there would be no substantial disagreement in any major field by the Joint Chiefs of Staff with their superior, the Chairman, or with their superior, the Secretary of Defense, and I thought that repetitious testimony by the three Joint Chiefs of Staff, merely going over and restating what their superiors had already laid down as a line of testimony, would be a waste of the committee's time and of the Senate's time, and that we might well canvass it by trying to ascertain where their disagreement occurred, and questioning them on that point.

My motion was voted down by the committee, but I submit to any candid observer that the record of the past week and a half sustains my position. I believe that the Joint Chiefs, by their own statements and definitions as to the circumstances surrounding this affair, have been placed in an untenable position. I believe their testimony has been confused and confusing.

It is my conviction that when the Secretary of State takes the stand tomorrow, as I understand he will, we shall begin to get at the heart of the matter, and at the political maneuvers surrounding Asiatic policy.

Lest we allow the testimony of the past 20 days, however, through sheer weight to becloud the issue, I believe it essential at this time concisely to state those things which have been proved thus far.

First. The question: Why was General MacArthur recalled, or as some say, Why was he fired?

(A) According to the official military testimony, after the President had indicated an intent to relieve MacArthur, the Joint Chiefs of Staff concluded that General MacArthur was not in sympathy with the decisions to try to limit the conflict in Korea. This would make it difficult for him to carry out the Joint Chiefs of Staff's objectives. It was necessary to have a commander more responsive to control from Washington.

It is to be noted, significantly, that the Joint Chiefs of Staff had not concluded in this manner prior to the time they learned that the President desired to relieve General MacArthur, and prior to April 5, 1951.

Apparently, then, MacArthur had violated something, some military instruction, directive or policy, but the Joint Chiefs have never been able in their testimony to agree fully as to just what, if any, violations clearly warranted the recall of MacArthur.

Moreover, someone unknown had to point out the military significance of this violation to the Joint Chiefs of Staff, because before April 5 the Joint Chiefs, by their universal testimony, never considered that there had been violations of any significance by General MacArthur which would warrant a consideration of his dismissal.

They have also universally testified that after the 5th of April General MacArthur committed no acts which, in their opinion, would warrant his dismissal from a military standpoint. As I have tried to point out, and as others have tried to point out in the hearings, if their position is tenable or supportable, then they might well be accused of not performing their full function if conditions existed before the 5th of April which, in their opinion, would have warranted his relief, and they did not so recommend before the 5th of April. They all testified that they never considered the matter of his relief prior to the 5th of April. They made no recommendations prior to the 5th of April. They only concurred after the political heads of the Government had determined that MacArthur's political head was coming off as well as his military head.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. BREWSTER. Was it ever possible to determine where the original suggestion came from that the Joint Chiefs should consider this matter?

Mr. HICKENLOOPER. No. That is one of the mysteries which often occurs. Men in important positions quite often can remember everything that seems to sustain their position, but often they are unable to remember matters which might not contribute to sustaining their position. In this case his memory failed General Bradley as to who made the very important telephone call to him on the 5th of April that General MacArthur was going to be relieved. It occurred to me that the proposed recall of General MacArthur would be a very important thing in our whole international and global policy. I presume that in the press of other business it slipped the witness' mind as to who had made this mysterious call. Perhaps it is explainable. Nevertheless, he is unable to recall who put in the call on this very important matter.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. FERGUSON. Was it shown what department called General Bradley?

Mr. HICKENLOOPER. No. The general cannot even remember what department called him; whether it came from the White House, from the Chief of Staff of the Army, or other source. He said the other day it might have come over the ticker.

Mr. FERGUSON. Will the Senator explain what is meant by "the ticker" so the RECORD will be clear? The Senator does not mean the UP, the AP, or the International News Service, does he?

Mr. HICKENLOOPER. I do not know. The record is silent on that point. The record shows that it might have come over the ticker. Perhaps the committee was a little careless in not asking what kind of a ticker it was, but that is the way the record stands. I do not know whether it was a commercial newspaper teletype machine or otherwise. But the general's memory is faulty on that point.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. Does the Senator have a further question?

Mr. FERGUSON. I have a further question along that line.

Mr. HICKENLOOPER. I yield to the Senator from Michigan.

Mr. FERGUSON. I am wondering why the Chairman of the Joint Chiefs

of Staff would take it up with the respective members of the Chiefs of Staff organization if such a message came over a news ticker. How would that put in motion the stating of the proposal to the Joint Chiefs of Staff?

Mr. HICKENLOOPER. I will say to the Senator that it is mysterious to me. I shall have to confess that perhaps there was some dereliction in not pursuing that question to its ultimate. However, we did pursue it with the general to the point of fatigue, I should say, in attempting to stimulate his memory by asking if it were this person or that person. The general could not remember. He could not remember whether it came from this department or that; and the record is left that he has an absence of memory as to that particular occasion.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. BREWSTER. At the time he originally brought up this question, in reply to a question as to when he first heard the suggestion as to the possible relief of General MacArthur, he stated that it came by telephone call.

Mr. HICKENLOOPER. It came from someone—someone he could not remember—over the telephone. That was his best memory at first. Later he said it might have come over the ticker.

Mr. BREWSTER. That was the next day, I think.

Mr. HICKENLOOPER. I am a little confused on the matter myself.

Mr. BREWSTER. I believe that the mention of the ticker was the next day. Does it seem probable that General Bradley would have summoned the Joint Chiefs of Staff into conference immediately, as he did, within 1 hour after the telephone call, or whatever it was which brought it to his attention, to consider whether or not they would concur in the relief of MacArthur, unless the call had come from a highly responsible authority? Is it conceivable that General Bradley would have plucked it out of the air, either from the ticker or from a casual telephone call? Is it conceivable that he would have called the Joint Chiefs of Staff together unless the call were from a highly responsible authority, presumably superior to him in the Government?

Mr. HICKENLOOPER. Of course, it is inconceivable that General Bradley would have acted on an unsupported rumor reported by some person downtown in a casual telephone call to the Office of the Joint Chiefs of Staff.

Mr. BREWSTER. That is inconceivable, is it not?

Mr. HICKENLOOPER. I think reason would dictate—although I cannot state what the fact is, except that there is a lack of memory—that the Chairman of the Joint Chiefs of Staff would not call the Joint Chiefs of Staff together on the basis of an unsupported telephone call, the origin of which he cannot now remember, 2 or 3 months later.

Mr. BREWSTER. If it had been the President of the United States who had called him, does the Senator think there would have been any question that he would have recalled it?

Mr. HICKENLOOPER. I believe he was asked if it was the White House or the President, and I believe he said that he could not recall.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. HICKENLOOPER. I yield for a question. I have a tentative understanding with the majority leader that I will not delay the recess of the Senate for a long time.

Mr. KNOWLAND. I do not expect to detain the Senator. I merely wish to clarify the record.

Does not the record clearly show that after General Bradley testified on the first day when the question was taken up that he had received a telephone call but he did not remember who had called him, either that afternoon or the following day the Chairman of the Joint Chiefs of Staff was closely questioned as to whether or not it was a fact that a log was kept of all telephone calls into the Office of the Chairman of the Joint Chiefs of Staff, and he stated, "That is correct, with the exception of the telephone calls which come from the White House. Of those no records are kept."

Mr. HICKENLOOPER. The Senator is correct, according to my memory. However, as to the statement that no logs of calls were kept with respect to the calls which come from the White House, I should want to check the record to be sure whether or not General Bradley included in the same category calls from his superior, the Secretary of Defense. My memory is not clear on that point. I remember the statement about the White House. In that respect, the Senator from California is correct. In all other cases a log is kept of the calls, showing from whom they come.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. FERGUSON. Was the log for the particular day produced in the record, so that the facts could be boiled down so as to determine that the call came either from the Secretary of Defense, according to the Senator's memory of the testimony, or from the White House, according to the memory of the Senator from California?

Mr. HICKENLOOPER. No. That log has not been requested as yet.

Mr. FERGUSON. So the record is not complete upon that point.

Mr. HICKENLOOPER. The record is inadequate, I may say to the Senator from Michigan.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield to the Senator from Maine.

Mr. BREWSTER. Is it not a fact that Secretary of Defense Marshall had already testified when this question came up, so that it was not possible to inquire of him as to whether or not he had made the call?

Mr. HICKENLOOPER. Secretary Marshall was not fully interrogated. The Senator will recall——

Mr. BREWSTER. He is to return later.

Mr. HICKENLOOPER. The Secretary of Defense took the stand. I do not know whether he was a third through with his testimony or half through, but he had a previous engagement on a day which had been set aside to honor him at VMI. He will be back.

Mr. BREWSTER. And it will be possible to inquire of Secretary Acheson and Ambassador Harriman as to whether or not they are familiar with the call.

Mr. HICKENLOOPER. Yes. I hope that before the conclusion of the hearings we shall be able to find that memories have been stimulated or records will become available so that we can get at the facts.

Returning to the line of thought which I was developing, it became apparent from the testimony that in the opinion of the Joint Chiefs of Staff, as they stated, General MacArthur had failed to comply with some Presidential directive to clear statements on policy before making statements public. As the testimony reflects, this is obviously a political matter and a political field. In my view the Joint Chiefs of Staff, individually and collectively, went out of their military field in attempting to justify their position in this matter "from a military point of view." It is to be recalled that the testimony is clear. They were not asked to testify as to political justification for this act. That is, they were not asked to concur from a political standpoint. They were asked to concur solely from a military standpoint. When they went afield and went into political considerations, I believe that was outside their strictly military responsibilities.

As a corollary to the second reason, the Joint Chiefs of Staff stated that General MacArthur had also taken independent action "in proposing to negotiate directly with the enemy field commander for an armistice and had made that statement public despite the fact that he knew the President had such a proposal under consideration from a governmental level."

In the testimony the Joint Chiefs of Staff and the military men all agreed that in the past, in the history of wars and battles, it has been customary from time to time for field commanders to call directly upon the enemy in the field in an effort to secure a surrender. Twice before MacArthur had done so. On one occasion he had been directed to do so, and at another time it had been suggested that he call upon the Red Chinese for a surrender in the field. It was shown by the evidence that we were scattering millions of pamphlets almost daily over the line demanding the surrender. Yet, because MacArthur again called upon the Red Chinese to surrender or to discuss the terms of surrender, his head came off, for the reason apparently that some political maneuver had been violated.

There is no military violation in calling upon the enemy to surrender. Any commander who does not do that when he thinks the enemy should surrender and when he has the power or threat of power to compel his surrender, is derelict, in my judgment, and subjects his own men to unnecessary sacrifice, death, and destruction.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. BREWSTER. Has not General Ridgway been distributing similar pamphlets since taking over?

Mr. HICKENLOOPER. I cannot recall any direct testimony bearing on that question. I assume he has, because it has been customary to do so since the action has been going on.

It was further made clear by the testimony that if the President had made up his mind about any proposals to be made to the Chinese, the text of the proposals was entirely unknown to the Joint Chiefs of Staff or to General MacArthur. This morning further confusion arose because, as I recall the testimony, the other Joint Chiefs of Staff said they knew nothing about the text of the proposals, and that all they knew was that the State Department was proposing a statement which the President might make. However, it is significant that this morning Admiral Sherman said, in effect, "Sure, it is right here. The message to MacArthur was written with this in mind." It is very confusing.

Mr. FERGUSON. Could the Senator make it clear?

Mr. HICKENLOOPER. As I recall the testimony of the other members of the Joint Chiefs of Staff, they said they had no knowledge of what the text of the so-called proposed statement was which the President was to make at the suggestion of the State Department. In other words, they did not know what the text was.

Mr. FERGUSON. That is, the President's proclamation?

Mr. HICKENLOOPER. It is all very mysterious. There was supposed to be a statement, proposed by the State Department, to be issued by the President, which was to be eventually approved by certain nations, calling upon the Red Chinese to surrender and to talk peace.

As the Senator will recall, a message was sent to General MacArthur by the Joint Chiefs of Staff, saying that the State Department proposed that the President issue a statement looking toward peace negotiations.

As I recall, at least two members of the Joint Chiefs of Staff testified that they had no knowledge of the text of that proposed statement which the State Department was getting up for the President to issue. They said they knew nothing about it. However, the testimony this morning of another member of the Joint Chiefs of Staff, Admiral Sherman, made the contrary clear. He did not hedge. He said, "Yes. I have it right here. It was in the Department. The message to MacArthur was based on this statement."

Mr. FERGUSON. The admiral of the Navy, who was a member of the Joint Chiefs of Staff, produced the document?

Mr. HICKENLOOPER. Yes.

Mr. FERGUSON. Is it a part of the public record?

Mr. HICKENLOOPER. I do not think it is a part of the public record.

Mr. FERGUSON. It is a part of the secret record?

Mr. HICKENLOOPER. I do not think it is a part of the public record. However, the document is in existence.

Mr. FERGUSON. So it is in the censored record.

Mr. HICKENLOOPER. I am not discussing the terms of the proposal.

Mr. FERGUSON. I am not asking about the terms of it. I am asking where it came from.

Mr. HICKENLOOPER. According to the testimony this morning, the Joint Chiefs of Staff had it.

Mr. FERGUSON. Does the testimony now indicate that the document which went to General MacArthur on the 20th of March was made up from this document?

Mr. HICKENLOOPER. No; not necessarily. I may have inadvertently stated that. However, the notification to General MacArthur was made under the knowledge on the part of the Joint Chiefs of Staff of this document. I think the evidence is clear that the document was known to them. As I shall show a little later, the terms of the proposed document were never sent to General MacArthur. All that he was told was that the State Department was preparing a proposed announcement.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. Yes.

Mr. FERGUSON. Is there anything in the public record to indicate why the document itself was not sent to General MacArthur in the field?

Mr. HICKENLOOPER. No; not that I recall. The point is that he had no knowledge of its terms. I do not know whether he has any knowledge of its terms today.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield for an observation?

Mr. HICKENLOOPER. Yes.

Mr. SMITH of New Jersey. As I recall the testimony, the document was being considered by Admiral Sherman and by other members of the Joint Chiefs of Staff, as well as by other persons who were present, perhaps, on the question of what should be contained in the suggestions to be made to the 13 or 14 other nations involved in the Korean situation. It was never sent to MacArthur. Some of them thought it had been. In earlier testimony they implied that MacArthur had received a copy of the negotiation terms. We established definitely today and yesterday in the testimony that MacArthur never had a copy of the negotiation terms, as Admiral Sherman indicated. The only document MacArthur received was the cablegram which said that the State Department was planning a Presidential announcement to the effect that the U. N. were considering negotiations for a cease-fire order in Korea at the time, or something to that effect.

Mr. HICKENLOOPER. I thank the Senator. I believe he has substantially stated the facts.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. Yes.

Mr. FERGUSON. Is there any testimony which shows that the Joint Chiefs of Staff were consulted as to the terms of the document which was produced by Admiral Sherman this morning, and whether they were asked for advice or consulted about it?

Mr. HICKENLOOPER. I cannot recall any evidence on that point. I would hesitate to answer yes or no. It is my opinion that the document was in the possession of the Joint Chiefs of Staff. I think the evidence shows that much. Whether they were asked for advice or counsel, I do not know.

Mr. KNOWLAND. Mr. President, I think the record is clear to this extent, that on the 20th of March they had sent to the Supreme Commander in the Far East a message which stated in effect that the State Department was preparing a Presidential announcement. I believe the record is clear to that effect. It is based on the fact that on the 19th of March they had before them an instrument which apparently had come from the State Department, about which they were consulted. The document which Admiral Sherman presented to the committee yesterday was not made public, and I think properly so, at the moment. At least it would not have been presented to the committee without that understanding. I will say in fairness that the senior Senator from California agreed that it should be made a part of the official committee hearings. He felt it would not be presented unless that kind of agreement was attached to it. It is a part of the record now. I think it is fair to say, however, that the record is not clear that the Joint Chiefs of Staff at the particular meeting at which they decided to send the message to General MacArthur the following day were discussing anything other than the Presidential pronouncement. A Presidential pronouncement is far different from terms of negotiation. I think it is important to keep the difference in mind.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. I thank the Senator from California. He has been very much interested in the details. I wish to join him at this time in saying that keeping the document thoroughly confidential or secret was agreeable to me at the moment.

I now yield to the Senator from Michigan.

Mr. FERGUSON. The Senator from Michigan has not been attempting by any of his questions to get at the terms of the document. The Senator from Michigan would like to know whether or not there is any evidence which shows that the Joint Chiefs of Staff, after they received the document from the State Department, rendered an opinion or gave advice regarding that document, which opinion or advice could be used by the State Department and by the President, in getting in touch with the other nations who are our allies, so that the President and the State Department might be better able to determine what the military aspects of the negotiations were, and so that they could use such military advice in their contacts with the military and political heads of the Allied Nations.

Mr. HICKENLOOPER. In the light of the testimony of the other members of the Joint Chiefs of Staff, it may be said that the effect of their testimony was that they did not know what the

contents of this document were; and, of course, it is obvious that if they did not know what the contents were, they could not render any opinion on it.

However, in the light of the testimony which has been received today from one member of the Joint Chiefs of Staff, namely, Admiral Sherman, who testified that that document was before them, it remains unclear whether they actually rendered a report on that matter.

There is testimony to the effect that General MacArthur's offer of a surrender or an armistice vitiated the whole business, and the document was withdrawn.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

The PRESIDING OFFICER (Mr. MOODY in the chair). Does the Senator from Iowa yield to the Senator from Michigan?

Mr. HICKENLOOPER. I yield.

Mr. FERGUSON. Is there any testimony in the committee record to date which shows that either our Secretary of Defense or the Chairman of the Joint Chiefs of Staff, or both, or the Joint Chiefs of Staff themselves, ever were in conference with the military heads or any person in connection with the military establishments of the foreign powers which are allied with us in the struggle in Korea, so that they might formulate a policy on the war in Korea?

Mr. HICKENLOOPER. It is my recollection that from the military standpoint there is at least no substantial evidence along that line. It may be possible that there has been some suggestion that in regard to certain details of operations, some military person from our country talked to some others. However, so far as that point is concerned, the Senator from Maine [Mr. BREWSTER], the Senator from California [Mr. KNOWLAND], and the Senator from New Jersey [Mr. SMITH], who now are in the Chamber, are members of the committee; and if they have a distinct recollection that there is some evidence of that sort, I should like to know it. I think there may have been some casual conversations on that subject.

Mr. BREWSTER. Mr. President, if the Senator will permit, let me say that Admiral Sherman testified this morning that he did communicate, apparently with his opposite number, some military aide, about what he did not think was necessary.

Mr. HICKENLOOPER. I think there are isolated instances at a lower echelon, rather than at the policy-making level. In that respect, there are indications of some conferences in regard to military operations.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. KNOWLAND. Is not the record clear and, in fact, in that part undisputed, that when the United Nations adopted the resolution and asked the President of the United States to appoint a supreme commander, whom he did appoint shortly thereafter, when he first appointed General MacArthur, the United States was designated in fact as the operating agency for the United Nations, and that therefore the responsibility for the military operations flows through the United States high command—the Joint Chiefs—through General Collins, the Chief of Staff of the Army, out to the supreme commander in the Far East, so that in effect we are the operating agents from a military point of view?

Mr. HICKENLOOPER. Yes; that is correct.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. I yield.

Mr. FERGUSON. Since we do direct the military forces in Korea, of course we direct the military operations there.

We are being told, as shown in the committee record, that from time to time things which we should like to do are not done because our Allies will not go along with us on the political or the military level in regard to certain things which, under the original appointment, we would have the power to do. Is there any evidence that there has been around-the-table discussion of the various things in which it is supposed that our Allies do not join us, either from a political or from a military aspect? That is why I inquired about the consultation, through the United Nations, between the top military officials for the United States and the top military officials for our Allies.

Mr. KNOWLAND. Mr. President, if the Senator from Iowa will permit, let me say that I agree with him. I think there is no substantial evidence on that score in the committee record to date. As I have said, I think the record is clear that we were to be the operating agent.

I agree with the first part of the Senator's statement, when he said that certain recommendations which we had made were, in effect, vetoed at Lake Success. I assume that was done at Lake Success by the political representatives of the 13 or 14 nations which are associated with us, rather than by what we might call an international high command. There is no evidence that the top military commanders of the 14 nations which are involved were the ones who made the decisions to which the Senator has referred, but those decisions were made on a political basis, perhaps after consultations with the home governments.

Mr. FERGUSON. Is it not possible that tomorrow, when the Secretary of State, who is the head of the United States political agency which is doing the negotiating, will appear, he will be able to explain what has actually been done along that line with the United Nations and with our allies?

Mr. KNOWLAND. Whether he can explain what was done, I do not know, but I think it is clear that the Secretary of State undoubtedly will be asked for the information because on quite a number of occasions when the members of the Joint Chiefs of Staff have testified or when General Marshall has testified it has been pointed out that those decisions dealt with the political or the foreign-relations end of such matters, and that therefore the military witnesses were not the most competent witnesses in regard to them.

Mr. FERGUSON. I thank the Senator.

Mr. HICKENLOOPER. Mr. President, earlier in my remarks today I pointed out that the military phase of the administration's testimony has come at least to a temporary close, and that the Secretary of State will follow, and therefore we may look forward to obtaining some view of the political manipulations which have occurred in connection with our oriental policy. So I think at least we shall be able to inquire about that.

Mr. FERGUSON. Mr. President, does it not seem that matters of such great importance would have been submitted in writing by the political head, the Secretary of State, to the Joint Chiefs of Staff for their analysis and advice in writing upon these important subjects?

Mr. HICKENLOOPER. I would think so.

Mr. FERGUSON. Does the Senator now say that as the record now shows, after the investigation into the military aspects, those points were not submitted in writing, and replies or advice in reply were not received in writing?

Mr. HICKENLOOPER. The answer to the question as to whether they were advised in writing is made uncertain by the testimony given today by Admiral Sherman, who says that the proposed document was in the hands of the Joint Chiefs of Staff. Certainly I know of no evidence that they did give their advice in writing. That point is not clear.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. BREWSTER. Is it not clear that one point—a matter which I did not realize before—has been brought out, namely, that the United States was appointed as the agent for those operations?

Mr. HICKENLOOPER. That is correct.

Mr. BREWSTER. What limitations were imposed in regard to our responsibility have not been made clear, so far as I know; but is it not clear that at one point all the authorities in the United States Government—the Joint Chiefs of Staff, the Chairman of the Joint Chiefs of Staff, the Secretary of State, the Secretary of Defense, and the President—were agreed in regard to the hot pursuit of Communist jet planes which were coming over the border and were attacking our forces? Is it not clear that they were in agreement that our planes should be permitted to engage in hot pursuit of those Communist jet planes, which had come over the border and already had shot down five of our B–29's, but that that decision was vetoed at the United Nations by five unknown, anonymous diplomats there, who said they did not approve? Is not that correct?

Mr. HICKENLOOPER. I do not have the public record before me; I do not know what was deleted from or what was put into the public record.

Mr. BREWSTER. Is that a matter which has been censored? I thought it had been widely discussed.

Mr. HICKENLOOPER. Yes; it has been widely discussed.

Mr. BREWSTER. If I have trespassed upon the province——

Mr. HICKENLOOPER. I simply do not know about the particulars. I do know the answer to the Senator's last question.

Mr. BREWSTER. I had read so much about it in the press that I thought I was more informed outside the record than I was in it.

Mr. HICKENLOOPER. I know the answer to the Senator's question. There are deletions in some sections.

Mr. BREWSTER. I read this from the record. Then I shall take another point to inquire about.

Mr. HICKENLOOPER. If the Senator is positive in his own mind that this part of the matter was released for publication——

Mr. BREWSTER. I should like to reserve to myself an opportunity of examining it, and I should like to examine it. I shall ask that the record here be suspended until I can verify that.

Mr. HICKENLOOPER subsequently said: I may say to the Senator from Maine that I have received reliable information that the question of hot pursuit has been released in the public hearings, and that the position taken by the Senator in his question about all our military and political people in this country agreeing that hot pursuit should be put into effect, and that it was stopped by the failure of other nations to consent, is correct. The Senator's assumption is correct.

Mr. BREWSTER. I ask unanimous consent that this statement by the Senator be placed immediately at the conclusion of the earlier discussion of this matter, so it will be clear in the RECORD that there was no trespass upon the restricted matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BREWSTER. I will ask whether Admiral Sherman has not stated that he has been consistently urging for 6 months that we adopt far sterner measures of control in the economic field, in regard to Chinese Communist shipments of war material, and that the Allies have declined thus far to approve. I know that is in the released record, because I have just read it there, myself.

Mr. HICKENLOOPER. Yes; that is correct.

Mr. BREWSTER. So that, in this instance, apparently, while we are the agent to conduct this operation, we have to submit many of our proposed measures to the United Nations for consideration.

Mr. HICKENLOOPER. Yes. I think it is abundantly clear that in our military activities in Korea we are under the constant restraint of being required to get the approval of other nations regarding any major step which we may take there. But so far as the privilege of having American mothers' sons die in Korea for the nations of Europe and for other nations of the world, we do not have to get their approval. We are privileged to do that, without any let or restraint by the other nations of the world; but to establish a program which will end this war, at least the only sensible and sound program which has been proposed to end the fighting in Korea, we must follow the dictates of our allies, who are in token support of the physical sacrifice America is making.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield to the Senator from Michigan.

Mr. FERGUSON. Is there anything in the record—and I am always referring to the public record—which indicates why we have not set up a body of Joint Chiefs of Staff with our allies, as we are proposing to do, and as we are doing at the present time with General Eisenhower in cooperation with the other nations in Europe, where we do not have a war? We have a war in Korea, together with other nations of the United Nations. There is no body of Joint Chiefs of Staff in Korea, where we actually have war.

Mr. HICKENLOOPER. That is true.

Mr. FERGUSON. But we have Joint Chiefs of Staff in Europe, where we do not have any war. Has an explanation of that been furnished for the RECORD?

Mr. HICKENLOOPER. That subject has not been explored, I may say to the Senator.

Mr. KEFAUVER. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield to the Senator from Tennessee.

Mr. KEFAUVER. The Senator from Tennessee asked Admiral Sherman about that very point this morning. I believe the Senator from Iowa was not present at the time. He referred to the Joint Chiefs set up by virtue of the North Atlantic Pact, particularly under the provision for a defense council, and he explained that it would be very difficult to set up a similar arrangement under the military command of the United Nations because of hostility to the operation on the part of one of the nations having a right of veto in the Security Council. But Admiral Sherman testified that it would of course be a more satisfactory operation if a joint-chiefs arrangement between us and our allies could be established. That was in the report of his testimony this afternoon.

Mr. FERGUSON. Mr. President, will the Senator from Iowa yield in order that I may ask the Senator from Tennessee a question on that point?

Mr. HICKENLOOPER. I ask unanimous consent that I may yield to the Senator from Michigan for that purpose without losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FERGUSON. Is there anything to indicate that this could not be done voluntarily among the nations who are fighting in Korea, that is to say, that we have Joint Chiefs of Staff, and that we have military advice upon important questions, so that we would not be finding continually that the political situation would not allow a certain voluntary military action to be taken, such as the matter of hot pursuit, which has been described in the record?

Mr. KEFAUVER. That matter has not been fully explored, so far as I know. Admiral Sherman said this morning that in connection with the naval operations of the campaign he had conferences with the naval personnel of other nations. But I should think it would be very difficult to set up, on a voluntary basis, an arrangement of that sort which had no political or legal backing. Although there has been very little testimony on the subject, I should think that, in order that we and the friends with whom we are associated in the struggle could have an over-all body of joint chiefs of staff, certain rules of the game would have to be laid down by law or by appropriate actions on the part of the governments of the various nations, before any decision they made could be very binding.

Mr. FERGUSON. Mr. President, will the Senator permit me to ask him a question?

Mr. KEFAUVER. Certainly.

Mr. FERGUSON. If the Senator will check the Pearl Harbor hearings, he will find that, prior to the attack on Pearl Harbor, we had voluntary agreements with Britain, Holland, and, I believe, France, under which plans were drawn up for the Pacific area; and they were all made under voluntary agreements. The several Chiefs of Staff were working together voluntarily, laying out the plans, which are a part of the official record. I am wondering why that could not be done now, when we are at war, much easier than when we were merely preparing for war, as we are doing in connection with the integration of an international army in Europe under General Eisenhower.

Mr. KEFAUVER. If I may intrude further upon the time of the Senator from Iowa, my impression from the testimony is that, to some extent, anyway, the military plans in Korea have been devised through joint consultation with some of the military personnel of our allies. Certainly that is true with regard to naval operations. I should think it would be difficult, in the absence of a treaty or other formal arrangement laying down the rules of the game, to conduct joint military operations under decisions of a joint group which would be binding upon the United States and upon all the other participating nations. But the Senator has another idea about it, and he may be right.

Mr. HICKENLOOPER. I thank the Senator from Tennessee. I was away from the hearings for about half an hour this morning, and I did not recall any questions having been asked by the Senator from Tennessee, so I apparently was away at the time he was interrogating the witnesses and I thank him for calling attention to the fact that he had explored at least a portion of that testimony, which I have not yet read.

Now, the third reason advanced by the Joint Chiefs of Staff was that—

> They * * * have felt and feel now that the military must be controlled by civilian authority in this country. They have always adhered to this principle and have felt that General MacArthur's actions were continuing to jeopardize the civilian control over the military authorities.

As a matter of fact, the record is replete with testimony indicating that the reverse is true, and that General MacArthur, beyond a shadow of doubt, in his every act, was subservient and

obedient to orders from civilian authorities of this Government. This reason advanced by the Joint Chiefs of Staff is not only completely unmilitary, but it is sheer fantasy, so far as any evidence or proof in the record is concerned.

The Joint Chiefs' military case against MacArthur fails utterly, in my judgment, when we realize that the record reveals that at no time and in no way did the Joint Chiefs of Staff or any other member of the military or civilian branch of this Government communicate with General MacArthur criticizing specifically or generally his conduct of military or administrative matters in the far eastern command. To the contrary, the record is crammed with laudatory messages from both the President and the Chiefs of Staff addressed to General MacArthur commending his conduct as a military leader and as the administrative head of the Japanese Islands.

General MacArthur, in addressing the Congress, stated that basically his military views were held by most military men, including the Joint Chiefs of Staff. Those were certain views which he delineated and announced. There is no doubt, from reading the record, that this point is completely and utterly sustained. There was discussion between General MacArthur and the Joint Chiefs of Staff from time to time as to whether to move up to the Yalu River, as there was on other military questions, but in no instance did the Joint Chiefs disagree with General MacArthur to the extent of issuing a directive or instructions, as it was within their authority to do, asking him to perform an action with which he was in disagreement. I say again that there is no evidence in the record that that ever occurred.

I might say that the four major recommendations to which General MacArthur referred in his address at the joint meeting of the Congress were the same as were contained in a more extensive study and series of proposals submitted to him by the Joint Chiefs of Staff, dated January 12, and read to him by General Collins in Tokyo, in the company of General Vandenberg, I believe, on the 15th of January 1951. They were read to General MacArthur as a tentative program. The document provided that "the following steps are to be taken to implement this program." The report of the Joint Chiefs of Staff said that General MacArthur concurred in these proposals. So we have the Joint Chiefs proposing and General MacArthur concurring.

The evidence is clear, affirmative, and undisputed that at no time did the Joint Chiefs of Staff notify General MacArthur that these proposals had been changed, altered, or withdrawn. Therefore, when he said before the Congress, as he did, that he had reason to believe that the Joint Chiefs of Staff concurred in the proposals which he set out, the record is clear that he had every reason to conclude that they did concur, because they had been in agreement on the 15th of January as to these proposals, and he had received no word or intimation that they had ever been in disagreement from that time until the time he appeared before the Congress of the United States.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield for a question.

Mr. BREWSTER. Is it not true that Admiral Sherman testified this morning that 13 of the 16 points had already been carried out?

Mr. HICKENLOOPER. That is correct; he so testified, as did General Marshall and as did General Bradley and other witnesses. The overwhelming majority of the points contained in the recommendation of January 12 to which General Marshall was referring when he said he was in concurrence with the Joint Chiefs of Staff have been carried out. There is no question about their concurrence.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. WHERRY. Does the Senator know whether the present military leadership is bombing bases in North Korea?

Mr. HICKENLOOPER. There is no question that they are bombing certain installations in North Korea. The Senator used the term "bases." I assume they are bombing marshaling points north of the thirty-eighth parallel.

Mr. BREWSTER. I think they are doing that today.

Mr. HICKENLOOPER. There is one place which, for some mysterious reason, has not been bombed, except once, and then the orders were withdrawn. I have not received an adequate reason for that.

In summary of point 2, Mr. President, the question of why General MacArthur was fired remains a mystery. The testimony of the military leaders, after 5,000 pages of testimony, has proven that it was not because of any views within our Military Department, since they did not initiate the request for his removal, and because, obviously, as the testimony has revealed, the heavy hand of the State Department has made itself apparent.

On the subject of why MacArthur was removed, the words of General Collins seem to sum up the military position:

> General MacArthur's relief was not caused by any irritation between the Chiefs of Staff and General MacArthur.

That, among other things, completely sustains the position that the cause was not the result of a military situation, but that the dismissal was completely a political head rolling.

Mr. President, who initiated the recommendation that General MacArthur be fired? After 5,000 pages of testimony from our military leaders, it is incontestable that in the opinion of our military men General MacArthur is one of the most brilliant military geniuses this country has produced. None of our military men had any part in initiating the recommendation that MacArthur be removed. Obviously, the action which they took was merely to justify, from a military standpoint, the preconceived action of the administration.

As yet it is impossible to determine who initiated the recommendation that General MacArthur be fired, but at least the testimony to this date has settled once and for all the question of who did not initiate it. That is just as clear as the record can be. The military did not initiate, instigate, or recommend it in advance of the decision that General MacArthur should be relieved. That much is clear, Mr. President. It is clear as to who did not initiate it in that particular segment of our Government.

How was he fired? The testimony has borne out the conclusion of the American people that MacArthur has been shabbily treated. Far from confusing this issue, the testimony has merely strengthened that conclusion. Every officer who has testified thus far has stated that in his opinion the procedure followed in the summary removal and dismissal of General MacArthur was regrettable. That is very formal military talk, in my opinion, for what some of us in Middle West would call a very "bum deal."

It is personally regrettable to me that again we are faced with "forgetful" generals. I regret that in many instances, when important questions were asked, our high ranking military leaders were either evasive or forgetful. I have come away from these hearings with the conviction that at least up to the time the President decided he was going to "sack" MacArthur, as the British so gleefully announced almost within minutes after the American people knew about it, the Joint Chiefs of Staff did not believe MacArthur's "transgressions" were of any such nature as to jeopardize the security of our forces in Korea, or to embarrass our over-all objectives or to warrant his recall or replacement, evidenced by the fact that they did not on their own initiative, at any time, individually or collectively, recommend to the Secretary of Defense or to the President that he be removed.

This leads to the indisputable conclusion that our military leaders felt compelled to concur in a political decision after it had been made. In my opinion this action and this procedure is most unfortunate.

Fourth. What differences existed between MacArthur and the Joint Chiefs of Staff?

After 5,000 pages of testimony it has been disclosed that on some points of strategy there are some hindsight differences of opinion between the Joint Chiefs of Staff, or some of them, and General MacArthur. Every one of the Joint Chiefs testified, however, that in the matters referred to, where temporary differences, or discussions, or disputes might have occurred, in such situations a field commander must have the greatest leeway and latitude, because he is on the ground; and MacArthur was 8,000 miles away from the Joint Chiefs of Staff in Washington.

Furthermore, in no instance did the Joint Chiefs of Staff consider these differences to be of such a nature—and this is important—as to necessitate a directive or even a suggestion to MacArthur that other action be taken by him. It has been shown that many of the differences between the Joint Chiefs of Staff and General MacArthur—the differences

produced by the Joints Chiefs of Staff in justification of their "concurrence" in his removal or relief—related to political considerations which were restraining MacArthur's utilization of the potential forces at his disposal. Being in Washington, apparently the political consideration and the proximity of the State Department exerted much greater influence on the Chiefs of Staff than they did on MacArthur and his political responsibilities and problems 8,000 miles away.

Fifth. What differences existed between MacArthur and the administration?

The hearings have disclosed that there is a great difference between MacArthur's objectives in Korea and the administration's position. Acting under the United Nations instruction, we cleared North Korea of the North Korean aggressors, and achieved a victory under the objectives and the policies announced, and that war was brought to a close. The war of aggression of the North Koreans was brought to a successful close with the defeat and the routing and the disruption of the North Korean Army. So that portion of the mission was successfully carried out, and completed. But then a new element entered into the situation, namely, the invasion across the border by the Red Chinese. That was a new war. It was the entry of a new group of antagonists. From that time there has been a dispute. Up to that time there was no dispute of any substantial degree at all between MacArthur and anybody, political or otherwise, so far as I know, but from that time on, from the time of the entry of the Communist Chinese and the reverses which we suffered, there has been a substantial dispute between General MacArthur on the one hand and the administration on the other, as to implementing policies for the ending of the war and the defeat of the Red Chinese, and the destruction of their ability and will to continue aggression.

MacArthur has advocated a clear policy of destruction of the will to continue aggression by the Red Chinese. The administration to date has announced, and the United Nations has announced, no understandable policy for the bringing of this war to a successful end, with the destruction of the will further to commit aggression on the part of the Communist Chinese, and to unify and pacify and restore self-government to all of Korea. In that there is a difference between General MacArthur's program to end the war and save American lives, and the lack of policy, the lack of directive, the lack of objective which exists in the diplomatic huddles of those who call themselves our allies.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. Yes.

Mr. FERGUSON. How many of the nations who have troops or ambulance corps in Korea, who recognize the war in Korea, at the present time have diplomatic relations with Red China and representatives in Peiping?

Mr. HICKENLOOPER. Oh, I think our allies, the British, who have troops being killed by the Red Chinese in Korea, recognized the Red Chinese a long time ago. The unfortunate part of the situation respecting the British is that the Red Chinese have not even seen fit to recognize Great Britain.

Mr. FERGUSON. India has recognized the Red Chinese, has she not?

Mr. HICKENLOOPER. India has recognized the Red Chinese, and India participates to the extent of an ambulance, or something, in Korea. Perhaps they call it a corps. I do not know.

Mr. FERGUSON. Have any of the other nations recognized Red China?

Mr. HICKENLOOPER. I cannot recite the number of European nations that have recognized the Red Chinese, but of those who are participating with us, or claim that they are participating with us, I believe India and Great Britain are the only two who have recognized the Red Chinese.

Mr. FERGUSON. Does the Senator know of any other nations in history who have been at war, as nations are now at war in Korea against the Red Chinese Government, who have carried on normal, regular diplomatic relations with nations with which they were at war, and with representatives of those nations in their countries?

Mr. HICKENLOOPER. I cannot think of any at the moment. If there have been, I do not recall them.

Mr. FERGUSON. Could that be one of the causes for the disputes and the troubles that have arisen since the Red Chinese came into the war—although it is not recognized by our allies as a war?

Mr. HICKENLOOPER. I think probably some of the most potent objectors to our bombing of military installations in Manchuria, where the Reds can go back and rearm and return over the Yalu, are the British. I think the British have raised the greatest objection to that course of action. The British are referred to by many people as our principal ally. I have noticed that the very profitable trade carried on by the British with Red China through Hong Kong has been stepped up during the war. It may be that the British fear that they will lose some trade with Red China. They do not have very many men in the arduous fighting on the peninsula. It is rather confusing and difficult to rationalize, but that is the situation as it exists.

The administration policy, as enunciated by all the military leaders testifying for the administration, is "to kill as many Chinese Communists as possible while containing the war in Korea." Or it is to bring peace to Korea through a war of indeterminate conclusion.

We are all for peace in Korea. We are for a free Korea. If one wishes to ask, Is that the policy? The answer is, "Yes; that is the policy." But how are we going to bring the war to a conclusion? What is the program to stop it? What is the program to destroy the will of the aggressors to fight? Those are the things which we have never had laid out. Those are the things on which the United Nations cannot agree. Those are the things which make this war, in the words of General MacArthur, an "accordion war." Those are the things which make the tragic situation in Korea a great deal like a football game in which we can advance the ball up to the 50- or 60-yard line, but when we get there we cannot take it any farther toward the goal to make a touchdown. That is against the rules of the game, rules made while the game is being played. That kind of game we can never end.

I submit that this indicates a lack of policy. The idea is that we are only punishing people, without definable conclusions, or methods to reach such definable conclusions. That is not an understandable policy. It is bound to feed the grist mill of propaganda.

I am reluctant to see the United States announce such a policy. I am reluctant to see us have no other policy than the policy of indeterminate punishment without conclusion. And I am reluctant to accept a philosophy of that kind when there does not exist at the same time a clear, sound, military plan for terminating the war.

Mr. President, where has our money gone? Every responsible military leader has stated that certain military actions cannot be taken for fear of starting world war III, and that we are not fully prepared, or that we are ill-prepared, or something of that sort. The continued repetition of the statement, "We are not prepared" causes me to call to the attention of the Congress the fact that in the fiscal years 1946 through 1950 we spent approximately $85,000,000,000 on the Armed Forces of this country. Where has this money gone, if we are "not prepared," if we are weak, or if we are supine from a military standpoint? In the fiscal years 1951 and 1952 the American taxpayer is going to be called upon to appropriate and spend a total of at least $62,000,000,000 additionally on the Armed Forces. I wonder if we have any right to expect that it will be handled any more wisely than have the vast funds previously appropriated and spent.

Last, but almost vitally important, what is our policy in Korea? I have asked that question of every witness. What is our policy in Korea? Where do we go? What is our end objective? What is our purpose?

I get the answer, "Our purpose is peace." Certainly we are all against sin, but how do we go about combating sin. That is the important thing. We are all for peace, but how do we get peace? Up to date we have got increasing war, increasing sacrifice, and increasing destruction of American life. I ask the question, What is our policy? How do we implement the objectives of peace? I have not received an answer from a single witness whom the administration has sent here. I have received a plausible, and what seems to me to be a sound and optimistic, program from General MacArthur; but from no one else.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. FERGUSON. Is it not the task of the committee to ascertain the very thing which the Senator has now asked, namely, What is the policy in Korea? I understand that the testimony of the military authorities has been completed.

Does the Senator indicate that he cannot answer that question?

Mr. HICKENLOOPER. I have just indicated that I cannot answer that question. I admit that it should be the job of the committee to find out what our policy is. However, as I have stated, I have asked every administration witness, What is our policy in Korea? How do we implement the objectives of peace? What do we do? How far do we go? Not one of them can give an answer which is understandable or objective, except to say, "Our policy is to pacify Korea and stop aggresssion. We want a peaceful Korea. We want peace, and we want to discourage aggressors."

But how are they going to bring it about? What situations will bring about the determination of a peace satisfactory in our opinion? I have been unable to get any understandable or satisfactory answer from any administration witness.

Mr. FERGUSON. Mr. President, will the Senator yield for a further question?

Mr. HICKENLOOPER. I yield.

Mr. FERGUSON. The Senator from Michigan has a high regard for the military officials of our Government. Could it be that the reason why they cannot answer the Senator's question, and the question which the committee is investigating, is that they have never been told what the policy is, and how they were expected to implement any policy in Korea?

Mr. HICKENLOOPER. I think that is a very possible explanation. However, I call the Senator's attention to the most hospeful thing which I have obtained from the testimony. I refer to the definite testimony from members of the Joint Chiefs of Staff that they are asking, and that there is in process, a study as to what our policy is. So it has never been announced. They do not know.

Mr. FERGUSON. Does not that indicate that after more than 11 months the Joint Chiefs of Staff and the military authorities are trying to seek out what our policy is, and how it is to be implemented?

Mr. HICKENLOOPER. Let me make this clear. I think we had a policy which was understandable and practical, up until about October of last year, when the Red Chinese came across the Yalu. I think that policy was understandable and announced. We were going to disrupt and destroy the Red Northern Koreans' army of aggression, to unify Korea, and to establish peace in the peninsula. At that time the battle, at least technically, was between the North Koreans and South Koreans—all Korean nationals. We understood what we were going to do. When we got to the Yalu, when we destroyed the North Korean army of aggression and when we had occupied all of Korea, that was the successful end of that policy.

Then people from across the border, armies not under the control of North Koreans, a new army and a new people, began a new aggression. From that time on we have had no policy as to what the program for ending this aggression and setting up our objectives should be. That is the point I wish to try to make.

I submit that the record thus far shows that we are in a policy vacuum in Korea. The military witnesses who support the administration's action, though repeatedly asked, have not told the committee or the American people to this very hour what our military purposes are so far as concluding the affair are concerned, and what our plans are for attaining our objective in the present conflict, in which we have suffered a total of 70,000 battle casualties, and in excess of 142,000 military and nonmilitary casualties. I invite the attention of Senators to the fact that General Walker is not counted as a military casualty.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. BREWSTER. Is it not a fact that General Moore also was not counted as a battle casualty, because he was killed in an accident while riding in a helicopter, and not through enemy action?

Mr. HICKENLOOPER. As I understand, the helicopter in which the general was riding was flying ahead of the front lines, where the shooting was very intense. However, he did not get hit by a bullet. Therefore he is not counted as a battle casualty.

Mr. BREWSTER. The helicopter ran into a wire on the river.

Mr. HICKENLOOPER. Yes. The appointed military leaders, reluctant, perhaps, to give testimony critical of their Commander in Chief, have nevertheless indicated the difficulties of conducting military operations in such a political vacuum.

We are entitled to know why we are fighting in Korea, what we hope to achieve, and how we are to achieve it. I shall, to the fullest extent of whatever ability I may have, endeavor to secure the answers to those questions from succeeding witnesses.

I invite attention to the fact that I have not attempted to go through the 5,000 pages of testimony and to cite a great number of quotations from the testimony. I have merely attempted to summarize the general impressions from the standpoint of the military phase of the matter, which has at least temporarily been concluded today. Tomorrow we go into the political phases of the matter with the Secretary of State. I hope that through his testimony and the questions that will be asked of him and of other persons in the diplomatic field, we can find out what we and the United Nations intend to do, from a practical, physical, and common sense standpoint, to defeat the aggressor and destroy his will to fight, toward the establishment of a reasonable peace in Korea, as a free nation, and to stop the loss of American lives and treasure in a war which has already been so costly and disastrous in terms of human suffering, doubt, and confusion so far as America and the world are concerned.

AMENDMENT OF ROBINSON-PATMAN ACT RELATING TO PRICE DISCRIMINATIONS—CONCURRENCE OF SENATOR LANGER IN MINORITY VIEWS (PT. 2 OF REPT. NO. 293)

Mr. KEFAUVER. Mr. President, on May 10, on behalf of the Senator from Washington [Mr. MAGNUSON] and myself, I submitted minority views on S. 719, the price discrimination bill. Those views are printed as part 2 of Senate Report No. 293. The Senator from North Dakota [Mr. LANGER], who is a member of the Judiciary Committee, is desirous of joining in these minority views and I should like to have the RECORD show that the Senator from North Dakota concurs in the minority views which have been filed.

EXECUTIVE SESSION

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. GEORGE, from the Committee on Finance:

William J. Storen, of Charleston, S. C., to be collector of customs for customs collection district No. 16, with headquarters at Charleston, S. C.

The PRESIDING OFFICER (Mr. MOODY in the chair). If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

ATOMIC ENERGY COMMISSION

The legislative clerk read the nomination of Henry DeWolf Smyth, of New Jersey, to be a member of the Atomic Energy Commission.

Mr. BREWSTER. Mr. President, I wonder whether the nomination is unanimously reported.

Mr. McFARLAND. I do not know.

Mr. HICKENLOOPER. Mr. President, I am a member of the Joint Committee on Atomic Energy, and the Senate members of the joint committee constitute a committee for the consideration of nominations. I am sure the majority leader has consulted the chairman of the committee, the Senator from Connecticut [Mr. MCMAHON].

Mr. McFARLAND. No; I have not done so. I have consulted with the minority leader. I have not heard any objection raised to the nomination.

Mr. HICKENLOOPER. So far as I know, no objection has been made to the confirmation of the nomination of Dr. Smyth.

Mr. BREWSTER. It is a reappointment, is it not?

Mr. HICKENLOOPER. It is a reappointment. I do not presume to speak for the committee, but I have no objection, and I have heard no objection.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the President be notified immediately of the confirmation.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. McFARLAND. Mr. President, as in legislative session, I move that the Senate do now recess until tomorrow at 12 o'clock.

The motion was agreed to; and (at 6 o'clock and 27 minutes p. m.), the Senate took a recess until tomorrow, Friday, June 1, 1951, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate May 31 (legislative day of May 17), 1951:

ATOMIC ENERGY COMMISSION

Henry DeWolf Smyth, of New Jersey, to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1956.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 31, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou Lord God Omnipotent, in whose hands are the issues of history and the destinies of men and nations, may we daily avail ourselves of Thy divine wisdom and power.

Grant that our minds may be God-conscious and responsive to Thy leading as we strive to find the way of the fuller and more abundant life for all mankind.

Knowing our own limitations and shortcomings, make us teachable and trustful. However dark and threatening the scenes of national and international life may be, give us a faith that is never eclipsed by despair.

We pray that our hearts may be kept free from the poison of pessimism and cynicism. May we be confident that Thou wilt not allow our souls to be mocked and betrayed by our noblest principles and loftiest aspirations.

Help us to live expectantly and hopefully. Inspire us with the vision and insight to see the foregleams and signs of a better day, despite many dismal tragedies and predictions, where men everywhere shall live together as brothers and friends.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Monday, May 28, 1951, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate insists upon its amendment to the bill (H. R. 1424) entitled "An act for the relief of T. L. Morrow"; disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KILGORE, Mr. MAGNUSON, and Mr. WILEY to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 1822) entitled "An act for the relief of Harry C. Goakes"; disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'CONOR, Mr. KEFAUVER, and Mr. JENNER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 872) entitled "An act to furnish emergency food aid to India"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GILLETTE, Mr. MCMAHON, Mr. FULBRIGHT, Mr. WILEY, and Mr. SMITH of New Jersey to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1612) entitled "An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes."

ENROLLED BILL SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title:

H. R. 3842. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Monday, May 28, 1951, he did on Tuesday, May 29, 1951, sign the following enrolled bill:

H. R. 3842. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

COMMITTEE TO ATTEND AUSTRALIAN COMMONWEALTH JUBILEE CELEBRATION

The SPEAKER. Pursuant to the provisions of House Resolution 204, Eighty-second Congress, the Chair appoints as members of the committee to attend the Australian Commonwealth jubilee celebration to be held at Canberra, Australia, during May 1951, the following Members of the House: Mr. CARNAHAN, Missouri, chairman; Mr. FLOOD, Pennsylvania; Mr. LECOMPTE, Iowa; Mr. MERROW, New Hampshire.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF DRAFT AND UNIVERSAL MILITARY TRAINING

Mr. VINSON, from the Committee on Armed Services, submitted a conference report on the bill (S. 1) to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes, for printing under the rule.

ADJOURNMENT OVER

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

PRICE STABILIZATION

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GOSSETT. Mr. Speaker, I am shocked and amazed to see that Price Stabilizer DiSalle, perhaps with administration support, is advocating that all businesses in America be licensed. It would be interesting to know who thought up this scheme and to know what use would be made of such unprecedented plenary power of life and death over American business. Through the Defense Production Act, Congress has sought to restrain inflation. Apparently the Defense Mobilization organization is trying to control everything but inflation.

Economic Stabilizer Eric Johnston and Price Stabilizer DiSalle would control all segments of American economy except organized labor. They would place a bridle on all bosses except the labor bosses. Ninety percent of the cost of most of the things we buy is labor cost. Obviously, there is no such thing as controlling inflation and holding down prices by restraints on the 10 percent and no restraints placed on the 90 percent.

Mr. Speaker, unless the Office of Defense Mobilization is going to do an honest, fair, across-the-board job of restraining price and wage increases, then we ought to abolish the whole outfit and let nature take its course.

IMPORTATION OF MEXICAN LABOR

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I want to call attention at this time to a problem involving a shortage of agricultural labor that will be facing the cotton producers of this Nation, particularly those in the area in which I reside, unless this Congress takes some action on a bill introduced and approved by the House Committee on Agriculture which will fa-

cilitate the procurement of Mexican labor. At the time this bill was introduced it was estimated that in Missouri alone we would need some five to six thousand Mexican laborers to supplement the domestic labor available to help harvest our cotton crop.

Our people in that section of the country have met the request of the Department of Agriculture by planting sufficient acreage to meet the production goals set by Secretary Brannan. In the past we have relied upon this Mexican labor. We had hoped we would have the opportunity to get this labor next fall.

I am particularly familiar with the situation in the Tenth Missouri District which in the past has produced cotton crops exceeding a half million bales, and in the adjoining First District of Arkansas, which is so ably represented by my good friend the Hon. E. C. "TOOK" GATHINGS, who has been one of the leaders in sponsoring and supporting this legislation.

I have a report in the form of a letter from the division of employment, State of Missouri, which has conducted a survey. They say that in my district alone we will need approximately 10,000 Mexican laborers if we are to harvest the cotton crop which has been planted. We are facing a serious problem there and I certainly hope that the Committee on Rules will grant a rule on this bill very shortly.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, may I inquire of the acting majority leader what the program will be for the coming week?

Mr. MANSFIELD. Mr. Speaker, the program for the week of June 4 will be as follows:

On Monday bills on the Consent Calendar will be called and House Concurrent Resolution 57, a resolution expressing friendship of the American people for the people of the world, will be brought up under suspension of the rules.

On that day also, which is District of Columbia day, the bill H. R. 4141, the District of Columbia crime bill, will be brought up for consideration.

On Tuesday, bills on the Private Calendar will be called and also the bill H. R. 314, the Booker T. Washington Veterans' Hospital bill, will be called up for consideration.

On Wednesday the House will consider the District of Columbia appropriation bill of 1952.

On Thursday the conference report on S. 1, the UMT bill, and H. R. 1179, authorizing research facilities, National Advisory Committee for Aeronautics.

Friday is undetermined, and any other program will be announced later.

Mr. BROWN of Ohio. Will the gentleman advise whether or not it is the intent or purpose to bring up any other conference report next week, such as reciprocal trade, or the India wheat bill, if the confeees come to an agreement?

Mr. MANSFIELD. The House will be given due notice as to when additional conference reports will be brought up.

TAXATION

Mr. CURTIS of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS of Nebraska. Mr. Speaker, the House will soon have presented to it a tax bill for about $7,000,000,000 of additional revenue. About that same time the President will present a request for further spending in loans and grants to foreign countries for about eight and one-half to nine billion dollars. I rise to ask the question, How in the world can the Congress impose taxes as fast as the Administration can spend? In my insertions in the RECORD today I commend to you an editorial appearing in the Omaha World-Herald and an article from Newsweek by Raymond Moley. It is doubtful if either this tax bill or this alleged aid bill are in the interest of liberty and freedom, in the light of their effect on our domestic economy.

INADEQUACY OF INFORMATION ON PRICE-SUPPORT PROGRAM

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an exchange of correspondence with the Secretary of Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, Secretary of Agriculture Brannan has no idea how many farmers or producers actually received payments from the Federal Government under the price-support program covering potatoes, eggs, butter, dried beans, and rice. As a result, he is, of course, not able to say whether most of the funds were paid out to a few large producers or whether they were widely distributed among many small producers. He apparently has no classification to show a breakdown of the number who received, for instance, over $100,000, the number between fifty and one hundred thousand dollars, or the number under $350.

Yet, the realized losses, suffered by the taxpayers and wage earners of this country, under the price-support program for the last two fiscal years and the first 9 months of the present fiscal year, amount to—

Potatoes	$321,360,270
Eggs	102,951,079
Butter	44,449,535
Dried beans	9,715,897
Rice	1,157,506

This amounts to a total on these five commodities of the staggering sum of $479,634,287.

This inadequacy of information was revealed through a recent exchange of correspondence with the Secretary. Attached hereto is a copy of my letter and the reply from Under Secretary McCormick.

With the huge statistical staff maintained in the Agriculture Department, it amazes me that the basic information which I requested cannot be made available. I can think of nothing more important both for legislators and the general public to know about the price-support program than the number of those who are receiving benefits and how widely spread those benefits are.

I hope that other Members of Congres will join with me in urging that appropriate steps be taken to make available this essential information about where and to whom these large sums are paid, which have to be extracted from pay envelopes, Federal sales taxes, and other sources of revenue. This is fundamental information which we should certainly have before us when we contemplate further action to impose still greater tax burdens on our people.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., Apil 30, 1951.

The Honorable CHARLES F. BRANNAN,
The Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: It would be appreciated if you would furnish me a tabulation showing the information listed below with reference to the following 10 commodities: (1) Oranges, (2) prunes, (3) soybeans, (4) dried beans, (5) green beans, (6) rice, (7) eggs, (8) Irish potatoes, (9) sweetpotatoes, (10) butterfat.

How much money was spent to support the price of each of the above in 1949? In 1950? Either fiscal or calendar year would be satisfactory, whichever way your records are kept.

How many farmers or producers actually received payments for each of the above commodities under the price-support program?

I am not familiar with the manner in which you keep your records indicating how many of the producers of each of the above items received sums of varying amounts. In whatever manner would be most convenient, I would like to be furnished with the information as to how many of these producers of each item fall into the various classifications which you maintain showing the size of the payments.

I would be grateful if I might have this information at your earliest convenience.

Very sincerely yours,
KENNETH B. KEATING.

DEPARTMENT OF AGRICULTURE,
Washington, May 14, 1951.

Hon. KENNETH B. KEATING,
House of Representatives.

DEAR MR. KEATING: This refers to your letter of April 30, 1951, in which you request information concerning the amounts of money which have been spent in supporting the price of certain commodities during 1949 and 1950. In this regard, we offer the following explanation of the material herewith enclosed.

The price-support operations of the Commodity Credit Corporation are conducted by means of loans on, the negotiation of agreements for the purchase of, or the direct purchase of agricultural commodities at announced support levels. The amount loaned or the price paid in purchasing the commodities represents an investment which is

subsequently reduced by loan repayment or sale of the commodities which are acquired.

Consequently, the cost of the price-support programs can be measured only by the gains or losses realized on the disposition of such commodities. The enclosed tabulation, "Realized Program Results—Selected Price-Support Commodities," supplies information with respect to the gains or losses which have been sustained by the Commodity Credit Corporation on the items listed for the fiscal years 1949 and 1950 and for the 9-month period ended March 31, 1951.

Other programs of the United States Department of Agriculture which have a price-supporting effect are: (a) The operations under section 32 of Public Law 320, Seventy-fourth Congress, and (b) expenditures under section 6 of the National School Lunch Act, Public Law 396, Seventy-ninth Congress. Expenditures of funds provided under these programs for the program years 1949, 1950, and 1951 through March 31, 1951, are stated for each of the commodities you have selected in the enclosed tabulation, "Expenditures of Section 32 Funds and of Section 6 (School Lunch) Funds."

With regard to the two tabulations enclosed, the Commodity Credit Corporation did not conduct price-support operations in oranges or green beans and there were no expenditures of section 32 or section 6 funds for soybeans or rice.

As indicated above, the various price-supporting programs of the United States Department of Agriculture do not involve payments to the producer. In Commodity Credit Corporation programs, eggs were supported by means of purchases of egg powder from driers who certified that they had paid producers support prices for the shell eggs which were processed; butter is supported through purchase of the commodity in carlots from manufacturers and handlers; support for prunes was through purchase from packers and processors as well as from producers; and, potatoes were supported by purchase from both growers and dealers. Section 32 and section 6 purchases are made largely at the dealer or processor level while section 32 export payments were made to private exporters or to the Commodity Credit Corporation in reimbursement for sales at less than cost under section 112 (e) of the Foreign Assistance Acts of 1948, 1949, and 1950.

Based on Commodity Credit Corporation loan and purchase agreement operations in 1949 crop programs, it is estimated that there were approximately 40,900 participating producers of dry edible beans, 34,800 in soybeans, and 3,200 in rice. However, it is our opinion that all cooperating producers benefited directly or indirectly from our price-support operations which resulted in improved markets through regular commercial channels.

Sincerely yours,

C. J. McCORMICK,
Under Secretary.

Realized program results—Selected price-support commodities, fiscal years 1949 and 1950 and through Mar. 31, 1951

Commodity	Fiscal year		
	1949	1950	1951 through Mar. 31
Prunes	[1] 259,236	[1] 238,192	[1] 86,876
Soybeans	[1] 26,054	[1] 1,754,206	151,633
Dried beans	[1] 5,988	980,329	8,839,556
Rice	[1] 1,766	1,293,779	[1] 134,467
Eggs	773,476	41,622,784	60,554,819
Irish potatoes	202,886,693	75,080,315	42,383,253
Sweetpotatoes	[1] 1,985	[1] 1,453	773
Butter		4,111,881	40,337,674

[1] Denotes gain.

Expenditures of sec. 32 funds and of sec. 6 (school lunch) funds, selected commodities, program years 1949, 1950, and 1951 through Mar. 31, 1951

Program year and commodity	Sec. 32 funds				Sec. 6 funds
	Purchase and donations	Diversion	Export	Total	
1949:					
Oranges			$397,407	$397,407	$2,000,327
Prunes	$733,487		3,296,172	4,029,659	
Dried beans					
Green beans	15,064			15,064	
Eggs	8,816,755		5,036,707	13,853,462	
Irish potatoes	10,651,812			10,651,812	
Sweetpotatoes	293,817			293,817	
Butter					
1950:					
Oranges			2,123,487	2,123,487	657,089
Prunes	92,481	81,765,625	3,711,777	85,569,883	
Dried beans	50,564			50,564	
Green beans	47,349			47,349	335,582
Eggs	6,587,945		3,033,833	9,621,778	
Irish potatoes	4,841,786			4,841,786	
Sweetpotatoes	137,228			137,228	
Butter	12,752,272			12,752,272	
1951:					
Oranges			1,735,287	1,735,287	2,749,872
Prunes			1,848,490	1,848,490	
Dried beans					737,023
Green beans					
Eggs					
Irish potatoes					
Sweetpotatoes	122,948			122,948	
Butter					

DEFENSE PRODUCTION ACT

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS. Mr. Speaker, two committees of the Congress are holding public hearings, on Truman administration proposals, for amending and extending the life of the Defense Production Act of 1950, which otherwise will expire at the end of June.

It is possible that time and energy are being wasted, in an effort to frame new legislation, which is certain to become worthless before ever it can be put on the statute books.

I make this statement, Mr. Speaker, in the light of several considerations. They are considerations which appear to have been overlooked by those in the administration and in the Congress, who are apparently bent on strait-jacketing business, and regimenting American people, all in the name of mobilization for national defense.

Such a mobilization, let me point out, will take no more than 15 percent of our gross national product this year, according to announced plans, and no more than 20 percent at next year's war production peak.

These are the figures, set forth by those who support the imposition, at once, of drastic wage and price controls; far more drastic than those now authorized under the Defense Production Act of 1950.

So, Mr. Speaker, here are some figures, which wage and price control adherents thus far have failed to mention:

In the decade between 1940 and 1950, the population of the United States increased by a little more than 15 percent. Our national productivity has increased by 33⅓ percent since 1946, and by approximately 75 percent since 1939. These increases, with respect to goods of all kinds, have been in terms of physical production, and not in terms of inflationary dollars. That point is important.

Therefore it follows, that even when 20 percent of our gross national production of goods is taken for war purposes, the American people will still be better off than they were in 1946; and better off by far than in 1939. Per capital availability, of both goods and services, will continue to be far in excess of those earlier years.

Admittedly the American people are buying more goods and services today than they did in 1939 or 1946, but any housewife, or the man in the street, will tell you that prices restrain them from buying much in excess of those years, even though goods of all kinds are plentiful.

Therefore it follows again, that prices are high and going higher, not because of shortages, but because of the deliberately inflationary policy pursued by the Truman administration. Government squandermania, and failure to apply adequately the so-called orthodox curbs on needless credit expansion, are the real causes.

This easy money policy has boosted prices, in spite of the fact that consumer goods pipelines are full; so full that difficulty now is being encountered in liquidating at a normal rate the huge inventories held by manufacturers and merchants alike. Advertising schedules are being expanded, and price wars are reported in the papers.

More food than ever is available to the American people, and more is being produced. Goods manufactured from raw materials required for war production are in plentiful supply. Even when production of these articles of common use is cut back 20 percent, the per capita supply will continue to exceed that of 1939, or of 1946.

In the light of these facts, the answer to ever-increasing prices over the past few years—the answer which I already have given you—becomes obvious. Price wars, as a result of elimination by the United States Supreme Court of a New Deal-spawned price-fixing law, still further support the validity of that answer.

Why, then, should not the new legislation take the form of a law specifically requiring adequate use of the orthodox curbs on credit expansion, and hence on the money supply, through the Federal Reserve Board? That Board is directly responsible to the Congress.

Why should not the new legislation, in view of the war emergency, provide in addition a simplified system of allocations, to channel raw materials into war production as required?

Why not these things, and nothing more?

As matters stand, it seems that Congress will be unable to get final action on any legislation, either to amend or replace the Defense Production Act of 1950, before the June 30 deadline. It may be necessary that war material allocation powers be preserved.

It has been suggested that the present law could be extended, without change, briefly. When Congress returns next fall, the proper committees can make their proposals, in the light of further experience during the change-over period to peak war production.

Those committees are in a position to discover what is necessary in the public interest. By then, Congress will undoubtedly see the common sense, the wisdom of letting the Defense Production Act, as it now stands, die a quiet death and receive a decent burial in the heavy tomes of the United States Code. There is no evidence at this moment sufficient to support a request for any longer extension of the Defense Production Act of 1950.

SPECIAL ORDER GRANTED

Mr. WERDEL asked and was given permission to address the House for 30 minutes on Monday next, following the legislative program and any special orders heretofore entered.

MIGRATORY LABOR

Mr. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON. Mr. Speaker, I wish to aline myself with the gentleman from Missouri [Mr. JONES] regarding the need for a migratory labor bill. The only workable bill I have seen is the Poage bill. I hope the Poage bill will come to the floor of the House and become the law of the land.

As everyone knows, many of the farmers in the Middle West, and a large number of them in the Pacific Coast States in particular, rely for the harvesting of the fabulous perishable crops they raise out there on migratory labor. One bill that has been presented and passed in the Chamber on the other side of the Capitol, in my opinion, is unworkable. It contains provisions with which a farmer simply cannot comply. At his peril he employs a wetback—an illegal entrant. He may use every precaution, and yet later find that one of his employees came into the United States illegally. If he is the victim of such circumstances it makes him subject to very severe penalties, because the bill provides that he would then be guilty of a felony. In addition to this, the bill that has passed the Senate requires every employer of farm labor to become an informer which makes him guilty of felony if he suspects the worker is illegally in the country and does not report his suspicions to the Immigration and Naturalization Service. This is a throwback to the days of Hitler.

To indicate how enormous the inflow of migrant foreign labor is, I need but tell you that it is estimated that between 75,000 and 80,000 such migrants come into California each month during the fruit and vegetable season, which is from late April into the autumn when the grapes are harvested.

Therefore, Mr. Speaker, I earnestly hope that the Poage bill will find its way to the floor of the House soon and finally become the law of the land without crippling amendments.

UNIFORM CODE OF MILITARY JUSTICE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Speaker, last year this Congress passed the bill entitled "A Uniform Code of Military Justice" and today this law takes effect throughout the armed services. It is a monumental piece of legislation and is intended to correct the inequalities, inefficiencies and injustices of the old archaic system—or lack of system I should say—prevailing in the armed services.

The subcommittee of which I was chairman worked for 4 months almost daily, including many Saturdays, on this piece of legislation. We reviewed every article in the Uniform Code of Military Justice carefully, made many changes and made rewrites of it. When this bill left us in the House, I felt that it was as perfect as we could write such a measure at that time. I am grateful to the members of the subcommittee for having applied themselves most diligently and tirelessly, without fanfare or publicity whatsoever, to the extremely important job of guaranteeing justice to be done within the uniformed services.

Mr. Speaker, the public has not had confidence in justice as administered in the armed services. Rightfully or wrongfully comparisons, to the hurt of military justice, have been made with our civilian system of justice and invariably military justice has come out the loser. I believe the new Uniform Code of Military Justice will go far toward bringing the faith, confidence and esteem in our military courts to the level of that of civilian courts. Certainly fair, conscientious and wholehearted support of this program will go far toward eliminating the evils of the past.

ATTACK ON SIXTEENTH AMENDMENT TO UNITED STATES CONSTITUTION

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include certain statements and excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, many times before on the floor of the House I have called attention to the efforts of the Fascist-minded groups to secure the repeal of the sixteenth amendment to the Constitution and supplant in its place the proposed amendment limiting taxes under our Federal laws to 25 percent on incomes, gifts, and inheritances.

At my request, the Legislative Reference Service of the Library of Congress prepared a statement on this proposed amendment, which I am inserting in the RECORD at this time. It is as follows:

PROPOSED CONSTITUTIONAL AMENDMENT LIMITING FEDERAL INCOME, ESTATE, AND GIFT TAXES TO A MAXIMUM OF 25 PERCENT

The proposed amendment, once popularly called the twenty-second amendment, originated in 1938 with the American Taxpayers Association, Inc., Washington, D. C. It was introduced in Congress by Representative EMANUEL CELLER (by request), on June 15, 1938 (H. J. Res. 722), but the House Judiciary Committee failed to take any action.

The next year Congress received the first petition from a State legislature requesting that a constitutional convention be called to propose an amendment to the Constitution which would limit the Federal taxing power. This method of proposing an amendment to the Constitution has never been used. The 22 amendments ratified thus far were all proposed by the Congress. Application to the Congress by State legislatures is the second or alternate method of amending the Constitution, set out in article V of the Constitution, which reads:

"The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid * * * as part of this Constitution, when ratified by the legislatures of three-fourths of the States, or by conventions in three-fourths thereof."

The resolutions adopted by the States which have petitioned Congress on this amendment are in form similar to the following:

"Resolved by the senate and house of representatives of the State of ———, That application be and it hereby is made to the Congress of the United States of America to call a convention for the purpose of proposing the following article as an amendment to the Constitution of the United States:

"' ARTICLE —

"'SECTION 1. The sixteenth article of amendment to the Constitution of the United States is hereby repealed.

"'SEC. 2. The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration. The maximum aggregate rate of all taxes, duties, and excises which the Congress may lay or collect on, with respect to, or measured by,

income, however, shall not exceed 25 percent. In the event that the United States shall be engaged in a war which creates a national emergency so grave as to necessitate such action to avoid national disaster, the Congress by a vote of three-fourths of each house may, while the United States is so engaged, suspend, for periods not exceeding 1 year each, such limitation with respect to income subsequently accruing or received.

" 'SEC. 3. The maximum aggregate rate of all taxes, duties, and excises which the Congress may lay or collect with respect to the devolution or transfer of property, or any interest therein, upon or in contemplation of or intended to take effect in possession or enjoyment at or after death, or by way of gift shall not exceed 25 percent.

" 'SEC. 4. Sections 1 and 2 shall take effect at midnight on the 31st day of December following the ratification of this article. Nothing contained in this article shall affect the power of the United States after said date to collect any tax on, with respect to, or measured by, income for any period ending on or prior to said 31st day of December laid in accordance with the terms of any law then in effect.

" 'SEC. 5. Section 3 shall take effect at midnight on the last day of the sixth month following the ratification of this article. Nothing contained in this article shall affect the power of the United States after said date to collect any tax with respect to any devolution or transfer occurring prior to the taking effect of section 3, laid in accordance with the terms of any law then in effect.'

"And be it further

"*Resolved*, That the Congress of the United States be, and it hereby is, requested to provide as the mode of ratification that said amendment shall be valid to all intents and purposes as part of the Constitution of the United States, when ratified by the legislatures of three-fourths of the several States; and be it further

"*Resolved*, That the Secretary of State be, and he hereby is, directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States."

Several problems arise with regard to this mode of proposing a constitutional amendment, such as the form of application by the States, how long such applications shall remain effective, method of rescinding resolutions, and effectiveness in compelling Congress to call a constitutional convention.

Article V of the Constitution refers to applications by the legislatures of two-thirds of the States, but it does not state the form in which the application must be made.

The period of time such a resolution remains effective has not been determined; however, there is nothing in article V to show that the matter of calling a constitutional convention should be open for all time (*Coleman* v. *Miller* ((1939) 307 U. S. 433, 451)). In its report to the New York Bar Association (1930), the Committee To Report on Proposals Pending in Congress To Amend the Constitution stated that the calling of a convention would presumably be in response to a public demand, and it is not probable that the demand would continue unabated for an indefinite period. Further, with respect to proposed constitutional amendments, it has been held the proposals, resolution, and ratification should be treated as related steps in a single endeavor (*Dillon* v. *Glass* ((1921) 256 U. S. 368)).

Rescinding resolutions would be a fair indication of a change in public demand and are likely to be recognized by Congress as such.

Although the Constitution provides that Congress "on application of the legislatures of two-thirds of the several States shall call a convention for proposing amendments to the Constitution," there is no compulsion upon Congress to do so. *In re Census* ((1895) 62 N. W. 129), Professor Orfield, in The Amending of the Federal Constitution, 1942, remarks that it must not be assumed that Congress is a mere ministerial cog in the call of a convention. The convention is not the result of the acts of the State legislatures, for it is necessary that Congress act upon their applications. If Congress, one of three coordinate branches of the Government, should refuse to act, there is no valid method of coercing it to make the call (Dodd, Judicially Nonenforcible Provisions of Constitutions ((1932) 80 N. Pa. L. Rev. 82)). The Court in all probability could treat such an issue as a political question and decline to intervene (*State of Mississippi* v. *Johnson* ((1866) 4 Wall. 475)).

Resolutions petitioning Congress to call a constitutional convention

State	Endorsed (date)	Rescinded (date)	Remarks
Alabama	H. J. Res. 66, 1943		
Arkansas	S. Con. Res. 10, 1943	H. Con. Res. 4, 1945	
Connecticut			S. J. Res. 2 (1951) endorsing; pending.
Delaware	S. Con. Res. 6, 1943		
Florida	S. Con. Res. 206, 1951		See daily Congressional Record, May 10, 1951, pages 5155-5156.
Georgia			1951 endorsing; pending, passed Senate.
Idaho			1951 endorsing; pending.
Illinois	H. J. Res. 32, 1943	H. J. Res. 7, 1945	
Indiana	H. Con. Res. 10, 1943		
Iowa	H. Con. Res. 15, 1941	H. Con. Res. 9, 1945	
	S. Con. Res. 11, 1951		See daily Congressional Record, Apr. 17, 1951, pages 3939-3940.
Kansas	1951		Information from secondary source.
Kentucky	H. Res. 79, 1944		
Louisiana	1950		
Maine	1941		See Congressional Record, Apr. 29, 1949.
Massachusetts	S. Con. Res. 58, 1941		
Michigan	S. Con. Res. 20, 1941		
Minnesota			H. R. 908, S. 585 (1951) endorsing; pending; tabled.
Mississippi	S. Con. Res. 14, 1940		
Montana	H. Res. 4, 1951		Vetoed, see Congressional Record, Mar. 16, 1951.
Nebraska	1949		
Nevada	1951		Information from secondary source.
New Hampshire	Con. Res., 1943		
New Jersey	J. Res. 5, 1944		
Pennsylvania	1943		Vetoed.
Rhode Island	S. 80, 1940		
South Carolina			
Texas	S. Con. Res. 64, 1943		Endorsing (1951); passed Senate, pending.
	H. Con. Res. 37, 1943		S. Con. Res. 64 adopted by Senate May 1 1943, but House motion to suspend the rules and take it up not passed. H. Con. Res. 37 adopted by House Apr. 29, 1943, but reconsidered and withdrawn.
Wisconsin	J. Res. 75, 1943	J. Res. 11A, 1945	
Wyoming	H. J. M. 6, 1939		

Mr. Speaker, it is my sincere hope that every Member of Congress—House and Senate—will carefully read this statement, also the speech on the same subject, which I inserted in the RECORD on June 8, 1944, which follows:

MILLIONAIRES' AMENDMENT TO MAKE THE RICH RICHER AND THE POOR POORER

Mr. PATMAN. Mr. Speaker, during the past 3 weeks, I have made several speeches calling attention to the vicious and un-American activities of the Gannett-Pettengill political action committee—alias the Committee for Constitutional Government, Inc.

Because our liberties would be almost immediately placed in jeopardy by the passage of the proposed twenty-second amendment which is sponsored by this Fascist group, I have had printed a 16-page booklet containing my speeches to date on this subject. The booklet is entitled "Most Sinister Lobby Ever Organized." I shall be glad to furnish copies upon request to interested persons.

In those speeches, I endeavored to show the following facts:

First. This proposed twenty-second amendment is a millionaires' amendment, designed to make the rich richer and the poor poorer.

Second. It is sponsored by a Fascist group, headed by a convicted German agent, Edward A. Rumely; a millionaire published, Frank E. Gannett; a former chairman of the Republican National Finance Committee, Samuel B. Pettengill; and a Fascist instructor by the name of McClure.

Third. It is designed to impoverish the Federal Government and to make impossible the payment of the national debt, the veterans' benefits, and social security benefits to the unemployed, the aged and other dependents.

Fourth. It will wreck small business.

Fifth. It is being vigorously and openly advocated through a national publicity campaign, but when placed before the respective State legislatures is handled in an undercover manner without benefit of public hearings before the proper committees of the various State legislatures.

Sixth. It is being offered by means of a hitherto unused clause in the Federal Constitution and has already been adopted by the legislatures of 16 States. In one State, Pennsylvania, the resolution was vetoed by the Governor.

Seventh. When 32 States have passed such a resolution, Congress will have no recourse but to call a constitutional convention upon this proposed amendment.

Eighth. This Fascist group is now forming its own local political committees in all congressional districts and has ample finances to carry on its campaign of misrepresentation and intimidation.

Ninth. Attempts were made in 10 other States, including my own State of Texas, to pass one of these resolutions in the last session of the State legislature. Texas is also among the States where local political committees are being formed by this vicious group.

Tenth. Despite the opposition of responsible small business and labor interests, the campaign to put this amendment across is making steady progress. We can assume that the effort will continue.

The time has come for us to wake up. We must, as Mr. Whitney, president of the Brotherhood of Railroad Trainmen, says, "Smoke out the reactionaries that are trying to put over this stupid proposal," and, as he also so excellently puts it, "In this war against world fascism battles must be won on the home front as well as on the battle front."

TEXARKANA MEETING

Recently this group, following the same procedure as in other congressional districts, went to my own congressional district at Texarkana to organize a unit of the so-called Committee for Constitutional Government. On April 19, 1944, a letter was sent out from Texarkana in which it was stated:

"A limited number of business and professional leaders whom we know to be interested in the American way of life, as we have known it heretofore, are being invited to hear an address by the Honorable Samuel B. Pettengill, head of the National Committee for Constitutional Government, at an informal dinner meeting, Hotel Grim, in Texarkana, at 6:30 p. m., next Wednesday, April 26.

"Mr. Pettengill is an authority on constitutional government, and is well informed upon what is now being done through Government bureaus. He is a forceful speaker, and we are confident that you will find his message to be filled with worth-while information.

"At the conclusion of Mr. Pettengill's address, consideration will be given to an organized effort to promote and maintain constitutional government in these United States. Methods of financing an educational campaign will be discussed. An opportunity will be given to our guests to participate in financing this work if they should wish to do so, but no high pressure methods of raising money will be used. The primary object of the meeting will be to organize the First Congressional District of Texas as a unit of the Texas division of the Committee for Constitutional Government.

"For your convenience we have enclosed a postal card on which you may indicate your acceptance or nonacceptance so that the hotel may prepare for the number of guests expected."

It will be noticed that only a select group was being invited and confined principally to those whom they hope have been misled by such statements that the American way of life is being jeopardized.

It will also be noticed that money was to be raised at the meeting and that the primary object of the meeting was to organize the First Congressional District of Texas as a unit of the Texas division of the Committee for Constitutional Government.

It occurs to me that the intentions of this group are very plain. They desire to destroy anyone whom they cannot control.

Mr. Pettengill's speech at that meeting was worthy of his tutor, Dr. Rumely. It was in the best German propaganda tradition. Following the precept of that other master propagandist, Herr Goebbels, Pettengill uttered several prophetic statements designed to throw fear into the hearts of his listeners. Pettengill said:

"Complete control of all important business in America, the goal sought, would make the condition in this country not much different from that now existing in Nazi Germany."

Of course, in saying that, Pettengill was not talking about the goal sought by the Committee for Constitutional Government. Or, was he inadvertently pulling back the smoke screen his type so expertly uses? Was he letting a small group see behind the scenes the road which he and Dr. Rumely want them to follow?

Quoting from the newspaper which reported Pettengill's speech, it says:

"Speaking about the possibilities of a financial crash, Pettengill recalled that, after the First World War, United States bonds went down to $83, or 17 points. After this war, he said, if Government bonds go off 10 points it would ruin every bank in the country."

That state of affairs which Mr. Pettengill spoke of in alarmist fashion is just exactly what would happen if the proposed twenty-second amendment to the Constitution should become law. I quote no less an authority than the Division of Tax Research of the United States Treasury Department which has been making some study of the amendment in question and its possible effects upon the Nation and its economy. I quote from the Treasury Department analysis of this amendment, dated June 6, 1944:

"The credit of the Federal Government rests on its power to levy taxes to discharge debts—and on the fact that several times in the Nation's history this power has been used to bring about a rapid reduction of the national debt. Under the proposed 25 percent limitation * * * the Federal tax powers would not permit getting revenues much at all above the level of expenditures in a year of prosperity. In fact, the limitation would have very much the effect of a constitutional prohibition on reducing the national debt. For emergencies, unless they involved active participation in war (so that the limitation would be suspended), there would be no tax powers in reserve. In such a situation as that of 1940, for example—when rearmament became necessary but we were not actively at war—it would be necessary to increase borrowings without taking steps to increase revenue."

In other words, we would have a perpetual debt if Pettengill's and Gannett's amendment were adopted.

Now let us see what would happen to the market value of Government bonds under Pettengill's amendment. The Treasury Department report has this additional comment to offer in that connection as follows:

"It is well known that when municipal governments operate under tax limitations and have no further tax powers in reserve, their bonds commonly are regarded as second grade or lower, and in such cases emergencies may bring a sudden and sharp decline in their credit standing. To put hobbles on Federal taxing power would likewise weaken Federal credit and expose it to shocks. Since we have been through two great wars and a great depression without Federal credit being called in question, it is easy to forget that such a thing is possible. But there have been times in the past when Federal credit deteriorated and if we sacrificed the Federal Government's reserve of taxing power it might happen again (as in the instance of the 'run' on the Treasury during the silver difficulties of the 1890's).

"If Federal credit suffers, State and local credit will suffer with it. Any real shock to public faith in Federal securities would undoubtedly involve State and local securities sympathetically. Furthermore, any such shock would weaken the banks and other credit institutions and hinder them in assisting State and local governments. It must not be forgotten, either, that the support of the Federal Government was very valuable to State and local governments in the depths of the depression of the thirties and that Federal credit stood back of State and local credit in this emergency. Could a Federal Government with impaired credit have rescued mortgage debtors through HOLC and FCA in 1933–34, and enable them to pay up their back taxes? Could it have rescued the shaky bank system through RFC, the mortgage agencies, and FDIC? Could it have financed needed local public works through RFC and PWA? The confidence of investors in State and local securities rests partly on the knowledge that in a major depression emergency Federal credit would always be in reserve."

Note carefully that the Treasury report says that it is not what Mr. Pettengill and his cohorts allege to fear which will bring about a decline in war bond values and market but, on the contrary, the very plan which these people advocate which would do the very thing which they are so piously and hypocritically raising as a possible event.

WAR INTENSIFIES THEIR CAMPAIGN

You may choose to say that I am possessed of an unusual imagination and am seeing ghosts instead of real enemies of this Nation, but I say to you that it is a very strange circumstance indeed which prompted this propaganda syndicate to allow its scheme to lie relatively dormant during peacetime and to only commence its aggressive campaigning about the time that the war commenced in Europe.

No one has ever accused those who hold to the German viewpoint of not being farsighted. The planning and the preparation which went into the German scheme for the conquest of Europe in this war admittedly was bulletproof except for one thing—the failure to believe that this Nation would ever enter another European war. Hitler and his minions never thought that we would go so far. They never foresaw June 6, 1944.

When they did finally realize that this Nation meant business again in this war, they immediately brought up their Quisling reserves and issued instructions which culminated in the greater activation of their plans to sap the power and strength of this Government at its tenderest spot, its purse strings.

POLL PARROT PETTENGILL

When Poll Parrot Pettengill tells us that his amendment will raise more, not less, funds for the Government, he is once again dealing in misinformation and is relying on making his argument effective through repetition rather than through fact. The cold facts on this point are also contained in the Treasury Department analysis, above referred to. On that point, the report says as follows:

"Even with a high level of employment, income payments after the war will be less than under wartime conditions. With lower income payments all the tax bases and the revenue will be lower. The income payments will necessarily decline as overtime work paid at time and a half ceases and the highly paid war industries are demobilized. Inflation would offset the factors making for a reduction in income payments, but inflation would also push up expenditures.

"With present prices and assumed income payments of $125,000,000,000 to $130,000,000,000, the present tax system (with the excess-profits tax eliminated and with automatic postwar excise-tax rate reductions), the $40,000,000,000 wartime revenue figure points to postwar revenue somewhere in the neighborhood of $25,000,000,000, not including social-security taxes.

"On the expenditure side, many items will greatly exceed their prewar levels. The cost of interest on the public debt, the Military Establishment, the veterans, and other war-caused items will be enormously enlarged. When allowance is made for the inevitable increase in other expenditures of Government, it is clear that the leeway for tax reduction from wartime rates is insufficient to permit a 25-percent maximum rate on incomes and estates without serious danger of continuing deficits.

"If the proposed limitation were adopted, it would mean reducing to a 25-percent level the bracket rates that now exceed 25 percent. It would mean lowering the 40-percent corporate normal and surtax, sharply reducing the estate tax, and reducing all individual income-tax rates to about the present first-bracket level of 23 percent. If no other adjustments were made, such cuts would involve revenue losses in the neighborhood of $6,000,000,000 a year. This would eliminate the prospect of a budget surplus and make a deficit probable even in a prosperous year."

Of course, it can be said that this loss of revenue might be made up in other ways. Let us examine that idea a moment. On that point, the Treasury report has this to offer:

"Part of the revenue loss from rate reductions brought about by the (proposed) limitation could conceivably be made up by measures designed to increase the tax base.

In the corporation field, the carry-forward and carry-back of losses could be abandoned, percentage depletion could be eliminated, and deductions for contributions denied, along with pension trust and perhaps other deductions.

"In the individual income field, deductions (for State and local taxes, contributions, interest, and similar items) could be disallowed; forms of income not now included as taxable (for example, interest on State and local bonds and some forms of annuities) could be included in taxable income; personal exemptions could be lowered; and the especially favorable treatment of capital gains could be abandoned."

I cannot imagine that many of us would wax enthusiastic over all these proposed substitute measures. Nor can I visualize the average businessman or consumer waxing enthusiastic over the only other available substitute measure, the commodity tax. Here is what the Treasury report has to say briefly on that last resort:

"It would be possible also to make some tax increases outside the restricted field. But since the (proposed) restriction covers estates and all kinds of incomes and the Constitution already stands in the way of Federal property taxes, the only major unrestricted field is that of commodity taxes—i. e., sales taxes and excises. If one disregards considerations of equity, the repressive effects of commodity taxes on business activity and employment and competition with State taxes, substantial revenues can be raised from these sources. Under war conditions, a 5-percent Federal retail sales tax would have yielded about $3,000,000,000; under post-war conditions, with shortages of goods relieved, the figure would be somewhat higher. But in view of the necessity to avoid seriously repressive effects of commodity taxes and of the many other considerations that point toward reducing war excises below the levels provided in the Revenue Act of 1943, a net gain of more than $1,000,000,000 or so in the commodity tax field would imply drastic use of commodity taxes. Congress might prefer instead to make adjustments involving a reduction of revenue in this field."

I confess that the precise and technical language employed by the analysts of the Treasury Department does not necessarily high light in one or two sentences the dangers inherent in this proposed amendment. However, just because their language is precise and technical and just because it is the considered opinion of experts, made only after careful computations leading to these conclusions, for those reasons, I place a higher value upon their statements and their conclusions than I otherwise would.

DR. EDWARD A. RUMELY, A CONVICTED CRIMINAL, OFFICIAL OF COMMITTEE FOR CONSTITUTIONAL GOVERNMENT, INC.

I have been accused of having said some unkind and unwarranted things about this political-action committee, the Gannett-Rumely-Pettengill-McClure gang—alias the Committee for Constitutional Government. I have been accused of being a little too harsh in my criticism of certain of the individuals who founded and who still run this highly efficient and Fascist-inspired propaganda machine.

Today I should like to place in the RECORD certain factual information taken from the official court records and the final decision of the Circuit Court of Appeals, Second Circuit, wherein the conviction of one Edward A. Rumely in the lower court was upheld and the judgment of the lower court was affirmed which sentenced this man to a year and a day in the Federal penitentiary for concealing his connections with the Imperial German Government at a time when this Nation was at war with Germany.

In summarizing the testimony the court paid attention to Dr. Rumely's splendid educational background which included study at Notre Dame University in this country, Oxford University in England, and, later, 4½ years at the German universities of Heidelberg and Freiburg. The court says:

"During his sojourn in Germany he appears to have lived on terms of intimacy with some of its leading men. He has been a man of affairs. In 1915 he began negotiations for the puruchase of the Evening Mail, an old and well-established newspaper in New York.

"At the time he purchased the Mail there was a feeling on the part of many German-Americans that the news from Europe was put over in a one-sided way. As he (Rumely) expressed it:

" 'There was a great deal of resentment against biased reports that were coming and that bias I had recognized was due to the absence of a news flow from the Central Powers' And the court goes on to say: He says that he saw in that 'a very great public opportunity. He thought he could get strong financial support for his proposed purchase of the Mail, as he intended in that paper to fight the British blockade' which he regarded as unwarranted and illegal."

The court record says:

"It appears that on March 18, 1915, defendant Rumely and Samuel S. McClure obtained an option to purchase the New York Evening Mail."

For this record, it should be noted that Samuel S. McClure is still associated with Dr. Rumely in his present work and is still listed as a member of the board of advisers of the Committee for Constitutional Government, Inc.

The court testimony shows that Rumely, in his defense, maintained that the funds he had used for the purchase of the Evening Mail came from two wealthy German-Americans who were residents in Germany at the time of the last war. The prosecution proved, to the obvious satisfaction of the court and the jury, that this allegation of Rumely's was untrue. One of the parties from whom Rumely said that he secured this vast sum of $1,200,000 made deposition that she, at no time, furnished to anyone any money, by subscription, loan, or otherwise, for the purchase of the New York Evening Mail, or any interest in it.

The other party from whom Rumely alleged he secured these funds for use in buying the newspaper died in Germany while we were still at war with that country. His widow, who was with him during that time, and his partners, who resided in the United States, all testified that he, Herman Siecklen, had never supplied Rumely with any funds for any purpose, either directly or indirectly.

To make the prosecution's case complete, the Government established through deposition of one Dr. Heinrich Albert, agent for the Imperial German Government in this country prior to World War No. 1, that Rumely had received his funds from Albert from funds which were the property of the Imperial German Government. Albert also testified that he paid an additional $200,000 to Rumely for an advertisement which appeared in the foreign-language press of the United States, which was entitled, "An Appeal to the American People." From the testimony of Dr. Albert which is quite lengthy, it was obvious that the entire deal through which Rumely acquired the Evening Mail was cooked up during many long conferences which Rumely and Albert had in that connection. Furthermore, it was his admitted intention and purpose in acquiring said paper to use it for the avowed purpose of propagandizing the American people and "selling" to us the cause of Germany and the Central Powers.

Now, this admitted Goebbels of a generation ago, is here with us again in the midst of this great international conflict, brazenly grinding out the insidious propaganda and pulling the strings of one of the most efficient and diabolical un-American organizations which has ever been permitted to remain in existence in this country, either in peace or in wartime.

With the greedy Gannett in the background, supplying cash and introductions to other men of wealth in the country who may be enticed into supporting this foul scheme on the grounds that their own pocketbooks will grow fatter if this millionaires' amendment to the Constitution is permitted to pass; with "Poll Parrot" Pettengill preaching the little hypocritical sermons that Rumely grinds out for him and later prints in book and pamphlet form for him on the press, America's Future, Inc., located in the same building from which the committee itself operates; with the venerable-appearing Mr. McClure to front for him on other occasions when Poll Parrot and his other henchmen are far afield at their Quislinglike work, Rumely sits at the center of the web, playing on the weaknesses of the rich and the would-be rich and works toward the day when, through the passage of his amendment, he will have finished paving the road which can only lead to poverty, disaster, and revolution in this country.

That, gentlemen, is Dr. Edward A. Rumely, convicted criminal, German-trained, admitted German sympathizer, the great brain and master mind behind the most insidious and pro-Nazi scheme yet to be offered to the American people.

I have faith in the average American citizen and his sound and sane outlook on life which will reject any scheme offered to him personally which would make the lot of his family and his fellow workers a harder one in years to come, as would this nefarious millionaires' amendment. That average American citizen, however, is being given no voice and no choice in this particular matter. He is not being consulted.

Instead, only a few of his fellow citizens are given any voice in deciding as to the wisdom of this revolutionary and feudalistic plan. These are his duly elected representatives in the various State legislatures of the country, men who were not selected so much for their knowledge of constitutional law and national financial problems as they were to do the bidding of their constituents at home who entrusted their local problems to them for disposition.

These legislators are approached quietly and through the medium of the wealthier citizens in their respective districts who have been convinced in all good faith by Dr. Rumely's minions that this proposed amendment is a stepping stone to more freedom of enterprise and more prosperity for themselves as individuals, at least. If these local legislators could only see the dangers truly inherent in this wicked scheme and could see the pitfall they are automatically digging for themselves and their own fellow citizens, the average white-collar worker or laboring man, I know that they would never cast their votes for this Fascist plan. In the absence of information to the contrary, they do not see this future danger and they cheerfully accede to the request or the suggestion of their local rich men who have received the guidance to that end which Dr. Rumely has so cleverly provided for them.

We must wake up and put an end to this unholy crusade which has already prevailed upon two-thirds of all of the State legislatures it has yet invaded to do its will. It is not too late yet, but next year it may be too late, and then will come the hour of triumph for which Rumely and his hidden backers are pointing.

Legal language is dry. People prefer the Pollyanna language of change and like to read the attractive brochures issued by the sonorous pamphleteers and look at their pretty pictures of national heroes, patriotic shrines, and other Americana they have been

taught to love and respect—the kind of attractive booklets put out by this Committee for Constitutional Government, Inc.—alias Fascism in America.

Just once, however, I commend for our reading the cold, dry language of the circuit court of appeals in its final judgment in the case of Rumely et al. versus the United States. In that plain, factual story of justice wending its slow but steady way lies the history of one stage in the career of this evil character. It portrays one relatively small set-back received by him before he had perfected the use of the Goebbels technique for wartime use in this country. In our failure to ignore its implications, we may well be preparing for a debacle to come.

Appended herewith are several excerpts taken from the official decision of the court in that case which temporarily removed from public circulation the Dr. Rumely of 25 years ago. Has he changed his beliefs? Has he joined our side? I, for one, do not believe so.

"[From Federal Reporter, vol. 293]

"No. 135—RUMELY ET AL. v. UNITED STATES (CIRCUIT COURT OF APPEALS, SECOND CIRCUIT, JULY 27, 1923)

"(Certiorari denied, 44 Sup. Ct. 38, 68 L. Ed. —)

"Rogers, circuit judge. The plaintiffs in error have been convicted under an indictment which charged them with having conspired to defraud the United States by obstructing and preventing the United States from seizing and administering a certain indebtedness of the defendant Rumely to the Imperial German Government. It was alleged as part of the conspiracy that the defendants should conceal the fact of such indebtedness to the German Government, and should make false and misleading reports to the Alien Property Custodian of the United States, and so obstruct and prevent the transfer and and payment of that indebtedness to such Custodian. The defendants were acquitted on the first three counts, but convicted on the fourth and fifth. The jury accompanied their verdict with a strong recommendation for mercy.

* * * * *

"The trial began on November 3, 1920, and occupied 30 court days. During the trial 166 witnesses were examined, 670 exhibits were received in evidence, and the record fills 4 volumes, of 2,139 printed pages. There are 249 assignments of error, which occupy 116 printed pages. Of these assignments of error, 206 relate to the admission or exclusion of evidence, 24 to the charge to the jury, 7 to the denial of motions to set aside the verdict, 8 to the denial of motions to dismiss the indictment, and 3 to the denial of motions requiring the Government to elect on which counts it would go to trial. We have on several occasions condemned the practice of taking so numerous assignments of error. The practice is not conducive to the administration of justice in appellate courts. Many such assignments of error are inconsequential, and of so little importance that the court should not be asked to review them.

* * * * *

"It appears that on March 18, 1915, defendant Rumely and Samuel S. McClure obtained an option to purchase the New York Evening Mail, a paper published in the city of New York.

* * * * *

"The fourth count of the indictment, after reciting various matters not necessary now to refer to, and that Edward A. Rumely, at the times specified, then and there being within the United States, was indebted in the sum of $1,301,700 to an enemy of the United States, the Imperial German Government, and that the three defendants, each well knowing all the matters and things alleged, 'unlawfully, willfully, knowingly, feloniously, and corruptly did conspire and agree with each other, and with divers other persons whose names are to the grand jurors unknown, to defraud the United States, by obstructing, impeding, hindering, and delaying the United States in, and preventing the United States from seizing, capturing, receiving, holding, administering, assuming the control of and title to said indebtedness of the said Edward A. Rumely in the sum of $1,301,700 as aforesaid, to the said Imperial German Government, an enemy of the United States as aforesaid.'

" 'That is was a part of said conspiracy and agreement that the defendants should conceal from the Alien Property Custodian the fact that the said Edward R. Rumely was indebted as aforesaid to said Imperial German Government; that it was part of said conspiracy and agreement that the defendant, S. Walter Kaufmann, on behalf of the firm of Hays, Kaufmann & Lindheim, should make and render to said Alien Property Custodian a misleading, false, and fraudulent report and statement with respect to said indebtedness; that it was a part of said conspiracy and agreement that the defendants, Norvin R. Lindheim and Edward A. Rumely, should make a misleading, false, and fraudulent report and statement to said Alien Property Custodian with respect to said indebtedness; that it was a part of said conspiracy that the defendants should withhold and conceal from the United States and from the Alien Property Custodian the true facts with respect to said indebtedness; and that it was further a part of said conspiracy and agreement that the defendants should obstruct, impede, hinder, delay, and prevent the transfer, assignment, and payment of said indebtedness to the said Alien Property Custodian.'

"The fifth count of the indictment, after reciting various matters not necessary now to consider, and that by virtue of the Trading With the Enemy Act, passed by Congress and approved on October 6, 1917, it became and was the duty of every person in the United States who was indebted in any way to an enemy of the United States to report the fact to the official of the Government of the United States known as the Alien Property Custodian, and setting forth the time within which such report had to be filed, and after stating that at the times specified the defendant, Rumely, then and there being within the United States, was indebted in the sum of $1,451,700 to an enemy of the United States, to wit, the Imperial German Government, continued as follows:

" 'That on October 6, 1917, and continuously thereafter to and including December 20, 1917, the said Edward A. Rumely, S. Walter Kaufmann, and Norvin R. Lindheim, herein indicted and hereinafter called the defendants; and the said S. S. McClure Newspaper Corp., which is not herein indicted, each well knowing all the matters and things hereinabove alleged, at the southern district of New York and within the jurisdiction of this court, unlawfully, knowingly, willfully, feloniously, and corruptly did conspire and agree with each other, and with divers other persons whose names are to the grand jurors unknown, to commit an offense against the United States; that is to say, the said persons did conspire and agree that the said Edward A. Rumely, being indebted as aforesaid to the said enemy, should fail, neglect, and omit to report to said Alien Property Custodian within the period prescribed by law as aforesaid, and the extension thereof by the President as hereinbefore set forth, the fact that he was indebted as aforesaid to said enemy.'

"It becomes necessary, therefore, to consider whether the omission to charge that the defendants conspired that defendant Rumely should willfully fail, neglect, and omit to report to the Alien Property Custodian made the indictments invalid.

* * * * *

"4. It is objected that the fifth count is insufficient, because it failed to allege that the debt due to the enemy of the United States, and which it was necessary to report to the Alien Property Custodian, had become due. It is said that section 7 (a) of the Trading With the Enemy Act did not require the report as to a debt until 30 days after such debt shall become due. That portion of the act herein involved may be found in the margin. The allegation in the count is that Rumely was indebted in the sum of $1,451,700 to an enemy of the United States. And the contention is that the word 'due' means 'matured,' and that under the statute it was not necessary that fixed obligations payable in future should be reported. We are not able to concur in this view. The word 'due' signifies a simple indebtedness, without reference to the time of payment. This is the primary meaning of the word, and we think that it was used in this sense in the section of the act under consideration. It appears to us that Congress intended that the Alien Property Custodian should be given information as to all debts to alien enemies whether they had or had not matured. Such a construction of the act promotes efficiency in the collection of the debts owing to enemies, and the statute must be construed with reference to the object which it was intended to accomplish, and given that construction which is best calculated to advance its object. We see no sufficient reason for supposing, as the plaintiffs in error contend, that it was the intention of Congress that an indebtedness need not be reported until 30 days after its maturity.

* * * * *

"It is evident 'due' and 'owed' have been used as equivalents.

* * * * *

"The omission of comment upon all the errors assigned must not be construed as due to the failure of the court to consider them. We have examined this case carefully, the indictment, the admission and exclusion of evidence, the charge of the court, and whatever errors have been assigned. We have found no sufficient reason, in any of the errors assigned, which would justify this court in setting the judgment aside. The defendants had a fair trial under a valid indictment. The jury has found them guilty, and we cannot say that there was no evidence which could justify the verdict which has been rendered.

"Judgment affirmed."

QUIETLY AND WITHOUT PUBLICITY

I should also like to insert in the RECORD the following editorials and a letter taken from the press of recent weeks. The first is a letter from a Delaware taxpayer to the editor of the Wilmington, Del., Sunday Star, on May 28. It is obvious that the first news that this taxpayer had of this vicious amendment was at the time that I first called it to the attention of the Congress a few weeks ago. You will note that this correspondent is even now still unaware that the legislature of his own State, Delaware, has already adopted one of these resolutions and that his own Governor approved the resolution as long ago as April 22, 1943. That is how these alleged defenders of the Constitution work—quietly and without publicity.

The other two inserts are editorials from the New Republic of May 1, and the Nation of April 8. I commend them to your consideration:

"[From the Wilmington (Del.) Star of May 28, 1944]

"BRAND NEW TAX SAVING SCHEME

"EDITOR, SUNDAY STAR:

"The new tax bill which Congress sent to the President, said to be simplified for the

taxpayer, may be an improvement over the old tax measure, but we may well be suspicious of tax measures that are offered under a promise to make taxes easier.

"If they take the load off in one place they are most sure to put it on in another, and we may find it harder to meet, as in the final analysis the average taxable will pay more tax. There must be something slick about this one as it slipped through Congress in almost no time at all; consequently it must surely need watching.

"Now it seems there is another taxation scheme in the making, supported by a powerful lobby in Congress, with oodles of money backing it. It seems to be of the Gannett and Pettengill type. It is a foregone conclusion that anything sponsored by Frank Gannet and Samuel Pettengill has nothing to appeal to the average American. This scheme is a plan to change the Constitution, so as to limit the tax that may be placed against large incomes with the limit on those upper brackets at 35 percent. What this would do to the lower-income class need not be left to anyone's imagination. This scheme, as I understand it, has been aired before the Congress but the public pays little attention to what Congress does until it is sometimes too late.

"Sixteen States, it is said by Congressman PATMAN, of Texas, and SABATH, of Illinois, have passed resolutions to have Congress submit this proposed amendment to a constitutional convention. The campaign has been waged on the quiet but with considerable success as far as funds are concerned, as the very wealthy readily come across with a few thousands to speculate with some ready cash on a prospect of saving many thousands for themselves in income taxes, if this plan is successful, which, as a matter of course, they expect it to be.

"This time it is the Government that is being attacked through the Constitution of the United States and the people's interest is at stake, to be sacrificed for the benefit of a privileged class. It is possible that more than one powerful chain of newspapers as well as other powerful influences ready to be lined up with this sinister movement as they scheme in every possible way to fasten their treacherous tentacles on the United States Congress, and then on the lives and fortunes of the American people.

"L. G.

"MAY 24, 1944."

"[From the New Republic of May 1, 1944]

"A NEW TAX DODGE

"Would you believe that during a great war a modern democracy would sanction a strong movement to end income taxes?

"There is now an organization bent on this purpose called the American Taxpayers Association, supported by the Hearst press. Under its influence, 14 State legislatures have passed a resolution to repeal the sixteenth amendment to the Constitution (which grants the Congress the power to levy income taxes) and to restrict the taxing power of the Federal Government to a maximum of 25 percent not only on incomes but on gifts and inheritances as well. So has the New Jersey Senate and the proponents are hard at work in many other States.

"The association in its official bulletin deplores the fact that in the view of States that have turned the plan down 'practical and realistic methods' were not employed to obtain a favorable vote and believes the results would have been different 'if the program had been carried on as in the past in a quiet and effective way.'

"Enactment of the proposed measure would mean the virtual end of the progressive taxation of incomes or estates which adjusts the burden to the capacity to bear it. A man with a net income of $5,000, paying a 25 percent tax, would have $4,000 left, while a man with an income of $1,000,000, who could not be taxed at a higher rate, would have $750,000.

"Still worse, the measure would prevent any substantial curb on the accumulation of great wealth passed on from generation to generation. In view of the cost of war and the size of the national debt after it, the gentlemen who are trying to dodge their obligations in this way should be made to assume public responsibility by a congressional investigation of the financing and methods of the American Taxpayers Association."

"[From the Nation of April 8, 1944]

"A millionaire's lobby is quietly but successfully peddling to State legislatures a constitutional amendment designed to give upper-bracket taxpayers permanent relief from bearing their due share of national taxes. Already some 15 States have adopted a resolution asking Congress to summon a convention for the purpose of repealing the sixteenth amendment, which gave the Federal Government power to levy progressive income taxes. In its place, the resolution calls for a constitutional provision limiting income- and inheritance-tax rates to a maximum of 25 percent, save in a national emergency.

"This resolution was introduced in the New York Assembly in February and was narrowly defeated. Now it is before the New Jersey Legislature. Among its advocates one finds the New York Daily Mirror—the limitation would be a godsend to the Hearst family—which declares: 'There is no conceivable crisis in time of peace which would require taxing more than 25 percent of the people's income.'

"This is the choice example of the misleading propaganda being used to foster the new amendment which is concerned with limiting not the proportion of the national income taken in taxes but the amount taken from and one person's income. If the amendment were passed, a Henry Ford, who, on an income of $1,000,000 must now pay upwards of $800,000, would be charged at most $250,000. And, with the contribution of the Henry Fords limited, it would be necessary to jack up that of the John Does who would hardly be consoled by a constitutional limitation of the tax on $1,000 per year to $250.

"It is not surprising to find that the Committee for Constitutional Government, headed by Frank Gannett, the millionaire publisher, is the organization trying to slip over this measure while public attention is fixed on the fighting fronts."

THE RICH WOULD GROW RICHER—NO REDUCTION POSSIBLE IN LOWER-CLASS-TAX BRACKET

The Division of Tax Research of the Treasury Department has supplied me with an analysis of the effect that this proposed amendment would have on persons in the various income brackets.

Under the Gannett tax-limitation amendment, the 49,200,000 persons whose net annual incomes are now $5,000 or less—persons who now pay nearly 25 percent under the Individual Income Tax Act of 1944—would receive no benefits whatsoever. They would be obliged to pay at least their present tax bill, and probably more. Even if they did so, the over-all revenue from individual income-tax returns, not considering corporate returns, would be approximately $3,000,000,000 less than it is at present.

The greatest benefit, however, would accrue to the 38,000 persons whose annual net incomes are in excess of $50,000 a year, the millionaire class. This class of fortunate persons would find themselves only paying an average tax under this proposed amendment of approximately one-third of their present individual tax bill. Under present laws, these 38,000 persons will pay $2,618,000,000 this year in income taxes, whereas, if the 25-percent limitation is adopted, they will only pay $921,000,000, which would save them an average of almost $50,000.

According to the Treasury Department's experts, the 49,200,000 low-income taxpayers who now pay 54.15 percent of the present individual-income levy would have to assume liability for 65.8 percent of that levy under the Gannett plan.

Mr. Gannett and his fellow millionaires, however, who are even today only held liable for 23 percent of that levy, could only be held liable for 9 percent of the total individual-income levy under that plan. Small wonder that this scheme is characterized by some as the millionaires amendment.

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. ROGERS] is recognized for 30 minutes.

THE CATTLE INDUSTRY

Mr. ROGERS of Texas. Mr. Speaker, this Congress will in the near future be called upon to determine the advisability of extending for a future period some of the powers and authorities created and granted under the Defense Production Act of 1950. This responsibility has caused me grave concern in that the authority granted under that act is in fundamental contravention of the free economy and free enterprise system to which the free people of this Nation are indebted in the great strides that we have made in the progress of civilization. The exercise of the powers granted under that act constitutes a procedure contrary to the basic principles of supply and demand, and the result is a controlled economy rather than the free economy to which we have always subscribed. I make this predicate for the sole purpose of bringing to your attention that the problem posed is whether or not this country has reached the point in its progress when the system of free enterprise and free economy must be cast aside and a controlled economy resorted to for survival. If such is the case, the cause for which all the wars in our history were fought, beginning with the Revolutionary War and including the present conflict in Korea, is lost, and we, the Members of this Congress will be branded, and appropriately so, by historians as the officials who were derelict in their duty and who miserably failed in their responsibility to uphold and perpetuate the precepts of freedom and democracy. Much could be said on the subject from the general viewpoint, but suffice it to say at the present time that we have not reached a point in history when it is necessary to blind ourselves to the basic principles of free economy and free enterprise and permit ourselves to become the mere pawns of a regimented and controlled economy.

The subject as it affects the entire economy is so complex that time would not permit an all-encompassing treatment were I qualified to engage in such a discussion. Therefore, I shall today address myself to one phase of the problem with which I am somewhat familiar. It is that phase of our economy that has been affected by the regulations issued by the Office of Price Stabilization concerning the cattle business and the effect that these regulations will have. I say that I am somewhat familiar with this subject because the raising of cattle and the production of beef is one of the lead-

ing, if not the leading, businesses in my district. This district consists of 28 counties in the great Panhandle plains country of the State of Texas. In the early days of this country this section was inhabited by those great Americans of indomitable pioneering spirit who recognized no obstacle as being insurmountable. It is the blood of those great patriots that now courses through the veins of those presently engaged in the cattle business in that great section of this country—truly a race of people whose honesty and integrity is daily exemplified in their business dealings upon the maxim, "A man's word is as good as his bond," a people who have fairly appreciated the trials and tribulations of the pursuit in which they engage, and from whom, in the ordinary trend of events, there has never been a complaint. They have successfully fought the elements, the ravages of cattle disease, and have accepted, as part of the game, the market trends which have many times broken them financially, but which have failed to dim the pioneering spirit that is the moving force upon which they depend. Having won the battles against nature and man-made price fluctuations and at the same time producing better beef animals for the consumption of human beings—and mind you, without Government subsidies but solely on a free economy and free enterprise system—they rightfully felt that for these achievements they should be entitled to proper acclaim for a job well done. Little did they know that the battle had just begun and that the next onslaught to be directed at them would be a regimentation of their business that would do to them what the elements, the ravages of disease, and the questionable practices of market speculators had failed to do, namely, put them out of business. This is a fight for survival on the part of the small cattleman, the feeder, and the small packer, and unless it is won, these people who have meant so much to the economy of this country must seek other pursuits in order to provide a livelihood for themselves and their families.

The regulations that have been set up by the Office of Price Stabilization are fundamentally without logic in coping with the problem sought to be solved. One of the officials of this agency has stated publicly that if the cattle people are not satisfied with the regulations, they should "squawk" to him. I refer to Mr. Eric Johnston's statement in testifying before one of the Committees of this Congress. For the information of the Office of Price Stabilization and all of the officials of that agency, I would say that the great majority of the people of my district engaged in this business are not prepared financially to travel 1,800 miles to seek out officials of a Washington bureau and present their complaints in person. I represent many of those people of the Southwest, and I am squawking for them, and will continue to so do. In all fairness to all concerned, I do not base my case upon the complaints of a few from whom I have received communications. The problem was of sufficient concern to me that I returned to my district and sought out the people in this business and discussed their problems with them on the street corners, in the cafes, and at other points, in order to obtain the true facts. While there I had the opportunity to observe the beginning of what will develop into one of the greatest beef shortages that this country has ever faced, and I bring this information to this Congress in hopes that the duly elected representatives of the people will recognize the plight in which we find ourselves and lend their assistance to our salvation.

First, I want to correct the false impression that is so prevalent in many parts of the country to the effect that all people engaged in the cattle business are wealthy. Nothing could be further from the truth. These people are no different in this respect from the people engaged in any other business or pursuit, and for every one who is wealthy there are hundreds who live on credit from season to season. There seems to be another impression in the minds of many who are unfamiliar with the cattle business, and that is that the only problem involved in the production of beef is for a rancher to sit by and wait for calves to be born and to fatten on lush grass pastures and then sell these animals to the highest bidder. That this process is a continuing thing that goes on from year to year.

The Office of Price Stabilization seems to feel that because a rancher can make a few dollars per head on the animals that he raises that he is assured of a profit and cannot be hurt by this roll-back. This theory is as fallacious as the theory that all cattle people are rich. For instance, in my section of the country grassland sells today for approximately $35 per acre. A yearling steer requires 15 acres of grassland. This is an investment of $525. This same steer under present-day prices will cost the rancher approximately $200 to $210, making an over-all investment of approximately $735 per head. In order for the rancher to realize as much as 5 percent on this investment he must make a clear profit on each animal sold of approximately $36.75 per animal. This figure does not include items of expense such as fence building, treatment of the animals, interest on borrowed money, maintaining windmills and proper water supply, and does not include any additional feeding cost. Nor does it include any losses involved in connection with livestock raising. To go back for a minute to the cost of the animal, say $200, I want to show you what happens when one of these animals dies, and this they do in large numbers, especially in severe weather such as we have in the winter and early spring months in the Panhandle. Most of the cattle out there can stand a dry cold of below zero, but as is so many times the case, we will have a wet snow along with a severe drop in temperature and a high cold wind. There is relatively little shelter provided by nature in the Plains country, and when one of these animals becomes soaked from the wet snow, the accompanying drop in temperature kills them in great numbers. At an initial cost of $200 per head for these animals, you can readily see that if one dies, it will take a profit of $50 per head on four others to permit the rancher to break even. Now the severe weather is not the only cause of death to these animals, but is merely used as an example. There are many other types of losses that must be absorbed by the producer.

As an illustration of what is happening to the producer under the ceiling price regulations, we can take an average steer purchased this spring for spring and summer grazing and contracted for October delivery to feeders. The spring price of $42 per hundredweight on a 500-pound animal would make the original cost of the animal $210. Expenses in handling the animal, including pasture $20, interest $5, death loss and miscellaneous $5, increases the cost to $240. Under the regulations of the Office of Price Stabilization this animal will bring $27.30 per hundredweight on the delivery date somewhere between October 1 and the 15th. Assuming that the animal has gained 250 pounds during the summer, he will have attained a weight at delivery time of 750 pounds. By multiplying his weight by $0.2730 we arrive at the price the animal will bring, which is $204.75. Since the animal has cost the producer $240 and he can sell it for only $204.75, he has suffered a loss of $35.25 per animal. You can readily see that any rancher handling two or three hundred head of cattle can lose lots of money fast. In fact, he has lost more per animal than he is entitled to make as a fair return on his investment. The additional roll-back effective in October will increase this loss.

To carry this example further, we must remember that the illustration dealt with the animal only as a grass-fed animal. It is now time for this animal to be sent to the feeder so that he can be finished out and made ready for slaughter. The animal will cost the feeder, under the OPS regulations, $204.75. The feeder places this animal in a dry feed lot and proceeds to fatten the animal further for subsequent delivery to the slaughterhouse. Under present-day market it will cost the feeder approximately 85 cents per day to feed the animal. Assuming that he feeds the animal for 120 days, as is usually customary in such cases, his feeding cost will be $102. To this will be added a freight cost of approximately $7.50, and interest charge of approximately $5, and a miscellaneous charge of incidental expenses in connection with the maintenance of the animal of $5. The over-all cost over a period of 120 days has now increased to $324.25. The animal will gain approximately 2 pounds per day while in the feed lot. If he is there 120 days, his total gain will be 240 pounds. Since its weight was 750 pounds in the beginning, he has now attained a weight of 990 pounds. This animal would probably dress out between 56 and 58 percent, which means that under the provisions of CPR 23, the feeder can expect to receive $31.50 per hundredweight for the animal. This would bring him a return for this animal of $306.90, which is $37.35 less than the animal cost him. No man could stay in business long operating at any such loss as that.

In connection with this feeding process, I want to call your especial attention to the per diem cost of feeding the animal as compared with the actual return under the OPS regulations. It will cost 85 cents per day to feed the animal, and the animal will put on 2 pounds per day. For these 2 pounds that are produced each day in weight gained the feeder can only expect to recover 63 cents. In other words, every time the feeder puts 2 pounds on the animal he loses 22 cents. The result of this unwarranted situation is going to be this: No feeder of cattle is going to put these animals in his feed lots and spend 85 cents per day to feed the animal when he can only recover 63 cents against this 85 cents cost. What will happen? The animals will be fed out on grass so far as possible and immediately shipped to the slaughterhouses and slaughtered. By doing this, there will be approximately 240 pounds of beef that will be lost to the consuming public of the United States and the world, simply because it was never produced. The additional question comes up concerning the use of the cattle feed that is never fed to the cattle. This Government will find in approximately 1 year to 18 months that we have a surplus of cattle feed that represents the beef that should have been on the backs of the animals that were slaughtered. In addition to this, the cattle population of this country is bound to decrease for the simple reason that the people in the cattle business are not going to continue in the cattle business unless they can make a living at it, and when the small operators in this business find out that they cannot maintain themselves and their families on what profits they can make from continuing in this business, they are going to slaughter the animals on hand and seek other means of making a living. This means that in the final analysis the program of the cattle people to increase the cattle population of this country by 1955 to 95,000,000 head will be absolutely sabotaged and that by 1955 our cattle population will be reduced as far below the present 84,000,000 head as these people contemplated increasing it.

And while we are on this subject, I want to call to your attention the paragraph in Ceiling Price Regulation No. 23, being the first full paragraph in column 3 on page 2, and I quote:

> The feed required to make Choice cattle into Prime, with the indicated change in yield, will be substantially greater than to change Good cattle to Choice, or to make Commercial cattle into Good. Hence, it is believed that the price relationships will not encourage producing undue numbers of Prime cattle which would be a wasteful use of feed resources. They will definitely encourage placing cattle that would produce Commercial and Good carcasses, but are suitable for further finish, into the feed lot to be carried to a higher grade, thus adding to the beef supply.

Mr. DiSalle is certainly correct in the first two sentences of that paragraph, but as definitely incorrect in the last. In order to make Prime beef, it is necessary to keep the animal in a dry feed lot on good cattle feed for not less than 6 months. Since I proved to you a moment ago that the animal would lose the feeder 22 cents every day that it stayed in the feed lot, certainly no feeder is going to leave the animal there for 6 months. The truth is, he is not going to put him there in the first place. Yes, Mr. DiSalle is certainly right; there will not be any Prime beef. But do not misunderstand me. I do not say that you will not be paying Prime prices for Commercial and Utility beef. As to the last sentence in this paragraph, which is to the effect that the producer would be encouraged to place Commercial and Good carcasses into the feed lot to finish them out into Choice, there is certainly no basis in reason. A true statement would have been that if any feeder was caught with cattle in the feed lot when this regulation was made effective, he would certainly get them out and sell them fast, which would, of course, create a temporary supply of beef, but at the same time reduce the over-all production of beef as it has been practiced in the past.

Mr. Speaker, I am not talking on this subject from a theoretical standpoint. As I stated before, I returned to my district for the purpose of getting the true facts. While there I had the opportunity to observe a number of feed lots that have always been full. I am sorry to say that these lots looked like ghost towns. There was not one head of cattle near them, whereas only a few weeks ago they had been full, and would have continued to be full had it not been for the regulations adopted by the Office of Price Stabilization. In addition to the damage that will be done to those engaged in the raising and producing of livestock, the entire economy of the Great Plains country is going to suffer. Only yesterday I received a call from a friend of mine in Memphis, Tex., calling to my attention another fault in these regulations. He called me because the people there are worried, and plenty worried, about what is happening to their businesses. Many cattle down there are sold at auction sales, and in the towns of around five to ten thousand population they have small slaughterhouses where these animals are slaughtered and prepared for market. These businesses each have several employees. The same is true of the small packing houses in that section of the country. These slaughterhouses and small packers find themselves in this dilemma: They undertake to stay in business by purchasing these animals, dressing them out and selling the product to the retailers. They now find that their strongest competition in obtaining the animals is coming from the larger packing houses in the larger cities, who have representatives at these auction sales to buy these animals and transport them to the larger cities where they are slaughtered.

The reason that these larger packers can buy these animals is that they can pay a higher price than the small packers and slaughterhouses in these towns. They can pay this higher price because they know that they have a Federal meat inspector available and that these animals will actually dress out as Good or Choice beef; whereas the small packing plants and slaughterhouses in the smaller towns do not have available the services of these Federal inspectors and are forced to grade the animals themselves. Under regulation 5–G of distribution regulation 2, they cannot grade the carcass better than Commercial. Therefore they cannot meet the price competition of the larger packers who have available these official graders. Most of these small businesses are operated on a month-to-month basis and do not have large capital reserves upon which to fall back; hence it will be impossible for them to stay in business until this Government can provide a sufficient number of official graders to place them on a parity with the large packing houses. The result will be that these boys will go out of business and their employees must find other means of livelihood, and the entire cattle business in this particular respect will be channeled into the larger cities and into big business. That is not America, and never has been America, and regardless of the motives of those advocating these controls, such practices will never be American.

Much has been said by the Office of Price Stabilization about protecting the ultimate consumer and what these price regulations are going to do for the ultimate consumer. I do not know what these controls will do for the ultimate consumer a year from now or 2 years from now, but I have a good idea, and I do not think it is going to be very satisfactory to the consumers. I do know what has happened so far under these regulations, and I have the right to base my opinion as to what will happen in the future on the evidence at hand. This evidence is factual and not theoretical, and if anyone doubts it, he has but to go out into the countryside and view the matter at first-hand. The first thing that happened in my section of the country was that the price to which the cattlemen were entitled was rolled back and the price the consumer was paying was increased. And the consumers are certainly not very happy about that because many of them in my section of the country depend at least in part on the cattle business for their livelihood. With these actual facts in mind and without resorting to these idealistic theories of city boys trying to run country boys' businesses, it seems to me only fair to conclude that in 1 year or 2 years from nor the consumer will probably have one of two choices. He can do without meat on his table or he will be forced to trade with a gray or black market at a price much in excess of what he has heretofore paid. If the cattle population drops, as it is bound to under these regulations, there will be no alternative but rationing, and let no one be fooled about that. If we have rationing, it will be because the beef to which we were entitled in this country was never produced. And the failure to produce that beef will be one of the greatest losses that this country has ever suffered, because we are going into a period immediately when we will need more production than we have ever heretofore required.

It is not too late to remedy this situation and to undo a grievous wrong. The cattle people have never engaged in a

strike, and never will, and for any official to insinuate that these price regulations are necessary because there is some contemplation that the cattle producers might strike is one of the greatest injustices that has ever been done this great segment of American life. If the cattle people do not produce the beef that this country needs it will be because Government regulation and Government regimentation has put them out of business without their consent or approval. The only answer to inflation is production, and if these cattle people are left alone and free of Government interference they will produce, and they will produce regardless of what happens to the cattle market so long as their operations are free and unshackled. The answer to the increased price of cattle is not Government control; it is the action of the consumer in the purchases. As recent as 1948 the housewives of this country decided that meat was too high and put on a campaign reducing the weekly consumption of meat in their homes. The effect of this was immediate, and the cattle market responded, just as the housewives knew it would. It dropped sharply and leveled off at a point where it should be. The same thing could be done again today without interference from Government officials. Controls can never be justified in a free economy unless there are three elements present: First, there must be a necessity created by an emergency; second, the controls must be temporary; third, the controls must be fair and equitable to all, and especially to those people in the particular field that is subjected to controls. The absence of any or all of these elements will defeat the very purpose upon which controls are predicated.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Iowa.

Mr. GROSS. I wonder if the gentleman has any idea where the Office of Price Stabilization is going to pick up 600 meat inspectors overnight.

Mr. ROGERS of Texas. I do not know, but I have my fears about where they are coming from.

Mr. GROSS. That is right.

Does the gentleman know where the program originated? I do not mean exactly where it originated, but does the gentleman know how this program originated in the OPS, and who recommended it?

Mr. ROGERS of Texas. Does the gentleman mean the origination of the program or the mechanics of working it out?

Mr. GROSS. I refer to the price fixing and the price roll-backs in feed cattle.

Mr. ROGERS of Texas. As I am informed, and I do not know whether this is true or not, the advisory committees were set up concerning the different phases of American business. My information is that these advisers, or the members of these advisory committees, came to Washington at their own expense and paid their own hotel bills and were here in a patriotic attitude, at least, and that their advice was sought but was not listened to. I am sure that that happened with reference to the cattle roll-back.

I am advised further—and I have no reason to doubt it—that in the Construction Division of the NPA the same thing took place; that these people were brought in and were told that the committee was too large and too unwieldy because it had 28 members and the matter would have to be dispatched.

Mr. GROSS. Then the people who know cattle raising and the cattle feeding business did not support this program and did not advise that this kind of program be put into effect? That is a true statement, is it not?

Mr. ROGERS of Texas. As far as I know, no one from my section of the country is for this program or knew what was in the making when the program was being formed.

Mr. GROSS. Does the gentleman know of an actual farmer, or a person who knows the grass-roots operation of farming, in the OPS? Does he know of a single individual like that?

Mr. ROGERS of Texas. No, sir; I do not. I do know some of these fellows who were called in as advisers on this Advisory Committee were qualified, and their advice should have been taken.

Mr. GROSS. As a matter of fact, they are conspicuous by their absence throughout the entire defense mobilization set-up, sof ar as farmers are concerned, is that not true?

Mr. ROGERS of Texas. That appears to be the case.

The SPEAKER pro tempore (Mr. DOYLE). The time of the gentleman from Texas has expired.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tomorrow night to file a report on the bill H. R. 4141.

The SPEAKER pro tempore (Mr. DOYLE). Is there objection to the request of the gentleman from Georgia?

There was no objection.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. VELDE] is recognized for 30 minutes.

Mr. VELDE. Mr. Speaker, the Leninist line, or more often referred to as the Communist Party line, is a zigzag line of advance and retreat and is the theoretical basis for the many shifts of Communist strategy that have prevailed throughout the years since the Russian revolution.

Immediately after the revolution came 3 years of progress toward communism when the party in Russia drove toward the left, nationalizing industries, requisitioning goods, and drafting manpower.

Next came the 6 years of the new economic policy when free enterprise was encouraged in order to revive production and trade from the terrible breakdown left after the civil wars.

Next came the 5-year plan. The drive to the left in this period brought the socialization of agriculture and the famine in the Ukraine in 1931.

Hitler's rise to power in 1933 brought another transition, a swing to the right in foreign relations.

In 1935 the new Soviet constitution was adopted in a form that apparently accepted the familiar standards of western democracy. The popular front became the announced policy and the allegiance of communism was made the basis of political tactics in France and other countries. Communism in the United States became "twentieth century Americanism," the real "friend" of democracy, and the "guardian" of every tradition of freedom and civil liberty. The Communist Party in the United States went to great lengths to advertise Soviet Russia in this new "democratic" light. Anti-Nazi leagues flourished in the United States and the Communist Party was in the forefront as opponents of Hitler. The ruthless and barbarous persecution of the Jews by Hitler stirred up a righteous indignation in the hearts of every liberty-loving American citizen. Testimony before the House Committee on Un-American Activities has brought out that it was during this period the Communist Party in the United States was able to recruit many persons who were definitely anti-Nazi but not necessarily pro-Communist.

On August 23, 1939, the Communists in the United States received what was probably the greatest shock of their lives. Without advance notice of any kind, they were amazed and stunned to learn that the Soviet Union had signed a nonaggression pact with Nazi Germany.

Many of those who had joined the Communist Party because of its opposition to fascism simply could not swallow this new move and left the party in disgust. Collective security went out the window. Communists became isolationists and the war in Europe was belabored as an imperialist war. American Communists, once more straightened out as to the party line, took up the hue and cry that President Roosevelt was a warmonger and coined the phrase "The Yanks are not coming." On Labor Day of 1940 the American Peace Mobilization was created. They opposed every move the United States made in preparation for a war that was eventually to involve this country.

Once again the American Communists were caught flat-footed. While the American Peace Mobilization was picketing the White House on June 22, 1941, word flashed that Hitler and his hordes had attacked the Soviet Union. The American Peace Mobilization, after a weak attempt to change their name to American Peoples Mobilization, vanished into thin air. Communist-inspired strikes in war industries ceased. Overnight President Roosevelt's status changed from that of a warmonger to hero and it was quickly decided that the Yanks are not coming too late. Unity leagues for this and victory committees for that mushroomed overnight.

Earl Browder, who earlier had been convicted and sentenced to the penitentiary for passport fraud, was released from prison by President Roosevelt on May 16, 1942, by commuting the 4-year sentence to 1 year and 2 months. The reason given was to promote national

unity. It is to be remembered that the Communist Party of the United States, in their 1940 convention, passed a resolution "to combat the imperialistic policies and acts of the President, the State Department, and Congress to spread the war and involve the United States in it—oppose all war loans and credits—not a cent, not a gun, not a man for war preparations."

But with the head of their party out of jail and the Soviet fatherland being overrun by Hitler, the Communist Party, at its convention in May 1944 decided not to put candidates for office in the coming election. This question was solved by the dissolution of the Communist Party and the creation of the Communist Political Association. In other words, the very existence of the Soviet Union was at stake and the Communists could and should work with the capitalists to win the war.

With the successful conclusion of the war, Browder emerged more or less as a hero to the American Communists. But the true meaning of communism—violent opposition to capitalism—would not permit Browder's policy of friendliness toward the Government of the United States to continue.

The Tehran pact of November 1943 was an agreement between Stalin, Churchill, and Roosevelt that there would be generations of peace. But Hitler, the enemy of Soviet Russia, was defeated in May 1945 and the Tehran pact became only a diplomatic gesture. The need of the American Communist Party to return to their program of revolution was stressed by Jacques Duclos, general secretary of the Communist Party of France in April 1945. Recognizing this as notice that the party line in America was to change again, a convention of the Communist Political Association was called in May 1945. Again the American Communists bowed to the dictates of the leader of world communism. The Communist Political Association faded out of the picture and the Communist Party of the United States was resurrected. Earl Browder was deposed as the titular head by the simple procedure of branding him as a revisionist and selecting William Z. Foster as head of the party. Sacrificing himself as a well disciplined party member, Browder, the hero of one day became a bum the next.

Witnesses before the House Committee on Un-American Activities who admitted their membership in the Communist Party at the time of Browder's deposal, stated they were unable to follow the reasoning offered by the party leaders for such a move. These witnesses stated that it had been drilled into them by party functionaries that Browder was the leader and as the leader he could do no wrong. Yet these same party functionaries hurriedly climbed aboard the party bandwagon and belabored Browder because he had not continued to follow the party line and failed to anticipate another of the many changes.

The Communist Party line changes with conditions in the Soviet Union. During the period of the Soviet-Nazi pact, a time when Russia was not fully prepared for war, peace movements and antiwar propaganda was the order of the day.

The party line of today is being advanced by a hard core of well-trained and thoroughly disciplined Communists whose adherence to the dictates of Moscow is and has been unfailing. More underground than in the open, they follow the divide and rule tactics laid down by Lenin. They hope and patiently wait for a time when the United States may be extended by foreign engagements, when the United States is divided in counsel, when the United States may become involved in industrial or financial straits, to achieve the overthrow by force and violence of our Government.

The Communist Party of America is constantly seeking converts by the extensive use of indoctrination courses and schools.

We have listened to the testimony of a number of witnesses who testified that their admittance to the Communist Party was preceded by attending a Marxist study group or indoctrination course.

Witnesses appearing before the Un-American Activities Committee recently in the Hollywood hearings have testified concerning the Communist Party line at the present time. It seems to follow this pattern:

First. Communists who feel that their affiliation with the party is known to the FBI and other intelligence agencies and who still remain loyal to the Soviet, claim immunity under the self-incrimination clause under the Constitution and exhibit a false interest in preserving world peace and freedom of speech, thought, and other liberties guaranteed by the Constitution, which they use as a shield.

Second. Communist Party members who have never carried cards or attended Communist Party meetings and feel that they are not known publicly as Communist Party members, apparently have been instructed to vociferously deny Communist Party membership and claim now to be anti-Soviet and pro-American.

Third. Pinkos and Communist sympathizers still follow the Communist Party line by claiming they are liberal Democrats and are interested only in preserving peace and national unity.

Fourth. American Communists apparently have been instructed to continue the use of new front groups with high sounding names whose purpose shall be to encourage financial chaos in America under the guise of social progress.

The real hard core of American communism still exists and is flourishing. Adherents to this hard core continue to flaunt the efforts of all sincere anti-Communist groups. They have but one purpose in mind: To overthrow our form of government and eventually become czars under the regime of Communist dictatorship.

GENERAL MACARTHUR

Mr. BURNSIDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BURNSIDE. Mr. Speaker, I have respect for the integrity of the gentleman from South Dakota [Mr. LOVRE]. I think he is perfectly honest in his statement that he did not hear the discussion with General MacArthur as he was sitting at the other end of the long table in the Embassy at Tokyo. He was engaged in conversation with the charming Mrs. MacArthur. I very carefully prepared my former statement so that it would present the facts. I made notes as usual after the meeting and so did the gentleman from North Carolina, Congressman DEANE. My statement stands as presented.

EXTENSION OF REMARKS

Mr. FOGARTY asked and was given permission to extend his remarks and include two editorials.

Mr. ROGERS of Colorado asked and was given permission to extend his remarks in two instances, in one to include a speech of Mr. William Boyle, chairman of the Democratic National Committee, and in the other an editorial by the Lions Club of Denver, Colo.

Mr. HOWELL (at the request of Mr. ASPINALL) was given permission to extend his remarks and include extraneous material.

Mr. RODINO (at the request of Mr. ASPINALL) was given permission to extend his remarks and include extraneous material.

Mr. ASPINALL asked and was given permission to extend his remarks and include extraneous material.

Mr. BLATNIK (at the request of Mr. MARSHALL) was given permission to extend his remarks and include newspaper editorial material.

Mr. MARSHALL asked and was given permission to extend his remarks and include certain statements.

Mr. BARING asked and was given permission to extend his remarks.

Mr. DOYLE asked and was given permission to extend his remarks and include appropriate material.

Mr. BARTLETT asked and was given permission to extend his remarks and include a Territorial resident's proposal.

Mr. YORTY asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. McCORMACK (at the request of Mr. FOGARTY) was given permission to extend his remarks and include an editorial.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. WOOD of Idaho asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. CURTIS of Nebraska asked and was given permission to extend his remarks in two instances and include newspaper articles.

Mr. SCHWABE asked and was given permission to extend his remarks in

three instances and include extraneous matter.

Mr. PATTERSON (at the request of Mr. KEATING) was given permission to extend his remarks and include extraneous matter.

Mr. KEATING asked and was given permission to extend his remarks and include extraneous matter.

Mr. MORTON asked and was given permission to extend his remarks and include an editorial from the Louisville Times.

Mr. ALLEN of California asked and was given permission to extend his remarks and include extraneous matter.

Mr. ADAIR asked and was given permission to extend his remarks and include an article from the Hoosier Farmer.

Mr. HUNTER asked and was given permission to extend his remarks and include extraneous material.

Mr. MITCHELL asked and was given permission to extend his remarks and to include extraneous material.

Mr. FORD asked and was given permission to extend his remarks and include a speech made by him on Memorial Day in Grand Rapids, Mich.

Mr. SHORT asked and was given permission to extend his remarks and include two newspaper articles.

Mr. MULTER (at the request of Mr. PRICE) was given permission to extend his remarks in three instances and to include in each extraneous matter.

BILL PRESENTED TO THE PRESIDENT

Mr. STANLEY, from the Committee on House Administration, reported that that committee did on May 29, 1951, present to the President, for his approval, a bill of the House of the following title:

H. R. 3842. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

ADJOURNMENT

Mr. PRICE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 6 minutes p. m.), under its previous order, the House adjourned until Monday, June 4, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

474. A letter from the Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service granting the application for permanent residence filed by the subjects of such orders, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

475. A letter from the Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of the persons involved, pursuant to the Act of Congress approved July 1, 1948 (Public Law 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

476. A letter from the Attorney General, transmitting a copy of an order of the Acting Commissioner of Immigration and Naturalization, dated November 16, 1950, authorizing the temporary admission into the United States of Displaced Persons, who upon arrival in possession of appropriate immigration visas, are found to be excludable as persons within the classes enumerated in section 1 (2) of the act of October 16, 1918, as amended by section 22 of the Internal Security Act of 1950; to the Committee on the Judiciary.

477. A letter from the Attorney General, transmitting a copy of the order of the Commissioner of Immigration and Naturalization granting the application for permanent residence filed by the subject of such order, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

478. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to amend the act of May 29, 1884, as amended, to permit the interstate movement, for immediate slaughter, of domestic animals which have reacted to a test for paratuberculosis or which, never having been vaccinated for brucellosis, have reacted to a test for brucellosis; and for other purposes"; to the Committee on Agriculture.

479. A letter from the Secretary of the Navy, transmitting the names of two educational institutions that have requested donations from the Navy Department under the provisions of section 2 of Public Law 649 (79th Cong., 2d sess.) approved August 7, 1946, namely, University of Miami, Coral Gables, Fla., and East Carolina Teachers College, Greenville, N. C.; to the Committee on Armed Services.

480. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1952 in the amount of $700,580 for the legislative branch (H. Doc. No. 151); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 534. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. VINSON: Committee of conference. S. 1. An act to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes (Rept. No. 535). Ordered to be printed.

Mr. ROGERS of Colorado: Committee on the Judiciary. H. R. 4106. A bill to amend title 28 of the United States Code entitled "Judiciary and Judicial Procedure" by adding a new section thereto known as section 1732b to permit the photographic reproduction of business records and the introduction of the same in evidence; with amendment (Rept. No. 536). Referred to the House Calendar.

Mr. COOPER: Committee of conference. H. R. 1612. A bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes (Rept. No. 537). Ordered to be printed.

Mr. DAVIS of Georgia: Committee on the District of Columbia. H. R. 4141. A bill to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia; without amendment (Rept. No. 538). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AUGUST H. ANDRESEN:

H. R. 4297. A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products; to the Committee on Banking and Currency.

By Mr. FARRINGTON:

H. R. 4298. A bill to confer upon Hawaii the status of a State for purposes of the immigration and naturalization laws, and for other purposes; to the Committee on the Judiciary.

By Mr. FINE:

H. R. 4299. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. HAVENNER:

H. R. 4300. A bill relating to the authority of the Secretary of Defense to transport passengers and cargo in vessels of the Military Sea Transportation Service; to the Committee on Armed Services.

H. R. 4301. A bill to extend to certain individuals serving on active duty in the Armed Forces the same protection against bodily attack as is now granted to personnel of the Coast Guard; to the Committee on the Judiciary.

H. R. 4302. A bill to amend the War Contractors Relief Act so as to extend relief thereunder in certain cases, and for other purposes; to the Committee on the Judiciary.

By Mr. HOWELL:

H. R. 4303. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. JOHNSON:

H. R. 4304. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. KILBURN:

H. R. 4305. A bill to authorize the use of the Sackets Harbor Military Cemetery for the burial of war and peacetime veterans of the Armed Forces of the United States; to the Committee on Interior and Insular Affairs.

By Mr. KLEIN:

H. R. 4306. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. LYLE:

H. R. 4307. A bill to provide that members of the bar of the United States district courts shall be eligible to practice before all administrative agencies; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 4308. A bill to repeal limitations contained in other laws on federally assisted low-rent housing projects authorized by the Housing Act of 1949, as amended; to the Committee on Banking and Currency.

By Mr. ROGERS of Florida:

H. R. 4309. A bill to amend the Communications Act of 1934, as amended; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alabama relative to ratifying the proposed amendment to the Constitution of the United States relating

to the terms of office of the President; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of California, relative to the completion of the San Diego Aqueduct; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of New Hampshire, transmitting a copy of an act appproving the act of the Governor in signing the interstate compact for civil defense; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Tennessee, relative to ratifying the proposed amendment to the Constitution of the United States relating to the terms of office of the President; to the Committee on the Judiciary.

Also, memorial of the Legislature of the Territory of Hawaii, requesting the Congress to defer taking any action to discontinue or modify the pay differentials granted to Federal employees in the Territory of Hawaii; to the Committee on Appropriations.

Also, memorial of the Legislature of the Territory of Hawaii, respectfully urging the Congress of the United States to support House Concurrent Resolution 64; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 4310. A bill for the relief of Walter Samuel; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. R. 4311. A bill for the relief of Giuseppe Caraccia; to the Committee on the Judiciary.

H. R. 4312. A bill for the relief of Antonio Vitiello; to the Committee on the Judiciary.

By Mr. BATTLE:

H. R. 4313. A bill for the relief of Evelyn Wan Hsien Wu, Dorothea Wan Lien Wu, Ray Kiu Wu, Christine Wan Ming Wu, and Ying Victor Wu; to the Committee on the Judiciary.

By Mr. HILLINGS (by request):

H. R. 4314. A bill for the relief of Satsuko Uchida; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 4315. A bill for the relief of Hildegard Lechner and Ingrid Lechner; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 4316. A bill for the relief of Leonid Zankowsky; to the Committee on the Judiciary.

H. R. 4317. A bill for the relief of Gronislav Vydaevich; to the Committee on the Judiciary.

By Mr. McGREGOR:

H. R. 4318. A bill for the relief of Allen W. Spangler and The Great American Indemnity Co. of New York; to the Committee on the Judiciary.

By Mr. WALTER:

H. Con. Res. 111. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

300. By Mr. ANDERSON of California: Petition of Mrs. Morris E. Lile and 131 others protesting high food prices; to the Committee on Banking and Currency.

301. By the SPEAKER: Petition of Charles F. Strohson, clerk, Board of Supervisors, Mineola, Nassau County, N. Y., requesting the Congress to enact legislation in aid of the financing of the safety program of the Long Island Railroad; to the Committee on the Judiciary.

SENATE

FRIDAY, JUNE 1, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, always Thou art near us. In Thee we live, move, and have our being; but often our cold and spiritually insensitive hearts keep Thee on the outside of the locked doors of our lives. Enmeshed as we are in a multiplicity of things, slaves to the tyranny of the tangible, weighted down with the pressing concerns of the Nation, with all other voices hushed at noontide we come bowing in reverence, lifting from this daily altar of prayer but one petition: "Nearer, my God, to Thee, nearer to Thee."

In all the perplexities and confusions of these days, with clouds and darkness even around Thy throne, we would steel our resolution to do what these times demand of us by the assurance that Thou art behind the shadows and in the shadows, keeping watch above Thine own. Quicken our hearts that they may become responsive to Thy touch. Save us from all national and international attitudes and actions which have not Thee in awe. Lord God of Hosts, be with us yet lest we forget to use our liberties and privileges, bought with so crimson a cost, to promote the common good of this stricken earth. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 31, 1951, was dispensed with.

MEETING OF COMMITTEE DURING SENATE SESSION

On request of Mr. LEHMAN, and by unanimous consent, the Subcommittee on Labor and Management of the Committee on Labor and Public Welfare was authorized to meet this afternoon during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

CONTINUATION OF DISTRIBUTIVE EDUCATION—RESOLUTION OF WISCONSIN ASSOCIATION FOR VOCATIONAL AND ADULT EDUCATION

Mr. WILEY. Mr. President, on many occasions I have commented on the Senate floor regarding the deep interest of the people of Wisconsin in continued adequate appropriations under the George-Deen and George-Barden Acts. We have always found that vocational training very definitely pays off in both an economic sense and in many other respects.

I have in my hand a resolution sent to me by C. D. Rejahl, secretary-treasurer of the Wisconsin Association for Vocational and Adult Education, located at 211 North Carroll Street, Madison, Wis.

I believe that this resolution urging the restoration of funds for continuation of distributive education will be of interest to my colleagues.

I ask unanimous consent that the resolution be printed in the RECORD, to be followed thereafter by a list of the names of the officers of the executive committee of the association, and I request that the resolution be appropriately referred.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare and ordered to be printed in the RECORD, together with the names of the officers of the executive committee of the association, as follows:

Whereas the program of distributive education—merchandising and service occupations—has been effectively initiated through Federal aid appropriated under the provisions of the George-Deen and George-Barden Acts; and

Whereas this program is still in the process of development in the meeting of the needs of small business in this country; and

Whereas the problem of effective and economical distribution of materials and products to our civilian population will become more acute as the demands of increased mobilization restrict full civilian production; and

Whereas the House of Representatives in the passage of H. R. 3709 has eliminated all Federal aid for distributive education—merchandising and service occupations—authorized under the George-Barden Act: Wherefore be it

Resolved, That the Wisconsin Association for Vocational and Adult Education meeting in Milwaukee, Saturday, May 5, 1951, call to the attention of Members of Congress from Wisconsin, the importance of the program of distributive education to our present economy and urge that Federal aid for this activity be restored for the fiscal year beginning July 1, 1951; and be it further

Resolved, That a copy of this resolution be sent to all Members of Congress from the State of Wisconsin.

EXECUTIVE COMMITTEE OF THE WISCONSIN ASSOCIATION FOR VOCATIONAL AND ADULT EDUCATION

John E. Te Poortan, president, Madison; C. D. Rejahl, secretary-treasury, Madison; Marie H. Peterson, commercial, La Crosse; Frank J. Woerdehoff, teacher training, Madison; Arthur Larsen, guidance, Sheboygan; Lawrence B. Hoyt, coordination, Wausau; Ted D. Sather, past president, Kenosha; C. J. Haase, rehabilitation, La Crosse; John Perkins, agriculture, Neillsville; Emil J. Schaefer, distributive, Madison; Raymond W. Henke, trades and industry, Marinette; Calvin Evans, general subjects, Milwaukee; Monica M. Diebold, homemaking, Green Bay; H. L. Sherman, directors, Menasha.

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KNOWLAND:

S. 1580. A bill for the relief of Alevtina Olson and Tatiana Snejina; to the Committee on the Judiciary.

By Mr. BRIDGES:

S. 1581. A bill to provide for recognition of the Cathedral-of-the-Pines, Rindge, N. H., as a national shrine; to the Committee on Rules and Administration.

By Mr. KILGORE:

S. 1582. A bill to extend the date for initiating education and training courses for veterans of World War II; to the Committee on Labor and Public Welfare.

By Mr. CASE:

S. J. Res. 75. Joint resolution proposing an amendment to the Constitution of the United States providing for the filling of temporary vacancies in the House of Representatives by appointment and providing for a term of 4 years for Members of the House of Representatives; to the Committee on the Judiciary.

(See the remarks of Mr. CASE when he introduced the above joint resolution, which appear under a separate heading.)

AMENDMENT OF CONSTITUTION RELATING TO APPOINTMENT AND TERM OF MEMBERS OF HOUSE OF REPRESENTATIVES

Mr. CASE. Mr. President, I introduce for appropriate reference a joint resolution proposing an amendment to the Constitution providing for the filling of temporary vacancies in the House of Representatives by appointment and providing for a term of 4 years for Members of the House of Representatives. I ask unanimous consent that a statement I have prepared in connection with the joint resolution be printed in the RECORD.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The joint resolution (S. J. Res. 75) proposing an amendment to the Constitution of the United States providing for the filling of temporary vacancies in the House of Representatives by appointment and providing for a term of 4 years for Members of the House of Representatives, was read twice by its title and referred to the Committee on the Judiciary.

The statement presented by Mr. CASE is as follows:

STATEMENT BY SENATOR CASE

Today I have introduced a joint resolution proposing a constitutional amendment to insure that there will always be a Congress, and hence a Government for the United States.

The first provision would give Governors of the States the power to appoint Representatives temporarily to fill vacancies. They do not have that power today; they may appoint Senators until the next election, but not Representatives.

Many people have pointed out that one atomic bomb could wipe out a Congress and possibly the Presidency at the same time. Under the new law on Presidential succession, we could always have a new President if we have a Congress. The Speaker of the House follows the Vice President in line of succession.

It becomes important, therefore, to insure instant continuity of the House of Representatives.

This is insured if we give the State government power to make temporary appointments to fill vacancies among the Representatives. It is inconceivable that a majority of the House Members and of State governments would be obliterated at any one time.

In addition to giving Governors power to fill House seats temporarily, the bill proposes to elect Representatives for 4-year terms, one-half to be elected at each biennial election.

This is a change which has long been advocated by close students of government. It would preserve the aim of the founding fathers to have a biennial referendum on Congress. One-third of the Senate plus vacancies and one-half of the House plus vacancies would be elected each 2 years.

My 14 years in the House of Representatives convinces me that a 4-year term would mean more intensive study of all legislation and hence better laws.

Members necessarily spend some time on direct campaigning each election year. With a 2-year term, 1 year in 2 is thus broken up. With a 4-year term, 3 years of uninterrupted attention could be given to legislative problems.

There is also a personal side to this matter—the man who has a family with children in school will hesitate to subject them to the moving and the interruptions and the uncertainties of elections every other year. Congressional sessions never coincide with school terms. Many a man who would be a good Congressman refuses or quits when he learns the demands on this score.

Hence, while proposing an amendment to meet the urgent need of insuring continuity for a House of Representatives, I have included the 4-year-term idea as well.

I respectfully urge its early and favorable consideration.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. JOHNSTON of South Carolina:

Address on the subject of the increase in Federal employment since the Korean conflict began, delivered by him on May 29, 1951, at a dinner held by the Bureau of Animal Industry.

By Mr. SMITH of New Jersey:

Address on disarmament delivered by him on Memorial Day, May 30, 1951, as a part of a program broadcast from Station WMTR in Morristown, N. J.

By Mr. MAYBANK:

Address delivered by him at Greenville, S. C., at the dedication of the Donaldson Air Base in Greenville on May 19, 1951.

By Mr. LEHMAN:

Editorial from the New York Post commenting on farewell address by Judge Learned Hand.

By Mr. KILGORE:

Editorial entitled "Congressman John Kee," published in the Williamson (W. Va.) News, paying tribute to the late Representative from West Virginia.

Editorial entitled "Something for Memorial Day, 1951," published in the Parkersburg (W. Va.) Sentinel.

Excerpt from broadcast by Griffing Bancroft, discussing the point-4 program.

By Mr. HILL:

Editorial entitled "An Epic Stand," from Montgomery (Ala.) Advertiser of May 21, 1951.

Article entitled "Reds Hope Marshall Strategy Will Be Ditched, General Says," published in the Birmingham (Ala.) Post-Herald of May 10, 1951.

RECONSIDERATION OF REQUEST FOR CONFERENCE ON SENATE CONCURRENT RESOLUTON 12, AND RETURN OF PAPERS FROM THE HOUSE

Mr. McCARRAN. Mr. President, I wish to refer to Senate Concurrent Resolution 12, and I ask the attention of the leaders on both sides.

On April 23, 1951, the Senate asked for a conference with the House on the divergent views of the two Houses with respect to Senate Concurrent Resolution 12. This is a concurrent resolution recording congressional approval of the action of the Attorney General in suspending deportation in certain cases.

The House amended the resolution by striking out one name and adding five others. The five names added by the House have been checked, and there appears to be no objection to any of them. However, because the House had deleted a name approved by the Senate, the Senate asked for a conference on the resolution.

Since that time, as a result of negotiations, the name which was deleted from the resolution has been added to another resolution by action of the House, in order to avoid the necessity for a conference on Senate Concurrent Resolution 12. Therefore, there does not appear to be any reason why the Senate should not now concur in the House amendments.

Accordingly, I ask unanimous consent to enter a motion to reconsider the vote by which the Senate requested a conference on this resolution, and to ask the House to return the papers to the Senate.

The VICE PRESIDENT. Is there objection?

Mr. SALTONSTALL. Mr. President, reserving the right to object, let me inquire whether I correctly understand from the Senator from Nevada that one name was deleted by the House and five names were added, and the five names now have been approved by the Senate committee.

Mr. McCARRAN. That is correct.

Mr. SALTONSTALL. Is it also correct that the one name which was removed by the House has been placed in another measure by the House, so there is now no difference between the two Houses on the question of suspending the deportation proceedings in these cases?

Mr. McCARRAN. Yes; and if the papers are returned to us from the House of Representatives, we can concur in the action taken by the House.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nevada? Without objection, it is agreed to.

CALL OF THE ROLL

Mr. McFARLAND. I suggest the absence of a quorum.

Mr. WHERRY. Mr. President, will the Senator withhold his suggestion for a moment?

Mr. McFARLAND. Yes.

Mr. WHERRY. May I ask the distinguished majority leader whether it is his intention to take up the conference report on the universal military training and service bill immediately?

Mr. McFARLAND. Yes. It is my thought that we proceed with consideration of the report immediately.

The VICE PRESIDENT. The absence of a quorum having been suggested, the Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Bennett	Case	Ellender
Brewster	Chavez	Ferguson
Bricker	Clements	Frear
Bridges	Connally	Fulbright
Butler, Md.	Cordon	George
Butler, Nebr.	Douglas	Gillette
Byrd	Duff	Hayden
Cain	Dworshak	Hendrickson
Carlson	Eastland	Hennings

Hickenlooper	Lehman	O'Mahoney
Hill	Lodge	Robertson
Holland	Magnuson	Russell
Humphrey	Malone	Saltonstall
Hunt	Maybank	Schoeppel
Ives	McCarran	Smathers
Jenner	McCarthy	Smith, N. J.
Johnson, Colo.	McFarland	Sparkman
Johnson, Tex.	McKellar	Stennis
Johnston, S. C.	McMahon	Taft
Kefauver	Millikin	Watkins
Kem	Moody	Welker
Kerr	Morse	Wherry
Kilgore	Mundt	Wiley
Knowland	Nixon	Young

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Connecticut [Mr. BENTON], the Senators from Rhode Island [Mr. GREEN and Mr. PASTORE], the Senators from North Carolina [Mr. HOEY and Mr. SMITH], the Senator from Louisiana [Mr. LONG], the Senator from Oklahoma [Mr. MONRONEY], the Senator from West Virginia [Mr. NEELY], the Senator from Maryland [Mr. O'CONOR], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from Arkansas [Mr. MCCLELLAN] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference to be held in Geneva, Switzerland, beginning June 6.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Illinois [Mr. DIRKSEN], the Senator from Montana [Mr. ECTON], the Senator from North Dakota [Mr. LANGER], the Senator from Maine [Mrs. SMITH], the Senator from Minnesota [Mr. THYE], and the Senator from Delaware [Mr. WILLIAMS] are absent on official business.

The Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. FLANDERS], and the Senator from Pennsylvania [Mr. MARTIN] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business of the Special Committee on Crime Investigation.

The VICE PRESIDENT. A quorum is present.

UNIVERSAL MILITARY TRAINING AND SERVICE ACT—CONFERENCE REPORT

Mr. RUSSELL. Mr. President, I move that the Senate proceed to the consideration of the conference report on Senate bill 1.

The motion was agreed to; and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1) to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the report.

Mr. CASE. Mr. President, at the outset I should like to say that I feel the discussion on the conference report which occurred yesterday afternoon was very helpful. The debate appears in the RECORD, and Members of the Senate have had an opportunity to read the report and to consider it. We now have the printed conference report before us in the regular form as well as in the RECORD.

If I may have the attention of the distinguisher chairman of the conference committee for a moment, I should like to ask him one or two questions based upon some points which appear in the RECORD. First, I should like to ask the distinguished Senator from Georgia [Mr. RUSSELL] if section 2, title I, refers to the standing ceilings on the several branches of the armed services, and if such figures are suspended during the period of the emergency, or until some date in 1954?

Mr. RUSSELL. The Senator is correct. The language is the same as that which was used previously. Soon after June 25, 1950, when hostilities broke out in Korea, Congress passed an act which suspended the ceilings. They are set forth in section 2. The pending bill would continue the present suspension of the ceilings within the over-all limitation of 5,000,000, which is contained in another section of the bill until 1954.

Mr. CASE. Does the recitation of the ceilings for the Army, the Navy, and the Air Force, respectively, necessarily fix any ratio for the several services within the 5,000,000 ceiling?

Mr. RUSSELL. It does not. It would be up to the Joint Chiefs of Staff to decide which branches of service needed more or fewer men during the emergency.

Mr. CASE. With respect to the components within the Army, I notice that title II changes the 2,500 limitation for the enlistment of aliens in the Regular Army to 12,500. Does that represent a modification of the version of this provision as passed by the Senate?

Mr. RUSSELL. It is a very considerable modification, I may say to the Senator from South Dakota. The Senate version of the bill called for an enlistment of 25,000 aliens a year for 5 years, or a possible total of 125,000 aliens. The conference agreement authorizes the enlistment of not to exceed 12,500 aliens by June 30, 1955.

Mr. CASE. I should like to ask a question with respect to one other provision. It concerns conscientious objectors. It is my understanding that under the terms of the bill as passed by the Senate, conscientious objectors could have been directed to do work of a character similar to that which was done by conscientious objectors during World War II. In other words they were assigned to conscientious objector camps, which functioned similarly to the CCC camps.

As it is set forth in the conference report the language would seem to indicate that while they might be directed to do work necessary to national health, safety, or interest, it does not necessarily contemplate the establishment of work camps. I may say to the Senator, in connection with national interest, that some of us have been working on a proposal or plan to develop some useful work for conscientious objectors, which might involve the establishment of work camps, although not necessarily so. I am wondering whether the language would prevent the assignment of conscientious objectors to camps of that sort, if the camps were maintained for projects in the national interest.

Mr. RUSSELL. I do not know that the language would specifically prevent it. However, I would be less than frank if I did not state to the Senator that it was the intention of the conferees not to have camps of that nature established on a national scale. The House conferees were very much opposed to the Senate provision, as were various organizations, such as the Society of Friends and others, who are interested in the question of conscientious objectors. We, therefore, arrived at this compromise, which leaves the question at the local level and permits draft boards to defer a person who is engaged in work which contributes to the maintenance of national health, safety, or interest, for a period of 24 months.

I may say that conscientious objectors have considerable advantage over men who are inducted into the Army. A man who is inducted into the Army serves 24 months. Upon discharge, he remains in the reserves for 6 years. Conscientious objectors, on the other hand, after 24 months of useful work, owe no further responsibility under the bill.

Mr. CASE. It happens that in my State of South Dakota there are three or four Mennonite colonies. Considerable resentment has been occasioned by the fact that members of that religious group are not subject to regular military duty. The use of such persons for some projects which are definitely in the national interest has commended itself to the people who have observed the situation. However, their straight deferment after induction and assignment to work at a local level, where they would be permitted the privilege of continuing in their normal occupation of farming, for example, and perhaps, be able to acquire additional lands and generally improve their economic status, while boys in the same community are called upon to abandon their farms and even sell their livestock at a forced sale, when livestock is not ready for market, creates a great deal of feeling.

I should certainly hope that the language of the bill would permit draft boards, or whoever made decisions in such instances, to see to it that conscientious objectors, who are granted deferment and have the benefits of the more lenient treatment which the Senator from Georgia has described, should at least be required to do work which is definitely in the national interest, and not work which merely improves their economic status and their own pocketbooks.

Mr. RUSSELL. The Senator from South Dakota makes a very strong argument in behalf of the provision of the bill as it was passed by the Senate. The Senate members of the conference committee undertook to make the same argument, although perhaps not so well as the Senator from South Dakota has made it, but we were unsuccessful. The House bill had no provision whatever with respect to conscientious objectors. It merely provided for their blanket de-

ferment. Not only could conscientious objectors have remained on their farms and worked there, but they were not even compelled to work on the farms. They could have sat around pool rooms or stood around street corners, which would certainly have aggravated the feelings of the men who were compelled to go into the service, as the Senator from South Dakota has said. However, we could not prevail upon the House conferees to accept the Senate provision. This provision is another one on which we were compelled to compromise.

Mr. CASE. I may observe that so far as Mennonites are concerned, no deferred Mennonites would be found in pool rooms. I think they would continue to work on their farms.

Mr. RUSSELL. I can assure the Senator that I was not reflecting on the Mennonites in any way. I was referring to other conscientious objectors who might be so engaged. There are some Mennonites in my State, and I have never seen them hanging around pool rooms or street corners. On the contrary, they are very hard-working people. However, they do not contribute to the Armed Forces of the United States in a time of national emergency.

Mr. CASE. The feeling of the people of my State is that it is a matter of recognizing the fact that Mennonites have historically held to that point of view, and the deferment of such persons has perhaps been accepted. Certainly there would be considerable resentment if other citizens were told that Congress was making it possible for such people not merely to avoid military service but to avoid doing some work or making some sacrifices in the national interest. I certainly hope that the Senator from Georgia can honestly and frankly say that it is expected that the normal activities of such people will be sacrificed to some extent in the national interest, so that at least we will not feel that we are encouraging the avoidance of all national service.

Mr. RUSSELL. I think there is no question that considerable leeway is given the several draft boards in determining the type of work that such persons shall do and the measure of its contribution to the national health, safety, or interest. I regret that I cannot in all fairness and honesty assure the Senator from South Dakota that it is my interpretation of this measure that such persons could be placed in camps, as was done in World War II. Such a provision was contained in the bill as passed by the Senate, but we were unable to achieve the inclusion of that provision in the conference report. However, we did tie it in with deferments for essential occupations. The Senator knows that at the present time there can be some deferments for men who are in essential occupations.

In my judgment, the draft boards in the areas to which the Senator refers will see to it that some recognition is given to the fact that these persons have been accorded a deferment owing to their religious convictions.

Mr. CASE. Mr. President, I do not intend to prolong this discussion. I think the Senator from Georgia has made a very fair statement and has set forth clearly what the situation is.

However, I wish to express the hope that if some of us attempt to work out a program whereby those who obtain deferment on this ground may be made more useful in contributing to the national interest during an emergency, we may have the support of the Senator from Georgia, for it certainly does not commend itself to the average person that those who are deferred from military service should, in addition to deferment, be directed by the draft boards to go into essential occupations where their economic status may be improved, where they may receive high wages, or where, in effect, they may profit by virtue of the fact that their fellow farm workers are taken from their homes and placed in the armed services, and thus it is made easier for those who are deferred in that way to increase their land holdings and to improve their relative economic status, as compared with that of those who make the supreme sacrifice.

Mr. RUSSELL. Mr. President, I can only repeat what I said a moment ago, namely, that the Senator from South Dakota has very eloquently outlined the position of the Senate itself, the Senate committee, and the conferees on the part of the Senate. In the conference we discussed this matter on at least three different occasions, and the conferees on the part of the Senate endeavored to maintain the position which had been taken by the Senate. However, we were unable to do so.

I can assure the Senator from South Dakota of my wholehearted cooperation with him in every endeavor such as the one he has just outlined. Of course, the difficulty is that in that connection we must obtain some cooperation from the other side of the Capitol.

Mr. CASE. Mr. President, I thank the Senator from Georgia for his contribution and his courtesy in connection with this matter.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. I should like to call the attention of the Senator from Georgia and the Senator from South Dakota to the fact that the conference report contemplates the service of 3,500,000 men, whereas in World War II 14,000,000 men were in the service. I think the point was raised in the committee of conference that the question of establishing camps, and so forth, for the number of conscientious objectors who would be drafted in connection with the drafting of a total of 3,500,000 men is quite different from the question of establishing such camps in connection with the drafting of 14,000,000 men.

It is my opinion that the local draft boards will have to determine whether the jobs held by such conscientious objectors will help in the war effort. If the boards determine that such jobs will help with the war effort or the war work, then those who hold such jobs and who are conscientious objectors will be allowed to remain in that status; but if such is not determined to be the case, such persons must either suffer the penalties or transfer to such jobs.

Mr. RUSSELL. Mr. President, the Senator from Massachusetts has stated the provisions of the bill and also one of the arguments made by the conferees on the part of the House. It is my recollection that the position of the House conferees was that today approximately only 12,000 of the conscientious objectors have been deferred under existing law, and that that number is entirely too small to warrant the creation of national work camps in which to place them during the 24 months' period of their service.

Mr. President, I move the adoption of the conference report.

The VICE PRESIDENT. The question is on agreeing to the report.

Mr. McCARTHY. Mr. President, the very able junior Senator from Georgia [Mr. RUSSELL], who happens to be in charge of the conference report, is, as we know, also chairman of the joint hearings which two of our committees are now conducting in connection with the MacArthur controversy. I understand that those committees wish to return to their meeting as soon as possible, for they have important business to do.

Therefore, Mr. President, I do not intend to take more than a few minutes to state the reasons why I would be forced to vote against the conference report if there were to be a record vote on the question of adopting it. I understand there will not be a record vote. I wish to state, first, that I would vote against the conference report if a record vote were taken on the question of its adoption; and, second, explain why I would vote in that way.

Mr. President, the enlistment period of many reserves is being extended. Many of them now have families and many have recently established themselves in business, and many of them served for 3, 4, or 5 years in the last war. We are now also passing a draft law to provide for an an Armed Force of 5,000,000 men.

Normally I would vote for the bill in view of the imminent Communist threat. However, a fantastic and dangerous situation exists. For example, even though General Bradley and General MacArthur have agreed on the wisdom of using the 600,000 troops on Formosa, the State Department, however, says "No, we will not use them; we will use only American boys; we will use the boys who will be drafted under this bill; we will use Americans to defend the soil which those Chinese friends of ours are themselves willing and anxious to defend." That is the attitude of the State Department, even though the Chairman of the Joint Chiefs of Staff, and Gen. Douglas MacArthur say, "Let us use the 600,000 troops of our allies, let us allow them to do some of the fighting and dying, as well as the American boys." The State Department says, "No, only American boys can fight and die." Add to that the fact that in Europe we are now excluding from the defense plans of Europe the 20,000,000 people of Spain and the 48,000,000 people of Western Germany, making a pool of 68,000,000 people, the two great wells of anti-Communist manpower.

The State Department says, "No, we cannot use them, because they are not

peace-loving people; we must send American divisions to Europe instead of using those young men." We see the completely phony plans for the defense of Europe—plans built around the land army of France, plans built around 11 Atlantic Pact nations, and excluding the manpower which we must have if we are to defend Europe—we find our State Department saying, "No; but we will send 4, 5, 6, or 10 American divisions," when any man who can add 2 and 2 militarily knows that, unless we use all the resources of Europe to defend that continent, to pour 4, 5, 6, or 10 American divisions into that area, will mean, if and when Russia decides to move, that we will have signed the warrant condemning to death or to permanent slavery every American boy we send to Europe. I could not bring myself to vote to draft and condemn them. I hope no one misunderstands me. I think it may be necessary to use American troops in Europe. I feel that to keep Europe out of the Russian orbit is extremely important to us, even if only from the standpoint of selfish interest. I feel that if we were to turn over to Russia, or were to allow Russia to take over, the steel-making capacity of Western Europe, and if we allowed the 200,000,000 people of Western Europe to be swallowed up behind the iron curtain, it could be disastrous to this Nation. I do not argue that we should not send American troops to Europe. I think it may be necessary. But I do say that if we continue the present plan and decide to try to defend Europe under plans calling for a closed corporation of the 11 Atlantic Pact nations, excluding Greece, excluding Turkey, excluding Spain, and excluding Western Germany, then any plan to defend Western Europe is doomed to failure. Let me repeat, any plan to send American boys to Europe, without first saying we will utilize the manpower of all of Europe, means that we in the Senate, and the Representatives in the House, as of today are endorsing a warrant either of death or of permanent slavery, which has been planned and which has been signed in our State Department.

Mr. SMATHERS. Mr. President, I wish to take a moment to say that I am very much in favor of the bill, particularly as it has been reported by the conferees. There are several features of the bill which possibly I do not like; but, in view of the world situation, certainly we need such legislation, and we need it now.

I should like to say, along with the distinguished chairman of the Armed Services Committee, that I regret, as I know he does, that the universal military training provision was effectively scuttled in the conference. There will be further steps taken concerning it in the future. I hope the day will come when we shall have a proper and adequate universal military training system.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield to the Senator from Georgia.

Mr. RUSSELL. I do not go so far as the distinguished Senator from Florida does when he says that the provision was effectively scuttled in the conference. The conference report does not go so far as the Senate bill, nor does it go so far as I should have liked it to go, because I have been, as I know the Senator from Florida has been, a supporter of UMT for some time. This bill lays the groundwork for UMT, and I may say that the distinguished chairman of the House conferees, who is chairman of the House Committee on Armed Services, stated at the press conference, after this report was agreed to by the conferees, that there was no question in his mind that the House would adopt this code of conduct and the death and disability provisions, which would indeed give us an authorization for universal military training; because, under this bill, if the Commission provided for reports, as it is instructed to do, within 4 months, and if the committees of the House and Senate report to their respective bodies, as they are required to do, within 45 days, the only issues involved will be a code of conduct, the death and disability provisions, and the consideration of certain other items which are not essential to enactment; and if simply the code of conduct and the death and disability provisions are adopted, we shall have a UMT program. The bill as reported is not what I would like to have, but I do not think the program has been scuttled. As a matter of fact, the bill goes much further toward UMT than any other piece of legislation which has ever before been in the Congress of the United States.

Mr. SMATHERS. I thank the Senator for his remarks. I must agree that the bill improves the situation over what it was. The fact that we must vote again on the UMT provision seems to me to reopen the whole issue and to postpone an actual and constructive program of universal military training.

Mr. RUSSELL. As a matter of fact, even under the Senate bill, which was preferable to the conference report bill, the Congress would have been compelled to enact legislation for a code of conduct before men could have been handled in a universal military training program.

Mr. SMATHERS. I thank the Senator for what he has said. One observation I wish to make to the Senator and to his distinguished committee is that, in view of this bill, which could well be passed here today and become law, and according to the figures that I have read, there will be a plentiful supply of young men able to go into the service.

I hope the distinguished chairman of the committee will appoint a subcommittee to look into the possibility of releasing those men who have served overseas, so that those who have carried the burden of World War II shall not be required to carry a further and additional burden.

I read yesterday in the RECORD that the chairman of the committee has said that on several occasions the committee has requested the formulation of a program concerning the Reserves.

On last Friday representatives of the Joint Chiefs of Staff who are handling the Reserve program were in my office. They admitted that today there are 600,000 reservists in the service. The only program under which they can release some of those now in service is by calling for more reservists who have already served. When we stop to think that in 1951 there will be 411,000 men available for service, and in 1952 some 906,000, certainly no one could possibly justify all the additional sacrifice and burden we are asking the veterans of World War II to carry. The only program is to call for more reservists who have already served.

I certainly hope that the distinguished Senator from Georgia will appoint a subcommittee of his committee to look into the problem, and see whether there is some fair and equitable way to handle the program so that reservists now on active duty can be returned to civilian life.

Mr. RUSSELL. Mr. President, I share the Senator's concern. As a matter of fact, we had no reserve program on the outbreak of hostilities in Korea. There have been any number of hardship cases, many of which are inexcusable. The only excuse offered is that the armed services did not have information on the Reserves. They should have had, but they did not. However, under the program which the Department has approved all enlisted reservists who served more than 12 months in World War II will be released within 12 months, in the case of the Army and the Air Force, and as soon after 12 months as trained replacements are available in the case of the Navy.

We are undertaking to move toward the consideration of a comprehensive reserve program which will be equitable and effective. As soon as the committee is able to direct its attention to legislative matters we intend to go into the reserve program. A subcommittee of the House Committee on Armed Services has been conducting hearings for several weeks. There can be no question about the many inexplicable aspects of the program as it was conducted for several months. I think the services now have more information, and I believe they will be a little more selective.

I share the Senator's feeling that there should be an equitable distribution of the dangers of combat, and that men who served more than 12 months in World War II should not be called back to active duty short of an all-out emergency that would require their additional service.

Mr. SMATHERS. I thank the Senator. I know, from my association with reservists who served in the last war that they will be willing to serve again in the event of total war. Eighty percent of the officers in Korea are reservists. If we are cutting down the size of the draft it does not envision any relief for those men, or even any rotation. When the men in charge of the reserve program try to explain it they merely say, "We are going to call up additional reservists to take the place of those who are now in the service."

Mr. RUSSELL. Of course, the Senator understands that there are many thousands of Reserve officers in the country who did not serve in World War II. The services always like to retain the men they know can do what is required. They are always reluctant to make a change so long as things are moving satisfac-

torily. But there is a rotation program in Korea; men are going to be rotated at the rate of 20,000 a month, and I think most of the hardship cases will be alleviated in the very near future.

Mr. SMATHERS. The Senator will agree that the program does not envision releasing the men back to civilian life, but will merely bring the boys back for duty here for a while, and then, if necessary, send them back.

Mr. RUSSELL. That is correct. There is a provision which permits an inactive reservist who is a veteran to be released when he has served 17 months. That may be done on his own motion, if he so desires.

Mr. SMATHERS. Mr. President, I should like to read a letter which, among many others, I received a few days ago:

> We in Korea would like to know the answer to a few questions. Why is the Government calling reserves, extending the reserve program, and, at the same time, cutting the draft? When are they going to start sending reserves home from Korea?
>
> What happened to the 18-year-old soldier that they claimed was the best in World War II? Why do they now say that older men are needed? We veterans of World War II and this so-called police action are getting quite weary. We have fought one war and now completed 6 months over here.

It seems to me that we must build up from the bottom if these men are to be relieved. I am confident that the Senator agrees with me, as well as do the other members of the committee, that it is not fair, right, or just for the men who served so valiantly and made such sacrifices in World War II to have this burden placed upon them again.

I thank the Senator from Georgia for his remarks.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

CONFIRMATION OF NOMINATIONS IN ARMY, NAVY, AND MARINE CORPS

Mr. BRIDGES. Mr. President, I send to the desk a unanimous report of the Armed Services Committee on certain nominations, and, as in executive session, I ask that the nominations be confirmed and the President immediately notified.

Mr. HILL. Mr. President, I understand the nominations are unanimously reported by the Senate Committee on Armed Services. Is my understanding correct?

Mr. BRIDGES. It is correct; and there are very definite reasons why the nominations should be confirmed today.

Mr. HILL. I have no objection.

The VICE PRESIDENT. Without objection, the nominations are confirmed, and the President will be notified.

Mr. HILL. Mr. President, while the Senate is transacting business as in executive session, I wonder if we might confirm the one nomination on the Executive Calendar.

The VICE PRESIDENT. The clerk will read the nomination on the Executive Calendar.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of William J. Storen, to be collector of customs for customs collection district No. 16, with headquarters at Charleston, S. C.

The VICE PRESIDENT. Without objection, the nomination is confirmed; and, without objection, the President will be immediately notified.

THE CARTER BARRON AMPHITHEATER

Mr. RUSSELL. Mr. President, on May 25 last there occurred certain exercises in the District of Columbia dedicating the Carter Barron Amphitheater. The amphitheater was named in honor of Carter Barron, a man who lived in Washington for the past several years and who, I assume, was known to most Senators. My own relations with him were very intimate. He spent many week ends on the farm where I make my home, and in our back yard. He was one of the finest, sweetest, most unselfish characters who ever lived. It is very fitting that this amphitheater should be dedicated to his memory.

Mr. HILL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HILL. I did not have the privilege of knowing Mr. Carter Barron as well as did the distinguished Senator from Georgia, but I knew him fairly well. I will say that I never knew a man who had a finer, a higher sense of public service, who tried to do more for his fellow men, with less regard for himself and how it might affect him, than did the close friend of the distinguished Senator from Georgia, about whom he has just spoken. I am delighted that the Senator from Georgia has paid this tribute to the memory of Carter T. Barron.

Mr. RUSSELL. Mr. President, Carter Barron was selfless in his public service, and absolutely unselfish in his service to his friends.

Mr. President, I ask that the remarks of the President of the United States at the dedication of the Carter Barron Amphitheater in Washington, D. C., on May 25, 1951, and the eulogy to Carter Barron read by Mr. Walter Pidgeon on the same occasion be printed separately in the Appendix of the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

THE ADMINISTRATION'S CONSOLIDATED PROGRAM OF FOREIGN SPENDING

Mr. BUTLER of Nebraska. Mr. President, some weeks ago, on March 30 of this year to be exact, I warned the Senate that the administration was then planning to present to Congress, in a dressed-up form, a consolidated program of foreign spending which exceeds in size and scope even all those foreign hand-out programs we have indulged in during the past few years. I warned that this program would no doubt involve a continuation of ECA, even though Europe has now reached and passed the standard of living and prosperity which it had attained before the war even started. I said that it would probably include elements of point 4, military assistance, and all the other various foreign-aid proposals we have embarked on, more or less wrapped up in a single package. I pointed out that the proposal would probably encompass assistance to any nation on the face of the earth which managed to stay in the good graces of the United States State Department. I mentioned some of the rumors that had been floating around as to the gigantic size of the expenditures envisioned under this "Operation cosmic," as it has been termed.

Now we have before us the President's message on a so-called mutual-security program, and it is clear that my forecasts were entirely too correct. The amount requested for the coming year hits a record high—$8,500,000,000 for grants, plus $1,000,000,000 in additional lending authority for the Export-Import Bank, a total of $9,500,000,000. That figure is far in excess of total expenditures of the Federal Government for all purposes during any of the years of Mr. Roosevelt's administration through the fiscal year 1940—up to the beginning of the war. And Mr. Roosevelt was considered a pretty good spender.

Mr. President, this program, if enacted, will far outstrip any of the previous foreign-aid programs which have been adopted. The most recent period for which we have detailed figures covering Federal grants and loans to foreign countries is the calendar year 1950. In that year, our total spending for such purposes amounted to four billion five hundred and thirty-one million dollars, compared with the nine and a half billion dollars the President now requests for next year. At this particular time, when the most stringent economy is absolutely essential in order to balance the budget and check the rising cost of living, the President seems to have thrown the very notion of financial sanity to the winds. Instead of cutting back the foreign assistance figure, he asks us to double it.

This program, if enacted, will have one further distinction. It will carry the gross total of American loans and grants to foreign countries during the war and postwar periods past the one-hundred-billion-dollar mark. The exact figure will be $104,476,000,000.

I have prepared a table setting forth these figures in summary form, which I ask permission to incorporate in the RECORD at this point in my remarks. It is based largely on figures supplied by the Clearing Office for Foreign Transactions of the Department of Commerce.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Gross foreign aid by U. S. Government
(in millions of dollars)

Gross foreign aid extended, July 1 1940, to Dec. 31, 1951	79,440
Gross foreign aid unutilized as of Dec. 31, 1950	12,151
American investment in International Monetary Fund	2,750
American investment in International Bank	635
Proposed mutual security program for fiscal year 1952, grants and loans	9,500
Total	104,476

Compiled from appendix tables 1, 2, and 3, Foreign Transactions of the United States Government (basic data through December 31, 1951), and from House Document No. 147, Eighty-second Congress, first session.

Mr. BUTLER of Nebraska. Mr. President, one further comparison is worth noting. The larger part of this $104,000,000,000 will be made up of postwar aid, not wartime lend-lease. Many persons appear to suppose that most of it was made up of materials and supplies given to our allies during World War II. That is not the case. If this new "operation cosmic" is enacted, it will provide a total of more than $55,000,000,000 in grants and loans made and authorized during the postwar period.

Mr. President, I can recall the time when Henry Wallace's vision of a quart of milk for every Hottentot gave rise to laughter. That vision is no laughing matter any longer. The Truman administration has virtually taken over the whole Wallace program and brought it a great deal too close to realization for comfort.

These vast sums are difficult to grasp. They are so tremendous that they do not always seem entirely real. I am afraid the average man in my State of Nebraska has a little difficulty in visualizing the effect on the United States, and on him and his family, of giving $104,000,000,000 to foreign countries. Let me try to bring it a little closer to home.

In Nebraska, as in many other States, we have had a problem during recent years of expanding our school system so as to provide room for the rapidly increasing number of children who have grown to school age since the war. On the day the President's message asking for the additional $9,500,000,000 reached us, I noted the results of some proposed bond issues as reported in Nebraska newspapers. On that very day, the results of a number of school bond elections in the State were reported.

In two cities, Hastings and Superior, typical midwestern, medium-sized cities, the school bond issues were rejected. Both are growing, progressive communities. Hastings has about 20,000 people and is the fourth city in the State in size, and the proposed school bond issue there was for the sum of $1,850,000. Superior, Nebr., has slightly more than 3,000 people, and the proposed bond issue there was for the sum of $680,000. Both bond issues were defeated by fairly large margins.

Mr. President, the people of my State are so fed up with the whole idea of borrow, tax, and spend, that they take it out on every spending proposal for spending on any level of government, no matter how worthy the program. I am passing no judgment on the merits of these school bond proposals, of course, since I am not familiar with the situations in detail. But I think it is significant that the people vote down these bond proposals. They have had enough and more than enough, and they feel they simply cannot afford any increase in Government expenditures of any kind.

These proposed bond issues would no doubt have provided for repayment over an extended period. Hastings has rejected a school bond issue for $1,850,000 to be repaid probably over a 10- or 20-year period, but during the 12 years 1940 to 1952 the President and the Congress of the United States—if Operation Cosmic is approved—have made or will make grants and loans to foreign countries, of which the proportionate share of Hastings is approximately $13,843,000. The people of Hastings, who have just rejected a school bond issue for $1,850,000, in effect have been or will be bonded by the United States Government, for foreign aid alone, in an amount more than seven times that great. The Government bonds sold to pay for foreign aid are just like county and school bonds. They have to be paid for out of taxes.

The case of Superior is about the same. Superior rejected a school bond issue of $680,000, but Superior's share of the bill for foreign aid by the Federal Government during the 12-year period, including Operation Cosmic, amounts to $2,224,000, and the end is not yet in sight. These computations are worked out on a per capita basis, based on the 1950 census.

Mr. President, the share of the foreign-aid program for the whole State of Nebraska is rather staggering. The total cost to the State of Nebraska amounts to $907,392,000, almost $1,000,000,000. That is at the rate of over $75,000,000 a year. It is a great deal more than has been spent during the past dozen years by Nebraska for all purposes, including roads, education, State institutions, assistance and welfare, and all other functions of government. That may give Senators some idea of the size of the debt we have incurred for foreign aid.

Unfortunately, the voters of Hastings and Superior and of other communities in Nebraska and the Nation will not be given an opportunity to pass judgment at the polls directly on this new spending proposal. If they did, I believe there is little doubt what the result would be. Operation Cosmic would be rejected in toto by an overwhelming margin if the voters had a chance to vote on it.

America is coming to the crossroads on this new proposal, Mr. President. I can remember when we were told that lend-lease was simply a loan, which would be paid back to us, either by the return of our ships and munitions, or by payment in raw materials, or in some other manner. Of course, we have been paid nothing. The State Department cannot even get the Russians to give us back the 670 merchant ships which we loaned to them and which they are still using.

I can remember when we were told that UNRRA would be merely a temporary relief program, to keep the world alive until the people in foreign countries could bring in a new crop. That was supposed to be the last of the foreign-assistance programs, but it was not. Then there were the International Bank and Fund, which were supposed to stabilize the world's currencies, restore the financial system, and get the world's economy going again. Added on to those was the British loan, which was supposed to support the sterling bloc and restore free convertibility of sterling with the dollar. Of course, free convertibility has not been restored. In between, we had many smaller programs, too numerous to mention. Finally, we had the Marshall plan. It was the program to end all programs. It was supposed to be bigger and better than any of the others. It would not only provide relief, but would increase the productivity of Europe, raise standards of living, and stop communism.

Now we find that communism is on a worse rampage than ever. The diagnosis was faulty and the cure was ineffective. So we are now told to try a double dose.

None of these programs has solved the problems they were supposed to solve. None of them has succeeded in bringing the whole spendthrift circus to an end, as we were promised each in turn would do.

Mr. President, we must turn back before it is too late. If we accept this program we might as well give up hope of ever bringing to an end the system of hand-outs to foreign countries. We will have trained all those countries so thoroughly to the idea of depending on us that they will never again be able to make ends meet out of their own resources.

We cannot stop communism by destroying ourselves. We cannot stop communism by encouraging the free nations of the world to rely on us instead of on themselves. We make up only 7 percent of the world's population. This administration appears to be deliberately working this Nation into accepting a commitment either to feed or to fight the other 93 percent. I am not willing to accept that commitment, because I do not believe we have the strength or resources to do either. I say the time has come to call a halt.

In conclusion, Mr. President, I ask unanimous consent to insert in the RECORD at this point an editorial entitled "The Spring Offensive," from the Omaha World-Herald for May 25, 1951. In this editorial the editor I think speaks the sentiment of the people of Nebraska and perhaps the entire country on the feasibility and practicability of us in America—composing less than one-fourteenth of the population of the world—trying to carry the entire economic load of the world. I am certain it is time that we pause and reason a bit.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Without objection, the editorial may be printed in the RECORD.

The editorial is as follows:

THE SPRING OFFENSIVE

While most Americans recently have been keeping an apprehensive eye on the war in Korea, the busy politicians in Washington have been preparing their spring offensive.

Yesterday and the day before it was launched on two fronts.

First the House Ways and Means Committee came up with the heaviest tax bill ever proposed in times of peace.

And next day, President Truman gave Congress his plan for spending $8,500,000,000 American dollars in foreign lands next year.

Those two actions, if finally ratified by Congress, might cause greater damage to the American economy, and the American freedom system, than any defeat ever suffered by American troops on the field of battle.

Everybody knows that the economy is now wheezing and creaking perilously under the strain of American rearmament.

This strain is so great that the Administration is demanding ever-tightening controls over almost everything that is bought and sold in America. The President contends that unless he and his little men are given vast "emergency" powers, everything will crack wide open.

Nevertheless, he blithely demands that the people dig up another eight and one-half billions—to be given to other nations in Europe, Asia, Africa, and South America.

That is far more than Franklin D. Roosevelt's government spent for all purposes in 1.34 or 1935. And Mr. Roosevelt, in those years, was known as a quick hand with a dollar.

Why is this huge sum to be given away?

Because, said Mr. Truman, various countries need it and are asking the United States to help them out. And because if the United States donates to them hugely, both in economic aid and military supplies, maybe they will turn out to be friends in time of need.

The force of that last argument is well illustrated by the case of Great Britain, which has received and will continue to receive the lion's share of America's give-away billions—and which, since trouble started in Korea, has been fronting constantly for America's enemy, Communist China.

The new tax bill which is offered as a means of paying for Mr. Truman's fantastic spending program represents a long step forward by those who are trying to socialize America.

The payments on individual incomes are increased by a flat 12½ percent. This is supposed to be a great favor of the small income tax payers, but whether they will rise to their feet and cheer remains to be seen.

Corporations, however, get the heavier jolt. Both the normal-tax rate and the excess-profits rate are whooped up—and the maximum which may be collected from any corporation by both taxes combined is raised to 70 percent. Many long-established firms will pay that rate, or close to it.

Corporations, of course, are soulless things and are regarded as fair political prey.

Nevertheless, when 70 percent of their profits are seized by the Government, they have little if any inducement to expand, or to gamble on new enterprises. Taxes of the sort now proposed on both individuals and corporations will choke off enterprise, and as a result tend to reduce American productivity. Thus they will make America weaker rather than stronger.

The pestilential bureaucrats apparently aim to share America's wealth both abroad and at home. And they propose to do it, not by plainly labeled socialistic measures, but by coordinated programs of give-away and taxation.

In the opinion of this newspaper, and the opinion also of many other Americans, this presents a danger no less grave than the Communist peril in Korea or in Europe. Socialism is a first cousin to communism, and if this country backs into socialism its conflict with communism will be a quarrel between Tweedledum and Tweedledee.

Every rational American wants to take prudent steps to defend the Republic against aggression. But nobody in his right mind wants to wreck the national economy by setting up costly and probably futile boondoggles the world around. Let Congress beware.

MIDSHIPMAN WILLIAM D. SHAUGHNESSEY

Mr. LODGE. Mr. President, it gives me pleasure as a Massachusetts citizen to be able to announce to the Senate that one of the three top-honor men in the class at the Naval Academy at Annapolis which graduates today is Midshipman William D. Shaughnessey, of Waltham, Mass. Midshipman Shaughnessey attained a 93-percent average and is the first man in 14 years to head his Academy class for the full 4 years. I understand that he entered the Academy in June 1947 after 2 years at Holy Cross College and that he represented the Academy in the 1950–51 edition of Who's Who Among Students in American Colleges and Universities. He held the five-stripe rank of midshipman commander in the first group of brigade officers and midshipman lieutenant serving as commander of the Third Company in the final group. He will receive life membership in the Naval Institute for excelling in history, a wrist watch for standing highest in English, a wrist watch for being highest in marine engineering, a camera for seamanship, a clock and another watch for leading the class. It is a pleasure for me to tell the Senate about this young man and to extend to him my congratulations and best wishes for a distinguished naval career. He is a great credit to Massachusetts and to the Nation.

Mr. SALTONSTALL. Mr. President, I, too, as a citizen of Massachusetts, am very proud of this boy's record at the Naval Academy.

RECESS TO MONDAY

Mr. HILL. I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 1 o'clock and 16 minutes p. m.) the Senate took a recess until Monday, June 4, 1951, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 1 (legislative day of May 17), 1951:

COLLECTOR OF CUSTOMS

William J. Storen to be collector of customs for customs collection district No. 16, with headquarters at Charleston, S. C.

IN THE ARMY

Lt. Gen. James Alward Van Fleet (major general, United States Army), for appointment as commanding general, Eighth Army, with the rank of lieutenant general and as lieutenant general in the Army of the United States.

Lt. Gen. Edward Hale Brooks (major general, United States Army), for appointment as commanding general, Second Army, with the rank of lieutenant general and as lieutenant general in the Army of the United States.

Maj. Gen. William Morris Hoge, United States Army, for appointment as corps commander, with the rank of lieutenant general and as lieutenant general in the Army of the United States.

Maj. Gen. Doyle Overlton Hickey, United States Army, for appointment as chief of staff, Far East Command, with the rank of lieutenant general and as lieutenant general in the Army of the United States.

Maj. Gen. George Ellis Armstrong, Army of the United States (brigadier general, Medical Corps, United States Army), for appointment as The Surgeon General, United States Army, and as major general in the Regular Army of the United States.

IN THE NAVY

Vice Adm. John L. Hall, Jr., United States Navy, to have the grade, rank, pay, and allowances of a vice admiral, while serving as commander, Western Sea Frontier.

IN THE MARINE CORPS

Maj. Gen. Graves B. Erskine to have the grade, rank, pay, and allowances of lieutenant general in the Marine Corps while serving as commanding general, Fleet Marine Force, Atlantic.

SENATE

MONDAY, JUNE 4, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, as our pilgrim feet tread unknown paths, new every morning is the revelation of Thy brooding care. In the Junetide glory of the awakened earth, when common bushes flame with Thee and heaven and earth are praising Thee in newness of life, our hearts come singing: "This is my Father's world." May a spiritual springtime make our own lives as the garden of the Lord. In the beauty of holiness may we serve Thee and our troubled generation with sincerity, tranquillity and self-effacement.

As we face the tasks of a new week, redeem us from insincerity and from all pretense. We pray for light for one step ahead and courage to face criticism if need be for the sake of truth. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 1, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 2, 1951, the President had approved and signed the act (S. 108) to amend section 28 of the Enabling Act for the State of Arizona relating to the terms of leases of State-owned lands.

COMMITTEES MEETING DURING SENATE SESSION

On request of Mr. NEELY, and by unanimous consent, the Committees on Armed Services and Foreign Relations, meeting jointly, were authorized to sit this afternoon during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to make insertions in the RECORD and transact routine business, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

EXTENSION OF AUTHORITY OF POSTMASTER GENERAL TO LEASE QUARTERS FOR POST-OFFICE PURPOSES

A letter from the Postmaster General, transmitting a draft of proposed legislation to modify and extend the authority of the Postmaster General to lease quarters for post-office purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

ELIMINATION OF WAIVER OF RENTALS FOR CERTAIN LEASES

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend the mineral leasing laws in order to eliminate the waiver of rentals for oil and gas leases (with an accompanying paper); to the Committee on Interior and Insular Affairs.

LAWS ENACTED BY GUAM LEGISLATURE

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the First Guam Legislature (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF MARITIME ADMINISTRATION

A letter from the Acting Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration, Department of Commerce, on the activities and transactions of the Administration for the period January 1 through March 31, 1951 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

EASEMENTS FOR RIGHTS-OF-WAY FOR CERTAIN UTILITIES

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the provision in the act of March 4, 1911 (36 Stat. 1235, 1253) authorizing the granting of easements for rights-of-way for electrical transmission, telephone, and telegraph lines and poles (with an accompanying paper); to the Committee on Agriculture and Forestry.

INTERSTATE MOVEMENT OF CERTAIN DOMESTIC ANIMALS

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act of May 29, 1884, as amended, to permit the interstate movement, for immediate slaughter, of domestic animals which have reacted to a test for paratuberculosis or which, never having been vaccinated for brucellosis, have reacted to a test for brucellosis; and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of April 1951 (with an accompanying report); to the Committee on Agriculture and Forestry.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Attorney General, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Two letters from the Attorney General, transmitting, pursuant to law, copies of the orders of the Commissioner of the Immigration and Naturalization Service granting the application for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien and the reasons for granting the applications (with accompanying papers); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN DISPLACED PERSONS

A letter from the Attorney General, transmitting, pursuant to law, a copy of an order of the Acting Commissioner of Immigration and Naturalization, dated November 16, 1950, authorizing the temporary admission into the United States of certain displaced persons, together with a list furnishing detailed information concerning such persons (with accompanying papers); to the Committee on the Judiciary.

AUDIT REPORT ON NATURAL FIBERS REVOLVING FUND, DEPARTMENT OF THE ARMY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the natural fibers revolving fund, Department of the Army, for the fiscal years ended June 30, 1949 and 1950 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

REPORT OF NATIONAL ACADEMY OF SCIENCES

A letter from the President of the National Academy of Sciences, transmitting, pursuant to law, the annual report of the Academy for the fiscal year ended June 30, 1950 (with an accompanying report); to the Committee on Rules and Administration.

AMENDMENT OF CHARTER OF WAR DAMAGE CORPORATION

The PRESIDENT pro tempore laid before the Senate the following letter from the Secretary of the Senate, which was ordered to lie on the table:

UNITED STATES SENATE,
OFFICE OF THE SECRETARY,
June 4, 1951.

To the PRESIDENT OF THE SENATE:

I am in receipt of a letter from the Assistant Secretary of the Reconstruction Finance Corporation, transmitting, pursuant to law, two certified copies of an amendment to paragraph 9 of the charter of the War Damage Corporation, adopted on May 28, 1951, which have been placed on file in this office.

Very respectfully,

LESLIE L. BIFFLE,
Secretary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 33

"Joint resolution relating to the completion of the San Diego aqueduct

"Whereas during World War II the United States Navy under congressional authorization constructed an aqueduct connecting the San Diego County metropolitan area with the Colorado River aqueduct of the Metropolitan Water District of Southern California in order that military and defense installations in San Diego County might be supplied with water, portions of such aqueduct being constructed of sufficient capacity to transport the area's entitlement from the metropolitan water district, but most of which was of only one-half of such capacity; and

"Whereas the personnel and employees of military and defense establishments in the San Diego area have been greatly increased in number, and the result of this greatly increased demand, coupled with unexpected and unprecedented lack of rainfall from which exhausted local supplies might otherwise have been replenished, have so reduced the water available as to require the adoption of a water-conservation program and to threaten enforced water rationing; and

"Whereas the completion of the San Diego Aqueduct to full capacity as provided in the original plans is the only means by which a firm supply of water in an amount adequate for present requirements can be assured, and this requires the construction of a second barrel to the existing works within the present rights-of-way belonging to the Federal Government as a continuation of the original project built through the instrumentality of the Navy: Now, therefore, be it

"Resolved, by the Assembly and the Senate of the State of California (jointly), That the Congress of the United States is respectfully memorialized to enact legislation to authorize the completion of the San Diego Aqueduct by the Navy under a contract by the terms of which its cost would be fully repaid to the Government by the San Diego County Water Authority; and be it further

"Resolved, That the chief clerk of the assembly be directed to transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on the Judiciary:

"Senate Joint Resolution 8

"Joint resolution relative to requesting the Congress of the United States to propose an amendment to the Constitution

"Whereas the decisions of the Supreme Court of the United States and of certain State courts have caused uncertainty in the minds of lawyers and of the public generally concerning the effect of treaties and executive agreements on our Federal and State Constitutions and laws; and

"Whereas such uncertainty should immediately be clarified: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Congress of the United States be and it is hereby petitioned and urged to immediately submit to the several States an amendment to the Constitution of the United States, and the following form of said amendment is hereby suggested, to wit:

"1. The representative form of Federal Government, consisting of the Congress, the executive, and the judiciary, the sovereignty of the governments of the several States, the express limitations on the powers of Congress, the guarantees of individual liberties, and the independence of the Federal judici-

ary, contained and guaranteed in and by this Constitution and in particular the first 10 amendments thereto, shall not be abolished nor altered by any treaty or executive agreement.

"2. The power of the Senate to ratify treaties shall be exercised only by two-thirds of the entire membership of the Senate and not by two-thirds only of the Members present.

"3. The Supreme Court shall have original and exclusive jurisdiction of all actions or proceedings brought on behalf of the United States or on behalf of a State involving the validity of any treaty or Executive agreement; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of Maine; to the Committee on the Judiciary:

"Joint resolution rescinding proposal for considering a constitutional convention of the United States or amendments to the Constitution of the United States relating to strengthening the United Nations and limited world federal government

"To the honorable Senate and House of Representatives of the United States in Congress assembled:

"We, your memorialists, the Senate and House of Representatives of the State of Maine in the ninety-fifth legislative session assembled, most respectfully present and petition your honorable body as follows:

"Whereas the Senate and House of Representatives of the State of Maine in the 1949 regular session of the legislature submitted a memorial to the Senate and the House of Representatives of the Congress, to the Members of the said Senate and the House of Representatives from this State, and to the presiding officers of each of the legislatures in the several States approving the principles of world federation; and

"Whereas the said memorial did not favor nor recommend any form of world federalist government; and

"Whereas the Legislature of Maine did not and now does not approve any form of world federalist government.

"Whereas a copy of said 1949 memorial was sent to each of the Senators and Members of the House of Representatives in Congress, to each member of the State of Maine congressional delegation, and to the presiding officers of each of the legislatures in the several States: Now, therefore, be it

"Resolved, That we, your memorialists, do hereby rescind and repudiate the said memorial of 1949 and respectfully urge that the same be disregarded.

"Resolved, That a copy of this memorial, duly authenticated by the secretary of state, be immediately transmitted by the secretary of state, by registered mail, to the Senate and House of Representatives in Congress, to the members of the said Senate and House of Representatives from this State, and to the presiding officers for each of the legislatures in the several States."

"Joint resolution making application to the Congress of the United States for the calling of a convention to propose an amendment to the Constitution of the United States

"To the Honorable Senate and House of Representatives of the United States of America in Congress assembled:

"We, your memorialists, the Senate and House of Representatives of the State of Maine in the Ninety-Fifth Legislative Session assembled, most respectfully present and petition your honorable body as follows:

"Whereas article V of the Constitution of the United States reads in part as follows: 'The Congress * * * on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States—'; and

"Whereas the Legislature of the State of Maine, in view of the increasing tax problems of the State, caused in large part by the invasion of tax sources by the Federal Government, believes that its problems as well as the problems of other States similarly situated, can be solved only by some restraint upon present unrestrained exercise of the taxing power by the Federal Government; and

"Whereas the Federal Government is using and has been using for a number of years the taxing power to produce revenue beyond a legitimate necessity of a Federal Government, other than defense needs, and has been using the funds so raised to invade the province of legislation of the States and to appropriate in many fields that which amounts to a dole to the States of the money raised therefrom to accomplish many purposes, most of them worthy, but by the described process making the money available only under conditions which result in a control by the Federal Government from centralized agencies in Washington, in many cases unfit, and in other cases unable to administer the laws according to the local needs because of varying conditions in the country as a whole, resulting in inequities in the administration of the very benefits purported to be granted; and

"Whereas State and local needs are disadvantaged because the people are already taxed far beyond the real need for any purpose other than forcing the centralization of all Government in Washington; and

"Whereas the framers of the Constitution of the United States clearly foresaw the possibility of a condition similar to that herein described, and made provision in the Constitution for safeguarding the States against any oppression or invasion of rights by the Federal Government: Therefore be it

"Resolved by the Legislature of the State of Maine, That said legislature, hereby and pursuant to article V of the Constitution of the United States, makes application to the Congress of the United States to call a convention for the proposing of the following amendment to the Constitution of the United States:

" 'ARTICLE —

" 'SECTION 1. The power to levy taxes and appropriate the revenues therefrom heretofore granted to the Congress by the States in the several articles of this Constitution is hereby limited.

" 'SEC. 2. This article shall be in effect except during a state of war, hereafter declared, when it shall be suspended. The suspension thereof shall end upon the termination of the war but not later than 3 months after the cessation of hostilities, whichever shall be earlier. The cessation of hostilities may be declared by proclamation of the President or by concurrent resolution of the Congress or by concurrent action of the legislatures of 32 States.

" 'SEC. 3. Notwithstanding the provisions of article V, this article may be suspended for a time certain or amended at any time by concurrent action of the legislatures of three-fourths of the States.

" 'SEC. 4. There shall be set aside in the Treasury of the United States a separate fund into which shall be paid 25 percent of all taxes collected by authority derived from the sixteenth amendment to this Constitution, except as provided in section 5, and 25 percent of all sums collected by the United States from any other tax levied for revenue.

" 'SEC. 5. There shall be set aside in the Treasury of the United States a separate fund into which shall be paid all sums received from taxes levied on personal incomes in excess of 50 percent thereof and from taxes levied on income or profits of corporations in excess of 38 percent thereof.

" 'SEC. 6. Before paying any sums into the funds created by sections 4 and 5 hereof, the Treasurer of the United States shall deduct therefrom 20 percent which shall be used in payment of the principal of the national debt of the United States.

" 'SEC. 7. No tax shall hereafter be imposed on that portion of the incomes of individuals which does not exceed, in the case of unmarried persons the sum of $600 per year, and in the case of married persons the sum of $1,200 per year jointly. A minimum deduction of $600 per year shall be allowed for each dependent.

" 'SEC. 8. The Treasurer of the United States shall once in each year, from the separate fund created by section 4 hereof, pay to each of the several States one-fourth of 1 percent of said fund and from the remainder of said fund shall pay to each State a portion of such remainder determined by the population of each State in ratio to the entire population of the several States according to the last Federal decennial census or any subsequent general census authorized by law.

" 'SEC. 9. The Treasurer of the United States shall, from the separate fund created by section 5 hereof, pay to each State, once in each year, a sum equal to the amount of money in such fund which was collected from persons or corporations within such State.

" 'SEC. 10. Any sums paid hereunder to the several States shall be available for appropriation only by the legislatures thereof. The legislatures may appropriate therefrom for any purpose not forbidden by the constitutions of the respective States and may appropriate therefrom for expenditures within the States for any purpose for which appropriations have heretofore been made by the Congress except such purposes as are specifically reserved by this Constitution for the exclusive power of the Congress. The people of each State may limit the expenditures of funds herein made available to the legislature, but shall not direct the appropriation thereof.

" 'SEC. 11. Each legislature shall have power by rule or resolution to provide for the assembly thereof in special sessions for the purpose of considering amendments to, the suspension of, or the ratification of amendments proposed to this article.

" 'SEC. 12. Each legislature shall have power to elect one or more persons to represent such legislature in any council or convention of States created by concurrent action of the legislatures of 32 States for the purpose of obtaining uniform action by the legislatures of the several States in any matters connected with the amendment of this article.

" 'SEC. 13. The Congress shall not create, admit, or form new States from the Territory of the several States as constituted on the first day of January 1951, and shall not create, form, or admit more than three States from the Territories and insular possessions under the jurisdiction of the United States on the 1st day of January 1951, or from Territory thereafter acquired without the express consent of the legislatures of three-fourths of the several States.

"'SEC. 14. On and after January 1, 1951, the dollar shall be the unit of the currency. The gold content of the dollar as fixed on January 1, 1951, shall not be decreased.

"'SEC. 15. Concurrent action of the legislatures of the several States as used herein shall mean the adoption of the same resolution by the required number of legislatures. A limit of time may be fixed by such resolution within which such concurrent action shall be taken. No legislature shall revoke the affirmative action of a preceding legislature taken therein.

"'SEC. 16. During any period when this article is in effect the Congress may, by concurrent resolution adopted by two-thirds of both Houses wherein declaration is made that additional funds are necessary for the defense of the Nation, limit the amount of money required by this article to be returned to the several States. Such limitation shall continue until terminated by the Congress or by concurrent action of a majority of the legislatures of the several States. Upon termination of any such limitation the Congress may not thereafter impose a limitation without the express consent by concurrent action of a majority of the legislatures of the several States.

"'SEC. 17. This article is declared to be self executing'; and be it further

"*Resolved*, That attested copies of this concurrent resolution be sent to the presiding officers of each House of the Congress and to each Member of the Maine delegation in Congress, and that printed copies thereof, showing that said concurrent resolution was adopted by the legislature of Maine, be sent to each house of each legislature of each State of the United States; and be it further

"*Resolved*, That this application hereby made by the legislature of the State of Maine shall constitute a continuing application in accordance with article V, of the Constitution of the United States until at least two-thirds of the legislatures of the several States shall have made similar applications pursuant to said article V; and be it further

"*Resolved*, That since this is an exercise by a State of the United States of a power granted to it under the Constitution, the request is hereby made that the official journals and RECORD of both Houses of Congress, shall include the resolution or a notice of its receipt by the Congress, together with similar applications from other States, so that the Congress and the various States shall be apprised of the time when the necessary number of States shall have so exercised their power under article V of the Constitution; and be it further

"*Resolved*, That since this method of proposing amendments to the constitution has never been completed to the point of calling a convention and no interpretation of the power of the States in the exercise of this right has ever been made by any court or any qualified tribunal, if there be such, and since the exercise of the power is a matter of basic sovereign rights and the interpretation thereof is primarily in the sovereign government making such exercise and since the power to use such right in full also carries the power to use such right in part the legislature of the State of Maine interprets article V to mean that if two-thirds of the States make application for a convention to propose an identical amendment to the constitution for ratification with a limitation that such amendment be the only matter before it, that such convention would have power only to propose the specified amendment and would be limited to such proposal and would not have the power to vary the text thereof nor would it have power to propose other amendments on the same or different propositions; and be it further

"*Resolved*, That the legislature of the State of Maine does not, by this exercise of its power under article V, authorize the Congress to call a convention for any purpose other than the proposing of the specific amendment which is a part hereof; nor does it authorize any representative of the State of Maine who may participate in such convention to consider or to agree to the proposing of any amendment other than the one made a part hereof; and be it further

"*Resolved*, That by its actions in these premises, the legislature of the State of Maine does not in any way limit in any other proceeding its right to exercise its power to the full extent; and be it further

"*Resolved*, That the congress, in exercising its power of decision as to the method of ratification of the proposed article by the legislatures or by conventions, is hereby requested to require that the ratification be by the legislatures."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Appropriations:

"Senate Concurrent Resolution 56

"Whereas living costs in the Territory of Hawaii are higher than on the mainland, a fact long recognized by the Federal Government by the granting of pay differentials to Federal employees in the Territory; and

"Whereas the Bureau of Labor Statistics this year plans to conduct a survey of living costs in the Territory of Hawaii in comparison with similar costs on the mainland; and

"Whereas the need for food, clothing, and shelter is the same for all Federal employees in the Territory whether or not they happen to be island residents or recruited on the mainland; and

"Whereas the Federal House of Representatives by section 407 of the 1952 Agriculture appropriation bill is contemplating retaining the Federal pay differential for Federal employees recruited from the mainland but eliminating it for island residents: Now, therefore, be it

"*Resolved by the Senate of the Twenty-sixth Legislature of the Territory of Hawaii (the house of representatives concurring)*, That we do hereby protest this display of colonialism through denying island residents Federal pay differentials and the evident intent to treat Territorial residents as inferiors to persons recruited on the mainland both in their bodily needs and social status as measured by their salaries; and be it further

"*Resolved*, That the United States Senate is requested to amend the 1952 Agriculture appropriation bill and delete this clause discriminating against Territorial residents just as the House of Representatives of the United States deleted a similar provision in the Interior Department appropriation bill; and be it further

"*Resolved*, That the Congress of the United States if requested to defer taking any action to discontinue or modify the pay differentials granted to Federal employees in the Territory of Hawaii until such time as the results of the survey of the Bureau of Labor Statistics are available, and then to adjust Federal pay differentials accordingly for all Federal employees; and be it further

"*Resolved*, That certified copies of this concurrent resolution be forwarded to the President of the United States, to the Secretary of the Department of the Interior, to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to the Delegate to Congress from Hawaii."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Foreign Relations:

"Senate Concurrent Resolution 37

"Whereas Hawaii has been a symbol of the cooperation of all races since its incorporation into the United States; and

"Whereas Hawaii has always been in the forefront of progressive legislation; and

"Whereas the following resolution has been supported by a large number of the States and is now before the Congress: Now, therefore, be it

"*Resolved by the Senate of the Twenty-sixth Legislature of the Territory of Hawaii (the house of representatives concurring)*, That the Congress of the United States is respectfully urged to support House Concurrent Resolution 64 now pending in the Congress, which reads in part as follows:

"'That it is the sense of the Congress that it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations and to seek its development into an organization of such defined and limited powers as are essential to the enactment, interpretation, and enforcement of world law to prevent aggression and maintain peace'; be it further

"*Resolved*, That certified copies of this concurrent resolution be forwarded to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior, and to the Delegate to the Congress from Hawaii."

An act of the Legislature of the State of New Hampshire; to the Committee on Armed Services:

"An act approving the act of the Governor in signing the interstate compact for civil defense

"Whereas under the provisions of chapter 304 of the laws of 1949, the Governor, on behalf of the State, is authorized to enter into mutual-aid arrangements with other States; and

"Whereas pursuant to the powers granted to him under the above-mentioned statute the Governor has entered into a mutual-aid arrangement with other States: Now, therefore

"*Be it enacted by the senate and house of representatives in general court convened:*

"1. Approval: The act of the Governor in signing the interstate civil defense compact for and in behalf of the State of New Hampshire, said compact being deposited with the secretary of state for the State of New Hampshire and with the proper Federal authorities, in accordance with the Federal Civil Defense Act, H. R. 9798 of the Eighty-first Congress, is hereby approved and confirmed and said compact is lawful and binding upon this State to the extent expressed by its terms.

"2. Takes effect: This act shall take effect upon its passage."

"The State of New Hampshire, through its Governor, Sherman Adams, duly authorized, solemnly agrees with any other State which is or may become a party to this compact, as follows:

"ARTICLE 1

"The purpose of this compact is to provide mutual aid among the States in meeting any emergency or disaster from enemy attack or other cause (natural or otherwise) including sabotage and subversive acts and direct attacks by bombs, shellfire, and atomic, radiological, chemical, bacteriological means, and other weapons. The prompt, full, and effective utilization of the resources of the

respective States, including such resources as may be available from the United States Government or any other source, is essential to the safety, care, and welfare of the people thereof in the event of enemy action or other emergency, and all such resources, including personnel, equipment, or supplies, shall be incorporated into a plan or plans of mutual aid to be developed among the civil defense agencies or similar bodies of the States that are parties hereto. The directors of civil defense of all party States shall constitute a committee to formulate plans and take such necessary steps for the implementation of this compact.

"ARTICLE 2

"It shall be the duty of each party State to formulate civil defense plans and programs for application within such State. There shall be frequent consultation between the representatives of the States and with the United States Government and the free exchange of information and plans, including inventories, of any materials and equipment available for civil defense. In carrying out such civil defense plans and programs the party States shall so far as possible provide and follow uniform standards, practices, and rules and regulations including:

"(a) Insignia, arm bands, and any other distinctive articles to designate and distinguish the different civil defense services;

"(b) Black-outs and practice black-outs, air-raid drills, mobilization of civil defense forces, and other tests and exercises;

"(c) Warnings and signals for drills or attacks and the mechanical devices to be used in connection therewith;

"(d) The effective screening or extinguishing of all lights and lighting devices and appliances;

"(e) Shutting off water mains, gas mains, electric power connections, and the suspension of all other utility services;

"(f) All materials or equipment used or to be used for civil defense purposes in order to assure that such materials and equipment will be easily and freely interchangeable when used in or by any other party State;

"(g) The conduct of civilians and the movement and cessation of movement of pedestrians and vehicular traffic, prior, during, and subsequent to drills or attacks;

"(h) The safety of public meetings or gatherings; and

"(i) Mobile support units.

"ARTICLE 3

"Any party State requested to render mutual aid shall take such action as is necessary to provide and make available the resources covered by this compact in accordance with the terms hereof; provided that it is understood that the State rendering aid may withhold resources to the extent necessary to provide reasonable protection for such State. Each party State shall extend to the civil-defense forces of any other party State, while operating within its State limits under the terms and conditions of this compact, the same powers (except that of arrest unless specifically authorized by the receiving State), duties, rights, privileges, and immunities as if they were performing their duties in the State in which normally employed or rendering services. Civil-defense forces will continue under the command and control of their regular leaders but the organizational units will come under the operational control of the civil-defense authorities of the State receiving assistance.

"ARTICLE 4

"Whenever any person holds a license, certificate, or other permit issued by any State evidencing the meeting of qualifications for professional, mechanical, or other skills, such person may render aid involving such skill in any party State to meet an emergency or disaster and such State shall give due recognition to such license, certificate, or other permit as if issued in the State in which aid is rendered.

"ARTICLE 5

"No party State or its officers or employees rendering aid in another State pursuant to this compact shall be liable on account of any act or omission in good faith on the part of such forces while so engaged, or on account of the maintenance or use of any equipment or supplies in connection therewith.

"ARTICLE 6

"Inasmuch as it is probable that the pattern and detail of the machinery for mutual aid among two or more States may differ from the appropriate among other States party hereto, this instrument contains elements of a broad base common to all States, and nothing herein contained shall preclude any State from entering into supplementary agreements with another State or States. Such supplementary agreements may comprehend, but shall not be limited to, provisions for evacuation and reception of injured or other persons, and the exchange of medical, fire, police, public utility, reconnaisance, welfare, transportation, and communications personnel, equipment, and supplies.

"ARTICLE 7

"Each party State shall provide for the payment of compensation and death benefits to injured members of the civil-defense forces of that State and the representatives of deceased members of such forces in case such members sustain injuries or are killed while rendering aid pursuant to this compact, in the same manner and on the same terms as if the injury or death were sustained within such State.

"ARTICLE 8

"Any party State rendering aid in another State pursuant to this compact shall be reimbursed by the party State receiving such aid for any loss or damage to, or expense incurred in the operation of any equipment answering a request for aid, and for the cost incurred in connection with such requests; provided, that any aiding party State may assume in whole or in part such loss, damage, expense, or other cost, or may loan such equipment or donate such services to the receiving party State without charge or costs; and provided further that any two or more party States may enter into supplementary agreements establishing a different allocation of costs as among those States. The United States Government may relieve the party State receiving aid from any liability and reimburse the party State supplying civil-defense forces for the compensation paid to and the transportation, subsistence, and maintenance expenses of such forces during the time of the rendition of such aid or assistance outside the State and may also pay fair and reasonable compensation for the use or utilization of the supplies, materials, equipment, or facilities so utilized or consumed.

"ARTICLE 9

"Plans for the orderly evacuation and reception of the civilian population as the result of an emergency or disaster shall be worked out from time to time between representatives of the party States and the various local civil defense areas thereof. Such plans shall include the manner of transporting such evacuees, the number of evacuees to be received in different areas, the manner in which food, clothing, housing, and medical care will be provided, the registration of the evacuees, the providing of facilities for the notification of relatives or friends and the forwarding of such evacuees to other areas or the bringing in of additional materials, supplies, and all other relevant factors. Such plans shall provide that the party State receiving evacuees shall be reimbursed generally for the out-of-pocket expenses incurred in receiving and caring for such evacuees, for expenditures for transportation, food, clothing, medicines and medical care, and like items. Such expenditures shall be reimbursed by the party State of which the evacuees are residents, or by the United States Government under plans approved by it. After the termination of the emergency or disaster the party State of which the evacuees are resident shall assume the responsibility for the ultimate support or repatriation of such evacuees.

"ARTICLE 10

"This compact shall be available to any States, Territory, or possession of the United States, and the District of Columbia. The term 'state' may also include any neighboring foreign country or province or state thereof.

"ARTICLE 11

"The committee established pursuant to article 1 of this compact may request the Civil Defense Agency of the United States Government to act as an informational and coordinating body under this compact, and representatives of such agency of the United States Government may attend meetings of such committee.

"ARTICLE 12

"This compact shall become operative immediately upon its ratification by any State as between it and any other State or States so ratifying and shall be subject to approval by Congress unless prior congressional approval has been given. Duly authenticated copies of this compact and of such supplementary agreements as may be entered into shall, at the time of their approval, be deposited with each of the party States and with the Civil Defense Agency and other appropriate agencies of the United States Government.

"ARTICLE 13

"This compact shall continue in force and remain binding on each party state until the legislature or the governor of such party State takes action to withdraw therefrom. Such action shall not be effective until 30 days after the notice thereof has been sent by the governor of the party State desiring to withdraw to the governors of all other party states.

"ARTICLE 14

"This compact shall be construed to effectuate the purposes stated in article 1 hereof. If any provision of this compact is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality of the remainder of this compact and the applicability thereof to other persons and circumstances shall not be affected thereby.

"Given at the executive chambers in Concord this 29th day of December in the year of our Lord, 1950.

"In witness whereof I hereby affix my signature, pursuant to the authority vested in me as Governor of the State of New Hampshire, by section 5, paragraph V, of chapter 304 of the New Hampshire Session Laws of 1949.

"SHERMAN ADAMS,
"Governor.

"Certified a true copy:

"ENOCH D. FULLER,
"Secretary of State."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Armed Services:

"House Concurrent Resolution 31

"Concurrent resolution memorializing the Congress of the United States to pass legislation to properly compensate members of the Armed Forces of the United States who are now or will be engaged in combat

"Whereas at the present time, thousands of members of the Armed Forces of the United States are engaged in combat with the enemy in Korea; and

"Whereas these men do not receive any more compensation for their services than do members of the Armed Forces serving in the other foreign areas not subject to the hazards, dangers, and discomforts of combat duty; and

"Whereas in the late World War II members of our Armed Forces engaged in combat with the enemy did receive additional compensation; and

"Whereas the Congress of the United States has several bills under consideration, which, if passed, would partially compensate these brave men; and

"Whereas these men are daily offering and many are giving their life's blood for their country; and

"Whereas we who are at home are contributing little or nothing, the least we can do is urge the Congress of the United States to pass legislation now under its consideration, and in a small way compensate these heroes for the sacrifices they make for our benefit: Now, therefore, be it

"Resolved by the House of Representatives of the Twenty-third Legislature of the State of Oklahoma (the senate concurring therein):

"SECTION 1. That the Legislature of the State of Oklahoma respectfully urges and requests the Congress of the United States to pass either H. R. 261, H. R. 568, H. R. 1753, or S. 579.

"SEC. 2. The secretary of state of the State of Oklahoma is hereby directed to send a copy of this resolution to the President of the Senate and the Speaker of the House of Representatives of the United States, and to each Member of the Congress of the United States.

"Adopted by the house of representatives on the 11th day of April 1951.

"CHARLES OZMUN,
"Acting Speaker of the House of Representatives.

"BOYD COWDEN,
"President Pro Tempore of the Senate."

A joint resolution of the Legislature of the State of Alabama; to the Committee on the Judiciary:

"Senate joint resolution ratifying the proposed amendment to the Constitution of the United States relating to the terms of office of the President

"Whereas the Eightieth Congress of the United States of America, in both houses, by a constitutional majority of two-thirds thereof, has made the following proposal to amend the Constitution of the United States:

"'Joint resolution proposing an amendment to the Constitution of the United States relating to the terms of office of the President

"'*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"' "ARTICLE —

"' "SECTION 1. No person shall be elected to the office of the President more than twice, and no person who has held the office of President, or acted as President, for more than 2 years of a term to which some other person was elected President shall be elected to the office of the President more than once. But this article shall not apply to any person holding the office of President when this article was proposed by the Congress, and shall not prevent any person who may be holding the office of President, or acting as President, during the term within which this article becomes operative from holding the office of President or acting as President during the remainder of such term.

"' "SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress."'

"Be it resolved by the Senate of Alabama (the house of representatives concurring), That—

"1. The proposed amendment to the Constitution of the United States of America as herein shown be and the same is hereby ratified.

"2. Certified copies of this resolution shall be forwarded by the secretary of state to the Secretary of State of the United States, to the Presiding Officer of the Senate of the United States, and to the Speaker of the House of Representatives of the United States.

"Approved by the Governor May 10, 1951."

By the PRESIDENT pro tempore:

A resolution adopted by the Board of Aldermen of the City of Somerville, Mass., relating to the hearings on the recall of General MacArthur; to the Committee on Armed Services.

A resolution adopted by the Federal Grand Jurors' Association of the eastern district of New York, at Brooklyn, N. Y., favoring the enactment of legislation to make a direct attack on racketeers and criminals; to the Committee on Finance.

A telegram in the nature of a petition from the Morgan City (La.) Junior Chamber of Commerce, praying for the enactment of legislation providing for immediate issuance of permits to drill in tideland waters; to the Committee on Interior and Insular Affairs.

A letter in the nature of a petition from the Christian Amendment Movement, Topeka, Kans., signed by T. C. Knight, president, relating to a national profession of faith in the Lord Jesus Christ (with accompanying papers); to the Committee on the Judiciary.

A resolution adopted by the Board of Supervisors of Nassau County, Mineola, N. Y., favoring the enactment of legislation to aid the financing of the safety program of the Long Island Railroad; to the Committee on the Judiciary.

Resolutions adopted by the Michigan State Association of Letter Carriers, Muskegon, Mich., and the Washington State Federation of Postal Clerks, Spokane, Wash., favoring the enactment of legislation providing a 17-percent increase in compensation for postal employees; to the Committee on Post Office and Civil Service.

A resolution adopted by the West Virginia State Department of United States Army Mothers, at Charleston, W. Va., favoring the creation of a veterans committee in the Senate; to the Committee on Rules and Administration.

SECOND-CLASS POSTAL RATES—RESOLUTION OF NORTH DAKOTA PRESS ASSOCIATION, GRAND FORKS, N. DAK.

Mr. YOUNG. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the North Dakota Press Association at its convention held in Grand Forks, N. Dak., on April 13 and 14, 1951, opposing any increase in second-class postal rates.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service and ordered to be printed in the RECORD, as follows:

NORTH DAKOTA PRESS ASSOCIATION, REPRESENTING ALL OF THE NEWSPAPERS OF NORTH DAKOTA—RESOLUTION ADOPTED AT THE ANNUAL CONVENTION OF NDPA AT GRAND FORKS, N. DAK., APRIL 13 AND 14, 1951

Whereas committees of the Congress of the United States are now considering an increase in the rates for second-class mail matter, and whereas President Harry Truman has made recommendations that such rates be materially increased; and

Whereas the North Dakota Press Association is heartily in accord with the stand on the matter of the National Editorial Association and does commend and support the efforts of its representatives and committees who have appeared before said committees of Congress; and

Whereas there has been discrimination against weekly newspapers in two recent mail-service embargoes ordered by the Post Office Department; and

Whereas proposed increases in second-class postal rates would be discriminatory against weekly newspapers and would create serious financial problems for most weekly newspapers: Now, therefore, be it

Resolved, That the North Dakota Press Association express its united opposition to any increase in second-class postal rates unless improved service is guaranteed, particularly for prompt delivery of weekly newspapers; and, further, that copies of this resolution be forwarded to officers in the Post Office Department and to the members of the North Dakota delegation in Congress.

By the committee:

C. L. ANDRIST,
Chairman, Crosby Journal.
P. W. DENISON,
Cando Record-Herald.
M. A. TUNTLAND,
Washburn Leader.
T. C. MICHAELS,
Dunseith Leader.
CALE DICKEY,
New Salem Journal.

Passed unanimously.

Attest:

EDWARD J. FRANTA,
Secretary,
North Dakota Press Association.

APRIL 14, 1951.

DISPLAY OF AMERICAN FLAG—RESOLUTION OF STATE CONFERENCE OF DAUGHTERS OF THE AMERICAN REVOLUTION, ANN ARBOR, MICH.

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the fifty-first annual State conference of the Daughters of the American Revolution, at Ann Arbor, Mich., asking that no other flag be allowed to fly in the United States

except the flag of the United States—particularly not the flag of the United Nations.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas repeated efforts are being made to place the flag of the United Nations above that of our own United States flag on United States soil; and

Whereas the United Nations flag represents foreign governments, some of whom are directly opposed to our form of government and our ideals of liberty, freedom, and democracy; and

Whereas it is inconceivable that American honor should accept a subordinate position for its emblem in its own land: Be it

Resolved, That the Daughters of the American Revolution of Michigan urge the Congress of the United States to pass protective legislation guaranteeing the United States flag the position of honor at all times on United States soil;

Resolved, That copies of this resolution be sent to the proper authorities.

Sincerely,

DAISY S. FARBER,
State Corresponding Secretary.

PRICE CONTROL OF BEEF—RESOLUTION OF GRIGGS COUNTY (N. DAK.) FARM BUREAU

Mr. LANGER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a letter addressed to me by Alvin T. Boe, assistant secretary-treasurer, Griggs County (N. Dak.) Farm Bureau, which embodies a resolution unanimously adopted by that bureau, dealing with the price control of beef.

There being no objection, the letter was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

GRIGGS COUNTY FARM BUREAU,
Cooperstown, N. Dak., May 28, 1951.

WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR LANGER: A meeting of the Griggs County Farm Bureau was held in Cooperstown May 25, 1951. The meeting was attended by 40 representatives of this community. At which time the following resolution was adopted.

We respectfully recommend that the discriminatory order affecting beef and all agricultural commodity prices be rescinded as soon as possible. That title IV of the Defense Production Act, dealing with wage and price controls, be terminated when that portion of the act expires June 30, 1951.

We earnestly seek the cooperation of all North Dakota Congressmen in bringing about this development, as we believe the control program will hinder rather than increase the production of agricultural commodities.

Respectfully yours,

ALVIN T. BOE,
Assistant Secretary-Treasurer.

INCREASED COMPENSATION FOR POSTAL EMPLOYEES—JOINT RESOLUTION OF WISCONSIN LEGISLATURE

Mr. WILEY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a joint resolution adopted by the Legislature of the State of Wisconsin, favoring the enactment of legislation to increase the compensation of postal employees.

The joint resolution was referred to the Committee on Post Office and Civil Service and, under the rule, ordered to be printed in the RECORD, as follows:

Joint resolution memorializing the Congress of the United States to enact legislation to increase the salaries of postal employees

Whereas there is now before the Congress of the United States, S. 355 and H. R. 244, which bills provide for the elimination of the six lowest salary grades for postal clerks and carriers and provide for a 17-percent increase in the annual salary of post office employees receiving less than $5,000 yearly; and

Whereas the salaries of postal employees have been increased less than 4 percent since 1943 and living costs have increased in excess of 10 percent since January 1950: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin respectfully memorializes the Congress of the United States to enact H. R. 244 and S. 355 into law; and be it further

Resolved, That duly attested copies of this resolution be immediately transmitted to the clerks of both Houses of the Congress of the United States and to each Member of the Congress from this State.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Finance:

H. R. 2084. A bill relating to the treatment of powers of appointment for estate and gift tax purposes; with amendments (Rept. No. 382).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 1042. A bill to amend the act creating the Motor Carrier Claims Commission (Pub. Law 880, 80th Cong.); without amendment (Rept. No. 383);

H. R. 2396. A bill to amend chapter 213 of title 18 of the United States Code; without amendment (Rept. No. 384); and

H. R. 2924. A bill to amend section 4164 of title 18, United States Code, relating to conditional release of Federal prisoners; without amendment (Rept. No. 385).

STUDY OF HEALTH PROBLEMS—REPORT OF A COMMITTEE (PT. 3 OF REPT. NO. 359)

Mr. LEHMAN. Mr. President, from the Committee on Labor and Public Welfare, I submit, pursuant to Senate Resolution 273, Eighty-first Congress, second session, and Senate Resolution 39, Eighty-second Congress, first session, providing for a further study of health problems, part 3 of Report No. 359, and I ask that it be printed.

The PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from New York.

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 1583. A bill to authorize the furnishing to military and naval personnel of transportation to enable them to visit their homes while on furlough or leave in the United States and to return to their military and naval stations; to the Committee on Armed Services.

S. 1584. A bill for the relief of Ali Amir, Aner Ulla, Inus Miah Abdul Goni (also known as Inus Miah), Sogon Ali, Abdul Hassim, Aksir Miah, Habib Uddin, Amin Ullah (also known as Ammin Ali), Abdul Kader, and Rafique Uddin Chowdhury; to the Committee on the Judiciary.

S. 1585. A bill to provide a leave of absence for James Patrick Williams, an employee of the United States, so as to allow him to participate in the 1952 Olympic games; to the Committee on Post Office and Civil Service.

By Mr. HOLLAND (for himself and Mr. WHERRY):

S. 1586. A bill to amend the China Area Aid Act of 1950 to extend to selected citizens of Korea the educational aid provided certain citizens of China; to the Committee on Foreign Relations.

By Mr. HUMPHREY:

S. 1587. A bill to provide increased allotments for dependents of enlisted members of the Armed Forces; to the Committee on Armed Services.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSON of Colorado (by request):

S. 1588. A bill to amend the Air Commerce Act of 1926, as amended; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. JOHNSON of Colorado when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 1589. A bill for the relief of Dr. Jose Montero; to the Committee on the Judiciary.

By Mr. NEELY (by request):

S. 1590. A bill to extend and revise the District of Columbia Emergency Rent Act; to the Committee on the District of Columbia.

AMENDMENT OF AIR COMMERCE ACT OF 1926, RELATING TO TRANSFER OF CERTAIN FUNCTIONS

Mr. JOHNSON of Colorado. Mr. President, by request, I introduce for appropriate reference a bill to amend the Air Commerce Act of 1926, as amended, relating to the transfer of certain functions authorized therein from the Secretary of Commerce to the Civil Aeronautics Board and to effect certain revisions in the language of the existing section, and I ask unanimous consent that the bill together with an explanatory statement by me be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 1588) to amend the Air Commerce Act of 1926, as amended, introduced by Mr. JOHNSON of Colorado (by request), was read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 6 of the Air Commerce Act of 1926, as amended, is hereby amended by striking sections (b) and (c) thereof and by inserting a new subsection (b) to read as follows:

(b) If a foreign nation grants a similar privilege in respect to aircraft of the United

States and/or airmen serving in connection therewith, foreign aircraft not a part of the armed forces of such foreign nation may be navigated in the United States if authorized by permit, order, or regulation issued by the Civil Aeronautics Board hereunder, and in accordance with the terms, conditions, and limitations contained in such permit, order, or regulation: *Provided*, That in exercising its powers hereunder, the Board shall do so consistently with any treaty, convention, or agreement which may be in force between the United States and any foreign country or countries. Foreign civil aircraft permitted to navigate in the United States under this subsection may be authorized by the Board to engage in commercial operations within the United States except that they shall not take on at any point within the United States persons, property, or mail carried for compensation or hire and destined for another point within the United States."

The statement presented by Mr. JOHNSON of Colorado is as follows:

STATEMENT BY SENATOR JOHNSON OF COLORADO

This proposed legislation would amend the Air Commerce Act of 1926, as amended, to transfer the functions authorized therein from the Secretary of Commerce to the Civil Aeronautics Board and to effect certain revisions in the language of the existing section.

Pursuant to existing law, the Administrator of Civil Aeronautics, acting under a delegation from the Secretary of Commerce, is charged with the task of issuing permits authorizing the entry into the United States of foreign aircraft not engaged in common carrier operations (sec. 6 (c) of the Air Commerce Act of 1926, as amended).

This function was assigned to the Secretary of Commerce by the Air Commerce Act of 1926 and subsequently transferred to the Civil Aeronautics Authority by the Civil Aeronautics Act of 1938. With the reorganization of the Government aeronautical agencies in 1940 by Reorganization Plans 3 and 4 there was some doubt as to which agency should be charged with the issuance of permits under section 6 (c). In an opinion, dated September 12, 1941, the Attorney General ruled that the Administrator of Civil Aeronautics should assume the functions of section 6 (c), predicating his finding on the reasoning that the issuance of such permits was primarily an administrative function and not a function relating to economic regulations and that it involved to some extent the subject of safety regulation and registration. Therefore, the responsibility for issuing permits under section 6 (c) was assumed by the Administrator of Civil Aeronautics. Although Reorganization Plan No. 5 of 1950 formally transferred the authority set forth in section 6 (c) to the Secretary of Commerce, the responsibility remains in the Administrator under a delegation from the Secretary.

Since 1941 there have occurred numerous changes in the field of air transportation which have made inappropriate the decision directing the Administrator to perform such functions. In 1941 there were few contract operations by foreign operators into the United States and those which were carried on had little competitive impact on scheduled operations. Today, however, such operations have expanded, their competitive status has assumed significant importance, and the actual process of issuing a 6 (c) permit today has become largely an economic determination. Recognizing this fact, it has been the practice of the Civil Aeronautics Administration to contact the Board upon the application for a permit by a foreign operator for determination as to whether the proposed operation is common carrier in nature and should or should not be authorized. Where the Civil Aeronautics Board recommends against the issuance of such a permit the Civil Aeronautics Administration refuses the application. The economic determination, therefore, is the primary factor in the issuance or nonissuance of a permit.

In the actual process of issuing 6 (c) permits economic factors have been increasing in magnitude while inspections and other methods of insuring adequate safety standards in transborder and intra-United States operations by foreign aircraft have, through the years come to be handled more in a routine manner than was the case in 1940. Also, in January of last year the United States, as a party to the Convention on International Civil Aviation, implemented a resolution of ICAO by which it has agreed to recognize for flights in or across its territories, airmail and airworthiness certificates issued or rendered valid by the state of registry of the aircraft concerned and has established aircraft operational entry requirements for safety purposes. As a result of the establishment of these requirements, the actual process of issuing a 6 (c) permit now involves safety and registration problems to a considerably lesser extent than economic factors.

It would also appear desirable that the safety regulations which govern the operation within the United States of foreign aircraft be placed in the civil air regulations where other safety standards are provided. At the present time, this class of regulation is contained in each permit issued by the CAA under section 6 (c). Naturally, under the division of responsibility between the Board and the Administrator, the Board would not care to undertake the routine, detailed, trip-by-trip regulation of the safety standards of such flights as is now done by the CAA. Consequently, it is proposed that a revision of the civil air regulations be promulgated which would include reference to all regulations applicable to foreign-registered aircraft operating into or within the United States.

In view of the foregoing, it is the opinion of the Department of Commerce and the Civil Aeronautics Board that the function of issuing such permits should be transferred to the Civil Aeronautics Board. Our reasons for supporting this recommendation may be summarized as follows:

(a) The issuance of a 6 (c) permit is, and should remain, primarily an economic determination. The Civil Aeronautics Board is the Government agency primarily responsible for economic determinations affecting air operations and has a staff available for making such determinations. The Civil Aeronautics Administration's field personnel are responsible for safety functions and are less qualified to make determinations which are based on economic considerations.

(b) Safety standards governing the operations of foreign aircraft should be contained in the Civil Air Regulations.

(c) In view of our international commitments under the Chicago Convention, and our belief that safety standards of foreign aircraft operating in the United States should be contained in the Civil Air Regulations, we feel that the safety problems involved in the issuance of 6 (c) permits are not of sufficient magnitude to require the retention in the Civil Aeronautics Administration of the final determination for the issuance of such permits.

(d) A transfer of the authority to issue such permits to the Board would establish by law the authority which the Board presently exercises by administrative arrangement. The public would be put on notice that the Civil Aeronautics Board and not the Secretary of Commerce is charged with the responsibility in making the determination which finally results in the issuance of a 6 (c) permit.

In addition to effecting the transfer to the Civil Aeronautics Board of the function authorized by section 6 (c) certain changes in the existing language are proposed in the interest of clarity and to facilitate the efficient performance of the function authorized. Sections 6 (b) and (c) have been stricken and a single subsection (b) substituted in lieu thereof. Section 6 (c) presently requires that individual permits be issued to cover each flight or series of flights into the United States by foreign civil aircraft. No authority is given under that section to issue regulations. It may well prove desirable in certain instances and for limited types of operations to dispense with the issuance of individual permits and govern them solely by regulation. Moreover, we believe the authority to issue regulations would be highly desirable in view of the fact that the many standard terms and conditions presently contained in permits issued under the existing section 6 (c) could be more readily and effectively included in general regulations and thereby reduce the time required for issuance of the individual permits to a minimum. It is therefore recommended that the navigation of foreign aircraft within the United States be authorized by "permit, order, or regulation of the Civil Aeronautics Board, and in accordance with the terms, conditions, and limitations contained in such permit, order, or regulation."

Further, the authority granted the Board to permit the navigation of foreign civil aircraft in the United States would be subject to the proviso that the Board in so exercising its powers under the section would do so consistently with any treaty, convention, or agreement which is enforced between the United States and any foreign country or countries. The addition of the proviso is in recognition of the Chicago Convention and our position that the United States should live up to the letter and spirit of its obligations under that convention. We therefore wish to specifically declare in the amendment that it is not the intent of such amendment to negate or interfere in any way with the Chicago Convention and the implementation thereof.

With regard to the type of operations such foreign aircraft may engage in while in the United States, it is our opinion that the absolute prohibition presently contained in section 6 (c) against commercial operations by foreign aircraft is too broad and should be amended. The device presently used to accomplish this purpose is to restrict foreign aircraft from engaging in "air commerce otherwise than between any State, Territory, or possession of the United States or the District of Columbia and a foreign country." "Air commerce" is defined in the act as "transportation in whole or in part by aircraft of persons or property for hire, navigation of aircraft in furtherance of a business, or navigation of aircraft from one place to another for operation in the conduct of the business." As so defined, there is serious doubt as to whether ferrying operations between points in the United States for maintenance or other nonrevenue purposes should be permitted under this section and doubt is also cast upon the utilization of such aircraft for sales demonstration purposes either of the aircraft themselves or the instrument and accessories carried thereon. In our opinion, the original intent of section

6 (c), insofar as the operations of such aircraft in the United States are concerned, is designed to reserve to United States registered aircraft the domestic commerce of the United States and not to impede the use of foreign registered aircraft in promoting legitimate foreign businesses conducted in the United States. It is, therefore, our recommendation that the Civil Aeronautics Board be given the authority to permit foreign civil aircraft to engage in commercial operations within the United States subject to the specific exception that the Board cannot authorize such aircraft to "take on at any point within the United States persons, property, or mail carried for compensation or hire and destined for another point within the United States."

In view of the above, it is the recommendation of the Department of Commerce and of the Civil Aeronautics Board that this proposed legislation amending the Air Commerce Act of 1926, as amended, be enacted by the Congress.

The Secretary of Commerce is advised by the Bureau of the Budget that there is no objection to the submission of this proposed bill.

AVIATION WAR RISK INSURANCE—REENROLLMENT OF BILL (S. 435)

Mr. JOHNSON of Colorado. Mr. President, I submit a concurrent resolution for the purpose of making two minor technical changes in the so-called aviation war risk insurance bill, Senate bill 435, to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes, which has passed both Houses of Congress. The first change is to strike out the word "of" where it occurs the first time in line 14 on page 6, and to insert in lieu thereof the word "to."

The second change is on page 7, lines 6 and 7. The words "Federal Security Adminstrator" should be stricken out and the words "Secretary of Labor" substituted therefor.

This is necessary because of the fact that under the provisions of Reorganization Plan No. 19 of 1950, the bureau which has jurisdiction of employees' compensation was transferred from the Federal Security Agency to the Department of Labor.

I ask unanimous consent for the immediate consideration of the concurrent resolution.

The PRESIDENT pro tempore. The clerk will read the resolution for the information of the Senate.

The concurrent resolution (S. Con. Res. 33) was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby authorized and directed, in the enrollment of the bill (S. 435) to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes, to make the following changes:

On page 6, line 14, of the engrossed bill, strike out the word "of", where it occurs the first time, and in lieu thereof insert the word "to."

On page 7, lines 6 and 7, strike out the words "Federal Security Administrator" and in lieu thereof insert the words "Secretary of Labor."

The PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the resolution (S. Con. Res. 33) was considered and agreed to.

AMENDMENT OF RULE RELATING TO YEA-AND-NAY VOTES ON PASSAGE OF CERTAIN LEGISLATION

Mr. SMATHERS submitted the following resolution (S. Res. 149), which was referred to the Committee on Rules and Administration:

Resolved, That rule XVI of the Standing Rules of the Senate is hereby amended by adding at the end thereof the following new paragraph:

"8. No bill or joint resolution of a public character making an appropriation shall be finally passed unless the vote of the Senate is determined by yeas and nays. No amendment of the House to any such bill or resolution or to an amendment of the Senate to any such bill or resolution, and no report of a committee of conference on any such bill or resolution, shall be agreed to unless the vote of the Senate is determined by yeas and nays."

NEGOTIATION OF TREATY FOR DEFENSE OF MEDITERRANEAN AREA AGAINST COMMUNIST AGGRESSION

Mr. BREWSTER (for himself, Mr. McCARRAN, Mr. JOHNSON of Colorado, Mr. O'CONOR, Mr. BUTLER of Maryland, Mr. NIXON, Mr. CARLSON, and Mr. SMATHERS) submitted the following resolution (S. Res. 150), which was referred to the Committee on Foreign Relations:

Whereas recent world events have demonstrated conclusively the intentions of the Union of Soviet Socialist Republics, acting through her satellite countries, to utilize force wherever necessary to further the spread of communism throughout the world;

Whereas this threat to world peace can be successfully resisted by the free nations of the world only if they unite their efforts for collective defense and for the preservation of peace and security;

Whereas the nations of the North Atlantic area in their determination to safeguard the freedom, common heritage, and civilization of their peoples, have entered into the North Atlantic Treaty; and

Whereas similiar action by the countries of the Mediterranean area would provide a further bulwark against the efforts of the Communist nations to destroy all governments founded upon principles of democracy, individual liberty, and the rule of law: Therefore be it

Resolved, That the President is requested to urge the Governments of Spain, Greece, and Turkey to join, together with such other nations as may desire to become parties thereto, in an effort to negotiate a treaty having aims and purposes similar, with respect to the nations of the Mediterranean area, to those of the treaty entered into on April 4, 1949, by the nations of the North Atlantic area or in the alternative participation by these countries in the North Atlantic Pact or bilateral agreements with these countries looking to mobilizing further the strength of all countries opposed to Communist aggression.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. LANGER, from the Committee on the Judiciary:

Powless W. Lanier, of North Dakota, to be United States attorney for the district of North Dakota.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. FLANDERS:

Address entitled "The Flanders Disarmament Proposal," delivered by Senator HENDRICKSON, and broadcast from Station WMTR on May 30, 1951, on the program, We, the Women.

By Mr. CARLSON:

Address on the subject Progress on the Hoover Commission Program, delivered by Senator DIRKSEN, broadcast from Station WJJD, Chicago, Ill., on May 21, 1951.

By Mr. LANGER:

Statement by him describing the testimonial dinner recently given to Barnee Breeskin at the Shoreham Hotel, Washington, D. C.

Statement by H. W. Lyons, representing North Dakota Reclamation Association and others, Jamestown, N. Dak.; and statement by Daphna Nygaard, representing Chamber of Commerce and City Council of Jamestown, N. Dak., relative to the Jamestown, N. Dak., Dam and Reservoir.

By Mr. SPARKMAN:

Commencement address entitled "The Growth of Opportunity," delivered by Thomas A. Morgan, president of Sperry, Inc., at Tuskegee Institute, Alabama, May 14, 1951.

By Mr. HILL:

Certificate of appreciation by the Department of Defense and editorial comments paying tribute to Marx Leva, former Assistant Secretary of National Defense.

Release by Reuters, of London, dated February 1, 1951, having reference to the Voice of America.

By Mr. LEHMAN:

Editorial entitled "A Salute to WAYNE MORSE," published in the Oregon Democrat for May 1951.

Editorial entitled "Perspective," from the Hindustan Times of May 26, 1951, dealing with the question of grain for India.

DENNIS CARDINAL DOUGHERTY—EDITORIAL FROM THE PILOT OF BOSTON

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "The Last Leaf," from the Pilot of Boston, dated June 2, 1951. The editorial deals with Cardinal Dougherty, of Philadelphia.

Cardinal Dougherty, of Philadelphia, was well known and well liked by many citizens in my State. As with Bishop James Edwin Cassidy, of Fall River, who died recently, we mourn the loss of a great prelate.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE LAST LEAF

The death of Dennis Cardinal Dougherty, of Philadelphia, summons to eternal reward

the senior Catholic churchman of America. His Eminence was the last of those great prelates who were guiding the fortunes of the Faith when most of us were first studying the catechism.

Under Cardinal Dougherty's direction Philadelphia emerged as one of the great metropolitan sees of the world. It has been a nursery of bishops, and only recently the mother diocese, as further sign of progress, received a new suffragan with the creation of the diocese of Greenburg in the western part of Pennsylvania.

Like Cardinal O'Connell, of Boston, Cardinal Dougherty, who was a schoolmate of His late Eminence in Rome, was blessed with length of days. He became a living tradition and, to those not immediately under his jurisdiction, almost a legendary figure. But the vitality of the archdiocese which has now lost his gracious and paternal watchfulness proves that he was alert and active until the end, dying, as great men always want to die, in the midst of work.

Philadephia and Boston have much in common. With New York and Bardstown (later Louisville) they were created in the first separation from the original diocese of Baltimore in 1808 and each was elevated to archepiscopal dignity in 1875. Our people therefore, led by their archbishop, join their Pennsylvania brethren in prayer for the repose of the great and good Prince of the Church whose name and works are now a part of honored history.

APPROPRIATIONS FOR PUBLIC HOUSING

Mr. LEHMAN. Mr. President, I ask unanimous consent to insert in the body of the RECORD a copy of a telegram which I sent last week to Mayor Vincent Impellitteri, of New York City, in regard to the question of appropriations for public housing now pending before the Senate Appropriations Committee.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 31, 1951.*

Hon. VINCENT IMPELLITTERI,
Mayor of New York City,
New York, N. Y.:

I applaud your initiative in holding meeting to protest against House-approved cut in public-housing funds. I feel most strongly on this issue. Last week I wrote formally to Chairman MCKELLAR, of Senate Appropriations Committee, urging full restoration of essential funds. I have been in personal touch with members of Appropriations Subcommittee handling this legislation, and know that strong fight has been made in subcommittee for restoration of most of funds deleted by House. Final decision, of course, will be taken by full Appropriations Committee. I urge all New York citizens to indicate by all means at their command their views in support of public housing, which was never so essential as it is today.

HERBERT H. LEHMAN.

Mr. LEHMAN. Mr. President, I ask unanimous consent that there also be printed, likewise in the body of the RECORD, the text of a letter which I addressed to the Senator from Tennessee [Mr. MCKELLAR], chairman of the Appropriations Committee, in regard to the same subject.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 28, 1951.

Hon. KENNETH MCKELLAR,
Chairman, Senate Appropriations Committee, Senate Office Building, Washington, D. C.

DEAR SENATOR MCKELLAR: I am writing you to urge as strongly as I possibly can the restoration of the cut in the funds to be allocated for the construction of public housing by H. R. 3880, the independent offices appropriation bill.

It is my understanding that the original request was for funds which would permit the construction of 75,000 units during the next fiscal year. The House committee approved an amount which would permit the construction of up to 50,000 units, but the so-called Gossett amendment reduced the number of units to 5,000.

This arbitrary cut, for all practical purposes, completely negates the program authorized by the Housing Act of 1949, and as such amounts to legislating by appropriation. While it is true that we must restrict housing construction to conserve scarce materials, this program, which can be utilized to provide housing for defense workers, should not be decimated. It is my hope that this arbitrary cut in the funds for public housing will be restored by your committee and that the public-housing program will be allowed to move ahead proportionately with other housing construction.

Yours very sincerely,

HERBERT H. LEHMAN.

CALL OF THE ROLL—RESCINDED

Mr. KEM obtained the floor.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Massachusetts for that purpose?

Mr. KEM. I yield, Mr. President, with the understanding that I will have the floor when the roll call is completed.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the order for a quorum call be vacated and that further proceedings under the call be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

IMPORTATION WITHOUT PAYMENT OF TARIFF OF ARTICLES FOR EXHIBITION AT JAPANESE TRADE FAIR, SEATTLE, WASH.

Mr. GEORGE. Mr. President, will the Senator from Missouri yield to me in order that I may ask for the consideration of a joint resolution, which I believe will require only a few minutes?

Mr. KEM. I am glad to yield.

Mr. GEORGE. Mr. President, I ask unanimous consent for the present consideration of House Joint Resolution 253, Calendar No. 301.

The PRESIDENT pro tempore. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 253) to permit articles imported from foreign countries for the purpose of exhibition at the Japanese Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. SALTONSTALL. Mr. President, reserving the right to object—and I do not intend to object—I ask whether this is a unanimous report of the Finance Committee?

Mr. GEORGE. The joint resolution was unanimously favorably reported from the Committee on Finance. It is the usual order in such cases.

Mr. SALTONSTALL. As I understand, it provides for a special exhibit.

Mr. GEORGE. Yes. It follows the pattern which has been set for many years to permit the bringing in of foreign articles.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

Mr. GEORGE. Mr. President, I should like to reserve the right, on behalf of the distinguished Senator from Washington [Mr. MAGNUSON], who is very much interested in the joint resolution, and who was expected to be here at this time, to make such statement for the RECORD as he may wish to make.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MAGNUSON subsequently said: Mr. President, I was unavoidably detained in a hearing of the Committee on Appropriations, and during my absence the distinguished Senator from Georgia [Mr. GEORGE] was kind enough to call up House Joint Resolution 253 to permit articles to be imported from foreign countries for the purpose of exhibiting them in this country. In my home town of Seattle, beginning in about 2 weeks, there will be held a Japanese trade fair. During the past many months arrangements have been made for the exhibition of Japanese-made articles, in an effort to help Japan resume some of its trade with the United States, particularly in the Puget Sound area which, prior to World War II, was on the great trade route between the Japanese Empire and the United States. I was in Japan within the last month, and I found a great deal of interest among Japanese exhibitors and manufacturers, and in the Japanese Government itself in the exhibition to be held in Seattle. It is to be one of the first of its kind, and we hope it will be of great help in stimulating a resumption of friendly relations between the people of this country and the Japanese people.

I am sure that the Senate, in passing the joint resolution, not only acted wisely, but that it will be helpful to our whole far-eastern policy and will pro-

mote the rehabilitation and self-containment of Japan.

AMERICAN BLOOD OR EUROPEAN TRADE?

Mr. KEM. Mr. President, last Saturday afternoon, June 2, the President announced from the White House that he had signed the third supplemental appropriations bill. He took occasion to criticize in caustic terms an amendment which forbids the sending of economic assistance to countries which persist in selling war goods to the Reds.

The first question involved in this legislation is whether economic aid shall be sent by the American people to Marshall plan countries to be used in killing and maiming American boys. It is not denied that large quantities of war materials including oil, iron, steel, copper, machine tools, electrical equipment, and so forth, have been exported by our allies in Western Europe to Russia and to her satellites, including Red China. It is not denied that this traffic has been taking place while the countries exporting these materials have been receiving economic assistance from the United States in large amounts. We have been giving these strategic materials to our friends who have been selling the same materials to our enemies. No one knows how many American boys in Korea have been shot down by weapons furnished in whole or in part by ourselves. The record is shameful. It is written in blood and fire.

The President reminds us that "trade is a two-way street." That statement is equally applicable to cooperation between friendly nations. If we give war materials to our friends, we have every right to expect that they will not turn them over to our common enemy, through Hong Kong, or elsewhere.

LEGISLATIVE HISTORY OF THE AMENDMENT

On April 19, 1950, more than a year ago, I presented to the Senate evidence that Marshall plan countries were making large shipments of war materials to Russia and her satellites. This evidence has never been contradicted. My statements have never been denied. These shipments are continuing.

When the Marshall plan authorization bill was before the Senate last year, I offered an amendment to shut off automatically aid to countries which continued to ship war materials to the Reds. The Senate saw fit to reject this amendment.

When the supplemental appropriations bill came before the Senate last fall, I joined the Senator from Nebraska [Mr. WHERRY], the Senator from Virginia [Mr. BYRD], and the Senator from Nevada [Mr. MALONE] in introducing a similar amendment, providing for an automatic termination of our economic aid to those countries which persisted in selling war goods to the Reds. The Senate approved this amendment.

At this point, President Truman intervened. He sent a personal plea to the joint conference committee urging that the amendment not be included in the final bill. As a result, the amendment was watered down in conference committee. As finally approved, the law—section 1304, Public Law 843, Eighty-first Congress—provided that economic aid was to be shut off to any country if the United States National Security Council, of which President Truman is Chairman, found that such country was carrying on trade with the Reds contrary to the security interest of the United States.

We are at war with North Korea and Red China. As Secretary of the Army Pace said yesterday, we are in a real war. Our troops on the front lines will agree.

So far as I am able to find out all the United States National Security Council has ever done about this is to consider, discuss, and negotiate. Not once have our gifts been suspended to any one of the Marshall plan countries because it was shipping war materials to the Communists.

On March 9, 1951, I addressed a letter on this subject to President Truman urging that the National Security Council act on this vital matter without further delay. I have yet to receive a reply.

I ask unanimous consent to have inserted in the RECORD at this point in my remarks the text of this letter to the President.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 9, 1951.

The PRESIDENT OF THE UNITED STATES,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: Mrs. Kem and I have just returned from one of our occasional visits to Walter Reed Hospital, and, as always, we came away with heavy hearts at the sight of boys, some of them from Missouri, whose bodies and lives have been mangled in Korea.

I am writing you in your capacity as Chairman of the National Security Council of the United States. As you know, under section 1304 of Public Law 843, Eighty-first Congress, approved September 27, 1950, no economic or financial assistance is to be provided by the United States to any foreign country whose trade with Russia or its satellites, including Red China, is found by the United States National Security Council to be contrary to the security interests of the United States.

Since this law went into effect it has been repeatedly disclosed that several Marshall-plan countries are making large shipments of war-useful items to Russia and to Red China. British trade with Red China has been particularly active through her crown colony, Hong Kong, in such items as rubber and copper.

Department of Commerce officials advised my office this morning that $329,912.80 worth of machine tools were sold to Russia by Britain during January 1951 alone. Although Marshall plan aid to Britain was suspended on January 1, 1951, goods and services are still reaching Britain through funds previously made available.

Britain is not the only offender. Belgium and France are also selling war-useful goods, including iron and steel, to the Reds. Large quantities of iron and steel have been sent to France and Belgium under the Marshall plan as a gift from the people of the United States.

Western European countries are selling equipment necessary to make A-bombs to Russia and her satellites.

On February 28, 1951, we were told in the press that ECA-aided factories in Italy were speeding products for Russia and that a Soviet economic party was in Genoa attempting to expedite deliveries of electric cranes and thermal power stations from two factories which have been aided under the Marshall plan to the tune of $1,625,000.

Despite the seriousness of this situation a staff member of the National Security Council advised my office this morning that the whole subject is being kept "under review." The significant fact is that not once has Marshall plan aid been terminated to any offending country pursuant to Public Law 843.

For my part, I am against sending so much as a thimble or a hairpin as a gift from the American people to any country which persists in sending war materials to the Reds, now slaughtering our boys in Korea.

I hope you will agree that this is a shocking business, that it is "contrary to the security interests of the United States." I plead with you to see that the National Security Council acts on this vital matter without further delay.

With great respect, I am,
Sincerely yours,

JAMES P. KEM.

Mr. KEM. Mr. President, on May 9, 2 months after I wrote the President, I introduced, on behalf of the Senator from Nebraska [Mr. WHERRY], the Senator from Virginia [Mr. BYRD], the Senator from Nevada [Mr. MALONE], and myself, an amendment to the third supplemental appropriations bill of 1951. This amendment provided that American economic or financial assistance should be automatically shut off to any country which continues to sell war materials to Russia and her satellites, including Red China.

On May 10 the Senate approved this amendment unanimously. I repeat, the Senate approved this amendment without objection.

The House version of the bill to which this amendment became a part did not contain a similar provision. A joint conference committee was appointed to iron out the differences between the two bills.

The conferees made certain changes in the amendment. Among other things, a provision was inserted permitting the United States National Security Council, of which President Truman is Chairman, to make exceptions "in the security interest of the United States." Any such exceptions made will have to be immediately reported to congressional committees.

Both the Senate and the House approved the conference report, and it was sent to the President.

NO POINT OF ORDER WAS MADE AGAINST THE AMENDMENT

The President refers to this amendment barring economic aid to nations selling war materials to iron-curtain countries as a "hasty rider" to an appropriations bill "quite unrelated to the major purpose of the act."

Under the Senate rules, as we know, any Member of the Senate may make a point of order to any amendment to a

general appropriation bill which proposes general legislation, or to any amendment not germane or relevant to the subject matter contained in the bill—Section 4, rule XVI, Standing Rules of the Senate.

When the amendment which the President now criticizes as unrelated to the major purpose of the act was called up, no Senator made a point of order. Instead the Senator from Arizona [Mr. HAYDEN], who was in charge of the bill, said:

I should like to state that there is no disagreement with the spirit or intent of the amendment offered by the Senator from Missouri and other Senators. I can state as a certainty that every Senator recognizes the Soviet Union as the cause of the existing cold war. Without inspiration from Moscow there would be no cold war. Every Senator also recognizes that in the event of another world war the Soviet Union would be the real enemy. Therefore, we all fully suppo t the idea that the export of strategic materials to the Soviet Union and to any and all nations whose governments are allied with the Soviet Union, including China, should and must be cut down to the maximum possible extent. My criticism is that the amendment does not go far enough, in that it would be effective only while the United States is actually engaged in hostilities.

Another criticism is that it denies economic assistance, but it does not deny military assistance. I cannot understand why we should allow any kind of military assistance to any country to which we are denying economic assistance. (CONGRESSIONAL RECORD, May 10, p. 5195.)

PRESENT LAW SHOULD BE STRENGTHENED

Mr. President, I agree with the able Senator from Arizona. The amendment as adopted by the Senate probably did not go far enough. Certainly as it was modified by the conference committee it did not go far enough. But the President wishes the present law weakened. Experience may prove that changes in it are desirable. If this is the case, Congress should move to strengthen the present law, not weaken it.

For my part, I believe it would be desirable to broaden the provisions of the law to include military assistance under the military assistance program, as well as economic aid under the Marshall plan. It is said that one of the worst offenders, Great Britain, does not come within the provisions of the existing amendment, since it is not at the present receiving economic aid from the United States, other than certain items still in the so-called pipeline.

We are giving huge quantities of arms to Britain under the military assistance program, and Britain is at the same time selling large quantities of war materials to the Communists.

This continues unabated. On May 31, 1951—just a few days ago, Mr. President—Sir Hartley Shawcross, president of the British Board of Trade, announced that Britain has sent Russia nearly $18,000,000 worth of electrical generating equipment in the last 15 months and intends to continue such exports.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. KEM. I am glad to yield to the Senator from Utah. I should like to say that it is a pleasure to have him back on the floor again.

Mr. WATKINS. I am delighted to be here again.

I noticed that the Senator from Missouri said that someone criticized the amendment because it would not cut off supplies to Great Britain. Could not the amendment be construed in such a way that even supplies which are within the so-called pipeline would come within the limitations provided by the amendment?

Mr. KEM. It seems to me that would be a fair construction of the law. However, I have been told that the ECA contends that when allocations have been made, no restrictions should be placed upon them.

Mr. WATKINS. However, if we say that no economic aid shall go to those countries, that restriction is sufficient, is it not, to prevent the sending of economic aid to Great Britain, even though such materials are already in the pipeline under the allocations which already have been made?

Mr. KEM. I agree with the Senator from Utah.

Mr. WATKINS. I thank the Senator.

PRESENT LAW WAS CAREFULLY CONSIDERED

Mr. KEM. Mr. President, the President professes to be impressed by the fact that the amendment was never considered by the House Foreign Affairs Committee or the Senate Foreign Relations Committee. He has referred to it as hasty legislation.

The question whether we should continue to arm the Reds through our allies is no new issue in the Senate. It has been repeatedly discussed at length on this floor. I have many times invited the attention of the Senate to it. The Senator from Nebraska [Mr. WHERRY] and other Senators have also done so. Senators are familiar with the important disclosures resulting from the work of the subcommittee headed by the Senator from Maryland [Mr. O'CONOR].

I think it is fair to say that every Member of the Senate has been for some time past conversant with this problem.

PRESIDENT'S MESSAGE RAISES IMPORTANT CONSTITUTIONAL QUESTIONS

In his statement on Saturday, Mr. Truman did more than simply disapprove of the action of the Congress in adopting this amendment. He gave a thinly veiled intimation that he does not intend to carry out the expressed intent of the Congress—the elected representatives of the people. As Mr. Truman put it:

I think it likely that the National Security Council will find it necessary to make exceptions on a broad scale until the Congress has an opportunity to give this matter further consideration.

In other words, the intent of the law will be evaded until it is changed.

In his message the President tells the Congress when, where, and what to enact. The Congress is always glad to have the benefit of his views. But the President further indicates that if the legislation he wishes is not forthcoming, means will be found to avoid putting into effect the present law. This is a different matter. While the President reminds us of our duty and responsibility in the premises, we are also mindful of his, which is to execute faithfully any law of the Congress to which he has affixed his signature; that outside the Constitution, the President has no more authority than any private citizen, and that within the Constitution he has only so much as that instrument gives him.

The President is urged on by Mr. Acheson and the State Department. He has "compelling objections"—the phrase is his—to the present law designed to discourage Western Europe's war trade with the Reds.

Congress has compelling objections to the slaughter of American boys with weapons provided by us, through our allies.

The President and Mr. Acheson have taken the side of trade, profits, and property rights.

Congress has taken the side of human rights and the safety and welfare of our sons.

The American people will decide between us.

GENERAL MACARTHUR'S PART IN SO-CALLED BONUS MARCH

Mr. BREWSTER. Mr. President, on page 4058 of the RECORD of April 18, 1951, there was discussion about the so-called bonus march and General MacArthur's part in it, and a list of the casualties at that time.

An article was published in the Washington Times-Herald of Friday, June 1, which I ask unanimous consent to have printed in the RECORD, not the Appendix, because the other insertion was in the body of the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article is as follows:

DEMOCRATS HID HEROIC ROLE OF GENERAL MACARTHUR—BONUS MARCH SMEAR ERASED BY TESTIMONY

(By Willard Edwards)

Democratic suppression for 21 months of sworn testimony erasing an old smear attack on General MacArthur was revealed yesterday.

Since August 1949 the Democratic majority of the House Committee on Un-American Activities has kept secret the evidence of two former Communist Party leaders concerning the Washington bonus march of 1932.

MacArthur has long been assailed by his enemies because he personally led the Army troops who cleared the Nation's Capital of the marchers. He acted under orders from President Hoover, transmitted through War Secretary Patrick J. Hurley.

DEFEATED RED PLANS

MacArthur's prompt action, accomplished without firing a shot, the ex-Communist leaders testified, defeated Communist plans for a reign of terror in Washington, deliberately contrived to cause bloodshed.

Malicious bonus-march stories concerning MacArthur since 1932, supported as late as

1949 by Mrs. Eleanor Roosevelt in a magazine article, were spread by Communists, it was disclosed, enraged because MacArthur restored order without injury to a single veteran. The Soviet plans called for provocation of police and soldiers into shooting and killing veterans.

The suppressed committee testimony disclosed:

1. That Communist agitators fomented the bonus march from the beginning and were rapidly gaining control of the entire force of 15,000 marchers who were demanding immediate bonus payments.

WHITE HOUSE ATTACK PLANNED

2. That the Communist program, if MacArthur had not stepped in, called, in another week, for storming the White House, turning Washington upside-down with the objective of creating widespread riots and slaughter.

Republican committee members were not present when this testimony was given in 1949 and were never informed of it. A proposal to make it public was opposed by Representative MOULDER, Democrat, of Missouri. He suggested that the American Legion might be offended by publication of testimony showing how veterans were deceived by Communists.

Legion officials, informed of the nature of the evidence, told the committee they not only did not oppose but welcomed the publication of such a report for its educational value in the fight against communism. But the Democratic majority of the committee ordered the testimony pigeonholed.

VELDE DEMANDS COPY

Representative VELDE, Republican, of Illinois, a committee member, informed for the first time yesterday of the existence of the testimony, demanded a copy and immediately agreed with the American Legion that the public was entitled to know the true story of the bonus march. He gave the suppressed transcript to the Times-Herald for publication.

"There can be no honest reason," he remarked, "for hiding the facts concerning this important historical incident. Smear stories have been circulated for 19 years concerning General MacArthur's part in this affair. It now develops that his firm but humanitarian action averted a disaster which might have caused the loss of many lives. At this time, when he is under bitter political attack, it is particularly important that this story be given to the people."

The principal witness before the House committee, at the executive session in August 1949, was John T. Pace, 53, of Centerville, Tenn., one of the bonus-march leaders, who confessed he was a high Communist Party official at the time.

Supporting testimony was given by Joseph Z. Kornfeder, member of the central committee of the Communist Party in the thirties.

JOINED PARTY IN 1930

Pace said he joined the Communist Party in 1930, becoming a member of District 7 in Detroit. He organized the Workers Ex-Servicemen's League, the veterans' organization of the Communist Party, and led a hunger march on the Michigan capital at Lansing in 1931. He also organized strikes of WPA workers.

"The Communist Party was then concentrating its entire efforts on taking advantage of the depression," Pace testified. "We sought to capitalize on the discontentment of unemployed veterans. We first raised the issue of a cash bonus payment and needled the regular veterans' organizations with propaganda to get them into the movement.

"In April 1932 we raised the question of a march upon Washington and centered our program on that. The Nation-wide movement was directed by William W. Weinstone, member of the Communist central committee and American representative of the Communist International in Moscow. Weinstone in turn worked under the orders of the Comintern representative in the United States, Mario Alpi, alias Fred Brown, alias Mario Mariani."

BEGINNING OF MARCH

Pace told how he instigated the beginning of the bonus march in Detroit. Other Communists were meanwhile organizing marches upon Washington from other parts of the country.

"A main objective was to educate veterans in the seizure of private property." Pace said. "We preached to them that labor had the right to seize anything it had helped produce. On June 1, we organized the marchers in Detroit who seized streetcars and ran them to the city limits and the railroad yards. There we found a freight train of gondolas to transport us out of Michigan.

"We expressly wanted actions in defiance of the law. We were joined in the various cities through which we passed by members of the International Workers Order, the International Labor Defense, and the Young Communist League (all labeled Communist fronts by the Justice Department) who helped support the bonus marchers with housing, food, and legal assistance.

"We dramatized the march by parades, meetings, placards, and slogans, made a lot of noise, to attract the attention of the great masses of the people. Funds were collected at mass meetings. New marchers joined in each city."

CLEVELAND DEMONSTRATION

Reaching Toledo, the marchers found a railroad train provided to carry them to Cleveland. In the latter city, however, further transportation was refused.

"This answered our prayers," said Pace. The going had been a little too easy to suit the Communist leaders. We wanted a fight. We staged big demonstrations in Cleveland, Emmanuel Levin, a communist leader in Washington, issued instructions and we seized the switches, engines, and the roundhouse in the railroad yards. The police seized them back but we ran the police out and took full possession.

"We regarded all this as preliminary training for the masses on seizure of private property and to build up hatred of capitalism. Cleveland authorities finally ordered the entire police force against us. There was a resultant crime wave as the city was left unprotected which made us very gleeful.

"Railroad officials finally provided transportation from Cleveland to Washington, with food and coffee along the way, and the marchers reached Washington."

ONE HUNDRED AGITATORS ON JOB

"I contacted Levin who had organized the national bonus march committee," Pace testified. "Some 10,000 to 15,000 veterans were distributed in camps about the city. We had 100 skilled Communist agitators moving through the camps, stirring up feeling.

"Communist orders were to seize private property if possible and we seized some apartment buildings condemned for a Government program. We found Camp Anacostia to be the best breeding place for trouble. All strategy was directed from Communist headquarters.

"The more militant veterans were organized into rank-and-file committees which were completely controlled by myself and the Communist faction.

"The genuine veteran leaders wanted to petition Congress peaceably for the immediate cash payment of the bonus. Our purpose was to use the bonus demand to build a revolutionary force and to gain followers for the cause of the revolution. We attacked President Hoover, the police, and the Government. We wanted to turn the veterans into haters of the Government—to stir them up to direct action. We sought to provoke a conflict between the veterans and the law-enforcing agencies.

"The Government had no other alternative than to call out the Army. It is my candid opinion that had we been permitted another week, the Communists would have gained complete leadership of the bonus forces and Government action at that time would have been much more disastrous."

The other ex-Communist leader, Kornfeder, told the committee that the Communist Party sensed in the bonus march a tremendous opportunity.

"If our objective had been fully successful," he said, "we would have dramatized on a grandiose scale the events in Washington and paraded them before the world. There is no doubt in my mind that if we had obtained complete control, Washington would have been turned upside down and the White House stormed by an army."

FUROR IN PARTY

At this point, President Hoover acted, and MacArthur, then Army Chief of Staff assumed direct responsibility for restoring order. He massed his troops and used tear gas to oust the Communist squatters from Government buildings, but no shot was fired. In a few hours, on July 27, 1932, the evacuation was completed.

There was a great furor in the Communist Party over the failure to cause bloodshed, the ex-Communist leaders testified. At a later New York meeting, top leaders met. Present were Earl Browder, Clarence Hathaway, Herbert Benjamin, Max Bedacht, Louis Sass, Weinstone, and Levin, all members of the Moscow-directed central committee.

"Weinstone was blamed for missing the boat," said Kornfeder. "Both Browder and Weinstone had to go to Moscow to report and Weinstone was reduced in rank and position in the party for his failure."

The stories accusing MacArthur of a brutal and bullying assault on women, children, and defenseless men began circulating soon therafter.

DEATHS OF VETERANS IN FLORIDA HURRICANE OF 1935

Mr. BREWSTER. Mr. President, in this connection, I should like to say that later 166 veterans died at Key West. Responsibility for the death of the 166 veterans as a result of the Florida hurricane, September 2, 1935, can be definitely laid on the doorstep of the Democratic administration. Mr. Aubrey W. Williams stated:

In the early part of this administration we received orders from the White House that we were to take care of all veterans coming to Washington.

I quote from the New York Times of August 8, 1935, which states:

They represent President Roosevelt's solution of the problem of the transient veteran.

Placing the veterans in hurricane territory, which everybody recognized it to be, placing them in shacks that could not withstand the elements, and failure to have on hand available transportation,

resulted in the large death toll. Forty trucks were at the site, but the keys were removed so that the men themselves could not use them.

The attached letter of the Veterans' Bureau, dated May 4, 1936, lists 121 dead, 90 missing, and dead with identification tentative, 45. A previous report showed identified injured as 106.

Therefore, Mr. President, I ask unanimous consent that there be inserted in the RECORD at this point statements from the New York Times of August 8, 1935, together with excerpts from the hearings of the Committee of the House of Representatives on World War Veterans' Legislation on Monday, May 4, 1936, entitled "Florida Hurricane Disaster," giving the testimony of Mr. Aubrey W. Williams, and also other testimony before congressional committees, and a letter to Representative JOHN E. RANKIN, chairman of the Committee on World War Veterans' Legislation, with attached list of the veterans living, dead, or lost who suffered as a result of the Florida hurricane of September 2, 1935.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

VETERANS AT KEY WEST—ESTABLISHMENT OF CAMPS

(The following is taken from the New York Times of August 8, 1935:)

Four thousand World War veterans have been shipped south from Washington since last October to camps established for them in Florida and South Carolina by Harry L. Hopkins, Federal Emergency Relief Administrator.

As described today by Jacob Baker, assistant administrator, these transient camps, consisting wholly of veterans, are in nature between a camp of the Civilian Conservation Corps and a work relief project.

They represent President Roosevelt's solution of the problem of the transient veteran which threatened last autumn to become acute and did become acute in January, when nearly 500 were registered at the transient bureau in the Capital.

The question what to do with them was discussed at that time by Mr. Hopkins and Robert L. Fechner, director of the CCC camps, and the President who, according to FERA officials, suggested the southern camp plan and approved the program worked out by Mr. Hopkins for their establishment and maintenance.

As of June 4, 1935, there were 1,305 men in seven camps in Florida; as of June 29, 1935, there were 903 men in four camps in South Carolina.

The following is taken from the hearings held by the Committee on World War Veterans' Legislation by the House of Representatives on Monday, May 4, 1936, entitled "Florida Hurricane Disaster." Mr. Aubrey W. William, Deputy Administrator, Works Progress Administration, testified as follows:

"Now, answering your question, Mrs. ROGERS, in the early part of this administration we received orders from the White House that we were to take care of all veterans coming to Washington for whatever reason they might come; and we provided on one occasion for their housing out—I forget the name of the fort out here—and they held a 9-day convention here and everything was very satisfactory.

"Following that, there was introduced into the Congress a measure which prohibited us from expending money in Washington in defraying the cost of any convention or anyone coming to a convention. But the attitude of the White House was still that we should do everything within our power and within the framework of the law to aid these people, and in order to aid them, we were still able under the law to provide them with work at any point within the United States, and this measure was taken as a means of relieving their situation.

"Word went out—I do not know how it went out—it went out through private organizations; I know that the American Legion had nothing to do with it, and I do not know that any of the other veterans' organizations did—but it went out that if they came to Washington they could get aid and regardless of everything else, we had the fact of their being in need here. We had a total transient load in the District of 400 people at one time."

HOW FUND OBTAINED

From the same hearings the following testimony was given:

"Mrs. ROGERS. Did the Florida Emergency Relief Administration object to having money diverted from the State of Florida to pay these veterans?

"Mr. WILLIAMS. It was not diverted from Florida. We gave extra funds for this purpose.

"Mrs. ROGERS. It was all money that you granted to the State of Florida? It was an outright grant?

"Mr. WILLIAMS. Yes. Not now under the Works Progress Administration, but under the old FERA it was an outright grant.

"Mrs. ROGERS. Did you do that in any of the other States?

"Mr. WILLIAMS. All the States.

"Mrs. ROGERS. You gave outright grants?

"Mr. WILLIAMS. All States. Under the old FERA it was all a grant."

LOSS OF LIFE

In a letter addressed to President Roosevelt dated September 8, 1935, by Aubrey W. Williams, the following appears:

"The loss of life and damage which resulted from the hurricane was caused principally by the tidal wave, which is reported to have reached a height of 18 feet above sea level, rather than by the wind.

* * * * *

"The work of identifying the dead and injured veterans has not yet been completed. The most recent information indicates the following figures:

"Identified dead	44
Missing and unidentified dead	238
Identified injured	106
Identified uninjured	296
Total	684"

NEGLIGENCE OF ADMINISTRATION

The following is taken from the CONGRESSIONAL RECORD of January 1, 1936, when the House had under consideration a bill dealing with "Florida hurricane relief, World War veterans, etc." Mrs. ROGERS of Massachusetts in addressing the House said:

"Let us go back from the time those men left Washington. They were in the transient camps here. They were allowed to stay but 3 days. If they wanted work, they had to go to Florida. In going to Florida they assumed that they would be cared for. Mr. Aubrey Williams, of the WPA, testified before our committee that they were special charges of the Government; men who had had a very difficult time; in some cases men who were very much upset nervously.

"Mr. Stone, of the WPA, who received the men in Florida, stated the same thing. I refer to the sworn testimony of the witnesses. They knew when they sent those men to Florida that in certain months of the year there would be hurricanes; but what sort of provision did they make? These men were placed in shacks that could not withstand hurricanes. Metacumbe and Windley Islands were practically on the level with the sea. Often at high tide the waters washed the islands.

"Mr. Speaker, P. A. Fellows, Administrative Assistant to the Federal Emergency Relief Administration, testified that on the morning of the hurricane he had read in the Washington newspapers of the possibility of a storm in Florida. Although it was a holiday—Labor Day—he was so much concerned he went to the office and conferred with his superior officer and suggested to him that it might be advisable to get in touch with the Florida Administration to see that orders for the evacuation or the necessary protection of the men were given.

"At 9:45 that morning he telephoned to the Florida State administrator, Mr. Van Hyning, and told him that if it appeared that the storm would strike the Keys to get the men out. He told him that he thought that his Administrator would prefer to have them out, even if the storm did not strike, rather than stay there—or, in other words, he would rather take the responsibility of seeing them all moved out and moved back again than to have them stay at the risk of injury. What a tragedy it was that his advice was not followed, that the men were not taken out as a precaution.

"Mr. Cutler, assistant director of the Florida veterans' camps, stated that on Sunday morning, September 1, he telephoned to the railroad officials and asked them to have two trains in readiness to go to take those men off of Metacumbe Island. At 5 o'clock in the afternoon, Mr. Sheldon, the superintendent of the camp, came and countermanded the order for this train. Money has been no object in this administration. Why were not trains held in readiness?

"There were 40 trucks on Metacumbe Island that could have transported every one of those men to safety if they had been used, but those trucks were not used. We find in the record that the keys to those trucks were taken away so that the men could not use them themselves.

"Mr. Speaker, I feel that there was gross negligence. I blame no one person, but a number, and I hold this Government directly responsible for the death and injury of those veterans. There has been no more horrible tragedy than the Florida hurricane which killed so many of our veterans entirely unnecessarily, their wives, and their children. The superintendent of the camp sent his wife out early, but those women were not sent out."

During the same debate, Mr. Sauthoff spoke as follows:

"Mr. Speaker, I have tried to view the entire proceedings in an impartial and impersonal manner. I have come to the conclusion that the Government was negligent in the method in which it provided protection for the people on the Florida Keys. It must be remembered that the Government put them there; therefore, the Government had a responsibility and a duty. Having put

them there, it was the Government's duty to take care of them."

MAY 4, 1936.

Hon. JOHN E. RANKIN,
Chairman, World War Veterans' Legislation, House of Representatives, Washington, D. C.

MY DEAR MR. RANKIN: In accordance with your verbal request in connection with hearings on proposed legislation H. R. 9486, there are inclosed lists mentioned below showing veterans as living, dead, or missing, as a result of the Florida hurricane September 2, 1935.

List No. 1: Living—Positive identification, containing 433 names.

The method of identification is indicated on list, and it is marked to show those veterans receiving in-patient or out-patient treatment as a result of injuries and those from whom testimony was or was not taken during the course of investigation.

List No. 2: Dead—Positive identification, containing 121 names.

This list shows the means by which identification was accomplished and the disposition of the body.

This list has on it as a footnote the names of two veterans who were employed in the operation of the camps on so-called civilian status, and three others who were employed in the area. The missing are carried in three lists, as follows:

List No. 3: Missing—No information, containing 90 names.

List No. 4: Dead—Identification tentative, containing 45 names.

This list contains the names of those veterans concerning whom there is some inconclusive information of death aside from the fact that they were in the hurricane area during the month of August. For example, seven veterans on this list had clothing at one of laundries in Miami, which was not called for by September 28.

List No. 5: Living—Identification tentative, containing names of six veterans concerning whom there is some inconclusive information indicating they are alive.

It must be explained that the FERA payroll for the month of August 1935 containing the names of 696 veteran members of the camp, is used as a basis for these lists. The total number of names in the above lists is 695. In addition, a veteran on the August payroll was killed by a train several days prior to the hurricane.

Very truly yours,

FRANK T. HINES,
Administrator.

LIST 1.—*Living—identification positive*

Name	Method of identification	C or A No.
Africa, Quentin	Fingerprinted	A-1232380
Akers, Ernest H.[1]	do	A-2530191
Allen, L. D.[1]	Hospitalized	C-17226
Andersen, Esrom A.	Fingerprinted	C-552877
Andersen, James [2]	do	C-2130315
Arnold, Omer H.[1]	do	C-2005194
Asheim, Thomas Karl A.[1]	do	A-3306481
Austin, Charles R.[1]	do	
Aycock, Roy Wilson [2]	do	C-1913613
Aycock, William Dillard.	do	C-2087170
Bailey, Chester A.[1]	do	C-1008615
Baker, Harry W.[1]	do	C-592763
Bako, Frank Lawrence [1]	do	A-615192
Ballas, Frank M.	do	C-2060351
Barber, George Daniel	do	C-1321191
Barrett, Walter F.	do	C-1453269
Baughman, Frank R.	do	C-2165555
Beck, Harry [2]	do	A-2730576
Belk, William S.	do	C-1167067
Belote, Ernest C.[1]	do	C-2200783
Benson, Frank H. F.[1]	do	C-1262428
Benson, Leroy B.[1]	do	C-1235802

See footnotes at end of table.

LIST 1.—*Living—identification positive*—Con.

Name	Method of identification	C or A No.
Bereherm, Charles [1]	Fingerprinted	A-546286
Bertrand, L. A.[1]	do	A-2570654
Bischweitz, Walter Joseph.[1]	do	C-1888759
Blair, William M.	do	A-3329931
Boatman, Edgar	do	C-1065875
Bommer, Fred, Jr.[1]	do	C-2119715
Bonner, Francis C.	do	C-1812137
Boswell, W. A.[1]	do	C-2031715
Botto, John Baptist [1]	do	
Bowen, James E.[1]	do	
Boyle, Frank [1]	do	A-2822540
Boyle, William J.[1]	do	A-4334309
Bradfield, Burwell L.	do	A-3758833
Bradley, Dennis J.[1]	do	C-1576489
Brady, Edward E.	do	C-1361986
Brannon, Clyde	do	C-1407536
Brewer, David Clifford.[1]	do	C-552120
Bridges, Ellis H.	do	C-1336165
Brody, Charles John [1]	do	C-2044276
Brown, Arthur	do	A-4189602
Brown, Claude W.[1]	do	C-1166379
Bryant, Jessie L.	do	C-1888214
Bryant, John F.	do	C-1584296
Buck, Elbert S.	do	C-2240224
Buckinger, Edward A.[1]	do	C-490118
Burke, James M.	do	A-3868676
Butts, J. E.	do	C-901054
Byers, Dexter V.[1]	do	A-3442808
Byrnes, Gomer E.[1]	Correspondence	C-227244
Carey, John H.	Fingerprinted	A-1393286
Carlon, Phillip [1]	do	A-4534030
Carls, Robert	do	A-3921761
Carlson, Martin William.[1]	do	C-1381163
Carter, Harry [2]	do	C-2077835
Cash, Ervine L.[1]	Testimony	
Cawthon, Wilbur D.[1]	Fingerprinted	C-2200871
Chambers, Willis Meredith.[1]	do	C-2241162
Chandler, Robert B.	do	C-154940
Chatham, George Dewey.	do	
Cheslock, Michael J.[1]	do	C-1149068
Clarkson, John C.	do	C-1757252
Clements, Walter [1]	do	C-1481730
Clifford, John T.[2]	do	C-1903594
Cole, Julius Edwin	do	C-1333058
Condry, Martin Michael.	do	C-2044611
Conrad, Thomas William.[1]	do	A-4631692
Conway, John A.[1]	do	C-1994031
Cook, Joseph	do	C-2170472
Coppejan, Peter [1]	do	A-242295
Coughlin, Peter P.[1]	do	C-2200869
Coward, Ben [2]	do	C-1088058
Cox, John [1]	do	A-4565702
Coyle, Kenneth L.	do	A-2282949
Craft, E. Elbert [1]	do	C-553626
Cresse, Fred E.	do	C-2157863
Cristic, A.[1]	do	C-2200870
Cummings, William Thomas.[1]	do	A-4623861
Cunningham, Eugene E.	do	C-2030828
Cunningham, J. J.	do	C-700833
Cross, James [1]	Correspondence	C-1732180
Cunningham, Leonard R.[1]	Fingerprinted	A-3530038
Cushamen, Harry James [2]	do	A-2974810
Cuthbertson, Ernest M.	do	C-400272
Darty, Elmer [2]	do	
Davis, Albert V.	Fingerprinted (unable to identify in service departments. No record of application for adjusted compensation).	C-2272391
Davis, Archie	Fingerprinted	A-3391650
Davis, J. A.	do	A-2008067
Davis, Stanley Joseph [2]	do	C-2168244
Delong, Forest V.[1]	do	C-475288
Dempsey, Alexander L.	Personal interview.	C-1452722
Di Francesco, John [2]	Fingerprinted	C-2200784
Dimitroff, Mike	do	A-1031934
Dombravski, John D.	do	C-2200831
Donahue, Peter J.	do	A-4531938
Downs, Joseph Michael	do	C-2178454
Drybread, George	do	C-2241127
Dube, Frank A.[1]	do	C-1776097
Eagan, Charles Patrick.[1]	do	C-1599614
Earle, James Francis [2]	do	C-1471469
Early, Thomas P.	do	C-2017931
Edgar, Frank [2]	do	C-1590772
Edwards, Clarence Burton.[2]	do	C-1123490
Edwards, Joe E.[2]	do	C-322948
Edwards, Van Shaw [1]	do	C-1341278
Einsig, Charles M.	do	A-4541304

See footnotes at end of table.

LIST 1.—*Living—identification positive*—Con.

Name	Method of identification	C or A No.
Ellis, Arthur	Fingerprinted	A-1423642
Endicott, Byron [2]	do	C-1772844
Esau, Wadie	do	C-1794297
Evans, Edward B.	Testimony	C-1378203
Everett, Lloyd [1]	Fingerprinted (unable to identify in service departments. Poor prints on application for adjusted compensation).	A-2241637 / C-1255206
Fahey, John P.	Fingerprinted	A-30[illegible]46
Fallon, John [2]	do	A-2439783
Farris, Charles [1]	do	A-3724157
Fatten Peter	do	C-395084
Feetenu, Joseph F. N.[1]	do	C-2108344
Ferguson, Hester	do	A-3301093
Fischer, John H.	do	A-2182734
Fitchett, Lloyd R. [2]	do	C-159102
Fitzgerald, M. P.	FERA report	A-3153041
Fleming, John [2]	Fingerprinted	C-1522658
Flow, Arnold B.[1]	do	C-2200781
Ford, John H.[2]	do	C-1115317
Fox, Abraham	do	C-1948812
Fox, Earl L.	do	C-1374484
Frazier, Alexander [2]	do	C-883583
Freese, Walter W.[1]	do	A-1829263
French, Monte F.	Correspondence	C-1422402
Friend, Robert D.	Fingerprinted	C-1871509
Frost, William H.	do	C-1067218
Gaines, Hugh [2]	do	A-4420793
Gallagher, Charles [1]	Fingerprinted (unable to identify in service departments. Poor prints on application for adjusted compensation).	A-4664336
Gallagher, Thomas	Fingerprinted	C-600633
Gaskins, Harry [2]	do	C-1909519
Gazley, James C.[2]	do	C-1392936
Gilbert, Reginald B.[1]	Fingerprinted (unable to identify in service departments or index of the Veterans' Administration).	C-635364
Gillis, John James [1]	Fingerprinted	A-2508456
Glenn, Raymond W.[1]	do	C-907545
Glisson, Haywood R.[1]	do	C-1691353
Goodman, Virgil C.	do	C-2013161
Gormley, T. P.	do	C-2016904
Gorney, Walter [1]	do	A-3196717
Gottlieb, Lester C.	do	A-3003234
Goulding, William Albert, Jr.[1]	do	T-4755507
Grant, Edward [2]	do	C-887867
Griffin, O. D.	do	A-1600712
Griffin, Peter	do	C-1553387
Grimes, Russell Ezsel	do	C-1889431
Grubbs, Arlo	do	A-3425020
Guncheon, Clifford	Hospitalization	C-375365
Hagan, William B.	Fingerprinted	C-1382500
Hanley, Edward Joseph	do	C-2169642
Hanley, James	do	A-4329949
Harrell, Thomas B.[1]	do	C-546757
Harris, Carl	do	C-1483049
Harris, Paul	do	C-1424908
Harrison, George M.[2]	do	C-1578002
Harrod, Frank David	do	C-1747769
Harvey James Lewis [2]	do	C-2033506
Harwood, Willard Garland.	do	C-2282083
Hatcher, Ira [2]	do	C-2200860
Hatfield, John L.[1]	do	C-1918115
Hayes, Daniel [1]	do	C-464112
Heckman, John T.	do	A-15162
Heintz, Frederick L.	do	C-39913
Hellman, William A.	do	A-4053450
Hendren, William M.	do	T-4208792
Herbert, Jacob S.[2]	do	C-2200809
Hickey, James H.[1]	do	C-529669
Hicks, Beecher [1]	do	C-655725
Higgins, Frank James [2]	do	C-115774
Hill, George T.[1]	do	C-1656778
Hilliard, John H.	do	C-1732630
Hogan, Maurice Francis	do	C-2015812
Hohman, George Edward.[1]	do	A-3005579
Honor, Joseph [2]	do	C-1061758
Horranko, Joseph	do	T-4669944
Horton, Leone F.[2]	do	C-2017225
Howard, Patrick [2]	do	C-2200973
Howell, Thomas [1]	Hospitalization	C-2079750
Huffman, Jackson M.[1]	Fingerprinted	C-1416766
Huggins, John F.	do	A-3918309
Hughes, Frank J.	do	C-1025967
Hunt, Frank T.[1]	do	A-2057324
Hurley, Roy R.	do	C-1890122 / S-3574108

See footnotes at end of table.

LIST 1.—*Living—identification positive*—Con.

Name	Method of identification	C or A No.
Hynes, William J.[3]	Fingerprinted	A-4333034
Hytte, Arbie [3]	do	C-1766013
Ingham, Alfred J.[3]	do	C-916500
Irvine, Lester [1]	Correspondence	A-4572888
Irwin, William E	Fingerprinted	C-1628400
Jacobs, David Edward [3]	do	C-1092160
Jacobs, Thomas J.[3]	do	C-2199556
Jacobson, William E.[3]	do	A-3413965
Jalonese, James	do	C-319258
Jamison, G. W	Testimony	A-4194163
Jarrell, Melton [3]	Fingerprinted	C-1559986
Jederick, Joseph [3]	do	A-2028704
Johns, A. Dayton [3]	do	A-2458606
Johnson, Robert C	do	C-2144347
Johnston, C. E.[4]	do	S-1549073 (N)
Johnstone, Charles L.[4]	do	C-1343634
Jones, H. L	do	C-2198447
Jordan, Percy	do	A-3012710
Kahn, Charles	do	A-1141915
Kamp, Edward A.[3]	do	S-6408279
Karcher, Frank J.[3]	do	C-1786344
Kardell, Karl H.[3]	do	C-1491636
Kawaski, C.[3]	do	
Kearney, Ike F	FERA report	C-1307389
Keith, Albert C	Fingerprinted	C-602622
Kelly, Hugh Joseph	do	C-2300794
Kelly, William J	do	A-2396986
Kerns, Hamilton F	do	
King, Charles E	do	C-305140
King, James Lawrence	do	A-1785269
Klauss, Frank	do	C-1169279
Klein, William	do	A-3210543
Klock, W. H.[3]	do	C-1380664
Knabel, Henry	do	C-1460584
Knox, William [3]	do	C-1300900
Knowles, William Lee	do	C-1702776
Kobal, Stanley [3]	do	C-1516179
Kohin, William	do	C-813187
Krause, Gus H	do	C-1448549
Krinzer, Anthony	do	C-1739612
Kubiak, John J.[3]	do	C-2041054
Kyte, L. D.[3]	do	C-2094879
Lacour, Raoul L.[3]	do	C-2198774
Laitich, Frank [3]	do	A-3477913
Lamsargis, Joe Ambros	do	A-1351358
Langlois, Harold S.[3]	Hospitalized	C-1869742
Lannon, Thomas Francis [3]	Fingerprinted	C-1922246
Lapinski, Tony	do	C-186938
Larkin, Peter J	do	C-2145471
Larsen, Peter C	do	A-1905179
Lavett, Edward R	do	
Layman, Ray E.[3]	do	C-1500494
Lederer, W.[3]	do	C-235180
Lennon, James D	do	C-1764725
Le Preux, Raleigh [3]	do	C-1580005
Lester, Roy	do	C-2218244
Linawik, Gus C	do	C-1528199
Lindley, J. B.[3]	Hospitalized	C-1932467
Long, Clarence H.[3]	Fingerprinted	C-1340057
Lowe, L. H	Affidavit	C-1584290
Lowkis, Eugene	Fingerprinted	C-899818
Lydon, John Joseph [3]	do	C-1640901
Lydon, Joseph M.[3]	do	C-1018792
Lynch, Jeremiah J.[3]	do	A-337505
McAuley, Ernest W.[3]	do	C-2200848
McCabe, John Goldman	do	A-246252
McCain, Clyde Hescal [3]	do	T-4867935
McCleary, Charles	do	A-4125849
McClintie, French E	do	A-1136056
McCloskey, Thomas F.[3]	do	C-1504833
McComb, Everett A.[3]	do	C-1849426
McDaniel, Hiram C.[3]	do	C-1802461
McDermott, Michael	do	C-2022166
McDonald, Jay	do	A-3146042
McDonough, Francis J.	do	A-396856
McGeady, Joseph F.[3]	do	A-3877185
McGuire, Arthur	do	A-3952926
McLean, James D	do	A-257209
McMannus, Arthur A	do	C-1708805
McMullen, Leroy J	do	A-2688882
McNulty, John F.[3]	do	C-466761
McPherson, Robert J	do	C-2456583
Machado, Anthony L	do	C-1850337
MacNamara, Leo W	do	C-1074272
Magrady, Charles B	do	A-1639796
Mahoney, Edward J	do	C-1865506
Mallon, John J.[3]	do	C-701395
Maloney, George A	do	C-2035756
Martin, Turner K.[3]	Hospitalized	C-2142411
Maxwell, Earnie E.[1]	Fingerprinted	C-1330287
Mayhew, Charles [4]	do	C-2012004
Meade, Arbie	do	C-1387186
Medlin, Oscar R	do	A-1953378

See footnotes at end of table.

LIST 1.—*Living—identification positive*—Con.

Name	Method of identification	C or A No.
Mewshaw, Arthur Williams.[4]	Fingerprinted (unable to identify in service departments. No prints on application for adjusted compensation).	A-548830
McAdams, Jos. R.[1]	Correspondence	C-220383
Meyers, Francis L.[1]	Fingerprinted	C-158522
Miller, E. W	Testimony	C-672912
Miller, Junius C.[3]	Fingerprinted	C-1367596
Miller, Lawrence M	do	A-4650031
Mills, Allen	do	C-2023994
Mohr, Phillip A.[3]	do	C-2539030
Moran, Leo A.[3]	do	C-1885405
Morley, Clarence L.[3]	do	C-2034904
Morris, James	FHRA report	A-4067183
Morris, John L	Fingerprinted	C-559370
Morris, M. Hollis	Fingerprinted (unable to identify in service departments or in index of Veterans' Administration).	
Morris, Owen H.[1]	Fingerprinted	C-1089960
Morrison, James C.[3]	do	C-1540080
Morrison, James P.[3]	do	S-6076479
Morrow, William James	do	C-2029714
Mulholland, Hubert A.[3]	do	C-2200774
Mullaney, Edward	do	A-2060108
Mullen, James M	do	C-311235
Mundelle, Joseph T	do	A-3229013
Murphy, John J	FERA report	A-1205883
Murphy, R. H	Testimony	
Murray, Henry Leonard.	Fingerprinted	C-242858
Myers, Benjamin	do	A-3571942
Nabel, Ernest	do	A-3890207
Napier, E. H	do	C-1151078
Nash, Thomas Joseph [3]	do	C-205137
Nee, Michael J.[1]	do	C-1004200
Neely, Vernon G.[3]	do	C-1321067
Nibouar, John	do	A-615697
Nichols, Robert [3]	do	C-1887632
Nonnenman, Jacob [3]	do	C-2200795
Novvich, Mike	Correspondence	C-1595151
O'Brien, Lawrence Joseph.[3]	Fingerprinted	C-1195510
O'Donnell, Loray [3]	do	C-1979467
Oswold, Robert Davis	do	C-1122845
Parker, Willard M.[3]	do	C-2128038
Parkinson, Tom G	do	C-1852644
Parks, Claude Williamson.[3]	do	C-1687044
Pawa, Albert	do	A-3060614
Pearlman, Joseph	Correspondence	A-111523
Perback, Mathew	Fingerprinted	A-3131183
Perdue, Samuel A	do	A-3949136
Perry, John Cornelius	do	C-2027493
Petross, Austin	do	A-612013
Pfister, Andrew John	do	A-3267598
Phillips, C. M	do	A-2785708
Pitman, Mallie K	do	C-1993577
Pope, Clay H.[3]	do	C-124933
Postell, Gay Marion [3]	do	C-1331361
Prentiss, Guy W	do	C-2362208
Preston, Robert E.[1]	Correspondence	C-1173607
Pugh, Paul [3]	Fingerprinted	C-1640917
Quinn, John Henry [1]	do	C-1884176
Raines, Grover C	do	C-2009397
Raley, Walter E.[1]	Correspondence	A-1498169
Rembowski, Adam	Fingerprinted	C-1584926
Rice, Walter R.[3]	do	C-1590070
Richard, Edgar James	do	C-1450386
Riddell, Lewis	do	A-4627529
Riley, John Joseph	do	A-4435046
Riley, Tunner Young	FERA report	A-4519006
Ringer, James V.[3]	Fingerprinted	C-2137352
Ritchie, Edward Charles.	do	A-3514884
Roach, Earl [3]	do	C-1782706
Robinson, Harrison G.[4]	do	A-2470429
Rodgers, Edmund Patrick.[3]	do	C-2044147
Romanowski, Steve R	do	C-1821785
Ross, William Forrest [3]	do	A-370643
Rough, George	do	A-3121754
Rowe, Philip	do	A-1096427
Ruhland, John	do	A-1154941
Rumage, DeForest [3]	do	C-2144523
Ryan, Jeremiah F	do	A-3916665
Ryan, Paul A.[3]	do	A-612885
Sacks, Jacob	do	A-3601065
Savant, Ernest J. [3]	Signature	C-2215299

See footnotes at end of table.

LIST 1.—*Living—identification positive*—Con.

Name	Method of identification	C or A No.
Scanland, Owen	Fingerprinted	C-2197458
Schadt, Justus	do	C-1781034
Schroeder, William George.	do	A-64186
Schwartz, Louis N.[3]	Fingerprinted (not identified in service departments. No record application for adjusted compensation).	C-2375501
Scoggins, Gus L	Fingerprinted	A-2223643
Scott, Loring	Fingerprinted (not identified in service departments. No record application for adjusted compensation).	
Seible, J. H	Fingerprinted	C-319922
Senison, George [1]	do	C-1269340
Sharp, Robert Anthony	do	C-1035591
Shaw, Frank [3]	do	C-1881500
Shea, James T.[3]	do	A-4195241
Shepherd, T. V.[3]	do	A-3961491
Shockley, Lester	do	A-206886
Shropshire, Luther [3]	Hospitalized	C-1820573
Silve, William I.[3]	Fingerprinted	C-1470354
Simond, Frank H	do	C-1803081
Sims, Odell Herbert	do	
Singleton, Eugene H.[3]	do	C-2304808
Sipes, John W	do	C-1847664
Skularicos, John [3]	do	C-2030175
Smith, Geo	do	C-1812283
Smith, Harry [3]	do	C-804086
Smith, Richard L.[3]	do	A-1889041
Smith, Robert L.[3]	do	C-791137
Smith, Walter [3]	do	C-1694035
Smith, Walter P	do	
Snyder, Frederick L	do	C-1755052
Sowerby, George S.[3]	do	C-1577847
Stalnaker, R. H.[3]	do	C-107370
Stanton, Patrick Harry	do	C-1420404
Story, John	do	C-2091832
Suits, J. W	do	C-2026067
Sullivan, Robert	do	C-408412
Sutton, Irwin C	do	C-1273050
Tallent, Clarence	do	C-370515
Tapp, Morris	do	C-1090242
Taylor, Jacob Wesley	do	A-2552333
Terry, William W.[3]	do	C-2582320
Thillman, Albert [3]	do	C-1627215
Thompson, Edward [1]	do	C-1051548
Thompson, Oliver [1]	do	C-1503459
Thompson William R.[3]	do	C-176591
Tiller, Thomas Edward	do	C-1379591
Tischenback, Frank R	do	C-1712297
Todd, James Bennett	do	C-1089039
Towles, John William [3]	do	C-2294473
Trafka, Walter J	do	C-1373005
Trombetta, Joseph F	do	A-4295880
Tucker, Nathan	do	C-1908149
Varnell, Henry G	do	A-150403
Vasakosky, Frank J	do	C-1476461
Vaughan, William G	do	C-1578401
Veal, Toulmine	do	C-1343528
Voyles, Phillip Vance	do	C-2152220
Walker, H	Sent in adjusted service certificate.	A-609371
Wall, James A	Fingerprinted	A-1751971
Walsh, John [3]	do	A-4617357
Walter, Alexander	do	A-4402833
Walukcavage, William	FERA report	A-3239072
Warfield, James Temple	Fingerprinted	A-169952
Wark, Samuel [3]	do	C-832740
Warren, William Arthur	do	A-4011001
Watson, Bonnie P	Correspondence	C-1658182
Webb, Gordon V	Fingerprinted	C-1385451
Wells, Luther	do	A-4110823
White, Fred B.[3]	do	C-1587754
White, Harold P.[1]	do	C-1394506
White, Nelson M.[1]	do	C-576313
Whittaker, Raymond	do	C-1412142
Widmeyer, G. A	do	C-1093425
Wiemann, William J.[3]	do	
Willis, Clarence A	do	C-1468438
Wilshere, Herbert S	do	A-3357383
Wojtkiewicz, Joseph F.[3]	do	C-1814070
Wynne, Osgood C	do	C-1447972
Zwalesky, W. D.[3]	do	A-3699559

[1] No statement obtained from veteran.
[3] Out-patient treatment
[4] In-patient treatment.
[4] Out-patient. No testimony
[4] In-pat ent. No testimony.

LIST 2—*Dead—Positive identification*

Name	How identified	Disposition made of body	XC, C, or A Nos.
Ackerman J	Camp card	Woodlawn Cemetery, body 23.	XC-944061
Allen, Walter S	Fingerprints	Woodlawn Cemetery, body 19-A.	XC-1830631
Allspaugh, B. W	Testimony		XC-2071451
Almond, Charles C	Discharge, etc	Cremated	XC-944636
Austin, H. R	Fingerprints	Woodlawn Cemetery, body 47-A.	XC-1425944
Baber, Payton B. E. I	do	Cremated, body 72-C	XC-2087080
Barbee, Joe	do	Woodlawn Cemetery	XC-2274575
Barnes, Edward Roy	do	Woodlawn Cemetery, body 14-C.	XC-
Begunske, Andrew	do	Woodlawn Cemetery, body 71-A.	XC-944388
Blanford, R. A	do	Cremated	XC-2168286
Bolton, William L	do	Woodlawn Cemetery, body B802.	XC-617890
Boyce, Clyde	do	Woodlawn Cemetery, body 10-A.	XC-263905
Carr, George	do	Woodlawn Cemetery, body 12-C.	XC-944080
Cave, Edw. F	do	Cremated	XC-1801461
Cherry, C. G	Testimony	do	XC-1886015
Clark, William J	Discharge certificate.	Shipped to Newark, N. J	XC-942232
Conway, James F	Fingerprints	Woodlawn Cemetery, body 13-A.	XC-2614004
Costello, Edward D	do	Woodlawn Cemetery, body 48-A.	XC-2145227
Dawson, James	do	Woodlawn Cemetery, body 7-A.	XC-2434930
DeAlbar, Frank P	do	Woodlawn Cemetery, body F807.	XC-1440016
Denver, John T	do	Cremated, body 68-C	XC-944052
Delamater, L. W	do	Woodlawn Cemetery, body 27.	XC-1365365
Deverman, G	do	Woodlawn Cemetery, body 33.	XC-10340 7
Donlon, Thomas	do	Cremated, body 66-C	XC-1369153
Dow, George C	Discharge, etc		XC-1993100
Ducott, George	Fingerprints	Woodlawn Cemetery, body 29.	XC-552953
Dunn, Thomas H	do	Woodlawn Cemetery, body 52-A.	XC-944019
Edwards, K. W	Testimony	Cremated	XC-946243
English, Jack Noel	Fingerprints	Woodlawn Cemetery, body 801.	XC-944079
Fogarty, Michael S	do	Woodlawn Cemetery, body 55-A.	XC-323383
Foster, Jack	do	Woodlawn Cemetery, body 12-A.	XC-944028
Gatta, Sam	do	Woodlawn Cemetery, body 2-C.	XC-2746173
Geary, William	do	Woodlawn Cemetery, body 70-A.	XC-
Gill, John Patrick	do	Woodlawn Cemetery, body 8-C.	XC-940434
Golding, Joseph F	do	Woodlawn Cemetery, body 22-C.	XC-864051
Graham, Elmer	do	Cremated, body 48-C	XC-2103024
Gwin, Russell	do	Cremated, body 76-C	XC-1700355
Hammond, Edw. J	do	Cremated, body 65-C	XC-944051
Healy, John James, Jr	do	Cremated, body 67-C	XC-944316
High, George W	do	Cremated	XC-1920074
Hoffman, Walter E	do	Cremated, body 79-C	XC-21 3042
Hough, Massey	do	Woodlawn Cemetery, body 74-A.	XC-1894171
Howell, Marshall E	Died, Jackson Memorial Hospital, Miami.	Body shipped to Franklin, Va.	XC-944055
Jakeman, Banjamin B	Fingerprints	Woodlawn Cemetery, body 7.	XC-945476
Jeffers, Frank	do	Woodlawn Cemetery, body 6-17-A.	XC-1860716
Johnson, John Austin	do	Woodlawn Cemetery, body 10-C.	XC-1456439
Johnson, Otis	Tag	Woodlawn Cemetery, body 51-A.	XC-432591
Jolley, Albert R	Camp card	Woodlawn Cemetery, body 19.	XC-944053
Jones, John W	Fingerprints	Woodlawn Cemetery, body 10.	XC-1476842
Jones, William A	Died Jackson Memorial Hospital, Miami.	Body shipped to Baltimore, Md.	XC-944120
Keenan, Thomas F	Fingerprints	Woodlawn Cemetery, body 23.	XC-944126
Kendrick, Paul	do	Cremated, body 64-C	XC-943474
Kjar, Peter	do	Woodlawn Cemetery, body 31-C.	A-3071855
Kreitzburg, E	Discharge, etc	Woodlawn Cemetery body 8.	XC-1800624
Laughter, R. E	Testimony	Cremated	XC-2199009
Lawrence, A. R	Fingerprints	Woodlawn Cemetery, body 30-A.	XC-454400
Leslie, Frank	do	Woodlawn Cemetery, body 13-A.	XC-2023704
Lever, W. G	do	Woodlawn Cemetery, body 46-A.	XC-1728797
Lewis, Brady C	Discharge, etc	Woodlawn Cemetery, body 4.	A-4211901
Lones, Ernest	Fingerprints	Woodlawn Cemetery, body 32.	XC-1817021
Lowe, Massie Lee	do	Woodlawn Cemetery, body 803.	XC-1553606
Lynch, John	Discharge, etc	Cremated	XC-2017565
Lyons, Richard W	Fingerprints	Cremated, body 69-C	XC-2036776
McClain, J. O	do	Woodlawn Cemetery, body 24.	XC-1903041
McCoy, George B	do	Woodlawn Cemetery, body 16.	XC-2027187
McGinn, James A	do	Cremated, body 73-C	XC-946020
McGough, James E	do	Woodlawn Cemetery, body 21.	XC-1397042
McGuire, Sylvester J	do	Woodlawn Cemetery, body C-6.	XC-944127
McHugh, James F	Camp card	Woodlawn Cemetery, body 22.	XC-944054
MacKinnon, Joseph	Fingerprints	Woodlawn Cemetery, body 20.	XC-2109816
McQueen, M. F	do	Woodlawn Cemetery, body 11-C.	XC-2209053
Marik, Michael	do	Woodlawn Cemetery, body 1.	XC-2023804
Masterbertis, Frank	Discharge, etc	Cremated	XC-1900321
Mathieu, Edward U	Fingerprints	Woodlawn Cemetery, body 31.	XC-944317
Matheck, Harry	do	Woodlawn Cemetery, body 125-C.	XC-1503386
Mayhew, Harry	do	Woodlawn Cemetery, body 19-C.	XC-
Metzler, Charles R	do	Cremated, body 42-C	XC-944052
Moore, T. K	Discharge, etc	Woodlawn Cemetery, body 17.	XC-1786780
Mulholland, William J	Fingerprints	Woodlawn Cemetery, body 1-A.	XC-575266
Mulvehill, James H	do	Woodlawn Cemetery	XC-423577
Murphy, Edward M	do	Woodlawn Cemetery, body 2-D.	XC-770327
Murphy, Frederick M	do	Woodlawn Cemetery, body F-605.	XC-1699252
Murray, James	do	Shipped to Titusville, Pa., body F-612.	XC-944082
Neel, John T	do	Cremated, body 56	XC-2191109
Nepsha, Osip	do	Shipped to Minneapolis, Minn.	XC-944435
Parrotte, Stephen U	do	Cremated, body 77-C	XC-800368
Peacock, Ralph H	do	Woodlawn Cemetery, body 34.	XC-882305
Powell, Paul C	do	Woodlawn Cemetery, body 32-C.	XC-1347927
Pridgen, Jame C	do	Woodlawn Cemetery, body 26.	XC-2193643
Ramer, Robert H	do	Woodlawn Cemetery, body 14.	XC-
Rawlings, Joh C	Testimony	Cremated	XC-943150
Reeves, Chas	Questionable	do	XC-1577053
Reginik, John T	Discharge	Woodlawn Cemetery, body 123-A.	XC-944085
Ryan, Michael J	Fingerprints	Woodlawn Cemetery, body 24-A.	XC-2025759
Schneider, Frederick	do	Cremated, body 42-C	XC-944084
Shantz, Robert	do	Woodlawn Cemetery, body 16-A.	XC-2310246
Sherman, George	Camp bank book.	Woodlawn Cemetery, body 18-A.	XC-942092
Shore, Orson C	Fingerprints	Cremated, body 52-C	XC-1998243
Sickler, Harry P	do	Woodlawn Cemetery, body F-607A.	XC-2744244
Silverman, Abraham	Identification card		A-3760794
Smith, Elisha F	Fingerprints	Woodlawn Cemetery, body 33-C.	XC-2199659
Soverville, Fred D	do	Woodlawn Cemetery, body 44-A.	XC-944056
Stalk, John	Discharge, etc	Woodlawn Cemetery, body 20-C.	XC-2009111
Starnes, Samuel E	Papers	Cremated	XC-1105653
Staude, William F	Discharge, etc	Woodlawn Cemetery, body 18.	XC-944061
St. Clair, Edward R	Fingerprints	Woodlawn Cemetery, body 13.	XC-857956
Stone, Guy Milton	Discharge	Woodlawn Cemetery, body 15.	XC-945181
Sweeney, Edward D	Fingerprints	Woodlawn Cemetery, body 13-C.	XC-1309307
Tyler, Eugene I	do	Woodlawn Cemetery, body 8-A.	XC-1309072
Van Ness, Benjamin H	do	Woodlawn Cemetery, body 43-A.	XC-1309398
Vlar, Albert K	Questionable		XC-930874
Wagner, Henry P	Fingerprints	Woodlawn Cemetery, body 8.	XC-1807829
Weaver, Robert W	do	Woodlawn Cemetery, body -A.	XC-945860
Wenger, W. E	do	Woodlawn Cemetery, body 11.	XC-944319
Westfall, Samuel C	do	Woodlawn Cemetery, body 41-A.	XC-944083
White, Richard	do	Woodlawn Cemetery, body 15-C.	XC-946610
Wilkerson, Rex	Tattoo	Woodlawn Cemetery, body 1-D.	XC-945810
Williams, H. G	Fingerprints	Woodlawn Cemetery, body 9-A.	XC-887193
Wimmer, Walter J	do	Woodlawn Cemetery, body 33-A.	XC-944060
Wise, Walter R	do	Shipped to Cleveland, Ohio, body F-613.	XC-944057
Wrotten, Harry	Photograph	Shipped to Baltimore, Md., body F-604.	XC-944907
Oriact, F	Killed Aug. 4, 1945, by train.		XC-2299599

In addition the following veterans not on the August payroll seem to have perished: Curry, Charles (according to statement of B. E. David), Mich., D. C., Dr. (civilian employee); Robertson, Glenn (civilian employee; superintendent, Camp No. 5); Thompson, James Rodney, Henderson, Ella J.

LIST 3.—*Missing—no information*

Name	Address	C or A number
Ambrose, Jno. H	Baton Rouge, La	A-65885
Anderson, Roy H	Clinton, S. C	A-4312377
Barker, Frank	Newark, N. J	C-1885992
Blaylock, Jas. W	Chattanooga, Tenn	C-1335979
Bohnis, James T	Newark, N. J	C-1337483
Broderick, L	Troy, N. Y	C-1714391
Brown, Paul	Redding, Calif	C-1270686
Burrows, Harry	Parsons, Kans	C-1845100
Caisse, Jos	Chicago, Ill	C-1784671
Chickie, Jos	Erie, Pa	C-1360132
Clapp, Walter L	Graham, N. C	A-2513090
Clarens, Harry F., Jr	Batavia, N. Y	XC-2019810
Clemons, Robt. L	Tampa, Fla	XC-2085753
Conner, Eugene H	Johnson City, Tenn	C-1818507
Conner, Wm. Jos	Washington, D. C	C-257281
Conroy, Jno. J	Trenton, N. J	A-2842784
Cox, George	----do	C-1800213
Dane, Roy	Elmira, N. Y	C-1883622
Davis, Frank S	Oklahoma City, Okla	A-2102229
Davis, Robt. H	Princeton, W. Va	XC-1905784
Davis, Wm. A	Winnsboro, S. C	C-1733786
Dew, Jno. H	New York, N. Y	C-2089061
Dodgins, Willie	Phoebus, Va	C-1386070
Durham, Herbert W	Dayton, Ohio	C-2140889
Emerson, Sam	Sweetwater, Tenn	XC-580628
Fitzgerald, Jno	Dorchester, Mass	C-1006112
Fogarty, Leo	Chicago, Ill	C-1962532
Galloway, Joe E	Mayfield, Ky	A-2600098
Granfield, Wm. T	Bath, N. Y	C-1591202
Gray, Eugene G	Washington, D. C	A-4568685
Green, Dewey E	Grottoes, Va	C-285356
Grimoch, Stanley	Dayton, Ohio	C-1606374
Hardych, Geo. H	Chester, Pa	A-4202962
Hilton, Mark O	Johnson City, Tenn	C-1155317
Holmes, Arthur F	Tuscaloosa, Ala	C-1850005
Jewett, Everard C	Washington, D. C	A-4651743
Johns, Emil M	Tampa, Fla	C-318116
Johnston, Jas. A	New York, N. Y	C-819671
Jolien, Peter Jno	New Bedford, Mass	C-2183891
Kaminiski, Frank	Dayton, Ohio	C-2025906
Koshula, Michael	Washington, D. C	A-4629379
Larney, Leo J	Bath, N. Y	A-340285
Lee, C. E	New York, N. Y	C-1059914
Letson, Harrison A	----do	A-513565
Long, George W	Danville, Va	A-3948211
Long, Reagan M	Dayton, Ohio	C-1193821
Lukr, Steve	New York, N. Y	A-4629649
Lunny, Thomas G	Waltham, Mass	A-561120
McConlogue, James H	New York, N. Y	C-1887512
McCord, Henry Carroll	Comstock, N. Y	A-479106
McCuin, A. H	----------	T-4810315
Magiley, Fred J	Newport News, Va	T-4599857
Mahoney, Leo F	Baltimore, Md	A-3039028
Matthais, Thomas	Sandusky, Ohio	C-463220
Maupin, Sheridan	Lexington, Ky	C-404032
Meyers, E. J	New York, N. Y	XC-942567
Mitchell, Joseph E	Los Angeles, Calif	C-409316
O'Brien, Richard S	New York, N. Y	XC-945379
O'Donnell, William M	Charlestown, Mass	C-1785615
Oldham, John H	Washington, D. C	C-1795951
Paschalis, Stephanos	----do	C-1581576
Pennsyl, Henry H	Altoona, Pa	A-2648383
Pitts, Joseph William	Columbus, Ga	C-1905826
Proctor, Arthur L	Cedar Grove, W. Va	A-3208897
Proulx, Hermansgilde	Newark, N. J	C-2261743
Reilly, Patrick F	Buffalo, N. Y	A-3918197
Remington, Harry F	Kansas City, Mo	A-3772215
Rhodes, Clinton W	Philadelphia, Pa	C-1603997
Rice, Frank	St. Louis, Mo	C-1630247
Richardson, David J	Baltimore, Md	C-1086618
Sauter, Herman	New York, N. Y	C-658518
Scott, Allie T	Chapel Hill, N. C	C-1797657
Scott, Maurice	New York, N. Y	A-4620088
Slager, Charles M	Jacksonville, Fla	A-4659347
Smith, Frank J	Worden, Wash	A-2111852
Smith, John B	Johnson City, Tenn	C-2199163
Smith, Louis	Baltimore, Md	A-618205
Steppits, Joseph	Pittsburgh, Pa	C-2-38865
St. John, William P	Lynchburg, Va	T-4745367
Taylor, B. H	McLean, Va	A-61647
Turner, W. H	Washington, D. C	C-1797523
Walters, Lawrence W	Baltimore, Md	A-2825946
Warren, Ernest	Dayton, Ohio	C-1202668
Washington, Roy E	----------	C-576453
Webb, Nevel P	----------	A-3914231
Webster, Clifford G	Phoenix City, Ala	XC-2196968
Weimer, Hiram	Johnson City, Tenn	C-2092819
White, Fred H	Dayton, Ohio	C-1581832
Woodward, Dora B	Ashland, Ky	C-2072995
Williams, Harry S	Putnamsville, Vt	A-1340085

LIST 4.—*Dead—Identification tentative*

Name	C or A number
Barnes, Roy E	A—4394901
Bentley, Edw. F	A—3984390
Bott, Chas. H.[1]	C—1156000
Bouquet, Arthur J.[1]	C—2016525
Boyles, Marcus (M. W.)	C—2032387
Brady, Richard A	C—602567
Butler, R	A—3822898
Clark, Fred	XC—944077
Crockford, Harold W	C—514392
Davis, Michael B	XC—1903070
French, John L	XC—712716
Genoni, Wm. A.[1]	XC—1909434
Guzowski, C	XC—1062080
Harrell, Geo. G	C—1535526
Jensen, Chas. B	XC—945454
Jones, G. A	C—326201
Keith, Frank G	----------
Kochersperger, J	C—773097
Langrehr, Chas. R.[1]	A—1916256
Lavender, Rufus N	C—1536871
Lawson, H. E	C—1425678
Lewis, J. J	C—2034909
McAlister, D	A—4365927
McDonald, Lee	----------
Martin, Floyd A	C—1695838
Meredith, Dilbert M	----------
Moran, Jno.[1]	C—589270
Murtha, Wm. E	A—3884473
Paraliewicz, Peter[1]	A—4572000
Perry, D. D	C—2088815
Phillips, W. M	A—445943
Porter, Wm. W	C—1601132
Quinn, Edward P	----------
Rains, Geo. Edw	C—595807
Renswick, E. H	XC—1713682
Rice, Harold V	C—1880548
Rodeheaver, C. S	C—1386046
Scales, Alfred	C—2008520
Selenack, Michael	A—3163842
Cherlock, Joseph	A—4562218
Shoop, Cyrus M	A—2792711
Stocklager, E. E	A—2821881
Veile, Steward[1]	----------
Werman, S	C—2032370
Zavash, V	A—2055617

[1] Might more properly be classed as missing.

LIST 5.—*Living—Identification tentative*

Name	A or C number
Benson, Oscar	A—1707136
Collins, L. D	C—522471
Ferry, Edward L	C—1473945
Hawkins, H. E	----------
Kernes, James	C—364371
LaClair, H	A—2105758

Mr. BREWSTER. Mr. President, let me add that the Veterans' Administration gave me this letter to Mr. RANKIN, but stated it was for confidential use. I am taking the responsibility myself of putting it in the RECORD, since the senior Senator from Connecticut [Mr. MCMAHON] on April 18 had printed in the RECORD the list of the dead and injured as a result of the Washington bonus march, and it seemed to me only proper that the country should have the complete record in this connection.

INCREASED ALLOTMENTS FOR DEPENDENTS OF ENLISTED MEMBERS OF THE ARMED FORCES

Mr. CHAVEZ obtained the floor.

Mr. HUMPHREY. Mr. President, will the Senator from New Mexico yield to me?

Mr. CHAVEZ. I yield.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to provide increased allotment for dependents of enlisted members of the Armed Forces.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Minnesota?

There being no objection, the bill (S. 1587) to provide increased allotments for dependents of enlisted members of the Armed Forces was received, read twice by its title, and referred to the Committee on Armed Services.

Mr. HUMPHREY. Mr. President, I am sure that other Members of the Senate are as aware as I am of the present difficulties the members of the Armed Forces are facing in attempting to provide for their families at the same time they are serving our Nation in time of crisis.

I have received a great many letters from constituents of mine who were on reserve and called up or who were drafted under the terms of the Selective Service Act. They, like other citizens, are perfectly willing to be of service to their country, but they are chagrined, disappointed, and hurt in the fact that our country does not make adequate provision for the support of their families while they are away from home.

They tell the same story. It is the story of inadequate dependency allotments. With rising costs for food, clothing, and other essentials of life, the wives, mothers, and children of the members of the Armed Forces are facing growing hardship. In the interest of preserving and extending the morale of our soldiers, sailors, airmen, and marines, and for the sake of common sense and human dignity, I urge that the Senate Armed Serv-

fces Committee immediately begin the consideration of an amendment so that as a government we face our responsibilities as soon as possible. I ask unanimous consent that excerpts from these letters which I have received be printed at the end of my remarks as exhibit No. 1.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. My proposal is designed specifically to assist those members of the Armed Forces in the lower grades. We know that the cost of living for the dependents of a private, a private first class, or a corporal is as severe and heavy a burden as it is for the dependents of a sergeant or lieutenant. They are all American citizens serving their country with similar deeds and similar family responsibilities. Those needs should be met quickly and equitably in accordance with their family's circumstances and number of dependents rather than in accordance with their status in the Armed Forces.

I also want to bring to your attention some information that has come to me from the Bureau of Labor Statistics, pointing to the fact that the Consumers' Price Index average for 1944 was 125.5 with 1935–39 equal to a base of 100. The most recent Consumers' Price Index as of April 1951 is 194.6. I ask unanimous consent that it be printed in the RECORD at the end of my remarks as exhibit No. 2.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

(See exhibit 2.)

Mr. HUMPHREY. I ask unanimous consent to have printed in the RECORD at the completion of my remarks a table, exhibit 3, published by the Bureau of Labor Statistics with regard to a city worker's family budget, dated February 25, 1951, and a copy of a release issued by the Bureau of Labor Statistics a few days ago, dated April 15, 1951, on the same subject.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 3.)

Mr. HUMPHREY. Finally, Mr. President, I ask unanimous consent to have inserted in the RECORD a report, exhibit 4, prepared by the Community Chest and Council of Hennepin County, Minn., demonstrating the inadequacies of our present allotment quota for dependents of active servicemen. This report is clear evidence of the hardships which the inadequacies occasion in our community, and, I am sure, in other communities as well.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 4.)

Mr. HUMPHREY. In order to explain my bill, Mr. President, I ask unanimous consent to have inserted in the RECORD a table, exhibit 5, comparing the pay rates and family allowances for members of the Armed Forces during World War II, as they are at the present time, and as they would be under my proposed bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 5.)

Mr. HUMPHREY. In summary, the purpose of this measure is to recognize what everyone knows to be the truth, that the cost of living is at a sharp increase; at the same time, dependency allotments which are provided for the families of servicemen have had no increase; and the record is filled with cases of hardship on the part of the wives and children of servicemen who are absolutely incapable of getting along on the dependency allotment made available. I feel that it is a prime responsibility of the Congress to adjust the allotments so that these families may live in dignity and at least with an adequate standard of living, and particularly when the men have been called up for duty thousands of miles away from their homeland and are making great sacrifices for the safety of this country.

I believe that this measure is a priority bill, and, even though we may be debating the Far East foreign policy, it might be well to provide for the families of the men who are fighting in order that we may even have a chance to have a policy. I want at this point to thank the Senator from New Mexico for his generosity in yielding me this time. I am deeply appreciative of his courtesy.

Mr. CHAVEZ. Mr. President, I was delighted to yield to the Senator from Minnesota for the purpose for which he rose. I want to associate myself with his remarks and with the purposes he has in mind. I am hopeful that the Senate will realize, one of these days, that it is quite as important to pay attention to the families of those who are fighting in Korea, as it is to provide against something that we may anticipate in the future.

Mr. HUMPHREY. I thank the Senator.

EXHIBIT 1

EXCERPTS FROM LETTERS FROM MY FILES

Man is a private first class in the Army. Dependents: Wife and two children. Home: Detroit Lakes, Minn.

"I figured out what each month cost me which includes hospital and life and education insurance for the kids, besides my current bills. They are:

"House payment	$58.35
Lights	6.00
Gas	3.00
Fuel oil	20.00
Telephone	2.88
Payment at bank	46.00
Total on insurance	39.40
Groceries	40.00
Total	215.63

"My wife will get $107.50, that's with the $40 taken out of my check which will leave me about $70. I'll send her $30 of that which leaves me $40, and she'll get $137.50. Our bills are $215.63 and we are $78.13 short. Even if I dropped my insurance that I have fixed up for my family, I still can't make it."

Man has rating of HM second class in the Navy. Dependents: Wife and two children. Home address: St. Cloud, Minn.

Excerpt from wife's letter:

"Here are seven monthly bills that must be paid out of a total of at least $9,000 that we owe—it's impossible for me to do it with the $145 monthly allotment that I'm receiving.

"Baby formula	$10.50
Medication (for myself)	8.00
Siding on house	30.00
Fuel	50.00
Electricity	30.00
Groceries (not including milk)	40.00
Total	168.50

"We have just bought a home with a personal loan and the payments run at least $250 quarterly.

"These include no insurance, doctor, or dentist bills."

Man is private, first class, in Army. Dependents: Wife and two children.

Home address: Alexandria, Minn.

"We live 1 mile out of Alexandria, Minn., and now that I'm at camp, my wife has to do all the work herself. She has to walk a mile for groceries and fuel oil, etc. Our expenses are as follows:

"Rent	$30
Groceries	95
Fuel oil	10
Doctor bill	70
Medicine	15
Furniture	6
Clothes	12
Cab fare	25
Total	173

"My wife has a severe pelvic inflammatory disease and a urinary tract infection, which necessitates frequent trips to the doctor and has resulted in high doctor bills. Our only income is the allotment check of $125."

Man is a corporal in the Army: Dependents: Wife and two children.

Home address: Winthrop, Minn.

Excerpt from wife's letter:

"We also have a hardship case here at home. We have no money to draw from to pay bills and have two little boys, 2½ and 1 year, so I can't go out to work and when the allotment checks will come through is anyone's guess—and when it does come it is only $125 and in this day and age who can live on that. Listen to this: Rent, $35; food, $30 (including milk); oil for heater, $20 to $30; electricity, telephone, and water, $15; and more, insurance, $15; that's already $175, and that's not allowing for clothes and their upkeep, nor doctoring, nor the unexpected necessities that always keep popping up. We're just one of the few to have some reasonable rent. And I can't cut down on food any more than that because our older boy was dangerously injured in an accident with multiple skull fractures, and both legs were broken."

Man is corporal in the Army: Dependents: Wife and two children. Home address: Minneapolis, Minn.

Excerpt from wife's letter:

"We had a new baby January 10 and the Government will only raise my allotment to $125, a $17 increase which by no means will even begin to cover the cost of a new child. With the cost of the doctor and the hospital bill, we are now about $900 in debt and will be going further into debt.

"Right now I am receiving my Government allotment check of $108 a month plus a special allotment of $20 my husband made out to me. He also has sent other funds to me from what little money he has left, and I can come nowhere close to meeting my financial obligations. It takes at least $173 to just meet my monthly payments and expenses."

Man is corporal in Army. Dependents: Wife and one child. Home address: St. Louis Park, Minn.

"We have been building and furnishing a new home, and our outstanding debts and expenses are as follows:

"Balance on FHA loan taken Oct. 22, 1949	$632.31
GI loan on home	8,950.00
Loan from relative	1,100.00
Dependable Appliance Co	164.00
Payments on vacuum cleaner	38.00
Doctor bill to date	105.00
Storage bill to date	74.69
Loan from father	150.00

"At the present time our furniture is in storage. When our house is completed and we are able to move in, monthly expenditures will be about as follows:

"Payment on GI loan	$62.66
Payment on FHA loan	28.75
Payment on washing machine	13.00
Payment on vacuum cleaner	7.60
Payment to doctor	10.00
Payment to relative for loan	50.00
Prudential insurance	5.02
Insurance for wife and child	3.62
Pregnancy medications	12.00
Groceries	70.00
Phone	3.45
Gas bill, cooking and heating	18.00
Electric bill	4.50
Water bill	1.00
Drugs for child	6.00
Incidentals	20.00

"This does not include clothing allowance."

Man is private first class in Army. Dependents: wife and two children. Home address: St. Paul, Minn.

"My wife and two children cannot live on my pay allotment. She gets $125 Class Q allotment, and I have made a $40 allotment out of my pay which gives her a total of $165 a month. We bought a home in 1947. Our ordinary expenses for 1 month are as follows:

"House payment	$40.00
Taxes	7.92
Fire insurance	2.08
Life insurance	11.33
Hospitalization	2.75
Fuel	12.67
Loan for fuel bill	15.00
Republic Loan Co	20.00
Water, light, and gas	7.25
Telephone	3.45
Food and milk	60.00
Clothing	15.00
Newspaper	2.40
Church	3.00
Total	202.85

"In addition, we owe the following:

"Doctor	$118.00
Dentist	15.00
Hardware store	$12.89
Drugs	9.15
Cleaners	13.15
Merchandise	47.65
Taxes	47.97
Total	263.81"

Man is in Navy. Dependents: wife and four children between ages of 2 and 9 years. Home address: Minneapolis, Minn.

To date the Navy has refused to release this man because in a burst of patriotism last September, he asked for active duty from the Reserves and signed a waiver on his dependents. His last request for humanitarian shore duty has also been denied. The wife is frail and sickly weighing less than a hundred pounds. The wife's letter lists monthly expenses as follows:

House payment	$50.00
Food	80.00
Milk bill	22.00
Gas bill (cooking and heating)	23.00
Light bill	8.00
Telephone	3.45
Water	1.00
Hospital insurance	10.00
Miscellaneous	12.00
Payments on lot	25.00
Credit Co	45.00
Do	25.00
Bank	15.00
Life insurance	7.50
Taxes	12.00
Dentist	5.00
Doctor	2.00
Clothing	25.00
Total	371.45

Man is corporal in the Marine Corps. Dependents: Wife and invalid child. Home address: Minneapolis, Minn.

Excerpt from statement made by county service officer:

"This veteran has a sick child, and I am enclosing an affidavit from the doctor that is self-explanatory as to the condition of the child. The wife has to nurse this child constantly and her physical and mental condition has deteriorated because of the anxiety and sleepless nights that she is subjected to, due to the child's illness. In the expense department, this man's income as a civilian amounts to approximately $270 a month with a plus after that figure when he works overtime, so we can say his income for all practical purposes amounts to about $310 a month. Going back into the Marine Corps as a corporal his income with longevity and the allotment for his wife and child is approximately $177 a month. His expenditures are as follows: $79 a month for rent on a three-and-a-half-room apartment. In Minnesota the heating bill is approximately $25 a month; the electric bill around $4 to $5 a month, telephone, $3.50 a month, food $60 a month, incidentals, clothing, etc., about $10 a month. This gives a grand total of $180 a month. This does not include doctor bill and medicines for the wife and child, which amount to an additional $125 a month. These are economic realities that this man is facing on $177 a month as a corporal. Minnesota does not have any laws to help his family out financially."

EXHIBIT 2

BUREAU OF LABOR STATISTICS ESTIMATES ANNUAL COST OF CITY WORKER'S FAMILY BUDGET AT $3,453—$3,933 IN LARGE CITIES

The total annual cost of the Bureau of Labor Statistics city worker's family budget ranges from $3,453 in New Orleans and $3,507 in Mobile to $3,926 in Washington, D. C. and $3,933 in Milwaukee, the United States Department of Labor's Bureau of Labor Statistics estimated today in its February 1951 Monthly Labor Review. The estimate was made for 34 large United States cities in October 1950.

The Bureau of Labor Statistics' family budget is described as providing a "modest but adequate" level of living for an urban worker's family of four persons—an employed father, a housewife not gainfully employed, and two children under 15 years of age. Costs of goods, rents, and services, plus personal taxes, social-security deductions and nominal allowances for occupational expenses and life insurance are included.

Cost estimates of the goods, rents, and services budget alone ranged from $3,178 in New Orleans to $3,577 in Washington in October 1950. These costs cover food, rent, heat and utilities, house furnishings, household operating expenses, clothing, medical care, transportation, recreation, personal care, tobacco, gifts and contributions, and miscellaneous items.

Comparable costs of the goods and services budget for October 1949 and June 1947 were $3,064 and $2,806 for New Orleans, and $3,467 and $3,180 for Washington.

Higher costs of rental housing were a major factor in accounting for the rise in the family budget's cost between June 1947 and October 1950 in most of the 34 cities surveyed. In Houston, for example, where housing costs rose the most, 60 percent of the total increase in the cost of goods and services was due to higher rents. Housing costs also were responsible for creating much of the difference in budget costs between cities. In October 1950, budget housing costs ranged from $557 in New Orleans to $972 in Washington, D. C., and $977 in Richmond, Va.

TABLE 1.—*Estimated total cost of budget and total cost of goods, rents, and services, 34 cities, and their relative differences, October 1950, October 1949, and June 1947* [1]

City	Estimated total cost of budget [2]			Estimated cost of goods, rents, and services only [3]			Relative differences—Indexes (Washington, D. C.=100)					
							Total cost of budget			Cost of good, rents, and services only		
	October 1950	October 1949	June 1947	October 1950	October 1949	June 1947	October 1950	October 1949	June 1947	October 1950	October 1949	June 1947
Atlanta, Ga	$3,833	$3,613	$3,240	$3,495	$3,333	$2,926	98	96	91	98	96	92
Baltimore, Md	3,773	3,648	3,345	3,444	3,355	3,012	96	97	94	96	97	95
Birmingham, Ala	3,720	3,451	3,338	3,370	3,164	2,977	95	91	94	94	91	94
Boston, Mass	3,807	3,589	3,391	3,468	3,305	3,048	97	95	96	97	95	96
Buffalo, N. Y	3,668	3,488	3,180	3,350	3,228	2,879	93	92	90	94	93	91
Chicago, Ill	3,745	3,605	3,369	3,424	3,328	3,036	95	96	95	96	96	95
Cincinnati, Ohio	3,733	3,599	3,202	3,414	3,323	2,897	95	95	90	95	96	91
Cleveland, Ohio	3,630	3,461	3,282	3,327	3,205	2,964	92	92	93	93	92	93
Denver, Colo	3,739	3,553	3,253	3,415	3,282	2,940	95	94	92	95	95	92
Detroit, Mich	3,750	3,592	3,381	3,428	3,291	3,046	96	94	95	96	95	96
Houston, Tex	3,575	3,605	3,094	3,331	3,325	2,806	90	96	87	90	96	88
Indianapolis, Ind	3,599	3,401	3,181	3,306	3,125	2,857	92	90	90	91	90	90
Jacksonville, Fla	3,777	3,633	3,224	3,451	3,352	2,916	96	96	91	96	97	92
Kansas City, Mo	3,524	3,336	3,003	3,236	3,099	2,807	90	88	87	90	89	88
Los Angeles, Calif	3,789	3,630	3,333	3,431	3,319	2,976	97	96	94	96	96	94
Manchester, N. H	3,658	3,399	3,216	3,347	3,149	2,905	93	90	91	94	91	91
Memphis, Tenn	3,784	3,585	3,305	3,457	3,311	2,981	96	95	93	97	96	94
Milwaukee, Wis	3,933	3,645	3,410	3,553	3,339	3,054	100	97	96	99	96	96
Minneapolis, Minn	3,718	3,512	3,387	3,376	3,232	3,033	95	93	96	94	93	95
Mobile, Ala	3,507	3,343	3,364	3,190	3,072	2,999	89	89	95	89	89	94

TABLE 1.—*Estimated total cost of budget and total cost of goods, rents, and services, 34 cities, and their relative differences, October 1950, October 1949, and June 1947*—Continued

City	Estimated total cost of budget [1]			Estimated cost of goods, rents, and services only [2]			Relative differences—Indexes (Washington, D. C.=100)					
							Total cost of budget			Cost of good, rents, and services only		
	October 1950	October 1949	June 1947	October 1950	October 1949	June 1947	October 1950	October 1949	June 1947	October 1950	October 1949	June 1947
New Orleans, La.	$3,453	$3,295	$3,092	$3,178	$3,064	$2,806	88	87	87	89	88	88
New York, N. Y.	3,649	3,458	3,430	3,334	3,203	3,086	93	92	97	93	92	97
Norfolk, Va.	3,716	3,522	3,338	3,376	3,232	2,993	95	93	94	94	93	94
Philadelphia, Pa.	3,699	3,538	3,286	3,339	3,252	2,934	94	94	93	94	94	92
Pittsburgh, Pa.	3,779	3,580	3,378	3,450	3,261	3,043	96	94	95	96	94	96
Portland, Maine	3,622	3,392	3,286	3,317	3,144	2,964	92	89	93	93	91	93
Portland, Oreg.	3,660	3,425	3,251	3,343	3,148	2,920	94	91	92	93	91	92
Richmond, Va.	3,490	3,663	3,315	3,320	3,349	2,974	99	97	94	93	97	94
St. Louis, Mo.	3,639	3,471	3,325	3,323	3,196	2,999	93	92	94	93	92	94
San Francisco, Calif.	3,808	3,654	3,399	3,447	3,340	3,031	97	97	96	96	96	95
Savannah, Ga.	3,557	3,318	3,240	3,264	3,083	2,929	91	88	91	91	89	92
Scranton, Pa.	3,598	3,358	3,249	3,279	3,115	2,956	92	89	92	92	90	92
Seattle, Wash.	3,808	3,582	3,475	3,477	3,308	3,124	97	95	98	97	95	98
Washington, D. C.	3,926	3,773	3,546	3,577	3,467	3,180	100	100	100	100	100	100

[1] The June 1947 costs of the city worker's family budget published in this report vary somewhat from those published in the February 1948 issue of the Monthly Labor Review. Changes in the method of estimating food costs increased the total cost of goods and services by about $65.

[2] In addition to goods, rents, and services, includes personal taxes, life insurance, employment insurance, and occupational expenses.

[3] Includes food, rent, heat and utilities, house furnishings, household operation, clothing, medical care, transportation, reading and recreation, personal care, tobacco, gifts and contributions, and miscellaneous items.

EXHIBIT 3

CONSUMERS' PRICE INDEX AND RETAIL FOOD PRICES APRIL 15, 1951

Retail prices of goods and services bought by moderate-income urban families remained virtually unchanged, on the average, between March and April, according to the Consumers' Price Index released today by the United States Labor Department's Bureau of Labor Statistics. All major groups in the index rose fractionally except food and fuel, electricity and refrigeration. The largest increase (0.5 percent) was in the housefurnishings group. The retail food price index declined 0.2 percent and the fuel, electricity and refrigeration group index was 0.1 percent lower than in March.

The index for April 15, 1951, was 184.6 (1935–39=100), 0.1 percent above March 15, 1951. This was 8.5 percent higher than the index for June 1950 (pre-Korea) and 9.6 percent above a year ago.

FOOD

The decline of 0.2 percent in food prices between March 15 and April 15 brought the index to 225.7 percent of the 1935–39 average; 11.1 percent above last June; and 14.4 percent above a year ago. This was the first month average food prices have declined since February 1950. Lower food prices were reported in 38 of the 56 cities surveyed.

Chiefly responsible for the decline were lower prices for fresh fruits and vegetables (down 2.2 percent). Lower prices were reported for cabbage, carrots, tomatoes, oranges, and bananas. Prices for frozen foods averaged 1 percent lower, while prices for canned and dried fruits and vegetables averaged 1.1 and 0.2 percent higher, respectively.

Egg prices were 2 percent below March. Dairy products declined 0.2 percent, mainly as a result of lower prices for butter.

The meats, poultry, and fish index rose fractionally (0.1 percent) as lower prices for chickens and pork were more than offset by the higher prices reported for beef, veal, lamb, and fish.

Prices for cereals and bakery products averaged 0.4 percent higher as price increases occurred for wheat flour, corn flakes, rolled oats, vanilla cookies, and layer cake.

Fats and oils prices rose 0.6 percent with increases for hydrogenated shortening, salad dressing, and uncolored margarine. Prices for colored margarine were unchanged and lard decreased fractionally.

APPAREL

The apparel index rose 0.2 percent between March and April, with higher prices for men's wool suits, trousers, and shoes; and women's rayon dresses. Lower prices were reported for women's wool suits, as a result of end-of-season sales.

HOUSEFURNISHINGS

The housefurnishings index advanced 0.5 percent between March and April. Prices for Axminster rugs and new models of some major electrical appliances (such as electric refrigerators and washing machines) showed an increase over the month.

FUEL, ELECTRICITY, AND REFRIGERATION

The fuel, electricity, and refrigeration group index declined 0.1 percent over the month. Gas and electric bills averaged 0.3 percent lower, principally reflecting the reduction in gas rates in Minneapolis and Washington, D. C. The group indexes for other fuels and ice remained unchanged.

MISCELLANEOUS GOODS AND SERVICES

The advance of 0.2 percent in the index for miscellaneous goods and services between March and April reflected higher prices for motion-picture admissions, hospital rooms, and certain other items. Lower prices were reported for laundry and toilet soap.

RENT

Residential rents averaged 1.4 percent higher in April than in January 1951. Higher rents were reported in each of the 11 cities surveyed in both months. Increases ranged from 0.2 percent in Buffalo to 4.1 percent in Portland, Oreg.

OLD SERIES

The old series Consumers' Price Index was unchanged over the month and the April index was 184.5 (1935–39=100).

TABLE 1.—*Consumers' Price Index [1] for moderate-income families, large cities combined, for specified dates, by groups*

[1935–39=100]

Group	Apr. 15, 1951	Mar. 15, 1951	Jan. 15, 1951	Apr. 15, 1950	June 15, 1950	Jan. 15, 1950
All items	184.6	184.5	181.5	168.5	170.2	168.2
All foods	225.7	226.2	221.9	197.2	203.1	196.0
Cereals and bakery products	188.3	187.5	185.4	169.3	169.6	169.0
Meats, poultry and fish	272.6	272.2	267.6	231.1	246.5	219.4
Meats	272.5	271.9	265.5	224.6	246.7	217.9
Beef and veal	309.5	308.0	300.9	246.4	268.6	242.3
Pork	213.7	215.4	210.2	185.4	209.1	177.3
Lamb	284.2	280.5	273.6	251.9	268.1	234.3
Chickens	198.5	198.9	184.3	187.8	185.1	158.9
Fish	351.7	351.2	345.3	297.5	286.9	301.9
Dairy products	204.1	204.6	202.6	179.6	177.8	184.2
Eggs	191.2	195.2	191.5	149.8	148.4	152.3
Fruits and vegetables	214.8	217.1	214.1	198.9	209.3	204.8
Fresh	215.9	220.7	220.0	208.1	224.3	217.2
Canned	168.9	167.0	160.6	142.3	142.7	143.3
Dried	257.8	257.4	253.4	221.6	222.9	223.9
Frozen [2]	100.2	101.2	100.2	----	----	----
All foods—Continued						
Beverages	343.7	342.6	340.6	305.5	296.5	299.5
Fats and oils	178.3	177.3	171.5	135.6	140.1	135.2
Sugar and sweets	185.9	186.0	185.6	175.1	174.3	178.9
Apparel	203.6	203.1	198.5	184.9	184.6	185.0
Rent	135.1	134.7	133.2	130.1	130.9	129.4
Fuel, electricity, and refrigeration	144.0	144.2	143.3	140.3	139.1	140.0
Gas and electricity	96.9	97.2	97.2	97.0	96.8	96.7
Other fuels	205.0	205.0	202.3	192.8	189.0	193.1
Ice	154.4	154.4	152.0	146.8	147.0	145.5
Housefurnishings	211.8	210.7	207.4	185.4	184.8	184.7
Miscellaneous [3]	164.6	164.3	162.1	154.7	154.6	155.1

[1] Beginning with the indexes for January 1950 the Consumers' Price Index has been adjusted to incorporate certain improvements. In addition indexes for all items and rent have been adjusted to incorporate the correction for new unit bias in rents back to 1940. For a complete description of the adjustment see Monthly Labor Review, April 1951. The indexes and percent changes in this release are based on the adjusted series except where "Old series" is specified.

[2] December 1950=100.

[3] Includes medical care, drugs, household operation, recreation, alcoholic beverages, tobacco products, personal care, transportation, etc.

TABLE 2.—*Consumers' price index [1] for moderate-income families in large cities, April 15, 1951*

[1935-39=100]

City	All items	Food	Apparel	Rent	Fuel, electricity, and refrigeration	House furnishings	Miscellaneous [3]	All items, old series
United States average	184.6	225.7	203.6	135.1	144.0	211.8	164.6	184.5
Birmingham, Ala.	189.9	218.3	215.1	.....	137.9	200.2	160.2	189.8
Boston, Mass.	178.5	212.8	186.4	.....	161.1	201.8	158.6	176.1
Buffalo, N. Y.	183.3	218.0	200.1	137.2	153.5	211.3	168.5	182.5
Chicago, Ill.	189.1	231.1	206.0	.....	138.4	198.7	165.3	190.0
Cincinnati, Ohio	184.6	226.0	204.6	.....	151.1	200.8	164.2	184.7
Denver, Colo.	187.0	229.9	203.1	161.2	113.8	245.5	158.9	183.7
Detroit, Mich.	186.7	227.3	196.0	138.2	154.8	228.6	174.7	186.8
Houston, Tex.	192.5	238.3	220.5	.....	98.6	200.3	167.3	192.1
Indianapolis, Ind.	187.7	222.4	198.7	142.1	162.0	198.2	173.3	189.3
Kansas City, Mo.	178.5	212.4	198.9	144.0	130.1	197.2	165.7	177.3
Los Angeles, Calif.	185.6	228.9	201.1	.....	98.7	203.8	161.7	183.5
Manchester, N. H.	182.9	217.8	193.4	128.1	162.2	214.6	156.7	184.2
New York, N. Y.	180.6	224.9	201.8	115.0	142.9	201.6	167.6	180.1
Philadelphia, Pa.	185.9	222.3	201.7	.....	149.7	220.7	169.3	185.4
Pittsburgh, Pa.	186.7	227.8	234.6	125.4	150.3	216.6	161.0	187.6
Portland, Oreg.	194.1	248.6	199.6	150.9	134.9	207.8	169.1	195.0
Richmond, Va.	181.2	215.9	202.0	150.8	148.3	226.6	153.1	179.9
Savannah, Ga.	195.5	237.6	205.2	161.6	160.6	218.2	170.9	194.6
	Percent change in United States average [1] to Apr. 15, 1951, from specified dates							
Mar. 15 to Apr. 15, 1951	0.1	−0.2	0.2	0.3	−0.1	0.5	0.2	
Jan. 15 to Apr. 15, 1951	1.7	1.7	2.6	1.4	.5	2.1	1.5	
Apr. 15, 1950, to Apr. 15, 1951	9.6	14.4	10.1	3.8	2.6	14.2	6.4	
June 15, 1950, to Apr. 15, 1951	8.5	11.1	10.3	3.2	3.5	14.6	6.5	
Jan. 15, 1950, to Apr. 15, 1951	9.8	15.2	10.1	4.4	2.9	14.7	6.1	

[1] See footnote 1 on table 1.
[3] See footnote 3 on table 1.

EXHIBIT 4

REPORT OF INADEQUACIES OF Q ALLOTMENTS FOR DEPENDENTS OF ACTIVE SERVICEMEN, COMMUNITY CHEST AND COUNCIL OF HENNEPIN COUNTY, MINN., FEBRUARY 20, 1951

A special committee representing the major private and public relief-giving agencies, plus other interested professional and lay individuals, under auspices of the Community Chest and Council of Hennepin County, Inc., recently completed its report on the inadequacies of the Q allotment for dependents of servicemen. The study stemmed from current informational reports of the local Red Cross chapter on increasing financial problems created for servicemen and their dependents with the expanded military mobilization program now taking place. Statutory law has changed considerably since World War II and appeared inadequate in terms of coverage, adjustment to spiraling costs of living, and original intended purpose. It seemed most urgent that such a committee objectively review the effects of this program as it applies to servicemen and their families and call to the attention of our community, organizations, and legislators constructive suggestions for improvement. The conclusions are as follows:

1. In many instances the Q allotment plan for servicemen's dependents is less than adequate public-assistance standards.

2. No military hospital facilities exist for meeting medical or dental needs of servicemen's dependents in this area; renewal of emergency-maternity and infant-care legislation appears necessary.

3. No provision is made in the present allotment plan for families of more than three dependents. (Hardship cases reportedly exist because the husband is already in service.)

4. Morale of the serviceman and our national security is directly affected by the adequacy of care (or lack of it) for dependents at home.

5. In some instances the inadequacy of the Q allotment makes it necessary for mothers of young children to leave the home and obtain employment in order to supplement income. Frequently this results in less-than-desirable arrangements for the daytime care and supervision of the children.

6. This information seems of vital interest to our local community and should be called to the attention of the press, local and national organizations, legislators, and the general public.

BACKGROUND OF DEPENDENTS ASSISTANCE ACT OF 1950

Three important laws have been passed since the outbreak of World War II which concern allowances or allotments in behalf of dependents of enlisted personnel:

1. The Servicemen's Dependents Allowance Act, enacted June 23, 1942;

2. The Career Compensation Act, passed on October 12, 1949;

3. The Dependents Assistance Act, passed on September 8, 1950.

Family allowances under the Servicemen's Dependents Allowance Act of 1942 were geared to the number of dependents of an enlisted person, and payment of the allowances was made directly to the dependents rather than the enlisted person. The amount of the family allowances was made up of two parts: a contribution by the Government, and a deduction in pay of the enlisted person. This program, while essential for wartime conditions existing when it was enacted, was reportedly too expensive and not practicable for a permanent peacetime establishment. The Career Compensation Act of 1949 was enacted to realine generally the military pay structure and to provide compensation sufficient to attract and retain competent military personnel in the Armed Forces. This act authorized a basic allowance for quarters for dependents of enlisted personnel serving in upper pay grades. The amount allowed was the same regardless of number of dependents. No allowance was granted for dependents of men in the lower grades. This basic allowance for quarters for dependents is a sum which the enlisted person receives in addition to his pay, when quarters adequate for himself and dependents are not furnished by the Government.

The Dependents Assistance Act of 1950 provided that basic allowance for quarters for dependents may be paid enlisted men in all pay grades if an appropriate allotment to the dependent is in effect. This required allotment, known as a "Class Q allotment," is the only allowance in which the Government participates and is paid to the dependent. The Q allotment for dependents is determined according to the following chart:

Q allotment

Pay grade	Minimum pay of grade	Man allot.	Add quarters allowance	Total amount payable when—		
				1 dependent	2 dependents	Over 2 dependents
E-7	$198.45	$80	For pay grades E-7 through E-4 $67.50 if 1 or 2 dependents.	$147.50	$147.50	$165
E-6	169.05	80		147.50	147.50	165
E-5	139.65	60	$85 if over 2	127.50	127.50	145
E-4	117.60	60		127.50	127.50	145
E-3	95.55	40	For pay grades E-3 through E-1 $45 if 1 dependent, $67.50 if 2 dependents.	85.00	107.50	125
E-2	82.50	40	$85 if over 2	85.00	107.50	125
E-1	[1] 80.00	40		85.00	107.50	125

[1] Over 4 months, $75 for under 4 months.

TABLE I.—*Pay grades and enlisted personnel assigned to each*

Pay grade	Army	Air Force	Navy [1]	Marine Corps
E-3	Private, first class	Corporal	Airman, construction man, dentalman, fireman, hospitalman, seaman, stewardsman.	Corporal.
E-2	Private	Private, first class	Apprentice	Private, first class.
E-1	Recruit (4 months or over)	Private (4 months or over)	Recruit (over 4 months' service)	Private.
E-1	Recruit (under 4 months)	Private (under 4 months)	Recruit (under 4 months)	Do.

[1] Coast Guard is same as Navy for corresponding ratings.

In an attempt to determine the adequacy of the Q allotment, in meeting the maintenance needs of the dependents of servicemen in Minneapolis and Hennepin County, the Q allotment was compared with:

1. The family allowance plan in effect during World War II.

2. Current budgets of Minneapolis Department of Public Relief, Hennepin County Welfare Board's Aid to Dependent Children allowances, and the Family and Children's Service.

3. Data on cost of maintaining different-size families.

4. Current experiences of home service, Minneapolis and Hennepin County American Red Cross.

It is recognized that there are very real limits to the use of these measures in determining the adequacy of the Q allotment; however, they provide some helpful information:

1. According to the Bureau of Labor Statistics, the cost of living in Minneapolis increased by 47.4 index points, or 37.6 percent from 1941, when the increased family allowance of World War II went into effect, until 1950 when the present Q allotment was passed. Comparing the family allowance with the Q allotment for dependents of men in the lower three pay grades, the committee found that in those instances where there was one dependent the Q allotment was greater than the family allowance, plus a 37.6 cost of living increase ($85 as compared to $68.80). However, for families with one or more children the Q allotment does not compare with the former family allowance with adjusted cost of living increase ($107.50 as compared to $110). A wife and two children receive maximum of $125 under the Q allotment as compared to $137.60 adjusted. No additional allowance is provided for more than the wife and two children or three dependents under the Q allotment, whereas under the former family allowance $20 was allowed for each additional child with no restriction on number of dependents.

2. In comparing the adequacy of the Q allotment to provide a maintenance standard of living, the budget for a so-called typical family of mother and child was computed on the basis of social agencies' budget standards. The Department of Public Relief budget totaled $101.90 plus clothing, the Hennepin County Welfare Board standard for aid to dependent children $121.33, and Family and Children's Service $120.15. The Q allotment for mother and one child as dependents of servicemen in the lowest three pay grades totaled $107.50. The Q allotment for this size typical family is, therefore, less than the minimum standards of two social agencies. It appeared likely that the Department of Public Relief budget would not be workable over a period of many months since there was no regular allowance for clothing and since rent was included at an estimated $25 per month rather than actual cost.

3. Current studies by home economists in this area, have revealed that it costs a minimum of $30 to maintain each additional child in the home after the household expenses have been provided. Under the Q allotment, $22.50 is allowed for the first child, $17.50 for the second child, with no additional amounts for more than two children. (It should be noted that the military considers three children as a basis for hardship discharge from service.)

4. Home service of the Minneapolis and Hennepin County Red Cross has observed that many men with families were called into active service from the Reserves and from the Forty-seventh National Guard. Some young men who have been married since the Korean situation are being drafted. A large number of these families, particularly where men were called in from the Reserves, have experienced a considerable reduction from their civilian income. A large majority of the approximately 275 families given financial assistance by home service had been self-supporting members of the community with comfortable living standards. The typical family consists of young parents with several preschool children, paying on household furnishings and either buying a home or paying a substantial sum for rent; some are making payments on a new automobile, insurance plans, etc. For many of these families very restrictive budgeting is necessary to cover basic maintenance needs with little or no surplus for payments on credit obligations, medical expenses, and emergencies.

For example, the D family, consisting of serviceman (a marine corporal), a young wife, and 3-year-old child, are entitled to a Q allotment of $107.50. Their basic budget includes:

Rent, including electricity	$30.00
Phone	3.45
Gas, cooking	2.00
Fuel	16.50
Food	38.00
Household incidentals	1.20
Personal incidentals	4.00
Clothing	9.60
Carfare	2.20
Newspaper	1.70
Total	108.65

Regular monthly credit payments total $43:

Furniture	$13	(unpaid balance $101)
Loan	20	(unpaid balance $279)
Loan	10	(unpaid balance $130)

In addition there is an unpaid hospital bill of $50, doctor bill of $100 (expenses following a miscarriage which occurred after the serviceman's induction). To date the serviceman has been able to contribute an additional $17 a month from his $55 pay balance after contributing to the Q allotment. The total monthly income available to dependents is $124.50 with monthly expenses totaling $151.65 and no plan at present for meeting the hospital and doctor bills.

The H family consists of the serviceman (Air Force corporal), his wife, and two boys, ages 2 and 4. Their monthly expenses include:

House (average payment on taxes, interest, and insurance)	$38.00
Fuel	13.70
Electricity	4.00
Gas	1.75
Phone	3.45
Food	50.00
Household incidentals	2.50
Clothing	13.40
Personal incidentals	5.00
Transportation	2.00
Water	1.00
Total	134.80
Additional monthly credit payments:	
Sewing machine	5.37
Refrigerator	12.07
Life insurance	10.60

The total monthly income, including the $125 Q allotment and $20 additional contribution from the serviceman's balance of pay totals $145. The expenses are $163.24 a month or a deficiency of $18.24. Before induction this serviceman had take-home pay of $75 per week to meet family needs.

The above examples are very conservative budgets, especially on shelter expense, yet are in excess of the service family's monthly income.

It was the experience of many service families that the family allowances of World War II were inadequate to meet maintenance needs. However, the Q allotment is even less adequate, especially for families of servicemen in the lowest three pay grades. There is little, if any, leeway for payment on bills incurred prior to service, for medical and dental care, and for emergencies. There is as yet no provision for maternity and infant care as there was in World War II under the emergency maternity and infant-care program. There are no military hospitals in this area to provide dental and medical care for dependents of servicemen. Some of these families may be eligible for free admission to Minneapolis General or University Hospital; others do not meet residence requirements. A large percentage of servicemen's wives are currently in need of maternity care. Frequently families who are accustomed to being self-maintaining resist referral to public facilities because of the husband's call to service.

The Sailors and Soldiers Relief Act provides exemption from loss of property for nonpayment and permits the wife an opportunity to prove in court her inability to meet payments because of reduced income or change in circumstances resulting from the serviceman's induction. Generally, creditors in this community have been very cooperative during the period while families of servicemen await receipt of their Q allotment. However, after receipt of this payment vendors have expected prompt payment. The Sailors and Soldiers Relief Act provides only limited exemption for the family from pressure of creditors or anxiety as to future ability to pay the balance on bills within a limited period after or following the serviceman's discharge.

It seems quite unrealistic to expect that men in the lowest three pay grades with only $40 to $55 a month pay left after deduction for Q allotment would be able to send home additional amounts.

EXHIBIT 5

Armed Forces pay and family allowance rates during World War II

Pay grade	Base pay	Taken from pay to family	Government added	Total amount payable when—		
				Wife	Wife and child	Wife and 2 children
First grade	$138	$22	Balance to make:	$50	$80	$100 plus $20 for each additional child.
Second grade	114	22	....do....	50	80	Do.
Third grade	96	22	....do....	50	80	Do.
Fourth grade	78	22	....do....	50	80	Do.
Fifth grade	66	22	....do....	50	80	Do.
Sixth grade	54	22	....do....	50	80	Do.
Seventh grade	50	22	....do....	50	80	Do.

It should be noted that the above table was for the class A allotment for wives and children only. Other dependents received less.

Armed Forces pay and family allowance for today

Pay grade	Base pay	Taken from pay to family	Government adds	Total amount payable when—		
				1 dependent	2 dependents	Over 2 dependents
E–7	$198.45	$80	For pay grades E–7 through E–4, $67.50 if 1 or 2 dependents, $85 if over 2	$147.50	$147.50	$165
E–6	169.05	80		147.50	147.50	165
E–5	139.65	60		127.50	127.50	145
E–4	117.60	60		127.50	127.50	145
E–3	95.55	40	For pay grades E–3 through E–1, $45 if 1 dependent, $67.50 if 2 dependents; $85 if over 2	85.00	107.50	125
E–2	82.50	40		85.00	107.50	125
E–1	[1] 80.00	40		85.00	107.50	125

[1] Over 4 months, $75 for under.

Armed Forces pay and family allowance under Humphrey bill

Pay grade	Base pay	Taken from pay to family	Government adds	Total amount payable when—		
				1 dependent	2 dependents	Over 2 dependents
E–7	$198.45	$80	For pay grades E–7 and E–6 $67.50 if 1 or 2 dependents, plus $30 each additional dependent.	$147.50	$147.50	Plus $30 for each additional dependent.
E–6	169.05	80		147.50	147.50	Do.
E–5	139.65	60	For pay grades E–5 and E–4 $67.50 if 1 dependent, $75 if 2 dependents, plus $30 each additional dependent.	127.50	135.00	Do.
E–4	117.60	60		127.50	135.00	Do.
E–3	95.55	40	$55 if 1 dependent, $95 if 2 dependents, plus $30 each additional dependent.	95.00	135.00	Do.
E–2	82.50	40		95.00	135.00	Do.
E–1	[1] 80.00	40		95.00	135.00	Do.

[1] Over 4 months, $75 for under 4 months.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

Mr. CHAVEZ. Mr. President, for some 10 to 12 days now we have been discussing the central Arizona project. During the debate on this subject in the Senate Chamber, most of the time has been taken by the Senators representing the States of California and Arizona. It happens, Mr. President, that certain interests in my State will be affected by this project. Therefore, I deem it fit and proper for me to state to the Senate what those interests are.

Mr. THYE. Mr. President, will the Senator from New Mexico yield in order that I may suggest the absence of a quorum?

Mr. CHAVEZ. I yield for that purpose. I want the Arizona and California Senators to be present during my remarks.

Mr. THYE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Flanders	Kilgore
Bennett	Frear	Knowland
Benton	George	Langer
Brewster	Gillette	Lehman
Bricker	Hayden	Long
Butler, Md.	Hendrickson	Magnuson
Butler, Nebr.	Hennings	Malone
Byrd	Hickenlooper	Maybank
Cain	Hill	McCarran
Capehart	Holland	McCarthy
Carlson	Humphrey	McClellan
Chavez	Hunt	McFarland
Connally	Ives	McKellar
Cordon	Johnson, Colo.	McMahon
Duff	Johnson, Tex.	Millikin
Dworshak	Johnston, S. C.	Monroney
Eastland	Kefauver	Moody
Ellender	Kem	Morse
Ferguson	Kerr	Mundt
Neely	Schoeppel	Thye
Nixon	Smathers	Underwood
O'Mahoney	Smith, N. J.	Watkins
Pastore	Smith, N. C.	Welker
Robertson	Sparkman	Wiley
Russell	Stennis	Williams
Saltonstall	Taft	Young

Mr. JOHNSON of Texas. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Illinois [Mr. DOUGLAS], the Senator from Rhode Island [Mr. GREEN], the Senator from North Carolina [Mr. HOEY], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference to be held in Geneva, Switzerland, beginning June 6.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Illinois [Mr. DIRKSEN], the Senator from Montana [Mr. ECTON], and the Senator from Maine [Mrs. SMITH] are absent on official business.

The Senator from South Dakota [Mr. CASE] is absent by leave of the Senate on official business.

The Senator from Indiana [Mr. JENNER], the Senator from Massachusetts [Mr. LODGE], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business of the Special Committee on Crime Investigation.

The PRESIDENT pro tempore. A quorum is present. The Senator from New Mexico [Mr. CHAVEZ] has the floor.

Mr. CHAVEZ. Mr. President, from listening to the discussion of the pending bill one could come to the conclusion that the interests involved affect only the State of Arizona and the State of California. Of course there is some reason for such a state of mind existing in the States of Arizona and California. If in one of the upper basin States, Wyoming, Colorado, Utah or New Mexico, some good citizen were to shed a tear, or moisture were to be produced by some other method, California or Arizona would think that moisture belonged to them. Yet practically all the water that goes over the Hoover Dam comes from Wyoming, Colorado, New Mexico, and Utah.

Mr. President, New Mexico has a vital interest in the bill now under discussion. New Mexico was one of the States that signed the Hoover Dam compact between the seven States that comprise the basin of the Colorado River.

More water flows out of New Mexico across the Arizona line in San Juan County than goes across the State of New Mexico into the Rio Grande. Under the compact for the construction of Hoover Dam the upper-basin States were allotted a certain amount of water. New Mexico was allotted a certain amount of water. In my discussion this afternoon I shall try to deal only with the amount of water to which New Mexico is entitled under the compact between the seven basin States or the agreement between the four upper-basin States. New Mexico is deeply interested in the bill under consideration.

Mr. President, I have been reviewing the documents on the Hoover Dam since the Senate began debate on the bill now before us. These documents are not only rich in history and romance, but significant in the extreme at this time.

The negotiations leading to the Hoover Dam were the forerunners of today's questions—and tomorrow's. I have reviewed the Hoover Dam documentary because we in New Mexico learned in the cruel and thirsty way that when something is going on downstream, whether it be in Arizona or California,

we have got to be alert. New Mexico has been euchered out of more water in the past by being a good fellow than has any other State in the Union. We do not intend to let that happen again. That time has passed, and it shall not return so long as I am in this body.

The fine line in the issue is between Arizona and California. If California has a claim and wants to sue, then Arizona should have a clear claim, so that there will be an actual issue. Therefore, it would seem to me that authorization of the central Arizona project would actually serve to make the issue which could be taken into court. Authorization of the Central Arizona project would give Arizona that clear claim.

However, Mr. President, there is more to the problem I wish to speak about.

The people who settled these United States traditionally settled first at the mouths of rivers. Hence, the downstream areas populated more quickly and progressed. Quite naturally that development brought demands on the river for navigation, flood control, or irrigation. It was only a natural sequence, therefore, that the downstream areas first started chambers of commerce. Such chambers got ideas. Projects were planned and built, and testimonial dinners were given at country clubs and elsewhere.

Meanwhile, upstream we were battling warring Indian tribes, clearing virgin forests, and breaking the path for civilization, as we call it. Fur trapping was our livelihood, lumber gave us life, and water was for drinking or pouring on crops on land bordering the river.

Pretty soon we found that the upstream areas began to be settled. They, too, organized chambers of commerce, which got ideas, and then projects were planned. Shortly we found that there were more ideas than water, and the fights were on. They are still continuing.

The differences over water began to be resolved through give-and-take agreements. We call them compacts. The upstream people found that they had to provide for the projects downstream which were built first; and irrespective of the price, the upstream people had to agree to most of the demands of those living downstream in order to get opposition to the upstream projects waived. So they entered into compacts to apportion the water, so that everyone could go peaceably on his way.

Let me interpolate at this point. The Senator from Colorado [Mr. JOHNSON] has just arrived in the Chamber. I am trying to discuss the rights of the upper-basin States, so far as the particular project which we are now discussing is concerned. At the outset, I stated that most of the water for the three lower-basin States is furnished by Wyoming, Colorado, New Mexico, and Utah, and that New Mexico has a vital interest in the waters of the Colorado River.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. JOHNSON of Colorado. The Senator from New Mexico is making a very pertinent observation, and I am pleased that he is making the statement he is making. I think it is very important that a record be made with respect to these matters. I thank the Senator for what he is doing.

Mr. CHAVEZ. I had stated that the upstream people found that they had to provide for those projects downstream which were built first, and that irrespective of the price, the upstream people had to agree to most of the demands of those living downstream in order to get the opposition to upstream projects waived. So they entered into compacts to apportion the water, in order that everyone might go peaceably on his way.

We are now entering upon the condition in which the downstream people object whether there is a binding compact or not. In other words, no matter what the compacts might be, or what agreements might have been made between the lower-stream States and the upper-stream States, and no matter how much water was allotted to the downstream States, the downstream States say, "We did not get enough," and they are trying to do something about it. We have actually experienced that situation in the Southwest. If this trend or practice continues, the Congress will have to make up its mind to withhold money and recognition for all until one big plan can be approved for all the areas. Someone may have to adjudicate water rights on an entire river, from mountain-top to ocean.

Perhaps this would mean that in establishing equity, some lands in the downstream area would have to be taken out of use because equity would not permit their operation. But everyone must be fair about this question.

No one wants such a day to come. But I warn the Senate it is coming. We in New Mexico have found that if one gets very close to a New Mexico stream with a bucket, a ranger jumps out from behind a tree and asks, "What do you think you are going to do with that bucket?"

The Colorado River is quite a river. It is not only our third largest stream, but it flows in more dry States than any other. It begins in the windy and snowy passes of Wyoming, lunges down pine-clad gorges, sweeps across mountain meadows, cuts deep into the earth to form the magnificent Grand Canyon, and then stretches lazily out on the deserts before meeting the sea.

The States of Colorado, Utah, Wyoming, Nevada, Arizona, California, and New Mexico cherish the Colorado and its tributaries. But, Mr. President, the Colorado winds across contrasting lands. For this reason the States have separated into the upper basin and the lower basin. Arizona, California, and Nevada make up the lower basin. Their agriculture and population are far different from that in the mountains of the upper basin States of New Mexico, Colorado, Utah, and Wyoming.

The Colorado compact was agreed upon at Santa Fe, N. Mex., on November 24, 1922. I think there is irony in the fact that it was agreed to in Santa Fe, N. Mex., in 1922, because all New Mexico and the other upper-basin States got out of it was the privilege of signing the compact.

The upper-basin States made a compact on October 11, 1948, only three short years ago. The States had their differences, and time settled most of them. But it is a State problem at this time, at least—and it should be.

The founding philosophy of the Colorado River compact was formulated back in 1920 when the problem of development arose at a meeting of the old League of the Southwest, an organization of the States. At a meeting of this league a resolution was adopted which reads as follows:

> *Resolved*, That it is the sense of this Congress that the present and future rights of the several States whose territory is in whole or in part included within the drainage area of the Colorado River, and the rights of the United States, to the use and benefit of the waters of said stream and its tributaries, should be settled and determined by compact or agreement between said States and the United States, with the consent of Congress, and that the legislatures of said States be requested to authorize the appointment of a commissioner for each of said States for the purpose of entering into such compact or agreement for subsequent ratification and approval of the legislature of each of said States and the Congress of the United States.

There, Mr. President, was the genesis of the Colorado River compact and Hoover Dam. It is unmistakably true that the States should settle their rights. It clearly shows the thinking and the concern even at that early day.

Troubles on the Colorado began about the turn of the century. The States in the upper basin had no desire to begin a knock-down fight. It was a question of either opposing anything at all in the lower basin, or entering into a race among all States to see which would get its ideas in the way of development carried out the fastest. Speed would have been impossible, costly, and without vision or planning. Rather the States chose a fair way—divide the waters, and let each do what it thought best. We found, then, that because the Colorado traverses such different areas, it had to be divided into two basins.

Briefly, the Colorado compact divided the Colorado flow into 7,500,000 acre-feet per annum for the upper basin and 8,500,000 acre-feet for the lower basin. There is more water than that in the Colorado, but the remainder is left to future apportionment.

As a matter of fact, I have never fully understood why this extra allocation was made to the lower basin. The best information available to the compact authorities at that time showed the upper basin to have the greatest potential. The river-mouth boys must have got started sooner, and we sacrificed a little to get them not to oppose our effort to pick up a small share.

I should like to read to the Senate the water supply and development statistics of the Fall-Davis report. The Fall-Davis study was made in 1922 as the result of the Kinkaid Act of May 18, 1920. The report showed that Wyoming in 1920 had 367,000 acres irrigated, Colorado had 740,000 acres irrigated, Utah had 359,000 acres irrigated New Mexico had 34,000 acres irrigated. That is in the Colorado River Basin. We have only

one small portion of it in northwestern New Mexico. Arizona had 501,000 acres irrigated, Nevada had 5,000 acres irrigated, and California had 458,000 acres irrigated. The additional possibilities are also shown on the list, which I ask to have inserted in the RECORD in full at this point in my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

States	Irrigated in 1920	Additional possible	Total
Wyoming	367,000	543,000	910,000
Colorado	740,000	1,018,000	1,758,000
Utah	359,000	456,000	815,000
New Mexico	34,000	483,000	517,000
Arizona	501,000	676,000	1,177,000
Nevada	5,000	2,000	7,000
California	458,000	481,000	939,000
Upper basin	1,530,000	2,550,000	4,080,000
Lower basin	700,000	1,320,000	2,020,000
Gila Basin	430,000	400,000	830,000

Mr. CHAVEZ. There, Mr. President, you can readily see that of all the States, New Mexico percentagewise had the greatest future ahead of her, because we would go from 34,000 acres to 517,000 acres when we got the water to which we were entitled under the compact. Furthermore, Mr. President, the upper basin had twice the acreage under ditch then that the lower basin had, and twice the potential. Senators can see what is meant by downstream troubles on these rivers, about which I have talked. However, be that as it may, article 1 of the Colorado River compact specifically provides for the equitable division and apportionment of the use of the waters of the Colorado River system and the establishment of the relative importance of different beneficial uses, among other things.

The compact apportions in perpetuity to the upper basin and to the lower basin 7,500,000 acre-feet each. The words are:

> The exclusive beneficial consumptive use of 7,500,000 acre-feet of water per annum.

Additionally, the lower basin was given the right to increase its beneficial consumptive use of such waters by 1,000,000 acre-feet per annum. That is the million feet which the Senate is hearing about from California and Arizona, I believe.

The compact further provides that the upper basin States shall not hoard water, nor shall the lower basin States require such delivery, except that which can be reasonably applied to domestic and agricultural uses. I repeat, Mr. President: Only to domestic and agricultural uses. There is nothing said about additional water being provided for power.

Another important feature of the compact is that the impounding and use of water for the generation of electric power shall be subservient to the use and consumption of water for agricultural and domestic purposes, and shall not interfere with or prevent use for such purposes. In other words, the compact makes it clear that the first use must be for irrigation and domestic purposes. Then, if there is available water which can be allocated, it should go for other purposes. It says further of this preference that it shall not interfere with or apply to the regulation and control by any State within its boundaries of the appropriation use and distribution use of water. In other words, power is secondary to domestic and irrigation uses, and the States alone shall each determine how they shall respectively use their share of water for domestic and irrigation purposes.

The Colorado River compact left to the States in the two basins the apportionment of the waters earmarked and guaranteed to the basin. In the upper basin compact, New Mexico gets 11.25 percent of the total allocated. We are only on one stream, the San Juan. This division is roughly the amount of water the upper-basin States supply to the Colorado. Eleven and twenty-five one hundredths percent of a total amount of water does not sound like very much, especially in the east. However, it is 1,000,000 acre-feet, which is exactly the amount of water California and Arizona have been arguing about for the past 2 weeks. So it means something.

For reasons of their own, the lower-basin States have never reached an agreement. That is their business. If California and Colorado wish to continue with their battles, well and good. Certainly the upper-basin States have never in any manner, shape, or form interfered with whatever rights either California or Arizona had under the compact. All we were ever interested in, and all that we are interested in at this late date, was to protect what little we received at the time the compact was signed. Every report to Congress and every report of a State compact commissioner to the Governor of his State on the Colorado negotiations indicated that there was enough water for all, and all of them made it unmistakably clear that each basin was to have an eternal right to the 7,500,000 acre-feet, plus the small additional to the lower basin.

I believe New Mexico's position is safe at this time. The clear expression of intent in the compact makes this certain as of this hour. I wish not only to believe it as of this time but for the future. I wish to contribute what little I can to protect the rights of the upper-basin States and seeing to it that the rights given to them under the compact shall be carried out in perpetuity.

New Mexico's large share in the Colorado is the San Juan River in the northwestern section of the State. The Senate may be surprised to learn that in New Mexico the San Juan River flows more water than the famous Rio Grande.

Mr. President, in one respect, I have have always been rankled by the Hoover Dam. New Mexico was not on her toes. But perhaps Colorado, Utah, and Wyoming, were not on their toes either. Arizona and Nevada fought long enough and hard enough, and for that I give them credit. In this case they successfully reversed the downstream formula, and in the end Arizona and Nevada each got 18¾ percent of excess power revenues from Hoover Dam hydroelectric power. The excess refers to the money received on sales above the amount necessary for amortization of the dam.

The payments were to be in lieu of taxes which the two States would have received if private capital had built the $175,000,000 Hoover Dam. It was so huge it took six of the largest contractors of the country to combine resources in order to build it. Today we hear in Congress that all projects of this character are too big for private capital, and it is a fact. Since the building of the Hoover Dam many years ago 750,000 acre-feet of water, which belongs to New Mexico, has crossed the New Mexico-Arizona line. Water does not run upstream. We have lost it forever. It doubtless goes into generating power. We have never had anything out of it but the privilege. If New Mexico had had the foresight to have obtained some of the Hoover Dam revenue—and apparently any sort of deal went, so anxious were its projectors to build the Hoover Dam—we could have certainly made good use of it in New Mexico in developing our small irrigation projects. I used to think of how grand it would be if we could get a check from the use of power and use the money in a revolving fund in our State, not only for major irrigation works but for storage dams and other works on small headwater areas. They are needed today but we in New Mexico have difficulty in handling them.

New Mexico is going to use San Juan water in the future. We are going to irrigate Indian land, including barren Navajo land on which today the Indians can no longer make a living. The United States has an obligation to the Indians in the Colorado basins, and it is clearly recognized in the compact. We are going to use the San Juan to supplement other water needs in San Juan County and other water needs in New Mexico, because the water belongs to the entire State of New Mexico, and not to any particular section of the State. We are also going to develop power within New Mexico from the waters of the San Juan. We are going to try to use those waters in a way that will be adequate and reasonable and sound.

Mr. President, I am fond of the senior Senator from Arizona [Mr. HAYDEN], and of our distinguished majority leader [Mr. MCFARLAND]. So when I say I hope to see the day when we pass no more water over the line than we agreed to deliver under the compact, they know I mean only that I want to see New Mexico's development under her apportioned amount. They know that I do not suggest we fall down on our obligations in any way.

So I wish to assure my good friends from California and my good friends from Arizona that all I am seeking is to have an orderly development of the waters of the San Juan and to have New Mexico protected in her rights to the water to which she is entitled under the compact. After we receive that water, we shall try to deliver every bit that either California or Arizona wishes to have.

Mr. MCFARLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does

the Senator from New Mexico yield to the Senator from Arizona?

Mr. CHAVEZ. I yield.

Mr. McFARLAND. I wish to say that I, too, hope to see New Mexico get a full development of the waters of the San Juan, in order that New Mexico may use the water which belongs to her.

Mr. CHAVEZ. Yes; and I have had assurances from both of the Senators from Arizona that it is not their purpose or intent, if the project now being discussed ever becomes law, to have that project or that law interfere in any way with any basic rights which New Mexico has to even 1 acre-foot of water which belongs to her. Is that correct?

Mr. McFARLAND. That is correct.

Mr. President, will the Senator from New Mexico yield further?

Mr. CHAVEZ. I yield.

Mr. McFARLAND. Let me say that I hope the Senate will pass the bill authorizing this project, so that the Senator's State can be afforded more benefits than it now has on the Gila.

Mr. CHAVEZ. I thank the Senator. I wish to discuss that point a little later.

Mr. President, I have no objection to any litigation in the lower basin, if that is what is desired by the basin States. I have no objection at all, so long as the upper basin is not concerned or affected. But I would not favor any efforts which would cast a cloud or question on the upper basin.

For years we have been studying, evaluating, and revising plans for the San Juan. It now appears that at long last we may get the recommendations before the Congress soon. As a matter of fact, the Secretary of the Interior recently made known the situation in a letter to the New Mexico State engineer, Mr. John Bliss.

I have the letter before me now. I shall not read it into the RECORD, but I ask unanimous consent that it may be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES,
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., May 28, 1951.

MY DEAR MR. BLISS: Reference is made to your letter of April 13, 1951, requesting clarification of my position in regard to the San Juan Basin projects and the Colorado River storage project. The questions which you raise and the points presented in your letter are indeed pertinent.

At the time the Colorado River storage report was prepared and the recommendations written, which was early last fall, it was anticipated that the problem of the allotment of the waters of the San Juan River Basin would be settled by now and that there would be available a detailed report on Shiprock project. Every indication pointed to this being a reasonable assumption when I adopted the report as my proposed report and it was transmitted formally to the States and Federal agencies for review and comment.

Recent events, of which both you and the New Mexico congressional delegation are fully aware, indicate that this Department has been doing its utmost to secure a solution to this problem. You and other officials of New Mexico have been extremely helpful in this endeavor. In a further effort to settle the problem of the size of the Shiprock project there have been meetings held with the Indian tribal council during the week of May 1.

I agree with you that an open-ended authorization of the Shiprock project would be undesirable. It is because of this feeling that every effort is being made to reach an early solution. In recognition of the request of several of the States reviewing the report, I have recently agreed that I would not forward the report on the Colorado River storage project and participating projects to the President and the Congress prior to June 15. This action gives an additional 30 days for the States and others to consider the report and gives additional time to reach a decision on the size of the Shiprock project. I am hopeful that during this period, and with the continued support of yourself and other New Mexico officials, we can reach a satisfactory decision on the size of the Shiprock project.

As you realize, as soon as the size of the Shiprock project has been determined, New Mexico will be in a position to decide where it wishes to use the remaining part of the water allotted to New Mexico. Should New Mexico be in a position to make such a decision and if information is available to establish justification of the San Juan-Chama diversion, its authorization might well be considered at the same time that the Congress is giving consideration to authorization of the Colorado River storage project, even if no recommendation with respect to it is contained in the primary report on that project.

I sincerely hope that the foregoing explanation is satisfactory for your present purposes. Please feel free to call upon me at any time.

Sincerely yours,
OSCAR L. CHAPMAN,
Secretary of the Interior.

Mr. CHAVEZ. Mr. President, our problem on the San Juan has been to keep everyone from claiming it all, or even from claiming too much. New Mexico is trying in an equitable way to divide the waters among all and to get the greatest good for the greatest number.

I would not want anyone or anything to stand in the way, because New Mexico has been true to her faith and her debts on water. We sincerely believe we can expect the same application of the Golden Rule, but sometimes we doubt it. New Mexico is now depriving thousands in her Rio Grande Valley of water, in order to deliver her obligated volumes of scarce water. Few States can match the record of New Mexico on her will and her responsibilities.

There is either enough water on these rivers for all, or else we shall all have to do with what is just. No other course is possible.

I assume that these compacts in the West will endure. But if any compact in which New Mexico is a partner is ever dissolved for some reason, New Mexico is going to be a pretty tough customer to deal with on a new one. We have learned a lot from our fellow men. Next time New Mexico will want a little more than is fair, too. I regret the fact that no one seems to subscribe to the "live and let live" philosophy any more.

Some time ago, Mr. President, I read over the views expressed by the House committee on the central Arizona project, and I became puzzled and concerned about certain statements. I thought I would like to see another viewpoint on this matter. So, I asked the Library of Congress to give me a memorandum on the legal issues involved in the Colorado River controversy. What I was after was clarification of certain questions in my own mind, as well as to inquire into any threats existing for New Mexico.

What I got back from the Library was a very splendid statement on certain phases of the matter. This memorandum will show the Senate that the surest way for California to get the question into court is to see the central Arizona project authorized. This memorandum is basic, and I want to insert the text into the RECORD so that other Senators may have an opportunity to read it.

Mr. NIXON. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. NIXON. Do I correctly understand the Senator's position to be that the Legislative Reference Service of the Library of Congress has issued an opinion to the effect that the central Arizona project must be authorized before the question which is involved can go to the courts?

Mr. CHAVEZ. That was my statement.

Mr. NIXON. That was the conclusion of the Senator from New Mexico, was it?

Mr. CHAVEZ. Yes, that was my conclusion, from reading the memorandum. The Legislative Reference Service simply prepared the memorandum, but in it no opinion as to the merits is given at all.

Mr. NIXON. I understand.

Mr. CHAVEZ. The words I used were that—

> This memorandum will show the Senate that the surest way for California to get the question into court is to see the central Arizona project authorized.

Apparently the House committee which rejected the central Arizona project was in error in citations to law. At the beginning of the memorandum, this statement appears:

> The views of the House report contain many repetitious statements of the need for the adjudication of the Colorado River controversy and references to and excerpts from Supreme Court decisions, which, in certain instances, do not support the thesis advanced by the statement. In fact, they support the converse of the argument.

At the conclusion of the study, there is an important point which I want to specifically call to the attention of my colleagues from Wyoming, Utah, Colorado, Nevada, Arizona, and New Mexico. It says:

> It is possible that in line with the needs of national defense the Federal Government could exercise its paramount power and divert all necessary flow of the Colorado River to industrial purposes for defense. Thus, even actual appropriations might necessarily give way—

But God forbid—

to other dominant needs.

This thought is predicated upon national defense activity in lower California. At least six of these seven States had better look carefully at the Colorado and downstream uses.

Mr. President, at this point I ask unanimous consent to have inserted in the RECORD the memorandum to which I have referred. It is addressed to me, and comes from the American law section of the Library of Congress. The memorandum is on the subject, Legal Issues Involved in the Colorado River Controversy.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
AMERICAN LAW SECTION,
Washington, D. C., May 23, 1951.

To: Hon. DENNIS CHAVEZ.

Subject: Legal issues involved in the Colorado River controversy.

By letter of April 21, 1951, you have transmitted a copy of a statement entitled "Majority Views on the Colorado River Controversy" carrying the names of certain members of the House Committee on Public Lands. You have requested a report on the legal issues involved and also an expression of how a decision of the Supreme Court might affect the upper Colorado River basin which includes New Mexico. You state that it would appear that the issue in question is only one between California and Arizona; nevertheless you are concerned over the possibility that some decree of the Supreme Court might be adverse to New Mexico.

The views contain many repetitious statements of the need for the adjudication of the Colorado River controversy and references to and excerpts from Supreme Court decisions which, in certain instances, do not support the thesis advanced by the statement. In fact they support the converse of the argument as will be demonstrated.

1. JUSTICIABLE CASES IN CONTROVERSY

Before examining the majority views and the key court decisions, we believe it advisable to indicate the nature of a justiciable case in controversy. Article III, section 2, clause 1 of the Constitution of the United States says that the judicial power, which is vested in the Supreme Court, shall extend to controversies to which the United States shall be a party, while clause 2 states that in all cases in which a State shall be a party the Supreme Court shall have original jurisdiction. With regard to controversies to which the United States shall be a party, it is well established that the United States cannot be subjected to an original suit by a State in the Supreme Court unless it has consented to be sued. See *Kansas* v. *U. S.* ((1907) 204 U. S. 311) and cases cited. In that case the Court said that, although a State may be sued by the United States without the consent of the State, public policy forbids that the United States may, without its consent, be sued by a State. Nor does title 28, U. S. C., section 2201, giving courts of the United States the authority to render declaratory judgments, amount to such consent on the part of the United States. See *Innes* v. *Hiatt* ((1944) 57 F. Supp. 17); *Yeskel* v. *U. S.* ((1940) 31 F. Supp. 956); and *Love* v. *U. S.* ((1939) 108 F. 2d 43, cert. den., 309 U. S. 673).

Assuming then that a suit is desirable at this stage, without the consent of the Federal Government, it would be limited to an action between the States, and even in this type of action there must necessarily be an actual controversy within the judicial power of clause 1 of article III, section 2, of the Constitution. *Love* v. *U. S.*, supra. If a justiciable case is not presented the Supreme Court may not take jurisdiction. *U. S.* v. *West Virginia* ((1935) 295 U. S. 463, 475). The actual controversy involved must be definite and concrete, touching the legal relations of parties having adverse legal interests and admitting of specific relief through a decree of a conclusive character determining the rights of the parties, as distinguished from an opinion advising what the law would be upon a hypothetical state of facts. *Aetna Life Insurance Co.* v. *Haworth* ((1937) 300 U. S. 227). If such a justiciable controversy between two States is presented, then the Supreme Court will have jurisdiction of an original suit in the premises (*Pennsylvania* v. *West Virginia* (1923) 262 U. S. 553), and may render judgment. See title 28, United States Code, sections 451, 2201; *U. S.* v. *West Virginia*, supra.

2. "MAJORITY VIEWS"

Much reliance is placed in the majority views on the decision of the Supreme Court in *Nebraska* v. *Wyoming* ((1945) 325 U. S. 589). We wish to say at the outset that while many of the principles enunciated in that decison are applicable, it can be readily distinguished as involving a matter of actual overappropriation of the waters of the North Platte River. With regard to the Colorado River controversy, while there have been allocations, there is at present no proven overappropriation. Turning to the draft of the majority views transmitted by your letter, we noted on pages 2–3 the following statements:

"Argument was made before the committee that enactment of this proposed legislation is necessary in order to set up a justiciable case for consideration of the Court. We are inclined to believe that is not the case and that, in fact, because of the limitations in this bill, the matter will cause the Court to refuse consideration. The committee finds that the Court did hear an almost identical case: *Nebraska* v. *Wyoming* (325 U. S. 589). The prayer, the issues, and the results, as described in that case, all closely parallel with the central Arizona project.

"The prayer was for a determination of the equitable share of each State in the water and of the priorities of all appropriations in both States and for an injunction restraining alleged wrongful diversions." (*Nebraska* v. *Wyoming* (325 U. S., at p. 592).)

You will note the statement "The committee finds that the Court did hear an almost identical case." We believe that this statement can be refuted merely by perusal of the headnotes to the decision in *Nebraska* v. *Wyoming*, supra. See headnote 3 at page 589. There follows shortly thereafter, in the majority views, another paragraph in quotes which reads (p. 3):

"The evidence supports the finding of the special master that the dependable natural flow of the river during the irrigation season has long been overappropriated. A genuine controversy exists. The States have not been able to settle their differences by compact. The areas involved are arid or semiarid. Water in dependable amounts is essential to the maintenance of the vast agricultural enterprises established on the various sections of the river. The dry cycle which has continued over a decade has precipitated a clash of interests which between sovereign powers could be traditionally settled only by diplomacy or war. The original jurisdiction of this court is one of the alternative methods provided by the framers of our Constitution." (*Arizona* v. *California* (283 U. S. 423, 462–464).)

This quotation does not come from Arizona against California as cited. It comes from *Nebraska* v. *Wyoming*, supra; is found on page 608 of that decision; and it relates to the controversy over the North Platte River, not the Colorado River. You will note, as we have already indicated, that *Nebraska* v. *Wyoming* involved overappropriation, which is not proven in the Colorado River controversy.

The next paragraph of the majority views states (p. 3):

"Obviously, these are parallel situations to one which now presents itself to this committee. The Court's summary of the controversy in the case of *Nebraska* v. *Wyoming* reads, in part, as follows: 'If this were an equity suit to enjoin threatened injury, the showing made by Nebraska might possibly be insufficient. But *Wyoming* v. *Colorado*, supra, indicates that where the claims to the water of a river exceed the supply a controversy exists appropriate for judicial determination. If there were a surplus of unappropriated water, different considerations would be applicable. *Cf. Arizona* v. *California* (298 U. S. 558, L. ed. 1331, 56 S. Ct. 848). But where there is not enough water in the river to satisfy the claims asserted against it, the situation is not basically different from that where two or more persons claim the right to the same parcel of land. The present claimants being States we think the clash of interests to be of that character and dignity which makes the controversy a justiciable one under our original jurisdiction.' " (From p. 610 of the Court's summary.)

While the quoted matter actually distinguishes the two cases, we do not believe that the quotation is sufficient to give the proper setting for the statement. To supply this deficiency we quote in full the following two paragraphs from the text of the decision in *Nebraska* v. *Wyoming* which will indicate to you what the quote actually meant. We wish to emphasize that this is not from the summary or headnotes but is taken from the text of the opinion (pp. 610–611):

"Wnat we have then is a situation where three States assert against a river, whose dependable natural flow during the irrigation season has long been overappropriated, claims based not only on present uses but on projected additional uses as well. The various statistics with which the record abounds are inconclusive in showing the existence or extent of actual damage to Nebraska. But we know that deprivation of water in arid or semiarid regions cannot help but be injurious. That was the basis for the apportionment of water made by the Court in *Wyoming* v. *Colorado*, supra. There the only showing of injury or threat of injury was the inadequacy of the supply of water to meet all appropriative rights. As much if not more is shown here. If this were an equity suit to enjoin threatened injury, the showing made by Nebraska might possibly be insufficient. But *Wyoming* v. *Colorado*, supra, indicates that where the claims to the water of a river exceed the supply a controversy exists appropriate for judical determination. If there were a surplus of unappropriated water, different considerations would be applicable. Cf. *Arizona* v. *California* (298 U. S. 558.) But where there is not enough water in the river to satisfy the claims asserted against it, the situation is not basically different from that where two or more persons claim the right to the same parcel of land. The present claimants being States, we think the clash of interests to be of that character and dignity which makes the controversy a justiciable one under our original jurisdiction.

"*Colorado* v. *Kansas*, supra, is not opposed to this view. That case turned on its special facts. It is true that an apportionment of the water of an interstate river was denied in that case. But the downstream State (Kansas) did not sustain the burden of showing that since the earlier litigation between the States (see *Kansas* v. *Colorado*, 206 U. S. 46), there had been a material increase in the depletion of the river by Colorado. Improvements based upon irrigation had been made by Colorado while Kansas stood by for over 20 years without protest. We held that in those circumstances a plain showing was necessary of increased depletion and substantial injury to warrant a decree which would disrupt the economy of the upstream States built around irrigation. Moreover, we made clear (320 U. S., p. 392, note 2) that we were not dealing there with a case like *Wyoming* v. *Colorado*, supra, where the doctrine of appropriation applied in each of the States which were parties to the suit and where

there was not sufficient water to meet all the present and prospective needs."

The majority views then state (p. 3):

"It will be noted the Court held that there was a justiciable controversy and one under its original jurisdiction."

We will not dispute such an assertion in referring to *Nebraska* v. *Wyoming*, for it fits perfectly into the description of a justiciable case given earlier and it involves an actual overappropriation of the waters of the North Platte River.

The majority views next state (p. 3):

"It should be remembered that for 29 years a fruitless effort to arrive at an interstate compact for the use of the waters of the lower Colorado Basin has been going on."

We are not certain what the majority have in mind in making this assertion. It is no doubt true that further agreements are necessary. However, there stand the Colorado River Compact, the Boulder Canyon Project Act, the California Limitation Act, the Los Angeles aqueduct, and numerous other accomplishments to refute such a broad assertion. See the Hoover Dam documents (1948), House Document No. 717, Eightieth Congress.

The next paragraph of the majority views reads (p. 3):

"In the case of *Colorado* v. *Kansas* (320 U. S. 383), at page 616, the Court has this to say: 'But the efforts at settlement in this case have failed. A genuine controversy exists. The gravity and importance of the case are apparent. The difficulties of drafting and enforcing a decree are no justification for us to refuse to perform the important function entrusted to us by the Constitution.'".

This is an incorrect indication of the result. What should have been said is that in *Nebraska* v. *Wyoming* the Supreme Court distinguished the decision in the case of *Colorado* v. *Kansas*, stating at page 616: "But the efforts at settlement in the case have failed. A genuine controversy exists * * *", etc. As we have indicated earlier, this is consonant with our statement of what constitutes a justiciable case, for here was actual overappropriation.

Page 3 of the majority views contains this statement:

"The committee notes that it took the Court only 3½ to 8 months to decide the three previous cases of Arizona against California. We therefore believe that this committee was wholly justified when it recommended that immediate settlement of this dispute by compact or arbitration be made, or that the Attorney General of the United States promptly institute an action in the United States Supreme Court against the States of the lower basin, and other necessary parties, requiring them to assert and have determined their claims and rights to the use of the waters of the Colorado River system available for use in the lower Colorado River Basin."

For your consideration we list the dates involved in three of the decisions pertinent to this question so that you may decide for yourself whether this paragraph is an accurate evaluation of the time element involved in this type of suit:

Wyoming v. *Colorado:*

Bill filed on May 29, 1911 (see 259 U. S. 419, 421).

Motion to dismiss overruled, October 21, 1912 (see 259 U. S. 419, 421).

Argued, December 6–8, 1916; restored to docket for reargument, March 5, 1917; reargued, January 9–11, 1918; restored to docket for reargument, June 6, 1921; reargued, January 9, 1922.

Decided, June 5, 1922 (259 U. S. 419); decree entered, June 5, 1922 (259 U. S. 496).

Petition for rehearing denied; modified final decree entered, October 9, 1922 (260 U. S. 1).

Original suit brought to enforce prior decree; motion to dismiss argued, December 3, 1931, and overruled, May 31, 1932 (286 U. S. 494).

Motion to file a petition for a rule directing Colorado to show cause why it should not be adjudged in contempt for violation of decree; argued, February 26, 27, 1940; order to show cause entered, March 4, 1940 (309 U. S. 627); decided, April 22, 1940 (309 U. S. 572).

Nebraska v. *Wyoming:*

Motion for leave to file bill of complaint granted, October 15, 1934 (293 U. S. 523).

Motion for leave to file amended and supplemental answer granted and Colorado impleaded as a party defendant, December 23, 1935 (296 U. S. 553).

United States moved to intervene; argued, May 2, 1938; motion to intervene granted, May 16, 1938 (304 U. S. 545).

Argued, March 5–7, 1945.

Decided, June 11, 1945 (325 U. S. 589).

Colorado v. *Kansas:*

Bill of complaint filed, January 24, 1928.

Special master appointed, May 4, 1942 (316 U. S. 645).

Report of special master received and ordered filed, May 24, 1943 (319 U. S. 729).

Argued, October 11, 12, 1943.

Decided, December 6, 1943 (320 U. S. 383).

Rehearing denied, March 6, 1944 (321 U. S. 803).

Decree entered, May 1, 1944 (322 U. S. 708).

The brevity of the time element involved in *Arizona* v. *California*, supra, can be accounted for by the obvious failure of Arizona to present a justiciable case.

3. LEGAL ISSUES

It is difficult for this office to frame all the legal issues involved in this controversy in addition to those noted elsewhere in the text of this memorandum. We note on page 2 that the majority views appear to deny "* * * that enactment of this proposed legislation (S. 75 or H. R. 1500, 82d Cong.) is necessary in order to set up a justiciable case for consideration of the Court." As we have already indicated, we do not see how a decision, much beyond those already arrived at by the Supreme Court in *Arizona* v. *California*, can be made in the absence of further authorization of projects or appropriation of the waters. In *Wyoming* v. *Colorado* ((1922), 259 U. S. 419), the Supreme Court indicated that as between different appropriations from the same stream, the first in time is deemed superior in right, and a completed appropriation, reasonably required and actually used, is regarded as effective from the time the purpose to make it is definitely formed, and actual work thereon is begun, provided work is carried to completion with reasonable diligence (see p. 459). How then can there be further appropriation on the Colorado River in the absence of further river development?

What laws, compacts, etc., are to be adjudicated? The majority views have listed the Colorado River compact, the Boulder Canyon Project Act, the California Limitation Act, the Boulder Canyon Project Adjustment Act, the Mexican Water Treaty, etc. To these could be added the belated ratification by Arizona, the Enabling Act of June 20, 1910 (36 Stat. 575) whereby Arizona acquired statehood but which contained a reservation of power dam sites and lands bordering the Colorado River, and other items. With regard to the treaty provision we invite attention to the fact that treaties are not immutable and that where a treaty is inconsistent with a subsequent act of Congress the latter will prevail, for the Constitution does not declare that the law established by a treaty shall never be altered or repealed by Congress. While good faith may cause Congress to refrain from making any change in the law, if it does so its enactment becomes the law. See *La Abra Silver Mining Co.* v. *United States* ((1899), 175 U. S. 423, 460); *Hijo* v. *United States* ((1904), 194 U. S. 315, 324); and *Clark* v. *Allen* ((1947), 331 U. S. 503). Similarly, even if Congress should by act confer special jurisdiction for the purpose of adjudicating this controversy, it could be withdrawn later by Congress. Jurisdiction once prescribed by an act of Congress may be withheld or withdrawn at the discretion of the Congress even to the extent, in case of public expediency, of the withdrawal of jurisdiction in a pending case. *Ex parte McCardle* ((1867), 6 Wall. 318; (1869), 7 Wall. 506), and other cases. Thus, doubts could be raised at any point concerning the future status of a treaty or the future status of an authorized litigation.

To whom does the excess flow belong? The concurring statement in the majority views (p. 4) indicates that there is water presently going to waste and the use of it would benefit Arizona but, say these members, "this water belonging to the upper basin which is unused at the present time; and, water belonging to Arizona and California for presently constructed or authorized projects and to Nevada, Utah, and New Mexico which is not currently being used," will be used. On this point we refer you to section 4 of the act of December 21, 1928 (45 Stat. 1058), the Boulder Canyon Project Act. This section provided that no water rights should be claimed or initiated and no steps should be taken by the United States or by others to initiate or perfect claims to the use of water pertinent to such works until the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming had ratified the Colorado River compact. However, in the event of a failure to ratify that compact within 6 months following December 21, 1928, the project could proceed if the compact had been ratified by California and six of the said States. This, in effect, amended the compact. This provision was subject to the requirement that the State of California by legislative act agree irrevocably and unconditionally for the benefit of the States of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming, that the aggregate annual consumptive use (diversions less returns to the river), including all uses under contracts made pursuant to the act should not exceed 4,400,000 acre-feet of the waters of the water appropriated to the lower basin by paragraph B of article III of the Colorado River compact plus not more than one-half of the excess surplus water appropriated by such compact. The States of Arizona, California, and Nevada were also authorized to enter into an agreement which was required to provide that of the 7,500,000 acre-feet appropriated by article III of the compact, there should be appropriated to the State of Nevada 300,000 acre-feet and to Arizona 2,800,000 acre-feet for exclusive beneficial consumptive use in perpetuity and that Arizona, in addition, should have one-half of the excess of surplus water unappropriated. Further, the State of Arizona should have the exclusive beneficial consumptive use of the Gila River and its tributaries except return flow to the Colorado. The waters of the Gila River and its tributaries, except the return flow, should not be subject to diminution by reason of treaty or other agreements with Mexico. If, as provided in paragraph (c) of article III of the compact, it became necessary to supply water to Mexico over and above the quantities which are surplus as defined by the compact, then California and Arizona were bound to agree mutually to supply out of the main stream of the Colorado one-half of any deficiency which was required to supply Mexico. California, Arizona, and New Mexico further were required mutually to agree that they should not withhold water or require delivery of water which could not reasonably be applied to domestic or agricultural uses. All provisions of this tri-State agreement

were subject in all particulars to the Colorado River compact and were to take effect upon the ratification of the Colorado River compact by Arizona, California, and Nevada.

Does priority of appropriation govern? *Nebraska* v. *Wyoming*, supra, indicates that while this will be one of the main governing principles, it is not necessarily the only one to be applied. If this were so there would be no limit to the rights which could be acquired, notwithstanding the Boulder Canyon Project Act and the California Limitation Act.

What are the claims of the United States? It is natural that the Federal Government should have interest in this matter. There are large tracts of public and Indian lands involved in addition to the treaty obligations which have been assumed and which have been treated earlier.

What constitutes natural flow? It should be noted that in *Nebraska* v. *Wyoming*, supra, that in working out the apportionment in that particular case the Supreme Court construed natural flow as including return flow (p. 634). In the case of California and the Imperial Valley, as well as the Los Angeles aqueduct, there will be no return flow of any consequence into the Colorado River. This is not the case with Arizona but the return flow from that area raises a question of usefulness because of salinity. The matter of return flow could be important in any diversion from the upper basin States, especially in case of a diversion into another basin which thereby would prevent a return flow to the main stream channel. The decision in *Nebraska* v. *Wyoming* also indicates that segregation of natural flow from storage flow may lack feasibility in arriving at a comprehensive formula in the diversion of water rights in an interstate stream.

California has raised the question as to the meaning of "beneficial consumptive use" as applied to the Gila River. See House Document No. 136, 81st Congress, entitled "Central Arizona Project," page 32. It also included in the questions presented on that page further questions relating to losses of water. Thus, if California, claiming under the Boulder Canyon Act an allocation 4,400,000 acre-feet of water, and Mexico, claiming 1,500,000 acre-feet of water, are entitled to make up approximately 600,000 acre-feet and 200,000 acre-feet of losses used of the natural flow of the river then, of course, the mathematical division accomplished by section 4 of the Project Act cannot stand. If upon further appropriations a claim of this nature is honored elsewhere through the upper and lower basins then diversions or appropriations heretofore agreed upon likewise become meaningless.

There may remain numerous side issues to be considered, for example, the Enabling Act whereby Arizona became a State which, as we have indicated, reserved power dam sites and lands bordering the Colorado River. We do not know how many more laws or legal propositions would have to be examined to settle the entire controversy, but we feel quite certain that, on the basis of the time studies indicated earlier, especially that involved in *Nebraska* v. *Wyoming*, the adjudication of the general issues will be very time-consuming.

4. SUMMARIES OF MORE IMPORTANT DECISIONS

Summaries of the key cases which are involved in this controversy are included for your consideration. *Arizona* v. *California* should be placed with *Colorado* v. *Kansas* because they do not involve over appropriation or present justiciable issues. *Nebraska* v. *Wyoming* and *Wyoming* v. *Colorado* should be considered together because they do involve actual overappropriation and do present justiciable issues.

Arizona v. *California* ((1931) 283 U. S. 423):

This decision established, among others, the following propositions:

1. The United States may perform its functions without conforming to the police regulations of a State (p. 451).

2. The Supreme Court may not inquire into the motives which induce Members of Congress to enact legislation with regard to these Colorado River projects. Whether the particular structures proposed are reasonably necessary is not for the Court to determine (pp. 455, 456).

3. A contention based upon assumed potential invasion rather than upon actual or threatened impairment of a right of a State may not prevail (p. 462).

4. As Arizona was not at the time of the adjudication of this case a party to the compact, that State could not invoke the terms of that agreement with regard to the appropriation of the waters of the Colorado River (p. 462).

5. If future operations interfered with perfected rights of a State, or those claiming under it, appropriate remedies then become available (p. 463).

The Court concluded generally that there was no occasion at that time to determine the rights of the State of Arizona to interstate or local waters which had not been, and which the Court noted might never be, appropriated. Accordingly, it dismissed the bill without prejudice to an application by Arizona for relief in case the stored water was used in such a way as to interfere with the enjoyment by that State, or those claiming under it, of any rights perfected or with the right of the State to make additional legal appropriations of the waters and to enjoy their use (p. 464).

Arizona v. *California et al.* ((1934) 292 U. S. 341):

Arizona sought, by an original bill, a declaration that the Colorado River compact and the Boulder Canyon Project Act be decreed to be unconstitutional and void and that the Secretary of the Interior, California, Nevada, Utah, New Mexico, Colorado, and Wyoming be enjoined from carrying out the compact or the act. This decision contains much factual information with regard to the waters of the Colorado River and the disposition thereof. It pointed out that the compact, considered merely as a contract, could not be material in the contemplated litigation because Arizona had refused to ratify it (p. 358). Accordingly, the Court stated that if the rights of Arizona were in doubt, it was, in large part, because she had not entered into the compact or into a suggested compact with regard to further disposition. Therefore, the leave to file the bill which, in effect, sought to perpetuate certain testimony, was denied, there being no justiciable issue.

Arizona v. *California* ((1936) 298 U. S. 558):

This case involved the effort of Arizona to have adjudicated the quantum of its equitable share of the water flowing in the Colorado River. It further requested that California be barred from having or claiming the right to divert and use more than an equitable share of the water flowing in the river, to be determined by the Supreme Court. The Court noted that the proposed bill, in substance, sought a judicial apportionment, among the States in the Colorado Basin, of the unappropriated water of the river. It stated that its consideration of the case was restricted to an examination of the facts alleged in the proposed bill of complaint and of those of which it could take judicial notice (p. 560). Again the Supreme Court noted that Arizona was not a party to the Colorado River compact by which the undepleted flow of water of the river was apportioned between the upper basin and lower basin States, the point of division between the basins being Lees Ferry, 23 miles below the southern boundary of Utah. To each basin the compact apportioned 7,500,000 acre feet per annum but the lower basin States had the additional right to increase the beneficial consumptive use of the water by 1,000,000 acre feet per annum (p. 563). However, the Court specifically stated that there could be no adjudication of rights in the unappropriated water of the Colorado River without the presence, as a party, of the United States, which, without its consent, was not subject to suit by a State (p. 568). Citing *Kansas* v. *U. S.* ((1907) 204 U. S. 331). It was evident, said the Court, that the United States, by congressional legislation and by acts of its officers which that legislation authorized, undertook, in the asserted exercise of its authority to control navigation, to impound, and control the disposition of, surplus water of the river not already appropriated (p. 570); that the decree sought had no relation to any present use of the impounded water which infringed rights that Arizona could assert subject, of course, to superior but unexercised powers of the United States. The decree sought by Arizona could not be framed without the adjudication of the superior rights asserted by the United States. Accordingly, the petition was dismissed.

Colorado v. *Kansas* ((1943) 320 U. S. 383):

This decision culminated a series of actions which began in 1901 when Kansas brought suit against Colorado seeking an injunction restraining the latter from diverting waters of the Arkansas River within the State of Colorado. The decision in that case (206 U. S. 46) denied the contention of Kansas that she was entitled to have the stream flow as it flowed in a State of nature. On the other hand, it also denied the contention of Colorado that she could dispose of all of the waters of the river within her borders and owed no obligation to pass any of them on to Kansas. The Court held that each State had an equality of right and therefore stood before the Court on the same level. The dispute must be adjudicated, said the Court, on the basis of that equality of right in order to secure for Colorado, so far as possible, the benefits of irrigation without depriving Kansas of the benefits of a flowing stream. Before the developments in Colorado were to be destroyed or materially affected Kansas must show not merely some technical right but one which carried corresponding benefits. The Court concluded that diversions authorized by Colorado embraced more water than the total flow at Canon City. However, no showing had been made as to what surplus water was contributed below that point or as to the proportion of the diverted water returned to the river as seepage. The Court added that if the depletion by Colorado continued the time would come when Kansas might justly claim that there was no longer equitable distribution. Accordingly, the bill was dismissed.

A series of suits involving water rights on the river, some of which started in the State courts and were transferred to Federal courts, were instituted in the period intervening between the earlier suit and the later decision. The evidence in the present case comprised more than 7,000 typewritten pages of testimony taken by the Special Master and involved three questions, the second being: Does the situation call for allocation of the waters of the basin as between Colorado and Kansas? The Master concluded with regard to that question that the dependable flow be allocated and he submitted a form of decree embodying this allocation and adjusting required deliveries. Both States excepted to the proposed decree as impossible of administration and as ambig-

uous, and Colorado urged that the decision in the earlier case had already amounted to an allocation of the flow of the Arkansas River. The court refused to accept this view, the court pointing out that Kansas in that case labored under the burden of proof applicable in litigations of quasi-sovereign States and that the dismissal had resulted from the conclusion that she had failed to sustain the burden. On the basis of the earlier decision, the failure of Kansas to show a material change again precluded an adjudication of the equitable rights of the States involved. In suits of this nature the burden of the complaining State is, of course, much heavier than that generally required to be borne by private parties and the Supreme Court will intervene only where a case is justly and clearly proved. The only relief granted was against Kansas which, upon the request of Colorado, was enjoined from further prosecution of suits.

Nebraska v. *Wyoming* ((1945) 325 U. S. 489):

This is a 5-to-3 decision (the three members joining in a strong dissent against the majority) involving the overappropriation of the dependable natural flow of the water of the North Platte River. Nebraska brought this original bill in equity in 1934 against Wyoming. Colorado was interpleaded as a defendant and the United States was granted leave to intervene. A Special Master was appointed who held hearings and the matter was decided by the Supreme Court on the basis of exceptions to his report. Nebraska alleged that Wyoming and Colorado, by diversion of water from the river for irrigation purposes, were violating the rule of priority of appropriation in force in all three States and were thus depriving Nebraska from water to which she was equitably entitled (p. 592). Wyoming denied diversion of water to which Nebraska was equitably entitled but joined in the prayer of Nebraska for an equitable apportionment. Colorado filed an answer with a cross bill against Nebraska and Wyoming denying any use or threatened use beyond her equitable share and praying for an equitable apportionment (p. 592). The decision contains many tables showing contributions and depletions of the flow. One table shows that Colorado contributed 21 percent of the flow, Wyoming 45 percent, Nebraska 34 percent (p. 593), while another table shows that acreages under irrigation in the three States were Colorado 12 percent, Wyoming 29 percent, and Nebraska 59 percent (p. 597).

The North Platte River Basin in Colorado and Wyoming is arid and irrigation is indispensable to agriculture. Western Nebraska is partly arid and partly semiarid and irrigation is indispensable to the kind of agriculture there. Middle Nebraska is semihumid and irrigation is not important from that point east. Irrigation in the basin began in 1865, with projects in eastern Wyoming and Nebraska. Between 1880 and 1890 irrigation began on a large scale but storage of water was negligible until 1899. Prior to 1909 the development in Colorado and Wyoming was relatively more rapid than in Nebraska. Since 1910 the acreage under irrigation in Colorado increased about 14 percent, that in Wyoming 31 percent, and that in Nebraska about 100 percent. Thus, the large increase in Nebraska was mainly attributable to stored water from later developed reservoirs.

We believe it unnecessary to trace the numerous reservoirs and diversions made for the dates of their construction, the nature of the development and the extent of the diversions are easily ascertainable by reference to the decision (pp. 594ff). The commencement of a dry cycle in 1930, which persisted for 13 years, plus the initiation of the Kendrick project in Wyoming precipitated the controversy. Nebraska based her case essentially on shortage and misappropriation of water by the upper States since 1930 and of threats of more serious shortages and diversions in the future.

As we have indicated earlier, the equitable apportionment sought by Nebraska was based on the principle of priority of appropriation applied interstate. Colorado and Wyoming have a rule of priority of appropriation as distinguished from the rule of riparian rights. Nebraska, on the other hand, originally was a riparian doctrine State, but when the more arid sections of the State were settled and the need for irrigation increased, legislation was enacted adopting the appropriation principle. However, the adoption of the rule of appropriation did not extinguish riparian rights which had previously vested. This matter of riparian rights presents no great difficulty for as the majority pointed out riparian rights may be condemned in favor of appropriators; and violation of riparian rights by appropriators will not be enjoined, only compensation for damages awarded (pp. 599–600).

Colorado moved to dismiss the proceedings asserting that there was a surplus of water in the stream as evidenced by the construction, during the dry cycle, of the Kendrick project in Wyoming and the Tri-County project in Nebraska, and by the fact that during the drought there was a divertible flow passing the Tri-State Dam during the season. She argued that the potential threat of injury representing only a possibility for the indefinite future, was no basis for a decree in an interstate suit because the Supreme Court could not issue a declaratory decree, citing *Arizona* v. *California* ((1931) 283 U. S. 423, 462–465). The majority answered by stating that in this instance these precedents would not stand in the way of a decree, for the evidence supported the finding of the special master that the dependable natural flow of the river during the irrigation season has long been overappropriated, therefore, a genuine controversy existed which the States had not been able to settle by compact. Noting that the Kendrick project was junior to practically every appropriation on the river and in view of the general position taken by Wyoming with respect to Nebraska's priority, the Court said it could not be assumed that the Kendrick project would be regulated for the benefit of senior appropriators in Nebraska. Neither Wyoming nor Colorado had ever recognized any extension of priorities across State lines. Thus, use of priority diversions by Colorado had an adverse effect downstream. The fact that on the average there was some water passing the Tri-State Dam unused was no answer to the problem, according to the Court (p. 609). On the other hand, the claim of Colorado to additional demands could not be disregarded. However, the fact that Colorado's proposed projects were not planned for the immediate future was not conclusive in view of the present overappropriation of the natural flow.

We want to emphasize that the only showing of injury or threats of injury in this case was the inadequacy of the supply of water to meet all appropriated rights (p. 610). The court pointed out that if there were a surplus of unappropriated water different considerations would be applicable, citing *Arizona* v. *California* ((1936) 298 U. S. 558). It similarly distinguished and disposed of *Colorado* v. *Kansas* ((1943) 320 U. S. 383). Accordingly, Colorado's motion to dismiss was denied.

The claim of the United States to unappropriated water, based upon original cessions by France, Spain, and Mexico, and by agreement with Texas in 1850, was disposed of as being largely academic so far as the issues of the particular case were concerned. The court pointed out that the property right in water is separate and distinct from the property right in reservoirs, ditches, and canals; that the water right is appurtenant to land the owner of which is the appropriator. A water right is acquired by perfecting an appropriation, in other words, by an actual diversion followed by an application within reasonable time of the water to a beneficial use (pp. 611–616).

Notwithstanding the objection of the minority, the majority undertook an apportionment of the waters of the river stating that a genuine controversy existed. Admitting that the problem of equitable apportionment was extremely complex, the court started with the cardinal rule of the doctrine that priority of appropriation gives superiority of right. Each State applies and enforces this rule in her own territory and it is one to which intending appropriators naturally turn for guidance. However, the court said that that did not mean that there should be a literal application of the priority rule for if allocation between appropriation States was to be just and equitable strict adherence to the priority rule might not be possible. Apportionment therefore, said the court, calls for the exercise of an informed judgment of many factors with priority of appropriation being the guiding but not necessarily the definitive principle to be applied because in this case there was evidence that river-wide priority system would disturb and disrupt long-established uses. The proposal of Wyoming, said the court, envisaged distribution of the natural flow and storage of water indiscriminately as a common fund to all users. The proposal, it said, was based on the theory that there was a sufficiency of water for everyone. This assumption was refuted by what happened following 1930 and the decree, said the court, must of necessity deal with the conditions as they exist and be based, therefore, on the dependable flow which had been overappropriated. Thereupon the court worked out a system of apportionment and adjustment a discussion of which is not important to this study.

It should be noted that in working out the apportionment the court construed natural flow as including return flow (p. 634).

For the three dissenters Mr. Justice Roberts pointed out that the Supreme Court by the majority decision undertook to assume jurisdiction over three quasi-sovereign States and to supervise for all time their respective uses of an interstate stream on the basis of past use. He doubted if in such interstate controversies any State is ever entitled to a declaratory judgment from the Supreme Court and he warned that a precedent of this decision would arise to plague the court not only in this situation but in other situations. Mutual accommodations for the future of States involved in disputes such as this, he said, should be arranged by interstate compact not by litigation. No State, he warned, may play dog in the manger and build up reserves for future use in the absence of present need and present damage. However, a complaining State must show actual or immediately threatened damage of substantial magnitude to move the Supreme Court to grant relief.

Wyoming v. *Colorado* ((1922) 250 U. S. 419):

The decree in this case apportioned the water of the Laramie River which had been overappropriated. One of the interesting aspects is that in making the apportionment the Supreme Court held that the average for all years was far from the proper measure of the available supply. Therefore, apportionment had to be made of the dependable

flow. The fact that the same amount of water might produce more from an agricultural standpoint in lower sections of the river basin is immaterial to an adjudication of this type. Nor does the fact that the flow may be diverted to another basin determine the issue. Here the court apportioned the natural flow but it also took into account in making that apportionment the effects of storage of water in equalizing natural flow in Wyoming.

5. CONCLUDING STATEMENT

We trust that the foregoing will be of assistance to you in reaching conclusions on some of the issues involved in the controversy over the central Arizona project. Much of the debate and many of the objections are very similar to earlier statements by Arizona during the debate or the Boulder Canyon Project Act. See House and Senate debate on H. R. 5773, Seventieth Congress, and the views contained in House Report No. 918, Seventieth Congress. At that time it was claimed that there was dire need for the proposed development and arguments were made pro and con with regard to the desirability of Federal expenditures for rescue operations. Apparently, the allocation made under the Boulder Canyon Project Act is not sufficient to meet the needs of California, especially those for the industrial development now taking place in Los Angeles and elsewhere in the southern part of that State. On this point we invite attention to a statement inserted in the CONGRESSIONAL RECORD by Hon. GORDON L. MCDONOUGH (Appendix of the CONGRESSIONAL RECORD, p. A2856) entitled "Southern California Faces Severe Water Shortage," which contains an editorial entitled "Southern California Must Find New Water Sources." It is possible that in line with the needs of national defense the Federal Government could exercise its paramount power and divert all necessary flow of the Colorado River to industrial purposes for defense. See *Ashwander* v. *Tennessee Valley Authority* ((1936) 297 U. S. 298). Thus, even actual appropriations might necessarily give way to other dominant needs.

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Mr. CHAVEZ. Mr. President, that is all I care to say to the Senate at this time, having in mind only to endeavor to make the RECORD in such a way that New Mexico will at least feel satisfied that her rights would not be jeopardized by the passage of this bill. I hope it will pass.

AMENDMENT OF LABOR-MANAGEMENT RELATIONS ACT OF 1947

Mr. TAFT. Mr. President, about 4 years ago Congress passed the Labor Relations Act of 1947. That act was violently attacked and misrepresented, but every poll shows that it commands the support of a large majority of the American people, as it did when it was adopted; and practically every election where it has been an issue has shown the same popular support. Various amendments to the act are desirable, and this Senate passed a number of amendments 2 years ago, but all attempts to amend have been blocked by the administration attitude that they must have repeal or they will take nothing.

Recent proof of this is contained in the following statement from the Report of the Secretary of Labor for fiscal 1950, distributed to Members of Congress last week. In this report, Mr. Tobin says:

During the fiscal year, legislation was introduced to amend the National Labor Relations Act, as amended, to make lawful the use of hiring halls in the maritime industry, a practice held prohibited under the Taft-Hartley Act. Bills to this effect were introduced in the Senate by Senator MAGNUSON (S. 2196, reported favorably by the Committee on Labor and Public Welfare; S. Rept. 1827) and in the House of Representatives by the late Congressman Lesinski (H. R. 5008). While the Department of Labor supports the objective of these bills, it did not favor their enactment since it is the Department's belief that the best approach to the evils of the Taft-Hartley Act is through the repeal of that law.

In other words, the administration is still taking the position that it must have repeal or nothing, and is blocking and objecting to any amendments to the law which may be offered.

I am concerned now that, being unable to achieve repeal against opinion of the people, administration policy is aimed in the direction of trying to sabotage and nullify the law. In the coal case last year, the President refused to invoke the law until matters had gone so far that the situation was almost impossible, and when it was invoked the presentation of evidence was completely inadequate.

In the current discussion of the settlement of labor disputes during the present emergency, the provisions of the law have been largely bypassed and a procedure for settlement established which is completely extralegal, depending on Executive order alone. While I do not think this order nullifies the national emergency section of the Taft-Hartley law, certainly it completely bypasses it and sets up a procedure of doubtful legality. With respect to other provisions of the Taft-Hartley law, the new Board might take cases and make recommendations which will have the effect of bypassing the policy laid down by Congress in various provisions of that law: For example, cases which involve recognition or bargaining with foremen or guards, or where there is an intervening union claiming to represent the employees involved, or where the employer contends the union no longer represents the majority of the employees. The War Labor Board did just that during World War II even though there was a similar statutory prohibition against orders conflicting with the Wagner Act. The purposes of labor peace should be achieved under statutory procedure by statutory board with legal powers, and that can only be accomplished by an amendment to the Taft-Hartley law, given full consideration by the Congress.

I am even more concerned today by the attitude of the present National Labor Relations Board. The general effect of their decisions since the 1948 election has been to whittle away some of the basic principles of the law. This is true particularly of those provisions which were intended to protect the individual workman against the arbitrary action of union officials as well as against similar action by employers. Apparently a majority of the present Board has not yet reconciled itself to the limitations the law places on compulsory union membership, it has been indifferent to the protection of employees from union violence and coercion, and it has failed to carry out the spirit of the law with regard to the signing of non-Communist oaths by union officials. In other words, when the rights of the ordinary worker happened to conflict with the desires of union officials, the ordinary worker is likely to lose before the present Board, although the decisions have almost always produced a dissent from one or more members. I would like to call the attention of the Senate particularly to decisions which seem to me, as one of the authors of the act, to undermine some of its most important principles.

1. CLOSED AND UNION SHOP

One of the most basic rights conferred by the Taft-Hartley law is the provision in section 8 which prevents a union from depriving a workman of a job for any reason other than nonpayment of union dues or initiation fees. This provision was included in the law as a shelter for the workingman. It protects his right to work. Under the law a union may still expel a member for any reason it considers sufficient—whether good or bad—but it may not take away the member's livelihood, or cause discrimination in the terms and conditions of his employment, unless he was expelled for nonpayment of dues. This is a great reform, welcomed by the rank and file, and by most other Americans.

Officials of the National Labor Relations Board are charged by law with the protection of this right. In recent days they have rendered decisions which threaten its destruction. I refer both to actions of the general counsel on appeal from regional directors' refusals to issue complaints and to decisions of the Board itself.

General counsel: On March 30, 1951, in separate opinions where individuals were discharged pursuant to valid union shop contracts for loss of union membership not occasioned by nonpayment of dues, the general counsel refused to issue complaint. One case holds that a union may expel an employee from membership because of something that he did years before when working for another company, and that his current employer may then discharge him at the request of the union on the ground that otherwise his fellow employees will not work with him. In the other case the individual was expelled by the union for communistic activity and then the employer discharged him at the request of the union. On the facts given it is impossible to evoke any sympathy for the individual in either case. In both cases the individuals could have been discharged by the employers on their own motion, although they first learned the facts from the union. To hold, however, that they could be fired upon the union's demand for loss of membership under the union-shop contract or because the union members refused to work with them opens the door to old abuses and endangers the job security of American workmen.

In passing, however, I want to pay compliment to the present general counsel for instituting the practice of

making public his administrative decisions.

CASES BEFORE THE BOARD

In *Firestone Tire and Rubber Co.* (93 NLRB 161 (decided Mar. 27, 1951)) the Board ruled that an employer may lawfully sign a contract with a union which gives the union control of seniority in the plant. The conferring of this vital power on a union encourages membership in a union in a manner not permitted by the act. Many a worker will feel that he must follow even the most arbitrary commands of his union leaders in order to protect his precious seniority. If the employer administers seniority wrongly, the worker can file a grievance. If the union administers seniority wrongly, there is no practical recourse. The Board should face up to its duties and unhesitatingly nullify clauses of this type which threaten to rob the worker of his security under the Taft-Hartley law. In the instant case the employee's seniority was reduced by the union for nonpayment of dues, causing him to lose his job later in a reduction of force. As in the cases dismissed by the general counsel, the facts provoke no sympathy for the particular dischargee, but here again is precedent for recurrence of all the abuses we tried to eliminate. Hard cases make bad law.

Besides undermining the worker's protection under the decisions referred to, the Board has disregarded the limitations of the law on compulsory membership in other recent decisions.

In at least two cases since the first of the year, the Board has placed its stamp of approval on the preferential hiring of men through unions—even though the record shows that the only men referred by the unions for jobs were union members—*American Pipe and Steel Corp.* (93 NLRB 11), and *Missouri Boiler and Iron Co.* (93 NLRB 21). These cases may be distinguished from *Pacific American Ship Owners Assn.* (90 NLRB 167), where the union obligated itself by contract to make no discrimination between union and nonunion applicants in referrals for jobs, and there was no evidence that such discrimination was made in fact. These decisions go beyond the amendments passed by the Senate in 1949—which did not become law—and dangerously approach the authorization of a closed shop. In 1947 it was the view of Congress, with the overwhelming support of the public, that "the closed shop which requires pre-existing union membership as a condition of obtaining employment creates too great a barrier to free employment to be longer tolerated." I still agree with that view and have every reason to believe it has the support of the public. The Board throws out contracts which specify a closed shop. It should not permit this evil to come back through the rear door in some disguised but equally menacing form. If it does, the Board will have betrayed its responsibility to the Congress which created it.

2. COERCION AND VIOLENCE

Another protection for the American worker provided by the Taft-Hartley law was the guaranty of the right to continue at work without coercion from union pickets during a strike if that was the worker's desire. Last year during the debate on plan 12, which would have abolished the independent office of general counsel of the Board, I reported to the Senate on a number of cases in which the Board had excused any and all types of violence if committed by strikers. I find that the Board has continued to close its eyes to the rights of the workers who desire to continue at work during a strike. One of the most effective ways of discouraging the use of mass picketing and picket-line violence is to deny reinstatement to strikers who engage in such conduct.

Standard Oil Company of California (26 LRRM 1587 (Oct. 10, 1950)): Despite the fact that it has long been established by the courts that an employer need not reemploy a striking employee who has been guilty of acts of violence or other unlawful acts in the course of the strike, the Board in this case held the employer guilty of having committed an unfair labor practice where it refused to reemploy strikers who had committed the following acts:

(a) Gathered into a mob in front of the employer's gates, thus debarring persons lawfully entitled to enter the plant. The Board excused this conduct on the ground that the strikers did not gather at the gates "pursuant to any plan" to obstruct entry to or from the employer's premises.

(b) Walked back and forth across railroad tracks leading to the employer's premises, thus preventing the passage of trains to the premises. The striker involved in this incident had also stated that he would lie down on the tracks rather than permit passage of trains. The Board, however, said that this striker had not barred ingress to the plant by merely walking back and forth across the tracks.

(c) Threw stones at nonstrikers inside the plant gates. The Board condoned this action on two grounds: First, the stones which the particular striker threw were small, and second, the stones did not travel far because the striker involved had a crooked arm and the stones therefore fell harmlessly.

(d) Walked back and forth across the entrance way to the employer's parking lot, the striker involved in this incident being bumped by cars seeking to enter, and police officers having to pull him out of the way at least twice. After being so removed he continued to walk back and forth in the entrance way. The Board, however, said that this striker's conduct did not show a "fixed determination" on his part to bar ingress to the plant property.

(e) Followed nonstrikers in an automobile from the employer's premises to a bus stop, the evidence showing that the automobile was owned and driven by an employee of another oil company which was also being struck, and that police officers found the following objects in such automobile: A smoke bomb, two rocks, an ice pick, two hammers, and a 4-foot length of cord. The Board said that the strikers riding in the automobile did not know such objects were in the car and did not know to what use, if any, the bomb was to be put.

3. NON-COMMUNIST AFFIDAVIT CASES

The requirement that union officers must make non-Communist affidavits in order that their unions may enjoy the benefits of the law was perhaps primarily designed to protect the public and the American form of government, but it provided additional benefits to the union member by insuring that his union confine its activities to legitimate trade-union objectives for his benefit. The Supreme Court aptly expressed the congressional purposes in *CIO* v. *Douds* (339 U. S. 382) when it said:

> One such obstruction [to commerce], which it was the purpose of section 9 (h) of the act to remove, was the so-called political strike. Substantial amounts of evidence were presented to various committees of Congress, including the committees immediately concerned with labor legislation, that Communist leaders of labor unions had in the past and would continue in the future to subordinate legitimate trade-union objectives to obstructive strikes when dictated by party leaders, often in support of the policies of a foreign government.

Mr. Justice Jackson in his concurring opinion described the mechanics by which the provision was designed to meet its purposes, as follows:

> This labor leverage, however, usually can be obtained only by concealing the Communist tie from the union membership. Whatever grievances American workmen may have with American employers, they are too intelligent and informed to seek a remedy through a Communist Party which defends Soviet conscription of labor, forced labor camps, and the police state. Hence the resort to concealment, and hence the resentment of laws to compel disclosure of Communist Party ties.

Decisions of the Board have tended to retard the effectiveness of the non-Communist oath when it has been necessary to rule on close legal points.

The most publicized cases have involved determination of whether it is necessary for officers of the CIO and AFL to make the affidavit as well as officers of their constituent international unions and locals.

The Supreme Court of the United States, affirming the action of the United States Court of Appeals for both the Fourth and Fifth Circuits, has now held that the Board is wrong.

In *New Jersey Carpet Mills* (27 LRRM 1114 (Dec. 11, 1950)), the Board took a long step forward toward rendering ineffectual the non-Communist affidavit provisions of the law. The Board here held that an employer cannot defend its refusal to bargain with a majority union, which had not complied with the non-Communist affidavit requirements of the act, on the ground of the union's noncompliance, where the employer did not assert at the time of its refusal to bargain that it was motivated by such noncompliance. Members Reynolds and Murdock dissented sharply and expressed what clearly appears to be the correct view, namely, that the privilege of being an exclusive bargaining agent, conferred by the statute, is conditioned upon the union's being in compliance with the non-Communist affidavit provisions of the law. They pointed out that the effect of the decision

is to impose upon employers the obligation to bargain with noncomplying unions, including those with Communist leaders. Thus, during the period of noncompliance, Communist labor leaders may, as majority representatives, request an employer to bargain, confident, if the request is refused, that at a propitious moment they may perpetuate themselves in their union leadership by belated compliance and recourse to the Board.

As to the point that the employer violated the act because he did not advise the union that his refusal to bargain was based upon its noncompliance, members Reynolds and Murdock pointed out that an employer's good or bad faith is completely immaterial to the issue and that the limitations imposed by Congress on the rights of labor organizations cannot be waived by the employer.

Rawleigh Co. (90 NRLB (Aug. 17, 1950)): In this case the employer was held to have violated the law when he solicited individual strikers to return to work during a strike called by Harry Bridges' International Longshoremen's and Warehousemen's union. The charge was filed by individual employees since the union could not use the law because its officers had not complied with the non-Communist oath requirement. Nevertheless, the Board ordered the employer to cease and desist from discouraging membership in this Communist union.

4. GENERAL DECISIONS AGAINST RIGHTS OF EMPLOYERS

I do not intend at this time to discuss the disparity of treatment by the Board so far as employers are concerned. Such cases as the following illustrate the length to which the Board is going to find employers guilty of unfair labor practices:

(a) *Carter & Bro.* (26 LRRM 1427 (Aug. 22, 1950)): Where the Board held it to be a violation of the act for an employer to seek an injunction in a Texas State court and ordered him to withdraw or seek modification of such injunction.

(b) *Schultz Refrigerated Service* (25 LRRM 1123 (December 9, 1949)): Where the Board in effect removed the protection of the secondary boycott provisions of the act from all employers doing business with truckers by holding that a union did not violate the act by picketing trucks operated by a trucking company with which the union had a dispute while such trucks were on the premises of the trucking company's customers.

(c) *Heider Manufacturing Co.* (26 LRRM 1641 (October 23, 1950)): Where the Board in effect dictated to an employer what terms he must agree to in collective-bargaining contracts.

(d) *Maryland Dry Dock Co.* (25 LRRM 1471 (March 21, 1950)): Where the Board held that an employer could not ban the distribution on his property of insulting and defamatory literature by the union.

(e) The over 3-year delay in processing of cases against the International Typographical Union which so openly defied the law and announced its intention to circumvent it.

I might add that in almost every case I have referred to, there has been a dissent by at least one member of the Board.

As I said at the beginning of this statement, there are a number of respects in which the Labor Management Relations Act of 1947 should be amended. Congress should not be required, however, to take its time to reaffirm principles which are clearly apparent in the law merely for the purpose of reversing decisions of the National Labor Relations Board. Nevertheless, if the Board continues its present attitude, it may be necessary to pass such amendments with the open rebuke to the Board which such action should imply.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

Mr. KNOWLAND. Mr. President, returning to the discussion of the so-called central Arizona project, debate on which, under the unanimous-consent agreement will be limited beginning tomorrow at noon, after which votes on amendments to the bill and on the bill itself will be had, I venture again to emphasize some figures for the benefit of Senators who are interested in the growing cost of Government and the burdens upon the taxpayers of the United States.

We have heard much talk about the necessity for economy in government. We have heard much about the need for concentrating our attention pretty largely on national defense. We know that there is pending before the House of Representatives and its committee on Ways and Means a tax bill which will impose perhaps four or five billion dollars or more in new taxes upon the people of the United States.

It is one thing to talk about economy and it is another to face the issues that are involved. We are never going to have economy in government unless we are prepared to analyze each project that comes before the Senate, and to determine whether it is economically feasible, and whether the expenditure is justified in the national interest.

Arizona says in regard to the bill, that—

> The claim that the central Arizona project would cost the Nation's taxpayers $2,000,000,000 is false California propaganda. The cost would be $788,000,000, and it would be entirely repaid.

What are the facts? On May 12, 1950, the House Committee on Public Lands, by formal resolution, addressed to the Secretary of the Interior a questionnaire on the central Arizona project. Question 17 read:

> How much interest on the national debt occasioned by the project would be borne by the Nation's taxpayers, assuming a 75-year repayment period and a reasonable construction period?

The Secretary's reply, dated June 23, 1950, stated that—

> Assuming a construction cost of $703,780,000, a construction period of 8 years, and an interest cost of 2½ percent * * * the net interest on the national debt occasioned by the project and borne by the Nation's taxpayers would total approximately * * * $2,075,729,000.

I wish to say at this point, Mr. President, that so far as I know this is the first time in the history of our country when the legislation for a new reclamation project provided that a period of 75 years would be allowed for repayment. The reclamation laws in the past have provided for repayment periods of 40 years, plus a 10-year development period. I have said before, and I repeat now, I believe that if the pending measure shall be approved we will throw away the yardstick we have heretofore used in reclamation projects; and if we consent to a 75-year period, which some of us believe will actually run close to 80 years, by what standards are we going to measure the countless other projects which will come before the Senate? Certainly the sponsors of such projects will all have a right to say, "By the precedent you have established in the central Arizona project we claim the same rights and privileges for the particular project we have in mind." I believe we will then have thrown away any hope for a sound and constructive basis for our reclamation laws. I speak as a Senator from a western reclamation State. I think those who represent the West should be the first ones to oppose a project which is not economically sound.

In addition to the statement which the Secretary made that the interest would amount to $2,075,729,000, he also showed the burden calculated on the assumption of a lower construction cost and a 2 percent interest rate. Since that information was furnished to the committee by the Secretary, the Bureau of Reclamation itself has testified that costs are now up 11 percent. In other words, the original cost will be $788,000,000, and not $708,000,000, as had originally been figured. Furthermore, the proponents of the project figure at a rate of 2 percent interest, when as a matter of fact E bonds, which we are now selling to our citizens in order to meet deficit spending, bear interest at 2.9 percent. But even on the figures as presented by the Secretary, let us examine the situation.

How did the Secretary calculate the "interest on the national debt occasioned by the project and borne by the Nation's taxpayers"? He calculated it in exactly the same manner in which the interest burden on series E bonds is calculated, except that he assumed that the Government would pay only 2½ percent interest, whereas on E bonds it pays 2.9 percent. On a series E bond the Government borrows $750 for the $1,000 face value bond. It pays no interest year by year, but compounds semiannually the interest for 10 years at 2.9 percent, and at the end of the 10 years pays the holder $1,000. The interest burden on the Nation's taxpayers on every $750 bor-

rowed on a series E bond is $250, provided the bond is paid off at the end of 10 years. To raise $1,000 to pay the bond at maturity, a new bond must be sold for $1,000 in cash, but with a face value of four-thirds times the $1,000 which the buyer pays for it. If this process is repeated the debt grows as follows—and I am using a $1,000 bond so the Senators can clearly see how the burden grows:

The $750 paid in by the taxpayer, at interest which figures out at four-thirds, equals $1,000 at the end of the 10-year period. If the $1,000 then is to be paid off, a $1,000 bond must be sold by the Government, and at the end of that 10 years the taxpayer receives $1,333. At the end of 30 years, it having been necessary to repeat the procedure, the Government again having to sell bonds, it amounts to $1,770. That process continues, Mr. President, until, at the end of the 75-year period, which is the period in which it is estimated the project will pay out, the interest burden, added to the original $750 borrowed from the taxpayer, adds up to $4,859.

The Secretary's similar calculation for the central Arizona project is perfectly simple. He said in his reply to the House committee that the construction cost on the project would be $708,780,000, and that interest during 8 years of construction would increase this to $782,360,000, which would be the investment when the project began operating.

Interest on $782,360,000, at 2½ percent, is $19,559,000 a year.

The project revenues must pay this interest to the Government bondholder, or the taxpayers must do so.

The Secretary had previously reported to Congress that the project would produce the following revenues:

Average annual gross revenue from sale of water and power	$16,310,800
Average annual costs of operation, maintenance, and replacements	6,735,300
Net revenue available for payment of interest	9,575,500

Thus, even if the project had no operating costs at all, the gross revenues would never equal simple interest alone. And after operating costs are paid, the net annual revenue fails by a minimum of over $10,000,000 a year to equal the minimum annual interest the Treasury must pay the bondholder, leaving no revenue to pay off the construction cost over the 75-year period.

The Treasury must raise the difference by borrowing more money, through the sale of E bonds, or in some equivalent manner. The debt thus compounds, year by year. And so the burden on the Nation's taxpayers pyramids until, in the Secretary's language, if the project originally cost $708,780,000, it follows that during the first 75 years of operation the net interest on the national debt occasioned by the project and borne by the Nation's taxpayers would total approximately $2,075,729,000.

And even then, after 75 years, the original debt of $708,780,000 is still unpaid. The Secretary applied all of the net annual revenue to the interest charge and none to repayment of construction cost as proposed by the bill, S. 75. The figure of $2,075,729,000 is net interest alone.

Actually, the picture is a great deal worse because the Secretary has since increased his construction cost estimate 11 percent, to a total of $788,265,000.

Applying this correction, the grand total cost to the Nation's taxpayers occasioned by the project is $3,222,297,000.

The method used by the Secretary is equivalent to the year-by-year computations shown in the following analysis, using the Secretary's 1951 construction cost estimate of $788,000,000, and the Secretary's 1951 estimates of revenues:

Construction cost	$788,265,000
Interest during construction	81,832,000
First year of 75-year period:	
Investment at start of 75-year period	870,097,000
Interest for year at 2½ percent	21,752,000
Less net revenue for year	10,806,000
Interest unpaid for year	10,946,000
Plus investment at start of year	870,097,000
Investment at end of first year	881,043,000

(Note that net revenue is not sufficient to cover the year's interest. The deficiency, $10,946,000, must, therefore, be added to the outstanding investment in the project.)

Mr. President, I ask to have printed in the RECORD at this point, as a part of my remarks, a statement or table to show the situation at the end of the second year, the third year, and so forth.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Second year of 75-year period:	
Interest for year (2½ percent of $881,043,000)	$22,026,000
Less net revenue for year	10,806,000
Interest unpaid for year	11,220,000
Plus investment at start of year	881,043,000
Investment end of 2d year	892,263,000
Third year of 75-year period:	
Interest for year at 2½ percent	22,307,000
Less net revenue for year	10,806,000
Interest unpaid for year	11,501,000
Plus investment at start of year	892,263,000
Investment end of 3d year	903,764,000

In the same way, the computations would be carried on for each of the remaining years of the 75-year period and total at the end of that period:

Total unpaid interest end of 75-year period	$2,352,200,000
Total outstanding and unpaid investment	3,222,297,000
The unpaid investment is made up of:	
Construction cost	788,265,000
Interest during construction	81,832,000
Unpaid interest during 75 years	2,352,200,000
Grand total	3,222,297,000

Which is the total cost to the Nation's taxpayers occasioned by the project.

Mr. KNOWLAND. So with the total unpaid interest at the end of the 75-year period, using the same figures which I previously used in connection with the E-bond illustration, showing the investment in an E-bond by a taxpayer, we find a total outstanding and unpaid investment of $3,222,297,000.

Mr. President, we cannot ignore these facts. It is quite true that under the reclamation laws we have had a certain yardstick or standard, namely, that the maximum period shall be 40 years plus a development period. Under the terms of the pending bill it is now proposed to throw away that yardstick. I submit that if we do it in this instance we shall have no opportunity to say to some other area or some other State, "We are going to give the central Arizona project preferential treatment." Other areas and other States will have a right to say, "Since you have modified the reclamation laws to this extent, we claim the same privilege." I think, in equity, they would be able to do so. So we would have destroyed the reclamation laws without bothering actually to amend the laws in the normal legislative manner.

Mr. President, I repeat that I think a case might be made, after proper hearings and consideration by the Congress, for extending the present period under our reclamation laws from 50 years to 55 years, or perhaps 60 years. But I submit that it should be done in an orderly legislative manner, in order that those interested in every project in the country may know that all projects are to be measured by the same yardstick.

On the question of the interest component, if the Congress, in the exercise of its judgment, desires to use a part of the interest on a power project for reclamation needs, the Congress certainly has the right, as a matter of public policy, to reach that determination. But to date Congress has not done so. It may be that the Congress will determine that, instead of all power projects repaying the total investment plus interest—as in the case of Hoover Dam, at 3 percent—as has been the case heretofore under the reclamation laws, perhaps we should require such projects to pay, let us say, only 2 percent, and use the other 1 percent to help out in irrigation. If that is something which the Congress wishes to do through proper legislation, as a matter of public policy, there is no reason why the Congress should not do it. But I submit that it should be done in an open and aboveboard manner, by legislation properly amending the existing statutes, and after hearings have been held before committees in the Senate and House of Representatives. If the Congress wishes to take some other percentage of the so-called interest component, I think it should be done by general legislation, so that the same rules will apply to all projects. But I submit that if the camel once gets his nose under the tent, and we establish a precedent in this situation, we shall have what I believe to be an unsound project from an economic point of view, and I think we would destroy all the yardsticks we have heretofore used.

In addition to the economic features of this project, we have pointed out before that there is a major difference on the question of the amount of water available to the project. Arizona has one view. The two States of California and Nevada have another point of view. I make this statement subject to correction, but I do not believe that there has ever been reported from the Interior and Insular Affairs Committee a bill calling for a project in the upper-basin area of this country on a river which is involved in an interstate situation, with respect to which the committee has not first required either an interstate compact or an adjudication of the differences of opinion. I believe that that is very sound, because it would be most unfair, when there is an honest dispute as to water in the upper basin or in the lower basin, for a committee to report a bill when that question has not been determined by the States directly involved. In this situation there has been neither an adjudication or an interstate compact dealing with the division of lower-basin water as such. Of the lower-basin States which are most directly involved, two of them are opposing this project, and one of them is supporting it. So I submit that I think it is a very dangerous precedent which we are being asked to set by congressional action, to try to take a stand which may prejudice the rights of some of the States which are deeply involved in this subject.

Mr. President, I suggest the absence of a quorum.

Mr. SPARKMAN. Mr. President, will the Senator withhold his suggestion for a few minutes? I have a matter which I should like to present before the committee goes back into session at 2:30.

Mr. KNOWLAND. I withhold the suggestion of the absence of a quorum.

AMENDMENT OF DEFENSE PRODUCTION ACT OF 1950—AMENDMENT

Mr. SPARKMAN. Mr. President, I submit for appropriate reference an amendment intended to be proposed to Senate bill 1397, to amend the Defense Production Act of 1950, and for other purposes, which is now being considered by the Committee on Banking and Currency.

The amendment is being submitted by myself and in behalf of the Senator from Maryland [Mr. O'CONOR], the Senator from Louisiana [Mr. LONG], the Senator from Iowa [Mr. GILLETTE], the junior Senator from Minnesota [Mr. HUMPHREY], the junior Senator from Wyoming [Mr. HUNT], the junior Senator from Connecticut [Mr. BENTON], the Senator from New Hampshire [Mr. TOBEY], the Senator from Massachusetts [Mr. SALTONSTALL], the senior Senator from Minnesota [Mr. THYE], the junior Senator from New Jersey [Mr. HENDRICKSON], the senior Senator from Kansas [Mr. SCHOEPPEL], the junior Senator from Pennsylvania [Mr. DUFF], the junior Senator from New Mexico [Mr. ANDERSON], the junior Senator from Kansas [Mr. CARLSON], the junior Senator from South Dakota [Mr. CASE], the senior Senator from Illinois [Mr. DOUGLAS], the Senator from Vermont [Mr. FLANDERS], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], my colleague the senior Senator from Alabama [Mr. HILL], the senior Senator from New York [Mr. IVES], the Senator from Tennessee [Mr. KEFAUVER], the senior Senator from Oklahoma [Mr. KERR], the senior Senator from West Virginia [Mr. KILGORE], the Senator from North Dakota [Mr. LANGER], the junior Senator from New York [Mr. LEHMAN], the senior Senator from Washington [Mr. MAGNUSON], the junior Senator from Washington [Mr. CAIN], the Senator from Wisconsin [Mr. MCCARTHY], the senior Senator from Connecticut [Mr. MCMAHON], the Senator from Nevada [Mr. MALONE], the junior Senator from Florida [Mr. SMATHERS], the senior Senator from Pennsylvania [Mr. MARTIN], the junior Senator from Oklahoma [Mr. MONRONEY], the Senator from Michigan [Mr. MOODY], the senior Senator from South Dakota [Mr. MUNDT], the Senator from Montana [Mr. MURRAY], the junior Senator from West Virginia [Mr. NEELY], the Senator from California [Mr. NIXON], the senior Senator from Wyoming [Mr. O'MAHONEY], the senior Senator from New Jersey [Mr. SMITH], the senior Senator from Nebraska [Mr. BUTLER], the Senator from Kentucky [Mr. UNDERWOOD], the senior Senator from New Mexico [Mr. CHAVEZ], the Senator from Oregon [Mr. MORSE], the junior Senator from Rhode Island [Mr. PASTORE], the Senator from Maine [Mrs. SMITH], the Senator from Mississippi [Mr. STENNIS], and the Senator from North Carolina [Mr. HOEY].

The PRESIDING OFFICER. The amendment will be received and appropriately referred.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the amendment be printed in the body of the RECORD at this point in my remarks. I wish to make a brief explanatory statement of it.

There being no objection, the amendment was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

On page 41, between lines 9 and 10, insert the following new section:

"SEC. 109. Section 701 of the Defense Production Act of 1950 is amended to read as follows:

"'SEC. 701. (a) (1) It is the sense of the Congress that small-business concerns be encouraged to make the greatest possible contribution toward achieving the objectives of this act. In order to carry out this policy there is hereby created a body corporate under the name "Small Defense Plants Corporation" (hereinafter referred to as the Corporation), which Corporation shall be under the general direction and supervision of the President. The principal office of the Corporation shall be located in the District of Columbia, but the Corporation may establish such branch offices in other places in the United States as may be determined by the Administrator of the Corporation.

"'(2) The Corporation is authorized to obtain money from the Treasury of the United States, for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $, outstanding at any one time. For this purpose appropriations not to exceed $ are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Corporation from the revolving fund when requested by the Corporation.

"'(3) The management of the Corporation shall be vested in an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be a person of outstanding qualifications known to be familiar and sympathetic with small-business needs and problems. The Administrator shall receive compensation at the rate of $17,500 per annum. The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator. The Administrator is authorized to appoint two Deputy Administrators to assist in the execution of the functions vested in the Corporation. Deputy Administrators shall be paid at the rate of $15,000 per annum.

"'(4) The Corporation shall not have succession, beyond June 30, 1953, except for purposes of liquidation, unless its life is extended beyond such date pursuant to an act of Congress. It shall have power to adopt, alter, and use a corporate seal, which shall be judicially noticed; to make contracts; to lease such real estate as may be necessary for the transaction of its business; to sue and be sued, to complain and to defend, in any court of competent jurisdiction, State or Federal; to select and employ such officers, employees, attorneys, and agents as shall be necessary for the transaction of business of the Corporation; to define their authority and duties, require bonds of them, and fix the penalties thereof; and to prescribe, amend, and repeal, by its Administrator, bylaws, rules, and regulations governing the manner in which its general business may be conducted and the powers granted to it by law may be exercised and enjoyed. The Administrator shall determine and prescribe the manner in which the Corporation's obligations shall be incurred and its expenses allowed and paid. The Corporation shall be entitled to the free use of the United States mails in the same manner as the executive departments of the Government. The Corporation, with the consent of any board, commission, independent establishment, or executive department of the Government, may avail itself of the use of information, services, facilities, including any field service thereof, officers, and employees thereof in carrying out the provisions of this section.

"'(5) All moneys of the Corporation not otherwise employed may be deposited with the Treasurer of the United States subject to check by authority of the Corporation or in any Federal Reserve bank. The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for the Corporation in the general performance of its powers conferred by this act. All insured banks, when designated by the Secretary of the Treasury, shall act as depositaries, custodians, and financial agents for the Corporation.

"'(b) (1) The Corporation is empowered—

"'(A) to recommend to the Reconstruction Finance Corporation loans or advances, on such terms and conditions and with such maturities as it may determine, to enable small-business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or finance the acquisition of equipment, facilities, machinery, supplies, or materials; or to finance research, development, and experimental work of new or improved products or processes; or to supply such concerns with capital to be used in the manufacture of articles, equipment, supplies, or materials for defense or essential civilian purposes; or to establish and operate technical laboratories to serve small-business concerns; such loans or advances to be made or effected either directly by the Reconstruction Finance Corporation or in cooperation with banks or other lending institutions through agreements to participate insurance of loans, or

by the purchase of participations, or otherwise;

"'(B) to purchase or lease such land, to purchase, lease, build, or expand such plants, and to purchase or produce such equipment, facilities, machinery, materials, or supplies, as may be needed to enable the Corporation to provide small-business concerns with such land, plants, equipment, facilities, machinery, materials, or supplies as such concerns may require to engage in the production of such articles, equipment, supplies, or materials;

"'(C) to lease, sell, or otherwise dispose of to any small-business concern any such land, plants, equipment, facilities, machinery, materials, or supplies;

"'(D) to enter into contracts with the United States Government and any department, agency, or officer thereof having procurement powers obligating the Corporation to furnish articles, equipment, supplies, or materials to the Government;

"'(E) to arrange for the performance of such contracts by letting subcontracts to small-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Corporation to perform such contracts; and

"'(F) to provide technical and managerial aids to small-business concerns by maintaining a clearinghouse for technical information, by cooperating with other Government agencies, by disseminating information, and by such other activities as are deemed appropriate by the Corporation.

"'(2) In any case in which the Corporation certifies to any officer of the Government having procurement powers that the Corporation is competent to perform any specific Government procurement contract to be let by any such officer, such officer shall be required to let such procurement contract to the Corporation upon such terms and conditions as may be specified by the Corporation. Subcontracts may be let upon such terms and conditions as the Corporation may deem appropriate in accordance with such regulations as may be prescribed under section 201 of the First War Powers Act, 1941, as amended.

"'(c)(1) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining money, property, or anything of value, under this section, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 2 years, or both.

"'(2) Whoever, being connected in any capacity with the Corporation, (1) embezzles, abstracts, purloins, or willfully misapplies any money, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it; or (2) with intent to defraud the Corporation or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of or to the Corporation, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof; or (3) with intent to defraud participants, shares, receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, commission, contract, or any other act of the Corporation; or (4) gives any unauthorized information concerning any future action or plan of the Corporation which might affect the value of securities, or, having such knowledge, invests or speculates, directly or indirectly, in the securities or property of any company or corporation receiving loans or other assistance from the Corporation, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both.

"'(d) Whenever the Corporation has completed any transaction under clause (B), or (C) of subsection (b) (1) of this section, it may transfer the plant, equipment, facilities, machinery, materials, supplies, leases, or other property resulting from such transaction to the Reconstruction Finance Corporation, and the Reconstruction Finance Corporation shall service and administer such property, as the agent of the Corporation, remitting to it any interest, principal, or other proceeds or collections, after deducting actual expense of service and administration.

"'(e) (1) It shall be the duty of the Corporation, and it is hereby empowered, to coordinate and to determine the means by which the productive capacity of small-business concerns can be most effectively utilized for national defense and essential civilian production.

"'(2) It shall be the duty of the Corporation, and it is hereby empowered, to consult and cooperate with appropriate governmental agencies in the issuance of all orders limiting or expanding production by business enterprises in order that small-business concerns will be most effectively utilized in the production of articles, equipment, supplies, and materials for national defense and essential civilian purposes.

"'(3) All governmental agencies are required, before issuing orders limiting or expanding production or granting priorities to business enterprises, to consult and cooperate with the Corporation in order that small-business concerns will be most effectively utilized in the production of articles, equipment, supplies, and materials for national defense and essential civilian purposes.

"'(f) The Corporation shall have power, and it is hereby directed, whenever it determines such action is necessary—

"'(1) to make a complete inventory of all productive facilities of small-business concerns which can be used for defense and essential civilian production, or to arrange for such inventory to be made by any other governmental agency which has the facilities;

"'(2) to consult and cooperate with officers of the Government having procurement powers in order to utilize the potential productive capacity of plants operated by small-business concerns;

"'(3) to obtain detailed information as to the methods and terms which Government prime contractors utilize in letting subcontracts and to take action to insure the letting of subcontracts by prime contractors to small-business concerns at prices and on conditions and terms which are fair and equitable;

"'(4) to take such action in the letting of Government procurement contracts as is necessary to provide small-business concerns with an adequate incentive to engage in defense and essential civilian production and to facilitate the conversion and the equipping of plants of small-business concerns for such production;

"'(5) to determine within any industry the concerns, firms, persons, corporations, partnerships, cooperatives, or other business enterprises, which are to be designated 'small-business concerns' for the purpose of effectuating the provisions of this section;

"'(6) to certify to Government procurement officers with respect to the competency, as to capacity and credit, of any small-business concern or group of such concerns to perform a specific Government procurement contract;

"'(7) to obtain from any Federal department, establishment, or agency engaged in defense procurement or in the financing of defense procurement or production such reports concerning the letting of contracts and subcontracts and making of loans to business concerns as it may deem pertinent in carrying out its functions under this act;

"'(8) to obtain from suppliers of materials information pertaining to the method of filling orders and the bases for allocating their supply, whenever it appears that any small business is unable to obtain materials for defense or essential civilian production from its normal sources;

"'(9) to make studies and recommendations to the appropriate Federal agencies to insure a fair and equitable share of materials, supplies, and equipment to small-business concerns to effectuate the defense program or for essential civilian purposes; and

"'(10) to consult and cooperate with all Government agencies for the purpose of insuring that small-business concerns shall receive fair and reasonable treatment from said agencies.

"'(g) (1) In any case in which a small-business concern or group of such concerns has been certified by or under the authority of the Corporation to be a competent Government contractor with respect to capacity and credit as to a specific Government procurement contract, the officers of the Government having procurement powers are directed to accept such certification as conclusive, and are authorized to let such Government procurement contract to such concern or group of concerns without requiring it to meet any other requirements with respect to capacity and credit.

"'(2) The Congress has as its policy that a fair proportion of the total purchases and contracts for supplies and services for the Government shall be placed with small-business concerns. To effectuate such policy, only small-business concerns within the meaning of this act shall receive any award or contract or any part thereof if it is determined by the Corporation (and the contracting procurement agencies) (1) to be in the interest of mobilizing the Nation's full productive capacity, or (2) to be in the interest of the national defense program.

"'(3) Whenever materials or supplies are allocated by law, a fair and equitable percentage thereof shall be made available to the Corporation, to be allocated by it to small plants unable to obtain the necessary materials or supplies from usual sources. Such percentage shall be determined by the head of the lawful allocating authority after giving full consideration to the claims presented by the Corporation.

"'(4) Whenever the President invokes the powers given him in this Act to allocate, or approve agreements allocating any material, to an extent which the President finds will result in a significant dislocation of the normal distribution in the civilian market, he shall do so in such a manner as to make available, so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period preceding June 24, 1950: *Provided*, That the limitations and restrictions imposed on the production of specific items exclude new concerns from a fair and reasonable share of total authorized production.

"'(h) The Corporation shall make a report every 90 days of operations under this title to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include the names of the business concerns to whom contracts are let, and for whom financing is arranged, by the Corporation, together with the amounts involved, and such report shall include such other information, and such comments and recommendations, with respect

to the relation of small-business concerns to the defense effort, as the Corporation may deem appropriate.

"'(i) The Corporation is hereby empowered to make studies of the effect of price, credit, and other controls imposed under the defense program and whenever it finds that these controls discriminate against or impose undue hardship upon small business, to make recommendations to the appropriate Federal agency for the adjustment of controls to the needs of small business.

"'(j) The Reconstruction Finance Corporation is authorized to make loans and advances upon the recommendation of the Small Defense Plants Corporation as provided in (b) (1) (A) of this section not to exceed an aggregate of $100,000,000 outstanding at any one time, on such terms and conditions and with such maturities as Reconstruction Finance Corporation may determine.

"'(k) The President shall transfer to the Corporation all functions, powers, and duties of each department or agency of the United States which relates primarily to small-business problems.

"'(l) Section 101 of the Government Corporations Control Act is amended by inserting immediately after "Commodity Credit Corporation;" the following: "Small Defense Plants Corporation;".'"

Mr. SPARKMAN. Mr. President, in America today small-business men in great numbers are in trouble. Since the outbreak of war in Korea evidence has been piling up daily that the economic cards are stacked against small manufacturers and that unless immediate and concrete assistance is given to them a disastrous situation may be recognized too late. Therefore more than 30 Members of the Senate are joining me in submitting at this time to the bill proposing to amend the Defense Production Act of 1950 an amendment which would create an independent small-business agency.

The amendment is supported by the entire membership of both the House and Senate Small Business Committees.

I may say that the first 13 names of the sponsoring Senators are the names of the members of the Select Committee on Small Business. The amendment is unanimously supported and sponsored by the entire membership of the committee. Every Senator has had numerous daily reminders of how ineffective are the efforts of existing small-business offices in the executive defense agencies.

Our mail is heavy with pleas of small-business men for an even break in the mobilization program. We have a continuous stream of small-business men who come to Washington to see us. They want no hand-out; they merely want fair treatment. After 11 months I know that many of my colleagues share my feeling that the defense agencies have failed in their efforts to aid small business.

To literally thousands of small manufacturers it is as though the calendar had been turned back 10 years. They have not forgotten how, after Pearl Harbor, the managers of our war-mobilization activities turned their backs and said in effect, "We don't need you." Naturally it then became a matter of sinking or swimming. Thousands sank. In fact, almost one out of every five of our smaller enterprises disappeared from the face of our economy during the early years of the last war.

How could it have been otherwise when, with civilian production cut to bone, the vast bulk of war contracts was then funneled to a handful of our biggest corporations? Let me recall that from 1940 to 1944, 100 corporations received 67 percent of all prime war contracts of $50,000 and more. Was it any wonder that the rank and file of small plant operators suffered?

Incredible as it may seem, since Korea, we have permitted ourselves to fall into the selfsame errors. In 1942 it took an act of Congress to correct the ruinous position into which small business had been forced. Today, I am convinced, action by the Congress will again be required to preserve our smaller business units.

It is a matter of common knowledge that current material shortages and cutbacks in certain civilian lines of production have worked extreme hardships on many small producers. They must either convert to war work or close down. However, the percentage of small establishments which so far has been successful in obtaining defense contracts is negligible. To a considerable extent, our mobilization program is still in the tooling-up stage. There have been many multi-million-dollar contracts awarded to large prime contractors, but the bulk of these is not as yet in production. This means that subcontracts, upon which so many thousands of small plants must hang their hopes of survival, have not been available.

That something must be done for small business, and done now, is evident to everyone who has had occasion to speak with small-business men during the past 11 months.

A brief statement of the proposed functions of the contemplated emergency and temporary defense agency will clarify its scope and objectives.

Small business needs defense contracts. Small Defense Plants Corporation is empowered to certify qualified small plants to procurement agencies for prime contracts. In addition, the Corporation is authorized, when necessary, to actually take contracts as a prime contractor and to break these down into subcontracts for distribution among small producers. Procurement officers are also required to report from time to time on the extent to which they have utilized small productive facilities.

Small business needs materials. The Corporation is authorized to act as a claimant agency on the available stocks of materials and supplies to assure that the smaller units obtain a fair share. Reports will be asked from producers and distributors of scarce materials so that any marked tendency toward maldistribution or hoarding may be checked.

Small business needs readier access to general credit and financial assistance. The Corporation is authorized to recommend to the Reconstruction Finance Corporation worthy small producers in need of funds for conversion, expansion, machinery, and equipment to be used for defense or essential civilian production. Such loans and advances shall be covered by a special fund of $100,000,000 earmarked by the RFC for this purpose. In addition, the Small Defense Plants Corporation may from its own revolving fund extend credit to small establishments in cases where financial assistance is not available from other sources.

These are the major provisions of the amendment. Perhaps as important as any of those mentioned, however, is that the amendment will create and centralize, in one place within the Federal establishment, responsibility for safeguarding the welfare of a vital, yet unprotected, segment of our economy.

The very fact that such a Corporation is in existence will provide an inestimable advantage to small-business men by serving notice on any who might, by design or unconsciously, seek to foist on this industry segment a disproportionate share of our mobilization hardships, that small business is in the mobilization picture to stay.

That is only as it should be. Throughout our history the staying power of small independent American enterprises has, with only occasional help over the rough spots, been a mighty bulwark against the whole host of "isms" which seek to undermine that economic democracy which is the basis of our political freedom.

This amendment, which seems to have the limited objective of aiding small business, actually will invigorate and strengthen our entire economy which, in the last analysis, rests squarely upon the broad base made up of and vitalized by hundreds of thousands of small free enterprises.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

Mr. NIXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BUTLER of Maryland in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NIXON. Mr. President, I ask unanimous consent that further proceedings in connection with the calling of the roll be suspended, and that the order for the calling of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NIXON. Mr. President, before the Senate votes tomorrow on Senate bill 75, which is now pending, I think it might be well to place in the RECORD some of the answers to the contentions which have been made by the distinguished Members of the Senate from the State or Arizona on this controversy. I recognize that this is an issue involving a legal controversy which will not be resolved one way or the other by anything which either the Senators from Arizona or the Senators from California may say in regard to it.

On the other hand, in order that the other Members of the Senate who are

not directly involved may have an opportunity to have before them all the facts in connection with this matter, I think it would be well to answer specifically some of the propositions which have been laid before the Senate during the past week in which this debate has been going on.

In the first place, I have noted that the distinguished majority leader, the Senator from Arizona [Mr. McFARLAND], has expounded at considerable length and in great detail his views as to the legal issues which have existed for the last generation among the States of the lower basin of the Colorado and he has asserted that Arizona's rights to the water in question are unassailable—that is to say, rights to the waters which are needed for this particular project. Obviously, he is entitled to his opinion. However, there are those of us who disagree with that opinion. Nevertheless, I think there is one point of agreement, namely, that the Senator from Arizona has admitted that there is a dispute over these questions which is so grave that passage of Senate bill 75, his bill, is necessary because its passage is the only way, as he puts it, that the dispute can get into court. The Senator from Arizona grants that the project proposed under the terms of section 15 of the bill cannot be constructed for years.

Notwithstanding the Senator's argument of the legal questions, he cannot settle them, the Senate cannot settle them, and the entire Congress cannot settle them. The only forum in which they can be determined is the Supreme Court of the United States.

It is for this reason that the Senators from California will not take the time of the Senate to make an exhaustive examination of the merits of the legal questions which make up the controversy. To do so would serve no useful purpose. It is perhaps sufficient to say that every contention which Arizona makes is controverted on substantial grounds by well-informed and able counsel for the two States of Nevada and California, including, for example, the attorneys general of both States.

To demonstrate, however, the substantial character of the arguments of California and Nevada, I should like to submit at this time some thumbnail comments on the principal Arizona positions:

First. In answer to the general charge that California, by making contracts with the United States for 5,362,000 acre-feet a year of Colorado River water, has exceeded the terms of the California Limitation Act, it is sufficient to say that in the last suit in the Supreme Court between Arizona and the other six States of the Colorado River Basin, Arizona, herself, alleged that California was legally entitled to 5,484,500 acre-feet a year; and the Supreme Court so found. That quantity, as Members of the Senate will note, exceeds the total amount of water claimed by California under her Government contracts. Arizona now repudiates what she told the Court.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. NIXON. I yield to the Senator from New Mexico.

Mr. ANDERSON. Did the Senator say the Supreme Court so found, and that the Supreme Court decreed that California was entitled to 5,484,500 acre-feet a year?

Mr. NIXON. The Supreme Court, in making its decision in the case of *Arizona* v. *California* (298 U. S. 558), proceeded on the assumption that Arizona's allegation of the amount of water to which California was entitled was correct. I give the citation because there were three cases between those two States involving water rights. In other words, no question was raised, either during the consideration of the case or in the opinion itself, on that particular point.

Mr. ANDERSON. It seems to me incredible that the Supreme Court would hold that California was entitled to 5,484,500 acre-feet of water a year, because that would amount to a partial allocation of these waters. The States of Nevada and New Mexico are participants. If any final allocation is to be made, I do not believe the Supreme Court should make it without those States being in court. I may say to the Senator, that while in general I thought he was approaching his discussion of the subject in a very fair and open fashion, in my opinion the statement that the Supreme Court so found, and which is the only one I desire to challenge, is, perhaps to some degree, at least, in error

Mr. NIXON. I think a reading of the opinion of the Court in the case cited will bear out the statement I have made, that, so far as the Court was concerned, no question was raised as to the allegation of Arizona in her complaint to the effect that California was entitled to 5,484,500 acre-feet of water. It seems to me that, since the opinion of the Court proceeded on that assumption, we would be justified in saying that, at least for the purposes of that opinion, it was a finding of the Court, as to the facts in that particular case, at least.

Mr. ANDERSON. I should like to add, if the Senator from California will permit, that every time a matter gets into the CONGRESSIONAL RECORD which would tend to establish legislative history, some of us become interested and get excited. I merely wanted to make sure that there is a challenge, here on the floor of the Senate, to any idea that the Supreme Court actually conceded that much water to the State of California. I am sure the Senator from California will excuse me, realizing I am not an attorney, but my impression was that the Court failed to pass entirely upon the merits of the claims of the various States to the waters of the Colorado River, but ruled against Arizona on other grounds.

Mr. NIXON. The Senator is absolutely correct in his impression as to the findings in the case, so far as the merits of the controversy are concerned. That is why both Senators from California and, I may add, the Senators from Arizona, say that it is now essential that, somehow, a case be taken to the Supreme Court, so that that particular point may be established.

The point I was making was that, in this particular case, Arizona alleged in its complaint that California was entitled to that amount of water, and the opinion in no way controverted that point made by Arizona.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. NIXON. I yield to the Senator from Arizona.

Mr. McFARLAND. This is a strange interpretation, and certainly new to me; I have never heard it claimed that the Supreme Court has ever held that California was entitled to this amount of water. This is the first time I have ever heard that construction placed upon the decision, namely, that California has a firm right to 5,484,500 acre-feet of Colorado River water, or any other construction than California was entitled to 4,400,000 acre-feet of III-(a) water, and one-half the surplus. I think the Supreme Court, in its last decision in these cases, was very clear in stating that III-(b) water was not surplus. I shall discuss this allegation in my own time; but I certainly want to challenge the statement of the Senator now when he makes it on the floor of the Senate. Of all the lawyers representing California whom I have heard testify, I have never yet heard one contend that the Supreme Court has in any way, even by inference, said that California was entitled to that amount of water.

Mr. NIXON. Let me say, in answer to the Senator from Arizona, I do not believe he can question the fact that the complaint of the State of Arizona in this case alleged that California was entitled to the 5,484,500 acre-feet of water. On the question of how the opinion and finding of the Court in the case should be interpreted, we might have disagreement; but the point I was making—and I think the decision will bear me out completely in this instance—was that in this case the position of the State of Arizona, as of the time the case was decided, in 1936, was considerably different from what it is now. I may say, of course, the State of Arizona, like the State of California, has a right to change its position; but, in any event, as of that time, the State of Arizona was not even questioning the amount of water to which California was entitled, up to 5,484,500 acre-feet a year.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. NIXON. I yield to the Senator from Arizona.

Mr. McFARLAND. The mere allegation of a claim by another State does not establish a right. California is not entitled to more than the 4,400,000 acre-feet of III-(a) water, and one-half the surplus unapportioned water. But California disclaims any interest to anything other than surplus waters except for the 4,400,000 acre-feet of water which she, by her own act, has said is all of the apportioned waters she would claim.

The only reason we have not been able to get into court to settle the water claims is because the Supreme Court has declared that there is no authorized

project, and until Arizona does have an authorized project there is no legal threat to California.

Mr. NIXON. Let me say that I shall discuss in greater detail, tomorrow, when there are more Members of the Senate present to hear the discussion, the problem whether a case can be made for court action under the particular sections of the pending bill. But, in any event, I think the Senator from Arizona will recognize that we have a basic disagreement on that point. I may say that this colloquy between the Senators from Arizona and New Mexico, on the one hand, and the junior Senator from California on the other, indicates certainly that we have agreement on one thing, and that is that there is involved a decision which cannot be made by the Senate of the United States, it is a decision which cannot be made by counsel for either of the two States, but it is a decision which must be made by the Supreme Court.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. NIXON. I will yield in a moment. I may say it seems to me that a decision on this question should be made before the Senate of the United States approves a project which, I respectfully suggest, is of such doubtful feasibility as the one immediately before us. The Senator, of course, I know holds to the proposition that approval of an unfeasible project—and I recognize that the Senator from Arizona would not agree with my characterization of the project—is essential before it becomes possible to get the question into court. I do not think that is the case, and I believe the arguments which can be made on that point will support California's position rather than that of Arizona.

Mr. McFARLAND. Mr. President, will the Senator now yield?

Mr. NIXON. I yield to the Senator from Arizona.

Mr. McFARLAND. I do not agree with the Senator when he says that the Congress has not settled the legal question. In my judgment, it was definitely settled by the Boulder Canyon Project Act. I think that law definitely declared, as I pointed out on the opening day of this discussion, as to what III-(a) water was and as to what III-(b) water was. It said that III-(b) water was apportioned water; because it approved in advance a compact between the States which would give Arizona all the waters of the Gila and half of the surplus above that. Under any other interpretation, that amount of water would not be available for division by compact. Therefore, it cannot now be asserted that Congress was doing a meaningless thing.

It should be repeated that California, after the interpretation by the Congress, went ahead and passed its on Self-Limitation Act which clearly shows that it accepted the original interpretation by the Congress. Despite its own official act, California claims more and more and now indicates by its action in talking about "feasibility," that her representatives will continue to fight this project and all other projects involving Colorado River water for the purpose of claiming for California all water regardless of whether she has a right to it or not.

Mr. NIXON. I am sure the Senator did not mean to indicate by his statement that he believes this issue has been settled and that it does not have to go to the Supreme Court. It may be the Senator's opinion that possibly the legislative action of several years ago settled it, but certainly the Senator from Arizona, by including in this bill the sections providing for court adjudication, indicates that he must have some doubts as to whether the issue has been settled.

Mr. McFARLAND. Frequently questions which apparently have been settled by law or court decision have to again go to the courts because there are interests, such as in California which use every artifice to win their point. Not all Californians support such moves because I have correspondence showing that many people do not agree, but there are certainly persons who will not admit that Arizona is not entitled to anything. So the only way in which we can dispose finally of the question is to go into court—something which some of the interests in the Senator's State have been trying to prevent us from doing all these years.

Mr. NIXON. Mr. President, I think we have again seen an excellent example of why the case must go to court, because the disagreement over decisions which have been made in the past by the court and over the effect of legislation which has been passed by the Congress indicates that a Supreme Court decision is needed to settle the dispute. On that point, we shall be confronted tomorrow with a clear-cut opportunity on behalf of Members of the Senate to determine whether, in order to get the question decided by the Court, it is necessary for Members of the Senate to vote for a project which they might consider to be unfeasible. It seems to me that is an unsound proposition, and I, of course, intend to discuss it at greater length tomorrow.

Mr. McFARLAND. Mr. President, will the Senator yield further?

Mr. NIXON. I yield.

Mr. McFARLAND. In other words, even if the Supreme Court declared we were entitled to the water, the Senator would be in the same position as some of the witnesses from California, and as has been indicated on the floor; the Senator would be fighting right here to keep us from having the project passed upon.

Mr. NIXON. Let me say to the Senator from Arizona that I do not think he should construe the opposition of the Senators from California and of other Senators who may vote against this project, as being simply spiteful action against the legitimate interests of the State of Arizona.

Mr. McFARLAND. I did not suggest that the Senator's viewpoint is "spiteful."

Mr. NIXON. We may characterize the action in any way we like. But, so far as this bill is concerned, there are a number of Members of the Senate who contend that this project is one which is of such doubtful feasibility that it should not be approved even if Arizona were entitled to all the water in the river. Personally, I am convinced that that is the case. I realize that there are others who will disagree with that contention. It also seems to me that we should recognize that once the decision is made as to how the water should be distributed, certainly when Arizona or California or Nevada or any of the other States involved comes before the Senate with a particular project, we should consider that project on its merits, and if it is one which will prove to be feasible, certainly I shall be happy to join with the Senator from Arizona in supporting it. I think, however, that the Senator from Arizona should have respect for the opinions of those who believe that this is not a feasible project, as I have respect for his disagreeing with my characterization of the project before us.

As to the question of the meaning of the term "beneficial consumptive use" which appears in the Colorado River compact and the Boulder Canyon Project Act, California only asks that the same definition be applied to uses in California and in Arizona. Arizona apparently urges that the term has one meaning as applied to California and another as applied to Arizona. California is satisfied with the definition of consumptive use written into section 4 (a) of the Boulder Canyon Project Act and article I (j) of the Mexican Water Treaty: "Diversions less returns to the river." Arizona opposes that definition, as to her uses.

As to the dispute over the water covered by article III (b) of the Colorado River Compact, Arizona still makes about the same argument on which she was defeated in the second case which she filed in the Supreme Court against the other six States in the basin—*Arizona* v. *California et al.* (296 U. S. 341 (1934). We are satisfied with the Court's decision.

As to the claim that the California Limitation Act is to be interpreted as requiring a deduction from California's share for reservoir losses in Lake Mead and elsewhere, it is noted that the Limitation Act specifies a quantity of water "for use in the State of California" and further defined as "diversions less returns to the river." The diversions for use in California take place at points 200 to 300 miles below Lake Mead. Obviously, the act refers to a net quantity of water to be delivered "for use in California."

We will not labor this discussion. Enough has been said to show that the questions involved are serious, of great magnitude and are stoutly and sincerely argued by Arizona on the one side and by California and Nevada on the other. They are strictly legal questions, which can only be solved by the Supreme Court.

Mr. President, continuing with comments on some of the points in controversy in this debate, I noted that the Senator from Arizona, in his speech last Monday, gave figures which purported to show that there was a sufficient supply of water in the Colorado River to which Arizona had legal title. He stated that the figures were those used by the

Bureau of Reclamation in its report on the project, and that the figures "cannot be successfully challenged or disputed."

It is my understanding that the Bureau of Reclamation itself now challenges and disputes these figures. In its recent report on the proposed Upper Colorado River Basin storage project, now being reviewed by the interested States, the Bureau of Reclamation includes studies of river water supply over a 50-year period, and comes out with an average flow which is 680,000 acre-feet per year less than the figures shown by the junior Senator from Arizona.

In other words, Mr. President, the Bureau of Reclamation says, in effect, that the old figure of average annual flow upon which the Central Arizona report studies are based, has now been found to be 680,000 acre-feet too high. Even on Arizona's interpretations of the compact and other Colorado River laws, which interpretations California, of course, does not agree with. The figures submitted by the Senator from Arizona show just enough water to meet the projects requirement.

Which figure of available supply is correct? Both cannot be right. It should be pointed out that 680,000 acre-feet is over 50 percent of the amount of water proposed to be taken by the project, and this would certainly seem to be a most serious matter.

Mr. President, I agree with the Senator from Arizona in his statement that "the feasibility of any project naturally depends upon the availability of water for the project." That being the case, I submit that the recent studies of the Bureau of Reclamation show the proposed central Arizona project to be infeasible for lack of an adequate water supply, and certainly on this basis alone Senate bill 75 should not be passed.

Mr. President, California's rights to the use of Colorado River water are based mainly on old appropriative rights initiated in the last century, supplemented by contracts with the United States under the Boulder Canyon Project Act. These contracts were drawn by the Federal Government and executed by California agencies on the basis that the total amount of water to be delivered under them was within the California Self-Limitation Act as set forth in the Boulder Canyon Project Act. These contracts were the basis for the expenditure of several hundred millions of dollars by the Federal Government and State agencies on projects to use this water in California.

In 1944 Arizona, with the authorization of its State legislature, executed a water delivery contract with the Federal Government. The total quantity of water to be delivered under the contract was made subject to the rights of several other States included in which were the California rights under its Self-Limitation Act. This is specified by article 7 (h) of the Arizona contract which reads as follows:

> Arizona recognizes the right of the United States and agencies of the State of California to contract for storage and delivery of water from Lake Mead for beneficial consumptive use in California, provided that the aggregate of all such deliveries and uses in California from the Colorado River shall not exceed the limitation of such uses in that State required by the provisions of the Boulder Canyon Project Act and agreed to by the State of California by an act of its legislature (ch. 16, statutes of California of 1929) upon which limitation the State of Arizona expressly relies.

It follows then, that if the California water contracts are within the California Self-Limitation Act, Arizona has nothing to complain of; she has recognized such rights by her water contract.

By S. 75, Arizona is seeking the authorization of a project for which there is admittedly no water if California has not exceeded her rights under the Self-Limitation Act. But Arizona says that California has exceeded such rights—contrary to what the Federal Government and California thought when the California water contracts were made. Therefore, it would seem no more than proper and right that the burden of proof be placed on Arizona, since she is the one asking for the new project—she is the one asking the Nation's taxpayers to assume a burden of over $2,000,000,000 for that project. The least Arizona should do is to prove her legal right to the water required for that project.

Mr. President, I now wish to answer some of the other vulnerable claims which have been made by the proponents of S. 75.

It has been stated that—

> If Imperial Valley would forego development of its east and west mesas, now unimproved, there would be water enough for the cities and for Arizona. The Secretary of the Interior has found the east mesa lands of too poor quality to be irrigated.

The answer:

First. Imperial Valley has valid appropriations of Colorado River water for its east and west mesas with priorities dating from the early 1890's. The plan for construction of the All-American Canal to serve the valley and the mesas has been diligently pursued since about 1914. Imperial Irrigation District was a prime mover in the long campaign for construction of Hoover Dam and the All-American Canal which culminated in the passage of Boulder Canyon Project Act over Arizona's bitter opposition in 1928. Section 7 of the act provided that the public lands on the mesas should be reserved for veterans. The Secretary of the Interior, in 1932, contracted with the district for construction of the canal to serve both the valley and the mesas. The contract—House Document 717, Eightieth Congress, second session, page A614—required the district to annex the two mesas. Under the contract the canal has been constructed with full capacity to serve the mesas and the district is bound by the contract to repay the construction cost. The district has pursued with due diligence, since its original appropriations were made, the development of the project in a manner consonant with its magnitude and the many difficulties which it has encountered. It has the water right and does not choose to surrender it, either to the California cities or to Arizona.

Second. The district regards the Secretary's finding against feasibility of east mesa as politically inspired. It is carrying on farming operations in that area which, it considers, demonstrate that irrigation of east mesa is feasible.

Third. Now Arizona would rearrange California's vested water rights, in order to retrieve her four disastrous mistakes: (a) Her 20 years of unproductive opposition to the Colorado River Compact and Boulder Canyon Project Act; (b) her support of the Mexican Water Treaty of 1945, which needlessly cost the lower basin 750,000 acre-feet of water a year; (c) her insistence upon construction of the Gila project, which used up the last 600,000 acre-feet of noncontroversial lower basin water to serve an area of vacant desert land—less than 25,000 acres out of 115,000 in cultivation; and (d) her reckless war-boom development of 200,000 new acres in central Arizona during the last 10 years with full knowledge that she was overdrawing the net safe yield of her underground basins.

Fourth. Arizona might more naturally rearrange her own priorities, e. g., abandon the vacant-land Gila project on which water rights have not yet become vested in anyone.

It has been claimed by proponents of S. 75 that—

> The negotiators of the Colorado River compact in 1922 for the lower basin States orally agreed to negotiate a lower basin compact under which the million acre-feet mentioned in article III (b) should belong to Arizona.

The answer:

First. As a matter of law, as the Supreme Court said in *Arizona* v. *California* (292 U. S. 341 (1934)):

> The Boulder Canyon Project Act rests, not upon what was thought or said in 1922 by negotiators of the compact, but upon its ratification by the six States.

Second. No pretense is made that the alleged oral understanding was communicated to any of the legislatures which ratified the compact. The reports made to the legislatures by the negotiators of six of the States have been published and the Arizona negotiator and his legal adviser published full statements regarding the compact on January 15, 1923—House Document 717, Eightieth Congress, second session, pages A57 to A133, inclusive. In none of these statements is there any mention of the alleged tri-State compact. The Arizona negotiator does not mention article III (b). Thorough search of the files and correspondence of the California negotiator discloses no reference to the alleged tri-State compact.

Third. Although in the meantime there had been many Congressional hearings and a large number of interstate conferences looking to the making of a lower basin compact, the first intimation to California that Arizona claimed an oral agreement under which she would have all the III (b) water came with the filing in 1934 of the second case of *Arizona* v. *California* (292 U. S. 341), in which the Court denied Arizona's prayer to perpetuate the testimony of the negotiators as to their oral discussions. The fact that Arizona did not disclose her claim for 12 years after the compact was written intimates that the claim was an afterthought.

Fourth. On December 5, 1928, while the Boulder Canyon Project Act was under debate in the Senate, 10 days before the Senate passed it, Senator Hayden introduced an amendment to section 4 (a) of the bill providing for a California limitation act and for a tri-State compact. On the former point the amendment included the following:

And that the aggregate beneficial consumptive use by that State (California) of waters of the Colorado River shall never exceed 500,000 acre-feet of the water apportioned by the compact to the lower basin by paragraph (b) of said article III.

And on the latter point, the tri-State compact, the amendment provided:

And (2) of the 1,000,000 acre-feet in addition which the lower basin has the right to use annually by paragraph (b) of said article, there shall be apportioned to the State of Arizona 500,000 acre-feet for beneficial consumptive use (hearings on S. 75, Senate Committee on Interior and Insular Affairs, pp. 832, 933). Senator HAYDEN'S explanation of this amendment to the Senate conveys no intimation that Arizona claimed a right to all the III, (b) water (CONGRESSIONAL RECORD, vol. 70, pt. 1, pp. 165, 174.) (See hearings on S. 75, pp. 830, 838, inclusive.)

It has been claimed by proponents of S. 75 that—

The tri-State compact mentioned in the second paragraph of section 4 (a), Boulder Canyon Project Act, is an apportionment by Congress of the lower basin water, or in some way establishes Arizona's rights.

The answer:

First—

Mr. CARSON. No. The reason I say that, Mr. D'EWART, is because I do not believe it is within the constitutional power of Congress to allocate or apportion water between States. (Hearings before House committee, March 14, 1951, galley 6KKR).

Second. The three States have never agreed to the proposed compact. The authorization by Congress, of which they have not availed themselves, is a nullity.

Third. The Hayden amendment to section 4 (a), proposing the tri-State compact was perfected by Senator Pittman and was then accepted by Senator Johnson in a colloquy on the floor with Senator Pittman (CONGRESSIONAL RECORD, vol. 70, pt. 1, p. 472) as follows:

Mr. JOHNSON. With the distinct understanding that this authorization is one that is after all an authorization that is wholly unnecessary, because the parties may, in any fashion they desire, meet together and contract and subsequently come to Congress for ratification of that contract; that there is no impress of the Congress upon the terms, which might be considered coercive to any one of those States, I am perfectly willing to accept the amendment.

* * * * *

Mr. JOHNSON. That is all right, but what I want to make clear is that this amendment shall not be construed hereafter by any of the parties to it or any of the States as being the will or the demand or the request of the Congress of the United States.

Mr. PITTMAN. Exactly, not.

Mr. JOHNSON. Very well, then.

Mr. PITTMAN. It is not the request of Congress.

Mr. JOHNSON. I accept the amendment, then.

Fourth. The proposed tri-State compact could not have been executed. It provided no water for the lower basin areas of Utah and New Mexico.

It has been claimed by proponents of S. 75—

The project will so enhance Arizona's income-tax-paying ability that the United States will from this source recoup the cost of the project many times over.

The answer:

First. This thought, expressed vaguely and in various exaggerated forms, is intended to sound as though there was a special national benefit from the project. It is a false quantity.

Second. Since no new land is to be irrigated, the project would not enhance Arizona's present income taxes, but would only tend to prevent their being reduced.

Third. Figures of $75,000,000 to $90,000,000 used by some Arizona witnesses, when scrutinized, are seen to represent recent income-tax estimates for the entire State, including its mines, lumber operations, tourist business and farming outside the central Arizona area. More pertinent is a figure of $36,000,000 a year, which seems to be an estimate of present income taxes from central Arizona farming operations—Bimson, galley CC72. Assuming the retirement of one-third of central Arizona farming acreage, the result might be the loss of $12,000,000 a year in income taxes. On the other hand, the dead loss to Federal taxpayers in interest on the project cost is certified by the Secretary of the Interior—answer to question 17—to be $2,075,000,000, which prorated over 75 years is $27,666,666 a year. That is the cost of saving the $12,000,000 in taxes. It is a national loss, not benefit.

Fourth. Arizona disregards the alternative use of the same water at no Federal expense, in California, in compliance with the contracts held by California agencies. Total income-tax payments of the entire State of California in recent years are on the order of $3,000,000,000 a year—Congressman SAYLOR, galley 5KKR. While no breakdown is available, it is apparent that use of 1,200,000 acre-feet to supply industrial and domestic water in metropolitan water district, which is the alternative that must be sacrificed if central Arizona takes the water from California, would produce in taxes many times the possible loss of income taxes in central Arizona if the project is not built. So the result is again national loss, not benefit.

Fifth. Arizona's argument is based on no tenable principle. The United States cannot afford to make non-interest-bearing, and in fact, nonreimbursable, advances to establish productive facilities anywhere in the Nation, on the theory of creating taxpaying ability. It would actually suffer losses far exceeding the taxes collected. And if it could do so, Pennsylvania, South Carolina, and every other State would be entitled to like treatment, with a consequent broadening of the inquiry as to the most advantageous alternative use of the taxpayers' money.

It is claimed: "This is a rescue project. If S. 75 is not passed, 250,000 people must leave Arizona."

The answer: Section 15 of S. 75 prohibits construction until materials are available. Amendments printed by the Arizona Senators May 29 prohibit construction until after the end of the present emergency. When, if ever, construction does begin under these amendments, it will require 15 years to complete. At best, therefore, no water could be delivered for 20 years or more. Long before then, Arizona's periodic wet cycle would have replaced the present dry cycle, or her economy would be readjusted to the fact that she has overdrawn, mined, and exhausted part of her underground water supply. The project could not possibly rescue Arizona from the consequences of the present drought.

The Senator from Arizona [Mr. MCFARLAND] says that if central Arizona does not get this project "at least 250,000 people would have to leave Arizona to find a means of life elsewhere. They would be displaced persons just as truly as the people in Europe who lost their homes in World War II."

Also he says that "the economy of the whole State of Arizona" is "at stake."

The absurdity and exaggerated character of such statement are shown by the following:

First. In the Senate hearings on S. 75 held in 1949, the Bureau of Reclamation submitted a chart—page 585—showing that the total annual loss in crop production, if the project were not built, would amount to $5,300,000. But on May 31, Senator Hayden placed in the CONGRESSIONAL RECORD—page 5977—the statement that "during 1950 the cash value of all products sold from the farms and ranches of Arizona amounted to over $273,000,000." Can it be that such a relatively small loss of $5,300,000—2 percent—would wreck the economy of the entire State or cause 250,000 people to leave Arizona. Of course not.

Second. While it may be that many years ago the economy of the central part of Arizona was geared to a great extent to agriculture, such is not the case today, nor will it ever be again in the future. This can be shown by considering a number of factors affecting the economy of the State, among which are the following:

FACTORS AFFECTING ECONOMY OF CENTRAL ARIZONA

First. Relation between acreage irrigated and population, Maricopa County:

Population in 1940 (table C-4 and C-7 of appendixes)	186,193
Population in 1946 (tables C-4 and C-7 of appendixes)	275,000
Gain of 1946 over 1940—48 percent or	88,807
Population in 1950 (preliminary census)	329,266
Gain of 1950 over 1940—77 cent or	143,073
Acreage irrigated in 1940 (tables C-4 and C-7 of appendixes)	376,147
Acreage irrigated in 1947 (Lane statement)	490,145
Increase in 7 years—14.5 percent or	54,000
Acreage irrigated in 1949 (based on Lane data)	460,000
Increase in 1940 over 1949—22.5 percent	84,000

The foregoing shows an increase in population of Maricopa County for 1946 of 48 percent and for 1950, 77 percent, over 1940. On the other hand, the increase in acreage irrigated in 1947 was only 14.5 percent and for 1949 but 22.5 percent over 1940.

Surely, no one would contend that the 14.5 percent increase in 1947 or the 22.5 percent increase in 1949, in acreages irrigated as compared to that for 1940, played more than a relatively small part in the causes for the large increases in population of 48 percent for 1946 and 77 percent for 1950 over that for 1940.

Second. Growth in tourist business and industrial production:

The explanation for these major increases in population is found, primarily, in two factors, first, growth of tourist business; and, second, growth in industrial development and production.

Growth of tourist business

Tourist expenditures in Arizona:	
Year 1940 [1]	$25,000,000
Year 1945 [1]	30,000,000
Increase for 1945 over 1940—60 percent or	15,000,000
Year 1950 (estimated)	100,000,000
Increase for 1950 over 1940—300 percent or	75,000,000

[1] Table C–15, page C–4 of appendixes.

The larger part of the tourist business of the State centers in the Phoenix and Tucson areas.

In an article by Joel Keith appearing in the Phoenix Gazette of February 24, 1951, the statement is made that "there are accommodations for 35,000 visitors in the Phoenix area, and they are 99 percent filled every night."

Growth of industrial development and production

(Types of manufacturing plants in Maricopa County (table C–12, p. C–38 of appendixes))

Type of plant	Number of plants	
	1946	1940
Food packing and processing	103	76
Printing	83	29
Woodworking	30	13
Brick, tile, and gypsum	22	9
Fertilizers, insecticides, and paints	22	8
Fabricated steel and metal work	48	5
Leather goods	7	1
All others	48	11
Total	363	152

Industrial production, Maricopa and Pinal Counties

	1950	1945	1940
Manufacturing	[1] $96,590,000	[2] $43,318,000	[2] $12,093,000
Increase over 1940	$84,497,000	$31,225,000	
Percent increase over 1940	700	28.2	

[1] Census.
[2] Table C–14, p. C–40, appendixes.

That Arizona anticipates this industrial development to continue at an even more rapid rate than in the past is shown by statements of Arizona witnesses that Arizona could use the total output of firm power which could be produced at Bridge Canyon power plant—3,594,000,000 kilowatt-hours per year—as soon as it could be made available. Also that such industrial firms as Reynolds Aluminum, Airresearch, Howard Hughes, and American Smelting & Refining were expected to locate in the area soon. These firms will require little water but lots of electric power.

Arizona and the Pacific Southwest would gain far more if the 1,500,000,000 kilowatt-hours per year of Bridge Canyon power—about the same total amount as now used by Washington, D. C.—were made available to industrial, commercial, and domestic service, than were it to be dedicated to the pumping of irrigation water.

Third. Comparison with city of Tucson, Pima County:

Population, city of Tucson, 1940	36,818
Population, city of Tucson, 1950	45,064
Increase in 1950 over 1940, 50 percent, or	18,246

There is very little agriculture in Pima County, which is outside of the central Arizona project area, yet there was a 50-percent increase in the population of the city of Tucson between 1940 and 1950. As in other cases cited, this large increase has been due primarily to a phenomenal growth in the tourist business and to a lesser extent to the growth in industrial activity.

Fourth. Comparison with Imperial County, Calif.: Imperial County, Calif., from an agricultural standpoint, is very similar to Maricopa County, Ariz. About 450,000 acres are being irrigated in Imperial as compared with 460,000 in Maricopa. The climate, types of crops grown, and the value produced per acre are quite alike. The main difference is that Imperial's economy is geared practically 100 percent to agriculture, while Maricopa County has the capital of the State, Phoenix, and a rapidly expanding tourist business and industrial production with all the related factors. These are the main reasons why the population of Imperial County is around 65,000 while that of Maricopa County is 330,000. This comparison is made to show the relation of agriculture to population and the absurdity of statements as the one that without the Central Arizona project—admittedly resulting in the loss of production from only 150,000 acres of land—150,000 to 250,000 people in Arizona would have to seek new homes, and so forth.

Fifth. Property values in Maricopa and Pinal Counties: The following appears on page C–41 of the appendixes:

SUMMARY OF ECONOMIC GROWTH AND DEVELOPMENT IN MARICOPA AND PINAL COUNTIES

These values are based on United States Census data and tax assessments for 1940. The assessed values were converted to true values and coordinated with the Census values, after which an adjustment was made to obtain an average to represent the period 1939–44. It should be recognized that these values are a great deal less than 1947 construction costs.

Agricultural values:	
Farm land, 420,612 acres	$78,795,000
Farm buildings and improvements	20,597,000
Subtotal	99,392,000
Urban and industrial values:	
City and town lots, improvements, industrial plants and installations	$153,130,000
Railroads	52,084,000
Subtotal	205,214,000
Public service property values:	
Utilities, including telephone, telegraph, gas, electric and water	57,664,000
Facilities, including schools, hospitals, churches, irrigation works, etc	152,504,000
Roads, highways, and other pavement	67,896,000
Subtotal	278,064,000
Total	582,670,000

It will be noted that the total agricultural values represent only about 17 percent of the total values shown for both counties. Also that this total applied to the acreage shown of 420,612 represents a value of about only $235 per acre of farm land.

It should also be pointed out that the burden which the central Arizona project would put on the Nation's taxpayers of $3,000,000,000 to $4,500,000,000 is from five to nearly eight times the total value shown by the foregoing of all farm land, cities, towns, industries, and other properties and improvements in the project area.

Arizona's economy is becoming geared more and more to the tourist business, industrial development, and the growing of specialty crops not dependent on whether the central Arizona project is constructed or not. It is submitted that there has not been nor can there be submitted evidence to substantiate the contention that failure to build the central Arizona project or bring Colorado River water to central Arizona would cause serious consequences to the economy of the State.

It is claimed:

> Arizona would only be using her just share of the eight or ten million acre-feet now annually flowing and wasting into the ocean. (Senator MCFARLAND, RECORD, May 28, 1951, p. 5870.)

The answer:

First. The correct figure is seven million—testimony of Bureau Engineer Nielsen before the House Committee, February 27, 1951.

Second. Five million of this is the unused right of the upper basin, which is now using not over two and one-half million of the seven and one-half million perpetually allotted to it by article III (a), Colorado River compact. No lower-basin project can be premised on the use of that water.

Third. One million will be required to serve authorized projects in Arizona which are now in construction—Gila project, Colorado River Indian Reservation, and miscellaneous small projects.

Fourth. The remaining one million is insufficient to serve the full development of existing commitments in the other four States of the lower basin—California, Nevada, New Mexico, and Utah.

So Arizona has no share in the water now wasting to the ocean which could be used for a new project.

Mr. President, it seems to me the debate comes down to one very simple and important question, which is: What justification is there for consideration and approval of this project in wartime?

The only justification which has been offered for consideration of the project is that passage of S. 75 will open the door to the Supreme Court.

It is no longer pretended that the project can be built in time to rescue Arizona from the results of overexpansion since section 15 postpones construction until materials are available, and the Arizona amendments to section 13 postpone construction until the end of the emergency. It would take 15 years to build the project after that.

In other words, Mr. President, what we have here in effect are two emergencies. We have the national emergency, with which we are quite familiar. We have the emergency which exists in Arizona. Both emergencies cannot be met at the same time. The national emergency must take precedence. The bill (S. 75) makes the assumption that it must take precedence. If it must take precedence, then it seems to be quite apparent that the Arizona emergency is not going to be met by this bill.

The second point which should be made in that connection is: What is the price for getting into court on this vehicle, through this bill? This is the first reclamation project for which, in its initial authorization, an 85-year-repayment period is asked—10-year development followed by 75 years of repayment. This is as long as from Lincoln's second administration to President Truman's. Other projects have had to come back to Congress for extensions of their pay-out periods, but there has never been a project, prior to this one, which admitted the need for nearly a century of time before authorization.

In other words, that is one of the precedents which will be established by approval of the bill. It is one of the price tags for getting into court.

Another point which should be made is that this is the first reclamation project for which the water users would pay less than 1 percent of the cost of their irrigation works. As a matter of fact they could scarcely pay the operation and maintenance expenses.

This is the first project of its kind which will cost the taxpayers of the Nation in excess of $2,000,000,000, or any sum remotely approaching that amount in interest money alone.

I submit that this is not California's figure; it is the figure, the estimate, of the Secretary of the Interior. The House Public Lands Committee asked the Secretary in writing, by formal resolution:

> How much interest on the national debt occasioned by the project would be borne by the Nation's taxpayers, assuming a 75-year repayment period and a reasonable construction period?

The Secretary answered, in writing, on June 28, 1950, that assuming a construction cost of $708,780,000 a construction period of 8 years, and an interest cost of 2½ percent—and I quote his answer:

> The net interest on the national debt occasioned by the project and borne by the Nation's taxpayers would total approximately * * * $2,075,729,000.

This is the net interest only, because the construction investment would be left unpaid. Since that time the Secretary has increased the cost estimate by 11 percent, to $788,265,000. And Federal interest costs have increased, not decreased.

So in these three major points the Senate is in effect asked to create precedents far exceeding anything it has ever done before, for the purpose of facilitating a lawsuit.

It seems to me that on its face that does not make sense. It appears to me that if there is another method, a method which has support in legal circles, I might say, for settling the controversy as to which State is entitled to how much water, that method should at least be tried first. An amendment by way of a substitute for the pending bill, which the senior Senator from California, my colleague [Mr. KNOWLAND], and I will submit tomorrow, I believe will present to the Senate an alternative method, a method which does not have the tremendous price tag the bill before us, S. 75, has, and a method which will solve the controversy much more effectively in the courts than would sections 12 and 13 of the bill before us.

THE LOWER BASIN—COLORADO, ARIZONA, CALIFORNIA, NEW MEXICO, NEVADA, UTAH

Mr. MALONE. Mr. President, prior to the vote on Senate bill 75 tomorrow the junior Senator from Nevada again wants to make clear his position and that of his State in regard to the project. First I want to say we are in no way opposed to the irrigation and the development of the State of Arizona.

We are for the development of the State of Arizona in the same manner as all other States in the Colorado River Basin and, in fact, the entire West, which is dependent upon irrigation for development. This development should be done in the same manner and through the same policies that have long been adopted by the Congress of the United States, and, of course, on an even basis with the other States in the basin.

The junior Senator from Nevada became State engineer of Nevada in 1927, as well as the engineer member of the Colorado River Commission. He has been entirely familiar with all the conferences held since that time, with special reference to the conferences that were held, of course, during the 8½-year period beginning 1927 until 1935, inclusive, while he held the office of State engineer of Nevada and Colorado River commissioner.

At that time Mr. A. M. Smith, who had been employed by me as State engineer for some time prior to my resignation as State engineer, took over the office of State engineer and, as a matter of fact, also of Colorado River commissioner, and held the two offices until his recent resignation.

Mr. President, the junior Senator from Nevada, as State engineer of Nevada and in his long service as a private engineer, has always supported development of irrigation and flood-control projects throughout the United States, as a matter of fact, but more especially in the 11 Western States, where he was entirely familiar with the proposed projects, whenever they were feasible under the criterion prescribed by the Army engineers and the Bureau of Reclamation, and when the water problems were settled in accordance with the custom, which, of course, has always been by interstate agreements on such interstate streams, or by an adjudication by a court of competent jurisdiction.

UPPER AND LOWER DIVISIONS AND BASINS

One misunderstanding which seems paramount is the reference to upper and lower basins of the Colorado River and upper and lower divisions of the Colorado River. They are not the same, but both are referred to and have a definite reference in the Colorado River compact.

In 1948 the junior Senator from Nevada defined the upper and lower divisions of the river. Reading from the definition as found in the CONGRESSIONAL RECORD as of that time:

> Much has been said of the upper and lower basins, and I think an explanation would be helpful. The Colorado River Basin is a seven-State affair, and the term "upper division" means the States of Colorado, New Mexico, Utah, and Wyoming.
>
> The "lower division" means the States of Arizona, California, and Nevada. Lees Ferry is the geographic dividing point between the divisions. The term "upper basin"—and this is where a misunderstanding exists—means the States of Colorado, New Mexico, Utah, and Wyoming * * * within and from which waters naturally drain into the Colorado River system above Lees Ferry.
>
> The first is a geographic arbitrary division and the second is a drainage division.

This is where the misunderstanding arises.

> The lower basin, then, instead of only meaning just the States of Arizona, California, and Nevada, means those parts of the States of Arizona, California, Nevada, New Mexico, and Utah within and from which waters naturally drain into the Colorado River system below Lees Ferry.

It will be seen that there are four States in the upper division and three States in the lower division, whereas in the upper basin there are four States, but there are five States or parts of States in the lower basin.

When we refer to the lower basin, as is continually done in this debate, we refer to the States of Arizona, California, and Nevada, and to those parts of New Mexico and Utah which drain into the river below Lees Ferry.

Mr. President, it is obvious, of course, that no agreement can be made among the lower-basin States without consideration of the five lower-basin States, not three, and certainly not two. It is continually stated in the newspapers generally that the fight is between California and Arizona. The obvious fight is between California and Arizona, because they are continually and aggressively talking about it. Nevada has said little except when its water rights are actually threatened, in the absence of an interstate agreement or adjudication by a court of competent jurisdiction.

The actual situation which exists on the river is that there is very little water used out of the Colorado River and its

tributaries in either New Mexico, Utah, or Nevada, while there is a considerable amount of water utilized out of the Colorado River and its tributaries by both Arizona and California. Arizona now claims 2,000,000 acre-feet and California more than 4,000,000 acre-feet.

But when further development is discussed, Nevada is vitally interested, because, as in the case of the other States mentioned, certain areas are entirely dependent upon water from that source, there being no other source of water for a large part of Arizona, California, Nevada, New Mexico, and Utah except the Colorado River and its tributaries.

Mr. President, it had been the hope of the junior Senator from Colorado, even after watching and participating for 8½ years in the interstate conferences, the seven-State conferences, and the lower-basin State conferences on the division of water, and after watching the conferences which have continued from that date almost to the present time, even after all that experience and observation the junior Senator from Nevada hoped that there would be an agreement, or that we could obtain an adjudication of the waters of the lower-basin stream system through the Supreme Court.

The junior Senator from Nevada joined with the senior Senator from Nevada [Mr. McCARRAN] and the two California Senators [Mr. KNOWLAND and Mr. NIXON] in the introduction of a joint resolution, Senate Joint Resolution 5, this year asking that the Supreme Court take jurisdiction for such an adjudication. The same bill was also introduced in the Eighty-first Congress, but was held in committee.

The Committee on Interior and Insular Affairs, of which the junior Senator from Nevada is a member, has chosen each time to report S. 75 or a similar measure, instead of the joint resolution.

Each year the Arizona project has been promoted to the fullest extent, and debated on the floor of the Senate.

FIVE IRRIGATION PROJECTS FOR NEVADA TOTALING 189,400 ACRES

In the absence of any interstate agreement or adjudication the junior Senator from Nevada, on April 9, introduced five irrigation project bills. Since that time those bills have reposed in the Committee on Interior and Insular Affairs.

No hearings have been called on such bills. They provide for projects as follows:

S. 1297

Project No. 1 contains a total of 7,660 acres in the following seven areas:

Area No. 1: 1,300 acres in the Mesquita area irrigated from the Virgin River.

The Virgin River is a tributary of the Colorado, or was a tributary of the Colorado. Since the construction of the Hoover Dam both the Virgin River and the Muddy River, which before that development was a tributary of the Virgin River, have flowed into the northern part of Lake Mead.

Area No. 2: 900 acres in the Bunkerville area irrigated from the Virgin River.

Area No. 3: 60 acres below Riverside station irrigated from the Virgin River.

Area No. 4: 1,600 acres just above Lake Mead.

Area No. 8: 2,800 acres near St. Thomas irrigated from Lake Mead.

Area No. 9: 600 acres in two separate tracts irrigated from Lake Mead.

Area No. 10: 400 acres irrigated from Lake Mead.

Project No. 1 would include all of these areas, a total of 7,660 acres. The pump lift for these areas probably would not exceed 25 to 40 feet.

S. 1298

Project No. 2 contains a total of 20,600 acres in the following three areas:

Areas Nos. 5 and 6: 12,000 acres in the Muddy River and Meadow Valley Wash above Glendale and below Warm Springs, irrigated from Lake Mead and the Muddy River.

Area No. 7: 8,600 acres, including land now under the Muddy Valley Irrigation Co.'s canals, with additional acreage irrigated from Lake Mead.

I may say at this point that the map which shows the areas, which areas were investigated and mapped at the time the junior Senator from Nevada was State engineer and Colorado River commissioner of Nevada, is available in his office to any committee which might be interested in the areas. The surveys and investigations were made under the supervision of the then State engineer of Nevada and now the junior Senator from Nevada.

S. 1299

Project No. 3 contains a total of 61,200 acres in the following two areas:

Area No. 11: 1,200 acres 14 miles east of Las Vegas on a branch of the Las Vegas Wash, irrigated from Lake Mead.

Area No. 12: 60,000 acres lying in Las Vegas Wash, irrigated from Lake Mead.

I may say that project No. 3 lies east, west, and south of Las Vegas.

S. 1300

Project No. 4 contains a total of 40,000 acres in the area southwest of Boulder City:

Area No. 16: 40,000 acres lying approximately 5 miles southwest of Boulder City, irrigated from Lake Mead.

Project No. 5 contains a total of 60,000 acres in the following three areas:

Areas Nos. 13, 14, 15: 60,000 acres, including bottom and bench land in the vicinity of Davis Dam, irrigated from the Colorado River.

I quote further from the CONGRESSIONAL RECORD of April 9, 1951, at page 3515:

Mr. MALONE. Mr. President, the five projects are shown in detail on map No. 4 which was made under my direction as State engineer of Nevada and secretary of the Colorado River Commission on February 20, 1925—and which is included in the official report of the Colorado River Commission of Nevada, covering the period of January 1, 1927, to September 1, 1935.

I quote further from the CONGRESSIONAL RECORD of April 9, 1951, at page 3516:

Mr. MALONE. Mr. President, the junior Senator from Nevada has delayed the introduction of proposed legislation providing for the consumptive beneficial use of the 900,000 acre-feet of the waters of the Colorado River which my State of Nevada has officially claimed, hoping that an interstate agreement between the lower basin States of Arizona, California, Nevada, New Mexico, and Utah might be consummated within a reasonable time. However, the population of the Nevada area has increased more than 10 times its original number during the period subsequent to the passage of the Boulder Dam Project Act in 1928, and the underground water supply is rapidly diminishing and the pumping lift is increasing at an alarming rate.

Mr. President, as has been heard on the floor of the Senate many times in the past 2 or 3 years, the same thing is happening in Arizona, according to the debate, and the junior Senator from Nevada is in a peculiar position to appreciate what it means to those areas. The same thing is happening in the Nevada area. While I was State engineer, underground water laws were either passed or perfected in many of the 11 Western States.

I believe that at that time New Mexico had about the only well established underground water law. Under it filings were received in the office of the State engineer. In most cases when the water table began consistently lowering the State engineer had authority to do something about it by way of priorities. Unfortunately for many years there was no adequate underground water law in existence. Engineers were partly to blame. The public thought, as did some engineers, that the underground water supply was inexhaustible. However, engineers in California and New Mexico, as well as in the other 9 of the 11 Western States, as the development of underground water supplies progressed, soon found that underground water supplies were fed by the annual runoff, in the same manner that surface streams were fed, except that, because of its nature, the water found its way underground.

The supply of water built up over the years, sometimes near the surface was found to have been the accumulation of many years.

Geologists say it was the accumulation of many thousands of years.

For some considerable periods of time almost unlimited amounts of water could be pumped from the underground supply. It was water that had been deposited over thousands of years. However, it was being used faster than the inflow replenished it.

As engineers began to investigate the matter it was found that there were definite methods of computing the underground supply. It was not so accurate a method of computation as that used in connection with surface supplies, which one could observe. It was necessary to estimate the annual accretion of the underground water supply in order to determine the amount of water which could be used each year with safety. As soon as that situation was realized by the engineers of the districts and the original users of the underground water, they became sufficiently alarmed because of the lowering of the water table to begin to demand a State law which would control the use of the water.

The matter of State law has been fairly well taken care of. However, the overappropriation of the underground water resulted in the abandoning of certain valleys in California and Nevada, for example and in all of the arid States.

In several of the valleys in Nevada the evidence of former settlements on the land has almost entirely disappeared, but abandoned cabins were found in a great many of the valleys. I remember

as far back as 1912 and 1913 working in California on Government surveys in the Apple and Lucerne Valleys near the Mojave Desert, where water had been overappropriated for irrigation purposes, with the result that houses, streets, towns, and whole valleys had been abandoned en masse. There was no help for that, Mr. President, although it was a sorry spectacle.

However, water had been used beyond the dependable supply. In connection with the promotion of those areas, land was sold to settlers or was taken up under the land laws or in other ways. It was just a matter of learning the hard way, over a period of 40 or 50 years, about the supply of water. Those of us who came onto the scene later—engineers and economists—took our place in State affairs at a time when more had been learned about that subject.

In those areas in California, Nevada, and other States which were overdeveloped, and where water was found not to be available because the underground accretion or supply, which had been built up over many years, had been used up and the dependable annual supply was found to be much less than the real estate promoters, the farmers, and others who had filed on the land had depended upon, the populations of the valleys later were either substantially reduced or the valleys were entirely abandoned.

The result in most cases was that fewer persons could live there. Finally those who remained reached the point where they were using the annual supply of water.

That was accomplished in several ways—in some cases by abandonment and in other cases by certain persons buying up and consolidating the water rights.

Mr. President, I have the utmost sympathy for any of these abandoned valleys. I have the utmost sympathy for the valleys which are described by the Senators from Arizona.

NEVADA UNDERGROUND WATER OVERAPPROPRIATED

On the other hand, Mr. President, I have the same utmost sympathy for people in Nevada who find themselves in a similar condition.

Mr. President, if you were to follow through the negotiations in regard to the Colorado River, beginning in 1922, in Santa Fe, and eventually culminating in the entire seven-State basin compact—which was approved first by five States, and then by six, and eventually by Arizona, which was the last State to approve it, having done so only a few years ago, following the construction of Boulder Dam, now called Hoover Dam—you would find that there is only one method of discussing the matter of interstate agreements in such cases, and that is by means of discussing the sovereign rights of the individual States.

Of course, Mr. President, the right to the use of water in the West is, generally speaking, determined within the State by means of priority. In other words, as people came into the valleys, long before there was a water law, they started using a certain amount of water, simply by taking it out of the river or the stream system in any way they could take it.

Later, some of the States had what was called a riparian theory of water rights. Most of the States, however, began with the appropriation theory.

The riparian theory was simply a theory of water use according to which any owner of land was entitled to have a stream flowing by his land, or his farm, undiminished. The riparian theory did not lend itself to the fullest development of the arid areas, simply because if the stream were to flow undiminished past a certain farm, perhaps one which was well down on the stream, certainly persons who had financed irrigation districts as provided by State law over a period of 25, 30, or 40 years through bond issues could not sell the bonds.

So practically all the States—even including California, which held on to the riparian theory longer than any other State—finally turned to the appropriation theory of water use.

However, Nevada, my own State, soon realized that the riparian system was not conducive to the fullest development of the State's water supply, which of course we must have, inasmuch as our State has a very limited water supply. So the Supreme Court soon ruled out everything on that particular but the appropriation method.

In 1913 the State of Nevada passed a water law. Any rights established prior to that time could not be impaired by the State engineer, under that law; but the law set down rules and regulations by means of which the State engineer could determine the extent of those water rights, which were called vested rights.

On the other hand, any water rights claimed subsequent to the passage of that act had to be filed in accordance with the State law.

Necessary blanks were furnished by the State engineer's office and were filled out and filed—stating the dates on which the water would be put to beneficial use, the land on which it would be used, and the amount of water which would be utilized over a 3-year period—then he owned the use of the water.

In that way the priority system was developed, and that same system was established for the underground water. In addition, Mr. President, I think it is generally recognized, and I think all the old timers would so testify, that the surface water was also overappropriated. When I refer to the old timers, Mr. President, I refer to such persons as Ed Hyatt, State engineer of California, and Mike Hinderlider, of Colorado, who was State engineer for 25 or 30 years. Sometimes the controversies were carried on with shovels and shotguns. The question of use was always finally adjudicated, which is what the State engineer's action would be called, and much of such lands would be found to have such a late priority that it was almost impossible, and was, in many cases, quite impossible, to make a living on the land with the water allowed. Those lands also went the way of the overappropriated underground rights, or the areas where it was proved there was more taken from underground water to irrigate the land put under cultivation than the annual accretion to that amount. So the question is not new. If Nevada could not take water from the Colorado River then there would be no recourse for the 30,000 or 40,000 people in southern Nevada who would be affected, many would have to leave.

Mr. President, I simply mean to point out that the principle is the same. The condition has been the same for the 30 years the junior Senator from Nevada has been entirely familiar with his own State, and, in a general way, familiar with all 11 of the Western States.

Reading again from page 3516 of the CONGRESSIONAL RECORD of April 9, 1951, the junior Senator from Nevada said:

> It is freely predicted that unless additional Colorado River water supplies can be secured from Lake Mead and tributaries that the present population and industrial activities are in serious danger for domestic and industrial water supplies. One of the larger air training bases, Nellis Field—

The Senator from Nevada was speaking then of southern Nevada—

> is being utilized almost to capacity by the Air Corps, and the war industrial manufacturing and processing plants at Henderson are being enlarged. New industries are being established.

The Henderson industrial plant is where large amounts of magnesium were manufactured during the war, and units of the plant still remain and are being utilized.

Those which were not already being utilized by regular industries are being brought very rapidly under war utilization. Continuing:

> Mr. President, the city of Las Vegas, Nev., is at this time officially trying to purchase an interest in, or gain title to, the one pumping plant from Lake Mead furnishing domestic and industrial water to the industrial plants at Henderson, Nev. The plant can furnish approximately 30,000,000 gallons per day, while only about 40 percent is needed at Henderson.

That plant may be turned over to the city of Las Vegas as a result of negotiations now under way, and, if it is turned over, the city will operate the plant, according to present negotiations, furnishing the amount of water which Henderson and the BMI plant at that point need. During World War II, "BMI" meant the basic magnesium industries. At the present time no magnesium is being manufactured, but there are different types of plants, to which would be supplied the necessary water, which may require about 40 percent of the capacity of the plant, the remainder of it to be taken to Las Vegas.

NINE HUNDRED THOUSAND ACRE-FEET OF WATER

That water would be part of the 900,000 acre-feet demanded and established as Nevada's need by an engineering report made in 1935. An engineering committee was appointed at that time by the Colorado River States, consisting of Edward Hyatt, State engineer of California at that time, recently retired; M. H. Hinderlider, State engineer of Colorado, and still State engineer of Colorado; and the junior Senator from Nevada, who at that time was State engineer of Nevada. That committee, after investigation, determined that Nevada was entitled to 900,000 acre-feet,

I shall later ask that the table be included in the RECORD.

Quoting further from the CONGRESSIONAL RECORD of April 9, 1951, the junior Senator from Nevada said:

SUBSISTENCE HOMESTEADS

Mr. President, much of the land proposed to be irrigated through the medium of the five projects would be available for subsistence homesteads—that is, relatively small tracts of 2 or 3 acres up to 5, 10, or 15 acres would be made available to the thousands of workers in war industries so they might raise vegetables and other farm products to supplement their wages and to carry them over any temporary slump in peak production.

At this point I ask that the preliminary report of the engineering committee appointed by the Colorado River conference, at Salt Lake City, Utah, on March 1, 1945, which appears in the CONGRESSIONAL RECORD of April 9, 1951, at page 3521, be printed in the RECORD at this point, as a reference for Senators.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

PRELIMINARY REPORT OF THE ENGINEERING COMMITTEE APPOINTED BY COLORADO RIVER CONFERENCE IN SALT LAKE CITY, UTAH, MARCH 1, 1935

A study of the water ultimately available in the lower basin of the Colorado River including all tributaries, based on the report of E. B. Debler, December 1934; analysis of commitments thereon; and an assumed distribution thereof.

ASSUMPTIONS

1. Consumptive use of 7,500,000 acre-feet annually in the upper basin as apportioned by the Colorado River compact.

2. Complete reservoir development in lower basin as set forth in the Debler report.

3. That Mexico will be allocated 750,000 acre-feet annually.

I. Ultimate usable water supply in acre-feet

1. Net supply for use from main stream below Boulder Dam	8,370,000
2. Net supply for use from Gila River	2,259,000
3. Net supply available for lower basin use above Boulder Dam	240,000
4. Waste crossing international boundary and usable in Mexico	200,000
Total	11,069,000

NOTE.—Items (1) and (2) are exclusive of waste into Mexico.

II. Present commitments on lower basin supply (including total Gila River, vested rights and contracts) in acre-feet

1. Arizona—total of Gila River	2,259,000
Vested in Colorado River below Boulder Dam	600,000
2. California contracts	5,362,000
3. Present lower basin uses above Boulder Dam in Arizona, Nevada, New Mexico, and Utah	90,000
Total	8,311,000

III. Assumed distribution—additional assumptions in acre-feet

(a) Use in Arizona, Nevada, New Mexico, and Utah above Boulder Dam of	240,000
(b) Total use by Nevada	900,000
(c) Allocation to Mexico	750,000

DISTRIBUTION

1. Arizona:	
(a) Gila River	2,259,000
(b) Rights below Boulder Dam	600,000
(c) Total above Boulder Dam	30,000
(d) Remaining water in stream	[1] 988,000
	3,877,000
2. California contracts	5,362,000
3. Nevada:	
(a) Above Boulder Dam	30,000
(b) Balance of proposed contract	870,000
	900,000
4. New Mexico above Boulder Dam	30,000
5. Utah above Boulder Dam	150,000
6. Republic of Mexico	750,000
	11,069,000

[1] Total available quantity for use in lower basin less allocations, contracts, and assumed distributions.

AVAILABLE TO ARIZONA FROM MAIN STREAM OF COLORADO RIVER

Present uses from Colorado River below Boulder Dam	600,000
Assumed ultimate uses above Boulder Dam	30,000
Remaining water below Boulder Dam	988,000
Total	1,618,000

REMARKS

1. It is herein understood that water used or to be used above Boulder Dam as above listed, is assumed to come from tributaries of the main stream of the Colorado River. The Nevada contract for water deliveries proposed to the Secretary of the Interior for 900,000 acre-feet, includes both present and proposed uses.

2. It is assumed that the water used by New Mexico from the Gila River is included in the Gila River commitments.

3. It is also assumed that Utah will use 150,000 acre-feet of the 240,000 acre-feet of the lower basin water to be used above Boulder Dam, as determined by the Debler report. If as indicated by Utah, that State may require a total of 300,000 acre-feet, the additional amount must be deducted from the net supply listed as available for use below Boulder Dam.

4. It is not necessarily assumed that all members of the Commission agree in all particulars to the accuracy of the Debler report, but this report is a preliminary analysis of the water supply available for use in the lower basin, based on that document.

EDWARD HYATT.
M. G. HINDERLIDER.
GEO. W. MALONE.

SALT LAKE CITY, UTAH, *March 1, 1935.*

Mr. MALONE. Mr. President, I now come to one of the principal points made by the supporters of this project, namely, that there must be what they call a justiciable issue. It will be noted that in each of the five separate projects introduced by the junior Senator from Nevada, to irrigate lands in southern Nevada from Colorado River sources, the same language is used. In other words, any of these projects which might be reported by a committee and passed by the Senate—if it is necessary to authorize a project, in order to have a justiciable issue—would be quite as effective as the Arizona project; and, I may point out, very much smaller and very much less in argument. In other words, let us take the 189,400 acres as the total of the projects which would use the entire 900,000 acre-feet of water.

It was estimated that but two of those projects, with perhaps 75,000 acres in all, would use enough water to make a justiciable issue, and the cost of the development would not exceed $500 per acre. These are very simple projects, in which no dams in the river are needed for that special purpose, nothing but plain pumping plants and canals, and, in certain instances, as along the Muddy River, and along the Virgin, the canals are already available, so there would be only pumping plants.

ALLOTMENT TO MEXICO

Since 1922, when the first meeting of the representatives of the seven basin States of the Colorado River was held, there had been a discussion as to the water Mexico could demand from the United States in case of a treaty. No one took it too seriously, because the amount of water which Mexico was using at that time was generally considered to be a relatively small amount.

The junior Senator from Nevada, then State engineer of Nevada, made a trip into Old Mexico for the purpose of reviewing the lands which were under cultivation, to satisfy himself that there was not any great danger of a demand on the river that would seriously interfere with irrigation in the basin States. What I found at that time was simply that Mexico was a great country; that the land was good; it was on the Colorado River delta where, for thousands upon thousands of years, the river had dumped its load of silt, and the land was very fertile. But probably there were never more than 40,000 or 50,000 acres of land in Mexico that was irrigated at any one time. There were approximately 200,000 acres of land under cultivation, as estimated by other engineers as well as by myself. But this land was not all irrigated at one time, because the Colorado River flow was dangerously low during the low-water season in most of the years, there being no storage of the water to equalize the flow. There was not a storage dam on the Colorado River. The record will show that at low-water periods there was only approximately 1,500 second feet of water annually for the Imperial Valley and the Mexican lands. There was the All-American Canal, which was not in too good repair, but it was a usable canal, and there was a method of dividing the water and returning certain water to Mexico.

The point is, Mr. President, that in Mexico not more than 40,000 or 50,000 acres of land were ever in cultivation at one time. For whatever land Mexico had under cultivation we were in favor of giving sufficient water to irrigate it, which would mean not more than 600,000 acre-feet of water. Most of us in our computations allowed 750,000 acre-feet of water. We all knew that a treaty was in the offing for consideration at some future time. I think the junior Senator from Nevada and the Governor of Arizona, Sid Osborn, were the first two persons to hear about the treaty. We were in President Roosevelt's office

in connection with another matter. As everyone will remember, President Roosevelt was a very genial man, and we were visiting and having a rather pleasant visit. After we had completed the business which we had come to his office to transact, suddenly, without warning, the President said to us, "Just this morning I signed a treaty with Mexico giving her 1,500,000 acre-feet of water."

Sid Osborn was a very close personal friend of mine who has since died. I remember he jumped about a foot when he heard the news. I had never heard of it. There was no reason why I should have heard of it, because I did not hold any official position. But no one else in the basin States had heard of it, either. The information was received from the President's office, and we could not repeat it. The treaty provided for twice the amount of water that anyone in his wildest imagination ever figured Mexico would receive.

An acre-foot, Mr. President, is the amount of water that will cover 1 acre 1 foot deep, and the extra water that was given to Mexico would cover 250,000 acres 3 feet deep, which involved more land than Mexico ever had under irrigation.

To emphasize further the seriousness of this action the amount of water was computed very closely. The lower basin was given 7,500,000 acre-feet plus 1,000,000 acre-feet of surplus, if there were a surplus of water, and under certain conditions; the upper basin States were given 7,500,000 acre-feet of water. The treaty was not worded in exactly that way. It provided that the upper basin should turn down 7,500,000 acre-feet of water each year, or 75,000,000 acre-feet of water over any 10-year period. The lower basin was not guaranteed any water, but the flow of the river over many years justified the conclusion that there was 15,000,000 acre-feet of water in the river each year, and there might be an additional million.

But, Mr. President, the treaty included one and one-half million acre-feet of water for Mexico. Three-quarters of a million acre-feet of water is within 150,000 acre-feet of the amount which Nevada is claiming. So, if there had been a fair treaty, there is a possibility that there might be water for the Arizona project and the water which Nevada could beneficially use. Nevada would be the smallest user of the three lower-basin States of Arizona, California, and Nevada in any court.

Mr. President, in the month of September of 1949 I stated on the Senate floor that our great Secretary of State was conniving with the British to recognize Communist China. I also said he was supporting England in the devaluation of the currency to nullify any trade agreement we had ever made with them up to that time.

Of course, Mr. Cripps, who was present at the international conference of Canada, England, and the United States, denied several times that they were going to devalue the currency, but they did so as soon as they returned to England.

We may now gather from some of the evidence—it may be from a secret State Department document which was made public through the MacArthur hearings—that Mr. Acheson had intended to dump Formosa, and, as stated in Mr. Lattimore's letter about Korea, give them a little money along with it so it would not look as if we pushed them, and, in the meantime, fool the public. But now, since the report has come out, it would be interesting to know what the Secretary's position is at this moment.

Of course, no one really knows, and will not know until after he has testified, Mr. President. In the humble judgment of the junior Senator from Nevada he is still for the recognition of Communist China, following England and India, and anything that follows the British Empire policy.

Mr. President, on the 18th of April the junior Senator from Nevada addressed the Senate on the need for an American policy, and merely reference to it will be enough. If any Senator is interested in finding out what the junior Senator from Nevada thinks about the foreign policy we are now following, and what we should do to establish an American policy, I simply make reference to my address of that date.

We go back into the Mexican Treaty and we find Mr. Acheson mixed up in it. Mr. Acheson at that time made the statement that unless there was a definite treaty—I presume the one he had already written, giving them twice as much water as they had ever used, and the junior Senator from Nevada thinks about four times as much water as they had actually used at any one time, and certainly twice as much as they had ever used, was not enough, then Mexico might use several million acre-feet of water. He apparently based this conclusion on one of his profound theories that the water would have to continue to run down toward Mexico.

Mr. President, many students of the Colorado River problem, including the junior Senator from Nevada, who was then State engineer of Nevada as well as Colorado River commissioner, have studied this question rather closely and inquired of constitutional lawyers and international authorities on law, as to whether additional water made available in an interstate stream by money expended by one country to make more water available could be demanded by another nation, and never has any authority been found who said that such a nation could claim the additional water. In other words, if they could not obtain the water under the natural flow or the flow before the expenditure of the money by the other nation, then they could not demand it under any pretext.

So Mr. Acheson does not show himself to be a very great attorney, as he did not seem to have taken the time to find out that all the water could be used within the boundaries of the United States that the Colorado River produced; that it would be, of course, overly fair for the United States to give more water to Mexico, three-quarters of a million acre-feet in the final adjudication more water than they had ever used. However, Mr. Acheson got his way, it gave Mexico one and one-half million acre-feet of water. The Senate passed the treaty and American interests were irreparably damaged. That is the start of this controversy. Mr. Acheson seems to have been in the fight before, but this is the first time that he ever did get away with giving away the water of the basin.

Mr. Acheson also appeared in Colorado River matters when he reversed the decision made by his department, when General Marshall was Secretary of State.

The Imperial irrigation district signed a contract with the Department of the Interior for operation of the All-American Canal. The contract provided that when the canal was completed it was to be turned over for operation to the district, which would operate it, pay maintenance costs, and repay all construction costs. When the Boulder Dam Project Act was passed, it was understood that the All-American Canal would be paid for by the lands benefited in California, and naturally, just as practically all the projects up to the advent of this administration, when the land owners paid for a project it was turned over under certain conditions to the land owners for operation. This contract has been violated by the Interior Department. Up to this time only a part of the canal—all of course completed long ago—has been turned over to the district.

The Interior Department claimed that the Mexican water treaty required the United States to break its All-American Canal contract. Secretary of State Marshall disagreed. He declared the treaty did not require the United States to break the contract. The treaty would be satisfied, said Mr. Marshall, if the district operated the canal under State Department regulations. These regulations reserved the right to let the Government take over operation of the canal without notice, if the district did not carry out State Department orders.

In November 1950, Secretary Acheson reversed the Marshall ruling. Secretary Acheson ruled that while the treaty would be satisfied if either the United States or the district operated the canal, he would let the Interior Department decide who would do it.

Mr. President, only the naive would decide that it was not a prearranged decision. Mr. Acheson knew very well that for 10 years the Interior Department not only had violated the All-American Canal project, but had been attempting to take over the district's statutory right to develop a power site on the canal. We have a department now which thinks it must develop all of the power. This right had been given the district in the Boulder Canyon Project Act, which Secretary Acheson had opposed.

It was not coincidence that the Interior Department's reply, as to who would operate the canal, was not made until the day after the 1950 election. Four days before, Secretary Acheson had reversed General Marshall's ruling, knowing full well that he was not leaving the question up to the Department of the Interior to decide who would operate

the canal, and Secretary Acheson probably knew it. In his reversal of General Marshall, Secretary Acheson was merely deciding in favor of the Department of the Interior. Yet the Department of the Interior held up its reply 4 days, until the day after the 1950 election.

It seems very strange that it took the Department of the Interior 4 days to oblige Secretary Acheson with its half of the prearranged decision.

So, Mr. President, goes the record of Secretary Acheson in Colorado River matters, giving away to Mexico waters so desperately needed by this country, and continuing to permit the United States Government, through the Interior Department, to violate a solemn legal contract which was signed in good faith by American farmers.

That record might need some explanation. We find, however, that Secretary Acheson's record goes back farther than that date.

I want to say at this point that the junior Senator from Nevada is taking no issue with the State of Arizona when it files a suit in the Supreme Court or elsewhere to protect what it believes to be its interests.

He will merely say that from 1927, in January, when he first got into the fight as a Colorado River commissioner from Nevada, he found that Arizona up to that time had never agreed to anything, and would not, to the personal knowledge of the Senator from Nevada, then State engineer and Colorado River commissioner, lay down a specified situation under which they would allow the development of the Colorado River. The junior Senator from Nevada at that time worked very closely with the Colorado River commissioner of Arizona as well as with those of the other States of the basin.

So we find Dean Acheson as the attorney at that time for the State of Arizona in trying to prevent construction of the Hoover Dam, in this controversy over rights to the waters of the Colorado River.

As Under Secretary of State he engineered the passage of the Mexican Water Treaty, whereby American interests were simply abandoned. "Abandoned" is not the word. They were simply submerged in the interests of a foreign nation. As Secretary of State he is continuing to direct, or at least permit, the violation of a contract signed by the Federal Government and the Imperial irrigation district for the All-American Canal.

Mr. President, it is time that the Congress understood enough of the legal rights of the States of the Colorado River basin to at least form the basis for a decision. If this Congress wishes to be the first Congress in all history to vote an appropriation for a single State to take water out of an interstate stream which may belong to one or more of the other States of the basin, in the absence of an interstate agreement or adjudication by a court of competent jurisdiction, it has a perfect right to do so. However, some day it will be just as ashamed of that vote as it should be today of engineering a steal of 750,000 acre-feet of water out of the Colorado River Basin, which has made every State in the lower basin short of water.

Perhaps there might have been some excuse at that time, on the ground that the Congress did not thoroughly understand the situation. But it understands it now. It understands the rights of the smallest State in the basin, which uses perhaps not to exceed 40 or 50 second-feet of water at this time for irrigation and for domestic and industrial purposes. It claims and must secure the full utilization of the 900,000 acre-feet of water.

Mr. President, the State of Nevada, through its Governor, through its State engineer last year, and through its State engineer this year, submitted evidence before the congressional committees for the 900,000 acre-feet of water. It was substantially the same evidence as the junior Senator from Nevada is presenting today, and presented last year to the Committee on Interior and Insular Affairs, and which he will present at every opportunity when this question confronts a committee or the Senate.

Mr. President, I leave this case with the Senate. I ask only that the Congress defer favorable action on a project which would require approximately one and a quarter million acre-feet of water out of the river above the State of Nevada, and to which claim has not been established.

The joint resolution introduced by the senior and junior Senators from Nevada and the Senators from California could be brought out in the Interior and Insular Affairs Committee. It could be brought out in 10 minutes. The chairman himself could bring it up. It could be reported without any difficulty.

If it had been brought out last year, we could now be well informed as to our rights. One of the objections to it was the time element. It was said that we could not wait. If it is brought out now, we shall be well informed by next year.

Mr. NIXON. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield.

Mr. NIXON. Does the Senator from Nevada know what procedure the Committee on Interior and Insular Affairs has followed previously in considering projects in the upper basin, so far as concerns prescribing the requirement that a compact must be a condition precedent to the authorization of a project? What is the situation in that respect?

Mr. MALONE. The situation is simply this—and the junior Senator from Nevada has repeatedly called it to the attention of the chairman in connection with this project—that with respect to every project that has been considered, with the exception of this one, the direct question is asked by the chairman of the representative of the State which is interested, "Have the governors of all the States involved, and the State engineers of those States agreed to this project?" I think I can make this statement without qualification. In every case in which that question has not been answered in the affirmative, the project has been deferred. Whenever it has been stated unequivocally that the governors and State engineers of the interested States have agreed to it, the project has been considered.

Mr. NIXON. Mr. President, will the Senator further yield?

Mr. MALONE. I yield.

Mr. NIXON. As I understand, the Senator's position is that, in order to be consistent, what we should do is to insist that since a compact on the distribution of the water cannot be reached between the States in the lower basin, a decision should be made by the courts before the project is authorized, rather than after the project is authorized, as would be the case if S. 75 were enacted.

Mr. MALONE. That is entirely true. In other words, failing in an interstate compact, the water rights should be adjudicated by a court of competent jurisdiction; and the Supreme Court seems to be the only logical tribunal before which such a case could be heard.

Mr. President, I have gone through all this procedure for 25 years, since 1927. For example, we could not construct Boulder Dam—now Hoover Dam—until we had succeeded in obtaining the seven-State Colorado River Basin compact, approved by six of the States.

That was the way the law was amended to read. Four upper basin States were successful in preventing construction of the project until such time as the six States, which had to include California, had approved the compact.

The junior Senator from Nevada, then State engineer of Nevada, agreed with the upper basin States that the project should not be constructed until their water was protected. The project should not be constructed merely because the water could be put to more effective use in the lower areas because of better climate for crops, and so forth, than in the upper basin States.

If we had been able to construct the Boulder Dam before there was a Colorado River compact signed by six of the States, the lower States, including California, could have put to beneficial use practically all the water in the Colorado River. At that time the lower basin States could have used the water which was not used in the upper basin. The upper basin States up to that time used only a relatively small percentage of the 7,500,000 acre-feet for consumptive use retained by them.

Mr. President, this is just another chapter in the development of the Colorado River. If other States were involved, and Nevada were not involved at all, I would still take the position, as established under the Boulder Dam Project Act, that before such a project could be constructed, the States involved should be protected.

For example, if Nevada could raise the money to construct pumping plants for its 189,000 acres, the only way in which it could be stopped would be by injunction.

Perhaps it could not be stopped at all. I do not know. It would be our money. It should be remembered that Congress

has never taken any money out of the public purse—whether it be $1,000,000,000, $2,000,000,000, or $2—to construct a project which would take water out of an interstate stream until such rights were protected.

Mr. NIXON. Mr. President, will the Senator yield further on that point?

Mr. MALONE. Yes.

Mr. NIXON. It seems to me that the Senator from Nevada has put his finger on a very important consideration, namely, that the Senate should bear in mind, as it determines its action on the measure tomorrow, that, unfortunately, we have involved, it seems to me, a number of questions which are related, in that they bear upon whether or not the measure should be approved or disapproved, but which otherwise should be considered independently of one another. We find today, as I assume we shall find tomorrow, that our primary discussion is related to the question of whether or not the issue is justiciable in the Supreme Court and what steps can be taken to settle the water rights as between the States involved. We are also discussing the question of whether or not water is available for the project. We are discussing those points, and we are placing considerable emphasis upon them.

At the same time, we have not had an opportunity to discuss adequately the very important issues which the Senator from Nevada has raised inferentially in his remarks, namely, as to whether or not the project is economically feasible, whether we should approve a project in which $2,000,000,000 in interest alone would not be reimbursed to the Nation's taxpayers, whether or not we should establish a precedent so far as the amount of repayment which would be required of those who buy irrigation from the project is concerned, and other issues which relate to the merits of the project itself.

In other words, Mr. President, it seems to me that in order to legislate adequately and effectively in this field, it is essential that the two issues be considered separately. We should first consider, as the Senator has suggested, the issue of justiciability and whether the water is available. Once that issue has been determined, the Senate should devote its entire attention to an issue which is just as important, namely, the issue of the over-all economic feasibility of the project. Otherwise, Mr. President, in our discussion of the project we will not be able to consider adequately the precedent which the Senate would be establishing in determining whether or not the project should be approved. I may say that I recognize there are some Senators who, after consideration of all the elements involved, may decide that the project has merit at the present time and that it is feasible. Of course, I respectfully hold to the other view. I do not intend to engage the Senator in any controversy or discussion as to what his view would be on such points.

The point I wish to make is that from the standpoint of legislating in an effective manner it is certainly important to follow exactly the procedure which the Senator from Nevada has suggested. We should first consider the issue of justiciability and whether the water is available. Once that decision has been made the Senate could give full consideration to determining whether or not this particular project, with the precedents it would set so far as future reclamation projects are concerned, should be approved on its merits.

I thank the Senator for yielding to me.

Mr. MALONE. Mr. President, I would say that the pending bill is a bill to construct a project similar to dozens of other projects which have been approved by the Senate, after approval of them by committee.

I also respectfully suggest that there is nothing in the bill which would prevent the construction of the project even if the Supreme Court should decide that the amount of water necessary, according to the Secretary of the Interior, is not available.

Even if that were found to be the case, the project could still be constructed. It would be out of the hands of the Senate. The only way its construction could be prevented would be by passing a bill providing that the project shall not be constructed and that the Committee on Appropriations shall not appropriate any money for it. It is an awkward bill. It would go out of our hands without a proper study having been made. Congress has never taken the part of one State as against other States on a question involving an interstate basin or appropriated public money to construct such projects.

As the Senator from California has suggested, the next question is whether or not the project should be constructed. I do not hold with some statements to the effect that it should add up exactly in dollars and cents. We have had some 40 years' experience in irrigation projects.

As a matter of fact, former Senator Newlands, from my State, introduced the bill, which was passed by the Senate and the House, under which there was created the present Bureau of Reclamation. Ever since the first of such projects was constructed in my State of Nevada, time has proven that some of the projects which at first did not look too promising, with the later cheapening of money have proven to be good for the country, even though at the time when they were approved they were not too well received and not too well set up with reference to the economics involved.

However, before we consider that point and the possible indirect benefits involved, which I agree would be great for the State of Arizona, we must stand on the policy of protecting other areas and other States. It would cause the abandonment of areas by large numbers of people in other States if they in turn did not receive their proper share of the waters of the Colorado River. My State of Nevada is included.

Mr. McFARLAND. Mr. President, on May 29, 1951, the distinguished senior Senator from California [Mr. KNOWLAND] made this statement:

Mr. KNOWLAND. I may say at this time, Mr. President, lest anyone feel that the picture has changed since those letters were written, that only a week ago I had the privilege of seeing the President of the United States on another matter. The President made it very clear to me at that time that he was not participating in the controversy over the central Arizona project, and that he felt the matter should be settled, so far as the controversy was concerned, prior to the time the project was constructed. I merely mention that because it so happens that the able Senator from Arizona, in addition to having his duties as a representative of his State, which he ably represents, is also majority leader of the Senate of the United States. I do not think any impression should thereby be given to the Senate that this is an administration measure.

Mr. President, in reply to the statement made by the Senator from California and in fairness to the Senate, I should state that since I have become majority leader I have not mentioned this project to the President of the United States, and he has not mentioned it to me. Therefore, the distinguished senior Senator from California has said more than I have in discussing the project with the President since I have become majority leader.

Mr. President, the Senator from California was referring to certain letters by which he was trying to make the point that this project does not conform to the program of the President. He did not introduce all the letters into the RECORD, and he read only certain portions of some of them. In order that the RECORD may be complete, I ask unanimous consent to have printed at this point in the body of the RECORD a letter from the former Director of the Bureau of the Budget, Frank Pace, Jr., dated February 11, 1949, to the Senator from Wyoming [Mr. O'MAHONEY]; and I call particular attention to the last paragraph of this letter, which was sent to the Senator from Wyoming after the letter which has been referred to by the Senator from California. That paragraph reads as follows:

The project report and materials relating to the positions of the several States affected are now before your committee for consideration. If the Congress, as a matter of national policy, makes a determination that there is a water supply available for the central Arizona project, the President will consider all factors involved in any legislation to authorize the project and will inform the Congress of his views respecting the specific provisions of this legislation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
February 11, 1949.

HON. JOSEPH C. O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

MY DEAR SENATOR O'MAHONEY: Members of the Congress have raised a question as to the interpretation to be placed upon the last clause of the last sentence of my letter of February 4, 1949, addressed to the Secretary of the Interior, advising him of the relationship to the program of the President of the central Arizona project. The clause referred to reads as follows: "* * * and that he [the President] again recommends that measures be taken to bring about prompt settlement of the water-rights controversy."

During the last Congress, in connection with consideration of Senate Joint Resolu-

tion 145 and House Joint Resolution 227, this Office advised the Attorney General that it would be in accord with the program of the President to resolve the water-rights controversy by waiving immunity of the United States to suit and by granting permission to the States to bring such actions as they might desire, if the Congress felt it to be necessary to take such action. This advice was transmitted to the Congress by the Attorney General. Similar advice was also transmitted by the Secretary of the Interior, together with specific suggestions as to a form of a resolution which the Congress might consider.

In order that there may be no misunderstanding of the President's position, I shall be grateful if you will advise the members of your committee that the President has not at any time indicated that suit in the Supreme Court is the only method of resolving the water-rights controversy which is acceptable to him. On the contrary, the letters addressed to the Congress last year, as indicated above, stated specifically that enactment of the resolution authorizing suit would be acceptable to the President "* * * if the Congress feels that it is necessary to take such action in order to compose differences among the States with reference to the waters of the Colorado River."

The project report and materials relating to the positions of the several States affected are now before your committee for consideration. If the Congress, as a matter of national policy, makes a determination that there is a water supply available for the central Arizona project, the President will consider all factors involved in any legislation to authorize the project and will inform the Congress of his views respecting the specific provisions of this legislation.

Sincerely yours,

FRANK PACE, Jr.,
Director.

Mr. McFARLAND. Mr. President, this letter clearly shows that the President has not spoken against this project and has not stated that it is not in conformity with his program.

Since the distinguished senior Senator from California quoted from a letter from the Secretary of Agriculture, I also wish to have printed in the RECORD a letter from Charles F. Brannan, Secretary of Agriculture, to the Senator from Wyoming [Mr. O'MAHONEY], under date of May 4, 1949. I wish to read this letter into the RECORD, since it shows even more clearly the position of the Secretary of Agriculture with respect to this project than does the letter from which the distinguished senior Senator from California quoted:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, May 4, 1949.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Senate Committee on Interior and Insular Affairs, United States Senate.

DEAR SENATOR O'MAHONEY: I have been requested by Senators HAYDEN and MCFARLAND, of Arizona, to reexamine and, to the extent possible, clarify the contents of my letter of May 5, 1948, to Mr. Michael Straus, Commissioner of the Bureau of Reclamation, in which we reviewed the proposed report of the Secretary of the Interior, dated December 19, 1947, concerning the central Arizona project.

Perhaps this can best be accomplished by directing your attention to the fact that the Department of Agriculture has not taken the unequivocal position that the development of irrigation water to supply the bulk of the lands described in the Department of the Interior report concerning the central Arizona project should not be undertaken.

Senators HAYDEN and MCFARLAND have stated to me that my letter of May 5, 1948, has been construed by some as opposing the central Arizona project. I wish to make it clear that my letter was not written for this purpose. We did point out that we disagreed with the method used by the Bureau in estimation of benefits grossed rather than net (which is the same objection which we have made in our reports on other reclamation projects). My letter repeated my opposition to the methods generally used by the Bureau of Reclamation in its reports upon reclamation projects.

I want also to make it clear that I am not opposed to the development of reclamation in the West. On the contrary, I have frequently pointed out the necessity of reclamation development.

Assuming an increase in population at the projected rate with an increasing demand for food in this country, plus a healthy export trade, and also recognizing that there are some lands in this country which should be retired from active cultivation because of their misuse by our predecessors, it is increasingly clear that all of the soil resources and power resources of this country will have to be intelligently and properly developed in the interest of the national welfare.

Sincerely yours,

CHARLES F. BRANNAN,
Secretary.

Mr. President, there is still another letter which I ask unanimous consent to have printed in the body of the RECORD. It is from the Secretary of the Interior, Oscar L. Chapman, to the Senator from Wyoming [Mr. O'MAHONEY], under date of March 18, 1949. I do not wish to read the letter in full, but I call particular attention to the latter part of it which states that—

Both the executive and legislative branches of our Government might well consider to what extent they can contribute toward lending new impetus to negotiations among the States. In a letter addressed to you on February 11, Budget Director Pace has made clear that the President has not at any time indicated that suit in the Supreme Court is the only method of resolving the water-rights controversy which is acceptable to him.

This Department is convinced that the proposal that the lower-basin controversy be settled by litigation is but part of a larger picture. Of immediate importance is the question of whether the institution of such litigation would hinder or expedite the development of the resources of the Colorado River Basin. Although it is not certain that lower-basin litigation would inevitably have the effect of delaying progress in the authorization and construction of badly needed works in the upper basin, we are so convinced that it might well have that effect that I cannot say, to repeat a comment made by this Department on the Eightieth Congress resolutions, that there would be no objection to the enactment of legislation along the lines of these resolutions that are now before your committee unless we were fully assured that progress in the development of the basin and in the use of its waters would not be halted or seriously impeded by the litigation. More specific recommendations as to the means by which this assurance could best be evidenced are contained in the report of May 13, 1948, to which I have already referred.

Mr. President, I wish to call specific attention to the last two paragraphs, as follows:

This being the bone of contention—

Referring to a letter from which he had quoted, from the Governor of California, which of course appears in his letter—

between Arizona and California, it would seem that the States concerned should not be encouraged, and the United States should be very hesitant, to incur the heavy expense necessarily attendant upon litigation of this magnitude, at least unless it is reasonably clear that upon its outcome, and upon its outcome alone, depends the construction of the project which gives it meaning.

The Bureau of the Budget had advised that there is no objection to the presentation of this report to your committee. A copy of Director Pace's letter of March 17, transmitting this advice, is enclosed for your information.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, March 18, 1949.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs, United States Senate.

MY DEAR SENATOR O'MAHONEY: An expression of the views of this Department on Senate Joint Resolution 4 has been requested. This resolution, which is similar to a number of joint resolutions which are now pending in the House of Representatives would, if enacted, grant the consent of the United States to its joinder "as a party in any suit or suits, commenced within 2 years from the effective date of this resolution in the Supreme Court of the United States by any State of the lower basin of the Colorado River * * * for the adjudication of claims of right asserted by such State, by any other State, or by the United States, with respect to the waters of the Colorado River System * * * available for use in that basin."

The resolutions now before your Committee are similar in purpose to, though different in language from, a number of resolutions which were introduced in the Eightieth Congress. A report of this Department upon those resolutions was presented to your committee in a letter dated May 13, 1948. In that letter it was pointed out that the United States is an indispensable party to any litigation that may be brought to decide the dispute which now exists among the States of the lower basin of the Colorado River and that that dispute appears to have the elements of a justiciable controversy. There is, therefore, no need for me to elaborate on these matters here. Our hope that the dispute will be settled—by amicable means if possible, by the Congress if an amicable settlement is impossible and if it be the judgment of the Congress that the dispute can be effectively disposed of by it, and by litigation only as a last resort—was also made clear in that report. The importance that the Supreme Court attaches to settlement of disputes of this character by negotiation rather than litigation is evident from its opinion in *Colorado* v. *Kansas* (320 U. S. 383, 392 (1943)):

"The reason for judicial caution in adjudicating the relative rights of States in such cases is that, while we have jurisdiction of such disputes, they involve the interests of quasi-sovereigns, present complicated and delicate questions, and, due to the possibility of future change of conditions, necessitate expert administration rather than judicial imposition of a hard and fast rule. Such controversies may appropriately be composed by negotiation and agreement, pursuant to the compact clause of the Federal Constitution. We say of this case, as the court has said of interstate differences of like nature, that such mutual accommodation and agreement should, if possible, be the medium of settlement, instead of invocation of our adjudicatory power."

Both the Executive and legislative branches of our Government might well consider to what extent they can contribute toward lending new impetus to negotiations among the States. In a letter addressed to you on February 11, Budget Director Pace has made it clear that "the President has not at any time indicated that suit in the Supreme Court is the only method of resolving the water-rights controversy which is acceptable to him."

This department is convinced that the proposal that the lower-basin controversy be settled by litigation is but part of a larger picture. Of immediate importance is the question whether the institution of such litigation would hinder or expedite the development of the resources of the Colorado River Basin. Although it is not certain that lower-basin litigation would inevitably have the effect of delaying progress in the authorization and construction of badly needed works in the upper basin, we are so convinced that it might well have that effect that I cannot say, to repeat a comment made by this Department on the Eightieth Congress resolutions, that there would be no objection to the enactment of legislation along the lines of these resolutions that are now before your committee unless we were fully assured that progress in the development of the basin and in the use of its waters would not be halted or seriously impeded by the litigation. More specific recommendations as to the means by which this assurance could best be evidenced are contained in the report of May 13, 1948, to which I have already referred. I may add that, in view of the fact that a compact apportioning the use of the waters of the upper basin has now been negotiated and ratified by all of the States of that basin, there is less reason now than it may have been thought there was last year for hesitating to give this assurance with respect to, at least, works in the upper-basin States.

The Congress will, no doubt, wish to consider the relation which exists between the proposed legislation upon which this report is written and the proposals for authorization of the central Arizona project, which are now pending before the Congress. The central Arizona project, nearly the last great new work that can be undertaken in the lower basin, is a very important element in the over-all picture of Colorado River development. This Department's views with respect to that project have been made available. In his comments on this Department's report of February 5, 1948, on the central Arizona project, the Governor of California, in a letter to this office, dated December 29, 1948, wrote:

"Until there is a final settlement of the water rights by some method, the aggregate of Arizona and California claims to Colorado River water will exceed the amount of water available to the lower-basin States under the Colorado River compact and relevant statutes and decisions. It is only because a determination of the respective rights of the lower-basin States to the waters of the Colorado River system has not been made, that California submits any criticism of your proposed report. Whenever it is finally determined what water belongs legally to Arizona, it should be permitted to use that water in any manner or by any method considered best by Arizona, so long as that use does not conflict with the right of California to the use of its water from the Colorado River system. However, as long as the present unsettled situation exists, it is my opinion that each State in the lower basin must of necessity interest itself in the others' projects which would overlap its claims."

This being the bone of contention between Arizona and California, it would seem that the States concerned should not be encouraged, and the United States should be very hesitant, to incur the heavy expense necessarily attendant upon litigation of this magnitude, at least unless it is reasonably clear that upon its outcome, and upon its outcome alone, depends the construction of the project which gives it meaning.

The Bureau of the Budget has advised that there is no objection to the presentation of this report to your committee. A copy of Director Pace's letter of March 17, transmitting this advice, is enclosed for your information.

Sincerely yours,

OSCAR L. CHAPMAN,
Acting Secretary of the Interior.

Mr. McFARLAND. I shall discuss this particular phase in greater detail tomorrow; but at this time I wish to call the attention of the Senate to the fact that such lawsuits are expensive, and I think the Secretary of the Interior was correct in saying that unless Congress intends to authorize this project, it would be putting the State of Arizona to unnecessary expense to require it to litigate for a meaningless purpose. As has been evidenced on the floor of the Senate this afternoon and all through this discussion, there are in California certain interests that will fight an authorization of this project any time it comes before the Senate. Mr. President, in fairness to my State, the people of Arizona are entitled to know what is the attitude of the Congress of the United States toward a project before that State should be forced into expensive litigation.

As I shall again point out in detail, Arizona has on three occasions tried to get this matter settled. Each time California has come forward to oppose a settlement in the courts of the United States. What difference is there between the record then and the record today? The principal difference, I contend, is that we have introduced this bill, and that we secured the passage of a similar bill in the Senate last year. But until a project is authorized there is no material difference in the facts. The Supreme Court of the United States said there was not a threat and until there is an authorization there is no basis upon which there may be a court test.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, returned to the Senate, in compliance with its request, the concurrent resolution (S. Con. Res. 12) favoring the suspension of deportation of certain aliens.

RECESS

Mr. McFARLAND. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 41 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 5, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 4 (legislative day of May 17), 1951:

COLLECTOR OF INTERNAL REVENUE

Donald Gunn, of St. Louis, Mo., to be collector of internal revenue for the first district of Missouri, in place of James P. Finnegan, resigned.

The following-named person to be a lieutenant (junior grade) in the United States Coast Guard:

Franklin J. Miller

The following-named persons to be chief boatswains in the United States Coast Guard:

Joseph E. Sherwood
Edward L. Masters

The following-named person to be a chief radio electrician in the United States Coast Guard:

Preddie G. Bookout

The following-named persons to be chief machinists in the United States Coast Guard:

William B. Lupton
Oskar Johansen

The following-named persons to be chief pay clerks in the United States Coast Guard:

Bernard S. Koffler
Frank A. Mattson

IN THE NAVY

The following-named line officers of the Navy for permanent appointment to the grade of ensign in the Staff Corps of the Navy as indicated:

SUPPLY CORPS

Andrew L. Frahler

CIVIL ENGINEER CORPS

James W. Murray
Richard K. Pulling

The following-named officer of the Navy for permanent appointment to the grade of lieutenant (junior grade) in the Supply Corps of the Navy in lieu of the line as previously nominated and confirmed:

Andrew L. Frahler

The following-named officers of the Navy for permanent appointment to the grade and corps indicated:

CAPTAIN, LINE

Kemp Tolley	William D. Hoover
Frederic S. Keeler	Roland M. Huebl
William J. Galbraith	Charles S. Alexander
Stanley C. Strong	William B. Bailey
Royce P. Davis	Ernest S. L. Goodwin
Harry N. Coffin	George K. G. Reilly
James T. Hardin	Balch B. Wilson, Jr.
David J. Welsh	William L. Eagleton
Donald T. Eller	Henry F. Agnew
Gustave N. Johansen	Francis J. Bon
George K. Carmichael	Preston S. Tambling
Rob R. McGregor	George N. Robillard
Robert H. Wilkinson	Douglas P. Stickley
Daniel Carlson	Peter J. Neimo
Nickolas J. P. Frank, Jr.	Hallock G. Davis
	Edward R. Sperry
Edward J. Burke	Sumner K. MacLean
John P. Rembert, Jr.	Solomon F. Oden
Adolph J. Miller	Crutchfield, Adair
Almon E. Loomis	Carl E. Cullen
Robert W. Denbo	Audley L. Warburton
Alexander H. Hood	Frederick J. Ilsemann
Donald F. Weiss	William J. O'Brien
Edward C. Stephan	Rex S. Caldwell
Charles R. Fenton	Warren W. Johnson
Whitmore S. Butts	John J. Greytak
Charles E. Brunton	Stanley G. Nichols
George L. Kohr	Charles E. Briner
James H. Flatley, Jr.	Harold W. Keopka
George A. Sharp	George H. Hamilton
William S. Stovall, Jr.	Olin P. Thomas, Jr.
Leroy C. Simpler	Samuel D. Simpson
Thurlow W. Davison	Charles M. Ryan
Augustus R. St. Angelo	Thompson F. Fowler
Carl E. Giese	John F. Delaney, Jr.
Frank A. Brandley	Paul B. Tuzo, Jr.
Richard G. Visser	John L. Wilfong
Philip R. Osborn	John K. Wells
Carl G. Christie	Ralph E. Westbrook
John H. McElroy	Marion C. Thompson
William J. Richter	Frederick S. Hall
Charles O. Glisson	Louis F. Teuscher
Alex M. Loker	

CAPTAIN, MEDICAL CORPS

David H. Davis
Lewis T. Dorgan
Richard S. Silvis
Oscar Schneider
Clifford P. Powell
Carl J. Hutchinson
John M. Whalen
William L. A. Wellbrock
Leonard L. Wilson
Marion T. Rosser
Harold J. Bowen
Charles G. Robertson
Lloyd B. Shone
Charles B. Stringfellow
William W. Kirk
James S. Brown, Jr.
Harry G. Beck
Harold E. List
O. Henry Alexander
James J. Hayes
Charles W. Reeder
George W. Dickinson
Warren E. Klein
Thomas Q. Harbour
Douglas T. Prehn
Eugene H. Moyle
Ferris W. Thompson
John J. Goller
Frank F. Wildebush
Robert F. Legge
Verden E. Hockett
Ashton Graybiel
Lewis M. Smith
John A. Lund
James E. Fulghum
Byron F. Brown
Paul G. Richards
Robert V. Schultz
Charles Gartenlaub
Leslie L. Veseen
Michael Wishengrad
Shelton P. Sanford
Joseph A. C. Gray
Ira C. Nichols
Vernal G. Backman
William M. Russell
Richard B. Phillips
Leonard E. Skilling
Roland H. Fogel
Walter J. Shudde
Spencer Johnson
Percy B. Gallegos
James N. Williams
Sam C. Bostic
Charles L. Denton
John K. Hawes
Richard H. Fletcher
Leslie K. MacClatchie
Peter E. Huth
Ralph R. Myers
George G. Burkley
Herman F. Burkwall

CAPTAIN, SUPPLY CORPS

Henry S. Cone
Charles S. Bailey
Edwin F. Barker
Carl W. Seitz

CAPTAIN, CHAPLAIN CORPS

Frederick W. Meehling

CAPTAIN, DENTAL CORPS

Paul M. Carbiener
Richard H. Barrett, Jr.
Tyler W. Spear
Francis C. Snyder
Macy G. Martin
Thaddeus V. Joseph
George H. Mills
Jesse B. Bancroft
Edwin A. Thomas

COMMANDER, LINE

Gordon P. Chase
Charles W. Harbert
Jack L. Shoenhair
Richard J. Davis
George N. Eisenhart
Philip F. Bankhardt
Robert M. Harper
Earle J. McConnell
Ira W. Brown, Jr.
Angus Jacks
Armand D. Whiteman
Charles Hunsicker, Jr.
William H. Munson
Duncan A. Campbell
William J. Bennett, Jr.
Will J. Davis, Jr.
John R. Mackroth
Donald H. Dickey
James C. Page
Edward J. Taylor
Raymond D. Shryock
Guin M. Fisher
Daniel J. Corcoran
Richard J. Hogan, Jr.
George D. M. Cunha
Joseph M. Hermanson
Robert C. Lefever
William W. Soverel
Franklyn K. Zinn
Frank R. Whitby, Jr.
Lewis M. Ford
Frank D. Heyer
James D. Wright
William F. Christie
Charles W. Kinsella
Francis T. Butters
Paul M. Owen
William G. Logan, Jr.
John N. West
Onia B. Stanley, Jr.
Richard H. Rice
Arthur L. Downing
Norris A. Johnson
James A. Eastwood
Gerald H. Duffy
Richard A. Beveridge
Thomas W. Collins, Jr.
Richard J. Teich
Frederic L. Faulkner
Charles E. Healy
Frederic D. Kellogg
Donald F. White
Charles E. Ingalls, Jr.
Leroy V. Swanson
George J. Noack
Wilbur J. Wehmeyer
Mervin J. Berg
Hugh B. Miller, Jr.
Gaylord B. Brown
Morris R. Doughty
Dale K. Peterson
Leslie A. Pew
Lewis F. Davis
Edward T. Kenny
Emory C. Smith
Edmund Burke, Jr.
John J. Boyle
Donald Griffin
Laurens A. Whitney
George E. Chalmers
Walter G. Winslow
Albert P. Scott
Mark T. Whittier
Walter F. Madden
Richard L. Duncan
Robert C. Jones
Kenneth W. Caffey
Robert G. Boyd
Robert J. Connell
John Ramee
Benjamin E. Adams, Jr.
Horace C. Laird, Jr.
William H. Hudgins
John M. Maloney
Frederic W. Kinsley
Marion J. Reed
Francis E. Clark
Charles L. Browning
Harold W. Campbell, Jr.
Richard Gray
Robert M. Bruning, Jr.
John A. McKeon
Robert B. Crowell
Elton L. Knapp
James S. Cooley
Herold J. Weiler, Jr.
Louis K. Bliss
William P. Riesenberg
Irving J. Superfine
Gene Collison
Frederick W. Brown, Jr.
Gerald G. Hinman
Frank H. Rile, Jr.
Edward A. Taylor
James M. Leroy
Charles A. Lamborn
Wade C. Wells
Charles F. Skuzinski
Robert K. Etnire
Charles A. Van Dusen, Jr.
DeVon M. Hizer
Glen B. Butler
John R. Maclachlan
Alan J. Holmes
Noel R. Bacon
Frederick Welden
Robert A. Hoolhorst
Charles H. Johnson, Jr.
Donald R. Levy
Raymond W. Glasgow
John P. Aymond
Edward T. Steigelman
Thomas F. Saunders, Jr.
George W. Bowdey
Lester E. Hubbell
Frank W. Bampton
Alfred R. Lyngby
Robert D. Ballantyne, Jr.
James H. Curran
John P. Pear
Francis E. Swiderski
Claude S. Farmer
Capers G. Barr, Jr.
Herbert P. Rommel, Jr.
Charles W. Harrison, Jr.
Louis H. Roddis, Jr.
Edward L. Beach, Jr.
James M. Dunford
Walter B. Miller
Donald Furlong
Marshall E. Turnbaugh
William T. Sawyer
John W. Dolan, Jr.
Ernest F. Schreiter
John M. Reigart
James C. Oldfield
Frank W. Vannoy
John V. Wilson
Harry D. Helfrich, Jr.
Norman S. Short
John R. Dinsmore
William C. Hushing
Vincent P. de Poix
Eli B. Roth
Frederic A. Hooper
George W. Scott, Jr.
James A. Dare
Neil E. Harkleroad
John N. Renfro
Corwin G. Mendenhall, Jr.
George B. Cattermole

COMMANDER, MEDICAL CORPS

Herbert Wilson, Jr.
Ernst R. Moeller
Alessandro Trombetta
Mervyn Shoor
Stephen H. Tolins
Charles E. Moran
Ralph M. Mugrage
Wayne S. Hansen
Edward K. Allis, Jr.
James A. Roberts, Jr.
Joseph E. D. Humphries
Henry S. Colony
William W. Henderson
William C. Livingood
Ralph L. Christy, Jr.
Bruce R. McCampbell
Frederick A. Ruoff
Charles H. Eaton
John T. Sill
Thomas F. Gowen
Robert Penington, Jr.
John F. Shaul
David H. Hersh
Neal Morris
William W. Manson
Virgil A. Beuerman
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Newell Nay
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Titus Branchi
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Robert G. Luckie
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Stephen J. Gandy
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Fred C. Roepke
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Matthew J. Millard
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Francis E. Lusk
Charles V. Quigley
Edward F. Haase
Kenneth L. Price
Joseph M. Coltrell
Louie K. Witcofski
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Harry W. Combs, Jr.
Clay E. Pittser
Floyd S. Haslam
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Clarence B. Stuart
Herman H. Burton
Herman B. Tidwell
Armand P. Chartier
Andrew A. Taylor
Leo J. Elsasser
Leslie E. Bond
Paul L. Austin
Hugh M. Taylor
William M. Dreitlein
Clarence W. Feyh
Joseph J. Jacobs
William B. Gilmore
Shelley L. Lewis
Henry H. Laramore

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 4, 1951

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. PRIEST.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

JUNE 4, 1951.

I hereby designate the Honorable J. PERCY PRIEST to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker of the House of Representatives.

PRAYER

Rev. Richard D. Aspinall, of the Colorado-Utah Methodist Conference, offered the following prayer:

Our God unto Thee, the greatest leader a nation may possess, we, who have been granted the privilege of serving Thee and our people in the capacity of representatives, take this moment to bow our heads in reverence to Thy almighty grace.

It is with devout humility that our minds reach out to Thee to ask Thy guidance in these moments of fear and trial. We pray, that through Thy generous love, Thou will give to us the knowledge, and open before us, through our own desire, the pathway to eternal love and understanding for all mankind.

Help us, in our positions of leadership, to make decisions that will lead to peace for all peoples of this earth.

In this moment we pray for divine knowledge that Thy will may be accomplished, that the people of the earth may know of our unselfish desire for peace and good will.

In our Father's name we pray. Amen.

The Journal of the proceedings of Thursday, May 31, 1951, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 253. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Japanese Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1) entitled "An act to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes."

The message also announced that the Senate had ordered that the Secretary of the Senate be directed to request the House of Representatives to return to the Senate Senate Concurrent Resolution 12 favoring the suspension of deportation of certain aliens.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 51–22.

JOSEPH P. KAMP

Mr. ALBERT. Mr. Speaker, I rise to a question of the privilege of the House.

I have been subpenaed to appear before the District Court of the United States for the District of Columbia, to testify on June 6, 1951, at 9:30 a. m., in the case of the United States against Joseph P. Kamp, which is a congressional contempt proceeding. Under the precedents of the House, I am unable to comply with this subpena without the

consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpena.

The Clerk read as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—UNITED STATES OF AMERICA v. JOSEPH P. KAMP, DEFENDANT, CRIMINAL ACTION No. 1788–50

TO CARL ALBERT, Congressman from Oklahoma, House Office Building, Washington, D. C.:

You are hereby commanded to appear in the United States District Court for the District of Columbia at District Courthouse in the city of Washington, D. C., on the 6th day of June 1951 at 9:30 o'clock a. m. to testify in the case of the *United States* v. *Joseph P. Kamp*, Criminal Action No. 1788–50.

This subpena is issued on application of the defendant.

JUNE 1, 1951.

HARRY M. HULL,
Clerk.
By MARGARET H. ESSER,
Deputy Clerk.

Mr. MANSFIELD. Mr. Speaker, I offer a resolution (H. Res. 241) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas Representative CARL ALBERT, a Member of this House, has been served with a subpena to appear as a witness before the District Court of the United States for the District of Columbia, to testify at 9:30 o'clock antemeridian, on the 6th day of June 1951, in the case of the *United States* v. *Joseph P. Kamp*, Criminal Docket No. 1788–50; and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative CARL ALBERT is authorized to appear in response to the subpena of the District Court of the United States for the District of Columbia in the case of the *United States* v. *Joseph P. Kamp* at such time as when the House is not sitting in session; and be it further

Resolved, That a copy of this resolution be submitted to the said court as a respectful answer to the subpena of said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INDIA EMERGENCY FOOD AID ACT OF 1951

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a conference report on the bill (S. 872) to furnish emergency food aid to India.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

SPECIAL ORDER GRANTED

Mr. YATES asked and was given permission to address the House for 30 minutes today, following any special orders heretofore entered.

WITHDRAWING RECOGNITION FROM THE SOVIET UNION AND ITS SATELLITES

Mr. KERSTEN of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, I take this time to inform the House that I am today placing in the hopper a series of resolutions, starting off with a resolution expressing the sense of the Congress that we should withdraw recognition of the Soviet Union, and following with separate resolutions that we should withdraw recognition of the Soviet satellite governments and terminate diplomatic relations with all of them.

If the American Communist clique took over this country—William F. Foster, Dennis, and the rest—and if they imposed a police-state government on the United States, would we as the American people want other governments of the world to recognize that Communist police-state government as our government?

If we really have a friendship and a love for the people that are presently being enslaved by the Soviet Union, do we want to recognize that enslavement? I say we should not. In the Soviet Union alone the present gangster government has murdered over 40,000,000 of its own citizens. This figure is apart from World War II casualties. It has terrorized the peasants by robbing them of their farms in a program of wholesale collective farming. It has chained workers to their jobs; and, it has put all intellectuals in a Marxist strait-jacket; it maintains millions of innocent people in slave labor camps. If we are really for these people how can we continue to recognize a government with such a criminal record against them? When the present administration recognized the U. S. S. R. in 1933, after 15 years of nonrecognition by us, it was upon certain basic conditions. Among these conditions was, to quote Roosevelt's letter to Kalinin, President of the Soviets, to afford the American and Russian people with "a practical method of communicating directly with one another." Stalin's iron curtain completely destroys any possibility of direct communication between the American and Russian people.

Stalin also promised as conditions of recognition in 1933, that he would cease all efforts to interfere in the internal affairs of the United States and would not permit any organization in Russia to engage in activities that would attempt to change the form of the Government of the United States. These conditions have also been grossly violated.

Our ambassadors in Russia and the satellite countries are virtual prisoners in their embassies. The Communist embassies in Washington are used as bases for espionage and activities detrimental to the United States. We gain little or nothing by recognizing these gangster governments. Most important of all we cause the people behind the iron curtain to lose heart because we recognize as legitimate governments that have enslaved them.

PRICE CONTROLS ON ASPARAGUS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, some of the Members of the House, I know, and people in my district, remember when Mr. Truman went on the radio shortly before the last election and said the farmers ought to have their heads examined. Some of those farmers who voted for him sure should.

I recall last week a group was down here from Michigan. They grow asparagus. This OPS—I just do not have the words to describe it accurately, as I should like to—has fixed a price for asparagus from the growers to the processors of $204 in California; that is, per ton.

In Michigan they have a price of $165 a ton. You see the differential? Forty dollars per ton. When you go down to talk to them about it, what do they say? They are finally forced to admit that the asparagus we give them is just exactly as good in quality and in food content as the asparagus from California—yes, California and New Jersey. But no, they say reason for the discrimination is historical. I guess that is because California voted for Mr. Truman. I cannot figure it out any other way. The OPA ruined Michigan on black raspberries and on grapes $10 a ton during the last war. Now they are after the Michigan asparagus growers and processors.

SPECIAL ORDER GRANTED

Mr. POTTER asked and was given permission to address the House for 15 minutes on Wednesday next, following the legislative program and any special orders heretofore granted.

IMPROVING RAILROAD RETIREMENT ACT

Mr. POTTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. POTTER. Mr. Speaker, within the past few days a number of my distinguished colleagues from the State of Michigan have risen in the House in support of H. R. 3669, a bill to improve the Railroad Retirement Act, which is now pending in the Interstate Commerce Committee. I desire to join with my friends from Michigan in support of this legislation.

The people who are living on fixed incomes under the Railroad Retirement Act are in need of immediate relief. They have a retirement system of which they are proud and which they are constantly striving to improve. In view of the present cost of living, it would seem that these improvements are indeed timely.

I am certain that the distinguished chairman of the Interstate Commerce Committee, the gentleman from Ohio, the Honorable BOB CROSSER, will act with expediency in handling this matter. I

am hopeful that he and his committee will report H. R. 3669 as quickly as possible in order that we may help the railroad workers combat the inflation that is running amuck in this time of crisis.

As much as any other Member of Congress, my constituency is deeply involved in this problem. There are many railroad annuitants, pensioners, widows, and children living in my district. The hardship which we are seeking to correct is especially evident among widows and children. I am sure that all Members of the House will agree with me when I say that our first efforts must be to assure that these widows and children will be cared for.

WAGE STABILIZATION BOARD INVESTIGATION

Mr. LUCAS. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Education and Labor, which is investigating the operation of the Wage Stabilization Board, may have permission to sit during the sessions of the House this week while the House is engaged in general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

ANNUAL AND SICK LEAVE PRIVILEGES TO CERTAIN INDEFINITE SUBSTITUTE EMPLOYEES IN THE POSTAL SERVICE

The Clerk called the bill (H. R. 3605) to amend section 6 of Public Law 134, approved July 6, 1945, as amended, to grant annual and sick leave privileges to certain indefinite substitute employees in the postal service.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended, is amended by the addition of a paragraph to read as follows:

"Employees in the postal service whose appointments are indefinite in character and for not less than 90 consecutive days, shall be granted, under such regulations as the Postmaster General shall prescribe, the same rights and benefits with respect to annual and sick leave that accrue to regular employees, and each such employee shall receive credit for one-twelfth of a year for each whole calendar month such employee is carried on the roll as an indefinite employee: *Provided*, That the provision of this section shall not apply to substitute rural carriers."

SEC. 2. The amendment made by this act to such act of July 6, 1945, as amended, shall take effect as of December 1, 1950, but shall not apply in the case of any person who has been separated from the postal service prior to the date of enactment of this act.

Mr. MURRAY of Tennessee. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. MURRAY of Tennessee:

Page 1, line 10, before the word "indefinite" insert "temporary or."

On page 2, line 6, strike out "an indefinite" and insert in lieu thereof "a temporary or indefinite."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAROLE OF FEDERAL PRISONERS

The Clerk called the bill (H. R. 3455) to amend section 4202 of title 18, United States Code, relating to parole of Federal prisoners.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, it is my understanding that there are certain amendments to this bill which have been agreed to by the committee. If so, I have no objection, and I withdraw my reservation of objection under that assumption.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4202 of title 18 of the United States Code is hereby amended to read as follows:

"§ 4202. Prisoners eligible

"(a) A Federal prisoner, other than a juvenile delinquent or a committed youth offender, wherever confined and serving a definite term or terms of over one hundred and eighty days, whose record shows that he has observed the rules of the institution in which he is confined, may be released on parole after serving one-third of such term or terms or after serving 15 years of a life sentence or of a sentence of over 45 years.

"(b) When by reason of his training and response to the rehabilitation program of the Bureau of Prisons, it appears to the Board of Parole that there is a reasonable probability that a prisoner will live and remain at liberty without violating the law, and that his immediate release is not incompatible with the welfare of society, but he has not served one-third of the term of his sentence or 15 years in the case of a life sentence or of a sentence of over 45 years, the Board in its discretion may apply to the court imposing sentence for such reduction in his sentence as may make him eligible for parole. The court shall have jurisdiction to act upon the application at any time and place within the district, in chambers or otherwise, and no hearings shall be required."

With the following committee amendments:

Page 2, line 5, after the word "the", insert "satisfaction of the."

And page 2, line 5, after the word "that", strike out "there is a reasonable probability that."

Page 2, line 11, after the word "Board", strike out "in its discretion."

And page 2, line 11, after the word "may", insert "after due notice to the United States Attorney for the district in which such person was convicted."

The committee amendments were agreed to.

Mr. FORD. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FORD:

Page 1, line 6, strike out "'(a)."

On page 2, line 2, after the end of the line, close the quotation mark.

On page 2, strike out lines 3 through 18, inclusive.

The SPEAKER pro tempore. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING TITLE 18, UNITED STATES CODE, WITH RESPECT TO FRAUD BY WIRE, RADIO, OR TELEVISION

The Clerk called the bill (H. R. 2948) to amend title 18, United States Code, with respect to fraud by radio.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, I would like to have an explanation of the bill, because I think most of us recognize there are many radio advertisements that tread closely on grounds of fraud.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. ROGERS of Colorado. For the information of the gentleman from Nebraska, this bill merely extends to radio the mail fraud type of law that now applies whenever you commit fraud through the United States mail. This makes it an analogous offense over the radio as pertains to the use of the mails.

Mr. MILLER of Nebraska. Does the gentleman think it tightens up the code for advertising over the radio?

Mr. ROGERS of Colorado. This prohibits fraudulent radio and television advertising where the mails are not employed as an element in perpetrating the scheme. However, the original bill as offered before the committee provided that the radio-station owner who knowingly permits such a fraudulent scheme would be in the same category as the one who perpetrated the fraud. This bill eliminates reference to the radio broadcaster since the conspiracy and accessory sections of the Criminal Code now apply to him.

Mr. MILLER of Nebraska. I withdraw my reservation of objection, Mr. Speaker.

Mr. CUNNINGHAM. Mr. Speaker, further reserving the right to object, will the gentleman state whether or not this bill would prevent fraudulent advertising by radio?

Mr. ROGERS of Colorado. Precisely, the principal objective of this bill is to eliminate fraudulent radio advertising in the same manner as schemes to use the mails to defraud are presently barred.

Mr. CUNNINGHAM. Mr. Speaker, I withdraw my reservation of objection.

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to ask the gentleman what the attitude of the National Association of Broadcasters is toward this legislation.

Mr. ROGERS of Colorado. For the information of the gentleman, I may say that a number of witnesses appeared before the subcommittee. They, of course, objected to the bill in its original form, but as it was amended to conform to the mail fraud statute, it was agreeable to them. The National Association of Broadcasters endorses the bill as amended by the committee.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That title 18, United States Code, "Crimes and Criminal Procedure," is amended by adding the following new section immediately after section 1342:

"SEC. 1343. Fraud by radio.

"Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, transmits or causes to be transmitted by means of radio communication or interstate wire, communication, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, or whoever operating any radio station for which a license is required by any law of the United States, knowingly permits the transmission of any such communication, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both."

SEC. 2. The analysis of chapter 63 of title 18 United States Code is amended by adding at the end thereof the following new item:

"1343. Fraud by radio."

With the following committee amendments:

1. Page 1, line 11, strike "radio communication or" and insert after "wire", the words ", radio or television."

2. Page 2, lines 2 through 5, strike "or whoever operating any radio station for which a license is required by any law of the United States knowingly permits the transmission of any such communication."

3. Page 2, line 6, strike "$10,000" and substitute therefor "$1,000."

4. Page 2, the line following line 10, amend the catchline to read "1343. Fraud by wire, radio, or television."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend title 18, United States Code, with respect to fraud by wire, radio, or television."

A motion to reconsider was laid on the table.

EMPLOYMENT OF CERTAIN PERSONNEL BY COMMITTEE ON WAYS AND MEANS

The Clerk called the resolution (H. J. Res. 240) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigation ordered by House Resolution 78, Eighty-second Congress.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. FORD. Mr. Speaker, I object.

AMENDING SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The Clerk called the bill (H. R. 3091) to amend the Soil Conservation and Domestic Allotment Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (e) of section 8 of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h (e)), is amended by adding at the end thereof the following new sentence: "Persons who carry out conservation practices on federally owned noncropland which solely and directly conserve or benefit nearby or adjoining privately owned lands of such persons and who maintain and use such Federal land by formal agreement with the Federal agency having jurisdiction thereof and who comply with the terms and conditions of the agricultural conservation program formulated pursuant to sections 7 to 17 of this act, as amended, shall be entitled to apply for and receive payments under such program to the same extent as other producers."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 12 OF THE MISSING PERSONS ACT

The Clerk called the bill (H. R. 1199) to amend section 12 of the Missing Persons Act, as amended, relating to travel by dependents and transportation of household and personal effects.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, this bill will call for the expenditure of approximately $3,000,000, and that is too much for a bill to be considered on the Consent Calendar.

I understand that the gentleman from Texas [Mr. KILDAY] intends to ask unanimous consent to consider this bill after the calendar is called. I therefore ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LAPEL BUTTONS INDICATING LOSS OF NEXT OF KIN IN BATTLE

The Clerk called the bill (H. R. 3911) to provide appropriate lapel buttons for widows, parents, and next of kin of members of the Armed Forces who lost or lose their lives in the armed services of the United States during World War II or during any subsequent war or period of armed hostilities in which the United States may be engaged.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Maryland [Mr. SASSCER] or some member of the committee something in regard to this bill. I think it is a very meritorious bill and one that should be passed, but there is no departmental report with the bill. Can the gentleman assure us that the departments concerned have no objection to the passage of the bill?

Mr. PRICE. Mr. Speaker, I can give the gentleman that assurance. A subcommittee of which the gentleman from Maryland [Mr. SASSCER] was chairman held hearings on the bill. Representatives of the Department of Defense appeared before the subcommittee and supported the legislation. I can give assurance to the House that the bill has the approval of both the Department of Defense and the Bureau of the Budget.

Mr. CUNNINGHAM. Our rule is to require a report from the departments concerned, but with the assurance of the gentleman I withdraw my objection.

Mr. PRICE. I can give the gentleman the assurance that it has the approval of both the Budget Bureau and the Department of Defense.

Mr. CUNNINGHAM. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of August 1, 1947 (61 Stat. 710, title 36, U. S. C. 182a-182d), is amended to read as follows:

"That the Secretary of Defense shall formulate and fix the size, design, and composition of a lapel button (to be known as the 'gold star lapel button') suitable as a means of identification for widows, parents, and next of kin of members of the Armed Forces of the United States who lost or lose their lives in the armed services of the United States during World War II or during any subsequent war or period of armed hostilities in which the United States may be engaged. The Secretaries of the Army, Navy, and Air Force shall procure for their respective departments such number of gold star lapel buttons as shall be necessary to effect distribution of such buttons in accordance with the provisions of this act.

"SEC. 2. (a) Upon application to the Department of the Army, Department of the Navy, or the Department of the Air Force, as the case may be, one such gold star lapel button shall be furnished, without cost, to the widow and to each of the parents of a member of the Armed Forces of the United States who lost or loses his or her life in the armed services of the United States during World War II or during any subsequent war or period of armed hostilities in which the United States may be engaged.

"(b) In addition to the gold star lapel button authorized in subsection (a) of this section, gold star lapel buttons shall also be furnished, upon application and the payment of an amount sufficient to cover the cost of manufacture and distribution, to the next of kin, not hereinbefore designated, of any such deceased person.

"(c) Not more than one gold star lapel button shall be furnished to any one individual as provided in subsections (a) and (b) of this section, except whenever a gold star lapel button furnished under the provisions of this act shall have been lost, destroyed, or rendered unfit for use, without fault or neglect on the part of the person to whom it was furnished such button may be replaced, upon application, by payment of an amount sufficient to cover the cost of manufacture and distribution.

"(d) Gold star lapel buttons shall be distributed in accordance with rules and regulations prescribed by the Secretary of Defense.

"SEC. 3. As used in this act, (a) the term 'widow' shall include widower; (b) the term 'parents' shall include mother, father, stepmother, stepfather, mother through adoption, father through adoption, and foster

parents who stood in loco parentis; (c) the term 'next of kin' shall include only children, brothers, sisters, half brothers, and half sisters; (d) the term 'children' shall include stepchildren and children through adoption; and (e) the term 'World War II' shall include the period extending from September 8, 1939, to July 25, 1947, at 12 o'clock noon.

"SEC. 4. Whoever shall (1) wear, display on his person, or otherwise use as an insignia, any gold star lapel button issued to another person under the provisions of this act; (2) falsely make, forge, or counterfeit, or cause or procure to be falsely made, forged, or counterfeited, or aid in falsely making, forging or counterfeiting any lapel button authorized by this act; or (3) sell or bring into the United States, or any place subject to the jurisdiction thereof, from any foreign place, or have in his possession, any such false, forged, or counterfeited lapel button, shall be fined not more than $1,000 or imprisoned not more than 2 years, or both.

"SEC. 5. Such sums are hereby authorized to be appropriated as may be necessary to carry out the purposes of this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND TO THE VILLAGE OF HIGHLAND FALLS, N. Y.

The Clerk called the bill (H. R. 385) to direct the Secretary of the Army to convey certain land to the village of Highland Falls, N. Y.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized and directed to convey, without consideration, to the village of Highland Falls, N. Y., all right, title, and interest of the United States in and to that tract or parcel of land in the town of Highlands, Orange County, N. Y., described as follows:

Beginning at a point in the southerly boundary of State Highway No. 5328 (Old Route 9W) approximately twenty-three feet west of the Stoney Lonesome Creek, and running thence on a line which produced will be twenty feet from the center of the south concrete culvert wall through which Stoney Lonesome Brook flows, south twenty-three degrees west passing through an iron pipe on the northerly bank of the Highland Falls Brook, ninety-eight feet, more or less, to the center of the Highland Falls Brook (also known as Buttermilk Falls Brook); thence in an easterly direction along the center line of said brook two hundred and twenty feet, more or less, to a point; thence north twenty-three degrees east passing through an iron pipe on the northerly bank of the Highland Falls Brook seventy-five feet, more or less, to the southerly boundary of State Highway No. 5328; thence along the southerly boundary of State Highway No. 5328 north fifty-one degrees fifty-seven minutes thirteen seconds west twenty-three feet, more or less, to an angle in the southerly boundary of said highway; thence north fifty-eight degrees thirteen minutes fifty-nine seconds west one hundred nineteen and sixty one-hundredths feet; thence north seventy degrees twenty-six minutes eleven seconds west seventy-nine feet, more or less, to the point of beginning.

With the following committee amendment:

On page 2, following line 20, add the following new section:

"SEC. 2. The deed effecting the conveyance provided for in section 1 shall contain (a) such provisions as may be deemed necessary by the Secretary of the Army to insure that the property is used for the construction of a filtration plant or other similar purpose; (b) a provision that the construction shall be performed and the property used in such manner as not to interfere with the Government's use of its property in the vicinity; (c) a provision that the filtration plant or other similar improvement shall be completed not later than 10 years from the date of enactment of this act. In the event of failure on the part of the village of Highland Falls to make such improvements within the period specified, title to the property shall thereupon revert to the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING THAT AN AIRCRAFT CARRIER SHALL BE NAMED THE "FORRESTAL"

The Clerk called House Joint Resolution 67 to provide that the first Navy supercarrier shall be named the *James V. Forrestal.*

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved, etc., That when and if the United States completes construction of the aircraft carrier known as the *United States* when its construction was ordered discontinued in April 23, 1949, or another carrier of the same class, it shall be named the *James V. Forrestal.*

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That when and if the United States completes construction of the aircraft carrier known as the *United States*, the construction of which was discontinued on April 23, 1949, or the aircraft carrier authorized in Public Law 3, Eighty-second Congress, first session, it shall be named the *Forrestal.*"

The committee amendment was agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "Joint resolution to provide that an aircraft carrier shall be named the *Forrestal.*"

A motion to reconsider was laid on the table.

ATTENDANCE OF MARINE BAND AT NEW CASTLE, DEL., ON JUNE 16, 1951

The Clerk called the bill (H. R. 3573) to authorize the attendance of the United States Marine Band at the celebration of the three hundredth anniversary of the settling of New Castle, Del., to be held in New Castle, Del., on June 16, 1951.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, I am informed by the author of this particular bill that it is contemplated the band will be sent to New Castle, Del., under Presidential order, and that the bill will not be necessary. I therefore ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SETTLEMENT OF CERTAIN CLAIMS BY PERSONS OF JAPANESE ANCESTRY

The Clerk called the bill (H. R. 3142) to authorize the settlement by the Attorney General and the payment of certain of the claims filed under the act of July 2, 1948, by persons of Japanese ancestry evacuated under military orders.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. JOHNSON. Mr. Speaker, reserving the right to object, I am heartily in favor of this bill because a great many of these people who will be claimants under this law reside in my district. The bill as drafted, in my opinion, is a very meritorious one and should be passed.

Congress, in a previous act, created the basic right under which these claimants may seek restitution. That having been done, we certainly should pass this act so that the right which Congress gave the people concerned may come to fruition. A number of American citizens, of Japanese descent, who reside in my congressional district may be entitled to payment of claims under this legislation. We certainly should permit the Attorney General to consider their claims. If agreement can be had as to the amount to be paid, providing it does not exceed $2,500, it should be paid. The integrity of the United States will be vindicated by the passage of this legislation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 (a) of the act of July 2, 1948 (62 Stat. 1231), is hereby amended to read as follows:

"SEC. 4. (a) The Attorney General shall except as to claims compromised under section 7 of this act, adjudicate all claims filed under this act by award or order of dismissal, as the case may be, upon written findings of fact and reasons for the decision. A copy of each such adjudication shall be mailed to the claimant or his attorney."

SEC. 2. Section 7 of the act of July 2, 1948 (62 Stat. 1231), is hereby amended to read as follows:

"SEC. 7. There are hereby authorized to be appropriated for the purposes of this act such sums as Congress may from time to time determine to be necessary, which funds shall be available also for payment of settlement awards, which shall be final and conclusive for all purposes, made by the Attorney General in compromise settlement of such claims upon the basis of affidavits and available Government records satisfactory to him, in amounts which shall not in any case exceed either three-fourths of the amount, if any, of the claim attributable to compensable items thereof or $2,500, whichever is less."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXEMPTION OF AN ATTORNEY EMPLOYED BY THE SENATE COMMITTEE ON RULES AND ADMINISTRATION

The Clerk called Senate Joint Resolution 70 to suspend the application of certain Federal laws with respect to an attorney employed by the Senate Committee on Rules and Administration.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this Senate joint resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. WALTER. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate joint resolution?

Mr. FORD. Mr. Speaker, I object.

The SPEAKER pro tempore. That concludes the call of the Consent Calendar.

AUTHORIZING SECRETARY OF THE INTERIOR TO LEASE CERTAIN LAND TO THE CITY OF POPLAR (MONT.)

Mr. D'EWART. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3033) authorizing the Secretary of the Interior to lease certain land in the State of Montana to the city of Poplar and the county of Roosevelt, Mont.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to leave for airport purposes to the city of Poplar and the County of Roosevelt, Mont., for a period of 25 years and upon such terms and conditions as may be agreed upon between the Secretary and such city and county, with the approval of the Fort Peck Tribal Executive Board, the following-described tract of land: The southwest quarter, and the east half of the southwest quarter of section 6, township 27 north, range 51 east, Montana principal meridian.

With the following committee amendments:

Page 1, line 4, strike out "leave" and insert "lease."

Page 1, line 8, strike out "Tribal."

Page 1, line 9, strike out "southwest" and insert "southeast."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EVIDENTIARY VALUE OF MICROFILMED RECORDS

Mr. PRESTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4106) to amend title 28 of the United States Code entitled "Judiciary and Judicial Procedure" by adding a new section thereto known as section 1732b to permit the photographic reproduction of business records and the introduction of the same in evidence.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, I notice that the bill, in a way, revolutionizes the laws of evidence in our Federal courts. Could the gentleman make an explanation of the bill and just how it would operate?

Mr. PRESTON. I think it could be said that the bill does two things. First, it does what the gentleman says. It gives high standing to microfilm evidence in the United States courts. It permits business people, insurance companies, banks, or any type of business or any governmental agency to destroy records in the regular course of business and to preserve the microfilm copies, thereby saving great space and a great deal of cost incident to preserving the records, and it makes that microfilm copy admissible under the best evidence rule in all United States courts. Secondly, one of the main things this bill will do, it will reduce by one-third the cost of maintaining space for records of the United States Government. The Hoover Commission estimated that it cost $1,300,000,000 annually to store Government records. There will be some cost to microfilming, but taking that into account and also the fact that we must keep some current records, it is estimated that this bill will save a third of that cost, amounting to approximately $450,000,000.

Mr. CUNNINGHAM. I will say to the gentleman that this is a meritorious bill, but insofar as microfilming and photostatic copies are concerned, it actually makes secondary evidence the best evidence. I want to ask this further question: Is there any provision in the bill to assure those concerned that the photostatic copy or the microfilm is a copy of the original instrument, which would be the best evidence?

Mr. PRESTON. Yes; there is.

Mr. CUNNINGHAM. I withdraw my reservation of objection, Mr. Speaker, with that assurance.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from New York.

Mr. CELLER. This was a unanimous report of the Committee on the Judiciary.

Mr. PRESTON. That is true. The Committee on the Judiciary passed this bill out unanimously.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That title 28 of the United States Code entitled "Judiciary and Judicial Procedure" is hereby amended by adding a new section thereto, to be known as section 1732b to read as follows:

"§ 1732b. Photographic copies of records

"If any business, institution, member of a profession or calling, or any department or agency of government, in the regular course of business or activity has kept or recorded any memorandum, writing, entry, print, representation or combination thereof, of any act, transaction, occurrence, or event, and in the regular course of business has caused any or all of the same to be recorded, copied, or reproduced by any photographic, photostatic, microfilm, microcard, miniature photographic, or other process which accurately reproduces or forms a durable medium for so reproducing the original, the original may be destroyed in the regular course of business unless held in a custodial or fiduciary capacity or unless its preservation is required by law. Such reproduction, when satisfactorily identified, is as admissible in evidence as the original itself in any judicial or administrative proceeding whether the original is in existence or not and an enlargement or facsimile of such reproduction is likewise admissible in evidence if the original reproduction is in existence and available for inspection under direction of court. The introduction of a reproduced record, enlargement, or facsimile does not preclude admission of the original. This act shall not be construed to exclude from evidence any document or copy thereof which is otherwise admissible under the rules of evidence."

SEC. 2. The analysis of chapter 115 of title 28, United States Code, immediately preceding section 1731 of such title, is amended by inserting, immediately underneath item 1731 in such analysis, the following new item:

"1732b. Photographic copies of records."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 12 OF THE MISSING PERSONS ACT

Mr. KILDAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 1199) to amend section 12 of the Missing Persons Act, as amended, relating to travel by dependents and transportation of household and personal effects.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. ARENDS. Mr. Speaker, reserving the right to object, will the gentleman please explain the bill?

Mr. KILDAY. This bill has two sections. The first section authorizes the transportation at Government expense of the dependents and household effects of the person who is either killed or missing or interned in a neutral country or prisoner of war. It amends the Missing Persons Act, and the Comptroller General ruled—and I think erroneously—that the subject had to be either killed, missing, or interned as a result of military operations. So, this makes clear that the dependents and household effects of persons in those categories will be transported. The second section would validate payments made prior to the decision of the Comptroller General. It is my understanding that the only objection on the part of the objectors is the fact that section 2 exceeds the amount which, under their own rules, should come before the House on the Consent Calendar.

Mr. ARENDS. I withdraw my reservation of objection, Mr. Speaker.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Iowa.

Mr. GROSS. This would not indemnify them for loss of property?

Mr. KILDAY. No; it has nothing to do with that. It only has to do with transportation under the Missing Persons Act.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 12 of the Missing Persons Act, as amended, is hereby further amended to read as follows:

"SEC. 12. The dependents and household and personal effects of any person in active service (without regard to pay grade) who is officially reported as dead, missing, interned in a neutral country, or captured by the enemy, upon application by such dependents, may be moved (including packing and unpacking of household effects), upon receipt by such dependents of such official report, to such location as may be determined in advance or subsequently approved by the head of the department concerned or by such persons as he may designate. The cost of such transportation, including packing and unpacking of household effects, shall be charged against appropriations currently available. In lieu of transportation authorized by this section for dependents, the head of the department concerned may authorize the payment in money of amounts equal to such commercial transportation costs for the whole or such part of travel for which transportation in kind is not furnished, when such travel shall have been completed."

SEC. 2. (a) Claims for travel by dependents and for transportation of household and personal effects which arose under section 12 of the Missing Persons Act, as amended, incident to the death of a person in active service, and which were not presented for reimbursement or were presented and were rejected or disallowed, may, until 3 years after the date of approval of this act, be presented for consideration or reconsideration and reimbursement under the provisions of section 12 of the Missing Persons Act, as amended by this act: *Provided*, That this section shall be applicable only to such claims which arose on or after March 7, 1942, and prior to the date of approval of this act.

(b) Payments made by disbursing officers for travel by dependents and for transportation of household and personal effects pursuant to section 12 of the Missing Persons Act, as amended, on or after March 7, 1942, and prior to the date of approval of this act, are hereby ratified.

With the following committee amendment:

Page 2, line 23, strike out "March 7, 1942" and insert "September 8, 1939."

The committee amendment was agreed to.

This bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REAFFIRMING FRIENDSHIP OF THE AMERICAN PEOPLE FOR ALL OTHER PEOPLES

Mr. RIBICOFF. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 57) reaffirming the friendship of the American people to all the peoples of the world, including the peoples of the Soviet Union, as amended.

The Clerk read as follows:

Whereas the goal of the American people is now, and ever has been, a just and lasting peace; and

Whereas the deepest wish of our Nation is to join with all other nations in preserving the dignity of man, and in observing those moral principles which alone lend meaning to his existence; and

Whereas, in proof of this, the United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom; and

Whereas the Congress reaffirms its policy as expressed in law "to continue to exert maximum efforts to obtain agreements to provide the United Nations with armed forces as contemplated in the Charter and agreements to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion"; and

Whereas this Nation has likewise given of its substance and resources to help those peoples ravaged by war and poverty; and

Whereas terrible danger to all free peoples compels the United States to undertake a vast program of armaments expenditures; and

Whereas we rearm only with reluctance and would prefer to devote our energies to peaceful pursuits: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States reaffirms the historic and abiding friendship of the American people for all other peoples, and declares—

That the American people deeply regret the artificial barriers which separate them from the peoples of the Union of Soviet Socialist Republics, and which keep the Soviet peoples from learning of the desire of the American people to live in friendship with all other peoples, and to work with them in advancing the ideal of human brotherhood; and

That the American people believe the Soviet Government could advance the cause of peace immeasurably by removing those artificial barriers, thus permitting the free exchange of information between our peoples; and

That the American people and their Government desire neither war with the Soviet Union nor the terrible consequences of such a war; and

That, although they are firmly determined to defend their freedom and security, the American people welcome all honorable efforts to resolve the differences standing between the United States Government and the Soviet Government and invite the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor; and

That the Congress request the President of the United States to call upon the Government of the Union of Soviet Socialist Republics to acquaint the peoples of the Soviet Union with the contents of this resolution.

The SPEAKER pro tempore. Is a second demanded?

Mr. VORYS. Mr. Speaker, for the purpose of explanation of this historic resolution, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. RIBICOFF. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, the purpose of this resolution is to reaffirm the opposition of the American people to war and to express their desire to live in peace and friendship with all the peoples of the world, including the peoples of the Soviet Union. We must all realize that spiritual power and not material power is the key to the world's ills. As a nation, we must set peace as our goal, believe in it, and find a way to accomplish this goal. While we rearm, we must not sidetrack other methods to avoid war. Again and again we must tell the peoples of the world that our goal is peace.

With the best moral case in the world, we are still on the defensive. We must have the vision and imagination to contribute ideas around which the world can rally.

This resolution will put the American people and Congress squarely on record as standing for peace, not war; for life, not death.

The iron curtain is a menace to world peace because it prevents the American people and the Russian people from getting to know each other. The American Congress has a moral right to call upon Stalin to make known this resolution of friendship to the Russian people. This resolution will come to the attention of the Russian people officially or unofficially.

It is imperative for our country to assume the leadership for peace.

This resolution has its source completely within the legislative initiative of the Congress. Members of the Committee on Foreign Affairs and other Members of Congress have always felt that with the great change that has taken place in diplomatic and world relations Congress, too, has in its own power the making of foreign policy.

The executive branch of our Government, the State Department, have been so absorbed with the short-term policies needed to redress the power balance of the world that they have failed to realize the necessity for the United States to formulate a long-range policy for peace. Although we need armies and arms to redress the power balance of the world, as a nation we must advance an ideal for the world to rally around.

I was very much interested to read Anne O'Hare McCormick in the New York Times writing from Italy, giving her explanation of the recent numerical gains made by the Communists in Italy. It was quite surprising to most of us to see the numerical gains that they made. I would like to read for the membership a short paragraph from Anne O'Hare McCormick, who is a very experienced observer:

In Europe the Russians are scuttling all their other propaganda to pose as the great champions of peace. They have found that no other appeal is anywhere near so effective. This raises a big question: Why do the democracies let the Kremlin use this reverberating word as if it were another Soviet invention? Why does not the west beat the drums on this popular theme and make the skies whir with the doves we let loose? Every hour on the hour, why don't we pin the label "warmonger" where it belongs? Why does the United States, especially, let the reactionaries of Moscow get away with the claim that they are revolutionists, offering something new to the world instead of a bondage as old as the pyramids? Soviet communism is the counterrevolution; but if we have not the power and imagination to make that clear as light, communism will continue to win votes from those who hear its voice and never see its face.

During the past number of years the Communists have stolen our symbols of freedom and democracy—they who have no freedom—whose democracy is a farce. They have put false faces on those words. Now they have also stolen, and we have done nothing about it, our symbols of peace. The United States of America has the greatest doctrine of

all to give to the world. As a nation we must proclaim that our goals for the world are similar to the goals of this Nation from its founding. Paraphrasing the Constitution of the United States, they are a more perfect world, common security, the establishment of justice, universal tranquillity, the securing of peace in our own land and throughout the world, general welfare of all peoples, the securing of the blessings of liberty for all peoples and for posterity. As a young nation we represented the most revolutionary force in the world. Yet we allowed the most reactionary of all governments, one which would take the peoples of the world back to the middle ages of slavery and feudalism, the Soviet Union, to capture and use the revolutionary ferment now going on in the world. Let us renew our birthright with zeal and offer it to all who need it.

The United States has proven right here that we know not only what political democracy is but what economic democracy is. It becomes very important that we in the Congress start building a positive program of peace for all the peoples of the world, and also to assure the peoples of the Soviet Union that the intentions of the United States are the intentions of peace and brotherhood.

As General MacArthur said in his testimony before the investigating committee of the other body, the greatest deterrent to war is the massed opposition of all peoples of the world against war. The great masses of the people all over the world stated General MacArthur, including those of Russia, too, do not believe war is inevitable. We in the United States must hammer home the thought that while we rearm, our constant goal is one of peace for all the world.

This resolution is very simple, in that it states our goal is peace, and that it is the deepest wish of our Nation to join with all other nations in preserving the dignity of man. We reiterate our policy to give up all that is evil in the atom. We also state that we are taking from the text of the mutual assistance defense program of 1949 and reasserting our policy of universal control of weapons and disarmament. We repeat that in this country we have given of our substance to attempt to eliminate poverty and economic distress all over the world, and that although terrible danger to all free peoples makes the United States rearm, yet we do so with reluctance, because our ultimate goal is peace. Then we reaffirm our historic friendship for all peoples of the world. We state that we deeply regret the artificial barriers placed between the Soviet people by their iron curtain and the American people for a free exchange of ideas, because we know that in a free interchange of ideas, the ideas of America, the ideas of democracy, and the ideas of the West will be the ideas which will prevail. Then the American people place the onus upon the Soviet Government, giving them an opportunity to advance the cause of peace by asking that they themselves lower these artificial barriers. Then we say we desire neither war with the Soviet Government, or with any other peoples of the world, although we are determined to defend our freedom and security, welcoming all honorable efforts to resolve our differences, we invite the people of the Soviet Union to cooperate in a spirit of friendship. Then we ask the President of the United States of America to ask the Soviet Government to acquaint the people of the Soviet Union with the contents of this resolution.

We believe, Mr. Speaker, that in this resolution Congress itself will be taking the initiative for a positive program of peace in which the moral and spiritual factors that have made America great are strong enough as a policy to be the idea around which all peoples can rally.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman said that the Communists have made numerical gains in the last elections in Italy. In view of the fact that we have spent a good many billion dollars in Italy in one form or another, how does the gentleman account for this Communist gain in the last few months?

Mr. RIBICOFF. I will say this to the gentleman, and I have said it before on this floor. I have supported these economic programs and they have been necessary. But I do not think you are ever going to solve the world problem with the dollar bill alone. No matter how much money you spend, you cannot capture the imagination of the great masses of the people of the world by showing them you can give them more gadgets or more material things. The only way we are going to be able to accomplish this is by showing that we in America, which was founded by a great revolution—the ideals of America are still for export, and that we in this country believe that the ideas and results of the American Revolution are something that all people all over the world should gather to their bosoms for their freedom and betterment.

The SPEAKER pro tempore. The time of the gentleman from Connecticut has expired.

Mr. RIBICOFF. Mr. Speaker, I yield myself two additional minutes.

We must prove that when the Soviets talk about democracy, when they talk about freedom, and when they talk about peace, they are only perverting these great American words in order to enslave the people.

In constantly talking about war and constantly talking of rearmament, we ourselves are missing a great bet by failing to point out to the world that we rearm reluctantly, and that the ultimate goal of the Congress and of the American people is world peace. This resolution will start it on its way.

Mr. GROSS. I am glad to hear the gentleman say he does not believe we can purchase friends throughout the world. That has been my contention all along. Is it not true that the struggle in Italy today is between communism and a rebirth of fascism, rather than a struggle between communism and the democratic way of life?

Mr. RIBICOFF. I do not believe so. I would say this: I think the struggle for democracy in many portions of the world is a very difficult struggle. I do not think you can paint the ideologies of the world in all black or all white. There are gradations in between. Much of the world is gray, and I think the United States must recognize that progress will often be slow for democracy. While I think communism has great numerical strength in Italy, there are great forces in Italy seeking democracy.

The SPEAKER pro tempore. The time of the gentleman from Connecticut has again expired.

Mr. VORYS. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Speaker, perhaps I am presumptuous to take 3 minutes on this resolution, but I want to point out one thing that I think is generally misunderstood all over the world. We frequently hear, through press reports in various parts of the world, that America is an imperialistic country. The Soviets are trying to drive home that thought wherever and whenever they can. The idea the Soviets are trying to spread is that America intends to get dividends on the things we have done to help the world, and that is in the form of what they refer to as imperialism—that is, concessions from or subjugation of other countries.

The complete answer to that is the record of America with reference to the Philippines. The most significant thing that has occurred in over 200 years, in my opinion, is the fact that in 1946 America liberated the Philippine Islands. I do not know of any nation with a record like it. In 1898 the United States took under its wing this undeveloped country as a result of the Spanish-American War. We spent untold millions trying to train the people in the islands for self-government. After a continuous effort for almost half a century we finally kept our word, which was given by President McKinley, that when the Philippines were ready for freedom and self-government they would get it. We granted them their own sovereignty in 1946 with a collaboration pact to help them for 25 years.

In many other ways America has indicated by the expenditure of money—by the expenditure of human life—that we are interested in a peaceful world. It is fair to state that two times in my lifetime we have seen America bail Western Europe out of a tragic and devastating war—twice America did this—and we have never asked for a square foot of territory or a single dollar of indemnity. So I think it is well for us to place ourselves on record as the Congress—and also on behalf of the American people—that all we are doing these things for is to try to get a peaceful world where the difficulties, the controversies, and the frictions of the human race may be resolved in some form other than upon the battlefield. That is why I am heartily in favor of this resolution. This resolution not only expresses the thought of every Member of Congress but I am also convinced that it expresses the thoughts

and ideas of the American people—that all we want is peace, nothing more.

I have visited every continent in the world on official trips for the Armed Services Committee—and the Military Affairs Committee—studying the security problems of the world and exploring the problem of how world peace may be obtained. From conversations with peoples of over a dozen countries, I am convinced that the people want peace and expect the statesmen of the world to find a way to get it. If the people of the world can register their sentiment through their governments, I am positive we would have world peace promptly. This is merely to tell the peoples of all countries that the American people and their Government which represents them and their ideas also are anxious to get peace. I hope that the expressions in this resolution will bear the fruit that we all want, namely, world peace for all time to come.

Mr. RIBICOFF. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. HOWELL].

Mr. HOWELL. Mr. Speaker, being one of the cosponsors of this resolution reaffirming the United States friendship with the peoples of the Soviet Union and all other peoples, I would like to add my word of support to this bill and request favorable action by Members of the House.

The United States and its allies are in the midst of building a great structure of peace in which all the peoples of the world must participate in order that the goals which all of us seek can be achieved. I am confident that in the hearts of all peoples there is an honest desire for peaceful companionship with our fellow men. But for those people who live behind the iron curtain in Europe and Asia this desire for peace very rarely sees expression in acts of statesmanship.

The passage of this resolution would be a true act of statesmanship on the part of Congress. This resolution is the American people speaking directly to the people of the world reaffirming our desire for honest companionship in a world of peace and freedom. If the truth were available to these people to whom this message will be sent and if these people were free to speak their own minds, I am confident that they would answer us in the same spirit.

The United States must, as the leading Nation of the free world, take every step we know of to communicate directly with the people in totalitarian countries. We must convince them that we understand their problems and do whatever we can to kindle their friendship for us. These people do not have access to the truth; on the contrary, they are fed a continuous diet of vilification and hatred of the governments and peoples of freedom-loving nations. Through our expanded Voice of America and other information media, we are able to reach many millions of these people. We are able to tell them just what our goals are, just what we are doing and how and why we are doing it.

In our message to these people we must be sure to keep alive their never-ending quest for peace and freedom and security. We must convince them that they are our friends and that we are trying to do whatever we can to some day free them from the burdens that their totalitarian regime imposes on them.

Let us, then, perform a true act of statesmanship by demonstrating with the passage of this resolution that the people of the United States have sincere friendship for the people of all nations everywhere in the world.

The gentleman from Connecticut has previously stated that we have let Russia run away with the ball on this thing, and through their propaganda devices put us on the defensive. They are posing as the ones who want peace and have made us, in the eyes of many people throughout the world, appear as the ones who are trying to lead the world to war.

This resolution will be a step in the other direction and a sound step that we should take.

Mr. VORYS. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. KERSTEN]. Will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield to the gentleman from Ohio.

Mr. VORYS. The gentleman who is about to address us introduced a resolution of similar import which the committee had before it. His resolution and the thoughts set forth in it were influential in the drafting of amendments to the present resolution. I wish to congratulate the gentleman on his interest in this subject.

Mr. KERSTEN of Wisconsin. Mr. Speaker, I thank the gentleman.

In comparing the resolution as it is presently before the House with that which was originally submitted, there are certain definite improvements, particularly the one referring to an agreement on atomic energy, which I understand the gentleman from Ohio introduced in committee. It is a very good amendment.

I note also particularly the phrase on page 3 wherein the resolution invites the people of the Soviet Union to cooperate in a spirit of friendship, which I understand the gentleman from New York [Mr. JAVITS] is responsible for. That is also important.

The main idea of the resolution in expressing friendship to the people of the Soviet Union is, of course, a very good one. The members of the House Foreign Affairs Committee are students of this subject and any student who has pursued this matter certainly must come to the conclusion that it is the people of the Soviet Union and the people of every other country who are interested in world peace, as are the people of the United States. It is the Communist governments of these peoples that are presently seeking to create conditions of war.

I do have one criticism of the resolution which I would like to point out at this time. The resolution retains the phrase that we shall seek to resolve differences standing between the United States Government and the Soviet Government. By that the indication is that we are to continue to seek to enter into agreements with the U. S. S. R. In the past thirty-odd years of Russia's reign over the Russian people, by conservative estimates that Government has murdered in excess of 40,000,000 of the people of the Soviet Union. This is exclusive of wartime casualties. We all know of the nature of the police state which it has imposed. It has imposed that police state on the farmers, on the workers, on the intellectuals, and on every other strata of its society. All of us have now come to the conclusion that the Kremlin has enslaved its people.

Do we want to enter into an agreement with this type of government? Is such an agreement valid or binding? It seems to me the situation is very much like a person who is kidnaped. We say to the kidnaper: "We will seek to enter honorably into an agreement with you but we are not going to try to get the victim of the kidnaping released." In other words, we are recognizing the status quo of enslavement of the Soviet peoples.

The Russian Government over a period of 30 years has perhaps the greatest criminal record of any government the world has ever seen, certainly in modern times. Do we delude ourselves into thinking we are going to enter into a valid agreement with that government of any kind? The thing that is objectionable, in my opinion, about the mere statement that we are trying to enter into an agreement with this government is that the people who are enslaved by it may say: "Why do you say you are for us and are friendly to us, yet you are still trying to make a deal or an agreement with our enslavers?"

In other words, it takes a great deal of the good out of this resolution to say that we will seek to enter into an agreement with a regime, a tyrannical regime, which certainly does not represent these people. It is very much like a statement of Secretary Acheson in the early part of 1950 when he said: "We do not want to try to subvert the Soviet Union."

It seems to me if we are really for the people, our people should help them to get rid of that government.

Mr. RIBICOFF. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent that H. R. 4141, which was to have been the business of today following the consideration of House Concurrent Resolution 57, be put over and made the order of business tomorrow.

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, has the gentleman consulted with the minority leader?

Mr. MANSFIELD. He approves, and the ranking member of the District Committee, Mr. SIMPSON, does.

Mr. MILLER of Nebraska. What is the reason for putting over H. R. 4141? Is there any special reason for it going over?

Mr. MANSFIELD. No; we just want to put it over, if we can.

Mr. MILLER of Nebraska. Is that to get the vote on Tuesday?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

Mr. MILLER of Nebraska. I think I am going to object.

Mr. RANKIN. Mr. Speaker, if the gentleman will yield, I hope the gentleman will not object to that.

Mr. MILLER of Nebraska. I understand that there is some question about quorum calls. I am here to work. If there are quorum calls, I am going to answer. I admit some of the Members are not here. It would seem the leadership ought to schedule a full week of work—some of us are not able to go home every week end. If work is scheduled on Mondays and Fridays it might be possible for all of the Members to have a recess in August. I am certain the leadership can expect some roll calls in the future on Mondays and Fridays. So I object.

The SPEAKER pro tempore. Objection is heard.

Mr. RIBICOFF. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio [Mrs. BOLTON]

Mrs. BOLTON. Mr. Speaker, this resolution was brought to our committee by the distinguished gentleman from Connecticut [Mr. RIBICOFF]. We were immediately responsive to the idea that effort should be made by the peoples' representatives of this country to reach the people of the Soviet Union. As the distinguished gentleman from Ohio [Mr. VORYS] has said, we considered also a resolution offered by the gentleman from Wisconsin [Mr. KERSTEN] a most interesting one contributing very materially to the end results.

I would like to say just a word about the whole method of procedure of the gentleman whose name appears on this resolution, the gentleman from Connecticut [Mr. RIBICOFF]. From the first reading it was evident that he had no pride of authorship, rather did he want the best thinking of the committee. He welcomed all suggestions and was palpably happy over the result. This resolution endeavors to express the fact that we who represent the people of this country know that the people of Russia are like the people of every other country, wanting the same simple things, longing for peace. It emphasizes the fact that we feel it of first importance to bring about an understanding of these common desires.

When such a resolution as this goes out to the world, it says without any possibility of doubt that the people of the United States recognize the fact that although the people of the U. S. S. R. have been taken over by a force which is a force of darkness and destruction, we want to get through to them our fundamental friendship. We hope that this resolution may perhaps light a small candle of hope within their darkness so that they may look toward freedom—toward the renewal of contacts with the outside world. Once they know without fear of misunderstanding what is going on in the world they will be able to realize that we, who have been thrust into this position of leadership among the free peoples of the world, do mean every word we say when we express a desire for peace, a desire for world understanding, a desire for friendship in its broadest sense, and that we have but one thought in mind—the good of all human beings. We do not believe the individual to be the property of the state; we do not believe that the people should be slaves. We believe that they are indeed the children of the living God and we propose to do all possible to get that sense of thought across the world.

Mr. VORYS. Mr. Speaker, I yield 6 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, this resolution seeks to do several things, but the main ones are these:

First. It differentiates between the Soviet Government, which is an avowed enemy of the United States, and the Russian people, who so far as we are concerned are our friends.

Second. It tells the truth about the objectives and principles of our foreign policy, for truth is the only force that can possibly counteract the endless lies the Soviet Union uses as a means of promoting its foreign policy.

Hitler made many mistakes, but two of his major blunders were these: One, he dismissed those generals who told him the truth and gave him their honest professional judgment, even if it disagreed with his views. Instead he listened to those who would say what they knew he wanted them to say. He deprived his regime of their honest professional advice and the result was disaster. I do not want our Government to make that same mistake, but it appears to be doing so more and more frequently.

The other blunder was that Hitler did not differentiate between the Russian people and the Kremlin that he was fighting. Literally hundreds of thousands of Russians came over to his side, including many from Russia's armed forces. Instead of welcoming them and treating them decently and using them to help him overthrow their tyrannical regime, which they understood better than he did and which they hated more intensely than anyone else could possibly hate it, he treated them as if they were a part of the system they were ready to fight. He thereby left them no choice except in despair of genuine liberation, to unite again with the Kremlin against the foreign invader.

It was not Soviet strength, but Hitler's own blunders, which contributed more than anything else to his overthrow. If we should be defeated in the present world struggle, it would not be because of Soviet strength but because of equally short-sighted errors by ourselves. A good cause can be defeated by such blunders, as well as a bad and evil cause such as Hitler's was.

In this resolution we make clear that we always have been and are completely friendly toward the people of the Soviet Union, just as we are friendly toward the people of every other country in the world. It is our friendliness toward the people which makes us so resolute in our antipathy toward and hatred of the regime which enslaves them.

Why should we deny ourselves and the free world the benefit of the support of the Russian people who, if given encouragement and the right kind of assistance, have a better chance of weakening and ultimately overthrowing the tyrannical despots in the Kremlin than we can have from the outside?

The second thing about the resolution, as I said in the beginning, is that it tells the truth about United States foreign policy, and it seeks to recapture from the Soviet Union the good slogans they have used so dishonestly but cleverly as effective weapons in their drive to gain control of the world.

I was in north China in the fall of 1947 and I heard a report that a Communist general, who had been a patient in my hospital 10 years earlier, was there in disguise. After various devious maneuvers I managed to get in touch with him. I said, "What is your estimate of the situation?" He said, "We are going to win." I said, "What makes you so confident?" He said, "We have good slogans. Chiang Kai-shek doesn't have good slogans."

To him these seemed more important than the relative strengths of the armies. He did not say anything about the truth of the slogans or the worth of the Communist programs. He knew they had carried on a campaign of salesmanship which had pretty much swept the Chinese people off their feet and led them to acquiesce in that which they were led to believe would be an improvement, a benevolent reform, but which they now know was the worst disaster that ever befell them.

The Communists had six main slogans. There were the three old sure-fire sales words that Lenin used when he took over Russia—land, peace, and bread.

They are used by the Communists and their protagonists everywhere. We used to have a colleague here in this House who frequently made speeches about Italy. He always shouted the same old promise of land to the land-hungry Italian farmer. People who do not have land want land. If anyone promises them land, they are naturally going to go along with that person or party, unless somebody is pointing out the fallacies or the falsehoods in the propaganda.

It was and is possible for Russia to give an adequate piece of land to every family there, if she had a mind to, because she has plenty of land. We, too, for the first 300 years of our life, could give every family a piece of land merely by having him live on it for a couple of years as a homestead. We had lots of land. But you cannot solve the land problem of Japan by giving every family a piece because the land is not there. You cannot solve the problems of Italy, Greece, or a dozen other countries by giving the people land because there just is not enough land. But the slogan is a powerful weapon just the same. If I have land and you do not have land, the Communist rulers know that I probably will not go along with their vandalism anyway. So they take my land and give it to you and that makes you happy and grateful—until you are under their complete control. Then they take it away from you in collectivization or taxes or fines, and you are enslaved. But you cannot do anything about it then. It is too late—this has happened a dozen times, but people still fall for it. It is a tragic error to underestimate the power of an attractive word.

The second slogan is, "Peace." Every normal human being, especially one who has a home and a family, wants peace as much as anything in the world—at least until he has lost his freedom. Why, as the gentleman from Connecticut [Mr. RIBICOFF] so well pointed out, have we allowed the Soviet Union to steal this slogan and use it dishonestly for their evil purposes when we could be using it honestly for good purposes, is a hard thing to explain.

Some people say this world struggle is a war of arms. Yes, it is a war of arms; but it is also a war of ideas. Those who put the emphasis on arms say that you cannot stop bullets with ideas. That is true. Those who put the emphasis on ideas say that you cannot stop ideas with bullets. That is also true. What we are up against is a ruthless imperialistic aggressor who is skillfully using both ideas and bullets. Our greatest weakness today is not in arms—we are at last on the march to rearmament, made necessary by the blunders of our Government in building up the Soviet Union and its power in Europe and Asia. Our greatest weakness today is in the field of ideas and words. Wherever we have stood up to the Soviet Union with force it has stopped. But it continues to win victories in the propaganda field. Actually it is in this latter field where we should be able to make the greatest headway. To win over our mortal enemy, we have got to have better ideas than their ideas, and stronger arms than their arms; and we have got to use them more effectively together.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. RIBICOFF. Mr. Speaker, I yield 2 minutes of the remaining 3½ minutes to the gentleman from Minnesota.

Mr. JUDD. I thank the gentleman.

Mr. Speaker, in addition to land and peace, the third Communist slogan is "Bread." Every day every person has to have food to eat. The Communists come along and say, "Go with us and we will give you bread." It is a lie and a fraud—communism has never yet been able to lift any people out of poverty. But we cannot blame hungry people for going along with those who make such promises if nobody presents a better alternative.

The fourth slogan is "Liberation." Mao Tse-tung and his professional agitators have used this most effectively in Asia in addition to the old standard promises of land, peace, and bread. They talk glowingly of "liberation," but they do not tell you what they are liberating you into. They just harp on all the bad conditions that they are going to liberate you from. It is our job to help confused or oppressed peoples achieve true liberation, as the only alternative to their following those who seek not to end oppression but to use it as a means of beguiling people into giving up what few freedoms they have.

The next slogan is democracy. They use the good word "democracy" to mean the very opposite of what honest men mean when they use the word. The first sentence of the constitution of the Chinese Communist regime in Peking reads like this, "The form of this government is a peoples democratic dictatorship." You look at that and ask how can a dictatorship be democratic? Well, it is a dictatorship for the people, they say. It does for the people which it decides is good for them; and if the people do not have brains enough to know that what it does is best for them, then it does it for them, anyway. That is what makes it democratic, I guess. Anyone who disagrees is liquidated.

It is amazing how they can take a good honest word, and use it to confuse the people into believing, until it is too late, that a ruthless and cruel absolute dictatorship is a democracy.

If you do not like the term "democratic dictatorship," they call it a people's democratic dictatorship. That certainly makes it all right, does it not? The sixth slick slogan is "peoples' government."

Mr. Speaker, we do not have to tell lies about the United States, as the Soviet Union does have to use dishonest slogans to conceal the facts about itself. We do not have to tell lies, but we do have to tell the truth—and tell it every day and in every possible way in order to get it through to the people who are left in total ignorance of the truth. We must, as the gentleman from California [Mr. JOHNSON] pointed out, show that it is the United States whose historic mission has been the liberation of people from oppression and ignorance and hunger and fear—beginning with the liberation of the Thirteen Colonies and the slaves—in this hemisphere and in Asia, the Philippines.

This is a good resolution. I hope it marks the beginning of a new pattern of exploiting to the full the honest truth about the good desires and friendly attitudes of the American people and of the American Government toward all the peoples of the world.

Mr. RIBICOFF. Mr. Speaker, I yield 1½ minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Speaker, I can add little to the excellent statement that my colleague, the gentleman from Minneapolis, has just made, the case has been so fully covered by him and the preceding speakers.

I do, however, want to give myself the satisfaction of subscribing wholeheartedly to the purpose of this resolution. I am for it because it is true. It is an honest statement. It is a fact that the people of the United States have a warm feeling of friendsh'p for people everywhere in the world.

Second, it is good strategy. We seek to reach those who need to know that the purposes we have in the world are consistent with the ultimate purposes of the people of Russia and of other nations under Communist control, which is freedom. We entertain profound differences with their governments but for the people themselves we have only good will.

Recently the editor of the Christian Science Monitor, Mr. Erwin D. Canhan, had a very thoughtful comment to make regarding our relationship with the people of Communist nations. I quote as follows from his article:

It is well to remind ourselves that our seeming enemies—the Communists and other supporters of totalitarianism and the police state—are likewise sons and daughters of God, members of the same human family. In opposing their despotic and aggressive regimes—which deny the freedoms and rights of man—we must never hate or despise the individual human beings who have been deluded or coerced into fighting for tyranny. And we must seek ways to convey to these brother men our true sentiments toward them.

What do thoughtful and loyal Americans think about Russian or Chinese Communists? We think they have a right to decide their own affairs. That right has been denied to them. We would give it back, someday and in some way. And if in the exercise of this right of self-decision they should be foolish enough to choose the police state, we would be prepared to say: "So be it, as long as you do not jeopardize the rights of others with your police state." That is where we would draw the line. Is there anything hateful, anything imperialistic in such a policy?

And we could emphasize the traditional and warm friendship Americans have long had for Chinese and for Russians. Both of them—and I speak from personal experience—are remarkably likable kinds of people. Nobody is more gregarious, cosmopolitan, lively than the Chinese. Nobody is more colorful, talented, warm, and generous than the Slav. The qualities of these two kinds of people are admirably compatible to American qualities. We could be great friends—we have been great friends in the past—we will be great friends again.

These are a few of the fundamentals, the real truths, concerning Americans and Chinese and Russians. They are clouded over today by a great mist of misunderstanding. We should do everything we can to blow the mist away.

This is the beginning of the path of understanding. It is not at all utopian or impractically idealistic. It is the way in which peace will ultimately be built, in the thinking—and the emotions—of mankind.

Mr. Speaker, I wish also to call attention to something that appeared in the report of the Senate, entitled "Tensions Within the Soviet Union," prepared by Dr. Yakobson, of the Legislative Reference Service.

In a foreword to this report Senator WILEY properly points out that "the Russian people are our potential allies. The problem is how to make them aware of this fact. Its solution requires the establishing of communication between the Russian people and ourselves." It is my firm conviction that the resolution now before this House—a resolution which had its origin among the Members of this body—is a clear and firm step in the direction of reaching the Soviet peoples. The Soviet rulers would have us believe that the peoples in the Soviet Union see eye to eye with them. Nothing can be further from the truth. There is ample evidence that differences—very real and very deep—divide the rulers from the peoples of the Soviet Union.

The vice president of J. P. Morgan & Co., Mr. R. Gordon Wasson, who is a close student of Slavic affairs, gave a thoughtful address several months ago on the subject Toward a Russian Policy: A Second Look at Some Popular Belief

About Russia. In the course of his speech he made an observation that we ought to heed. He said:

It ought to be an invariable rule among us in all our utterances about Russia and in shaping our policies toward that country, to distinguish between the Russian rulers and the Russian people. * * * In my judgment we cannot hope for a fundamental improvement in East-West relations until the Russian people bring their influence to bear on that country's policies. That day may well be distant * * * for the Russians must work out their problems according to their own genius. That day will be brought measurably nearer if in all our thinking, in all our planning including our tactical planning, we talk and act as though we are counting on the friendly cooperation of at least a good part of the Russian people, and as though they can surely count on our sympathetic understanding of their dire tragedy.

Mr. Speaker, I call to the attention of my colleagues that even though this resolution has not yet passed the House the Soviet propaganda machine has been turned loose against it. Through lies and slander the Soviet rulers have sought to belittle the purposes of this resolution. If they had nothing to fear from it, would they waste their time denouncing it? I interpret the concern of the Soviet authorities over this resolution as evidence that an appeal to the rank and file of its citizens is a matter of the gravest concern to them.

Our task is to reassure the Soviet peoples day in and day out that they are neither forgotten nor condemned by us. It is the leaders, not the victims, of Soviet tyranny who are the enemies of free peoples. We must not assume that years of ceaseless propaganda have dulled the intelligence of Soviet peoples. We must offer them hope so that the cleavage between the rulers and the ruled will constantly widen.

The SPEAKER pro tempore. The time of the gentleman from Arkansas [Mr. HAYS] has expired.

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MILLER of Nebraska. Would it be proper to offer the following amendment:

To assure peace and tranquility in our relations with our Government and among the peoples of the world; be it further

Resolved, That this concurrent resolution take effect on the resignation of Secretary of State Dean Acheson.

The SPEAKER pro tempore. May the Chair state that no amendment is in order to the resolution as it is being considered.

Mr. MILLER of Nebraska. It is a good amendment.

The SPEAKER pro tempore. The amendment is not in order under a motion to suspend the rules.

Mr. VORYS. Mr. Speaker, I yield myself the balance of the time.

First, I want to congratulate the gentleman from Connecticut [Mr. RIBICOFF] on his leadership in this matter. He not only introduced the original resolution but, as chairman of the subcommittee, he was anxious to secure and consider the views of all those who had given thought to this matter, and in the wording of the amended resolution and our report he has shown rare statesmanship.

We are now in a deadly struggle with godless, ruthless communism, and yet even at this stage of the struggle we come out with this historic and important declaration. We are not going to make the mistake we made in World War II, when our leaders demanded unconditional surrender of Germany and announced the Morgenthau plan giving the German people the grisly prospect of being practically plowed under, and presenting the German people with no alternative except to fight and die. At this critical stage in the present struggle we are making perfectly clear our friendship for the people of Russia. We are saying that whether or not war is inevitable, peace is inevitable some day, and we want it a just and lasting peace between the people of our two countries.

You may say it is a little difficult to extend the nailed fist to communism and at the same time the right hand of Christian fellowship to the people who are ruled by the Communists, but that is what we are doing and that is what is so important for us to do.

I want to mention briefly the three main amendments.

The first amendment is in the preamble, in which we recited the provisions from the MDAP law. I am going to give you the text of that part of the law in full, because this House may be proud that throughout this rebuilding of military strength it has been the House that has insisted that our policy is going to remain that of securing maximum efforts to obtain agreements to achieve universal control of weapons of mass destruction, and universal regulation and reduction of armaments, including armed forces. Those words were written in by our own committee. I proposed the inclusion of the words "including armed forces." We must not agree to reduce and regulate the arms in which we excel, unless there is simultaneous reduction and regulation of conscripted mass armies, a form of warfare in which we do not excel.

The second amendment of significance is the one regarding the removal of artificial barriers for information, tearing down the iron curtain. I heard Senator Austin in the United Nations refer to the iron curtain as a "spite fence" which the Soviets have erected, which hurts them and their people far more than it hurts us outside. We are trying to do our best to tear down that barrier.

The last amendment of significance is that on page 3, where, after stating our determination to seek all honorable efforts to resolve the differences standing between the two Governments, we "invite the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor."

We are asking those people to help resolve the differences. We hope they can do it through their present Government. But there is one thing that is always possible to the peoples of the world under the most revolutionary document in history, which is not the Marxist Manifesto of 1848 but the American Declaration of 1776.

The Declaration of Independence states:

When a long train of abuses and usurpations, pursuing invariably the same object, evinces a design to reduce them under absolute despotism, it is their right, it is their duty, to throw off such government—

And our invitation to cooperate, of course, includes all of the possibilities of cooperation between people who are determined that whatever happens, even though full-out war should come, we are going to remain friends, and we are going to help friends who want to be free. That is why this is an historic resolution. You say it is just a pious gesture; well, piety is not such a bad thing at times. I think this is more than a pious gesture, more than a gesture; I think this is more than propaganda; I think that as its origin was in the grass roots, not in the State Department, not in the chancelories of the world, but among the people and their representatives, this resolution expresses the will, the feelings, of the American people. I hope it passes unanimously in this body as it did in the other.

Mr. WERDEL. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. WERDEL. I wish someone would advise the House just what this law is that has been reaffirmed by the provision on page 3, and what it did in the past.

Mr. VORYS. I just explained, it is the Mutual Defense Assistance Act of 1949 which in its declaration of policy contains these words—and, incidentally, it became law on October 6, 1949:

In furnishing such military assistance it remains the policy of the United States to continue to exert maximum efforts to obtain agreements, to provide the United Nations with armed forces as contemplated in the Charter and agreements, to achieve universal control of the weapons of mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired. All time has expired.

The question is, Will the House suspend the rules and agree to the concurrent resolution?

The question was taken; and on a division (demanded by Mr. MILLER of Nebraska) there were—ayes 36, noes 7.

So (two-thirds having voted in favor thereof) the rules were suspended and the House concurrent resolution was agreed to.

Mr. RIBICOFF. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (S. Con. Res. 11) reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union, that all after the resolving clause and the preamble be stricken and the text and preamble of House Concurrent Resolution 57, as agreed to, be substituted in lieu thereof.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

Whereas the goal of the American people is now, and ever has been, a just and lasting peace; and

Whereas the deepest wish of our Nation is to join with all other nations in preserving the dignity of man, and in observing those moral principles which alone lend meaning to his existence; and

Whereas in proof of this the United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom; and

Whereas this Nation has likewise given of its substance and resources to help those peoples ravaged by war and poverty; and

Whereas terrible danger to all free peoples compels the United States to undertake a vast program of armaments expenditures; and

Whereas we rearm only with reluctance and would prefer to devote our energies to peaceful pursuits: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States reaffirm the historic and abiding friendship of the American people for all other peoples, including the peoples of the Soviet Union, and declares—

That the American people deeply regret the artificial barriers which separate them from the peoples of the Union of Soviet Socialist Republics, and which keep the Soviet peoples from learning of the desire of the American people to live in friendship with all other peoples and to work with them in advancing the ideal of human brotherhood; and

That the American people and their Government desire neither war with the Soviet Union nor the terrible consequences of such a war; and

That, although they are firmly determined to defend their freedom and security, the American people welcome all honorable efforts to compose the differences standing between the United States Government and the Soviet Government and invite the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor; and

That the Congress request the President of the United States to call upon the Government of the Union of Soviet Socialist Republics to acquaint the people of the Soviet Union with the contents of this resolution.

Mr. RIBICOFF. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RIBICOFF: Strike out all after the resolving clause and insert "That the Congress of the United States reaffirms the historic and abiding friendship of the American people for all other peoples, and declares—

"That the American people deeply regret the artificial barriers which separate them from the peoples of the Union of Soviet Socialist Republics, and which keep the Soviet peoples from learning of the desire of the American people to live in friendship with all other peoples, and to work with them in advancing the ideal of human brotherhood; and

"That the American people believe the Soviet Government could advance the cause of peace immeasurably by removing those artificial barriers, thus permitting the free exchange of information between our peoples; and

"That the American people and their Government desire neither war with the Soviet Union nor the terrible consequences of such a war; and

"That, although they are firmly determined to defend their freedom and security, the American people welcome all honorable efforts to resolve the differences standing between the United States Government and the Soviet Government and invite the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor; and

"That the Congress request the President of the United States to call upon the Government of the Union of Soviet Socialist Republics to acquaint the peoples of the Soviet Union with the contents of this resolution."

Amend the preamble by inserting after the third paragraph thereof a new paragraph to read as follows:

"Whereas the Congress reaffirms its policy as expressed in law 'to continue to exert maximum efforts to obtain agreements to provide the United Nations with armed forces as contemplated in the Charter and agreements to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion'; and."

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the Senate concurrent resolution.

The resolution was concurred in.

On motion of Mr. RIBICOFF the proceedings by which House Concurrent Resolution 57 was agreed to were vacated, and that resolution was laid upon the table.

A motion to reconsider was laid on the table.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The SPEAKER pro tempore laid before the House the following communication from the Senate, which was read:

SENATE OF THE UNITED STATES.

Ordered, That the Secretary of the Senate be directed to request the House of Representatives to return to the Senate Senate Concurrent Resolution 12, entitled "Concurrent resolution favoring the suspension of deportation of certain aliens," with accompanying papers.

LESLIE L. BUFFLE,
Secretary.

The SPEAKER pro tempore. Without objection, the request of the Senate will be granted.

There was no objection.

SPECIAL ORDERS GRANTED

Mr. WERDEL asked and was given permission to address the House for 30 minutes on Wednesday next, following the legislative program and any special orders heretofore entered.

Mr. BUFFETT asked and was given permission to address the House for 25 minutes on Thursday next, following the legislative program and any special orders heretofore entered.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 63]

Abbitt	Gary	Mumma
Addonizio	Gavin	Murphy
Anderson, Calif.	Gillette	Murray, Wis.
Anfuso	Gordon	Nelson
Angell	Gore	O'Brien, Ill.
Ayres	Granahan	O'Brien, Mich.
Baker	Green	O'Konski
Bakewell	Gregory	O'Neill
Barrett	Gwinn	Ostertag
Battle	Hagen	O'Toole
Beall	Hale	Philbin
Bender	Hall,	Pickett
Bennett, Fla.	Edwin Arthur	Poage
Bentsen	Hand	Polk
Berry	Harden	Poulson
Blackney	Harrison, Wyo.	Powell
Blatnik	Hart	Prouty
Boggs, La.	Heffernan	Rabaut
Bolling	Heller	Radwan
Bosone	Herter	Redden
Bray	Hess	Reed, Ill.
Breen	Hoeven	Regan
Brownson	Hoffman, Ill.	Riehlman
Bryson	Hope	Rivers
Buckley	Hunter	Robeson
Burton	Irving	Rodino
Bush	James	Rogers, Mass.
Butler	Jarman	Roosevelt
Byrne, N. Y.	Javits	Sabath
Canfield	Jenison	Sasscer
Case	Jenkins	Scott, Hardie
Celler	Jonas	Scott,
Chatham	Jones, Ala.	Hugh D., Jr.
Chiperfield	Kean	Scudder
Chudoff	Kelley, Pa.	Shafer
Church	Kelly, N. Y.	Sheehan
Cole, Kans.	Kennedy	Shelley
Corbett	Keogh	Short
Coudert	Kerr	Sieminski
Davis, Tenn.	Kilburn	Smith, Kans.
Dawson	King	Smith, Miss.
Deane	Klein	Staggers
Delaney	Kluczynski	Stanley
Dempsey	Lane	Stefan
Denny	Lanham	Taylor
Dingell	Larcade	Teague
Dondero	Latham	Thomas
Donohue	LeCompte	Thompson,
Dorn	Lesinski	Mich.
Doughton	Lovre	Towe
Durham	Lyle	Vail
Elliott	McCormack	Van Zandt
Elston	Machrowicz	Vaughn
Fallon	Mack, Ill.	Vinson
Feighan	Mack, Wash.	Watts
Fellows	Martin, Mass.	Weichel
Fenton	Mason	Wharton
Fine	Meader	Whitten
Flood	Miller, Calif.	Wier
Fogarty	Miller, Md.	Willis
Forand	Miller, N. Y.	Wilson, Ind.
Fugate	Morgan	Withrow
Fulton	Morrison	Wolverton
Furcolo	Morton	
Garmatz	Moulder	

The SPEAKER pro tempore. On this roll call 242 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. HARRISON of Virginia asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. TACKETT (at the request of Mr. HAYS of Arkansas) was given permission to extend his remarks and include extraneous matter.

Mr. REAMS asked and was given permission to extend his remarks and include extraneous matter.

Mr. KEARNS asked and was given permission to extend his remarks and include a letter from the Erie Times regarding Mr. KEATING of New York.

Mr. JENSEN asked and was given permission to extend his remarks and include a letter from Mr. Clark T. Mc-

Whorter, president, National Rural Electric Cooperative Association, his reply thereto, and extraneous matter.

Mr. MADDEN asked and was given permission to extend his remarks and include an editorial.

POINT OF ORDER

Mr. EBERHARTER. Mr. Speaker, I make the point of order that a quorum is not present.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts (at the request of Mr. ARENDS) was given permission to extend her remarks and include extraneous matter.

Mr. MULTER asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. JUDD asked and was given permission to extend his remarks in five instances and include extraneous matter.

PARLIAMENTARY INQUIRY

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HALLECK. Mr. Speaker, in view of the fact that a call of the House has just disclosed the presence of a quorum, is not the point of order sought to be made by the gentleman from Pennsylvania out of order at this time?

The SPEAKER pro tempore. The Chair may say that some business has been transacted since the quorum was announced by the Chair.

CALL OF THE HOUSE

Mr. EBERHARTER. Mr. Speaker, I renew my point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and forty-one Members are present, not a quorum.

Mr. MANSFIELD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 64]

Abbitt	Carnahan	Fine
Addonizio	Case	Flood
Allen, Ill.	Celler	Fogarty
Anderson, Calif.	Chatham	Forand
Anfuso	Chiperfield	Fugate
Angell	Chudoff	Fulton
Ayres	Church	Furcolo
Baker	Cole, Kans.	Garmatz
Bakewell	Cooley	Gary
Barrett	Corbett	Gavin
Battle	Coudert	Gillette
Beall	Davis, Tenn.	Gordon
Bender	Dawson	Gore
Bennett, Fla.	Deane	Granahan
Bentsen	Delaney	Green
Berry	Dempsey	Gregory
Blackney	Denny	Gwinn
Blatnik	Dingell	Hagen
Boggs, La.	Dondero	Hale
Bolling	Donohue	Hall, Edwin
Bosone	Dorn	Arthur
Bray	Doughton	Hall,
Breen	Durham	Leonard W.
Brehm	Eaton	Hand
Brownson	Elliott	Harden
Bryson	Elston	Harrison, Wyo.
Buckley	Engle	Hart
Burton	Evins	Heffernan
Bush	Fallon	Heller
Butler	Feighan	Herter
Byrne, N. Y.	Fellows	Hess
Canfield	Fenton	Hoeven
Hoffman, Ill.	Miller, Md.	Scott, Hardie
Holifield	Miller, N. Y.	Scott,
Hope	Morgan	Hugh D., Jr.
Irving	Morrison	Scudder
James	Morton	Shafer
Jarman	Moulder	Sheehan
Javits	Mumma	Shelley
Jenison	Murphy	Short
Jonas	Murray, Wis.	Sieminski
Jones, Ala.	Nelson	Smith, Kans.
Kean	O'Brien, Ill.	Smith, Miss.
Kelley, Pa.	O'Brien, Mich.	Staggers
Kelly, N. Y.	O'Konski	Stanley
Kennedy	O'Neill	Stefan
Keogh	Ostertag	Taylor
Kerr	O'Toole	Teague
Kilburn	Philbin	Thomas
Klein	Pickett	Thompson,
Kluczynski	Poage	Mich.
Lane	Polk	Towe
Lanham	Poulson	Vail
Larcade	Powell	Van Zandt
Latham	Prouty	Vaughn
LeCompte	Rabaut	Vinson
Lesinski	Radwan	Watts
Lovre	Redden	Weichel
Lyle	Reed, Ill.	Wharton
McCormack	Regan	Whitten
McGuire	Riehlman	Wier
Machrowicz	Rivers	Willis
Mack, Ill.	Robeson	Wilson, Ind.
Mack, Wash.	Rodino	Withrow
Mason	Rogers, Mass.	Wolverton
Meader	Roosevelt	Wood, Ga.
Merrow	Sabath	
Miller, Calif.	Sasscer	

The SPEAKER pro tempore. On this roll call 234 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

MOTION TO ADJOURN

Mr. HAYS of Ohio. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. EBERHARTER) there were ayes 6, noes 98.

Mr. HAYS of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I make the point of order that you cannot object on the ground that a quorum is not present on a motion to adjourn.

The SPEAKER pro tempore. May the Chair state that the objection was in order.

The Chair will count. [After counting.] One hundred and forty-two Members are present, not a quorum.

Mr. YATES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. YATES. Is the question before the House on the motion to adjourn?

The SPEAKER pro tempore. That is the question.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 9, nays 224, not voting 199, as follows:

[Roll No. 65]

YEAS—9

Bates, Ky.	Hays, Ohio	McKinnon
Celler	Kirwan	Marshall
Eberharter	McCarthy	Multer

NAYS—224

Abernethy	Andersen,	Andrews
Adair	H. Carl	Arends
Albert	Anderson, Calif.	Armstrong
Allen, Calif.	Andresen,	Aspinall
Allen, La.	August H.	Auchincloss
Barden	Halleck	Price
Baring	Hardy	Priest
Bates, Mass.	Harris	Quinn
Beamer	Harrison, Va.	Rains
Beckworth	Harvey	Ramsay
Belcher	Havenner	Rankin
Bennett, Mich.	Hays, Ark.	Reams
Betts	Hébert	Reece, Tenn.
Bishop	Hedrick	Reed, N. Y.
Boggs, Del.	Herlong	Rees, Kans.
Bolton	Heselton	Rhodes
Bonner	Hill	Ribicoff
Bow	Hillings	Richards
Boykin	Hinshaw	Riley
Bramblett	Hoffman, Mich.	Roberts
Brooks	Holmes	Rogers, Colo.
Brown, Ga.	Horan	Rogers, Fla.
Brown, Ohio	Howell	Rogers, Tex.
Budge	Hull	Rooney
Buffett	Hunter	Sadlak
Burleson	Jackson, Calif.	St. George
Burnside	Jackson, Wash.	Saylor
Busbey	Jenkins	Schwabe
Byrnes, Wis.	Jensen	Scrivner
Camp	Johnson	Secrest
Cannon	Jones, Mo.	Seely-Brown
Carlyle	Jones,	Shelley
Chelf	Hamilton C.	Sheppard
Chenoweth	Jones,	Sikes
Clemente	Woodrow W.	Simpson, Ill.
Clevenger	Judd	Simpson, Pa.
Cole, N. Y.	Karsten, Mo.	Sittler
Colmer	Kearney	Smith, Va.
Combs	Kearns	Smith, Wis.
Cooper	Keating	Spence
Cotton	Kilday	Springer
Cox	King	Steed
Crawford	Lantaff	Stigler
Crosser	Lind	Stockman
Crumpacker	Lucas	Sutton
Cunningham	McConnell	Taber
Curtis, Mo.	McCulloch	Tackett
Curtis, Nebr.	McDonough	Talle
Dague	McGrath	Thompson, Tex.
Davis, Ga.	McGregor	Thornberry
Davis, Wis.	McGuire	Tollefson
DeGraffenried	McMillan	Van Pelt
Denton	McMullen	Velde
Devereux	McVey	Vorys
D'Ewart	Madden	Vursell
Dollinger	Magee	Walter
Dolliver	Mahon	Welch
Donovan	Mansfield	Werdel
Doyle	Martin, Iowa	Wheeler
Eaton	Martin, Mass.	Whitaker
Ellsworth	Miller, Nebr.	Whitten
Engle	Mills	Wickersham
Evins	Mitchell	Widnall
Fernandez	Morano	Wigglesworth
Ford	Morris	Williams, Miss.
Forrester	Murray, Tenn.	Williams, N. Y.
Frazier	Nicholson	Wilson, Tex.
Gathings	Norblad	Winstead
George	Norrell	Wolcott
Golden	O'Hara	Wood, Ga.
Goodwin	O'Toole	Wood, Idaho
Graham	Passman	Woodruff
Grant	Patman	Yates
Greenwood	Patten	Yorty
Gross	Perkins	Zablocki
Hall,	Potter	
Leonard W.	Preston	

NOT VOTING—199

Aandahl	Butler	Fine
Abbitt	Byrne, N. Y.	Fisher
Addonizio	Canfield	Flood
Allen, Ill.	Carnahan	Fogarty
Anfuso	Case	Forand
Angell	Chatham	Fugate
Ayres	Chiperfield	Fulton
Bailey	Chudoff	Furcolo
Baker	Church	Gamble
Bakewell	Cole, Kans.	Garmatz
Barrett	Cooley	Gary
Battle	Corbett	Gavin
Beall	Coudert	Gillette
Bender	Davis, Tenn.	Gordon
Bennett, Fla.	Dawson	Gore
Bentsen	Deane	Gossett
Berry	Delaney	Granahan
Blackney	Dempsey	Granger
Blatnik	Denny	Green
Boggs, La.	Dingell	Gregory
Bolling	Dondero	Gwinn
Bosone	Donohue	Hagen
Bray	Dorn	Hale
Breen	Doughton	Hall,
Brehm	Durham	Edwin Arthur
Brownson	Elliott	Hand
Bryson	Elston	Harden
Buckley	Fallon	Harrison, Wyo.
Burdick	Feighan	Hart
Burton	Fellows	Heffernan
Bush	Fenton	Heller

Herter	Merrow	Roosevelt
Hess	Miller, Calif.	Sabath
Hoeven	Miller, Md.	Sasscer
Hoffman, Ill.	Miller, N. Y.	Scott, Hardie
Holifield	Morgan	Scott,
Hope	Morrison	Hugh D. Jr.
Irving	Morton	Scudder
James	Moulder	Shafer
Jarman	Mumma	Sheehan
Javits	Murdock	Short
Jenison	Murphy	Sieminski
Jonas	Murray, Wis.	Smith, Kans.
Jones, Ala.	Nelson	Smith, Miss.
Kean	O'Brien, Ill.	Staggers
Kelley, Pa.	O'Brien, Mich.	Stanley
Kelly, N. Y.	O'Konski	Stefan
Kennedy	O'Neill	Taylor
Keogh	Ostertag	Teague
Kerr	Patterson	Thomas
Kersten, Wis.	Philbin	Thompson,
Kilburn	Phillips	Mich.
Klein	Pickett	Towe
Kluczynski	Poage	Trimble
Lane	Polk	Vail
Lanham	Poulson	Van Zandt
Larcade	Powell	Vaughn
Latham	Prouty	Vinson
LeCompte	Rabaut	Watts
Lesinski	Radwan	Weichel
Lovre	Redden	Wharton
Lyle	Reed, Ill.	Wier
McCormack	Regan	Willis
Machrowicz	Riehlman	Wilson, Ind.
Mack, Ill.	Rivers	Withrow
Mack, Wash.	Robeson	Wolverton
Mason	Rodino	
Meader	Rogers, Mass.	

So the motion was rejected.

The result of the vote was announced as above recorded.

The doors were opened.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER pro tempore. The Chair recognizes the gentleman from South Carolina [Mr. McMILLAN]

Mr. EBERHARTER. Mr. Speaker, I object to opening the doors.

The SPEAKER pro tempore. There is no basis for that objection. This was an automatic roll call, and the Chair then recognized the gentleman from South Carolina.

DISTRICT OF COLUMBIA LAW ENFORCEMENT ACT OF 1951

Mr. McMILLAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4141) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the majority and the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. EBERHARTER. I object, Mr. Speaker.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. EBERHARTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and sixty-six Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 231, nays 3, not voting 198, as follows:

[Roll No. 66]

YEAS—231

Abernethy	Gamble	Nicholson
Albert	Gathings	Norblad
Allen, Calif.	George	Norrell
Allen, La.	Golden	O'Hara
Andersen,	Goodwin	O'Toole
H. Carl	Gossett	Passman
Anderson, Calif.	Graham	Patman
Andresen,	Grant	Patten
August H.	Greenwood	Patterson
Andrews	Gross	Perkins
Arends	Hall,	Potter
Armstrong	Leonard W.	Preston
Aspinall	Halleck	Price
Auchincloss	Hardy	Priest
Barden	Harris	Quinn
Baring	Harrison, Va.	Rains
Bates, Ky.	Harvey	Ramsay
Bates, Mass.	Havenner	Rankin
Beamer	Hays, Ark.	Reece, Tenn.
Beckworth	Hedrick	Reed, N. Y.
Belcher	Herlong	Rees, Kans.
Bennett, Mich.	Heselton	Rhodes
Betts	Hill	Ribicoff
Bishop	Hillings	Riley
Boggs, Del.	Hinshaw	Roberts
Bolton	Hoffman, Mich.	Rogers, Colo.
Bonner	Holmes	Rogers, Fla.
Bow	Horan	Rogers, Tex.
Bramblett	Howell	Rooney
Brooks	Hull	Sadlak
Brown, Ga.	Hunter	St. George
Brown, Ohio	Jackson, Calif.	Saylor
Budge	Jackson, Wash.	Schwabe
Buffett	Jenkins	Scrivner
Burleson	Johnson	Secrest
Burnside	Jones, Mo.	Seely-Brown
Busbey	Jones,	Shelley
Byrnes, Wis.	Hamilton C.	Sikes
Camp	Jones,	Simpson, Ill.
Cannon	Woodrow W.	Sittler
Carlyle	Judd	Smith, Va.
Carnahan	Karsten, Mo.	Smith, Wis.
Chelf	Kearney	Spence
Chenoweth	Kearns	Springer
Chiperfield	Keating	Stigler
Clemente	Kilday	Stockman
Clevenger	King	Sutton
Cole, N. Y.	Kirwan	Tackett
Colmer	Lantaff	Talle
Combs	Lind	Thomas
Cooper	Lucas	Thompson, Tex.
Cotton	McCarthy	Thornberry
Cox	McConnell	Tollefson
Crawford	McCulloch	Trimble
Crosser	McDonough	Van Pelt
Crumpacker	McGrath	Velde
Cunningham	McGregor	Vorys
Curtis, Mo.	McGuire	Vursell
Curtis, Nebr.	McKinnon	Walter
Dague	McMillan	Welch
Davis, Ga.	McMullen	Werdel
Davis, Wis.	McVey	Wheeler
DeGraffenried	Madden	Whitaker
Denton	Magee	Whitten
Devereux	Mahon	Wickersham
D'Ewart	Mansfield	Widnall
Dollinger	Marshall	Wigglesworth
Dolliver	Martin, Iowa	Williams, Miss.
Donovan	Martin, Mass.	Williams, N. Y.
Doyle	Merrow	Wilson, Tex.
Eaton	Miller, Nebr.	Winstead
Ellsworth	Mills	Wolcott
Engle	Mitchell	Wood, Ga.
Evins	Morano	Wood, Idaho
Fernandez	Morris	Woodruff
Fisher	Morton	Yates
Ford	Multer	Yorty
Forrester	Murdock	Zablocki
Frazier	Murray, Tenn.	

NAYS—3

Celler	Eberharter	Hays, Ohio

NOT VOTING—198

Aandahl	Baker	Blackney
Abbitt	Bakewell	Blatnik
Adair	Barrett	Boggs, La.
Addonizio	Battle	Bolling
Allen, Ill.	Beall	Bosone
Anfuso	Bender	Boykin
Angell	Bennett, Fla.	Bray
Ayres	Bentsen	Breen
Bailey	Berry	Brehm
Brownson	Harden	Ostertag
Bryson	Harrison, Wyo.	Philbin
Buckley	Hart	Phillips
Burdick	Hébert	Pickett
Burton	Heffernan	Poage
Bush	Heller	Polk
Butler	Herter	Poulson
Byrne, N. Y.	Hess	Powell
Canfield	Hoeven	Prouty
Case	Hoffman, Ill.	Rabaut
Chatham	Holifield	Radwan
Chudoff	Hope	Reams
Church	Irving	Redden
Cole, Kans.	James	Reed, Ill.
Cooley	Jarman	Regan
Corbett	Javits	Richards
Coudert	Jenison	Riehlman
Davis, Tenn.	Jensen	Rivers
Dawson	Jonas	Robeson
Deane	Jones, Ala.	Rodino
Delaney	Kean	Rogers, Mass.
Dempsey	Kelley, Pa.	Roosevelt
Denny	Kelly, N. Y.	Sabath
Dingell	Kennedy	Sasscer
Dondero	Keogh	Scott, Hardie
Donohue	Kerr	Scott,
Dorn	Kersten, Wis.	Hugh D., Jr.
Doughton	Kilburn	Scudder
Durham	Klein	Shafer
Elliott	Kluczynski	Sheehan
Elston	Lane	Sheppard
Fallon	Lanham	Short
Feighan	Larcade	Sieminski
Fellows	Latham	Simpson, Pa.
Fenton	LeCompte	Smith, Kans.
Fine	Lesinski	Smith, Miss.
Flood	Lovre	Staggers
Fogarty	Lyle	Stanley
Forand	McCormack	Steed
Fugate	Machrowicz	Stefan
Fulton	Mack, Ill.	Taber
Furcolo	Mack, Wash.	Taylor
Garmatz	Mason	Teague
Gary	Meader	Thompson,
Gavin	Miller, Calif.	Mich.
Gillette	Miller, Md.	Towe
Gordon	Miller, N. Y.	Vail
Gore	Morgan	Van Zandt
Granahan	Morrison	Vaughn
Granger	Moulder	Vinson
Green	Mumma	Watts
Gregory	Murphy	Weichel
Gwinn	Murray, Wis.	Wharton
Hagen	Nelson	Wier
Hale	O'Brien, Ill.	Willis
Hall,	O'Brien, Mich.	Wilson, Ind.
Edwin Arthur	O'Konski	Withrow
Hand	O'Neill	Wolverton

So the motion was agreed to.

The result of the vote was announced as above recorded.

The doors were opened.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4141, with Mr. BONNER in the chair.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

Mr. EBERHARTER. Mr. Chairman, I object to dispensing with the first reading of the bill.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "District of Columbia Law Enforcement Act of 1951."

TITLE I—TABLE OF CONTENTS AND DEFINITIONS

SEC. 101. This act is divided into titles and sections according to the following table of contents:

TABLE OF CONTENTS

Title I—Table of contents and definitions

Sec. 101. Table of contents.
Sec. 102. Definitions.

Title II—Criminal offenses

Sec. 201. Minimum sentences for certain crimes.
Sec. 202. Sex offenses.
Sec. 203. Abortion.
Sec. 204. Amendments to the Dangerous Weapons Act.
Sec. 205. Assault on police officer.

Sec. 206. Forfeiture of property used in violating gambling laws.
Sec. 207. Arrests without a warrant.
Sec. 208. Presence in illegal establishments.
Sec. 209. Possessing implements of crime.
Sec. 210. Unlawful assembly—profane and indecent language.
Sec. 211. Disorderly conduct.
Sec. 212. Threats to do bodily harm.
Sec. 213. Unlawful entry.
Sec. 214. Receiving stolen goods.

Title III—Metropolitan Police Department

Sec. 301. Records—General provisions.
Sec. 302. Central criminal records.
Sec. 303. Reports by independent police.
Sec. 304. Notice of release of prisoners.
Sec. 305. Bonding of Metropolitan Police.
Sec. 306. Fees for storing property.
Sec. 307. Mobile laboratory.

Title IV—General provisions

Sec. 401. The Council on Law Enforcement in the District.
Sec. 402. United States attorney.
Sec. 403. United States commissioner.
Sec. 404. Licenses for bottle clubs.
Sec. 405. Psychiatrist and psychologist.
Sec. 406. Records to be kept by bondsmen.
Sec. 407. Information with respect to laundry marks.
Sec. 408. Qualifications of jurors.

DEFINITIONS

SEC. 102. (a) For the purposes of this act—

(1) The term "Commissioners" means the Board of Commissioners of the District of Columbia;

(2) The term "district court" means the United States District Court for the District of Columbia;

(3) The term "United States attorney" means the United States attorney for the District of Columbia;

(4) The term "municipal court" means The Municipal Court for the District of Columbia; and

(5) The term "District" means the District of Columbia.

(b) For the purposes of section 209 of this act, section 3 of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, as amended (D. C. Code, sec. 24–203), and sections 2, 3, 4, and 14 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, secs. 22–3202, 22–3203, 22–3204, and 22–3214), conviction of two or more crimes charged in separate counts of one indictment or information, or in two or more indictments or informations consolidated for trial, shall be deemed to be only one conviction.

TITLE II—CRIMINAL OFFENSES

MINIMUM SENTENCES FOR CERTAIN CRIMES

SEC. 201. (a) Section 3 of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, as amended (D. C. Code, sec. 24–203), is amended by inserting "(a)" after "Sec. 3."; by inserting ", except as provided in subsections (b) and (c)" after "hereafter" in the first sentence; and by adding at the end of the section the following new subsections:

Mr. EBERHARTER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EBERHARTER. Mr. Chairman, I notice the Clerk in reading the bill omits to say that certain letters are in parentheses, and he fails to read the quotation marks. Am I to understand that that is a proper reading of the bill?

The CHAIRMAN. The Clerk will read the bill in the proper and usual manner. The Clerk will proceed.

Mr. EBERHARTER. I was submitting a parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The Chair is trying to assist the gentleman in obtaining a proper reading of the bill. Is not that the purpose for which the gentleman rises?

Mr. EBERHARTER. I rose to ask if the Clerk had been reading the bill correctly when he omitted parentheses and quotation marks.

The CHAIRMAN. It is the language of the bill that the Committee of the Whole would desire to hear, and the gentleman, too, I presume. The Clerk will read the bill in the proper manner.

The Clerk read as follows:

"(b) The minimum sentence imposed under this section on a person convicted of an assault with intent to commit rape in violation of section 803 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22–501), or of robbery (other than robbery by stealthy seizure, commonly known as picking pockets) in violation of section 810 of such act (D. C. Code, sec. 22–2901), or of housebreaking at night in violation of section 823 of such act (D. C. Code, sec. 22–1801), shall not be less than 1 year, and if the person has previously been convicted in the District of Columbia or elsewhere of a crime of violence as defined in section 1 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District of Columbia (D. C. Code, sec. 22–3201), the minimum sentence shall not be less than 3 years. The minimum sentence imposed under this section on a person convicted of rape in violation of section 808 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22–2801), shall not be less than 5 years, and if the person has previously been convicted in the District of Columbia or elsewhere of a crime of violence, as so defined, the minimum sentence shall not be less than 10 years. The maximum sentence in each case to which this subsection applies shall not be less than three times the minimum sentence imposed, and shall not be more than the maximum fixed by law.

"(c) For a person convicted of—

"(1) a violation of section 432 (b) of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 22–505, relating to assault with a dangerous weapon on a police officer);

"(2) a violation of section 3 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, sec. 22–3203, relating to illegal possession of a pistol), after having previously been convicted of violating that section; or

"(3) a violation of section 209 of the District of Columbia Law Enforcement Act of 1951 (relating to possession of implements of crime) after having previously been convicted in the District of Columbia of a violation of that section or a felony, or after having previously been convicted in another jurisdiction of a crime which would be a felony if committed in the District, the minimum sentence imposed under this section shall not be less than 1 year, and the maximum sentence shall not be less than three times the minimum sentence imposed nor more than the maximum fixed by law."

Mr. COLE of New York. Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with.

Mr. EBERHARTER. I object, Mr. Chairman.

The Clerk read as follows:

(b) Section 4 of the act entitled "An act to reorganize the system of parole of prisoners convicted in the District of Columbia," approved July 17, 1947 (D. C. Code, sec. 24–201c, relating to reduction of minimum sentences), is amended by adding at the end thereof the following new sentence: "If a prisoner is serving a sentence for a crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended, his minimum sentence shall not be reduced under this section below the minimum sentence so prescribed."

(c) The first sentence of section 2 of the act entitled "An act for the establishment of a probation system for the District of Columbia," approved June 25, 1910 (D. C. Code, sec. 24–102), is amended by adding "or any other crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended," after "kidnaping,".

(d) The amendments made by this section shall not apply with respect to any sentence imposed for a crime committed before the date of the enactment of this act.

SEX OFFENSES

SEC. 202. (a) (1) Section 9 of the act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892, as amended (D. C. Code, sec. 22–1112), is amended to read as follows:

"SEC. 9. (a) It shall not be lawful for any person or persons to make any obscene or indecent exposure of his or her person, or to make any lewd, obscene, or indecent sexual proposal, or to commit any other lewd, obscene, or indecent act in the District of Columbia, under penalty of not more than $300 fine, or imprisonment of not more than 90 days, or both, for each and every such offense.

"(b) Any person or persons who shall commit an offense described in subsection (a), knowing he or she or they are in the presence of a child under the age of 16 years, shall be punished by imprisonment of not more than 1 year, or fined in an amount not to exceed $1,000."

(2) Section 18 of such act (D. C. Code, sec. 22–109) is amended by adding at the end thereof the following new sentence: "The second sentence of this section shall not apply with respect to any violation of section 9 (b)."

(b) The first section of the act entitled "An act for the suppression of prostitution in the District of Columbia," approved August 15, 1935, as amended (D. C. Code, sec. 22–2701), is amended to read as follows:

"That it shall not be lawful for any person to invite, entice, persuade, or to address for the purpose of inviting, enticing, or persuading, any person or persons 16 years of age or over in the District of Columbia, for the purpose of prostitution, or any other immoral or lewd purpose, under a penalty of not more than $250 or imprisonment for not more than 90 days, or both."

(c) Any person who, having been charged with—

(1) violating or attempting to violate section 9 of the act entitled "An act for the preservation of the public peace and the protection of property within the District

of Columbia," approved July 29, 1892, as amended (D. C. Code, sec. 22–1112);

(2) inviting, enticing, persuading, or addressing for the purpose of inviting, enticing, or persuading, any person or persons in the District for any immoral or lewd purpose other than the purpose of prostitution, or with attempting to do so, in violation of the first section of the act entitled "An act for the suppression of prostitution in the District of Columbia," approved August 15, 1935, as amended (D. C. Code, sec. 22–2701);

Mr. EBERHARTER. Mr. Chairman, I make the point of order that a quorum is not present. This is a very important bill, and I insist upon a quorum being present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum.

The Clerk will read.

The Clerk read as follows:

(3) violating or attempting to violate section 103 (b) or section 104 of the act entitled "An act to provide for the treatment of sexual psychopaths in the District of Columbia, and for other purposes," approved June 9, 1948 (D. C. Code, secs. 22–3501 (b) and 22–3502), or violating section 103 (a) of such act (D. C. Code, sec. 22–3501 (a)),

and having given security for his appearance for trial or for any hearing or proceeding preliminary to trial, shall, if he fails to so appear, thereby causing such security to be forfeited, be punished by a fine of not more than twice the maximum fine, or by imprisonment for not more than twice the maximum term, prescribed for the crime for which he was charged, or by both such fine and imprisonment.

ABORTION

SEC. 203. Section 809 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22–201), is amended to read as follows:

"SEC. 809. Whoever, by means of any instrument, medicine, drug, or other means whatever, procures or produces, or attempts to procure or produce an abortion or miscarriage on any woman, unless the same were done as necessary for the preservation of the mother's life, shall be imprisoned in the penitentiary not less than 1 year or not more than 10 years; or if the death of the mother results therefrom, the person procuring or producing, or attempting to procure or produce, the abortion or miscarriage shall be guilty of second degree murder."

AMENDMENTS TO THE DANGEROUS WEAPONS ACT

SEC. 204. (a) For the purposes of this section the term "Dangerous Weapons Act" means the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District.

(b) Section 3 of the Dangerous Weapons Act (D. C. Code, sec. 22–3203) is amended to read as follows:

"CERTAIN PERSONS FORBIDDEN TO POSSESS PISTOLS

"SEC. 3. No person shall own or keep a pistol, or have a pistol in his possession or under his control within the District of Columbia if—

"(1) he is a drug addict;

"(2) he has been convicted in the District of Columbia of a felony, or in another jurisdiction of a crime which would be a felony if committed in the District of Columbia;

"(3) he has been convicted of violating the first section or section 2 of the act entitled 'An act for the suppression of prostitution in the District of Columbia,' approved August 15, 1935, as amended (D. C. Code, secs. 22–2701, 22–2702), the first section of the act entitled 'An act to confer concurrent jurisdiction on the police court of the District of Columbia in certain cases,' approved July 16, 1912 (keeping bawdy house, D. C. Code, sec. 22–2722), or the act entitled 'An act to define and punish vagrancy in the District of Columbia, and for other purposes,' approved December 17, 1941 (D. C. Code, title 22, ch. 33); or

"(4) he is not licensed under section 10 of this act to sell weapons, and he has been convicted of violating this act.

No person shall keep a pistol for, or intentionally make a pistol available to, such a person, knowing that he has been so convicted or that he is a drug addict. Whoever violates this section shall be punished as provided in section 15 of this act, unless he has previously been convicted of a violation of this section, in which case he shall be imprisoned for not more than 10 years."

(c) Section 4 of the Dangerous Weapons Act (D. C. Code, sec. 22–3204) is amended by striking out everything after "being so concealed" and inserting in lieu thereof a period and the following new sentence: "Whoever violates this section shall be punished as provided in section 15 of this act, unless he has previously been convicted in the District of Columbia of a violation of this section or a felony, or has previously been convicted in another jurisdiction of a crime which would be a felony if committed in the District of Columbia, in which case he shall be sentenced to imprisonment for not more than 10 years."

Mr. EBERHARTER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred Members are present; a quorum.

The Clerk will read.

The Clerk read as follows:

(d) Section 7 of the Dangerous Weapons Act (D. C. Code, sec. 22–3207) is amended to read as follows:

"SELLING TO MINORS AND OTHERS

"SEC. 7. No person shall within the District of Columbia sell any pistol to a person who he has reasonable cause to believe is not of sound mind, or is forbidden by section 3 of this act to possess a pistol, or, except when the relation of parent and child or guardian and ward exists, is under the age of 21 years."

(e) The second sentence of section 8 of the Dangerous Weapons Act (D. C. Code, sec. 22–3208) is amended by striking out "a statement that he has never been convicted in the District of Columbia or elsewhere of a crime of violence" and inserting in lieu thereof "a statement that he is not forbidden by section 3 of this act to possess a pistol."

(f) The first sentence of paragraph 3 of section 10 of the Dangerous Weapons Act (D. C. Code, sec. 22–3210) is amended to read as follows: "No pistol shall be sold (a) if the seller has reasonable cause to believe that the purchaser is not of sound mind or is forbidden by section 3 of this act to possess a pistol or is under the age of 21 years, and (b) unless the purchaser is personally known to the seller or shall present clear evidence of his identity."

(g) The first sentence of paragraph 5 of section 10 of the Dangerous Weapons Act (D. C. Code, sec. 22–3210) is amended by striking out "a statement signed by the purchaser that he has never been convicted in the District of Columbia or elsewhere of a crime of violence" and inserting in lieu thereof "a statement by the purchaser that he is not forbidden by section 3 of this act to possess a pistol."

(h) Section 14 of the Dangerous Weapons Act (D. C. Code, sec. 22–3214) is amended by inserting "(a)" after "SEC. 14."; by inserting "billy, bludgeon, switch blade knife," after "sandbag,"; by striking out "machine guns, or sawed-off shotguns, and blackjacks" and inserting in lieu thereof "machine guns, sawed-off shotguns, blackjacks, billies, and bludgeons"; and by adding at the end thereof the following new subsections:

"(b) No person shall within the District of Columbia possess, with intent to use unlawfully against another, an imitation pistol, or a dagger, dirk, razor, stiletto, or knife with a blade longer than 3 inches, or other dangerous weapon.

"(c) Whoever violates this section shall be punished as provided in section 15 of this act, unless he has previously been convicted in the District of Columbia of a violation of this section or a felony, or has previously been convicted in another jurisdiction of a crime which would be a felony if committed in the District of Columbia, in which case he shall be imprisoned for not more than 10 years."

ASSAULT ON POLICE OFFICER

SEC. 205. Section 432 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 22–505), is amended to read as follows:

"SEC. 432. (a) Whoever forcibly assaults, resists, opposes, impedes, intimidates, or interferes with any officer or member of any police force operating in the District of Columbia while engaged in or on account of the performance of his official duties, shall be fined not more than $5,000 or imprisoned not not more than 5 years, or both.

"(b) Whoever in the commission of any such acts uses a deadly or dangerous weapon shall be imprisoned not more than 10 years."

FORFEITURE OF PROPERTY USED IN VIOLATING GAMBLING LAWS

SEC. 206. Any personal property (including money) used in violating subchapter 5 of chapter 19 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, title 22, ch. 15), may be seized and forfeited to the United States. Forfeitures under this section shall be enforced by proceedings in the district court as provided in chapter 163 of title 28 of the United States Code.

ARRESTS WITHOUT A WARRANT

SEC. 207. (a) Arrests without a warrant, and searches and seizures pursuant thereto, may be made for violation of any section listed in subsection (b), by police officers, as in the case of a felony, upon probable cause that the person arrested is violating the section involved at the time of the arrest.

(b) Subsection (a) shall apply with respect to section 209 of this act (possession of implements of crime), sections 3, 4, and 14 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, secs. 22–3203, 22–3204, and 22–3214), and section 863 (a) of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (possession of lottery tickets; D. C. Code, sec. 22–1502).

(c) Arrests without a warrant, and searches and seizures pursuant thereto, may be made for violation of section 827 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3 1901, as amended (petit larceny; D. C. Code, sec. 22–2202), by police officers, as in the case of a felony, upon probable cause that the person arrested has in his possession at the time of the arrest, property taken in violation of that section.

PRESENCE IN ILLEGAL ESTABLISHMENTS

SEC. 208. (a) Whoever is found in the District in a gambling establishment or an establishment where any narcotic drug is sold, administered, or dispensed without a license shall, if he knew that it was such an establishment and if he is unable to give a good account of his presence in the establishment, be imprisoned for not more than 1 year or fined not more than $500, or both.

(b) Whoever is employed in a gambling establishment in the District or an establishment in the District where intoxicating liquor is sold without a license or where any narcotic drug is sold, administered, or dispensed without a license, knowing that it is such an establishment, shall be imprisoned for not more than 1 year or fined not more than $500, or both.

POSSESSING IMPLEMENTS OF CRIME

SEC. 209. (a) No person shall have in his possession in the District any instrument, tool, or other implement for picking locks or pockets, or that is usually employed or reasonably may be employed in the commission of any crime, if he is unable satisfactorily to account for the possession of the implement. Whoever violates this section shall be imprisoned for not more than 1 year and may be fined not more than $1,000, unless he has previously been convicted in the District of a violation of this section or a felony, or has previously been convicted in another jurisdiction of a crime which would be a felony if committed in the District, in which case he shall be imprisoned for not less than 1 nor more than 10 years.

(b) Paragraph (2) of the first section of the act entitled "An act to define and punish vagrancy in the District of Columbia, and for other purposes," approved December 17, 1941 (D. C. Code, sec. 22-3302), is repealed.

UNLAWFUL ASSEMBLY—PROFANE AND INDECENT LANGUAGE

SEC. 210. Section 6 of the act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892, as amended (D. C. Code, sec. 22-1107, relating to unlawful assembly, profane and indecent language), is amended by striking out "$25" and inserting in lieu thereof "$250 or imprisonment for not more than 90 days, or both."

Mr. COLE of New York (interrupting the reading of the bill). Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COLE of New York. Mr. Chairman, is it possible under the rules of the Committee of the Whole to by motion dispense with the further reading of a bill?

The CHAIRMAN. The Chair will say that it requires unanimous consent to suspend the further reading of the bill.

Mr. COLE of New York. It is not possible to do that by motion?

The CHAIRMAN. That motion is not privileged.

Mr. COLE of New York. I thank the Chair.

The Clerk read as follows:

DISORDERLY CONDUCT

SEC. 211. (a) Whoever, with intent to provoke a breach of the peace, or under circumstances such that a breach of the peace may be occasioned thereby—

Mr. EBERHARTER (interrupting the reading of the bill). Mr. Chairman, the Clerk has failed to read lines 16, 17, 18, 19, and 20, on page 17.

Mr. BROWN of Ohio. Mr. Chairman, we cannot hear the gentleman.

The CHAIRMAN. The Chair was following the Clerk during the reading, and read right along with the Clerk. Is the gentleman ahead of the Clerk? I think that is the case. The Chair has followed the Clerk and he has read it accurately.

Mr. EBERHARTER. I must have been in error.

The CHAIRMAN. I think the gentleman was way out in front of the Clerk.

The Clerk read as follows:

(1) acts in such a manner as to annoy, disturb, interfere with, obstruct, or be offensive to others;

(2) congregates with others on a public street and refuses to move on when ordered by the police;

(3) shouts or makes a noise either outside or inside a building during the nighttime to the annoyance or disturbance of any considerable number of persons;

(4) interferes with any person in any place by jostling against such person or unnecessarily crowding him or by placing a hand in the proximity of such person's pocket, pocketbook, or handbag; or

(5) causes a disturbance in any streetcar, railroad car, omnibus, or other public conveyance, by running through it, climbing through windows or upon the seats, or otherwise annoying passengers or employees, shall be fined not more than $250 or imprisoned not more than 90 days, or both.

(b) Section 18 of the act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892 (D. C. Code, sec. 22-109), is amended by inserting "section 211 of the District of Columbia Law Enforcement Act of 1951 or" after "violations of" and after "convicted of any violation of."

THREATS TO DO BODILY HARM

SEC. 212. Section 2 of the act entitled "An act to confer concurrent jurisdiction on the police court of the District of Columbia in certain cases," approved July 16, 1912 (D. C. Code, secs. 11-605 and 22-507), is amended to read as follows:

"SEC. 2. That the Municipal Court for the District of Columbia shall also have concurrent jurisdiction with the United States District Court for the District of Columbia of threats to do bodily harm, and any person convicted of such offense shall be sentenced to imprisonment not exceeding 6 months or a fine not exceeding $500, or both, and in addition thereto or in lieu thereof, may be required to give bond to keep the peace for a period not exceeding 1 year."

Mr. HAYS of Ohio. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HAYS of Ohio. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum.

The Clerk read as follows:

UNLAWFUL ENTRY

SEC. 213. Section 824 of the act entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (D. C. Code, sec. 22-3102), is amended to read as follows:

"SEC. 824. Unlawful entry on public or private property: Any person who, without lawful authority, shall enter, or attempt to enter, any public or private dwelling, building, or other property, or part of such dwelling, building, or other property, against the will of the lawful occupant or of the person lawfully in charge thereof, or being therein or thereon, without lawful authority to remain therein or thereon shall refuse to quit the same on the demand of the lawful occupant, or of the person lawfully in charge thereof, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine not exceeding $500 or imprisonment in jail for not more than 6 months, or both, in the discretion of the court."

RECEIVING STOLEN GOODS

SEC. 214. Section 829 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22-2205), is amended to read as follows:

"SEC. 829. Receiving stolen goods: Any person who shall receive or buy anything of value which shall have been stolen or obtained by robbery, knowing or having cause to believe the same to be so stolen or so obtained by robbery, if the thing or things received or bought shall be of the value of $50 or upward, shall be imprisoned for not less than 1 year or more than 10 years; or if the value of the thing nor things so received or bought be less than $50, shall be fined not more than $500 or imprisoned not more than 1 year, or both."

TITLE III—METROPOLITAN POLICE DEPARTMENT

RECORDS—GENERAL PROVISIONS

SEC. 301. (a) Section 386 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4-134), is amended to read as follows:

"SEC. 386. The Board of Commissioners shall cause the Metropolitan Police force to keep the following records:

"(1) General complaint files, in which shall be entered every complaint preferred upon personal knowledge of the circumstances thereof, with the name and residence of the complainant;

"(2) Records of lost, missing, or stolen property;

"(3) A personnel record of each member of the Metropolitan Police force, which shall contain his name and residence; the date and place of his birth; his marital status; the date he became a citizen, if foreign born; his age; his former occupation; and the dates of his appointment and separation from office, together with the cause of the latter; and

"(4) Such other records as the Board of Commissioners considers necessary for the efficient operation of the Metropolitan Police force."

(b) Section 389 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4-135), is amended to read as follows:

"SEC. 389. The records required to be kept by paragraphs (1) and (2) of section 386 shall be open to public inspection when not in actual use."

(c) Section 390 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4-137), is amended to read as follows:

"SEC. 390. All records of the Metropolitan Police force shall be preserved, except that the Board of Commissioners, upon recommendation of the Major and Superintendent of Police, may cause records which it considers to be obsolete or of no further value to be destroyed."

CENTRAL CRIMINAL RECORDS

SEC. 302. (a) In addition to the records kept under section 386 of the Revised Statutes, relating to the District of Columbia (D. C. Code, sec. 4-134), the Metropolitan Police force shall keep a record of each case in which an individual in the custody of any police force or of the United States Marshal is charged with having committed a criminal offense in the District (except those traffic violations and other petty offenses to which the Commissioners determine this section should not apply). The record shall show—

(1) the circumstances under which the individual came into the custody of the police or the United States Marshal;

(2) the charge originally placed against him, and any subsequent changes in the charge (if he is charged with murder, manslaughter, or causing the death of another

by the operation of a vehicle at an immoderate speed or in a careless, reckless, or negligent manner, the charge shall be recorded as "homicide");

(3) if he is released (except on bail) without having his guilt or innocence of the charge determined by a court, the circumstances under which he is released;

(4) if his guilt or innocence is so determined, the judgment of the court;

(5) if he is convicted, the sentence imposed; and

(6) if, after being confined in a correctional institution, he is released therefrom, the circumstances of his release.

(b) The Attorney General, the Corporation Counsel, the United States Commissioner for the District, the clerk of the district court, the clerk of the municipal court, and the Director of the Department of Corrections shall furnish the Major and Superintendent of Police with such information as the Commissioners consider necessary to enable the Metropolitan Police force to carry out this section.

REPORTS BY INDEPENDENT POLICE

SEC. 303. Reports shall be made to the Major and Superintendent of Police, in accordance with regulations prescribed by the Commissioners, of each offense reported to, and each arrest made by, any other police force operating in the District.

NOTICE OF RELEASE OF PRISONERS

SEC. 304. (a) Whenever the Board of Parole of the District of Columbia has authorized the release of a prisoner under section 4 of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, as amended (D. C. Code, sec. 24–204), or the United States Board of Parole has authorized the release of a prisoner under section 6 of that act, as amended (D. C. Code, sec. 24–206), it shall notify the Major and Superintendent of Police of that fact as far in advance of the prisoner's release as possible.

(b) Except in cases covered by subsection (a) of this section, notice that a prisoner under sentence of 6 months or more is to be released from an institution under the management and regulation of the Director of the Department of Corrections shall be given to the Major and Superintendent of Police as far in advance of the prisoner's release as possible.

BONDING OF METROPOLITAN POLICE

SEC. 305. (a) The Commissioners shall obtain a bond to secure the District against loss resulting from any act of dishonesty by any officer or member of the Metropolitan Police force. Bonds obtained under this section shall be in such amounts, and may secure the District against loss resulting from such other acts by officers and members of the Metropolitan Police force, as the Commissioners shall consider appropriate. The Commissioners may obtain such bonds by negotiation, without regard to section 3709 of the Revised Statutes, as amended (41 U. S. C., sec. 5), and shall pay the cost of such bonds out of funds appropriated for the expenses of the Metropolitan Police Department for fiscal years beginning after June 30, 1951.

(b) Section 2 of the act entitled "An act relating to the Metropolitan police of the District of Columbia," approved February 28, 1901 (D. C. Code, sec. 4–109), is repealed.

(c) This section shall take effect July 1, 1951.

FEES FOR STORING PROPERTY

SEC. 306. (a) Section 413 of the Revised Statutes, relating to the District of Columbia (D. C. Code, sec. 4–156), is amended by adding at the end thereof the following new sentence: "Before delivering any property coming into his custody as a result of the death of the owner or the execution by the United States marshal of a judgment to recover possession of real property, or any property which is lost, abandoned, or alleged to have been feloniously obtained or to be the proceeds of crime, the property clerk shall collect from the person claiming the property a fee, to be fixed under regulations prescribed by the Board of Commissioners, to reimburse the District of Columbia for the cost of services rendered by the Metropolitan Police force in taking custody of, protecting, and storing the property."

(b) Any vehicle impounded by any officer or member of the Metropolitan Police force may be kept impounded until the person claiming the vehicle pays a fee, to be fixed under regulations prescribed by the Commissioners, to reimburse the District for the cost of storing the vehicle, for each day in excess of 7 days during which it is impounded.

(c) Fees collected by reason of this section shall be paid into the Treasury of the United States to the credit of the District of Columbia.

Mr. EBERHARTER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-one Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 67]

Abbitt	Fellows	Lesinski
Addonizio	Flue	Lovre
Allen, Ill.	Flood	Lyle
Anderson, Calif.	Fogarty	McCarthy
Anfuso	Forand	McCormack
Angell	Fugate	Machrowicz
Ayres	Fulton	Mack, Ill.
Baker	Furcolo	Mack, Wash.
Bakewell	Garmatz	Mason
Barrett	Gary	Miller, Calif.
Bates, Mass.	Gavin	Miller, Md.
Battle	Gillette	Miller, N. Y.
Beall	Gordon	Morgan
Bender	Gore	Morrison
Bennett, Fla.	Granahan	Moulder
Bentsen	Granger	Mumma
Berry	Green	Murphy
Blackney	Gregory	Murray, Wis.
Blatnik	Gwinn	Nelson
Boggs, La.	Hagen	O'Brien, Ill.
Bolling	Hale	O'Brien, Mich.
Bosone	Hall, Edwin Arthur	O'Konski
Bow	Hall, Leonard W.	O'Neill
Breen	Hand	Ostertag
Brehm	Harden	Passman
Brownson	Harrison, Wyo.	Patten
Bryson	Hart	Philbin
Buckley	Hébert	Pickett
Buffett	Heffernan	Poage
Burton	Heller	Polk
Bush	Herlong	Poulson
Butler	Herter	Powell
Byrne, N. Y.	Hess	Prouty
Canfield	Hoeven	Rabaut
Case	Hoffman, Ill.	Radwan
Celler	Holifield	Ramsay
Chatham	Hope	Reams
Chudoff	Howell	Redden
Church	Irving	Reed, Ill.
Cole, Kans.	James	Regan
Corbett	Jarman	Richards
Coudert	Javits	Riehlman
Crawford	Jenison	Rivers
Crosser	Jonas	Robeson
Davis, Tenn.	Jones, Ala.	Rodino
Dawson	Kean	Rogers, Fla.
Deane	Kelley, Pa.	Rogers, Mass.
Delaney	Kelly, N. Y.	Roosevelt
Dempsey	Kennedy	Sabath
Denny	Keogh	Sasscer
Dingell	Kerr	Scott, Hardie
Dondero	Kersten, Wis.	Scott, Hugh D., Jr.
Donohue	Kilburn	Scudder
Dorn	Klein	Shafer
Doughton	Kluczynski	Sheehan
Durham	Lane	Short
Elliott	Lanham	Sieminski
Elston	Larcade	Sikes
Engle	Latham	Smith, Kans.
Fallon	LeCompte	Smith, Miss.
Feighan	Lovre	Spence
Fellows	Lyle	Staggers
Flue	McCarthy	Stanley
Flood	McCormack	Stefan
Fogarty	Machrowicz	Stockman
Forand	Mack, Ill.	Taylor
Fugate	Mack, Wash.	Teague
Fulton	Mason	Thompson, Mich.
Furcolo	Miller, Calif.	Towe
Garmatz	Miller, Md.	Van Zandt
Gary	Miller, N. Y.	Vaughn
Gavin	Morgan	Vinson
Gillette	Morrison	Vursell
Gordon	Moulder	Watts
Gore	Mumma	Weichel
Granahan	Murphy	Wharton
Granger	Murray, Wis.	Whitten
Green	Nelson	Widnall
Gregory	O'Brien, Ill.	Wier
Gwinn	O'Brien, Mich.	Willis
Hagen	O'Konski	Wilson, Ind.
Hale	O'Neill	Withrow
Hall, Edwin Arthur	Ostertag	Wolverton
Hall, Leonard W.	Passman	Woodruff
Hand	Patten	
Harden	Philbin	
Harrison, Wyo.	Pickett	
Hart	Poage	
Hébert	Polk	
Heffernan	Poulson	
Heller	Powell	
Herlong	Prouty	
Herter	Rabaut	
Hess	Radwan	
Hoeven	Ramsay	
Hoffman, Ill.	Reams	
Holifield	Redden	
Hope	Reed, Ill.	
Howell	Regan	
Irving	Richards	
James	Riehlman	
Jarman	Rivers	
Javits	Robeson	
Jenison	Rodino	
Jonas	Rogers, Fla.	
Jones, Ala.	Rogers, Mass.	
Kean	Roosevelt	
Kelley, Pa.	Sabath	
Kelly, N. Y.	Sasscer	
Kennedy	Scott, Hardie	
Keogh	Scott, Hugh D., Jr.	
Kerr	Scudder	
Kersten, Wis.	Shafer	
Kilburn	Sheehan	
Klein	Short	
Kluczynski	Sieminski	
Lane	Sikes	
Lanham	Smith, Kans.	
Larcade	Smith, Miss.	
Latham		
LeCompte		

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. BONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 4141, and finding itself without a quorum, he had directed the roll to be called, when 228 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER pro tempore. The Committee will resume its sitting.

The CHAIRMAN. The Clerk will continue to read.

Mr. EBERHARTER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EBERHARTER. Am I correct in assuming that the doors were closed by the Doorkeeper during the calling of the roll?

The CHAIRMAN. The doors were closed; and they are now open under the rules of the House.

Mr. EBERHARTER. Am I wrong in assuming, then, Mr. Chairman, that the doors can be opened without unanimous consent?

The CHAIRMAN. They can after a quorum appears and it is so announced by the Chair. That is in accordance with the rules of the House.

Mr. EBERHARTER. My understanding, Mr. Chairman, was, not that I intend to argue the point——

The CHAIRMAN. The Chair has stated the rules of the House to the gentleman, so the Chair does not imagine there is any further argument.

Mr. EBERHARTER. I thank the Chair.

The Clerk read as follows:

MOBILE LABORATORY

SEC. 307. The Metropolitan Police force shall maintain and operate a motor vehicle equipped with cameras, photographic developing equipment, an electrical generator, flood lights, and such other equipment as may be necessary to permit the use of the vehicle as a mobile laboratory to handle evidence at the scenes of crimes and otherwise to aid in the prevention and detection of crime.

TITLE IV—GENERAL PROVISIONS

THE COUNCIL ON LAW ENFORCEMENT IN THE DISTRICT

SEC. 401. (a) The Council on Law Enforcement in the District of Columbia (referred to in this section as the "Council") is hereby created.

(b) The Council shall be composed of the following members:

(1) The President of the Board of Commissioners;

(2) The Major and Superintendent of Police;

(3) The Chief of the United States Park Police;

(4) The United States attorney;

(5) The corporation counsel;

(6) A United States commissioner for the District;

(7) The Director of the Department of Corrections;

(8) The Parole Executive of the Board of Parole of the District;

(9) The United States marshal for the District;

(10) One person appointed by joint action of the chief judge of the district court, the chief judge of the municipal court, and the judge of the juvenile court of the District of Columbia;

(11) One person appointed by the Bar Association of the District of Columbia; and

(12) One person appointed by the Washington Criminal Justice Association.

(c) The Council shall make a continuing study and appraisal of crime and law enforcement in the District, and shall make a report to the Senate and the House of Representatives at the beginning of each regular session of Congress.

(d) The Council shall select a chairman from among its members. The Council shall meet at regular intervals at least four times annually, at times to be fixed by the chairman. A special meeting may be held at any time upon the call of the chairman. The first meeting of the Council shall be called by the President of the Board of Commissioners, who shall preside until a chairman is selected.

UNITED STATES ATTORNEY

SEC. 402. (a) The Attorney General, in submitting budget estimates for the salaries and expenses for the Department of Justice, including those for United States attorneys and their offices, for the fiscal year ending June 30, 1953, and subsequent years, shall separately itemize the estimates for the salaries and expenses for the United States attorney for the District and his office.

(b) The Attorney General shall, without regard to the civil-service laws or the Classification Act of 1949, appoint and fix the compensation of a permanent staff of special investigators consisting of a chief investigator and four assistant investigators to assist the United States attorney to make such investigations of crime in the District as the United States attorney considers appropriate.

UNITED STATES COMMISSIONER

SEC. 403. Each United States commissioner for the District may employ secretarial and clerical assistants in such number and incur such other expenses as the district court considers necessary.

LICENSES FOR BOTTLE CLUBS

SEC. 404. (a) Section 7 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–107), is amended by striking out the period following the word "morals" at the end of the first paragraph thereof and inserting in lieu thereof the following: ", and the Commissioners are further authorized to prescribe such rules and regulations not inconsistent with this act as they may deem necessary to properly and adequately control the consumption of alcoholic beverages on premises licensed under paragraph (1) of section 11 of this act, with specific authority to prescribe the hours during which alcoholic beverages may be consumed on such premises and to forbid the consumption on Sundays, but the Commissioners shall not authorize the consumption on such premises of any beverages on Sundays other than light wines and beer, and such consumption is hereby prohibited."

(b) Section 9 (a) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–109 (a)), is amended by adding at the end thereof the following new paragraph:

"It shall be unlawful for any person operating any premises where food, nonalcoholic beverages, or entertainment are sold or provided for compensation, and where facilities are especially provided and service is rendered for the consumption of alcoholic beverages, who does not possess a license under this act, to permit the consumption of such alcoholic beverages on such premises."

(c) Section 10 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–110), is amended to read as follows:

"SEC. 10. The Board is authorized to issue licenses to individuals, partnerships, or corporations, but not to unincorporated associations, on application duly made therefor, for the manufacture, sale, offer for sale, consumption on premises of clubs where food, nonalcoholic beverages, or entertainment are sold or provided for compensation, or solicitation of orders for sale of alcoholic beverages within the District of Columbia. The Board shall keep a full record of all applications for licenses, and of all recommendations for and remonstrances against the granting of licenses and of the action taken thereon."

(d) Section 11 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–111), is amended by striking out the word "eleven" in the first sentence thereof and inserting in lieu thereof the word "twelve", and by adding immediately before the last paragraph thereof the following new subsection:

"(l) Consumption license for a club: Such a license shall be issued only for a club. The word 'club' within the meaning of this paragraph is a corporation for the promotion of some common object (not including corporations organized or conducted for any commercial or business purpose, or for money profit), owning, hiring, or leasing a building or space in a building of such extent and character as in the judgment of the Board may be suitable and adequate for the reasonable and comfortable use and accommodations of its members and their guests; and the affairs and management of such corporation are conducted by a board of directors, executive committee, or similar body chosen by the members at least once each calendar year, and no officer, agent, or employee of the club is paid, directly or indirectly, or receives in the form of salary or other compensation, any profit from the conduct and operation of the club beyond the amount of such salary as may be fixed and voted by the members or by its directors or other governing body. No license shall be issued to a club which has not been established for at least 3 months immediately prior to the making of the application for such license. Such a license shall authorize the holder thereof to permit consumption of alcoholic beverages on such parts of the licensed premises as may be approved by the Board. The annual fee for such a license shall be $500."

(e) The first sentence of section 14 (b) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–115 (b)), is amended to read as follows: "Before granting a license under section 11 (l) of this act or a retailer's license, except a retailer's license class E or class F, the Board shall give notice by advertisement published once a week and for at least 2 weeks in some newspaper of general circulation published in the District of Columbia."

(f) The first sentence of section 14 (c) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–115 (c)), is amended by striking out the words "or class D" and inserting in lieu thereof the following: ", class D or a license issued under section 11 (l) of this act."

(g) Section 20 of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–121), is amended by adding at the end thereof the following new paragraph:

"No person being the holder of a license issued under section 11 (l) of this act shall permit on the licensed premises the consumption of alcoholic beverages, with the exception of beer and light wines, by any person under the age of 21 years, or permit the consumption of beer and light wines by any person under the age 18 years; or the consumption of any beverage by any intoxicated person, or any person of notoriously intemperate habits, or any person who appears to be intoxicated; and ignorance of the age of any such minor shall not be a defense to any action instituted under this section. No licensee shall be liable to any person for damages claimed to arise from refusal to permit the consumption of any beverage on any premise licensed under section 11 (l) of this act."

(h) Section 28 (a) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–128 (a)), is amended to read as follows:

"SEC. 28. (a) No person shall in the District of Columbia drink any alcoholic beverage in any street, alley, park, or parking; or in any vehicle in or upon the same; or in or upon any premises where food, nonalcoholic beverages, or entertainment are sold or provided for compensation not licensed under this act; or in any place to which the public is invited for which a license has not been issued hereunder permitting the sale and consumption of such alcoholic beverage upon such premises except premises licensed under section 11 (l) of this act; or in any place (for which a retailer's license class C, D, or a license under section 11 (l) of this act has been issued) at a time when the sale of such alcoholic beverage or the consumption of the same on the premises is prohibited by this act or by the regulations promulgated thereunder. No person shall be drunk or intoxicated in any street, alley, park, or parking; or in any vehicle in or upon the same or in any place to which the public is invited, or at any public gathering, and no person anywhere shall be drunk or intoxicated and disturb the peace of any person."

(i) Section 29 (a) of the District of Columbia Alcoholic Beverage Control Act, as amended (D. C. Code, sec. 25–129 (a)), is amended to read as follows:

"SEC. 29. (a) A search warrant may be issued by any judge of the Municipal Court of the District of Columbia or by a United States Commissioner for the District of Columbia when any alcoholic beverages are manufactured for sale, kept for sale, sold, or consumed in violation of the provisions of this act, and any such alcoholic beverages and any other property designed for use in connection with such unlawful manufacture for sale, keeping for sale, selling, or consumption may be seized thereunder, and shall be subject to such disposition as the court may make thereof, and such alcoholic beverages may be taken on the warrant from any house or other place in which it is concealed."

(j) Subsections (b) and (h) of this section shall take effect 60 days after the date of enactment of this act.

(k) The District of Columbia Alcoholic Beverage Control Act, as amended, is further amended by adding at the end thereof a new section to be numbered 41, and to read as follows:

"SEC. 41. (a) Any building, ground, premises, or place where any intoxicating beverage is manufactured, sold, kept for sale, or permitted to be consumed in violation of this act is hereby declared to be a nuisance, and may be enjoined and abated as hereinafter provided.

"(b) An action to enjoin any nuisance defined in subsection (a) of this section may be brought in the name of the District of Columbia by the corporation counsel of the District of Columbia, or any of his assistants, in the municipal court of the District of Columbia against any person conducting or maintaining such nuisance or knowingly permitting such nuisance to be conducted or maintained. If it is made to appear by

affidavits, or otherwise, to the satisfaction of the court that such nuisance exists, a temporary writ of injunction, without bond, shall forthwith issue restraining the defendant from continuing or permitting the continuance of such nuisance until the conclusion of the trial. It shall not be necessary for the court to find the building, ground, premises, or place was being unlawfully used as aforesaid at the time of the hearing, but on finding that the material allegations of the complaint are true, the court shall enter an order restraining the defendant from manufacturing, selling, keeping for sale, or permitting to be consumed any alcholic beverage in violation of this act. When an injunction, either temporary or permanent, has been granted it shall be binding on the defendant throughout the District of Columbia. Upon final judgment of the court ordering such nuisance to be abated, the court may order that the defendant, or any one claiming under him, shall not occupy or use, for a period of 1 year thereafter, the building, ground, premises, or place upon which the nuisance existed, but the court may, in its discretion, permit the defendant to occupy and use the said building, ground, premises, or place if the defendant shall give bond with sufficient security to be approved by the court, in the penal and liquidated sum of not less than $500 nor more than $1,000, payable to the District of Columbia, and conditioned that intoxicating beverages will not thereafter be manufactured, sold, kept for sale, or permitted to be consumed in or upon the building, ground, premises, or place in violation of this act.

"(c) In the case of the violation of any injunction, temporary or permanent, rendered pursuant to the provisions of this section, the court may summarily try and punish the defendant. The proceedings for punishment for contempt shall be commenced by the corporation counsel or any of his assistants filing with the court an information under oath setting out the alleged offense constituting the violation, whereupon the court shall forthwith cause a warrant to issue under which the defendant shall be arrested. The trial may be had upon affidavits or either party may demand the production and oral examination of the witnesses. Any person found guilty of contempt under the provisions of this section shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 12 months, or by both such fine and imprisonment."

PSYCHIATRIST AND PSYCHOLOGIST

SEC. 405. The Commissioners shall appoint a qualified psychiatrist and a qualified psychologist whose services shall be available to the following officers to assist them in carrying out their duties: (1) The probation officers of the district court and the municipal court, (2) such officers of the juvenile court of the District of Columbia as the judge thereof shall designate, (3) such officers of the Department of Corrections as the Director thereof shall designate, and (4) the Board of Parole of the District.

RECORDS TO BE KEPT BY BONDSMEN

SEC. 406. Section 8 of the act entitled "An act to regulate the business of executing bonds for compensation in criminal cases and to improve the administration of justice in the District of Columbia", approved March 3, 1933 (D. C. Code, sec. 23-608), is amended by inserting "(a)" after "SEC. 8.", and by adding at the end of the section the following new subsection:

"(b) Each such court shall prescribe such rules and regulations as may be necessary to insure that whenever a bondsman becomes surety for compensation upon a bond in a criminal case before the court, the bondsman, or his agent, clerk, or representative, shall make a record, which shall be accurate to the best of the maker's knowledge and belief and shall thereafter be open for inspection by the court or its designated representative, and by the designated representative of other law-enforcement agencies of the District of Columbia, of the following matters:

"(1) The full name and address of the person for whom the bond is executed (referred to in this subsection as the 'defendant') and the full name and address of his employer, if any;

"(2) The offense with which the defendant is charged;

"(3) The name of the court or officer authorizing the defendant's admission to bail;

"(4) The amount of the bond;

"(5) The name of the person who called the bondsman, if other than the defendant;

"(6) The amount of the bondsman's charge for executing the bond;

"(7) The full name and address of the person to whom the bondsman presented his bill for such charge;

"(8) The full name and address of the person paying such charge; and

"(9) The manner of payment of such charge.

Whoever violates any rule or regulation prescribed under this subsection shall be fined not more than $500 or imprisoned not more than 6 months, or both, and if he is a bondsman, or the agent, clerk, or representative of a bondsman, shall be disqualified from thereafter engaging in any manner in the bonding business for such a period of time as the trial judge shall order."

INFORMATION WITH RESPECT TO LAUNDRY MARKS

SEC. 407. Paragraph 17 of section 7 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended (D. C. Code, sec. 47-2317), is amended by adding at the end thereof the following new paragraphs:

"(d) No license shall be granted under this paragraph unless the owner or manager shall have filed with the Commissioners of the District of Columbia or their designated agent and the the Major and Superintendent of Police such information with respect to laundry marks used by the licensee as will enable the Major and Superintendent of Police to identify from a single laundry mark the laundry or dry-cleaning or dyeing establishment which did such marking. Each owner or manager of a laundry or dry-cleaning or dyeing establishment shall, at all times, keep the records of the laundry marks of the laundry or dry-cleaning or dyeing establishments open to inspection by the Commissioners of the District of Columbia, the Major and Superintendent of Police, and their designated agents.

"(e) Within sixty days after the date of enactment of the District of Columbia Law Enforcement Act of 1951, the owner or manager of each laundry and each dry-cleaning or dyeing establishment licensed under this paragraph shall file the information required by subparagraph (d) with the Commissioners of the District of Columbia or their designated agent and with the Major and Superintendent of Police."

QUALIFICATIONS OF JURORS

SEC. 408. (a) Section 199 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 11-1402), is amended to read as follows:

"SEC. 199. The said jurors shall be selected, as nearly as may be, from the different parts of the District, and shall be selected, as nearly as may be, from its intelligent and upright residents."

(b) Section 215 of such act, as amended (D. C. Code, sec. 11-1417), is amended by striking out "and under sixty-five."

Mr. McMILLAN. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The gentleman from South Carolina is recognized.

Mr. McMILLAN. Mr. Chairman, I will take but a short time. I simply wish to congratulate the members of the crime subcommittee for the fine diligent work they have done in tracing down some of the weak links in the law-enforcement division of the District of Columbia. The men who handled this investigation deserve the credit and thanks of every Member of this House. Judge DAVIS and his committee have worked for more than 5 months in an effort to bring a bill to the floor of this House that is worthy of your consideration. The committee went into every phase of law enforcement in the District of Columbia. They looked into the police, the courts, and all other segments of our law-enforcement agencies in the District of Columbia. In my opinion they have done an excellent job. They used valuable time that could have been used for their own personal benefit, and they have taken time that could have been used for their own districts, to see that the Nation's Capital had adequate protection.

We feel that we have one of the finest cities anywhere in the world. I have visited a number of capitals and there is none that can excel the city of Washington. However, we do have a few weak links in our law-enforcement program that should be corrected. I believe the bill now before you will go a long way toward correcting those weaknesses, and give the judges, police officers, and other law-enforcement officers the strength and backing they need to make this a safe city for everyone who visits his or her Capital also for you and I and the residents of the city of Washington. I believe that Washington as a whole is one of the cleanest cities in the United States but we want to be certain that it is the safest city. We want it to be safe for all of our constituents and all of our friends who live in the city of Washington. It is our duty to see to it that law enforcement in the District of Columbia is carried out. We can only legislate since we Members of Congress are not permitted to administer or enforce the laws here. I feel that all that is needed, is included in this bill. I trust the House will act favorably on the bill without any more debate than is absolutely necessary.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Illinois.

Mr. YATES. I would like to call the gentleman's attention to page 41 of the bill, line 10, and ask the gentleman what is meant by section 199, which reads:

The said jurors shall be selected, as nearly as may be, from the different parts of the District, and shall be selected, as nearly as may be, from its intelligent and upright residents.

What does the phrase "intelligent and upright residents" mean?

Mr. McMILLAN. It means that if possible they will try to get a jury that can at least read and write and think straight.

Mr. YATES. Is that the definition of "intelligent and upright" that the gentleman has in mind with reference to this bill?

Mr. McMILLAN. An upright man, one who has not already been convicted of crime himself.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. HALLECK. This matter is, of course, of great importance; and, as the gentleman said, the subcommittee spent a great deal of time preparing it. I wonder if the gentleman would find it to his convenience and liking as chairman of the Committee on the District of Columbia, to, when we get back in the House, ask unanimous consent that we continue the consideration of the measure tomorrow.

Mr. McMILLAN. It would be agreeable to me. Let me state at this point that I think it would be agreeable to the majority members of the committee to take it up tomorrow, or even to let it go over until the next District day.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Did I understand that the chairman of the subcommittee, the gentleman from Georgia [Mr. DAVIS], has approved this bill as written?

Mr. McMILLAN. Yes.

Mr. HOFFMAN of Michigan. That is enough for the most of us.

Mr. McMILLAN. That is all right in my book.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. EBERHARTER. The gentleman said he would be satisfied after we had a little further debate if the bill went over to the next District day. Would that be satisfactory to the gentleman?

Mr. McMILLAN. I believe the majority of the Members want to continue the bill tomorrow. It would suit me, of course; but I will be guided by what the majority of the House wishes.

Mr. EBERHARTER. The reason for my inquiry is because of the importance of this measure. For that reason, the membership should have an opportunity to study the bill. A legislative schedule has been fixed for tomorrow and the balance of this week. I do not think it would be just right to bring up the bill tomorrow because of its importance and because of so many Members not knowing the contents of the measure. It is a very important measure.

Mr. McMILLAN. I think this should be left to the judgment of the majority and minority leaders.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. McMILLAN. I yield.

Mr. HALLECK. My understanding is, as far as the leadership on the majority side is concerned, that there would be no objection to continuing with the consideration of this bill tomorrow; as a matter of fact, that suggestion was made earlier in the day with the idea of disposing of this matter today.

Mr. McMILLAN. That is correct.

Mr. HALLECK. As far as I am concerned, I should like to see an arrangement made to continue with the consideration of this bill tomorrow.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. BROWN of Ohio. Quite a number of Members of the House stayed here this afternoon, answered innumerable roll calls and quorum calls, stood up to be counted and so forth in the hope of getting this legislation out of the way today or tomorrow. If the bill is carried past tomorrow, that means that we have simply wasted an entire day.

Mr. McMILLAN. Frankly, it would suit me to pass it this afternoon.

Mr. BROWN of Ohio. I think that is the reason many Members stayed around here today.

Mr. McMILLAN. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. DAVIS].

(Mr. DAVIS of Georgia asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Georgia. Mr. Chairman——

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman from Georgia yield for a parliamentary inquiry?

Mr. DAVIS of Georgia. I yield.

Mr. MILLER of Nebraska. I wish to ask the chairman of the committee if the time was divided between the majority and minority sides or if the chairman of the District Committee intends to yield some time to the minority side?

Mr. McMILLAN. I will yield just as much time as they desire.

Mr. DAVIS of Georgia. Mr. Chairman, this subcommittee was created under House Resolution 340 adopted October 11, 1949. The subcommittee was appointed by the chairman of the House Committee on the District of Columbia and on the Democratic side was composed of the gentleman from Virginia [Mr. SMITH], the gentleman from Texas [Mr. TEAGUE], and myself as chairman. On the minority side there were the gentleman from Illinois [Mr. SIMPSON] and the gentleman from New York [Mr. WADSWORTH], for whom so many Members of the House, both on the Republican and Democratic sides, had great affection, and since he did not offer for reelection to the present Congress he was succeeded on the subcommittee by the gentleman from Iowa [Mr. TALLE].

I call attention to the committee report on the bill H. R. 4141 and to the fact that beginning on page 17 of that committee report you will find a good section-by-section analysis of the bill. Each section is analyzed, its provisions are set forth and the purpose and the effect of the provisions are all stated there. If you will take the trouble to read that section-by-section analysis beginning on page 17 of the committee report it will explain every section of the bill to you and you will be able to understand it and know exactly what every section of it means.

The subcommittee had an appropriation of $10,000 when it began its work. When the $10,000 was expended it was found that would not be sufficient to carry on an extensive survey of crime and law enforcement here in the District of Columbia, so an additional appropriation of $40,000 was requested. The House Administration Committee reduced that request to $20,000. At the time the second request was made it was intended to go rather extensively into the question of gambling here in the District of Columbia. It was estimated that the minimum amount which would be needed and with which it would be possible to carry on such an investigation would be $40,000.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Indiana.

Mr. HALLECK. I wonder if we can determine at this time, it being now about 5 o'clock, whether or not we would meet with objection to going on with this matter tomorrow? As I understand it, the bill that was scheduled for consideration tomorrow will not come up; hence we would have the whole day for the careful consideration of this very important matter that is now before us.

Mr. DAVIS of Georgia. I am glad to yield to the gentleman.

Mr. HALLECK. Will the gentleman from Pennsylvania indicate whether it would be agreeable with him to go on with the matter tomorrow?

Mr. EBERHARTER. It will be agreeable with me and I thank the gentleman for making the inquiry.

Mr. HALLECK. I suggest to the gentleman from Georgia, the hour being late, it might be well to move that the committee rise now and go on with the matter tomorrow.

Mr. DAVIS of Georgia. I am in complete accord with the gentleman and that being the case I will conclude my remarks for the time being so that action may be taken accordingly.

Mr. McMILLAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. PRIEST) having assumed the chair, Mr. BONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4141) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia had come to no resolution thereon.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that the bill (H. R. 4141) be taken up as the first order of business tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. HAYS of Ohio. Mr. Speaker, reserving the right to object, may I ask the chairman of the committee, if we take the bill up tomorrow, there will be general debate and the bill will be read under the 5-minute rule?

Mr. McMILLAN. We will go as far as we can. I do not know how many amendments will be offered.

Mr. HAYS of Ohio. Can the gentleman tell how much time there will be for general debate?

Mr. McMILLAN. One hour, and we have used about 8 minutes of that time.

Mr. HARRIS. Mr. Speaker, reserving the right to object, the chairman of the committee has in mind, should we progress with the bill tomorrow to final conclusion it would be his purpose to do that?

Mr. McMILLAN. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

SPECIAL ORDER GRANTED

Mr. BOYKIN asked and was given permission to address the House today for 40 minutes following any special orders heretofore entered.

The SPEAKER pro tempore. Under previous order of the House the gentleman from Illinois [Mr. YATES] is recognized for 30 minutes.

THE PROBLEM OF THE AGING

Mr. YATES. Mr. Speaker, I have introduced House Resolution 238 to create a select committee on problems of the aging.

It is high time that we face up to the fact that there is such a problem on a national scale. My mail each day brings letters from aged men and women. They tell stories of human tragedy which show just how indifferent we have become. We know in general that an increasing proportion of our people are in the aged group and that the high cost of living is especially hard on them. But we do not translate that knowledge into terms of what is happening to individual human beings—and what we can do about it. Actually, we are, by this indifference, increasing dependency and scrapping the useful skills and the ripened experience of an important part of our national community. These men and women were the principal producers for this incredible half century. In their lifetime, the country has changed profoundly. Crowded city living and assembly line production have moved millions of grandmothers and grandfathers from a chair by the family fireside to a small, inadequate, and solitary back room or apartment. For them tomorrow is another day of doing nothing, talking to no one, and too often of eating too little because of a pitifully inadequate income.

Sometimes I think that we are dangerously close to the old Eskimo custom of banishing the aged—of furnishing them with a little food and then leaving them alone on the edge of the community to die. If they need it, we give them a little money—and remember that the average old-age pension in this country today is $43.31 per month. Then we isolate them. Then, forget them.

THE NATURE OF THE PROBLEM

This committee would be concerned with the broad-gage problem of the aged. Our senior citizens need enough to live on. Just as much, they need something to do, a place to live, and a feeling that they belong.

We are just beginning to realize that the aged group represents a huge reservoir of skills, experience, and mature judgment. Congress, itself, is a good example. In the Eighty-second Congress we have 64 Members who are over 65 years of age, including 5 over 80 years of age. These men are among the most active and capable legislators. Their knowledge and experience serve our country well.

The problem was most recently given attention in an editorial appearing in the New York Times of May 31, 1951, which stated:

> In view of the national emergency and a tight labor supply, it is ironic that unemployed older workers should continue to meet resistance when searching for jobs. Yet this condition prevails generally throughout the country, and in New York City our welfare commissioner has painted a local picture that is not at all reassuring. The commissioner states that "within a period of 9 months the number of employables on the relief rolls over 40 has risen from one-half to two-thirds of the total. At this rate, in a short time, the only employables left on the relief rolls will be persons over 40."
>
> Employer bias against hiring older persons penalizes such persons unfairly, for experience shows that they make "good, steady, reliable workers when they are given a feeling of being wanted." Furthermore, such bias also penalizes the taxpayers of this city, who must maintain unemployed older persons on relief.

Progress reports are appearing in some areas. Labor and industry are questioning whether the depression-born solution of compulsory retirement is a good one for all people. Communities are setting up special projects for the unaccustomed new leisure which follows retirement. Doctors are discovering that some mental and physical diseases of the aged previously considered hopeless, respond to treatment. During World War II aged workers had a chance to show us how they can help increase production. One major reason for the select committee which I propose is the fact that we do not have anywhere a centralized place where we can get access to all the information on the aged that we need for a sound national program. But it must also do the important job of determining the most effective means of creating new opportunities for our senior citizens.

Let us look at some of the facts which call for the kind of positive action which will remove many thousands of our elders from social and economic dependency. Who are the aged? Why are they a problem? Do they want to work—and can they work? What are we doing about them? And what can we do about them?

WHO ARE THE AGED?

First of all, who are the aged? Here are some of the facts we know. There are today around 11,500,000 men and women 65 and over living among us. They make up about 8 percent of the total population. By 1975 that proportion will probably have increased to 11 percent. The "baby boom" of the war period was only temporary and will give way before an "oldster boom" because of a long-term trend of aging in the United States. The number of persons now 65-plus is almost four times higher than it was half a century ago.

Our life expectancy, which was about 48 years in 1900, and 60 years in 1930, is steadily increasing. Persons retiring at 65 now have an average of 13 years of life remaining, and over half of them will live longer.

Now we have a strange paradox—we are living longer, but our working lives are growing shorter. In 1890, 68 percent of all men over 65 were in gainful occupations. By 1950 this figure had dropped to 43 percent. Unless we can reverse this trend, by 1975 a man at 20 will look forward, on the average, to at least 1 year of retirement for every 6 years of his working life. Obvious immediately, are the results of this. There will be further waste of our productiveness as a nation. Dependency could increase to the point where younger workers will, as one commentator put it, "be carrying the rest of the population on their backs."

For the fact is that many older people have neither earnings nor savings sufficient to support themselves, no matter how hard they have tried. Savings, investments, and property can no longer assure independence during the last years of life. Today a person aged 65 must have accumulated about $17,000 to have an income of $100 per month for the rest of his life—and it will take the entire principle and all interest. For many American families—and especially for those who have raised children—savings in such an amount are impossible. Nearly one-fourth of all urban workingmen's families had no savings at all in the prosperous year, 1945, more than one-half of all families had savings of less than $500, and more than one-fourth of all American families have incomes of less than $2,000 a year. You cannot save much money with that kind of an income, no matter how hard you try.

Already about 40 percent of all people 65 years of age and over need help from outside sources to insure a decent existence. Of the 4,100,000 households in the United States with incomes below $1,000, 32 percent are headed by persons 65 and over. Private charity is not now, and never has been an important source of financial support for older people, although it provides valuable specialized services.

SOCIAL SECURITY IS ONLY PART OF THE ANSWER

Public and private pension systems are taking over part of the problem. Our social-security system, enacted into law in 1935, made a start toward assuring a minimum of income for the aged. As we all know, the 1950 amendments to the act made some badly needed revisions. We extended its coverage to include important groups in need of such protection, among them the self-employed, domestic workers, and certain employees of nonprofit institutions and of State and local governments. But I call your attention to the fact that, although we nearly doubled the benefits in 1950, the average monthly payment to an elderly couple under old-age and survivors insurance is now only $75 a month. At a time when the annual cost of a minimum budget for an elderly couple in Chicago is put at $1,720 a year, my own State of Illinois is paying old-age assistance allowances amounting to

just 60 percent of that minimum budget, or $1,039 a year. And this assumes that both the husband and the wife are over 65 and thus entitled to a pension. If only one of them has reached that age, this amount is cut squarely in half. And Illinois is far more generous than many States in this respect.

We must not delude ourselves that we solved the problem of the aged by these 1950 improvements in our social-security system, for it is still inadequate. We will not have reached our goal until we have achieved universal coverage, and benefits which provide the major part of retirement income for most workers. Moreover, you will recall that the system of total and permanent disability insurance, which the House bill continued, was struck out by the Senate and not enacted into law. The result is that thousands of workers prematurely retired from their jobs by an expensive and totally disabling accident or illness are not eligible for benefits until they reach age 65, regardless of their need or of the contributions they have made through the payroll tax. Some of them will even lose the right to that benefit at age 65, because an unpredictable disablement has removed them permanently from a payroll.

Nor can we delude ourselves that an adequate social-security system, supplemented by private and industrial pension plans, can meet the many long-term aspects of the problem of the aged. There are many more problems than this one.

REHABILITATION WILL HELP

In the first place, seven out of eight oldsters today are not so disabled that they cannot go about their daily tasks. Ruth Albrecht has divided our aged population into five groups. The first, which she calls "too young to be old," includes about one-fourth of the whole number and is made up of persons alert and active, mentally and physically. They feel young in spite of their age. The second group, another one-fourth of the total, are commencing to feel old, but their minds are still keen and their bodies are sound enough for a busy and active life. These two groups account for half of the aged who make up our problem. The third group consists of persons suffering from chronic illness which is partially or totally disabling, but their minds are clear. The fourth group—about 18 percent—are in good physical condition, but their memory is not what it used to be and they sometimes become confused. The fifth group—about 10 percent—are almost completely dependent due to senility.

Now the point here is that at least half of these people are capable right now of being happy, useful, and productive members of their community. Many of them are now demonstrating that fact. Some of the rest need only the encouragement and understanding that we can give them in our civic organizations, our churches, and our housing and recreation projects, and so forth, to become productive.

WHAT ONE ILLINOIS STATE HOSPITAL IS ACCOMPLISHING

Even more important, perhaps, from the standpoint of the total problem presented by the aging, is the evidence that many of them are capable of responding to our developing techniques of rehabilitation. Right here I would like to give you one example of what the State of Illinois has done. In May of last year, with the encouragement of our great Governor, Adlai Stevenson, a former Army general hospital in Galesburg was converted into a State research hospital with the purpose of demonstrating to the Nation that life begins at 60. Its purpose is to send its patients back to happy, useful lives, regardless of their age. Dr. Richard J. Graff, its superintendent has pointed out that good food alone is often a means of rehabilitation.

Improper diet—

He says—

is an important, yet often disregarded cause of senility. Many adults think that milk and vitamins are needed only by children. Yet, lack of them can cause some of the worst mental and physical disturbances.

He tells of two 70-year-olds, apparently hopelessly simple-minded, who were sent by their families to an institution:

We shortly discovered—

He continues—

that they were suffering from pernicious anemia. The anemia was cured, and in a few months they returned to lead pretty normal lives.

The Illinois State hospital is equipped with modern operating rooms and complete laboratories. Surgery and medicine are used as close allies of psychiatry. It is equipped with a swimming pool, a gymnasium, a movie theater, a little store, and a post office—all to help replace the loneliness and inactivity which have helped to produce the need for institutional care. The therapeutic value of such activity is being proved. It must be continued in normal community activity.

In Chicago we are discovering that one way of overcoming this social vacuum is by encouraging creative and recreational activities. For the past 4 years the citizens of our city have been privileged to attend an annual "fun after 60" exhibit, launched by the community project for the aged. Here the more than 420,000 aged residents of the metropolitan area show what they can contribute, not only in arts, and crafts, and needlework, but as entertainers. The sponsors include the Catholic charities, Lutheran charities, Jewish federation, federation of settlements, the Chicago park district, and the Chicago recreation commission.

The Hodson day center in New York, which was opened in 1943, is another example of the importance to oldsters of friends and recreation. The membership now numbers 500. Dr. Howard A. Rusk, the noted specialist in rehabilitation, recently noted that out of so many old people quite a number would have been expected to enter a mental hospital in the period of 7 years. Actually, only one had to do so. Harry Levine, administrator of special services for the aged under the city's welfare department goes so far as to predict that retired people will bring renaissance of folk art and craft to America.

There are thousands of potential Grandma Moseses—

He says.

All people need is the chance and the encouragement to create.

At the University of Chicago—as in several other educational institutions—research is under way on some of these problems. In the most recent issue of State Government, Ethel Shanas and Robert J. Havighurst, of the university's committee on human development, draw one some of the findings in reaching their conclusion that our society frequently fails to provide enough satisfying social roles for older people.

Most Americans like to be active, busy, and to have the feeling of accomplishment—

They write—

but old people are not expected to act this way. The American way has been to ignore old age—to act as if it did not exist, and to push it into the corner whenever it seeks to assert itself.

Old people, they find, need something to do. Their special health needs must be met; their special housing needs considered. Finally they comment that—

Old people, like other human beings, need to feel that they belong and are important to someone or something. * * * Research evidence indicates that, with the decline of intimate human contact, the personalities of old people deteriorate. * * * Many cases of senile deterioration seem to be the result, not of organic changes, but of living in a social vacuum.

Public health officials are discovering that preventive measures are as important for persons growing old as for children growing up. They have developed a battery of tests—described as multiphasic screening—which can be given in from 15 to 30 minutes. They are inexpensive, and can be given on a mass basis by a small staff made up of nurses, technicians, and a clerk. Such check-ups of persons over 45, given free in test areas throughout the country, have uncovered symptoms of high blood pressure, diabetes, anemia, heart disease, and tuberculosis which were unsuspected by the individuals. With proper treatment, the victims can usually continue for years to lead happy and useful lives. If these symptoms had lain unnoticed until serious damage had been done, they would be blamed on the effects of old age.

HOUSING GENERALLY POOR

Millions of our aged are living in dismal and inadequate quarters. Statistics assembled by the Cook County Department of Welfare last year suggest what I mean. They show that the large majority of old-age pensioners in Chicago live in rented rooms or apartments and few in homes owned by themselves or their relatives. Of the whole group, 62 percent live in rented units; 15 percent in rooms with no cooking facilities; 10 percent in board-and-room homes; 5

percent in private and public nursing homes; 4 percent in homes they themselves own, and the other 4 percent in units owned by their children or other relatives. A survey of shelter costs made in July 1949 showed that the median monthly rental paid by old-age pensioners was $14.18. I need hardly add that the opportunity for a rich and rewarding home life can hardly exist at a median rental of under $15 a month.

THE AGED SHOULD HAVE THE RIGHT TO WORK

For that large proportion of the aged who can work and want to work, a job is the best guarantee of the need for status and independence. One of our goals, in seeking solutions for problems of the aging, must certainly be a wider recognition of the right of the aged to work. And this is not as simple as it seems. For example, the 1949 report of the New York State Joint Legislative Committee on Problems of the Aging lists five basic shortcomings in current employment practices concerned with the aged: First, wide-scale prejudice against hiring workers over 45; second, compulsory retirement of workers at 65 without regard to their ability, need, or desire to work; third, lack of job-counseling facilities in Government or industry; fourth, the existence of industrial pension plans which discourage employment of the elderly or provide little protection for older persons who wish to change employment before retirement age; and, fifth, lack of job analyses or classification work in industry to fit elderly workers in jobs they can profitably perform.

At the moment, the manpower needs of defense production are pointing up the fact that retired workers constitute a huge reservoir of productive power which should be used, not misused, for the benefit of all. As we expand defense production, we must remember, too, that civilian requirements are much greater today than they were a decade ago. We cannot now predict exactly how many workers will be needed to man defense plants at the same time that we are building up the Armed Forces. Certainly the number will run into millions. It seems clear that the demand cannot be met through the normal increase of the civilian labor force. All but a small fraction of our older people can participate in this emergency effort. They can perform important work at desks or on assembly lines. They can be useful in civil defense activities. And by serving in nurseries, school-lunch programs, and child-care projects, they can release younger women for defense jobs.

COMPULSORY RETIREMENT IS OFTEN UNREALISTIC AND COSTLY

I want to make it very clear, however, that the proper role of the aged worker is not just an emergency problem. Far from it. We must understand that we have been too much inclined in recent years to put these elderly people on the shelf when they reach a given age. Compulsory retirement at 65 or younger, and restrictions on part-time work by pensioners, both represent economic loss to the Nation as well as to the individual. Sumner H. Slichter has declared that "the loss of production from premature retirements has become one of the principal wastes of the economy." He points out that if the ratio of employed workers 65 and over to the rest of the population were as high today as it was in 1890, the national product would be about $5,000,000,000 larger than it is, and about 1.5 million more people would be employed. Can we afford to go on wasting their valuable work experience and their skills? Of course we cannot.

We are beginning, too, to recognize that the problems of premature retirement are not concerned only with money. The old dream of finding contentment by retiring is often a snare and a delusion. Herman E. Hilleboe, New York State health commissioner, testified before that State's Joint Committee on Problems of the Aging on this point.

Very often—

He said—

the old person does not deteriorate physically and mentally until he is told his usefulness is past and is asked to retire. Then the meaning goes out of life and he begins to reach for the hand of death.

Dr. Edward J. Stieglitz, the famous geriatrician, told the committee that—

Premature retirement while one is still vigorous, ambitious, and anxious to serve can be a major disease.

THE AGED WANT TO WORK

The truth is that many of our retired fellow citizens would like to go back to work. William Haber estimates that fewer than one-tenth of retired workers went on the pension rolls voluntarily. Compulsory retirement, lay-off, and failing health are the major cause of their removal from a payroll. We all recognize that a man's age has no direct relationship to his ability to perform a job. It is just as ridiculous to assume that some people should retire at age 65 as it is to pretend—as we often do—that other men will not need a retirement income until they reach that age.

We need to reexamine the whole problem of retirement. We need to recognize that many men and women over 65 want a job, need a job, and could perform a job. But they are excluded from one arbitrarily because of their age. This fact was dramatized recently by the response to an ad in a New York paper offering a messenger's job to a retired man. Over 250 older men responded. Retired ministers and teachers were ready and anxious to deliver messages for $34 a week. Among the applicants were 25 retired firemen and policemen, 20 former postal employees, dozens of ex-civil-service workers, a retired Army master sergeant, partially disabled veterans, a former chemist, and 2 men who used to own their own grocery and real-estate firms. "It scares me," said the employer, "to think so many men of that age need this kind of money."

THE AGED CAN WORK

Meanwhile it is becoming clear that some of the reasons given by employers for their failure to hire older workers do not stand up under examination. Ewan Clague, the United States Commissioner of Labor Statistics, tells us that—

Many of the physical changes associated with age not only tend to occur more slowly than we once supposed, but also interfere less than we would expect with performance on the job * * * many an oldster has keener hearing and better vision than an average man 20 or more years his junior.

Surveys made by the Bureau of Labor Statistics in manufacturing industries during World War II showed that workers over 65 lost less working time than those in their teens and twenties. A companion survey showed that handicapping injuries, which required only first aid, were much less common at age 50 and over than in the younger-age groups. A recent study of the job problems of older workers, conducted by the Bureau of Employment Security, shows the importance of employment counseling and job promotion for older workers. It also challenges the popular opinion that a full or expanding employment solves the job problems of older workers.

A COMMITTEE STUDY POINTS WAY TO BETTER LIFE FOR ALL

These, then are some of the reasons why I urge immediate action on my resolution. We need to know more about population changes. We need data on kinds of employment, on the employability of aged workers, and on rehabilitation schemes which will restore hope and health to many of our oldsters. We must have more information on their living and housing arrangements, their recreational activities, and their participation in community life. We should know more about the relationship of calendar age to the capacities and needs of individual workers. The implications of compulsory retirement and its effect on job opportunities for the near-aged call for special attention. We must modernize our thinking, and recognize the effect of recent technological changes, of shifts in demands for labor, of shrinkage in opportunity for self-employment on the problems of the aging.

Such a committee could draw upon the scattered interest which is already beginning to show its effect. In August of 1950, the first National Conference on Aging was held in Washington. Another such conference is scheduled for St. Louis in September. But I call your special attention to the fact that the one major conclusion of the 816 delegates from all parts of the country at the first conference—was that the greatest lack was sufficient data.

Projects and studies are appearing in a few States, and in some communities which will shed much light. Early last year, Governor Stevenson established the Illinois Committee on Problems of the Aging. In Augusta a preliminary report of the fact-finding subcommittee appeared showing that Illinois has at least 1,100,000 persons aged 60 and over. Over one-third of this total, or 420,000, were living in Cook County, of whom about 26 percent were receiving assistance through public programs. In the last 20 years, this report shows, the num-

ber of persons 65 and over in my State has increased by 70.7 percent. Named as the chief causes of dependency were the problems of unemployment, health, and housing.

Michigan has started on a similar State study. The three annual reports of New York's Joint Committee on the Aged, have already assembled much valuable information on the problems in that State. But the fact remains that we have just begun to get at the job that needs to be done. Finally, as I have tried to suggest, this is a national problem which requires a national solution.

AGED ARE THE DISPLACED PERSONS OF THE UNITED STATES

I submit that it is time to recognize that our older citizens are a tremendous potential asset to this Nation, and that they have the right to lead a proud, productive, and independent life to the end. We need to recognize that many of them are poor, sick, bored, and lonely—the "displaced persons" of their own country. They live among us but often worlds apart from us. We need to assemble in one place all available evidence about methods which will improve their social standing, augment their capacity and willingness to learn and to work. We must furnish them with the chance for better housing, diet, recreation, religious observance, and community life.

Dr. Louis Dublin has said:

> There is no better test of a community than the program it follows for the care of the aged.

For the same reasons, there is no better test of a Nation than its program for its senior citizens. We must recognize that they are a very important part of our national community and take steps to add meaning and happiness to the years which have been added to their lives. I urge this Congress to establish the select committee described in my Resolution No. 238, so that we may provide our older people with an enduring place of dignity and usefulness in the national family. In so doing, we will also establish a still better way of life for every American.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Alabama [Mr. BOYKIN] is recognized for 40 minutes.

SHAMEFULLY NEGLECTED, AND FOR THE PRIVILEGE OF CARRYING THE AMERICAN FLAG, OUR SHIP OWNERS HAVE PAID A STAGGERING PRICE—COMPELLED TO COMPETE WITH LOW-STANDARD AND LOW-COST FOREIGN SHIPPING, OUR OWN AMERICAN OWNERS ARE DENIED THE RIGHT TO MAKE NECESSARY ADJUSTMENTS TO KEEP THEM SELF-SUPPORTING

Mr. BOYKIN. Mr. Speaker, it is impossible to calculate the number of lives and the human suffering that could have been spared, to say nothing of the economies that could have been effected, in World War II, by making use of the knowledge which we had in hand after fighting World War I.

One would assume that the lessons by the losses sustained and the critical situations which arose, due to shortage of ships, would have been sufficient to indelibly and forever impress upon the minds of our national leaders the wisdom of avoiding a repetition of such blundering for all times.

Mr. Speaker, Mr. James A. Brownlow, President of the Metal Trades Department of the American Federation of Labor, gave concrete expression as to what might well constitute a national program with respect to both the establishment as well as the maintenance of national independence of action with respect to oceanic shipping.

In a recent article carried in the American Federationist, Mr. Brownlow wrote, in part, as follows:

> First, the United States should retain its standing among the commercial nations of the world. United States-flag ships should sail all seas and penetrate all harbors, carrying our exports and imports.
>
> Second, as a Nation we should not allow our skilled shipbuilding mechanics and ship-operating personnel to become dispersed and be deprived of the opportunity to engage in the work in which they are skilled, or our shipyards and other ship maintenance facilities to become dissipated, deteriorated and, in many instances, unfit for future use.
>
> The last and perhaps most important reason is that the United States must remain independent of any nation or group of nations in the carrying of our commerce and in maintaining our first line of national defense. National emergencies must never find us again dependent upon the ships of other nations to carry our troops or implements of war.
>
> It would be assumed that two experiences would suffice to impress upon us the magnitude of successive blunders and fully prepare us for future needs. Quite the contrary is true, however. As late as mid-1950 there were loud clamors emanating from some spokesmen for Government that the sacrificing of our Merchant Marine would aid in the closing of the dollar gap existing between the United States and some foreign countries.
>
> The belief that American products and exports should be carried in foreign bottoms also had its strong advocates. In fact, this advocacy was put into practice to the exclusion of the use of American ships until Congress insisted, by statute, that at least one-half of United States Government-financed and provided goods and products be carried in American bottoms.

Mr. Speaker, there is probably nothing that reflected itself in modern civilization more than did the coming of the ocean steamship, and, as a result thereof, on May 22, in the year of 1819, occurred an event that actually has changed the well-being of all the people on the earth.

The departure, on that date, from the port of Savannah, Ga., of the good ship bearing that name, thrilled this Nation, for the *Savannah* was the first steam-propelled vessel ever to attempt to cross the Atlantic.

As it was with those who scoffed at "Fulton's Folly" on its historic sail up the Hudson, there were those who said that the *Savannah* could never cross the ocean. Prediction was made that machines down below her decks would break down, or that her curious paddle wheels would stop, and because of that breakdown the *Savannah*, without power of sail and beaten by Atlantic storms, would drift helplessly until she floundered.

But the plucky little ship drove her way straight across the ocean, and the news of her successful trip and arrival in Liverpool actually electrified the whole world.

The one hundred and thirty-second anniversary of that historic event was signalized just a week ago by celebrations held in all parts of these United States, during which the American ingenuity and bravery represented by the men who designed and piloted that little ship across the ocean were commemorated in a vast number of our American cities.

Mr. Speaker, two World Wars have been fought on foreign soils rather than on the shores of our own United States because the American merchant marine, once it was built, made it possible for our Armed Forces to meet the enemy on his own territory, and meet him with all the complex armaments necessary to victory in modern warfare.

In the present war emergency, the celebration of National Maritime Day, on May 22, last, was of peculiarly striking significance. It was because of the sincere and profound sense of gratitude to our brave merchant seamen that honor was paid to the men and to the ships of the American Merchant Marine.

Mr. Speaker, I had the pleasure and the privilege of attending one of the celebrations of those men and ships. This culminated in a dinner given at the Propeller Club, in Washington, D. C., at which the Honorable HERBERT R. O'CONOR, of Maryland, was the principal speaker.

Not alone was Senator O'CONOR'S speech timely, it was altogether inspiring, and altogether in line with the proclamation made by the President with respect to the same question and just a few days prior thereto.

In riveting the attention of the Nation on the vital importance of our Merchant Marine in this crucial period of world history, the President proclaimed, in part, that:

> The American Merchant Marine has again displayed, during the past year, its ability to support the military forces of our Nation by furnishing supplies to our fighting men engaged in the Korean hostilities. Present world conditions require a continuous state of readiness on the part of the American Merchant Marine in order that it may assist, along with all other branches of the Nation's industry and economy, in meeting the threat of aggression to our democracy.
>
> While performing this vital task, the President pointed out, our merchant fleet has "continued to promote international trade and travel while serving the defense and security requirement of the Nation."

Mr. Speaker, President Truman's proclamation pointed clearly to the necessity of being vigilant by pointing out that we must meet adequately the problem of defense and commerce in times of peace as well as in times of war.

In a few but pointed sentences the President exhibited the vital role which our Merchant Marine plays in the national economy and security of this Nation.

The $15,000,000,000 that we paid to build ships in World War II was comparably cheap insurance against imminent invasion of our own soil, but it was because we built those 5,000 ships—and at a breakneck pace—that we won the war and now have a comparably large Merchant Marine. Our critical ocean-shipping facilities are being impaired at a time when all-out preparedness gives a newer and further need for vigilance all along the line.

Mr. Speaker, there are few if any men in public life today who tackle the problem of national affairs with the zest, the enthusiasm, and the definite idea of bringing the whole to successful conclusion than the Honorable Senator HERBERT R. O'CONOR.

My personal interest in ships and the construction of a Merchant Marine dates back to the early days of World War I—and I am sure you will pardon the personal reference when I say that the shipbuilding companies which I headed up built more ships in southern ports than all other shipbuilding companies on the Gulf put together.

My long service on the Merchant Marine and Fisheries Committee of this House has given to me a rare insight into national requirements of our Merchant Marine, but there are few men whom I have ever met who brought greater insight to the problem than characterizes Senator O'CONOR's approach to the question as evidenced by the marvelous talk which he made on that subject in the Propeller Club on the evening of May 22.

The statistics and vital data which he narrated so easily made his every statement almost axiomatic. His evaluation of the inadequacies and neglect that has been visited upon our Merchant Marine should make every Member of this House give careful concern to the questions which he so ably discussed.

It is because of these reasons, among others, and in order to make this remarkable address by Senator O'CONOR available to all of my colleagues in this Congress who sit on both sides of the aisle and at both ends of the Capitol, that I now present the accompanying address of Senator O'CONOR made last week at the annual Maritime Day dinner here in Washington.

Senator O'CONOR's talk was as follows:

One of the foremost factors in the forward progress of the United States—in war and in peace—has been the outstanding contibution made by the Merchant Marine and by the maritime industry in general.

During every emegency, when armed conflict threatened the future existence of our Nation, the Merchant Marine, from its foremost leaders to the sturdy merchant seamen, has come to the defense of our Government. Furthermore, in the war eras this industry risked its entire resources—possibly to a far greater degree than many other industries—in support of the defense effort.

In times of peace its outstanding contribution to the Nation's welfare has been signalized by trade expansion throughout the world and its resultant increased business developments on the homeland. Countless numbers have benefited from these operations.

In the American merchant fleet of today, mostly privately owned and operated for private account or for Government account by the shipping industry of this country, are 90,000 men aboard ship earning approximately 30 million dollars in monthly wages.

Nor can the fact be overlooked that the United States Treasury has been recipient of vast revenues from these operations and from related business activities. Other employment created by our merchant marine is estimated at nearly 180,000 men, including administrative personnel, ship chandlers, dockside labor, shipyard workers, and others, whose earnings are estimated at nearly 1 billion dollars annually.

In its golden age, prior to the War Between the States, the maritime industry has been assisted to eliminate foreign competition either by discriminatory duties or during a few brief periods by the granting of subsidies in the form of mail contracts. The era of successful private shipping enterprise terminated with the War Between the States. Because of the risks of war and high insurance rates, many vessels were then transferred to foreign flags and were not allowed later to return to American registry.

The Spanish-American War, with the resultant commitments of the United States overseas, brought about a general realization of the state of decay of our Merchant Marine. The American foreign trade merchant fleet had dwindled to almost complete impotency. World War I left its problems and the Merchant Marine Act of 1920 was designed primarily for the disposal of surplus vessels and to assist toward the restoration of foreign commerce. Despite this legislation and notwithstanding the Merchant Marine Act of 1928 the merchant fleet continued to decline. By 1933 only one-third of our foreign commerce was transported by United States flag carriers.

The dangers to the future of our world trade inherent in such a situation aroused the country and brought into being the much-discussed Merchant Marine Act of 1936. But the limited assistance given was offset by other factors operating against American shipping. As an indication of the great decline that ensued, one needs but to point to the fact that, whereas in 1946 there were 5,387 ships of 55 million dead weight tonnage under the American flag, today the privately owned merchant fleet flying the United States flag totals 1,310 ships of some 15½ million dead weight tons. Incredible as it may seem, our Nation, the economic leader of the world, today is operating less than 10 percent of the world's ships.

American tankers were in 1950 carrying approximately 50 percent of import and export tanker cargoes, but the record of dry cargo carryings was far less encouraging—in that year American-flag vessels carried only 38 percent of our import tonnage, and 36 percent of our export tonnage.

In the all-important group of passenger ships (so vital as transports in dire emergency) America has been greatly out-distanced. In 1939 there were 117 American passenger ships of 877 thousand gross tons. Of the approximately 3,500 vessels the United States has now in active service and in layup, only 79 can be listed as passenger liners. Actually, just 47 of these are in service, the remainder being either unsuitable or obsolete.

Contrast this with the proportionately far greater number in Great Britain. Out of 2,605 ships of all types, Great Britain has 279 passenger vessels, approximately six times as many as those in active service in this country. Even little Holland outdistances the United States with almost one-fourth of its 500 vessels, 89, in passenger classification. Ahead of us, too, are France, with 72, and Italy with 48. Even Soviet Russia, despite its minimum fleet of little more than 400 vessels of all types, has 63 passenger vessels.

Disturbing as is this comparison of figures, it is heightened considerably by the fact that while foreign nations have on order or under construction 97 passenger liners at the present time, only two are presently under construction in the United States.

The Merchant Marine has been shamefully neglected. While world developments have made our Nation the financial and economic leader of the world, its representative on the high seas carrying the American flag has not always received equitable treatment at the hands of the Government. For the very privilege of carrying the American flag, shipowners have paid a staggering price. In competition with foreign nations they have been required to meet rigid conditions in world trade while being denied the right to lower their standards or their costs in order to remain self-supporting.

The United States Merchant Marine faces a most severe competition from foreign-flag ships. This country has set standards of safety, of wages, and of maintenance aboard American-flag ships high enough to encourage our best young men to follow the calling of the sea. It is therefore essential if we are to have for our national strength in time of peace or war a strong and vigorous Merchant Marine, that our shipping industry receive from this country, as a whole, some dependable and substantial support.

Under our legislation this national support is twofold. First, it comes in the form of an operating subsidy to equalize the difference between American costs and foreign costs in the day-to-day operation of ships. This is not a guaranty of profits to a favored industry, but a contribution to enable it to compete for the carrying of our foreign commerce over the seas of the world.

The second form of support which the Nation now gives to the shipping industry, and which is essential for its strength, is the assurance so far as Congress is able to give it, that American-flag ships shall carry not less than 50 percent of its foreign commerce. Foreign nations are not slow to obtain for their national ships such part of their cargoes as they can control, and it must be no less the policy of this Government to do likewise.

Common sense dictates that American ships must be kept on the high seas in sufficient numbers to prevent more aggressive nations from gaining prestige at our expense by outdistancing us in the race for world trade. Yet your Government has acted at times merely as a bystander and an observer of the race where the handicaps have been heavily weighted against the entry carrying our colors.

Most important of all, the experience of history has shown how vital to national security has been the Merchant Marine as a virtual arm of the military. Even within our own lives two world wars would seem to have been enough to demonstrate that the best equipped, mightiest military forces are of little avail if they cannot be transported to the battle areas in the shortest possible time.

The American Merchant Marine has been rightly called the fourth arm of American defense. It has been our national good fortune that the wars of our generation have been fought on foreign soil and if again we are forced to meet an aggressor we shall hope to keep him beyond the seas. How can this be done without a bridge of ships to keep our forces fed as well as supplied and equipped with the vast machinery needed to make modern war?

While all this is admitted today, our Government over the years has allowed a steady but sure decline in the Merchant Marine. Most alarming also has been the steady deterioration since World War II of shipping construction and maintenance. Prior to the recent activities, occurring after the Korean crisis, it was palpably clear that the minimum needs of the country for expert ship construction workers were not being met. Skilled workers and key leaders were being allowed to disperse to other areas and oc-

cupations. Fortunately, under the impulse of Korean shipping needs, steps have been taken to halt this construction exodus.

In the early days of his official duties Admiral Edward L. Cochrane, the Maritime Administrator, saw pressing need of fast dry cargo carriers which in case of emergency would be able to operate alone without convoy. One of his early acts was to have plans and specifications drawn for a fleet of such ships, and as soon as Congress became aware of the urgent necessity, it appropriated funds so that now a fleet of 25 of the new Mariner class is being constructed in 5 of the shipyards of this country.

These ships will have substantially twice the speed of the Victory ships which are laid up in the reserve fleet, and in case of emergency their contribution to our military forces can be of immeasurable value. It must be noted here that much progress has been made in building up the American merchant fleet since last Maritime Day. A total of 352 ships have been reactivated, almost one a day, a splendid accomplishment that reflects untold credit upon the shipping industry, upon maritime labor, and upon the shipyards of the country. At present the pressing fact is the need of new and fast passenger carriers available to do a vital troop-carrying job in case of need. And it was in recognition of this lack of passenger vessels particularly that I introduced in the last session, with Senator WARREN MAGNUSON as cosponsor, the long-range shipping bill on which such extended and valuable hearings were held.

It is particularly gratifying to report that the shipping interests and labor organizations of the United States gave wholehearted approval to the bill and rendered valuable service in presenting evidence as to the need for a long-range enactment. The Maritime Administration also furnished proof of the necessity for such stimulation. The bill, reintroduced in this session as S. 241 is currently on the calendar, and it is hoped that the forthcoming report to the President from the Treasury and Commerce Departments will be of such a favorable nature as to insure prompt Senate approval.

Here let me say a word about the matter of Government sale of surplus vessels, which seems to be in controversy at the moment. Briefly, it should be pointed out that, following the all-out ship construction program of World War II, the Government had on hand, when hostilities ended, a large surplus of wartime vessels, built at abnormally high cost, for disposal.

After long public hearings the Ship Sales Act of 1946 was passed, and a formula established for prices and terms which, it was thought, would attract prospective purchasers. More than 1,950 vessels were sold, at a higher proportion to their construction cost than the War Assets Administration was able to recover in other fields of surplus materials.

Actually, the sales recovered 37.7 percent of the wartime costs, against a 27.4-percent return for surplus materials generally, and about 12 percent for airplanes. Charter hire brought the total return to the Treasury up to 47 percent of original costs. If a like return had been possible in surplus sales generally, the Treasury would have been many millions of dollars richer.

To face facts realistically is the part of prudence and common sense. Applying that tested yardstick we should be convinced that in the gravest of crises which may face the United States, we should not have to depend upon any foreign nation in the vital matter of transportation of our troops.

It is no reflection upon friendly allies to express the warning that it is risking destruction to follow the practices adopted in World War II when we were compelled to accept huge transports from foreign powers to move American troops to distant places.

When we add to the fact that by maintaining self-sufficiency we are also aiding the economy of the Nation it would seem to be good business to preserve American shipping on the most successful basis. Obviously, the more production and the more operation stemming from American industries the more stable will be the general economic order.

Mr. Speaker, as a long-time member of the Merchant Marine and Fisheries Committee of the House, I am altogether mindful of the great debt which the American people owe to the able Senator EDWIN C. JOHNSON, Chairman of the Interstate and Foreign Commerce Committee of the Senate; to the tremendous ability and energy of Senator WARREN G. MAGNUSON, Chairman of the Merchant Marine Subcommittee; to Senator HERBERT R. O'CONOR; and to all other Members of the House and Senate who have determined to put their shoulders to the wheel and foster intelligent and realistic legislation that would result in a healthy, progressive, and constant development of the United States Merchant Marine.

For the first time in years there again becomes evident a determination on the part of a small but vocal minority to "gut" this indispensable "fourth arm" of our national defense services—the American Merchant Marine. There is now evident more than equal determination to resist the onslaught.

It matters little whether efforts to whittle down the Merchant Marine are due to competitive foreign philosophies or misguided domestic philosophies. They both carry the same destructive thought. Moreover, the foreign concept which would treat American shipping as a "hand out," or as an adjunct to the Marshall Plan, seems already to have permeated several departments of our Government.

The theme of the negative ideas seems to be that foreign flags could best carry the water-borne commerce of the United States because their shipowners pay less wages, have lower living standards for their crews, less safety protection, and other lower costs of operation. That type of approach is as ridiculous as would be an attempt to set back the Twentieth Century.

In all recorded maritime history, no people has ever had brought home to them as clearly as have the people of these United States—the need of a strong Merchant Marine. They know that when this need was ignored this country suffered as surely as if it had sustained the most severe attack. The American people know that when the horrors of the European war struck our shores that we had to spend billions of dollars in a wild race to offset the losses to our own and world shipping that was shot at from out of the bowels of the German submarines.

Who is there among us that can ever forget the thousands of men who went down with the hundreds of ships sunk without warning—or else, floating in a sea of oil were either frozen or burned to death on the frigid waters of the Atlantic or the Caribbean?

Who can ever forget the ghastly sight of the oil-drenched bodies washed up on the oil-soaked beaches of the East and Gulf Coasts prior to the conquest of the dreaded German fleets of the German undersea craft.

America could never have won either World War I or World War II without those long lines of gray ships that kept constantly shuttling troops and ammunition from off of this continent across the seven seas to our own troops or the troops of our allies in every port of the world.

Mr. Speaker, how strange is the fact that, on two occasions, you and I have both lived to see the American people turn their eyes from off the sea and forget that this Nation has been saved from bitter wars which might easily have been fought in the cities and the villages of this country—only by the fact that we had the ability to build those blessed ships of the American Merchant Marine.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BELL, for June 5 and 6, on account of official business.

To Mr. TEAGUE (at the request of Mr. ENGLE), for week of June 4, on account of official business.

To Mr. LOVRE (at the request of Mr. ARENDS), for today, on account of official business.

To Mr. MACK of Washington (at the request of Mr. TOLLEFSON), until June 7, on account of official business.

To Mr. BERRY (at the request of Mr. MARTIN of Massachusetts), for today, on account of official business.

To Mr. BATES of Massachusetts (at the request of Mr. CLEMENTE), for June 5 and 6, on account of official business.

To Mr. CLEMENTE, for June 5 and 6, on account of official business.

To Mr. CANFIELD (at the request of Mr. MARTIN of Massachusetts), for 2 days, on account of official business.

EXTENSION OF REMARKS

Mr. BARTLETT asked and was given permission to extend his remarks and include a speech delivered by Gen. Nathan F. Twining when he received an honorary degree from the University of Alaska.

Mr. PRICE asked and was given permission to extend his remarks and include an editorial from this morning's Washington Post.

Mr. BARING, Mr. WOOD of Idaho, and Mr. PHILLIPS asked and were given permission to extend their remarks.

Mr. YORTY asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. MCMILLAN asked and was given permission to extend his remarks and include an address he delivered before the nurses graduating class at the McLeod Infirmary, Florence, S. C.

Mr. REECE of Tennessee asked and was given permission to extend his remarks and include the address delivered by Senator JAMES H. DUFF at the centennial exercises at Carson-Newman College at Jefferson City, Tenn.

Mr. SCRIVNER asked and was given permission to extend his remarks and include a summarized newspaper article relating to a health plan in the State of Kansas.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in five instances and include extraneous matter.

Mr. MEADER asked and was given permission to extend his remarks and include an editorial from the Ann Arbor News.

Mr. HUNTER asked and was given permission to extend his remarks and include certain extraneous material.

Mr. VAN PELT asked and was given permission to extend his remarks and include extraneous material.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include a newspaper article.

Mr. POTTER asked and was given permission to extend his remarks and include an essay.

Mr. DOLLIVER asked and was given permission to extend his remarks and include a speech made by him at Humboldt, Iowa, on May 28, 1951.

Mr. GATHINGS asked and was given permission to extend his remarks in two instances, in one to include an editorial.

Mr. CLEMENTE asked and was given permission to extend his remarks and include several newspaper articles on the sale of narcotics to minors.

Mr. JACKSON of Washington (at the request of Mr. MANSFIELD) was given permission to extend his remarks and include certain extraneous material.

Mr. McCARTHY asked and was given permission to extend his remarks and include an article from the St. Paul Food Digest.

Mr. KERSTEN of Wisconsin asked and was given permission to extend his remarks in three instances, in each to include extraneous material.

Mr. RANKIN asked and was given permission to extend his remarks and include extraneous matter.

Mr. McCORMACK (at the request of Mr. MANSFIELD) was given permission to extend his remarks and include an editorial from the Boston Post of Friday, June 1, 1951 .

Mr. MANSFIELD asked and was given permission to extend his remarks and include certain letters which he sent and received.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. COLE of New York (at the request of Mr. KEATING) was given permission to extend his remarks and include an address which he gave.

Mr. KEATING asked and was given permission to extend his remarks in two instances and include extraneous material.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial which appeared in the St. Louis Globe-Democrat entitled "Foolish Politics." This editorial pays a splendid tribute to one of the new Members of the House, the gentleman from Missouri, the Honorable THOMAS B. CURTIS, who has shown great ability and considerable understanding of our national problems as evidenced by his debates on the floor of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ADJOURNMENT

Mr. MANSFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 32 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 5, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

481. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 19, 1950, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Little Calumet River and tributaries, Ind., authorized by the Flood Control Act approved on August 18, 1941 (H. Doc. No. 153); to the Committee on Public Works, and ordered to be printed with one illustration.

482. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated March 5, 1951, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Coal Creek and tributaries, Tenn., authorized by the Flood Control Act approved on July 24, 1946 (H. Doc. No. 154); to the Committee on Public Works and ordered to be printed with illustrations.

483. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 9, 1950, submitting a report, together with accompanying papers and illustrations, on a review of report on Port Angeles Harbor, Wash., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on August 28, 1946 (H. Doc. No. 155); to the Committee on Public Works and ordered to be printed with two illustrations.

484. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated January 11, 1951, submitting a report, together with accompanying papers and an illustration on a preliminary examination and survey of St. George Sound at East Point, Fla.; East Point, Apalachicola Bay, Fla.; and Apalachicola Bay, Fla., with a view to constructing a yacht basin; all authorized by the River and Harbor Act approved on July 24, 1946 (H. Doc. No. 156); to the Committee on Public Works and ordered to be printed with one illustration.

485. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated April 28, 1950, submitting a report, together with accompanying papers and illustrations, on a review of report on the Arkansas River and tributaries, with a view to improvement for flood control in Holla Bend Bottom, an area in Pope County, Ark., along the north side of the Arkansas River, requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on April 19, 1946 (H. Doc. No. 157); to the Committee on Public Works and ordered to be printed with two illustrations.

486. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to amend the provision in the act of March 4, 1911 (36 Stat. 1235, 1253) authorizing the granting of easements for rights-of-way for electric transmission, telephone, and telegraph lines and poles; to the Committee on Agriculture.

487. A letter from the Assistant Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of April 1951, pursuant to Public Law 8, Eightieth Congress; to the Committee on Agriculture.

488. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to amend the mineral leasing laws in order to eliminate the waiver of rentals for oil and gas leases"; to the Committee on Interior and Insular Affairs.

489. A letter from the Chairman, Public Utilities Commission of the District of Columbia, transmitting the Thirty-eighth Annual Report of the Public Utilities Commission of the District of Columbia for 1950, pursuant to paragraph 20 of section 8 of an act making appropriations to provide for the expenses of the Government of the District of Columbia for the fiscal year ended June 30, 1914, and for other purposes, approved March 4, 1913; to the Committee on the District of Columbia.

490. A letter from the Acting Secretary of Commerce, transmitting the Quarterly Report of the Maritime Administration of the Department on the activities and transactions of the Administration under the Merchant Ship Sales Act of 1946, for the period January 1, 1951, through March 31, 1951; to the Committee on Merchant Marine and Fisheries.

491. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

492. A letter from the Assistant Secretary of the Interior, transmitting copies of certain laws enacted by the First Guam Legislature, in accordance with Section 19 of Public Law 630, Eighty-first Congress; to the Committee on Interior and Insular Affairs.

493. A letter from the Acting Secretary of Defense, transmitting the sixth semiannual report listing the contracts negotiated by the Department of the Army, the Department of the Navy, and the Department of the Air Force, pursuant to sections 2 (c) (11) and 2 (c) (16) of the Armed Services Procurement Act of 1947, covering the 6-month period from July 1 through December 31, 1950; to the Committee on Armed Services.

494. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to amend the Road Act of May 26, 1928 (45 Stat. 750), authorizing appropriations for roads on Indian reservations"; to the Committee on Interior and Insular Affairs.

495. A letter from the Assistant Secretary of Defense, transmitting a draft of a proposed bill entitled, "A bill to authorize certain easement, land, and other property transactions, and for other purposes"; to the Committee on Armed Services.

496. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled, "A bill to reserve certain land on the public domain in Utah for addition to the Goshute Indian Reservation"; to the Committee on Interior and Insular Affairs.

497. A letter from the Postmaster General, transmitting a draft of a proposed bill entitled "A bill to modify and extend the authority of the Postmaster General to lease quarters for post office purposes"; to the Committee on Post Office and Civil Service.

498. A letter from the Attorney General, transmitting the report on the administration and enforcement of the registration provisions of the Subversive Activities Con-

trol Act as required by section 9 (c) of the act for the period from September 23, 1950, to May 31, 1951; to the Committee on Un-American Activities.

499. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled, "A bill to extend the time for enrollment of the Indians of California, and for other purposes"; to the Committee on Interior and Insular Affairs.

500. A letter from the Comptroller General of the United States, transmitting the audit report of Natural Fibers Revolving Fund established in the Department of the Army pursuant to the act of June 29, 1948 (5 U. S. C. 234), for the fiscal years ended June 30, 1949 and 1950, pursuant to the Budget and Accounting Act of 1921 (31 U. S. C. 1), and, as requested by the Secretary of the Army; to the Committee on Expenditures in the Executive Departments.

501. A letter from the Assistant Secretary of the Interior, transmitting at the request of Governor Long of Hawaii, a certified copy of Joint Resolution No. 11, for the relief of Edward C. Searle, adopted by the Legislature of Hawaii; to the Committee on Interior and Insular Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MULTER:

H. R. 4319. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. KENNEDY:

H. R. 4320. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. McKINNON:

H. R. 4321. A bill providing for contributions to States and local governmental units in lieu of taxes on real property held by the Federal Government; creating a commission to determine and pay such contributions; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MITCHELL:

H. R. 4322. A bill to provide for the general welfare by enabling the several States to make more adequate provision for the health of school children through the development of school health services for the prevention, diagnosis, and treatment of physical and mental defects and conditions; to the Committee on Interstate and Foreign Commerce.

By Mr. TRIMBLE:

H. R. 4323. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to enter into lease-purchase agreements to provide for the lease to the United States of real property and structures for terms of more than 5 years but not in excess of 25 years, and for acquisition of title to such properties and structures by the United States at or before the expiration of the lease terms, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. KERSTEN of Wisconsin:

H. Con. Res. 112. Concurrent resolution expressing the sense of the Congress that the United States should withdraw its recognition of the present Government of the Union of Soviet Socialist Republics; to the Committee on Foreign Affairs.

H. Con. Res. 113. Concurrent resolution expressing the sense of the Congress that the United States should withdraw its recognition of the present Communist Government of Poland; to the Committee on Foreign Affairs.

H. Con. Res. 114. Concurrent resolution expressing the sense of the Congress that the United States should withdraw its recognition of the present Communist Government of Rumania; to the Committee on Foreign Affairs.

H. Con. Res. 115. Concurrent resolution expressing the sense of the Congress that the United States should withdraw its recognition of the present Communist Government of Czechoslovakia; to the Committee on Foreign Affairs.

H. Con. Res. 116. Concurrent resolution expressing the sense of the Congress that the United States should withdraw its recognition of the present Communist Government of Hungary; to the Committee on Foreign Affairs.

H. Con. Res. 117. Concurrent resolution expressing the sense of the Congress that the United States should withdraw its recognition of the present Communist Government of Bulgaria; to the Committee on Foreign Affairs.

H. Con. Res. 118. Concurrent resolution expressing the sense of the Congress that the United States should withdraw its recognition of the present Communist Government of Albania; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, requesting the Congress of the United States to propose an amendment to the Constitution; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FARRINGTON:

H. R. 4324. A bill for the relief of Stella King Beardin; to the Committee on the Judiciary.

By Mr. HART:

H. R. 4325. A bill for the relief of Ignazio Paparella; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 4326. A bill for the relief of Toshiko Nakamuta Takimoto and her minor son; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 4327. A bill for the relief of Gaspari Vitale; to the Committee on the Judiciary.

By Mr. HUGH D. SCOTT, JR.:

H. R. 4328. A bill for the relief of Magdalena Rose Denes; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

302. By Mr. CANFIELD: Resolutions pertaining to increased work week, merit promotions, and weekly pay days adopted at the First Biennial Conference of the New Jersey Federation of Post Office Clerks in Jersey City, N. J., on May 19, 1951; to the Committee on Post Office and Civil Service.

303. By Mr. GOODWIN: Resolution of Veterans of Foreign Wars of the United States, Department of Massachusetts, regarding deferment of students and discrimination against graduates who are eligible for draft; to the Committee on Armed Services.

304. Also, resolution of Massachusetts Highway Users Conference opposing proposed increase in Federal automotive excise taxes; to the Committee on Ways and Means.

305. By the SPEAKER: Petition of Mrs. Duncan O'Brien, chairman, Flushing Council of Women's Organizations, Inc., Flushing, N. Y., relative to urging that legislation be passed providing for an adequate appropriation to deal with the narcotic situation; to the Committee on Appropriations.

306. Also, petition of Board of Aldermen, Somerville, Mass., urging the President and General MacArthur to unite for the common good of the United States; to the Committee on Armed Services.

SENATE

TUESDAY, JUNE 5, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, Thou who art the light behind life's shadows, the love behind life's sorrows, shine in morning splendor upon these darkened lives of ours. We confess that we have remembered and treasured the words of the Master's matchless prayer, "Thy kingdom come," but too often we have forgotten their flaming meaning. The great hope of that radiant kingdom of love has grown dim, as hatred and selfishness and man's inhumanity to man have desecrated the earth. Yet we are grateful that in darkest days prophetic souls have ever marched with Thee, keeping step to the distant music of Thy sure victory. In spite of those who mock that fair dream, in spite of cunning foes without and fears within our own fickle hearts, keep us as the ministers of Thy purpose steadfast, on the march to a redeemed earth and to that City of Light whose builder and maker is God. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On the request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 4, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

LEAVE OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. CAIN was excused from attendance on the session of the Senate today.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

Mr. MCFARLAND. Mr. President, under the unanimous-consent agreement, time on the unfinished business begins

to run now, but I ask unanimous consent that there may be a quorum call, the time consumed in calling the roll not to be charged to either side, and that after the quorum call has been concluded, routine business may be transacted, without debate, so that there will be no interruption after we once begin consideration of amendments.

Before that is done, and in order that the Senate may have an amendment before it, I call up the amendment proposed by me for myself and my colleague, the senior Senator from Arizona [Mr. HAYDEN], so it may be pending.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, line 1, beginning with the word *"Provided,"* it is proposed to strike out through the colon on line 13 and insert in lieu thereof the following: *"Provided,* That during the existence of the present national emergency, no construction of any part of the project authorized by this act shall be undertaken, no contract for any such construction shall be entered into, and no money shall be appropriated for the construction during such emergency of any such part of the project: *Provided,* That, for the purposes of this section, the present national emergency shall be deemed to have ended when the exercise of existing Government controls over wages and prices has terminated and when the exercise of mandatory controls over the allocation for domestic use of materials necessary for the construction of such project shall have ended: *Provided further,* That during the period of 6 months after the enactment of this act and during the pendency of any suit or suits in which the United States shall be joined as a party under and by virtue of the consent granted in section 12 of this act, no construction of works which are required solely for the purpose of diverting, transporting, and delivering water from the main stream of the Colorado River for beneficial consumptive use in Arizona authorized by this act shall be undertaken and no contract for such construction shall be entered into and no moneys shall be appropriated for such construction. The pendency of a motion for leave to file a bill of complaint shall be considered pendency of a suit or suits for the purposes of this act: *And."*

On page 14, it is proposed to strike out lines 15 through 25, inclusive.

The VICE PRESIDENT. Under the unanimous-consent agreement there is a limitation of 15 minutes upon each side on all amendments, and 30 minutes on each side on the bill itself.

CALL OF THE ROLL AND TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I now ask unanimous consent that we may have a call of the roll to establish the presence of a quorum, the time not to be charged to either side, and that after the quorum call Senators be permitted to transact routine business, without debate, before time starts to run.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona [Mr. McFARLAND]? The Chair hears none, and it is so ordered. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	McKellar
Anderson	Hennings	McMahon
Bennett	Hickenlooper	Millikin
Benton	Hill	Monroney
Brewster	Hoey	Morse
Bricker	Holland	Mundt
Butler, Md.	Hunt	Neely
Butler, Nebr.	Ives	Nixon
Byrd	Jenner	O'Conor
Capehart	Johnson, Colo.	O'Mahoney
Carlson	Johnson, Tex.	Pastore
Chavez	Johnston, S. C.	Russell
Clements	Kefauver	Saltonstall
Connally	Kem	Schoeppel
Cordon	Kerr	Smathers
Dirksen	Kilgore	Smith, Maine
Douglas	Knowland	Smith, N. J.
Duff	Langer	Sparkman
Dworshak	Lehman	Stennis
Eastland	Lodge	Thye
Ellender	Long	Underwood
Ferguson	Magnuson	Watkins
Flanders	Malone	Welker
Frear	Maybank	Wherry
George	McCarran	Wiley
Gillette	McCarthy	Williams
Green	McClellan	Young
Hayden	McFarland	

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Michigan [Mr. MOODY] is absent on public business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference to be held in Geneva, Switzerland, beginning June 6.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Montana [Mr. ECTON] are absent on official business.

The Senator from Washington [Mr. CAIN] and the Senator from South Dakota [Mr. CASE] are absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Ohio [Mr. TAFT] is necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is detained on official business.

The VICE PRESIDENT. A quorum is present.

Under the agreement entered into before the roll call, routine business may now be transacted.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

THE LATE ARTHUR H. VANDENBERG—RESOLUTION OF COUNCIL OF THE ORGANIZATION OF AMERICAN STATES

A letter from the Assistant Secretary of State, transmitting a copy of a resolution adopted by the Council of the Organization of American States on May 16, 1951, concerning the recent death of the Honorable Arthur H. Vandenberg, late a Senator from the State of Michigan (with an accompanying paper); ordered to lie on the table.

CONFIDENTIAL REPORT ON CONTRACTS NEGOTIATED BY DEPARTMENTS OF THE ARMY, NAVY, AND AIR FORCE

A letter from the Acting Secretary of Defense, transmitting, pursuant to law, a confidential report listing the contracts negotiated by the Department of the Army, the Department of the Navy, and the Department of the Air Force, for the period July 1, through December 31, 1950 (with an accompanying report); to the Committee on Armed Services.

RESERVATION OF CERTAIN PUBLIC LANDS IN UTAH FOR ADDITION TO GOSHUTE INDIAN RESERVATION

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to reserve certain land on the public domain in Utah for addition to the Goshute Indian Reservation (with an accompanying paper); to the Committee on Interior and Insular Affairs.

EXTENSION OF TIME FOR ENROLLMENT OF INDIANS OF CALIFORNIA

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to extend the time for enrollment of the Indians of California, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AMENDMENT OF ROAD ACT RELATING TO APPROPRIATIONS FOR ROADS ON INDIAN RESERVATIONS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Road Act of May 26, 1928 (45 Stat. 750), authorizing appropriations for roads on Indian reservations (with an accompanying letter); to the Committee on Interior and Insular Affairs.

LAW ENACTED BY GUAM LEGISLATURE

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of a law enacted by the First Guam Legislature (with an accompany paper); to the Committee on Interior and Insular Affairs.

EDWARD C. SEARLE—JOINT RESOLUTION OF HAWAIIAN LEGISLATURE

A letter from the Assistant Secretary of the Interior, transmitting, at the request of the Governor of Hawaii, a certified copy of a joint resolution enacted by the Legislature of Hawaii, for the relief of Edward C. Searle; requesting Congress to authorize and direct the Commissioner of Public Lands to issue a right-of-purchase lease on homestead land at Ninole-Waiiau, Kau, Hawaii (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT OF WAR CONTRACTS PRICE ADJUSTMENT BOARD

A letter from the Secretary of the War Contracts Price Adjustment Board, transmitting, pursuant to law, the final report of the Board, dated May 22, 1951 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Finance:

"Joint resolution memorializing the Congress of the United States to amend the Social Security Act to permit the integration of the Wisconsin retirement fund therewith

"Whereas the State of Wisconsin and all participating municipalities under the Wisconsin retirement fund have from its inception been committed to the integration of that retirement plan with the Federal old-age and survivors insurance system; and

"Whereas the Wisconsin retirement fund cannot be fully effective without such integration since the State plan was formulated so as to dovetail with the Federal system, and such integration would be automatic when Congress removes the existing prohibition against integration; and

"Whereas it is absurd that 33 counties, 86 cities, 351 villages, 1,288 towns and approximately 600 school districts can under the Federal law first come under the Federal system and then subsequently act to be included under the Wisconsin retirement fund, while 37 counties, 77 cities, 15 villages, 1 town, and 29 school districts which have already acted in good faith to be included under the Wisconsin retirement fund are denied the benefits of such integration; and

"Whereas public employees under the Wisconsin retirement fund favor such integration because there would be a substantial increase in benefits for the public employees as annuitants, for their wives, and for their dependent children in case of death before retirement; and

"Whereas under section 66.903 (2) (f) of the Wisconsin statutes such integration and the increased benefits could be achieved without any material change in cost either to the employees or the employing governmental units; and

"Whereas the taxpayers of Wisconsin and the public employees concerned are now as Federal taxpayers required by Federal law to underwrite the ultimate cost of this Federal program and therefore it is unreasonable to pay for the same benefits for public employees in Wisconsin by increasing the cost of the State system; and

"Whereas such protection would be especially valuable for persons with a short span of public employment who would receive only modest benefits under the State system; and

"Whereas it is discriminatory to deny to the State of Wisconsin the right to make its retirement plan supplementary to the Federal old-age and survivors insurance system when business and industry have been able to do this for those in private employment: Now, therefore, be it

"Resolved by the senate (the assembly concurring), That the Wisconsin Legislature respectfully requests the United States Congress to amend the Social Security Act by repealing the discriminatory provision now contained in section 218 (d). Be it further

"Resolved, That a copy of this resolution be transmitted to each House of Congress and to each Wisconsin Member thereof.

"ORA R. RICE,
"Speaker of the Assembly.
"ARTHUR L. MAY,
"Chief Clerk of the Assembly.
"GEORGE M. SMITH,
"President of the Senate.
"THOMAS M. DONAHUE,
"Chief Clerk of the Senate."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Post Office and Civil Service:

"Joint resolution memorializing the Congress to adopt legislation authorizing the issuance of a special commemorative stamp in honor of the late Lyman Copeland Draper

"Whereas a knowledge of the history of the United States is essential to intelligent citizenship; and

"Whereas history could not be written or known without the records of all sorts and conditions of men, their activities, their organizations, and their governments; and

"Whereas the collecting and preserving of such records is therefore a matter of transcendant importance; and

"Whereas perhaps the most famous of all such collectors of the records of the American heritage was the late Lyman Copeland Draper; and

"Whereas, though artists, authors, composers, educators, inventors, military and naval leaders, patriots, poets, scientists, statesmen, and suffragettes have been commemorated from time to time by the Federal Government through the issuance of special postage stamps, no collector of the basic materials of the American heritage, so essential a cog in the machinery of knowing and understanding the history of our Nation, has ever been accorded such recognition; and

"Whereas the State of Wisconsin plans to celebrate in January 1954 the centennial of the beginnings under Dr. Draper of one of the greatest libraries in the Nation for the study of American history, with appropriate ceremonies, symposia, and a gathering of educators and historians from all over the country, and with the publication of a biography of Dr. Draper, a history of the institution he founded, and one of his unpublished manuscripts, and with divers and sundry other observances: Now, therefore, be it

"Resolved by the senate (the assembly concurring), That the legislature of the State of Wisconsin memorialize the Congress of the United States to enact legislation to authorize the issuance of a special commemorative postage stamp in January 1954 in honor of Dr. Draper and the services which the members of his profession have rendered to their country and to their fellow citizens of the past, the present, and the future; and be it further

"Resolved, That copies of this joint resolution be sent to the representatives of this State in the Congress of the United States, and that they be hereby requested to do everything in their power to secure the passage of such an act and the subsequent issuance of such a commemorative stamp by the Post Office Department.

"ORA R. RICE,
"Speaker of the Assembly.
"ARTHUR L. MAY,
"Chief Clerk of the Assembly.
"GEORGE M. SMITH,
"President of the Senate.
"THOMAS M. DONAHUE,
"Chief Clerk of the Senate."

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

"Senate Joint Resolution 23

"Joint resolution relative to memorializing the President and the Congress of the United States to declare Napa County, State of California, a critical defense area for the purpose of obtaining financing of construction

"Whereas numerous military and naval installations are located near Napa County in the State of California, including the Travis Air Force Base, the Benicia Arsenal, the Overseas Radio Station at Dixon, and those at Mare Island; and

"Whereas the mounting defense activities of the Nation have already caused and will continue to occasion a vast expansion in the activities of these installations; and

"Whereas as a concomitant of such expansion, a serious shortage of housing for the military, naval, and civilian personnel required at these installations has developed; and

"Whereas building materials and supplies are critically short of supply for schools, homes, churches, and hospitals in said county; and

"Whereas this situation cannot be rectified without the assistance of the Federal Government: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the President and the Congress of the United States are hereby memorialized to declare that an acute housing shortage exists in the county of Napa, State of California, which impedes the national defense activities and which cannot be alleviated without Federal assistance; and be it further

"Resolved, That the secretary of the senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress of the United States, to the Senators and Representatives in Congress from the State of California, and to the Federal Housing and Home Finance Administrator."

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 31

"Joint resolution relating to the national forest highway system in California

"Whereas there is at present within the national forest of the State of California a stand of timber totaling about 55,000,000,000 board-feet measure which could with proper road development greatly contribute to the Nation's defense program; and

"Whereas the national forest highway system in California includes many of the main access highways necessary for the full development of the public timber and other valuable resources; and

"Whereas it is estimated that the cost of overcoming the critical deficiencies in the forest highway system in California will be in excess of $14,000,000 a year for the next 10-year period; and

"Whereas the apportionments for the forest highway system in California from section 23 of the Federal Highway Act of November 9, 1921, as amended and supplemented, has averaged less than $3,000,000 a year: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Congress of the United States is hereby respectfully memorialized to take such action as may be necessary to increase the appropriations for forest highways under section 23 of the Federal Highway Act of November 9, 1921, as amended and supplemented by the amount necessary to allow an annual apportionment of $14,000,000 a year for forest highways in the State of California, commencing with the fiscal year beginning on July 1, 1951, and terminating with the fiscal year ending July 30, 1961; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution adopted at a meeting of approximately 200 farmers representing Garrard, Boyle, Jessamine, Madison, Fayette, Woodford, Scott, Clark, Boone, Bourbon, Estill, Montgomery, and Mercer Counties in central Kentucky, held at Lexington, Ky., protesting against the price roll-back on beef cattle as announced by the Office of Price Stabilization (with an accompanying paper); to the Committee on Banking and Currency.

SECOND-CLASS POSTAL RATES—RESOLUTION OF NORTH DAKOTA PRESS ASSOCIATION, GRAND FORKS, N. DAK.

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in

the RECORD a resolution adopted by the North Dakota Press Association at its convention held in Grand Forks, N. Dak., opposing any increase in second-class postal rates.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service and ordered to be printed in the RECORD, as follows:

NORTH DAKOTA PRESS ASSOCIATION REPRESENTING ALL OF THE NEWSPAPERS OF NORTH DAKOTA—RESOLUTION ADOPTED AT THE ANNUAL CONVENTION OF NDPA AT GRAND FORKS, N. DAK., APRIL 13 AND 14, 1951

Whereas committees of the Congress of the United States are now considering an increase in the rates for second-class mail matter and whereas President Harry Truman has made recommendations that such rates be materially increased; and

Whereas the North Dakota Press Association is heartily in accord with the stand on the matter of the National Editorial Association and does commend and support the efforts of its representative and committee who have appeared before said committees of Congress; and

Whereas there has been discrimination against weekly newspapers in two recent mail service embargoes ordered by the Post Office Department; and

Whereas proposed increases in second-class postal rates would be discriminatory against weekly newspapers and would create serious financial problems for most weekly newspapers: Now, therefore, be it

Resolved, That the North Dakota Press Association express its united opposition to any increase in second-class postal rates, unless improved service is guaranteed, particularly for prompt delivery of weekly newspapers; and further, that copies of this resolution be forwarded to officers in the Post Office Department and to the members of the North Dakota delegation in Congress.

By the committee:

C. L. ANDRIST,
Chairman; Crosby Journal
F. W. DENISON,
Cando Record-Herald.
M. A. TUNTLAND,
Washburn Leader.
T. C. MICHAELS,
Dunseith Leader.
CALE DICKEY,
New Salem Journal.

Passed unanimously.
Attest April 14, 1951:

EDWARD J. FRANTA,
Secretary, North Dakota Press Association.

GREAT LAKES-ST. LAWRENCE SEAWAY—RESOLUTION AND EDITORIALS

Mr. WILEY. Mr. President, I present a resolution adopted by the Milwaukee (Wis.) Common Council urging all possible speed in the completion of the Great Lakes-St. Lawrence seaway.

I thoroughly agree on the absolute importance of ending the deplorable delay and bringing this project to completion.

I ask unanimous consent that the resolution be appropriately referred and printed in the RECORD, together with two editorials of the Manitowoc Herald-Times, and the Antigo Journal, dealing with Canadian plans to complete the seaway.

There being no objection, the resolution and editorials were referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF MILWAUKEE

Whereas the Public Works Committee of the House of Representatives has recently concluded hearings on legislation to authorize the St. Lawrence seaway and power project, and said committee will soon make a field inspection of the entire area between Duluth and Montreal in which the St. Lawrence project will be constructed; and

Whereas the Foreign Relations Committee of the United States Senate has indicated that hearings may be scheduled on St. Lawrence seaway legislation, but has not fixed a date for such hearings; and

Whereas the St. Lawrence seaway and power project is a most essential part of the long-range mobilization of the United States and Canada for the mutual defense and the economic development of both nations; and

Whereas responsible officials of the Canadian Government, including the Prime Minister and leading members of his Cabinet, have urged the United States to act promptly upon the seaway legislation now before our Congress and in the event that Congress continues to procrastinate with respect to the St. Lawrence project, the Canadian Government has indicated that it will reluctantly feel compelled to proceed with the development of this project under Canadian auspices and control; and

Whereas major portions of the St. Lawrence River and the Great Lakes system constitute an international waterway, so recognized by treaty, in which the people of the United States have a vital interest and United States shipping must inevitably utilize the St. Lawrence route to an increasing degree and it is therefore imperative that the project be developed jointly by both nations as a matter of mutual interest; and

Whereas further delay in enacting St. Lawrence seaway legislation by the Congress of the United States may compel Canada to proceed with this project under Canadian auspices, which would be a most unfortunate development in the light of the present critical international situation, and would serve to advertise to the world our inability to agree with a friendly neighboring nation in the mutual development of an engineering project which will be of great benefit not only to these two nations but to all world commerce; and

Whereas the city of Milwaukee is one of the Great Lakes harbors vitally affected by the seaway project, and is making large capital expenditures for improvement of its harbor in anticipation of the seaway, and hereby pledges the resources of the municipal government to the early completion of this most significant development, which this community has long sought and which it will continue to support wholeheartedly: Now, therefore, be it

Resolved by the Common Council of the City of Milwaukee, That we respectfully urge the Public Works Committee of the House of Representatives to expedite its consideration of St. Lawrence seaway legislation and to report said project favorably at the earliest possible date; that we further respectfully urge the Foreign Relations Committee of the United States Senate to conduct expedited hearings on St. Lawrence seaway legislation; and that we respectfully urge the entire Congress to act upon this vital project with dispatch so that its early construction may be undertaken as part of the mobilization of our essential resources in the interest of our domestic economy and our foreign security; and be it further

Resolved, That copies of this resolution be transmitted by the city clerk to the members of the Public Works Committee, House of Representatives; the members of the Foreign Relations Committee, United States Senate; to Senators and Representatives in Congress from the State of Wisconsin; to the Secretary of State; and to the President of the United States, with the request that our representatives in Congress exert every effort for the urgent, early, and final enactment of St. Lawrence seaway legislation.

[From the Manitowoc Herald-Times of May 16, 1951]

CANADA TIRED OF WAITING

While the United States is still delaying any definite action toward construction of the vital St. Lawrence seaway, our neighbor to the north, Canada, tired of waiting, has decided to go it alone, if need be, to construct the seaway. That country's present need for the seaway is acute. Growth of electric-power demand in Ontario and Quebec is part of it. Wasted water power of the St. Lawrence rapids offers the economical answer to that problem. Full development of the Quebec-Labrador iron-ore resources need the existing and ore-short market of the Great Lakes steel industry, available only by the seaway route.

It will be a big undertaking for Canada, but that country, operator of a transcontinental rail system and globe-straddling airline, is used to it. Financing is not too serious with payments coming from power receipts and ship tolls. The American steel industry, in fact, might be a willing underwriter. The Canadians doubtless and justifiably would set the ore-ship tolls at the highest the traffic will bear.

There is still hope Congress may act to make the seaway a partnership of the two countries. The United States need of it, after all, is at least the equal of Canada's. The difference is only that in this country we have rival interests who in combination have contrived a lobby so formidable that, despite pledged support of the seaway by both political parties and every President since Taft, it has managed to block action.

Tired of unkept promises, Ottawa officials say the present session of Congress is the last before whose doors they will consent to wait.

[From the Antigo Journal of May 14, 1951]

ST. LAWRENCE STRATEGY

Premier Leslie Frost of Ontario has stated that if the Dominion Government decided to proceed on its own with the St. Lawrence seaway project Ontario is prepared to enter into a joint agreement with New York State to develop the river's power. A division of the costs as between the canal portion of the scheme and the power portion can be arrived at, and this would then be subject to adjustment between the Canadian Government and the Governments of Ontario and New York. The Ontario Hydro Commission has all the basic plans for the power end of the scheme already prepared.

If Canada does go ahead on its own with this project, so far as navigation is concerned, we wonder what shift in strategy will be taken by the American opposition concentrated in the Atlantic coast cities and those of the Gulf of Mexico coast. Will they resort to twisting the British Lion's tail and stirring up antagonism toward our neighbor to the north?

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unani-

mous consent, the second time, and referred as follows:

By Mr. McMAHON:

S. 1591. A bill for the relief of Alfonso Albano; to the Committee on the Judiciary.

By Mr. WILLIAMS (for himself and Mr. FREAR):

S. 1592. A bill to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del.; to the Committee on Public Works.

By Mr. WELKER:

S. 1593. A bill to increase the amount in controversy necessary to confer jurisdiction on district courts in diversity of citizenship cases; to the Committee on the Judiciary.

By Mr. LEHMAN:

S. 1594. A bill for the relief of Allen S. Collins; and

S. 1595. A bill for the relief of Jeannine Rafalowitz; to the Committee on the Judiciary.

By Mr. FERGUSON:

S. 1596. A bill for the relief of Phed Vosniacos; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1597. A bill for the relief of Sikander Kahn, Gulam Mohamed, Akbar Khan, Mohamed Amin, Sraj Deen, Sikander Din Yasin, Fagir Ali Shah, Mohamed Sharif, Ayub Khan, Lal Miah, Senchy Khan, Maklish Miah, Mohammed Toota Miah, Mohbat Khan, Afsar Khan, and Ayoob Khan; and

S. 1598. A bill for the relief of Ymants Gorbants; to the Committee on the Judiciary.

S. 1599. A bill authorizing the issuance of a patent in fee to Annie A. Two Bears, heir of Albert Grass, deceased; to the Committee on Interior and Insular Affairs.

By Mr. BENTON (for himself, Mr. HUNT, Mr. BRICKER, and Mr. SALTONSTALL):

S. J. Res. 76. Joint resolution relating to television frequency assignments, constructions of new stations, and television programing; to the Committee on Interstate and Foreign Commerce.

LEAVE OF ABSENCE FOR JAMES PATRICK WILLIAMS—AMENDMENT

Mr. LANGER submitted an amendment in the nature of a substitute, intended to be proposed by him to the bill (S. 1585) to provide a leave of absence for James Patrick Williams, an employee of the United States, so as to allow him to participate in the 1952 Olympic Games, which was referred to the Committee on Post Office and Civil Service, and ordered to be printed.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and a joint resolution were severally read twice by their titles, and referred, as indicated:

H. R. 385. An act to direct the Secretary of the Army to convey certain land to the village of Highland Falls, N. Y.;

H. R. 1199. An act to amend section 12 of the Missing Persons Act, as amended, relating to travel by dependents and transportation of household and personal effects;

H. R. 3911. An act to provide appropriate lapel buttons for widows, parents, and next of kin of members of the Armed Forces who lost or lose their lives in the armed services of the United States during World War II or during any subsequent war or period of armed hostilities in which the United States may be engaged; and

H. J. Res. 67. Joint resolution to provide that an aircraft carrier shall be named the *Forrestal;* to the Committee on Armed Services.

H. R. 2948. An act to amend title 18, United States Code, with respect to fraud by wire, radio, or television;

H. R. 3142. An act to authorize the settlement by the Attorney General and the payment of certain of the claims filed under the act of July 2, 1948, by persons of Japanese ancestry evacuated under military orders;

H. R. 3455. An act to amend section 4202 of title 18, United States Code, relating to parole of Federal prisoners; and

H. R. 4106. An act to amend title 28 of the United States Code entitled "Judiciary and Judicial Procedure" by adding a new section thereto known as section 1732b to permit the photographic reproduction of business records and the introduction of the same in evidence; to the Committee on the Judiciary.

H. R. 3033. An act authorizing the Secretary of the Interior to lease certain land in the State of Montana to the city of Poplar and the county of Roosevelt, Mont.; to the Committee on Interior and Insular Affairs.

H. R. 3091. An act to amend the Soil Conservation and Domestic Allotment Act; to the Committee on Agriculture and Forestry.

H. R. 3605. An act to amend section 6 of Public Law 134, approved July 6, 1945, as amended, to grant annual and sick leave privileges to certain indefinite substitute employees in the postal service; to the Committee on Post Office and Civil Service.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Eighteen postmasters.

By Mr. McCARRAN, from the Committee on the Judiciary:

Joe Warren Sheehy, of Texas, to be United States district judge for the eastern district of Texas, vice Randolph Bryant, deceased.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. HOLLAND:

Address delivered by him on the occasion of the Jefferson Davis Birthday Memorial, June 2, 1951, in Statuary Hall, Capitol Building, Washington, D. C.

By Mr. FLANDERS:

Address entitled "A New Approach to World Disarmament," delivered by him in Philadelphia, Pa., May 22, 1951.

By Mr. BUTLER of Nebraska:

Articles entitled "Will Meat Roll-Backs Work?" and "By the Way," both from the Nebraska Farmer of May 19, 1951, dealing with the meat and livestock price roll-backs.

Article entitled "Roll-Backs Are Wrong Road to More Meat," from the Nebraska Farmer of May 19, 1951.

Statement entitled "Meat Higher Under OPS," by M. J. Hankins, secretary of the Nebraska Livestock Feeders Association, commenting on the meat roll-back orders.

By Mr. KEFAUVER:

Broadcast by George E. Reedy on June 3, 1951, on the subject of Memorial Day.

By Mr. SALTONSTALL:

Editorial entitled "Invincible Finland," published in the New York Times of June 5, 1951, referring to the purge of Finnish Communist leaders.

Editorial entitled "Books for Overseas Children," published in the New York Times of June 5, 1951.

By Mr. SPARKMAN:

Editorial entitled "War's Aims Can Be Achieved Without Crushing the Enemy," published in the Florence (Ala.) Times of May 20, 1951.

An editorial entitled "Our Top Military Leaders Have Earned Our Confidence," from the Florence (Ala.) Times of May 31, 1951.

Article entitled "I Follow General Marshall," written by Brig. Gen. William E. Brougher and published in the Anniston (Ala.) Star of May 15, 1951.

By Mr. DOUGLAS:

Editorial entitled "International Red Cross," from the Washington Post of May 21, 1951.

THE CENTRAL ARIZONA PROJECT

The Senate resumed the consideration of the bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. McFARLAND].

Mr. McFARLAND. Mr. President, I do not think there will be any opposition to this amendment. It merely makes definite that there will be no construction on this project during the present emergency. Both my colleague and I want to make it very clear that we are not asking for moneys, materials, or labor needed in the national defense effort. Therefore, we are offering this amendment, which would postpone construction, letting of contracts, or appropriations until after the termination of the present emergency.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. McFARLAND].

Mr. KNOWLAND. Mr. President, while I do not intend to press for a vote in opposition to this amendment, I feel that at least some qualification is in order.

In the first place, those of us who are opposing this project believe that the amendment in no sense improves the bill. It is true that there are certain limitations placed upon it, but the end fact remains that, even with the amendment, an unsound economic project would be authorized in the event of certain contingencies arising.

We have pointed out that the project was reported by the Committee on Interior and Insular Affairs without any public hearings having been held on it at this session of Congress. The Committee of the House of Representatives, which held prolonged hearings on the proposed legislation, determined by a vote of 16 to 8, that the bill should not be reported to the House until the question of the water rights involved had

been adjudicated in a court of competent jurisdiction, or unless an interstate compact or agreement had been entered into. From that point of view, the amendment would not improve the bill.

Furthermore, we believe that the provision which relates to carrying the legal question involved to the courts is not a sound proposal, because under the wording of that part of the amendment, even though an adverse decision should come from the Supreme Court of the United States the project would still be an authorized project.

Mr. President, I wish to yield the remainder of my time to my colleague, the junior Senator from California.

Mr. NIXON. Mr. President, I think it is important, as we vote on the amendment, which I intend to support, that we understand exactly what it would do and what it would not do.

The amendment has been referred to as being one which would defer construction and appropriations for the project during the pendency of the emergency. I think it is particularly important that we note how emergency is defined in the amendment. I shall read the definition from the amendment:

> For the purposes of this section, the present national emergency shall be deemed to have ended when the exercise of existing Government controls over wages and prices has terminated and when the exercise of mandatory controls over the allocation for domestic use of materials necessary for the construction of such project shall have ended.

In other words, the amendment states that appropriations for the project shall be deferred during the pendency of the emergency; but the emergency itself, it will be noted, is very narrowly defined in the amendment. Should Congress decide that controls over wages and prices should be abandoned as being unworkable, for example—and we note that hearings are being held on that program by the Committee on Banking and Currency—and should Congress decide that it was no longer necessary to have mandatory controls over allocations of materials for domestic use, the emergency, insofar as any restriction or prohibition upon appropriations for this project was concerned, would be at an end. As we consider the emergency in which we are in at the present time, I submit the definition is much too narrow. While we are concerned with price controls, wage controls, and shortages of materials, we are also concerned with the very real emergency of the threat of inflation.

Mr. President, I submit that even though the time might come when it would no longer be necessary or feasible to have controls on wages or prices, or when it might be felt that mandatory controls over allocations were no longer essential, we might still be in such a position that it would be important to the national economy to cut down Government appropriations to the very minimum in order to avoid the inflationary pressures which we know existed long before we enacted legislation providing for price control, wage control, and mandatory controls over allocation of materials. Therefore, in that connection, it is particularly necessary for Members of the Senate to understand that when they vote in favor of the authorization of the project, they are not voting for deferring any appropriations for the project until after the national emergency has ended, but that they are voting to defer appropriations for the project only until the time comes when Congress decides it is no longer necessary to have mandatory controls over wages, prices, and materials.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. NIXON. I yield.

Mr. WHERRY. I appreciate the interpretation of the definition which the distinguished junior Senator from California has given, because, to my mind, the amendment itself provides what the Senator has interpreted as being the meaning of the term "emergency." There is so much difference of opinion about what is meant by an emergency, namely, as to how broad it is and how far it goes, that Senators should understand that it is the interpretation of the junior Senator from California, I believe a correct interpretation, that the end of the emergency comes when existing Government controls over wages and prices are terminated. Therefore that is the definition which should be taken into consideration, is it not?

Mr. NIXON. That is exactly correct. I emphasize again that the term "emergency," in my opinion, and I believe in the opinion of many other Members of the Senate, should be much more broadly defined than it is in the amendment, because an emergency exists not only insofar as the control of prices and wages is concerned, but also insofar as the solvency of the Nation is concerned. When the final vote is taken on the bill we must bear in mind that we have before us a project which would cost the taxpayers of the country, over and above the amount which would be reimbursed from the project, according to the statement of the Secretary of the Interior himself, the sum of $2,075,749,000. I submit that appropriations for a project involving that amount of money should be deferred well beyond a point at which Congress might determine that we could with safety dispense with controls over wages and prices and with mandatory allocations of materials.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. NIXON. I yield.

Mr. WHERRY. Is it the opinion of the junior Senator from California that even though the Defense Production Act is terminated, fails of extension, or is repealed, a national emergency would still exist because of inflationary tendencies and the status of the credit of the country?

Mr. NIXON. Exactly. I mean to say that we cannot hold that an emergency is over at a time when Congress determines that we no longer need price control, wage control, or a mandatory allocation of materials. I submit that is the question which is before the Senate.

I intend to support the amendment, because I think the amendment improves the bill to a certain extent. However, I do not believe that any Senator should vote for the bill with the understanding that by the adoption of this amendment the construction of the project would be deferred until there was a balanced budget, and no further threat of inflation, for example, because that would not be the case.

Mr. McFARLAND. Mr. President, the emergency was defined for a specific reason, and to make clear there would be no interference with the national emergency. Congress could, of course, take off wage and price controls, but certainly it would not take off mandatory allocation of materials so long as such materials were necessary for our defense effort.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McFARLAND. Yes.

Mr. MAYBANK. Do I understand correctly that the language of the proposed amendment makes it clear in no uncertain terms that no critical material, such as copper, steel, zinc, aluminum, or manganese could be used in any way to further the project until such critical material had been freed from mandatory controls and until it was available in the market so that the automobile companies or any other State institutions could obtain it, and thus put their employees back to work and make necessary improvements?

Mr. McFARLAND. That is correct. That is one of the purposes for recognizing mandatory allocations and protecting against any use beyond any proclamation of the end of an emergency by the President. The fighting in Korea might stop, for example, but, as was found after the last war, it might still be necessary to have mandatory allocations of materials until industry could get back on its feet. We would extend the allocations beyond any limited definition of an emergency by saying, "Mandatory allocations of material."

Mr. WHERRY. Mr. President, will the majority leader yield for a question?

Mr. McFARLAND. I yield.

Mr. WHERRY. Why is the word "domestic" used in line 4, on page 2, in the definition?

Mr. McFARLAND. It is used for the reason that it may well be that controls on foreign allocations of materials will continue for 25 or 50 years, or they may never be taken off.

Mr. WHERRY. Does that mean that a license must be granted by a claiming agency in the United States to permit the export of materials for domestic use?

Mr. McFARLAND. No. The definition of the termination of the emergency says "and when the exercise of mandatory controls over the allocation for domestic use of materials necessary for the construction of such project shall have ended."

It refers to any kind of allocation for domestic use of materials which may exist in the United States. If there is any kind of domestic material which is allocated in the United States, the emergency will not be over for the purposes of this bill, and no appropriation could be made for construction, nor could construction be undertaken, nor could a contract for construction be entered into.

Mr. WHERRY. Mr. President, will the Senator permit a question and possibly the statement of an example?

Mr. McFARLAND. Certainly.

Mr. WHERRY. I wish to state how I think the amendment is capable of being interpreted, and I think we should clear up this point in order to make the legislative history. I refer to the words on page 2 of the amendment "and when the exercise of mandatory controls over the allocation for domestic use of materials necessary for the construction of such project shall have ended."

In that portion of the amendment, why not use the words "all materials," because it seems to me that a license could be granted by a claiming agency to export strategic materials by allocation for purposes other than domestic use. It seems to me that the amendment is capable of that interpretation.

Mr. McFARLAND. When we reach the point when we have such a supply of domestic materials in the United States as not to require domestic allocation then there will not be an emergency. The time may never come when we shall wish to permit the export of certain materials from the United States without some kind of an allocation, because such materials may be in short supply in the United States. However, if they are not in short supply in the United States, there is no reason for domestic allocations and domestic controls.

Mr. WHERRY. Let us consider, by way of example, a material of which there is a short supply, and which is subject to allocations for domestic use. The amendment does not mean, does it, that even though that material is in short supply, a license could be granted to permit it to be shipped for foreign use, rather than domestic use?

Mr. McFARLAND. No; the amendment has nothing to do with that.

The PRESIDING OFFICER (Mr. HOEY in the chair). The question is on agreeing to the amendment submitted by the Senators from Arizona.

The amendment was agreed to.

Mr. KNOWLAND. Mr. President, I call up my amendment B.

The PRESIDING OFFICER. The Senator from California has two amendments lettered "B." Will he indicate which one he desires to call up at this time?

Mr. KNOWLAND. It is the amendment to page 5, line 4.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 5, line 4, before the semicolon, it is proposed to insert a colon and the following: "*Provided*, That unless the Secretary determines that the net revenues from the delivery of water for irrigation purposes will be at least sufficient to return to the United States the cost of the irrigation distribution system and drainage system to be constructed under this act, and in addition thereto 25 percent of the other estimated costs which can properly be allocated to irrigation, then the irrigation works authorized in this act shall not be constructed."

Mr. KNOWLAND. Mr. President, I yield 10 minutes of my time to myself.

The PRESIDING OFFICER. The Senator from California is recognized for 10 minutes.

Mr. KNOWLAND. Mr. President, I think this amendment raises a very fundamental issue in regard to this project. Under the Reclamation Act, it was originally intended that the irrigation costs should be repaid without interest, but that they should be repaid; and that the distribution costs—in other words, from canal side to the farm—should also be paid.

I believe this project for the first time in the history of our country would make a number of very fundamental changes in the theory of reclamation in the West.

In the first place, the reclamation laws have provided that the repayment of irrigation costs should be made on a basis of 40 years, plus a 10-year-development period, making a total of 50 years; that the irrigation costs within that period of 50 years, or 40 years plus 10 years, should be repaid without interest; but that the power costs should be repaid with interest. Under those general principles, the so-called Hoover Dam project not only will be completely repaid as to principal, but the Federal Government originally had an interest charge of 4 percent, which was later changed to 3 percent, and since that time the power users and the others who have contributed to making the great Hoover Dam project one of the great self-supporting projects in the Nation have been paying back both principal and interest on the project.

Mr. President, it is true that in some projects, indeed in a good many of them where there are both flood control and other features, certain credits, so to speak, are allowed for flood control or recreation features; but in the case of this particular project, unlike any other to which my attention has ever been called, the irrigation repayments, when this matter is finally worked out, will figure out at about three-tenths of 1 percent. I believe that is unsound; I believe it is detrimental to the cause of sound reclamation in the West.

I submit, Mr. President, that if we now surrender and throw away the yardstick by which we have measured feasibility of projects, we shall here and now create a precedent so that those who advocate any other project in the Nation having features as unsound as the features of this one, will be able, based on this precedent, to demand, "Give us the same terms and conditions you have given to the central Arizona project." I say it will be most difficult to stand up against that demand, once we have thrown away the yardstick.

On a number of occasions, Mr. President, I have pointed out that there may be a reasonable basis upon which the States that are interested in reclamation and those that are not interested in reclamation could say that, because of changed conditions, they desire to lengthen the period now provided in the reclamation laws from 50 years to 55 years or even to 60 years. However, I submit that the proper way to do that is by means of general legislation, after having held public hearings in both the Senate and the House committees; and when we thus establish a new measurement or yardstick, everyone in the country will know that it applies not only to this project, but to future projects.

The fact of the matter is that this measure provides for a repayment period of 75 years, by the acknowledgment of the proponents alone; so they will thus have extended for 25 years the repayment period. I do not believe that can be done in this case without making the same provision available in the future to all other projects, and I say that is a very fundamental change to make in our reclamation laws.

The proponents of this measure question whether we should raise the item of interest. I submit that at a time when the Federal Government has been operating in the red for a long period of years, and when, in order to meet the deficit, we have to sell Government bonds to the people of the United States, it is quite appropriate to raise the question of interest in regard to this, or any other project for that matter, because what we are actually doing is overdrawing our bank account, so to speak; we are borrowing from the people in order to meet the cost of a great project.

When an E bond with a face value of $1,000 is sold to an individual taxpayer, he pays $750 for it. At the end of 10 years, he receives back $1,000. In other words, adding the interest on $750 for a period of 10 years brings it to the sum of $1,000.

I placed in the RECORD yesterday the fact that in a period of 75 years the $750 compounded each year, ultimately figures up to a sum in excess of $4,500; so when the committee, in its report, says that this project is to cost $708,000,000, but which the testimony before the House committee clearly indicates is now estimated by the Bureau of Reclamation at $788,000,000, it necessarily follows that someone must put up the money for the project. We do not have a surplus, so we cannot take it from our surplus. That means that it must be met by the borrowing of funds; and when funds are borrowed on E bonds, we pay 2.9 percent interest.

When the question was asked of the Secretary of the Interior as to what this project would cost the taxpayers of the United States, he figured that the net cost to the taxpayers in interest itself, over the period of 75 years, would be more than $2,000,000,000. How did he arrive at that net amount? He did so by applying all the revenues from the project to the reduction of the interest; which would mean, on the basis of the Secretary's figures, that, at the end of the 75-year period, none of the principal would have been repaid. I say that when the Congress of the United States is now considering the laying of new taxes upon the American people, estimated to $4,000,000,000 or $5,000,000,000, we should examine very closely any project which comes before us.

I have mentioned the economic phases of this situation, and I have said that the irrigators will pay back, not even half the amount, not even one-fourth the amount expended. This amendment

would at least require that they pay back one-fourth of the amount charged to irrigation, plus all the distribution cost; which is a common practice in irrigation matters. Even with my amendment this would still be a much more liberal proposition than any other new reclamation project has had made available to it.

But, in addition to the unsound economic features of the project, the question of the water supply is in doubt. I say to my friends of the upper basin of the Colorado, I do not believe there has been a single instance of the Committee on Interior and Insular Affairs favorably reporting or even considering a bill involving the construction of a project in which the water of the river was in dispute until either (a) there had been an interstate compact, or (b) there had been an agreement among the governors and the State engineers of the States concerned, or (c) there had been an allocation of the waters

There are three principal States in the lower basin which are concerned in this matter—Arizona, Nevada, and California. Two of these three States are in opposition to this legislation. They believe that the question should be adjudicated first, before the project is authorized by the Congress of the United States. We have seen frequently that when a project is authorized and the camel gets his nose under the tent, requests for appropriations promptly follow.

The VICE PRESIDENT. The 10 minutes of the Senator from California have expired.

Mr. KNOWLAND. I would suggest that the opposition take some time on this amendment, and then we will take the remainder of our time.

Mr. McFARLAND. Mr. President, I shall take a few moments now. I merely want to emphasize this is another one of those crippling amendments which California interests offered last year, and which was rejected. It provides for a requirement with respect to the central Arizona project which has never been placed in any other bill authorizing a similar project in the United States. The opponents talk glibly of fantastic figures, computing interest upon interest; they seek to impose upon us conditions heretofore unheard of.

Mr. President, no one heard them talk about interest when they sought enactment of the Central Valley of California project. When they secured authorization for that project, did anyone hear them come forward to say how much it would cost the taxpayers of the United States? No. But they would require of us a percentage system, a thing which has never been required, to date, of any irrigation project provided for under any law of the United States. Of course, this amendment is merely another means of trying to load us down with a crippling amendment; an attempt to kill the project by a knife thrust in the back. The central Arizona project report provides for the payment of what we consider the farmers are reasonably able to pay. It provides for payment of operation and maintenance cost, together with some payment on the principal, and the remainder is to be paid through a reasonable subsidy for irrigation. The committee report makes clear that the project provides for a subsidy of 0.72 a mill, which is in line with that provided in other irrigation projects, such, for instance, as the California Central Valley project, where it is 0.68 of a mill; and it is substantially less than others, like the Big Thompson project in Colorado which has 0.89 of a mill; and the Missouri Valley Basin which has 2.47 mills.

Mr. President, this project would not impose any more of a burden on power users than do the other big projects, such as the Boulder Canyon or the Central Valley in California. Arizona did not propose crippling amendments when Colorado and California wanted their projects passed. We did not try to write new legislation into law and require the people of those States to do something which had not been required of the people of other States.

Mr. KNOWLAND. Mr. President, I yield 3 minutes to my colleague, the junior Senator from California.

The VICE PRESIDENT. The junior Senator from California is recognized for 3 minutes.

Mr. NIXON. Mr. President, I think we should analyze the arguments which have been made by the junior Senator from Arizona, concerning so-called crippling amendments, which are being offered by those who oppose this measure. Let me say at the outset that what we must consider above all is the feasibility of this project and decide the question on the basis of its merits.

Reference has been made to the Central Valley project and the claim is made that, when that project came before the Senate, no crippling amendments were offered or adopted. However, I submit for the consideration of Members of the Senate that up to this time in the history of reclamation legislation, there are no precedents for such a proposal as that now pending. There have been no instances, first, of a project being approved which at the outset it is estimated would not pay out until a period of 85 years had elapsed, which is the case in regard to this project; second, of the Congress approving a project in connecton with which less than 1 percent of the irrigation costs were to be paid by the water users as is true in connection with this project; and, third, of the Congress ever approving a reclamation project the cost of which to the taxpayers, over and above the amount which they would receive back as income from the project, was to be a sum as large as $2,075,749,000 as in the case of this project.

I note that the Senator from Arizona claims that those who oppose the project are making fantastic charges concerning its cost. In making such a claim he is, in effect, charging the Secretary of the Interior with making such fantastic charges, because the figures which I have quoted are not the figures of the counsel for the State of California nor of others who oppose the project. They come from the Secretary of the Interior. Under cross-examination, when he was asked how much it would cost the taxpayers over and above the amount which the project would return on the investment, he stated that it would cost the taxpayers $2,075,749,000. On its face, at this time, when we are confronted with a national debt approaching $300,000,000,000, clearly apart from the national military emergency, we should not approve a project which would add such a large amount to the national debt.

Mr. McFARLAND. Mr. President, I yield 1 minute to my colleague.

Mr. HAYDEN. Mr. President, let me say that a trick question was asked of the Secretary of the Interior, a question never asked with respect to any other reclamation project, so far as I know. It was a trick question in that it failed to take into consideration the benefits coming indirectly from the project to the Federal Treasury.

The Senator is well aware that if it were not for the irrigation development in central California, the Federal revenue now obtained from that source would be very greatly reduced. That could be established over and over again, particularly with respect to southern California, where the junior Senator from California resides.

With reference to Boulder Dam, there was no revenue from that area prior to the construction of the dam. I call attention to the present condition, and what followed after energy from that project began to be furnished. The Government could not have gotten along without the power from Boulder Dam during the war. The experience in connection with the Salt River project was similar. There could be no income from a desert area if that project had not been developed. It cost $22,000,000. More than three times $22,000,000 is being collected each year and paid into the Federal Treasury from that very area. It is not all from the farms. The result of developing the project has been to build up cities, businesses, and industries, all of which pay taxes.

A distinction must be made between an appropriation which results in no return and one which adds to the national wealth. When the Government goes into any area in the United States where there is a shortage of water, and provides an additional water supply, immediately it not only increases the income of the farmers and assures them of a livelihood, but, following that, the growth of towns, businesses, and industries brings income to the Federal Government.

There is a vast difference between a project of that kind and one which calls for merely an appropriation out of the Treasury. The construction of an airport, a drainage project, or something of that kind, while it may be necessary and essential, even if it is necessary to borrow the money to construct it, is not an investment in the future growth of the country.

Did anyone ever suggest that interest be paid upon flood-control works on the Mississippi River? Did anyone ever suggest that interest be paid on the investment in the great power dams on the Missouri River? Those dams can produce power, as my colleague has said, for

2.53 mills per kilowatt-hour. The rate at which it is sold in the Missouri Basin is 5 mills. Who do they charge a difference of 2.47 mills additional for the power? Because the money is to be used to develop irrigation projects in the Missouri Basin. Everyone agrees that 5-mill power is cheap power. If we can get it at that rate, which is less than the average rate paid for power in the United States, we can develop communities and do all the things which result from cheap power. Everyone in the Missouri Basin is happy to get power at that price and happy to take practically half of it to develop the agricultural resources of the area. It is a sound investment in every particular.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. DIRKSEN. Since the Senator mentioned drainage districts, along the Illinois River, for instance, which reference would include other water courses in the country, it certainly would have been a good idea to compute the interest cost at the time both funds and authority were being developed for that kind of an operation, because, as I look back I do not recall a soul who ever made anything out of it; and I can speak from a little experience. The projects were in difficulty constantly. I am sure my friend from Arizona remembers that back in 1932 and 1933 we established an irrigation section in the RFC to bail out many defunct districts. They should have been let go to the birds and the fish in the first instance, because they were simply despoiling the water courses in many sections of the country. Many persons have come to my office and asked for appropriations to strengthen levees, to widen the crowns, at Federal expense, thus building up a continuing burden upon the Treasury.

I do not know that we needed the land so very badly, when we stop to consider that under our agricultural programs we have paid out money in the nature of a subsidy to take land out of cultivation. Had we put them on a sound financial basis in the first instance, the projects which were uneconomical and not feasible would quickly have fallen by the wayside, and only those which were sound in the first instance would have survived, and we would have saved much money for the people.

Mr. HAYDEN. But, Mr. President, draining land that should not be drained and putting water on land are two different things. I admit that great errors were made in draining certain areas which should have remained as they were. What was done served an excellent purpose in holding back flood water. Many of the levees, drainage districts, and similar experiments have accentuated flood flow, and such activities were a mistake. But the Senator from Illinois cannot point out to me that any mistake has been made anywhere in the United States in placing water on land for irrigation purposes, nor will he say that the construction of the massive levees on the Mississippi River from Cairo down was a mistake. He will not say that. He will not say that the building of the great dams on the Missouri River was a mistake. The appropriations for those projects were sound engineering investments.

Mr. KNOWLAND. Mr. President, how much time have I left?

The PRESIDING OFFICER (Mr. HOEY in the chair). One minute.

Mr. KNOWLAND. I merely wish to point out that in the hearings before the House committee, quoting the exact wording of the testimony, it was stated that "the irrigators would repay only $1,700,000 of the construction cost in 75 years, or two-tenths of 1 percent." Mr. POULSON asked the question:

> Will the irrigators pay any part of this construction cost?
>
> Mr. NIELSEN. A small part—very small.
>
> Mr. POULSON. What part?
>
> Mr. NIELSEN. The irrigators will pay on the total construction cost allocated to irrigation approximately $1,700,000 throughout the 75-year period.

That figures out at less than 1 percent. I say that no irrigation project proposed to the Congress on which the irrigators have not been asked to pay out that small amount. As a matter of fact, I do not think there are any where they have been asked to pay out less than 30 or 40 percent. But in any event the amendment provides that they shall pay at least 25 percent.

Mr. President, on the amendment offered by me and my colleague from California lettered "B" May 29, 1951, I ask for the yeas and nays.

Mr. McFARLAND. Mr. President, I emphasize again this is another of California's crippling amendments, and one which they would not for one moment consent to be placed in a California project. Let me show the Senate what they did for their own people when the Boulder Canyon Dam Act was passed. Let us see how much people in the Imperial and Coachella Valleys pay for the storage of their water, and see the difference in the way California talks when a California project is involved, and the way she talks when an Arizona project is involved.

This is what the Boulder Dam Act provided:

> *Provided, however,* That no charge—

I repeat that—

> that no charge shall be made for water or for the use, storage, or delivery of water for irrigation or water for potable purposes in the Imperial or Coachella Valleys; also to construct and equip, operate, and maintain at or near said dam, or cause to be constructed, a complete plant and incidental structures suitable for the fullest economic development of electrical energy from the water discharged from said reservoir.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. MAYBANK. I desire to ask the Senator a question. Will not the Supreme Court have to pass eventually on this legislation, and will not what was done at Boulder Dam, on the TVA, and other projects, be considered at that time?

Mr. McFARLAND. I do not believe the Supreme Court will consider what was done at TVA.

Mr. MAYBANK. But as a yardstick as to what has been done?

Mr. McFARLAND. The Senator is correct.

Mr. President, that is what California wanted when it came to a project for its own people. But when the people of Arizona want the same privilege, the same consideration that was given the people of California in connection with the Central Valley of California and other California projects, California proposes crippling amendments.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. KNOWLAND. The Senator does not maintain, does he, that in the Imperial Irrigation District the farmers are paying back no part of the irrigation cost? They are paying the cost.

Mr. McFARLAND. I maintain they are paying absolutely no part of the cost for their stored water, and it is so provided in the act.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND] for himself and his colleague [Mr. NIXON].

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hendrickson	McKellar
Anderson	Hennings	McMahon
Bennett	Hickenlooper	Millikin
Benton	Hill	Monroney
Brewster	Hoey	Morse
Bricker	Holland	Mundt
Butler, Md.	Hunt	Neely
Butler, Nebr.	Ives	Nixon
Byrd	Jenner	O'Conor
Capehart	Johnson, Colo.	O'Mahoney
Carlson	Johnson, Tex.	Pastore
Chavez	Johnston, S. C.	Russell
Clements	Kefauver	Saltonstall
Connally	Kem	Schoeppel
Cordon	Kerr	Smathers
Dirksen	Kilgore	Smith, Maine
Douglas	Knowland	Smith, N. J.
Dworshak	Langer	Sparkman
Eastland	Lehman	Stennis
Ellender	Lodge	Thye
Ferguson	Long	Underwood
Flanders	Magnuson	Watkins
Frear	Malone	Welker
George	Maybank	Wherry
Gillette	McCarran	Wiley
Green	McCarthy	Williams
Hayden	McFarland	Young

The PRESIDING OFFICER. A quorum is present. The yeas and nays have been ordered on the amendment, and the clerk will call the roll.

Mr. KNOWLAND. Mr. President, I ask that the Secretary read the amendment for the information of the Senate.

The PRESIDING OFFICER. The Secretary will read.

The CHIEF CLERK. On page 5, line 4, before the semicolon it is proposed to insert a colon and the following: "*Provided*, That unless the Secretary determines that the net revenues from the delivery of water for irrigation purposes will be at least sufficient to return to the United States the cost of the irrigation distribution system and drainage system to be constructed under this act, and in

addition thereto 25 percent of the other estimated costs which can properly be allocated to irrigation, then the irrigation works authorized in this act shall not be constructed."

The PRESIDING OFFICER. Question is on agreeing to the amendment. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. IVES (when his name was called). On this vote I have a pair with the junior Senator from Arkansas [Mr. FULBRIGHT]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea." I therefore withhold my vote.

The roll call was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Virginia [Mr. ROBERTSON], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Michigan [Mr. MOODY] is absent on public business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference to be held in Geneva, Switzerland, beginning June 6.

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from Washington [Mr. CAIN]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Washington would vote "yea."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from Virginia [Mr. ROBERTSON] is paired on this vote with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from Montana would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from South Dakota [Mr. CASE] is absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Montana [Mr. ECTON] who is absent on official business is paired with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Virginia would vote "yea."

The Senator from Washington [Mr. CAIN] who is absent by leave of the Senate on official business is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Ohio [Mr. TAFT] who is necessarily absent is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Ohio would vote "yea," and the Senator from Montana would vote "nay."

The Senator from Pennsylvania [Mr. DUFF] and the Senator from New Hampshire [Mr. TOBEY] are detained on official business.

The result was announced—yeas 26, nays 54, as follows:

YEAS—26

Brewster	Ferguson	Nixon
Bricker	Flanders	O'Conor
Butler, Md.	Hendrickson	Saltonstall
Butler, Nebr.	Hickenlooper	Smith, N. J.
Byrd	Kem	Thye
Capehart	Knowland	Wherry
Cordon	Lodge	Wiley
Dirksen	Malone	Williams
Douglas	McCarthy	

NAYS—54

Aiken	Hoey	McMahon
Anderson	Holland	Millikin
Bennett	Hunt	Monroney
Benton	Jenner	Morse
Carlson	Johnson, Colo.	Mundt
Chavez	Johnson, Tex.	Neely
Clements	Johnston, S. C.	O'Mahoney
Connally	Kefauver	Pastore
Dworshak	Kerr	Russell
Eastland	Kilgore	Schoeppel
Ellender	Langer	Smathers
Frear	Lehman	Smith, Maine
George	Long	Sparkman
Gillette	Magnuson	Stennis
Green	Maybank	Underwood
Hayden	McCarran	Watkins
Hennings	McFarland	Welker
Hill	McKellar	Young

NOT VOTING—16

Bridges	Humphrey	Robertson
Cain	Ives	Smith, N. C.
Case	Martin	Taft
Duff	McClellan	Tobey
Ecton	Moody	
Fulbright	Murray	

So the amendment offered by Mr. KNOWLAND (for himself and Mr. NIXON) was rejected.

Mr. KNOWLAND. Mr. President, I call up my amendment lettered "A," of May 28, 1951, in the nature of a substitute.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That consent is hereby given to the joinder of the United States of America as a party in any suit or suits commenced in the Supreme Court of the United States by any of the States of the lower Colorado River Basin, as defined in the Colorado River compact, for the adjudication of claims of right asserted by such State or States, or by the United States, with respect to the use of waters of the Colorado River system available for use in the lower Colorado River Basin. Such suit or suits must be commenced within 1 year from the effective date of this act, and process therein may be served upon the Attorney General.

Mr. KNOWLAND. I yield 10 minutes to my colleague the junior Senator from California.

Mr. NIXON. Mr. President, I think the amendment which we have presently under consideration is a very important one to all Members of the Senate, whether they be for or against the project on its merits. I say that because we all recognize, as we consider the project, that there are some areas of disagreement and some areas of agreement. There is an area of disagreement, for example, between the States of Arizona and California on the merits of the project, and also between Arizona and other States, I may say, on that point.

There is agreement on one point, and that is that before appropriations should be made for the project, the question as to whether the project is entitled to sufficient water to make it feasible must be decided by the Supreme Court of the United States. I emphasize the fact that this issue must be decided by the Supreme Court of the United States, because the Senate or Congress cannot make the decision as to whether or not the Supreme Court will take jurisdiction of this case or whether there is sufficient water for the project. The Supreme Court itself is the only body which can make those decisions.

I should like to point out that in three Congresses the representatives in the House and Senate from California and Nevada have attempted to bring up for consideration bills which would make Supreme Court action possible by allowing joinder of the United States as a necessary party in the Supreme Court. Up to this time Arizona has opposed these proposals. However, in the bill which we now have under consideration we note that in sections 12 and 13, as amended, it is provided that no appropriations can be made for the project during the pendency of a Supreme Court action.

In analyzing Arizona's proposal, we find that they say it is necessary to authorize the project before the rights of the parties can be determined by the Supreme Court. The argument runs like this: It is said that in order to create a threat sufficient to justify the Court in granting injunctive relief it is necessary to have an authorized project.

I submit there is no provision of law and no decision of the Supreme Court which back up that assertion. I challenge my colleagues from Arizona to quote specifically from any Supreme Court case which states that particular proposition in so many words. I intend to quote from a case which states exactly the contrary.

In addition to considering whether it is necessary to authorize a project before the parties can get into court, or before the controversy can become justiciable, we must proceed to consider whether or not the particular method which is contained in the pending bill would settle the controversy over the water rights. I submit to the Members of the Senate that it would not settle the controversy, and that there are some fatal flaws in section 12 and 13 which should be taken into consideration by the Members of the Senate as they consider the bill, particularly the sections which relate to justiciability.

In the first place, it is possible that the Supreme Court may not find that the case is justiciable under the sections of the bill which we have under consideration, because the type of action authorized is injunctive relief; to justify injunctive relief a present threat of injury must be proved; the fact that work on this project is to be postponed until after the national emergency might be construed by the Court as removing the threat necessary to justify the Court's

granting relief alone. If such a decision were made, I should like to point out that under the bill the project could still be carried forward, as a result of a provision to which I wish Members of the Senate would pay particular attention. If the Supreme Court could find either that it lacked jurisdiction to take the matter under consideration because the provisions of the bill which cover justiciability were inadequate, or if the Court should take it under consideration and find that there was no water, or not sufficient water, for the project, nevertheless at the conclusion of the Court case the project could go ahead. Senators will note that the provisions of the bill are so worded as to bring about that exact result.

Furthermore, so far as the provisions I am discussing are concerned, they are inadequate for the purpose of obtaining a judicial settlement of this controversy for a very practical reason, namely, that the House Committee on Interior and Insular Affairs has already considered these particular provisions of the bill and has rejected them.

I think all of us agree that it is necessary to get into court, in order to have the question of water rights determined once and for all, and I submit that there is a better way of getting into court than is proposed in the bill, and that better way is contained in the pending amendment, which is in the nature of a substitute. The substitute in effect consents that the United States be joined in an action brought in the Supreme Court to settle the rights of the parties to the water in controversy. The action would be in the nature of a quiet title suit. I submit that would be sufficient to make the case justiciable. I know the argument will be made, as it has been made before, that the case is not justiciable until a project is authorized. I should like to quote the Secretary of the Interior on that point. He says:

> The bare statement of these questions, the knowledge that there is disagreement between Arizona and California about the answers to be given them, and the fact that, if the contentions of either State are accepted in full and if full development of the upper basin within the limits fixed by the Colorado River Compact is assumed, there is not available for use in the other State sufficient water for all the projects, Federal and local, which are already in existence or authorized would seem to indicate that there exists a justiciable controversy between the States.

I should like also at this time to quote from the latest case on the question of justiciability and to comment on it. It is the case of Wyoming against Nebraska. I quote from page 609 of the decision:

> The claim of Colorado to additional demands may not be disregarded. The fact that Colorado's proposed projects are not planned for the immediate future is not conclusive in view of the present over-appropriation of natural flow. The additional demands on the river which those projects involve constitute a threat of further depletion.

That is exactly the factual situation we have in this case.

The court went on to distinguish between cases in which the plea was for an injunction and cases involving a quiet-title action, and I may say that is exactly the distinction we have here between the proposals set forth in section 12 and 13 of the bill and the proposal which we submit in the amendment which is now before the Senate.

Let me make a point which I think is particularly important: It seems to me that if it is possible to settle the water-rights problem without authorizing this project, that is the best way to legislate on this matter. We have here a project which many of us say is of doubtful feasibility. Does it make the project more feasible, and can we justify a vote for it on the sole ground that the project has a doubtful water supply, and that therefore that issue must be determined by the Supreme Court? I submit that is a separate issue, and that the two issues should be considered separately. Under the cases cited by the Secretary of the Interior himself, we have an alternative method which, if used by the Congress, will result in taking this question into court and there obtaining a decision as to whether there is in the Colorado River sufficient water belonging to Arizona to make this project feasible from that standpoint.

There is another point I wish to make, in conclusion. I noted yesterday that the distinguished junior Senator from Arizona [Mr. MCFARLAND] complained about the fact that if Arizona were to proceed to take this case to the Supreme Court, she would subject hereself to a great cost in attorney's fees. The implication of his argument was that the Congress should authorize this project to make sure that Arizona, after spending a great amount of money, could stay in court. I submit that possibly the overall cost to Arizona in that case might be, shall we say, $200,000, and I think that is a high estimate for the cost of taking the matter to the Supreme Court. Compare that expenditure, Mr. President with the fact that this project, according to the Secretary of the Interior himself, would, if it were authorized, cost the taxpayers of the United States $2,075,749,000.

In any event Mr. President I think we will all agree that $2,075,749,000 is a high cost to charge the taxpayers for the purpose of getting this case into court. This is particularly true when we have an alternative method for getting into court which does not involve any cost to the taxpayers and which would settle the rights of the parties to the water in controversy.

The PRESIDING OFFICER (Mr. FREAR in the chair). The time of the Senator from California has expired.

Mr. KNOWLAND. I yield one more minute to my colleague.

The PRESIDING OFFICER. The junior Senator from California is recognized for one more minute.

Mr. NIXON. I thank the Senator.

Mr. President, the problem we now face is a very technical one. It cannot be adequately discussed in the few minutes in which I have attempted to do so.

So, to those who are interested in this problem, those who wish to see each of these major issues considered on their merits—and I refer to the issue of settlement of the water-rights controversy and the issue of the feasibility of the project—I submit that the best way to legislate in this case is to take the case to the Supreme Court under the proposal which we presently have before the Senate, namely, the amendment which has been submitted by my colleague from California. After the water-rights problem has been settled, we should then consider in a separate bill the merits of the project itself.

In that connection, Mr. President, a study of the history of the justiciability cases to which reference has been made, reveals that it has taken anywhere from 3 to a maximum of 8 months to get a decision as to whether the Supreme Court will take jurisdiction. Since it is contended that no appropriations for this project will be made until after the emergency in any event, I submit that we should first try the method provided by the amendment, and should not attempt to tie the water-rights case to a project which many of us think is of doubtful feasibility.

The PRESIDING OFFICER. The time of the Senator from California has again expired.

Mr. MCFARLAND. Mr. President, I yield 5 minutes to the Senator from Colorado [Mr. MILLIKIN].

The PRESIDING OFFICER. The Senator from Colorado is recognized for 5 minutes.

Mr. MILLIKIN. Mr. President, the distinguished junior Senator from California has stated that we should vote for the amendment now under consideration, regardless of how we feel on the general subject matter, on the ground that the amendment, if adopted, will secure a judicial settlement of the issues. There, Mr. President, we come into direct collision. There is nothing in the amendment which will assure jurisdiction by the Supreme Court. In fact, under the decisions, the amendment will probably assure a finding by the Supreme Court that it will not take jurisdiction.

The junior Senator from California has made the point that the case of Nebraska against Wyoming is authority for his contentions. However, the distinguished Senator has omitted a very important point of distinction, for in the case of Nebraska against Wyoming there was a question of overappropriation of the stream and that question obviously presented a case of injury to the water users in one or the other of the States.

In the case before us we have a situation in which none of the States in the lower basin—not one of them—is overusing the water of the stream so as to conflict with the actual beneficial use of any other State of the lower basin. Thus, there is presented to the Supreme Court, by means of this amendment, an abstraction; and the Supreme Court of the United States has declared again and again that it will not render declaratory judgments and will not give advisory opinions, but will act only in regard to injury or threat of injury.

The distinguished junior Senator from California drew a distinction between quiet title actions and actions in equity, but the cases to which he referred did not turn on those distinctions. To the contrary, they turned on the basic principle declared by the Supreme Court,

namely, that there must be injury or threat of injury. Moreover, when one is outside of the field of statutory quiet title actions, he is in the field of equity; and the distinction falls on that ground alone.

Mr. President, what are the cases which support the view I am stating? They include the following: *Connecticut* v. *Massachusetts* (282 U. S. 660, 674). In that case the Court declared that an injunction will issue to prevent existing or presently threatened injuries, but will not be granted against something merely feared as liable to occur at some indefinite time in the future. Let me repeat, please, that we are not dealing with a case where one of the lower-basin States is overappropriating the river or is taking more water than it should take to the detriment of the water use of another State. The whole river in the lower basin is not completely appropriated for beneficial use.

I repeat that the Supreme Court of the United States has repeatedly said that it will not issue advisory decrees. That was said in the cases of *Arizona* v. *California* (283 U. S. 423, 473); *United States* v. *West Virginia* (295 U. S. 463, 474); *Alabama* v. *Arizona* (291 U. S. 286, 291).

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. McFARLAND. Mr. President, I yield to the Senator from Colorado whatever additional time he may desire.

The PRESIDING OFFICER. The Senator from Colorado may proceed.

Mr. MILLIKIN. I thank the Senator very much.

Mr. President, another of the cases is *Massachusetts* v. *Missouri* (291 U. S. 286, 291).

In the case of *Arizona* v. *California* (283 U. S. 423, at 462) it was said that inchoate rights dependent upon possible future developments furnish no basis for a decree in an interstate suit. So when it is represented that this amendment will assure that the Supreme Court of the United States will take jurisdiction, I respectfully suggest that there is no basis for that contention.

Mr. WATKINS. Mr. President, will the Senator yield for a question?

Mr. MILLIKIN. I am glad to yield.

Mr. WATKINS. Does the Senator distinguish between the appropriation of waters and the allocation of waters in connection with this matter?

Mr. MILLIKIN. Yes.

Mr. WATKINS. That is, as to the meaning of the allocation?

Mr. MILLIKIN. As to the meaning of the allocation.

Mr. WATKINS. I am calling this to the Senator's attention, because of the compact of 1922, which appropriates and allocates the waters of the Colorado River.

Mr. MILLIKIN. That brings me to my next point. This amendment, I think, deliberately—and I do not mean this in an offensive sense—omits a vital part of that which is necessary for the protection of the Colorado River Basin States, namely, it omits language which would bring before the Supreme Court the fact that there is a law of the river, resting on the compact referred to by the distinguished senior Senator from Utah, resting on the Boulder Canyon Adjustment Act, on the California Self-Limitation Act, and resting upon the upper river basin compact. The latter was authorized and approved by the Congress of the United States. We have proceeded in the upper river States to make our plans on the basis of that compact. Under this proposed amendment there is no reference at all to that. So far as its terms indicate, the whole river could be reopened for further and basic reallocation.

It is said that we should not proceed with the irrigation features of this project until this question has been settled. The provisions of the bill, and the provisions of the amendment proposed by the distinguished Senators from Arizona [Mr. HAYDEN and Mr. McFARLAND] make it very clear that that is a purpose of the bill and of the amendment. I do not know how language could be clearer.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. MILLIKIN. I yield.

Mr. KERR. Is it not a fact that the question cannot be settled until the passage of the bill?

Mr. MILLIKIN. The Senator is entirely correct. That goes back to the contention I have made that, if we do not pass the bill, there is no threat and no existing injury, and hence there is nothing to take before the Supreme Court. That has been the theory of the distinguished senior Senator from Wyoming [Mr. O'MAHONEY] and of the junior Senator from Colorado, from the beginning, and that theory has been supported, in my judgment, respectfully submitted, by the overwhelming weight of testimony before the Committee on Interior and Insular Affairs. It is a principle which I believe will be readily accepted by most lawyers who know about the law of jurisdiction.

Mr. KERR. Mr. President, will the Senator yield for a further question?

Mr. MILLIKIN. I yield.

Mr. KERR. Is it a fact that title to the water can be settled in only one or two ways—either by a decision of the Supreme Court, after an actual injury or threat exists, or by appropriation of the water, without a judicial decision?

Mr. MILLIKIN. The question before us could be settled in several ways: It could be settled by arbitration, and it could be settled only by the Supreme Court of the United States, so far as judicial proceedings are concerned. Repeated efforts have been made to get the parties together for arbitration, and they will not get together. In my judgment, they never will get together on a voluntary basis. So there is but one way to do the job, and that is to get it into the Supreme Court; and if that is where it is desired to get it, then the parties should want to do the best they can to invoke the election of the Supreme Court to take jurisdiction; and that, I suggest, is done best by the procedures which are indicated in this bill.

Mr. KERR. Mr. President, will the Senator yield for one further question?

Mr. MILLIKIN. I yield.

Mr. KERR. In the absence of this bill, is it not possible for the rights of all the States of the basins, both upper and lower, to be damaged by the actual appropriations of water by one or more of the States in the lower basin?

Mr. MILLIKIN. If there were an actual appropriation of water, in violation of the law of the river, which would set up a case of present injury, or threat of injury, then there could be the most serious damage. We of the upper basin States fear that that is one of the basic purposes of the amendment which is now before the Senate, is to seek to unsettle the whole law of the river by ignoring it and to seek a new redistribution of the rights to the water of that stream.

Mr. KERR. Mr. President, will the Senator yield for another question?

Mr. MILLIKIN. I yield.

Mr. KERR. Then is it not necessary, in order that the rights of all the States may be protected in accordance with the law of the river, and in accordance with equity, that this bill be passed, so that a justiciable issue may exist, and thereby the Supreme Court have jurisdiction to settle it on the basis of equity and the law of the river as written?

Mr. MILLIKIN. In the judgment of the junior Senator from Colorado, if we wish to get into the Supreme Court, and if we wish to have a decision which will give the best protection against junking the law of the river, it should be done in the way that has been proposed by the bill introduced by the Senators from Arizona.

Mr. McFARLAND. Mr. President, I yield the remainder of my time to the senior Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I desire to compliment the Senator from Colorado on his very succinct and clear statement in support of the bill as reported by the committee, and against the amendment now offered on behalf of the Senators from California, which would require the Supreme Court to reverse itself, because the Supreme Court, as the Senator from Colorado has said, has declared over and over that it will not give declaratory judgments.

The Constitution of the United States authorizes the Supreme Court to pass upon controversies; and a controversy cannot arise until there is an actual threat one way or another against one of the States which are involved. There is no controversy under the substitute prepared by the Senators from California. It is merely a request for a declaratory judgment. It will be thrown out of court the minute it goes into court, and I believe that the cases cited by the Senator from Colorado all demonstrate that to be the fact. As the Senator from Colorado has said, the Wyoming-Nebraska case is utterly different from this, because in that case the water was already overappropriated.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. KNOWLAND. Mr. President, may I inquire how much time I have remaining?

The PRESIDING OFFICER. The Senator from California has 4 minutes remaining.

Mr. KNOWLAND. I yield 2 minutes to my colleague the junior Senator from California.

Mr. NIXON. Mr. President, let me say at the outset that, along with the other Members of this body, I have the greatest respect for the legal opinion and ability of the distinguished Senator from Colorado, and also of the distinguished Senator from Wyoming. I think, however, that as we consider the amendment which we have before us, it is essential for us to refer to two basic authorities, which, I think, pretty effectively answer the allegations which have been made by the Senator from Colorado and by the Senator from Wyoming.

I quote, first, from the court's opinion, in the most recent major water case, the case of Wyoming against Nebraska, to which reference has been made:

> The argument is that the potential threat of injury, representing as it does only a possibility for the indefinite future, is no basis for a decree in an interstate suit, since we cannot issue declaratory decrees.

That is exactly the contention which the Senator from Wyoming just made. Taking up that contention, the court said:

> The claim of Colorado to additional demands may not be disregarded. The fact that Colorado's proposed projects are not planned for the immediate future is not conclusive, in view of the present overappropriation of natural flow. The additional demands on the river which those projects involve constitute a threat of further depletion.

The Senator from Colorado emphasized the fact that the Court relies on the fact that a present overappropriation of natural flow of the river existed in the Wyoming case, but I now refer to the statement of the Secretary of the Interior on that point in reference to the project at hand. He said:

> The fact that if the contentions of either State are accepted in full there is not available for use in the other State sufficient water for all the projects, Federal and local, which are already in existence or authorized would seem to indicate that there exists a justiciable controversy between the States.

In other words, we have a finding by the Secretary of the Interior to the effect that the facts of this case include the very same elements which the Supreme Court said in its most recent decision on justiciability would be sufficient to constitute a justiciable action which would bring the case into court.

Let me say, in conclusion, that I recognize that lawyers will disagree as to what amounts to a justiciable controversy in the Supreme Court. We disagree here, but I do say that a very strong case, and, to me, a very convincing case, can be made that the controversy is justiciable at present, and that the amendment submitted by the senior Senator from California and myself will be sufficient to bring this case to the courts and to have the controversy decided. So I contend that is the better way to proceed.

I say it also for a very practical reason which I touched on a moment ago. If we adopt the proposals in the present measure the Senate will, in effect, be doing a useless act. We shall not be bringing the controversy into the courts, because the House has already rejected that approach.

Let us try, then, another method, if we really want to see this controversy settled, a method which, I submit, under the court decisions and the statements of the Secretary of the Interior, would bring the action into court and would settle the water rights, so that at some future time we can take up the project on its merits. I submit that we have time to do this, because over and over again during the hearings and in the debate on the floor of the Senate both Senators from Arizona have emphasized the point that there will be no appropriations for the project for years. We have time to proceed to get the water rights question determined before we consider whether this particular project should be authorized on its merits. I submit that that is the best way to legislate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senior Senator from California [Mr. KNOWLAND] for himself and the junior Senator from California [Mr. NIXON].

Mr. KNOWLAND. Mr. President, has all time for debate expired?

The PRESIDING OFFICER. All time for debate has expired.

Mr. KNOWLAND. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HENDRICKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hendrickson	McKellar
Anderson	Hennings	McMahon
Bennett	Hickenlooper	Millikin
Benton	Hill	Monroney
Brewster	Hoey	Morse
Bricker	Holland	Mundt
Butler, Md.	Hunt	Neely
Butler, Nebr.	Ives	Nixon
Byrd	Jenner	O'Conor
Capehart	Johnson, Colo.	O'Mahoney
Carlson	Johnson, Tex.	Pastore
Chavez	Johnston, S. C.	Russell
Clements	Kefauver	Saltonstall
Connally	Kem	Schoeppel
Cordon	Kerr	Smathers
Dirksen	Kilgore	Smith, Maine
Douglas	Knowland	Smith, N. J.
Dworshak	Langer	Sparkman
Eastland	Lehman	Stennis
Ellender	Lodge	Thye
Ferguson	Long	Underwood
Flanders	Magnuson	Watkins
Frear	Malone	Welker
George	Maybank	Wherry
Gillette	McCarran	Wiley
Green	McCarthy	Williams
Hayden	McFarland	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND] for himself and his colleague.

Mr. KNOWLAND. Mr. President, I ask that the amendment be read for the information of the Senate.

The PRESIDING OFFICER. The clerk will read the amendment.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

> That consent is hereby given to the joinder of the United States of America as a party in any suit or suits commenced in the Supreme Court of the United States by any of the States of the lower Colorado River Basin, as defined in the Colorado River compact, for the adjudication of claims of right asserted by such State or States, or by the United States, with respect to the use of waters of the Colorado River system available for use in the lower Colorado River Basin. Such suit or suits must be commenced within 1 year from the effective date of this act, and process therein may be served upon the Attorney General.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND] for himself and his colleague [Mr. NIXON]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. IVES (when his name was called). On this vote I have a pair with the junior Senator from Arkansas [Mr. FULBRIGHT]. If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Virginia [Mr. ROBERTSON], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Michigan [Mr. MOODY] is absent on public business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference to be held in Geneva, Switzerland, beginning June 6.

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from Washington [Mr. CAIN]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Washington would vote "yea."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from Virginia [Mr. ROBERTSON] is paired on this vote with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from Montana would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from South Dakota [Mr. CASE] is absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Montana [Mr. ECTON] who is absent on official business is paired with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Virginia would vote "yea."

The Senator from Washington [Mr. CAIN] who is absent by leave of the Senate on official business is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Ohio [Mr. TAFT] who is necessarily absent is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Ohio would vote "yea," and the Senator from Montana would vote "nay."

The Senator from Pennsylvania [Mr. DUFF] and the Senator from New Hampshire [Mr. TOBEY] are detained on official business.

The result was announced—yeas 32, nays 48, as follows:

YEAS—32

Aiken	Ferguson	Nixon
Brewster	Flanders	O'Conor
Bricker	Hendrickson	Saltonstall
Butler, Md.	Hickenlooper	Smith, Maine
Butler, Nebr.	Jenner	Smith, N. J.
Byrd	Kem	Thye
Capehart	Knowland	Welker
Cordon	Lodge	Wherry
Dirksen	Malone	Wiley
Douglas	McCarthy	Williams
Dworshak	Mundt	

NAYS—48

Anderson	Hoey	McKellar
Bennett	Holland	McMahon
Benton	Hunt	Millikin
Carlson	Johnson, Colo.	Monroney
Chavez	Johnson, Tex.	Morse
Clements	Johnston, S. C.	Neely
Connally	Kefauver	O'Mahoney
Eastland	Kerr	Pastore
Ellender	Kilgore	Russell
Frear	Langer	Schoeppel
George	Lehman	Smathers
Gillette	Long	Sparkman
Green	Magnuson	Stennis
Hayden	Maybank	Underwood
Hennings	McCarran	Watkins
Hill	McFarland	Young

NOT VOTING—16

Bridges	Humphrey	Robertson
Cain	Ives	Smith, N. C.
Case	Martin	Taft
Duff	McClellan	Tobey
Ecton	Moody	
Fulbright	Murray	

So the amendment lettered "A," offered by Mr. KNOWLAND, for himself and Mr. NIXON, was rejected.

Mr. DIRKSEN. Mr. President, I submit the motion to recommit which is on the clerk's desk.

The PRESIDING OFFICER. The motion will be stated.

The CHIEF CLERK. The junior Senator from Illinois moves to recommit Senate bill 75 to the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. The Senator from Illinois is entitled to 15 minutes on his motion.

Mr. DIRKSEN. Mr. President, first of all, let me disclaim any partnership in the controversy between two States. That is not my business. If I must embrace the interest of a State in this controversy, I prefer to embrace the interest of the great State of Illinois.

But I think there is something here besides the legal angle, which has been so fully discussed from time to time. I do not understand particularly what the rush is in this matter. The Senator from Arizona has offered an amendment providing that construction may not begin on this project until the emergency is over. The time when the emergency will be over is recited in the terms of the amendment adopted by the Senate. So there is time, as a matter of fact; and, considering the amount of money involved in this project, I see no reason for great haste.

In the second place, Mr. President, I think the motion to recommit ought to commend itself to Members of the Senate large because, when the bill leaves the Senate, it will be referred to the appropriate committee in the House of Representatives, and that committee has already spoken on the matter. On the 10th of April 1951 the House committee agreed, by a vote of 16 to 8, to postpone action.

I made it my business to talk with some of the members of the House committee to find out whether or not that was a firm action on their part. They insist that it was. So, if we pass the bill today in the Senate, it will go to the appropriate House committee. It will receive no action over there if the members of the House committee stand by the action which they took on the 10th of April of this year

The third reason which I assign for support of the motion to recommit is that, of course, this project will require a long time. I have seen estimates running as high as 10 or 20 years for the development and construction of this project. So the benefits will not be immediate, except, possibly, if pumps are to be installed at Parker Dam on the Colorado River to lift the water a thousand feet in order to get it over the high ground and down to the place where it is to go.

In that connection, I am not insensible to the problem in Arizona. I fancy that the reason the water table there has receded about 20 feet in the last 7 or 8 years is probably an overuse of water. They simply used entirely too much water, and now we are asked to provide for a project in the nature of a rescue work. When a project involves a sum in excess of $700,000,000, I want to get a pretty good look at it and make sure that, if we are to have such a project, its benefits will be permanent, for one thing, and that it will be economical, for another.

The fourth reason I would assign in behalf of the motion to recommit is that I should like to see something more nearly in the form of a firm estimate than the one we have. I see, by the language of section 13, that the Secretary of the Interior is to make the estimate. I am certainly not content, on the basis of my experiences in the past, with the kind of estimates which we have had.

Senators may remember that the Hoover Commission assigned a task force to go into this subject and to appraise the efficacy of the Corps of Engineers, and also the Bureau of Reclamation. I have used this illustration a number of times, and it seems to me to be a classic example. The reason it is classic is this: I was on the Appropriations Committee of the House when this happened. The Engineers submitted an estimate of six and one-half million dollars for the Hungry Horse Dam. The cost finally went to $91,000,000. It should have been called the Hungry Jackass, instead of the Hungry Horse. There was poor judgment on the part of those who gave us the engineering estimate.

I remember that year after year appropriations were made for the Colorado Big Thompson project. I went there some years ago and took a look at it. The estimate which came to Congress was $44,000,000. It finally cost $131,800,000.

In connection with the Central Valley project, I remember when the engineers came before us with an estimate and said that it would cost $170,000,000 It cost more than $300,000,000. When they submit an estimate of $708,000,000 in this instance, based on 1949 values, we might as well write it down in the book that we are going to approve a project which will cost more than $1,000,000,000 before we are through.

In my opinion, it is the solemn duty of every Member of the Senate very carefully to explore the values and the benefits which are expected to result. I believe that I have read more on this subject during the past 2 or 3 years than on any other public matter which has come to my attention. I saw an estimate to the effect that the benefits were computed on an engineering basis of, roughly, 163 to 1. If my friend the Senator from California is right—and I think he is, on the basis of what he inserted in the RECORD—that in estimating the value of crops the gross value instead of the net value is used, the chances are 100 to 1 that before we are through we shall have a benefit formula or ratio of 1 to 1, rather than 163 to 1. I am beginning to wonder whether we can justify this kind of expenditure of public money on such a basis.

Another reason why I think the motion to recommit ought to be supported is that such broad powers are proposed to be vested in the Secretary of the Interior that I should like to see them refined just a little. We find in section 3 that the Secretary is empowered to estimate the cost, and also estimate the allocations to flood control, navigation, power, and so forth. Why cannot the Congress itself spell out some kind of formula to make that allocation? It took 4 years of constant prodding even to make a start in getting a formula from the Tennessee Valley Authority. Year after year we were told, "Sometime we are coming forward with a formula to show the percentage of cost allocated to power, the percentage allocated to flood control, the percentage allocated to navigation, and so forth." When we place such power in the hands of one man, he can use it capriciously. He can use it arbitrarily. But let us not forget that the allocation which he makes will be

the basis for the power rates which are finally established. It seems to me that there is sufficient talent and wisdom in the Congress to make the allocation, without reposing such broad powers in the hands of the Secretary of the Interior.

There is another reason way I believe the motion to recommit ought to be supported, and that is the dubious quality or character of the acreage benefits which are involved. While I do not speak as an expert on this subject, I know that I have investigated and examined a great deal of material. I have before me an excerpt from the report of the President's Water Research Policy Commission. They break down the figures to show that only 173,000 acres would receive the full water supply benefits; and, calculated on that basis, against the original capital cost involved, the cost would reach $2,200 an acre. Suppose it were less than half that amount. That is a large outlay for water. It seems to me that we ought to have something a little more definite and a little more concrete than that before we authorize a project which can conceivably cost as much as a billion dollars. Another feature of the bill which disturbs me somewhat is the provision for what amounts to a subsidy. I know that the interest component has been discussed pro and con for a long time. I do not believe that there is any doubt, certainly not since I listened to my old friend, the Senator from Arizona [Mr. HAYDEN], awhile ago, that the interest component, which I suppose is a rather felicitous term which was coined down in the Department of the Interior, is finally going to be squeezed out of the power consumers, and they will pay the bill for those who get the irrigation benefits.

If I must cite scripture on that point, I have before me an excerpt from the report of the President's Water Resources Policy Commission, which says:

> The situation with respect to the repayment of the irrigation cost by farmers is even less favorable. On most of the projects now contemplated irrigators will be unable to repay the irrigation construction cost. On about half of the acreage contemplated for irrigation the irrigators would be able to reimburse less than half of the construction cost, and on many projects the reimbursement figure would be about 35 percent, 25 percent, 20 percent, and, on some projects, less than 10 percent.

That does not look like a good business basis on which to go ahead with a project like this. When the House committee has already postponed action on it, pending a determination of the litigation aspects of the controversy, why should we not send the bill back to committee for further study and consideration?

There are other reasons which I could state, but I shall mention only one more. If the project is authorized, even though not a single dollar is expended, it will still have an inflationary effect upon the country. What are we going to say to the people of the country as a whole? It is alleged that an emergency exists. It is alleged that we are faced with a crisis. Yet here we would authorize a program, to be sure running into 10 or 20 years of construction, with a 75-year amortization period, which would cost a billion dollars. Certainly I am not going to support it. I am going to take an infinitely better look at the project than I have up to this time.

Since I can see no haste for the authorization of the project, it seems to me the sensible thing to do is to send the bill back to committee. After all, by the terms of the amendment offered by the genial Senator from Arizona [Mr. MCFARLAND], no construction would be started during the period of the emergency. Consequently, one need not argue about the steel or other critical materials which would be needed for the construction. Therefore, I can see no good reason for putting the authorization on the books now, particularly when it is recognized that it would run into a stone wall at the other end of the Capitol and that it could not be constructed anyway, under the terms of the amendment which has been sponsored by the very authors of the proposal which is before the Senate at the present time.

Under those circumstances, Mr. President, I respectfully suggest to the Senate that the bill be sent back to the committee, and that wisdom dictates that we ought to support the motion to recommit.

Mr. MCFARLAND. Mr. President, the pending motion is just another of the many obstructions Arizona has had to contend with since this fight first started over 20 years ago, when the people of my State began their effort to get some help from Congress to use Colorado River water. The Senate committee has spent some 35 days considering this legislation. What more could one expect the committee to do? What more could one expect a State to do?

Mr. President, we have proposed that no construction shall be undertaken during the present emergency. But we hope in the interim that we may be able to make progress with the lawsuit and that we may get the legal question finally adjudicated. The distinguished Senator from Colorado, an able lawyer, has made clear that the passage of the pending bill is necessary in order to have a justiciable issue, and everyone agrees that the issue must be settled through a judicial determination.

Mr. President, I yield 10 minutes to the senior Senator from Wyoming [Mr. O'MAHONEY], who was the coauthor of the amendment designed to bring about a final settlement of the dispute, which has continued for such a long period of time. In my judgment, the question already has been settled by Congress by the enactment of the Boulder Dam Act. But California continues to insist that there remains a dispute; that the meaning of some words is not clear to them. I suppose the interpretation will finally have to be made by the Supreme Court of the United States to convince them. It is even possible that my good friend from Illinois [Mr. DIRKSEN] could be convinced by a decision of that Court.

Mr. O'MAHONEY. Mr. President, I see no logical reason for asking the Senate to fail to do the right thing merely because a committee of the House of Representatives has said, or is reported to have said, that it would not follow the line of action which we have chosen to take.

Mr. MCFARLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MCFARLAND. I should like to call attention to the fact that the pending bill is different in some aspects from the bill which was considered by the House committee.

Mr. O'MAHONEY. I am glad the Senator has pointed out that fact. We have before us an attempt to solve a controversy which has raged for more than 30 years. The Colorado River was divided by law into two basins, the upper basin and the lower basin. For the most part the water which flows through the Colorado River originates in the upper basin States. Only one project has been built upon this river since the Boulder Dam Act was passed, and that, of course, is the Hoover Dam, from which benefits flow chiefly to the State of California. All the upper-basin States, with their populations living on that stream, must wait and see the water flow downstream without any attempt being made to build the projects which are possible and feasible and which would be profitable to the country at large, because the controversy between California and Arizona is apparently incapable of settlement.

The thought of Congress was that the States in the upper basin and the States in the lower basin would, by compact among themselves, with the approval of Congress, settle upon the distribution of the water. The upper-basin States have acted. My colleague, the junior Senator from Wyoming [Mr. HUNT] was Governor of the State of Wyoming when that compact was made. It was by reason of his diligence and his wisdom that the upper-basin States took the initiative, after many years had passed, in arranging for a compact for the distribution and allocation of those waters. California and Arizona, for one reason or another, have not been able to agree.

Congress cannot settle the matter. Congress passed a law authorizing an interstate compact. The interstate compact was made and it was approved by Congress. There is no possible way, therefore, for us to reach a solution of the problem except by having an adjudication of the matter made in the Supreme Court of the United States. To say that the bill should be sent back to the Committee on Interior and Insular Affairs at this time is merely to say that we should wipe out all that has been done to date in the attempt the Senate has made to reach a solution.

The Committee on Interior and Insular Affairs has had repeated hearings on this matter. It has gone into every possible nook and cranny of the evidence. It has considered carefully every single item upon which a judgment could be formed by the Congress. We sought to avoid the hiatus which would be created by the adoption of a motion or an amendment or a resolution which would not create a justiciable controversy.

The Senator from Colorado and I, working together, drafted a proposal

which we submitted to the departments concerned, for their consideration. We submitted it to the Department of Justice, which, of course, would have to represent the United States if the case went before the Supreme Court of the United States.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I shall be glad to yield in a moment.

Mr. President, in the report which has been filed by the distinguished junior Senator from Arizona [Mr. MCFARLAND] will be found a letter which I wrote to the Attorney General on behalf of the committee, outlining the amendment which the Senator from Colorado and I had drafted, and asking for his final judgment on it; and in the report will also be found a letter from the Assistant Attorney General, Mr. Peyton Ford, approving this amendment.

Now I yield to the Senator from Illinois.

Mr. DIRKSEN. Am I correct in understanding that no hearings were held on this matter in the present Congress?

Mr. O'MAHONEY. The bill makes no substantial change in the bill which was before the previous Congress, except with respect to the amendments proposed in regard to construction. It is true that no hearings were held at this session of Congress; the Senator from Illinois is quite correct as to that. However, pages upon pages of hearings, taking many weeks, were held in the last Congress, and at that time every possible point of view was heard. The evidence is available to the Senate, and the Committee on Interior and Insular Affairs came to an adjudication of the matter, deciding that the only way to get a solution was to pass this bill, so that there would be a controversy within the meaning of the Constitution of the United States, and then the Court could render a decision.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I shall yield in a moment, Mr. President.

First, I wish to point out a fact to which some adversion already has been made; namely, that the amendment which was worked out by the Senator from Colorado and myself makes specific reference not only to the Colorado River compact, but also—and I am reading from page 9, beginning in line 9:

> The Boulder Canyon Project Act (45 Stat. 1057), the California Self-Limitation Act (Calif. Stat. 1929, ch. 16), and the Boulder Canyon Project Adjustment Act (54 Stat. 774).

They are three vital statutes which were passed by Congress in dealing with this precise subject, but all three of them have been omitted from the various amendments and proposals which have been laid before the Senate on behalf of California by the two distinguished Senators from that State.

Now I yield to the senior Senator from California.

Mr. KNOWLAND. Would not the Senator, however, admit that, despite the fact that at this session no committee hearings were held on this subject, it was brought out in the House committee that the estimates of the Bureau have increased by $80,000,000, or by 11 percent, which is no small item, plus the fact that when the previous hearings were held by the able Senator's committee, the United States was not involved in the Korean war. So conditions have changed, entirely aside from the fact that the estimates have increased by $80,000,000.

Mr. O'MAHONEY. Mr. President, in the first place, the answer to the statement the Senator has made is to be found in section 13 of the bill, which provides in part that—

> No moneys appropriated under the authority of this act shall be expended for the construction of works authorized by this act which are required solely for the purpose of diverting, transporting, and delivering water from the main stream of the Colorado River for beneficial consumptive use in Arizona, during the period of 6 months after the enactment of this act and during the pendency of any suit or suits in which the United States shall be joined as a party under and by virtue of the consent granted in section 12 of this act.

Mr. President, I have no hesitation in saying to my good friend, the Senator from California, that, knowing as I do from experience the great capacity of the Representatives of California to delay the final adjudication of this act, I have no doubt that the Korean war will be over and done with before the decision is made by the Supreme Court. Therefore, I do not want to have the Senate start this matter all over again, by sending the bill back to the committee.

The bill is now on the floor of the Senate, under consideration. The judgment of the Senate will have some weight with the committee in charge of the bill on the House side. I am sure it will have some weight with all the Members of Congress. It ought to have weight with all the people, when it is pointed out that States such as Colorado, Utah, and Wyoming in the upper basin, with ample water in this river system for use by the people of those States, will be unable to have any benefit from the Colorado River unless we take this action. Here is a stream which is more than 1,000 miles in length. This stream affects 250,000 square miles of the United States—a tremendous area which is filled with natural resources which will remain undeveloped because of a controversy in the lower basin between the two States of California and Arizona. Why should the development of 250,000 square miles of land be held up because those two States seemingly will not sit around a table and say, "This is the way the water ought to be divided"? They do not do that. Effort after effort has been made to have the matter adjudicated by the Supreme Court, but each case that has gone to the Supreme Court has been thrown out. Here we now have a case which can be decided. Let it be decided.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KNOWLAND. I should like to say to the able Senator from Wyoming that neither California nor Nevada nor Arizona, so far as I know, wants a single gallon of water which belongs to the upper-basin States.

Mr. O'MAHONEY. I am sure that is the case.

Mr. KNOWLAND. The Colorado River compact clearly states what the allocation is to the upper-basin States. That is not challenged, and I hope the able Senator will not say that we are claiming the water of the upper Colorado.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. O'MAHONEY. Mr. President, with the indulgence of the leader, let me say that, of course, we are not charging the State of California or any of its representatives with an attempt to claim the water of the upper-basin States. The Senators from California were good enough to give their consent to the approval by Congress of the compact made between and among the upper-basin States. Yes; that has been done. However, the physical fact is that until the determination is made and until the lower-basin States have come to an adjudication with respect to the allocation, there is no possibility of getting the actual development started.

Therefore, Mr. President, I hope the motion to recommit will be rejected.

Mr. KNOWLAND and other Senators asked for the yeas and nays, and the yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Illinois first suggested the absence of a quorum, and the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hendrickson	McMahon
Anderson	Hennings	Millikin
Bennett	Hickenlooper	Monroney
Benton	Hill	Morse
Brewster	Hoey	Mundt
Bricker	Holland	Neely
Butler, Md.	Hunt	Nixon
Butler, Nebr.	Ives	O'Conor
Byrd	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Pastore
Carlson	Johnson, Tex.	Russell
Chavez	Johnston, S. C.	Saltonstall
Clements	Kefauver	Schoeppel
Connally	Kem	Smathers
Cordon	Kerr	Smith, Maine
Dirksen	Kilgore	Smith, N. J.
Douglas	Knowland	Sparkman
Duff	Langer	Stennis
Dworshak	Lehman	Thye
Eastland	Lodge	Tobey
Ellender	Long	Underwood
Ferguson	Magnuson	Watkins
Flanders	Malone	Welker
Frear	Maybank	Wherry
George	McCarran	Wiley
Gillette	McCarthy	Williams
Green	McFarland	Young
Hayden	McKellar	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the junior Senator from Illinois [Mr. DIRKSEN] to recommit the bill. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAPEHART (when his name was called). On this vote I have a pair with the senior Senator from Ohio [Mr. TAFT]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. IVES (when his name was called). On this vote I have a pair with the junior Senator from Arkansas [Mr. FULBRIGHT] If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Virginia [Mr. ROBERTSON], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Michigan [Mr. MOODY] is absent on public business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference to be held in Geneva, Switzerland, beginning June 6.

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from Washington [Mr. CAIN]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Washington would vote "yea."

The Senator from Virginia [Mr. ROBERTSON] is paired on this vote with the Senator from Montana [Mr. ECTON]. if present and voting, the Senator from Virginia would vote "yea," and the Senator from Montana would vote "nay."

I announce further that if present and voting, the Senator from Montana [Mr. MURRAY] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from South Dakota [Mr. CASE] is absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Montana [Mr. ECTON], who is absent on official business, is paired with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Virginia would vote "yea."

The Senator from Washington [Mr. CAIN], who is absent by leave of the Senate on official business, is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Ohio [Mr. TAFT] is necessarily absent, and his pair with the Senator from Indiana [Mr. CAPEHART] has been announced previously.

The result was announced—yeas 30, nays 51, as follows:

YEAS—30

Aiken	Dworshak	Nixon
Brewster	Ferguson	O'Conor
Bricker	Flanders	Saltonstall
Butler, Md.	Hendrickson	Smith, Maine
Butler, Nebr.	Hickenlooper	Smith, N. J.
Byrd	Kem	Thye
Cordon	Knowland	Welker
Dirksen	Lodge	Wherry
Douglas	Malone	Wiley
Duff	McCarthy	Williams

NAYS—51

Anderson	Holland	McMahon
Bennett	Hunt	Millikin
Benton	Jenner	Monroney
Carlson	Johnson, Colo.	Morse
Chavez	Johnson, Tex.	Mundt
Clements	Johnston, S. C.	Neely
Connally	Kefauver	O'Mahoney
Eastland	Kerr	Pastore
Ellender	Kilgore	Russell
Frear	Langer	Schoeppel
George	Lehman	Smathers
Gillette	Long	Sparkman
Green	Magnuson	Stennis
Hayden	Maybank	Tobey
Hennings	McCarran	Underwood
Hill	McFarland	Watkins
Hoey	McKellar	Young

NOT VOTING—15

Bridges	Fulbright	Moody
Cain	Humphrey	Murray
Capehart	Ives	Robertson
Case	Martin	Smith, N. C.
Ecton	McClellan	Taft

So Mr. DIRKSEN's motion to recommit was rejected.

The PRESIDING OFFICER. The bill is open for further amendment.

Mr. WATKINS. Mr. President, I send to the desk an amendment to section 5, and some additional amendments, and ask to have them considered en bloc.

The PRESIDING OFFICER. The clerk will state the amendments offered by the Senator from Utah.

The CHIEF CLERK. It is proposed to strike out all of section 5, and substitute in lieu thereof the following:

SEC. 5. Contracts for reimbursement of irrigation costs shall be such that they will provide for an identical cost per acre-foot at the several points of delivery of water from the main canals and conduits herein authorized, and from such other points of delivery as the Secretary may designate.

Such contracts shall provide for equal annual payments of definite sums of money, the aggregate of which equals the allocations made pursuant to subsection (b) (1) of section 3 of this act. Such contracts shall be made with the State of Arizona or the State of New Mexico, or with public or private corporations, irrigation or other districts, municipal or other political subdivisions thereof, in accordance with the reclamation law. No person shall have or be entitled to have the use for any purpose of any water delivered hereunder except by contract made as herein stated.

On page 5, line 2, delete the word "probably" and insert "which shall." Line 3, delete the words "in net revenues from the delivery" and insert "by the users." Line 13, delete the word "probably" and insert the words "which shall." Line 17, delete the words "will probably" and insert the word "shall."

Mr. KNOWLAND. Mr. President, may we have an explanation from the author of the amendments?

The PRESIDING OFFICER. The Senator from Utah is allotted 15 minutes.

Mr. WATKINS. Mr. President, this amendment is an attempt to put this project under the old Reclamation Act. It provides for the repayment of the cost to the United States of that part which has been allocated to irrigation by the Secretary of the Interior. It is simply a restoration of fundamental reclamation law and procedures as outlined in the 1902 Reclamation Act and subsequent amendments.

Under the old-time reclamation law, the irrigators are obligated to pay back all the money allotted to irrigation. That is the purpose.

Mr. KNOWLAND. Would the amendment require that all costs of the irrigation features be repaid, and does it affect the distributing systems as distinguished from that part of the irrigation features which bring the water to canal-side?

Mr. WATKINS. It specifically provides for only that part of the cost which has been allocated by the Secretary to irrigation costs which he determines can be repaid by the irrigators.

Mr. KNOWLAND. What I am trying to get at is this: If the Secretary found, for instance, that the operation and maintenance costs were absorbing everything the farmer could pay, could the Secretary then say under the wording of the amendment that none of the costs of the irrigation features should be repaid?

Mr. WATKINS. No, he could not. The amendment makes a firm commitment in the beginning to pay the part which is allocated to the farmer or water user.

Mr. KNOWLAND. Suppose the Secretary, in his determination, decided that, as to the total cost of the irrigation features of the project, which, we will say, for the sake of discussion, run to $350,000,000 or $400,000,000, the economic situation was such that the farmers could pay back on the principal only $1,700,000, would that be a valid determination by the Secretary?

Mr. WATKINS. I do not think so, unless it was made in the first instance. He would not have the right to amend it.

Mr. KNOWLAND. But when he makes the contracts can he, in effect, say the farmers will not be called upon to pay more than 1 percent of the total irrigation features?

Mr. WATKINS. He has a formula to guide him, and when he makes his determination, that is the end of it, and the farmers are obligated.

Mr. KNOWLAND. So if he makes a determination that the irrigators would not have to pay, as the testimony before the House committee shows, more than they are paying in the central Arizona project, about four-tenths of 1 percent, the Secretary of the Interior himself could provide that they would not have to pay back more than that amount, could he?

Mr. WATKINS. If that were the original obligation, that is correct.

Mr. KNOWLAND. That is all I wanted to know.

Mr. WATKINS. But he can make the figure higher. I think he would, in this instance.

Mr. McFARLAND. Mr. President, I have analyzed the amendment now being offered by the distinguished Senator from Utah. As I understand it, the purpose of the amendment is to make sure that the contracts shall be for a definite amount of money rather than for the sale of water. There is no objection to that and I have no objection to the amendment. I am willing to accept it.

Mr. WATKINS. I thank the Senator from Arizona.

The PRESIDING OFFICER (Mr. MONRONEY in the chair. The question is on agreeing to the amendment of the Senator from Utah [Mr. WATKINS].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the third reading of the bill.

The bill (S. 75) was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand, under the unanimous-consent agreement, the time is now equally divided, with one-half hour allotted to the proponents of the measure, and one-half hour to the opponents. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. I suggest then that the proponents of the measure lead off.

Mr. McFARLAND. If the opponents of the measure are willing, we on the other side are willing to vote on the measure now.

SEVERAL SENATORS. Vote! Vote!

Mr. KNOWLAND rose.

The PRESIDING OFFICER. Does the senior Senator from California seek recognition?

Mr. KNOWLAND. Mr. President, I want to take some of my time because this is a matter in which the country and the Senate should have a vital interest.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. KNOWLAND. The bill providing for this project was reported by the Committee on Interior and Insular Affairs this year without any kind of a hearing. After adequate hearings given the proponents and the opponents in the House committee, that committee, by a vote of 16 to 8, determined substantially that the bill should not be favorably reported to the House until the matter of the water rights was adjudicated.

Mr. President, in the period of time since the Committee on Interior and Insular Affairs held hearings a year or so ago, and today, the Bureau of Reclamation itself has upped the estimates of the cost of the project by more than $80,000,000. It may be that we in the Congress of the United States have become so calloused in dealing with the astronomical figures of billions of dollars that $80,000,000 seems like chicken feed, but it is still a great deal of money. It is far more money than everybody in this Chamber and everybody in the galleries and everybody probably in the general area of Washington has paid in income taxes or will be called upon to pay in income taxes for the next fiscal year.

Mr. President, we should not deal lightly even with $80,000,000. But this is not an $80,000,000 project. This is a project which the Bureau of Reclamation a year ago said would cost $708,000,000 as its basic cost, and this year they have upped the estimate by 11 percent, and say it will cost $788,000,000. This is at a time when our Government is financing itself by deficit spending. In the House of Representatives today there is under consideration in the appropriate committee a tax bill to levy upon the people of the Nation four or five billion dollars in additional taxes. We hear a great deal of talk of economy, and certainly we should overlook no opportunity to bring it about.

Mr. President, no Senator should vote today under any misconceptions as to just what he is doing. In the first place, he is destroying the standards of our reclamation law if he votes for the bill. For a long period of years we have had what some of us at least have felt have been sound standards, according to which, if a project dealt with power, it must repay the total cost, plus the interest, into the Federal Treasury. Hoover Dam was built on that basis. Every cent of the principal expended on Hoover Dam is being paid back, and 3 percent interest is being paid back to the Government of the United States.

This project is in no way comparable to the Hoover Dam project. Before the Hoover Dam could be built there had to be signed valid contracts from the water and power users in southern California agreeing to make the payments whether they used the electric energy or not, so that the Government was fully protected before a pound of concrete was poured into the Hoover Dam. The situation with respect to the central Arizona project is in no sense comparable to it. The Hoover Dam was built under standards that measured up to the reclamation law, in accordance with which it would have to be repaid in 40 years, plus a 10-year development period. The pending bill completely throws away the yardstick. If Congress passes this bill there will be no standards left to measure a reclamation project in the future. The bill provides for the first time in our history on a new reclamation project that a period of 75 years can be taken for repayment.

Mr. President, the Bureau of Reclamation first estimated that the project would require 8 years to build. At almost $800,000,000, that would mean that Congress would have to appropriate $100,000,000 a year to build it in any such 8-year period. That is fantastic. We know that no project is now under consideration and none has been recently under consideration for which the Congress of the United States has appropriated any comparable amount. It will undoubtedly take a period of at least 15 or 20 years to build the project and if it takes 15 or 20 years, it will be at least 95 years—almost a century—before the project is repaid.

Mr. President, the Government is operating by deficit financing. When this project is built, under our present system, the Government will have to sell E bonds or their equivalent. For every $750 borrowed from the Federal taxpayer the Government will have to pay him in 10 years $1,000; that is $250 interest upon his original $750 investment. If we are borrowing on a deficit basis 10 years from now, as we have for the last 16 years, that means that the Government will have to sell another bond in 10 years in order to repay the first $750 the Government borrowed. If we keep up that process for a period of 75 years, we arrive at a situation where for the first $750 which was borrowed it will figure out in such a way that more than $4,500 will have to be repaid.

It is said we should disregard the matter of interest. I say that we dare not disregard the matter of interest when we are dealing with a situation of this kind.

Mr. President, by the admission of the proponents themselves, unless upper dams on the river are built, the dam in question will fill with silt within 35 or 40 years, so it could not possibly pay out on the basis its proponents have proposed.

Mr. President, I call attention to the fact that, disregarding interest entirely, and considering only the basic cost of $788,000,000, that figures out, as to the land that will be benefited in Central Arizona, at more than $2,000 an acre for land which is selling generally at $300 an acre. How the Senate of the United States, or those who vote for the proposed legislation, can justify any such fantastic project is more than I can understand. If Senators consider interest, which they must consider, since it will have to be paid back out of the pockets of the people of the country, it figures out at more than $10,000 an acre for land which is selling at approximately $300 an acre. If a man has four or five hundred acres—and there are many farms of that size—the benefit to that individual landowner, in effect, figures out at the fantastic figure of some $500,000 for a farm of that size. How can Senators justify taking out of the pockets of the taxpayers of the Nation any such sums as that?

Mr. President, it was said earlier in the debate that the great State of California was trying to deprive the smaller State of Arizona of something which was justly due to that State. I deny that, Mr. President. I said then, and I repeat now, that I believe in our Federal constitutional system and under our Federal system, no matter how large a State is, whether it be our greatest State, New York, represented by its senior Senator [Mr. IVES], sitting on this side of the aisle, and its junior Senator [Mr. LEHMAN], sitting on the other side of the aisle, or whether it be the smallest State of the Union, Nevada, represented by its senior Senator [Mr. McCARRAN]

and its junior Senator [Mr. MALONE], each State has equal representation in the Senate. But even a larger State has a right to come here and discuss the merits of an issue without having prejudice built up on the floor of the United States Senate because it happens to be a larger State. That is destructive of our constitutional system.

Mr. President, I would much rather be supporting a measure for Arizona, as I have supported on the Appropriations Committee and on the floor of the Senate other measures which have come before this body. But in this case I could not in good conscience support the pending legislation because it is economically unsound.

In addition to the economic reasons which I have mentioned, there is another very vital reason which the Senate should consider, and that is that there is an honest difference of opinion as to the amount of water available. The States of Nevada and California, through their governors, have on numerous occasions requested Arizona, through its governor, to negotiate and arbitrate this question. In each and every case the proposal has been turned down. When Arizona will not negotiate or arbitrate, there is only one way to settle the question, and that is through a court of competent jurisdiction, the Supreme Court of the United States.

Mr. President, so far as I know this will be the first time in its history when the Congress of the United States has enacted legislation dealing with works on a disputed stream, where there are disputed water rights, taking the side of one State and not giving cognizance to the rights of the other State involved. I say that we are setting a very dangerous precedent.

In closing I merely wish to say to my friends on the other side of the aisle that California has made a substantial contribution to the support of the National Government. We contribute well over $3,000,000,000 annually to the Federal Treasury. Our rights are also involved in connection with this proposed legislation. By the acts of this Democratic administration in the past our gold-mining industry has been destroyed. More recently our tidelands have been taken from us. Now it is proposed to take our water. I say that that is a heavy responsibility for the Congress to assume, in dealing with a great State which has tried year in and year out to make its full contribution to the national effort. I ask Senators not to vote to do that to us in a situation in which the water supply is in sharp dispute between the States.

Mr. President, I yield 5 minutes to the Senator from Nevada [Mr. MALONE].

IRRIGATED AND IRRIGABLE AREA—NEVADA

Mr. MALONE. Mr. President, I invite the attention of the Senate to a table on page 6056 of the CONGRESSIONAL RECORD, of yesterday, June 4. The discussion by the senior Senator from New Mexico [Mr. CHAVEZ] included a table from the Fall-Davis report on the Colorado River, purporting to show the irrigated and irrigable areas in each of the seven States of the basin in 1922.

A SIMPLE RECONNAISSANCE SURVEY

Perhaps it is not generally known; perhaps the distinguished senior Senator from New Mexico did not know, that there was a later report on the available water and power including present use, made by Mr. Weymouth, on the Colorado River, several years later than the Fall-Davis report.

The Weymouth report was a very comprehensive report, completed prior to the passage of the Boulder Dam Project Act and included more detailed surveys.

It included 10 volumes of unpublished material. The Fall-Davis report, quoted in a table on page 6056, purports to show the area cultivated and the area which could be put under cultivation in the seven States of the basin.

The table shows 5,000 acres under cultivation in Nevada from the Colorado River, with a possible 2,000 additional acres.

The Fall-Davis report was a reconnaissance survey only; as a matter of fact, one of the earlier explorers, some years before the Fall-Davis reconnaissance report made a trip up the Colorado River from the delta, and came back and said that all of that part of the country was destined to be desert forever, and would have no value. The Fall-Davis report went one step further.

THE ENGINEERING REPORT—NEVADA, 900,000 ACRE-FEET

Mr. President, I invite the attention of the Senate to the June 4 RECORD, in the address of the junior Senator from Nevada of that date. I ask unanimous consent that that portion of the address appearing on page 6075, under the heading "Five Irrigation Projects For Nevada Totaling 189,400 acres," be printed in the RECORD at this point as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

FIVE IRRIGATION PROJECTS FOR NEVADA TOTALING 189,400 ACRES

In the absence of any interstate agreement or adjudication the junior Senator from Nevada, on April 9, introduced five irrigation project bills. Since that time those bills have reposed in the Committee on Interior and Insular Affairs.

No hearings have been called on such bills. They provide for projects as follows:

S. 1297

Project No. 1 contains a total of 7,660 acres in the following seven areas:

Area No. 1: 1,300 acres in the Mesquita area irrigated from the Virgin River.

The Virgin River is a tributary of the Colorado, or was a tributary of the Colorado. Since the construction of the Hoover Dam both the Virgin River and the Muddy River, which before that development was a tributary of the Virgin River, have flowed into the northern part of Lake Mead.

Area No. 2: 900 acres in the Bunkerville area irrigated from the Virgin River.

Area No. 3: 60 acres below Riverside station irrigated from the Virgin River.

Area No. 4: 1,600 acres just above Lake Mead.

Area No. 8: 2,800 acres near St. Thomas irrigated from Lake Mead.

Area No. 9: 600 acres in two separate tracts irrigated from Lake Mead.

Area No. 10: 400 acres irrigated from Lake Mead.

Project No. 1 would include all of these areas, a total of 7,660 acres. The pump lift for these areas probably would not exceed 25 to 40 feet.

S. 1298

Project No. 2 contains a total of 20,600 acres in the following three areas:

Areas Nos. 5 and 6: 12,000 acres in the Muddy River and Meadow Valley Wash above Glendale and below Warm Springs, irrigated from Lake Mead and the Muddy River.

Area No. 7: 8,600 acres, including land now under the Muddy Valley Irrigation Co.'s canals, with additional acreage irrigated from Lake Mead.

I may say at this point that the map which shows the areas, which areas were investigated and mapped at the time the junior Senator from Nevada was State engineer from Nevada was State engineer and Colorado River commissioner of Nevada, is available in his office to any committee which might be interested in the areas. The surveys and investigations were made under the supervision of the then State engineer of Nevada and now the junior Senator from Nevada.

S. 1299

Project No. 3 contains a total of 61,200 acres in the following two areas:

Area No. 11: 1,200 acres 14 miles east of Las Vegas on a branch of the Las Vegas Wash, irrigated from Lake Mead.

Area No. 12: 60,000 acres lying in Las Vegas Wash, irrigated from Lake Mead.

I may say that project No. 3 lies east, west, and south of Las Vegas.

S. 1300

Project No. 4 contains a total of 40,000 acres in the area southwest of Boulder City:

Area No. 16: 40,000 acres lying approximately 5 miles southwest of Boulder City, irrigated from Lake Mead.

Project No. 5 contains a total of 60,000 acres in the following three areas:

Areas Nos. 13, 14, 15: 60,000 acres, including bottom and bench land in the vicinity of Davis Dam, irrigated from the Colorado River.

I quote further from the CONGRESSIONAL RECORD of April 9, 1951, at page 3515:

"Mr. MALONE. Mr. President, the five projects are shown in detail on map No. 4 which was made under my direction as State engineer of Navada and secretary of the Colorado River Commission on February 20, 1925—and which is included in the official report of the Colorado River Commission of Nevada, covering the period of January 1, 1927, to September 1, 1935."

I quote further from the CONGRESSIONAL RECORD of April 9, 1951, at page 3516:

"Mr. MALONE. Mr. President, the junior Senator from Nevada has delayed the introduction of proposed legislation providing for the consumptive beneficial use of the 900,000 acre-feet of the waters of the Colorado River which my State of Nevada has officially claimed, hoping that an interstate agreement between the lower basin States of Arizona, California, Nevada, New Mexico, and Utah might be consummated within a reasonable time. However, the population of the Nevada area has increased more than 10 times its original number during the period subsequent to the passage of the Boulder Dam Project Act in 1928, and the underground water supply is rapidly diminishing and the pumping lift is increasing at an alarming rate."

Mr. MALONE. Mr. President, that area is in addition to the area already under cultivation.

Mr. President, I comment briefly on the table submitted yesterday by the junior Senator from Nevada, wherein the engineering commission appointed by the Colorado River Basin States reported that Nevada could utilize 900,000 acre-feet of water.

MEXICO—750,000 ACRE-FEET

In the same—engineering, 1935—report it was stated that Mexico had used not more than 750,000 acre-feet of water.

COLORADO RIVER BASIN WATER

The Senate voted to give Mexico twice the amount of water that anyone had ever estimated, even in his wildest dreams, up to that time, thereby leaving the Colorado River Basin States very short of water in the lower basin.

I ask unanimous consent to have that table included in the RECORD at this point. It is found on page 6077 of the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PRELIMINARY REPORT OF THE ENGINEERING COMMITTEE APPOINTED BY COLORADO RIVER CONFERENCE IN SALT LAKE CITY, UTAH, MARCH 1, 1935

A study of the water ultimately available in the lower basin of the Colorado River including all tributaries, based on the report of E. B. Debler, December 1934; analysis of commitments thereon; and an assumed distribution thereof.

ASSUMPTIONS

1. Consumptive use of 7,500,000 acre-feet annually in the upper basin as apportioned by the Colorado River compact.
2. Complete reservoir development in lower basin as set forth in the Debler report.
3. That Mexico will be allocated 750,000 acre-feet annually.

I. Ultimate usable water supply in acre-feet

1. Net supply for use from main stream below Boulder Dam	8,370,000
2. Net supply for use from Gila River	2,259,000
3. Net supply available for lower basin use above Boulder Dam	240,000
4. Waste crossing international boundary and usable in Mexico	200,000
Total	11,069,000

NOTE.—Items (1) and (2) are exclusive of waste into Mexico.

II. Present commitments on lower basin supply (including total Gila River, vested rights and contracts) in acre-feet

1. Arizona—total of Gila River	2,259,000
Vested in Colorado River below Boulder Dam	600,000
2. California contracts	5,362,000
3. Present lower basin uses above Boulder Dam in Arizona, Nevada, New Mexico, and Utah	90,000
Total	8,311,000

III. Assumed distribution—additional assumptions in acre-feet

(a) Use in Arizona, Nevada, New Mexico, and Utah above Boulder Dam of	240,000
(b) Total use by Nevada	900,000
(c) Allocation to Mexico	750,000

DISTRIBUTION

1. Arizona:	
(a) Gila River	2,259,000
(b) Rights below Boulder Dam	600,000
(c) Total above Boulder Dam	30,000
(d) Remaining water in stream	[1] 988,000
	3,877,000
2. California contracts	5,362,000
3. Nevada:	
(a) Above Boulder Dam	30,000
(b) Balance of proposed contract	870,000
	900,000
4. New Mexico above Boulder Dam	30,000
5. Utah above Boulder Dam	150,000
6. Republic of Mexico	750,000
	11,069,000

[1] Total available quantity for use in lower basin less allocations, contracts, and assumed distributions.

AVAILABLE TO ARIZONA FROM MAIN STREAM OF COLORADO RIVER

Present uses from Colorado River below Boulder Dam	600,000
Assumed ultimate uses above Boulder Dam	30,000
Remaining water below Boulder Dam	988,000
Total	1,618,000

REMARKS

1. It is herein understood that water used or to be used above Boulder Dam as above listed, is assumed to come from tributaries of the main stream of the Colorado River. The Nevada contract for water deliveries proposed to the Secretary of the Interior for 900,000 acre-feet, includes both present and proposed uses.

2. It is assumed that the water used by New Mexico from the Gila River is included in the Gila River commitments.

3. It is also assumed that Utah will use 150,000 acre-feet of the 240,000 acre-feet of the lower basin water to be used above Boulder Dam, as determined by the Debler report. If as indicated by Utah, that State may require a total of 300,000 acre-feet, the additional amount must be deducted from the net supply listed as available for use below Boulder Dam.

4. It is not necessarily assumed that all members of the Commission agree in all particulars to the accuracy of the Debler report, but this report is a preliminary analysis of the water supply available for use in the lower basin, based on that document.

EDWARD HYATT.
M. G. HINDERLIDER.
GEO. W. MALONE.

SALT LAKE CITY, UTAH, *March 1, 1935.*

Mr. MALONE. Mr. President, questions continually arise as to what constitutes the lower division and the upper division—and the upper basin and lower basin of the Colorado River. Repeating a part of yesterday's address at this point:

Much has been said of the upper and lower basins, and I think an explanation would be helpful. The Colorado River Basin is a seven-State affair, and the term "upper division" means the States of Colorado, New Mexico, Utah, and Wyoming.

"Upper division" and "upper basin" are two entirely different things. "Lower basin" and "lower division" are different. Thereby arises the misunderstanding.

The "lower division" means the States of Arizona, California, and Nevada. Lees Ferry is the geographic dividing point between the divisions. The term "upper basin"—and this is where a misunderstanding exists—means the States of Colorado, New Mexico, Utah, and Wyoming * * * within and from which waters naturally drain into the Colorado River system above Lees Ferry.

The first is a geographic arbitrary division and the second is a drainage division.

This is where the misunderstanding arises.

The lower basin, then, instead of only meaning just the States of Arizona, California, and Nevada, means those parts of the States of Arizona, California, Nevada, New Mexico, and Utah within and from which waters naturally drain into the Colorado River system below Lees Ferry.

The PRESIDING OFFICER. The time of the Senator from Nevada has expired.

Mr. KNOWLAND. I yield an additional minute to the Senator from Nevada.

THE JUSTICIABLE ISSUE

Mr. MALONE. Mr. President, I merely wish to say that the projects proposed by the junior Senator from Nevada, and now lying in state in the Interior and Insular Affairs Committee could furnish, either collectively or individually, exactly the justiciable issue which this project is said to furnish at a fraction of the cost. I should like to have that distinctly understood. If anyone cares to debate that question, I shall be very happy to debate it with him. The language included in each of the five bills is exactly the same relative to the reference to an adjudication by the Supreme Court.

CONGRESSIONAL PRECEDENT

The Congress of the United States has never in its history appropriated money for the purpose of taking water out of an interstate stream which may belong to any other State in the basin—in the absence of an interstate agreement or an adjudication by a court of competent jurisdiction.

Mr. McFARLAND. Mr. President, I yield to the distinguished Senator from New York [Mr. LEHMAN] such time as he requires.

Mr. LEHMAN. Mr. President, in the consideration of S. 75, the central Arizona project bill, it has been made clear that the passage of this measure is the best, and possibly the only, way to secure in the Supreme Court of the United States an adjudication of the various legal rights to the water of the Colorado River. I believe that such a determination is of vital importance. I shall therefore support the bill. But there is still some unresolved doubt in my mind concerning certain of the economic phases of this undertaking, although I believe it to be sound and in the public interest. I wish, however to be convinced at the time an appropriation is sought which may be some years off that the benefits to the country will be commensurate to the cost.

I therefore reserve the moral right, when and if appropriation measures for this purpose come before us, to reopen

and reexamine this phase of the question.

I am in favor of public expenditures for essential national purposes. But we cannot now or ever afford expenditures which are not sound and will not bring direct or indirect benefits to the whole country, since the whole country pays. I must make this reservation, therefore, on behalf of the people of my State, who contribute so much to the cost of such projects as this.

I am very glad indeed to support the pending bill, for the reasons which I have given.

Mr. McFARLAND. Mr. President, I yield to the Senator from Utah such time as he requires.

Mr. WATKINS. Mr. President, I am supporting this measure. I have prepared a statement outlining my views. I do not care to deliver that statement today. I ask unanimous consent to have it printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS
CENTRAL ARIZONA PROJECT

In the 17 reclamation States water is the very lifeblood of their economy and existence. Nothing more graphically exemplifies the truth of this statement than does the present controversy between California on the one hand and Arizona on the other hand in connection with the pending measure, S. 75, to authorize the construction of the Bridge Canyon project as well as the central Arizona project. In our western arid States possibly no one factor has caused so much trouble and so much litigation as has the scarcity of water. People living in the humid areas of these United States have a rather vague conception of the importance of water to those who live in the arid and semiarid regions of this great country. The farmers in the humid areas of this country have but to prepare the soil, plant the seed, and then wait for the harvest. Sufficient rainfall and ground moisture are always present to insure satisfactory crops. In the West, however, it is a different story. The farmers must depend entirely upon water from the irrigation and reclamation projects in order to insure the success of any crop planted. The city dweller is dependent upon the water from these same reclamation projects in order to make it possible for him to exist in our large urban areas of the West.

Last night on the way home I heard one of the radio commentators discussing conditions which are facing portions of the States of Georgia, Kentucky, and Tennessee, and other States which I fail to recall. The lack of the customary and usual rainfall has created a condition where the farmers are faced with the prospect of a complete crop loss. In this one instance the people of the so-called humid States have a slight taste of what the farmer in the arid section of the country faces each time he must go to the irrigation headgate.

The Colorado River and its tributaries are the last great unharnessed water resource existing upon which the economy of seven great Western States depend for their economy. A few local an i minor diversions from the waters of the Colorado and its tributaries were undertaken prior to the construction of the Hoover Dam. Since that time, however, more extensive use of the waters of the Colorado have been made. California secures a major part of its water supply for the cities of Los Angeles and those communities immediately surrounding that area and San Diego. In addition, the waters of the Colorado provide the necessary irrigation to make the Imperial Valley the wonderful year-around agricultural mecca that it is. The States on the Colorado drainage early recognized the need for an equitable division of this last great water resource.

In 1922 the States of the Colorado River Basin entered into a compact whereby the waters were divided by mutual agreement between the States of Colorado, Utah, Wyoming, and Arizona, as the upper basin, and Nevada, California, Arizona, and part of Utah as the lower basin. The stream flow record indicated there would be sufficient water to permit the five upper basin States to use 7,500,000 acre-feet yearly from the waters of the upper Colorado. The lower basin States were also given the prior right to use 7,500,000 feet, plus an additional 1,000,000 acre-feet, making the total water available to the lower basin States from the waters of the Colorado River and its tributaries 8,500,000 feet.

In addition, the United States entered into a treaty with the Mexican Government whereby it was agreed that a million and a half acre-feet a year would be given to Mexico for their use from the waters of the Colorado River. This was also made a prior right.

For a number of years the States of the upper-basin area negotiated to agree on an equitable division of the 7,500,000 feet allocated to them from the waters of the Colorado River. This agreement was finally consummated in 1948 and ratified by the Congress of the United States that same year. As a result of this agreement or compact, the development of the upper basin of the Colorado River seems to be assured. At this time the Secretary of the Interior has transmitted to the States of the Colorado River Basin in accordance with agreement a proposed development plan for the upper Colorado River as well as a proposed participating project development plan.

A series of 10 major dams are to be constructed on the main stem of the Colorado River and its tributary, the Green River, above Lees Ferry which is the dividing point on the river between the upper basin and the lower basin. These giant dams will be multiple-purpose dams. Their purpose is threefold: First, to store water during the flood period of the river and during the so-called wet years when water will be plentiful, so that the States of the upper basin can use their allocated 7,500,000 acre-feet per year, and, at the same time, insure delivery at Lee's Ferry of the necessary 10,000,000 acre-feet to meet the commitments of the 1922 compact to the lower basin and the treaty with Mexico.

In addition to the storage feature of these dams, it is contemplated that they will be used for generating of power and for diversion points for water for the participating projects of the upper Colorado River development program. So much for the upper-basin features of the entire Colorado River development program.

Contrasting to the agreement reached by the States of the upper basin, the four States of the lower basin, California, Nevada, Arizona, and New Mexico have never been able to enter into an agreement regarding an equitable and mutually agreeable division of the available water supply. However, in 1928 the Congress passed and the President approved the so-called Boulder Canyon Project Act, outlining the broad features of any such lower-basin compact.

The present controversy which has been brought to a head by the bill S. 75, to permit the construction of the Bridge Canyon project and the central Arizona project is only the culmination of a long series of misunderstandings and misinterpretations over the meaning of the compact of 1922 and the meaning of the above-cited terms of the Boulder Canyon Project Act to be agreed upon by the States of the lower basin as contained in the Boulder Project Act.

I, as well as other members of the States of the Colorado River Basin, have hoped that the States of the lower basin could resolve their differences and agree on water distribution as was done by the upper basin States by compact. However, this conflict between Arizona and California has been raging for over 27 years without any settlement. There apparently is no prospect of any agreement for the next 25 or more years. Arizona has three times brought suit against California in the Supreme Court for interpretation of the respective water rights of the States in the Colorado River. In each case the cases have been dismissed on the grounds that there was no justiciable issue and therefore nothing for the courts to decide.

The House Interior and Insular Affairs Committee just recently issued a report in which they refused to report the House bill authorizing Bridge Canyon and the central Arizona project. They went to great lengths to explain their reasons for refusing to consider this bill. They argued that already a justiciable issue was in being and therefore the Supreme Court could take jurisdiction of this dispute between the States of the lower basin and render a decision, after which time they indicated it would be soon enough to authorize the approval of this project. They cited in support of this proposition the case of *Nebraska* v. *Wyoming* (325 U. S. 589), and the case of *Wyoming* v. *Colorado* (259 U. S. 435).

The Senate Committee on Interior and Insular Affairs does not agree with the report of the House committee. As a member of the Senate committee, I concur in the report of the Senate committee. I feel that the House committee erred in its analysis of *Nebraska* v. *Wyoming*, and *Wyoming* v. *Colorado*. As a matter of fact, the Supreme Court in *Nebraska* v. *Wyoming* distinguished the *Arizona* v. *California* cases from the *Wyoming* v. *Colorado* case and the *Nebraska* v. *Wyoming* case in the following language: "If there were a surplus of unappropriated water, different considerations would be applicable" (p. 610).

The Supreme Court reiterated in considering *Nebraska* v. *Wyoming* that in *Arizona* v. *California* no justiciable issue existed. They distinguished *Nebraska* v. *Wyoming* wherein they had taken jurisdiction, because every bit of water on the stream in dispute had been appropriated, and a project which was at that time being constructed by the Bureau of Reclamation further threatened the use of priority appropriations on the stream, and the case of *Arizona* v. *California* where plenty of unappropriated water was available.

There is plenty of water in the Colorado River which is not appropriated. As a matter of fact, practically the entire amount allocated to the upper basin States by the compact of 1922, totaling 7,500,000 acre-feet yearly, is unappropriated by actual use, even though allocated to the upper basin States, and almost an equal condition exists in the lower basin States. As a matter of fact, much of the entire volume of the stream is being wasted in the Gulf of Lower California. Therefore, the House committee erred in making its analysis and saying that a controversy existed which would entitle the Supreme Court to hear any case brought before it governing the disputes between California and Arizona. It will take an actual threatened construction of a project by either California or Arizona, in excess of the water appropriated or allocated for appropriation to each State under the Boulder Canyon Project Act and the compact of 1922 in order to create such a justiciable issue that the Supreme Court can and will entertain a suit.

By passing S. 75 such a justiciable issue will be raised. S. 75 contemplates the construction of a dam at the Bridge Canyon site together with the various power appurtenances connected therewith. This phase of the project as pointed out in the Senate

committee report is not disputed. Bridge Canyon Dam, it is agreed by all parties interested in development of the Colorado River, must be built in order to insure the long life of the Hoover Reservoir. By authorizing the construction of the central Arizona project which will thereby provide for a diversion of 2,300,000 acre-feet per annum out of the waters of the Colorado River into Arizona, a justiciable cause is brought into being.

California, in order to protect her claims as to the appropriate meaning of the language contained in the Colorado River Project Act and the compact of 1922, will be forced to bring an action against Arizona to prohibit the construction of these works.

The Senate committee, after extended hearings over two Congresses, determined that in order to be fair to all parties concerned, that the bill should provide that for 6 months no appropriations would be authorized for the construction of the central Arizona features of the project. If California, or any other interested State, within 6 months, fails to bring an action in the Supreme Court of the United States, as she would be justified in doing since a justiciable cause immediately arises on passage of this bill, then funds may be appropriated for initial construction of the project. It certainly will not be contemplated that California will refuse to file such an action to determine its rights in connection with the Colorado River waters, if this bill passes.

On the other hand, if the bill should not pass and should a simple resolution authorizing and directing the Attorney General to bring a suit in the Supreme Court in which all of the basin States be joined be passed by the Congress, I am convinced that a delay of many years would take place before any construction on the lower Colorado River and possibly on the upper Colorado River would take place.

I say this for the reason that should a simple resolution be passed and such an action instituted in the Supreme Court, it would not be subject to a motion to dismiss until after the facts were in. The customary procedure in such cases where the facts are in dispute is for the Supreme Court to appoint a Master who thereupon hears and takes evidence. Such a situation existed in the case of *Nebraska* v. *Wyoming*, which was initiated in 1934 and finally disposed of in the Supreme Court in 1945, 11 years in controversy.

The *Colorado* v. *Kansas* case was in dispute in the courts from 1901 until 1943, a period of 42 years. The case of Wyoming versus Colorado was in controversy in the courts from 1911 to 1940. It is not anticipated that such a case as involves the disputes between Arizona and California as to respective rights on the Colorado River will be disposed of any sooner than the above referred to cases. Even then, in my personal opinion, as cited before, no justiciable issue arises and the court after the Master had taken and heard the testimony, would then dismiss on the grounds that no justiciable issue existed and the conflict would remain as it does now.

The Bridge Canyon Dam, together with its power features and appurtenant works, accounts for more than half of the total cost figure. California desires the construction of the Bridge Canyon Dam and its appurtenant works. I am particularly interested in the merits of the central Arizona project because the upper basin States on the Colorado have projects, particularly the central Utah project, planned almost exactly like the central Arizona project. I might cite corresponding figures between the proposed central Arizona project and the central Utah project's initial phase, which is the only one we have figures for at the present time. The benefit ratio of the central Utah project is established at 1.2 to 1, which means that for every dollar expended, $1.20 will be returned. The benefit ratio cost on the other hand of the central Arizona project is 1.63 to 1, which means for every dollar expended $1.63 will be returned. The total cost of putting water on an acre ground on the central Utah project in its initial phase would be $730. The equivalent cost of the central Utah project would be $639.

Various other aspects of this dispute have been thoroughly discussed by individuals on both sides of the questions. I think, however, the report of the Senate committee thoroughly answers most of the claims made in objection to the bill. In my own mind, I think that the sole question for determination by Senators in voting on this measure is "Is this project feasible?" If it is found to be feasible then is it necessary and proper? If the answer is "Yes" to these questions, we should vote to approve the bill. I am sure that from a feasibility standpoint, the report of the Senate committee clearly justifies a favorable vote on the project. As to the necessity of the project, I think that item also has been clearly disposed of in the Senate committee report. The two items I feel should be called to the attention of all individuals are first—the biggest portion of this project will be built in any event and is not in dispute by any party who has an interest in the water of the Colorado River. The disputed portion is necessary as I have heretofore pointed out to raise a justiciable issue which will give the Supreme Court jurisdiction over the controversy. Second, the fact that this project is feasible.

I want to take this opportunity to stress the fact that we are now engaged in an entirely new concept governing the reclamation development programs. Since all the small reclamation projects have been built, the remaining projects are those of a multiple-purpose entire basin development type. The President's Water Resources Policy Commission made a rather complete analysis of all the water problems affecting the United States. In volume 2, entitled "Ten Rivers in America's Future" the Commission analyzed very carefully the Colorado River Basin problems. In that report they recommended that each river basin be analyzed and developed as a whole. In the particular analysis relating to the Colorado River Basin, some of the more pertinent features brought out are as follows:

The present problems of the basin are principally economic as they relate to irrigation. The easy projects, the projects which required reasonable or little expenditures, have all been built. All new development will be of the type requiring large and expensive structures, far exceeding the irrigators' ability to repay in most instances. Additional sources of funds will be necessary in order to make such projects feasible. In this connection it is probably vital to point out that the power which is potential from the large dam developments would be actually worthless if the water were not available for use by the various cities and industries which will be attracted to those cities, as well as having water available for irrigation to grow the crops necessary in the area.

It is also interesting to note that Arizona has 103,000 square miles, or approximately 90 percent of the total area of the State, within the Colorado River Basin area. This is 42 percent of the entire basin area. On the other hand, California has but 6,000 square miles within the river basin, or only about 4 percent of the total State's area is within the basin. This constitutes but 2.5 percent of the total basin area, and yet California is receiving about one-half of the Colorado River water allocated to the States of the lower basin.

The Commission's report stressed that "in comparison to many of the large rivers of the United States, the Colorado's annual flow is small, but because of the aridity of the Southwest, the waters of this river and their wise conservation and use are especially vital to the economy of the region."

In connection with the cost per acre in connection with the feasibility of the projects, the President's Commission has the following to say:

"In many places, the acreage of lands needing supplemental water is much greater than new irrigation lands. Among these the central Arizona project is an important one. Tentative allocations indicate that the capital costs per acre of irrigated land on this project would be approximately $620. This per acre cost is under the assumption that 640,000 acres of land will be benefited with supplemental water supply by the project."

All in all it seems to me that there can be no question regarding the feasibility of the project.

There are those who feel that some centralized authority should be established to control the river systems of the country, including the Colorado River Basin, similar to the TVA idea.

I have been and am opposed to the valley authority type of organization. I am opposed to centralization of control in any Government agency for water and power. I think that the people who own the resources and who pay for construction costs should own and operate the project. I base this conclusion upon 14 years spent in active water litigation and reclamation law representing the actual water users, and after 4 years in Congress studying the over-all picture of reclamation.

At the same time it cannot be overemphasized that the basin-wide development program must be followed if we are to have the fullest possible consumptive beneficial use of our water resource.

The basic policy of all reclamation and flood-control programs should therefore be to put to the fullest possible beneficial use every drop of water available for consumptive use. Irrigation, municipal, mining, industrial, and miscellaneous demands must be satisfied if there is to be any future expansion in the West. An abundant supply of low-cost electric energy can be a great aid to growth, but without an adequate supply of water for consumptive use, it is valueless. There can be no progress without life-giving water.

That fact cannot be overemphasized. Since the water of the Colorado River has been divided up between the upper and the lower basin and since the development of the entire river basin will depend upon a coordinated program between the upper and lower-basin States, it is in my opinion imperative that a determination of the rights of the parties to the water of the Colorado be immediately made.

As to the central Arizona project, I do not care to enter into the dispute between California and Arizona as to the question of what water is whose. If, however, the Supreme Court finally determines that water is available for use by Arizona from the Colorado River in conformity with the compact and the various other applicable statutes and agreements, I then feel that it makes no difference how she puts that water to use. I admit that the project as proposed is costly. However, I do feel that if the water users can pay the reimbursable costs with help from the power feature their water provides, I then see no stumbling block to the construction of the project.

Some individuals seem to object to the use of the power revenue, together with the interest component on the power revenue, to supplement the amount the contractors for the project can repay as reimbursable costs. The President's Water Resources Policy Commission discussed this matter very carefully in the report entitled "Ten

Rivers in America's Future," volume 2 on pages 399–400, in the following language:

"1. Pooled accounts: Authorizing legislation should permit costs and revenues of existing and contemplated Federal hydroelectric projects in the Colorado River Basin to be combined into the number of pooled accounts for rate-making and administrative purposes that investigation shows to be desirable from the standpoint of efficiency and public interest. These should be along the lines of the multiple-purpose basin accounts recommended by this Commission.

"2. Interest component: The use of the interest component of power revenues for repayment in part of irrigation construction costs beyond the ability of water users to repay has been considered as consistent with the Federal policy not to require payment by the beneficiaries of flood control and navigation projects. For the Colorado Basin as a whole the effect of such a practice on power rates has not been determined, but it is likely to be significant. It is known to be substantial in the case of the central Arizona project."

In the interest of clarifying the issues, simplifying accounting procedure, and placing all forms of water development on a similar basis for planning, a change in Federal reimbursement policy is recommended, as suggested by this Commission.

It is recommended that for the Colorado Basin, as elsewhere:

1. For those goods and services directly subject to Federal control and disposition, such as power and water supply, payment should be required from beneficiaries as far as possible for benefits received. Such payments in the case of municipal and industrial water supply and power should at least cover costs, including amortization of investment with interest and payments in lieu of State and local taxes. In the case of reclamation of land, the payments should be based on ability to pay without interest measured by the resulting increase in the land operator's net earnings.

2. For primary benefits, such as flood control, not susceptible of disposition to beneficiaries, and for secondary benefits, such as profits to commercial interests resulting indirectly from projects, agreements should be worked out with the interested States under which they would assume responsibility for securing repayment through use of their powers of taxation or assessment. This might involve the setting up of such local agencies as conservancy districts.

I particularly want to call the Senate's attention to the item numbered 2 which discussed the use of the interest component as being consistent with the Federal policy established not to require repayment by the beneficiaries of flood control and navigation projects. Certainly in the various flood control and rivers and harbors acts which we have passed in the Congress, which have benefited all sections of the country except the arid West, benefits in the amount of billions of dollars have been bestowed upon the beneficiaries of the particular localized area where the construction takes place There has been no repayment of either principal or interest in these cases. There has been no objection to this type of activity.

Similarly, it is my contention that there should be no objection to the principle we are now establishing and which was inherent in the original Reclamation Act of 1902, that the farmers and others who own the water right also own the power which can be generated by the water and therefore should be entitled to the revenue derived from the sale of that power. But first the power should be used within the project area for the purpose of making the project operable. It is the judgment of the Bureau of Reclamation that there is no more economical alternative use within Arizona of the water Arizona might be entitled to of the Colorado River water. If, therefore, Arizona's claim to the water is upheld by the Supreme Court, there is no reason this project, which has been determined to be feasible by the Secretary of the Interior, by the Bureau of Reclamation, and by all those who have an interest in Arizona, should not be built.

I want it distinctly understood that this project is not the only case about which the same questions could be raised regarding the use of water from the Colorado River, with the exception of the question of whose water is being used. The majority of the projects yet to be built in either basin, upper or lower, of the Colorado River, fall in the same general category as does this.

If we in the Senate defeat this bill to authorize the central Arizona project, I predict that we will be sounding the death knell of all future reclamation projects. The reclamation projects yet to be built will all be costly, will all need the power revenue to assist in the repayment of the reimbursable costs. We might just as well make up our mind to that fact. We do the same in principle with flood control and navigation projects.

We must recognize it in connection with reclamation projects if the last known source of water is to be put to the maximum beneficial consumptive use in our arid West.

Mr. McFARLAND. Mr. President, I yield to the Senator from North Dakota such time as he may desire to take.

Mr. LANGER. Mr. President, in view of the great support which the Missouri River Basin has received from States far away from North Dakota, and believing that the country should be developed as a whole, rather than a sectional or State basis, I am wholeheartedly supporting the pending bill.

Mr. McFARLAND. Mr. President, I yield such time to the Senator from Colorado [Mr. MILLIKIN] as he may desire to take.

Mr. MILLIKIN. Mr. President, I wish most respectfully to offer my convictions that the evidence and arguments show that the water is available in the lower basin of the Colorado River for sustaining the proposed project; that on the disputed question as to the right to use this water for that purpose, Arizona has the better claim, and that it will take a decision by the United States Supreme Court to settle the matter; that the method proposed by the sponsors of the bill to bring the matter before the Supreme Court of the United States provides the best chance for winning that Court's election to take jurisdiction; that the proposals of the sponsors of the bill will assure that the project will not be built to the detriment of the national defense; that it is in the interests of all of the States of the Colorado Basin and of the United States to authorize the project.

It is not my intention to burden the RECORD or the time available with an attempt to rehash the facts and arguments which have been so ably presented in this debate by the proponents and opponents of the bill and amendments on which we shall vote today.

It is respectfully suggested that the testimony compels the conclusion that water supplies originating in Arizona are and will continue to be insufficient to maintain the productivity of the lands in that State either suitable for irrigation or now under existing irrigation systems; that the earlier notion that surface supplies of water could be endlessly and sufficiently supplemented from underground water basins is no longer tenable because experience has shown there is not enough source water originating in Arizona and useful for the purpose to replenish and hold to reasonably constant and effective levels those underground basins against the pumping use that is made of them.

The result requires retirement to disuse of ominously increasing land areas ready and suitable for irrigation under existing irrigation systems.

If this destructive process is to be stopped and if lands under existing irrigation systems are to be restored to productivity the total supply of irrigation water now available to Arizona must be increased and supplemented with additional water from the Colorado River. There is no alternative.

It does not take an overheated imagination to contemplate the results as the lands under existing irrigation systems are progressively retired to desert status so that the constantly constricting area of the remaining lands may receive sufficient water to remain productive.

Farm homes will have to be abandoned and farm population will have to leave the State. The taxpaying burdens to maintain Arizona institutions and the cultures of that State will pile up on those who remain until those burdens become unbearable and cause widespread economic collapse. And fine American ways of life which those people are trying to preserve and advance will fight a rear guard and losing battle against an encroaching poverty-stricken economy.

It may be difficult for those who come from States which have abundant rainfall to realize the vital nature of water supplies in arid and semiarid regions of the West.

It may be difficult for them to understand the compounding chain reaction of beneficent effects, social and economical, which flow from the development of ample water for the agricultural needs of those States. It may be equally difficult to understand the desolations that follow abandonment of irrigation systems through failure of water supplies.

We of the West have seen these things, have lived with them, and we ask our colleagues to remember that our fervors for water development and our opposition to retrogression are warmed by the compulsive necessities of our people.

The relation of irrigation water to the development and decline of civilization is graphically evidenced in the arid and semiarid regions of the earth. The relation of water power to the development of our civilization is graphically illustrated by modern history known to all.

Our water problems are not isolated, unique or of merely passing current interest.

The Members of the Senate who served in World War II on the southern shores of the Mediterranean were in position to note the remaining traceries and the archaeological evidences of the decline

and final obliteration of ancient civilizations which had surrendered their waters to the dead sands of the desert.

Indeed in Arizona, and in other Western States, there is indisputable evidence that the ancient peoples there during the first thousand years of the Christian era produced crops of corn, beans, and cotton by use of irrigation; 900 years ago there were highly organized irrigation works along the Gila and Salt Rivers in Arizona—ditches as big as 30 feet wide and 7 feet deep and more than 250 miles of system.

Those cultures died at the hand of droughts, of insufficient water supplies.

The Bureau of Reclamation says that the costs of this project will be reimbursed to the Treasury. Those who do not fully share this view should not close their eyes, I respectfully suggest, to the losses, tangible, intangible, and immeasurable, that will occur to the Treasury if Arizona is forced into economic retrogression and decay through lack of adequate water supplies not only for irrigation but also for municipal use and for power for that State and that region.

There is an increment of enormous benefits from projects such as this which cannot be measured. The prosperous farmer sustains prosperous services which contribute to his welfare, the filling station man, the grocery man, the drug store man, the factories which supply him with materials, members of the professions, and their prosperity in turn spreads out in widening circles and supports their suppliers of goods and services, and so on.

The same spreading prosperity results from adequate supplies of power.

These everwidening circles of economic benefit and general welfare which flow from the best use of water in our arid and semiarid States produce wealth which in turn flows into the Treasury of the United States and which helps to sustain the over-all activities of the Federal Government including those for defense.

In my judgment these returned benefits to the Treasury will outweigh many times any lack of reimbursement that can be imagined under any theory which is hostile to this project.

The solicitous and helpful interest of the Federal Government covers a wide variety of activities and not all of them are dispensable or irreconcilable with our scheme of government.

The Federal Government helpfully interests itself in flood control and gets no direct reimbursement. It helpfully interests itself in the construction of highways and gets no direct reimbursement. But the indirect reimbursements which come from the conservation and promotion of revenue-producing wealth by means of flood control and highways, and passing the savings and betterments of human values, more than make up the outlays required.

That which I shall now present does not offer complete analogy nor an inviolable rule for domestic action because the motives may in part be somewhat different but it does assist perspective so far as the immediate problem is concerned.

We are familiar with the person who plays hero to the children of the neighborhood while he neglects his own family.

We use billions and billions of our taxpayer's money to rehabilitate shattered economies of foreign countries including, if you please, assistance in the establishment of vast irrigation and power development programs in countries such as French West Africa, Portugal, French Indochina, Thailand, Italy, France, Greece, French Morocco, Dutch Guiana, British Guiana, and Jamaica.

I ask Senators to search their hearts for their own reasons for supporting such programs. Is it to aid the defense of this country? Then I ask them, Is Arizona's contribution to the defense of this Nation strengthened or weakened by allowing lands which could be wealth-producing to return to the desert, by allowing the power potentials of this project to remain undeveloped? Is it humanitarian? Then I ask, Should not our humanitarianism give attention to the human welfare of a great State of the Union?

Arizona is a member of our family of States, and is a worthy member. She needs our help. Let us give it to her.

Mr. McFARLAND. Mr. President, I yield to the Senator from Oklahoma such time as he desires.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. KERR. Mr. President, back of the maneuvers and the words on the floor of the Senate today is one of the bitterest struggles for water that has ever stirred emotions or caused men to marshal resources and words. The opponents talk about the cost of the bill. What they seek is water. They talk about the principle of the payment of interest or its waiver, but what they are fighting for is water.

Mr. President, I favor the bill because it recognizes the right of all the States involved in the controversy. It gives no State an advantage over another, either by means of delay or by means of specific legislation. It authorizes a project on a basis which permits any State with an interest in the outcome to go to the Supreme Court of the United States and there, in that high tribunal, have its right and title to the waters of the Colorado River adjudicated according to the law pertaining to that river and the rules of equity and justice which control that court.

Mr. President, I am glad to favor the bill because it does equity to all, and discriminates against none.

Mr. President, because of the fact that this matter has been thoroughly discussed, I now ask unanimous consent that the remainder of my remarks be printed at this point in the RECORD, and I waive any further time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KERR

I hold in my hand a copy of Senate bill No. 75, as reported by the Committee on Interior and Insular Affairs.

At the beginning of the Eighty-first Congress, it was my privilege to be a member of that committee during the many months that it considered a similar bill. I attended the hearings; I listened to the witnesses from many States and heard what they had to say for and against the bill.

The battle being waged on this floor today is a battle for water.

Much has been said about the cost of the proposed project. Much has been said about the cost to the Government for the interest charges on parts of the money required for the building of the project. But, Mr. President, the fight on this bill is not because of the amount of the cost; it is not because a part of the expenditure will be reimbursed with interest and part without interest—the fight on this bill is in connection with securing or losing the title to water.

It is only in the Supreme Court of the United States that many aspects of this fight can be justly settled. However, at the present time, that Court cannot entertain jurisdiction of this fight. This is true because at the present time there is no justiciable issue to invoke the Court's jurisdiction.

The Supreme Court has held over and over again that it cannot and will not grant relief against a State unless the complaining State shows an existing or actually threatened injury of serious magnitude. The Court will not grant relief against something which is merely feared; something which may happen, or can happen at some future time. The Court will not determine abstract questions. There must be a justiciable issue or controversy. There must be a showing that the complaining State has suffered a loss or injury through the action of another State, which loss or injury is of a nature to provide the basis for judicial redress.

However, the passage of this bill will create a justiciable issue. It opens the way for a decision by the Supreme Court whereby the title to the water which is the subject of this controversy can be decided.

Thus, no State can be injured by this bill, but several States can and will be injured unless this bill becomes a law. Without this bill, many of the States will suffer. Only that State, or States, now in position to appropriate the water without a determination of its title could profit. Justice delayed is justice denied. Without this bill, justice is delayed and denied to most of the States of the Colorado River Basin. Without this bill, it could be that one or more of the States might get the water whether it has the title to it or not. With the bill, all of the States will have the opportunity to determine their title with reference to the water. Thereby each State will get the water which belongs to it and none will have what it owns taken from it.

I do not believe that any State in the great Colorado basin would insist upon receiving that to which it does not have valid title. New Mexico, Nevada, Utah, Arizona, California—are great States. They have a wonderful and a prosperous people. It is not my purpose to choose between them; it is not the province of the Congress so to choose. They have entered with other States in the valid compacts and agreements with reference to the division of the water of the Colorado River. Those compacts and agreements have become the law of the river, but there is argument about the interpretation of the language and the meaning of the contracts, but no matter how intense that argument, it has not and, in the absence of this bill, cannot create a justiciable issue of which the Supreme Court can take judicial cognizance.

All acknowledge that the great State of Arizona is entitled to some amount of water. The difference that exists is with reference to the amount of water. Much argument has been made here to substantiating a claim that there would be an excessive cost per acre for the water to be used. There are more than 100,000 acres involved in Arizona.

In this project, there are more than 225,000 acres involved. As a matter of fact, this matter involves more than the 725,000 acres of irrigable land which Arizona showed were involved. There are 73,000,000 acres of land in the State of Arizona, and every one of them is involved in this controversy.

If fair appraisal is to be made as to the per acre cost, it must be figures on the total acreage in that great State. Any figure of per acre cost that does not recognize that the total number of acres is 73,000,000 is not on a fair or realistic basis.

The authorization of this project is the economic Magna Charta for a great State. It represents the difference between growth and progress and prosperity on the one hand and stagnation and creeping paralysis on the other. Who can say what the value of such a project is? Who can measure it in terms of dollars and cents when in reality the intangible values, the human values, far transcend the values in terms of money. The building of this project means the industrial development of the State of Arizona. It means the maintenance and expansion of the agricultural economy of that great State. Yet, by the provisions of the bill, none of the water in controversy would be available for the use of the people of Arizona until, if other States decided it, the title to the water had finally been adjudicated by the Supreme Court of the United States.

No State can suffer under the provisions of this bill. No State can lose anything to which it has title, but without this bill, many of the States of the basin will lose the right either to use that which is theirs, or to have a determination of what is really theirs.

Therefore, in equity and justice and in all fairness, the bill should be passed.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to my colleague from California.

The PRESIDING OFFICER. The junior Senator from California is recognized for 10 minutes.

Mr. NIXON. Mr. President, I think all Members of the Senate have been impressed by the very eloquent statement made by the Senator from Colorado and the statement made by the Senator from Oklahoma and, I may say also, the arguments which have been made during the past week by the Senators from Arizona in regard to this project.

However, I think it is extremely important that we note the tenor and the theme which runs through the statements which have been made. Over and over again we hear mentioned the conflict between Arizona and California as to rights to water. Over and over again the suggestion is made that California is imposing upon its smaller neighbor—smaller in territory and smaller in population—and that, for that reason, the Senate should do what it can to see that the controversy is finally resolved in favor of the State of Arizona. Great emphasis has been placed upon the need of Arizona for water and the emergency in which the people of Arizona find themselves at the present time.

Mr. President, I submit that all the issues which have been emphasized are important. The controversy between Arizona and California is important to both States. The need of the people of Arizona and of the agricultural properties in Arizona for water is important. It is particularly important to that State and its people.

However, Mr. President, I submit that we must also bear in mind that, so far as the Members of the Senate are concerned, they must direct their attention primarily to the effect of this project, not on California as against Arizona, not on the dispute over water between the two States, not primarily on the needs, great though they may be alleged to be, of the people of Arizona at this time, but on the basic issue, which is, What will be the effect of this project on the economy of the United States of America?

Is this project feasible? Is it one which would be approved in ordinary times when it did not have tied to it, for example, the provisions for so-called justiciability which have been discussed so much today on the floor of the Senate?

If we direct our attention particularly to the merits of the project itself, not as it affects Arizona or California but as it affects the economy of the entire country, I think then we shall see that the Members of the Senate should hesitate a great deal before they vote for the bill which is now before the Senate.

Mr. President, Senators who contemplate voting for the bill should bear in mind that if a majority of the Senate vote in favor of passage of the bill they will be creating precedents in three very important fields:

First, for the first time the Senate will have approved a reclamation project providing for a repayment period of as long as 85 years;

Second, for the first time the Senate will have approved a reclamation project requiring the water users to pay back less than 1 percent of the cost of the irrigation and the irrigation works; and

Third, for the first time the Senate will have approved a reclamation project which will cost the taxpayers of the United States, over and above the amount which will be paid back, the sum of $2,075,749,000, according to the Secretary of the Interior himself.

It may be that the Members of the Senate may feel that our basic reclamation law should be changed. The Senator from Colorado may have inferentially so suggested when he pointed to the fact that Congress has appropriated funds for foreign countries for such projects, with no hope at all of repayment; and that Congress has appropriated funds for flood control and rivers and harbors, with no thought at all of the return of the funds, so far as those projects are concerned. However, Mr. President, I submit that the reclamation law should not be changed and the precedents should not be established in the present atmosphere under which the bill is being discussed.

I think it was quite significant to note the comment of the Senator from New York [Mr. LEHMAN] to the effect that he had some reservations or some doubts, as I understood him, about the project, and he hoped those doubts would eventually be resolved, but he felt it important that we approve this project so that we could settle the conflict and controversy as to who is entitled to the water. I submit that a vote for the project cannot be sustained on that basis, Mr. President.

A project that is not feasible cannot be made more feasible because it has an uncertain water supply—so uncertain that the project has to be referred to the Supreme Court, to have that Court determine whether it has a water supply.

Furthermore, Mr. President, when we study the provisions of the bill, we find that the project could be continued and appropriations and expenditures of funds could be made even if the Supreme Court were to find that not enough water existed for the project or even if the Supreme Court were to throw out the suit which was brought for the purpose of having the water rights determined. If either of those contingencies should occur, this project could go ahead, under the bill which now is before us.

Mr. President, not only must we give attention to the feasibility aspects of this project, but I should like to remind the Members of the Senate—and I ask them to pay particular attention to this point because it is vitally important—that in January 1950, just last year, the President in his budget message recommended that no water legislation be enacted pending the completion and submission to the Congress of the report of his Water Policy Commission.

The Commission has made its report. Incidentally, I may say that it made its report after the hearings were held on this bill last year. It made its report, and the recommendations it made, I submit, were inconsistent with the central Arizona project bill which we have before us.

The President has not yet sent to the Congress the legislation now being drafted to carry out the Commission's recommendations. This legislation will provide a new and, we believe, uniform yardstick for all reclamation projects. It would seem to me that, if we are to make these basic changes in our reclamation law; if we admit, as has been admitted on this floor time and time again today and during the past week, that this project is not going to be built, that no funds are going to be appropriated, for years to come, why do we not wait until the recommendations of the President's Water Resources Policy Commission come from the President in the form of proposed legislation, so that we may determine what the basic reclamation law of the land should be, rather than to proceed to set precedents which will be used to justify projects which go even further than this one insofar as the use of the public funds is concerned.

Mr. President, I wish to devote the remainder of my remarks regarding this project to another point, which I think is equally important. Assuming that the project is feasible and that the project is needed to meet the emergency in Arizona, nevertheless the emergency in Arizona comes in conflict with the national emergency, and, since the national emergency must take precedence over the Arizona emergency, we can see that since there will be no appropriations for this project until the national emergency is over, we are not going to be able to meet the Arizona emergency. But let us assume for the moment that the project is feasible, that it is needed for the Arizona emergency, and that Members of the Senate have been moved by the arguments as to Arizona's rights to the water—assuming all those things, I still

say that this project is one which should not now be authorized in wartime.

I know what the arguments will be on the other side. I know that it will be said, "We have adopted an amendment today which provides that no funds shall be appropriated during the national emergency." But I submitted, at the time that amendment was being considered, that it provided only that expenditures and appropriations would be deferred until after the controls over prices and wages and allocations were dispensed with. In other words, there is an emergency other than the emergency which manifests itself in the existence of price control, wage control, and allocation legislation on the books. That emergency, I submit, is the emergency with which we are confronted at the present time in the Senate and in the Congress, and in every home of the United States—the emergency of inflation, an emergency which I submit is one which, regardless of what we do regarding this project today, is going to be aggravated in the future. The passage of this bill alone, without question, will give a tremendous impetus to inflationary pressures; and, assuming with respect to price control, wage control, and allocations, that the time may come when the Congress finds they are no longer necessary, we shall still be in the midst of the inflationary emergency because of our huge national debt and because of the tremendous unbalanced budgets we have been experiencing during the past few years.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. NIXON. Mr. President, will my colleague yield me two more minutes?

Mr. KNOWLAND. I yield my colleague two additional minutes.

Mr. NIXON. Mr. President, to bring my remarks to a conclusion, I had a very interesting experience 2 weeks ago, when I sat in the office of General Eisenhower, in Paris. I was impressed, let me say parenthetically, with the excellent job he is doing against monumental odds, in the position he holds. He pointed out to me that one of the greatest tasks which he has at the present time is to convince our allies abroad of the necessity of putting first things first; of the necessity for deferring, for example, expenditures for nonmilitary purposes, and for all those countries to place the primary emphasis in their budgets upon the necessity of rebuilding their armed forces to meet the threat of Communist aggression. I say that, by voting for this project, the Senate will be putting the people of the country and our allies abroad on notice that it is "politics as usual," and "Government as usual," in the United States at a time when we should be placing the interests and the security of the country above all other interests.

I say further, that so far as this particular project is concerned, this will be the first major test in the Senate this year as to whether we mean what we say when we say we are for economy. Everyone says he is for economy, particularly during these times; but I say that we here have an opportunity to show that we mean what we say, when we say we are for economy. To vote for a project, I submit, which is going to cost the taxpayers $2,075,749,000—and this has not been controverted—at a time when our budget is unbalanced and while we have a national debt of $250,000,000,000, is not a vote for economy.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. McFARLAND. I yield 8 minutes to the Senator from Tennessee [Mr. KEFAUVER].

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 8 minutes.

Mr. KEFAUVER. Mr. President, it is unfortunate that this bill must be considered to some extent on the basis of Arizona versus California. To have to take sides in a controversy of that kind, places the Members of the Senate in a very difficult position. But I know they will not consider the bill from the viewpoint of the conflicting interests of these two States, but will seek to decide whether it is in the general public interest. I feel that we are all agreed that it is essential to the progress and welfare of the United States, in order to provide employment and food for our population, which is increasing at the rate of more than 2,000,000 a year, in order to maintain the necessary sources of revenue to support our national defense program and other vital governmental activities, and in order to be in a position to reduce the national debt, that we develop our natural resources in accord with sound principles, and to the greatest extent possible. Congress has always agreed that we should use our falling waters to develop hydroelectric energy, and we should utilize the waters of our rivers in the arid and semi-arid regions of the West for domestic, agricultural, and industrial purposes. The development of our water and land resources is of vital importance to our national economy.

In my opinion, the construction of Bridge Canyon dam and power plant, and the irrigation works, as set forth in the pending bill, will greatly strengthen the economy of the United States, and is in the best interests of every section of the country.

Mr. President, some days ago there was placed on the desk of each Senator a statement as to the cost of this project to the various States of the Union. I regret exceedingly that in behalf of a project in one section of the country we should set it forth and argue it on the basis of the cost to other sections of the country, because we in the United States have, I believe, always felt that what is good for one section is worth while for other sections. If we had adopted the philosophy that no great public improvement should be carried out in one section of the United States because it was going to take some tax money temporarily from taxpayers in other areas, then, of course, the great projects which we have would never have been authorized or completed, and the development of our natural resources would immediately come to a standstill. The harbor works in New York, the Central Valley project in California, the development at San Francisco, the Columbia River project of the Northwest, the Tennessee Valley Authority, and many others which are so vital to the economy of our Nation could never have been authorized, had the principle to which I have adverted, that such projects should not be authorized if they were going to cost substantial amounts, to be paid by the people of other sections of the country, had been followed. So, Mr. President, I think that we should consider that the development of any section on a sound basis is for the welfare of the whole Nation.

Furthermore, it should be pointed out that if we can build up the taxpaying ability of the people in any one section, we shall be furthering the welfare of the whole country. In the Tennessee Valley section, for instance, by virtue of the great development there, the taxpayers of that area are paying, I have been advised, proportionately twice as much revenue as they paid before as a result of the activities of the Tennessee Valley Authority. They used to pay 3 percent of the Federal taxes. They now pay 6 percent of the Federal taxes.

Mr. President, a project of this kind benefits every State in the Union in various ways. The generators and the great installations that go into the power plant and the dam will largely have been made in New York, Wisconsin, California, and many other States of the Union. The farm equipment and other equipment which the people benefited by the project will be able to purchase will come from practically every State in the Union, and give employment and help the economy of all the States. As set forth in a chart which I saw, which was circulated by the distinguished Senator from Oklahoma [Mr. KERR], this project will, in the long run, be a great investment in the welfare of the people of the country, which will not only pay for itself, but which will eventually contribute something in a monetary way to the United States Treasury.

The project has been approved by the authorities who have charge of such subjects. Electricity is certainly needed for the welfare of the people of Arizona, and it will eventually pay back to the taxpayers of the Nation every dollar invested in it. From what I can understand from the record—and I have examined the testimony of several witnesses—this project, although it will not be started during a time of national emergency, is a worth while one for the section in which it is to be constructed, and it will be a great asset and a benefit to the economy of all the people of the United States.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. How much time do I have?

The PRESIDING OFFICER. One minute.

Mr. KNOWLAND. Mr. President, 1 minute is not a very long time in which to discuss a project of this kind. I merely wish to say that the argument that we must authorize a $788,000,000 project in order to get a legal question into the court for determination simply does not hold water. The Senator from Nevada has pointed out that there are any number of bills in the Committee on Interior and Insular Affairs which would cost the taxpayers of the Nation one-tenth or one-hundredth of the cost of this project, and yet would enable the question involved to be determined by the Supreme Court. So that argument is not valid, in my judgment.

Mr. President, no Senator should vote for this project under any illusions. It will cost the people of the country, in the final analysis, well over $3,000,000,000. The Secretary of the Interior has testified that the costs will not amount to more than $2,000,000,000. That does not provide for repaying a single cent in connection with the project. The Senator from Illinois [Mr. DIRKSEN] has pointed out that every project which the Interior Department has presented has cost the country far more than the original estimates. I want Senators to know what they are doing. They are throwing away the standards of reclamation; they are opening the door to countless unsound projects at a time when we shall be asked to levy $5,000,000,000 of new taxes upon the people of the United States. When Senators vote today, that is the issue upon which they will vote.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. McFARLAND. Mr. President, Arizona's case has been eloquently and effectively presented by the Senator from Colorado [Mr. MILLIKIN], the Senator from Oklahoma [Mr. KERR], the Senator from Tennessee [Mr. KEFAUVER], and numerous other Senators. I can add little to what has been said.

I desire, however, to place in the RECORD a tabulation which shows that construction of the project will be of material eventual benefit to all of the people of this country, as well as to Arizona.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Tax savings to Nation's taxpayers—by States—resulting from construction of the central Arizona project

TOTAL OVER 75-YEAR REPAYMENT PERIOD

State	State's percentage of total	Assumed cost to taxpayers	Extra tax income	Tax saving from central Arizona project	State	State's percentage of total	Assumed cost to taxpayers	Extra tax income	Tax saving from central Arizona project
Alabama	1.17	$6,800,000	$46,800,000	$40,000,000	Nevada	0.13	$800,000	$5,200,000	$4,400,000
Arizona	.37	2,100,000	14,900,000	12,800,000	New Hampshire	.29	1,700,000	11,600,000	9,900,000
Arkansas	.72	4,100,000	28,700,000	24,600,000	New Jersey	3.29	19,100,000	131,100,000	112,000,000
California	8.32	48,200,000	333,200,000	285,000,000	New Mexico	.28	1,600,000	11,200,000	9,600,000
Colorado	.80	4,600,000	31,900,000	27,300,000	New York	14.67	85,300,000	588,300,000	503,000,000
Connecticut	1.67	9,700,000	66,700,000	57,000,000	North Carolina	1.59	9,300,000	63,700,000	54,400,000
Delaware	.40	2,300,000	16,000,000	13,700,000	North Dakota	.34	2,000,000	13,600,000	11,600,000
Florida	1.29	7,500,000	51,700,000	44,200,000	Ohio	5.78	33,500,000	230,500,000	197,000,000
Georgia	1.40	8,100,000	56,000,000	47,900,000	Oklahoma	1.17	6,800,000	46,800,000	40,000,000
Idaho	.32	1,900,000	12,900,000	11,000,000	Oregon	1.04	6,000,000	41,500,000	35,500,000
Illinois	7.59	43,900,000	305,900,000	262,000,000	Pennsylvania	7.62	44,200,000	304,200,000	260,000,000
Indiana	2.29	13,300,000	91,800,000	78,500,000	Rhode Island	.56	3,200,000	22,200,000	19,000,000
Iowa	1.58	9,200,000	63,400,000	54,200,000	South Carolina	.76	4,400,000	30,300,000	25,900,000
Kansas	1.15	6,700,000	46,100,000	39,400,000	South Dakota	.36	2,100,000	14,400,000	12,300,000
Kentucky	1.20	7,000,000	48,000,000	41,000,000	Tennessee	1.37	7,900,000	54,700,000	46,800,000
Louisiana	1.22	7,100,000	48,900,000	41,800,000	Texas	4.38	25,400,000	174,900,000	149,500,000
Maine	.44	2,500,000	17,500,000	15,000,000	Utah	.34	2,000,000	13,600,000	11,600,000
Maryland	1.68	9,800,000	67,300,000	57,500,000	Vermont	.18	1,100,000	7,300,000	6,200,000
Massachusetts	3.40	19,700,000	135,700,000	116,000,000	Virginia	1.49	8,700,000	59,700,000	51,000,000
Michigan	4.71	27,400,000	188,400,000	161,000,000	Washington	1.65	9,600,000	66,100,000	56,500,000
Minnesota	1.86	10,800,000	74,600,000	63,800,000	West Virginia	.92	5,300,000	36,700,000	31,400,000
Mississippi	.71	4,100,000	28,400,000	24,300,000	Wisconsin	2.10	12,200,000	84,200,000	72,000,000
Missouri	2.53	14,700,000	101,700,000	87,000,000	Wyoming	.18	1,100,000	7,300,000	6,200,000
Montana	.35	2,000,000	14,000,000	12,000,000	Others	1.48	8,600,000	59,400,000	50,800,000
Nebraska	.86	5,000,000	34,400,000	29,400,000					

YEARLY AVERAGE OVER 75-YEAR REPAYMENT PERIOD

Alabama	1.17	$90,000	$626,000	$536,000	Nevada	0.13	$10,000	$69,000	$59,000
Arizona	.37	28,000	197,000	169,000	New Hampshire	.29	22,000	154,000	132,000
Arkansas	.72	56,000	384,000	328,000	New Jersey	3.29	254,000	1,754,000	1,500,000
California	8.32	640,000	4,450,000	3,810,000	New Mexico	.28	22,000	150,000	128,000
Colorado	.80	62,000	427,000	365,000	New York	14.67	1,132,000	7,832,000	6,700,000
Connecticut	1.67	129,000	894,000	765,000	North Carolina	1.59	123,000	849,000	726,000
Delaware	.40	31,000	213,000	182,000	North Dakota	.34	26,000	181,000	155,000
Florida	1.29	99,000	688,000	589,000	Ohio	5.78	444,000	3,084,000	2,640,000
Georgia	1.40	108,000	748,000	640,000	Oklahoma	1.17	90,000	625,000	535,000
Idaho	.32	25,000	171,000	146,000	Oregon	1.04	80,000	555,000	475,000
Illinois	7.59	584,000	4,034,000	3,450,000	Pennsylvania	7.62	588,000	4,058,000	3,470,000
Indiana	2.29	176,000	1,221,000	1,045,000	Rhode Island	.56	43,000	299,000	256,000
Iowa	1.58	122,000	844,000	722,000	South Carolina	.76	59,000	406,000	347,000
Kansas	1.15	89,000	615,000	525,000	South Dakota	.36	28,000	190,000	162,000
Kentucky	1.20	93,000	641,000	548,000	Tennessee	1.37	105,000	731,000	626,000
Louisiana	1.22	94,000	652,000	558,000	Texas	4.38	338,000	2,338,000	2,000,000
Maine	.44	34,000	234,000	200,000	Utah	.34	26,000	181,000	155,000
Maryland	1.68	130,000	898,000	768,000	Vermont	.18	14,000	96,000	82,000
Massachusetts	3.40	262,000	1,812,000	1,550,000	Virginia	1.49	115,000	795,000	680,000
Michigan	4.71	342,000	2,482,000	2,140,000	Washington	1.65	127,000	882,000	755,000
Minnesota	1.86	143,000	993,000	850,000	West Virginia	.92	71,000	491,000	420,000
Mississippi	.71	54,000	378,000	324,000	Wisconsin	2.10	161,000	1,121,000	960,000
Missouri	2.53	195,000	1,352,000	1,157,000	Wyoming	.18	14,000	96,000	82,000
Montana	.35	27,000	187,000	160,000	Others	1.48	114,000	789,000	675,000
Nebraska	.86	66,000	458,000	392,000					

Column 1 is the percentage of total tax burden that each State bears to the United States total.

Column 2 is the tax-burden percentage applied to an assumed 2-percent interest charge on the total cost of the central Arizona project ($708,780,000). The total assumed interest over a 75-year repayment of the construction costs amounts to $580,000,000. It is estimated that the assumed 2-percent interest on the unpaid balance each year will be offset several times over by extra tax income from central Arizona, therefore simple interest is computed without compounding. On no other Federal irrigation project has interest been charged or computed.

Column 3 is the share of extra tax income from central Arizona over the 75-year repayment period, estimated by Mr. True D. Morse, of the Doane Agricultural Service, Inc., St. Louis, Mo., to be over $4,000,000,000.

Column 4 is column 3 minus column 2 and is tax saving after allowing for assumed 2-percent interest. In 75 years this will be in excess of $3,420,000,000. Tax savings will continue through the life of the project.

Mr. McFARLAND. Mr. President, when California interests first began their current propaganda barrage the project was described as a billion-dollar project, although it did not involve anywhere near that amount of money. The next step was to get it up to $2,000,000,000, and today on the floor of the Senate we have heard it called a three-billion-dollar project.

No other State has ever had to face that kind of propaganda since I have

been a Member of the United States Senate. I have been criticized by some in my own State, as has my distinguished colleague, for supporting projects in California. But we supported them so that the California people might keep their homes and have a decent place in which to earn a livelihood. We have tried to take the broad view. We wanted the people of California to prosper; we wanted all of our people everywhere to prosper.

Mr. President, I have in my hand a copy of the California Farmer, a publication printed in San Francisco. I ask unanimous consent to place in the RECORD an editorial which appears in that newspaper, the heading of which is "Water recedes—the need increases."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WATER RECEDES—THE NEED INCREASES

Water—wealth—conservation—health.

Modesto's famous slogan, slightly amended, tells the national story.

The question of good fresh water confronts the entire Nation. Ask New York City. Ask any farmer where his springs have gone.

Grandson on his city lot runs more water through the meter each day than Grandfather used to draw from his well in a week or a month.

Both cities and farms find it necessary to go farther to find water.

The problem is tough in the arid West where water recedes and population rises.

California presents a stark picture. At the present rate of population growth our 10,000,000 population will soon be 20,000,000, and the demands for water will have more than doubled, because usage of water continually increases per capita.

Potentially California is well off. Our great mountain area receives more water than our limited valley will need in the foreseeable future. Master planning can insure our future water needs.

The Central Valley project is not enough. It is not a master plan. It makes no pretense of taking care of the great thirst south of the Tehachapis. It does not capture the runoff and return waters of the Central Valley.

California Farmer has sought to keep its public relations in order by not taking part in the argument between Arizona and southern California over Colorado River waters. Whatever help California can get from the Colorado River is all to the good for southern California.

But it's not enough water for the conceivable future, and it's not as good water in quality as the torrent which California wastes through the Golden Gate.

Our crying need is for awareness of the problem and for sound master planning for the entire State. We need the vision to override little men, selfish men, and political schemes of both Washington and Sacramento.

The whole State should rise up to smite the steel bridges which politicians propose for San Francisco Bay—bridges which at best are only piecemeal, local planning.

Let's have master planning for California.

Mr. McFARLAND. I desire to read two paragraphs from another editorial in the same newspaper. It reads:

What does it cost other States when Uncle Sam builds a reclamation project in one State?

An association at Los Angeles has developed some amazing figures along that line—figures which are aimed at Arizona—but which might be turned on this State some day.

Mr. President, I hope those figures will not be turned upon that State some day. I do not want to see any State be subjected to the kind of misleading and unfair propaganda which has been put forth in an effort to defeat the central Arizona project.

Senators already have depicted the story of the early development of irrigation in the State of Arizona—how prehistoric people came there and dug canals, not with modern machinery, but with their own hands. That civilization and that culture died with a lack of water. We are fighting now to prevent a recurrence of that tragedy.

Later our people came to Arizona, in the early 1860's, and built there an irrigation system which has made Arizona an agricultural empire. The descendants of those early Indians today farm the lands of their ancestors, once again productive. And among them and along side of them are the sons of our pioneer white families. One of those rugged pioneers was the father of my colleague [Mr. HAYDEN]. His people established on the Gila a flour mill, a mill to provide flour for his neighbors and thus help our farmers in the development of our great State. It is the economy which those hardy pioneers built years ago that we are now trying to save.

We rest our case, Mr. President.

The PRESIDING OFFICER (Mr. SMATHERS in the Chair). The question is, Shall the bill pass?

Mr. WHERRY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hendrickson	McMahon
Anderson	Hennings	Millikin
Bennett	Hickenlooper	Monroney
Benton	Hill	Morse
Brewster	Hoey	Mundt
Bricker	Holland	Neely
Butler, Md.	Hunt	Nixon
Butler, Nebr.	Ives	O'Conor
Byrd	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Pastore
Carlson	Johnson, Tex.	Russell
Chavez	Johnston, S. C.	Saltonstall
Clements	Kefauver	Schoeppel
Connally	Kem	Smathers
Cordon	Kerr	Smith, Maine
Dirksen	Kilgore	Smith, N. J.
Douglas	Knowland	Sparkman
Duff	Langer	Stennis
Dworshak	Lehman	Thye
Eastland	Lodge	Tobey
Ellender	Long	Underwood
Ferguson	Magnuson	Watkins
Flanders	Malone	Welker
Frear	Maybank	Wherry
George	McCarran	Wiley
Gillette	McCarthy	Williams
Green	McFarland	Young
Hayden	McKellar	

The PRESIDING OFFICER. A quorum is present.

The question is on the passage of the bill. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAPEHART (when his name was called). On this vote I have a pair with the senior Senator from Ohio [Mr. TAFT]. If he were present he would vote "nay." If I were permitted to vote I would vote "yea."

Mr. FREAR (when his name was called). On this vote I have a pair with the junior Senator from Minnesota [Mr. HUMPHREY]. If he were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay." I therefore withhold my vote.

Mr. GEORGE (when his name was called). On this vote I have a pair with the senior Senator from Montana [Mr. MURRAY]. If he were present and voting I understand he would vote "yea." If I were at liberty to vote I would vote "nay." I withhold my vote.

Mr. IVES (when his name was called). On this vote I have a pair with the junior Senator from Arkansas [Mr. FULBRIGHT]. If he were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay." I withhold my vote.

Mr. McCARTHY (when his name was called). On this vote I have a pair with the senior Senator from Pennsylvania [Mr. MARTIN]. If he were present he would vote "nay." If I were at liberty to vote I would vote "yea."

The roll call was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Virginia [Mr. ROBERTSON], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Michigan [Mr. MOODY] is absent on public business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference to be held in Geneva, Switzerland, beginning June 6.

The Senator from Virginia [Mr. ROBERTSON] is paired on this vote with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from Virginia would vote "nay," and the Senator from Montana would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Washington [Mr. CAIN] and the Senator from South Dakota [Mr. CASE] are absent by leave of the Senate on official business. If present and voting, the Senator from Washington [Mr. CAIN] would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness, and his pair with the Senator from Wisconsin [Mr. MCCARTHY] has been announced previously.

The Senator from Ohio [Mr. TAFT] is necessarily absent, and his pair with the Senator from Indiana [Mr. CAPEHART] has been announced previously.

The Senator from Montana [Mr. ECTON], who is absent on official business, is paired with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Montana would

vote "yea," and the Senator from Virginia would vote "nay."

The result was announced—yeas 50, nays 28, as follows:

YEAS—50

Anderson	Jenner	Monroney
Bennett	Johnson, Colo.	Morse
Benton	Johnson, Tex.	Mundt
Carlson	Johnston, S. C.	Neely
Chavez	Kefauver	O'Mahoney
Clements	Kerr	Pastore
Connally	Kilgore	Russell
Eastland	Langer	Schoeppel
Ellender	Lehman	Smathers
Gillette	Long	Sparkman
Green	Magnuson	Stennis
Hayden	Maybank	Thye
Hennings	McCarran	Tobey
Hill	McFarland	Underwood
Hoey	McKellar	Watkins
Holland	McMahon	Young
Hunt	Millikin	

NAYS—28

Aiken	Dworshak	O'Conor
Brewster	Ferguson	Saltonstall
Bricker	Flanders	Smith, Maine
Butler, Md.	Hendrickson	Smith, N. J.
Butler, Nebr.	Hickenlooper	Welker
Byrd	Kem	Wherry
Cordon	Knowland	Wiley
Dirksen	Lodge	Williams
Douglas	Malone	
Duff	Nixon	

NOT VOTING—18

Bridges	Fulbright	McClellan
Cain	George	Moody
Capehart	Humphrey	Murray
Case	Ives	Robertson
Ecton	Martin	Smith, N. C.
Frear	McCarthy	Taft

So the bill (S. 75) was passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that Hon. JOHN W. MCCORMACK, a Representative from the State of Massachusetts, had been elected Speaker pro tempore during the absence of the Speaker.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 11) reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 385. An act to direct the Secretary of the Army to convey certain land to the village of Highland Falls, N. Y.;

H. R. 1199. An act to amend section 12 of the Missing Persons Act, as amended, relating to travel by dependents and transportation of household and personal effects;

H. R. 2948. An act to amend title 18, United States Code, with respect to fraud by wire, radio, or television;

H. R. 3033. An act authorizing the Secretary of the Interior to lease certain land in the State of Montana to the city of Poplar and the county of Roosevelt, Mont.;

H. R. 3091. An act to amend the Soil Conservation and Domestic Allotment Act;

H. R. 3142. An act to authorize the settlement by the Attorney General and the payment of certain of the claims filed under the act of July 2, 1948, by persons of Japanese ancestry evacuated under military orders;

H. R. 3455. An act to amend section 4202 of title 18, United States Code, relating to parole of Federal prisoners;

H. R. 3605. An act to amend section 6 of Public Law 134, approved July 6, 1945, as amended, to grant annual and sick leave privileges to certain indefinite substitute employees in the postal service;

H. R. 3911. An act to provide appropriate lapel buttons for widows, parents, and next of kin of members of the Armed Forces who lost or lose their lives in the armed services of the United States during World War II or during any subsequent war or period of armed hostilities in which the United States may be engaged;

H. R. 4106. An act to amend title 28 of the United States Code entitled "Judiciary and Judicial Procedure" by adding a new section thereto known as section 1732b to permit the photographic reproduction of business records and the introduction of the same in evidence; and

H. J. Res. 67. Joint resolution to provide that an aircraft carrier shall be named the *Forrestal*.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker pro tempore had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

H. R. 1612. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; and

H. J. Res. 253. Joint resolution to permit articles imported from foreign countries for the purposes of exhibition at the Japanese Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

AUTHORIZATION TO APPROPRIATIONS COMMITTEE TO MAKE REPORTS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that during the recess of the Senate today and tomorrow the Committee on Appropriations be permitted to file reports on bills pending before that committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO FILE CERTAIN MOTIONS DURING THE RECESS OF THE SENATE

Mr. MCFARLAND. Mr. President, I ask unanimous consent, the Committee an Appropriations be authorized, during the recess of the Senate, to file motions in writing to suspend the rules in connection with certain amendments to the Labor and Federal Security appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. MCFARLAND. Mr. President, it is our intention to have the Senate to take a recess until Thursday so as to give the committees an opportunity to work. On Thursday we hope to be able to take up one of the appropriation bills, probably the Labor and Federal Security appropriation bill.

The PRESIDING OFFICER. What is the further pleasure of the Senate?

NOMINATION OF POWLESS W. LANIER TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF NORTH DAKOTA

Mr. MCFARLAND. Mr. President, I ask unanimous consent that, as in executive session, the Senate proceed to consider the single nomination on the Executive Calendar, that of Powless W. Lanier to be United States attorney for the District of North Dakota.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nomination will be stated.

The Chief Clerk read the nomination of Powless W. Lanier to be United States attorney for the district of North Dakota.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MCFARLAND subsequently said: As in executive session, I ask unanimous consent that the President be notified immediately of the confirmation of Mr. Lanier.

The PRESIDING OFFICER (Mr. MONRONEY in the Chair). Without objection, it is so ordered.

Mr. MCFARLAND. Mr. President, I understand that the Senator from Maine [Mr. BREWSTER] wishes to make a speech, so I yield the floor.

Mr. WHERRY. Mr. President, before the majority leader yields the floor, may I ask him a question?

Mr. MCFARLAND. Certainly.

Mr. WHERRY. I did not understand whether the majority leader said that the Senate would take a recess until Thursday.

Mr. MCFARLAND. Yes; until Thursday. There will be no session tomorrow.

Mr. WHERRY. I thank the Senator.

A GUIDEBOOK TO 10 YEARS OF SECRECY IN OUR CHINA POLICY

Mr. BREWSTER. Mr. President, I want to put the Senate on its guard.

Yesterday, June 4, 1951, was the third day of Secretary Acheson's appearance as a witness before the joint committee investigation of the circumstances of General MacArthur's recall.

During this third day's appearance Secretary Acheson presented what he called a somewhat extended statement on United States policy in regard to China.

This statement must be regarded as one of the most remarkable State Department documents to be issued during the 175 years of our history. It is a miracle of contrived confusion.

There are two things in it which I wish to call to the Senate's instant attention.

The first concerns the Secretary's extraordinary remarks about the Wedemeyer report.

The second concerns Mr. Acheson's denial that any State Department Foreign Service officers believed that Chinese Communists were simply agrarian reformers.

First, about the Wedemeyer report. This passage of Secretary Acheson's remarks will be found on page 4869 of the

transcript of the hearings for June 4, 1951. I will read it verbatim:

General Wedemeyer went to China and returned. He made recommendations, which are printed in the white paper, in which he recommended assistance of economic and military equipment for a 5-year period, which would require congressional authorization.

Although his actual recommendations do not call for a grant of military aid, it is possible to read that in. He does talk about the desirability of that.

However, General Wedemeyer recognized the desirability and importance of avoiding direct United States involvement in the civil war in China by stating:

"Although advice indicated above—that is, technical military advice—"does provide advice indirectly to tactical force, it should be carried on outside operational areas to prevent the criticism that American personnel are actively engaged in fratricidal warfare."

There are other recommendations in the Wedemeyer report which I shall not dwell upon at the present time. We are now directing our attention to the aid part of it.

Mr. President, the key sentences in this astounding statement of Secretary Acheson's are these:

Although his actual recommendations do not call for military aid, it is possible to read that in. He does talk about the desirability of that.

Do not call for military aid, Mr. President! A more bare-faced distortion I have never read.

I shall now read a passage from General Wedemeyer's report, his exact words, taken from page 814 of the white paper. I commence reading at that point in the conclusions where General Wedemeyer states what must be done to prevent defeat at the hands of the Communists. He says:

In order to preclude defeat by Communist forces, it is necessary to give the National Government sufficient and prompt military assistance under the supervision of American advisers in specified military fields.

American military aid to China should be moral, material, and advisory. It should be an integrated element of our world-wide policy of military assistance to certain nations. China should take the initial step of inviting the United States to provide such aid.

American military aid to China, ground, sea, and air, would, if appropriately supervised, contribute to gradual development of stability in the Far East and lessen the possibility of a Communist-dominated China.

If this passage which I have read does not mean military aid, I would be interested to know what it does mean, Mr. President.

Then for what possible purpose did the Secretary make this distortion?

Now for the agrarian reformers.

On pages 4921 and 4922 of the transcript of hearings for June 4, 1951, Senator SMITH of New Jersey made this statement:

Senator SMITH. But as I read the white paper, just about the time General Marshall went out there, and when all these things were developing, some of our own representatives in China, representing the State Department there, were arguing, in favor of the Chinese Communists, it was an agrarian revolution.

On page 4923 of the transcript, Secretary Acheson replies to Senator SMITH:

So far as this agrarian revolution is concerned—to state a negative is a very difficult thing to do—I do not know of any State Department people in the sense of our Foreign Service officers or departmental officers who thought that the Communists were merely agrarian reformers. They understood they were Communists, and in these reports that you have referred to you will see several times that they refer to their Moscow training and their Marxist rigidity.

Mr. President, this is a very remarkable statement. I do not see how it can be construed in but one or another of two ways. It is either outright prevarication, or else the Secretary is ignorant of what State Department Foreign Service officers were doing and saying in those years.

There is now in the State Department Foreign Service a man named Raymond Paul Ludden. From 1938 on he held numerous Foreign Service positions in China. He was a language officer at Peiping, a vice consul at Canton, second secretary at Chungking, and so forth, until in 1948 he was consul general at Canton. Mr. Ludden's peculiar part in our China policy finally roused outside attention and discretion has now seen fit to move him out of the limelight and into the shadow of Brussels where he is now counselor of our Embassy there.

In the Philadelphia Inquirer for March 23, 1945, we find an interview with Mr. Ludden, written by Alexander Kendrick. The interview took place in Washington just after Mr. Ludden had returned from a 7-month trip into Red China.

I quote from the interview:

The slogan of the Chinese peasants in the Communist area is, "A full belly, a warm back, and no one kicking us around," but the so-called Communists are agrarian reformers of a mild democratic stripe more than anything else, the American observer asserted.

Does this interview, Mr. President, with Mr. Ludden refresh Mr. Acheson's twilight memory?

Many Members of the Senate were startled 3 weeks ago when the Assistant Secretary of State, in charge of far eastern affairs, Dean Rusk, in a speech made at the China Institute dinner in New York City, seemed to imply a change of United States policy toward China—Department of State Press Release No. 460, May 17, 1951, Dean Rusk speech, Chinese-American Friendship, Waldorf-Astoria Hotel, New York City, May 18, 1951.

I say, "seemed to imply," Mr. President, for I have carefully examined the text of this address and I can find no categorical statement in it that the United States will exercise all its powers and influence against the admission of Communist China into the United Nations. The speech seems to denounce the Chinese Communists. The speech seems to say that we will stand by the National Government now established in Formosa.

Less than a year ago, on June 14, 1950, Dean Rusk told the World Affairs Council Conference at the University of Pennsylvania that the Chinese revolution "does not aim at dictatorship"—The China Story, page 121; see also Senator MCCARTHY, CONGRESSIONAL RECORD, April 24, 1951, page 4265.

Three weeks ago he told the China Institute that—

The freedoms of the Chinese people are disappearing. Trial by mob, mass-slaughter, banishment as forced labor to Manchuria, Siberia or Sinkiang, the arbitrary seizure of property, the destruction of loyalties within the family, the suppression of free speech—these are the facts behind the parades and celebrations and the empty promises.

Does the quotation I have just read sound like dictatorship? It certainly does. Yet a year ago Mr. Rusk said there was no aim at dictatorship. The most charitable explanation is that these gentlemen have been getting educated. But are they to be considered more worthy of trust today than they were during the 6 years last past when constantly they have been misapprehending the tendencies and the ideology of the so-called Chinese Communist "agrarian reformers?"

Does this seeming change of mind on the part of Mr. Rusk, a State Department official speaking officially, really mean a change of policy on the part of the administration?

Mr. President, I have already said that I have searched his speech from end to end, and despite all the adjectives Mr. Rusk used to decorate his statement, I do not find a firm and solid sentence anywhere in it.

In effect, Mr. President, the speech bears all the marks of a statement colored to give an impression, an appearance, that the administration is beginning to bow to the storm of public opinion. Yet there is no evidence that the administration has really shifted ground at all. The Secretary of State, Mr. Acheson, apparently would be warranted in his very definite and positive statement that this speech by Mr. Rusk indicates no change in policy at all. Yet every newspaper in the country, so far as my knowledge goes, editorially and otherwise interpreted the speech as a radical change of policy. What cunning use of language, that they should be able, apparently, to deceive the entire press of the United States when Dean Rusk made his statement, and yet Mr. Acheson could blandly assure us that the speech indicated no change at all.

Mr. Rusk refers sourly to the empty promises of the Chinese Communists. Certainly, as a State Department official, he must be able to recognize an empty promise when he sees one.

Mr. President, if Secretary Acheson or Mr. Rusk want to know why confidence in them has disappeared, if they want to know why the country believes the administration morally and intellectually bankrupt, this Rusk speech will help to explain.

It appears, Mr. President, that no one in the State Department is willing to speak simply, directly, and truthfully, They will not come clean.

Mr. President, just a few day ago the American Society of Newspaper Editors held their annual meeting here in Washington. At that meeting, on April 21, 1951, the society's committee on freedom of information brought in a report. Said the committee:

We editors have been assuming that no one would dispute this premise: That when the

people rule, they have a right to know all their Government does. This committee finds appalling evidence that the guiding credo in Washington is just the opposite; that it is dangerous and unwise to let information about government leak out in any unprocessed form.

Mr. President, what the American Society of Newspaper Editors is now reporting officially, the Congress has been learning through bitter experience over a period of more than a decade.

The congressional power to investigate, which is the last-ditch authority of the national legislature, has been repeatedly defied by the Executive. Subpenas have been ignored. Files have been withheld. Examples will occur to all. I need not recall them.

The senior Senator from Michigan [Mr. FERGUSON] on the floor of the Senate made an elaborate analysis of executive secrecy and censorship in a study of the iron curtain at home, appearing in the CONGRESSIONAL RECORD, volume 94, part 8, page 10190 and following.

Mr. President, the fundamental issue of our time is whether this Nation shall go Communist or whether we shall struggle through with our individual freedom, both intellectual and economic, battered perhaps, but still intact.

Underneath the surface of our daily lives this grim battle is going on night and day. Sometimes the battle is spectacular—as in the Berlin airlift. Sometimes it is an obscure struggle in the local of a labor union. Sometimes it is silent smothering and strangulation done by a Government information officer.

Mr. President, the suspicion of Communist infiltration and influence in our Government first arose long ago. I need not recall the incidents which first aroused and then deepened this suspicion to conviction. Such incidents are legion.

Similarly, Mr. President, the tendency toward secrecy in the operation of the executive branch began years ago. I need not recall examples of this, either. They are bitterly familiar to us all.

There were numerous reasons for this effort toward secrecy. I do not say that Communist influence and activity were the only reasons. But they were important ones.

Some of all this has now been proven in the courts, but much yet remains shrouded, half concealed, and not clear.

For some years now the President and his subordinates have been speaking harsh words about communism and the Soviet Union. But the people remain unconvinced.

Why?

Because, Mr. President, the administration has never yet come forward and revealed honestly and fully the truth about Communist influence and infiltration in our Government and in our foreign policy.

In no phase has the determination to operate secretly been more pronounced than in the China policy, and it is in respect to the China policy that the suspicions of our people are most deeply seated.

We have reached a pass, Mr. President, where the administration simply is not believed, no matter what it says about the Far East.

There is not a Member of the Congress who does not know how devious the conduct of the China policy has been. Everyone knows how often the anxious inquiries of Representatives and Senators of both parties have been short-changed, evaded, and flouted.

Mr. President, we had an amazing spectacle within the present week, when a document in the nature of a directive issued by the State Department to 450 officials all over the world was sought to be kept from public view on the simple plea that it did not tell the truth. That was the plea of avoidance made by the Secretary of State—namely, that a document duly processed through the State Department and issued as a directive for instructions to all those officials should not become known to the public because it was a deliberate falsehood from beginning to end.

Mr. President, Socrates a long time ago was asked what was the penalty of being a liar. To the young man who made that inquiry, Socrates replied, "Not to be believed when you tell the truth." That is the tragic situation in which the State Department now finds itself, Mr. President. When it is attempting through the Voice of America to tell the people of the world the truth about the American way of life and America rallying to defeat the Communist attempt to destroy our liberties, the State Department is suspected of indulging in deliberate misrepresentations and untruths. How can they expect to establish confidence with a record of that character written into their own administration of the Department?

I want to pay tribute also to those Senators on both sides who decided that it was time that the people were entitled to know the facts and who voted to make the document public, over the very severe opposition of the Secretary of State.

Sometimes, Mr. President, events may turn on a book. Occasionally we learn the truth when some publication helps to make further concealment and suppression impossible.

Recall the persecution of Alfred Dreyfus. To conceal a piece of treachery in the French Army, suspicion was unjustly cast upon Captain Dreyfus, and an anti-Semitic crusade was trumped up to make the false charges stick. Over a period of months and years suspicions accumulated that a monstrous piece of injustice had been done, but it was not until Zola's I Accuse was published in Clemenceau's newspaper that a real beginning was made to get at the truth.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. BREWSTER. I am happy to yield to the Senator from South Dakota.

Mr. MUNDT. The Senator is making a very impressive speech, and I congratulate him upon the public service he is performing in helping to put together at one place this strange evolvement of the so-called Chinese policy. I was particularly impressed by this last few remarks about the importance of avoiding any unnecessary secrecy in our foreign affairs, certainly from the standpoint of keeping Congress and the people informed about them. I wonder whether the Senator would agree with me that, in these days when the Communists are so very obviously using every conceivable tactic and technique to infiltrate the State Department as well as other departments and agencies of the Government, the very fact that secrecy is employed serves the purpose of the Communists, whether or not they have any part in shaping the patterns of secrecy; because, by concealing what is going on, it is then possible for Communists, when they get into positions within the State Department, as they have done in the past, to divert and direct the policies without having the great patriotic pressure of the Congress and the people brought to bear to refute their fallacious policies?

Mr. BREWSTER. It is certainly true that in a great Republic such as ours the only protection of our liberties and our future must be the fullest publicity consistent with what may be determined, in certain very limited instances, to require that confidence be observed. I think it is profoundly gratifying that the two committees, sitting jointly, have indicated so clearly their determination to bring into the light of day everything possible, unless there is a clear showing that the public interests would be very seriously and adversely affected. I pay tribute to the Senators on both sides of the aisle who have rallied to that standard in seeking the service of their country and of the world.

Mr. MUNDT. Mr. President, if the Senator will yield further, I should like to associate myself, in the paying of that tribute, because, across the party lines, in the matter of disclosing to the American people what was in the so-called Formosa papers, there was an overwhelming vote in the direction of making it public, and every step by which we curtail information unnecessarily creates a new opportunity for espionage agents and Communists in government to carry out their nefarious practices.

Mr. BREWSTER. There is no question about it, and I appreciate the Senator's observation.

Three weeks ago a book was published that may, by chance, be of as great assistance in dragging forth the truth about the China policy as Zola's article was in the exposure of the persecutors of Dreyfus.

The book to which I refer is called The China Story. It was written by Freda Utley, an English journalist who is now an American citizen.

This book is an analysis of Communist influence on the far-eastern foreign policy of the United States. That is, it analyses Communist influence on our Foreign Service officers, on our journalists, on our State Department, and on the administration generally in respect to our China policy.

It is interesting, I think, to note that in the 3 weeks which have elapsed since its publication it has, in its field, already become one of the best sellers, apparently indicating a very profound desire

of the American people to find out more about the motivation of our foreign policy, particularly with regard to the Orient.

If this book does not contain the whole story, it contains the most complete account to date and should be required reading for every voter in this country. But there is a strange story within a story involved here, and it is that story which I wish to call to the attention of the Senate. This book, as a documentation of our policy in China, I think may well be read along with the address delivered yesterday by the Secretary of State before the two committees, sitting jointly, in order that there may be explored some of the points which were possibly overlooked by those who briefed the Secretary of State regarding his address. He is necessarily dependent upon his staff officers, and may not be too severely criticized for not being completely briefed on many things which occurred, as indicated in some of the questions which have already been asked him.

By accident, Miss Utley is one of the pivots on which this story turns. To make the story clear it will be necessary to identify the author a little more fully.

She is an Englishwoman, educated at London University and the London School of Economics. In 1927 she became a member of the British Communist Party. A year later she married a Russian and subsequently went to Moscow. There she and her husband lived for some 6 years until, one night, the secret police arrested her husband and took him away. He was never seen again.

I shall not pursue this lady's biography much further except to say that by the time she managed to get out of the Soviet Union with her child in 1936 she had learned that Communist Russia was not the hope of mankind.

Miss Utley was admitted to this country by private law 372 of the Seventy-eighth Congress, approved September 27, 1944. She had to wait 5 years after immigrating to become a citizen. This private bill was necessitated because she stated frankly when she came in that she had been a member of the British Communist Party from 1928 to 1931. Last August she became an American citizen.

Having to earn a living, she found employment with the London News-Chronicle and went out to the Far East in 1938 to report the Japanese-Chinese War, then in its second year.

It was at Hankow in 1938 that this disillusioned woman first collided with a group of individuals who were then almost unknown in the United States but who subsequently became famous far and wide as pleaders, rationalizers, and apologists for the Chinese Communist cause.

If the lady's education in communism had not been achieved by the process of going through the wringer in Moscow, it was certainly completed in China at the hands of this heterogeneous band of zealots.

Who were they?

Col. Joseph Stilwell, military attaché, was one of them. He was unaware that events would presently make him a general and Chief of Staff to Chiang Kai-shek.

Still another was Agnes Smedley, who believed that communism was the salvation of the world and who had long been singing the praises of the Chinese Communists in the American left-wing press.

It is interesting to note that Miss Smedley has just been deified by the Communists in Peiping within the past month as one of the saints of their cause.

Still another was John Davies, then United States consul at Hankow, later to rise to high position in the State Department and to achieve great influence over the China policy.

Still another was Edgar Snow, not yet but soon to be celebrated as a sort of left-wing Richard Harding Davis.

There were numerous others in this group—and the number grew as time went on. The common interest of all was a fascination for the Chinese Communists and a growing hatred for the government of Chiang Kai-shek.

At that moment, in 1938, very few people in the United States were aware of the existence of this group in China. Here in Washington attention was absorbed in the persistence of unemployment, in the fact that deficit spending was becoming a permanent policy, and that Hitler was turning Europe upside down. China was getting a minimum of attention.

Suddenly, in 1938, a rocket shot up in the shape of a book by Edgar Snow. It was called Red Star Over China and was an exultant account of life among the Chinese guerrillas and the exploits of the Communist Eighth Route Army.

This book, acclaimed as a best seller, may be said to have been the opening gun in what subsequently became a tremendous effort to impress the general American public—as apart from the left wing—with the virtue, courage, bravery, and humanity of the Chinese Communists.

Today as the reports of purges, mass executions, and tortures come pouring in from China, we see that communism in China is like communism everywhere: cruel, merciless, malignant, and deadly.

I have said that by accident Miss Utley is one of the pivots on which this story turns.

Why is this?

It is because, 13 years ago, she began to report the truth about the Chinese Communists. Because she did, she was thoroughly browbeaten and vilified for her pains. She went out and back to China several times and not only worked as a journalist but wrote books about what she had seen in China. With what result? While American writers who were sympathetic with the Chinese Communists were being applauded in the press, Miss Utley was sniped at and treated with contempt. She came from the wrong side of the tracks and she was told to go back to the intellectual shanty town where she belonged.

In other times, in other circumstances, Mr. President, all this might have been like a dozen other literary teapot tempests that make life interesting in the publishing business, but to which the general public pays small concern.

But in this instance there is a difference. For years the administration, preoccupied with Europe, had given minor attention to the Far East.

Chiang Kai-shek had been fighting the Japanese intermittently since 1931 and after 1937 in a full-scale war. Most of the time he was simultaneously waging a civil war against the Chinese Communists. Very little was done about it.

Then came Pearl Harbor and overnight Chiang Kai-shek became an essential ally. He must be aided with arms, money, and advice to help carry the war with Japan to victory.

Who was sent out as General and Chief of Staff but Joseph Stilwell, the former military attaché. Who became General Stilwell's political advisers? John Davies, John Service, Raymond Ludden, and John Emerson. Who became counselor of our Embassy at Chungking? John Carter Vincent.

So the diplomatic positions were occupied.

A little later who began to command space in American print? Not only such scholars as Owen Lattimore. Not only such Communist war horses as Agnes Smedley and Anna Louise Strong. Not only such journalistic heroes as Edgar Snow. There were many others, including Gunther Stein, Harrison Forman, Jack Belden, Richard Lauterbach, Mark Gayn, and Theodore White.

Here on the one side were the Foreign Service officers and, on the other, their friends, the scholars and the journalists.

Here in this heterogeneous group the germ of the fatal coalition idea which subsequently became the basis of United States China policy was cultivated and promoted.

We know, from the Stilwell Papers, edited by Theodore White, how intense General Stilwell's feelings were. Stilwell was an honest, brave, and highly competent soldier in the field. His willingness to share hardships with his men won their devoted loyalty. But politically Stilwell was a naive and trusting soul, easily persuaded. He became convinced that the Chinese Communists were wonderful people and that Chiang Kai-shek was unmitigated evil. This put Stilwell in a position where, notwithstanding his bravery and his generosity, he could make political decisions that had dreadful consequences.

It was my fortune as a member of the Truman committee to be sent by the then Senator Truman on a trip around the world which brought us, under the chairmanship of the present distinguished chairman of the Committee on Armed Services, the Senator from Georgia [Mr. RUSSELL], to Kunming where I first met General Stilwell, who flew down from Chungking to meet us. The tragic

relationship between General Stilwell and General Chennault was a matter that was incredible to believe if we had not actually observed it. His feeling, not only against Generalissimo Chiang Kai-shek, but also toward General Chennault was very difficult to understand. We were surprised when we went from the airfield where we had landed to find General Stilwell's chair vacant, because when we got back to the airport we found him sitting in his Ford car on the airfield refusing even to sit down and break bread with his brother officer in Kunming because of the bitterness of feeling. What the rights of that situation were, I am not able to say, but the tragic consequences of it, in the absolute lack of confidence between the Generalissimo, General Stilwell, and General Chennault, was a tragic illustration of the things which subsequently ensued.

We know now that Chiang's demand for Stilwell's recall was the Generalissimo's last desperate throw of the dice. We know now that General Wedemeyer's brief term as Chief of Staff in succession to Stilwell was the last time that there was a realistic effort made to deal with Chiang's plight in respect to the Communist threat. We know now that the promises made to Chiang at Cairo in 1943 were betrayed at Yalta in 1945. We know now that the coalition policy which General Marshall was sent out to impose in 1945 was the policy which, by indirection, could do nothing else than aid the Chinese Communist cause.

Mr. President, I have said that the administration has taken every possible opportunity to suppress the whole truth about what they were doing in China.

Because total suppression is difficult we have been able to deduce the outlines of what they were up to. A thousand details we do not yet know, but the broad outlines since 1945 are clearly visible and many of those outlines Miss Utley has been able, in her book The China Story, to fill in.

What was and is the main effort? To do everything possible to back out of our commitments to Chiang Kai-shek. The administration simply did not dare to break with him openly and completely so they had to do it piecemeal. They welshed on the promises made at Cairo, they demanded that Chiang take Communists into his government, they embargoed the shipment of arms to him. The crown of the work was the statement of Secretary Acheson on May 31, 1950, that we would not use the veto to prevent the seating of Red China in the United Nations—Washington Star, June 1, 1950; see also pages 3 and 4 of the mimeograph transcript of Acheson's address to Members of Congress in the Library of Congress Auditorium, May 31, 1950. Acheson made the statement in reply to a question by Representative JUDD.

This diplomatic game of now-you-see-it-now-you-do not has been going on full blast since 1945.

Mr. President, I have said that the administration has taken every possible opportunity to suppress the whole truth about what it was doing in China.

In full stride with the diplomatic campaign came an outpouring of books and magazine articles from the group that got their start in Hankow in 1938, the group that so thoroughly disagreed with Miss Utley, the group that gained new recruits as the years went by, the group that by 1945 were in a position to make a terrific impact on United States opinion.

As Owen Lattimore put it in the New York Times on June 22, 1947:

> From Edgar Snow's Red Star to Theodore White and Annalee Jacoby's Thunder Out of China the list of names is distinguished. It is noteworthy that the recent and current trend of good books about China, well documented and well written, has been well to the left of center.

Mr. Lattimore was quite right. The list was more than noteworthy.

In general, though not in every detail, these books assumed a common pattern arguing two fundamental points:

First. The government of Chiang Kai-shek is vicious, corrupt, decadent, and tyrannical.

Second. The Chinese Communist movement is healthy, vigorous and, in most respects, an admirable effort to attain justice and liberation.

In some way or other—I do not pretend to know how it was done—the authors of these books managed to endorse each other's wares with remarkable success. Often they reviewed one another's books. It was all very skillful. The praise was glowing, but a spoonful of criticism was often put in to give the right tint of impartiality. A master propagandist could not have done a better job.

And where this crowd really went to town was when they swung the hatchet on the few authors and journalists who tried to warn Americans of the Communist peril.

Mr. President, to show that this charge is not idle and irresponsible, I have prepared two tables. These tables list the bulk of the nonfiction books on China, published in the United States from 1945 through 1950, as they were reviewed in two of the most influential book-review mediums in this country—the New York Times Weekly Book Review and the New York Herald Tribune Weekly Book Review. Novels are excluded from the list, along with poetry, children's books, and technical works. What we have here are the principal nonfiction works on China as they have been reviewed during the past 6 years.

The tables give the title of the book, the author, the reviewer, and the date of publication of the review.

I recommend to the social historian who has claims to impartiality a close inspection of these tables and of the reviews themselves. He will find them a revelation.

Mr. President, I do not wish to take up the Senate's time unduly, so I ask unanimous consent that the two tables be inserted in the RECORD at this point in my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Nonfiction books on China published in the United States and reviewed in the New York Times Book Review and the New York Herald Tribune Book Review, 1945–50, inclusive

NEW YORK TIMES BOOK REVIEW

Book	Author	Reviewer	Date
Solution in Asia	Owen Lattimore	Edgar Snow	Feb. 25, 1945
Report From Red China	Harrison Forman	do	Mar. 11, 1945
China Among the Powers	David N. Rowe	do	May 20, 1945
China's Crisis	Lawrence K. Rosinger	T. A. Bisson	July 29, 1945
The Challenge of Red China	Gunther Stein	Nathaniel Peffer	Oct. 28, 1945
My Twenty-Five Years in China	J. B. Powell	Annalee Jacoby	Dec. 16, 1945
Thunder Out of China	Theodore White and Annalee Jacoby	John K. Fairbank	Oct. 27, 1946
China's Destiny	Chiang Kai-shek	do	Feb. 9, 1947
Look South to the Polar Star	Holger Cahill	Annalee Jacoby	Do.
No Peace for Asia	Harold Isaacs	do	May 18, 1947
The Unfinished Revolution in China	Israel Epstein	Owen Lattimore	June 22, 1947
The Revolt of Asia	Robert Payne	Robert Shaplen	Sept. 28, 1947
China Awake	do	John K. Fairbank	Oct. 19, 1947
Last Chance in China	Freda Utley	Harold Isaacs	Nov. 23, 1947
The Stilwell Papers	Edited by Theodore White	Ira Wolfert	May 23, 1948
The United States and China	John K. Fairbank	Annalee Jacoby	July 11, 1948
Changing China	Harrison Forman	do	Nov. 14, 1948
China the Land and the People	Gerald F. Winfield	John K. Fairbank	Dec. 12, 1948
Way of a Fighter	General Chennault	Annalee Jacoby	Jan. 30, 1949
Russia's Race for Asia	George Creel	Nathanie. Peffer	Mar. 13, 1949
The Situation in Asia	Owen Lattimore	Stuart Lillico	Apr. 10, 1949
China Shakes the World	Jack Belden	Nathaniel Peffer	Oct. 23, 1949
The Chinese Conquer China	Anna Louise Strong	Henry R. Lieberman	Nov. 13, 1949
Pivot of Asia	Owen Lattimore	Stuart Lillico	Mar. 26, 1950
Dateline: China	Hollington K. Tong	Robert A. Smith	Apr. 23, 1950
Ordeal by Slander	Owen Lattimore	R. L. Duffus	July 30, 1950
Peking Diary	Derk Bodde	Nathaniel Peffer	Oct. 29, 1950
Mao Tse-Tung	Robert Payne	do	Do.
Two Kinds of Time	Graham Peck	do	Nov. 5, 1950
China and the Soviet Union	A. K. Wu	Robert Payne	Dec. 3, 1950
Blunder in Asia	Harrison Forman	Stuart Lillico	Dec. 10, 1950

NEW YORK HERALD TRIBUNE BOOK REVIEW

China Among the Powers	David N. Rowe	Eleanor Lattimore	Feb. 18, 1945	The Big Yankee (Carlson)	Michael Blankfort	Richard Watts, Jr.	Mar. 2, 1947
Solution in Asia	Owen Lattimore	A. T. Steele	Feb. 25, 1945	Stalin Must Have Peace	Edgar Snow	Joseph Barnes	May 18, 1947
China After Seven Years of War	(Various authors)	Gunther Stein	Mar. 4, 1945	No Peace for Asia	Harold Isaacs	Owen Lattimore	June 22, 1947
Report From Red China	Harrison Forman	Floyd Taylor	Mar. 18, 1945	The Revolt of Asia	Robert Payne	A. T. Steele	Sept. 28, 1947
The Chinese Labor Movement	Nym Wales (Mrs. Edgar Snow)	Eleanor Lattimore	Apr. 8, 1945	Danger From the East	Richard Lauterbach	Owen Lattimore	Nov. 23, 1947
China's Crisis	Laurence K. Rosinger	Owen Lattimore	July 15, 1945	Last Chance in China	Freda Utley	do	Nov. 30, 1947
The Challenge of Red China	Gunther Stein	do	Oct. 14, 1945	Donald of China	E. A. Selle	do	Feb. 8, 1948
My Twenty Five Years in China	John B. Powell	do	Nov. 11, 1945	The Stilwell Papers	Edited by Theodore White	Harold R. Isaacs	May 30, 1948
Earthbound China	Hsiao-Tung Fei and Chih-I-Chang	Eleanor Lattimore	Nov. 25, 1945	The United States and China	John K. Fairbank	do	July 11, 1948
China in the Sun	Randall Gould	Richard Watts, Jr.	Jan. 27, 1946	Two Years With the Chinese Communists	Claire and William Band	Owen Lattimore	Do.
Chungking Listening Post	Mark Tennien	Eleanor Lattimore	Mar. 10, 1946	Way of a Fighter	General Chennault	Harold R. Isaacs	Jan. 30, 1949
Our Neighbors, the Chinese	Vaughan White	do	May 5, 1946	The Situation in Asia	Owen Lattimore	Edgar Snow	Apr 10, 1949
China and America	Foster Rhea Dulles	Owen Lattimore	June 2, 1946	Russia's Race for Asia	George Creel	Christopher Rand	May 8, 1949
Sun Yat-sen	Stephen Chen and Robert Payne	Richard Watts, Jr.	July 14, 1946	China Shakes the World	Jack Belden	Owen Lattimore	Oct. 23, 1949
Messages of Chiang Kai-shek	Chiang Kai-shek	Owen Lattimore	Oct. 20, 1946	The Chinese Conquer China	Anna Louise Strong	John K. Fairbank	Nov. 13, 1949
Thunder Out of China	Theodore White and Annalee Jacoby	Richard Watts, Jr.	Oct. 27, 1946	Pivot of Asia	Owen Lattimore	do	Mar. 19, 1950
China's Destiny and Chinese Economic Theory	Chiang Kai-shek	Owen Lattimore	Feb. 16, 1947	Dateline: China	Hollington K. Tong	A. T. Steele	May 7, 1950
				Ordeal by Slander	Owen Lattimore	John K. Fairbank	July 30, 1950
				Two Kinds of Time	Graham Peck	Harold R. Isaacs	Oct. 29, 1950

Mr. BREWSTER. Mr. President, last year when Owen Lattimore came to write his book called Ordeal by Slander in which he gave his version of his activities and his connection with the Tydings investigation, he said that when he first learned of the charges made against him he recognized them at once as accusations which had been made for years by one Alfred Kohlberg, whom he described as "a millionaire fanatic who for years had spent a lot of money trying to work up pressure for all-out aid to Chiang Kai-shek." Mr. Lattimore described Mr. Kohlberg's activities as chief member of what he called the China lobby. Mr. Lattimore discussed the dubious propaganda organizations with which this so-called China lobby was concerned.

Mr. President, I know very little about Mr. Kohlberg and his doings, but I must say that, when compared with what the left wing could do in flooding the market with pro-Chinese Communist material, Mr. Kohlberg is a babe in the woods. These tables prove it.

The tables demonstrate the remarkable success of this effort to explain in glowing terms the Chinese Communist cause.

We find in the New York Herald Tribune that when Mrs. Edgar Snow writes a book, Mrs. Owen Lattimore reviews it in highly favorable terms. Later the favor is returned when Mr. Snow favorably reviews a book by Mr. Lattimore—the Chinese Labor Movement, by Nym Wales—Mrs. Edgar Snow—was reviewed April 8, 1945, by Eleanor—Mrs. Owen—Lattimore. The Situation in Asia, by Owen Lattimore was reviewed by Edgar Snow April 10, 1949. Both reviews appeared in the New York Herald Tribune weekly book review.

Sometimes the connections are not quite so intimate, but when the sentiment of the book is right, the endorsement is forthcoming.

Listen to Owen Lattimore in the Herald Tribune for July 11, 1948, reviewing a book called Two Years With the Chinese Communists, by Claire and William Band.

This book—

Says Mr. Lattimore—

is of primary importance to Americans whose tax money is being spent on economic subsidy to the Kuomintang and, as Secretary Marshall has admitted in a devastating phrase, military aid "far beyond previous congressional knowledge."

Where and when, Mr. President, did Secretary Marshall say that military aid was being furnished the Kuomintang "far beyond previous congressional knowledge"? If there is any subject that Members of Congress have struggled to get full and complete information about it is military aid to China. And no line of questioning has brought more congressional frustration.

So much for the reviews in the Herald Tribune. Let us turn for a moment to some of the reviews in the New York Times.

Here we have Nathaniel Peffer on October 28, 1945, reviewing Gunther Stein's The Challenge of Red China. Says Mr. Peffer:

There is something in Communist China that captures the imagination of all sorts and conditions of men * * * it must be emphasized that Mr. Stein is a competent reporter and that he documents his facts.

Mr. President, let us recall the later revelations of the competent Gunther Stein. In February 1949, the Army published a report prepared by General MacArthur's staff, stating that they had come upon the records of the Soviet spy, Richard Sorge, who was tried by the Japanese during the war. The Japanese had discovered, according to the records, that Sorge, Agnes Smedley, and Gunther Stein had been members of a Russian Communist spy ring in Asia.

Let us recall further, Mr. President, some of the strange things that happened after this report from MacArthur's staff was published.

In the first place, Gunther Stein, who was in the United States at the time, fled the country within 24 hours. Flight is usually considered a confession of guilt.

Miss Smedley, the old Communist war horse from the Hankow days of 1938, took a different tack. She wrote to President Truman and asked him to force MacArthur to apologize or waive immunity so that she could sue for libel.

What happened then, Mr. President, was very mysterious. So far as is publicly known General MacArthur never apologized nor waived immunity but the Army here in Washington did a strange thing. It issued what, in effect, was a retraction and said it had no proof to back up the charges that Agnes Smedley had been a member of the alleged spy ring. This whole episode is another chapter in our China policy that is still buried in darkness. For full details of the MacArthur report, the flight of Stein and the "retraction" made by Miss Smedley, see the New York Times as follows: February 11, 1949, page 1; February 12, 1949, page 4; February 19, 1949, page 1.

It is not to be supposed, Mr. President, that this trusty band could hit the bull's eye every time. A score of 100 percent was perfection not quite to be achieved.

For example, in the course of 6 years, in the Herald Tribune Weekly Book Review, two volumes on China are reviewed by the reliable Arch Steele, the far eastern correspondent. Similarly in the New York Times we can discern some skepticism in three reviews by Stuart Lillico. Other examples might be given.

But, by and large, Mr. President, the boys and girls who, in the old-time phrase, were determined to carry the message to Garcia, scored a triumph. On the whole it was as successful a selling job for communism as has ever been done here.

But what, Mr. President, happened to the few scattered reporters who were determined, like Miss Utley, to report the facts? Never, Mr. President, was hatchet work better done.

Listen to Owen Lattimore in the Herald Tribune 4 years ago—November 30, 1947—reviewing an earlier book of Miss Utley's called Last Chance in China. Says Mr. Lattimore:

As for the Chinese themselves, Miss Utley's wide ranging personal references spread through the whole book an atmosphere of tale-bearing about dirty linen.

Here we have the tomahawk smash at the author's skull. Again says Mr. Lattimore, and I quote him again:

Miss Utley recklessly describes the late General Stilwell as having "surrounded himself with Communist sympathizers."

Was that so reckless a charge, Mr. President? Let him answer who knows

the truth and the whole truth about John Service and the Amerasia case.

I shall not explore these book review tables further, Mr. President. He who wishes to examine them will find ample confirmation of what I say. Nathaniel Peffer applauds Jack Belden and damns George Creel. The Lattimores beat the drum for their favorites and use the knife on anti-Communists. Richard Watts sings the praise of Theodore White and Annalee Jacoby's Thunder Out of China, and, when finally Owen Lattimore writes his Ordeal by Slander, his friend John K. Fairbank, of the Harvard faculty, manages to write a front-page review in which he conceals the fact that he was one of the participants in organizing the Lattimore defense publicity campaign. To such depths has academic integrity declined.

But now, and at last, Mr. President, one of the journalists who went out to China years ago has written a book to open the eyes of her countrymen. Here in Miss Utley's The China Story is piled up a mountain of evidence about how the most appalling tragedy in the history of our foreign policy was engineered.

The bitterest phrase in our language today is this: "The Chinese Communists are just agrarian reformers." We know who put it over. And Miss Utley tells us how it was done.

Ten years ago Edgar Snow wrote a book called The Battle for Asia. In this book there is a passage in which Mr. Snow permitted himself to speak more frankly than later he did. And this passage, oddly enough, deals with Miss Utley. I have said that by accident she was one of the pivots on which this strange and terrible story of journalism and diplomacy turned. I think this passage proves it. Let me quote it in conclusion—pages 289–291, The Battle for Asia, by Edgar Snow, New York, 1951.

Mr. Snow describes how Miss Utley came out to Hankow in 1938 and how he met her. She was, said Mr. Snow, "a sheep strayed from the Comintern fold, of which she had been a follower for some years before the intervention of a personal catastrophe destroyed her enthusiasm. She had a keen political mind, and her recent release from her obligations to Moscow had left her in a back swing of cynicism which gave to her remarks and judgment a highly pungent quality."

Then, said Mr. Snow:

> In her search for a faith she had fallen back upon resurging dreams of a new liberating force in western capitalism.

Is that so much a dream, Mr. President? Confronted by the black and bloody tyranny of a totalitarian world, what other dream is there than that western ideas of individual liberty may develop a new and liberating force?

But let me finish with Mr. Snow's strangely frank passage:

> My personal feeling in the matter is that liberals who build up hopes that the Communists of China are "different" and "only reformers" and have abandoned revolutionary methods to achieve their program, are doomed to ultimate disillusionment. These men (that is, the Chinese Communists) are Nationalists because they are in a Nationalist united-front phase of revolution, but their religion remains international socialism, and if conditions change they may adopt whatever methods they believe necessary in order "to stay on the locomotive of history."

Mr. President, that the Chinese Communists were out to promote international socialism is what the author of The China Story has been trying to tell Americans for 10 years. It is what our State Department chose not to believe. Will The China Story do for us what Zola's I Accuse did for Dreyfus?

Mr. President, it is my earnest hope that in some measure this book may serve to balance American thinking and information upon the most profound issues with which our generation—or perhaps any generation of Americans—has thus far been faced.

DIFFERENCES OVER STRATEGY BETWEEN THE JOINT CHIEFS OF STAFF AND GENERAL MAC ARTHUR

Mr. MORSE. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD two excellent editorials which recently appeared in the press on some of the issues involved in the investigation of the MacArthur matter, one editorial appearing in the Washington Post of Sunday, June 3, 1951, entitled "Joint Chiefs Versus MacArthur," and the other appearing in the Christian Science Monitor of Saturday, June 2, 1951, entitled "Military Testimony."

I wish to advise the Senate as I make this request that I intend to have reprints of these editorials made for use in answering my mail on the MacArthur issue. In my opinion, these two editorials are a very accurate summary of the record of the hearings to date in regard to the military issues involved. The fact is, Mr. President, that the record of the hearings to date shows that the Joint Chiefs of Staff at no time shared General MacArthur's view that the war should be extended beyond the boundaries of Korea and on to the mainland of China. Unfortunately, millions of our citizens apparently formed the impression from General MacArthur's speech before the joint meeting of the two Houses of Congress and in his testimony before the committees that the Joint Chiefs of Staff shared his views as to how the war in Asia should be conducted.

I have no doubt that General MacArthur honestly believed that the study of the Joint Chiefs of Staff which was submitted to him on January 12 meant that they shared his point of view. However, the testimony before the committees by the Joint Chiefs of Staff indicates very clearly that General MacArthur was not justified, on the basis of the facts, in making that mistaken interpretation of the true position of the Joint Chiefs of Staff. What they really sought to make clear to General MacArthur in the document of January 12, was that it might become necessary to adopt some of MacArthur's recommendations, such as bombing Manchurian bases and imposing a naval blockade if we were forced back to a beachhead position in Pusan, or to stabilize our forces into a defensive line somewhere along a position of retreat in South Korea, or evacuating Korea entirely. However, the official documents in evidence make perfectly clear that at all times the Joint Chiefs of Staff warned General MacArthur that the military policy of the Government was against extending the war beyond the limits of Korea.

The two editorials which I am submitting for the RECORD bring out very clearly the fact that the Joint Chiefs of Staff did not share General MacArthur's proposals for extending the war.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post of June 3, 1951]

JOINT CHIEFS VERSUS MACARTHUR

In sum, the testimony of the Joint Chiefs of Staff was such as to justify the confidence of Americans in the judgment of their top military leaders. It was sober analysis, and—aside from the nonsensical flurry started by Senator WILEY over whether to try to compel General Bradley to describe the details of a confidential conversation with the President—the questions and answers stuck pretty close to the issues raised by the ouster of General MacArthur. The result was an overwhelming rebuttal of the MacArthur strategy and a clear demonstration of why MacArthur was fired.

1. REASONS FOR OUSTER

General MacArthur was removed by the President, not by the Joint Chiefs. Secretary Marshall had already described the main factors in this decision—public statements which violated the President's directive, and a premature announcement which vitiated a Presidential cease-fire proposal. But the Joint Chiefs also noted that MacArthur was out of sympathy with their policy as relayed to him; Admiral Sherman called it "lack of responsiveness" and "a tendency to debate and in certain cases to criticize." General Collins asserted that MacArthur had disregarded policy instructions to use primarily South Korean troops in the approach to the Yalu River. General Bradley felt that civilian control of the military was jeopardized by MacArthur.

But the ouster was not a casual decision. Each member of the Joint Chiefs of Staff made it plain that he respected MacArthur's position and difficulties. It is evident that the firing weighed heavily on the Joint Chiefs; yet each concurred from a military point of view, though several admitted that it could have been better handled. General Collins added that if the President had not initiated the ouster, the Joint Chiefs might have been forced to do so at a later time.

2. MAC ARTHUR'S MISJUDGMENT

The testimony also showed that MacArthur repeatedly misjudged the enemy he was opposing. Evidently he disregarded the intelligence reports available to him about the entry of the Chinese Communists in force. He also paid scant attention to the warnings from the Joint Chiefs about the disastrous physical split between the Eighth Army and Tenth Corps. MacArthur felt that it would be impossible to hold more than a beachhead without expansion of the war; yet even as he was sending his gloomy message, General Ridgway had succeeded in stabilizing a line. It is furthermore quite evident that MacArthur either misinterpreted or distorted the Joint Chiefs' message of January 12 outlining possible measures (such as the bombing of Manchuria) to be taken as a last resort if the situation did not improve. From the testimony of the Chiefs themselves, there was no warrant for MacArthur's saying that they were in agreement with him—at least without strong qualifications.

3. BOMBING MANCHURIA VERSUS GLOBAL STRATEGY

The unanimity with which the Joint Chiefs opposed an enlargement of the war—a war which is being won—was particularly impressive. It was opposed by each member—Army, Air Force, Navy, and the chairman—on the ground that it would commit too much of America's power in something that would not be decisive and would imperil over-all defense. Reactions varied from General Bradley's epigram of "wrong war, wrong place, wrong time, wrong enemy" to General Vandenberg's objecting to "pecking at the periphery" of the main enemy. General Collins posed a nice question in noting that China's supply lines lead to Harbin, Vladivostok and eastern Siberia. "Now where do you stop?" he asked. Admiral Sherman summarized the main point: to go it alone "would jeopardize our long-term national security on a global basis."

These men were not mere automatons repeating a predetermined line. The Joint Chiefs agreed on the broad issues but differed on details, as was evidenced by Admiral Sherman's advocacy of a United Nations naval blockade of China whereas General Bradley opposed it. The strength of the testimony is that it consisted of independent opinions, independently arrived at, but all leading to the same place. Now that the top military leaders have been heard, the MacArthur clique ought to retreat silently to its corner. There ought to be no more question about the duty of a field commander to adhere to national policy. And by the same token there ought to be no more of the flimsy liaison and weak guidance from the Pentagon that contributed to the necessity for the removal of General MacArthur.

[From the Christian Science Monitor of June 2, 1951]

MILITARY TESTIMONY

With the questioning of Secretary Acheson the Senate hearings shift from a military to a diplomatic emphasis. So this is a good time to take inventory of the military testimony.

General MacArthur's evidence elaborated on his speech to Congress. He declared he had obeyed all military directives, and asserted that any officer had a right to disagree publicly with his superiors. He advanced cogent arguments for his thesis that bombing Manchurian bases and using Nationalist troops would shorten the struggle in Korea. He expressed confidence this would not involve the United States deeply in China nor evoke retaliation by Russia. He urged going it alone if necessary, but insisted that he spoke only as a theater commander and that global strategy was the responsibility of the Joint Chiefs of Staff

The testimony of the Secretary of Defense and the Joint Chiefs made it clear that there had been long and real disagreements with General MacArthur over military matters. General Marshall laid greatest stress on America's global interests. He also said that it was useful for an officer to disagree with his superiors, but that if he felt he had to argue the case in public he should first resign.

Admiral Sherman came closest to agreement with the MacArthur view when he urged a naval blockade. But he opposed America's going it alone. General Collins brought out that a Washington suggestion that only South Koreans be sent near the Yalu had been disregarded. But the basic military differences were over bombing and the use of Nationalist forces.

General Vandenberg, Air Force chief of staff, at one time lent an ear to the bombing plan, but finally concluded that it would be necessary to lay waste to all of Manchuria and the principal cities of China. He said that this would so tie up or weaken the strategic air arm as to imperil our defenses elsewhere.

The Joint Chiefs sharply questioned easy assumptions about the quantity, quality, and availability of Chiang Kai-shek's forces. In general, they rated the Nationalists as valuable chiefly in defense of Formosa.

The weight of the military testimony was against General MacArthur. Yet it confirmed earlier impressions that his dismissal was badly handled. This was more than a matter of techniques or of a radio failure. Because of the far-eastern commander's popularity and political connections Washington had for years been afraid to cross General "Mac." General Collins testified that he had independently thought removal might be necessary, but none of the military leaders proposed it. Despite important differences over military matters, the situation came to a head only when President Truman became aroused over political use of the Martin letter.

While in any accumulated situation there is a last straw, this left the impression that politics was the really sensitive spot. And if Washington had earlier been timid or indecisive it then became hasty and impatient. Possibly an effort to bring General MacArthur to Washington for a frank talk would not have cleared up the differences. But it would have saved much of the public shock and left the impression of steadier, fairer authority in Washington.

Plainly the military testimony has shown that there were real differences over strategy. These remain to be decided. At times the global aspects of America's position have been almost forgotten, but always the debate has to return to the need for friends and allies. For this fact enters compellingly into every basic military decision.

RECESS TO THURSDAY

Mr. BREWSTER. Mr. President, I move that the Senate stand in recess until Thursday, June 7, 1951, at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 12 minutes p. m.) the Senate took a recess until Thursday, June 7, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 5 (legislative day of May 17), 1951:

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

William G. Allen, of Vermont.
G. Michael Bache, of Maryland.
Alan L. Campbell, Jr., of North Carolina.
William R. Crawford, Jr., of Pennsylvania.
Robert B. Houston, Jr., of Missouri.
Richard E. Johnson, of Illinois.
Frederick Joseph, of New York.
Myron Brockway Lawrence, of Oregon.
Henry Lee, Jr., of Massachusetts.
William B. Miller, of Ohio.
Richard D. Nethercut, of Wisconsin.
Augustus L. Putnam, of Connecticut.
Robert A. Remole, of Minnesota.
Ralph S. Saul, of New York.
Kennedy B. Schmertz, of Pennsylvania.
William C. Sherman, of Illinois.
Robert K. Sherwood, of Nebraska.
Christopher A. Squire, of Virginia.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Kathleen F. Davis, Ragland, Ala., in place of J. K. Ellard, transferred.

CALIFORNIA

Michael J. O'Rourke, Jr., Beverly Hills, Calif., in place of M. J. O'Rourke, retired.

Frank D. Lowrey, Fullerton, Calif., in place of R. S. Gregory, retired.

COLORADO

Julia V. Luedtke, Nederland, Colo., in place of B. R. Ingram, resigned.

James F. Christoff, Westcliffe, Colo., in place of C. L. Dickson, deceased.

CONNECTICUT

Lambert W. Harrison, Guilford, Conn., in place of A. F. Merrill, resigned.

FLORIDA

Floyd L. Hostetter, Jacksonville Beach, Fla., in place of G. B. Scott, retired.

ILLINOIS

Robert P. Cash, Columbia, Ill., in place of C. J. Schneider, resigned.

Carl R. Hesler, Moline, Ill., in place of E. J. Johnson, retired.

Lela M. Campbell, Oakland, Ill., in place of Ellwyn Barnett, removed.

Harry Leonard Thompson, Robinson Ill., in place of E. G. Stifle, retired.

Winsor Brayfield, Sesser, Ill., in place of B. A. Murray, retired.

Herschel B. Wilkinson, West Frankfort, Ill., in place of Melvin Higgerson, deceased.

INDIANA

Walter M. Smith, Butler, Ind., in place of C. B. Oberlin, retired.

IOWA

Norman W. Bell, Boyden, Iowa, in place of Jacob Van Houte, deceased.

Charles N. Schinker, Norway, Iowa., in place of V. M. Albright, retired.

Ray H. Fink, Tripoli, Iowa, in place of J. J. Fink, deceased.

KANSAS

Alice M. Campbell, Blue Mound, Kans., in place of E. E. Howerton, retired.

Gerald E. Harville, Coats, Kans., in place of David Basye, retired.

George C. Piersall, Hardtner, Kans., in place of M. F. Brown, resigned.

KENTUCKY

Vivion L. Sutton, Mackville, Ky., in place of Donovan Rogers, resigned.

MAINE

Charles E. Frey, South Bristol, Maine, in place of A. H. Farrin, deceased.

MARYLAND

Irving F. Bodenburg, Fullerton, Md., in place of J. H. Dunty, deceased.

Vernon L. Sullivan, Garrison, Md., in place of C. P. Anger, retired.

Louis A. Stoddard, Joppa, Md., in place of M. E. Ennis, retired.

Morris G. Richardson, Owings Mills, Md., in place of J. T. French, retired.

MICHIGAN

Bernard E. Fowler, Birmingham, Mich., in place of J. A. Byrne, retired.

Bernard F. Bailey, Midland, Mich., in place of E. L. Gardiner, deceased.

Leland V. Smith, Northville, Mich., in place of F. E. Van Atta, retired.

Harold H. Johns, Webberville, Mich., in place of J. C. Hummel, transferred.

MINNESOTA

Roger R. Raines, Alden, Minn., in place of B. C. Hazle, retired.

Byron E. Gislason, Elbow Lake, Minn., in place of J. R. Grout, transferred.

Stephen L. Jackson, Onamia, Minn., in place of P. C. Gravel, transfererd.

MISSISSIPPI

Sammy Jo Crawford, Mount Olive, Miss., in place of B. P. Dickmann, transferred.

Charles E. Ross, Weir, Miss., in place of W. S. Black, retired.

MONTANA

Donald Cameron, Jr., Gardiner, Mont., in place of T. J. Somerville, Jr., resigned.
Cecil C. Rhodes, Kalispell, Mont., in place of W. G. Kelly, resigned.
William J. Dunn, Miles City, Mont., in place of Thomas Butler, retired.

NEBRASKA

Herman R. Stanislav, Staplehurst, Nebr., in place of O. J. Reinmiller, transferred.

NEW HAMPSHIRE

Maurice E. Kiestead, North Hampton, N. H., in place of V. D. Brayton, resigned.

NEW JERSEY

Robert J. Butera, Parsippany, N. J., office established September 1, 1949.
James P. O'Malley, Rocky Hill, N. J., in place of I. M. Lewis, deceased.

NEW YORK

Harold E. Dickinson, Falconer, N. Y., in place of L. L. Rider, retired.
Richard C. Gifford, Jamestown, N. Y., in place of E. R. Ganey, deceased.
Prudence A. Davis, Little Genesee, N. Y., in place of D. P. Hall, retired.
Eugene F. Barton, Newark Valley, N. Y., in place of W. F. Riordan, resigned.
Edwin H. Cole, New Baltimore, N. Y., in place of P. S. Wheat, retired.
George H. Doyle, Ontario, N. Y., in place of G. E. DeVille, retired.
Francis J. Burger, Rhinebeck, N. Y., in place of R. J. Decker, removed.
Anne Bruno, Selden, N. Y., in place of Belle Ernes, resigned.
Howard C. Green, Sinclairville, N. Y., in place of Devillo Cobb, retired.

NORTH CAROLINA

Edmond J. Hudson, Connellys Springs, N. C., in place of R. G. Goode, transferred.
Henry C. Kearney, Franklinton, N. C., in place of J. O. Purnell, retired.

NORTH DAKOTA

Joseph K. Salwei, Crystal, N. Dak., in place of M. M. Hoesley, retired.
William A. Margach, Grandin, N. Dak., in place of G. W. Skinner, transferred.
Malvern E. Thorson, McGregor, N. Dak., in place of E. L. Stahl, retired.

OHIO

Gladys B. Shelton, Minford, Ohio, in place of C. E. Crawford, retired.
Berten R. Keith, Wakeman, Ohio, in place of C. A. Conry, resigned.

OREGON

Albert L. Burch, Powers, Oreg., in place of G. H. Stemmerman, removed.
Floyd V. Cavanaugh, Seaside, Oreg., in place of M. V. Sullivan, deceased.

PENNSYLVANIA

Elmer E. Mower, Linwood, Pa., in place of W. M. Rees, transferred.
John Kenneth Lapham, McSherrystown, Pa., in place of E. F. Polst, retired.
Eleonore C. Kirkland, Secane, Pa., in place of O. M. Hardican, removed.

SOUTH CAROLINA

Victoria B. Ford, Hardeeville, S. C., in place of L. M. Hutson, deceased.

SOUTH DAKOTA

Harold B. Whitethorn, Ramona, S. Dak., in place of H. J. Werner, retired.
Margaret C. Martin, Tripp, S. Dak., in place of C. J. Martin, retired.

TENNESSEE

Inez L. Hawks, Ralston, Tenn., in place of J. G. Hawks, retired.

TEXAS

Vernon M. Gill, Garden City, Tex., in place of E. L. Parker, retired.
Herbert S. Wilkes, Happy, Tex., in place of J. G. Ponder, deceased.
Billy M. Traylor, Hughes Springs, Tex., in place of B. J. McMillan, retired.
Lenard A. Yankie, Silsbee, Tex., in place of W. J. Davis, retired.

UTAH

Clarence W. Bauer, Eureka, Utah, in place of Lyman Baker, resigned.
Verl A. Haws, Magna, Utah, in place of P. W. Seay, resigned.

VERMONT

Stanley J. Pekalski, Bennington, Vt., in place of W. L. Lyons, retired.

VIRGINIA

Cletus E. Bomgardner, Bumpass, Va., in place of F. O. Caffrey, transferred.
Alice H. Fields, Castlewood, Va., in place of U. A. Amburgey, retired.
Frederick T. Given, Chase City, Va., in place of J. S. Hutcheson, retired.

WEST VIRGINIA

Carl T. Lee, Ethel, W. Va., in place of Doris Altizer, resigned.
Edward W. Fitzgerald, Glen Dale, W. Va., in place of S. A. Cockayne, retired.
Lillie M. Wintz, Lorado, W. Va., in place of J. L. Cook, removed.

WISCONSIN

Emma V. Paris, Linden, Wis., in place of H. I. Hicks, retired.
Howard E. Gaffney, Oxford, Wis., in place of J. C. Mills, retired.
Milton J. Potratz, Pardeeville, Wis., in place of R. W. Hughes, deceased.
Harold G. Hoffman, Sparta, Wis., in place of M. B. McCoy, retired.

WYOMING

Alexander M. Gilchrist, Kemmerer, Wyo., in place of Andrew Morrow, retired.
Ira B. Dickinson, Lance Creek, Wyo., in place of I. E. Gentry, retired.

CONFIRMATION

Executive nomination confirmed by the Senate June 5 (legislative day of May 17), 1951:

UNITED STATES ATTORNEY

Powless W. Lanier, to be United States attorney for the district of North Dakota.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 5, 1951

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

JUNE 5, 1951.

I hereby designate the Honorable JOHN W. MCCORMACK to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, may we begin each new day with lofty aspirations to build a great nation but help us to see more clearly that we cannot achieve national greatness apart from service to Thee and needy humanity.

We thank Thee for the insight, the vision, and dreams of prophetic spirits and the courage and faith of heroic souls who are earnestly seeking the rule of justice and righteousness and peace upon earth.

May we also be eager to extend and widen the horizon of our sympathy and understanding and have a larger share in deepening the spirit of good will among all mankind.

Fill us with a longing to build a finer social order and not merely to improve our own position in it. May we belong to that glorious succession of men who have not lived for self and personal advantage.

Help us to hasten the day when men and nations everywhere shall engage in the great cooperative adventures and enterprises in which each member of the human family and the family of nations shall have abundant opportunity for self-initiative and self-development.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 33. Concurrent resolution authorizing certain changes in the enrollment of Senate bill 435, to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes.

ELECTION OF SPEAKER PRO TEMPORE

Mr. PRIEST assumed the chair as Speaker pro tempore.

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 242) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That Hon. JOHN W. MCCORMACK, a Representative from the State of Massachusetts, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President and the Senate be notified by the Clerk of the election of Hon. JOHN W. MCCORMACK as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MCCORMACK resumed the chair as Speaker pro tempore.

The oath of office as Speaker pro tempore was administered to Mr. MCCORMACK by Mr. COOPER.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1952

Mr. BATES of Kentucky, from the Committee on Appropriations, reported the bill (H. R. 4329) making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1952, and for other purposes (Rept. No. 539), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the

State of the Union and ordered to be printed.

Mr. JENSEN reserved all points of order on the bill.

CALENDAR WEDNESDAY

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from Tennessee?

There was no objection.

RAILROAD RETIREMENT ACT

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I want to take this opportunity to commend the able chairman of the House Committee on Interstate and Foreign Commerce, the gentleman from Ohio [Mr. CROSSER], for his untiring efforts in behalf of a sound railroad retirement system.

His genuine interest in the welfare of all railroad workers is again evidenced by his sponsorship of amendments to improve and liberalize the benefits provided under the Railroad Retirement Act. The hearings now in progress are further testimony to his interest.

Railroad men throughout the Sixth District of Minnesota have been following these hearings with great interest. They want improvements that will bring benefits up to date and in line with the improvements which we have made in the Social Security Act. From the evidence before the committee, it appears that this can be done without jeopardizing the financial stability of the retirement system.

Representatives of the Railroad Labor Executives Association, who, in turn, represent the great majority of railroad workers, have clearly presented the needs, and I am sure that the committee will give serious consideration to the merit of all of the proposals which have been made.

Of particular importance are the provisions relating to the wives, widows, and children of railroad workers. These improvements are long overdue and it is my hope that this Congress will be able to enact a reasonable law.

Railroaders have always made a career of their jobs and this again points up the need for a system favorably comparable to the social-security system covering other employees. The higher tax rate on railroad workers makes it necessary the benefits be distributed accordingly.

We are all familiar with the problems now facing retired employees and the inadequacies of the present law. It is, therefore, heartening to know that both the House and Senate committees are taking action on this legislation. I hope that we will soon have an opportunity to consider the bills.

PROPOSED TAX ON SALE OF ELECTRICITY BY MUNICIPALITIES

Mr. EVINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS. Mr. Speaker, the recent action of the Committee on Ways and Means in proposing a 3⅓-percent tax on the sale of electricity by our municipalities is a most unwarranted and dangerous action. This action of the committee violates an established principle that one level or one arm of the Government shall not tax another arm or level of the Government. That has been proposed but once before, and in that instance it was defeated. Not only does it violate an established principle of the democratic government, but it sets a very, very bad precedent indeed, for if the Government is to tax public power sales, it may also tax city waterworks and city sewerage systems and parks and recreational activities of the State and city governments and other activities of Government. Certainly it is no secret that the private power lobby has had a hand in proposing this tax. A representative of the Edison Electric Institute testified before the committee favoring this tax action. Mr. Purcell L. Smith, a registered lobbyist and one of the highest-paid private power lobbyists in Washington, is boasting, gloating, over the temporary victory which the private power interests have gained in this instance.

Defeated in their efforts to defeat public power projects heretofore, so beneficial to electric consumers throughout the Nation, the lobby, nevertheless, is hanging on with the tenacity of a bulldog and devising every known means to undermine public power programs. This latest effort is clearly designed to make public power more expensive to the consumer, in particular the small consumer throughout the Nation—in all sections of our country.

This proposed tax will place a burden of $1,500,000 on the municipalities in the TVA region alone, but I should like it understood that this tax does not just affect the TVA region of our country but all sections of the Nation. It is intended to forestall and prevent further rate reductions to consumers wherever public power is sold and consumed.

It is inconceivable to me that the Congress would vote to raid the treasury of our local governments.

Certainly we should not permit this proposed action to stand. This is just another attempt by the private power lobby to get their foot in the door. In fact, Mr. Purcell Smith, the private Power Trust's lobbyist, has described their action in just these words—"a small foot in a big door." Once they get their foot in the door, there would be no end to their demands. Certainly their main interest is to discredit public power and undermine and destroy public power everywhere.

I urge the members of the Committee on Ways and Means to reverse and rescind their action in this instance which is most unwise and improper.

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

COMMENCEMENT EXERCISES AT VILLANOVA COLLEGE

Mr. JAMES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. JAMES. Mr. Speaker, the great Augustinian College of Villanova is located in the district which I have the honor to represent. Indeed, it is located in my home town, and although I am not of the faith of the Augustinian Fathers, I have been honored for many years by membership on the President's Advisory Board. In that capacity I am privileged to participate in the ceremonies at the college.

On yesterday the commencement exercises were held at Villanova College. The exercises were notable for several reasons, probably the principal one being the dignified restraint imposed by the death of that great prince of the Catholic Church, Dennis Cardinal Dougherty.

But it was notable also for the uncommonly fine address delivered to the graduating class by the orator of the day, our esteemed majority leader, Hon. JOHN MCCORMACK, upon whom was conferred the degree of doctor of laws. At the close of his remarks, I am sure we all felt very much inspired for his address was replete with inspirational thoughts and good, solid advice to the graduating class. We all profited, and I know that the outgoing men, ending their college life and going their separate ways into the workshops of life, will benefit in remembrance of that address. I think it is a most appropriate time now to salute Dr. JOHN W. McCORMACK. [Applause.]

The SPEAKER pro tempore [Mr. McCORMACK]. The time of the gentleman from Pennsylvania [Mr. JAMES] has expired.

SALUTE TO WESTERN RESERVE UNIVERSITY, CLEVELAND, OHIO

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include therewith a resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, these are days when we do well to pause for an occasional moment to salute those men and women whose courage and faith built our great Nation, veritably hewing it out of the wilderness.

We who live in what is known as the Connecticut Western Reserve are celebrating the one hundred and twenty-fifth anniversary of that tiny little divinity school which was started in Burton,

Ohio, moved to Hudson, Ohio, in 1826, to become Cleveland's great Western Reserve University with its 11 schools and colleges, enrolling 13,000 students annually, proud of its 36,000 active alumni.

So today, Mr. Speaker, I am introducing the following resolution, which would pay tribute to all those fine men and women, the trustees, officers, faculties, students, and alumni of Western Reserve University who have given so generously of themselves that the light of knowledge might shine forth unceasingly:

RESOLUTION: WESTERN RESERVE UNIVERSITY

Whereas the Western Reserve University was founded February 7, 1826, in Hudson, Ohio; and

Whereas this university has for five quarter-centuries rendered distinguished service to the city of Cleveland, the State of Ohio, and these United States; and

Whereas Western Reserve University alumni have throughout this period held positions of leadership in these United States; and

Whereas Western Reserve University has made significant contributions to knowledge through scholarship and research; and

Whereas Western Reserve University is now celebrating the one hundred twenty-fifth anniversary of the granting of its charter by the State of Ohio:

Now, therefore, we, the Congress of the United States, do hereby pay tribute to the trustees, officers, faculties, students, and alumni of Western Reserve University, congratulate them upon this important milestone in the history of their great institution of higher learning, and to call upon our citizens to recognize and support the cause of free and independent education in a world where such independence and freedom are seriously threatened.

That there may be a fuller record of this great institution in our national annals, Mr. Speaker, I ask unanimous consent to insert my own further remarks in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

INCREASE IN PRICE OF NEWSPRINT

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, the Abitibi Power & Paper Co., the third largest newsprint producer on this continent, has just announced an increase of $10 a ton on newsprint. This makes newsprint today $116 per ton. Abitibi is the bellwether, and the remaining newsprint companies will, as usual, follow suit. Only a few months ago there was a rise of $6 in the price, and now another $10. The Abitibi Power & Paper Co. last year made $18,000,000 profit, after taxes. This was twice as much as the average of American manufacturing companies. Despite these profits they would gouge American newspaper publishers.

It is rather anomalous that the newspapers take this rise lying down. I have not seen a peep in any of the newspapers of the country complaining of this operation of those newsprint monopoly partners. Our Judiciary Committee has just finished an inquiry into newsprint, and the evidence clearly shows a complete monopoly on the part of Canadian and American newsprint companies. This rise of another $10 a ton is going to have a very, very deleterious effect upon small newspapers. They cannot continue if there are these continual upping of prices.

I hope the newspapers of this country will rise in wrath against what these newsprint manufacturers are doing. Certainly they should alert the Nation to these machinations. If they do not they are derelict.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

TRADE AGREEMENTS EXTENSION ACT OF 1951

Mr. COOPER. Mr. Speaker, I call up the conference report on the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. NO. 537)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 7, and 8, and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with the following amendments:

On page 2 of the Senate engrossed amendments, strike out lines 12, 13 and 14, and insert the following: "imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the".

On page 3 of the Senate engrossed amendments, strike out lines 12 and 13, and insert the following: "increased quantities, either actual or relative, as to cause or threaten serious".

On page 4 of the Senate engrossed amendments, strike out lines 4, 5, and 6, and insert the following: "cession, being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the".

And the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

On page 6 of the Senate engrossed amendments, line 11, strike out "20" and insert "25".

And the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SEC. 11. The President shall, as soon as practicable, take such measures as may be necessary to prevent the importation of ermine, fox, kolinsky, marten, mink, muskrat, and weasel furs and skins, dressed or undressed, which are the product of the Union o. Soviet Socialist Republics or of Communist China."

And the Senate agree to the same.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
W. D. MILLS,
DANIEL A. REED,
THOMAS JENKINS,
RICHARD M. SIMPSON,
Managers on the Part of the House.

WALTER F. GEORGE,
TOM CONNALLY,
HARRY F. BYRD,
E. D. MILLIKIN,
ROBERT A. TAFT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: This amendment provides that the authority of the President to enter into foreign trade agreements is extended for 2 years from June 12, 1951, instead of 3 years, as provided by the House bill. The House recedes.

Amendment No. 2: This amendment deletes the prohibition contained in the House bill against participation by members, officers, and employees of the Tariff Commission in the making of decisions with respect to the proposed terms of any foreign trade agreement or in the negotiation of any such agreement. The House recedes.

Amendment 3: This amendment is clerical. The House recedes.

Amendment No. 4: The House bill would have required the President within 90 days to withdraw or prevent the application of reduced tariffs or other concessions contained in any future trade agreement to imports from Communist areas of the world. The Senate amendment requires that such action be taken with respect to concessions made in past, as well as future, trade agreements, and requires that action be taken "as soon as practicable." Under the Senate amendment, the President would also have discretion merely to suspend, as well as to withdraw or prevent the application of, concessions. The House recedes.

Amendment No. 5: The House bill provided a procedure under which, upon the request of the President, upon its own motion, or upon application of any interested party, the Tariff Commission would make an investigation to determine whether any article upon which a concession had been granted in a trade agreement containing an

escape clause is being imported under such relatively increased quantities, or under such conditions as to cause and threaten serious injury to a domestic industry, or a segment of such industry which produces a like or directly competitive article. The Senate amendment requires that an escape clause be included in all future trade agreements, and directs the President as soon as practicable to insert an escape clause in all existing trade agreements. In this latter respect, the President is required to report to the Congress on the action taken by him. Under the Senate amendment the escape clause procedure can be initiated upon the request of the President, upon resolution of either House of Congress, or upon resolution of either the Committee on Finance of the Senate, or the Committee on Ways and Means of the House of Representatives, upon application of any interested party, or by the Tariff Commission upon its own motion.

Under the House bill the investigation of the Tariff Commission was to determine whether an article is being imported under such relatively increased quantities, or under such conditions as to cause or threaten serious injury to a domestic industry, or a segment of such industry which produces a like or directly competitive article.

The Senate amendment made it the responsibility of the Tariff Commission to make an investigation and report thereon within 1 year after application under the escape clause to determine whether an article is being imported into the United States in such relatively increased quantities (compared to a representative period prior to the concession) as to cause or threaten serious injury to the domestic industry producing like or directly competitive products. The House recedes with an amendment making it the responsibility of the Tariff Commission to determine whether any product upon which a concession has been granted under a trade agreement is being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

The Senate amendment also clarifies and spells out in greater detail the procedure to be followed by the Tariff Commission and the President in conducting an investigation and in taking recommended action.

Amendment No. 6: Section 8 of the House bill provided that no trade agreement concession should apply with respect to any agricultural commodity for which price support is available to producers in the United States, unless the domestic price of the imported article exceeds the price support level. In lieu of this provision, the Senate amendment prevents any trade agreement from being applied in a manner inconsistent with the requirements of section 22 of the Agricultural Adjustment Act, and requires the Tariff Commission and the President to act within 20 calendar days after report by the Secretary of Agriculture to the President and the Tariff Commission that a condition exists with respect to a perishable agricultural commodity requiring emergency treatment. The Tariff Commission is required to make an immediate investigation under the provisions of section 22 of the Agricultural Adjustment Act, or under the escape clause procedure of this bill, but the President may take immediate action without awaiting the recommendations of the Tariff Commission. The House recedes with an amendment fixing the maximum limitation upon the investigation and report of the Tariff Commission and the decision of the President at 25 days, with the understanding that it is not intended that action be delayed for this length of time, but that action be taken as expeditiously as practicable.

Amendment No. 7: This amendment, for which there was no corresponding provision in the House bill, restores the right of the domestic producer to appeal to a customs court if he feels that he is being injured by the incorrect classification of an imported article. This right had been terminated by the Trade Agreement Act of 1934 with respect to products covered in trade agreements. The House recedes.

Amendment No. 8: This amendment makes clear that enactment of the bill is not to be construed as approval or disapproval by the Congress of the General Agreement on Tariff and Trade. The House recedes.

Amendment No. 9: This amendment adds a new section providing relief for the domestic fur industry by imposing a quota of 25 percent of the domestic production during the preceding year upon imports of mink, silver fox, and muskrat furs and skins, respectively. The House recedes with an amendment under which the President is required as soon as practicable to take such measures as may be necessary to prevent the importation of ermine, fox, kolinsky, marten, mink, muskrat, and weasel furs and skins, dressed or undressed, which are the product of the Union of Soviet Socialist Republics or of Communist China.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
W. D. MILLS,
DANIEL A. REED,
THOMAS JENKINS,
RICHARD M. SIMPSON,
Managers on the Part of the House.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

(Mr. COOPER asked and was given permission to extend his remarks at this point in the RECORD, setting forth a brief summary of the conference action on the bill H. R. 1612.)

(The matter referred to follows:)

SUMMARY OF CONFERENCE ACTION ON H. R. 1612

1. Agreed upon 2-year period of extension.

2. Accepted the Senate amendment to the House peril-point provisions which eliminated the prohibition against participation by the Tariff Commission in the negotiation of a trade agreement.

3. Accepted the House proposal requiring the withdrawal of tariff concessions from Soviet-dominated countries, but agreed to Senate amendment making it applicable to all tariff concessions, not just those made in the future, and removed the requirement that the action be taken within the next 90 days.

4. Accepted the Senate revision of the House escape-clause provision, as follows:

(a) To justify escape-clause action the injury complained of must be the result, in whole or in part, of the duty reflecting the concession. The House amendment did not require any connection between injury and concession.

(b) To justify escape-clause action imports must be entering in increased quantities, either actual or relative. The House amendment did not have this requirement and would have meant that in the case of a fall in demand or depression, where imports were being hurt worse than domestic producers, concessions would be withdrawn, thus throwing the whole burden of the fall in demand on imports.

(c) To require that injury be shown to the domestic industry producing a like or directly competitive product, rather than domestic producers of a competitive product. The House version might have required action just to protect an inefficient, marginal producer or someone producing something that might have been considered competitive.

(d) To agree that certain specified factors shall be taken into consideration by the Tariff Commission without excluding others in its determination of whether or not injury has occurred. The House version would have made these same factors evidence of injury as a matter of law.

(e) To require the Tariff Commission to make a formal investigation and hold public hearings only if it finds prima facie evidence of injury, or if it is requested to do so by the Ways and Means Committee or the Finance Committee. In the House version it would have had to make a formal investigation and hold hearings on any application.

5. Accepted Senate amendment to section 22 of the Agricultural Adjustment Act which would prevent any trade agreement from being applied in a manner inconsistent with the requirements of section 22.

Also agreed to provision for emergency action by the Tariff Commission and the President in the case of perishable agricultural commodities.

6. Restored the right of producers to litigate tariff classifications, which had been eliminated in the original Trade Agreements Act.

7. Accepted Senate language expressly disclaiming approval or disapproval of the General Agreement on Tariff and Trade (GATT).

8. Accepted as substitute for Senate amendment imposing quotas on import of furs a requirement that the President act to bar imports of named furs from the Soviet Union and Communist China.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, the conference report on H. R. 1612 contains all the amendments to the bill which were recommended by the Republican members of the Ways and Means Committee when the bill was brought to the floor of the House for debate.

It will be recalled that the Republican amendments were rejected by a straight party vote in the Ways and Means Committee but were adopted overwhelmingly by the House prior to passage of the bill.

Due to the attempt of the Democratic majority of the Ways and Means Committee to hurriedly slip this legislation through the House, the Republican amendments had to be prepared during the course of the debate and we recognized that the other body would have to perfect and clarify our legislative language. This has been done and most of the changes from the House bill contained in the conference report are for the most part only matters of form and not substance.

The House bill provided for a 3-year extension. This was reduced to a 2-year period by the other body, and the conference report provides for only a 2-year extension. In addition to this change from the House bill the conference report contains a provision which restores the right of a domestic producer to appeal to a customs court if he feels that he is being injured by the incorrect classification of an imported article. This right had been terminated by the original Trade Agreements Act with respect to products covered in trade agreements.

Another provision which is contained in the conference report which was not in the House bill is the provision making it clear that the extension of the reciprocal trade program should not be construed as approval or disapproval of the General Agreement on Tariff and Trade entered into at Geneva in 1947.

The other amendments to the House bill contained in the conference report are largely perfecting amendments. For example, the House bill required the President to withdraw within 90 days the benefits of future concessions to imports from Soviet Russia and other Communist areas. The conference report eliminates the 90-day requirement and applies the provision to past as well as future trade agreement concessions and in order to make the provisions more workable the withdrawal from Communist areas of the benefit of concessions is mandatory only when such action is practicable.

The conference report follows the Republican peril-point amendment with clarifying language in order to make sure that the fact-supplying functions of the Tariff Commission during and at the time of trade agreement negotiations would not be impaired. The Republican peril-point amendment was not intended to hamper such fact-finding and supplying function of the Tariff Commission, and the amendment made by the other body and contained in the conference report simply clarifies this point.

The escape-clause amendment recommended by the Republicans and adopted on the floor was redrafted by the other body to make it more workable. The conference report follows the redraft by the other body of the Republican escape-clause provision and the conferees receded with a clarifying amendment.

The House-approved amendment designed to prevent tariff concessions from applying to imported agricultural commodities which were being sold under a price-support program in this country was deleted. In lieu of that provision the conference report follows the amendment made by the other body which prevents any trade agreement from being applied in a manner inconsistent with the requirements of section 22 of the Agricultural Adjustment Act. The amendment to the House bill also required the Tariff Commission and the President to act within 20 days after report by the Secretary of Agriculture to the President and the Tariff Commission that a condition exists with respect to a perishable agricultural commodity requiring emergency treatment. The Tariff Commission is required to make an immediate investigation either under section 22 of the Agricultural Adjustment Act or under the escape-clause procedure of the bill, but the President may take immediate action without awaiting the recommendations of the Tariff Commission. The House conferees receded with an amendment fixing the maximum limitation upon the investigation and report of the Tariff Commission and the decision of the President at 25 days, with the understanding that it is not intended that action be delayed for this length of time, but that action be taken as expeditiously as practicable.

Mr. Speaker, every Republican amendment to this legislation was defeated on a straight party vote in the Ways and Means Committee, but all our amendments were passed by the House, and are contained in the conference report as perfected by the other body. This fact is of more than passing interest at this time in view of the fact that the Ways and Means Committee will shortly bring out the new tax bill. As in the case of the reciprocal trade legislation, important Republican efforts to improve the bill were opposed by the administration and were consequently defeated by the Democratic majority. I am confident, however, that as in the case of this legislation before us, opportunity will again be given to the Republican minority and Members of the House to correct the obvious defects in the new tax bill.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks at this point in the RECORD in reference to this conference report if they so desire.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. McGREGOR. Mr. Speaker, the American people are taking a terrific beating because of the extravagant Government spending which means higher and higher taxes for the already overburdened taxpayers of our Nation.

It recently has been established that the average American is paying out $1 in Federal, State, and local taxes for every $4.10 earned. The Nation's tax bill for the fiscal year ending June 30, 1951, amounts to $372 for every man, woman, and child in the United States.

Our national debt, which has climbed to the tremendous total of $255,000,000,000, is still rising. This is an average debt of $1,666 for every man, woman, and child in this country.

If high taxes are necessary to win the war against communism and maintain our freedom, the people I have the honor to represent in Congress are willing to pay higher taxes and sacrifice in every way they can so those in our armed services will have what they need.

But there is tremendous waste all along the line in our Federal Government and it must stop. The strictest economy must be practiced by those handling public funds to halt unnecessary expenditures.

As an example of unnecessary Government spending, the State Department in its 1951–52 budget requests estimates it will spend $8.93 per plate for luncheons in honor of visiting foreigners during the coming year. This is a portion of the President's so-called tight budget for the Nation.

The time has long passed for we who are elected by the taxpayer to take matters into our own hands and really do something about economy in our Government for the benefit of our country and our own constituents.

Lenin, the Russian dictator, once said, "Some day we will force the United States to spend itself into destruction." Let us make certain his prophecy does not come true.

PARLIAMENTARY INQUIRY

Mr. EBERHARTER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. EBERHARTER. Mr. Speaker, yesterday's RECORD shows, page 6105, that the gentleman from South Carolina [Mr. McMILLAN] asked unanimous consent that the bill (H. R. 4141) be taken up as the first order of business tomorrow, and after some reservations of objections there was no objection. For the purpose of clarification I would like to know whether or not, business having been transacted, that unanimous-consent request is still in force?

Mr. PRIEST. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Tennessee.

Mr. PRIEST. The gentleman from Tennessee was the occupant of the chair at the time the unanimous-consent request was propounded, and the gentleman from Tennessee presiding at the time restated the question to the effect that it be in order to consider the bill today in order to make it clear that it would not necessarily be the first order of business. That is the way the Chair put the question. I believe that will clear the point in the mind of the gentleman from Pennsylvania.

Mr. EBERHARTER. Mr. Speaker, in view of the statement of the gentleman from Tennessee, who was the occupant of the chair on yesterday, I ask unanimous consent that the RECORD then be corrected accordingly.

Mr. FELLOWS. Mr. Speaker, I object.

The SPEAKER pro tempore. The Chair may say, insofar as the Chair has information, that the RECORD is in accordance with the statement made by the gentleman from Tennessee. The response of the Chair to the parliamentary inquiry would be that the District of Columbia crime bill will be in order for consideration any time during the day.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

JOE LEE, ALSO KNOWN AS LEE JOW

The Clerk called the bill (H. R. 2114) for the relief of Joe Lee, also known as Lee Jow.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Joe Lee (also known as Lee Jow) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM O. STEVENS

The Clerk called the bill (H. R. 662) for the relief of William O. Stevens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized and directed to pay to William O. Stevens, formerly a professor at the United States Naval Academy, the sum of $100 per month for the remainder of his life, beginning with the month in which this act is approved, chargeable to such appropriations as may be made for the payment of retirement annuities to civilian members of the teaching staff of the United States Naval Academy and postgraduate schools.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BASIL VASSO ARGYRIS AND MRS. ALINE ARGYRIS

The Clerk called the bill (H. R. 748) for the relief of Basil Vasso Argyris and Mrs. Aline Argyris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Basil Vasso Argyris and Mrs. Aline Argyris who entered the United States in 1946 for a temporary stay, shall, upon payment of the required head tax, be held and considered to have been lawfully admitted to the United States for permanent residence. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to make appropriate deduction of one number from the quota for Egypt and one number from the quota for the Union of Soviet Socialist Republics.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That, for the purposes of the immigration and naturalization laws, Basil Vasso Argyris and Mrs. Aline Argyris shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct two numbers from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. GIZELLA KEZDY-REICH

The Clerk called the bill (H. R. 1096) for the relief of Mrs. Gizella Kezdy-Reich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, the Attorney General be, and he hereby is, authorized and directed to record the lawful admission for permanent residence of Mrs. Gizella Kezdy-Reich as of October 18, 1948, the date on which she entered the United States, upon the payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Hungary, of the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, for the purposes of the immigration and naturalization laws, Mrs. Gizella Kezdy-Reich shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIE LOUISE SAGEROS

The Clerk called the bill (H. R. 1104) for the relief of Marie Louise Sageros.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the second category of section 3 of the Immigration Act of 1917, as amended, Marie Louise Sageros may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of the immigration laws.

With the following committee amendment:

Page 1, line 5, after "Louise", strike out the balance of the line and lines 6 and 7 and insert "Sageros, the fiancée of Roy V. Nesom, a citizen of the United States and an honorably discharged veteran of World War II, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Marie Louise Sageros is coming to the United States with a bona fide intention of being married to the said Roy V. Nesom, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of the said Marie Louise Sageros, she shall be required to depart from the United States, and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of 1917, as amended (U. S. C. title 8, secs. 155 and 156). In the event that the marriage between the above-named parties shall occur within 3 months after the entry of the said Marie Louise Sageros, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Marie Louise Sageros as of the date of the payment by her of the required visa fee and head tax."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JOHANNA MARIA LUMMER VALENTINE

The Clerk called the bill (H. R. 2170) for the relief of Mrs. Johanna Maria Lummer Valentine.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the eleventh category of section 3 of the Immigration Act of 1917, as amended, Mrs. Johanna Maria Lummer Valentine may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of the immigration laws.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ILONA AGOSTON

The Clerk called the bill (H. R. 2179) for relief of Ilona Agoston.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be and he is hereby, authorized and directed to record the admission of Ilona Agoston as of June 16, 1949, for permanent residence.

Upon the enactment of this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the quota for Hungary.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, for the purposes of the immigration and naturalization laws, Ilona Agoston shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced P rsons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. FLORENCE E. HOMANN AND HER SON, JOHN A. VILLAS

The Clerk called the bill (H. R. 2180) for the relief of Mrs. Florence E. Homann and her son, John A. Villas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and nationality laws, Mrs. Florence E. Homann and her son, John A. Villas, shall be held to have been lawfully admitted to the United States for permanent residence as of August 22, 1949, the date on which their entry as paroled aliens was authorized, upon the payment of the visa fee and head tax. Deportation proceedings shall not hereafter be instituted against Mrs. Homann on the ground that she was afflicted with tuberculosis at the time of entry.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, for the purposes of the immigration and naturalization laws, Mrs. Florence E. Homann and her son, John A. Villas, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of

the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct two numbers from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BIAGIO POIDIMANI

The Clerk called the bill (H. R. 2299) for the relief of Biagio Poidimani.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Biagio Poidimani shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax, following which arrangements shall be made for cancellation of the outstanding departure bond. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 7, after the comma, strike out down to and including the word "bond" in line 9.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARYANNA BOPPEL

The Clerk called the bill (H. R. 2455) for the relief of Mrs. Maryanna Boppel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel the outstanding order and warrant of deportation, warrant of arrest, and bond, if any, issued in the case of Mrs. Maryanna Boppel, of Buffalo, N. Y. From and after the date of enactment of this act, the said Mrs. Maryanna Boppel shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or such warrants and order have issued.

That, for the purposes of the immigration and naturalization laws, Maryanna Boppel shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, strike out lines 3 to 11, inclusive.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARDEN CONSTRUCTION CO., INC.

The Clerk called the bill (H. R. 1585) for the relief of the Marden Construction Co., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Marden Construction Co., Inc., of Boston, Mass., the sum of $11,109.89 in full settlement of all claims against the United States as the result of increased cost occasioned by excavation of hard rock not shown in the specifications and for increased cost of material due to the National Recovery Administration, all increased cost growing out of a contract awarded on March 20, 1934, Federal project numbered 93 (hangar), Coast Guard Air Station, Winter Island, Salem, Mass.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SYLVIO LATINO

The Clerk called the bill (H. R. 1691) for the relief of Sylvio Latino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sylvio Latino, Worcester, Mass., the sum of $5,000. The payment of such sum shall be in full settlement of all claims of the said Sylvio Latino against the United States on account of personal injuries sustained by him on February 28, 1944, when the United States Army vehicle in which he was riding was involved in an accident near the intersection of Prospect Street and Eastern Avenue in Worcester, Mass.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$5,000" and insert "$200."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WINIFRED A. HUNTER

The Clerk called the bill (H. R. 2208) for the relief of Winifred A. Hunter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Winifred A. Hunter, of San Antonio, Tex., the sum of $16,106. The payment of such sum shall be in full settlement of all claims of the said Winifred A. Hunter against the United States for reimbursement for damage to her personal and household effects sometime between December 7, 1946, and March 7, 1947, at Bilbao, Spain. Such damage was incurred when the said Winifred A. Hunter, while employed as a clerk in the Foreign Service of the Department of State, was transferred from the American Embassy at Managua, Nicaragua, to the American Embassy at Madrid, Spain: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$16,106" and insert "$6,500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

B. H. MANLEY

The Clerk called the bill (H. R. 2406) for the relief of B. H. Manley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to B. H. Manley, Beech Grove, Coffee County, Tenn., the sum of $1,478.50. The payment of such sum shall be in full settlement of all claims of the said B. H. Manley against the United States for compensation for losses he sustained when his barn and its contents, including livestock, were destroyed by a fire on April 8, 1943, which was ignited while members of the United States Army on Army maneuvers were sleeping in such barn: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RITA V. L. FLAHERTY

The Clerk called the bill (H. R. 3950) for the relief of Rita V. L. Flaherty.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rita V. Lynch

Flaherty, of Dorchester, Mass., the sum of $101.62, in full settlement of all claims against the United States for reimbursement of the cost of travel from Dorchester (Boston), Mass., to Sweetwater, Tex., while under official orders to report for Women's Airforce Service Pilot Training, which training was terminated while the claimant was en route to Sweetwater, Tex., as a result of administrative action based on recommendations by Members of the House of Representatives: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAVORING THE SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 15) favoring the suspension of deportation of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-5986753, Diaz, Guadalupe, or Guadalupe Ramirez-Villasenor.

A-3403807, Marini, Domenico, on Dominic Marini or Richard or Ricardo Marino or William Simard.

A-9782970, Miah, Barik.

A-6965610, Pelosi, Elindo.

A-3089857, Rosenberg, Esther (nee Weinbaum).

A-6729104, Abramowitz, Kurt Emanuel.

A-9777120, Bojdoveanu, Rouja, or Rouja Theodor Bojdoveanu (nee Petrovic or Rouja or Ruja Draganova).

A-6526196, Bourgeois, Joseph Henry.

A-7083000, Caralis, Athina (nee Perimenis).

A-5882169, Caro-Solis, Saul, or Saul R. Solis; Tomas Saucedo; Saul R. Solid or Ralph Hernandez Calaviz.

A-7222504, Cumberbatch, Hilton, or William Cumberbatch or Goldbrun Cumbertatch or Joseph Bailey.

A-4555293, Ferreira, Antonio Hunurato, or Antonio H. Ferreira.

A-6921618, McCormick, Phyllis Albertha, or Felice Albertha McCormick (nee Sicard).

A-7137857, Taylor, Myron Watson Maynard, or Myron Watson Maynard Clifford, Marian Watson, Maynard Taylor, Marian Watson Maynard Clifford, alias Rose Watley, "Gwendolyn," Gwennie.

A-5873494, Wahlin, Peter Abram.

A-7050475, Carbajal, Ramon, or Ramon Cruz Carbajal-Duran or Ramon Carbajal or Ramon C. Carbajal.

A-7050476 Carbajal, Mario Reynaldo.

A-7050474, Carbajal, Martha Alicia.

A-1090895, Johnson, Eric Gottfried (alias Erick Johanson alias Eric Johansson).

A-7356436, Rodriguez-Alaniz, Rafael.

A-7356892, Rodriguez, Lucila Rios De.

A-6858998, Santana, Estuardo Ismael, or Estuardo Santana.

A-6219344, Tilbrooke, Margaret Teresa (nee Chisholm).

A-6612848, Anagnostopoulos, John N., or John N. Anagnoson.

A-6716148, Christopher, Herman Emmanuel.

A-6208561, Masongsong, Francisco.

A-1085625, Papakritikos, Apostolos, or Apostolos Papilikas.

A-7078458, Petrunt, Elide Liliana Maria.

A-7358986, Richards, Ginette (nee Ginette Ben Loulou).

A-3719227, Vagianos, Pantelis, or Panteles Vagianos.

A-4189356, Woods, Michael Patrick.

A-7050345, Yong, Soo Yee, or Soo Yee Young or Joe Sing.

A-6775609, Accattatis, Francesco, or Francesco Accattatis Chalons d'Orange.

A-2924411, Banchieri, Albert Massimiliano, or Albert Massimiliano Mario Banchieri or Albert Banchieri.

A-4979213, Carmona, Gavina.

A-4979211, Carmona, Saturnino.

A-5636491, East, Vivian Carmen (nee Vincent).

A-6479442, Gabo-Pevsner, Naum Neemia, or Maoum Gabo-Pevsner.

A-6479443, Gabo-Pevsner, Nina Serafina, or Nina Serafina Gabo or Nina S. Gabo-Pevsner.

A-2127408, Garufi, Francesco Rosario.

A-6769748, Gergo, Alexander or George, or Sandor Gergo.

A-6095322, Margaritis, Anastasia Peter.

A-2874816, Rodrigues, Antonio Bento.

A-1072877, Towey, Oswald Joseph.

A-6821759, Villari, Francesco.

A-6481647, Carvajal, Enrique Barbour, or Enrique Barbour.

A-6634458, Barbour, Cecilia Celis Cardenas, or Cecilia Barbour C. (nee Cecilia Celis Cardenas).

A-9825165, Castanos, Nicolas John.

A-6989085, Collado y Tramullas, Concepcion.

A-6808719, Cordaro, Filippo, or Philip Cordaro.

A-6788968, Derouet, Monique Jeanne-Josephe, or Monique Derouet Baldwin.

A-6335971, Gemal, Fortune Debbah.

A-7049612, Hem, Margarethe Christine Elmy.

PR-946298, Hsiao, Jen Tsun, or Jay T. Shaw.

A-5585025, Iovine, Arcangelo, or Archie Iovine.

A-1063018, Kalitovich, Joseph.

A-1930221, Lindley, Catherine (nee Granger or Catherine Ralston).

A-6096815, Murono, Ginzo.

A-6153085, Murono, Hisako.

A-6440125, Ostern, Leif.

A-6383891, Russell, Birgitta (nee Lehmann).

A-4503752, Sharashewsky, Goldie or Shear.

A-5280295, Zaspal, Anton, or Anton Zaspel or Laspals (alias Frank Korout).

A-1442670, Biondo, Salvatore, or Sam Biondo.

A-7622115, Hee, Fong Man.

A-4087351, Rosenberg, Toby Lena, or Maria Luisa Nasco or Alejandrino Nasco Echegaray.

A-7201507, Schnitzer, Johann, or Johann Otto Schnitzer or John Schnitzer.

A-4464019, Anttila, Laina Maria (nee Tanttinen).

A-3046538, Cheng, Ta Kwai, or David Takwai Cheng.

A-6817757, Drucker, Michael.

A-7415595, Eaton, Daniel Richard, or Renee Yves Bernard.

A-1728513, Go, Chong-Hu.

A-1172299, Go, Lian Hiong, or Lim Lian Hiong.

A-4959615, Gramlich, Margaret Isabel.

A-7372122, Lanzendorfer, Karin Frieda Josephine.

A-1266444, Larishenko, Edward Rubes.

A-5041863, Markus, Sara.

A-7354825, Merdjanian, Antipas, or Antipas Panos Merdjanian.

A-1936121, Modny, Agnes (nee Agnes Regent).

A-6492530, Moskovic, Emil.

A-6492531, Moskovic, Juliana.

A-6544285, Palacios, David, or Estanislao Rodrigues-Mejia.

A-4928592, Romero, Manuel Gonzalez, or Manuel Perez Gonzales or Manuel Gonzalez.

A-4757889, Schiff, Paul.

A-1049269, Szewecki, Lewek, or Leon Szewecki or Lewek Szenecki.

A-4446625, Tepe, Agnes Bridget Mary Rose (nee O'Connor).

A-6730882, Torres-Rojas, Jose.

A-6877241, Vlamis, Christos Demetrios, or Christ Vlamis or Christ Demetre Vlamis.

A-6481413, Frydman, Grzegorz, or G. Frydman.

A-6481364, Frydman, Gusta (nee Wincygster).

A-6953540, Gilson, Hermina or des Bouvrie.

A-3637489, Giokaria, Georgios or Gordon or Gorin.

A-6965216, Hall, Elfriede Maria (nee Schwarze).

A-7049908, Jubran, Abdallah, or Abdallah Jubran Sarsour.

A-6966515, Loukakos, Michael John or Lucacos.

A-6097338, Nostas, Hanna Giries Elias.

A-6446386, Nostas, Hanne Habib.

A-2535405, Spitz, Alice.

A-5545862, Vespa, Giovanni or Gianni, or John Vespa.

A-7057137, Walter, Grethe Ingeborg (nee Pedersen).

A-6707127, Alessi, Filippo.

9-7445217, Duran, Martha, or Martha Duran y Pruna.

A-3736574, Lee, Yat Chun.

A-4783986, Loncarevic, Stanko, or Stanley Novakovich or Stanley Novak.

A-9636577, Raniers, Leopold Leonard.

A-4264288, Saake, Georg Gottlieb.

A-6425252, Simon, Aziz Addine.

A-6616707, Singer, Alojzy.

A-6654673, Smucler, Aron, or Arcadia Smucler or A. Sinclair.

A-6562395, Tsangaris, Stephen Parascos, or Stefanos Tangaris.

A-7579922, Alves-Lico, Dorothy Louisa (nee Eveleigh).

A-7579923, Alves-Lico, Angela Louisa.

A-7044415, Anastaspoulas, Demetrios Gregorios, or Demetrios Anastaspoulas.

A-7354353, Beecher, Ahuura (nee Vahapata).

A-6880835, Benson, Brian Leslie.

A-5673907, Camblin, Vivian May.

A-2373537, Clark, Harry.

A-2544758, Clark, Maude M. (nee Smith).

A-4868622, De Bezeredy, Maria, or Maria Amalia Anna De Bezeredy or Maria Amalia Anna Saxinger or Maria De Beseredy.

A-6581688, Esber, Ragheb Jemil.

A-6053362, Farr, Cynthia Kirpalani (nee Cynthia Dick).

A-7247785, Friese, Ursula Johanna Monika.

A-6471814, Georgacas, Demetrius John.

A-6970888, Glasner, Juda.

A-6970889, Glasner, Debora Renee (nee Deutsch).

A-1242026, Hansen, Hildemar, or H. Hansen.

A-7367203, Nayudu, Yellesetty Rammohanroy.

A-5643308, O'Carroll, Anne Cecelia (nee Dillon).

A-2158680, Oundjian, Krikor.

A-9125849, Ritsos, George (or Giorgios).

A-7439360, Schallert, Nancy.

A-1765284, Spirou, Konstantinos Georgios.

A-5382864, Tacandgas, Thomas John, or Athanasios Ionnis Tacandgas.

A-1770211, Ali, Rais or Alli, or Ali Rais.

A-6079590, Anub, Benito.

A-4391511, Aumiller, Helen, or Magdalena Aumuller.

A-4680331, Blattner, Fritz Wilhelm, or Friedrich Blattner.

A-4571691, Chanin, Marcus, or Marc Janis y Janis or Marc Abronowitch Kanin.

A-5616924, Chanin, Eva, or Eva Richter De Janis.

A-6881969, De Chavarria, Piedad Palomares.
A-6042938, De Nichilo, Sergio.
A-3019542, De Nichilo, Anna Maria.
A-6148969, De Nichilo, Gioacchino.
A-7388956, De Miranda, Maria De La Lux Secura, or Luz Segura De Miranda.
A-4693815, Devide, Giuseppe.
A-5254901, Gergely, Olga, or Olga Gerbeley.
A-5554953, Herrera-Martinez, Pablo, or Pablo Herrera.
A-3504254, Hsuan, Hu Hui, or Hui Hsuan Hu.
A-4813201, Hsuan, Hu Hui, Mrs., or Chao, Ching Hui or Hu Ching Hui Chao.
A-7244991, Kane, James Joseph, or Joseph James Kane.
A-5982420, Klipstein, Hanna Lisa.
A-6897641, Lanfreschi, Frank or Francesco.
A-6400935, Linehan, Francis Joseph.
A-6833479, Lujan-Valenzuela, Adalberto, or Alberto Guzman-Alvarez or Alberto Alvarez Guzman or Alberto Guzman.
A-7140764, Mendoza-Solorio, Rafael.
A-9572109, Pasalbessy, Dominggues James.
A-6554374, Peopping, Ruby Mary (nee Nash, formerly Ruby Mary Brown).
A-3584974, Reikop, Alexander.
A-6286746, Schmidt, Willy Leo or Rosebel.
A-7145197, Soghikian, Azad.
A-5262976, Thelen, Fritz.
A-3510871, Venegas, Manuel Subia.
A-6564128, Woercching, Julia May (nee Hattaway).
A-9626236, Youzkatlian, Zacharia Hagier, or Zaren Yozgatlian.
A-1836208, Ahmed, Abed.
A-3094296, Andrelos, Erokokritos Joannis, or Edward John Andrellos.
A-4882330, Berkley, John Francis.
A-4738994, Dell'Accio, Raffaele.
A-6215501, Erman, Sadan.
A-7049551, Hill, Grace Amelia Margaret Clarke.
A-1405300, Klippstein, Beatrice May, or Beatrice May Gary.
A-4523682, Kouniades, Andreas Dimitrion, or Andrew Klonides or Andrew Couniadis or Kounides or Andrew Kimitrios Kouniadis.
A-4763835, Okland, Fritz Bernhard, or Fred Bernhard Oakland.
A-6261230, Papadopoulos, Basile Panagiotis (alias Peter Papadopoulos).
A-6920312, Quinn, Ghyslaine Mary, formerly Ghislaine Madeleine Juliette Lebland.
A-6772014, Remarez, Paulino (alias Antonio or Anthony Gonzales alias Pauline Antoni).
A-7112049, Sanchez, Angel Ruben Gonzalez Y, or Ruben Gonzalez.
A-1893678, Scalice, Giuseppe or Joe or Joseph or Scalisi or Scalica.
A-3288201, Schlitz, Violet Elizabeth, or Violet Elizabeth Cook.
A-5869795, Turnbull, Francis Elizabeth.
A-6363925, Turnbull, Elroy .
A-3150520, Van Der Steen, Theodore Johan.
A-1368347, Von Ehrenbilt, Adolph Tercelli.
A-2064405, Wright, Beatrice Ellington Hall, or Annis Veritas.
A-7043618, Yang, Alvie.
A-7043619, Yang, Tsan Zing (alias John Yang).
A-7043620, Yang, Stella Chuang-Hua (alias Stella Yang).
A-7043621, Yang, George.
A-6022377, Allen, Rosario Lagon (nee Rosario Nabasa Lagon).
A-7367899, Boyd, Johanna Maria, or Johanna Maria Graham.
A-4197503, Codazzi, Bruno.
A-7476983, De Alcantra, Catalina Vera, or Catalina Vera-Perez or Catalina Vera de Alcantar.
A-2075000, Gabel, August.
A-4543499, Gelber, Louis, or Label Gelber.
A-7205489, Giovannucci, Iole Dipillo.
A-1201411, Kamuroon, Mohamed Jin Allie, or Djen Ali or Jan or Jane Allie.
A-3018724, Kavouros, Demetrius, or Dimitrios Cavouras.
A-7469223, Lewinsohn, Norbert, or Norbert Lewinson.
A-6917696, Man, Chin.
A-6779026, Mansoor, Faraj Hanna.
A-6425810, Martos y Milla, Juan Antonio, or John Martos.
A-9698900, Mills, Joseph Charles, or Joseph Christmas Mills or Joseph Charles Mills or Joseph C. Mills.
A-1855582, Mui, Hoh Cheung.
A-6354136, Navarro, Felix Pulido.
A-5347946, Pan, Wen Yuan.
A-5604086, Pan, Julia Wen-Tsai, or Wen Tsai Sung.
A-2575134, Pappastathatos, Minas George, or Mike Pappas.
A-6501114, Rallis, Nicholaos, Ioannis, or Nikola Rallis.
A-4662587, Triantafilidis, Athanasios Georgiou.
A-7092153, Chan, Lee Pui, or Jean Wong or Lee Chan Pai.
A-5119426, Cheng, Lillian Lily, or Kily Ping Fung Lam.
A-6512370, Chudzinski, Charles Edward, or Charles Edward Schoessler.
A-6512371, Chudzinski, Richard Alexander.
A-5333077, Davis, Iris (nee Bowe).
A-9669924, Dias, Manuel.
A-9097795, Geen, Tan Tat.
A-7078940, Hakamaki, Vaino Albert.
A-9776937, Kommatas, Dionysios, or Dennis Kommatas or Cammatas.
A-6328844, Lozada-Calva, Alfonso, or Alfonso Loeada.
A-3173450, Mavros, Constantinis Theodoris, or Constantinis Mavros or Costos Mavros.
A-1183813, Needham, Martha Kate.
A-2205644, Radonich, Ljubica, or Lioubitza Radomitch or Violet Radon.
A-6365958, Readigos, Jose Jorge, or Jorge Readigos or J. Jorge Readigos or Jose Jorge Gonzalez Readigos.
A-6678463, Rodriguez, Alfonso, or Alfonso Rodriguez Sanchez.
A-9744479, Ronneberg, Henry Gert.
A-6794129, Soggin, Settimio Severo.
A-1784119, Vassarino, Salvatore.
A-7203596, Vanwolvelaerd, Marcel Lieven Charlotte, or Marcel Vanwolvelaerd.
A-7769251, Alexander, Goldie (nee Himelfarb).
A-6858745, Amezcua-Mora, Conrado.
A-4625033, Antonelli, Salvatore (alias Salvatore Antoniello).
A-7081459, Aviles-Huerta, Antonio.
A-1139212, Bonar, James, or Julian H. Sinaga or Julian H. Sinaga Oeyop Bin Ali.
A-3912749, Chandler, Mae (nee Jordan or Tallis O'Mae Jordan or Tallie or Tallis Joan Jordan).
A-6386987, Chavella-Alonzo, Alfonso, or Alfonso Chavolla-Vallejo.
A-1046047, Chen, James Ling, or Ling Chen.
A-4044569, Chen, Lenore Yung-Su Loe (nee Lenore Yung Sui Loe).
A-4969242, Christelstein, Alexander.
A-6266962, De Muchnik, Maria Rozwazofsky.
A-6972511, Di Salvatore, Romualdo.
A-5477978, Flores-Lopez, Antonio.
A-7809709, Freeman, Cecil Llewelyn.
A-6707226, Garcia-Lajarza, Manuel, or Arturo Navarro.
A-4978642, Gerstmeyer, Carl Frederick.
A-5531742, Gregorio, Joaquim.
A-5360625, Heredia-Alejandre, Ventura, or Ventura Alejandre Heredia.
A-7392100, Hyppa, Junior, Aili Maria (nee Aili Maria Pehkonen).
A-5777617, Kuoppala, Agnes Laila Elizabeth, or Agnes Kuoppalo (nee Saari).
A-5179136, Lazis, George Ath, or George Poulos.
A-7469772, McKenna, Eugene Glenn, or Eugene Glenn Obermeier.
A-2259768, Monteiro, Ignatius.
A-7028691, New, Janet Tufts.
A-4462954, Peterson, Annie Pitblado, or Annie Pitblado McPherson.
A-7044267, Robinson, Jean Maida (nee Anderson).
A-4926231, Rotter, Fannie, or Fannie Bercovitch or Frymet Rotter.
A-3105013, Ruiz-Garcia, Enrique, or Enrique Ruiz.
A-6919537, Signorelli, Carmelina (nee Carmelina Albano).
A-1988401, Sung, Kim Joon, or John Starr Kim.
A-7181910, Tonyi, Edith Laura Gosz, or Edit Laura Scheiber.
A-6383873, Toussulis, George John.
A-3397295, Blonder, Ruth, or Ruchla Blonder, formerly Ringel.
A-5546071, Calogiromitros, Chrisostomos Kikolou, or Christ Mitros.
A-7083811, De Fimbres, Ofelia Cortez, or Ofelia Cortez-Aguirre.
A-5118393, Drekoff, Max Ernest.
A-6447597, Estevez, Domingo Manuel Medina.
A-7599891, Ezra, Moise.
A-9667778, Giannecchini, Giuliano, or William Ross.
A-2124287, Goldberg, Goldie or Olga, or Goldie Lemkin.
A-6903706, Gross, Regina Roszi Weisz.
A-7417044, Guzman-Cutierrez, Jose.
A-1336088, Johansson, Emil Johannes.
A-6958115, Kennedy, Adele Cardoso.
A-3988479, Kube, Ella Anna Bertha, or Ella Kube.
A-4741363, Kubota, Takejiro.
A-3657357, Leung, Woot-Tsuen Wu (nee Woot-Tsuen Ng).
A-7371646, Mamakos, Adamantia Kyriakos (nee Tragaki).
A-6277400, McFarlane, William Josiah, or Joseph McFarlane.
A-2181941, Ruela, Joao Jose Tavares, or Joao Da Silva Gravato or Johnnie Da Silva.
A-7137465, Santa, Josephine, or Josefina Reus or Josefa Ramira Manuella Reus Fernandez.
A-7127991, Silberstein, Elias.
A-2600963, Takeuchi, Yudzuru.
A-7070702, Vargas, Manuel, or Manuel Vargas-Ochoa.
A-2159492, Zanco, Michael.
A-6983533, Almeida, Antonio.
A-3829507, Batho, Blanche Mary (nee Gelyi).
A-4917584, Bianco, Salvatore Lo.
A-7354254, Cavazos-Cavazos, Fortino.
A-7354265, Cavazos, Ramona Arroyo De.
A-6461084, Chen, Margaret Mih, or Margaret Huan Ching Mih or Mi Huan Ching.
A-5808114, Churchwell, Violet Eileen (nee Flood).
A-6596296, Conde, Cristina Hontoria, or Cristina Hidalgo Hontoria.
A-3252394, Crabb, Roy Albert.
A-7044449, Cruz y Castaner, Antonio Maria, or Antonio Cruz Gomez or Tomy M. Cruz.
A-5716554, Daenen, Louis Lodewyk.
A-7445707, Desimone, Adelfina, or Adelfina Paliotta.
A-6602886, Ehrlich, Abraham Jacob, or Abraham J. Ehrlich or Abraham Altar Jacob Ehrlich.
A-9777195, Haldas, George, or Georgiou Haldas.
A-2081701, Kurej, Jan Andrejco, or John Andreko Kurey or John Andrez Kurey or John A. Kurey.
A-7197779, Ledig, Aurelia Geng, or Aurelia Patricia Geng or Aurelia Harrison.
A-7137606, Mandel, Edith Eszter, or Eszter Edith Kornheuser or Edith Kornhauser.
A-2851222, Marco, Ollia.
A-4822872, Meland, Johan, or John Meland.
A-6444910, Menendez, Miguel Armando.
A-6682966, Ovadia, Victoria Goldstein, or Vicky Ovadia.
A-7445703, Paliotta, Vincenzo, or James Paliotta.

A-5939882, Papavassiliou, George Basil, or George Papavas.
A-6660960, Wong, Amos Huie, or Yuen Meng Wong.
A-7395427, Wong, Bert, or Yuan-Shu.
A-7395428, Wong, Ruth, or Yuan-Hua.
A-6328954, Anagnostopoulos, John Demosthemes, or John Annes.
A-4926661, Blumen, Leopold, or Ludwig Busch.
A5241078, Blumen, Julius Maximillian, or Julius Busch.
A-5965658, Cameron, Allan George.
A-3485104, Carone, Michele, or Nicola Vernola.
A-7171991, Courtney, Earle Mathew.
A-9777239, Esposito, Michele.
A-7505986, Farrell, Umeyo Wada, or Nickname May.
A-6811581, Iglesias, Manuel, or Inocente Manuel Iglesias Gonzalez.
A-7174027, Kavouksorian, John Kevork.
A-4996448, Langan, Lorna, or Mrs. John Langan or Lorna Brown or Joan Landon or Joan Manners.
A-4647200, Ozores, Indalecio, or Tony Marino.
A-5316466, Ozores, Carmen (nee Franklin).
A-3681423, Pernice, Mary (nee Mary Shegerian alias Dikronouhi Shegerian alias Dikronouhi Seropian).
A-4582340, Schatz, Bezalel.
A-7145196, Sochikian, Henri, or Henry Soghikian or Haigaz Soghikian.
A-6795534, Arellano de Ochoa, Maria Del Socorro (nee Maria Del Socorro Arellano alias Socorro Arellano).
A-6916681, Bolling, Lida (nee Ling or Lida Ling Bolling).
A-2479066, Brandel, Berndt David Harald.
A-6699071, Bruce, Jane (nee McCue).
A-6699060, Bruce, Veronica.
A-3028231, Chang, Hsiao Hsueh.
A-3028280, Chang, Chou-Tung.
A-5130075, Cholinas, John George, or John Calafatis.
A-6257097, Dolik, Zaven.
A-4692905, Dorrnveld, Koop, or Jose Toombs.
A-7379199, Dowd, Gertrude (Geertruida) (Beertruida) (nee Sohl).
A-7366334, Gil Da Silveira, Henrique Melquiades.
A-4770842, Herr, Henry Curt.
A-6733437, Hoogland, Lucrecia (nee Diaz Sanchez).
A-4069836, Kapp, John, or Johan Kapp.
A-7193994, McCartney, Arthur Liu.
A-4509553, Medina, Mariano Jercz, or Mario Jerez Medina.
A-2444130, Mirabito, Giuseppe.
A-3696867, Montgomery, Murray Richardson.
A-7026985, Shegerian, Lily, or Lily Shegarian or Shousanik Seropian.
A-6677651, Olson, Kristine (nee Stromberg).
A-6550895, Tanju, Haluk, or Zeynelabidin Haluk Tanju.
A-6550896, Tanju, Muazzez (nee Yuksektepe).
A-6554484, Toohill, Birgit Bremmer, or Birgit Gorm Bremmer (maiden name).
A-6841083, Torre De Cohoon, Maria Liusa.
A-2355100, Weber, Harold.
A-6510177, Weinstock, Rachel Rosenberg, or Rachel or Rechel Weinstock.
A-4829458, Zumbo, Clara (nee Whitehead, formerly LeMiere).
A-2983976, Alupay, Petronilo Betanga.
A-5473507, Bredeson, Oscar E., or Oscar Bredson.
A-5449239, Cazulo, Julio Alvarez, or Julio Cazulo Alvarez or Jose Julio Cazulo or Julio C. Alvarez.
A-6393757, Cipelli, Maria Queberini.
A-2776551, De Pinho, Augusto Jose.
A-6228028, Farre, Armando Alcaniz (alias Armando Alcaniz alias Armando Alcaniz Ferrer or Martinez).
A-3838421, Gerontges, Ioannis, or John Rontges.
A-5240294, Gow, Donald Yardley.
A-7280505, Johnson, Randi Harda (nee Jacobsen).
A-5333149, Kampi, Peter, or Peter Campi or Joe Kiss.
A-4544484, Lederman, Hyman.
A-5294758, Lederman, Bertha (nee Rotenberg).
A-5626923, Lightenstein, Alois Raoul.
A-3977650, Marcozzi, Bernard, or Bernardo Marinelli.
A-6929708, Marguier, Andre Lucien.
A-1409019, Pasela, Joseph.
A-9632630, Petkovits, Francescos, or Frangiscos Ioannis Petcovits or Petkovich or Frank Petcovits.
A-5214886, Portokalides, Panayotis, or Panaghiotis Portokalidis or Paul Morris.
A-4198587, Sekropoulos, Evangelos, or Evangelos Sekros.
A-7145705, Smith, Wanda Cathleen, or Mary Carol Chachula.
A-7125064, Sowerby, Arthur De Carle.
A-2675276, Stewart, William, or William R. Stewart.
A-5411354, Tan, Edwin Shing, or Edwin Tom or Tom Sun or Tom Soon or Edwin Tan or Shing Tan.
A-6729519, Taylor, Lilica Filomila, or Lilika Anastasios Bidouri (nee Vidouri).
A-7469180, Tellez-Rodriguez, Rafael.
A-5263611, Veser, Josef Anton.
A-2519893, Yoneyama, Asaye Ichihashi (Asaye Ichihasi).
A-5096420, Maykemper, John Henry, or Henry Maykemper.
A-5096419, Maykemper, Maria.

With the following committee amendments:

On page 8, lines 13 and 14, strike the registration number and name.
"A-6053362, Farr, Cynthia Kirpalani (see Cynthia Dick)."
On page 12, line 10, strike the registration number and name:
"A-4197503, Codazzi, Bruno."
On page 23, after line 5, insert the registration numbers and names:
"A-7351041, Spangler, Patricia Anne nee Gaynor.
"A-2998994, Marchessini, Pánachi Demetri.
"A-2998949, Marchessini, Helen nee Machris or Helen Panaghi Marchessini.
"A-7010772, Marchessini, Demetri or Demetrios Panaghi Marchessini.
"A-7010773, Marchessini, Alexander or Alexander Panaghi Marchessini.
"A-5093352, Kinoshita, James Kunihiro."

The committee amendments were agreed to.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

MRS. ANN MORRISON

The Clerk called the bill (H. R. 1842) for the relief of Mrs. Ann Morrison.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the late Leonard Morrison, XC-6292981, N-3187200, who died on June 25, 1948, shall be held and considered to have had in effect at the time of his death national service life insurance in the amount of $10,000. The Administrator of Veterans' Affairs shall pay such insurance to Mrs. Ann Morrison, of Detroit, Mich., widow of the said Leonard Morrison. The premium transmitted to the proper office after the expiration of the period of grace, and accepted and acknowledged by that office, shall be held and considered to have been paid prior to the expiration of such period of grace.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOE BARGAS

The Clerk called the bill (H. R. 2538) for the relief of Joe Bargas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Joe Bargas, of Trinidad, Colo., father of Eddie Bargas, a minor, in full settlement of all claims against the United States on account of the death of said Eddie Bargas as a result of injuries sustained on the United States post-office grounds at Trinidad, Colo., on July 12, 1950; the claim of the said Joe Bargas is not a claim that is cognizable under the Federal Tort Claims Act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LON WEAVER

The Clerk called the bill (H. R. 2771) for the relief of Lon Weaver.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lon Weaver, of Mount Vernon, Mobile County, Ala., the sum of $3,000. Payment of such sum shall be in full settlement of all claims of the said Lon Weaver against the United States on account of his wrongful confinement in the United States penitentiary, Atlanta, Ga., through a mistake in his identity, for a period of approximately 10 months, from May 10, 1939, to March 11, 1940, until the United States District Court for the Northern District of Georgia ordered his release: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. GOLDIE WEINER

The Clerk called the bill (H. R. 3708) for the relief of Mrs. Goldie Weiner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $317.17 to Mrs. Goldie Weiner of Columbia, S. C., in full settlement of all claims against

the United States for property damage sustained as a result of an accident involving a United States Army vehicle, in Columbia, S. C., on February 1, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. D. WOODS

The Clerk called the bill (H. R. 4165) for the relief of A. D. Woods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. D. Woods, postmaster of Marquez, Tex., the sum of $103.15. The payment of such sum shall be in full settlement of all claims of the said A. D. Woods against the United States on account of expenses incurred by him in repairing his safe which was damaged in the course of an attempted theft of postage stamps stored in such safe on behalf of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent whereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 26) favoring the suspension of deportation of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-5740572, Alves, Jose Manuel.

A-6792309, Bermudez, Carlos y Arnaldo, or Carlos Daniel Bermudez Y Arnaldo.

A-7114111, Besnier, Jean Patrick.

A-6887037, Brame, Marcelle Weyckmans (formerly Roggen nee Weychmans).

A-6258795, Carter, Fleter Sarah Ann Samuels (nee Scott).

A-7921504, Cassanova, Gerald, or Cecil Graham.

A-7274110, Chrivniz, Katherine (formerly Katerin Trochlierova).

A-6965616, Coleman, June (nee Lieber).

A-6965615, Coleman, Conrad William.

A-3778398, Colomban, Alfredo.

A-2219417, Conrad, Robert Gustav.

A-6948924, Delarue, Leon Henri Pierre.

A-6223938, Denoyer, Jean Pierre Joseph.

A-6460872, Drizi, Oreanthi (alias Oreanthi or Oreanthy Dumas alias Oreanthi Askouris alias Oreanthi Doumaki or Doumakis alias Oreanthe Dounamis alias Oreanthi George Dumakis).

A-6458403, Elliott, Pamela Restal.

A-1649843, Fokas, Panagis Nicola, or Peter Fokas.

A-6887901, Frost, Helly.

A-4089161, Generutti, Ranieri.

A-4515564, Graber, Joseph Grimm, or Joseph Grimm.

A-6985327, Hall, Martin Albrecht.

A-5926660, Hayashi, Kiyomi, or Kiyomi, Okita.

A-6202790, Ip, Lai or Ip Lai.

A-5391724, Karavas, Nickolaos or Nicholaos, or Nick Karavas.

A-7203758, Kitsigiannis, Ioannis (alias Ioannis Pepeas).

A-6811624, Knott, Eugenia (nee Armenianu).

A-7722002, Lamborn, Bjorn Nils Andees.

A-7722003, Lamborn, Signe Birgitta.

A-7722004, Lamborn, Ingrid Mary.

A-6928202, Legee, Gillian Olga, or Gillian Olga Legge McDowell.

A-6806051, Lignos, Louis George, or Ilias Lignos.

A-6918394, MacArthur, Fidelina Petronila, or Fidelina Martinez-Abreu.

A-1983416, Madias, George Nicholas, or George N. Madias (alias George Spanoa).

A-6069976, Magdoff, Solomon (Solly), or Charles S. Magdoff or Saul Magdoff.

A-6794968, Marcoutsakis, Nicolas George.

A-4757742, Mayper, Vera Hachette (nee Symonds).

A-6848672, Milrad, Symcha Jeszua.

A-5024417, Mikkelsen, Maren Margarethe, or Margaret Michelsen or Tiencken or Margaret Maren Tiencken or Maren Margarethe Slocum.

A-6926106, Mitchell, Elizabeth Carolyn (nee Walker).

A-3134855, Moebius, Christine Anna.

A-2921410, Mpaiomoutsounos, Panagoitis, or Peter Lygnos.

A-6328088, Omana, Mehdi.

A-2666621, Poutous, Lampros, or Lampos Poutous (alias Louis Poutous).

A-4690664, Salsky, Harry.

A-6289903, Stern, Wolf.

A-9682324, Thilesen, Arne.

A-6861407, Tipp, Evelyn Ruth Rogers.

A-1565190, Volansky, Pavel, or Paul Shorick.

A-7751849, Wong-Ley, Jose Manuel, or Joe Wong or Jose Manuel Wong.

A-5924790, Cotzias, George Constantine, or Georgios Constantine or Konstantine Kotzias or Cotzias.

A-4752227, Agosta, Emanuele.

A-6982497, Anagnost, Rolf, or Rolf Bienert.

A-4982556, Baba, Sumio, or Sumio Yamashita.

A-4982555, Baba, Mifuko, or Mifuko Baba Yamashita or Mifjko Hatakenaka.

A-6569220, Baeza, Ramiro.

A-6569219, Baeza, Salvador.

A-6145722, Bartley, Erie Edwin Saint Clair, or Erie E. Bartley or Erie E. Bartley.

A-7379205, Bruno, Lionella Terradura (nee Vaguarelli).

A-6246413, Cardella, Antonio.

A-2480178, Chen, Tsung, Tsai.

A-7427529, Chiu, Henry Djen-Huan.

A-1997538, Couto, Manuel da Silva.

A-6447286, Davis y Dilva, Thomas Edward or Ed or Eddie Davis.

A-5939327, DeCaro, Angelo.

A-6931872, DeGonzalez, Adelina Paz, or Bostica (alias Adelina Bostol alias Adelina Camareno).

A-6990747, DeRochefort, Nicholas.

A-7274138, Desberg, Renee (nee Zinner, formerly Reiner).

A-4934635, Diaz, Felipe, or Philip Santiago.

A-3436153, Egan, Bridget.

A-7189510, Espinosa-Gutierrez, Crispin.

A-2042298, Esposito, Francesco.

A-7241663, Finkowitz, Barbara Dolores (nee Green).

A-2982075, Foellner, Anna Berta.

A-2383370, Frangopoulos, Gherasimos, or Gherasinos Frangopoulos or Jerry Frangopoulos.

A-4735924, Frkovich, Joseph, or Josip Frkovic.

A-1749868, Gianotis, Nicholas, or Nick Gianiotis.

A-4968736, Gomez, Juan Benito Vidal, or John Vidal.

A-7398118, Gorich, Jessie (nee Stelmaszchnk).

A-4686546, Gum, Choy, or Choy Kam.

A-2696906, Hodder, Hector William Albert, or Hector W. A. Hodder.

A-7224957, Hollandskjer, Sigurd Dagfim Monsen.

A-4687287, Hong, Louis Fong Sui.

A-3626383, Hsia, Pearl Lu-Yong, or Hsia Tu Yong.

A-2352215, Jaeckel, Anna.

A-7351117, Karelas, Stella K, or Stella Konstantinos Frangoudaki.

A-5216432, Kataoka, Bunpei, or Torakichi Yamamoto.

A-3786396, Kauker, Joseph, Senior.

A-7469964, King, John, or Jean King, or Hien Chang Ching.

A-3472349, Klein, Wilhelm.

A-1703951, Knie, Wladyslawa, or Lottie Knie (nee Kobus).

A-2224759, Kokalitis, Kostas Georgiou, or Gus George Kokales.

A-2156577, Koleszar, Andrew or Andrew.

A-3483164, Kolotos, Ioannis, or John Kolotos or John Kalas or John Gus Kalas.

A-4958123, Koos, Maria nee O'Stashek.

A-6427844, Korikjian, Hrand Leon, or Hrand Leon Kurkjian.

A-3837724, Krebs, Elizabeth, or Elisabeta Krebsz.

A-2238384, Lafrid, Ahmed, or Ahmed Ben-Belmahi Lafrid.

A-2726549, Laidis, Theodoros Steve (Theodore Laidis).

A-2592398, Lay, Hua Kung, or Alexander Hua Kung Lay or Alexander Louie.

A-4369517, Lecomte, Emmanuel, or Emmanuel Lecomte or Edmond or Edward Lecomte.

A-1792624, Ledesma, Francisco.

A-4190909, Longo, Paolo, or Paul Anthony.

A-3975542, Longo, Rosina Rosario Ceconato.

A-6549116, Longo, Joseph Vincent.

A-2032926, Lyons, Elizabeth, or Lizi Oreszlan.

A-7297885, Maier, Rainer Georg.

A-4481158, Marder, Karl Wilhelm, or Karl Martin Marder or Charles Martin Marder or Karl Marder.

A-2538986, Mariottini, Elia.

A-5574851, Mark, Tung Siu.

A-7038954, Mark, Lai Wah.

A-1596298, Mitzis, Georgios (George Mitzis).

A-2737103, Morris, Charles Lundy.

A-2882299, Moustakas, Augustine Nick.

A-2979308, Mouzithras, Simos.

A-2653958, Nakayama, Masaichi.

A-3515713, Neto, Francisco Rodrigues, or Francisco or Frank Rodriguez.

A-4478499, Newby, Thomas.

A-6819068, Nimeh, Ali Abu.

A-4290353, Nizzia, Domiziano or Dominic.

A-4348428, Ogawa, Fumiko (nee Ito).

A-3852352, Pang, Eng She, or James Pang.

A-3675806, Parra, German Martin, or German Martin or Martin Martin Parra.

A-4031710, Petrin, Anton.

A-2142932, Pivovaroff, Ovidotia Koshergen, or Jenie Koshergen Pivivaroff.

A-2973715, Poa, Ching Ah, or Ching Poa.

A-1828525, Popoway, Helen, or Helen Lucille Popoway.

A-7379203, Prencipe, Umberto or Humbert.

A-4876280, Pukki, Eino, or Eino Ernest Johnson Eino Kovuranta, Eino Koranta, Eino Erland Johnson.

A-7394781, Quagliano, Delia (nee Andreoli).

A-6982141, Rado, Livia (formerly Safier, nee Keller).

A-1711341, Robertson, Harold Alexander.
A-6650163, Rogers, Robert Lee.
A-6861409, Rogers, Wilfred Edward.
A-6861410, Rogers, George, Jr.
A-6370279, Rogers, Charles, or Charles Buddy Rogers.
A-4697387, Saavedra, David.
A-6332309, Sanchez, Salcedo, Jesus or Jesus Sanchez.
A-3600605, Sancin, Duilio, or Duke Norman or Norman Duke.
A-7197934, Sans, Carmen Hernandez (nee Carmen Rosa Hernandez Calvo).
A-6289600, Sawyers, Beryl Maryann Baldie.
A-4772314, Scalera, Francesco.
A-1604014, Scime, Angelo.
A-7029657, Scime, Maria.
A-7029658, Scime, Concetta.
A-4471725, Sharp, Milton Garfield.
A-3443290, Shepherd, Samuel Sylvester.
A-2462901, Siametis, Simon John (Simeon or Simo Shameti).
A-4481577, Spencer, Alexandra (Sandra) Howlett.
A-3442565, Spivack, Willie, or William Singer or Wilhelm Singer.
A-6554774, Stewart, Mendel, or Mendel Schwartz.
A-6536852, Stylianides, Panos John, originally Panayotis Ioanis Stylianides.
A-4776101, Swensen, Aslaug Tordis Borg.
A-7385750, Tela, Norberto.
A-3878029, Tin, Fong Sing, or David Fong or Fong Sing.
A-6504763, Tze, Tsui Mon, or Tsui Woon.
A-7274237, Valadez-Lopez, Loreto.
A-1599876, Vassiliades, Ioannis (John Vassiliades).
A-6840805, Vlin, Simonne Germaine or Parent.
A-4070138, Vukov, Nicholas, or Nicholas Vukov Zabrez.
A-4396036, Wants, Oscar, or Crest Wants, Oscar Wantsy, or Harry Linden.
A-5447640, Warhoel, Robert Johan (aliases Robert Hansen Warhoel and Robert Hansen).
A-2784316, Wiik, Rolv Olger Olsen.
A-9167039, Wisth, Arvid Hjalmar.
A-4298991, Young, Mon, or Young Gin Mon.
A-4199955, Zenil, Karafil.
A-1760606, Zographos, George Stamatian, or George Zographas or George Politis.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

FLORENCE GRACE POND WHITEHILL

The Clerk called the bill (H. R. 1834) for the relief of Florence Grace Pond Whitehill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to appoint Florence Grace Pond Whitehill, former nurse, Navy Nurse Corps, an ensign in the Navy Nurse Corps, and place her on the retired list of the officers of the Navy with retired pay equal to 75 percent of the active duty pay of the grade of ensign with credit for purposes of pay for all service to which she was entitled on February 24, 1929: *Provided*, That no back pay, allowances, or emoluments shall become due as a result of the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUZENA PELANTOVA

The Clerk called the bill (S. 249) for the relief of Ruzena Pelantova.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Ruzena Pelantova shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Beginning on line 10, strike out lines 10, 11, and 12, of the bill and insert in lieu thereof the following: "shall instruct the proper quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LILY PFANNENSCHMIDT

The Clerk called the bill (S. 277) for the relief of Lily Pfannenschmidt.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Lily Pfannenschmidt shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERK VISNAPUU AND WIFE

The Clerk called the bill (S. 361) for the relief of Herk Visnapuu and his wife, Naima.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Herk Visnapuu and his wife, Naima, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct appropriate numbers from the first available appropriate quota or quotas.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the immigration and naturalization laws, Herk Visnapuu and his wife, Naima, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct two numbers from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN REGINALD LEAT

The Clerk called the bill (H. R. 740) for the relief of John Reginald Leat.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, the provisions of the first and ninth categories of section 3 of the Immigration Act of 1917, as amended (8 U. S. C., secs. 136 (a) and 136 (d)), shall not hereafter apply to John Reginald Leat, minor son of Reginald Charles Leat and Mrs. Rita Leat, permanent residents of the United States. For the purposes of the immigration and naturalization laws, the said John Reginald Leat shall be held and considered to have been lawfully admitted as of August 31, 1949, to the United States for permanent residence. Any departure bond outstanding in his case shall be canceled.

With the following committee amendment:

On line 11, after the words: "lawfully admitted" strike out the remainder of the bill and insert in lieu thereof the following: "to the United States for permanent residence as of the date of the enactment of this act: *Provided*, That there be given a suitable and proper bond or undertaking, approved by the Attorney General, in such amount and containing such conditions as he may prescribe, to the United States and to all States, Territories, counties, towns, municipalities, and districts thereof holding the United States and all States, Territories, counties, towns, municipalities, and districts thereof harmless against John Reginald Leat becoming a public charge."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DELFO GIORGI

The Clerk called the bill (S. 52) for the relief of Delfo Giorgi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Delfo Giorgi shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VITTORIO QUILICI

The Clerk called the bill (S. 53) for the relief of Vittorio Quilici.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Vittorio Quilici shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VICTOR G. LUTFALLA

The Clerk called the bill (S. 155) for the relief of Victor G. Lutfalla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Victor G. Lutfalla shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ZDENEK MAREK

The Clerk called the bill (S. 178) for the relief of Zdenek Marek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Zdenek Marek shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all of lines 11 and 12 of the bill, and substitute in lieu thereof the following: "number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AZY AJDERIAN

The Clerk called the bill (S. 223) for the relief of Azy Ajderian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Azy Ajderian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. ALEXANDER V. PAPANICOLAU AND HIS WIFE, EMILIA

The Clerk called the bill (S. 276) for relief of Dr. Alexander V. Papanicolau and his wife, Emilia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Dr. Alexander V. Papanicolau and his wife, Emilia, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct appropriate numbers from the first available appropriate quota or quotas.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAUDIO PIER CONNELLY

The Clerk called the bill (S. 291) for the relief of Claudio Pier Connelly.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Claudio Pier Connelly shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TSUNG HSIEN HSU

The Clerk called the bill (S. 297) for the relief of Tsung Hsien Hsu.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child, Tsung Hsien Hsu, shall be held and considered to be the natural born alien child of Lt. Richard Corsa, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACOBA VAN DORP

The Clerk called the bill (S. 348) for the relief of Jacoba van Dorp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Jacoba van Dorp shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDITH WINIFRED HENDERSON

The Clerk called the bill (S. 356) for the relief of Edith Winifred Henderson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Edith Winifred Henderson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: *Provided*, That there be given a suitable and proper bond or undertaking, approved by the Attorney General, in such amount and containing such conditions as he may prescribe, to the United States and to all States, Territories, counties, towns, municipalities, and districts thereof holding the United States and all States, Territories, counties, towns, municipalities, and districts thereof harmless against Edith Winifred Henderson becoming a public charge.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TU DO CHAU

The Clerk called the bill (S. 362) for the relief of Tu Do Chau, also known as Szetu Dju or Anna Szetu.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Tu Do Chau (also known as Szetu Dju or Anna Szetu) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 10, after the word "proper", strike out the balance of the line, line 11, and line 1 on page 2 down to and including the word "available" and insert "quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IRMGARD KOHLER

The Clerk called the bill (S. 363) for the relief of Irmgard Kohler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That solely for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, Irmgard Kohler shall be held and considered to be the minor child of her father, Alois Kohler, a naturalized United States citizen.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. SUZANNE WIERNIK AND HER DAUGHTER, GENEVIEVE

The Clerk called the bill (S. 364) for the relief of Mrs. Suzanne Wiernik and her daughter, Genevieve.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mrs. Suzanne Wiernik and her daughter, Genevieve, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct appropriate numbers from the first available appropriate quota or quotas.

With the following committee amendment:

Page 1, line 10, after the word "proper", strike out the balance of the line, line 11, and line 1 on page 2, down to and including the word "quotas" and insert "quota officer to deduct two numbers from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALICE DE BONY DE LAVERGNE

The Clerk called the bill (S. 463) for the relief of Alice de Bony de Lavergne.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the first and ninth categories of section 3 of the Immigration Act of 1917, as amended (8 U. S. C. 136 (a) and (d)), Alice de Bony de Lavergne may be admitted to the United States for permanent residence provided she is found otherwise admissible under the provisions of the immigration laws: *Provided*, That there be given a suitable and proper bond or undertaking, approved by the Attorney General, in such amount and containing such conditions as he may prescribe, to the United States and to all States, Territories, counties, towns, municipalities, and districts thereof holding the United States and all States, Territories, counties, towns, municipalities, and districts thereof harmless against Alice de Bony de Lavergne becoming a public charge.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREIDOUN JALAYER

The Clerk called the bill (S. 548) for the relief of Freidoun Jalayer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Freidoun Jalayer shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EVALD FERDINAND KASK

The Clerk called the bill (S. 648) for the relief of Evald Ferdinand Kask.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Evald Ferdinand Kask shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all of lines 10 and 11, and insert in lieu thereof the following: "quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Person Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. FRANCESCO DRAGO

The Clerk called the bill (S. 1092) for the relief of Dr. Francesco Drago.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Dr. Francesco Drago shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SONJA LOHMANN AND HER MINOR SON

The Clerk called the bill (H. R. 593) for the relief of Sonja Lohmann and her minor son.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, the aliens Sonja Lohmann (the German fiancée of John Duren Anderson, a United States citizen and an honorably discharged veteran of World War II), and her minor son, both of Hanigsen, Burgdorf, Hannover, Germany, British Zone, shall be eligible for admission to the United States as nonimmigrant temporary visitors for a period of 3 months if the appropriate administrative authorities find that the said Sonja Lohmann is coming to the United States with a bona fide intention of being married to the said John Duren Anderson and that she is otherwise admissible under the immigration laws. If the marriage between the above-named parties does not occur within 3 months after the entry of the said Sonja Lohmann and her minor son, she and her minor son shall be required to depart from the United States and upon failure to do so shall be deported in accordance with sections 19 and 20 of the Immigration Act of February 5, 1917, as amended (U. S. C., 1946 ed., title 8, secs. 155 and 156). If the above-named parties are married within 3 months after the entry of the said Sonja Lohmann and her minor son, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Sonja Lohmann and her minor son as of the date of their entry into the United States upon payment of the required fees and head taxes.

With the following committee amendment:

On page 2, lines 15 and 16, strike out the following: "their entry into the United States upon payment" and insert in lieu thereof: "the payment by them."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KARL CHIMANI AND ADA CHIMANI

The Clerk called the bill (H. R. 702) for the relief of Karl Chimani and Ada Chimani.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Karl Chimani and Ada Chimani shall be held to have been lawfully admitted for permanent residence as of April 26, 1950, the date of their actual entry into the United States, upon payment of the visa fee and head tax.

SEC. 2. The Secretary of State is directed to instruct the proper quota-control officer to deduct one number for each of the aliens named herein from the quota of the appropriate country in the first year that the said quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the immigration and naturalization laws, Karl Chimani and Ada Chimani shall be held and considered to have

been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct two numbers from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KONSTONTIOS N. BELLOS

The Clerk called the bill (H. R. 732) for the relief of Konstontios N. Bellos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence in the United States of Konstontios N. Bellos at the port of New York as of ———, 1945, upon payment by him of the required visa fee and head tax.

SEC. 2. Upon enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Albania for the first year that such quota number is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That for the purposes of the immigration and naturalization laws, Konstontios N. Bellos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIO DiFILIPPO

The Clerk called the bill (H. R. 1119) for the relief of Mario DiFilippo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mario DiFilippo shall be held and considered to have been lawfully admitted to the United States for permanent residence of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien, as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS G. FABINYI

The Clerk called the bill (H. R. 1581) for the relief of Thomas G. Fabinyi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Thomas G. Fabinyi, who entered the United States at Rouses Point, N. Y., on August 30, 1949, for a temporary stay as a student, shall be held and considered to have been lawfully admitted, as of such date, to the United States for permanent residence upon payment by him of the required visa fee and head tax. Upon payment of such visa fee and head tax, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Hungary for the first year such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That for the purposes of the immigration and naturalization laws, Thomas G. Fabinyi shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

The commitee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SANAE IIDA

The Clerk called the bill (H. R. 1973) for the relief of Sanae Iida.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, the provisions of section 13 (c) of the Immigration Act of 1924, as amended, shall not apply to Sanae Iida, the Japanese fiancée of Douglas F. Reeves, a citizen of the United States, and the said Sanae Iida shall be eligible for a nonquota immigration visa if she is otherwise admissible under the immigration laws and if she is married to the said Douglas F. Reeves within 90 days after the date of enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the provisions of section 13 (c) of the Immigration Act of 1924, as amended, relating to the exclusion of aliens inadmissible because of race, shall not hereafter apply to Sanae Iida, the Japanese fiancée of Douglas F. Reeves, a citizen of the United States, and that the said Sanae Iida may be eligible for a nonquota immigration visa if she is found otherwise admissible under the immigration laws: *Provided*, That the administrative authorities find that the marriage between the above-named parties occurred before 3 months after the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PANAGIOTA KOLINTZA KARKALATOS

The Clerk called the bill (H. R. 2369) for the relief of Panagiota Kolintza Karkalatos.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, that provision of section 3 of the Immigration Act of 1917, as amended (U. S. C., title 8, sec. 136 (e)), which excludes from admission into the United States persons who have been convicted of or admit having committed a felony or other crime or misdemeanor involving moral turpitude, shall not hereafter apply to Mrs. Panagiota Kolintza Karkalatos, the wife of an American citizen.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the immigration laws, the provisions of the eleventh category of section 3 of the Immigration Act of 1917, as amended (8 U. S. C. 136 (e)), shall not hereafter apply to Panagiota Kolintza Karkalatos, the wife of Theodore J. Karkalatos, an American citizen, of East Chicago, Ind., with respect to any conviction or admission of the commission of any crime in her case of which the Department of State and the Department of Justice have knowledge on the date of enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARGIT HELENA FALK RABOFF

The Clerk called the bill (H. R. 2408) for the relief of Mrs. Margit Helena Falk Raboff.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, the provisions of the eleventh category of section 3 of the Immigration Act of 1917, as amended (8 U. S. C. 136 (e)), shall not hereafter apply to Mrs. Margit Helena Falk Raboff, Swedish wife of Ernest Lloyd Raboff, of Los Angeles, Calif., a United States citizen, with respect to any conviction or admission of the commission of any crime in her case of which the Department of State and the Department of Justice have knowledge on the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JADWIGA PULASKA

The Clerk called the bill (H. R. 2449) for the relief of Jadwiga Pulaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Jadwiga Pulaska, shall be held to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper

quota-control officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARGARETE KATHARINA METZ

The Clerk called the bill (H. R. 3665) for the relief of Mrs. Margarete Katharina Metz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the eleventh category of section 3 of the Immigration Act of 1917 (8 U. S. C. 136 (e)), Mrs. Margarete Katharina Metz, the wife of a citizen of the United States who served honorably in the Armed Forces of the United States during World War II, may be admitted to the United States for permanent residence if she is found otherwise admissible under the provisions of the immigration laws.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. EBERHARTER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. THOMPSON of Texas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 68]

Abbitt	Fogarty	Murphy
Anfuso	Forand	Murray, Wis.
Angell	Fugate	Nelson
Baker	Gillette	O'Konski
Bates, Mass.	Gore	Pickett
Beall	Granger	Poage
Bentsen	Green	Polk
Berry	Gwinn	Poulson
Blatnik	Hall, Edwin Arthur	Powell
Boggs, La.	Hall, Leonard W.	Prouty
Bonner	Harrison, Wyo.	Rabaut
Boykin	Hébert	Redden
Brownson	Hoeven	Reed, Ill.
Buckley	Hoffman, Ill.	Reegan
Burton	Irving	Rivers
Butler	Jarman	Robeson
Byrne, N. Y.	Johnson	Rogers, Mass.
Canfield	Jones, Ala.	Roosevelt
Carlyle	Jones, Mo.	Sabath
Carnahan	Kelley, Pa.	St. George
Celler	Kelly, N. Y.	Sasscer
Chatham	Kersten, Wis.	Scott, Hugh D., Jr.
Chudoff	Kilburn	Scrivner
Clemente	Kilday	Scudder
Cole, Kans.	King	Sheehan
Cooley	Lanham	Short
Coudert	Larcade	Sieminski
Cox	Lucas	Smith, Kans.
Crosser	Lyle	Smith, Miss.
Davis, Tenn.	McCarthy	Stanley
Dawson	Mack, Wash.	Sutton
Deane	Meader	Taylor
DeGraffenried	Merrow	Teague
Delaney	Miller, Calif.	Thornberry
Dingell	Miller, N. Y.	Towe
Dondero	Morgan	Whitaker
Doughton	Morrison	Willis
Elliott	Morton	Wolverton
Fallon	Moulder	
Feighan		
Flood		

The SPEAKER pro tempore. On this roll call 314 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

OKANOGAN RECLAMATION PROJECT

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD a resolution which was adopted by the Committee on Interior and Insular Affairs on May 18, 1951, and two acts relating to this procedure, concerning the expenditure of rehabilitation and betterment costs on certain reclamation projects.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, this resolution approves the findings of the Secretary of the Interior on this contract as outlined in his letter to both the Senate and House Committees on Interior and Insular Affairs, dated May 9, 1951.

On October 7, 1949, the President approved an act to provide for the return of rehabilitation and betterment costs of Federal Reclamation projects, and on March 3, 1950, an act was approved amending that act to a slight degree, whereby it becomes possible for the above-named committees to express their approval of the determination by the Secretary of the Interior of the terms of a contract for the repayment of rehabilitation and betterment costs on reclamation projects.

The two acts referred to and the resolution which was adopted by the Committee on Interior and Insular Affairs, House of Representatives, are as follows:

[Public Law 335—81st Cong.]

[Ch. 650—1st sess.]

H. R. 1694

An act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects

Be it enacted, etc., That expenditures of funds hereafter specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) shall be made only after the organizations concerned shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior in the light of their outstanding repayment obligations, and which shall, to the fullest practicable extent, be scheduled for return with their construction charge installments or otherwise scheduled as he shall determine. No such determination of the Secretary of the Interior shall become effective until the expiration of 60 days after it has been submitted to the Committee on Interior and Insular Affairs of the Senate and the Committee on Public Lands of the House of Representatives. The term "rehabilitation and betterment," as used in this act, shall mean maintenance, including replacements, which cannot be financed currently, as otherwise contemplated by the Federal reclamation laws in the case of operation and maintenance costs, but shall not include construction, the costs of which are returnable, in whole or in part, through "construction charges" as that term is defined in section 2 (d) of the Reclamation Project Act of 1939 (53 Stat. 1187). Such rehabilitation and betterment work may be performed by contract, by force account, or, notwithstanding any other law and subject only to such reasonable terms and conditions as the Secretary of the Interior shall deem appropriate for the protection of the United States, by contract entered into with the organization concerned whereby such organization shall perform such work.

SEC. 2. This act shall be deemed a supplement to the Federal reclamation laws.

Approved October 7, 1949.

[Public Law 451—81st Cong.]

[Ch. 47—2d sess.]

H. R. 7220

An act to expedite the rehabilitation of Federal reclamation projects in certain cases

Be it enacted, etc., That the second sentence of the act entitled "An act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects," approved October 7, 1949, is amended by striking out the period at the end thereof and inserting a semicolon and the following: "except that, any such determination may become effective prior to the expiration of such 60 days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval: *Provided*, That when Congress is not in session the Secretary's determination, if accompanied by a finding by the Secretary that substantial hardship to the water users concerned or substantial further injury to the project works will result, shall become effective when the chairman and ranking minority member of each such committee shall file with the Secretary their written approval of said findings."

Approved March 3, 1950.

RESOLUTION CONCERNING THE EXPENDITURE OF REHABILITATION AND BETTERMENT FUNDS ON THE OKANOGAN IRRIGATION DISTRICT, OKANOGAN PROJECT, WASHINGTON

Whereas the act of October 7, 1949 (Public Law 335, 81st Cong., 1st sess.), as amended by the act of March 3, 1950 (Public Law 451, 81st Cong., 2d sess.), provides that expenditure of funds specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws shall be made only after the organizations shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior; and

Whereas the determination of the Secretary of the Interior does not become effective until the expiration of 60 days after it has been submitted to the Committee on Interior and Insular Affairs of the Senate and the Committee on Public Lands (now Committee on Interior and Insular Affairs) of the House of Representatives or on a date prior to the expiration of such 60 days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval; and

Whereas in a letter dated May 9, 1951, the Secretary of the Interior submitted to the Committee on Interior and Insular Affairs his findings relating to the return of rehabilitation and betterment funds to be expended on the Okanogan irrigation district, Okanogan project, Washington; and

Whereas the Committee on Interior and Insular Affairs has, in session with a quorum present, this day approved the findings of the Secretary of the Interior in these premises: Now, therefore, be it

Resolved, That the Committee on Interior and Insular Affairs give notice in writing to the Secretary of the Interior of its approval of his determination in these premises.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
JOHN R. MURDOCK, *Chairman*.

Adopted this 18th day of May 1951.

DISTRICT OF COLUMBIA LAW ENFORCEMENT ACT OF 1951

Mr. McMILLAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4141) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia; and pending that motion, Mr. Speaker, I ask unanimous consent that debate be limited to 50 minutes, the time to be equally divided between the minority and the majority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The SPEAKER pro tempore. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4141, with Mr. THOMPSON of Texas in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from South Carolina [Mr. McMILLAN] is entitled to 25 minutes and the gentleman from Illinois [Mr. SIMPSON] is entitled to 25 minutes.

The gentleman from South Carolina is recognized.

Mr. McMILLAN. Mr. Chairman, I yield to the gentleman from Georgia [Mr. DAVIS] such time as he may desire.

Mr. DAVIS of Georgia. Mr. Chairman, on yesterday I had stated when the Committee rose, that the Committee on House Administration had granted on our second application an appropriation of $20,000 to complete the work of the subcommittee which was appointed under House Resolution No. 340. At that time there was under consideration the proposed activity of the Kefauver committee in the other body. Because of that discussion this subcommittee felt that it would probably be the part of wisdom to wait and see what that committee did with reference to the question of gambling here in the District of Columbia before we made any effort to make a special investigation of gambling. For that reason we expressed our attitude to the chairman of the House Administration Subcommittee that probably this second appropriation of $20,000 would be ample to carry out the investigation of the general enforcement of law in the District of Columbia which we had undertaken. When we completed our investigation on the 2d day of January 1951, and filed our report, of the $30,000 which was authorized to be spent by this committee there remained unexpended the sum of $3,531.57. Our subcommittee did not spend one dollar of this money for any expense, travel, or otherwise of any member of ths subcommittee except on one occasion when one member of our subcommittee, together with a delegate from the District of Columbia Bar Association, made a trip to New York at the request of the chairman of the House Administration Subcommittee on Appropriations. That is the only dollar which was spent by any member of our subcommittee for personal expenses of any kind.

In the short time which I have I want to take occasion to thank the chairman of the full committee, the gentleman from South Carolina [Mr. McMILLAN], for his many courtesies; to thank the members of the subcommittee who worked with me on this investigation and in the preparation of the report and subsequent legislation: The gentleman from Virginia [Mr. SMITH], the gentleman from Texas [Mr. TEAGUE], particularly, the gentleman from Illinois [Mr. SIMPSON], the gentleman from New York, Mr. Wadsworth, whom I mentioned on yesterday; and the gentleman from Iowa [Mr. TALLE]. I also want to express my appreciation for the thorough, effective, and conscientious way in which the members of the entire District Committee of the House have gone into this bill which is now before the House, thank them for their attendance at the various sessions when we discussed the bill section by section, and for the revisions which many of them were effective or instrumental in causing to be made to forge it into the good bill I think it is today.

On January 2 our subcommittee filed its report resulting from the investigation, and also I introduced the bill which was recommended in the subcommittee report for the purpose of curbing crime in the District of Columbia, particularly offenses of violence. The report of the Federal Bureau of Investigation for the year 1950 gives a comparative statement of the commission of the offenses of murder, robbery, aggravated assault, and burglary.

Those figures show a comparison of the city of Washington with cities of similar population and size, although there are none that are exactly similar but compared with a group of cities that are similar in size and population to Washington, D. C., as follows:

For the year 1950 in the city of Washington there were 66 murders; in San Francisco, 40; in Pittsburgh, 28; in Boston, 11; in Milwaukee, 10; and in Buffalo, 18.

In Washington there were 712 robberies; in San Francisco, 1,037; in Pittsburgh, 482; in Boston, 269; in Milwaukee, 82; and in Buffalo, 66.

In Washington there were 4,205 cases of aggravated assault; in San Francisco, 511; in Pittsburgh, 354; in Boston, 220; in Milwaukee, 149; and in Buffalo, 141.

In Washington there were 3,618 cases of burglary; in San Francisco, 4,022; in Pittsburgh, 2,142; in Boston, 1,274; in Milwaukee, 673; and Buffalo, 1,050.

They did not give the figures on rape, but in Washington for 1949 there were 164 cases of rape and 38 cases of attempted rape. In 1950 there were 159 cases of rape and 38 attempts.

Mr. Chairman, with reference to the first provision in this bill which relates to minimum mandatory sentences, I want to make this statement: It has been objected to and there was considerable discussion both in the subcommittee and in the full committee about this provision. But I call attention to the fact that this is not a new innovation in Washington. In existing laws now there are seven provisions for minimum mandatory sentences. I will give you the offenses without giving the minimum sentence: In abortion, if death occurs, in arson, arson of movable property, forgery, grand larceny, and in receiving stolen goods over $35, in abducting a child for prostitution. There are now seven provisions for minimum mandatory sentences. So it is not a new proposition at all for these minimum mandatory sentences to be provided in this bill for these crimes of violence.

As you will note from the bill and from the analysis of it, there is provided a minimum of 1 year in assault to rob, in housebreaking at night, in robbery except picking pockets; then there is a minimum mandatory sentence for rape and another for assault on a police officer with a dangerous weapon.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Mississippi.

Mr. RANKIN. If this bill is passed in its present form what will the maximum penalty be for rape?

Mr. DAVIS of Georgia. Death.

Mr. RANKIN. The death penalty?

Mr. DAVIS of Georgia. Yes. We did not change the maximum penalty but provided a minimum penalty for that offense.

Mr. RANKIN. You fix the minimum penalty at 1 year. What is it at present?

Mr. DAVIS of Georgia. That is the minimum penalty for assault to rape, for a first offender.

Mr. RANKIN. What is it now?

Mr. DAVIS of Georgia. There is no minimum penalty now.

Mr. RANKIN. So that you can give him 1 day in jail under the present law?

Mr. DAVIS of Georgia. That is true.

Mr. RANKIN. It raises it instead of lowering it, as I understand it.

Mr. DAVIS of Georgia. It fixes a minimum mandatory sentence.

Mr. RANKIN. But it does not disturb the maximum sentence, which is the death penalty.

Mr. DAVIS of Georgia. It does not disturb the maximum at all. This bill also provides that for these offenses the offender, after having been convicted and sentenced, must serve that mandatory sentence, and he cannot be released on probation without having served the minimum.

Those are the changes provided in this bill. We think they are salutary, and the committee has discussed them very thoroughly and the bill came out of the committee with a unanimous report.

I want to mention this other one thing with reference to this minimum mandatory sentence. Here is Washington, and right across the river is Virginia. We in this bill are undertaking to fix a minimum sentence for robbery at 1 year. In Virginia, right across the river from us, the minimum sentence for robbery is 5 years. That leaves us in the position here of offering, figuratively speaking, to the person who wants to commit robbery, a selection. You can get off so much better in the District than you can in Virginia, where the minimum sentence is 5 years. It offers an inducement to the criminal who is planning to commit a

robbery to come here to commit the crime rather than to commit it over there, so that so far as robbery is concerned, it is not a new provision. We have that right here in the adjoining State of Virginia. It is not new in Maryland. The last legislature in Maryland passed laws providing minimum sentences for certain offenses, particularly with reference to narcotics and marijuana violations, so that these provisions are not new. While they do affect the discretion of the courts, at the same time we think it is affecting it in a way which is for the benefit of the public and that this is a salutory provision. We also have provided in this bill provisions for controlling these so-called bottle clubs here and provisions for putting them out of business.

Mr. DONOVAN. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from New York.

Mr. DONOVAN. Before you get on the subject of bottle clubs I should like to know whether there is any provision in the bill which limits the trial judges' or the sentencing judges' discretion to suspend service of the minimum sentence after he has handed down his sentence.

Mr. DAVIS of Georgia. In view of the fact that I have such short time, will the gentleman let me answer that question when we get under the 5-minute rule? I would be glad to do it now, but I want to complete my remarks so as to give some other Members an opportunity to talk.

Mr. KARSTEN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Missouri.

Mr. KARSTEN of Missouri. In the final section of the bill I note you strike out the 65-year age limitation for jurors. Can the gentleman tell me why that was done?

Mr. DAVIS of Georgia. Experience has demonstrated that there are jurors 65, 66, and over, who are better qualified to serve than younger jurors in many instances.

Mr. KARSTEN of Missouri. I have great respect for age and wisdom, but under this bill as it is now written, I think perhaps you would have a jury where your jurors' age might be 110.

Mr. DAVIS of Georgia. I would say that is possible. However, these names are selected by the Jury Commissioners.

Mr. KARSTEN of Missouri. I realize they have considerable discretion, but we had cases years ago where jurors were of advanced age, and I wondered if the committee went into those cases before writing the bill.

Mr. DAVIS of Georgia. Yes, I will say to the gentleman we did, and it was the consensus of opinion that jurors should not be disqualified to serve merely because they reached the age of 65.

Mr. KARSTEN of Missouri. But you could have a jury composed of 99-year-old jurors under this bill?

Mr. DAVIS of Georgia. Well, if you could find that many who reached that age, that is possible, but very unlikely.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, during October 1949 the Subcommittee on Crime in the District of Columbia was organized—19 months ago.

This subcommittee was made a permanent one when the District of Columbia Committee met in January of this year.

Judge DAVIS, of Georgia, was named chairman of the subcommittee. For the benefit of the House, I wish to state that Judge DAVIS served 13 years as a circuit judge in Georgia. He had to be a good attorney or he would not have been elected for that many years to such a position of trust. He is competent to handle this legislation.

No Representative in Congress has worked any longer or harder than Judge DAVIS as a subcommittee chairman and on crime in the District of Columbia. He deserves the commendation of the House and the citizens of the District.

Every Member of this body knows the sincerity of a former Member, who served on the crime subcommittee, the Honorable Jim Wadsworth, of New York. Unfortunately, at the end of the last session Mr. Wadsworth retired. It is unusual, but he asked for assignment to the District of Columbia Committee. Mr. Wadsworth was very interested in this legislation. He also served on the crime subcommittee—being interested and active. I wish he were here today giving this body his usual accepted views.

The other members of the subcommittee did all they could—Mr. TEAGUE, of Texas; Mr. TALLE, of Iowa, who succeeded Mr. Wadsworth on the committee. Also serving on the committee was Judge SMITH, of Virginia. Judge SMITH's district being immediately across the Potomac River in Virginia, and so closely interwoven with the District of Columbia, worked as long and hard as Judge DAVIS.

I wish to make a brief statement on this legislation, H. R. 4141. I wish to make it from the standpoint of a layman as I am not an attorney. In no way could I debate the legal aspects of the bill. My remarks, I hope, will be constructive to Members who serve here as I do.

First, I soon discovered that the United States district attorney for the District of Columbia serves in a dual capacity. He prosecutes Federal offenses the same as a regular United States district attorney. He also serves—and there is no other place in the United States like it—as a States attorney, a commonwealth attorney, or county attorney, prosecuting minor offenses. This should be borne in mind at all times.

H. R. 4141 is the result of 19 months' work. It provides for the more effective prevention, detection, and punishment of crime in the District of Columbia. That in itself should make the Members of the House realize the District of Columbia Committee is trying to make the District a safer place to live. It should make the Members tolerant with every section of the bill. That was the intent of the committee.

In my opinion the full District of Columbia Committee is in general agreement on the bill. It came from the committee to the House unanimously. Not many views are that way in the House. I might add that having served 8 years on the District of Columbia Committee that there has been little, if any, partisan politics involved.

I mentioned the United States attorney's dual capacity. A similar situation exists in the District as there are several police forces here. The Capitol Police, the Park Police, the Washington Police, force, I think headed ably by Major Barrett, and the White House Police.

The investigators for the United States attorney's office, as far as the subcommittee is concerned, were to help that office in the processing of offenses when the offender has been arrested by the police forces. That is our view in the matter. Every State and commonwealth attorney has investigators.

The subcommittee was, and I feel is, in favor of eliminating bottle clubs. After listening to Corporation Counsel West's advice, we decided to follow it by regulating them. I frankly believe if the subcommittee felt the clubs could be legally eliminated they would have done so.

The courts do not agree with the committee on the minimum sentence provision. We disagree with their views. We ask the House to accept our version. As a layman, it seems to me that if we are mistaken and this section proves unworkable, certainly the House can conscientiously agree to giving it a trial. It can easily be amended after a year or 6 months' trial. For my part I can assure the judges of the courts that after it has been given a trial and proves wrong, as a member of the committee we should give them an opportunity to prove the same. The result would naturally be an amendment along the lines of their views.

The subcommittee had many meetings with the District Commissioners, the judges of the courts, and the heads of the police department. The United States district attorney's office was also frequently consulted. An outstanding law professor gave us his views. Other than the provisions I have mentioned, I believe all consulted are in agreement on the legislation.

Mr. Chairman, I feel the House should pass this legislation and send it to the Senate.

Mr. Chairman, I yield back the balance of my time.

Mr. McMILLAN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. O'TOOLE].

Mr. O'TOOLE. Mr. Chairman, it is my personal belief that if there is anything that needs regulation in this community, it is the so-called bottle clubs. The bottle clubs came into existence solely and primarily to evade the law. During my years in the board of aldermen in the city of New York, I was on the police affairs committee, and I had ample opportunity to study the situations that bottle clubs bring into existence. They are conceived in infamy and their sole purpose is to take advantage of the existing statutes. They are without doubt social cesspools. They are the hang-out for the pimp and the prostitute. They are the haven for the crooked cab driver. The badger game in many, many cases, which we never hear of, has its inception in these dens of iniquity.

They serve no useful purpose. For the major part those who go to these bottle clubs are people who have already had too much to drink and in a false sense of adventure are steered to them by cab drivers and by others who share in the profits of these institutions. Any decent police officer will tell you that they are absolutely breeding places for crime. There is not a police officer in the United States who would care to have one of them in his precinct or in his community. Many crimes are committed or have their inception in these places which we never hear of. Because of their nature, those who are victims or those who pay the penalty do not care to have the facts publicized. They have been run, for the major part, in all communities by men who either have criminal records, or who have been pretty close to the borderline of crime. The representatives of the alcohol industry, who are determined that prohibition shall not come back, are strong in their opposition to these clubs. I believe there should be stringent regulation. I believe, if it were possible, that they should be put out of business. The only way I can see to put them out of business is to make the running, operation, and working in a bottle club a felony with a mandatory jail sentence.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska, Dr. MILLER.

Mr. MILLER of Nebraska. Mr. Chairman, the District of Columbia is peculiar in that it belongs to the people of the United States. You and I, through the committees of this House and the other body, legislate for the District of Columbia. Under the present means of operation the District Commissioners are not even able to change the name of a street without coming to Congress.

The District of Columbia has been singularly free from corruption as far as its public officials are concerned. As you know, they are appointed by the President of the United States and approved by the other body. The District of Columbia is fortunate in that we have had good men as Commissioners. We have also had good police officers. That does not mean that crime has not been on the increase, because crime in the District of Columbia, if you will look at the report of the committee, has been on the increase. There is one reason for that. The District of Columbia is more or less of a net that gathers people here; people from all walks and levels of life who come to the District of Columbia. I am not so sure but that a certain group of people head for the District of Columbia when they get into trouble, because we have had some minimum sentences or no sentences at all, or a system in the courts whereby the offender may get a slight tap on the wrist and a warning, "You should not do this." I do not blame the courts entirely, because they are not backed up by law. If the same crime were committed over in Virginia, those people would be put in jail. So the rate of crime has increased in the District of Columbia.

I am sorry to say that the venereal disease rate has increased. That has been due to the fact of a large number of visitors and others who come to the District of Columbia. As a former health officer of the State of Nebraska, I used to look at the venereal-disease rate and say, "If it is up in that city they are having more crime, or there is lax enforcement." That is not true necessarily in the District of Columbia. You know, we operate more or less in a fish bowl, and this legislation that comes to us today comes after very careful study by a committee headed by the gentleman from Georgia, Judge DAVIS. His committee has worked hard. They have conferred with the law-enforcement officers. They have conferred with those who are looking for good government. I am sure that probably there are some places in the bill that we are not quite just sure as to the approach, such as having a concealed weapon, whether the person should be made to register a concealed weapon.

The gentleman from New York [Mr. O'TOOLE], who preceded me, spoke about whether the bottle clubs should be eliminated. As the gentleman said, they are a cesspool of iniquity and should be eliminated, but the committee has come to the conclusion that perhaps it cannot eliminate them by a stroke of the pen and just cut them out. So those are some of the things that we have to consider very carefully. They are licensed and must close on time or lose their license.

Some Members have come to me and said, "What about this minimum-sentence law that the judges must impose for certain offenses?" I realize that it places a judge more or less in a straitjacket. He has to make a certain crime punishable by a certain minimum sentence which must be imposed. Personally, I think that is to the good. I think if you will do that you will have less crime in the District of Columbia.

As I said before, we legislate for the District of Columbia. In my 6 years on the legislative committee for the District of Columbia we have had legislation for the barbers, the undertakers, the chiropractors, and all of the other things that you might have to handle in a city council at home. But in this bill I think we ought to talk through the question of minimum sentences. Let us listen to those who are opposed as to the proposition, and then listen to the men who have studied the question of minimum sentences. The same is true of the bottle club.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield the gentleman one additional minute.

Mr. MILLER of Nebraska. The same is true as to the licensing of the bottle clubs. It is unfortunate. Word goes out from the Capital that more liquor is consumed than milk. I guess that is true; maybe that is because we have a lot of lobbyists and people who come here and take their hair down, if they have any hair to take down, and sort of enjoy themselves. However, be that as it may, I think that the bill that you presently have before you was handled carefully by the committee and is a good bill. As some of the amendments are presented I hope we may discuss them in as much detail as possible under the 5-minute rule. I think the bill is a step toward better government in the District of Columbia, for cleaner government, for a well-defined system of law enforcement that will react to the best interests of the District of Columbia; and, this being the Nation's Capital, we ought to have the finest, the cleanest, the safest city in the world.

Mr. McMILLAN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, I am sorry there are not more Members on the floor now, because in my opinion this is a very important measure, a measure that would make a radical departure from the accepted principles of Government in this country. In my opinion it is an encroachment upon what we have always conceived to be the prerogatives of the courts, that is the use of discretion in passing sentence. I think it is impossible for this body here to sit in judgment and actually pass sentence on every case which may be termed a crime of a certain nature without knowing the individual circumstances of each particular case, and without knowing what is behind the commission of a crime, the aggravation, the extenuating circumstances—and that is in effect what we would do if we adopt this principle of mandatory minimum sentences—there is not a State in the Union that I know of that has any provision of that kind in its laws with the exception that in most States the jury on conviction of a person for the crime of first-degree murder in effect imposes a mandatory sentence, but for every other crime there is, as far as I have been able to learn and from my experience, no State in the Union that has any such radical proposal.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. Debate is very limited, my time is limited. I cannot yield now but will be glad to yield when I get time under the 5-minute rule.

It will become generally known also to the public and to the juries that when a person is tried for a crime enumerated in this measure, upon conviction the judge will be compelled to pronounce a minimum sentence, and this undoubtedly will result in juries being more hesitant to reach verdicts of guilty. Juries are reluctant in many cases to bring verdicts of guilty when they know a severe sentence is going to be imposed upon the convicted person as a matter of compulsion.

In addition to that, Mr. Chairman, I say that this mandatory provision is a deflection upon all of the judges in the District of Columbia. It is a reflection on the courts, it is a reflection on the manner in which the judges have been discharging their duties, it is in effect complaining that there are abuses which can only be corrected by statutory law. If there are any abuses, if some of the judges have been too lenient, there are

other ways for those abuses to be corrected. I cannot go along with any effort to enact a blanket provision imposing mandatory minimum sentences.

There is another very important matter in this measure which I think the Members should reflect upon. In one section of the bill the attempt is made to set out the qualifications of the jurors to be chosen to try cases. Under the Constitution of the United States and under the constitution of practically every State in this Union as far as I know, it is stated that a defendant accused of a crime, especially a very serious crime, shall be tried by a jury of his peers. This measure attempts to set out that he shall be tried by intelligent and upright men.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. McMILLAN. Mr. Chairman, I yield the gentleman one additional minute.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield the gentleman an additional minute.

Mr. EBERHARTER. Mr. Chairman, they attempt to set out in this bill, and it was stated on the floor yesterday, that the jurors must be intelligent, must be able to read, must be able to write and must be able to think straight. I do not know whether that is constitutional or not. It is not set out in our State constitutions or in the Constitution of the United States that a man must be able to read and write in order to serve on a jury.

We are proposing something to the residents of the District of Columbia that is not required in any State of the Union, whether it be the State courts or Federal courts. We are attempting, in effect, to use the District of Columbia as a guinea pig on which to try out a radical departure and new principles. If you will look at the report you will find no organization is listed in that report as supporting this bill. You will not find in this report what the Attorney General said in opposition to the bill. You will not find what the Bar Association of the District of Columbia said in opposition to this bill. You will not find what the judges of the District of Columbia courts, the Federal courts, said in opposition to this bill. There is no responsible organization on record in favor of this bill. We are flying in the face of all the opposition that has been expressed by the most responsible persons to whom we should look for guidance in passing statutes of the importance of this one. If the report contained the opposition that has been expressed against this bill, the membership would have a chance to study it, then decide in a calm and judicious way a matter of such great importance.

Mr. Chairman, we would make a great and serious mistake if we passed this measure in the form in which it has been presented to us.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. KLEIN].

NO MEASURE IS PERFECT

Mr. KLEIN. Mr. Chairman, I dislike very much to appear in opposition in any way to my good friend from Pennsylvania [Mr. EBERHARTER], but as a member of the Committee on the District of Columbia I have given a good deal of time to a study of this bill, not as much as I would have liked, perhaps, and I would agree, of course, that the bill is not perfect. But then again, I suppose that no bill is ever perfect when we bring it out here; but this measure does represent months and months of painstaking work and study by the Special Subcommittee on Crime of the Committee on the District of Columbia, in addition to a line by line and section by section study in the committee itself, after which we came out with a unanimous report in favor of this bill. May I say to the gentleman from Pennsylvania, that in a bill which contains 41 pages, the gentleman has mentioned but two sections to which he objects, one the question of taking away from the judges the right to impose any type of sentence and the second one about the qualifications of jurors. May I point out to the gentleman that there is the best argument I can think of for home rule in the District of Columbia. Here is the second day we are spending on this bill, purely local legislation, and as I said on many occasions when the daylight saving bill was on the floor, it is purely a District affair.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I just want to say to the gentleman that what happened yesterday and today, when such an important matter as this is up, is the greatest argument for home rule in the District that I know of.

Mr. KLEIN. That is true. I introduced a bill similar to the Kefauver bill for home rule. If we would pass that, we would not have to take the time of the Members of Congress from their manifold duties with this sort of local legislation, and this committee would not have to study it for so many months; neither would the House have to sit for 2 or 3 days for purely local legislation. The people of the District are in a better position to determine what laws they want or do not want. I will say to the gentleman from Pennsylvania, however, that we have listened to arguments pro and con on this particular bill. The Bar Association of the District of Columbia, which is primarily concerned with this bill because they are lawyers, and they are the ones that have to go into court, have not objected by and large to it, nor have the judges. It is true there was some objection by some of the Judiciary to this question of minimum or mandatory sentences, but I think my good friend is in error when he says no other State has similar laws. As a matter of fact the present law in the District of Columbia provides mandatory minimum sentences even at this time in some cases. I do not want to take sides as to whether or not the judges have been too lenient. That may be. I do not know whether you can ever legislate fairness or good sense or anything else in a judge. That is the qualification of a judge which must be taken into consideration when he is appointed, or elected. But, you should not pass a law, at least I do not believe so, and I do not think it would work if you did, that says that any judge sitting on a case should have to decide a particular way or give a particular sentence. I would vote in favor of an amendment deleting this particular section, if it should be offered when the bill is being read for amendment.

Mr. JAVITS. I just wonder what the judge under this bill could do with a first offender charged with, let us say, housebreaking at night, or with any of the juvenile delinquents under this act. Could he give him a suspended sentence?

Mr. KLEIN. In effect, he could. He can place the defendant on probation, which is exactly the same as giving him a suspended sentence. In other words, if the gentleman is afraid that it is compulsory on the part of the court to sentence boys or girls to jail, that is not the case, because the judge would have the right to actually place the defendant on probation so that he does not have to go to jail. I would, however, like to yield to Judge DAVIS, the author of the bill, who is better able to state just what the bill would do.

Mr. DAVIS of Georgia. Mr. Chairman, if the gentleman will yield, offenders under 18 years would be handled in the juvenile court and not in the district court. This bill places three additional offenses under existing law with reference to probation and suspension of sentence.

Mr. JAVITS. But the gentleman is correct, that the judge could put him on probation for a year and satisfy the provisions of this bill even if he were over 18 and a first offender.

Mr. DAVIS of Georgia. No; of the first three offenses under this bill there is some doubt whether he could suspend sentence or not. He would not be permitted to put him under probation for that minimum period.

Mr. KLEIN. I should like to address my remarks now to my colleague from New York [Mr. O'TOOLE], who talked here about the bottle clubs. I have fought these bottle clubs ever since I have been a member of the District Committee. They ought to be controlled. They serve no useful purpose. We get no taxation from them.

When we first started writing this bill we put in a section that would abolish the bottle clubs entirely. We then found, after the corporation counsel came before the committee, that if we did that, we would be putting out of business all clubs, even those run by legitimate organizations such as the Colonial Dames, which we would certainly not want to do.

Therefore, we did the next best thing; we wrote into this bill a provision for the abatement of nuisances. We pointed out that where a bottle club did not comport itself according to law, did not conduct itself in such a manner as to be strictly legal and responsible, it could then be declared a nuisance and in that way be put out of business. So actually we are in effect putting these bottle clubs out of business if they do not do what they should do according to law.

My purpose in taking the floor at this time is simply to point out the commit-

tee has had this bill under consideration for a long time. It has done an excellent job. It seems to me we ought to be supported by the House.

If anybody has any different ideas about what the bill should contain, he will have ample opportunity to offer an amendment when the bill is being read under the 5-minute rule. But do not just take the attitude that because one section is bad or objectionable, you should vote against the entire bill.

Mr. Chairman, I hope the Committee of the Whole will support the Committee on the District of Columbia and vote for this bill.

Mr. SIMPSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I want to commend the members of this committee for the real effort they are making to deal with the crime problem in the District of Columbia. This is not only important to the people of the District, but important to the people throughout the country.

It is extremely unfortunate that a situation such as described by this committee could exist in the Capital City of this country. Here we are in the Nation's Capital, the finest city in the United States, the best in all the world, and yet we are told by a committee who has investigated the situation that there is more crime in Washington, D. C., than in any city of its size in the country.

I want to direct my remarks in particular to the section in this bill that deals with what is known as bottle clubs or after-hour clubs. Listen to what the committee has to say about them:

> These sordid enterprises threaten the safety, welfare, and peace of the community. They are breeding places of crime and corruption. They come into existence as frauds, masquerading as benevolent, educational, and social organizations under the guise of legitimacy; they constitute a perversion of the law under which their charters are obtained.

The committee appears to tell the House that the Congress is not in position to throw them out and that the best that can be done is to regulate them. I still think there ought to be some way to classify the outfits above mentioned, the ones that are sordid and corrupt, and so forth. Certainly there must be some way to put that particular group out of business.

The gentleman from New York who preceded me indicated that an attempt to outlaw such organizations might include groups that are respectable and ought not to be interfered with.

I would like to offer an amendment to this bill that would put out of business the groups that I have just described and that are described by the committee who made the investigation. There certainly must be some way to distinguish so-called bottle clubs from those that are classified as legitimate groups. Anyway, there is no good reason why any group should be permitted to serve liquor of any kind at late hours.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I am glad to yield to the gentleman from Ohio. I realize the gentleman is deeply interested in this problem.

Mr. HAYS of Ohio. I have an amendment which I think will cure the bottle-club evil, which I am going to present at the proper time.

Mr. REES of Kansas. We will be glad to have the gentleman's amendment. If we can knock out the bottle clubs, all well and good.

Mr. HAYS of Ohio. My amendment would make them close at the same hour that everybody else closes, so there will not be any after-hours clubs.

Mr. REES of Kansas. I shall be glad to support an amendment that will do away with after-hours clubs.

We have just read through the press that the amount of liquor of various kinds consumed in the District of Columbia is greater than the amount of milk. It hardly seems possible that such a thing could exist in the Nation's Capital.

Mr. Chairman, the city of Washington ought to set the example for other cities of this country. To do anything less would not be right. I suggest this committee continue with its work and proceed to clean up the sordid situation described in this report.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. SIMPSON of Illinois. Mr. Chairman, there seem to be no further requests for time on this side.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "District of Columbia Law Enforcement Act of 1951."

TITLE I—TABLE OF CONTENTS AND DEFINITIONS

SEC. 101. This act is divided into titles and sections according to the following table of contents:

TABLE OF CONTENTS

Title I—Table of contents and definitions
Sec. 101. Table of contents.
Sec. 102. Definitions.
Title II—Criminal offenses
Sec. 201. Minimum sentences for certain crimes.
Sec. 202. Sex offenses.
Sec. 203. Abortion.
Sec. 204. Amendments to the Dangerous Weapons Act.
Sec. 205. Assault on police officer.
Sec. 206. Forfeiture of property used in violating gambling laws.
Sec. 207. Arrests without a warrant.
Sec. 208. Presence in illegal establishments.
Sec. 209. Possessing implements of crime.
Sec. 210. Unlawful assembly—profane and indecent language.
Sec. 211. Disorderly conduct.
Sec. 212. Threats to do bodily harm.
Sec. 213. Unlawful entry.
Sec. 214. Receiving stolen goods.
Title III—Metropolitan Police Department
Sec. 301. Records—General provisions.
Sec. 302. Central criminal records.
Sec. 303. Reports by independent police.
Sec. 304. Notice of release of prisoners.
Sec. 305. Bonding of Metropolitan Police.
Sec. 306. Fees for storing property.
Sec. 307. Mobile laboratory.
Title IV—General provisions
Sec. 401. The Council on Law Enforcement in the District.
Sec. 402. United States attorney.
Sec. 403. United States commissioner.
Sec. 404. Licenses for bottle clubs.
Sec. 405. Psychiatrist and psychologist.
Sec. 406. Records to be kept by bondsmen.
Sec. 407. Information with respect to laundry marks.
Sec. 408. Qualification of jurors.

DEFINITIONS

SEC. 102. (a) For the purposes of this act—

(1) The term "Commissioners" means the Board of Commissioners of the District of Columbia;

(2) The term "district court" means the United States District Court for the District of Columbia;

(3) The term "United States attorney" means the United States attorney for the District of Columbia;

(4) The term "municipal court" means the Municipal Court for the District of Columbia; and

(5) The term "District" means the District of Columbia.

(b) For the purposes of section 209 of this act, section 3 of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes", approved July 15, 1932, as amended (D. C. Code, sec. 24-203), and sections 2, 3, 4, and 14 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, secs. 22-3202, 22-3203, 22-3204, and 22-3214), conviction of two or more crimes charged in separate counts of one indictment or information, or in two or more indictments or informations consolidated for trial, shall be deemed to be only one conviction.

TITLE II—CRIMINAL OFFENSES

MINIMUM SENTENCES FOR CERTAIN CRIMES

SEC. 201. (a) Section 3 of the act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, as amended (D. C. Code, sec. 24-203) is amended by inserting "(a)" after "SEC. 3."; by inserting ", except as provided in subsections (b) and (c)" after "hereafter" in the first sentence; and by adding at the end of the section the following new subsections:

"(b) The minimum sentence imposed under this section on a person convicted of an assault with intent to commit rape in violation of section 803 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22-501), or of robbery (other than robbery by stealthy seizure, commonly known as picking pockets) in violation of section 810 of such act (D. C. Code, sec. 22-2901), or of housebreaking at night in violation of section 823 of such act (D. C. Code, sec. 22-1801), shall not be less than 1 year, and if the person has previously been convicted in the District of Columbia or elsewhere of a crime of violence as defined in section 1 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District of Columbia (D. C. Code, sec. 22-3201), the minimum sentence shall not be less than 3 years. The minimum sentence imposed under this section on a person convicted of rape in violation of section 808 of the act entitled 'An act to establish a code of law for the District of Columbia,' approved March 3, 1901, as amended (D. C. Code, sec. 22-2801), shall not be less than 5 years, and if the person has previously been convicted in the District of Columbia or elsewhere of a crime of violence, as so defined, the minimum sentence shall not be less than 10 years. The maximum sentence in each case to which this subsection applies shall not be less than 3 times the minimum sentence

imposed, and shall not be more than the maximum fixed by law.

"(c) For a person convicted of—

"(1) a violation of section 432 (b) of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 22–505, relating to assault with a dangerous weapon on a police officer);

"(2) a violation of section 3 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District (D. C. Code, sec. 22–3203, relating to illegal possession of a pistol), after having previously been convicted of violating that section; or

"(3) a violation of section 209 of the District of Columbia Law Enforcement Act of 1951 (relating to possession of implements of crime) after having previously been convicted in the District of Columbia of a violation of that section or a felony, or after having previously been convicted in another jurisdiction of a crime which would be a felony if committed in the District,

the minimum sentence imposed under this section shall not be less than 1 year, and the maximum sentence shall not be less than three times the minimum sentence imposed nor more than the maximum fixed by law."

(b) Section 4 of the act entitled "An act to reorganize the system of parole of prisoners convicted in the District of Columbia," approved July 17, 1947 (D. C. Code, sec. 24–201c, relating to reduction of minimum sentences), is amended by adding at the end thereof the following new sentence: "If a prisoner is serving a sentence for a crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended, his minimum sentence shall not be reduced under this section below the minimum sentence so prescribed."

(c) The first sentence of section 2 of the act entitled "An act for the establishment of a probation system for the District of Columbia," approved June 25, 1910 (D. C. Code, sec. 24–102), is amended by adding "or any other crime for which a minimum sentence is prescribed by section 3 (b) of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended," after "kidnaping,".

(d) The amendments made by this section shall not apply with respect to any sentence imposed for a crime committed before the date of the enactment of this act.

Mr. McMILLAN (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, and that the bill be open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. EBERHARTER. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. EBERHARTER: Page 3, line 19, strike out the following:

"TITLE II—CRIMINAL OFFENSES

"MINIMUM SENTENCES FOR CERTAIN CRIMES

"SEC. 201. (a) Section 3 of the act entitled 'An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes,' approved July 15, 1932, as amended (D. C. Code, sec. 24–203) is amended by inserting '(a)' after 'SEC. 3.'; by inserting ', except as provided in subsections (b) and (c)' after 'hereafter' in the first sentence; and by adding at the end of the section the following new subsections:

"'(b) The minimum sentence imposed under this section on a person convicted of an assault with intent to commit rape in violation of section 803 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22–501), or of robbery (other than robbery by stealthy seizure, commonly known as picking pockets) in violation of section 810 of such act (D. C. Code, sec. 22–2901), or of housebreaking at night in violation of section 823 of such act (D. C. Code, sec. 22–1801), shall not be less than 1 year, and if the person has previously been convicted in the District of Columbia or elsewhere of a crime of violence as defined in section 1 of the act of July 8, 1932, as amended, providing for the control of dangerous weapons in the District of Columbia (D. C. Code, sec. 22–3201), the minimum sentence shall not be less than 3 years. The minimum sentence imposed under this section on a person convicted of rape in violation of section 808 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, sec. 22–2801), shall not be less than 5 years, and if the person has previously been convicted in the District of Columbia or elsewhere of a crime of violence, as so defined, the minimum sentence shall not be less than 10 years. The maximum sentence in each case to which this subsection applies shall not be less than three times the minimum sentence imposed, and shall not be more the maximum fixed by law.'"

Mr. EBERHARTER. Mr. Chairman, this amendment would correct the so-called mandatory minimum sentence.

If you heard the reading of the amendment, you will notice that the minimum which a judge would be compelled to sentence a person found guilty would be 3 years. I submit, Mr. Chairman, as I said before, that this is an invasion of the rights of the judiciary. During all the history of English jurisprudence it has been customary generally to place in the hands of the court, the judge presiding over the jury in cases of this kind, discretion, after listening to all the testimony and making himself familiar with all the circumstances, the aggravations, and the past record of the accused person, to pass sentence in accordance with those considerations. I think it is a radical departure, as I said before, to attempt to hamstring the judges. If we show that this Congress has so little faith in the persons appointed to pass sentence and to preside in criminal cases, then we have indeed come to a point where some other system should be established. The fact that judges do not act in a way that would promote confidence is not a good thing to put before the public. The American people want to have confidence in the integrity, the good judgment, and the discretion which we have always reposed in the courts. I submit that if we adopt this amendment and take out the mandatory provisions there will be very little opposition to the other provisions in the bill. It is the main objection I have, and I sincerely trust this amendment will be agreed to.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from New York.

Mr. KEATING. It is a fact, is it not, that in a great many jurisdictions it is provided by statute that there shall be minimum as well as maximum sentences?

Mr. EBERHARTER. In generally every jurisdiction the judge had the right to impose either a minimum or maximum sentence or to place the accused or the person found guilty on suspended sentence. This bill would provide that he has no discretion, as far as minimum sentence is concerned.

Mr. KEATING. Does the bill take away from the judge the right to place a convicted criminal on probation?

Mr. EBERHARTER. It does; in some of the cases it makes the minimum sentence of 3 years mandatory.

Mr. KEATING. Is that for a first offender?

Mr. EBERHARTER. No; that is for a second offender. But I cite this illustrative case to the gentleman: Suppose a chap had become a drug addict but had made a sincere, strong, earnest, and honest attempt to cure himself. Perhaps 5 or 10 years later he became addicted again through some happenstance or circumstance; the judge would be compelled to sentence him even after his 10 years of good behavior, sentence him to the mandatory minimum length of time.

Mr. DAVIS of Georgia. If the gentleman will yield, this does not apply to drug addicts.

Mr. SMITH of Virginia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I had the pleasure of serving on this special Committee on Crime under the leadership of the very able gentleman from Georgia [Mr. DAVIS]. We worked on this for a long time. The way this committee came into being was because statistics were published which showed that Washington had more of certain crimes than any city in the United States. That is our responsibility; we ought to do something about it, and we are undertaking to do something about it.

We should stop today and realize that in the city of Washington the crimes of robbery, burglary, and rape have become so prevalent that no one can feel safe in his house at night, and no woman is safe in walking on the streets after dark in the Nation's Capital. I am distressed that the gentleman from Pennsylvania should offer the amendment he has, in the light of that condition. He has undertaken to put it on the ground that this is a reflection on the courts; it is not any reflection on the courts; as a matter of fact I think you have here a set of splendid judges, but the judges do not make the law; the judges are to carry out the law that you make. We have acted after considerable discussion. We have heard the judges; we listened to them; we conferred with them, and they feel that we ought not to interfere with what they consider their discretion. I do not think they

ought to have any discretion to turn loose a person who has committed rape in order that he may commit another rape the next night. That is just about what you are coming down to.

The reason that we are so insistent upon this is that throughout the whole of these hearings and the whole discussion about these major crimes we find case after case and case after case where persons are brought up and convicted, their usual sentences are suspended; they are told to go and sin no more; yet they go right out the next day and commit the same offense over again. What are you going to do about that? It did not happen just once; there are dozens and dozens, and dozens of cases of what they are pleased to call recidivism. I do not know why they should have preferred to use that two-dollar word, but what it means is a person who is addicted to the commission of a certain crime. They turn him loose and he just goes out on the streets and commits the same crime again.

All we are trying to do here is to say to this criminal element in this city: "If you commit a certain type of crime there is no judge or anybody else going to turn you loose on the streets; you have got to serve some time in jail." What is the matter with that? Personally I think there is but one thing the matter with it; I think this committee has been entirely too lenient in the minimum punishment that has been fixed. We discussed that; as a matter of fact the first draft of the bill carried stiffer penalties than we are now proposing, but in view of the great controversy that has arisen about it and the judges' objections it was finally ironed out and reduced to 1 year.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Kentucky.

Mr. GOLDEN. Is it not a fact that if these criminals know they have to serve the minimum sentence as provided in this bill, that will do more to deter crime than anything else?

Mr. SMITH of Virginia. I think so. That is the policy of the State of Virginia from which I come. We have a number of situations where there is a minimum mandatory sentence so far as certain serious crimes are concerned and we do not have the great amount of crime just across the river that you have in the District of Columbia. I think that is the reason for it. When a man commits a crime over there he knows he is going to the jail house where he belongs.

Mrs. BOSONE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentlewoman from Utah.

Mrs. BOSONE. What would the gentleman from Virginia say relative to enforcement in the District of Columbia? Do we have high enforcement? Do we have many arrests and few convictions?

Mr. SMITH of Virginia. We have many arrests and we have many convictions. I might answer that further by saying there is some excuse for probably a low ratio of convictions to arrests due in part to the fact that this a transient population very largely. People come and go. I think probably our great ratio of crime is partly due to that. This is a tourist city. People come and people go. A crime is committed, somebody from Oklahoma is a witness to that crime, he goes back to Oklahoma and he cannot be brought back here, without great inconvenience.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. SMITH of Virginia. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mrs. BOSONE. Do we not have that in every city? We have transients that are difficult to get.

Mr. SMITH of Virginia. We have more of them here than elsewhere. Another thing, the courts have been crowded. The dockets have been crowded. Cases are postponed, witnesses have disappeared, and all that sort of thing. The Congress did last year provide additional judges so that they could clean up the dockets more rapidly than they have in the past.

I do not think law enforcement here is perfect by any means. We are trying to improve it. We are not saying that we shall correct everything that happens.

Mrs. BOSONE. I am wondering if the trouble is not in enforcement. In most of your cities it has to do with enforcement. You have keen officers in any city that can almost smell criminals and they run them out. San Francisco happens to be in that class. They run them over to Oakland because they have keen enforcement in San Francisco. Other cities are rated the same way. I am wondering—it may not be—if it is not enforcement in the District? It may not be, I do not know.

Mr. SMITH of Virginia. It may or may not be.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I yield to no man or woman in my high regard for the gentlemen who have proffered this bill to us, particularly the gentleman from Virginia [Mr. SMITH]. They have shown commendable zeal in fashioning the bill which is now before us. But I believe as far as their chosen method of meting out punishment of the judge is concerned, their enthusiasm is somewhat misguided.

You can never prevent crime wholly by punishment. Crime can be deterred only in part by punishment. You can diminish the number of crimes in a way partially by punishment. But remember what Justice Jackson said in the Communist case only yesterday: "You can never jail communism by jailing the Communists." The only way that you can minimize crime successfully is to remove the causes of crime. You can do it by making people more literate and removing illiteracy. You can do it by removing slums and let people live in decent houses. You can do it by providing more recreational facilities, thereby particularly lessening juvenile delinquency. You can do it by vocational guidance. You can do it by having minimum unemployment, creating jobs. I do not believe that the judges in this District—and I know a good many of them—have abused the discretionary powers now lodged in them by the present statutes. There may have been some flagrant cases, but bad cases usually make bad laws. Rather, get at the judges who are at fault. If there is excessive work to be done by the judges and the dockets are overloaded with cases, there is only one answer to that. Come before the Committee on the Judiciary of the House, of which I am chairman, with bills to increase the number of judges, and I am sure you will get a fair hearing and fair consideration. If more judges are needed, goodness gracious, give the District more judges, but do not hamstring the judges. The judges know more about the cases before them than we Members of Congress and they should, in their discretion, have the right to parole and put a man on probation and suspend sentence. They should have those powers in most cases. You are doing something here which you do not do in any other Federal district court. You usually give the judges the right to suspend sentence, but here in this particular instance you say, no, your District judges shall not have that power.

Mr. FELLOWS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Maine.

Mr. FELLOWS. Does the gentleman think that education will help to take care of this situation? I have this in mind, Mr. Chairman—because you are chairman of my committee and I am very proud of your background and knowledge.

Mr. CELLER. Well, frankly, I can do very little on our committee without the good work that the gentleman and his colleagues do on that committee.

Mr. FELLOWS. I do not want the gentleman to compliment me too highly or I will not ask the question. Is it not a fact that most of these people who have sold this country down the river—and there is no worse crime than being a traitor—have been men and women highly educated, and in most or many instances graduates of our most select colleges?

Mr. CELLER. You know, you and I may differ as to what is meant by "educated." I do not believe those indicated have been "educated" properly, otherwise they would not go off on the evil tangent as the gentleman has indicated.

Mr. FELLOWS. Well, that is true, is it not?

Mr. CELLER. That is true; they have not been properly "educated." Under the conditions prescribed by this bill you force the judge to disregard extenuating circumstances, and I think that would be a grievous error. It is archaic to do that. In the old days they used to say: Increase the penalties, and then you diminish crime. Well, we have increased the penalties in the history of our jurisprudence, but we have not appreciably

reduced crime thereby. The only way to reduce crime is to reduce the causes of crime.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. MULTER. Is it not a fact that in almost every State which has imposed mandatory penalties you find that the judges go out of their way to try to avoid that mandatory sentence provision? If they think that the particular criminal should be treated more lightly than the mandatory sentence requires, they find some way of getting around that mandatory provision and it does not have the effect you want it to have.

Mr. CELLER. You also have this anomalous situation of petit juries refusing to convict and you also have grand juries refusing to indict and judges trying to avoid harsh mandatory sentences.

This bill removes from the presiding judge in certain cases the right of probation. Even parole is denied. There may be a spark of regeneration or rehabilitation in the prisoner. It cannot be encouraged. That is grievously wrong and flies in the face of modern experience. It is the turning backward of the clock of criminal jurisprudence. It is Draconian. Passage of the bill unamended would be regrettable.

Mr. RAMSAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAMSAY: On page 4, line 9, after the word "rape" insert the words "murder or robbery"; and at line 17, strike out the words "one year" and insert in lieu thereof the words "five years nor more than 10 years"; and on line 23 strike out the words "three years" and insert in lieu thereof the words "10 years nor more than 30 years"; on page 5, line three, strike out the words "three years" and insert in lieu thereof the words "10 years nor more than 50 years"; strike out all of lines 6, 7, 8, and 9 on said page 5, and insert in lieu thereof the words "less than 10 years nor more than 50 years", and amend section 3, by striking out on page 6, line 4, the word "minimum" and on line 5 striking out all words following the word "than" and by striking all of lines 6 and 7 and inserting in lieu thereof the words "five years nor more than 10 years."

Mr. EBERHARTER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. EBERHARTER. Is that offered as an amendment to my amendment, or is it offered as a substitute?

The CHAIRMAN. That is a perfecting amendment, and will be voted on before the amendment offered by the gentleman from Pennsylvania is voted on.

Mr. RAMSAY. Mr. Chairman, I dislike to disagree with my distinguished chairman of the Committee on the Judiciary that the enforcement of law has no effect upon the amount of crime that is committed. If that should be true, every idea the Anglo-Saxon has had relative to criminal law for a thousand years has been false. We have believed that enforcement of law terrifies and prevents crime; in fact, the theory is that we are not prosecuting for the offense, we are prosecuting to prevent further violations of law.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. RAMSAY. I yield to the gentleman from New York.

Mr. CELLER. Do I correctly understand the gentleman to say that I said that enforcement has nothing to do with the protection of the law?

Mr. RAMSAY. I understood the gentleman to say that the enforcement of law would react differently from what we intended.

Mr. CELLER. May I correct the gentleman? I meant to imply by my statement that if the judges have to mandatorily impose maximum sentences or sentences of the type described by this bill, they would be inclined to be lenient in other directions to the prisoner.

Mr. RAMSAY. I do not know about that, but I do know that the statement of the gentleman from Pennsylvania, that there are no statutes requiring a minimum sentence, is gravely in error. I believe practically every State in the Union has minimum and maximum penalties that must be enforced.

I cannot understand why any judge should criticize the members of a legislature because they say that if a man commits a certain crime he must suffer a certain punishment; in fact, I believe the judge would welcome that. In my practice I have observed that it is true that the judges are inclined to impose more than the minimum penalty prescribed by the law. If I am right about that, these minimum penalties will not aid much as they are now in the bill, because they are too low. They allow, for the desperate crime of attempted rape on a little child, a young girl, or a grown woman, an assault with intent to commit rape, a sentence to be imposed of only 1 year. That is clearly beyond conception. It should be at least 5 years. Certainly if a man has been found guilty by a jury of attempting to perpetrate a crime like that, it is a mockery to say that the criminal should be put in jail for only 1 year, and given three slaps on the wrist and told to go ahead and take his chance the next time as to whether he will be convicted or not. The same is true as to robbery, and especially the part of the bill which provides that the minimum sentence for attacking a policeman with a revolver shall be not more than 3 years. At least, that is what I believe the bill provides. But whatever is in the bill is entirely too low. If we are going to have minimum penalties at all, they should be made to fit the crime. If you want to deter crime in the District of Columbia, you have to provide some adequate penalties.

I agree with what the gentleman from Virginia has said about the great wave of crime in the District of Columbia. I have been in the Capital City off and on since 1933. I know that the women in this city are afraid to walk even from in front of our office building to the Capitol in the nighttime. Something must be done. In my own State of West Virginia, having a population of probably 2,000,000 people, twice as many as there are in the District, there is one-tenth as much crime as in the District of Columbia.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I rise in opposition to the perfecting amendment.

Mr. Chairman, the gentleman from West Virginia, Judge RAMSAY, has offered a perfecting amendment to the amendment offered by the gentleman from Pennsylvania. The chairman of the Committee on the Judiciary feels that they should not have any mandatory sentences. The gentleman from West Virginia goes far beyond the committee bill in proposing sentences that really have some tough penalties. I am inclined to agree with him that if you make a crime punishable by a real penalty and make it real punishment and carry it out, it deters crime. Someone has said that you do not stop crime by punishment.

I call the attention of the gentleman from New York to the fact that over in Canada, which is across from New York, they have a statute there which provides that you get 14 years in the stonehouse for robbery on the streets, and that is for a first offense. The result is that Canada has very little robbery. So, I am convinced that putting in some minimum sentences, and enforcing them, does deter crime.

It seems to me the committee ought to reject both the amendments that have been offered and go along with Judge Davis, who has handled the bill for more than a year and has gone into the pros and cons of these questions. We recognize the controversial features involved here. We should adopt the bill and then after another year or 2 years' time, if we find that we need some amendments, to bring them in and adopt them at that time.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. CELLER. I would like to ask the gentleman, who seems to be agitating a number of amendments here, do the provisions of the pending bill take away the power from the judge to suspend sentence?

Mr. MILLER of Nebraska. I will have to let Judge DAVIS answer that. The bill provides to that effect with respect to some crimes, as I understand, and on other crimes, not. I think perhaps the judge will answer that on his own time, if the gentleman has the opportunity to ask him that question then.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from New York.

Mr. CELLER. The gentleman will admit that should be cleared up.

Mr. MILLER of Nebraska. Yes, I think so.

Mr. CELLER. There are grave doubts. I have talked to a number of Members and the answers are not clear.

Mr. MILLER of Nebraska. In my mind, in reading the bill, while I was not a member of the subcommittee, I have read the bill carefully and have discussed it, and it seems to me it is a step forward in handling the crime situation. We must realize that in the District of Columbia there were 73,000 crimes committed last year. That is more than 200 a day. There were 30 crimes a day of an aggravated nature, such as robbery, rape, burglarly, and automobile thefts. More than 37,000 arrests for drunkenness last year in the District of Columbia.

I think some of this crime situation revolves around the fact that we do not have minimum sentences to apply to those people who get into trouble. The gentleman from West Virginia [Mr. RAMSAY] would go much further than I would. I might go along with him but I think perhaps the sentences he proposes are too severe. I think we should go along with the committee membership and adopt the bill as reported by the committee.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I want to say for the benefit of the Members on the floor that my amendment has no relation whatsoever to sex offenses. It does not apply to sex offenses at all. I want that clear so that the Members will understand they are not passing on that point.

Mr. MILLER of Nebraska. I am sure I did not imply that it did. I am pointing out the number of crimes that occurred in the District of Columbia. If you will read the report of the committee you will see they are appalling. With reference to the bottle clubs, for instance, we license liquor and we license some of these things and we must do something about controlling them. I think it is the responsibility of the membership of the House to do something to straighten out some of the defects in the provisions of the present law.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. DENTON. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, I appreciate that the committee is very anxious to deter crime in the District of Columbia. We have a very serious situation here. I am speaking from an experience we had in Indiana that almost exactly parallels the situation here. I served as prosecutor in Indiana when we had a very bad crime wave there. It was right after Dillinger had escaped from the penitentiary, and our legislature passed a law almost exactly like this law. It prohibited probation and suspension of sentences for the same crimes that you have here. The only difference was that we made the penalties 10 to 25 years instead of 1 to 3 years. Everybody was for the law, but after we got it into effect we found we were defeating our own purpose. As a matter of fact, we found that the recidivists or the repeaters are most always men who have gone to the penitentiary. We hear it said that penitentiaries are schools of crime. We want to deter crime, that is true. That is the main purpose; but we also want to reform the criminal if it can be done.

We found in other types of cases that a man committing his first offense could be put on probation. Perhaps something was wrong in his home life or his environment or other circumstances and he had to report to the probation officer. You would be surprised what a small percentage of men who were placed on probation ever came back before the court. But in this particular type of case, with a young offender, a man who had never committed a crime before, the judge had no discretion except to send him to the penitentiary. It was a difficult thing to get convictions in a great many cases. I think you are thinking in this case about the serious, heinous crimes, and overlooking the so-called mine run cases. I think you have the votes perhaps to defeat this Eberharter amendment, but I will predict that you will be back here, in a short time, repealing this provision of the law, if you put it into effect.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. DENTON. I yield.

Mr. KEATING. I have some serious doubts about the desirability of minimum sentences, and I am open-minded on this proposition. I would think there is a considerable difference between this bill with 1- and 3-year minimum sentences and the one described by the gentleman from Indiana where the minimum sentences were 10 or more years; the instances are quite different.

Mr. DENTON. I think that makes a great deal of difference in getting convictions. I do not think the size of the punishment is as great a deterrent to crime as is the certainty of conviction and certain punishment. That is the deterrent to crime. The penalty of 1 to 3 years for robbery and burglary I think is entirely too light; I do not think that is enough.

Mr. KEATING. I agree with the gentleman, but at the present time as I understand from the record, we have these judges here letting a lot of people off without any sentence at all. Certainly to fix such a modest minimum as 1 year in some instances and three in more aggravated cases does not seem very much out of line.

Mr. DENTON I think you will find this experience, a boy goes to the penitentiary and meets men who have committed worse crimes. When the boy gets out he goes and finds those same men and drifts back toward crime again, drifts into recidivism or becomes a recidivist. That is what we want to prevent in young offenders, and we have had, on the whole, very great success in this country, by putting them in charge of probation officers rather than sending them to the penitentiary.

We face a serious situation here, and we want to correct it; but going about it this way is just what we did in Indiana, and we found that we made a mistake. I am speaking of my experience in a similar situation.

Mr. KEATING. In other words, the gentleman feels there should not be any minimum sentence whatever?

Mr. DENTON. No; I say there should be a minimum sentence, but I say you should not take away the power of the judge to put the offender on probation.

Mr. KEATING. I do not know but what this question has been asked here before, but it would be helpful to have the gentleman from Georgia tell us to what extent probation and the suspension of sentences are done away with by this bill.

Mr. DENTON. They were done away with in three fields of crime.

Mr. KEATING. What three?

Mr. DENTON. Burglary, robbery, and I will have to ask the gentleman from Georgia for the third one.

Mr. DAVIS of Georgia. Housebreaking at night, assault to commit rape, and robbery. Only these three minimum sentences are being added here; we add these three offenses to the list which now exists of crimes which may not be placed on probation. I will give them to you in a moment.

Mr. DENTON. My objection is to taking away the discretion of the judge.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from West Virginia [Mr. RAMSAY].

The amendment was rejected.

Mr. DAVIS of Georgia. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania.

Mr. Chairman, whatever may be said pro or con about minimum sentences and the discretion of judges, the fact remains that under present law we have had discretionary sentences in these three offenses or classes of violations which are dealt with in this bill, and the discretionary sentence has not answered the purpose and has not deterred these crimes. They are increasing under this existing discretionary sentence system which we have here now in Washington.

Last year—that is 1950—there were 3,618 cases of burglary reported to the police. That compares with 2,142 in Pittsburgh, 1,274 in Boston, 673 in Milwaukee, and 1,050 in Buffalo. Here we had 712 cases of robbery compared with 482 in Pittsburgh, 269 in Boston, 82 in Milwaukee, and 66 in Buffalo. So that the discretionary sentence system is not taking care of the situation.

Mrs. BOSONE. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentlewoman from Utah.

Mrs. BOSONE. I wonder if the gentleman will give us how many crimes were reported, then how many arrests were made, then the number of convictions. If we can have those three figures it would help.

Mr. DAVIS of Georgia. I think we can furnish those a little later.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Oklahoma.

Mr. ALBERT. If in the case of a first offender the court feels that perhaps the sentence should be suspended or that the first offender should be put on probation, is there anything in this legislation that would prevent his doing so?

Mr. DAVIS of Georgia. So far as probation is concerned in these three offenses, there would be.

Mr. ALBERT. Suspension of sentence?

Mr. DAVIS of Georgia. It does not change the suspension of sentence law at all. Here is what the bill does. There exists now this list of cases where probation is denied under present law: Treason, homicide, rape, arson, kidnaping, or a defendant twice convicted of a felony. He may not now be probated by the judge. This bill adds three offenses of violence to this list, namely, robbery, except picking pockets; housebreaking at night; and assault to rape. They are simply added to this list which is now barred from probation. This bill does not attempt to affect existing provisions with reference to suspension of sentence.

Mr. DENTON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Indiana.

Mr. DENTON. What was the committee's reason in that type of case in permitting a suspended sentence, but not permitting a man to be put on probation so that you can keep a check on him?

Mr. DAVIS of Georgia. We did not undertake to affect any existing law with reference to suspension of sentence. We did not undertake to deal with suspension of sentence. We simply added these three crimes of violence to the list now existing which may not be probated.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from New York.

Mr. CELLER. I understand the gentleman to say now—and I am glad he has clarified that point—that in all cases, whether they are in the enumerated cases indicated by the gentleman from Georgia, the judge would still have the power to suspend sentence; is that correct?

Mr. DAVIS of Georgia. I am not able to say to the gentleman whether he would or not. There is a difference of opinion with reference to whether the court would have the authority to suspend or not. At any rate, we did not go into the question of suspending a sentence. If a judge had it prior to this time, in my opinion, he would still have it; if he did not have it prior to this time, then he would not have it. We are leaving suspensions as we find them.

Mr. CELLER. It may be that you are interfering with the power of suspension by some of the language used. I think that certainly ought to be cleared up. We cannot legislate with that end open. I think there ought to be a clear-cut statement by some member of the committee as to whether or not there is any interference in any way whatsoever with the power of a judge to suspend sentence, either in the enumerated cases or in the nonenumerated cases.

Mr. DAVIS of Georgia. I will cite the gentleman to the code sections set out on page 28 of the committee report as they exist now and as they would be if amended. The gentleman will see that we have simply added to section 24 (102) these three offenses to the list now existing in which probation cannot be granted—treason, homicide, rape, arson, kidnapping, or a defendant twice convicted of a felony.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. SPRINGER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I know that under the terms of this measure it would be impossible for the judge to impose a sentence of less than 1 year. I have listened with a great deal of interest to the gentleman from Indiana who has been a prosecutor. He made a pretty able statement on the question of probation and I do not know that I can say anything against it. During the time that I served as State's attorney of my county, I ran up against some of the same problems that the gentleman from Indiana did. On the other hand, we found that where you had a minimum proscribed by law, it was much easier for the judge to finally arrive at something fair than it was where nothing was proscribed by law. The tendency of the judges was to give a very minimum sentence in most all cases. There is nothing to this argument which I heard here by the gentleman from New York, although I highly respect him as chairman of the Committee on the Judiciary, because, actually, when we had indictments returned, we had no trouble at all. When we went before a petit jury to prosecute, we had no trouble getting convictions. It was only the trouble we had when we went before the judge to get a sentence that was fair. I think any of you Members who are lawyers will find that this law is very mild in comparison with most of the laws throughout the United States. In Illinois this sentence is 1 year to life, which means he must serve one-third of his sentence, which would be approximately 7½ to 10 years for this same crime that you speak of. We found this situation after a while, that actually the parole boards were turning these men loose at the very first possible moment. As the result of that, last year we made a step forward, which I think was a step forward in Illinois, by making it mandatory on the judge to set the minimum sentence, so that instead of being 1 year to life for rape he could set it at 1, 2, 3, 4, or 5 up to 20 years, if he wanted to. I think that is progressive legislation. I think this is a good law, and I think that the bill we have here should pass without any amendments whatever.

This question of probation which has been raised here, I think by the gentleman from Indiana, has disturbed me a little bit, but I can see what they are attempting to do, that is, in those cases which lead to and have a part of what they are getting around to, the question of criminal assault on women. They went into the question of robbery, they went into the question of housebreaking, but it all hinged on this question of assault, of breaking into homes and committing assault on women. Now I think it is those cases that they are trying to get at, and those are the ones where you take away the right of probation. And, I understand what you are trying to do, and it all revolves around one particular problem. I just finished one term last December and I think I know the troubles of the judge and the prosecutor. It is not up to the judge to determine what the indeterminate sentence shall be; it is not up to him to say whether it should be 1, 2, or 3 years, or the minimum. That is up to you. You are supposed to say what the minimum sentence is and it is up to the judge and the prosecutor to say or suggest what the sentence shall be in between, if any. I just want to say this, that that is your job to say what the minimum sentence is, and you are not taking away the right of any judge. I have never been offended that the State Legislature of the State of Illinois fixed a minimum sentence and has said that it should be 1, 2, or 3 years or more or determined by the parole board, or what it should be. In other words, I do not think that any judge should be offended by any act of the legislature.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Indiana.

Mr. HALLECK. I am glad the gentleman has made the point that he has. In other words, it is up to the legislative body to define the crime or the statutes which we enact, and likewise it is, in my opinion, the clear responsibility of the legislative body to determine what the penalty shall be. The State of Indiana, where I served as prosecutor for 10 years, had a minimum-sentence provision, and I found that it worked very well.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from New York.

Mr. CELLER. Speaking to a former judge, I would like to ask the question: Does the gentleman believe that the judge should have the right to suspend sentence?

Mr. SPRINGER. In my State we did not use the suspended sentence; we used probation. Let me say this, I think that there is a class of cases where the legislature should have the power to provide whether or not probation should be granted. I am not going to infringe upon this body, as a judicial man, by saying that they should not do it.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SPRINGER. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from New York.

Mr. CELLER. Does the gentleman know whether there is any provision of the code that operates in the District of Columbia that deprives a judge in any case of the right to suspend sentence?

Mr. SPRINGER. Yes; the class of cases he mentioned there.

Mr. CELLER. In other words, the judge in the District of Columbia lacks the power to suspend sentence in certain cases?

Mr. SPRINGER. I took it there that probation and suspension were the same.

Mr. CELLER. I do not mean probation, I am speaking of the suspension of sentence.

Mr. SPRINGER. I could not say that. The statement was made there with reference to probation.

Mr. CELLER. I feel we are legislating in the dark here. I do not seem to get a clear-cut answer as to whether or not this bill removes from a judge the power of suspension in certain cases. I should like to have that answered before I can vote intelligently on this bill.

Mr. SPRINGER. In many States you do not have suspension of sentence, you only have probation or you have a sentence. There are some States that do have a suspension of sentence, but I am not familiar with those States that do have that particular provision.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from California.

Mr. HOLIFIELD. As I understand this bill, the Board of Paroles is prohibited from paroling any prisoner unless he has served his minimum sentence. What is the gentleman's opinion, from his judicial experience, as to that provision?

Mr. SPRINGER. I think it is good. We have had a bad experience in Illinois on this one thing. Even in the worst cases in Chicago we were having the parole board parole those men at the earliest moment, even though they were recidivists, as has been described here, they were repeated offenders. Those men being paroled were put back into society too quickly, and they were a risk. As a result of that, last year the State Legislature in Illinois allowed the judge to fix the minimum sentence; that is, if it was 1 year to life, instead of fixing the sentence at 1 year he would fix the minimum at 2, 3, 4, 5, or 6 years, depending on the type of violation it was and upon its seriousness, as he heard it and considered the case.

Mr. HOLIFIELD. I did not understand the gentleman's statement. In that case where the minimum was fixed by law at 1 year and the judge had imposed a 2-year sentence, the parole board could go in and reduce it from the 2-year to the 1-year limit?

Mr. SPRINGER. They could not. That was the purpose of passing that law, to keep the parole board from acting in the serious, the heinous cases, where there would be imposed automatically a sentence of 1 year to life. The judges would have the right, and it was simply necessary in those cases, which were extraordinary, and I have seen some of them come before the court, to impose more than the minimum of 1 year.

Mr. HOLIFIELD. I thank the gentleman.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Oklahoma.

Mr. BELCHER. Is it not true that in the gentleman's experience as a judge there were a lot of cases in which he was very glad to have a minimum-sentence provision?

Mr. SPRINGER. Yes, there were. The gentleman would be surprised at the number. I think every man who sits on the bench tries to be as impartial as he possibly can. However, a judge is besieged by every relative, by every attorney under the sun, who come and present their cases before you, and sometimes it is very, very difficult for a judge. I think that in those cases you should have a minimum sentence. It does help the judge in doing his job. I honestly believe that.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last word.

Mr. EBERHARTER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. EBERHARTER. This matter has been debated now for quite some time. The gentleman from Virginia has already spoken on the amendment. I do not want to insist on my point of order, but I think the matter has been debated and he has had his opportunity.

Mr. SMITH of Virginia. Either insist upon it or do not insist.

Mr. EBERHARTER. I withdraw the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman has offered a pro forma amendment.

Mr. SMITH of Virginia. Mr. Chairman, in the interest of all of us knowing what this is all about, it seems to me there ought to be some explanation of this question of whether or not a man convicted of one of these crimes must go to jail, or whether he can have a suspension of his sentence or probation. For the information of the House, I want to read, with the kind permission of the gentleman from Pennsylvania, that section of the code which deals with this subject.

You understand that the judge does not have any power to suspend the sentence, unless the law gives it to him. So here is the section which gives it to him:

> The District Court of the United States for the District of Columbia shall have power in any case except—

And here is where your exception comes in—

> except those involving treason, homicide, rape, arson, kidnaping, or a second conviction of a felony.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. WALTER. Then all that this bill, which is now under consideration, does is to add three more categories to those exceptions.

Mr. SMITH of Virginia. Yes.

Mr. WALTER. And in any other case the court may suspend sentence in accordance with the authority given him in the code.

Mr. SMITH of Virginia. Yes; and the gentleman from Pennsylvania will agree with me that the courts do not have any power anyhow to suspend sentence, unless this statute gives it to him.

Mr. CELLER. So that you add to those cases where there is no power of suspension these three particular cases?

Mr. SMITH of Virginia. Yes; these three particular cases are added. I want to make clear what my intention was as a member of the committee, and what my desire is as a member of the committee that when a person commits one of these three crimes he goes to jail.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Would the gentleman be so kind as to enumerate, once more, the ones the gentleman has mentioned in the code, plus the three which are to be added, so that we may have the complete picture?

Mr. SMITH of Virginia. The section reads as follows:

> The District Court of the United States for the District of Columbia shall have power in any case except those involving treason, homicide, rape, arson, kidnaping, or a second conviction of a felony.

Plus the three that we are now putting into the law, namely: attempted rape, robbery, and housebreaking. That is all it does. I want to reiterate that my purpose will not be carried out in this matter unless the fellow goes to jail when he commits one of these crimes, and that no judge shall have the power to turn him loose on the streets without a jail sentence, so that he may be able to commit the same crime again.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. EBERHARTER].

The question was taken; and on a division (demanded by Mr. EBERHARTER) there were—ayes 12, noes 91.

So the amendment was rejected.

Mr. HAYS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HAYS of Ohio: On page 30, line 6, strike out "'on Sundays other than light wines and beer" and insert in lieu thereof the following: "at any time when the sale of beverages is prohibited to a holder of a retailer's license class C, or of any beverages, other than light wines and beer, on Sundays."

Mr. HAYS of Ohio. Mr. Chairman, I will try to be brief and explain to you that this amendment was drawn up by the legislative counsel to meet the objections you have heard a great deal about today; namely, the after-hours clubs.

This amendment simply adds language to the bill which will take away from the Commissioners the right to grant a license to a club to operate later than any class C license holder is already permitted to operate. There was an argument made here that closing up these after-hours clubs might penalize the legitimate club. Under this

amendment the legitimate club, if it has been in existence for 3 years, can apply for a license. If that license is granted, and if this amendment is adopted, that club will operate under the same rules and regulations as any other class C permit holder, and will close at the same time.

I think one of the biggest sources of crime in the District of Columbia has been these clubs which operate all night. If you have been reading the papers lately, you will notice there have been two murders committed within the last 2 weeks at these clubs. This would do away with them.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Minnesota.

Mr. O'HARA. I wholeheartedly and enthusiastically agree with the gentleman's viewpoint and his amendment, and I hope the amendment will be adopted.

Mr. HAYS of Ohio. I thank the distinguished gentleman.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. MILLER of Nebraska. I think that is the intention of the bill. When these clubs are licensed by the ABC Board, they would have to have a license. I see no objection to the gentleman's amendment. It tightens it up. Personally, I would support the gentleman's amendment.

Mr. HAYS of Ohio. I am inclined to agree with the gentleman, except, as you say, this specifically says the ABC Board cannot license a club to operate after closing hours. This simply does away with the after-hour clubs. This tightens up law enforcement.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from New York.

Mr. KEATING. The purpose of the gentleman's amendment is to outlaw these bottle clubs or after-hours clubs completely?

Mr. HAYS of Ohio. That is correct. That is the intention.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I want to say that I wholeheartedly agree with the gentleman's amendment. I agree with what has been said with respect to these bottle clubs. They should be abolished altogether.

Mr. HAYS of Ohio. I thank the gentleman. If there are no further questions, I yield back the remainder of my time, Mr. Chairman.

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment of the gentleman from Ohio. Of course, we ought to adopt an amendment even stronger than this one. This amendment provides these bottle clubs if they stay in business must not operate longer than certain hours prescribed for other drinking places. The right thing to do is to eliminate the bottle clubs described by this committee. But in view of the statement of the committee that we cannot eliminate them under this bill, I am in support of the gentleman's amendment, especially since most of the trouble with respect to these bottle clubs occurs in the late hours at night or the early hours in the morning. These bottle clubs are described in the hearings as dens of iniquity. When you have a situation where the chief of police does not allow the members of his own force to spend their time in these places, except on duty, the situation must be pretty bad. The entire situation is pretty bad when our attention is called to the fact that some 37,000 arrests for drunkenness occurred in Washington last year. That means at least an average of 100 every day. We are told that a great share of them come about as a result of these so-called after-hours clubs or bottle clubs.

Mr. HAYS of Ohio. Mr Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished Member from Ohio.

Mr. HAYS of Ohio. I appreciate the gentleman's support. I would like to point out that in my opinion this does practically do away with the bottle clubs, because if they are not allowed to operate after hours they just will not have any patronage. The only appeal they have to anyone is because they can go there after the other legitimate places are closed up. If they have to close at the same time I think that will be the end of them, except a few clubs like the Elks, or the Moose, or legitimate clubs.

Mr. REES of Kansas. I hope the gentleman's objective will be achieved. I will be glad to support this amendment.

I yield to the distinguished gentleman from Michigan, who I know is enthusiastic in support of this amendment.

Mr. SHAFER. I am very much so; I shall support it.

Mr. REES of Kansas. The author of this amendment together with myself appreciate the support of the gentleman from Michigan.

I am certain if this amendment is adopted by this House these clubs will not be nearly so attractive as they have been in the past. I know that is what the gentleman wants, and I thank him for his effective help in going along on this proposal.

Mr. SHAFER. I certainly am going to join the gentleman on that.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from New York.

Mr. KEATING. I do not know whether the gentleman from Kansas can enlighten me on this or whether the inquiry should be addressed to a member of the committee, but in the section with which we are dealing it states that it prevents the consumption on the premises of any beverages on Sunday.

Mr. REES of Kansas. Which should be a big step in the right direction.

Mr. KEATING. Which would include black coffee, for instance. A person who has been out the night before could not even be served black coffee there.

Mr. REES of Kansas. Beverages in this bill does not include coffee. It includes any kind of liquor.

Mr. KEATING. I think they intended it to be alcoholic beverages.

Mr. DAVIS of Georgia. If the gentleman will yield, I think I can answer the question. The word "beverage" is defined in the bill as being an alcoholic beverage.

Mr. KEATING. The word "beverage" as used in the bill relates to alcoholic beverages?

Mr. DAVIS of Georgia. Yes.

Mr. REES of Kansas. Before yielding further I wish to call attention to the fact that these bottle clubs are described in the committee's own report as follows:

> The committee unanimously condemn the existence of the so-called after hours or bottle clubs. These sordid enterprises threaten the safety, welfare, and peace of the community. They are breeding places of crime and corruption. They come into existence as frauds, masquerading as benevolent, educational, and social organizations under the guise of legitimacy.

They should be outlawed; we should get rid of them. We ought to support this amendment wholeheartedly.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I shall be glad to yield.

Mr. CHELF. As I understand the amendment it would preclude the opening of these bottle clubs; is that correct?

Mr. REES of Kansas. The amendment will permit these bottle clubs to remain open during the same hours as other places where liquor is sold under class C license.

Mr. CHELF. In other words, when the legitimate saloon, or whatever it is, has to close, the bottle clubs likewise will have to close their doors.

Mr. REES of Kansas. That is correct.

Mr. CHELF. Does the gentleman understand from the gentleman's amendment that there is a penalty? As I read it, the penalty was omitted. I do not want to have a law which will prohibit but then not permit punishment for its violation. We want some teeth in it.

Mr. REES of Kansas. I think the gentleman is right. There should be a penalty. Under this bill, the ABC Board would deal with them.

Mr. CHELF. Is there any penalty for their staying open beyond that time?

Mr. MILLER of Nebraska. Yes; if they stay open, their license is revoked, and they will have no license at all.

I should like to ask the gentleman from Ohio, who proposes the amendment, one question. He does not include wine and beer in the prohibition against serving in the bottle clubs; in other words, that is permitted after hours?

Mr. HAYS of Ohio. That is only on Sunday, but not after hours, because the amendment states that they shall not retail any beverage at any time when the sale is prohibited to the holder of a retailer's license class C, or of any beverages other than light wines and beer on Sunday.

Mr. Chairman, although the approval of this amendment will not solve the

problem, if rigidly enforced, it will go a long way in correcting a sordid situation which the committee reports is threatening the "safety, welfare, and peace of the community" and "are breeding places of crime and corruption."

Mr. DAVIS of Georgia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I merely want to say that the full committee, when this bill was being prepared, discussed this very provision that is now before the Committee of the Whole. The corporation counsel drew the provision which appears in the bill, and it is set out in the hearings that the corporation counsel made the statement with reference to that provision, "I copied that language from existing law, and it is not intended to restrict in that manner"; and he stated that it was intended to make the new provision conform to the present law, which forbids the sale of alcoholic beverages other than light wines and beer on Sundays. I have conferred with the legislative counsel here, and he informs me this amendment will not injure the bill in any way, and that possibly it will clarify the purpose of it. All of us want to put these people out of business and not make it easy for them to operate, particularly with reference to hours other than those provided in class C licenses. So I am authorized by the chairman of the committee to say that we have no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. HAYS].

The amendment was agreed to.

Mr. EBERHARTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EBERHARTER: Page 21, after line 23, strike out the following:

"(b) Section 389 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4–135), is amended to read as follows:

"SEC. 389. The records required to be kept by paragraphs (1) and (2) of section 386 shall be open to public inspection when not in actual use."

Mr. EBERHARTER. Mr. Chairman, I offer this amendment because I feel it would be a mistake for these police records to be open to any person who may want to view them. The records I am speaking of are set out on page 21. The Board of Commissioners is ordered to keep the following records:

General complaint files, in which shall be entered every complaint preferred upon personal knowledge of the circumstances thereof, with the name and residence of the complainant.

They shall keep records of lost, missing, or stolen property; also a personnel record of each member of the Metropolitan Police force, giving various details concerning him and such other records as the Board of Commissioners consider necessary for the efficient operation of the Metropolitan Police force.

I think it is very necessary and a good idea to compel the police force or the Board of Commissioners to keep these records, but I think it would be a mistake, Mr. Chairman, to have these records open to public inspection. You may realize that any person from any State in the Union could go down to the police department and demand to see the personal history of any policeman on the police force under the terms of this provision as I read it. Any person having a desire to find out some way to embarrass a neighbor or a friend or any official, if there happened to be some notation in the police files, they could go down there and they would be compelled to produce this private information regarding an individual.

I do not think the police department would want that and I do not think the FBI would want it. This does not apply to the FBI, of course, but you realize how necessary it is for them to keep all of their information and records private, confidential, and secret. So I think you are doing an injustice if you make these records open to the public. I hope the committee will see the matter as I see it and agree to this amendment. I do not think it is a good idea to let confidential police records be opened to the general public.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. Mr. Chairman, I ask unanimous consent that the amendment be read again.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk again read the Eberharter amendment.

Mr. EBERHARTER. I see no reason for that provision at all. I hope the Committee will accept the amendment.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I see the point the gentleman is making. However, if you are going to close the records on crime by individuals you rule out newspapers having access to them. It seems to me that crime does not do very well if the blazing light of publicity is turned on it, and many people would hesitate for that reason. In fact, they use names other than their own real name now to hide their identity. So, it seems to me that we ought to open these records up so that the newspapers can have them, so that there can be publicity and so that crime can be laid open to the blazing light of public opinion. That might have a good effect on stopping crime.

Mr. EBERHARTER. This would open the road, it seems to me, for a person to use the information that is gathered, when the matter is open to public inspection, for practically blackmail purposes. They can find out information from those confidential police records and perhaps blackmail a person, because of some complaint made against them by a person in the past.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Oklahoma.

Mr. ALBERT. All trials and convictions are public information, but why should suspicion or false complaints be a matter of public information? That is not a crime.

Mr. EBERHARTER. I agree. Suppose the complaint was not justified and it was dismissed by the police, but, nevertheless, after making the record of the disposition of it somebody went down there for wrong purposes and got the information?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Kentucky.

Mr. CHELF. I would like to bring this out to the gentleman. I am trying as best I can to understand the situation. I wonder if the gentleman has given any consideration or thought to the following statement: General complaint files in which shall be entered every complaint based upon personal knowledge. If the gentleman wants to be fair, and I know that he does mean to be just that way, knowing his background and his membership here, why, by the same token, would it not be better to use, instead of the language, "personal knowledge" a sworn affidavit? It follows right along with the gentleman's thinking. If I have some animosity or some grudge against you I can go down there on a personal complaint about you and put it in the files, but I think on that basis alone it ought to be a sworn affidavit. In other words, a man ought to be made to swear that he alleges the facts are a certain way, or he should not be permitted to go down there and make a general complaint against the fellow and put it in the files so that anybody could come and see it.

Mr. EBERHARTER. I think the gentleman's suggestion would improve the proposed paragraph there, but even an affidavit would not be sufficient to protect an accused from a false charge.

Mr. CHELF. But at least, does not the gentleman think it would be better than just a general complaint; maybe a wildcat statement on the part of somebody?

Mr. EBERHARTER. I think the gentleman is right in that statement.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Minnesota.

Mr. O'HARA. The gentleman, I think, makes the point that somebody may go to the police department when an irresponsible charge is made against an individual, and then that information would be available to the public even if the police investigated it and said it was not worthy of any recognition.

Mr. EBERHARTER. That is exactly right.

Mr. O'HARA. The gentleman has that in mind, I assume.

Mr. EBERHARTER. That is just what I have in mind.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from California.

Mr. HOLIFIELD. The gentleman from Pennsylvania, I think, has a very worthy amendment on this point, because many of us know that neighbors sometimes get into different types of quarrels and malicious complaints are placed without foundation and are filed with the police department. Now, if such a complaint, for instance, was filed against any public official, including a Member of Congress, and it became a matter of public record, even though it was unfounded, later on a political opponent of that public official might go and take it from the record and say this complaint was lodged against a particular official. Of course, it would be a matter of proof that the complaint was filed; nevertheless, it would have no foundation. The request of the gentleman from Kentucky that an affidavit be made would not cure it. It would help it but not cure it. It would only subject the person making the complaint to suit for making a false statement.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Kentucky.

Mr. CHELF. But does not the gentleman believe it would be a deterrent if you had to make an affidavit instead of just making a wild statement?

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Oklahoma.

Mr. BELCHER. The only way you can file a complaint is by a sworn affidavit based on personal knowledge. Under this bill, as I understand it, the complaint would have to be a sworn affidavit filed, and that affidavit in addition would have to be based on personal knowledge of the person swearing out the complaint.

Mr. EBERHARTER. That does not remove the objection to making those records available to the general public or to somebody who might have an ulterior purpose. I remember that we had on the statute books a law that compelled publication of the names of persons having a net income above a certain amount. It was used for racketeering to such an extent that we decided to repeal it. This section in the present bill may be the cause of rackets springing up, and may result in an inferior type of blackmail being practiced.

Mr. BELCHER. At the same time, the person who makes that affidavit is subject to the laws of libel and slander, and subject to a damage case if he swears out an illegal complaint. He could do the same thing by putting it in the newspaper.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Illinois.

Mr. MASON. If there is any Member of this House that has not had complaints made against him by his political opponents or has not had a false statement made against him or has not had public records examined, I do not know of that person. I have been in public life for 30 years, holding a public office. I have had time and time and time again complaints made against me and false statements made against me. But as long as they cannot be substantiated, I have not done any worrying about them.

Mr. EBERHARTER. We who know the gentleman from Illinois [Mr. MASON] know that there is no complaint that could be made against him that would be justified.

Mr. MASON. No complaint could be made about other Members of Congress that could be justified. I do not believe we have to worry about those things.

Mr. DAVIS of Georgia. Mr. Chairman, I rise in opposition to the amendment.

Mr. KEATING. Mr. Chairman, will the gentleman yield, before he starts his statement, just on the point we have been discussing?

Mr. DAVIS of Georgia. I yield to the gentleman from New York.

Mr. KEATING. I am a little bit at sea about this amendment. I hope the gentleman from Georgia will point out how section 389 now reads, because as things now stand I understand there is a public record of what is lost, missing, or stolen property. You see those things in the newspapers all the time. I doubt seriously whether this section, which the gentleman from Pennsylvania seeks to eliminate, adds very much to existing law.

Mr. DAVIS of Georgia. The existing section of the code, 389, provides:

All the books mentioned in section 4–134 shall be, at all business hours, and when not in actual use, open to public inspection.

That refers to the three classes of books which are mentioned here.

First. General complaint books, in which shall be entered every complaint preferred upon personal knowledge of the circumstances thereof, with the name and residence of the complainant.

That is substantially the provision on page 21 beginning with line 9.

Second. Books of registry of lost, missing, or stolen property, for the general convenience of the public and of the police of the District.

That is the provision on line 13 which is merely shortened there.

Third. Books of records of the police, wherein shall be entered the name of every member of the police force, with the time and place of his nativity, and the time when he became a citizen if he was born out of the United States—

And substantially the personal information about the police officers listed there from lines 14 through line 20.

The existing provision of law makes all these books open to public inspection. The provision of this bill reads:

The records required to be kept by paragraphs (1) and (2) of section 386 shall be open to public inspection when not in actual use—

Which leaves those two classes of records as they now are. They are now open to public inspection.

Mr. KEATING. In other words, the provisions of the pending bill narrow rather than enlarge the area which is open to public inspection?

Mr. DAVIS of Georgia. That is correct. It takes out for public inspection, without permission of the chief of police, the personal records of the policemen, which records are made in the police office and not by the officer regarding whom the personal information is given.

Mr. KEATING. So if we were to adopt the amendment of the gentleman from Pennsylvania we would overturn what has been the law here in the District of Columbia for a long, long time?

Mr. DAVIS of Georgia. And everywhere else that I know of. These complaint records are available to the public everywhere in every jurisdiction with which I am familiar.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. EBERHARTER].

The amendment was rejected.

Mr. MILLER of Nebraska. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MILLER of Nebraska. Are there other amendments to be offered to the bill?

The CHAIRMAN. Apparently there are no other amendments.

Mr. McMILLAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. McCORMACK), having resumed the chair, Mr. THOMPSON of Texas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4141) to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. McMILLAN. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 872, AID TO INDIA

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight to file a conference report on the bill S. 872.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CONFEREES ON AID TO INDIA BILL

The SPEAKER pro tempore laid before the House the following communication, which was read by the Clerk:

Due to my absence on official business for the House of Representatives, please accept my resignation as a member of the committee of conference on S. 872, the India aid bill, and I request that I be replaced as a House conferee.

A. S. J. CARNAHAN.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the gentleman from Arkansas [Mr. HAYS] to fill the vacancy on the conference committee.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CHUDOFF (at the request of Mr. BARRETT), for the week on June 4, 1951, on account of official business.

To Mr. PATTERSON, for June 6 and 7, 1951, on account of death in family.

INVESTIGATION OF PRESENT PRICE WAR

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'TOOLE. Mr. Speaker, the recent United States Supreme Court decision declaring the Fair Trade Act unconstitutional has brought about a so-called price war all over the United States. This intertrade battle has brought down in a startling manner the prices of many nationally advertised articles that are in common use in the average American household.

The people of our Nation in their anxiety to purchase these bargains have overlooked a primary fact. The ability of the large department stores to reduce the prices on these articles from 30 to 60 percent conclusively proves that for years they have maintained a false price set-up to the detriment of the consuming public. Their ability to make money at these drastically reduced prices shows that they have been gouging their customers. All of their past advertisements proclaiming their desire to give their customers, insofar as prices were concerned, the best possible break are now proven to be false. Their deception has cost the people of the United States hundreds of millions of dollars a year and has contributed greatly to the increased cost of living.

I am attaching to my remarks a statement taken from the New York Times of June 5, 1951 showing some of the reductions in prices. It is to be remembered that regardless of how low the price is now, these stores are still making a profit. It seems to me that any organization dealing with the public that had 100 percent mark-ups in its prices has not been dealing fairly with the people of the community who made it possible for these stores to exist.

In order to get a true picture of the situation, and also in order to see if something can be done about these gross profits, I shall tomorrow introduce into this House a resolution calling for an investigation of the price structure, costs of manufacture and production, middlemen's profits and retail profits on all foods, meats, furniture, radios, television sets, household electrical appliances, clothing and all of the other essentials of daily living.

It is my sincere hope that the Members of the House will support me in my efforts to obtain action on this resolution.

[From the New York Times of June 5, 1951]

TREND OF PRICES FOR DAY AT THREE STORES IN WAR

Following is a table indicating the original fixed prices of typical items, the prices at which they opened yesterday and the closing prices at Gimbels, Macy's, and Abraham & Straus. Where stocks were exhausted the latest price quoted is given, where obtainable, for purposes of comparison:

Item	Fair trade	Gimbel's		Macy's		Abraham & Straus	
		Open	Close	Open	Close	Open	Close
Toastmaster	$23.00	[1] $14.72	[1] $14.72	[1] $14.72	[1] $14.72	[1] $14.72	[1] $14.72
Sunbeam Mixmaster	46.50	[1] 26.59	[1] 26.59	[1] 26.59	[1] 26.59	[1] 26.59	[1] 26.59
Dormeyer Mixer	46.50	30.55	28.67	46.50	30.55	[2]	[2]
RCA-45 record attachment	12.95	8.24	8.24	8.44	8.24	8.24	8.19
Lewyt vacuum cleaner	89.95	58.63	58.63	[3]	[3]	[3]	[3]
Webster 3-speed player	88.24	61.09	40.37	61.09	59.99	61.09	59.99
Men's Palm Beach suits	29.95	[1] 16.94	[1] 16.94	[3]	[3]	[1] 17.94	[1] 17.94
Men's Springweave suits	40.50	[1] 29.69	[1] 29.69	[3]	[3]	[1] 29.95	[1] 29.95
Men's Sunfrost suits	39.95	[1] 24.29	[1] 24.29	[3]	[3]	[3]	[3]
Waterman fountain pen	3.95	[1] 2.11	[1] 2.11	[3]	1.98	[3]	[3]
Underwood typewriter	68.60	[3]	[3]	[3]	[3]	[3]	44.95
Novel, From Here to Eternity	4.50	1.94	1.79	1.94	1.79	1.94	1.79
Proctor steam iron	15.45	[3]	[3]	[3]	12.95	13.11	13.11
Coffeematic percolator	29.95	21.60	20.34	20.39	21.60	21.60	21.60
Regina waxer	64.50	44.39	44.39	[3]	44.39	[3]	39.95
Bayer aspirin (100's)	.59	.18	.18	.19	.19	.17	.17
Ronson lighter	6.60	4.69	4.69	4.69	4.69	4.65	4.65

[1] Latest price reported; item out of stock.
[2] Not reported.
[3] Item out of stock.

EXTENSION OF REMARKS

Mr. FERNANDEZ asked and was given permission to extend his remarks and include an editorial.

Mr. ARENDS asked and was given permission to extend his remarks in the Appendix and include a Carthage College commencement address delivered by Hon. SID SIMPSON, as printed in the Carthage Republican.

Mr. VAN PELT asked and was given permission to extend his remarks in the Appendix and include extraneous matter.

Mr. CARNAHAN (at the request of Mr. MADDEN) was given permission to extend his remarks and insert an address by Dr. Frank Buchanan.

Mr. MADDEN asked and was given permission to extend his remarks in the Appendix and include a resolution adopted by the Polish American Congress at South Bend, Ind.

Mr. BRYSON asked and was given permission to extend his remarks and include a commencement address delivered yesterday at Rogers Wesleyan College in New York.

Mr. CELLER asked and was given permission to extend his remarks in the Appendix in two instances.

Mr. MORANO asked and was given permission to extend his remarks in the RECORD and include a letter that was written to the editor of the Greek newspaper Kathimerini and republished in the American Greek newspaper Atlantis.

Mr. SEELY-BROWN asked and was given permission to extend his remarks and include an editorial.

Mr. FARRINGTON asked and was given permission to extend his remarks in two instances, in each to include extraneous matter.

Mr. HALE asked and was given permission to extend his remarks and include extraneous matter.

Mr. WINSTEAD asked and was given permission to extend his remarks in the Appendix and include a speech delivered by Hon. WILLIAM COLMER at Keesler Field, Biloxi, Miss.

Mr. BARTLETT asked and was given permission to extend his remarks and include an address delivered by Governor Warren, of California, at the University of Alaska.

Mr. LANE asked and was given permission to extend his remarks in three instances and include extraneous matter.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1612. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; and

H. J. Res. 253. Joint resolution to permit articles imported from foreign countries for the purposes of exhibition at the Japanese Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p. m.) the House adjourned until tomorrow, June 6, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

502. A letter from the Secretary, War Contracts Price Adjustment Board, transmitting the final report of the War Contracts Price Adjustment Board; to the Committee on Ways and Means.

503. A letter from the Assistant Secretary of the Interior, transmitting a copy of Public Law 6 enacted by the First Guam Legislature, pursuant to section 19 of Public Law 630, Eighty-first Congress, the Organic Act for Guam; to the Committee on Interior and Insular Affairs.

504. A letter from the Secretary of the Interior, transmitting copies of certain resolutions adopted by the Legislature of Hawaii during its recent session; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BATES of Kentucky: Committee on Appropriations. H. R. 4329. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1952, and for other purposes; without amendment (Rept. No. 539). Referred to the Committee of the Whole House on the State of the Union.

Mr. RICHARDS: Committee of conference. S. 872. An act to furnish emergency food aid to India; without amendment (Rept. No. 540). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Kentucky:

H. R. 4329. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1952, and for other purposes; to the Committee on Appropriations.

By Mr. DURHAM:

H. R. 4330. A bill to amend the Atomic Energy Act of 1946; to the Joint Committee on Atomic Energy.

By Mr. HALE:

H. R. 4331. A bill to abolish the action for alienation of affections in the District of Columbia; to the Committee on the District of Columbia.

By Mr. MARTIN of Iowa:

H. R. 4332. A bill to authorize the city of Burlington, Iowa, to own, maintain, and operate a toll bridge across the Mississippi River at or near said city to the Committee on Public Works.

By Mr. MURRAY of Tennessee:

H. R. 4333. A bill to modify and extend the authority of the Postmaster General to lease quarters for post-office purposes; to the Committee on Post Office and Civil Service.

By Mrs. ST. GEORGE:

H. R. 4334. A bill to authorize the renewal at increased rates of existing contracts for mail-messenger service; to the Committee on Post Office and Civil Service.

By Mr. AUGUST H. ANDRESEN:

H. R. 4335. A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), cheese, and rice and rice products; to the Committee on Banking and Currency.

By Mr. KEARNEY:

H. R. 4336. A bill to provide additional compensation on account of dependents for veterans with a service-connected loss or loss of use of a foot, or blindness of one eye; to the Committee on Veterans' Affairs.

By Mr. VINSON:

H. R. 4337. A bill to authorize certain easement, land, and other property transactions, and for other purposes; to the Committee on Armed Services.

By Mr. BOGGS of Delaware:

H. R. 4338. A bill to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del.; to the Committee on Public Works.

By Mr. GOLDEN:

H. R. 4339. A bill to provide for the transfer of certain educational benefits not used by veterans of World War II to the children of such veterans, and for other purposes; to the Committee on Veterans' Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to Senate Joint Resolutions Nos. 23 and 31, relating to the National Forest Highway system in California, and to declare Napa County, State of California, a critical defense area for the purpose of obtaining financing of construction; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 4340. A bill for the relief of Cecilia Lucy Boyack; to the Committee on the Judiciary.

By Mr. COLE of New York:

H. R. 4341. A bill for the relief of William Henry Dunn; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 4342. A bill for the relief of Calcagni & Belkin, Inc.; to the Committee on the Judiciary.

By Mr. GATHINGS:

H. R. 4343. A bill for the relief of Erika Bammes (Patricia Ann Cox); to the Committee on the Judiciary.

By Mr. JACKSON of California:

H. R. 4344. A bill for the relief of Clyde R. Sharp; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

307. By Mr. SMITH of Wisconsin: Resolution of the Wisconsin division of the Travelers Protective Association of America to petition Congress to withhold approval of any gasoline-tax increase, since members of this organization depend heavily upon automobile transportation in earning their livelihood; to the Committee on Ways and Means.

308. By the SPEAKER: Petition of the Municipal Finance Officers Association of the United States and Canada, Chicago, Ill., relative to bonds and the taxation thereon and requesting rejection of the recommendation of the Secretary of the Treasury; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 6, 1951

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

Dr. Edward Gardiner Latch, minister, Metropolitan Memorial Methodist Church, Washington, D. C., offered the following prayer:

O God, our Heavenly Father, who art the creator and preserver of all mankind, without whose benediction all our labor is in vain, we pray that our lives may be built not upon shifting sands but upon the rock of eternal truth. Deepen within us the love of truth and goodness. Enable us to discern the meaning of these days through which we are passing. In the midst of them keep us from stumbling and grant unto us the spirit that will help us to accept all our duties, do all our work, and meet all our trials with a cheerful courage, a sound mind, and a loving heart.

Lead us day by day into the ministry of understanding and sympathy that we as leaders of our beloved country may carry our share of the burden of the world's need. May Thy grace sustain us all our days, for in Thee alone is our hope, our strength, and our peace. We pray in the spirit of Jesus Christ our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

SPECIAL ORDER GRANTED

Mr. AUCHINCLOSS asked and was given permission to address the House for 40 minutes on Monday next, following the disposition of the legislative program for the day and any special orders heretofore entered.

CALL OF THE HOUSE

Mr. MILLER of Nebraska. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 69]

Angell	Gary	Moulder
Baker	Gillette	Murray, Wis.
Barden	Gore	Nelson
Bates, Mass.	Green	O'Konski
Berry	Gregory	Patten
Blatnik	Gwinn	Patterson
Boggs, La.	Hall,	Pickett
Bonner	Leonard W.	Poage
Boykin	Halleck	Poulson
Brownson	Harrison, Wyo.	Powell
Byrne, N. Y.	Hébert	Price
Carnahan	Herter	Prouty
Celler	Hoffman, Ill.	Rabaut
Chudoff	Hoffman, Mich.	Ramsay
Clemente	Holifield	Reed, Ill.
Cooley	Irving	Regan
Coudert	Jones, Ala.	Rivers
Cox	Kearns	Roosevelt
Crawford	Kelley, Pa.	Sabath
Crosser	Kelly, N. Y.	Scott, Hardie
Davis, Tenn.	Kennedy	Scudder
Dawson	Kilburn	Shafer
Delaney	Kilday	Sheehan
Dempsey	Lanham	Smith, Kans.
Dingell	Larcade	Smith, Miss.
Dondero	Latham	Stanley
Dorn	LeCompte	Taylor
Ellsworth	McCarthy	Teague
Evins	Mack, Wash.	Thornberry
Fallon	Madden	Vursell
Fernandez	Merrow	Wigglesworth
Flood	Miller, Calif.	Willis
Forand	Miller, N. Y.	Winstead
Fugate	Morano	Wood, Ga.

The SPEAKER pro tempore. On this roll call 331 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ALTERATION OF CERTAIN BRIDGES OVER NAVIGABLE WATERS

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from further consideration of the bill (H. R. 3764) to amend the act of June 21, 1940, relating to the alteration of certain bridges over navigable waters, so as to include highway bridges, and for other purposes, and that the bill may be referred to the Committee on Public Works.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OF CIVIL AERONAUTICS ACT

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Concurrent Resolution 33.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed, in the enrollment of the bill (S. 435) to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes, to make the following changes:

On page 6, line 14, of the engrossed bill, strike out the word "of", where it occurs the first time, and in lieu thereof insert the word "to."

On page 7, lines 6 and 7, strike out the words "Federal Security Administrator" and in lieu thereof insert the words "Secretary of Labor."

Mr. HINSHAW. Mr. Speaker, reserving the right to object, will the gentleman explain the purpose of the resolution?

Mr. BECKWORTH. It will be recalled, Mr. Speaker, that not many days ago we had before us a war risk insurance bill that would make it possible for the Government to help those airlines which are engaged in the transportation of people and commodities to areas where there is unusual danger existing, to obtain the proper amount or degree of insurance coverage needed.

The bill which the House passed had already passed the Senate; the committee took the Senate bill, passed it, and brought that bill to the House and the House passed the bill unanimously. It now appears that a clarifying amendment is necessary relating to the Federal Security Agency and the Department of Labor; and then it is also necessary in order to be sure that all insurance companies qualified to participate in the writing of such insurance may participate to have an amendment to the Senate concurrent resolution of which I spoke.

That briefly is a description of what we are trying to do. I may say that it was concurred in by every member of the House Committee on Interstate and Foreign Commerce who was present this morning to hear the discussion.

Mr. HINSHAW. Has the gentleman also cleared this with the leadership on both sides of the aisle?

Mr. BECKWORTH. I have cleared this through the gentleman from Massachusetts [Mr. MARTIN] because the gentleman from New Jersey [Mr. WOLVERTON], ranking minority member on our committee, concurred in it, and I so informed the gentleman from Massachusetts.

In this connection I read the following letter from the Acting Secretary of Commerce:

THE SECRETARY OF COMMERCE,
Washington, June 5, 1951.

Hon. BYRON G. ROGERS,
House of Representatives,
Washington, D. C.

DEAR MR. CONGRESSMAN: This letter is in answer to your telephonic request for my views with respect to the inclusion of the following amendment in the concurrent resolution for the correction and amendment of S. 435, an act providing authority for aviation war risk insurance:

The terms "insurance company" and "insurance carrier" in 1305 (a), (b), and 1307 (d) shall include any mutual or stock insurance company, reciprocal insurance association, and any group or association authorized to do an aviation insurance business in any State of the United States.

We would interpose no objection to the inclusion of such a definition in the resolution and members of my staff have been informed by Mr. Nathan Calkins, Chief, International and Rules Division, Civil Aeronautics Board; Mr. Roy Leiffien, counsel, Associated Aviation Underwriters; and Mr. Paul Reiber, counsel for Air Transport Association of America, that no objection would be taken to the inclusion of such a definition.

If we can be of further assistance to you in this matter, please call on us.

Sincerely yours,

D. W. RENTZEL,
Acting Secretary of Commerce.

Mr. HINSHAW. Mr. Speaker, I do not intend to object. I hope that the bill will be agreed to by the House.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate concurrent resolution?

There was no objection.

Mr. BECKWORTH. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BECKWORTH: Page 1, after line 6, insert the following: "On page 2, after line 9, of the engrossed bill insert the following:

"'(d) The terms "insurance company" and "insurance carrier" in section 1305 (a) and (b) and in section 1307 (d) shall include any mutual or stock insurance company, reciprocal insurance association, and any group or association authorized to do an aviation insurance business in any State of the United States.'"

Mr. HINSHAW. Mr. Speaker, if the gentleman will yield, this amendment has the approval of the committee. I think there is no question about that.

Mr. BECKWORTH. The amendment has the approval of the committee, and the Civil Aeronautics Board, and all others who have indicated an interest in the legislation from the beginning.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Texas [Mr. BECKWORTH].

The amendment was agreed to.

The resolution was concurred in.

A motion to reconsider was laid on the table.

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent that a letter referring to the legislation be included in connection with my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE HIGH COST OF LIVING

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. Speaker, I take the floor this morning to deplore the failure of all in authority to do anything for the relief of the American people in their fight against the high cost of living.

Ever since this Congress met in January, high prices have stayed the No. 1 problem here on the home front.

Why should only a small percentage of our population be in a position to pay for a decent living? Why should not the prices of food and other commodities be brought within easy reach of all Americans?

I thought that was why Congress set up the OPS. I thought the high-salaried officials now being selected and delegated to carry out price stabilization understood they must knock down prices or get out.

If I were told by Congress to roll back prices of food, clothing, and other necessities, you may be certain, I would

roll them back to 1939 so we would all be able to live and eat again.

As it is now, prices stay up like gas balloons in the stratosphere. Our job here is to find out why somebody does not do something about lowering them.

The recent price war in New York City proved a lot of things. It proved that direct competition brought to bear on inflated prices will bring goods the people want down to where they can have them.

It also proved that merchants and businessmen can live by letting the customer live.

Since the New York price war benefited the consuming public and showed the country how much water can be wrung out of inflated prices, Congress should tell the people we represent that its desire is to reduce the cost of living.

Let us encourage, let us foment further price wars so that the American people can live and the American system of free enterprise will be preserved.

This is the only way the United States can pay for our tremendous rearmament and preparedness program.

This is the only way the American worker, farmer, white-collar employee, and other middle- and lower-income earners will be able to pay for their food, clothing, and other necessary items of living.

Therefore, I am introducing the following resolution, which I hope will be approved soon by Congress:

A resolution to preserve the American system of free enterprise and to lower the cost of living by encouraging price wars in retail prices of food and other necessities

Whereas it has been established that recent price wars between large metropolitan dry goods stores have enabled the American consumer to buy clothing at reasonable prices; and

Whereas these price wars clearly show that profiteering, chiseling, gorging, and unfair dealing with American consumers on the part of some entrepreneurs have compelled the public to pay outrageous prices for necessities; and

Whereas the Office of Price Stabilization seems to be helpless or hesitant to roll back the cost of living for the average citizen in spite of definite instructions from Congress; and

Whereas the American people must have immediate relief from the present high cost of living; and

Whereas barefaced competition is needed among legitimate entrepreneurs to water down bulging profits and bloated prices of food and other necessary commodities; and

Whereas price wars seem to be the only method by which competition can be brought into direct play: Therefore be it

Resolved, That it is the desire of the Senate and House of Representatives in Congress assembled to call upon the Nation's business and commerce to make open war upon high prices of food and other necessities in order to preserve the American system of free enterprise and to lower the exorbitant cost of living.

EMERGENCY FOOD AID TO INDIA

Mr. RICHARDS. Mr. Speaker, I call up the conference report on the bill (S. 872) to furnish emergency food aid to India, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. No. 540)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 872) to furnish emergency food aid to India, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this act may be cited as the 'India Emergency Food Aid Act of 1951.'

"SEC. 2. Notwithstanding any other provisions of law, the Administrator for Economic Cooperation is authorized and directed to provide emergency food relief assistance to India on credit terms as provided in section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, including payment by transfer to the United States (under such terms and in such quantities as may be agreed to between the Administrator and the Government of India) of materials required by the United States as a result of deficiencies, actual or potential, in its own resources. The Administrator is directed and instructed that in his negotiations with the Government of India he shall, so far as practicable and possible, obtain for the United States the immediate and continuing transfer of substantial quantities of such materials particularly those found to be strategic and critical.

"SEC. 3. For purposes of this Act the President is authorized to utilize not in excess of $190,000,000 during the period ending June 30, 1952, of which sum (1) not less than $100,000,000 shall be made available immediately from funds heretofore appropriated by Public Law 759, Eighty-first Congress, for expenses necessary to carry out the provisions of the Economic Cooperation Act of 1948, as amended; and (2) $90,000,000 shall be available from any balance of such funds unallotted and unobligated as of June 30, 1951: *Provided*, That if such amount unallotted and unobligated is less than $90,000,000 an amount equal to the difference shall be obtained from the issuance of notes in such amount by the Administrator for the Economic Cooperation Administration, who is hereby authorized and directed to issue such notes from time to time during fiscal years 1951 and 1952 for purchase by the Secretary of the Treasury, and the Secretary of the Treasury is hereby authorized and directed to purchase such notes and, in making such purchases to use, as a public debt transaction, the proceeds of any public debt issue pursuant to the Second Liberty Loan Act as amended: *And provided further*, That $50,000,000 reserved by the Bureau of the Budget pursuant to section 1214 of Public Law 759 of the Eighty-first Congress from funds appropriated by that Act for expenses necessary to carry out the provisions of the Economic Cooperation Act of 1948, as amended, shall not be available for purposes of this section.

"SEC. 4. (a) Funds made available for purposes of this Act shall be used only for the purchase of food grains or equivalents in the United States.

"(b) No procurement of any agricultural product within the United States for the purpose of this Act shall be made unless the Secretary of Agriculture shall find and certify that such procurement will not impair the fulfillment of the vital needs of the United States.

"(c) The assistance provided under this Act shall be for the sole purpose of providing food grains, or equivalents, to meet the emergency need arising from the extraordinary sequence of flood, drought, and other conditions existing in India in 1950.

"(d) The assistance provided under this Act shall be provided under the provisions of the Economic Cooperation Act of 1948, as amended, applicable to and consistent with the purposes of this Act.

"SEC. 5. Notwithstanding the provisions of any other law, to the extent that the President, after consultation with appropriate Government officials and representatives of private shipping, finds and proclaims that private shipping is not available on reasonable terms and conditions for transportation of supplies made available under this Act, the Reconstruction Finance Corporation is authorized and directed to make advances not to exceed in the aggregate $20,000,000 to the Department of Commerce, in such manner, at such times, and in such amounts as the President shall determine, for activation and operation of vessels for such transportation, and these advances may be placed in any funds or accounts available for such purposes, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for these purposes: *Provided*, That pursuant to agreements made between the Reconstruction Finance Corporation and the Department of Commerce, the Reconstruction Finance Corporation shall be repaid without interest not later than June 30, 1952, for such advances either from funds hereafter made available to the Department of Commerce for the activation and operation of vessels or, notwithstanding the provisions of any other Act, from receipts from vessel operations: *Provided further*, That pending such repayment receipts from vessel operations may be placed in such funds or accounts and used for activating and operating vessels.

"SEC. 6. Notwithstanding any other provisions of law, the Administrator for Economic Cooperation is authorized to pay ocean freight charges from United States ports to designated ports of entry in India of relief packages and supplies under the provisions of section 117 (c) of the Economic Cooperation Act of 1948, as amended, including the relief packages and supplies of the American Red Cross. Funds now or hereafter available during the period ending June 30, 1952, for furnishing assistance under the provisions of the Economic Cooperation Act of 1948, as amended, may be used to carry out the purposes of this section.

"SEC. 7. (a) Any sums payable by the Government of India, under the interest terms agreed to between the Government of the United States and the Government of India, on or before January 1, 1957 as interest on the principal of any debt incurred under this Act, and not to exceed a total of $5,000,000, shall, when paid, be placed in a special deposit account in the Treasury of the United States, notwithstanding any other provisions of law, to remain available until expended. This account shall be available to the Department of State for the following uses:

"(1) Studies, instruction, technical training, and other educational activities in the United States and in its Territories or possessions (A) for students, professors, other academic persons, and technicians who are citizens of India, and (B) with the approval of appropriate agencies, institutions, or organizations in India, for students, professors, other academic persons, and technicians who are citizens of the United States to participate in similar activities in India, including in both cases travel expenses, tuition, sub-

sistence and other allowances and expenses incident to such activities; and

"(2) The selection, purchase, and shipment of (A) American scientific, technical, and scholarly books and books of American literature for higher educational and research institutions of India, (B) American laboratory and technical equipment for higher education and research in India, and (C) the interchange of similar materials and equipment from India for higher education and research in the United States.

"(b) Funds made available in accordance with the provisions stated above may be used to defray costs of administering the program authorized herein.

"(c) Disbursements from the special deposit account shall be made by the Division of Disbursement of the Treasury Department, upon vouchers duly certified by the Secretary of State or by authorized certifying officers of the Department of State."

And the House agree to the same.

JAMES P. RICHARDS,
A. A. RIBICOFF,
BROOKS HAYS,
JOHN M. VORYS,
LAWRENCE H. SMITH,
Managers on the Part of the House.

GUY M. GILLETTE,
BRIEN MCMAHON,
J. WILLIAM FULBRIGHT,
ALEXANDER WILEY,
H. ALEXANDER SMITH,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 872) to furnish emergency food aid to India, submit the following statement in explanation of the effect of the action agreed upon by the committee of conference and recommended in the accompanying conference report.

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the Senate bill and the House amendment. Except for the differences noted below and except for clarifying, clerical, and necessary conforming changes, the conference substitute is the same as the House version.

The short title of the bill: In the Senate bill the short title is "India Emergency Food Aid Act of 1951." The short title in the House amendment is "India Emergency Assistance Act of 1951." The conference agreement uses the Senate language. The difference is small. The committee of conference adopted the Senate language because "food aid" more precisely describes the substance of the bill than does "assistance." It is true that the bill makes assistance available to India, but the type of assistance is "food aid."

Method of financing the loan: Both the Senate bill and the House amendment provide for a loan. The difference is on how funds should be made available. The House amendment provides for a completely "self-generating" public-debt transaction. The principal points of the Senate bill are:

(a) The loan funds ($190,000,000) are to be provided as nearly as possible from presently available ECA appropriations. At least $100,000,000 will be taken out of ECA funds for this purpose. The remaining $90,000,000 will also come from ECA funds, if they are available as of June 30, 1951. Any amount short of $90,000,000 will be provided by "self-generating" public-debt transaction of the type provided in the House amendment.

(b) The second proviso, excepting $50,000,000 from availability for loan purposes covers a technical point. The General Appropriation Act (Public Law 759, 81st Cong.) required the President to reduce appropriations by $550,000,000 through an apportionment procedure. In accordance with this procedure, the Bureau of the Budget has withheld $50,000,000 of ECA's funds. So far as Congress is concerned, these funds are available to ECA, having been appropriated to the President for this purpose. So far as ECA is concerned, the funds are not available, having been withheld by the Bureau of the Budget in accordance with the discretion provided in the appropriation act. ECA's estimates of availability of funds do not include the $50,000,000 withheld. The purpose of the proviso is to specify that the withheld funds are not available for purposes of a loan to India.

The House receded and agreed to the Senate method of financing the loan. The use of appropriated funds for loan purposes is well established. Since ECA now has at least $100,000,000 available and will by June 30, 1951, possibly have more funds available, the committee of conference felt that funds already appropriated should be utilized before additional sums are added to the public debt. The conference agreement does this.

Restriction on purpose of the assistance: There are two differences here, both of them minor. One relates to what shall be provided and the other to the causes of the crisis in India that gave rise to the need for assistance.

On the question of what is provided, the Senate bill uses the words "providing food grains, or equivalents," while the House amendment uses the words "providing food." The conference agreement contains the Senate language. India's need is for food grains or commodities serving the same purpose. The Senate language more precisely describes what India will purchase with the proceeds of the loan. The use of the words "or equivalents" is important. It may not be possible to furnish food grains in the amounts India may desire. The executive branch has informed the Congress that dried beans, flour, and other like commodities may be furnished in lieu of some food grains.

The conference agreement uses the Senate language describing the causes of the Indian food crisis. It is difficult to be precise in ascribing the causes of a food shortage of the magnitude that faces India. Limiting relief to needs caused by "natural disasters" might involve an impossible administrative problem.

Certification of availability of supplies: Both the Senate bill and the House amendment require the Secretary of Agriculture to certify that procurement for purposes of this act will not impair the vital needs of the United States. The difference is in emphasis. The Senate language provides "no procurement * * * unless the Secretary of Agriculture shall find and certify * * *." The House amendment provides "that with respect to the procurement * * * the Secretary of Agriculture shall certify * * *."

The committee of conference adopted the Senate language. The basic assumption upon which this bill rests is that the United States will provide food aid so far as aid is available without impairing the vital needs of the United States. In view of recent crop reports, United States supplies will not be as plentiful as originally indicated. United States commitments have not diminished. For these reasons, the committee of conference desired to make the responsibility of the Secretary of Agriculture quite clear. The Senate language does this.

Determining the availability of private shipping: The House amendment uses only the words "the President finds." The Senate bill uses the words "the President, after consultation with appropriate government officials and representatives of private shipping, finds and proclaims." The language of the Senate bill is designed to make sure that Government-owned ships will not be put into service unless private shipping is unavailable on reasonable terms and conditions. Ordinarily, the procedure to determine this point involves a formal hearing and determination by the executive branch that private shipping is unavailable. This is a time-consuming procedure and would require about a month. The effect would undoubtedly be to delay shipment of grain to India. All of the evidence now indicates that private shipping is in fact unavailable. However, the committee of conference felt that sufficient provision should be made to prevent precipitate action by the executive branch without careful examination of the facts. In the interest of getting grain to India as soon as possible, the committee of conference interprets this provision to mean that no formal hearing is required, but that any executive decision that private shipping is unavailable be based on sufficient consultations to ascertain the facts of the situation.

Shipment of grain cargoes in United States flag vessels: Both the Senate bill and the House amendment provide that 50 percent of commodities furnished to India be moved in United States flag vessels. The Senate bill provides this by incorporating the applicable provisions of the Economic Cooperation Act of 1948, as amended, one of which is section 111 (a) (2). This section requires the Administrator for Economic Cooperation to take steps to "assure as far as is practicable" that 50 percent of the gross tonnage be moved in United States flag vessels "to the extent that such vessels are available at market rates for United States flag vessels." The House amendment provides that no materials made available under this act can be transported from the United States unless at least 50 percent are moved in American flag vessels. In view of the shortage of shipping and the apparent necessity to put into service additional United States Government-owned vessels, the committee of conference believes that flexibility is desirable so far as possible. The settled policy of the United States on this point is expressed in the Economic Cooperation Act of 1948, as amended. These provisions have proved satisfactory for 3 years. The committee of conference believes that the India grain shipment program should be conducted under this basic policy rather than under a different policy which would be the case under the language of the House amendment.

There is an additional point in the Senate language. Provisions other than section 111 (a) (2) may be applicable to a loan transaction. It is not necessary to detail these here. This is a question for the Administrator to determine; and, in the determination, the fact that this bill is a loan will be the first test of applicability.

Use of interest payments for special purposes: The Senate bill contained the "Mundt amendment," setting aside in a special Treasury deposit account the amounts of any interest payments made by India on or before January 1, 1957, this fund to be used for a cultural interchange program for the benefit of American institutions engaged in a variety of educational, medical, and philanthropic activities in India, for the interchange of Indian and American students, professors, and technicians, and for the interchange of scholarly books and technical equipment between the two countries. This provided an arrangement similar in purpose to the use made of the Boxer indemnity fund and the use now being made of loan payments by Finland. Similar provisions were in an amendment offered by Mr. Bray in the House. However, a point of order against this amendment was sustained. The committee of conference agreed on a substitute.

The principal differences between the substitute and the Senate language are three.

The sum made available under the Senate bill might have amounted to about $23,000,000 if 2½-percent interest on the full amount were negotiated for the period to January 1, 1957. On the other hand, no interest at all might be negotiated for that period. The committee of conference agreed on a limit for this purpose of not to exceed $5,000,000. The conference agreement eliminates subsection (a) of the "Mundt amendment," authorizing allocations to certain American institutions in India. The conference agreement contains language providing for administrative expenses of the cultural program to be taken out of the fund and provisions regarding disbursement and accountability. These were not in the Senate bill.

Unlike the Boxer indemnity and the Finnish-loan repayment, no loan has yet been negotiated with India. The sums India may borrow and the terms of repayment will be a matter of future agreement between this country and India. The committee of conference had no data upon which to determine any formula for estimating interest payments. The committee of conference therefore agreed upon a token program from possible interest payments not to exceed $5,000,000.

The committee of conference was aware of the needs of India for a program in the field of agriculture that would prevent a recurrence of famines. It also considered India's development programs. Further consideration of India's long- and short-term programs will be studied later this year under the technical assistance program. Similarly a well balanced mutual aid program for this region will be the subject of intensive congressional interest.

In view of the uncertainty as to any available funds from interest payments, and the lack of information as to specific programs, the committee of conference decided that only a token should be authorized at this time.

JAMES P. RICHARDS,
A. A. RIBICOFF,
BROOKS HAYS,
JOHN M. VORYS,
LAWRENCE H. SMITH,
Managers on the Part of the House.

Mr. RICHARDS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the conference report is a unanimous one. We think the House has won a victory in the conference agreement.

The four major points of difference between the Senate bill and the House amendment were these: The method of financing the loan, the repayment in specifically named strategic materials, the use of funds for the purchase of grains only in the United States, and the so-called Mundt amendment. The Mundt amendment provided for the use of the interest payments for an educational interchange program between the United States and India.

So far as financing the program is concerned, under the conference agreement, at least $100,000,000 of the loan funds will come from funds already appropriated to ECA. As much of the remaining $90,000,000 will come from such ECA funds as are unallocated or unobligated and available as of June 30, 1951. If the amount available as of June 30, 1951, is less than $90,000,000, the balance will be raised by a self-generating public-debt transaction. The House conferees thought the Senate provision would be better, and we receded.

On the question of repayment in strategic materials and the question of specifying in the law certain strategic materials, I should like to emphasize that the provisions of the conference agreement are those of the House amendment. The Senate accepted the House language—and this includes the requirement of repayment originally in the bill reported to the House, and the Halleck amendment adopted in the House. The Senate provisions specifying manganese and monazite are not in the conference agreement.

The conference agreement contains the House provision that loan funds shall be used only for the purchase of food grains in the United States. Members will recall that this provision was put in the bill during debate in the House. The Senate receded on this point.

As far as the Mundt amendment was concerned, the Senate receded from its position and the House accepted an amendment. Assuming a loan for the full amount of $190,000,000, an interest rate of 2½ percent, and interest payments beginning on July 1, 1952, the funds available for this program could amount to $23,000,000 under the terms of the Mundt amendment. In fact, it is possible that there may be no interest payments by January 1, 1957, and there may be no money for this part of the program. The House conferees took the position that it was neither proper nor practicable to have any such provisions in this bill, and the House had not acted on similar provisions which were ruled out on a point of order when the matter came up here. The House conferees agreed to accept the Senate provisions with other modifications and a ceiling of $5,000,000 on this program.

Those are the principal points of disagreement. There were 10 other small points of disagreement, mostly in regard to phraseology. Resolution of these differences was largely a perfecting process. The House receded on 5 of those 10 points and the Senate receded on the other 5 points.

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Speaker, at long last we are going to do what India asked us to do nearly 6 months ago, and that is, authorize a food loan on special and easy terms. We have required that payment shall include transfer of strategic materials, and India has agreed to that. Prime Minister Nehru said in his Parliament, referring to our House bill, "We shall gladly supply such materials as are available in India and can be spared by us." He said, "We prefer the terms in the House bill." Those terms are in the bill before you now. The conferees decided that any attempt to specify the types and amounts of such materials in advance would probably be offensive, and almost certainly ineffective.

There has been a lot of criticism of Indian spokesmen in the last few months and I have joined in some of that criticism, but let us remember that there has been a good bit of delay since this food proposal was originally made. This delay has materially aroused suspicion and criticism of our intentions, and of the good will or good faith of some of our own spokesmen. The delay has been caused by discussion and disputes about gifts that India did not ask for, with strings tied to them that India did not want. However, we come to the end of the story here today, with the differences between the two bills, which were extremely slight, fairly settled in our conference report.

The Senate bill provided for taking unspent funds from ECA to finance part of the loan when it is negotiated. That was agreeable to the House, both bodies understanding that it is money we are talking about, and that so long as we are on an unbalanced budget it is all going to be added to the national debt anyhow.

Both bodies agreed on the amendment to pay ocean freight for charitable, voluntary relief gifts to India by individuals and private organizations.

The Senate bill contained the Mundt amendment. A similar amendment was offered in the House by the gentleman from Indiana [Mr. BRAY]. The conferees brought back this provision in a limited form. I have doubted the wisdom of attempting to spend interest that had not yet been agreed upon, from a loan that had not yet been negotiated, but the majority of the conferees and no doubt a majority in possibly both Houses felt that this was a token of good will toward India, this provision for an educational exchange, out of such interest as might be agreed upon for the first 5 years, up to $5,000,000.

The conference report states, however, that we recognize the importance to India of a long-time program of agricultural improvement to eliminate the possibility of recurrent famine.

We recognize the importance of India's development plan. Hearings on these matters can come up later this year on point 4 and mutual-aid legislation. This food loan is not the last matter that will ever come up between India and the United States; if the world goes well it is the first of many negotiations, and we hope it may be concluded promptly in good form in a way that will encourage future friendship and cooperation between our countries.

I want to remind the House this bill is a bipartisan proposition. The leadership of the House has been unswerving in its support of this loan bill ever since it was introduced. I want to commend our new chairman, the gentleman from South Carolina [Mr. RICHARDS]. This is the first bill of a controversial nature which he has brought to the floor of the House. The bill was introduced before the death of our late honored colleague, Chairman Judge Kee, and of course, before the gentleman from South Carolina [Mr. RICHARDS] became chairman of the Committee on Foreign Affairs. But in his conduct on this bill in committee and on the floor and in conference he has been eminently wise and fair, and has again proven to us, who know him closely, what you are all going to find out when you know him better, and that is that he is a man of great independence, a man of great wisdom, and a man

who is square and full of courage and common sense. He has a hard task ahead of him and I know he will fulfill that task with ability and with great patriotism.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. COLMER. I have asked the gentleman to yield to me to comment briefly on what he has just said. I think the Congress and the country is to be commended upon the ascension of our distinguished friend and colleague, the gentleman from South Carolina [Mr. RICHARDS], to the position of chairman of this very important and very highly controversial committee of the House of Representatives. I join with the distinguished gentleman from Ohio in the hope and belief that our friend will make an outstanding contribution to the cause of world peace, a thing which we all desire.

Specifically I want to comment upon the fact further that the gentleman from South Carolina will be found exercising his own judgment to a degree which will meet with the approbation on many occasions, I am sure, of the House of Representatives.

Now, so far as the India wheat bill is concerned, the changes that have been made with reference to strategic materials in the conference have amounted to the withdrawal of certain safeguards which were in the Senate bill which provided for getting these strategic materials. The Senate bill made that aspect of the bill mandatory and now you make it optional; is that not correct?

Mr. VORYS. The strategic materials requirement which did not specify particular materials was adopted by the House after it had heard from six members of the Atomic Energy Committee. It was promptly accepted by the other body. Both what those six members said on the floor of the House and the explanations that they made to the membership off the floor were sufficient to make it clear that this was the wisest and most foresighted way in which to enter the negotiations which would involve the acquisition of strategic materials.

Mr. COLMER. My distinguished friend is exercising that part of his attributes and accomplishments that he usually does so well—he answers my question with an evasive argument that makes his point a little more solid.

Mr. VORYS. No, it is not evasive and it is not unclear to anybody who understands the full import of what I have said and what the Members of the House who are familiar with our strategic materials requirements have said. It would not be in the public interest to debate this further with the gentleman at this time.

Mr. COLMER. I appreciate the gentleman's curt dismissal of my thoughts. I admit I am not as well versed in the matter as he is, but at the same time as a Member of this body, who is concerned about the future of this country and at least concerned with getting a partial repayment of these funds, I still am entitled to my own opinion about this matter, but I am not going to discuss it any further with the gentleman.

Mr. RICHARDS. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. VORYS. I want to say something about this idea of having a loan. There are those who say, "Oh, well, if you make a loan it is no good anyhow." For 10 years this Congress and this country has gone along on the idea that there is something bad about the silly dollar sign, and that we should not make loans, because we make enemies; somebody might call us "Uncle Shylock"; not when the time came to pay, but when the time came that they did not want to pay. So we have been making a lot of grants in the last 10 years. As a matter of fact, in the last 10 years we have made Government loans and grants of $80,000,000,000, of which $13,000,000,000 have been paid back. In the past 5 postwar years we have made $59,000,000,000 of grants and loans, of which $3,000,000,000 have been paid back. Thus, in 10 years our Government has put up $67,000,000,000, net, to finance $109,000,000,000 in exports. We have learned two things in this decade. One is that you do not buy friends with grants or gifts any more than you do with loans. Another thing we have learned is that in the $109,000,000,000 of goods we have exported we have been pouring out our permanent treasure, our natural resources and that we are becoming a "have not" nation in many strategic materials. We are already importing iron ore, we import copper, petroleum, and a long and growing list of strategic materials. A country that needs imports ought to make loans for repayment through the future.

I want to call the attention of this House, as we conclude our action on this important bill, to the fact that we must be thinking more and more, in the program that lies before us, in order to protect our own security in the future, of making loans instead of always making grants.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. JUDD. The gentleman will recall that he and other members of the committee, and probably all Members of Congress, have received many letters on this issue which said that the United States Congress must not put any political strings in the legislation that would require the Indian Government to tie its foreign policy to ours, or side with us on various international questions, and all that sort of thing. Is it not a fact that there never was any suggestion within our committee from any member of it, of the Congress, or from anyone in the executive branch that this loan should be accompanied by any political strings whatsoever as far as India's foreign policy is concerned?

Mr. VORYS. That is true. Certainly the proposition that comes before you today is devoid of any political strings that could force India's foreign policy to coincide with ours.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. In section 2 discretion is put in the Administrator to determine as far as possible what the United States shall obtain in the way of strategic materials. That is a wide discretion placed in the Administrator to determine particularly those things found to be strategic and critical, is it not? The Administrator determines what are strategic and critical materials, according to this act?

Mr. VORYS. Certainly that is true. The list of strategic materials we need is well known, but it is not in the bill. As to the way the negotiations shall take place, the Administrator and his five advisers on the National Advisory Council will not have their hands tied. If India needs this grain, this loan will be negotiated and its terms known in a short while. The Congress has been on the spot on this issue for months and months. When this legislation is passed the ECA Administrator and his advisers—including the Secretary of State, Mr. Acheson; the Secretary of Commerce, Mr. Sawyer; the Secretary of the Treasury, Mr. Snyder; the head of the Federal Reserve bank, Mr. Martin; and the head of the Export-Import Bank, Mr. Gaston—are going to be on the spot to see that they carry out the spirit as well as the letter of this legislation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Iowa.

Mr. GROSS. I do not think any of us are opposed to the use of the four-letter word "loan," but experience has taught us in the past that it is simply a subterfuge. The gentleman says we ought to be dealing more in terms of loans. What information does the gentleman have that if we do start using loans instead of grants-in-aid, and so forth, what evidence does the gentleman have that they are going to pay these loans back? Is their capacity to repay them any better than it was a few years ago?

Mr. VORYS. Certain countries have more capacity. The world in general has more capacity. India has the capacity to repay. Ex-President Hoover, when he was before our committee in 1947, suggested that we use the loan formula, or at least always create an obligation on the other countries in foreign-aid transactions, so as not to get them into the psychology of reliefers. We know about the relief psychology here during WPA days. He said, "If you require loans, each country will try to show up in as good shape as possible, and will ask as little as possible, but if you provide gifts, the country tries to show how needy it is and tries to get as much as possible."

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. RICHARDS. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. MILLER of Nebraska. Will the gentleman go so far as to say that the taxpayers of the United States who must carry this burden are getting a mighty good deal out of this; that this is something that should be approved, because we are going to be ahead in the end; that we will get our money back and a lot of strategic materials? In fact,

we are driving a sharp bargain with India. Do you think the Members could make a statement like that to the people?

Mr. VORYS. No.

Mr. MILLER of Nebraska. Would you say that or would you say that it was a pretty poor bill, as a banker, and that we will not get our money back and we might as well forget about it? Or are we some place in between?

Mr. VORYS. That is right; some place in between.

Mr. MILLER of Nebraska. What is it?

Mr. VORYS. I am going to answer.

Mr. MILLER of Nebraska. I would like to have the gentleman's answer.

Mr. VORYS. This is not a case of driving a hard bargain with India whose people are starving; on the other hand, this, in my judgment, is not an example of open-handed giving away of the people's substance; this is authorizing a loan between two sovereign, independent nations, which we hope will result in the future to the mutual advantage of both, not only in what we will receive but in what India will receive.

Mr. MILLER of Nebraska. I am afraid my people would not be satisfied with that answer.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. JAVITS. May I say in answer to the question asked by the gentleman from Nebraska that there are very few countries in the world today that are as good risks as India. I think this loan provision is a good compromise. There was a great deal of sentiment throughout the country amongst the people for extending this aid on a grant basis, on the basis of humanitarianism; nevertheless, compromise has been made for a loan, and I as one of those who was active in this thing initially am satisfied that the conferees have done a splendid job, and I believe a majority of the Members of the House will be similarly satisfied with what is distinctly a compromise between two points of view.

Mr. HAYS of Arkansas. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. HAYS of Arkansas. I wanted to join in that statement because there have been men here who did pursue a sound course—I am referring to the gentleman from Ohio—in insisting upon the loan procedure for the bulk of this assistance. I understand something about the philosophy of those who think there should be a beneficial grant. But does not the gentleman agree that we have gone about as far as we are justified in going through the giving of aid by the American Red Cross, through CARE, and such organizations in providing ocean freight at Government expense for food to be given away to those in India who cannot buy it?

Mr. VORYS. I certainly think that the amendment which the gentleman offered here—and a similar amendment was adopted in the Senate—goes about as far as we can go in implementing the charitable instincts of our people. I feel that the Congress itself has no right to attempt to be charitable with other people's money and give it away to foreigners where there is no quid pro quo. On the other hand, charity is the greatest virtue in the world, and when our people feel that way and our organizations do and they have made gifts, the Government can then, under the gentleman's amendment, come in and help pay the freight so that the gifts will go as far as possible and reduce the need for Government relief. I congratulate the gentleman on offering his amendment.

Mr. HAYS of Arkansas. I thank the gentleman from Ohio for his kind words. I wanted to bring out the point with as much emphasis as it is possible, that we do expect this loan to be repaid, and there is every indication that it will be, but, of course, we cannot foresee the future.

Another point I wanted to ask the gentleman about is whether he does not have in mind that there will be some conversations with or expression to India in the matter of a long-range program toward achieving some agricultural stability so that her food system will be stabilized? Is not that to receive further study this year? Would the gentleman not want to emphasize the further expression in the report that "a well-balanced mutual-aid program for the region will be the subject of continuing congressional interest"? In other words, there has been, and it is understandable, a tendency to feel that the effort is a one-sided affair; but India has a great future, we believe, and great potentiality as a nation. We have a great stake in India's economic stability, and we will derive from that kind of sound long-range planning, in other words, helping people to help themselves, the kind of stability in the Pacific that will stabilize world conditions.

Mr. VORYS. I wrote those statements in the conference report which the gentleman quoted and am still of that opinion. I am glad my fellow conferees agreed with my statements and I thank my colleague for his interest in this long-range viewpoint.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. JONAS. Can the gentleman give in round figures the amount of the loan that this transaction involves?

Mr. VORYS. It cannot exceed $190,000,000; it can be any amount up to that.

My own surmise is that in all probability the full amount will not be taken, but there is $379,000,000 annually of production of strategic materials from which India could make periodic repayments on the loan.

Mr. JONAS. I should like to follow this question with another: If it is $190,000,000 that is involved who carries the expense of provisioning the boats and carrying the freight across and carrying the expense of shipment? Where is that absorbed, in what department? To whom is it charged?

Mr. VORYS. The Government of India.

Mr. JONAS. The Government of India; and that is added to the $190,000,000 loan?

Mr. VORYS. Under the provisions of this bill the Government of India pays the freight from our shores. Under the loan provision the Government of India will buy grain from us; we provide the ships; they pay the freight.

Mr. JONAS. That is added to the $190,000,000?

Mr. VORYS. No.

Mr. JUDD. It will be paid out of their reserves.

Mr. JONAS. That is included in the $190,000,000?

Mr. VORYS. It comes out of the $190,000,000 or any other money they have.

Mr. JONAS. The total then will be $190,000,000.

Mr. VORYS. Yes. The total from us cannot exceed $190,000,000, even though India spent more from other sources on freight.

Mr. RICHARDS. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, in view of the very kind remarks just made by my friend from Mississippi and my friend from Ohio about the present chairman of the Committee on Foreign Affairs, I would be less than human if I did not feel and express appreciation of what was said, even though I have grave doubts as to my ability to measure up to the standard set by my predecessor at the helm of this great committee. No chairman of any committee of this House has had better cooperation and more able assistance from his committee membership, Democrats and Republicans, than has the present chairman of our committee. I am fortunate, indeed, that I have sitting by me to guide me in the trying days ahead that great old Roman the gentleman from New Jersey, Dr. EATON, formerly our able chairman. I am fortunate, too, in enjoying the friendship and the able assistance of the gentleman from Ohio [Mr. VORYS], who has just spoken, a man whom I consider to be the peer of any Member of the House, or Senate, or State Department, in the field of legislation dealing with our foreign affairs. We have often agreed and sometimes disagreed on legislation, but always I have found him to be conscientious, fair, able, and, even if against you, a foeman worthy of your steel. What more could any man ask?

No doubt the Foreign Affairs Committee will in the coming months present momentous legislation to the Congress, but I assure you, knowing the entire committee membership as I do, that any measure coming here for foreign assistance—I am not talking about feeding somebody who is hungry or dying—will have been considered by our committee on a nonpartisan basis and from the standpoint of what is best for the United States and the Government we love.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the "ayes" appear to have it.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 256, nays 82, not voting 94, as follows:

[Roll No. 70]

YEAS—256

Aandahl	Fulton	Martin, Mass.
Abbitt	Furcolo	Mills
Adair	Gamble	Mitchell
Addonizio	Garmatz	Morgan
Albert	Golden	Morris
Allen, Calif.	Goodwin	Morrison
Andersen, H. Carl	Gordon	Morton
	Gore	Multer
Anderson, Calif.	Granahan	Mumma
Anfuso	Granger	Murdock
Armstrong	Grant	Murphy
Aspinall	Greenwood	Norblad
Auchincloss	Gregory	O'Brien, Ill.
Ayres	Hagen	O'Brien, Mich.
Bailey	Hale	O'Neill
Bakewell	Hall, Edwin Arthur	Ostertag
Baring		O'Toole
Barrett	Halleck	Patman
Bates, Ky.	Hand	Perkins
Battle	Harden	Philbin
Beamer	Hardy	Potter
Beckworth	Hart	Preston
Belcher	Harvey	Price
Bender	Havenner	Priest
Bennett, Fla.	Hays, Ark.	Quinn
Berry	Hays, Ohio	Radwan
Betts	Hedrick	Rains
Blackney	Heffernan	Reams
Boggs, Del.	Heller	Rees, Kans.
Bolling	Herter	Rhodes
Bolton	Heselton	Ribicoff
Bow	Hess	Richards
Bramblett	Hill	Riehlman
Bray	Hillings	Riley
Brooks	Hinshaw	Roberts
Brown, Ga.	Holifield	Rodino
Brown, Ohio	Holmes	Rogers, Colo.
Bryson	Hope	Rogers, Fla.
Budge	Horan	Rogers, Mass.
Burdick	Howell	Rooney
Burnside	Hunter	Sadlak
Burton	Jackson, Calif.	St. George
Butler	Jackson, Wash.	Sasscer
Camp	James	Saylor
Canfield	Jarman	Scott, Hugh D., Jr.
Cannon	Javits	
Case	Jenkins	Scudder
Chatham	Johnson	Secrest
Chelf	Jones, Ala.	Seely-Brown
Chenoweth	Jones, Hamilton C.	Shelley
Church		Sheppard
Cole, Kans.	Judd	Sikes
Combs	Karsten, Mo.	Sittler
Cooper	Kean	Smith, Miss.
Corbett	Kearney	Spence
Cotton	Keating	Springer
Crosser	Keogh	Staggers
Crumpacker	Kerr	Steed
Cunningham	Kersten, Wis.	Stigler
Curtis, Mo.	King	Tackett
Dague	Kirwan	Talle
Davis, Tenn.	Klein	Thomas
Dawson	Kluczynski	Thompson, Mich.
Deane	Lane	
DeGraffenried	Lanham	Thompson, Tex.
Denny	Lantaff	Thornberry
Denton	Lesinski	Tollefson
Devereux	Lind	Trimble
Dollinger	Lovre	Van Zandt
Dolliver	McConnell	Vaughn
Donohue	McCormack	Vinson
Donovan	McCulloch	Vorys
Doyle	McDonough	Walter
Durham	McGrath	Watts
Eaton	McGregor	Weichel
Eberharter	McGuire	Welch
Elliott	McKinnon	Wharton
Ellsworth	McMillan	Whitaker
Elston	McMullen	Wickersham
Engle	Machrowicz	Widnall
Feighan	Mack, Ill.	Wier
Fenton	Mack, Wash.	Williams, N. Y.
Fernandez	Madden	Withrow
Fine	Magee	Wolverton
Fogarty	Mahon	Yates
Ford	Mansfield	Yorty
Frazier	Marshall	Zablocki

NAYS—82

Abernethy	Andresen, August H.	Bennett, Mich.
Allen, Ill.		Bentsen
Allen, La.	Andrews	Bishop
Brehm	Harris	Robeson
Buffett	Harrison, Va.	Rogers, Tex.
Burleson	Hoeven	Schwabe
Busbey	Hull	Scrivner
Bush	Jenison	Shafer
Byrnes, Wis.	Jensen	Short
Carlyle	Jonas	Simpson, Ill.
Chiperfield	Jones, Woodrow W.	Simpson, Pa.
Clevenger		Smith, Va.
Cole, N. Y.	Lucas	Stefan
Colmer	McVey	Sutton
Cox	Martin, Iowa	Taber
Curtis, Nebr.	Mason	Towe
Davis, Ga.	Miller, Md.	Vail
Davis, Wis.	Miller, Nebr.	Van Pelt
D'Ewart	Murray, Tenn.	Velde
Fellows	Nicholson	Vursell
Fisher	Norrell	Werdel
Forrester	O'Hara	Wheeler
Gathings	Passman	Whitten
Gavin	Pickett	Williams, Miss.
George	Rankin	Wilson, Tex.
Gossett	Redden	Wolcott
Graham	Reece, Tenn.	Wood, Idaho
Gross	Reed, N. Y.	Woodruff

NOT VOTING—94

Angell	Fugate	Nelson
Arends	Gary	O'Konski
Baker	Gillette	Patten
Barden	Green	Patterson
Bates, Mass.	Gwinn	Phillips
Beall	Hall, Leonard W.	Ponge
Blatnik		Polk
Boggs, La.	Harrison, Wyo.	Poulson
Bonner	Hébert	Powell
Bosone	Herlong	Prouty
Boykin	Hoffman, Ill.	Rabaut
Breen	Hoffman, Mich.	Ramsay
Brownson	Irving	Reed, Ill.
Buckley	Jones, Mo.	Regan
Byrne, N. Y.	Kearns	Rivers
Carnahan	Kelley, Pa.	Roosevelt
Celler	Kelly, N. Y.	Sabath
Chudoff	Kennedy	Scott, Hardie
Clemente	Kilburn	Sheehan
Cooley	Kilday	Sieminski
Coudert	Larcade	Smith, Kans.
Crawford	Latham	Smith, Wis.
Delaney	LeCompte	Stanley
Dempsey	Lyle	Stockman
Dingell	McCarthy	Taylor
Dondero	Meader	Teague
Dorn	Merrow	Wigglesworth
Doughton	Miller, Calif.	Willis
Evins	Miller, N. Y.	Wilson, Ind.
Fallon	Morano	Winstead
Flood	Moulder	Wood, Ga.
Forand	Murray, Wis.	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Merrow for, with Mr. Winstead against.

Mr. Miller of New York for, with Mr. Wood of Georgia against.

Mr. Clemente for, with Mr. Sheehan against.

Mr. Gary for, with Mr. Hoffman of Illinois against.

Mr. Byrne of New York for, with Mr. Reed of Illinois against.

Mr. Roosevelt for, with Mr. Gillette against.

Mr. Jones of Missouri for, with Mr. Dondero against.

Mr. Celler for, with Mr. Smith of Kansas against.

Mr. Polk for, with Mr. Kearns against.

Mr. Forand for, with Mr. Baker against.

Mr. Coudert for, with Mr. Dorn against.

Mr. Gwinn for, with Mr. Larcade against.

Mr. Leonard W. Hall for, with Mr. Hébert against.

Mr. Harrison of Wyoming for, with Mr Bonner against.

Mr. Kilburn for, with Mr. Doughton against.

Mrs. Kelly of New York for, with Mr. Regan against.

Mr. Chudoff for, with Mr. Hoffman of Michigan against.

Mr. Evins for, with Mr. Teague against.

Until further notice:

Mr. Herlong with Mr. Arends.

Mr. Boggs of Louisiana with Mr. Brownson.

Mr. Carnahan with Mr. LeCompte.

Mr. Sieminski with Mr. Beall.

Mr. Willis with Mr. Angell.

Mr. McCarthy with Mr. Latham.

Mr. Miller of California with Mr. Wigglesworth.

Mr. Delaney with Mr. Taylor.

Mr. Fallon with Mr. Stockman.

Mr. Green with Mr. Patterson.

Mr. Patten with Mr. O'Konski.

Mr. Rabaut with Mr. Nelson.

Mr. Kelley of Pennsylvania with Mr. Morano.

Mr. Buckley with Mr. Hardie Scott.

Mr. Fugate with Mr. Smith of Wisconsin.

Mr. Moulder with Mr. Murray of Wisconsin.

Mr. Breen with Mr. Phillips.

Mr. DENNY changed his vote from "no" to "aye."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ACHESON QUALIFIES UNITED STATES FOR ANANIAS CLUB—HE SHOULD RESIGN

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, it is now a matter of official record, a matter of sworn testimony, that falsehood, prevarication, deliberate deception, doctored facts and calculated misinformation—and the systematic use of these dishonest devices—are a part of the foreign policy of the United States as formulated and carried out by Secretary of State Dean Gooderham Acheson, by and with the assent of the President of the United States.

It is now a matter of official record, a matter of sworn testimony, that the executive branch of the United States Government, through the Department of State, formulates a propaganda line as expediency dictates and without regard for truthfulness or accuracy, and that it employs the public information agencies of the Government—both foreign and domestic, and including the Voice of America radio broadcasts—to disseminate that propaganda line.

It is now a matter of official record, a matter of sworn testimony, that the executive branch of the United States Government, through the agency of Secretary of State Dean Gooderham Acheson, has on occasion planned and promulgated a program of deception intended for dissemination to the potential enemies of the United States, to the friends of the United States, and to the American people.

This is all a matter of official record through the sworn testimony of Secretary of State Dean Gooderham Acheson, himself, given last week before the Senate Joint Foreign Relations and Armed Services Committees.

Theodore Roosevelt created the Ananias Club, and from time to time conferred membership upon those individuals whom he wished thus politely to brand as liars.

But it has remained for Secretary of State Dean Gooderham Acheson to qualify Uncle Sam for membership in the Ananias Club.

It is most important that, in the flood of testimony currently being presented before the joint committee, the import and implication of these admissions by Secretary Acheson not be overlooked.

It is no trifling thing, even in an era and in an administration of unprecedented political cynicism, hypocrisy, and dishonesty, to have the United States of America branded before the world by its own Secretary of State as a practitioner of a propaganda line and of the diplomatic lie.

It is no trifling thing to have a supposedly responsible public official, the Secretary of State of the United States no less, acknowledge that he has cast the Government of the United States in that dishonest and dishonorable role.

All claims to moral leadership in world affairs, made in behalf of the United States and based on professed adherence to principles of truth and integrity, must stand as a sham and a mockery so long as this act and this policy remain unrepudiated, and so long as the man who admits the principal part in that deception is permitted to remain in office as Secretary of State.

The admission, reluctantly wrung from the lips of Dean Gooderham Acheson and made a matter of record over his insistent protest, ought to be the final and compelling proof of his total unfitness for the high office he holds.

Dean Acheson now stands before the world, and before his countrymen, in this hour of crisis, not only as an admitted liar but as a public official who does not scruple to make the Government of the United States a liar.

Dean Acheson has acknowledged full responsibility—as he did more than a year ago—for the State Department document of December 23, 1949, instructing information personnel and foreign representatives of the Department to disseminate facts relative to the importance of the island of Formosa to the security of the United States and to other countries opposing communism.

This document advised State Department information personnel and foreign representatives that—

> Formosa, politically, geographically, and strategically, is part of China in no way especially distinguished or important.

This document instructed State Department information personnel and foreign representatives that—

> If rising public interest warrants it, gradually increasing attention may be paid Formosa, to establish publicly the facts indicated below.

And listed among these facts was the following:

> All material should be used best to counter the false impressions that * * * Its (Formosa's) loss would seriously damage the interests of either the United States or of other countries opposing communism.
>
> Without evidencing undue preoccupation with the subject, emphasize as appropriate any of the following main points: * * * Formosa has no special military significance.

For domestic consumption particularly, the instructions provided:

> In areas of insistent demand for United States action, particularly in the United States itself, we should occasionally make clear that seeking United States bases on Formosa, sending in troops, supplying arms, dispatching naval units, or taking any similar action would (a) accomplish no material good for China or its Nationalist regime.

By way of further assuring that the official line of thought control would be firmly adhered to, the document instructed that information personnel and foreign representatives—

> Avoid: References which would indicate important strategic significance or that the island is a political entity.

The instructions also provided for a calculated and systematic discrediting of any public sentiment which might develop in the United States counter to the policies adopted by the administration:

> In reflecting United States unofficial demands for action of various kinds in Formosa, avoid giving them prominence unwarranted by their limited (usually individual) source, and make clear that the total of such demands evidences concern and frustration in some quarters but does not add up to a consensus on any particular position different from that officially taken.

The avowed purpose of these instructions, and of the actions called for thereunder, was "to formulate" an "information policy which will minimize damage to United States prestige and others' morale by the possible fall of Formosa to the Chinese Communist forces."

Although Mr. Acheson, in his testimony to the joint committees explained that "this is a directive as to the line to be taken in the event that Formosa falls, in order to minimize the damage to us," it is obvious from the excerpts cited above, and from the entire text of the document, that this propaganda line, both at home and abroad, was to be initiated forthwith—not merely after the fall of Formosa.

Mr. Acheson told the joint committees that the facts as alleged in this document—the facts which State Department personnel were ordered to disseminate at home and abroad, regardless of their own knowledge to the contrary—were patently untrue:

> This is a policy information paper; this is not a statement of the United States policy toward the Far East.

Mr. Acheson now testifies under oath that in reality the official policy was:

> First of all, it was understood and agreed that Formosa had strategic importance so far as the United States was concerned.
>
> The second point was that that strategic importance related to keeping Formosa out of the hands of a power which would be hostile to the United States.

Thus before the joint committees, Mr. Acheson draws the line between the professed policy ordered for propaganda purposes when it was decided that Formosa could not be saved and the genuine policy of the administration, between the facts of the official, authorized line, and the true facts.

This sort of approach by the Government of the United States to a grave problem of foreign relations raises some interesting questions.

For instance, when the information personnel and foreign representatives of the State Department were ordered to start lying about Formosa, were they supposed to know that they were lying and to obey cheerfully, or did Mr. Acheson and the others responsible for the instructions assume that their hired hands would believe the official propaganda line as the Gospel truth? In other words, does Mr. Acheson now admit that his hired hands were dishonest—or merely dumb? Does Mr. Acheson hold that the obligation of sworn officials of the Government of the United States—in and out of the State Department—includes the duty of participating in the promulgation to the world, including the American people, of known falsehoods and deceptions? Did Mr. Acheson and the administration so misjudge General MacArthur as to assume that he would regard announcement of an official propaganda line as making it mandatory upon him to go along with an obvious untruth and deception? Was MacArthur's dismissal the price he paid for his integrity?

The further question arises as to exactly who was to be affected by this entire program of studied deception, and to what end. Who was to be impressed by our attempted minimizing of the importance of the fall of Formosa?

Certainly it would be impossibe to deceive either the Chinese Communists or Soviet Russia as to the strategic importance of the Communist victory if Red China captured Formosa.

Certainly competent military and diplomatic leadership of other friendly nations would be fully aware of the grave loss and threat to the United States and to other countries opposing communism, both in terms of security and prestige, involved in the capture of Formosa.

Certainly the people of the Orient could not fail to understand the victory thus gained by communism and the "loss of face" involved for the enemies of communism—despite anything the Voice of America might broadcast.

Certainly the Chinese Nationalists on Formosa—many of them facing the firing squad and all of them doomed to Communist bondage—would not have their understanding of the gravity of the loss minimized by America's propaganda line.

Is it not obvious, Mr. Speaker, that the professed desire of minimizing the damage could be directed toward only one object so far as any reasonable prospect of success was concerned—the deception by the administration of the American people themselves?

In other words, if the lie was told often enough and emphatically enough, and if the critics of the announced policy of abandoning Formosa could be sufficiently discredited as unofficial, individual, and insignificant, and if the military officers of the United States—including, of course, MacArthur—could be kept entirely gagged and subordinate, and if dissenting Members of Congress could be ridiculed for their views, as Senator TAFT was ridiculed by Mr. Truman's comment, "I didn't know Senator TAFT was a military expert"—why, then, perhaps the loss of Formosa could be minimized in the one place where there was a possibility of its being minimized and in the one place where it was important to the administration that it be minimized,

right here at home with the American people.

With respect to this technique of minimizing damage by saying that it has no special military significance, Secretary Acheson told the committee:

As I said yesterday, this is a common attitude in dealing with things which are disadvantageous to us.

That statement can be taken as meaning only one thing. It means that the December 23, 1949, document of deception and falsehood was not an isolated incident or an isolated offense. It means that dissemination of falsehood and deception and doctored facts and calculated misinformation, to the world and to the American people, is standard procedure, if and when the administration in general and Dean Gooderham Acheson in particular deem it expedient.

For all of his dishonesty and deceit, for all of his smoothness and supposed adroitness, for all of his capacity for double talk and evasion, Dean Gooderham Acheson could not escape the fact that publication of the December 23, 1949, document put himself and, tragically, the United States, on record before the world in this shameful light.

In his letter of May 22 to the joint committees, urging continued suppression of the text of the December 23, 1949, document, as quoted in the press, Acheson warned, with a truthfulness which for once even he could not avoid, that release of this document "would give the Russians ammunition to use to discredit the United States information program 'by arguing that the Voice of America thinks up its arguments—and, by implication, its facts—as they may be necessary to support a preconceived foreign policy.'"

It is unfortunate that Dean Gooderham Acheson apparently recognizes the embarrassing consequences of deceit only after the fact, only after he is caught in the lies.

And it is unfortunate that not merely the United States information program but—vastly more important and more tragic—the good name of the Government of the United States is discredited by this policy of deceit.

There are those who are skeptical of Mr. Acheson's current explanation of the December 23, 1949, document. The doubters cannot be criticized for their skepticism, since they are dealing with the testimony of a public official who has pleaded guilty to the promulgation of falsehoods and deception. And there seems to be some logic to justify the skepticism.

It is noteworthy that just 13 days after the distribution of this supposedly confidential document, the President issued a public statement as to American policy regarding Formosa, and Mr. Acheson elaborated on this statement in a press conference held on the President's instructions.

The Presidential statement completely disavowed any intention to aid in the defense of Formosa. It said:

The United States Government will not pursue a course which will lead to involvement in the civil conflict in China.

This, incidentally, despite the fact that in the letter of transmittal accompanying the State Department white paper of July 30, 1949, Secretary Acheson described the conflict in China as foreign domination masked behind the facade of a vast crusading movement which apparently has seemed to many Chinese to be wholly indigenous and national.

And the President's statement continued:

The United States Government will not provide military aid or advice to Chinese forces on Formosa.

It is difficult to reconcile such a public announcement, and particularly the timing of that announcement, with the current statements of Mr. Acheson that the Government at that time recognized the importance of Formosa to the security of the United States and was concerned over the effects of its possible fall.

It is difficult to reconcile this announcement to the world, including the Chinese Communists, that we would not lift a finger to save Formosa—thereby virtually inviting the Chinese Reds to move in—with the concern which Mr. Acheson now says was then felt over the possible loss of Formosa and over the need for minimizing the gravity of that loss.

Perhaps, however, Mr. Acheson is telling the truth in his current testimony before the committees.

If so, he is admitting, as I have already pointed out, that deception and falsehood are standard procedure in the administration of the foreign policy of the United States.

If, on the other hand, Mr. Acheson is lying to the committees now, if he is perjuring himself, if he is trying to alibi for the December 23, 1949, document and for the fact that he did not believe Formosa important to American security, then he is doing so by the shocking device of falsely charging that the President of the United States and the Government of the United States were parties to a systematic and calculated program of deception back in December 1949.

It is far from a reassuring situation to the American people to be faced with these alternative conclusions—the only possible alternative conclusions — with respect to the man who occupies the office of Secretary of State of the United States.

It is incomprehensible that a man who has placed himself in such a position before the American people and before the world, in this time of crisis, should not have the common decency to resign and thereby relieve the Nation and the President of the intolerable situation thereby created.

And intolerable it is, for his acknowledgment of the policy and practice of deceit destroys all possibility of hereafter reposing any confidence in Mr. Acheson or in his word or in the State Department so long as it is under his direction.

Mr. Acheson has acknowledged to the committee that the technique of falsehood and deception is "a common attitude in dealing with things which are disadvantageous to us."

He has acknowledged that this technique was employed with respect to the Formosan question, even though it involved deceiving not only our potential enemies and our allies but the American people themselves.

How can there be any assurance that this technique will not be, and has not been, found useful "in dealing with things which are disadvantageous to us"—things strictly between the State Department and the American people or the Congress?

The ethics of Machiavellianism are notoriously lax.

There have been those of us in Congress who have felt that the State Department's white paper of July 30, 1949, blaming the tragic failure of American policy in China on the alleged derelictions of Chiang Kai-shek, was a well-planned alibi for State Department blunders, ineptitude, and disloyalty to American interests. There have been those of us in Congress who have pointed out the numerous crucial omissions of documents and information from that report—including omission of the vital 1944–45 Army Intelligence report which accurately interpreted and forecast the Communist peril in China. There have been those of us in Congress who have pointed out that this white paper ignored the administration failure to provide assistance voted by Congress for China when that assistance would have turned the tide in favor of the Nationalist government. How can we avoid the conclusion that the white paper reflects the "common attitude in dealing with things which are disadvantageous to us"?

Permit me to review a bit of history in connection with the tragic record of another nation which fell prey to communism, with the aid of the State Department.

On January 16, 1947, I called attention on the floor of the House to reports that Donald Hiss, a brother of Alger Hiss and an associate of Mr. Acheson's law firm of Covington, Burling, Rublee, Acheson & Shorb, was engaged in efforts to secure a half-billion-dollar American loan for the Communist-dominated Polish Government and that the reported fee involved would run to a million dollars.

Mr. Acheson promptly denied that he was any longer connected with the law firm and stated that since joining the Department of State he had no financial interest in the business. He had nothing to say as to the propriety of the firm's activity in that field.

Three days later, on January 19, I repeated the charges in a radio broadcast. I elaborated on them, pointing out that his name was still listed with the law firm in the phone directory, on the door of the law office, and on the building directory. I pointed out that he had not denied that his former economic adviser, Donald Hiss, left the State Department to become affiliated with the law firm. And I suggested that Mr. Acheson resign at once as Under Secretary of State.

Was Mr. Acheson's evasion of the basic questions of facts and of ethics in this situation in keeping with "the common attitude of dealing with things which are disadvantageous to us"?

In view of Mr. Acheson's acknowledged use of deceit and falsehood in the Formosan matter, can Members of Congress have confidence in any information or counsel which Mr. Acheson has given Congress in the past or may give in the future?

We still recall the question raised by Senator HICKENLOOPER during the hearings on the North Atlantic Pact:

> Are we going to be expected to send substantial numbers of troops over there as a more or less permanent contribution to the development of those countries' capacity to resist?

And we still recall Mr. Acheson's reply:

> The answer to that question, Senator, is a clear and absolute "No."

Now, not any of the hair-splitting explanations which Mr. Acheson offers for that categorical answer will dispel the impression that he spoke an untruth, that he did so deliberately, and that he answered in a manner calculated to deal effectively with things which were disadvantageous to the program and the objective he had in view.

In view of Mr. Acheson's current efforts, before the joint committees, to justify the unconstitutional usurpation of the authority of Congress by Mr. Truman, in putting the United States into the Korean war, and in view of his adoption of the official doctrine that "use of the congressional power to declare war has fallen into abeyance," it is interesting to note previous statements on the subject by Mr. Acheson—statements designed to deal "with things which are disadvantageous to us."

In May 1945 Congressman Louis Ludlow addressed this inquiry to Mr. Acheson:

> Under (the Dumbarton Oaks proposal) what becomes of the constitutional process of declaring war by act of Congress. Is our future, as far as participation in peace or war is concerned, to be governed by Congress or by the Security Council to be set up under the new organization? Is the constitutional provision relating to the declaration of war changed or diluted by the Dumbarton Oaks proposal, and if so, how is it changed or diluted? In other words, what happens to our constitutional war-declaring provision under the new world set-up?

Here was Mr. Acheson's reply, under date of June 13, 1945:

> The broad answer to your question is, I think, entirely clear. Nothing in the proposed United Nations organization is intended to or could possibly change any of our constitutional provisions in any way.

Later, in his address announcing the North Atlantic Pact, delivered March 19, 1949, Mr. Acheson gave similar categorical assurances with respect to the war-declaring authority of the Congress—assurances which are now completely repudiated by Mr. Acheson:

> Article 5 deals with the possibility, which unhappily cannot be excluded, that the nations joining together in the Pact may have to face the eventuality of an armed attack. In this article, they agree that an armed attack on any of them, in Europe or North America, will be considered an attack on all of them. In the event of such an attack, each of them will take, individually and in concert with the other parties, whatever action it deems necessary to restore and maintain the security of the North Atlantic area, including the use of armed force.
>
> This does not mean that the United States would be automatically at war, if one of the nations covered by the Pact is subjected to armed attack. Under our Constitution, the Congress alone has the power to declare war. We would be bound to take promptly the action which we deemed necessary to restore and maintain the security of the North Atlantic area. * * * That decision will rest where the Constitution has placed it.

How vastly different are these assurances from the practice followed, with Mr. Acheson's full endorsement, in the Korean situation; how different, from the practice which Mr. Acheson warns may be followed in the case of other outbreaks of aggression; how different, from the doctrine that use of the congressional power to declare war has fallen into abeyance.

It is obvious here again that Mr. Acheson was following his Machiavellian code of ethics which holds that deceit and falsehood are a common and justifiable technique and attitude "in dealing with things which are disadvantageous to us."

True to that code, Mr. Acheson has sought unceasingly to secure more and more power for the Executive. A notorious example was the State Department draft of the first military assistance bill presented to Congress following ratification of the North Atlantic Pact. The effect of this bill was to give the President complete discretion as to the assistance, in the form of finances and arms which this country would give other nations. This provision brought a storm of protest from Republicans and Democrats alike—in Congress and out. It was promptly tossed out, but not before one Member of the Senate had indignantly charged that "it called for the virtual creation of a total world-wide war-lord power in the White House."

That was not the outcry of a narrow, partisan-minded Senator, of a habitual alarmist, of a confirmed isolationist, or of a chronic foe of the administration. That stinging indictment was voiced by the man now hailed by these same power-crazed leaders in the White House as the sainted leader of bipartisanism, the late Senator Arthur H. Vandenberg.

Today this complete control, this claim of total world-wide war-lord power by the White House, which drew the rebuke from Senator Vandenberg, is made with respect to the lives of Americans and with respect to the constitutional prerogative of declaring war.

And in advancing these claims, Dean Gooderham Acheson has never scrupled to lie and deceive when that seemed the most effective way of dealing with whatever might be disadvantageous to the aims and objectives in view.

There is a clue to the unscrupulous ruthlessness with which Mr. Acheson pursues his purposes in the testimony which he gave during the hearings on the aid program for Greece and Turkey. And there is an interesting contrast, here, to the tender solicitude which Mr. Acheson now shows for the feelings of our allies in the Korean undertaking.

During the hearing Senator Hawkes argued that the United States should not proceed with the aid program without at least consulting the 49 other members of the United Nations "who normally go along with the United States," and without finding out "whether those 49 believed that the step we alone were taking was right and did not circumvent the United Nations."

But impatient Mr. Acheson would have none of that. He was strong for "going it alone" then. He said:

> I think when it is quite clear that the thing you are doing is right, the thing to do is to go ahead and do it as quickly as possible.

And subsequently, in a letter to Senator GREEN, of Rhode Island, under date of April 18, 1947, Mr. Acheson advanced this added argument in support of nonconsultation and completely independent action in the matter of the aid program:

> The United Nations can be no stronger than its members, and their sovereign independence is an essential condition to the proper functioning of the organization.

There is a further clue to this impatient ruthlessness in carrying through what to Mr. Acheson is clearly right in a statement made in an address on September 10, 1940, as chairman of the Attorney General's Committee on Administrative Procedure before the American Bar Association:

> There has never been a time or place in the history of the world when it was more important than now and here to judge success or failure in the practice of the art of government by pragmatic tests. Government must work. It must accomplish the public purposes for which the times call.

Naturally the impatient chancelor, the impatient advocate of the pragmatic test of government, could not always be expected to be tolerant of discussion and debate and the slower processes of the common herd. It is not surprising, therefore, to find him lecturing members of the United States Chamber of Commerce in this vein in 1943—a year when American unity under the compulsion of the war crisis was at its zenith:

> To be capable of action, sustained and steadfast, this democracy and every other as well, must achieve unity of purpose upon the fundamentals. One of the most disturbing phenomena of our recent history has been the ease with which we relapse into bitter, partisan quarreling. * * *
>
> Disagreement and debate are, of course, a part of the democratic process. But this is a means—and the best means we know—to an end. The end is decision—decision which is accepted by all—decision which results in action.
>
> The first task before us then, if we are to act as a Nation, strong and determined to meet the challenge of our destiny, is to pull ourselves together and to agree upon our fundamental course of action.

That, in 1943, mind you.

And again, the impatient chancelor lectured the country—this time speaking on June 4, 1946, before the Associated Harvard Clubs:

> America faces problems which are difficult against a background of national confusion, hesitation, and disintegration. Americans as a people are not particularly suited for

the long and tough job ahead, but we are in for it and the only real question is whether we shall know it soon enough.

As the New York Times reported the speech, Mr. Acheson went on to explain that the chief trouble came from the fact that the fundamental task in the conduct of foreign affairs was focusing the will of 140,000,000 persons on problems beyond American shores. The people, he added:

Are focusing on 140,000,000 other things, or more accurately, not focusing on them, but getting very much mixed up with and about them, and the people of other countries are doing the same thing.

Of such convictions as these are compounded the strange contradictions and the dangerous qualities of the man Acheson—the condescending attitude toward the people of the United States and toward their elected representatives in Congress; the intolerant certainty that what he sees clearly as right is therefore right; the impatient urge to translate conviction into action as quickly as possible; the insistence upon the right of those in the executive branch of Government to make the decisions, the willingness to sacrifice truth itself when the ends appear to him to justify that sacrifice.

And yet, paradoxically, there is no one in public life today who has spoken more often or fulsomely of truth than Mr. Acheson.

The strange fact is that Mr. Acheson, who so scornfully refused to turn his back on Alger Hiss, has turned his back on all of his own professions of integrity and devotion to truth.

He has turned his back on the professions of the Dean Gooderham Acheson who, speaking as a former secretary to Justice Louis D. Brandeis, said in a funeral tribute to Mr. Justice Brandeis in 1941:

These were the years during which we were with the Justice and saw in action his burning faith that * * * evil never could be good; that falsehood was not truth, not even if all the ingenuity of science reiteratcd it in waves that encircled the earth.

When Dean Gooderham Acheson ordered the Voice of America and the information personnel and foreign representatives of the State Department to broadcast falsehoods regarding Formosa he turned his back on the noble sentiment he had himself once voiced:

That falsehood was not truth, not even if all the ingenuity of science reiterated it in waves that encircled the earth.

Dean Acheson had already turned his back on his own high professions when he made this comment during his press conference on January 5, 1950, interpreting President Truman's Formosa statement:

If we are going to maintain the free nations of the world as a great unit opposed to the encroachment of communism and other sorts of totalitarian aggression, the world must believe that we stand for principle and that we are honorable and decent people and that we do not put forward words, as propagandists do in other countries, to serve their advantage only to throw them overboard when some change in events makes the position difficult for us.

Yet, Mr. Acheson now tells the joint committees that the December 23, 1949, document—issued just 13 days before he made the statement just quoted—was nothing more or less than a propaganda line put forward in accordance with the common procedure for "dealing with things which are disadvantageous to us."

And contrast the admission now made by Secretary Acheson with this high profession offered July 5, 1950—6 months after the Formosa document was circulated—to a Senate Foreign Relations subcommittee conducting hearings on Senator BENTON's proposal for "a greatly expanded program of information and education among all the peoples of the world." Here is what Mr. Acheson said:

The sponsors of this resolution have accurately diagnosed one of the elements not only vital but in fact indispensable to the conduct of American foreign relations today. We must make the truth known to the peoples of the world. This is a task that calls for greatly expanded and intensified efforts.

Truth in the world today is a political force.

If totalitarian regimes cannot flourish where the truth is fully available, free and democratic countries cannot flourish unless their citizens do have access to the truth. The freedom of free nations grows out of the minds of its citizens. Free men make up their own minds, on the basis of free access to the truth, to the facts.

* * * The task of telling the truth, as the President has emphasized, is not "separate and distinct from other elements of our foreign policy. It is a necessary part of all we are doing to build a peaceful world." It is essential to the success of our foreign policy that the military, political, and economic measures we are taking be accompanied by an effective information program. * * *

The democratic concept has depended on the ability of every man to learn the truth and to act as an individual on the basis of it.

Turn from that fine profession of loyalty to truth to the point-by-point instructions laid down by Mr. Acheson in the December 23, 1949, document for the spoon-feeding of falsehoods to the world, and to the American people, about the Formosan situation.

How can anyone hereafter have any confidence in Mr. Acheson's word?

How can even the President of the United States have any confidence in Mr. Acheson's word?

Aside from his compelling obligation to the American people to relieve the Nation of an intolerable situation, Mr. Acheson has a personal obligation to any concept of honor and integrity which may survive from those supposedly idealistic days when he worked at the elbow of Justice Louis D. Brandeis.

He can fulfill that obligation of honor and integrity only by immediately resigning as Secretary of State of the United States.

COMMEMORATIVE VETERANS' HOSPITAL FOR NEGRO VETERANS

Mr. COLMER. Mr. Speaker, I call up House Resolution 210 and ask for its immediate consideration.

The Clerk read the House resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 314) to provide for the establishment of a veterans' hospital for Negro veterans at the birthplace of Booker T. Washington in Franklin County, Va. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and pending that I yield myself such time as I may desire.

Mr. Speaker, as the reading of the resolution by the Clerk reflects, this resolution makes in order the consideration of H. R. 314, a bill for the establishment of a veterans' hospital for Negro veterans at the birthplace of Booker T. Washington, in Franklin County, Va., at a cost of $5,000,000. This is a very appropriate name for this hospital; a hospital to be named after a very distinguished member of the Negro race. I know of no opposition to this resolution, Mr. Speaker, and I shall not impose upon the time of the House for the present, at least.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise to thank the Speaker, the leadership, and most of all the chairman of the Committee on Veterans' Affairs the gentleman from Mississippi [Mr. RANKIN] for postponing this bill which was to have been taken up on yesterday. As president of the board of trustees of the Rogers Hall School at Lowell, Mass., I presented diplomas yesterday to the finest graduating class of young girls I have ever seen. They will go out into the world and there will be no spread of communism from those girls. They will make a fine record of patriotic young womanhood. I was particularly anxious to be there and I am very grateful to the leadership of the House. I am sure that this resolution will be passed and we will have a chance to establish that hospital at the birthplace of Booker T. Washington, a great Negro, a great patriot, a great statesman. No finer tribute could be paid one of any race or creed than to have a hospital built in his honor. This is not a matter of segregation.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, I am not opposed to this rule. However, I believe that it is important that someone convince us that this hospital is needed. It is estimated to cost $5,000,000, and, in my opinion, the United States cannot spend millions of dollars unless it is absolutely necessary.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Mississippi.

Mr. RANKIN. I will explain that when we come to discuss the bill, but let me say to the gentleman from Illinois that you could build 40 hospitals like this with the money that you have just given to Communist Nehru, of India.

Mr. ALLEN of Illinois. I repeat, Mr. Speaker, I think that this bill should be decided strictly on its merits. Is this hospital needed? That is the question. I again repeat that $5,000,000, when this Nation is borrowing money each day, is something for the membership to think about.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Mississippi.

Mr. RANKIN. May I say to the gentleman from Illinois that we not only need this hospital but we need several more.

Mr. ALLEN of Illinois. Mr. Speaker, I have no objection to the rule.

Mr. COLMER. Mr. Speaker, I yield myself 1 minute.

Apropos of the colloquy between the chairman of the Veterans' Affairs Committee and the gentleman from Illinois, a member of the Rules Committee, I agree with what the gentleman from Illinois has said, that if the hospital is not needed we should not have it; but that is a matter that can be decided upon the consideration of the bill. I think the House should go ahead and adopt the resolution, and then let the bill be decided upon its merits.

The Veterans' Affairs Committee and the Rules Committee though that the hospital was needed for these Negro veterans, and they brought this resolution to the floor of the House. It can be decided upon its merits.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. Did the gentleman say the membership of the Rules Committee decided that this hospital was needed, and therefore think the House ought to have an opportunity to discuss the merits of the bill?

Mr. COLMER. If the gentleman will permit me to confess to having been educated here this morning to do a little evading, in a previous colloquy, I would say that possibly I did not use the correct word. My choice of words was not too good when I said "decided." The Rules Committee decided in its wisdom that this was a matter that should come to the floor of the House for consideration.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. RANKIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 314) to provide for the establishment of a veterans' hospital for Negro veterans at the birthplace of Booker T. Washington in Franklin County, Va.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 314, with Mr. PHILBIN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Mississippi [Mr. RANKIN] has 30 minutes, and the gentlewoman from Massachusetts [Mrs. ROGERS] has 30 minutes.

Mr. RANKIN. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, this bill has already passed the House twice. It was thoroughly considered by the Veterans' Committee in the Eightieth and Eighty-first Congresses, and in the Eighty-second Congress, and was reported out and passed the Eightieth and Eighty-first Congresses, but somehow it was not voted on in the Senate. The same thing might be said of the other bill to provide the 16,000 beds so vitally needed throughout the country, and which is now pending before the Committee on Rules.

This bill is sponsored by the Booker T. Washington Foundation and by Booker Washington's daughter, Portia Washington Pittman. They came before the committee and answered every question that could be asked and the opposition was made to look ridiculous.

We have an all-Negro veterans' hospital at Tuskegee, Ala., the old home of Booker T. Washington, and it is the only veterans' hospital that I know of that has Negro physicians. We have quite a number of Negro doctors over the country that could supply this hospital. We have never had any trouble at Tuskegee. They have got along splendidly. What these people are asking for here is to have the same kind of hospital located in southwestern Virginia on the land already owned by the Booker Washington Foundation.

The Member from Illinois a while ago raised the question of the cost of $5,000,000. You can hardly build a veterans' hospital for less money. Every hospital that we have proposed costs at least that amount. So, from a standpoint of cost, this has been held down to the irreducible minimum.

This bill is necessary. There are a vast number of Negro veterans in that area to be served by this hospital in the States of Kentucky, Virginia, West Virginia, North Carolina, and South Carolina.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. GOLDEN. Does the gentleman have the figure showing the number of colored veterans in the three States around the location of this hospital?

Mr. RANKIN. I do not believe we have that figure at the moment.

Mr. GOLDEN. I know that in my district we have a number of colored veterans who would like to have some place to go where they can be treated by their own physicians and feel like they are a part of this Government.

Mr. RANKIN. That is right.

This gives an opportunity for these Negro doctors to work for and treat their own people and for them to be to themselves. That is what they want. The men who stick their noses into this fight and prate about the Negro question could not get into a Negro hospital with their consent. We are trying to do something for them and not do something to them. There are enough Negro veterans in the States adjacent to this hospital to supply the needs of the hospital just as there are in the Tuskegee Hospital at Tuskegee, Booker Washington's old home in Alabama. Negro veterans have gone from my district, they have gone from all over Mississippi, from Alabama, and from Georgia, and from Florida to that hospital, and we have never had the slightest trouble with them.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. GOLDEN. I have just been furnished with statistics showing that now there are 2,044 Negro veterans in hospitals in this immediate area, and, of course, a great many of them would like to go to the one that we are now proposing to build.

Mr. RANKIN. Why, certainly. We have a large number of them in the hospital at Richmond. We have a large number of them in the hospital at Roanoke. We have a large number of them in the hospital, probably, at Nashville, and other places in that immediate section.

I will be glad to answer any question that any of you have to ask.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. ALLEN of Illinois. Can the gentleman tell us the need for the hospital? That is going to be the deciding factor—whether they need these additional beds. I will say to the gentleman that, in my opinion, that is what is going to decide this question. If they need the hospital, then I think it is going to pass, and unless the membership can be convinced that they do need this hospital, the bill will not pass.

Mr. RANKIN. Yes; they need this hospital because they need these beds. If you do not build this hospital, then you will have to expand other hospitals in that area to take care of them. There is no reason on earth why this hospital should not be built.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. I would like to state, and the gentleman probably already knows this, that there is an appalling number of colored amputees at the Walter Reed Hospital.

As the gentleman knows, we were given two lists of casualties; one of 78,000, and now they tell us it is 41,000. The men from Korea will be hospitalized in veterans' hospitals now. There will be great need.

It is my knowledge that the Negro veterans have not been taken care of as

much as they should be in veterans' hospitals.

Mr. RANKIN. My attention has been called to the fact that in April, this year, there were 20,940 veterans waiting to get into hospitals. You will either have to build this hospital or expand the ones already built, or build another one. This is the only one where these Negro doctors can go to show what they can do for their own people.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I stand second to no one in my desire to honor the memory of Booker T. Washington. I have some question, however, about whether this is the best way to do it. I wonder if the gentleman would tell me if it is true, as has been stated, that since the beginning of World War II there has been, up to the introduction of this bill, no effort at segregating our Negro soldiers.

Mr. RANKIN. I do not know whether there has been any effort to segregate them in the hospitals or not.

Mrs. CHURCH. It is my understanding that our method is to recognize the same principle of nonsegregation as that under which they are put into battle. I had always hoped very much that there would be no effort made at any time, even in honoring the memory of a fine gentleman or in caring for our veterans, to further the principle of segregation, as this proposal undoubtedly does.

Mr. RANKIN. I would point out to the gentlewoman that the order wiping out segregation in the Armed Forces was the greatest victory that Stalin has won since Yalta. It has done more to break down the morale of the boys in the South and to disturb race relations than anything else that Truman has ever done. I do not know who put him up to it, but I do know that Stalin must have laughed behind his mustache when he heard it.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. There is one thing that worries me about the bill. At the present time they are actually closing wings of certain Veterans' Administration hospitals. Take the Deshon Hospital at Butler, Pa. They are closing the wings of that hospital because they lack doctors, nurses, and technicians. If we construct this hospital, where are you going to get the doctors, nurses, and technicians?

Mr. RANKIN. I will be very glad to answer the gentleman on that point. There is no use of my mincing any words with the gentleman. He knows that they put white doctors and white nurses in those hospitals. These Negro doctors could not get into a hospital in Pennsylvania in 10 years. These Negroes want to show what they can do for themselves. That is the thing that Booker T. Washington always preached: Teach the Negroes to do something for themselves, and not try to impose them on the white people.

Mr. VAN ZANDT. I would like to correct the gentleman, because in Pennsylvania we do have Negro doctors.

Mr. RANKIN. Oh, you may have one out of a thousand.

Mr. VAN ZANDT. We will have them in this hospital if you will locate the doctors for us.

Mr. RANKIN. They will get the doctors from that area.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. The gentleman knows also that some of the finest medical papers that have been written have been written by Negro doctors.

Mr. RANKIN. Well, I do not know about that.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. RANKIN. Mr. Chairman, I yield myself three additional minutes.

Mr. AUCHINCLOSS. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New Jersey.

Mr. AUCHINCLOSS. When was this estimate of the cost of this hospital, $5,000,000, made? Is that based on recent construction costs?

Mr. RANKIN. Yes; these are recent figures; within the last year or two.

Mr. AUCHINCLOSS. It seems almost incredible to me that you could build a hospital for $5,000,000.

Mr. RANKIN. If we were in India or some foreign country, it would probably cost $50,000,000; but down at this place I think we can build it for $5,000,000.

Mr. AUCHINCLOSS. Will that equip the hospital also?

Mr. RANKIN. I think so.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. CURTIS of Missouri. I have some figures here, as of May 15, 1951, on the beds in the hospitals in North Carolina, Maryland, West Virginia, Virginia, and the District of Columbia. It shows there has been authorized by law a total of 10,438; actually operating, 9,460; occupied, 8,293; reserved, 591; vacant, 561. Does the gentleman have any comment to make on those figures?

Mr. RANKIN. I think your figures cover the District of Columbia, which has a great many hospitals.

Mr. CURTIS of Missouri. No. North Carolina, Maryland, Virginia, West Virginia, and the District of Columbia. There are only 335 in the District. The complete breakdown is as follows:

Beds in VA Hospitals as of May 15, 1951

State	Authorized by law	Operating, actually available	Occupied	Reserved	Vacant
North Carolina	2,412	1,830	1,582	139	109
Maryland	2,401	2,401	2,242	81	78
Virginia	3,704	3,610	3,186	167	257
West Virginia	1,586	1,284	1,006	178	100
District of Columbia	335	335	277	26	32
Total	10,438	9,460	8,293	591	576

I believe these figures are accurate, and if they are it would not indicate the need that has been stated.

Mr. RANKIN. Where did those figures come from?

Mr. SHAFER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. SHAFER. I wonder if the gentleman could tell me if the hospital that was constructed for the Veterans' Administration at Ironwood, Mich., I believe it is, is now operating.

Mr. RANKIN. I do not know; I could not answer.

Mr. SHAFER. It was built some 3 or 4 years ago and it was not opened yet 2 years ago. I am just wondering if we are unable to get doctors and so forth——

Mr. RANKIN. I cannot answer the question now, but I will get the gentleman the information later.

Mr. SHAFER. And I would just suggest that possibly these colored boys could go up there.

Mr. RANKIN. Yes; they do not want to go up there, if you want to know the truth about it.

Mr. SHAFER. We have several million dollars invested in the hospital.

Mr. RANKIN. If you really want to do something for these Negroes this is the way to do it.

Mr. SHAFER. We realize you do not want to take them back down South.

Mr. RANKIN. Not after they have been to Michigan.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. PRIEST. I preface my remarks by saying that any program or project to honor the memory of the late Booker T. Washington is a laudable one. I want to ask the gentleman this question prefaced by this statement: In my own district in Nashville, Tenn., is one of the great medical colleges of the country, Maharrie Medical College for Negroes. I wish to ask the gentleman if we authorize this hospital and it is to be built honoring the memory of Booker T Washington, would the gentleman see any real objection to locating the hospital near the Maharrie Medical College in Nashville, still calling it the Booker T. Washington Hospital, and enabling them to staff the hospital from that medical college?

Mr. RANKIN. I certainly would. I will tell the gentleman why.

Mr. PRIEST. I shall be happy to learn the gentleman's reasons.

Mr. RANKIN. That row has been raised by the American Medical Association, and I am not willing to make guinea pigs out of the Negroes. The American

Medical Association fell under the influence and control of this fellow Fishbein who virtually closed medical schools all over this country and brought about this shortage of doctors. I am not willing to locate any veterans' hospital near a medical school just in order to provide guinea pigs for boys who are studying medicine.

Mr. PRIEST. Neither do I want to make guinea pigs of any of our soldiers, Negro or white, but I do know of my personal knowledge that this is a fine medical school and for that reason I am asking the gentleman the question.

Mr. RANKIN. And I am giving the gentleman my answer.

Mr. DOLLINGER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. DOLLINGER. The gentleman made the observation that they had permitted Negroes to have certain doctors.

Mr. RANKIN. I did not say "Neegroes."

Mr. DOLLINGER. Here is the question I wanted to ask, or the statement I wanted to make, and that is that this disease, segregation, is a disease that this Congress ought to cure.

Mr. RANKIN. Well, the gentleman cannot cure it himself and I do not think the intelligent Negroes are interested in what the gentleman thinks.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. VAN ZANDT. I understand this hospital will be known as the Booker T. Washington Hospital. Does that mean that the policy of the gentleman's committee has been changed and that we may expect his committee to name these hospitals in the future?

Mr. RANKIN. This bill does not provide a name, I may say to the gentleman, but it places it at his old home in Virginia.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MULTER. Would the gentleman mind telling us—I understood him to say that this hospital if erected would be for Negro veterans and would be staffed by Negro doctors. Is there any difference in the surgical or medical technique of Negro doctors, or in the needs of Negro veterans as against white veterans, or vice versa, or in anything that a white doctor can prescribe and perform that a Negro doctor cannot?

Mr. RANKIN. Let me point out to the gentleman this Negro, George Washington Carver, brought information that the Negroes had gathered in Africa for a thousand years. The gentleman himself would probably be amazed if he would get that book and read it.

I would like to know where they could get any better treatment than these Negroes get in the Tuskegee Hospital that is staffed entirely by Negro doctors and nurses. Everyone in charge of that hospital is a Negro. They are getting along splendidly, but that is what the opposition wants to displace.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. The less they know about the Negroes the more questions they want to ask. Yes; I will yield.

Mr. WIER. I wish to refer to a question which was asked a moment ago on this floor. Comment was made a minute ago about the need for hospitalization of veterans in the areas of West Virginia, North and South Carolina, and Virginia.

Mr. RANKIN. Ask the question.

Mr. WIER. Just a moment.

Mr. RANKIN. Well, I cannot yield for a statement.

Mr. WIER. I am going to ask the question.

Mr. RANKIN. All right.

Mr. WIER. It is not over 2 weeks ago, when the armed services bill was before the House, that the gentleman from West Virginia [Mr. BAILEY] took the floor and pleaded for an amendment that he offered in which he requested the exemption of certain doctors and medical attendants so that they could open up a brand new hospital at Clarksburg, W. Va., I think it was. The same thing applies, Mr. Chairman, at Minot, N. Dak.; the same thing applies in Montana. Apparently we have a lot of these monuments, or pork barrels in these various districts that are merely monuments.

Mr. RANKIN. No; no; this is not a monument. It is a Negro veterans' hospital. Those Negro doctors could not get into the hospitals that the gentleman just mentioned but they can get into this one, if you pass this bill.

There ought not to be any opposition to it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, as has been stated, this bill passed the House of Representatives twice; both in the Eightieth and Eighty-first Congresses, with not a vote against it so far as I can recall. It came out of our committee, I think, unanimously; at least, that is my recollection. I can see no reason for its not passing and every reason for its passing. When the Veterans' Administration gave us figures of 21,000 veterans on the waiting list, they did not take into consideration the vast number of NP or TB cases that are to be hospitalized in Veterans' Administration hospitals by order of General Marshall; also, since we passed the bill about 2 weeks ago, ordering the hospitalization of Korean veterans, a bill which should have been passed a year ago, these veterans previously could not secure hospitalization, and since that time we have had a very heavy load, unfortunately, of Korean veterans applying for hospitalization. It is often very difficult for colored veterans to secure hospitalization. They have not been treated too fairly. Also, I think it is a very great step in the right direction for the Negro doctors. They can practice in this hospital, and they will do great work. They are fine doctors, very fine surgeons, and the colored people want them.

Mr. Chairman, the Committee on Veterans' Affairs has completed hearings on the measure and has considered it from every angle. Resolutions in support of the bill were received from the National Baptist Convention, representing 4,000,000 Negro Baptists and from the Benevolent Protective Order of Elks of the World, representing 500,000 loyal Americans. Each of these resolutions pointed out that the establishment of such a hospital would assist in perpetuating the ideals and teachings of Booker T. Washington. The colored people have every reason to be extremely proud of Booker T. Washington. The fine work that is being done by Negroes throughout the country is a great tribute to Booker T. Washington, and it should be encouraged and should be continued. I can see no reason for raising the cry of segregation about this hospital. We have other special hospitals for special groups, and that cry is not raised. I think this measure should pass by a very large majority; in fact, I think it should pass unanimously. We are going to need hospital beds, and I think this Congress will be blamed as it is now blamed for not having provided them. The Committee on Rules has before it a bill which will provide the building of hospitals to accommodate 16,000 more beds. It is still buried in the Committee on Rules. The House passed that bill last year unanimously, the Senate did not pass it, so it is back for consideration again. I would like to say to the House that here is a hospital, if we pass this bill, that will be ready to take veterans that are very much in need of treatment. I think I told you of the great number of colored amputees at the Walter Reed Hospital. We are going to be blamed for not providing hospitalization that we could provide.

There is no question in my mind as to the need for new hospitals for the Veterans' Administration. I spoke at some length on this phase of the problem on May 3. Since that time we have enacted Public Law No. 28, which gives full medical, hospital, and domiciliary benefits to all persons who have served in the Armed Forces after June 27, 1950, the opening date of the Korean conflict. The burden that this authorization places upon the Department of Medicine and Surgery of the Veterans' Administration is one that will be critical and difficult to administer. Hospitals cannot be constructed and placed in operation overnight. After completion is usually takes about 10 months before one is fully operative.

It might be pertinent to say here that on April 15, 1951, there were 21,126 disabled veterans upon the waiting lists for hospitalization. Of this number 20,940 were non-service-connected cases, or at least they were classified as such. In all fairness, it should be stated again that there are many thousands of veterans in hospitals who are listed as nonservice connected but who also had service-connected disabilities. They were admitted as non-service-connected cases because the major diagnosis was that of non-service-connected disability. Add to these cases the hundreds of others who are now rated as nonservice connected but will be des-

ignated as service connected after complete adjudication of their claims, and the picture changes materially.

The authorization of $5,000,000 called for in this bill will erect a 200-bed hospital. It is needed, and I, for one, do not believe that the question of segregation is a factor in its authorization.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I was much impressed with the argument put up by the gentleman from Tennessee [Mr. PRIEST] when he urged that this hospital, which I concede to be a very fine thing, be placed near a medical center. I agree with that. That is the concept to which all veterans' organizations in the State of Minnesota have come. We have come to the conclusion that we should have our veterans' hospitals near the big medical centers, the Mayo Clinic, for example, and the Twin Cities areas, both of which are entirely out of my district. I for one will not advocate the establishment of a veterans' hospital in my congressional district, because we do not have the medical facilities, research staffs, and so forth, that are needed.

Mrs. ROGERS of Massachusetts. I should like to say to the gentleman that this is less than 30 miles from a large Veterans' Administration hospital at Roanoke, Va., which has segregated wards caring for 500 Negro veterans.

Mr. WIER. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Minnesota.

Mr. WIER. I hope the gentlewoman will agree with some of us from the Middle West in the continued demand here for hospitalization and the proposal before us today for this new hospital, that we have been attempting in the Middle West for some time to take care of a large segment of veterans who have been removed or are being eliminated from our present veterans' hospitals. We are attempting in the Middle West to reopen and reactivate Schick Hospital at Clinton, Iowa, for domiciliary cases.

Mrs. ROGERS of Massachusetts. I have been fighting my head off to have that opened. It is a scandal that we do not insist that hospitals be opened to take care of this load. Take the mental hospitals in Massachusetts, each of which is carrying a load of 0.06 percent over capacity, a very dangerous thing indeed. I know a hospital should be opened in the Middle West.

Mr. WIER. Then why should I be expected here to vote for a $5,000,000 brand new hospital to be constructed when we already have unused hospitals?

Mrs. ROGERS of Massachusetts. I do not feel that way about it. I feel that if we can get this hospital we should. I should like to have more hospital beds in my own district, many more, but I am not going to vote against this just for that reason. You will need your beds in the West. Unfortunately, I think we will need thousands and thousands more. There are two estimates on the casualty list, one of 141,000 and the original estimate of 78,000. That 141,000 list includes, unfortunately, amputees. They are not called war casualties. Mental cases are not called war casualties.

At Walter Reed Hospital they are overcrowded. They are pushing them from ward to ward, not giving the men in the hospital proper care, because they are turning them out too soon.

Mr. ROONEY. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from New York.

Mr. ROONEY. How many beds would there be in this proposed $5,000,000 hospital?

Mrs. ROGERS of Massachusetts. Two hundred beds.

Mr. ROONEY. How many doctors would be required?

Mrs. ROGERS of Massachusetts. I do not have that figure here but I could get it for the gentleman. Probably 14. It is a great chance for the colored people to have their own doctors in hospitals. Also it is a great thing for the colored nurses. They make very fine nurses. I have visited Tuskeegee, and I know the fine care they get there.

Mr. ROONEY. It is proposed that the medical staff include white doctors?

Mrs. ROGERS of Massachusetts. I think some may go there, but it would be chiefly colored doctors. I think the colored people like that. I know many colored persons, and they like their colored doctors.

Mr. RANKIN. Mr. Chairman, will the lady yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Mississippi.

Mr. RANKIN. The bill we have for the 16,000 hospital beds, that is now pending before the Rules Committee, covers the entire country. I think it will take care of the gentleman's situation.

Mr. ROONEY. I voted for it.

Mr. RANKIN. I know the gentleman did.

Mrs. ROGERS of Massachusetts. Yes, and the gentleman from New York knows that we fought very hard for it and the House of Representatives voted for 16,000 beds, and you appropriated the money for that. A lot of us have fought for the continuation of the building of those hospitals. I think this is going to help you in getting your beds.

Mr. MULTER. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from New York.

Mr. MULTER. I am sure the gentlewoman will not find fault with my pronunciation of the word "Negro," as the distinguished chairman did.

Mrs. ROGERS of Massachusetts. I have always said "Negro."

Mr. MULTER. It never sounds like anything but "Negro" when the gentlewoman and I use the word.

Mrs. ROGERS of Massachusetts. I am from a part of the country where they do not pronounce it in any other way.

Mr. MULTER. Is it the position of the committee that sponsors this bill that the Negro veterans throughout the South are not being hospitalized and are not getting hospital care?

Mrs. ROGERS of Massachusetts. I cannot speak for the committee, but it is my contention that they are not getting as much care as they should. They are not getting hospitalization as quickly as they should either. They have to wait for hospitalization. This will help them immensely in their care. It will be their own hospital. I think it is a great thing for them.

Mr. MULTER. I cannot understand that, because in New York we do not have that difficulty. We have Negro doctors and Negro nurses working side by side with white doctors and white nurses, treating white and Negro patients in the same hospitals. I cannot understand why you need 200 beds to take care of just Negroes who need hospitalization.

Mrs. ROGERS of Massachusetts. I have felt that all over the country we have Negroes who have more difficulty in securing hospitalization than the white people. I think this will be a tremendous boon to the colored people. I have never been for segregation of any kind. I have worked on their claims for compensation for years. I am not speaking of this as a novice. Many may know much more than I do, but I have had experience. I have had experience with their claims. As you know, prompt hospitalization of a veteran means that his claim has a much better chance of being service-connected and opens all kinds of doors to him.

Mr. CHELF. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts, I yield.

Mr. CHELF. As I understand it, this hospital which is proposed to be constructed will serve the States of Kentucky, Tennessee, West Virginia, and Virginia, and the immediately surrounding territory?

Mrs. ROGERS of Massachusetts. It is supposed to, but I think also if it has the beds it will take in the colored people of other areas, also.

Mr. CHELF. Is this figure correct which I have before me, that there are some 51,000 Negro veterans in the State of Virginia alone?

Mrs. ROGERS of Massachusetts. The State of Virginia has a very large Negro population and all those men have not received the compensation or hospitalization that they should have.

Mr. CHELF. This particular hospital will have only 200 beds?

Mrs. ROGERS of Massachusetts. That is right, it is a very small number, really.

Mr. CHELF. In my opinion the gentlewoman is correct, and I shall be happy to vote for this bill.

Mr. JONAS. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. JONAS. I believe I can support this bill if one question is cleared up for

me, and that is: When this hospital is built, will it be anywhere adjacent to a medical center or an institution of learning where they teach medicine and where they have all the facilities that are necessary to properly operate a hospital in accordance with the rules and regulations prescribed to operate a standard hospital commensurate with the National Hospital Association?

Mr. RANKIN. I will say to the gentleman that they have medical schools and medical centers on all sides of the proposed hospital.

Mr. JONAS. How close are they?

Mr. RANKIN. Well, someone said there was a school 10 miles away and another one probably 15 miles. But they are close enough.

Mr. JONAS. If they are within 10 or 15 miles then it is all right. I have had some experience with hospitals, and if they are within 10 or 15 miles they will redound to the benefit of this hospital. But when you get beyond the 20- or 25-mile limit you get in trouble because you cannot get the doctors and the nurses to go there. Medicine is a highly specialized science today and you cannot operate a hospital if it is too far away from the seat of learning.

Mr. RANKIN. I understand that Roanoke, Va., is less than 15 miles away.

Mr. JONAS. Then maybe it may work out all right.

Mr. CHELF. May I ask the gentlewoman a question?

Mrs. ROGERS of Massachusetts. Yes.

Mr. CHELF. Have you experienced any difficulty or trouble in the past about getting a sufficient staff necessary for these Negro hospitals?

Mrs. ROGERS of Massachusetts. No; my understanding is that over a period of quite a good many years there has never been any difficulty.

Mr. CHELF. Do you anticipate any trouble in this particular instance?

Mrs. ROGERS of Massachusetts. No; there has never been any difficulty. You will have your patients and you will have your doctors and you will have your nurses and attendants. I think this hospital will be a great success and a great credit to everybody.

Mr. DAWSON. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. DAWSON. Did the gentlewoman say that there was an outstanding medical center near this proposed hospital?

Mrs. ROGERS of Massachusetts. That is my understanding, that Roanoke is very near. I am sorry, perhaps I did not hear the gentleman's question fully.

Mr. DAWSON. Is there a medical school at Roanoke?

Mrs. ROGERS of Massachusetts. They have training there for doctors.

Mr. DAWSON. How many Negro doctors are there in Roancke?

Mrs. ROGERS of Massachusetts. I cannot give the gentleman that information.

Mr. DAWSON. How many Negro inhabitants are there in Roanoke?

Mrs. ROGERS of Massachusetts. I think the doctors can easily be trained there if it is necessary to do that.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. H. CARL ANDERSEN. We have had brought out several times in the past 5 or 6 years in the Subcommittee on Appropriations for the Department of Labor and Federal Security, that there are only two colleges in America, Howard University here and one in Nashville, where they instruct young Negro students in the art of medicine. Yet here we have a proposition before us which seeks to locate a hospital for the Negro race 200 miles away from any center which has to do with instructing Negro doctors. I do not think that is the right thing to do, and I think we should seriously consider following the suggestion of the gentleman from Tennessee [Mr. PRIEST] and locate this hospital somewhere in the vicinity of Nashville.

Mr. HAYS of Ohio. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. HAYS of Ohio. As I understand it this bill provides for a hospital for Negro veterans to be staffed by Negro doctors; is that correct?

Mrs. ROGERS of Massachusetts. That is the understanding, although there may be some white doctors there also.

Mr. HAYS of Ohio. The point I want to make is that there is no school anywhere near the proposed location of this hospital which trains Negro doctors.

Mrs. ROGERS of Massachusetts. I may say to the gentleman it would be very easy to send those Negro doctors away to be trained and bring them back to work in this hospital.

Mr. HAYS of Ohio. I would not want to argue that point, but someone brought up the point that if this were close enough to a recognized training school they would be for it, and I did not want any misconception in anybody's mind about that.

Mrs. ROGERS of Massachusetts. I understood the gentleman to mean any hospital where they were training doctors. You have doctors being trained in nearby Roanoke and other hospitals.

Mr. CHELF. What difference does it make if the medical center is a thousand miles away? If those Negro veterans are there and if they need to be serviced and if they need to go to the hospital, why should the hospital not be constructed where they are located? It does not make any difference how far the school is away from the hospital. They can fly there or go by train, or they can walk, if necessary.

Mrs. ROGERS of Massachusetts. Also it will be a great boon to the Negro doctors.

Mr. CHELF. This question of location near a medical center does not appeal to me. It is a question of locating the hospital where it is needed.

Mrs. ROGERS of Massachusetts. Of course.

Mr. RANKIN. Mr. Chairman, will the lady yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Mississippi.

Mr. RANKIN. The Negro veterans' hospital at Tuskegee, Ala., is farther removed from any Negro medical center than this institution would be. They have got along splendidly. I know what I am talking about. I have been chairman of the Veterans Committee for almost 20 years, and I have been in touch with every veterans' hospital and representatives of those hospitals. I know they are getting along splendidly at Tuskeegee. They are not up against a medical school, and therefore these sick and wounded veterans are not used as guinea pigs.

Mrs. ROGERS of Massachusetts. I agree with the gentleman.

I want to repeat the statement I made previously: I have never been in favor of segregation. I believe the testimony before our committee by the daughter of Booker T. Washington, Mrs. Fortia Washington Pittman, is most significant. She said:

> As far as segregation is concerned, I think this hospital would help there because of the psychological effect that the name Booker T. Washington has on the colored people. And I think these veterans who go there would also come to believe, like him, that if we are offered opportunities as a race for education and other things, that this matter of segregation will take care of itself; it will disappear without agitation.

Mr. Chairman, I yield to the gentleman from Idaho.

Mr. WOOD of Idaho. What difference does it make as to where the doctors are trained? They are trained in any training school that takes medical students. I have attended a great many of them and have seen a great many of them. I have not seen any place where there are not Negro students. I do not think there is any particular law or regulation against it.

As to the question of being close to a medical center, about the only reason for that is that every well-equipped veterans' hospital has about all the machinery that would be needed in any other veterans' hospital, no matter where they are located. The only advantage in being contiguous to any large medical center would be for the use of medical consultants. I think the average medical attendant at any Veterans' Administration hospital would be perfectly competent to take care of anything that might come up in the ordinary way. The salaries which they ordinarily pay at the Veterans' Administration hospitals are not large enough usually to cover the necessary special skills required; for instance, such as medical consultants. There are many specialized conditions which might come up where it would be a distinct advantage to be within 50 miles, but with modern travel, especially in the East, I would not figure that 30-mile or 10-mile deal would have much to do with it.

Mrs. ROGERS of Massachusetts. I thank the gentleman for his observation.

Mr. Chairman, I yield 2 minutes to the gentleman from Maryland, General DEVEREUX.

Mr. DEVEREUX. Mr. Chairman, I rise in opposition to this bill.

As a member of the committee, I made an effort to find out something about the bill. I found that hearings had been held previously, and therefore I was restricted to the report.

First. I think it is bad legislation and that it is very definitely class legislation. From reading the report I have not been able to determine that any need has been shown for this particular hospital at this particular place.

The question of staffing the hospital also arose. I think it has been brought out on the floor today that we have many hospital beds now available where patients cannot be taken because we do not have a sufficient staff. I might also point out that the Veterans' Administration is opposed to this particular legislation.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DAWSON].

Mr. DAWSON. Mr. Chairman, I regret that we have to take the floor at this time, but I feel that I could not be fair to my conscience, and I could not be fair to you if I did not express myself on the present legislation.

I am opposed to the legislation for the reason that, first, it is class legislation; there is no reason under the sun why this Federal Government should build a hospital for Negroes any more than it should build hospitals for Italians, for Japanese, or any other section of its citizenry. Certainly, we are going to care for our veterans. We would be an ungrateful people if we did not do that. But when you begin to pick out the veterans and classify them by either color, religion, or nationality, you are departing from every fundamental principle upon which this Government was founded.

This Nation has honored Booker T. Washington as it has honored few of its citizens. In the Hall of Fame you will see his bust, placed there not because he was a Negro but because he was a human being who made a contribution to humanity. Professor Carver was one of the greatest scientists this country has ever produced. He made his great contribution not to the Negroes but to all America. His research into the possibilities of the peanut created for the farmers of this country—not the Negro farmers but the farmers of this country—created for them one of the greatest markets for a farm product that has ever been made by one man's effort. Why, then, should we today do a thing that is not honorable in the name of Booker T. Washington, a man who has already been honored by this great Nation high above any honor that will ever come possibly to any man or woman now sitting here in this Congress? To honor his name further, therefore, is not necessary. Neither does a condition exist where there should be 200 beds set aside in a small place down in a small community for Negro veterans.

We Negroes have good doctors, doctors who know the anatomy of man. I can recite to you that the first successful operation on a human heart was made by a Negro doctor, not because he was a Negro, but because he was a doctor who had given study to the anatomy of man, to the physiology of man, until he knew every muscle, every nerve. It matters not whether the skin of a human being be black or white; the heart is the same within the body.

Since when has it become necessary to get a Negro doctor to wait upon a Negro patient? I can remember the days in the South when there were but few Negro doctors here and there, but there were thousands, and thousands, and thousands of human beings to be cared for. The white doctors did not count the color of the patient then; they knew that their job as a doctor was to cure the human being. We must see man as a human being wherever we find him if we are to make progress. We have a scarcity of doctors among us just like you have a scarcity of doctors among you.

Do you think for 1 minute that as long as there is a scarcity of doctors we are going to get them to leave their lucrative practices and go down and isolate themselves in this isolated community? They are not going to do that any more than the leading doctors of your group are going to leave their lucrative practices in the big cities and seek work in the veterans' hospitals at less pay. That is why we have a scarcity of doctors in the veterans' hospitals.

So I submit to you that the proponents of this legislation have shown no reason why they should build this hospital to honor Booker Washington who has already been so highly honored; they have shown no need for these additional veterans' facilities specifically in the case of Negro veterans, for they can go into any Government hospital supported by the taxpayers' money—and that is as it should be. I therefore submit to you that there is no purpose in this legislation that will be a good purpose or serve the interests of this country at this time, or to serve the interest of the veterans at this time.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. DAWSON. I yield.

Mr. JAVITS. It has been said that there are 20,000 veterans awaiting hospitalization.

Mrs. ROGERS of Massachusetts. There are many more than 20,000.

Mr. JAVITS. There are at least 20,000 veterans awaiting hospitalization. Many of those are Negroes. I am very pleased to have kept this bill from passing on the Consent Calendar as long ago as March 19 by my objections because I believe that it is fundamentally unsound and turns the clock back toward segregation instead of directly away from it, the direction we must go if we wish to have freedom. Will the gentleman tell us whether he feels that Negroes desire to have preference over white veterans in getting into veterans' hospitals?

Mr. DAWSON. We do not desire preference in fighting, in dying, in living. All that we want is equal opportunity with every other human being.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. DAWSON. I yield to the gentleman from Illinois.

Mr. JONAS. I heartily agree with the statement of the gentleman about the question where this hospital is to be located and the facilities that will be available to carry on the necessary functions that hospitals must engage in. I presume the gentleman knows that since 1944 there has been a shortage of nurses in this country to the extent of 40,000 a year and that the number of doctors has gone down to a state now where it has become a calamity.

Mr. DAWSON. That is right.

Mr. JONAS. Unless you have the facilities where you can take advantage of the doctors and the nurses and the personnel that is required to staff a hospital, such as is possible in large centers, you cannot run a hospital.

Mr. DAWSON. The gentleman is correct.

Mrs. ROGERS of Massachusetts. Mr. Chairman, if the gentleman will yield, I would like to say to the gentleman that I, too, feel that the colored people should have an equal chance with the white people, and that is one reason that I am favoring this bill, because of my very long years of experience I know that the colored people have more difficulty in getting hospitalization than the white people. I have always been against segregation, but I do not consider this to be segregation.

Mr. DAWSON. Would the gentlewoman support an amendment to take the word "Negro" out?

Mrs. ROGERS of Massachusetts. Not in this case because I feel this is being fair to the veterans, to the doctors, and you will have more colored nurses as the result to relieve the medical situation.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. POWELL].

Mr. POWELL. Mr. Chairman, I am unalterably opposed to this bill. You may take the pledged word of my colleague, the gentleman from the First District of Illinois [Mr. DAWSON] and myself, the only two Negro Members of this body, when we speak for Negro people in this House on this issue. I think you ought to respect that. There is not a single organization in this country, North or South, of any established reputation, of our race, that is in favor of this bill.

I want to present a couple of other things. I want you to know that those organizations that are supposed to be in favor of this bill are looked upon as organizations of disrepute by the people of our race, meaning Mr. DAWSON and me.

I want you to also think carefully as to who owns this land where this hospital is going to be built. I make no charges, but that matter should be examined. I know about Franklin County. That is where my dad was born. My dad was born next door to Booker T. Washington in a log cabin at the junction of two creeks, one called the Maggotty and the

other called Soak. I know who owns this land and I know the so-called foundation in back of this movement.

The Veterans' Administration is opposed to this bill, and always has been, beginning when General Bradley was in charge. I would like to point out further that there are 1,000 vacant beds right now in the Veterans' Administration. Do you know why? Because they cannot get the doctors and nurses for them. I shall talk about this later when I offer a motion to strike out the enacting clause.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. ARMSTRONG].

Mr. ARMSTRONG. Mr. Chairman, I rise in support of this proposal. I recognize full well the reasons for the opposition to this bill, and I have deep respect for those who would oppose it because of the reasons they have given. I understand full well why they feel that this is class legislation. I would like to remind them, however, that we have recently legislated for the Indians in this country. That was nothing but class legislation. The reason given was because of the need of the American Indians and because of the peculiar circumstances surrounding the need of that particular race. I grant most of what has been said here in opposition to the bill so far as class legislation is concerned, but I would like to speak for one moment as one who is personally interested in this proposal. I have the honor of being a trustee of the Booker T. Washington Memorial Trade School, at Roanoke, Va. Three weeks ago I was driven about the site of the proposed hospital and was given full information in regard to the need of this facility. I can say to you that regardless of our feelings as to what type of legislation it is, the thing for us to decide is whether or not these Negro veterans are getting a square deal under the present circumstances. I do not believe that they are. I respect the remarks of the gentleman who has just spoken. He may know more about the ownership of this land than I do. I agree with him that procurement of the land ought to be looked into carefully, just like any other purchase made by the Government. But, I am sure if he will go back there among his own people, he will find that there is actual need in that part of the country for a hospital for Negro veterans. Certainly, if the need is there, and it can be filled in this way, let us not wait indefinitely until we can overcome the problems that might arise by granting them facilities along with members of other races. Let us relieve a situation that needs to be remedied at the present time. I think that by passing this bill we will be facing it in the right way.

Mr. POWELL. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from New York.

Mr. POWELL. Let me remind the gentleman that Indians are the wards of this Nation, and there is no comparison there. In the second place, the gentleman says there is a need. Are not Negro veterans being taken care of now?

Mr. ARMSTRONG. I will say to the gentleman that Indians should be no more wards of the Government than Negroes or whites or members of any other race.

Mr. POWELL. Negroes are not wards; I agree with the gentleman.

Mr. ARMSTRONG. Since the Indians are being taken care of on that basis, I think we certainly have a precedent where there is a group within a race that is not being cared for adequately. I think certainly we ought to open our hearts to them.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. RANKIN. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri.

Mr. POWELL. Are Negro veterans being taken care of now?

Mr. ARMSTRONG. I am assured that they are being taken care of adequately in some areas of the country. In other areas, I doubt very much that they are getting a square deal.

Mr. POWELL. I do not want to differ with the gentleman, but the Veterans' Administration tells me they are being taken care of in every area of this country. I have no personal reports coming to me from individuals and from groups stating that they are not being taken care of.

Mr. ARMSTRONG. Nevertheless there is a tremendous sentiment among leaders of Negro groups, with full respect for the gentleman's remarks in regard to those backing this bill. I am sure the gentleman did not mean those fine people led by Dr. S. J. Phillips, the head of the Booker T. Washington School. It seems to me that people like that, who desire this facility, should be given due consideration.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Pennsylvania.

Mr. FULTON. The question has come up as to white veterans in Franklin County and this area. If this is to be labeled a hospital for Negroes, would the white veterans in that area who might need medical attention automatically be excluded and thereby discriminated against?

Mr. ARMSTRONG. I would consider that a discrimination were it not for the fact that, as the gentleman certainly knows, white veterans have a preponderance of facilities over the colored veterans.

Mr. FULTON. Yes; but in this area, suppose an emergency occurs involving a white veteran, and this is labeled a Negro veterans' hospital; could that white veteran be admitted?

Mr. ARMSTRONG. I think the Veterans' Administration has full authority to admit him in case of an emergency.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Mississippi.

Mr. RANKIN. There is a white veterans' hospital in Roanoke, Va.

Mr. ARMSTRONG. In the same section.

Mr. RANKIN. Down at Tuskegee, Ala., they have had a Negro hospital since the First World War. They have had no such questions raised, and we have had no trouble with it.

Mr. FULTON. If there are these veterans' hospitals there, is there, then, regardless of the discrimination, need for further facilities?

Mr. RANKIN. I have answered that question. Of course, if they did not need these facilities they would not ask for them.

Mr. ARMSTRONG. I am thinking of this purely on humanitarian grounds. Certainly none of us wants to further the cause of segregation. I could go into detail in regard to that, and in regard to how we have handled the matter in Missouri and elsewhere. For many years I was a member of the Inter-Racial Commission of the South, and I believe that I know something of this problem. I am putting it purely on the basis of need of our Negro veterans, and I believe the need should be met.

Mr. RANKIN. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, I want to say to you that of all the people I have ever met who honored and revered Booker T. Washington it was his daughter, Portia Washington Pittman, who came before the committee and testified for this institution. She has done everything she possibly could because she knows it is best for the people involved—whites and colored.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MILLER of Nebraska. Did the gentleman have anyone appear in opposition to the bill?

Mr. RANKIN. Nobody wanted to. Some men on the committee undertook to question Portia and she took care of it in a most magnificent manner.

Mr. MILLER of Nebraska. Does the Veterans' Administration favor the bill?

Mr. RANKIN. The Veterans' Administration, I understand, is not in favor of any of these new hospitals.

Mr. MILLER of Nebraska. Is there any difference between the illness of a Negro and the illness of a white man?

Mr. ROONEY. Will the gentleman yield for a question?

Since the Veterans' Administration is not in favor of this legislation, may I ask what the position of the Director of the Bureau of the Budget is on it?

Mr. RANKIN. The Bureau of the Budget is against it. I suppose they will be against all expenditures for veterans' legislation if they had to pass on all of them. I want to say that the Veterans' Administration expressed no opinion on it. If you want to know who is interested in the Negroes of the South you go down there. You do not have to go to New York or Chicago to find out. Nobody is more interested in the Negroes of the South than Booker Washington's daughter. Nobody is more interested in the Negroes of the South than this Dr. Phillips, whose testimony, or at least a part of which, I am going to read to you.

He appeared before the committee. He said:

I would like to say this. I am favoring the veterans' hospital for Negro veterans being established at the birthplace of Booker T. Washington. I believe it would be a great inspiration to our people.

One thing that the Negro appreciates is recognition, and you would perhaps be surprised to know how this would arouse their appreciation and interest, for the Government to recognize in this manner the birthplace of Booker T. Washington, by placing a veterans' hospital there.

Further, it would give employment to our professional people in different lines, our people from the various classes of training they have had. And we have had training in this by our complete management of the hospital for Negro veterans which is located in Alabama.

He refers to Tuskegee Hospital. All the talk that has been advanced here has not produced a word to contradict what Dr. Phillips or what Portia Washington Pittman has said. This hospital should be built without any question.

The real opposition is coming from a Communist front organization that cannot use these Booker T. Washington Negroes and are therefore against the Negro veterans' hospital.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is hereby authorized and directed to acquire at the birthplace of Booker T. Washington in Franklin County, Va., a suitable site and erect thereon a hospital for Negro veterans.

Mr. POWELL. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. POWELL moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. POWELL. Mr. Chairman, I did not want to do this, but since the issue has been brought out in the open, I would like you, my colleagues, to know that the only organization in back of this segregated Jim Crow hospital is the Booker T. Washington Memorial Foundation. This so-called Dr. Phillips, the leader, has not the slightest bit of status whatsoever among his own people. Investigation will show that the land to be used for this Jim Crow hospital is owned and controlled by Dr. Phillips and the Booker T. Washington Memorial Foundation.

Furthermore, this Congress minted a half-dollar with Booker T. Washington's likeness upon it and allowed this organization to sell a United States Government half dollar for $2. With the $1.50 profit that they have been making from this, they have spent 90 percent paying salaries, and only 10 percent for supposedly doing good. I do not believe another bit of legislation should be passed, directly or indirectly, influenced by the Booker T. Washington Memorial Foundation until that foundation has been investigated and an accounting made of the moneys they have taken in from the sale of United States half-dollars.

I do not want to raise this question in its entirety, but since the names were brought out by the gentleman from Mississippi—since the names of Dr. Phillips and Portia Washington were brought out, I must bring this out and I must raise this question and tell you these facts. You are dealing with something that smells to high heaven. I am not accusing anyone. I am telling you that something smells here when you are going to build a Jim Crow hospital 35 miles from the nearest town in a waste wilderness, where there are only two creeks and you are going to spend $5,000,000.

The Veterans' Administration is not in favor of this, and I defy anyone to point out a word by testimony or letter where the Veterans' Administration has been in favor of this this last year, or any year that it has been brought up. The Director of the Budget is against it, and Heaven knows, the Negro men that are fighting, bleeding, and dying today in Korea are against it.

Negroes are being taken care of today. Name me a single veterans hospital that is called a "white" hospital today. There is no such thing as a "white" veterans hospital. Every single veterans hospital in this country, except one Jim Crow hospital which was set up back in old World War I days when we had a segregated Navy, Air Corps, and Army—every single veterans' hospital today is open to Negroes and is serving them and taking care of them.

I therefore ask that you support my motion and kill this bill.

If I am not telling the truth, will the chairman of this committee now rise and say I am not telling the truth?

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield to the gentleman from New York.

Mr. KEATING. With reference to the location of this hospital, there has been some talk that the Veterans' Administration might be taking a neutral position. Here is the way they describe the spot where this is to be located:

An isolated community, remote from a medical center and where the matter of adequate staffing would be attained with considerable difficulty in any event.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Chairman, it is difficult to find justification for this legislation. Whatever one's views may be regarding the necessity for or desirability of passing any of the many bills now pending known as civil-rights measures, certainly it must be recognized that the advocacy of this bill goes far beyond mere passive opposition to legislation to strengthen the civil rights of our citizens. This bill, if it became law, would place the hallmark of affirmative Federal approval on a policy of segregation based on race or color. Apart from the possible unconstitutional implications, that seems a backward step which this Congress should not take.

I recognize that mutual good will and respect are preferable to legal compulsion as a method of solving many of the intricate problems involved in the various civil-rights issues. While it appears to me that we have been slow in enacting legislation to help this process along, it can properly and encouragingly be said that there are many evidences of improvement in race relations through purely voluntary efforts and the natural evolution of a more enlightened viewpoint. There seems to me a very great danger that the passage of this bill would have a tendency to reverse this commendable trend.

We are asked here to provide that Negro veterans who have fought side by side with their white brothers to defend our country, many of them in nonsegregated units, be now set apart for necessary medical treatment in a separate hospital, instead of being accorded equal treatment in the same hospital with the same medical and surgical personnel, the same equipment and the same facilities which are used in the treatment of other veterans. All our fighting men, whatever their color, faced a common enemy, fought under one flag, and offered an equal sacrifice. When it comes to treatment for their wounds or disabilities, I can see no reason why they should then be told for the first time that a new factor, the color of their skin, is to determine where they are to be hospitalized.

Apart from the inherent unfairness to certain veterans, there is a broader aspect to this legislation which makes it objectionable. We are engaged throughout the world in a battle for men's minds, the successful outcome of which may conceivably prevent the cataclysm of another global conflict or, at least, contribute to the eventual success of our side in that struggle, if it cannot be avoided.

We profess universally, and I believe with the utmost sincerity, that we want to help to establish peace, justice and fair dealing among the peoples of all races everywhere, not just the white people of the earth, but those of every color, race, and creed. Yet, the eloquent voice of America proclaiming these noble sentiments loses much of its effectiveness if its legislative body enacts a measure which has the effect of setting apart for separate treatment one segment of our own people in the manner contemplated here. Let us not thus handicap our continuing and vitally necessary effort to win everywhere not only friends, but converts to the principles and ideals which we as a Nation proudly cherish and proclaim.

There is another reason why this bill should be opposed. The evidence presented by the Veterans' Administration Administrator is very clear that there is no need for this hospital at this time. Within a radius of 200 miles of the spot where it is proposed to locate this hospital there are already eight other veterans' hospitals. Another is to be opened in the near future and a tenth and eleventh are under way. There is no claim made that Negro veterans have been excluded from these hospitals or that they have not been accorded the

same treatment as others. Nor is it contended that any veteran in this area, Negro or white, has been deprived of treatment because of lack of hospital facilities.

In addition, the proposed location of this hospital is not recommended by the Veterans' Administration Administrator. It is in an isolated section, far from any centers of population and remote from any medical center where the problem of acquiring and retaining adequate and competent staff, always acute, would be multiplied many fold. There is no apparent purpose behind this legislation except to segregate Negro veterans from all others and accord them separate treatment. That is not in accord with the principles which we profess at home or which we preach abroad. The bill should be defeated. This motion should prevail.

Mr. POWELL. Mr. Chairman, I ask the members of this committee to support my motion to strike out the enacting clause and thus defeat this bill; and then that an investigation be made of Booker T. Washington Memorial Foundation and Dr. Phillips. Find out who owns the land, and see just what is back of this whole thing and who is involved in this.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield.

Mrs. ROGERS of Massachusetts. The gentleman realizes full well that the Veterans' Administration, ever since its inception, has fought the building of hospital after hospital. The gentleman knows that full well?

Mr. POWELL. I will tell you one thing, I think it is a very good idea right now not to build any hospitals until we find doctors and nurses to take care of the 1,000 empty beds in our hospitals at this moment.

Mrs. ROGERS of Massachusetts. Will the gentleman yield further?

Mr. POWELL. I yield.

Mrs. ROGERS of Massachusetts. I think if we could secure this hospital, it would mean added nurses and doctors.

Mr. POWELL. I do not know how that could happen when we cannot get them now. Members of this body are being asked to waste $5,000,000 of the taxpayers' money on a foolish scheme to build a hospital for colored veterans. This proposal is merely another attempt to saddle a program of racial segregation on the Federal Government. I hope every Member of this body will realize that a vote for H. R. 314 is a vote for racial segregation of wounded veterans.

It is proposed that this hospital, commonly called a memorial to Booker T. Washington, be located in an isolated area of the State of Virginia. Not only would this be inconvenient for any veterans who had the misfortune of being sent there, but it would also be a severe strain on their relatives and friends who might wish to visit them.

At present the Veterans' Administration has a program aimed at locating hospitals in or near areas where the best medical knowledge, skill, and equipment will be easily available. This bill would reverse that program and send hundreds of veterans to a segregated area where some of them might die because they could not get the medical advantages given in or near large urban centers.

I would like to know just who will get the most benefit out of this proposition. I would like to know who owns the land that the Government must purchase in order to erect this hospital. What will happen to real estate values in the area when this jim-crow monument is built and who will profit from the rise in those real estate values?

Geographically this hospital would be located in a spot which is just about in the middle of the area covered by Maryland, the District of Columbia, Virginia, West Virginia, and North Carolina.

There are at present nearly 8,779 hospital beds for veterans in this geographic area. At present 2,259 new beds are being made available. There are 998 empty beds and no staff available. Colored veterans have every right to be admitted to these hospital beds. At present they are admitted. If the gentleman from Mississippi wants to perform a real service for veterans, he should try to see that the existing institutions have every penny that we can allocate to make them the best in the world. Instead of pouring $5,000,000 down the rat-hole of segregation, let us make certain that much-needed equipment and other necessities are given to the hospitals now operating, as well as to those that will soon be built.

If it is the intention of the sponsor of this bill to honor the memory of some outstanding colored person, I suggest that this be done by naming one of the hospitals now under construction for Frederick Douglas, Dr. George W. Carver, Crispus Attucks, or any of the great citizens who have made contributions to the growth of this Nation. Let it also be clear that, although such an institution would carry the name of one of these citizens, it would be open to all veterans without regard to race, religion, or national ancestry.

H. R. 314 cannot be amended in any way that will make it acceptable to those who believe that all citizens of the United States are entitled to be treated as equals.

We would make a tragic mistake if we passed this bill. It would open the door for any group of schemers to come to Congress for appropriations and funds with which to carry out their wasteful plans.

Finally, let me say that I have received a communication from 27 organizations vitally interested in civil rights in the United States. All of them ask that H. R. 314 be defeated.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the motion.

In the first place, Mr. Chairman, I have had a great many conferences with these Negroes who are advocating this hospital. They represent the Negroes of the South. These attacks on this hospital do not come from the South, nor have I heard of any protest from the southern Negroes against it. All this charge against Portia Washington Pittman, who is the daughter of old Booker T. Washington, a well-behaved person, who comes here and urges us to build this hospital on ground that is owned by the Booker T. Washington Foundation. The Booker T. Washington Foundation does not promote communism. Get that? The Booker T. Washington Foundation does not advocate communism, as some of these other alleged organizations do, but they are trying to do something for their own people. Portia Washington made this statement. I think it is in the record, but I know she made it in my presence as chairman of the committee. She said, "My father always tried to teach the Negroes how to take care of themselves."

I have never heard of Negroes going to New York to ask a Member from that State what they should do for themselves. If the Negroes of the South are going to be punished by such arguments and such attitude, it means shutting the door of hope in their faces, so far as being able to take care of themselves is concerned. Yes; we have Negroes in all these veterans' hospitals. We have separate wards for them. In the South we take care of the Negroes better than anywhere else in the world. We do not need anybody from New York coming down there to stir up race trouble to tell us what to do. The southern Negroes do not want them, either.

Now, you are either going to vote for this bill or shut the door of hope in the face of these Negroes who want this hospital in order that their doctors may practice there and show what they are able to do.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. JAVITS. Is it a fact that the money that the gentleman seeks in this bill is northern money as well as southern money?

Mr. RANKIN. Oh, of course, it is the whole country. A great deal of it comes from the South. The real power behind the opposition is a Communist-infested organization known as the Association for the Advancement of the Colored People.

I hope this motion is voted down.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the motion to strike out the enacting clause.

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 136, noes 57.

So the motion was agreed to.

Mr. FULTON. Mr. Chairman, I object to the vote on the ground that a quorum is not present.

Mr. RANKIN. Mr. Chairman, a point of order; the gentleman cannot make that motion in the Committee of the Whole.

The CHAIRMAN. The vote discloses that a quorum is present. The Committee will rise.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. PHILBIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consider-

ation the bill (H. R. 314) to provide for the establishment of a veterans' hospital for Negro veterans at the birthplace of Booker T. Washington in Franklin County, Va., directed him to report the same back to the House with the recommendation that the enacting clause be stricken out.

The SPEAKER pro tempore. The question is on the recommendation of the Committee of the Whole that the enacting clause be stricken out.

Mr. RANKIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 223, nays 117, answered "present" 1, not voting 91, as follows:

[Roll No. 71]

YEAS—223

Aandahl	Furcolo	Mason
Adair	Gamble	Meader
Addonizio	Garmatz	Miller, Nebr.
Allen, Calif.	Gavin	Mitchell
Allen, Ill.	George	Morgan
Andersen, H. Carl	Goodwin	Multer
	Gordon	Mumma
Andresen, August H.	Graham	Murphy
	Granahan	Norblad
Anfuso	Greenwood	O'Brien, Ill.
Aspinall	Gross	O'Brien, Mich.
Auchincloss	Hagen	O'Neill
Bailey	Hale	Ostertag
Bakewell	Hall,	O'Toole
Baring	Edwin Arthur	Perkins
Barrett	Hall,	Philbin
Beall	Leonard W.	Phillips
Beamer	Halleck	Potter
Belcher	Hand	Powell
Bender	Harden	Price
Bennett, Mich.	Hart	Quinn
Berry	Harvey	Radwan
Bishop	Havenner	Reams
Boggs, Del.	Hays, Ohio	Reece, Tenn.
Bolling	Hedrick	Reed, N. Y.
Bolton	Heffernan	Rees, Kans.
Bray	Heller	Rhodes
Breen	Heselton	Ribicoff
Budge	Hess	Riehlman
Buffett	Hill	Rodino
Burdick	Hillings	Rogers, Colo.
Burnside	Hoeven	Rooney
Bush	Holifield	Sadlak
Butler	Holmes	St. George
Byrnes, Wis.	Hope	Sasscer
Canfield	Horan	Saylor
Cannon	Howell	Scott,
Case	Hunter	Hugh D., Jr.
Celler	Jackson, Calif.	Scrivner
Chatham	Jackson, Wash.	Scudder
Chiperfield	James	Secrest
Church	Javits	Seely-Brown
Cole, Kans.	Jenison	Shelley
Cole, N. Y.	Johnson	Sheppard
Corbett	Jonas	Sieminski
Cotton	Judd	Simpson, Ill.
Crosser	Karsten, Mo.	Simpson, Pa.
Crumpacker	Kean	Sittler
Cunningham	Kearney	Springer
Curtis, Mo.	Keating	Stefan
Curtis, Nebr.	Keogh	Taber
Dague	Kersten, Wis.	Talle
Davis, Wis.	King	Thomas
Dawson	Kirwan	Thompson,
Deane	Klein	Mich.
Denny	Kluczynski	Tollefson
Denton	Lane	Towe
Devereux	Latham	Van Pelt
D'Ewart	Lesinski	Van Zandt
Dollinger	Lind	Vaughn
Dolliver	Lovre	Vorys
Dondero	McConnell	Walter
Donohue	McCormack	Weichel
Donovan	McCulloch	Welch
Doyle	McDonough	Wharton
Eaton	McGrath	Whitaker
Eberharter	McGregor	Widnall
Elston	McGuire	Wier
Engle	McKinnon	Williams, N. Y.
Fallon	McVey	Wolcott
Feighan	Machrowicz	Wolverton
Fenton	Mack, Wash.	Woodruff
Fernandez	Madden	Yates
Fine	Mansfield	Yorty
Fogarty	Marshall	Zablocki
Ford	Martin, Iowa	
Fulton	Martin, Mass.	

NAYS—117

Abbitt	Fellows	Patman
Abernethy	Fisher	Pickett
Albert	Forrester	Preston
Allen, La.	Frazier	Priest
Anderson, Calif.	Gathings	Rains
Andrews	Golden	Rankin
Armstrong	Gore	Redden
Ayres	Gossett	Riley
Bates, Ky.	Grant	Roberts
Battle	Gregory	Robeson
Beckworth	Hardy	Rogers, Mass.
Bennett, Fla.	Harris	Rogers, Tex.
Bentsen	Harrison, Va.	Schwabe
Betts	Hull	Shafer
Blackney	Jarman	Short
Bow	Jenkins	Sikes
Brambiett	Jensen	Smith, Miss.
Brehm	Jones, Ala.	Smith, Va.
Brooks	Jones,	Smith, Wis.
Brown, Ga.	Hamilton C.	Spence
Brown, Ohio	Jones,	Steed
Bryson	Woodrow W.	Stigler
Burleson	Kerr	Stockman
Burton	Lantaff	Sutton
Busbey	Larcade	Tackett
Camp	Lucas	Thompson, Tex.
Carlyle	McMillan	Thornberry
Chelf	McMullen	Trimble
Chenoweth	Magee	Vail
Clevenger	Mahon	Velde
Colmer	Miller, Md.	Watts
Combs	Mills	Werdel
Cooper	Morris	Wheeler
Cox	Morrison	Whitten
Davis, Ga.	Morton	Wickersham
Davis, Tenn.	Murray, Tenn.	Williams, Miss.
DeGraffenried	Nicholson	Wilson, Tex.
Doughton	Norrell	Withrow
Elliott	O'Hara	Wood, Idaho
Ellsworth	Passman	

ANSWERED "PRESENT"—1

Rogers, Fla.

NOT VOTING—91

Angell	Green	O'Konski
Arends	Gwinn	Patten
Baker	Harrison, Wyo.	Patterson
Barden	Hays, Ark.	Poage
Bates, Mass.	Hébert	Polk
Blatnik	Herlong	Poulson
Boggs, La.	Herter	Prouty
Bonner	Hinshaw	Rabaut
Bosone	Hoffman, Ill.	Ramsay
Boykin	Hoffman, Mich.	Reed, Ill.
Brownson	Irving	Regan
Buckley	Jones, Mo.	Richards
Byrne, N. Y.	Kearns	Rivers
Carnahan	Kelley, Pa.	Roosevelt
Chudoff	Kelly, N. Y.	Sabath
Clemente	Kennedy	Scott, Hardie
Cooley	Kilburn	Sheehan
Coudert	Kilday	Smith, Kans.
Crawford	Lanham	Staggers
Delaney	LeCompte	Stanley
Dempsey	Lyle	Taylor
Dingell	McCarthy	Teague
Dorn	Mack, Ill.	Vinson
Durham	Merrow	Vursell
Evins	Miller, Calif.	Wigglesworth
Flood	Miller, N. Y.	Willis
Forand	Morano	Wilson, Ind.
Fugate	Moulder	Winstead
Gary	Murdock	Wood, Ga.
Gillette	Murray, Wis.	
Granger	Nelson	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Brownson for, with Mr. Herlong against.

Mr. Herter for, with Mr. Rogers of Florida against.

Mr. Sabath for, with Mr. Winstead against.

Mrs. Kelly of New York for, with Mr. Wood of Georgia against.

Mr. Coudert for, with Mr. Bonner against.

Mr. Gwinn for, with Mr. Boykin against.

Mr. Kearns for, with Mr. Rivers against.

Mr. Kelley of Pennsylvania for, with Mr. Richards against.

Mr. Buckley for, with Mr. Hays of Arkansas against.

Mr. McCarthy for, with Mr. Teague against.

Mr. Chudoff for, with Mr. Vinson against.

Mr. Flood for, with Mr. Gary against.

Mr. Forand for, with Mr. Fugate against.

Mr. Green for, with Mr. Durham against.

Mr. Rabaut for, with Mr. Dorn against.

Mr. Miller of California for, with Mr. Cooley against.

Mr. Patten for, with Mr. Hébert against.

Mr. Sheehan for, with Mr. Lanham against.

Mr. Granger for, with Mr. Barden against.

Mr. Clemente for, with Mr. Boggs of Louisiana against.

Mr. Delaney for, with Mr. Kilday against.

Mr. Blatnik for, with Mr. Regan against.

Mr. Roosevelt for, with Mr. Willis against.

Until further notice:

Mrs. Bosone with Mr. Arends.

Mr. Byrne of New York with Mr. Reed of Illinois.

Mr. Staggers with Mr. Angell.

Mr. Lyle with Mr. Kilburn.

Mr. Mack of Illinois with Mr. Harrison of Wyoming.

Mr. Dempsey with Mr. Smith of Kansas.

Mr. Dingell with Mr. Taylor.

Mr. Evins with Mr. Hoffman of Illinois.

Mr. Kennedy with Mr. Gillette.

Mr. Jones of Missouri with Mr. Crawford.

Mr. Irving with Mr. Weichel.

Mr. Moulder with Mr. Miller of New York.

Mr. Carnahan with Mr. LeCompte.

Mr. Murdock with Mr. Poulson.

Mr. Polk with Mr. Patterson.

Mr. Ramsey with Mr. Hoffman of Michigan.

Mr. ROGERS of Florida. Mr. Speaker, I have a live pair with the gentleman from Massachusetts, Mr. HERTER. Had he been present he would have voted "yea." I voted "nay." I therefore withdraw my vote and answer "present."

Mr. FERNANDEZ changed his vote from "nay" to "yea."

Mr. Bow changed his vote from "yea" to "nay."

Mr. CROSSER changed his vote from "nay" to "yea."

Mr. REECE of Tennessee changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CELLER. Mr. Speaker, a vote for this bill puts the stamp of approval on segregation. No matter how attractive and compelling you make this bill for the erection of a hospital, it still is segregation with a capital "S." Building any hospital for veterans is most laudable. It is damnable when it is for Negro veterans only.

The author and sponsor of the bill, the gentleman from Mississippi, speaks of the project of a "nigger" hospital. The word "nigger," when uttered by the gentleman, has derogatory connotations. His calling it a "nigger" hospital is sufficient to encourage a vote against the bill. Frankly, the appellation "nigger" is abhorrent under any circumstances.

It is cruel to use the name Booker T. Washington to ensnare the unwary. Surely, if he were alive, he would resent any hospital catering only to Negroes and sponsored by the Government. He would not want it named for him. His life and works belie segregation.

The gentleman from Mississippi claims that Negroes appreciate this recognition. They do not appreciate—in fact, they deprecate—recognition as second-class citizens. Segregation means second-class citizenship. They are entitled to equality in case of hospitalization—equality in sickness and health.

No. I shall emphatically vote against this bill.

Mr. CURTIS of Missouri. Mr. Speaker, I want to call to the Members' attention the position of the National Association for the Advancement of Colored People, as expressed by Clarence Mitchell, director of the Washington bureau, in the following letter:

I take this opportunity to send to you a communication urging that every effort be made to defeat H. R. 314. This bill proposes to use $5,000,000 of Federal money for the building of a hospital at Booker T. Washington's birthplace in Franklin County, Va.

Because a great many people who wish to honor Mr. Washington's memory may think that this is the way of doing it, I hope that you will explain on the floor of Congress that this is one of worst possible ways of discriminating against colored veterans.

We have carefully canvassed the present available bed space for veterans in Maryland, Virginia, West Virginia, North Carolina, and the District of Columbia. There are 10,438 beds authorized for veterans in the hospitals of these States and the District. We are advised that 9,460 beds are actually in use but nearly 1,000 others cannot be used because of a shortage of trained personnel and for other reasons. Hence, as a matter of giving the best service to veterans, the money might be more wisely spent in doing every possible thing to see that present hospital facilities and the buildings now in existence or under consideration operate at maximum efficiency.

During my conversations with some of the Members of Congress, I have been told that they were under the impression that the hospital would provide additional facilities for colored people, and, therefore, they thought it was a good thing. We hope very much that you will point out that the NAACP maintains a constant watch on the treatment of veterans in various hospitals' facilities. There are occasions when attempts are made to discriminate against colored veterans but we always seek and obtain correction of such discrimination. We believe that any public institution, and most especially a hospital, should be open to all people without regard to race.

The Veterans' Administration has not always moved as rapidly on these matters as we hoped but there is a definite trend in the right direction which most certainly would be reversed if there is an appropriation for a hospital for colored veterans.

One alternative that has been suggested in this legislation appears to resolve the problem on the surface but actually would not accomplish anything. It has been suggested by some that the hospital be built with the understanding that it will be available to all persons without regard to race or creed. In actual practice, of course, no white persons would be sent to this hospital because of its bad location.

One Member of Congress recently informed me that the Veterans' Administration placed a new hospital site in Baltimore rather than Cumberland, Md., because the latter city was not close enough to a large medical center. Franklin County, Virginia, is even more remote from such medical centers than Cumberland. Hence, a hospital placed there would be a serious threat to the physical well-being of veterans unfortunate enough to be sent to it.

Aside from the basic issue of class legislation, there is the further point of economy and proper use of Federal funds. There is considerable question as to whether there is an actual need for this hospital and certainly there has been no well-founded assertion that there is an emergency.

There is no question that the proposed Booker T. Washington Memorial Veterans Hospital would provide certain benefits to certain of our citizens.

As a matter of fact, any person can sit down and figure out things to do which would produce certain benefits for certain of our citizens.

The question before this House now and constantly before the House in these times is whether these proposals are in the interest of the over-all welfare of our citizens.

It has been stated, by cynics, I believe, that the people, if given the power of self-government, would bankrupt their government by constantly going to the Treasury for the means to finance their immediate desires.

Until a few years ago this cynical observation had little basis for support. The integrity of the American people was such that they preferred to defer immediate benefits to themselves in the belief that such denial would redound to the benefit of their children. Furthermore, they had faith the economic system of free enterprise would bring about these desired things with patience and hard work.

There has been a change in the past two decades. The Treasury is being raided every day for worth-while enterprises. Each person seems to be outdoing the other to figure out new worthwhile projects we might embark upon. Those who oppose the expenditure of governmental funds for these projects are branded as being antisocial and opposed to the purposes of the project itself.

So it has become that those who are most concerned with the people's welfare are pictured as being opposed to it, and those, who in their short-sighted way are in effect undermining the future prospects of our children, are pictured as being imbued with all the fine qualities of love for their fellow man.

However, I have more faith in the American people than apparently do some. I am impressed with the government of the State of Utah refusing Federal funds, a city in Illinois refusing a new post office, Congressmen on the floor of this House refusing special funds for projects in their own district, and similar indications of a broader viewpoint.

I am unimpressed with those colleagues of mine who speak on the floor in favor of economy on projects which do not affect their districts and yet who cry out, "It is such a relatively small amount of money" when it involves expenditures for projects within their district.

The greatest thing that any of us can do for our people today and for our children tomorrow is to start hacking away at the tremendous Federal debt we have piled up. This is the greatest thing we can do for our people today because herein lies the basic cause of inflation which has badly affected our standard of living and threatens our future. It is the greatest thing we can do for our children because we have no right to place such a mortgage upon them, we who inherited not a debt, but a handsome bank balance from our predecessors.

Economy must begin at home. For me it begins in the Twelfth District of Missouri. I told my people that when I was campaigning for election. I have reiterated it time and again. I restate it now. I want no person or group from the Twelfth District of Missouri writing me or seeing me about projects to spend money in that district. It will do no good. I will oppose it. In return, I expect similar pledges from my colleagues down here.

The talk is of economy, but there is little practice of it. Federal funds to the free-enterprise system is like dope. It has very valuable medicinal values but abused it can produce tragic addicts. The dope peddlers are not friends of the dope addict though the addict may seek the peddler out and cry to high heaven if his source is cut off.

I say it is high time to call the peddlers of Federal funds for what they are. Their interest is not the welfare of the people.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I rise in opposition to H. R. 314, a bill for the establishment of a veterans' hospital for Negro veterans in Franklin County, Va., at a cost of $5,000,000. I have consistently favored the establishment and maintenance of all necessary facilities for the care of veterans and had the efforts on the part of Members from the Pennsylvania area been followed in connection with the Valley Forge Hospital much of the expense of its premature closing and subsequent reopening and refurbishing with new equipment could have been avoided.

The proposal to establish this hospital is unwarranted because no need for it has been shown. Furthermore, this bill is opposed by the Veterans' Administration as proposing to set up a hospital in a remote and isolated area where facilities for treatment cannot fail to be restricted and inadequate.

I now come to the best and strongest reason for opposing this bill, and that is its designation as a hospital for Negro veterans. I know of no hospitals which are established for the treatment of white veterans, or French veterans, or Greek veterans or Jewish veterans, or veterans who are also members of Jehovah's Witnesses.

In Korea last fall I saw many seriously wounded veterans coming off the field of

battle and receiving treatment at Army hospitals and aboard Navy hospital ships. Some were white and some were Negro troops, many of the latter from the famous Twenty-fourth Regiment of the Twenty-fifth Division. There was no difference in their courage or their gallantry; there was no difference in the method of treatment they received, or in the character of the wounds treated. There was certainly no complaint on the part of either Negro or white veterans that they were received and treated without segregation in the same hospital wards; nor did I ever hear any complaint from any white or Negro veteran regarding the absence of segregation in the hospitals. If a man is good enough to risk his life for his country his country ought to be big enough to extend to him equal treatment regardless of race, or creed, or color. I am sure that it would be very bad propaganda for us and very good propaganda for Joe Stalin if the Communists abroad were to send out word to the yellow peoples of Asia that white and Negro troops who served together in Korea, were treated together in the same hospitals in Korea, were separated after they returned to the land of the free and the home of the brave and required to receive treatment in hospitals according to the color of their skins. Whenever additional facilities are required for veterans, let them be provided for veterans on the basis of their service, their need, and the national interest and not on the basis of their race, their creed, or their color.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1952

Mr. BATES of Kentucky. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4329) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1952, and for other purposes; and, pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Oregon [Mr. STOCKMAN] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion.

The motion was agreed to; accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4329, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the consent agreement the gentleman from Kentucky [Mr. BATES] is entitled to 30 minutes and the gentleman from Oregon [Mr. STOCKMAN] to 30 minutes.

Mr. BATES of Kentucky. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the regular 1952 budget for the District of Columbia for the 1952 fiscal year totaled $136,778,600. This was amended on May 17, by proposed supplemental appropriations in the amount of $3,734,550, bringing the total amount of the 1952 budget to $140,513,150. This total was made up of $33,339,350 for capital outlay and $107,173,800 for operating expenses. Of the total amount requested $3,841,260 was not requested to become available for expenditure until fiscal year 1953, leaving $136,671,890 requested for expenditure during fiscal year 1952. The revenues were estimated to total $139,338,012 which would provide a gross surplus of $2,666,122 over the amount requested. However, the Commissioners estimated $2,250,000 to be a necessary reserve for supplemental and deficiency appropriations for such activities as civilian defense and control of rent ceilings for which no budget estimates were submitted pending additional legislation.

The budget submitted by the District was based upon a Federal appropriation of $11,000,000 to the general fund and $1,000,000 to the water fund as provided by Public Law 195, Eightieth Congress, first session. Testimony which we heard on this item has thoroughly convinced me and I believe also the other members of the committee that this is the minimum amount which should be appropriated. It was brought out in the hearings that, if taxed, Federal property would produce approximately $18,000,000. To me this item alone is ample justification of the amount requested. It was also pointed out that the water furnished Federal agencies would cost $1,200,000 if paid for at the rates charged other users in the District. Thus, the $1,000,000 requested to be appropriated to the water fund is $200,000 short of a sufficient amount to reimburse the District at current water rates. These are only two of the very many items of expense which fall upon the District because of the activities of the Federal Government at the city of Washington.

The request of $33,339,350 for capital outlay items compares with the total granted in 1951 including contract authority of $31,507,575. Of course, there is no contract authority included in the 1952 bill. Thus, the budget for 1952 would provide for an increase, over 1951, of $1,831,775. Since the cost of construction has increased at least 15 percent during the last year the budget would have provided for slightly less actual construction than was provided by the 1951 appropriations. The committee was favorably impressed with the capital outlay program which was presented to it. It appeared to have been rather well planned for the regular budget submission and after that submission the Commissioners again reviewed this program and in the light of increased costs, revised it to bring it up to date. In revising it they deleted certain projects which were lowest on the priority list in order to provide funds for the increased cost of completing other projects already started or of higher priority. With relatively minor exceptions the committee has approved the capital outlay program. The reductions recommended by the committee total $441,000.

The District's budget request of $107,173,800 for operating expenses represented a total increase of $5,994,023 over the amount available for this purpose in 1951. This increase was made up of over $3,500,000 for items of expense over which the District has little or no control such as in-grade promotions, the District of Columbia's share of the cost of United States courts, reimbursement to St. Elizabeths Hospital, increased cost of electricity, and increases in retirement fund requirements which are actuarily computed. Approximately $2,400,000 of the increase requested for operating expenses was for new positions and expansion of other administrative facilities. The committee did not feel that most of the requested increases for expansion of administrative facilities were justified. The committee has, therefore, reduced the budget request by $2,295,775 which represents a net reduction, in considering the budget as a whole, of over 90 percent in the funds requested for additional personnel and expansion of other administrative facilities.

ATHLETIC PROGRAM IN THE PUBLIC HIGH SCHOOLS

The present procedure, under which the athletic program of the public high schools is operated, is for each school to finance its own program. Naturally the income from athletic events varies considerably between schools with the result that some schools are able to carry out a fairly adequate program whereas other schools are not able to provide the essentials for a minimum program. I have had reports that in some cases the lack of funds for uniforms and protective equipment has made participation in athletics actually hazardous.

The change we have recommended in this appropriation item will provide for an equalization of these inequities so that pupils in one school will not be penalized just because they happen to live in a neighborhood that is poor. The centralization of purchasing will also enable the schools to get more per dollar since it will enable them to take advantage of discounts available when equipment is purchased in large quantities.

I am very strongly of the opinion that the benefits to the community will far outweigh the small expense of this program.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. BATES of Kentucky. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Would the gentleman tell the House—I believe he did touch on it slightly—just how much more money is contained in this bill, that is, actual working money, above contract authorizations, and such? How much money is contained in this bill over and

above what was available for the present fiscal year, 1951?

Mr. BATES of Kentucky. My recollection is one-million-eight-hundred-thousand-odd dollars.

Mr. H. CARL ANDERSEN. How does the gentleman reconcile that with the report on page 25, the column headed "Bill compared with 1951 appropriations" which shows that there is $17,000,000 more in this bill than was available in 1951?

Mr. BATES of Kentucky. If you will look through the report you will find contract authorizations made last year.

Mr. H. CARL ANDERSEN. And was that all taken care of?

Mr. BATES of Kentucky. Yes.

Mr. H. CARL ANDERSEN. The difference is accounted for by that.

Mr. BATES of Kentucky. That is right.

Mr. H. CARL ANDERSEN. I thank the gentleman.

Mr. STOCKMAN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the subcommittee of the Committee on the District of Columbia dealing with appropriations, I think, has worked in splendid harmony this year. I think this was due principally to the fine chairmanship and leadership given the committee by the gentleman from Kentucky [Mr. BATES] and the fine spirit of cooperation shown by all the members of the committee. It was quite a little chore to go through this entire bill. You all know that due to increased costs of all commodities the budget for the District is considerably higher this year than it has been in the past. We tried to keep things down as much as we could and yet not curb or cripple any of the necessary activities of the District. I think the committee performed a very fine job in this respect.

One of the major points in controversy in the committee was an amount of $275,000 requested for the purchase of the equipment of the municipal golf courses of the District. There was considerable debate and discussion on this point, but it was unanimously agreed by the committee that the amount should be denied, which it was. As a result, the committee recommends to the House that the golf courses be left under the private management under which they are now operated.

Mr. BATES of Kentucky. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, as the House is now engaged in general debate and remarks on any subject are in order, I will digress for a moment to discuss a subject of perhaps no less immediate interest and importance.

That incomparable premier of all columnists and broadcasters, Mr. Drew Pearson, "whose predictions have proven 88 percent correct," announces that on Sunday next he will broadcast his prediction on President Truman's candidacy in 1952. He will tell the Nation next Sunday evening whether President Truman will be a candidate for the Presidency or whether he will retire from public life at the close of his present term.

Mr. Chairman, I propose to beat Mr. Pearson to the draw. Mr. Pearson defers his broadcast until next week. I will go Mr. Pearson one better by not only predicting the President's course in the next election but by also predicting today what Mr. Pearson will predict next Sunday.

Now I am neither a prophet nor the son of a prophet. All I know is what I read in the newspapers. But that is all Mr. Pearson knows. He will be governed in his prediction by the inevitable, unavoidable, deducible logic of the situation. I likewise will be governed by cold reason, by the infallible, ineluctable, inescapable sequence of the rapidly moving events which have brought us down to this moment—predestined and foreordained.

Naturally Mr. Pearson and I reach the same conclusion—that President Truman will be a candidate and that he will be renominated at the Democratic National Convention at Chicago in 1952.

What else could be asked or expected? Already it is apparent that the success of his foreign policy is assured. He has given the American people the one thing they most desire above all others—freedom from world war III.

At the beginning of this session of Congress it was a toss-up as to when world war III would start, with the chances shaded in favor of war. There were many in a position to judge who thought a general war this year was inevitable. And with that in mind, every war plant in the Nation was geared to top production.

Every day it becomes increasingly certain that President Truman has avoided a third world war, for this year, at least, with every prospect of pushing a general war further and further into the background until it is no longer a probability and eventually no longer a possibility.

He has held Korea. It was freely predicted a short time ago that our forces there would have to withdraw or be driven into the sea. Against overwhelming odds, under every disadvantage, we have destroyed every division sent against us. With the support and cooperation of gallant allies, we have held Korea. Already conditions there are being stabilized. By retaining the fighting to Korea and preventing its spread to Asia and Europe, we have been saved from fighting a war on our own doorstep.

Someone asks, "What about the boys who have died in Korea?"

Boys died at Bunker Hill and Valley Forge. But they created a nation. Boys died at Chateau Thierry and Guadalcanal. But they saved a world. An Unknown Soldier lies in glory at Arlington and his mother weeps uncomforted. Do you say he died in vain? Do you say these men who died so heroically last month across the sea died in vain? They saved the untold millions who will die if world war III must be fought, and the wreckage of the thousand cities which will fall here in the homeland if world war III must be fought. They died to save a nation and a civilization.

President Truman has confined the fighting to Korea. He has pushed back world war III. He has advanced the prestige of American arms throughout the world. He has inculcated in an implacable foe a wholesome respect for American valor and power. He has given notice to the world, in a language no one can misunderstand, that America keeps her obligations and honors her treaties. He has confounded our enemies and reassured our friends. He has wrecked the plans of communism and totalitarian autocracy for world conquest and has rallied the wavering hope of a distraught world for permanent peace.

Not only has he given the Nation what we most desire, freedom from world war III, but he has given us unprecedented prosperity. He has given us the highest standard of living, the largest income, we have ever enjoyed. Every family in America is living better today than they ever lived before. Everybody has a job. Employment is at the all-time peak and at the highest wages ever known. Our factories are pouring out a record flood of goods, luxuries as well as necessities. And while the standard of living is rising, the cost of living is falling, and price wars in every city are forcing down prices and increasing the purchasing power of the dollar.

President Truman is winning the war against communism. Only a year ago communism was an imminent threat in every country on the globe. He has united the nations against the common enemy. The threat is losing in every free election. And here in the United States communism was never so impotent.

He has balanced the budget. Original estimates by the Treasury indicated a deficit of $2,700,000,000 by the close of the fiscal year. Today the estimates show instead a probable surplus of $3,000,000,000. The conference report on the last appropriation bill agreed to here in the House shows the greatest reduction in departmental estimates in the history of the American Congress.

The President's administration opened with bitter conflict in prospect between labor and management, and a prospective drop below parity in farm income. Today, labor and management, in complete cooperation, and American agriculture in enjoyment of a full parity price for every farm product, are giving the people of the United States the greatest prosperity ever earned by any people, of any land, in any period in all the annals of time.

Let me repeat the statement made here on the floor a few weeks ago. Judged by any criterion of national safety or national prosperity, by any yardstick of accomplishment, or statesmanship, President Truman ranks today, and will rank in history, as one of the greatest Presidents to occupy that exalted position.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BATES of Kentucky. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. PICKETT].

Mr. PICKETT. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PICKETT. Mr. Chairman, no doubt every Member of the House, like myself, has had a number of communications from the merchants in his district regarding the difficulties confronting those merchants in complying with the OPS regulations.

There is in my district a young man in the hardware business whose name is Jap Lucas, a self-made man. From time to time Mr. Lucas has made efforts to present the difficulties of the small-business man to the Congress through the proper congressional committee. Unfortunately circumstances have prevented that. However, Mr. Lucas at his own expense, and on his own initiative, has made arrangements whereby the Congress can be advised first hand of the difficulties a small-business man is now encountering in complying wiht the OPS regulations.

I would like to call attention to the fact that on tonight, at 8:30 p. m., daylight saving time, over radio station WOL, Washington, D. C., Mr. Lucas will speak for a number of minutes at his own expense, advising you and the country of the situation as he sees it. That speech will be repeated on Thursday, June 7, at 8:30 p. m., daylight saving time. Your courteous attention is asked to Mr. Lucas' remarks, which will be timely and no doubt pungent.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PICKETT] has expired.

Mr. STOCKMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. POTTER].

Mr. POTTER. Mr. Chairman, I ask the indulgence of the House to speak out of order.

I wish I had the crystal ball that our friend from Missouri [Mr. CANNON] possesses, to look into the future to predict what Republican candidate for President we may have in 1952. But I am quite confident that whatever candidate we may select out of the vast field of capable statesmen, there will be little difficulty in disposing of the gentleman from Missouri, President Truman.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. POTTER. I yield.

Mr. BROWN of Ohio. I asked the gentleman to yield for the reason I know the CONGRESSIONAL RECORD does not always give a true picture of that which goes on in the House. Perhaps it should be pointed out that the gentleman from Missouri [Mr. CANNON] is one of the great humorists of the House. He has long been known for his jolly smile and for the clever things he so often says in jest. Those of us present today are sure the gentleman from Missouri [Mr. CANNON] was jesting when he suggested that both he and Mr. Pearson gaze into the same crystal ball. I might add that if future events should happen to prove the gentleman from Missouri to be wrong in his prediction as to who will be nominated and elected president, the fur coat and deep freeze trade of this country is going to be ruined.

Mr. POTTER. I am sure the gentleman's observation is true.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. POTTER. I prefer not to. The gentleman from Missouri [Mr. CANNON] found it very difficult to yield to the members on our side.

The people who know the gentleman from Missouri [Mr. CANNON] can all appreciate the humortone and the humorous vein in which he gave his remarks. I thought the gentleman's remarks about how the President kept us out of war were a little far afield. It seems to me I recall reading in the paper—it might have been Drew Pearson's column—that we have about 150,000 casualties from Korea. I am certain that those men would be inclined to disagree with the distinguished gentleman from Missouri [Mr. CANNON] when he takes great pride and pleasure in pointing out that our President has kept us from war.

Mr. JACKSON of California. Mr. Chairman, will the gentleman yield?

Mr. POTTER. I yield.

Mr. JACKSON of California. Do you think the gentleman from Missouri would have any success in trying to convince the parents of those 150,000 casualties, a large portion of whom are dead or missing in action, that we are not currently engaged in a very bitter war in Korea?

Mr. POTTER. I am sure it would be a most difficult thing to do.

Mr. ARMSTRONG. Mr. Chairman, will the gentleman yield?

Mr. POTTER. I yield briefly.

Mr. ARMSTRONG. I wonder if the gentleman would not like to ask the distinguished gentleman who just spoke in regard to his remark that the war was confined to Korea by the President personally, let us say. If he will consult the ones fighting over there, I think he would find that they would rather go ahead and win that war and get it over with, than to carry on this stalemate.

Mr. POTTER. I think probably the gentleman from Missouri would find time to answer the gentleman's question.

The reason that I asked for this time today was not to get into a political discussion. But I do want to bring to the attention of the House a matter which is of vital importance to us in the great State of Michigan, and I think also to the country.

Mr. Chairman, the Committee on Un-American Activities, of which I am privileged to be a member, has been conducting extensive hearings on the extent of Communist infiltration in the motion-picture industry. The hearings conducted this year are a continuation of those which began in 1947 when the much publicized Hollywood Ten were cited for contempt.

I believe that the hearings conducted under our able chairman, Judge WOOD, of Georgia, have provided the Congress and the country with valuable information concerning activities of the Communist Party in the motion-picture industry.

It is established without doubt that the Communist Party carried on an extensive campaign to gain control of this vital industry. Its purposes for concentrating on the motion-picture industry are threefold: First, to obtain funds for the party. Here was a reservoir of highly paid individuals who could and did contribute millions of dollars into the coffers of the Communist Party. I am convinced that Hollywood was a major source of revenue for the party in the United States.

Secondly, the Communists were desirous of securing so-called big names or public names in their organization for prestige purposes.

The third and ultimate objective of the Communist Party's activities in Hollywood was to gain control of the various guilds in order to utilize motion pictures as a means of spreading Communist propaganda.

I believe that the present hearings have been more revealing than the hearings of 1947. Many individuals who have broken away from the Communist Party are cooperating with the committee, informing us of their activities while they were members of Communist cells in Hollywood. The committee has received a great deal of valuable information from the testimony of former Communists such as directors Dmytryk and Tuttle, writers Richard Collins and Strongberg, and actor Sterling Hayden.

Witnesses who have appeared before the committee can be generally classified into three categories: First, there are the ex-members of the Communist Party who have given us the benefit of their vast knowledge concerning the activities of members of the Communist Party with whom they were associated. We refer to these as the "cooperating witnesses."

Another group are those who have been subpenaed and when they appear before us refuse to cooperate and hide behind the fifth amendment to our Constitution. These are referred to as "unfriendly witnesses." I think it significant to point out that anyone who hides behind the fifth amendment, who in answer to the question as to whether he was or had been a member of the Communist Party, refuses to answer because his reply might tend to incriminate him, leaves the committee with only one choice: to believe that he is a member of the Communist Party. If he were not a member or had not been a member, certainly a truthful answer would not incriminate him and there would be no

purpose in seeking the protection of the fifth amendment.

Another type are persons we call the tight rope-walking witnesses, who claim they are not members of the Communist Party and have never been members. They explain that they have joined various front organizations without knowing the purposes of the organization or that their names were used without their knowledge. These witnesses put on an act of being extremely naive. The committee can only bring out available evidence, and it is up to the public to determine whether they should give credence to the testimony of these witnesses.

Of course, we always have those people on whom we have attempted to serve subpenas and who willfully dodge the officers by leaving the country or otherwise being unavailable, or who secure medical statements to the effect that they are in such ill health that they are not able to appear before the committee.

A case in mind is actor J. Edward Bromberg, who was issued a subpena some time in March 1951, and through his attorney, Mr. Popper, submitted a letter to our committee accompanied by a medical statement, which I will read.

A subpena was served on J. Edward Bromberg, who was an actor, in March of this year.

Mr. JACKSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. POTTER. I yield.

Mr. JACKSON of Washington. The gentleman said a subpena was served; I think the fact is that the subpena was issued.

Mr. POTTER. The subpena was served him. His attorney said that Mr. Bromberg would be unable to appear before the committee and he cited two certificates from doctors as to his heart condition. I insert a copy of the attorney's letter and the certificates from the doctors:

LAW OFFICES, WOLF, POPPER,
ROSS & WOLF,
New York, N. Y., April 6, 1951.

HOUSE COMMITTEE ON UN-AMERICAN ACTIVITIES,
House Office Building,
Washington, D. C.

(Attention Frank Tavenner, Esquire.)

DEAR SIR: I am the attorney for Mr. J. Edward Bromberg, who has been subpenaed to appear before the House Committee on Un-American Activities on April 12, 1951. As I indicated to you on the telephone on Thursday, April 5, I shall make a formal application to the committee to vacate the subpena served upon Mr. Bromberg on the basis of his physical condition.

I am enclosing for the information of the committee, medical certificates from two heart specialists which describe Mr. Bromberg's condition and indicate that if he is compelled to appear before the committee he may suffer an attack of heart failure. I also have in my possession and will make available to the committee electrocardiographs taken on March 19, 1951, by William I. Gefter, M. D., one of the heart specialists whose certificate is enclosed.

In accordance with our telephone conversation, I should appreciate it very much if you would arrange for me to appear before the committee on April 10, 1951, to make the application to vacate Mr. Bromberg's subpena.

Very truly yours,
WOLF, POPPER, ROSS & WOLF,
By MARTIN POPPER.

PHILADELPHIA, PA., *March 20, 1951.*

WALTER MODELL, M. D.,
New York, N. Y.

RE: Mr. Edward Bromberg.

DEAR DR. MODELL: This is to inform you briefly of the progress of your patient, Mr. J. Edward Bromberg.

I saw him on March 12, 1951, at which time he was in moderate congestive heart failure. His heart rate was about 100 and regular. A gallop rhythm was present. There was bilateral pulmonary congestion about one-half way up the chest posteriorly. His neck veins were prominent and his liver was engorged and tender. He had slight ankle edema. His blood pressure was 160/90. I gave him 2 cubic centimeters of a mercurial diuretic intramuscularly and asked him to take 1.2 milligrams of digitoxin over the next 24 hours and then 0.2 milligram daily. I urged his salt restriction. He was remarkably improved on March 14, 1951. There was no evidence of congestive failure except for slight hepatic enlargement. His ventricular rate was 70 and his blood pressure 110/70. At this time I was able to distinguish his heart sounds clearly. As you of course know, he has aortic regurgitation and mitral stenosis. He has been receiving a mercurial diuretic every few days. On March 16, 1951, he called and complained about substernal discomfort after walking several blocks. He came to the office and I found slight basal congestion. The pain was no longer present. An electrocardiogram showed no evidence of a recent myocardial infraction. I reduced his digitoxin dosage to 0.1 milligram daily. On March 19, 1951, he complained of having had several episodes of precordial distress, not related to exertion however. The location of the discomfort, and the characteristics of the pain, strongly suggested the picture of clinical coronary insufficiency. An electrocardiogram again taken (see enclosed) was identical with the one taken previously. I advised Mr. Bromberg to try nitroglycerin sublingually in order to determine whether the precordial pain could be relieved promptly.

I will advise you further concerning his future progress.

Very truly yours,
WILLIAM I. GEFTER, M. D.

NEW YORK, N. Y., *April 1, 1951.*

MR. MARTIN POPPER,
New York, N. Y.

DEAR MR. POPPER: Mr. J. Edward Bromberg has asked me to write to you.

Mr. Bromberg has rheumatic heart disease. He first visited me because of this in August 1944 and since he has taken residence in this city I have attended him regularly for it.

Mr. Bromberg discovered that he had rheumatic heart disease in his youth, but the exact time it developed has not been established. Since its discovery, and until recently, his heart disease has been well compensated and he has required no treatment. Since December 1950 he has complained of symptoms of cardiac dysfunction. This was treated with mercurial diuretics, with relief. In March 1951, in Philadelphia he suffered a frank attack of congestive failure. This was treated with digitalis and mercurial diuretics. This form of treatment has been continued, and Mr. Bromberg is now symptom free.

Treatment and dietary restriction will be required for an indefinite period. I have also advised Mr. Bromberg to refrain from emotional upsets, and to avoid tensions and anxieties. There is the possibility that unless this plan is followed that there will be further attacks of heart failure.

Very truly yours,
WALTER MODELL, M. D.

Now it is interesting to note that although Mr. Bromberg's health does not permit him to appear before the Committee on Un-American Activities, he is at the present time staying at the Michigan League Building in Ann Arbor, Mich., rehearsing for a play, The Royal Family, in which he will make seven appearances in 5 days the middle of this month. Apparently his health is sufficiently improved since he begged off from appearing before our committee to allow him to carry on this most strenuous week. I think it wise at this point to cite from the public record a little bit about this man Bromberg.

During the public hearings before our committee on April 24, 1951, Marc Lawrence, a motion-picture actor, testified that during 1938 he attended about 12 Communist cell meetings and that J. Edward Bromberg was in the same cell with him. On May 24, 1951, Frank Wright Tuttle, a director in the motion-picture industry, testified before our Committee on Un-American Activities that he, Tuttle, had been a member of the Communist Party from 1937 to 1947, during which time he belonged to perhaps five different Communist groups. Mr. Tuttle further testified that J. E. Bromberg, an actor, was in one of the Communist Party groups with him.

I would like to quote some excerpts from the files of the committee, citing the long background in Communist and Communist-front activities carried on by actor Bromberg:

The Communist Daily Worker reported on November 6, 1933 (p. 2), "the League of Professional Groups, * * * signed a statement urging support of the Communist Party platform and candidates in tomorrow's election. * * * Among the signers were: * * * J. Edward Bromberg, the Group Theater.

Bromberg has a Communist record a mile long, dating back to 1933 when the Communist Daily Worker on November 6, 1933, wrote that the League of Professional Groups signed a statement urging support of the Communist Party platform and candidates in tomorrow's election, and among the signers were J. Edward Bromberg, of the Group Theater.

He has been identified with the National Council of the Arts, Sciences, and Professions, which is a Communist-front organization; the Hollywood Chapter of the League of American Writers, which has been under the auspices of the Communist Party. He taught for the New Theater League, cited as a Communist-front organization. He was active on behalf of the National Committee for the Defense of Political Prisoners and other Communist-front organizations.

In September 1939, 1 month after the signing of the Nazi-Soviet pact, a group of Communist Party stooges issued an open letter bearing the title "Open Letter for Closer Cooperation With the Soviet Union." It should be emphasized that the United States and the Soviet Union were not at that time collaborating against the Axis Powers; on the contrary, the Soviet Union was collaborating with the Nazis.

This activity on behalf of the Soviet Union during this period of time shows a well-disciplined Communist.

He was also active in the Jewish People's Fraternal Order, which was cited as a Communist-front organization by former Attorney General Tom Clark.

He was active in the Civil Rights Congress, also cited by the Attorney General as a Communist-front organization.

J. Edward Bromberg, identified as an actor, sent a petition to the Supreme Court of the United States for a reconsideration of its refusal to hear the appeal of the Hollywood 10. This was shown in an advertisement inserted in the Washington Post of May 24, 1950.

This gives a thumbnail sketch of the long Communist background of J. Edward Bromberg.

I have contacted the University of Michigan with regard to Bromberg's appearance there and am advised that The Royal Family is produced under the auspices of the Ann Arbor drama series. This series is sponsored by a committee of approximately nine members and has no official connection with the University of Michigan. However, I understand that six members of the staff of the university are on the committee.

Apparently the committee contacted a casting office in New York to secure talent and this talent works with local talent at the university to put on plays such as The Royal Family. The only official connection with the University of Michigan is that the university leases the facilities for conducting the plays. It is to be regretted that the casting office which the Ann Arbor drama series contacted should send them a man of J. Edward Bromberg's reputation. I am afraid that many people will assume that this series has the official blessing of the university and will be very much concerned over the fact that a man of Bromberg's Communist background should appear in a play there.

As the university receives partial support from the taxpayers of Michigan, I think it should be ever diligent in its efforts to make sure that these funds are not used to provide university facilities for a Communist.

In order to save the Ann Arbor drama series committee and the University of Michigan from undue embarrassment, and because we are desirous of having Mr. Bromberg appear before our committee, I have asked our committee to take appropriate action.

Mr. BATES of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I believe our subcommittee has done an able and a conscientious job. Yet, as I review the work of the subcommittee I cannot escape the feeling that ours is a job that should be done by residents of the District of Columbia rather than by Members of Congress from other sections of the United States. I have been on this committee for 3 years now; I have become somewhat familiar with the activities of the municipal government of the District of Columbia, but I feel that even though I have tried to do a conscientious job I do not have the sufficient intimate and basic knowledge of the institutions and the activities of the District to qualify me for the job as well as someone who lived here during the entire year and who worked exclusively on District of Columbia problems. Congressmen are legislators for the Nation; they are not municipal councilmen and have not the time and understanding of local metropolitan problems to permit their doing the type of job which the residents of this community deserve. I think that the time must come soon when the District of Columbia must have home rule with city officials responsible to the electorate; that they should have the opportunity to pass upon their own appropriations.

The gentleman from Oregon [Mr. STOCKMAN] mentioned the local golf courses. I was, I think, the only member of the subcommittee who dissented from the action of the subcommittee in permitting the present operator of the golf courses within the District of Columbia to continue his operations. I believe that there is much merit to the proposition of permitting the District to operate these courses. There has been much criticism advanced against the present operator of the golf courses as the result of incompetent bookkeeping records, as the result of inadequate service rendered to the public that has been using the golf courses. The Federal Government does have a stake in these golf courses because a certain portion of the net profits derived from those golf courses is supposed to go to the Federal Government. The bookkeeping has not permitted an accurate determination of the question as to whether the profits have been fairly divided. However, in the examination that I have made I find that there have been a number of improvements that have been made over the last few years in the golf courses themselves, that the operator has taken a much stronger interest in providing facilities for the golfing public, and as a result I do not propose to offer any amendment to this bill which would permit the Government of the District of Columbia to use sufficient funds to take over the golf courses. However, I should like to point out that under the terms of the agreement between the Department of the Interior, which is the landlord, the lessor of these golf courses, and the lessee, the District of Columbia can take over the golf courses upon the expenditure of $275,000, and I am sure it is the intention of the committee, as brought out in the report, in the event the service to the public is not adequate or in the event the bookkeeping system of the operator is not brought up to date and not maintained in a much more accurate manner, that the District of Columbia should exercise its right under the lease and should take over the golf courses, and the Congress should provide the funds necessary to do so.

An attempt will be made here today, I am sure, to cut the Federal contribution by at least 10 percent. Under basic law the Federal Government is authorized to expend $11,000,000 as a Federal contribution to the District of Columbia, plus 1,000,000 for the water fund for the District of Columbia. Last year that amount, under a similar authorizing statute, was cut by 10 percent. I know that as I sat and listened to the testimony that was presented to us I received the impression that in spite of the fact that the budget of the District of Columbia government has risen from $16,000,000 in the year 1917, to $69,000,000 in the year 1945 and then to $136,000,000 for fiscal year 1952, like all the other great metropolitan communities throughout the country, the District of Columbia is still in very straitened circumstances. I know that the school system could stand many improvements; that there are a number of schools that ought to be built. My own son was to matriculate in one of the public schools of the District of Columbia, and in his particular grade he found that there were 55 pupils for 1 teacher. This condition is bad, not only for the children, but for the teachers as well, and it should be improved, but there are not sufficient funds.

I know this, too, that the District of Columbia has pending a pay raise for certain of its municipal employees. In the event that the Federal contribution is cut, the tax rate of the District of Columbia will have to be raised. To my mind, the city of Washington, the District of Columbia, is a Federal city. I believe if you ask every resident in this country if he would contribute less than 10 cents the amount this bill asks him to contribute to the upkeep of this Federal city that each one of them would answer in the affirmative.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. KEATING. On that question of the tax rate, as I read this schedule statement C, page 23 of the record, it would indicate that the tax rate in Washington now is considerably below other cities of comparable size. Am I correct in that?

Mr. YATES. The gentleman is correct. I made that point to the assessor at the time of the hearings that real-estate taxes were lower than other cities. It is lower than other cities of comparable size, the schedule shows comparably that, but it is higher than other

cities as well. If the gentleman will examine that schedule he will find that to be true, but my point is this, if I may be permitted to finish my statement: The Federal Government is being asked at this time to pay less than 10 percent of the entire District of Columbia budget. The Federal Government receives many services and many types of help from the District of Columbia, far beyond the value of the contribution authorized. On the basis of taxable space alone, its tax bill would approximate $18,000,000. Those seeking to reduce the amount of the Federal contribution are taking advantage of the government of the District of Columbia and the people who live in the District of Columbia, because under no stretch of the imagination can it be said that the Federal Government should not make the contribution requested in this bill.

Mr. STOCKMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I want to address myself to the bill on three topics. One is on the question of milk, one on fluoridation, and one on appropriations, and perhaps a word about some of the public buildings.

I had hoped to offer an amendment on page 17, line 11, after the word "milk", in this language: "except milk that meets the standards of the United States Public Health Service for grade A milk shall be accepted in the District of Columbia."

I understand that would be legislation on an appropriation bill. However, the provision on page 17 itself is legislation on an appropriation bill. I have spoken to the gentleman from Virginia [Mr. SMITH,] and I know he would object to such legislation on an appropriation bill, and I would have to admit that it is legislation.

May I point out to my colleagues that the District of Columbia is the only city in the United States which has peculiar standards for milk in that it requires steam sterilization. Thirty-four of the States and more than 1,400 cities have adopted the United States Public Health Service code for grade A milk, the best milk you can get in the United States, milk just as good as that in the District of Columbia. What we have here in this area through the Maryland-Virginia milk monopoly, if you please, is a tight little organization that has prevented milk that meets the standards of the United States Public Health Service code from entering the city. Oh, it came in during the war under order from the District of Columbia, but now milk is being prevented from coming in simply because of the tight little monopoly. It has made the District of Columbia one of the lowest areas for the consumption of milk among children of all the cities of the United States. That is due to the price of milk, the monopoly of milk.

We had a bill in the District Committee last year on the question of changing this situation, but the peculiar complexion of the committee made that change impossible. I understand there is a bill coming out of the Committee on Agriculture and I hope to put in that bill an amendment which will permit the milk that is used in 34 States and 1,400 cities as grade A milk to come into the District of Columbia and thus break this monopoly of milk that is a stranglehold on the people of the District of Columbia. The citizens of the District deserve the same privileges as those in the other States.

Out at St. Elizabeths they have the Public Health Service code for milk, but down at the city jail you cannot use it legally, you have to have milk handled with steam sterilization. It is a ridiculous situation and it ought to be changed. I am going to appeal to you later on to do that.

On the question of the fluoridation of water, I am disappointed that the committee did not see fit to put it in the bill. I understand that it, too, would be legislation on an appropriation bill. I talked to the chairman of the committee, the gentleman from Kentucky [Mr. BATES], and he was favorable to it, but it is legislation on an appropriation bill. I have asked the bill drafter to present a bill which I will introduce to the District Committee tomorrow, asking them to pass upon the question of the fluoridation of water. I think it is a step forward. It does not cost very much. It has been proven that it does stop the decay of teeth in children. It is a health measure on which we as Members of Congress ought to accept some responsibility. It is a good preventive for decay in teeth.

One question about the appropriations. I have been one Member of the House that has been standing up here asking for cuts in appropriations, but I doubt very much whether we should cut the District of Columbia appropriation bill. I say that because of the increased cost of things. The District budget has gone up year after year. I think as Members of Congress, with our people coming here from the 48 States and from the Territories, visiting here in the District of Columbia, we have a direct responsibility as to the amount of money we are to contribute as a Federal Government to the District. The Federal Government owns a tremendous amount of property and land in the District of Columbia. I doubt very much that we are carrying our proper responsibility now in the District of Columbia as it relates to the appropriation from the Congress, and I hope that the amendment that is offered to cut it 10 percent does not prevail. I have quoted for every cut that has ever been offered to an appropriation bill in the Congress, but I do not believe we should do that here. I think we have been rather stingy, if you please. As a Representative from the State of Nebraska, I am sure my people would want to make their proper contribution to the District of Columbia and make it a good clean city and one which they may well be proud to visit.

There is one other word I would like to say about some public buildings in the District of Columbia. When I was chairman of the District Committee on the public health measure I visited all of the District buildings. I must point out to the Committee on Appropriations that there are some buildings, and I am thinking now of the home for the aged and infirm, which is a fire hazard. This Congress has a responsibility in that connection. I realize since we visited that place that a water system to handle fire hazards has been installed, but there are a number of buildings that are old and in need of repair. Here again the Members of Congress have a definite responsibility to see that those public buildings are in the shape that they can meet the needs of the population of the District of Columbia.

Mr. Chairman, I yield back the balance of my time.

Mr. BATES of Kentucky. Mr. Chairman, I yield 1 minute to the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, on yesterday in Providence, R. I., Providence College held its annual commencement exercises. My colleague, AIME FORAND, who is now serving his thirteenth year as a Member of the Congress from the First Congressional District of the State of Rhode Island, was honored by Providence College yesterday afternoon when they conferred on him the degree of doctor of laws. AIME FORAND has had a long and distinguished career in public office in the State of Rhode Island, having served for many years as a member of the house of representatives in Providence and then coming here as a secretary to two of our most illustrious Members of Congress and then taking the place of one of those Members in 1936. Because of the outstanding service that he has rendered to the people of the State of Rhode Island, Providence College conferred on him yesterday afternoon a well-deserved honor by conferring on him the degree of doctor of laws, and he is now known as Dr. AIME JOSEPH FORAND.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. STOCKMAN. Mr. Chairman, I have no further requests for time.

Mr. BATES of Kentucky. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read.

Mr. H. CARL ANDERSEN. Mr. Chairman, I see no reason to try to amend this bill with so few Members on the floor. I make the point of order that a quorum is not present.

The CHAIRMAN. The gentleman from Minnesota makes the point of order that a quorum is not present. The Chair will count.

Mr. BATES of Kentucky. Mr. Chairman, I move that the Committee do now rise, and on that I demand tellers.

Tellers were ordered; and the Chairman appointed as tellers Mr. BATES of Kentucky and Mr. STOCKMAN.

The Committee divided; and the tellers reported there were—ayes 41, noes 1.

So the motion was agreed to.

Mr. H. CARL ANDERSEN. Mr. Chairman, I withdraw my point of no quorum.

The CHAIRMAN. The Committee will rise.

Accordingly the Committee rose; and Mr. MCCORMACK having assumed the chair as Speaker pro tempore, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 4329, the District of Columbia appropriation bill for 1952, had come to no resolution thereon.

UNIVERSAL MILITARY TRAINING BILL

Mr. WERDEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therewith extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WERDEL. Mr. Speaker, I hold in my hand a letter from Senator Jack B. Tenney, of the State Legislature of California. He has for many years been head of the un-American activities committee of our legislature. He has sent me a copy of a letter addressed to the gentleman from California [Mr. HILLINGS]. He has mailed a similar copy to other Members of the House, pointing out the dangers of dual control and dual power of the technique of communism that he sees in the present universal military training bill which will be considered under the conference report tomorrow.

His letter is as follows:

CALIFORNIA LEGIELATURE,
SENATE,
June 3, 1951.

Hon. PATRICK J. HILLINGS,
Congressman, Twelfth California District, House Office Building, Washington, D. C.

DEAR PAT: Interested citizens and organizations in Los Angeles County and throughout the State have contacted me in reference to the universal military training bill which, I understand, is to come before the House this week for concurrence in free conference amendments. I have not had an opportunity to see the bill as now amended, but I am familiar with S. 1 which replaced the House bill by amendment. Likewise, I do not know what the free conference amendments are and therefore am unable to evaluate the proposal as it appears in its final form. Regardless of the amendments, it appears that the basic provisions of the act are retained and that the objections heretofore raised are therefore still valid and worthy of consideration.

Objections to this type of legislation are extremely difficult to present in view of the fact that understandable arguments go more to the background than to the legislation itself and must, consequently, be coupled with material that, at first glance, appears extraneous.

At the out-set, you should understand that there is no objection whatsoever to the idea of universal military training per se. This proposal has long been advocated by the American Legion and other patriotic organizations and has generally enjoyed the full support of the people. As a Legionnaire, I have consistently supported the general idea and still do. My first concern with the pending bill is the result of a statement by National Commander Erle Cocke, Jr., before the subcommittee of the Senate Committee on Armed Services, January 22, 1951. At that time (see p. 702, Hearings by Preparedness Subcommittee of the Senate Committee on Armed Services), Commander Cocke made the following statement: "We want to make it clear that the plan before you is not universal military training of the type so long advocated by the American Legion and supported by the people." (S. 1 was later amended into the House bill.)

In order to understand the objections now being raised against the final passage of this legislation, the following background must be carefully considered. (It is fully documented and I am sure that you can secure documentation through the Library of Congress.)

The successful overthrow of the Kerenski government in the 1917 Bolshevik revolution in Russia was chiefly predicated on Lenin's concept of dual power. This idea was successfully applied by the Bolsheviks under Lenin's direction by utilizing the soldiers and sailors soviets (committees). Upon his return from exile in Finland, Lenin raised the slogan "All power to the Soviets." Alongside the Kerenski government the soviets of workers, soldiers, and sailors deputies assumed and exercised governmental powers so that the dissolution of the Russian Constituent Assembly at Lenin's and Trotsky's order became a mere detail and was accomplished without firing a shot.

Dimitrov, at the Seventh World Congress of the Comintern in Moscow in 1935, enunciated the Trojan-horse policy which embodied in concrete language the dual-power concept. From 1935 onward this strategy of the Trojan horse-dual power idea has controlled the thinking of the top brass in the Communist Party of the United States. The general strategy has slopped over into the thinking and techniques of radical left-wing Socialists and undoubtedly dominates inner-circle directives.

Earl Browder, reporting to the national executive committee of the Communist Party in 1944 emphasizes the dual-power concept in considerable detail (see the Communist for March 1944). You are undoubtedly familiar with the paper by Hitler's last chief of staff, Gen. Heinz Guderian, written in an American prison camp at the specific direction of top American staff officers. I understand that the Guderian study was made after the enactment of the armed services unification law. Congressman WERDEL, in my opinion, has done a magnificent public service in bringing this matter to public attention. It seems to me that the questions asked by TOM WERDEL should be satisfactorily answered before the final passage of the present UMT bill. Heinz Guderian himself stated that he made the study "at the request of the Historical Division of the United States Army." As far as I have been able to ascertain, no one has answered WERDEL'S question as to why the request was made.

The Guderian plan may be said to outline a military high command, completely in the Prussian general staff mold, advocating a thorough military dictatorship in time of war—and in peace as far as civilian problems effect the military. The plan, as you probably very well know, details the organization of a nation under military dictatorship so that its people, its economy, its politics, and its thinking, may be effectively directed and controlled by the high command. It appears to many (and it so appears to me) that the essence of the Guderian recommendations is included in the pending UMT bill.

The present bill on which you will be called upon to vote sometime this week appears to fit in with the foregoing in the following respects: Total conscription (S. 1, 82d Cong, subsec. A, sec. 4); total censorship and control of the press; forced labor, et cetera. In view of the fact that Congress appears to have lost the constitutional right to declare war and to determine whether or not the Armed Forces of the Nation are to be sent to the four corners of the world, it would seem that subsection D, paragraph 2 of section 6 effectively bypasses the chain of command placing full power in the Secretary of Defense rather than in the President of the United States as the supreme commander of the Armed Forces of the country.

It seems to me that the provision of the bill providing that the legislation go into effect some time in the future, together with the general provision that the foregoing points apply to peacetime, should give our Representatives in Congress ground for pause and further study.

Finally, your attention is called to article 7 of the United Nations Charter. The application of the provisions of this article to the pending UMT bill should become significant and should not be dismissed without a good look at the records and philosophy of the individuals who may be empowered to administer the act.

The original UMT proposal contemplated a period of military training for the youth of the Nation for the specific purpose of permanent military reserves to be called upon in time of war or emergency. This is the idea sponsored by the American Legion and patriotic organizations throughout the Nation. It was never contemplated that such legislation should embody a dual-power concept which might bypass both the President and Congress for the purpose of establishing a socialistic military dictatorship in time of peace.

There is much more that I would like to say to you on this subject but I believe the foregoing will indicate to you the general scope of objections. Many people who have given sincere study to the problem find a terrifying analogy in Lenin's dual-power concept and the present proposal. Lack of confidence in Truman, Acheson, Marshal, et al., is apparently basic in the minds of most people and this same lack of confidence undoubtedly contributes considerably to fear and suspicion of the UMT bill as now written. Regardless of the cause, it appears to me that the foregoing factors are worthy of consideration and study. Congress should see to it that the military remains under complete civilian control; that the constitutional powers of the President and the Congress be in no wise weakened and that the letter and the spirit of the Constitution and the Bill of Rights be fully preserved and maintained for the people of the United States in time of peace.

Very sincerely,

JACK B. TENNEY.

SPECIAL ORDER GRANTED

Mr. CURTIS of Missouri asked and was granted permission to address the House tomorrow, June 7, 1951, for 15

minutes, following the legislative business of the day and any other special orders heretofore entered.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from California [Mr. WERDEL] is recognized for 30 minutes.

LOCAL AUTONOMY IN UNIONS

Mr. WERDEL. Mr. Speaker, we meet in a beautiful Chamber recently remodeled within stone walls. We anticipate its perpetual use. We have installed two beautiful clocks so that we may tell each expiring instant of the march of time, but those clocks also mark off the remaining time until corruption at home or violence from abroad will penetrate these stone walls and adjourn this council of freemen permanently.

As their counsel we must pass laws for freemen to live by. They cannot live free by executive directive. The battle cry of Boston was "No taxation without representation." The same cry is heard today, expressed in the words "No more government by executive decree." Our Chief Executive should realize that Americans admit temporal subservience to no mortal man whether he be military leader, religious leader, labor leader, president of a business trust, or President of the United States. It is understandable that most of us are deeply concerned with respect to our dangers from abroad. However, too few of us are concerned with our disorders here at home. Domestic disorders magnify the threat from abroad and domestic disorders give hope and encouragement to our plundering foreign enemy. It has been well said that we are in danger "not so much by our enemies' power as by our own neglect." It is not so much the potency of our enemies as the weakness of ourselves that threatens us.

In regard to domestic weaknesses, a large segment of our people are losing confidence in their Government; the Congress has delegated its powers to be exercised by nonelected officials; the Executive has surrounded himself with incompetent and corrupt advisers and cannot get good advice to perform our delegated duties; we have locked up some traitors but further investigation is thwarted by Executive orders which protect the big brain who is yet unknown; their per-capital portion of our national debt now exceeds the total assessed valuation of some counties; with each session of Congress we further oppress and depress our citizens; we are exhausting our natural resources to buy disrespect abroad; we have closed down our strategic metals industry; we now say we will either expand the national debt or apply ruinous taxation; we are destroying Christian self-reliance by political bribery programs; we pay tribute to foreigners in an effort to buy their friendship; we allow leaders of enslaved groups to destroy law and order if they can turn over some votes; a segment of our free press is more interested in building its circulation than it is in presenting our true domestic and foreign condition to the American people; many so-called leaders of the minority party refuse to do their duty and draw the issues against corruption for the guaranteed bloodless revolution of the election day.

Mr. Speaker, all civilizations have discovered that changing economic and social conditions create new equitable rights, the recognition of which is demanded by the governed from their government. When those rights were not recognized, governments have always been overthrown from within by some leader offering to the have-nots what the haves have. There would have been no Napoleon if he had not bribed the poor against the rich. He bribed Catholic Ireland against Protestant England; Protestant Switzerland against Catholic Europe. He bribed the Mussulman of North Africa against all Christendom. Napoleon set up a new system of banking in order to redivide the accumulated wealth for political purposes. He defined new minority groups, told them what their troubles were and advised them to come to Napoleon to find relief.

It is more than coincidence that people rising in revolt to define new equitable rights have never experimented with free government except that area of the world which lives by the Old and New Testament. We here in this body are under oath of office to define new equitable rights into laws so that they may be enforced by poor men in local courts. However, we stumble on today through public lies and self-deception. We appear to have lost our virtue and public morals. Under such circumstances, liberty is, of course, the greatest of all evils because it is folly, vice, and madness without instruction or restraint. These and others, Mr. Speaker, are listed as assets at the Kremlin which they may subtract in order to determine their necessary military strength.

It is, therefcre, little wonder what our Communists at home and their social planning running-mates are so bold. They know that Russia need move no Russian armies into the field against us. We need no foes abroad—just the ticking of our beautiful clocks will ruin us.

Our ship of state is checked and turned willy-nilly in its course. Its skipper who received his papers by using our delegated powers in political bribery and chicanery is perplexed by the results of his own follies.

Even though there are some follies which baffle argument, which go beyond ridicule and which excite no feeling in me but disgust, I have just introduced a bill by which I hope to correct one of those follies. In the past, this administration and its predecessors provided the means whereby a handful of individuals gained autocratic power over the welfare and livelihood of 16,000,000 American families. This administration now lives in fear of those autocrats and their power. These autocrats get a special dispensation from this administration if they agree to turn over the vote through a controlled labor press. In return for publishing falsehoods, half-truths, and slanted news releases in their controlled press and for forcing workingmen and their families to contribute to the administration's campaign fund or lose their jobs, these autocrats have been given powers by this administration and its predecessor which now threatens to destroy our country. The dispensations they receive places them above and beyond the law. They are in fact trustees over the welfare and earning power of 16,000,000 families with additional power to affect the national security and the welfare of all of the other families of America, most of whom are workingmen. These politically anointed so-called labor leaders purporting to speak for all workingmen are in Washington spending large sums of money to enforce a socialist labor policy which they claim to be a peoples' mandate. Like other autocrats, they are puffed up with personal pride and arrogance and despise Government regulations that limit their activities and place responsibility on them.

By Executive Order 10233 issued April 21, 1951, the President of the United States has again capitulated to these autocrats. Contrary to the expressed will of this Congress, the President, by Executive decree, has granted powers to the Wage Stabilization Board to completely destroy the rights of individual workingmen and their families as established under the Labor-Management Relations Act. The American public is demanding to know why these Executive decrees have been made. The autocrats are silent. They rely completely upon their claim to have turned over the vote in the past and their promise to do it and collect campaign funds in the future. At the present time, the administration is expressing itself before the Labor Committee of this House. Its expressed reasons are nothing more than platitudes expressed to support these autocrats who have power over men and their families who in turn enjoy no secret ballot in their election.

As citizens of the United States, we must admit that the Wagner Act which gave unions protection and the right to organize were laws placed on the statute books as the result of public opinion. The American public also knew for many years prior to 1947 that the Wagner Act had to be amended to provide the foundation for industrial peace. Unreasonable labor leadership had to be controlled because there were many labor abuses as well as racketeering. Organized labor lost many friends because their leaders would not admit that their power like that of all other leaders and trustees could not be arbitrary. In other words, public opinion was again demanding in 1947 a change in behalf of the public interest. Management no longer had sufficient authority over its employees to do a good job of managing. Investors were fearful of making investments. Many businessmen were considering closing their shops to avoid radical leadership. Places of employment were closed while a branch of one union fought another branch of the same union or had jurisdictional disputes with a different union. So far as the

Wagner Act was concerned, the public was apparently expected to wait until one union licked the other and if at the end of that time, the employer was still in business he was to accept blame for all of the difficulties and commence production as usual.

Under the Wagner Act, the American public was disgusted. Some of our labor leaders who never had to carry a traditional and secret ballot election of their unions had the power to shut off the coal or steel supply, turn off the lights and stop our shipping and communications. These labor leaders boldly claimed that labor was above the law, that organized labor held special privileges above and beyond the needs of the rest of the people even when those people were speaking through their Government, the United States of America.

Remember back in May of 1946, when President Truman made a hysterical call to Congress for power to draft the striking railroad employees into the Army. The memory of that incident is still fresh in the minds of all of us. We must make sure that neither President Truman or anyone else will ever have the power to force men to work against their will. It behooves us today to also remember that President Truman's request in May of 1946 came the year following the report that a bill had been drafted at the Pentagon to draft all men into military service to work in our industries.

Farmers all over the country were seriously worried because they had lost thousands of tons of food stuffs due to the fact that a union would not deliver their products and would not unload their products without high special fees paid to these new autocrats. These are un-American activities and the public demanded a curb on them.

Congress met in 1947 and through its Senate and House Labor Committees, meeting for several months, gave everyone an opportunity to be heard. That Congress made a great step forward in the American industrial economy by passing the Labor-Management Relations Act of 1947 in which it took the first step after many years under the Wagner Act to define and protect four classes of rights based upon American industrial experience. Those classes of rights were as follows: the individual worker, the union, the management, and the public.

It is fundamental that any statutory law meet the test of time as to whether or not it is beneficial to the public interest and that it will be amended when it has been demonstrated to the legislature that it is not for the public interest either in total or in part. It is also fundamental that whenever new equitable rights are demonstrated to have come into existence under statutory law, that law must be amended in order to define those rights in the public interest.

Mr. Speaker, we in America must recall for our own benefit and for the benefit of the next generation that this country was conceived as a poor-man's country and was criticized as such. The critics were of the frame of mind that you could not turn the control of the Government over to the working classes and still protect that Government from the passions of the governed. It was said that "It is ordained in the eternal constitution of things that men of intemperate minds cannot be free. That their very passions forge the chains to rebind them." The framers of our Constitution replied that American people of all classes would forever cherish the right to compete in accordance with their individual relative excellence.

It is, therefore, incumbent upon the American people and this Congress to protect the rights of the individual workingman that I have just mentioned as being defined in the Labor-Management Relations Act of 1947. That is our duty if we are to require of him, as we must, his obligation to defend the American way of life. We must insure his right to bargain collectively in this industrial age. However, we must insist that he have the opportunity for his benefit and for national security to control his labor leaders and his union which now carry great power; 175 years of experience under our form of government demonstrates that he will act reasonably if he is given the right.

Mr. Speaker, on April 3 of this year I made a documented speech under a special order of this House. I believe that I demonstrated the intention of this administration to control its frankensteins through military socialism because in its opinion the American people are no longer fit to be free. This administration assumes that the American people will accept military socialism in time of war emergency. His acts indicate that our President intends to assume complete Executive control of our economy, our press, foreign policy, including the drafting of labor, under newly discovered inherent powers of the President in war emergencies. Yet his appointees and attorneys are talking about his inherent powers at the present time resulting from the war emergency when the Congress has not declared war. I submit to you that he believes the American people will accept those tactics as the only means left to control a handful of men who boldly threaten to destroy our war-making potential for their own personal power and gain.

The pay-offs by this administration to their frankensteins have been astounding. In spite of the antitrust laws, the executive departments of our Government aided its frankensteins in establishing the policy of bargaining across whole industries in labor relations. That policy is now being used in over 20 unions, including coal, iron, automobiles, electrical appliances, household appliances, shoes, clothing, steel, and many others. Such bargaining is not against the employer but is against the American consumer, 90 percent of whom are other workingmen, aged people, and farmers.

Mr. Speaker, last year this administration supported a bill to make it a crime for an employer to pay less than 75 cents an hour even though he could not afford to do so as a minimum wage. At that time the administration said that 12,000,000 people would be benefited and that they should receive at least $1 an hour. I want to point out recent political demagoguery of this administration in appealing to the workingmen; by Executive order it has now made it a crime for an employer to pay more than 75 cents per hour. It did this after it acted in collusion with its labor Frankensteins to put a wage differential in a workingman's car of about $400 and comparable wage differentials in shoes, clothing, and household appliances. It did it after it froze those wage differentials into the necessities of life of other workingmen for a period that it estimates to be at least 10 years. It now says it will allow cost-of-living escalator clauses as political bribery to keep the labor demagogs in control of their unions so that they can turn over the vote and make campaign collections.

Mr. Speaker, I believe in this industrial age that workingmen should have the right to bargain collectively with their particular employer. However, a growing number of our people today believe that organized labor should be outlawed because it is threatening the security of the United States and our form of Government. I do not believe that to be true, if this Congress will perform its duty to define equitable rights in this industrial age into laws that can be enforced by poor men in local courts. Labor leaders are in fact voluntary trustees. Their responsibilities and duties must be defined. Their beneficiaries are the workingmen and their wives who the trustees purport to represent. The general public must also be protected in connection with their activities. Certainly we cannot condemn the right to bargain collectively in the national interest unless we first give the beneficiaries of those trustees the right of a truly secret ballot in their election. We must also give those beneficiaries the right of a truly secret ballot on the issue of whether or not a strike should be called against the employer. At the present time these autocrats hold the power to determine who should stay in business as employers and manufacturers and who should go out. They have the power by bargaining across industries to create new marginal producers. We must give unions local autonomy. The only alternative to this action is that the labor movement will destroy itself as it did in England and in Germany where the workingman found that it makes little difference whether a demagog springs first from the left or the right.

Mr. Speaker, the bill that I introduced does the following things:

Although the strike ballot provisions and the provisions respecting the election of union officers are separate, the bill has one single broad objective, for example, insuring to rank-and-file employees freedom of choice in deciding whether or not they should go out on strike and what men they shall select for union office. Consequently, the bill may be aptly cited, as section 1 provides, as the "Democracy in Union Act, 1951."

Sections 2, 3, and 4 of the act create a system under which the exercise of the right to strike is conditioned upon the use of the facilities of the National Labor Relations Board and the taking of a secret ballot. As a result of the invalidation of the Bonin-Tripp Act—Michigan antistrike law—by the United States Supreme Court, it is no longer possible for States to pass statutes requiring strike votes in industries which are subject to the Taft-Hartley Act. The Taft-Hartley Act itself contains no provisions for strike votes except to the extent to which the Conciliation Service and the parties resort to such a device. The only mandatory provision in the Federal law with respect to strike ballots occurs in the national emergency provisions of title II in which the conduct of such a referendum by the Labor Board is the last step preceding the vacation of the injunction.

Under section 3 (b) of my bill, no strike is legal unless the labor organization which proposed to call it serves a 45-day notice upon the National Labor Relations Board as well as upon the employer. The 45-day notice should not impose an undue hardship upon labor unions as they are now required to serve a similar 60-day notice under section 8 (d) of the Taft-Hartley Act upon their employer if they propose to invoke the termination clause or reopening clause of an existing agreement. The Taft-Hartley Act, however, does not provide for any such notice where there is no contract in existence, whereas my bill would require a 45-day notice, both upon the Board and the employer, irrespective of contract. During the period the 45-day notice is in effect, presumably the parties would seek to adjust their differences by collective bargaining and by resort to the Federal Mediation and Conciliation Service. After the 45-day period has expired, if the notice is still pending, the NLRB must then take a secret ballot during the succeeding 15 days on the question of whether or not the employees are willing to accept the final offer of settlement made by the employer.

Section 3 (c) of my bill provides that such balloting shall be conducted by mail. Presumably the Board would make regulations comparable to those relating to the casting of absentee ballots under State law so that the envelope containing the ballot would bear on it the signature of the employees. Observers may be present at the actual tally of the ballots but presumably the identity of the voter would not be revealed to the observers. Of course, during the period in which the ballot is pending, both unions and employers may address arguments to the voters. It was not considered necessary to put such a clause in the bill, for the right of free speech in labor disputes is already assured by section 8 (c) of the Taft-Hartley Act.

One of the purposes of the secret ballot provided in section 3 (c) through using mail facilities is to permit such ballots to be taken out of the influence of mob psychology. It is designed to allow a man and his wife to discuss the probable effects of a strike in connection with their own welfare. It will thus give a housewife an opportunity to advise in connection with periodic interference in the family income. I believe the time has come when the Congress must admit that the American housewife is entitled to at least an opportunity to advise with her husband in connection with such matters. My bill also provides that not more than one of these strike referenda should be conducted in the same bargaining union in any one year.

Section 4 provides that a strike may be conducted only if a majority of the employees eligible to vote reject the final offer of settlement. Unless the Labor Board certifies this fact, it becomes a criminal offense to instigate strikes or to encourage them directly or indirectly by picketing or paying strike benefits.

Section 5 deals with elections for union office. It provides that no officer of a labor organization may continue to hold office unless there is an opportunity for a free election every 2 years under regulations prescribed by the Secretary of Labor. Unions violating this section lose their right to represent employees under the terms of the National Labor Relations Act and may not file any petition or charges with the Board. In general, the provisions of this section, except for a minor modification in subsection (c), were taken verbatim from H. R. 418, now pending in the House Labor Committee. In the event the provisions of my bill cause a vacancy to exist in labor leadership necessary to protect the rights of union membership, my bill also provides that the local courts shall have jurisdiction to appoint a trustee to fill that vacancy until a union election has been held.

Section 6 contains definitions of terms which are used in the preceding subsections.

Section 7 exempts disputes subject to the provisions of the Railway Labor Act from the provisions of the proposed bill.

Section 8 contains the conventional provisions with respect to the rights of individual employees.

Mr. Speaker, I believe early action on my bill is an urgent necessity. If we are to avoid military socialism, we must guarantee local autonomy in unions and we must place responsibility for law enforcement in this subject at the local level. If we do that, we can again rely upon the patriotism of our people to see that law and order is enforced in the local area through their local courts and police officers. We must destroy the powers held by irresponsible individuals to force our people on the trail to socialism.

Surely it is now clear to everyone that our demogogic administration will not take action against these Frankensteins created by itself for political purposes. It offers the American people only a fear program in foreign affairs and it is presently creating the situation whereby it will offer the American people military socialism as the only solution for domestic corruption.

The answer is clear, Mr. Speaker, the arrogance and boldness of the bureaucratic Cossacks riding through the halls of this Congress as the creatures of this administration are now inflicting fear into the administration itself. We in this Congress must have the courage to act as the representatives of our people or all is lost. The real reason back of the President's Executive order on last April 21 creating new dispute powers in the Wage Stabilization Board is that these bold, arrogant, nonelected, selfish, political and self-serving labor bosses know that they cannot exact their tribute from their workingmen if they live by the provisions of the Taft-Hartley Act. If they live by that act the American patriot as a union member is able to control their action. The President created these new powers in the Wage Stabilization Board so that he could point to its recommendations in granting new concessions to these autocrats at the expense of all of the families in America, to justify his cowardly action of capitulation.

There is always a mandate of the people to improve a workingman's condition in our country. There is never a mandate to create dual government or to create government within government which must be controlled by military socialism. It makes no difference whether we first view new kings and emperors approaching from the left or the right. We do not want them. There is never a mandate in republican government or in proper union structure to turn the clock back.

The SPEAKER pro tempore [Mr. KING]. The time of the gentleman from California [Mr. WERDEL] has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KENNEDY and Mr. KEARNS (at the request of Mr. LUCAS) for an indefinite period, on account of official business.

To Mr. PATTERSON (at the request of Mr. MARTIN of Massachusetts), for June 6, on account of death in family.

To Mr. MORANO (at the request of Mr. MARTIN of Massachusetts), for June 6, 1951, on account of official business.

EXTENSION OF REMARKS

Mr. BOLLING asked and was given permission to extend his remarks in three instances, in two to include extraneous matter.

Mr. PRIEST asked and was given permission to extend his remarks and include an address by the Speaker of the House to the graduating class of the University of Texas.

Mr. HEFFERNAN asked and was given permission to extend his remarks and include an article, and also to include an address by Rear Admiral Lamont Pugh, delivered at the graduation exercises of the nurses' training school of the Jewish Hospital of Brooklyn, N. Y., on May 14, 1951.

Mr. BAILEY asked and was given permission to extend his remarks and include a brief prepared by the Honorable CARL D. PERKINS and presented before the Federal Power Commission.

Mr. RAINS asked and was given permission to extend his remarks and include a brief entitled "Advertising and the American Economy," by Mr. Carmage Walls, of Gadsden, Ala.

Mr. DOLLIVER asked and was given permission to extend his remarks in two

instances, in one to include a letter from a constituent, Mr. Leo Lynch, of Clarion, Iowa, in regard to the ceiling on cattle prices, and in the other a radio address by Prof. R. M. Bliss, formerly director of extension for Iowa State College entitled "Inflation and the Beef Cattle Price Roll-back."

Mr. VAN PELT asked and was given permission to extend his own remarks in the Appendix.

Mr. AYRES asked and was given permission to extend his remarks and include extraneous matter.

Mr. JAVITS asked and was given permission to extend his remarks in two instances, in each to include extraneous material.

Mr. CURTIS of Missouri asked and was given permission to extend his remarks and include extraneous matter.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. McCORMACK] may extend his remarks in the Appendix of the RECORD and include a very thoughtful editorial from the Boston Post.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. ROGERS of Florida asked and was given permission to extend his remarks and include an address by Mr. Dickinson.

Mr. KERSTEN of Wisconsin asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in three instances.

Mr. D'EWART asked and was given permission to extend his remarks and include a quotation.

Mrs. HARDEN asked and was given permission to extend her remarks and include an editorial appearing in the Farm Journal.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks.

Mr. MULTER asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. MULTER asked and was given permission to extend his remarks and include a transcript of the Golden Jubilee of the Jewish National Fund, notwithstanding the fact that it will exceed two pages of the RECORD and is estimated by the Public Printer to cost $512.50.

Mr. RODINO asked and was given permission to extend his remarks and include an editorial.

Mr. ASPINALL asked and was given permission to extend his remarks and include an editorial.

Mr. FULTON asked and was given permission to extend his remarks and include an article appearing in the New Yorker magazine on May 26.

Mr. DONOHUE asked and was given permission to extend his remarks in two instances.

Mr. GATHINGS asked and was given permission to extend his remarks in two instances and include editorials.

Mr. McKINNON asked and was given permission to extend his remarks in two instances and include newspaper articles.

Mr. BURDICK asked and was given permission to extend his own remarks in the RECORD.

Mr. EBERHARTER asked and was given permission to extend his remarks and include an editorial which appeared in the Pittsburgh Post-Gazette.

Mr. VAN ZANDT asked and was given permission to extend his own remarks in three instances.

Mr. SHELLEY asked and was given permission to extend his own remarks in two instances, in each to include an editorial.

Mr. ELLIOTT asked and was given permission to extend his remarks and to include extraneous matter.

Mr. DOYLE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. SAYLOR asked and was given permission to extend his remarks and include an editorial.

Mr. HAGEN asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. HILLINGS and Mr. BENDER asked and were given permission to extend their remarks in four instances and include extraneous matter.

Mr. ROBERTS asked and was given permission to extend his remarks in two instances and include editorials appearing in the Anniston Star.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix in two instances and include extraneous matter.

Mr. ANFUSO (at the request of Mr. PRIEST) was given permission to extend his remarks in two instances, and in each to include extraneous matter.

Mr. CURTIS of Missouri asked and was given permission to extend his remarks in the Appendix and include extraneous matter.

Mr. ENGLE (at the request of Mr. YORTY) was given permission to extend his own remarks in the Appendix.

Mr. YORTY asked and was given permission to extend his remarks in the Appendix.

Mr. POTTER asked and was given permission to revise and extend the remarks he made in the Committee of the Whole and include three letters.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. STANLEY, from the Committee on House Administration, reported that that committee did on June 5, 1951, present to the President, for his approval, a bill and joint resolution of the House of the following titles:

H. R. 1612. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; and

H. J. Res. 253. Joint resolution to permit articles imported from the foreign countries for the purpose of exhibition at the Japanese Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

ADJOURNMENT

Mr. YORTY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House adjourned until tomorrow, Thursday, June 7, 1951, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 541. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CROSSER:

H. R. 4345. A bill to amend the War Claims Act of 1948, as amended, to provide compensation for unpaid compulsory labor and inhumane treatment of prisoners of war and for other enemy violations of the Geneva Convention respecting prisoners of war; to the Committee on Interstate and Foreign Commerce.

By Mr. McVEY:

H. R. 4346. A bill to authorize the construction of certain flood-control improvements on the Calumet Union drainage ditch in the vicinity of Harvey, Ill.; to the Committee on Public Works.

By Mr. WERDEL:

H. R. 4347. A bill to grant employees an opportunity to express themselves, free from restraint and coercion, with respect to interruptions of production and on their choice of officers of labor organizations representing them in industries affecting commerce; to the Committee on Education and Labor.

By Mr. HAGEN:

H. R. 4363. A bill conferring jurisdiction upon the Indian Claims Commission to hear and determine the claims of the Pottawatomie Indians; to the Committee on Interior and Insular Affairs.

By Mr. EDWIN ARTHUR HALL:

H. Res. 243. Resolution to preserve the American system of free enterprise and to lower the cost of living by encouraging price wars in retail prices of food and other necessities; to the Committee on Banking and Currency.

By Mr. O'TOOLE:

H. Res. 244. Resolution to investigate irregular and unfair price fixing against the public interest; to the Committee on Rules.

By Mr. FULTON:

H. Res. 245. Resolution to provide for the integrity and freedom of Formosa; to the Committee on Foreign Affairs.

By Mr. JAVITS:

H. Res. 246. Resolution to provide for the integrity and freedom of Formosa; to the Committee on Foreign Affairs.

By Mr. CORBETT:

H. Res. 247. Resolution to provide for the integrity and freedom of Formosa; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. HALE: Memorial of the Legislature of the State of Maine, making application to the Congress of the United States for the calling of a convention to propose an amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Maine rescinding proposal for considering a Constitutional Convention of the United States or amendments to the Constitution of the United States relating to strengthening the United Nations and Limited World Federal Government; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 4348. A bill for the relief of Jozef Dryja Vel Bienkowski; to the Committee on the Judiciary.

H. R. 4349. A bill for the relief of Alojzy Nieckarz; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 4350. A bill for the relief of Albert Goldman, postmaster at New York, N. Y.; to the Committee on the Judiciary.

By Mr. D'EWART:

H. R. 4351. A bill authorizing the Secretary of the Interior to issue a patent in fee to Ursula Rutherford Ollinger; to the Committee on Interior and Insular Affairs.

H. R. 4352. A bill authorizing the Secretary of the Interior to issue a patent in fee to Mary Rutherford Spearson; to the Committee on Interior and Insular Affairs.

By Mr. FALLON:

H. R. 4353. A bill for the relief of Col. Arthur L. Shreve; to the Committee on the Judiciary.

By Mr. FLOOD:

H. R. 4354. A bill for the relief of Boutros Mouallem; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 4355. A bill for the relief of Georgia Christos Demarelos; to the Committee on the Judiciary.

By Mr. HEDRICK:

H. R. 4356. A bill for the relief of Dr. Yau Shun Leung; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 4357. A bill for the relief of Aaron Weiner and Moses Beer; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 4358. A bill for the relief of Dr. Vincenzo Guzzo; to the Committee on the Judiciary.

By Mr. LANTAFF:

H. R. 4359. A bill for the relief of the estate of Lloyd L. Warfield; to the Committee on the Judiciary.

By Mr. SMITH of Wisconsin:

H. R. 4360. A bill for the relief of W. P. Sweetman; to the Committee on the Judiciary.

By Mr. VAIL:

H. R. 4361. A bill for the relief of Chana Singer; to the Committee on the Judiciary.

By Mr. WALTER (by request):

H. R. 4362. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of Damaso P. Perez, and Mercedes Ruth Cobb Perez, his wife, their heirs, administrators, or assigns against the United States of America; to the Committee on the Judiciary.

SENATE

THURSDAY, JUNE 7, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we come praying that Thou wilt refresh our souls and restore our faith as in all the bewilderment of the world's fiery strife our burdened hearts seek the quiet sanctuary of Thy healing presence. We are grateful that again we can turn unfilled to Thee with the tender grace of a new morning, fresh with the sparkling dew of Thy never-failing mercies. Thou hast called us to play our part in a day of destiny and crisis. May we not be found wanting. Forgetting the unworthy things that are behind and stretching forth to the better things that are before, as in hours of vision we see a fairer earth, let us lay aside the weight of every prejudice and the covetous sins that do so easily beset us, and regarding our high privilege as a sacred trust march on with glad and eager feet with the armies that go to free, not to bind, to develop and not to rule, to cooperate and not to dominate, until the knowledge of the Lord, who is no respecter of persons, shall cover the earth as the waters now cover the sea. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 5, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, notified the Senate that Mr. HAYS of Arkansas had been appointed a manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 872) to furnish emergency food aid to India, vice Mr. CARNAHAN, of Missouri, excused.

The message announced that the House had passed, without amendment, the following bills of the Senate:

S. 52. An act for the relief of Delfo Giorgi;

S. 53. An act for the relief of Vittorio Quilici;

S. 155. An act for the relief of Victor G. Lutfalla;

S. 223. An act for the relief of Azy Ajderian;

S. 276. An act for the relief of Dr. Alexander V. Papanicolau and his wife, Emilia;

S. 277. An act for the relief of Lily Pfannenschmidt;

S. 291. An act for the relief of Claudio Pier Connelly;

S. 297. An act for the relief of Tsung Hsien Hsu;

S. 348. An act for the relief of Jacoba van Dorp;

S. 356. An act for the relief of Edith Winifred Henderson;

S. 363. An act for the relief of Irmgard Kohler;

S. 463. An act for the relief of Alice de Bony de Lavergne;

S. 548. An act for the relief of Freidoun Jalayer; and

S. 1092. An act for the relief of Dr. Francesco Drago.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 178. An act for the relief of Zdenek Marek;

S. 249. An act for the relief of Ruzena Pelantova;

S. 361. An act for the relief of Herk Visnapuu and his wife, Naima;

S. 362. An act for the relief of Tu Do Chau (also known as Szetu Dju or Anna Szetu);

S. 364. An act for the relief of Mrs. Suzanne Wiernik and her daughter, Genevieve; and

S. 648. An act for the relief of Evald Ferdinand Kask.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 872) to furnish emergency food aid to India.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 26) favoring the suspension of deportation of certain aliens.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 15) favoring the suspension of deportation of certain aliens, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 33) authorizing certain changes in the enrollment of Senate bill 435, to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 590. An act for the relief of Sonja Lohmann and her minor son;

H. R. 662. An act for the relief of William O. Stevens;

H. R. 702. An act for the relief of Karl Chimani and Ada Chimani;

H. R. 732. An act for the relief of Konstantios N. Bellos;

H. R. 740. An act for the relief of John Reginald Leat;

H. R. 748. An act for the relief of Basil Vasso Argyris and Mrs. Aline Argyris;

H. R. 1096. An act for the relief of Mrs. Gizella Kezdy-Reich;

H. R. 1104. An act for the relief of Marie Louise Sageros;

H. R. 1119. An act for the relief of Mario DiFilippo;

H. R. 1581. An act for the relief of Thomas G. Fabinyi;

H. R. 1585. An act for the relief of the Marden Construction Co., Inc.;

H. R. 1691. An act for the relief of Sylvio Latino;

H. R. 1834. An act for the relief of Florence Grace Pond Whitehill;

H. R. 1842. An act for the relief of Mrs. Ann Morrison;

H. R. 1973. An act for the relief of Sanae Iida;

H. R. 2114. An act for the relief of Joe Lee (also known as Lee Jow);

H. R. 2170. An act for the relief of Mrs. Johanna Maria Lummer Valentine;

H. R. 2179. An act for the relief of Ilona Agoston;

H. R. 2180. An act for the relief of Mrs. Florence E. Homann and her son, John A. Villas;

H. R. 2208. An act for the relief of Winifred A. Hunter;

H. R. 2299. An act for the relief of Biagio Poidimani;

H. R. 2369. An act for the relief of Panagiota Kolintza Karkalatos;

H. R. 2406. An act for the relief of B. H. Manley;

H. R. 2408. An act for the relief of Mrs. Margit Helena Falk Raboff;

H. R. 2449. An act for the relief of Jadwiga Pulaska;

H. R. 2455. An act for the relief of Mrs. Maryanna Boppel;

H. R. 2538. An act for the relief of Joe Bargas;

H. R. 2771. An act for the relief of Lon Weaver;

H. R. 3665. An act for the relief of Mrs. Margarete Katharina Metz;

H. R. 3708. An act for the relief of Mrs. Goldie Weiner;

H. R. 3950. An act for the relief of Rita V. L. Flaherty;

H. R. 4141. An act to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia; and

H. R. 4165. An act for the relief of A. D. Wooda.

REPORT OF A COMMITTEE SUBMITTED DURING RECESS

Under authority of the order of the Senate of the 5th instant,

Mr. CHAVEZ, from the Committee on Appropriations, to which was referred the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes, reported it on June 6, 1951, and submitted a report (No. 386) thereon.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Under authority of the order of the Senate of the 5th instant,

Mr. CHAVEZ submitted on June 6, 1951, the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3079) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes, the following amendment, namely: On page 12, after "title" in line 21, insert the following: ": *Provided further*, That the District of Columbia shall pay by check to Freedmen's Hospital, upon the Surgeon General's request, in advance at the beginning of each quarter, such amount as the Surgeon General calculates will be earned on the basis of rates approved by the Bureau of the Budget for the care of patients certified by the District of Columbia. Bills rendered by the Surgeon General on the basis of such calculations shall not be subject to audit or certification in advance of payment; but proper adjustment of amounts which have been paid in advance on the basis of such calculations shall be made at the end of each quarter: *Provided further*, That the Surgeon General may delegate the responsibilities imposed upon him by the foregoing proviso."

Under authority of the order of the Senate of the 5th instant,

Mr. CHAVEZ also submitted on June 6, 1951, an amendment intended to be proposed by him to House bill 3709, making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Pursuant to the order of the Senate of the 5th instant,

Mr. CHAVEZ submitted on June 6, 1951, the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3079) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes, the following amendment, namely: On page 26, after "$250,000" in line 8, insert the following: ": *Provided*, That the Surgeon General is authorized, on such terms and conditions as he determines are appropriate for the efficient operation of the combined hospital and research building, to lease for a total of not more than 99 years a portion of the present site of the National Institute of Health for the construction, operation, and maintenance thereon by the lessee of rental quarters and related facilities, such quarters and facilities to be constructed and operated without regard to local zoning limitations, but to be subject for the term of the lease to State and local taxation on the same basis as other property in the community: *Provided further*, That not more than $50,000 of the amounts heretofore appropriated for the construction of additional auxiliary structures under this head shall be available for expenditure by the Public Health Service for the preparation of plans and specifications for the construction on the property leased pursuant to the preceding provision, such expenditure to be repaid by the lessee and credited to such appropriation."

Under authority of the order of the Senate of the 5th instant,

Mr. CHAVEZ also submitted on June 6, 1951, an amendment intended to be proposed by him to House bill 3709, making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

LEAVE OF ABSENCE

On request of Mr. MCFARLAND, and by unanimous consent, the Senator from Florida [Mr. HOLLAND] was excused from attendance on the session of the Senate tomorrow.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. GREEN, and by unanimous consent, the Committees on Armed Services and Foreign Relations, sitting jointly, were permitted to meet this afternoon during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators who wish to make insertions in the RECORD and transact routine business may be permitted to do so now, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—CIVILIAN EMPLOYMENT IN EXECUTIVE BRANCH

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit an additional report on civilian employment in the executive branch of the Federal Government for the month of April 1951, and in accordance with the practice of several years' standing, I request that it be printed in the body of the RECORD as a part of my remarks, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN THE EXECUTIVE BRANCH, MARCH–APRIL 1951, AND PAY, FEBRUARY–MARCH 1951

NOTE WITH REFERENCE TO PERSONAL SERVICE EXPENDITURE FIGURES

It should be noted that the latest expenditure figures for personal service shown in table I of this report are for the month of March 1951 and that they are compared with personal service expenditure figures for the month of February 1951, whereas the latest employment figures covered in this report are for the month of April 1951 and are compared with the month of March 1951. This lag in personal service expenditure figures is necessary in order that actual expenditures may be reported.

(Figures in the following report are compiled from signed official personnel reports by the various agencies and departments of the Federal Government. Table I shows total personnel employed inside and outside continental United States, and pay, by agency. Table II shows personnel employed inside continental United States. Table III shows personnel employed outside continental United States. Table IV gives, by agency, the industrial workers employed by the Federal Government. For purposes of comparison, figures for the previous month are shown in adjoining columns.)

PERSONNEL AND PAY SUMMARY

(See table I)

According to monthly personnel reports for April 1951 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures:

Department or agency	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In April numbered—	In March numbered—	Increase (+) or decrease (−)	In March was—	In February was—	Increase (+) or decrease (−)
Total	2,409,121	2,363,758	+45,363	$693,235	$627,555	+$65,680
1. Agencies exclusive of National Military Establishment	1,226,698	1,213,684	+13,014	355,282	331,082	+24,200
2. National Military Establishment	1,182,423	1,150,074	+32,349	337,953	296,473	+41,480
Within the National Military Establishment:						
Office of the Secretary of Defense	2,186	2,115	+71	899	783	+116
Department of the Army	502,556	492,670	+9,886	133,121	119,720	+13,401
Department of the Air Force	239,379	229,680	+9,699	65,252	56,995	+8,257
Department of the Navy	438,302	425,609	+12,693	138,681	118,975	+19,706

Table I breaks down the above figures on employment and pay by agency.

Tables II, III, and IV break down the above employment figures to show the number inside continental United States, outside continental United States, and the number in the so-called industrial categories. This further break-down in tables II, III, and IV does not include pay figures because payroll reports submitted to the committee by some agencies are inadequate for this purpose.

INSIDE CONTINENTAL UNITED STATES

(See table II)

Federal personnel within the United States increased 42,135 from the March total of 2,198,147 to the April total of 2,240,282.

Exclusive of the National Military Establishment there was an increase of 12,097 from the March total of 1,154,258 to the April total of 1,166,355.

Total civilian employment within the United States for the National Military Establishment for April was 1,073,927, an increase of 30,038 over the March figure of 1,043,889.

The Office of the Secretary of Defense increased 71 from the March figure of 2,115 to the April figure of 2,186.

The Department of the Army civilian personnel within the United States increased 9,149 from the March figure of 444,956 to the April figure of 454,105.

The Department of the Air Force civilian personnel within the United States increased 9,096 from the March figure of 202,770 to the April figure of 211,866.

The Department of the Navy civilian personnel within the United States increased 11,722 from the March figure of 394,048 to the April figure of 405,770.

OUTSIDE CONTINENTAL UNITED STATES

(See table III)

Outside continental United States Federal personnel increased 3,228 from the March total of 165,611 to the April total of 168,839.

An increase of 917 was reported by the departments and agencies other than the National Military Establishment from the March total of 59,426 to the April total of 60,343.

Total civilian employment outside continental United States for the National Military Establishment increased 2,311 from the March total of 106,185 to the April total of 108,496.

The Department of the Army reported an increase of 737 in overseas civilian employment from the March figure of 47,714 to the April figure of 48,451.

The Department of the Air Force reported an increase of 603 in overseas civilian employment from the March figure of 26,910 to the April figure of 27,513.

The Department of the Navy reported an increase of 971 in overseas civilian employment from the March figure of 31,561 to the April figure of 32,532.

INDUSTRIAL EMPLOYMENT

(See table IV)

Total industrial employment during the month of April 1951 increased 16,631 from the March figure of 725,133 to the April figure of 741,764.

Industrial employment in the departments and agencies other than the National Military Establishment increased 266 from the March total of 25,497 to the April figure of 25,763.

The National Military Establishment increased its total industrial employment 16,365 from the March figure of 699,636 to the April figure of 716,001.

The Department of the Army reported an increase of 4,114 from the March figure of 271,654 to the April figure of 275,768. Inside continental United States, Army industrial employment increased 3,661; and outside continental United States, Army industrial employment increased 453.

The Department of the Air Force reported an increase of 4,472 from the March figure of 135,173 to the April figure of 139,645. Inside continental United States, Air Force industrial employment increased 4,066; and outside continental United States, there was an increase of 406.

The Department of the Navy reported an increase of 7,779 from the March figure of 292,809 to the April figure of 300,588. Inside continental United States, Navy industrial employment increased 7,011; and outside continental United States there was an increase of 768.

The term "industrial employees" as used by the committee, refers to unskilled, semi-skilled, skilled, and supervisory employees paid by the Federal Government who are working on construction projects such as airfields and roads and in shipyards and arsenals. It does not include maintenance and custodial employees.

MUTUAL DEFENSE ASSISTANCE PROGRAM

Table V shows personnel counted in tables I, II, III, and IV who are assigned to the mutual defense assistance program by the State Department, Economic Cooperation Administration, and the component units of the National Military Establishment, together with their pay.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the Executive agencies during April 1951, and comparison with March 1951; and pay for March 1951, and comparison with February 1951*

Department or agency	Pay (in thousands of dollars)				Personnel			
	February	March	Increase	Decrease	March	April	Increase	Decrease
Executive departments (except National Military Establishment):								
Agriculture	19,128	20,845	1,717		73,905	75,765	1,860	
Commerce [1] [2]	17,333	19,449	2,116		58,731	58,683		48
Interior	16,608	18,150	1,542		57,810	58,987	1,177	
Justice	10,484	11,714	1,230		29,644	30,129	485	
Labor	2,284	2,571	287		7,656	8,136	480	
Post Office	129,603	133,342	3,739		497,323	501,035	3,712	
State	7,605	6,809		796	26,778	27,605	827	
Treasury	27,203	30,052	2,849		91,428	91,533	105	
Executive Office of the President:								
White House Office	124	133	9		286	282		4
Bureau of the Budget	239	267	28		527	518		9
Executive Mansion and Grounds	16	18	2		73	74	1	
National Security Council [3]	9	9			19	19		
National Security Resources Board	153	97		56	186	163		23
Council of Economic Advisers	22	23	1		46	39		7
Commission on Renovation of the Executive Mansion	4	5	1		18	18		
Emergency agencies (1950-51):								
Defense Production Administration	77	149	72		415	442	27	
Defense Transport Administration	41	59	18		166	192	26	
Economic Stabilization Agency	856	1,378	522		4,348	6,099	1,751	
Federal Civil Defense Administration	138	217	79		442	537	95	
Office of Defense Mobilization	20	28	8		69	87	18	
President's Commission on Internal Security and Individual Rights		1	1		7	8	1	
President's Materials Policy Commission	5	14	9		27	39	12	
Subversive Activities Control Board	11	11			20	26	6	

[1] Includes 4,020 employees of National Production Authority, an increase of 1,064 over the March figure of 2,956.
[2] March figure is exclusive of 2,775 seamen on the rolls of the Maritime Administration and their pay.
[3] Exclusive of personnel and pay of the Central Intelligence Agency.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the Executive agencies during April 1951, and comparison with March 1951; and pay for March 1951, and comparison with February 1951*—Continued

Department or agency	Pay (in thousands of dollars)				Personnel			
	February	March	Increase	Decrease	March	April	Increase	Decrease
Postwar agencies:								
Displaced Persons Commission	133	142	4		355	355		
Economic Cooperation Administration	1,788	1,719		69	5,239	5,314	75	
Motor Carrier Claims Commission	9	9			14	15	1	
Office of the Housing Expediter	859	902	43		2,472	2,500	28	
Philippine Alien Property Administration	[4] 8	14	6		[4] 47	44		3
Philippine War Damage Commission	24	43	19		55	13		42
War Claims Commission	42	38		4	[4] 108	129	21	
Independent agencies:								
American Battle Monuments Commission	67	74	7		671	709	38	
Atomic Energy Commission	1,947	2,168	221		5,329	5,465	136	
Civil Aeronautics Board	230	243	13		544	532		12
Civil Service Commission	1,127	1,299	172		3,923	4,091	166	
Export-Import Bank of Washington	61	66	5		129	126		3
Federal Communications Commission	459	505	46		1,217	1,202		15
Federal Deposit Insurance Corporation	371	411	40		1,056	1,047		9
Federal Mediation and Conciliation Service	176	195	19		356	355		1
Federal Power Commission	285	308	23		735	732		3
Federal Security Agency [5]	9,498	10,582	1,084		35,107	35,435	328	
Federal Trade Commission	294	305	41		673	691	18	
General Accounting Office	2,208	2,418	210		6,920	6,943	23	
General Services Administration	7,096	7,664	568		28,557	29,042	485	
Government Printing Office	2,390	2,808	418		7,397	7,405	8	
Housing and Home Finance Agency	4,739	5,027	288		13,846	13,738		108
Indian Claims Commission	7	7			11	11		
Interstate Commerce Commission	786	876	90		2,144	2,189	45	
National Advisory Committee for Aeronautics	2,439	2,700	261		7,630	7,619		11
National Capital Housing Authority	83	88	5		324	329	5	
National Capital Park and Planning Commission	2	2			7	6		1
National Capital Sesquicentennial Commission	4	5	1		16	118	102	
National Gallery of Art	80	86	6		326	326		
National Labor Relations Board	321	398	77		1,576	1,529		47
National Mediation Board	55	73	18		119	117		2
National Science Foundation		2	2		19	29	10	
Panama Canal	8,222	4,147	925		20,349	20,286		63
Railroad Retirement Board	600	662	62		2,081	2,071		10
Reconstruction Finance Corporation	1,900	1,960	60		[4] 2,623	2,596		27
Securities and Exchange Commission	426	474	48		1,045	1,047	2	
Selective Service System	1,466	1,660	194		8,218	8,338	120	
Smithsonian Institution	162	178	16		580	610	30	
Soldiers' Home	112	112			735	735		
Tariff Commission	90	102	12		207	207		
Tax Court of the United States	61	62	1		127	127		
Tennessee Valley Authority	5,060	6,153	1,093		16,286	17,235	949	
Veterans' Administration	48,857	53,654	4,797		184,585	184,874	289	
Total, excluding National Military Establishment	331,082	355,282	25,125	925	1,213,684	1,226,698	13,462	448
Net increase, excluding National Military Establishment			24,200				13,014	
National Military Establishment:								
Office of the Secretary of Defense [6]	783	899	116		2,115	2,186	71	
Department of the Army:								
Inside continental United States	109,183	121,982	12,799		444,956	454,105	9,149	
Outside continental United States	10,537	11,139	602		47,714	48,451	737	
Department of the Air Force:								
Inside continental United States	52,089	59,736	7,647		202,770	211,866	9,096	
Outside continental United States	4,906	5,516	610		26,910	27,513	603	
Department of the Navy:								
Inside continental United States	111,697	129,990	18,293		394,048	405,770	11,722	
Outside continental United States	7,278	8,691	1,413		31,561	32,532	971	
Total, National Military Establishment	296,473	337,953	41,480		1,150,074	1,182,423	32,349	
Net increase, National Military Establishment			41,480				32,349	
Grand total, including National Military Establishment	627,555	693,235	66,605	925	2,363,758	2,409,121	45,811	448
Net increase, including National Military Establishment			65,680				45,363	

[4] Revised on basis of later information.
[5] Includes personnel and pay of Howard University and Columbia Institution for the Deaf.
[6] Includes 222 employees assigned to Munitions Board Cataloging Agency and 28 employees assigned to the North Atlantic Treaty Organization.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during April 1951, and comparison with March 1951*

Department or agency	March	April	Increase	Decrease
Executive departments (except National Military Establishment):				
Agriculture	71,630	73,503	1,873	
Commerce [1] [2]	55,154	54,999		155
Interior	51,456	52,227	771	
Justice	29,123	29,603	480	
Labor	7,508	8,057	489	
Post Office	495,476	499,156	3,680	
State	9,787	10,290	503	
Treasury	90,660	90,766	106	
Executive Office of the President:				
White House Office	286	282		4
Bureau of the Budget	527	518		9
Executive Mansion and Grounds	74	74	1	
National Security Council [3]	19	19		
National Security Resources Board	186	163		23
Council of Economic Advisers	46	39		7
Commission on Renovation of the Executive Mansion	18	18		
Emergency agencies (1950–51):				
Defense Production Administration	415	442	27	
Defense Transport Administration	166	192	26	
Economic Stabilization Agency	4,305	6,011	1,706	
Federal Civil Defense Administration	442	537	95	
Office of Defense Mobilization	69	87	18	
President's Commission on Internal Security and Individual Rights	7	8	1	
President's Materials Policy Commission	27	39	12	
Subversive Activities Control Board	20	26	6	
Postwar agencies:				
Displaced Persons Commission	125	126	1	
Economic Cooperation Administration	1,300	1,320	20	
Motor Carrier Claims Commission	14	15	1	
Office of the Housing Expediter	2,445	2,471	26	
Philippine Alien Property Administration	[4] 4	5	1	
Philippine War Damage Commission	43	13		30
War Claims Commission	[4] 95	116	21	

[1] Includes 4,020 employees of National Production Authority, an increase of 1,064 over the March figure of 2,956.
[2] March figure is exclusive of 2,775 seamen on the rolls of the Maritime Administration.
[3] Exclusive of personnel of the Central Intelligence Agency.
[4] Revised on basis of later information.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during April 1951, and comparison with March 1951*—Continued

Department or agency	March	April	Increase	Decrease
Independent agencies:				
American Battle Monuments Commission	18	18		
Atomic Energy Commission	5,324	5,461	137	
Civil Aeronautics Board	530	518		12
Civil Service Commission	3,922	4,088	166	
Export-Import Bank of Washington	129	126		3
Federal Communications Commission	1,191	1,177		14
Federal Deposit Insurance Corporation	1,056	1,047		9
Federal Mediation and Conciliation Service	356	355		1
Federal Power Commission	735	732		3
Federal Security Agency [5]	34,758	35,087	329	
Federal Trade Commission	673	691	18	
General Accounting Office	6,920	6,943	23	
General Services Administration	28,484	28,969	485	
Government Printing Office	7,397	7,405	8	
Housing and Home Finance Agency	13,743	13,634		109
Indian Claims Commission	11	11		
Interstate Commerce Commission	2,144	2,189	45	
National Advisory Committee for Aeronautics	7,630	7,619		11
National Capital Housing Authority	324	329	5	
National Capital Park and Planning Commission	7	6		1
National Capital Sesquicentennial Commission	16	118	102	
National Gallery of Art	326	326		
National Labor Relations Board	1,559	1,509		50
National Mediation Board	119	117		2
National Science Foundation	19	29	10	
Panama Canal	613	613		
Railroad Retirement Board	2,081	2,071		10
Independent agencies—Continued				
Reconstruction Finance Corporation	[4] 2,615	2,588		27
Securities and Exchange Commission	1,045	1,047	2	
Selective Service System	7,981	8,098	117	
Smithsonian Institution	571	601	30	
Soldiers' Home	735	735		
Tariff Commission	207	207		
Tax Court of the United States	127	127		
Tennessee Valley Authority	16,286	17,235	949	
Veterans' Administration	183,120	183,407	287	
Total, excluding National Military Establishment	1,154,258	1,166,355	12,577	480
Net increase, excluding National Military Establishment			12,097	
National Military Establishment:				
Office of the Secretary of Defense	2,115	2,186	71	
Department of the Army	444,956	454,105	9,149	
Department of the Air Force	202,770	211,866	9,096	
Department of the Navy	394,048	405,770	11,722	
Total, National Military Establishment	1,043,889	1,073,927	30,038	
Net increase, National Military Establishment			30,038	
Grand total, including National Military Establishment	2,198,147	2,240,282	42,615	480
Net increase, including National Military Establishment			42,135	

[4] Revised on basis of later information.

[5] Includes personnel of Howard University and Columbia Institution for the Deaf.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during April 1951, and comparison with March 1951*

Department or agency	March	April	Increase	Decrease
Executive departments (except National Military Establishment):				
Agriculture	2,275	2,262		13
Commerce	3,577	3,684	107	
Interior	6,354	6,760	406	
Justice	521	526	5	
Labor	88	79		9
Post Office	1,847	1,879	32	
State	16,991	17,315	324	
Treasury	768	767		1
Emergency agencies (1950–51): Economic Stabilization Agency	43	88	45	
Postwar agencies:				
Displaced Persons Commission	230	229		1
Economic Cooperation Administration	3,939	3,994	55	
Office of the Housing Expediter	27	29	2	
Philippine Alien Property Administration	[1] 43	39		4
Philippine War Damage Commission	12			12
War Claims Commission	13	13		
Independent agencies:				
American Battle Monuments Commission	653	691	38	
Atomic Energy Commission	5	4		1
Civil Aeronautics Board	14	14		
Civil Service Commission	3	3		
Federal Communications Commission	26	25		1
Federal Security Agency	349	348		1
General Services Administration	73	73		
Independent agencies—Continued				
Housing and Home Finance Agency	103	104	1	
National Labor Relations Board	17	20	3	
Panama Canal	19,736	19,673		63
Reconstruction Finance Corporation	8	8		
Selective Service System	237	240	3	
Smithsonian Institution	9	9		
Veterans' Administration	1,465	1,467	2	
Total, excluding National Military Establishment	59,426	60,343	1,023	106
Net increase, excluding National Military Establishment			917	
National Military Establishment:				
Department of the Army	47,714	48,451	737	
Department of the Air Force	26,910	27,513	603	
Department of the Navy	31,561	32,532	971	
Total, National Military Establishment	106,185	108,496	2,311	
Net increase, National Military Establishment			2,311	
Grand total, including National Military Establishment	165,611	168,839	3,334	106
Net increase, including National Military Establishment			3,228	

[1] Revised on basis of later information.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during April 1951, and comparison with March 1951*

Department or agency	March	April	Increase	Decrease
Executive departments (except National Military Establishment):				
Commerce	1,188	1,318	130	
Interior	[1] 3,624	3,040		584
State	443	400		43
Treasury	8,982	8,909		73
Independent agencies:				
Atomic Energy Commission	129	130	1	
General Services Administration	155	157	2	
Panama Canal	1,600	1,602	2	
Tennessee Valley Authority	9,376	10,207	831	
Total, excluding National Military Establishment	25,497	25,763	966	700
Net increase, excluding National Military Establishment			266	
National Military Establishment:				
Department of the Army:				
Inside continental United States	244,586	248,247	3,661	
Outside continental United States	27,068	27,521	453	
Department of the Air Force:				
Inside continental United States	115,296	119,362	4,066	
Outside continental United States	19,877	20,283	406	
Department of the Navy:				
Inside continental United States	268,360	275,371	7,011	
Outside continental United States	24,449	25,217	768	
Total, National Military Establishment	699,636	716,001	16,365	
Net increase, National Military Establishment			16,365	
Grand total, including National Military Establishment	725,133	741,764	17,331	700
Net increase, including National Military Establishment			16,631	

[1] Revised on basis of later information.

TABLE V.—*Federal employees assigned to mutual-defense assistance program*

Department or agency	Payroll (in thousands)			Civilian personnel		
	In February was—	In March was—	Increase (+) or decrease (−)	In March numbered	In April numbered	Increase (+) or decrease (−)
Total	$7,949	$8,604	+$655	$29,008	$26,017	−$2,991
State Department	110	115	+5	237	242	+5
Economic Cooperation Administration	8	4	−4	15	8	−7
Office of the Secretary of Defense	17	20	+3	44	46	+2
Department of the Army	6,579	7,030	+451	24,505	21,668	−2,837
Department of the Air Force	411	407	−4	1,173	1,195	+22
Department of the Navy	824	1,028	+204	3,034	2,858	−176

STATEMENT BY SENATOR BYRD

Latest monthly figures available today indicate the cost of the Federal civilian payroll in the executive branch has now equaled, and probably exceeded, the $8,300,000,000 annual rate of the World War II peak.

The 70 reporting agencies certified the payroll for the month of March alone totaled $693,235,000. On a 12-month basis this would amount to $8,300,000,000. In the same reports the agencies showed that the number of persons employed continued to increase in April at the rate of 1,500 a day.

There is a month's lag between the personnel count and the actual payroll cost figures. In March when the cost reached the annual rate of the World War II peak, the number of civilians employed was approximately 70 percent of the employment average of 3,500,000 in the peak war year. Federal pay raises since 1945 are the principal factor in the accelerated cost.

Total civilian employment in the executive branch in March totaled 2,363,758. The net increase in April was 45,363, bringing the total to 2,409,121.

Civilian employment by the Military Establishment increased by 32,349 during the 30 days of April, bringing the total to 1,182,423. It was the tenth consecutive month when civilian employment by the Army, Navy, and Air Force increased at an average of more than 1,000 per day. The increase was equally divided between white collar and industrial employees.

Employment by civilian agencies in April totaled 1,226,698. The increase for the month was 13,014, including 3,712 by the Post Office Department, 1,751 by the Economic Stabilization Agency and 1,064 by the National Production Authority. In addition there were substantial seasonal increases in the Agriculture and Interior Departments.

These figures have been developed in connection with employment reports for the month of April submitted by the various agencies of the Government to the Joint Committee on Reduction of Nonessential Federal Expenditures.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MCMAHON:

S. 1600. A bill for the relief of Giuseppe Sciaba; and

S. 1601. A bill for the relief of Ciriaco Catino; to the Committee on the Judiciary.

S. 1602. A bill to amend the Atomic Energy Act of 1946; to the Joint Committee on Atomic Energy.

By Mr. JOHNSON of Colorado:

S. 1603. A bill to assure allocations for freight cars and locomotives; to the Committee on Banking and Currency.

S. 1604. A bill for the relief of Truman W. McCullough;

S. 1605. A bill for the relief of Mrs. Marie Monchen; and

S. 1606. A bill for the relief of Sachio Kanashiro; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 1607. A bill to amend the War Claims Act of 1948, as amended, to provide for payment of claims of evaders and those who escaped from prisoner of war camps; to the Committee on the Judiciary.

By Mr. SALTONSTALL:

S. 1608. A bill to amend the act of June 21, 1940, relating to the alteration of certain bridges over navigable waters, so as to include highway bridges, and for other purposes; to the Committee on Public Works.

PRINTING OF REPORT ON HEALTH INSURANCE PLANS

Mr. LEHMAN submitted the following resolution (S. Res. 151), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Labor and Public Welfare be authorized to have printed for its use 25,000 copies of part 1 of Senate Report No. 359, Eighty-second Congress, a Report on Health Insurance Plans in the United States.

LABOR-FEDERAL SECURITY APPROPRIATIONS—AMENDMENTS

Mr. DOUGLAS submitted amendments intended to be proposed by him to the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes, which were ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 598. An act for the relief of Sonja Lohmann and her minor son;

H. R. 702. An act for the relief of Karl Chimani and Ada Chimani;

H. R. 732. An act for the relief of Konstantios N. Bellos;

H. R. 740. An act for the relief of John Reginald Leat;

H. R. 748. An act for the relief of Basil Vasso Argyris and Mrs. Aline Argyris;

H. R. 1096. An act for the relief of Mrs. Gizella Kezdy-Reich;

H. R. 1104. An act for the relief of Marie Louise Sageros;

H. R. 1119. An act for the relief of Mario DiFilippo;

H. R. 1581. An act for the relief of Thomas G. Fabinyi;

H. R. 1585. An act for the relief of the Marden Construction Co., Inc.;

H. R. 1691. An act for the relief of Sylvio Latino;

H. R. 1973. An act for the relief of Sanae Iida;

H. R. 2114. An act for the relief of Joe Lee (also known as Lee Jow);

H. R. 2170. An act for the relief of Mrs. Johanna Maria Lummer Valentine;

H. R. 2179. An act for the relief of Ilona Agoston;

H. R. 2180. An act for the relief of Mrs. Florence E. Homann and her son, John A. Villas;

H. R. 2208. An act for the relief of Winifred A. Hunter;

H. R. 2299. An act for the relief of Biagio Poidimani;

H. R. 2369. An act for the relief of Panagiota Kolintza Karkalatos;

H. R. 2406. An act for the relief of B. H. Manley;

H. R. 2408. An act for the relief of Mrs. Margit Helena Falk Raboff;

H. R. 2449. An act for the relief of Jadwiga Pulaska;

H. R. 2455. An act for the relief of Mrs. Maryanna Boppel;

H. R. 2538. An act for the relief of Joe Bargas;

H. R. 2771. An act for the relief of Lon Weaver;

H. R. 3665. An act for the relief of Mrs. Margarete Katharina Metz;

H. R. 3708. An act for the relief of Mrs. Goldie Weiner;

H. R. 3950. An act for the relief of Rita V. L. Flaherty; and

H. R. 4165. An act for the relief of A. D. Woods; to the Committee on the Judiciary.

H. R. 662. An act for the relief of William O. Stevens; and

H. R. 1834. An act for the relief of Florence Grace Pond Whitehill; to the Committee on Armed Services.

H. R. 1842. An act for the relief of Mrs. Ann Morrison; to the Committee on Finance.

H. R. 4141. An act to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia; to the Committee on the District of Columbia.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. LEHMAN:

Address on the relation between the world struggle and the necessary struggle against inflation on the home front, delivered by him before the national convention of the American Federation of Musicians, in the Hotel Commodore, New York City, June 6, 1951.

By Mr. BRIDGES:

Excerpts from Memorial Day address by Herve J. L'Heureux at Freeport, Long Island, May 30, 1951, and article entitled "Prayers for Peace Vital Now," written by Constantine Brown and published in the Washington Evening Star of May 30, 1951.

By Mr. BYRD:

Memorial Day sermon by Rev. J. Clyde Mohler, pastor of the Berryville Presbyterian Church, in Green Hill Cemetery, Berryville, Va., May 27, 1951.

By Mr. DOUGLAS:

Correspondence between him and Chester Bowles, former OPA Administrator, regarding methods for meeting the threat of inflation.

By Mr. JOHNSON of Colorado:

Excerpt from address regarding the proposed televising of congressional hearings, delivered by Dean Alfange at testimonial dinner tendered to Mayor Impellitteri, of New York.

By Mr. BUTLER of Nebraska:

Article by Louis Bromfield and editorial from the Omaha World-Herald of June 3, 1951, regarding the program of the Office of Price Stabilization.

Telegram from Ed Stalp, of West Point, Nebr., relating to the meat-price program of the Office of Price Stabilization.

By Mr. NEELY:

Articles entitled "Illusions and Realities in World Affairs" and "Who Should Distrust Whom?" published in the February-March 1951 issue of the magazine Prevent World War III.

By Mr. HUNT:

Letter from Robert E. Burns, secretary-treasurer of Local No. 769, National Federation of Post Office Clerks, of Cheyenne, Wyo., regarding salaries of postal employees.

By Mr. GEORGE:

Editorial entitled "The Acheson Bombshell," from the June 2, 1951, issue of the Albany (Ga.) Herald, dealing with the State Department paper on Formosa.

Editorial by H. T. McIntosh in the May 30, 1951, issue of the Albany (Ga.) Herald, dealing with the war in Korea.

By Mr. SALTONSTALL:

Article entitled "Serge Koussevitzky Succumbs at 76," published in the Boston Herald of June 5, 1951, and an editorial entitled "Koussevitzky," published in the Washington Post of June 5, 1951.

By Mr. MUNDT:

A letter dated June 3, 1951, addressed to him by Malcolm McMurchie, of Centerville, S. Dak., and article from the Drovers' Journal of May 9, 1951, dealing with Government control of the prices of livestock.

By Mr. BENTON:

Article entitled "United States Information Program Praised by Yale Official," published in the Christian Science Monitor of May 28, 1951.

By Mr. McCARTHY:

Letter No. 210, dated June 1, 1951, published in Counter-Attack, dealing with Communist activities.

By Mr. KERR:

Editorials entitled "The MacArthur Testimony," from the May 8 and May 9 issues of the Charlotte (N. C.) News.

Editorial entitled "Dewey's Challenge to His Party," from the May 14, 1951, issue of the Charlotte (N. C.) News, dealing with Governor Dewey's program for a foreign policy.

THE KEM AMENDMENT ON STRATEGIC MATERIALS

Mr. WHERRY. Mr. President, I ask unanimous consent that I be permitted to place a news dispatch in the RECORD, and comment upon it for 3 or 4 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, an Associated Press dispatch of this morning reveals that the Truman administration is planning drastic action next week to delay enforcement of a new congressional order denying economic aid to countries which sell war-potential goods to Russia or its satellites.

The dispatch says:

President Truman is expected to make a temporary, virtual blanket exception to the ban, pending efforts of his advisers to figure out exactly what it means and, meanwhile, to try to persuade Congress to modify it.

Mr. President, I ask unanimous consent that the complete Associated Press dispatch be printed in the RECORD at this point as a part of my remarks.

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

FOREIGN AID

(By John M. Hightower)

WASHINGTON, June 7.—The Truman administration is planning drastic action next week to delay enforcement of a new congressional order denying economic aid to countries which sell war-potential goods to Russia or its satellites.

President Truman is expected to make a temporary, virtual blanket exception to the ban, pending efforts of his advisers to figure out exactly what it means and, meanwhile, to try to persuade Congress to modify it.

Administration officials said if the order was applied literally it would wreck this Nation's foreign economic assistance programs and disrupt the drive to strengthen friendly nations against Communist aggression.

Since last Saturday, when Mr. Truman signed an appropriation bill containing the ban, foreign governments have bombarded the State Department with inquiries as to how they would be affected. It is understood they are being told that detailed application of the new legal requirement is still being studied.

Mr. Truman originally considered vetoing the bill but signed it because of the $365,000,000 in urgently needed funds it carried. At the same time he issued a statement protesting the trade ban as threatening a "death blow at the tremendous defense effort in which the free nations are now engaged."

Under this law economic aid would be forbidden to all countries which ship to Russia or its satellites (1) military equipment, (2) goods which may be used in the manufacture of military equipment, and (3) any article which the United States refuses to ship to the Communist bloc.

Application of these prohibitions has fallen primarily to the State, Defense, and Commerce Departments and the Economic Cooperation Administration. Secretary of Defense Marshall is understood to have prepared a list of hundreds of items which fall within the prohibitions. ECA is due to announce the list today.

Administration officials said that even a very narrow interpretation of the order would hit virtually all the countries receiving economic aid.

Provision for exceptions is made in the law when they are considered by the National Security Council to be in the interest of American security. Mr. Truman is Chairman of the Council, which includes Secretaries Acheson and Marshall.

Exceptions across the board will stretch the power of exemption to the utmost since it evidently was intended by Congress to be used mainly in special and unusual circumstances. But the administration will take the position that any other action would be contrary to America's security interests because it would weaken friendly nations which the United States has been trying for several years to strengthen.

Congress allowed only 15 days to put the trade ban into effect. Since almost half this time has now elapsed and a detailed list of banned items has just been completed, officials said, there is not enough time remaining to comply with all the provisions of the ban. Therefore action must be taken next week at the latest to gain time to clear up the situation.

The new ban would cut off virtually all exports from the non-Communist countries to Russia. It makes no allowance for badly needed imports such as timber, coal, and food which the countries of Western Europe get from behind the iron curtain.

Also State Department officials say there is room for honest difference of opinion between the United States and its allies over what will be of strategic benefit to Russia and what will not. The European countries now ban shipment to the Soviet bloc of about 90 percent of the manufactures and materials which the United States embargoes. However, that 10 percent of difference would be sufficient to cause many European nations to lose American economic aid under a strict application of the new law.

Mr. WHERRY. Mr. President, I wish to comment briefly upon the dispatch. After the Senate once again has taken mandatory action in blocking shipment of strategic materials which are being used by Red China to kill our boys, it is not surprising that the new law denying United States aid to countries that ship war materials to Communist China and other Soviet bloc countries is disturbing the Truman-Acheson administration.

For years they have been fumbling with this glaring inconsistency, offering nothing but excuses and promises to do something to stop this damnable traffic.

The original Marshall plan act passed in 1948 gave the administrators discretionary authority to deny economic assistance to countries that help the Soviet block arm to the teeth. But the flow of strategic materials to the Soviet bloc continued. Every subsequent attempt in Congress to make it mandatory upon the administration to do something met opposition from the administration.

The Kem amendment to the third supplemental appropriation bill, which was passed only last week, is an effort to spell out definite, mandatory procedure from which there can be no escape by the administration short of nullification of the law.

The United States has prohibited many commodities—note this, Mr. President—the United States has prohibited many commodities from being exported from this country to the Soviet bloc, because such commodities would be helpful to the Communists in arming. The Kem amendment requires that the Secretary of Defense certify this list to the Foreign Aid Administrator and he must stop giving aid to countries that permit identical articles to be exported by their nationals to the Soviet bloc.

That is all the Kem amendment does. We want recipients of ECA funds to deal with the exportation of strategic materials in the same manner as they are dealt with by our Government; that the same restrictions should apply to them that apply to our own industry in this country. The Kem amendment simply extends to ECA countries the rule that applies to our own country.

Countries receiving economic or financial aid from the United States must certify monthly that they are not permitting such exports. The National Security Council is authorized to make exceptions in cases or items when the security of the United States is involved, but these exceptions must be reported as they are made to congressional committees.

Propaganda emanating from the appeasers in the State Department that the Kem amendment is designed to stop all trade between the free world and the Soviet bloc is grossly misleading.

The American people are justifiably indignant over the flow of strategic materials to Communist China and other countries in the Soviet bloc from countries that profess to be our allies, countries that are feeding upon the toil and sweat of American taxpayers.

Our people are righteously indignant over the shipment of war materials to Red China to be used in killing and wounding our boys in Korea. And our people are demanding that the Truman-Acheson administration stop its quibbling and use the lever of United States economic and financial assistance to bring countries in the free world to a recognition of the fact there is a war in Korea and that we do not intend to help them help the enemy.

The American people are making heavy sacrifices in men engaged in the war in Korea and in arming and supporting the free world in preparedness against a possible world war. Let those countries receiving aid from the United States show their sincerity by certifying to the United States that they are not aiding the enemy by furnishing him those things that the Secretary of Defense declares would aid him. That is all the amendment asks be done.

If the President nullifies the law by granting a universal exception to its provisions, he will have to answer to his own conscience and to an aroused public opinion. Congress, representing the people, has done its duty in passing the law. It is now up to the Truman-Acheson administration to enforce it and not throw out numerous misleading excuses.

Mr. President, I thank the Senate for allotting me time to make these brief observations concerning the Associated Press dispatch which came over the ticker this morning.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. WHERRY. I do not have any time to yield to the Senator from Delaware, unless it is granted by unanimous consent. We are now acting under a unanimous-consent agreement for the transaction of routine business, without debate.

STABILIZATION OF PRICES AND WAGES—CORRESPONDENCE BETWEEN SENATOR MOODY AND BERNARD M. BARUCH

Mr. MOODY. Mr. President, Congress will shortly face a decision which will in my judgment go far toward determining the sort of country we shall live in the future. What we do will be instrumental in deciding whether we can hold our economy together, as we make ourselves so strong that it would be suicide for an aggressor to attack us, or whether the emergency, and the vast shift of production from civilian tc military goods will be permitted to undermine our economy from within through inflation, and thus play into the hands of the Red imperialists whose purpose it is to destroy us.

I refer to our decision as to whether the National Production Act, which will expire June 30, is to be renewed and strengthened, or whether we are to accept the advice of those who would now have us rip the steering wheel from our economy and permit it to careen to wreckage.

None of us like controls. But we cannot permit the consequences of a ruinous spiral of prices and wages which removal of the stabilization would bring. Therefore, to supplement the material being gathered by the Banking and Currency Committee in its hearings now in progress, I addressed a letter to Mr. Bernard M. Baruch, asking him four specific questions.

I believe experience has shown Mr. Baruch's economic judgment to be exceptionally good, indeed perhaps the best in the country in such national emergencies as we are now in. I presented his letter to the committee this morning, and now request unanimous consent that his letter, and my inquiry, be inserted in the body of the RECORD at this point.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

JUNE 4, 1951.

Mr. BERNARD M. BARUCH,
New York, N. Y.

DEAR MR. BARUCH: The Senate Banking and Currency Committee, as you know, is currently holding hearings looking to the renewal and amendment of the National Production Act before its expiration June 30.

I believe Congress and the country should have the benefit of your views on this issue, as a man of repeatedly proved wisdom and foresight, especially in this field.

In my judgment, the American people want no controls over their lives or their country which are not imperatively necessary.

On the other hand, I feel that at a time when world peace and our survival is threatened by aggressive revolutionary communism—and when our freedoms may well depend on our making ourselves as militarily strong as possible as quickly as possible—our people want and expect their Congress and their Government to take any steps necessary to protect our system from a serious inflation, which could play into Stalin's hands by destroying our economy from within.

In this emergency, a great proportion of our national production must of course be devoted to making military weapons. It is proposed that by next autumn we will be turning out the hardware of war at a rate of $50,000,000,000 a year. Until we can increase our productive capacity to a point where our military strength will make it clearly suicide for an aggressor to attack us, and at the same time provide civilian markets with a full supply of goods, relative scarcities will make likely a highly dangerous deterioration in the value of the dollar unless adequate measures are taken.

In two World Wars and at the inception of the present emergency, you have spelled out the dangers of such inflation, and proposed measures to protect the Nation against it, with great clarity and firmness.

I know it would have interested you, therefore, had you heard witness after witness representing great interests in the Nation with much to lose should a destructive price-wage spiral burn out the system within which they operate, come before our committee and urge either elimination of price and wage controls entirely or exemption of their own interest from such regulation.

In an industrial and agricultural complex such as ours, it is of course imperative that such controls as are imposed be administered well and equitably. Since it is Congress' responsibility to enact a law under which this would be possible, I hope that you will give me your judgment on the following:

1. If price, wage, rent, and other direct controls should be removed at this time, as has been proposed, what would be the effect (a) on our program to increase our military strength, (b) on the stability and soundness of our economic system, (c) on the cost to the taxpayers of our mobilization program and (d) on the living standards of the American family?

2. Do you believe it practical to grant favored exemptions such as have been requested for certain industries or segments of the economy?

3. Do you believe that the greatest danger of inflation is behind us or ahead of us?

4. Do you believe that we may safely avoid this issue, or that our freedoms and our survival may be involved in meeting it squarely?

Any guidance you can give me on this important question I will appreciate. I hope you will not object to my giving the committee and Congress the benefit of your conclusions.

Cordially and respectfully yours,
BLAIR MOODY,
United States Senator.

NEW YORK, N. Y., *June 6, 1951.*

Hon. BLAIR MOODY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: This is in reply to your letter just received asking my views on the renewal of the National Production Act now under consideration by the Senate Banking and Currency Committee.

The issue before your committee—and the Nation—is a simple one. It is a question of which is to be put first—the national interest or the selfish interest.

It is not a question of how little in the way of economic controls we can stagger along with, but of how much are we willing to give up in defense of our liberties.

Through ruthless exactions imposed on their own people, as well as upon the enslaved satellites, the Soviets have built a military power which today threatens the peace of the world. If the free peoples of the world cannot match these exactions and build an effective defense in time, they will have forfeited the right to remain free.

To answer the specific questions raised in your letter:

1. The removal of price, wage, rent, and other mobilization controls would be a tragic, perhaps mortal blow to our efforts to rebuild our defenses in time to avert another world war; the stability and soundness of our economic system would be sapped, and the long-range effects might even be worse than the immediate ones; the cost to the people in higher taxes would be doubled and tripled—already price rises have cut every defense dollar by more than one-fifth. Although in the process some would profiteer, the living standards of millions would be severely lowered.

2. No, absolutely no. There should be no exemption or favoritism for any group. To stop inflation, all wages, all prices, all rents, all costs—the whole economy—must be stabilized. Within this general frame of stabilization, some increases can be permitted where necessary for defense and to eliminate inequities. But the first rule must be—bring all under the law, with special privilege to none. With such a new law must go more courageous administration.

3. Whether the greatest danger of inflation is behind or ahead depends on the law the Congress enacts and the courage with which it is administered. The constant nibbling of rising prices can be stopped through prompt, effective action. This requires not only price, wage, and rent control but the vigorous use of the priority power to insure that first things come first

through the entire economy; much heavier taxation; an end to all unnecessary spending; screen all proposed issues of new securities to put off what can be postponed. Let us make sure that all grants and loans to other countries are weighed in terms of the material resources involved and not simply release more money which encourages other nations to drive up prices in competition for limited quantities of raw materials.

4. There is no avoiding the issue. Until the gap between Soviet armament and our defenses is bridged there can be no basis for peace. The longer our mobilization drags, the greater the ultimate effort and cost which will have to be borne.

We should be able to relax controls once we have balanced Russia's rearmament.

Neglect and procrastination have aggravated the problem. When the Korean fighting began, prompt action should have been taken to bring the economy under control and to avert the profiteering and speculation which were bound to come. The experience of the last two wars showed this was what had to be done, and, as you know, I urged it upon your committee. Instead, the economy was allowed to run wild. Ever since, there has been a frantic scramble to recover the equilibrium that should never have been lost.

Those who seek exemption for their own profits do not serve their own true interests. What will it gain the farmer or worker or businessman to get a little more for his production, if that is offset by rising prices and by the cheapening of all savings in every form—life insurance, Government bonds, thrift accounts, annuities, pensions.

Those savings represent past earnings with which millions of people expect to finance their retirement as they grow old, to help put their children through school, to care for their loved ones after they are gone, to buy a home. Slash the purchasing power of those savings through inflation and millions will be robbed of their means of independence. They will be forced to turn to the state.

It is because I am so opposed to Government controls in peacetime that I feel so strongly the need for the controls now. To fail to stop inflation is to invite perpetual regimentation in the future.

Already no city or State can plan even for the immediate years ahead. How much will the taxes collected be worth and by how much more will expenses have risen? Already our educational institutions are struggling to survive in the face of shrinking endowment funds. Hospitals and charitable institutions will have to close or curtail their services; every form of voluntary insurance against sickness and accident will have to be refinanced and higher rates charged.

Millions of persons on fixed incomes—policemen, firemen, teachers, nurses, civil servants, and others—are being ground between rising prices and rising taxes. What is to be their future if prices are allowed to run wild?

I could go on for pages showing how inflation strikes at everything Americans hold dear, at all our social and personal values, at all our families and institutions. Nor is it surprising that it should be so. For the test of our ability to stop inflation is the test of our ability to govern ourselves. It is the test of what we prize most highly—petty profits and trivial comforts, or freedom.

It is the test of whether we are a Nation united in awareness of common interests or whether we are a mere aggregation of pressure groups divided in a scramble for selfish gain.

It is the test of our fitness to survive.

Sincerely yours,

BERNARD M. BARUCH.

P. S.—You know well enough what to do, damn the political torpedoes, go ahead.

B.

AFFIRMATION OF FRIENDSHIP OF THE AMERICAN PEOPLE FOR ALL THE PEOPLES OF THE WORLD

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 11) reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union, which were to strike out all after the resolving clause and insert:

That the Congress of the United States reaffirms the historic and abiding friendship of the American people for all other peoples, and declares—

That the American people deeply regret the artificial barriers which separate them from the peoples of the Union of Soviet Socialist Republics, and which keep the Soviet peoples from learning of the desire of the American people to live in friendship with all other peoples, and to work with them in advancing the ideal of human brotherhood; and

That the American people believe the Soviet Government could advance the cause of peace immeasurably by removing those artificial barriers, thus permitting the free exchange of information between our peoples; and

That the American people and their Government desire neither war with the Soviet Union nor the terrible consequences of such a war; and

That, although they are firmly determined to defend their freedom and security, the American people welcome all honorable efforts to resolve the differences standing between the United States Government and the Soviet Government and invite the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor; and

That the Congress request the President of the United States to call upon the Government of the Union of Soviet Socialist Republics to acquaint the peoples of the Soviet Union with the contents of this resolution.

And to amend the preamble by inserting after the third paragraph thereof a new paragraph to read as follows:

Whereas the Congress reaffirms its policy as expressed in law "to continue to exert maximum efforts to obtain agreements to provide the United Nations with armed forces as contemplated in the Charter and agreements to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion"; and.

Mr. McMAHON. Mr. President, I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. CONNALLY, Mr. McMAHON, and Mr. WILEY conferees on the part of the Senate.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of House bill 3709.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Arizona.

Mr. WHERRY. Mr. President, this is the so-called Labor-Federal Security appropriation bill. I am in total sympathy with the plan to take up the appropriation bill. I am in total sympathy with the idea of proceeding right along with the Senate program, as the majority leader well knows. However, I wish to point out to him, and also to the Senator in charge of the bill, the very gracious Senator and respected Senator from the great State of New Mexico [Mr. CHAVEZ]——

Mr. CHAVEZ. Mr. President, I like the Senator from Nebraska, too.

Mr. WHERRY. I thank the Senator.

It has come to my attention that certain Senators are very anxious to obtain statistics and facts from various agencies relative to the application of the so-called Jensen amendment, which the House adopted, and which will be in conference, as well as the amendment proposed by the distinguished Senator from Oregon [Mr. CORDON], which approaches the question of stabilization of employment in another fashion, namely, by a 5-percent cut in appropriations for salaries.

I am wondering if the distinguished majority leader would not heed the pleas of Senators who have talked with me this morning. Perhaps we could proceed with this bill, or with some other bill, until Senators have an opportunity to obtain the statistics and facts which they desire. If that is not feasible, would the Senator include in his motion a stipulation—if that is agreeable to the Senator in charge of the bill—that Senators be given time to prepare themselves to discuss the controversial amendments, so that they may be threshed out on the floor of the Senate?

The Independent Offices appropriation bill is being marked up this afternoon by the full Committee on Appropriations. I understand that the Jensen amendment is also included in that bill, although I am not a member of the subcommittee having it in charge. It seems to me that in all the appropriation bills in which the Jensen amendment is involved, the application should be the same, so far as possible, as in connection with the Labor-Federal Security bill.

Mr. CHAVEZ. It will possibly be the general pattern.

Mr. WHERRY. That is correct.

Mr. President, I wish to cooperate fully with the distinguished majority leader in expediting the work of the Senate. With that in mind, I wonder if the Senator in charge of the bill can give assurance that Senators who are interested in controversial amendments will have an opportunity to present their views. In the meantime, we might proceed with the bill and agree to the amendments which are not controversial. If it is desired to pass over an amendment temporarily, it could be held up until later this afternoon, or preferably until tomorrow, if that is agreeable. That would give Senators an opportunity

this afternoon and tonight to prepare themselves to discuss both the Jensen amendment and the so-called Cordon amendment.

Mr. CHAVEZ. Mr. President, I am in complete sympathy with the remarks of the Senator from Nebraska. I wish to cooperate with Senators, so that every Member of the Senate may understand the provisions of the bill.

In my opinion, the only controversial matter which will arise in connection with this bill will be the so-called Jensen amendment, or the substitute for it proposed by the Senator from Oregon [Mr. CORDON]. Aside from that, with respect to the so-called money items, after I make the explanation as to those items I do not believe there will be any controversy.

Inasmuch as I wish to cooperate with the Senator from Nebraska, and inasmuch as I feel that the Senate would like to proceed with its work, I should like to have the Senate at least act on the money items and get them out of the way. We are now about 6 weeks behind with appropriation bills.

Mr. McFARLAND. Mr. President, the Senator from Illinois [Mr. DOUGLAS] and the Senator from New York [Mr. LEHMAN] have contacted my office and have asked for a little more time. I informed them, after talking with the distinguished Senator from New Mexico, that he would be willing to take up the bill and dispose of the noncontroversial matters, and that he would be willing to pass over until tomorrow any items which they wanted to have passed over.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. ROBERTSON. I have been assigned to the subcommittee headed by the distinguished Senator from New Mexico, which has had this bill under consideration. However, I did not have an opportunity to sit in any of the hearings. Before the bill was reported, I asked whether any Senator interested in economy had offered any suggestions to the subcommittee or the full committee as to how greater economy could be effected than the economy for which the subcommittee had voted. I was informed that no such suggestion had been offered. I therefore assumed that no Member of the Senate was planning to raise any serious objection.

Mr. WHERRY and Mr. DOUGLAS addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Arizona yield; and if so, to whom?

Mr. McFARLAND. I yield first to the Senator from Nebraska.

Mr. WHERRY. Mr. President, I shall not speak to the question raised by the Senator from Virginia. However, I believe that several amendments were offered to effect economies, and there was considerable debate as to the best way to do it—either through the Jensen amendment or the amendment of the Senator from Oregon.

Mr. President, I should like to make a parliamentary inquiry. In the event we should have an understanding, and certain amendments were agreed to—I wish the Senator from Illinois would listen to this. It may involve what he is interested in.

Mr. DOUGLAS. I always listen to the Senator from Nebraska.

Mr. WHERRY. I thank the Senator. Now I will proceed.

Let us assume that all noncontroversial amendments in the bill are agreed to. Then we will come to the final amendment proposing to reduce the appropriation, or possibly the Senator from Illinois will offer such amendments as we proceed with the bill. If we wait until near the conclusion of the consideration of the bill before taking up the proposal for a reduction, it should be thoroughly understood that, although we may approve certain amendments as we go along, when the final amendment, providing for a reduction, is acted on it should apply to the amendments already adopted. If there is to be a blanket cut, it cannot be handled otherwise.

Mr. CHAVEZ. Is the Senator from Nebraska referring now to the blanket cut of 5 percent proposed by the Senator from Oregon?

Mr. WHERRY. Yes.

Mr. CHAVEZ. So far as salaries are concerned, the 5-percent cut would apply to each individual item in the bill.

Mr. WHERRY. That is the point I make. Inasmuch as that is true, I want it thoroughly understood that if we should proceed with the consideration of the bill under the theory that noncontroversial amendments would be agreed to, even though an amendment might not be controversial at the moment, at the conclusion, so far as concerns a blanket amendment, such an amendment, even though it affected all the amendments previously agreed to, would not be foreclosed merely because we had previously adopted certain other amendments.

Mr. CHAVEZ. The Senator is correct. Any amendments which we might possibly agree to at this time would not foreclose the 5-percent amendment of the Senator from Oregon.

Mr. WHERRY. I thank the Senator for making that clear.

Mr. DOUGLAS. Mr. President, I thank the Senator from New Mexico for his graciousness in this matter. I appreciate the pressure under which the committee has been operating, the work which it has done, and the many perplexing problems which it has faced. However, I should like to indicate the position in which other Members of the Senate are placed by the late reporting of this measure and its almost immediate consideration after the bill has been reported. It was not until 10 o'clock this morning that I was able to obtain a copy of the bill. It was not until 11:15 that I was able to obtain a copy of the report. I believe this is the first time that the hearings have been before the Senate in printed form.

Mr. CHAVEZ. No; the hearings have been available for some time. However, inasmuch as the bill was delayed for one whole week, until yesterday, because of the so-called Jensen amendment, it was impossible to prepare the final report and to report the bill until today. The Senator is correct.

Mr. DOUGLAS. I may say that it is not giving Members of the Senate a great deal of time in which to study the measure. It is a measure which calls for appropriations of approximately two and a half billion dollars, even though the major portion of that amount is allocated to the States, and is more or less obligatory.

Mr. CHAVEZ. That is right.

Mr. DOUGLAS. In the last hour I have been preparing a series of amendments which I intend to offer to the bill. It has been work done under some pressure. I should like to suggest that we go through the bill, with the understanding that approval of committee amendments will not be final, but that if objections are subsequently raised to committee amendments that they may be reconsidered. I make the request because under the ordinary parliamentary procedure once a committee amendment is approved there is no possibility of subsequent reconsideration. Therefore, I would not like to have it understood that committee amendments would be approved in advance without possibility of reconsideration.

Mr. FERGUSON and Mr. ROBERTSON addressed the Chair.

The PRESIDENT pro tempore. Does the Senator yield; and if so, to whom?

Mr. CHAVEZ. Mr. President, I should like first to answer the Senator from Illinois. I believe there is some reason and justification for the request of the Senator from Illinois. However, I believe he should allow me to proceed.

Mr. DOUGLAS. Oh, yes.

Mr. CHAVEZ. I should like to proceed to make explanation of the committee's position and decision on the subject matter. If, following such explanation, he wishes to make his request I shall be very glad to consider it.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. ROBERTSON. I merely wish to point out to the Senator from Illinois that I, too, am very much interested in economy. I am as much interested in economy as he is. I wish to say also that he has known for more than a month what is contained in the House bill. If he felt the House bill contained appropriations which he considered were too high, he had sufficient time in which to make suggestions in that regard to the subcommittee.

The subcommittee has cut the House appropriations by more than $100,000,000. Many of the cuts affect hospital work and activities which are of very tender concern to a good many Members of the Senate. The subcommittee felt that, outside of the salaries, it had cut all that it could afford to cut. Otherwise, I would have voted for more cuts.

In this morning's Washington Post I read an article by a prominent commentator in which he intimated that the Democrats had not done so well by taking the Senator from Wisconsin [Mr. MCCARTHY] off the Appropriations Committee and putting me on the committee in his place, because I gave my proxy to a Republican member, who voted for economy, which is what a Republican member of the committee would have

done. Mr. President, each year we celebrate Jefferson-Jackson Day. If anyone knows anything about Jefferson and Jackson he must know that economy was one of the fundamental principles for which they stood. I do not object to being called a Republican, if being for economy puts me in that category.

I should like to ask what we would accomplish if we considered a committee amendment and acted on it with the understanding that we were only going through the motion of adopting it and could go back and take it up again at a later date. I think that we should conclude our consideration of the amendments in which we have already cut $100,000,000, but that we should leave for final vote until tomorrow the question of whether or not we shall adopt the Cordon amendment, calling for a 5-percent cut of all salaries, which would amount to a saving of something over $2,000,000, or whether we should adopt the Ferguson proposal, making a cut of 10 percent.

Mr. DOUGLAS, Mr. FERGUSON, and Mr. WHERRY addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from New Mexico yield; and if so, to whom?

Mr. CHAVEZ. I yield first to the Senator from Michigan.

Mr. FERGUSON. I hope the Senator will not press for a final vote on the bill today and will not proceed in any manner which would cut off consideration of amendments to the bill. The Senator from Michigan feels that the amount of the appropriations in the bill is too high.

Mr. CHAVEZ. The Senator from Michigan has been telling us that for the last 2 months.

Mr. FERGUSON. Yes; and I must insist on it on the floor. I believe that the cost of Government is too high. We must cut it. We tried to do so in committee. In the opinion of the senior Senator from Michigan, we have not been very successful. I hope we will be given an opportunity to be more successful on the floor.

The work of the Committee on Appropriations is very exacting. It is hard work. It takes all of the time of the Senators who sit on the committee. The Senator from Michigan was unable to do anything on the bill this morning because he appeared before the Committee on Appropriations, sitting in the Caucus Room, and listened to military authorities explain that their appropriations will run to about $60,000,000,000. They also indicated that there would be requests for supplemental and deficiency appropriations over and above that amount. Therefore, today, we are facing one of the greatest tasks of government, which is deciding on the amount of money that should be appropriated. There is no doubt whatever that the cost of government has increased over and above the aggregate of the Government's income. It therefore behooves every Member of the Senate to do everything he can to see to it that we make proper appropriations.

Mr. CHAVEZ. Mr. President, of course neither the Senator from New Mexico nor any other Senator can prohibit or prevent the Senator from Michigan from offering amendments to the recommendations which have been made by the Committee on Appropriations. It is not the purpose of the Senator from New Mexico, who is handling the bill on the floor, to prevent any Senator from offering any amendment he may desire to offer.

Mr. FERGUSON. If we go through the items in the bill and agree to them in the absence of amendments which some Senators desire to offer to such items, we shall be prevented later from offering such amendments.

Mr. CHAVEZ. Mr. President, it is all very well to talk about economy. However, we must be reasonable about this so-called economy. If we really mean what we say we can carry it to extremes. In this body there is a great deal of loose talk and discussion of subjects which do not involve either the Government or economy, and there is more money being wasted on such discussions than could be saved by amendments.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CHAVEZ. I wish Senators would take it seriously and not waste so much of the taxpayers' money in a discussion of matters that do not effect any savings whatever. I yield.

Mr. FERGUSON. Mr. President, I resent the Senator's indicating that discussions on the floor of the Senate involve the expenditure of more money than could be saved on an appropriation bill involving more than $2,000,000,000.

Mr. CHAVEZ. Possibly so, but if the Senator from Michigan had met with the committee, and possibly if he had not been more interested in finding out what was going as between Truman and MacArthur, he would understand the bill.

Mr. FERGUSON. The Senator from Michigan understands the bill, and he believes it should be cut.

Mr. CHAVEZ. Possibly he does, but it happens that the majority of the members of the committee, with the exception of the Senator from Michigan, thought otherwise.

Mr. FERGUSON. As the Senator knows, I voted proxies on the cuts.

Mr. CHAVEZ. That is correct.

Mr. FERGUSON. The Senator from Nebraska and the Senator from Montana gave proxies to the Senator from New Hampshire.

Mr. CHAVEZ. The Senator from Nebraska, the Senator from New Hampshire, and the Senator from Montana did not attend one hearing of the subcommittee.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. DOUGLAS. Mr. President, will the Senator yield for a parliamentary inquiry?

The PRESIDENT pro tempore. Does the Senator from New Mexico yield; and if so, to whom?

Mr. CHAVEZ. I yield first to the Senator from Nebraska.

Mr. WHERRY. Let me say that it is true that I have not attended all the meetings of the subcommittees of the Appropriations Committee. I am on six or seven of those subcommittees, just as the Senator from New Mexico is. I gave my proxy to the Senator from Michigan because at the time when this subcommittee was holding hearings, two other subcommitees were holding hearings.

Mr. CHAVEZ. That is correct.

Mr. WHERRY. I should like to read the list of the subcommitees on which I serve.

Mr. FERGUSON. Let me say that I am not even on the subcommittee which considered this bill.

Mr. WHERRY. The Senator from New Mexico has been a Member of the Senate for a long time, and he knows that it is a physical impossibility for Senators who serve on a number of subcommittees to attend all the meetings of all of them. In my case, it is a physical impossibility for me to do so.

Mr. CHAVEZ. But the Senator could have consulted the Senator from California, who has been the ranking minority member of the subcommittee, and he could have consulted the Senator from Minnesota, who is just as much an economizer and is just as sincere as the rest of us are, and then the Senator would have found that the entire minority side of the subcommittee voted unanimously to report the bill.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. CHAVEZ. I yield.

Mr. WHERRY. I thank the Senator for his courtesy.

I repeat that I am on a number of subcommittees of the Appropriations Committee, namely, the subcommittees on Agriculture, Armed Services, District of Columbia, Interior, Independent Offices, State, Justice and Commerce, and Judiciary.

Mr. CHAVEZ. I understand that.

Mr. WHERRY. I should like to say to the Senator that it is impossible for each Senator to attend all the meetings of all the subcommittees. For that reason I gave my proxy to the distinguished Senator from Michigan. Although I did not attend all the meetings of the full committee, I attended several of them; and I believe I understand what is involved in the Jensen amendment and the so-called Cordon amendment, which is the crux of the whole matter.

Mr. CHAVEZ. No one is trying to rush proceedings on the Jensen amendment. The full committee decided that the cut should be 5 percent. However, if the Senate wishes to make a 7½ percent or a 10-percent or a 15-percent cut, that will be all right with me.

It is not my purpose to prevent any Senator from speaking, but I wish to have the Senate proceed in an orderly manner, and see whether we can complete action on at least a few of the items contained in the bill.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. CHAVEZ. I yield to the Senator from Michigan.

Mr. FERGUSON. The Senator from Mexico appreciates that I am not a

member of the subcommittee. However, as a member of the full committee, I attended every session when the full committee was engaged in marking up the bill.

Mr. DOUGLAS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. CHAVEZ. I yield.

Mr. DOUGLAS. Do I correctly understand that the Senator from New Mexico has agreed that although he will proceed with the committee amendments, action upon them now will not be final, and that it will be in order for amendments to be submitted to them later, in proposing alterations in the committee amendments? Do I correctly understand that is the present situation?

The PRESIDENT pro tempore. The Chair does not think that is a parliamentary inquiry, but is an inquiry addressed to the Senator from New Mexico.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. McFARLAND. Let me suggest that we have never had any trouble in giving time to Senators who really need time in connection with appropriation bills. This bill is not as yet before the Senate for consideration. I am sure that if we make it the unfinished business and allow the distinguished Senator from New Mexico to explain the bill, then we come to the particular amendments in which Senators are interested, we shall be able to work them out; I do not think there will be any difficulty.

Mr. CHAVEZ. How could any Senator prevent another Senator from offering an amendment if he desired to do so?

Mr. DOUGLAS. However, once the committee amendments are agreed to, they are no longer subject to amendment.

Mr. McFARLAND. After the bill is made the unfinished business, when we come to pass on the individual items or amendments, if a Senator then wishes to make a reservation of the right to offer an amendment to one of those amendments, I am sure we shall not have any trouble in making such an arrangement.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. DOUGLAS. Let me say that my wife is leaving for Europe in about an hour, and I should like to have the privilege of seeing her off, but without closing the way to having an opportunity to present objections which I may have to individual committee amendments.

Mr. CHAVEZ. Mr. President, being a married man, too, I appreciate the position of the Senator from Illinois, and I shall carry on until he returns.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. CHAVEZ. Certainly.

Mr. WHERRY. I wish to understand the mechanics of the procedure in connection with the bill. I understand that the Senator from New Mexico is willing to have any amendment calling for a blanket cut passed over temporarily, so that we may take action on amendments which are not controversial.

Mr. CHAVEZ. Is the Senator discussing the Cordon amendment?

Mr. WHERRY. Yes; but, of course, there is no such thing as a Cordon amendment which is to be offered to only one committee amendment. The Cordon amendment would apply to each salary item in the bill. For example, on page 2 of the bill, under the heading "Title I—Department of Labor, Office of the Secretary," there is an item, in line 13, of $1,425,000 which was agreed to by the House; but the committee has reported an amendment to that item, reducing it by 5 percent, so that the amount would be $1,400,000.

Mr. President, if we are in favor of the substance of the Cordon amendment and wish to support it, at least before acting on it we can talk over the various items; and at the end of that procedure, when the Jensen amendment comes up, we can go back and make a blanket cut or we can make a cut in any individual item.

Mr. CHAVEZ. Mr. President, the Senator from Oregon [Mr. CORDON] offered his particular amendment and wished to make it applicable to all the salary items. There are approximately 70 such items in the bill. The committee decided that the 5-percent reduction should apply to each individual salary item, instead of being a 5-percent reduction in the total amount carried in the bill. The committee staff had quite a time figuring out what that cut would amount to in dollars and cents in the case of the 70 different items. In each case it was necessary to determine the dollars-and-cents reduction which would be made by a 5-percent cut in the items for salaries. We did not believe we should apply that cut to other items, such as expenses, which are different from salaries. The Senator from Oregon had in mind applying the cut only to salaries.

So in connection with this particular bill, we have worked in that way on 70 different items; and as we have reported the bill, it contains committee amendments which set forth the amounts of money which will be saved by applying the 5-percent reduction to the salary items.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. FERGUSON. Will the Senator from New Mexico agree that tomorrow any Senator can offer a motion to reduce the amount of any item contained in the bill, whether it be a salary item or any other item? If the Senator will agree to that, I think we can proceed.

Mr. CHAVEZ. Mr. President, there would be no use in taking the time of the Senate today, if we were to agree to a proposition of that kind. If the Senator from Michigan wants to make a reduction of 10 percent, 15 percent, or 90 percent—as he probably would desire—the Senator from New Mexico has no objection. All the Senator from New Mexico is asking is that, after 3 months of trial, tribulations, and hard work during which a nonpartisan committee has considered this bill, its consideration be proceeded with. The report of the subcommittee was entirely unanimous, and the Senate knows that the Senator from California [Mr. KNOWLAND], the ranking member on the minority side, has contributed to the effort to save money on this particular bill. If the Senate will allow me to explain exactly what has been done, not only by the subcommittee but by the full committee, it will realize that, if there is any committee which has tried to effect savings of the taxpayers' money, it is this committee. But Senators do not give us an opportunity.

If the Senator from Michigan wants to cut the appropriations contained in the bill 10 percent, why not let the Senate vote on the question and be through with it?

All I ask is that we do not waste the money of the taxpayers in futile discussion but proceed to use the time of the Senate for the remainder of the day, one way or the other. If the Senate is not satisfied with this bill, it can amend it. All I am reporting now is the action of the subcommittee, after months of hearings. All I am reporting now is the action of the full committee, after 2 weeks' consideration. All I am reporting, even on the so-called Cordon amendment, or the Jensen amendment, is the action of the full committee, after a whole week of delay in discussing that subject matter. This is the committee's action.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Michigan.

Mr. FERGUSON. Does the Senator think it is unreasonable for other Members of the Senate who are not on the subcommittee and who are not on the Appropriations Committee, to raise this question, in the face of a report which is not even on the desks of Senators, other than that, probably, of the Senator from New Mexico?

Mr. CHAVEZ. Yes; I certainly have one.

Mr. FERGUSON. No other Senator has one, I think. Should not a bill involving more than $2,000,000,000, the hearings on which number 1,232 pages lie on the desk of the Senate for longer than 1 day?

Mr. CHAVEZ. I am trying to promote consistency, as urged by my good friend from Michigan, in effecting savings for the taxpayers. The Appropriations Committee spent days and days, even months, in an effort to carry out the instructions of the Senate. We were not acting in our individual capacities; we were there acting as agents of the full committee, the members of which, in turn, were the agents of the Senate of the United States.

If we are to carry out the idea of saving money, we should be permitted to proceed, and to ascertain what the Senate thinks regarding the items of the bill. If the Senate does not like the report of the committee, and if the Senate does not like the bill, the Senate has the power and authority to amend it by way of reductions or otherwise.

Let us go a little further in the matter of saving money. Usually by this time in June the Senate has four or five or perhaps six appropriation bills out of the way. This is the first one of the 1952

appropriation bills to reach the Senate floor, and all I ask is that we be permitted to proceed. Far be it from me, as the Senator from Nebraska knows, to waste the time of the Senate. If any Senator takes but a little part of the time of this body, I submit I am that one.

Mr. WHERRY. That is correct.

Mr. CHAVEZ. If any Senator likes to please his colleagues, it is the Senator from New Mexico. If any Senator wants to be tolerant, and wants to let other Senators do anything that is within reason, it is the Senator from New Mexico.

Mr. WHERRY rose.

Mr. CHAVEZ. But I think that further delay in connection with items which are understood and which are noncontroversial would be wasting the money of the taxpayers, about which my good friend from Michigan speaks.

So far as the Cordon amendment is concerned, I have stated to the Senator from Nebraska and to the Senate that I am willing to go along and proceed with the consideration of this bill, at least as to those items which are not in controversy, and then, if we are not ready to vote on the 5-percent cut recommended by the committee, let us wait.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Nebraska.

Mr. WHERRY. The Senate gave unanimous consent that the bill might be reported when the Senate was not in session. That showed our good faith, as the Senator knows. I agree that the Senator from New Mexico is very expeditious in his work in the Senate, both as an individual and as a chairman, but why does not the Senator proceed with his statement and his report——

Mr. CHAVEZ. I am trying to do that.

Mr. WHERRY. Just a moment—and give us the benefit of it, without our now acting upon the motion to make the bill the unfinished business of the Senate. We should like to vote tomorrow on any amendment which may be offered. I think we would accomplish much by proceeding in that way. By the time the Senator has concluded his statement, and Senators have asked their questions, this matter will probably have washed itself out.

Mr. CHAVEZ. If the Senator makes such motion——

Mr. WHERRY. I have not made it.

Mr. CHAVEZ. If the Senator moves that, after the Senate agrees to the motion to make the bill the unfinished business of the Senate, I may make an explanation of the bill, I shall be glad to consider it, and I shall be glad to consider even such a request, if made, instead of a motion.

Mr. WHERRY. It would please me very much if the Senator from New Mexico would assure Members of the Senate that, if the motion made by the distinguished majority leader should be adopted, any Senator who desired to offer an amendment to the bill might do so tomorrow, and that the amendment would be voted on at that time, the Senate might proceed today to consider the bill from beginning to end. If that were done I think no time whatever would be lost.

Mr. CHAVEZ. Possibly not. We have lost enough time.

Mr. McFARLAND rose.

Mr. CHAVEZ. I should first like to have a vote on the motion to make the bill the unfinished business of the Senate. If that motion is agreed to, and a request of the nature suggested by the Senator from Nebraska is made thereafter, I may say to the Senator I am not at all unreasonable about such matters. But I should like to have the motion of the majority leader, that the bill be made the unfinished business of the Senate, agreed to, and then let the Senate do as it pleases. I now yield to the majority leader.

Mr. McFARLAND. Mr. President, it seems to me there is really nothing in the controversy. The Senator from Nebraska urges Senators to agree that a motion to reconsider may be made tomorrow. I may say to the Senator, it is unnecessary to agree to that.

Mr. WHERRY. Oh, no.

Mr. McFARLAND. Such a motion could be made anyway. On any amendment which is adopted, a motion may be made to reconsider the vote by which the amendment was agreed to.

Mr. CHAVEZ. That is correct.

Mr. McFARLAND. There is nothing in this proposal to prevent that being done.

Mr. CHAVEZ. I would have no objection, even to that.

Mr. WHERRY. Oh, no.

Mr. McFARLAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. McFARLAND. If an amendment were adopted, and if a motion to reconsider the vote by which it was adopted should not be made in the meantime, would it not be in order tomorrow to move such reconsideration?

The PRESIDENT pro tempore. Such a motion would be in order.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from Michigan.

Mr. FERGUSON. It seems to me it would be impractical to proceed along that line. It would become necessary to move to reconsider each item, in order to effect a reduction in the bill. Is it not impractical?

Mr. McFARLAND. No, I do not think it would be impractical. I do not think we would have any difficulty. We never have in such cases. When we come to the consideration of an item regarding which the Senator may want to make objection, I do not think the distinguished Senator from New Mexico would object to allowing the amendment to go over until tomorrow, or would object to agreeing that a motion to reconsider could be made. But the bill has not been made the unfinished business of the Senate, and it is impossible to make an agreement until that is done.

Mr. CHAVEZ. I desire to be fair. I understood the question of the Senator from Michigan. I am not going to answer any question until we find out whether the Senate wants to continue to waste the taxpayers' money, or whether we want to take up this bill and consider it now.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from West Virginia.

Mr. NEELY. Mr. President, according to one of the wisest of the 3,000 proverbs spoken by the world's wisest man, "In all labor there is profit: but the talk of the lips tendeth only to penury." For more than 5 months the Senate has, on the average, worked on this floor not more than an hour a day. During these 5 months when the Senate was in session, the talk of senatorial lips has consumed approximately 5 hours a day. In other words, we have spent 400 percent more time tending to poverty than we have spent in the production of profit. Today we have thrown away 45 precious minutes in uttering words as worthless as sounding brass and carrying on conversations as fruitless as barren trees.

Mr. President, I urge that work be forthwith substituted for words and that the Senate immediately proceed to perform its highly important legislative duties which have been far too long neglected. I give notice that during the further debate on the pending bill, I shall object to any Senator's yielding for any purpose except that of asking a question.

The PRESIDENT pro tempore. The question is on the motion of the Senator from New Mexico.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	McKellar
Anderson	Hendrickson	McMahon
Bennett	Hennings	Millikin
Benton	Hickenlooper	Monroney
Brewster	Hill	Moody
Bricker	Hoey	Morse
Bridges	Holland	Mundt
Butler, Md.	Hunt	Neely
Butler, Nebr.	Ives	Nixon
Byrd	Jenner	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pastore
Carlson	Johnston, S. C.	Robertson
Chavez	Kefauver	Russell
Clements	Kem	Saltonstall
Connally	Kerr	Schoeppel
Cordon	Kilgore	Smathers
Dirksen	Knowland	Smith, Maine
Douglas	Langer	Sparkman
Duff	Lehman	Stennis
Dworshak	Lodge	Taft
Eastland	Long	Thye
Ecton	Magnuson	Underwood
Ellender	Malone	Watkins
Ferguson	Maybank	Welker
Flanders	McCarran	Wherry
Frear	McCarthy	Wiley
George	McClellan	Williams
Green	McFarland	Young

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] is absent by leave of the Senate.

The Senator from Iowa [Mr. GILLETTE] is necessarily absent.

The Senator from Minnesota [Mr. HUMPHREY] and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed

a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. CASE] is absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from New Jersey [Mr. SMITH] is necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business of the Committee on Crime Investigation.

The PRESIDENT pro tempore. A quorum is present.

Mr. McFARLAND. Mr. President, I withdraw my motion and ask unanimous consent that the Senate proceed to the consideration of House bill 3709; also that any Senator may have the right to offer tomorrow any percentagewise cut in the bill, and to except therefrom any item or items in the bill.

The PRESIDENT pro tempore. Is there objection?

Mr. CHAVEZ. Mr. President, I understand also that it is the purpose of the unanimous-consent request that if tomorrow an amendment is presented to make a percentagewise cut, exceptions to the amendment may be indicated.

Mr. WHERRY. I thank the Senator for the observation. He has stated it as clearly as it could be stated.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arizona?

Mr. MAGNUSON. Mr. President, reserving the right to object, may I ask the majority leader if tomorrow all amendments would be limited to a percentage cut?

Mr. McFARLAND. Not necessarily so. We may not complete consideration today of all the other amendments.

Mr. MAGNUSON. Personally I am very much opposed to percentage cuts in appropriation bills. If we are to be limited to percentage cuts only, I shall have to object to the request.

Mr. McFARLAND. The Senator could present, at any time today, an amendment providing for a reduction in any item, or he could ask for an increase in an item.

Mr. CHAVEZ. Mr. President——

Mr. McFARLAND. Just a moment. The only object of the unanimous-consent agreement is to make sure that percentagewise amendments may be offered after the committee amendments are adopted, if it is desired to offer such amendments. Senators would have that right any way.

Mr. MAGNUSON. Mr. President, may I ask further whether the Senate would be limited, after the committee amendments are disposed of, to considering only amendments which would represent percentage cuts, rather than amendments to reduce particular items, or increase particular items?

Mr. McFARLAND. No.

Mr. CHAVEZ. Mr. President, if I correctly understand the unanimous-consent request, it is as follows: It is intended to be used by Senators who would propose cuts greater than the committee has suggested. The proposed agreement would apply only to percentagewise cuts. However, there is nothing in the agreement which would prevent the Senator from Washington, or any other Senator, from offering an amendment changing the figures in the bill.

Mr. MAGNUSON. If that is the understanding, I will not object.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. AIKEN. I should like to ask the Senator to explain for the RECORD what he means by percentage cuts.

Mr. McFARLAND. Let me explain the object of the unanimous-consent request. Technically, if a committee amendment were agreed to today, it could not be amended tomorrow by a percentagewise cut, unless the Senate reconsidered the committee amendment. The purpose of the unanimous consent agreement proposed is to get around that parliamentary situation.

Mr. AIKEN. By a percentage cut, does the Senator mean a motion made after the amount for each item is arrived at, to cut the entire bill a certain percentage across the board?

Mr. McFARLAND. Yes; except that it may be desired to exclude certain items from the cut.

Mr. AIKEN. I find myself very much in agreement with the Senator from Washington, that that is no way for the Senate to do business. However, like the Senator from Washington, I should like to know whether the proposed agreement would preclude any other amendments.

Mr. McFARLAND. No, it would not preclude other amendments. As I stated before, the purpose is to get around the parliamentary situation.

Mr. AIKEN. I am referring to an amendment to cut a particular item.

Mr. McFARLAND. Such an amendment may be offered today.

Mr. AIKEN. What is the reason for postponing until tomorrow a motion for a percentage cut? Why not offer such an amendment today, and make it the regular order?

Mr. McFARLAND. The purpose is to get around the parliamentary situation which exists because of the committee amendments. If committee amendments are agreed to, in order to amend them it would be necessary to reconsider the vote by which the committee amendments are agreed to. However, certain Senators do not want to do that. They wish to make a percentagewise cut in all the items in the bill when it is ready for final consideration.

Mr. ROBERTSON. Mr. President, I think I can explain the situation to the Senator. The bill came to us with the Jensen amendment, which is a limitation upon filling vacancies. The subcommittee spent several days on the problem, and finally the subcommittee and the full committee adopted what we call the Cordon amendment, which is a different formula from the Jensen amendment. However, it relates to personnel. It excludes hospitals, heart and cancer work, and things of that kind.

Then we had a proposal for a 10-percent cut. First it was to apply to personnel. Now we understand that it may apply to appropriations for heart and cancer work, as well as appropriations for hospitals. We certainly cannot cut the retirement funds. They are fixed by law. There is a question whether we want to cut aid to the States for medical work, and things of that kind.

The committee has cut the bill $100,000,000 below the House figure. Some Senators wish to cut it still more. It is a very technical thing to arrange the consideration of the bill and the committee amendments in such a way that Senators may have more time. Some Senators want the vote on the major cut to go over. The Cordon amendment would make a reduction of a little more than $2,000,000; and a 10-percent reduction would be nearly $5,000,000.

Mr. CHAVEZ. It would be more than that. It would amount to approximately $15,000,000.

Mr. ROBERTSON. It would be more than that if it applied to hospitals. The Cordon amendment excludes hospitals and certain types of research work. It does not exclude other types of research work. We went as far as we felt we were justified in going. Therefore we hope to be able to vote today. Any Senator who wishes to increase an appropriation for an item, such as for heart, cancer, or hospital care, may do so.

Mr. CHAVEZ. Or cut any item.

Mr. ROBERTSON. Yes; and tomorrow it would be possible to move to reconsider any committee amendment.

Mr. MAGNUSON. In other words, it would be necessary to submit an amendment today in order to be able to vote on it today?

Mr. ROBERTSON. Yes.

Mr. MAGNUSON. If we did not do so today, we would be foreclosed from doing so tomorrow?

Mr. ROBERTSON. Tomorrow it would be necessary to move to reconsider.

Mr. MAGNUSON. Mr. President, I object.

Mr. AIKEN. I join the Senator from Washington in objecting.

Mr. ROBERTSON. Mr. President, I merely wish to add that I hope the Senate will vote to consider the bill today. We cannot force the bill through over the objection of Senators who wish to vote tomorrow. If they wish, they can talk about Acheson or the two Britishers who went behind the iron curtain. They can talk about anything they desire to talk about. It would be possible to keep the Senate from voting. Certainly we should be able to start voting today and go as far as we are able to go.

We are about to take up the first appropriation bill. It is a month late in coming to the Senate. We have 13 or 14 more appropriation bills to come before us. We cannot possibly conclude consideration of them before the end of the fiscal year. The newspapers are already criticizing the Senate for not making any progress.

Mr. MAGNUSON. Mr. President, I demand the regular order.

The PRESIDENT pro tempore. The Senator from New Mexico has the floor.

Mr. CHAVEZ. Mr. President, the subcommittee of the Committee on Appropriations which considered appropriations for the Department of Labor and the Federal Security Agency began its consideration of the bill on the 3d day of April. We held long hearings and arrived at some conclusions. The delay in making it possible for the Senate to proceed in an orderly way with regard to the bill, which is the first appropriation bill to be presented to the Senate this year, was brought about by the fact that the Senator from Michigan stated he desired to submit some amendments to cut the bill further than the committee has suggested.

I do not take my hat off to the Senator from New York or any other Senator on humanitarian matters. I do not take off my hat to the Senator from Michigan in trying to save the taxpayers' money.

In the presence of the Secretary of Labor and in the presence of representatives of the Federal Security Agency, at the start of the hearings on April 3, the chairman of the subcommittee made the following statement. I wish the Senator from Michigan, in his great desire to economize, could be here to listen to the statement. A copy of it was sent to every Senator. I said:

CAREFUL SCRUTINY OF BUDGET NECESSARY

Senator CHAVEZ. The committee, as the Secretary will understand, is confronted this year with a somewhat different problem in its consideration of budget estimates. There is the necessity to provide adequately for the defense of our country, for which we have a tentative estimate in excess of $60,000,000,000. There is before the Congress a recommendation from the President proposing a substantial increase in taxes, which, in view of the fact that the cost of living has increased beyond salary increases, will, if enacted, result in a lowered standard of living for our citizens. It is incumbent upon the Congress then to study with infinite care these requests for public moneys. We are not faced with a Treasury surplus—rather a deficit of billions; and one way to meet a deficit is to reduce expenditures.

The record will show that this subcommittee, our Committee on Appropriations and the Senate and the Congress have all supported the programs of the Department of Labor, of the Federal Security Agency, and of the related independent agencies. We have through the years allowed substantially what was requested. At this point though it seems that the estimates as a whole, from each and every constituent agency, must be reduced in the interest of Government solvency. Some programs which admittedly are providing worth while and necessary services may have to be cut back—just as we are calling upon the individual citizen to get by on less this year than he had last year.

We proposed to afford to the representatives of each constituent agency an adequate opportunity to justify and explain fully their requests for funds. I wish the fiscal position of our Government were such that we could allow the estimates in their entirety. But the millenium has not yet arrived so we must be governed accordingly.

DEVIATIONS FROM PURPOSES OF APPROPRIATED FUNDS

Over the past few years there has been a movement underway to merge appropriation accounts; to remove limitations, and proscriptions with reference to the use of funds. This program was predicated on the premise that it would enable the departments to do a better administrative job and the Congress could rely upon strict observance of the pleadings for funds as to what they would be used for.

Increasingly the committee is observing the departments and agencies after receiving the appropriations in lump sums, obligating the funds with scant attention to the details of the justifications presented to the committee and to the Congress. When questioned as to the validity of such departures from the justification details, the stock answer is that the appropriating language imposed no observance of justifications.

Moreover, the committee has found instances of fund transfers and use directly contrary to the express instructions of Congress as embodied in committee reports. And while this flagrant flaunting of congressional will may not be illegal we shall be most disappointed if ever it occurs again.

CLOSER CONTROL OF EXPENDITURES REQUESTED

If we permit this to continue, the taking of testimony is a fruitless and meaningless task in the absence of language in the bill to require observance of justifications. I call the attention of the agencies to this point and remind them that any further deviation from justifications can result in the appropriation by categories, by activities, or by object of expenditure; or the inclusion of a general provision stipulating that the funds are appropriated for the purposes and objects set out in the justifications. I propose to have a close check made in this regard on behalf of the committee throughout the coming months, and I hope that the agencies will not invite punitive action.

DETAILED EXPLANATION OF REQUIREMENTS

Earlier this year I directed the staff to obtain for the committee a full and complete explanation of the proposed obligation by objects with respect to each appropriation account.

At this point let me say that when the bill came from the House, about the only question the Senate committee would investigate was whether some item which the House had cut should be restored.

I read further:

Heretofore the presentation has been an explanation merely of the increase sought by object of expenditure. That is to say, if the agency sought $5,000 for travel, one of the objects of expenditure, which represented an increase of $500 over the previous year's allowance, then the explanation and narrative justification dealt only with the increase—why the additional $500 was needed—without bothering to explain the other $4,500.

I am informed that there have been presented to the committee fairly detailed explanations of the proposed obligation of funds by object for each appropriation account. I find these explanations extremely interesting and informative, and I hope we can introduce this data into the record for the information of the committee and the Senate.

Mr. ROBERTSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. PASTORE in the chair). Does the Senator from New Mexico yield to the Senator from Virginia?

Mr. CHAVEZ. I yield.

Mr. ROBERTSON. The statement from the hearings which the Senator has been reading is very valuable and interesting to a number of Members of the Senate, but many of us wish to know whether we are going to have this bill taken up for consideration. I understand that if the distinguished chairman of the subcommittee will agree that the controversial items may go over until tomorrow, for voting, there will be no objection to having the bill brought up at this time.

Mr. AIKEN. Mr. President, I should like to ask what is to be regarded as a controversial item in that connection? How will that be determined?

Mr. CHAVEZ. Mr. President, there is only one matter which actually is in controversy in connection with this measure, namely, the substitute for the so-called Jensen amendment. Of course there may be differences as to certain items; for instance, some Senator may believe that an item which the committee cut $50,000,000 should have been cut $55,000,000, or that an item which the committee increased by $3.50 should instead be decreased $10. However, as a matter of fact, the committee report is practically unanimous on the money items. The real controversy comes on the so-called Jensen amendment.

Mr. LEHMAN. Mr. President, will the Senator yield for a question?

Mr. CHAVEZ. I yield.

Mr. LEHMAN. I am confused about the parliamentary situation. I yield to no one in my admiration for the humanitarian instincts of the Senator from New Mexico, but there are certain items in which many of us are particularly interested, notably, those concerning public health, cancer, heart disease, mental health, and research.

The report on this bill came to the Senate only a short time ago. None of us has had a chance to study the report or the bill as reported. Certainly the public is completely uninformed regarding the report. It is very possible that I may wish to submit amendments increasing some of the allowances reported by the committee. When will I be able to do so?

Mr. CHAVEZ. There is nothing to prevent the Senator from submitting amendments; he can submit them now and he can change them tomorrow, as he wishes.

Mr. LEHMAN. I wish to have an answer to this question: If I decide that I wish to submit amendments of that sort, must they be submitted and acted on this afternoon or will a reasonable time be allowed?

Mr. ROBERTSON. If I may reply, I should like to say that the amendments the Senator may submit will be acted on when we reach the items of the bill to which the amendments apply. Amendments to the committee amendments must be submitted when the particular committee amendments to which they apply are reached.

Mr. McFARLAND. Mr. President, will the Senator yield? I wish to explain the parliamentary situation.

Mr. CHAVEZ. I yield.

Mr. McFARLAND. This bill is subject to a point of order if the bill is brought up today. I think we can save time by agreeing to let any controversial items go over until tomorrow. Such an arrangement frequently is made. In that case, any committee amendment

which a Senator wishes to have passed over, can be passed over. We shall save time by following such a procedure.

Mr. CHAVEZ. Mr. President, as I have stated to the Senate heretofore, generally at this time of the year there are four or five appropriation bills which have been passed by the House of Representatives and have been passed by the Senate and are in conference. However, in the present case this is the first appropriation bill for the new fiscal year which has come to the Senate. I do not wish to rush action on this bill. On the other hand, I should like to have the Senate begin to consider the bill and I should like to have a vote on the bill reached promptly. I shall be willing to agree that we vote tomorrow afternoon or even Saturday or Monday, provided we begin with the bill and at least make some progress on it. Senators talk about economizing and saving money for the Government and reducing the cost of the Government; and certainly we shall save time and money and cost to the Government if we proceed within reason, allowing each Senator to submit any amendment he desires to submit.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. McFARLAND. The difficulty is that we cannot do that if a point of order is made against consideration of the bill today.

Mr. LANGER. Mr. President, I demand the regular order.

Mr. McFARLAND. I understand that the matter now under discussion is the regular order; and I desire to ask the Senator from New Mexico a question, if he will yield for that purpose.

Mr. CHAVEZ. I yield.

Mr. McFARLAND. I wish to ask whether the distinguished Senator will agree to give the Senate assurance that, if the bill is taken up today, after the Senator from New Mexico makes his explanation and the Senate adopts all committee amendments about which there is no controversy, any amendments which Senators wish to have passed over until tomorrow will go over until that time.

Mr. CHAVEZ. I have no objection to that procedure.

Mr. WHERRY. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. WHERRY. Will the Senator yield to me?

Mr. CHAVEZ. I yield for a question.

Mr. WHERRY. First, let me point out to the distinguished Senator that, as he well knows, the Senate has a right to require that the report on the bill lie over 1 day.

Mr. CHAVEZ. There is no question as to that.

Mr. WHERRY. The Senator from New Mexico is asking the Senate to forego that right and to take up the bill immediately. I say to the distinguished Senator—and I think I express the sentiments of many Members on this side of the aisle and of at least some Members on the other side of the aisle—that a number of Senators are requesting that the Senator from New Mexico proceed with the bill and make any explanation of it that he wishes to make, but they feel that they should have a right to offer, tomorrow, amendments calling for cuts or increases in appropriation items before those items are finally voted on.

In view of the fact that the bill could lie over 1 day, anyway, I do not believe such a request is unreasonable.

I should like to agree with the suggestion of the majority leader; in fact, I would agree, so far as I personally am concerned. On the other hand, I am not sure that all other Senators will agree, because many of them are not sure what items in the bill are controversial, and some which are considered controversial today might not be considered controversial tomorrow, and vice versa.

I wish to cooperate with the Senator from New Mexico. Why do not we agree to the motion to take up the bill at this time, with the full understanding that no votes will be taken until tomorrow, and that any Senator who wishes to offer an amendment may do so at any time either today or tomorrow, even though we may approve today certain committee amendments calling for increases or decreases in salary items in the bill? What is wrong with such an arrangement?

Mr. CHAVEZ. Very well. Let me ask what is wrong with this—and I hope the Senator will give me his attention——

Mr. WHERRY. Yes; but another Senator on this side of the aisle just said that objection might be made to that arrangement, and I was wondering what was wrong with it.

Mr. CHAVEZ. Well, what is wrong with this: Some Senators think they may wish to submit amendments tomorrow? That will be perfectly satisfactory to me. I am trying to cooperate with Senators on the other side of the aisle in respect to economizing and using to advantage the time of the Senate this afternoon, at least to the extent of adopting the amendments as to which there is no controversy, and trying to reach an agreement that if Senators offer amendments tomorrow, at least we may agree about the time when amendments which are passed over temporarily will be voted on and also when amendments which are submitted tomorrow will be voted on. Can we agree to vote at, let us say, 5 o'clock tomorrow, or to begin voting then?

Mr. WHERRY. Mr. President, I did not know that question was to come up.

Mr. CHAVEZ. I am asking the Senator, What is the matter with it?

Mr. WHERRY. The junior Senator from Nebraska is perfectly ready to start on the bill today, and to vote on it today; but, speaking for Senators who are not present, I must insist that their rights be protected, and, therefore, that the bill lie over for 1 day. I do not object and I am sure those Senators would not object to taking up the bill having a full discussion of it, with an explanation of every item, and voting on the committee amendments as fast as desired. But I certainly think Senators should have the right tomorrow to offer any amendment to increase or decrease any appropriation, whether it involves salaries or other items of the bill. That is not unreasonable.

Mr. CHAVEZ. Of course; and I would not think it unreasonable if my good friend from Nebraska even wished to economize.

Mr. WHERRY. And, of course, I do.

Mr. CHAVEZ. I am trying to be of assistance along that line.

Mr. WHERRY. But there are Senators who want to increase the total amount of the bill.

Mr. CHAVEZ. Would there be any objection to fixing a time for the vote?

Mr. WHERRY. No. So far as I am concerned, if the distinguished Senator wants to make a unanimous-consent request that we proceed to the consideration of the bill and that tomorrow an amendment may be offered to increase or decrease any salary item or any other item of the bill, and that there be a limitation of debate beginning, say, at the hour of 4 o'clock, with 30 minutes on each amendment, I should not object. I believe the Senate would be agreeable to a limitation of debate of any amendment. But I want Senators to be able to offer any amendment they desire, to any item of appropriation.

Mr. CHAVEZ. So do I.

Mr. AIKEN. Mr. President, if the Senator from New Mexico will yield, may I ask if it is his understanding that, under his proposition, if the bill is taken up today and the committee amendments are voted on——

Mr. CHAVEZ. Except those which some Senator asks to have go over until tomorrow.

Mr. AIKEN. That any committee amendment adopted today would be subject to an amendment tomorrow, in case a Senator found out during the night that the amount should be increased or decreased?

Mr. CHAVEZ. The Senator knows that it is possible to move to reconsider, and there will be no objection, so far as I am concerned.

Mr. AIKEN. The Senator is probably correct about that.

Mr. CHAVEZ. There will be no objection. If any amendment which may be adopted this afternoon should appear to a Senator overnight to have been wrongfully adopted, and if he wants to move to reconsider the vote by which the amendment was agreed to, and to propose an amendment to it, the Senator from New Mexico will have no objection.

Mr. AIKEN. I have participated in this debate for two reasons. First, I am strongly opposed to requiring the President of the United States to assume the responsibility which is given to the Congress in regard to making appropriations and fixing amounts. I may say also that during the past 10 years, I have seen many appropriation bills come into the Senate, Senators finding them on their desks, and passing them within a matter of 3 or 4 hours' time on the same day. It seems to me that is not good legislative practice.

Mr. CHAVEZ. No; the Senator is possibly correct. But there are certain

items of the bill which are not controversial, and we can gain a little time by acting on them today. I simply do not want to waste the time of the Senate. I thought we might at least make a little headway.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Arizona.

Mr. McFARLAND. I think the situation is apparent. As a matter of fact, I thought the report had been filed yesterday; otherwise, I should not have moved to take up the bill. The only way we can take up the bill is by unanimous consent, and it is obvious that the only way we can get that done is to agree that any amendment may be offered tomorrow, either to amendments or to the bill. I therefore ask unanimous consent that the Senate proceed to the consideration of the bill, and that any Senator, tomorrow, may have the right to offer an amendment to any amendment, or to the bill.

Mr. WHERRY. That is agreeable.

Mr. LEHMAN. Is it to be understood that up to the time of the final consideration of the bill, any Senator may offer an amendment?

Mr. McFARLAND. That is correct.

Mr. FERGUSON. Any Senator may offer an amendment, either to increase it or to decrease an item. Is that correct?

Mr. McFARLAND. That is correct.

Mr. WHERRY. That is exactly what I said.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and it is so ordered.

The Senate proceeded to consider the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. CHAVEZ. Mr. President, I desire to continue reading the statement I made in the subcommittee at the time the Secretary of Labor and representatives of the Federal Security were before it. That was on April 8. I want my good friend from Michigan to turn to page 2 of the hearings. At the beginning of the hearings——

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. FERGUSON. I thank the Senator from Arizona for suggesting the unanimous-consent agreement. I think it solves all our problems.

Mr. CHAVEZ. At the beginning of the hearings, in order to carry out what I think the Senator from Michigan and I may say, practically all or, indeed all other Senators have in mind in the way of giving consideration to the financial status of the country, the load of the taxpayer, and the waste of public moneys, I made a statement which I now desire to read. At page 4 of the report, I said:

FISCAL PROBLEMS TO REQUIRE CLOSE ANALYSIS OF BUDGET ESTIMATE

The members of our committee are cognizant of the difficult problem with which we are confronted. The Congress has a responsibility to the American people to protect the solvency of our Government and to maintain a balanced economy. We hope that witnesses on behalf of the departments will be so guided. I hope we will not be subjected to witnesses stoutly defending as essential, programs and activities linked with certain nostrums and panaceas. It is going to be difficult enough to win approval of funds for bona fide essentials; the spectacle of witnesses consuming the time of the committee in behalf of some luxury item may well result in a disallowance of funds for even essential projects.

It is the hope of the committee that the departments and agencies affected by this appropriation bill will, of their own volition, tell the committee where cuts can be made and show the Congress and the American people that the departments understand the economic situation as it exists and are, therefore, willing to be austere themselves. That procedure will be preferable—that is, to have the departments do their own cutting and so state to Congress; but, if nesessary, this committee and the Congress must do the cutting.

Now, what I have in mind, Mr. Secretary, by that last statement is this: I am sure that, as far as the higher echelons of Government are concerned, the ones who really have the responsibility of carrying out the administrative duties of every department, they realize the situation in the country as it exists. This is stern reality. We are in an awful mess. If it is at all possible within reason to have nonessentials cut I think that would be so much more preferable. I think the departments would stand in better grace with the Congress if the departments themselves were to tell us, "Now, listen, members of the committee, while it is true that we would like to carry out this particular program, as in everyday affairs of life, we can't always do what we want, even for our own immediate families and we are going to suggest that these cuts be made by the committee."

Now, Mr. Secretary, at your convenience, we will be glad to hear whatever you care to say.

That statement, Mr. President, was made because the committee fully appreciated its position and understood that it had grave responsibilities to the American taxpayers. Throughout the hearings that very point was in mind.

I should like to invite the attention of the Senate to what the committee did in the way of appropriations and in reducing certain appropriations. If the Members of the Senate will turn to pages 1 and 2 of the committee report—they will note that the amount of the bill as passed by the House was $2,641,206,361. The Senate committee lowered that amount to the net extent of $112,867,530, the total amount of the Senate bill being $2,437,192,064.

The budget estimate for 1952 was $2,744,253,760. The bill as reported to the Senate, which is in the amount of $2,528,338,831, is $91,146,767 above the 1951 appropriation, but it is under the budget estimate in the amount of $215,914,929.

Let me again emphasize that the amount of the bill as passed by the other House has been reduced by $112,867,530, and the appropriations provided are $215,914,929 under the budget estimate for this year. That reduction was made after extensive hearings extending from the third of April until approximately 2 weeks ago. The subcommittee went deeply and extensively into every detail, as was intended when I made my statement at the start of the hearings.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. CHAVEZ. I shall be glad to yield in a moment.

I should like to invite attention to the breakdown of the reductions and how they compare with past appropriations, budget estimates, House allowances, and Senate allowances.

On page 2 of the committee report it will be noted that in 1951 for the Department of Labor there was appropriated $230,906,360. The budget estimate this year was $231,289,000. The House allowed $223,506,500. The Senate committee's recommendation was $223,536,601.

The appropriation is practically $7,000,000 lower than was the appropriation for 1951, and it is $7,752,399 below the budget estimate, but it is $30,101 above the House allowance.

The reason why I give the Senate those figures—and I wish my friend from Michigan [Mr. FERGUSON] were present on the floor—is in order to show that the subcommittee and the full committee desire the Senate and the people of the country to understand that we appreciate the financial condition of the Government and the condition of the taxpayers.

The Senate committee's allowance for the Federal Security Agency is approximately $25,000,000 under the allowance for 1951; it is $157,087,395 under the budget estimate, and approximately $62,000,000 under the House allowance.

Generally, Mr. President, as those who know the history of appropriations in this body are aware, when the House did any cutting the Senate would, as a general rule, increase the amount of the appropriation. The Senate was supposed to be the restoring body. But, again, the subcommittee, including such Senators as the Senator from California [Mr. KNOWLAND], who is the ranking minority member, the Senator from Minnesota [Mr. THYE], the Senator from Alabama [Mr. HILL], the Senator from West Virginia [Mr. KILGORE], other Senators, and myself, wanted to show the country that we were endeavoring to make a little saving wherever it was possible and within sound reason, and without jeopardizing the carrying out of the proper functions of Government. We did not want to jeopardize one single essential function of Government, and we do not think that what we have recommended will have that result. We thought then and think now that every penny of the appropriations the committee has suggested to this body is

absolutely essential, and we cut only as to those functions which possibly could wait in whose appropriations a cut was justified. That does not mean that the subcommittee or the committee as a whole does not believe in the programs being carried on; we do believe in them. They include hospital construction and public health activities. I am satisfied that more money could be used in these programs to the advantage of the welfare of the United States, but, under the circumstances, we feel that the committee allowed all that could be justified at the moment.

With reference to the National Labor Relations Board, the committee recommends an amount, $328,541, under the 1951 appropriation and $348,541 under the budget estimate. But we increased by $233,959 the House allowance. We felt justified in doing that, and, as we come to the amendments which pertain to those items, they will be justified.

The next item is the National Mediation Board. As to that item the Senate committee's recommendation is $11,753 under the House allowance, $59,753 under the budget estimate, and $360,253 under last year's appropriation.

In the case of the Railroad Retirement Board, there is an increase of $124,529,495 compared with 1951 appropriations. At the time that item comes before the Senate for consideration, we will justify it. But the appropriation recommended by the Senate committee is $50,465,591 under the budget estimate for 1952, and $50,465,591 under the House allowance.

In the case of the Federal Mediation and Conciliation Service, the appropriation recommended by the Senate committee is $96,050 above the 1951 appropriations, $201,250 below the 1952 budget estimates, and $96,750 above the House allowance.

Mr. President, I believe the figures shown by the tables appeal to those who want the Government to function on a sound basis and to have it properly administered. We must have a government, Mr. President. We have created the agencies in question. We have created the programs administered by the agencies. We have written certain philosophies in the law, and it is necessary that Congress provide adequate funds, not to be wasted, in order to carry out the proper functions of government that should be carried out in a country such as ours.

Mr. President, I am proud of the record of the subcommittee. I am proud of the cuts it has made. As I stated, the cuts were made in many instances reluctantly, because individual members of the subcommittee believed in programs in which they were particularly interested. I wish we had been able to recommend a larger sum than was requested by the Senator from Wyoming [Mr. HUNT] for a particular item in which he was interested, and in behalf of which he appeared before the subcommittee. Having heard the testimony given by my good friend before the subcommittee, I am positive he believes that what we allowed was all that could be allowed at this particular time.

Mr. HUNT rose.

Mr. CHAVEZ. Mr. President, I wish we had been able to recommend a larger appropriation for cancer research. If I could have had my way I would have allowed $20,000,000 more for that activity, and I would have allowed more for research into heart ailments.

Mr. HUNT. Mr. President, will the Senator yield to me?

Mr. CHAVEZ. I will yield to the Senator from Wyoming in a moment.

More than 900,000 persons suffering from mental illness are inmates in public institutions, without considering those who are being taken care of privately by individual families. It is my contention that American citizens, the families of the unfortunates, and the public officials who deal with them, have a sacred trust to perform. The Senator from New Mexico is not happy over the little mite we allowed for research and investigation of mental illness in the United States. The Senator from New Mexico, however, has a duty to perform, and the subcommittee members felt that what we allowed was all we possibly could allow at the moment.

I now yield to the Senator from Wyoming.

Mr. HUNT. Mr. President, I should like to say to the distinguished chairman of the subcommittee that the junior Senator from Wyoming is very grateful to him for the way he and his subcommittee received him, and for the amount of increase that was allowed. While perhaps we would have liked to receive and could well have used more money, we are well satisfied with the action taken by the committee.

Mr. WILLIAMS rose.

Mr. CHAVEZ. Mr. President, I now yield to the Senator from Delaware. I should have yielded to him previously. However, my attention was distracted, and I apologize to the Senator.

Mr. WILLIAMS. Mr. President, I desire to invite the attention of the Senator to the item in the appropriation contained in the bill referring to the Railroad Retirement Board. What is the obligation of the Government with respect to the Retirement Board? I ask the question so we may have the answer in the RECORD.

Mr. CHAVEZ. If the Senator from Delaware has a copy of the bill before him, I suggest that he turn to page 38.

Mr. HILL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. HILL. Is it not true that in connection with that Board the United States Government is trustee for this fund?

Mr. CHAVEZ. That is correct.

Mr. HILL. Under the law the fund goes into the Treasury, and necessary money must be appropriated by Congress. The money to meet current retirement payments, to set up the reserve retirement fund, and to meet administrative costs, all come out of the special tax for this fund. It does not come out of any money raised by what we call taxes placed upon the taxpayers of the country generally.

Mr. CHAVEZ. This is the way it applies in a practical way. So much of the tax is collected from the employer and so much from the employee.

Mr. WILLIAMS. Mr. President, will the Senator again yield?

Mr. CHAVEZ. I yield.

Mr. WILLIAMS. That is how I understand it, and my reason for asking the question is so we may have the record straight.

The next question is: That being true, is not the $50,000,000 to which the Senator refers false economy?

Mr. CHAVEZ. No; it is not.

Mr. WILLIAMS. The Senator cannot claim that the $50,000,000 represents a cut in the bill, because it is not our money in the first place.

Mr. CHAVEZ. No; it is not false economy, as the Senator states.

Mr. WILLIAMS. But, so far as the ultimate answer is concerned, it is immaterial whether it is paid out this year or next year.

Mr. CHAVEZ. No. It happens that in this instance it is money that we have previously overpaid the agency.

Mr. WILLIAMS. But it is still money paid by the railroad employees and the railroad companies that we are handling as a trust fund.

Mr. CHAVEZ. No. This is money that was overpaid, and which we are now holding from the appropriation of the trust.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. CHAVEZ. Yes.

Mr. WILLIAMS. Will the Senator explain to us how he arrived at the $50,000,000 cut?

Mr. CHAVEZ. We arrived at the $50,000,000 cut for the simple reason that we had overpaid that amount, and reduced it to that extent.

Mr. WILLIAMS. I understand that; but I did not see anywhere a breakdown of this amount. It is not exactly $50,000,000. I simply wondered where I could find a breakdown of the amount. The amount is $50,465,591, so there must be a breakdown of it somewhere.

Mr. CHAVEZ. There is. Let me read from page 11 of the report of the committee, under the head of "Payment to railroad retirement account":

> The committee recommends, as a substitute, provision for an annual specific appropriation in lieu of the annual indefinite as passed by the House and the permanent indefinite as proposed in the budget estimate.
>
> The committee recommendation is $50,465,591 less than the budget estimate and the House allowance, neither of which recognized the credit outstanding for prior years' overpayment, resulting from the overestimating of net tax collections upon which figure the annual specific appropriation has been based, adjusted for prior years' experience.

If the Senator will turn to page 837 of the hearings, he will find a table headed "Comparison of carriers' tax collections with amounts appropriated to

the Board for railroad retirement purposes and benefit payments, by fiscal years, 1936–51."

In the summary the Senator will note how we arrive at the $50,000,000:

Summary

Total amount of appropriations chargeable to tax collections, 1936 through 1951 (column 5)	$4,395,201,269.16
Net carriers' tax collections, 1936 through 1951 (column 6)	4,344,735,677.72
Difference	50,465,591.44

Mr. WILLIAMS. I thank the Senator for that information. I should like to ask one further question. I notice that the bill still calls for an appropriation of $91,000,000 more than the appropriation for 1951. Unquestionably this is a domestic agency. If every domestic agency is to have its appropriations increased this year, and in addition we have our military appropriations, from what source is there going to be any economy in the Government? Just why should it cost $91,000,000 more to operate this civilian agency?

Mr. CHAVEZ. This is another year. Conditions are different than they were in fiscal year 1951. During the past 12 months, or since the fiscal year 1951 started, conditions have arisen which were unknown at that particular time. Irrespective of the merits of the question, we are in an emergency, and Congress has taken certain legislative steps in order to meet the situation. Of necessity, the Government load has increased. That is the reason, in this particular instance, why there is an increase in the appropriation.

Mr. WILLIAMS. Mr. President, will the Senator further yield?

Mr. CHAVEZ. I yield.

Mr. WILLIAMS. It is true that certain new agencies have been created during the emergency, but——

Mr. CHAVEZ. As I understood, the question was in general terms. So far as it applies to this particular bill——

Mr. WILLIAMS. I was not asking for a specific breakdown at this time; I am referring to the increase.

Mr. CHAVEZ. No; but let me point out the situation so far as this particular bill is concerned, because that is what we are dealing with at the moment. I am proud of the effort of the committee to make reductions. Let me read the following general statement from page 3 of the report:

> The committee recommends a total of $2,528,338,831, a reduction of $112,867,530 under the House allowance, and $215,914,929 under the 1952 budget estimates, but $91,146,767 more than the 1951 appropriations. The substantial increase over the 1951 appropriations results partially from the abandonment of contract authority—there was provided $100,000,000 in contractual obligational authority for the hospital and school construction programs during the current fiscal year but for which fiscal year 1952 new obligational authority in the form of cash is provided. Another major factor in the increase is the additional allowance for payment to the railroad retirement account, $124,529,485 more than the 1951 appropriation, but with respect to which the Congress has little effective control, the appropriation being the estimated net tax collections under the Railroad Retirement Tax Act, adjusted for prior payments.

That was the reason for the increase. However, notwithstanding the increase in this particular item, as a whole, as compared with what the budget contained, and what the House allowed the bill, as reported by the Senate Committee is still $112,000,000 lower than the House figure.

Mr. WILLIAMS. I feel sure that the Senator from New Mexico will agree with me that we must cut much deeper than 3 or 4 percent below the estimates if we are to balance the budget or come anywhere near it. We must make most of the cuts in the civilian departments of the Government.

Mr. CHAVEZ. The Senator from Delaware is correct. However, the Senator from New Mexico has his own views as to a complaint about a $40,000 item in the Department of Labor when we are appropriating billions of dollars. I have my own views on that question, which I shall express at the appropriate time, when appropriations for particular agencies are reached.

My individual opinion is that some of the so-called foreign aid could be curtailed to a great extent. I wish we had a little more money for our hospitals. I wish we had a little more money for flood protection. In my judgment, a flood is just as devastating, if not more so, and does just as much damage in the Missouri or Mississippi or Hudson River Valleys, or in New Mexico, as does a flood which occurs in Europe. At least I am more concerned about it, anyway. I think we owe just as much of an obligation to our own people as we do to the people of Europe. So I believe we could reduce some of the appropriations for foreign aid, and possibly carry out the purpose which the Senator from Delaware has in mind.

Mr. WILLIAMS. Mr. President, will the Senator further yield?

Mr. CHAVEZ. I yield.

Mr. WILLIAMS. Does the Senator have available the number of civilian employees in the various agencies referred to in this bill, as compared with the number of employees for the past 2 or 3 years. I ask for this in order that we may see whether or not the agencies are reducing the number of their employees, as they should be doing?

Mr. CHAVEZ. We have the information, and I will furnish it to the Senator. It so happens that it does not appear in the hearings, but we have it. We required that information of the agencies.

Mr. WILLIAMS. Am I to understand, it will be available before the bill is passed?

Mr. CHAVEZ. Yes. I will furnish it to the Senator during the afternoon.

Mr. President, in view of the unanimous-consent agreement, I believe that the Senate would be justified in adopting the committee amendments en bloc.

The PRESIDING OFFICER (Mr. HENNINGS in the chair). Is there objection?

Mr. WILLIAMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Millikin
Anderson	Hennings	Monroney
Bennett	Hickenlooper	Moody
Benton	Hill	Morse
Brewster	Hoey	Mundt
Bricker	Holland	Neely
Bridges	Hunt	Nixon
Butler, Md.	Ives	O'Conor
Butler, Nebr.	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Pastore
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Russell
Carlson	Kefauver	Saltonstall
Chavez	Kem	Schoeppel
Clements	Kerr	Smathers
Connally	Kilgore	Smith, Maine
Cordon	Knowland	Sparkman
Dirksen	Langer	Stennis
Douglas	Lehman	Taft
Duff	Lodge	Thye
Dworshak	Long	Tobey
Eastland	Magnuson	Underwood
Ecton	Malone	Watkins
Ellender	Maybank	Welker
Ferguson	McCarran	Wherry
Flanders	McCarthy	Wiley
Frear	McClellan	Williams
George	McFarland	Young
Green	McKellar	
Hayden	McMahon	

The PRESIDING OFFICER. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1) to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 652) for the relief of the estate of Mattie Mashaw.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2918) for the relief of Peter E. Kolesnikoff.

SENATOR WATKINS' FIGHT FOR REVISION OF THE ITALIAN PEACE TREATY

Mr. KEM. Mr. President, the senior Senator from Utah [Mr. WATKINS] deserves special commendation for the fight he has been carrying on for revision of the Italian Peace Treaty of 1947.

When the Italian Peace Treaty was brought before the Senate for ratification, the Senator from Utah argued that the treaty would render Italy militarily helpless in the face of Communist aggression and would deny her the means of self-preservation. He pointed out that the reparations provisions of the treaty would saddle Italy with economic servitude and would impede her recovery. He charged that the territorial and other provisions of the treaty were departures from the announced principles of the Atlantic Charter.

That was some 4 years ago. The Senator from Utah has never let up in his fight for revision of the Italian Peace Treaty. His most recent activity is illustrated by a clipping I have before me from the May 31, 1951, issue of the New

York Times. It is a published letter to the editor in which the Senator from Utah restates the need for revision of the Italian Peace Treaty. I request unanimous consent that his letter and the editorial to which it refers be inserted at the conclusion of my remarks in the RECORD.

There being no objection, the letter and editorial were ordered to be printed in the RECORD.

(See exhibits A and B.)

Mr. KEM. In April 1951, when the troops-for-Europe issue was before the Senate, the Senator from Utah proposed an amendment to Senate Joint Resolution 99 expressing the sense of the Senate that the United States should seek to eliminate the provisions of the Italian Peace Treaty which impose limitations on the military strength of Italy and today prevent her from carrying her proper share of the burden for the defense of Western Europe. The Senate, by a vote of 67 to 20, adopted that amendment.

The persistent campaign of the Senator from Utah for revision of the Italian Peace Treaty has won him many friends and supporters, especially among Americans of Italian ancestry. He has received hundreds of messages of encouragement and praise from all over the United States and from abroad. The letters he has received from Italy have been especially warm and enthusiastic. The following paragraph from a letter to the Senator from Utah from Ambrogio Ranzini, of Italy's National Ex-Servicemen's and Veterans' Association, illustrates how Italians feel about the Senator:

> Excellency, for your defense of Italy and your insistence on justice for my country and because yours is the voice of a friend overseas, I, an Italian, want to extend to you my gratitude. I know that we have humble but good Italians over here who are able to do their share in bringing about true peace in the world and the triumph of civilization; men who in their hearts feel love for all nations, on whom the United States will always be able to count as good friends, real Italians who want neither communism nor slavism.

The Italian language press in America has been equally enthusiastic in its praise of the Senator from Utah. One such newspaper, La Follia di New York, carried a front-page editorial in its March 15, 1951 issue under the headline: "A name that Italians must not forget—ARTHUR V. WATKINS, Republican Senator of Utah."

The lead sentence of that editorial said:

> Here is a name (ARTHUR V. WATKINS) which Italy must write with letters of gold into the annals of its modern history.

I am proud to be associated with the Senator from Utah in his fight for revision of the Italian Peace Treaty. I hope that before many days are out the Department of State will heed the will of the Senate of the United States as shown by its recent adoption of the Watkins amendment, and will move for revision of the treaty. Italy must be placed in the position so that she can do what she wishes to do, that is, contribute her fair share for the defense of the West, against the world-wide threat of communism.

EXHIBIT A

[From the New York Times of May 31, 1951]

REVISING ITALY'S TREATY—HALT TO REPARATIONS, SUPPORT FOR APPLICATION FOR U. N. SEAT ADVOCATED

To the EDITOR OF THE NEW YORK TIMES:

The editorial Italy's Peace Treaty, which appeared in your May 22 issue, was most disappointing. The Times draws a distinction between the preamble and the clauses of the treaty and cautiously notes that "the time is doubtless soon approaching when Italy will formally and officially apply to the Big Three for revision of the clauses of the peace treaty." The concluding sentence of the editorial expresses the cautious hope that "when that time comes there should be no hesitation in agreeing to the proposal."

On April 2, by a vote of 67 to 20, the United States Senate adopted the Watkins amendment to Senate Resolution 99, expressing "* * * the sense of the Senate that the United States should seek to eliminate all provisions of the existing treaty with Italy which impose limitations upon the military strength of Italy and prevent the performance by Italy of her obligations under the North Atlantic Treaty to contribute to the full extent of her capacity to the defense of Western Europe." In view of this expression of the viewpoint of the United States Senate, the initiative for revision of the Italian peace treaty should have been taken by the Department of State some weeks ago. To date, nothing has been done.

Now comes the New York Times to suggest that "the time is doubtless soon approaching" for Italy formally and officially to "apply" for revision of the clauses of the peace treaty.

PAYMENTS TO RUSSIA

The Times contends that the proposal for the discontinuance of Italian reparations to Russia pursuant to the requirements of the Italian peace treaty poses a problem which "* * * is delicate and complicated and will need study" because it "* * * impinges on the whole vast problem of reparations, not only to Russia but to other allies and not only of Italy but of Germany and Austria."

In my view, Italy, Germany, and Austria cannot be expected to make an effective contribution to the economic, political, and military strengthening of Western Europe so long as they are compelled to pay tribute to Russia or any of the other military victors of the Second World War. Continued insistence on the letter of the postwar punishments which were visited upon war-torn and devastated "losers" in the Second World War is contradictory of all efforts to bring those nations back into the European family and into the United Nations. Thus, there should be little hesitation in rejecting the nervous note of caution voiced by the Times in respect to the "problem" of reparations.

The Times editorial of May 22 finds it "* * * hard to see the necessity for 'abolishing' the preamble of the Italian peace treaty," inasmuch as it merely "* * * states the historic fact that Italy joined with Germany and Japan in making war on the Allies" and "* * * history cannot be rewritten or expunged from the records."

ALLIES' PLEDGE

It should be pointed out that the preamble of the Italian peace treaty does more than state a few facts of recent history. It is in the preamble that the Allied and associated Powers specifically promised "* * * to support Italy's application to become a member of the United Nations. * * *" It is significant to note that that pledge, which was solemnly subscribed to 4 years ago, has been openly repudiated by one of the signatories, Soviet Russia, through the repeated (four times) use of the veto power to block Italy's request for admission to the United Nations.

The effort of the other signatories to bring about fulfillment of the pledge have not been so marked by determination and vigor as to inspire spontaneous widespread belief in their sincerity.

It occurs to me that the United States should open its eyes to reality in respect to the Italian peace treaty. The treaty has been repudiated and nullified by Russia. It should be denounced by the United States. The very least we can do is press for its revision.

ARTHUR V. WATKINS,
United States Senator from Utah.
WASHINGTON, *May 28, 1951.*

EXHIBIT B

[From the New York Times of May 22, 1951]

ITALY'S PEACE TREATY

Count Sforza has again proposed that the Italian Peace Treaty be revised. The timing of this request a week before the crucial municipal elections was doubtless calculated. At the height of the electoral campaign in the spring of 1948, a judicious declaration by the United States, Britain, and France favoring the return of Trieste to Italy undoubtedly gained votes for the anti-Communist side. This time the same countries are unfortunately prevented from expressing an opinion by the agenda talks now fruitlessly taking place among the Big Four in Paris. The United States, for instance, cannot on the one hand fight to get the Russian satellites to observe their peace treaties and on the other destroy the terms of the Italian Peace Treaty.

However, this is a technicality that one hopes will soon be removed. The satellites, with Russian incitement and help, have armed far beyond the limits set in their treaties. To force Italy to keep within the limits prescribed in her own treaty is dangerous folly. Treaties cannot be violated by one side and made sacred and binding on the other. It is not that any number of wrongs make a right but that international relations must live up to certain accepted norms. When the basis for such relations is broken the superstructure cannot be held up.

The point that Count Sforza makes about Italy being forced to supply Russia with war materials as reparations at a time when the west is trying to embargo such goods is well taken. However, it impinges on the whole vast problem of reparations, not only to Russia but to other allies and not only of Italy but of Germany and Austria. The problem is delicate and complicated and will need study. In addition, it is hard to see the necessity for abolishing the preamble of the peace treaty, as Premier de Gasperi recently suggested. It states the historic fact that Italy joined with Germany and Japan in making war on the Allies. With all due respects to the Russians, who are past masters at the art, history cannot be rewritten or expunged from the records.

The time is doubtless soon approaching when Italy will formally and officially apply to the Big Three for the revision of the clauses of the peace treaty. When that time comes there should be no hesitation in agreeing to the proposal.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor,

the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

Mr. CHAVEZ. Mr. President, I desire to make a brief observation before we proceed. Under the unanimous-consent agreement, nothing can be done until tomorrow; or, stating it in other language, anything which is done today can be undone tomorrow. That being the case, I ask unanimous consent that the committee amendments be agreed to en bloc, except those in controversy, and except the amendments which are to be offered from the floor, as to which the chairman of the subcommittee has given proper notice of motions to suspend the rules, to enable those amendments to be offered.

Mr. FERGUSON. Reserving the right to object—and I do not intend to object, as I understand the request—let me say that the Senator from Michigan, for himself and other Senators, will offer an amendment. In order that the Senate may know what it is, I shall read it:

On page 42, lines 15 and 16, insert a new section as follows:

"SEC. 703. Each appropriation or authorization made by this act for any purpose, of which a specified portion is herein made available for personal services, and each amount so specified as being available for personal services, is hereby reduced by an amount equal to 5 percent of the amount requested for personal services for such purpose in budget estimates heretofore submitted to the Congress for the fiscal year 1952."

Mr. CHAVEZ. I think I understand the purposes of the amendment, and what the amendment is designed to accomplish. I have no objection to having it discussed, either this afternoon or tomorrow, in order that proceedings on the bill may be expedited. I presume that the amendments which are to be submitted tomorrow will not affect the entire bill, and that we could at least get through with certain of the committee amendments, and then, if any Senator wanted to amend any part of the bill, that could enter into the picture. That is my reason for making the unanimous-consent request at this time.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Maryland.

Mr. BUTLER of Maryland. Does the Senator from New Mexico designate amendment "A" as a controversial amendment?

Mr. CHAVEZ. Yes. Let me tell the Senator from Maryland as to that. I shall have to move to suspend the rules in order to offer that amendment, because it proposes basic legislation. It will not come up until the other committee amendments shall have been adopted.

Mr. BUTLER of Maryland. I thank the Senator.

Mr. CHAVEZ. I believe that the Senator from Maryland will possibly agree to vote to suspend the rules, because it is very necessary that the amendment be adopted in order to carry out the purposes of the Wherry Act so far as the institution referred to in the amendment is concerned.

I ask unanimous consent that all committee amendments, with the exception of the so-called Cordon amendment and the amendments lettered "A" and "B," as to which I have given notice of motions to suspend the rules, be adopted en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. DOUGLAS. Mr. President, reserving the right to object, I take it that, as a consequence of the unanimous-consent request of the Senator from New Mexico, we would under his proposal adopt all noncontroversial committee amendments and then, tomorrow, consider such committee amendments as may be objected to and amendments formulated and offered from the floor, including amendments to the appropriations made by the House. Is that correct?

Mr. CHAVEZ. The Senator is correct. The only thing which will be accomplished, in the event my request is granted, is that as to amendments which are not objected to, and which are not intended to be amended, we will not be required to go through this same process again tomorrow.

Mr. DOUGLAS. The consequence would be that we would not be able to discuss the budget this afternoon, or be able to act on the budget this afternoon.

Mr. CHAVEZ. I want the Senator to discuss it this afternoon, if he desires, and I would have no objection if he would propose a modification to my request, or would care to have me modify it, so that the discussion of the bill and the budget figures, or whatever the Senator may have in mind with reference to the bill, could proceed this afternoon.

Mr. DOUGLAS. Is it the intention of the Senator to carry on tomorrow and push for final passage tomorrow?

Mr. CHAVEZ. Not necessarily. It would be my hope that we could reach a final vote tomorrow; but it is not my intention to press for a vote until every Senator interested has had an opportunity to have his say. But I think agreement to my request would expedite matters and would actually save time which might otherwise be consumed in going over the same amendments which we could take up now, provided there is no objection to them, and tomorrow we could, if desired, even return to such amendments; otherwise, their consideration will have been completed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

Mr. LEHMAN. Reserving the right to object, I am concerned about one phase of the request. I think the Senator from New Mexico and my other colleagues realize that I am as anxious as anyone on this floor to have legislation expedited. As a matter of fact, I frankly have been very critical of delays on the part of the Congress in enacting certain legislation, so that my very deep interest is in getting important legislation enacted as promptly as possible. Nevertheless, it seems to me that as to a bill so important as is this one, going into many phases of our national life, there should be a reasonable amount of time given for the consideration of the report and the bill, and for discussion.

Mr. CHAVEZ. I may say to my good friend from New York an agreement has already been reached as to time for consideration of the bill. All I now ask is that in order not to waste time tomorrow with amendments of the type referred to by the Senator, the Senate proceed under the unanimous-consent agreement which has been arrived at. We have not agreed on any particular time to vote.

Mr. LEHMAN. If I may continue my thought for a moment, I am very much interested in some of the items in the bill. My present tendency is to consider submitting amendments which might even increase the appropriation for certain health measures and other measures which I think are of great interest.

Mr. CHAVEZ. My request will not prevent the Senator from submitting amendments.

Mr. LEHMAN. I do not desire to submit any unless I have substantiating data and evidence which would justify them. I am in receipt of telephone calls and have had visits from persons deeply interested in the treatment of cancer, in hospitals, and in various other health activities. I do not wish to submit amendments unless I have the facts. On the other hand, I do not want to fail in my duty toward the people and toward sound activities. I do not intend to object to the request, but I believe we should have time to consider the report and the bill carefully, to listen to the debate, and to hear from some of our constituents.

Mr. CHAVEZ. That is the reason why I agreed to the unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered, and the noncontroversial committee amendments are agreed to en bloc.

The committee amendments, agreed to en bloc, are as follows:

Under the heading "Title I—Department of Labor—Office of the Secretary," on page 2, line 13, after the word "public," to strike out "$1,425,000" and insert "$1,400,000, of which not more than $1,250,136 shall be available for personal services."

In line 16, after the word "Solicitor," to strike out "$1,650,000" and insert "$1,669,445, of which not more than $1,530,546 shall be available for personal services."

On page 3, line 10, after the figures "$688,000," to insert "of which not more than $604,870 shall be available for personal services."

In line 23, after the word "Marine", to strike out "$277,000" and insert "$265,758, of which not more than $213,603 shall be available for personal services."

Under the subhead "Bureau of Apprenticeship," on page 4, line 5, after "(29 U. S. C. 50)", to strike out "$2,692,000" and insert "$2,578,682, of which not more than $2,153,049 shall be available for personal services."

Under the subhead "Bureau of Employment Security," on page 4, line 20, after "(5 U. S. C. 55a)", to strike out "$4,635,500"

and insert "$5,245,959"; in the same line, after the word "which", to strike out "$743,500" and insert "$1,513,765"; and in line 23, after the numerals "1944", to insert "and of which not more than $4,351,773 shall be available for personal services."

On page 5, line 11, after the word "Columbia", to strike out "$165,560,000" and insert "$164,560,000, of which not more than $647,037 shall be available for personal services, and"; and in line 13, after the word "which", to strike out "$6,000,000" and insert "$5,000,000."

Under the subhead "Bureau of Employees' Compensation," on page 7, line 19, after the word "Appeals", to strike out "1,947,000" and insert "$1,887,816, of which not more than $1,618,499 shall be available for personal services."

Under the subhead "Bureau of Labor Statistics," on page 9, line 7, after "(5 U. S. C. 55a)", to strike out "$5,243,000" and insert "$5,371,352, of which not more than $4,530,755 shall be available for personal services."

In line 16, after "(5 U. S. C. 55a)", to strike out "$1,000,000" and insert "$1,125,000, of which not more than $991,323 shall be available for personal services."

Under the subhead "Women's Bureau," on page 9, line 22, after the word "exhibits", to strike out "$389,000" and insert "379,285, of which not more than $317,581 shall be available for personal services."

Under the subhead "Wage and Hour Division," on page 10, line 11, after the word "Division", to strike out "$8,000,000" and insert "$8,365,304, of which not more than $7,119,227 shall be available for personal services."

Under the heading "Title II—Federal Security Agency—Columbia Institution for the Deaf," on page 11, line 13, after the word "improvements", to strike out "$390,000" and insert "$374,537, of which not more than $293,805 shall be available for personal services."

Under the subhead "Food and Drug Administration," on page 12, line 7, after the word "operations", to strike out "$5,345,000" and insert "$5,172,975, of which not more than $4,218,475 shall be available for personal services."

Under the subhead "Freedmen's Hospital," on page 13, line 8, after the word "university", to strike out "$2,906,500" and insert "$2,631,500, of which not more than $2,053,786 shall be available for personal services."

Under the subhead "Howard University," on page 13, line 18, after the word "grounds", to strike out "$2,525,000" and insert "$2,415,084."

Under the subhead "Office of Education," on page 14, line 20, after "(Public Law 462)", to strike out "$18,223,261" and insert "$20,017,760"; in line 23, after the word "exceed", to strike out "$18,048,261" and insert "$19,847,760"; and in the same line, after the word "year", to strike out the colon and *"Provided further,* That no part of this appropriation shall be available for vocational education in distributive occupations."

On page 15, line 20, after the word "same", to strike out "$3,253,000" and insert "$3,397,706, of which not more than $2,893,577 shall be available for personal services, and."

On page 16, line 9, after "(Public Law 874)", to strike out "$28,000,000" and insert "$40,000,000: *Provided,* That this appropriation shall also be available for carrying out the provisions of section 6 of such act."

On page 16, after line 11, to strike out:

"Grants for school construction: For grants for emergency school construction to school districts in federally affected areas as authorized by the act of September 23, 1950 (Public Law 815), to remain available until expended, $75,000,000, of which $25,000,000 is for payment of obligations incurred under authority provided under this head in the Supplemental Appropriation Act, 1951: *Provided,* That no portion of this appropriation shall be available for reimbursement payments under section 205 (c) (1) of such act with respect to school facilities completed before July 1, 1951: *Provided further,* That in determining relative urgency of need for purposes of prescribing, under section 206 (d) of such act, the order in which certifications for payments from this appropriation shall be made (other than payments in liquidation of contractual obligations incurred prior to July 1, 1951), the Commissioner shall give special consideration to the extent to which the school facilities are needed in the interests of national defense."

On page 17, after line 5, insert:

"SCHOOL CONSTRUCTION

"For providing school facilities and for grants to local educational agencies in federally affected areas, as authorized by title II of the act of September 23, 1950 (Public Law 815), to remain available until expended, $75,000,000, of which $25,000,000 is for payment of obligations incurred under authority granted for the foregoing purpose in the Supplemental Appropriation Act, 1951."

Under the subhead "Office of Vocational Rehabilitational," on page 17, line 24, after the word "agency", to strike out "$20,475,000" and insert "$21,500,000, of which not more than $87,346 shall be available for personal services, and."

On page 19, line 2, after the word "films", to strike out "$705,000" and insert "$675,620, of which not more than $558,220 shall be available for personal services."

Under the subhead "Public Health Service," on page 20, line 6, after the word "exceed", to strike out "fifteen" and insert "twenty"; and in line 13, after the word "determine", to strike out "$11,700,000" and insert "$11,653,360, of which not more than $2,786,157 shall be available for personal services."

On page 20, line 17, after the word "act", to strike out "$8,745,000" and insert "$8,887,351, of which not more than $2,140,323 shall be available for personal services."

On page 21, line 3, after the figures "$15,960,000", to insert "of which not more than $1,900,944 shall be available for personal services."

On page 21, line 11, after the word "exceed", to strike out "twenty" and insert "thirty"; and in line 13, after the word "aircraft", to strike out "$6,090,000" and insert "$5,915,747, of which not more than $4,450,816 shall be available for personal services."

On page 22, line 1, after the word "only", to strike out "$3,710,000" and insert "$3,648,158, of which not more than $2,885,004 shall be available for personal services."

On page 22, line 19, after the word "aircraft", to strike out "$1,234,000" and insert "$1,211,129, of which not more than $434,547 shall be available for personal services."

On page 23, line 6, after the word "expended", to strike out "$175,000,000" and insert "$195,000,000."

On page 23, in line 19, after the word "only", to strike out "$1,195,000" and insert "$1,166,465, of which not more than $1,017,165 shall be available for personal services."

On page 24, line 20, after the word "only", to strike out "$2,990,000" and insert "$2,868,029, of which not more than $2,507,458 shall be available for personal services."

On page 25, line 8, after the word "compounds", to strike out "$15,500,000" and insert "$15,559,973, of which not more than $4,560,505 shall be available for personal services."

On page 25, line 18, after the word "exceed", to strike out "four" and insert "six"; and in line 20, after the word "act", to strike out "$19,500,000" and insert "$19,805,171, of which not more than $2,694,760 shall be available for personal services."

On page 26, line 3, after the word "diseases", to strike out "$10,300,000" and insert "$10,737,974, of which not more than $1,178,489 shall be available for personal services."

On page 26, line 11, after the word "only", to strike out "$10,000,000" and insert "$10,072,982, of which not more than $1,463,333 shall be available for personal services."

On page 26, in line 17, after the word "conditions", to strike out "$1,500,000" and insert "$1,697,308, of which not more than $1,001,156 shall be available for personal services."

On page 27, line 4, after the numerals "1950", to strike out "$10,400,000" and insert "$9,445,000, together with $955,000 to be derived by transfer from funds provided for the construction of additional auxiliary structures under this head in the Federal Security Appropriation Act, 1951."

On page 27, line 19, after the numerals "1951", to strike out "$350,000" and insert "$250,000."

On page 27, line 22, after the word "head", to strike out "$6,640,000" and insert "$6,635,540, of which not more than $84,740 shall be available for personal services."

On page 28, line 9, after the word "officers", to strike out "$1,790,000" and insert "$1,861,500, of which not more than $731,500 shall be available for personal services."

On page 29, line 2, after the word "only", to strike out "$2,850,000" and insert "$2,745,868, of which not more than $2,320,514 shall be available for personal services."

Under the subhead "Social Security Administration," on page 29, line 23, after the word "unions", to strike out "$175,000" and insert "167,650"; and on page 30, line 1, after the word "law", to insert "of which total sum not more than $614,650 shall be available for personal services."

On page 30, line 7, after the word "than", to strike out "$58,000,000" and insert "$57,437,980"; and in line 9, after the word "fund", to insert "of which not more than $48,697,378 shall be available for personal services."

On page 30, line 24, after "64 Stat. 477)", to strike out "$1,250,000,000" and insert "$1,150,000,000."

On page 31, line 5, after the word "Assistance", to strike out "$1,463,400" and insert "$1,600,000, of which not more than $1,455,400 shall be available for personal services."

One page 31, line 12, after the word "distribution", to strike out "$1,450,000" and insert "$1,500,000, of which not more than $1,238,900 shall be available for personal services."

On page 32, line 6, after "(42 U. S. C., ch. 7, subch. V)", to strike out "$30,000,000" and insert "$33,000,000"; and in line 10, after the word "State", to strike out the colon and the following additional proviso: *"Provided further,* That this appropriation shall be allotted on a pro rata basis among the several States in proportion to the amounts to which the respective States are entitled for the current fiscal year by reason of section 331 of the Social Security Act Amendments of 1950."

On page 32, line 18, after the word "Security", to strike out "$219,700" and insert "$200,000"; and in line 19, after the word "exceed", to strike out "$110,300" and insert "$100,000."

Under the subhead "Office of the Administrator," on page 33, line 15, after the word "Administrator", to strike out "$2,050,000" and insert "$2,150,000"; and in line 16, after the word "exceed", to strike out "$403,000" and insert "$413,000."

On page 34, line 4, after the word "fund", to insert "of which total sum not more than

$402,045 shall be available for personal services."

On page 34, line 12, after the word "Counsel", to strike out "$412,000" and insert "$396,478."

On page 34, line 22, after the word "health", to strike out "$100,000" and insert "$75,000."

Under the heading "Title III—National Labor Relations Board," on page 36, line 15, after "(5 U. S. C. 55a)", to strike out "$8,000,000" and insert "$8,233,959, of which not more than $6,622,284 shall be available for personal services."

Under the heading "Title IV—National Mediation Board," on page 37, line 7, after "(5 U. S. C. 55a)", to strike out "$400,000" and insert "$394,247, of which not more than $299,307 shall be available for personal services."

On page 37, line 15, after "(5 U. S. C. 55a)", to strike out "$150,000" and insert "$144,000, of which not more than $114,000 shall be available for personal services."

Under the subhead "National Railroad Adjustment Board," on page 37, line 22, after the figures "$600,000", to insert "of which not more than $460,774 shall be available for personal services and."

Under the heading "Title V—Railroad Retirement Board," on page 38, after line 6, to strike out:

"Payment to railroad retirement account: For an annual premium to provide for the payment of all annuities, pensions, and death benefits, in accordance with the provisions of the Railroad Retirement Acts of 1935 and 1937, as amended (45 U. S. C. 228–228s), and for expenses necessary for the Railroad Retirement Board in the administration of said acts as specifically provided for under this title, for crediting to the railroad retirement account, an amount equal to amounts covered into the Treasury (minus refunds) during the current fiscal year under the Railroad Retirement Tax Act (28 U. S. C. 1500–1538)."

And in lieu thereof to insert:

"Railroad retirement account: For an amount sufficient as an annual premium for the payments required under the Railroad Retirement Acts of August 29, 1935, and June 24, 1937, and authorized to be appropriated to the railroad retirement account established under section 15 (a) of the latter act, $562,534,409: *Provided*, That such total amount shall be available until expended for making payments required under said retirement acts, and the amount not required for current payments shall be invested by the Secretary of the Treasury in accordance with the provisions of said Railroad Retirement Act of June 24, 1937."

On page 39, line 10, after "(5 U. S. C. 55a)", to strike out "$5,268,000" and insert "$5,056,904"; and in line 11, after the word "account", to insert "of which not more than $4,010,820 shall be available for personal services."

Under the heading "Title VI—Federal Mediation and Conciliation Service," on page 40, line 2, after "(5 U. S. C. 55a)", to strike out "$2,949,000" and insert "$3,047,000, of which not more than $2,566,653 shall be available for personal services."

On page 40, line 11, after the word "Columbia", to strike out "$50,000" and insert "$48,750, of which not more than $23,750 shall be available for personal services."

On page 42, line 16, to change the section number from "704" to "703."

Mr. FERGUSON. Mr. President, I send to the desk an amendment on page 42 of the bill, lines 15 and 16. It is a new section of the bill. I ask that the amendment be incorporated at this point in my remarks.

There being no objection, the amendment intended to be proposed by Mr. FERGUSON (for himself, Mr. BYRD, Mr. WHERRY, Mr. TAFT, Mr. BRIDGES, Mr. WILLIAMS, and Mr. DIRKSEN) to the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes, was received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 42, between lines 15 and 16, insert a new section as follows:

"SEC. 703. Each appropriation or authorization made by this act for any purpose, of which a specified portion is herein made available for personal services, and each amount so specified as being available for personal services, is hereby reduced by an amount equal to 5 percent of the amount requested for personal services for such purpose in budget estimates heretofore submitted to the Congress for the fiscal year 1952."

Mr. FERGUSON. I should like to speak for a few minutes on the amendment.

WHAT IS THE EFFECT OF THIS AMENDMENT?

It cuts the amounts for personal services specified in the bill by an amount corresponding to 5 percent of the budget request for such personal services.

HOW IS THE CUT APPLIED?

It is applied to these money items:

First. Those appropriations which include personal services; and

Second. The amounts specified therein as being available for personal services.

This is not a double cut. It is necessary to apply the cut to both items, however, since otherwise we would be cutting the amount available for personal services but leaving that amount still in the appropriation and free for expenditure as other expense.

It does not apply to items which the committee had already reduced, for personal services, by 5 percent or more. It does not apply to such items because they do not appear in the bill as specified for personal services under the language the committee incorporated in making its reduction through a limitation.

WHAT WILL BE THE TOTAL AMOUNT OF PERSONAL SERVICES CUT IF THIS AMENDMENT PREVAILS?

Ten percent of the amount for personal services requested in the budget. The committee cut personal service appropriations item by item, 5 percent of the budget estimates. We are repeating that process but in a single package rather than item by item. The final result will be a cut of 10 percent in the amounts for personal services requested in the budget.

TIDELANDS OIL—AMENDMENT TO SENATE JOINT RESOLUTION 20

Mr. HILL. Mr. President. On behalf of the Senator from Illinois [Mr. DOUGLAS], the Senator from Oregon [Mr. MORSE], the Senator from Connecticut [Mr. BENTON], the Senator from New Hampshire [Mr. TOBEY], the Senator from West Virginia [Mr. NEELY], the Senator from Alabama [Mr. SPARKMAN], the Senator from Tennessee [Mr. KEFAUVER], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Missouri [Mr. HENNINGS], and myself, I am submitting an amendment which at the appropriate time we intend to propose to section 5 of Senate Joint Resolution 20.

As Senators know, the resolution provides for the continuation of operations under certain mineral leases issued by the respective States covering submerged lands of the Continental Shelf. The resolution, as I understand it, proposes to continue the orderly development of oil and gas deposits in the submerged lands during the period the Congress decides how to implement the opinions of the Supreme Court of the United States in which that Court decided that the United States does own the submerged lands of the Continental Shelf adjacent to the shores of California, Louisiana, and Texas, and that such States do not own the submerged lands of the Continental Shelf adjacent to their boundaries.

In *U. S.* v. *California* (332 U. S. 19, June 23, 1947) the Supreme Court stated without equivocation that "California is not the owner of the 3-mile marginal belt along the coast." And in *U. S.* v. *Texas* (339 U. S. 704, October 16, 1950) the Court settled for all time this controversial argument between the United States and the several States by holding that the ownership and proprietary rights to this marginal sea, as well as the governmental powers of regulation and control, was in the United States of America as a whole.

We are offering our amendment in order that it may be considered by the Committee on Interior and Insular Affairs as well as by the Senate. In this way our colleagues may study and consider its purposes and effect.

At this time I do not propose to discuss the section 5 in the present bill except to point out that its effect may be to nullify the decisions of the highest court that this oil belongs to all the American people—all the people—from Alabama to Massachusetts, from Connecticut to Oregon, from Maine to Illinois, from New Hampshire to Tennessee, from Wyoming to Vermont—through their proud claim as United States citizens—not merely to the people of three or four States whose claim is no more than that they were born next door to the oil deposits.

The provisions of the amendment are simple. It proposes to achieve three things:

First. The money from this oil, this public-lands resource of the Nation, is to be dedicated now for the long-range needs of the education of the Nation's children—all its children—and placed in a special account in the Treasury of the United States.

During the present critical period, however, the funds are to be used for national defense purposes. They shall be employed only for urgent developments essential to the national defense and the national security, such develop-

ments to be specifically determined by the Congress. Thereafter, this special account shall be devoted exclusively to our children's education as grants-in-aid of primary, secondary, and higher education.

Second. A National Advisory Council on Grants in Aid of Education shall be created. It shall be the function of that Council, which should be named immediately after the resolution becomes law, to study and develop a plan to be reported to the President, who shall submit the report to the Congress not later than February 1, 1953, for the equitable allocation and use of the income from this oil capital for primary, secondary, and higher education.

The Council will consist of 12 persons with experience in the fields of education and/or public administration. Four are to be appointed by the President of the Senate, four by the Speaker of the House of Representatives, and four by the President of the United States.

The function of this Council is not to be in substitution for the work that is being done to provide Federal aid to elementary and secondary education out of tax revenues. The Federal royalties from these oil deposits cannot be expected to be uniform from year to year, and it is contemplated that the Advisory Council will therefore report on how they can best be utilized as an extra fund out of which can be provided Federal assistance to primary, secondary, and higher education, in addition to such essential aid as the Congress may provide as regular support to education.

It should be emphasized that the proposal in this amendment will not conflict in any manner with, and in fact is a logical extension of the policy which led to the establishment of our prized system of land-grant colleges under the Morrill Act. The endowments and grants under the Morrill Act will continue as they have in the past. It may well be that part of these funds could be used to supplement statutory land or equivalent money endowments of the Morrill Act. It is certainly clear that all the money which has poured into the States under the terms of the Morrill Act in past years would only be a drop in the bucket compared with the funds the several States would receive under this proposal.

Third. Every State or political subdivision which has issued any mineral leases or grants covering submerged lands of the Continental Shelf, and every grantee of such State or political subdivision shall file with the Attorney General of the United States by December 31, 1951, a statement of the money or other things of value received by such State, political subdivision, or grantee thereof from such leases or grants. The Attorney General shall submit those statements to the Congress not later than February 1, 1952. The object of this provision is to find out what benefit particular States have already had from this property which belongs to all the people.

These three points are the essence of the amendment.

The amendment does not in any way change or effect the provision in the resolution which reads as follows:

> Thirty-seven and one-half percent of all moneys received as bonus payments, rents, royalties, and other sums payable with respect to operations in submerged coastal lands lying within the seaward boundary of any State shall be paid by the Secretary of the Treasury to such State within 90 days after the expiration of each fiscal year.

This is a generous grant to the tideland oil States.

I sincerely hope that my good friends from California, Louisiana, and Texas, who are fighting so hard to get all of these funds for their own States, will not feel that we are trying to take away from them funds on which they feel the success of their own educational enterprises depend. No sponsor of this amendment wishes to harm the education of children in California or Louisiana or Texas, even though I understand that the great oil fortunes of Texas have already richly endowed education in Texas. Those of us who sponsor this amendment do so, among other reasons, to awaken the Congress and the people of the United States to an understanding of the vastness of the treasure involved—a treasure so vast that there is more than enough to go around; a treasure so vast that to give the children of the other 45 States of the Union their fair share of what belongs to the people of those 45 States as well as the 3 States of California, Louisiana, and Texas, does no injustice to education in those 3 States, even as it does justice to the cause of education in the other 45 States. We feel that one of the reasons for the very possessive attitude of the 3 States which are trying to take a disproportionate share of this treasure of all the States, as well as the comparative lack of interest by the other States, is the little knowledge in all 48 States of the size of the resources involved.

There has been much speculation about the amount of money available to the Treasury of the United States from Tidelands Oil. There can be no really precise determination until the report of the Council proposed by this amendment shall have been submitted to the Congress. I think it would be most helpful to Senators, however, to have the benefit of one or two informed guesses. More than a year ago Dr. E. L. De Golyer of Dallas, Tex., who has an international reputation as one of the most outstanding petroleum geologists of the world, if not the outstanding, stated in Life magazine that there may be 10,500,000,000 barrels of oil along the Texas and Louisiana coasts. This figure of 10,500,000,000 barrels excludes oil along the coast line of Florida, Mississippi, and California. The Geological Survey of the Department of the Interior has estimated there may be 13,000,000,000 barrels on the Continental Shelf off Texas and Louisiana. It has also estimated there are 2,000,000,000 barrels off the coast of California. If this Geological Survey estimate of 15,000,000,000 barrels is correct and if today's available price of crude oil is around $2.70 a barrel, the 15,000,000,000 barrels are worth $40,500,000,000—more than $40,000,000,000 belonging to all the people of the United States.

What proportion of this total capital value of oil in place would accrue to the Federal Government in royalties in any given year would, of course, depend on future legislation. What proportion of this total resource in oil would be withdrawn in any year and over a particular period of years may depend upon many things—the going price and the necessity for finding new sources in oil; the shifting reasons of public policy that will dictate whether this oil is to be withdrawn quickly or deliberately conserved over a period; the discoveries of oil elsewhere; the effect of price in the world market; and the availability of substitute forms of power. It is just because of these many factors that the tidelands oil royalties will probably not be available as a fixed amount accruing each year, in contrast to tax funds, which are annually available for the support of the most distressing needs of education.

Whatever the combination of circumstances may be, it is certain that the Federal royalties from whatever amount of this treasure is withdrawn from year to year or over a period of time offer the greatest opportunity to American education since the dedication of a large proportion of our public lands to educational purposes through the land-grant colleges. It is a part of the American tradition and belief in education that our public lands should be dedicated in substantial part to the creation of an even greater public resource—an educated citizenry. Today as we face the crisis of finances in American education we cannot but wish that we had accepted the advice of that far-sighted Massachusetts statesman, President, and Member of Congress, John Quincy Adams, who many years ago attempted to dedicate the public lands of the United States to the particular purposes of public education.

The attempt to dedicate our public lands to the establishment of our land-grant colleges received its most resounding defeat in the nineteenth century from the pen of a President with lesser vision, James Buchanan, when he vetoed the first Morrill Act. It was only when Abraham Lincoln, mindful of his own desperate youthful efforts to educate himself, came to the Presidency that the vision of Adams became a part of the imagination of Lincoln, and grants of public lands were made to establish our land-grant colleges. I commend to our Republican colleagues the Lincoln tradition.

The action of the Supreme Court invites again the wisdom and vision of John Quincy Adams and Abraham Lincoln. Like a lost Atlantis rising from the sea, modern technology has created, from a source of which we had never dreamed, new public lands in the newly extractable oil deposits lying beneath the sea. We are given a second chance to endow American education from our public

lands after we have wasted far too much of our first chance.

The amendment which we jointly sponsor asks the Congress to realize how vast is this opportunity and responsibility. It is the big chance belonging to the whole Nation rather than a chance for only three or four States. No Senator from any State of the Union fails to realize the crisis in our American educational system and how aware of that crisis his youthful constituents are. No Senator is unaware of the increase in the birth rate in this country. The sudden increase in preschool-age and school-age children has placed an unprecedented strain upon our whole educational structure. The parents and the officials of every town, city, and county in all 48 States are immediately and directly concerned at the family level with the solution of this educational problem. It has become so crucial that last fall Life magazine, with 25,000,000 copies per issue, devoted an entire issue—the issue of October 16, 1950—to education. It has become so crucial that here in the Capital the Washington Post has increasingly devoted more of its editorial and news space to the question in a series of articles which last week received a national prize for excellence.

Neither parents nor children nor history will forgive any of us if we repeat the error of the Congress which ignored Adams, when modern technology has given us a second chance. We cannot stand in default and lay our failure to inability to understand the significance of this second chance.

In the critical days in which we now live there is one priority—national defense. Other purposes must give way to this priority until this Nation is so well prepared, so strong that the Russian aggressor will not dare to move.

Because this is so self-evident our amendment proposes that, for the present, tidelands money be used for national defense and national security. This shall be only for extraordinarily urgent and essential developments, selected by the Congress, to relieve the taxpayers of that amount of further tax burden. We therefore propose deferring for the present the actual use of this money for educational purposes.

But we must not defer either the dedication of these funds to education or the study of what specific uses for education these funds should be devoted. The National Advisory Council on Grants in Aid of Education provided by this amendment, eight to be selected by the legislative branch and four by the executive branch, should begin now to determine the most pressing of the many needs of education. A most painstaking and detailed examination is required.

There is no choice here between advantages and disadvantages. Every group, every sector of American education has its back against the wall. Our school buildings are overcrowded. The grammar schools of our Nation are in the next 4 years to receive the largest number of children in the history of the United States. Our postwar babies have come of age—school age. This tidal wave of 6-year-olds will soon inundate the rickety structure of primary education which already is tottering under its present load. Every State in the Union needs grammar-school teachers, needs new grammar-school buildings. And exactly the same thing is true of our high schools.

Our colleges, whether they are State universities, land-grant colleges, or private colleges are in equally severe financial straits. As taxes and inflation cut down endowments and the capacity of alumni to give, as legislatures have trouble raising additional educational funds, the prices for necessary personnel, services, and equipment, for maintenance and repair—all school operating costs—are skyrocketing.

While the sponsors of this amendment look to this asset as a source of help to the primary and secondary school systems, we feel most strongly that it must also be seen as a source, as a Government Rockefeller Foundation or Ford, Guggenheim, or Carnegie Foundation, out of which means can be provided for assistance to higher education and research which is just as desperately needed. Thus will we be able to maintain as a Nation our level of widespread human competence and keep ahead in the complicated technical efficiency upon which our very survival in this turbulent world may depend.

We hope that out of a study by a competent advisory council of 12 men appointed in the manner provided by the amendment some intelligent and equitable way may be found to help relieve the agonizing difficulties of colleges and universities, medical schools, dental schools, nursing schools, technological schools, and research institutions, by some techniques such as scholarships and grants-in-aid for specific training and research projects. In this way every child in America, irrespective of the financial circumstances of his parents, gets his chance at the fullest development of his highest abilities for the sake of the usefulness of those abilities to the Nation itself. And he does so without any cost to the taxpayer when we use income on the tidelands capital, given to us without taxes by Providence.

Institutions of higher learning in the United States today are in desperate financial difficulty. I doubt that the average salary of a full professor, not an assistant or associate professor, but one who has arrived at the top of his professional career—reaches $6,000 a year. Some Members of this body would be surprised to know what has happened to the actual purchasing power of the scholarship endowments of our great universities. That scholarship endowment is the Nation's insurance of the development and the utilization of the genius that may be born in the humblest home.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. HILL. I should like to conclude with my formal statement before I yield. I shall be very happy to yield later.

Those who served on the old Senate Committee on Education and Labor will feel as I do that improving the salaries of underpaid professors in colleges or underpaid teachers in primary and secondary schools may well be the most effective way of assuring a sound democratic philosophy for our students—your children and mine.

I have long been particularly interested in the dilemma of the medical schools because my father was a doctor.

I ask unanimous consent to have placed in the RECORD at the conclusion of my remarks an article which was published in the New York Times of Sunday, June 3, 1951. The headlines read: "Lack of Funds Threatening Medical Education of Nation—Financial Crisis Faced by Major Schools, With Research Work Imperiled."

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. HILL. Mr. President, the report of the Public Health Services Committee on medical schools grants and finances has revealed that a minimum of another $40,000,000 a year is needed at present enrollment levels and even more money is required to expand the physical facilities needed to teach medicine and train the doctors our country needs.

As compared to $2,000 before World War I, it now costs about $13,350 to provide a medical education. At that time the tuition fees were $122 a year and covered 70 percent of the cost; today's tuition fees of around $550 cover less than 25 percent. To raise the tuition any higher would mean putting the selection of medical students on an economic rather than ability basis. The Nation's 79 approved medical schools now have a combined deficit of $10,000,000 a year, ranging from as little as $67 in one school to more than $1,000,000 in another. This deficit represents about 20 percent of their operating budgets. And what is true of the medical schools is true of our dental schools, our nursing schools, our technological schools, our liberal arts colleges, our whole system of primary and secondary education.

For too long some have looked upon this predicament as something about which we could do nothing. We have felt perhaps that our ambitions for our children were simply bigger than our capacity to meet them. But with this new Atlantis which Providence and science have given us from the bottom of the sea, we can now reach for our dream.

The need—the future of our children—is great. The means that has been put in our hands with which to meet that need is great. So let us think greatly and act greatly. We must not lose this opportunity. There is enough to go around if we use our assets wisely and far-sightedly. It will do this Nation little good in meeting its problems of tomorrow if the children of Louisiana and California are well educated from oil when their brothers and sisters from Alabama and Oregon, who must stand beside them in working out the problems of their generation, are not equally well educated, and only because they were not lucky enough to be born adjacent to the

oil that belongs to the United States of America.

In this era of vast tides of migration from State to State, we must remember that there is no point in any particular State trying to make itself an insulated community concerned only for the education of the children who live within its own borders at a given moment. It is safe to say that many citizens of the Texas of today received their education in other States and at the expense of the taxpayers of other States. The huge influx of our people into California means that they were educated in a large part at the expense of and according to the standards of other States before they arrived. And when Louisiana really begins to make her own oil and gas hum in the Texas manner, she will become a migrant's El Dorado too. With the increasing problems of defense production, with the insistence that for security purposes such production take place behind our mountain States, it is not inconceivable that the nomadic movements of our people which were so apparent during World War II may again take place. In short, education and the fair sharing of resources for education, is a national as well as a State problem.

We who sponsor this amendment not only hope that our colleagues in the Senate will see the possibilities of good for the Nation in our proposal but we also dare to hope that there are businessmen in the great oil companies who will see these possibilities and deserve the accolade of business statesmen. Some of the biggest businessmen in our business world are in this industry. With the tremors that are communicating themselves from Iran to the whole world of oil, we hope those business statesmen may see in our proposal honest advantages of good will to the world of oil.

This is an opportunity to extend the public appreciation of the work of the Rockefeller Foundation; to identify big oil—in the minds of the rising generation that will shape public opinion and run the Government of this country long after we are gone—as the benefactor on a great national scale of educational opportunity which is the one common denominator of youth's ambition.

This is a business statesman's opportunity to have all the people of this country regard the oil industry as a friend as well as a great national resource, as a friend of every child educated in every State, as a friend of every parent of every child, rather than only the accumulator of tax-favored opportunities for a few.

I suggest to the business statesmen of big oil that in our proposal they may find a happy insurance policy which will guarantee that the attitude of the people of Iran toward oil will never—in the worst hardship or the worst depression—be the attitude of the people of the United States.

This is a chance for the statesmen of big oil—and I am sure they exist—to range themselves wholeheartedly on the side of the angels for the greatest good of the greatest number. This is oil's second chance as well as education's second chance and our children's second chance.

I hope big oil is big enough to have the wisdom to see the bigness of this chance for everybody.

EXHIBIT 1

LACK OF FUNDS THREATENING MEDICAL EDUCATION OF NATION—FINANCIAL CRISIS FACED BY MAJOR SCHOOLS, WITH RESEARCH WORK IMPERILED

(By Howard A. Rusk, M. D.)

A recent reader survey by a national magazine showed medical news ranking with sex and self-improvement as leading subject of interest to the public. Usually such news concerns scientific developments, new drugs, and new treatments that offer hope of curing some disease.

Within the last few weeks, however, there have been a number of big medical news stories that have dealt with something much more fundamental—the financial crisis in American medical schools.

The first of these was the report of the Public Health Service's Committee on Medical School Grants and Finances headed by Dr. Lowell J. Reed, Johns Hopkins University. In this detailed study on the financial and related problems in medical education and research, it was brought out that "a minimum of another $40,000,000 a year is needed to cover the medical schools' operating expenses at present enrollment levels" and "even more money is required to expand the physical facilities needed to teach medicine."

The costs of medical education during the last 50 years have increased tremendously. As compared to $2,000 before World War I, it now costs about $13,350 to provide undergraduate medical training. At that time, the tuition fees of $122 a year covered 70 percent of the cost; today's tuition fees of around $550 cover less than 25 percent. To raise the tuition any higher would mean putting the selection of medical students on an economic rather than ability basis.

SCHOOLS FACE VAST DEFICITS

With rising costs, schools have less income from their endowments, because of lowered yield on investments, and less support from individual philanthropists, because of the increasing tax burden. The result is that the Nation's 79 approved medical schools now have a combined deficit of $10,000,000 a year, ranging from as little as $67 in one school to more than $1,000,000 in another. This deficit represents about 20 percent of their operating budgets.

The urgency of this problem has been emphasized recently in the report of the commission on financing higher education, established by the Association of American Universities and financed by grants from the Rockefeller Foundation and the Carnegie Corp. This commission, consisting of six college presidents and six industrial leaders, noted the necessity for financial aid, but it went on record as opposing Federal aid to medical education, saying, "Until it has been clearly demonstrated that other sources of support cannot finance medical education, we believe no such great and potentially far-reaching innovation in Federal financing should be undertaken."

Instead they suggested:

1. More economies in medical schools.

2. Financing hospital care and other community services now provided by medical schools from local government appropriations for welfare purposes.

3. The payment of the full cost of such research by foundations, corporations, and other agencies supporting medical research.

4. Increased State appropriations, but not at the expense of other State-supported programs of higher education.

5. An increase in gift income.

Although laudable, the commission's proposals are not easy to achieve. As Dr. James B. Conant, president of Harvard University, said the day after the commission's report: "If by economies they mean cutting budgets, of course, they can. If, however, by economies you mean saving money and doing an equally good job, I submit they are mistaken. * * * We are economizing and are paying a heavy price in not producing as many and the kind of doctors we should to take advantage of the great scientific discoveries of the century."

INADEQUACY OF PAY CITED

There is certainly one area in which further economy is not possible, and that is in the salaries of medical-school teachers. Although they are the foundation of medical education and must have years of training, most of our basic-science teachers in medical schools earn far less than journeymen. For example, one of the leading teachers of physiology in medicine today, an associate professor with a doctoral degree and 25 years of teaching experience, makes but $7,200 a year. Many excellent young research men with as much as 10 years of experience are earning less than $5,000.

It is readily apparent that our medical schools must have more funds and that these funds can come only from the Federal Government or from voluntary sources. Bills for Federal support of medical education have been introduced in each of the last several Congresses. The Association of American Medical Colleges and other groups have favored such legislation, but the American Medical Association has been opposed, fearing that Federal support might lead to Federal control. As an alternative the AMA has formed the American Medical Education Foundation to receive and distribute voluntary contributions to aid medical schools and it has suggested that each physician in the Nation give $100 annually. If this goal were achieved, it would mean nearly $18,000,000 a year in new income to our medical schools.

The AMA has merged its fund with the recently announced National Fund for Medical Education in which it is hoped that $5,000,000 can be raised annually from private sources for distribution to medical schools. The new fund, which has the sponsorship of industry, the medical profession, organized labor, agriculture, and a group of university presidents and 12 scientific and educational foundations, has thus far raised $1,000,000 from contributions by the medical profession and such other groups as 18 leading life-insurance companies and many industrial corporations.

An ambitious but extremely important project, the National Fund for Medical Education is a step in the right direction even if it solves only a part of the problem. Certainly, as Herbert Hoover, its honorary chairman, has said, it is a "significant development in the strengthening of the Nation's medical manpower."

Mr. HILL. Mr. President, on behalf of myself, the Senator from Illinois [Mr. DOUGLAS], the Senator from Oregon [Mr. MORSE], the Senator from Connecticut [Mr. BENTON], the Senator from New Hampshire [Mr. TOBEY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. NEELY], my colleague the junior Senator from Alabama [Mr. SPARKMAN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Missouri [Mr. HENNINGS], and the Senator from New Mexico [Mr. CHAVEZ] I submit the amendment, to be printed and appropriately referred.

The PRESIDING OFFICER. Without objection, the amendment will be

received, printed, and referred to the Committee on Interior and Insular Affairs.

EXECUTIVE SESSION

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

INTERNATIONAL AGREEMENT REGARDING THE REGULATION OF PRODUCTION AND MARKETING OF SUGAR—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER (Mr. HENNINGS in the chair). The Chair lays before the Senate Executive I, Eighty-second Congress, first session, a protocol dated August 31, 1950, prolonging for 1 year the international agreement regarding the regulation of production and marketing of sugar, signed at London on May 6, 1937. Without objection, the injunction of secrecy will be removed from the protocol, and the protocol, together with the President's message, will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of a protocol dated in London, August 31, 1950, prolonging for 1 year after August 31, 1950, the international agreement regarding the regulation of production and marketing of sugar signed at London on May 6, 1937.

I also transmit, for the information of the Senate, the report made to me by the Under Secretary of State with respect to this matter.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 7, 1951.*

(Enclosures: (1) Report of the Under Secretary of State; (2) certified copy of protocol of August 31, 1950.)

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. Reports of committees are in order. If there be none, the clerk will state the nominations on the executive calendar.

UNITED STATES DISTRICT JUDGE

The legislative clerk read the nomination of Joe Warren Sheehy, of Texas, to be United States district judge for the eastern district of Texas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

Mr. McFARLAND. I now ask unanimous consent that the President be immediately notified of these confirmations.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. McFARLAND. As in legislative session, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 32 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 8, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 7 (legislative day of May 17), 1951:

IN THE NAVY

Alan G. Lewis (Naval ROTC) to be an ensign in the Supply Corps of the Navy, in lieu of ensign in the Navy as previously nominated and confirmed to correct name.

Richard Y. Kelly (civilian college graduate) to be a second lieutenant in the Marine Corps.

The following-named women (civilian college graduates) to be ensigns in the Navy:

Rosemary D. Arenth	Betty R. Kunzman
Kathleen D. Beck	Diana McNair
Marion C. Brenner	Bertha S. Miller
Emily J. Byrd	Mary V. Moore
Nancy J. Chapman	Faye P. Overton
Shirley J. Clare	Frances MacD. Patch
Mary T. Connors	Bette J. Pickett
Yvonne C. Fossenkemper	Mary-Jeannette M. Rayner
Nellie M. Grieve	Louise B. Rogerson
Louise E. Griffin	Agnes I. Rupp
Elizabeth Hart	Mary E. Sheffels
George Hodges	Suzanne S. Shera
Mitzie L. Jacobson	Margaret F. Smith
Ethel R. Klein	Ann Thompson
Sibyl L. Kuhnle	Ruth V. Whitfield

The following-named women (civilian college graduates) to be ensigns in the Supply Corps of the Navy:

Elizabeth L. Childers
Clair Cook

The following-named (civilian college graduates) to the grades indicated in the Medical Corps of the Navy:

LIEUTENANT COMMANDER

Rufus J. Pearson, Jr.

LIEUTENANTS (JUNIOR GRADE)

Robert H. Palmer, Jr.	Roger P. Smitley
Clifford C. Roosa	James N. Waggoner

Fitzhugh N. Hamrick to be a lieutenant (junior grade) in the Dental Corps of the Navy.

The following-named to be ensigns in the Nurse Corps of the Navy:

Belva L. Coole	Rachel A. Nantz
Winifred L. Copeland	Virginia Marfia
June M. Elsesser	Margaret E. Nix
Evelyn C. Foht	Mary L. O'Donnell
Susan M. Hanley	Elizabeth Pope
Mary H. Harris	Julia E. Scarcello
Viola M. Hofer	Dorothy J. Shields
Regina M. Holland	Iris M. Stock
Wanda J. Humphrey	Mary T. Taylor
Barbara J. Hundley	Annie R. White
Dorothy V. Krause	

The following-named officers to the grade indicated in the line of the Navy, for limited duty only:

ENSIGNS

Albert Antar	Peter E. Moll, Jr.
Harold S. Birdsong	Robert L. Moore
Arthur A. Bish	Aulcey D. Mosley
Donald "D" Butler	Sylvester F. North
John J. Bramblett, Jr.	James P. Padgett
Francis E. Carnicom	John K. Pegues, Jr.
John T. Childs	Robert Pescott
Earl D. Christensen	Everett R. Peugh
John H. Church	Loyd G. Peterson, Jr.
Ernest L. Cobern	Robert E. Pierce
James E. Criner	Joseph E. Pinning
Peter DellaRocca	Harry B. Pitcher, Jr.
Frank Dievendorff	Wilbur P. Powers
Charles A. Dodd	Walter A. Ramsey
Philip M. Dyer	Garlin R. Read
Otis E. Engelman	Irvin W. Reed
George J. Evans	Albert R. Reid
Julius E. Fuchs	Benjamin G. Sailors
Adolph J. Furtek	William G. Sandberg
Robert D. Gale	Albert G. Sentman
Bernard H. Garrett	Elroy J. Shafer
Homer A. Giddens	George T. Sinclair, Jr.
Herman E. Goebel, Jr.	Jack D. Smith
William L. Halleck	George Stenke
Theodore P. Henrikson	Joseph St. Marie
James "B" Hobbs	Preston G. Thomas
John C. Hounihan	Ted K. Tillotson
Donnie W. Huckaby	William O. Thomson
William L. Hutton	Jackson M. Tomsky
Jack R. Ingram	Mike J. Trens
Robert G. Jacks	John C. Valek
Cecil King	William McK. Villines, Jr.
Everett N. Leach	Willard F. Waterfield, Jr.
William R. Leibold	Arthur C. White
John D. Lewallen	George W. Whitman
Joe J. Lilienfeld	Raymond O. Wilkinson
Eugene J. McGuire	William R. Yarwood
George W. Macauley	
Armido E. Mancini	
Richard E. Mikkelsen	

The following-named officers to the grade indicated in the Supply Corps of the Navy, for limited duty only:

ENSIGNS

Donavon E. Abraham	Lowell A. Reade
Charles H. McKenzie	Clarence E. Reed
George W. Nelson	

The following-named officers to the grade indicated in the Civil Engineer Corps of the Navy, for limited duty only:

ENSIGNS

David H. Bodtke
Robert A. Martin

CONFIRMATIONS

Executive nominations confirmed by the Senate June 7 (legislative day of May 17), 1951:

UNITED STATES DISTRICT JUDGE

Joe Warren Sheehy, to be United States district judge for the eastern district of Texas.

POSTMASTERS

INDIANA

Ross A. Hancher, Elwood.
Claude B. Holder, Hope.
Norman Bretz, Huntingburg.
Paul V. Geiger, Markle.
Frank S. Anderson, Salem.

MASSACHUSETTS

Harper T. Gerry, Shelburne Falls.

MICHIGAN

Lillian M. Dewey, Alden.
Thomas H. Branigan, Auburn.
Charles E. Wesner, Buchanan.
J. Donald Van Sickle, Carson City.
Arthur G. Warlick, Jr., Colon.
Vernon P. McGuire, Detour.
Albert C. Johnston, Palmyra.
John S. Miller, Rapid River.

NEW YORK

John D. Allardice, Hudson.

PENNSYLVANIA

William Lester Davis, Peach Glen.

WASHINGTON

Hugh A. Miller, Granite Falls.
Sanford M. Lord, Kelso.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 7, 1951

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. McCORMACK.

Rev. Paul J. Harrell, pastor, Memorial Baptist Church, Arlington, Va., offered the following prayer:

Eternal God, ruler of the universe, remembering Thy commandment "to have no other gods before Thee" and realizing that such priority is right and good, we pledge to Thee our highest allegiance. Keep us true to that pledge that we may be true to ourselves, our work, and our Nation.

Spirit of the Living God, fall fresh upon us. Invade the shore lines of our lives and instead of repulsing Thee with self-sufficiency and pride, as so often we have, we will welcome Thee as the rightful possessor and ruler of our lives.

We know, O God, that no one can improve the world so drastically and speedily as is now needed except Thyself, but we know You will not change it apart from our cooperation. Direct today the President, this body, and all who seek to cooperate with Thee toward that end. In our Saviour's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 75. An act authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes.

The message also announced that the Senate disagrees to the amendments of the House to the concurrent resolution (S. Con. Res. 11) entitled "Concurrent resolution reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CONNALLY, Mr. McMAHON, and Mr. WILEY to be the conferees on the part of the Senate.

CONTESTED ELECTION OF RAYMOND W. KARST v. THOMAS B. CURTIS

The SPEAKER pro tempore laid before the House the following message from the Clerk of the House which was read and, together with the accompanying papers, referred to the Committee on House Administration and ordered printed:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 7, 1951.

Honorable SPEAKER,
House of Representatives,
Washington, D. C.

SIR: From the contestant in the contested election case of Raymond W. Karst against Thomas B. Curtis for a seat in the Eighty-second Congress from the Twelfth Congressional District of Missouri, I have received a statement including a motion to dismiss his intention to contest the seat of the returned Member in the said district.

This communication is transmitted to the House for reference to the appropriate committee.

Very truly yours,
RALPH R. ROBERTS,
Clerk of the House of Representatives.

THE LATE HONORABLE JOHN HARLEY BURKE

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, I have a sad duty to perform, one which I regret occasion requires. It is to announce the passing of a former able Member of this House on May 14, 1951, the late Honorable John Harley Burke, who also resided in my home city of Long Beach during most of his lifetime and represented for one term in this House the same congressional district I now represent, the Eighteenth District of California.

John Harley Burke was born in Excelsior, Wis., June 2, 1894, and moved to Long Beach in 1909. He and I attended the same high school at Long Beach. He attended the University of Santa Clara, Calif., and the law department of the University of Southern California at Los Angeles, with a splendid record. He was admitted to the bar of the State of California in 1917 and commenced promptly law practice in Long Beach, Calif., and established a large law practice.

During the First World War, he served as a private in the Twelfth Training Battery Field Artillery, Camp Taylor, Ky., in 1918.

After he returned to Long Beach from one term in Congress—the Seventy-third session, March 4, 1933, to January 3, 1935—he engaged in the oil business as an independent producer. He was not a candidate for reelection to Congress. He was a life member of the Elks and a member of the American Legion.

I personally knew him from the year 1909. He was recognized as a very able, kindly, generous friend of a large circle of loyal friends. I know his wife and children personally; they are fine folks. She is a lovely and loyal wife. His children are all adults. I am sure that the House joins with me in expressing understanding sympathy to his family and his loved ones. His membership in this Congress was on the Democratic side of the political aisle. I shall always recall with pleasure my teaming up with him on a speaking team for the support of the Liberty bonds during the First World War. He was a very able and eloquent speaker in support of his position in public debate or in the courtroom. I appreciate your joining with me in extending sympathy to his family at Long Beach.

SPECIAL ORDER GRANTED

Mr. BRYSON asked and was given permission to address the House today for 15 minutes, following any special orders heretofore entered.

DOWN PAYMENT ON AUTOMOBILES

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, from reports I am receiving back home, new and used automobiles are piling up in warehouses and showrooms to the sorrow of the American public who would like to buy them but cannot.

There are plenty of willing purchasers but they just cannot save the necessary one-third down payment.

It is evident that the automobile industry, one of the Nation's greatest enterprises, is suffering as the direct result of the Government's stringent credit regulations.

Frankly, I do not feel such rulings are necessary. They simply prevent citizens who need cars from acquiring them.

All Americans who have jobs and families should have cars. Our defense program depends to a large extent upon how mobile the masses of our people can become.

Private ownership of automobiles has become a necessity, since populations should be dispersing in all directions from the large cities. There will be far less hardship and devastation to humanity if people can live distances from plants and factories within the cities and commute by their own cars.

As it is now, however, hundreds of thousands of workers and farmers find they are not in reach of owning automobiles because the ready cash they may have saved has gone to pay inflated food prices or to meet some family emergency.

They are not even able to raise a modest sum for a down payment on a car. They could arrange for the regular monthly outlay, but are precluded from the first step in car purchasing because the requirement in the initial step is beyond them.

I believe the time has come to remove credit restrictions on the purchase of automobiles in order to give everybody a chance to own one.

Therefore I am introducing a bill authorizing the right of any citizen to purchase a new or used car simply by paying a dollar down.

This easing of regulations should break the log jam of surplus cars piling up for lack of purchasers. This will

save the automobile business, and accelerate our whole national preparedness program. It will keep the public on wheels and assure victory for America.

The Hall bill reads as follows:

A bill to enable all Americans to purchase automobiles by eliminating down payments of more than $1

Whereas there is a tremendous surplus of new and used automobiles which are causing an ever-increasing glut on the market; and

Whereas these automobiles should be made available to American citizens for purchase and use; and

Whereas credit regulations are now so stringent that the majority of people find it impossible to make initial payments which will give them title to automobiles; and

Whereas business will be stimulated and revived in one of the most important American industries if credit restrictions are lifted; and

Whereas the whole country will profit immensely by greatly increased purchases therefrom: Therefore

Be it enacted that the Senate of the United States and House of Representatives in Congress assembled do hereby order, That—

1. Credit restrictions governing the purchase of new and used automobiles by American citizens be lifted to the extent that no purchasers of said automobiles need make a down payment of more than $1.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Illinois.

Mr. MASON. Did the gentleman vote for the price-control bill when it was passed?

Mr. EDWIN ARTHUR HALL. I do not remember.

UNFAIR TRADE PRACTICES

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'TOOLE. Mr. Speaker, on June 5 on the floor of this House I charged that the so-called price war engaged in by various department stores all over the country was conclusive proof that the prices maintained heretofore by these organizations were entirely too high. I further charged that by maintaining these unfair prices that the stores had been overcharging and gouging the public for years.

This morning's New York Times carries an article, Answer to O'TOOLE Issued by Gimbel. Mr. Gimbel in his statement says that the price war does not prove that the retail prices have been too high. Without specifying any particular articles he said that many items are now being sold in this war below cost. If this is so, Mr. Gimbel, is it not a fact that you and those whom you accuse of being guilty of this practice are engaged in unfair competition? You confess to and indict other members of your industry in engaging in practices that can do nothing but lead to the ruin of many of the small retailers in our Nation.

With the great cash resources that the big stores have, with the secret rebates and kick-backs that the big store receives from the manufacturer and middleman, with the immense amount of money that the larger groups have for advertising, it is impossible for the smaller man to compete with you and stay in business. Mr. Gimbel's answer is a further indication that there is an absolute need for the investigation that I have asked for of the entire price set-up for meats, foods, clothing, and all household necessities. If, as Mr. Gimbel suggests, the large stores are now selling some items under cost, I believe that the Attorney General of the United States and of the various States should take cognizance of the fact and take action to prevent these unethical and unfair trade practices.

From information that I have at my command, I definitely know that the great majority of the articles that have been reduced in this price war are still being sold by the large stores at a profit. At no point in his statement did Mr. Gimbel deny this fact. This is an implied admission that the 30 to 60 percent profits that were made on specified articles in the past were unfair profits.

BROOKLYN SUNDAY SCHOOL UNION

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, truly the light should shine not when the world is at peace but rather in days like this. Today in Brooklyn a light does shine, for there we celebrate the one hundred and twenty-second anniversary of the founding of the Brooklyn Sunday School Union, and today in Brooklyn upward of 100,000 men, women, and children of all Protestant sects will proudly march in a public display of their allegiance to that light; a singular, historic day in Brooklyn that the world might well contemplate and emulate.

STOP MEAT INDUSTRY'S STRIKE AGAINST CONTROLS

Mr. DOLLINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOLLINGER. Mr. Speaker, I have been shocked and appalled by the statements made by the representatives of the cattlemen and others that make up the meat industry, who appeared before the House Banking and Currency Committee, of which I am a member. They have threatened the return of the black market if controls are established and prices rolled back.

I am sick and tired of this talk. How long are we to be dictated to by individuals who are interested in unconscionable profits rather than in the welfare of their country? There would have been no black market during World War II had they been anxious to obey the law by policing their own industry. Their greed for wealth cost the American taxpayers billions of dollars.

We are now threatened again with a black market unless we obey their orders. They are not afraid of monetary punishment, or yes, even criminal punishment, because in the past, scapegoats were found to take the criminal punishment intended for those responsible for the wrongs.

We are in a period of great emergency and must find a way to make the greedy respect and obey the laws of our country. Labor was forced to cooperate in the past when the railroads were seized and operated by the Government in the interest of our common welfare. Why cannot the same reasoning be used today to assure the people of this country of an adequate supply of food?

I, therefore, advocate that just as soon as a black market appears in the meat industry or any other industry dealing in essentials which so vitally affect the well-being of our people, or there is a deliberate curtailment in the production of such essential items so that they do not appear in the markets in normal quantities for all to purchase at fair prices as prescribed by the Office of Price Stabilization—the United States Government should seize and operate such industry in its entirety. In this way the producers and all those in the allied fields would be assured of a fair price and the consumer would not be subjected to the vicious practices of black markets.

I know that what I advocate is drastic, but drastic remedies are needed to meet such threats. Why should we permit criminals and racketeers, who deal in black markets, to gain control of our country?

I shall offer the necessary amendments to the Defense Production Act which will provide authority for such seizures.

MAJ. GEN. CHARLES WILLOUGHBY

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, it has come to my attention, through various news publications, that a certain Richard Sorge, who was executed by the Japanese in the latter part of World War II as a Communist spy, had in his possession a list of names which would indicate that certain Americans were engaged in espionage activities in the Far East. It is my further understanding that Maj. Gen. Charles Willoughby, Chief of Army Intelligence under General MacArthur in Japan, has this list of names and that, as yet, it has not been made public. General Willoughby is now in this country and I am therefore requesting the chairman of the House Un-American Activities Committee or the chairman of the House Armed Services Committee to call General Willoughby before it to inquire into the names contained in this list and to lay that information before the membership of the House of Representatives.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Mississippi.

Mr. RANKIN. Why not have the Committee on Armed Services look into it?

Mr. MANSFIELD. As far as I am concerned, all I want is to have a congressional committee look into this and find out what the story is.

Mr. RANKIN. I think that committee should investigate it.

Mr. MILLER of Nebraska. General Willoughby has already been subpenaed by the Committee on Un-American Activities.

Mr. MANSFIELD. I am glad to hear that.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, as the gentleman from Montana has said, General Willoughby is now in this country. The Sorge spy matter is one with which he is most familiar—more familiar than any other person. He has tried for years to get somebody to listen to him on this matter which affected the security of the United States. His efforts to secure attention from the Defense Department and from the State Department have certainly been continually ignored. Why? Because, I think, General Willoughby is a very well-known anti-Communist and because General Willoughby has pled for the disclosure of important matters affecting the security of the United States. The State Department has never been interested in charges made by anti-Communists, for fear that such unseemly interest might make the Russians "mad," and the only way in which this matter can be developed is through the proper committee of the House of Representatives. I hope General Willoughby will be called on soon and heard at length. There is a lot he can tell you about State Department skullduggery in the Asian area, if your committee really wants to get at the truth. Of course, Dean Acheson will deny everything, but some day when our State Department has been cleansed of its Achesons, its Communist-lovers, its appeasers, and a new Secretary installed who favors the "big truth" as against the "big lie" as an instrument of national policy, we may then have a foreign policy Americans can support and the world can respect.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

CATTLE FEEDER SITUATION

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I regret to hear the gentleman from New York [Mr. DOLLINGER] call the cattlemen and cattle feeders of the Midwest greedy. When we see that on yesterday Eric Johnston permitted automobile workers to receive a raise in an additional 4 cents an hour for so-called production incentive, it comes with very poor grace indeed for anybody on the administration side to call our farmers and cattlemen, especially when that same administration is determined to roll back the receipts of these same cattle feeders, from 10 percent to 19 percent. I repeat, I regret that we hear on the floor of the House any such statements about the cattlemen of the Midwest being greedy.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, there is another side to this beef-cattle problem. I am in full accord with the sentiments expressed by my colleague from Minnesota, Congressman H. CARL ANDERSEN. While home last week I talked with my cousin who lives on a farm and who makes a specialty of feeding cattle. He raises corn and feeds it to cattle. He buys steers. He has 40 steers now fattening. He paid $32 a hundredweight for those steers and it costs him between five and six dollars per hundredweight to fatten them. He says he is going to lose—actually lose $1,800 to $2,000 on those 40 steers. He says, "NOAH, do you think I am going to buy any more steers and fatten them at a loss? I am forced to take my loss on these steers, but I cannot be forced to take any more losses. I shall quit fattening cattle." That is what the steer-fattening groups are up against. So there is another side to this cattle-feeding problem than the one presented by the gentleman from New York.

PETER E. KOLESNIKOFF

Mr. KEATING. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2918) for the relief of Peter E. Kolesnikoff, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$1,000" and insert "$766."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ESTATE OF MATTIE MASHAW

Mr. KEATING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 652) for the relief of the estate of Mattie Mashaw, with Senate amendments thereto, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out "$5,249.45" and insert "$6,244."

Page 1, line 9, strike out "1944" and insert "1942."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. RANKIN. Reserving the right to object, Mr. Speaker, I want to know if the gentleman has consulted the chairman of the committee on this proposition.

Mr. KEATING. The chairman of the Judiciary Committee?

Mr. RANKIN. The chairman of the committee that handled it.

Mr. KEATING. It is the chairman of the committee that handled it at whose request I am presenting the bill; yes.

Mr. RANKIN. Who is the gentleman on this side of the aisle who is in charge of it?

Mr. KEATING. The gentleman from New York [Mr. CELLER] is chairman of the committee and has requested me to present this matter to the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. KEATING]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

PRICE FIXING ON FOOD COMMODITIES

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Speaker, the gentleman from Mississippi [Mr. RANKIN] gets up here and accuses, as he usually does, people who are trying to better the living conditions of the people of this country, of being Communists. Every time we try to do something constructive he calls it communism.

When we had TVA, that was not communism. When we try to help the consumers of this country, when we try to keep prices down, when we try to have rent control, the gentleman comes up with that eternal cry of "communism." He cannot have any constructive opposition. He therefore resorts to name calling. It is the old case of the boy crying, "Wolf, wolf" so often that nobody paid attention to him. That is the effect that the gentleman from Mississippi is having upon us.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

UNIVERSAL MILITARY TRAINING AND SERVICE ACT

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (S. 1) to provide for the common defense and

security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, a point of order. I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently there is no quorum present.

Mr. VINSON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 72]

Angell	Gwinn	Moulder
Blatnik	Harrison, Wyo.	Murray, Wis.
Boggs, La.	Hoffman, Ill.	O'Konski
Boykin	Hoffman, Mich.	Poage
Byrne, N. Y.	Jones, Mo.	Poulson
Carnahan	Kearns	Powell
Cox	Kelley, Pa.	Preston
Crawford	Kennedy	Rabaut
Curtis, Nebr.	Kilburn	Reed, Ill.
Dawson	Kilday	Sabath
Dingell	LeCompte	Sheehan
Durham	Lyle	Shelley
Evins	McCarthy	Smith, Kans.
Flood	Merrow	Stanley
Fugate	Miller, Calif.	Taylor
Gillette	Miller, N. Y.	Winstead
Gossett	Morton	Wood, Ga.

The SPEAKER pro tempore. On this roll call 381 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

UNIVERSAL MILITARY TRAINING AND SERVICE ACT

The SPEAKER pro tempore. The Clerk will read the statement of the managers on the part of the House.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 535)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1) to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"TITLE I

"SECTION 1. The Selective Service Act of 1948 (62 Stat. 604), as amended, is further amended as follows:

"(a) Section 1 (a) of such Act is amended to read as follows:

" 'SECTION 1. (a) This Act may be cited as the "Universal Military Training and Service Act." '

"(b) Section 2 of such Act is amended to read as follows:

" 'SEC. 2. Notwithstanding any other provision of law, the authorized active-duty personnel strength of the armed forces, exclusive of personnel of the reserve components on active duty for training purposes only, officer candidates, personnel of the armed forces employed in the Selective Service System, and persons paid under the appropriations for the Naval Reserve and the Marine Corps Reserve, is hereby established as follows: (1) Of the Army of the United States, eight hundred thirty-seven thousand; (2) of the Navy, including the Marine Corps, the present authorized statutory strength of six hundred sixty-six thousand, eight hundred and eighty-two; and (3) of the Air Force of the United States, five hundred two thousand. The strength herein established for each of the armed forces shall mean the daily average number of persons on active duty therein during the fiscal year.'

"(c) Section 3 of such Act is amended to read as follows:

" 'SEC. 3. Except as otherwise provided in this title, it shall be the duty of every male citizen of the United States, and every other male person now or hereafter in the United States, who, on the day or days fixed for the first or any subsequent registration, is between the ages of eighteen and twenty-six, to present himself for and submit to registration at such time or times and place or places, and in such manner, as shall be determined by proclamation of the President and by rules and regulations prescribed hereunder.'

"(d) Section 4 (a) of such Act is amended to read as follows:

" '(a) Except as otherwise provided in this title, every male citizen of the United States and every male alien admitted for permanent residence, who is between the ages of 18 years and 6 months and 26 years, at the time fixed for his registration, or who attains the age of 18 years and 6 months after having been required to register pursuant to section 3 of this title, or who is otherwise liable as provided in section 6 (h) of this title, shall be liable for training and service in the Armed Forces of the United States: *Provided*, That each registrant shall be immediately liable for classification and examination, and shall, as soon as practicable following his registration, be so classified and examined, both physically and mentally, in order to determine his availability for induction for training and service in the Armed Forces: *Provided further*, That any male alien who is between the ages of 18 years and 6 months and 26 years, at the time fixed for registration, or who attains the age of 18 years and 6 months after having been required to register pursuant to section 3 of this title, or who is otherwise liable as provided in section 6 (h) of this title, who has remained in the United States in a status other than that of a permanent resident for a period exceeding one year (other than an alien exempted from registration under this title and regulations prescribed thereunder) shall be liable for training and service in the Armed Forces of the United States, except that any such alien shall be relieved from liability for training and service under this title if, prior to his induction into the Armed Forces he has made application to be relieved from such liability in the manner prescribed by and in accordance with rules and regulations prescribed by the President; but any alien who makes such application shall thereafter be debarred from becoming a citizen of the United States. The President is authorized, from time to time, whether or not a state of war exists, to select and induct into the Armed Forces of the United States for training and service in the manner provided in this title (including but not limited to selection and induction by age group or age groups) such number of persons as may be required to provide and maintain the strength of the Armed Forces.

" 'At such time as the period of active service in the Armed Forces required under this title of persons who have not attained the nineteenth anniversary of the day of their birth has been reduced or eliminated pursuant to the provisions of section 4 (k) of this title, and except as otherwise provided in this title, every male citizen of the United States who is required to register under this title and who has not attained the nineteenth anniversary of the day of his birth on the date such period of active service is reduced or eliminated, or who is otherwise liable as provided in section 6 (h) of this title, and every male alien admitted for permanent residence who is required to register under this title and who has not attained the nineteenth anniversary of the day of his birth on the date such period of active service is reduced or eliminated, or who is otherwise liable as provided in section 6 (h) of this title, shall be liable for training in the National Security Training Corps: *Provided*, That any male alien who is required to register under the provisions of this title and who has not reached the nineteenth anniversary of the date of his birth on the date such period of active service is reduced or eliminated, or who is otherwise liable as provided in section 6 (h) of this title, who has remained in the United States in a status other than that of a permanent resident for a period exceeding one year shall be liable for training in the National Security Training Corps except that any such alien shall be relieved from such training under this title if, prior to his induction into the National Security Training Corps he has made application to be relieved from such liability in the manner prescribed by and in accordance with rules and regulations prescribed by the President, but any alien who makes such application shall thereafter be debarred from becoming a citizen of the United States: *Provided further*, That persons deferred under the provisions of section 6 of this title shall not be relieved from liability for induction into the National Security Training Corps solely by reason of having exceeded the age of 19 years during the period of such deferment. The President is authorized, from time to time, whether or not a state of war exists, to select and induct for training in the National Security Training Corps as hereinafter provided such number of persons as may be required to further the purposes of this title.

" 'No person shall be inducted into the Armed Forces for training and service or shall be inducted for training in the National Security Training Corps under this title until his acceptability in all respects, including his physical and mental fitness, has been satisfactorily determined under standards prescribed by the Secretary of Defense: *Provided*, That the minimum standards for physical acceptability established pursuant to this subsection shall not be higher than those applied to persons inducted between the ages of 18 and 26 in January 1945: *Provided further*, That the passing requirement for the Armed Forces Qualification Test shall be fixed at a percentile score of 10 points.

" 'No persons shall be inducted for such training and service until adequate provision shall have been made for such shelter, sanitary facilities, water supplies, heating and lighting arrangements, medical care, and hospital accommodations for such persons as may be determined by the Secretary of Defense or the Secretary of the Treasury to be essential to the public and personal health.

" 'The persons inducted into the Armed Forces for training and service under this title shall be assigned to stations or units of such forces. Persons inducted into the land

forces of the United States pursuant to this title shall be deemed to be members of the Army of the United States; persons inducted into the naval forces of the United States pursuant to this title shall be deemed to be members of the United States Navy or the United States Marine Corps or the United States Coast Guard, as appropriate; and persons inducted into the air forces of the United States pursuant to this title shall be deemed to be members of the Air Force of the United States.

"'Every person inducted into the Armed Forces pursuant to the authority of this subsection after the date of enactment of the 1951 Amendments to the Universal Military Training and Service Act shall, following his induction, be given full and adequate military training for service in the armed force into which he is inducted for a period of not less than four months, and no such person shall, during this four months' period, be assigned for duty at any installation located on land outside the United States, its Territories and possessions (including the Canal Zone); and no other member of the Armed Forces of the United States who is enlisted, inducted, appointed, or ordered to active duty after the date of enactment of the 1951 Amendments to the Universal Military Training and Service Act shall be assigned to duty at any installation located on land outside the United States, its Territories and possessions (including the Canal Zone), until he has had the equivalent of at least four months of basic training: *Provided*, That no funds appropriated by the Congress shall be used for the purpose of transporting or maintaining in violation of the provisions of this paragraph any person inducted into, or enlisted, appointed or ordered to active duty in, the Armed Forces under the provisions of this title.

"'No person, without his consent, shall be inducted for training and service in the Armed Forces or for training in the National Security Training Corps under this title, except as otherwise provided herein, after he has attained the twenty-sixth anniversary of the day of his birth.

"'No member of the Armed Forces shall be restricted or prevented from communicating directly or indirectly with any Member or Members of Congress concerning any subject unless such communication is in violation of law, or in violation of regulations necessary to the security and safety of the United States.'

"(e) Section 4 (b) of such Act is amended to read as follows:

"'(b) Each person inducted into the Armed Forces under the provisions of subsection (a) of this section shall serve on active training and service for a period of twenty-four consecutive months, unless sooner released, transferred, or discharged in accordance with procedures prescribed by the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard) or as otherwise prescribed by subsection (d) of section 4 of this title.'

"(f) Section 4 (c) of such Act is amended to read as follows:

"'(c) (1) Under the provisions of applicable laws and regulations any person between the ages of eighteen years and six months and twenty-six years shall be offered an opportunity to enlist in the regular army for a period of service equal to that prescribed in subsection (b) of this section: *Provided*, That, notwithstanding the provisions of this or any other Act, any person so enlisting shall not have his enlistment extended without his consent until after a declaration of war or national emergency by the Congress after the date of enactment of the 1951 amendments to the Universal Military Training and Service Act.

"'(2) Any enlisted member of any reserve component of the Armed Forces may, during the effective period of this Act, apply for a period of service equal to that prescribed in subsection (b) of this section and his application shall be accepted: *Provided*, That his services can be effectively utilized and that his physical and mental fitness for such service meet the standards prescribed by the head of the department concerned: *Provided further*, That active service performed pursuant to this section shall not prejudice his status as such member of such reserve component: *And provided further*, That any person who was a member of a reserve component on June 25, 1950, and who thereafter continued to serve satisfactorily in such reserve component, shall, if his application for active duty made pursuant to this paragraph is denied, be deferred from induction under this title until such time as he is ordered to active duty or ceases to serve satisfactorily in such reserve component.

"'(3) Within the limits of the quota determined under section 5 (b) for the subdivision in which he resides, any person, between the ages of eighteen and twenty-six, shall be afforded an opportunity to volunteer for induction into the Armed Forces of the United States for the training and service prescribed in subsection (b), but no person who so volunteers shall be inducted for such training and service so long as he is deferred after classification.

"'(4) Within the limits of the quota determined under section 5 (b) for the subdivision in which he resides, any person after attaining the age of seventeen shall with the written consent of his parents or guardian be afforded an opportunity to volunteer for induction into the Armed Forces of the United States for the training and service prescribed in subsection (b).

"'(5) Within the limits of the quota determined under section 5 (b) for the subdivision in which he resides, at such time as induction into the National Security Training Corps is authorized pursuant to the provisions of this title, any person after attaining the age of seventeen shall with the written consent of his parents or guardian be afforded an opportunity to volunteer for induction into the National Security Training Corps for the training prescribed in subsection (k) of section 4 of this title.'

"(g) Section 4 (d) of such Act is amended (1) by inserting after the word 'hereafter', where it appears in paragraphs (1) and (2) of such subsection, the words 'and prior to the enactment of the 1951 Amendments to the Universal Military Training and Service Act', and (2) by adding at the end thereof the following new paragraph:

"'(3) Each person who, subsequent to the date of enactment of this paragraph, is inducted, enlisted, or appointed in the Armed Forces or in the National Security Training Corps prior to attaining the twenty-sixth anniversary of his birth shall be required to serve on active training and service in the Armed Forces or in training in the National Security Training Corps, and in a reserve component, for a total period of eight years, unless sooner discharged on the grounds of personal hardship, in accordance with regulations and standards prescribed by the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard). Each such person, on release from active training and service in the Armed Forces or from training in the National Security Training Corps, shall, if physically and mentally qualified, be transferred to a reserve component of the Armed Forces, and shall serve therein for the remainder of the period which he is required to serve under this paragraph and shall be deemed to be a member of such reserve component during such period. In case the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force (or the Secretary of the Treasury with respect to the United States Coast Guard), determines that enlistment, enrollment, or appointment in, or assignment to, an organized unit of a reserve component or an officers' training program of the armed force in which he served is available to, and can, without undue personal hardship, be filled by any such person, it shall be the duty of such person to enlist, enroll, or accept appointment in, or accept assignment to, such organized unit or officers' training program, and to serve satisfactorily therein. The Secretaries of the Army, Navy, and Air Force, with the approval of the Secretary of Defense (and the Secretary of the Treasury with respect to the United States Coast Guard), may provide, by regulations which shall be as nearly uniform as practicable, for the release from training and service in the Armed Forces prior to serving the periods required by subsection (b) of this section of individuals who volunteer for and are accepted into organized units of the Army National Guard and Air National Guard and other reserve components. Nothing in this subsection shall be construed to prevent any person, while in a reserve component of the Armed Forces, from being ordered or called to active duty in such Armed Force.'

"(h) Subsections (g) and (h) of section 4 of such Act are repealed.

"(i) Paragraph (1) of section 4 (i) of such Act is amended (1) by inserting after the word 'subsections' the following: '6 (g),' and (2) by striking out 'twenty-one' and inserting in lieu thereof 'twenty-four'.

"(j) Section 4 of such Act is amended by adding at the end thereof a new subsection as follows:

"'(k) (1) Upon a finding by him that such action is justified by the strength of the Armed Forces in the light of international conditions, the President, upon recommendation of the Secretary of Defense, is authorized, by Executive order, which shall be uniform in its application to all persons inducted under this title but which may vary as to age groups, to provide for (A) decreasing periods of service under this title but in no case to a lesser period of time than can be economically utilized, or (B) eliminating periods of service required under this title.

"'(2) Whenever the Congress shall by concurrent resolution declare—

"'(A) that the period of active service required of any age group or groups of persons inducted under this title should be decreased to any period less than twenty-four months which may be designated in such resolution; or

"'(B) that the period of active service required of any age group or groups of persons inducted under this title should be eliminated, the period of active service in the Armed Forces of the age group or groups designated in any such resolution shall be so decreased or eliminated, as the case may be. Whenever the period of active service required under this title of persons who have not attained the nineteenth anniversary of the day of their birth has been reduced or eliminated by the President or as a result of the adoption of a concurrent resolution of the Congress in accordance with the foregoing provisions of this section, all individuals then or thereafter liable for registration under this title who on that date have not attained the nineteenth anniversary of the day of their birth and have not been inducted into the Armed Forces shall be liable, effective on such date, for induction into the National Security Training Corps as hereinafter established for initial military training for a period of six months.

"'(3) There is hereby established a National Security Training Commission (hereinafter called the Commission), which shall be composed of five members, three of whom shall be civilians and two of whom shall be active or retired members of the Regular

components of any of the Armed Forces. Of the three civilian members, not more than two shall be of the same political party. Members of the Commission shall be appointed by the President by and with the advice and consent of the Senate, from among persons of outstanding national reputation. The President shall select the Chairman of the Commission from among its civilian members. No person who has been on active duty as a commissioned officer in a regular component of the Armed Forces shall be eligible for appointment as a civilian member of the Commission. The Commission shall have a seal which shall be judicially noted. At such time as the Commission shall be appointed, in accordance with this paragraph, there shall be established a National Security Training Corps.

"'(4) The term of office of each member of the Commission shall be five years, except that (A) the terms of office of the members first taking office shall expire, as designated by the President at the time of appointment, two at the end of two years, one at the end of three years, one at the end of four years, and one at the end of five years, after the date of enactment of this paragraph; and (B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term. Members of the Commission, other than active members of the Regular components of the Armed Forces, while actually serving with the Commission, shall receive a per diem of not to exceed $50 for each day engaged in the business of the Commission and shall be allowed transportation and a per diem in lieu of subsistence of $9 while away from their homes or places of business pursuant to such business.

"'(5) The Commission shall, subject to the direction of the President, exercise general supervision over the training of the National Security Training Corps, which training shall be basic military training. The Commission shall establish such policies and standards with respect to the conduct of the training of members of the National Security Training Corps as are necessary to carry out the purposes of this Act. The Commission shall make adequate provisions for the moral and spiritual welfare of members of the National Security Training Corps. The Secretary of Defense shall designate the military departments to carry out such training. Each military department so designated shall carry out such military training in accordance with the policies and standards of the Commission. The military department or departments so designated to carry out such military training shall, subject to the approval of the Secretary of Defense, and subject to the policies and standards established by the Commission, determine the type or types of basic military training to be given to members of the National Security Training Corps.

"'(6) The Commission is authorized, subject to the civil-service laws and the Classification Act of 1949, to employ and fix the compensation of such officers and employees as it deems necessary to enable it to perform its functions.

"'(7) Not later than four months following confirmation of the members of the Commission, the Commission shall submit to the Congress legislative recommendations which shall include, but not be limited to—

"'(A) a broad outline for a program deemed by the Commission and approved by the Secretary of Defense to be appropriate to assure that the training carried out under the provisions of this Act shall be of a military nature, but nothing contained in this paragraph shall be construed to grant to the Commission the authority to prescribe the basic type or types of military training to be given members of the National Security Training Corps;

"'(B) measures for the personal safety, health, welfare and morals of members of the National Security Training Corps;

"'(C) a code of conduct, together with penalties for violation thereof;

"'(D) measures deemed necessary to implement the policies and standards established under the provisions of paragraph (5) of this subsection; and

"'(E) disability and death benefits and other benefits, and the obligations, duties, liabilities, and responsibilities, to be granted to or imposed upon members of the National Security Training Corps.

All legislative recommendations submitted under this paragraph shall be referred to the Committees on Armed Services of the two Houses, and each of such committees shall, not later than the expiration of the first period of 45 calendar days of continuous sessions of the Congress, following the date on which the recommendations provided for in this paragraph are transmitted to the Congress, report thereon to its House: *Provided*, That any bill or resolution reported with respect to such recommendations shall be privileged and may be called up by any member of either House but shall be subject to amendment as if it were not so privileged.

"'(8) No person shall be inducted into the National Security Training Corps until after—

"'(A) a code of conduct, together with penalties for violation thereof, and measures providing for disability and death benefits have been enacted into law; and

"'(B) such other legislative recommendations as are provided for in paragraph (7) shall have been considered and such recommendations or any portion thereof shall have been enacted with or without amendments into law; and

"'(C) the period of service required under this title of persons who have not attained the nineteenth anniversary of the day of their birth has been reduced or eliminated by the President or as a result of the adoption of a concurrent resolution of the Congress in accordance with paragraph (2) of this subsection.

"'(9) Six months following the commencement of induction of persons into the National Security Training Corps, and semiannually thereafter, the Commission shall submit to the Congress a comprehensive report describing in detail the operation of the National Security Training Corps, including the number of persons inducted therein, a list of camps and stations at which training is being conducted, a report on the number of deaths and injuries occurring during such training and the causes thereof, an estimate of the performance of the persons inducted therein, including an analysis of the disciplinary problems encountered during the preceding six months, the number of civilian employees of the Commission and the administrative costs of the Commission. Simultaneously, there shall be submitted to the Congress by the Secretary of Defense a report setting forth an estimate of the value of the training conducted during the preceding six months, the cost of the training program chargeable to the appropriations made to the Department of Defense, and the number of personnel of the Armed Forces directly engaged in the conduct of such training.

"'(10) Each person inducted into the National Security Training Corps shall be compensated at the monthly rate of $30: *Provided, however*, That each such person, having a dependent or dependents as such terms are defined in the Career Compensation Act of 1949, shall be entitled to receive a dependency allowance equal to the sum of the basic allowance for quarters provided for persons in pay grade E–1 by section 302 (f) of the Career Compensation Act of 1949 as amended by section 3 of the Dependents' Assistance Act of 1950 as may be extended or amended plus $40 so long as such person has in effect an allotment equal to the amount of such dependency allowance for the support of the dependent or dependents on whose account the allowance is claimed.

"'(11) No person inducted into the National Security Training Corps shall be assigned for training at an installation located on land outside the continental United States, except that residents of Territories and possessions of the United States may be trained in the Territory or possession from which they were inducted.'

"(k) Section 5 (a) of such Act is amended by inserting before the period at the end thereof the following: ': *And provided further*, That nothing herein shall be construed to prohibit the selection or induction of persons by age group or groups under rules and regulations prescribed by the President: *And provided further*, That—

"'(1) no local board shall order for induction for training and service in the Armed Forces of the United States any person who has not attained the age of nineteen unless there is not within the jurisdiction of such local board a sufficient number of persons who are deemed by such local board to be available for induction and who have attained the age of nineteen to enable such local board to meet a call for men which it has been ordered to furnish for induction; and

"'(2) no local board shall order for induction for training and service in the Armed Forces of the United States any person who has not attained the age of nineteen, if there is any person within the jurisdiction of such local board who (i) is as much as ninety days older, (ii) has not attained the age of nineteen, and (iii) is deemed by the local board to be available for induction.'

"(l) Section 6 (a) of such Act is amended to read as follows:

"'(a) Commissioned officers, warrant officers, pay clerks, enlisted men, and aviation cadets of the Regular Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, the Coast and Geodetic Survey and the Public Health Service; cadets, United States Military Academy; midshipmen, United States Navy; cadets, United States Coast Guard Academy; midshipmen, Merchant Marine Reserve, United States Naval Reserves; students enrolled in an officer procurement program at military colleges the curriculum of which is approved by the Secretary of Defense; members of the reserve components of the Armed Forces, the Coast Guard, and the Public Health Service, while on active duty; and foreign diplomatic representatives, technical attachés of foreign embassies and legations, consuls general, consuls, vice consuls and other consular agents of foreign countries who are not citizens of the United States, and members of their families, and persons in other categories to be specified by the President who are not citizens of the United States, shall not be required to be registered under section 3 and shall be relieved from liability for training and service under section 4, except that aliens admitted for permanent residence in the United States shall not be so exempted.'

"(m) (1) Section 6 (c) (1) of such Act is amended by striking out 'the effective date of this title,' and inserting in lieu thereof 'February 1, 1951,'.

"(2) Section 6 (c) (2) (A) of such Act is amended by inserting after the words 'six months' a comma and the words 'prior to the determination by the Secretary of Defense that adequate trained personnel are available to the National Guard to enable it to maintain its strength authorized by current appropriations, and prior to the issuance of orders for him to report for induction,'.

"(3) Section 6 (c) (2) (B) of such Act is amended by inserting after 'subsection (b)'

a comma and the following: 'paragraph (1) of this subsection,'.

"(n) Section 6 (d) of such Act is amended to read as follows:

"'(d) (1) Within such numbers as may be prescribed by the Secretary of Defense, any person who (A) has been or may hereafter be selected for enrollment or continuance in the senior division, Reserve Officers' Training Corps, or the Air Reserve Officers' Training Corps, or the Naval Reserve Officers' Training Corps, or the naval and Marine Corps officer candidates training program established by the Act of August 13, 1946 (60 Stat. 1057), as amended, or the Reserve officers' candidate program of the Navy, or the platoon leaders' class of the Marine Corps, or the officer procurement programs of the Coast Guard and the Coast Guard Reserve, or appointed an ensign, United States Naval Reserve, while undergoing professional training; (B) agrees, in writing, to accept a commission, if tendered, and to serve, subject to order of the Secretary of the military department having jurisdiction over him (or the Secretary of the Treasury with respect to the United States Coast Guard), not less than two years on active duty after receipt of a commission; and (C) agrees to remain a member of a regular or reserve component until the eighth anniversary of the receipt of a commission in accordance with his obligation under subsection (d) of section 4 of this title, shall be deferred from induction under this title until after completion or termination of the course of instruction and so long as he continues in a regular or reserve status upon being commissioned, but shall not be exempt from registration. Such persons, except those persons who have previously completed an initial period of military training or an equivalent period of active military training and service, shall be required while enrolled in such programs to complete a period of training equal (as determined under regulations approved by the Secretary of Defense or the Secretary of the Treasury with respect to the United States Coast Guard) in duration and type of training to an initial period of military training. There shall be added to the obligated active commissioned service of any person who has agreed to perform such obligatory service in return for financial assistance while attending a civilian college under any such training program a period of not to exceed one year.

"'(2) In addition to the training programs enumerated in paragraph (1) of this subsection, and under such regulations as the Secretary of Defense (or the Secretary of the Treasury with respect to the United States Coast Guard) may approve, the Secretaries of the military departments and the Secretary of the Treasury are authorized to establish officer candidate programs leading to the commissioning of persons on active duty.

"'(3) Nothing in this subsection shall be deemed to preclude the President from providing, by regulations prescribed under subsection (h) of this section, for the deferment from training and service of any category or categories of students for such periods of time as he may deem appropriate.'

"(o) Section 6 (h) of such Act is amended to read as follows:

"'(h) The President is authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service in the Armed Forces or from training in the National Security Training Corps of any or all categories of persons whose employment in industry, agriculture, or other occupations or employment, or whose continued service in an Office (other than an Office described in subsection (f)) under the United States or any State, Territory, or possession, or the District of Columbia, or whose activity in study, research, or medical, dental, veterinary, optometric, osteopathic, scientific, pharmaceutical, chiropractic, chiropodial, or other endeavors is found to be necessary to the maintenance of the national health, safety, or interest: *Provided*, That no person within any such category shall be deferred except upon the basis of his individual status: *Provided further*, That persons who are or may be deferred under the provisions of this section shall remain liable for training and service in the Armed Forces or for training in the National Security Training Corps under the provisions of section 4 (a) of this Act until the thirty-fifth anniversary of the date of their birth. This proviso shall not be construed to prevent the continued deferment of such persons if otherwise deferable under any other provisions of this Act. The President is also authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service in the Armed Forces or from training in the National Security Training Corps (1) of any or all categories of persons in a status with respect to persons (other than wives alone, except in cases of extreme hardship) dependent upon them for support which renders their deferment advisable, and (2) of any or all categories of those persons found to be physically, mentally, or morally deficient or defective. For the purpose of determining whether or not the deferment of any person is advisable, because of his status with respect to persons dependent upon him for support, any payments of allowances which are payable by the United States to the dependents of persons serving in the Armed Forces of the United States or undergoing training in the National Security Training Corps shall be taken into consideration, but the fact that such payments of allowances are payable shall not be deemed conclusively to remove the grounds for deferment when the dependency is based upon financial considerations and shall not be deemed to remove the ground for deferment when the dependency is based upon other than financial considerations and cannot be eliminated by financial assistance to the dependents. The President is also authorized, under such rules and regulations as he may prescribe, to provide for the deferment from training and service in the Armed Forces or training in the National Security Training Corps of any or all categories of persons who have children, or wives and children, with whom they maintain a bona fide family relationship in their homes. No deferment from such training and service in the Armed Forces or training in the National Security Training Corps shall be made in the case of any individual except upon the basis of the status of such individual. There shall be posted in a conspicuous place at the office of each local board a list setting forth the names and classifications of those persons who have been classified by such local board. Notwithstanding any provisions of this Act, no local board, appeal board, or other agency of appeal of the Selective Service System shall be required to postpone or defer any person by reason of his activity in study, research, or medical, dental, veterinary, optometric, osteopathic, scientific, pharmaceutical, chiropractic, chiropodial, or other endeavors found to be necessary to the maintenance of the national health, safety, or interest solely on the basis of any test, examination, selection system, class standing, or any other means conducted, sponsored, administered, or prepared by any agency or department of the Federal Government or any private institution, corporation, association, partnership, or individual employed by an agency or department of the Federal Government.'

"(p) Section 6 (i) of such Act is amended to read as follows:

"'(i) (1) Any person who is satisfactorily pursuing a full-time course of instruction at a high school or similar institution of learning shall, upon the facts being presented to the local board, be deferred (A) until the time of his graduation therefrom, or (B) until he attains the twentieth anniversary of his birth, or (C) until he ceases satisfactorily to pursue such course of instruction, whichever is the earliest.

"'(2) Any person who while satisfactorily pursuing a full-time course of instruction at a college, university, or similar institution is ordered to report for induction under this title, shall, upon the facts being presented to the local board, be deferred (A) until the end of such academic year, or (B) until he ceases satisfactorily to pursue such course of instruction, whichever is the earlier: *Provided*, That any person who has heretofore had his induction postponed under the provisions of section 6 (i) (2) of the Selective Service Act of 1948; or any person who has heretofore been deferred as a student under section 6 (h) of such Act; or any person who hereafter is deferred under the provision of this subsection, shall not be further deferred by reason of pursuit of a course of instruction at a college, university, or similar institution of learning except as may be provided by regulations prescribed by the President pursuant to the provisions of subsection (h) of this section. Nothing in this paragraph shall be deemed to preclude the President from providing, by regulations prescribed under subsection (h) of this section, for the deferment from training and service in the Armed Forces or training in the National Security Training Corps of any category or categories of students for such periods of time as he may deem appropriate.'

"(q) Section 6 (j) of such Act is amended (1) by striking out in the third sentence thereof the words 'be deferred' and inserting in lieu thereof the following: 'in lieu of such induction, be ordered by his local board, subject to such regulations as the President may prescribe, to perform for a period equal to the period prescribed in section 4 (b) such civilian work contributing to the maintenance of the national health, safety, or interest as the local board may deem appropriate and any such person who knowingly fails or neglects to obey any such order from his local board shall be deemed, for the purposes of section 12 of this title, to have knowingly failed or neglected to perform a duty required of him under this title', and (2) by striking out in the seventh sentence thereof the words 'he shall be deferred' and inserting in lieu thereof the words 'he shall in lieu of such induction be ordered by his local board, subject to such regulations as the President may prescribe, to perform for a period equal to the period prescribed in section 4 (b) such civilian work contributing to the maintenance of the national health, safety, or interest as the local board may deem appropriate and any such person who knowingly fails or neglects to obey any such order from his local board shall be deemed, for the purposes of section 12 of this title, to have knowingly failed or neglected to perform a duty required of him under this title'.

"(r) Section 7 of such Act is repealed.

"(s) Section 9 (g) of such Act is amended to read as follows:

"'(g) (1) Any person who, subsequent to June 24, 1948, enlists in the Armed Forces of the United States (other than in a reserve component) and who serves for not more than four years (plus any period of additional service imposed pursuant to law) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of this title.

"'(2) Any person who, subsequent to June 24, 1948, enters upon active duty (other than for the purpose of determining his physical fitness), whether or not voluntarily, in the Armed Forces of the United States or

the Public Health Service in response to an order or call to active duty shall, upon his relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided by this section in the case of persons inducted under the provisions of this title, if he is relieved from active duty not later than four years after the date of entering upon active duty or as soon after the expiration of such four years as he is able to obtain orders relieving him from active duty.

"'(3) Any employee who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall be granted a leave of absence by his employer for the purpose of being inducted into, entering, determining his physical fitness to enter, or performing training duty in, the Armed Forces of the United States. Upon his release from training duty or upon his rejection, such employee shall, if he makes application for reinstatement within thirty days following his release, be reinstated in his position without reduction in his seniority, status, or pay except as such reduction may be made for all employees similarly situated.'

"(t) Section 13 (a) of such Act is amended to read as follows:

"'(a) Nothing in sections 281, 283, or 284 of title 18 of the United States Code, in section 190 of the Revised Statutes (U. S. C. title 5, sec. 99), or in the second sentence of subsection (a) of section 9 of the Act of August 2, 1939 (53 Stat. 1148), entitled "An Act to prevent pernicious political activities", as amended, shall be deemed to apply to any person because of his appointment under authority of this title or the regulations made pursuant thereto as an uncompensated official of the Selective Service System, or as an individual to conduct hearings on appeals of persons claiming exemption from combatant or noncombatant training because of conscientious objections, or as a member of the National Selective Service Appeal Board.'

"(u) Section 10 of such Act is amended by (1) amending the sixth sentence of the proviso appearing in section 10 (b) (3) to read as follows: 'There shall be not less than one appeal board located within the area of each Federal judicial district in the United States and within each territory and possession of the United States, and such additional separate panels thereof, as may be prescribed by the President.'; and (2) by adding at the end of section 10 a new subsection as follows:

"'(g) The Director of Selective Service shall submit to the Congress, on or before the 3d day of January of each year, a written report covering the operation of the Selective Service System and such report shall include, by States, information as to the number of persons registered under this Act; the number of persons inducted into the military service under this Act; and the number of deferments granted under this Act and the basis for such deferments.'

"(v) Section 16 (b) of such Act is amended by striking out the word 'and' and inserting before the period at the end thereof a comma and the following words: 'and Guam'.

"(w) Section 17 of such Act is amended to read as follows:

"'SEC. 17. (a) Except as provided in this title all laws or any parts of laws in conflict with the provisions of this title are hereby repealed to the extent of such conflict.

"'(b) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this title. All funds appropriated for the administrative expenses of the National Security Training Commission shall be appropriated directly to the Commission and all funds appropriated to pay the expenses of training carried out by the military departments designated by the Commission shall be appropriated directly to the Department of Defense.

"'(c) Notwithstanding any other provisions of this title, no person shall be inducted for training and service in the Armed Forces after July 1, 1955, except persons now or hereafter deferred under section 6 of this title after the basis for such deferment ceases to exist.'

"(x) Section 21 of such Act is amended (1) by striking out 'July 9, 1951,' and inserting in lieu thereof 'July 1, 1953,', (2) by striking out 'twenty-one' and inserting in lieu thereof 'twenty-four', and (3) by adding the following at the end thereof: 'Unless he is sooner released under regulations prescribed by the Secretary of the military department concerned, any member of the inactive or volunteer reserve who served on active duty for a period of 12 months or more in any branch of the Armed Forces between the period December 7, 1941, and September 2, 1945, inclusive, who is now or may hereafter be ordered to active duty pursuant to this section, shall upon completion of 17 or more months of active duty since June 25, 1950, if he makes application therefor to the Secretary of the branch of service in which he is serving, be released from active duty and shall not thereafter be ordered to active duty for periods in excess of 30 days without his consent except in time of war or national emergency hereafter declared by the Congress: *Provided*, That the foregoing shall not apply to any member of the inactive or volunteer reserve ordered to active duty whose rating or specialty is found by the Secretary of the military department concerned to be critical and whose release to inactive duty prior to the period for which he was ordered to active duty would impair the efficiency of the military department concerned.'

"SEC. 2. (a) Section 1 of the Act of July 27, 1950 (64 Stat. 379), is amended by striking out 'July 9, 1951' and inserting in lieu thereof 'July 1, 1953' and by adding at the end of such section a new sentence as follows: 'No person whose enlistment has been extended heretofore or hereafter for twelve months pursuant to this Act shall have his enlistment extended for any additional period of time under this Act.'

"(b) Section 7 of the Act of September 9, 1950 (64 Stat. 828), is amended by striking out 'July 9, 1951' and inserting in lieu thereof 'July 1, 1953':

"SEC. 3. The Act of August 3, 1950 (64 Stat. 408), is amended to read as follows:

"'That provisions of law imposing restrictions on the authorized personnel strength of any component of the Armed Forces, including sections 102, 202, 213, and 302 of the Women's Armed Services Integration Act of 1948 (62 Stat. 357, 363, 369, and 371), section 2, title I of the Selective Service Act of 1948 (62 Stat. 605), as amended, section 2 of the Act of April 18, 1946 (60 Stat. 92), and sections 102 and 202 of the Act of July 10, 1950 (64 Stat. 322 and 323), are hereby suspended until July 31, 1954.

"'SEC. 2. The active-duty personnel strength of the Armed Forces, exclusive of personnel of the Coast Guard, personnel of the reserve components on active duty for training purposes only, and personnel of the Armed Forces employed in the Selective Service System, shall not exceed a total of five million persons at any time during the period of suspension prescribed in the first section of this Act.'

"SEC. 4. Wherever in this amendatory Act the period of active service for an category of persons is increased, such increased period of service shall be applicable to all persons in such category serving on active duty in the Armed Forces on the date of the enactment of this amendatory Act.

"SEC. 5. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

"SEC. 6. The Secretary of Defense is authorized to make such regulations as he may deem to be appropriate governing the sale, consumption, possession of or traffic in beer, wine, or any other intoxicating liquors to or by members of the Armed Forces or the National Security Training Corps at or near any camp, station, post, or other place primarily occupied by members of the Armed Forces or the National Security Training Corps. Any person, corporation, partnership, or association who knowingly violates the regulations which may be made hereunder shall, unless otherwise punishable under the Uniform Code of Military Justice, be deemed guilty of a misdemeanor and be punished by a fine of not more than $1,000 or imprisonment for not more than twelve months, or both.

"SEC. 7. This title may be cited as the '1951 Amendments to the Universal Military Training and Service Act.'

"TITLE II

"SEC. 21. The first section of the Act entitled 'An Act to provide for the enlistment of aliens in the Regular Army,' approved June 30, 1950 (Public Law 597, Eighty-first Congress), is amended by (1) striking out the words 'until June 30, 1953' and inserting in lieu thereof the words 'until June 30, 1955', and (2) striking out the words 'two thousand five hundred' and inserting in lieu thereof the words 'twelve thousand five hundred'."

And the House agree to the same.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
DEWEY SHORT,
LESLIE C. ARENDS,
W. STERLING COLE,
Managers on the Part of the House.

RICHARD B. RUSSELL,
HARRY FLOOD BYRD,
By R. B. R.
LYNDON B. JOHNSON,
STYLES BRIDGES,
LEVERETT SALTONSTALL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1) to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

DRAFTING OF MEN FOR SERVICE IN THE ARMED FORCES

1. Termination of authority to draft men into the Armed Forces

The authority to induct men into the Armed Forces has been extended for 4 years, to terminate on July 1, 1955.

The House amendment extended the authority to induct men into the Armed Forces until July 1, 1954. The Senate bill contained no termination date on this authority.

2. Period of service

The period of service for persons inducted into the Armed Forces will be 24 months, an increase of 3 months over the present period of service.

The House amendment provided for a period of service of 26 months; the Senate

bill provided for a period of service of 24 months. The House managers accepted the Senate version.

3. Registration

All male citizens of the United States and every other male person now or hereafter in the United States between the ages of 18 and 26 are required to register. Classification for induction purposes will take place as soon as practicable following registration. Technical changes were required in connection with the registration section to make it coincide with the new provisions applicable to aliens. The Senate managers accepted the House language with respect to classifying male registrants for induction purposes as soon as practicable following registration.

4. Draft age

The draft age has been reduced from 19 years to 18 years and 6 months for all male citizens of the United States and all other male persons admitted to the United States for permanent residence. All other persons who remain in the United States in a status other than that of permanent residents for a period exceeding 1 year, except those exempt from registration, shall be liable for training and service. Persons admitted to the United States other than as permanent residents who remain in the United States for more than 1 year may request release from training and service, but such a request will debar them from citizenship.

No person shall be inducted into the Armed Forces below the age of 19 by any local board so long as there are available within that local board eligible males between the ages of 19 through 25.

The Senate bill would have permitted the induction of men at the age of 18 provided there were not available within local boards men between the ages of 19 through 25. The Senate managers accepted the age for induction into the Armed Forces contained in the House amendment.

5. Reduction of physical and mental standards

The physical standards for induction will be those that prevailed in January of 1945; the mental standards will be established on the basis of a percentile score of 10 which corresponds to the previously used General Classification Test of 65. The new mental standards are a reduction of 3 from the present percentile score of 13 and corresponds to a reduction of 5 points from the previous standard of 70 heretofore established by law as a minimum General Classification Test score for induction.

The House amendment reduced the physical and mental standards to those that prevailed in January of 1945, which would have resulted in a General Classification Test score of approximately 40. The Senate bill contained no similar language. The agreement reached by the conferees should result in the reclassification for induction purposes of approximately 150,000 men who have heretofore been, or would shortly be, classified as IV–F.

6. Ceiling on the Armed Forces

Until July 31, 1954, the active duty strength of the Armed Forces shall not exceed more than 5,000,000 persons at any one time.

The House bill contained no limitation on the size of the Armed Forces. The Senate bill contained a 4,000,000-man ceiling.

7. Total obligated service

All persons entering the Armed Forces or the National Security Training Corps after the proposed legislation is enacted will be required to serve a total obligated period of service of 8 years. This requirement applies to all persons inducted, enlisted, or appointed in the Armed Forces, or inducted into the National Security Training Corps. The total period of obligated service includes active duty, training duty in the National Security Training Corps, and active or inactive service in the reserve components.

The House amendment provided for a total obligated period of 6 years retroactive to persons inducted, enlisted, or appointed since June 25, 1950.

The Senate bill required a total obligated service of 8 years for all persons appointed, enlisted, or inducted after the proposed legislation was enacted. The House accepted the Senate provision.

8. Active duty for reservists

All reservists and retired personnel now or hereafter ordered to active duty may be required to serve 24 months. The authority of the President to order reservists and retired personnel to active duty is extended until July 1, 1953.

The House amendment limited the period of service to 21 months. The Senate bill contained the language set forth in the conference report. The House managers accepted the Senate provision.

9. Release of reservists

Unless sooner released under regulations prescribed by the respective Secretaries, any member of the Inactive or Volunteer Reserve who served for a period of 12 months or more between December 7, 1941, and September 2, 1945, shall, upon application, be released to inactive duty after he has completed 17 months of active duty including the time spent on active duty since June 25, 1950. Such persons shall not thereafter be ordered to active duty, without their consent, for a period in excess of 30 days, except in time of war or national emergency hereafter declared by the Congress. However, reservists found by the military departments concerned to possess a rating or specialty which is critical may be retained for the period for which they are ordered to active duty if their release prior to the completion of such period of time would impair the efficiency of the military department concerned.

This provision applies to officers and enlisted personnel.

The House amended provided for the release of veteran reservists ordered to active duty from the Inactive or Volunteer Reserve for those who served 90 days or more between December 7, 1941, and September 2, 1945, or for those who had served 12 months or more between the period September 16, 1940, and June 24, 1948, after 12 months of active duty since June 25, 1950, upon application. The Senate bill contained no similar language. The language "unless sooner released" contained in the provision agreed to by the managers is to emphasize and assure that the 17-month period shall not be construed as a minimum period for which such reservists will be held. Present plans call for the release of many thousands of reservists prior to the completion of 17 months of service, and the language of the conference report is not intended to replace any plans for earlier releases.

10. Deferment of students

High school students will be deferred until they graduate from high school or attain the age of 20.

College students may be deferred until they complete their academic year but if they are deferred to complete an academic year they may not thereafter be deferred by statute to complete an academic year. No local board may be required to defer any college student based upon a Government-sponsored test score or upon the student's class standing.

This is identical with the House amendment.

11. Overseas assignment

Every person inducted into the Armed Forces shall be given a period of not less than 4 months of training and may not be assigned for duty in any installation located on land outside the United States, its Territories, or possessions, until after this 4-month period has elapsed. In addition, no other member of the Armed Forces who is enlisted, appointed, inducted, or ordered to active duty shall be assigned to duty at any installation located on land outside the United States, its Territories, or possessions, until he has had the equivalent of 4 months of basic training.

The House amendment was confined only to persons inducted into the Armed Forces and required 4 months' training within the United States, its Territories, or possessions. In addition, the House amendment provided that no person inducted into the Armed Forces should be assigned for duty in a combat area on land located outside the United States, its Territories, or possessions, during the 6-month period immediately following his induction.

The Senate bill provided that inductees would be given 4 months' basic training and not be permanently assigned to duty outside the United States during this period, and further provided that no other member of the Armed Forces would be assigned to combat duty in a combat area until he had had at least 4 months of basic training.

The House and Senate managers agreed to the provision heretofore described which requires that all persons inducted into the Armed Forces be given 4 months' basic training and that no member of the Armed Forces shall be assigned to duty outside the United States, its Territories, and possessions until such persons have had the equivalent of 4 months' basic training.

12. Enlistment in the Regular Army

Men between the ages of 18 years and 6 months and 26 years shall be offered an opportunity to enlist in the Regular Army for a period of 24 months and may not have their enlistments involuntarily extended except in time of war or national emergency. The Senate bill contained no comparable language and the Senate managers accepted the House language.

13. Extension of voluntary enlistments

The authority to involuntarily extend enlistments in the regular and reserve components of the Armed Forces is extended until July 1, 1953. Thus, all enlistments which expire after July 9, 1951, may be extended by the President for 12 months, but no person shall have his enlistment extended more than once. Existing law extends all such enlistments which expire between July 27, 1950, and July 9, 1951.

The House amendment extended this authority until July 1, 1952; the Senate bill until July 1, 1953. The House managers accepted the Senate language.

14. Aliens

All aliens admitted for permanent residence in the United States shall be immediately liable for induction into the Armed Forces or the National Security Training Corps under the same conditions applicable to citizens. Aliens admitted to the United States, other than as permanent residents, who remain in the United States for 1 year or more shall be liable for induction unless they request release from service. In the event that such persons request release from service, they will be debarred from citizenship.

With certain technical corrections, the provision in the conference report is that which was contained in the House amendment. There was no comparable language in the Senate bill and the Senate accepted the House language.

15. Conscientious objectors

Persons who are found by local boards to be opposed to noncombatant service shall be

ordered by their local boards, subject to regulations prescribed by the President, to perform civilian work contributing to the maintenance of the national health, safety, or interest for a period of 24 months. A conscientious objector's refusal to perform such work will subject him to the penalties of the Selective Service Act.

The House amendment merely deferred such persons. The Senate bill required such persons to be assigned to work of national importance under civilian direction.

The House managers objected to this portion of the Senate bill since it contemplated the establishment of national work camps. The language agreed to by the House and Senate conferees will permit the President to prescribe the types of employment to which conscientious objectors may be assigned, but such employment will not be performed through the establishment of, or assignment to, national work camps.

16. Deferment of certain persons whose occupation is necessary for the maintenance of the national health, safety, or interest

The President is authorized under such regulations and rules as he may prescribe to provide for the deferment from training and service or from training in the National Security Training Corps of any or all categories of persons whose activity in study, research, or medical, dental, veterinary, optometric, osteopathic, scientific, pharmaceutical, chiropractic, chiropodial, or other endeavors is found to be necessary to the maintenance of the national health, safety, or interest.

The House amendment gave the President the authority to defer persons whose activity in study, research, or medical, dental, optometric, osteopathic, chiropractic, scientific, or other endeavors was found to be necessary to the maintenance of the national health, safety, or interest.

The Senate bill left unchanged the present law which authorizes such deferments for persons whose activity in study, research, or medical, scientific, or other endeavors was found to be necessary for the maintenance of the national health, safety, or interest. The House and Senate managers agreed to the language above-described which includes those persons whose endeavors were named in the House amendment and, in addition, added veterinarians, pharmacists, and chiropodists.

17. Control over the sale, consumption, possession of, or traffic in, beer, wine, or any other intoxicating liquors

The Secretary of Defense is authorized to make such regulations as he deems appropriate governing the sale, consumption, possession of, or traffic in, alcoholic beverages to or by members of the Armed Forces or the National Security Training Corps at or near a camp, station, post, or other places primarily occupied by members of the Armed Forces or the National Security Training Corps. Any person who knowingly violates such regulations may be punished by a fine of $1,000 or imprisoned for not more than 12 months or punished under the Uniform Code of Military Justice. The language agreed upon by the conferees is substantially the language contained in the House amendment. There was no comparable amendment in the Senate bill.

18. Continued liability for induction of persons now or hereafter deferred

Persons now or hereafter deferred from induction will remain liable for induction into the Armed Forces or the National Security Training Corps until they attain the age of 35. This language was contained in the House amendment and was accepted by the Senate managers.

There was no comparable language in the Senate bill.

19. Suspending or terminating inductions into the Armed Forces

The House amendment provided that the Congress by concurrent resolution could terminate or suspend all inductions into the Armed Forces. The Senate bill contained no comparable language.

The House managers receded from their insistence upon this provision and agreed to eliminate it from the conference report.

20. 75,000 students

The Senate bill provided for the selection from among persons who had completed their basic training of 75,000 students during the next 3 years. Such students were to have the remainder of their military obligation suspended until they completed the studies and research for which they were selected and there was authority in the Senate bill to provide for the payment of the cost of tuition, books, laboratory fees, subsistence, travel, and other necessary expenses of such persons to the extent they were unable to defray.

The House amendment contained no similar language.

The Senate agreed to recede from their insistence upon this provision and therefore the conference report contains no provision with respect to such students.

21. Enlistment of aliens

The Senate bill amended the act of June 30, 1950, in such a way as to permit the enlistment in the Regular Army of 25,000 aliens per year for a period of not less than 5 years.

The act of June 30, 1950, permitted the enlistment in the Regular Army until June 30, 1953, of not more than a total of 2,500 aliens.

The House amendment contained no similar language. The House and Senate managers agreed to the provision which permits the enlistment in the Regular Army, until June 30, 1955, of not more than a total of 12,500 aliens.

22. Women in the Armed Forces

Until July 31, 1954, the present 2 percent limitation of the number of women in the Armed Forces will be suspended.

The Senate amended the act of August 3, 1950, so as to suspend the present 2 percent limitation on the number of women that may be in the Armed Forces until July 31, 1954.

The House amendment contained no similar language. The House accepted the Senate amendment.

23. Authorized strength

The authorized strength for the Armed Forces is now suspended until July 31, 1954. The conference report, however, fixes the strength of the Armed Forces at 837,000 for the Army of the United States, 666,832 for the Navy, including the Marine Corps, and 502,000 for the Air Force of the United States. This is substantially a reenactment of existing law (sec. 2, Selective Service Act of 1948) except for the elimination from present law of all references to the number of authorized 1-year enlistees.

The Senate bill repealed outright the present law with respect to the limitation on the authorized strength of the Armed Forces now contained in the Selective Service Act.

The House amendment did not amend the present law with respect to authorized strength now contained in the Selective Service Act. The House and Senate managers agreed to continue the present statutory limitation on the size of the Armed Forces, suspended until July 31, 1954, but eliminated references to the authorized number of 1-year enlistees in view of the fact that the authority for such enlistments will be repealed by the conference report. Both the Senate bill and the House amendment repealed the authority for 1-year enlistments.

24. Reemployment rights

The House amendment, among other things, required persons discharged, following military service, to be restored to the same position held at the time of entering service. The Senate bill contained no comparable provision. The House agreed to accept the Senate language in view of the numerous difficulties involved in attempting to require employers to restore returning service personnel to the same position they held prior to entering the service. Existing law permits returning service personnel to be restored to the same position previously held or to a position of like seniority, status, and pay.

25. Communicating with Members of Congress

The House amendment provided that no member of the Armed Forces would be restricted from communicating with any Member of Congress. The Senate bill contained no comparable language. The Senate accepted the House language.

26. Authority to induct physicians and dentists

The House amendment provided that no physician or dentist engaged in full-time employment at a Veterans' Administration hospital would be inducted, under the provisions of law authorizing the induction of physicians and dentists, after such physician or dentist attained his thirtieth birthday.

The Senate bill contained no comparable language. The House receded from its position and agreed to the elimination of the provision from the conference report.

27. Appeal boards

The House amendment provided that there would not be less than one selective service appeal board located in the area of each Federal judicial district in the United States. The Senate bill contained no comparable language. The Senate accepted the House provision.

28. Reserve deferment appeal boards

The House amendment authorized the President to prescribe rules and regulations for the deferment of members of the Inactive or Volunteer Reserve, and authorized the President to establish civilian Reserve deferment appeal boards. Members of the Inactive or Volunteer Reserve whose claim for deferment was denied would have been given the authority to have appealed their case to a civilian deferment appeal board.

The Senate bill contained no comparable language and the House managers agreed to recede from their insistence upon this provision.

UNIVERSAL MILITARY TRAINING

1. Establishment of Commission and National Security Training Corps

The conference report provides for the establishment of a National Security Training Commission to be composed of five members. Three members shall be civilians and two shall be active or retired members of the regular components of any of the Armed Forces. Of the three civilian members, not more than two shall be of the same political party.

The Chairman of the Commission must be a civilian. At such time as the Commission is appointed, a National Security Training Corps is established.

The Senate bill provided for the establishment of a five-man Commission to be composed of three civilians and two active or retired members of the regular components. The House amendment provided for a five-man commission to which not more than three could be of the same political party. Three members had to be civilians, one member an active or retired member of a regular component of the Armed Forces, and the remaining member of the

Commission a member of a reserve component of the Armed Forces. Both the Senate bill and the House amendment provided for the establishment of a National Security Training Corps at the time the Commission was appointed.

2. Compensation for Commission

The conference report provides for a term of years for members of the Commission and provides for a per diem of $50 to be paid to members of the Commission while engaged in the business of the Commission.

This is similar to the House amendment.

There was no comparable provision in the Senate bill.

3. General authority of Commission

The conference report provides that the Commission, subject to the direction of the President, shall exercise general supervision over the training of the National Security Training Corps and further provides that such training shall be basic military training. It authorizes the Commission to establish such policies and standards with respect to the conduct of the training of members of the Corps as are necessary to carry out the objectives of the act. The Secretary of Defense is authorized to designate the military departments to carry out the training. The military departments so designated shall carry out the military training in accordance with the policies and standards established by the Commission. Subject to the approval of the Secretary of Defense, and subject to the policies and standards established by the Commission, the military departments shall determine the type or types of military training to be given to the members of the National Security Training Corps.

The House amendment provided that the Commission should direct and control the policies of the National Security Training Corps and further provided that the Commission would issue "directives" to the military departments designated to carry out the military training.

The Senate bill provided that the Commission would, subject to the direction of the President, establish such policies and standards with respect to the conduct of initial basic training of members of the Corps as were necessary to carry out the objectives of the act, and, subject to the direction of the President, would designate the Federal departments and agencies to carry out such training. The departments and agencies so designated were to carry out the training in accordance with the policies and standards of the Commission.

In view of the fact that the House amendment did not contemplate that the Commission would act as an operating agency, the House managers agreed to the language contained in the conference report which grants to the Commission the authority to exercise general supervision over the training of the National Security Training Corps.

The House amendment provided that, subject to the direction of the President and after consultation with the Secretary of Defense, the Commission would designate the military departments to carry out the training. Since basic military training, as such, is a military matter, the House managers agreed to the language contained in the conference report which authorizes the Secretary of Defense to designate the military departments to carry out the training.

4. Legislative recommendations

Not later than 4 months following the confirmation of members of the Commission, the Commission shall submit to the Congress legislative recommendations which shall include, but not be limited to, a broad outline deemed by the Commission and approved by the Secretary of Defense to be appropriate to assure that the training carried out under the provision of the proposed legislation will be of a military nature.

There is a specific provision in the conference report, however, stating that the Commission shall not have the authority to prescribe the basic type or types of training to be given members of the Corps. Thus the legislative recommendations will contain language which will grant the Commission authority to assure that the training carried out shall be of a military nature but the Commission will not submit legislative recommendations prescribing the types of basic military training to be given members of the National Security Training Corps.

In addition, the conference report provides that legislative recommendations with respect to a code of conduct, disability and death benefits, and other benefits and obligations and measures deemed necessary to implement any policies and standards established by the Commission shall be submitted by the Commission for legislative action.

As contained in the original House amendment the recommendations must be referred to both Committees on Armed Services and both committees, not later than the expiration of the first period of 45 calendar days of continuous sessions of Congress following the date on which the recommendations are submitted to the Congress, must report thereon to their respective Houses. As continued in the original House amendment, any bill or resolution so reported shall be privileged.

The House amendment provided for the Commission to submit its legislative recommendations not later than 6 months following its confirmation. The House amendment further provided that the legislative recommendations would include a program of initial military training deemed by the Commission to be appropriate to carry out the obligations of the act, including the types of basic military training to be given members of the National Security Training Corps and measures for utilizing existing schools and colleges to the fullest extent practicable. In view of the fact, as previously stated, that the original House amendment did not contemplate that the Commission would act as an operating agency, the House managers receded from their insistence that the Commission recommend to the Congress the types of basic military training to be given members of the Corps as well as a program of initial military training. The Senate bill contained no comparable language.

5. Induction into the National Security Training Corps

The conference report provides that no person shall be inducted into the National Security Training Corps until after (1) a code of conduct has been enacted and measures provided for disability and death benefits have been enacted into law, (2) that the other legislative recommendations submitted by the Commission have been considered and such recommendations or any portion thereof shall have been enacted with or without amendments into law, and (3) the period of service required of persons who have not attained the nineteenth anniversary of the day of their birth has been reduced or eliminated by the President or by the adoption of a concurrent resolution by the Congress.

Thus, the Congress will have an opportunity to consider and amend all of the recommendations submitted by the Commission, and no person can be inducted into the National Security Training Corps until this has taken place.

The House amendment provided similar language as contained in the conference report but required that all legislative recommendations be enacted with or without amendments into law. The House managers recognized the fact that the two most important features of a universal military training program involve a code of conduct and the death and disability benefits to be granted to the members of the Corps, along with provisions dealing with the health, safety, welfare, and morals of members of the National Security Training Corps. Thus, the House managers receded from their insistence upon the House amendment which required action on all legislative recommendations submitted, and agreed to the conference report which requires the enactment into law of a code of conduct and death and disability benefits and the consideration of all of the remaining recommendations submitted, followed by the enactment of any portion determined by the Congress to be desirable. It should be observed that the House amendment also provided that no person should be inducted into the National Security Training Corps until the period of service of persons under the age of 19 had been eliminated. To permit a more orderly initiation of universal military training and the gradual elimination of induction into the Armed Forces, the conference report permits induction into the National Security Training Corps, following the enactment of a code of conduct, death and disability benefits, and the consideration of the remaining recommendations and the enactment of any portion thereof, at such time as the period of service for persons under the age of 19 has been reduced or eliminated.

There was no comparable provision in the Senate bill.

6. Pay of members of the National Security Training Corps

Both the House and Senate bills provided that members of the National Security Training Corps would be paid $30 per month but that their dependents would be entitled to the benefits of the Dependents Assistance Act. This provision is contained in the conference report.

7. Period of service

The conference report provides that persons inducted into the National Security Training Corps shall be trained for a period of 6 months. This was contained in the House amendment. The Senate bill provided that persons inducted into the National Security Training Corps would be trained for a period of not less than 4 months. The Senate conferees accepted the House language.

8. Age of induction

At such time as induction into the National Security Training Corps is authorized, all persons thereafter registered who have not been inducted into the Armed Forces and who have not attained their nineteenth birthday shall be liable for induction into the National Security Training Corps. Since men are required to register at the age of 18, this will permit the induction of men into the National Security Training Corps after they have attained their eighteenth birthday. There will probably be an average period of approximately 3 months elapse between registration, classification, and induction.

The House amendment provided for induction into the National Security Training Corps at the age of 18 years and 6 months. The Senate bill provided for induction into the National Security Training Corps at the age of 18. The House accepted the Senate language in this respect.

9. Initiating induction into the National Security Training Corps

Induction into the National Security Training Corps may take place after (1) a code of conduct has been enacted, (2) death and disability benefits for members of the

Corps have been enacted, (3) the other legislative recommendations submitted by the Commission have been considered and any portion thereof have been enacted into law, and (4) at such time as the President or the Congress by the adoption of a concurrent resolution has reduced or eliminated the period of service required of persons who have not attained the anniversary of their nineteenth birthday.

Persons who are deferred for any of the reasons provided in the proposed legislation shall not be exempt from their liability for induction into the National Security Training Corps merely because they have passed their nineteenth birthday.

This is comparable to the House amendment except for the addition of the words "or reduced" which, as previously indicated, permits an orderly phasing of universal military training and the reduction or elimination of induction into the Armed Forces for men below the age of 19.

10. Overseas assignment of members of the National Security Training Corps

No person inducted into the National Security Training Corps may be assigned for training at any installation outside the continental United States except that residents of the Territories and possessions of the United States may be trained in the Territory or possession from which they were inducted.

11. Terminating inductions into the National Security Training Corps by concurrent resolution

The House amendment provided that induction into the National Security Training Corps could be terminated by the adoption by the Congress of a concurrent resolution to this effect.

The Senate bill contained no comparable provision.

Since the duration of universal military training will properly be a question for consideration when the Commission submits its recommendations to the Congress, the House managers receded from their insistence on this provision, and it is thus not contained in the conference report.

MISCELLANEOUS

There are other technical changes contained in the conference report which do not affect the substance of the proposed legislation.

Two other minor changes involve the deferment of missionaries who are also physicians and adding Guam to the definition of the words "United States".

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
DEWEY SHORT,
LESLIE C. ARENDS,
W. STERLING COLE,
Managers on the Part of the House.

Mr. VINSON. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, if the membership followed the Clerk as he read the statement of the managers on the part of the House, you no doubt gathered a full knowledge of what was accomplished in the conference which was held between the House and the other body. No bill in recent years has been considered as carefully as this bill. For 3 months the House Committee on Armed Services conducted extensive hearings on the matter. For 2 weeks it was debated here in the House. For 6 weeks it was considered by the House conferees. In my opinion, the conference report represents a better bill than that originally passed by the House, and, of course, a better bill than that originally passed by the Senate. By the free exchange of views which prevailed throughout the conference, I believe we have prepared legislation to which no one can find any serious objection.

I can state, with a certain amount of pride, that, generally speaking, the House position prevailed in most of the major issues at stake, particularly with respect to the draft age and universal service. There were approximately 25 major areas of disagreement, all of which have been settled satisfactorily. The most significant is the agreement with respect to the requirement that Congress must take another look at universal military training before it can be put into operation. I stated to the House originally that I felt that Congress should have another opportunity to examine this feature in greater detail and I am happy to say that the conference report requires such a procedure.

Before I explain the conference report in greater detail, I would like to express, publicly and for the record, my appreciation for the outstanding statesmanship displayed during the conferences held on this bill by my good friend, the distinguished gentleman from Missouri [Mr. SHORT].

Mr. SHORT's opposition to universal military training at this time is well known.

But, setting aside his personal convictions, and acting as a conferee of the House, he carried out the wishes of a majority of the House as expressed in the House bill that was sent to conference.

At no time did he let his personal convictions sway him from supporting the views of the House, and his contribution to the tremendous task of reconciling the two bills helped greatly in the preparation of what I consider to be an outstanding report.

He deserves the thanks of the entire membership, for he was placed in a difficult position. It was not an easy task to set aside sincere and honestly held views toward a vital subject, and act as an agent of the House in a matter that passed the House against his views.

I want to also express my personal gratitude to the other House managers, for their faithful attendance, their patience, and their very important contributions to the report.

Mr. BROOKS, Mr. KILDAY, Mr. DURHAM, Mr. COLE of New York, and Mr. ARENDS, are entitled to the thanks of the House for a highly important job well done.

Now I hope that all of the Members will give me their attention while I explain the report in detail, for this is the most important measure that will be considered during this session of the Congress.

I can say with sincerity that I believe it warrants the unanimous support of the House membership.

The universal military training and service bill agreed upon by the House and Senate conferees contains the following salient features:

DRAFT FOR SERVICE IN THE ARMED FORCES

First. Termination of Draft Act: The authority to induct into the Armed Forces has been extended for 4 years and will terminate on July 1, 1955. When the bill passed the House we extended it 3 years. The Senate had no time limit on it. We took the position—and we think rightly so—that in all emergency legislation there should be a termination date. That had been the philosophy of the Committee on Armed Services where we enact emergency legislation.

Second. Period of service: The period of service for persons inducted in the Armed Forces is 24 months. When we passed the bill in the House it was 26 months. The Senate had 24 months, and we agreed to 24 months. Thus, draftees can only be held in the service for 24 months.

Third. Registration: This law applies to all male citizens of the United States and every other male person now or hereafter in the United States between the ages of 18 and 26. Thus the age for registration applies to all males between the ages of 18 and 26. Classification for induction purposes will take place as soon as practicable following registration.

Fourth. Draft age: The age fixed for induction into the Armed Forces is from 18½ to 26, but no one can be drafted into the Armed Forces by any local board if there is available within that local board any person between the age of 19 through 26.

Fifth. Reduction of physical and mental standards: The physical standards for induction will be those that prevailed in January of 1945; the mental standards will be established on the basis of a percentile score of 10 which corresponds to a General Classification Test score of 65. The new mental standards, therefore, are a reduction of 3 from the present percentile score minimum of 13 and a reduction of 5 from the previous standard of 70 heretofore established by law as a minimum General Classification Test score for induction. The reduction should result in reclassification or making available for induction approximately 150,000 men who have heretofore or would shortly be classified as IV–F.

Sixth. Ceiling on the Armed Forces: When the House passed the bill there was no ceiling as to the strength of the armed services. An effort was made in the committee on several occasions to write in a ceiling, and we had one or two teller votes on the question, but no ceiling was put on. However, the Senate wrote a ceiling of 4,000,000 men. So we compromised by putting the ceiling at 5,000,000 men.

Mr. BARDEN. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the distinguished gentleman from North Carolina.

Mr. BARDEN. I wanted to ask the gentleman a question relative to the provision in the House bill concerning the utilization of the schools and colleges of the country.

Mr. VINSON. I will explain that, if I may, a little later. That was Mr. ROGERS' amendment about schools. When I discuss UMT I will explain that.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield before he goes to that?

Mr. VINSON. I yield.

Mr. HINSHAW. In connection with the deferment of students the report says that college students may be deferred until they complete their academic year, but they may get only one deferment.

Mr. VINSON. That is exactly what the House bill said when it passed the House.

Mr. HINSHAW. I would like to have the gentleman state what is meant by that phrase "as far as further deferments is concerned."

Mr. VINSON. It means if he is deferred once, he cannot again obtain a statutory deferment. That is all it means.

Mr. HINSHAW. But it does not mean that he cannot go on with his studies if the draft board allows him to?

Mr. VINSON. No; if he falls under any deferment that the President may provide by regulation, he can, of course, qualify for further deferment.

Seventh. Total obligated service: Men will be required to serve a total obligated period of service of 8 years. This applies to all persons inducted, enlisted, or appointed in the Armed Forces or inducted into the National Security Training Corps. The total period of obligated service includes active duty, training duty in the National Security Training Corps, and active or inactive service in the Reserve components.

Eighth. Active duty for reservists: Reservists now or hereafter ordered to active duty may be required to serve 24 months. The authority of the President to order all reservists to active duty is extended until July 1, 1953.

Ninth. Release of reservists: Any reservist, officer, or enlisted man ordered to active duty from the Volunteer or Inactive Reserve shall be released to inactive duty upon application after 17 months of active duty if he served for 1 year or more on active duty during World War II.

All time spent on active duty since June 25, 1950, counts.

However, the Secretaries of the military departments are authorized to retain reservists on active duty for the period for which they were ordered to active duty if they possess a rating or specialty found to be critical, and if their release would impair efficiency.

This provision is not to be construed as a minimum period of active duty for veteran reservists ordered to active duty from the Inactive or Volunteer Reserve. The military departments plan to release many thousands of reservists prior to the completion of 17 months of active duty.

Tenth. Deferment of students: High-school students will be deferred until they graduate from high school or attain the age of 20. College students may be deferred until they complete their academic year, but if they are deferred to complete an academic year, they may not thereafter be deferred again to complete an academic year. No local board may be required to defer any college student based upon a Government-sponsored national test score or upon the student's class standing.

Eleventh. Overseas assignment: Every person inducted into the Armed Forces shall be given a period of not less than 4 months of training and may not be assigned for duty in any installation located on land outside the United States, its Territories or possessions, until after this 4-month period has elapsed. In addition, no member of the Armed Forces who is enlisted, appointed, or ordered to active duty shall be assigned to duty at an installation located on land outside the United States, its Territories or possessions, until he has had the equivalent of at least 4 months of basic training.

Twelfth. Enlistment in the Regular Army: Men between the ages of 18 years and 6 months and 26 years shall be offered an opportunity to enlist in the Regular Army for a period of 24 months and may not have their enlistment involuntarily extended except in time of war or national emergency.

Thirteenth. Extension of voluntary enlistments: The authority to involuntarily extend enlistments in the Regular and Reserve components of the Armed Forces is extended until July 1, 1953. That is, all enlistments which expire after July 9, 1951, may be extended by the President for 12 months, but no person shall have his enlistment extended more than once.

Fourteenth. Aliens: All aliens admitted for permanent residence in the United States shall be immediately liable for induction into the Armed Forces of the National Security Training Corps of the United States. Aliens admitted to the United States other than as permanent residents who remain in the United States for 1 year or more shall be liable for induction unless they request release from service, in which case they will forever be debarred from citizenship.

Fifteenth. Conscientious objectors: Subject to regulations issued by the President, persons who are found by local boards to be opposed to noncombatant service shall be ordered by their local boards to perform civilian work contributing to the maintenance of the national health, safety, or interest, for a period of 24 months.

A conscientious objector's refusal to perform such work will subject him to the penalties of the Selective Service Act.

Sixteenth. Alcoholic beverages: The Secretary of Defense is given the authority to issue regulations controlling the use of alcoholic beverages at or near military camps. Persons who knowingly violate such regulations will be subject to fine and imprisonment.

Now, I would like to turn to the provisions concerning universal military training. When we had up the question of universal military training during the House debate, the House was of the opinion, I am sure, that Congress should know all about what the plan should be. Thus, we established a commission and we established a training corps, but we wrote a provision in the House bill which stated that no person could be inducted until certain things took place. We felt that Congress should know all about the plan; and we have brought back a report that carries out the wishes of the House in that respect.

I may say that is one reason it was held up for six long weeks. If it had not been for agreement on that, instead of having this conference report here today there would probably be a resolution to extend the draft law.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. BROWN of Ohio. Well, it goes a little further than that. It is not simply that Congress has to know all about it, but the Congress has to approve the program?

Mr. VINSON. That is right. It has to enact legislation.

Mr. BROWN of Ohio. If the Commission reports a plan to the Armed Services Committee, and the Armed Services Committee in turn submits that plan as a bill to the Congress within the 45-day limit provision in the section, and the House or the Senate or both reject the plan or defeat the bill, then what is the situation?

Mr. VINSON. No man can be inducted into the National Security Training Corps.

Mr. BROWN of Ohio. Then what does the Commission do? Does it submit a new plan?

Mr. VINSON. The Commission, I would say, would try to work up something that is in accordance with the views of Congress.

Mr. BROWN of Ohio. And it would continue in operation even though Congress disapproved its recommendation?

Mr. VINSON. It would, and for that reason we did not put them on a salary; we put them on a per diem basis.

Mr. BROWN of Ohio. With the thought that they would not work if they did not get paid.

Mr. VINSON. Exactly. We have a good bill, Mr. Speaker.

I must now continue with the UMT phase of this report. The recommendation of the Commission comes back; your Armed Services Committee will consider it just like it does other proposed legislation; it will be open to amendment on the floor of the House and it must be passed by a majority of a quorum; it must be signed by the President of the United States and become a law before any man can be inducted into the National Security Training Corps.

Mr. BARDEN. I may say to the gentleman from Georgia that I am very much in favor of that as he heard me attempt to express myself for about an hour on one occasion. With reference to this matter of the utilization of educational institutions, when the Commission brings in its report as outlined under section 7 is it distinctly and clearly understood that an amendment or a proposal for the utilization of schools and colleges and the educational facilities of this country would be germane and would be considered?

Mr. VINSON. I may say that if they submit a plan any Member of the House, under the general rules of germaneness, would have the right to offer any amendment. Here is what we decided on that point:

The amendment offered by the distinguished gentleman from Florida [Mr. ROGERS] would have directed the Commission to submit recommendations to the Congress for the utilization of the schools and colleges of the Nation in the

universal military training program. Both the Senate conferees and the House conferees, after considerable discussion, agreed that this matter could be handled by the Congress when the plan was submitted. Its elimination from the Commission's report would not in any way preclude the consideration of such school utilization if the Congress deems it advisable when the program is being considered by the Congress.

Mr. BARDEN. Here is what I want to appear in the RECORD, that the chairman believes that that should be done, that the House should have an opportunity to consider it.

Mr. VINSON. When they submit it, if it is not in, I will raise that point for consideration myself. That is as far as I can go; I cannot guarantee that it will be passed, but it will be considered by the committee, and I am satisfied it can be considered by the House.

Mr. SUTTON. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. SUTTON. I should like to get the chairman's view with respect to one thing for the RECORD; that is, conscientious objectors.

Mr. VINSON. In the Senate bill they established work camps.

Mr. SUTTON. I am not referring to that; but in the extension of the draft it means that the conscientious objectors are subject to the local draft board; is that right?

Mr. VINSON. That is right. In the Senate bill, as I say, they created work camps; in our report we have worked out a method whereby a conscientious objector can be deferred by the local draft board provided he is engaged in some occupation that contributes to the welfare or the defense of the country.

Mr. SUTTON. That is subject to Presidential regulation; is that correct?

Mr. VINSON. The gentleman is correct; it is subject to Presidential regulation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. GROSS. Will the gentleman from Georgia explain why the period of training for inactive and volunteer reserves was increased by 5 months over the House provision?

Mr. VINSON. The inactive reserves?

Mr. GROSS. Yes; the inactive and volunteer reserves. The period of active service was increased by 5 months to a total of 17 months.

Mr. VINSON. The Senate bill had no release provision with respect to veteran inactive and volunteer reservists. The House amendment required their release after 12 months. The Senate conferees objected to this provision, and felt that it should be part of the Reserve legislation soon to be considered. We finally agreed to the provision which requires their release after 17 months, but it is not to be considered a minimum. Under the system they are going to adopt, I doubt whether many of them will be held more than 17 months.

Let me briefly run through the high lights of the universal-military-training features:

First. The conference report establishes a National Security Training Commission composed of five members.

Three members must be civilians.

Two members must be active or retired member of the Regular components of the Armed Forces.

Not more than two of the three civilian members may be from the same political party.

The members must be confirmed by the Senate.

The Chairman must be a civilian.

The Commission to be appointed for a term of years.

Civilian members and retired members of Armed Forces to receive $50 per day while engaged in work of the Commission.

Second. At such time as the Commission is appointed, a National Security Training Corps is established.

Third. Duties of the Commission:

The Commission, subject to the direction of the President, is given the authority to exercise general supervision over the training of the National Security Training Corps.

The training must be basic military training.

The Commission is authorized to establish policies and standards with respect to the conduct and training of members of the National Security Training Corps.

The Commission must make adequate provisions for the moral and spiritual welfare of the members of the Corps.

The Secretary of Defense will designate the military departments to conduct the training.

The military departments must carry out the training in accordance with the policies and standards established by the Commission.

The military departments, subject to the approval of the Secretary of Defense, and the policies and standards of the Commission, will determine the type or types of basic military training to be given to members of the corps.

Fourth. Legislative recommendations: Within 4 months after confirmation of the Commission, the Commission must submit to the Congress legislative proposals which shall include, but not be limited to (a) an outline of a program deemed by the Commission and approved by the Secretary of Defense to be appropriate to make sure that the training will be of a military nature with the understanding that the Commission will not have the authority to authorize the basic type or types of training to be given to the members of the corps; (b) recommendations with respect to the personal safety, health, welfare, and morals of members of the corps; (c) a code of conduct; (d) recommendations with respect to the death and disability benefits and other benefits and obligations of members of the corps; (e) measures necessary to implement the policies and standards to be established by the Commission.

Fifth. Recommendations must go to the Committees on Armed Services: (a) within 45 calendar days of continuous sessions of Congress the Committees on Armed Services must report a bill or resolution to their respective Houses on the recommendations; (b) such bill or resolution will be privileged.

Sixth. No inductions to take place without further legislation: No person can be inducted for universal military training until after Congress has enacted: (a) a code of conduct and measures providing disability and death benefits for members of the corps; and the Congress (b) has considered and enacted into law all or a portion of the recommendations submitted by the Commission; (c) even after such laws have been enacted, no person can be inducted until either the President, or the Congress by concurrent resolution, reduces or eliminates the period of service in the Armed Forces for persons below the age of 19.

Seventh. Age for induction into the National Security Training Corps: At such time as induction into the National Security Training Corps is authorized all persons then or thereafter registered at the age of 18 will be liable for induction into the National Security Training Corps. In other words men will be inducted into the National Security Training Corps after arriving at the age of 18. There will still be a period of time involved in classifying such registrants, however, so that generally speaking, it can be said that induction into the National Security Training Corps will take place for most of the young men eligible for that training at the age of 18 years and 3 months. Men who are deferred from induction into the National Security Training Corps may not escape liability for induction therein merely by remaining deferred until they pass their nineteenth birthday.

Eighth. Report required of the Commission: The Commission must submit comprehensive reports on the operation of the universal military training program and the Secretary of Defense must do likewise.

Ninth. Pay, period of service, and no overseas assignments fixed by statute: Members of the training corps will receive $30 per month but will be entitled to the benefits of the Dependents Assistance Act if they have dependents. Members will be trained for 6 months. No person can be assigned for training at any installation located on land outside the continental United States—except residents of the Territories and possessions may be trained in the area from which they were inducted.

Tenth. Termination date for universal military training: The conference report does not contain any termination date for universal military training since this matter will be subject to congressional action when the required implementing legislation is considered by the Congress.

I sincerely trust the report will be overwhelmingly approved.

Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, I can truthfully say never have I sat in a conference where legislation was more carefully and thoroughly considered as that which is now before us. I must pause just long enough to pay my re-

spects and high admiration to the Senator from Georgia, Mr. RUSSELL, who acted as chairman of the conference, for his eminent fairness at all times, for his courtesy, his kindness, and consideration. Certainly, he does not excel the champion from Georgia, our own distinguished chairman of the Committee on Armed Services of the House [Mr. VINSON] who stood as firm as the Rock of Gibraltar, and in all the bitter wrangling that we had since April 17 I found out that whenever the gentleman from Georgia, CARL VINSON, makes a promise to a person, he keeps it, and he certainly kept his promise to the Members of this House. As you know, he accepted an amendment which would require, before UMT went into effect, Congress to take positive, affirmative action, and if he had not changed the original bill on this floor by accepting that amendment, it never would have passed this House. He promised us at the time the bill was passed that he would insist upon that chief primary provision in the legislation. He did, and the Senate—though some Senators were pretty stubborn for several days—finally yielded and accepted the House position.

I do not have to remind Members that always I have opposed peacetime military conscription. I know, too, that a great man once said, "to act contrary to conscience is neither safe nor upright." I signed this conference report, but I do not want anyone to think that I have surrendered or capitulated. I signed it because I was acting in an official capacity as a manager on the part of this House to maintain the House position. I think the House of Representatives is bigger than any individual or any party or any faction in it. Though I spoke against and voted against the bill when it passed the House, I felt duty bound and obligated to go along with the House conferees in maintaining the position of the House, and for that reason I signed the conference report. Because in the main the House provisions prevailed.

I am not going to press the matter or fuss much about it. Personally I do not care for a roll call; I do not think the chairman of our committee cares for it, though I am informed the distinguished majority leader will ask for a roll call on this conference report, and if we do have a roll call, of course, I would be compelled to vote against it, because I would be voting as an individual, my own personal convictions, in this matter.

From the start I felt that it was a grave mistake to mix UMT with the draft law. The only reason they were put together is because the proponents of this legislation realized, I think, that it is now or never, and taking advantage of the pressure from all sides and the emotionalism and hysteria of the hour they tied the two in together, mixing castor oil with the orange juice, sugar-coating the pill. Of course the draft at this time must be extended. There is no argument about this. I thought when we first considered the legislation that it would have been much better for us to simply extend the draft for the time being and then after the crises subsided we could bring in a new, clean UMT bill and consider it on its own merits. I am happy to say that General MacArthur, since we considered this legislation, in his testimony before the Senate committee, agreed to this position. He thinks it would have been wise for us to have separated the issues. But, it has already been done, and you have no alternative in the matter and you are going to be called upon to vote on this conference report.

I am not going to quarrel with any man as to how he shall vote. You know, there is wisdom in multitude of counsel. You may be right and I may be wrong about this legislation. I think the chairman of our committee, and certainly most of our professional staff members, will tell you that I have wrestled with my conscience and judgment over this matter for several years, particularly in recent months, and they know that I will agree to have some type of military-training bill that would be acceptable, not only to me, but to many people who feel as I do about it. Certainly, I do not want this country Prussianized, and I do not think in the present conference report there is any grave danger of our falling completely under military control as long as three of the members of this Commission are to be civilians and the Chairman is to be a civilian, always under civilian control, though the actual operational part of the program must and should be and will be under the military. Unless the training is military, there is no justification for it at all.

There are two things in the conference report that I regret. One is the period of service which was extended from the present law of 21 to 24 months. The Senate bill provided for 24 months and the House bill 26 months. We yielded to the Senate, which I think was really a victory for us, so we cannot quarrel over that.

The period of obligated service for reservists is not 6 years but 8 years, a pretty long time, yet considering world conditions and the uncertainty not only of today but of the future, perhaps for several years to come, 8 years is perhaps not too much. Who knows? I don't.

The most objectionable feature in the bill is the treatment we give to the reservists, the release of reservists. The Senate had no provision in their bill at all about this. We had a provision in our bill that after 12 months of service these boys who have been dragged in, most of them in their late twenties and early thirties, with 2 or 3 years of combat in World War II, with two or three children, who have bought a farm or built a house or gone into business and had their education seriously interrupted already, these fellows will not be released after 12 months as provided in the House bill but after 17 months.

Of course, we have to bear in mind that it usually takes a month to get a man from this country to the combat battle line, and it usually takes a month after he stops fighting to get him back home. So from the purely financial point of view this is a good provision, but it is pretty rough and tough on these reservists who had fought so valiantly in World War II.

Mr. JACKSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. JACKSON of Washington. I want to compliment the gentleman on the fine statement he is making. In connection with the 17 months' service of an inactive reservist, I note on page 18 of the conference report that there is an out for the military, so that they can continue these men in service for the full 24 months, if their release prior to the completion of such time would impair the efficiency of the military department concerned.

Mr. SHORT. That is true, and of necessity it must be that way, because you cannot yank men out of combat in Korea or any other section of the world unless you have replacements for them. It is a hardship, but war is hard. I think a great general once called it hell.

Mr. JACKSON of Washington. I appreciate the gentleman's answer to my question, but I assume that the conferees in interpreting this language will insist that the military use it strictly in accordance with the language laid down by the committee, that they are not going to abuse it, and will limit it to such ratings as radar specialists and people that they cannot get otherwise.

Mr. SHORT. I am very happy the gentleman from Washington made that statement, because I share his apprehension, as do other members not only of our committee but of this House. We are going to see to it that we always keep the military under civilian control in this country.

Mr. JACKSON of Washington. Think of the inactive first lieutenant who is leading a platoon out in Korea, having led one in World War II. They cannot say they cannot get other lieutenants to lead infantry troops. I do not want that kind of interpretation placed on it.

Mr. SHORT. No, I do not think any such interpretation would be given. Certainly we hope not. I agree with the gentleman.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. I think the gentleman ought to correct his statement to show that the inactive and the volunteer reserve who has been called against his wishes is the one who will have to serve 17 months.

Mr. SHORT. Yes, that is absolutely right. I did not know I had said anything differently. They can be released after 17 months, including time on active duty since June 25, 1950, if they had served 12 months during the shooting war, December 7, 1941, to September 2, 1945.

Mr. Speaker, there are certain loopholes in this bill which I do not like but lack of time prevents my discussing them. I do hope we shall never accept the Prussian idea of a single Chief of Staff.

After all, this bill is more or less innocuous. It does not establish universal military training but merely sets up a

commission which shall report not later than 4 months after the enactment of the legislation, a plan which will be considered by the Armed Services Committees of both Houses, as well as the entire Congress itself. No induction into the UMT Corps can take place until Congress first enacts a code of conduct, death, and disability benefits. The Congress must take positive and affirmative action and the ultimate outcome of this legislation will depend on the kind of program which is submitted to us. If it is a good and workable program that will not bankrupt the Nation, I predict that the Congress will pass it almost unanimously.

For the benefit of all Members I wish to call attention to the excellent analysis made and inserted in the Appendix of the CONGRESSIONAL RECORD of yesterday, June 6, page A3334 by our distinguished and able colleague from Michigan, the Honorable PAUL W. SHAFER.

Mr. VAN ZANDT. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. ARENDS].

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Ohio.

Mr. BREHM. Is the gentleman willing to state unequivocally that acceptance of this conference report does not make it mandatory upon Congress to adopt some type of a universal military training program if and when the proposed commission reports a program?

Mr. ARENDS. That is right; in my opinion, it is absolutely right.

Mr. Speaker, the conference report on the so-called draft-UMT bill now before us is the end result in the long legislative process by which practically every phase of the Nation's mapower problem and every feature of this proposed legislation has been thoroughly considered. I do not know that any measure has been more exhaustively discussed than this one. The report now before us is the end product hammered out on the anvil of legislative debate over a period of several months.

The bill originally reported by our Committee on Armed Services, as a substitute to the Senate bill, was itself the result of extensive hearings and thorough examination. It was then earnestly and somewhat vigorously debated here on the floor under a liberal rule allowing 3 days of general debate and any amendment the House in its wisdom saw fit to adopt.

When the bill was sent to conference there were approximately 20 points of difference between the House and Senate bills. Some were minor and others were of vital importance. The pending report is the result of many meetings of the conferees and long hours of discussion. Every single point of disagreement was considered. This report is necessarily the product of compromise. It could not be otherwise.

While I cannot say that I personally approve every single provision of the bill, I am sure I can say that this report represents the collective judgment of the Congress. As one of the conferees I think I can also say with some pardonable pride, that the report embodies in large measure the basic wishes of the House. I accordingly signed the report. I hope that it will have the complete endorsement of the House.

You may recall that when this bill was originally before the House I was actively interested in having certain basic provisions adopted. One was that there be a fixed termination date both for the draft feature and the UMT feature of the pending bill. Another was that there be a definite ceiling as to the size of our armed services. A third was that there be a prohibition against sending troops to Europe to implement the Atlantic Pact without specific authorization from Congress. And still a fourth was that the proposed UMT program be considered separate and apart from the draft program.

The bill as passed by the House embodied my views in these respects to only a limited extent. While not satisfactory to me in every respect I nonetheless voted for the bill when it passed the House by the overwhelming majority of 372 to 44.

As one of the conferees I earnestly sought, as did the other House conferees, to sustain the views of the House in every possible particular. We necessarily had to yield and compromise on certain points. Thanks to the able leadership of our distinguished chairman, I believe we enjoyed a large measure of success in having the views of the House as a whole adopted in their basic aspects.

Throughout the consideration of this bill one of the major points of issue, both in committee and on the floor, was with respect to the proposed UMT program. This was one of the major questions in conference. A great many of us believed that regardless of the merits of UMT, it was a long-range program and should be considered entirely separate and apart from questions relating to the present military manpower needs provided by the draft law.

When the bill was before the House we reached a more or less compromise result by agreeing to a provision to the effect that the so-called UMT program would not be put into effect until the Congress itself had had the opportunity to consider this matter in detail and to work its will on the subject. The House bill provided for the establishment of a National Security Training Commission which would report to Congress within 6 months its recommendations for the program. The conference report still embodies this important feature, except that the length of time within which the Commission must make its report is reduced from 6 months to 4 months.

There is also another important change, with which I do not believe strong exception can be made. The conferees agreed that the Commission's recommendations shall not relate to the types of basic military training to be given but rather shall pertain to the program in broad outline and to measures for the personal safety, health, welfare, and morals of the National Security Training Corps, as well as to a code of conduct and penalties. In other words, it was the decision of the conferees to leave the question of the basic type of military training to the military people themselves and general supervision and other matters to the Commission.

The point to be emphasized is that under the terms of the compromise on the UMT feature no person shall be inducted into the National Security Training Corps until the Congress itself has acted on the legislative recommendations to be submitted by the Commission. In other words, we have preserved in the pending report the views of the House that the Congress shall have opportunity to express its will on this UMT program. In my opinion, this was a distinct victory for the House conferees.

The bill that the Committees on Armed Services of the two Houses report on this subject shall be privileged but shall be subject to amendment any member may offer. In other words, we have preserved in principle the conviction of the House that regardless of the merits of a UMT program, the Congress should have the opportunity to work its will on this subject, independent and apart from our present military needs arising under the Selective Service Act.

Many of you will also be pleased to note that the report provides for a ceiling on the size of our armed services. The Senate bill contained a 4,000,000-man ceiling. The House bill contained no such limitation. The issue was compromised in conference by fixing the figure at 5,000,000 persons at any one time. While I personally feel the figure is too high, nonetheless the basic principle of Congress having full control over the size of our Armed Forces is maintained.

We reached another compromise to which I believe some special reference should be made because of the general interest in the reservists. Our House bill contained a provision which provided in substance that veteran reservists on active duty for 12 months after June 25, 1950, shall be released upon his own application. The Senate bill contained no such provision. The compromise reached in conference raises the length of active duty necessary for release to 17 months.

I know that many of us would prefer to have the period limited to the House provision of 12 months. That is my personal preference. However, I call your special attention to the fact that the 17-month period is not to be construed as the minimum period for which veteran reservists are to be held on duty. As a matter of fact, all the services have put into effect replacement programs for the release of veteran reservists who have been called to active duty. If these plans continue as originally contemplated there will be very few veteran reservists on duty at the end of this year who were called about a year ago. Moreover, we anticipate that at some subsequent date legislation will be reported dealing with the whole reservist program. As you may know, a subcommittee under the chairmanship of the gentleman from Louisiana [Mr. BROOKS] has been studying this subject of Reserves in detail.

In this matter of the release of veteran reservists it should be borne in mind that the provision in the House bill and in this report applies solely to inactive veteran reservists as distinguished from the veteran reservists who belonged to various Organized Reserve units, the members of which were paid for attending meetings or drills and received point credit for such attendance for retirement.

In conclusion, permit me to state again that while this conference report may not be satisfactory in every particular to each and every one of us, I sincerely believe that it expresses in basic principles the wishes of the House. It should therefore have the endorsement of the House.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from California.

Mr. PHILLIPS. On page 23 of the report, after subheading (3), the conference report says the Commission shall have general supervision, and indicates a wide authority. Then, on page 25, a few limitations are put on.

I am making this very short. I voted for this bill, as the gentleman knows; but it seems to me that we may have UMT, in accepting the conference report, whether we want it or not, and I do not want to find that the only provisions brought back to Congress have to do with disability and death benefits, and any other questions the Commission itself may decide to ask us. Will the gentleman please explain?

Mr. ARENDS. No. Only through affirmative action of the Congress. In other words, we can adopt or reject any proposal that the Commission sends up here, regardless of what the Armed Services Committee may determine.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. VINSON. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Speaker, I favor the conference report with the exception of the provisions that affect those volunteer and inactive reserves who have been called to active duty against their own wishes. Most of them are veterans of World War II.

When this bill was considered by the House Armed Services Committee we members of that committee spent many hours discussing the treatment accorded the Reserves. After a lengthy discussion the committee unanimously agreed as did Mrs. Rosenberg, Assistant Secretary of National Defense that the Reserve program had been poorly administered by the Defense Department and that the reserve himself had been mistreated. My personal opinion is that the word "mistreated" was mild and that word that should be used was "tortured," for it more aptly describes the treatment accorded reserves by not only the Defense Department but also by the component branches of our Armed Forces.

After the House Armed Services Committee had spent hours discussing the Reserve problem in general we wrote a proviso into the bill that any member of the inactive or volunteer reserve who served for a period of 12 months or more between December 7, 1941, and September 2, 1945, shall upon application be released to inactive duty after he has completed 12 months of active duty. When I speak of an inactive or volunteer reserve I speak of one who did not attend drills, one who did not take his summer training and one who did not receive pay for being a member of the Reserve. This type of a reserve is one who was solicited by the various branches of the armed services and asked to join a Reserve unit with the understanding that he would only be called to active duty should his country become involved in a national emergency. At the time the reserve was solicited for membership there was nothing contained in any law that permitted the armed services to call him to active duty. Last year without warning the Congress of the United States amended the Selective Service Act of 1948 authorizing the call to active duty of any type of reserve. By so doing, Congress violated the contract that existed between the inactive and volunteer reserve and the Government of the United States.

With this authority the armed services launched a program of ruthlessly calling up the inactive and the volunteer reserve without considering the fact that the average reservist served anywhere from 2 to 5 years in World War II. The fact he had decorations including the Purple Heart was not given any consideration. There was no concern shown for the reservist or his family nor for his job or his efforts to complete his education. He was abruptly taken from civilian life and the hardships that resulted cannot be adequately described in words.

As the result of this inhuman treatment the reservist's mind is poisoned and his attitude so bitter that there is not a member of this Congress who has not received scores of letters containing violent protests over the shabby treatment accorded these veterans of World War II who made a stellar contribution in winning that conflict.

These reservists cannot understand why they have been conscripted and thrown into combat while thousands of organized reserves are still on inactive duty and Selective Service is monthly lowering the draft requirements. During the month of July draft quotas have been lowered to 15,000 and frankly there is no answer to the criticism voiced by inactive and volunteer reserves. They are the victims of maladministration and the resulting injustice that follows in its wake.

As I have said before the House version of the UMT bill provided for release of these inactive and volunteer reserves after 12 months of active duty. Now we find that this conference committee report extends the 12 months of active duty to 17 months. In the vernacular of the armed services the reservists have been given another shellacking when this bill becomes a law.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Iowa.

Mr. GROSS. It does not make any difference how sweetly proponents of this report mouth the words "unless sooner released," the fact still remains that they have added five more months to the active service of Inactive and Volunteer Reserves.

Mr. VAN ZANDT. The gentleman is absolutely right.

Last fall the Department of the Army announced a point system, and distributed information throughout the services telling the men that after they had acquired a certain number of points they would be sent home. Then, within a matter of a week, the Department of the Army completely ignored the point system and the Reserves started asking the question, "Where is the point system?" The truth of the matter is that the Army had no intention of putting the point system in effect. It was nothing more than a sugar-coated promise designed to quiet the Reserves on the eve of last fall's general election.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. PERKINS. I would like to ask the gentleman if he does not agree that someone in the Department of Defense has been dragging his feet concerning giving relief to the reservist?

Mr. VAN ZANDT. Absolutely. Mrs. Rosenberg in her statement before the House Armed Services Committee stated the entire Reserve program has been mal-administered and the reservists poorly treated.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. VINSON. Does not the gentleman think in view of the fact that the subcommittee, under the chairmanship of the gentleman from Louisiana [Mr. BROOKS], which is now writing a Reserve program, that if there is any injustice done in this bill it can be dealt with and corrected by the gentleman from Pennsylvania who is on that subcommittee?

Mr. VAN ZANDT. Certainly, but that is another sugar-coated promise because it will take months before any Reserve program can be written into law.

Mr. VINSON. With the gentleman's aid I hope we shall have it in less than 30 days.

Mr. VAN ZANDT. Already we have been waiting and waiting for 18 months. We started consideration of it last year and nothing has been done about it yet, even despite Mrs. Rosenberg's report to us that the Reserve program was maladministered.

Mr. VINSON. I hope the gentleman is not trying to convey to the House that the viewpoint he is now expressing cannot be solved; we all recognize the force of the well-meaning criticism the gentleman is directing to this problem, and we are trying to correct it and will when we bring out a Reserve program bill.

Mr. VAN ZANDT. While it is our hope that a new Reserve program will be a reality in the near future we are

losing a golden opportunity in this bill to regain the confidence of the reservists and to restore their faith in Congress.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. FORD. Under the conference report can the enlistment of Volunteer Reserves, Inactive Reserves, be extended 1 year beyond the termination date of their contract?

Mr. VAN ZANDT. It can be extended to July 1 of 1953.

Mr. FORD. Can the gentleman give any logical explanation of the right to extend the 4-year term or 3-year term enlistment contract of a volunteer or inactive reservist?

Mr. VAN ZANDT. I cannot. Being brutally frank, the contract that the reservist has with his Government has been ruthlessly ignored so many times in recent months that it appears to be but a scrap of paper. Let me say in conclusion that in my opinion the great majority of all Reserves now on active duty are so sour and bitter over the treatment accorded them that upon discharge they will never have anything to do with the Reserve components of our Military Establishments. They have had enough and I agree with them.

Mr. GROSS. Mr. Speaker, the remarks just made by the gentleman from Pennsylvania [Mr. VAN ZANDT] are a stern indictment of this provision of the conference report.

The gentleman from Pennsylvania [Mr. VAN ZANDT] is completely qualified to speak on this subject of the treatment of reservists not only because he has been a reservist himself and served in two World Wars but because he is a member of the House Armed Services Committee and he has first-hand knowledge of the shameful treatment that has been accorded reservists, particularly inactive and volunteer Reserves, since the fighting started in Korea.

Now the House members of the conference committee come here this afternoon and blandly admit they yielded and added five additional months to the 12 that were stipulated in the bill approved by the House, making inactive and volunteer reservists subject to 17 months of active service.

To whom did they yield in conference? Was it to Senate members of the conference committee or was it to the brass hats in the Pentagon? Up to this point in the discussion there has been no adequate explanation and there probably will be none.

As a matter of fact, members of the House conference committee yielded time after time on provisions which were written into the bill in the House. The result is that this legislation is even less acceptable, if that is possible, than when it originally passed the House.

The conference report emphasizes language now used in the bill which provides that inactive and volunteer veteran reservists will serve 17 months "unless sooner released."

That "unless sooner released" language amounts to an all-day sucker and nothing more. It sounds nice but it will not fool veteran reservists. If the House conferees believed as Members of the House did when they passed this provision that 12 months was an adequate period of service for veteran reservists then why did they join in passing out this all-day sucker?

This is only one of several rotten provisions in this bill as it now stands, and it is lamentable that the parliamentary situation is such that a recommital motion is not in order. We have no alternative but to vote to accept or reject this conference report and the law which it will establish.

I will certainly vote to reject it.

Mr. VINSON. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Speaker, some time ago when the original draft-UMT bill was before the House I put up the best fight I knew how to make on several of the provisions of the bill, and think I was at least partially responsible for some beneficial changes. We are now up against the gun. The draft bill expires within a few days, we are in a shooting war. The boys are still fighting and dying in Korea, and unless somebody arrives at some kind of definite objective pretty soon it looks as though they will be fighting and dying there for some time to come. The men fighting need relief, and in order to secure these necessary men and maintain our national defense to a point of safety we must have in operation a selective-service law.

I am going to vote for this conference report, but I am no more of the opinion that it is wise to combine the two at this time than I was at the time I was fighting the bill. It might be a case of deciding when is it right to do wrong. The bill has been improved over what it was when it came to the floor. I was glad to hear the chairman make the statement he did a few minutes ago about the House provision dealing with the utilization of school and college facilities, for when the language dealing with this subject was stricken out in conference I was a little bit puzzled, especially in view of the fact that one of the great educational institutions of this country very properly and appropriately conferred a doctor's degree on him recently. I thought he had walked out on the educational institutions, but he declared emphatically that he will see to it that this Congress will have the opportunity to fully consider the educational problem by amendment or otherwise, and so I think he is still entitled to hold the degree—congratulations, Doctor.

While on this subject let me say that up to now the educational people of this country have not been permitted to have very much, if anything, to do with either the drafting or planning for this all-important piece of legislation. I do not believe the Pentagon wants their ideas or will even allow the educators of this country an opportunity to help. In fact, about the only interest I have seen the military from the Pentagon exhibit in education, is in trying to get their own sons appointed to West Point, and they are usually successful in that. I think it can be truthfully said that the military of the Pentagon are determined to subordinate our school system to the military, and I am equally determined to fight that trend. I see no reason why they cannot be coordinated, for that would prove beneficial to both. But to subordinate our school system to the military would be a long step toward the abandonment of our American way of life, and in the direction of a military dictatorship or militarism, which is just as objectionable to me as any other ism, including communism. These military leaders are not bad men, many of them are great men—men who have bared their chests to bullets in defense of this country. But they are ambitious men, and it is as much the responsibility of Congress to keep them in line and see to it that they do not usurp more power than would be good for our form of government as it is for Congress to preserve the balance between the judicial, executive, and the legislative branches of the Government. Neither should be permitted to usurp power but be required to operate within their own constitutional fields.

As chairman of the Committee on Education and Labor, I have had correspondence with many educators all over the country, including officials of elementary schools, high schools, junior colleges, colleges, and officials of the various States. The following are some of the problems that they feel, virtually without exception, should be carefully considered in the writing of a universal military training law which will unquestionably affect every segment and activity carried on in this complicated economy of ours:

First. Careful study should be given to coordinating our military program with our educational system.

Second. To continue the flow of trained personnel in all fields and especially those in the professions and sciences.

Third. To utilize to the fullest extent the faculties and teaching personnel in the junior colleges, colleges, and universities.

Fourth. To provide wherever possible summer training in camps and some military training on the campuses so as not to interrupt more than is absolutely necessary the education and training of students.

Fifth. To expand and extend the ROTC program on an equal basis for the Army, Navy, and Air Force.

Sixth. Wherever practicable, construct necessary buildings on the campuses of our schools, colleges, and universities rather than build entirely new camps that are strictly military.

Seventh. To study carefully the results obtained in high schools, junior colleges, and colleges, including VMI, West Point, and similar institutions where military training is carried on at the same time they are securing their academic education.

Along with these suggestions came other comments, in which I concur, indicating their extreme interest in what I regard as the finest education system on earth. I do not believe this Nation can expect to compete with such a com-

bine as the Soviet Union and its satellites in numbers alone. The strength of this Nation lies in its ability to produce equipment and weapons superior, in quality and quantity, to those of any of our enemies, or any combination of them. Under well-trained and well-informed leadership I believe our schools, colleges, and universities should be considered in the same way we consider our industrial structure and converted for production of well-trained technicians and scientists in the same way our plants are converted to produce weapons and equipment, insofar as it is consistent with our educational system. The utilization of our schools and colleges to the fullest extent is not only sound from a training standpoint, but also from an economic standpoint. The most irreplaceable defense resource is not the atom bomb but the scientist who makes it, and the fact that our schools and colleges are primary assets in the arsenal of democracy is only a natural extension of that phrase. It is proclaimed from the pulpit, the White House, by the press, and virtually every public speaker of any note that the country needs moral and spiritual strength as well as military and economic strength—and that it is essential to the defense of our freedoms to have an informed, intelligent, and resourceful people who have an awareness of our national obligations, capacities, and commitments, and certainly without full utilization of our educational institutions this goal can never be achieved. The educational people of America are willing to cooperate. I hope the military of the Pentagon will exhibit a desire to cooperate with them, but if they are unwilling to fully cooperate—then Congress should step in and see to it that they do.

If you will recall, I fought the 18½-year-old provision, but at that time I said that in case of all-out war or absolute necessity certainly we would say go to 18½ or 80 at the other end of the line if necessary, and this bill contains a provision that they will not take the 18½-year-olds until the others are exhausted.

I did not like the $30 per month pay provision. The American people are willing to pay the premium and they are able to pay the premium on the insurance policy that might be necessary to protect this Nation. This is not the place to try to save. We should stop some of these wasteful contracts that are now feeding the flames of inflation. I think it is inexcusable for us to make the distinction we are making. As I said a moment ago, I did not like the joining together of the two bills. It is difficult for me to conceive of the distinguished chairman of the Armed Services Committee, the gentleman from Georgia, able as he is, and having done the fine work he has in this House for these many years, to have abandoned the duty of writing a universal military training bill and agree to let a commisson be set up to write the bill. Of course the military is delighted to have this heavy job assigned them. It is a case of throwing the rabbit in a briar patch.

I think we have abandoned our responsibility a little bit too early but when we go back and think of the original bill, I am definitely of the opinion that when the military wrote that bill and presented it to the Committee on Armed Services, it was the boldest and most brazen stroke for dictatorial powers ever made on the continent of the United States. In effect I said the same thing before the Committee on Armed Services, and that committee, in its wisdom and under the leadership of its great chairman, ignored many of the things that were written in it. You say, "Well, why mention it now?" I mention it simply because it is indicative of a trend in the minds of men that we must guard carefully as we do other departments of this Government, and I have said before that they are ambitious men. I respect them, I trust them, but I want them to respect the rights of my people as well as myself.

It must be remembered that in the original bill there was a provision for the President to appoint a five-man commission to draw up a UMT bill and report it to the Armed Services Committee, who were not to have the right to amend or change it. And if reported to the House, the House of Representatives was not to have the right to amend or change it—and that was not all, if the Congress did nothing it would become law without even the approval of Congress or the signature of the President. I could not think of a more horrible and dangerous precedent for the Congress to set. Now, this proposal was not just made by the military, but was adopted by the House Committee on Armed Services and reported to the House, and was not changed by the committee—until after a bitter attack had been made on this provision by myself, the gentleman from Missouri [Mr. SHORT], and others. Then after a careful check had been made of the membership when the Committee on Armed Services found it could only rally approximately 140 votes for it out of 435 Members of the House, the chairman then announced he would offer an amendment that would give the House an opportunity to consider, amend or change the report of the Commission. I make this statement simply for the purpose of keeping the record straight. The chairman did offer the amendment, it was adopted, and is now carried in this conference report. I might say further if it were not in this report I most certainly would not vote for this conference report.

Mr. VINSON. Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, it is plain from the nature of the conference report that the House is being asked to concur in today that the House conferees know only how to make war. They know nothing and care less about mitigating the suffering of those men who have fought our previous wars.

Item 26 of the conference report reads something like this:

> The House amendment provided that no physician or dentist engaged in full-time employment at a Veterans' Administration hospital would be inducted, under the provisions of law authorizing the induction of physicians and dentists, after such physician or dentist attained his thirtieth birthday.
>
> The Senate bill contained no comparable language. The House receded from its position and agreed to the elimination of the provision from the conference report.

You will recall that just a few weeks ago when this legislation passed the House that the amendment sponsored by me was approved unanimously. It was offered as an amendment to the Barden substitute and approved practically unanimously. It was accepted without a vote as part of the original bill itself. Not a single one of the members of the committee of conference who have spoken this morning have offered one iota of explanation as to why the unanimous will of the House should be rejected.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. Oh, the gentleman has 5 minutes remaining and I am expecting an explanation from him when the time comes.

Mr. VINSON. I will give it to the gentleman now.

Mr. BAILEY. But not on my time.

Mr. Speaker, I would like to say, without going into any of the details because they are fresh in your minds, that it was proven conclusively to the satisfaction of the House that the armed services are today raiding the medical staffs of your veterans' hospitals. Out of 4,020 members of the medical staffs in 140 hospitals 2,040 of them are reservists and over 500 of them have today already been called into service. I made the statement, in discussing the amendment when I presented it, that unless something was done half of your veterans' hospitals would be closed by the 1st of January 1951. There are 21 new veterans' hospitals under construction at the present time that will cost $317,000,000, and there is not a doctor in sight to man a single one of them. I ask you if we can justify that from the standpoint of economy, to say nothing about the service that thousands of veterans are demanding right now and pleading for admission to the hospitals. Yet, apparently this did not get even serious consideration from the conferees. I have spoken to two members of the conference committee and they said they were not present when that action was taken. I spoke to a number of Senate conferees and they said, "You better talk to your House boys about it." So, apparently the action to leave out this amendment was initiated by our own conferees despite the unanimous vote of the House. I am not exactly ready to accuse anyone of bad faith but I think that the distinguished chairman of this committee, who still has 5 minutes to conclude this argument, if he expects my vote in support of this report, had better offer a more logical explanation than anybody has offered so far as to why that amendment was left out.

Mr. VINSON. Mr. Speaker, I yield myself 2 minutes to advise the House why the conferees agreed to the elimination of what was referred to as the Bailey amendment. The amendment offered

by the distinguished gentleman from West Virginia [Mr. BAILEY] would have exempted physicians and dentists from the doctors' draft law if they were over 30 years of age and if they were employed on a full-time basis at a veterans' hospital. The Senate conferees objected to the provision on the ground that it was discriminatory and would have provided an exemption for one group of doctors and dentists in veterans' hospitals and would not protect the hundreds of civilian hospitals which likewise must be maintained and staffed throughout the Nation. For that reason, the House conferees agreed to eliminate it.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from California.

Mr. PHILLIPS. This is a question which apparently has caused quite a bit of consternation, almost, in the West. On page 10, in the thirteenth line, the words "subject to order" have been inserted by the committee of conference instead of the words "subject to call." No reference to the change is made in the report, and it could be very important.

Mr. VINSON. I will say to the distinguished gentleman from California that in reexamining the law it was concluded that in the act of 1948 when we used the word "call" it was not the proper word to use, for this reason: You only call into military service the militia or National Guard in the event of threatened invasion as all other times all components are "ordered" to active duty. Therefore, we used the word "order" instead of the word "call." There is no hidden meaning in it. It is just using the proper word to carry out a proper method of placing people on active duty.

Mr. PHILLIPS. Will the gentleman here or in the RECORD make a definite statement that the word "order" is limited to his present definition of it on the floor? The word "order" unfortunately goes way beyond that.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, the conference report on the UMT and the Selective Service Act is now before us for consideration. This conference report is the result of a compromise between the House and Senate bills. There are many points about this measure that I do not like.

I note that there are no work camps for conscientious objectors, as was the case during World War II, and I am informed that the reason for this is that the number of conscientious objectors is so small—approximately 12,000—that it is not enough to warrant the creation of national work camps to place them in during the 24 months of their service. The conferees have arrived at a compromise on the question of conscientious objectors which leaves the question at the local level and permits draft boards to defer a person who is engaged in work which contributes to the maintenance of national health, safety, and interest for a period of 24 months. It appears to me, Mr. Speaker, that this gives a great advantage to conscientious objectors over men who are inducted into the service. A man is inducted into the Army for 24 months' service and, upon discharge, remains in the Reserves for 6 years. Conscientious objectors, on the other hand, after 24 months of useful work, owe no further responsibility under the bill. This, I maintain, is decidedly unfair to those who are inducted into the service. Then there is the question of the Mennonites, who have been causing a great deal of concern in various parts of my State of Montana, and have been the result of considerable correspondence to me on the subject. I have urged the House Armed Services Committee to give this matter every possible consideration and to work out a solution which could be workable and which would not put to disadvantage those who were inducted into the service. However, as I understand this conference report, the Menonnites are given a straight deferment after induction and an assignment to work at a local level. They would be permitted the privilege of continuing in their normal occupation of farming, for example, and perhaps be able to acquire additional lands and generally improve their economic status, while boys in the same farm communities are called upon to abandon their farms and even sell their livestock at a forced sale when livestock is not ready for market. This, as you can well understand, and justifiably so, creates a great deal of feeling. I had hoped the conference report would permit draft boards, or whoever made decisions in such instances, to see to it that the conscientious objectors who are granted deferments and have the benefits already described would at least be required to do work that is definitely in the national interest and not work which merely improves their economic status and their own pocketbooks. While the Mennonites are conscientious, hard-working people, they do not contribute to the Armed Forces of the United States in time of national emergency. These people, like the rest of the population, should expect that their normal activities would be sacrificed to some extent in the national interest so that they would not be avoiding all national service.

I wish to express the hope that the Armed Forces Committee will be able to work out a program whereby those who obtain deferment on these grounds may be made more useful in contributing to the national interest during this emergency. The present report does not commend itself to the average person.

Another question of concern to me, which I think is inadequately dealt with in this report, and to which I would like to offer an amendment which is not possible under the procedure covering the reporting of a conference report, would be to lower the terms of service of reservists from 17 to 12 months. It dismays me that the enlistment of reservists is being extended. Many of them now have families and many have established themselves in businesses and many served from 2 to 5 years in the last war. It is my hope that the Armed Services Committee will immediately look into the possibility of releasing those who have served overseas so that those who have carried the burden of World War II, are not required to carry a further and additional burden. I am informed that there are approximately 600,000 reservists in the service at the present time. The only program under which reservists now in service can be released is by calling more reservists who have already served. This is manifestly unfair and should not be allowed to continue. I understand that under the program which the Department of Defense has approved, that all reservists who served more than 12 months in World War II will be released within 12 months in the case of the Army and Air Force and after 12 months if trained replacements are available in the case of the Navy. The chairman of the House Armed Services Committee informs me that the committee has been conducting hearings for several weeks on the Reserves program. I sincerely hope that out of these hearings will come a directive that men who served more than 12 months in World War II should not be called back to active duty short of an all-out emergency that would require their additional service. I am glad to have the assurances of the chairman of the Senate Armed Services Committee, the gentleman from Georgia [Mr. RUSSELL], that under the rotation program in Korea, men are going to be rotated at the rate of 20,000 a month and that most of the hardship cases will be alleviated in the very near future.

Mr. Speaker, I am also glad to note that the provision, whereby aliens who, up to now, have not been forced to serve even though they are within the age group and have to register, has been done away with and that these people will have to take their part in the defense of our country.

In conclusion, I would like to again call to the attention of the Armed Services Committee the possibility of doing away with the classification of IV–F and the imposition of equal sacrifice in selective service. There are many IV-F's who could serve in some capacity in the Armed Forces of the Nation. Furthermore, the equality of sacrifice should, with extremely rare and extraordinary exceptions, be applied to all without regard to educational qualifications or abilities.

Mr. VINSON. Mr. Speaker, I yield the remaining time to the distinguished gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I realize as I rise to close this debate that this is a historic hour in the life of the Congress. This is a question which has been debated throughout the length and breadth of the country for 30 years. It has received as much attention and as much thought as any question that I believe the Congress has ever attempted to legislate upon.

We are in the closing hour of the handling of this bill, and the action we take today will finally lead to the adoption of

this proposal and the sending of this matter to the White House for the President's signature.

While this conference report does not contain what I would like to have it contain, and I dare say that I speak the unanimous opinion of all the Members of the House, nonetheless it has my support and approval.

In reference to the universal military training that we have adopted the House view and went almost the whole length of the House view in presenting this program to you today. I look at this, Mr. Speaker, as being the action on a measure which will give us a permanent Military Establishment that we can depend upon in good and bad times. I look at this measure, Mr. Speaker, as being the means of building up our Reserves, so that the Military Establishment will not in times of war ascend the mountain peaks of power; and then when the war is over go down into the valleys and quagmires again to abandon real defense. If this report is adopted and the bill sent on for the signature of the President, we will have a Military Establishment which will not fluctuate with the crises throughout the world. We will have a Military Establishment that we can depend upon. Someone has said that the conferees are interested in war. I tell you, as one of the conferees, I am interested in peace. And in my judgment we can only have peace by having a tremendously strong Military Establishment. This bill will give us the authority for a strong Reserve Military Establishment which the Nation needs so badly at the present time.

Mr. Speaker, the universal military training provision will mean that we will have a Reserve Establishment which will not fluctuate, depending upon conditions throughout the world. The Reserve Establishment, it is true, will have some element of compulsion in it, but it will give us a strong, dependable, efficient, and well-organized Reserve throughout the country.

I have spent as much time as any Member of the House working on the Reserve problem. It is a most knotty problem. In my judgment it is one of the hardest problems that we have in the Defense Department today. By the adoption of this conference report we will make it possible to help solve this problem in the future. I am interested in two things in the Reserve. First, that the present situation shall not repeat itself, and secondly, in removing, if it is possible at this late hour, to do so, the injustices, inequities, and unfair situations which have been visited on our Reserves and our Reserve Establishment.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield for a question.

Mr. GROSS. Can the gentleman tell me why the House conferees backed up and took off the commission for universal military training the Reserve officer? Under this conference report we are going to have two Regular Army officers.

Mr. BROOKS. The conferees did this. They required—and I think this is important, and I certainly fought for it—a civilian to be chairman. I think that is extremely important. They required three civilians, and one of those may be a Reserve officer.

Mr. GROSS. No, no.

Mr. BROOKS. Let me proceed, if I may, and then I will be glad to answer any questions.

In handling the Reserve question, we in the House, wanted the reservists, whether they were inactive or voluntary reservists, when they were veterans, to be released after 12 months of service. I think that was asking for much. The Armed Forces wanted them retained for 24 months, which was 12 months more than the House bill. In other words, it is twice as much as the House was willing to go along with. The law at the present time requires them to serve as long as 21 months. What we did was to scale off 4 months and reduce the time 21 months to 17 months. So that in the compromise—the reservists saved 4 months of possible service under the present law. But they also are required to serve 5 months more than we in the House hoped they would have to serve.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield for a question only.

Mr. GAVIN. In view of the fact that you say the conferees respected the will of the House, I want to point out that the will of the House was 12 months. The Senate had nothing in their bill. Therefore, why did not the House conferees hold out for 12 months rather than permit the other body to raise it to 17 months? We all know that a grave injustice has been done to the reservists. Will the gentleman explain that?

Mr. BROOKS. I will explain my own views, at least. I thought they should not have been kept in even for 12 months. But we had to meet the exigencies of this situation. Before the reserve committee of the Committee on Military Affairs, which is now holding hearings, we have a program for the discharge of all of these reservists. I say to you that under the program given to us many of them, tens of thousands of them, should be released far before the time set in this law. We wanted an over-all limit beyond which the reservist could not be kept and this over-all limit will guarantee that they shall not be kept beyond that time, except in extreme cases.

In the program before the Armed Service subcommittee on reservists, and the distinguished gentleman from Pennsylvania [Mr. VAN ZANDT] was present, and I want to point out that he is a very active and ardent worker who has the interest of the reservists at heart—as I have—as I say, in the program presented to us they told us that all of the enlisted and officer personnel and volunteer and organized reservists, too, of the Marine Corps will be discharged within 13 months, which is a far better break than they would get under this bill. I hope that the releases proceed even better than promised.

Under leave to extend my remarks, I have today inserted into this RECORD the release of the Defense Department showing the program for the release of reservists. I hope that everyone interested will study this program and, by being familiar with its contents, may help to give our Reserves on active duty some idea of when they may be released back to their homes.

Mr. Speaker, I have led the fight for the reservists. I know what injustices and hardships they have suffered over being recalled to active service after their part in the Second World War. My deep regret is that I have not been able at an earlier date to give them more hope and more help in meeting these problems.

The SPEAKER. The time of the gentleman from Louisiana has expired. All time has expired.

Mr. VINSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

Mr. VINSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 339, nays 41, not voting 52, as follows:

[Roll No. 73]

YEAS—339

Aandahl	Chudoff	Granger
Abbitt	Church	Grant
Abernethy	Clemente	Green
Addonizio	Clevenger	Greenwood
Albert	Cole, Kans.	Gregory
Allen, Calif.	Cole, N. Y.	Hagen
Allen, La.	Colmer	Hale
Andersen, H. Carl	Combs	Hall, Edwin Arthur
Anderson, Calif.	Cooley	Hall, Leonard W.
Andresen, August H.	Cooper	Halleck
Andrews	Corbett	Hand
Anfuso	Cotton	Harden
Arends	Coudert	Hardy
Armstrong	Cunningham	Harris
Aspinall	Curtis, Nebr.	Harrison, Va.
Auchincloss	Dague	Hart
Ayres	Davis, Ga.	Harvey
Baker	Davis, Tenn.	Havenner
Bakewell	Davis, Wis.	Hays, Ark.
Barden	Dawson	Hays, Ohio
Baring	Deane	Hébert
Barrett	DeGraffenried	Heffernan
Bates, Ky.	Delaney	Heller
Bates, Mass.	Dempsey	Herlong
Battle	Denny	Herter
Beall	Denton	Heselton
Beckworth	D'Ewart	Hess
Belcher	Dollinger	Hill
Bender	Dolliver	Hillings
Bennett, Fla.	Dondero	Hinshaw
Bennett, Mich.	Donohue	Hoeven
Bentsen	Donovan	Hollifield
Berry	Dorn	Holmes
Betts	Doyle	Hope
Blackney	Eaton	Horan
Boggs, Del	Eberharter	Howell
Bolling	Elliott	Hunter
Bolton	Ellsworth	Irving
Bonner	Elston	Jackson, Calif.
Bosone	Engle	Jackson, Wash.
Brambiett	Fallon	James
Breen	Feighan	Jarman
Brehm	Fellows	Javits
Brooks	Fenton	Jensen
Brown, Ga.	Fernandez	Johnson
Brown, Ohio	Fine	Jones, Ala.
Bryson	Fisher	Jones, Hamilton C.
Buckley	Fogarty	Jones, Woodrow W.
Budge	Forand	Judd
Burdick	Ford	Karsten, Mo.
Burleson	Forrester	Kean
Burnside	Frazier	Kearney
Burton	Fulton	Keating
Bush	Furcolo	Kelly, N. Y.
Byrnes, Wis.	Gamble	Keogh
Camp	Garmatz	Kerr
Canfield	Gary	Kersten, Wis.
Cannon	Gathings	King
Carlyle	Gavin	Kirwan
Case	George	Klein
Celler	Goodwin	Kluczynski
Chatham	Gordon	Lane
Chelf	Gore	
Chenoweth	Graham	
	Granahan	

Lanham	Patten	Smith, Miss.
Lantaff	Patterson	Smith, Va.
Larcade	Perkins	Spence
Latham	Phillips	Springer
Lesinski	Pickett	Staggers
Lind	Polk	Steed
Lovre	Potter	Stefan
Lucas	Price	Stigler
McConnell	Priest	Stockman
McCormack	Prouty	Sutton
McCulloch	Quinn	Taber
McDonough	Rabaut	Tackett
McGrath	Radwan	Talle
McGregor	Rains	Teague
McGuire	Ramsay	Thomas
McKinnon	Reams	Thompson,
McMillan	Reece, Tenn.	Mich.
McMullen	Rees, Kans.	Thompson, Tex.
Machrowicz	Regan	Thornberry
Mack, Ill.	Rhodes	Tollefson
Mack, Wash.	Ribicoff	Towe
Madden	Richards	Trimble
Mahon	Riehlman	Van Pelt
Mansfield	Riley	Van Zandt
Martin, Iowa	Rivers	Vaughn
Martin, Mass.	Roberts	Vinson
Meader	Rodino	Vorys
Miller, Md.	Rogers, Colo.	Vursell
Miller, Nebr.	Rogers, Fla.	Walter
Mills	Rogers, Mass.	Watts
Mitchell	Rogers, Tex.	Weichel
Morano	Rooney	Welch
Morgan	Roosevelt	Wharton
Morrison	Sadlak	Wheeler
Multer	St. George	Whitaker
Mumma	Sasscer	Whitten
Murdock	Saylor	Wickersham
Murphy	Schwabe	Widnall
Murray, Tenn.	Scott, Hardie	Wigglesworth
Nelson	Scott,	Williams, Miss.
Nicholson	Hugh D., Jr.	Williams, N. Y.
Norblad	Scrivner	Willis
Norrell	Scudder	Wilson, Tex.
O'Brien, Ill.	Secrest	Wolcott
O'Brien, Mich.	Seely-Brown	Wolverton
O'Neill	Sheppard	Woodruff
Ostertag	Sieminski	Yates
O'Toole	Sikes	Yorty
Passman	Simpson, Pa.	Zablocki
Patman	Sittler	

NAYS—41

Adair	Golden	Reed, N. Y.
Allen, Ill.	Gross	Robeson
Bailey	Hull	Shafer
Beamer	Jenison	Short
Bishop	Jenkins	Simpson, Ill.
Bray	Jonas	Smith, Wis.
Brownson	McVey	Vail
Buffett	Marshall	Velde
Busbey	Mason	Werdel
Butler	Morris	Wier
Chiperfield	O'Hara	Wilson, Ind.
Crumpacker	Philbin	Withrow
Curtis, Mo.	Powell	Wood, Idaho
Doughton	Rankin	

NOT VOTING—52

Angell	Harrison, Wyo.	Moulder
Blatnik	Hedrick	Murray, Wis.
Boggs, La.	Hoffman, Ill.	O'Konski
Bow	Hoffman, Mich.	Poage
Boykin	Jones, Mo.	Poulson
Byrne, N. Y.	Kearns	Preston
Carnahan	Kelley, Pa.	Redden
Cox	Kennedy	Reed, Ill.
Crawford	Kilburn	Sabath
Crosser	Kilday	Sheehan
Dingell	LeCompte	Shelley
Durham	Lyle	Smith, Kans.
Evins	McCarthy	Stanley
Flood	Magee	Taylor
Fugate	Merrow	Winstead
Gillette	Miller, Calif.	Wood, Ga.
Gossett	Miller, N. Y.	
Gwinn	Morton	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Merrow for, with Mr. Smith of Kansas against.

Mr. Crawford for, with Mr. Sheehan against.

Mr. Miller of New York for, with Mr. Hoffman of Michigan against.

Until further notice:

Mr. Polk with Mr. Gwinn.

Mr. Byrne of New York with Mr. Reed of Illinois.

Mr. Carnahan with Mr. LeCompte.

Mr. Preston with Mr. Taylor.

Mr. Wood with Mr. Morton.

Mr. Winstead with Mr. Gillette.

Mr. Jones of Missouri with Mr. Harrison of Wyoming.

Mr. Flood with Mr. Kearns.

Mr. Fugate with Mr. Bow.

Mr. Moulder with Mr. Angell.

Mr. Miller of California with Mr. Murray of Wisconsin.

Mr. Boggs of Louisiana with Mr. Kilburn.

Mr. Redden with Mr. Poulson.

Mr. O'TOOLE and Mr. TACKETT changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. VINSON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the conference report on Senate bill No. 1.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

DENNIS CARDINAL DOUGHERTY

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, today there will be laid to rest in Philadelphia the earthly remains of the distinguished and beloved prelate, Dennis Cardinal Dougherty. Since the passing of Cardinal Dougherty many thousands of grief-stricken people have attended the last viewing. This unprecedented outpouring of people of all ages and creeds from all sections of his diocese testifies to the deep affection and respect in which Cardinal Dougherty was held by all who knew him, or had felt the influence of his work for civic and spiritual good. His community, his friends, and his church will long remember his great qualities of mind and heart and spirit.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1952

Mr. BATES of Kentucky. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4329) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1952, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4329, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, general debate had been concluded.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That there are appropriated for the District of Columbia for the fiscal year ending June 30, 1952, out of (1) the general fund of the District of Columbia, hereinafter known as the general fund, such fund being composed of the revenues of the District of Columbia other than those applied by law to special funds, and $11,000,000, which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1951), (2) highway funds, established by law (D. C. Code, title 47, ch. 19), and (3) the water fund, established by law (D. C. Code, title 43, ch. 15), and $1,000,000 which is hereby appropriated for the purpose out of any money in the Treasury not otherwise appropriated (to be advanced July 1, 1951), sums as follows:

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise for the purpose of discussing a problem that I think is of interest to this Committee and to the Congress, as well as to the people of the District of Columbia. In my opinion, it is appropriate during the consideration of the bill giving the funds for the operation of the District of Columbia government to inquire into what is being done to clean up the transportation system in the city of Washington.

For the past year and a half it is certainly obvious to even the most casual observer that the Capital Transit Co. has ceased to have as its primary objective the serving of the public, and now its objective is to earn money for the owners. In my judgment, some effective action should be taken to assure that the Public Utilities Commission of the District, for whom funds are provided in this bill, represent more nearly the public interest. It seems to me that they have been misled by the self-serving statements to the Commission by the Capital Transit Co.

As recently as December 20, 1949, following a wage arbitration settlement with the employees, the company issued a statement to the effect that regardless of the increase in fares, the company would continue to show a loss, since fares could not be increased to a point high enough to pay dividends without suffering a more than corresponding loss in patronage. The Capital Transit Co. was granted an increased fare to 15 cents and recently, on May 29, it was reported in the press that the Capital Transit Co.'s net income for the first 4 months of this year was over a half million dollars. This compared with a $62,000 net income for the comparable period the year before.

The new ownership, composed of a group of businessmen from another State, has produced not only a net profit for themselves by means of rate increases, service cuts, reductions in force, and the elimination of routes, but, as well, have experienced an increase in the value of their stock shares.

An article in a Washington newspaper recently summarized the stock profits of the new owners as follows:

The new owners bought the Capital Transit stock at only $20 a share. Capital Transit has 240,000 shares of common stock and the new owners now hold about 55 percent control of the company as well as active control of the management. The current market

value of the stock is around $35 a share. Thus the new owners in a year and a half have about doubled their money.

In addition it might be said that this new group of owners has gradually taken over the top paying management jobs in the company. It seems to me that it is about time that we have an effective Public Utilities Commission in the District. Certainly there is something wrong with a system that will permit the public to be gouged for additional fares while forced to tolerate reduced service and, at the same time, the company is exceeding all previous profits as well as increased stock values.

The new management of the company was entirely without transportation experience. An editorial in the Sunday Star of September 4, 1949 entitled "Absentee Transit Ownership" pointed out:

A group of nine investors, none of them living in Washington and none of them having shown previous interest in the transportation field, is now in position to consummate its purchase of a controlling share of the Capital Transit Co.

The editorial further pointed out that it was clear that the purchase was considered as an investment as the only motive of the purchase of this company.

No one can deny the experience of the present ownership in making money. The majority stockholder in the company is reputed to have snowballed a $5,000 loan made in 1932 to a fortune of $10,000,000 in 1949. He apparently has a lot of surplus cash because he testified before the Kefauver committee and I quote from a summary of his testimony issued by the Congressional Library.

When Wolfson entered the campaign—

Governor Fuller Warren's of Florida—

it was agreed that he would carry the bulk of the expenses along with C. V. Griffin and William H. Johnston. Wolfson was vaguely aware of Johnston's horse and dog race track interest but was ignorant of the Florida law barring persons connected with race tracks from making political contributions.

According to the summary, Mr. Wolfson further stated that he contributed $150,000 to that gubernatorial campaign.

I intend to go into this matter further of the affairs of the Capital Transit particularly with regard to the manner in which the Public Utilities Commission has permitted the public to become a pawn in a monstrous financial manipulation of speculators controlling this vital system in the Capital of our Nation.

I would appreciate it if the gentlemen of the committee could tell me to what extent this has been explored before giving the appropriations for the carrying on of the functions of the Public Utilities Commission.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from New York.

Mr. REED of New York. Any person who has been riding on the busses and streetcars in this city today knows that they just keep crowding them in and crowding them in, old people and women and children, and the driver will shout, "Step back in the bus. Step back in the bus." And he will practically shut the door on people. I had the door shut on me just the other day. They give no consideration to the public whatever. Yet they raise rates and then declare dividends.

Mr. REES of Kansas. The gentleman from New York makes a very valid and important observation.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

Mr. WILSON of Indiana. Reserving the right to object, Mr. Chairman, just what part of the bill is the gentleman addressing himself to?

Mr. REES of Kansas. The gentleman from Kansas is addressing this Committee with respect to funds expended under this bill, a part of which is used to pay the salaries and expenses of the Utilities Commission of the District, who in turn have a considerable amount of authority in dealing with the Capital Transit Co. that I am presently discussing. I trust the distinguished gentleman from Indiana, an industrious member of this Committee, will not only listen to what I have to say, but will give this particular problem the consideration to which I think it is entitled.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. WILSON of Indiana. Mr. Chairman, I object.

Mr. H. CARL ANDERSEN. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. H. CARL ANDERSEN: Page 2, line 3, strike out "$11,000,000" and insert "$9,800,000."

The CHAIRMAN. The gentleman from Minnesota is recognized in support of his amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. WILSON of Indiana. Mr. Chairman, I object.

Mr. H. CARL ANDERSEN. Mr. Chairman, I feel flattered. Perhaps the gentleman from Indiana thinks that my speaking for an additional 5 minutes might defeat him. I refer, of course, to my amendment, which he opposes.

Mr. WILSON of Indiana. If the gentleman's remarks are so important, I do not see why he does not go on with his little story.

Mr. H. CARL ANDERSEN. Mr. Chairman, in a period such as we are in now, when it is necessary to watch the expenditures of the Federal Government more carefully than ever, I personally cannot see why we should raise the Federal contribution to the District of Columbia by $1,200,000 this year.

My amendment, if agreed to by the House, would give the District exactly the same Federal contribution for 1952 that the Congress gave it for fiscal year 1951. At the outset I want to make it clear that like many Members of this House I personally pay real-estate and personal-property taxes in the District of Columbia. I have very little fault to find with the allocations made in the bill, but I do object strenuously to the low-tax rates on real estate and personal property in the District which compel the 48 States, almost all of which have higher taxes, to contribute more than they should to the operation of the District of Columbia.

Let us compare the taxes of three comparable cities—Boston, San Francisco, and Washington. Boston, with a population of 790,000, collected nearly $90,000,000 in taxes from real estate the past year. San Francisco, with a population only 30,000 less than Washington, D. C., levied nearly $53,000,000 against real estate. What do we find in the case of Washington, with a similar population? In Washington the real-estate tax is slightly less than $36,000,000. In other words, San Francisco property owners pay at least 50 percent more than the property owners pay here in Washington, D. C., while the property owners in Boston, the home of the great majority leader of this house, pay two and one-half times as much as the people in this highly favored District of Columbia.

Mr. JAVITS. Mr. Chairman, will the gentleman yield for a question?

Mr. H. CARL ANDERSEN. I am sorry; I cannot yield; my time was limited by a Member on the Republican side, I am sorry to say, and I have no time to give to the gentleman, much as I would like to do so.

Is it fair to bring in this request for an increase in the Federal contribution over last year when in the other appropriation bills which have cleared the House during this session the amounts have been decreased? This is a time when we must retrench in every way possible in Federal expenditures.

If necessary, the Commissioners of the District have the power to increase the tax rate on real estate by the small sum of 5 percent to offset this particular decrease which I am asking by this amendment, if they so see fit.

Let me reiterate, Mr. Chairman, my amendment leaves the Federal contribution at exactly the same figure the District received last year. There is no reason why the taxpayers in my State of Minnesota and other States throughout the country, already burdened with their own tax problems, should be called upon to contribute such a large sum for the District's benefit. Certainly Minnesota should make some contribution to the support of the Nation's Capital, Mr. Chairman, but that contribution should be held down at least to the same amount which was made by this Congress last year. The District of Columbia has one of the lowest income-tax rates in the Nation; the sales tax here is one of the most favorable in the country; we have millions of people coming here from all over the United States helping to pay the sales tax in the District of Columbia. There is no county, city, State, school district, or township tax here in the District, such as we have in Minnesota, Kansas, and practically every other State in the Union.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent that the gentleman may have five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. WILSON of Indiana. Mr. Chairman, I object.

Mr. H. CARL ANDERSEN. Mr. Chairman, at this time I would like to retract any derogatory remarks, if any, I may have made about my colleague from Indiana in this debate.

Mr. WILSON of Indiana. I object to that, Mr. Chairman.

Mr. YATES. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. BATES of Kentucky. Mr. Chairman, I should like to reach an agreement as to time for debate on this amendment. I ask unanimous consent that all debate on this amendment and all amendments thereto close in 45 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. PHILLIPS. Mr. Chairman, I object on the ground that we are otherwise being limited and we shall have to be careful to preserve our time here.

The CHAIRMAN. Objection is heard.

The gentleman from Illinois will proceed.

Mr. YATES. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Minnesota.

Mr. Chairman, the gentleman from Minnesota bases his argument on the premise that this is an increase over the amount of the Federal contribution for the last fiscal year. Last year the subcommittee favorably reported and the full committee favorably reported the full amount of the authorization, $11,000,000 for the Federal contribution plus the $1,000,000 for the contribution to the water fund. It was cut by 10 percent by the House but that, I think, is probably the lowest that the Federal contribution has ever been since the Federal Government has been making contributions to the District of Columbia.

I would like to call the attention of the House to page 10 of the hearings. Page 10 of the hearings shows the contributions that have been made by the Federal Government since the year 1922. Percentagewise the contribution that was made last year to the full amount of the District budget was 9.57 percent, less than 10 percent of the full amount of the budget, the lowest contribution made since the practice was inaugurated.

Mr. Chairman, I ask every Member of the House to consider one factor, and that is this: Washington is a Federal city. This is the Capital of the Nation, the center, the focal point, to which your constituents come, to which the people of the world come, to see the Government of the United States in action. You want a beautiful city for them to see, one which is well-organized, and well-run. This requires money. The amount that has been requested by this subcommittee amounts to less than 10 cents per individual in this Nation. Do you think that your constituents would object to your authorizing the payment of less than 10 cents for the upkeep of your capital? I certainly believe that they would have no such objection.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I cannot understand how the gentleman can say that I was in error as to the amount allowed last year. It is a matter of record, found on pages 54 and 55, April 19, I may say to the gentleman, where the House adopted the amendment to reduce last year from $12,000,000 to $10,800,000.

Mr. YATES. Perhaps I did not express myself as clearly as I might. I remember that we on the committee brought in the full amount of the contribution authorized because we believed it was necessary for the upkeep of the District of Columbia. As a matter of fact, I still believe it was necessary and I think the District was unduly penalized last year. We, who sit on the Committee on the District of Columbia, know that the District is pressed for funds. If this cut goes through, it will have its effect. Perhaps one of the schools to be constructed in the District of Columbia under this budget will not be built. If this cut goes into effect some of the other expenses of the District of Columbia will not be met. The request for additional police officers may not be met; the request for additional firemen may not be met. This is not comparable to the soil-conservation program that the gentleman spoke about yesterday in the committee. This is a matter where each item in the budget of this metropolitan community is earmarked. In the event you do make this cut, it is going to result in loss of service to the people of this community, one which they cannot make up.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Oklahoma.

Mr. ALBERT. What about this comparative tax rate?

Mr. YATES. The comparative tax rate has this to be said about it. I agree with the gentleman that the District of Columbia has a tax rate that is lower than other comparable municipalities of the country. On the other hand, I suggest the gentleman take a look at the table that appears on page 45 which shows the tax rates are comparable to municipalities in other parts of the country. The taxes paid compare favorably with other communities. The gentleman from Minnesota failed to point out this, that the people of the District of Columbia, in addition to paying this real-estate tax, pay a personal-property tax; they pay an income tax and they pay a sales tax. The municipalities in other sections of the country do not pay them. I know in my home city of Chicago we have no city sales tax. The District of Columbia does have such a sales tax. In the city of Chicago we have no income tax. The District of Columbia has such an income tax.

Mr. STOCKMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this Capital City has been through crisis after crisis, and handicapped as it is by the lack of real power it has fulfilled its obligation to house and protect as well as provide essential hospital, school, sewer, water, and other city facilities for thousands upon thousands of Federal employees.

These employees are from your State and mine.

This city has more than 19,000 employees, and it is not a municipal corporation composed of a clerical and official staff born and reared in the District of Columbia.

Like Federal departments, its employees almost entirely come from the registers of the Civil Service Commission; many thousands from the various States, with reserved home ties and voting privileges. Many do not even live within the confines of the District of Columbia.

I point these facts out so that you might understand how different this city is as compared with others in the States. Here is your city, our city, the Nation's city, with functions usually assumed by State and county all combined with the city functions.

The broad avenues, magnificent parks, and great building projects all demonstrate that this is not a local community but a great National City existing for all our people.

The sovereign power in the District is lodged in the United States and it possesses full and unlimited jurisdictions both of a political and municipal nature over the District. Its supreme legislative body is Congress. Crimes committed here are not crimes against the District but crimes against the United States.

It is important to remember these facts and to reflect upon our individual responsibility.

The government of the district of Columbia is simply an agency of the United States for conducting the affairs of its government in this Federal District.

Our hearings disclosed some very interesting facts in connection with the Federal-District fiscal relationships:

The fiscal relations between the Federal Government and the District of Columbia government have now reached four phases:

Between 1790 and 1878 there was no fixed system for Federal payment with a result that in some years there were lump-sum payments and in other years there were no payments at all.

During the second period from 1879 to 1924, we were on the 50–50 basis—this system being established by the act approved June 11, 1878. Notwithstanding this act of Congress, however, in making appropriations for the District for the fiscal year 1921 Congress provided for a 40–60 basis.

A similar plan appeared in the appropriations act for 1922, and then in 1923 the 40–60 basis of appropriating was made permanent law.

The next period dealt with the system of ignoring the permanent law established in 1923 for lump-sum payments,

and the District received varying amounts from 1925 through 1939.

The law establishing the 40–60 basis of appropriating was repealed by the provision of the District of Columbia Revenue Act approved May 16, 1938.

The District of Columbia Revenue Act of 1939, approved July 26, 1939, authorized to be appropriated, as the annual payment by the United States toward defraying the expenses of the government of the District of Columbia, the sum of $6,000,000. This was the amount of the Federal payment for each of the fiscal years 1940 through 1946. For the fiscal year 1947, the Federal payment was set at $8,000,000. During these years and up to July 1, 1947, the water fund received no portion of the annual payments made to the District of Columbia government by the Federal Government. After exhaustive hearings by the Joint Fiscal Committee, the Congress approved the present law in reference to the annual Federal payment to the District of Columbia being the District of Columbia Revenue Act of 1947 approved July 16, 1947. Article 6 of that act provides as follows:

For the fiscal year ending June 30, 1948, and for each fiscal year thereafter, there is hereby authorized to be appropriated, as the annual payment by the United States toward defraying the expenses of the government of the District of Columbia, the sum of $12,000,000, of which $11,000,000 shall be credited to the general fund of the District of Columbia and $1,000,000 shall be credited to the water fund of the District of Columbia, established by law. (Title 43, ch. 15, D. C. Code, 1940 ed.)

Throughout the years, officials representing the District of Columbia have been advocating that Congress should pursue a definite policy of regular and liberal appropriations for the development and upkeep of the District commensurate with its status as the Nation's Capital. In the fiscal year of 1951, a 10-percent reduction was made in the general fund payment of $11,000,000.

The residents of the District of Columbia have always been ready and willing to pay their share for the upkeep and operation of the Capital City. This cost is becoming astronomical. In 1917 the total cost of running the city government was approximately $16,000,000. In 1945 the total cost was approximately $69,901,000, and for the fiscal year 1952 it will be in the neighborhood of $138,000,000.

When you think of these astounding increases and compare them with the table of Federal payments, you cannot help but feel that there is an inequitable situation in the fiscal relationship existing between the sovereign Federal Government and the municipal corporation which it created.

I think it might be appropriate to invite attention to the land problem in the District of Columbia. Here we are in a different situation from the usual municipality. We are in an area that is fixed—we are territorially limited—we cannot expand. The total land area of the District excluding streets is approximately 36,873 acres and less than 50 percent is taxable.

When the Federal Government purchases property, the tax revenue previously received on such property is lost to the District—it cannot be replaced—can never be replaced. Residents of the District of Columbia are required and expected to make up such loss in revenues by increased taxes.

There has been a tremendous expansion of the Federal Government in the last 10 or 15 years. In addition to property federally owned, we have the terrific impact of privately owned tax-exempt property. Foreign governments, for embassy and legation purposes, own large and valuable holdings within this District which are exempt from the payment of taxes for real estate. Large national organizations have secured acts of Congress specifically exempting them from real-estate taxes. The future program already approved looks toward an ever-increasing tax-exempt roll.

While thinking in terms of real estate, reference might also be made to the ever-enlarging development of park areas in the District. The National Zoological Park, which is indeed a National park, under the control of the Board of Regents of the Smithsonian Institution, is maintained and operated solely from District funds. Much of Rock Creek Park was acquired with District funds, and approximately $12,000,000 has been spent, and an additional $4,000,000 authorized to be spent, under the provisions of the Capper-Cramton Act, May 29, 1930, and all the land so acquired throughout the years by the Federal Government with District money is titled in the United States of America. The policing of these parks is at District expense, the maintenance and upkeep of these parks are at District expense. Congress has certainly been conscious of its responsibility for the development of the parks in a manner befitting the Nation's Capital and for the people of all the States in the Union.

All of these matters herein referred to were fully surveyed, discussed, and considered before the Joint Fiscal Committee which considered the revenue bill of 1947, and nowhere in the report is there an indication that the $12,000,000 is anywhere near the maximum amount which the District should expect by way of equitable payment. We requested and received the following information:

First. Special police details for specific Federal and kindred purposes:

(a) Performed by Metropolitan Police.

(b) Estimated annual cost, $180,000.

Second. Responses to fires in Federal buildings, washing and pumping out flooded Federal buildings, special details, and fire fighting and prevention instruction given Federal personnel:

(a) Performed by the Fire Department.

(b) Estimated annual cost, $75,000.

Third. Temporary home for ex-soldiers and ex-sailors:

(a) Performed by Public Welfare.

(b) Estimated annual cost, $29,000.

Fourth. Installing of curbs and gutters abutting Federal property:

(a) Performed by Highway Department.

(b) Estimated annual cost, $50,000.

Fifth. Issuing motor-vehicle license plates and title certificates for Federal and diplomatic vehicles and congressional tags for special parking privileges:

(a) Performed by Department of Vehicles and Traffic.

(b) Estimated annual cost, $30,000.

Sixth. Cleaning streets abutting Federal property and refuse collection and disposal:

(a) Performed by Refuse Division.

(b) Estimated annual cost, $134,000.

Seventh. Handling and treating sewage from Federal property:

(a) Performed by Sewer Division.

(b) Estimated annual cost, $165,000.

Eighth. Water furnished Federal agencies:

(a) Performed by Washington Aqueduct and Water Division.

(b) Estimated annual cost, $1,200,000.

Ninth. National organizations located in Nation's Capital, legations, embassies, and other privately owned property exempt from tax with a total value of $151,296,000 would produce $3,250,000 in taxes.

Tenth. If taxed, Federal property would produce approximately $18,000,000.

Eleventh. Expenses of National Capital Parks and Planning Commission, $96,400.

Twelfth. Expenses of National Zoological Park, $591,000.

Thirteenth. Land purchased and to be purchased and titled in the United States under the Capper-Cranston Act, $16,000,000.

Fourteenth. Improvements, maintenance, and policing nationally owned parks, $1,000,000.

Fifteenth. District of Columbia share of the hospital center $7,500,000.

Mr. PHILLIPS. Mr. Chairman, I rise in support of the amendment.

In rising to support the amendment offered by the gentleman from Minnesota, I do not overlook the merits of many of the arguments advanced in favor of such a tax. I simply state to you that we face realism at the moment. We face the fact that the Federal Government has no money. We face the fact that the food dollar has fallen to 42 cents and may still be falling, influenced by the budget for fiscal year 1952. We face the fact that every month during the current fiscal year more bonds have been redeemed than have been purchased by the people of the United States. This may seem like a small item in the proposed saving, but we are down to small items.

I say respectfully to the gentleman from Illinois [Mr. YATES] and all others who are supporting this subvention to the District, that while the amount we are saving is very small, the District has not yet raised its own taxes to a comparable figure with other cities. For example, the sales tax rate in the District of Columbia is 2 cents. The sales tax in California, which also taxes by that method, because of the large number of nonproperty-owning visitors, is

2½ percent. In addition, the municipalities in many States—I think in Chicago——

Mr. YATES. The State legislature prohibited the city from undertaking it.

Mr. PHILLIPS. I commend your legislature, because the municipalities are taking up that tax, and thus duplicating a tax levy. In my own State, in some cities, a visitor would pay 3½-percent sales tax. The District has an unusual situation with so many visitors, and it seems to me a sales tax is a logical tax to levy here. Bringing it to the customary tax would make up more than the gentleman from Minnesota [Mr. ANDERSEN] is asking to take off.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to my friend the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. One of the other gentlemen made the statement in argument against my amendment that it would result in a certain school not being constructed. If that gentleman would turn to the committee report, on page 2, he would see where the subcommittee itself states that even with what is given in this bill there will be a net surplus of receipts over expenditures of $3,200,000, and if the cut proposed in my amendment goes into effect they will still have $2,000,000, which is not even allocated. So I cannot see how that school argument can hold water in view of the testimony of the subcommittee.

Mr. PHILLIPS. The gentleman is properly calling attention to the fallacy of the argument that no agency of Government can spend money except the Federal Government. If the Federal Government cannot spend money, then let the burden of taxation be laid upon sources not yet taxed equally with similar sources in other municipalities. That applies to both real-estate and sales taxes.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Illinois.

Mr. YATES. As a matter of fact, the gentleman referred to the committee report. That is estimated surplus that may occur in the event that the figures work out as is estimated. The point I make, however, is that we on the committee saw a list of priority items that was presented by the budget officer of the District of Columbia that must be eliminated—items that were essential to the welfare of the people of the District that had to be eliminated because they did not have enough money to do it. Among those items were several schools. That is why I say there are still on that list certain items that depend upon necessary revenues. As I recall it, one of those items is a school.

Mr. PHILLIPS. I have great respect for the very able gentleman from Illinois and for all members of the subcommittee. If the taxes of the District of Columbia were raised to the equivalent tax on real estate or the sales tax in the county in which I live, we would gain not only the small amount the gentleman from Minnesota is trying to take off, but we could eliminate most of the Federal Government subvention.

Mr. YATES. What does the gentleman believe would be a fair contribution? Is there any basis for the gentleman to state what would be a fair contribution?

Mr. PHILLIPS. Generally in the human family, when the parents are broke the children try to carry all of their own expenses. Is that the answer?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. FURCOLO. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. FURCOLO. Mr. Chairman, it seems to me there is one thing we have been overlooking a little bit. If you follow the testimony of the hearings, you will realize that the Federal Government in effect cheated the District of Columbia out of $200,000 simply on the amount of money for water that was used. In what seemed to be a rather high-handed procedure, but it is the way it is done, the United States Government used $1,200,000 worth of water, but simply paid for $1,000,000 worth. If you will look on page 541 of the hearings, you will find a list that itemizes the value to the Government of various services that are rendered by the District of Columbia in connection with certain property that is used and services that are rendered by the District. It comes to a great deal more than $12,000,000. What it comes down to is that the Federal Government is not paying the District what it should. The fact of the matter is that the people of the United States, through this Government of ours, are in effect depriving the citizens of the District of Columbia of money and asking them to pay the bill for the United States Government.

The water bill is perhaps the best illustration I can give where, without regard to what was used, without regard to an obligation justly owed, without regard to honor, in effect this Congress said to the District: "We are going to use over a million dollars' worth of water, but we are not going to pay you for it. Do what you want about it."

And what can the District do? We all know that the District is more or less a stepchild of the Congress; we all know that we take very little interest in it, and such interest as we take is only because we have to. There are very few Members in this Congress, and I do not include myself as one of them, who are in there fighting for the District the way they would fight for their own district back home.

Let me give an example. I do not know how many letters you receive a week or a month from people in your district asking you to do something about hardship cases in the service, asking for the discharge of boys in the service, or the transfer of boys in the service, or things of that nature, but you must have a hundred or more a month. Have you ever stopped to think who looks after those details for the people of the District of Columbia? They must have people in the service; they must have hardship cases, but there is no one to whom they can write, and there are not very many people to whom they can look in such matters. The same is true of this bill today.

The fact of the matter is that the District of Columbia, and the amount of money that is paid to it by the Federal Government, has been cut time after time and is being cut more than they should be in this particular bill. It comes down to the question, however, of whether or not we as citizens of this country want to pay our just bills. The fact of the matter is and the proof is right in the hearings on page 541—the fact of the matter is that we really owe the District of Columbia a great deal more than we are paying in this $12,000,000 item or whatever the item may be; it runs to a good many millions more than that.

Let us pay our bill; let us at least be fair with the District of Columbia. I know that the Members want to be; let us be fair.

There is not anyone here to defend the District, whereas with any other bill that comes up you find a dozen different Members object because it affects their district. I say that in this case if there is any doubt about the amount the Federal Government should contribute, we should resolve that doubt in favor of the District, because that is certainly where the equity of the situation now lies.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield.

Mr. YATES. When the amendment now offered by the gentleman from Minnesota was pending before the Appropriations Committee, in line with what the gentleman said, one of the members of the committee said: "This is just like taking candy from a baby." I think that is true, because the District has no representation. This being the case, we must be fair with the District.

Mr. HILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if the policies of the present defense plant expansion plan of this administration are permitted to continue it will mean the liquidation of free enterprise as we have known it in the last half-century, and complete capitulation to Government dictation over industry, with the taxpayers bearing the entire cost of this gigantic break with traditional American business methods. In 5 months the Defense Production Authority has issued certificates of necessity for $5,000,000,000 worth of plants compared with $7,300,000,000 for the entire period of World War II.

A small clique of individuals with no special knowledge of any industry are charged in this report with providing an "unparalled handout of taxpayers' moneys to favored corporations."

More millionaires will be made in connection with the present emergency than have ever been made before. We are

now shoveling out the taxpayers' money in two ways: First, by financing industries so as to permit them to expand; and, second, by providing a short amortization period—5 years for investments.

This policy of feeding the big industrial fish at the expense of small business could eventually cost us the backbone of our economic system—small business. Our Government revenue is being lost by permitting the amortization of the investment on a short-term basis and the poor individual taxpayer has to make it up.

The Defense Production Administration, by its loose methods of determining who should receive loans or certificates, is offering an open invitation to all kinds of impropriety similar to that uncovered in the RFC. Common sense business policies and the avoidance of haste in granting loans and certificates should have been used by the agency to prevent needless over-expansion.

I have mentioned in several radio addresses the importance of committee work in the House and how the committee organizes itself into various subcommittees for the purposes of studying certain definite programs to develop facts and information on legislative proposals, and in many other instances to look into the operation of executive bureaus, agencies, and so forth.

The Committee on Expenditures in the Executive Departments has a subcommittee of eight members, five Democrats and three Republicans. This subcommittee was assigned the task of looking into the granting of certificates of necessity to expand plants and provide funds for their construction. For a month this subcommittee investigated this matter with a good staff and made a careful examination of what was going on. The subcommittee filed its findings in a report dated May 28, 1951. This report is No. 504, to the Eighty-second Congress. You may receive a copy of this report by writing to me or to the committee chairman, Congressman PORTER HARDY, Jr., House Office Building, Washington 25, D. C.

I want to discuss with you this report and read or quote directly from it. The facts presented, and they certainly are facts, are almost unbelievable. The opening statement on page 1, under the title of Summary, is startling enough to attract attention and create a desire to read the entire report. The opening statement says:

The certificate of necessity program is the biggest bonanza that ever came down the Government pike. In 5 months certificates have been issued for $5,000,000,000 worth of plants. Applications are pending for many billions more, and the end is not in sight. Many businessmen have been quick to seize upon this opportunity to expand their existing facilities expecting to charge off the cost or a substantial portion of it to war profits. The $5,000,000,000 figure for the first 5 months of the current program is to be compared with the figure of $7,300,000,000 for the entire World War II period.

The subcommittee's inquiry into this program was prompted by (1) the tremendous amount of money involved; (2) an interest in following up the recommendation of the Brewster committee during the Eightieth Congress that certificates of necessity gave rise to legal profiteering; and (3) the importance of accelerated tax-amortization allowance as a factor in fixing prices for defense contracts. Because of the apparent close relationship the original scope of the inquiry was expanded to include direct Government loans authorized by section 302 of the Defense Production Act of 1950.

A certificate of necessity permits a company to write off the cost of a new plant over a 5-year period instead of over the usual 20- to 25-year period. For example, if a company constructed a facility costing $100,000, normally it would be allowed a deduction for tax-return purposes of about $4,000 a year until the facility was fully depreciated. Under a certificate of necessity the company could be permitted to deduct $20,000 each year for 5 years. This privilege covers the next 5-year emergency period when normal and excess-profits-tax rates can be expected to be high and company profits exceptionally good. In an actual case studied by the subcommittee, a company estimated its gross annual profits for the next 5 years at $18,000,000 of which about $14,000,000 each year would be exempt from taxation under the certificate of necessity issued to it.

In many respects the administration of both the certificate of necessity and direct-loan programs has been unsound and detrimental to the public interest. In the first place, the established regulations and procedures have not been followed. There are instances of outright disregard for the safeguards which were designed to protect these most vulnerable functions from abuse. The need for prompt action to meet the national emergency was construed as justifying a "shovel in the barrel" approach to the certificate of necessity program as early as 10 days after it got under way. On December 9, 1950, just 9 days after the certifying authority, the National Security Resources Board, acquired Mr. Byron O. Woodside to head up the certificate of necessity and loan programs, 48 certificates covering almost $500,000,000 in facilities were issued to certain companies in the steel industry.

On page 16, under the title "Nature and Background of Certificates of Necessity," the report states, and I read from the report:

Ordinarily, a taxpayer is allowed to deduct on his tax return as an item of business expense for a particular year a certain amount to cover the depreciation on his plant, machinery, or equipment. The amount permitted by the Bureau of Internal Revenue varies, of course, depending upon the nature of the property, but, in general, is fixed under bulletin F according to the expected life of the facility. This estimate is controlled to a large extent by the normal physical life of the facility. Thus, a factory or industrial plant is usually depreciated over a period of 20 to 25 years, allowing the taxpayer to deduct 4 to 5 percent a year until entirely written off.

The law does make provision, however, for the allowance of extraordinary obsolescence under certain circumstances, quite aside from the emergency amortization section. It is incumbent upon the taxpayer in each case to establish to the satisfaction of the Bureau that his facility is subject to excessive depreciation and that for tax purposes he should be permitted to deduct more than the amount specified under bulletin F of the Treasury Department. However, the experience of that period clearly demonstrated the utter impracticability of such a procedure.

Let us use a hypothetical case to illustrate just how a company benefits from a certificate of necessity. A company that builds a $100,000 plant in normal peacetime would be permitted under the internal-revenue laws a deduction on its tax return of $4,000 or $5,000 each year for 20 or 25 years, as the case may be. That deduction for depreciation is considered a proper item of business expense. If, however, that same company were to construct an emergency facility it could be permitted, by force of a certificate of necessity, to deduct $20,000 each year for 5 years. Hence, assuming for a particular year the company made a net profit, over and above all expenses except depreciation, of $25,000 it would pay taxes if only normal depreciation were allowed on $20,000, or $21,000, whereas with the certificate of necessity it would pay taxes on only $5,000. This hypothetical case is not far-fetched because in one actual case coming to the attention of the subcommittee, the company estimated its probable yearly earnings at approximately $18,000,000, of which approximately $14,000,000 would be retained as a tax deduction under its certificate of necessity.

The historical background of certificates of necessity affords the clearest insight to their essential nature and purpose. They were not devised as an indirect subsidy; they were devised to give the taxpayer only what he was in all equity and fairness entitled to—a proper depreciation allowance for a facility the economic useful life of which is shortened by the extraordinary conditions prevelant in times of national emergency. When it is said that certificates of necessity were intended as an incentive to private capital to build defense plants, all that properly means is that private enterprise would naturally be reluctant to invest in a war or emergency facility unless assured by a certificate of necessity that cognizance will be accorded by the Government the probability that the facility will have a comparatively short economic life. This is not to say that certificates of necessity are not a vital means of inducing expansion but it does connote that the extent to which expansion properly may be induced under certificates is definitely limited.

Now let us discuss from the report some specific cases. First, on page 9, is given the history of the Hazleton Steel & Tubing Corp. The Hazleton Steel & Tubing Corp. was chartered as a Delaware corporation on September 15, 1950. Its purpose was to build and operate a steel mill at Hazleton, Pa. The bill's product would be oil-field pipe and other oil-field tubular goods. The corporation had authorized capital stock of 1,000 shares of common stock, par value $1, and paid-in capital of $600 divided as follows: Mr. Benjamin S. Dowd, president of the corporation, 300 shares, $300; Mr. Martin G. Charles, vice president and secretary, 150 shares, $150; Mr. James H. Hopkins, vice president, 150 shares, $150.

The only other asset of the corporation was some land near Hazleton, containing 27.7 acres. This was an abandoned race track donated to the promoters by a civic improvement group, the Hazleton Industrial Development Fund. The promoters placed a book value of $100,000 on the land; RFC engineers later appraised it at $13,850.

On November 15, 1950, the corporation field an application for a certificate of necessity for $4,275,340 to cover the cost of the proposed mill. Mr. H. B. McCoy, Chief of the Industry Operations Bureau, National Production Authority, referred the application to the Iron and Steel Division of the Industry Operations Bureau for study and report.

Under date of December 7, 1950, Dr. Frank R. Creedon, Assistant Administrator, National Production Authority, signed a recommendation that a certificate for 85 percent be issued. On December 9, 1950 the certificate was granted by NSRB.

On November 22, 1950, the corporation filed the first application for a defense loan under section 302 of the Defense Production Act. It was designated LAC–1. The amount requested was $5,200,000. This amount was was later amended; the final figure was $7,800,000. A committee was appointed to "review all of the circumstances surrounding the proposed Hazleton loan."

On April 11, 1951, that committee reported to General Harrison that no evidence of impropriety had been found in the handling of the loan, and that the proposed steel mill was desirable for the defense program. The only thing the committee found questionable was the element of financial risk. In that connection reference was made to the fact that if financial assistance for the project were available elsewhere, a section 302 loan could not even be considered under the law. The committee recommended that the phrase "private capital" in the previous loan approved be changed to "private equity capital." DPA amended the terms of the loan accordingly and on April 26 instructed RFC, its fiscal agent, to proceed with final negotiations with the applicant.

The second specific case the subcommittee investigated was that of the Lone Star Steel Co. The facilities of the Lone Star Steel Co., Daingerfield, Tex., were built by the Defense Plant Corporation during World War II at a cost of over $30,000,000. They were purchased by Lone Star from War Assets Administration in 1946. The plant was new and had never been in production.

The plant produced pig iron successfully and in 1948 the company planned to expand. It was proposed to add steel-mill facilities that would produce oil-field pipe, casing, and rods for the nearby oil fields in Texas, Louisiana, and Oklahoma. There has been a shortage of this type of tubular goods for 10 years. In January 1949, the company applied to RFC for a loan of $74,103,000. In July 1949, RFC approved a loan of $34,000,000 conditioned upon Lone Star Steel injecting $22 million equity capital. RFC thought that the owners of Lone Star Steel could raise the equity capital in Texas. RFC pointed out that the stockholders, many of them wealthy men, had a relatively small amount of risk capital in the enterprise. The commitment for the RFC loan was extended until January 15, 1951, but the loan was never consummated because the $22,000,000 equity capital was not furnished.

In early November 1950, Lone Star applied for a certificate of necessity to cover $73,425,200 of a proposed expansion. In November 29, 1950, the iron and steel division of the Industry Operations Bureau, NPA, reported favorably on the application and recommended a certificate for 100 percent.

Mr. Frank R. Creedon, director of the facilities clearance staff, under date of December 7, 1950, recommended a certificate for $73,425,200 at 85 percent, and on December 9, 1950, NSRB issued the certificate.

As to the economic usefulness of the facility after 5 years, Mr. Elmer Harber, chairman of the board of directors of RFC, who testified that he had been in the oil business for a great number of years, estimated the economic useful life after 5 years to be "10 or 15—maybe more."

On November 27, while the iron and steel division was considering the application for a certificate of necessity, Lone Star filed with RFC an application for a loan of $82,000,000 under section 302 of the Defense Production Act. The loan was to cover the same expansion previously planned, the larger amount being due to a rise in construction costs during the 2 years which had elapsed.

In January 1951 several conferences were held between representatives of RFC, NPA, and DPA. RFC felt that it could not make the whole loan under section 302 of the Defense Production Act. Mr. Frank Williams, RFC Washington loan examiner, testified that the company estimated that under the certificate of necessity each year for 5 years the company could charge off on the loan $14,685,000 of an estimated net income of $18,525,000. RFC estimated the net income at $9,000,000. If the RFC estimate is correct the company would pay no income tax at all.

The result of the conferences was that under date of January 10, 1951, RFC recommended an RFC loan of $50,000,000 conditioned upon the borrower obtaining $23,000,000 under the Defense Production Act, injecting $5,000,000 equity capital, and obtaining from other sources a commitment for $4,000,000 working capital.

This recommendation was followed and the loan certificate was signed by W. Stuart Symington, Chairman of NSRB, at that time the certifying authority, on January 12, 1951.

Mr. Chairman, so you have an inside glimpse of how the executive branch of our Government operates when not properly manned and directed by men of high moral character as well as properly checked by your congressional committees.

Mr. WILSON of Indiana. Mr. Chairman, a point of order.

Mr. HILL. Mr. Chairman, I do not yield for a point of order.

Mr. WILSON of Indiana. Mr. Chairman, I make the point of order that the gentleman is not proceeding in order.

Mr. HILL. I am proceeding in order, absolutely in order, for I am talking about taxes.

Mr. WILSON of Indiana. There is nothing in this bill pertaining to taxes.

Mr. HILL. How are you going to get money to appropriate if it is not raised by taxes?

Mr. WILSON of Indiana. The gentleman admits he is out of order. This is an appropriation bill, not a tax bill.

The CHAIRMAN. The Chair sustains the point of order.

Mr. HILL. May I be heard on the point of order?

The CHAIRMAN. The Chair has already ruled. The paragraph under discussion is the Federal contribution to the District of Columbia.

Mr. HILL. I call the Chair's attention to lines 3 and 4 on page 2 of the bill. How do you get money into the Treasury if it is not through taxation?

The CHAIRMAN. This is an appropriation bill, not a tax bill; we are appropriating money now.

Mr. HILL. Will the gentleman tell me how you get money in the Treasury without obtaining it through taxes?

The CHAIRMAN. The Chair does not desire to enter into an argument with the gentleman. The gentleman will proceed in order.

Mr. KEATING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Colorado yield for a parliamentary inquiry?

Mr. HILL. I did not yield a while ago, why should I yield now?

Mr. KEATING. I want to help the gentleman, if I may.

Mr. WILSON of Indiana. Mr. Chairman, I demand the regular order.

Mr. HILL. All we are hearing is from the gentleman from Indiana.

Mr. KEATING. Mr. Chairman, I would like to inquire what the word was to which the gentleman's motion was directed.

The CHAIRMAN. The gentleman from Colorado was recognized on the pro forma amendent.

Mr. KEATING. I understand the gentleman moved to strike out the last word.

The CHAIRMAN. That is correct.

Mr. KEATING. My inquiry is, What was the word which the gentleman moved to strike out?

The CHAIRMAN. The last words in that paragraph "sums as follows," which has to do with appropriations for the District of Columbia.

Mr. KEATING. "Sums as follows" may be the matter to which he was addressing himself.

The CHAIRMAN. "Sums as follows" are not taxes. The Chair has ruled that he is not proceeding in order, and he must proceed in order.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Minnesota. I expect to stay my 5 minutes.

Mr. H. CARL ANDERSEN. Mr. Chairman, we have brought out here previously that Boston, Mass., on real estate, levies about $9,000,000. Boston, Mass., has the same population as the District of Columbia. San Francisco, a city which has 30,000 less population than the District of Columbia, levies one and one-half times as much as the District of Columbia, or $50,000,000. Now I want to ask the gentleman, Does he think it is fair that his city of Denver, Colo., should make tremendous levies on real estate for the purpose of helping the people here in the District of Columbia and let them get out from under the just taxes that they should pay?

Mr. HILL. Of course we should not, and one thing I have been listening for has been missing entirely, and that is with reference to land or buildings in the District of Columbia. If a building sells for $30,000, certainly it ought not to be on the tax rolls at $10,000.

Mr. H. CARL ANDERSEN. There is a gentleman, evidently, on the majority side, who feels that the gentleman offering this amendment has no interest in paying taxes in the District of Columbia. That gentleman is entirely incorrect.

Mr. HILL. You pay for all the food you get at the grocery store.

Mr. H. CARL ANDERSEN. It also happens that I own a temporary place of abode here, so I do pay real-estate taxes and also personal-property taxes, and I personally am interested in what is happening in the District of Columbia. But, I want to be fair with the other States.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I think in all fairness it should be pointed out if you compare the taxes in Boston with those in the District of Columbia, about one-third of the property here is exempt from taxes, property which is owned by the Federal Government and by foreign embassies, for instance, which are

exempt from tax by laws made by this Congress.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from California.

Mr. PHILLIPS. The gentleman from Nebraska brings up a good point, but it is a point that should not be met by subterfuge which the opponents of the of the measure seek. It should be met straight on. The gentleman from California tells me, having just returned from Canada, that the Canadian Government is permitted to tax property such as we are talking about today, as I understand it. Certainly if that is the proper way to tax, then that is the way the money ought to be raised and not by way of a gift subject to the whims of a committee.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last word. I rise in support of the amendment of the gentleman from Minnesota to reduce the appropriation to the District of Columbia in the sum of $1,200,000.

Mr. Chairman, there has been considerable discussion with respect to the fact that a great amount of the propery in the District of Columbia is owned by the Government. If the United States Capital were not here in the District, then you would have very little property upon which to levy taxes. The question involved is one of fairness. I do not want to tax any one group of people more than the other. The question is whether the people who own property in the District of Columbia are paying their fair share of taxes as compared to the people of the great States of Indiana, Kansas, Minnesota, and other States.

Mr. WILSON of Indiana. Mr. Chairman a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WILSON of Indiana. I would like to inquire if the gentleman from Kansas is speaking in order or not.

The CHAIRMAN. The gentleman himself should know that.

Mr. WILSON of Indiana. Well, I do not think he is, so I make the point of order against his remarks.

The CHAIRMAN. The gentleman from Kansas will proceed in order.

Mr. REES of Kansas. Well, I think I have been speaking in order, and I think if the gentleman from Indiana will give his attention to what I have to say, he will realize I am doing that very thing. I never heard of such objection before. I try to appreciate the very ardent interest of the gentleman from Indiana in this legislation. Surely we are in order when we discuss the merits or demerits of this bill, and we are in order when we talk about the great State of Indiana with respect to payment of taxes as compared with the District of Columbia. If he will look at the State of Indiana schedule of taxes compared with this District he might not hang his head in shame by supporting this amendment as was suggested a few minutes ago by the gentleman from Illinois.

I do not want the people in this District to pay any greater share of taxes than anybody else. The lowest tax rate, comparatively speaking, is right here in the District of Columbia. What are the comparative tax rates? The tax rate in Baltimore is $30 per thousand, it is $32.70 in Cleveland, Ohio, $27.40 in St. Louis, and it is $21.50 in the District of Columbia. In San Francisco the rate goes up to $62.

They will tell you that in some places they do not assess property at its full valuation. The fact of the matter is that they do not always do it in the District of Columbia. They use figures that reflect the value of the past but not the immediate values. In Chicago they may not assess on the full value, although they are expected to do so. But the total combined tax rate is much higher.

The tax in the District of Columbia is lower compared with the total taxes you pay in your State, your city, your county, your township, and your school district combined. Put those together, and point out any place in the United States where the people are more favored in the payment of taxes than they are in the District of Columbia.

What I am asking you to do is let the people in Washington pay their fair share of the taxes and no more. Nowhere in the United States where they have a State income tax is it lower than it is in the District of Columbia. We have only a very small sales tax, with a lot of exemptions. Go over in the State of Maryland and compare the taxes. The city of Baltimore is a good example where the property valued for tax purposes is approximately the same as the District of Columbia, but the taxes collected in the District of Columbia are $10,000,000 less than they are in the city of Baltimore. I yield to the distinguished gentleman from Maryland.

Mr. SASSCER. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Maryland.

Mr. SASSCER. We have an entirely different situation there. In the District you have no industry to tax at all.

Mr. REES of Kansas. That is correct, but it does not alter the fact that tax rates are lower than in the District.

Mr. SASSCER. In the other cities you have industries to tax.

Mr. REES of Kansas. I am talking about the tax rate. The amount of tax you pay on the amount of property you own. I want to add that right here in the District of Columbia we have the highest income per capita in the whole United States.

I do not criticize Members of the Committee on the District of Columbia. They have a tough job.

Let us just permit the people here in the District to pay their fair share of taxes. Then give consideration to the contribution from the Federal Treasury. That is all there is to it. Of course, this is a fine city. It ought to be a fine city. No one questions that. Whose is it? It belongs to the people of the United States. Of course it does. The people of the city and the country are proud of it. Let them pay their fair share of taxes. If you want them to do that, you will support the amendment offered by the gentleman from Minnesota.

This amendment is more than fair. The amount is comparatively small, but is more than a million dollars. Here is an opportunity to reduce the deficit to some degree and relieve the taxpayers of this country of a burden that does not belong to them. The amendment should be approved.

Mr. SASSCER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the only thing before the House today is whether or not this appropriation for the District of Columbia should be cut.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. SASSCER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman certainly will recall that this amendment will only place the appropriation for the District of Columbia, as far as the Federal Government is concerned, in the same amount actually as it was in 1951. The cut was based upon the appropriation in 1951.

Mr. SASSCER. I understood the gentleman to state that in his previous remarks. I think if we go back a year that is correct. I think it is equally correct that the appropriation by this amendment will be cut approximately $1,000,000 below the amount the Committee on Appropriations for the District of Columbia felt necessary, after a very careful study.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. SASSCER. I yield.

Mr. REES of Kansas. I note from the table on page 23 of the hearings that Baltimore, Md., has a realty assessed valuation of $1,516,000,000 and a tax rate of $30.04, and the taxes assessed amount to $45,000,000. In the District of Columbia the realty assessed valuation is $1,667,000,000 and you pay only $35,000,000 in taxes, $10,000,000 less than you are taxing similarly valued property in Baltimore.

Mr. SASSCER. I will attempt to answer the gentleman on that from two angles. The city of Baltimore even with that tax rate receives substantial aid from the State of Maryland. The best example is this vast area known as Greater Washington. That includes not only the District of Columbia, but the area right over the line, where the only difference might be the numbering of the houses on the block. Up until last November in adjacent Prince Georges County the tax rate was approximately $1.90, a figure lower than that in the District of Columbia. The situation there is comparable because neither section has any great industries to tax. Both areas have Government properties within their boundaries. To answer the observation made either by the learned gentleman from Kansas, or by a previous speaker, to the effect that the people in the District, regardless of this Government-owned property, should pay the taxes and that if the Capital were not here there would be no District of Columbia, I want to say that is the very reason and the very basic reason for this contribution, because as the Capital has spread out it has pushed more and

more people out of the District of Columbia into the environs of the great States of Maryland and Virginia, and there is a lessening of the assessable tax base of the District of Columbia.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. SASSCER. I yield.

Mr. REES of Kansas. I still cannot understand why, you have an assessed valuation of $1,600,000 in Baltimore and $45,000,000 in taxes are paid in that city and you have slightly less than $1,500,000 of assessed valuation in the District of Columbia, with $10,000,000 less in taxes being paid—and that is on realty alone.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SASSCER. I yield.

Mr. YATES. If the gentleman from Kansas will look at the tax schedules he will find that the average tax paid per capita, meaning the average tax paid by each individual in Baltimore and Washington, you will find that in Baltimore each indvidual paid an average of $48 and in Washington each individual paid $44, so that the actual tax per person is almost the same. I think the gentleman misses the point there.

Mr. REES of Kansas. I am talking about the real estate tax alone.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. SASSCER. I yield.

Mr. PHILLIPS. In most cities with an established population the comparison which the gentleman from Illinois makes would be good, but in a city which has a high degree of transient population, it is not so good because then we must depend upon such taxes as the sales tax.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. YATES. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SMITH of Virginia. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I appreciate the spirit in which this amendment is offered by the gentleman from Minnesota. I rise in opposition to his amendment. I think he and I have fought this battle of economy together throughout this session of the Congress and I doubt if he has voted for any amendment that I have not voted for. But there is a difference between legitimate economy and cutting down on the things that you can cut down. There is a difference between that and paying your just and honest obligations. That is what this is here today. That is what this is all about. It so happens that for a number of years I have been chairman of the Legislative Fiscal Affairs Subcommittee of the Committee on the District of Columbia, which has to do with the drafting and steering of some of these bills through the House. In 1947—and I doubt if the membership realizes this—the Congress passed a general tax law covering franchise tax, income tax, and various and sundry other taxes. The Congress passed a revision of the tax laws. I suspect that practically every Member of the House here today who was here then voted for that bill. When you did that you undertook to put the District of Columbia on a sound fiscal basis by revising its tax laws, and you inserted a provision in the law that the District of Columbia should receive a Federal contribution of $12,000,000. All that this Committee on Appropriations is doing is carrying out the mandate that you gentlemen sitting here today gave to this committee; namely, that the Federal Government should pay the District of Columbia $12,000,000 as a result of a law which you passed just 3 years ago. Now, are you going to back out on it? That is all that is happening, it seems to me. I suspect that a good many Members do not realize that we have passed a law which fixes the contribution at $12,000,000. It is said that last year it was only $10,000,000. The only reason it was $10,000,000 is because the House repudiated its contract to pay $12,000,000. That was the only reason for it. Do you want to repudiate it again? That is all there is to this argument.

Now, there has been a great deal said about the real estate rate of taxation in the District of Columbia being lower than anywhere else in the country. We went all over that. We had many hearings when we revised the tax laws of the District of Columbia. That question was raised. It has always been raised. I was interested in it myself. So our committee had a survey made. We sent agents out to determine the question whether the actual dollar tax paid by the people in the District of Columbia compared favorably with that in Maryland and Virginia. Those agents who went out would select a house, say a five-room bungalow, erected by a contractor in the District of Columbia. Then they went over into Maryland and they found the identical house, built by the identical contractor. They went over into Virginia, and they did the same thing there. Then they saw what the tax assessments were on those houses, and how much, in dollars, the house owner paid.

We found by that report that the rate of taxation paid in the District of Columbia compared favorably with that in the surrounding neighborhood and territory.

Mr. BATES of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BATES of Kentucky. That survey disclosed that the District of Columbia, on that identical same house, built by the same identical person, paid $194.28; Montgomery County, $175.91; and Arlington County, $168. The District paid more than any of them.

Mr. SMITH of Virginia. Now that shows the misapprehension that can come about by reason of talking about the tax rate. It does not make any difference about the rate. The assessment is what counts, and what eventually counts is how many dollars you have to pay in taxes on your home. The man in the District of Columbia pays more dollars in taxes on his home than does the man in Maryland or Virginia.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I am sorry, I do not have time. I am trying to explain to the House things that I personally, as a member of a legislative committee, just happen to know. I just know that there is a misapprehension about this thing. All we are arguing about today is to pay what you agreed to pay when you passed the tax bill 3 years ago. Pay your honest debts. That is all we ask you to do.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. TABER. Mr. Chairman, the thing that really counts on this amendment to reduce the Federal contribution to the District of Columbia is what is the fair and the right thing to do. I think we ought to consider a great many things in that connection. Amongst them is this: The District of Columbia was presented with the water plant by the Federal Government. It does show on the statement that they have furnished that they have an estimated deficit for 1952 of $74,000. If they are short, it is because they are not charging sufficient rates to their people.

The District Commissioners are required to levy a tax rate, under the law, on real estate for whatever amount is not provided by other sources of income and the District surplus, so that there is no question of doing without any needed District activity.

There are the grandest parks in the United States available to the people of the District of Columbia, scot free, paid for by the Federal Government at an annual cost of millions of dollars. The Federal Government not only paid for the parks in the first place, whereas your folks and my folks back home have to pay for their own, but the expense of operating them is paid by the Federal Government.

There are a great many other things. In my home town, including State and Federal property, there is more property, in proportion, tax free, than there is here in Washington. Our tax rate is about $38 or $39 per thousand. Our assessments are something like 95 percent. Here in Washington the assessments average 65 percent, so they say. They try to make them that much; but when the Federal Government goes to condemn property, they find they come nearer being 50 percent, or even 40 percent.

Taking all this into consideration, is it the fair or honest thing for us to pay a contribution on the part of the Federal Government? Are we doing our duty to the people of the United States if we pay a contribution on the part of the United States for the operations of the District of Columbia? We provide them with an enormous payroll, 250,000 people, at an average of $4,200 a year.

There are factories galore. I took a ride around the town Sunday. The automobile repair factories are the most enormous I have ever seen in any city of its size in the world; they are big, and they have a big business.

We have the Government Printing Office here with thousands of employees at big pay.

There is no reason for a Federal contribution at all. We should adopt this amendment offered by the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. H. CARL ANDERSEN. We have just heard previously the gentleman from New York speak; we have just heard from the gentleman from Virginia [Mr. SMITH], who maintains—and by the way, I have a very high respect for the gentleman from Virginia—he maintains, however, that simply because the Congress in some past year authorized a certain limitation on expenditures along certain lines that we on the Committee on Appropriations must necessarily follow that dictate of the previous Congress.

Mr. TABER. It is the duty of this Congress to pass on what is the right thing to do. An authorization act is not a command, it is simply the authority to consider how much should be provided.

The CHAIRMAN. The time of the gentleman from New York has expired; all time on this amendment has expired.

The question is on the amendment offered by the gentleman from Minnesota.

Mr. BATES of Kentucky. Mr. Chairman, on that I demand tellers.

Tellers were ordered; and the Chair appointed as tellers Mr. BATES of Kentucky and Mr. H. CARL ANDERSEN.

The Committee divided; and the tellers reported that there were—ayes 73, noes 38.

So the amendment was agreed to.

The Clerk read as follows:

Capital outlay: For construction of a branch library building in Cleveland Park, including site preparation, and preliminary design studies and surveys for the construction of extensions to the central library building, $343,500.

Mr. MASON. Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. BATES of Kentucky. I object, Mr. Chairman.

The Clerk read as follows:

HEALTH DEPARTMENT

General administration, Health Department: For expenses necessary for the Health Department (excluding hospitals), including services for tuberculosis, venereal disease, hygiene and sanitation work in schools, dental health, maternal and child health, housekeeping assistance in cases of authentic indigent sick, handicapped and crippled children, cancer control, public health engineering, nursing, psychiatry, ambulances, laboratories, and out-patient relief of the poor, including medical and surgical supplies, artificial limbs and appliances, eyeglasses, and fees to physicians under contracts to be made by the Director of Public Health and approved by the Commissioners; such expenses to include contract investigational service; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); uniforms; rent; manufacture of serum in indigent cases; and allowances for privately owned automobiles used for the performance of official duties by dairy-farm inspectors at the rate of 7 cents per mile but not more than $70 a month for each automobile; $2,661,500: *Provided*, That, hereafter, the Commissioners may, without creating any obligation for the payment of money on account thereof, accept such volunteer services as they may deem expedient in connection with the maintenance of medical services in the Health Department: *Provided further*, That amounts to be determined by the Commissioners may be expended for special services in detecting adulteration of drugs and foods, including candy and milk and other products and services subject to inspection by the Health Department.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Nebraska: Page 17, line 12, after the period, insert "*Provided further*, That the Board of Commissioners shall provide for treating the water supply of the District of Columbia with a fluoride or chemical compound to the extent that it will provide dental protection for the people of the District of Columbia."

Mr. BATES of Kentucky. Mr. Chairman, I make the point of order against the amendment on the ground that it is legislation on an appropriation bill.

Mr. MILLER of Nebraska. Will the gentleman withhold that for a moment?

Mr. BATES of Kentucky. Yes.

Mr. MILLER of Nebraska. Mr. Chairman, the amendment read by the Clerk is one dealing with the fluoridation of water, and I realize that it is legislation on an appropriation bill, but I think my colleagues should know that fluorine treatment is now extensively used in the treatment of teeth in school children. I refer you to the testimony of Dr. Seckinger on page 291 of the hearings, where the question was asked, "What happened to the fluorine appropriation that was so controversial?"

Dr. SECKINGER. We have had this thing under study for several years. We are talking of topical fluorine first. That is application to the teeth. The District is contributing about $30,000 to that already, and we get supervision and other assistance from the Public Health Service. The total runs up to about $49,000 for half the school children in the District below the eighth grade. If you multiply that $49,000 by 2, you get nearly $100,000, which is the estimate of the waterworks people that we should spend in the application of hydrofluocilic acid, and that would also include installation of equipment, $21,000.

In my opinion, fluoridation of water has reached a point that it ought to be adopted in the District of Columbia. We are now spending some $49,000 treating the children below the eighth grade. For $100,000 all the people in the District of Columbia, seven or eight hundred thousand of them, could have the benefit of fluorine in water. There is a meeting today and tomorrow in the District by the dentists of the territory in which they are pointing out the value of fluoridation in water. I have introduced today, because I knew that this would be legislation on an appropriation bill, a bill to do just what I am asking to do in this amendment. I hope the Committee on the District of Columbia will report the bill out, and then it might be adopted. In my opinion, it has gone to the point where it is a great benefit to the people, and it ought to be done.

Mr. SCHWABE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Oklahoma.

Mr. SCHWABE. I will ask the gentleman from Nebraska if it is not a fact that fluoridation in water has ceased to be in the experimental stage and it has now been demonstrated as proper treatment and is being used and incorporated and installed in practically all of the cities of this country.

Mr. MILLER of Nebraska. It is being installed all over, and in the end it will save many hundreds of thousands of dollars for the parents who have trouble with their children's teeth.

Mr. SCHWABE. And the gentleman wants to bring Washington in line with the other cities?

Mr. MILLER of Nebraska. Yes.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Rhode Island.

Mr. FOGARTY. I am in wholehearted support with the gentleman, and I think the bill should be reported out unanimously, because it has the backing of the American Dentist Society and the American Medical Association, and as our colleague the gentleman from Oklahoma [Mr. SCHWABE] has said, it is no longer in the experimental stage. That is the first discovery ever made that will prevent caries in children's teeth. I think that is the least we could do for the children, especially of school age.

Mr. MILLER of Nebraska. I thank the gentleman for his contribution.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Illinois.

Mr. YATES. I was as much interested as the gentleman in the subject. I asked the question. Commissioner Donohue in response to my question pointed out that he was undertaking a very comprehensive survey of the question in view of the fact that editorials had appeared in certain newspapers touching on the question as to whether or not fluoridation of water might not have a deleterious effect on other parts of the body. At the time of the hearings he had not yet completed that survey. I spoke to him later about it, and he indicated that the result of his survey was that those objections had been overcome.

Mr. MILLER of Nebraska. Scientific examinations have proceeded far enough now on the use of fluorine in water so that it is no longer an experimental thing. We know it is beneficial to children, particularly children who are bothered with caries in their teeth.

Mr. BATES of Kentucky. Mr. Chairman, I insist on my point of order.

Mr. MILLER of Nebraska. I concede the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Nebraska concedes the point of order, and the Chair sustains the point of order.

Mr. MILLER of Nebraska. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Nebraska: Page 17, line 11, after "milk", insert a comma and the following: "except milk that meets the standards of the United States Public Health Service for grade A milk shall be accepted in the District of Columbia."

Mr. BATES of Kentucky. Mr. Chairman, I reserve a point of order against the amendment on the ground that it is legislation on an appropriation bill.

Mr. SMITH of Virginia. Reserving the right to object, Mr. Chairman, I do not like to object, but the gentleman spoke on the subject yesterday. He and I represent different views on this subject. Without having an opportunity to reply to his views on the subject, I am constrained to insist on the point of order.

Mr. MILLER of Nebraska. I concede the point of order, Mr. Chairman.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

Columbia Hospital and Lying-in Asylum: For general repairs including labor and material, to be expended under the direction of the Architect of the Capitol, $5,000.

Mr. MILLER of Nebraska. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to refer to the appropriation for the Health Department; that has been cut some by the Appropriations Committee and that is probably correct. I also refer you to page 17, where there is an appropriation for the inspection of milk. It reads as follows: "and allowances for privately owned automobiles used for the performance of official duties by dairy farm inspectors at the rate of 7 cents per mile but not more than $70 a month for each automobile."

I bring that out because here in the District of Columbia they have a milk ordinance which prohibits milk from coming in from Maryland or Virginia unless the utensils handling milk have gone through the process of steam sterilization.

It does seem to me that the people in the District of Columbia are entitled to the same privileges the people have in 34 States and 1,400 cities with 100,000,000 people in these areas they will accept milk of grade A qualification as prescribed by the United States Public Health Service code for milk. What has happened here in the District of Columbia is that you have an increase in the price of milk because of the monopoly which says you cannot bring milk into the District unless it has been treated by steam sterilization. I happen to live over the line in Maryland. I can drink milk in the processing of which chemicals have been used on the pans and milking utensils. But in the District of Columbia you have to have milk that has gone through the steam process. This sets up a little monopoly here.

As the gentleman from Virginia has said, we have had some differences of opinion. There have been some bills before our legislative committee about this. I hope at the proper time we can find a bill coming from the Committee on Agriculture involving interstate and foreign commerce, and I hope that we may able to place in that bill an amendment such as was read here, which will permit milk which meets the standards of the United States Public Health Service code for grade A milk to be accepted for interstate commerce, accepted by the United States Public Health Service people, accepted by all of the railroads, and accepted by all of the public groups as being milk that would meet the qualifications here in the District of Columbia, and thus break the Virginia-Maryland milk monopoly that now has a stranglehold upon the consumers of milk within the District of Columbia.

The Clerk concluded the reading of the bill.

Mr. BATES of Kentucky. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. PRIEST) having assumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee, having had under consideration the bill (H. R. 4329) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1952, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to, and that the bill as amended do pass.

Mr. BATES of Kentucky. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—ayes 56, noes 41.

So the amendment was agreed to.

Mr. CARL ANDERSEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. H. CARL ANDERSEN. The teller vote on the amendment showed 73 in favor of the amendment. I presume some of those Members are absent now.

The SPEAKER pro tempore. The gentleman does not state a parliamentary inquiry.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

RESOLUTION AFFIRMING FRIENDSHIP OF THE PEOPLE OF THE UNITED STATES FOR ALL PEOPLES OF THE WORLD

Mr. RIBICOFF. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (S. Con. Res. 11) affirming the friendship of the American people for all peoles of the world, including the peoples of the Soviet Union, with House amendments, insist on the amendments of the House and agree to the conference asked by the Senate.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut? [After a pause.] The Chair hears none, and without objection the Chair appoints the following conferees: Mr. RIBICOFF, Mr. CHATHAM, Mr. HAYS of Arkansas, Mr. VORYS, and Mrs. BOLTON.

There was no objection.

CIVIL FUNCTIONS APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until tomorrow night to file a report on the civil functions appropriation bill.

Mr. TABER. Mr. Speaker, I reserve all points of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SPECIAL ORDER GRANTED

Mr. SMITH of Wisconsin asked and was given permission to address the House today for 5 minutes, following the legislative business of the day and any other special orders heretofore entered.

Mr. MILLS assumed the chair as Speaker pro tempore.

LEGISLATIVE PROGRAM

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to inquire of the majority leader as to the program.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PRIEST. In response to the inquiry of the distinguished minority leader, there being no District bills on Monday, we will take up the bill originally scheduled for today, H. R. 1129, authorizing research facilities for the National Advisory Committee on Aeronautics.

The chairman of the Committee on Appropriations has obtained consent to file a report on the civil functions appropriation bill and that has been scheduled for Tuesday.

Beyond that the program for next week has not yet been determined but will be announced later. Of course, if there are any conference reports, they may be brought up at any time.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. MILLER of Nebraska. What is the program for tomorrow?

Mr. PRIEST. There is no business scheduled for tomorrow.

Mr. MILLER of Nebraska. I might say there are a number of Members, on this side of the aisle, at least, who live on the other side of the Mississippi River, who are rather insistent that work be scheduled for Fridays and Mondays.

I think I am going to object to not meeting tomorrow. We will have a roll call or two tomorrow and keep on working, if possible.

Mr. PRIEST. May I say in response to the gentleman: I appreciate how he may feel about the matter. There is no legislation ready for consideration tomorrow.

So far as the House of Representatives is concerned and the handling of legislation on the floor, there is no log jam, there is no backlog of legislation; we are right up with the Rules Committee and the standing committees of the House. I say that in explanation of the intention to adjourn over.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield further?

Mr. MARTIN of Massachusetts. I yield.

Mr. MILLER of Nebraska. Some of us are very anxious to get our teeth into the State Department bill. I suppose it is not log jammed any place and will come right up in logical sequence. I will not object to going over the week end but I will say that there is quite a large group of men on this side of the aisle who after this week I am sure will object to going over. We want to get busy on the State Department bill and other bills and get our work through so that perhaps we can take a couple of months recess and maybe go back home and talk with the people.

Mr. PRIEST. May I say to the gentleman from Nebraska that, together with the distinguished minority leader [Mr. MARTIN], we will schedule legislation just as rapidly as possible and proceed with it just as rapidly as possible. I will give the gentleman that full assurance.

LOW-RENT HOUSING

Mr. ADDONIZIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ADDONIZIO. Mr. Speaker, I should like to call to the attention of everyone concerned that the cut-back to 5,000 low-rent housing starts for the next fiscal year will put a stop on July 1 to about $375,000,000 worth of building in the States of New York and New Jersey alone.

This will affect, during the next year, about 10,000 families of veterans and others of low income in the State of New Jersey, and over 25,000 other veteran and low-income families in the State of New York.

I am informed by the New York field office of the Public Housing Administration that low-rent housing project about to go into construction in 38 communities in the two States will be forced to come to a complete halt despite all the plans that have been going forward during the past year.

This will waste a lot of money not only for the United States Government, but for local governments as well. The Federal Government will suffer an irrevocable loss in these two States alone of some $6,000,000 granted to local housing authorities in preliminary loans toward the building of low-rent housing projects. Of this $6,000,000, more than two and a half million dollars already had been spent by May 1. Many of the sites for these projects have been purchased; in other cases options have been taken. Contracts have been entered into with local architects for plans covering the nearly 35,000 low-rent dwelling units involved.

There are other losses to local communities who have entered into cooperation agreements with the housing authorities, some of whom have contracted for utilities and other community services to be installed up to the sites of the proposed projects. All of these local governments would get their money back many times over if the projects were built, for the housing authorities contract for payment in lieu of taxes which more than make up for any outlays toward community services for project tenants.

However, if these 35,000 homes are not built, and the work is halted July 1, local housing authorities will be saddled with useless vacant property that cannot pay its way and will be a burden on all other taxpayers in their communities, while the tenants who would have occupied these projects will continue to live in unsanitary, crowded, disease- and crime-ridden slums.

If we apply this $6,000,000 loss in preliminary loans in the States of New York and New Jersey proportionately to the entire country, where some communities have plans for low-rent housing projects, there is apparent an immediate loss to the Federal Government of $28,000,000, with possible claims by local authorities to the United States Government for more than $60,000,000 which will be irrevocably lost.

Let us also consider the loss to the wage earners. Approximately one-third of all housing construction costs goes for wages of workers in the building and construction trades unions. In the States of New York and New Jersey this means a loss of wages to these workers alone of approximately $125,000,000. This does not include the losses to architects, engineers, planners, designers, and the myriad occupations and professions in private industry engaged in the production of housing for the low-rent program.

I would like to tell you exactly where these disastrous consequences will be felt not only by nearly 35,000 families of veterans and other low-income groups in New York and New Jersey, who will be deprived of decent homes, but by others in better circumstances who have planned for years to clear the slums in their communities and make them better places to live in for everyone.

Projects with complete plans, for which housing authorities have signed final contracts with the Federal Government, and which are on the verge of construction, are located in these communities in New York State: Albany, Buffalo, New York City, Port Chester, Troy, Watertown, and Yonkers. In New Jersey similar projects on the verge of construction under final contracts with the Government and completed plans exist in Asbury Park, Atlantic City, Bloomfield, Garfield, Harrison, Irvington, Lodi, Long Branch, Newark, Orange, Passaic, Paterson, Rahway, South Amboy, and Union City.

Most of these projects, for which the Government has already advanced funds, have purchased their sites. In New Jersey these sites have already been purchased in Asbury Park, Bloomfield, Garfield, Harrison, Lodi, Long Branch, Morristown, Newark, Orange, Passaic, Paterson, Princeton, Rahway, South Amboy, and Union City. Only Atlantic City and Irvington, with final contracts and completed plans, have not as yet purchased sites, but in both cases the local housing authorities have already spent significant portions of the nearly $200,000 which the Federal Government advanced them in preliminary loans to prepare for actual building.

In New York State, final contracts have been signed by the Federal Government with the housing authorities of Albany, Buffalo, New York City, Port Chester, Tarrytown, Troy, Watertown, and Yonkers. Sites have already been purchased for low-rent housing projects in Albany, New York City, Port Chester, Tarrytown, and Watertown but all of the rest of the 13 localities have been spending money from their preliminary loans for their advanced planning, and most of these loans are already gone. If the program is brought to a complete halt, this money will be completely wasted.

A few of the localities in New York and New Jersey I haven't as yet mentioned, which have these preliminary loans, include in New York State Jamestown, Mechanicville, and Plattsburg; and in New Jersey Burlington, Camden, Clifton, Florence, Guttenberg, Hackensack, Harrison, South Amboy, Trenton, Union City, and West New York.

Reservations have been approved for many other communities in these two States whose urgent problems of housing, particularly for those of low- and moderate-income groups, are becoming increasingly stringent with the advent of the national-defense emergency.

It might seem superfluous to point out that all agencies of the Federal Government, since the outbreak of hostilities in Korea, have adapted their services to give preferential and even exclusive priorities to communities denoted as defense areas. The reports of the Public Housing Administration show that the public-housing program adapted itself speedily to the emergency situation, and no projects have been approved since last July for any community which did not have a strong relationship to the defense-production program.

As in World War II, when defense production created insufferable housing conditions in many communities in such fashion as to hamper the fulfillment of production quotas in many instances, we are now embarking upon a program which will be similarly handicapped unless adequate provision is made for housing, particularly where it is most needed, for families in the low- and moderate-income groups. The record shows in the States of New York and New Jersey that there were some communities during the last war where war industry was able to get only 50 percent

of its required personnel to meet military contracts, mostly because of the shortage of adequate, decent, and safe housing for defense workers' families.

If the answer of critics of the low-rent housing program is that such housing can be provided by private enterprise, we need only refer to the reports of last year's survey by the Bureau of the Census. This census reveals that 39 percent of the families in the United States were still earning less than $2,000 per year at last report. On $2,000 a year, I ask you what kind of housing, for purchase or rent, is being provided today by private industry? The latest census reports show that 25 percent of the children in the United States are in families who though gainfully occupied earn less than $2,000 per year. And half of the children in the United States are in families with earnings of less than $3,000. Less than 10 percent of the children in the United States are in families with earnings of $6,000 and over. A look at any real-estate page in the newspaper will reveal that it is for this income group alone that private industry has been building since the war.

RUSSIA'S VIOLATIONS OF ITS AGREEMENTS WITH THE UNITED STATES

Mr. HELLER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HELLER. Mr. Speaker, the discussions and debates of the last few months concerning our foreign policy and international affairs generally have stimulated a good deal of thinking among the people of this country, and have also aroused considerable interest abroad. Various views have been expressed concerning our foreign policy aims and our approach to the solution of international problems.

In connection with this very enlightening exchange of views and opinions, it seems to me that one particular phase which is of great importance to world affairs and world peace has not been brought into this over-all picture. I refer to the Soviet Union's failure and deliberate refusal to carry out its international commitments and agreements with the United States. It occurred to me that if we had a very definite bill of particulars showing how Russia violated these agreements, the people of this country and of the entire free world would have a clearer understanding of the problems with which we are confronted and the type of men with whom we have to deal.

Consequently, I decided to look into the record of Russia's international violations. I began to examine the major agreements entered into by our own country and the Soviet Union, beginning approximately from a period subsequent to our entry into World War II. I was interested in the terms of the agreements, the purposes and objects subscribed to by the powers in question, the facts ascertaining the time and procedure used by Russia in gaining control over Poland, Rumania, Czechoslovakia and the other Eastern European countries, and how the Soviet Union violated and destroyed the freedom and independence of these countries while presumably and outwardly cooperating with the United Nations in international affairs.

I had recalled reading the agreement reached at the Tehran Conference in 1943, where it was stated as follows:

> Emerging from these cordial conferences we look with confidence to the day when all peoples of the world may live free lives, untouched by tyranny, and according to their varying desires and their own consciences.

Let us now see how Russia violated this commitment.

The foreign relations of the United States have long been conducted on the basis of amity and friendship. That was and still remains the basis of our dealing with other countries. In postwar years we hoped to extend our policy of friendship to all nations, and we expected that it would work to the mutual advantage of all concerned. Our diplomacy has received its severest setback in our dealings with the Soviet Union, and this because of the Soviet Union's deliberate refusal to carry out its agreements. The selected instances I shall now cite will clearly show how the Government of the Soviet Union has broken its own promises and has violated solemnly signed international agreements.

THE UNITED STATES LEND-LEASE TO THE SOVIET UNION

In June 1941 Nazi forces attacked Russia. In the sincere hope of weakening and defeating Germany, we wanted to aid the Soviet Union. In August of that year we "decided to give all economic assistance practicable for the purpose of strengthening the Soviet Union in its struggle against armed aggression"—United States Department of State Bulletin, August 9, 1941, page 109. The Soviet Union appeared to be appreciative of such aid, and expressed "its gratitude for the friendly decision of the Government of the United States"—United States Department of State Bulletin, August 9, 1941, page 110. In the lend-lease agreement with the Soviet Union, signed on June 11, 1942, the Soviet Union agreed to return all war material not used in World War II, and also make some arrangements for repayment. Specifically, article V of this agreement provided that—

> The Government of the Union of Soviet Socialist Republics will return to the United States of America at the end of the present emergency * * * such defense articles transferred under this agreement as shall not have been destroyed, lost, or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.[1]

The language of this article is abundantly clear; it was made clear to the Russians when they signed the agreement.

[1] Stettinius, E. R., Lend-lease: weapon for victory, p. 342.

Since the end of the war the governments of all other countries which received lend-lease aid from us have made some settlement, have come to some agreement with us, but not Russia. The government of that country has simply refused to agree on any form of settlement on lend-lease aid totaling more than $11,000,000,000 in value.

During the past 5 years many conferences have been held for this purpose, but none has produced any result. The Soviet Union simply refuses to settle its accounts with us. In the course of negotiations that have been going on recently her representative declared that United States vessels given to the Soviet Union on lend-lease will not be returned because "the United States does not need the vessels"—Washington Post, March 22, 1951, page 1. The Soviet representative even refused to consider the return of 670 vessels, and he accused the United States "of violating a promise to sell the ships to the Soviet Union." Of course all this is senseless talk. The master lend-lease agreement, signed on June 11, 1942, contains no such promise. But all that is beside the point. Here we have a case case of violation of our agreement by the Soviet Government.

THE TEHRAN DECLARATION

At the end of the Tehran Conference in November–December 1943, the heads of the three governments guaranteed, in a declaration, "the maintenance of the independence, sovereignty, and the territorial integrity of Iran"—United States Department of State. Bulletin, December 11, 1943, page 410. Stalin had also agreed, in the Treaty of Alliance which the Soviet Union signed on January 12, 1942, with Iran, to withdraw all Soviet forces "from Iranian territory not later than 6 months after all hostilities between the Allied Powers and Germany and her associates have been suspended by the conclusion of an armistice or armistices"—Lenczowski, G., Russia and the West in Iran, 1918–48, page 321.

Six months after the end of World War II all other foreign troops had withdrawn from Iran, but Russian troops were still in the northwestern province of Iran. Instead of withdrawing, they were there to set up a Communist puppet government to oppose the national Government in Tehran. This was in clear violation of the agreement signed with Iran, and also in contradiction to the Roosevelt-Churchill-Stalin declaration on the independence and territorial integrity of Iran. Of course, Iran protested and requested the withdrawal of Soviet troops. The Soviet Government refused to withdraw. Under the protection of the Soviet authorities a puppet Communist government was set up in Iran's northwestern province. When the Central Government tried to dispatch forces to the province in order to reestablish its authority, the Soviet forces intervened. For a time the province was declared a separate unit, independent of the Tehran Government. Iran appealed to the United Nations and the matter was taken up by the Security Council. There the free world stood for

the sovereignty and territorial integrity of Iran, finally compelling the Soviet Union to withdraw.

THE YALTA AGREEMENT

In February 1945 the late President Roosevelt, Churchill, and Stalin held a conference in the Crimea, and on February 11 signed the Yalta agreement. The part of this agreement which was flagrantly violated by the Soviet Union dealt with the new situations created in the liberated countries of Eastern Europe—specifically in Poland, Rumania, Yugoslavia, Bulgaria, Czechoslovakia, and Hungary.

The Yalta agreement stipulated that the Polish provisional government—set up under the control of Moscow—be "reorganized on a broader basis, with the inclusion of democratic leaders from Poland itself and from Poles abroad"—United States Department of State press release No. 239, March 24, 1947, page 5. This meant the participation in the Polish provisional government of some members from the Polish Government-in-exile and also some underground leaders in Poland. Our Ambassador and the British Ambassador in Moscow, with Soviet Foreign Minister Molotov, were to form a commission, with authority to act as mediators in the creation of such a government in Poland. This was done; the basis of the new Government was broadened, but when the new Government was formed in June 1945 Communist membership outnumbered others 4 to 1—Rose, W. J., Poland: Old and New, page 277. From then on Poland had been lost to the west.

By deliberately blocking the formation of a democratic government in Poland the Soviet Union violated the Yalta Agreement.

Russia also failed to carry out the provisions of the Yalta Agreement dealing with Rumania and Yugoslavia. In the case of Rumania, the Soviet Union acted quickly and unilaterally in establishing a prefabricated Communist government in March 1945—Byrnes, J. F., Speaking Frankly, pages 54–55. In Yugoslavia, Tito's government was to be broadened to include members of the Yugoslav Government-in-exile. The Communists—then loyal tools of Moscow—again went through the move of reorganizing the government and included in the new government, as constituted in March 1945, some non-Communists, but they occupied unimportant posts. Before the end of 1945 Yugoslavia came under communism. The Soviet Union did not try to establish a democratic government. Instead, the U. S. S. R. saw to it that the government which was approved and supported served Soviet interests.

In the case of Bulgaria, the Soviet Union acted as in Rumania. The combination of Communists and pro-Communists set up a government under Soviet patronage in mid-1945. We protested about the make-up of the government, and in the Moscow conference of foreign ministers, in December 1945, it was decided to broaden the base of the government so as to include some non-Communists. This was never done. A new reshuffle of the government accentuated the dominance of the Communists. All this occurred while we were negotiating with the Soviet Union for peace treaties with the satellites. The peace treaties were signed in February 1947, but Bulgaria, along with Rumania, Poland, and Albania, was drawn behind the iron curtain.

Albania fell under the ruthless clique of Communist Enver Hoxha early in 1945. We have not recognized the Government of Albania.

Czechoslovakia signed a treaty of friendship, mutual assistance and postwar collaboration with the Soviet Union on December 12, 1943. The first postwar government established in May 1945 was headed by a diplomat with pronounced Soviet leanings, Zdenek Fierlinger. In appearance this was a coalition government in which Communists held only four cabinet posts. But these included the important posts of the ministry of the interior and of information. While the government did not dare to make a single move which would have caused resentment in Moscow, Czech Communists in the government worked hard to undermine the government, and in this work of trickery they had the tacit and unqualified support of the Soviet Union. Until 1947 the power of the Communists increased gradually. After gaining the prime ministership, and especially the control of the army through a friendly Minister of National Defense, the stage was set for taking over the administration. The Czechs could not make a single move without Soviet approval. In July 1947, they expressed the wish to join the Marshall plan countries. They were held back with an iron hand by Russia. In February of the following year the government was overthrown; a new cabinet of Communists and left-wing Socialists was installed. This proved to be the death of free Czechoslovakia. It was brought about with the aid and encouragement of the Soviet Union and in clear violation of the Teheran declaration.

In October 1944 Hungary was liberated and a provisional government was formed. This Government was sponsored by the Soviet Union. In November of the following year an election was held in which the non-Communist group—called Smallholders Party—gained a clear victory. The country was declared a republic and a new coalition government was formed in which other parties were represented, but, with the support of the Soviet commander in Hungary, important and strategic posts went to Communists. They secured thereby the toehold which enabled them to begin their rise to power. Finally in May 1947 Prime Minister Nagy was forced out and his place was taken by a left-wing member of the Smallholders Party. In August of that year another election was held which gave a victory to the Communists. Since then Hungary has been governed by the Communists. Against all these tactics and violations of the Soviet Government we protested, but to no avail.

THE POTSDAM AGREEMENT

This agreement was signed by President Truman, Prime Minister Attlee, and Premier Stalin. It dealt with a large number of important problems, but the particular items which concern us here are the treatment of Germany as an economic unit, and the problem of reparations.

Part B, paragraph 14, of the Potsdam Agreement stipulated that "during the period of occupation Germany shall be treated as a single economic unit"—United States Department of State press release No. 238, March 24, 1947, page 5. This meant the unrestricted flow of agricultural products from the Soviet zone to the West and the equally unrestricted flow of industrial products from Western Germany to the Soviet occupation zone. To maintain a balanced economy in Germany this was essential, but the authorities of the Soviet Union never carried out their end of the bargain. During the first several years industrial goods did go to the Soviet occupation zone, and the Soviet Union took advantage of the West's good will, exploiting it to the full until mid-1948. The western powers were conscientious in keeping their end of the bargain, but not the U. S. S. R. While Berlin was blockaded and we were almost forced out of that city, the Soviet Union was receiving its share of dismantled German industrial plants as reparations. It may be that by such action we meant to set a good example for the Soviet Government; if so, it had little effect on the rulers in the Kremlin. They received industrial goods, dismantled industrial plants, and also carried out a systematic and drastic looting of the eastern zone.

The Soviet Government persistently refused to carry out the Potsdam commitment signed by Premier Stalin—

Commented Gen. Walter Bedell Smith:

It demanded as the price of keeping its promise rich additional concessions, including fulfillment from current production of its demand for over-all reparations totaling $10,000,000,000.[2]

FOUR-POWER AGREEMENT ON BERLIN

Russia's blunt and undisguised attempt to freeze and eventually expel us from Berlin is a celebrated instance of treaty violation. By the terms of the four-power agreement—United States Department of State Bulletin, June 10, 1945, page 1052—the area of greater Berlin was to be divided into four sectors and the four commandants were "to direct jointly its administration." This arrangement never worked out smoothly. The city being deep in the Soviet zone, Soviet authorities were in a position to—and did—introduce restrictions affecting the entry and exit of the Western Powers. This was in clear violation of a four-power agreement. "The right of free access to the city was carefully specified in a message sent by President Truman to Premier Stalin on June 14, 1945." Two days later Premier Stalin assured the President that "all necessary measures would be taken in accordance with the plan agreed upon."—Smith; in the work cited, page 234. On June 24, 1948, the Soviet Government imposed a complete blockade on all land and water

[2] Smith, W. B., My 3 Years in Moscow, p. 230.

traffic from the western zones into Berlin. This created an international issue of first magnitude. For almost a year all negotiations proved fruitless, and we stayed in Berlin only with the help of the airlift. It proved to be a moral victory for us, but still remains a flagrant violation of agreement on the part of the Soviet Union.

Another case of flagrant violation of an agreement by the Soviet Union relates to the repatriation of German prisoners of war. At the Moscow meeting of the Council of Foreign Ministers, in April 1947, it was agreed that—

> German prisoners of war located in the territory of the Allied Powers and in all other territories will be returned to Germany by December 31, 1948.[3]

We have carried out our part of the agreement; and we have so informed the International Red Cross, but the Soviet Union failed to repatriate the German prisoners. We have made repeated protests, so have the British, but no satisfactory reply has been received, and none is expected.

Mr. Speaker, in their postwar dealings with the West, and particularly with the United States, Soviet authorities have used all the tricks of gangster politicians, the tactics of the strong-arm. Name-calling, unfounded and baseless accusations, warlike threats, all unworthy means have been their stock in trade. They speak in the name of peace-loving democracies, yet they have and maintain the largest armed forces. They call us imperialists and warmongers, yet they acquire large tracts of territories both in Europe and Asia, and they foment wars and uprisings, such as the Korean conflict and the unrest in Greece. They are not the least concerned with keeping their promises, commitments, and agreements.

The long succession of postwar violations of treaties and agreements by the Soviet Union makes it clear that they take the coldly realistic, Machiavellian attitude in diplomacy: agreements are made and maintained for the sheer convenience of one party, and the moment it becomes inconvenient to honor them, or to fulfill them, then they are bypassed, discarded, and violated.

In view of Russia's consistent and deliberate violation of her international commitments during the past decade, I submit that her record of international amity and cooperation is one of total and complete failure, and I further charge her with sabotaging every sincere effort toward genuine world peace and international understanding. In the case of an individual, such actions would be considered as the height of irresponsibility; in the case of a major world power, this Machiavellian attitude and the utter disregard of world opinion on the part of Russia constitute a threat and a danger to all of humanity.

Mr. Speaker, the sooner the people of this country learn these facts, the sooner we can hope to attain national unity of purpose and national cooperation to safeguard our freedom. This is a time which calls for every man, woman, and child to know the truth. In this way we can strengthen the hand of our Government in its efforts to defend this country and our way of life.

[3] U. S. Department of State, Publication No. 3550, Germany, 1947–49, p. 121.

ADJOURNMENT OVER

Mr. PRIEST. Mr. Chairman, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Nebraska [Mr. BUFFETT] is recognized for 25 minutes.

WITHHOLDING TAX SHOULD BE REPEALED

Mr. BUFFETT. Mr. Speaker, instead of enacting new withholding tax clauses, as set up in 1951 tax proposals, Congress should eliminate the withholding tax provision now on the books.

Accordingly, I have today introduced a bill providing for the repeal of income tax withholding levies on wages and salaries.

This method of tax collection was included in the pay-as-you-go tax law passed in 1943.

Then, proponents declared that the war shift and turn-over of labor required this method to minimize tax delinquency and reduce collection costs. These contentions seemed very plausible.

And so despite extensive discussions of the Ruml tax plan and amendments thereto, the withholding proviso was adopted without serious debate. Its vital defects were overlooked. We did not reckon with its moral and political consequences.

Even now, there is little attention given to these factors. Instead, Congress will soon consider new taxes in the vain hope of catching up with unlimited global spending schemes.

WITHHOLDING TAX IS MORALLY WRONG

Mr. Speaker, the withholding tax on wages and salaries is morally wrong. It is morally wrong because it seizes from the worker a substantial part of "the fruits of his labors" even before he comes into possession of the earnings from his toil.

The worker, in a land founded on freedom, is denied the basic right to receive and take home the wages earned by the sweat of his brow. History records many instances of harsh and cruel taxation, but generally, the worker has received his wages in full before the Government claimed part of them as taxes.

This tactic follows the pattern of the slave owner. He simply carries this idea to its logical conclusion and takes the full amount of what his slaves earn. Then, to his own judgment, he spends those earnings for what he decides is for the benefit of his slaves. The withholding tax is based on the same false concept.

IS HIGHLY DISCRIMINATORY

Also, the withholding tax is grossly unfair because it is shamefully discriminatory. It says to those who earn their living by wages and salaries, "Your Government does not trust you." It says the Government accepts St. Paul's dictum that "The husbandman"—farmer—"that laboreth must be first partaker of the fruits" but this biblical truth does not apply to those employed by others. It sets up a double standard.

The withholding statute says in effect: "Your Government trusts the farmer, the professional man, the landlord, the merchant. But the Government does not trust those who work for others. We will grab our tax levy from them before they can collect a dime of wages or salary."

CONSTITUTIONALITY OF TAX IS QUESTIONABLE

My third objection to the withholding tax is its almost obvious unconstitutionality. No compensation is paid by the Government to the employer for the work of figuring, collecting, and remitting this tax to the Government. He is deprived of his property without due process of law.

Here the administration apparently is so convinced of its own guilt that it has been unwilling to have the Supreme Court pass on the issue, despite the repeated challenges of a courageous patriot, Vivien Kellems of Connecticut.

Instead, the great Government of the United States maliciously harasses Miss Kellems. Why? Because she wants a full test of the constitutionality of this statute. Has it become verboten for political opponents of the New Deal to get a test of questionable legislation in the courts?

INSULTS INTELLIGENCE OF AMERICAN WORKER

Mr. Speaker, the withholding-tax device is a smear on both the character and competence of our working people. Under this law, the Government takes the position that either the workingman is so dishonest that he will not pay his legitimate taxes; or, the Government thinks that while the American employee may be honest, he does not have brains enough to save and set aside the amount he must pay in income taxes if it be collected from him on a quarterly basis, the same as other taxpayers.

There is nothing in the history of the working people of America to justify these governmental attitudes.

United States Department of Commerce studies record that the open credit obligations of American consumers are fulfilled 99.44 percent. The record of installment sales tells a similar story of the honesty of the American workingman.

Moreover, according to Treasury testimony, uncollectible Federal tax assessments increased only one-tenth of 1 percent between 1921 and 1942. This was a period during which millions of persons were added to the tax rolls and there was no withholding tax.

WITHHOLDING TAX CAUSES COMPLICATIONS

Another glib argument used to defend the withholding tax needs study. It is the claim that this method is the simple, convenient, and inexpensive method to collect personal-income taxes. Here again, the claim seems wide of the truth.

The Treasury Department informs me that in the fiscal year 1951, it will issue approximately 30,000,000 income-tax refund checks in the operation of the with-

holding-tax scheme. Think that over—30,000,000 checks. To figure out those amounts, double-check them for accuracy, mail them out, the workers cash them, and account for them when they are returned to the Treasury, undoubtedly requires millions of man-hours.

So, withholding is not so simple and inexpensive as the Treasury might like you to believe. Even if it were, is there anything in this administration's record to indicate that they have any reluctance toward larger staffs?

My fourth objection to the withholding tax is of paramount importance. It stems from the fact that such a tax is unsound in a republic whose strength depends almost entirely on a well-informed electorate.

NAZIS LIKED WITHHOLDING TAX METHOD

Certainly, this scheme is understandable in a totalitarian country. The Nazis were experts in using this method of taxation. They called their various compulsory levies at the source "noiseless financing." The term was well chosen. Withholding taxes are perfectly suited to a Fascist system, or other form of dictatorship.

Such taxes take from the citizen the full opportunity to measure the size and impact of Federal levies. By the insidious device of seizing a part of his wages many times a year, the withholding tax blurs the full picture of the fantastic magnitude of Federal spending.

Moreover, the withholding tax, as an adjunct to the steeply graduated income tax, fits into the pattern of communism. For it is the graduated income tax that is next to the top of the list of objectives set out in the original Communist Manifesto of 1848. Think that over.

COMMUNISTS ALSO STRONG FOR WITHHOLDING TAXES

Then listen to this, back in 1919, from the pen of N. Boukharin comes this about the program of the Communists:

> Superfluous wealth is confiscated, the rich are losing their main support and the whole population is gradually becoming employed by the Proletarian state organization. * * * When such a state of things exists, it will be much simpler to deduct the necessary taxes immediately from salaries. * * * It is not worth while spending both time and money on the senseless transaction of giving with one hand and taking away with the other. (Lusk Report, vol. II, p. 1738.)

On this conclusion, the Treasury Department and Comrade Boukharin are in full agreement. Neither believes that the worker has a right to have even temporarily the full fruits of his labors. Interesting, is it not?

Mr. Speaker, it was William Pitt who declared:

> No civilization * * * can be accepted as secure in which expenditure is greater than revenue.

Pitt was most certainly right.

And so today, western civilization is in peril, not alone from Russia, but also, from centralized power and unrestrained spending at home, spending which the people are currently unable to halt. This has become a progressively worse problem in America for the past 20 years.

REPEAL WOULD RESTORE POWER TO THE PEOPLE

The repeal of the withholding tax would be a long step toward halting this advance by socialism. Then, the millions of tax-burdened laborers now treated as second-class citizens and deceived by take-home pay would get a clear picture of their personal stake in Government spending.

Recognized again as honest and competent citizens, their constructive power in national elections would be multiplied.

Each worker would have a fair opportunity to measure the impact of Federal taxation.

He would know what the failures of bungling leadership are costing his own family in medical care, better housing, college educations, and so forth.

Fortified by that full knowledge, he could and would vote with well-informed judgment—a judgment not beclouded by noiseless taxation schemes copied from the Nazis and the Communists.

Mr. Speaker, withholding taxes on income are indefensible in a land of freedom. When such taxes are applied to only a special segment of the population, they are viciously discriminatory. Such tax methods undermine the freedom and vigilance upon which our Republic is based.

Once this injustice is clearly understood, only those who do not trust the American workingman will oppose the repeal of this totalitarian method of taxation. Congress should repeal the withholding tax on salaries and wages.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. SMITH of Wisconsin. May I compliment the gentleman on his fine statement on this matter. I wonder if the gentleman will agree with me that the withholding-tax legislation has not tended to create a tax-consciousness on the part of the people whose taxes are being withheld.

Mr. BUFFETT. It is certainly obvious, as the gentleman suggests, that the device of withholding seals from the worker's mind, or at least blurs his vision to the fact that the money is being taken out of his pocket and out of his home in order that it can be spent by the Government as the Government pleases. By the device of collecting that money in small installments over the year it is true the impact is kept from him. The result is that he takes much less interest in Federal spending than he would otherwise take as a good citizen.

Mr. SMITH of Wisconsin. I thank the gentleman.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. CURTIS] is recognized for 15 minutes.

PROHIBITION AGAINST COLLUSIVE PRICE FIXING

Mr. CURTIS of Missouri. Mr. Speaker, today I introduced a bill, the effect of which is to restore section 1 of the Sherman antitrust law to its original form, and to repeal the so-called Miller-Tydings Act, which was in fact no more than a rider to a District of Columbia Revenue Act. This rider slipped through Congress and escaped veto by President Roosevelt, who was on record as strongly opposing its principles, only because it came up in the final hours of the session and being attached to an essential revenue measure, President Roosevelt declined to exercise his veto. As is well known, the act legalized, so far as the Federal antitrust laws were concerned, certain agreements by which the manufacturer is enabled to control the ultimate retail price at which products may be sold to the consumer, providing the State in which such sales are made has passed an authorizing act.

Active lobbying and pressure by the proponents upon the State legislatures resulted in passage by all but three States and the District of Columbia of such authorizing acts. Missouri, I am happy to say, is one of the three States in which the legislature has rejected fair trade and thereby has protected the people of that State from excessive prices, such as are charged in neighboring States as a result of the price-fixing agreements. The application of fair trade rapidly was extended to permit price maintenance throughout the entire State, if the manufacturer could induce a single retailer in that State to sign an agreement.

It was this feature which the Supreme Court recently condemned, holding that only those retailers who actually entered into a contract or agreement with the manufacturer were bound to observe the prices established. The proponents of fair trade insist that this ruling is not nearly so broad as the language of the Court would seem to indicate and are trying desperately to prevail upon retailers through persuasion or duress to continue to operate under the fixed prices previously set. A few retailers have taken the Court at its word and are abandoning price maintenance. At the present time we see a limited sort of price war existing among several larger New York department stores. Proponents of fair trade would like to have us believe that price wars and chaotic conditions are the natural result to be experienced if fair-trade laws are done away with. The answer to that is obvious. There would be no price war or price cutting, were it not for the fact that in many lines of consumer goods supplies exceed the existing demand at exorbitant fair-trade prices and, coupled with excessive inventories, the retailer is following a time-honored practice of reducing his prices to such point that he is able to move his goods.

I hardly need to point out the long history of opposition to restraint of trade, both in England and in the United States, and that such opposition was reflected in the common law of both countries. The Sherman Act of 1890 codified this common law and flatly forbid all contracts, combinations, and so forth, in restraint of trade and not only made such contracts unenforceable but provided injunctive relief and criminal penalties as well. In 1937, as I stated above, the Miller-Tydings Act became a law, and the Congress had reversed our traditional policy forbidding restraint

of trade and granted authority to a private manufacturer to enter into price-fixing agreements without supervision by any governmental agency.

The proponents of fair trade are sometimes heard to argue that this legislation is necessary and desirable because it protects the public from deception through a possible passing off of inferior substitutes for nationally known and advertised brand-name products. This argument seems exceptionally weak. First, the Congress has created the Federal Trade Commission to protect the public against deceptive practices and misrepresentation of the quality and content of products. Second, through the administration of the pure food and drug laws, further governmental protection exists for the buying public. Surely, then, there is no force to the argument that the public lacks proper protection and that they must look to the producer of goods operating under price-fixing schemes for their salvation.

The purpose of my bill is twofold. First, to eliminate any misunderstanding and confusion which may exist as a result of the recent Supreme Court ruling; and, second, to reestablish the prohibition against collusive price fixing which, for so many years, served the best interests of the Nation and the consuming public. It is my belief that the antitrust laws, including the prohibition against the restraint of trade, are an essential bulwark of our free enterprise and free market system. The effectiveness of these salutary laws should be increased rather than weakened, and if we are to pay more than lip service to the principle of a free economic system, it seems incumbent upon the Congress to protect that principle and to end once and for all this system of legalized price fixing.

I have inserted in the Appendix of the RECORD an editorial from the St. Louis Star-Times on this subject, which I believe will be of interest.

Mr. WERDEL. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. WERDEL. I want to call the attention of the gentleman to some new forces that are in this field of price fixing which were not there when the Sherman antitrust law was passed. I believe it was just last year when the Ford Motor Co. told us that in 1936 a Ford cost something around $506 at the plant. But this year, or last year, there is $511 collected by the Ford Motor Co. in taxes as a tax-collection agent for the Government. I also call attention to the fact that by bargaining across industry and countenancing that practice, our Government has aided labor officials in putting a wage differential of about $400 in every workingman's car. When you have that you still have an eight or nine hundred dollar workingman's car, except that he pays $1,800 or $1,900 for it. Those forces are not going to be controlled by public demand. They are not going to tolerate being controlled because the Government needs a billion dollars in taxes collected from the workingman on those automobiles. Perhaps that enters into the picture which the gentleman sees, and is seeking to correct. Under that situation which did not exist at the turn of the century when we had the Sherman antitrust law enacted, we now have the situation where one motor industry makes more profit than all of the railroads in the United States combined, and they are in a position to make marginal producers out of everyone else in the industry if they want to cut prices, which they are afraid to do when they are producing 45 percent or 50 percent of the automobiles already. I call the attention of the gentleman to that because what we are after is competition and lower prices. I think it will direct the gentleman's attention or perhaps arouse his curiosity as to what we have not had in the motor industry; namely, any new competition for 20 years except for that concern which periodically comes to the great city of Washington for financing in order to compete, and that concern is the one which helps in setting the pattern of bargaining across industries.

Mr. CURTIS of Missouri. I appreciate the gentleman's remarks. It is perfectly true that a lot of things have changed since 1890. However, certain fundamental principles, in my opinion, have not changed, and among those principles are exactly what I am talking about, which is really free competition. The way the trade combines were developed under the Miller-Tydings Act is exactly what we are trying to eliminate. I think we see an example in some of these items in the recent price war in New York on these standard, nationally advertised brands.

The SPEAKER pro tempore (Mr. PRIEST). Under previous order of the House, the gentleman from South Carolina [Mr. BRYSON] is recognized for 15 minutes.

FURMAN UNIVERSITY CELEBRATES ITS ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY

Mr. BRYSON. Mr. Speaker, it is with a deep sense of appreciation that I am privileged to salute Furman University of Greenville, S. C., on the occasion of its one hundred and twenty-fifth anniversary. My appreciation stems principally from the fact that both my wife and I are alumni of this great school and owe much to it as a source of inspiration and knowledge. But I also have a feeling of pride in the contribution Furman is making to the cultural heritage of our Nation.

From its earliest days, Furman has been an alive and growing institution. It had its beginnings in the desire of South Carolina Baptist leaders to create an educational center for the training of Baptist ministerial students. The learned and devout head of this movement was Dr. Richard C. Furman, the great Baptist minister for whom the university is named. Under his guidance the first general organization of Baptists in the United States was established. As president of this organization he set forth his views on the necessity of an educated ministry. In 1821, he led in the organization of the South Carolina Baptist State Convention, which had the advancement of education as one of its primary objectives. In spite of obstacles and opposition, the convention soon conceived a plan for the establishment of a theological institution. It was 1826, however, before Furman Academy and Theological Institution opened its doors to its first students. Dr. Furman died in 1825, without seeing the full realization of his dream, but the work he sought to achieve still lives today in Furman University.

The early days of Furman Academy were days of wandering. The institution opened at Edgefield, S. C. After a short period it was moved to the High Hills of the Santee and then to Winnsboro in Fairfield County. In 1844 the faculty of the school was augmented by the addition of Dr. James C. Furman as senior professor. Dr. James Furman brought with him to his post the wisdom and foresight gained from his illustrious father. Through his encouraging influence, interest grew in the idea that South Carolina Baptists should concern themselves with the higher education of young laymen as well as of ministers. In June 1850 the State Baptist Convention went on record as favoring this proposal. It directed that plans for the establishment of the new school should be carried out as soon as the sum of $70,000 had been contributed for the purpose.

The enthusiastic response which greeted the new plan caused the trustees to authorize the sale of land and buildings at Winnsboro in December 1850. In February 1851 the school opened its doors in Greenville, the beautiful mountain town which had been selected as its new site.

From 1851 to 1951 the story of Furman University has been one of continuous growth and progress. According to the first catalog published in 1852, the University consisted of three departments in its beginning days. These were the academic, the collegiate, and the theological departments. During the first year of its existence the university had 68 students and 4 faculty members.

In 1951 student enrollment totals approximately 1,200, with a faculty of about 100 professors and instructors. Two hundred and forty-eight graduates were given degrees this year. Courses are offered leading to the degrees of bachelor of arts, bachelor of science, bachelor of arts in music and master of arts. For purposes of guidance and concentration, the departments of instruction are grouped into three general fields—the humanities, the social sciences, and mathematics and the natural sciences.

A recitation of these comparisons gives only a small indication, however, of the tremendous strides Furman has made to become one of the leading liberal arts colleges in the South. Through the years it has had the consistently inspired leadership of foremost educators such as Presidents James C. Furman, Charles Manly, Andrew P. Montague, Edwin M. Poteat, William J. McGlothlin, Jennette E. Geer, and John L. Plyler, four of whom I have known personally. Each of these gentlemen contributed be-

yond the ordinary to the development of Furman.

In addition to these distinguished presidents, we would not forget that many capable, devoted, and conscientious professors at whose feet we were privileged to sit.

Even before he became President, Dr. Bennette E. Geer aided Furman's financial cause through his friendship with the late James B. Duke. In 1924, Dr. Geer was made a trustee of the $40,000,000 Duke Endowment Fund and was directly responsible for the grant to Furman of five percent of the annual income from this amount.

Another one of the milestones in Furman's history was accomplished during the administration of Dr. Geer. This event was the coordination of Furman with Greenville Woman's College. The Woman's College has a history of its own, dating back to 1819 and the establishment of a female academy on the present campus site.

The acadamy became the Greenville Baptist Female College in 1854 when the Baptists of the State obtained the school. From that time until 1908 a relationship with Furman University existed through the fact that the two schools were governed by the same board of trustees. This contact was broken in 1908, however, and was not resumed until 1933 when a mutual betterment of the two schools was accomplished by the combination of programs and facilities.

It is interesting to note that after 125 years the name of Furman is still intimately connected with the operation of the school. Alester G. Furman, Jr. of Greenville is the present chairman of the Board of Trustees and his father, Alester G. Furman, is an honorary member of the Board.

The present head of Furman University is Dr. John L. Plyler, an alumnus of the school and a native of South Carolina. He assumed office in 1939, after having served as dean of Furman Law School and as judge of the Greenville County Court. Under his administration the University has paid off an indebtedness of $250,000 and has increased the value of its endowment, land, plant, and equipment from $2,000,000 to more than $5,000,000.

Under his leadership, also, the university is currently visualizing the greatest expansion in its long lifetime of service to the Nation. Recently, after a careful study of present facilities and future needs, the board of trustees concluded that limitations on the campus and buildings of Furman made their continued use impractical.

It was found that the growth of the city of Greenville had kept pace with the growth of Furman University. Greenville's business district now surrounds both the men's campus and the women's college grounds. Neither is large enough for expansion and the mile-length of Main Street which separates them prevents any consolidation.

The board of trustees recommended, therefore, that a new campus site be purchased and developed. Accordingly, in the fall of 1950, the university acquired some 900 acres of land at a spot about 5 miles from the business section of Greenville. Here it hopes eventually to construct an educational center adequate to its needs.

Thus, Furman has grown from a small school with only a handful of students to a great institution, sending out into the world each year several hundred young men and women, destined to serve in all walks of life. Originally, Furman was designed to provide an educated Baptist ministry. It has, even to the present day, contributed richly to this field. Many of the leading Baptist ministers throughout the world, including the present president of the Southern Baptist Convention, Dr. R. G. Lee, are graduates of Furman. Leaders in the professional, religious, commercial, and educational world receive their basic education at Furman. In the education of young laymen, the university has defined its objectives as "to offer under distinctly Christian influences an opportunity for the realization of personal values and the achievement of social competence."

Its goal is to graduate students who have acquired:

First. A philosophy of life which will afford them stability through varied experiences.

Second. A poise which will enable them to meet personal situations with confidence and a social point of view which will give them a sense of community responsibility.

Third. An effective understanding of the ways in which they can contribute to their own physical well-being.

Fourth. A professional interest which will lead to economic independence.

Fifth. A growing knowledge and appreciation of art, literature, and sciences.

Distinctly Christian influences are too often neglected in the educational institutions of our Nation. If we study the history of the higher educational system in the United States, we discover that the majority of our early colleges were church-established and church-operated. As the years have progressed, the percentage of church-related colleges in the United States has steadily diminished. Partially as the result of the decrease of church influence, we have seen some serious moral lapses on the part of our young people.

It is encouraging, in view of these facts, to know that universities like Furman exist to teach the Christian philosophy of life to our young people. Although it is a Baptist school, Furman University encourages other denominational organizations on its campus. It has a Canterbury Club for Episcopal students, a Wesley Foundation Club for Methodist students, and a Westminister Fellowship for Presbyterian students. The university aids these groups by sponsoring annually a religious emphasis week during which Christian leaders speak in daily services. Furman University is known as the mother institution of our great Southern Baptist Theological Seminary in Louisville, Ky.

More important than the above organizations, however, is the constant atmosphere of a Christian life which Furman provides for its students. Through its Christian faculty and Christian ideals, Furman teaches a way of life which will enable each of its young people to know how to live while earning his living. In this the university is performing a function which is essential to the continued freedom and greatness of the United States.

In a place such as this university, Christian principles are taught more effectively than in the larger universities. It is in a place such as this that the finer ideals of Christianity are being exemplified and students are being trained to let these principles guide them in all their actions. A place like this allows men and women to get a finer perception of what service can mean.

You have no doubt been told of the rewards of service. Rewards which mean not just the amassing of wealth, but the development of the whole human personality—a personality which is developed by the exercise of the hand, of the head, and of the heart.

The Fourth South Carolina Congressional District is the smallest one in area in our State, but one of the largest in population. We are known principally for our highly developed industries, mainly textiles. It should not be forgotten, however, that we are also proud to be the home of many outstanding institutions of higher learning, among the greatest of which is Furman. I am pleased to salute Furman University on this significant anniversary.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. SMITH] is recognized for 5 minutes.

STEALING AT YALTA

Mr. SMITH of Wisconsin. Mr. Speaker, I would like to e title my brief remarks "Stealing at Yalta."

There is an old Biblical passage which says: "Be sure your sins will find you out."

The Washington Post this morning has a most unusual editorial, entitled "Inquest on Yalta." It says, in part:

Another inquest on the monumental blunder at Yalta in February 1945 has yielded from the administration only a reaffirmation of the case for the agreements arrived at there. The agreements handed to Russia port and rail concessions in Manchuria within the sovereignty of China. The American case for the transfer of somebody else's property is based, to quote Secretary Acheson, on "the then military opinion, concurred in by everyone, that the reduction of Japan would have to be brought about by a large-scale landing on the islands of Japan," and, therefore, Russian entry into the Pacific war had to be bought.

The editorial goes on to say:

The fact is, as has been so often stated, that Navy opinion was not concurrent.

It was not in agreement with that position.

Another part of the editorial asks this question:

What was wrong with the Yalta deal?

Then the editorial enumerates two answers to that question. The first is:

That to give away somebody else's property—in this case, the Japanese port and rail concessions in Chinese Manchuria—is just as bad as stealing it oneself. The justification is given that the Russians would have taken the concessions, anyway. This is an excuse

that did not hold water. It is just like saying that if one sees that a man's watch is going to be filched, then it is all right to take it oneself and give it to the thief. Nor is there any justification in the fact—and, despite the Chinese lobby, it is a fact—that the Nationalist Government, so far from resenting the sell-out, welcomed the arrangement—when the Chinese were later told about it—as a stabilizer of its relations with the Soviet Union.

Then this editorial concludes with this sentence:

The administration would be better advised to quit the strained effort to save its predecessor's face, and now that the water is over the dam, to apply the lessons of Yalta in relations with Japan.

On the 14th day of May 1951, I offered House Concurrent Resolution 102, which has as its objective the repudiation of the agreements at Yalta and Potsdam.

At this point, Mr. Speaker, I ask unanimous consent to insert the editorial from this morning's Washington Post and also the resolution which I have introduced.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

(The matter referred to follows:)

INQUEST ON YALTA

Another inquest on the monumental blunder of Yalta in February 1945, has yielded from the administration only a reaffirmation of the case for the agreements arrived at there. The agreements handed to Russia port and rail concessions in Manchuria within the sovereignty of China. The American case for the transfer of somebody else's property is based, to quote Secretary Acheson, on "the then military opinion, concurred in by everyone, that the reduction of Japan would have to be brought about by a large-scale landing on the islands of Japan," and, therefore, Russian entry into the Pacific war had to be bought.

The fact is, as has been so often stated, that Navy opinion was not concurrent. On the spot, and in the main here, it was confident that Japan was virtually through at the time of the Yalta conference. Navy men thus were against the post-VE redeployment of our forces in Europe for another amphibious assault in the Pacific. Having Japan in a stranglehold by means of their blockade—a blockade hammered home by fierce and continuous air bombardment—they felt that surrender could be accomplished by attrition, backed by the psychological warfare launched by the Navy's Admiral Zacharias. They had to bow, however, to the Army's estimate of the situation, which, formulated for the preceding Quebec conference, was that Japan could keep on fighting for 18 months after VE-day. It was this estimate and nothing more that induced the men of Yalta to buy a Russian denunciation of the neutrality agreement with Japan and then to become one of the allies against Japan.

What, apart from military misjudgment and the mistake, anyway, of courting Russian intervention in the Far East, was wrong with the Yalta deal? Two things:

1. That to give away somebody else's property—in this case, the Japanese port and rail concessions in Chinese Manchuria—is just as bad as stealing it oneself. The justification is given that the Russians would have taken the concessions, anyway. This is an excuse that doesn't hold water. It is just like saying that if one sees that a man's watch is going to be filched, then it is all right to take it oneself and give it to the thief. Nor is there any justification in the fact—and, despite the Chinese lobby, it is a fact—that the Nationalist Government, so far from resenting the sell-out, welcomed the arrangement—when the Chinese were later told about it—as a stabilizer of its relations with the Soviet Union.

2. The deal at Yalta killed at birth the only possible foreign policy for postwar America toward Asia. That was to recognize that the age of imperialism was dead, and to lead Asia by peaceful means out of colonialism. The Manchurian concessions—the seedbed of four wars—were Russian spoils obtained from China in the nineties which Japan got by the 1904–5 war with Russia, only to have the British and Americans return them to Russia at Yalta.

No; there is no case for Yalta, and the agreements should have been denounced at the first sign that the Russians weren't living up to them, as, for example, when they impeded free entry into the free port of Dairen. The administration would be better advised to quit the strained effort to save its predecessor's face, and, now that the water is over the dam, to apply the lessons of Yalta in relations with Japan.

House Concurrent Resolution 102

Whereas the private agreements concluded in 1945 at Yalta and Potsdam were based on a complete disregard for the strategic interests of the United States and the free world, and represent a denial of the free and democratic ideals, as expressed in the North Atlantic Charter, which have always been cherished by the American people and for which millions fought World War II; and

Whereas, specifically, the Yalta agreement sanctioned Soviet domination of Eastern Europe and of east Asia, the betrayal of Poland and the mutilation of its natural boundaries, the transfer of the national allegiance of millions of persons without plebiscite or other recognition of their rights to self-determination, and the uprooting of other millions of persons; and

Whereas, specifically, the Potsdam agreement sanctioned the betrayal of China, granting the Soviets a preferred position in Manchuria, the richest and most industrialized area of China, a position which was promptly used as the assembly point and main military base for the Communist conquest of China; and

Whereas the Potsdam agreement, in addition to promising the Soviet Government other vast and invaluable territorial concessions, authorized the dismemberment of Germany and the use of Germans as slave labor by the Soviets, and promised the Soviet Government that the United States would return Soviet political and other refugees for repatriation; that is, for concentration camps or death; and

Whereas the Potsdam agreement provided for the expulsion and transfer of millions of Germans of German ethnic origin from Eastern Europe, Central Europe, and the Balkans to Germany where they have deterred economic and political recovery in Western Germany and have thereby endangered the peace of all Europe; and

Whereas the Soviet Government has consistently disregarded the provisions of the Yalta and Potsdam agreements which it has found inconvenient to honor, including the provision for free and unfettered elections in Poland and the provisions for treating Germany as an economic unit and for encouraging free political parties in Germany; and

Whereas, although the Yalta and Potsdam agreements are the closest approach to a peace settlement for World War II existing today, and although these two agreements, by their inexpedient provisions, have cost the United States untold billions for defense, occupation costs, and foreign economic support, and have led the free world to the brink of another global war, these agreements were made in secrecy and without congressional participation, approval, or ratification: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress of the United States that the private agreements concluded in 1945 at Yalta and Potsdam should be forthwith repudiated by the United States.

Mr. KERSTEN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. KERSTEN of Wisconsin. I think the gentleman from Wisconsin has eloquently pointed out some of our disastrous policy at the time referred to. I wonder if in his study of this question he has also in mind the fact that for several months before the Russians came into Japan the Japanese Government, in several different ways, was trying to get peace discussions started, trying to actually make peace, and whether or not that fact was not known to our State Department?

Mr. SMITH of Wisconsin. I understand that it was; as a matter of fact, I understand that peace overtures were made as early as the latter part of 1943.

Mr. KERSTEN of Wisconsin. One of the efforts was made through the Vatican, and for that reason it was not listened to at all. Does the gentleman know about that?

Mr. SMITH of Wisconsin. I am not familiar with that.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. WILSON of Texas asked and was given permission to extend his remarks and include two editorials.

Mr. VAN ZANDT asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. SMITH of Mississippi asked and was given permission to extend his remarks in three instances.

Mr. GOODWIN asked and was given permission to extend his remarks in two instances and include in each an editorial.

Mr. HAND asked and was given permission to extend his remarks and include extraneous matter.

Mr. O'NEILL asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. HELLER asked and was given permission to extend his remarks in five instances and include extraneous matter.

Mr. ENGLE asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. BARTLETT asked and was given permission to extend his remarks and include a statement by Commissioner FERNÓS-ISERN.

Mr. PASSMAN asked and was given permission to extend his remarks in two instances and include a resolution from the Chamber of Commerce of Monroe, La.

Mr. MACHROWICZ asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. CURTIS of Missouri asked and was given permission to revise and extend his remarks.

Mr. SITTLER asked and was given permission to extend his remarks and include two editorials and a letter.

Mr. REAMS asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. YORTY asked and was given permission to extend his remarks and include extraneous matter.

Mr. GARY asked and was given permission to extend his remarks and include an address given at the restored Colonial Capitol at Williamsburg, Va., on May 15, 1917, by Dr. Samuel Eliot Morison, of Harvard University, at the ceremonies marking the one hundred and seventy-fifth anniversary of the Virginia resolution for American independence.

Mr. DELANEY asked and was given permission to extend his remarks and include an address by Hon. James J. Farley.

Mr. RIEHLMAN asked and was given permission to extend his remarks and include an editorial.

Mr. WOLVERTON asked and was given permission to extend his remarks and to include a newspaper article.

Mr. GATHINGS asked and was given permission to extend his remarks.

Mr. LEONARD W. HALL (at the request of Mr. MARTIN of Masachusetts) was given permission to extend his remarks and include a newspaper editorial.

Mr. PATTERSON asked and was given permission to extend his remarks and include an editorial.

Mr. MULTER asked and was given permission to extend his remarks and include extraneous matter.

Mr. BOYKIN (at the request of Mr. RIVERS) was given permission to extend his remarks in two instances.

Mr. JARMAN asked and was given permission to extend his remarks and include extraneous matter.

Mr. WALTER asked and was given permission to extend his remarks and include an address delivered by Mr. FLOOD at the commencement exercises at King's College.

Mr. PRICE asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. NORRELL asked and was given permission to extend his remarks and include extraneous matter.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks and include extraneous matter.

Mr. FOGARTY asked and was given permission to extend his remarks and include a speech made by him recently in Rhode Island, and also to include a speech delivered by a graduate of St. Xavier's Academy.

Mr. PHILBIN asked and was given permission to extend his remarks in two instances.

Mr. JACKSON of California asked and was given permission to extend his remarks and include an editorial.

Mr. JENISON asked and was given permission to extend his remarks and include an editorial.

Mr. REES of Kansas asked and was given permission to extend his remarks and include extraneous matter.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks and include an article.

Mr. KERSTEN of Wisconsin asked and was given permission to extend his remarks and to include extraneous matter.

Mr. McDONOUGH asked and was given permission to extend his remarks in three instances and to include extraneous matter.

Mr. RODINO asked and was given permission to extend his remarks and include extraneous matter.

Mr. CHATHAM. Mr. Speaker, I ask unanimous consent to insert in the Appendix of the RECORD an editorial from the Charlotte (N. C.) News of the 23d of May on the subject of the voting record of our distinguished colleague from North Carolina, the Honorable HAMILTON JONES.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Messrs. GARY, SIKES, COUDERT, COTTON, ROONEY, and WIGGLESWORTH (at the request of Mr. CANNON), for the period beginning June 8 to June 20, on account of official business while attending meetings in Europe to study the state of the collective defenses under the North Atlantic Treaty and the economic situation there.

To Messrs. RICHARDS, GORDON, MANSFIELD, BATTLE, CHIPERFIELD, SMITH of Wisconsin, JUDD, and HERTER (at the request of Mr. RICHARDS), for the period beginning June 8 to June 20, on account of attending meetings in Europe to study the state of the collective defenses under the North Atlantic Treaty and the economic situation there.

To Mr. FUGATE (at the request of Mr. ABBITT), for Thursday and Friday, June 7 and 8, 1951, on account of business.

To Mr. COLE of New York, for 2 weeks, on account of official business.

To Mr. SHORT, for 10 days, on account of official business.

To Mr. REED of Illinois and Mr. GOODWIN (at the request of Mr. MARTIN of Massachusetts), for 10 days, on account of official business.

To Mr. PRESTON, for an indefinite period, on account of attending UNESCO conference.

To Mr. LIND, for June 11, 12, and 13, on account of official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 75. An act authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes; to the Committee on Interior and Insular Affairs.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 1. An act to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes;

S. 52. An act for the relief of Delfo Giorgi;

S. 53. An act for the relief of Vittorio Quilici;

S. 155. An act for the relief of Victor G. Lutfalla;

S. 223. An act for the relief of Azy Ajderian;

S. 276. An act for the relief of Dr. Alexander V. Papanicolau and his wife, Emilia;

S. 277. An act for the relief of Lily Pfannenschmidt;

S. 291. An act for the relief of Claudio Pier Connelly;

S. 297. An act for the relief of Tsung Hsien Hsu;

S. 348. An act for the relief of Jacoba van Dorp;

S. 356. An act for the relief of Edith Winifred Henderson;

S. 363. An act for the relief of Irmgard Kohler;

S. 463. An act for the relief of Alice de Bony de Lavergne;

S. 548. An act for the relief of Freidoun Jalayer; and

S. 1092. An act for the relief of Dr. Francesco Drago.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes p. m.) the House, under its previous order, adjourned until Monday, June 11, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

505. A letter from the Assistant Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to remove certain limitations on number of aircraft, units, and organizations which may be maintained and operated by the Air Force of the United States, and for other purposes"; to the Committee on Armed Services.

506. A letter from the Chairman, Legislative Assembly of the Virgin Islands, transmitting a copy of a resolution which was adopted by the legislative assembly, relative to transferring the management and operation of the agricultural experimental stations of the Virgin Islands from the jurisdiction of the Department of the Interior to the Department of Agriculture; to the Committee on Interior and Insular Affairs.

507. A letter from the Clerk of the House of Representatives, transmitting a communication from the contestant in the contested election case of Raymond W. Karst versus Thomas B. Curtis for a seat in the Eighty-second Congress from the Twelfth Congressional District of Missouri, and a statement including a motion to dismiss his intention to contest the seat of the returned Member in the said district (H. Doc. No. 160); to the Committee on House Administration, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RIVERS: Committee on Armed Services. H. R. 4200. A bill to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes; without amendment (Rept.

No. 542). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 3716. A bill to authorize an exchange of lands in Pueblo County, Colo.; without amendment (Rept. No. 543). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUFFET:

H. R. 4364. A bill to repeal the provisions of the Internal Revenue Code which relate to the withholding of income tax at source on wages; to the Committee on Ways and Means.

By Mr. CURTIS of Missouri:

H. R. 4365. A bill to prohibit contracts and agreements prescribing minimum prices for the resale of commodities in trade or commerce among the several States, or with foreign nations; to the Committee on the Judiciary.

By Mr. ADDONIZIO:

H. R. 4366. A bill to establish a National Citizens Advisory Board on Radio and Television; to the Committee on Interstate and Foreign Commerce.

By Mr. DOYLE:

H. R. 4367. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. EDWIN ARTHUR HALL:

H. R. 4368. A bill to enable all Americans to purchase automobiles by eliminating down payments of more than $1; to the Committee on Banking and Currency.

By Mr. HARDY:

H. R. 4369. A bill to authorize the sale of a certain site owned by the United States in Norfolk, Va.; to the Committee on Expenditures in the Executive Departments.

By Mr. HOLIFIELD:

H. R. 4370. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. KEOGH:

H. R. 4371. A bill to permit the postponement of income tax with respect to a portion of earned net income paid to a restricted retirement fund; to the Committee on Ways and Means.

By Mr. MILLER of Nebraska:

H. R. 4372. A bill to provide for the fluorination of the water supply of the District of Columbia; to the Committee on the District of Columbia.

By Mr. REED of New York:

H. R. 4373. A bill to permit the postponement of income tax with respect to a portion of earned net income paid to a restricted retirement fund; to the Committee on Ways and Means.

By Mr. HELLER:

H. R. 4374. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. STAGGERS:

H. J. Res. 265. Joint resolution authorizing the commissioner of Public Roads to designate a transcontinental highway system to be known as the Crozet Superhighway; to the Committee on Public Works.

By Mr. BRAY:

H. J. Res. 266. Joint resolution designating the 9th day of June of each year as Clara Barton Day; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. Con. Res. 119. Concurrent resolution expressing the hopes of the American people for the early liberation of the Hungarian people from their present enslavement and for the early restoration of their basic human rights and freedoms; to the Committee on Foreign Affairs.

H. Con. Res. 120. Concurrent resolution expressing the hopes of the American people for the early liberation of the Polish people from their present enslavement and for the early restoration of their basic human rights and freedoms; to the Committee on Foreign Affairs.

H Con.Res. 121. Concurrent resolution expressing the hopes of the American people for the early liberation of the Bulgarian people from their present enslavement and for the early restoration of their basic human rights and freedoms; to the Committee on Foreign Affairs.

By Mr. ENGLE:

H. Res. 248. Resolution creating a select committee to conduct an investigation and study of all lobbying activities intended to influence, encourage, promote, or retard legislation and/or the formulation and execution of foreign policy affecting China and the Far East; to the Committee on Rules.

By Mr. PHILBIN:

H. Res. 249. Resolution for the relief of the estate of Ovila P. Gaucher; to the Committee on House Administration.

By Mr. ADDONIZIO:

H. Res. 250. Resolution to investigate television programing trends and policies with respect to public service and educational programs; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, relative to tariffs on wine; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H. R. 4375. A bill for the relief of August Kiehnlein and Mary Kiehnlein; to the Committee on the Judiciary.

By Mr. BATES of Kentucky:

H. R. 4376. A bill for the relief of Stanley Patterson; to the Committee on the Judiciary.

By Mr. BOLLING:

H. R. 4377. A bill to pay an annuity to Richard W. Goodhart; to the Committee on Post Office and Civil Service.

By Mr. DAVIS of Wisconsin:

H. R. 4378. A bill for the relief of Sister Odilia, also known as Maria Hutter; to the Committee on the Judiciary.

By Mr. DONDERO:

H. R. 4379. A bill for the relief of Dr. Louis J. Sebille; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 4380. A bill for the relief of Paul Nelson; to the Committee on the Judiciary.

By Mr. GILLETTE:

H. R. 4381. A bill for the relief of Antonio Parascandolo; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 4382. A bill for the relief of Betty Fah and Lilly Fah; to the Committee on the Judiciary.

By Mr. HUNTER:

H. R. 4383. A bill for the relief of Santiago Juanche-Oroz; to the Committee on the Judiciary.

By Mr. JACKSON of California:

H. R. 4384. A bill for the relief of Robert J. Needham, deceased; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H. R. 4385. A bill for the relief of Jack Kamal Samhat; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

309. By Mr. CANFIELD: Resolution adopted by the Central of Polish Organizations of Passaic, N. J., petitioning our Government, through its own leadership and in the name of the United Nations, to prevent the extinction of religious freedom in Poland and other Soviet dominated lands; to the Committee on Foreign Affairs.

310. By Mr. FORAND: Resolution adopted by the United Veterans Council of Rhode Island, petitioning the United States Government, through its Rhode Island Senators and Representatives, to institute a complete investigation of the veterans' housing situation in Rhode Island; to the Committee on Banking and Currency.

SENATE

FRIDAY, JUNE 8, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, who art sifting out the souls of men before Thy judgment seat: Strengthen us, we pray Thee, for the high enterprise of building a more decent world where Thy children may dwell in plenty and fraternity and liberty. In the unknown days of peril and of challenge which loom ahead, give us spirits that are calm and confident, wise and just in the protecting shadow of Thy unfailing love. Though the road to peace in our time be tedious and toilsome, calling for blood and sweat and tears, still lead us on, following the gleam of Thy guidance with clean hands and pure hearts, worthy of the trust the Nation has committed to our hands. We ask it in the name of that One who is our refuge and our strength. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 7, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House insisted upon its amendments to the concurrent resolution (S. Con. Res. 11) reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RIBICOFF, Mr. CHATHAM, Mr. HAYS of Arkansas, Mr. VORYS, and Mrs. BOLTON were

appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 4329) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1952, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1. An act to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes;

S. 52. An act for the relief of Delfo Giorgi;

S. 53. An act for the relief of Vittorio Quilici;

S. 155. An act for the relief of Victor G. Lutfalla;

S. 223. An act for the relief of Azy Ajderian;

S. 276. An act for the relief of Dr. Alexander V. Papanicolau and his wife, Emilia;

S. 277. An act for the relief of Lily Pfannenschmidt;

S. 291. An act for the relief of Claudio Pier Connelly;

S. 297. An act for the relief of Tsung Hsien Hsu;

S. 348. An act for the relief of Jacoba van Dorp;

S. 356. An act for the relief of Edith Winifred Henderson;

S. 363. An act for the relief of Irmgard Kohler;

S. 463. An act for the relief of Alice de Bony de Lavergne;

S. 548. An act for the relief of Freidoun Jalayer; and

S. 1092. An act for the relief of Dr. Francesco Drago.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. KEM was excused from attendance on the sessions of the Senate during next week.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. O'CONOR, and by unanimous consent, the Committees on Armed Services and Foreign Relations, sitting jointly, were authorized to meet this afternoon during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to transact routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATIONS, DISTRICT OF COLUMBIA (S. DOC. NO. 43)

A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1952, involving an increase of $73,500, for the District of Columbia, in the form of amendments to the budget for said fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

COST ASCERTAINMENT REPORT, POST OFFICE DEPARTMENT

A letter from the Postmaster General, transmitting, pursuant to law, the Cost Ascertainment Report of the Post Office Department, for the year 1950, with an appendix (with an accompanying report); to the Committee on Post Office and Civil Service.

RESOLUTIONS ADOPTED BY LEGISLATURE OF HAWAII

A letter from the Secretary of the Interior, transmitting, pursuant to law, copies of joint resolutions adopted by the Legislature of Hawaii, 1951 (with accompanying papers); to the Committee on Interior and Insular Affairs.

PUBLICATIONS ENTITLED "FPC REPORTS, VOLUME 7" AND "ELECTRIC UTILITY COST UNITS, TRANSMISSION PLANT"

A letter from the Chairman of the Federal Power Commission, transmitting copies of publications entitled "FPC Reports, Volume 7," and "Electric Utility Cost Units, Transmission Plant" (with accompanying documents); to the Committee on Interstate and Foreign Commerce.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Post Office and Civil Service:

"House Concurrent Resolution 59

"Concurrent resolution memorializing the Congress of the United States to enact legislation sponsored by Representative JOHN LESINSKI providing for a special postage stamp in recognition of the two hundred and fiftieth birthday observance of the city of Detroit

"Whereas Representative LESINSKI has introduced into the Congress of the United States a bill providing for a special postage stamp in recognition of the two hundred and fiftieth birthday observance of the city of Detroit; and

"Whereas since Detroit dates its history from June 24, 1701, when Antoine de la Mothe and his party arrived there, and the legislation sponsored by Representative JOHN LESINSKI would provide a special postage stamp commemorating that event: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the members of the Michigan Legislature urge the Congress of the United States to enact into law the bill introduced by Representative JOHN LESINSKI authorizing a special postage stamp commemorating the founding of the city of Detroit and in recognition of the observance of its two hundred and fiftieth birthday; and be it further

"Resolved, That a copy of this resolution be transmitted to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of Congress, to the Michigan Members in the Senate and House of Representatives of Congress, and to the members of the Detroit Common Council and mayor of the city of Detroit.

"Adopted by the house May 4, 1951.

"Adopted by the senate May 23, 1951.

"NORMAN E. PHILLEO,
"Clerk of the House of Representatives.
"FRED I. CHASE,
"Secretary of the Senate."

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"Assembly Joint Resolution 35

"Joint resolution relative to tariffs on wine

"Whereas decreased tariffs upon wine imports provided for in 1948 and 1949 have already adversely affected the domestic wine industry; and

"Whereas the industry finds it difficult to compete with foreign wines from the standpoint of price, irrespective of tariffs, since such foreign wines are produced by cheap labor and benefit from low transportation rates; and

"Whereas the industry furnishes much revenue to the Nation through taxes, making it in the public interest to keep the industry active and solvent; and

"Whereas the Congress of the United States has before it for consideration H. R. 1612 which, in the form approved by the Senate Finance Committee, contains provisions to strengthen procedures by which tariff protection can be restored for American industries which have been damaged by loss of markets resulting from past tariff reductions: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Congress of the United States is respectfully memorialized to prevent further lowering of the tariffs upon foreign wines and to provide, by legislation, means whereby adequate tariff protection can be restored for the wines of the United States; and be it further

"Resolved, That the Congress of the United States be memorialized to enact H. R. 1612 in the form approved by the Senate Finance Committee; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution adopted by the Sixteenth Legislative Assembly of the Virgin Islands; to the Committee on Interior and Insular Affairs:

"RESOLUTION OF THE SIXTEENTH LEGISLATIVE ASSEMBLY OF THE VIRGIN ISLANDS OF THE UNITED STATES, FIRST SESSION 1951, PETITIONING THE PRESIDENT AND CONGRESS OF THE UNITED STATES TO TRANSFER THE MANAGEMENT AND OPERATION OF THE AGRICULTURAL EXPERIMENT STATIONS OF THE VIRGIN ISLANDS FROM THE JURISDICTION OF THE DEPARTMENT OF THE INTERIOR TO THE JURISDICTION OF THE DEPARTMENT OF AGRICULTURE

"Whereas several authorities conversant with public affairs in the Virgin Islands, including officials of the Department of the Interior and the Department of Agriculture of the United States Government, and all authorities in the Virgin Islands who have studied the matter, agree that it would be

more beneficial to the people of the Virgin Islands to transfer the management and operation of the experiment stations in the Virgin Islands from the jurisdiction of the United States Department of the Interior to that of the United States Department of Agriculture; and

"Whereas the main reason advanced by the advocates of this change is that the agricultural experiment stations in the Virgin Islands are engaged primarily in functions of an agricultural nature and the United States Department of Agriculture is equipped to give the necessary aid in personnel, equipment, and technical assistance for the promotion of these functions whereas the United States Department of the Interior is not; and

"Whereas the Senate of the United States, realizing the wisdom of this change, adopted a bill introduced in that body during 1950, to effectuate the transfer, but the measure has so far failed to receive the approval of the House of Representatives; and

"Whereas the people of the Virgin Islands are keenly aware of the urgent need for this transfer of jurisdiction and are strongly urging that action be taken so that the experiment stations in the Virgin Islands, and particularly the station established in the predominantly agricultural island of St. Croix, may be in a position to better administer to the agricultural needs of the islands and thereby in one more respect assist in bolstering the economy and self-dependence of the people of the Virgin Islands: Be it

"Resolved and it is hereby resolved by the Legislative Assembly of the Virgin Islands in session assembled, That this body for and on behalf of the people of the Virgin Islands hereby petitions the President of the United States, and Congress of the United States to adopt and approve legislation which will effect the transfer of jurisdiction of the management and operation of the agricultural experiment stations of the Virgin Islands from the United States Department of the Interior to the United States Department of Agriculture at the earliest possible time; and be it further

"Resolved, and it is hereby further resolved, That this resolution be forwarded to His Excellency Harry S. Truman, President of the United States; the honorable the President of the Senate of the United States; the honorable the Speaker of the House of Representatives of the United States; the honorables the members of the Senate and House Committees on Agriculture; the honorable the Secretary of the Interior; the Secretary of Agriculture; the members of the Interior and Insular Affairs Committee of the Senate; the members of the Interior and Insular Affairs of the House of Representatives; and the honorable the Governor of the Virgin Islands.

"Thus passed by the Legislative Assembly of the Virgin Islands on Wednesday, May 9, 1951.

"Witness our hands and the seal of the Legislative Assembly of the Virgin Islands this 9th day of May A. D. 1951.

"ALVA C. MCFARLANE,
"Chairman.
"CYPRIAN A. GARDINE,
"Secretary."

A resolution adopted by the New York City Federation of Women's Clubs, New York, favoring an adequate appropriation for the expansion of personnel to guard ports of entry against illegal importation of narcotics; to the Committee on Finance.

A resolution adopted by the board of directors of the Baltimore (Md.) Association of Commerce, protesting against any further nationalization of the electric power business or other industry; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the board of directors of the Baltimore (Md.) Association of Commerce, favoring the enactment of Senate bill 719, to establish beyond doubt that, under the Robinson-Patman Act, it is a complete defense to a charge of price discrimination for the seller to show that its price differential has been made in good faith to meet the equally low price of a competitor; to the Committee on the Judiciary.

A resolution adopted by the Board of Supervisors of Suffolk County, N. Y., relating to the safety program of the Long Island Railroad; to the Committee on the Judiciary.

A resolution submitted by the Disabled American Veterans, Department of Georgia, Athens, Ga., to the thirty-first annual State convention of the Department of Georgia, Disabled American Veterans, protesting against any reduction in hospital or medical facilities for veterans; to the Committee on Labor and Public Welfare.

A resolution adopted by representatives of major national veterans' organizations, organized labor, municipal officials, private construction interests, and housing officials of New England, at Boston, Mass., relating to the construction of low-income dwellings; ordered to lie on the table.

REHABILITATION PROGRAM FOR DISABLED VETERANS, RESOLUTION OF CHAPTER NO. 16, DISABLED AMERICAN VETERANS, RUGBY, N. DAK.

Mr. LANGER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by Chapter No. 13, Disabled American Veterans, Rugby, N. Dak., relating to the rehabilitation program for disabled veterans.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Whereas there is at the present time a carefully organized and planned movement to destroy the rehabilitation program for America's disabled veterans; and

Whereas the Disabled American Veterans, chartered by Congress as the official voice of this Nation's wartime disabled veterans, urges all Americans to actively oppose this movement; and

Whereas, the Committee on Federal Tax Policy, a self-appointed group of citizens, and the report of the Joint Committee on Economic Reports, a congressional committee, made recommendations calling for the reduction in monetary benefits to disabled veterans and curtailment of medical care for disabled veterans; and

Whereas the Disabled American Veterans has repeatedly pointed out to the Congress that the American public wholeheartedly believe that the cost of rehabilitation of our disabled veterans is a part of the cost of war; and

Whereas our Nation's obligation is to our wartime disabled veterans, their widows, and their dependents.

Whereas in 1933 the infamous Economy Act of that year deprived disabled veterans, their widows, and their dependents, of rights and benefits, similar to this proposed today, that resulted in chaotic conditions for the war handicapped; and

Whereas the benefits received by America's wartime disabled veterans are for sacrifices made on the battlefields of the world upholding the security and integrity of the United States, although most of the benefits are inadequate and as a result of the sacrifices made by the men in uniform continues long past his accepted rehabilitation; and

Whereas the Disabled American Veterans has always stood for economy in Government and against waste and political corruption, but it also believes that there should never be economy at the expense of the disabled veteran who has already sacrificed more than his share: Therefore be it

Resolved by the Rugby Chapter, No. 16, of the Disabled American Veterans, That every effort be made by all disabled veterans, and every American, to defeat the recommendations of the various groups who would destroy this Nation's rehabilitation program for its disabled veterans, and to ask every Member of Congress to observe and study each measure recommended by these groups to make certain that disabled veterans, survivors of deceased veterans, will be protected.

Adopted this 1st day of June 1951, at the regular meeting of Chapter No. 16 at Rugby, N. Dak.

P. E. MCMAHON,
Chapter Commander.
EARL GRASSER,
Chapter Adjutant.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 8, 1951, he presented to the President of the United States the following enrolled bills:

S. 1. An act to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service, and for other purposes;

S. 52. An act for the relief of Delfo Giorgi;

S. 53. An act for the relief of Vittorio Quilici;

S. 155. An act for the relief of Victor G. Lutfalla;

S. 223. An act for the relief of Azy Ajderian;

S. 276. An act for the relief of Dr. Alexander V. Papanicolau and his wife, Emilia;

S. 277. An act for the relief of Lily Pfannenschmidt;

S. 291. An act for the relief of Claudio Pier Connelly;

S. 297. An act for the relief of Tsung Hsien Hsu;

S. 348. An act for the relief of Jacoba van Dorp;

S. 356. An act for the relief of Edith Winifred Henderson;

S. 363. An act for the relief of Irmgard Kohler;

S. 463. An act for the relief of Alice de Bony de Lavergne;

S. 548. An act for the relief of Freidoun Jalayer; and

S. 1092. An act for the relief of Dr. Francesco Drago.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WELKER:

S. 1609. A bill for the relief of V. A. Verhei; to the Committee on the Judiciary.

Mr. DUFF. Mr. President, on behalf of my colleague the senior Senator from Pennsylvania [Mr. MARTIN], who is ill, I introduce for appropriate reference four bills.

The VICE PRESIDENT. The bills will be received and appropriately referred.

By Mr. DUFF (for Mr. MARTIN):

S. 1610. A bill for the relief of George Papadopoulos;

S. 1611. A bill for the relief of Helen Panagiotis Stamoulis;

S. 1612. A bill for the relief of Eutimio R. Vitullo; and

S. 1613. A bill for the relief of Lian-Tong Wen; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1614. A bill for the relief of Ali Asaball, Somad Ali, Abdul Whab, Moklisur Rahman, Wasid Allie (also known as Ali Wasir), Khushad Ullah, Mifthu Jjman (also known as Firot Miah), Sunawor Ali, Abdur Rahim

(also known as Md. Abdur Rahim), and Asodor Ali;

S. 1615. A bill to provide for the establishment of a separate immigration quota for nationals of Pakistan;

S. 1616. A bill for the relief of Nosib Ali, Sunafor Ullah, Kalandor Meah, Akvar Ali (also known as Rumjan Meah), Abdul Korim, Rois Miah, Attar Ali, Abarath Ullah, Ali Asaball, and Somad Ali;

S. 1617. A bill for the relief of Bone Mia (also known as Abdul Goni);

S. 1618. A bill for the relief of Ishak Meah, Mer Ullah, Waris Miah, Moosa Khan, Said Miah, and Jonus Ali; and

S. 1619. A bill for the relief of Shamsu Miah, Basharat Ali, Tefegul Ali, Chanda Miah, Mohib Ali, Mohammed Sajjad, Darast Ullah, and Rosmod Ali; to the Committee on the Judiciary.

By Mr. CORDON:

S. 1620. A bill for the relief of Tory Lee Eakin; to the Committee on the Judiciary.

By Mr. McCLELLAN:

S. 1621. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to enter into lease-purchase agreements to provide for the lease to the United States of real property and structures for terms of more than 5 years but not in excess of 25 years and for acquisition of title to such properties and structures by the United States at or before the expiration of the lease terms, and for other purposes; to the Committee on Expenditures in the Executive Departments.

S. 1622. A bill to amend section 10 of the Flood Control Act of 1946; to the Committee on Public Works.

(See the remarks of Mr. McCLELLAN when he introduced the last above bill, which appear under a separate heading.)

By Mr. McCLELLAN (for himself, Mr. DWORSHAK, and Mr. HENNINGS):

S. 1623. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the decentralization of certain Government personnel, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. O'CONOR (for himself, Mr. KEFAUVER, Mr. HUNT, Mr. TOBEY, and Mr. WILEY):

S. 1624. A bill to prohibit the importing, transporting, and mailing of gambling materials; to prohibit the broadcasting of gambling information; to prohibit the transmission of bets or wagers by means of interstate communications; and to prohibit further the transportation of gambling devices in interstate commerce; to the Committee on Interstate and Foreign Commerce.

S. 1625. A bill to amend title 18, United States Code, chapter 79, to add a new section, 1623, to extend the law relating to perjury to the willful giving of contradictory statements under oath; to the Committee on the Judiciary.

(See the remarks of Mr. O'CONOR when he introduced the above bills, which appear under a separate heading.)

By Mr. LANGER:

S. 1626. A bill to prohibit the transportation in interstate or foreign commerce of horses or dogs for the purpose of participating in races where facilities for betting on such races are available and/or where money prizes are awarded to the winners and others participating therein; to the Committee on Interstate and Foreign Commerce.

S. 1627. A bill to require the keeping of certain records in connection with betting on horse and dog racing; to the Committee on Finance.

(See the remarks of Mr. LANGER when he introduced the above bills, which appear under separate headings.)

By Mr. ECTON:

S. 1628. A bill authorizing the Secretary of the Interior to issue a patent-in-fee to Louis W. Milliken; to the Committee on Interior and Insular Affairs.

By Mr. ELLENDER (by request):

S. 1629. A bill to amend the act of May 29, 1884, as amended, to permit the interstate movement, for immediate slaughter, of domestic animals which have reacted to a test for paratuberculosis or which, never having been vaccinated for brucellosis, have reacted to a test for brucellosis; and for other purposes;

S. 1630. A bill to amend the provision in the act of March 4, 1911 (36 Stat. 1235, 1253), authorizing the granting of easements for rights-of-way for electrical transmission, telephone, and telegraph lines and poles; and

S. 1631. A bill to repeal certain acts relating to cooperative agricultural extension work and to amend the Smith-Lever Act of May 8, 1914, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, Territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. WHERRY:

S. 1632. A bill to amend section 22 of the Agricultural Adjustment Act, as amended; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. WHERRY when he introduced the above bill, which appear under a separate heading.)

By Mr. BUTLER of Nebraska:

S. 1633. A bill to assure allocations for freight cars and locomotives; to the Committee on Banking and Currency.

By Mr. MAGNUSON:

S. 1634. A bill for the relief of Lawrence A. Woolhether; to the Committee on the Judiciary.

By Mr. KEM:

S. 1635. A bill for the relief of Dr. Cristjo Cristofv, his wife Jordana Dilova Cristofv and his children George and Daphne-Kremena Cristofv; to the Committee on the Judiciary.

By Mr. WATKINS:

S. 1636. A bill for the relief of Theodore Alexander Vlandy; and

S. 1637. A bill for the relief of Doreen Iris Neal; to the Committee on the Judiciary.

By Mr. FERGUSON:

S. 1638. A bill to amend the China Area Aid Act of 1950 to extend to selected citizens of Korea the educational aid provided certain citizens of China; to the Committee on Foreign Relations.

AMENDMENT OF FLOOD CONTROL ACT OF 1946

Mr. McCLELLAN. Mr. President, I introduce for appropriate reference a bill to amend section 10 of the Flood Control Act of 1946, and I ask unanimous consent that the bill, together with a statement by me explaining the bill be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 1622) to amend section 10 of the Flood Control Act of 1946, introduced by Mr. McCLELLAN, was read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That subparagraph (q) under the subtitle "Lower Mississippi River" in section 10 of the Flood Control Act of 1946 (Public Law 526, 79th Cong.) is hereby amended by inserting after the words "St. Francis River Basin" a comma and the words "the White River backwater area."

The statement presented by Mr. McCLELLAN is as follows:

STATEMENT BY SENATOR McCLELLAN

I am today introducing a bill to amend section 10 of the Flood Control Act of 1946.

The purpose of the bill is to amend subparagraph (q), section 10 of Public Law 526 of the Seventy-ninth Congress, by making the provisions of that act applicable to the White River backwater area.

This subparagraph (q) of section 10 of the Flood Control Act of 1946 now reads as follows:

"(q) Modification of the authorized project for the lower Mississippi River to provide that the local cooperation to be hereafter furnished for the works authorized in the St. Francis River Basin and the Yazoo River Basin shall consist of the requirement that responsible local interests agree to maintain levees in accordance with the provisions of section 3 of the act of May 15, 1928, where maintenance is required under existing law."

It is the intendment of the proposed bill to insert in the above subparagraph (q) immediately following the words "St. Francis River Basin" the following: "the White River backwater area."

In explanation of the intent and purpose to be accomplished by this proposed amendment, I wish to state that there are four principal backwater areas on the lower Mississippi River, namely, the Tensas-Cocodrie on the Red River of Louisiana, the Yazoo River of Mississippi, and the St. Francis River, and the White River, both of Arkansas.

The policy has been fixed, defined, and determined for the Tensas-Cocodrie of the Red River backwater area by subparagraph (c), section 3, Flood Control Act of August 18, 1941, and for the St. Francis and Yazoo Rivers by subparagraph (q) of the Flood Control Act of 1946, above quoted, but by oversight, mistake, or inadvertence no similar policy was fixed for the White River backwater area of Arkansas. Under the existing acts of Congress, the White River backwater areas has not been placed on an equal basis with the other three backwater areas, and it is contemplated by this proposed amendment to amend the existing laws so that all four of the backwater areas will be treated alike and the laws in reference thereto made uniform.

I feel that the omission of the White River backwater area from the provisions of the above subparagraph (q) must have been unintentional. There is and can be no justification for the omission which results in discrimination against the citizens of that area. The laws applicable to the other backwater areas should be made equally applicable to the White River backwater area and it is for the purpose of removing the inequality of the injustice resulting from the omission that I am asking that this bill be passed.

ORGANIZED CRIME IN INTERSTATE COMMERCE

Mr. O'CONOR. Mr. President, on behalf of myself, the Senator from Tennessee [Mr. KEFAUVER], the Senator from Wyoming [Mr. HUNT], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Wisconsin [Mr. WILEY], members of the Select Committee To Investigate Organized Crime in Interstate Commerce, I introduce two more bills which form part of the pattern of new legislation evolved by the committee to extend the powers of the Federal Government in its efforts to cope with the big-time gamblers and racketeers whose Nation-wide operations we have been studying. I ask unanimous consent that an explanatory statement

by me of the bills be printed in the RECORD.

The VICE PRESIDENT. The bills will be received and appropriately referred, and, without objection, the explanatory statement will be printed in the RECORD.

The bills introduced by Mr. O'CONOR (for himself and other Senators), were read twice by their titles, and referred as follows:

S. 1624. A bill to prohibit the importing, transporting, and mailing of gambling materials; to prohibit the broadcasting of gambling information; to prohibit the transmission of bets or wagers by means of interstate communications; and to prohibit further the transportation of gambling devices in interstate commerce; to the Committee on Interstate and Foreign Commerce.

S. 1625. A bill to amend title 18, United States Code, chapter 79, to add a new section, 1623, to extend the law relating to perjury to the willful giving of contradictory statements under oath; to the Committee on the Judiciary.

The explanatory statement by Mr. O'CONOR is as follows:

STATEMENT BY SENATOR O'CONOR

These bills are the seventh and eighth in this series, and bring the committee to approximately the half-way mark in its legislative program. Others are in the final stages of preparation, and will be forthcoming shortly.

Besides the interstate flow of gambling information, which has been effectively dealt with in Senate bills 1563 and 1564, introduced on behalf of the committee on May 29, professional gamblers and their organizations have another highly vulnerable spot. This is their heavy reliance on interstate communications facilities to transmit their bets. Many of them, from the largest operators to the cigar-store bookie, rely heavily on the telephone and the telegraph to place and receive bets, settle balances, and manipulate their positions through lay-offs and come-backs. If these channels are closed to them they will be deterred seriously in any interstate operations. That is the chief purpose of the first bill being introduced today. It adds a new section (sec. 1304) to the Criminal Code which would make it unlawful to transmit any bet or wager by telephone, telegraph, or radio.

The committee realizes that such a law might also be interpreted to reach any casual, personal user of the telephone or telegraph if he happens to make a bet in an interstate communication. This has given us much concern, but we are convinced that no less sweeping enactment would catch the professionals whose widespread operations we are trying to curb. I, therefore, wish, in commending this bill to the Senate, to state here in the RECORD in the strongest possible way that it is not our intention to loose a multitude of prosecutions upon private citizens who are innocent of professional gambling connections. It is our belief that this problem can be left, as it has been, and very satisfactorily, in the enactment of other similar laws, to the sound discretion of Federal prosecuting and enforcement officials.

In this same bill we also seek to tighten the present prohibitions on importing, shipping, and mailing lottery and other gambling materials, and added restrictions as to punchboards, roulette wheels, and other gambling devices. The present law against broadcasting lottery information or advertisements is extended to include other gambling enterprises. And certain loopholes that have appeared in the recent Slot Machine Act would be closed so that none of the ingenious substitutes for slot machines which the committee has discovered in its investigations will remain available to perpetuate the old large-scale slot-machine domains of certain gangsters and hoodlums.

This last amendment was, however, drawn with great care to avoid curbing the manufacture of amusement-type pinball machines, the kind that are to be found throughout the country, since these are not generally considered as gambling devices and have not been found to lend themselves to exploitation by criminal organizations. Similarly, it is felt by the committee that the so-called wheels of chance and other simple games which are characteristic of itinerant carnivals, and which are used in raising funds for a multitude of worthy causes, should not be outlawed at the Federal level, and the proposed new law leaves ample room for their exclusion from its prohibitions.

The second bill introduced today seeks to close a significant gap in the present law relating to perjury. At present when a witness makes two willfully contradictory statements under oath the Government, in order to obtain a perjury conviction, must sustain the unrealistic burden of proving which of the two contradictory statements is false. By the new provision, this burden is eliminated, and it will suffice for the Government to show merely that the statements are contradictory.

EXTENSION OF AUTHORITY FOR INVESTIGATION OF RELATIONSHIP OF UNITED STATES WITH THE INDIANS

Mr. O'MAHONEY submitted the following resolution (S. Res. 152), which was referred to the Committee on Interior and Insular Affairs:

Resolved, That the authority of the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, under Senate Resolution 292, Eighty-first Congress, agreed to July 13, 1950, and as extended by Senate Resolution 32, Eighty-second Congress, agreed to January 29, 1951 (to investigate the relations of the United States with the Indians and Indian tribes), is hereby continued through January 31, 1952.

EXTENSION OF AUTHORITY FOR INVESTIGATION OF FUEL RESERVES

Mr. O'MAHONEY submitted the following resolution (S. Res. 153), which was referred to the Committee on Interior and Insular Affairs:

Resolved, That the authority of the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, under Senate Resolution 239, Eighty-first Congress, agreed to August 15, 1950, and as extended by Senate Resolution 374, Eighty-first Congress, agreed to December 21, 1950, and further extended by Senate Resolution 33, Eighty-second Congress, agreed to January 29, 1951 (providing for a study and investigation of the fuel reserves and to formulate a fuel policy of the United States), is hereby continued through January 31, 1952.

EXTENSION OF TIME FOR CERTAIN INVESTIGATIONS BY COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. JOHNSON of Colorado submitted the following resolution (S. Res. 154), which was referred to the Committee on Interstate and Foreign Commerce:

Resolved, That the time within which the Committee on Interstate and Foreign Commerce may complete the investigation authorized by Senate Resolution 50, Eighty-first Congress, agreed to April 11, 1949, as continued by Senate Resolution 308, Eighty-first Congress, agreed to July 27, 1950, and Senate Resolution 55, Eighty-second Congress, agreed to February 19, 1951, hereby is extended to January 31, 1952.

LABOR-FEDERAL SECURITY APPROPRIATIONS—AMENDMENTS

Mr. FERGUSON (for himself and Mr. BRIDGES) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. DIRKSEN submitted amendments intended to be proposed by him to House bill 3709, supra, which were ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 4329) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1952, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MAYBANK, from the Committee on Banking and Currency:

Peter I. Bukowski, of Illinois, to be Deputy Administrator of the Reconstruction Finance Corporation; and

Robert I. Millonzi, of New York, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1952.

LABOR CONVENTIONS ADOPTED BY INTERNATIONAL LABOR CONFERENCE AT GENEVA

The VICE PRESIDENT. As in executive session, the Chair lays before the Senate Executive J, Eighty-second Congress, first session, a convention (No. 91) concerning vacation holidays with pay for seafarers (revised 1949), Executive K, Eighty-second Congress, first session, a convention (No. 92) concerning crew accommodation on board ship (revised 1949), and Executive L, Eighty-second Congress, first session, a convention (No. 93) concerning wages, hours of work on board ship, and manning (revised 1949), which were adopted by the International Labor Conference at its thirty-second session, held at Geneva from June 8 to July 2, 1949. Without objection, the conventions, together with the message from the President, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

In accordance with the obligations of the United States of America as a member of the International Labor Organization I transmit herewith the authentic texts of a convention (No. 91) concerning vacation holidays with pay for seafarers (revised 1949), a convention (No. 92) concerning crew accommodation on board ship (revised 1949), and a convention (No. 93) concerning wages, hours of work on board ship and manning (revised 1949), which were adopted by the International Labor Conference at its thirty-second session, held at Geneva from June 8 to July 2, 1949.

These three conventions are new versions, respectively, of conventions Nos. 72, 75, and 76 of the same titles, which I transmitted to the Senate on June 23, 1947. Because of their replacement by the new conventions, however, conventions Nos. 72, 75, and 76 were returned to me by the Senate, pursuant to my message of August 10, 1949, expressing my desire for their withdrawal.

With respect to convention No. 91 I am not requesting that advice and consent to ratification be given at the present time in view of the fact that the practice of vacation holidays with pay, as contemplated by the convention, has not yet been well established throughout the shipping industry.

It is evident that, in the course of the revision of the convention concerning crew accommodation on board ship, changes have been made which have greatly weakened its effectiveness. I consider it undesirable, therefore, to request Senate approval of convention No. 92.

I request that the Senate give its advice and consent to ratification of convention No. 93, subject to the understanding regarding payment of overtime as set forth in the report of the Secretary of State with respect to the three conventions. That report and a copy of a letter from the Secretary of Labor to the Secretary of State are transmitted herewith for the information of the Senate.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 8, 1951.*

(Enclosures: (1) Report of the Secretary of State; (2) letter from the Secretary of Labor (copy); (3) authentic texts of conventions.)

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. BUTLER of Nebraska:

A statement prepared by him as to a cost of living differential for Federal employees in Alaska.

Editorial entitled "Man With a Powder Puff," published in the Omaha Morning World-Herald of June 6, 1951, referring to the testimony of Dean Acheson in the MacArthur investigation.

By Mr. WILLIAMS:

Editorial entitled "Don't Touch Mine——" published in the June 5, 1951, issue of the Greensburg (Pa.) Daily Tribune, discussing his proposal to repeal special tax exemptions enjoyed by the President, the Vice President, the Speaker of the House of Representatives, and Members of Congress.

By Mr. KEM:

Letter addressed by F. A. Garrett, of Mineral Wells, Tex., to the Attorney General of the United States, with regard to the proposed resignation of Dean Acheson as Secretary of State.

By Mr. LEHMAN:

Editorial entitled "Mr. Acheson's Defense," published in the New York Herald Tribune of June 8, 1951, dealing with Secretary Acheson's testimony in the MacArthur investigation.

By Mr. WATKINS:

Article entitled "'You Can't Do It' Philosophy," written by Holmes Alexander and published in a recent issue of the Salt Lake Tribune.

TWO HUNDREDTH ANNIVERSARY OF THE FOUNDING OF GEORGETOWN

Mr. O'CONOR. Mr. President, I ask unanimous consent that I may address the Senate for 3 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Maryland may proceed.

Mr. O'CONOR. Mr. President, this day 200 years ago the Right Honorable the Lord Proprietary of Maryland enacted a bill "for laying out and creating a town on Potomac River, above the mouth of Rock Creek, in Frederick County." From this wise action has developed that charming portion of our Nation's Capital known as Georgetown, which is celebrating its bicentenary today.

The Lord Proprietary took this action "by and with the advice and consent of His Lordship's Governor and the upper and lower houses of assembly." I doubt, however, that these gentlemen, acting in their collective wisdom, could have realized how powerfully their decision was to influence the development of that corner of Maryland in which they decreed the new town was to be laid out.

Forty years later, when President Washington decided that the new Nation's Capital City should be situated where it is today, his decision was largely influenced by the fact that Georgetown had become a thriving port—a circumstance of considerable importance in creating a new city in the midst of a practically uninhabited swamp. While the projected Capital would need the communications made possible by an existing port, it was desired to isolate the Members of Congress from the pressures to which they had been subjected in previous sessions in New York, Philadelphia, Baltimore, Lancaster, York, Princeton, Annapolis, and Trenton.

Georgetown filled the requirement. Oceangoing vessels had been plying to and from its wharves for years. The port possessed hotels and meeting places in which could be held the frequent conferences attendant on the problems of making a national capital in the 10-mile square ordained in the Constitution.

Many of the settlers who helped build Georgetown came from Bladensburg. Maryland's interest in its distinguished offspring has continued to this day.

Georgetown has contributed much to the history of our country in its 200 years of honorable history. It is difficult to imagine how our Government would have developed in another environment than the District of Columbia. Here, on the border of the North and the South, approximately at the geographic center of the Thirteen Original States, the Federal Government has evolved steadily and progressively as an expression of the common desires and needs of all its citizens.

The location has turned out to be a happy one, and we must not overlook the role played by Georgetown in its inspired selection. In the prosperous little town on the Potomac, President Washington met often, as his diary attests, with Major L'Enfant and with the original Commissioners for the District of Columbia. He came across from his home in Alexandria by the ferry to the foot of Frederick Street, which is now called Thirty-fourth Street. In Georgetown he was many times entertained and honored, from the time he traversed it en route to his first inauguration to a ball given shortly before his death.

Georgetown existed as a separate city, although within the District of Columbia, until 1878, when it was incorporated into the city of Washington and lost its old street names in order to conform with those already assigned to Washington's thoroughfares. It had already fallen on evil days as a result of the War Between the States.

Only the population pressures brought by the expansion of Federal offices in World War I served to start the renaissance of Georgetown. Newton D. Baker, President Wilson's Secretary of War, was one of the first high officials to take a house in Georgetown, and it may be conjectured that he did so for one reason, because he could find no place in the then fashionable and fast-growing section around Dupont Circle and Massachusetts Avenue.

Since that time Georgetown has been revived into the comfortable and convenient residential section we all know and admire. Its residents have managed to preserve important architectural links with the very beginning of the Nation, while, at the same time, they have built up a prosperous, living community. Georgetown is no museum piece. However, amid the constant changes demanded by growth and modernization, the elms of Q Street, the cobblestones, the fanlights, and the polished knockers of olden times have been kept.

The Eighty-first Congress recognized the unique contribution of Georgetown to the history of Washington by adopting Public Law 808 at its second session. This was an "act to regulate the height, exterior design, and construction of private and semipublic buildings in the Georgetown area of the National Capital." The law set forth the boundaries of a district to be known as Old Georgetown and provided certain safeguards to protect its individuality and appearance.

This was adopted, as I remember, without a dissenting voice in this Chamber. It seemed to be the unanimous view that, in these troubled days, when every aspect of our traditional life is threatened by aggressive and destructive challenges, we should expend what effort we can to conserve remaining links with our early and equally perilous national existence. Georgetown appeared to most of us to be a symbol, close at hand, of

the ability of the finest things in American life to survive all vicissitudes.

I should like to remind the Senate, Mr. President, that Georgetown has been brought to its present enviable position by the efforts of private citizens insisting on using their own resources and ingenuity to achieve the common purpose. Its success may well stand as an example to older and larger communities throughout the country.

And so, Mr. President, on behalf of officials and the people of Maryland, I should like to extend to Georgetown hearty congratulations on its two hundredth birthday. With God's help and through the hard work of its stouthearted citizens, may Old Georgetown remain vigorous and beautiful for many centuries to come.

TENSIONS WITHIN THE SOVIET UNION—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I am glad to say that tremendous interest has been indicated by the American people in Senate Document No. 41, whose printing I requested on May 24. This 69-page document, entitled "Tensions Within the Soviet Union," had been compiled at my request by the Library of Congress.

Folks are increasingly realizing the tremendous importance of our exploiting the weaknesses within the Russian structure. Recently the International News Service requested that I prepare a statement on this general issue, which I was glad to do, and which was thereafter released throughout the INS syndicate. I ask unanimous consent that the text of that release be printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RUSSIAN PEOPLE CAN BE AMERICA'S ALLY

What is the greatest single unused ally in America's struggle against world communism?

The answer, surprisingly enough is: The Russian people themselves. Why? Because no people has more grievances against the fanatical despots of the Kremlin than do the enslaved masses of the Soviet Union themselves.

For years, I have pointed out that Communist Russia is rotten at the core—rotten with corruption, rotten with fears, with hatreds, with bitter dissensions. I have pointed out, too, that by a bold policy of divide and conquer America could give the Russians a taste of their own vile medicine namely, a state of sabotage, disturbances, assassinations behind the iron curtain.

Recently the Library of Congress prepared for the Senate Foreign Relations Committee at my request a 69-page study (Senate Document No. 41) demonstrating conclusively that America has a tremendous opportunity to help rip the Soviet Union wide open. We can capitalize on the grievances of every single group in that miserable country. Let's look at each of the principal groups—

(a) Millions of God-fearing Russians have been secretly fighting back (ever since the Russian Revolution of 1917) against the atheistic policies of their enslavers.

(b) The intelligentsia have battled against the cultural czars who have regimented Soviet art, music, literature, philosophy, science and made it a travesty.

(c) Millions of members of the minority groups—the Ukrainians, the Tartars, the Baltic peoples—would want nothing more dearly than the securing of their independence from the hated Moscow clique.

(d) The vaunted Red army is riddled with hated political commissars who have wrecked officer and troop morale by vicious removals at the slightest hint of disloyalty.

(e) Millions of Soviet women groan beneath the yoke of forced heavy labor duties which are imposed upon them like cattle.

(f) The workers of the Soviet Union, far from being the proletarian beneficiaries, have strained beneath the heavy bondage of Soviet orders which completely govern their miserable wages, horrible hours, and impossible working conditions. Labor's so-called trade-unions are a travesty.

(g) The dissatisfied peasantry, which was once enticed to support Lenin on the theory that he would give them land, remembers the brutal slaughter of their millions during the 1920's, and has resisted the farm collectivization movement ever since its beginnings.

(h) The most grieved group of all are the untold numbers who are trapped in Soviet forced-labor camps, working under conditions as barbarous as the evil mind of men can devise, working until they drop from sheer starvation and exhaustion.

The whole Soviet structure from top to bottom is in effect enmeshed in a sickening pattern of mutual hatreds, deep-seated antagonisms for power and all of the other fatal features of a dictatorship.

So I urge that our American information program, instead of being a powder-puff affair should hit and hit hard in boldly exploiting these grievances of every single one of these groups. By intelligence and imagination, we can separate the masses of Russia from the relative handful which controls their destinies. We can appeal to each group in the Soviet population in terms that it will best understand, based on its own self-interests. We can appeal in terms of our deep appreciation of the finest in Russia's cultural, scientific, and other history.

This does not mean that our task will be easy. On the contrary, it will be difficult. It will take an immense understanding on our part; it will take the most careful and logical analysis of the whole nature of Soviet society, of Russian events in centuries gone by, of the Russian character. But we can fan the flames of tension until they burn in white heat throughout Russia.

The American people should not, however, expect a revolution in that ironclad-controlled regime. We have learned that modern armies, however small they are, can usually control massed millions of cowed and unarmed people.

Every bit of disturbance and antagonism, however, that we can fan is that much to the good. We can create so much trouble for Russia in her own back yard that she will shrink back from engaging in foreign aggression, for fear of collapse on the home front.

In addition, of course, we can and should continue our appeals to the enslaved foreign satellite peoples who hungrily yearn for their independence.

I repeat in conclusion, the people of Russia and the puppet states can be America's greatest allies. Why? Because the common people, like ourselves, want naught but peace and freedom. They have no quarrel with us; we have no quarrel with them. Our only difficulties arise in connection with the power-drunk men who enslave them.

ONE HUNDRED AND SEVENTY-FIFTH ANNIVERSARY OF SIGNING OF DECLARATION OF INDEPENDENCE

Mr. WHERRY. Yesterday, in behalf of the two Senators from the State of Pennsylvania [Mr. MARTIN and Mr. DUFF] I took up with the majority leader the question of consideration of Senate Joint Resolution 51, providing for United States participation in the celebration at Philadelphia, Pa., of the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence. I now ask unanimous consent—and I wish the Senator from New Mexico [Mr. CHAVEZ] would give heed to my request—for the present consideration of the joint resolution. I am certain it will take very little, if any, time to consider the joint resolution. If it should develop that its consideration will require any considerable amount of time, I shall withdraw my request.

The VICE PRESIDENT. The joint resolution will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 51) providing for the United States participation in the celebration at Philadelphia, Pa., of the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution which had been reported from the Committee on the Judiciary with amendments, on page 2, line 14, after the name "Philadelphia" to insert "if those officials desire to recommend any such persons"; on page 3, line 6, after the word "universities", to strike out "and colleges" and insert "colleges, patriotic organizations and groups"; on page 4, line 3, after the word "section.", to insert "No person employed by the commission under the authority of section 3 of this resolution shall continue to receive any salary, wage, or remuneration of any kind by virtue of this resolution after the date on which the commission ceases to exist."; in line 8, after the word "appoint", to strike out the comma and "without regard to the civil service laws, such employees as are necessary to the performance of its functions," and insert "not more than two employees in one year", and on page 5, after line 5, to strike out:

SEC. 5. The Postmaster General shall issue a special stamp for the commemoration of the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence. Such stamp shall be issued in such denomination and design, and for such period beginning July 4, 1951, as the Postmaster General may determine to be appropriate.

So as to make the joint resolution read:

Resolved, etc., That (a) there is hereby created a commission to be composed of 12 members, as follows: Two officers of the executive branch of the Federal Government to be appointed by the President of the United States; two Members of the Senate to be appointed by the President of the Senate; two Members of the House of Representatives to be appointed by the Speaker of the House; and six persons who are not officers or employees of the Federal Government to be appointed by the President of the United States, three upon recommendation of the Governor of the Commonwealth of Pennsylvania and three upon recommendation of the mayor of the city of Philadelphia if those officials desire to recommend any such persons. Any vacancy in the membership of such commission shall be filled in the same manner as the original appointment.

(b) The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. (a) It shall be the function of the commission, in cooperation with the government of the Commonwealth of Pennsylvania and the government of the city of Philadelphia, (1) to prepare a plan for appropriate ceremonies at Philadelphia, Pa., on July 4, 1951, to observe and celebrate the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence, and (2) to execute such plan.

(b) In performing the functions set forth in subsection (a) of this section, the commission may—

(1) prepare, print, and distribute to public libraries, public schools, universities, colleges, patriotic organizations, and groups material containing such historical data as the commission may deem desirable to acquaint the public with the nature and significance of the celebration;

(2) if the commission deems it advisable, invite the participation of other nations in the celebration, and arrange for such participation with the governments of such nations;

(3) accept contributions of money and material for expenditure for use in the various activities of the commission;

(4) do all other things it deems necessary or appropriate to carry out the purposes of this joint resolution.

(c) The commission shall submit to the Congress, on or before March 1, 1952, a report of its activities, together with a detailed statement of the manner of expenditures of any funds appropriated pursuant to the authorization contained in section 3 (b).

(d) The commission shall cease to exist 30 days after it submits the report required by subsection (c) of this section. No person employed by the commission under the authority of section 3 of this resolution shall continue to receive any salary, wage, or remuneration of any kind by virtue of this resolution after the date on which the commission ceases to exist.

SEC. 3. (a) The commission may appoint not more than two employees in 1 year and may fix the compensation of such employees without regard to the Classification Act of 1949, as amended. The commission may make such expenditures as are necessary to carry out the purposes of this joint resolution, including expenditures for printing and binding and expenditures for necessary traveling and subsistence expenses of commissioners and of employees of the commission in accordance with the Travel Expense Act of 1949. All expenditures of the commission shall be allowed and paid upon presentation of itemized vouchers therefor, approved by the chairman of the commission.

(b) There are hereby authorized to be appropriated to the commission such sums, not to exceed $100,000 in the aggregate, as may be necessary for the performance of its functions.

SEC. 4. Upon the request of the commission, the heads of the various Federal agencies (including the Library of Congress) may collect, prepare, and lend documents, articles, and other exhibits which, in their judgment, will serve to carry out the purposes of this joint resolution.

The amendments were agreed to.

Mr. WHERRY. Mr. President, on behalf of the Senators from Pennsylvania, I offer an amendment to the joint resolution, which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, lines 22 and 23, it is proposed to strike out "and the government of the city of Philadelphia" and in lieu thereof insert a comma and the following: "the government of the city of Philadelphia, and the Commission for the Commemoration of the One Hundredth and Seventy-fifth Anniversary of the Signing of the Declaration of Independence."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 51) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to, as follows:

Whereas the one hundred and seventy-fifth anniversary of the adoption of the Declaration of Independence will occur on July 4, 1951; and

Whereas it is desirable to accord suitable recognition of the value of the precepts of the Declaration in sustaining the Government of the United States as a strong bulwark against totalitarianism; and

Whereas fitting ceremonies to commemorate this anniversary are in process of preparation, such ceremonies to be held in the city of Philadelphia during the week of July 1 to July 7, 1951: Now, therefore, be it

Mr. WHERRY. Mr. President, I thank the distinguished Senator from New Mexico [Mr. CHAVEZ] and also the majority leader [Mr. MCFARLAND] for helping to expedite consideration of the joint resolution. Time is of the essence in its passage.

The VICE PRESIDENT. The Senator from Nebraska might include the Chair in his expression of thanks.

Mr. WHERRY. I would certainly like to underscore my expression of thanks to the Chair if that could be done in the CONGRESSIONAL RECORD, or if that cannot be done in the CONGRESSIONAL RECORD I should like to have it appear in bold type.

CORRESPONDENCE BETWEEN THE PRESIDENT AND MR. RICHARDSON OVER HIS RESIGNATION AS CHAIRMAN OF THE SUBVERSIVE ACTIVITIES CONTROL BOARD

Mr. LANGER. Mr. President, yesterday morning the newspapers announced the resignation of Seth W. Richardson as Chairman and member of the Subversive Activities Control Board. He is one of the outstanding citizens of the United States. He formerly lived in North Dakota. I have secured from him the correspondence that passed between President Truman and himself at the time of his resignation, and I ask unanimous consent that the letter sent by Mr. Richardson to President Truman, under date of June 6, 1951, and the letter received by Mr. Richardson from President Truman on the same date, may be printed in the body of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 6, 1951.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: I hereby present to you my resignation as Chairman and member of the Subversive Activities Control Board, to take effect June 30, 1951. To my surprise, disgust, and discomfiture, I have just been advised by my doctors that it is imperative that I be at once hospitalized for immediate, extensive, critical surgical attention which they advise will probably incapacitate me for several months.

The Board is presently carrying on a hearing of vital national importance, under great difficulties, and I feel that it would not be in the public, or my own, interest for me to remain indefinitely as an inactive member and Chairman under the physical situation which presently confronts me.

I keenly regret not having yet been afforded a proper, timely opportunity for suitable consideration for confirmation by the Senate, but regardless of the merits of this delay and my intense wish to meet the issue, my doctors will not permit me to defer my medical necessities longer.

I deeply appreciate the faith and esteem you have shown me, a lifelong, contentious Republican, in affording me opportunities to engage in important nonpartisan public services, free from any suggestion of political motives, and so intimately affecting the vital field of national loyalties.

I leave these tasks now with the feeling that in my performance of them I have accomplished the most worthy work I have ever done. I am deeply grateful to you for extending such an opportunity for public service, and I regret that the important matters of health to which I have referred, require me to end, at least for the present, any further public activities.

Respectfully yours,

SETH W. RICHARDSON,
Chairman.

THE WHITE HOUSE,
Washington, June 6, 1951.

HON. SETH W. RICHARDSON,
Chairman, Subversive Activities Control Board, Washington, D. C.

DEAR MR. RICHARDSON: It is with reluctance and heartfelt regret that I accept your resignation as Chairman and member of the Subversive Activities Control Board.

I do not want to let you go and it if were not for the most compelling reason of your health I would insist on your staying.

Ever since you returned to duty in the Government, on November 11, 1947, as Chairman of the Loyalty Review Board, you have been guarding our security against subversion and protecting our heritage of constitional government.

You brought to the Federal loyalty program a balanced, mature judgment and a leadership which resulted in the rooting out, from our Government, of the guilty while always protecting the innocent. Your magnificent performance on the Loyalty Review Board prompted me last October to appoint you as Chairman and member of the Subversive Activities Control Board.

I noted with a chuckle your description of yourself as "a lifelong, contentious Republican." The job to which I called you demanded integrity, discretion, sound judgment, and ability to view all problems, no matter how complex, with complete detachment and objectivity. Those qualities you possess in abundance. Best of all you "don't panic easy."

I wanted a man who, despite all pressures, no matter the source, whether from within or without, would guard the public interest—the national security—with singleness of purpose. In you I found the man who met the specifications above outlined.

I agree with you that as you leave these tasks you are justified in the feeling that in your performance of them you have accomplished the most worthy work you have ever done.

Since you are faced with an immediate decision regarding your health I cannot stand in the way of your meeting it. With deepest regret, therefore, I acquiesce in your wish and accept your resignation, effective at the close of business on June 30, next.

With every good wish,

Gratefully and sincerely,

HARRY S. TRUMAN.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

The VICE PRESIDENT. The Chair understands that all amendments to the appropriation bill have been disposed of except one, which the clerk will state.

The LEGISLATIVE CLERK. On page 41, after line 24, it is proposed to strike out:

SEC. 703. No part of any appropriations or authorizations contained in this act shall be used to pay the compensation of any incumbent appointed to any civil office or position which may become vacant during the fiscal year beginning on July 1, 1951: *Provided*, That this inhibition shall not apply—

(a) to not to exceed 25 percent of all such vacancies.

(b) to positions filled from within the agency.

(c) to offices or positions required by law to be filled by appointment of the President by and with the advice and consent of the Senate.

(d) to nurses, doctors, or other medical personnel, including orderlies, in the Public Health Service, St. Elizabeths Hospital, and Freedmen's Hospital.

(e) to employees in grades C. P. C. 1 and 2.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. WHERRY. Mr. President, does that complete the committee amendments?

The VICE PRESIDENT. That completes the committee amendments. The bill is open to amendment from the floor.

Mr. McFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Green	McMahon
Anderson	Hayden	Monroney
Bennett	Hendrickson	Moody
Benton	Hennings	Morse
Brewster	Hickenlooper	Mundt
Bridges	Hill	Nixon
Butler, Md.	Hoey	O'Conor
Butler, Nebr.	Hunt	O'Mahoney
Byrd	Ives	Pastore
Cain	Jenner	Robertson
Capehart	Johnson, Colo.	Russell
Carlson	Johnson, Tex.	Saltonstall
Chavez	Johnston, S. C.	Schoeppel
Clements	Kefauver	Smathers
Connally	Kem	Smith, Maine
Cordon	Kilgore	Sparkman
Dirksen	Langer	Stennis
Douglas	Lehman	Taft
Duff	Lodge	Thye
Dworshak	Long	Underwood
Eastland	Magnuson	Watkins
Ecton	Malone	Welker
Ellender	Maybank	Wherry
Ferguson	McCarthy	Wiley
Flanders	McClellan	Williams
Frear	McFarland	Young
George	McKellar	

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. HOLLAND] are absent by leave of the Senate.

The Senator from Iowa [Mr. GILLETTE] is necessarily absent.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. KERR], the Senator from Nevada [Mr. McCARRAN], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Colorado [Mr. MILLIKIN] and the Senator from New Jersey [Mr. SMITH] are necessarily absent.

The Senator from South Dakota [Mr. CASE] is absent by leave of the Senate on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from California [Mr. KNOWLAND] is absent on official business.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business of the Committee on Crime Investigation.

The VICE PRESIDENT. A quorum is present. The bill is open to amendment.

Mr. WILLIAMS. Mr. President, I move on page 2 to strike out lines 13 and 14 and to insert in lieu thereof the figure "$1,000,000."

The VICE PRESIDENT. The Secretary will state the amendment.

Mr. WILLIAMS. I merely move that on page 2 lines 12 and 13 be stricken from the bill, and that in lieu of the figure "$1,400,000" there be inserted the figure "$1,000,000."

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 2 it is proposed to strike out all of lines 12 and 13, and in lieu thereof insert the figure "$1,000,000."

Mr. WILLIAMS. Mr. President, the reason for my offering the amendment is that the employment figures for the Department of Labor show that at the beginning of 1949 there were altogether 3,537 employees in the Department. There was an increase of employees in the Department of 50 percent in 1949 and 16 percent during 1950. During 1951 the Department intends to increase the number of employees still further. I see no reason why we should not cut the figure back at this time. If we wish to reduce appropriations this is one way of getting under way in that direction. I believe the time has come for us to cut as much as we can, and I think such cuts should be made not only in the field service, but also in the office of the Secretary.

Mr. CHAVEZ. Mr. President, I should like to go along with the Senator from Delaware in his amendment. I know he wishes to save money. But so does the subcommittee. In our figure we are $25,823 below last year's appropriation. We are $75,000 below the budget estimate for 1952. I repeat that the subcommittee certainly has tried to save some money. As between the House figures and the Senate figures, the bill as reported to the Senate is $112,867,530 under the House allowance. It is $215,914,929 under the budget estimates. I consider that the committee went the limit in seeking to bring about a reduction, and I feel that no further cut in this particular item should be made. If a further cut were made it would interfere with the proper functions of Government. The report of the subcommittee was submitted unanimously by all members of the committee, representing both sides of the aisle. All departments, including the Department of Labor, were informed that unless they made cuts the committee would make them.

What is presented is the best the committee could in conscience do. We cannot go further in reducing appropriations and still carry on the functions of the Government. Of course, Mr. President, we could strike out the whole amount, but I should like to ask any fair-minded Member of this body who desires to have the Government carry on whether that would be proper. I hope the Senate will reject the amendment offered by the Senator from Delaware.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] to the amendment of the committee.

Mr. WILLIAMS. I wish to say one further word. While what the Senator from New Mexico said is true, the fact remains that the appropriations carried in the bill are $91,000,000 over and above 1951 appropriations. There is no reason why the appropriations cannot be cut this year. There is no reason why the departments cannot operate on as much money as they operated on during last year. In fact, they should be able to operate on a lower amount. The only way to force them to do so is to make the cuts on the floor of the Senate.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Delaware to the amendment of the committee. [Putting the question.] The "ayes" seem to have it.

Mr. CHAVEZ. Mr. President, I ask for a division.

On a division, the amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. DOUGLAS. Mr. President, I submit and send to the desk my amendment B, and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, it is proposed to strike out lines 17 and 18, and insert in lieu thereof "$1,575,000."

THE CHIPS ARE DOWN

Mr. DOUGLAS. Mr. President, we now proceed to the discussion of the first of our regular appropriation bills. The chips are down. In a month or so the Nation will know whether Congress is determined to eliminate waste in Government, sacrifice less-essential functions, balance the budget, and prevent inflation; or whether the Congress is reluctant to eliminate waste in Government, reluctant to eliminate less-necessary functions; we will know if Congress will refuse to balance the budget, and force the Treasury to borrow from the banks, with an inflation of credit and a consequent increase in prices and suffering to the communities of the Nation. The decisions we have to make are im-

portant, and it is very desirable that the membership of the Senate approach them soberly and with a view to the over-all situation.

I should like to speak very briefly on the general budgetary situation which faces us.

According to the estimates of the administration, as submitted in January, it was requested that Congress appropriate approximately $71,500,000,000; $41,000,000,000 of that sum was more or less directly for war purposes within this country. Approximately $10,000,000,000 more was primarily for military aid to our allies and for atomic energy, making a total of approximately $51,000,000,000, leaving $20,000,000,000 for other purposes. Of this $20,000,000,000, $10,000,000,000 were for interest on the public debt and the care of the veterans, leaving $10,000,000,000 for nonmilitary purposes and not for expenditures connected with past wars, but rather for purely civil functions.

The Bureau of the Budget and the President estimated at that time that the projected receipts for 1951–52, under the present scale of taxes, would amount to approximately $55,000,000,000, leaving an estimated deficit, as of January, of about $16,500,000,000.

WE FACE A DEFICIT OF $12,500,000,000

Since then, two things have happened: Apparently the request for military aid abroad is somewhat in excess of what had been contemplated in January, by approximately $1,000,000,000, indicating that under the present plans total expenditures will go up to $72,500,000,000. It is also true that with the increased scale of prices and the increase in the national income, the present taxes will yield more than $55,000,000,000, possibly as much as $60,000,000,000, and the deficit which we therefore face will be approximately $12,500,000,000. But all this assumes—and this is a very significant qualification—that governmental expenditures do not further increase above the $72,500,000,000 level now contemplated. They may increase both because of inflation, rising prices of the goods which the Government must buy, and also from salary increases necessary to protect, in part, governmental employees against the impairment of real income which they have already suffered.

I understand that the Committee on Post Office and Civil Service is at least on the point of recommending a salary increase of approximately 8 percent for governmental employees. If that is done, the total expenditures will increase by perhaps three-quarters of a billion dollars. So unless we bring about economies, we can look forward in the coming year to expenditures which will be not less than $72,500,000,000, and in all probability will be more. Meanwhile we must realize that we shall not have more than $60,000,000,000 of revenue in sight.

If we have a deficit of $12,500,000,000, it will be very serious indeed for the country. It will not be possible for us to raise this amount of money from the savings of individuals and corporations. The situation will be especially difficult if people fear that their principal is going to be depreciated by a rise in the price level.

If the deficit is of this proportion, the Government will be forced to borrow from the banks. The banks will make their loans in the form of creating credit accounts against which the Government will draw. There will, therefore, be an increase in the quantity of money and credit in relation to the supply of goods. The inevitable result will be an appreciable rise in prices, or what we popularly term inflation. This will be of very serious consequence indeed to the American people.

WE MUST BALANCE THE BUDGET

Therefore, Mr. President, it is highly essential that we balance the budget.

The House Committee on Ways and Means is considering a tax bill which it is understood will call for approximately $7,000,000,000 in additional revenue. That, I believe, is a very necessary step; but even that will leave us with a deficit of at least $5,500,000,000; and a deficit of that amount will be a very severe danger to the people of the United States.

Therefore, Mr. President, if we are to be serious in our attempt to balance the budget, we shall have to use the paring knife on the appropriations which now are before us.

It seems to me that we should make every effort to reduce the budget by $5,000,000,000. I had hoped that possibly a $4,000,000,000 cut might be sufficient, but it now seems to me that at a minimum we should cut the budget by $5,000,000,000. In the nature of events, this will mean that we shall have to make some cuts in military appropriations, and some cuts, in my opinion, in expenditures for foreign aid. This will be necessary because the entire burden of a $5,000,000,000 cut cannot be borne by the $10,000,000,000 of civilian expenditures for purposes other than aid to veterans and interest on the public debt. We shall have to practice the most rigid economy in connection with those appropriations, and we shall also have to make very rigid cuts in the appropriations for the civil functions of government, which tentatively total about $10,000,000,000.

THE BILL BEFORE US

We now have before us a bill providing appropriations of approximately $2,500,000,000. As all of us know, the vast proportion of these sums cannot be decreased by the Government; they are statutory payments for unemployment, for old-age assistance to the needy, and other payments under statutory provisions already made by law, which either the State governments or the Federal Government will be compelled to fulfill. So we should not delude ourselves with the idea that any large proportion of the $2,500,000,000 of appropriations contained in the pending bill can be cut by Congress at this time. That means that the small economies, the economies we can make, are the ones toward which we should bend our efforts; and we should not reject them merely because they are small in amount or because we seem to be niggardly by acting to reduce them.

In this connection, Mr. President, I should like to call attention to the claim of the Appropriations Committee that it has been able to effect reductions of approximately $113,000,000 below the appropriations contained in the bill as passed by the House of Representatives. I wish to commend the Appropriations Committee for the careful and patient work it has done, and I desire to praise the distinguished chairman of the subcommittee for the energy he has applied. But I should like to point out, if I may, that savings of $150,000,000, which the committee claims in the latter part of its report, on pages 13 and 14, are really bookkeeping savings, rather than real savings.

COMMITTEE SAVINGS ARE NOT REAL

For example, the committee claims a reduction of $50,500,000 in appropriations to the Railway Retirement Board. As the Senator from Delaware [Mr. WILLIAMS] developed yesterday in his questioning, this is not a real saving. The funds devoted to the payment of railway retirement pensions and benefits are derived from a special tax of 12 percent levied equally upon the railroads and the railroad employees. They are not derived from the general funds. All the money collected from railways by this special tax is turned over to the Railway Retirement Board for the payment of benefits and for the accumulation of a reserve for future benefits. The liability of the Board is limited to the funds which have thus been accumulated.

What has happened in the past is that by bookkeeping transfers the Board has been credited with a higher payroll than the railways have in practice paid out, with the result that more sums have been turned over to the Board than those to which it was statutorily entitled. Sooner or later this overpayment of $50,500,000 would have been corrected. It so happens that it is corrected this year, and the committee shows a bookkeeping gain by picking it up at this time. But it is in no sense a real saving, it is in no sense an economy. It is merely showing in this year a saving which would have been credited in future years. The money probably would not be spent, even if the cut had not been made. So this is a paper saving only.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. CHAVEZ. Nevertheless, if the saving could have been made in future years, and we made it this year, it certainly was a saving this year, was it not?

Mr. DOUGLAS. I should like to commend the chairman in that he noted that there had been overpayments in previous years.

Mr. CHAVEZ. Yes.

Mr. DOUGLAS. That was known to others, however, and sooner or later it would have been picked up.

Mr. CHAVEZ. There is no question, it could have been done years hence.

Mr. DOUGLAS. That is correct.

Mr. CHAVEZ. It could have been done 15 years hence. But the committee wanted to save the $50,000,000 this year, and that is what it did.

Mr. DOUGLAS. Similarly the committee claims, on page 13, an economy of

$100,000,000 by reducing the appropriation to the Bureau of Public Assistance, for meeting the cost of old-age assistance, and aid to dependent children, to the blind, and to the permanently and totally disabled. These are amounts paid out by the States, of which the Federal Government meets approximately half, or, in the case of old-age assistance and assistance to children, slightly more than half. It is the State which determines the total number of persons who are to receive assistance, and the amounts which they are to receive. The Federal Government merely provides a fraction, originally approximately half, but, by amendments to the act, now more than half; and the amounts which the Federal Government pays out are dependent upon the amounts which the States spend. The Federal Government does not determine how much is spent. It merely provides a portion of the total cost, on the basis of State payments. So, unless we change the statute, we cannot change the amount to be spent. That is automatically determined by the States.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. CHAVEZ. Does not the Senator from Illinois agree, however, that, had we allowed this $100,000,000, which we deducted, together with from $80,000,000 to $100,000,000 which the States had unobligated, they would have had an unobligated balance of $200,000,000?

Mr. DOUGLAS. I think what is more likely to happen is that the States, with the present number of needy aged persons, are very likely to come in for deficiency appropriations later in the year. What we may find, therefore, is that this apparent present economy will merely result in a request for greater appropriations later. I warn against believing that this $100,000,000 has really been saved, because we cannot control the amounts which are distributed to the final parties in the field. These expenditures are automatic.

Mr. CHAVEZ. Of course we cannot; but I believe the Senator from Illinois has advocated heretofore the adoption of a method of this kind. If the States have from $80,000,000 to $100,000,000 unobligated, of the moneys contributed, why should the Appropriations Committee give them $100,000,000 more?

Mr. DOUGLAS. I am not objecting to the action of the Appropriations Committee in reducing the amounts allocated to the States by $100,000,000. I am merely saying that we should not regard this as a definitive economy. We are likely to find that it is merely a bookkeeping gain, which is likely to disappear later in the year as the deficiency appropriations come in. That is all I am saying.

Mr. WHERRY. Mr. President, will the Senator from Illinois yield for a question?

Mr. DOUGLAS. I yield for a question.

Mr. WHERRY. I should like to ask the distinguished Senator from Illinois whether it is not a fact that that is our difficulty with practically all the cuts in appropriations. My experience on the committee has been that when we make a cut there shortly follows a deficiency bill in which funds are provided to cover the very cut which had been made. We must watch that. If we were to make this cut now, there would be this advantage, namely, that it would be necessary for the agency to come before the committee again to justify the renewed request. That would help somewhat in our effort to pare the appropriations.

However, I am in agreement with what the distinguished Senator said, that it is impossible for us to take the position here that we are effecting a saving, if it is known that, in the final analysis, a deficiency request may again contain this item of appropriation. There is something to the argument. On the other hand, I submit to the distinguished Senator that our job is to cut the appropriation where we can, and then, if the department or agency comes back for a deficiency, it must be justified all over again.

Mr. DOUGLAS. I may say to the Senator from Nebraska that he is correct. Frequently bureaus and departments come before the Senate committee with requests for deficiency appropriations to make good the cuts which they have suffered in the main appropriation bill; but they are at least appointees of the Federal Government, and, therefore, somewhat under our control. In this particular case, however, what we are dealing with is expenditures by States, over whom we have almost no control. All we do is to meet a fraction of the amounts which they distribute; and if the 48 States follow a policy of determining that there are a given number of aged people and provide benefits for them, we are contractually obligated by statute to meet our portion, and we cannot then object that the States have proceeded in violation of the original budget.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. CHAVEZ. I appreciate the diligence of the Senator from Illinois in trying to bring about cuts. The point I am trying to make is, it appears to me that the position which is now taken is rather inconsistent with the idea of cutting, because, surely, the Senator will agree that, if the States, in keeping with the formula which he has enunciated, have to do certain things, and if they have from $80,000,000 to $100,000,000 unobligated, there is a saving of $100,000,000, if they request $100,000,000 more, and we do not give it to them?

Mr. DOUGLAS. If we do not give it to them; but the Federal Government is obligated to meet its fraction of the amount distributed in assistance to aged, to dependent children, to the blind, and to the permanently and totally disabled. The determination of the number of persons who are to receive such aid and the amounts they are to receive is not in the hands of the Federal Government but is in the hands of the States.

Mr. CHAVEZ. That is the very idea which the committee had in mind when it deducted $100,000,000, because, to carry out their obligations and to perform their duties and functions, the States have from $80,000,000 to $100,000,000, which is unobligated. That indicated that evidently the case load was not so large as had been suggested to us in the consideration of last year's appropriation bill. So, this year, we said: "No; you have from $80,000,000 to $100,000,000 unobligated, and yet you ask us for $100,000,000."

Mr. DOUGLAS. Mr. President, I do not wish to labor the point. I merely wish to say that the Federal appropriation for this item is automatic. It does not matter very much what the Appropriations Committee does; the main issue is what is done in the States. The decisions will be made primarily by the States, and this $100,000,000 saving may disappear. We cannot count on it.

Mr. CHAVEZ. Mr. President, may I interrupt the Senator once more?

Mr. DOUGLAS. Yes.

Mr. CHAVEZ. So that the Senator from Illinois may understand exactly what the committee had in mind, let me call his attention to page 8 of the report, where it is stated:

> The committee recommends $1,150,000,000, a reduction of $100,000,000 under the House allowance, $150,000,000 under the budget estimate, and $130,000,000 under the 1951 appropriation.

Why was that done? It was done because the committee found that it was conservatively estimated that there would be unobligated $80,000,000 of the current year's appropriation. The expenditure of the money is based upon employment rolls. Under the situation at the moment, because of national-defense activities and because of the fact that factories are employing as many persons as they can possibly get, we figured the States could save even more than we indicated.

Mr. DOUGLAS. Again, Mr. President, I do not want to labor the point. I merely say that the country has been fortunate in that there has been a decline in the need for old-age assistance, largely because of an improvement in the economic situation. But we should not depend upon these more or less fortuitous occurrences. There is no substitute for the sturdy virtues of self-denial and rigorous self-discipline.

If we examine the committee report, it will be found that the economies consist almost entirely of these two items. They constitute $150,500,000 of the $154,000,000 cut. On the other hand, I should like to point out that on page 12 there are shown increases over the House bill of $41,100,000. Twenty millions of dollars of this amount is an increase in the amount for hospital construction; $12,000,000, an increase in payments to school districts for maintenance and operation, not construction; $1,800,000 in increased payments for so-called distributive education, or training of school children and other persons in selling. There is an increase of $3,000,000 in grants to States for maternal and child welfare, and so forth.

I should like to point out that if we find that the needs in the States are greater than the committee at the present time anticipates, we may find that expenditures at the end of the year will be as great as those contemplated by the House.

COMMITTEE ECONOMIES NOT SUFFICIENT

About the only cuts which the committee made, aside from the two items which I have mentioned, have been cuts of 5 percent in administrative expenses of the Labor Department, the Federal Security Agency, and the various boards which are included in the bill. The cut of 5 percent was in lieu of the so-called Jensen amendment passed by the House and rejected by the committee, which, with the exception of grades 1 and 2, provided that only one vacancy out of every four should be filled during the coming year. It may well be that the Jensen amendment cut too deeply. It may be that the provision that only one vacancy out of four should be filled would have been too stringent.

But certainly some reduction in total personnel is required. If we were to adopt a modified Jensen provision of one vacancy out of every two being filled, I think the total saving effected would be somewhat more than 5 percent, according to computations which I have made. I believe the total savings would be approximately 8 percent, on the basis of a turn-over of approximately 27 or 28 percent for the Government.

So I think it will be found that, in effect, the Senate committee did not introduce any real economies at all as compared with the House bill. On the whole, there has been some slackening in the economies proposed by the House.

SELECTIVE CUTS THE BEST METHOD

It is in the light of that fact, and in the light of the further fact that the Government of the United States is really in a desperate financial situation and there is necessity for reducing total appropriations by somewhere around $5,000,000,000, that I am going to propose my series of approximately 25 amendments, the first of which is now before the Senate.

What I am trying to do, I may say, is to introduce a system of selective cuts. I know it would be easy to pass over the individual items of the bill and then, at the end of the bill, to submit a general amendment providing that personnel should be reduced by one-half, or providing for a general cut of 10 percent. I do not quarrel with those who would take that course. I merely say that I do not think it is the best course, because even within a department or an agency there may be bureaus of unequal merit. There may be two bureaus existing side by side, one practicing rigid economy and the other being relatively wasteful and spendthrift. A wholesale cut of 10 percent falls, like the rain of God, upon the just and the unjust alike. It is a sort of meat-ax operation, instead of employing the surgeon's scalpel. My idea is to introduce the use of the surgeon's scalpel, and try to cut away the waste and less-essential tissue where I think it exists, but to save those portions of the agencies which, on the whole, have been doing a relatively good job.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. CHAVEZ. Of course, I agree with the Senator that the pruning knife should be used on waste tissue wherever it exists, but inasmuch as my good friend from Illinois has been discussing an increase of $20,000,000 which the committee recommended for hospital construction, I would say to him, in view of the fact that the authorization is $150,000,000 for this noble purpose, that I hope he does not call hospital construction throughout the country a waste.

Mr. DOUGLAS. I am glad the Senator raised the point, because if he had waited for a minute, I would have passed on to that very issue. In past years, I have thought we could balance the budget merely by the elimination of waste. This year I think it will not be possible to balance the budget merely by the elimination of waste, and that, painful as it is, it is going to be necessary to reduce some of the functions which in better times we thought we could carry. In other words, we must drop overboard some of the less essential programs and not carry out essential programs as fully as we otherwise would have desired.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I should prefer not to yield at this time. The surgeon's knife will have to be applied to the less-necessary departments and the less-necessary functions.

Mr. CHAVEZ. Would the Senator be willing to apply the same test to funds that might be expended elsewhere, outside of the country, for the same purpose?

Mr. DOUGLAS. Yes. I am going to be very rigid on that point. I assure Senators they are not going to put me over the barrel on that issue.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I cannot resist yielding to the Senator from Vermont.

Mr. AIKEN. What is the total amount of the cut the Senator from Illinois is proposing?

Mr. DOUGLAS. The total amount of the cut on these items will approximate $50,000,000.

Mr. AIKEN. About $50,000,000?

Mr. DOUGLAS. Yes. That may seem to be a small sum to discuss in the Senate Chamber, but I think it is worthy of a few moments of attention. If I may be permitted to proceed, I should like to answer.

Mr. AIKEN. Go ahead.

Mr. DOUGLAS. No; I do not want to shut off the Senator from Vermont.

Mr. AIKEN. Perhaps if the Senator from Vermont changed the location of his seat he might get recognition from the Senator from Illinois more easily.

Mr. DOUGLAS. Did I shut off the Senator? I do not want to do that.

Mr. AIKEN. I do not want to delay the Senator from Illinois. I thought he had about concluded this discussion, and that was why I asked the question.

Mr. DOUGLAS. The reduction comes to about $50,000,000.

Mr. AIKEN. That answers my question.

Mr. DOUGLAS. It is about $50,000,000. I may say, Mr. President, that it is extremely painful to me to use the knife on the Department of Labor and the Federal Security Agency. It so happens that as a private citizen I campaigned in the 1920's and the 1930's for old-age pensions, for unemployment insurance, for minimum-wage laws, and for the 40-hour week. As one of many thousands of citizens, I played a modest part in getting some of these statutes on the books of various States of the Union and also enacted by the Federal Government. I take a modest pride in whatever share I may have had as a citizen in these activities. I believe in these measures. I think they have been great steps forward. I hope we hold onto these programs. I should resist to the death any move to abolish them. But if one proposes economies on things which are not close to his heart, he must also be willing to propose economies on things which are close to his heart.

Mr. LEHMAN. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. Yes.

Mr. LEHMAN. I merely wish to inquire of the Senator whether he intends to offer an amendment reducing the appropriation for hospital construction. Possibly I would have been familiar with what the Senator is after if I had studied the various amendments carefully.

Mr. DOUGLAS. Yes, I will offer an amendment reducing the appropriation for hospital construction by $20,000,000.

Mr. LEHMAN. May I make an observation?

Mr. DOUGLAS. Certainly.

Mr. WHERRY. Mr. President——

Mr. LEHMAN. I am very sorry indeed——

Mr. WHERRY. Mr. President, I shall have to ask for the regular order. I do not desire to shut off my distinguished friend from New York, but I think we should go along with the work of the Senate. The Senator from Illinois has the floor. I do not object to him speaking as long as he desires, but if one Senator begins farming out the time to various other Senators to make observations on points raised, that will occupy the time all afternoon, and we will get nowhere with the appropriation bill. I hope the Senator from New York will not feel that I am in any way shutting him off.

Mr. DOUGLAS. I am glad to yield for a question.

Mr. LEHMAN. I withdraw my request to make an observation, and ask the Senator to yield for a question.

Mr. DOUGLAS. I am glad to yield for a question.

Mr. LEHMAN. I need not assure the Senator from Illinois of my high regard and admiration for him, and also of my satisfaction over the fact that he is approaching the matter with a surgeon's knife rather than a meat ax. However, I should like to ask him if he does not think hospital construction is about as important as anything for which we could possibly appropriate money? In importance it seems to me to come immediately after appropriations for direct aid to our defense effort. In my opinion it is very closely allied with our defense effort.

Mr. DOUGLAS. I may say, in answer to the Senator from New York, that it pains me greatly to propose the amendment, but I am proposing that we return

to the House figure, which is $175,000,000. Necessary and desirable as hospital construction is, the defense of the Nation and our economic strength are even more important. Therefore, reluctantly, but no less vigorously, I intend to press my amendment.

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield for a question.

Mr. CHAVEZ. The Senator says the defense of the Nation is absolutely necessary.

Mr. DOUGLAS. It is the first essential; yes.

Mr. LANGER. Mr. President, we on this side of the aisle cannot hear the Senator from New Mexico. Will he speak a little louder?

Mr. CHAVEZ. Yes, Mr. President, I will speak louder. The Senator from Illinois has stated that the defense of the Nation is the first essential. We agree with him. But does not the Senator from Illinois think that if we have to defend the Nation according to the ideas and the ideals which I know animate my good friend from Illinois, it is just as necessary to provide hospitals for those who defend the Nation as it is to provide the guns or possibly the scrap iron which might produce the necessity for the hospitals?

Mr. DOUGLAS. I may say that I do not want to be drawn too closely into a discussion of the hospital amendment at this time, because it is not yet before the Senate. What I am proposing at the moment is a cut in the expenditures for the Office of the Solicitor of the Department of Labor, and I should like to have the concrete discussion on hospitals reserved until the time when the amendment dealing with them is proposed.

Mr. President, not only are these projects very close to my heart, but it so happens that I think I have more personal and political friends in the Department of Labor and the Federal Security Agency than in any of the other agencies of government. Some of the officials in the Department of Labor and the Federal Security Agency are lifetime friends of mine, men for whom I have a very high personal regard, men whose hearts beat in some unison with mine on many issues of the day. In one or two cases they have been unfortunate enough to have been students of mine.

I had hoped that some bill other than the Labor and Federal Security bill would be the first to be presented to the Senate. I had hoped that I might at least vote for economies on other measures before I felt compelled to apply the knife to the Department of Labor and the Federal Security Agency. So I feel somewhat embarrassed about it. But if we cut only on things with which we are not intimately concerned, and resist cuts on those matters in which we are concerned, we will never achieve economy. We must use the knife on the things which are close to our hearts, both in order to gain support from others and to win the support of the country. We will only break the lethargy in reducing appropriations by being rigorous in cutting things in which we are vitally interested, as well as those in which we are not.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. Yes; and I apologize to the Senator from Vermont if I seemed abrupt a few moments ago.

Mr. AIKEN. I understand perfectly. Am I correct in understanding that the amendments offered by the Senator from Illinois remove the limit on each appropriation which can be spent for personal services? As I read them they appear to do that.

Mr. DOUGLAS. They are cuts in total appropriation items; yes.

Mr. AIKEN. They are cuts in the total appropriation?

Mr. DOUGLAS. Yes.

Mr. AIKEN. Would it be left up to each branch of each department as to the part to be spent for personal services?

Mr. DOUGLAS. Yes, although most items are for salaries and expenses.

Mr. AIKEN. If there is no limitation in that respect, I was wondering whether that would effect the purpose of the Senator from Illinois.

Mr. DOUGLAS. It would still be in order to use some form of modified Jensen amendment at the end which would effect a general reduction in personnel.

Mr. President, I should like to make one disclaimer before I come to the question of the Solicitor's office. I know it seems very ungracious for a Senator who is not a member of the Appropriations Committee to rise on the floor of the Senate and propose a series of detailed cuts. In the first place, it apparently puts him in the position of assuming an importance which he does not possess. It is perfectly true that the information as to these matters possessed by a Senator not a member of the Appropriations Committee is not so perfect as is the information of those who are members, and who have heard the justifications advanced, and so on. I realize that many of my colleagues, charitable as they are, are probably wondering why I am doing it. I hope I am doing it with a desire to save money and serve the best interests of the country. I believe that is why I am active in this work.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Illinois yield to the Senator from Vermont?

Mr. DOUGLAS. I yield.

Mr. AIKEN. I may say to the Senator that I have found the answer to the question which I asked a few minutes ago. The first two amendments proposed by the Senator from Illinois apparently strike out the limitation on the amount that can be spent for personal services.

Mr. DOUGLAS. That is correct; but they reduce the total amounts for salaries and expenses.

Mr. AIKEN. The other amendments do not.

Mr. DOUGLAS. That is correct.

Mr. AIKEN. I think that information ought to go into the RECORD.

Mr. DOUGLAS. Nevertheless, unless the Senate is to become a mere rubber stamp, it should have some right to review the activities of its committees. If we are to accept implicitly everything presented to us by committees, we may as well cease any sessions of the Senate as such, and merely ratify decisions taken by committees.

So I hope that members of the Appropriations Committee will not take it amiss, will not think that I am indulging in a self-importance which I assure Senators I do not feel I possess, when I make these proposals. I am making the proposals only because we need to cut far more deeply than the committee has done. We need to cut far more deeply in the interests of national solvency, to prevent inflation, and to prevent the public debt from multiplying.

I hope that this over-lengthy explanation, which was longer than I originally intended, will pave the way for a discussion of the concrete amendments. What I am proposing, at the moment, is that instead of appropriating approximately $1,670,000 for the Solicitor's office, we appropriate $1,575,000, or a reduction of approximately $95,000. In brief, this is a cut of 8½ percent below the budget estimate.

Mr. President, I submit that on the whole, the legal staffs of the Government are swollen and inflated. If there is one commodity of which the Government has a surplus, it is lawyers. Virtually every agency has a large number of lawyers, a large percentage of whom are not needed. I know that statement comes hard in a body the majority of whose Members are lawyers; but the function of these lawyers generally is to tell the head of the agency that he can legally do what he wants to do, that there is legal ground for proceeding in the way he wants to proceed. If the head of the agency wants to deny jurisdiction and does not wish to take up a subject, lo and behold, the lawyer in his agency will produce an opinion showing that it is either unconstitutional or illegal to take the matter up. If the head of the agency wants to assume jurisdiction, an opinion will be produced showing that there is a sound constitutional or legal basis for his doing so.

We have progressed to the point where it is not the Congress which really makes the laws of the country. It is the heads of the agencies who interpret the laws and get from their paid attorneys opinions which in some cases are in violation of the statute, and in many cases do not carry out the intent of the statute.

So while I have a very farm feeling for lawyers as a class, and especially for those lawyers who are Members of this body, nevertheless, I think that this is an appropriation which can with profit be reduced. Without wishing to be sadistic toward these attorneys, many of them may return to more profitable employment in private industry or in the Armed Forces of the United States.

Mr. President, I hope, therefore, that the pending amendment will be agreed to.

TRANSPORTATION IN INTERSTATE COMMERCE OF HORSES OR DOGS FOR RACING

Mr. LANGER. Mr. President, I ask unanimous consent to introduce a bill to

prohibit the transportation in interstate or foreign commerce of horses or dogs for the purpose of participating in races where facilities for betting on such races are available, and/or where money prizes are awarded to the winners and others for participating therein. I ask unanimous consent that the bill be printed in the RECORD in full at this point as a part of my remarks.

There being no objection, the bill (S. 1626) to prohibit the transportation in interstate or foreign commerce of horses or dogs for the purpose of participating in races where facilities for betting on such races are available and/or where money prizes are awarded to the winners and others participating therein, introduced by Mr. LANGER, was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) the purpose of this act is to assist the various States, Territories, and possessions of the United States and the District of Columbia in the enforcement of their laws pertaining to gambling, bookmaking, and like offenses and to aid in the suppression of organized-gambling activities.

(b) "Transportation in interstate commerce" means transportation directly or indirectly from any place in any State, Territory, or possession of the United States, or the District of Columbia to any place in any other State, Territory, or possession of the United States, or the District of Columbia.

(c) "Transportation in foreign commerce" means transportation directly or indirectly from or to any place in the United States to or from a foreign country or ship at sea or in the air.

SEC. 2. (a) It shall be unlawful for any person or persons to ship, carry, transport, or deliver by any means whatsoever in interstate or foreign commerce, or cause to be shipped, carried, transported, or delivered by any means whatsoever in interstate or foreign commerce, horses or dogs for the purpose of participating in races where facilities for betting on such races are available and/or where money prizes are awarded to the winners and others participating therein.

(b) Nothing in this act shall be construed to prevent transportation in interstate or foreign commerce of horses or dogs for the purpose of participating in any events at which no facilities for betting are available or money prizes awarded, nor for any other purposes.

SEC. 3. Whoever knowingly ships, carries, transports, or delivers by any means whatsoever in interstate or foreign commerce, or causes to be shipped, carried, transported, or delivered by any means whatsoever in interstate or foreign commerce, horses or dogs for the purpose of participating in races where facilities for betting on such races are available and/or where money prizes are awarded to the winners and others participating therein, shall be fined not more than $1,000 or imprisonment for not more than 1 year, or both, and each transportation shall constitute a separate offense.

Mr. LANGER. Mr. President, during the past year and a half I have observed with interest the various suggestions that have been made both in Congress and in the newspapers throughout the country both with respect to the legalization of gambling and also the suggested steps to completely wipe out gambling. I have also noted with interest Senate 3358 which was introduced in the last Congress and passed by the Committee on Interstate and Foreign Commerce which would prohibit the publication of information with respect to horse and dog races. In the present session I have observed Senate 1563 and 1564 which approach the problem from a different aspect but also are directed to the end of endeavoring to curtail illegal gambling. At this time I feel it is not necessary to comment on any of these bills as I have, after considerable study, concluded that there is only one satisfactory solution to the question of stopping illegal gambling, insofar as such gambling takes place on horse or dog racing. I believe a most succinct statement of the solution of the problem is contained in an editorial which appeared in the Hartford Courant on May 3, 1951. I should like to read that editorial at this time:

THE KEFAUVER REPORT

The long-awaited Kefauver report on crime in the United States is really a rather threadbare tale. The fact that horse racing, bookmaking, transmission of race-track news, politics, and racketeering are all tied up together will be news to nobody but hermits and inmates of institutions for the feebleminded. Race track wire services, furnishing quick information on the horses, are plums over which gangs have fought battles and men have died. Muscle men have for years maintained monopolies for their gangland bosses.

One of the prime recommendations of the Kefauver group is passage of legislation regulating such services. All persons having to do with the transmission of this information would be licensed. And no company dealing exclusively in this kind of information would be licensed. By this device, it is hoped to get around the objection that banning news on the nags would be interfering with freedom of the press. The Federal Communications Commission has already made it clear that it has no desire to act as policemen on this beat.

Admirable as the Kefauver report may be, and well-intended as Senator KEFAUVER, little that is new came out of the hearings. Beyond the virtue of focusing public attention on gangsters and their political friends, it was little more than television hippodrome. So, too, the recommendations made by the Committee now with reference to licensing wire services, while good, are not good enough.

The fundamental trouble with the Kefauver Committee, and with even the most pious of its members, is that not one of them is willing to look to the fundamental root of this crime picture. The wire services that furnish information to the bookies are merely the effluvia. Without the race tracks and the horses there would be no such service.

The Kefauver committee studiously avoids looking this situation in the eye. It backs away from it and produces this mouselike recommendation, even though the mountain quivered deliciously for days on television. To the objection that horse racing is a purely intrastate racket, it can be said that the Federal Government has before this legislated out of existence situations that were even more localized. By the simple device of banning prison-made products from interstate commerce the Federal Government shut up some forty State-operated prison workshops.

If Senator KEFAUVER and his colleagues wish to be taken seriously, let them recommend that the transportation of race horses in interstate commerce be banned. Without such interstate shipment a great many tracks would wither away. If the same interstate policing power were also exerted against the shipment of racing information, hay or grain for race horses, the going for the bookies could be made really difficult.

This recommendation is made, of course, with the full knowledge that neither Senator KEFAUVER nor even the pious Senator TOBEY will go along with it. Imagine how popular Mr. KEFAUVER would be down in the bluegrass section if he tried a knockout blow at the sport of touts? And Mr. TOBEY's constituents, or a good number of them, also like to put a few bucks on the nose at the New Hampshire race-track establishment. Until there is official recognition that racing wire services are only a by-product of the tracks, and that prophylaxis should be directed at the real evil, the efforts of Senator KEFAUVER and his colleagues, while admirable, are not anything to get unduly excited about.

Somewhat to the same tenor is an article by Columnist Fred Othman, which appeared in the Washington Daily News last June 19, 1950, and which also analyzes this problem. He said:

NO HORSES, NO BETS

The Democratic gentleman from Milwaukee, Representative Andrew J. Biemiller, figures the only way to stop betting on horse races is to eliminate them.

There'd be no bookmakers, no betting syndicates and no shady racing news services, said he, if there were no races.

His fellow lawgivers were aghast. Mostly they like these contests between the noble nags. And mostly they lay down a perfectly legal wager when they visit the track. Yet they're knocking themselves out, trying to rid the Nation of betting on the horses when the gambling takes place away from the tracks. I guess I'm dumb. I can't see the difference between putting $2 on the nose of a filly you can see in front of you and one in a race a couple of hundred miles away.

What I mean is that I rolled out to Maryland the other evening for the final session of the harness races at Rosecroft. The scenery was pretty and so were the horses, while the breeze was soft, and the food in the clubhouse superb.

The jockeys in these races mostly were old geezers in striped satin jackets and gold-rimmed eyeglasses; one sported a small white goatee. They rode in two-wheeled carts called sulkies and each had a superb view of his own horse's tail.

The clubhouse was jammed with sportsmen like myself. At the next table sat a United States Senator, who stands four-square against bookmaking, which he considers a crime. He ordered up a sirloin steak, which cost him $3.50 without trimmings. Between races he put down his bets; during their running he was more concerned with his dinner than in the contests under the floodlights down below.

So were a lot of other people.

They got a few quick glimpses of the horses, but what fascinated them was the voice on the loud speaker announcing which nag had won. They stopped eating then. And I claim they could have got the same results via telephone, except, of course, that this would have been illegal.

After finishing their dinners a number of the patrons ambled downstairs, took a gander at the handsome horseflesh and the elderly parties on the sulkies, then repaired to the bar, where refreshments were available at reasonable prices.

This is known in horse-racing circles as improving the breed. I'm not kicking about that, either, because I am a broad-minded fellow.

Only I don't quite see the justice of the lawgivers wanting to put into the clink the little guy down the street who'll take a small wager and thereby save me the trouble of going out to the track.

He certainly works harder for his money than the gent on track's microphone. This mellow-voiced individual kept urging the customers to make their investments at the ticket windows while there was still time. The little guy who makes book comes around personally to get the money.

I guess I'll have to go along with Representative Biemiller. I'd hate to see it happen, but if we're going to eliminate betting on horses, we'll also have to eliminate the races.

Mr. President, in the bill I am now introducing, I propose to prohibit the transportation in interstate or foreign commerce of horses or dogs for the purpose of participating in races where facilities for betting on such races are available and/or where money prizes are awarded to the winners and others participating therein. This bill in no-wise would prohibit the transportation of horses or dogs for any other purpose, such as breeding, show or shows, work, hunting, pleasure riding, and so forth. Under the bill, as proposed, horse or dog racing could continue in any State where such racing has been legalized as a medium for betting at specified gambling enclosures authorized by the State. However, the enactment of the bill would prohibit the transportation of horses and dogs from the northern tracks to the southern tracks, from the eastern tracks to the western tracks, and vice versa. As we all know, there is no horse or dog racing at the northern tracks during the winter season. At that time the horses or dogs are taken south to race in Florida and Louisiana, and some are taken to California. In the spring of the year these horses and dogs return north and to the midwestern tracks.

The stopping of the transportation of these horses and dogs from State to State would mean that the betting public would not be familiar with the performances and abilities of particular horses and dogs racing at out-of-State tracks. A discussion with any horse or dog bettor will unquestionably convince anyone that such bettors want to bet on horses or dogs which they have seen race before. They have no particular interest in betting on horses or dogs which they have not seen race because they have no yardstick by which to satisfy their minds as to their real ability. Accordingly, when the horses would go south, I am positive there would be a great decrease in illegal gambling; for example, in the Northern States during the winter months, where the bettors would not have seen the horses run which would then be running at the tracks in the Southern States. The converse is likewise true. The withdrawal of the stimuli for betting for a period of 4 or 5 months will cause many persons to lose their interest in betting on horses and dogs, and over a not too long a period of time I believe that a public apathy would develop as far as such gambling was concerned.

There can be no doubt in anyone's mind that the great increase in the number of tracks which are now in existence in this country has in a large measure stimulated the public interest in gambling. The Attorney General of the United States, J. Howard McGrath, stated:

The country was allowed to drift into laxity, as a result, I suppose, of the tremendous increase in legalized betting within the last 10 years. This is a new problem.

If you go back in your mind to 10 or 15 years ago, there were very few race tracks around the United States. Since that time more than half of the States have provided for legalized betting, and this is an evil that has grown out of the fact that people have been made conscious of how to bet on horses.

I daresay, if any member of this committee can go back 10 years in his mind, he would not know how to bet on a horse; you would not know what it meant when you said "Win, place, show," or any of those other things. Yet, there is no citizen in the United States today that does not understand these terms.

So, it is an evil that has grown up out of a new social condition, shall we say, that has been created in the United States.

Now, whether it is a wise policy to have legal betting on this side of the fence and the same thing to be illegal on the other side of the fence is a matter of question.

The States have seen fit to do it. They have set it up that way. And our people, for the most part, do not feel there is anything very morally wrong if they go into the corner periodical store and put $2 on a horse. It is not morally wrong to them whether they do it that way or go out to a race track and pay an admission and put it through a parimutuel machine. (Hearings before the Special Committee To Investigate Organized Crime in Interstate Commerce, U. S. Senate, 81st Cong., 2d sess. and 82d Cong., 1st sess., pursuant to S. Res. 202 (81st Cong.), p. 518, Monday, March 26, 1951).

That is the testimony of the Attorney General of the United States, Mr. President.

An analysis of the hearings held before the Special Committee To Investigate Organized Crime in Interstate Commerce, the so-called Kefauver committee, certainly adds considerable weight to the conclusion that the legalization of gambling has resulted in a tremendous upsurge in gambling. This committee held hearings in 13 cities throughout the United States wherein gambling activities were carried on on a large scale. Ten of these cities were located in States where gambling on horse and dog races has been legalized. This appears to me to be a very significant fact.

Only two arguments can be advanced against the enactment of a bill such as the one I have introduced. The first is that such action would constitute an infringement of States' rights. There can be no support for this proposition. The conduct of racing at legalized gambling enclosures would still be permitted; furthermore, horses and dogs could still be transported from State to State for any purpose other than for racing at enclosures where betting takes place or money prizes are awarded. For example, if a horse owner in the State of Maryland still desired to continue his stable, he could have a mare studded in Kentucky and returned. The offspring could thereafter race in the State of Maryland or the home-grown variety could be used. As pointed out in the Fred Othman article, which I have read earlier, it is sheer buncombe to say that the average bettor goes to a race track to admire the beauty or performance of the horse. He is interested in the announcement from the loud-speaker as to whether the nag on which he has some money bet is in the running.

The other argument which has oftentimes been advanced when anything is ever mentioned about racing is that horse racing and dog racing are for the improvement of the breed. This argument went out with the mechanized age. A study of the hearings that have been held many times in the past in Congress will show that this argument has always been advanced, the desire to improve the breed being predicated on the statement that better horses were needed for the United States Army Cavalry Remount Service; but as all of us know, the United States Army Cavalry Remount Service has been abolished.

I do not say that the enactment of this bill would result in the abolishment of all types of illegal gambling. We are all aware of the fact that gambling is a very human trait. For example, it reminds me of a current story of the students at a western university who were found to be betting quite heavily on football games; and when the faculty prohibited such betting and made it grounds for expulsion, the students then held a pool and took bets on when the dean's pregnant wife would have a baby, whether or not it would be a boy or a girl, and how much it would weigh. This story is related by me only to point out that bettors will always find some medium to enable them to bet.

However, if this body is serious about curtailing off-track gambling on horse and dog racing, I state with all assurance that the enactment of this bill will cause a marked apathy among the betting public. Once we achieve this lessening of interest, I am convinced that as time goes on this apathy will increase. In any event, we shall have at least made the problem a local one which can be handled by the States themselves.

Mr. President, in this connection I call attention to a companion bill which I now ask unanimous consent to introduce. The title of the bill is "To require the keeping of certain records in connection with betting on horse and dog racing." I wish to give a brief explanation of the bill. First, I shall read the bill:

Be it enacted, etc., That section 54 of the Internal Revenue Code (relating to records and special returns) is amended by adding at the end thereof the following new subsection:

"(h) Racing enclosures.—

"(1) All operators of racing enclosures wherein betting is legalized by State law are required to file forms containing the name and address of all persons to whom fifty dollars ($50), or more, is paid. It shall be the duty of the operators of such racing enclosures to require the recipients of fifty dollars ($50), or more, to properly identify themselves.

"(2) All amounts paid to any persons by the operators of such racing enclosures shall be considered net profit to such persons unless they obtain and preserve a receipt other than a pari-mutuel ticket from the operators of such tracks for the amounts of moneys wagered by such persons on losing entries, such receipt to be obtained at the

time that the pari-mutuel ticket is purchased, and containing the purchaser's name and address, entry bought and amount bet.

There being no objection, the bill (S. 1627) to require the keeping of certain records in connection with betting on horse and dog racing, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Finance.

Mr. LANGER. Mr. President, in America today there is only one business which is not required to keep Form 1099. That is the racing business. True, the forms are kept as to their employees, and so forth, but this accounts for only a portion of the expenses which inure to the track out of its 10 percent or more cut of the total handled. The bill would reach the billions of dollars which are bet annually, as to which no accounting whatsoever is presently required. The tracks keep no records of the names of persons to whom they pay winning wagers, nor do they keep records of the names of persons who wager at the tracks. The Bureau of Internal Revenue will confirm the fact that many tax violators, when found with cash on hand—sometimes amounting to thousands upon thousands of dollars—claim to have won the money on bets at racing enclosures. If this bill is enacted, the Bureau of Internal Revenue will have the names of all persons who have won $50 or more at one time. Further, the bill will prevent such persons from claiming as losses on betting amounts as to which today all that would be required would be to preserve the pari-mutuel tickets on losing horses or dogs. These losing tickets can be picked up by the millions of dollars every year on the floors of the tracks, where they have been thrown by persons who have lost, after the results were announced. Under this bill, such pari-mutuel tickets on such losing wagers would be meaningless. The result would be that millions upon millions upon millions of dollars would go into the Treasury of the United States, instead of going, as now is the case, to a bunch of crooks who gather up such tickets after they are thrown away at the tracks.

Any person who would be betting reasonably high amounts would obtain from the pari-mutuel seller a receipt giving his name, address, horse or dog bet on, and the amount paid. The receipt would be stamped by the official stamping device. Without such a receipt, a bettor would not be able to deduct any losses against his winnings; and his winnings would have come to the attention of the Bureau of Internal Revenue by virtue of the requirement compelling the operators of the tracks to file Form 1099.

Mr. President, in addition to the reasons I have already stated for enactment of the bill, I believe I should call attention to the fact that today all householders who employ persons, even domestics, being paid $50 or more a month are required to file forms stating this fact. The same reasoning applies to the payment of winnings to bettors.

This bill is, however, not strictly a revenue-raising measure requiring introduction first in the House by the Ways and Means Committee. The requirement as to the keeping of records will, however, enable the Bureau of Internal Revenue to locate the revenue and collect the taxes due.

Mr. President——

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LANGER. I shall yield in a moment.

Before I yield, Mr. President, let me say that I have been horrified, when picking up the newspapers, regardless of the part of the United States in which I travel, just as I was horrified when I listened to some of the testimony before the Kefauver committee, to learn that some of the gamblers say, "Yes; I have $40,000 or $50,000 at home, but I won it at a race track," or "I won it in Florida at a dog race." Mr. President, the enactment of this bill will not interfere in any manner whatsoever with legalized gambling in the States in accordance with State law, but in my opinion the bill will have a very fine effect on the raising of revenue in behalf of the taxpayers of the United States.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. FERGUSON. The question was whether the Senator's bill would be broad enough to prohibit the shipment of dogs, for instance, to exhibitions where field prizes, both in money and otherwise, might be awarded, and also the shipment of horses and dogs in connection with shows, fairs, and so forth.

Mr. LANGER. I particularly stated that this bill would exempt horses and dogs shipped for those purposes, and also when shipped for the purpose of improving breeds.

Mr. FERGUSON. So it would not cover the shipment of dogs for the purpose of competing for field prizes?

Mr. LANGER. That is correct. It would exempt them.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. HUNT in the chair). The Senator will state the inquiry.

Mr. DOUGLAS. What is the question now before the Senate?

The PRESIDING OFFICER. The question before the Senate is an amendment offered by the senior Senator from Illinois, on page 2, line 17.

Mr. CHAVEZ. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Benton	Butler, Md.
Anderson	Brewster	Butler, Nebr.
Bennett	Bridges	Byrd
Cain	Hoey	Morse
Capehart	Hunt	Mundt
Carlson	Ives	O'Conor
Chavez	Jenner	O'Mahoney
Clements	Johnson, Colo.	Pastore
Connally	Johnson, Tex.	Robertson
Cordon	Johnston, S. C.	Saltonstall
Dirksen	Kefauver	Schoeppel
Douglas	Kem	Smathers
Dworshak	Langer	Smith, Maine
Eastland	Lehman	Sparkman
Ecton	Lodge	Stennis
Ellender	Long	Taft
Ferguson	Magnuson	Thye
Flanders	Malone	Underwood
Frear	Maybank	Watkins
George	McCarthy	Welker
Green	McClellan	Wherry
Hayden	McFarland	Wiley
Hendrickson	McKellar	Williams
Hennings	McMahon	Young
Hickenlooper	Monroney	
Hill	Moody	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. CHAVEZ. Mr. President, I ask for the yeas and nays.

Mr. WILLIAMS. Mr. President, will the Senator from New Mexico withhold his request? I should like to submit an amendment to the amendment of the Senator from Illinois, and the Senate will have to vote first on my amendment.

The PRESIDING OFFICER. The offer of an amendment by the Senator from Delaware is not in order at this time.

Mr. CHAVEZ. Mr. President, I ask for the regular order.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. Is the Senator from Delaware out of order because the yeas and nays had been asked for? They have not yet been ordered.

The PRESIDING OFFICER. No; that is not the point. The amendment suggested by the Senator from Delaware would be an amendment in the third degree and would be, therefore, not in order.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. I can ask for a reconsideration of the action of the Senate in rejecting on yesterday the House provision, can I not?

The PRESIDING OFFICER. The pending amendment must first be disposed of.

Mr. WILLIAMS. It was my understanding that the amendment would be in order. The amendment offered by the Senator from Illinois would save only $94,445. If we should adopt all the amendments of the Senator from Illinois the bill would still carry more money than was appropriated in 1950. I do not want to support an amendment which will give an agency more money than it had last year. As the Senator from Illinois has stated, we must take out a little more of the fat, and in addition to that, a little of the meat. We are not even cutting the fat out of the bill.

Mr. CHAVEZ. Mr. President, it is all right to take out the fat, but we should not take out the common sense, too.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

Mr. WILLIAMS and Mr. CHAVEZ addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois to state his parliamentary inquiry.

Mr. DOUGLAS. Mr. President, as I understand——

Mr. WILLIAMS. I rise to a point of order.

Mr. DOUGLAS. Mr. President, am I correct in my understanding that the amendment which I have offered to the committee amendment is an amendment in the second degree, and that any amendment to my amendment would be in the third degree and would, therefore, be out of order?

The PRESIDING OFFICER. The Senator is correct.

Mr. CHAVEZ. Mr. President, I asked for the yeas and nays.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. It is in order, is it not, when a point of order is raised, for the Senator who made the point to present his observations as to why he feels that the point of order should be sustained? Is not that correct?

The PRESIDING OFFICER. The Chair would have some discretion.

Mr. WHERRY. I understand that. I hope the distinguished occupant of the Chair will recognize the Senator from Delaware in order that he may at least present his argument on the point of order, even though his amendment may be out of order.

The PRESIDING OFFICER. The Chair understood that the Senator had stated the reasons, but the Chair will permit him to restate them. The Senator from Delaware is recognized.

Mr. WILLIAMS. I do not understand why I lost the floor in the first place.

The PRESIDING OFFICER. The Senator from Delaware offered an amendment which was out of order. He lost the floor when the Chair ruled that it was out of order.

Mr. WILLIAMS. I think the RECORD will show that I was stating why I wanted to present an amendment. Is there no way by which I can offer an amendment without the Senate first voting on the amendment offered by the Senator from Illinois?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that there is no way by which that may be done.

Mr. WILLIAMS. I merely want to point out that even though the Senate adopts the amendment of the Senator from Illinois, only $94,445 would be saved in the Office of the Solicitor, and that same agency operated for $1,000,000 in 1950 and in 1951 for a quarter of the amount. I think the taxpayers might as well know that while great speeches favoring economy are made on the floor of the Senate, if efforts to save money are going to be ruled out of order, we will not get anywhere with this bill.

The PRESIDING OFFICER. The yeas and nays have been requested, and they are ordered.

Mr. AIKEN. Mr. President, I should like to discuss the amendment offered by the Senator from Illinois, although I do not expect to support all the amendments he proposes to offer.

When our Government was established it was understood that the legislative branch should enact laws and that the executive branch should apply them. It is only natural that some laws enacted should be misunderstood by the branch of the Goverment which is supposed to apply them. So it was provided that when there was any doubt as to the meaning of a law enacted by the Congress, the agency of the executive branch which was concerned could apply to the Attorney General for an interpretation of the law. However, as time went on, various departments established solicitors' offices and departed from the practice of applying to the Attorney General for interpretation of acts of Congress to such an extent that in 1949 only 33 formal opinions and interpretations were made by the Attorney General's office.

The Solicitors' offices in some of the departments have grown so very large and so very expensive that they have become one of the major problems of the Government. To too great an extent the solicitor and his staff, who are employed by the head of a department, are engaged in misinterpreting acts of Congress and pointing out means by which the head of the department may successfully evade complying with the intent of the Congress. I think we could well cut some of the personnel and the appropriations for most of the solicitors' offices. I realize that they have some able lawyers. They have certain papers to make out, and they have quite a bit of work for lawyers to do, but they constitute one of the major problems of good government by spending too much of their time in figuring out ways to evade the intent of the Congress.

Therefore, Mr. President, I support the first amendment offered by the Senator from Illinois.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. AIKEN. I yield for a question.

Mr. CHAVEZ. In order to indicate to the Senator from Vermont, for whom I have the greatest respect as a legislator and as a citizen, what the committee had in mind and was trying to accomplish, I may say that on page 19 of the report it will be seen that the bill, as to that item, contains $51,715 less than the amount appropriated for 1951. It is $80,555 under the budget estimate, and only $19,000 over the House figure. We believed those items are completely justified.

I am in deep sympathy with the objectives of the Senator from Vermont. I know that in many instances departments will do what the Senator has in mind to be done. But if the Senator will only read the statement I made to the Senate concerning this item when we began the debate he will realize that the committee went the limit. The report is not partisan in any sense. The report to the full committee was made by a subcommittee, whose members from both sides of the aisle were in complete harmony. I hope the Senator will bear that in mind.

Mr. AIKEN. The Senator from Vermont does not pretend to know the exact number of dollars required to make it possible for the necessary legal work of each department to be performed. The Senator from Vermont is depending upon the Senator from Illinois to produce information as to the correct number of dollars to be provided for this particular solicitor's office. But, so far as the Senator from Vermont is concerned, he would like to find some way of eliminating every dollar which is spent by the various solicitors' offices in finding ways to evade the intent of the Congress.

Mr. CHAVEZ. Mr. President, the subcommittee of the Committee on Appropriations which handled the bill began hearings on the 3rd of April. The Senator from Illinois is not a member of the subcommittee. He did not hear any of the testimony given to the subcommittee. The Senator from California [Mr. KNOWLAND], the Senator from Minnesota [Mr. THYE], the Senator from Alabama [Mr. HILL], the Senator from New Mexico, and other Senators heard that testimony. Does the Senator from Vermont expect a member of the Committee on Agriculture and Forestry to have heard as much evidence on this matter as a member of the subcommittee dealing with the subject? All I ask is that he give just as much consideration to members of the Appropriations Committee who took part in the discussion of the bill and in listening to the justifications of the bill, as to other Senators.

Mr. AIKEN. The Senator from Vermont knows that the House provided $1,650,000 for this item, which the Senator from Illinois would reduce to $1,255,000. The Senator from Vermont is sure that if evidence is produced before the conferees that the amount proposed by the Senator from Illinois is altogether too low to permit the Solicitor's Office to function effectively and properly—and I emphasize the word "properly"—the conferees will then be in a position to correct any inadvertent injustice which the Senate might have committed.

Mr. CHAVEZ. Do I understand the Senator from Vermont to intimate that the Senator from Illinois knows more concerning the justifications for this item than do the Senator from New Mexico and the members of the subcommittee who heard the evidence?

Mr. AIKEN. The Senator from Vermont has so much confidence in both the Senator from Illinois and the Senator from New Mexico that he would not care to answer that question. On this particular point, however, since there will be ample opportunity to correct any injustice we may make in the Senate, I prefer to go along with the Senator from Illinois, and see if there is any possible way to keep the Solicitor's Offices from spending such a large percentage of their time in trying to find some way successfully to evade the intent of Congress.

Mr. CHAVEZ. The next time a bill is reported from the Committee on Agriculture and Forestry I feel I could be justified, in view of the remarks of the Senator from Vermont, in going to some member of the Committee on Finance to find out what the Committee on Agriculture and Forestry meant by their report on a bill.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. FERGUSON. Mr. President, I hope the Senate will keep in mind that various departments of Government are being overstaffed with attorneys, with planners, and with charters. The Senator from Michigan does not feel that simply because of the fact that he is a member of the Appropriations Committee such matters as we are now discussing should not have full and complete discussion on the floor, engaged in by Senators who are not members of the committee.

Anyone who is familiar with the practice of law knows that after the laws are passed and have been interpreted for a number of years in a department, the work becomes more or less clerical. We find, however, that every time we pass a new law applying to a particular department, that department comes to Congress the next year and wants more lawyers in order that they can interpret the new statute.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. Does not the Senator from Michigan agree that the solicitor of a department is not in any position to give an impartial interpretation of an act of Congress when he knows that the department head wants it interpreted in a certain way? He is employed by the department head, and if he does not interpret an act of Congress in a manner satisfactory to the department head, he may lose his job. The Attorney General, who should render an impartial interpretation, is not applied to at all because the department head could not dismiss him if he gave him a "wrong" interpretation.

Mr. FERGUSON. Mr. President, the Senator from Vermont has hit the nail squarely on the head. So long as the Government continues to permit every agency, every bureau, and subbureau, to have its own lawyers and its own interpreters of the law, instead of submitting questions of law to the Attorney General, we are going to receive very poor interpretations of laws.

Mr. President, I hope the Senate will vote for the proposed cut.

Mr. CHAVEZ. Mr. President, it is all very well to take the position Senators have just taken, but we should remember our own responsibility in connection with this matter. If there is an office of Solicitor in the Department of Labor it is because the Congress of the United States created the office. If we are really sincere in our desire to save, we should pass legislation abolishing all such offices. But after we create positions and impose duties upon those occupying them, we should consider our responsibilities in connection with making adequate appropriations so as to make it possible for those occupying the positions to carry out the duties we have imposed upon them. If we want to do more than simply give lip service to economy, let us introduce legislation abolishing all such offices. I might vote in favor of such proposed legislation.

Mr. President, members of the committee on both sides of the aisle have worked hard and diligently on this subject. I have told the Senate that in this particular instance the only question involved is whether the Senate committee was justified in adding $19,000. In order to bring about economy we made a reduction totaling $51,000 under the 1951 appropriation, and $80,000 under the budget figure. The committee, however, did not feel justified in ruining the function completely. Of course, money can be saved by Congress. Congress can do away with all appropriations. The Senate has the authority to do that. But do we want to carry on orderly processes of government? Do we want to accept our responsibility? There is an Office of Solicitor in the Department of Labor. Do we want that Office to function? Yes; but properly, and without waste. If we want it to function properly, it is our duty not to sabotage its work, but to provide the Office annually with the necessary funds to enable it to carry on in a proper manner.

I hope the amendment will be defeated.

Mr. WILLIAMS. Mr. President, I shall support the amendment offered by the Senator from Illinois [Mr. DOUGLAS], because it is better than no saving at all. I have great respect for the Senator from New Mexico [Mr. CHAVEZ], but I point out that the adoption of this amendment would be far from sabotaging any of the work of the Office in question, because even if we adopt the amendment, this particular Office of the Department will still have 50 percent more money than it had in 1950.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 2, beginning in line 17. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. HOLLAND] are absent by leave of the Senate.

The Senator from Iowa [Mr. GILLETTE] is necessarily absent.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. KERR], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from Nevada [Mr. MCCARRAN], the Senator from Georgia [Mr. RUSSELL], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Oklahoma [Mr. KERR] is paired on this vote with the Senator from California [Mr. NIXON]. If present and voting the Senator from Oklahoma would vote "nay," and the Senator from California would vote "yea."

The Senator from West Virginia [Mr. KILGORE] is paired on this vote with the Senator from Pennsylvania [Mr. MARTIN]. If present and voting, the Senator from West Virginia would vote "nay," and the Senator from Pennsylvania would vote "yea."

The Senator from Nevada [Mr. MCCARRAN] is paired on this vote with the Senator from Ohio [Mr. BRICKER]. If present and voting, the Senator from Nevada would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Montana would vote "nay," and the Senator from New Jersey would vote "yea."

The Senator from West Virginia [Mr. NEELY] is paired on this vote with the Senator from California [Mr. KNOWLAND] If present and voting, the Senator from West Virginia would vote "nay," and the Senator from California would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] is necessarily absent. If present and voting, the Senator from Colorado would vote "yea."

The Senator from South Dakota [Mr. CASE] is absent by leave of the Senate on official business, and, if present, he would vote "yea."

The Senator from New Hampshire [Mr. TOBEY] is absent on official business of the Committee on Crime Investigation, and, if present, he would vote "yea."

The Senator from Pennsylvania [Mr. DUFF] is detained on official business.

The Senator from Ohio [Mr. BRICKER] is necessarily absent and is paired with the Senator from Nevada [Mr. MCCARRAN]. If present and voting, the Senator from Ohio would vote "yea" and the Senator from Nevada would vote "nay."

The Senator from California [Mr. KNOWLAND] is absent on official business and is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from California would vote "yea" and the Senator from West Virginia would vote "nay."

The Senator from New Jersey [Mr. SMITH] is necessarily absent and paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from New Jersey would vote "yea" and the Senator from West Virginia would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN], who is absent because of illness is paired with the Senator from West Virginia [Mr. KILGORE]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from West Virginia would vote "nay."

The Senator from California [Mr. NIXON], who is absent on official business, is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from California woud vote "yea," and the Senator from Oklahoma would vote "nay."

The result was announced—yeas 47, nays 29, as follows:

YEAS—47

Aiken	Ferguson	Moody
Bennett	Flanders	Mundt
Benton	Frear	O'Conor
Brewster	Hendrickson	Robertson
Bridges	Hickenlooper	Saltonstall
Butler, Md.	Hoey	Schoeppel
Butler, Nebr.	Ives	Smith, Maine
Byrd	Jenner	Taft
Cain	Johnson, Colo.	Thye
Capehart	Kem	Watkins
Carlson	Lodge	Welker
Dirksen	Long	Wherry
Douglas	Malone	Wiley
Dworshak	McCarthy	Williams
Eastland	McClellan	Young
Ecton	McMahon	

NAYS—29

Anderson	Hill	McKellar
Chavez	Hunt	Monroney
Clements	Johnson, Tex.	Morse
Connally	Johnston, S. C.	O'Mahoney
Cordon	Kefauver	Pastore
Ellender	Langer	Smathers
George	Lehman	Sparkman
Green	Magnuson	Stennis
Hayden	Maybank	Underwood
Hennings	McFarland	

NOT VOTING—20

Bricker	Kerr	Neely
Case	Kilgore	Nixon
Duff	Knowland	Russell
Fulbright	Martin	Smith, N. J.
Gillette	McCarran	Smith, N. C.
Holland	Millikin	Tobey
Humphrey	Murray	

So Mr. DOUGLAS' amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. FERGUSON. Mr. President, I call up my amendment 6-7-51-V. The amendment is offered in behalf of the Senator from Virginia [Mr. BYRD], the Senator from Nebraska [Mr. WHERRY], the Senator from Ohio [Mr. TAFT], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Delaware [Mr. WILLIAMS], the Senator from Illinois [Mr. DIRKSEN], and myself.

Mr. CHAVEZ. Mr. President, I wonder if I may interrupt the Senator from Michigan, to make a suggestion?

Mr. FERGUSON. I should be glad to do so provided I do not lose the floor.

Mr. CHAVEZ. I ask unanimous consent that the Senator from Michigan may do so without losing his right to the floor.

Mr. DOUGLAS. Mr. President——

Mr. CHAVEZ. I ask that I may address an inquiry to the Senator from Illinois without the Senator from Michigan losing his right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CHAVEZ. Mr. President, the vote on the amendment offered by the Senator from Illinois was very decisive. Would the Senator from Illinois agree that, so far as the remainder of his amendments are concerned, they be accepted by the committee and taken to conference?

Mr. DOUGLAS. I would appreciate it very much. It would save time. I should like to have the privilege of submitting now, if I may——

Mr. FERGUSON. Just a moment, Mr. President, the Senator from Michigan cannot consent to such procedure, because it would mean that his amendment would become an amendment in the third degree, and, therefore, would not be in order. I believe we should consider first of all the amendment which I am offering.

Mr. CHAVEZ. Mr. President——

Mr. WHERRY. Mr. President, the Senator from Michigan has the floor.

Mr. CHAVEZ. Of course, he has the floor. I am trying to save a little time. I ask unanimous consent that we may proceed in the manner I have suggested without the Senator from Michigan losing his right to offer his amendment.

Mr. FERGUSON. The Senator from Michigan cannot consent to such procedure at the present moment. He believes the Senate should first vote on the amendment which he has offered.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Michigan [Mr. FERGUSON].

The LEGISLATIVE CLERK. On page 42, between lines 15 and 16, it is proposed to insert a new section, as follows:

SEC. 703. Each appropriation or authorization made by this act for any purpose, of which a specified portion is herein made available for personal services, and each amount so specified as being available for personal services, is hereby reduced by an amount equal to 5 percent of the amount requested for personal services for such purpose in budget estimates heretofore submitted to the Congress for the fiscal year 1952.

Mr. FERGUSON. Mr. President, let me trace briefly the background of this amendment. It is directed at the tremendous overload of civilian employment in the Federal Government. I have some satistics which reflect that overload.

The House of Representatives sought to attack this problem by adopting the so-called Jensen amendment. I regret exceedingly that the Senate committee has seen fit to abandon the formula for reducing Government personnel which the Jensen amendment represents. I think it is effective, painless, and with the perfections I had supported that it was administratively practicable.

I protested the abandonment of the Jensen amendment in the committee, and this action is designed to repair some of the damage done by abandoning the Jensen amendment.

The Jensen amendment was admirably simple and completely painless. It used the simple device of placing a bar upon filling more than one out of four vacancies in Federal civilian employment caused by resignation, death, and so on. It was painless because no one would have been fired. But the payrolls would have been reduced materially as natural causes reduced them.

One of the reasons that I regret the abandonment of the Jensen amendment is that it contained a feature which was one of the best breaks conscientious and able Federal employees have ever had. The amendment specified that its bar against filling vacancies would not apply to promotions within an agency. In other words, it would have provided an inducement for the promotion of qualified men and women to important positions where vacancies had occurred. The present percentage cut in personal services funds gives no attention to that very significant inducement and source of encouragement to hard-working, ambitious, Government employees.

On this particular bill the Jensen amendment, as it passed the House, had no terminal point. But in line with a version of the amendment which had been attached to other bills in the House, we had proposed that it become inoperative when the payrolls had been reduced by 20 percent. I believe those of us who supported the amendment and its principle were even willing to limit its application to a 10-percent cut if that was necessary to gain its acceptance.

Largely upon representations from the Bureau of the Budget, which I dare say could not have been expected to say otherwise than that the formula was not desirable, the committee abandoned the Jensen formula. Instead it adopted a formula which cuts from the various appropriation items where personal services are involved a sum corresponding to 5 percent of the amount which had been requested in the budget for personal services. Wherever that is done the committee has placed a limitation upon personal services within the appropriation item, and that limitation corresponds to 95 percent of the budget request for personal services.

At this point I wish to refer to the bill and invite the attention of Senators to the items which would be covered by the amendment.

Let us take page 2. On line 13 the amount as proposed was $1,400,000. That has been cut by the amendment of the Senator from Delaware [Mr. WILLIAMS] to $1,000,000. Of that amount not more than $1,250,136 shall be available for personal services.

Mr. DOUGLAS. Mr. President, will the Senator yield for an inquiry?

Mr. FERGUSON. Yes.

Mr. DOUGLAS. Will the Senator from Michigan repeat the figures he has read? Do I understand that the amendment of the Senator from Delaware was that not more than $1,000,000 shall be spent by the Department of Labor, of which not less than $1,250,136 shall be available for personal services? How is it possible to spend for personal services a sum in excess of the total amount appropriated? My ears may have deceived me, but that is what I understood the Senator from Michigan to say.

Mr. FERGUSON. Mr. President, I wish to ask at this time whether the million-dollar figure applied to both figures mentioned on line 13.

Mr. GEORGE. Yes.

Mr. FERGUSON. The Senator from Michigan thought it so applied. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. Did the amendment of the Senator from Delaware cover both items?

Mr. DOUGLAS. What did the Senator from Michigan read? Will he repeat what he has read?

Mr. FERGUSON. I read this: "$1,400,000, of which not more than"—I under-

stand that the next figure was changed to "$1,000,000"—"shall be available for personal services."

Mr. DOUGLAS. I thought the amendment, as read by the Senator from Michigan, provided that the total appropriation should be not more than "$1,000,000, of which not more than $1,225,000"—obviously an impossibility.

Mr. FERGUSON. I should not have read that figure. I shall take an item on page 3, which has not yet been touched by any floor amendment.

Mr. President, I wish to tell the Senate now that the pending amendment calling for a 10-percent cut in personal services applies only to the items in the bill in which the following language is used: "of which not more than"—and then a figure is indicated by leaving a blank space—"shall be available for personal services."

This is language placing a limitation on personal services. The language of my amendment makes clear that the amendment applies only to items where that limitation appears.

That means that I do not attempt by the amendment to eliminate the employment of nurses and doctors who actually render services to those who are ill in hospitals. If Senators will turn to page 24 of the bill, they will find an item of $30,200,000 for hospitals and medical care. That item would not be touched by this amendment because the item does not contain the limiting language "of which not more than ——— shall be available for personal services."

Mr. President, the amendment would not cover the item on page 29, for instance, reading as follows:

St. Elizabeths Hospital * * * treatment of mental illness, $2,135,000.

Because the additional limiting language to which I have referred does not appear in that case.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield for a question.

Mr. KILGORE. I wonder whether Senators who propose amendments calling for cuts in appropriation items for the physical welfare of the people of the Nation are willing to stand responsible for the results of those cuts.

Mr. FERGUSON. I apologize to the Senator, but I could not hear his question.

Mr. KILGORE. I wonder whether the Senator from Michigan and many other Senators who have urged the adoption of amendments calling for cuts in the appropriations which affect the physical welfare of the people of the Nation are personally willing, individually, to stand responsible for the results of those cuts and to take the blame in that connection.

Mr. FERGUSON. Mr. President, I feel that I am perfectly satisfied to be judged both by my votes in the committee and by everything I advocate in the committee and by my votes on the floor and everything I advocate on the floor. I do not believe in advocating anything which is opposed to the welfare of the country.

Mr. KILGORE. Mr. President, let us not pass the blame on to the committee, but let us place the blame upon those who advocate certain cuts.

Personally, I am willing to assume the responsibility for the cuts I urge. I think every Senator who urges the making of a cut in appropriations affecting the physical well-being of the people of the United States should take into consideration the number of persons who cannot measure up to the physical standards required for service in the Armed Forces and also the number of welfare cases. So I think every Senator who urges the making of a cut in these appropriations should be willing not only to assume responsibility for such cuts as a member of a Senate committee but also should be willing to assume individual responsibility for them as a representative of the people of his State.

I am asking the Senator from Michigan whether he is willing to assume that responsibility.

Mr. FERGUSON. I have stated that I am willing to assume full responsibility for my votes and for my State.

Mr. LEHMAN. Mr. President, will the Senator from Michigan yield for a question?

Mr. FERGUSON. I yield.

Mr. LEHMAN. I intend to submit an amendment to the amendment the Senator from Michigan has submitted, and, in view of what he has said about protecting the health activities of the United States, I wish to ask whether the Senator from Michigan will accept my amendment to his amendment? The amendment which I would submit to his amendment reads as follows:

At the end of the amendment of the Senator from Michigan, change the period to a colon, and add the following: "*Provided*, That this section shall not apply to appropriations of the Public Health Service for hospitals and medical care, foreign quarantine service, National Institutes of Health, National Cancer Institute, mental health activities, National Heart Institute, and dental health activities.

All of them relate, of course, to the protection of the health of the people of the Nation.

In view of what the Senator from Michigan has previously said, I wonder whether he will accept this amendment as a part of his own amendment.

Mr. FERGUSON. I cannot accept the amendment because I feel that no exception should be made to the proposition that Federal agencies can stand a 10-percent personnel cut without impairing their functions. It must be borne in mind that the cuts provided by this amendment apply only to employees of the Federal Government, and have no effect either upon grants to States or State employees. The amendment calling for a 5-percent reduction in Federal personnel was approved by the Appropriations Committee, and I merely propose to extend the scope of those cuts since I feel that employment in positions in the Federal Government should be cut at least 10 percent below the budget estimates.

That is all we are trying to do by means of this amendment—namely, to reduce by 10 percent the Budget estimates for the salaries of employees of the Federal Government—not employees of the States, but only Federal Government employees.

Mr. LEHMAN. Mr. President, will the Senator yield for another question?

Mr. FERGUSON. I am glad to yield.

Mr. LEHMAN. I was under the impression that the Senator from Michigan had said that his amendment would not affect the doctors and nurses in hospitals; and, of course, I assumed that his purpose was to go a step further in protection of the health needs of the people of the Nation. Certainly the work done in the National Institutes of Health, the Cancer Institute, in mental health activities, in the Heart Institute, and so forth, is just as much in the interest of the protection of the health of the people as are doctors and nurses, although, of course, doctors and nurses are paramount in their importance.

Mr. FERGUSON. The only result of this amendment will be to cut down the overhead of the Federal Government agencies, not the agencies in the States. For instance, in the State of the Senator from New York, in New York City, there is an agency engaged in research work in heart disease, cancer, and so forth. That agency is operated either by a private hospital, a municipal hospital, or a State hospital. The same is true in the case of the State of Michigan. However, this amendment will not make any cuts in the funds going to those services and, consequently, cannot affect those services or the local employees. This amendment will apply only to Federal Government employees who are covered by the budget and are directly affected by this particular appropriation.

Mr. LEHMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from Michigan yield for that purpose?

Mr. FERGUSON. I yield.

Mr. LEHMAN. I wish to address a question to the Presiding Officer. I intend to submit the amendment I have stated to the amendment of the Senator from Michigan. I wish to be informed at what particular time in the proceedings I shall be entitled to submit my amendment to the amendment of the Senator from Michigan.

The PRESIDING OFFICER. The Senator from New York will have the privilege of submitting his amendment to the amendment at any time when he can obtain recognition in his own right.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Oregon for a question.

Mr. CORDON. Mr. President, I shall make one or two inquiries, the purpose of which it is necessary to explain. It would appear that we are now in the middle of an operation on the Senate floor which again emphasizes the vice of legislating on the floor rather than in committee because we end up by becoming so confused that it is difficult to know just what the situation is with reference to a bill at any given time. The Senator from Michigan is offering his amendment, which, I take it, is intended to effect an additional 5 percent reduction in both appropriations and limitations to that which was recommended

by the Appropriations Committee. Is that correct?

Mr. FERGUSON. That is correct. Where the Appropriations Committee applied a 5-percent cut in salaries, my amendment would take another 5 percent off, for a total reduction of 10 percent on personal services, and on no other items.

Mr. CORDON. That is what I understood was the purpose of the amendment. I now call the attention of the Senator to the present parliamentary situation. In the first item on page 2, the Senate has adopted an amendment which eliminates entirely both lines 13 and 14, and substitutes therefor the figure or the sum of $1,000,000. Therefore, with respect to that item, there will be nothing upon which the Senator's amendment can operate, there is no specified amount for salaries, nor is there a specified limitation; is that correct?

Mr. FERGUSON. That is correct.

Mr. CORDON. While I feel that this body is wholly wrong in the action it has been taking in eliminating from this bill the only salary-control provision which has ever been in an appropriation act since I have been in the Senate, I may say, that is a matter for the Senate to determine. But, when it has so determined it, it makes ineffective the amendment of the Senator from Michigan, because there is nothing upon which the amendment may operate.

Mr. FERGUSON. That is correct, and I quite agree with the Senator on the importance of this congressional control over employment which the committee's limitations provide, and which my amendment merely enlarges.

Mr. CORDON. The Senator feels that way about it; does he?

Mr. FERGUSON. Yes, I do; and that is correct.

Mr. HUNT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Wyoming?

Mr. FERGUSON. I yield for a question.

Mr. HUNT. I was rather intrigued by the statement of the Senator from Michigan that a straight across-the-board cut would not in any way reduce medical services. I think the Senator is in error, for the appropriations of grants-in-aid to the various State departments, the various health departments, the salaries of those in charge of the cancer program, and of those in charge of the dental program, are paid with Federal funds.

Mr. FERGUSON. Yes, but the Senator from Michigan will cite the record now, which shows that those items for salaries which are covered in grants are not affected by this amendment. The wording of the amendment does not affect them, and I shall give the Senator an example in connection with the heart appropriation. The amount for personal services is $1,498,351. Another item is object No. 11, "grants, subsidies, and contributions." Those are the ones which go to the State and cover the payroll or any expense of a hospital or research department, clinic, or anything else, the amount being $7,500,000. We only touch the personal-service item, which is object classification 01 in the budget. I wanted to make that clear.

Mr. HUNT. I thank the Senator for his explanation, because I do not think that had been made clear.

Mr. IVES. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from New York for a question.

Mr. IVES. The senior Senator from New York would like to support the remarks made by his colleague, the junior Senator from New York. The senior Senator from New York feels that the proposal of the junior Senator from New York has a considerable amount of merit. While I do not happen to have in my possession a copy of the amendment, it occurs to me that if the amendment is of the type which it would appear to be, and if it will not affect the amendment offered by the Senator from Michigan any more than it presumably will affect it, there should be no reason why it should not be accepted. What damage is there in the amendment of the junior Senator from New York, insofar as the amendment of the Senator from Michigan is concerned, if it is not going to do any more than what the Senator from Michigan says it would do?

Mr. FERGUSON. This is what it would do. It would eliminate the additional 5-percent cut in the appropriation of $1,463,333 for personal services in the National Heart Institute. In the case of the item for personal services in the National Cancer Institute it would eliminate the 5-percent cut on $2,694,760, but it would not touch grants, subsidies, and contributions of $11,115,000.

Mr. IVES. Then it would in effect curtail the public health services, would it not?

Mr. CHAVEZ. Yes.

Mr. FERGUSON. It would affect only the personal services of the overseeing agency here in Washington; and the Senator from Michigan feels that that particular agency can stand a 10-percent cut along with all others. The committee felt that it could stand a 5-percent cut, and did make a 5-percent cut for personal services in that particular item.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. Along the lines suggested by the senior Senator from New York, if he will follow the amendment proposed by the Senator from Michigan, he will observe that there are no exemptions whatever, on whatever personnel may be necessary. Grants to the State of New York for the particular functions of cancer research, heart research, and mental-health research, would in no way be exempt under the amendment proposed by the Senator from Michigan; and, even if the amendment were to be accepted, I am unable to see how it would do any harm to have the exemptions suggested by the Senator from New York [Mr. LEHMAN]. I cannot at all see it.

Mr. FERGUSON. It is but 5 percent, as the Senator from Michigan has said, and on Federal personal services alone, not on services paid for out of the grants.

Mr. CHAVEZ. If it would apply to Washington only, yes; but if certain contributions are to be made to the State of New York for those particular things, in connection with the Public Health Service, it would be necessary to have Federal personnel in order to administer the particular contribution to the State of New York or to any other State. But the amendment does not exempt any of those at all. If it were confined merely to employees within the District of Columbia, it might possibly be acceptable. That is the way I understand it.

Mr. FERGUSON. Contributions are not affected. An examination of page 25, line 20, under the National Cancer Institute, shows that the total appropriation is $19,805,171, "of which not more than $2,694,760 shall be available for personal services." It is only this latter amount which is affected. The item of $2,694,760 is now 95 percent of the budget estimate. The figure which the Senator from Michigan desires to insert represents another cut of 5 percent, making that an item of 90 percent of the budget. In other words, that figure would become $2,552,931.

At this time I should like to make as part of my remarks a report showing each one of the items which my amendment would affect and how it would affect it. I ask that the table be kept on the desk so that any Senator who desires to do so may refer to it, to ascertain what particular item would be cut. I should note that it was prepared prior to today's session and therefore does not take into consideration floor action taken today. As an example, my amendment no longer applies on the first item listed, since the Senate has acted to reduce the appropriation below the limitation on personal services of $1,184,339, which my amendment would have accomplished.

There being no objection, the report was ordered to lie on the desk and to be printed in the RECORD at this point, as follows:

NOTES IN RE ATTACHED TABLE ON EFFECT OF FERGUSON AMENDMENT

In general: As a substitute for the Jensen amendment the committee reduced all items in the bill containing money for personal service.

To arrive at the amount of reduction the committee allowed 95 percent of the funds requested in the President's budget for personal service; wrote a restriction to this effect against each item involved; and reduced the over-all appropriation figure accordingly.

In a few instances prior reductions by the committee resulted in funds available for personal service of less than 95 percent of the President's request; in these cases the additional 5-percent cut was not imposed and the restriction on funds available for personal service was not added.

The effect of the Ferguson amendment would be:

To limit funds for personal service to 90 percent of the President's budget requests.

To arrive at this result the amendment applies a further reduction of 5 percent on personal services to each appropriation item in the bill which includes funds for personal services to which the committee's restricting amendments have been applied.

It does not apply to any item which has not been reduced specifically in funds for personal service by the committee.

The attached table shows by item the effect of the Ferguson amendment as if each of the items in the bill containing personal service funds were amended separately.

Ferguson amendment

[If adopted the Ferguson amendment specifically would amend H. R. 8709 as follows (with adjustments for supplementals submitted after the budget document was received)]

Amendment No.	Title	Appropriation	Page	Line	Strike out	Substitute	And strike out	Substitute
		DEPARTMENT OF LABOR						
1	I	Office of the Secretary, salaries and expenses	2	13	$1,400,000	$1,334,203	$1,250,000	$1,184,339
2	I	Office of Solicitor, salaries and expenses	2	17	1,669,445	1,588,895	1,530,546	1,449,996
3	I	Bureau of Labor Standards	3	10 and 11	688,000	656,165	604,870	573,035
4	I	Bureau of Veterans' Reemployment Rights	3	23 and 24	295,788	284,596	213,603	202,361
5	I	Bureau of Apprenticeship	4	5 and 6	2,578,682	2,466,364	2,153,049	2,039,731
6	I	Bureau of Employment Security	4	20 and 23	5,245,959	5,016,949	4,351,773	4,122,763
7	I	Grants to States, unemployment compensation	5	12	164,500,000	164,525,945	647,637	672,082
8	I	Bureau of Employees' Compensation	7	19 and 20	1,887,816	1,802,632	1,638,499	1,553,315
9	I	Bureau of Labor Statistics	9	7 and 8	5,371,352	5,142,861	4,500,755	4,272,264
10	I	Revision, Consumers' Price Index	9	16	1,125,000	1,072,825	991,323	939,148
11	I	Women's Bureau	9	23	370,285	362,570	317,301	309,866
12	I	Wage and Hour Division	10	11 and 12	8,365,304	7,995,508	7,119,227	6,749,431
		FEDERAL SECURITY AGENCY						
13	II	Columbia Institution for the Deaf	11	13	374,537	339,074	293,805	278,342
14	II	Food and Drug Administration	12	7 and 8	5,172,975	4,980,950	4,218,475	3,986,450
15	II	Freedmen's Hospital	13	8	2,631,500	2,529,406	2,033,786	1,985,692
16	II	Office of Education	15	20 and 21	3,326,706	3,245,413	2,893,577	2,741,284
17	II	Office of Vocational Rehabilitation	17-18	24 and 1	21,500,000	21,405,403	87,346	82,749
18	II	Salaries and expenses	19	2	675,620	646,280	558,220	528,840
		Public Health Service:						
19	II	Venereal disease	20	13 and 14	11,653,399	11,508,725	2,786,157	2,639,522
20	II	Tuberculosis	20	17 and 18	8,887,351	7,774,703	2,140,323	2,027,675
21	II	Assistance to States, general	21	2 and 3	15,900,000	15,859,951	1,909,944	1,869,895
22	II	Communicable diseases	21	13 and 14	5,915,747	5,696,101	4,450,816	4,221,170
23	II	Engineering, sanitation, etc	22	1 and 2	3,648,156	3,496,316	2,885,004	2,733,162
24	II	Disease investigations, etc., Alaska	22	10	1,211,129	1,188,238	434,547	411,676
25	II	Hospital construction, salaries and expenses	23	19	1,166,465	1,112,270	1,017,165	963,630
26	II	Foreign Quarantine Service	24	20 and 21	2,868,029	2,736,698	2,597,458	2,375,487
27	II	National Institutes of Health	25	8 and 9	15,559,973	15,319,946	4,360,505	4,320,478
28	II	National Cancer Institute	25	20 and 21	19,805,171	19,665,342	2,694,760	2,552,931
29	II	Mental health activities	26	3 and 4	10,737,974	10,675,948	1,178,489	1,116,463
30	II	National Heart Institute	26	11 and 12	10,072,182	9,985,984	1,463,333	1,396,315
31	II	Dental health activities	26	17 and 18	1,697,308	1,644,616	1,001,156	948,464
32	II	Construction of research facilities	27	22 and 23	6,635,540	6,631,080	84,740	80,280
33	II	Commissioned officers' pay, etc	28	9 and 10	1,861,500	1,823,000	731,500	693,000
34	II	Public Health, salaries and expenses	29	2 and 3	2,745,868	2,623,736	2,320,514	2,198,382
35	II	Social Security Administration:						
		Bureau of Federal Credit Unions	29 and 30	23 and 1	167,650	160,300	614,650	582,300
36	II	Bureau of Old-Age and Survivors Insurance	30	7 to 10	57,437,980	54,874,960	48,697,378	46,134,358
37	II	Bureau of Public Assistance	31	5	1,600,000	1,523,400	1,455,400	1,378,800
38	II	Children's Bureau	31	10	1,500,000	1,434,715	1,298,900	1,173,615
	II	Office of the Administrator:						
39	II	Division of Service Operations	34	2 and 4	711,500	690,340	402,045	380,885
40	II	Office of the General Counsel	34	12	369,478	326,966		
		NATIONAL LABOR RELATIONS BOARD						
41	III	Salaries and expenses	36	15	8,233,959	7,885,418	6,622,284	6,273,743
		NATIONAL MEDIATION BOARD						
42	IV	Salaries and expenses	37	7 and 8	394,247	378,494	289,307	283,554
43	IV	Arbitration and emergency boards	37	16	144,000	138,000	114,060	108,060
44	IV	National Railroad Adjustment Board	37	22 and 23	660,000	575,749	460,774	436,523
		RAILROAD RETIREMENT BOARD						
45	V	Salaries and expenses	39	10 to 12	5,056,904	4,845,808	4,010,820	3,799,724
		FEDERAL MEDIATION AND CONCILIATION SERVICE						
46	VI	Salaries and expenses	40	3	a,047,000	2,911,913	2,566,653	2,431,566
47	VI	Boards of inquiry	40	11	48,750	47,500	23,750	22,500

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I take pleasure in yielding to the chairman of the subcommittee for a question.

Mr. CHAVEZ. The Senator, I think, was referring to the figures on page 25, in line 21; is that correct?

Mr. FERGUSON. That is correct.

Mr. CHAVEZ. The $2,694,760 is the figure which would prevail if we were to make the 5-percent cut under the so-called Cordon amendment. Is that correct?

Mr. FERGUSON. That is correct.

Mr. CHAVEZ. As I understand the amendment of the Senator from Michigan, it would take 5 percent more from these figures.

Mr. FERGUSON. That is correct. It would take 5 percent more by making it a 10-percent cut from the budget estimate instead of a 5-percent cut, and the limitation on personal services would become $2,552,931.

Mr. CHAVEZ. Of which not more than a certain amount shall be available for personal services. The Senator from Michigan would not exempt personal services that would be helpful to the States, would be?

Mr. FERGUSON. No. My amendment does not touch those in the States, because they are under a grant which the State or the private institution actually spends, and it is not limited in this bill.

Mr. CHAVEZ. Nevertheless, the Public Health Service has to have supervisory personnel in order properly to administer the contribution for aid to the States.

Mr. FERGUSON. There would be more than 600 positions for that purpose. For just the supervisory part of the work with reference to the grants, according to the House figures, there were 678 permanent positions. The average employment is 663. Those are only Federal positions, covered by the limitation of $2,000,000 plus. The $19,000,000, less the $2,000,000, would not be touched at all. We are touching only the supervisory employees.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LEHMAN. May I ask the Senator whether he does not think his position is inconsistent? He says he is willing to make grants in full, and without deduction, to the States, some of which have fine public-health services, some of which are mediocre, and some of which are downright poor, when he seeks to cut from the Federal grant money for services which are performed in directing the State services, without which the States would have great difficulties, services which provide research work which none of the States can carry on, and on which the progress of research throughout the country is largely based. That would seem to me to be a completely and thoroughly inconsistent position.

Mr. FERGUSON. The Senator from Michigan does not feel that he is inconsistent at all. I hope the time has not come when the Congress feels that when the United States Government makes a grant to a university, a hospital, a clinic, or a private institution for research, we are going to determine every move that particular institution shall make in the spending of the money. If we do that, we shall have absolute Federal control, and the Senator from Michigan is not in favor of that. I believe that if the Government of the United States is going to conduct research, the research will not come out of marble halls built by the Federal Government. If research work is to be carried on, it will be conducted by the great host of fine research men all over the Nation who are doing such work not only in lofts, barns, small college buildings, and other buildings, but who are working on their own. It is for that reason that the Senator from Michigan felt he was not affecting anything except the supervisory power in Washington. I take it for granted that there is no appropriation for personnel involving 600 or 700 persons that cannot be cut by 10 percent without doing good rather than harm.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. FERGUSON. I shall yield in a moment.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Those are noble words uttered by the Senator from Michigan. I do not want any Federal agency or the representatives of any Federal agency interfering with State work. But when we appropriate millions of dollars I do want to have someone in the individual States to see that those millions are spent for the purpose for which they were appropriated. When we make grants of money available to the State of Michigan or to the State of New Mexico, for instance, there should be some agency of the Federal Government to see that the money is being properly expended. I do not want the Federal Government to interfere with Pennsylvania, Michigan, New Mexico, Delaware, or any other States as to how roads should be built, but I do want some agency of the Federal Government to watch the appropriation of $500,000,000 a year and see that it is spent for roads. In this instance all I would want personnel to do would be to see that the money which is contributed to the State of New Mexico or to the State of Michigan for mental research, cancer research, or heart research, is spent for that purpose and nothing else.

Mr. FERGUSON. The Senator from Michigan will reply to that by saying that there is a congressional agency, the General Accounting Office, whose duty it is to see that money appropriated is spent according to law. The Senator from Michigan feels as does the Senator from New Mexico, except that the Senator from Michigan thinks the cut should be 10 percent and the Senator from New Mexico feels that it should be 5 percent in personal services of Federal employees covered by these appropriations.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to my colleague from Michigan.

Mr. MOODY. Is it the Senator's contention that there are too many employees provided for the supervisory work?

Mr. FERGUSON. Yes; it is my contention that the budget calls for 10 percent too many, that we can get along with 90 percent of the budget figure.

Mr. MOODY. Then why not reduce the number of personnel by 10 percent?

Mr. FERGUSON. That is what we are trying to do.

Mr. MOODY. The Senator is trying to reduce the amount of the appropriation by 10 percent.

Mr. FERGUSON. Yes.

Mr. MOODY. Why not cut down the number of employees?

Mr. FERGUSON. Because it has been indicated that we cannot cut the number of employees in just that way. We tried to do just that through the Jensen amendment, and I supported that proposal, but the committee would not have any part of that.

Mr. MOODY. The committee is probably well advised in that stand, but I believe what is proposed by the Senator is the wrong approach.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. HUNT. I wonder if the Senator is aware of the fact that of the 653 supervisory employees of whom he spoke, only 15 percent are really engaged in supervisory work, and that the others are engaged in research work. I want to say to the Senator from Michigan that by reducing, as he purports to do, the small supervisory personnel, he is directly or indirectly, and without a question of a doubt, affecting the health service of every State in the Union. There is one particular item about which I do know. The people of this country every year expend $2,000,000,000 for dental services. I say to the Senator that only one-tenth of 1 percent of $2,000,000,00 is spent in dental research. The Senator wants to reduce that amount, and that is not good procedure from the standpoint of the health of the Nation. I should like very much to see the Senate accept the amendment offered by the Senator from New York or an amendment which would entirely except all health services.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. FERGUSON. I will yield in a moment.

I desire to reply to the statement just made by saying that I realize what a great appeal is presented by a health program. Every one of the health programs appeals to the Senator from Michigan. After all, no substitute can be found by way of dollars or anything else for the health of the people. But the question is, Can we not have efficient programs of this character and at the same time make cuts in some of the payrolls of the United States Government?

Mr. President, the latest figure with respect to civilian employees on the payroll of the United States Government is for April 30, 1951. The number is 2,409,-121. That is an increase of 440,721 from the July 1, 1950, figure. In other words, Government employment has risen at an average rate of 44,000 persons a month in this fiscal year. That is not the end by any means. The Bureau of the Budget estimates that an additional 400,000 will be added in the next fiscal year.

Mr. President, the committee recognized that there should be a cut in this item, and they cut it 5 percent. The Senator from Michigan and those who have joined him in sponsoring the amendment, as well as other Senators on the floor, think it can be cut 10 percent without doing any harm to the service, but, to the contrary, in many cases improving the service.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I will yield to the Senator from New York in a moment. I yield first to the Senator from Delaware.

Mr. WILLIAMS. It was pointed out to the Senator from Michigan that care should be taken not to injure any of the health programs. I wonder if it is not about time the Congress should think about the health of the American taxpayers.

Mr. FERGUSON. The Senator has made a very good point. I believe a great many individuals can be relieved of heart trouble by cutting down on their tax bills. Let us start here in the Senate of the United States a research bureau on that subject. I believe we could afford relief to many suffering from bad hearts. I know that any person who must pay the amount of tax he now is obliged to pay worries about it. We can eliminate many cases of ulcers and heart trouble by cutting the budget and thereby cutting the size of the tax bill.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LEHMAN. The Senator from Michigan stated that there were in the employ of the Federal Government somewhat more than 2,400,000 persons.

Mr. FERGUSON. Yes.

Mr. LEHMAN. I was wondering whether the Senator had a breakdown of the figures, and could tell me how many of those were employed directly in the health activities of the Federal Government.

Mr. WILLIAMS. Mr. President, if the Senator from Michigan will yield, I think I can give the Senator from New York the figures.

Mr. FERGUSON. I can give the figures for the Federal Security Agency.

Mr. LEHMAN. No; I am talking about the health activities of the Federal Government.

Mr. FERGUSON. I do not have a further breakdown available before me.

Mr. LEHMAN. My amendment does not cover the Federal Security Agency. It covers purely health activities, and the number engaged is a relatively small number.

Mr. FERGUSON. Compared to the whole number in the Federal Security Agency, yes.

I now yield to the Senator from Delaware.

Mr. WILLIAMS. With reference to the point raised by the Senator from New York, I have the figures as to the employees in the Department of Labor. In March 1949 the number was 3,537. During 1949 the number was increased about 50 percent. In 1950 the increase was 16 percent. There has been a graduated increase in 1951, all the way through. The increase cannot be laid to the war. The largest increase was before the war.

Mr. FERGUSON. I want to illustrate the sort of thing we are striking at. The Federal Security Agency has in Washington 37 full-time chauffeurs. It has more full-time chauffeurs than any other agency in the District of Columbia. In the field it has 7 full-time chauffeurs. That makes a total of 44.

Then it has a number of part-time chauffeurs, and other employees who serve as part-time drivers. It has 13 in the District area. In the field it has 87. That makes a total of 100.

The Senator from Michigan, on behalf of himself and the Senator from New Hampshire [Mr. BRIDGES], will send to the desk later an amendment to eliminate all such employees. It provides that—

> No part of any appropriation contained in this act shall be used to pay the compensation of any civilian employee of the Government, whose duties consist of acting as chauffeur or driver of any Government-owned passenger motor vehicle (other than a bus), and any funds appropriated in this act for any such purpose shall be covered into the Treasury as miscellaneous receipts.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. We have here a bill appropriating more than $2,000,000,000. The committee has made certain cuts. Some Senators are talking about the danger of sabotaging various departments. I wish to ask the Senator from Michigan a question. How much money will be saved by the Cordon amendment and the amendment which the Senator from Michigan has offered on behalf of himself and other Senators, if those amendments are adopted?

Mr. FERGUSON. Mr. President, the amount that will be saved will be $11,731,339 out of $117,313,484. In other words, we were asked to appropriate $117,313,484 for personal services and we would cut that amount by $11,731,339.

Mr. WHERRY. That is the total cut?

Mr. FERGUSON. Yes; that is the total cut, $11,000,000-plus.

Mr. WHERRY. Does that not include also the cut made by the committee?

Mr. FERGUSON. Yes. The committee has cut just half that amount, including its independent cuts plus application of the 5-percent formula.

Mr. CHAVEZ. No; the committee cut represents less than half—5 percent.

Mr. FERGUSON. Five percent is half of 10 percent.

Mr. CHAVEZ. But we did not go as far as the Senator from Michigan proposes to go.

Mr. WHERRY. Mr. President, the point I want to make is that the figure stated includes the committee cut. I am a member of the Committee on Appropriations. I went along with the cuts proposed by the committee. I am glad to see Senators on the other side of the aisle, including the distinguished Senator from Illinois [Mr. DOUGLAS], join with those of us who have been fighting for 8 or 9 years to make cuts in appropriations. When on the floor of the Senate we are endeavoring to make a 10-percent cut, which is a cut of 5 percent in addition to the cut made by the committee, the argument is made that it will result in sabotaging certain functions. I point out to the Members of the Senate that out of an appropriation bill of more than $2,000,000,000 the Cordon amendment would make a cut of about $1,700,000, and with the additional cut——

Mr. CHAVEZ. No, Mr. President——

Mr. WHERRY. Mr. President, I have the floor. Permit me to finish.

Mr. CHAVEZ. I know the Senator wants to be fair about this matter and would be glad to have factual information.

Mr. WHERRY. I asked the distinguished Senator from Michigan for factual information.

Mr. FERGUSON. And I have yielded to the Senator from Nebraska.

Mr. WHERRY. Certainly the Senator yielded to me. I am asking for factual information. The argument is being made that what we propose to do will result in sabotaging various functions. If I have the figures correctly, the proposed 10-percent cut would represent about a $11,700,000 cut below budget estimates. I may be wrong, and if so, I wish some Senator would correct me.

Mr. CHAVEZ. Mr. President, let me say——

Mr. WHERRY. Mr. President, just a moment please. I still have the floor.

Mr. CHAVEZ. Oh, yes.

Mr. WHERRY. Out of over $2,000,000,000, the complete over-all cut, including the committee's cut, is $11,700,000.

Mr. FERGUSON. Yes.

Mr. CHAVEZ. That is not correct.

Mr. WHERRY. Mr. President, I ask for order.

The PRESIDING OFFICER. The Senator from Michigan has the floor and has yielded to the Senator from Nebraska.

Mr. FERGUSON. Yes, I yielded to the Senator from Nebraska.

Mr. WHERRY. It is very well for the Senator from New Mexico to say that something is not correct, but he can do so in his own time and not in mine.

Mr. President, I am not posing as an authority. Many misstatements have been made this afternoon, and I am trying to obtain the facts. I am asking a very simple question. We are told that if we cut these appropriations we shall be sabotaging all these activities. My point is that the total cuts proposed by the committee in the Cordon amendment, and the cut proposed by the Senator from Michigan, would not amount to a great deal out of a total appropriation of over $2,000,000,000. Does the Senator from Michigan know how much the total cut would be?

Mr. FERGUSON. Eleven million seven hundred thousand dollars, for personal services.

Mr. WHERRY. That is the cut which would be made by the committee by the Cordon amendment, plus what is sought by the pending amendment. If that is the figure—and I shall be glad to have any correction made——

Mr. FERGUSON. That is the figure.

Mr. WHERRY. I say that it is a very small cut from a $2,000,000,000 appropriation.

Mr. CHAVEZ. Mr. President——

Mr. FERGUSON. I yield to the Senator from New Mexico.

Mr. CHAVEZ. The difficulty is that the Senator from Nebraska is using the total appropriation figure of $2,528,338,381. That is the total appropriation. More than $2,000,000,000 of that amount does not come out of the general treasury. It comes from the employers and the employees. What the Senator from Nebraska has in mind in connection with the $11,000,000 reduction is personal services. Personal services amount to only $117,000,000. It is proposed to save $11,000,000, not out of two-billion-odd dollars, but out of $117,000,000. That is why I stated to the Senator from Nebraska that he was incorrect when he stated that the saving was $11,000,000 out of $2,528,338,381. The saving comes out of $117,000,000.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. Of course, I am talking about personal services, and administrative costs in connection with a $2,000,000,000 appropriation bill. That is exactly correct. I agree completely with the figures which have been cited. That is exactly what I said. The item for personal services amounts to $117,000,000. That amount of personal services is required to administer the authorizations which have been made. In connection with the $2,000,000,000 appropriation bill there is an administrative cost of $117,000,000. Considering the amount which the committee has already cut, and what the Cordon amendment would cut from the bill, if those cuts are adopted—and they have been, unless they are amended in some respect—by the addition of the amendment of the Senator from Michigan, there would be a saving of $11,700,000. I say that that is a very small amount to be arguing about when we are trying to make a saving in the Federal budget. We are not going to sabotage all the various offices which are being discussed.

The other day I was at the Pentagon Building. It is too bad that we cannot reach into the military appropriations to effect savings. Think of the departments which are not even touched by these bills. For 8 or 9 years I have passed the Pentagon Building morning and evening. Every available parking

space has an automobile in it. Last year we made an appropriation for another huge parking lot, which has just been completed. There are automobiles parked from the little tea house to Highway No. 1, on both sides of the road. One can hardly get through the parked automobiles. There are more automobiles there than were ever parked there at the peak of World War II. Yet every time a cut is suggested, it is said that not one person in the whole Government can be sacrificed. It is said that we are sabotaging this or that activity.

I was in another agency of the Government yesterday trying to have an order clarified. Lawyers are walking all over each other, interpreting laws which Congress has enacted, and with respect to which their interpretations are in direct contradiction of the intent of Congress. That accounts for about nine-tenths of our troubles. If some of the men in the departments would accept the interpretation of Congress, we would not have lawyers three deep interpreting the laws in direct contradiction of the intent of Congress. I could name more than one agency which is doing that. I could name agencies which have their men here lobbying even on the floor of the Senate, for the repeal or change of legislation which Congress has enacted. What the law reads is one thing; what the bureaus want is another.

The argument that we cannot eliminate some of those men from the payroll is a worn-out argument. The same argument was made before the committee. It is now being made on the floor of the Senate. It is said that if one person is cut off, efficiency in the Government is sacrificed. I could not operate my business the way some of the departments in Washington are conducted. It would bankrupt me. If we want efficiency in government, let us eliminate some unnecessary expenditures. Instead of adding every year, let us begin to subtract, and see where we come out. Let us see what departments cannot operate as efficiently with smaller appropriations.

Mr. FREAR. Mr. President, will the Senator yield? I should like to ask the Senator from Nebraska a question.

Mr. FERGUSON. I yield for the purpose of allowing the Senator from Nebraska to answer the question.

Mr. FREAR. Did the Senator from Nebaska vote for the appropriation to increase the parking space at the Pentagon?

Mr. WHERRY. I have voted for every defense bill which has come before the Senate. I have tried to make some cuts. I should not be a bit surprised if I voted for the particular measure to which the Senator from Delaware refers. The first thing we hear, if we try to eliminate a defense item is, "You cannot do that. That would affect the war effort." I am just as much interested as anyone else in national defense. However, we could do some pruning of defense items and still have a better Defense Department than we now have. I am not sure whether I voted for the particular appropriation to which the Senator refers. I suppose I did. I have gone right along supporting the defense agencies because we want to protect the national security and our boys in uniform. However, we could do a job of pruning on defense items if we only dared to do it.

Mr. LEHMAN. Mr. President, will the Senator from Michigan yield to me in order that I may reply to the Senator from Nebraska?

Mr. WHERRY. I am not asking for any Senator to reply to me.

Mr. LEHMAN. May I ask a question?

Mr. WHERRY. I shall be glad to listen to the Senator.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield for a question.

Mr. LEHMAN. The Senator from Nebraska seems to be under the impression that I am advocating a change in connection with all the expenditures in the budget. He talks about $2,000,000,000. As a matter of fact, all I am talking about is the cut in the services which affect the public health. I believe that the aggregate amount for personal services in this connection is $117,000,000. The cut applies only to personal services. It does not apply to any administrative expenses or anything of that sort.

Mr. President, I should like to ask the Senator from Michigan one further question——

Mr. WHERRY. Mr. President, will the Senator from Michigan yield to me in order that I may respond to the Senator from New York?

Mr. FERGUSON. I yield provided I do not lose the floor.

Mr. WHERRY. I appreciate what the Senator from New York is trying to do. No Member of this body is more interested in helping cancer and heart research than is the Senator from Nebraska. Long before the Senator from New York came to the Senate the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Nebraska were fighting for these particular things. I am interested in public health. No one—not even the Senator from New York—has a corner on promoting public health in the United States Senate. We are all trying to do the best we can. But we must try to see where we can help to balance the budget. We cannot say that any one department is sacrosanct. We must do the best we can.

Mr. LEHMAN. Even where life is concerned?

Mr. WHERRY. Life is involved in connection with defense, too. This particular amendment does not affect the money which goes to the States. It affects only personnel in Washington. The idea advanced by the Senator from New York is that if we do not have proper supervision, the programs in the States will be adversely affected. There may be some truth to that contention; I do not know, but my judgment is that we now have all the supervision we need. We have too much of it. What we should do is to let some of the local communities do something once in a while. They will probably do just as well as the bureaucrats in Washington.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Delaware.

Mr. FREAR. I am very much interested in what the Senator from Nebraska has to say. I wish to compliment the Senator from Nebraska, because I believe he is big enough to admit on the floor of the Senate that he voted for certain appropriations. However, to get back to the proposed 5-percent cut in personnel in the Washington offices, I am amazed that we are stopping at 5 percent. I believe that if we made a tabulation of personnel in this city, perhaps we could eliminate many more than 5 percent. I think it would be found that the employees belong to both political parties. Therefore, I do not know that we can carry on the discussion on a political basis. It would apply to both sides, perhaps predominantly to the Senator's side of the aisle. I believe we could increase efficiency by reducing personnel 10 percent. I am not condemning the Senator. I merely wished to give praise where I thought it was due.

Mr. WHERRY. I thank the Senator.

Mr. FERGUSON. Mr. President, the senior Senator from Michigan moved in committee to make the reduction 10 percent, instead of 5 percent, and had considerable support, but the 5-percent formula prevailed. Some of us who think that 5 percent is not a sufficient cut-back in personal services have proposed the pending amendment. It merely repeats the committee process, to arrive at a reduction of personal services in the amount of 10 percent, but it does so in a single package, rather than item by item.

Mr. President, by looking at the budget, it may be possible to explain how it is broken down. I take, for example, the Federal Security Agency figures, which are shown at page 213 of the budget document:

Personal services:
Permanent positions, 1952 estimate, $1,479,724.
Part-time and temporary positions, $52,905.
Regular pay in excess of 52-week base, $5,572.
Payment above basic rates, $4,850.
Total personal services, $1,543,051.
Deduct charges for quarters.
Net personal services, $1,540,351.

Then are shown items for travel, transportation of things, communication services, rents, and utility services, printing and reproduction, other contractual services, supplies and materials, equipment, and so forth. The total of such items is $10,150,000. The figure of $10,150,000 would not be touched by the pending amendment.

I am aware that there are those who like to defend against any appropriation cuts by contending this is a meat-axe approach. It is not. To any who may want to make such a contention I will say that I could offer amendments to the same effect on each of the 47 appropriation items in this bill which are affected That is pin-pointing the cuts. It is precisely what the committee did to the extent of 5 percent. But it will accomplish nothing more than this single-package reduction. The result will be

the same but I and the Senate will be spared the labor of considering 47 separate amendments. Mindful of the complaints registered on the floor yesterday by the Senator from New Mexico and others about consuming the Senate's time, I feel this over-all approach should be most acceptable.

Mr. President, if one bill before Congress demands the time and attention of committees and of all Senators on the floor, it is an appropriation bill. Appropriation bills are no more and no less than the taking of taxpayers' money, depositing it in a bank, and allowing the executive branch of the Government, the legislative branch of the Government, and the judicial branch of the Government, to draw checks against it. That is all it amounts to. We must remember that it is taxpayers' money, and why should we not take considerable time to discuss the amount we will deposit in the bank, to be drawn against by Government officials to pay for the operation of the Government?

For the benefit of those who wish to see how this amendment will affect the individual items I have submitted a table in the RECORD, which is a composite of the various individual amendments which could be made to give the same result as this single amendment. This composite shows the potential amendment number, a description of the appropriation item, the page and line number of the items, the principal appropriation item to be stricken, the figure to be substituted, the personal service limitation to be stricken, and the dollar figure to be substituted.

Why is it that we are so insistent upon a 10-percent reduction in personal services as against a 5-percent reduction?

Simply because every person here, and throughout the country, knows that there is no reason whatsoever in the swollen and padded Government payrolls which now confront us. They are a part and parcel of a really terrifying graph which appeared on the front page of one of our papers the other day, showing that governmental expenditures are actually increasing faster than the national income.

Let me give some statistics on Government employment. The latest civilian employment figure is for April 30 and is 2,409,121. That is an increase of 440,721 from the July 1, 1950, figure. In other words, Government employment has been rising at an average rate of 44,000 a month. And that is not the end by any means. The Bureau of the Budget estimates that an additional 401,000 will be added in the next fiscal year.

Even with those additions we will not have reached the peak of civilian employment which was hit during the war, in July of 1945. But here is a figure of tremendous importance. The rate of annual expenditures for personal services right now is in excess of $8,300,000,000, and $8,300,000,000 was the all-time peak for Government salaries reached in fiscal year 1945. Just project that payroll amount, with the personnel additions and the salary increases which are in prospect, and it is clearly evident where we are heading. It is likewise clear why we must act now, with this amendment, to stop this trend.

In connection with these employment statistics there is available for the RECORD a comparative table of the employment records in the agencies covered by the pending bill. Agency by agency this table includes average and permanent employment of personnel requested by the President for 1952, a comparison of the number of persons on the rolls in April 1950 and April 1951, and their salary expense, together with a month-by-month record of employment and payroll cost for the current fiscal year through April, which is the last report available.

The data demonstrate graphically the trend which is in existence, part of it under the guise of defense necessity, but always in the direction of greater and greater Federal activity and intrenched bureaucracy.

Mr. President, I ask unanimous consent that the table be printed in the RECORD as part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Employment record of agencies for which appropriations are made in H. R. 3709

[NOTE.—Actual money payroll figures lag behind personnel figures 1 month. For this reason March payroll figures are used as estimates in all figures for April]

	Proposed in budget for fiscal year 1952			Actual (head count) employment and payroll costs (in thousands of dollars)											
	Employees		Payroll	April 1951		April 1950		July 1950		August 1950		September 1950		October 1950	
	Permanent	Average		Personnel	Pay	Personnel	Pay	Personnel	Pay	Personnel	Pay	Personnel	Pay	Personnel	Pay
Department of Labor	5,935	6,122	$26,974,305	8,136	$2,571	6,016	$1,681	6,033	$1,993	6,070	$2,055	6,151	$2,063	6,324	$2,308
Federal Security Agency	39,522	38,467	148,137,281	35,433	10,582	33,981	9,127	32,970	9,051	33,048	10,206	33,676	9,222	34,325	10,003
National Labor Relations Board	1,471	1,466	6,970,825	1,529	598	1,530	519	1,362	504	1,356	549	1,396	518	1,429	550
National Mediation Board	113	125	920,065	117	73	123	64	128	66	129	63	124	76	120	62
Railroad Retirement Board	2,360	2,378	8,807,104	2,071	662	2,287	656	2,297	674	2,240	625	2,200	663	2,158	677
Federal Mediation and Conciliation Service	445	408	2,726,740	355	195	337	172	327	178	326	194	324	181	326	177
Total	49,846	48,964	[1]194,536,340	47,643	14,681	44,274	12,219	43,117	12,466	43,166	13,672	43,870	12,723	44,682	13,777

	Actual (head count) employment and payroll costs (in thousands of dollars)—Continued												Total payroll costs first 10 months, fiscal year 1951
	November 1950		December 1950		January 1951		February 1951		March 1951		April 1951		
	Personnel	Pay	Personnel	Pay	Personnel	Pay	Personnel	Pay	Personnel	Pay	Personnel	Pay	
Department of Labor	6,473	$2,216	6,430	$2,211	6,941	$2,439	7,585	$2,284	7,656	$2,571	8,136	$2,571	$22,694,000
Federal Security Agency	34,865	10,187	34,891	9,412	35,295	10,770	34,844	9,498	35,107	10,582	35,435	10,582	99,513,000
National Labor Relations Board	1,487	576	1,557	534	1,451	580	1,450	521	1,576	598	1,529	598	5,537,000
National Mediation Board	114	60	113	62	117	62	120	55	119	73	117	73	661,000
Railroad Retirement Board	2,126	666	2,117	632	2,096	695	2,069	600	2,061	662	2,071	662	6,546,000
Federal Mediation and Conciliation Service	328	185	333	186	333	202	345	176	356	196	355	195	1,869,000
Total	45,393	13,890	45,441	13,037	46,233	14,757	46,413	13,134	46,865	14,681	47,643	14,681	136,827,000

[1] Includes funds from public sources such as fees, tuitions, etc.

Mr. FERGUSON. Mr. President, when one sits on the Appropriations Committee he realizes that under the guise of defense activities, activities in connection with the Defense Production Act, and so forth, we are permitting employees to go from the regular agencies into swollen wartime agencies, not in connection with regular promotions, but by means of jumping their promotions and obtaining larger salaries. This causes additional expenses in two ways. In the agencies to which they go, they have had no training whatever and that is expensive. When they take positions at higher grades and higher salaries, that also causes their former positions to be filled by new employees who have had no training whatever in them.

Mr. President, Senators who have not carefully examined that situation cannot realize what is going on in the Government under the guise of defense. They cannot realize the amount of money

that is being taken from the taxpayers, the amount of money that will have to be included in the next appropriation bill, because of that situation. If those amounts could be broken down to show what each family in the Nation will have to pay because of this situation, the protests which would be made by the people generally would be so vociferous that Congress would not permit Government officials or employees to be removed from one agency, in the work of which they have been trained, to another agency, at higher salaries, although they do not know anything about their new work and must be trained for it. Furthermore, when such transfers are made, it is necessary to obtain new employees for the positions such persons formerly occupied, and to train those new employees for that work.

Mr. CHAVEZ. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Michigan yield to the Senator from New Mexico?

Mr. FERGUSON. I yield.

Mr. CHAVEZ. I should like to make a brief comment, with the indulgence of the Senator from Michigan. Although I do not agree that what he is now suggesting in the way of a cut is correct, nevertheless I do agree fully with the last statement he has made. It is true that many of the employees of the Government who have been trained to do particular types of work in the regular departments are now being transferred to the new Government agencies, generally at an increase of two or three or four numbers in grade under the Classification Act. I wish we could reach that situation. Even in connection with this bill, we had at the hearings information that some agencies are losing employees who have been with them for years, because the employees can transfer to new departments or agencies at higher grades which have no classification whatsoever. I agree with the Senator as to that situation.

Mr. FERGUSON. I thank the Senator. I know that he has tried, as have other members of the Appropriations Committee, to reach this situation. We have ordered the agencies to furnish the committee information as to the numbers of such transferring employees, their names, and their changes in grade, so that we could see exactly what was occurring in this respect in each agency.

Mr. President, I hope the Senate will adopt this amendment, which calls for a 10-percent cut in the appropriations for personnel, rather than the 5-percent cut recommended by the committee. It will be a tremendous step toward cutting back on the intolerable burden of nonessential Government employment.

I want to stress just one thing more. This is the first appropriation bill for 1952. What we do here on this bill is going to create the precedent and set the pattern for our action on the 1952 budget. I am absolutely confident the people of this country are looking to us to reduce the overload of Federal employees provided for in the budget for 1952 by at least 10 percent. That is the purpose and effect of this amendment. We should not miss this opportunity to set the pace for consideration of the whole 1952 budget.

I yield the floor.

Mr. LEHMAN. Mr. President, to the amendment of the Senator from Michigan, I submit the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. At the end of Mr. FERGUSON'S amendment, it is proposed to change the colon to a period and insert the following: "*Provided*, That this section shall not apply to appropriations of the Public Health Service for hospitals and medical care, foreign quarantine service, National Institutes of Health, National Cancer Institute, mental-health activities, National Heart Institute, and dental-health activities."

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. Is the amendment of the Senator from New York to my amendment in order, or is it an amendment in the third degree?

The PRESIDING OFFICER. It is an amendment in the second degree, and at this stage of the proceedings it is in order. An amendment in the third degree would not be in order.

Mr. FERGUSON. So, the amendment of the Senator from New York to my amendment is an amendment in the second degree?

The PRESIDING OFFICER. It is.

Mr. McKELLAR. Mr. President, I have been in the Senate for quite a long time. I do not think I was ever legislatively more embarrassed or personally more embarrassed than I am at this moment. I am devoted to my friend, the chairman of the subcommittee, the distinguished Senator from New Mexico [Mr. CHAVEZ], and I believe he is devoted to me. He is a wonderful man and a stanch friend of mine.

However, when this matter came up before the full committee, I reached the conclusion that the so-called cuts which were proposed to be made in the bill by the subcommittee were entirely too small. When the Senator from Michigan first offered his amendment calling for a 10-percent cut, I voted in favor of it. Then I pleaded with the committee—I did not simply ask the committee, but I pleaded with the committee, with all the fervor at my command—"For heaven's sake, let us cut down the appropriations carried in this bill. This bill carries entirely too much money under the circumstances in which we are now situated." Nevertheless, the amendment of the Senator from Michigan was rejected in the committee by a vote of 4 to 8. I was one of the four Senators voting in the committee in favor of the amendment.

I then was so anxious to accomplish some savings that I submitted an amendment calling for a 7-percent reduction—just 7 percent. That amendment was rejected by a vote of 6 to 7.

Finally the amendment calling for a 5-percent reduction was submitted, and I voted for it, rather than not to have any cut made. The reduction we shall achieve by adopting the 5-percent amendment will be precious little, as I understand the amendment.

Incidentally, Mr. President, let me say also that the 10-percent reduction amendment proposed in connection with the independent offices appropriation bill will, in my opinion, constitute precious little reduction. I do not believe the Senator from Michigan was present when the committee was considering that bill and that amendment to it; but I know I offered the amendment, and it was rejected by a vote of 3 to 5. I then offered an amendment calling for a 7-percent reduction, but it was rejected by a vote of 4 to 5.

I then voted—reluctantly—for the amendment calling for a 5-percent reduction, even though I did not think that amendment would amount to very much, and I still do not think so. I doubt very much whether such a reduction will represent a serious reduction at all. I may be mistaken about that, for I am not particularly good at figures. However, that reduction seems to me to amount to so little that I wish to make this statement to my Democratic friends: At this time, when our country is at war, when we do not know what will occur, when we have been urged by everyone to cut nonmilitary expenditures, when we have to appropriate so much money for the war, for heaven's sake let us cut the nonmilitary expenditures as much as we possibly can. I do not believe it will hurt the Government departments if we adopt this amendment.

Mr. President, in the committee I asked and obtained unanimous consent to vote against the committee amendments. That consent was graciously given, and I shall vote in that way.

Mr. President, if I know my own conscience, if I know my own heart, if I know anything about this Government, and if I know anything about the people of this country, I think it is my bounden duty in these closing years of my life to vote to make reductions in these appropriations. They should be reduced.

I appeal to my Democratic friends to look solely to the interests of their country, which we all love so well, which I know they love as well as I do. But in this time of emergency, in this time when we need money to provide for the defense of this great country, and the defense of our way of life, I appeal to Senators to let us reduce the amount appropriated in the bill, and let us come to an agreement on it.

Let us agree to the pending amendment. I earnestly and sincerely hope that my friends will join with me in voting in favor of the amendment. I favored it in committee. It is exceedingly embarrassing to me, as chairman of the committee, as Senators may realize, to be voted down so often though by a close vote; but I was voted down. My friends on the committee voted me down. I hope they will reconsider, and will vote for the amendment.

Mr. CHAVEZ, Mr. LEHMAN, and Mr. AIKEN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. CHAVEZ. Mr. President, I am most happy that the chairman of the committee [Mr. McKELLAR] rose to explain his position. It was not necessary for him to do so. We who have been associated with him here for many years know that the Senator from Tennessee, chairman of the Committee on Appropriations, is recognized for his devotion, his loyalty, and his patriotism. It was unnecessary for him to explain his vote, but the Senator from Tennessee conscientiously thought the cut should have been 10 percent and there was not a single member who would even dare have in mind the questioning of his motives or of his integrity in coming to that decision.

The other members of the full committee and of the subcommittee decided that possibly a 10-percent cut would be a little too drastic. We know that this body has a right to overrule the subcommittee, or to overrule the full committee, and the question is clear as to the issue upon which the Senate is to vote. The committee has recommended a cut of 5 percent in the money items for personal services. The amendment of the Senator from Michigan, of which my good friend from Tennessee approves, is to the effect that the cut should be 10 percent instead of 5 percent. So the issue is clear. I believe that the proponent of the 5-percent cut would desire, as I understand, during the afternoon, to explain the position which he took in favor of the 5-percent cut. But, after that, and notwithstanding that, I might have to oppose the position of the Senator from Michigan and the Senator from Tennessee. It would be one of the few times that I know of that I have ever taken a position contrary to that of the Senator from Tennessee. I should like to have the Senate come to a conclusion. The cut is to be either 5 percent or 10 percent. The Senate is supreme in these matters.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Virginia.

Mr. ROBERTSON. The President is very anxious that four members of the Committee on Banking and Currency confer with him and Mr. Wilson at 4 o'clock. Several members of the committee whom he invited to attend the conference are unwilling to go, if to do so would mean missing the vote on the pending amendment. Would it be possible for the debate to continue, say, until 4:30? I think we could return by that time.

Mr. CHAVEZ. I do not know whether it will continue until that hour or not. My opinion is that the debate will possibly continue until 4:30. My understanding is that the proponent of the amendment calling for a 5-percent cut is to discuss the reasons for the amendment. I do not know how much time he desires. There may be other Senators who want to discuss it.

Mr. ROBERTSON. Mr. President, will the Senator yield to me for the purpose of making a unanimous-consent request to fix the time for the vote?

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield first to the majority leader.

Mr. McFARLAND. In event the Senators have not returned from the White House by the time the debate is concluded, would the Senator be willing that the vote go over——

Mr. CHAVEZ. Until 4:30?

Mr. McFARLAND. Until another day?

Mr. CHAVEZ. No, no.

Mr. ROBERTSON. The defense production bill is a rather essential bill.

Mr. CHAVEZ. I appreciate that. Let me ask the distinguished majority leader whether it is proposed to have a session of the Senate tomorrow.

Mr. McFARLAND. No; it was not thought that we would have a session tomorrow. The committees have been very busy and I had thought the Senate might recess until Monday. But it was my thought that we might get an agreement for a limitation of debate starting Monday.

Mr. CHAVEZ. Is it possible for us to arrive at a decision as to when we will vote upon this particular amendment?

Mr. CAPEHART. I suggest 5 o'clock.

SEVERAL SENATORS. Vote!

Mr. McFARLAND and Mr. FERGUSON addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico has the floor. Does the Senator yield; and if so, to whom?

Mr. CHAVEZ. I yield first to the majority leader.

Mr. McFARLAND. I shall endeavor to protect the interests of the Senators referred to by the Senator from Virginia. If they will proceed to keep their appointment, I shall ask the distinguished Senator from New Mexico to bear with me while I endeavor to work out an agreement to vote on Monday, in the event Senators are unable to return in time to have the vote this evening.

Mr. CHAVEZ. I would rather get an agreement as to the time for voting on this particular amendment, which, to my mind, is the final amendment to the bill.

Mr. McFARLAND. I think there will be no difficulty about that.

The PRESIDING OFFICER. Does the Senator from New Mexico yield the floor?

Mr. CHAVEZ. I yield the floor.

Mr. LEHMAN obtained the floor.

Mr. McFARLAND. Mr. President, will the Senator from New York yield to permit me to propound a unanimous-consent request?

Mr. LEHMAN. I yield for that purpose.

Mr. McFARLAND. Mr. President, the conference at the White House is very important. I took the responsibility of telling the Senators who were called to the White House that I would try to see to it that we did not come to a vote in their absence. For that reason, Mr. President, I ask unanimous consent that, beginning next Monday at 12 o'clock, the debate be limited to 2 hours, 1 hour on a side, the time to be divided equally, and controlled by the distinguished Senator from New Mexico [Mr. CHAVEZ] and the distinguished Senator from Michigan [Mr. FERGUSON].

I should like to ask the Senator from New York how much time he will want on Monday on his amendment. I was propounding a unanimous-consent request that the Senate limit the debate on Monday to 1 hour on a side. Then I thought about the Senator's amendment, and I should like to know how much time he would like to take.

Mr. LEHMAN. I should want about 10 or 15 minutes, but other Senators may wish to speak on other phases of medical activities. I am speaking only on mental health.

Mr. McFARLAND. With reference to any amendments to the amendment, I ask that the time be limited to 30 minutes, to be divided equally between the proponent of the amendment and the distinguished Senator from New Mexico.

Mr. DOUGLAS. Reserving the right to object——

The PRESIDING OFFICER. The Chair feels that the Senate can make a great deal more time if Senators will resume their seats. To whom does the Senator from Arizona yield?

Mr. McFARLAND. I yield the floor.

Mr. LEHMAN. Mr. President, I think I still have the floor.

The PRESIDING OFFICER. That is correct.

Mr. DOUGLAS. Mr. President, reserving the right to object——

Mr. McFARLAND. Mr. President, I should like to restate the unanimous-consent request.

I ask unanimous consent that, beginning next Monday at 12 o'clock, the debate be limited to 2 hours, to be divided equally between the two sides, and controlled by the distinguished Senator from New Mexico [Mr. CHAVEZ] and the distinguished Senator from Michigan [Mr. FERGUSON], and that on any amendments to the amendment 30 minutes be allowed, to be divided equally between the proponent of the amendment and the Senator from New Mexico, and if the Senator from New Mexico shall be in favor of the amendment, then between the proponent of the amendment and the Senator from Michigan, or some Senator whom he may designate.

Mr. WHERRY. Mr. President, I should like to inquire about germane amendments. We want it kept open so that any Senator who wants to offer an amendment can do so up to the time the bill is passed.

Mr. McFARLAND. This request applies only to this one amendment.

Mr. WHERRY. I beg the Senator's pardon. I have no objection to that at all.

Mr. LEHMAN. Reserving the right to object, I wish to make a suggestion to the majority leader. Without proposing any change in the unanimous-consent request which has been made by the Senator from Arizona, I should like the

right to read some brief remarks into the RECORD this afternoon.

Mr. McFARLAND. Oh, certainly.

Mr. DOUGLAS. Mr. President, I should like to ask the distinguished Senator from Arizona if it is his intention to suspend discussion and action upon this bill this afternoon.

Mr. McFARLAND. I did not want to suspend so long as any Senator desires to discuss it.

Mr. DOUGLAS. The Senator meant to suspend further voting; did he?

Mr. McFARLAND. Yes, because of the conference at the White House.

Mr. DOUGLAS. May I ask how many Senators were invited to the conference?

Mr. McFARLAND. Four or more. It is an important conference on important legislative matters. Some Senators said they would not attend if a vote was to be taken. I thought, in view of the lateness of the hour——

Mr. DOUGLAS. Mr. President, I think we have some hours left in which to work on the pending bill. Apparently the Senators attending the conference will be back by 5 o'clock. I shall, reluctantly, be compelled to object.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. May I inquire whether the pending amendment is the Ferguson amendment or the Lehman amendment?

The PRESIDING OFFICER. The amendment before the Senate is the amendment offered by the Senator from New York to the amendment offered by the Senator from Michigan.

Mr. WHERRY. Mr. President, I should like to say to the Senator from Illinois that it is difficult to resist or to refuse an invitation to go to the White House because, after all, regardless of political affiliations, it is a bipartisan proposition, I hope. I was not invited, but several other Senators have been invited. They had either to refuse the invitation or to pass up opportunity to vote on the amendment. I agree with the Senator from Illinois that the work of the Senate comes first, but in this particular case——

Mr. DOUGLAS. I should think we could vote at 5 o'clock on this amendment.

Mr. McFARLAND. I shall do my best to protect Senators. If they do not return in time, I shall move a recess of the Senate.

Mr. MAGNUSON. For the information of the majority leader, there are only four Senators involved. I agreed to pair with one of them. He is satisfied. That leaves three. With all the talk about getting appropriation bills passed, I think we should proceed and get the pending bill out of the way tonight.

Mr. WHERRY. I am absolutely in favor of getting bills passed, but there are Senators who would like very much to be recorded on the vote on the pending amendment, and I do not blame them at all.

Mr. MAGNUSON. They will be back at 5 o'clock.

Mr. WHERRY. I cannot tell about that. They were invited to go to the White House.

The PRESIDING OFFICER. Objection has been made.

Mr. FERGUSON. Mr. President, will the Senator from New York yield in order that I may submit an amendment?

Mr. LEHMAN. I yield.

Mr. FERGUSON. I send to the desk an amendment on behalf of the Senator from New Hampshire [Mr. BRIDGES] and myself and ask that it lie on the desk and be printed.

Mr. LEHMAN. Is it an amendment to the bill, or to the Senator's pending amendment?

Mr. FERGUSON. It is an amendment to the bill.

Mr. DOUGLAS. Mr. President, is amendment in addition to the one which is already before the Senate?

Mr. FERGUSON. It is an amendment which I mentioned during my remarks with reference to prohibiting the use of funds authorized for chauffeurs and drivers of automobiles owned by various agencies.

The PRESIDING OFFICER. The amendment will be received and printed, and lie on the table.

MENTAL HEALTH

Mr. LEHMAN. Mr. President, I rise in support of the amendment which I have offered to the amendment of the senior Senator from Michigan.

Mr. President, during the 14 years when I was lieutenant governor and governor of my State, no matter concerned me or engaged my attention more fully and at greater length than did the subject of mental health.

Our needs in all areas of medical research are great. In none, however, can we honestly say that the needs are greater than in the field of mental health. Measured in any way you like—in terms of lost military manpower, in terms of lost wages and productivity, in terms of accidents, suicides, crime and divorce, in terms of human anguish, and in terms of cold dollars and cents, the cost of mental and emotional illness is staggering.

In the course of normal living today, 1 person out of every 20 can expect to spend at least part of his or her life in a mental hospital. Consider what this fact means, not only to these unhappy people, but also to their families, and their friends.

Today, this is the story told by cold statistics that have long been on public record:

First. At least half of our Nation's hospital beds are devoted to care of the mentally ill.

Second. State mental hospitals cost the taxpayers about $400,000,000 annually.

Third. Federal mental hospital care, including the huge obligation of caring for mentally ill veterans, costs us some $500,000,000 annually.

Here are some more facts. As we all know, our mental hospitals are severely overcrowded. We have never been able to build enough to take care of the total need, and in almost every State there are waiting lists of persons who need psychiatric care in an institution but who must wait their turn, sometimes in jails, sometimes in hospitals which need the space for care of people with acute physical illness, and sometimes in the care of their families, imposing a terrible emotional, financial, and physical burden.

But the problem is greater than the number in mental hospitals or needing mental hospital care. Altogether, I have been informed, at least 9,000,000 persons suffer from mental illness or disability to such an extent that they require proper psychiatric aid.

What is the answer? Should we build more hospitals and train more psychiatrists?

Certainly. We cannot ignore this great need.

But more hospitals cannot solve our problem. As a well-known psychiatrist recently pointed out, if 1 out of every 20 automobiles that came off the assembly line in Detroit proved defective, broke down on the highway, endangering and possibly killing its occupants, there would be no question of what to do. The automobile industry would not only provide for repair of such failures, it would seek the source of the trouble, learn what was going wrong with the cars, and find out how such breakdowns could be prevented.

Thus, we cannot be content with attempts to salvage and repair our emotional failures. We must seek out the roots of the trouble. We must find out why some people cannot take the normal stresses and strains of living. We must learn why they crack up in the middle of their careers, harming not only themselves but also causing suffering to their wives, husbands, children. We must learn how to strike directly at mental illness.

That is why the Congress passed the National Mental Health Act in 1946, 5 years ago this July. In addition to providing for more psychiatric training and for expanded State mental-health programs, this act provided for a great increase in research. Its mandate has been carried out by the National Institute of Mental Health, which, as Senators know, is one of the national institutes of health.

Results of the National Mental Health Act, to date, have been most encouraging. Before 1946, less than half of the States had mental-health programs. Now every State and Territory has an active and expanding program, which uses research findings for the direct benefit of the American people. Today, too, hundreds of training programs are under way to increase our supply of critically needed specialists in psychiatric professions. Today, research in the field of mental illness has reached a new peak, both in the number of first-class scientific minds devoted to this work and in the funds they have at their disposal for essential equipment and assistance.

Through this research, science has learned more about the treatment of mental illness through surgery. Aided by a series of recent Federal grants, careful and intensive studies of treated

and untreated patients have shown how and when this type of treatment can have its maximum effect. Through the work of the National Institute of Mental Health, new ways have been found to treat drug addicts, greatly aiding our Nation's fight on this growing social problem. New findings have been made on the effects of wartime tensions and family disruption upon young children, facts that will prove valuable as more men go into military service and more mothers enter war industry. These are only a few of the hundreds of projects aided by the funds that Congress appropriates.

The amendment would remove the limitation on personal services carried in the committee bill. At a time when every person who can devote himself to this problem is needed, particularly in research, we should not limit the Surgeon General in his efforts to find the cause, prevention, and cure of mental illnesses by requiring that there be a reduction in the number of scientists and others who are working on these problems. What we should be doing is appropriating more money, rather than forcing a reduction in force.

Mr. President, I have spoken only about the field of mental health. Some of my colleagues, either today or when we meet again next week, will undoubtedly discuss the great problems of heart disease, of cancer, of dental care, and of other fields of health which are so vital to the welfare of our people.

I heard the moving plea of the distinguished chairman of the Appropriations Committee a few minutes ago. I share with him the feeling that we should economize on every nonessential activity. The military defense of our country, of course, is paramount. But right alongside military defense, in our effort to throw back aggression, and to bring peace to a war-torn world, comes the fight for the health of our people. I say "right along side of" because the health of our people is, in my opinion, vital to the defense of our Nation.

Mr. President, I recently returned from a great convention held in Geneva, Switzerland. As Senators may recall, I attended that convention representing the Senate of the United States and as a delegate of the United States. It was the fourth assembly of the World Health Organization. I was deeply impressed with the spirit of devotion, the spirit of determination shown by representatives not only of what we consider the enlightened countries, but of countries that have not yet had the advantages and the opportunity of progressing in the manner countries of western civilization have had. Those people are determined to preserve and to advance the health of their people. Certainly I do not think for a moment that we can fail to do as much. I believe that no expense within the means of the American people is too great, if it means the saving of human lives.

We have appropriated countless billions of dollars for the defense of our country, and to help our soldiers, sailors, and airmen fight with as great an assurance as possible of success and safety. The small amount which would be saved by cutting the personnel in our health services is negligible as compared with the total expenditures which we make every day in the year, and small in comparison to the benefit which would be brought to the American people.

I repeat that I want economy. I shall vote for economy if it does not destroy essential services. Among those essential services I say again that none ranks ahead of the service which will preserve and advance the health of our people.

I very much hope that my amendment to the Ferguson amendment will prevail.

IMPORTATION OF AGRICULTURAL COMMODITIES IN CONFLICT WITH DOMESTIC PRICE-SUPPORT PROGRAMS

Mr. WHERRY. Mr. President, when the bill (H. R. 1612) to extend the authority of the President to enter into reciprocal trade agreements, was before the Senate on May 21, 22, and 23, the junior Senator from Nebraska had several colloquies with the distinguished senior Senator from Georgia and other Senators regarding the effectiveness of Senate Finance Committee amendments contained in section 8 of H. R. 1612.

That section, as it was reported by the Senate committee, provides that in any case where the Secretary of Agriculture determines and reports to the President and to the Tariff Commission that an emergency condition exists with regard to a perishable agricultural commodity, the Tariff Commission shall make an immediate investigation under section 22 of the Agricultural Adjustment Act, or under section 7—the escape-clause procedure—of H. R. 1612.

Section 8 further states that the Tariff Commission will determine the facts and make recommendations to the President for such relief as may be appropriate. The President may also take action under section 8, without waiting for Tariff Commission recommendations, if in his judgment the emergency requires such action.

However, Mr. President, neither in section 8—which specifically refers to perishable agricultural commodities—nor in any other section of the reciprocal trade agreements extension legislation, is action by the President made mandatory, when imports threaten domestic production and interfere with price-support and conservation programs.

The junior Senator from Nebraska called this fact to the attention of the senior Senator from Georgia in a discussion on the floor of the Senate on May 23, as shown on page 5720, column 1, of the RECORD of that date.

I ask unanimous consent that that particular portion of the CONGRESSIONAL RECORD be printed in the RECORD at this point as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Mr. WHERRY. Mr. President, my reason for making this statement is that although, with the inclusion in the bill of subparagraph (f) on page 13, I think the committee has gone a long way toward helping to tighten up the bill and to eliminate the abuse of the reciprocal trade agreements provision, to a point where it would be helpful in affording some protection, yet I have a feeling, based on past experience, that it is still within the hands of the administraiton to do as they choose.

There is not a mandatory provision in the bill which would finally give the relief asked for, and so long as Mr. Acheson is Secretary of State, and running the economy both on the foreign front and on the domestic front, it is my opinion that we cannot obtain the kind of administration which will protect American industry, American agriculture, and American labor. Although I want to compliment the distinguished Senator from Georgia, and also the distinguished ranking minority member, the Senator from Colorado, upon the work they have done to help tighten the present act, my opinion is, nevertheless, that if we are to get protection, we must get it through legislation, not through dependence upon the Secretary of State to administer the laws which Congress writes for him to administer.

Mr. WHERRY. The discussion referred particularly to the invocation of section 22 of the Agricultural Adjustment Act, provided for in section 8 (a) of H. R. 1612, as a procedure to be followed by the Tariff Commission in investigation of imports endangering domestic, price-supported production.

The senior Senator from Georgia was of the opinion, as shown on page 5507, column 2 of the May 21 RECORD, that by invocation of section 22 of the Agricultural Adjustment Act a "mandatory requirement is placed upon the President."

I ask unanimous consent that the observation found on that page be printed in the RECORD at this point as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Mr. GEORGE. Section 22 requires the President to act. I believe if the Senator will read section 22 he will see that the fullest power is there given, and that a direct and mandatory requirement is placed upon the President. At least that is my understanding of it.

Mr. WHERRY. Mr. President, in a further colloquy on May 22, on page 5555, column 3 of the May 22 RECORD, the senior Senator from Georgia clarified the reference to section 22, by saying that the provisions in section 22 were not mandatory, unless the President finds the facts as reported to him by the Tariff Commission are true.

I ask unanimous consent that that particular statement be printed in the RECORD at this point as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Mr. GEORGE. * * * With reference to section 22, I wish to make clear precisely what can and cannot be done under it in view of the amendment striking out subsection (f) of section 22.

If the fact of interference by imports with a program of price support is shown—in other words, it must first be shown—the President must act under section 22.

Under section 22, this is the present requirement—

"Whenever the Secretary of Agriculture has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such

conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States or from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he"—

The Secretary of Agriculture—

"shall so advise the President, and if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice"—

And so forth.

"(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts"—

He shall then proceed to put into effect the remedies provided in section 22. It then becomes mandatory upon the President to put into effect the remedies provided in section 22.

Mr. WHERRY. That is correct.

Mr. GEORGE. That was the point. Upon that point I somewhat overstated the law, and I wish to make it clear. It is not mandatory unless the President finds that the facts reported to him are true—that is to say, unless as stated in subsection (b):

"If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts."

Mr. WHERRY. Mr. President, that permissive power to the President and the inadequate and round-about protections which now exist under section 22 of the Agricultural Adjustment Act are the reasons for the amendment which I now introduce. I send to the desk a bill proposing to amend section 22 of the Agricultural Adjustment Act, as to the procedure to be followed when imports of any article or articles render, or tend to render, ineffective, or interfere with any program or operation undertaken by the Department of Agriculture with respect to any agricultural commodity.

Mr. President, I ask unanimous consent to introduce a bill to amend section 22 of the Agricultural Adjustment Act, and I request that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the bill (S. 1632) to amend section 22 of the Agricultural Adjustment Act, as amended, introduced by Mr. WHERRY, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 22 of the Agricultural Adjustment Act, as amended, is amended to read as follows:

"SEC. 22. (a) Whenever the Secretary of Agriculture has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall cause to be made an immediate investigation to determine such facts, with due notice and opportunity for hearing to interested parties.

"(b) If, on the basis of such investigation, the Secretary of Agriculture finds the existence of such facts, he shall certify his findings and recommendations to the President and the President shall by proclamation impose such fees not in excess of 50 percent ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as are necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a) of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: *Provided*, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 percent of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the Secretary of Agriculture: *And provided further*, That, in designating any article or articles, the Secretary of Agriculture may describe them by physical qualities, value, use, or upon such other bases as he shall determine.

"(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States.

"(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever the Secretary of Agriculture finds and certifies to the President that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever the Secretary of Agriculture finds and certifies to the President that changed circumstances require such modification to carry out the purposes of this section.

"(e) Any decision, finding, or certification of facts and required fees or quantitative limitations of the Secretary of Agriculture under this section shall be final.

"(f) No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this section.

"(g) In any case where the Secretary of Agriculture certifies to the President, either before or after completing his investigation, that a condition exists requiring emergency treatment (1) the investigation, and the action of the President provided for by this section shall be taken within not more than twenty-five calendar days after the Secretary of Agriculture shall have made such certification, and (2) the President may act without awaiting the completion of such investigation if in his judgment the emergency requires such action."

Mr. WHERRY. Mr. President, under the existing form of section 22, whenever the Secretary of Agriculture has reason to believe that imports of agricultural commodities will render ineffective the various Department of Agriculture price-support programs, he—the Secretary of Agriculture—shall so advise the President, and, "if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made by the Tariff Commission." The quotation is from existing law under section 22. If on the basis of such investigation, the President finds the existence of such facts, "he shall by proclamation impose such fees or such quantitative limitations as he finds and declares are shown by such investigation to be necessary.

The point I wish to stress is the weakness of the language. "If the President agrees," and "if the President finds such facts to be true," and so forth, there may then follow a long drawn-out investigation by the Tariff Commission. It has been found in the past that such findings or reports by the Tariff Commission have been made months and years too late to repair damage done to a segment of industry by the particular importation.

It has been my conviction that responsibility for determining the dangers which exist to domestic agricultural production programs, by imports, should rest upon the Secretary of Agriculture, without superimposing a superior level of investigation, as represented by the Tariff Commission.

It has also been the conviction of the junior Senator from Nebraska that the requirement upon the President for action, should be mandatory when those dangers are certified to exist, by the Secretary of Agriculture.

The senior Senator from Georgia in discussing the possibility of desirability of strengthening section 22 of the Agricultural Adjustment Act, suggested as shown on page 5556 of the RECORD of May 22, that it was the opinion of the Senate Finance Committee that further strengthening of section 22 should be accomplished by amending the Agricultural Adjustment Act, which proposal would be referred to the Committee on Agriculture and Forestry.

I ask unanimous consent that that observation be printed in the RECORD at this point as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Mr. GEORGE. * * * It was the opinion of the committee—and I think this is important, and I wish to make it clear—that if further strengthening of section 22 was desirable, it should be done by way of amend-

ment to that section in the Agricultural Adjustment Act, or in the act in which section 22 was originally inserted. That would not be a proper function of the Finance Committee, and we did not feel that we should undertake to amend that act. We did feel justified in removing the inhibition against the full operation of section 22, notwithstanding there might be in existence a trade agreement which, under the law prior to the amendment removing subsection (f), would have prevented the action by the President.

Mr. WHERRY. Mr. President, the Senate Finance Committee did recommend—and it subsequently was approved by the Senate and remained intact in conference—an amendment to subparagraph (f) of section 22 of the Agricultural Adjustment Act, for which the junior Senator from Nebraska wishes to express great gratification. That amendment provides that no trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of section 8 of the reciprocal trade agreements extension legislation.

However, the requirements of section 8, invoke the procedures under section 22 of the Agricultural Adjustment Act. Therefore, it seems to me necessary and desirable to strengthen the procedures under section 22, as it operates independently, and as it serves the purposes of section 8 of the reciprocal trade agreements extension legislation.

Mr. President, the general intent of the amendment which the junior Senator from Nebraska has introduced, is not a new idea to the Senate except that it is my further purpose, in this amendment, to make action by the President mandatory, when the Secretary of Agriculture shall have certified that dangerous import conditions exist.

In October 1949 an amendment was offered on the floor by the senior Senator from Washington to the so-called Anderson farm support legislation, S. 2522, to place responsibility upon the Secretary of Agriculture for certifying as to import conditions affecting agricultural support programs. He also offered an amendment to subparagraph (f) of section 22, to make all international agreements subject to the provisions of section 22. S. 2522 was recommitted and Senator MAGNUSON's amendment was not in the House version of the farm support bill which was finally passed.

Again, when the Commodity Credit Corporation extension legislation, H. R. 6567, was reported to the Senate in March 1950, it contained a provision known as the Magnuson-Morse amendment, which proposed to strengthen section 22 of the Agricultural Adjustment Act, by placing the responsibility for investigation and certification upon the Secretary of Agriculture. It also contained changes to subparagraph (f) referring to international agreements. The amendment passed the Senate without objection, but was returned from conference in such a mangled form as to completely circumvent the original purpose of the Magnuson-Morse amendment. However, neither the amendment in 1949 nor in 1950 provided for mandatory action by the President, upon certification by the Secretary of Agriculture as to the facts.

The junior Senator from Nebraska also offered an amendment to the cotton and peanut acreage allotment legislation, House Joint Resolution 398, in February of 1950, which proposed to prevent the importation of Irish potatoes, when surpluses of potatoes existed in this country.

The measure I have introduced today proposes:

First. To place full responsibility upon the Secretary to determine when imports of agricultural commodities render, or tend to render, any and all programs of the Department of Agriculture ineffective;

Second. It applies to all agricultural commodities, not just perishable agricultural commodities;

Third. If on the basis of his investigation, the Secretary of Agriculture finds the existence of such facts, he shall certify his findings and recommendations to the President;

Fourth. And the President shall by proclamation impose such fees or quantitative limitations as are necessary in order that the entry of such article or articles will not render, or tend to render any program or operation being undertaken by the Department of Agriculture ineffective.

Fifth. The amendment includes the changed words of subparagraph (f) as amended by the Reciprocal Trade Agreements extension legislation.

I have already stated that it was a source of gratification to all of us to have had such a provision written into the bill.

Sixth. The amendment adds a subparagraph (g) which also brings section 22 into alinement with the emergency provisions of section 8 (a) of the reciprocal trade agreements extension legislation—whereby the President shall take action in emergency situations within not more than 25 days after certification of those conditions by the Secretary of Agriculture.

It is my belief, Mr. President, that such strengthening of section 22 of the Agricultural Adjustment Act is necessary in order to make effective the provisions of section 8 of the reciprocal trade agreements extension legislation, and to carry out the purposes and intention of both the House and the Senate with respect to such legislation.

I now yield to the Senator from Washington.

Mr. MAGNUSON. I have only hastily glanced at the Senator's bill. However, I believe it proposes to do exactly what was proposed to be done by the bill which was introduced on several occasions by the Senator from Oregon [Mr. MORSE] and myself, and as was proposed to be done by the so-called Magnuson-Morse amendment. It was divided into two parts. We submitted both parts to the Committee on Finance. The committee decided not to accept the procedural part, but to accept only the part dealing with trade agreements, because there was involved a reciprocal trade agreement bill.

As I understand, the Senator from Nebraska is attempting to do the same thing, except that whereas the Magnuson-Morse proposal said "the President may," the Senator's proposal says "the President shall."

I cannot speak for my distinguished friend from Oregon, but I believe I am correct in saying that we would have liked to have the word "shall" adopted by the committee, because we were desirous of securing practical results. However, I am wondering whether the Senator from Nebraska would accomplish anything by the use of the world "shall." I say that because the President is limited to anywhere between 0.1 percent and 50 percent. If the President were not disposed to do anything on certification, he could say, "We will add the ad valorem tax and we will increase it by one hundredth of one percent." It would not have any effect. It may be that the language of the Senator's proposal makes it stronger. Perhaps the persuasive word "shall" would add something along that line.

Mr. WHERRY. Mr. President, I supported the Magnuson-Morse amendment.

Mr. MAGNUSON. Yes.

Mr. WHERRY. I gave the history of the legislation, and I gave due credit to both Senators.

Mr. MAGNUSON. Yes.

Mr. WHERRY. It all arose during the debate on the extension of the Reciprocal Trade Agreements Act. I tried to get some relief. I tried to have some provision made along the lines of the Magnuson-Morse amendment. During the colloquy the distinguished Senator from Georgia suggested that the proper procedure would be to amend section 22 of the Agricultural Adjustment Act. I was guided by his judgment. He said the proper course would be the introduction of a separate bill. In that way we could get the adjustments I was seeking to have made.

I do not know whether it is possible to improve upon the language. The language originally came over from the House. I am not taking any copyright on the bill. I completely supported the Senator from Washington previously, and it would be perfecty agreeable to me to have him introduce the amendatory measure on his own behalf. The Senator from Oregon [Mr. MORSE] may do so if he desires. All I am interested in is getting a mandatory provision under which some relief can be afforded. That is why I am introducing the bill.

Mr. MAGNUSON. I believe the language in the Senator's bill is exactly the same as that contained in the previous bill, except that he uses the word "shall."

Mr. WHERRY. Mr. President, I went back into the history of the legislation from the time it came over from the House. I have tried to show what is now being attempted. I paid great

honor, I thought, to the distinguished Senator from Washington and to the distinguished Senator from Oregon. I praised them for what they tried to accomplish. However, it has not been accomplished.

During the debate on the Reciprocal Trade Agreements Act the junior Senator from Nebraska did his very best to accomplish what is sought to be accomplished now. As I have said, the distinguished Senator from Georgia [Mr. GEORGE] said that the proper way to proceed would be to amend section 22. I have referred to the colloquy in the RECORD with reference to that point. I responded that if that was the only way it could be done, I would see to it that a proper bill was introduced.

Mr. MAGNUSON. Of course, the Senator from Washington has no copyright on any ideas in the Senate.

Mr. WHERRY. Of course not.

Mr. MAGNUSON. We are all trying to accomplish the same objective. I merely wished to point out for the benefit of the Senate that the bill introduced by the Senator from Nebraska is similar to the bill which was introduced by the Senator from Oregon [Mr. MORSE] and myself. I believe the language is very clear.

Mr. WHERRY. I believe it is a little improvement over the other bill.

Mr. MAGNUSON. It is couched in the same language we used. We thought it would be very effective. We are glad that the Senator from Nebraska is adopting it.

Mr. WHERRY. I voted for it in the first place.

Mr. MAGNUSON. Yes. The Senator from Nebraska has said that the purpose has not been accomplished. Let me say that the Committee on Finance went a very long way with us on the amendment in order to clear up the difficulty. The purpose has been accomplished insofar as future trade agreements are concerned.

Mr. WHERRY. No; I disagree with the Senator. Is the Senator talking about the new subparagraph (f)?

Mr. MAGNUSON. Yes.

Mr. WHERRY. It provides that an international agreement cannot be entered into which would override section 22.

Mr. MAGNUSON. Which would be inconsistent with section 22.

Mr. WHERRY. It is an excellent provision, but it still would not prevent——

Mr. MAGNUSON. The Senator from Nebraska would like to go further and do what the Senator from Oregon and I would have liked to do, namely, do away with the cumbersome procedure by which the President finally may act under the 50-percent leeway.

I am sure the Senator from Oregon and I would be glad to join the Senator from Nebraska in accomplishing that, or we shall be glad to have him join with us. I do not know which is preferable, but in any event we shall be glad to have that result achieved.

Mr. WHERRY. Mr. President, first I should like to say that I shall be glad to have the Senator join with me; or if there is any element of pride of authorship in this case, I shall be glad to join with him. Certainly we wish to obtain this result.

It was not my purpose to adopt any particular language as my own, for in the course of my remarks I cited what was done in the past in regard to this matter.

There is a difference between the conclusion I reach and that reached by the Senator from Washington, for I think it is not sufficient to have a permissive provision. When the Secretary certifies that these surpluses exist, I think it should be mandatory upon the President to rectify that situation.

Mr. MAGNUSON. That is what we think, too.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. MORSE. I hope the minority leader will not object to my standing on this side of the aisle when I discuss this matter at this time. It merely happens that I came to this side of the aisle to discuss with other Senators certain phases of this matter.

Mr. WHERRY. Mr. President, this is a bipartisan piece of proposed legislation, and it does not matter which side of the aisle the Senator stands on.

Mr. MORSE. I wish to thank the Senator from Nebraska for the support he has given in the past to the Magnuson-Morse amendment. As he has said, he has supported it. I compliment him for following the course of action he has followed today in including in his amendment what I consider to be at least the controlling principle of the Magnuson-Morse amendment. I assure the Senator that when we reach the floor fight on this issue, I shall give him the same support he has given in the past to the Magnuson-Morse amendment.

I also thank him for the record he made in regard to the history of this provision, both as it came from the House side and as it was enacted in the Magnuson-Morse amendment during the past several years on the floor of the Senate. I quite agree with the Senator from Nebraska, as does my friend the Senator from Washington, that in connection with these proposals, there should be no pride of authorship or no pride as to origin.

Mr. WHERRY. That is correct.

Mr. MORSE. What we seek is the result. I have always hoped that we might have a mandatory provision. I still have a serious reservation of doubt as to whether we shall be able to go that far; but let us at least try to see how far we can go in that direction and at least get something of the sort on the statute books.

Mr. WHERRY. Mr. President, I thank the Senator from Oregon for his observation, and I also thank the Senator from Washington.

I should like to say that the inspiration for this proposed legislation actually came from the colloquy I had with the distinguished Senator from Georgia [Mr. GEORGE]. If Senators will read those observations, they will find why it is very necessary to amend section 22.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. GEORGE. I should like to say that the Finance Committee gave great consideration to the amendment submitted by the distinguished Senator from Washington [Mr. MAGNUSON] and the distinguished Senator from Oregon [Mr. MORSE]. I believe there were two or more of the amendments, and we were in very great sympathy with them.

However, we felt, as I stated on the floor to the distinguished Senator from Nebraska, that our primary responsibility and jurisdiction were over the trade-agreements matter; and that being so, I felt free to suggest that if the amendment which we had inserted was not entirely effective as it was inserted in the bill, section 22 might well be strengthened, the jurisdiction of section 22, of course, being properly in another Senate committee.

Mr. WHERRY. That is correct.

Mr. GEORGE. I am very glad the Senator has offered the amendment.

Mr. WHERRY. I thank the Senator very much. That was the spirit in which the amendment was submitted.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1952, and for other purposes.

Mr. HILL. Mr. President, I wish to support very strongly the amendment submitted by the Senator from New York [Mr. LEHMAN] to the amendment of the Senator from Michigan [Mr. FERGUSON]. The amendment offered by the Senator from New York would exempt from the amendment of the Senator from Michigan the Public Health Service hospitals, the National Institutes of Health, the National Heart Institute, the National Cancer Institute, the National Mental Hygiene Institute, and the other institutes and services now being carried on by the Public Health Service.

The Senate committee has already cut by 5 percent the funds for personal services in these institutes. As we know, the amendment of the Senator from Michigan, if adopted, would cut by an additional 5 percent the funds for personal services in these institutes.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. HILL. I yield.

Mr. MORSE. Does the Senator from Alabama agree with me that, in view of the grave threat which hangs over our country and, for that matter, over civilization itself in these dark days of crisis, we had better proceed at an even more rapid rate, rather than at a slower rate, in building up the medical and health programs, so that from the standpoint of defense alone we shall be in the

strongest possible position to take care of the tens of thousands of wounded persons whom it will be our burden to bear if an all-out war should occur in the immediate future?

Mr. HILL. I thank the Senator from Oregon for the very wise and timely observation he has just made. He is eminently correct.

Mr. President, in this country we have always felt that we had unlimited manpower. The truth is, however, that the facts submitted to the Appropriations Committee show that today employment in the United States is higher than it was at its peak during World War II.

The distinguished Senator from Oregon is one of the ablest and most distinguished members of the Armed Services Committee. As he well knows, we have not yet filled the quota for our Armed Forces. We have not yet put our many plants and industries into full production. In fact, for the next months we are going to be busy in trying to find the necessary personnel to put into our plants and industries in order that we may carry forward our great defense program of production.

We could not be more negligent or more wasteful than we would be at this time if we were to disregard the compelling need for doing all we can to conserve our manpower and, through medical research and medical care, rebuild and bring into useful service and useful occupations all possible segments of our manpower.

Mr. President, as I have said, the amendment adopted by the Appropriations Committee would result in cutting by 5 percent the funds for these personal services. I think it would be a serious thing now to bring about an additional cut of approximately 5 percent, as proposed by the amendment of the Senator from Michigan.

The idea seems to prevail in some quarters that these personal services are being rendered primarily or usually in administrative work or in what might be called work simply to check on what is being done by means of Federal Government grants to hospitals and health institutions throughout the country for research programs. However, that idea is entirely erroneous.

The National Cancer Institute was mentioned earlier in the debate. When we consider that Institute, which was created by Congress as an agency of the Federal Government, we find that it has been established at Bethesda, Md. We find that today that Institute has a personnel of 678; and of that number, 545 are engaged in research work. Those 545 are scientists, doctors, or technicians. All of them are engaged in research work, in attempting to find the cause of cancer, in attempting in some way to prevent cancer, or to find a cure for cancer. Five hundred and forty-five of the six hundred and seventy-eight are engaged in actual research work. One hundred persons employed in the Institute are engaged in technical assistance to the States. This technical assistance to the States provides consultative services in the organization and operation of State-wide cancer-control programs, including the development and demonstration of improved methods for the early diagnosis of cancer and the investigation of occupational conditions which may cause cancer. As we know, in most instances, if cancer can be discovered in its early stages, it can either be removed by the surgeon's knife or burned out through the use of the X-ray or of radium, and the patient can be cured. The insidious thing about cancer is that it causes no pain to the sufferer until the disease has reached its later stages, when it is only too often impossible to remove the cancerous tissue or to effect a cure.

The program of technical assistance provides a total of 100 workers in the 48 States. If we add to the 48 States the District of Columbia and the Territories of Alaska, Puerto Rico, and Hawaii, we discover that we really have less than 2 persons for each of the 48 States of the Union who are to assist in giving technical assistance in this vitally important matter of cancer research, prevention, and cure.

Of the 678 persons employed in the Cancer Institute, we find that 11 are engaged in reviewing personally the research and training grants. Those 11 persons keep in touch with institutions which are to receive Federal grants, particularly hospitals and research institutions throughout the country, and constantly review this work to make sure that the research is going forward according to the intent and purpose in making the grants, and also to correlate and integrate the work which is being done throughout the country in the many different research hospitals and institutions. Of the 678 persons employed in the National Cancer Institute, but 22 are engaged in administrative work. This means that 656 of the 678 are entirely dissociated from administrative work, in connection with this important field of research.

Mr. President, cancer is now the No. 2 killer of our people. Only cardiac, vascular, and renal diseases cause a greater number of deaths than cancer. In 1949, one in every 47 people, who died in the United States, died of cancer. Twenty-two million of the people now living in the United States will die of cancer, unless new treatments, cures, or preventive measures are found. Almost 2½ times as many people in the United States died of cancer during World War II as were killed in action in the Armed Forces. In a recent Nation-wide poll, it was found that 82 percent of the people who were questioned said they believed that $200,000,000 should be spent by the Government for cancer research. In this bill, we are providing something less than $19.000,000.

It has been a long time since I have heard any testimony more encouraging than that given before the subcommittee of the Appropriations Committee on the subject of research work, and the results which are coming from it. Dr. Rhoads, head of the great Memorial Cancer Center, in New York City, told us a most interesting and fascinating story of a machine which had been developed in the immediate past, and which takes a photograph showing cancerous cells in contradistinction to normal cells. As he said, if all the women who pass through the Grand Central Station in New York in 1 day were examined, it would be discovered that 1 out of every 320 was suffering from some form of cancer of the womb. If those women were examined according to the only methods available prior to the invention of this machine, each of them would be required to go to a hospital, to be anesthetized and to have a minor surgical operation, after which the slides containing the tissue removed in the course of the operation would have to be examined by a pathologist. It would require one pathologist to work more than 1 month in order to examine the slides of women suffering from cancer, who in 1 day's time passed through the Grand Central Station. As Dr. Rhoads said, even if all the women were willing to go to a hospital and undergo the operation and subject themselves to the examination, there would not be a sufficient number of pathologists available in the country to make the examinations. It is impossible to make these examinations today, for no other reason than the sore lack of pathologists.

Mr. President, the new cancer-detecting machine which has resulted from the research for which we are pleading this afternoon makes it possible for all those examinations to be made in 1 day. It requires no hospitalization of the women, no anaesthesia, no surgical operation, no huge expense. The machine takes the picture, and, if cancerous tissues are present, they show up in the picture.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Washington.

Mr. MAGNUSON. I am sure the Senator will find that the development of that one machine, constituting a great advance in the detection of cancer, and which is the real answer until we find an absolute cure for cancer, came as the result of the appropriation of funds which the Congress has appropriated, niggardly though they may be, to institutions for the purpose of protecting and improving the health of the people.

Mr. HILL. I am sure that, without the funds, the encouragement, and the inspiration which the Government has given in the matter of cancer research, we would not have this machine today. Forty years ago the No. 1 killer in the United States was tuberculosis; more people died from tuberculosis in this country than from any other cause. Today that is not true. Tuberculosis, as a killer, has now fallen into about ninth place. Why? Because of the X-ray machine; because pictures are made in the incipient stages of the disease, making it possible through prompt treatment to effect a cure. What the X-ray machine has done in connection with the

treatment of tuberculosis, the new machine which I have described promises to do in the field of cancer.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from New York.

Mr. LEHMAN. Mr. President, I wonder whether the Senator from Alabama knows that at the fourth assembly of the World Health Conference, which I attended recently as a delegate, Surgeon General Scheele was compelled by unanimous vote to assume the presidency of that organization and to take leadership in the world in connection with these matters.

Mr. HILL. That is correct and I thank the Senator from New York for bringing it to the attention of the Senate. I doubt if anywhere in the world we can find men who are more devoted or who are making a greater contribution to the welfare of mankind than are those in the United States Public Health Service. The Senator from New York has recently returned from the great World Health Conference, and he comes to us today bearing testimony of the esteem and the appreciation in which the United States Public Health Service is held around the world.

Mr. President, the hour is late——

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. MAGNUSON. As the Senator from Alabama knows, I have been active in this matter for a long time. I was one of the sponsors of the bill to establish the Institute. Cancer is a disease which has killed more persons than have all the wars combined. Each year we have spent less money on the cure of that disease than the cost of building one heavy cruiser.

Mr. HILL. Let me say to my friend that we got the atomic bomb because we were willing to spend some $2,000,000,000 in order to get it. It was not a question whether we could afford to spend the money for the bomb. The proposition was that we could not afford not to have it. Where would we be today if we did not have that bomb? It is not a question of spending these relatively paltry sums of money for health services; it is a question of not being able to afford not to spend them. We must go forward with the research into the causes and treatment of diseases.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. CHAVEZ. The irony of the matter is that, in spite of the small amount we appropriate because of the economic circumstances of the moment, the researchers do so well. The chairman of the subcommittee, as the Senator from Alabama knows, would have been willing to give them more money, but neither the Senator from Alabama, the Senator from New Mexico, nor the other members of the committee felt that under the circumstances we should do so. That is one of the reasons why I object strenuously to a cut of 10 percent on personnel for this noble and laudable work for humanity. It is not for destruction; it is not to kill people; it is not to wound people; it is to help them. It is for the common weal.

Mr. HILL. The Senator from New Mexico is absolutely right about that. He is chairman of the subcommittee that handles the bills which carry these funds, and he has spent many a long hour, many a long day, and many a long week listening to testimony and endeavoring to get the facts, giving his devoted interest to the subject, so that he might come to the floor prepared to let the Senate know how necessary and important it is to provide these funds. I pay my tribute to the Senator from New Mexico, the chairman of the subcommittee, for his untiring work, for his great devotion, and for all his efforts in behalf of obtaining funds for this great research work in connection with the prevention and cure of diseases. Again and again he has demonstrated the humanitarian motives which actuate him.

Mr. President, I shall not delay the Senate longer at this time. It is evident that at this late hour there will not be a vote, but I did not want the session to come to a close without placing in the RECORD these facts, and emphasizing that of the 678 persons employed in the National Institute of Health only 22 are engaged in administrative work, while 656 of them are engaged in the most vital and important work of research.

Mr. MCMAHON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. MCMAHON. Has the Senator had an opportunity to read the editorial in the New York Herald Tribune of today, entitled "Mr. Acheson's Defense," which I understand the Senator from New York [Mr. LEHMAN] put into the RECORD? If he has not done so, I suggest that he be sure to read it. I would commend it to the attention of every Senator, because it summarizes concisely the story of Mr. Acheson's testimony before the Foreign Relations Committee. I particularly commend it to the senior Senator from Ohio [Mr. TAFT], who made a statement to the press today which, of course, is directly controverted by the editorial in the leading Republican newspaper of the United States.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HILL. I yield. The Senator from New York inserted the editorial in the RECORD earlier today, and I therefore yield to him at this time.

Mr. LEHMAN. Mr. President, I was happy, indeed, to place the editorial in the RECORD this morning. I am grateful to the Senator from Connecticut for again bringing it to the attention of this body. I want to say, parenthetically, that not only was I glad and proud to place the editorial in the RECORD, but I am in full and complete agreement with the statements made in it. My agreement and my concurrence were due to the fact that I have followed the testimony at the meetings of the two committees sitting jointly, and in the press with great interest and with great industry, and I know that what the editorial says is correct and accurate.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. CHAVEZ. I am extremely happy that the Senator from New York inserted that editorial in the RECORD. The only observation I would make is that, important as it is to protect the position of the Secretary of State, in my opinion cures for cancer, mental illness, and heart disease are just as important.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HILL. I yield, but first I may say there has been no Member of the Senate who has been more devoted and more tireless in his work and efforts in behalf of all our health institutes, and particularly as the author of the bill to establish a National Health Institute, than the Senator from Washington. He has always been on the battleline waging the fight for this great research work and for these institutes in an effort to defeat these dread diseases.

I now yield to my friend from Washington.

Mr. MAGNUSON. I appreciate what the Senator has said.

The PRESIDING OFFICER. The Senator can yield only for a question. Other Senators on the floor have been waiting an opportunity to be recognized.

Mr. MAGNUSON. If the Senator from Nevada [Mr. MALONE], who, I understand, desires the floor, will let us finish, I am sure he will be recognized.

Mr. MALONE. I am going to wait. The Senator need not worry about that.

Mr. MAGNUSON. Mr. President, I appreciate the remarks of the Senator from Alabama. I only hope all our efforts will not have been in vain.

Mr. President, I have to go to New York City to address a Maritime Day gathering on Monday, but hope to return in time to be present when the vote is had on the bill. I want the RECORD to show that I associate myself, of course, completely—leaving out the last remarks of the Senator from Alabama—with the objectives of the Lehman amendment and with what the Senator from Alabama has said. I appreciate his remarks very much.

Mr. HILL. I thank the Senator from Washington.

Mr. DOUGLAS. Mr. President, at an earlier period this afternoon I had intended to offer en bloc a group of 12 amendments which would have had the effect of reducing appropriations by a total of about $2,200,000. These amendments were part of a series of 21 that I had intended to submit. My amendment lettered B has already been accepted by the Senate and my amendment lettered A was replaced by the amendment offered by the Senator from Delaware [Mr. WILLIAMS] which the Senate has also accepted. It is my understanding that the distinguished chairman of the subcommittee, the Senator from New Mexico [Mr. CHAVEZ], was willing to accept these amendments

en bloc, but that upon objection by the Senator from Michigan this was not done.

The Senator from Michigan then obtained recognition for the submission of his amendment providing for a further 5 percent reduction in personal services, and that amendment, together with the Lehman amendment to his amendment, now constitute the question before the Senate.

I should like to call the attention of the Senate to amendments lettered C, D, E, F, G, H, J, N, P, Q, R, and S. I ask that these amendments may be printed at this point in my remarks.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

On page 4, line 5, strike out "$2,578,682" and insert in lieu thereof "$2,423,000."

On page 4, line 20, strike out "$5,245,959" and insert in lieu thereof "$4,635,500."

On page 4, lines 20 and 21, strike out "$1,513,765" and insert in lieu thereof "$743,500."

On page 9, line 7, strike out "$5,371,352" and insert in lieu thereof "$5,243,000."

On page 9, line 16, strike out "$1,125,000" and insert in lieu thereof "$1,000,000."

On page 10, line 11, strike out "$8,365,304" and insert in lieu thereof "$8,000,000."

On page 12, line 7, strike out "$5,172,975" and insert in lieu thereof "$5,000,000."

On page 15, line 20, strike "$3,397,706" and insert in lieu thereof "$3,253,000."

On page 23, line 19, strike out "$1,166,465" and insert in lieu thereof "$1,100,000."

On page 33, line 15, strike out "$2,150,000" and insert in lieu thereof "$2,050,000."

On page 34, line 12, strike out "$396,478" and insert in lieu thereof "$372,000."

On page 31, line 5, strike out "$1,600,000" and insert in lieu thereof "$1,463,400."

On page 31, line 13, strike out "$1,500,000" and insert in lieu thereof "$1,450,000."

Mr. DOUGLAS. Mr. President, I wish to point out that these proposals call for a reduction in appropriations of $155,000 from the funds for salaries and expenses for the Bureau of Apprenticeship; $610,000 from the appropriation for the employment work of the Bureau of Employment Security; $128,000 from the funds for salaries and expenses of the Bureau of Labor Statistics; $125,000 from the appropriation for the Consumers' Price Index; $365,000 from funds for salaries and expenses of the Wage and Hour Division; $173,000 from the appropriation for the Food and Drug Administration; $145,000 from funds for salaries and expenses in the Office of Education; $66,000 from funds for salaries and expenses for hospital-construction services; $100,000 from funds for salaries in the office of the Federal Security Administrator; $24,000 from the appropriation for the office of the General Counsel of the Federal Security Administration; $137,000 from the salaries and expenses of the Bureau of Public Assistance; and $50,000 from salaries and expenses for the Children's Bureau.

Mr. President, in view of the fact that the chairman of the subcommittee was willing at an earlier period in the afternoon to accept these amendments en bloc, in view of the fact that the distinguished Senator from Michigan has submitted an amendment, I hope the two Senators will be willing to incorporate these reductions in the amendment proposed by the Senator from Michigan. They are not in contradiction or in opposition in any way to the reduction which the Senator from Michigan proposes. These reductions which I suggest are for total appropriations for specific items. The personnel reductions proposed by the Senator from Michigan can still take effect. So I hope very much that the Senator from Michigan will accept these amendments as a portion of his amendment.

Mr. CHAVEZ. Mr. President, at the time the Senator from New Mexico made the suggestion to the Senator from Illinois that he was willing to accept his amendments en bloc, he was under the impression that both the economy-minded Senator from Illinois and the economy-minded Senator from Michigan were in accord. But inasmuch as the Senator from Michigan did not seem to be in accord with the Senator from Illinois and objected, I cannot at this particular time accept those amendments.

Mr. DOUGLAS. I am sure the Senator from Michigan, upon reflection, will now agree to this proposal.

Mr. FERGUSON. The Senator from Michigan would like to make an inquiry of the Senator from Illinois, who has the floor, I believe.

Mr. DOUGLAS. I will yield for a question.

Mr. FERGUSON. My question is whether the amounts represented by the Senator's amendments are not for personnel items?

Mr. DOUGLAS. They are not only for salaries but also for expenses. That is, they are the total salaries and expenses for the agencies involved, whereas the amendment of the Senator from Michigan is addressed purely to salaries. Mine is a proposal to reduce not only money for personnel, but also other expenditures such as transportation, printing, travel, and so on.

Mr. FERGUSON. I should be glad to look over the amendments and see whether they are in any way in conflict with my amendment. We discovered in connection with one item that an amendment would be in the third degree, and therefore would not lie.

Mr. DOUGLAS. That is correct.

Mr. FERGUSON. At this particular time I do not feel that I could allow these amendments to come in, since their adoption would possibly make of my amendment an amendment in the third degree and out of order, and would shut off this 10 percent cut in personnel.

Mr. DOUGLAS. I may say that the amendment offered by the Senator from Michigan has been ruled to be an amendment in the first degree. The Lehman amendment has been ruled to be an amendment in the second degree, and therefore is appropriate. My amendments would also be amendments in the second degree. They are not in conflict with the amendment of the Senator from Michigan, but they impose cuts for both salaries and expenses of the bureaus, and not merely cuts in personal services.

Mr. CHAVEZ. May I make a suggestion to the Senator from Illinois? Several Senators, some of whom are in accord with the proposals of the Senator from Illinois, and others who might be against them, would prefer that the Senator have the amendments printed.

Mr. DOUGLAS. They are all printed.

Mr. CHAVEZ. So that they can have them before them and examine them then and consider them the next time the Senate meets.

Mr. DOUGLAS. They are all printed and are on the desks of all Senators.

Mr. CHAVEZ. Yes; but it happens that the Senators are not here, and have gone away.

Mr. DOUGLAS. That is no fault of the Senator from Illinois.

Mr. CHAVEZ. That, of course, is not the fault of the Senator from Illinois, but they were here probably some times when the Senator from Illinois was not. All I am asking is that we have an opportunity to examine the amendments.

Mr. DOUGLAS. I am not asking for a vote on them today. I am merely asking the Senator from Michigan to accept these amendments as a portion of his amendment, so as to make a reduction not merely in salaries, as provided by the Senator from Michigan, but in salaries plus expenses, and in some of these cases the cuts, even for personnel, would be more drastic.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. FERGUSON. I want a little time to look them over. I do not want to put myself in the position to kill the amendment providing for a 10-percent personal-services reduction. I may tell the Senator from Illinois that I share his views on this point of economy. It is my present intention to vote for his amendments. But I do not want to place them on the amendment the Senator from Michigan has put into the hopper, which is ready to be voted upon, and then to find that the amendments of the Senator from Illinois have in some way affected the philosophy of the amendment of the Senator from Michigan to make an over-all cut of personnel.

As I understand, we are not going to vote this evening. The Senator has placed these amendments in the RECORD. Tomorrow I shall examine each one of them. I have in mind that I should like to accept them, but I do not want to do violence to the proposal for an over-all cut.

Mr. DOUGLAS. That is very fine. The amendments will be in the RECORD, and I hope they can be accepted.

Mr. FERGUSON. I certainly will examine them, and see what I can do with them.

Mr. DOUGLAS. Mr. President, we have reached a parliamentary low-pressure point, or a parliamentary vacuum. There seems to have been a general exodus from the Chamber after the Senator from Arizona [Mr. MCFARLAND]

was unable to obtain a unanimous-consent agreement. I hope very much that we will not postpone consideration of this measure until Monday.

AMENDMENT TO CUT NUMBER OF NEW AUTOMOBILES IN HALF

I have another amendment, with which I think nearly all Senators will agree, namely, a proposal to reduce the number of automobiles purchased by Government agencies. If Senators who are present will turn to my amendment lettered "T," as printed, they will see the proposal.

This is a proposal to cut in half the number of automobiles provided by the House for replacement purposes. It is a sort of Jensen amendment applied to automobiles.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. Let me finish. It is a sort of Jensen amendment proposed for automobiles, namely, instead of replacing every worn-out automobile, to replace only half the automobiles worn out, and allow the number of automobiles to be diminished by a process of attrition, whereas the Jensen amendment is a proposal to allow the number of personnel to diminish by a process of attrition.

There is a further proposal, that no net additions to the automobile population shall be authorized. So these two provisions, taken together, would reduce the total number of automobiles purchased by 79, and would effect economies, I think, totaling approximately $100,000.

Mr. CHAVEZ. Mr. President, without any commitment whatsoever on the part of the chairman of the subcommittee, I will say to the Senator from Illinois that the chairman of the subcommittee is inclined at least to be sympathetic toward the idea.

Mr. DOUGLAS. Would it not be fine if we could crystallize this apparent approval of the proposal into legislative sanction at this moment, so that instead of being paid with good will and generosity, to be cashed in at some future date, we could eliminate the 79 automobiles now? Mr. President, I ask unanimous consent that we suspend the present order of business and proceed to the consideration of my amendment lettered "T."

The PRESIDING OFFICER. Is there objection?

Mr. CHAVEZ. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. FERGUSON. I have a great deal of sympathy with the amendment to reduce the number of automobiles. The Senator from Michigan and the Senator from New Hampshire [Mr. BRIDGES] have proposed that a certain number of chauffeurs be eliminated.

Mr. DOUGLAS. This is a proposal to reduce the number of automobiles.

Mr. FERGUSON. It is in line with the reduction in the number of chauffeurs.

Mr. DOUGLAS. This is Castor to the Senator's Pollux; Damon to his Pythias; Roland to his Oliver.

Mr. CHAVEZ. Mr. President, I cannot agree to the amendment of the Senator from Michigan at the moment, because I wish to see whether it would dispense with a number of passengers.

Mr. FERGUSON. First we want to reduce the number of prospective passengers by 10 percent. Then we get rid of the chauffeurs and the drivers of the cars, and finally we get rid of the cars.

Mr. DOUGLAS. Not all the cars. We would allow the total number of cars to diminish through failure to replace all those that are worn out. In other words, we go on the assumption that the avoirdupois of the transportation system of the Government is somewhat overdeveloped. A "fat boy's" diet would be extremely good to reduce the number of automobiles.

Will the Senator from New Mexico be kind enough to interpose no objection to this amendment, and accept it?

Mr. CHAVEZ. No. Between now and Monday I wish to study the question of passengers.

Mr. DOUGLAS. The Senator from New Mexico disappoints me. At first I thought he was going to accept the proposal.

Mr. President, I ask unanimous consent to have my amendment lettered "T" printed in the RECORD at this point as a part of my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 2, line 7, strike out "two" and insert in lieu thereof "one."

On page 11, line 23, strike out "seven" and insert in lieu thereof "one."

On page 20, line 6, strike out "twenty" and insert in lieu thereof "seven."

On page 21, line 1, strike out "ten" and insert in lieu thereof "five."

On page 21, line 11, strike out "thirty" and insert in lieu thereof "ten."

On page 21, lines 23 and 24, and on page 22, in line 1, strike out "eleven passenger motor vehicles, of which nine shall be for replacement only" and insert in lieu thereof "four passenger motor vehicles for replacement only."

On page 23, line 18, strike out "three passenger motor vehicles" and insert in lieu thereof "one passenger motor vehicle."

On page 24, line 2, strike out "fifteen" and insert in lieu thereof "nine."

On page 24, lines 19 and 20, strike out "twelve passenger motor vehicles of which ten shall be for replacement only" and insert in lieu thereof "five passenger motor vehicles for replacement only."

On page 25, line 2, strike out "six" and insert in lieu thereof "three."

On page 25, line 18, strike out "six" and insert in lieu thereof "two."

On page 26, line 10, strike out "two passenger motor vehicles" and insert in lieu thereof "one passenger motor vehicle."

On page 29, lines 1 and 2, strike out "two passenger motor vehicles" and insert in lieu thereof "one passenger motor vehicle."

On page 29, line 8, strike out "three passenger motor vehicles" and insert in lieu thereof "one passenger motor vehicle."

On page 30, line 5, strike out "four" and insert in lieu thereof "two."

Mr. DOUGLAS. Mr. President, another amendment which I had intended to offer——

Mr. WHERRY. Mr. President, will the Senator yield for a question with respect to the previous amendment?

Mr. DOUGLAS. I have many other amendments which I hope to offer, but because of the low-pressure situation in the Chamber, I have been unable to offer them.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. Yes, indeed.

Mr. WHERRY. I was about to ask if the amendment applied to automobiles in the military as well as automobiles in other Government agencies.

Mr. DOUGLAS. No. This amendment relates merely to the bill before us.

Mr. WHERRY. Does the Senator from Illinois intend, if the amendment is adopted in connection with this bill, to continue the effort?

Mr. DOUGLAS. Yes. This is a line of conduct which I have laid down for myself, and to which I hope to hew in the future.

Mr. WHERRY. Does the Senator intend to offer the same amendment in connection with the military bills?

Mr. DOUGLAS. That is a more difficult question. I intend to offer it at least in connection with the civil bills. I shall probably offer a similar amendment to the defense appropriation bill, although I have not studied the degree of the cut to propose.

Mr. WHERRY. Does the Senator know how many automobiles the Government owns today?

Mr. DOUGLAS. I have heard various estimates. I should be very glad to have the Senator from Nebraska state his idea and see whether his understanding agrees with mine.

Mr. WHERRY. I do not know what the Senator's understanding is, but I have been told that the Government has between 190,000 and 200,000 automobiles. However, that number includes the automobiles in the military.

I think the Senator's statement about cutting down the number of drivers and cars is fine; but what I should like to know is whether or not this amendment will be applicable only to the bill before us, or whether we are going straight down the line. I am not talking about the automobiles in Korea. I am talking about automobiles in the United States.

Mr. DOUGLAS. It is the intention of the Senator from Illinois to offer identical amendments to all the civil appropriation bills.

Mr. WHERRY. But not to the military bills?

Mr. DOUGLAS. When we come to the military bills, that question must be handled very carefully, because there is the problem of distinguishing between joy rides for the brass and efficiency for the combat forces. I think there are too many joy rides for the brass.

Mr. WHERRY. The ordinary soldier does not have an automobile. It is all brass, is it not?

Mr. DOUGLAS. Of course, there are jeeps.

Mr. WHERRY. I am not talking about jeeps. I am talking about passenger automobiles.

The reason I raise the question is this: We are talking about some of the small orders. Seventy-nine automobiles are peanuts as compared with 200,000 automobiles. I am in sympathy with the idea, but if we are to make a start, we should carry the program straight through.

Mr. DOUGLAS. Let me say in reply to the query of the Senator from Nebraska that I intend to try to reduce the excessive use of automobiles in the military agencies as well as in the civilian agencies. If an amendment to accomplish that purpose can be properly drafted, I shall be very glad to support it.

Mr. WHERRY. Will the Senator permit me——

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Washington.

Mr. WHERRY. Let me finish.

Mr. DOUGLAS. The Senator from Washington has been on his feet for some time. I should like to yield to him.

Mr. WHERRY. Will the Senator permit me to answer the last observation, with respect to excessive use of automobiles?

Mr. DOUGLAS. For some time I have been denying my good friend from Washington the privilege of asking a question.

Mr. MAGNUSON. Mr. President, I have a simple question to ask the Senator from Illinois. If he is going to start on a campaign to reduce the number of automobiles, I will say that so far as the military is concerned, there are no passenger automobiles in Korea. They are jeeps. I wonder if the Senator will apply the same formula to the reduction of automobiles, chauffeurs, and so forth, in connection with the legislative appropriation bill.

Mr. DOUGLAS. I am perfectly ready to do so. I am perfectly ready to strike out appropriations for automobiles for the majority leader and the minority leader.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. WHERRY. Let me say that I am willing to vote to eliminate those automobiles. But I want the Senator to be consistent. I want him to make savings all along the line. I want him to come forward with an amendment reducing the number of automobiles in the Military Establishment. There is where the abuse lies, if there is any abuse in connection with the use of automobiles. Let us see what the Senator will do in connection with the ECA and other appropriations for which he has been voting 100 percent. Now he is talking about making little peanut cuts in some of the other appropriations.

Mr. DOUGLAS. I do not know why the Senator from Nebraska is becoming so exercised in this matter. I thought he was a zealous seeker after economy. I am making a similar effort.

Mr. WHERRY. I am. I am not a demagogue, either.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. DWORSHAK. Does the Senator from Illinois intend to apply his formula for the reduction of expenditures to our spending abroad?

Mr. DOUGLAS. Yes. I stated earlier in the afternoon in reply to a question from the Senator from New Mexico [Mr. CHAVEZ], I believe, that I would not permit him to put me over a barrel on that subject, as has been the custom at certain times in the past. As to how much the reduction should be will have to be determined by existing conditions. I am seeking to be consistent. The Senator from Nebraska may doubt that that is a fact, but it is, nevertheless. In any event, I would suggest that he approve virtue wherever it manifests itself, even though he may doubt how far that virtue will go.

Mr. WHERRY. The Senator from Illinois did not propose any cut in the ECA appropriation last year, did he?

Mr. DOUGLAS. No. The Senate appropriations committee had already made a cut of approximately 10 percent in the ECA appropriation, and I supported that cut which I considered sufficient. Then I supported a further cut in funds for point 4. But right now we are considering the Labor and Federal Security appropriation bill, and I think we should debate the issue presently before us.

Mr. CHAVEZ. Mr. President, irrespective of what happened last year, I wish we could confine our discussion, if possible, to the pending bill. As I understand, no more than 79 automobiles could be cut by the Senator's amendment.

Mr. DOUGLAS. That is correct.

Mr. CHAVEZ. The amendment would not apply to the Navy, the Army, or Air Force?

Mr. DOUGLAS. That subject is not before us. I thought the Senator from Nebraska would speak to the issue, but apparently that is difficult.

Mr. CHAVEZ. The furthest the Senator from Illinois could go with his amendment would be that he would try to apply the same pattern to the other appropriation bills. Is that correct?

Mr. DOUGLAS. I shall try to be consistent. Am I to understand that the amendment has been accepted?

Mr. CHAVEZ. No. The Senator from Illinois receives sympathy today. On Monday it may be accepted. It is not a promise, however.

Mr. DOUGLAS. Mr. President, I have another amendment, on which I should like to make an adumbration.

Mr. FERGUSON. Mr. President, will the Senator yield so that I may have printed in the RECORD a chart which I know will be of interest to Senators in connection with the question of the automobiles which were under discussion? It relates to chauffeurs and drivers of passenger vehicles which were operated by the Federal Government as of July 1, 1950, at the beginning of the fiscal year 1951.

Mr. CHAVEZ. Does it refer to the pending bill?

Mr. FERGUSON. Yes.

The PRESIDING OFFICER. Is there objection?

Mr. FERGUSON. It also refers to the Military Establishment in Washington.

Mr. CHAVEZ. Is there a breakdown as between automobiles in the Department of Labor and Federal Security Agency, on the one hand, and other departments?

Mr. FERGUSON. Yes.

Mr. HILL. Mr. President, reserving the right to object—and I do not intend to object—may I ask the source of the chart?

Mr. FERGUSON. If I may make a statement, it would explain the chart.

Mr. HILL. The Senator has asked unanimous consent to insert the chart.

Mr. FERGUSON. The chart was prepared by the Joint Committee on Reduction of Nonessential Federal Expenditures, and will be a part of its forthcoming report. I received the chart from the Senator from Virginia [Mr. BYRD], who was one of the sponsors of the 10 percent amendment. I ask unanimous consent that the chart and accompanying statement be printed in the RECORD at this point.

There being no objection, the chart and statement were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FERGUSON

This table is based on data available as of July 1, 1950, the beginning of the current fiscal year. I notice some discrepancy between its totals and data prepared by the Bureau of the Budget and submitted to the Senate Appropriations Committee by the General Services Administrator in hearings on the independent offices appropriation bill. I assume this discrepancy arises from some difference in base dates, since the Budget Bureau information was not dated.

Incidentally, I wish to note that the information for the Department of Defense includes both civilian and military personnel assigned as drivers. A breakdown between the two is available and may be illustrated by the fact that full-time chauffeurs employed by the Department of the Army in the Washington military district include 16 civilians and 199 military.

The amendment which I have offered is adapted to the present Labor-Federal Security bill. I wish to point out the figures for those agencies.

The Department of Labor has nine full-time chauffeurs, all of whom are in the District of Columbia, and one part-time chauffeur, also in the District.

The Federal Security Agency has 44 full-time chauffeurs, 37 of whom are in Washington and 7 in the field. It has 100 part-time chauffeurs, 13 of them in the District of Columbia and 87 in the field.

The agency also has 1,082 vehicles operated by persons not employed as chauffeurs and whose duties do not include those of motor-vehicle drivers, 76 of them in Washington, and 1,006 in the field.

Chauffeurs and drivers for passenger motor vehicles owned and operated by the Federal Government

[Data as of July 1, 1950 (beginning of fiscal year 1951)]

Agency	Number full-time chauffeurs and other employees employed as full-time drivers			Number part-time chauffeurs and other employees who serve as part-time drivers			Number vehicles operated by persons not employed as chauffeurs and whose duties do not include those of motor vehicle drivers		
	In District of Columbia area	In field	Total	In District of Columbia area	In field	Total	In District of Columbia area	In field	Total
Executive departments (except National Military Establishments):									
Agriculture	7		7	12		12	7	4,189	4,196
Commerce	21	4	25	7	16	23	80	1,292	1,372
Interior	9	4	13	5	273	278	71	6,204	6,275
Justice	14		14	6		6	8	3,005	3,013
Labor	9		9	1		1			
Post Office	2		2				4	41	45
State	17	13	30	1	3	4		60	60
Treasury	9	30	39	7	272	279	38	2,164	2,202
Executive Office of the President:									
Bureau of the Budget	3		3	2		2			
National Security Council	1		1						
National Security Resources Board	6		6						
Council of Economic Advisers				2		2			
Independent agencies:									
Atomic Energy Commission	8	191	199	23	4,755	4,778	2	1,505	1,507
Civil Aeronautics Board	2		2					23	23
Civil Service Commission	3		3	1		1			
Displaced Persons Commission				3		3			
Economic Cooperation Administration	12		12						
Export-Import Bank of Washington	1		1						
Federal Communications Commission							1		1
Federal Mediation and Conciliation Service				2		2			
Federal Power Commission	1		1					16	16
Federal Reserve System	5		5	3		3			
Federal Security Agency	37	7	44	13	87	100	76	1,006	1,082
Federal Trade Commission	1		1	1		1			
General Accounting Office	2		2	1		1	1		1
General Services Administration	20	1	21	3	5	8	6	50	56
Government Printing Office	2		2	2		2	2		2
Housing and Home Finance Agency	13		13	4		4	6	400	406
Interstate Commerce Commission								132	132
National Advisory Committee for Aeronautics	1		1	2	5	7	4	47	51
National Capital Housing Authority							2		2
National Capital Park and Planning Commission				1		1			
National Gallery of Art				3		3			
National Labor Relations Board	2		2	1		1			
Office of the Housing Expediter	3		3	3		3			
Panama Canal				2		2			
Railroad Retirement Board		2	2						
Reconstruction Finance Corporation	4		4	4		4	1	90	91
Securities and Exchange Commission	1		1	2		2			
Selective Service System	4		4	1		1		90	90
Smithsonian Institution	1		1				1		1
Tennessee Valley Authority								589	589
Veterans' Administration	18	928	946	22	395	417	15	1,131	1,146
Total, excluding National Military Establishment	239	1,180	1,419	140	5,811	5,951	325	22,034	22,359
National Military Establishment:									
Office of the Secretary of Defense	9		9	1		1			
Department of the Army	215	2,977	3,192		4,195	4,195	47	9,705	9,752
Department of the Air Force	167	2,571	2,738	50	3,374	3,424	24	1,742	1,766
Department of the Navy	174	1,242	1,416	126	3,209	3,335	111	3,401	3,512
Total, National Military Establishment	565	6,790	7,355	177	10,778	10,955	182	14,848	15,030
Grand total, including National Military Establishment	804	7,970	8,774	317	16,589	16,906	507	36,882	37,389

Mr. DOUGLAS. Mr. President, I ask unanimous consent to insert, at this point in my remarks, a letter to me from Mr. Jess Larson, General Services Administrator, in response to an inquiry of mine relating to numbers, costs, and types of automobiles purchased for civilian agencies during fiscal year 1950 and fiscal year 1951 through February 20, 1951. The accompanying table shows that over one-fourth of these automobiles purchased are of the medium- and heavy-weight class. I should also like to insert letters and a similar table with respect to automobiles purchased by the military agencies, and an article appearing in the Chicago Daily News of April 9, 1951, by Edwin A. Lahey, on the extensive use of automobiles by the Federal Government.

There being no objection, the material referred to was ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., March 13, 1951.

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.

DEAR SENATOR DOUGLAS: Reference is made to your letter dated February 13, 1951, in which you requested the General Services Administration to furnish you with information relative to the number and cost of new passenger automobiles purchased by the Federal Government.

The attached tabulation has been prepared covering fiscal years 1950 and 1951 (through February 20, 1951), to show (1) the total number and cost of passenger automobiles purchased by the General Services Administration, (2) the average cost per vehicle, and (3) the number of vehicles purchased and the average cost per vehicle by make, body style, and body type. The average unit costs shown in the tabulation are based on average f. o. b. factory prices which are exclusive of all accessories and transportation charges. Federal excise taxes are included. This base figure was used since it offers a true comparison of the price differential between makes body styles, and body types.

These purchases represent the requirements of all civilian executive agencies of the Government, together with some incidental purchases made for the legislative and judicial branches which were handled upon request. Pursuant to telephone conversation with Mr. Wallace of your office, arrangements are being made to secure and forward similar data with respect to purchases made by the military agencies as soon as possible.

Sincerely yours,

JESS LARSON,
Administrator.

Tabulation showing number and cost of passenger automobiles purchased by the General Services Administration during fiscal years 1950 and 1951 (through Feb. 20, 1951)

[NOTE.—Prices shown are f. o. b. factory and are exclusive of all accessories and transportation charges. Prices include Federal excise tax]

Make	Body style	Body type	Fiscal year 1950		Fiscal year 1951 (through Feb. 20, 1951)	
			Number of vehicles	Average unit cost	Number of vehicles	Average unit cost
Type I (lightweight):[1]						
Chevrolet	Styleline	2-door sedan	112	$1,073.60	119	$1,073.60
Do	do	4-door sedan	510	1,109.80	330	1,109.80
Do	do	Coupe	21	1,016.40	27	1,016.40
Do	Standard	Station wagon	73	1,530.20	31	1,530.20
Ford	Deluxe	2-door sedan	329	1,060.00	81	1,075.00
Do	do	4-door sedan	937	1,125.00	493	1,110.00
Do	do	Coupe	31	1,020.00	19	1,000.00
Do	Custom	Station wagon	52	1,775.00	18	1,550.00
Plymouth	Special deluxe	4-door sedan	16	1,245.00		
Do	Deluxe	Station wagon			15	1,472.00
Willys-Overland		do			54	1,323.68
Type II (medium weight):[1]						
Buick	Special	2-door sedan	1	1,399.95	1	1,399.95
Do	do	4-door sedan	6	1,399.95	48	1,399.95
Pontiac	Streamliner	2-door sedan	32	1,276.84	19	1,276.84
Do	Chieftain	4-door sedan	620	1,332.52	257	1,332.52
Do	do	Coupe	116	1,198.12	33	1,198.12
Do	Deluxe	Station wagon	34	1,733.20	27	1,733.20
Type III (heavy weight):[1]						
Buick	Roadmaster	4-door sedan	1	1,627.64		
Cadillac	Model 6219	do			1	2,470.40
Do	Model 60-Special	do			1	2,897.40
Do	Model 75	Limousine			1	3,503.00
Chrysler	Crown Imperial	do			1	4,038.75

[1] Federal specification classifications:

	Fiscal year 1950	Fiscal year 1951 (through Feb. 20, 1951)
Total number of passenger automobiles purchased	2,891	1,576
Total cost of passenger automobiles purchased	$3,452,224.49	$1,878,194.18
Average cost per vehicle	$1,194.13	$1,191.75

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., April 30, 1951.

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.

DEAR SENATOR DOUGLAS: Reference is made to your letter dated February 13, 1951, in which you requested information relative to the number and cost of new passenger automobiles purchased by the Federal Government and my reply dated March 13, 1951, transmitting a tabulation showing purchases made by the General Services Administration.

There is transmitted herewith the letter received from the Honorable J. D. Small, Chairman, Munitions Board, together with a tabulation showing similar information with respect to purchases made by the military agencies.

Sincerely yours,
JESS LARSON, *Administrator.*

DEPARTMENT OF DEFENSE,
MUNITIONS BOARD,
Washington, D. C., April 10, 1951.

Hon. JESS LARSON,
Administrator,
General Service Administration.

DEAR MR. LARSON: In reply to your letter of March 22, 1951, we are transmitting herewith tabulations covering fiscal years 1950 and 1951 showing the total number and cost of passenger automobiles purchased by the Department of Defense during 1950 and those to be purchased or in the process of procurement as of March 13, 1951. These tabulations also show the average cost per vehicle, the number of vehicles purchased, and the average cost per vehicle, by make, body style, and body type.

As indicated through informal conversation with Mr. J. B. Hansen of your office, certain of the information presented in the attached tabulations of civilian type vehicles will vary slightly in certain cases owing to differences in record-keeping procedures between the civilian and military departments.

In transmitting this information, it should be noted that unit costs of vehicles purchased by the military departments vary, depending on amount of equipment included, such as heaters, defrosters, right hand drive, color, directional signals, etc.; while unit costs of vehicles purchased by the civilian agencies are exclusive of all accessories. Other price variations in the case of military vehicles are due to f. o. b. points, such as base plants, assembly plants or various destinations.

Sincerely yours,
J. D. SMALL,
Chairman.

Tabulation showing number and cost of passenger automobiles purchased by the Department of Defense during fiscal years 1950 and 1951 (through Mar. 13, 1951)

Make	Body style	Body type	Fiscal year 1950		Fiscal year 1951 (through Mar. 13, 1951)	
			Number of vehicles	Average unit cost	Number of vehicles	Average unit cost
Chevrolet	Styleline	4-door sedan	1,000	[1] $1,156	1,000	[2] $1,316
Do	do	do	177	[1] 1,205	13,079	[1] 1,193
Do	do	do			30	[1] 1,175
Ford	Deluxe	do			964	[2] 1,363
Chevrolet	Styleline	do	51	[1] 1,087		
Do	do	do	10	[1] 1,200		
Plymouth	Standard	do			850	[1] 1,284
Do	do	do			75	[1] 1,284
Do	do	do			79	[1] 1,284
	Not contracted				666	
	Do				53	
Ford	Deluxe	do			19	[1] 1,295
Chevrolet	Styleline	do	914	[1] 1,283	189	[1] 1,330
Do	do	do	30	[1] 1,171		
Do	do	do	200	[1] 1,162		
Do	do	do	100	[1] 1,158		
Ford	Deluxe	do			73	[2] 1,275
Buick	Special	do			1	[1] 1,399
Do	do	do			113	[1] 1,399

[1] F. o. b. factory.
[2] F. o. b. destination.

Tabulation showing number and cost of passenger automobiles purchased by the Department of Defense during fiscal years 1950 and 1951 (through Mar. 13, 1951)—Continued

Make	Body style	Body type	Fiscal year 1950		Fiscal year 1951 (through Mar. 13, 1951)	
			Number of vehicles	Average unit cost	Number of vehicles	Average unit cost
Pontiac	Standard	4-door sedan	29	$[1] 1,382		
Buick	Special	do	3	[1] 1,399		
Do	do	do	250	[1] 1,399	28	$[1] 1,399
Do	do	do	4	[1] 1,399	3	[1] 1,399
Do	do	do			27	[1] 1,399
Lincoln	Deluxe	do			1	[1] 1,392
Packard	7-passenger limousine	do			1	[1] 1,400
Chrysler	do	do			2	[1] 1,399
Do	do	do			1	[1] 1,399
Cadillac	do	do	1	[1] 2,590		
Chrysler	do	do			1	[1] 2,999
Packard	do	do	1	[1] 2,520		
Chrysler	do	do			1	[1] 2,999
Willys	7-passenger	Station wagon	14	[1] 1,892	10	[1] 1,628
Do	do	do	4	[1] 1,501		
Chevrolet	8-passenger	do	4	[1] 1,608	500	[1] 1,691
Do	do	do	15	[1] 1,590	5	[1] 1,632
Do	do	do	15	[1] 1,775	15	[1] 1,722
Do	do	do			15	[1] 1,905
	Not contracted				24	
	do				327	
	do				1,629	

[1] F. o. b. factory.

NOTES

	Fiscal year 1950	Fiscal year 1951 (through Mar. 13, 1951)
Total number of passenger automobiles purchased	2,822	17,062
Total cost of passenger automobiles purchased	$3,486,704	$21,104,575
Average cost per vehicle	$1,235.54	$1,235.49

1. All automobiles, light, medium, heavy, are of the 4-door type. Station wagons, 7-passenger, are 2 door, and station wagons, 8-passenger, are 4-door.

2. All unit costs shown are weighted average prices. These prices vary depending on amount of equipment included, such as heaters, defrosters, right-hand drive, color, directional signals, etc. Other price variations are due to f. o. b. points, such as base plant, assembly plants, or various destinations.

Unit costs of vehicles purchased by the military departments vary, depending on amount of equipment included, such as heaters, defrosters, right-hand drive, color, directional signals, etc.; while unit costs of vehicles purchased by the civilian agencies are exclusive of all accessories. Other price variations in the case of military vehicles are due to f. o. b. points, such as base plants, assembly plants, or various destinations.

"LIBERALLY" INTERPRETED—UNITED STATES AIDES GET AROUND LAW CURBING CAR USE

(By Edwin A. Lahey)

WASHINGTON.—Senator FULBRIGHT of Arkansas spoke feelingly the other day about the dull moral sensibilities of men in public life.

He particularly lamented the number of Government fat cats who are driven to and from the office, and on their social rounds, at the expense of the taxpayers, in official limousines with liveried chauffeurs.

The visitor in Washington who gets a glimpse of the lordly Federal payroller riding alone in one of those big black jobs designed for six pallbearers might be inclined to agree with Senator FULBRIGHT that most of these "stiffs" ought to use the bus or take a cab to go to work or to a cocktail party.

There is a law designed to limit the number of officials who have a limousine and chauffeur at their command for personal business, but it is the most liberally interpreted statute since the Fugitive Slave Act of 1850.

Public Law 600, passed in 1946, prohibits the use of Government automobiles for anything but official business, with a few specified exceptions.

The President, the heads of the executive departments, Cabinet officers, and high officials in the diplomatic service are exempt from this law.

But these exemptions have been broadened to include underlings of the President and the Cabinet officers.

At least six members of the White House staff have chauffeured limousines at their disposal, according to one estimate by a White House official.

These are the three Presidential secretaries, William Hassett, Matt Connelly, and Joe Short; the two assistants to the President, John R. Steelman and Averill Harriman, and the President's counsel, Charles Murphy.

The Pentagon makes the White House look frugal in its assignment of private limousines.

About 25 officials of the Department of Defense have chauffeured limousines at their disposal, according to John G. Adams, chief counsel at the Pentagon.

These include the Secretary, the Deputy Secretary, the three Secretaries of the armed services, three Under Secretaries, six Assistant Secretaries, three Chiefs of Staff, and the Chairman of the Joint Chiefs of Staff.

The Federal Government owns 553 passenger automobiles in the District of Columbia. They are under the jurisdiction of the General Services Administration, which buys them for all the agencies except the White House, the Department of Defense, and Congress.

The General Services Administration reports that of the 53 cars assigned to the Department of the Interior, 6 are allocated to the Secretary's office.

The Treasury has 48 cars in Washington, with 6 of them assigned to the administrative service, or brass.

Four of the Department of Agriculture's 15 automobiles are assigned to the Secretary's office. Six of the 54 cars in the Department of Commerce are assigned to the brass.

The Senate by statute provides four official automobiles. They are at the command of the Vice President, the President of the Senate pro tempore, and the majority and minority leaders.

The House has only one official limousine, the hack provided for the Speaker.

PROPOSED CUT OF $9,000,000 IN FUNDS FOR MAINTENANCE AND OPERATION OF CERTAIN SCHOOLS

Mr. DOUGLAS. Mr. President, another amendment which I intend to introduce is an amendment on page 16, line 9, to reduce the figure from $40,000,000 to $31,000,000. I now send the amendment to the desk and ask that it be ordered to lie on the table and to be printed. I also ask that it be printed in the RECORD at this point.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I should like to be permitted to finish the discussion.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. I did not hear the Senator's request. Is he asking that the amendment be printed and lie on the table?

Mr. DOUGLAS. It is double request. I submitted the amendment and asked that it lie on the table and be printed. I also asked that the text of the amendment be printed at this point in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment submitted by Mr. DOUGLAS was received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 16, line 9, strike out "$40,000,000" and insert in lieu thereof "$31,000,000."

Mr. DOUGLAS. Mr. President, the facts about the maintenance and operation costs of schools in federally affected areas, as I understand them, are as follows: Forty-one and a half million dollars would pay 100 percent of all the ad-

ditional costs of maintenance and operation of schools in federally affected areas. The appropriation proposed by the Senate committee, of $40,000,000, would provide 97 percent of the added expense. The $28,000,000 as proposed by the House would provide approximately 68 percent. The amendment which I am offering, for $31,000,000, would provide 75 percent. It is $3,000,000 higher than the House figure, but $9,000,000 below the Senate committee figure.

In view of the fact that it is difficult to compute what the added cost of operating schools in the federally affected areas would be, because there is a natural tendency to overestimate the costs; it does not seem to me to be wise for the Federal Government to meet the entire added cost, as computed. Part of the added cost could well be met by the localities through ultimate greater tax revenue, part of which is not an additional cost at all, but only a paper cost. We could save $9,000,000 by meeting 75 percent of the estimated cost, instead of 97 percent, as provided for in the committee's proposal. I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Will the Senator state his request again?

Mr. DOUGLAS. I ask unanimous consent that the reduction of $9,000,000 be agreed to.

Mr. CHAVEZ. I object.

The PRESIDING OFFICER. Objection is heard.

PROPOSED CUT OF $1,800,000 FROM FUNDS FOR DISTRIBUTIVE EDUCATION

Mr. DOUGLAS. Another amendment which I propose to introduce deals with striking out approximately $1,800,000 for so-called distributive education, which was eliminated by the House but restored by the Senate committee.

I ask unanimous consent that the text of the amendment be printed in the RECORD at this point in my remarks.

There being no objection, the amendment intended to be proposed by Mr. DOUGLAS was ordered to be printed in the RECORD, as follows:

On page 14, line 20, strike out "$20,017,760" and insert in lieu thereof "$18,223,261."

On page 14, line 23, strike out "$19,847,760 for the current fiscal year" and insert in lieu thereof "$18,048,261 for the current fiscal year: *Provided further*, That no part of this appropriation shall be available for vocational education in distributive occupations."

Mr. DOUGLAS. I should like to point out, if I may, that distributive education is of somewhat dubious value, despite all the arguments that have been made in its behalf. Vocational education in agriculture, industrial arts, and home economics probably stands on rather firm ground. However, to teach a high-school student how to sell groceries or clothes would hardly seem to me to be a wise expenditure of Federal funds at the present time. We would spend $1,800,000 of Federal funds, which, when added to State and local contributions, would make a total of $3,600,000.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. MONRONEY. I should like to ask the Senator from Illinois if he is aware of the fact that a vast amount of help is also received by adults under the program. It is not only a high-school program, although it does enable a great many high-school students to earn money with which to finish their high-school education, because they receive training in salesmanship. Furthermore, many men who had manual jobs have become salesmen in industry by means of this type of program, which is part and parcel of vocational distributive education.

Mr. DOUGLAS. I may say to the Senator from Oklahoma that it is true that training for adults is given through the form of continuation classes, as well as training for high-school students; but a considerable portion of the funds are used for high-school students, and in their case it seems to me that it is much better for them to be given training in English composition, algebra, and so forth, rather than training in the art of selling—for instance, selling ribbons. It seems to me that a general high-school education will be much better for them to have in connection with salesmanship. I believe that training in the art of selling is an area in connection with the welfare state into which we should not go, right now, at least.

As a matter of fact, one weakness of our industrial life during the present period is a tendency to place too much emphasis upon selling, rather than upon production.

Mr. MONRONEY. However, how much can we progress unless we develop the distributive trades? I think retailing is one of the important segments of our business life. Although general education is most necessary, of course, yet I believe that training in retailing, particularly to enable small business to compete with the chain stores, is most important.

Mr. DOUGLAS. Of course that point can be raised in an attempt to justify a retail-training program. However, I would say there is not much difficulty in finding markets right now. The latent desire of the American people to consume, their desire for a higher standard of living than the one they already possess, is far in excess of the present productive capacity of our industry. I think there is no need to stimulate the American people to greater wants. That is already being done by advertising and by other means.

Although, of course, I wish to exempt the Senator from Oklahoma from this statement, yet I believe that on the whole the great demand for this appropriation of $1,800,000 comes from the teachers of retail services. They have organized a lobby in virtually every State, and have organized a letter-writing campaign and a telegram-sending campaign in regard to the need for distributive education, because their jobs are in danger. That is where the pressure comes from.

We find that we build up vested interests which in turn demand their maintenance and expansion.

I think these teachers can be restored to even more productive occupations. So I hope very much that the chairman of the subcommittee will accept the amendment.

Mr. President, I ask unanimous consent for the adoption of the amendment.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Objection is heard.

Mr. DOUGLAS. Mr. President, the Presiding Officer has a much more acute ear than I have, it seems, for I did not hear an objection made.

The PRESIDING OFFICER. The Chair objects.

Mr. DOUGLAS. I beg pardon; I was not able to read the Chair's inner mind.

PROPOSED REDUCTION OF $960,000 FROM GENERAL ASSISTANCE TO STATES

Mr. President, another amendment which I intend to offer is on page 21, in line 2. By means of this amendment we shall reduce the amount proposed to be appropriated for technical assistance and the collection and compilation of mortality, morbidity, and vital statistics, from $15,960,000 to $15,000,000, or a saving of $960,000.

At this time I ask unanimous consent to have the amendment printed at this point in the RECORD in connection with my remarks.

There being no objection, the amendment submitted by Mr. DOUGLAS was ordered to be printed in the RECORD, as follows:

On page 21, line 2, strike out "$15,960,000" and insert in lieu thereof "$15,000,000."

Mr. DOUGLAS. Mr. President, this amendment calls for a reduction in the amount proposed to be devoted for obtaining vital statistics and other matters. I certainly wish to pay tribute to the importance of vital statistics in the past, in making comparisons of death rates and sickness rates. However, like every other good thing, this can be carried too far during a period when we need retrenchment. A reduction of 6 percent in the amount provided for this purpose does not seem to me to be excessive.

I now ask unanimous consent that the amendment be approved.

The PRESIDING OFFICER. Is there objection?

Mr. CHAVEZ. I object.

The PRESIDING OFFICER. Objection is heard.

PROPOSED REDUCTION OF $20,000,000 FROM FUNDS FOR HOSPITAL CONSTRUCTION

Mr. DOUGLAS. Mr. President, I now come to something which will hurt me very much, namely, a proposal to reduce the amount to be appropriated for hospitals, from $195,000,000 to $175,000,000, or a saving of $20,000,000.

No one likes hospital construction more than I. But as the level of defense spending rises we simply must cut back nondefense spending. Therefore, I am asking that we hold to the House figure of $175,000,000, which is only $10,000,000 below the total voted for the fiscal year 1950–51, but a saving of $20,000,000 below the Senate committee figure.

I ask unanimous consent that the amendment be printed at this point in the RECORD as a part of my remarks.

There being no objection, the amendment submitted by Mr. DOUGLAS was ordered to be printed in the RECORD, as follows:

On page 23, line 9, strike out "$195,000,000" and insert in lieu thereof "$175,000,000."

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the amendment be accepted.

Mr. CHAVEZ. I object.

The PRESIDING OFFICER. Objection is heard.

PROPOSED REDUCTION OF $3,000,000 FROM FUNDS FOR MATERNAL AND CHILD HEALTH

Mr. DOUGLAS. Mr. President, I now offer an amendment on page 32, in line 6, namely, to reduce from $33,000,000 to $30,000,000 the appropriation for grants to States for maternal and child health services, services for crippled children, and child welfare services as authorized in title V, parts 1, 2, and 3, of the Social Security Act, as amended. These funds are credits to the States for maternal and child health services. There is a $3,000,000 carry-over. This amendment would reduce by the amount of that carry-over the amount to be appropriated, and therefore that agency would not suffer to the degree that it might at first appear.

I ask unanimous consent that the amendment be approved.

Mr. CHAVEZ. Mr. President, inasmuch as we are very desirous of taking care of the children of the country, although the Senator from Illinois appears not to want to do that, I object.

The PRESIDING OFFICER. Objection is heard.

PROPOSED REDUCTION IN ANNUAL AND SICK LEAVE

Mr. DOUGLAS. Mr. President, I now offer another amendment, namely, on page 41, in line 24, to strike out the period, insert a colon and the following: "*Provided further*, That no part of any appropriation contained in this act shall be used for the payment of remuneration for annual or sick leave of classified or Wage Board employees in excess of 20 days of annual leave per year or 12 days of sick leave per year."

I should like to speak to that amendment for a moment, and then I shall ask unanimous consent that the amendment be approved.

Mr. CHAVEZ. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. CHAVEZ. Does not the Senator from Illinois know that the amendment is legislation on an appropriation bill, and this is subject to a point of order? I have no objection to having the Senator from Illinois discuss the merits of the amendment, of course.

Mr. DOUGLAS. I should like to point out that the bill already contains certain provisions, which were included in the bill by the House of Representatives, which would seem to be legislation, and this amendment is merely offered to a legislative provision which already has been included in the bill by the House of Representatives. Furthermore, the amendment is a limitation on funds. Therefore, as such, I do not believe the amendment is subject to a point of order.

Mr. President, this amendment in regard to annual leave has solid merit behind it. I think all of us know the circumstances in regard to annual leave for Wage Board and classified employees, with the exception of employees in the postal service. They are entitled to 26 days of annual leave a year. On the surface that provision would seem to be all right. However, it has been interpreted to mean 26 working days; and inasmuch as Government employees are on a 5-day week, that amounts to 5⅕ weeks of annual leave a year.

Similarly, the 15 working days of sick leave amount to 3 weeks a year.

If we add to that the eight holidays—in other words, 26 working days, plus 15 working days, plus 8 holidays—and then add unstated holidays for ceremonial occasions, such as when a Brazilian President or a French President comes to Washington and the Government offices are let out in order to provide such celebrities with an audience. Then add the days in summer when the temperature rises to such an extent that the Government employees are let out from work, and if we add to all that the "coffee time," I think it can be seen that at the present time the employees of the Federal Government in Washington are not subjected to excessive labor.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. FERGUSON. I wonder whether the Senator will state the matter in the opposite way, namely, the number of days that Federal Government employees in Washington actually work. It might take less time if the Senator would state the matter in that way.

Mr. DOUGLAS. I would say that if, along with 26 days annual leave, 8 holidays, and other time off the 15 days of sick leave are taken into consideration—in my opinion the work actually done by Government employees will be found not to amount to more than from 207 to 209 working days—at least, in Washington. I do not wish to launch upon a demagogic attack on Government employees, but I believe in the amendment I have submitted.

Mr. President, this amendment is simply a proposal to make the annual leave of Government employees 20 working days, which would amount to 4 weeks, which with week ends would be 1 month; and to reduce sick leave from 15 working days, or 3 weeks, to 12 working days, or 2½ weeks. As a result, this amendment would probably save $5,000,000 a year, ultimately, in connection with this bill. If all annual and sick leave were taken, the saving would be nearly five and a half million. If the amendment were applied to all governmental service, it would result in saving approximately $150,000,000.

Mr. President, I ask unanimous consent to insert in the RECORD at this point, a table showing how the $5,000,000 saving is computed. The table shows a saving of $5,428,300, but undoubtedly all leave will not be taken so I will not claim a saving of more than $5,000,000.

There being no objection, the table was ordered to be printed as follows:

Department of Labor

Employees, March 1951	[1] 7,656
Salaries, March 1951	[1] $2,571,000
Average monthly salary	$335.60
Average annual salary	$4,030
Average daily salary (260 days)	$15.50
Saving by reducing annual leave 6 days (from 26 to 20) per employee	$93.00
Saving, 7,656 employees	$712,008
Saving by reducing sick leave 3 days (from 15 to 12) per employee	$46.50
Saving, 7,656 employees	$356,004
Total savings, annual and sick, 7,656 employees	$1,068,012

[1] Byrd committee, RECORD, June 7, 1951, p. 6216.

Federal Security Agency

Employees, March 1951	[1] 35,107
Salaries, March 1951	[1] $10,562,000.00
Average monthly salary	$301.50
Average annual salary	$3,610.00
Average daily salary (260 days)	$13.80
Savings by reducing annual leave 6 days (26 to 20) per employee	$82.80
Savings, 35,107 employees	$2,906,859.60
Savings by reducing sick leave 3 days (15 to 12) per employee	$41.40
Savings, 35,107 employees	$1,453,429.80
Total savings, annual and sick, 35,107 employees	$4,360,288.00
Plus Department of Labor	$1,068,012.00
Total savings in H. R. 3709	$5,428,300.00

[1] Byrd committee report, CONGRESSIONAL RECORD, June 7, 1951, p. 6216. Savings based on full use of annual and sick leave.

Mr. DOUGLAS. Mr. President, I intend to offer similar amendments to this on subsequent appropriations.

Mr. President, in view of the seriousness of the military situation, I do not believe that governmental employees should ask for 5⅕ weeks' vacation. That would certainly seem to be one of the accessories, one of the surpluses, which we could eliminate in a period of emergency. I am in favor of the increase in pay to Government employees, now being drafted, I understand, by the Committee on Post Office and Civil Service, of about 8 percent, which helps to meet the increase in the cost of living during the past year.

I am for justice in the pay scales, but the leave provision has grown up by accident. As I trace its history, it is approximately as follows: In 1898, at the time of the Spanish-American War, Congress passed a bill providing 30 days' leave. I think that what the Congress plainly intended was to obtain for civil employees the same leave which military personnel obtained, which was 30 days. I think Congress then thought they were providing 30 calendar days, but an executive interpretation of that law was made, so that it provided for 30 working days. The Government then being on a 6-day week, this provided 5 weeks' vacation. This continued until 1933, when the Economy Act of 1933 decreased leave

to 15 days, which meant 2½ weeks. Then, in 1936, it was increased to 26 days.

The Government was still on a 6-day week. I think once again it was the intention of Congress in 1936, as it had been in 1898, to provide a month's vacation, but in 1945, after the termination of the war, the Government went on a 5-day week, so that the 26 days then became, by accident, not a month, but 5⅕ weeks.

I think we should eliminate this anomoly and save $150,000,000, and my amendment is merely the kick-off for that event. When I proposed it last year, I received 1,000 letters from governmental employees in the State of Illinois—about 1,000 of the most bitter letters I have ever received in my life—reminding me that there were 81,000 governmental employees in the State, and that every one of them would be waiting for me with a club if and when I came up for reelection in 1954.

I think there is no doubt that this proposal will probably arouse tremendous opposition on the part of public employees; but public employees are patriotic, too. They should realize that we are facing a big governmental deficit, that they should make their contribution, and that, if we protect them on their basic pay and give them a degree of security which no other class in our society has—and I think we should properly give them security—they should not insist on this 5⅕ weeks' vacation.

Furthermore, every study that has ever been made, indicates that 20 working days vacation and 12 days sick leave is very liberal in comparison with that given employees in private industry. In private industry the prevailing rate is 10 days. A small percentage, give long service employees 15 days and the percentage granting 20 days is negligible. I want the Government to be a liberal employer. That is why I am willing to grant 20 days. But there is such a thing as carrying a good thing too far at the expense of the public.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. FERGUSON. I merely want to say to the Senator, in the form of a question, that I realize what he is proposing is subject to a point of order, which has been raised. The same issue is being raised in connection with the independent offices bill now before the Appropriations Committee, and the Senator from Michigan was attempting to get an amendment in that bill this morning which would provide that employees would get the 3 weeks' vacation, which would be 15 days. There is always a misunderstanding, as the Senator has pointed out, on the floor. When some persons talk about 26 days' leave, they seem to think that it is a month's leave.

Mr. DOUGLAS. It is 36 and 37 days.

Mr. FERGUSON. It is five——

Mr. DOUGLAS. Five and one-fifth weeks.

Mr. FERGUSON. It is 5 workweeks plus 1 day. Therefore, I am hoping that the committee as a whole will, the next time the independent offices bill is taken up, adopt a rule whereby governmental employees will be able to get something like 15 days, which is really 3 workweeks, plus, as the Senator says, the week end of another week.

Mr. DOUGLAS. I think 15 days may be a little too low. I should be willing to give them 20 days.

Mr. FERGUSON. They would get that as a matter of course. Then, as a matter of discretion, they could be given the extra time, and the Senator from Michigan would say that could be up to 5 days more, because, when we are at war, I think there ought to be discretion in the administrator to have employees work longer and harder than in normal times.

Mr. DOUGLAS. I am glad that the thoughts of the Senator from Michigan are moving in the same direction with mine, and I hope, therefore, that he will join me in my request for unanimous consent that this amendment be now adopted in the present measure.

Mr. FERGUSON. I join the Senator.

Mr. DOUGLAS. I think, in view of our representations, we should be able to obtain it.

Mr. FERGUSON. The Senator from Michigan from this side of the aisle will join the Senator from Illinois in asking approval of the amendment, but he feels that there may be some who are in the Chamber who would object.

Mr. DOUGLAS. I did not understand that objection had been raised to this unanimous-consent request. So, Mr. President, I ask unanimous consent that this provision be inserted in the bill.

Mr. HILL. Mr. President, for the present, at least, I shall have to object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOUGLAS. The Senator from Alabama dashes my hope. Mr. President, these all are the amendments which I intend to offer. I regret that they have not been adopted today by unanimous consent, but I hope that they will be adopted by a majority vote when they are passed upon by the Senate.

Many of the amounts involved probably seem small. For this reason, I ask unanimous consent to insert, at this point in the RECORD a table showing the combined amounts of the cuts involved to show that, in total, they represent reduction of $44,000,000 below the Senate committee recommendations and $47,000,000 below the budget.

There being no objection, the table was ordered printed, as follows:

Item	Purpose	Douglas proposal	Senate committee	Amount of Douglas proposal below—	
				Senate committee	Budget request
Department of Labor:					
Office of Secretary of Labor [1]	Salaries and expenses	$1,255,000	$1,400,000	$145,000	$220,000
Office of Solicitor [2]	do	1,575,000	1,669,445	94,445	175,000
Bureau of Apprenticeship	do	2,423,000	2,578,682	155,682	289,000
Bureau of Employment Security.	do	4,635,500	5,245,959	610,459	839,500
Do	Veterans' Employment Service.	743,500	1,513,765	770,265	839,500
Bureau of Labor Statistics	Salaries and expenses	5,243,000	5,371,352	128,352	602,000
Do	Revision, Consumers' Price Index.	1,000,000	1,125,000	125,000	250,000
Wage and Hour Division	Salaries and expenses	8,000,000	8,365,304	365,304	740,000
Federal Security Agency:					
Food and Drug Administration.	do	5,000,000	5,172,975	172,975	395,000
Office of Education	do	3,253,000	3,397,706	144,706	247,000
Do	Vocational education (distributive education).	18,223,261	20,017,760	1,794,500	1,794,500
Do	Maintenance and operation of certain schools.	31,000,000	40,000,000	9,000,000	9,000,000
Public Health Service	Assistance to State—General.	15,000,000	15,960,000	960,000	1,084,000
Do	Hospital construction	175,000,000	195,000,000	20,000,000	20,000,000
Do	Salaries and expenses, hospital construction services.	1,100,000	1,166,465	66,465	120,000
Bureau of Public Assistance	Salaries and expenses	1,463,400	1,600,000	137,000	235,000
Children's Bureau	do	1,450,000	1,500,000	50,000	142,000
Do	Grants to State—maternal and child welfare.	30,000,000	33,000,000	3,000,000	3,000,000
Office of the Administrator	Salaries and expenses	2,050,000	2,150,000	100,000	360,000
Do	Salaries and expenses, eneral counsel.	372,000	396,478	24,500	55,000
General amendment	Reduce automobiles			100,000	100,000
Do	Reduce annual sick leave.			5,000,000	5,000,000
Total savings (figures rounded).				44,000,000	47,000,000

[1] Supplanted by WILLIAMS' amendment accepted by Senate.
[2] Accepted by Senate.

CIVILIAN BUDGET CUT 20 PERCENT

Mr. MALONE. Mr. President, on behalf of the junior Senator from Idaho [Mr. WELKER], the senior Senator from Michigan [Mr. FERGUSON], the senior Senator from Indiana [Mr. CAPEHART], the junior Senator from Utah [Mr. BENNETT], the junior Senator from Maryland [Mr. BUTLER], the junior Senator from Indiana [Mr. JENNER], the junior Senator from New Dakota [Mr. YOUNG], and myself, I submit the following amendment which I ask to have printed and to lie on the table.

At the proper place in the bill insert:

"SEC. . The appropriations contained in the various items of the bill and any amounts authorized to be expended, with the exception of the Railroad Retirement Board appropriations, and that part of the Federal Security appropriations relating to old-age pensions, are reduced respectively by the amount of 20 percent."

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

VETERANS NOT IN THIS BILL

Mr. MALONE. Mr. President, I should first like to clarify the RECORD somewhat because of the prolonged debate. The veterans, disabled or otherwise, are not included in this bill.

FEDERAL SECURITY

The Veterans' Administration and other provisions for disabled and other war veterans are included in the independent offices bill. This bill is for Federal Security, alone.

I ask unanimous consent that the name of the junior Senator from North Dakota [Mr. YOUNG] be added to the names of the sponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MALONE. I also ask that my remarks, now to be made, be included in the RECORD, following the offering of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEFICIENCY APPROPRIATIONS

Mr. MALONE. Mr. President, the offices included in this bill always come in for a deficiency to make up for any Senate cut. It might be a good idea to prohibit such a procedure without the sanction of the Appropriations Committees of both Houses and approved by the President.

REDUCED BY $163,160,885

The amendment proposed by the junior Senator from Nevada provides for a 20-percent cut in a bill totaling $2,528,338,831, with the exception of that part of the Federal Security appropriation which relates to old-age pensions, amounting to about $1,150,000,000, and the Railroad Retirement Board pensions of $562,534,409. That is a total of $1,712,534,409 excluded from the proposed cut. Subtracted from the total amount of the bill as presented to the Senate there remains $815,804,422; 20 percent of that amount would be $163,160,885, the amount of the reduction which is requested.

TUBERCULOSIS AND CANCER

Mr. President, the junior Senator from Nevada has listened very patiently all afternoon to a discussion of the items on tuberculosis and cancer. That they are very important I have realized for many years, and these items have my entire support. But there is so much emphasis placed upon them for the benefit of the public that the implication is that we cannot touch any of the bill because these two items are included.

I invite attention to the fact that the tuberculosis item is $8,887,351, and the cancer item is $19,805,171. Taken together, a 20-percent reduction would amount to less than $5,000,000 out of a proposed reduction total of more than $163,000,000.

WASHINGTON AUTOMOBILES

Now I want to refer to the item of automobiles, which consumed about an hour. I very seldom find myself in agreement with the Senator from Illinois [Mr. DOUGLAS], but this time I would go farther than he proposes. Any time between 5 and 8 o'clock, when we leave the Senate floor, it is impossible to park my automobile within four blocks of my hotel on account of the Cadallics, Packards, and Lincolns parked in the middle of the street with uniformed chauffeurs guarding them.

I wear no badge, so am not identified; therefore there is nothing to do but park my car and walk back to the hotel. It would seem that there is a surplus of automobiles of the larger type in the city of Washington. Most of the time Senators ride in cabs or in the smaller type of automobiles if, in fact, we are able to afford one.

It is the opinion of the junior Senator from Nevada that there is no reason for a Cabinet officer or any other officer who has his headquarters in Washington being furnished an automobile at all at public expense any more than such a car should be furnished to a Senator.

In asking for a 20-percent decrease in the civil appropriation bill to apply to the national defense, the junior Senator from Nevada is mindful that the national defense bill will necessarily be a large one.

BILLIONS FOR SOCIALIST NATIONS OF EUROPE

For 3½ years of the 4 years in which I have been a Member of the Senate, I have debated on the floor the advisability of furnishing billions of dollars to Socialist-minded governments of Europe to keep them in power. There has been a minimum of debate on the part of the majority against this type of abuse of the taxpayers of America. I understand that we shall receive a bill providing for between eight and eleven billion dollars for Europe again to make up deficiencies in connection with their purchases, to permit them to live on the scale that America lives. The 1934 Trade Agreements Act extended last week continues the power of the Secretary of State for an additional 2 years over the jobs and investments of the people of America. I hope he will be satisfied when he has leveled our standard of living with the sweatshop labor nations of the world, if he remains that long.

APPROPRIATION COMPARISONS, 1941–50

In order to understand the figures and the amounts of money asked for in connection with civilian purposes, I wish to address myself to several agencies of the Government in that connection.

Amounts of money mean little, whether they are thousands or millions or billions of dollars. The public is a little "punch drunk" with reference to the decimal points in appropriations.

Sometimes the junior Senator from Nevada thinks that the Senate is getting a little "punch drunk," also.

The Department of Labor is a fine Department. In 1941 it had an appropriation of approximately $24,000,000. In 1950 the appropriation was $58,404,231, indicating an increase of practically three times the amount appropriated in 1941.

Mr. President, I ask unanimous consent to place in the RECORD a table, under the letterhead of the Department of Labor, showing the amounts appropriated for that Department from 1941 to 1950, inclusive.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF LABOR,
OFFICE OF BUDGET AND MANAGEMENT,
Washington, July 31, 1950.

Memorandum to: Mr. Everard H. Smith, Clerk of the Senate Subcommittee on Labor-FSA Appropriations.

From: V. S. Hudson.

Pursuant to your request there is indicated below the amounts appropriated to the Department of Labor for the past 10 years:

Year:	*Amount*
1941	$23,401,780
1942	24,444,990
1943	26,111,780
1944	55,077,350
1945	71,588,813
1946	60,314,669
1947	140,481,443
1948	86,576,016
1949	15,351,800
1950	58,404,231

Mr. MALONE. The National Labor Relations Board, in 1942, exclusive of salaries and expenses, received an appropriation of $3,395,710. In 1950, the appropriation was $8,550,000. That amount is, roughly, two and one-half times the amount previously appropriated. That includes the entire National Labor Relations Board.

I ask unanimous consent to have a table relating to that Board inserted at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

National Labor Relations Board

CLERK'S NOTE.—The Supplemental Appropriation Act, 1948, consolidated under a single heading "Salaries and expenses" the several appropriations made for the Board's expenses for 1948. The 1949 regular bill continued this arrangement. Following is a table reflecting combined appropriations and estimates for prior years under the several headings. The amounts include supplementals and deficiencies and national-defense funds.

Appropriations:	
1942	$3,395,710
1943	3,641,270
1944	3,492,500
1945	3,664,373
1946	4,307,530
1947	4,453,500
1948	4,974,700
Supplemental	1,000,000
1949	9,400,000
1950 (third deficiency, 1949)	8,550,000
Estimates:	
1942	3,523,770
1943	3,847,190
1944	4,211,055
1945	4,166,700
1946	5,514,314
1947	5,855,000
1948	7,894,000
Supplemental	[1] 4,025,300
1949	9,400,000
1950	9,000,000
1951	8,615,000

[1] Based on revised estimate of requirements under the new Labor-Management Relations Act.

Mr. MALONE. Mr. President, we now come to the National Mediation Board. It will be noted that I am taking these agencies in order as they appear in the report of the Senate committee accompanying the bill even though not included in the proposed 20-percent cut.

The National Mediation Board, for salaries and expenses in 1942, had an appropriation of $172,158; in 1950, it was $360,400.

The Arbitration and Emergency Board of the National Mediation Board had a total in 1946 of $100,000, with a supplemental appropriation of $23,000. In 1950 it had $100,000 with a supplemental appropriation of $75,000. I suppose, Mr. President, that is the same as a deficiency appropriation.

The National Labor Adjustment Board, which is a part of the National Mediation Board, had in 1942 a total of $224,530; in 1950, it had $468,100, and a supplemental appropriation of $207,000.

Mr. President, I ask unanimous consent that the tables relating to the National Mediation Board be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

National Mediation Board—Salaries and expenses

CLERK'S NOTE.—The items "Salaries and expenses" and "Printing and binding" were consolidated in 1950 into a single "Salaries and expenses" appropriation for the National Mediation Board. Following is a combined statement of appropriations and estimates for these items in prior years:

Appropriations:	
1942	$172,158
1943	173,355
1944	187,000
1945	202,500
Supp. (Public, 529)	14,400
1946	265,400
1947	319,000
1948	[1] 337,700
1949	339,600
Pay Act (Public, 119)	3,700
1950	360,400
Estimates:	
1942	172,779
1943	177,355
1944	187,000
1945	214,000
Supplemental	14,400
1946	240,400
1947	351,200
1948	347,700
1949	339,600
Pay Act (Doc. 149)	3,700
1950	360,400
1951	412,200

[1] CLERK'S NOTE.—$9,000 of this amount was rescinded by the Labor-Federal Security Appropriation Act, 1949.

Arbitration and emergency boards (National Mediation Board)

Appropriations:	
1946	$100,000
Deficiency	23,900
Deficiency (second, 1946)	37,500
1947	110,000
Supplemental (Public, 36)	60,800
1948	119,000
Supplemental (Public, 519)	48,800
1949	100,000
Deficiency (Public, 119)	36,900
1950	100,000
Supplemental (Public, 430)	75,000
Estimates:	
1946	100,000
Deficiency (H. Doc. 296)	23,900
Deficiency (H. Doc. 481)	37,500
1947	110,000
Supplemental (H. Doc. 62)	60,800
1948	119,000
Supplemental (S. Doc. 138)	48,800
1949	100,000
Deficiency (S. Doc. 38)	36,900
1950	100,000
Supplemental (Doc. 350)	75,000
1951	150,000

National Railroad Adjustment Board (National Mediation Board)

CLERK'S NOTE.—The items "Salaries and expenses" and "Printing and binding" were consolidated in 1950 into a single "Salaries and expenses" appropriation for the National Railroad Adjustment Board. Following is a combined statement of appropriations and estimates for these items in prior years:

Appropriations:	
1942	$224,530
1943	239,560
1944	253,000
1945	289,500
1946	293,750
1947	316,500
Supplemental (Public, 46)	21,500
1948	412,000
1949	422,200
Deficiency (Public, 119)	37,600
1950	468,100
Supplemental (Public, 343)	207,700
Estimates:	
1942	230,870
1943	253,760
1944	253,000
1945	289,500
1946	293,750
1947	317,900
Supplemental (H. Doc. 62)	21,500
1948	420,600
1949	422,200
Deficiency (Doc. 93)	37,600
1950	468,100
Supplemental (Doc. 218)	207,700
1951	797,300

Mr. MALONE. Mr. President, as to the railroad retirement account—Railroad Retirement Board, in 1942 it had $140,850,000. In 1950 it had $748,889,000. The salaries and expenses of the Railroad Retirement Board trust fund in 1942 were $3,150,000, and in 1950 were $5,104,000. There is a note in connection with the 1950 figure, "Direct from trust fund rather than general fund."

Mr. President, I ask unanimous consent that these tables may be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Railroad Retirement Account—Railroad Retirement Board

Appropriations:	
1942	$140,850,000
1943	214,801,000
1944	262,720,000
1945	308,817,000
1946	291,913,000
1947	298,233,000
1948	685,072,000
1949	637,986,000
1950	[1] 748,889,000
Estimates:	
1942	140,850,000
1943	214,801,000
1944	262,720,000
1945	308,817,000
1946	291,913,000
1947	298,233,000
1948	[2] 685,072,000
1949	637,986,000
1950	[3] 715,889,000
1951	[3] 594,000,000

[1] Definite appropriation amount. In addition, see provisions of act appropriating funds for certain years beyond 1950 for military service credits.

[2] As revised by H. Doc. 161.

[3] Annual indefinite proposal.

Salaries and expenses, Railroad Retirement Board (Trust Fund)

CLERK'S NOTE.—The 1950 act provided that beginning in 1950 the Board's administrative expense needs under the retirement program be met directly from the trust fund rather than by direct general Treasury appropriation and subsequent reimbursement from tax collections prior to their appropriation. The following table of prior year direct general Treasury appropriations and estimates is shown for purposes of comparing with prior years:

Appropriations:	
1942	$3,150,000
1943	3,041,000
1944	2,554,000
1945	2,499,000
1946	2,558,000
Deficiency (Second, 1946)	170,000
1947	3,036,000
Supplemental (Public, 46)	1,853,000
1948	5,659,000
1949	4,398,000
Deficiency (Public, 119)	545,950
1950	[1] 5,104,000
Estimates:	
1942	3,169,770
1943	3,041,000
1944	2,554,000
1945	2,499,000
1946	2,558,000
Deficiency (H. Doc. 419)	219,000
1947	3,039,800
Supplemental (H. Doc. 90)	2,166,000
1948	[2] 5,659,000
1949	4,398,000
Deficiency (Docs. 93, 149)	629,950
1950	[1] 5,104,000
1951	[1] 5,446,000

[1] Direct from trust fund rather than general fund.

[2] As revised by H. Doc. 161.

Mr. MALONE. Mr. President, the next is salaries and expenses, Federal Mediation and Conciliation Service. In 1948 the appropriations were $1,320,000, and a supplemental appropriation of $850,000. In 1950, the appropriations were $2,700,000.

Mr. President, I ask that the tables in connection with the Federal Mediation and Conciliation Service may be printed in the RECORD, at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Salaries and expenses, Federal Mediation and Conciliation Service

Appropriations:	
1948 (Supplemental)	$1,320,000
Supp. (Public, 430)	850,000
1949	2,940,000
1950 (Public, 343)	2,700,000
Estimates:	
1948 (H. Doc. 386)	2,500,000
Supp. (H. Doc. 502)	950,000
1949	2,940,000
1950	2,740,000
1951	2,949,700

Boards of inquiry, Federal Mediation and Conciliation Service

Appropriations:	
1948 (Supplemental)	$50,000
1949	150,000
1950 (Public, 343)	25,000
Estimates:	
1948 (H. Doc. 386)	150,000
1949	150,000
1950	75,000
1951	50,000

FOREIGN COMMERCE—SECRETARY OF STATE

Mr. MALONE. Mr. President, the Senate has transferred about every responsibility it has placed upon it under the Constitution, except voting appropriations from taxpayers' money, to the President of the United States.

Much time is consumed in complaining of the President's power, but that power is the result of action taken by the Senate. The action taken by the

Senate in extending for two more years the power of the President and the Secretary of State over the regulation of foreign commerce is a good example.

The Congress of the United States is directly charged by the Constitution with this job, but by transferring it to the President, any real work the Senate has to do under the Constitution is practically eliminated. The Senate then can spend most of an afternoon debating a reduction of about $11,000,000 out of a $2,000,000,000 appropriation, and talk a couple of hours about the importance of certain funds that amount to $8,000,000 and $15,000,000, respectively, out of a two and a half billion dollars' appropriation.

But, Mr. President, when the Senate of the United States eliminates most of its work and spends its time discussing less than one-half of 1 percent of the appropriation, it has lost its significance. The people of the country would like to see the Senate of the United States, that great body of men, that most exclusive club in the world, take back its authority from the President of the United States with which it is charged by the Constitution, and go to work.

APPRAISAL OF ECONOMIC SITUATION—LETTER FROM COUNCIL OF ECONOMIC ADVISERS TO THE PRESIDENT

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a copy of a letter which was sent to the President by the Council of Economic Advisers. The President read the letter to the Democratic and Republican members of the Senate Banking and Currency Committee at a conference at the White House this afternoon.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 5, 1951.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: This is in response to your request that we set forth very briefly an up-to-the-minute appraisal of the economic situation and outlook. The question uppermost in many minds is whether the events of the last few weeks mark the disappearance of inflationary dangers. Our judgment is that inflationary pressures in the months and year ahead will be stronger than any yet confronted since the initial Korean outbreak. Consequently, we advise that an even stronger anti-inflationary program will be needed to contain these rising pressures.

The Council has often stressed the fallacy of placing too much weight upon very short interruptions in a general trend. Even when our economy is in a sustained and powerful upward movement, it does not proceed in an absolutely straight line. There are minor ups and downs in the line, even in the course of a general climb.

You will recall that, even during the softening of the economy in 1949, the Council's study of all the underlying factors led to the conclusion that the upward movement would soon be vigorously resumed. And this occurred well before the new international developments.

The so-called softening which some detect in the economy of today cannot be compared in extent or significance with that which occurred in 1949, and today the fundamental impulses toward more inflation are far more dominant. In fact, the Council's regular quarterly report to you at the end of the first quarter of this year indicated that, in view of the extraordinary speculative accumulations of inventories which had been under way, "some liquidation may take place, easing the immediate pressure." But we coupled this statement with the finding that this would be a short and relatively insignificant wavering in the strongly inflationary trend.

What has happened in the most recent weeks can hardly be called even a temporary softening of the over-all economy, although there have been rather spectacular developments in a few limited areas. The over-all economic situation today is very tight, indeed. Industrial production is at the peak reached since World War II. Steel is operating several percentage points above rated capacity. Unemployment is at the lowest levels reached since World War II. The most recent figures indicate that incomes of all major types have risen much more rapidly than production, and this trend, if unrestrained, promises more spending and more inflation, even if for a few weeks business or consumers have adopted a wait-and-see attitude.

On top of this very tight economic situation we must continue to superimpose a rapidly expanding defense program. Before the middle of next year the annual rate of expenditures for national security will be more than twice as high as the current annual rate. This means an increase of more than $30,000,000,000 at an annual rate. This stark fact alone, made necessary by the world situation, is in itself compelling evidence that inflationary pressures will mount.

Another increased inflationary pressure will arise because the budgetary surplus of recent months will be replaced by a growing deficit, due to the rapid acceleration of defense outlays. This would be true for some time, even if there were now prompt enactment of the entire new tax program which you have proposed to the Congress.

Still another inflationary pressure will result because the total of all kinds of income is going to increase greatly during the coming months, at a time when the supply of civilian goods cannot be correspondingly increased. Even with an effective stabilization program, more employment, longer hours, some adjustments in prices and wages, and the expansion of defense production and necessary supporting production, will swell the total volume of incomes of all kinds. Without an effective stabilization program, the increase in private demand between now and the early part of next year could be as great or greater than the increase in necessary defense outlays. If both of these things should happen at the same time, the inflationary results would seriously weaken the structure of the economy.

In weighing the effect that more inflation would have upon the defense program, upon business confidence, upon the condition of the American dollar, and—most important of all—upon the morale of the American people, we must bear in mind what has already happened. Since the initial Korean outbreak a year ago, wholesale prices have increased about 16 percent, the cost of living has increased about 8½ percent, and food prices more than 11 percent. The spot market prices of 28 key commodities have increased more than 34 percent. The increases of some commodity prices have been fantastic. Wool tops have increased 55 percent, tin 78 percent, and natural rubber 134 percent. And all of this came on top of a serious inflationary movement between 1946 and 1949. These figures mean that we now have no margin of safety in tolerating more inflation.

To meet this menace of inflation clearly requires a rounded and vigorous program. It requires even more tax increases than have thus far been proposed to the Congress, although we appreciate the economic soundness of making these proposals in a series of steps instead of all at once. The containment of inflation also requires the continuation of restraints upon inflationary credit. It requires enlarged savings. It requires reasonable restraints upon profits, wages, and other forms of income, because if incomes grow too rapidly there will be no way of holding spending down to safe levels. It requires firm stabilization of prices and the cost of living, because without such stabilization there will be no way to prevent both profits and wages from getting out of hand. It requires also continuation and improvement of the production aids contained in the Defense Production Act, because in the long run the expansion of production is a fundamental approach to the shortages which breed inflation.

The most compelling evidence that a well-rounded program can protect the country against further inflation is that the program thus far enacted by the Congress and applied by the executive branch has already produced substantial results. Since the General Ceiling Price Regulation went into effect in February, wholesale prices have increased less than 1 percent, and since a month ago they have actually declined slightly. The latest indications are that consumer prices have leveled off. The spot market prices of 28 important commodities have declined almost 7½ percent since the General Ceiling Price Regulation, and the decline has continued during the past few weeks. Many other examples could be cited, for example, in the credit and construction field.

It is idle and even dangerous to speculate as to which of these programs has done most to help get inflation under control. The vital fact is that these programs, all taken together, have been authorized and applied to fight inflation—and taken together, they have already achieved considerable success in his fight against inflation. There is no use guessing what might have happened under different circumstances when we know what has actually happened under actual circumstances.

This points up to the conclusion that no one measure, and no two or three measures, can alone do the job of controlling inflation. We need all of the necessary measures so that they can be used in effective combination. For example, the tax increases already enacted had to be reinforced by price and wage stabilization to achieve the progress thus far made in bringing inflation under control. We should not abandon even some of the necessary measures when the dangers ahead are even greater than those of the recent past.

The greater dangers ahead do not mean that we must have more inflation. They do mean that we will have more inflation if we relax our efforts, or fail to strengthen the weak links in the chain of effective controls. The economic outlook calls for a stronger anti-inflationary program, using both indirect and direct controls to safeguard us in the trying months and years immediately ahead. In 2 years or so, if the international situation does not worsen, the expansion of our productive ability should enable us to relax or do away with the kinds of controls which none of us likes in peacetime.

Respectfully yours,

LEON K. KEYSERLING,
Chairman.
JOHN D. CLARK.
ROY BLOUGH.

MARITIME MATTERS—LETTER FROM HOYT S. HADDOCK TO EDWARD KEATING, EDITOR OF LABOR

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter written

to Mr. Edward Keating, editor of Labor, from Hoyt S. Haddock, executive secretary of the CIO Maritime Committee. The letter relates to an article by Mr. Keating, published in one of the editions of Labor, appearing in a section called "News of Congress," in which he discusses certain parts of the debate regarding maritime matters and the supplemental appropriation bill of 1951. Apparently Labor had a mistaken impression as to what the facts were in the matter, and I therefore ask that the letter be printed in the RECORD so that the facts may be made clear.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CIO MARITIME COMMITTEE,
Washington, D. C., May 31, 1951.

Mr. EDWARD KEATING,
Editor, Labor,
Washington, D. C.

DEAR MR. KEATING: I am writing you to clarify several of the statements contained in an article in your issue of May 26, 1951. The story in question, entitled "Shipowners Lost Struggle To Prevent Curb on Profits," appears under the byline of Alfred M. Green, in the section "News of Congress." The challenged statements are taken from one side of the debate in the House on the supplemental appropriation bill for 1951.

Before dealing with the inaccurate statements appearing in the article, I believe it advisable to call your attention to the fact that the CIO Maritime Committee has constantly advocated, and will continue to advocate, the adoption of legislation which will take the profit out of war. We were following this principle in 1946 when we urged that a provision be inserted in the Ship Sales Act of 1946 reserving to the Government the unlimited right to reacquire the World War II surplus vessels sold under the act at the sales price, less depreciation, plus any improvements placed on them by the purchasers. Congress saw fit to disregard our proposal.

The vessels were sold without a contractual provision limiting the price to be paid if the Government found it necessary to reacquire the ships. In the absence of such a contractual provision the Government, in accord with the provision of the fifth amendment to the Constitution, is legally bound to pay just compensation for the requisition of the ships for title or use. This situation was fully discussed before the appropriate congressional committees considering the Ship Sales Act and during the debates in both Houses. In the light of the then controlling economic factors, Congress decided to sell surplus ships on a basis comparable to the sales of other surplus war materials.

An examination of the CONGRESSIONAL RECORD will disclose that the Congressman and many proponents of the Thomas proposal referred to in the article voted to pass the Ship Sales Act and to approve the conference report of a bill that was far less restrictive than the sales measure originally passed by the House (CONGRESSIONAL RECORD, vol. 92, pt. 2, p. 1650).

To attempt at this late date to retroactively limit the payment of just compensation only to American purchasers of World War II surplus vessels and not place any comparable restriction on foreign shipowners who acquired our surplus war vessels is discriminatory and unjust to the American citizen who legally purchased in good faith. Approximately 800 ships were sold for operation under the American flag. The prohibition of the Thomas amendment would apply to these ships. About 1,100 vessels were sold for foreign-flag operation. These would escape.

In the article it is emphasized "that Senator JOHN H. WILLIAMS carried on the fight but was less successful." May I call your attention to the CONGRESSIONAL RECORD of May 8, 1951 (82d Cong., 2d sess., p. 5026), that during the course of the debate on the Thomas proposal, it appears that the legislative counsel of the Senate gave an opinion that the proviso was unconstitutional in its application to the ship purchasers. This opinion is shared by all other attorneys with whom I have discussed the matter.

The article indicates Congressman THOMAS cited several examples of alleged unconscionable profits made by shipowners during World War II and proceeds to detail one such transaction. There is no doubt that during times of national emergency shipowners realize large profits. This is true for all industries. The cited transaction, however, does not disclose all of the pertinent facts. Reference is made to charter hire paid by the Government in the sum of $1,048,000. The inference is that the entire sum constitutes profit. This is not true. Our investigation of the facts is that the owner of the vessel in question (steamship *Alcoa Leader*) received "time charter hire" in the above amount for a period of about 2½ years. Under the time form of charter, the owner must pay the direct operating expenses of the vessel. Direct operating costs, generally computed at 70 percent of the vessel income, are divided as follows:

	Percent
Wages	42
Subsistence	6
Maintenance and repairs	8
Hull and machinery insurance	7
Stores and supplies	5
Miscellaneous	2

Direct operating costs do not include overhead, depreciation, taxes, or profit. A review of the hearings held by the House Merchant Marine and Fisheries Committee during the Seventy-eighth Congress shows that charter rates (time and bareboat) were fixed at a level to provide a reasonable return to the owner, generally considered to be 10 percent (H. Doc. 20A, 78th Cong., 2d sess.). This profit is much less than the general level of profit realized by other industries.

A further omission of a material fact appears in connection with the sale of the vessel for $210,000 and the payment of $435,307 for the loss of the ship. The implication is that the owner made $225,300 at the expense of the Government. The figures are correct. The fact that is concealed is that the loss was covered by a Government policy of war-risk insurance for which policy the vessel owner paid premiums computed at a rate based on a declared value and in accordance with sound actuarial schedules. In other words, the Government as insurer paid an insurance loss.

That the writing of marine war-risk insurance was good business for the Government is conclusively shown in a report of the Comptroller General. In the audit entitled "Report on Audit of United States Maritime Commission for the Fiscal Years Ended June 30, 1948 and 1949" (H. Doc. 465, 81st Cong., 2d sess.) the Comptroller General (p. 73) shows a profit to the Government of $127,285,014 from this operation.

My motive in presenting the foregoing facts is solely to clear the record. I am certain that Mr. Green and your newspaper accepted the statements appearing in the CONGRESSIONAL RECORD at face value. You had every right to do so. Unfortunately the statements did not tell the whole story.

In the past our two organizations have cooperated fully in matters of common interest. We have also exchanged information and facts prior to taking a position on legislation or matters of interest in our particular fields. I trust that these cordial relations will continue in the future.

Fraternally yours,

HOYT S. HADDOCK,
Executive Secretary.

PUBLIC POWER

Mr. MAGNUSON. Mr. President, I shall take but 2 or 3 minutes of the time of the Senate on a matter which I believe to be important enough to discuss, particularly to those of us who have been interested for many years in the development of our great natural resources, not only in the West but throughout the country. That development has come about through a long fight, a fight for appropriations, a fight for recognition, a fight for understanding of the real value of the development, not only of public property but irrigation, reclamation, flood control, and similar projects.

Throughout all that fight, Mr. President, particularly in connection with the power question, we have had the opposition, publicly and privately and in any other way it could be exerted, of the so-called private power interests. Private power never did care about the development of public power, hydroelectric resources throughout the great West, or in any other part of the United States, despite the fact that since public power has been developed in our great dams throughout the country the private power interests have been able to sell power cheaper to their customers and that they have made considerable money through the distribution and the purchase of the power which the Government has created. Every one of these projects was not only self-liquidating, but has paid back interest of 3 percent to the Government. Every dam financed by the United States is far ahead in its payment schedule, has caused cheap power to be distributed to the people of the country, and has resulted in private power companies reducing their power prices.

The highest prices for power always exist in those parts of the United States where there are no public power developments. This fight has been continuous. I had hoped at one time that perhaps the contests would be over, and that we could join private power and public power together, as the opposing parties have joined in my State in the Pacific Northwest; that they could live together, and that we could develop the great natural resources we have. But apparently the fight is not over.

The other day in the Ways and Means Committee of the House a proposal was presented in connection with the new tax bill, and was tentatively adopted by the committee, to place a 3⅓ percent tax on the distribution of power by public power sources. Of course, that tax not only would be the Government taxing itself, but it would be the beginning of the end of any further power development in this country, because we are not only paying 3 percent on the investment and on the appropriations we get from the Government on these self-liquidating projects, but this proposal would add 3⅓ percent on gross sales. We could not stand that, plus the 3 percent interest load on top of the cost of the power. We would either have to raise the rates to the public or quit developing public power.

Mr. President, having been in this power fight for a long time I was, of course, curious to know who sponsored this nefarious amendment which would have the effect of taking an ax to the public power development and crippling it from here on, and resulting in the raising of rates to the consumers. So I made inquiries and found that the sponsorship comes from the usual source. I wrote a letter to the chairman of the Ways and Means Committee which I shall read into the RECORD. I think it sets forth exactly what happened. I simply wish to warn the Senate that a similar proposal may be made in the Senate committee, but I doubt that it will if the Senate knows the facts. I wrote to the Honorable ROBERT L. DOUGHTON, chairman of the Ways and Means Committee, as follows:

JUNE 7, 1951.

Hon. ROBERT L. DOUGHTON,
Chairman, Committee on Ways and Means, House of Representatives.

DEAR CONGRESSMAN: In recent days I have received a large volume of correspondence from publicly owned power systems, protesting the proposed 3⅛-percent tax on electric energy distributed by these utilities. I am sure you have received communications of similar nature.

The difference between publicly owned and privately owned utilities is deeply embedded in congressional policy, statutes, and even in the Constitution itself. Related proposals, such as the recurring effort to tax State, municipal, and improvement district bonds, have repeatedly been defeated in your committee and on the floors of Congress itself. I need not recite these precedents, because no Member of the Congress has a better knowledge of past attempts to invade the prerogatives of local governments than you.

Frankly, I think the proponents of the 3⅛ percent excise tax on energy sales by publicly owned utilities were less interested in the meager revenue such a tax would raise—$14,000,000—than in continuing the fight against public power systems on all fronts. There is evidence that the private power lobby invaded the Eighty-second Congress with a four-pronged campaign. Neither their objectives nor their tactics were new.

Developments have disclosed the objectives to be: slashes in appropriations for transmission lines, imposition of tax on municipal and public utility district bonds, and/or imposition of a tax on alleged income on publicly owned facilities, and/or imposition of the 3⅛ percent excise under discussion.

I have before me a copy of a letter addressed by Mr. P. L. Smith, president of the National Association of Electric Co.'s, "To All Member Companies," on May 25, 3 days after your committee announced its tentative decision to impose the 3⅛ percent tax.

Mr. Smith is well known to all Members of Congress as being the foremost private power lobbyist in Washington. So I ascertained where this effort was coming from. This letter was written to all member companies, private utility companies.

I continue to read from my letter to Representative DOUGHTON:

In part, Mr. Smith says:

"It is to be fully expected that the American Public Power Association, the League of Municipalities, Public Utility Districts, etc., will do their utmost to have the tentative decisions reversed in committee. Failing that, they will undoubtedly use all possible influence to have them thrown out on the floor of the House. * * *

"It is imperative that, directly and through tax foundations, chambers of commerce, * * * you urge your House delegations, particularly those on the House Ways and Means Committee, to support this tentative decision of the Ways and Means Committee in its entirety throughout the consideration of the bill."

Many phony reactionary organizations are set up under the guise of tax foundations.

"This may seem like a small matter from a monetary viewpoint, but * * * it is a small foot in a big door."

Certainly Mr Smith and any other member of the private power lobby has every right to mobilize support for this latest attack on public power. All of us, however, who believe that the public has a right to generate and to distribute its own electric energy, if it so desires, should recognize what is really behind this proposal.

From what I have been able to gather, the motion to levy the tax came from the Republican side of the aisle. The proponents had counted noses carefully. It was not until the vote was over that some Members realized the real issue involved. To me it is extremely significant that the motion exempted from this tax "sales from Rural Electrification Administration Cooperatives." This indicates that the private power lobby strategists, who put this one over, found they could not muster the votes over the opposition that would be engendered from supporters on the committee of municipals, PUD's and REA's. REA's, too, are publicly owned. It is evident a deal was made.

I urge your committee to reconsider this issue and to reverse its May 22 action.

Best personal regards.

Sincerely,

WARREN G. MAGNUSON,
United States Senator.

I call this matter to the attention of the Senate because the old, private-power lobby has come back to life. Apparently it has been very successful tentatively. I am sure that the final decision in the House Ways and Means Committee will not follow the proposal which has been made. As I have said, compliance with it would mean the end of public-power development in this Nation. It would mean the end of that great development which is furnishing cheap electrical energy for the defense effort in my part of the country. The TVA is furnishing energy for the program of the Atomic Energy Commission, for navy yards, and for many other purposes. Finally agreeing to the tentative action already taken would mean the end of further development, as I have already stated.

I suppose that adding 3⅛ percent to the 3 percent which we pay back to the Government would mean that municipal bonds, PUD, and REA bonds, would just about be unsalable to the American public. Therefore there would be no way for the municipalities to finance their city lighting systems.

As I have said, the private-power lobby is at work again, but I am sure that when we know where this drive gets its impetus, Congress will adhere to its policy of the past 20 years, to develop our great hydroelectric resources regardless of the private power lobby.

RECESS TO MONDAY

Mr. HILL. Mr. President, I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 16 minutes p. m.) the Senate took a recess until Monday, June 11, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 8 (legislative day of May 17), 1951:

HOME LOAN BANK BOARD

William K. Divers, of Ohio, to be a member of the Home Loan Bank Board for a term of 4 years, expiring June 30, 1955. Reappointment.

UNITED STATES ATTORNEYS

Joseph T. Votava, of Nebraska, to be United States attorney for the district of Nebraska. He is now serving in this office under an appointment which expires July 30, 1951.

Charles F. Herring, of Texas, to be United States attorney for the western district of Texas, vice Henry W. Moursund, term expiring July 15, 1951.

Leo P. Flynn, of South Dakota, to be United States attorney for the district of South Dakota. He is now serving in this office under an appointment which expires July 21, 1951.

UNITED STATES MARSHAL

John M. Moore, of Kentucky, to be United States marshal for the eastern district of Kentucky. He is now serving in this office under an appointment which expires July 3, 1951.

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major general

Maj. Gen. William Maynadier Miley, O11232, Army of the United States (brigadier general, U. S. Army).

To be brigadier generals

Brig. Gen. William Shepard Biddle, O15180, Army of the United States (colonel, U. S. Army).

Brig. Gen. Charles Edward Hart, O15788, Army of the United States (colonel, U. S. Army).

Brig. Gen. Charles Draper William Canham, O16496, Army of the United States (colonel, U. S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Samuel Davis Sturgis, Jr., O9325, United States Army.

Brig. Gen. George Jacob Nold, O8888, United States Army.

Brig. Gen. Joseph Sladen Bradley, O12428, Army of the United States (colonel, U. S. Army).

Brig. Gen. William Stevens Lawton, O14924, Army of the United States (colonel, U. S. Army).

Brig. Gen. James Edward Moore, O15650, Army of the United States (colonel, U. S. Army).

Brig. Gen. Bruce Cooper Clarke, O16063, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. Arthur Seymour Champeny, C8264, United States Army.

Col. Numa Augustin Watson, O14968, United States Army.

Col. William Pierce Ennis, Jr., O16436, United States Army.

Col. Thomas Edward de Shazo, O16479, United States Army.

Col. John Simpson Guthrie, O18228, Army of the United States (lieutenant colonel, U. S. Army).

SENATE

MONDAY, JUNE 11, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in whose peace our restless spirits are quieted, the fierce storms sweeping across our world have left us weary with watching; these testing times are revealing our every weakness. In these times of tension and clamor, anxiety and uncertainty, we turn to the infinite calm of Thy changeless love that we may find inner sustenance, wells of living water springing up, courage in battling for truth and serenity under strain. Give us a readiness for the severe disciplines of self-control demanded by these days of crisis and destiny. So gird the lives of Thy servants here in the ministry of public affairs that they may make all decisions greatly, walk on the high levels of noble purposes and with kindling sympathies as wide as human need in all things quit them like men. In the Redeemer's blessed name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 8, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 652. An act for the relief of the estate of Mattie Mashaw; and

H. R. 2918. An act for the relief of Peter E. Kolesnikoff.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. HILL, and by unanimous consent, the Committees on Armed Services and Foreign Relations, sitting jointly, were authorized to meet this afternoon during the session of the Senate.

On request of Mr. HILL, and by unanimous consent, the Committee on the Judiciary was authorized to meet this afternoon during the session of the Senate.

On request of Mr. JOHNSTON of South Carolina, and by unanimous consent, the Committee on the District of Columbia was authorized to meet this afternoon during the session of the Senate.

On request of Mr. MCKELLAR, and by unanimous consent, the Committee on Appropriations was authorized to meet this afternoon during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to make insertions in the RECORD and transact routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

TIDELANDS—RESOLUTION OF EXECUTIVE COMMITTEE, MASSACHUSETTS BAR ASSOCIATION, BOSTON, MASS.

Mr. SALTONSTALL. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the executive committee of the Massachusetts Bar Association, at Boston, Mass., on May 16, 1951, relating to the confirmation of the rights and title of Massachusetts within its boundaries.

There being no objection, the resolution was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

MASSACHUSETTS BAR ASSOCIATION,
Boston, Mass., June 6, 1951.

The President of the United States and the Honorable Members of the Senate and of the House of Representatives of the United States:

As members of the executive committee of the Massachusetts Bar Association we respectfully submit for your consideration the following resolution (adopted May 16, 1951):

"Resolution on tidelands

"Whereas Massachusetts received title to its submerged sea lands from the English Crown by the Colony Charter of 1629 subject to certain reserved rights of the Crown, and said title and that of persons holding thereunder were confirmed by the Crown by the Province Charter of 1692 and all reserved rights of the Crown were released and ceded to the Commonwealth by the Definitive Treaty of 1783 and protected by the Constitution of the United States, especially by the tenth amendment, and were recognized by the Supreme Court of the United States in *Harcourt* v. *Gaillard* (12 Wheat. 524), and many other cases as specifically set forth and explained in the Massachusetts Law Quarterly for March 1950; and

"Whereas by chapter 289 of the acts of 1859 (now sec. 3 of ch. I of the General Laws of Massachusetts) the territory was specifically defined as follows:

"'SEC. 3. The territorial limits of the Commonwealth shall extend one marine league from its seashore at extreme low-water mark. If an inlet or arm of the sea does not exceed two marine leagues in width between its headlands, a straight line from one headland to the other shall be equivalent to the shore line'; and

"Whereas the United States never acquired any title to the submerged sea lands of Massachusetts, one of the Original Thirteen States, except by express cession, but the Supreme Court of the United States, in recent cases to which Massachusetts was not a party, has confirmed a claim of the United States to such submerged sea lands of all of the Original Thirteen States and thus clouded the title of Massachusetts land, which claim is called 'paramount rights in and power and dominion over' the sea lands 'an incident to which is full dominion over the resources of the soil under that water area.' (See *U. S.* v. *California* (332 U. S. at p. 38), and these rights are asserted to transcend those of a mere property owner (see p. 29).)

"Now, therefore, the members of the executive committee of the Massachusetts Bar Association urge upon the Congress the passage of pending legislation to confirm the rights and title of Massachusetts within its historic boundaries."

This resolution supplements the memorial of the Massachusetts Legislature of March 18, 1948 (partly reprinted in the Massachusetts Law Quarterly for March 1950) and the resolution of this committee in support of similar legislation then pending in Congress, which was sent to the President and all Members of Congress in April 1949.

Samuel P. Sears, President; Reuben Hall, Vice President, Newton; Thomas M. A. Higgins, Lowell; Paris Fletcher, Worcester; Fredric S. O'Brien, Lawrence; Bennett Sanderson, Littleton; Frederick M. Myers, Pittsfield; Inez Di Persio, Belmont; Fletcher Clark, Jr., Middleboro; William B. Sleigh, Jr., Marblehead; Frank W. Grinnell, secretary, Boston.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry:

S. 684. A bill to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes; with amendments (Rept. No. 387).

By Mr. MCCARRAN, from the Committee on the Judiciary, without amendment:

S. 885. A bill for the relief of Wong Thew Hor (Rept. No. 388);

S. 1417. A bill for the relief of Lefrancois & Chamberland, Inc. (Rept. No. 389);

S. 1442. A bill for the relief of Marie Louise Dewulf Maquet (Rept. No. 390);

S. 1443. A bill for the relief of Rev. Thomas K. Sewall (Rept. No. 391);

H. R. 389. A bill for the relief of the State of Maryland (Rept. No. 392);

H. R. 616. A bill for the relief of Thomas J. Zafiriadis (Rept. No. 393);

H. R. 740. A bill for the relief of John Reginald Leat (Rept. No. 394);

H. R. 1268. A bill for the relief of Dr. Jiri Liska (Rept. No. 395);

H. R. 1791. A bill for the relief of Joe Tortolini (Rept. No. 396);

H. R. 1799. A bill for the relief of Bella and Archie Kennison (Rept. No. 397);

H. R. 1844. A bill for the relief of Capt. William Greenwood (Rept. No. 398);

H. R. 2107. A bill for the relief of Edward M. Chapman, Roland P. Davis, and the Fidelity & Casualty Co. of New York (Rept. No. 399);

H. R. 2363. A bill for the relief of Mr. and Mrs. Emil Sbarbori, Edna Perfetti, and Anthony Perfetti (Rept. No. 400);

H. R. 2372. A bill for the relief of Michael Post-Posniakoff and Zinaida Post-Posniakoff (Rept. No. 401);

H. R. 2453. A bill for the relief of John R. Harris (Rept. No. 402);

H. R. 2852. A bill for the relief of Quon Mee Gee, also known as Loui Siu Lin (Rept. No. 403); and

H. R. 3133. A bill for the relief of Chin Yuen Ling, minor unmarried Chinese child of a United States citizen (Rept. No. 404).

By Mr. McCARRAN, from the Committee on the Judiciary, with an amendment:

S. 530. A bill for the relief of Gerhard H. A. Anton Bebr (Rept. No. 405);

S. 580. A bill for the relief of Jean Marie Newell (Rept No. 406);

S. 674. A bill for the relief of Arthur Koestler (Rept. No. 407);

S. 1009. A bill for the relief of Elia Maria Nyman (Rept. No. 408);

S. 1242. A bill for the relief of Salomon Henri Laifer (Rept. No. 409);

H. R. 1103. A bill for the relief of Sidney Young Hughes (Rept. No. 410);

H. R. 3229. A bill for the relief of Mrs. Albert W. Lack (Rept. No. 411); and

H. R. 3576. A bill to amend the Displaced Persons Act of 1948, as amended (Rept. No. 412).

By Mr. McCARRAN, from the Committee on the Judiciary, with amendments:

S. 17. A bill to provide general rules of practice and procedure before Federal agencies (Rept. No. 413);

S. 1390. A bill to amend sections 1505 and 3486 of title 18 of the United States Code relating to congressional investigations (Rept. No. 414); and

H. R. 1800. A bill for the relief of Lucy Kong Lee (Rept. No. 415).

By Mr. KILGORE, from the Committee on the Judiciary:

H. R. 1746. A bill to amend subdivisions d and e of section 58 of the Bankruptcy Act, approved July 1, 1898, and acts amendatory thereof and supplementary thereto; without amendment (Rept. No. 417).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report favorably, an original concurrent resolution (S. Con. Res. 34), favoring the suspension of deportation of certain aliens, and I submit a report (No. 416) thereon.

The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 34) was ordered to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-4828658, Barclay, Harry Louis or Samuel Barclay formerly Harry Louis Fredman.

A-5233113, Barclay, Lily or Lily Fredman or Leah Lily Barclay.

A-5398969, Barclay, Virginia Esther or Esther Virginia Barclay or Esther Virginia Fredman.

A-6843306, Baum, Gizella (nee Gizella Jakabovits or Jakabovitz).

A-2292547, Chang, Chai Chu.

A-6848805, Chang, Ko Nan.

A-6847892, Chang, Emily C. C. Chen (nee Chen).

A-6857745, Cipresso, Salvatore.

A-1641711, Dario, Tomaso Genero alias Thomas Jerry Darly or Tomaso G. Dario or Thomas Genero Dareo.

A-4151075, Doria, Salvatore.

A-6197800, Enomoto, Taketaro.

A-7358981, Feliciano, Roswitha Anna.

A-7750394, Fourtain, Eric Arthur.

A-7351116, Franklin, Rose Marie.

A-7351115, Franklin, Rene.

A-4686496, Galdi, Anna (nee Maddaloni).

A-7356368, Gazzola, Lodovico or Nick or Nico Gazzola.

A-1520684, Gonsalves, Christiano Fernandes.

A-5999281, Groshans, Anna (Anna Lola) (nee Schmidt) (Schmidt or Anna Schmidt de Kardos or Anna Binder or Charlotte Leiter).

A-3171177, Guseloff, Asen or Asen Gusel.

A-7197984, Guzman, Marta or Martha.

A-1795886, Handas, Constantinos Leonidas or Gus Handas or Constantinos Hantas or Costas Leonidas Handas or Costas Handas or Gus Leonidas Handas.

A-7199031, Hernandez-Vera, Ramon.

A-5029822, Heron, Owen Leonard.

A-5356280, Hisayama, Yoshiro.

A-4010890, Hronicich, Nick Anthony or Nicola Hroncich.

A-7363567, Kilian, Karin Evelyn.

A-4499146, Koch, Joseph or John Montc.

A-3390092, Lee, Shee Kwan.

A-7264236, Lemos-Saldana, Margarito.

A-7034609, Leonor, Alicia Elena.

A-7023587, Leonor, Ana Isabel Melida Luisa.

A-4992202, Lin, Che-Fun or Che-Fun Lum, alias Stanley Che-Fun Lin alias Lum Chi Fun or Chi Fun Lum.

A-4325764, Ludwig, George.

A-4193674, Ludwig, Eva.

A-7059961, Malatek, Renate.

A-3739789, Marchian, Giuseppe or Joseph Stephen Marchian.

A-4399058, Massas, Abdel Kader.

A-4020115, Meertens, Peter Jacob.

A-3999061, Morizawa, Teruo or Harry Morizawa.

A-6972087, Mortti, Fanny Sofia or Fanny Sofia Kailama.

A-7240194, Navarrete, Narciso or Narciso Navarrete-Zapata.

A-5966628, Nishioka, Aiko or Aiko Fukuchi or Aiko Yoshida Fukuchi or alias Aiko Kumagai or Alice Aiko Yoshida or Alice Aiko Fukuchi.

A-7476385, Noroyan, Ardavast.

A-6409626, Ortiz-Ayala, Salvador.

A-4099850, Panorgios, Vasilios or Vasilios Nick Panorgios or Vasilios Nicolosee Panorgios or Billy Panorgios or Vasilios Nicolosee or Billy Panogios.

A-6528279, Phillips, Sita Teresa or Teresa Sita Phillips.

A-7362999, Pivirotto, Giovanna.

A-3841028, Romeo, Giuseppe or Joseph.

A-3586643, Salomon, Rudolf Julius.

A-4485793, Schellenkens, Wilhelmina (nee Kunze).

A-4310316, Schneider, John or Johan.

A-4419878, Schneider, Elizabeth (nee Schmalz).

A-3625373, Schummer, Rachel (nee Harris).

A-6855798, Shee, Yau Woo or Mrs. Yauchang Foo or Yau Woo Yan Yu.

A-7051312, Simon, Jean Claude.

A-6612674, Simpson, Merle Jean.

A-3907179, Spiros, Emanual or Emanuel Costas Spiros.

A-6483079, Spitzer, Bela.

A-7416004, Stein, Judith (nee Judit Loeffler).

A-1558544, Stravelakis, Nicholas or Nick or Nicolaos Panagiotis Stravelakis.

A-6611003, Struth, Aileen Emily or Aileen Emily Scott Plunkett.

A-6190583, Thomas, Antonia Suneeia Benito.

A-6965417, Thomas, Marjorie Mona (nee Shortland).

A-7127546, Tom, Sam Lee or Tham Cham.

A-4640409, Uyeno, Giyu or Yoshio Ueno or Joe Uyero (or Ueno).

A-5461127, Yamakishi, Masui Shirichi or Ben Yamakishi.

A-2994930, Yuzuki, Katsuto or Sadao Yuzuki.

A-5545794, Adamovich, Samuel or Samuel Adamovic.

A-5834216, Aleksovich, Stoian or Steve Alex or Stoyan Trifunovich.

A-6897669, Allen, Sonja Mildred Christel Natacha (nee Fuhrmann).

A-7647968, Ashman, Gertrude Ione (nee Hunt).

A-5367284, Bellinson, Lillian or Keliar (nee Galica).

A-7759521, Benezra, Elias.

A-7247974, Bentley, Peter or Peter Kapic.

A-4651822, Berger, Seloma (Solomon) or Aleph Sol Berger or Sol Berger.

A-6079543, Browne, Nancy Angelina or Nancy Henry Browne.

A-6079548, Browne, Robert Henry.

A-6079550, Browne, Jean Marie.

A-6079553, Browne, William Henry Browne, Jr.

A-5345849, Burstien, Pauline or Pauline Westler.

A-6080949, Cammack, Antonia Nolasco nee Antonia Nolasco Estroro formerly Corales.

A-4699162, Capra, Pietro or Peter Capra.

A-4299802, Duncan, Alice Isabel (nee Wilson.)

A-5963167, Evans, Wilfred Eric or Wilkie Evans.

A-4762161, Fernandez, Adriano or Andriano or Andrew Fernandes Toni or Tony or Antonio Gomes or Andriano Amorin or Amron Fernandez.

A-6873340, Godoy, Juana Dolores or Juana Dolores Guerrero.

A-4915738, Grlin, Jakovle or Jacob Green.

A-7890876, Hahalis, Stamatis George.

A-6880795, Hanck, Doreen Isabel (nee Dorreen Isabel Adam).

A-201037, Hoshijima, Kikuko (nee Morimoto).

A-5484193, Katz, Bertha.

A-6514672, Kohnemuyi, Muzaffer.

A-6358004, Kessenides, Tavita or Tavitha Kessindis (nee Pavlidou).

A-5121511, Kiesewald, August or August Frederick Kiesewald.

A-7180825, Klein, Rainer Ewald.

A-4863171, Gonokawa, Asae.

A-6172744, Koumpas, Marika or Marica (nee Marica Galios).

A-6236702, Kushin, Jean (nee Monson).

A-5404389, Laurenzi, John.

A-3640969, Lum, Gee Fay.

A-7197341, Macias, Alejandro Alejandre.

A-7242614, Malagon, Olga Rofckamp or Olga Rofckamp Riegwennoff.

A-7240506, Troncoso-Martinez, Magdalena or Magdalena Troncoso.

A-6970084, Men, Lum Kwai (Mon) or Norman Hong Lee.

A-4036285, Monteiro, Carolino Taveres.

A-3797268, Moy, Tsee Jing.

A-3698086, Moy, Sue Wah.

A-6453060, Muller, Rosa or Rosa Miller or Ruzena Mullerova or Ruzena Weber.

A2245105, Nakagawa, Toshihiko or Bin Nakagawa.

A-6799307, Ochoco, Simeon Del Rosario.

A-5956352, O'Rourke, John.

A-3915065, Pendergast, Amy or Prendergast.

A-4678562, Policelli, Donato Antonio alias Donato Palumbo.

A-3208302, Ramirez, Apolonio Estrada nickname Gene Ramirez.

A-7675982, Ribas, Juan or Juan Ribas Farinas.

A-7679485, Ribas, Junior, Antonio or Antonio Ribas Farinas or Antonio Ribas Calderon.

A-6769630, Sach, William F. or Wilhlem Sack alias Fred Sacks.

A-6771749, Saryan, Armine (nee Manoukian).

A-7115235, Schuler, Mary Josephine.

A-5469051, Seaward, Arthur Denis.

A-6341603, Slepnikoff, Christine Alice or Christine Alice Klitz.

A-6794745, Somay, Suleyman.

A-6870382, Somra, Kartar Singh.

A-4090316, Tolkacz, Rosa or Rosa Pugatch.

A-7112639, Trotman, Walter Lambert or Rufus Tait or Taitt or Rufus Adolphus Taitt.
A-7264789, Vasquez, Aurora.
A-6732401, Veski, Leonhard.
A-6732402, Veski, Hilda Alice (nee Humberg).
A-4855514, Wallus, Maria Flora Vanegas or Maria Venegas Clarte.
A-4515267, Williams, Arthur Victor.
A-7450296, Williams, Georgette Jeanne.
A-6169090, Young, Soledad Ruiz.
A-6169094, Young, John Robert.
A-2771405, Zung, Ming Kwai Max.
A-7280025, Zybarth, Ingrid.
A-5015321, Amann, Jakob or Jacob Amann or Jack Amann.
A-6077507, Ashton, Hilda Olive (nee Tomkins).
A-4826626, Balla, Hargit (nee Schonberger) or Margaret or Marget Balla.
A-7188716, Barker, Harry Paine.
A-7188717, Barker, Kenneth Arthur.
A-7188718, Barker, Marry Edgar.
A-1222188, Bartig, Walter George.
A-5665545, Bienkowski, Frank Joseph.
A-6873359, Bouzios, Efstathia Theodore (nee Drouzia).
A-9623979, Corros, Theocharis Andre.
A-4821853, De Segobia, Juanita Gomez or Juana Gomez.
A-5315619, De Souza, Jose da Rocha.
A-1525776, Drombrowsky, William.
A-4809078, Donato, Guiseppe or Joseph Donato.
A-9783230, Dos Santos, Antonio Rodrigues.
A-5387185, Duncan, George Frederick William.
A-5024915, Ellerman, Helene Elsabe.
A-6568210, Foseid, Einar Lorang.
A-6505601, Foseid, Anne Lise (nee Hansen).
A-6764710, Golfidis, Dimitrios or James Golfidis.
A-1080551, Greenberg, Sigman or Sam Greenberg or Sam Green.
A-5495968, Karttunen, Pola (nee Jurkin).
A-5396466, Koloijieczyk, Anton or Anton Pis.
A-4955142, Kunisawa, Yaemi Taketa.
A-6808528, Leckie, Annie (nee Anna Adams).
A-5378992, Lewin, Maria Anna Rieg or Mary Rieg or Maria Kellner.
A-6008182, Lo, Anna Yin-Chu.
A-5606375, Lopes, Alberto Goncalves.
A-2551627, Lunzer, Frank or Franz Luntzer.
A-7394046, Lumpe, Gertraude Berta.
A-7392163, Lumpe, Christa Maria.
A-7457939, Lynn, Grace Chung-Yu.
A-1867226, Ly-Yuen, Ho or Ly Yuen Ho.
A-7196292, McClean, John Gerald.
A-4948044, Michalski, Sephanus (or Szczepan or Szchepan) or Steve Malek.
A-5547061, Miller, Fanny (Fannie) (nee Burstock) (Berstok).
A-4817498, Monforte, Joaquin Cebamanos or Jack C. Monfort.
A-4616715, Monforte, Francisca Anso Vera or Frances Monfort or Francesca Anso Vera.
A-4698604, Mulzet, John.
A-4298118, Muscatelli, Vito or Vito Deliso.
A-4999273, Nakamura, Tadashi.
A-5424946, Nekat, Emma.
A-5142722, Perrotta, Antonino.
A-5142535, Perrotta, Giuseppina or Giuseppa Di Maio.
A-9836240, Porterior, Crescencio or Crescencio Porteiro Y Rial.
A-1470595, Pessetto, Anita Gemma.
A-7203416, Ramondette, Blanca (nee Casas Y-Pando).
A-6668104, Sapountzakis, Themosticles.
A-7203618, Serrato-Rodriguez, Jesus or Jesus Serrato.
A-4026346, Spitzwieser, Ferdinand or Fred.
A-4213572, Spitzwieser, Amalia (nee Aigner).
A-4817136, Springmann, Dorothea (nee Frick).
A-7274106, Stennett, Beresford.

A-3499104, Taiariol, Felix or Felice Taiariol.
A-7802691, Tatsumi, Hanaco.
A-3141636, Vanvuris, Gust Manolis.
A-6170648, Villanueva, Ana Altuve or Ana Altuve Villeneuva (nee Ana Bautista Altuve Carrillo).
A-7137379, Voujoukas, Nicholas George or Vougioukas.
A-6378734, Wang, Boardman Cheng or Cheng Want.
A-6663076, Wang, Mary Dah-Gin Hung or Mary Dah-Gin Hung.
A-6504785, Welch, Mary Wong.
A-6978770, Wesell, Heidemarie Barbara, formerly Hiedemarie Barbara Lachenmaier.
A-5127146, Wong, Mon Ben or Wong Ton.
A-3484705, Kang, Bun Po.
A-7606671, Kang, Dora (nee Zoen-Kwang Hwa).
A-4199987, Ades, Farida (nee Esses).
A-7140360, Alaniz-Cerventes, Olivia.
A-5471138, Avakian, Hagop or Jack Avakian or Jack Jacobian.
A-5629276, Bandriak, John.
A-7137904, Batista, Carlo.
A-661307?, Bedrylo, Wladyslaw.
A-6306476, Bello, Elsa Altagracia (nee Dominguez).
A-7133036, Berry, Christel Erna (nee Christel Erna Mattke).
A-7022485, Biggar, Sterling Russel or Sterling Russel Brown.
A-7955663, Brandon, Dora, formerly Dora Bounatian.
A-1854085, Bowen, McAulay or Bowen McAulay.
A-6985335, Bruneau, Marie Therese Mona Alice Hoogstraten.
A-7119160, Busetti, Simone Canton (nee Canton).
A-5571043, Caldarola, Maria Angelina Dinardo.
A-6794834, Cardelli, Aldo Bruno.
A-9764820, Carmichael, Adolphus Standiford or John Charles or John Richardson Charles.
A-5882693, Carmosin, Eric Otto Albert.
A-3409250, Chan, Chun Fai or Paul Chun-Fai Chan or Paul Chan.
A-5450305, Chang, Sunru or Sun Ru Chang or Mrs. Jack T. Chao.
A-6513590, Coumantaros, George Polychronis.
A-4230984, Cozzarin, Emelia.
A-7081477, Delahaye, Eric St. Anthony Livingston or George H. Williams or John H. Ainsley.
A-7350992, De Molina, Isabel Marrufo.
A-7125347, Dovalis, Evelyn or Eftichia Konstantinos Kyriakopoulos Dovalis.
A-7249029, Elliott, Pauline Inge.
A-7173007, Engstrom, Reuben Walfred.
A-7140632, Eubanks, Michael Milton formerly Cadd.
A-5058166, Folz, Anna Marie (nee Anna Marie Muth).
A-6618067, Fuentes-Vallejo, Manuel.
A-7886714, Gaeta-Perez, Jesus.
A-7117920, Gouke, Etheline or Etheline Grant.
A-5123965, Greenberg, Ida.
A-5614658, Guerricaechaverria, Nicholas or Nicholas Guerrcaechevarria or Nick Echevarria.
A-6361051, Haines, Mignon Christine.
A-1562641, Hayashi, Masao or Masao Francis Hayashi or Paul Hayashi.
A-7188375, Jung, Chee Ping or Jung You.
A-5618249, Kahn, Warris.
A-3743579, Kanzaki, Shigeo or Shigwo Konzaki or Shigews Konzaki.
A-5878142, Kmicik, Bronislaw.
A-5448366, Kodani, Fumi (nee Azazuma).
A-4384367, Kozlowich, Andrew Boris or Andrew Bria Kozlowich or Andrew Kozlowick alias Henry Boris Kozlowski.
A-5568820, Kropik, John.
A-4633123, Kropik, Anne (nee Wickie).
A-4855966, Kubota, Ryochei or Riyohei Kubota.

A-7366932, Landis, Mary Ann (nee Campbell).
A-2158807, Lavey, Ira Francis.
A-6432134, Layton, Carrie Marie.
A-1506131, Lozano, Emilio Flores.
A-7126177, Machis, Nancy Amy (nee Galvin).
A-7137730, Martinez, Lucrecio.
A-7286255, Martinez, Pablo.
A-7096161, Masters, John.
A-6685210, Mata-Villegas, David.
A-7934359, Merder, Ara Serkiz.
A-7139568, Metzger, Lina (nee Lina Guenther).
A-9616577, Molina, Guillermo or Guillermo Lazaro Antonio Ramon Molina Y Galan.
A-7350991, Molina-Rivas, Antonio.
A-4967947, Mosisch, Walter William.
A-5573980, Moustakas, Iean Leonidas or John Mustakas.
A-7131017, Niapas, Demetrios Nickolaos or James N. Niapas.
A-9670771, Nilsen, Karsten Martin.
A-4774990, Nishimura, Hisayoshi alias Heikicki Masa.
A-4959036, Nishimura, Mitsuru or Frank M. Nishimura.
A-7014143, Palka, Mary or Marja (nee Zaetz or Zajac).
A-2307139, Pantelas, Kostas Manolis or Gus Pantelas.
A-6352418, Papavassilliou, George Christos.
A-6441371, Pena, Vilmo Garcia.
A-6268905, Penniston, Chunchi Nying or Nying Chun Chi.
A-1484192, Pessetto, Domenico Emilio.
A-1645625, Pessetto, Eliza (or Elizabeth) (nee Morosini).
A-3814843, Petrou, Theofanis or Theofanis Petron or Thero Petron.
A-6343135, Pordes, Paul or Paul Pordes Groshler.
A-7280069, Ramsey, Rudolph Leofrice.
A-7188169, Randall, Laura Bell (nee McDonald).
A-7795656, Ravelo, Fernando Augusto or Fernando Augusto Ravelo y Franco.
A-7203619, Rivera, Salvador or Salvador Terrazas.
A-5568043, Robinson, Benjamin Augustus.
A-1553113, Russo, Dolland Alice (nee Therriault).
A-6238479, Sanchez, Roberto or Roberto Sanchez-Aguirre.
A-6089788, Schell, Anna Bubryak (nee Anna Bubryak).
A-5625284, Schulzek, Frederick William or George Willig.
A-4099180, Shizuko, Otera or Hirasawa Shizuko.
A-7299343, Shofelinov, Alexander Dimitrov or Alexander Dimitrof Chofelinov.
A-7203559, Skinits, Chrisostomos.
A-5152147, Sou, Yee Wing.
A-5808715, Stipanov, Dragutin Emil or Charles Papin.
A-7240158, Stoehr, Richard Emil Walther or Richard Emil Walther Stohr.
A-7203119, Telfer, Joanne.
A-7203575, Telfer, Junior, Charles Wilson.
A-7112572, Torres, Hector Justino or Hector Justino Torres y Rodriguez.
A-2131966, Touloumbas, Nickolas or Nicolas Touloumbas alias Nickolas Chelis or Nickolas Vagelis or Nicolas Mavri Touloumbas.
A-6924758, Vandenbergh, Jacob.
A-6339069, Vandenbergh, Ellen Alice (nee Elias).
A-5707014, Vera, Marcial Asebes or Bera.
A-7249863, Villar de Torres, Maria Reyes De.
A-7249864, Torres, Jose.
A-7704339, Wachsmuth, Berta (nee Wunner).
A-7390748, Watson, Vincent.
A-6760385, Wesselink, Leonard or Robert Wesley.
A-5180738, Wicker, Jack or Jankiel Wichnes.

A-9836721, Wiitainoja, Urho Ruben or George Erickson.

A-7134530, Wood, Anne Fernande or Anne Fernande Payot Meyer.

A-7138114, Woods, Edward Andrew or Edward Andreas Woods or Edward Woods or Charles Woods or Ed Woods.

A-3603217, Yung, Chiu Ging or Chiu Sheung Ming or Herbert Chew.

A-3066328, Chiu, Lee Gam Yoke or Lee Gam Yoke.

A-1474387, Yutaka, Yeisai or Jack Yutaka or Kesai Toyo.

A-6073384, Zapien-Reynosa, Conrado.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DWORSHAK:

S. 1639. A bill for the relief of Osvaldo Castro y Lopez; to the Committee on the Judiciary.

By Mr. MOODY:

S. 1640. A bill for the relief of Cathy Dana Besser; to the Committee on the Judiciary.

By Mr. ECTON:

S. 1641. A bill authorizing the Secretary of the Interior to issue a patent in fee to Lee Vance Sanders; to the Committee on Interior and Insular Affairs.

By Mr. LANGER:

S. 1642. A bill to amend the Armed Forces Leave Act of 1946 to increase to 120 days the amount of leave which members of the Armed Forces may accumulate; to the Committee on Armed Services.

S. 1643. A bill for the relief of Rowab Ullah, Abdul Khalique, and Aklu Miah; and

S. 1644. A bill for the relief of Gulam Khan, Ghulam Khan, Khur Shad Wazeer, Mohabit Khan, Ali Khan, Shear Bader, Zarif Khan, Rahim Shah, Noroz Khan, Alah Dad, Abdul Razak, Havel Khan, Waras Khan, Rahim Shah, Said Miah, and Merullah; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 1645. A bill to amend the act incorporating the American University; to the Committee on the District of Columbia.

By Mr. EASTLAND:

S. 1646. A bill for the relief of Dr. Abraham Richard Best; to the Committee on the Judiciary.

By Mr. ROBERTSON:

S. 1647. A bill to amend section 13b of the Federal Reserve Act, and for other purposes; to the Committee on Banking and Currency.

By Mr. HOEY:

S. 1648. A bill for the relief of Jan de Bakker; to the Committee on the Judiciary.

LABOR-FEDERAL SECURITY APPROPRIATIONS—AMENDMENTS

Mr. DOUGLAS submitted amendments intended to be proposed by him to the amendment of Mr. FERGUSON to the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for the other purposes, which were ordered to lie on the table and to be printed.

NOTICE OF HEARING ON NOMINATION OF EDWARD A. TOWSE, TO BE CHIEF JUSTICE, SUPREME COURT, TERRITORY OF HAWAII

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Monday, June 18, 1951, at 9:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Edward A. Towse, of Hawaii, to be chief justice of the supreme court, Territory of Hawaii, vice Hon. Samuel B. Kemp, retired. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from North Carolina [Mr. SMITH], and the Senator from Utah [Mr. WATKINS].

NOTICE OF HEARING ON NOMINATION OF INGRAM M. STAINBACK, TO BE ASSOCIATE JUSTICE OF THE SUPREME COURT OF HAWAII

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Monday, June 18, 1951, at 9:30 a. m., in room 424, Senate Office Building, upon the nomination of Ingram M. Stainback, of Hawaii, to be associate justice of the Supreme Court of the Territory of Hawaii, vice Hon. Edward A. Towse, elevated. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from North Carolina [Mr. SMITH], and the Senator from Utah [Mr. WATKINS].

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. FERGUSON:

Statement by him paying tribute to Mrs. Loleta Fyan, State librarian of Michigan.

By Mr. O'CONOR:

Statement by Senator IVES on June 5, 1951, before the Subcommittee on Reorganization of the Senate Committee on Expenditures in the Executive Departments, in support of Senate bill 1166, providing for the appointment of a commission to study the administration of the overseas activities of the Government.

Editorial entitled "Shipping and Fisheries," published in the Nippon Times, of Tokyo, Japan, April 19, 1951, dealing with shipping and fisheries in Japan.

Letter written by William L. Marbury and published in the Baltimore Sun of June 4, 1951, relating to universal military service.

By Mr. BENTON:

Article written by Lowell Mellett and published in the Washington Star of June 7, 1951, and letter from Senator BENTON, both having to do with control of prices.

By Mr. GILLETTE:

Address on the subject The Effects of Beef Cattle Price Roll-Back, recently delivered by Nelson G. Kraschel, former Governor of Iowa and for 6 years general agent of the Farm Credit Administration of Omaha.

By Mr. BUTLER of Nebraska:

An editorial entitled "The 'Real Cost' of Meat," published in a recent issue of the Cambridge (Nebr.) Clarion.

Editorial entitled "Alaskan Statehood," published in the Chicago Daily Tribune of June 7, 1951.

By Mr. WILLIAMS:

Editorial entitled "It Happened One Day on Wake Island," published in the May 10, 1951, issue of the Sussex Countian, of Georgetown, Del., relating to the reporting of the conference on Wake Island between President Truman and General MacArthur.

By Mr. KILGORE:

Editorial entitled "President Must Have Controls Law," published in the Parkersburg (W. Va.) Sentinel of June 7, 1951.

By Mr. JOHNSTON of South Carolina:

Article entitled "The Critical Shortage of Scientific and Technical Personnel," written by William G. Torpey, and published in the Personnel Administration, bimonthly journal of the Society for Personnel Administration.

By Mr. KERR:

Discussion between Senator KILGORE and Point 4 Administrator Henry G. Bennett on the point 4 program and its contribution to United States security.

THE FORTY-THIRD DIVISION AND CAMP PICKETT

Mr. AIKEN. Mr. President, I ask unanimous consent that I may make a brief statement relating to the Forty-third Division and conditions at Camp Pickett.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Vermont may proceed.

Mr. AIKEN. Mr. President, much comment has been aroused over the article on the Forty-third Division and Camp Pickett which appeared in the June 4 issue of Time magazine. It is unfortunate that the publishers of Time magazine saw fit to print this story at this time. Had it been used 8 months ago, the description of conditions prevailing at Pickett would largely have been accurate.

The Forty-third Division was called into Federal service last September and ordered to Camp Pickett for training. During the first 2 or 3 months there was a state of great confusion. The camp itself was completely unready for occupancy. Supplies of all kinds, even proper food, were lacking for the first few weeks. The post was overcrowded within a short time. Arrangements for family dependency allowances were faulty and many families did not receive their allotments for weeks or months after the men were called into service. Members of Congress from Rhode Island, Connecticut, and Vermont received hundreds of complaints about conditions at Camp Pickett.

The situation which prevailed at that time, however, was in no way the fault of the Forty-third Division or its officers. The Pentagon had simply ordered the men into Federal service without making preparations to receive them. This situation can be multiplied many times over.

When the Forty-third was ordered into Federal service, it was generally believed that the United States might become involved in world war III within a few months' time. The commanding general of the division, Maj. Gen. Kenneth F. Cramer, was directed to have his men ready for combat service in 28 weeks.

Possibly with a view to toughening his men in the least possible time, General Cramer issued many restrictive orders. Some of these orders appeared to be petty and childish restrictions which were strongly resented by the men of the Forty-third. Opportunities of the men to visit their families in nearby towns were severely restricted, although the general himself did not comply with the order which limited the opportunity

of his men to be with their families. The fact that the general's own family was ensconced upon the post grounds probably resulted in more dissatisfaction among his officers and men than did any other cause. It was only natural that the men of the Forty-third Division resented any order issued by the commanding general which he himself was not willing to observe.

During the time the Forty-third Division has been at Camp Pickett, I have been in almost daily communication with members of this division. Early this spring I spent a day at the camp, having meals with the men and talking with possibly a hundred different members of this division. I am happy to say that the food at Camp Pickett appears to be excellent, that the training the men have received is good, as reported by men far more familiar with military practices than I am. This is evidenced by the fact that already considerable numbers of officers and men have been sent into service in the Pacific area.

The restrictions originally imposed upon the men have been somewhat eased. The morale of the division, at least as far as the One Hundred and Seventy-second Vermont Regiment is concerned, is quite high—as high as can be expected from any group of men who have left their homes and businesses to spend months in an Army training camp. Recreational facilities still appear to be inadequate and there seems to be a considerable shortage of ordinary equipment.

On the whole, the Forty-third Division appears to be amply able to defend its tradition. No division of the American Armed Forces made a more glorious record during World War II than did the Forty-third Division in its progress from Guadalcanal to the Philippines under the leadership of a truly great Vermonter, Maj. Gen. Leonard F. Wing.

As for the Time magazine reference to the appellation of "cry-baby division" which the Pentagon is rumored to have applied to the Forty-third, I had not heard of such name calling until the article appeared in Time magazine. That name calling within the services does exist would not be surprising. It is common knowledge that professional military men look down upon National Guard men. It is common knowledge that Major General Cramer is not and has not been in favor with the top levels at the Pentagon.

It is my understanding that shortly after the termination of hostilities in World War II a directive was issued by the service departments prohibiting the practice of name calling within the services. This directive, I understand, was brought about by the use of the term "trade-school boys" as applied to graduates of our service academies. I have called the attention of Secretary Pace to the premise that prohibition against name calling should be a two-way proposition.

It is also common knowledge, as has been strongly evidenced during recent weeks, that our Military Establishment, from the Commander in Chief down, strongly resents a freedom of expression or communication with members of Congress by members of the Armed Forces. It is an indisputable fact, however, that our Armed Forces today are in much better condition than they would have been had the men in service not communicated with their Senators and Representatives in Congress.

The extremely deplorable conditions existing at the Lackland Air Base and the correction of such conditions following an investigation by an Armed Forces Subcommittee of the Senate is a striking example of this.

When the time comes that men and officers in the armed services cannot communicate with Members of Congress, then we may consider that democracy in America has come to an end.

TROUBLES STEMMING FROM TEHRAN AND YALTA—STATEMENT BY JAMES A. FARLEY

Mr. WHERRY. Mr. President, Mr. James A. Farley says that the problems of the world stem from Tehran and Yalta. He addressed the graduating class at St. Anselm's College at Manchester, N. H., on June 8. An Associated Press dispatch reporting this statement reads, in part, as follows:

James A. Farley, a member of President Roosevelt's Cabinet, said today it is his "solemn conviction that many of the problems besetting the world would not be with us if we had a vigorous, alert, and forceful leader at Tehran and Yalta."

I ask unanimous consent that the entire press release be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARLEY SAYS PROBLEMS OF WORLD STEM FROM TEHRAN AND YALTA

MANCHESTER, N. H., June 8.—James A. Farley, a member of President Roosevelt's Cabinet, said today it is his "solemn conviction that many of the problems besetting the world would not be with us if we had had a vigorous, alert, and forceful leader at Tehran and Yalta."

Speaking at St. Anselm's College commencement, the former Postmaster General said:

"There the peace was lost while we were winning the war. And the peace was lost because our leader (President Roosevelt) was no longer the gallant warrior against fear, but a weary, overburdened man who had given his all in a supreme effort to not only solve the problems of our Nation but of the world.

"We all know that there is a limit to the endurance of body and mind—and for 16 years, starting in 1929, our late President carried a back-breaking, heart-breaking burden in Albany and Washington. It was a miracle that he was able to carry on physically and mentally throughout that long period."

The former National Democratic Committee chairman said that "in the vital realm of politics * * * it is essential that the torch of leadership be passed on to others, preferably to younger men."

"If younger men are not trained step by step to take over leadership there is danger that the race may be set back or lost," he added.

"Leaders do not spring full grown into public office * * * but must patiently climb to eminences of trust through accomplished performance in positions of trust whether private or public."

Mr. Farley said that he opposed a third term for the President in 1940 because he feared Mr. Roosevelt was "listening to courtiers and coattail riders."

"I could see nothing but danger to the party and to the Nation by continued occupancy of office in contradiction to the expressed wisdom of founding fathers. I was impelled by deep conviction to take the course of opposition. I knew it was a losing fight, but felt that the fight had to be made.

"Every passing day, especially as I look upon a world torn by strife, has convinced me that I was right. I do not rejoice in my rightness. I would rather be wrong and the world happier."

St. Anselm's conferred the honorary degress of doctor of laws on Mr. Farley.

CALL OF THE ROLL

Mr. McFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	Monroney
Bennett	Hendrickson	Moody
Benton	Hennings	Morse
Brewster	Hickenlooper	Mundt
Bridges	Hill	Neely
Butler, Md.	Hoey	Nixon
Butler, Nebr.	Holland	O'Conor
Byrd	Hunt	O'Mahoney
Cain	Ives	Pastore
Capehart	Jenner	Robertson
Chavez	Johnson, Colo.	Russell
Clements	Johnson, Tex.	Saltonstall
Connally	Johnston, S. C.	Schoeppel
Cordon	Kerr	Smathers
Dirksen	Kilgore	Smith, Maine
Duff	Knowland	Smith, N. J.
Dworshak	Langer	Smith, N. C.
Eastland	Lehman	Sparkman
Ecton	Long	Stennis
Ellender	Malone	Thye
Ferguson	McCarran	Underwood
Frear	McCarthy	Watkins
Fulbright	McClellan	Welker
George	McFarland	Wherry
Gillette	McKellar	Williams
Green	McMahon	Young

Mr. HILL. Mr. President, the Senator from Washington [Mr. MAGNUSON] has asked me to announce that he is absent from the Senate today because of the necessity of filling a long-standing commitment to speak at the annual meeting of the board of the United Seamen's Service in New York. This commitment was made over 3 weeks ago.

As most Senators know, United Seamen's Service is an organization dedicated to the welfare of American merchant seamen throughout the world. Through this organization, management and labor have sought to provide in the most important ports of the world centers where seamen can meet their friends or spend leisure hours in a wholesome atmosphere.

It is one of the most commendable efforts undertaken by the shipping industry for the welfare of our merchant seamen.

Within the past few months this organization has staffed, equipped, and opened a center in Japan.

It was only logical that the Board of Directors of the United Seamen's Service should request the Senator from Washington to appear as chief speaker at their annual meeting being held in New York today, as he is one of the outstanding members of the Congress on merchant marine matters.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr.

ANDERSON], the Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from South Carolina [Mr. MAYBANK] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senators from Ohio [Mr. BRICKER and Mr. TAFT], the Senator from Massachusetts [Mr. LODGE], the Senator from Vermont [Mr. FLANDERS], and the Senator from Colorado [Mr. MILLIKIN] are necessarily absent.

The Senator from Kansas [Mr. CARLSON], the Senator from South Dakota [Mr. CASE], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Missouri [Mr. KEM] is absent by leave of the Senate.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business of the Committee on Crime Investigation.

The VICE PRESIDENT. A quorum is present.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from New York [Mr. LEHMAN] to the amendment offered by the Senator from Michigan [Mr. FERGUSON], for himself and other Senators.

Mr. CHAVEZ. Mr. President, as chairman of the subcommittee which reported this bill, I fully realize and appreciate the fact that the Senate is passing on the bill, but I wish all 96 Senators to realize what is before them before they take action. For that reason, I have prepared a short statement in regard to the effect of the amendment submitted by the Senator from Michigan.

I want all Senators to realize that the budget estimates for all agencies embraced in this bill amount to $2,744,253,760, approximately $270,000,000 more than was appropriated for the current fiscal year for these purposes. I should like to have all Senators to follow these figures with me.

The substantial increase in the estimates over the 1951 appropriations is explained, first, by the abandonment of the contract authority provisions, for which in the 1951 bill there was provision for $100,000,000-plus, whereas in this bill the provision for new obligational authority is in the form of cash; second, by the increase of $124,000,000-plus for payment to the railroad retirement trust fund; and, third, by a $20,000,000 increase requested for public assistance.

By the way, Mr. President, the committee has recommended $150,000,000 less than the amount of the estimate for grants for public assistance.

Of the total of $2,744,253,760, in excess of $2,500,000,000 is for grants and benefits. Senators should not think that all of the $2,744,000,000 is payroll funds. I want Senators to understand the facts about these matters, and then do what they think is proper and fit. If Senators wish to cut these funds by 10 percent, that is up to them; but, first, they should understand what the Senate is acting on.

As I have just said, $2,500,000,000 of the total amount is for grants to States for administration of the employment services and unemployment compensation programs; for grants for public assistance; for the employees' compensation fund; for hospital construction; for school construction, maintenance, and operation; for grants dealing with public health matters; and for payments to the railroad retirement trust fund. The total for these purposes is $2,577,431,968.

One hundred and ninety-nine million eight hundred and twenty-eight thousand and seven hundred and eight dollars is for the Department of Labor. When compared to the total amount of appropriations carried in this bill, the appropriation for the Department of Labor is infinitesimal.

One billion seven hundred and sixty-four million six hundred and three thousand two hundred and sixty dollars is for the Federal Security Agency.

Six hundred and thirteen million dollars is for the Railroad Retirement Board.

On Friday, the senior Senator from Illinois [Mr. DOUGLAS] said the committee has made very minor reductions in the appropriations carried in the bill as it came from the House of Representatives; he said that the $112,867,530 by which the committee has voted to reduce the allowances made by the House is of little moment. Mr. President, the bill as reported to the Senate by the Appropriations Committee carries appropriations amounting to $112,000,000 less than the allowances made by the House of Representatives. When a reduction of $112,000,000 is made in the committee, I do not think it can be said that such a reduction is of very little moment.

Let us reflect on the charges made by the Senator from Illinois.

Mr. BENTON. Mr. President, will the Senator yield at this point?

Mr. CHAVEZ. I yield.

Mr. BENTON. Is it not fair to say that the contention made by the senior Senator from Illinois was that these were actually bookkeeping transactions, rather than reductions in fact in the budget, and that they represented adjustments which could have been made next year or the year after that?

Mr. CHAVEZ. No; we are talking about Uncle Sam's dollars, $112,000,000 of them.

Mr. BENTON. But the contention of the Senator from Illinois was, if I properly understood him—he is not now on the floor, and that is the only reason why I rise to ask the question—that these were bookkeeping adjustments which could be made 2 years or 3 years from now or at any other time in the future, and are not, in fact, reductions in expenditures.

Mr. CHAVEZ. No. Of course, they could be made 2 years or 3 years or 10 years from now, but the fact remains that the committee did it now.

Mr. BENTON. I am sorry the Senator from Illinois is not here to interpret his speech, but that is the way I understood it.

Mr. CHAVEZ. I remember when the Senator from Connecticut sought to have an appropriation made for civil-defense activities, and at that time he did not think so much about economy. However, when it comes to a question of allowing sufficient funds for a hospital or for cancer research or for mental health activities, the Senator from Connecticut is very economical. I am glad of that; that is all right.

Mr. BENTON. Mr. President, I do not think the Senator has understood my question.

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Connecticut?

Mr. CHAVEZ. No; I decline to yield at the moment.

The VICE PRESIDENT. The Senator from New Mexico declines to yield.

Mr. CHAVEZ. Let us now reflect on the charges of the Senator from Illinois.

Mr. NEELY. Mr. President, let me ask the able Senator from New Mexico whether both the subcommittee and the full committee carefully considered the subject which the Senate is now discussing?

Mr. CHAVEZ. Not only did we do that, but the Senator would be surprised to know that nine members of the committee privately, in the committee room, voted to report the bill. Notwithstanding that, only the other day nine members of the committee voted for cuts in the appropriation. That, of course, is their own business, and no one is complaining about it, except that I desire to give them a little factual information. The committee cut repeatedly. As a general rule, as the Senator from West Virginia knows, it is expected that the Senate committee will restore cuts made by the House. In this instance, we cut $112,000,000 more than did the House.

Mr. NEELY. Is it not true that the Senator from New Mexico and his subcommittee also decided, in effect, that the matter to which the Senator from Connecticut has referred is one of reality instead of bookkeeping hocus pocus?

Mr. CHAVEZ. That is correct.

Mr. NEELY. Mr. President, in the circumstances, since the Senator from Connecticut, in defending the opposing argument made by the distinguished Senator from Illinois [Mr. DOUGLAS], has indicated that it is so incomprehensible that the Senator from Connecticut, even with his unlimited education and unsurpassable ability, is unable to interpret it without the assistance of its eminent author, I must support the committee's

comprehensible, logical, and impressive recommendation instead of the amendment which is designed to impair it.

Mr. CHAVEZ. I thank the Senator from West Virginia.

Mr. President, let us now reflect on the charges of the Senator from Illinois. The total estimates for grants and benefits, not merely grants and benefits to Alabama, Connecticut, Illinois, Arizona, New York, New Mexico, or Arkansas but the total grants and benefits—and I repeat, we are not now talking about payrolls—are, as I outlined before, $2,577,431,968, leaving for all other objects of expenditure—that is, for travel, personal services, communications, the transportation of things, for rents and utility services, printing and reproduction, other contractual services, supplies and materials, equipment, and for taxes and assessments—a grand total of $166,000,000 plus. I repeat that the appropriation for grants to the 48 States and our possessions is $2,577,431,968; while for personal service and other objectives, to carry on the functions of Government as provided in laws which we have passed, the appropriation is only $166,000,000. Had we disallowed all requests for funds for these items, we would have saved $166,000,000, compared with the estimates. But we reported a bill appropriating $215,000,000 under the estimates, which to the Senator from Illinois is a minor savings. Possibly it is a minor saving; but after complete hearings to determine the amounts necessary in order to carry on the functions of Government, or at least in order to enable it to try to function, and in order to have the various branches of the Government do what they say should be done, we allowed a sum which is $215,000,000 under the estimates. Perhaps the strongest objection to the committee action is that it left for some of our vocal proponents of economy very little ground for public demonstrations.

The committee instructed the Department to tell us where to cut, informing them that, if they did not tell us where to cut, the committee would do the cutting. But it appears that the only way by which it is possible to save money is to allow the amounts of the budget figures, and then refer the matter to the Senate, and let the Senate make whatever reductions it may see fit. But when we provided $215,000,000 under the estimates, I submit that when any Senator says that very little was done in the matter of saving money his statement is not well taken.

The committee held lengthy hearings, deliberated for more than a week before the full committee on the individual items, and finally reported a bill $215,000,000 under the estimates, and $112,000,000 under the appropriations provided by the House. I ask Senators who have been in this body for some time, When has it occurred before that the Senate Appropriations Committee has not restored cuts made by the House? But in this instance not only did we restore them but we reduced the figures of the House bill $112,000,000. What more can be expected of a committee?

After all, the Government must carry on. Of course, it would be possible for us to save the entire amount. We could save the entire amount, but I ask Senators, do we not desire to do our duty? We took an oath of office that we would, under the Constitution, do certain things, including providing funds for the operation of the Government. Yes; it would be possible to save every penny appropriated by this bill, but would that be desirable? On the contrary, do we not want to carry on the orderly processes of government, without waste?

The full committee deliberated for more than a week on the individual items, and finally approved a bill appropriating $215,000,000 less than the estimate of the Budget Bureau and $112,000,000 less than contained in the bill as passed by the House. It appears now that it would have been better, had the bill not been referred to the committee, but, instead, placed on the calendar to be considered on the floor of the Senate, to be subjected to delicate surgical operations on the part of advocates of economy, provided the move for economy is publicized, so that due credit may be received by Members on this floor. The amendment offered by the senior Senator from Michigan [Mr. FERGUSON] was presented to the full committee, where it received some support. The Senator gave notice that he would offer such an amendment from the floor. That was entirely proper, and there is no complaint in that regard.

But there was no move in the committee to allow a lesser amount for the two items already reduced by floor action—the immediate office of the Secretary of Labor, and the Office of the Solicitor of the Department of Labor. For the office of the Secretary the estimate was $1,475,000, of which the House allowed $1,425,000, and the committee $1,400,000. I repeat, no member of the committee suggested that more should have been cut from this allowance. For the Office of Solicitor, the estimate was $1,750,000, of which the House allowed $1,650,000. The subcommittee, of which I am chairman, allowed an increase of $50,000, or $1,700,000. The full committee first disagreed to this raise, by a tie vote, but on reconsideration the subcommitte action was approved, allowing $1,700,000. There was not one word spoken to advocate less than the House allowance. Yet, the Senate on Friday, by a vote of 47 yeas to 29 nays, agreed to a motion to reduce the appropriation for the Solicitor's Office to $1,575,000.

I find that nine members of the Committee on Appropriations voted in the affirmative, but none of them stated that they felt that too much was being allowed to the Office of the Solicitor. I have no complaint about that. All I am doing today is to advise the Senate about it. I believe in the majority of this body controlling matters. Even if it is against a committee recommendation, I am in favor of majority rule.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Rhode Island.

Mr. PASTORE. Is the junior Senator from Rhode Island correct in assuming that the subcommittee has already reduced the appropriation by 5 percent?

Mr. CHAVEZ. The subcommittee, joined in by the full committee, is recommending that kind of an amendment. The amendment of the Senator from Oregon [Mr. CORDON] is to the effect that 5 percent of the payroll items be deducted.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. FERGUSON. That does not include hospital services.

Mr. CHAVEZ. We are trying to make an exception of them. I think the Senator from New York [Mr. LEHMAN] is trying to make an exception in that case.

Mr. PASTORE. While it may be a very expeditious way of accomplishing the result, what is the logic in recommending a reduction across the board? I am not trying to be critical at all; I am seeking information. There may be some offices in the Department which have 20 percent more help than they need. We would tolerate in such an office a 15 percent overstaffing, but there might be other offices which were understaffed. It strikes me that that is a very unwise way of reducing personnel appropriations.

Mr. CHAVEZ. It is not a question of whether it is even sound. I agree completely with the remarks of the Senator from Rhode Island, but I still believe in supporting committee action. The committee approved the amendment proposed by the Senator from Oregon [Mr. CORDON] to place a cut of 5 percent on the payrolls as to individual items. The Senator did not want to have the amendment apply to the public health items. They are the only ones that would have been protected. But, outside those exceptions, the cut is 5 percent. The committee reported the Cordon amendment, and I think that is as far as we should go. That is why I am objecting to the amendment of the Senator from Michigan [Mr. FERGUSON] that would make a cut of 10 percent.

Mr. PASTORE. If I correctly understand the senior Senator from New Mexico, he takes the position that that would render the whole program ineffective.

Mr. CHAVEZ. It would appear to me to mean complete ruination.

Mr. PASTORE. If we sacrifice 5 percent we do not render it ineffective. Why does the addition of 5 percent to the 5-percent cut recommended by the committee make all the difference?

Mr. CHAVEZ. It makes this difference: It would impose a limitation on the amount of money that could be used for for the services affected. Under the Cordon amendment each and every item in the bill is cut 5 percent. As between the two amendments, the Senator from New Mexico feels that the one providing for a 5-percent cut is sounder. I did not agree, but the committee did, that we should cut the items 5 percent, but something had to be done, and the committee took that action. I feel that a cut of 10 percent would be not only unsound, but

would be ruinous in the effort to carry on the functions of Government.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. In a moment.

It seems to me that the holding of lengthy hearings on appropriation bills is a meaningless task, and that the subcommittee markup and the full committee markup are a waste of time, if the recommendations of the committee are not to be followed. As the markups are in executive session, perhaps due notice is not given of motions to reduce appropriations. It cost $1,996.40, just under $2,000, for the stenographic report and transcription of our hearings. It cost not less than $15,000 to have printed 750 volumes of the hearings, consisting of 1,232 pages.

Mr. President, I make these few remarks, without complaining about what the Senate may do, but, in reflecting upon the action of the Senate on Friday, and what appears to be a foregone conclusion of what will happen today, I have come to the conclusion that it is useless to spend time in committee on these bills. Members make no objection to the approval of an amount for a particular item, but in the well of the Senate, under the eyes of the press and the public, support is given to cuts proposed from the floor.

I know what the Senator from Michigan has in mind. He wants to cut waste, as does the Senator from New Mexico. But there is such a thing as cutting improperly. Of course we can cut the number of employees on the floor of the Senate; we do not have to appropriate for them. But could the Government efficiently carry on? Of course we can cut the number of Senate pages. Of course we can cut the number of elevator operators. Of course, we can make cuts in many instances. But that is not the point. Cuts should be made on a sound basis. We can cut the number of our office stenographers and save money, but does any Senator feel that if we should do that in the case of one who answers the mail and the requests from back home, we would operate as efficiently as we do? We should get away from waste, yes; I am in favor of that. But let us try to behave as persons with reason.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. WHERRY. The question of the Senator from Rhode Island [Mr. PASTORE] was a practical one, and while I feel that the distinguished chairman of the subcommitee gave a very plausible answer, I think it should also be said, especially in the absence of the Senator from Oregon [Mr. CORDON], that the question asked by the Senator from Rhode Island was asked scores of times by members of the full committee. The question was, "Why do it in this way?"

I desire to say to the distinguished Senator from Rhode Island that the chairman of the subcommittee worked out a modified version of the Jensen amendment in an attempt to make it practical. That was very difficult to do, for the very reason stated by the Senator from Rhode Island, that there might be one bureau in a department which did not have sufficient personnel, and in another case there might be plenty of personnel. In the final analysis, I believe it was felt that if we cut the appropriation for the whole department 5 percent, the administrator could make allowances to meet the very problem suggested by the distinguished Senator from Rhode Island.

Mr. CHAVEZ. That is correct.

Mr. WHERRY. Even though many of us felt that a personnel cut was the way to accomplish the objective, it seemed that that was not so practical as the way which the Senator from New Mexico has discussed.

Mr. CHAVEZ. That is correct. Let me make another suggestion to the Senator from Rhode Island. The Jensen amendment is easy to understand. If through retirements, deaths, resignations, or otherwise, positions become vacant, under the Jensen amendment only one out of four such positions could be filled. The subcommittee tried to devise a formula that would not be so violent, and we worked out a formula providing that only one out of every two vacancies should be filled. But, for the reason which the Senator from Rhode Island has called to our attention, we finally came to the conclusion that in order to leave some discretion as to what particular positions a department should fill—it might not need a stenographer, but an analyst, or it might not need an analyst, but a stenographer—we would make the cut in dollars and cents, and leave discretion to the particular department. It was finally decided that instead of filling one out of two or one out of four of the positions which became vacant, 5 percent for personnel should be deducted under the bill, and that it should be left to the department to decide how it would use the money it obtained.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. PASTORE. What formula was used in reaching the 5-percent figure?

Mr. CHAVEZ. The formula used in reaching the 5-percent figure is strictly one of limitation, that out of the total amount appropriated for personal services no more than 95 percent can be used for payment of employees. That was the formula which was used.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. Yes.

Mr. WHERRY. I should like to have the Senator from Rhode Island know that the reason some Senators supported the Cordon amendment—and I think I shall support the Ferguson amendment—was that the total saving in dollars and cents contemplated by the full application of the Jensen amendment would result in approximately a 10-percent reduction in appropriation for personnel. There was no measuring stick, as I understand, but it was thought that result might be accomplished. In order to go at least a part of the distance the committee accepted the 5-percent proposal. At least that was the basis on which I voted. There is no measuring stick so far as I know except in the minds of those who would like to see the Jensen amendment agreed to. It was their idea that the resultant saving, if advantage were taken of the Jensen amendment, might reduce the appropriations in dollars and cents by approximately 10 percent.

Mr. CHAVEZ. Mr. President, we favor a saving. Of course, we do not want the personnel situation to be thrown out of gear in some particular places. We figure it would be best to save in dollars and cents without interfering with the administration, if the necessity should arise some time, of employing a stenographer or an analyst or some one for a classified position.

Mr. HILL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. HILL. Is it not true that the Jensen amendment was not considered or recommended by the House subcommittee, and was not considered or recommended by the full committee of the House?

Mr. CHAVEZ. That is correct.

Mr. HILL. It was attached to the bill on the floor of the House.

Mr. CHAVEZ. On the floor; yes.

Mr. HILL. An examination of the RECORD will show there was very little debate and very little consideration given to it by the House. Is that not true?

Mr. CHAVEZ. Yes. The subcommittee which is handling the bill at this moment did pay some attention to the matter, and made some suggestions. First, instead of one out of every four there would be one out of every two.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. WHERRY. Is it not a fact that the distinguished chairman of the subcommittee interviewed and contacted the Comptroller's Office and the Bureau of the Budget?

Mr. CHAVEZ. Yes.

Mr. WHERRY. And labored rather assiduously to try to modify the Jensen amendment so the personnel limitation could be worked out on a practical basis. This situation was encountered: It was stated that one office in the Department was more important than another, or that one office was short of help or long of help. The subcommittee was granted certain additional days to work out a practical formula.

Mr. CHAVEZ. Six days.

Mr. WHERRY. It is my opinion that the majority of the committee voted for the Cordon amendment because they felt in the final analysis it would be more practical. I will say that I voted for the Jensen amendment in an effort to make a saving.

Mr. CHAVEZ. Yes. It was felt the Cordon amendment would result in less damage.

Mr. PASTORE. Mr. President, will the Senator again yield?

Mr. CHAVEZ. I yield.

Mr. PASTORE. I merely wanted to obtain information. I did not wish to appear critical.

EMERGENCY FOOD AID TO INDIA—CONFERENCE REPORT

Mr. GILLETTE. Mr. President, I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 872) to furnish emergency food aid to India, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 872) to furnish emergency food aid to India, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'India Emergency Food Aid Act of 1951.'

"SEC. 2. Notwithstanding any other provisions of law, the Administrator for Economic Cooperation is authorized and directed to provide emergency food relief assistance to India on credit terms as provided in section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, including payment by transfer to the United States (under such terms and in such quantities as may be agreed to between the Administrator and the Government of India) of materials required by the United States as a result of deficiencies, actual or potential, in its own resources. The Administrator is directed and instructed that in his negotiations with the Government of India he shall, so far as practicable and possible, obtain for the United States the immediate and continuing transfer of substantial quantities of such materials particularly those found to be strategic and critical.

"SEC. 3. For purposes of this Act the President is authorized to utilize not in excess of $190,000,000 during the period ending June 30, 1952, of which sum (1) not less than $100,000,000 shall be made available immediately from funds heretofore appropriated by Public Law 759, Eighty-first Congress, for expenses necessary to carry out the provisions of the Economic Cooperation Act of 1948, as amended; and (2) $90,000,000 shall be available from any balance of such funds unallotted and unobligated as of June 30, 1951: *Provided*, That if such amount unallotted and unobligated is less than $90,000,000 an amount equal to the difference shall be obtained from the issuance of notes in such amount by the Administrator for the Economic Cooperation Administration, who is hereby authorized and directed to issue such notes from time to time during fiscal years 1951 and 1952 for purchase by the Secretary of the Treasury, and the Secretary of the Treasury is hereby authorized and directed to purchase such notes and, in making such purchases to use, as a public debt transaction, the proceeds of any public debt issue pursuant to the Second Liberty Loan Act as amended: *And provided further*, That $50,000,000 reserved by the Bureau of the Budget pursuant to section 1214 of Public Law 759 of the Eighty-first Congress from funds appropriated by that Act for expenses necessary to carry out the provisions of the Economic Cooperation Act of 1948, as amended, shall not be available for purposes of this section.

"SEC. 4. (a) Funds made available for purposes of this Act shall be used only for the purchase of food grains or equivalents in the United States.

"(b) No procurement of any agricultural product within the United States for the purpose of this Act shall be made unless the Secretary of Agriculture shall find and certify that such procurement will not impair the fulfillment of the vital needs of the United States.

"(c) The assistance provided under this Act shall be for the sole purpose of providing food grains, or equivalents, to meet the emergency need arising from the extraordinary sequence of flood, drought, and other conditions existing in India in 1950.

"(d) The assistance provided under this Act shall be provided under the provisions of the Economic Cooperation Act of 1948, as amended, applicable to and consistent with the purposes of this Act.

"SEC. 5. Notwithstanding the provisions of any other law, to the extent that the President, after consultation with appropriate Government officials and representatives of private shipping, finds and proclaims that private shipping is not available on reasonable terms and conditions for transportation of supplies made available under this Act, the Reconstruction Finance Corporation is authorized and directed to make advances not to exceed in the aggregate $20,000,000 to the Department of Commerce, in such manner, at such times, and in such amounts as the President shall determine, for activation and operation of vessels for such transportation, and these advances may be placed in any funds or accounts available for such purposes, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for these purposes: *Provided*, That pursuant to agreements made between the Reconstruction Finance Corporation and the Department of Commerce, the Reconstruction Finance Corporation shall be repaid without interest not later than June 30, 1952, for such advances either from funds hereafter made available to the Department of Commerce for the activation and operation of vessels or, notwithstanding the provisions of any other Act, from receipts from vessel operations: *Provided further*, That pending such repayment receipts from vessel operations may be placed in such funds or accounts and used for activating and operating vessels.

"SEC. 6. Notwithstanding any other provisions of law, the Administrator for Economic Cooperation is authorized to pay ocean freight charges from United States ports to designated ports of entry in India of relief packages and supplies under the provisions of section 117 (c) of the Economic Cooperation Act of 1948, as amended, including the relief packages and supplies of the American Red Cross. Funds now or hereafter available during the period ending June 30, 1952, for furnishing assistance under the provisions of th Economic Cooperation Act of 1948, as amended, may be used to carry out the purposes of this section.

"SEC. 7. (a) Any sums payable by the Government of India, under the interest terms agreed to between the Government of the United States and the Government of India, on or before January 1, 1957 as interest on the principal of any debt incurred under this Act, and not to exceed a total of $5,000,000, shall, when paid, be placed in a special deposit account in the Treasury of the United States, notwithstanding any other provisions of law to remain available until expended. This account shall be available to the Department of State for the following uses.

"(1) Studies, instruction, technical training, and other educational activities in the United States and in its Territories or possessions (A) for students, professors, other academic persons, and technicians who are citizens of India, and (B) with the approval of appropriate agencies, institutions, or organizations in India, for students, professors, other academic persons, and technicians who are citizens of the United States to participate in similar activities in India, including in both cases travel expenses, tuition, subsistence and other allowances and expenses incident to such activities; and

"(2) The selection, purchase, and shipment of (A) American scientific, technical, and scholarly books and books of American literature for higher educational and research institutions of India, (B) American laboratory and technical equipment for higher education and research in India, and (C) the interchange of similar materials and equipment from India for higher education and research in the United States.

"(b) Funds made available in accordance with the provisions stated above may be used to defray costs of administering the program authorized herein.

"(c) Disbursements from the special deposit account shall be made by the Division of Disbursement of the Treasury Department, upon vouchers duly certified by the Secretary of State or by authorized certifying officers of the Department of State."

And the House agree to the same.

G. M. GILLETTE,
ERIEN MCMAHON,
J. WILLIAM FULBRIGHT,
B. M. M. (proxy),
ALEXANDER WILEY,
H. ALEXANDER SMITH,
Managers on the Part of the Senate.

JAMES P. RICHARDS,
A. A. RIBICOFF,
BROOKS HAYS,
JOHN M. VORYS,
LAWRENCE H. SMITH,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. GILLETTE. Mr. President, for the information of the Senate, and to recall to the minds of the Members this particular measure, I shall make a brief statement.

On May 16 the Senate amended and passed Senate bill 872. The House of Representatives subsequently amended and passed the bill and asked for a conference.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. WHERRY. Three or four Senators who are intensely interested in the measure are absent from the floor. Although a quorum call was had a short time ago, I ask the Senator from Iowa if he will yield in order that I may suggest the absence of a quorum, so it will not be necessary for him to repeat his statement.

The PRESIDING OFFICER. Does the Senator from Iowa yield for that purpose?

Mr. GILLETTE. I ask unanimous consent that I may yield for the purpose of the Senator from Nebraska suggesting the absence of a quorum, without losing the right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. WHERRY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Without objection. it is so ordered.

Mr. GILLETTE. Mr. President, as I stated before the quorum call was started, I have a brief statement to make with reference to the conference report, to refresh the minds of Senators as to some of the provisions of the measure.

On May 16, the Senate amended and passed S. 872. The House of Representatives subsequently amended and passed the bill and asked for a conference. The conferees met three times to resolve the differences between the two Houses.

In reporting to my colleagues, I am glad to tell them that the differences between the two versions were not very great and they were resolved without difficulty by the conferees.

LOAN OR GRANT

On the basic question of whether our help to India should be in the form of a loan or a grant, the two Houses were in agreement. Both versions of the bill provided for a loan.

It will be recalled that the original bill presented to the Senate and reported by the Foreign Relations Committee provided for half loan and half grant, but we amended it in this body to make it all a loan.

As Senators will recall, S. 872 authorized the Administrator of the ECA to negotiate the loan of $190,000,000 to the Government of India for the purchase of food grains, or their equivalents, in the United States. The only difference between the House and Senate in this respect concerned the source of the funds to be loaned. The House version provided funds by means of a public-debt transaction, whereas the Senate bill provided that at least $100,000,000 of the amount should come from funds heretofore appropriated to the ECA, the balance as necessary coming from a public debt transaction. The House conferees accepted the Senate language embodied in section 3 of the report before us.

REPAYMENT IN STRATEGIC MATERIALS

The language of the House and Senate bills differed with respect to providing for partial repayment of the funds loaned by the shipment of strategic materials to the United States. The Senate version referred to "the immediate and continuing transfer of substantial quantities of monazite and manganese" required by the United States. The House language did not refer to these materials by name, but instead called for the transfer of materials "required by the United States as a result of deficiencies, actual or potential, in its own resources." The House language directed the Administrator of the ECA to "so far as practicable and possible, obtain for the United States the immediate and continuing transfer of substantial quantities of such materials particularly those found to be strategic and critical."

While the language of the two bills differed, the conferees felt that there was no difference as to the basic intent of the provisions. It was our belief that the Administrator of the ECA in negotiating the loan of funds to India should make every reasonable effort to seek repayment of the loan in part in strategic materials needed in the United States. We did not believe that specific mention should be made of monazite, a material whose export is embargoed by the Indian Atomic Energy Act. The mention of manganese in the Senate bill seemed unnecessary because at the present time the United States receives about three-fourths of all the manganese which India exports.

For these reasons the House language on strategic materials was included in section 2 of the report. For my part, however, I should not want the Administrator of this program to assume that the acceptance of the House language by the Senate conferees in any way lessens his duty to do the best that he can to acquire the strategic materials mentioned in the Senate bill.

MUNDT AMENDMENT

The Senate will recall that during consideration of S. 872, we adopted an amendment proposed by the Senator from South Dakota [Mr. MUNDT]. That amendment provided that interest received from India on or before 1957 should be deposited in a special account for use in encouraging the exchange of information, technicians, and academic persons between the two countries. It would also have provided funds for the use of American educational and philanthropic institutions operating in India.

No similar language was contained in the House bill, although a similar proposal was submitted but ruled out of order.

The conferees gave most careful attention to the Mundt amendment. The language finally agreed upon is in section 7 of the report before us. It limits the funds to be available to $5,000,000 instead of the sum of $23,000,000 which it was estimated would have accrued as interest prior to 1957, and as provided in the bill as passed by the Senate.

Therefore, instead of approximately $23,000,000 being provided, the sum was cut to $5,000,000.

That part of the amendment which would have provided funds for American institutions operating in India was also stricken. One or two clarifying amendments of the section were adopted.

In view of the vigorous opposition of the House conferees to the Mundt amendment and the fact that the Senate Foreign Relations Committee did not have an opportunity to give careful study to the proposal at the time it was considering S. 872, it seems wise to me that we have been able to agree upon language which will provide limited funds for a trial period. It may well be that if this program develops successfully and to the mutual advantage of the United States and India that additional sums could be made available in the future.

There are a number of other minor changes in the bill which passed the Senate, but upon which I do not think it necessary to comment at this time.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. MUNDT. If the Senator has concluded his statement with reference to the so-called Mundt amendment, I should like to ask him a few questions with reference to it.

Mr. GILLETTE. Certainly.

Mr. MUNDT. First of all, I desire to congratulate the Senator from Iowa and his fellow conferees, especially the Senator from New Jersey [Mr. SMITH], who has been interested in the amendment for a long time, on the very vigorous and successful battle which they made to retain the major portion of the Mundt amendment in the bill. I realize, in view of the fact the House had not acted on the subject matter, and because the Senate Committee on Foreign Relations had not had an opportunity to consider the amendment, that under such handicaps the Senate conferees achieved a major victory for the position supported by the Senate. I should like to inquire, if I may, as to the reasons which induced the conferees to take out of the original so-called Mundt amendment the provision dealing with the availability of money to American eleemosynary institutions in India.

Mr. GILLETTE. In reply to the question of the Senator from South Dakota, let me say that, as he will recall, his amendment contained three subsections with reference to the use of the money. The first one was the section to which he has referred, namely, the allocation for designated educational, agricultural, experimental, scientific, medical, or philanthropic activities to American institutions engaged in such activities in India.

Subsection (b) provided for studies, instruction, technical training, and other educational activities in the United States, and for students, professors, and other academic persons and technicians.

Subsection (c) provided for the exchange of certain technical books, and so forth.

The feeling in the conference committee, which the Senator from Iowa shared, was that the language of subsection (a) was so broad in its terms that it could include educational, agricultural, experimental, scientific, medical, or philanthropic activities on the part of any American institution, without limitation as to the type of institution. Because it seemed to the conferees that there would be provided an open field for abuse of the purpose of the section, it was eliminated.

Mr. MUNDT. I recognize that the language of the amendment could have been defined and clarified. It was drawn in haste. The Senate acted on the bill 24 hours earlier than I thought it would act.

I should like to ask one further question. As the Senator from Iowa knows, the money is to be administered by the division of the Department of State which functions under Public Law 402, commonly known as the Smith-Mundt Act, which provides that the Department of State shall have authority, whenever possible, to utilize American volunteer

and philanthropic organizations in carrying out the terms of the act.

On the basis of what the Senator from Iowa has stated, I do not believe it was the desire of the conferees to preclude that type of administration of funds in the event the Department of State should decide that it could do it more effectively than it could be done by other governmental agencies.

Mr. GILLETTE. I am sure that such was not the purpose of the conferees. It was their purpose that the comprehensive language contained in the subsection referred to should not open the door further.

Mr. MUNDT. Precisely. In other words, the conferees were perfectly willing to have the present type of administration used, but it did not wish to open the door any wider.

Mr. GILLETTE. That is correct.

Mr. MUNDT. I was very happy to hear the Senator from Iowa say that this was a sort of trial run. That statement is also included in the statement made by the managers on the part of the House. It leads me to hope that if the work is satisfactorily and constructively carried out, as I hope it will be, in subsequent legislation, either through appropriation measures or some other device, it may be possible to project it beyond the $5,000,000 limitation.

Mr. GILLETTE. That was in the minds of the conferees. In view of the fact that the Senator from South Dakota was kind enough to speak in approving terms with reference to the work of the Senate managers, I may add that for a time it appeared that their House counterparts would not accept the amendment in any form whatever, because of the fact that it had been stricken out in the House on a point of order. We felt quite pleased that we were able to draft a compromise which the House managers were willing to accept and which would open the door for what the Senator from South Dakota is attempting to do.

Mr. MUNDT. I wish again to congratulate the Senate conferees for their fine work. However, lest it be understood that the entire House was adamantly opposed to the amendment, it should be stated that there were a few valiant gladiators, members of the House Committee on Foreign Affairs, especially Representative JUDD, of Minnesota, who were in agreement on the purport of the amendment.

Mr. GILLETTE. That is absolutely correct. On behalf of my associates I wish to thank the Senator from South Dakota for his complimentary reference to them.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. GILLETTE. I am glad to yield.

Mr. DIRKSEN. I notice that the only difference in the arrangement is that under the Senate version, available appropriations would be used, as distinguished from a public debt transaction. However, if at a later time the ECA required a restitution of these funds, the impact on the public debt will be exactly the same. Is not that the Senator's estimate of the matter?

Mr. GILLETTE. I think that is a fair statement.

Mr. DIRKSEN. I should like to ask a question in regard to the amendment which was offered on the floor of the Senate by the Senator from New Hampshire [Mr. BRIDGES]. As I remember the text of that amendment, it made rather specific provision that we could expect something by way of importations of monazite sand and manganese; I think those were the two particular items which were mentioned.

However, the conference report simply provides, in that regard, that—

> The Administrator is directed and instructed that in his negotiations with the Government of India he shall, so far as practicable and possible, obtain for the United States the immediate and continuing transfer of substantial quantities of such materials particularly those found to be strategic and critical.

According to that provision, the transaction will not really be on a quid pro quo basis, as we have heretofore expected that it would be. In other words, the matter including, of course, the repayment of the loan, will be wholly within the discretion of India. It will be wholly within India's discretion whether we get any of those materials finally.

Mr. GILLETTE. It will not be wholly within the control of India, because under the negotiations which are to be arranged for the culmination of this transaction, the Administrator of ECA is directed by action of the Congress to make this effort. What will actually be obtained of course will be a matter under his control.

Mr. DIRKSEN. However, the point I make is that if Mr. Nehru or if the Government of India were to say, "We are sorry, but it is not practicable to send you any jute or any monazite sand"—which is thorium-bearing, and which we need in our country at the present time—"and it is not possible or practicable, because we may get into difficulty with some of our oriental neighbors if we do it, to send you any manganese," that would end the story, so far as we were concerned, and we would not get a pound of those critical materials, notwithstanding the largesse of the American people.

Mr. GILLETTE. That is true, but then India would not get the loan. We provide that these negotiations shall be carried on "so far as practicable and possible." That is one of the conditions under which we make the loan. We direct the Administrator of ECA to obtain these materials "so far as practicable and possible."

Mr. DIRKSEN. How are we to express the matter so that it can be put on a quid pro quo basis, so that we shall be sure that we shall get some of these materials, which we need today?

Mr. GILLETTE. It cannot be pressed under the terms of this measure, because as reported by the conference committee, it is simply a directive that the ECA Administrator, from whom the loans will come, shall work out "so far as practicable and possible" an agreement for the repayment of some of these funds in such materials as are in short supply and of which we are in need. It is a directive, and it has behind it the full force of action by both Houses of Congress. If that cannot be worked out, the loan does not have to be put into effect. It is an attempt to protect the loan insofar as we can do so.

Mr. DIRKSEN. Let me say to the Senator that it seems to me this general language presents the very problem which disturbed the Senator from New Hampshire [Mr. BRIDGES], and which disturbed me, at the time when the bill was before us on the floor of the Senate, prior to its passage by the Senate.

If the Government of India is going to carry out its intention and is simply going to say, "We are sorry, but in this atomic age we cannot afford to develop any trouble with our neighbors, and consequently you should not press us on this point," then, according to all the practical processes in Government with which I am familiar, the net result will be that we shall not get any of these materials, whether we like it or not, notwithstanding the fact that the words "directed and instructed" are to be applied to the ECA Administrator, because Mr. Nehru and the Indian Government have indicated before now in their messages which have come here that they do not propose to liquidate this undertaking with critical materials.

Mr. GILLETTE. I am not quite so pessimistic as is the Senator from Illinois, Mr. President. The fact remains that we are making available funds of the United States, at the request of India, as a loan to India, under terms which we specify, for the use of their starving people. We had a perfect right to include in the bill as it passed the Congress, as we have done, certain provisions directing the Administrator of the ECA in negotiating the loan to request and demand that repayment be made in certain materials. If India does not want the loan, India does not have to take it.

Mr. DIRKSEN. However, it is, in my judgment, a foregone conclusion that India will get the loan and that we shall not get the things we need most.

Mr. GILLETTE. Again I am not so pessimistic as is the Senator from Illinois.

Mr. DIRKSEN. Mr. President, there are two other questions which I should like to ask in this connection, if the Senator will yield further.

Mr. GILLETTE. Yes; I yield.

Mr. DIRKSEN. Subsequent to the consideration of this bill in the Senate and when it was passed by the Senate I saw a statement by a responsible Indian official to the effect that the famine in India had been overemphasized and was not nearly so bad as had been represented to the House of Representatives and the Senate. Did that come to the attention of the conferees?

Mr. GILLETTE. Not during the meetings of the conference committee. It was not discussed in the conference committee. It came to my attention thereafter. I have been disturbed about that matter, and I shall refer to it later in the day.

Mr. DIRKSEN. Then the Senator from Iowa did see the statement and was disturbed about it, as I was; was he?

Mr. GILLETTE. I saw the statement subsequent to the conference committee's meeting.

Mr. DIRKSEN. Are the concessions in regard to ocean freight and the advances which may be made by the RFC for shipping, in case vessels are not available, to be added to the amount, or are they included in the $190,000,000? From the language of section 5 of the conference report I cannot tell whether they are included or are in addition to the $190,000,000.

Mr. GILLETTE. Does the Senator refer to the $20,000,000 item?

Mr. DIRKSEN. Yes.

Mr. GILLETTE. I now read from the conference report, in section 5:

> The Reconstruction Finance Corporation is authorized and directed to make advances not to exceed in the aggregate $20,000,000 to the Department of Commerce, in such manner, at such times, and in such amounts as the President shall determine, for activation and operation of vessels for such transportation, and these advances may be placed in any funds or accounts available for such purposes, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for these purposes: *Provided*, That pursuant to agreements made between the Reconstruction Finance Corporation and the Department of Commerce, the Reconstruction Finance Corporation shall be repaid without interest not later than June 30, 1952, for such advances either from funds hereafter made available to the Department of Commerce for the activation and operation of vessels, or, notwithstanding the provisions of any other act, from receipts from vessel operations.

When this matter was before the Foreign Relations Committee, at the hearings, the evidence we had was that there was little doubt that the entire cost would be repaid from the earnings of these vessels with return cargoes and future charges.

Mr. DIRKSEN. But the repayment provisions in section 5 relate only to repayments and reimbursements made by the Department of Commerce to the RFC; do they not?

Mr. GILLETTE. That is correct.

Mr. DIRKSEN. I am wondering whether there are to be reimbursements for the carrying charges, in addition to the $190,000,000 that is involved?

Mr. GILLETTE. It is difficult to tell.

Mr. DIRKSEN. Certainly the language of the conference report is not clear as to that.

Mr. GILLETTE. My honest personal opinion is that they would not be included, but I do not possess sufficient knowledge to be able to answer that question.

Mr. DIRKSEN. I simply wish to make this concluding observation, Mr. President: First, I say to my friend from Iowa that I think the conferees have done a good job.

Mr. GILLETTE. I thank the Senator.

Mr. DIRKSEN. But, on the other hand, I have not been divorced from the sense of distress which I previously had with respect to what we are going to get in return. When this bill was under consideration on the floor of the Senate, prior to its passage, I said that it seemed to me that we had been following a course of conduct by means of which we would scarcely receive our fee while the situation was emergent, and then later the debt would be blithely forgotten and our people would be left to hold the sack.

So, Mr. President, if there were to be a record vote on this measure—although I shall not press for one—I doubt very much whether I would support it in its present form.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. WHERRY. I do not wish to belabor the conference report, but I am very much interested in section 2, which was just brought to the attention of the Senator from Iowa by the junior Senator from Illinois [Mr. DIRKSEN]. That section is the so-called Bridges amendment with respect to the procurement of strategic materials.

I remember that the Senate very strongly favored that amendment. There was considerable sentiment in favor of it, and it was accepted. The vote was unanimous; there was not one vote against it.

Mr. GILLETTE. That is correct.

Mr. WHERRY. It was taken to conference. As the Senator from Iowa well knows, I have a deep respect for him, and I know that conferences are held in the attempt to resolve differences. But, with a unanimous vote, I ask the distinguished Senator why it is that we must recede a long way from the Bridges amendment, and write into the bill merely a pious hope? I think it comes to that. Upon what basis did the conferees on the part of the Senate recede from the Bridges amendment, and upon what basis are we now asked to accept a provision which, to my mind, is certainly permissive and not mandatory, a provision which, as I have said before, expresses merely a pious hope, if it does anything at all?

Mr. GILLETTE. Answering the distinguished minority leader, I may say that I believe he is in error with reference to the vote.

Mr. WHERRY. The Senator refers to the vote on the Bridges amendment, I take it.

Mr. GILLETTE. There was no yea-and-nay vote. In addition to that fact, there was colloquy on the floor, in which the Senator from New Hampshire, the author of the amendment, asked the Senator from Iowa whether he would accept the amendment. The Senator from Nebraska said, "I understand the Senator from Iowa is accepting the amendment." The Senator from Iowa said, "No, I am not accepting the amendment, but if the Senate directs that it be taken to conference, I am willing to take it to conference."

Mr. WHERRY. And so we had a vote.

Mr. GILLETTE. The question was put.

Mr. WHERRY. That is correct.

Mr. GILLETTE. And, without a dissenting vote, the amendment was taken to conference.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. WHERRY. Wherein, then, was the Senator from Nebraska incorrect? The vote was unanimous, was it not? It was a voice vote, it is true.

Mr. GILLETTE. It was a voice vote, and there was no dissenting vote, as I recall.

Mr. WHERRY. That is correct. To my mind, that was as strong a vote as there would have been had a yea-and-nay vote been taken, in view of the fact that there was not a dissenting vote.

I do not want the Senator to feel that I am critical. I have participated in conferences, and I know that is sometimes very difficult to resolve a situation. But this amendment is so important that I am wondering whether the conferees might not have come back to the Senate to request further instructions on it. It seems to me the Senate is completely abandoning its position. Was any new evidence presented to the conference, or anything of that kind?

Mr. GILLETTE. No, there was not. Of course, the conferees on the part of the Senate had in mind the circumstances under which the amendment was included in the bill on the floor of the Senate. They also had in mind the fact that there was a question as to the availability of monazite, and the fact, which was presented to us in conference, that the Government of India had a specific prohibition against the exporting of monazite sands. In view of that fact, the conferees feel that they assisted in working out in conference an amendment which meets the purpose which the Senator from New Hampshire had in mind, namely, the purpose of insisting, and of expressing the intent of the Congress to the effect, that in the negotiation of this loan the fullest consideration should be given to strategic materials, without at the same time naming the materials.

Mr. WHERRY. Except that the amendment is certainly permissive in nature. The matter is left really to the decision of ECA, under the foreign-aid program.

I merely wish to make my position clear. Time and time again an amendment on the subject of strategic materials has been offered on the floor of the Senate, not only in connection with this bill, but in connection with other measures. Each time it finally results in the adoption of a permissive amendment, an amendment which really means nothing so far as reciprocity is concerned, or so far as the maintenance of a two-way street is concerned. I supported and voted for the India food program, but one of the important considerations which influenced my decision was the Bridges amendment. To me, the report of the conferees puts an entirely different aspect upon the situation; and I have to adopt a new approach in order to support the conference report.

Mr. GILLETTE. It is true, as the Senator from Nebraska has said, that the language adopted by the conferees is not compulsory.

Mr. WHERRY. That is correct.

Mr. GILLETTE. But it certainly constitutes a directive; it expresses the intent of the Congress that the adminis-

trative officer, in the negotiation of the loan, shall try to carry out the wishes of Congress.

With reference to the shipment of monazite sands, I do not believe there is a Member of the Senate who would agree that we should take a position by which we would knowingly consent to a violation of the plain intent of our Atomic Energy Act by permitting the shipment of plutonium or uranium out of this country. That is analogous to what we would be requiring of India as the basis of a loan, before we would make food available to her.

Mr. CHAVEZ, Mr. LANGER, and Mr. FERGUSON addressed the Chair.

The PRESIDING OFFICER (Mr. HUNT in the chair). Does the Senator from Iowa yield; and if so, to whom?

Mr. GILLETTE. I agreed to yield to the Senator from New Mexico. When I have first yielded to him, I shall then yield to the Senator from North Dakota, and then to the Senator from Michigan.

Mr. CHAVEZ. The country as a whole is interested in monazite sand. It so happens that in my State we are interested in jute. Does the directive which has been written into the bill by the conference have anything to say in regard to jute?

Mr. GILLETTE. It covers all strategic materials. It covers jute, as well as other materials.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. GILLETTE. Before I yield to the Senator from North Dakota, I desired to call attention to the language which the Senator from Iowa used at the time the Bridges amendment was pending. From the CONGRESSIONAL RECORD of May 16, 1951, page 5411, I read:

> Mr. BRIDGES. Mr. President, I should like to ask the distinguished Senator from Iowa whether he will be willing to accept my amendment.
>
> Mr. GILLETTE. Mr. President, I am not willing to accept the amendment. I think it is fully covered in the general terms of the amendment submitted by the Senator from Michigan [Mr. FERGUSON], for himself and other Senators. However, I am willing to take the amendment of the Senator from New Hampshire to conference, to see if the language can be worked out.

Mr. WHERRY. Then there was a vote on the amendment, was there not?

Mr. CHAVEZ. That is correct.

Mr. GILLETTE. Yes, there was then a vote on the amendment, because of the fact that the Senator from Iowa did not accept it. The Presiding Officer put the question to the Senate on agreeing to the amendment.

Mr. WHERRY. That is correct.

Mr. GILLETTE. There was a voice vote.

Mr. WHERRY. It had the same effect as though there had been a yea-and-nay vote, as far as I am concerned.

Mr. GILLETTE. I think there is no doubt about that. I yield now to the Senator from North Dakota.

Mr. LANGER. Has not the situation in India changed very materially since this bill was passed by the Senate?

Mr. GILLETTE. The Senator from Iowa has no direct information, but, judging from published reports, it has changed.

Mr. LANGER. Does not the very fact that Red China has taken over Tibet make a big difference?

Mr. GILLETTE. I think that is undoubtedly true.

Mr. LANGER. Is it not also true that today the Government of India is in power simply because the Communists of India, up to the present time, have not overthrown the government?

Mr. GILLETTE. I do not believe the conclusion is justified, I may say to my distinguished friends, that the present Government of India is in power simply because of that factor. It is a factor, undoubtedly, of its continuance in power.

Mr. LANGER. The Senator is familiar, is he not, with some of the articles which have appeared recently in the newspapers, stating that Nehru has lost practically all of his power, and that India is rapidly becoming a Russian satellite?

Mr. GILLETTE. That is very disturbing to the Senator from Iowa, and to every other citizen of the United States.

Mr. LANGER. In view of that situation, does the Senator believe that we should send $190,000,000 to India?

Mr. GILLETTE. That, of course, is a decision which the Congress must make. I know that the Senator from Iowa, and I feel sure every other Member of the Congress, has had in mind, more than anything else, humanitarian needs.

While I have a deep interest in governmental philosophies and ideologies, I also have a profound interest in aiding starving children. There was a need in that regard which was presented to us as being of extreme moment, and out of our resources I think the people of the United States, and I know the Members of Congress, are willing to contribute.

Mr. LANGER. Would the Senator from Iowa be willing to send $190,000,000 worth of grain to starving children in Russia?

Mr. GILLETTE. That is a very tough question to ask the Senator from Iowa. If it could be sent to them without contributing to the Russian effort to communize the world, I think I would be willing to contribute food out of my own limited resources.

Mr. CHAVEZ. I would join the Senator.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. DWORSHAK. Does the conference report stipulate that our Government will assume the transportation cost of the wheat, or whether the expense shall be included in the $190,000,000?

Mr. GILLETTE. The reports of both committees, I think, make it clear that India is to assume the cost of transportation from our port of embarkation.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield to the Senator from Michigan.

Mr. FERGUSON. Under the bill as embodied in the conference report, the money involved is all a loan, and not a grant. Is that correct?

Mr. GILLETTE. That is correct.

Mr. FERGUSON. Under the wording of the conference report, or, at least, according to the statements made on the floor today, those who are to negotiate are instructed to keep in mind that American needs certain strategic materials, and that in negotiating the loan there should be an understanding between the two nations that the loan is to be repaid by permitting exports of jute, magnesium, and certain other materials—

Mr. GILLETTE. Strategic materials.

Mr. FERGUSON. Without naming them?

Mr. GILLETTE. Without naming them.

Mr. FERGUSON. When I first drafted my amendment, which was designed to provide a loan instead of money, I used the words "so far as practicable," in connection with furnishing strategic materials.

Mr. GILLETTE. That is the identical language of the Senator's amendment.

Mr. FERGUSON. But that was amended by the Senator from New Hampshire [Mr. BRIDGES], who proposed to name the particular commodities, and to make it mandatory. If our negotiators have the interest in America which they should have and if India has in mind the fact that what is provided is a loan and represents an endeavor by America to furnish wheat for India's starving population, does the Senator feel that, with these instructions, they would agree there is no conflict with a basic principle? For instance, the Senator indicated that if some nation tried to make a deal for a loan with America, they should pay the loan by furnishing strategic materials, if possible, or work out an arrangment for providing monazite sand if it would not interfere with a fundamental principle. Does not the Senator from Iowa feel that something of that kind should be worked out, if India really wants wheat? At times the Senator from Michigan has had some doubt that India wants really to make a contract in relation to wheat, which might be for the reason that the great need in India today is for rice. For centuries the Indian people have been accustomed to a diet of rice. When a person gets very low on calories, he is better able to digest and to assimilate a rice diet than a wheat diet. Therefore, what the Indians really need is rice, but they cannot get it from Burma, China, Indonesia, and some other countries, and they probably will want the money proposed to be loaned in order to buy wheat from America because of the condition of famine in India at the present time. Does the Senator feel that there is something to that statement?

Mr. GILLETTE. I think the Senator from Michigan has made a very sound and helpful statement, but I should like to amplify the statement he has just made by reference to what I have said on the floor of the Senate with reference to the directive in the bill. In addition to that, the report of the House managers to the House, and our report to the Senate, state as explicitly as language can state what we want done, and I do not believe any executive officer would refuse to carry out a directive which is so clear and concise as is the directive we have included.

Mr. FERGUSON. Whether a deal is made between India and the United States will depend upon whether India can really use the wheat and must have it, and whether we desire to serve the interests of America.

Mr. GILLETTE. That is correct. While carrying on this colloquy with the Senator, I should like to say that his amendment with respect to the requirement that the President proclaim that private shipping is not available before additional ships are broken out of the reserve fleet was taken to conference.

Mr. FERGUSON. I am glad to know that.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. SMITH of New Jersey. I wish to express my appreciation for the splendid leadership which the Senator from Iowa has shown. I have been closely identified with him, and I am very glad to endorse the report of the conferees. I appreciate the splendid exposition which the Senator from Iowa has made on the floor.

We considered the monazite question very carefully, and feel that the way the House and Senate conferees reported the final bill is in the interest not only of India, but of the United States of America as well. It was dealt with in a most effective manner in order to protect our interests, as well as those of the Indian people.

I again desire to emphasize the importance of feeding the women and children of India, who are in no way to blame for the actions of their government. We should think in terms of feeding women and children, and endeavor to work out a program so that our negotiators can deal with the Indian negotiators in reference to the way in which the loan can be paid.

I again commend the Senator from Iowa for his splendid exposition.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. GILLETTE. Since the Senator from New Jersey was kind enough to pay me a compliment, I desire to say, without reservation, that the proposed legislation would not have reached its present stage if it had not been for the insistent, persistent, and consistent efforts of the Senator from New Jersey.

Mr. SMITH of New Jersey. I thank the Senator.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. GILLETTE. I now yield to the Senator from North Dakota?

Mr. LANGER. Does the Senator expect any part of the $190,000,000 ever to be repaid?

Mr. GILLETTE. Judging by our experience with loans made in the past, there is no occasion for any enthusiastic optimism.

Mr. LANGER. We have been considering a 5-percent cut in an appropriation bill through an amendment offered by the distinguished Senator from Michigan. I understand a similar amendment is to be offered to another appropriation bill, providing for a 10-percent cut with respect to independent agencies. Does not the Senator believe we should have a record vote on the question of giving away $190,000,000 of the taxpayers' money?

Mr. GILLETTE. We are not proposing to give it away. It is a loan. Regardless of our sad experience with the older nations of the world, India is a new Republic which may be anxious to keep its credit good. We are making a loan for a wonderful purpose. I think there is ground for entertaining a hope, not based on the record of some of the nations to whom we have loaned billions of dollars, but on the purpose behind the loan and on the reasonableness of our expectation, that some of it will be repaid.

Mr. LANGER. In view of the statement made by the Senator from Illinois that he will not ask for a record vote, I may say that I am going to vote against the report, because I believe in first taking care of the destitute in the United States. Does not the Senator think we should have a record vote when we are to give away $190,000,000? Does he not believe that we should go on record?

Mr. GILLETTE. I am willing to go on record. I am not speaking for other Members of the Senate. That is within their province.

Mr. LANGER. The distinguished Senator from Illinois stated that while he is opposed he will not ask for a record vote. I want to say that the Senator from North Dakota is going to ask for a record vote.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SMITH of North Carolina in the chair). Does the Senator from Iowa yield to the Senator from Michigan?

Mr. GILLETTE. I yield.

Mr. FERGUSON. The Senator from Michigan feels it is rather unfortunate that it is indicated on the floor of the Senate that while we are making a loan, in effect we do not expect to be paid back; we believe another nation will sign a note, take upon itself a solemn obligation to repay a loan, yet that we upon the floor of the Senate are passing the measure with the mental reservation that the loan will not be paid back.

When it was proposed that this transaction be in the nature of a loan, as a Senator from Michigan I had sincerely in mind that it would be an obligation of a nation among the family of nations, which was duty bound morally and legally to repay the money.

I believe that America's future conduct in international relations will depend upon how we distribute money to the four corners of the earth, and whether other nations believe we want them to keep their obligations as members of the family of nations; whether they will believe that we expect every other nation, when it signs a treaty, when it undertakes an obligation, to keep it.

We can honestly anticipate that Communist Russia, which uses words merely for the purpose of covering up, and says, "loan," when it does not mean "loan," and "grant" when it does not mean "grant," will not carry out the provisions of a treaty into which it enters. We can honestly expect that such a nation will not be expected by the community of nations to keep a treaty. But I hope that every other nation that gives lip service to democracy will feel that it is obligated to do as Finland has done, keep its obligations. Finland has kept its obligations under the severest of conditions.

Mr. President, I hope that what we say on the floor today will mean to India, whether Mr. Nehru is in power, or whether there be some other ruler or government, that we think she should repay her debt and keep her obligation.

The Senator from Michigan has great respect for the Indian people and likes them, having been in India on several occasions, he believe that if they are given the power to speak, they will repay this loan as soon as possible, and will not look upon it as a gift from America.

Mr. LEHMAN and Mr. LANGER addressed the Chair.

Mr. GILLETTE. Mr. President, before I yield I desire to say that I endorse the statement just expressed by the Senator from Michigan. As a Senator from Iowa I may add that I have not abandoned hope that there are in the community of nations, in the international association of nations, some remnants of the same principles of morality and honor and respect for obligations which I believe still exist in the vast majority of the individuals composing this Nation. Even in the face of the fact that we see individuals violate their spoken word, and fail to carry out their obligations I am not willing to believe that all individuals subscribe to that course of conduct. While there are instances in which there seems to be a denial of obligation under international compact, I am not willing to admit that there is not a sense of honor and decency among civilized nations. God forbid that we should ever reach the point where we must make such an assumption.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield to the Senator from New York.

Mr. LEHMAN. I merely wish to say, in response to what the Senator from Michigan has stated, that I have known a great many citizens of India. I have met many of them. I worked closely with many of them during the years when I was Director General of UNRRA. It gives me great satisfaction to say that I know of no people who have a higher sense of honor, who are more proud, who are more sincere, who are more honest and more concerned not only with their own ills but with the ills of the world, than the people of India.

During the years I was Director General of UNRRA, India, even though many of its people were underfed, though many were starving, made available $30,000,000 for the international fund which was dispensed by UNRRA, and that money was used to relieve the suffering, the starvation and illness of people in the war-stricken countries. Not 1 cent of that money was used in India. The Indian people did not ask UNRRA for 1 cent. They were willing to make sacrifices so as to make available to UNRRA

and to the people of the suffering countries of the world the great sum of $30,000,000.

I conclude by again saying that I know of no people who have a higher regard for their commitments, who are more honorable, who are more sincere, who have a deeper sense of pride and of conscience, than the people of India.

Mr. GILLETTE. I thank the junior Senator from New York for his timely contribution.

I now yield to the Senator from North Dakota.

Mr. LANGER. Mr. President, the Senator from North Dakota is just as charitable and, I think, as big-hearted as is the average man in this country. I call the attention of Senators to the fact that in this case we are not asked to give away our own money. We are asked to vote to give away the money of the taxpayers. The Senator from Michigan, the Senator from Iowa, and the Senator from New York can dream on and dream on; but after World War I we went through the same procedure. We know what happened. Finland alone paid. Yes, Finland alone paid. We have gone through a similar experience before. We have talked about civilized nations and talked about honor. During World War II, for example, we were associated with many countries that today will not even send one soldier to Korea. We are financing the war in Korea and doing overwhelmingly the greatest amount of the fighting.

So far as I am concerned, I shall wait until we receive some quid pro quo before I vote to take the American taxpayers' money and give it away. We are giving away billions upon billions of dollars. We are talking about giving away $190,000,000 more, and the senior Senator from Iowa says we are not going to get it back.

Mr. President, the position of the senior Senator from North Dakota has been stated. I hope we may have a yea-and-nay vote on the report.

Mr. THYE. Mr. President, will the Senator yield?

Mr. GILLETTE. I will yield to the Senator from Minnesota in a moment. In reply to the very able Senator from North Dakota, I wish to say that when he suggests that the Senator from Michigan, the Senator from New York, and the Senator from Iowa may dream on, I hope he will leave us our dreams. There are many factual situations with which we are faced, but I trust we can continue to hope, I trust we can dream, I trust we can continue to have a little faith in humanity as individuals and humanity as associations of individuals. Let the Senator from North Dakota leave that with us. Do not take it away on the basis of the foundation to which he has alluded.

Mr. LANGER. Mr. President, I may say that the words of the distinguished Senator from Iowa remind me of the words of William Gibbs McAdoo after World War I. The words are identical. After that war was over billions upon billions of dollars were given to country after country after country. The recipients said they were going to pay us back, but when we asked them to pay back some of the money they called us Uncle Shylock. I think Senators will find that human nature has not changed.

Mr. THYE. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield to the Senator from Minnesota.

Mr. THYE. I thank the Senator from Iowa for yielding.

In connection with this loan to India—and it is a loan—I believe that we can expect that nation to pay it back, either in merchandise or in materials which we can use, or in credit or currency.

There have been times in the history of the various States of the Union when their credit was strained and they were unable to honor their obligations. Yet history has shown that when the time arrived that they were able to do so, they paid their obligations, with past-due interest, and reestablished their credit so that they might again have a market for their bonds, which were issued for roads and other improvements.

So, as we have seen instances of financial difficulty within the States of our great Nation, we can expect to see financial difficulties in the affairs of the nations of the world. In this particular instance, so far as India is concerned, I think there is dire need for this loan. There is dire need for food grain. I sat through all the committee hearings. All the information which I received indicated that India needs this aid, and should have had it at an earlier date than this.

I certainly hope that we shall have no further difficulty in approving the conference report.

Mr. GILLETTE. Mr. President, I sincerely thank the Senator from Minnesota for his very helpful and pertinent remarks. I wish to add just two paragraphs to the statement which I was making when I was interrupted by various Senators.

I invite the attention of the Senator from Massachusetts [Mr. SALTONSTALL] to the fact that his amendment requiring the Secretary of Agriculture to find and certify that the procurement of agricultural products will not impair the fulfillment of the vital needs of the United States before any food is shipped, is still in the bill.

I should like to say to the senior Senator from Washington [Mr. MAGNUSON] and the senior Senator from Maryland [Mr. O'CONOR] that the language which makes the relevant provisions of the ECA Act, as amended, applicable to this legislation, is still in the bill, thereby assuring that 50 percent of the commodities shipped will be carried by American-flag vessels.

The junior Senator from Minnesota [Mr. HUMPHREY] will be glad to know that his amendment authorizing the ECA to pay ocean freight charges to India for relief parcels is still in the bill, although it has been amended to make it clear that the provision also applies to the supplies of the American Red Cross.

I hope that we will act quickly on this conference report so that the people of India may know that the people of the United States are willing to give them a helping hand in time of need.

I move the adoption of the conference report.

Mr. BRIDGES. Mr. President, I have listened with interest to the distinguished Senator from Iowa as he has presented the conference report to the Senate. I realize that it is very difficult to accomplish all of one's objectives in any conference between two bodies such as the Senate and the House. I have served on too many conference committees to question the reports of conference committees. However, I wish to make a few suggestions.

I desire to point out to Senators that by this bill we are contributing to the confused foreign policy which has been wrought by the administration's State Department. I have favored the movement to provide wheat for India. I believe that it is a humane project. I believe that any project to relieve human suffering caused by famine conditions certainly deserves the attention and consideration of this great country.

Over the years America has been very generous—generous almost to a fault, I think. We have poured out billions of dollars to many countries since World War II. Today, some of those countries are our enemies. Some of them have failed to keep the first points of the arrangements which were made. I regret their actions, but we must face realities. In my opinion, the only way to judge the future is by the events of the past.

I am aware of and I support the necessity of providing relief for human suffering. The people who starve in India this summer will know little of the political events which have contributed to their plight.

I wish to point out to the Senators that the provisions of this bill do not have the color of a quid pro quo agreement with India. This is an outright loan, for the purpose of supplying food grain to India. When we pass this bill we automatically take the position of backing India in a trade war with Pakistan. We profess to be friendly with the people of Pakistan. However, it will be most difficult for the people of that country to understand our action. Our diplomacy has failed—if any real effort was made to acquire and cement friendly relations between this nation and the Moslem world.

Had we enacted an exchange provision with India, I do not see how any country in the world could have complained. I think the distinguished Senator from Illinois [Mr. DIRKSEN] has perhaps put in as simple words as possible what the bill means. It means a direct loan. It means a hope that somehow, something will be done to provide an exchange of vital commodities between these two nations.

Let there be no misunderstanding about this issue. America is engaged in a struggle for her existence. It is a struggle to provide leadership for the free world. If leadership does not come from America, it will come from no

other country. When any other nation on the face of the globe gets into trouble, it can turn to some bigger or stronger nation in the free world. But when the United States gets into difficulty, there is no larger or stronger nation in the free world to which we can turn. We are the core of resistance. We are the final wall of freedom; and from our bastions must come the leadership to carry the free world to peace.

So, in spite of the fact that we have a great humane interest in the suffering of people in other nations, as Americans we are certainly being practical and realistic, and looking to our own security and ability to provide leadership in a troubled world, when such Senators as the Senator from Illinois [Mr. DIRKSEN] and others join in my effort to arrive at some practical arrangement under which we can obtain vital materials which are so desperately needed to prepare the defenses of our country.

The time may come when the dreams of the Senator from Iowa will not materialize. He stated that he wanted to be able to dream. I hope he can continue to dream. I, too, want to dream. But the Senator from New Hampshire realizes that a dream is not always practical. A dream is an illusion. It is unreal. Therefore, while we may have our illusions and our unreality, and our dreams, we must finally get down to bedrock, to something practical. The practical consideration is that we must have jet engines. We must have jet engines to deliver the atom bomb. We must have the vital materials which will prepare us so that we can maintain our core of strength in the world.

The bill as amended by the Senate and sent to conference would have provided some of the necessary materials to help make this country strong. I regret very much that the Senate conferees were unable to arrive at an agreement with the House conferees which would have retained in the bill the provisions to which I have referred, which were fair provisions, provisions which I think would have been complied with by any country which was trying to be cooperative.

I sincerely hope that the dreams of the Senator from Iowa will come true. I sincerely hope that they may materialize. I hope that our State Department, in working out the executive agreement, will be a little more practical than it has been in the past; that it will provide a little more positive leadership than it has shown in the past, and that it will approach the problem on a little more realistic basis. This is my dream so that not only will our great country render a service to hungry people in other lands, but also they will work out a practical arrangement whereby we may get some help in return for our effort. Our principal project after all, is building an America strong enough to be able not only to defend ourselves but also to give to other nations the leadership which they must have from us and which they cannot get anywhere else in the free world.

I hope we will solve our difficulties by peaceful methods. However, if the time ever comes when our country is in a fight for its very life, when bombs start dropping on our cities, when civilians are killed; then if we do not have the materials at hand with which to go forth and fight to defend our country, I will not have it said that the Senator from New Hampshire did not stand up on the floor of the Senate while there was yet time to call attention to the facts and make a fight to have such arrangements incorporated in the so-called India wheat bill.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. WELKER. I am sorry that I did not hear all of the debate in connection with the pending conference report. Can the Senator from New Hampshire enlighten me as to why the conference committee could not devise a plan by which America could get the monazite sands from India?

Mr. BRIDGES. I could not tell the able Senator from Idaho, because, as he well knows, I was not a member of the conference committee. Therefore he would have to address his question to one of the members of the conference committee, presumably the chairman of the committee.

I had hoped the committee would retain the provisions which the Senator from New Hampshire proposed, in which he was supported by other Senators, and on which the Senator from Illinois [Mr. DIRKSEN] made an outstanding speech. The provision included the assignment of manganese and monazite sands, which are two very vital materials in our effort to build up our defenses. As it is, we are now left with no definite arrangement. All that we have now is the hope that some arrangement will be worked out. I still hope, too, but I shall have to await results.

Mr. WELKER. In other words, it is an Indian gift, or a one way deal, in which we do the transferring and India does nothing in return?

Mr. BRIDGES. No; although that is what it may result in. It is said as I understand from the report, that the details are to be worked out. Instead of having the details spelled out, so that we would be assured of what we would be getting, we are in effect providing a blank check, and I have never believed in signing a blank check.

The PRESIDING OFFICER. The question is on agreeing to the report.

Mr. LANGER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Ellender	Johnston, S. C.
Bennett	Ferguson	Kerr
Benton	Frear	Kilgore
Brewster	Fulbright	Knowland
Bridges	George	Langer
Butler, Md.	Gillette	Lehman
Butler, Nebr.	Green	Long
Byrd	Hayden	Malone
Cain	Hendrickson	McCarran
Capehart	Hennings	McCarthy
Chavez	Hickenlooper	McClellan
Clements	Hill	McFarland
Connally	Hoey	McKellar
Cordon	Holland	McMahon
Dirksen	Hunt	Monroney
Duff	Ives	Moody
Dworshak	Jenner	Morse
Eastland	Johnson, Colo.	Mundt
Ecton	Johnson, Tex.	Neely
Nixon	Schoeppel	Thye
O'Conor	Smathers	Underwood
O'Mahoney	Smith, Maine	Watkins
Pastore	Smith, N. J.	Welker
Robertson	Smith, N. C.	Wherry
Russell	Sparkman	Williams
Saltonstall	Stennis	Young

The PRESIDING OFFICER (Mr. FREAR in the chair). A quorum is present.

The question is on agreeing to the conference report.

Mr. LANGER. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 267) making an additional appropriation for the legislative branch for the fiscal year 1951, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 267) making an additional appropriation for the legislative branch for the fiscal year 1951, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New York [Mr. LEHMAN] to the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and other Senators.

Mr. LEHMAN. Mr. President, I rise again to urge the adoption of my amendment to the amendment offered by the distinguished senior Senator from Michigan.

Those of us who support my amendment to the amendment of the Senator from Michigan do not ask for increases in the appropriations, but we are fighting against reductions. I wish to point out that in the bill as reported by the Appropriations Committee, the appropriations have already been substantially reduced below the budget estimates.

Mr. President, research is the backbone of medical progress. Gains which may seem to be small may result in the saving of many thousands of lives. Important developments in the field of research may change history. The splendid work done by the Public Health Service and by our Health Institutes is recognized the world over.

At the recent conference on health, held at Geneva, which I attended in company with my distinguished colleague, the junior Senator from California [Mr.

NIXON], I heard nothing but praise and admiration expressed for the work done by the Public Health Service of our country. The value of research work is now recognized throughout the entire world. I think that if the junior Senator from California were on the floor of the Senate at this time, he would bear me out when I state that even the poorest countries are bending every effort to improve their health and sanitary conditions.

Mr. President, when I was governor of my State, during the depression years commencing in 1932, I was able through economy and careful administration to convert a deficit into a large surplus which happily I was able to leave to my successor. At that time I was called a penny pincher, and I suppose I was. I had to be a penny pincher in order to balance the State budget during those extremely difficult years. However, Mr. President, let me say that with all my preoccupation with the subject of economy, there were two activities on which I refused to economize: first, the health of our people; and, second, the education of our people. Health and education are fundamental in any democracy.

Let me point out—and I say this with the fullest degree of conviction—that any country which disregards its obligation to protect the health of its people and to educate its people adequately, inevitably will retrogress. I shall continue to fight for adequate health protection and education so long as I live.

Of course, Mr. President, I favor economy; my entire record in public life proves this to be so. However, the health of our people is a concern of Government which we cannot disregard, and it is a particularly important concern of Government at this time because it is a vital part of our defense effort.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. LEHMAN. I am glad to yield.

Mr. MONRONEY. I shall strongly support the amendment of the Senator from New York to the amendment of the Senator from Michigan, because I believe that it will protect the funds which go to the chemists, the biologists, and the researchers who have done so much to protect and improve the health of our Nation and the health of the world. Is that not the case?

Mr. LEHMAN. That is quite true.

Mr. MONRONEY. The appropriation items affected by the amendment do not involve bureaucrats or a vast overhead of bureaucracy or bookkeeping or accounting; but, as I understand the Senator's amendment, it would exempt the appropriations for this very basic medical research from the 10 percent reduction.

Mr. LEHMAN. Yes; it would exempt the appropriation for research work and for these services from the 10 percent reduction. I am very glad the Senator from Oklahoma has brought up this point, because I wish to present to the Senate some figures which will show what a very small part the expenditures for administration play in these appropriations. It is a very minor part.

Mr. MONRONEY. If a reduction is made, almost all of it will have to be made in the funds for direct medical research, such as the research which developed the typhus vaccine, which today is saving the lives of probably hundreds of thousands of Americans in Korea. Is that not correct?

Mr. LEHMAN. I can say that more than 90 percent of the funds affected by the amendment will be used for the purposes of research in medicine, sanitation, and public health, and those funds will be paid to those who are actually carrying on that work.

Mr. MONRONEY. And they are the ones who have discovered the vaccine for rabbit fever and the vaccines which are used to combat all the plagues, such as malaria, which have reduced the economic status of so many countries. These research workers will develop new drugs to be used to combat those diseases. Is that not correct?

Mr. LEHMAN. Yes, and they are of benefit to the entire Nation.

Mr. MONRONEY. I thank the Senator.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. LEHMAN. I am glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. Of course, I am delighted that the Senator from New York has offered his amendment to the amendment of the Senator from Michigan. Nevertheless, long before the Senator from Michigan submitted his amendment, the subcommittee of the Appropriations Committe and the full Appropriations Committee tried to do exactly what the Senator from New York is now trying to do.

Mr. LEHMAN. I thank the Senator.

Mr. President, we have heard a great deal of discussion on the floor of the Senate about the excess number of chauffeurs and bureaucrats and administrators. I am very glad indeed that the Senator from Oklahoma asked the questions he did ask, because they give me an opportunity to present these matters more fully. It has been made to appear that the amendment of the Senator from Michigan, if adopted, would serve to eliminate the excess number of chauffeurs and bureaucrats and administrators, as alleged, without in any way affecting the actual services for the protection of the health and welfare of the people of the United States.

Mr. CHAVEZ. Mr. President, let me say that I appreciate what the Senator from New York is trying to do, and I think it should be done. I simply object to having the amendment of the Senator from Michigan considered in any way at all. However, if it must be adopted, I would prefer to have it adopted as it would be modified by the adoption of the amendment which the Senator from New York has offered to it.

Mr. LEHMAN. Mr. President, let me say to the Senator from New Mexico that I have no doubt that other Senators will speak on other phases of Government activities which may be affected by adoption of the amendment of the Senator from Michigan, but I am confining my remarks at this time to the services which are administered by the Public Health Service and by the various Institutes of Health and allied services.

I wish to read certain figures, Mr. President, to refute the claims which have been made here about the great number of administrators who are used in this work, and the relatively small number of people who are used for the actual conduct of the health activities. In the control of venereal diseases, a total of 720 people are employed. The administrative forces comprise but 36.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield to the Senator from Michigan.

Mr. FERGUSON. Does the Senator realize that his amendment does not even exempt those engaged in combating veneral diseases?

Mr. LEHMAN. My amendment was supposed to cover——

Mr. FERGUSON. If the Senator would look at the budget, he would find that control of venereal disease is not under any of the items mentioned in his amendment. Venereal diseases are not mentioned among those which the Senator seeks to exempt.

Mr. LEHMAN. I do not quite get the point made by the Senator from Michigan.

Mr. FERGUSON. The point is that the Senator's amendment does not cover any question regarding the personnel engaged in health services with respect to venereal diseases.

Mr. LEHMAN. Very well, but I want to read these figures. I desire to show how small a number of people is used in the administration of these health activities. Possibly I shall amend my amendment to include the item mentioned by the Senator from Michigan.

I desire to read the list, if I may: Control of tuberculosis, total number employed, 535, used in administration, 60. In assistance to States, general, total number employed, 483, number used for administration, 31; in the control of communicable diseases, total employed, 1,302, used in administration, 137; in engineering sanitation and industrial hygiene, which covers water-pollution control, radiological health, food, milk, and other sanitation activities, sanitation of interstate land, water and air carriers, industrial hygiene, total employed, 649, employed in administration, 37; diseases and sanitary investigation and control, in Alaska, total employed, 75, employed in administration, 9; in grants for hospital construction, total employed, 195, employed in administration, 22.

In hospitals and medical care—and I am reading these figures even though I believe the Senator from Michigan has already said that the employees engaged in this work are not covered by his amendment——

Mr. FERGUSON. That is correct.

Mr. LEHMAN. Nonetheless, I wish to read the figures, in order to show the small percentage of persons used in administration as compared to the great number, even though it may still be inadequate, employed in health activities. The total number employed is 7,627 and

of that number only 124 are used in administration.

In foreign quarantine service, total employed, 603; used in administrative services, 33. In direct operations and research, National Institutes of Health, total employed, 1,567; employed in the administrative branch, 168.

In the National Cancer Institute there is a total of 678 employed, with only 22 used in administration. The others are in field positions, employed in basic and clinical research in cancer, as biochemists, biologists, biophysicists, chemists, cytologists, geneticists, and medical officers. These persons render technical assistance to the States in matters directly connected with research and investigation.

Mr. CORDON. Mr. President, will the Senator yield for a question?

Mr. LEHMAN. I yield to the Senator from Oregon.

Mr. CORDON. Will the Senator again state the number of administrative personnel in the National Cancer Institute?

Mr. LEHMAN. I am sorry, I did not hear the Senator's question.

Mr. CORDON. Will the Senator again state his understanding of the number of administrative personnel in the National Cancer Institute? That was the last one the Senator mentioned, was it not?

Mr. LEHMAN. Yes. I have the figures, which have been given to me, showing a total of 678, of which number 22 are in administration.

Mr. CORDON. I am reading from the Budget appendix, and I call the Senator's attention to the figures listed. In grade 7, which is an administrative grade, with salaries running from $3,800 to $4,500, there are 47; in grade 6, with a salary height of $4,200, there are 13; in grade 5, top salary $3,850, there are 120; grade 4, top salary $3,355, there are 67; in grade 3, top salary $3,130, there are 81; in grade 2, top salary $2,930, there are 38; and in grade 1, the lowest, top salary $2,680, there are 19. Of necessity, those must all be administrative personnel.

Mr. LEHMAN. I may say to the Senator from Oregon that I am quoting from the volume of justification issued by the Budget Bureau, on page 72A, which shows that there are 22 positions listed under the heading of administration.

Mr. CORDON. Will the Senator permit me to say that this is the President's budget? The figures I quoted are from the official document.

Mr. LEHMAN. This also is an official document, I may say.

Mr. CORDON. Then I hope the President will get together with himself and give us some figures upon which both of us may rely.

Mr. LEHMAN. If I may inquire, how many positions has the Senator from Oregon enumerated?

Mr. CORDON. I shall determine the number, and let the Senator know in a moment.

Mr. IVES. Mr. President, will my colleague yield for a question?

Mr. LEHMAN. I yield gladly to my colleague.

Mr. IVES. I should like to ask my colleague whether he has any knowledge of the amount of money involved in the amendment.

Mr. LEHMAN. Yes; I think I can give the Senator the figure.

Mr. IVES. It has not been brought out, as yet, to my knowledge; at least, I have not heard it, and I think it is important.

Mr. LEHMAN. I am including all the services, with the exception of hospitals and medical care. I am including all the services, even though the Senator from Michigan has drawn my attention to the fact, or has made the statement, that some of these services are not covered by my amendment. But, including all of those—because I think they all should be covered by my amendment—the saving would be $1,807,000; that is all.

Mr. IVES. That is, the saving on all the services?

Mr. LEHMAN. On all the services, with the exception of hospitals and medical care.

Mr. IVES. My understanding was that the amendment of the Senator from Michigan would save only around $2,000,000, itself.

Mr. FERGUSON. About $11,000,000.

Mr. IVES. How do the figures of the Senator from Michigan check with the figures of my colleague, the Senator from New York, in the matter of the amounts involved in his amendment?

Mr. FERGUSON. The difficulty with the amendment of the Senator from New York is that he includes a number of things which are not included in the amendment of the Senator from Michigan. The Senator from New York includes hospital and medical care. The Senator from Michigan does not at all cover hospital and medical care; and that may be a big item.

Mr. LEHMAN. No, if the Senator will pardon me, I have not included hospitals and medical care.

Mr. FERGUSON. I submit that the Senator has included them on line 4 of his amendment.

Mr. LEHMAN. That is true as to my amendment, but the Senator from Michigan has said that under his amendment they would not be affected.

Mr. IVES. Mr. President, I still do not understand exactly how much, under the amendment of the Senator from Michigan, is to be affected by my colleague's amendment. Was it $1,600,000, with all the services included?

Mr. LEHMAN. That is correct.

Mr. IVES. But, with the services immediately involved in the amendment, does the Senator have any idea what the amount would be? That is important.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LEHMAN. I should like first to answer the question propounded by my colleague. In my amendment it would be less than $1,000,000.

Mr. IVES. Considerably less than 10 percent of the total saving involved by the amendment of the Senator from Michigan.

Mr. LEHMAN. Very considerably less. But I may say to my colleague that I believe all these services should be included in an amendment similar to mine.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield to the Senator from Minnesota.

Mr. THYE. As I understand the amendment offered by the Senator from New York, the full effect of it would be to exempt the various health items which would be affected by the Ferguson amendment. As to these items, the Ferguson amendment proposes to make a saving of $230,027 in the item affecting the National Institutes of Health. In the National Cancer Institute item, I believe the Ferguson amendment would provide a saving of $141,829. In the item relating to the mental health activities, I believe the Ferguson amendment would make a saving of $62,026. In the National Heart Institute item there would be a reduction or a saving of $77,018. As to dental health, there would be a cut of $52,692. I believe I am correct in these figures.

Mr. LEHMAN. I think the Senator is substantially correct.

Mr. IVES. What is the total?

Mr. THYE. I have not totaled the figures. I have given the individual items.

As a member of the subcommittee, I sat through the hearings and listened to all the testimony. We listened to representatives of national associations and to testimony sent in by governors of States. The Governor of the State of Minnesota sent a statement on the mental health item. It is the desire of every one of us to economize, we have heard much talk about meat-tax action and pruning by the use of surgical instruments, and I should like to apply those means, but I am a little fearful that we might cut into the very heart muscle of someone who had been trained for years in research and who might find some way of saving the life of a person afflicted with a heart ailment or with cancer.

I am personally familiar with thousands of cases in mental institutions, because, as Governor of Minnesota for 4 years, I had the responsibility for those institutions. I know that there are men and women aimlessly wandering about, or in a condition requiring strait-jackets, because, if they were not so confined, they would tear their own flesh or that of other inmates. In view of all that, knowing the progress which has been made in research in mental health, knowing the splendid work of research in heart diseases and in cancer, for the life of me I personally cannot see any economy in reducing appropriations for health measures, such as that for the Cancer Institute, by $141,829; mental health, by $62,026; National Heart Institute, by $77,018; and dental health, by $52,692.

I should like to apply economy wherever it is possible; I would help to swing even a broadax, if necessary, but when it is sought to cut down on fundamental items involving the cure of mental cases confined to institutions, when we know that through research a great deal has been accomplished in that field during recent years, and when we know of the great research which is carried on by those engaged in caring for mental cases which arose in World War II, and how they have helped immeasurably in re-

search development, I feel that I am perfectly justified in supporting the amendment offered by the junior Senator from New York, because I think it means economy rather than expenditure.

So, Mr. President, I say to my colleagues that while I think the Ferguson amendment, in general, is most commendable, and I shall support it in reference to all items except those relating to health research and health benefits, I shall, as to those items, support the amendment offered by the junior Senator from New York.

Mr. LEHMAN. I thank the Senator from Minnesota for his very helpful remarks. I wish to point out that it is not a question of possibly discharging persons who might do good work. There is a certainty that if the amendment offered by the Senator from Michigan should prevail with reference to the health services of the National Cancer Institute, between 35 and 40 persons would have to be discharged. If only a very slight gain were made this year or next year in cancer research, or in the studying of heart diseases or mental diseases, probably many thousands of lives would be saved, and certainly the very small expense that is entailed would be merited and justified a hundred times over.

I yield to the Senator from Arizona, if he desires to ask a question.

Mr. THYE. Mr. President, the Senator from New Mexico was endeavoring to ask me a question.

Mr. CHAVEZ. Much as I like what the Senator from New York has said, I do not want him to think that all of a sudden he is trying to save the situation, because the committee tried to save it.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. CHAVEZ. In a minute.

Mr. LEHMAN. I think I have the floor.

Mr. CHAVEZ. The Senator from New York has no more interest in the bill than has the Senator from New Mexico. I attended all the hearings. I did not come here at the last minute to say something for public health. I worked and suffered the agony of the damned.

The Senator may proceed, and I shall speak in my own time.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. LEHMAN. If I may first answer the Senator from New Mexico, I shall be glad to yield.

I think I have said 50 times on the floor of the Senate that I have the deepest appreciation of the humanitarian instincts and the splendid work of the Senator from New Mexico. I know how hard he has worked on this bill. I also know how sincerely I have supported him thus far. I claim no credit for greater interest in this work than that of any other Senator. I know we are all interested in saving lives. I do not know what the Senator from New Mexico means by this attack on me. We are working on the same side of the street. We are trying to help people. I thought I was supporting the Senator from New Mexico. When I believe the Senator from New Mexico to be right I shall support him, and I hope he will support me.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. McFARLAND. I wish to commend the Senator from New Mexico for his fight for the bill. I also wish to commend the Senator from New York. Trouble always ensues from proposals to make percentagewise cuts. In making them we do not know what we are doing. It is being very well demonstrated on the floor of the Senate this afternoon that when percentagewise cuts are proposed to be made, in many cases items which should be cut are not cut and those which should not be cut are cut.

What the Senator from New York is trying to do is to save the health of the country. The main reasons for making cuts is that we need money for the defense of the country, and that effort entails a vast cost.

Mr. President, if there are items in the bill which involve the health of the people which the Senator from New York has not included in his amendment, I hope he will include them. I can think of nothing that will help the defense of the United States in greater measure than the protection of the health of our people, making them healthy and strong. I hope the Senate will never come to the point where it will vote against proper appropriations which involve the health and the welfare of the people of the country.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McFARLAND. Pardon me a moment. Only a small amount of money is involved. We really do not know what we are doing when we make percentagewise cuts that affect items involving health.

Mr. CHAVEZ and Mr. DIRKSEN addressed the Chair.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from New York yield, and if so, to whom?

Mr. LEHMAN. I yield first to the Senator from New Mexico, after which I shall yield to the Senator from Illinois.

Mr. CHAVEZ. Mr. President, I am the chairman of the subcommittee. We would not have had any trouble whatsoever with the Lehman amendment or any other amendments, so far as the question of taking care of public health is concerned, if it had not been for the amendment of the Senator from Michigan [Mr. FERGUSON]. That amendment was offered. Then the Senator from New York offered an amendment to the Ferguson amendment, in an endeavor to try to protect the situation. But up to that particular time, the subject of public health was being cared for by the committee?

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. LEHMAN. Yes.

Mr. McFARLAND. I grant that what the Senator from New Mexico says is true. But inasmuch as the Ferguson amendment has been offered, and since it affects the health and welfare of the people of the country, let us do the best we can.

Mr. CHAVEZ. Yes. That is why I say I am against it. That is why I want to vote it down. However, I do not believe it is fair to say that the subcommittee of the Committee on Appropriations is now being saved by the amendment of the Senator from New York. The committee itself first endeavored to save the situation. We do not want the Ferguson amendment or any other amendment.

Mr. McFARLAND. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. McFARLAND. The Senator from New Mexico misunderstood me.

Mr. CHAVEZ. Possibly so. But I also know the English language.

Mr. McFARLAND. I do not think anyone is accusing the Senator from New Mexico of not having the interest of the health of the people of the country at heart. I know he worked hard in his committee on this measure. Had it not been for the offering of crippling amendments, particularly the one by the distinguished Senator from Michigan, the amendment of the Senator from New York would not have been necessary. We all concede that.

Mr. CHAVEZ. The only thing we can do now is to defeat the amendment of the Senator from Michigan.

Mr. DIRKSEN. Mr. President, will the Senator now yield to me?

Mr. LEHMAN. I yield to the Senator from Illinois.

Mr. DIRKSEN. I am very much astonished that nearly every speech in the Senate on the pending bill has started with the rather naive prelude, "I am for economy," and then come all the exceptions. We can take the remarks made by the Senator from New Mexico and the Senator from New York, and apply them to nearly every research item in the Agricultural appropriation bill, the Interior Department appropriation bill, to every one of the 12 supply bills as they come along. We can fill those bills with emotionalism, and then what happens to economy?

We can come to but one conclusion. There is a real doubt in my mind, and a real doubt in the minds of the people of the country, whether the Senate wants any economy as a matter of fact. I doubt very much that Members of the Senate do.

Mr. President, I am thoroughly disappointed. Instead of glorifying the subcommittee, I want to say that I am thoroughly disappointed in the action of the subcommittee in not following up on public assistance. That subject is passed off with one paragraph. The report says there is dissatisfaction with relief administration, and the subject is left there.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DIRKSEN. Let me continue. Yet there is a delegation from Indiana now in the Social Security Agency trying to cope with this matter, trying to secure a requirement that the names of the recipients be made public, or be made open to public inspection. There is nothing to that effect in the report, nothing in the hearings, nothing in the

amendments to the Social Security Act that have lifted these assistance payment from $400,000,000 in 1946 to $1,300,000,000 in 1952.

I am not going to glorify the subcommittee when they have failed in that respect. That is where the subcommittee could have done good work. So I do not want to hear anything about so-called economy.

Mr. CHAVEZ. Possibly not. When the Senator does not want to listen, he does not have to remain and listen.

Mr. LEHMAN. Mr. President, will the Senator from Illinois remain in the Chamber a moment?

Mr. DIRKSEN. Yes.

Mr. CHAVEZ. Yes; I want him to remain also.

Mr. LEHMAN. I yielded to the Senator from Illinois for a question, not to make a campaign speech.

Mr. CHAVEZ. That is correct.

Mr. LEHMAN. I am not going to make a campaign speech. But the Senator from Illinois raised the question of who sincerely believe in economy. I want to repeat what I said, and I am going to say it again later in my remarks, that I am for economy heart and soul, but I do not believe it to be economy to risk the lives and the health of the people of the country when a small amount of money will further our efforts to protect them. That is not economy.

Mr. DIRKSEN. Now will the Senator yield to me?

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. LEHMAN. That is an entirely backward step in the social life and the thinking of this enlightened Nation. That is not economy, no matter what the Senator from Illinois may say.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield to the Senator from New Mexico for a question.

Mr. CHAVEZ. It is true that the Senator from Illinois used to be a Member of the House. It is also correct that the Senator from New Mexico used to be a Member of the House. But when the Senator from Illinois says there is no reason for glorifying the subcommittee, I call his attention to the fact that the ranking Republican member of the subcommittee is the Senator from California [Mr. KNOWLAND]; that another member of the subcommittee is the Senator from Minnesota [Mr. THYE]; that another member of the subcommittee is the Senator from Alabama [Mr. HILL], as is also the Senator from West Virginia [Mr. KILGORE]. That subcommittee cut the appropriations contained in the House bill $112,000,000, which is unusual, because generally the Senate committee restores cuts made by the House, or increases the amount provided by the House. Since in this instance we cut $112,000,000 from the House items, I cannot go along with my good friend from Illinois and agree with him that we did not do our duty. We may have been mistaken as to certain conclusions we reached.

Mr. DIRKSEN. Mr. President, will the Senator from New York yield to me for an observation at that point?

Mr. LEHMAN. I yield for a question.

Mr. DIRKSEN. I could hardly put it in the form of a question and respond to the observation made by the Senator from New Mexico, but I will be very brief and endeavor to put it in the form of a question.

Mr. CHAVEZ. Mr. President, I am not through.

Mr. DIRKSEN. Very well.

Mr. CHAVEZ. I understand that the remarks of the Senator from Illinois in connection with saving money will be printed in the home newspapers in Illinois, in the Decatur, Ill., newspaper, and in other newspapers. But the Senator from New Mexico, as chairman of the subcommittee, certainly tried to save money, The subcommittee tried to save money. I think perhaps our only mistake is that we did. If we had approved all the Budget items just as they were, instead of trying to act in good faith with the Senate, we possibly would have thought differently. But the report of the subcommittee was unanimous. The ranking Republican member of that subcommittee, the Senator from California [Mr. KNOWLAND] is not a wastrel. Neither is the Senator from Minnesota [Mr. THYE]. The report of the full committee was unanimous. After we have saved $112,000,000, it is not fair to be accused of not doing our duty.

As I have previously stated, the three men to whom I have referred do not need to be on the payroll. We can save money in our offices. We do not have to have Mr. Johnson on the payroll. We can save money. But is that the way the Government should function? Or should necessary expenditures be met? I am not referring to waste. I am not referring to unnecessary payrolls. But we should carry on the functions of government. Should not the Senate carry on, even if we must employ office stenographers?

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. DIRKSEN. Let me say to my good friend that seven times in seven fiscal years we have made reductions in the appropriations for old-age assistance, and seven times in 7 years the agency in charge of the administration of that activity has come back for a deficiency appropriation. That has happened every year since 1944. The cut which is proposed here is not an economy unless we can come to the end of the fiscal year and find that the cut has been made to stick.

I know what the hearings show. I have been boning up at night on the hearings. I understand that there are demands for new benefits, for permanent disability benefits, and for other things. Those demands will probably result in a deficiency appropriation, so where is the economy?

Mr. CHAVEZ. Does the Senator deny that we cut $150,000,000 from the old-age assistance item?

Mr. DIRKSEN. Will the reduction stick?

Mr. CHAVEZ. If the Senator will help us make it stick this time, it will be easier to make it stick next year.

Mr. DIRKSEN. It never has stuck before.

Mr. CHAVEZ. Whether it sticks or not, the committee did save $150,000,000.

Mr. DIRKSEN. What the Senator means is that the committee temporarily cut it out. The agency will be back in the fall saying, "Here is a new estimate of our obligations."

Mr. CHAVEZ. Possibly so. I do not know what the committee will do eventually. I do not know what the next Congress will do. However, as far as this committee is concerned, there is $150,000,000 less for old-age assistance. What else can we do?

Next year there will be another session of Congress. I cannot tie the hands of that session of Congress. However, so far as this committee is concerned, I assure the Senator from Illinois that there is $150,000,000 less for old-age assistance. What will be done next year I do not know.

Mr. DIRKSEN. When we come to the end of the fiscal year, the question is, in terms of the budget, How much money have we saved? Unless we can go along with the Ferguson amendment and accomplish something in the way of a saving which will stick until June 30, 1952, there will be no real economy.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield to the Senator from Minnesota.

Mr. THYE. Mr. President, I have listened to the very eloquent remarks of the junior Senator from Illinois [Mr. DIRKSEN], during the course of which he mentioned by name. The remarks were to the effect that we were all talking about economy and that that was about as far as we would go.

The Senator from Illinois was possibly not present in the Chamber when I stated that I would support the Ferguson amendment with respect to all the items except the five items relating to research. Those items are as follows:

First, the National Institutes of Health.

Second, the National Cancer Institute.

Third, the mental-health activities.

Fourth, the National Heart Institute.

Fifth, dental-health activities.

Mr. President, I was present during the committee hearings, and I listened to the testimony which was given by representatives of the various national organizations which are engaged in health research. If we were to make a reduction in the funds for such activities, I do not believe that it would be an economy. I think it would be a short-sighted attempt at economy.

Let me repeat, Mr. President, that I will support the Ferguson amendment in all its reductions throughout the entire bill, with the exception of the five research activities to which I have referred. The only reason I do not support the Ferguson amendment in that respect is that I do not believe it would be an economy.

I am very happy to say to the junior Senator from Illinois that I am just as economy-minded as he is. However, after having sat through all the hearings, I fail to see the economy in making a reduction with respect to these five items. Therefore, I shall support the amendment which proposes to exempt

those items from the so-called Ferguson amendment.

Mr. IVES. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. IVES. I merely wish to comment on the very pertinent remark of our distinguished colleague from Illinois [Mr. DIRKSEN]. I hope he will not leave the Chamber.

I yield to no other Member of this body in my efforts to achieve economy and in my record of supporting and voting for measures calling for economy. The other day I had occasion to figure out the total amount of authorizations against which I had voted in the past fiscal year. I discovered that they amounted to more than $10,000,000,000. I yield to no one on the question of economy. If my distinguished colleague from Illinois will watch my voting in this session of Congress, he will find that in nearly every instance I shall be voting for the economy motion, and for all the amendments which are aimed at economy.

The point I wish to raise is this: I have added up the figures presented this afternoon by our distinguished colleague from Minnesota. They come to approximately $573,000 in savings under the Ferguson amendment as it applies to the particular items which are covered by the Lehman amendment modifying the Ferguson amendment. If the figures given me by the distinguished Senator from Michigan [Mr. FERGUSON] are correct, when he states that approximately $11,700,000,000 in savings are involved in his amendment, only 5 percent of such total saving is involved in the Lehman amendment.

Mr. President, for years some of us have been struggling to get an appropriation adequate to take care of the particular items which are covered by the amendment offered by my colleague from New York [Mr. LEHMAN]. Year after year an effort has been made to get enough. I am satisfied from what I know that we have not enough yet, the economy situation being what it is. We are faced with conditions over which we have no control.

The position taken by the committee in this respect, when it comes to these particular items, is probably sound. I would not endeavor to upset what the committee has done by trying to increase the appropriations for these items. However, I disagree most heartily with the proposal made by my distinguished colleague from Michigan. I think it is altogether out of order so far as these particular activities are concerned. I hope that in the name of economy, as well as in the name of humanity, the amendment offered by my colleague from New York will be sustained by the Senate. If the Senator from Michigan were present, I would ask him if he would be willing to accept that amendment. It would in no way destroy what he is trying to do. Ninety-five percent of the saving which he is endeavoring to make, assuming that his amendment were adopted, would still be realized if the Lehman amendment were also adopted. I urge the Senate to vote for the amendment of my colleague.

Mr. AIKEN and Mr. DIRKSEN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and, if so, to whom?

Mr. LEHMAN. I yield first to the Senator from Vermont.

Mr. AIKEN. Mr. President, I have listened to a rather lengthy discourse on the pending appropriation bill, particularly the section which deals with the health of our people and the welfare of our children and their mothers. It seems to me that we are attempting to place a cash value on children and mothers. I should like to know from some of our dollar-and-cent experts, of whom we seem to have several on the floor, what they believe to be the cash value of a 5-year-old child. Does a 5-year-old child have any cash value? What, if anything, is it worth to restore a crippled person, who is a care upon his family or a burden on his community, to a position where he may become self-supporting and self-respecting once more? What is the cash value of a healthy mother, as compared with a sickly mother? Are we to determine all these questions in terms of dollars and cents, and decide that the fewer the cents the better off the country will be?

Mr. President, a ship is being built down at Newport News. It will soon be launched. It is an $80,000,000 ocean liner, which will be used in the North Atlantic service. It will be turned over to one of our shipping lines for $28,000,000. In other words, we are making them a present of $50,000,000. That amount of money is 50 percent more than we plan to appropriate for maternal and child welfare work in this country. We are spending billions of dollars in helping corporations expand their industrial plants, at the expense of our taxpayers. We hear little objection here on the floor to such expenditures. Are the lives of our children and the health of our mothers worth anything at all? To hear the talk this afternoon one might assume that probably we ought to drown them all and get them out of the way. Then they would not cost us anything at all. Are we to deal with the problem in that way? No; I will not vote for the Ferguson amendment. I will not vote for the Lehman amendment either. I will not vote for the Lehman amendment because it omits maternal, child, and rehabilitation services, which are just as important to the people affected as are similar services to those who are affected by heart trouble and other diseases. I am not in favor of scrimping or saving money at the expense of the lives of our children. I think our children are worth much more than all the millions of Detroit or Chicago put together.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. AIKEN. I am opposed to anything of the nature of the Ferguson amendment. The Senate has shown that it has the ability to deal with items one by one. We adopted an amendment the other day which was offered by the Senator from Illinois [Mr. DOUGLAS]. It provided for a cut in appropriations for the solicitor's office of the Department of Labor. I voted in favor of the Senator's amendment. The Senator has many more amendments to offer. I shall vote for some of them. We have shown our ability to deal with items one by one. We should not resort to a dangerous across-the-board cut. We have shown our ability. We should now have the courage and determination to deal with the problem in the proper way. We should not put a dollars-and-cents value on the life of a child, an expectant mother, or a sick person. For heaven's sake, let us get away from that attitude in attacking the problems which we have before us.

Mr. President, I do not see how a Senator can stand on the floor and talk about saving a hundred dollars or a thousand dollars at the expense of someone's life. In other words, we are being asked to let the cripple stay crippled. Last year it cost approximately $490 to put about 50,000 of them in a position where they could help themselves, instead of remaining helpless. I do not know what we can have in mind when we talk about saving a few dollars at the expense of lives and letting children be born of mothers who are physically not in a condition to take care of them. What are we thinking of?

Mr. LEHMAN. I may say to the Senator from Vermont that he knows me well enough to be quite certain that I agree with everything he has said today. He has expressed my sentiments probably far better than I could express them.

Mr. AIKEN. We are not trying to increase the personnel or the appropriation for maternal or child welfare and vocational rehabilitation. Why should we undertake to cut back beyond what we have done in past years. We are not asking for an increase.

Mr. LEHMAN. The Senator from Vermont has stated that he would not vote for my amendment. The reason he gave was that the amendment did not include grants for maternal and child-welfare services. I may point out that my amendment refers only to the Public Health Service. As he knows, grants for maternal care and child welfare come under other categories.

Mr. AIKEN. But a cut is involved there.

Mr. CHAVEZ. The Ferguson amendment would make a cut.

Mr. AIKEN. There is already a 5-percent cut in the personnel appropriation, and under the Ferguson amendment there would be an additional cut of 5 percent. Therefore the appropriation would be cut back to a point where it would be 10 percent less than was appropriated during previous years.

Mr. LEHMAN. I agree entirely with the Senator from Vermont that the cut proposed in the Ferguson amendment would apply to other items in which I and the Senator from Vermont are interested.

Mr. AIKEN. It would cut everything.

Mr. LEHMAN. However, Mr. President, I do not think it is a good reason for the Senator's not voting for my

amendment, because my amendment, after all, is an amendment to the Ferguson amendment. He could still vote against the Ferguson amendment. I hope he will vote against it. In the event that the Ferguson amendment is not defeated and my amendment is adopted, we will be at least that much better off.

Mr. AIKEN. I may say to the Senator from New York that I am voting against his amendment because it does not include provisions in relation to maternal care, child welfare, and vocational rehabilitation. If the Senator's amendment should carry with my vote, he then could vote for the Ferguson amendment. If his amendment were rejected, I believe he would vote against the Ferguson amendment. We should take the items one by one. We should have the courage to do it. We should vote for them one by one.

Mr. CHAVEZ. That is right.

Mr. LEHMAN. May I ask the Senator from Vermont what he would suggest with reference to my amendment?

Mr. AIKEN. I would include vocational rehabilitation and maternal and child welfare services so far as personnel was concerned.

Mr. LEHMAN. I hesitated to do it, because I thought my amendment was clean cut and showed the ridiculous character of the move for false economy. I did not want to complicate the situation. I think I was wise in not doing so, because I can still vote against items as they are brought up.

Mr. AIKEN. That would not be done. I should like to ask the Senator from Illinois whether the suffering of a 5-year-old homeless child is not of as much concern to us as a person who has a bad heart.

Mr. CHAVEZ. Certainly.

Mr. AIKEN. Is not a cripple, who is a burden upon his community, but who wants to become self-supporting once more, as much our concern as any other person who is suffering from a disease? I think they all ought to be included.

Mr. CHAVEZ. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. CHAVEZ. From the bottom of my heart I thank the Senator from Vermont for his remarks. I know he belongs to the other side of the aisle, but he is true blue. He is an American. He represents what I understand to be the concept of our ideals, and a concept of what is American. I pay tribute to the Senator from Vermont.

I think we owe more of a sacred duty to the mentally ill. How can they protect themselves? The Senator testified before the committee that more than 800,000 of them are in mental institutions. We are not talking about those whose families can care for them, but we are speaking only of those who are in public institutions. Do we owe them a duty? Should we give them some consideration? Of course, we know that those who have heart disease can speak for themselves and can make their own complaints to Senators. However, that is not true of the poor unfortunates who suffer from mental illness. So I am glad that there are Members of the Senate and there are people elsewhere in the United States who do pay attention to these matters.

After all, Mr. President, a person who is suffering from tuberculosis can complain about his situation, and so can a person who is suffering from heart disease or a person who is suffering from cancer; but what about those who are suffering from mental illness? We owe them a duty, for that reason.

So I am very glad that the Senator from Vermont spoke as he did, and I am very glad that the Senator from New York has submitted his amendment to the amendment of the Senator from Michigan.

So far as health is concerned, I hope we realize that, in contrast, millions and billions of dollars are appropriated and spent for destruction, to kill people. I hope that we who serve in this body will not be so niggardly that we do not pay a little attention to the health of our people.

The Congress votes millions and millions of dollars in appropriations to be used to eradicate diseases of horses and cows and poultry, but then it is proposed that a 10-percent reduction be made in the appropriation items for the health of our people and in the appropriations to be used to find cures for heart disease, cancer, and other serious diseases, some of which may kill some of the present Members of the Senate, and certainly they will kill many other persons.

I really am disgusted that the Senate would seriously entertain a proposal to reduce these appropriations. After all, our Government spends more money in taking care of cows than it does in taking care of babies. I think the Senator from Vermont and the Senator from New York are correct on this point.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield for a question. I decline to yield for speeches until my remarks are concluded.

Mr. ROBERTSON. I should like to ask the Senator a question.

Mr. LEHMAN. Very well, I yield.

Mr. ROBERTSON. I should like to commend the humanitarianism of the Senator from New York, but I should also like to ask him a question. Is it true, as he said, that we are spending millions of dollars to help millionaires expand their war plants, or are we giving them certificates of necessity to spend their own money?

Mr. LEHMAN. That question has nothing to do with the pending question, of course.

Mr. ROBERTSON. So much misinformation has been given out and so much distress has been generated thereby, that I think the Senator from New York fell into error in using that point as an argument in favor of his amendment to the amendment of the Senator from Michigan.

Mr. LEHMAN. No; I do not think I did. However, I should like to reply to what the Senator from Virginia has said.

Mr. ROBERTSON. I hope the Senator from New York will do so.

Mr. LEHMAN. Under the certificates of necessity, grants may be made to companies which allegedly are expanding in order to increase their defense production potential. Under the law, such companies are allowed to charge for the complete depreciation of those plants within 5 years.

It has been demonstrated—and members of the Banking and Currency Committee have made this statement at meetings of the committee and also on the floor of the Senate—that $2,500,000,000 of certificates of necessity were given to 20 large companies, and that many of those companies are being given an exaggerated allowance for depreciation, which will completely cover the cost of those plants within 5 or 6 years, whereas the life of the plants may be 40 or 50 or 60 years—thus gaining a great deal through the generosity of the Government.

Mr. ROBERTSON. There is misinformation before us, as well as elsewhere, Mr. President. The average of the certificates of necessity is about 60 percent; and on the basis of 60 percent, a manufacturer who expands his plant on the basis of present defense spending is going to lose money if peace comes next year and thus ends the defense activities. Such a manufacturer is gambling that we are going to spend $40,000,000,000 or $50,000,000,000 a year for 5 years. He puts his own money into that gamble, and we obtain the production we need now, through the expenditure of his money, instead of by embarking on a socialized plan of government and then wiping out the entire investment after the war is over.

Mr. LEHMAN. Mr. President, the Senator from Virginia knows very well that a war plant which is erected either with or without the help of the Government has a normal life of 40, 50, or 60 years or more; and a manufacturer who can depreciate such a plant in full in 5 or 6 years will certainly profit through the generosity of the Government.

Mr. ROBERTSON. Does the Senator from New York recall that in 1933, when the total capacity of our steel companies was approximately 70,000,000 tons, they were operating at 50 percent of capacity? Now they are producing at the rate of 110,000,000 tons a year. Does the Senator think anyone can be certain that 110,000,000 tons of steel can be sold each year for the next 5 years or 50 years, as the Senator has indicated? Certainly they are taking a gamble.

Mr. LEHMAN. Yes; I think they can.

Mr. President, I wish to resume my remarks. I have already referred to the number of persons who are employed at various health and research institutes and the number of them who are engaged in administrative work. I wish to continue my statement along those lines.

In mental health activities, a total of 250 persons are employed, with an administrative staff of 36.

The National Heart Institute has a total staff of 367 employees, and only 12 of them are administrative employees.

The dental health activities have a total of 222 employees, and only 7 of them are on the administrative staff.

Mr. President, when it comes to the question of saving money by reducing appropriations for public works which are demonstrated to be nonessential, I will go as far as will any other Member of the Senate. However, Mr. President, in my opinion public health and research are essential activities in furthering the safety and welfare of our people and of our Nation. If we are not convinced that by means of research and public health services we can save lives, and can advance the health of our people, we should not make any appropriations for those purposes. However, we are convinced that appropriations for those purposes will result in the saving of lives and in improving the health of our people, because history has demonstrated the value of these activities.

In New York State we have splendid research facilities. We have there one of the best research laboratories in the United States. New York has long been very active in the fight against pneumonia, particularly through the development of serums. Our State has made large appropriations in that connection. I am sorry that my distinguished colleague, the senior Senator from New York [Mr. IVES] is not now on the floor, for I wish to state that I am very grateful to him for the help he gave to me when I was Governor of New York and when he was the leader of the majority in the New York State Assembly. He gave me a very great deal of assistance in securing the necessary appropriations for carrying on this work.

The research work done in New York and the various areas which are developed, manufactured, and provided to the doctors and hospitals in New York are of tremendous service to the people of New York, and constitute a great protection to their health and safety. But, Mr. President, let me say that I am quite as much interested in saving the lives of those in the poorest of our States as I am in saving the lives of the people in my own State of New York; and we know that many of the States have inadequate facilities, and, in some cases, no facilities whatever, for research.

The Senator from Vermont asked what was the price of a child's life. It was a moving and pertinent and timely question. Let me say that if we saw a chance to save thousands or even hundreds of the lives of our fighting men or our other citizens or protect them against the hazards of accident, catastrophe, or illness, we should consider that no expenditure within our means was too large. But it is now proposed that we cut down on medical and public-health expenditures, fields in which we have demonstrated that what we are doing is of direct benefit, not only to thousands, but to literally millions of our people. The saving at best is relatively small, less than $1,000,000 for the various services which are covered by my amendment and less than $2,000,000 if we were to include all the services connected with public-health activities. That saving is relatively small compared with our total expenditures. The suffering and loss of life because of that cut may be large beyond calculation.

I feel so strongly about this question that it is hard to translate my feelings into words. It is claimed that the United States is an enlightened country, and I know that it is. I am glad to say we have done more in this country to raise the standards of medicine, public health, and sanitation than has been done in any other country in the world; and in doing that, we have helped the whole world. We have not been selfish. We have not reserved our advances, our discoveries, or the development of our sciences merely for the use of our own people. We have been glad to share them with other people. But we have a very long way to go. We have found neither the cause nor the cure of many of the most deadly diseases known to mankind. We have conquered smallpox, yellow fever, typhoid fever, the plague, and typhus, but we have not conquered heart disease, mental disease, cancer, poliomyelitis, or the many other deadly diseases with which human beings are beset.

I said Friday on the floor of the Senate that 1 out of every 20 people in this country either has suffered, is suffering, or will suffer from some phase of mental disease. I think the sufferers from mental disease are among the most unfortunate in the world, quite as unfortunate as those who die more quickly from cancer or heart disease, because, as has been said, they cannot help themselves, they need the help of others.

We are making progress in research and in the treatment of mental disease. New York State today is spending more than $150,000,000 in the care and cure of the insane, in State institutions and probably two or three times that sum is spent in private institutions and by families.

We are making progress, though slowly, it is true, in the study of heart disease, of cancer, and of other diseases with which we are coping. Let us not call a halt to it. Let us not retreat. Let us not tell the world that the study of the diseases of chickens and cattle and pigs is more important to this country than the study, under proper research conditions, of the deadly disease which beset mankind. We are going to get at the secret of their prevention if possible, and, in those cases where prevention is impossible, the secret of cure or at least of amelioration. We are not going to do this by chance. Teamwork on the part of hospitals, private institutions, our colleges and universities and laboratories, working in cooperation with the Federal Government and with State governments, will be required. If we maintain that teamwork, and if Government does its utmost, not sparingly, not grudgingly, but with deep conviction that we shall be able to make progress, we will win the battle.

Mr. CORDON. Mr. President, today I find myself in opposition to both the amendment of the Senator from Michigan [Mr. FERGUSON] and the amendment of the Senator from New York [Mr. LEHMAN] to the Ferguson amendment. With other members of the Appropriations Committee, I had the opportunity to go rather carefully into the several items which make up the bill which is now before the Senate. The committee had in mind, both when examining the justifications for the several items in subcommittee, and in the markup by the subcommittee, as well as in the final action of the whole committee, the necessities with respect to dollars which face the Nation. The committee made certain severe reductions in many of the items of the bill. When I say severe, I mean severe, so far as the committee within its limited time, could determine the facts.

I desire to be perfectly frank in discussing the pending bill. I have said before, and I now reiterate, that it is humanly impossible for the several subcommittees of the Appropriations Committee to make the careful, comprehensive investigation into the executive departments of the Government which alone would permit the committee to do a fully advised job on appropriations. The staff of the committee are devoted and competent in their work, though insufficient numerically, and if the committee, with its staff, cannot probe deeply and comprehensively enough into the several justifications fully to understand how much money is absolutely essential to carry on the activities of Government, and what requests may be properly denied, how much less able are the Members of the Senate, with all deference to them and to their ability to do that work? That does not mean, Mr. President, that the Senate should not at the appropriate time act, if it desires to act. I believe, however, that it does mean that the action of the subcommittee, followed by that of the full Committee on Appropriations, should at least carry some weight on the floor of the Senate when appropriation bills are presented. Otherwise, perhaps we had better get rid of the committee and legislate on the floor of the Senate.

Mr. President, the committee, in examining the bill in full session, felt that there had been one particular in which Congress had failed to do its full duty in reporting appropriation bills in the past. That was in attempting to indicate in reports what portion of appropriated funds should be used for the employment of personnel and what should be used for other purposes. Such a report can never be more than advisory. There is no legal obligation upon the departments to follow it. Substantially all items of appropriation carrying funds for personal services have combined in the items not only payments for personnel but also the amounts necessary to meet estimated expenses of the particular agency or division of the agency in question. Such an item usually appears under the heading "Salaries and expenses." In many other items the two factors of salaries and expenses are combined with various other proposed expenditures, sometimes including construction, sometimes funds for the farming out of efforts to other agencies, sometimes funds for grants.

It is most difficult to understand the final disposition to be made of appopriated funds. Understanding cannot be had in that field without a most careful study, first, of the President's budget

itself, a volume of more than 1,000 pages of statistical data, and then, Mr. President, there are presented before the committee for each agency for which an appropriation is asked, and for each activity within that agency, tables of justification of the several amounts requested. Broken down, we may find, at last, personnel; we may find expenditures itemized; we may find reimbursable items, contractual service items, and so on, all in detail.

Representatives of the several agencies appear before the subcommittees, and, after having made their own original presentations, are examined by members of the committee. The hearings are available to the full committee. Special compilations, termed "side slips," are prepared by the staff of the committee. In this instance, the side slips comprise some 220 pages. So the committee does have some idea, at least, of what is before it. It has some basis for its decision. It has before it last year's appropriation for the several items, the appropriation for the year before, and so on.

Reverting now to my first proposition, Mr. President, the necessity for some control over appropriated funds with respect to personal services, the committee this year adopted a motion which the Senator from Oregon happened to present and which was fully discussed by the committee, for statutory control over funds appropriated with respect to the application of such funds to the payment for personal services. In my opinion, the principle adopted is a long step forward in sound appropriative practice. For the first time in the history of appropriations, so far as I am aware, and definitely for the first time since I have been a member of the committee, the committee has recommended a statutory ceiling on the amount of appropriated money which may be used for the purposes of paying for personal services.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CORDON. I am happy to yield to the Senator from Minnesota.

Mr. THYE. The 5-percent provision, as it would relate to personal services, was really a substitute for the Jensen amendment, was it not?

Mr. CORDON. The Senator is correct. It was so treated by the committee.

Mr. THYE. And the committee, after much study, and after having given consideration to the explanation by the General Comptroller's Office relating to the Jensen amendment and the impossibility of making the Jensen amendment administratively workable, gave the Cordon amendment consideration. Am I correct in that statement?

Mr. CORDON. The Senator is correct.

Mr. THYE. The 5-percent provision, as it relates to personal services, was adopted as a means of controlling and reducing personnel expenditures in the various Federal agencies as a substitute for what was known as the Jensen rider in the House appropriations bill.

Mr. CORDON. The Senator is correct as to one of the two major purposes of the amendment.

I have said, Mr. President, that the amendment serves as a statutory limit upon the expenditure of appropriated funds for personal services. The amendment provided—I say "provided" because at least in one instance it is no longer effective in detail—for a ceiling on all expenditures of appropriated funds for personal services of 95 percent of the amount estimated for that purpose in the President's budget. That means that in no instance can more than 95 percent of the budgeted item for personal services be expended for that purpose in the fiscal year. Heretofore any portion of any appropriation which included personal services might be used for personal services unless some portion was statutorially earmarked and thus excluded. Generally the money provided for the two items, salaries and expenses, might be used for salaries to the extent that the head of the department in his judgment decided. That, the Congress had failed, in my opinion, to exercise its full authority and responsibility in that particular field.

Mr. President, the amendment appears not as a single amendment in the bill, but throughout the bill wherever there are appropriations which include personal services. It applies to every item in the bill for personal services except the items for hospitals and direct medical care. With respect to those items there is no ceiling fixed by the bill. They were excepted by unanimous vote, I believe, of the committee.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. CORDON. I yield to the Senator from Arkansas.

Mr. McCLELLAN. Do I understand correctly that the items in the bill which the amendment of the Senator from New York would eliminate from the Ferguson amendment, were eliminated by the amendment of the Senator from Oregon?

Mr. CORDON. Not all of them. Foreign quarantine was not eliminated by my amendment; the Heart Institute, the Cancer Institute, and the like, were not eliminated, except as within those categories there were items for hospitals and direct medical aid.

Mr. McCLELLAN. Yes, where they apply to direct personal service in hospitals and in providing direct medical aid. That is the distinguishing difference between what the amendment of the Senator from New York would do to the Ferguson amendment, and the amendment adopted by the committee, which was sponsored by the able Senator from Oregon.

Mr. CORDON. The Senator is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. WHERRY. I ask the distinguished Senator from Oregon if it is not a fact that the Ferguson amendment, so far as its purpose is concerned, and its full force and effect, is identical with the Cordon amendment except that it makes an additional 5-percent reduction in the ceiling?

Mr. CORDON. That is my understanding of the legal effect of the Ferguson amendment. The Ferguson amendment presents this question, and I think only this question: Should the action of the committee in fixing a ceiling of 95 percent of the budget figures for personal services be changed to make the ceiling 90 percent?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CORDON. I shall yield to the Senator from Vermont in a moment. Under the Ferguson amendment hospitals and direct medical care would be excepted, because they were excepted by the committee. The legal effect of the Ferguson amendment, therefore, is simply to double the 5 percent which was the amount of the reduction under the so-called Cordon amendment, which is the committee amendment.

I now yield to the Senator from Vermont.

Mr. AIKEN. Is it not a fact that the Cordon amendment, the 5-percent amendment, was not exactly an across-the-board cut? Did not the subcommittee increase some appropriations before applying the 5 percent? I have in mind particularly the appropriation for the Children's Bureau, for which I believe the House allowed $1,450,000 for personal services, and I believe the Senate committee increased that somewhat before applying the 5 percent, evidently on the theory that the amount that was left was the amount needed, which happens to be the amount the Bureau had last year, and, I believe, the year before, and for some time before that. In other words, evidently the committee thought this particular Bureau was entitled to $1,500,000. So in that respect it was not exactly an across-the-board cut, certainly not an across-the-board cut as the bill came from the House.

Mr. CORDON. Mr. President, I think the Senator from Vermont is slightly confused with respect to the legal effect involved.

Mr. AIKEN. I concede that.

Mr. CORDON. I shall be glad to do what I can to clarify the situation.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. AIKEN. May I say for the RECORD that I did not have the bill or any material in my hand when I discussed the matter.

Mr. CORDON. The Senator made himself perfectly clear. I had expected to advert to that particular matter because, I may say to the Senator from Vermont, initially the amendatory provision did not operate as a reduction in an appropriation. It operated as a ceiling on expenditures and as a ceiling on expenditures it does operate on every item in the bill—on every item. In those instances where the action of the Appropriations Committee was a recommendation of the budget request in an amount, the total sum of which was greater than 95 percent of the budget request for personnel, there was a reduction. If the committtee had made a reduction greater than the 5 percent of the personnel budget item, then there was no dollar reduction in the bill, but the limitation would still be there.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. AIKEN. I find on examining the bill itself that the committee increased

the appropriation from $1,450,000 to $1,500,000 before applying the amendment. Is that correct?

Mr. CORDON. Yes.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. CORDON. I am happy to yield to the Senator from Arkansas.

Mr. McCLELLAN. Irrespective of that amendment, that does not change the Budget figure, and the Senator's amendment relates to the Budget, and not to what either the House or the Senate placed in the bill.

Mr. CORDON. Exactly.

Mr. McCLELLAN. I wish to ask the Senator one more question so that the point may be made clear. As I understand, if the Ferguson amendment is adopted it will carry with it the identical exemption as the amendment which was sponsored by the able Senator from Oregon, which the committee adopted. Is that correct?

Mr. CORDON. My understanding is that that would be the case. The amendment does not purport to change the language, and the limitation appears as a language change in each appropriative item for personal services.

Mr. McCLELLAN. If that is the correct interpretation of the Ferguson amendment and the effect it will have, then the issue, and the only issue actually before the Senate in voting for or against the Ferguson amendment is whether in the judgment of each individual Senator we can safely reduce the amount to be expended for personal services another 5 percent; making it 10 percent instead of 5 percent, as now provided by the bill, under the amendment of the Senator from Oregon. Is that not correct?

Mr. CORDON. I am entirely in agreement with the Senator from Arkansas. He has stated the legal effect of the proposed amendment.

Mr. McCLELLAN. So, what we are talking about is the difference between 5 and 10 percent. We are all agreed on a cut. I presume the 5-percent cut has been adopted in the bill, by acceptance of the Senator's amendment.

Mr. CORDON. Yes.

Mr. McCLELLAN. So the only issue with respect to the amendment is whether we will extend that cut to 10 percent.

Mr. CORDON. Yes.

Mr. McCLELLAN. I should like to ask one further question. If the bill goes to conference with the Ferguson amendment adopted, without the amendment of the able Senator from New York [Mr. LEHMAN], providing exemptions for certain functions, the conferees may include in the conference report one or more of the items in which the Senator from New York is interested. So there would be an opportunity for further study in conference. There would be opportunity to include any of the other agencies which the conferees might wish to include, and which are covered by the amendment of the able Senator from New York. I think I am correct in that statement. I ask the able Senator if that is not a correct statement. If not, I should like to be corrected. I should like to have the situation clarified.

Mr. CORDON. Mr. President, the bill as it now stands carries a specific dollar ceiling on personal services for each item. That being so, each of the ceiling provisions will be in conference. The legal effect will be in conference. The amount will be in conference. The conferees might, of course, either delete all of a particular item, change the language, or change the figure. So the conferees would have complete control of all the items in the amendment offered by the Senator from New York to the Ferguson amendment.

Mr. McCLELLAN. Mr. President, will the Senator further yield?

Mr. CORDON. I am glad to yield.

Mr. McCLELLAN. I wanted to get the situation clear in my mind. I intend to support the Ferguson amendment. I believe that the time has arrived to make reductions. We all talk economy, but when an effort is made on the floor of the Senate to do something about it, we say, "I believe in economy, but—."

I shall vote for the Ferguson amendment, just as I voted for the 10-percent cut in committee. But the point I wish to make is that there are some services which none of us want to curtail. We do not want to retard or hamper them. I am unwilling to make a cut which would do so.

I am not so certain but that a number of cuts could be made without any actual curtailment of service. In this period of crisis, when we are drafting the young men of the Nation and sending them to foreign battlefields to fight and die, there is not an employee of the Government, not a Member of Congress, who ought not to be willing to work a little harder and a little longer, and make a little sacrifice toward the contribution which is now necessary by effectuating some economy throughout the various agencies when American boys are making such great sacrifices.

I am going to vote for economy. I am going to vote to cut appropriations not only in this bill, but in the legislative bill. I think I could work an hour longer a day, or 2 hours longer a day, if necessary. I think the staff in my office could do so. If we are unwilling to do that for the sake of the country, for the purpose of effectuating some economies, then we are not willing to make contributions comparable to those which we are calling upon the young manhood of America to make in defense of freedom.

I believe that appropriations can be cut. I believe that as a matter of moral right we ought to cut them. We ought to demand of those who work for the Government a small measure of sacrifice in this period of crisis.

Mr. CORDON. Mr. President, let me say to my friend from Arkansas—and I say it from the bottom of my heart—that he has just said something which ought to be said again and again throughout the country, something which should be said and reiterated time and time again by the Executive head of this Nation to the people of the country. I join the Senator from Arkansas. I am willing to go as far as my judgment will permit me to go in making reductions.

With what information I have at this time—and I have endeavored to inform myself as best I could on this particular bill—I am of the considered opinion that it would be dangerous to cut this appropriation in the personnel field more than the committe has cut it. I can understand that other members of the committee may take a different view. I can only present my views and, so far as I can, the reasons for such views.

Mr. President, we have before us a $2,000,000,000 bill, with about $117,000,000 of it for personal services. Before the bill came to the committee the Bureau of the Budget had scanned it. I am not one of those who believe that the Bureau of the Budget is wholly an agency of extravagance. I have worked with the Bureau of the Budget in the years I have been in the Senate. I am personally acquainted with many of its personnel. I know that that agency strives to send to the Congress as sound a series of estimates as it can, not only with reference to personnel, but with reference to other items.

It is easy to stand on the floor of the Senate and, in sweeping generalities, say that all the employees in the executive departments are lazy louts and wastrels, or that all the supervisory group seek only selfish interest, and to pad payrolls. We can make such statements, Mr. President, but we are a bit reckless when we do so. They cannot be borne out by the facts.

Certainly in any organization so vast and stupendous as is the American Government, employing personnel at an annual cost of more than $4,000,000,000 a year, exclusive of the national defense, there must be room to reduce personnel. The committee has sought, in connection with this first bill, to approach the reduction with a statutory limitation reducing the estimate of the Bureau of the Budget by 5 percent across the board, exempting only hospitals and direct medical aid.

Mr. HAYDEN. Mr. President, will the Senator yield for a question?

Mr. CORDON. I am glad to yield.

Mr. HAYDEN. I should like to inquire of the Senator whether a representation which has been made to me is correct, namely, that a 5-percent cut or a 10-percent cut would actually amount to more than that in cash, by reason of the fact that the personnel removed would be entitled to receive pay which they had earned for their accumulated leave, so that the total amount of money actually taken out would be not only 5 percent, but perhaps an additional amount beyond that.

Mr. CORDON. If I correctly understand the Senator——

Mr. HAYDEN. I am referring to terminal leave payments which personnel involuntarily removed are entitled to receive in cash.

Mr. CORDON. I think I fully understand the Senator. If I do, I am in agreement with him. Under the law as the Congress has put it on the books, employees of the Federal Government may accumulate unused annual leave. If they are detached from the Government

they are entitled to be paid at the regular rates for all of the period of accumulated leave which they have earned.

We have had various estimates from time to time before the committee with respect to the total amount of such accumulated leave. Although I am not certain, my memory is that it averages close to the limitation of 60 days per person. That means that if we apply a 5-percent limitation on the estimates for personal services as they appear in the budget, as a result of the necessity of paying for 60 days, or one-sixth of a year, of salary to each of the individuals who are detached, we actually increase the separation by considerably more than 5 percent, because we would make a reduction in money, not in numbers of personnel. If we attempt to make a reduction in numbers of personnel we are in a field of guesswork. We may take 10 percent of the personnel in the lowest brackets and hardly affect the budget. However, when we make a reduction in money—and that is the only way to cut down on personnel, if that is what we want to do—we do not appropriate the money. In that way the department must cut its suit out of the cloth we provide. With the 95 percent provided it must pay, first, those who are separated. If sufficient money is not available to pay for accumulated leave that must be taken into consideration when the personnel factor is applied to the money which is made available.

(At this point Mr. CORDON yielded to Mr. HUNT, who made a statement on the so-called Ferguson amendment. By unanimous consent, Mr. HUNT's remarks were ordered to be printed at the conclusion of Mr. CORDON's speech.)

Mr. CORDON. Mr. President——

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. WHERRY. A few minutes ago the Senator from Oregon made several observations in regard to the work which has been done by the committee and in regard to the work done by the Bureau of the Budget. I agree with the Senator as to that. I myself know of several men in the Bureau of the Budget who are very well qualified for the work they are doing, and who are doing a good job in attempting to bring to both branches of the Congress a budget which they feel is justified.

I was not present in the committee at the time when the Senator from Oregon proposed his 5-percent-reduction amendment. It was presented at the meeting of the full committee, after I had to leave, just before the committee voted to report the bill.

Mr. CORDON. Mr. President, let me say that I am fully aware of the responsible position the Senator from Nebraska has on the floor of the Senate, and of the fact that frequently he is required to be in the Senate Chamber at a time when he would prefer to sit with his own subcommittee or with the full committee; but it simply cannot be helped.

Mr. WHERRY. I thank the Senator. I highly respect him. He said he was presenting his own views, and he said he felt that to make an additional cut of 10 percent in the appropriations would be dangerous at this time.

I should like to have the Senator from Oregon show—as he no doubt intends to do—the justification for making a 5-percent cut in the appropriations, and also why he believes it would be dangerous to make a further cut. In other words, I should like to have him present the arguments in favor of making a 5-percent cut and in opposition to making a 10-percent cut.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. ROBERTSON. I should like to ask the Senator from New Mexico whether he would have any objection to a unanimous-consent agreement limiting the time for debate both on the amendment of the Senator from New York to the amendment of the Senator from Michigan and, subsequently, on the amendment of the Senator from Michigan. I should think we could conclude action on one of these amendments today, and then, tomorrow, conclude action on the other one. I certainly hope that will be done. The independent offices appropriation bill will be ready for consideration by the Senate tomorrow evening.

Mr. CHAVEZ. Certainly I have no objection to concluding action on the pending bill by means of any agreement which is satisfactory to the Senate.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. WHERRY. In response to the suggestion just made, let me say that so far as I am concerned, there is no objection to having an agreement reached in regard to limitation of debate at any time the Senate desires. However, before that is done, I feel that both the amendment of the Senator from New York to the amendment of the Senator from Michigan, and the amendment of the Senator from Michigan itself should be voted on, because they involve the entire basis for the cuts in appropriations which may be proposed by any other amendments; and when we conclude action on the so-called Ferguson amendment, we shall then be in a position to take up similar amendments.

Therefore, I hope no limitation will be placed on debate until we have completed action on the so-called Lehman amendment and the so-called Ferguson amendment. Then I am satisfied it will be perfectly agreeable to Senators on this side of the aisle to have the Senate limit debate in any way that is desired.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. CHAVEZ. Of course, I wish to have the so-called Ferguson amendment and also the so-called Lehman amendment voted on by the Senate without undue delay, but I do not wish those amendments to be voted on until the Senator from Oregon, who heard the testimony and who participated in the attempt in the committee to make a proper recommendation to the Senate, has an opportunity to present his views in regard to the amendments. He is the one who recommended to the committee the 5-percent cut in the appropriations, and I think he should be allowed to inform the Senate why he favors such a provision.

We are not complaining about the attempt of the Senator from Michigan to have a 10-percent cut made—or even a 15-percent or a 20-percent cut made; but we are trying to convince the Senate that the sound course for it to follow, in making the proper kind of savings, is to adopt the amendment of the Senator from Oregon. Therefore, we wish the Senate to have the benefit of hearing the Senator from Oregon present his views and arguments, and then vote.

Mr. CORDON. Mr. President, I should like now to give as direct an answer as I can to the suggestion of the minority floor leader. Let me say first that I cannot indicate with respect to any item in the bill specifically where a 5-percent cut can be safely made and a 10-percent cut cannot be made. My judgment is based to a very great extent upon the fact that 5 percent is 1 in 20, and 10 percent is 1 in 10. Among other things, the committee had before it the itemized list of the personnel, including the activities in which the several persons were expected to be engaged, and including the number of additional personnel, if any, requested in the proposed estimates, and I believe that when a careful scrutiny has been made by the Bureau of the Budget, and another careful scrutiny made by the committee, and all that information is taken into consideration, and we eliminate 1 to 20 of the persons employed in the civil departments of the Government, we shall have gone about as far as we ought to go, unless we are willing to give up our present system of appropriation by subjects and return to an itemized appropriation. If we return to that system, we shall have an appropriation bill consisting of perhaps 300 pages in the place of one consisting of 50 or 60 pages. We shall then have absolute control of the personnel, the expenses, and so forth, under an itemized list. In that way we could do a far better job than we do when we make single appropriations covering a great number of objects.

One might ask the same question which has been asked with respect to the difference between a 5-percent cut and a 50-percent cut. The difference again is, of course, 1 in 20 as against 1 in 2, and it is a matter of judgment for the Members of the Senate, most of whom have not had access to the detailed data, and it is a matter of judgment for the members of the committee, all of whom have had access to the data, although many have not had the opportunity to make the study which should be made.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

The PRESIDING OFFICER (Mr. SMITH of North Carolina in the chair). Does the Senator from Oregon yield to the Senator from Nebraska?

Mr. CORDON. I am glad to yield.

Mr. WHERRY. I am not sure that the Senator has even attempted to figure it out nor am I sure that it can be done; but I should like to ask, if it were possible to translate into dollars and cents

the saving which is proposed in the Jensen amendment, as the committee finally modified it, what would the saving be, if it could be made—and I am not sure that it could be—as compared, let us say, to a cut of 5 percent?

Mr. CORDON. Mr. President, our study indicated that we were in a field of guess, after we had obtained all the information we could get. I do not assume to speak for the entire membership of the committee, though I heard some of the members discuss the matter, but the view of some of us was that the best that could be hoped for under the Jensen amendment was substantially a 5-percent reduction throughout the personnel level.

If I may revert for a moment to the Jensen amendment, the testimony before the committee was that separations throughout the Government service run from approximately 18 percent in certain agencies to as high as 36 percent in others. Those separations, of course, would begin immediately after the fiscal year, and would end with the close of the fiscal year. If we assume a steady rate of separations distributed throughout the year the average separation rate for the year would be these percentages divided in half, and we could then have a reasonable idea of the number of man-years, or average, to be gained if others could not be employed to take the place of those who were separated from the service. I mean that, with respect to the agencies in which the separation is around 18 percent, the average in man-years would be 9 percent, and that, with respect to those in which the separation is around 36 percent, it would be 18 percent.

However, we must have in mind, when we consider that matter, that the Jensen amendment as contained in the House bill, and the modified Jensen amendment which the committee considered, differed with respect to a specific provision for a ceiling which would be permitted in each agency before the amendment could become operative.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. CORDON. I shall be glad to yield.

Mr. LANGER. Why would it not be much simpler, I may ask the distinguished Senator, merely to adopt the budget which the Senator from Virginia [Mr. BYRD] recommended, cutting it $7,000,000,000 or $8,000,000,000, instead of arguing about a little 5-percent cut on $117,000,000? Would it not be better? A moment ago, the Senator from Oregon suggested that we might take up 300 different agencies or items. I ask again, why not take the Byrd budget, debate it, argue it, and settle it once for all in one debate?

Mr. CORDON. Mr. President, I shall be glad to endeavor to answer the Senator. In my opinion, there is much to be said for that approach. I am one of those who last year supported the one-package appropriation bill. I still believe that it is the soundest approach to appropriations which the Congress will ever evolve, because it is the only procedure by which the Congress can maintain control of the total appropriation until the last minute, when the bill is passed. Had we been able this year to carry that into effect, we could have done this year what we did last year, when we added section 1214 to the bill, and, in that section, cut the total appropriation by $550,000,000; which sum was impounded and was not used, because not appropriated. In addition to that, there was $30,000,000 more which was impounded, and I do not recall that there have been any great outcries because any essential activity was hurt. We cannot do that now. We are going to have our whole apple brought to us in some 12 or 13 segments. We must operate on each of the segments as it comes. I should prefer the other approach. I think it is the soundest approach. I think it is the one way whereby the entire Senate, despite the fact that many Senators never have the opportunity to work on the Appropriation Committee, can still use sound judgment in its final action. It can in that way look at the total necessities, the total expected income, and determine what relationship one should bear to the other, and, in one short section of such a bill, it can execute its judgment. That is the way it should be done. It is not being done in that way, and we must do the best we can with what we have.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. CORDON. I yield to the Senator from Delaware.

Mr. WILLIAMS. Did the Comptroller General endorse the Cordon amendment?

Mr. CORDON. The Comptroller General made no appearance and advised the committee not at all. Representatives of the Comptroller General's office were before the committee. Those who appeared before the committee joined with the Bureau of the Budget in the statement that the most logical method of making reductions in this or in any other appropriation bill would be the method of writing the reduced specific figures throughout the bill.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. CHAVEZ. Is it not a fact that neither the representatives of the Comptroller General's Office nor of the Budget Bureau made any recommendations? We asked them what the approach should be. Is not that correct? It was committee action; it was not the action of the Budget Bureau or of the Comptroller General.

Mr. CORDON. Mr. President, I do not want to dispute with the able chairman of the subcommittee. I am perfectly clear in my mind that representatives of both agencies were responsible for the statement to the committee that the soundest approach was the approach of specific figures.

Mr. CHAVEZ. That is correct; but did not the committee ask them for that information?

Mr. CORDON. Oh, yes.

Mr. CHAVEZ. It was not voluntary on their part.

Mr. CORDON. They were brought before the committee.

Mr. CHAVEZ. Because the committee wanted to arrive at some method of approach. Is not that correct?

Mr. CORDON. That is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. WHERRY. I think the questions we are asking the Senator are bringing out all the issues and the facts involved.

Mr. CORDON. I shall be happy to answer every question I can answer. I do not want to delay the Senate, because I think that what the Senator from Oregon has to offer is not of too much value.

Mr. WHERRY. If I did not think it was of value, I would not be asking questions; but I know the Senator from Oregon is one of our most industrious colleagues, and I appreciate his judgment.

Mr. CORDON. I thank the Senator.

Mr. WHERRY. I desire to associate myself with his very pertinent remarks just made about the one-package appropriation bill, or the so-called Butler-Byrd bill, or however it may be identified. I think it was the proper way to legislate, and I am sure the Senator from Oregon knows, as a member of the Appropriations Committee, I was in favor of it. I think that method of appropriation should be reinstated. It would be a great boon in helping the members of the committee and getting before the whole Senate in one package the total appropriations.

I should like to ask the Senator one question. What is the difference between the amount of saving which might be effected by the so-called Jensen amendment and the saving which might be brought about by the committee's modification of it? How much difference would there be if we could translate it into dollars? The provision will be in conference, and that is why I am asking the question. So long as it will be in conference as the Jensen amendment, I am wondering what the difference in saving might be between the Senate provision and the House provision, no matter what happens here in the final determination of the question.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CORDON. In a moment.

Mr. President, there was no estimate before the committee from anyone as to the savings which would be effected by the Jensen amendment as it appears in the House version of the bill. It is wholly a matter of speculation. When one approaches consideration of the effect of an amendment, one is compelled to be wholly practical and to realize that if there is to be an average of 18 percent separation in a given agency—that is, if 18 percent of the total personnel at sometime during the year is to be separated under the conditions set forth in the Jensen amendment—the head of any agency, where that kind of a separation would result in a chaotic condition in the handling of the work of the agency, would, at the beginning of the year, do everything he could do so to arrange his whole personnel pattern as to: First, keep as many of his personnel on the payroll as he could, and second,

reemploy those individuals who are the most necessary in his particular employment pattern.

In the consideration of the effect of that kind of provision it must be remembered that it is not a matter of law; it is a matter of good common horse sense. We may assume, I think, that the Government agencies in general are not extravagantly overstaffed. They have not been culled as fully, perhaps, as they should be, and we know there are places where we could make reductions. We know that the average employee of the Federal Government and the average employee in industry, like the average employee of the United States Senate, is trying to do a good job and is a faithful servant endeavoring, to the best of his ability, to do the work he is called upon to do. But, Mr. President, when we consider the practical aspects of the situation, we are bound to come to the conclusion that if the supervisory head of any agency is faced with the application of an amendment along the lines of the Jensen amendment, and realizes that he can never know throughout the year when there will be a sharp change in his personnel because of resignation, death, or because of any of the reasons indicated in the amendment, he will do everything he can to keep on the job those who are now employed under him. To do that he will be willing to take less than able, faithful service from them. Only in that way can he protect his agency and its integrity in carrying out its assigned duty.

We must bear that in mind, because when we consider 18 percent of man-years out in a given year, we realize that many agencies could not function, and they would strive to do everything they could to change the percentage of separation. We do not know what that change will be. We do know that the percentage is bound to be less than it has been.

Mr. McFARLAND. Mr. President, will the Senator yield for the purpose of propounding a unanimous-consent request?

Mr. CORDON. I shall be happy to yield, if, by so doing, I shall not lose the floor.

The PRESIDING OFFICER. Without objection, the Senator from Oregon may yield for that purpose.

Mr. McFARLAND. Mr. President, I ask unanimous consent that, beginning tomorrow at 12 o'clock, the time for debate upon the Ferguson amendment be limited to 1 hour, to be divided equally between the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Michigan [Mr. FERGUSON]; and that the time for debate upon any amendment to the Ferguson amendment be limited to 30 minutes, to be divided equally between the proponent of the amendment and the Senator from New Mexico if he is against the amendment, and, if not, between the proponent of the amendment and the distinguished minority leader; and that all amendments must be germane.

The PRESIDING OFFICER. Is there objection?

Mr. LANGER. I object.

Mr. WHERRY. Mr. President, the agreement does not relate to a vote. As I understood the request, it relates only to limitation of debate.

Mr. McFARLAND. That is correct.

Mr. WHERRY. And the limitation applies first to the so-called Ferguson amendment, on which it is proposed that a limitation of an hour be placed, with 30 minutes to the side.

Mr. McFARLAND. That is correct.

Mr. WHERRY. Which I understand is agreeable to the Senator from Michigan. Then as to other amendments to the Ferguson amendment debate would be limited to 30 minutes on each amendment. It is not proposed to place a limitation on any other amendment to the bill.

Mr. McFARLAND. No.

Mr. WHERRY. I wonder if the distinguished Senator from North Dakota will reconsider. The request applies only to the Ferguson amendment.

Mr. CHAVEZ. Mr. President, I am willing to yield the 30 minutes controlled by me to the other side.

Mr. WHERRY. Mr. President, will the Senator from Oregon yield to me for another question?

Mr. CORDON. I am happy to yield to the Senator from Nebraska.

Mr. WHERRY. My question does not relate to the unanimous-consent request. I appreciate that the Senator from Oregon is rendering a real service in bringing out all the facts and in trying to show what the end result might be under either the original Jensen amendment which is in the House language of the bill with which we will have to deal in conference, or the modified form, the proposed 5-percent cut. I wish the Senator would venture an opinion. I have heard various suggestions made, translated into dollars, with respect to what the original so-called Jensen amendment would produce, and what the modified form would produce. Will the Senator from Oregon furnish us with a guess as to what, in his judgment, the Jensen amendment would save? I realize, of course, that it is all a guess. A guess only can be made as to what the modified form of amendment would do. But when the bill goes to conference the conferees will be obliged to deal with the matter of dollars and cents. Would the Senator care to express himself percentagewise? If he does not wish to do so, very well. But I believe it to be highly important to find what would be the saving as translated into dollars, if possible, under the so-called Jensen amendment as it came to the Senate, even though it be only a guess, and also what would result from a 5-percent cut.

Mr. CORDON. I wish I could hazard even speculation with respect to the Jensen amendment, but I cannot do so.

Mr. WHERRY. Very well.

Mr. CORDON. I do not think anyone can do so. One could take the records of separations in years past of the several agencies and cut them in two, to allow for the fiscal effect of the known separation rate spread over 12 months, then take average salaries with that weighted average, and finally arrive at a rough figure of what would have happened in some other year. When we arrived at that figure we would still be faced with the fact that it was not worth a continental in considering the same amendment applied prospectively because we would not have the same result, inasmuch as the amendment in itself would be a factor in determining future separation rates.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. CHAVEZ. If the Cordon amendment goes into effect, the savings under the bill will be $2,318,190.

Mr. CORDON. That would be the savings over and above the recommendations of the committee at the time the amendment was finally adopted.

Mr. CHAVEZ. Yes.

Mr. CORDON. That is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. WHERRY. I understand that. That figure is shown in the report. What I am trying is, if possible, to get an approximate figure of savings that would be produced by the Jensen amendment.

Mr. CHAVEZ. It would result in employment of 1 person for every 4 vacancies, but what that would mean in savings in dollars and cents, I could not tell the Senator. Under the Cordon amendment there would be a saving of $2,318,190 a year.

Mr. WHERRY. I understand that.

Mr. CORDON. Mr. President, I shall detain the Senate but a few minutes more. I desire now to direct my remarks to the amendment offered to the Ferguson amendment, by the Senator from New York [Mr. LEHMAN]. I fully realize the views which have been expressed by the Senator from New York as being sincere and coming from his heart. I realize that the only thought in his mind, and in the minds of other Senators who agree with him with respect to this matter, is that of maintaining the integrity of the humanitarian efforts which are now being made in the name of the Government to promote health and to protect life. I find myself, however, in disagreement, not with the views or the desires of the Senator, but only with respect to the effect of the Ferguson amendment, if adopted.

Let me say that I do not believe the Ferguson amendment should be adopted and applied to any provisions in the bill. I am of the opinion that if the Senate should adopt it, however, its adoption would not more seriously affect the several activities mentioned in the Senator's amendment than it will seriously affect the other activities denominated in the bill.

I call attention to certain figures taken from the budget in support of that statement. For the National Institute of Health the bill contains an item of $15,800,000. Personal service accounts for $4,800,532 of that amount; grants account for $9,650,000 of it. Then there is an item for other expenses. The Ferguson amendment would not attach to the grants of $9,650,000, but only to the personal services item.

With respect to dental health we have a somewhat different picture, in that of the total estimate of $1,750,000 personal services would represent $1,053,848.

The total estimate for the Heart Institute is $10,150,000, of which personal services account for only $1,540,351, with grants representing $7,591,000. The difference represents other expenses.

In the case of mental health activities, the total estimate is $10,800,000, of which personal services represent only $1,240,515, and grants $8,182,000.

For the Cancer Institute the total estimate is $15,122,000, of which personal services represent only $2,836,590, with grants representing $10,315,000.

In the case of foreign quarantine, where the whole operation almost is in personal services, the total estimate is $3,000,000, with personal services representing $2,639,430.

Mr. President, it is, of course, easy to make an argument in favor of each of these items in the bill, and certainly no one can deny the high purpose of the Congress in enacting the legislation providing for them, nor deny the necessity for work in the several fields. But, in all seriousness, I call the attention of my colleagues on the floor to what I believe is a demonstrable fact. The advances made in the medical sciences have resulted not from the expenditures of Federal dollars, but from the work done by a great number of devoted members of society working entirely on their own—working in the hospitals, in the clinics, in the great laboratories of the pharmaceutical groups, in the universities, and in the medical schools. That is where all the advance occurred until the last decade. We except only the work—and it has been a good work—done by the Public Health Service. But prior to that time that work was solely in the nature of instruction to local agencies in the several States. We have come from an average life expectancy of 35 years in the earliest years of the country to 70 at present. I think we can give credit to the men of medicine and surgery who were working in their private practice to accomplish the job which has been done.

It is altogether proper that the Government should come into the picture to some extent, because our tax system has guaranteed that there will not again be created in this country the great personal fortunes from which endowments were made in the past, which permitted much of this work to be done. Unless funds are now provided through taxation, we shall not continue to have support for these activities. We shall not continue to have the type of endowment which we have had in the past.

In the last analysis we shall not seriously injure these programs—if we injure them at all—by the kind of reduction which is here proposed, beyond the injury which would come from dislocation in connection with any of the other activities covered by the bill. I am of the opinion that when we make a 5-percent reduction we make all that we should make, until we can reach the problem item by item.

One further point, and I am through. In the one-package bill last year we had section 1214, which was a rescission of $550,000,000. That rescission was made effective by the Bureau of the Budget as a result of the knowledge which that Bureau had, from its inspection and study, of all the departments of government through past years. We can make such a reduction in this bill if it is the will of the Congress to do it. I present that problem to my colleagues so that they may study it.

In that connection, I should like to place in the RECORD the following figures:

In the civilian employment of the Federal Government we have for 1952 an estimated total payroll of $4,232,727,846. That is exclusive of the Department of Defense.

For travel for 1952 the total of $151,599,312.

For transportation of things, $555,893,085.

For communication services, $36,395,738.

For rents and utilities services, $118,423,916.

For printing and reproduction, $59,837,795.

For other contractual services, $809,146,855.

For services performed by other agencies, $132,387,712.

For supplies and materials, $565,523,263.

For equipment, $308,929,742.

For lands and structures, $1,036,493,894.

For grants, subsidies, and contributions, $3,431,746,126.

For pensions, annuities, and insurance losses, $3,862,666,255.

For refunds, awards, and indemnities, $17,575,156.

For interest, $5,897,757,683.

For taxes and assessments, $1,339,793,

For investments in lands, $1,099,159,180.

There is an unvouchered amount of $20,045,000.

There is a sum not distributed by budget class of $72,796,273.

There is a total of direct obligations, exclusive of national defense, of $22,477,944,623.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. CORDON. One moment, and I shall be happy to yield.

With a total of $22,000,000,000, certainly we can find places to wield the economy ax. If we can do it, then we must start here. In connection with each bill as it comes up we must do that which, when we finish the last bill, will represent what we could have done much more easily and logically had we been able to operate on a single figure of appropriation.

I now yield to the Senator from North Dakota.

Mr. LANGER. Mr. President, would the distinguished Senator mind reading the item for rents again?

Mr. CORDON. For rents and utility services, $188,423,916.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. CORDON. I am happy to yield.

Mr. LANGER. Has the Senator ever considered the question of compelling the Federal Government and the regional agencies to locate their central offices somewhere near the center of the particular region? For example, take the Office of Price Stabilization. The regional office was located at Minneapolis. The result is that in some cases a man from Montana must travel 1,200 miles or more to go to the regional office. In Minneapolis the rents are very high. They could be cut in two by locating the office in South Dakota or North Dakota, somewhere near the center. Two or three more regional offices are being established in that area. One is an office under the Department of Labor. It seems to me that the committee, or whoever is in charge of this matter, ought to call in whoever is responsible and try to have the regional offices located somewhere near the center of the area. It seems to me that such a plan would save a considerable sum.

Mr. CORDON. I appreciate the suggestion. I think that somewhere along the road the committee could well set a rental pattern for the United States and have shown on it the divisional headquarters of all the agencies, so that we could get the picture of where the principal offices are located and the areas which they serve.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. CHAVEZ. I think we could go further. I am not so much worried about the old departments, such as the Department of Labor and the Department of Agriculture. It is the new agencies which establish the pattern. They get employees from the other departments. Such employees probably were class 8 employees. All of a sudden they become class 14 employees. It is the new agencies which cost the Government money. I refer to OPS and similar agencies. They pay more money to the average employee. They take employees from the Department of Labor and from other old departments of the Government. They are taking them right now by the thousands. I think we should watch that sort of thing. We need not worry about the old departments. We do not let them get by with anything. The new agencies are the ones who are actually getting the money.

Mr. CORDON. In conclusion, Mr. President, I suggest to my colleagues who are interested in some sort of logical approach to the problem that a study be made of the committee's report on the bill. In that way it is possible to determine the action which was taken last year by the President's Bureau of the Budget in applying to each of the agencies what the Bureau of the Budget felt was the respective proper share of the $550,000,000 rescission. I refer to the tables beginning at page 19 of the report. The tables are headed "Comparative statement of appropriations for 1951, amounts as reduced under section 1214," and so forth.

I wish to say to my colleagues that overnight I shall give some attention to the tables. I believe that the proper approach to the bill would be to take the amendments which the committee has

offered and make a rescission along the lines of section 1214 of last year's general appropriation bill in the amount that the Senate feels the reduction should be made, and then leave it to the Bureau of the Budget to apply the reduction so that there will be used in that application all the accumulated knowledge of the one agency in the Government of the United States which has the necessary information to make that kind of application wisely.

During the delivery of Mr. CORDON's speech.

Mr. HUNT. Mr. President, will the Senator from Oregon yield?

Mr. CORDON. Mr. President, I should like to speak for a few more minutes. I understand that the Senator from Wyoming must catch a train. Therefore I ask unanimous consent that I may yield to him for a brief period of time.

Mr. HUNT. I ask for only 4 minutes.

Mr. CORDON. I am glad to yield 5 minutes to the Senator. I do so with the understanding that I do not lose the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUNT. Mr. President, I greatly appreciate the courtesy of the Senator from Oregon [Mr. CORDON]. I assure him that I shall keep within my 5-minute limitation. First of all, I wish to send to the desk an amendment to the Lehman amendment. I ask that the clerk read the amendment to the amendment.

Mr. WHERRY. Mr. President, I am interested in the parliamentary situation. Is it not a fact that an amendment offered to the Lehman amendment would be an amendment in the third degree? If so, I believe it would be out of order.

Mr. HUNT. If it is out of order, I shall withdraw it.

The PRESIDING OFFICER. The Chair understands that it is out of order.

Mr. HUNT. Then I withdraw my amendment.

Mr. WHERRY. Of course, the Senator understands that I am not objecting to his amendment. I merely stated my understanding of the parliamentary situation. I am quite certain that he can propose his amendment in another way.

Mr. HUNT. Mr. President, I believe that by the votes which were cast on last Friday it was indicated that the majority of the Senate are in total agreement with the necessity for greater economy in the Federal Government, especially at this particular time. I think we are obligated to cut every single program which is not needed. I believe we must join together to reduce any Federal activity which benefits only a few of the people, and to wipe out completely any Federal activity which would permit an increase of employment in the Federal Government. Let us cut and cut drastically programs which have gone beyond the intent of Congress, and those which can be deferred until a time when the problems confronting us are far less urgent than those which now command our attention. I wish to say to the distinguished chairman of the subcommittee that I think he has more or less broken with a custom and rule of the Senate, in that he has cut $112,000,000 from the House recommendation.

Mr. CHAVEZ. That is correct.

Mr. HUNT. It is something in the nature of an entirely new procedure, as I understand.

Mr. CHAVEZ. As a general rule the Senate restores or raises appropriations acted on by the House. In this instance we have cut $112,000,000.

Mr. HUNT. And the committee has cut $215,000,000 from the budgetary requests. I wish to congratulate the Senator from New Mexico and the committee for having done a splendid job.

Mr. President, I believe that in cutting various appropriations we must take great pains that we do not inadvertently destroy programs which are of great value to the Nation, whether it is at war or at peace. We must be sure that when we strike at nonproductive bureaucrats, we do not inadvertently drive from Government public servants whose contributions to the health of all our people and that of our armed services far outweighs the cost of their services. A flat percentage cut in all funds to pay employees in a large department of the Federal Government is a blind and unreasoning way to go about the matter. It would harm essential services as much as it would reduce nonessential services.

I say to the distinguished Senator from Michigan that it would drive out of Government the efficient and essential employee more quickly than the inefficient and nonessential employee.

For example, the amendment offered by the senior Senator from Michigan would cut off men at the National Institute of Dental Research whose work has been under constant observation by the American Dental Association, and which has won the continued approval of that knowledgeable and highly tax-conscious organization. It would cut off some of the men who helped find out that a few cents' worth of fluoride placed in city water supplies would halt tooth decay by 60 percent. Tooth decay has forced our Armed Forces to reject tens of thousands of potential servicemen during the two World Wars and the present Korean incident.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. HUNT. I would prefer not to yield at this time. I am racing against time in an attempt to catch a train. Therefore, I decline to yield at this time.

Furthermore, the amendment would cut off some of the already all-too-few physicians at the National Institutes of Health, who also happen to be the scientists who inspect and thus insure the safety and effectiveness of the vaccines which protect our children against diphtheria and smallpox, and our soldiers overseas against typhus and yellow fever. Those vaccines now are the purest and the most potent in the entire world. It is absolutely necessary that they be kept so. I may say, Mr. President, that deaths in Korea from infectious and contagious diseases today are practically nil. It is due to the magnificent work of the research men down through the years.

The amendment would drive away from their test tubes many scientists and technicians at the National Cancer and Heart Institutes who are trying to find means of preventing or curing those two great killers, cancer and heart disease. The highly skilled, dedicated men of mental disease, of cerebral palsy, of arthritis, and blindness, are unfortunately also included among the bureaucrats which the amendment seeks to purge.

These are the types of men and women who have been serving our Nation and humanity in the laboratories of the Public Health Service—men and women who, if we adopted the Ferguson amendment in its present form, would be told that their work is no longer needed, that the Congress does not approve what they are doing.

Mr. President, I know that is not the intent of Congress. I know that when we move to cut down the size of the army of Federal employees we want to do so selectively and with intelligence and on the basis of knowing just what each platoon in that army is engaged in doing. By all means let us make cuts in the swivel-chair commandos, but let us not make cuts in the platoons which are out in front on the firing line—the men and women who have dedicated themselves to the continuous war on death and disease, the men and women who could command far greater salaries and could live far less dangerously if they had not chosen to put public service ahead of private gain. Let us tell the men and women who are doing the research, and the planning and the testing at the National Institutes of Health that we will give them the opportunity to continue in their careers of self-sacrifice. We can and we should do so by voting in support of the amendment offered by the Senator from New York to the amendment of the Senator from Michigan.

Mr. President, I wonder whether all Members of the Senate realize that when our Nation was founded, 161 years ago, the average life expectancy was 35 years, whereas today it is 70 years. Incidentally, let me say that many of the present Members of the Senate are now enjoying that added life expectancy, due to the work which the scientists and research workers have done in years gone by.

Just at the turn of the century the average workingman was absent from his job 21 days a year because of illness, whereas today the average workingman loses only 8 days a year because of illness.

Only 15 or 20 years ago in my own State I often visited local hospitals and saw men who suffered from spotted fever, a disease caused by the bite of wood ticks. The Public Health Service established at Hamilton, Mont., a laboratory for the sole purpose of developing a vaccine for tick fever. That was done. Whereas in Wyoming 15, 20, 25 or more years ago, there were hundreds of deaths from spotted fever, today there are no deaths from that disease, a result which has

been accomplished because of the work done by the scientists who have engaged in research on spotted fever.

Mr. President, I am most hopeful that the Senate will not adopt blindly the proposed meat-ax approach, by which it is proposed to cut off the heads, so to speak, of the scientific and research workers in our Government establishment.

I thank the Senator from Oregon for yielding to me.

The PRESIDING OFFICER (Mr. SMITH of North Carolina in the chair). Without objection, the remarks of the Senator from Wyoming will be placed in the RECORD at the conclusion of the remarks of the Senator from Oregon.

ADDITIONAL APPROPRIATION FOR THE LEGISLATIVE BRANCH, 1951

Mr. McKELLAR. Mr. President, I ask unanimous consent to report favorably, from the Committee on Appropriations, House Joint Resolution 267, making an additional appropriation for the legislative branch for the fiscal year 1951, and for other purposes; and I request its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. McKELLAR. Mr. President, let me say that the joint resolution calls for an additional appropriation of $150,000 for expenses of inquiries and investigations of the Senate. The balance remaining in the appropriation for this purpose is inadequate to meet the payrolls which are due on June 15, 1951, and during the remainder of the fiscal year. So passage of the joint resolution at this time is necessary, in order that the employees may be paid.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHERRY. Is this an appropriation for the contingent fund of the Senate?

Mr. McKELLAR. Yes.

Mr. WHERRY. Is the purpose of the appropriation to replenish that fund to the extent of the money which is needed under authorizations we have already made?

Mr. McKELLAR. Yes.

Mr. President, I ask unanimous consent for the present consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection?

Mr. LANGER. Mr. President, reserving the right to object, I should like to ask a question of the Senator from Arkansas, if the Senator will yield for that purpose.

Mr. McKELLAR. I yield.

Mr. LANGER. A little while ago the Senator from Arkansas said this is a time for sacrifice. I wish to inquire whether the joint resolution comes in that category, in the opinion of the Senator.

Mr. McCLELLAN. All these bills come in that category—both this measure and the other measures referred to come under the category referred to by the Senator from North Dakota.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. I shall not object to the request, but I wonder whether we should make a 10-percent reduction in the appropriations carried in this measure.

Mr. McKELLAR. No; for it applies to the present fiscal year.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the joint resolution (H. J. Res. 267) making an additional appropriation for the legislative branch for the fiscal year 1951, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1952, and for other purposes.

Mr. DWORSHAK. Mr. President, during the debate earlier today many statements and comments were made from which the inference might be drawn that Congress has not been sympathetic to an orderly expansion of our public health service program. I was aware of the extensive expansion over the past decade, and I requested the staff of the Committee on Appropriations to prepare an accurate summary showing appropriations for the public health service annually since 1941.

It is probably interesting and significant to note that in the fiscal year 1941 the total appropriation for the public health service was $33,379,340, whereas the estimate for this year is $362,693,000, with the bill as recommended by the Committee on Appropriations providing for approximately $359,000,000. That means that since 1941 there has been more than a ten-fold increase, or approximately from $33,000,000 to $362,000,000.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. DWORSHAK. I yield.

Mr. McCLELLAN. I wish to invite the Senator's attention to the fact that in the pending bill the amount recommended by the subcommittee is a 32½-percent increase over 1951 expenditures.

Mr. DWORSHAK. I thank the Senator for his contribution. The average number of employees of the Public Health Service in 1941 was 10,877, whereas the estimated personnel of the Public Health Service for the fiscal year 1952 is 16,103.

Mr. President, I have cited the figures primarily to show that Congress has not lacked sympathy for and that there has been an orderly expansion of the entire program. No one should stand on the floor of the Senate and charge that Congress has been niggardly in the consideration of appropriations for the Public Health Service.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point in my remarks the summary to which I have referred.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Public Health Service

Year	Appropriation	Average employees
1941	$33,379,340	10,877
1942	42,476,939	13,626
1943	58,037,245	17,465
1944	114,232,980	17,555
1945	126,925,073	16,088
1946	124,368,311	16,620
1947	104,066,446	16,727
1948	131,283,100	17,109
1949	168,521,000	16,952
1950	201,062,500	16,388
1951	274,794,280	16,049
1952, estimate	362,693,000	16,103

Mr. DIRKSEN. Mr. President, I should like to speak on the bill if there is to be any limitation of time tomorrow.

Mr. WHERRY. No; there is no limitation of time.

Mr. DIRKSEN. I made some observations this afternoon in which I expressed myself rather candidly and frankly about the work of the subcommittee. I stand by what I have said.

I wish to get at the subject in an indirect way. Tomorrow morning the Committee on Banking and Currency will consider and possibly start marking up the Defense Production Act, on which the committee has been taking testimony for approximately 30 days. We will again hear all about the changes. We will again hear all the old hokum about price control. We will again hear what we have heard for many days gone by. We will hear all the old arguments. For all practical purposes, OPA will be back again. I am reminded of the old song:

OPA is back again, the skies above are black again.
Black markets are back again, OPA is here again.

We will have very much of the same thing. In listening to the testimony, I have been puzzling over it, and I have come to the conclusion that there is some virtue in the old formula that high prices are the result of volume of money times the velocity of turn-over of money, divided by the availability of goods. That seems to be the standard formula by which orthodox economists give us the clue to price control.

Let us take these factors in order to understand the bill. First of all, let us take the velocity factor. The Federal Reserve Board at long last is moving in with its credit controls and is trying to cut down the money velocity and turn-over. I have said on occasions that it is rather strange that the Federal Reserve Board waited so long. The act went on the books in September of last year. Evidently there was no interest in doing anything about it until after election day. Then things got under way, and prices began to go up. Now for the first time we begin to see the teeth of the Federal Reserve Board's regulations

in the form of regulation W and regulation X, and the regulations are having some effect.

We have had before us persons interested in the radio and television business. Senators can believe it or not, but there are now 600,000 television sets in storage because it is impossible to move them. That shows that the Federal Reserve regulations are finally beginning to work. That is one factor in the price formula.

The next factor is supply. If only we could hike up the amount of consumer goods. It seems that we always go in for the usual emotional binge and always get the cart before the horse. We impose restrictions which retard the development of a supply of consumer goods rather than making it easy.

My good friend, the Senator from Nebraska, is an expert in the field of beef. The other day I saw in a Washington newspaper an article stating that the packers were staging a sit-down strike. I looked at the market price in Chicago. On the 5th of June, 27,000 cattle reached the Chicago market—50 percent of what would reach it in normal times. My friend, the Senator from Nebraska, knows that quite well. Today there is a quota on the packers and a shortage of supply, and prices went up $1 or $1.50 per hundred. The packers could not buy cattle at that price, because they are operating on a ceiling, and they could not jeopardize their investment. So the cattle moved down the highways, and little slaughtering establishments were set up behind barns and elsewhere; but the problem is not solved at all.

If we can do something about supply, that will ease the control problem.

If we can do something about the velocity of credit that will ease the problem.

Another factor is money and the volume of money.

While we in the Congress talk about price controls, we vote to pour money into the economic bloodstream in tremendous amounts. We have before us a budget calling for the appropriation of $71,500,000,000, and supplemental and deficiency appropriation bills which have been passed call for further appropriations of more than $1,500,000,000, and I anticipate that other deficiency and other supplemental appropriation bills will come before us and will be enacted, with the result that in the fiscal year 1952 we may have an $80,000,000,000 budget, rather than a $71,500,000,000 budget. The demands for the appropriations will come from a variety of sources.

The approach to this matter seems to be by way of the ECA, subsidies, public hearings, and increases in the expenditures provided in the appropriation bills. I think we can prove it, because this year when the House passed the Treasury and Post Office appropriation bill, it contained items calling for the appropriation of $88,000,000 more than was appropriated in the 1951 bill; and when the House finished acting on that bill, the amount carried in it was $11,000,000,000 under the budget, but $6,000,000,000 over the 1951 appropriations for the same agencies.

Further to prove the point which has been made on the floor of the Senate this afternoon, let me say that I was defeated in my effort to head off Senate bill 445. There were a good many mistaken estimates in regard to what that bill would cost; but when I concluded my references to the testimony, I showed from the records made in the Appropriations Committee, at its own hearings which were taken last year, that Senate bill 445 would not cost $21,000,000, as my friend, the Senator from Alabama [Mr. HILL], estimated it would cost, but would cost $240,000,000, with $80,000,000 coming from the Federal Treasury and $160,000,000 coming from State and local sources.

A few days ago the Senate passed the central Arizona project bill, authorizing the expenditure of $788,000,000. However, when the construction of that project is begun, if prices go up, I have an idea the project will cost nearer $1,000,000,000 than $788,000,000.

The other day when the Senate had before it the dispersal bill, authorizing the appropriation of $107,000,000 for that purpose, I helped fight that bill. I know that the authors of the bill were not particularly happy about what I said then; but what I said with gusto and enthusiasm and conviction was that if there is a real danger to our country the danger lies more nearly on the inside than on the outside.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to my friend the Senator from New Mexico.

Mr. CHAVEZ. I think the Senator from Illinois has a point with reference to other agencies of the Government, but I wish to have him appreciate the fact that our subcommittee did try to make a cut in these appropriations.

Mr. DIRKSEN. I am sure the Senator's subcommittee did; I have no doubt about it.

Mr. CHAVEZ. Possibly we did not make enough cuts. However, let me ask whether the Senator has ever seen a Senate Appropriations Committee report an appropriation bill making reductions of $112,000,000 in the appropriation items carried in the bill as it was passed by the House? Has the Senator from Illinois ever seen that done before?

Mr. DIRKSEN. Of course, I wish to say with modesty to my friend the Senator from New Mexico that when I was a Member of the House of Representatives we had a standing canard that "the House took it out, but the Senate put it back in."

Mr. CHAVEZ. However, in this instance our subcommittee voted to make smaller appropriations than the ones the House had voted for.

Mr. DIRKSEN. That is good.

Mr. CHAVEZ. That is the point I am trying to make to the Senate, namely, that in the subcommittee we tried to do what we thought was proper; we tried to make what we thought were proper cuts, and still provide sufficient money for the efficient operation of the functions of the Government appropriated for by the pending bill.

Mr. DIRKSEN. Yes.

Mr. President, there was the dispersal bill; there was the central Arizona project bill; and there is on the calendar Senate bill 337, providing subsidies for students and for universities. It is wonderful, it is desirable; but in heaven's name, when we confront such a condition as now exists, we must think in terms of the welfare of the entire country, for one thing; and, in the second place, we must decide whether we do a service to the country by taking more dollars from the pockets of the taxpayers when it cannot be shown that we make a better disposition of those dollars when we syphon them into the Government pool.

Mr. LEHMAN. Mr. President, will the Senator yield for a question?

Mr. DIRKSEN. I yield.

Mr. LEHMAN. I understood the Senator from Illinois to refer to Senate bill 337, and I understood him to refer to it as a bill making grants to students and universities. I assume the Senator realizes that those grants would not be made to liberal-arts universities.

Mr. DIRKSEN. I understand that.

Mr. LEHMAN. The grants would be made to medical schools, for the training of doctors, nurses, and others who are safeguarding the health of the people of our country, both those in the military forces and those in civil life.

Mr. DIRKSEN. Yes, I wish to say to my friend the Senator from New York that I understand that fully; and many youngsters in my home county are belaboring me about that bill and are asking, "When is the Senate going to pass the bill?" so that they will be helped and so that the schools they attend will be helped. It is wonderful. However, I wish to say that when I was a student there was no such help.

Let us not forget that all these funds must come from the Federal Treasury. The pressure to provide more funds is constantly upon the Government. I apprehend that as time passes there will be other bills calling for additional appropriations from the Federal Treasury, and all of them will be outside the budget. So the question is, Where are we to stop increasing appropriations, and when are we to start making cuts?

That was the reason for my observation this afternoon that, frankly, I do not believe the Senate wants to economize, and I am beginning to doubt whether the House wants to economize. Those who really favor making cuts in the appropriations are in favor of only one thing, and that is the thing which has been emblazoned so long by the distinguished senior Senator from Virginia [Mr. BYRD], who says, "I have only one measuring rod, and that is the good of my country."

So, Mr. President, desirable though the various projects may be, we must think of the whole country and of the impact of these appropriations on the budget. If we put all requests for additional appropriations through the wringer, we shall not be worrying about the making of exceptions and about how much we shall appropriate for the control of venereal disease, for instance, and we shall not be concerned then about what we

shall do about this item or that item, because what will count will be the effect on the good of the whole country, and then all of us will be scampering in the same direction.

Today we have an astronomical budget. In 1950 I spoke before many people, saying to them, "If you expect me to go to Washington and get you money out of the Federal till, you are badly mistaken. I do not propose to do it. I propose to see the good of the whole country benefited, and the knife will go deeply into all requests for further spending."

Mr. President, that brings up the question, What about the so-called meat-ax technique? I was intrigued by the observations of my colleague the senior Senator from Illinois [Mr. DOUGLAS] in regard to using the scalpel. It is great business if we can use the scalpel to good effect.

I used to say that we must use a meat ax. There is today a Member of the Senate who once was a member of the President's Cabinet. I remember when I voted to use the meat-ax technique on the appropriations for the Government department he then headed, when I was chairman of the Appropriations Subcommittee in the House of Representatives. We voted to take $131,000,000 out of the appropriations for that department, although later the Senate voted to restore $80,000,000 of the amount. Yet I remember when that gentleman came to my office and said, "We can work under that reduction."

So, Mr. President, when we are confronted with a budgetary danger of this sort, I think it is our responsibility to reduce the budget, balance the appropriations with the income, and say that is reasonable. Otherwise the inflationary spiral will become infinitely worse.

I return now to the formula, high prices are the result of volume of money, times the velocity or turn-over of money, divided by the availability of goods. If it is possible to hike up production, good. If it is possible to curtail credit and to curtail velocity, good. But there comes a third factor, the volume of money, and that is where the Congress comes in, because it has exclusive power over the purse, and if it is not controlled here, it is not going to be controlled anywhere. That is why it is necessary to use a scrutinizing eye upon every appropriation bill which comes from the committee. I do not quarrel with the good work which is done. I simply say that, as an individual Member of the Senate, I am dissatisfied, that is all, because, if what is now presented is the only showing we can make, then I doubt very much that we are going to make a proportionately better showing on the other bills which will be coming from the committee. Then what happens to our hopes, our dreams that we can save $4,000,000,000, $5,000,000,000, or $7,000,000,000?

So let us now take a little look at the pending bill. The appropriation contained in the pending bill for Labor-Security is $2,437,000,000. The budget estimates were $2,744,000,000. That is roughly a budget estimate for Labor-Security of $300,000,000 in excess of the appropriation for last year. On that basis of that, one is almost warranted in saying that the President does not want the appropriation cut, and that the Budget Bureau does not want it cut, judging from the estimates they have sent to the Congress.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield with pleasure to the Senator from New Mexico.

Mr. CHAVEZ. Will the Senator not kindly tell the Senate that, of the billions of dollars he is talking about, most of the amounts are grants to the States, including the Senator's State, my State, and every other State?

Mr. DIRKSEN. Oh, yes; I shall come to that. I want to be entirely fair. First, let us consider the House action. For a certain item the House allowed $90,000,000, of which $50,000,000 was for old-age assistance. That is correct; is it not? At this point I want to say that I think my colleague from Illinois [Mr. DOUGLAS] was correct when he said that the saving indicated by the committee was only a forthy saving, because, as I read Miss Goodwin's testimony before the Senate subcommittee, there are going to be additional requests for permanent-disability grants, for dependent children, for other dependents, and for old-age assistance. Are we going to have the same procedure we have had before? If my figures are correct, every year since 1944 the item has been cut, and every year since 1944 the agencies have come back for a deficiency. Now, is that correct, or is it not? If it is correct; that is all there is to it.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Of course, neither a committee nor the Senate itself can tell what a department is going to do, but, as a matter of fact, so far as the committee is concerned, and so far as the particular bill which we are discussing is concerned, we said "We will cut it down so much." Is not that correct?

Mr. DIRKSEN. Yes, but what I want to emphasize this afternoon——

Mr. CHAVEZ. The thing the Senator is emphasizing might be, "Come and ask us for more money." Of course, we do not know that.

Mr. DIRKSEN. An economy is not an economy, in the accepted sense of the word, until the books are closed for the fiscal year, a line is drawn, and we can say, "We did it." If the amount is completely restored within the fiscal year, we simply are not accomplishing anything.

Mr. CHAVEZ. That might be true, in the case of a supplemental bill, but so far this bill is concerned, the Senator will agree with us that we cut it, will he not?

Mr. DIRKSEN. Certainly, and I do not quarrel about it. I merely want to find out about it, that is all.

Mr. CHAVEZ. What we shall do in the future, I, of course, do not know. I hope the Senator is incorrect, and that the agencies will not come back for more money.

Mr. DIRKSEN. The committee took approximately $103,000,000 out of the public assistance appropriations.

Mr. CHAVEZ. That is correct.

Mr. DIRKSEN. The committee then took approximately $50,000,000 out of the Railroad Retirement Board item.

Mr. CHAVEZ. That is correct.

Mr. DIRKSEN. So that the committee shows decreases amounting to somewhat over $153,000,000. The committee then shows about $41,000,000 in increases. So the committee shows a net decrease of about $112,000,000. But there is one item which in my judgment was a bookkeeping transaction, namely, the railroad retirement pension account. The other one, unless all signs fail, as they did not fail in the past 7 years, will be put back. So it leaves us in this situation, and this is the point I emphasize: Where is there shown any substantial economy that will stick? That is the important consideration.

Mr. CHAVEZ. Very well. In this particular bill the appropriation is $112,000,000 less than the House figure. What else could we do?

Mr. DIRKSEN. I like a cut which, unlike an old soldier, does not simply fade away before the end of the fiscal year.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. DIRKSEN. I yield to my friend from Michigan.

Mr. FERGUSON. The apparent saving in the retirement fund, indicated in the report, is not really a saving at all, is it?

Mr. DIRKSEN. No; in my judgment, it is not.

Mr. FERGUSON. Is it not correct that the amount of money used here may be such that we shall have to place in the bill next year all the dollars which we took out this year?

Mr. DIRKSEN. That is correct.

Mr. FERGUSON. And is not the same true in regard to the reduction of $100,000,000 for public assistance, and so forth?

Mr. DIRKSEN. I agree.

Mr. FERGUSON. So that, in effect, it is true, is it not, that we are not thereby saving a real dollar of the taxpayers' money?

Mr. DIRKSEN. That is correct.

Mr. FERGUSON. Is it not also true that we have, in fact, added $41,000,000 to the House figure?

Mr. CHAVEZ. No, no. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Last year the Department came to Congress with a supplemental budget estimate of $40,000,000, which they received. They came forward with a $120,000,000 supplemental bill, and we cut it down by $40,000,000. This year they have unobligated balances of $100,000,000.

Mr. DIRKSEN. Yes; but the Senator must remember that the record shows that Miss Goodwin also said to the Senator's committee that for permanent disability they expected that for 1952 the demands would be 142 percent of the demands for 1951.

Mr. CHAVEZ. They may want that much and the Senator would apparently

like to have Miss Goodwin decide the matter for the committee. The committee did not so decide. The committee has its bill before the Senate now. Of course, Miss Goodwin may submit a request, and if the Senators think her request should be granted, that is a different thing. But the committee has not done so.

Mr. DIRKSEN. No; but the Senator must be sure that the record is straight. The appropriation is governed by a statute, with a formula, and the committee would be helpless in denying a deficiency in the event the Department came forward and said, "The State spent the money in the first instance; these are matchable funds; and here is the bill."

Mr. CHAVEZ. That is correct, I think, as a formula; but I do not think it is going to be so.

Mr. DIRKSEN. It has to be done.

Mr. CHAVEZ. All I ask the Senator from Illinois to do is to trust the Senate Appropriations Committee, and to believe that the members of that committee are as sincere in their desire to save money as is any Senator, regardless of who makes the request, whether it is Miss Goodwin or someone else. As the Senator stated a little while ago, the House might make a cut in the hope that the Senate would restore it. In this particular case, we not only did not restore it, but we cut it $112,000,000.

Mr. DIRKSEN. I know.

Mr. CHAVEZ. It is completely different from the state of mind that is sometimes alleged to govern Senate behavior.

Mr. DIRKSEN. I had hoped that the Senator's subcommittee would take account of the problems now involved in old-age assistance. Mr. Ewing is trying to deny to the State of Indiana $20,000,000 because the legislature, in February, passed a statute requiring that a list of the names of the recipients of old-age benefits be open to public inspection. It is one way to prevent abuses. A joint committee of the Legislature of Tennessee made an investigation and submitted an astonishing report. In the State of Florida, I understand, the same thing has happened. That is a subject on which there should have been some testimony, and in that field the Senator's committee could have done some worthwhile work.

Mr. CHAVEZ. The Senator has mentioned Indiana and Tennessee. It was the testimony in reference to Tennessee and Indiana which made it possible for the committee to recommend the cuts. Notwithstanding the fact that the chairman of the committee was from Tennessee, and nothwithstanding certain generally economical people from Indiana, it was the situations in Indiana and Tennessee which justified the committee in making the cuts; and we made them.

Mr. DIRKSEN. All I know is that in the report it is stated in crystal-clear print that the amount is over the 1951 budget for the Department of Labor, and over the 1951 budget for the Federal Security Agency, although we are wrestling with an acute problem which is pressing on the country and which imperils and jeopardizes vital security at home, so that we cannot overlook a single opportunity to make a cut.

If we follow the argument made here this afternoon, I could make the same argument as to every bill that comes before the Senate. When the agricultural bill is under consideration and an effort is made to reduce the appropriation for animal husbandry or for the eradication of cattle disease and insect pests, I can say, "You are jeopardizing the very food supply and the well-being of the country." That argument can be made as to any appropriation bill that comes before the Senate.

So, Mr. President, I come to this conclusion, that somehow, somewhere, sometime there must be those identified with the branch of the Government which has power over the purse, who will simply say, "We will walk down the middle of the road," because, when the President said to the public, "Prepare to accept some reductions in the standard of living," which is another way of saying, "You have got to go in for austerity," I think it is right for the people, through their elected representatives in the Congress, to say, "Look, Mr. Government, you must accept some austerity, too." So let us cut back the appropriations. That is why I am for the Ferguson amendment, and I would go even further than it goes.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CHAVEZ. We want to be fair in the debate. The Senator from Illinois has stated that the committee has been neglectful. But a look at page 2 of the report of the committee will disclose that the appropriation for the Department of Labor, which is included in this bill, is $7,369,759 less than for last year, and for the Federal Security Agency the appropriation is $25,420,215 less than for last year. What more can be expected of us? After all, Federal Security has to carry on. I wish the Senator from Illinois would read the statements.

Mr. DIRKSEN. I have been through the big green book.

Mr. CHAVEZ. This is the way the hearing started:

> The committee, as the Secretary will understand, is confronted this year with a somewhat different problem in its consideration of budget estimates. There is the necessity to provide adequately for the defense of our country, for which we have a tentative estimate in excess of $60,000,000,000. There is before the Congress a recommendation from the President proposing a substantial increase in taxes.

We said, "If you do not cut, we shall cut. Tell the committee where you can cut." They did not cut, and we did.

Mr. DIRKSEN. Mr. President, I wish to conclude, because I do not want to keep the Senate in session any longer, but I desire to stop on this note, that recently I saw a statement made by my good friend Lindsay Warren, a former Member of the House, who is now the Comptroller General. He made the observation that he took 7,000 persons out of the General Accounting Office. An administrator in Government said, "I would not go through the experience you went through for anything in this world."

I thought it was rather revealing that there is great reluctance to use the ax in these agencies. There is only one thing we can do, and that is to use it here, and, by pressure, compel economies.

There was a top-echelon man in my office this morning who said to me, "We are over-staffed in my agency by 25 percent, but I can say nothing about it."

Mr. CHAVEZ. I agree completely with the Senator from Illinois. I think personnel can be cut to the extent of 10 percent and still do a better job for the Government.

Mr. DIRKSEN. I am glad to hear that, because it means that my friend from New Mexico is going to support the Ferguson amendment.

Mr. CHAVEZ. No; I am not.

Mr. DIRKSEN. It provides for only a 10-percent reduction.

Mr. CHAVEZ. We listened to the hearings and considered the stern realities. From the political angle there is no particular reason why I should agree with the Senator from Oregon (Mr. CORDON), but he is sincere and he is a fine citizen. He tries to work out the proper way of handling appropriations. The Senator from Oregon, after working assiduously, would have liked to cut 10, 15, or 20 percent, and so would I. But after the hearings we came to the conclusion that the proper, the decent, the commonsense procedure, if we were not to interfere with the operation of Government, was to cut 5 percent. That is why I am supporting the Cordon amendment. We would cut 20 or 50 percent, but that would not be the proper course to pursue, if we take our duties seriously. I sincerely think that a cut of 5 percent is the best we can do on this bill. We might be able to cut the State Department 20 percent or possibly 40 percent, and I may go along with the Senator along that line. But in considering the appropriations for health, education, Federal Security, and the Children's Bureau, I do not believe it is wise to cut by more than 5 percent.

Mr. DIRKSEN. I respond to that by saying that when we take the "my" out of "economy," we are on pretty good ground, and then we can courageously use the ax. That does not mean being reckless. But it takes something more than a scalpel to whittle the expenditures of the Government back to safe proportions. If we have the temerity to say to the people, "Next year we are going to ask you for $7,500,000,000 in taxes," we should, with equal grace, say, "We are going to give you $7,500,000,000 reduction to balance the taxes."

Mr. CHAVEZ. Does not the Senator agree with me that while we should cut and try to conserve the taxpayers' dollars, due consideration should be given to individual items? I believe, that we should not reduce the appropriations for public health in the bill, but should make the cut in the ECA item. I think we could take some out of the North Atlantic Pact appropriation.

Mr. DIRKSEN. The sentiment was expressed today by Members of this great deliberative body, "I am for economy, but." I think Shakespeare once said, "But me no buts."

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. FERGUSON. The Senator from Illinois has indicated that the President made a statement some months ago about economy in government, but so far, I am sure the Senator from Illinois will agree the President has not come before the Congress and asked that any particular item be cut from the budget.

On Saturday, June 9, he wrote a letter, from which I wish to read certain paragraphs:

The Federal Government, as the largest single employer in the country, should set the example in accomplishing this objective.

He was talking about cutting down manpower.

Therefore, I expect the head of each executive department and agency to take all necessary actions to conserve manpower and generally to bring about maximum effectiveness and economy in the utilization of personnel.

This manpower conservation program should be given top priority through the executive branch.

All we are trying to do here is to help the President.

Mr. DIRKSEN. Help him give it top priority.

Mr. FERGUSON. Give it top priority, and take it out even before he sends it here and actually asks for it. I am surprised that he did not write to Congress and ask Congress to do what he asked Mr. Lawton, his Director of the Budget, to do. Then he could have had worthwhile action on the budget. Does not the Senator from Illinois agree?

Mr. DIRKSEN. Yes, indeed, I agree.

Mr. CHAVEZ. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. CHAVEZ. I also agree with my friends the Senators from Michigan and Illinois. The only point I am trying to make is that in cutting we should cut at the proper place where no great harm will be done. Let us not, having in mind the common weal and the interest of public welfare, cut where a cut would be detrimental to the welfare of the country.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. LANGER. Where would the Senator from New Mexico suggest that a cut be made? Will he name the place?

Mr. CHAVEZ. Yes. Cut anywhere except where it involves the public health of the American people. Cut anywhere else.

Mr. LANGER. Will the distinguished Senator from New Mexico name the departments and the agencies where we should cut?

Mr. CHAVEZ. I think cuts can be made in any department. But I think it would be against the interests of public welfare to cut any appropriation that affects the health of the American people.

Mr. McFARLAND obtained the floor.

Mr. LEHMAN. Mr. President, will the Senator yield for an inquiry?

Mr. McFARLAND. I yield.

Mr. LEHMAN. Do I correctly understand that my amendment to the amendment offered by the Senator from Michigan [Mr. FERGUSON] on behalf of himself and other Senators, remains the pending question?

Mr. McFARLAND. It is my understanding that the amendment of the Senator from New York to the so-called Ferguson amendment is the pending question.

The PRESIDING OFFICER. That is correct.

RELEASE BY SENATOR FERGUSON OF PROPOSAL FOR CONGRESSIONAL INVESTIGATION OF THE CHINA LOBBY

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement released to the press yesterday by me, commending the President for his offer of full cooperation in a congressional investigation of what has been termed by the newspaper as the China lobby. This commendation is recorded on the assumption that the President's offer embraces an investigation of all elements which have sought to influence United States policy on China, including the pro-Communists as well as the pro-Nationalists

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FERGUSON

Those of us who have experienced the obstructionism of the executive branch in the past can only commend the President for his announced desire that Government agencies "cooperate to the fullest extent possible" in any congressional investigation of the "Chinese lobby" in the United States.

This commendation holds good, however, only to the extent that the President intends cooperation in an investigation of all elements that have sought to influence the course of this country's far-eastern policy. Those elements include not only those which have supported the Chinese Nationalist regime of Chiang Kai-shek but those which have supported the Chinese Communists.

There can be no doubt of the wisdom of an inquiry into all the factors and factions behind our far-eastern policy. That was precisely an objective of Republicans when they urged the so-called MacArthur hearings, which are now in progress.

Certainly the supporters of the Chinese Nationalists should be examined on the motives and the merits of their operations in this country. Likewise there should be full inquiry into the motives and organized operations of those who urged abandonment of United States support of the Nationalists; the proposition that the Chinese Communists were mere agrarian reformers devoid of Soviet domination; recognition of the Chinese Communist regime by the United States; seating of the Chinese Communists in the United Nations; and other related policies sympathetic to or designed to bring about Communist domination in China and nearby areas.

Some of these factors the joint Foreign Relations-Armed Services Committee of the Senate has sought to explore as collateral issues. Obviously they go beyond the already burdened scope of that committee, and that is what gives significance to the President's wishes as relayed by Secretary Acheson, that cooperation be extended "any committee or committees of the Congress which wish to go into this matter for the purpose of informing them what is known, for the purpose of helping any investigation, for the purpose of assisting them to come to a conclusion as to whether or not they wish to have one."

Starting points for such an investigation, insofar as it would relate to the pro-Communist factors in the lobby which has sought to influence our China policy, are the Amerasia case and its unexposed ramifications, and the well known but hitherto disclosed activities of the Sorge spy ring maintained in Asia by the Soviets and its lobbying activities in the United States designed to put the Communists in control of China. As a matter of fact the subversive activities subcommittee of the Senate Judiciary Committee has already launched preliminary activity in similar directions, and I know that subcommittee will welcome most enthusiastically this offer of assistance from the executive branch.

We should assume the good faith of the President in making his offer of Executive cooperation "to the fullest possible extent," and we should feel free to assume that the offer embraces an inquiry into both anti-Communist and pro-Communist phases of lobbying on China policy. This is highly commendable, because it reveals again the high regard which President Truman held for the function of congressional investigations while he was a Member of the Senate, and for a reversal of the attitude toward them which he has displayed in more recent years as President.

Such a reversal will go far to overcome the effects of his stubborn obstructionism in refusing to make security information on Government employees available to committees such as that which investigated the Government loyalty program and the case of William Remington, which kicked back so explosively when Remington was later convicted as a Communist, and his characterization of congressional investigations into the Remington and Alger Hiss cases as "red herrings."

If the President's pledge is one of full cooperation to investigate both the supporters of the Chinese Nationalists and the Chinese Communists it is a praiseworthy reversal of his past attitudes and a great step forward in the national interest.

Should it develop that it applies only to an investigation of anti-Communists, however, the offer is a snare and a delusion as it will appear to be only an effort to cover confusion and error within his own administration, whose policies have been opposed to the Chnese Nationalists.

EXECUTIVE SESSION

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SMITH of North Carolina in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. If there is no reports of committees, the clerk will state the nominations on the Executive Calendar.

RECONSTRUCTION FINANCE CORPORATION

The Chief Clerk read the nomination of Peter I. Bukowski, of Illinois, to be Deputy Administrator, Reconstruction Finance Corporation.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

SECURITIES AND EXCHANGE COMMISSION

The Chief Clerk read the nomination of Robert I. Millonzi, of New York, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1952.

Mr. LANGER. Mr. President, I ask that that nomination go over.

Mr. McFARLAND. Very well; I am willing that it go over.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the President be notified of the confirmation of Mr. Bukowski.

The PRESIDING OFFICER. Without objection, the President will be notified.

That concludes the nominations on the Executive Calendar.

RECESS

Mr. McFARLAND. As in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 5 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 12, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 11 (legislative day of May 17), 1951:

UNITED STATES CIRCUIT JUDGE

Harold R. Medina, of New York, to be United States circuit judge, second circuit, vice Hon. Learned Hand, retired.

UNITED STATES DISTRICT JUDGES

Edward Jordan Dimock, of New York, to be United States district judge for the southern district of New York, vice Hon. George Murray Hulbert, deceased.

Frieda B. Hennock, of New York, to be United States district judge for the southern district of New York, vice Hon. Alfred C. Coxe, retired.

Thomas F. Murphy, of New York, to be United States district judge for the southern district of New York, vice Hon. Harold R. Medina, elevated.

PROMOTIONS IN THE UNITED STATES AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947 and sections 303 and 306 of the Women's Armed Services Integration Act of 1948. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

To be lieutenant colonels with rank from October 19, 1950

UNITED STATES AIR FORCE

Shankle, Willard Mayes, 4161A.
Hook, Fred G., Jr., 4162A.
Kunkel, John Howard, Jr., 4163A.
Hunziker, Richard Overton, 4164A.
Burbridge, Leo Michael, 4165A.
Oliver, Frank Everell, 4166A.
Clarke, Leo George, Jr., 4167A.
Knox, Jonathan Horace, 4169A.
Hedlund, Earl Clifford, 4170A.
Read, Jackson Yulee, 4171A.
Eaton, Robert Reynolds, 4172A.
Beezley, Wilbur Barrett, 4173A.
Montgomery, Robert Pearson, 4174A.
White, John Milton, Jr., 4175A.
Halberstadt, Harry Julius, 4177A.
Christy, Harrison Randolph, Jr., 4178A.
McBride, William Peter, 4179A.
Bourne, Evan Francis, Jr., 4180A.
Bowman, Julian Holt, 4181A.
Blachly, Ross Lindley, 4182A.
Baker, Bazil Lee, 4183A.
Hargett, William Marion, 4184A.
Bell, John Howard, 4185A.
Allen, Harry Berkley, 4186A.
Quayle, John William, 4187A.
Wittrock, Howard Henry, 4188A.
Jones, Osce Vernon, 4189A.
Morton, Charles William, 4190A.
Grove, Philip Pike, 4191A.
Nichols, John Donaldson, Jr., 4192A.
Graves, John Calvin, 4193A.
Warren, Benjamin Calvert, 4194A.
Vetort, Francis John, 4195A.
Black, Vance Eugene, 4197A.
Keating, Robert Edward, 4200A.
Beaudry, Emil George, 4201A.
Faver, Dudley Ervin, 4202A.
Scott, Edward Walcot, Jr., 4203A.
Fandel, William Herbert, 4204A.
Hydron, Clarence August, 4206A.
Eaton, Dudley Paul, 4207A.
Cormier, Lionel Joseph, 4208A.
Mitchell, Richard Randolph, 4209A.
Ferguson, Harvey Eugene, 4210A.
Cloe, Keith DeLyle, 4211A.
Haesler, John Dietrich Walter, 4212A.
Sisk, Eugene Bounds, Jr., 4213A.
Norwood, James Maurice, 4214A.
Bounds, R. G., Jr., 4215A.
Stewart, James Clifton, 4216A.
Scruggs, Harold Woodrow, 4217A.
Carmichael, Walter Pendleton, Jr., 4218A.
Gerzin, Walter John, 4219A.
Newton, Preston Carnall, 4220A.
Herblin, William Leonard, 4221A.
Kemble, William Hudson, Jr., 4223A.
Salisbury, Arthur George, 4224A.
Kuntz, Bernard Romayne, 4225A.
Haney, Otto Reed, 4226A.
Moore, Wilson, 4227A.
Kesling, Earl William, 4228A.
Foley, Jesse Rush, Jr., 4229A.
Irish, Lynn Thornton, 4231A.
Macdonald, Henry Gordon, 4232A.
Schofield, Martin Benjamin, Jr., 4233A.
Clark, Glen William, 4234A.
Calderbank, John Jacob Birrell, 4236A.
Torresson, Thomas Samuel, Jr., 4237A.
Moir, Charles Louis, 4238A.
Silvey, Owen Watson, 4239A.
Chambers, Walter Earle, 4240A.
Herndon, Robert Elmore, Jr., 4241A.
Rector, Edward Franklin, 4242A.
Gilman, Mark Hulings, 4243A.
Hawel, Leo, Jr., 4244A.
Caple, Charles Edgar, Jr., 4245A.
Compton, Joe W., Jr., 4246A.
Ferguson, Matthew Henry Taylor, 4247A.
Byrnes, George Goodrich, Jr., 4248A.
Dervage, Minar Murry, 4249A.
Morris, William Wallace, Jr., 4250A.
Cumbaa, Noel Thomas, 4251A.
Berg, Gordon Howard, 4252A.
Bronson, Fred Ford, 4253A.
Livingston, John Waters, 4254A.
Fjelstad, Kenneth Silas, 4255A.
Taute, August Franklin, 4256A.
Calhoun, Robert Thomas, 4257A.
Lackey, Archer Evans, 4259A.
Ross, George Lee, 4262A.
Bigelow, Edgar Daugherity, 4263A.
Chapman, John Ward, 4264A.
Terry, Henry Warren, 3d, 4266A.
Jennings, Payne, Jr., 4267A.
Wys, Robert Andrew, 4268A.
West, Alden Edgar, 4269A.
Campbell, William Haddock, 4270A.
Pfingst, William Kingsley, 4271A.
Olson, Arvid Eldon, Jr., 4273A.
McKenna, Charles Francis, 3d, 4274A.
Lawson, Robert Morris, 4276A.
Ficke, Robert Hamilton, 4277A.
Stewart, John Elkin, 4278A.
McKee, Seth Jefferson, 4279A.
Gallagher, Raymond Keith, 4280A.
Orris, William Lester, 4281A.
Teschner, Charles George, 4282A.
Preston, Benjamin Sidney, Jr., 4283A.
Cutcher, Solomon, 4284A.
Lawton, Thomas Oregon, Jr., 4285A.
Moon, Robert Sell, 4286A.
Tope, William Arthur, 4287A.
Kundrat, Andrew, 4289A.
Wertenbaker, George Leftwich, 4290A.
Villars, Paul Emile, 4291A.
Chatterton, David Henry, 4292A.
Overstreet, Charles Sylvester, Jr., 4293A.
Mestier, Louis Jean Batiste, Jr., 4294A.
Ingelido, Michael Joseph, 4295A.
Goodwin, George Robert, 4296A.
Twilley, John Fougerousse, 4297A.
Avery, Delwin Barton, 4298A.
McKelvey, William Robert, 4299A.
Loesch, Lawrence Frederic, 4300A.
Hornsby, Thomas William, 4301A.
Beumeler, Wayne Marcellus, 4302A.
Bexfield, Frank William, 4303A.
Kittel, Robert Stewart, 4304A.
Birdsall, Charles Dale, 4305A.
Tschepl, Arthur Leopold, 4306A.
Henggeler, Francis Joseph, 4307A.
Daniel, David Edwin, 4308A.
Saltsman, Ralph Henry, Jr., 4309A.
Bertram, William Ellert, 4310A.
Lambert, Jean Koke, 4311A.
Cox, Andrew Lacock, 4312A.
Leocha, Adolph John, 4314A.
Garrett, Kenneth Lee, 4315A.
Skinner, Gregory Jackson, 4316A.
Conroy, Thomas Charles, 4317A.
Brawner, Daniel Campbell, 4318A.
Garner, Robert Frank, Jr., 4319A.
Bjornson, Wallace Erwin, 4320A.
Wardell, Michael Edward, 4321A.
McWilliams, Martin Cadenhead, 4322A.
Winterbottom, James McIndoe, 4323A.
Byerts, William Edward, Jr., 4324A.
Jones, George Lamar, 4325A.
McKenzie, James Beecher, 4326A.
Carroll, William Brooks, 4327A.
Penington, John Raymond, 4328A.
Glover, Walter Parrish, Jr., 4329A.
Alston, Jack Holt, 4330A.
Worley, Earl Wilson, 4331A.
Hall, Byron Eugene, 4332A.
Soper, Ray Edgar, 4333A.
VanMullem, Louis David, 4336A.
Herbes, Edward Anthony, 4338A.
Lackey, John Herbert, Jr., 4339A.
Chitty, Charles Dean, Jr., 4340A.
Ray, Clyde Asa, 4341A.
Moore, Malcolm Arnot, 4342A.
Close, Winton Ralph, 4343A.
Matthews, Stanley Eldred, 4344A.
Waesche, Harry Lee, 4345A.
Williford, James Hobson, 4346A.
Wright, Donald McLarty, 4348A.
Brandon, Hubert Arthur, 4349A.
Thornquest, Frank Purvis, 4352A.
Osborne, Thomas Fleet, 4353A.
Ljunggren, Ernest Nils, 4354A.
Bounds, Fred Howard, 4355A.
Tash, Earl Raymond, 4357A.
Ottinger, William Wolfe, 4358A.
Lavelle, John Daniel, 4359A.
Marr, Jack Franklin, 4360A.
Graham, Donald William, 4361A.
Burge, Edward Longfellow, 4362A.
Brooks, Allison Cochran, 4363A.
Taylor, Henry Sidney, 4364A.
O'Brien, Frank Leo, Jr., 4365A.
Mooney, Joseph Francis, 4366A.
Cunningham, Jack Edward, 4367A.
Glasser, Otto John, 4368A.
Cowart, William Slater, Jr., 4369A.
Hoy, William Astor, Jr., 4370A.
Walker, Peter Saville, 4371A.
Manning, George Max, 4372A.
Puckett, Robert Stephens, 4373A.
Gordon, Donald Millard, 4374A.
Sullivan, Robert Bernard, 4375A.
Berg, Russell Allen, 4376A.
Hamner, A. H., Jr., 4377A.
Daigle, Lewellyn Clifford, 4378A.

Stefen, Le Roy Len, 4379A.
Roberts, John Alva, 4380A.
Whiteman, Harold Jennings, 4381A.
Barrow, Leonard James, Jr., 4382A.
Barnett, James Alex, 4383A.
Stuart, Robert Hartwell, 4384A.
Lingard, Aldro Immanuel, 4385A.
Riddle, Samuel Stuart, Jr., 4386A.
Rossoff, Isidor, 4388A.
Rawlins, Phillip C., 4390A.
McCalla, John Herman, 4391A.
Brown, Paul Douglas, 4392A.
Hawthorne, Harry James, 4393A.
Anderson, Wesley Alleyn, 4394A.
Williamson, Walter Henry, 4395A.
Brown, Merle Clinton, 4396A.
Benedict, Maurice Samuel, 4397A.
Sullivan, Joseph Lewis, 4398A.
Walker, George Alexander, 4618A.
Schneider, George Elmer, 4400A.
Evers, John Clay, 4401A.
Brannock, Joseph Franklin, 4402A.
Griffin, Louis Gray, 4403A.
Brownfield, Albert Warren, 4404A.
Carlson, Thorgny Cedric, Jr., 4405A.
Tedder, Irby Velle, 4406A.
Cox, Robert Bruce, 4407A.
Armstrong, Ben Kay, Jr., 4408A.
Leslie, George Adalord, 4409A.
Waddleton, Thomas Renan, 4410A.
Sharp, John Ferrin, 4411A.
Briggs, Loran Dale, 4412A.
Cole, James Lawrence, 4413A.
Thyng, Harrison Reed, 4414A.
Lucas, Walter Yeates, 4415A.
Marts, Kenneth Elliot, 4416A.
Stoddard, Edward Forrest, 4417A.
Carlisle, Richard Thurman, 4418A.
Coss, Walter Leroy, 4419A.
Gehrig, Raymond Miller, 4420A.
Selman, James Clarke, 4421A.
Carey, Edwin Forrest, Jr., 4422A.
Jones, Wilson Tolman, 4424A.
Brown, George Evans, 4425A.
Wallace, John Braxton, 4426A.
Kirtley, Robert Eberle, 4428A.
Adams, Alan Frederick, 4429A.
Grossmith, Louis Bertram, Jr., 4430A.
Moseley, Cuthbert Livingston, Jr., 4431A
Thornton, Robert Lee, 4432A.
Jones, William Woodruff, 4433A.
Baxter, Reuben Augustus, 4434A.
Wheeler, Clermont Edward, 4435A.
Lyster, David King, Jr., 4436A.
Berry, Maurice Antony, 4437A.
Brady, Francis Thomas, 4438A.
Hornby, David Alonzo, 4439A.
Wanderer, Ralph Matthew, Jr., 4440A.
Hoover, Travis, 4441A.
Foster, Byron Winton, 4442A.
Lassiter, Olbert Ferring, 4445A.
Fay, Fergus Cruse, 4446A.
Robinson, James Cregg, Jr., 4448A.
Craft, Winfred Owens, 4449A.
Schilling, David Carl, 4450A.
Mulholland, Mitchell Joseph Bernard, 4451A.
Turner, John Landon, 4452A.
Kelsay, Clyde Bruce, 4453A.
Prentiss, Vernon, 4454A.
Kelly, Earle Wellington, 4455A.
Bagby, Francis Kay, 4456A.
Stubbs, Claude Maxwell, 4457A.
Shapiro, Leonard, 4458A.
Greiner, Paul Earl, 4460A.
Fish, Robert William, 4461A.
Ault, Richard Leroy, 4462A.
Thacker, Robert Eli, 4463A.
Berry, Austin Luther, 4464A.
Barr, Bernice Stone, 4465A.
Hundt, George Raymond, 4466A.
Daugherty, Jean Hamilton, 4467A.
Zubko, Boris Michael, 4468A.
Nicholas, Judson Dye, Jr., 4470A.
Finan, Bernard Joseph, Jr., 4471A.
Johnson, Wilton Wayne, 4472A.
Yarchin, Samuel, 4473A.
Lemmon, James Coskrey, 4474A.
Wynn, Edward Henry, 4475A.
Baker, Warren Sears, Jr., 4476A.
Bell, John Francis, 4477A.
Richardson, Lester Elwood, 4479A.
Yudkin, Richard Allen, 4480A.
Curnutt, James LeeRoy, 4481A.
Lewis, James Thomas, 4482A.
Sutton, George Ellsworth, 4483A.
Laughlin, Joseph Lyle, 4484A.
Moore, Lynn Ross, 4485A.
Heath, Norval Kemp, 4486A.
Page, Roger William, 4487A.
Chalek, William Dmitri, 4488A.
Taylor, Charles Edward, 4489A.
Parsons, Charles Erwin, Jr., 4490A.
Brown, Preston, 4491A.
Witham, Bertram High, Jr., 4492A.
Livesay, Earl James, 4494A.
Leisy, Roland Henry, 4495A.
Meyer, John Charles, 4496A.
Blattau, Philip James, 4497A.
Taylor, Peter Rutherford, 4498A.
Strother, James French, 4499A.
Smith, Charles Henry, 4500A.
Bynum, Richard Edward, Jr., 4501A.
Todd, William Edward, 4502A.
Sturges, William Raymond, Jr., 4503A.
Van Hoozer, Alfred Vance, 4504A.
Howe, Everett Bo, 4505A.
Armstrong, Lorraine Farquhar, Jr., 4506A.
Celio, Gove Clarke, Jr., 4507A.
Williams, Howard Wilson, 4508A.
Keller, Charles Richard, Jr., 4509A.
Meng, William Jones, 4510A.
Gough, Jamie, 4511A.
Junkermann, Howard Calvin, 4512A.
Cloyd, Virgil Mark, 4513A.
Jones, William Anderson, 4514A.
Schuck, Francis Joseph, 4515A.
Shingler, Herbert Ives, Jr., 4516A.
Kemp, James Dudley, 4517A.
Ogas, Bernard Vivian, 4518A.
Franklin, Charles Francis, 4519A.
Wood, Wilson Roe, 4520A.
DeLacey, William Howard, 4521A.
Paxson, Charles Barger, 4522A.
Hinton, Bruce Houston, 4523A.
Thomas, Gordon Frank, 4524A.
Pearch, Lowell Dean, 4525A.
Darby, George Clifton, Jr., 4526A.
Abernathy, Louis Madison, 4527A.
Taylor, Powell Harrison, 4528A.
Smotherman, Robert Ellis, 4529A.
Simpson, Charles Cass, Jr., 4530A.
Stiles, Joseph Ehrhart, 4531A.
Abbott, Nathan Merrill, 4532A.
Stewart, Robert Wood, 4533A.
Hale, Samuel, 4534A.
Goodman, Gilbert Ernest, 3904A.
Campbell, Roland Arthur, 4535A.
McDaniel, Hervey Allison, Jr., 4536A.
Davis, Joseph, Jr., 4537A.
Cloud, Howard Haines, Jr., 4538A.
Taylor, Willis Johnson, 4539A.
Hopkins, David Linton, 4540A.
Linder, Kenneth Albert, 4541A.
White, Joheph Dent, 4542A.
Marvel, George Bertram, Jr., 4544A.
Engelman, Frederick Charles, 4545A.
Netcher, Thomas George, 4546A.
Sponable, Edson Jay, Jr., 4549A.
Erb, Gilbert Elmer, 4551A.
Evans, Edwin Carlos, 4552A.
Jackson, Clarence John, 4553A.
Skinner, Oramel Horace, Jr., 4554A.
Polking, Warren Anthony, 4555A.
Prim, Kent James, 4557A.
Teborek, Raymond George, 4558A.
Hubler, George Oliver, 4559A.
Duncan, Glenn Emile, 4560A.
Eichel, Henry Herbert, 4561A.
Hernlund, Richard Thomas, 4562A.
Herron, Thomas Jackson, 4564A.
Bishop, Edwin, Jr., 4566A.
Allen, Charles Gilpin, 4567A.
Larson, Robert Hillman, 4568A.
Lambert, Blake Wallace, 4569A.
Parsons, Freeman Archie, 4570A.
Steele, Kenneth Slusser, 4571A.
McDaniell, Samuel Ray, Jr., 4572A.
Taylor, William Banks, 4573A.
Mallory, Robert Frank, 4574A.
Sorensen, Blair M., 4575A.
Witt, Theodore John, 4576A.
Prasse, Frederick Teseler, 4577A.
Ross, William Emmett, 4579A.
Swan, Arthur Bernhardt, Jr., 4580A.
Neslen, Alfred Jack, 4443A.
Hollingsworth, George Herbert, 4581A.
Alford, David Gaston, 4582A.
Laybourn, John Eugene, 4583A.
Ambrose, Elmer Elsworth, 4584A.
Flanagan, James Lee, 4585A.
Moore, Harold Elwood, 4586A.
Hill, Frank Ackerman, 4587A.
Mears, James Frank, 4588A.
Spivey, Paulett, 4589A.
Robb, Harry Wilson, 4590A.
Norton, Malcolm Eugene, 4592A.
Riha, Amos Frank, 4593A.
Maull, Harold Vincent, 4594A.
Werner, Wesley, 4595A.
Pruitt, Harold Angus, 4596A.
Farrell, Robert Howe, 4597A.
Carleton, Bert Maurice, 4598A.
Wooley, Preston Bruce, 4599A.
Sampson, Raymond Donavon, 4600A.
Mosher, Rowland Orson, 4601A.
Dysinger, Leonard Stark, 4602A.
Thacker, John Marshall, 4603A.
Luschen, Frank Leslie, 4604A.
Patterson, Ralph Raymond, 4605A.
Davis, Emmett Smith, 4606A.
Cleven, Gale Winston, 4607A.
O'Keefe, Timothy Francis, 4608A.
Neeley, Richard Cox, 4609A.
Carey, John Bernard, Jr., 4610A.
Bowe, Hugh Helby, Jr., 4611A.
Shoop, Richard Raymond, 4612A.
Griffin, Richard Varney, 4613A.
Saad, John Ispiridon, 4614A.
Chaffin, Andrew Arrol, 4615A.
Butler, Edward George, 4617A.
Evans, Harry Lee, Jr., 4619A.
Weitzenfeld, Richard William, 4620A.
Haley, Albert Lawrence, 4621A.
Goerder, Robert Louis, 4622A.
Etchemendy, John Michael, 4623A.
Shy, William Malcolm, 4624A.
Irish, James Robert, 4625A.
McAllister, Gerald Bennion, 4626A.
MacDonald, Daniel Venn, 4627A.
Edris, Gordon Lavern, 4629A.
Messenger, Lester Charles, 4630A.
Dacey, Timothy John, Jr., 4631A.
Whidden, Jack Davis, 4632A.
Dempster, Kenneth Crawford, 4633A.
Wikstrom, Floyd Edward, 4634A.
Bailey, Bryson Robert, 4635A.
Albright, Clay, 4637A.
Olson, Clifford Butrix, 4638A.
Wahlstrom, Norman Oliver, 4639A.
Kruzel, Joseph John 4640A.
Perna, Anthony Joseph, 4641A.
Burke, Archie Maurice, 4642A.
Krieger, Andrew Edward, Jr., 4643A.
Duganne, John Andrew, 4644A.
Hayes, Jack William, Jr., 4645A.
Schinz, Albert William, 4646A.
Lanford, Horace Whaley, Jr., 4648A.
Clark, Jack Cameron, 4649A.
Allard, Charles Arthur, 4650A.
Tavasti, Roy Emil, 4651A.
Hardy, John Kay, 4652A.
Bodenhamer, Ross Emsley, 4653A.
McDonald, Everett Arthur, 4654A.
Richardson, Harold William, 4655A.
Kenny, Thomas Francis, Jr. 4656A.
Bonin, Dwight Edward, 4658A.
Shaefer, Robert Rowland, 4660A.
Hearn, John Vernon, Jr., 4661A.
Aldridge, George Thompson, 4662A.
Porter, Howard Joseph, 4663A.
Louden, Edward Kimball, 4664A.
Robinson, James Dallas Caswell, 4666A.
Garland, Ben Allen, 4668A.
Head, Charles William, Jr., 4669A.
Hatch, Horace Eldredge, 4670A.
Wright, Lewis James, 4671A.
Hayes, Thomas Lloyd, Jr., 4672A.
Weldon, Thomas Franklin, 4673A.
Baker, Leonidas, 4674A.
Brady, Henry Grady, Jr., 4675A.
Crist, George Harvey, 4676A.
Galbreath, Samuel Cairnes, 4677A.
Hoey, Charles Joseph, 4678A.

Killian, Carl Louis, 4679A.
McCafferty, George O'Day, 4680A.
Elliott, Frank Bower, 4681A.
Walker, Leland Arthur, Jr., 4682A.
Lee, Jay Smith, 4683A.
Rice, Arthur T., 4684A.
Shoup, Harry Wesley, 4685A.
Stafford, Robert Farrell, 4687A.
Good, Donald Edward, 4688A.
Brown, Howard Eugene, 4689A.
Mason, Vincent Elmore, 4690A.
Timlin, Francis Eugene, 4691A.
Grable, Francis Lorenz, 4692A.
Sault, William Edwin, 4693A.
Von Arb, George William, Jr., 4694A.
May, Richard Henry, 4695A.
Bergamyer, Roland Wilson, 4696A.
Zambon, Louis Basil, 4698A.
Hopkins, James Iredell, 4699A.
Hall, Robert Turnbull, Jr., 4700A.
Glenny, Gale Spencer, 4701A.
Smith, Herman Fount, 4702A.
Martin, Clarence Allan, Jr., 4703A.
Mangan, James Harrison, 4704A.
Tesch, William Arthur, 4705A.
Frizen, John Edward, 4706A.
Moore, Charles Edwin, 4707A.
Hatfield, Douglas Hampton, 4708A.
Salvatore, Alexander Ralph, 4709A.
Lundquist, Gustav Edward, 4710A.
Walker, William George, Jr., 4711A.
Brandon, William Harold, 4712A.
David, Robert George, 4713A.
Crumly, Harold Jesse, 4714A.
Mandt, William Frederick, 3d, 4715A.
Bauley, James Edward, 4716A.
Sidwell, Lowell Gene, 4717A.
Rush, Arthur Clement, 4718A.
Catton, Jack Joseph, 4719A.
Hawkins, Gabe Coke, 4720A.
Butman, Paul Milton, 4721A.
Rumsey, Herman, 4723A.
Jurkens, Edward Albert, 4724A.
Mason, Regnald Hoyt, 4725A.

To be majors with rank from December 14, 1950

Stephens, Allen Wright, 7309A.
Kuntz, Chester Harlan, 7310A.
Wells, John Pender, 7311A.
Yancey, Gordon Allen, Jr., 7312A.
Gault, Charles Edward, 7313A.
Fleming, George Thomas, 7314A.
LaBarre, Louis Jay, 7315A.
Titus, Harold Jack, 7316A.
Perry, Lucius Alvin, Jr., 7317A.
Roache, Clarence Edward, Jr., 7318A.
Hughes, Robert Bernard, 7319A.
Bergmann, Charles Herman, Jr., 7320A.
Hereford, Joseph Pierce, 7321A.
Martin, Rawley White, 7322A.
Beaty, Sherman Randolph, 7323A.
Worthman, Paul Emil, 7324A.
Campbell, Paul Welphley, 7325A.
Cobb, Phillip Gray, 7326A.
Brown, Elwin Olliff, 7327A.
Partridge, Lewis Joy, 7328A.
Locher, James Reno, Jr., 7329A.
Jordan, Wallace Robert, 7330A.
Grierson, Walter Hayden, 7331A.
Towne, Raymond Lester, 7332A.
Andrews, George Edward, 7333A.
Sommers, Norval Isom, Jr., 7335A.
Jackson, Loren Elwood, 7336A.
Hartley, Alice Hoyt, 21269W.
Hyder, Ralph Charles, 7337A.
Baker, Roger Norman, 7338A.
Chadwick, Roscoe Lewis, 7339A.
Angier, Frank Edward, 7340A.
Wagner, Harry Alden, 7343A.
Feeley, John MacGregor, Jr., 7344A.
Gleed, Edward Creston, 7345A.
Jella, Leonard L., 7346A.
Stutzman, Robert Gordon, 7347A.
Griffiths, Vincent Edward, Sr., 7348A.
Schrack, Fred Richard, 7349A.
Hergert, Thomas Malcolm, 7350A.
Roberts, David Langston, 7351A.
Alton, Carol Wilson, Jr., 7352A.
Lazenby, James Elmer, 7354A.
Mulloney, Daniel Clifford, 7356A.
Cherota, Frederick William, 7357A.
Washburn, Walter Raleigh, Jr., 7358A.
Svoboda, Milton Joseph, 7359A.
Ruckman, Thomas Mayfield, 7360A.
Lucia, Raymond William, 7361A.
Brown, Raymond Sedgwick, 7362A.
Davis, Thomas Julian, 7363A.
Morris, Wesley Donald, 7364A.
Nugent, Paul Raymond, 7365A.
Abrams, James Simeon, 7366A.
Heck, Frederick Brockway, 7367A.
Ham, Stephen Paddock, 7368A.
Dell, John William, 7369A.
Shields, Benjamin Bayard, 7371A.
×Rice, Carl Everett, 7372A.
Gillespie, Calvin Eugene, 7373A.
×Bonebrake, Robert Raymond, 7374A.
Harshbarger, Elmer Thomas, 7375A.
Blitch, Harry Anthony, 7376A.
Mehalko, George Thomas, 7377A.
Sedr, William Walter, 19569A.
Streeton, Jack Wesley, 7378A.
Daughton, Glenn B., 7379A.
Wetzel, Albert John, 7380A.
Calhoun, Philip Clare, 7381A.
Blasingame, Benjamin Paul, 7382A.
Stebelton, Samuel Frederick, 7383A.
Fishburn, Thomas William, 7384A.
Jones, Russell Park, 7385A.
Legg, Oliver Morton, 7386A.
Williams, William Allen, 7388A.
McKee, James Thomas, 7389A.
Steere, Samuel Adams, Jr., 7390A.
Karsokas, Benjamin Anthony, 7391A.
Hayes, William Donn, Jr., 7392A.
Jones, Thomas Quaite, Jr., 7394A.
Desper, Dale David, 7396A.
Koehne, George Henry, Jr., 7397A.
Cullum, Felder Wilson, 7398A.
Finney, William Leland, 7399A.
Allen, Franklin Staples, Jr., 7400A.
Johnson, Leland Warren, 7401A.
Wright, Ellis William, Jr., 7403A.
Fitzgerald, John Edward, Jr., 7404A.
Biddlecome, Bruce Dutton, 7405A.
Farley, Orville Boyd, 7406A.
Rowe, Everett Calvin, 7407A.
Wilcox, Frank Hurst, Jr., 7408A.
Lane, James Russell, 7409A.
Ricks, Carlyle, 7410A.
Eakes, Raymond Timothy, 7412A.
Cool, Paul Edward, 7413A.
Baldwin, Robert Percy, 7415A.
Wilcox, Roland MacGowan, 7416A.
Jaynes, Roy Arnold, 7417A.
Stambaugh, Claude Kendall, 7419A.
Talmage, Henry Gardner, 7420A.
Powers, John Francis, Jr., 7421A.
Irby, John Jackson, 7422A.
Roberts, Frederick Charles, Jr., 7423A.
Ferran, Charles Gordon, 7425A.
Crary, Gerald Demarest, Jr., 7426A.
Dedrickson, Lorin Ross, 7427A.
Swanke, Edwin Alden, 7428A.
Suddeth, David Andrew, 7429A.
Jamison, Donald Calvin, 7430A.
Conrad, John Hill, 7432A.
Packard, Peter L. M., 7434A.
Hinton, Joe Kinney, 7435A.
Rohr, Louis William, 7436A.
Howenstine, Kenneth K., 7437A.
Fletcher, Arthur Amos, Jr., 7438A.
Munsey, Charles Wayne, 7439A.
Pavlick, Charles Raleigh, 7440A.
Gillespie, John Paul, 7441A.
Sullivan, Edward Donald S., 7442A.
Saunders, Robert Scott, 18062A.
Stewart, George Benjamin, 7443A.
Olney, Richard Bartlett, 7444A.
Tyler, Robert Andrew, 7445A.
Herring, Wilber Gunton, 7446A.
Velde, Robert Lee, 7447A.
Curtis, Gilbert Lewis, 7448A.
Eddy, Ernest Chauncey, 7449A.
Baumgardner, Bruce Kennedy, 7451A.
Foley, Robert Langdon, 7452A.
Sawyer, Charles Willard, 7453A.
Dames, William Herman, 7454A.
Moley, Charles Anthony, 7455A.
Miles, Frederick Earl, 7456A.
Eck, Anthony Ignatious, 7457A.
Wyman, Frank Melvin, Jr., 7458A.
Berge, Ralph Irving, 7459A.
Snipes, Gilmer Lee, 7461A.
Hadley, John Carl, 7462A.
Call, George William, 7463A.
Nelson, Raymond Edward, 7464A.
Hubbard, Edwin William, 7465A.
Spielan, Richard, 7466A.
Vanden Heuvel, George Renzo, 7469A.
Roesch, John Edward, 7470A.
Olsson, John Shepherd, 7471A.
Crane, Vincent Mercer, 7472A.
Denson, Harvey Thomas, 7475A.
Lillard, James Warren, Jr., 7476A.
Hale, Richard Eugene, 7477A.
Smith, Leslie Albert, 7478A.
Persinger, Thomas Earl, 7479A.
Edne, James Sidney, 7480A.
Murphy, James Herbert, 7481A.
Goddard, Lowell Wesley, 7482A.
Leahy, Edward David, 7483A.
Dern, Arthur William, 7485A.
Paige, Ronald Albert, 7486A.
Payne, James Osborn, 7488A.
Hudson, Roland Lee, 7489A.
Hovik, Clifford Selmer, 7490A.
Woody, Robert Elwood, 7491A.
Fitch, Charles Root, 7492A.
Wray, Robert Alexander, Jr., 7493A.
Brown, Harvey Neal, 7495A.
×Hall, James Newton, 7497A.
Beery, Harold Floyd, 7498A.
Powers, Robert Bruce, 7499A.
Boswell, Irving Ward, 7500A.
Gonzalez, Horace Roger, 7501A.
Richens, Kent J., 7502A.
West, Howard Barnell, 7503A.
Smith, Raymond Miller, 7504A.
×Bullock, Joe Ragland, 7505A.
Bailey, James Edmund, Jr., 7506A.
Koser, Jack Donald, 7508A.
Thomas, Frank Leslie, 7509A.
Goss, Ralph Russell, 7510A.
Wilmot, Allan Eustis, 7511A.
Sipes, Richard R., 7512A.
Fellows, Walter Scott, Jr., 7513A.
Booth, Robert Edwin, 7514A.
Wells, George Louis, 7516A.
Karlin, Francis Joseph, 7517A.
Whitman, Edward Bostwick, Jr., 7518A.
Cogswell, James Stines, 7519A.
Swann, Franklin Wilburn, 7520A.
Clary, Lawson, Jr., 7521A.
Hansen, Robert Murdock, 7522A.
Augustine, John Anthony, 3d, 7523A.
Ellis, Robert Giles, 7524A.
Swofford, John Forrest, 7526A.
Holmes, Capers Andrews, Jr., 7527A.
Lippard, John Albert, 7529A.
Stanton, Carroll Lane, 7530A.
Moon, Leo Claire, 7531A.
Kendrick, James Bain, 7532A.
Foley, Thomas Francis, 7533A.
Aiken, Albert Shelton, 7535A.
McCoy, Paul Leslie, 7538A.
Sisler, Orland Odell, 7539A.
Smiley, Bert Nelson, 7540A.
Griffin, Loyd Dean, 7541A.
Hoffman, Theodore Caldwell, 7542A.
Beam, James Carroll, 7544A.
Rowe, William Matthew, 7546A.
Jarman, James Theodore, 7547A.
Uglow, Ray Daniel, Jr., 7548A.
Grass, William Ellis, 7549A.
Walker, Joe, 7550A.
Hillyer, Roy Noyes, Jr., 7552A.
Gay, Alex Henry, Jr., 7553A.
O'Donnell, John Curran, 7554A.
Martin, John Landrum, Jr., 7556A.
Curtis, Robert David, 7557A.
Whitlow, Floyd Bruner, Jr., 7558A.
Moore, William Harold, 7559A.
Patch, Horace Wendell, 7560A.
Dunken, Allen Grambling, 7561A.
Duncan, Roy Roscoe, 7563A.
Bailey, Don Warren, 7564A.
Berry, Frederick Dee, Jr., 7565A.
Terzian, Roger Hornsby, 7567A.
Hays, Norman Pershing, 7568A.
Humphries, Donald Harrison, 7569A.
Ruettgers, John Joseph, 7570A.
McLaughlin, William Carr, 7572A.

Milledge, Henry Lee, 7573A.
Berg, Walter Warden, 7574A.
Martin, James Timmons, 7575A.
Poncik, Victor Jerome, 7576A.
Victor, Henry Grant, 7577A.
Ludwig, George Henry, 7579A.
McFarland, Hugh, 7580A.
White, Thomas David, 7581A.
Cannon, John Hinkle, Jr., 7582A.
Seward, Wayne Jack, 7583A.
Robb, Stewart Wilsey, 7584A.
Betts, Russell Wood, Jr., 7585A.
Blass, Daniel Luther, 7586A.
Rasmussen, Philip Martin, 7587A.
Christie, Charles Philip, 7588A.
Elvin, Malcolm Peter, 7589A.
Ledford, Otto Clarence, 7590A.
Wagnon, Manford Kinney, 7591A.
Stinson, Lloyd Harold, 7592A.
Thompson, Kenneth Dean, 7593A.
Lancaster, James William, 7594A.
Andrews, Robert Louis, 7595A.
Hinchee, Robert Lee, 7596A.
Ehlinger, Joseph Thomas, 7597A.
Schneider, Albert Henry, 7598A.
Cotton, Jesse Francis, Jr., 7599A.
Beckelman, Jack Dwain, 7600A.
Cooke, Guy, Jr., 7601A.
Jindrich, Leonard Joseph, 7602A.
Cook, Thomas Roland, Jr., 7603A.
Jones, Felix Henley, Jr., 7604A.
Dula, Mason Aurelius, 7605A.
Wientjes, Gerard Francis, 7606A.
Wooten, Clyde Curtis, 7607A.
Legg, Paul Ashton, 7608A.
Whitley, Charles George, 7609A.
Otten, Leonard John, Jr., 7610A.
Engle, Robert Thomas, 7611A.
Jones, Lyle Merritt, 7612A.
Rhodes, Hugh Egbert, 7613A.
Blair, Alan Howard, 7614A.
Davis, William Osborne, 7615A.
Remillard, David Harold, 7616A.
Mays, Ivan Kenneth, 7617A.
Classen, Thomas John, 7618A.
Martin, Wallace Steile, Jr., 7619A.
Terhune, Claude Mitchell, 7620A.
Armstrong, George Harmon, Jr., 7621A.
Dease, George Carl, 7622A.
Sampson, Victor, Jr., 7623A.
Smith, Carroll C., 7624A.
Barnum, Robert Alexander, 7625A.
Feist, Robert Douglas, 7626A.
Robinson, Donald Allister, Jr., 7627A.
Balkum, Earl Thomas, 7628A.
Welch, James Edward, 7629A.
Boardman, Robert Laurence, 7630A.
Best, Jack Raymond, 7631A.
Campbell, Chester McDonald, 7632A.
Hoffmann, Carl David, 7633A.
Hutton, Leonard Jackson, 7634A.
Crandell, John Abner, Jr., 7635A.
Russell, Roy Davis, 7636A.
Toole, Richard Allen, 7637A.
Ford, Louis William, 7638A.
Van De Car, Howard Thomas, 7639A.
Farwell, Robert Harvey, 7640A.
Catington, James Douglas, 7641A.
Ivey, William Glenn, 7643A.
Cape, Rolf Douglas, 7644A.
Fishburne, Paul Lee, 7645A.
Burcky, Max Calvin, 7646A.
Thompson, Harry Melvin, 7648A.
Shackelford, Walter Scott, Jr., 7649A.
Lemme, William Philip, 7650A.
White, Joe Ross, 7651A.
Peaslee, Jesse Clair, 7652A.
Vail, Hugh Beugler, 7654A.
Bledsoe, Joseph Vernon, 7655A.
Watts, George Joseph, 7656A.
Robinson, William Cyrus, 7657A.
Kolander, Conrad Carl, Jr., 7658A.
Otto, Robert Cushman, 7659A.
Bachmann, Frederick Clemens, 7660A.
Graham, John Kessler, 7661A.
Hosman, Richard Sutton, 7662A.
Kincannon, Francis Chase, 7663A.
Jordan, Samuel Peele, 7664A.
Lyon, Arthur Benjamin, Jr., 7665A.
Welch, Rupert Carlton, 7666A.
Fryer, Milton, 7668A.
Marshall, Tom Lee, 7669A.
Langford, Robert Irving, 7670A.
Clarke, Clarence J., 7671A.
Swanson, Ralph William, 7672A.
Turnbull, John Frederick, 7673A.
Mansell, Morris Enoch, Jr., 7674A.
Marshall, Prevost, 7675A.
Jones, William Orville, 7676A.
Harmon, David Noah, 7677A.
Holmes, Francis Sieg, 7678A.
Cryer, James Magill, Jr., 7679A.
Shaver, Dale Anderson, 7680A.
Hankin, Abraham Louis, 7681A.
Tilley, George Franklin, Jr., 7682A.
Brown, Mark Josiah, Jr., 7683A.
Oder, Frederic Carl Emil, 7684A.
Murray, James Lore, 7685A.
Dunn, Raymond Bennett, 7686A.
Deans, Edwin Gray, 7690A.
Carpenter, Hervey Benjamin, 7691A.
Williams, Augustus Forney, Jr., 7692A.
Reynolds, Andrew Jackson, 7693A.
Duncan, Charles Henry, 7695A.
Tomlinson, Franklin Eugene, 7696A.
Howie, Loren Donald, 7699A.
Adams, Ben Millard, 7701A.
Marks, Mortimer David, 7702A.
Eigenmann, John Christian, 7703A.
Porter, Clarence Woodrow, 7704A.
Riley, Earl Vaughan, 7706A.
Harriger, Robert Lee, 7707A.
Lewis, Charles Daniel, 7708A.
Cavanagh, John Timothy, 7709A.
Wine, Chester Bolton, 7710A.
Munsey, Ned Gaines, 7711A.
Davis, Dale D., 7713A.
Olson, Royce Glenmore, 7714A.
McConnell, William Scott, Jr., 7715A.
Wood, Griffin Howard, 7716A.
Thorne, Walter Edward, 7717A.
Gilmore, Byron Harold, 7718A.
Shaw, Charles Howard, 7719A.
Bicknell, June E., Jr., 7720A.
Deck, H. A., 7721A.
Sather, Harley, 7722A.
Teberg, Daniel Ernest, 7723A.
Mead, Henry Lowell, 7724A.
Service, Robert Hubbard, 7725A.
Bailey, John Robert, 7726A.
Carhart, Thomas Merrit, 7727A.
Vaught, Robert Harry, 7728A.
Hammer, Elmer Heath, Jr., 7729A.
Prouty, Leroy Fletcher, Jr., 7730A.
Minor, Marion Edward, Jr., 7731A.
Huffman, Roy Edward, 7732A.
Williams, George Vincent, 7733A.
Brantley, Joseph Ray, 7734A.
Whitney, William James, 7735A.
Stulb, Joseph George, Jr., 7736A.
Brundrett, Warner Morris, 7737A.
Paschall, Benjamin Franklin, 3d, 7738A.
Edwards, Allen, 7739A.
Gwynn, Philip Simms, 7740A.
Merten, Donald Herman, 7741A.
Ricks, Thomas Jesse, Jr., 7742A.
Williams, Jack Wilford, 7743A.
Cole, Frederick John, 7744A.
Wilkinson, Richard Gaddis, 7745A.
Bratcher, Douglas Howard, 7746A.
Moody, David Bloom, 7747A.
McCarthy, Eugene John, 7748A.
Simpson, Robert Tennent, 4th, 7749A.
Kronauer, Clifford John, Jr., 7750A.
Phillips, Robert Ernest, 7751A.
Wheeler, Joe Dell, 7754A.
Shahan, Michael Ellsworth, 7756A.
Zweifel, Everett E., 7758A.
Gattis, Robert Houston, 7759A.
Stealy, Edward James, 7760A.
Graham, Gordon Marion, 7761A.
Abbotts, Lloyd Ferdinand, 7762A.
McClellan, Howard William, 7763A.
Cooper, Talmage DeWitt, Jr., 7764A.
Turner, John Mac, 7765A.
Busby, Douglas Ray, 7767A.
Hurt, Wilbur Wellington, 7768A.
Eberts, Major David, 7769A.
Sapp, James Franklin, 7770A.
Mehaffey, Nathan Gene, 7771A.
Fowler, Thomas R., 7772A.
Salzarulo, Robert Louis, 7773A.
Harbour, David Frank, 7775A.
Nelander, Frederick James, 7776A.
Todd, Robert Francis, 7777A.
Colson, William Benton, 7778A.
Cox, Lucien Kosak, 7779A.
Wilde, Linn Erlon, Jr., 7780A.
Redman, Russell Lee, 7781A.
Langdale, Robert Hammel, 7782A.
Powers, Kenneth Henry, 7783A.
Kelley, Wendell James, 7784A.
Lewis, Glen, Jr., 7785A.
Nelson, Conrad Nathaniel, 7786A.
Ponder, Paul Holloway, Jr., 7787A.
McClellan, John Barclay, 7788A.
Burnstedt, Lloyd Ellis, 7789A.
Land, William Mordecai, Jr., 7790A.
Wegenhoft, Victor Charles, 7791A.
Nance, Nicholas Haywood, 7792A.
Broome, William Bohler, Jr., 7793A.
Kiechel, Walter, Jr., 7794A.
Wellborn, Jeffery O'Neal, 7795A.
Newton, George Lucius, Jr., 7796A.
Van Patten, Isaac Toll, 3d, 7797A.
Romstad, Rolf Norman, 7798A.
Scarbrough, Ben Allen, 7799A.
Hood, John Robinson, Jr., 7800A.
Jacobsen, Otto Fredrick, 7801A.
Price, William Gray, 3d, 7802A.
Ledbetter, Henry Franklin, Jr., 7804A.
Nichols, Edward McIntyre, Jr., 7805A.
Bryant, Perry Killian, 7806A.
Nielsen, Melvin Jesse, 7808A.
Spawn, Douglas Wilson, 7809A.
Hutchinson, Leonard Hugh, 7810A.
Dodge, John Alfred, 7811A.
Ferguson, Clay Van Dalsem, 7813A.
Witters, Arthur George, 7814A.
Williams, Walter Pippen, 7815A.
White, Jack Clemont, 7816A.
Murphy, Maurice Edward, 7817A.
Oppy, Paul Francis, 7818A.
Wasienko, Michael, Jr., 7819A.
Lunceford, Sigmon Austin, 7820A.
Brocklehurst, Robert Lewis, 7821A.
Baron, Oakley Walter, 7822A.
Ingram, James Woodrow, 7823A.
O'Neil, George Keith, 7824A.
Bausser, William Jerome, 7825A.
Findley, Harry Wilson, 7826A.
Derr, Howard Stanley, 7827A.
Curtis, Ferd John, 7828A.
Gaff, John Wilson, Jr., 7829A.
Bjoring, Robert George, 7831A.
Diltz, Theo Roy, 7832A.
Wright, Frank Edward, 7833A.
Peck, Douglas Montgomery, 7834A.
Walker, Ralph Lee, 7836A.
Ralston, Wilson, 7838A.
Berkow, Joseph Jeffrey, 7839A.
Hagin, William Van, 7840A.
Underwood, Herbert Arthur, 7841A.
Buckey, George Rufus, 7842A.
Abel, George LeRoy, 7845A.
Lennox, Weston Monroe, 7846A.
Atkinson, William Joseph, 7847A.
Slocumb, Clyde Buchanan, Jr., 7848A.
Martin, Gene Ivan, 7849A.
Robinson, John Sidney, 7850A.
Keefe, Thomas William, Jr., 7851A.
Van Pelt, James Hilligoss, 7852A.
Davidson, William Herman, 7853A.
Rhees, Gilbert Neal, 7855A.
Hodges, Kenneth Sherrill, 7856A.
Walsh, Howard Benjiman, 7857A.
Siler, Fred LeRay, 7858A.
Gilmore, James David, 7859A.
Couser, Walter John, Jr., 7860A.
Miller, William Clinton, 7861A.
Kyer, Fred Earl, 7862A.
Stone, Albert Wilson, 7863A.
Nesmith, Joseph Frederick, 7864A.
Kinney, George Warren, 7865A.
DeMal, Nicholas, Jr., 7866A.
Farnell, Leland Borden, Jr., 7867A.
Hook, Leo, 7868A.
McGinn, John Leon, 7869A.
Shelton, Orville William, 7870A.
Fisher, Carl Byrd, 7871A.
Brown, Harold Rowe, 7872A.
Crabtree, Frank Ray, 7875A.
Knepper, Frank Bernard, Jr., 7876A.

Hannah, Raymond Clifford, 7877A.
Player, George Carlton, Jr., 7878A.
Scepansky, Joe Thomas, 7879A.
Erlenbusch, William Christian, 7880A.
Hill, John Michiel, 7881A.
Hawkins, Harry Lowell, 7883A.
Furchner, Fred Thomas, 7884A.
Morgan, Roy, 7887A.
Conrad, Chester Melvin, 7888A.
Metcalfe, Lee Edward, 7889A.
Hotte, Eugene Theodore, 7890A.
Smith, Raleigh Delmer, 7891A.
Bird, Charles H., 7892A.
McKinnis, Burdette Jones, 7893A.
Rasor, Frank James Pierce, 7894A.
Willey, Carl Raymond, 7895A.
Dawson, Peter Paul, 7896A.
Grubaugh, Boyd Lee, 7897A.
Dressler, Gordon Albert, 7898A.
McCord, Robert Ralph, 7899A.
Lollar, Clarence LaVerne, 7900A.
Price, Jack Clayton, 7901A.
Schultz, Leonard Corwin, 7902A.
Smith, B. J., 7903A.
Woodring, Dugan V., 7904A.
Keppler, Charles Nelson, 7905A.
Neffinger, George Gail, 7906A.
Kelley, Gordon Milford, 7907A.
Ferguson, Robert Irving, 7908A.
Thompson, John Arthur, 7909A.
Malone, Frank Cletis, 7910A.
Hall, Robert William, 7911A.
Haning, William Frees, Jr., 7912A.
Highley, John Norgrove, 7913A.
Carmody, Richard John, 7914A.
Luehring, Verl Dean, 7915A.
O'Hara, Richard Kiernan, 7916A.
Hench, Ralph Vale, 7917A.
Welch, George Coleman, 7918A.
Quinn, Robert Francis, 7919A.
Cristadoro, Maurice Anthony, Jr., 7920A.
Freund, Albert Joseph, 7921A.
Sandman, George King, 7922A.
Tyler, Morgan Seymour, Jr., 7923A.
Bodine, Francis Stephen, 7924A.
Sams, Walter Birt, 7925A.
Summerfield, Leslie Francis, 7926A.
Streete, Alec Beaver, 7927A.
Beale, William Henry, Jr., 7928A.
Milch, Lawrence Jacques, 7929A.
Would, William Jeffrey, 7930A.
Royalty, William Saufley, Jr., 7931A
Snow, David Joseph, 7932A.
Watkins, Loy Edwin, 7933A.
Welch, Darrell Gail, 7934A.
Snyder, Vincent Lucian, 7935A.
Larrabee, Vance Henry, 7936A.
Cappelletti, Francis Ronald, 7937A.
Pearsall, David Williams, 7938A.
Kenworthy, Charles Clifford, Jr., 7939A.
Houston, William Marshall, 7940A.
Dech, Robert Wagner, 7941A.
Anzelon, George Joseph, 7942A.
Sharp, William Eugene, 7943A.
Kelley, Keith Patrick, 7944A.
Sianis, Pete Chris, 7945A.
Carney, Arthur William, 7946A.
McKean, Harold Louis, 7947A.
Fuchs, Marion Julion, 7949A.
Williams, Lawrence Dale, 7950A.
Bell, Charles Austin, 7952A.
Parris, Howard Lindsey, 7953A.
Telzrow, Thomas Eugene, 7954A.
Tyler, John Thomas, 7955A.
Briggs, Arthur Flem, 2d, 7956A.
Hall, Mark Beardsley, 7957A.
Elwell, Robert Lowell, 7958A.
Cavender, John Proctor Knott, 7960A.
Trail, Charles Darwin, 7961A.
Fuller, Herbert Kaufman, 7962A.
Anderson, Truman Foster, 7963A.
Remaklus, John Phil, Jr., 7964A.
Kirby, Robert Leslie, 7965A.
Tisdale, Paul Arthur, 7967A.
Horne, John Erwin, 7968A.
Turner, Lewis Mack, 7969A.
Kent, Herbert William, 7970A.
Shirley, Fred Allen, 7971A.
Foster, William Wallace, Jr., 7972A.
Moore, Jack Edwin, 7973A.
Johnson, Frank Edward, 7974A.
Walrath, Richard Drake, 7975A.
Prodgers, John David, 7976A.
Conner, Hal Cheney, 7977A.
Jolissaint, John Mire, 7807A.
Toler, Richard Grant, 7978A.
Claytor, Roy Frank, 7979A.
Bryson, William Curtis, 7980A.
Rydstrom, Jean Frederic, 7982A.
Avery, Lyndall John, 7984A.
Harrison, Morgan Randolph, 7985A
Geer, Virgil Clyde, 7986A.
Westbrook, Jasper Alton, 7987A.
Sherman, Lenard, 7988A.
Wilder, Harlan Cree, 7989A.
McNeeley, Harold Lee, 7990A.
Spencer, Gordon Abbott, 7991A.
Jensen, Ralph Albert, 7992A.
Smith, Cecil Burnett, 7993A.
Stitt, Austin Walter, Jr., 7994A.
Nelson, Marshall Edwin, 7996A.
Smith, John Robert, 7999A.
Newman, Ralph Anderson, 8001A.
Cook, Emery Alan, 8004A.
Fitter, Philip Augustine, 8005A.
Schuknecht, Lowell Albert, 8006A.
Fain, Robert Snead, 8007A.
Meyer, Charles Robert, 8008A.
Deegan, Leo Francis, 8009A.
Evans, Calvin Edmond, 8010A.
Reardon, John Charles, 8011A.
Bloom, Edmund Stanley, 8012A.
Walker, George Theodore, 8013A.
Christman, Harry William, Jr., 8014A.
Frisbee, John Lee, 8015A.
Smith, Alan Bronson, Jr., 8016A.
Sowers, Gordon Thomas, 8017A.
Thompson, Francis Newton, 8018A.
Tauscher, Robert Edward, 8019A.
Freeman, David Lloyd, 8020A.
Ferguson, John Jacob, 8021A.
Shivers, Julius Dewitt, Jr., 8022A.
Dregne, Irwin Hendrick, 8023A.
Franz, Fred John, 8024A.
Krause, Lester Livingstone, Jr., 8025A.
Bland, John William, 8026A.
Burke, Sylvester Vernon, 8028A.
Snyder, Edgar Ernest, Jr., 8029A.
Webb, Allen Sterm, 8030A.
Farrar, John Wynn, 8031A.
Blair, Samuel Vernon, 8032A.
Peterson, Harry Graham, 8033A.
Howell, Winfred Dennis, 8034A.
Anderson, Delynn Edward, 8035A.
Geary, Leo Paul, 8037A.
McClure, John Crile, 8038A.
Carter, Roger Mills, Jr., 8039A.
Sherwood, Joseph Huling, Jr., 8040A.
Ryan, John Leonard, 8041A.
Fuhrmeister, Ralph Stream, Jr., 8042A.
McComb, William John, 8043A.
Kendall, Paul Cross, 8044A.
Jenkins, Everett Kelley, Jr., 8045A.
Williams, James Madison, 8046A.
Strickler, Marshall Handy, 8047A.
Moffitt, Franklyn Elwood, 8048A.
Tilley, Thomas Marshall, 8049A.
Lathan, Allan Adale, 8050A.
Bird, Clement William, 8051A.
Small, Arthur, 8052A.
Reed, Henry Clay, 8053A.
Sullivan, Woodruff Turner, Jr., 8054A.
Radetsky, Harold Arnold, 8055A.
Blum, Edward Francis, 8056A.
Omohundro, Thomas Tipton, 8057A.
Hagreen, Robert John, 8058A.
Harris, William Bruce, 8059A.
Kelly, Converse Beach, 8060A.
Riva, Daniel Francis, 8061A.
Rathbun, Edward Lyon, 8062A.
Derr, Herbert Odell, 8063A.
Uhrich, George Adam, 8064A.
Jones, David Reese, 8065A.
Roth, John Y. Crawford, 8066A.
Tainsh, Alexander Simpson, 8068A.
Parsons, James Wellington, 8069A.
Roberton, Eddie Joseph, Jr., 8070A.
Brooking, George Robert, 8071A.
Sauer, Robert Raymond, 8072A.
Douglas, Paul Page, Jr., 8073A.
Slocum, Paul James, 8074A.
Ritchie, William Dee, 8076A.
Roddy, Edward Francis, 8077A.
Ivey, William Holder, 8078A.
Durbeck, Arthur George, 8079A.
Mitchell, Mack Ashton, 8080A.
Renwick, Donald Dean, 8081A.
Morse, Donald MacMillan, 8082A.
Klein, Raymond Paul, 8084A.
Walsh, Martin Raymond, Jr., 8085A.
Amann, John Robert, 8086A.
Quillen, Monroe Carl, 8087A.
Willetts, David Leonard, 8088A.
Ramsey, Glyn Wilburn, 8089A.
Calhoun, William Rodwell, Jr., 8090A.
Carey, John Audubon, 8091A.
Short, William Walter, Jr., 8092A.
Cole, George Peyton, 8093A.
Elliott, William Wayne, 8094A.
Ellington, Edward Hamlet, 8095A.
Marks, Leonard Peter, 8096A.
Dunham, William Douglas, 8097A.
Cook, Walter Vaughn, 8098A.
Little, James Walter, 8099A.
Killen, Leo William, 8100A.
Ryden, Donald Anderson, 8101A.
Phillips, Herbert Leslie, 8102A.
Stellenwerf, William Atkinson, 8104A.
Johnson, Charles William, 8105A.
Holcombe, Richard Eugene, 8106A.
Cruikshank, Arthur Waur, Jr., 8107A.
McClatchy, Howard Lee, 8109A.
Hawkins, William Brevard, Jr., 8110A.
Price, Robert Franklin, 8111A.
Oglesby, Sam Russell, Jr., 8112A.
Sylvester, Joseph James, 8113A.
Whittaker, Roy Eugene, 8115A.
Stansbury, Jay Wayne, 8116A.
Roby, Albert Wilson, Jr., 8117A.
Napier, John Gilbert, 8118A.
Gregory, James Madison, Jr., 8119A.
Ferguson, Robert Munro, 8120A.
Moser, Alfred Leslie, 8121A.
Jose, Elmer Howard, Jr., 8122A.
Halloran, Robert Patrick, 8036A.
Wright, Theodore Roger, Jr., 8123A.
Yundt, Robert Wellings, 8124A.
Nye, Robert Millard, 8125A.
Williams, Charles Carter, 8126A.
Aenchbacher, Arthur Eugene, 8127A.
Brown, William Francis, 8128A.
Robinson, Edgar Abram, 8129A.
Fahey, James Martin, 8131A.
Thorne, James Howard, 3132A.
Carlton, Robert Nichols, 8133A.
Carpenter, David Erwin, 8134A.
Rahn, Gilbert Frank, 8135A.
Hetzel, Robert Lewis, 8136A.
Gardiner, Paul Eugene, 8137A.
Anderson, Leonard Ward, 8138A.
Foley, Robert Patrick, 8139A.
Moore, William Paul, 8140A.
Hutchison, Jacob Anderson, 8141A.
Conklin, Howard Elmer, 8142A.
Wilson, James Arthur, 8143A.
Teubner, Harold Charles, 8145A.
Wallace, Eugene Dye, 8146A.
Neece, Richard Davis, Jr., 8147A.
Joyal, Philip Eugene, 8149A.
Tarvin, Russell Wayne, 8150A.
Shook, Harold Graham, 8151A.
Cranfill, Niven Kendall, 8152A.
Ghram, Elmer Floyd, 8153A.
Booker, Brooks William, Jr., 8155A.
Rogers, Robert Conant, 8156A.
Bones, James Clinton, 8157A.
Maher, William LeRoy, 8158A.
Robertson, Raynor Easterling, 8160A.
Gandy, Hilliard Leon, 8161A.
Lewis, Richard Calvin, 8162A.
Dilly, Vincent Sylvester, 8163A.
Fulcher, Stanley Albert, 8164A.
Neal, Philip Andrew, 8165A.
Jefferson, Harold Dakan, 8166A.
Crosland, Roy Truett, 8167A.
Ard, Roswell William, 8168A.
Beahan, Kermit King, 8169A.
Lewis, William Charles 8170A.

Martin, Fred Arnett, 8171A.
McAbee, William Howard, 8172A.
Messman, Howard Arthur, 8173A.
Conway, Victor Cornelius, 8174A.
Lee, Carl Cris, 8175A.
Lanford, William Archibald, 8176A.
Oliver, Ralph Lorimer, 8177A.
Priley, Kenneth Owen, 8178A.
Larson, Harold Jacobson, 8180A.
Casey, William Joseph, 8181A.
Cook, James Rawdon, 8182A.
Sharon, Cora Edra, 21271W.
Parsons, Irvin Millard, 8183A.
Hodge, Dexter Lawrence, 8185A.
Jernigan, William LeRoy, 8186A.
Weltzin, Richard Fredrick, 8187A.
Huntley, William Henry, Jr., 8188A.
Stell, Glenn Aswell, 8189A.
Pickett, Lawrence Jackson, 8190A.
Greene, James Barrow, 8192A.
Dale, James Roy, Jr., 8193A.
Zeigler, Jack Spiers, 8194A.
Hey, Winston Snowden, 8195A.
Jolly, David Chester, 8196A.
Dieffenderfer, James Clark, 8197A.
Parsons, Samuel Polk, 8198A.
Des Portes, John Augustus, 8199A.
Coleman, Kenneth Dona'd, 8200A.
Estes, Chandler Bayard, 8202A.
Brown, Harold Lovelace, 8203A.
Merrill, Charles Thomas, 8204A.
Glaser, Leonard Tulare, 8205A.
Knox, George Levi, 8206A.
Jackson, Howard Edward, 8207A.
Dillon, Stephen Patrick, 8209A.
Hester, Thomas Jefferson, 8210A.
Hardin, Ernest Charles, Jr., 8211A.
Oglesby, Stuart Roscoe, 3d, 8212A.
Bickford, Jack Cedric, 8213A.
Greathouse, Harry Smith, 8214A.
Davis, Glendon Valley, 8215A.
Weeks, James Lew, 8216A.
Butler, Earl Howard, 8217A.
Herrick, Harold James, 8218A.
Myers, Henry Vernon, 8219A.
Meeker, Everett Roscoe, 8220A.
Howell, Henry Randolph, Jr., 8221A.
Long, Joseph Edward, 8222A.
Byers, Edward Franklin, 8223A.
Lupear, Cornell John, 8224A.
Theisen, Emmett John, 8225A.
Gilbert, Raymond Arthur, 8226A.
Miller, Eugene Francis, 8227A.
Taylor, Richard Winn, 8228A.
Loughry, Robert Johnson, 8229A.
Yon, Pershing Lockey, 8230A.
Howes, Francis Bradford, Jr., 8231A.
Schaal, William Richard, 8232A.
Selden, Littleton Cole, 8233A.
Thompson, Dan Fox, 8234A.
Hoermann, Francis James, 8235A.
Brodie, George Fontaine, Jr., 8236A.
Taylor, Robert Harold, 8237A.
Kaufman, Alfred, 8238A.
Black, William Merrison, 8239A.
Wobbe, Roger Lawrence, 8240A.
Steakley, Ralph Douglas, 8241A.
Fears, James William, 8242A.
Whitmire, James Martin, Jr., 8243A.
Smith, Edward Donald, 8244A.
Svore, Ferdinand Luther, 8246A.
Wray, Cletus, 8248A.
Cox, Elizabeth Narcissus, 21272W.
Kurz, Albert Adam, 8249A.
Hatch, Lewis Marvin, 8251A.
Alois, Frank James, 8252A.
Boles, Homer Clem, 8253A.
Roberts, Sam Alfred, 8254A.
Nixon, Robert Lee, 8255A.
Nestor, Vergil Nick, 8256A.
Neil, Charles Verne, 8258A.
Smith, Elmer Frank, 8259A.
Tyler, Joe Milton, 8260A.
Larrick, Percie James, 8261A.
Rogers, Herbert Joseph, 8262A.
Hunter, Floyd Williams, Jr., 8263A.
Williams, De Jack, 8264A.
Wiehrdt, Leonard Irving, 8265A.
MacKay, Neill Camp, 8266A.
Aubrey, Carl Lee, 8267A.
Peck, Fred Ross, Jr., 8268A.
McRaven, Claude Coy, 8269A.
Wilkerson, William Frank, 8270A.
Relfe, Robert Wylie, 8271A.
Nielsen, Leonard Emery, 8272A.
Hamilton, Joseph Coursin, Jr., 8273A.
Bridges, Dewey Rodgers, 8274A.
Johnson, Paul Esrom, Jr., 8275A.
Beall, J. Mac, 8276A.
Papania, Ralph, Jr., 8277A.
Sorte, Martin Eugene, 8278A.
Ewing, Donald Walker, 8279A.
Payne, Carl Goolshee, 8280A.
Newland, Martin Kenneth, 8281A.
Martin, Lloyd, Jr., 8282A.
Winkler, John Moon, 8283A.
Twichell, Wallace Bruce, Jr., 8284A.
Mansfield, Richard Miner, 8285A.
Tanberg, Lawrence Frederick, 8286A.
Edwards, Wilbur Hugh, 8289A.
Smith, Derwood Keith, 8290A.
Whitehorn, Kenneth Walker, 8291A.
Westfall, William Bryan, 8292A.
Andrese, Andreas Arthur, 8293A.
Sanders, Harry Glenn, 8294A.
Ducote, Marc Marmaderle, Jr., 8295A.
Silliman, Clifford Roger, 8296A.
Rankin, Warner Frank, Jr., 8297A.
Childress, Raymond Keith, 8298A.
Burns, Harold William, 8299A.
Parker, Julian Wilsey, 8300A.
Fischer, Henry Arthur, Jr., 8301A.
Yarbrough, Walter Rudell, 8302A.
Benner, John George, 8303A.
Morris, Robert Carlock, Jr., 8304A.
Couts, Richard Lee, 8305A.
Robertson, Philip Owen, 8306A.
Frazier, Edwin Becton, 8307A.
Cook, Leo Winford, 8308A.
Payne, Carl Wilson, 8309A.
McGuire, Troy B., 8310A.
Johnston, George Henry, 8311A.
Daunt, John Joseph, Jr., 8312A.
Smith, Robert Emmett, 8313A.
Uhle, Richard Bauer, 8314A.
Baker, Royal Newman, 8315A.
Sabin, Flavel Provine, 8316A.
Tucker, Norman Percy, 8317A.
Fields, Melvin Edwin, 8318A.
Brundage, Theodore Thompson, 8320.
Blatt, Seymour, 8321A.
Cryer, Elmer Harold, 8323A.
Jack, Chester Arthur, 8324A.
Cook, Richard Henry, 8325A.
Roberts, Ben H., 8326A.
Jobanek, Wilbur Lewis, 8327A.
Kyser, David Arthur, 8328A.
Thornton, Clark Olmsted, 8329A.
Schlupp, John Alexander, 8330A.
Perry, Bruce Lee, 8331A.
Key, William David, 8332A.
Guyton, John Alexander, 8333A.
Watson, Oscar Lafayette, 8334A.
Taylor, Fitz Gerald, 8335A.
Cheney, James Spiers, 8336A.
Shapton, Leslie Douglas, 8337A.
Jackson, Edgar Ray, Jr., 18106A.
Schratz, Robert Kress, 8338A.
Mixson, Marion Clarke, 8339A.
Hill, Landon Prescott, 8340A.
Joyce, Thomas Byron, 8341A.
Lucas, Henry Edward, 8342A.
Brown, Winfield Henry, 8343A.
Heiser, Sherwood Watkins, 8344A.
Foy, John Patrick, 8345A.

CONFIRMATIONS

Executive nomination confirmed by the Senate June 11 (legislative day of May 17), 1951:

RECONSTRUCTION FINANCE CORPORATION

Peter I. Bukowski, of Illinois, to be Deputy Administrator of the Reconstruction Finance Corporation.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 11, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we have entered upon a new week with problems and responsibilities which challenge the best that is in us and which demand the consecration of our noblest manhood and womanhood.

We pray that in these times of tremendous economic and social upheavals and of tense and discordant international relationships, our moral and spiritual ideals may remain unshaken for if these foundations are destroyed, what can the righteous do?

Grant that the social order, which we are seeking to establish upon this earth, may have in it the spirit of reverence and devotion to Thee, of justice and good will toward all mankind, and of mutual trust and helpfulness.

Inspire us with an increasing concern and compassion for all who are in need. May we sense the high privilege of fellowship with Thee and with one another in the glorious enterprise of ministering to the welfare and happiness of men and nations everywhere.

In Christ's name we offer our prayer. Amen.

The Journal of the proceedings of Thursday, June 7, 1951, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 51. Joint resolution providing for United States participation in the celebration at Philadelphia, Pa., of the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 51–23.

SPECIAL ORDER GRANTED

Mr. MASON asked and was given permission to address the House for 30 minutes today, following the legislative program and any special orders heretofore entered.

HON. LOUIS E. GRAHAM

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include an address given by the gentleman from Pennsylvania [Mr. GRAHAM].

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I am sure every Member of the House is delighted with the high honors which have been conferred upon one of our colleagues, the able and beloved Member from Pennsylvania [Mr. GRAHAM].

The one hundred and fifty-second commencement of Washington and Jefferson College, situated at Washington, Pa., was held on Saturday, June 9 last, at which time the class of 162 graduates was addressed by our colleague the gentleman from Pennsylvania, LOUIS E. GRAHAM, on the subject The College Graduate in a Changing World.

At this time the honorary degree of doctor of laws was conferred upon Mr. GRAHAM, who was a member of the graduating class of 1901.

Also at this time a semicentennial certificate was awarded Mr. GRAHAM in recognition of his 50 years of graduation from this old institution.

It is interesting to know that of the surviving 25 members of the class, 16 were present at the reunion dinner on Friday night, June 8.

The citation reads:

LOUIS EDWARD GRAHAM, bachelor of arts of the class of 1901 of Washington and Jefferson College and doctor of laws of Grove City College, during the half century since your graduation from this college you have given of yourself untiringly and unremittingly to public service on behalf of the people of this Commonwealth and this Nation.

Your high integrity and deep wisdom as attorney for this State and later for the Federal Government have been repeatedly confirmed and acknowledged by your constituents of the Twenty-fifth District of Pennsylvania, who since 1938 have entrusted their welfare to you as their Representative to the National Legislature.

This trust you have admirably fulfilled. You have been outstanding as a lawmaker, working with rare distinction on the Judiciary Committee of the House of Representatives for the benefit of the Nation; and you have been notable as a humanitarian, fully realizing our great moral responsibility to help those in the world who have been less fortunate than we.

For such leadership we are pleased to honor you, and in doing so feel that we, too, are honored that a son of Washington and Jefferson is a worthy, prominent, and revered Member of the Congress of the United States.

BOYD CRUMRINE PATTERSON,
President of the College.

WASHINGTON AND JEFFERSON COLLEGE
SEMICENTENNIAL CERTIFICATE

In recognition of 50 years of service in the Nation and loyalty to this college this certificate of appreciation and honor is presented to LOUIS EDWARD GRAHAM, class of 1901.

Done this day of June 9, 1951.

By order of the board of trustees:

PARK J. ALEXANDER,
President of the Board of Trustees.

[SEAL] BOYD CRUMRINE PATTERSON,
President of the College.

The address delivered by Dr. GRAHAM is as follows:

President Patterson, gentlemen of the board of trustees, members of the faculty, alumni, students, and friends of Washington and Jefferson College, it is in a spirit of deep humility that I come before you today.

I have been asked not only to address this splendid group of young men who are now about to graduate from this old and revered institution of learning, but also I have been informed that the honorary degree of doctor of laws will be conferred upon me at this time.

Therefore, it is a privilege, a pleasure, and an honor to appear before you on this auspicious occasion.

Dr. Patterson and members of the board of trustees, I thank you most sincerely, and I assure you that your action in my behalf is deeply appreciated, and it is my earnest hope and prayer that I may ever prove worthy of the confidence you have reposed in me.

In accepting this signal honor, so graciously bestowed, I am both happy and humble.

Proud, indeed, to join the company of those able and distinguished men who hitherto have been thus honored by the trustees of this splendid college of liberal arts, yet humble in the realization of the duty now devolving upon me in receiving this honorary degree and in the solemn, serious task of charting, as best I can, a course for these eager, expectant young people who are now about to leave these scholarly precincts for active participation in the affairs of a torn and distracted world.

A world of confusion, of doubt and uncertainty. Again the armies of our beloved country are engaged in war, with battle casualties now numbering approximately 70,000, with 11,000 young men slain in battle and the end is not yet within sight.

Three weeks ago today, at about this hour, I stood in front of the Capitol of the United States and saw the 1¼-hour parade of a part of the Armed Forces of our Nation pass in review.

It was a beautiful and a moving scene. The great bands of the United States Marines, Navy, Army, and Air Corps playing inspiring and patriotic music, the rhythmic swing of human bodies and the cadence of thousands of falling feet together with the frightening might of terrifying modern instruments of war, all combined to make a magnificent spectacle.

However, as I watched the faces of the thousands of young men who marched past me, I saw no smiles, no evidence of gayety and lightheartedness. All were serious and subdued for all realized that they were marching toward grim visaged war.

It is indeed a peculiar situation in which we find ourselves. We are neither at peace nor at war—war in the sense of an all-out conflict.

This country today is faced with a perplexing problem, we are in the twilight zone between peace and war, our prayers are for peace, our preparations are for war. We are passing through a period of great national tribulation.

On the one hand we are seeking to avoid a conflict which will engulf us in a global war, but, on the other we are feverishly building up our state of preparedness so that we may adequately defend our country in the event that another world war should prove to be inevitable.

We are at present engaged in the gigantic task of creating weapons that will make us so strong that no nation or combination of nations will dare attack us, but in so doing we must give serious thought to the future of our Nation.

Here on the home front our preparations relate directly to the program of production, mobilization, and defense.

Therefore, in our endeavor both to prepare our defense and avoid involvement in a global holocaust, the urgent demand is to avoid a state of fear at one extreme and an attitude of smug complacency at the other.

Neither one of these will be dangerous. The one will lead to unjustified alarm, the other toward indifference and inaction.

Therefore, the real problem is to find a restrained but determined middle course that will lead us to the task for which the genius of this Republic, is and ought to be, fully capable of dealing with in an adequate manner. The conditions Americans face today—although the form is new in part—are not strange and unconquerable.

At the moment this situation is greatly confused by cross-currents of political maneuvers, by an almost unprecedented state of popular feeling and the prolonged debate over our foreign policy.

However, we must look beyond the war now raging, with its mounting toll of daily casualties to the kind of peace that will eventually be evolved and the part that we shall be called upon to take in that peace, and we should do this with fortitude and confidence.

Undoubtedly, this is not a popular war, probably the most unpopular in America's history, and this is the reason it is feared by a vast number of American people. Due to indecision and lack of purpose it appears at the moment to be an almost endless and practically aimless war.

On the one hand, we are to an alarming degree denied in practice the right to make our own battle decisions. On the other it has deepened and widened our permanent commitments to European and Asiatic governments. In the past, America has thrown her wealth and the blood and lives of her young manhood into two world wars to safeguard the territorial and political integrity of our European allies. Now we are uncertain of their help, and their wholehearted cooperation.

Since 1945 the United States has taxed itself to the hilt to maintain the boundaries, the economies, the freedoms, and the independence of these allies, so that the world might rehabilitate itself and live in peace.

Yet it is undoubtedly true, as former President Herbert Hoover has said:

"Today the world is in the grip of a death struggle between the philosophy of Christ and that of Hegel and Marx. * * * The outstanding spiritual distinction of our philosopy—from the other is compassion and an aspiration for justice. It is the noblest expression of man."

Will the peace that follows this war be a mere cessation of hostilities, or a permanent and lasting peace?

We must determine in our negotiations to eliminate the scourge of war by resolving political, economic, territorial, ideological, and social questions in accordance with the principles of right and justice.

With this final determination of this great question, my young friends, you will have much to do, for this is to be your world of tomorrow.

Herein lies the test of the American way of life, for its official guidance, for its manpower, and the resolute will of all our people for its achievement. Great as the cost may be we must finish the task we have undertaken, and carry through to a successful completion.

So, you who are about to join a vast and goodly number of fellow graduates who will leave over 1,880 colleges and universities throughout the length and breadth of this broad land at this graduation season, you must face the stern realization of your part in preserving your own security for the future.

Little did you realize that when you entered these halls in the peaceful days of September 1947, that you would emerge therefrom on June 9, 1951, into the uncer-

tainties of an impending and threatening world war.

Even now, a greater demand will be made of you under the provision of the bill to expand the draft and set up machinery for a proposed universal military-training program which requires that all of you, from 18½ to 35 years of age, with but few exceptions, will be called upon to give 2 years of your life in some kind of military service, in the vast Army now being organized for the defense of our country.

This act extends the draft for 4 years and provides for the adoption of a proposed universal military-training program for the first time in our Nation's history.

You must first give this service to your country and have this behind you before you can settle down to civilian pursuits.

So today you will join in the line of the marching morrows as you quietly and unobtrusively merge into the body of the citizenry of this country and you will do well to ponder over these things.

As you join with the thousands of other college and university trained men and women you are destined to make an impressive impact on the future life of our country and of the world at large. Your power and influence cannot be evaluated.

While the economic, industrial, and peaceful conditions at the present time are none too certain, let us hope that this is only a temporary situation and that world conditions will right themselves at an early date.

When the peace does come, and let us hope that this will not even be a cold war of 10 years' duration, as has been stated by some in authority, and you adjust yourself to the situation, there is a brighter and clearer picture for the young men turning toward employment opportunities after the completion of their college education, their military service, and the restoration of peace.

The United States Bureau of Labor Statistics recently issued a new report of opportunities that await young men who are preparing for careers and beginning to shape their life work.

This survey is the product of 7 years' work by scores of educators and job analysts.

Employment trends were studied to show what the future holds in 288 occupations, and in the main brighter days are ahead, provided of course, we emerge from this war a solvent and intact Nation, with our national resources not unduly depleted.

I will cite just a few:

In the medical field: Physicians are to be in great demand for many years. There are now about 190,000 doctors in this country. Approximately 5,600 medical students are graduated each year, but about 4,000 of these are needed to replace doctors who die or retire. At the moment, there are less than 80 medical schools, so only a small fraction of those who want to enter the medical profession will be enrolled.

In the dental field there is the same good outlook. There are 40 recognized schools of dentistry, and between 1,700 and 1,900 new dentists are needed each year to replace those who die or retire, and the schools turn out only a few hundred more each year. Here is an excellent opportunity.

In the field of law the situation is this: There are about 250,000 lawyers. This field is definitely overcrowded. Enrollment in law schools is at a record high. In this field, the best opportunities are among the specialists—tax lawyers and patent lawyers. However, the law is always a good opening to other fields in business management and political life. Many of our business leaders hold a law degree.

The country's 300,000 engineers are in an expanding field and their chances for employment are fine and will continue so for some time to come.

In the realm of education there is a demand for well over 1,000,000 teachers and the demand will grow as the population increases. Salary scales are also rising and working conditions are steadily improving.

At the moment, openings are plentiful for pharmacists, architects, veterinarians and scientists, chemists, physcists, biologists, and others.

Farming is to continue offering real opportunities for thousands of entrants each year. But the trend toward large mechanized farms means that the smll operator needs more know-how and capital to succeed.

These are but a few of the fields of activity that beckon to the trained young men who are anxious to enter upon a satisfactory life work that will assure security, success, and happiness.

Before leaving this somewhat prosaic phase of your economic life, but nonetheless, a very important part thereof, let us consider your situation.

While it is true that in the growth and development of his spiritual self man does not live by bread alone, yet, in this practical work-a-day world, every man, if he wishes to survive in the fierce struggle for existence must have work to do and be willing to do that work if he is to fill his full place in this world and continue to exist.

Therefore, I say to you, be not dismayed at the picture which has been drawn, nor be disheartened by the recital of these harsh, cold facts, for within yourselves, each of you have the latent powers and abundant resources to overcome these present difficulties.

You have been taught to think, your minds have undergone a discipline which enables you to grasp problems, analyze the various factors and to reason through to successful conclusion.

All that you need to succeed, is to have the will to do so. Here comes the test of your education—you dare not fail—you must succeed. Here you decided upon what qualities you needed most to develop, in order that you might meet the world with poise, confidence, and assurance.

The man who goes to college and learns how to think—then does not follow his teaching—fails of real education. There is a Latin proverb to the effect that, "He conquers who endures."

You are now "on your own." Your parents, in the main, through countless sacrifices and denial of many of the needed things of life, have deprived themselves that they might supply you with the financial means to pay for your subsistence and education during these all-important years of preparation. Many a college graduate is also the beneficiary of the GI bill of rights as a reward for his services from a grateful nation.

Happy indeed, is the boy who by reason of limited means, has found it necessary and imperative that he "work his way through college." He has now learned some of life's great lessons.

Already he has recognized the dignity of work and the value of money, and fortunate is he to have thus so early in life formed the habits of industry and thrift, which will prove invaluable later in life.

Therefore, if you are not successful, in your first venture in securing work, I beg of you, not to fall into the error of an 18-year-old youth whom I heard recently, when he applied for a position, and when told there were no vacancies, declared: "Well, I guess the Government will take care of us." With some that belief is all too prevalent

If this is the consensus of thought among minors, one may well ask, what will the future of the Nation be like 20 years from now?

One thing is certain. If this ideology of paternalism persists among the younger generation, this country will not develop nor produce any great leaders in political life and captains in industry such as have in the past led the Nation to wealth and greatness.

The frontiers of opportunity are not closed to any man of courage, vision, power of will, and strength of character.

What is needed in this day is the spirit of the pioneer, the sort of courage that inspired the early settlers to carve their homes out of the forest, to cross the plains in covered wagons, to seek their fortune amid dangers and obstacles. They were not dismayed by difficulties.

These men did not "thumb" their way through life; they pressed forward in confidence of their power to succeed. They had the initiative, the courage, the determination to conquer. They knew no obstacles as insurmountable. They had the staying power. This is the kind of power that is needed today. The great issues of the future will not be determined by mere flashes of effort.

The final end and product of your college education is to be of service to humanity, in your own time and place, no matter how small or great is the sphere of your activity.

Looking back over a busy life of over threescore years and ten, the best advice that I can give you, at the very threshold of your civic life on which you are about to enter, is that you cannot get something for nothing; that, in order to succeed one must work and produce, and I pray of you that you early dismiss from your mind that the world owes you a living.

On the contrary you owe to the world an obligation to give to it and the solution of its problems the finest and best that is within you.

This is the fulfillment of your years of training and preparation, your whole course has been shaped to give you knowledge, training to think and concentrate, ability to grasp the full meaning of problems, faith in yourself and your fellow men and women. Now the time has come to make full use of this priceless preparation and training.

You are following in the footsteps of other men who have gone forth from these college halls to assume their responsibilities and to do their duty, and well have they performed their tasks.

Since the days of Dr. John McMillan, Thaddeus Dodd, Rev. Joseph Smith and David Johnson and Thomas Stockton, the lights of learning, of scientific research and intellectual freedom have never been dimmed when carried in the hands of graduates of Washington and Jefferson as they have gone forth throughout the world.

Let their example, their courage, their faith be both an inspiration and incentive to you to do the same in a world which demands your best. More so now than ever before.

Now will you indulge me for a moment and bear with me as I take a retrospective view of the half century which has passed since the day when I, like you, was a college graduate. I do this not only to make a brief review of these world-shaking happenings but that you may better understand the changes which have occurred, their effects on our modern life and the necessity of realizing their existence, and of dealing adequately with the conditions and requirements that have been brought about.

What a different world it is today since the day in June 1901 when I left this college. On my way to the depot I saw one or two, then called, horseless carriages, but no motortrucks. While a student in college, radium was discovered and the first radio message was not sent until after I had graduated, when Mr. Marconi signaled the letter "S" across the Atlantic. In 1895, 2 years before I entered, the discovery of X-rays was announced. The first successful mechanical airplane flight was not made until 2 years after I had graduated.

There were no moving-picture theaters nor broadcasting stations. Radio-receiving sets

and television were unknown. Such modern instruments of power and locomotion as the truck, the tractor, and the Diesel engine were unheard of—yes, not even dreamed of at that time.

Such terms as "garage," "radar," and "broadcasts" were not then known. These are a few of the mechanical and scientific inventions that have revolutionized our way of life since June 1901, and are now a necessary and important part of our daily lives.

The United States then consisted of 45 States with a population of slightly over 76,000,000 as shown by the census of 1900. The census of 1950 revealed a Nation of over 150,000,000 people and with the coming admission of the Territories of Hawaii and Alaska we will be a nation of 50 States.

In 1900 the national debt was $1,263,000. Today it is $255,000,000,000, the greatest debt of any Nation in the world. The per capita share of the national debt then was $16.60. Today it is now over $1,800 for every man, woman and child in America.

Great changes have been brought about by the adoption and ratification of seven amendments to the Constitution of the United States.

The sixteenth—the income-tax amendment—which you will soon encounter.

The seventeenth—for popular election of Senators.

The eighteenth—the prohibition amendment—that noble experiment which failed.

The nineteenth—for female suffrage.

The twentieth—the so-called "lame duck," effecting the term of the President.

The twenty-first—repeal of the eighteenth amendment.

The twenty-second—fixing the length of service of the President.

Excluding the engagements on the Mexican border, the United States has participated in four wars since the day I entered college. The Spanish-American War, and World Wars I and II and now world war III, having its first engagements in Korea, with nearly 70,000 battle casualties, and over that number of nonbattle casualties.

These are but a few of the tremendous changes that have come about in the first half of the twentieth century but all of which were to have a terrific impact on the fortunes, customs, lives and morals of all peoples throughout the world.

What the future holds for you in the nature of advancement in science, industry and political change no one can safely predict.

Now let us turn to another phase of the life upon which you are about to enter, and that is your duty as a citizen. We have our Future Farmers of America, and important indeed are they, but I now want to speak to you, the future citizens of America, you who hold within your power the destiny of the United States.

For unto you is about to be committed the active participation in, the direction of, and the control of the political affairs of this great Republic.

And please keep in mind that it is a Republic—and not a democracy; as it is so often stated. Constitutionally, it is a federated republic.

We are a federated republic, with representatives freely chosen by the people to represent them, in duly elected State and Federal assemblies.

Always remember the answer given by Benjamin Franklin, to the inquiring old lady, at the conclusion of the Constitutional Convention in 1787, when she asked, what kind of government we were to have, and his penetrating and prophetic reply, "a republic if you can keep it."

For 164 years we have kept that Republic, but at no time has its existence been in so great danger as now. Not only from foreign foes, but from within, and this situation has never been better stated than in the words of the late Charles Evans Hughes, when he said, "The peril of this Nation is not in any foreign foe! We, the people, are its power, its peril, its hope."

Today, all too many of our people believe that our freedoms, our liberties, our rights and our way of life were permanently secured to us by the struggles, vicissitudes and sacrifices of our forefathers, and that there is no present danger pending, and consequently that there is no urgent need to defend these priceless heritages, and they are safe and self-perpetuating and will endure forever. Nothing could be farther from the truth. These liberties did not come by chance. They are the result of struggles of hundreds of years, and we are the heirs and joint-heirs of a marvelous heritage such as no other people have enjoyed, but an heritage, nevertheless that can be wasted away, and lost by our indifference and failure to guard and protect these priceless blessings and liberties which have been bestowed upon us.

All too many people today are thinking and talking about their rights, privileges, and liberties. They have forgotten that for every right they enjoy under the protection of the Constitution and laws of this great Republic there is a corresponding responsibility, for every liberty there must be a pure and unwavering loyalty and for every privilege there is a deep and compelling duty. Citizenship is an every-day obligation, not to be lightly assumed or carelessly tossed aside.

And, my friends, we will continue to have and to hold these rights, liberties, and privileges only so long as we hold them close to our hearts, and consciences and freely exercise these loyalties, duties, and responsibilities for the common good.

The one great lesson for us to learn is this: the principles of our Government, the freedoms under our Constitution, the way of life in this Republic are never permanently secured; they must be learned over and over by each succeeeding generation, and often in blood, sweat, and tears. People cannot be expected to be good citizens simply because they live here. We have too many examples to the contrary, and I cite to you specifically one recent example; that of Miss Elizabeth T. Bently, self-confessed Communist agent, a graduate of Vassar and holding a master's degree from Columbia University. She testified that never at any time had she studied American history or civics, or, ever, really understood the American system of Government.

Therefore, I would say that the great thing for which you have been educated is citizenship. Citizenship in its fullest and widest sense.

You have been fortunate, indeed, in your home, your family, your school, your college, and your church, but you are most fortunate, indeed, that you are a free-born American citizen—born in this free land, the heir and beneficiary of the greatest political rights and freedoms in this world, such as no citizen of any other country has ever enjoyed.

Into your hands are about to come the management and destiny of America. We of an older generation must turn over to you the control of this Nation and the administration of the affairs of our Federal Government. This is a great task and carries with it an even greater responsibility.

For out of this war-torn, weary, and shattered world there must come a world of just, lasting, and enduring peace, a greater security for all the peoples of this earth, and a future of happiness, progress, prosperity, and liberty. The greatest desire in the world today is for universal peace.

This is the great adventure on which you are about to embark. The youth of no other land ever had such an opportunity and so rare a privilege.

You must not fail. To fail now would be unthinkable. I know you of the class of 1951 of Washington and Jefferson College will not fail. You have the moral background, the courage, the hope, the faith, the vision to succeed. But your task is not an easy one. Today it is estimated that over 800,000,000 people live under the coercion and domination of communism, and that its control extends over approximately one-third of the earth's surface.

And it is well for us to pause for a moment and examine some of the statements of certain Communist leaders concerning their plans in the United States.

THIS IS COMMUNISM

"There is room for only one party, the Communist Party.

"Likewise will be dissolved all other organizations that are political props of the bourgeois rule, including chambers of commerce, employers' associations, Rotary Clubs, American Legion, YMCA, and such fraternal orders as the Masons, Odd Fellows, Elks, Knights of Columbus, etc.

"The final aim of the Communist Internationale is to overthrow world capitalism and replace it by world communism.

"The road to this social development can only be opened by revolution the working class cannot itself come into power without civil war."

[From A B C of Communism, official Government publication]

RELIGION

"The Soviet power must exert the most fervent propaganda against religion.

"All religions are one and the same poison, intoxicating and deadening the mind, the will, and the conscience.

"A fight to the death must be declared against them.

"Our task is not to reform but to destroy all kinds of religion, all kinds of morality."

[From What Is Communism? by Earl Browder]

"It is significant that the Communist Party, more than any other labor group, has been able to achieve successful united fronts with church groups on the most important issues of the day.

"This is not due to any compromise with religion as such on our part. In fact, by going among the religious masses we are for the first time able to bring our antireligious ideas to them."

CITIZENSHIP

Now let us consider some of the basic qualities of a good citizen and his part in this world's regeneration.

He is first of all one who knows his past history, and the crises through which our country has passed, and the priceless heritage of freedom which has been handed down to us by our forebears. He values and treasures these as inalienable possessions.

Next, he is not only one who knows about our country's past, but cares for it and is vitally concerned about its future, who has a sincere regard for and a deep appreciation of the seriousness of the problems which now confront us, both national and international, and determines that they must be adequately dealt with and brought to a satisfactory conclusion.

Next, he is one who gladly and willingly participates in the affairs of his community and takes an active part in the administration of civil affairs and follows this up with positive, constructive, and helpful work which contributes to the well-being of his community, State, and Nation.

There has never been a time in the history of our country when it was so necessary to keep civic interest and active, intelligent participation therein at such a high level.

The public has learned in the past few years that life constantly is demanding more and more in the way of preparation for intelligent, effective living.

"Changing times, changing concepts, the changing position" with relation to the

world we live in has brought us to a sober realization of our place in this world.

With the conclusion of World War II has come a vast and fundamental shift in the orientation of our foreign policy. We are cognizant of the rapid shrinkage of time and distance; we are no longer insulated and protected by the two oceans; the coming of the atomic age and the march of science, the development of supersonic vehicles and the bomb itself have all produced a profound change in our thinking and planning.

These impressive developments have taught us that world peace must be preserved.

Therefore, all these have a direct relation to the future of civilization, and in all honesty, the United States with all its faults, is the highest exponent of modern civilization, and by the same token it is obvious that the learning that has been imparted in our schools and colleges will have much to do with the thinking of the Nation in days to come. Hence, you must do your part. You must assume the new tasks created for you by these new internal conditions and external relations under which the American people are now striving and endeavoring to live and continue to live as a free and independent people.

The two predominant types of society in the world today are those of the republican form of government and the authoritarian. The latter, at present, most widely exhibited in the form of communism.

The insidiously penetrating power of the Communist ideology must be properly evaluated. It cannot be overcome by mere negation or ridicule. It is a force to be reckoned with and we must prove that the American way of life, with our American institutions for popular government are the best.

While our form of government is that of a federated republic, our form of society is that of a pure democracy, its arts and sciences, its religions are based on the principle of equal freedom and equal rights for all its people, regardless of race, faith, sex, occupation, or economic status.

The constant fight is to keep it so and this will be the acid test of your education, as you strive to strengthen the liberties and freedoms which you now so freely enjoy and to pass these on unimpaired to your children and your children's children.

Having faith in the purposes of our Heavenly Father, under whose beneficent guidance we have waxed strong and powerful, let us each pray that out of His bountiful kindness He will grant to us that wisdom and knowledge that will give us personal balance and social wisdom.

And so, whether guided by the lessons drawn from the past or from the living present, let us utilize all of these as a means to provide for a more abundant personal life and a stronger, freer, social order.

And in that spirit and thus endowed I bid you go forth to meet the world which this day opens before you and God grant that you will succeed.

COMMITTEE ON EDUCATION AND LABOR

Mr. LUCAS. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Education and Labor which is studying the operation of the Wage Stabilization Board be permitted to sit during general debate for the remainder of this week.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

BLOOD BANK

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, tomorrow and the next day the Red Cross blood mobile unit will be set up in the caucus room of the House Office Building from 9 a. m. to 4 p. m. so that Members of Congress and their staffs will have an opportunity to make their contributions to the blood bank.

Blood given to the Red Cross is used for three purposes: First, ordinary civilian usage, to take care of blood transfusions for people badly injured in accidents, and so on. Second, in military operations where it is urgently required by the Department of Defense. Third, to build up a stockpile of plasma in the event that the cold war should become a hot war. We are not obtaining enough blood today. We are running at approximately half the rate required to build the stockpile of plasma and at the same time meet the other two needs of the war in Korea and the present civilian needs. I certainly hope that all Members will inform their staffs of this opportunity.

INVESTIGATION OF THE CHINA LOBBY

Mr. POTTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. POTTER. Mr. Speaker, I read this week end where the administration is going to investigate the so-called China lobby. By the China lobby they mean persons who favor the anti-Communist forces of China. By the China lobby they mean persons who have opposed the Communist efforts to take over that great country—which prior to the Communist regime has been a long-standing friend of the United States.

This action would normally be cited as the height of contradiction—but contradiction seems to be the only consistent policy of this administration. This is the same administration which leaned over backward to protect Owen Lattimore and other pro-Communist China advocates, even those within our own Government. Apparently, the present policy of the administration is to continue to discredit our friends and coddle our enemies.

INVESTIGATION OF THE CHINA LOBBY

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BUSBEY. Mr. Speaker, I wish to congratulate the gentleman from Michigan [Mr. POTTER] for bringing the President's request to investigate the China lobby to the attention of the House. I am sure that no patriotic American can have any objection to investigating the China lobby, but in doing so I want to be sure it includes the pro-Communist China lobby. Is this investigation going to be one to investigate only those people who have not agreed with the President's Chinese policy? If it is not to be that kind of procedure, then the activities of the following organizations must be included in the investigation: China Aid Council, American Friends of the Chinese People, American Committee in Aid to Chinese Industrial Cooperatives, Committee for A Democratic Far Eastern Policy, Institute of Pacific Relations, the American Council of the Institute of Pacific Relations.

The Office of International Trade in the Department of Commerce and the Far Eastern Division of the Department of State should certainly be included in any investigation of the so-called China lobby, and it would definitely not be complete unless it included the following persons: Owen Lattimore, John Carter Vincent, John Stewart Service, Phillip Jessup, Michael Lee.

We have had altogether too much white paint, the color of appeasement and surrender, thrown around Washington of late. This time I hope the city of Washington will have the experience of seeing a little red, white, and blue paint used, and not witness just another whitewash favoring the administration.

SPECIAL ORDERS GRANTED

Mr. SEELY-BROWN asked and was given permission to address the House for 10 minutes on tomorrow, following the legislative program and any special orders heretofore entered, on the subject of civilian defense.

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 5 minutes today, following any special orders heretofore entered.

KOREA

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I think it would be extremely helpful if a committee or committees of the Congress would visit Korea and all of that area at the present time. They could see what is going on and would come back with very valuable recommendations. A congressional committee has just gone to Europe. Korea, China, and Japan are just as important, if not more so.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

CALL OF THE HOUSE

Mr. MILLER of Nebraska. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll Call No. 74]

Aandahl	Fine	Meader
Abbitt	Flood	Merrow
Anfuso	Fulton	Miller, Calif.
Armstrong	Garmatz	Morgan
Bailey	Gary	Morrison
Barrett	Gillette	Morton
Bates, Ky.	Goodwin	Moulder
Battle	Gordon	Murphy
Beamer	Gore	Murray, Wis.
Bender	Granahan	Philbin
Blatnik	Gwinn	Powell
Boggs, La.	Hall,	Preston
Bolton	Edwin Arthur	Price
Boykin	Hall	Rabaut
Breen	Leonard W.	Reams
Brooks	Halleck	Redden
Budge	Hand	Reed, Ill.
Burdick	Hart	Reed, N. Y.
Burnside	Hays, Ohio	Ribicoff
Burton	Heffernan	Richards
Bush	Heller	Riehlman
Byrne, N. Y.	Herter	Rivers
Canfield	Hoffman, Ill.	Rogers, Tex.
Cannon	Hoffman, Mich.	Rooney
Carlyle	Holifield	Roosevelt
Carnahan	Hope	Sabath
Case	Irving	Scott, Hardie
Celler	James	Sheehan
Chatham	Javits	Shelley
Chelf	Jenison	Short
Chiperfield	Jones, Mo.	Sikes
Chudoff	Judd	Simpson, Pa.
Cole, N. Y.	Kearney	Smith, Kans.
Cooley	Kearns	Smith, Wis.
Corbett	Kelley, Pa.	Taylor
Cotton	Kennedy	Towe
Coudert	Kersten, Wis.	Velde
Davis, Tenn.	Kilday	Vorys
Dawson	Klein	Weichel
deGraffenried	Kluczynski	Whitaker
Denny	Lane	Wickersham
Denton	Lantaff	Widnall
Dingell	Latham	Wigglesworth
Dollinger	LeCompte	Williams, N. Y.
Dolliver	Lesinski	Wilson, Ind.
Donohue	Lind	Winstead
Donovan	Lyle	Wood, Ga.
Durham	McCormack	Wood, Idaho
Fallon	Madden	Yates
Fellows	Mansfield	Zablocki

The SPEAKER. On this roll call 284 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ADDITIONAL APPROPRIATION FOR LEGISLATIVE BRANCH, 1951

Mr. McGRATH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 267) making an additional appropriation for the legislative branch for the fiscal year 1951, and for other purposes.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HORAN. Reserving the right to object, Mr. Speaker, I understand this joint resolution provides $150,000 for further Senate investigations; is that correct?

Mr. McGRATH. That is correct.

Mr. HORAN. It was passed by the full Committee on Appropriations of the House?

Mr. McGRATH. Unanimously.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, is that all it involves?

Mr. McGRATH. That is all it involves, I can assure the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1951, the following sum:

LEGISLATIVE BRANCH

SENATE

CONTINGENT EXPENSES OF THE SENATE

For an additional amount for "Expenses of inquiries and investigations," $150,000.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Mr. MITCHELL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 239 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately following the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1179) to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MITCHELL. Mr. Speaker, if there was any doubt about the need for constant surveillance of our aeronautical research in this country to keep our aviation industry and our planes better than the planes of any other nation, it has been dispelled by the news reports recently coming out of Korea. These reports indicate that in some respects the Russian MIG planes have outperformed our jet planes. Secondly, this Russian accomplishment indicates the tremendous pace of technological development in the world. This Nation must equal or exceed that pace if we are to have the Air Force we need in these trying times.

The bill which this resolution will bring before the committee, and which the Rules Committee approved unanimously, authorizes improvements in aeronautical-research facilities to cost $13,300,000. It should be adopted without hesitation.

In 1946 I submitted a report of the Special Committee To Investigate the National Defense Program on Production, Development, and Research in Aircraft.

History has served to emphasize the correctness of that report's conclusion that "actual and projected improvement in aircraft and missiles threaten to dissipate our historic natural defenses."

The Congress, more than ever before, has a responsibility to make sure adequate appropriations are made for aeronautic research. It has the responsibility both to assure adequate laboratories and to assure that these facilities feed a constant stream of new basic ideas into the development, or applied research, laboratories.

The brief news accounts on Russian MIG jet plane performance should be just a reminder that we cannot relax even momentarily in our quest for scientific advancement. The world technological pace is too fast to permit any coasting.

MIG performance is proof that we in Congress must review this field constantly to assure that our research and testing equipment is second to none. If this facility is giving us planes second to those of any other nation, we should find out why.

The evidence is not conclusive on Russian plane superiority since the news items referred only to some of the characteristics of the Russian jets.

When we talk of transonic and supersonic speeds, as this bill does, we are talking of the most difficult feat of operating planes at or above the 762 mile-per-hour speed of sound.

The National Advisory Committee for Aeronautics has an ever-increasing responsibility for leadership in this field so meaningful to the arsenal of democracy.

Mr. Speaker, I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, House Resolution 239, making in order the consideration of the bill, H. R. 1179, was reported unanimously by the Rules Committee after hearing from the Armed Services Committee, especially from the gentleman from North Carolina [Mr. DURHAM], the author of the bill and the chairman of the subcommittee which had considered it. As the gentleman from Washington has so aptly stated, this bill simply authorizes an appropriation of $13,136,000 for the construction, implementation, expansion, and enlargement of certain testing facilities for the National Advisory Committee for Aeronautics. Of course, before we spend huge sums on new types of aeronautical equipment for military use, we must know that such equipment will not only work, but will meet all the demands of the military. I think the best investment we can make in our national defense effort

is to first spend the small amount of funds necessary for research work, so we may know exactly what we are doing before we go ahead. This rule should receive the unanimous support of the House, and the bill be passed unanimously.

Mr. MITCHELL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. HÉBERT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1179) to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 1179, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

Mr. HÉBERT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the proposed bill as amended contains a total authorization of $13,156,000, which is a reduction of $144,000 from the initial request of $13,300,000.

The committee is aware of the fact that the NACA has three principal laboratories: The Langley Aeronautical Laboratory, Langley Field, Va.; the Ames Aeronautical Laboratory, Moffett Field, Calif.; and the Lewis Flight Propulsion Laboratory at Cleveland, Ohio. The committee has previously granted substantial authorizations for the expansion of aeronautical research facilities existing at each of those installations. Almost $9,000,000 of the present request is devoted to an expansion of the facilities already authorized. A total of $5,378,000 is authorized for Langley Aeronautical Laboratory to modernize the 7- by 10-foot wind tunnel existing there, add a small addition to the 16-foot tunnel laboratory building, and make utility improvements. One hundred and forty-four thousand dollars was deleted from the utility improvements request of $800,000 since this sum was requested to construct an access road. The subcommittee was of the opinion that this road was not of immediate urgency and could be suspended for the time being.

A total of $100,000 is authorized to improve the service facilities between the mainland and Wallops Island Station, which is a subsidiary station to the Langley Laboratory.

A total of $1,550,000 is authorized for the Ames Laboratory to modernize a 6- by 6-foot wind tunnel in order that it may be able to test greater speed ranges without any increase in power. In addition, it is proposed to construct three small wind tunnels designed specifically for conducting fundamental long-range research on long-range missiles.

A total of $1,805,000 is authorized for the Lewis Flight Propulsion Laboratory, the chief item of which is $1,450,000 to expand testing facilities which are required in the conduct of research under high-altitude conditions on rockets on ramjets powered with fuels that produce toxic and abrasive exhaust gases.

The final authorization is $4,323,000 for a new high-speed flight test facility at Edwards Station, Edwards Air Force Base, Muroc, Calif. This item has priority No. 1 among the items requested in this authorization. For some time scientific personnel of NACA have been stationed at Edwards Air Force Base, working in cooperation with the Air Force and the Navy in the development of high-speed airplanes. In performing their work at that station, NACA personnel have been required to work with highly delicate instruments either outdoors or in temporary shelters which give practically no protection to the personnel or the instruments being used. As a consequence, much valuable time has been lost. The development of the X-1 and its subsequent achievements are relatively well-known to everyone. Advance models of the X-1 have been completed and are ready for delivery to the NACA personnel at Edwards Air Force station for further research which neither the Air Force nor the Navy are equipped to perform at that station. In the interest of continued advancement in the field of high-speed aircraft, it is considered essential that the proposed facility be authorized. It will not duplicate any other existing facility and, since all of the principal research and development on high-speed aircraft is conducted at this base, it is considered essential that the NACA facility be established there in order to insure a maximum of cooperation and acceleration of the program.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield.

Mr. VINSON. This appropriation is for the expansion of three existing plants and for the construction of a new facility at Muroc, Calif.?

Mr. HÉBERT. That is correct. It is for the development of research on jet planes and wind tunnels, and also for research on projected missiles.

Mr. VINSON. Three of these plants are already in existence today, the one at Langley Aeronautical Laboratory, Langley Field, Va.; the one at Moffett Field, Calif.; and one in Cleveland, Ohio?

Mr. HÉBERT. Yes. Three are in existence today. It is simply an additional authorization for the expansion of their facilities which are in operation at this time.

Mr. VINSON. And that expansion will cost $5,378,000, and the balance of the authorization is for the building of a new plant at Muroc, Calif.?

Mr. HÉBERT. Not a new plant, but the expansion of the facilities. That is correct.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The gentleman from Illinois.

Mr. ARENDS. Mr. Chairman, I have no requests for time at this time.

After the committee thoroughly considered this matter we were in unanimous agreement that this bill should be reported and passed as expeditiously as possible.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Kentucky.

Mr. GOLDEN. I believe this is one of the most important undertakings before the American people. I think that our great committee ought to give considerable thought to the strength of our Air Force as well as guided missiles. News reports are coming out of London that Soviet Russia now has 30,000 planes, many of which are superior to ours. I think we should increase the quality and superiority of our planes, as well as the number of them.

I invite the attention of the great Committee on Armed Forces to this most important fact. We should prepare ourselves to excel in all new fields both guided missiles and combat planes and bombers.

To make our Armed Forces superior to any potential enemy we should—we must—dominate the air. News reports on this line are not too encouraging. I cite and include an article from the Louisville (Ky.) Courier-Journal, and I hope and believe our Committee on Armed Forces will see to it that our Air Force as well as our guided missiles are second to none in the world.

If we have superiority in the atom bomb, we must have sufficient strength in our Air Force to deliver that bomb, wherever it may be required.

BRITISH SAY RUSSIAN PLANES TO TOTAL 30,000 IN A YEAR—REDS PUSH WORK ON MIG-15, RAF REPORTS

LONDON, June 4.—In another 12 months Russia will be able to put more than 30,000 warplanes in the air, a Royal Air Force review estimated today.

The Russians now have about 19,000 planes, about half of them fighters, said the official publication.

The review said Russian construction efforts are being concentrated on the MIG-15, the jet fighter tried out in Korea, a speedier jet fighter, the Lavochkin 17, and a twin-jet bomber.

"The MIG-15 becomes a back number with the recent advent of the Lavochkin, a tube-like, single-engine fighter," the publication said.

The new bomber is said to be patterned after the Canberra, a 600-mile-an-hour light bomber the British Air Force is putting into service soon.

REDS HAVE 7,000 BOMBERS

Other information in the article included:

Russia has about 7,000 bombers of all types. Subtracting these and the fighters from the 19,000-plane force would leave the Russians with about 2,500 transport, reconnaisance, and training planes.

The Russian Air Fleet is divided into four air forces, each "able to operate independently of the other."

These formations are known as fighter defense force, tactical air force, long-range air force, and naval air force.

All are controlled jointly by the Ministers of War and Navy.

The fighter defense force, commanded by Premier Stalin's son, Gen. Vassily Stalin, is based mainly in the west. It is a mobile force equipped with about 1,000 MIG-15's and over 1,000 conventional piston-engine

fighters, some of which are wartime types. One of its jobs is to cover the Arctic approaches against over-the-pole attacks from the west.

The long-range bomber force is equipped with several hundred Tupolev 70's—the Russian copy of the United States Superfortress.

The tactical air force is Russia's biggest. "Equipped with over 10,000 aircraft, it is a virtual aerial steam roller, and works in close collaboration with the field armies."

Women continue to be trained for combat and transport duties.

German designers and blueprints now are available to Soviet designers, and with their help advanced types of engines and fighters are being turned out.

Soviet scientists are working on long-range rockets and guided missiles, but have probably not yet reached the production stage.

Mr. AREND. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, I am in favor of the adoption of this bill now before us—H. R. 1179.

The purpose of the bill is to promote the national defense by authorizing the construction of increased aeronautical research facilities by the National Committee for Aeronautics necessary to the effective prosecution of aeronautical research.

It was my privilege to be a member of the Joint Congressional Committee on Aviation. It made a detailed study of the whole subject of aviation. As a result of my membership on that committee and my continued interest in the subject since that time I can without any hesitancy state that the research work being carried on by the National Advisory Committee for Aeronautics is vitally important to our national welfare and defense.

We are fortunate to have a man of such great experience and ability as J. F. Victory as executive secretary of the Advisory Committee. He brings to the work of that committee a wealth of worthwhile information which together with his energy and realistic point of view assures that continued progress which is so necessary in these troublous times.

The favorable report of the Committee on Armed Services is comprehensive and leaves no doubt of the necessity for this legislation. I trust it will have the full support of the House.

Mr. AREND. Mr. Chairman, I have no further requests for time.

Mr. HÉBERT. Mr. Chairman, I ask that the bill be read for amendment.

The Clerk read as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated to the National Advisory Committee for Aeronautics, out of any money in the Treasury not otherwise appropriated, an additional amount of not to exceed $13,300,000 for construction and equipment authorized by subsection (b) of section 1 of Public Law 672, approved August 8, 1950.

With the following committee amendment:

Page 1, line 6, strike out "$13,300,000" and insert "$13,156,000."

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1179) to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research, pursuant to House Resolution 239, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

CONGRESSIONAL MISSION TO EUROPE

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, a delegation from the Congress is now in Europe at the invitation of General Eisenhower. Able, experienced, and patriotic Members from both parties on the Foreign Affairs, Armed Services, and Finance Committees comprised the group.

It might be well for the Congress now to give some thought to the purpose of this mission. A number of reasons come to my mind.

Has General Eisenhower invited members of the Congress to Europe so that they may see with their own eyes the military achievement which has been effected since his assumption of command?

This could hardly be the case, for, even with the one division which we have recently sent to Europe, he has fewer men under his command now than when he arrived.

The French have a colonial problem. The anti-French, anti-British, and anti-American tension in North Africa and the Middle East is rising rapidly. France, in addition to her colonial war in Indochina, which we are supporting with military means, faces insurrection in North Africa.

Moreover, it is known that General Eisenhower is discouraged with this lack of progress for the defense of Europe. His job of molding a defensive force has so far not materialized. Because of apathy among our Atlantic Pact allies his principal assignment has been endeavoring to convince European policy leaders that they should provide troops for training in the international army.

France especially has been apathetic toward military preparation. I understand that France has refused our Air Force permission to construct air bases within her borders. I understand that even Britain is making us pay through the nose merely for the use of her bases. I understand further that France does not want American troops stationed within her borders. We had to change our plans suddenly and divert American Atlantic Pact forces to Germany where, of course, no protest could have been made. But it is clear that the French do not want our troops. It would appear to them that, in a sense, we were occupational forces. In addition, our GI's receive something like $90 a month while their opposites in the French Army receive 50 cents a month. Studies have been instituted in the Pentagon to correct this inequality in pay but no solution is possible except—which the French would like—that we make up the difference in cash to the French soldier.

If General Eisenhower has accomplishment to show the congressional delegation, it will definitely not be in tangible form. Possibly it will manifest itself in attitude and in willingness to cooperate but nothing more tangible.

General Eisenhower may have invited the congressional delegation to give them a glimpse of his problem and then hope to secure their support of his program. Things may be so disappointing to him that he seeks to shoulder the program onto the Congress. The day may arrive when it will indeed be advantageous to the military to have this responsibility fixed on the Congress.

Could it be also that General Eisenhower has invited the congressional delegation to Europe so that they may see for themselves how badly Europe needs more help and more money?

This may well turn out to be the nub of the problem. A mere eight billion in addition to the twenty-odd-billion we have already poured into Europe is—to our Fair Dealers—pinching pennies. Europe will not start her defense program until the American dollars are available to pay for it. General Eisenhower's task is indeed delicate. He must convince the congressional observers that the will of Europe to build a force sufficient to offer resistance to the Red army exists and that the only obstacle is American aid. But this aid has already been far in excess of the demonstrated effort of our allies to create a collective defense assistance or to lend support to the collective effort in Korea. He will also find it difficult to show progress in Europe with the money and equipment we have already given them.

I can think of a number of questions which I hope our colleagues of the Congress will ask Eisenhower:

What are the manpower allocations for each of our allies in the plan to create 60 divisions?

Do you expect to ask for more American divisions than the six which are now contemplated and, if so, why and when?

What is our share of the cost in dollars and in military equipment?

What part of the economy of our allies is going for defense?

Who will provide the air cover for these units when created and what bases are available?

What proportion do we furnish in comparison to our allies, and how much additional aid in dollars will be required? To provide an air force to neutralize some 20,000 Red combat planes is no small assignment.

If and when we get the 60 divisions and with such air support as is contemplated, what are the chances of holding the Red army out of Europe if war comes?

Assuming the Red army is held out of Europe, what will prevent the Red air force from destroying the population and industrial centers of our allies by air strikes unless Russia's war potential is destroyed first?

Should war come to Europe and your defense effort which the United States has instigated should fail, and Europe be destroyed as Korea has been destroyed, whom will the remaining population of our allies blame for the debacle?

Is the political situation in north Africa, where we contemplate bases, sufficiently stable to justify our stationing air units there?

Why will the French not permit American units to defend air bases in north Africa?

Can we depend on French ground units to defend these air stations?

Would it not be better for us to deal directly with the local governments concerned in north Africa rather than through the French and the British?

The congressional representatives now in Europe will serve their country well if they bring back a penetrating, objective report based on the facts and unless they do there will be a strong demand for General Eisenhower to appear personally before the full committees considering these questions.

Why should not Turkey, Greece, and Spain, which have trained armies and a will to fight be brought into the NATO? Or should we also deal directly with them?

Since General Eisenhower has become the symbol of American troops and military aid for Europe, the American people have a right to hold him responsible that his every act is to the best interests of the United States. Nothing short of this will satisfy the American people.

WE MOBILIZE FOR FREEDOM—WHY CONTROLS ARE NECESSARY

Mr. PATMAN. Under permission to extend my remarks at this point in the RECORD, I include the following statement issued by McGraw-Hill Publishing Co., Inc.:

WE MOBILIZE FOR FREEDOM—WHY CONTROLS ARE NECESSARY

One of the encouraging characteristics of the American people is their dislike for Government controls. This augurs well for the future of their economic and political freedom.

But for the next few years we must not only tolerate but also help to make effective a whole battery of emergency Government controls over our economic life. If we fail to do this now the future of that freedom we cherish will be imperiled. It is the purpose of this editorial—the third in a special series—to explain in simple terms why this is so.

After our military victory in World War II, we rushed through a demobilization which cut our military strength to about one-tenth of its wartime peak. Our allies did much the same thing. But the Russians maintained much of their wartime military strength and built up that of their satellites. With prodigious speed we switched from military to civilian production and went on to enjoy a rousing postwar boom—the greatest in our history.

This boom was in vigorous progress when, on June 25 last year, the Russian-sponsored North Korean Army attacked South Korea. Our industrial production was rolling along at almost twice its prewar level. We had labor shortages in many key industrial areas. Under the impact of heavy buying all along the line, prices were climbing.

When the North Koreans smashed into South Korea, they smashed into our national consciousness this fact: If we want a fair chance to save our national freedom from destruction by Communist aggression, we must race to restore some of the military power we had so speedily written off after World War II. And we must do it with our resources already very fully occupied with a boom in civilian business.

PROGRAM SMALL COMPARED TO WORLD WAR II

Compared with our military effort in World War II, the mobilization on which we are now embarked is small. At its peak, under present schedules, it will absorb no more than one-fifth of the total national production. During World War II we reached a point when nearly half of our total production went for war making.

Moreover, our economy now is much bigger and stronger than it was in World War II. During the last decade there has been an increase of about 15 percent in our labor force. Our workers have had the training advantage of steady employment. The capacity of our industrial establishment is two-thirds again as great as it was 10 years ago. Since the war no less than $70,000,000,000 has been spent to expand and modernize it.

Given time, the industrial giant we have created could pick up in its stride the added load of production for defense that now is contemplated. But speed is of the very essence. There is little dissent from the proposition that if we are to stand off Russian aggression successfully we have, at the outside, 2 years in which to get ready.

CONTROLS NEEDED TO PREVENT CHAOS

These two facts—(1) the necessity for speed in our rearmament program and (2) an economy already stretched taut by a record civilian boom—create the general necessity for Government controls. If we simply pile the billions of added defense expenditures authorized since last June on top of the civilian boom, and let it go at that, two destructive developments would follow. There would be a scramble for scarce materials, notably metals, which would create chaos in those markets. And prices would go through the roof.

Our situation during this mobilization is radically different from what it was when we rushed to get ready for World War II. Then we started with an economy that was coming out of a long depression. There was plenty of slack. Even in mid-1941 we still had over 6,000,000 unemployed. Thus it was possible for us to expand war production greatly and also increase civilian living standards before the limits of our productive capacity made extensive controls necessary. But as we begin this new mobilization we find our economy already operating virtually at capacity. This fact is of key importance in understanding why this relatively small defense program so quickly requires the imposition of controls.

The selection and administration of controls thus far has been badly bungled. The threat of price controls, for example, was broadcast so vigorously and for so long that our people were virtually asked to raise prices and thereby do much to defeat the controls. Adequate taxation directed so as to attack inflation at the source and thus give direct price control a chance to operate has not yet been provided.

Indeed, we could readily assemble a long and devastating catalog of the deficiencies of the Government's control program. But that would not dispose of the necessity for controls—by priority, by allocation, and, as a stopgap, by direct prescription of selling prices—if we are to carry out our mobilization successfully. That is the only means by which a clear right-of-way for defense production can be cut through the highways of trade and commerce now jammed with civilian boom business.

HOPE IN THE WILSON PLAN

Since he became Director of Mobilization, Charles E. Wilson has added a new element of order and hopefulness to the mobilization program. He has laid out a plan which, if we are spared all-out war, would do three things by 1953. First, it would produce the weapons needed by our Army and our allies to meet an immediate threat. Second, it would create the capacity that would enable us to move at high speed into weapons production for all-out war—if necessary. Third, it would create the additional production capacity that would restore by that date our ability to resume the climb of the American civilian standard of living.

In technical and industrial terms the Wilson plan seems to be feasible. If it is successfully carried out, we should be able to begin getting rid of controls rapidly by 1953. But to carry out the program successfully, it must now have vigorous support from everyone. That does not mean mere agreement that it is a good plan. It means that we must conform to the controls that are necessary to make the plan work. In developing this support, the business community is in position to exercise crucially important leadership.

As has often happened in our national history, we are confronted by a paradox. We must accept emergency controls for the time being to insure survival of the freedom that they infringe. But, as we do this, we may find some comfort in the reflection that while controls from Washington are hateful, controls from Moscow would be infinitely worse.

McGRAW-HILL PUBLISHING CO., INC.

The SPEAKER. Under previous order of the House, the gentleman from New Jersey [Mr. AUCHINCLOSS] is recognized for 40 minutes.

ST. LAWRENCE WATERWAY AND POWER PROJECT

Mr. AUCHINCLOSS. Mr. Speaker, I know of no proposal that has been before the House Public Works Committee which has caused more controversy than the proposed St. Lawrence waterway and power project. There is a sharp difference of opinion in the committee as to its worthiness, and I should like to give you the principal reasons that have led me to conclude that the construction of the St. Lawrence waterway does not deserve the support of the Congress.

This project is being promoted on the ground that it is required in the interest of the national defense, and but for that contention there would be no basis even for considering it. Admittedly it will cost

hundreds of millions of dollars, and admittedly the effect of such an expenditure would be inflationary.

Defense Mobilization Director Wilson recently called the problem of whipping inflation "the main task in this crisis" and he termed this task a "tougher test of our ability" than the production job ahead of us. To accomplish such a task and to meet such a test, particularly under the already high level of taxation in this country, depends upon avoiding at this time all unnecessary expenditures. Therefore, and this is most important, the necessity of this project from the standpoint of national defense must be sustained beyond the peradventure of a doubt if the project is to be entitled to any further consideration at this time.

The basic argument that the St. Lawrence waterway is required in the interest of the national defense is the contention that the Great Lakes steel mills will soon be unable to obtain iron ore in quantity sufficient to their needs unless the proposed waterway is constructed. The argument assumes that the Great Lakes steel industry will become dependent upon the ore field now being developed in Labrador and that ore from such source can be made available only through the proposed waterway. All other arguments in support of the project on the grounds of national defense are secondary, subsidiary, and strictly of the "make weight" variety, and I believe that this basic argument was demonstrated to be unsound by the evidence presented at the recent hearings before the House Public Works Committee.

The evidence did not conclusively reveal any imminent or critical shortage of the high-grade Minnesota ores upon which we will continue to rely for years to come for the major portion of our iron ore requirements. On the contrary, the estimates of the United States Bureau of Mines and the United States Geological Survey of reserves in the Lake Superior region indicated a supply of high-grade ore adequate for approximately 30 years, assuming a rate of production equal to that of the highest year's production in World War II. In addition, the evidence indicates the feasibility of obtaining an annual production of 15,000,000 tons of high-grade ore from the Steep Rock field, adjacent to Lake Superior, with a probable supply sufficient to maintain such a rate of production for approximately 100 years. This Steep Rock production compares with a planned annual production of 10,000,000 tons, and the possibility of an additional 10,000,000 tons annually, from the Labrador deposits.

The most promising of all sources from which the high-grade ores of Lake Superior may be initially supplemented, and ultimately supplanted, as the principal source of meeting the iron-ore requirements of the United States, is the almost unlimited quantities of the type of ore known as taconite. The process of converting taconite for use in blast furnaces has now been perfected, and it is admitted by all concerned to be a first-class product. The concentration of taconite is an industrial process and, as has been the case with every other new industrial process, the cost of production will undoubtedly be reduced as experience and industrial "know how" are gained and the techniques of mass production are applied. As a matter of fact, some of the large steel companies are at this time constructing several concentration plants capable of producing this product on a commercial scale.

These almost unlimited deposits of taconite not only lie within the boundaries of the United States and hence within our own sphere of political control, but also lie in the same region from which we have obtained more than 80 percent of our iron ore supplies in the past. The great importance of this fact is that in moving this ore to the mills the fixed and proven facilities and channels of commerce built up through the years will be utilized.

These sources of iron ore in the Lake Superior region insure a supply for the future which the steel companies themselves regard as sufficiently reliable to justify the tremendous expansion of our steel-making facilities now under way in the Great Lakes area.

The argument submitted by Maj. Gen. Lewis Pick, Chief of Engineers, United States Army, that if the proposed waterway were not built the Great Lakes region would become a depressed area economically is nothing more than an unsustained, irresponsible appeal to emotionalism. The steel industry quite definitely is not migrating from the Great Lakes region. What is happening is that part of the present tremendous expansion of steel-producing facilities is taking place on the eastern seaboard. There are two reasons for this: First, because it is the best section in which to locate mills in order to use ore that will be brought in from the mine fields being developed in Africa and South America; and second, because the Supreme Court basing-point decision makes it advisable to locate some of the steel mills nearer the large consuming areas along the east coast.

The largest producing areas from which ore will be supplied for these mills are the fields being developed in Liberia by the Republic Steel Corp. and in Venezuela by the Bethlehem Steel Co. and the United States Steel Co. The iron ore deposit discovered in Venezuela by United States Steel Co., known as Cerro Bolivar, is probably the largest and most promising of all foreign deposits yet discovered. Its proven deposits of high-grade ore are two and a half times as great as the Labrador discovery, and furthermore production in Venezuela can be conducted on a 12-month basis as compared with a 6- or 7-month basis in Labrador.

Thus it is apparent that there is no shortage of ore for the steel mills of this country but only a problem of cost and production, which the steel companies operating under the free enterprise system are fully prepared to meet.

The next subject to be considered is the relation of the proposed St. Lawrence waterway to the problem of meeting our iron ore requirements in either peacetime or wartime. In the first place, it is clear without question that the only foreign ore which in any substantial quantity might possibly have occasion to use the proposed waterway would be that from Labrador. Ore from other foreign sources will in any event move through eastern seaboard ports, and this was generally admitted at the hearings. Thus the St. Lawrence project could have importance and need be considered only in its relation to Labrador ore.

What is this proposed waterway's true relation to the problem of making the Labrador ore available to the steel mills of this country? The answer can be found in the testimony of Mr. George Humphrey, president of the Iron Ore Co. of Canada, the company developing the ore in Labrador.

Mr. Humphrey testified to these facts: That, even in the light of the present emergency the planned production from Labrador would be 10,000,000 tons per year; that the fixed facilities in Labrador, such as the railroad and the dock and loading facilities, would be designed to handle a maximum of 20,000,000 tons; that any expansion beyond 10,000,000 tons could not be looked for until after 1960; that with or without the proposed waterway a part of the ore produced in Labrador would be shipped to eastern seaboard ports—two to four million tons, according to the present plans; that the balance of the planned 10,000,000 tons to be produced in Labrador would be moved by deep-draft vessels to Montreal and there transshipped for movement by shallow-draft vessels through the presently existing 14-foot canals or by rail to ports on the Great Lakes.

According to Mr. Humphrey, up to 5,000,000 tons could be delivered to Lake Erie ports by utilizing the 14-foot canals on the St. Lawrence River and the balance could be handled directly by rail to interior points. Mr. Humphrey further testified that Labrador ore shipped by these means could be delivered at a price competitive with Lake Superior ore and the Secretary of the Interior likewise conceded this very important point.

The crux of Mr. Humphrey's argument was that ore in excess of 10,000,000 tons per year produced in Labrador—which, bear in mind, would not be physically possible until after 1960—might be at a competitive disadvantage with Lake Superior ore on a delivered basis without the construction of the proposed waterway. For the sake of perspective, remember that 10,000,000 tons of iron ore in 1960 would amount to about 6½ percent of our total iron ore requirements, according to the estimate of the Secretary of the Interior.

Faced with the fact that this testimony demonstrated conclusively that there was no need for the construction of the St. Lawrence waterway from the standpoint of national defense, proponents maintained that the existing modes of transportation that would have to be used if the waterway were not constructed would not be able to handle the necessary quantities of ore without greatly expanding and improving their fixed facilities and equipment, which would require the use of more scarce materials than the construction of the proposed waterway.

These assertions are not based on studies of the actual practical situation

and are completely at variance with the concrete evidence presented by practical men trained in the transportation business. Their testimony revealed that there are four railroads serving Montreal whose fixed facilities and line capacity are entirely adequate without additions or modifications to handle any foreseeable volume of ore traffic from that port. Even with today's tight freight car situation, these railroads would be able to handle approximately 5,750,000 tons of ore from Montreal to the Pittsburgh and Ohio Valley steel-producing districts by utilizing cars made empty in the Montreal area after the delivery of coal, which presently are returning empty to the area where the ore would be required. The slight increase in turn-around time as a result of utilizing coal cars for this purpose could be met by the acquisition of a small additional supply of cars any time before 1955 or 1956, when the first ore from Labrador is expected to begin to move. Such cars would be purchased, of course, without any expense to the Government.

Thus, even if all of the first 10,000,000 tons of ore to be produced in Labrador should be consigned to the Great Lakes area, every ton of it would be handled without the expenditure of any money by the Government and with the expenditure at this time of no scarce materials or manpower.

The evidence also indicated that large quantities of ore could be moved from such east coast ports as Baltimore, Philadelphia, and New York by the railroads, again utilizing for the movement of ore to inland points coal cars which now are returning from the ports empty.

Another consideration from the standpoint of national defense that cannot be overlooked is the fact that the proposed waterway, if constructed, would be extremely vulnerable to interruption as a result of sabotage or enemy air action. In order to maintain the flow of iron ore to Lake Erie ports it would be necessary to protect and maintain in operation 15 locks and 2 dams. Locks and dams are highly vulnerable structures. Severe damage to any of these locks would bring about a long interruption of the flow of traffic through the waterway, and the destruction of the dams would no doubt stop the flow of commerce entirely for the duration of the war. It was not disputed that the railroads constituted a more flexible means of transport and one that would not be subject to more than minor interruption if the enemy should attack railroad facilities.

Thus, even if the waterway were constructed, there is a strong possibility that we would ultimately have to rely upon existing forms of transport to obtain Labrador ore for the steel mills, so that the effect would have been that we would have spent a vast sum of money with immediate harmful inflationary effect and wasted much scarce material so badly needed for immediate and urgent requirements.

Before leaving this subject, I cannot refrain from pointing out one obvious oversight and clear misconception of the practicalities of the situation with respect to our ore supply. Proponents have argued vigorously that in the event of an all-out war we could not count on our supply of ore from overseas points moving to the east coast and therefore that we needed this so-called secure inland route for Labrador ore. If their premise be assumed correct, then the steel mills that would be short of ore would be those on the east coast, not those in the Great Lakes region, and Labrador ore as the source closest to these east coast mills would be required to supply their needs rather than the needs of the mills in the Great Lakes region. Also, if we were to assume that Labrador ore could not be moved by deep-draft vessel to the east coast ports because of the submarine menace, it would not be moved over the proposed waterway, even if in existence, but would be moved by deep-draft vessel to Montreal and thence by rail directly south to the steel mills adjacent to the eastern seaboard.

Thus the very contingency stressed by the proponents as calling for the construction of the proposed waterway, namely, an all-out war, would create conditions that would cause the ore to be handled over a route that would not involve use of the waterway.

Therefore, so far as the major argument advanced for the construction of this project as a defense measure goes, first, there is no dire shortage of ore reserves in this country, and, second, the availability of none of the ore we are counting on from foreign sources is dependent upon the proposed waterway—the steel mills of this country will receive just as much foreign ore without the proposed waterway as they would with it.

Let me deal very briefly with two of the principal "make weight" defense arguments for the proposed waterway.

One of these is that the Great Lakes could be used for the building and repair of large ocean-going vessels. There are no facilities for these purposes in existence in the Great Lakes area today. On the other hand, there are in existence today on our seacoasts, in private shipyards, about 100 building ways capable of constructing ships of over 400 feet in length. Of these, less than one-sixth are now engaged in the construction of ocean-going vessels. Under these conditions, does anyone think that those responsible for our production program would allocate materials to build new facilities for these purposes in the Great Lakes area?

Furthermore, during the last war shipyards in the Great Lakes area were utilized for the construction of smaller craft, and this would be their proper role in any war in the foreseeable future even if the St. Lawrence waterway were in existence. There are three possible exits from the Great Lakes for small boats but there would be only one possible exit for large vessels. After taking into consideration the fact that the enemy would have the ability to render this exit unusable for long periods of time, possibly for the duration of the war, it is inconceivable that anyone responsible for a shipbuilding and repair program would utilize the Great Lakes facilities for this purpose to any great extent even if they were in existence.

Another of the "make weight" arguments is that the waterway would reduce by a thousand miles the ocean voyage from east coast ports to northern Europe, thus shortening the time in which ships would be exposed to enemy action by approximately one-third. This argument overlooks the basic consideration that the route would probably not be used extensively because of the danger of having a segment of our shipping fleet locked in the Great Lakes for the duration of the war by the destruction of the waterway. Also, based on our experience in the last war, it is highly likely that all ocean-going vessels would be immediately taken out of service in the Great Lakes area because for a substantial part of that route there is parallel land transportation available and the boats would be utilized for that service for which there could be no substitute, namely, the overseas portion of the journey.

Furthermore, as to the question of its being a safer route than from the east coast ports, there has been evidence from high military authorities that due to technical considerations, namely, facilities for diversion, weather for air coverage, and underwater sound conditions, the route from New York or Boston to Europe is as safe or safer than the route from Montreal from the standpoint of the menace from enemy submarines.

The St. Lawrence project was also urged as a means of supplying additional electric power in the New York and New England areas. There was conflicting evidence on the relative economy of the generation of power through the construction of a hydroelectric plant on the St. Lawrence River and the construction of steam plants. There was also a division of opinion on whether there is now a power shortage in the northeastern region of the United States, but there was no dispute of the testimony that any required expansion of power supply could and would be met by private enterprise through the construction of additional steam plants in that region. As a matter of fact, the evidence demonstrated that in the 3-year period 1951-53, private utilities in the State of New York in the course of their current expansion program will have installed more capacity than three times the prime capacity of the United States share of the St. Lawrence power project. The planned expansion for the whole northeastern region for that period will amount to about seven times the prime capacity to be generated at the St. Lawrence for the United States. It is apparent that private enterprise is fully aware of what the power requirements in this area may be expected to be in the near future and the necessary steps to provide against shortages are being taken. Furthermore, it should not be overlooked that meeting our power needs through the construction of steam plants will help strengthen that segment of our economy represented by the coal industry.

In brief, it is amply clear that the power phase of the proposed project has not the importance that could possibly justify the approval of the over-all project.

It is a fair conclusion that national defense is being used as an argument to obtain approval of the construction of the St. Lawrence waterway while the fact is that this project is not necessary at all.

I have dealt with the national-defense aspects in some detail because, as I have said, if it were not for this claim Congress would not be giving it consideration at this time. However, in view of the fact that the proponents do maintain that it would be a sound project under any conditions, I want to give you the benefit of certain facts and observations regarding the peacetime economics of this proposed waterway.

The St. Lawrence project poses as being a self-liquidating one. The United States Government has at this time nothing more than a vague and ambiguous "agreement" in principle with Canada to make the project self-liquidating through the collection of tolls. Many important arrangements and details on which there must be a meeting of the minds with Canada are left to be negotiated at a later date. Once negotiated, the agreements would have to receive the approval of both Governments before they could be put into effect. Without the prior determination of these points it is impossible to reach any conclusion on the question of whether there is any reasonable probability that the project could in fact be made self-liquidating through the collection of tolls.

At a hearing on a similar proposal for the approval of the St. Lawrence project more than 4 years ago, the suggestion was made that these matters be advanced and tentative agreements be reached. No satisfactory reason has been given why such steps have not been taken during the time that has elapsed since that hearing.

Thus, there is no assurance that even as a theoretical proposition the project would be set up on a self-liquidating basis. Beyond this, the evidence indicates very clearly that there would be little prospect that the project could actually be made self-liquidating as a practical proposition. The proponents did not satisfactorily sustain this burden of proof at the recent hearings before the Public Works Committee.

The remaining cost of the project to the United States was estimated by the Army engineers as $566,000,000, based on December 1950 costs. This compares with an estimate submitted by the Army Engineers a year ago of $573,000,000, based on July 1948 costs. Between July 1948 and December 1950, the Engineering News Record Construction Cost Index shows an increase in construction costs of approximately 14 percent. While it was testified that different methods were used in arriving at these two estimates, no satisfactory proof was presented that would justify the conclusion that the latest estimate could be relied upon to judge the probable ultimate cost of this project. For one reason or another the ultimate cost of waterway projects has almost invariably greatly exceeded the original estimated cost. In House Report No. 1797, Eighty-first Congress, second session, on the general appropriations bill, 1951, the Appropriations Committee observed that the present total estimated Federal cost of budgeted river and harbor and flood-control construction projects was 61 percent in excess of the original estimated cost of such projects. The report further pointed out that this increase in cost was attributable in part to increased construction costs and in part to extensions and modifications subsequently expressly authorized by Congress, but that the major portion of the increase was due to engineering and structural modifications made by the Chief of Engineers. The report stated:

> The simple conclusion is that the Chief of Engineers has committed the Government and is continuing to commit the Government to the expenditure of funds far in excess of amounts contemplated by the Congress either at the time of the original authorization of the projects or at the time funds were appropriated for the initiation of construction.

Not only is it a practical certainty that the cost of the 27-foot project would be materially in excess of the estimate of the Army Engineers, but as I will point out later it seems highly unlikely that the proponents would long be content with a canal limited to a depth of 27 feet, and the cost of a project deeper than 27 feet would be much greater.

In addition, attention should be called to the fact that the estimate of $565,000,000 as the remaining cost to the United States for completion of this project does not include any costs for the deepening of harbors in the Great Lakes. It is wholly unrealistic to omit such expense from the calculation of total cost of the project for without the improvement of Great Lakes harbors it would be impossible to realize even a minor measure of the benefits claimed for the project. It is true that it would not be necessary to deepen harbors in order to handle the importation of iron ore in lake-type vessels, but I do not think even the proponents, much less the Members of Congress, are willing to concede that this project is being constructed solely as an adjunct to help the competitive position of five steel companies and one ore company. It should not be overlooked that until very recently ore was not in the picture and the sole reason advanced for the construction of this project was to enable ocean-going vessels of the size that could be accommodated through the proposed waterway to carry commerce directly between ports of the Great Lakes and ports abroad. No port on the Great Lakes could enjoy any substantial amount of such trade unless its harbor were deepened to the same depth as the waterway itself.

The cost of deepening Great Lakes harbors, except for the berths alongside the docks, has always been borne by the Federal Government and is deemed a Federal responsibility. Each harbor in the Great Lakes on which Federal money has been expended in the past, and there are more than 100 of them, has a well-defined area which is known as the area of Federal responsibility. While it is not contended that all of these harbors would actually be deepened to the depth of the proposed waterway, it is obvious that a large number of them would have to be deepened if any benefits from this project are to be realized by a substantial segment of the population in the Great Lakes area.

As a result of a request made by a subcommittee of the Senate Foreign Relations Committee, the Army Engineers did submit several estimates of the cost of improving certain of the harbors in the Great Lakes to the extent of providing them with an entrance channel and a turning basin. An entrance channel and a turning basin would be wholly inadequate because they would not furnish shipping facilities to all users and a much larger area in each harbor would have to be dredged to the depth of the proposed waterway if the harbor were to be used by commerce generally.

The Army engineers estimated the cost of providing entrance channels and turning basins for 17 harbors to a 27-foot depth as $28,800,000; to a 30-foot depth as $86,900,000; and to a 35-foot depth as $205,600,000. Testimony was presented by Maj. Gen. R. G. Breene, United States Army, retired, that indicated that the cost of deepening the entire area of Federal responsibility, thereby providing adequate facilities to all commerce, in just these 17 harbors would more likely run to a figure in the neighborhood of $104,600,000 for a 27-foot depth; $304,300,000 for a 30-foot depth; and $577,600,000 for a 35-foot depth. In these estimates General Breene used the same unit costs for dredging that were used by the Army Engineers.

Again I say that if this project is not to be merely an adjunct for a certain few steel companies, the cost of deepening Great Lakes harbors must be added to the over-all cost of the project.

Just as the cost estimates submitted by the Army Engineers did not give any reasonably accurate measure of the actual cost of the project, so the estimates of traffic and tolls revenue submitted by the Secretary of Commerce did not give any measure of these factors which might be considered reliable as a basis for determining the possibility of this project being made self-liquidating.

The Secretary of Commerce estimated that from 57,000,000 to 84,000,000 tons of traffic a year would use the waterway and pay tolls amounting to from $36,000,000 to $49,000,000. These estimates were supported only by the broadest and vaguest generalities. No detailed studies were submitted and nothing worthy of being called substantial evidence was introduced to support these fantastic estimates.

These estimates stand out in sharp contrast to the findings of a 342-page traffic study submitted by the Department of Commerce in 1941, in which the estimate of the annual volume of United States traffic on the specific commodities studied amounted to a figure between 4,500,000 to 5,000,000 tons. That study also pointed out the possibility that other traffic might bring this total to 7,000,000 tons and that ultimately the United States tonnage might even reach 10,000,000 tons. No estimate of Canadian traffic was presented but it was stated that 6,000,000 tons of the capacity of the waterway was reserved for Canadian

commerce. Bear in mind that in the 1941 study the Department of Commerce was looking into the future and predicting the volume of traffic that would move during substantially the same period as that covered by their present estimates.

Just as an indication of the type of evidence submitted to the committee in support of the traffic and tolls revenue estimates, I would like to refer to the statements made by the Secretary of Commerce with respect to the item of petroleum. Petroleum traffic was estimated at from 6,000,000 to 20,000,000 tons, producing revenue annually for the liquidation of the project of from $1,500,000 to $5,000,000. The following are two sentences from the testimony of the Secretary of Commerce on the item of petroleum traffic:

> Another item of traffic which the Department expects will move via the seaway is petroleum, although in the case of this traffic it is impossible to predict with any assurance the timing, the direction, or the volume of movement.
>
> • • • • •
>
> In the absence of detailed knowledge of oil reserves and production costs in Alberta, Venezuela, and the Middle East, no accurate predictions of petroleum traffic over the seaway can be made.

While the nature of the deficiencies with respect to the estimates for other items of traffic was different, there was very little more support for them than there was for the item of petroleum traffic. In my judgment, no reliance can be placed upon the estimates of traffic or tolls revenue for the proposed waterway submitted. In any event, the proponents of this project clearly did not demonstrate that it would even come close to being a self-liquidating one.

It was not disputed that in general most of the traffic predicted for the proposed waterway would be traffic diverted from existing modes of transportation and channels of commerce rather than newly created traffic. It was also apparent that if the traffic predicted for the waterway should by any miracle materialize, the injury to coastal ports, to the railroads, to the coal interests, and to the labor dependent upon those operations, would be substantial indeed.

There is one other important point to which your attention should be called, bearing both on the probable ultimate cost of the project if undertaken and on its general economic justification.

Under the pending proposal the waterway to be constructed would have a channel depth of 27 feet. This channel depth was first selected about 1928, and as of that time more than 61 percent of United States and over 67 percent of foreign ocean-going merchant vessels fully loaded could have used such a channel. Since that time the economics of shipping, particularly with respect to the American merchant marine, have dictated the use of deeper-draft vessels. As of July 1950, only about 41 percent of foreign vessels and less than 10 percent of American merchant vessels, fully loaded, could use such a waterway.

The testimony presented to the Public Works Committee indicated that it was the unanimous view of American shipping interests that the American merchant marine could not use a channel of such depth to engage in foreign trade, and that if a waterway of 27-foot depth were built practically all of our foreign commerce utilizing it would be hauled in foreign vessels. It is beyond my comprehension how serious consideration could be given to dealing such a blow to the American merchant marine when ways and means of fostering that merchant marine have been a constant problem before Congress. It is obvious, therefore, that a 27-foot waterway is thoroughly inadequate as a shipping channel, especially for American vessels.

Just as an indication of what depths are considered adequate to facilitate the handling of foreign commerce, consider the following facts regarding commerce handled by harbors of various depths on the Atlantic and the Gulf coasts:

Based on the latest official published figures, those for the year 1948, of the harbors on these seacoasts with a maximum controlling depth of less than 27 feet, only one handled a volume of foreign commerce in excess of 50,000 tons; of those with a maximum controlling depth of 27 feet, only one handled a volume of foreign commerce in excess of 500,000 tons; and of those with a maximum controlling depth of not more than 30 feet, there was still only one that handled a volume of foreign commerce in excess of 500,000 tons. There are approximately 25 harbors on these 2 seacoasts with a maximum controlling depth of more than 30 feet, and approximately 87 percent of all foreign traffic on the Atlantic and Gulf coasts moves through these deep harbors. It is clear that a waterway with a channel depth of only 27 feet would today be wholly inadequate.

Could it be that the proponents advocate a waterway of 27-foot depth because of their concern that the cost of a deeper channel would be so great that Congress would then readily recognize that the proposed project could never have an economic justification? It is also clear that if Congress should auhorize the construction of a project of 27-foot depth it would be requested to authorize the deepening of that waterway very materially before it was completed. That request would come, however, only after sufficient money had been expended to make it appear that it would be a shame to waste hundreds of millions of dollars on a channel of inadequate depth.

Before concluding, I want to call to your attention one fact that to me was very interesting. In years gone by, one of the principal arguments for the St. Lawrence waterway was that it would bring great benefit to the wheat farmers of this country by reason of assumed transportation savings. It was argued that the savings would accrue principally because it would no longer be necessary to transfer grain from lake steamers into canal boats at the lower lake ports and again at Montreal to ocean-going vessels before exporting the grain to Europe. In other words, it was assumed that the ocean-going vessels would pick up the wheat directly at the western lake ports and haul it directly to its destination abroad.

The Department of Commerce now recognizes, however, that it is unlikely that ocean-going vessels would move the wheat directly from the head of the Lakes to points abroad, and assumes that it would be moved from the head of the Lakes to Montreal in lake vessels and there transferred to ocean-going vessels. Therefore, the net result would be only the elimination of the transfer at the lower lake ports, but this saving would be gained only at the expense of the loss of the flexibility in the marketing of grain which arises from elevating the grain at the lower lake ports where it can be shipped inland for consumption as wheat, converted into flour, moved to New York via the New York Barge Canal to take advantage of attractive shipping rates from that port to ports abroad, or transported through the 14-foot canal to Montreal for export.

There was no testimony presented which demonstated that savings in transportation could be effected by shipment through the proposed waterway that would make up for the disadvantages growing out of the loss of marketing flexibility. Furthermore, the weight of the evidence is that even if there should be savings in transportation costs the result would be a lower price to the importers abroad rather than a higher price to the farmers or the exporters in the United States.

In other words, the St. Lawrence waterway as a benefit to the wheat growers in this country is a snare and a delusion, and it is no small wonder that we heard so little about this subject at the recent hearings.

In conclusion let me say that the above is far from a complete recitation of all the deficiencies of this project, but I have tried to give you a realistic appreciation of what is involved in this proposal to construct the St. Lawrence waterway and power project and why it is not entitled to the support of Congress.

SPECIAL ORDER

The SPEAKER pro tempore (Mr. MURDOCK). Under previous order of the House the gentleman from Illinois [Mr. MASON] is recognized for 30 minutes.

(Mr. MASON asked and was given permission to revise and extend his remarks and include an article by Dr. Willford I. King.)

THE REVENUE ACT OF 1951

Mr. MASON. Mr. Speaker, when considering the Revenue Act of 1951, one should start with the fact that the Congress imposed upon the American people last year new taxes and additional taxes amounting to $9,000,000,000; and as a result of these new and additional taxes the Federal Government has a cash balance on hand today of between three and four billion dollars. Yet in the face of the additional taxes levied last year and the cash balance now in the Treasury, the President is still insisting today upon new and additional taxes amounting to $10,000,000,000. No thought is given by the administration to reducing Government spending; in fact, every reduction the present Congress has made has been violently protested and opposed by administration spokesmen.

The administration's Revenue Act of 1951 is a tax bill that may be politically good, but it certainly is economically bad. It proposes to soak the rich, but in its final result it will actually soak the poor. The passage of this bill will seriously damage the economic system upon which the laboring man depends. It is a phony gesture to the lower income groups whose votes the bill is supposed to attract.

Mr. Speaker, this bill proposes a straight 12½-percent increase in the tax bill of every individual, and a flat increase of 5 percent in the corporation tax rate. In its final analysis this tax program will soak the workingman more than it will the man in the upper tax brackets. It will soak the lower income groups tomorrow by robbing the middle- and upper-bracket groups today. How will this come about?

Take for example three individuals—A, B, and C—all in the middle or upper tax brackets.

A has an income of $10,000 per year, pays at present rates a yearly income tax of $2,436 and saves and invests in corporation stock $2,000 per year. This corporation stock earns $10 per share, pays out $5 per share in local, State, and Federal taxes, and has been handing out to A a dividend of $5 per share on his stock—a good investment.

With a 12½ percent increase in A's tax bill he will hereafter have to pay $2,740.50 per year in taxes. With an increase in corporation taxes to 52 percent, plus an excess-profits tax that will take up to 70 percent of the total earnings of the corporation, hereafter A will receive a dividend of about $1.50 per share—not enough to warrant the effort to save and invest. So A stops saving and investing in corporation stock—investment that makes possible business expansion, the creation of new jobs, and the production of more goods.

B has an income of $50,000 per year, pays at present tax rates a yearly income tax of $26,388 and saves and invests $8,000 per year in corporation stocks. With an increase of 12½ percent in B's tax bill he will hereafter have to pay $29,686.50 per year in taxes, and he will be in the same boat with A as to saving and investing in corporation stock for business expansion, the creation of new jobs, and the production of more goods.

C has a yearly income of $500,000 upon which he pays at present rates a yearly tax of $429,274. C has been saving and investing $30,000 per year in corporation stock. With a 12½ percent increase in C's tax bill he will hereafter have to pay $450,000 in taxes each year, and he will have nothing left to save and invest in stock for business expansion, the creation of new jobs, and the production of more goods.

This is exactly how the proposed administration's tax bill will affect A, B, and C.

Now, Mr. Speaker, what about its effect upon the workingman and his family?

First. The workingman will also have his tax bill increased by 12½ percent.

Second. The streams of investment capital that have been coming from the taxpayers in the middle and upper brackets will be dried up by this proposed tax bill. New capital that we must have to bring about business expansion, to create new jobs for American workingmen, and for the production of more goods for a hungry consuming public will be dried up.

Third. More jobs would mean a greater demand for labor; and a greater demand for labor means higher wages and better working conditions. More goods would mean lower prices for goods the workingman must buy for his family needs; lacking new capital for investment, there can be little or no business expansion, fewer, if any, new jobs, and less goods produced. This is bound to result in a lessened demand for labor—with consequent reduction in wages, and in higher prices the workingman will have to pay for the goods he needs.

In its final analysis, therefore, this soak-the-rich tax bill of the administration will actually impose greater hardships upon the American workingman than it will impose upon the man in the middle and upper tax brackets. It may be a good political tax bill, but it will prove to be a bad tax bill from the standpoint of the workingman. It will reduce his working opportunities because it means fewer jobs; it will tend to lower wage scales because it means a surplus of labor instead of the present scarcity of labor; and it will tend to increase the cost of the necessities of life because it will cut down the production of goods. It is impossible to soak the rich in a tax bill without doing violent injury to the workingman with a family to support. It just cannot be done. The laws of economics make the proposal impossible.

Mr. Speaker, the policy of destroying by taxation the middle and upper bracket group has been practiced by the Socialist Party in England with disastrous results. Today practically the entire tax burden in England is being carried by the lower-income groups.

The administration's tax advisers who advocate "killing the goose that lays the golden eggs"—the middle and upper bracket taxpayers who furnish the capital that provides jobs, wages, and cheaper goods for the workingman—disregard entirely the following facts:

First. By confiscating all the taxable income of every individual above the $10,000 bracket, the Government would collect only an additional $3,500,000,000 in taxes.

Second. By confiscating all taxable income of every individual above the $25,000 tax bracket the Government would collect only an additional $1,000,000,000.

Third. By confiscating all taxable income of every individual above the $100,000 tax bracket the Government would collect only an additional $60,000,000.

Therefore, if we took away in taxes the entire income of the so-called rich—everyone whose income is above $10,000—we would only get $3,500,000,000 additional in revenue receipts. This is just one-third of the amount the President is demanding; so the other $6,500,000,000 would have to come from the so-called poor—everyone whose income is below $10,000.

Mr. Speaker, the Revenue Act of 1951, now under consideration in the Congress, is an economic monstrosity. It violates in almost every detail all sound principles of taxation and is bound to result in incalculable damage to our American economy. How any Member of Congress can vote for such a tax bill is more than I can understand. As a member of the Ways and Means Committee I have opposed the provisions of this bill every step of the way, and I propose to oppose and vote against the bill when it comes before the House for final action.

The following article by Dr. Willford I. King, one of our greatest American economists today, is in complete accord with my analysis of the provisions of the Revenue Act of 1951. I therefore include it as a part of my remarks in support of the position I take on this important piece of legislation:

PUNISHING THE EFFICIENT AND SUCCESSFUL

(By Willford I. King)

On May 23, 1951, the 15 Democrats outvoted the 10 Republicans in the House Ways and Means Committee, and by so doing, made that committee take the position that efficiency and success are crimes meriting severe punishment. Of course, the resolutions adopted say nothing of the kind, being apparently very innocent measures which merely provide that individual income taxes shall, in general, be increased by one-eighth, and that excess-profits taxes shall be pushed up until they may take as a maximum 70 percent of a corporation's earnings, as compared to the present 62-percent ceiling.

At first thought, a uniform 12½-percent boost all along the line in individual income taxes seems eminently fair. This means that, if the proposed bill is adopted, the family now paying 8 percent will pay 9 percent; the family paying 16 percent will pay 18 percent, and so on—all perfectly reasonable.

But these percentages do not happen to be the ones which are of prime importance to the taxpayer. What is really significant to him is the income which he has left after the Government has taken its cut. The man whose tax has risen from 8 percent to 9 percent has had the remainder of his income—that part on which he must live—cut from 92 percent to 91 percent—a reduction of slightly more than 1 percent—certainly nothing startling. But how about the man who has already been paying an income tax of 80 percent? Under the law now proposed, he will be called upon to turn over 90 percent of his income to Uncle Sam. Instead of having 20 percent remaining, he will now have but 10 percent left. That means cutting in half the income out of which his living expenses must be paid.

"But not so fast," some CIO spokesman will interpose at this point. "Remember that the poor fellow who will have 91 percent of his income left must, nevertheless, support a wife and two children on less than $5,000, while the man who will have to live on a measly 10 percent will still have a hundred thousand a year to blow in. I wouldn't mind being in his shoes and paying 90 percent tax."

As a matter of fact, however, the CIO representative would not have that amount to spend, for his State government would have to be taken care of. If he happened to live in that favorite haunt of millionaires, New

York, the authorities at Albany would demand some $62,000 for State income taxes, leaving him but $38,000 to spend—quite a drop from the million-dollar income to which he would have been entitled in the days when income taxes were nonexistent.

"But," the CIO advocate may insist, "that is still 10 times as much as an ordinary workingman has to live on." This is, of course, correct, and, if one accepts either the usual communistic thesis—"every man according to his needs" or Lenin's idea of equality of income, there is no point in discussing the matter further.

The fact still remains, however, that, under Lenin's plan, the Russian people were reduced to starvation, while, under free-enterprise with the opportunity to play the economic game freely and use one's winnings, according to one's fancy, the United States became the most prosperous and powerful Nation in the world, with the average workingman earning in real wages at least four times as much per hour as did the Russian worker performing similar tasks. In view of this fact, does it behoove the American workingman to adopt the Russian philosophy that those who know how to win are criminals and hence richly deserve punishment?

But the CIO spokesman is likely now to point out that the proposed 12½-percent raise in income taxes is not at all designed to punish the successful, but is merely an emergency measure to raise the revenue required to arm against the Russian menace to our safety. The fact is, however, that this line of argument indicates either ignorance of or unwillingness to face the demonstrated fact that very high income-tax rates produce less revenue than do much lower rates. Careful statistical analysis shows, indeed, that ruthless income taxes cause those who tend to be top income producers either to quit working or to invent ways of evading the confiscatory taxes. The figures prove that, for these reasons, Federal income-tax rates which take more than 26 percent of the net incomes of taxpayers produce less revenue than does the 26-percent rate. It follows that tax rates above that figure are nothing but punitive; they do not help out the United States Treasury. But they do deprive the Nation of the initiative and effort of many of its most ingenious citizens, and thereby reduce production and hamper the endeavor to strengthen our war machinery.

And the action of the Democratic members of the House Ways and Means Committee in proposing to elevate the excess-profits-tax ceiling from 62 to 70 percent reveals the same pattern of thinking that leads them to want to raise an 80-percent income-tax rate to 90 percent. Both alike indicate an acceptance of the communistic philosophy that efficiency and success are crimes that deserve punishment.

In the United States, there are more than 500,000 corporations competing vigorously for the dollars paid out by consumers or by Uncle Sam. In a good year, two out of three make some net profit, but only a minority—the most efficient—make satisfactory returns for the stockholders. Now, in wartime, when supplies are urgently needed, those corporations which are best organized and managed are turning out goods in increased quantities, and are making large profits. And those are the concerns which, according to the Democratic members of the Ways and Means Committee, ought to have 70 percent of their profits taken over by the Government. Thereafter, these same companies will be expected to put at least half of their remaining 30 percent into new equipment. And, finally, the stockholders, who will get perhaps 15 percent of the net earnings, will be required to pay on the dividends received individual income taxes running, as a rule, from 30 percent up to 96 percent. Is this the way to encourage the hard work, ingenuity, and initiative needed to further the war effort? Or will punishing the successful by confiscating most of their income not lead to loafing, inefficiency, profligate waste, perjury, and fraud? Is not the answer obvious?

Now is the time to tell your Representatives and the members of the House and Ways and Means Committee, and the members of the Banking and Currency Committee of the Senate, what you think of this question.

Mr. DEMPSEY. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield.

Mr. DEMPSEY. I think the statement made by the gentleman from Illinois is very illuminating. I was quite concerned when the press publicized the fact that industries such as the automobile industry were being treated so severely. The Federal Reserve bank has done much to damage the automobile industry by restrictions on credit, requiring payment of one-third down and allowing 15 months to pay for the balance; something which the laboring man cannot do. The majority of automobiles today are owned by laboring men. The automobile industry is being taxed 52 percent of their net profits; is that right?

Mr. MASON. Plus up to 70 percent, with the excess-profits tax added.

Mr. DEMPSEY. Then, in addition to that, you are charging practically 10 percent sales tax on every car manufactured?

Mr. MASON. That is correct.

Mr. DEMPSEY. Then, in addition to that, for replacement parts, you charge not 5 percent, as you did before, but 8 percent, which is a 60 percent increase?

Mr. MASON. That is right.

Mr. DEMPSEY. Then, in addition to that, if some stockholder gets a dividend, which he probably will, you are going to take from 30 to 70 percent on that, depending upon the bracket of the stockholder?

Mr. MASON. From 30 to 90 percent. On the individual the ceiling is 90 percent.

Mr. DEMPSEY. I have always been against nationalizing industry or socializing it, whichever you want to call it. It seems to me that in this tax bill we are socializing industry in a very clever way.

Mr. MASON. That is right.

Mr. DEMPSEY. We are being much more clever than the British. They issued bonds and they also put in their own management. We are taking everything there is in taxation while still retaining the management.

Mr. MASON. That is correct.

Mr. DEMPSEY. I appreciate your statement and I express my appreciation for your yielding to me, but in these excise taxes which are being put on the people today, I think we have the most dishonest taxes ever conceived by anybody.

Mr. MASON. I agree, and have opposed them.

Mr. DEMPSEY. The workingman comes home at the end of the year and thinks he has earned $2,000, but if he wants to take his children to the baseball game or football game, or maybe a motion picture, or he wants to go down and buy some cosmetics at the drug store, he finds 20 percent, 20 percent, 20 percent.

These 5-percenters down here are pikers beside the Government which is a 20-percenter or more. I think this bill should be studied extremely carefully because the Government is absorbing so much. When the laboring people realize the full impact of what the employer must deduct from their pay check, they are going to demand higher wages because they cannot live on what they will have left. They are going to get those higher wages. The farmer because of the higher wages is going to have to ask more for his crops. These economists have started inflation. They have started it, and they are going to continue it, yet I do not know a single one of them who has been a success in any line of activity.

Mr. MASON. I agree with the gentleman. I have studied the bill, and I said earlier in my talk that I cannot understand how any Member of the House can vote for this bill, because it is a monstrosity.

Mr. DONDERO. Mr. Speaker, will the gentleman yield for a question?

Mr. MASON. I yield.

Mr. DONDERO. I want to confirm and approve everything that the able gentleman from New Mexico [Mr. DEMPSEY] has said in reference to his observations on the floor just a moment ago. The automobile industry today I think is the largest industry in the United States, and they are making a product on which the laboring man must depend if he gets from his residence to his place of employment.

Mr. MASON. That is right.

Mr. DONDERO. My question is this: What did your committee do with the withholding tax on dividends on savings, on bank-account interest, and on Federal building and loan associations, and so forth?

Mr. MASON. They are placing a 20-percent withholding tax on all dividends and all interest payments made by any corporation or bank.

Mr. DONDERO. Does that mean that a savings bank that has an account that yields a depositor 10 cents interest has got to deduct 2 cents of the interest?

Mr. MASON. It does.

Mr. DONDERO. That means an imposition upon banks and trust companies and all other financial institutions of more clerk hire to set up a bookkeeping system in order to make a proper return to the Government under that kind of law.

Mr. MASON. Not exactly, because this withholding tax is different from the one we passed in the House last year; this one says the banker shall, say, he has $500 in interest that he hands out to all of his depositors, that he must take 20 percent of the $500. He must say to the depositors that that is the part he hands to the Government, and that ends it so far as the Government is concerned. Then the 80 percent that is left he distributes to the investors, the depositors, in proportion to their shares. So it simply means that he has to reduce what he pays out to his depositors by 20 percent.

Mr. DONDERO. Suppose a family receives dividends of $1,200 a year and the Government takes 20 percent. At the end of the year they discover they

owe no income tax. Then the Government must return that 20 percent to the couple.

Mr. MASON. That is right.

Mr. DONDERO. But it denies that couple the use of the money.

Mr. MASON. For at least 2 months or 2 months and a half they are denied the use of this 20 percent.

Mr. DONDERO. That might interfere with and reduce their living standard.

Mr. MASON. The gentleman is absolutely correct. But when this bill comes to the floor of the House it will be under a closed rule and all you will be able to do is to vote "yes" or to vote "no." Personally I am going to vote "no."

Mr. DONDERO. Will the gentleman yield once more?

Mr. MASON. I yield.

Mr. DONDERO. With reference to the obligation imposed upon banks, and other corporations they will be compelled to render an accounting to every one of its depositors.

Mr. MASON. Yes; but it has to do that now.

Mr. DONDERO. That may be true, but they will have the picture presented to them——

Mr. MASON. It just simply renders to each depositor 80 percent of what is due him instead of 100 percent as always has been the case.

Mr. SHAFER. But there are entries in each account.

Mr. MASON. Not an extra entry; the account would show 80 percent of what is due, that is all.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield.

Mr. DEMPSEY. Does the gentleman have a feeling that there may be fewer savings accounts if 20 percent of the interest is deducted?

Mr. MASON. I should think that would be one result.

Mr. DEMPSEY. I think ultimately it will destroy savings accounts completely.

It is all a part of the trend of the Government to make employers and businesses unpaid agents for the Internal Revenue Department. They are already forced to withhold income tax from employees with its consequent involved bookkeeping.

Now this proposal comes along. The result is that business and industry will become the servant of the Government to an extent where much of the time of paid accountants must be utilized to do the Government's tax-collecting work.

If this withholding tax on savings accounts is put into effect, it will raise the cost of maintaining the accounts and banks will probably be forced to eliminate them. Of course, if some of these other tax provisions go into effect, most people will not have any money to save anyhow, so it would not make much difference.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield.

Mr. SEELY-BROWN. Will the gentleman explain what arguments were made in the committee favoring this proposed withholding tax?

Mr. MASON. Well, it would take too long to do that. The arguments were all proposed by the Treasury experts. The main one was that $1,900,000,000 is now paid out in interest that is not given on tax returns of individuals and $1,400,000,000 is now paid out in dividends that is not rendered to the Government on individual tax returns. This means that that amount in interest and that amount in dividends are escaping taxation and it amounts at the present average rates to between five and six hundred million dollars that the Treasury is being cheated out of. That is in substance the argument.

Mr. SEELY-BROWN. Is this an opportunity to close what might be called an existing loophole?

Mr. MASON. It is a step to close that loophole, yes.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I want to commend the distinguished gentleman from Illinois, a member of the Ways and Means Committee of the House and, incidentally one of the hard-working members of that committee, for the very splendid explanation he has given the House with reference to this bill which will come before us in a few days. I think it is commendatory that we have a member of this committee take the time and put forth the effort to tell us what he thinks about this bill and give us a chance to receive his information and advice before we have the bill come before us for consideration.

Mr. MASON. May I say that I did it because I know the bill will come up under a closed rule and there will be little opportunity to analyze the bill before the Members will have to vote "yes" or "no." I think they are entitled to this information at least a week in advance.

Mr. REES of Kansas. I appreciate the gentleman's statement.

Mr. DEMPSEY. If the bill would come in here after all of the appropriation bills have been acted on and if the House does what it should, cut out all of the waste and extravagance, does not the gentleman think a lot of these taxes could be elminated without any trouble?

Mr. MASON. Practically all of this increase in taxes could be eliminated if we would exercise some discretion in our expenditures.

Mr. DEMPSEY. I agree with the gentleman.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that I may vacate the special order I have for today and that I may address the House for 5 minutes on tomorrow, following the legislative program and any special orders heretofore entered.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LANTAFF, for 1 week, on account of official business.

To Mr. REES, for 2 days, on account of death in family.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 51. Joint resolution providing for United States participation in the celebration at Philadelphia, Pa., of the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 652. An act for the relief of the estate of Mattie Mashaw; and

H. R. 2918. An act for the relief of Peter E. Kolesnikoff.

EXTENSION OF REMARKS

Mr. O'TOOLE asked and was given permission to extend his remarks and include an article appearing in the Catholic Digest on the Damon Runyon Cancer Fund.

Mr. YORTY asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. PASSMAN asked and was given permission to extend his remarks and include an article.

Mr. ALLEN of Louisiana asked and was given permission to extend his remarks and include an editorial.

Mr. PICKETT asked and was given permission to extend his remarks and include an article.

Mr. PATMAN asked and was given permission to extend his remarks at the close of the legislative business today and include an editorial sent out by the McGraw-Hill Publishing Co. on the subject We Mobilize for Freedom—Why Controls Are Necessary.

Mr. MULTER asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. KILBURN (at the request of Mr. POTTER) was given permission to extend his remarks and include an article.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks on the subject of universal military training.

Mr. WOLVERTON asked and was given permission to extend his remarks and include a newspaper article.

Mr. HERTER (at the request of Mr. HESELTON) was given permission to extend his remarks and include an article.

Mr. SCUDDER asked and was given permission to extend his remarks and include an editorial.

Mr. REECE of Tennessee asked and was given permission to extend his remarks in two instances and include addresses delivered at the centennial exercises at Carson-Newman College in Tennessee.

Mr. CRAWFORD asked and was given permission to extend his remarks in two instances and include two editorials.

Mr. FARRINGTON asked and was given permission to extend his remarks in two instances and include addresses by the Korean Ambassador to the United States.

Mr. H. CARL ANDERSEN asked and was given permission to extend his remarks and include certain letters.

Mr. MARTIN of Massachusetts asked and was given permission to extend his remarks and include an address delivered by Representative GEORGE H. BENDER at a college in Ohio.

Mr. HOEVEN asked and was given permission to extend his remarks and include certain findings of fact and recommendations made by the Committee on Agriculture with reference to the beef roll-back.

Mr. ENGLE asked and was given permission to extend his remarks in four instances, in each to include extraneous matter.

Mr. HOWELL asked and was given permission to extend his remarks and include an editorial.

Mr. VAN ZANDT asked and was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. MURDOCK, Mr. STEFAN, and Mr. ANGELL asked and were given permission to extend their remarks and include extraneous matter.

Mr. HINSHAW asked and was given permission to extend his remarks and include an editorial.

Mr. GREEN asked and was given permission to extend his remarks and include a letter.

Mr. NORBLAD asked and was given permission to extend his remarks in two instances, in each to include extraneous material.

Mr. McMULLEN asked and was given permission to extend his remarks and include an editorial appearing in the Tampa (Fla.) Tribune.

Mr. REES of Kansas asked and was given permission to extend his remarks and include a statement he made before the Senate Committee on Expenditures today.

Mr. SHAFER asked and was given permission to extend his remarks.

Mr. ELLSWORTH asked and was given permission to extend his remarks.

Mr. GOLDEN asked and was given permission to revise and extend the remarks he made in the Committee of the Whole and to include a newspaper article.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 4 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 12, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

508. A letter from the Chairman, Federal Power Commission, transmitting a copy of Federal Power Commission Reports, volume 7, which contains all opinions issued by the Commission for the year 1948 and in addition contains selected orders in the nature of decisions, and a study of electric utility cost units, transmission plant, which is a study of investment and operating expenses by privately owned class A and class B electric utilities; to the Committee on Interstate and Foreign Commerce.

509. A letter from the Deputy Attorney General, transmitting a draft of legislation entitled "a bill to provide for a decrease in the rate of interest to be paid by the United States in the acquisition of lands under the power of eminent domain, title to which is taken in advance of final judgment"; to the Committee on the Judiciary.

510. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1952 in the amount of $7,500 for the Judiciary (H. Doc. No. 162); to the Committee on Appropriations, and ordered to be printed.

511. A letter from the Postmaster General transmitting the Cost-Ascertainment Report and Appendix for the fiscal year 1950; to the Committee on Post Office and Civil Service.

512. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 7, 1951, the following bill was reported on June 8, 1951:

Mr. KERR: Committee on Appropriations. H. R. 4386. A bill making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes; without amendment (Rept. No. 544). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGRATH: Committee on Appropriations. House Joint Resolution 267. Joint resolution making an additional appropriation for the legislative branch for the fiscal year 1951, and for other purposes; without amendment (Rept. No. 545). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'HARA: Committee on Interstate and Foreign Commerce. H. R. 2321. A bill to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs; with amendment (Rept. No. 546). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 2982. A bill to readjust postal rates; with amendment (Rept. No. 547). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, pursuant to the order of the House of June 7, 1951, the following bill was introduced on June 8, 1951:

By Mr. KERR:

H. R. 4386. A bill making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes; to the Committee on Appropriations.

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Louisiana:

H. R. 4387. A bill to increase the annual-income limitations governing the payment of pension to certain veterans and their dependents, and to preclude exclusions in determining annual income for purposes of such limitations; to the Committee on Veterans' Affairs.

By Mr. BARTLETT:

H. R. 4388. A bill to settle native land claims in the Territory of Alaska and to assist the natives of Alaska in stabilizing their economy; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT of Florida:

H. R. 4389. A bill to amend the Administrative Procedure Act, so as to insure adequate notice to all interested parties of certain communications containing advocacy or advice and so as to prohibit, under certain conditions, the employment of a former employee of the Federal Government by any person, concern, or government other than the Federal Government; to the Committee on the Judiciary.

By Mr. COLMER:

H. R. 4390. A bill to provide for the establishment of quotas for tung oil, to impose certain duties on the importation of tung oil, and for other purposes; to the Committee on Ways and Means.

By Mr. FOGARTY:

H. R. 4391. A bill to provide additional income-tax relief for supporting blind or aged dependents; to the Committee on Ways and Means.

By Mr. MILLS:

H. R. 4392. A bill granting to persons who serve in the Armed Forces during the present hostilities, and to their dependents, certain benefits granted to veterans of World War II and their dependents; to the Committee on Veterans' Affairs.

By Mr. MURRAY of Tennessee:

H. R. 4393. A bill to extend for 2 years the period during which free postage for members of the Armed Forces of the United States in Korea and other specified areas shall be in effect; to the Committee on Post Office and Civil Service.

By Mr. RANKIN:

H. R. 4394. A bill to provide certain increases in the monthly rates of compensation and pension payable to veterans and their dependents, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. McKINNON:

H. R. 4395. A bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; to the Committee on Banking and Currency.

By Mr. VINSON:

H. Res. 251. Resolution to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, requesting

the enactment of legislation providing for a special postage stamp in recognition of the two hundred and fiftieth birthday observance of the city of Detroit; to the Committee on Post Office and Civil Service.

Also, memorial of the Legislature of the State of Pennsylvania, relative to transmitting a true copy of act No. 7 of the General Assembly of Pennsylvania, approved March 19, 1951, entitled "Authorizing the Commonwealth of Pennsylvania to enter into a compact with any other State for mutual helpfulness in meeting any civil defense emergency or disaster"; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOW:

H. R. 4396. A bill for the relief of Elias Papadopoulos; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 4397. A bill for the relief of Minglan Hammerlind; to the Committee on the Judiciary.

By Mr. HOLMES:

H. R. 4398. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon certain claims of the Columbia Basin Orchard, the Seattle Association of Credit Men, and the Perham Fruit Corp.; to the Committee on the Judiciary.

By Mr. MITCHELL:

H. R. 4399. A bill for the relief of Mogens Louis Bramson; to the Committee on the Judiciary.

By Mr. O'TOOLE:

H. R. 4400. A bill for the relief of Mrs. Ellen Howlett; to the Committee on the Judiciary.

H. R. 4401. A bill for the relief of Verner George Christensen; to the Committee on the Judiciary.

By Mr. TABER:

H. R. 4402. A bill to legalize the entry of Solomon Joseph Sadakne, a native of Syria; to the Committee on the Judiciary.

By Mr. WILLIAMS of New York:

H. R. 4403. A bill for the relief of Lajb Arie Gepner; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

311. By Mr. BEAMER: Petition of certain leaders of Madison County, Ind., with regard to price control; to the Committee on Banking and Currency.

312. By Mr. KARSTEN of Missouri: Petition of Herman A. Hallkamp and others, urging adoption of legislation to provide increases in salaries paid to postal employees; to the Committee on Post Office and Civil Service.

SENATE

TUESDAY, JUNE 12, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, who art the center and soul of every sphere and yet who doth dwell also with those of humble and contrite hearts: Thou art never far from any one of us; but, alas, often in our thoughts we are very far from Thee. Take Thou the dimness of our souls away. We would make of our hearts a shrine where spirit with spirit may meet. May we be of that company of whom it can be said, "They looked unto Him and were radiant, and their faces were not ashamed."

Save us from accepting the low standards of the world across which we move. Deliver us from the cowardly device of escaping moral decisions by spinelessly melting into our surroundings, and from the paralysis of pessimism and cynicism. Across the debris of ancient wrongs may our glad eyes see the coming of the glory of the Lord, as selfish exploitation makes way for brotherhood and for man. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 11, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 1179) to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research, in which it requested the concurrence of the Senate.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

S. 872. An act to furnish emergency food aid to India; and

H. J. Res. 267. Joint resolution making an additional appropriation for the legislative branch for the fiscal year 1951, and for other purposes.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. GILLETTE was excused from attendance on the sessions of the Senate from June 14 to June 22, inclusive.

MEETING OF COMMITTEES DURING SENATE SESSIONS

On request of Mr. HAYDEN, and by unanimous consent, the Committees on Armed Services and Foreign Relations, meeting jointly, were authorized to meet this afternoon during the session of the Senate.

Mr. WHERRY. Mr. President, I should like to ask the distinguished President of the Senate if any other committees than the Armed Services Committee and the Foreign Relations Committee have been granted leave to hold hearings during the session of the Senate today.

The VICE PRESIDENT. No other committee has today asked permission to meet during the session of the Senate.

Mr. WHERRY. Has permission been granted prior to today for any committee to meet today during the session of the Senate?

The VICE PRESIDENT. The Chair is advised that a subcommittee of the Committee on Appropriations has received permission to sit today during the session of the Senate.

Mr. WHERRY. Mr. President, I am not sure whether unanimous consent can be withdrawn in that particular case. I submit to my distinguished colleague, the majority leader, that the Senate has under consideration today a bill which was reported from the Appropriations Committee, and it seems to me that at least the members of the Committee on Appropriations should be present on the floor during consideration of that bill. I desire to cooperate 100 percent with the distinguished majority leader, and will not raise a question respecting the subcommittee today, but I think that from now on, all committees, with the exception of the Armed Services and Military Affairs Committees, which are meeting jointly—and I have no objection to their meeting—should not have sessions during the afternoon until the bill now pending is passed.

Mr. McFARLAND. Mr. President, I merely wish to say that shortly, within the next few days, the only committee I shall not object to sitting during sessions of the Senate is the Committee on Appropriations. As the minority leader just said, the Committees on Armed Services and Foreign Relations, with a total membership of 26 Senators, are holding hearings. In doing so they not only hold up the work on the floor of the Senate, but they hold up the work of the Senate as a whole, for it is very difficult for other committees to sit while those two committees are meeting, in view of the fact that they have, as I have stated, a total membership of 26 Senators. The fact that those two committees have been sitting has slowed down the work of the whole Senate. The time is coming when we either must close down the work on the floor of the Senate or object to the committees holding hearings during the sessions of the Senate. So very shortly I shall begin to object to any committee, other than the Appropriations Committee, sitting during the sessions of the Senate.

Mr. CHAVEZ. Mr. President——

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from New Mexico?

Mr. McFARLAND. I yield.

Mr. CHAVEZ. The pending appropriation bill has been before this body now for the last 4 days. The Appropriations Committee, when it reported the bill, made certain recommendations. As I stated yesterday, I appreciate the fact that the Senate can determine what it wishes to do respecting those recommendations; it can accept the recommendations or do otherwise. That is a matter which is up to the Senate. I believe that the pending appropriation bill is very important. It is very well for committees to conduct investigations of

this matter and that matter, but whether we like it or not, the only thing that makes the Government click is for Congress to give to the Government departments what they need in order to function. I hope that today the Senate will take whatever action it wants to take on the appropriation bill for it is supreme in determining matters of legislation.

Mr. President, the Senate is 2 or 3 months behind in consideration of appropriations. As to the bill now pending, I am not taking any particular credit for cuts made in the bill, though I think the subcommittee should receive credit for its action in not restoring items which the House cut, but rather recommending to the full committee, which recommended to this body, that $112,000,000 less than appropriated by the House be provided. My only request is that if the Senate is not satisfied with that recommendation it take action. Let us proceed in an orderly way to perform our duty.

Mr. President, Senators say we should cut appropriations. That is perfectly proper. I have no objections to attempts being made to cut appropriations. But the Senate must realize that the only thing that makes the Government function is the appropriation by Congress of money for Government departments, not money for them to waste, not money for them to dissipate, but money for them to use to conduct the proper functions of government. If this body does not think the committee's recommendations are proper, let the Senate take such action as it desires to take, but let it take action so that we can get together with the House conferees on the bill.

Mr. McFARLAND. Mr. President, I want the distinguished Senator from Nebraska to know that I heartily agree with him that Senators should be present on the floor when we are considering appropriation bills. Important investigations are being conducted, and no one wants to stop them. The Committee on Banking and Currency is working on important legislation. However, if the Senate is to function properly Senators must be present.

Mr. CHAVEZ. Mr. President, let me say to the Senator from Arizona and other Senators that I will stand with any other Member of this body in an effort to save a penny, or millions of dollars, from being wasted. The American taxpayer is feeling the cost of government. There is not a home in the United States that is not feeling the cost of government. But suppose we carry on all these investigations and do not appropriate for the various departments in order to enable them to carry on their activities the way we desire them to be carried on. We would have nothing but chaos.

If the Senate wishes to cut the appropriations, well and good; but let us get through with the appropriation bill. We are now 3 or 4 months behind schedule, and Government must carry on after the 1st of July.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to transact routine business without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

SELECT COMMITTEE ON SMALL BUSINESS

The VICE PRESIDENT. The Chair has received a resignation from the Senator from Maryland [Mr. O'CONOR], a member of the Select Committee on Small Business. Under authority of Senate Resolution 58, Eighty-first Congress, agreed to February 20, 1950, the Chair appoints the Senator from Michigan [Mr. MOODY].

PUBLIC LOW-RENT HOUSING—LETTERS FROM A. C. GODWARD

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have a letter from A. C. Godward, executive director of the Minneapolis Housing and Redevelopment Authority, dated June 1, and addressed to me, printed in the RECORD at this point and appropriately referred. It, and the letter enclosed by Mr. Godward which I also want appropriately referred and printed in the RECORD, represent very clearly the need for us to provide for low-cost public housing. I urge that the Congress provide for a minimum of 50,000 low-rent units in the coming fiscal year and preferably provide for the full 75,000 units requested by the President's budget. The amendment accepted by the House reducing the number of units to 5,000 is arbitrary and completely negates the program authorized by the Housing Act of 1949. It is true that we must restrict housing construction to conserve scarce materials but the low-cost housing program is vital for our defense effort, will provide needed housing, and must be protected.

There being no objection, the letters were referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

MINNEAPOLIS HOUSING AND REDEVELOPMENT AUTHORITY,
Minneapolis, Minn., June 1, 1951.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: The Minneapolis Housing and Redevelopment Authority has requested that we forward to you and other members of the Minnesota delegation in Congress a copy of a recent report to the Minneapolis City Council on the status of slum clearance and low-rent housing in our city.

House action of May 4 on the Independent Offices Appropriation Act (H. R. 3880) reducing public low-rent housing to 5,000 starts in the fiscal year 1952 will, if enacted, definitely stop the local program. Our first low-rent project, 184 units, will be ready for construction contracts early in July, but too late to qualify under the provisions of H. R. 3880. Plans for redevelopment of 100 acres of our Glenwood area will be presented in September but no actual physical progress is possible without low-rent housing for accommodating dislocated families of low income. This would be stopped by provisions of H. R. 3880.

The need for slum clearance and low-rent housing in Minneapolis is so obvious and apparent that the program (except as to certain site selections) has near-unanimous public support.

We urge your support of legislation that will assure the continuance of the program and provide for a minimum of 50,000 low-rent units in the coming fiscal year.

Yours truly,

A. C. GODWARD,
Executive Director.

MINNEAPOLIS HOUSING AND REDEVELOPMENT AUTHORITY,
Minneapolis, Minn., May 31, 1951.

The HOUSING COMMITTEE OF THE CITY COUNCIL,
Minneapolis, Minn.

GENTLEMEN: It appears at long last that the Minneapolis Housing Authority is in a position to furnish to the city of Minneapolis the first 184 units of its low-rent housing program. State legislation as concluded April 20 and the State supreme court decision of May 25 have apparently provided an open road. The authority's site and building plans for site F in southeast Minneapolis are nearing completion and Federal funds are on hand for the purchase of the project site.

Controversy as to site locations has tended to obscure the real need of the city for permanent standard low-rent housing accommodations and the urgency of accepting the offer of the Federal Government to furnish 1,000 units of such housing without cost to the city.

Redevelopment of blighted areas and clearance of slums cannot proceed without low-rent housing to care for dislocated families of low income. Industry and housing at reasonable rents under private venture cannot be built in the redeveloped areas until the sites are acquired by the authority and prepared for private use. Meantime, the tax base (assessed value) of Minneapolis has remained static for 20 years. The city is faced with progress or decay. Redevelopment of blighted areas with Federal assistance will be progressive action.

Currently Minneapolis is providing city-owned temporary housing for returned veterans, low-income families needing public help, and an increasing number of aged people dependent upon pensions and social security. Temporary, substandard units, 873 in number exclusive of University of Minnesota facilities, are occupied to capacity and a waiting list of 500 applicants is of record. These facilities were initiated by the city in 1945, with full knowledge that should the social and economic demand continue, replacement of these temporary structures would be necessary after 1950. There is no indication that the demand and necessity of low-rent facilities for veterans and low-income families will decrease. Failing to secure Federal low-rent housing without cost, the city will in the near future have to proceed on its own initiative and its own (local taxpayers) cost of approximately $10,000,000 to replace its presently used temporary and substandard facilities.

Congress today contemplates a final road block to both the housing and redevelopment program. Action of the House of Representatives as of May 4 cut back the number of authorized units for the fiscal year July 1, 1951, to July 1, 1952, to 5,000. This action would stop building and development activities of the Minneapolis authority until after July 1952.

The Senate subcommittee has revised the quota to 50,000 new units in the fiscal year. This would permit local progress at least in part.

House roll call indicates that Minnesota Representatives were divided as to approval of this legislation which is of such great importance to the economic and social welfare of the people they represent.

We trust that the United States Senate will at least confirm the report of its subcommittee and that when the Senate bill is returned to the House for reconsideration, it will receive the unanimous support of the Minnesota delegation.

Very truly yours,

A. C. GODWARD,
Executive Director.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAYBANK, from the Committee on Appropriations:

H. R. 3880. A bill making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes; with amendments.

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

S. Res. 152. Resolution extending the authority for an investigation of the relationship of the United States with the Indians; without amendment; and, under the rule, referred to the Committee on Rules and Administration.

S. Res. 153. Resolution extending the authority for the investigation of the fuel reserves and to formulate a fuel policy for the United States; without amendment; and, under the rule, referred to the Committee on Rules and Administration.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 12, 1951, he presented to the President of the United States the enrolled bill (S. 872) to furnish emergency food aid to India.

ADDITIONAL PERSONNEL — INCREASED EXPENDITURES FOR COMMITTEE ON EXPENDITURES IN EXECUTIVE DEPARTMENTS

Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, reported an original resolution (S. Res. 156), which was referred to the Committee on Rules and Administration, as follows:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by subsection (g) (2) (B) of rule XXV of the Standing Rules of the Senate, or any other duties imposed upon it, the Committee on Expenditures in the Executive Departments, or any duly authorized subcommittee thereof, is authorized during the period beginning on July 1, 1951, and ending on January 31, 1952, to make such expenditures, and to employ upon a temporary basis such investigators, and such technical, clerical, and other assistants, as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $15,000 in addition to the amount authorized under Senate Resolution 51, Eighty-second Congress, first session, agreed to January 29, 1951, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee or subcommittee, as the case may be.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSTON of South Carolina:

S. 1649. A bill to modify and extend the authority of the Postmaster General to lease quarters for Post Office purposes; to the Committee on Post Office and Civil Service.

By Mr. RUSSELL:

S. 1650. A bill to provide for the release of the right, title, and interest of the United States in a certain tract or parcel of land conditionally granted by it to the city of Savannah, Chatham County, Ga.;

S. 1651. A bill to amend section 504 (b) of the Officer Personnel Act of 1947, as amended, to require that upon termination of the national emergency the number of officers in the Army and Air Force serving in the grade of lieutenant general or higher shall be reduced to the number authorized prior to the declaration of the emergency;

S. 1652 (by request). A bill to remove certain limitations on numbers of aircraft, units, and organizations which may be maintained and operated by the Air Force of the United States and for other purposes;

S. 1653 (by request). A bill to authorize the Secretary of the Army to transfer to the Department of the Interior the Quartermaster Experimental Fuel Station, Pike County, Mo.; and

S. 1654 (by request). A bill to authorize certain easement, land, and other property transactions, and for other purposes; to the Committee on Armed Services.

S. 1655 (by request). A bill to direct the Secretary of the Army to reestablish and correct the boundaries of the Quincy National Cemetery by the exchange of Government-owned lands in the Quincy-Graceland Cemetery, Quincy, Ill.; to the Committee on Interior and Insular Affairs.

By Mr. WHERRY:

S. 1656. A bill for the relief of Nagakubo (also known as Roy Mervin Nelson); to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 1657. A bill to adjust the rates of payment for the transportation of mail by air carriers and to authorize subsidies for air transportation essential to national defense and commercial development, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. JOHNSON of Colorado when he introduced the above bill, which appear under a separate heading.)

By Mr. McMAHON:

S. 1658. A bill for the relief of Spiros Vastakis; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 1659. A bill to amend section 8 of the Clayton Act with respect to the eligibility of any person to be an officer, director, or employee in more than one corporation; to the Committee on the Judiciary.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. WHERRY:

S. J. Res. 77. Joint resolution to extend until July 1, 1953, the time within which mortgages may be insured under title VIII of the National Housing Act, relating to construction of rental housing on or adjacent to military reservations; ordered to lie on the table.

(See the remarks of Mr. WHERRY when he introduced the above joint resolution, which appear under a separate heading.)

AIR MAIL PAY AND SUBSIDY ACT OF 1951

Mr. JOHNSON of Colorado. Mr. President, I introduce for appropriate reference a bill to adjust the rates of payment for the transportation of mail by air carriers and to authorize subsidies for air transportation essential to national defense and commercial development, and I ask unanimous consent that the bill, together with a statement by me be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 1657) to adjust the rates of payment for the transportation of mail by air carriers and to authorize subsidies for air transportation essential to national defense and commercial development, and for other purposes, introduced by Mr. JOHNSON of Colorado, was read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Air Mail Pay and Subsidy Act of 1951."

SEC. 2. Section 406 of the Civil Aeronautics Act of 1938 is amended to read as follows:

"PAYMENTS FOR TRANSPORTATION OF MAIL AND FOR ESSENTIAL AIR TRANSPORTATION

"RATES FOR DOMESTIC AND FOREIGN TRANSPORTATION OF MAIL

"SEC. 406. (a) Effective after June 30, 1952, each air carrier holding a certificate authorizing the transportation of mail by aircraft shall be paid (1) for the domestic transportation of mail by aircraft on schedules designated, or ordered to be established, by the Postmaster General pursuant to section 405 (c) of this act at a base rate of 42 cents per ton-mile of mail carried, however the Board may classify such carrier, upon the basis of types of communities served, as either a regional or secondary air carrier, or a local service or feeder air carrier, and if such carrier is so classified as a regional or secondary air carrier then it shall be paid at a rate per ton-mile of mail carried equal to 150 percent of such base rate, or if so classified as a local service or feeder air carrier then at a rate per ton-mile of mail carried equal to 200 percent of such base rate, and (2) for the foreign transportation of mail by aircraft on schedules so designated or so ordered at a rate per ton-mile of mail carried equal to 80 percent of the average postage revenue per ton-mile derived from such foreign transportation of mail by the Post Office Department. For the purpose of computing such average postage revenue, mail carried in foreign transportation for or to members of the Armed Forces without charge or at reduced postage rates shall not be included. Such payment shall be considered to include payment for facilities used and useful for such domestic and foreign transportation, services connected therewith, and transportation of mail by an air carrier by other means than aircraft whenever such transportation is incidental to such domestic and foreign transportation or is made necessary by conditions of emergency arising from aircraft operation. In the computation of such payment the mileage used shall be the airport-to-airport mileage in such schedules as established by the Board, and 100 pounds shall be the minimum weight used at all times while flying such schedules. Such payments shall be made by the Postmaster General from funds appropriated for the transportation of mail by aircraft.

"AUTHORITY TO ADJUST RATES

"(b) The Board is empowered and directed, after notice and hearing, to modify as of July 1, 1955, and at 3-year intervals thereafter, the rates established in subsection (a) of this section upon finding that such modification is necessary in order to maintain such rates at a fair and reasonable level for the transportation of mail. In modifying the rates established in subsection (a) of this section the Board shall not establish (1) a base rate per ton-mile for domestic transportation of mail which exceeds the average gross revenue per ton-mile realized, during a representative period, from the domestic transportation of passengers by all air carriers receiving payments under subsection (a) of this section for the domestic transportation of mail, or (2) a rate per ton-mile for foreign transportation of mail which exceeds the average postage revenue per ton-mile derived by the Post Office Department from such foreign transportation of mail.

"DEFINITIONS

"(c) For the purposes of subsections (a) and (b) of this section 'domestic transportation' means transportation between places in

the several States and the District of Columbia, between such a place and a place in Canada within 100 miles of the international boundary line when such place in Canada is the terminating point of such transportation, and between places within the Territory of Hawaii; and 'foreign transportation' means all other transportation not including any part which is defined above as domestic transportation.

"WEIGHING OF MAIL

"(d) The Postmaster General may weigh the mail transported by aircraft and make such computations for satistical and administrative purposes as may be required in the interest of the mail service. The Postmaster General is authorized to employ such clerical and other assistance as may be required in connection with proceedings under this act. If the Board shall determine that it is necessary or advisable, in order to carry out the provisions of this act, to have additional and more frequent weighing of the mails, the Postmaster General, upon request of the Board, shall provide therefor in like manner, but such weighing need not be for continuous periods of more than 30 days.

"SUBSIDY PAYMENTS FOR ESSENTIAL AIR TRANSPORTATION

"(e) (1) For the purpose of maintaining and continuing the development of air transportation (including the introduction of new and improved types of commercial aircraft) to the extent and of the character and quality required for the national defense and the foreign and domestic commerce of the United States, the Board is empowered, upon petition of any air carrier holding a certificate authorizing the transportation of mail by aircraft, and after notice and hearing, to make payments, out of funds appropriated for the purpose of this subsection, to such carrier to enable it under honest, economical, and efficient management to effect such purpose. The Board may prescribe the method of making such payments and their period of duration and after such period a new petition and notice and hearing shall be required before any further payments are made to such carrier under this subsection. Each such petition shall state in detail (A) the amount of payments the petitioned needs in order to effect the purpose of this subsection, and the petitioner shall have the burden of proving such need, (B) the places in the United States (excluding Territories and possessions) served by such carrier which, in accordance with the procedures prescribed by the Board, will be served at a loss during the period covered by such petition, (C) the amount of such loss attributable to each such place, and (D) the amount of the payment requested by such petition which should be attributable to each such place, based upon a distribution of the total operating revenues (excluding any payments made under this subsection) and expenses of such carrier including a fair return on its investment.

"(2) In determining whether any payments should be made to a carrier under this subsection, and the amount of such payments, the fact that such a carrier holds a certificate of public convenience and necessity authorizing it to conduct certain services shall not be deemed conclusive of the issue as to whether any such service is sufficiently required on the interest of the national defense and the commerce of the United States, to justify the amount of payment that would be required under this subsection to enable such carrier to continue such service. In any proceeding in which any such issue is raised, the Board shall give notice to interested parties (including cities receiving such service) and permit such parties to be heard. If the Board shall determine that the need for such service does not justify the amount of payment that would be required under this subsection to continue it, its final order denying such payment shall be accompanied by an order authorizing such carrier to abandon such service at any time within 6 months from the date of such order.

"(3) During the pendency of proceedings to determine the amount of payment to any air carrier under this subsection, the Board is authorized, with or without hearing, to made an advance, out of funds appropriated for the purpose of this subsection, to such carrier upon a showing that the need for such an advance is essential and urgent. Before receiving such an advance such carrier shall be required to agree to repay within a reasonable time such advance, or any part thereof, which exceeds the payment if any, to such carrier finally determined by the Board under this subsection. Such repayments shall be made to the Treasurer of the United States and shall be credited to appropriations made availble for the purpose of this subsection.

"PAYMENTS TO FOREIGN AIR CARRIERS

"(f) In any case where air transportation is performed between the United States and any foreign country, both by aircraft owned or operated by one or more air carriers holding a certificate under this title and by aircraft owned or operated by one or more foreign air carriers, the Postmaster General shall not pay to or for the account of any such foreign air carrier a rate of compensation for transporting mail by aircraft between the United States and such foreign country, which, in his opinion, will result (over such reasonable period as the Postmaster General may determine, taking account of exchange fluctuations and other factors) in such foreign air carrier receiving a higher rate of compensation for transporting such mail than such foreign country pays to air carriers for transporting its mail by aircraft between such foreign country and the United States, or receiving a higher rate of compensation for transporting such mail than a rate determined by the Postmaster General to be comparable to the rate such foreign country pays to air carriers for transporting its mail by aircraft between such foreign country and an intermediate country on the route of such air carrier between such foreign country and the United States."

SEC. 3. Section 407 (d) of the Civil Aeronautics Act of 1938 is amended by inserting "(1)" after "(d)", and by inserting at the end thereof the following:

"(2) The Board shall prescribe procedures by which each air carrier holding a certificate authorizing the transportation of mail by aircraft, in keeping its accounts, records, and memoranda, shall separately record and allocate among places in the Unted States served by such carrier, the receipts from and the expenses incurred in the performance of its various services to each such place."

SEC. 4. Such appropriations as are necessary to carry out the provisions of this act are hereby authorized to be made.

The statement by Mr. JOHNSON of Colorado is as follows:

STATEMENT BY SENATOR JOHNSON OF COLORADO

I am introducing a bill today to separate the payment for the transportation of mail by air carriers from whatever subsidies may be paid them. This bill is the product of 2 years of exhaustive study conducted by the Senate Committee on Interstate and Foreign Commerce. However, it has not been approved by other members of the committee, and merely represents my views on how the controversial task of separating airline subsidies from post office appropriations should be resolved at this time by the Congress.

This bill would fix for 3 years, beginning July 1, 1952, the rates that the domestic and United States international airlines would receive from the Post Office Department. I have recommended 42 cents a ton-mile as the base rate for the domestic transportation of mail, with a provision that the Civil Aeronautics Board may classify certain of the less favorably situated carriers as regional or secondary air carriers to whom the Postmaster General would pay 63 cents a ton-mile, and others as local service or feeder carriers to whom the Postmaster would pay 84 cents a ton-mile.

Had this bill been in effect in 1949, the post office would have saved an estimated $40,272,000 in domestic air-mail payments. However, the domestic airlines have requested the Civil Aeronautics Board to authorize an additional $29,000,000 in mail pay for 1949 to the $60,552,000 already paid them. If these pending petitions are allowed, which I doubt, the savings to the Post Office Department under this bill, could have reached nearly $70,000,000.

The rate of 42 cents a ton-mile will apply to the mail carried by the larger domestic carriers such as American, United, TWA, and Eastern. These carriers are the more prosperous domestic carriers and no longer require a subsidy. However, not all air carriers connect large metropolitan areas with heavy traffic potentials; nevertheless, the communities they do serve also need good air-mail service.

It is fair to recognize too that little mail moves over some mail routes and the proposed ton-mile rates hardly cover the "standby expense" of the transportation provided for the postal service. Accordingly, the bill provides that a 100-pound minimum should be allowed in the mail-rate computation on each leg of all mail schedules. This minimum of one-twentieth of a ton insures the smallest local service carrier a minimum payment of 4.2 cents an airplane-mile. This is less than the revenue realized from carrying one passenger. Domestic air-mail postage is uniform regardless of distance, and most passenger fares yield about the same rate per mile regardless of type of plane used. In one sense air-mail transportation has the same value to the postal service regardless of the particular route over which the mail happens to move, but the volume of mail and the distance transported makes for a widespread variation of cost to the carrier.

The establishment of a mail rate for United States international carriers, which operate in competition with foreign government airlines, presents a most difficult problem. No one wants to jeopardize the competitive positions of our airlines in their struggle of survival with subsidized foreign competition. Nor do we want to upset delicately balanced international postal arrangements. Last January, I sought the advice of the Air Coordinating Committee on these international problems. This is a committee set up by the President to coordinate for the executive departments and agencies and to advise upon just such fundamental aviation problems as this presents. To date, the committee has been unable to present its views to me.

However, the demand must be met that the separation of mail pay from subsidy include all carriers, domestic and international. Accordingly, I have provided in this bill a method of divorcing the obligaion of the Post Office Department to pay for the transportation services rendered for it from the over-all national interest responsibilities of the Civil Aeronautics Board. This is done in a manner which, I believe, will be equitable to American international carriers, and at the same time permit the continued development of our vital international airline services.

The bill provides that the United States international carriers shall be paid by the Post Office Department a rate for the carriage of mail equal to 80 percent of the average postage revenue received by the United States Post Office for transporting this mail. I have had a computation made and I am advised that upon the basis of 1949 postage,

revenues and mail loads, this would have produced a mail rate of $1.51 per ton-mile.

Payment of 80 percent of the postage revenue to the carriers for transporting the mail leaves the Post Office Department with 20 percent of the postage revenue collected to pay departmental expenses and forwarding charges of foreign postal administrations. This rate is substantially below the prevailing rate that our post office pays to foreign-owned airlines for the carriage of our mail under the Universal Postal Union. But foreign governments would continue to pay to our carriers the same rates their carriers receive from us for carrying our mail.

I propose that the $1.51 rate to be paid by the post office to our carriers for transporting mail to foreign countries be paid for transporting all United States mail by aircraft outside the continental limits of the United States, with the exception of local mail carried by air within the Territory of Hawaii, and to cities within a strip 100 miles wide along the Canadian border. It would include the transportation of mail by certificated air carriers within Alaska, as well as mail carried to and from Alaska, to and from Hawaii, and to and from all other United States Territories and possessions. A 100-pound minimum mail load is also provided for all schedules authorized or designated to be flown outside the United States for the carriage of United States mail. If United States international air carriers had been paid under this bill in 1949, the Post Office Department would have saved $27,126,000.

Senators will please note that when I point out the savings to the Post Office Department it does not follow that all of these funds would have been saved to the Treasury. In addition to the rates established in the bill for the transportation of mail, provision is made for the Civil Aeronautics Board to pay subsidies to the airlines to develop and maintain an air transportation system to meet the national defense and the foreign and domestic commerce needs of the United States. These subsidy payments will be appropriated by Congress to the Civil Aeronautics Board for that purpose.

The bill requires every air carrier seeking subsidies from the Board to present in its petition a detailed accounting of its losses incurred by its service to the various communities on its certificated routes. This will indicate the need for the Federal subsidy requested and bring out in the open the soundness of the route pattern which is being maintained at Federal cost.

While no one can predict what these subsidies may be, it is reasonable to anticipate that they will be held to a reasonable minimum. Under the provisions of the bill, the Civil Aeronautics Board will be required to appear before the Appropriations Committees annually to justify all funds which are to be used for subsidies. In pending mail pay proceedings before the Board by both domestic and international air carriers, the contingent liability of the Federal Government for additional mail pay up to January 1, 1951, is $167,717,000. I feel certain that every cent of that stupendous sum would have to be fully justified before it would be approved by the Appropriations Committees of Congress.

AMENDMENT OF CLAYTON ACT RELATING TO ELIGIBILITY OF ANY PERSON TO BE AN OFFICER, DIRECTOR, OR EMPLOYEE IN MORE THAN ONE CORPORATION

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill to amend section 8 of the Clayton Act with respect to the eligibility of any person to be an officer, director, or employee in more than one corporation, and I ask unanimous consent that a statement by me explaining the bill be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 1659) to amend section 8 of the Clayton Act with respect to the eligibility of any person to be an officer, director, or employee in more than one corporation, introduced by Mr. HUMPHREY, was read twice by its title and referred to the Committee on the Judiciary.

The statement presented by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY

It has always been a basic belief of our Nation and our people that an economic system based on competition serves the community more efficiently than could any other system. Because of this belief, Americans have always opposed monopolies. Monopolies are incompatible with competition. We have, therefore, sought to regulate concentrations of economic power and to prevent any company, or group of companies, from monopolizing any area of economic activity. To this end of preserving competition, the Congress passed the Sherman and Clayton Act and the other antitrust laws now on our statute books. Time and experience, however, have shown us that these laws are not adequate to the purpose for which they were enacted.

The operation of our antitrust laws has exposed loopholes which have enabled monopolies to escape regulation. For this reason it has become clear that if we are to control monopolies a reconsideration of the whole of our antitrust legislation is in order. The bill which I am introducing into the Senate today deals with only one of these loopholes—that relating to the prevention of interlocking directorates among commercial and industrial corporations.

It would prohibit multiple directorships in large corporations, making it unlawful for any person to be an officer, director, or employee of more than one corporation having total assets in excess of $60,000,000. I estimate on the basis of Department of Commerce statistics and Moody's Manual of Investments, that this statute would affect one or more directors in from 175 to 200 manufacturing and mining corporations and in from 20 to 25 retail corporations. It is my hope that the Senate will act on this bill and will also, in the near future, undertake a comprehensive revision of our complete antitrust program of statutes and their enforcement.

The bill which I am introducing seeks to amend that portion of section 8 of the Clayton Act which deals with interlocking directorates of industrial and commercial corporations. It was the clear and expressed intention of the Clayton Act to prevent the use of interlocking directorships as a means of eliminating competition. The law was based on the premise that the control of different corporations should not be concentrated in the hands of the same men, because such concentrations of power would threaten and finally destroy competition. In an effort to prevent the centralization of economic power, the Congress provided in section 8 that no man could serve as a director of more than one corporation whose capital, surplus, and undivided profits aggregated more than $1,000,000. Actually, however, this provision has failed utterly to prevent the interlocking control of corporations. The Attorney General, on October 11, 1947, announced that the Department of Justice had conducted a survey of interlocking directorships held by some 10,000 persons in 1,600 leading corporations. Of this group, there were said to be approximately 1,500 who held directorships in more than one concern. An investigation recently conducted by the Federal Trade Commission further confirmed conclusively the interlocking relationship among the directors of the 1,000 largest United States manufacturing corporations. The report on this investigation pointed up the principal shortcomings of the law as it now exists:

1. The law does not prohibit a person who is not a director, but otherwise an official of one corporation or even a minor employee, from serving as a director of a competing corporation. An example of how this loophole enables corporations to evade the intent of the law was provided recently by the change in the board of directors of the General Steel Castings Corp. The board of this corporation included several persons who were also directors of two corporations which competed with it, the Baldwin Locomotive Works and the American Steel Foundries. When the Attorney General pointed out the violation of section 8, the directors merely resigned and their places were taken by persons who were employees (but not directors) of the two competing corporations.

2. The law applies only to direct interlocks, not to indirect interlocks. An indirect relation exists when the directors of competing corporations sit jointly on the board of directors of a third corporation. For example, Standard Oil Co. of Indiana, Standard Oil of California, Gulf Oil Corp., and Continental Oil Co. all had directors on the board of the Chase National Bank.

3. The law is limited strictly to interlocking directorates among competing corporations and does not attempt to prevent interlocking relationships between suppliers and customers. Such vertical interlockings can produce effects very harmful to competition, especially in times of shortages when small companies may be ruined by their inability to procure materials.

Because of these loopholes in the existing law, General Motors is today interlocked with 10 of the other 24 largest corporations, American Telephone and Telegraph and Chase National Bank with 9 of the largest 25, and Mutual Life Insurance and Metropolitan Life Insurance with 8, to include only a few.

I commend to the Senate an excellent article published in the Yale Law Journal for June 1950 entitled "Interlocking Directorships and the Clayton Act After 35 Years," and written by Mr. Victor H. Kramer, trial attorney and assistant chief of the trial section, Antitrust Division, United States Department of Justice. Mr. Kramer presents strong evidence in support of legislation of the type I am hereby introducing by presenting facts with regard to our economy which dramatically prove the need for that legislation. We need a statute which will flatly prohibit multiple directorships in large corporations and which will strengthen the existing provisions of section 8 of the Clayton Act so as to prohibit the same person from holding office or employment in one corporation as well as a directorship in a competing corporation. It is this which my bill is designed partially to provide.

STUDY OF LOW GRAIN PRICES IN CERTAIN AREAS

Mr. LANGER submitted the following resolution (S. Res. 155), which was referred to the Committee on Agriculture and Forestry:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is directed to make a full and complete study of the wheat and other grain markets to determine the reasons for present low grain prices in certain areas and to report to the Senate at the ear-

liest practicable date the results of such study together with such recommendations as it may deem advisable.

ADMISSION OF ALASKA INTO THE UNION—AMENDMENT

Mr. BUTLER of Nebraska submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 50) to provide for the admission of Alaska into the Union, which was ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 1179) to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research, was read twice by its title, and referred to the Committee on Armed Services.

NOTICE OF HEARING ON NOMINATION OF HAROLD R. MEDINA TO BE UNITED STATES CIRCUIT JUDGE, SECOND CIRCUIT

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, June 19, 1951, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Harold R. Medina, of New York, to be United States circuit judge, second circuit, vice Hon. Learned Hand, retired. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from West Virginia [Mr. KILGORE], and the Senator from New Jersey [Mr. HENDRICKSON].

NOTICE OF HEARING ON NOMINATION OF THOMAS F. MURPHY TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, June 19, 1951, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Thomas F. Murphy, of New York, to be United States district judge for the southern district of New York, vice Hon. Harold R. Medina, elevated. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN] chairman, the Senator from West Virginia [Mr. KILGORE], and the Senator from New Jersey [Mr. HENDRICKSON].

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting the nomination of Robert R. Rose, Jr., of Wyoming, to be Assistant Secretary of the Interior, and withdrawing the nomination of Julian J. Zochowski, to be postmaster at Newport, Mich., which nominating message was referred to the Committee on Interior and Insular Affairs.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Forty-one postmasters.

ADDRESSES, EDITORIALS, ARTICLES, ETC PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. HENNINGS:

Address delivered by the Vice President at the commencement exercises of Westminster College, at Fulton, Mo., on June 4, 1951.

By Mr. TAFT:

Address to the Republicans of Wisconsin, delivered by him at Milwaukee, Wis., on June 9, 1951.

By Mr. YOUNG:

Statement prepared by him in tribute to William Lemke, late a Representative in Congress from the State of North Dakota.

By Mr. FREAR:

Address entitled "The New Castle Tercentenary," delivered by Dr. John A. Munroe, associate professor of history, University of Delaware.

By Mr. AIKEN:

Editorial relating to the taxation of cooperatives, entitled "They Too Pay Taxes," published in the April 27, 1951, issue of the Swift County (Minn.) Monitor.

By Mr. FLANDERS:

Statement entitled "Communism: What Is It?" by George M. Abbott, of Bennington, Vt.

By Mr. JOHNSON of Colorado:

Editorial entitled "Peace at the Thirty-Eighth?" published in the May 22, 1951, issue of the Boston Herald.

By Mr. MOODY:

Editorials from the Washington Star of June 9 and the New York Times of June 10, dealing with inflation and proposed controls of prices and wages.

By Mr. BUTLER of Nebraska:

Article entitled "Foreign Giveaway Grows," written by Henry Hazlitt, and published in the June 11 issue of Newsweek magazine.

By Mr. GILLETTE:

Article relating to price controls from the June 2, 1951, issue of the Wallace Farmer.

By Mr. HUMPHREY:

Article relating to opportunities for older workers, by John Herling, and biographical sketch of Mr. Herling by Jay Edgerton, both from the Minneapolis Star of May 31, 1951.

By Mr. FERGUSON:

Excerpt from article entitled "Speaking of Books," by John T. Frederick, published in the Rotarian magazine for May 1951, being in tribute to the book, The Key to Peace, by Dean Clarence Banion, and to Emmett Richards, editor of the Alpena (Mich.) Daily News.

By Mr. SCHOEPPEL:

A letter dealing with the roll-back on cattle prices writen by John Henderson, of Washington, Kans., published under the headline, "A farmer's story," in the Washington Times-Herald of June 12, 1951.

THE FLOW OF THE COLUMBIA RIVER

Mr. MAGNUSON. Mr. President, in the current issue of Fortune magazine there is a long article in which the writer takes to task the Government for the establishment of aluminum plants in the Pacific Northwest. In that article there are some glaring mistakes of fact regarding the question of the flow of the Columbia River, on which is based the premise that it could not furnish the cheap power needed for the manufacture of aluminum.

Such confusion has often occurred in articles about the State of Washington. Eastern publications seem to have a knack for placing mountains in the wrong places, having Spokane where Seattle is, or vice versa. I sometimes wish that some Eastern editors would visit that area and take a look for themselves.

Nevertheless, I am sure that they all want to keep the record straight. In that connection I ask unanimous consent to have printed in the body of the RECORD at this point as a part of my remarks a very brief editorial entitled "Columbia's Variations Greatly Exaggerated," published in the Seattle Times of June 5, 1951. This editorial gives the facts regarding the flow of the river.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COLUMBIA'S VARIATIONS GREATLY EXAGGERATED

The Pacific Northwest frequently has been the victim of errors in hastily prepared articles. It is easy to find excuses for a writer who confuses Spokane with Seattle or puts a mountain in the wrong State. It is more difficult to condone a misstatement in an economic analysis, when glaringly incorrect figures are used to bolster an argument as to the dependability of regional power resources.

We refer to an article in the current issue of Fortune magazine, titled "The Great Aluminum Farce." It is, in part, an attack upon the choice of the Pacific Northwest for further aluminum plants. In the course of this article the following flat statement is made by Fortune:

"The difference in the flow of the Columbia River during a wet year and a dry one is roughly 35 to 1, compared to 2 to 1 at Niagara and 15 to 1 at TVA."

If the Columbia had such variations from year to year, its power potential would not be of much importance to aluminum or any other industry. But what are the facts?

Records kept at Cascade locks, on the lower river, for 72 years, show the highest annual runoff, during the water year 1893–94, was 240,000,000 acre-feet. The lowest, in the 1943–44 water year, was 91,000,000 acre-feet. This is a difference of approximately 2½ to 1, instead of 35 to 1.

What the Fortune writer possibly had in mind—but did not so state—was the difference between the river flow at high water, about this time of year, and the low flow of early January. This seasonal difference is about 20 or 25 to 1 in the average year.

But the 10,000,000 acre-feet of storage behind Grand Coulee Dam, more than half of which is available for release during low-water periods, represents a considerable step toward equalizing this seasonal variability. The Hungry Horse, Albeni Falls, and Libby Dams will add further to storage on the main stem of the Columbia. Additional storage will be provided on Snake River, the Columbia's largest tributary, if the proposed Hells Canyon Dam receives a green light from Congress.

There are some substantial reasons, from this region's standpoint, why aluminum should not be allowed too large a share of Pacific Northwest power. But no purpose is served by erroneous statements which wholly misrepresent the year-by-year dependability of our Old Man River.

STATE MERIT SYSTEM SERVICES—STATEMENT BY SENATOR HUMPHREY

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement I have prepared relating to the program of State merit system services.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I should like to call attention to one small item in the Federal Security Agency budget which has importance out of proportion to its size. The program of State merit system services represents a real economy in Federal funds granted to States and a service to the States which they regard as essential.

The Appropriations Subcommittee report, in arriving at total reductions, proposed a virtual elimination of the departmental staff of this division—a reduction from 17 to 4 positions. In the hearings, the committee did not raise any questions with respect to this item nor did the Federal Security Administrator discuss it. The report views the service as one solely of advice. In fact, the functions include single rather than multiple handling of State plans for the various grants-in-aid in public assistance, child welfare and health, public health, vocational rehabilitation, and employment security. This division was set up at half the cost of preexisting separate merit system units in the various Federal bureaus.

Another function of the departmental staff is to furnish examination materials and other technical services to all the States. These materials are developed with State cooperation and furnished to States at their request. All the 48 States and the Territories have used these services continuously. This avoids duplication in each State of the preparation of materials financed out of Federal funds.

The legal provisions for merit systems covering the grant-in-aid programs were enacted, by a bipartisan Senate vote of 72 to 2, after 5 years' experience without them. The Council of State Governments, in its report to the Hoover Commission, appraised the program and concluded:

"National insistence upon State-wide merit systems for particular programs has undoubtedly improved the administration of those programs.

"National supervision should not be confused with national control. National supervision can be most effective when it allows the States to profit from its superior technical facilities and greater experience. The emphasis in national supervision now rests to a large extent—and properly so—on building up the quality of personnel within State agencies."

The Federal-State cooperative relationship and the technical services rendered to the States have received recognition from nonpartisan civic organizations such as the National Civil Service League, from the interagency Civil Service Assembly of the United States and Canada, and from authorities in the field of public administration such as Dr. Lewis Meriam, of Brookings Institution, and Prof. Leonard White, of the University of Chicago, former Republican member of the United States Civil Service Commission. Grants for administration of the various programs (excluding benefits to individuals) run over $400,000,000, 70 percent of which are for personal services. This small nonpartisan organization has been recognized as making a substantial contribution to economy and efficiency in the administration of the grant-in-aid programs.

In addition to serving the bureaus of the Federal Security Agency, this unit, by contractual arrangement with the Department of Labor, also serves its Bureau of Employment Security. The Advisory Council of the Bureau, representing employers, labor, veterans, and the general public, has commended the two departments for their cooperation in using a single service with consequent economy and effectiveness in State relations. This arrangement should be continued.

May I therefore express the view, which I believe will receive bipartisan endorsement, that, within the funds appropriated, essential examination and other technical services to States, which they request, should be continued.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to consider a motion previously entered, to reconsider the vote by which the Senate requested a conference with the House on the amendments of the House to Senate Concurrent Resolution 12.

The VICE PRESIDENT. The concurrent resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 12) favoring the suspension of deportation of certain aliens.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nevada?

There being no objection, the Senate proceeded to consider the motion.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Nevada that the Senate reconsider the vote by which the Senate requested a conference with the House.

Mr. WHERRY. Mr. President, reserving the right to object, was there any objection to the concurrent resolution on the floor of the Senate when it was agreed to?

Mr. McCARRAN. No, there was no objection on the floor of the Senate. Later the House placed in another resolution the name which was deleted.

Mr. WHERRY. I have no objection.

Mr. CHAVEZ. Mr. President, I should like to ask a question. I was not in the Chamber at the time action was taken on the resolution. Will the Senator from Nevada be so kind as to explain it?

Mr. McCARRAN. Mr. President, this is a concurrent resolution recording congressional approval of the action of the Attorney General in suspending deportation in certain cases. The motion to reconsider was entered by unanimous consent after it had been explained to the Senate that the House amendment added five names and deleted one; that the five names added have been checked and are unobjectionable; and that the name which was deleted has subsequently been added to another resolution which has been adopted by the House.

Mr. CHAVEZ. Do I correctly understand the Senator to say that the resolution provides for the inhibition of the deportation?

Mr. McCARRAN. Yes. Under the law, when deportations are pending and the Department of Justice sees fit to suspend such deportations, it may do so. However, its act of suspension must come before the Congress. We screen the suspensions and report to the Senate or the House, as the case may be.

Mr. CHAVEZ. Do I correctly understand that the chairman of the Committee on the Judiciary is recommending that that be done by this resolution?

Mr. McCARRAN. I am recommending in this case that that be done. I do not wish to be placed in the position of recommending the process, because I have repeatedly drawn it to the attention of the Senate. However, it is the law, and we are following it.

Mr. CHAVEZ. I have no objection.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Nevada to reconsider the vote by which the Senate requested a conference with the House on the amendments of the House to Senate Concurrent Resolution 12.

The motion was agreed to.

Mr. McCARRAN. Mr. President, I now ask that the Chair lay before the Senate the amendments of the House.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 12) favoring the suspension of deportation of certain aliens, which were, on page 12, strike out lines 4 and 5, on page 12, after line 8 insert:

A-6060202, Arditi, Isaac.
A-6542191, Arditi, Mathilda.
A-6841451, Versteegh, Frederik Lodewyk Cornelis.
A-6841452, Versteegh, Elisabeth Marie Louise or Elisabeth Marie Louise De Bruine.
A-4335356, Selimovic, Hifzo Hadzi or Gene Gary.

Mr. McCARRAN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

Mr. McCARRAN. Mr. President, I ask the Chair to lay before the Senate a message from the House with respect to Senate Concurrent Resolution 15.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 15) favoring the suspension of deportation of certain aliens, which were, on page 8, strike out lines 13 and 14; on page 12, strike out line 10, and on page 23, after line 5, insert:

A-7351041, Spangler, Patricia Anne (nee Gaynor).
A-2998994, Marchessini, Panachi Demetri.
A-2998949, Marchessini, Helen (nee Machris or Helen Panaghi Marchessini).
A-7010772, Marchessini, Demetri, or Demetrios Panaghi Marchessini.
A-7010773, Marchessini, Alexander, or Alexander Panaghi Marchessini.
A-5093352, Kinoshita, James Kunihiro.

Mr. McCARRAN. Mr. President, this is a concurrent resolution respecting the suspension of deportation of certain aliens. The House has amended the resolution by striking two names, and adding six names.

The two names stricken are names of persons whose designation for suspension of deportation has been withdrawn by the Attorney General. The six names added by the House have been carefully checked by the staff of the Immigration

and Naturalization Subcommittee of the Senate, and that committee recommends that the Senate concur in the House amendments.

Accordingly, Mr. President, I now move that the Senate concur in the amendments of the House to Senate Concurrent Resolution 15.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Nevada.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield.

Mr. WHERRY. I thought the Senate acted favorably on this resolution last week.

Mr. McCARRAN. Not on this one.

Mr. WHERRY. Is this another one?

Mr. McCARRAN. This is another; and I have one or two more.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Nevada [Mr. McCARRAN].

The motion was agreed to.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. McCARRAN. Mr. President, the House has amended six private immigration bills of the Senate, all in the same manner, and the bills are now awaiting action. I desire to make a brief explanation, and then I shall ask that the House amendments be laid before the Senate and that the Senate concur in the House amendment in each instance.

These are all bills granting the status of permanent residence to aliens. As the bills passed the Senate, each bill provided for a quota deduction from the available quota numbers for the country from which the alien comes. The House has amended each bill so as to provide for deducting one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act. That is the section which permits the Attorney General to adjust the status of certain classes of displaced persons.

Since the displaced persons law provides that a charge shall be made against the quota from the country of origin in the case of displaced persons whose status is adjusted, and since the beneficiaries of these six bills are all persons who may be considered as falling, in fact, within the category of displaced persons, as a practical matter, it is the judgment of the Immigration Subcommittee of the Senate that there is no objection to the House amendments.

I now ask, Mr. President, that the Chair lay before the Senate the House amendments to the several bills.

ZDENEK MAREK

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 178) for the relief of Zdenek Marek, which was to strike out lines 11 and 12, and insert "number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Person Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

Mr. McCARRAN. I move that the Senate concur in the House amendment.

The motion was agreed to.

RUZENA PELANTOVA

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 249) for the relief of Ruzena Pelantova, which was to strike out lines 10, 11, and 12, and insert "shall instruct the proper quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

Mr. McCARRAN. I move that the Senate concur in the House amendment.

The motion was agreed to.

HERK VISNAPUU AND HIS WIFE, NAIMA

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 361) for the relief of Herk Visnapuu and his wife, Naima, which was to strike out all after the enacting clause and insert "That for the purposes of the immigration and naturalization laws, Herk Visnapuu and his wife, Naima, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct two numbers from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

Mr. McCARRAN. I move that the Senate concur in the House amendment.

The motion was agreed to.

TU DO CHAU (ALSO KNOWN AS SZETU DJU OR ANNA SZETU)

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 362) for the relief of Tu Do Chau (also known as Szetu Dju or Anna Szetu), which was to strike out all after "proper", in line 10, down to and including "available" in line 12, and insert "quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

Mr. McCARRAN. I move that the Senate concur in the House amendment.

The motion was agreed to.

MRS. SUZANNE WIERNIK AND HER DAUGHTER, GENEVIEVE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 364) for the relief of Mrs. Suzanne Wiernik and her daughter, Genevieve, which was to strike out all after "proper", in line 10, down to and including "quotas" in line 12, and insert "quota officer to deduct two numbers from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

Mr. McCARRAN. I move that the Senate concur in the House amendment.

The motion was agreed to.

EVALD FERDINAND KASK

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 648) for the relief of Evald Ferdinand Kask, which was to strike out lines 10 and 11, and insert "quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)."

Mr. McCARRAN. I move that the Senate concur in the House amendment.

The motion was agreed to.

Mr. WHERRY. Mr. President, I should like to ask one further question, if I may. I am very much interested to know whether or not the names which were inserted by the House had the same treatment as that which was given to the names originally listed in the Senate bill. In other words, does the subcommittee of the Senate Committee on the Judiciary screen the selections made by the House before they are brought before the Senate?

Mr. McCARRAN. That is correct. As soon as the new names come to the Committee on the Judiciary they are laid before the staff of the committee, and the staff screens each individual.

Mr. WHERRY. I thank the Senator from Nevada. I appreciate the difficulty involved so far as the screening of aliens is concerned. I feel, however, that when new names are inserted by the House we should have the complete assurance of the Committee on the Judiciary, in asking the Senate to concur in the names added by the House, that the names have been screened by the Senate Committee on the Judiciary.

Mr. McCARRAN. I am glad that the Senator from Nebraska raised the question, so that I could have the opportunity to answer it in the way I have answered it.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

Mr. CHAVEZ. Mr. President, I believe that the amendment offered by the Senator from Michigan [Mr. FERGUSON] and the amendment to that amendment offered by the Senator from New York [Mr. LEHMAN] have been fully discussed by the Senate. I was wondering whether the Senate could now vote on the amendment offered by the Senator from New York to the amendment of the Senator from Michigan.

Mr. FERGUSON. I have no objection.

Mr. WHERRY. In answer to the Senator from New Mexico, I believe there is no objection, although I suppose we should have a quorum call first.

Certainly there is no objection to having a vote on the Lehman amendment at this time.

Mr. LEHMAN. I have no objection.

Mr. FERGUSON. I have prepared a statement on the Lehman amendment which I should like to insert in the RECORD at this time, preliminary to any voting. In line with the chairman's desire to reach an early vote I will withhold its delivery, but I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FERGUSON

I

Many moving words have been uttered about the Ferguson amendment crippling vital health activities. The air has been charged with emotion. I have been made to feel that I was a person who liked to go around setting fire to hospitals.

I think it is time that we get down to facts. It is time that we look at the Ferguson amendment in the light of the principle it represents, and in the light of what it actually does.

The pending amendment by the Senator from New York is to exempt seven of the appropriation items in this bill from the application of the Ferguson amendment. Let us first examine the functions in those items and just how the Ferguson amendment affects them.

A. The Lehman amendment would exempt hospitals and medical care from the application of the Ferguson amendment. They are already exempted by committee action.

B. Foreign Quarantine Service. The purposes of this appropriation are to (1) prevent the introduction into the United States of epidemic diseases from foreign countries; and (2) to provide medical services to the Department of State and to the Immigration and Naturalization Service in the examination of aliens.

There is nothing in this function which relates to the research or care of the ill about which some have spoken so movingly.

I call attention to the fact that the committee recommended an appropriation of $2,868,029 with a limitation on personal services of $2,507,458. My amendment would reduce both items by $131,971 for an appropriation of $2,736,058, of which $2,375,487 would be for personal services. This proposed allowance for personal services is almost twice what the entire service received in 1942.

C. Operating expenses, National Institute of Health. This appropriation fosters and conducts medical and related research in a number of fields which have been the subject of moving pleas in the last few days. A schedule of its program, that is, its obligations by activities, is very revealing:

	1952 request	1950	1951 estimate
1. Grants to medical schools and other institutions and to individuals for research and training:			
(a) Research projects	$9,000,000	$5,417,342	$7,501,000
(b) Fellowship projects	650,000	533,729	542,000
2. Direct operations:			
(a) Research	5,385,000	4,872,778	5,110,000
(b-1) Review and approval of research and training grants	555,000	543,422	523,900
(b-2) Administration	210,000	337,413	237,000
Total	15,800,000	11,704,684	13,913,000

The point at which those figures are revealing is reflected in two items in obligations by object:

	1952 request	1950	1951 estimate
Personal services	$4,800,532	$4,379,152	$4,522,200
Grants, subsidies, and construction	9,650,000	5,951,071	8,043,000

The point is that this appropriation would make available $9,650,000 for research and training grants, which is approximately $3,700,000 more than was appropriated for those purposes in fiscal 1950, and not one cent of that grant money would be taken away by the Ferguson amendment.

Now I know that it will be pointed out that the $4,800,532 requested for personal services includes a great deal of research under direct activities. It does, and some valuable new research is planned for next year. A gross amount of $416,531 has been requested for 85 new positions in 1952, under the category of research.

I want to read the job descriptions of some of these new positions under research. The top six positions are for an institute director, clinical director, neurologist, executive officer, physiologist, and ophthalmologist. Now I want to read from the rest of the list:

Title	Grade	Number	Amount
RESEARCH			
Head, landscaping and garden section	GS-11	1	$5,400
Organization and methods examiner	GS-11	1	6,200
Personnel representative	GS-11	3	16,200
Housekeeper	GS-10	1	5,000
Assistant engineer	GS-9	2	9,200
Dietitian	GS-9	1	4,600
Personnel representative	GS-9	2	9,200
Shop superintendent	GS-9	1	4,600
Administrative assistant	GS-8	1	4,200
Laboratory technician	GS-7	1	3,825
Secretary	GS-7	1	3,825
Do	GS-6	1	3,700
Mechanical engineer	GS-5	1	3,350
Secretary	GS-5	2	6,200
Clerk-dictating machine transcriber	GS-4	1	2,115
Clerk-stenographer	GS-4	1	2,875
Do	GS-3	2	5,300
Clerk-typist	GS-3	2	5,540
Dictating machine transcriber	GS-3	2	5,620
Laundry superintendent	CPC-10	1	4,150
Foreman plumber	CPC-8	1	3,400
Head electrician	CPC-8	1	3,400
Head operating engineer	CPC-8	1	3,400
Electrician	CPC-6	1	2,900
Guard	CPC-4	4	9,800
Sheet-metal worker helper	CPC-4	1	2,450
Laborer	CPC-2	16	33,920

In all seriousness I ask whether or not we are adversely affecting the Nation's health by a 10-percent personnel cut-back which would eliminate some of those positions while preserving the values of pure researchers. Bear in mind that this amendment cuts about $240,000 from what is provided in the bill for personal services, and that the gross of new positions asked for the National Health Institutes was $416,531.

D. National Cancer Institute: This program has three major purposes: (1) To foster and conduct research in the causes of cancer and means for its detection, diagnosis, and treatment; (2) to improve the caliber of teaching in cancer problems and supply of trained personnel; (3) to assist in developing services at the local level.

Again the schedule of obligations by objects reveals the extent to which the scope of this work is affected by the Ferguson amendment:

	1952 request	1950	1951
Personal services	$2,836,580	$2,718,537	$2,765,430
Grants, subsidies, contributions	10,315,000	15,836,367	10,217,000

In other words, about 3½ times as much is contained in this appropriation for research and other grants than for personal services in direct activities which include research. And not 1 cent of those research grants is touched by this amendment.

E. Mental health activities: This program has purposes, with respect to mental diseases and condition, which are identical with the purposes of the Cancer Institute in the field of cancer. Its program reflects primary emphasis upon grants as against direct activities, shown as follows:

	1952 request	1950	1951
Personal services	$1,240,515	$901,705	$1,120,345
Grants, subsidies, contributions	8,182,000	8,140,806	5,561,000

Here, however, the ratio of research and similar grants is about 7 to 1 for personal services in direct activities. But again, the great bulk of this appropriation, for research and training, is not affected in any way by the Ferguson amendment.

F. Heart Institute: The institute's purposes follow those of cancer and mental health, with prime emphasis upon grants rather than direct research activities.

	1952 request	1950	1951 estimate
Personal services	$1,540,351	$1,014,901	$1,533,981
Grants, subsidies, contributions	7,501,000	13,752,043	6,730,000

The ratio here is about 5 to 1, and I repeat that not 1 cent of the $7,591,000 which makes up the bulk of the research and similar grants in this appropriation is touched by the Ferguson amendment.

G. Dental health activities: Again the program is similar to that in fields of cancer mental health and heart, except for a lesser emphasis on grants and stress instead of technical assistance to States, which is not classified as research. Obligations by activities indicate the nature of the program.

	1952 request	1950	1951
1. Grants to institutions and individuals:			
(a) Research projects	$221,000	$196,857	$221,000
(b) Research fellowships	50,000	34,912	50,000
2. Direct operations:			
(a) Research	337,950	247,835	339,200
(b-1) Review and approval of grants	12,500	8,893	11,050
(b-2) Technical assistance to States	943,650	1,261,745	1,148,500
(b-3) Dental resources	125,000	70,479	128,000
(b-4) Administration	60,100	53,799	60,100
Total	1,750,000	1,874,520	1,954,850

Personal services amount to $1,056,548 of the requested appropriation, and the Ferguson amendment would reduce the allowance for them by $52,692, or about one-third of the amount budgeted for travel.

Mr. President, I have gone through each of these appropriation items in some detail because I think the record should be very clear as to whether or not my amendment has a crippling effect upon vital health activities. The evidence I have submitted should dispel any such notion for these reasons:

1. The first activity designated by the Lehman amendment for exception, that is, hos-

pital and medical care, is already exempt from application of the Ferguson amendment.

2. Without discounting the importance of the Foreign Quarantine Service—although I think it can stand a cut just as can every other function of government—it is not in the category of health activities for which we have heard such moving pleas.

3. In the remaining items which the Lehman amendment proposes to exempt the great bulk of the appropriations are for research and other grants which make up the programs that are of most vital concern, and the Ferguson amendment does not touch them in any degree.

II

I should enter in the RECORD at this point a table showing exactly what the Ferguson amendment does do with respect to the seven items the Lehman amendment proposes to exempt. The reductions in each instance, of course, are for personal services:

	Committee recommendation	Ferguson amendment	Reduction
Hospital and medical care	$30,200,000	[1] $30,200,000	
Foreign Quarantine Service	2,868,029	2,736,058	$131,971
Health Institutes	15,559,973	15,319,946	240,027
Cancer Institute	19,806,171	19,665,342	141,829
Mental Health	10,737,974	10,675,948	62,026
Heart Institute	10,072,982	9,995,964	77,018
Dental Health	1,697,308	1,644,616	52,692
Total	90,941,437	90,235,874	705,563

[1] Exempt.

III

The Ferguson amendment reduces these items $705,563. This compares to the total effect of the Ferguson amendment upon the bill in an amount of about $7,250,000.

IV

A further argument against the Lehman exemptions is the simple and positive fact that Congress has been far from niggardly with these agencies in the past. A series of 10-year tables showing the average number of employees and adjusted amounts available for each item in past fiscal years illustrate my point. I will place them in the RECORD at this point in my remarks.

FOREIGN QUARANTINE SERVICE

Fiscal year	Average number of positions	Amount
1941	54	$1,289,487
1942	478	1,251,416
1943	447	1,234,250
1944	439	1,325,534
1945	429	1,441,000
1946	483	1,806,700
1947	589	1,985,900
1948	613	2,450,000
1949	660	3,185,000
1950	665	3,141,000
1951	622	3,004,000
1952 estimate	608	3,000,000

NATIONAL HEALTH INSTITUTE

1941	402	$525,893
1942	327	512,380
1943	633	2,017,406
1944	517	1,707,196
1945	511	1,795,008
1946	539	2,866,000
1947	808	5,966,948
1948	923	8,282,737
1949	1,232	14,540,000
1950	1,354	12,075,000
1951	1,400	13,913,900
1952, estimate	1,457	15,800,000

CANCER INSTITUTE

Fiscal year	Average number of positions	Amount
1944	132	$530,000
1945	144	561,000
1946	122	548,700
1947	223	1,772,000
1948	429	14,500,000
1949	534	[1] 14,000,000
1950	672	[2] 18,900,000
1951	661	19,886,000
1952, estimate	663	19,947,000

MENTAL HEALTH ACTIVITIES

1941	483	$1,438,500
1942	518	1,478,086
1943	599	1,344,280
1944 [3]	575	1,227,036
1945 [3]	575	1,166,356
1946	703	1,413,597
1947	869	1,632,000
1948	977	4,250,000
1949	146	[4] 9,128,000
1950	188	[5] 11,612,000
1951	226	9,505,000
1952, estimate	247	10,800,000

HEART INSTITUTE

1948	60	$1,632,479
1949	131	2,835,400
1950	248	[6] 10,675,000
1951	338	14,200,000
1952, estimate	331	10,150,000

DENTAL HEALTH ACTIVITIES

1948	56	$465,126
1949	206	1,733,202
1950	245	1,708,000
1951	235	1,954,850
1952 estimate	215	1,750,000

[1] Excludes $8,000,000 contract authorization.
[2] Excludes $6,000,000 contract authorization.
[3] Activity included in "Hospitals and medical care."
[4] Excludes $2,300,000 contract authorization.
[5] Excludes $2,150,000 contract authorization.
[6] Excludes $5,350,000 contract authority.

The significance of these tables is that they show appropriations for these 6 activities to have increased $55,565,515, or about 950 percent, and personnel to have increased by 2,334, or about 200 percent since 1941, or whatever later year the particular program was innovated. Yesterday, at page 6361 of the RECORD, the Senator from Idaho [Mr. DWORSHAK] introduced data showing appropriations for the Public Health Service at large had increased tenfold in the past 10 years, and the Senator from Arkansas [Mr. MCCLELLAN] reminded us that amounts in the pending bill are 32½ percent above 1951 expenditures. That is scarcely a record of congressional niggardliness.

V

Another argument has been made against this amendment, that it will actually effect a greater reduction than 10 percent from budget estimates for personnel services because it will require lay-offs and the payment of terminal leave.

To contradict that argument, as well as to demonstrate the absolute essentiality of this amendment, I wish to refer to a table showing employment and payroll records for the agencies which are covered by this bill. It appears at page 6307 of the RECORD for June 8.

Mr. President, that table reveals these startling facts:

1. Since the first of the present fiscal year employment in these agencies has been increasing at a rate of 450 per month, from 43,166 on July 1, 1950, to 47,643 on May 1, 1951.

2. Payrolls have increased from $12,466,000 monthly to $14,681,000, an annual rate of $176,000,000, which is about $16,500,000 above the rate of last July.

3. If the President's budget requests are granted, employment in the agencies covered in this bill would rise to about 49,000, which is 6,000 or about 14 percent above the figure at the start of this year.

This data confirms the whole trend of Government-wide employment. Since last July Government has been adding to its rolls at a rate of about 44,000 per month. The Bureau of the Budget reports 1952 appropriation requests contemplate a projection of that trend for the whole of the coming year, or a total of some 400,000 new employees. Mr. President, if we cut 10 percent from budget estimates for 1952 employment, which is the end purpose of my amendment, we will not even be holding our own in the fight to reduce Government payrolls.

Not only are tax dollars involved. Every person added to Government payrolls is one less person available for production enterprise. What we forget is that Government is not productive. In general, Government employment adds absolutely nothing to the gross national product, when production is not only our great bulwark against inflation but in a race even for survival.

The President has recognized this in a letter directing all Government agencies to survey their personnel needs in the direction of conserving manpower. I place his letter of last Saturday in the RECORD at this point in my remarks:

"The present emergency has caused great demands on the manpower resources of our country, with shortages of manpower in certain special areas already being felt.

"It is extremely important that all possible steps be taken to eliminate these shortages and to assure the availability of manpower for all essential mobilization activities.

"Adequate solution to our manpower problems will require the exercise of energy, imagination, and ingenuity on the part of every employer and employee.

"AN OBJECTIVE FOR ALL AGENCIES

"The Federal Government, as the largest single employer in the country, should set the example in accomplishing this objective. Therefore, I expect the head of each executive department and agency to take all necessary actions to conserve manpower and generally to bring about maximum effectiveness and economy in the utilization of personnel.

"This manpower conservation program should be given top priority throughout the executive branch.

"In order to assist the departments and agencies in achieving the results I desire, I want you, together with the Chairman of the Civil Service Commission, to issue instructions on steps which can be taken to conserve manpower, and to advise and consult with the departments and agencies on specific problems which they may have in carrying out this program.

"REPORTS OF ROSTERS ASKED

"I am also asking that the Bureau of the Budget and the Civil Service Commission request reports from all departments and agencies and conduct regular inspections and surveys so that reports can be made to me on progress in conserving manpower, including recommendations for further actions which may be necessary.

"This program to achieve conservation and utilization of manpower in the Federal Government is endorsed by the Manpower Policy Committee of the Office of Defense Mobilization, and is in line with its over-all program for conserving manpower throughout the country.

"I am sending a similar letter to the Chairman of the Civil Service Commission."

Mr. President, we are not just proposing to cut something like $11,700,000 out of the budget requests and $7,250,000 off the bill in its present form. We are seeking to stem a tide which will one day engulf us if we do

not vote for the principle which my amendment provides.

It is a principle which can tolerate no breaches, no matter what impassioned pleas are made for exceptions: today for health activities, tomorrow for something else and so on until we have rendered this important principle helpless. Of course, these activities are worthy, or presumably they would never have been authorized. But the same can be said of every other function of government.

Mr. President, this is a principle which calls for every Member of the Senate to stand and be counted. Do we believe in economy or is the answer yes—but? That is the question which is now before us.

Mr. LEHMAN. Mr. President, I ask the same privilege. I have a memorandum which shows the exact character of the work which would be affected by the Ferguson amendment if my amendment were not agreed to. I ask unanimous consent to have the statement printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

I would like to point out the kind of research work of the National Institutes of Health which will be directly affected by the Ferguson amendment. An additional 5 percent cut would curtail or perhaps eliminate the total effectiveness of such studies as these—not necessarily by cutting the senior scientist himself but certainly by taking away the junior scientist and technicians upon whom so much of his work depends.

1. Cancer: Important work now being performed with large cultures of living cancer cells permitting improved observation of cancer growth and improved methods of measuring growth rates.

2. Cancer: The laboratory which has made an important contribution to the hormonal treatment of prostatic cancer. More important, this study holds promise of finding some method for the early diagnosis of this killer.

3. Heart: The unit which is perfecting a diagnostic instrument, the electrokymograph, for the early detection of heart disease. This mechanism is just at the evaluative stage and demands a wide range of clinical and experimental use.

4. Mental health research at Lexington, Ky., in the whole field of drug addiction and the development of suitable morphine substitutes: These studies, as you know from recent public reports, are of immediate urgency to the people of this country and particularly important now that we know the extent to which the youth of our country is becoming addicted to drugs.

5. Dental field: The studies of how fluorine prevents dental caries and how it is possible to use fluorine to achieve maximum control of tooth decay without injuring the body. These studies are the much-needed follow-up on the recent finding concerning the beneficial effects of public water fluoridation.

6. Studies on the emergency use of salt and soda solutions for the treatment of shock due to burn or other severe injuries: The importance of these studies to our civil defense program is, I know, apparent to all of us. The salt-soda solution is no substitute for blood plasma or whole blood, but it is the best emergency treatment available in the event of large-scale catastrophe in which medical treatment might not be available for up to 72 hours.

7. Programs such as the development of new vaccines to prevent epidemic and the control of all biological products—serums, vaccines, and antibiotics—upon whose potency and purity so much of our medical strength depends: These same people are also responsible for the safety and purity of the blood banks which have direct application to both civilian and military medicine.

Mr. LEHMAN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	McMahon
Bennett	Hayden	Monroney
Benton	Hendrickson	Moody
Brewster	Hennings	Morse
Bricker	Hickenlooper	Mundt
Bridges	Hill	Neely
Butler, Md.	Hoey	O'Mahoney
Butler, Nebr.	Holland	Pastore
Byrd	Ives	Robertson
Cain	Jenner	Russell
Carlson	Johnson, Colo.	Saltonstall
Chavez	Johnson, Tex.	Schoeppel
Clements	Johnston, S. C.	Smathers
Connally	Kefauver	Smith, Maine
Cordon	Kerr	Smith, N. J.
Dirksen	Kilgore	Smith, N. C.
Douglas	Knowland	Sparkman
Duff	Langer	Stennis
Dworshak	Lehman	Taft
Eastland	Long	Thye
Ecton	Magnuson	Underwood
Ellender	Malone	Watkins
Ferguson	Maybank	Welker
Flanders	McCarran	Wherry
Frear	McCarthy	Williams
Fulbright	McClellan	Young
George	McFarland	
Gillette	McKellar	

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Massachusetts [Mr. LODGE] and the Senator from Colorado [Mr. MILLIKIN] are necessarily absent.

The Senator from South Dakota [Mr. CASE], the Senator from Indiana [Mr. CAPEHART], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Missouri [Mr. KEM] is absent by leave of the Senate.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business of the Committee on Crime Investigation.

The Senator from California [Mr. NIXON] is detained on official business.

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the amendment of the Senator from New York [Mr. LEHMAN] to the amendment submitted by the Senator from Michigan [Mr. FERGUSON] for himself and other Senators.

Mr. LEHMAN. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LEHMAN. Mr. President, I ask that my amendment be read by the clerk.

The VICE PRESIDENT. Without objection, the amendment of the Senator from New York to the amendment of the Senator from Michigan will be read, for the information of the Senate.

The LEGISLATIVE CLERK. At the end of the amendment proposed by Mr. FERGUSON, for himself and other Senators, it is proposed to change the period to a colon and add the following: "*Provided*, That this section shall not apply to appropriations of the Public Health Service for hospitals and medical care, foreign quarantine service, National Institutes of Health, National Cancer Institute, mental health activities, National Heart Institute, and dental health activities."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New York to the amendment of the Senator from Michigan.

Mr. HOLLAND. Mr. President, I wish to address a question to the Senator from Oregon or to the Senator from New Mexico, who has been handling this bill, but I see that neither of them is on the floor at this time. Under the circumstances, I should like to request leave to address my question to the Senator from New York.

The VICE PRESIDENT. Without objection, the Senator may do so.

Mr. HOLLAND. I should like to ask the Senator from New York that he refer to page 23 of the committee report, in order to be able to reply to the question which I wish to ask him. From examining the portion of page 23 of the report which covers the seven activities referred to in the amendment of the Senator from New York to the amendment of the Senator from Michigan, I note that in the first instance no change was made either by the House of Representatives or by the Senate committee in the budget recommendations for hospitals and medical care, which was the first of the seven activities. In other words, the so-called Cordon amendment, which was applied by the committee to the other six activities, was not applied to that particular activity. Does the Senator from New York know why the Cordon amendment was not applied to that particular large activity?

Mr. LEHMAN. No. I shall have to defer to the chairman of the subcommittee, inasmuch as I am not a member of the committee.

Mr. HOLLAND. I thank the Senator. I see that the chairman of the subcommittee, the Senator from New Mexico [Mr. CHAVEZ] has now returned to the floor, and I should like to address my question to him. I wish to ask him to examine page 23 of the committee report, with particular reference to the seven items listed together on that page, which are mentioned in the amendment of the distinguished Senator from New York to the amendment of the Senator from Michigan. I note in the first instance that the amount recommended by the budget for hospitals and medical care, which is the first of the seven items—that amount being $30,200,000—is not changed in the bill as passed by the House, and is not changed in the bill as reported by the Senate committee,

and therefore was not subjected to the so-called Cordon amendment, which was applied by the committee to the other six items. Will the Senator state for the RECORD the reason why the so-called Cordon amendment was not applied to that item?

Mr. CHAVEZ. Yes, I shall try to state the reason. The subcommittee did not take any action on the so-called Cordon amendment, which was submitted to the full committee. The decision and conclusion reached on the Cordon amendment were reached by the full committee.

In approving the proposal of the Senator from Oregon for a cut of 5 percent on each appropriation, the committee directed that the cut and the limitation on personal services should not apply to Freedmen's Hospital or to any other hospital. That amendment would not apply to any hospital, whether it be Freedmen's Hospital or any hospital That amendment would not apply to any hospital, whether it be Freedmen's Hospital or any hospital under the Public Health Service. That is why the Cordon amendment is applied in that way. The committee did not want it to affect hospitals or to apply to personnel having to do with hospital operations.

Mr. HOLLAND. I thank the Senator. Is the Senate to understand, then, that the Cordon amendment making a 5-percent cut in appropriations for personnel was applied to the other six items covered by the Lehman amendment?

Mr. CHAVEZ. That is correct, but only insofar as it affects administrative operations. The amendment applies to all six of the others, but the idea was to exempt hospital operations from the Cordon amendment.

Mr. HOLLAND. Mr. President, if the Senator will permit, I should like to ask a further question: I note from the last column in the tabulation affecting these particular activities that the Senate committee did not decrease these particular items as they appeared in the House bill, except as to the foreign quarantine service, and that it increased all of the five last-named items, so as to make a total increase of these six items of about $1,000,000 above the House bill, is that correct?

Mr. CHAVEZ. That is correct.

Mr. HOLLAND. Then, even after the application of the Cordon amendment to all the activities which are in the so-called Lehman amendment, there is still an increase of about $1,000,000 in the Senate bill as to these particular items, compared with the House bill. Is not that correct?

Mr. CHAVEZ. Let me give the Senator a breakdown. The National Institute of Health item is increased by $59,973; National Cancer Institute, increased by $305,171; mental health activities, an increase of $437,974; National Heart Institute, an increase of $72,982, and dental health activities, an increase of $197,308, or in round figures, an increase of approximately $1,000,000 over the House figures.

Mr. HOLLAND. Mr. President, I ask unanimous consent to incorporate in the RECORD at this point as a part of my remarks a portion of page 23 of the committee's report which deals with the seven activities listed in the amendment of the Senator from New York, namely, hospitals and medical care, foreign quarantine service, National Institutes of Health, National Cancer Institute, mental health activities, National Heart Institute, and dental health activities, with the extensions contained in the eight columns opposite each of those listings.

There being no objection, the portion of the table referred to was ordered to be printed in the RECORD, as follows:

Comparative statement of appropriations for 1951, amounts as reduced under section 1214 (general reduction of $550,000,000 in General Appropriation Act, 1951) estimate for 1952, and amounts recommended in the bill for 1952

TITLE II—FEDERAL SECURITY AGENCY

Agency and item	Appropriations, 1951		Estimates, 1952	Recommended in House bill for 1952	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with—		
	Specific amounts	As reduced under sec. 1214				1951 appropriations as reduced under sec. 1214	Budget estimates, 1952	House bill
Hospitals and medical care	$29,050,000	$29,024,000	$30,200,000	$30,200,000	$30,200,000	+$1,176,000		
Foreign quarantine service	3,104,000	3,004,000	3,000,000	2,900,000	2,868,029	−135,971	−$131,971	−$131,971
National Institutes of Health	15,350,000	13,913,900	15,800,000	15,500,000	15,559,973	+1,646,073	−240,027	+59,973
National Cancer Institute	20,486,000	19,886,000	19,947,000	19,500,000	19,805,171	−80,829	−141,829	+305,171
Mental health activities	10,000,000	9,505,000	10,800,000	10,300,000	10,737,974	+1,232,974	−62,026	+437,974
National Heart Institute	15,104,400	14,554,400	10,130,000	10,000,000	10,072,982	−4,481,418	−77,018	+72,982
Dental health activities	2,090,000	1,964,850	1,750,000	1,500,000	1,697,308	−257,542	−52,692	+197,308

Mr. LEHMAN. Mr. President, will the Senator yield for an observation?

Mr. HOLLAND. I yield to the Senator from New York.

Mr. LEHMAN. I wish to point out to the Senator from Florida that, although hospitals and medical care are included in my amendment, it was unnecessary, because they are excluded, also, by the amendment offered by the Senator from Michigan [Mr. FERGUSON].

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield to the Senator from Nebraska.

Mr. WHERRY. Computing dollar-wise exactly what the distinguished Senator from Florida has told the Senate, and also having noted the placing of this exhibit in the RECORD, it brings up this question: Dollar-wise, in my opinion, the Cordon amendment would stop an increase, but there would be no saving dollar-wise, it seems to me. As I figure it, as a member of the committee, even with the adoption of the Cordon amendment, we would not quite hold our own so far as an increase is concerned; so, dollar-wise, it requires the Ferguson amendment in order to make any cut in the personnel now employed by those departments.

Mr. HOLLAND. I thank the Senator from Nebraska.

Mr. President, the observation I was going to make was this, that I should like very much to support the Ferguson amendment, if it does not apply to hospitals and medical care. The copy of the amendment which is on my desk does not show that hospitals and medical care are eliminated from the operation of the Ferguson amendment.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Michigan.

Mr. FERGUSON. If we examine the bill and also examine the amendment, it will be found that hospitals and medical care are excluded from the Ferguson amendment. There can be no doubt about it. The Cordon amendment excluded them, and the Ferguson amendment only extends the Cordon amendment from 5 percent to 10 percent; so that they are excluded, as the Senator from New York has now indicated that he believes them to be. There is no doubt about the fact that they are excluded. They are excluded because my amendment takes effect only wherever amounts for personal services are specified in the bill, and the bill does not specify any amounts for personal services in the item for hospitals and medical care.

Mr. HOLLAND. I thank the Senator from Michigan. With the explicit understanding that the amendment of the Senator from Michigan does not apply to hospitals and medical care, which is by far the largest item in this list covered by the Lehman amendment, and which is in the sum of $20,200,000, and because of the fact that the committee report, even with the application of the Cordon amendment, shows an increase over the House bill of about $1,000,000 in the other six items, I expect to oppose the Lehman amendment and to support the Ferguson amendment.

Mr. FERGUSON. I am glad the Senator raised that point on the floor.

SEVERAL SENATORS. Vote! Vote!

Mr. CHAVEZ. In order to have the correct figure in the RECORD, the increase made by the committee over the House figures is $1,096,379.

Mr. HOLLAND. I thank the Senator.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from New York [Mr. LEHMAN] to the amendment offered by the Senator from Michigan. On this

question the yeas and nays have been ordered.

Mr. McCLELLAN. Mr. President, I appreciate that the Senate is anxious to vote and to make progress in the consideration of this bill. I shall not take very much time, but, in view of the fact that I am a member of the Appropriations Committee, and further in view of the fact that I intend to support the Ferguson amendment, I feel that I should make some statement or comment regarding my position.

First, I wish to associate myself with the remarks made last Friday by the distinguished chairman of the Appropriations Committee [Mr. McKELLAR]. I echo those sentiments, and especially do I want to join in the sentiments he expressed regarding the chairman of the subcommittee [Mr. CHAVEZ] who reported this bill. I also wish to commend the chairman and the members of the subcommittee for having done an unprecedented thing, so far as I know, and for the time I have been in the Senate; that is, the Senate committee reduced the appropriations as passed by the House of Representatives. The chairman and each member of that subcommittee are to be commended. They have certainly taken a step in the right direction, and it is a long step. The only thing we are now undertaking to do is to examine that step and to measure it against conditions we face today, with the idea that we may be able to stretch it a little further in the direction of preserving the solvency of this Nation.

Mr. President, notwithstanding the reduction of more than $200,000,000 which has been made in this bill in the budget estimates and the reduction of more than $100,000,000 in the figures of the House bill, I wish to call attention to the facts with reference to appropriations for the Public Health Service. Last year, in fiscal 1951, it had total appropriations of $274,000,000-plus. The bill as reported by the subcommittee—and I think possibly as reported by the full committee has made a slight reduction—but, as reported by the subcommittee, this bill provided $361,000,000-plus for these services for fiscal 1952. In other words, even in the stress of our economic situation and in our desire to reduce over-all expenditures to the minimum, there is an increase in this bill for the Public Health Service of 32½ percent over and above 1951 appropriations. I mention that merely to show that we are not here trying to cripple an essential service of the Government, and that it is being supported up to the standard to which it is accustomed. We are even making appropriations beyond that. By this amendment we are merely undertaking to reduce personnel, and thus to effectuate such savings as will be brought about as the result of this reduction in personnel.

Mr. McKELLAR and Mr. CHAVEZ addressed the Chair.

The VICE PRESIDENT. Does the Senator from Arkansas yield; and if so, to whom?

Mr. McCLELLAN. I yield first to the distinguished chairman of the committee.

Mr. McKELLAR. Mr. President, I wish to ask the Senator a question. While the committee reduced the bill below the budget estimates, is it not true that it is above the appropriations of last year by $91,146,767? What I complain of is that we are not at all reducing the appropriation in this bill below last year's appropriation, but are increasing it by $91,146,767. Is not that true?

Mr. McCLELLAN. The able chairman of the committee is correct as to the figures he has quoted.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. CHAVEZ. There was a sound reason for that, at least, so far as the subcommittee and the full committee were concerned. If the Senator will turn to page 3 of the report, he will note that the report calls attention to that increase, $91,146,767. It is a substantial increase over the 1951 appropriation, and it results from what? Partially from the abandonment of making contracts. Heretofore, when we did not appropriate the money, we did authorize agencies to enter into contracts. The committee decided that that was not a sound way to operate the Government. Instead of giving them contract authority to enter into contractual obligations of $200,000,000, we increased the appropriation by $91,000,000, in round figures.

Mr. McCLELLAN. I think that is absolutely correct, Mr. President. There is no criticism on my part as to the amount of the appropriation. I simply made these comparisons to illustrate and to point out that we are not trying to cripple these services. We are trying to carry them on as essential services and to provide for them on the same basis and on the same standard on which they have been operating in the past. Without trying to cripple the services, can we not make a reduction in personnel to the extent of 10 percent? That is all we are trying to do. That means that from a practical standpoint 9 employees, in this period of crisis, undertake to do what 10 employees did heretofore. It does not work out on exactly that basis, of course, but substantially, in the over-all picture, that will be the effect of it.

As I said yesterday, Mr. President, and I am very sincere about this, when we are calling upon the young manhood of our Nation to make sacrifices for our freedom and for the defense of our country, is it asking too much in this time of economic crisis as well as of other crises in our Government, for ourselves and for other employees of the Government, whether in the legislative branch or the executive branch, to work a little harder and a little longer to get the job done as our contribution and sacrifice in the great effort we are making to defend the free world? I do not think so.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am happy to yield to the distinguished chairman of the subcommittee.

Mr. CHAVEZ. The Senator from Arkansas has stated the issue correctly. The committee, through the Cordon amendment, recommended to this body that personnel be cut by 5 percent. Under the Ferguson amendment, it would be decreased 10 percent. So the issue is a simple one. The subcommittee and the committee, in recommending a cut of 5 percent, thought that that was proper and would be as far as we could go without crippling some essential functions of government. But the Senator from New Mexico, in handling the bill and in announcing the issues, would be willing to vote now. If the Senate thinks we have not done enough, let us go to 10 percent. But let us vote.

Mr. McCLELLAN. I am willing to hasten the vote, but I did want to state my position.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. FERGUSON. The Senator from Michigan thinks that one thing should be made clear, and that is that this is only a 10-percent reduction from the budget figure for 1952. That figure adds many employees who were not on the rolls this last year. This particular bill is tied to budget requests for an average employment of 48,964 persons.

In all the categories covered by the bill there have been added about 450 jobs a month in the past year, and the increase will continue in the next year. So that a cut of 10 percent will really leave them with about what they have this year, but will not add what the budget proposes for next year.

Mr. McCLELLAN. It will operate in just about that manner. At least, 1 out of every 10 persons will not be dismissed from the service. It simply means 1 out of 10 less than what has been requested for next year's operation, for which there was anticipated an increase in personnel. That is all we are doing.

Mr. FERGUSON. That is correct.

Mr. McCLELLAN. Mr. President, if we are sincere when we talk economy, if we mean to do anything about it, we should start with this first appropriation bill and lay a pattern and set an example, fix our goal, drive to it, and go through with it. We talk a great deal about economy. I talk a great deal about it in public addresses and in private conversations with my constituents. We are always talking economy. We make speeches about it, and then we say, "But——."

Mr. President, the time has come to eliminate the "but" and to do the job of reducing expenditures. I am willing to bear my share of it. I am quite conscious of the fact that reducing expenditures and practicing economy are not always popular politically; certainly not, with some groups. But, Mr. President, it has now become the solemn duty of the Congress, under its obligation to this Nation and to its people, to those who are making the sacrifices of life and blood in the defense of freedom, for us to do a job on the home front toward preserving the solvency of the Nation which our Armed Forces fight to defend.

Mr. President, as I said yesterday, as I vote for this amendment, I expect to vote for provisions in the legislative appropriation bill which will have substantially the same effect, because I believe

we should make sacrifices in this body just as we call upon the executive branch to make sacrifices.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield to the Senator from Florida.

Mr. HOLLAND. I should like to address a question to the Senator from Arkansas based upon the fact that at least one, and perhaps other specific reductions, have already been made by the adoption of amendments addressed to special parts of the bill. I refer particularly to the reduction made by the amendment offered by the distinguished senior Senator from Illinois on last Friday. It is the understanding of the Senator from Florida that notwithstanding the application of such specific reductions, either made heretofore, by action of the Senate, or to be made hereafter, the meaning of the amendment offered by the Senator from Michigan is such that it of itself, in conjunction with the so-called Cordon amendment written into the bill by the committee, will not operate to reduce more than 10 percent the appropriation or that portion thereof which is designed to pay the salaries of personnel. Is that correct?

Mr. McCLELLAN. It cannot exceed 10 percent. In fact, it will amount to less than that. Bear in mind that the percentage of decrease is geared to the budget and not to appropriations.

Mr. HOLLAND. The question as to which I wanted to be sure my understanding is correct is this: Notwithstanding the adoption of specific amendments, the meaning of the Ferguson amendment by itself, when added to the effect of the Cordon amendment, is that it can never operate to reduce more than 10 percent the appropriations for salaries of personnel.

Mr. McCLELLAN. It cannot possibly operate to exceed that.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. HILL. The distinguished Senator from Michigan [Mr. FERGUSON] quoted some figures a few minutes ago relative to the increase in personnel as provided in the bill. On pages 805 and 806 of the Senate subcommittee hearings there appears a compilation of personnel. The compilation does not include personnel employed with reference to certain trust funds. The reason those trust funds are not included is because the personnel employed for the administration of the trust funds is not paid by the taxpayers. That personnel is paid by the trust fund itself, from special taxes on the employer and the employees. There has been an increase in these employees for the trust funds because of the amendments adopted some months ago to the Social Security Act. But the pay of such employees does not in any way constitute a burden upon the general taxpayers of the United States.

According to the table, if we pass this bill without the Cordon amendment, which proposes a 5-percent reduction in appropriations for personnel, there would be an increase of only 136 employees. But the Senate has already agreed to the Cordon amendment reducing by 5 percent the appropriations personnel, so, of course, it will follow logically that we have already acted to decrease personnel this year as compared to the number of personnel last year.

Mr. McCLELLAN. Mr. President, I wish to give some figures and to indicate just what will be the final result if this formula of cutting these appropriations is applied. It is anticipated by the Bureau of the Budget that the funds it has requested for all departments will provide for 2,600,000 to 2,700,000 employees of the Federal Government during the next fiscal year. The total amount requested in the budget for all personal services—salaries—of employees of the Government is $16,865,000,000.

Assuming the formula provided by the Ferguson amendment is applied to all appropriation bills as affecting personnel, and assuming that it will operate to limit personnel to 90 percent, and not above that, we will actually effectuate savings under the budget of only $1,603,500,000. That is all we are going to save, even if the formula carried all the way through all the appropriations. That is the maximum that can be saved by this amendment. But, Mr. President, with a $71,000,000,000 budget, and that constantly increasing—there is no doubt about the fact that supplemental requests will be coming to Congress—if we are going to reduce domestic expenditures in any substantial amount we will have to employ some process such as this to do it. Even after making this reduction, if we reach a cut in the budget of some four or five or six or seven billion dollars, as some of us had hoped we might by practicing economy, we have still got to go much further than this in reducing individual items of appropriation. That, Mr. President, is the task that confronts us.

I will say in conclusion that I have stated in public addresses that the Federal Government in this period, when it is demanding sacrifices by its citizens, should be willing to set the same standard of sacrifices in Government spending that it calls on the citizens to make in their standard of living. We can economize if we will. If, however, we are unwilling to economize in Government, I doubt that we have a moral right to take more of the people's earnings away from them in taxation to support an extravagant government.

Mr. President, I shall vote for economy.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New York [Mr. LEHMAN] to the amendment of the Senator from Michigan [Mr. FERGUSON], for himself and other Senators.

(Mr. LEHMAN's amendment is as follows:)

At the end of the amendment, change the period to a colon and add the following language: "*Provided*, That this section shall not apply to appropriations of the Public Health Service for hospitals and medical care, foreign quarantine service, National Institutes of Health, National Cancer Institute, mental health activities, National Heart Institute, and dental health activities."

The VICE PRESIDENT. The yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Texas [Mr. CONNALLY], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from New Mexico [Mr. ANDERSON] is paired on this vote with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Indiana would vote "nay."

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from Missouri [Mr. KEM]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from Missouri would vote "nay."

The Senator from Wyoming [Mr. HUNT] is paired on this vote with the Senator from Maryland [Mr. O'CONOR]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Maryland would vote "nay."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Pennsylvania [Mr. MARTIN]. If present and voting, the Senator from Montana would vote "yea," and the Senator from Pennsylvania would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART] who is absent on official business is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Indiana would vote "nay," and the Senator from New Mexico would vote "yea."

The Senator from South Dakota [Mr. CASE] is absent on official business.

The Senator from Pennsylvania [Mr. DUFF] is detained on official business.

The Senator from Missouri [Mr. KEM] who is absent by leave of the Senate is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Missouri would vote "nay," and the Senator from Minnesota would vote "yea."

The Senator from Massachusetts [Mr. LODGE] who is necessarily absent is paired with the Senator from California [Mr. NIXON] who is detained on official business. If present and voting, the Senator from Massachusetts would vote "yea," and the Senator from California would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] who is absent because of illness is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Pennsylvania would vote "nay," and the Senator from Montana would vote "yea."

The Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] who is absent on official business of the Committee on Crime Investigation is paired with the Senator from Wisconsin [Mr. WILEY] who is absent on official business. If present and voting the Senator from New Hampshire would vote "yea," and the Senator from from Wisconsin would vote "nay."

The result was announced—yeas 38, nays 42, as follows:

YEAS—38

Aiken	Johnson, Tex.	Moody
Benton	Johnston, S. C.	Morse
Chavez	Kefauver	Neely
Clements	Kerr	O'Mahoney
Eastland	Kilgore	Pastore
Ellender	Langer	Russell
Gillette	Lehman	Saltonstall
Green	Long	Smathers
Hayden	Magnuson	Sparkman
Hennings	Maybank	Stennis
Hill	McFarland	Thye
Ives	McMahon	Underwood
Johnson, Colo.	Monroney	

NAYS—42

Bennett	Ferguson	McClellan
Brewster	Flanders	McKellar
Bricker	Frear	Mundt
Bridges	Fulbright	Robertson
Butler, Md.	George	Schoeppel
Butler, Nebr.	Hendrickson	Smith, Maine
Byrd	Hickenlooper	Smith, N. J.
Cain	Hoey	Smith, N. C.
Carlson	Holland	Taft
Cordon	Jenner	Watkins
Dirksen	Knowland	Welker
Douglas	Malone	Wherry
Dworshak	McCarran	Williams
Ecton	McCarthy	Young

NOT VOTING—16

Anderson	Hunt	Nixon
Capehart	Kem	O'Conor
Case	Lodge	Tobey
Connally	Martin	Wiley
Duff	Millikin	
Humphrey	Murray	

So Mr. LEHMAN's amendment to Mr. FERGUSON's amendment was rejected.

Mr. DOUGLAS. Mr. President, I send to the desk my amendment designated "6-11-51-A" and ask that it be read. I offer the amendment, and I wish to make a comment upon it.

The VICE PRESIDENT. The amendment offered by the Senator from Illinois will be stated.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. FERGUSON. Is there not an amendment now pending?

The VICE PRESIDENT. The amendment of the Senator from Michigan is pending.

Mr. FERGUSON. I understood the Senator from Illinois to offer an amendment.

The VICE PRESIDENT. It is an amendment to the amendment of the Senator from Michigan, which is in order.

The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In the amendment offered by Mr. FERGUSON for himself and other Senators it is proposed on line 8, to strike out the period, and insert a colon and the following proviso: *"Provided*, That such reductions shall not apply to the Bureau of Apprenticeship, the Bureau of Employment Security, the Revision of the Consumers' Price Index, the Public Health Service amounts for assistance to States, General and Hospital Construction Services, and the Bureau of Public Assistance."

On page 4, line 5, strike out "$2,578,682" and insert in lieu thereof "$2,423,000."

On page 4, line 6, strike out "$2,153,049" and insert in lieu thereof "$2,039,731."

On page 4, line 20, strike out "$5,245,959" and insert in lieu thereof "$4,635,500."

On page 4, lines 20 and 21, strike out "$1,513,765" and insert in lieu thereof "$743,500."

On page 4, line 23, strike out "$4,351,773" and insert in lieu thereof "$4,122,733."

On page 9, line 16, strike out "$1,125,000" and insert in lieu thereof "$1,000,000", and strike out "$991,323" and insert in lieu thereof "$939,148."

On page 21, line 2, strike out "$15,960,000" and insert in lieu thereof "$15,000,000."

On page 21, line 3, strike out "$1,900,944" and insert in lieu thereof "$1,800,895."

On page 23, line 19, strike out "$1,166,465" and insert in lieu thereof "$1,100,000", and strike out "$1,017,165" and insert in lieu thereof "$963,630."

On page 31, line 5, strike out "$1,600,000" and insert in lieu thereof "$1,463,400", and strike out "$1,455,400" and insert in lieu thereof "$1,378,800."

The VICE PRESIDENT. The Chair suggests to the Senator from Illinois that in his opinion the part of the Senator's amendment which is an amendment to the amendment offered by the Senator from Michigan [Mr. FERGUSON] is in order, and that the part of the amendment offered by the Senator from Illinois which amends the text of the bill itself and has no relationship to the Ferguson amendment is not in order.

Mr. DOUGLAS. Mr. President, may I be permitted to discuss the substantive matter of my amendment and also comment on the ruling of the Chair?

The VICE PRESIDENT. The Senator from Illinois is recognized.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

Mr. DOUGLAS. I should like to proceed.

Mr. WHERRY. I should like to have the Chair interpret his ruling as to which part of the Senator's amendment is in order and which part is not in order.

Mr. DOUGLAS. I yield for that purpose.

Mr. WHERRY. I should like to ask the distinguished occupant of the chair to interpret what he has said. If I understand correctly, the Chair has ruled that the portion of the amendment embraced in lines 1 to 7 on page 1 of the amendment offered by the Senator from Illinois would be in order. I further understand that lines 8 and 9 of the amendment offered by the Senator from Illinois would not be in order, because those lines are in the nature of an amendment to the bill.

The VICE PRESIDENT. That is the understanding of the Chair.

Mr. WHERRY. I believe it is important to bring out that fact. I thank the Senator from Illinois.

Mr. DOUGLAS. The cuts which I propose are deeper than those proposed by the Ferguson amendment. My purpose is not to exempt from cuts any amounts which would be reduced by the Ferguson amendment.

The first paragraph of my amendment merely exempts certain items from the Ferguson amendment in order that the subsequent paragraphs may cut more deeply than the Ferguson amendment cuts. Therefore it is a proposal not to save the budget from the cuts made by the Ferguson amendment, but to save more money for the taxpayers of America.

Mr. President, I should have much preferred not to have had the Ferguson amendment before the Senate at this time. I had hoped that we would be able to proceed item by item. I had hoped that in some cases no cuts would be made, in other cases cuts much greater than a 10-percent reduction in personal services could be made, and that in still other cases cuts of less than 10 percent could be made. In short, I had hoped that we could proceed item by item and use a surgeon's knife rather than make a uniform 10-percent reduction in personal services across the board, as would be the effect of the Ferguson amendment.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I should like to complete my statement before yielding. I had hoped, therefore, that we would be able to submit amendments item by item. However, the Senator from Michigan was recognized, and the parliamentary situation is that his amendment is now being considered by the Senate. I shall vote for it. It is a poor way of doing a necessary job. I shall vote for it reluctantly. I can understand the motives of Senators who will vote against it.

From a parliamentary point of view we seem to be estopped at the moment from offering amendments which would provide for cuts being made on the items affected by the Ferguson amendment, and the Ferguson amendment affects virtually every item which contains any amount for salaries. Under the ruling of the Chair, if it is upheld, we are estopped from offering additional amendments to such items while the Ferguson amendment is pending. Then, once the Ferguson amendment is agreed to, the Senate Parliamentarian tells me that the parliamentary situation would be such that further reductions could not be made on items affected by the Ferguson amendment, which include practically every item containing funds for salaries. Therefore I should like to ask the Senator from Michigan if, in the first place, he will accept the additional reductions which I am proposing. If he will, I shall ask that unanimous consent be given to him to incorporate such further reductions in his amendment.

I may say that the additional reductions which I am proposing total approximately $1,420,000, and cover items which would have been otherwise covered in my amendments lettered "C," "D," "F," "L," "N," and "R." In the Bureau of Apprenticeship I am proposing an additional cut of $32,364. In the

Bureau of Employment Security I am proposing an additional cut of $381,419. The reason for the added cut in the Bureau of Employment Security is a reduction in the veterans' reemployment services. The war has been over for almost 6 years. During the intervening 6 years the emergency problem of veterans in obtaining reemployment would seem to have been taken care of. By this time they should have been assimilated in the civilian population, and should be more or less taken care of as other persons are, without greatly added special privileges.

I am not proposing to sweep away entirely the veterans' reemployment program. I am proposing, in view of the fact that certainly the acuteness of their reemployment problem has been diminished, that we make an additional cut of approximately $380,000 in the service. It would seem particularly desirable to do so in view of the fact that we now have relatively full employment and unemployment has fallen off, I believe, to an extremely low figure of about 1,600,000.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I gladly yield.

Mr. KILGORE. I may say to the distinguished Senator from Illinois that the first paragraph of his amendment, which I would be inclined to support very strongly, puts those of us who would like to support the amendment in a very dangerous situation because of what is contained in the other portion of the amendment. It is somewhat like teaming a sheep with a goat. There are perhaps many Senators who would like to support the first paragraph of the amendment. I know that I personally would be glad to support it. I ask if the Senator would consent to divide the amendment into two parts so that we could vote on it separately. In that case it would be a very simple matter for the Senator from West Virginia to know exectly how he should vote. The first paragraph of the Senator's amendment is highly meritorious. However, I cannot accept the whole amendment.

Mr. DOUGLAS. Mr. President, I should like very much to oblige my good friend from West Virginia, but I cannot do what he suggests. Were I to do so I would exempt the six items from any cuts whatever. They would be exempt not only from the added cuts which I propose to make, but also from the cuts proposed by the Ferguson amendment. I made the exemptions in the first paragraph only to be able to clear the way for greater cuts contained in the subsequent paragraphs.

If it is the ruling of the Chair that the latter sections of the amendment are not in order, I shall appeal to the Senator from Michigan and to the other Members of the body, under unanimous-consent procedure to incorporate the cuts into the Ferguson amendment.

If I may continue, I propose to cut the revision of the Consumers' Price Index by another $72,825, down to a total of $1,000,000. Before I came to this body I believe I was the largest private consumer of statistics of the Department of Labor. I have a very high opinion of the excellence of their work. Nevertheless, there is waste in the Bureau of Labor Statistics, as there is in other bureaus. A subcommittee of the House Committee on Post Office and Civil Service, under the able chairmanship of Representative WILLIAMS of Mississippi, submitted a very caustic report on waste in the compilation of the Consumers' Price Index.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. FLANDERS. Would not the appropriation for the revision of the Consumers' Price Index be a one-time appropriation? Am I wrong in understanding that it would not be a continuing appropriation, but would be the last appropriation to be made?

Mr. DOUGLAS. I believe this is supposed to be the last one.

Mr. FLANDERS. It is a question of revising the Consumer Price Index; and when it is revised, that appropriation will not again be required. Am I correct in that understanding?

Mr. DOUGLAS. That is correct. The appropriation of an added $1,000,000 will give the Bureau a total of $4,000,000 which it can use for the index.

Mr. FLANDERS. Is the Senator from Illinois, who says he is the largest consumer——

Mr. DOUGLAS. I said I am the largest private consumer of these statistics.

Mr. FLANDERS. Yes, I understand him to say that he is the largest private consumer of the work of the Consumers' Price Index. Is he sure that with the elimination of $250,000,000, the price index can be completed this year?

Mr. DOUGLAS. No one can be certain of that. I simply wish to point out that a subcommittee of the House Committee on Post Office and Civil Service has said that the compilation of this index has been accompanied by excessive waste, that a large staff was assembled in the Washington office before any results began to flow in from the field, and that many complaints went to Representative WILLIAMS and his colleagues in regard to large numbers of clerks in the Bureau of Labor Statistics who were idle, who were doing no work whatsoever.

Mr. FLANDERS. It is known that at the present time, when the bureau is in the process of finishing its work on this project, that condition still exists?

Mr. DOUGLAS. No, that is not known. That condition existed as of December 5 of last year, however.

Mr. FLANDERS. It seems to me that in view of the use which is made of these statistics, particularly by management and labor, it is of extreme importance that we be sure that the work on the index will be finished during the coming fiscal year.

Mr. DOUGLAS. I hope it will be, but I think a great deal can be done with a million dollars. It seems to me that amount is sufficient, and that there is no justification for assuming that this agency requires an additional quarter-million or an additional eighth-million dollars.

Mr. FLANDERS. Does the Senator from Illinois agree with me that it is important that the index be completed this year?

Mr. DOUGLAS. Yes, particularly in connection with price adjustments and wage adjustments, in order that we may know how much prices have increased.

Mr. FLANDERS. If the Bureau of Labor Statistics is able to show due diligence and proper efficiency in the completion of its statistical work, but also is able to show that it is unable to finish the work, would not it be in order for the Bureau to present evidence to that effect to the Appropriations Committee and to request another appropriation?

Mr. DOUGLAS. The Bureau could always request a deficiency appropriation; but this amendment would put the Bureau on its guard, in a sense, for by means of this amendment we would be notifying that agency that in view of the report of Representative WILLIAMS and his subcommittee—and I do not know that the accuracy of his report has been challenged—we are reluctant to entrust the Bureau with the full amount of money requested.

I read now from the report of the subcommittee headed by Representative WILLIAMS:

> The subcommittee finds that a substantial part of the $1,000,000 initially appropriated for the revision of the Consumer Price Index by this Division was dissipated through gross overstaffing, inferior planning, untrained supervision, and improvident administration.
>
> The subcommittee believes that the supervision prevalent in this Division has been inept, poorly qualified, and without the proper concept of the taxpayers' interest in the responsibility it has assumed.

That is House Report No. 2457, part II, Eighty-first Congress, second session, page 55.

Mr. FLANDERS. I may say to the Senator from Illinois that I merely wish to make sure that he agrees with me in my belief that this index must be completed this year. I agree with the Senator in hoping that the action which he proposes will encourage the Bureau to exercise due diligence and efficiency.

Mr. DOUGLAS. I thank the Senator from Vermont very much.

Mr. MONRONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. DOUGLAS. I yield.

Mr. MONRONEY. Will not the reduction the Senator from Illinois proposes—namely, a reduction of virtually 20 percent in the budget estimate for the Bureau of Labor Statistics—tend to eliminate the use of figures relative to the small towns and medium-size towns in the preparation of the cost-of-living index, on which so much depends in connection with wage control, price control, and so forth?

Mr. DOUGLAS. I do not think it would. I believe it should lead to greater efficiency in the Bureau of Labor Statistics. This Bureau happens to be my pet bureau; but I have read from the Williams report—and it is not challenged—and I must say that it indicates to me that the Bureau could improve in efficiency and could save money.

Mr. MONRONEY. I agree with the Senator from Illinois that we can no longer tolerate waste, for we cannot afford it, and we should not countenance it.

However, I wonder whether a 20-percent cut should be made in the budget estimate for this Bureau. By making a 10-percent cut we could at least get rid of the fat, of the excess staff. Such a cut, if made, would permit the work to go on in a proper way year after year, and that is most necessary if we are to have a proper picture of the economic condition and if we are to be able to utilize the basic economic indices, which I think our country uses more than does any other country.

Therefore, I hate to see the figures for the small towns and the middle-size towns dropped from the price index. My understanding is that figures for only two towns between the Mississippi River and the California coast line will be used in any way in connection with the new index if this cut is made.

Mr. DOUGLAS. What the Senator from Oklahoma has just said indicates the position into which the administrators always attempt to put Congress. When we propose a cut, the administrators say, "It will mean a reduction of the service." They never admit the possibility of a reduction in waste and an increase in efficiency.

Mr. MONRONEY. Mr. President, I compliment the Senator from Illinois on his efforts, in connection with this measure, to make every possible saving which can be made and to eliminate inefficiency, but I wonder whether by this means we would do harm, which would be a great deal more costly, if this index were not allowed to reflect properly the rises in the cost of living and other matters which are so valuable in connection with the middle-size towns and the States.

Mr. CHAVEZ. Mr. President, will the Senator yield to me at this point?

Mr. DOUGLAS. Certainly.

Mr. CHAVEZ. I wish to call the attention of the Senator from Oklahoma to page 258 of the committee hearings. At that point in the hearings he will see a list of items included in the consumer price index, and it will give him a view of how the index affects the entire country.

Although I agree with the Senator from Oklahoma that we should compliment the Senator from Illinois on his efforts to eliminate all waste, certainly we cannot say that it is proper economy to do away with the price index, which affects so any millions of people in the United States. On page 258 of the committee hearings there are set forth the various items which affect the everyday life of the American people, whether they live in the District of Columbia or elsewhere in the United States.

Mr. DOUGLAS. Of course, Mr. President, there are many items which will be covered by the Bureau in connection with the work of preparing the index, and it will be expensive to collect that information. I am simply saying that the Williams subcommittee found gross overstaffing, inferior planning, untrained supervision, and improvident administration. It further reported that the efficiency-rating system was misused, that employees falsified records by signing erroneous work-progress reports, that employees were threatened with punishment when they sought relief from those conditions, and that a substantial part of the $1,000,000 originally appropriated for the consumers' price index was dissipated.

If those statements can be believed—and I have not heard them challenged—then I submit that on the basis of the record made thus far we would think that some savings could be made and that a cut of 20 percent below the budget estimate or approximately 10 percent below the amount recommended by the committee would not be inappropriate.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Michigan.

Mr. MOODY. Like the Senator from Oklahoma, I should like to commend the Senator from Illinois for proposing in this way to make the reduction he recommends in the amount of the budget estimate for this agency. It seems to me that it is about time that some Members of Congress stopped proceeding on the idea that it is possible to order shrimp cocktail, soup, steak, salad, dessert, and coffee, so to speak, but when the check is submitted to Congress, having the proposal made, "Let us cut it 10 percent." It seems to me that if we are to cut these items, we should cut them individually, and say, "This is where we are cutting." I commend the Senator from Illinois for the way he is going about this matter, item by item.

Mr. DOUGLAS. I thank the Senator very much.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. FERGUSON. Is it not exactly the purpose of my amendment to cut the specific items?

Mr. DOUGLAS. The Ferguson amendment cuts each appropriation for personal service by a total of 10 percent. The Cordon amendment cuts each appropriation for personal service by 5 percent. The Ferguson amendment adds 5 percent to that reduction. I should prefer that we operate item by item, and that in these cases which I am now bringing forward the cuts be in excess of 10 percent. There are certain other items as to which my proposed cuts were less than that, but I am not asking for those at the present time. But I am asking that at least where the cuts are in excess of 10 percent, we adopt them; and I hope the Senator from Michigan will be willing to accept that proposal.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. FERGUSON. Is it not a fact that all the items which the Senator from Illinois is now urging the Senator from Michigan to accept would be in conference, since the Senator from Illinois is cutting them below the House figures, and they will all, therefore, be in conference, notwithstanding the 10-percent cut?

Mr. DOUGLAS. Three of these items in my amendment provide for amounts less than the House figure, the Senate committee recommendation, and the Ferguson amendment. By accepting these, we would introduce lower figures in conference, but what I hope we can do on the other items in my amendment, I hold to the House figure. If they are accepted, we would remove the question from conference by having the Senate agree with the lower House figures, so that we may get the cuts through for certain, and we shall not have a possible movement afterward toward the higher Ferguson figures.

Mr. MOODY. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. MOODY. Does not the Senator from Illinois agree that there are certain items in the budget which can be reduced more than 10 percent, and that there are other items which should not be reduced by that figure?

Mr. DOUGLAS. That is precisely so.

Mr. MOODY. It seems to me the meat-ax procedure of cutting all of them by an identical reduction across the board, is not the way to do it. I think we should cut each item as we come to it, as the Appropriations Committee endeavored to do, but go further whenever it can be done in the public interest.

Mr. DOUGLAS. I wish that might be the parliamentary situation, but it is not; and in view of the fact that it is not the parliamentary situation, I am now going forward with the items covered by my amendment as to which the cuts are greater than those proposed by the Ferguson amendment.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am glad to yield to the Senator from Delaware.

Mr. WILLIAMS. I think perhaps I could set the minds of the Senator from Illinois and the Senator from Michigan at rest, because there is to be an amendment offered to the Ferguson amendment, which will increase the cut by another 5 percent, so both Senators will have an opportunity to get the result they seek.

Mr. DOUGLAS. I think it would be going a little bit too far, to make a 15-percent meat-ax cut—affecting all agencies, whether efficient or inefficient; whether performing a vital service or a less-essential service.

Mr. WILLIAMS. Will the Senator say how far he thinks the cut should go? He has said that 10 percent is not enough, so should we not go to 15?

Mr. MOODY. Mr. President, will the Senator yield?

Mr. DOUGLAS. First I should like to say that the 10-percent cut is not great enough in some cases, but is adequate in others. I now yield to the Senator from Michigan.

Mr. MOODY. I should like to say to the Senator from Delaware that I am ready to endeavor to reduce each item when it should be reduced, as the Sena-

tor from Illinois is endeavoring to do, but an additional meat-ax cut is something that I think cannot be done in an intelligent way. I think we should take a stand on each item, and decide which items we should increase and which ones we should reduce.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am glad to yield to the Senator from Delaware for a question.

Mr. WILLIAMS. I point out to the Senator from Michigan, if the Senator from Illinois will permit, that the individual items can still be amended and cut even though the Ferguson amendment is adopted. The Ferguson amendment applies only to personnel, and if we are only going to cut personnel by 5 or 10 percent, or 15 percent, it should be done across the board.

Mr. DOUGLAS. My understanding of the parliamentary situation is that, if the Ferguson amendment is to be adopted, further amendments on such items as grants for hospitals, and so forth, can be proposed; but amendments which affect items for which salaries are to be expended will be out of order. Thus, if we adopt the Ferguson amendment, in itself, we are closing the way to further selective cutting on items involving funds for salaries. Let us be clear regarding that.

Mr. President, I am also proposing a further reduction of approximately $860,000 in assistance to the States primarily for the collection of vital statistics. The collection of vital statistics has served a good purpose in the past in giving us a measuring rod of the seriousness of the health situation and enabling us to measure progress from time to time. It has been a very valuable stimulus, and the Federal system has helped us to build up, with the States and the counties, a very good method of recording death and sickness figures. But today, in this time of need for economy, certainly it seems as though we could make some reduction in the collection of figures. My proposal, therefore, is that we cut this item by a further amount of $860,000.

Then I am also proposing that we make a reduction of $12,930 below the Ferguson figure on that section within the Public Health Service which computes what the amounts are that each State may receive for the construction of hospitals; namely, the item for hospital construction services.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield to the Senator from Michigan.

Mr. FERGUSON. I know the Senator from Illinois will agree with the Senator from Michigan that the Ferguson amendment will not interfere later with the amendment of the Senator from Illinois, as it relates to the items other than personnel.

Mr. DOUGLAS. Yes; but that is what the amendment of the Senator from Michigan primarily refers to. That is the very point.

Mr. FERGUSON. That is correct. For instance, the Senator from Illinois proposes an amendment regarding the promotion of vocational education, and his proposal is not precluded by action on the Ferguson amendment.

Mr. DOUGLAS. That will be in order.

Mr. FERGUSON. And also grants for hospital construction.

Mr. DOUGLAS. That will be in order.

Mr. FERGUSON. And grants to States in connection with maternal and child welfare.

Mr. DOUGLAS. Those will be in order. But the amendments directed to Government bureaus, any portion of whose funds will be spent for personnel, will not be in order.

Mr. FERGUSON. That is correct.

Mr. DOUGLAS. Therefore, in order to forestall these amendments being out of order, I now appeal to the Senator from Michigan to make them his children, and then to the Senate to give unanimous consent that they be so made a part of his amendment.

Mr. FERGUSON. Mr. President, I should like to answer that suggestion by saying that while I am in sympathy with the Senator from Illinois regarding his proposals, I think it is beyond the power of the Senator from Michigan as a Member of the Senate to agree to them. They are unacceptable, not through any reluctance on my part to accept them, but because, under the rules of the Senate, they are not in order.

In order to make the RECORD complete I should like to ask if the Senator from Illinois has not drafted his amendment to cover only these particular items because, in the case of seven other amendments which he previously offered, the Ferguson amendment would cut deeper than he proposes to cut.

Mr. DOUGLAS. That is correct. I am not offering those.

Mr. FERGUSON. In the case of those particular proposals my amendment would cut deeper than the cut which is proposed by his amendment.

Mr. DOUGLAS. That is correct. The total amount by which the Ferguson amendment would cut more deeply than my other six amendments which are affected by his general amendment would be approximately $250,000. In the case of the six amendments which I offer, they would cut more deeply than the Ferguson amendment by $1,420,000. Therefore, I am waiving my first set of amendments, and am merely proposing the second set, in order that we may effect some further economies. It is well known that from a parliamentary standpoint the Senate can do anything it wants to do by unanimous consent. In this respect the procedure of the Senate differs from that of the House. Therefore, I am throwing myself on the mercy and the indulgence of the Senator from Michigan, and begging him to accept these additional cuts, in order to save $1,420,000 for the taxpayers. I do not feel that I could look toward his face in vain.

Mr. FERGUSON. Mr. President, the Senator from Michigan is agreeable but he feels that the Senator in charge of the bill, the Senator from New Mexico [Mr. CHAVEZ], would not accept these particular further cuts.

Mr. DOUGLAS. Let us make a try for it.

Mr. CHAVEZ. I suggest the Senator from Illinois make a request.

Mr. DOUGLAS. I now ask unanimous consent that these amendments be incorporated in the Ferguson amendment.

Mr. CHAVEZ. I object.

Mr. DOUGLAS. I wish to thank the Senator for the expression of courtesy, general approval, and support, but I am sorry that the taxpayers are not getting the $1,420,000.

The PRESIDING OFFICER. Does the Senator from Illinois wish the first part of his amendment to be considered?

Mr. DOUGLAS. No, Mr. President, because, if the first part were to be considered without the second part, the result would be that the Ferguson cut would not apply to these items. We would be likely to end up with no cuts at all on these particular items.

The PRESIDING OFFICER. The Senator from Illinois withdraws his amendment. The question is on agreeing to the amendment offered by the Senator from Michigan for himself and other Senators.

MALONE AMENDMENT—20-PERCENT REDUCTION IN CIVILIAN BUDGET

Mr. MALONE. Mr. President, I move to amend the Ferguson amendment by striking out in line 5, "five per centum" and substituting "ten per centum" as a substitute; my reason being that I submitted an amendment on Friday, June 8, which provided for a 20 percent cut, eliminating from the 20-percent reduction any of the pensions, fixed charges, or trust funds. So that it may be in order, I offer my amendment to the Ferguson amendment before the Ferguson amendment is voted upon.

The PRESIDING OFFICER. The Senator from Nevada offers an amendment, which the clerk will state.

The CHIEF CLERK. On line 5 of the so-called Ferguson amendment it is proposed to strike out "five per centum and insert "ten per centum."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada. Those in favor of the amendment will say "Aye."

Mr. CHAVEZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	Kilgore
Bennett	Flanders	Knowland
Benton	Frear	Langer
Brewster	Fulbright	Lehman
Bricker	George	Long
Bridges	Gillette	Magnuson
Butler, Md.	Green	Malone
Butler, Nebr.	Hayden	Maybank
Byrd	Hendrickson	McCarran
Cain	Hennings	McCarthy
Carlson	Hickenlooper	McClellan
Chavez	Hill	McFarland
Clements	Hoey	McKellar
Connally	Holland	McMahon
Cordon	Ives	Monroney
Dirksen	Jenner	Moody
Douglas	Johnson, Colo.	Morse
Dworshak	Johnson, Tex.	Mundt
Eastland	Johnston, S. C.	Neely
Ecton	Kefauver	Nixon
Ellender	Kerr	O'Mahoney

Pastore	Smith, N. J.	Watkins
Robertson	Smith, N. C.	Welker
Russell	Sparkman	Wherry
Saltonstall	Stennis	Williams
Schoeppel	Taft	Young
Smathers	Thye	
Smith, Maine	Underwood	

The PRESIDING OFFICER (Mr. FREAR in the chair). A quorum is present.

The question is on the amendment offered by the Senator from Nevada [Mr. MALONE] to the amendment of the Senator from Michigan [Mr. FERGUSON], for himself and other Senators.

Mr. CHAVEZ. I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested.

Mr. MALONE. Mr. President, the amendment is offered in lieu of the amendment offered on Friday, June 8, joined in by the Senator from Idaho [Mr. WELKER], the Senator from Michigan [Mr. FERGUSON], the Senator from Indiana [Mr. CAPEHART], the Senator from Utah [Mr. BENNETT], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. JENNER], and the Senator from North Dakota [Mr. YOUNG].

The amendment for which the substitute is offered follows:

CIVILIAN BUDGET CUT 20 PERCENT

At the proper place in the bill insert:

"SEC. —. The appropriations contained in the various items of the bill and any amounts authorized to be expended, with the exception of the Railroad Retirement Board appropriations, and that part of the Federal Security appropriations relating to old-age pensions, are reduced respectively by the amount of 20 percent."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Nevada [Mr. MALONE] to the amendment of the Senator from Michigan [Mr. FERGUSON]. The yeas and nays have been requested. Is the demand sufficiently seconded?

The yeas and nays were ordered.

Mr. LANGER. Mr. President, may we have the amendment read before we vote on it?

The VICE PRESIDENT. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. In the amendment offered by Mr. FERGUSON for himself and other Senators, Mr. MALONE proposes, in line 5, after the words "equal to" to strike out "5" and insert "10", so as to make the Ferguson amendment read:

On page 42, between lines 15 and 16, insert a new section as follows:

"SEC. 703. Each appropriation or authorization made by this act for any purpose, of which a specified portion is herein made available for personal services, and each amount so specified as being available for personal services, is hereby reduced by an amount equal to 10 percent of the amount requested for personal services for such purpose in budget estimates heretofore submitted to the Congress for the fiscal year 1952."

Mr. IVES. Mr. President, am I foreclosed from offering a modifying amendment, the yeas and nays already having been ordered on this amendment?

The VICE PRESIDENT. Not because the yeas and nays have been ordered, but because it would be an amendment in the third degree.

Mr. IVES. My amendment is in the same relationship to the bill itself as the Lehman amendment was to the Ferguson amendment. However, I understand that the pending amendment is a substitute for the Ferguson amendment.

The VICE PRESIDENT. It is an amendment to the Ferguson amendment.

The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE] to the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and other Senators. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from New Mexico [Mr. ANDERSON] is paired on this vote with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from Indiana would vote "yea."

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from Missouri [Mr. KEM]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Missouri would vote "yea."

The Senator from Wyoming [Mr. HUNT] is paired on this vote with the Senator from Maryland [Mr. O'CONOR]. If present and voting, the Senator from Wyoming would vote "nay," and the Senator from Maryland would vote "yea."

If present and voting, the Senator from Montana [Mr. MURRAY] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART], who is absent on official business, is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from New Mexico would vote "nay."

The Senator from South Dakota [Mr. CASE] is absent on official business.

The Senator from Pennsylvania [Mr. DUFF] is detained on official business.

The Senator from Missouri [Mr. KEM], who is absent by leave of the Senate, is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Missouri would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Massachusetts [Mr. LODGE], who is necessarily absent, is paired with the Senator from Wisconsin [Mr. WILEY], who is absent on official business. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Wisconsin would vote "yea."

The Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

The Senator from New Hampshire [Mr. TOBEY], who is absent on official business of the Committee on Crime Investigation, is paired with the Senator from Pennsylvania [Mr. MARTIN], who is absent because of illness. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from Pennsylvania would vote "yea."

The result was announced—yeas 28, nays 54, as follows:

YEAS—28

Bennett	Dworshak	McCarthy
Brewster	Eastland	Mundt
Bricker	Ecton	Schoeppel
Bridges	Ferguson	Watkins
Butler, Md.	Frear	Welker
Butler, Nebr.	Hendrickson	Wherry
Byrd	Hickenlooper	Williams
Cain	Ives	Young
Carlson	Jenner	
Dirksen	Malone	

NAYS—54

Aiken	Johnson, Colo.	Moody
Benton	Johnson, Tex.	Morse
Chavez	Johnston, S. C.	Neely
Clements	Kefauver	Nixon
Connally	Kerr	O'Mahoney
Cordon	Kilgore	Pastore
Douglas	Knowland	Robertson
Ellender	Langer	Russell
Flanders	Lehman	Saltonstall
Fulbright	Long	Smathers
George	Magnuson	Smith, Maine
Gillette	Maybank	Smith, N. J.
Green	McCarran	Smith, N. C.
Hayden	McClellan	Sparkman
Hennings	McFarland	Stennis
Hill	McKellar	Taft
Hoey	McMahon	Thye
Holland	Monroney	Underwood

NOT VOTING—14

Anderson	Hunt	Murray
Capehart	Kem	O'Conor
Case	Lodge	Tobey
Duff	Martin	Wiley
Humphrey	Millikin	

So Mr. MALONE's amendment to the amendment offered by Mr. FERGUSON for himself and other Senators was rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON].

Mr. CHAVEZ and other Senators requested the yeas and nays, and they were ordered.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the negative when his name was called.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. FERGUSON. Is it too late to request that the amendment be read to the Senate?

The VICE PRESIDENT. It is too late. The Senate is now proceeding to vote on the amendment, and one Senator voted when his name was called. The roll call cannot be interrupted for that purpose.

The legislative clerk resumed the call of the roll.

Mr. MAGNUSON (when his name was called). On this vote I have a pair with the senior Senator from Indiana [Mr. CAPEHART]. If he were present and vot-

ing, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from New Mexico [Mr. ANDERSON] is paired on this vote with the Senator from South Dakota [Mr. CASE]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from South Dakota would vote "yea."

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from Missouri [Mr. KEM]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Missouri would vote "yea."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Pennsylvania [Mr. MARTIN]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Pennsylvania would vote "yea."

The Senator from Maryland [Mr. O'CONOR] is paired on this vote with the Senator from Wyoming [Mr. HUNT]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Wyoming would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. CASE] who is absent on official business is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from South Dakota would vote "yea," and the Senator from New Mexico would vote "nay."

The Senator from Missouri [Mr. KEM] who is absent by leave of the Senate is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Missouri would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] who is absent because of illness is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Montana would vote "nay."

The Senator from Massachusetts [Mr. LODGE] and the Senator from Colorado [Mr. MILLIKIN] are necessarily absent. If present and voting, the Senator from Massachusetts and the Senator from Colorado would each vote "yea."

The Senator from New Hampshire [Mr. TOBEY] is absent on official business of the Committee on Crime Investigation and, if present, he would vote "yea."

The Senator from Wisconsin [Mr. WILEY] is absent on official business and, if present, he would vote "yea."

The Senator from Indiana [Mr. CAPEHART] is absent on official business, and his pair has been announced previously by the Senator from Washington [Mr. MAGNUSON].

The result was announced—yeas 58, nays 24, as follows:

YEAS—58

Bennett	George	Mundt
Brewster	Gillette	Nixon
Bricker	Hendrickson	Robertson
Bridges	Hickenlooper	Russell
Butler, Md.	Hoey	Saltonstall
Butler, Nebr.	Holland	Schoeppel
Byrd	Ives	Smathers
Cain	Jenner	Smith, Maine
Carlson	Johnson, Colo.	Smith, N. J.
Connally	Johnson, Tex.	Smith, N. C.
Dirksen	Johnston, S. C.	Stennis
Douglas	Kefauver	Taft
Duff	Knowland	Thye
Dworshak	Langer	Watkins
Eastland	Malone	Welker
Ecton	McCarran	Wherry
Ferguson	McCarthy	Williams
Flanders	McClellan	Young
Frear	McKellar	
Fulbright	Morse	

NAYS—24

Aiken	Hennings	McMahon
Benton	Hill	Monroney
Chavez	Kerr	Moody
Clements	Kilgore	Neely
Cordon	Lehman	O'Mahoney
Ellender	Long	Pastore
Green	Maybank	Sparkman
Hayden	McFarland	Underwood

NOT VOTING—14

Anderson	Kem	Murray
Capehart	Lodge	O'Conor
Case	Magnuson	Tobey
Humphrey	Martin	Wiley
Hunt	Millikin	

So Mr. FERGUSON'S amendment was agreed to.

VISIT TO THE SENATE OF BEGUM IKRAMULLAH, OF PAKISTAN

The VICE PRESIDENT. The Chair desires to call the attention of the Senate to the fact that we have the honor of having with us on the floor of the Senate today, Begum Ikramullah, a Member of the Senate of Pakistan, and the wife of the Foreign Secretary of Pakistan. We are very happy to have this Member of the Pakistan Senate in our midst. We hope she is enjoying her visit to the United States and that she will bring to us much information from her country, and will take back to her country much information from ours, as a result of her visit.

The Chair thinks it would be appropriate for the Members of the Senate of the United States to rise and greet her as a Member of the Senate of Pakistan.

[The Members of the Senate rose, amidst applause.]

The VICE PRESIDENT. The Chair will say that the Senator from Pakistan is welcome here, and she may remain as long as it suits her convenience.

BEGUM IKRAMULLAH. Mr. President, I am deeply grateful for the great privilege of being permitted to visit and sit in the Senate of the United States, the first country to achieve freedom, and now the greatest among the free nations.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I submit and send to the desk my amendment marked "6-7-51—T," and ask that it be read.

The VICE PRESIDENT. The amendment will be read.

The legislative clerk read as follows:

On page 2, line 7, strike out "two" and insert in lieu thereof "one."

On page 11, line 23, strike out "seven" and insert in lieu thereof "one."

On page 20, line 6, strike out "twenty" and insert in lieu thereof "seven."

On page 21, line 1, strike out "ten" and insert in lieu thereof "five."

On page 21, line 11, strike out "thirty" and insert in lieu thereof "ten."

On page 21, lines 23 and 24, and on page 22, line 1, strike out "eleven passenger motor vehicles, of which nine shall be for replacement only" and insert in lieu thereof "four passenger motor vehicles for replacement only."

On page 23, line 16, strike out "three passenger motor vehicles" and insert in lieu thereof "one passenger motor vehicle."

On page 24, line 2, strike out "fifteen" and insert in lieu thereof "nine."

On page 24, lines 19 and 20, strike out "twelve passenger motor vehicles of which ten shall be for replacement only" and insert in lieu thereof "five passenger motor vehicles for replacement only."

On page 25, line 2, strike out "six" and insert in lieu thereof "three."

On page 25, line 18, strike out "six" and insert in lieu thereof "two."

On page 26, line 10, strike out "two passenger motor vehicles" and insert in lieu thereof "one passenger motor vehicle."

On page 29, lines 1 and 2, strike out "two passenger motor vehicles" and insert in lieu thereof "one passenger motor vehicle."

On page 29, line 8, strike out "three passenger motor vehicles" and insert in lieu thereof "one passenger motor vehicle."

On page 30, line 5, strike out "four" and insert in lieu thereof "two."

Mr. DOUGLAS. Mr. President, this is a very simple amendment. I would put the Government on a "fat boy's" diet. The amendment proposes that no additional automobiles be purchased during the coming year, and that only half the automobiles which are being worn out be replaced. Therefore, the amendment is an attempt to decrease the total number of passenger cars used to convey Government officials, by providing only half of the replacements and no net additions to the number of cars.

Mr. President, this amendment pinpoints one of the big sources of waste in the Government. An excessive number or passenger cars is in use in the civil establishment and, I also believe, in the military establishment.

I have before me, in this connection, the figures showing the number of private chauffeurs in the Department of Labor and the Federal Security Agency. There are nine full-time chauffeurs in the Department of Labor, in Washington. There are 37 full-time chauffeurs in Washington in the Federal Security Agency. These are the two agencies

whose appropriations are covered in this bill. There are 46 full-time chauffeurs to drive cars carrying secretaries, administrators, under secretaries, assistant secretaries, assistants to the secretaries, assistants to the under secretaries, assistants to the assistant secretaries, and heads of bureaus.

Mr. President, if there is one service in our Government which needs to have its waistline reduced it is these motor pools, and the amendment is a step in that direction. If the amendment shall be adopted, or even if it shall not be adopted, I shall propose similar amendments to each and every appropriation bill which comes before the Senate. Here is a real chance to put the bureaucrats on a diet.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I noted, as I ran through the bill quickly, that some of the cars affected by the amendment are replacements only.

Mr. DOUGLAS. That is correct.

Mr. SALTONSTALL. If the Senator's amendment prevails, and, let us say, we cut out "20" and insert "10," in instances where the cars are for replacement only, how would that cut down the number of cars? Why does not the amendment take care of the remaining old cars?

Mr. DOUGLAS. I assume the old cars are to be replaced, because they are wearing out; and, as they wear out and go to the graveyard, there will not be, if my amendment is adopted, so many new births. In short, the population in regard to cars will shrink by a death rate which will be twice that of the birth rate.

Mr. SALTONSTALL. Will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. I raised the question merely because it has been brought out in the hearings that the maintenance of one of these very old cars, some of which have traveled a mileage of 100,000 and even 150,000 miles, costs more than what a new car would cost. If the purpose of the Senator's amendment is to be realized in full, why should not the cars intended for replacement purposes be eliminated through trading the old cars for new ones?

Mr. DOUGLAS. We presume that the administrators of these various agencies have some intelligence, and that they would do precisely that; but so long as they are going to get new cars, they will not scrap the old. If we reduce the number of replacements, they will then have to turn the old cars in.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield to the Senator from Louisiana.

Mr. LONG. Would it not occur to the senior Senator from Illinois that if a bureaucrat had to undergo some stigma in connection with driving an old automobile, he might be encouraged to take a taxicab or to provide his own transportation, occasionally?

Mr. DOUGLAS. I think that is a consummation devoutly to be wished.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield to the favorite son of Nebraska, the dart thrower, the junior Senator from that State.

Mr. WHERRY. I thank the Senator. I merely desire to call attention to the Senator's amendment. I am for the amendment, and I shall vote for it.

Mr. DOUGLAS. I thank the Senator.

Mr. WHERRY. But, in his second amendment, on page 11, line 23, the Senator proposes to strike out "7" and to insert "1." The amendment then goes on to say, "of which two shall be for replacement." I think the Senator probably wants to amend that amendment by adding "including the purchase of not to exceed possibly two automobiles," instead of striking the "seven." I think it is the only provision that does that.

Mr. DOUGLAS. I should like to modify my amendment, and strike the word "two" and insert "one" where the number refers to replacements. I thank my genial friend from Nebraska for pointing out to me this technical oversight.

Mr. HOLLAND, Mr. HICKENLOOPER, and Mr. FERGUSON addressed the Chair.

The VICE PRESIDENT. Does the Senator from Illinois yield; and, if so, to whom?

Mr. DOUGLAS. I yield first to the Senator from Florida.

Mr. HOLLAND. Mr. President, I am fully in accord with what is intended to be done by my friend from Illinois. I am fearful, however, that, even though the amendment were adopted, it would still not strike any of the actual sums recommended. Has the Senator checked to make sure that that result would be accomplished?

Mr. DOUGLAS. I think it would, because the budget which has been prepared is based upon a justification which included these items, and if these items are eliminated, it would be hard to expand other items accordingly. It is very hard to attach a dollar figure to these items, because, for various reasons, we do not know what the precise cost of an automobile will be in all cases; but I may say that the amendment would eliminate about 79 automobiles, and should effect a saving of approximately $100,000.

Mr. HOLLAND. I am completely in accord with the proposal to eliminate the stated number of automobiles. The only thing of which I am not sure—and I am inclined to think that this observation may be true—is that the money saving intended to be effected might not be realized, and, in the opinion of the Senator from Florida, would not be, unless the items set forth in each of the paragraphs intended to be amended, comprised all the items of the budget covered by the blanket appropriation.

Mr. DOUGLAS. I believe the total is built up of a series of individual items within each appropriation, items which are not printed in the bill, but which are contained in the justifications, which are shown in files we have in my office, and therefore the total appropriation would be reduced. The point is that because we do not know what the precise cost of each automobile would be in the coming year, it is difficult to attach a precise dollar figure to an economy. But I may say that we find that the average f. o. b. cost without equipment is about $1,250, and if we eliminate 79 automobiles we can assume that it would effect a saving of about $100,000.

INDEPENDENT OFFICES APPROPRIATIONS, 1952

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. FERGUSON. I wish to make a unanimous-consent request. I should like to invite attention for a moment particularly the attention of the senior Senator from South Carolina [Mr. MAYBANK] to the request I am about to make.

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Michigan for that purpose?

Mr. DOUGLAS. I ask unanimous consent that I may yield to the Senator for that purpose, without prejudice to my rights to the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. FERGUSON. A few moments ago the Senate, by a large vote, confirmed the principle of cutting payrolls 10 percent below the budget estimates. There has been reported to the Senate today, from the Appropriations Committee, the independent offices bill, which is in charge of the Senator from South Carolina. I ask unanimous consent that that bill may be recommitted to the committee, and that the committee review the question of a 10-percent cut on personal services. I am sure that if the bill went back to the committee with a mandate from the Senate, a considerable amount of debate on the floor of the Senate could be saved in connection with that particular bill.

The VICE PRESIDENT. Is there objection?

Mr. MAYBANK. Mr. President, reserving the right to object, I merely wish to say to the distinguished senior Senator from Michigan that I did not vote for the 10-percent cut, because, in committee, I thought we had worked out a provision which was satisfactory, after the distinguished Senator from Oregon [Mr. CORDON] and others of us had labored for a long time to cut the appropriation 5 percent plus all the direct cuts. I feel sure that my good friend from Michigan will agree that in the committee I voted for the total cuts.

In the case of the independent offices bill, I do not want to brag about the committee, but the Senate should know that we have reduced the bill below last year's figure by $5,679,000,000, which is $600,000,000 below the budget estimates.

I can well appreciate that the Senate desires a 10-percent cut, and I have no objection to having the bill go back to the committee. As a matter of fact, I did not vote for such a cut, because it would establish a pattern. As I said in committee, if it was adopted, I would support a 10-percent cut on all of those items. I made that statement in connection with voting for many of the re-

ductions, as the Senator from Michigan knows.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. Also, I voted to eliminate the provisions for the purchase of automobiles.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. The Senator and I tried long and hard to eliminate the provisions for the purchase of automobiles, so I am in the position of not having voted for the 10-percent cut, but of having voted for the individual cuts, in committee, and of having voted with the Senator on the automobile situation.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. I wish to make my position perfectly clear. I stated when we had the final vote that I was going to vote for the 5-percent cut on the Labor-Security bill, but that if the Senate made a 10-percent cut, I was going to reserve the right to vote for a 10-percent cut in the other bills which came before the Senate, including the military bill, and all other bills, because that is where the real money is. We have already reduced the independent-offices bill to the extent of $5,669,000,000, which is $600,000,000 below the budget. I cast my vote, too—and I discussed it in committee with the Senator from Michigan and with other Members—as a test vote on whether there should be a 5-percent or a 10-percent cut in addition. So I have no desire to object to sending the bill back to the committee. In fact, I am going to vote for the 10-percent cut, and I am going to vote for more than a 10-percent cut when the legislative bill comes up; and, so far as European aid in the sum of $8,500,000,000 is concerned, I may vote for much more than a 10-percent cut.

I merely wanted to make the record clear as to why I voted as I did today, because we worked long and hard. I worked with the Senator from Oregon [Mr. CORDON] to figure out a 5-percent cut; and the Senator knows that when a 5-percent cut was made in the Labor-Security bill, I asked the committee for permission, which was given me, to have Mr. Earl W. Cooper, the clerk of the subcommittee, of which I am chairman, prepare figures to show the effect of the 5-percent cut. He spent all night preparing those figures. The figures showed that with the 5 percent plus direct cuts, the independent-offices bill would be reduced by $600,000,000 below the budget estimate and $5,669,000,000 below what we voted last year.

I shall vote for the 10-percent cut, and I shall vote for more than a 10-percent cut when the foreign-aid bills come before the Senate.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MAYBANK. I shall be glad to yield.

Mr. LONG. I should like to ask the Senator if the effect of what he is suggesting would not be for us to say that the Appropriations Committee is invariably appropriating too much money, no matter what figure is arrived at. I am not a member of the Appropriations Committee, but I am inclined to think that the members of that committee are sincere gentlemen and are trying to do their duty.

Mr. MAYBANK. There is no finer committee than the Senate Appropriations Committee, and I appreciate the honor of serving with the distinguished Senator from Tennessee [Mr. MCKELLAR], who is chairman of that committee. A majority of the members of the committee voted for a 10-percent cut. I hoped it would establish a pattern, because, if we cut one agency of Government 10 percent, then the others should be cut a like amount. In fact, some of them ought to be cut 50 percent.

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. MAYBANK. Yes.

Mr. LONG. The question that is troubling me is that if the majority of the members of the Appropriations Committee voted for a 5- or 10-percent cut, why was so much money reported in the first place?

Mr. MAYBANK. I cannot answer that question. I listened to the testimony. The Senator from Oregon [Mr. CORDON] proposed a 5-percent cut, and I tried to do what I could do for the people of this country. I know we cannot legislate on the Senate floor. But I am going to vote for a 10-percent cut in the independent offices appropriation bill, although we have already cut those appropriations to the extent of $600,000,000 below the budget, and five billion six hundred million below the appropriations for last year.

The VICE PRESIDENT. Is there objection to the request of the Senator from Michigan that the independent offices appropriation bill be recommitted to the Committee on Appropriations?

Mr. DOUGLAS. Mr. President, reserving the right to object, I think we should have an opportunity to go over the bill item by item, instead of throwing up our hands in despair and sending the bill back to the committee. So I object.

Mr. MAYBANK. Mr. President, I went over the bill item by item, not only in the morning, not only in the afternoon, but even at my home at night.

Mr. DOUGLAS. Do I correctly understand that the Senator moved——

The VICE PRESIDENT. It was not a motion. The Senator from Michigan asked unanimous consent that the independent offices bill be recommitted to the Committee on Appropriations.

Mr. DOUGLAS. I withdraw my objection.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the bill is recommitted.

If the Chair may be permitted, with the indulgence of the Senate, to make a suggestion, it is that the committee itself make the reductions item by item.

Mr. FERGUSON. Mr. President, that is what the Senator from Michigan had in mind. He made the motion in the committee that there be a 10-percent cut.

Mr. MAYBANK. That is correct. I assured the Senator from Michigan that if we placed a 10-percent cut on one bill the same should be done as to all bills as far as my vote was concerned.

Mr. FERGUSON. That is correct.

Mr. MAYBANK subsequently said: Mr. President, earlier today, as chairman of the Subcommittee on the Independent Offices, I submitted the independent offices appropriation bill for 1952, which, by a unanimous-consent agreement, was recommitted to the committee on request of the Senator from Michigan. I now wish to ask unanimous consent that the bill may be printed, in order that we may have the bill before the Senate on Thursday. As I understand, the calendar will be called tomorrow.

I may say that the additional 5-percent cut has been carefully checked by the staff, and it amounts to $14,223,997. I ask that that breakdown also be included as part of my remarks at this point, showing where the cuts will be made.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INDEPENDENT OFFICES APPROPRIATION BILL, 1952, H. R. 3880

The Senate has recommitted H. R. 3880, the independent offices appropriation bill, 1952, with directions agreed to in colloquy to reduce personal services in each item of appropriation by 10 percent, in lieu of the 5-percent reduction in personal services made by full committee action.

Subject to final checking, such action would reduce individual items in the bill as follows:

Bureau of the Budget	$191,125
Council of Economic Advisers	9,750
American Battle Monuments Commission	26,115
Federal Communications Commission	166,700
Federal Power Commission	180,575
Federal Trade Commission	152,561
General Services Administration	3,242,207
Indian Claims Commission	4,700
Interstate Commerce Commission:	
General expenses	65,000
Railroad safety	37,724
Locomotive inspection	28,240
Motor Carrier Claims Commission	1,750
National Advisory Commission on Aeronautics	1,750,480
Securities and Exchange Commission	272,760
Smithsonian Institution	96,680
National Gallery of Art	59,420
Tariff Commission	60,700
Tennessee Valley Authority	528,260
Tax Court of United States	37,950
Veterans' Administration	6,986,000
Maritime:	
Salaries	201,050
Training	124,250
Total	14,223,997

Mr. MAYBANK. Mr. President, we will file a report as soon as it is ready. Each individual item of the report must be changed, because of the additional 5 percent cut.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Is there objection to the request of the Senator from South Carolina?

Mr. FERGUSON. Reserving the right to object, when the bill is printed, will it contain the new figures, showing the cut of $14,000,000 plus?

Mr. MAYBANK. It will appear in another printing of the bill.

Mr. FERGUSON. Will the bill be printed again, and be on the desks of Senators, so that they may understand fully how the additional cuts were made?

Mr. MAYBANK. The Senator is correct. That is what I wanted to bring to the attention of the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

Mr. WHERRY. Mr. President, I understand this is a unanimous-consent request for the printing of a bill.

Mr. MAYBANK. That is correct.

Mr. WHERRY. Has the bill been returned to the Senate?

Mr. MAYBANK. The bill was recommitted, by unanimous consent, to the committee, and in the meantime I have directed the committee staff to prepare a statement showing the additional 5 percent cut. Those figures have been prepared by Mr. Earl W. Cooper, of our staff, and we shall reprint the bill with the new 5 percent cut added—that is, showing the 10 percent cut, instead of a 5 percent cut, as it was originally.

Mr. WHERRY. When does the Senator expect to report the bill?

Mr. MAYBANK. It will merely be a matter of submitting it to the full committee. However, we desire to have the bill printed, with the necessary corrections, in order that Senators may have it before them.

Mr. WHERRY. I appreciate that, but the point I wanted to bring out is that the proper way to handle these bills is to let them lie over for a day, as provided by the rules. So far as I am concerned, it is agreeable to have the bill printed again. This is Tuesday. If it can be printed tomorrow, we can take it up following the call of the calendar on Thursday. That, I understand, is the program.

Mr. MAYBANK. That is what I had hoped.

Mr. WHERRY. I have no objection.

Mr. MAYBANK. I spoke to the chairman of the committee, and he thought he would poll the members of the committee to see if it were agreeable to them. Thus far, four Senators, namely, the Senator from Louisiana [Mr. ELLENDER], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Michigan [Mr. FERGUSON], and myself are here, and they have seen the figures showing the changes.

Mr. WHERRY. Does the Senator mean it will be submitted from the Committee on Appropriations?

Mr. MAYBANK. That is correct.

Mr. WHERRY. I wonder when my turn will come.

Mr. MAYBANK. The Senator's turn will come now.

Mr. CHAVEZ. Mr. President, may we proceed now to the discussion of the pending bill, and finish it, so that we may get ready for the next one?

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

Mr. DOUGLAS. Mr. President, I hope there will not be any objection to the proposed reduction of 79 in the total number of Government automobiles. I hope the Senate will agree to the amendment very speedily.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I am very much in favor of the amendment offered by the Senator from Illinois, and I shall support it, but it occurred to me that the Senator might be able to get a more certain reduction in this field if he merely offered an amendment to require the Department immediately to dispose of 50 percent of its automobiles, based on the highest mileage, and then for the Department to get rid of the automobiles, instead of adopting this uncertain process of replacement. The Department might go along under this admonition with a lot of old automobiles for an interminable period of time and not get rid of them because they can replace only half of them.

Mr. DOUGLAS. Mr. President, I think the Senator from Massachusetts [Mr. SALTONSTALL] has a suggestion which will clear this matter up. The Senator from Iowa is proposing that we reduce by one-half the total number of automobiles. I think that is probably too stringent a proposal. What I am proposing is that we replace one-half of the total change during the year. The proposal of the Senator from Iowa would require civilian branches to dispose of approximately 10,000 automobiles during the course of the year, because approximately 20,000 are in the civilian branches. My proposal is that of the 3,000 which are scheduled for replacement, we permit the replacement of only 1,500, and thereby shrink the total number.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for one more question?

Mr. DOUGLAS. I yield.

Mr. HICKENLOOPER. I should like to ask the Senator if he drives through Rock Creek Park in the mornings. If he does, I think he will see there at least 10,000 Government automobiles, most of which seem to be driven by Government chauffeurs, taking lower-echelon employees to work so that they can get there by 9 o'clock. I think a reduction of 50 percent could well be absorbed in the motor-vehicle pool, and I think it should be done.

Mr. DOUGLAS. I hope the Senator will go along with me in my proposal.

Mr. HICKENLOOPER. I am going along with the Senator.

Mr. DOUGLAS. Mr. President, I now yield to the Senator from Massachusetts [Mr. SALTONSTALL], who I think has a suggestion to offer.

Mr. MAYBANK. Mr. President, will the Senator yield to me for a moment?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. I voted in the committee to do away with 1,760 chauffeurs. There are 5,280 on part time. I was defeated in the committee. But there are 5,280 part-time chauffeurs and 1,760 regular chauffeurs. I certainly think the Senator should modify his amendment to do away with the chauffeurs.

Mr. DOUGLAS. The Senator from Michigan has an amendment having to do with chauffeurs, and I do not want to poach in his territory. If there is to be a reduction in the number of chauffeurs I am perfectly willing that the Senator from Michigan should receive the credit for it. If we reduce the number of automobiles for the first step, we can reduce the number of chauffeurs for the second step. But I do not want to fish in another man's pond unless I first ask his consent.

Mr. CHAVEZ. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I should first like to yield to the Senator from Massachusetts, because I think he has a very constructive amendment.

Mr. SALTONSTALL. Would the Senator from Illinois be willing to accept an amendment to his amendment "T" reading as follows:

SEC. —. Where the number of passenger cars for replacement only are reduced by the provisions in this act, the total number of passenger cars in the division or department concerned will be reduced by a like number.

Mr. DOUGLAS. I shall be delighted to accept that amendment.

Mr. CHAVEZ and Mr. FREAR addressed the chair.

Mr. DOUGLAS. Mr. President, I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, it appears that the Senate is in a mood of economy. The chairman of the subcommittee is willing to accept not only the amendment offered by the Senator from Illinois with reference to automobiles, but the amendment of the Senator from Michigan, and thereby try to do a little economizing on our own part.

Mr. FERGUSON. Mr. President, I ask to call up the amendment so that it may be understood.

Mr. DOUGLAS. Mr. President, I suggest that we proceed item by item, that the Senate accept my amendment and then accept the amendment of the Senator from Michigan later.

Mr. CHAVEZ. I am in favor of economizing on our own part.

Mr. MAYBANK. That is correct. Let us do away with the chauffeurs.

Mr. AIKEN. Mr. President, will the Senator from Illinois yield?

The PRESIDING OFFICER (Mr. SMATHERS in the chair). Does the Senator from Illinois yield to the Senator from Vermont?

Mr. DOUGLAS. I yield to the Senator from Vermont.

Mr. AIKEN. I should like to ask the Senator from Illinois if the reduction he proposes in the number of automobiles for the Food and Drug Administration will take away the automobiles with which the Food and Drug Administration has been futilely and feebly attempting to enforce the oleomargarine law.

Mr. DOUGLAS. It will affect it somewhat, but I think the Food and Drug Administration has enough cars

so if they want to enforce the Food and Drug Act they can do so.

Mr. AIKEN. Is the Senator from Illinois familiar with the testimony before the Finance Committee that it would take $5,000,000 to enforce the Oleomargarine Act, and that only $225,000 is provided in this bill for such enforcement?

Mr. DOUGLAS. I was not aware of that fact.

Mr. AIKEN. Is the Senator from Illinois aware of the fact that of the 16,000 eating places which have been inspected under the oleomargarine law, from November 1 until May 1 of this year, between 20 and 30 percent were found in violation, but that none have been referred to the Department of Justice for prosecution?

Mr. DOUGLAS. No. I thank the Senator for that information.

Mr. AIKEN. Therefore, I was wondering, if any of the automobiles which would be eliminated were used for the enforcement of the oleomargarine law, just what the effect would be, so far as enforcement is concerned.

Mr. DOUGLAS. Mr. President, if the Senator will examine the figures for the Federal Security Agency he will find that they have a very large number of automobiles, 37 with full-time drivers in the District of Columbia, 7 with full-time drivers in the field, 13 with part-time drivers in the District of Columbia, and 87 with part-time drivers in the field. Seventy-six vehicles are operated by persons not employed as chauffeurs in the District of Columbia, and 1,006 in the field. So that in all they have about 1,200 automobiles. I do not believe that the loss of 3 or 4 of the 1,200 automobiles would seriously handicap them in the enforcement of the oleomargarine law.

Mr. AIKEN. I think I can agree with the Senator on this amendment. I simply wanted to make sure that the enforcement of the oleomargarine law would not fall below the zero point, where it is at present.

Mr. DOUGLAS. I believe we have established a legislative record indicating that it is the intent of the Senate that the oleomargarine law shall be enforced, and in view of the fact that the Federal Security Agency has nearly 1,200 automobiles, it seems to me that there should not be such a shortage of automobiles as to interfere with the enforcement of the oleomargarine law.

Mr. FREAR. Mr. President, I have been on my feet for a long time seeking to have the Senator from Illinois yield to me.

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Delaware?

Mr. DOUGLAS. I yield to the Senator from Delaware.

Mr. FREAR. I am not particularly interested in how many automobiles are going to be used for the enforcement of the oleomargarine law, because I think it is a poor law, in the form in which it was passed. The question I should like to ask the Senator from Illinois is whether the modification of his amendment suggested by the Senator from Massachusetts [Mr. SALTONSTALL], which the chairman of the subcommittee said he was willing to accept, now gives assurance that the automobiles in question will not be in use in the departments and agencies affected at the end of the present fiscal year.

Mr. DOUGLAS. I think that is correct, yes.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I presume I shall be one of the conferees. If the amendment is accepted I shall certainly try to carry out the instructions of the Senate as contained in it. But, after all, the House has something to say about a conference. All the Senator from New Mexico can assure the Senator from Delaware is that certainly the conferees on the part of the Senate will try to carry out the instructions of the Senate.

I should like to have the attention of the Senator from Vermont. He inquired about certain automobiles. The amendments of the Senator from Illinois go to individual items. The particular point in which the Senator from Vermont is interested is on line 3 of the amendment offered by the Senator from Illinois. That part of the amendment reads:

> On page 11, line 23, strike out "seven" and insert in lieu thereof "one."

So as far as replacements for the Food and Drug Administration are concerned, the amendment would result in the replacement of only one automobile, instead of seven, as recommended by the committee. I was glad the Senator from Vermont called attention to that item. The oleomargarine law may not be any good; but Congress passed it. Many persons have objections to the oleomargarine law, but it has been passed by Congress. All we ask is that the Food and Drug Administration be permitted to administer the law as it should be administered.

Mr. AIKEN. Congress has been warned that it would require four or five million dollars annually to enforce the law. We cannot expect enforcement of the law by the Food and Drug Administration, because they told us they could not do the job with $225,000.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

Mr. CHAVEZ. May I speak for one more moment? I beg the indulgence of the Senator to say a few more words.

Mr. DOUGLAS. I am glad to yield further to the Senator from New Mexico.

Mr. CHAVEZ. I thank the Senator. This is the story about the enforcement of the oleomargarine law. The Bureau of the Budget recommended $900,000 as last year's appropriation. We cut that amount in two. The Administration does not have a sufficient number of enforcement officers in Washington to inspect the greasy spoon restaurants on Indiana Avenue, much less 16,000 restaurants. But we ask them to do these things, and then if they cannot do them, we complain. If there is one agency of the Federal Government that deserves the sincere support of this body, it is the Food and Drug Administration. Of course it should not waste money, but it should be encouraged to enforce the law for the sake of the public health.

Mr. AIKEN. Mr. President, I should like to correct any impression which may have been given by my remarks that there are fifteen or sixteen thousand restaurants to be inspected. That is the number which has been inspected since last November, and at that rate of inspection the enforcement officers can get around to each restaurant probably every 5 or 6 years.

Mr. CHAVEZ. I believe the testimony before the committee was that there were more than 800,000 restaurants to be inspected. They simply cannot reach them all.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Do I understand that the amendment which I offered, as modified by the Senator from Massachusetts [Mr. SALTONSTALL], has been accepted by the committee.

Mr. CHAVEZ. I will accept the amendment offered by the Senator from Illinois.

Mr. DOUGLAS. As modified?

Mr. CHAVEZ. Yes. Which applies only to cutting down the replacement cars.

Mr. DOUGLAS. It eliminates additional net increases, too.

Mr. CHAVEZ. That is correct. And, of course, when the Senator from Michigan presents his amendment it is my purpose to accept it also. That refers to the chauffeurs.

The PRESIDING OFFICER. In answer to the parliamentary inquiry of the Senator from Illinois the Chair will state that the chairman of the subcommittee has just indicated that he will accept the amendment offered by the Senator from Illinois, as modified.

The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS], as modified.

The amendment, as modified, was agreed to.

Mr. FERGUSON. Mr. President, I now call up the amendment dated over 6-8-51—C which I offer for myself and the Senator from New Hampshire [Mr. BRIDGES]. I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 42, between lines 15 and 16, it is proposed to insert a new section as follows:

> SEC. —. No part of any appropriation contained in this act shall be used to pay the compensation of any civilian employee of the Government, whose duties consist of acting as chauffeur or driver of any Government-owned passenger motor vehicle (other than a bus or ambulance), and any funds appropriated in this act for any such purpose shall be covered into the Treasury as miscellaneous receipts.

Mr. FERGUSON. Do I understand that the Senator in charge of the bill accepts the amendment?

Mr. CHAVEZ. Yes, so far as the chairman of the subcommittee is concerned, I accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and the Senator from New Hampshire [Mr. BRIDGES].

The amendment was agreed to.

Mr. DOUGLAS. Mr. President, I now offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 42, after line 15, it is proposed to insert the following new section:

SEC. 703. No part of any appropriation contained in this act shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of 1 such employee to 115, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administraton of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

Mr. DOUGLAS. Mr. President, we are beginning to close in on the specific sources of waste in the Federal Government.

Mr. CHAVEZ. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CHAVEZ. It appears that the proposed amendment would be legislation on an appropriation bill, and that is why I make the point of order.

The PRESIDING OFFICER. Does the Senator from Illinois yield for the expression of the point of order?

Mr. DOUGLAS. I should like to discuss that question if I may.

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. DOUGLAS. Mr. President, it seems to be well established that restrictions may be placed on the use of funds.

The pending bill already contains a restriction, providing that no money shall be paid to anyone who engages in a strike in the Government service. As a matter of fact, I believe that the independent offices bill, House bill 3880, which was just recommitted to the committee, contains a provision on page 43 similar to that in my amendment, in fact, it is identical.

This is merely an attempt to extend to the Labor and Federal Security Agency the provision which the House has already established in the case of independent offices.

There are many restrictions which are placed upon the expenditure of funds. My amendment is not legislation, but a restriction on the use of funds. The chauffeurs amendment, I may say, is of the same type, because it places a restriction upon the expenditure of funds. It provides that no funds shall be used to pay full-time or part-time chauffeurs. So I am sorry that the point of order has been raised. If this amendment is knocked out, we shall have to knock out the provision with respect to chauffeurs.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. BRIDGES. The point I wish to make with the Senator from Illinois is that I think he has phrased this provision in such a way that it is a restriction rather than new legislation. Is not that true?

Mr. DOUGLAS. I have certainly tried to do so.

The PRESIDING OFFICER. Does the Senator from New Mexico formally make the point of order?

Mr. CHAVEZ. Yes. I make the point of order that the amendment is legislation on an appropriation bill.

The PRESIDING OFFICER. The Chair is of the opinion that the point of order on the Senator from New Mexico is well taken.

Mr. DOUGLAS. Mr. President, I move to suspend the rule.

Mr. DWORSHAK. I suggest the absence of a quorum.

The PRESIDING OFFICER. A motion to suspend the rule is not in order except on 1 day's notice.

Mr. DOUGLAS. Mr. President, the restriction in this case is identical with the restriction which has just been made with respect to the hiring of chauffeurs. That was permitted to go through. Now the ruling is made that this provision is legislation, and it is ruled out. What is sauce for the goose is sauce for the gander. In my judgment, both provisions are correct

Mr. President, I appeal from the decision of the Chair.

Mr. HILL. Mr. President, I make the point of order that the appeal comes too late. We have passed on to another matter.

Mr. DOUGLAS. I know of no other matter which has come before the Senate. I appeal from the decision of the Chair.

The PRESIDING OFFICER. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. DOUGLAS. Mr. President, is that question debatable?

The PRESIDING OFFICER. The appeal is debatable.

Mr. DOUGLAS. Mr. President, in the independent offices bill, as passed by the House, on page 43, section 108 reads as follows:

SEC. 108. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a raito of 1 such employees to 115 or a part thereof, full-time, part-time and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

In other words, the clause which I offered in my amendment is identical with that which has already been placed in the independent offices bill by the House of Representatives.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CHAVEZ. Is it not true that that language was placed in the bill on the House side?

Mr. DOUGLAS. That is correct.

Mr. CHAVEZ. Not only that, but by action of this body this afternoon, that bill has gone back to the Committee on Appropriations. So we do not know what the committee will report to the Senate.

Mr. DOUGLAS. Let me say that such a provision is also in Public Law 759, Eighty-first Congress, second session.

Mr. President, this agency happens to be extremely guilty of an excessive use of persons in the personnel department. The Williams committee in its report indicated that there was 1 personnel officer for every 63 employees in the Federal Security Administration, despite the fact that the Bureau of the Budget said that the proper ratio was 1 to 103, and despite the fact that the House Committee on Appropriations and the House of Representatives as a whole believes the proper ratio to be 1 to 115. The Federal Security Agency is one of the worst offenders in the Government in the excessive number of people in the personnel department.

Mr. President, the personnel officers are rapidly becoming the dictators of this country through their power to hire. They are able to manipulate the civil-service laws and put their own favorites in, excluding everyone else. They hold the power of life and death over the employees. They are becoming the modern dictators of the big bureaucracy which we are building up.

Mr. CHAVEZ. Mr. President——

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, there cannot be any question whatever about the statement made by the Senator from Illinois. However, I still want the Senate to act in a legal and proper and constitutional way. Even if everything the Senator from Illinois says is correct——

Mr. DOUGLAS. Does the Senator from New Mexico say that the House has acted illegally?

Mr. CHAVEZ. No.

Mr. DOUGLAS. Then, if it was proper for the House, why is it not proper for us?

Mr. CHAVEZ. There is this difference as between the House action and the Senate action: the House Committee inserted the language in the bill. Of course the Senate could not raise a point of order with respect to House action, but the Senate certainly can raise a point of order when an attempt is made to change the legislative process with respect to appropriation bills.

Mr. DOUGLAS. Mr. President, I appeal from the ruling of the Chair, and ask for a division.

Mr. DWORSHAK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested.

Mr. DOUGLAS. Mr. President, I do not want to delay matters by calling for a quorum. I am not asking for a quorum, but I am asking for a division among those Senators who are present.

Mr. IVES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. IVES. A division on what?

Mr. DOUGLAS. I division on the question as to whether the ruling of the Chair was correct.

The PRESIDING OFFICER. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Does the Senator from Idaho insist upon his suggestion of the absence of a quorum?

Mr. DWORSHAK. I withdraw the suggestion of the absence of a quorum.

Mr. DIRKSEN. Mr. President, I wish to address myself to my colleague from Illinois for a moment.

Quite aside from the effect of the proposal which he offers, and looking at it only from the parliamentary standpoint, I think my friend will agree that, first of all, the amendment does impose an additional duty in that someone must make the determination as to which employees are engaged in part-time work, half-time work, and so forth. That is an administrative duty which is imposed by the amendment; and if it is, of course it is clear that when we add additional duties the amendment becomes legislative in character. My own notion is that the ruling of the Chair is correct.

My friend raises the question as to how the provision got into the House bill. The reason for that is very simple. It is necessary to go to the Rules Committee of the House and obtain a rule which will waive all points of order with respect to an appropriation bill. I have not the slightest doubt that that was done in connection with the Independent Offices appropriation bill.

My own view, strictly from the parliamentary standpoint, is that the ruling of the Chair is correct, that the amendment does impose added duties, and therefore it is legislative in character.

Mr. HILL. Mr. President, will the junior Senator from Illinois yield to me?

Mr. DOUGLAS. I am glad to yield.

Mr. HILL. Furthermore, as the junior Senator from Illinois will confirm, the rules of the Senate in the matter of legislation on an appropriation bill are stronger than are the rules of the House. The House has what the junior Senator from Illinois will recall as the Holman rule, I believe, which provides that if legislation is written in such a way that it appears on the face of it to be a reduction in an expenditure, even though it be legislation, it is in order in the House. The Senate has no such rule. In other words, the rules of the House are more generous and more liberal so far as legislation on appropriation bills is concerned than are the rules of the Senate.

Mr. DOUGLAS. Mr. President, I ask for a division.

Mr. DWORSHAK. I suggest the absence of a quorum.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The absence of a quorum has been suggested, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	McMahon
Bennett	Hayden	Monroney
Benton	Hendrickson	Moody
Brewster	Hennings	Morse
Bricker	Hickenlooper	Mundt
Bridges	Hill	Neely
Butler, Md.	Hoey	Nixon
Butler, Nebr.	Holland	O'Mahoney
Byrd	Ives	Pastore
Cain	Jenner	Robertson
Carlson	Johnson, Colo.	Russell
Chavez	Johnson, Tex.	Saltonstall
Clements	Johnston, S. C.	Schoeppel
Connally	Kefauver	Smathers
Cordon	Kerr	Smith, Maine
Dirksen	Kilgore	Smith, N. J.
Douglas	Knowland	Smith, N. C.
Duff	Langer	Sparkman
Dworshak	Lehman	Stennis
Eastland	Long	Taft
Ecton	Magnuson	Thye
Ellender	Malone	Underwood
Ferguson	Maybank	Watkins
Flanders	McCarran	Welker
Frear	McCarthy	Wherry
Fulbright	McClellan	Williams
George	McFarland	Young
Gillette	McKellar	

The PRESIDING OFFICER. A quorum is present.

Mr. FERGUSON. Mr. President, I should like to ask the Senator from New Mexico a question. The Senator from Michigan feels that the amendment under discussion is a good amendment, and a similar provision is in the independent offices appropriation bill. The President asked for it in his budget, as appears on page 143.

Mr. CHAVEZ. It makes me very happy that the Senator from Michigan pays attention to what the President asks for.

Mr. FERGUSON. When the Senator from Michigan agrees with the President, naturally he pays attention to him. On a number of items he agrees with the President.

Mr. CHAVEZ. I am glad we are nonpartisan.

Mr. FERGUSON. This provision is in the budget which the President asked Congress to adopt. I know of no reason why it was not recommended as a part of this bill. I hope the Senator from New Mexico will not insist upon the point of order, but will allow the amendment to become a part of the bill, so that it may be taken to conference. As I have said, a similar provision is now in the independent offices appropriation bill, which has been returned to the committee by unanimous consent, and it should have been included in this bill.

Let me read from the budget recommendation for independent offices for the information of the Senate:

SEC. (109) 108. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of 1 such employee to 115, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

Mr. President, if that provision is to be in the independent offices appropriation bill on the recommendation of the President, the Senator from Michigan feels that it should go into the pending bill, and in the other appropriation bills, as a matter of course.

Mr. MOODY. Mr. President, I should like to say a word in support of what my colleague from Michigan has just stated. It seems to me that the method suggested of making reductions in specific items is the proper manner in which to act on appropriation bills. I hope the Senator from New Mexico will accept the amendment as the Senator from Illinois has offered it.

Mr. FERGUSON. I thank my colleague for his cooperation.

Mr. CHAVEZ. Mr. President, I am sure there is much merit in the suggestion of the Senator from Illinois, as advocated by the Senator from Michigan. The only point I am attempting to make at this time is that the Senator from Michigan is too good a lawyer, he practiced law too long, he dispensed justice too long, to approve of the proposed action. That being the case, all the Senator from New Mexico is asking was that the Senate proceed in the proper and orderly way, legally.

Mr. DOUGLAS. Mr. President, will the Senator yield for a minute?

Mr. CHAVEZ. I yield.

Mr. DOUGLAS. Which would the Senator prefer to have: Justice in an illegal way or injustice in a legal way?

Mr. CHAVEZ. I shall answer that $65 question by saying that I would rather have justice.

Mr. DOUGLAS. In an illegal way?

Mr. CHAVEZ. No; I said I would rather have justice—either in a legal way or in an illegal way.

Mr. DOUGLAS. So the Senator would waive technical objections to this amendment, in order to reach the consummation with which he says he agrees. Is that correct?

Mr. CHAVEZ. Yes; I do agree.

Mr. DOUGLAS. Does the Senator from New Mexico remember the quotation from the Merchant of Venice:

> To do a great right, do a little wrong,
> And curb this cruel tyrant of his will.

The tyrant in this case is the wasteful bureaucrat, the tax eater, who will eat us into inflation if we fail to curb his appetite.

Mr. CHAVEZ. I do not remember it, but I believe in it.

Mr. DOUGLAS. Then, is the Senator from New Mexico willing to accept the amendment?

Mr. CHAVEZ. I might be willing to accept the amendment of the Senator from Illinois if the Senator from Illinois would be willing to save a little of the money that is spent in trying to obtain reductions which are unsound, in the

opinion of the chairman of the subcommittee.

If the Senator from Illinois in all his goodness and patriotism and loyalty to the country and to the people of the country would cooperate a little and would trust the Appropriations Committee, which also is trying to save some money——

Mr. DOUGLAS. I am sure the committee is doing that. We simply wish to supplement the committee's splendid efforts and help the committee to do still more than it was originally able to do.

Mr. CHAVEZ. That is fine. I am glad the Senator from Illinois is cooperating at least to that extent, but I should like to have this bill passed so that it may go to conference.

Mr. DOUGLAS. Will the Senator accept the amendment, then?

Mr. CHAVEZ. Is it the last one the Senator from Illinois will submit?

Mr. DOUGLAS. No; I have many more, but I shall submit them quickly.

Mr. CHAVEZ. Very well; I accept the amendment.

Mr. FERGUSON. Mr. President, I appreciate that very much.

The PRESIDING OFFICER. Then the point of order is withdrawn.

The question now is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was agreed to, as follows:

On page 42, after line 15, insert the following:

SEC. 703. No part of any appropriation contained in this act shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of 1 such employee to 115, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

Mr. DOUGLAS. Mr. President, I submit and send to the desk another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 14, in line 20, it is proposed to strike out "$20,017,760" and insert in lieu thereof "$18,223,261."

On page 14, line 23, it is proposed to strike out "$19,847,760" and insert in lieu thereof "$18,048,261."

Mr. DOUGLAS. Mr. President, the purpose of the amendment is to reduce the total amount of the appropriations for Federal aid for vocational education by $1,800,000. I am not insisting that we restore the strict restriction the House imposed when it provided that no money whatever could be used for distributive education.

This amendment would permit the money to be used for distributive education—or, in other words, for training in selling, although I do not think much of having the program in operation right now—as well for training in agriculture, industrial arts, and home economics. In other words, the amendment would permit the same purposes as those now provided for in the bill to be carried out, but would appropriate $1,800,000 less, or the sum total which the House of Representatives appropriated.

Mr. STENNIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Mississippi?

Mr. DOUGLAS. I yield to the Senator from Mississippi for a question.

Mr. STENNIS. Mr. President, I was seeking to obtain the floor in my own right, and I shall attempt to obtain it later, after the Senator from Illinois has concluded.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. TAFT. Does the Senator from Illinois know whether arrangements have already been made by the States for setting up their entire educational systems for the fiscal year which is about to begin?

Mr. DOUGLAS. Certainly the House must know about that, and it is always possible to readjust such arrangements.

I think the Senator from Ohio has in the past been one of those who have objected to having the hands of Congress tied by administrative arrangements made prior to the time when the Congress acts on the appropriation bills.

Mr. TAFT. However, I know that in connection with highways, for instance, contracts have already been made and commitments have been made a full year in advance. In the case of highways, we cannot, without backing out from the contracts, reduce the appropriations for the fiscal year which is about to begin. I am asking whether the same is true in the case of the vocational education system. I do not know; but, of course, the State legislatures have already met and have made their appropriations for the fiscal year beginning July 1. Although we may make cuts in the appropriations for the following fiscal year, I am not sure that we can make cuts in the appropriations for this year for this purpose without violating the contracts which have been made with the Government of the United States.

Mr. DOUGLAS. Mr. President, I have always taken the position that the United States Congress, not the administrative officials of the Government, is the proper appropriating body. The administrative officials make tentative arrangements and tentative contracts which always are subject to ratification by the Congress, which may or may not decide to appropriate sufficient funds to make those arrangements good.

If we do not retain that right, we surrender all control over appropriation items and we virtually turn that control over to the administrative officials, without retaining the power to act.

It is perfectly possible for the States to reduce their expenditures, either by spending $1,800,000 less or by going through with their present program on a scale which would give them about a 90-percent reimbursement, instead of a 100-percent reimbursement; and they could either spend up to the amount of their appropriations or could turn back into the Treasury the amounts not spent.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. TAFT. I think the Senator from Illinois misinterprets the situation. There is no question of having Congress lose authority. The situation is that the Congress authorized the States to proceed in such a way as to constitute the making of contracts with the Federal Government. I do not think we should repudiate those agreements.

We may make changes in the appropriations and programs for the next year; but today the State legislatures have adjourned, after having set up their systems for the fiscal year beginning the 1st of July. In any event, the State legislatures cannot be called back to change the arrangements which now have been made for the new fiscal year.

I simply ask whether the Senator from Illinois has examined the situation in regard to vocational education. I have examined the situation in respect to the highway appropriations; but I do not know about the situation in respect to vocational education, and I think that point should be considered.

Mr. DOUGLAS. I should like to ask the Senator from Ohio a question. The reduction proposed by this amendment is the same in amount as the reduction made by the House of Representatives, but the House added a further restriction, which is not included in my amendment, namely, that no funds should be spent for so-called distributive education. The Members of the House of Representatives are very competent gentlemen. The members of the House Appropriations Committee are probably quite expert in regard to this matter, particularly inasmuch as the House specializes more in appropriations than the Senate does. I am certain that the Members of the House must have examined this matter very carefully. If they reach this conclusion, it seems to me that it is almost prima facie that they are correct.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. AIKEN. I wish to call attention to the fact that the State legislatures have now adjourned, and it will be impossible for them to make adjustments on the basis of this bill, without holding special sessions—provided, of course, that the arrangements have been legally made.

Mr. DOUGLAS. I thank the Senator from Vermont for the reinforcement he has given me.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. STENNIS. Does not the Senator from Illinois know that the Senate Appropriations Committee passed on the very matter on which the House of Representatives passed, and the Senate committee recommended that the figure now set forth in the committee amendment be included in the bill?

However, the Senator's amendment would seek to change the figure which has been voted by the Senate committee, by striking it out and inserting, instead, the amount voted by the House of Representatives. Is not that correct?

Mr. DOUGLAS. That is correct. My amendment, if adopted, would result in saving $1,800,000 in the appropriation for vocational education. It could be made in distributive education, for education in selling, or it could be made on an over-all basis.

Mr. STENNIS. Does not the Senator from Illinois recall that last year we fought out this matter; and after the Senate voted three times—the last time by an overwhelming vote—the Senate approved this fund, under the George-Barden Act?

Mr. DOUGLAS. I am still hoping that we shall be able to save on this item.

Mr. CHAVEZ. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. I yield.

Mr. CHAVEZ. The authorization for the item for vocational education is $29,500,000. The Budget Bureau did not recommend the full authorization. It recommended $20,017,760. For what purpose? For vocational education, a program which had been authorized by the Congress. Very well. The House cut the item down to the figure to which the amendment of the Senator from Illinois would now cut it. But the Senate committee did not feel that the House had done the proper thing, and we restored only the budget figure. We did not go as far as the authorization of $29,000,000-plus, but only to the extent of $20,017,760; and for a noble purpose. I may say that every time 1 cent is cut from a vocational educational training program for those who need it, it does not represent real economy, for it is keeping someone from becoming a producer, it is keeping someone from becoming a taxpayer. That is the only reason for our being opposed to the amendment of the Senator.

Mr. DOUGLAS. I thank the Senator from New Mexico for putting his objection to my amendment on the ground of policy rather than on the ground of legality, as was the case with the Senator from Ohio. If I may clinch the argument against the Senator from Ohio, it is this: If the Budget Bureau in January thought it legal to cut the authorization from $29,000,000 to a little over $20,000,000, then certainly it was legal for the House in April to cut it further to the extent of $1,800,000, and it is similarly legal for the Senate now, in June, to adopt the House figure of $1,800,000 below the budget figure. So I am glad that the Senator from New Mexico approves of the legal position of the Senator from Illinois.

On the question of policy, I may say we are in an emergency. We must save from $4,000,000,000 to $5,000,000,000 at a minimum, and although, when each item comes up, we think of the good which the expenditure of that amount will accomplish, we must always keep in mind as the overruling consideration the tremendous need of economy, and the fact that we have to cut the budget $4,000,000,000 or $5,000,000,000, or we shall have inflation.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. I am not completely in agreement with the Senator from Illinois as to the Senator from Ohio's being in error as to his legal conclusion, because, while it is true that the House had the legal authority to cut the appropriation from $20,000,000 to $18,000,000, or to $3,000,000, and there is no question as to the legal authority of the House to do that——

Mr. DOUGLAS. There is no question of the legal authority of the Senate to do it, either.

Mr. CHAVEZ. That is correct.

Mr. DOUGLAS. Then we are together on that.

Mr. CHAVEZ. We are together. But what the Senator from Ohio stated is correct. The State legislatures meet but once every 2 years. The Senate and the House of Representatives are not the only appropriative bodies in the country. Every State of the Union has a legislative body which appropriates money for the purpose of carrying out the functions of State government. Depending upon the program which the Federal Government is carrying out, the States make their appropriations. In New Mexico, for instance, for highways, the State government authorizes an expenditure. The Federal Government authorizes an expenditure of $500,000,000 a year to be spent throughout the country as a contribution by the Federal Government to the building of a highway system. The contributions of the Government must be matched by the individual States. In the instance of vocational training, to a certain extent the Federal Government's contributions must be matched by the individual States, and that is why the individual States must know what the Government is going to do about this particular matter.

Mr. DOUGLAS. Mr. President, there is a difference in the point of view. The Senator from Illinois feels that this cut of $1,800,000 should be made, while the Senator from New Mexico feels that it should not be made. I do not wish to take too much time. Unless there is more discussion, I suggest that the Senate vote on the question.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Oregon.

Mr. CORDON. I support the Senator from Illinois on this particular amendment. I wonder whether he is aware of the statement which appears in the House report to the effect that the real idea in the minds of the Budget Bureau at the time this budget was prepared was that, under the George-Barden Act, there should be only about $10,000,000 employed for regular vocational education, and that the remainder should be used solely for vocational education in defense fields. The House itself changed that, put it back under the George-Barden funds, and appropriated approximately $1,790,000 less than the budget figure. That much was eliminated, because that amount was intended to be used for education in the field of employment in retail establishments. Distributive education means nothing more than that, as I understand.

If the amendment of the Senator from Illinois should prevail all the funds which otherwise would have been divided substantially half and half, would go to the George-Barden fund and real vocational education. I am sure the country can limp along during the emergency and let the retail establishments train their own help, as they have done in the past.

Mr. DOUGLAS. I wish to thank the Senator from Oregon for his very eloquent support of my proposal.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Georgia for a question.

Mr. GEORGE. I wish to make a statement regarding this matter. The Senator from Oregon is entirely in error. He has wholly misconceived the George-Barden act and the various other educational acts. The act itself provides for vocational education. There are various subjects which can be taught. Distributive education is simply one subject which may be taught under it. The authorization made by the Congress is $29,500,000 for the total program. The Congress has never appropriated it, because, when it would have been appropriated, no doubt, war was in progress, and there was not a sufficient number of trained vocational education teachers in the country to take care of the schools which the States wished to establish. But never has 50 percent of the total amount appropriated been used for distributive education.

Mr. CORDON. The Senator from Oregon did not make any such statement.

Mr. GEORGE. I understood the Senator to make it. What happened was that someone in the executive branch of the Government decided to turn half of the money over to the Department of Labor. I wish to speak plainly. I protested against it, and when I protested against it, a change actually resulted from that protest; so that the amount appropriated goes for vocational education, including home economics, agricultural training, training on the farm, and mechanical training, and numerous other items.

I do not know whose bright idea it was, but the first I learned about it was that they desired about $20,000,000 be appropriated, but with the provision that only $10,000,000 of it should be used for vocational education, the remainder to be used for some type of training under the Department of Labor. Following the protest, which resulted in a restoration of the fund, the House cut the appropriation down a little below the budget estimate.

As I understand, what the distinguished Senator from Illinois is undertaking to do is to cut the appropriation to the amount the House provided. If

I misunderstood the Senator, I regret it, but I understood him to say that this appropriation for vocational education was as much as was recommended by the budget, which is not true at all.

Mr. CORDON. Mr. President will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. CORDON. The Senator from Georgia wholly misunderstood the Senator from Oregon. The statement of the Senator from Oregon was that the Bureau had told the House it intended to take one-half of the amount of the budget recommendation, which was $20,017,760, and divert it from regular vocational education into special training in the defense scene, and that the House refused to accept that type of division or distribution, and insisted on the full amount for the purposes of the George-Barden Act with reference to vocational education.

Mr. GEORGE. That is correct.

Mr. CORDON. The rejection by the House represented a reduction of the grant which had been justified for vocational education in the so-called distributive industries. In my opinion, in this day and in this emergency, we could eliminate that particular segment of vocational education without serious detriment to the economy. I shall, therefore support the Senator from Illinois in his amendment. The Senator from Georgia misunderstood my statement.

Mr. GEORGE. It is the privilege of the Senator from Oregon to support the distinguished Senator from Illinois in his amendment, but we are asked to change the law of the land through an appropriation bill, which the Senate should not be permitted to do, because the act itself authorizes vocational education in agriculture, in mechanics, and in distributive industry.

Mr. STENNIS. Mr. President, will the Senator yield to me?

Mr. CORDON. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield to the Senator from Oregon.

Mr. CORDON. Is it not a fact that through an appropriation bill, through practically every appropriation bill which comes to the floor, by limitation, in most instances by language written by the House, Congress has varied temporarily the application of substantive law in order to work the will of Congress in attempting to stay within its ability to pay?

Mr. DOUGLAS. The Senator from Oregon has had vastly more experience in this body than I have had. However, I know what the answer would be, namely, that Congress has very frequently been convinced that if it did not do that it would lose all ability to vary appropriations according to conditions. What we now have is a tremendous Federal budget not originally contemplated when the act was passed. The Senator from Oregon and the Senator from Illinois are trying to lighten the burden of the ship as it struggles through the heavy storm.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. STENNIS. Let me point out that in all the debate so far there has been no attack made on this program——

Mr. DOUGLAS. I only refrained from it because of politeness.

Mr. STENNIS. Will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. STENNIS. I point out that no attack is being made on the program. It should be permitted to stand on its merits. I cannot understand why a program which is so important, and which has received so much praise and so little criticism as has the vocational education program, should have this trouble every year. The appropriation pertains to a very small part of the program under the George-Barden Act. It is a part of the program which will affect my State. I am interested in the program primarily because vocational education includes agriculture and home economics. I have ascertained that a very fine phase of the program has been developed.

The amount involved is only $1,794,499, and that is to be distributed among 48 States and 3 Territories. It is the smallest part of the entire program. I think the amendment in the first instance was designed as an attack on that part of the program, because it originally provided that no part of the appropriation should be available for vocational education in distributive occupations. I understand the Senator has now abandoned that restrictive part of his amendment.

Mr. DOUGLAS. The Senator from Mississippi perhaps did not hear the amendment as it was read. It involves merely a reduction in the total. With respect to training in selling ribbons and groceries, I do not think that is a proper use of Federal funds at the present time. While I am for the welfare state under certain conditions, I do not think that is the most economical way for us to effect that purpose.

Mr. CORDON. Mr. President, will the Senator yield at that point?

Mr. DOUGLAS. I am yielding to the Senator from Mississippi, and then I shall be glad to yield to the Senator from Oregon.

Mr. STENNIS. Under the present rules the only way a Senator may have an opportunity to speak while another Senator has the floor is to have him yield. That is why I am interrupting the Senator from Illinois.

The amendment originally provided that no part of this money, it makes no difference how much or how little, should be used in connection with the distributive program. So I say a great deal of the attack is made upon that phase of the program which falls under the George-Barden Act.

I submit the proof shows that the program is worth while. It is small, it is true, but it is serving a very good purpose. For the benefit of those who happen not to be familiar with it, it operates to place high-school students, while they are still in school, in some kind of employment within large cities, particularly in small businesses that do not have the means or the funds to provide their own training schools. Every spring thousands of youngsters come out of high schools and junior colleges who have had no contact with affairs of business and economic life where they reside. The training gives them an opportunity, through the high schools particularly, to find contacts and get the touch and the feel of things. Many of them graduate and begin earning their living within 24 hours after they graduate.

I apologize for taking so much time.

Mr. DOUGLAS. Mr. President, I do not want to be placed in the light of farming out the time to other Senators, and I do not want Senators to be restricted in their speeches. I merely reply to the Senator from Mississippi, and then I shall yield the floor on this point with the hope that we can proceed to a vote.

We are in a very grave situation. We are facing a deficit of $5,000,000,000, even if we pass a $7,500,000,000 tax bill. We have scrutinized each item to see whether, in view of the impending deficit, we should spend the amounts of money requested. We are asked to appropriate approximately $20,000,000, of which $1,800,000 is for distributive education. What is distributive education? It is the training of salesgirls and salesmen to sell more effectively ribbons, dry goods, groceries, and so forth.

I submit that so far as high-school students are concerned, it would be much better to train them in composition, arithmetic, penmanship, health, and kindred subjects. A general education would prepare them better than a lot of useless courses in selling. There is nothing that has given us a cheaper standard than has this emphasis upon selling. It would be much better if we were more expert with our hands, could raise crops more effectively, could make things more effectively, instead of trying to put something over on the next fellow. I know it will be said that distributive education does more than that, but we can protect ourselves against the source of cheapening of American life if we reduce the emphasis upon selling.

Mr. CHAVEZ and Mr. SALTONSTALL addressed the chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield; and, if so, to whom?

Mr. DOUGLAS. I have concluded, and I think I should yield the floor and let other Senators speak in their own right.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I desire to answer the Senator from Illinois. It is very fine to have published in some great metropolitan newspaper that we are saving millions of dollars. I hope the Senator from Illinois will listen to testimony given before the subcommittee which I propose to read. Will my good friend from Illinois listen to the testimony of a young high-school girl, an average American girl? Possibly it was not published in any of the metropolitan newspapers of Illinois. I am

speaking now of testimony submitted before the subcommittee of the Committee on Appropriations by a young high-school girl, not interested in the social state, not interested in communism, but a typical, average, country girl from the South. I read the statement of Miss Nellie Towns, office manager, Wyatts', Inc., of Rome, Ga. She was introduced by Mr. H. F. George, son and administrative assistant of the senior Senator from Georgia.

I shall read the statement of this young lady from Rome, Ga., so the Senator from Illinois will realize that we are not looking for the social state, but have in mind affording opportunities for American young people:

STATEMENT OF MISS NELLIE TOWNS, OFFICE MANAGER, WYATTS', INC., ROME, GA.

Senator CHAVEZ. Would you care to read your statement for the record?

Miss TOWNS. Yes, I shall be glad to do so.

Senator CHAVEZ. You sit down there by Senator HUMPHREY and give him a break.

Senator HUMPHREY. Thank you, Mr. Chairman.

Senator CHAVEZ. You may proceed in your own way. We are very informal here.

This is a young lady who represents a cross-section of fine young American people.

Miss TOWNS. Mr. Chairman and gentlemen of the committee, my name is Nellie Towns, of Rome, Ga.

I am a graduate of the Rome High School. I received vocational training in one of the many distributive occupations.

I appear here to plead with you to restore this phase of vocational education to the appropriation bill, H. R. 3709, and the funds which are necessary if the program is to be continued. I am here representing the thousands of former distributive education students to whom this program has meant so much.

In the fall of 1946 I went to see Miss Frances Beal, coordinator of distributive education in my school, about enrolling in this phase of vocational education. I had worked that summer at McLellan's Variety Store, and through this experience, knew that I wanted to prepare to stay in the distributive field.

My father, an employee of the Rome Hosiery Mill—

He was one of the run-of-the-mine citizens, as one may say, a man trying to earn a living in Georgia, trying to contribute his life in order to be of some service to his fellow men and to society.

My father, an employee of the Rome Hosiery Mill, was having difficulty in meeting the increased cost of living.

Is that not grand? This little young lady was trying to take advantage of a program which was authorized by her Congress, in order to help her father, who was having difficulty in meeting his family obligations.

And I felt that, through this part-time school and work plan I could not only assure myself of an education but also help to defray my own expenses and at the same time prepare myself for earning a—

What?—

a living.

So that she would not be a charge upon society, so that she could be self-sufficient, and contribute her share to the American way of life.

There was one store in Rome in particular in which I wanted to work—Wyatts', Inc. This is a specialty store which sells gifts, silver, china—

The Senator from Illinois appears to be rather ill at ease because a young girl dares to sell her labor, and that labor may perhaps be selling a gift which might go to a girl who is going to be married. What is there embarrassing about that? The merchants of this country have made the country by contributing their salesmanship, yes, even in gift shops, and in selling ribbons. I know of girls, honest and reliable, who possibly have contributed as much as any others to womanhood and to motherhood—perhaps some of them are the mothers of soldiers who are dying in Korea—who were in the distributing business, working, yes, for Kahns and for Epsteins and other merchants throughout the country. It was commerce and trade that made the country what it was in the old days in New England, and that in the Southwest, my own section of the country, contributed heavily to the winning of the West.

During my senior year I received training in several of the store departments, including some office work within this retail store.

What was she doing? Was she asking Uncle Sam for the social state, or was she only taking advantage of the fact that Congress had passed sound legislation?

I am proud of the fact that the Senator from Georgia [Mr. GEORGE] sponsored the George-Barden Act, which makes it possible for those who cannot afford to go to the University of Illinois or the University of Chicago, still to go to a little trade school in Rome, Ga., and learn to earn their own living. I think we had better take care of the sticks, as it were. We had better take care of the descendants of the pioneer mothers; yes, even in selling ribbons.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. CHAVEZ. Not on the subject of selling ribbons.

Mr. DOUGLAS. When I had the floor I yielded to the Senator from New Mexico.

Mr. CHAVEZ. I think it is just as honorable to sell ribbons as it is to teach in the University of Chicago.

Mr. DOUGLAS. Do I understand the Senator from New Mexico to say that my amendment is against motherhood?

Mr. CHAVEZ. I do not know what I would understand as to the amendment of the Senator from Illinois in that respect.

The Senator from Alabama [Mr. HILL] addressed the young lady. He said:

You spoke of your good father. What work does he do in the mill?

In the mill, not in a university, not in a bank, not in a big industrial plant. He was working in a mill in Georgia.

Miss TOWNS. He is a watchman at the mill.

Senator HILL. How far is it from the Alabama line?

Miss TOWNS. Not very far.

Senator HILL. You speak like an Alabamian, and that is enough for me.

Senator THYE—

The Senator from Minnesota, as fine a citizen as ever contributed to the wisdom—or otherwise—of this body, represented the minority side.

Senator THYE. Mr. Chairman, the best recommendation that could possibly be made for the full appropriation is what this young lady has just said.

Senator CHAVEZ. She is very convincing.

Miss TOWNS. Thank you, Mr. Chairman.

I could read from the testimony of a little country girl living in West Virginia—not the type whose father could afford to spend $3,000 to send her to a great finishing school, but the kind who is doing what the average person does, namely, meeting the circumstances of the moment in an American way. This little girl is from Clay, W. Va.——

Mr. HILL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. HILL. I think the Senator might well bring to the attention of the Senate the fact that Miss Nellie Towns, the young lady from Rome, Ga., whom he has been quoting, finished the distributive-education course in a local high school. She worked in the office for 1 year. The next year she was promoted to the position of assistant office manager, and the following year she became manager of the office. Does the Senator think that if that young lady had not had the advantages of this training and the benefits which accrued to her under the George-Barden Act, she could ever have made the progress she did and become what she has become?

Mr. CHAVEZ. That was the only opportunity she had to advance. Her father was not in a position to send her to the University of Georgia. Her father was not in a position to send her to any university, so she did the next best thing. In olden days one would become an apprentice—perhaps to a plumber, a carpenter, a butcher, or someone in some other trade. Through work, and by reason of help and cooperation, and being allowed the opportunity to improve herself, this young lady has advanced without the necessity of the social state taking care of her.

Mr. HILL. Mr. President, will the

Mr. CHAVEZ. I yield.

Mr. HILL. I think no one could have heard this little lady testify without being impressed. I believe no one could have seen her on the stand and heard her words and noted her speech and attitude, and had the opportunity to make an estimate of her character and her fine citizenship without being impressed with the thought that she must have fine parents.

Mr. CHAVEZ. The Senator is correct.

Mr. HILL. That thought came to me as she testified. I asked her what work her father was engaged in. She replied that he was a watchman at the mill. How much better was her position as manager of the office than the position of watchman. I could not help but feel

that the father had not had this opportunity. There was no vocational education when her father was coming along. There was no opportunity for him to train and educate and prepare himself to be the manager of the office, whereas this young lady had such an opportunity and took advantage of it. She became, not a watchman at the plant, but the office manager of the plant.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. MONRONEY. The case of the girl which the Senator has recited is reflected over and over again in my mail. During the consideration of the bill I received many letters from buyers in department stores, specialty shops, and ready-to-wear shops. They were letters from girls who were then enjoying high incomes because of this training. They gave full credit to this training program for their progress.

I cannot see that this is merely a program designed to help someone sell ribbons. There are three branches to our production in this country, namely, agriculture, industry, and distribution. Unless we have a distributive industry, the other two branches can go sour when times become a little bad.

About 90 percent of the little businesses in the small towns in the State of Oklahoma—and I am sure the same situation must prevail in Illinois and in other States—are in the retail trade. What chance does a boy or girl have to find a future better than that of being a day laborer unless he is given an opportunity to improve his vocational education through the distributive trades?

Mr. CHAVEZ. That was the philosophy behind the George-Barden Act.

Mr. MONRONEY. Exactly so.

Mr. CHAVEZ. The purpose was to afford an opportunity to those who, under our economic system, would not otherwise have had the opportunity.

Mr. MONRONEY. The States must appreciate this program, because they must spend more than $2 of their own money for every dollar of Federal funds they use. If we strike out the appropriation of Federal funds, we invite the States to discontinue the program. They must feel that it is a good program. They are close to it. They have seen the progress which has been made. I cannot help but feel that we shall be bettering industry and bettering the opportunities of boys and girls to work their way through high school if we continue this program, which was continued throughout World War II.

Mr. CHAVEZ. Mr. President, I do not appeal to the galleries, but the visitors in the galleries represent a fine crosssection of the American people. I want to tell them the story of another little girl who, without the George-Barden legislation, would not have been able to appear before the committee. This is the statement of Miss Patsy Ann Reed, of Clay, W. Va. I read from page 1145 of the record of the hearings:

Senator CHAVEZ. We have present here a young lady from West Virginia. We would like to hear from Miss Patsy Ann Reed.

Miss Reed.

Miss REED. Mr. Chairman and members of the committee, I am Patsy Ann Reed, of Clay, W. Va.

I am a junior in the Clay High School. I have had 2 years of home economics and I plan to take a third year next school term.

I am proud to have been chosen to appear before this group as a representative of home economics. We appreciate very much your giving us the time to tell you something about our program.

She was speaking from the heart. She did not have a prepared statement.

West Virginia has a good program in home economics, and I feel that when I give you a picture of our goals and accomplishments, I will be showing you a vital growing family-life program which groups all over the United States are attempting to follow.

I attend a school where our home-economics teachers have had training which qualified them for vocational work.

Here home economics is not just cooking and sewing. It is the study of everything that pertains to the home and family, including all phases of food, clothing, home improvements, finance, and consumer education for better and happier living.

She has saved money for the family by being able to take advantage of the program.

Mr. President, I have been in the Congress for 20 years. There is not a better program for liberty-loving people than vocational training for our youngsters who cannot afford to go to school. I recommend this program to those who would sermonize to the entire world about freedom.

Mr. President, I hope the amendment of the Senator from Illinois will be defeated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. CHAVEZ. Mr. President, there are a couple of amendments with respect to which I shall have to move to suspend the rule, because they are partly of a legislative nature. One applies to the Freedman's Hospital and the other applies to the Medical Center.

The PRESIDING OFFICER. Does the Senator from New Mexico wish to offer an amendment?

Mr. CHAVEZ. Yes.

The PRESIDING OFFICER. Without objection, the votes by which the amendments were ordered to be engrossed and the bill to be read a third time will be reconsidered, in order that the Senator from New Mexico may offer an amendment.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New Mexico has the floor. Does he yield to the Senator from Illinois for that purpose?

Mr. CHAVEZ. I yield for that purpose.

Mr. HILL. Mr. President, I ask unanimous consent that the amendments may be offered in spite of the fact that the bill has been read the third time.

Mr. DOUGLAS. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. I was called off the floor for a few minutes. Do I correctly understand that the bill was passed in my absence?

The PRESIDING OFFICER. No. The amendment offered by the Senator from Illinois was rejected.

Mr. DOUGLAS. I have some more amendments which I should like to offer. Will they be in order?

The PRESIDING OFFICER. The order for the engrossment of the amendments and the third reading of the bill has been reconsidered by unanimous consent. Therefore the Senator's amendments will be in order.

Mr. DOUGLAS. They will be in order. I thank the Chair.

Mr. CHAVEZ. Mr. President, may the clerk now read the amendment?

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New Mexico.

The CHIEF CLERK. On page 27, after "$250,000" in line 19, it is proposed to insert the following: ": *Provided*, That the Surgeon General is authorized, on such terms and conditions as he determines are appropriate for the efficient operation of the combined hospital and research building, to lease for a total of not more than 99 years a portion of the present site of the National Institutes of Health for the construction, operation, and maintenance thereon by the lessee of rental quarters but not to exceed 250 units limited exclusively to occupancy by employees of the National Institutes of Health and necessary related facilities, such quarters and facilities to be constructed and operated without regard to local zoning limitations, but to be subject for the term of the lease to State and local taxation on the same basis as other property in the community: *Provided further*, That not more than $50,000 of the amounts heretofore appropriated for the construction of additional auxiliary structures under this head shall be available for expenditure by the Public Health Service for the preparation of plans and specifications for the construction on the property leased pursuant to the preceding provision, such expenditure to be repaid by the lessee and credited to such appropriation."

Mr. BUTLER of Maryland. Mr. President——

Mr. CHAVEZ. Mr. President, I should first like to explain the purpose of the amendment before I yield to the Senator from Maryland.

Some time ago Congress passed what is known as the Wherry law, providing for the construction of housing units around Government reservations. At the medical center in Bethesda, Md., it is sought to construct some housing units to serve the employees of the medical center. The pending amendment would prohibit the appropriation of money for the construction of such hous-

ing, but would allow the superintendent of the institution to lease a certain area to private capital, which in turn would build the units under the Wherry Act. It would not cost the Government one penny in appropriations for the construction of the housing units, because they would be constructed by private enterprise. They would not come in competition with the outside because they could only be rented to persons who are employed at the medical center.

I have had some consultations with very fine citizens of Montgomery County, the area which is so ably represented by the Senator from Maryland [Mr. BUTLER]. It was at their suggestion that the amendment was drawn with the provision that the property could not be rented except to persons who are employed by the medical center, so as not to compete with outside interests.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I should like first to yield to the Senator from Maryland.

Mr. BUTLER of Maryland. Mr. President, I shall make a point of order with reference to the Senator's amendment when he has finished with his statement.

Mr. CHAVEZ. I knew it would be subject to a point of order. That is why I gave notice of a motion to suspend the rules for the presentation of the amendment.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CHAVEZ. Yes.

Mr. SALTONSTALL. I should like to ask the Senator whether I am correct in understanding that an appropriation for such construction has been made, but that it has been frozen by the Bureau of the Budget pending the passage of the pending amendment? Am I correct in my understanding?

Mr. CHAVEZ. Possibly some of the appropriation has been frozen. It could not be used for such purpose under the pending amendment.

Mr. SALTONSTALL. If the pending amendment is not agreed to, will not that appropriation be used? If so, if the pending amendment is not agreed to, would it not cost the Government more money? The houses would be built anyway, would they not?

Mr. CHAVEZ. Yes.

Mr. SALTONSTALL. But they would be built with Government money?

Mr. CHAVEZ. Yes. The purpose of offering the pending amendment is to keep Government money from being used for that purpose. The construction would not cost the Government anything under the pending amendment.

Mr. SALTONSTALL. If the pending amendment is ruled out on a point of order, the necessary housing would cost the Government money, would it not?

Mr. CHAVEZ. Yes. The money is available and, of necessity, the housing will be constructed.

Mr. HILL. Mr. President, will the Senator yield?

Mr. CHAVEZ. Yes.

Mr. HILL. In other words, the housing must be costructed for the use of the Government employees of the medical center, and Congress has recognized that fact by authorizing the construction and appropriating certain funds for it.

Mr. CHAVEZ. Yes.

Mr. HILL. However, the committee in its wisdom—and I think it is acting wisely—instead of providing for the use of the money already appropriated and appropriating additional funds, sees fit to have the housing built under the Wherry Act, which would mean that the housing would be constructed at no cost to the Federal Government.

Mr. CHAVEZ. Yes.

Mr. SALTONSTALL. Mr. President, will the Senator yield for another question?

Mr. CHAVEZ. Yes.

Mr. SALTONSTALL. The housing will be built anyway, because it is necessary. However, if the point of order is sustained, and the amendment is ruled out of order, it would cost the Government money to build the houses, which would not be the case if the amendment were to prevail and the houses were built by private capital.

Mr. CHAVEZ. Yes; and they would not compete in any way with housing outside the reservation. The statement made to me by the good citizens of the Bethesda area of Montgomery County in Maryland is to the effect that they do not wish the housing project to be constructed and then used for rental purposes by persons outside the reservation.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. BUTLER of Maryland. Is it not correct that if the housing is built by private interests, the Government will have to make allowances to the persons who will be housed in it, for the purpose of paying their rental?

Mr. CHAVEZ. Of course, they would have to pay a rental. However, they would be dealing with the men who leased the property.

Mr. BUTLER of Maryland. Is it not correct that it would cost the Government more money by the employment of that method than it would if the Government built the housing?

Mr. CHAVEZ. No; because they would not deal with the Government at all. Constructor A gets a 99-year lease from the Superintendent of the Medical Center. He says, "I want to build 250 units. I want to rent them to the employees." He would then deal with the employees. The man who held the lease would be the man who had spent his money in constructing the housing.

Mr. BUTLER of Maryland. That is correct, but the persons who would occupy the housing would be uniformed personnel of the military service.

Mr. CHAVEZ. I presume that is correct.

Mr. BUTLER of Maryland. If they do not live in Government-owned property the Public Health Service must give them an allowance for rent. If a computation were made it would be found that employing the proposed method would cost the Government more money than if the Government were to build the apartments and house such personnel in them.

Mr. CHAVEZ. Mr. President, we thought we were carrying out the intent of the Government when we passed the Wherry Act.

Mr. BUTLER of Maryland. As I understand, the Wherry Act deals primarily with housing at military reservations.

Mr. CHAVEZ. Yes.

Mr. BUTLER of Maryland. Where there was no ready market for the housing and where the reservation was likely to be deactivated at any time. For those reasons it was felt that Federal funds could appropriately be used for construction.

Mr. CHAVEZ. No.

Mr. BUTLER of Maryland. Mr. President, if I may, I should like to make a statement with reference to this subject for the information of the Senate.

The National Institutes of Health are located in Bethesda, Md. The Bethesda-Chevy Chase district of Maryland is one of the finest residential districts in Montgomery County, and is one of the very finest residential districts in the State of Maryland. It has become such, not by accident, but by reason of careful planning and zoning; and the people of that area have labored for years to keep out of it such construction as that now proposed by means of this amendment.

If the Government of the United States, which now has sufficient funds for this purpose—for the appropriation was made last year, in last year's appropriation bill—constructs the building on the Government reservation with the money now available, there will be no possibility of having some private interest say at a later time, "We have a right to build private apartment houses in this fine residential area because so and so did it on the Government reservation."

If we permit this to be done, we shall very seriously impair, if not render useless, all the work which has been done by the people of this community, which embraces approximately 3,000 homes; we shall set all their work at naught at one fell swoop, simply because we want to have the building constructed by private interests, rather than by a Government agency, for which the funds already are available.

Mr. CHAVEZ. Mr. President, I appreciate the position of the Senator from Maryland. I know he is a most conscientious Member of this body.

Mr. BUTLER of Maryland. I do not wish to see an apartment building erected in a residential neighborhood and make it impossible to maintain one of the finest residential districts in Maryland.

Mr. CHAVEZ. Mr. President, I have known Montgomery County for more than 30 years; I have known it under different circumstances. The good people of that community suggested, not the original amendment reported by the committee, but the amendment as submitted by the chairman of the subcommittee at this time. It was not the chairman of the subcommittee or the committee itself who drew up the last amendment. Five persons from the Bethesda-Chevy Chase area are trying to do the very thing the Senator from Maryland has in mind. They want to prevent this property from being rented to persons who are not connected with

the reservation, and they want to make the property subject to rental only by employees of the Medical Center.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield further?

Mr. CHAVEZ. I yield.

Mr. BUTLER of Maryland. The question is a little deeper than that. In the first place, they want to have the structure—regardless of who builds it—limited to occupancy by persons connected with the National Institutes of Health.

Mr. CHAVEZ. That is correct.

Mr. BUTLER of Maryland. They also have a deeper consideration. As I have said, for years they have carefully watched this property and have maintained it as a fine residential neighborhood. They have fought every application to erect apartment houses in that area; they have done everything they could to keep that type of construction out of that part of Maryland. If private interests build this apartment house on the Government property—and I may say that in the amendment the provision is not specific; the apartment house could be built anywhere in the reservation—then the people of the Bethesda-Chevy Chase area will have no defense whatever against further encroachment, and that is their chief concern.

Mr. CHAVEZ. Does my good friend, the Senator from Maryland, think for one moment that, after the Government has spent millions and millions of dollars on buildings within that area, it now would give a lease to a private concern to build any kind of construction which would be detrimental to the property across the street?

Mr. BUTLER of Maryland. It is not a question of the building which is proposed to be constructed. If the building now proposed to be constructed is built under private auspices, then the people of that district will never be able to say to another private interest, "You cannot do the same thing across the street," for in that case all their defense to protect the neighborhood would be taken from them.

Mr. CHAVEZ. Then the Senator from Maryland is inconsistent, because he now takes the position that in order to obtain that construction, the committee should recommend the making of a Federal Government appropriation, whereas we are trying to avoid doing that.

Mr. BUTLER of Maryland. The committee does not have to recommend it. The appropriation was made in last year's appropriation bill, and it is now available.

Mr. President, I submit that this matter should be returned to the committee for further study. This is an important question. In my brief experience in this body, I have heard the statement made many times that we should not legislate on this floor. However, that is exactly what we shall be doing in this case, and we shall be hurting a large number of persons, and we will be jeopardizing a large investment in a very fine neighborhood.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. SALTONSTALL. I should like to ask the Senator from Maryland whether in line 10 of the amendment, at the bottom of the page——

Mr. BUTLER of Maryland. I have not seen the amendment. Will the Senator read it?

Mr. SALTONSTALL. I read from line 10, in which we find the words: "without regard to local zoning limitations."

If those words are stricken out, would not that cover the point the Senator from Maryland has in mind?

Mr. BUTLER of Maryland. Even if those words are eliminated, we still have the basic proposition of permitting private interests to build in a very restricted neighborhood, in violation of existing zoning laws, a structure that is undesirable to those who live in that residential area.

Mr. SALTONSTALL. No; I say that if the words "without regard to local zoning limitations" are stricken out, the building will have to be erected subject to the local zoning laws.

Mr. BUTLER of Maryland. Then the building could not be constructed, because the local zoning laws do not permit the construction of such a building.

Mr. CHAVEZ. Certainly there is housing construction around the naval clinic.

Mr. BUTLER of Maryland. There is Government-owned construction there, and of course we have no control over it. Unfortunately, the Government of the United States constructs what it wishes to construct, without any regard for the local zoning laws. That is what we are fighting against in this case.

Mr. CHAVEZ. The committee was under the impression that we were trying to agree with the philosophy of the Senator from Maryland. First it is said that the residents of that area do not want the Government to interfere in Montgomery County or in any other county.

Mr. BUTLER of Maryland. I have not said that.

Mr. CHAVEZ. And then one of the committees of the Senate says, "All right; we will not vote to allow them a dime, but we shall permit them to build under the Wherry Act."

Let me say that the Montgomery County Council has no objection, and has so stated to the committee. The president of the chamber of commerce made no objection before the committee.

We wish to protect the rights of the fine people of Montgomery County. I want to do exactly what the Senator from Maryland wants to do in the way of protecting them, after they have built up a very fine community during the last 20 or 30 years. They should be protected.

Mr. BUTLER of Maryland. Mr. President, the Senator from New Mexico cannot do that by pressing for the adoption of his present amendment, because it goes to the very heart of the zoning in that area. If we permit private interests to erect such a building on a location in Bethesda, it will not be possible at a later time to say to other private interests, "You cannot do the same thing."

In other words, the adoption of this amendment would result in setting completely at naught all the accomplishments which have been made in that fine community.

Mr. CHAVEZ. If the citizens of that area want the appropriation made, that is all right with me; but do not let it be said that the committee did not try to save the taxpayers' money.

Mr. President, I should like to read a letter dated May 22, 1951, adressed to Mr. W. H. Sebrell, Jr., Director of the National Institutes of Health, Bethesda, Md. That letter reads as follows:

Dear Mr. SEBRELL: County Manager Irving G. McNayr—

I assume that he speaks for at least some segment of the populace of Montgomery County, and presumably he speaks for the majority—

called your letter of today's date to the attention of the county committee this morning.

I assume that the county committee is a legal entity of Montgomery County.

I read further from the letter:

The council authorised me to inform you that the language which is proposed for the National Institutes of Health, 1952 appropriations, is not objectionable to the council, but we do wish to point out that we are concerned with the lack of county control over the actual zoning for apartment use on these federally owned properties. We recognize that any objection on our part would be ineffective in this instance, but it should be understood that any action by the Institutes of Public Health in providing apartment facilities on this federally owned property will not be considered by the county council as setting a precedent for private development of this type in the county areas adjacent to the National Institutes of Public Health.

They do not object to the building within the reservation, but they do not want to feel that a precedent is being established with respect to the adjacent property; and I fully agree with them.

Mr. BUTLER of Maryland. But that is what it would amount to, when this is done. The act speaks for itself.

Mr. CHAVEZ. The letter is signed by J. Louis Monarch, president of the County Council of Montgomery County, Md. I presume the council represents more than a few people.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. BUTLER of Maryland. Does the Senator have a letter dated June 8 from the Maplewood Citizens Association, signed by William J. Barnhard, president, and also a letter dated June 7, 1951, from the Oakmont Citizens Association, signed by William L. Daley, chairman?

Mr. CHAVEZ. I have a letter dated June 8 from the Maplewood Citizens Association, Bethesda, Md. It is signed by Mr. Barnhard.

Mr. BUTLER of Maryland. That letter is from an association representing 2,500 families in the Bethesda-Chevy Chase area. It is a very substantial part

of that whole community. They very seriously object to this proposal. It seems to me that this question could be studied further by the committee, and that the people of the area who would be affected should be given consideration. This proposed legislation should go to the committee to be thoroughly studied and then brought to the floor of the Senate, so that everyone could have an opportunity of knowing what is proposed to be done in this fine community.

Mr. CHAVEZ. Mr. President, there is nothing unreasonable about the request of the Senator from Maryland, in the opinion of the chairman of the subcommittee. The only thing is that it will be necessary immediately to begin construction of some type in order to carry on the work of the medical center.

Mr. BUTLER of Maryland. That is perfectly true, but the money is available and a start can be made.

Mr. CHAVEZ. No; that is not correct. Under this bill, we rescinded the money item, because we wanted the construction to be handled by private enterprise.

Mr. BUTLER of Maryland. If it goes back to the committee, the committee can meet within 2 or 3 days to authorize the money, and the building can start.

Mr. CHAVEZ. No; I should like to go through with this bill, and at least take it to conference to see whether the conferees are able to get together.

Mr. BUTLER of Maryland. The Senator from Maryland realizes that the Senator from New Mexico wishes to try that, but in this instance 2,300 or 2,500 families who have investments in their homes feel that this proposal would very seriously injure property in their vicinity. I think the committee of the Senate should study the situation and should give heed to what these people are saying.

Mr. CHAVEZ. The committee of the Senate has studied it.

Mr. BUTLER of Maryland. I did not so understand.

Mr. CHAVEZ. We certainly did.

Mr. BUTLER of Maryland. I understood that this was not a committee amendment.

Mr. CHAVEZ. We heard the testimony. The convincing argument on behalf of the proposed amendment is the fact that we are not appropriating any of the money of the taxpayers of Montgomery County. We are not taking one penny away from any Montgomery County taxpayer, but we are going to use private enterprise, as suggested by many of my friends on the other side of the aisle, in order to keep away from Government expenditure, and to let private enterprise act in the normal way. We agree with that philosophy. All of a sudden someone says, "No; it is wrong; let the Government appropriate." All I say is that the construction is needed. It is immaterial to me whether it is constructed by private enterprise or by the Government.

Mr. BUTLER of Maryland. No Member of this body has a keener sense of duty and obligation to save the money of the taxpayers than has the Senator from Maryland, but I do not feel that this method is going to save the taxpayers any money. I think it is going to cost them more, because, as I pointed out to the distinguished Senator from New Mexico, if this building is constructed under private auspices then the Public Health Service will have to allocate the money for the purpose of paying the rentals of those who occupy the apartment house. Nothing is said about what the rent will be or about what the terms of the leases will be. There is nothing in this amendment which resembles the Wherry Act. I think it must go back to the committee for further study, in order that there may be a determination of what is the best thing to do. I do not think we are in a position to act on it at this time.

Mr. HILL. Mr. President, if the Senator from New Mexico will yield, let me say to the Senator from Maryland that not all the employees by any means who are to occupy these apartments will be commissioned personnel drawing allowances for rental. Much of this personnel will comprise nurses under the civil service. There will be maintenance people, chief engineers, custodians, and all sorts of persons who will draw no rental allowance whatever.

Mr. BUTLER of Maryland. There are bills now pending before the Committee on Post Office and Civil Service providing for giving such persons allowances to pay for the very rentals of which my friend is speaking.

Mr. HILL. There are thousands of bills, but the fact that someone has introduced a bill does not mean that it will be passed, by any means.

Mr. CHAVEZ. Especially in view of the action taken by the Senate as to the pending bill.

Mr. HILL. That is correct.

Mr. BUTLER of Maryland. We do not know how many persons will be affected by it if the amendment should become law, but we do know that a vast majority of the persons who will occupy the building will receive allowances with which to pay rent.

Mr. HILL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. HILL. With all due respect to my good friend from Maryland, when he speaks of a vast majority, the Senator is in error. I say that with great respect for the esteemed Senator. Much of the personnel is not commissioned personnel at all. They will receive no allowance for rental. Many of them do not come in the category of commissioned personnel.

Mr. BUTLER of Maryland. Has the Senator from New Mexico any figures showing what the cost will be?

Mr. CHAVEZ. We have some figures which will give an idea to the Senator from Maryland. Here is a letter dated May 16, 1951, under the heading "Construction of housing for the Clinical Center at the National Institutes of Health." I read:

> When the Clinical Center is in operation at Bethesda, it will be essential for certain personnel to be housed at the National Institutes of Health in order to be available for emergencies. These would be medical and nursing personnel and certain others in the administrative and plant operation areas.

It was those persons whom the Senator from Alabama had in mind.

> The total number of personnel who will receive housing on the NIH Reservation is approximately 250. Two methods have been under consideration as a means of providing the necessary housing, namely, Government or private construction, or a combination of both.
>
> The Congress appropriated $1,105,000 in funds and contract authorization in 1951, an amount sufficient for Government construction of an estimated 60 units, at least two-thirds of which were efficiency units. The funds for this project have been placed in reserve by the Bureau of the Budget, pending the outcome of attempts to secure all or part of the 250 total units through private construction.
>
> If the 60 units of Government housing were provided, the annual estimated expenses for operating the building would be $58,000.

If the Government were to appropriate the money and to construct the building, the expense for operating the building alone would be $58,000.

Mr. BUTLER of Maryland. Does the Senator have any figures indicating how much money the Government would save by not having to give grants to personnel who would be entitled to them if they lived in private housing?

Mr. CHAVEZ. To quote again from the letter:

> These would be medical and nursing personnel and certain others in the administrative and plant operation areas.

Medical personnel might receive a grant or an allowance for housing, but nurses would not. The personnel would include the superintendent, the man who feeds the oil into the boiler, the scrubwoman who cleans the floors. None of those persons have any allowances. The only persons who would receive allowances would be officers in the medical personnel. The stenographers and the clerks who keep the records would not receive a penny of allowance.

Mr. BUTLER of Maryland. The Senator has no information, has he, as to how much the Government would have to pay if these people lived in private housing, over what they would have to pay in public housing which would be provided under the original appropriation?

Mr. CHAVEZ. No, I do not. But the private housing would have the advantage that the personnel would be dealing individually with the men who had the lease. The Government would not be involved at all.

Mr. BUTLER of Maryland. But if they were military personnel the Government would have to give them an allowance, would it not?

Mr. CHAVEZ. Employee A would go before leaseholder B and say, "I want to rent this property which you have constructed." They would be dealing with each other.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. WHERRY. Much has been said about the Wherry Act, and I should like to explain what the Wherry Act actually does. It does permit the erection of private buildings on public property where a lease is given, under certain terms and conditions. In the Military Establishment those conditions provide

what the rental shall be, and who is to rent the buildings, and the occupants pay the rent out of their own pockets. There is no donation of rent to anyone, and I do not think it is intended here. I do not know what the basis for the proposed legislation is, but the rental will have to be accounted for between the Government employee and the lessee who builds a private-enterprise project. Is not that correct?

Mr. CHAVEZ. The language is clear, and the Senator can put on it any interpretation he thinks it merits. It provides that the Surgeon General is authorized, under such terms and conditions as he determines are appropriate for the efficient operation of the combined hospital and research building, to lease for a total of not more than 99 years a portion of the present site of the National Institutes of Health for construction, operation, and maintenance thereon by the lessee of rental quarters and related facilities, such quarters and facilities to be constructed and operated without regard to the local zoning limitation, but to be subject for the term of the lease to State and local taxes on the same basis as any other property in the community.

That is the difference between what happens under the amendment submitted by the committee and construction by the Federal Government. If the building is constructed by the Federal Government, the State of Maryland will not receive one penny in taxes; while if the land is leased to a private enterprise which constructs a housing unit on it, the State of Maryland and the county of Montgomery can collect taxes.

Mr. WHERRY. That is the principal theory of the Wherry Act. But who is going to finance these dwellings? In the case of a military installation, there would be available Government money and Government insurance.

Mr. CHAVEZ. A contractor of Bethesda can go to his banker in Baltimore and say "I am going to construct a building," and he can borrow money. He could possibly apply to the Federal Government.

Mr. WHERRY. That is the point. We go along nicely until we reach that point. I know of no provision whereby one can get Government money for the building of a hospital. It can be done for the building of a military installation, if it is to be insured by the Government.

Mr. HILL. Let me say that all the war housing has not been constructed on Government-owned land.

Mr. WHERRY. That is not the point. Nine-tenths of it has been. The program was started because there was a desire to build installations on military property where it was not desirable for private enterprise to build because there was no permanency of the lease, and there is no permanency of the military installation. The program was started on that basis. It has now been expanded to include buildings near or adjacent to military installations. In fact, the general housing bill, as it was passed by the Senate, expanded the provision to include atomic energy projects. While it is true that the provision has been expanded, yet in all such cases it is my feeling that Government financing is required, as well as Government insurance. My question is: Is it intended that private enterprise shall be able to obtain Government money, or does it have to depend on private money? That would make a little difference.

Mr. CHAVEZ. The intent is to finance the project as any Wherry Act project would be financed.

Mr. WHERRY. Will the Government insure the project if it builds it?

Mr. CHAVEZ. The purpose of the amendment is to have the activity come within the Wherry philosophy.

Mr. WHERRY. Yes, but if the project is built by private enterprise, with private money, will the Government insure the loan up to the requirement?

Mr. HILL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. HILL. The Government will insure through FHA.

Mr. WHERRY. Are such builders receiving Government insurance now?

Mr. HILL. It has not been started yet. The proposal is to permit the building of this particular project.

Mr. WHERRY. I agree with the proposed legislation, but there is a limit on insurance.

Mr. HILL. I think the provision is absolutely four-square with the Wherry Act.

Mr. WHERRY. It cannot come under the Wherry Act.

Mr. HILL. Yes, on the same conditions exactly as other loans come under the Wherry Act.

Mr. WHERRY. The point I am making is that they are not entitled to it at this time. Until such authorization is given as was given with respect to atomic energy projects, I do not see how the project could operate unless Government insurance were obtained. I am for the building of houses according to the principles of the Wherry Act. I believe those principles should be applied if it is possible to do so. I appreciate what the Senator from New Mexico is trying to do, but we should not pass a piece of legislation on the understanding or theory that it comes within the provisions of the Wherry Act, when it does not. That is the point I am making.

Mr. CHAVEZ. We think it does come within those provisions.

Mr. WHERRY. In this case provision is made for a 99-year lease. I think the longest lease FHA made provision for under the Wherry Act was not to exceed 35 years. In my opinion the proposal does not comply with FHA provisions. That is the point I make now. Has the question been cleared so it is certain Government insurance can be obtained under the Senator's proposal? It is broader than others.

Mr. CHAVEZ. Yes it can. We made provision of a lease for 99 years. A contractor may in the best of faith desire to make a lease, for which he will be obligated, and on which he will probably have to give a bond.

Mr. WHERRY. That is not the point.

Mr. CHAVEZ. Let me finish my statement. In that respect he goes further than is provided under the Wherry Act. If, under the Wherry Act, a contractor constructs a project on the new reservation at Paducah, Ky., are there any provisions under which the State of Kentucky can collect taxes on that project?

Mr. WHERRY. That is not the question. The question is, Can a man, under this authorization, build a project for this hospital which meets the requirement of FHA with respect to insurance of the loan? That is the point I am making. For example, provision is made in the Senator's approval for a 99-year lease. In my opinion FHA has never sanctioned any such thing under the Wherry Act.

Mr. CHAVEZ. The proponents of the proposed legislation think everything they have in mind will be done.

Mr. WHERRY. I should like to say to the distinguished Senator from New Mexico that, while I am in complete sympathy with his proposal, personally, so far as zoning is concerned, I do not see any difference between the Government building a hospital, or a building for research, on Government property, and a private enterpriser building on the same property. I do not understand the point made by the Senator from Maryland [Mr. BUTLER]. If it can be done in the one case it seems to me it can be done in the other, so far as zoning is concerned.

I do not want to go into that subject, however, because I did not hear the testimony, and I do not know the issues involved. But I wish to say that if the project is built by private enterprise, under the principle involved in the Wherry Act, which, when it was passed, applied to military installations, it would not cost the Government any money. It would be built under such conditions that the lessee would secure rent from everyone who lived in the building. Insurance can be obtained on the project provided it meets the specifications and requirements of FHA, and the project eventually reverts back to the Government at the end of the period.

Mr. CHAVEZ. The issues are simple. Either the houses are built with private funds or with Government funds.

Mr. WHERRY. Mr. President, will the Senator again yield?

Mr. CHAVEZ. I yield.

Mr. WHERRY. I am obliged to depend upon the distinguished chairman of the subcommittee for information on this subject. If the requirements can be met, very well, but unless they can be met, it seems to me FHA could refuse to participate in any way in the transaction.

Mr. BUTLER of Maryland. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The regular order has been called for by the Senator from Maryland, and the Senator from New Mexico can yield only for a question.

Mr. CHAVEZ. The most interested party, so far as the Government is concerned, is the Public Health Service. The Public Health Service, after consultation with its neighbors in Bethesda and with others, came before the committee and testified that what we have proposed is the way to meet the requirements of the moment. It is necessary that there be housing built for those who

are going to work there. The committee was completely satisfied that the work could be done, as proposed by the amendment, without Congress having to make an appropriation to carry out the purposes.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. SALTONSTALL. Is the Senator from New Mexico willing to modify his amendment in the tenth line on the first page, by striking out, in the third word, the three letters "o-u-t," so that the last line would read "and operated with regard to local zoning limitations."

Mr. CHAVEZ. Striking out "out"?

Mr. SALTONSTALL. Yes.

Mr. CHAVEZ. So as to leave the word "with"?

Mr. SALTONSTALL. Yes.

Mr. CHAVEZ. So the language would be "with regard to local zoning limitations"?

Mr. SALTONSTALL. Yes.

Mr. CHAVEZ. Of course, no one would object to the local zoning laws applying. I would be willing to take that modification to conference, and in conference call in the good citizens of Montgomery County. But I should like to say that we should proceed and try to obtain some housing, because it is badly needed.

Mr. SALTONSTALL. Will the Senator yield for one more question?

Mr. CHAVEZ. Yes.

Mr. SALTONSTALL. If those three letters are stricken out, then in justice to the position of the Senator from Maryland the conferees would have to provide that the building would be subject to the local zoning laws or strike out the whole provision, unless it could be amended so as to make it properly applicable.

Mr. CHAVEZ. The Senator from Massachusetts knows the Senator from New Mexico well enough to be sure that if this body agrees to a proposition he, as chairman of the conferees on the part of the Senate, will certainly try to carry out what the Senate of the United States has in mind.

Mr. SALTONSTALL. Will the Senator yield for one more question?

Mr. CHAVEZ. Yes.

Mr. SALTONSTALL. I should like to ask the Senator from Maryland if that would not cover the objection he has made.

Mr. BUTLER of Maryland. I feel that it would.

Mr. SALTONSTALL. Will the Senator from New Mexico yield further?

Mr. CHAVEZ. Yes, I yield.

Mr. SALTONSTALL. Then I should like to offer an amendment to the amendment of the Senator from New Mexico, to strike out the three letters "o-u-t" in the last line of the first page of the amendment, so the word "with" would remain.

The PRESIDING OFFICER. The pending question is the motion to suspend the rule for the purpose of offering an amendment.

Mr. BUTLER of Maryland. I ask for the regular order, Mr. President.

The PRESIDING OFFICER. The regular order has been demanded.

Mr. CHAVEZ. Mr. President, I ask unanimous consent that the rule be suspended in order that I may submit the amendment as modified by the Senator from Massachusetts.

Mr. BUTLER of Maryland. I object. I insist upon the regular order.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from New Mexico yield for a parliamentary inquiry?

Mr. CHAVEZ. I yield.

The PRESIDING OFFICER. The Senator from California will state the parliamentary inquiry.

Mr. KNOWLAND. Would not the Senator from New Mexico be able, under the Senate rules, to modify his own amendment?

The PRESIDING OFFICER. The amendment is not yet before the Senate. It can come before the Senate only if the rule is suspended.

Mr. HILL. Mr. President, will the Senator yield for a question?

Mr. CHAVEZ. I yield for a question.

Mr. HILL. Is it not a fact that if this building is constructed by private enterprise, it will be a project of some $3,000,000, and the $3,000,000 project will be subject to taxation in the State of Maryland?

Mr. CHAVEZ. That is true.

Mr. HILL. Is it not a fact also that if the language is not just as it should be, to make sure that the FHA will provide the necessary insurance for the loan, when the bill goes to conference suitable language can be worked out there?

Mr. BUTLER of Maryland. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The Senator from New Mexico has the floor, and the Senator from Alabama was asking him a question.

Mr. BUTLER of Maryland. I did not think it was quite a question.

Mr. HILL. Certainly it was a question. Is it not a fact that the language can be modified in conference if there is any question as to whether or not it does what we seek to do so far as bringing this project under the Wherry Act is concerned, with the help of the FHA?

Mr. CHAVEZ. It is not only a fact but it is a stern reality.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. WHERRY. As I stated a moment ago, I am perfectly willing to support the amendment, but in supporting it I do not want it understood that the language which is adopted will remain as a Senate amendment, because it cannot remain in the form proposed if the project is to qualify under the Wherry Act. We should not mislead those who desire to erect this building.

To begin with, there is no provision anywhere that I know of under which the FHA provides insurance in the case of a lease which runs longer than 35 years. I want to be perfectly frank. I believe that this is the way to get the housing. I am for the proposal. I ask the distinguished chairman of the subcommittee, if the provision is taken to conference, to take it to conference as a recommendation for housing, with the understanding that language will be written in conference which is satisfactory to the House conferees and in conformity with the provisions of the Wherry Act.

We have no right to place in an appropriation bill a provision changing all the rules governing the FHA, and changing the period of leases from 35 years to 99 years in order to carry out the provisions of the appropriation bill. That is the point I am making.

Mr. CHAVEZ. Mr. President, I agree with the points made by the Senator from Nebraska. I hope the Senator understands that when we go to conference we will try to arrive at a report which will be satisfactory to both bodies. I know the proprieties. The average Senator knows the proprieties, including parliamentary proprieties.

Mr. BUTLER of Maryland. Mr. President, why could we not do it in the regular order and let the committee study the question and find out whether the project comes under the FHA, and whether or not it qualifies under the Wherry Act? Figures should be brought before us so that Senators may know what they are voting on. If I have to vote on this amendment, I shall not know what I am voting on.

Mr. CHAVEZ. Mr. President, I move that the rule be suspended in order that the amendment may come before the Senate.

Mr. BUTLER of Maryland. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BUTLER of Maryland. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the motion of the Senator from New Mexico [Mr. CHAVEZ] to suspend the rule of the Senate.

Mr. McFARLAND. Mr. President, may I inquire as to the possibility of finishing the consideration of the bill this evening? Is it the desire of the Senator from New Mexico to conclude the consideration of the bill this evening or does he desire to have it go over until tomorrow?

Mr. CHAVEZ. In view of some suggestions which were made by the Senator from Maryland [Mr. BUTLER], to the effect that he would like to consult with some of his constituents in Montgomery County, Md., during the evening, perhaps it would be better to postpone final action until tomorrow. The Senator from Illinois [Mr. DOUGLAS] has some further amendments to propose to the bill. Perhaps it would be possible to enter into a unanimous consent agreement with reference to a limitation of time.

Mr. WHERRY. I am assured by the distinguished Senator from Maryland [Mr. BUTLER] that he has no objection to taking almost immediate action on the bill. He would like to make a statement

after he discusses the subject with his constituents, but he has no objection to an expeditious disposition of the bill. At this time I should like to say to the majority leader that there will be no difficulty in completing consideration of the bill tomorrow.

Mr. McFARLAND. It was my intention, if we could make disposition of the pending bill, to announce a call of the calendar tomorrow.

Mr. WHERRY. That could be done anyway.

Mr. McFARLAND. I should like to have something definite in mind before making such an announcement.

Mr. BUTLER of Maryland. Mr. President, I should like to ask the Senator from New Mexico whether he will request unanimous consent to have printed in the RECORD two letters, one from the Maplewood Improvement Association and the other from the Oakmont Improvement Association, which have been referred to in the course of my statement.

Mr. CHAVEZ. Yes, I shall be glad to do so. I ask unanimous consent to have those letters printed at this point in the RECORD, Mr. President.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAPLEWOOD CITIZENS ASSOCIATION,
Bethesda, Md., June 8, 1951.

Hon. DENNIS CHAVEZ,
United States Senate,
Washington, D. C.

SIR: The citizens of Bethesda who live in communities adjacent to the National Institutes of Health are much perturbed by your proposal to authorize the Surgeon General to arrange for the private construction and operation of apartments on the Federal reservation. At a meeting this week of civic association leaders representing about 2,500 Bethesda families, it was agreed that the original (and normal) plan to have the hospital construct its own quarters for nurses, house doctors, and other key emergency personnel was much more desirable, for both national and local considerations.

Some of the reasons for our attitude follow:

1. Despite the appearance of a monetary saving to the Federal Government, the proposed plan of private construction and operation will actually cost the Federal taxpayers much more than the cost of constructing the public buildings with public funds. The residents of the housing will be for the most part commissioned personnel of the Public Health Service, who are entitled to a rental allowance if they live in such quarters, but do not receive an allowance if they use public quarters. That allowance, paid out of PHS appropriations, will pay for the amortized cost of the buildings, the operating and maintenance costs, and the operator's profits, an amount totaling considerably more than would the Government's investment in comparable publicly built quarters.

2. Although the proposal appears to be patterned on the provisions of Public Law 211 (the Wherry Act), it contains none of the limitations or restrictions of that law, but gives unrestrained authority to the Surgeon General to make such arrangements as he may see fit. He may contract for the construction of 250,000 units rather than the intended 250; there is no requirement in the original proposal that only hospital personnel may live in the apartments; there is no word in the amendment as to the terms of the lease. Moreover, the Wherry Act was made applicable to military reservations, according to Senate Report 410, "particularly in isolated localities, where the possibility of deactivation or curtailment of the installation is combined with the lack of an independent market for the housing." In Bethesda, there are no such conditions; it is part of a large metropolitan area, there is no possibility of "deactivation or curtailment" of the research hospital, and there is an independent market for housing.

3. It is because of the drastic effect of this proposal on the well-developed communities adjacent to the NIH that the citizens of Bethesda are urging reconsideration of the proposal. The Bethesda-Chevy Chase community has been the subject of much planning for both single-family and multiple-family dwelling units, and it is the hope of the residents that such a plan can be followed in the normal growth and development of the community. The construction of private apartments in an area that every county agency has found to be unsuitable for apartment buildings would change the character of the community and upset the long-range plans applicable to it.

For these reasons, and others which we have not had time to develop, we respectfully urge you to withhold your proposed amendment. We should prefer adoption of the original congressionally approved plan to have the hospital construct its own quarters, which could be accomplished by unfreezing the $1,125,000 appropriation that was reserved by the Bureau of the Budget last year. But, whether or not that can be done immediately, we certainly feel that the proposal for private construction and operation of housing on public lands has not been adequately explored and should at this stage be sent back to the committee for further study.

We recognize the need of the hospital for these emergency quarters, and feel sure that the Congress will not jeopardize a $50,000,000 investment because of the lack of adequate housing, which can be provided at a fraction of the hospital cost. But we feel strongly that the proposed method of providing the housing is not the best available method.

Thank you for your consideration of this appeal.

Yours very truly,
WM. J. BARNHARD,
President, Maplewood Citizens Association.

OAKMONT CITIZENS' ASSOCIATION,
Bethesda, Md., June 7, 1951.

Hon. JOHN M. BUTLER,
United States Senate,
Washington, D. C.

DEAR SENATOR BUTLER: The Citizens' Committee of Oakmont, as the duly elected governing body of the special taxing area of Oakmont, respectfully solicits your help in securing the elimination of an amendment made by the Appropriations Committee of the Senate to the Labor-Federal Security appropriation bill, H. R. 3709, now before the Senate.

The amendment in question authorizes the Surgeon General to lease to private interests an unspecified portion of the federally owned land comprising the grounds of the National Institutes of Health in Bethesda, for a period of 99 years, for the purpose of construction and operation by such private interests of apartments for rental. Although construction plans for the institutes originally contemplated Government-built and Government-operated housing for a limited number of key personnel who must live on the grounds to meet emergency needs, and although an appropriation for this purpose was made in last year's appropriation act, the committee amendment rescinds this appropriation and substitutes the legislative rider authorizing private construction and operation, described above.

The Citizens' Committee of Oakmont urges that this amendment be stricken from the bill. As you know, Oakmont and other areas abutting on the institutes' grounds are single-family residential areas in which the property owners have thus far successfully fought the intrusion of apartments within their boundaries, with the accompanying depreciation of residential property values. If private interests are permitted to construct and operate apartments for rental on land leased for the purpose by the Government, it will become a practical impossibility longer to prevent the incursion of like developments in the adjacent single-family areas which are privately owned. For these reasons, as you know, the taxpayers in these areas are gravely concerned about the effects of the proposed amendment.

Your help in securing the elimination of the committee amendment and restoring the previously enacted appropriation for Government construction of dwelling units is urgently needed.

Respectfully yours,
WILLIAM L. DALEY,
Chairman, Oakmont Citizens' Committee.

Mr. McFARLAND obtained the floor.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. DIRKSEN. I should like to know whether we are to complete action on the bill tonight.

Mr. McFARLAND. No; it is my purpose to move to have the Senate take a recess until tomorrow as soon as certain incidental matters are acted on.

Mr. DIRKSEN. I wish to submit an amendment to this bill.

Mr. WHERRY. That can be done tomorrow.

Mr. DIRKSEN. However, I shall not be here tomorrow.

Mr. WHERRY. Does the Senator wish to make a speech in connection with his amendment?

Mr. DIRKSEN. Yes, I wish to make a brief speech in connection with it.

Mr. McFARLAND. Mr. President, in further answer to the distinguished Senator from Illinois, let me say that another amendment is pending, and it was thought advisable to have the Senate take a recess at this time until tomorrow. Those in charge of the bill and the distinguished Senator from Maryland [Mr. BUTLER] thought that between now and tomorrow they might be able to work out an agreement. I told them that on that basis, I would move that we now take a recess until tomorrow. However, if the distinguished Senator from Illinois wishes to make a few remarks, we shall be glad to accommodate him.

Mr. DIRKSEN. Mr. President, if the Senator will permit me to proceed for about 5 minutes, I think I can dispose of the matter I have in mind in that length of time.

Mr. President, I ask the junior Senator from Florida [Mr. SMATHERS] not to leave, because I desire to make an observation regarding a matter which I believe will be of interest to him, and probably also to his colleague, the senior Senator from Florida [Mr. HOLLAND].

The matter is simply this: In February, the Legislature of the State of Indiana enacted a law which requires that the names of the recipients of public assistance under the grant program, which is provided for in the bill now pending

before the Senate, shall be made reasonably subject to public inspection. There is a reason for it. A great many abuses have developed as a result of the fact that such names are not subject to public inspection, and it has created something of a difficulty, something of an organization, if I may use the term, among certain social workers, which has become a real abuse within the State of Indiana. That was why the legislature took action.

Strangely enough, the Legislature of the State of Florida took similar action; and the situation has also been under investigation by a joint committee of the Legislature of the State of Tennessee. If I were here tomorrow, I should offer an amendment which I am frank to admit would be legislative in character, and therefore subject to a point of order. The amendment would simply provide that no State shall be denied its appropriate funds under the public assistance program by virtue of the fact that it requires, by legislative enactment, that there shall be reasonable inspection of the names of those who receive public aid. As a matter of fact, representatives of Indiana are here at the present time. They have a controversy with Oscar Ewing, who for the moment at least feels in duty bound under Federal law to withhold $20,000,000 from the State of Indiana.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from Indiana?

Mr. JENNER. I might state that Indiana has a lien law which is already in existence, and which has been in existence for several years. It was at one time repealed, but it is again on the statute books, where it has been for several years. It provides practically the same thing as that which is provided by the recent act of our State legislature, in that every dollar paid out to an old-age recipient becomes a lien on his property. A lien is a matter of public record and it has been open to the public all these years. But, all of a sudden, a bureaucrat in Washington capriciously says, "By reason of the law which was passed last February, we are going to withhold the $20,000,000," although they have been giving us our money. It is our money. All these years that lien law has been on the statute books and no one has ever before raised an objection. The situation shows what can be done to the citizens of a State by a bureaucrat in Washington, if he so desires.

Mr. DIRKSEN. I want to say to my friend that I happened to be in Indianapolis in February when this action was taken by the legislature, which was then in session. My own interest springs from the fact that a great many abuses have developed within the State of Illinois. There has been an awareness in the Illinois State Legislature and it may take some action at a very early date.

The Senate Appropriations Committee was quite aware of this difficulty because, in its report, at least, it makes a passing reference. The committee says:

> The growing public dissatisfaction with the granting of relief payments to individuals for whom family care is available was called to the attention of the committee. State legislatures have indicated an awareness of the problem and the committee will expect to observe an awareness on the part of officials of the Bureau of Public Assistance to the end that relief payments are not profligately expended. It is believed that a sterner attitude might result in considerable economy in this program, without denying a single case of bona fide need.

The fact of the matter is that if one examines the rather generous hearings on this subject, he will find that they are very meager and very barren of any observations or any testimony on that point, yet I think it raises one of the foremost issues before the country, by virtue of the fact that since 1943 the amount for public assistance appropriated by Congress has risen from approximately $400,000,000 to $1,300,000,000. In the State of Mississippi, in 1948, roughly 400 persons per 1,000 of age 65 were on the relief rolls. Today the number is over 700 per 1,000. I think it sums up to a new formula, under which the Federal Government pays 75 percent of the first $20, and 50 percent of the next $30, up to $50, and so a State can put up $1 and get $3 from the Federal Government. There is a tendency not to scrutinize the real need, but simply to let everyone finally climb onto the assistance rolls.

Recently there was in the Sunday supplement quite a statement on this matter. There were comments from a very wealthy lawyer, for instance, in Georgia, who, in effect, said in reply to an inquiry, "Why should not my folks be upon the relief rolls? After all, I pay taxes. While I can support them, I feel that at least I can get that much out of the public Treasury." I am afraid that attitude is becoming rather common in certain areas of the country, and it needs some scrutiny. There is one way in which it can be done, and that is to allow the legislatures a little latitude in the matter, without having Oscar Ewing finally rule that, because opportunity is given to inspect the names of people who are receiving assistance, therefore, the State is not in compliance with the Social Security Act, and therefore it is his legal responsibility to withhold funds.

I am sure my friend from Florida knows full well what the situation is in his State. It is becoming a problem in other States as well, and I had hoped that the committee would deal with it in more generous fashion than it did in the report and in the hearings.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from Florida.

Mr. SMATHERS. I should like to say that I am acquainted with the situation, certainly as it exists in Florida. I subscribe to everything which the distinguished Senator from Illinois has said. It is my hope, as I know it is the hope of the senior Senator from Florida, that these rolls may somehow be opened to proper inspection. I have personal knowledge of great abuse, which resulted last year by virtue of the fact that the rolls were not made public. Certainly the people of Florida and the people of this Nation are entitled to have the rolls opened up. If there is any way that I can be of assistance in this program, I should like to associate myself with the Senator from Illinois in so doing. I thank him for his remarks.

Mr. DIRKSEN. I thank the Senator from Florida. The only reason for detaining the Senate at this late hour is that I may have no opportunity tomorrow to present this matter. I hope, as my friend from Indiana is here, that he will submit the amendment, and I hope also, notwithstanding the fact that I concede that it is legislative in character and therefore subject to a point of order, that the chairman of the subcommittee will accept it and will take it to conference, and then develop a little more testimony, to see what can be done. The situation is acute. The legislature of the sovereign State of Indiana has spoken. If it stands by its guns, it means that certain people in Indian will be foreclosed. So it is more than a transient question.

I yield the floor.

CIVIL AERONAUTICS ACT OF 1938

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 33) authorizing certain changes in the enrollment of Senate bill 435, to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes, which was, after line 6, insert:

> On page 2, after line 9, of the engrossed bill, insert the following:
>
> "(d) The terms 'insurance company' and 'insurance carrier' in sections 1305 (a) and (b) and in section 1307 (d) shall include any mutual or stock-insurance company, reciprocal insurance association, and any group or association authorized to do an aviation insurance business in any State of the United States."

Mr. JOHNSON of Colorado. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to have printed in the RECORD a letter by the acting Secretary of Commerce in behalf of the amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> THE SECRETARY OF COMMERCE,
> *Washington, June 5, 1951.*
>
> Hon. BYRON G. ROGERS,
> *House of Representatives,*
> *Washington, D. C.*
>
> DEAR MR. CONGRESSMAN: This letter is in answer to your telephonic request for my views with respect to the inclusion of the following amendment in the concurrent resolution for the correction and amendment of S. 435, an act providing authority for aviation war-risk insurance:
>
> The terms "insurance company" and "insurance carrier" in 1305 (a), (b), and 1307 (d) shall include any mutual or stock insurance company reciprocal insurance association and any group or association authorized to do an aviation-insurance business in any State of the United States.
>
> We would interpose no objection to the inclusion of such a definition in the resolution and members of my staff have been informed by Mr. Nathan Calkins, Chief, International and Rules Division, Civil Aeronautics Board; Mr. Roy Leiffien, counsel, Associated Aviation Underwriters; and Mr. Paul

Reiber, counsel for Air Transport Association of America; that no objection would be taken to the inclusion of such a definition.

If we can be of further assistance to you in this matter, please call on us.

Sincerely yours,

D. W. RENTZEL,
Acting Secretary of Commerce.

T. L. MORROW—CONFERENCE REPORT

Mr. KILGORE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1424) for the relief of T. L. Morrow, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1424) for the relief of T. L. Morrow, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

That the House recede from its disagreement to the amendment of the Senate, and agree to the following: Restore the matter stricken out by the Senate amendment with the figures in line 6, page 1, namely "$5,000."; and the Senate agree to the same.

H. M. KILGORE,
ALEXANDER WILEY,
WARREN G. MAGNUSON,
Managers on the Part of the Senate.

PETER W. RODINO, JR.,
THADDEUS M. MACHROWICZ,
EDGAR A. JONAS,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KILGORE. Mr. President, the bill as passed by the House was amended by the Senate. It relates to a personal injury. The conferees agreed to increase the amount to $5,000.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

EXTENSION OF TIME WITHIN WHICH MORTGAGES MAY BE INSURED UNDER TITLE VIII OF THE NATIONAL HOUSING ACT

Mr. WHERRY. Mr. President, I ask unanimous consent to introduce, out of order, a joint resolution extending the so-called Wherry Housing Act, being title VIII of the National Housing Act. I shall ask that the joint resolution be received, printed, and lie on the table; because in view of the situation existing in the House of Representatives, I believe that it is most important that this measure be enacted, thus extending the so-called Wherry Housing Act, if we are unable to extend that act in any other way.

I desire to work with the majority leader in attempting to take up this measure by unanimous consent at the proper time, if it is possible to do so, in order to see what can be done about it.

Mr. McFARLAND. Mr. President, I should like to say to the distinguished minority leader that the chairman of the committee told me he was opposed to continuing the National Housing Act one title at a time. For that reason I would object to having the Senator's joint resolution considered, unless the chairman of the committee was willing to have it considered.

Mr. WHERRY. Mr. President, I shall not detain the majority leader tonight in regard to this matter. I hope he will confer about it with the chairman of the committee, as I did. I feel that this particular title of the Housing Act should be extended separately if it seems likely that the general housing bill will not be passed by the House of Representatives. Otherwise, all this housing legislation will terminate on June 30.

Mr. McFARLAND. Let me say that the Speaker of the House and the majority leader of the House informed me that they expect to have a housing bill in the House of Representatives next week.

Mr. WHERRY. I hope that is done. In that event, action on the joint resolution I am now introducing will be unnecessary.

As I have said, I shall work with the distinguished majority leader and also with the chairman of the Banking and Currency Committee, the Senator from South Carolina [Mr. MAYBANK], with the idea that if there is no chance of having what we call the general housing bill passed by the House of Representatives, at least the so-called Wherry Act will be extended for another year, by means of the enactment of the joint resolution I am now introducing. I wish to work with them in that connection if I possibly can do so.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska?

There being no objection, the joint resolution (S. J. Res. 77) to extend until July 1, 1953, the time within which mortgages may be insured under title VIII of the National Housing Act, relating to construction of rental housing on or adjacent to military reservations, introduced by Mr. WHERRY, was read twice by its title, and ordered to lie on the table.

Mr. MAYBANK. Mr. President, I wish to say that I was a coauthor of the bill, together with the distinguished Senator from Nebraska [Mr. WHERRY] and former Senator Tydings, at the time when the bill was passed by the Senate.

Mr. WHERRY. That is correct.

Mr. MAYBANK. I have worked as hard as I could in regard to that section of the law. However, inasmuch as the housing bill is still in the House of Representatives, and until the amendment which is principally the subject of debate has been studied by the distinguished Senator from Utah [Mr. BENNETT] and by other Senators, who played such important parts in connection with the defense housing bill, I would be disinclined, as I told the Senator this morning, despite my interest in the program, which I have always sponsored, to have just that one title of the law separated and reenacted. I think the House of Representatives should act on the entire defense housing bill, which the Senate passed unanimously.

Mr. WHERRY. I agree with the Senator, and I hope something is done with the bill. But certainly if it happens that the bill is not passed by the House of Representatives, the chairman of the Senate Banking and Currency Committee will not require that because the House has not passed the bill, we shall lose the benefits of title VIII of the act.

Mr. MAYBANK. I wish to make it plain that today I told the representatives of the military that the veterans have just as much right to have the benefit of the housing bill the Senate passed as those in the military have and as those coming under the FHA or other agencies or under private enterprise have, and especially is that true of the defense workers in critical defense production areas, where the need for housing is so desperate. So I think the House should act on all the titles of that measure, and should not pick out only one title of it.

Mr. WHERRY. That is correct.

Mr. MAYBANK. I make that statement even though, as the distinguished Senator from Nebraska well knows, I was a coauthor, with him, of the bill when it was first passed by the Senate. The military want these provisions, and I do not blame them for wanting them, but the Congress should also act in behalf of housing under the FHA and housing for veterans, inasmuch as no funds remain for those purposes.

Mr. WHERRY. Not only are the military interested, but when this title of the act was included in the bill which was passed by the Senate and went to the House of Representatives, the bill included provision for an extension in the case of dwellings in connection with the activities of the Atomic Energy Commission.

Mr. MAYBANK. That is correct.

Mr. WHERRY. So, Mr. President, in the event the housing bill is not finally passed by the House of Representatives—and it seems to be bottled up there at this time—certainly this one title of the act, which has worked so well, should not be penalized by not being extended for another year.

Mr. MAYBANK. The other amendments also worked well, and the FHA and other agencies are without authorization to permit private enterprise to carry on.

ACQUISITION AND DISPOSITION OF CERTAIN LAND BY ARMY, NAVY, AND AIR FORCE—VETO MESSAGE (H. DOC. NO. 133)

Mr. WHERRY. Mr. President, I have been asked by several Senators about the plans in regard to action by the Senate on the President's veto of House bill 3096, entitled "An act relating to the acquisition and disposition of land and interests in land by the Army, Navy, Air Force, and Federal Civil Defense Administration." That bill gives congressional committees review power over certain real-estate dealings by the Government. If the majority leader knows, I am anxious to learn when it may be taken up.

Mr. McFARLAND. I will give the Senate that information in plenty of time. I will talk to the chairman.

Mr. WHERRY. I am interested to know when it will come up.

PROPOSED CALL OF THE CALENDAR

Mr. McFARLAND. Mr. President, I should like to inform the Senate that if time permits, we shall try to have a call of the calendar tomorrow, but if consideration of the pending bill is protracted until late in the afternoon, the call of the calendar will be deferred until the next day.

Mr. WHERRY. Mr. President, I should like to ask whether it will be a call of the consent calendar, and, if so, whether it will start at the beginning, or will start where the call left off previously.

Mr. McFARLAND. The call will start from the beginning of the consent calendar. I may want to ask unanimous consent for the consideration of bills on the calendar tomorrow. I am unable to do it now, not knowing whether it will be possible to call the calendar tomorrow.

Mr. WHERRY. That is correct. But when called it will start from the beginning. Is that correct?

Mr. McFARLAND. That is correct.

RECESS

Mr. MOODY. I move that the Senate stand in recess until 12 o'clock noon tomorow.

The motion was agreed to; and (at 5 o'clock and 50 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 13, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 12 (legislative day of May 17), 1951:

DEPARTMENT OF THE INTERIOR

Robert R. Rose, Jr., of Wyoming, to be Assistant Secretary of the Interior, vice C. Girard Davidson.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 12 (legislative day of May 17), 1951:

POSTMASTER

Julian J. Zochowski, Newport, Mich.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 12, 1951

The House met at 12 o'clock noon.

Rev. Ralph W. Heller, St. John's Church, Broadlands, Ill., offered the following prayer:

Almighty and Eternal God, who giveth light to us when we are confused and courage to us when we are disheartened, be pleased to bless this session of the Eighty-second Congress of our beloved country, that they may be wise in deciding rightly the serious and social issues that lie before us in our times, and firm in abiding by those truths and principles which we know are just, and faithful in looking to Thee, the author of truth and dispenser of justice, for the sure triumph of justice and righteousness through Him who is the Way, the Truth, and the Life, Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

DEAN ACHESON

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, anyone familiar with Dean Acheson's long record of double talk and suppression of the facts might have known that his account of United States policy toward China would vary considerably from the facts. General Wedemeyer's testimony yesterday spotlighted several such instances. All are shocking, but none is more dismaying to me than General Wedemeyer's account of how Dean Acheson and other Truman administration officials bowed to the will of the Chinese Communists and canceled Wedemeyer's appointment as Ambassador to China in 1946.

I hope that Acheson is called back at once by the committees, for whatever it may accomplish toward unearthing the rest of this strange story, although I must confess that Acheson's omission of this vital event from his testimony causes me to doubt the value of all his testimony. General Marshall also should be called back inasmuch as he, too, unfortunately, failed to mention his part in this shameful episode to the committee.

LIEUTENANT GENERAL WEDEMEYER

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, the brilliant military testimony given before the MacArthur investigation committee yesterday by Lieutenant General Wedemeyer after listening to days and weeks of evasive double-talk and cover-up testimony of those in the military and State Department, should be refreshing to the committee, the Members of Congress, and the people of the Nation.

To me it brings out and sharply points up one important fact. That fact is that the committee has only taken full and complete testimony and facts on the Korean War from two competent military authorities who are qualified and free to give such facts—General MacArthur and Lieutenant General Wedemeyer.

General MacArthur had been fired by the administration for putting the interest of the country above his own personal and military future. Lieutenant General Wedemeyer who served in China and the Philippines and who was sent to China in 1947 to make a study and report as to what we should do in China then and in the future asked to be retired, which was granted, because his recommendations were in conflict with the views of General Marshall on the China situation, and because he felt that he could not continue to serve under military policies that were not in the best interest of the Nation.

I say the committee has had full testimony from only two high-ranking military men because General Marshall, General Bradley, and others who testified continued to reflect their obligation and awareness of the promotional and appointive power vested in the President.

The lesson of the dismissal of Admiral Denfield who dared to speak out and testify before a congressional committee 2 years ago has not been overlooked by high military officers.

A comparison of the testimony of General MacArthur and Lieutenant General Wedemeyer, both military experts on China and the Orient, and that of General Bradley recently before the committee illustrates the point.

The following questions and answers taken from the testimony confirms the above statements.

Senator BRIDGES asked General Bradley the following questions:

If it reaches the time in this country where you think the political decision is affecting what you believe to be basically right militarily, what would you do?

General BRADLEY. Well, if after several instances in which the best military advice we could give was turned down for other reasons, I would decide that my advice was no longer of any help, why, I would quit. I feel that is the way you would have to do.

Senator BRIDGES. Would you speak out, tell the American public?

General BRADLEY. No, sir.

Senator BRIDGES. Don't you think that is your duty, your loyalty to your country, to do that?

General BRADLEY. No, sir. I don't think so. I have been brought up a little differently.

Senator BRIDGES. Where does the loyalty to your country come in?

General BRADLEY. I am loyal to my country, but I am also loyal to the Constitution, and I wouldn't profess that my judgment was better than the President of the United States or the administration.

Mr. HUNTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HUNTER. Mr. Speaker, the committees investigating the dismissal of General MacArthur heard startling testimony yesterday to the effect that the Chinese Communists were able to block the appointment of General Wedemeyer as United States Ambassador to China in 1946. While most Americans have known for a long time that the United States State Department's policy had the effect of putting the Chinese Reds in power and keeping them there, this is the most direct and convincing evidence that those Reds were actually able to decisively influence a major decision in Washington.

Secretary Acheson and General Marshall should be recalled by the committees immediately after General Wedemeyer concludes so it can be determined how many other appointments of top importance in the field of foreign relations were influenced or controlled by Communists either at home or abroad. Certainly if Messrs. Marshall, Acheson, and Truman let a retreating, demoralized, rag-tail bunch of Chinese Reds determine that General Wedemeyer should not be our Ambassador to China, then it is logical to suppose that other and similar decisions have been based on the wishes of Moscow, Peiping, and other Communist sources. The American people are entitled to the truth.

SPECIAL ORDER GRANTED

Mr. VELDE asked and was given permission to address the House for 15 minutes today, following any special orders heretofore entered.

MEAT PRICE ROLL-BACKS AND THE DEFENSE PRODUCTION ACT

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the fight against the meat price roll-back has now become a fight to scuttle the whole Defense Production Act unless the country meets the terms of the meat producers. It has indeed become a test to determine whether ours is to be a consumers' economy in which case the roll-back will stand or a producers' economy in which case it will fall. Price-wage stabilization is the way to keep order at home and to give our people the heart to do a heroic job on defense mobilization. The pinch is really coming in 1952 when vast quantities of our basic materials like steel and at least 20 percent of total production will be used for military purposes. I suggest, as one Representative, that the country speak up before it is too late and insist on a renewed and strengthened Defense Production Act or find that we have been overwhelmed by an inflationary flood at home distracting to and crippling our energies from the vital task abroad.

As to the meat producers themselves, dissatisfied apparently with 128 percent of parity—the price after the roll-backs—they should read the signs of the times. First, in New York City with retail sales of beef estimated to be off 50 percent and steak at $1.32 a pound. Second, the recommendations of the Defense Board for Meat that meat for United States Armed Forces overseas be bought abroad. New York Health Commissioner John F. Mahoney said yesterday that beef is not essential to health when other good food is available. In our country the people have a way of putting misguided special interest in their place. This is the time to begin.

THE GENERAL STAFF

Mr. POULSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. POULSON. Mr. Speaker, I have just returned from the west coast, and I find that the people out there have lost confidence in the General Staff because of their attempt to protect the administration. In other words, the General Staff is more interested in keeping the stars on their shoulders than they are in keeping the stars in the American flag.

SPECIAL ORDER GRANTED

Mr. PROUTY asked and was given permission to address the House for 40 minutes on Thursday next, following the legislative program and any special orders heretofore entered.

SAVING AMERICAN LIVES

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I was most surprised to read in the papers last night statements made by General Wedemeyer in his testimony. I was even more surprised and amazed to come on the floor of the House of Representatives at noon and hear some of the remarks made in support of his position. Do we not all realize what world war III would mean? Do we not realize what it would mean to go into Asia, that vast expanse of country to spend the lives and blood of American boys and the financial resources of this country to wage a war there? It seems to me we must all stop and think and realize what that means before we take the step proposed by Wedemeyer. I am sure that no person who gives full consideration to world problems is so vain and so cocky that they wish to fight the enemy alone. That seems incomprehensible to me. Thank the Lord there are people in this country who have a semblance of respect for that problem and who understand what it would mean and therefore are not going to take that most disastrous step.

THE REPUBLICAN ATTITUDE

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'TOOLE. Mr. Speaker, if the gentlemen on the other side of the aisle think the American people approve of the remarks that General Wedemeyer made, they are sorely mistaken. If that is going to be the attitude you people are going to take, the American people, who for 22 years of the last 24 years have not trusted you and have sent back Democratic Congresses, will send back another Democratic Congress. The people of this country do not want to fight a war and they do not want to fight Russia alone. If that is going to be your campaign slogan, let it be such. We will welcome it. As far as the General Staff is concerned, when the hearings are over in the other body, I am willing to bet that the people will have faith, a strong faith in the Chief of Staff and in all the members of that staff, a patriotic, decent group of Americans.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the gentleman from New York [Mr. O'TOOLE] may think no part of our country lies west of the Appalachian Mountains. If he would travel outside of New York State a few miles, he would find there is a wide expanse of country and many more people than in his home State where so many seem to think of Britain before giving a thought to our country and its people. If he would go there, he would discover that that is where the food he eats and the milk he drinks come from; that New York would never long exist if it was not for the great Midwest. New York is only the tail which tries to wag the dog.

The gentleman from Minnesota [Mr. MARSHALL] talks about our boys being killed in Korea and charges that those who go along with MacArthur want to go to war in China. I do not know of anyone who wants war in China, but I do call attention to the fact that the men who will be killed in Germany if we follow UN and the administration will be just as dead as though they were killed in Korea. What is the sense of trying to lay the desire for war on the Republicans of the Midwest? They have always been for peace unless the Nation's security was threatened. They have not forgotten that Wilson won the Presidency on the theory he kept us out of war; that Roosevelt won an election on a promise to give us economy; that he won again on repeated promises not to send our men to fight abroad; that apparently he never intended to keep either promise. We have always been for peace, even though, together with the South, we have furnished the majority of the soldiers. The gentleman might well go back to New York and advise some of his folks to dry off behind the ears—become acclimated—before they claim they are Americans who should formulate our foreign policy.

The SPEAKER. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

Hon. SAM RAYBURN,
Speaker of the House of Representatives,
The Capitol, Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on Veterans' Affairs, to be effective as of 12 o'clock noon on Wednesday, June 13.

Respectfully yours,

CLARE MAGEE,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

EXCHANGE OF LANDS IN PUEBLO COUNTY, COLO.

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3716) to authorize an exchange of lands in Pueblo County, Colo.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized to accept on behalf of the United States, for use in the protection and administration of the San Isabel National Forest, title to the following described lands: Lots 1, 2, 3, 4, 5, and 6 of block 5, Aberdeen, a subdivision of the city of Pueblo, Pueblo County, Colo., being a portion of section 35, township 20 south, range 65 west, sixth principal meridian, and lots 13, 14, and 15 of block 23, Grandview Place, a subdivision of the city of Pueblo, Pueblo County, Colo., being a portion of section 24, township 20 south, range 65 west, sixth principal meridian, subject to any valid outstanding rights, and to convey by deed to the grantors thereof the following described lands of the United States: South one-half of the southeast quarter of the southeast quarter of section 10, township 21 south, range 65 west, sixth principal meridian, Pueblo County, Colo., subject to outstanding rights and restrictions of record, and to the reservation by the United States of all uranium, thorium, or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, together with the right of the United States at any time to enter upon the land and prospect for, mine, and remove the same.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday be dispensed with this week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 267. Joint resolution making an additional appropriation for the legislative branch for the fiscal year 1951, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 178. An act for the relief of Zdenek Marek;

S. 249. An act for the relief of Ruzena Pelantora;

S. 361. An act for the relief of Herk Visnapuu and his wife, Naima;

S. 362. An act for the relief of Tu Do Chau (also known as Szetu Dju or Anna Szetu);

S. 364. An act for the relief of Mrs. Suzanna Wiesnik and her daughter, Genevieve;

S. 648. An act for the relief of Evald Ferdinand Kask;

S. Con. Res. 12. Concurrent resolution favoring the suspension of deportation of certain aliens; and

S. Con. Res. 15. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 872) entitled "An act to furnish emergency food aid to India."

CIVIL FUNCTIONS APPROPRIATION BILL, 1952

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4386) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, the time to be controlled one-half by the gentleman from Wisconsin [Mr. DAVIS] and one-half by myself; and that at the end of general debate today the first paragraph of the bill be read.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. RANKIN. Reserving the right to object, Mr. Speaker, no more than the first paragraph is to be read today?

Mr. RABAUT. No more than the first paragraph is to be read today.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I understood there was some discussion with the gentleman from New York [Mr. TABER] and I understood the time was to be fixed at 3 hours. If you are not going to read the bill today, why limit it?

Mr. RABAUT. Well, there will be plenty of time under the 5-minute rule, and that is where most of the discussion takes place. Would 2½ hours be satisfactory?

Mr. DAVIS of Wisconsin. That would be agreeable as far as we are concerned.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Michigan.

Mr. DONDERO. Is it the intention to offer the bill for amendment even on the one paragraph today?

Mr. RABAUT. There are no amendments to paragraph I. We will rise after reading the first paragraph.

Mr. TABER. Mr. Speaker, reserving the right to object, there will be quite a lot of interest in this bill. I should think it would be better to have 3 hours of general debate.

Mr. RABAUT. I thought the minority agreed to 2 hours.

Mr. DAVIS of Wisconsin. There was no fixed agreement.

The SPEAKER. Does the gentleman modify his request?

Mr. RABAUT. Yes, Mr. Speaker.

The SPEAKER. The gentleman from Michigan asks unanimous consent that general debate continue not to exceed 3 hours, to be equally divided between the gentleman from North Carolina and the gentleman from Wisconsin. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4386) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes, with Mr. HARDY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the consent agreement, the gentleman from North Carolina [Mr. KERR] will be recognized for one hour and a half, and the gentleman from Wisconsin [Mr. DAVIS] for one hour and a half.

Mr. KERR. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the statement I shall make to this body involves matters which are of more interest to this Nation than any other legislation that is brought before this body. I shall endeavor to compile the facts involved in the pending bill. I state unhesitatingly that the Nation is more interested in the uplift of our welfare, and should be, than other matters which involve the achievements of others through our generosity and our willingness to distribute our wealth throughout the world in a largely unsuccessful endeavor to build up and improve other countries. The record discloses that there are only 6 percent of the inhabitants of the world under our flag and that this country does one-half of the business of the world and owns one-half of the wealth of the world. We are able to help other nations a great deal, which we endeavor to do, but we cannot neglect to take care of our own.

This bill which we have before the House today appropriates money for civil functions, Department of the Army, trust fund appropriations for the United States Soldiers' Home, and appropriations for the Canal Zone government for the fiscal year 1952.

As we all know, the Corps of Engineers have been an integral part of our national life since the beginning of our country. The corps very proudly traces its history back to June 16, 1775, when George Washington asked the Continental Congress to authorize the first Chief of Engineers with two assistants. From this very modest beginning the Corps of Engineers has expanded in its strength and service as our country has grown. At the present time the corps is busily engaged in its traditional military tasks and others made necessary by continued unsettled world conditions, as

well as its important civil works programs relating to river and harbor improvements and flood control.

The extensive scope of the operations of the Corps of Engineers is suggested by the substantial funds entrusted to the corps for work during the past years. In the handling of these huge sums of money the engineers should be proud of their achievements. At first glance one might assume that this fine record is a thing of chance but this is not true. It has been earned by the exercise of extreme care in the handling and expenditure of public funds.

In the American tradition the Corps of Engineers allows private industry to be utilized wherever possible in the extensive construction operations. The time-honored practice of awarding contracts to the lowest bidder, after due advertising, is generally followed and care is exercised so that no job is awarded at a price considered larger than warranted. The soundness of the way the engineers supervise their work and its value in obtaining the greatest possible economy, are among the many reasons why the engineers continue to receive the confidence of the United States Congress and of the American people.

Now, we shall look into the three programs administered by the engineers. They are the military program, the river and harbors program, and civil works program. Military construction is an important program of the Corps of Engineers. The corps is the construction agency for the Army as well as of the Air Force. In addition to this, the corps is often asked to perform construction work for other governmental agencies. Current military work consists of a wide variety of operational structures for both the Army and the Air Force. The civil works program is one assignment specifically given to the Corps of Engineers by the Congress of the United States, through the Secretary of the Army. The general flood control program is based on authorizations contained in the various Flood Control Acts starting with the flood control action of 1936. This is the act in which Congress accepted flood control for the whole United States as a national responsibility. Actual construction under this act began in 1938 and the first flood control projects were completed and placed in operation in fiscal year 1940. This program was initiated by the Congress in order that the lives and welfare of our people might be protected from floods and that our water resources might be developed to the greatest extent possible. It is indeed gratifying to note that while the cost of the works completed under this program, including Federal and local expenditures, total $1,156,000,000, these works have already produced benefits aggregating $940,000,000 during a period less than one-fifth of their estimated economic life. It is not possible to eliminate floods in this country altogether but it is estimated that the flood-control projects planned for future construction, along with those already completed or under construction, will, when ultimately completed, prevent about 75 percent of the annual damages still occurring.

Of course, this ultimate objective of the flood-control program will require many years for completion. We should bear in mind as we consider this bill that these funds are really investments in America itself to help this great Nation meet its expanding needs and achieve its full destiny in the future. Too, the flood-control program will and is playing an important part in the current mobilization program. The completion since the end of the last war of many projects providing flood protection to vital defense areas as well as hydroelectric power in power-short areas will have continued beneficial results. The hydro power is presently needed by defense industries so that they may produce equipment; and reservoir projects for which funds are requested in fiscal year 1952 include only those which are actually under contract or those that make direct contribution to the defense effort by providing power, water supply, or protection to some of our vital installations or important transportation facilities.

Now let us turn to the rivers and harbors program of the Corps of Engineers. The great role which our inland waterways and coastal harbors played during the last war is well documented in the transportation files of the engineers and gives graphic proof of their vital importance to our defense picture. For a few examples, many of our larger vessels built at inland facilities during the last war were floated to the sea via our inland waterway systems; when our oil tankers were being sunk right off our coasts, our inland waterways provided a refuge for them.

The use of our waterways has steadily increased since the end of World War II, and inland waterway traffic surpassed all previous records in the year 1948. Today we have 14 percent more barge capacity than at the end of the last war. Although at the present time the national defense aspect of our waterways is of utmost importance, we must not lose sight of the fact that they are valuable in peacetime as an economical means of transportation.

The one thing we must remember as we consider the appropriations for this phase of the work of the Corps of Engineers is that our waterways will be no better than the maintenance we give them. If we neglect them, the system fails. At this time we are trying to appropriate money for only the essential things. Accordingly, the money asked for the rivers and harbors program maintenance is to meet only the essential needs of commerce at the deeper draft harbors and major inland waterways.

As we know, the Corps of Engineers is proceeding with its various programs as fast as Congress directs. In this bill the committee recommends $268,009,900 for the flood control, general, which is a reduction of $60,355,100 in the recommendations of the Bureau of the Budget, and for rivers and harbors $162,860,500, a reduction of $57,618,343 in the recommendations of the Bureau of the Budget. Budget estimates considered by the committee total $640,637,843, against which the committee recommends $514,427,400, a reduction of $126,210,443 in the estimates and $131,137,950 under the total appropriated for the current fiscal year. As I have stated previously, the funds requested in this bill include only those which are to be used in connection with projects which are already under construction and those that make direct contribution to the defense effort by providing power, water supply, or protection to some of our vital installations or important transportation arteries.

I am sure that every Member of this Congress today is well aware of the great value of the development work being done by the Corps of Engineers and realizes that it must be continued.

The committee has approved the full amount recommended by the Bureau of the Budget for the Beach Erosion Board.

I would be remiss indeed if I failed to express the sentiment of the committee in appreciation for the faithful and fine work which the clerks to our committee have done. They have enabled us to present a comprehensive and outstanding piece of legislation.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield myself 25 minutes, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DAVIS of Wisconsin. Mr. Chairman, at the outset of the discussion by the minority side of the bill which is being presented here to the floor, I certainly want to express my appreciation, and I am sure the same state of mind prevails with my colleague on the minority, for the courtesy and consideration we have received from the majority in the hearings and in the mark-up of this bill.

The gentleman from North Carolina, our subcommittee chairman, is a southern gentleman in every sense of the word. The gentleman from Michigan [Mr. RABAUT], who served as our acting chairman on many occasions, carefully protected our efforts to get information. As a couple of newcomers to the subcommittee, there were many occasions when we did feel the need for obtaining information. He was generous with his time personally in being of every assistance to us.

The gentleman from New York [Mr. MCGRATH] came in under a special assignment after the hearings had begun. We knew when we became members of the subcommittee that the gentleman from North Carolina [Mr. KERR] and the gentleman from Michigan [Mr. RABAUT] were old hands at dealing with the appropriations of this particular subcommittee. We certainly felt that we had a capable colleague when the gentleman from New York [Mr. MCGRATH] joined us. Members who have sat with him on the other subcommittees are aware of his keenness and ability to penetrate the problems involved, and of his complete fairness in dealing with the other members of the subcommittee as well as with the witnesses who appeared before the committee.

When we got to writing up the bill, the chairman of the full committee, the

gentleman from Missouri [Mr. CANNON] came in and was of assistance to us. He gave all members of the subcommittee equal consideration. He was business-like in the handling of the final executive subcommittee, yet he was deliberate in giving all of us an opportunity to present our point of view on the various matters that came up for discussion.

Then, too, I want to express my appreciation of the diligent work of my colleague of the subcommittee minority [Mr. FORD]. He came to our subcommittee from the Committee on Public Works; therefore, he had a familiarity with the type of work we were doing. In addition to his basic knowledge of the problems and his sound approach it must be added that he was very diligent in his efforts.

I cannot help but mention, too, the work of the members of the committee staff. They made it easier, they lessened the burden we had in attempting to obtain the information we needed to have. Then in our final sessions, particularly Ken Sprankle, Russ Orescan, and Frank Sanders contributed greatly to our discussions and to the decisions we were called upon to make.

It should be mentioned, too, that while there are substantial cuts in this bill, as the gentleman from North Carolina pointed out, that is certainly no reflection on the kind of job Colonel Potter, who represented the Corps of Engineers in outlining these projects to us, did in his presentation. He was cooperative. He attempted to furnish us with all the information we requested, and he showed a very thorough knowledge of his subject.

This in its full sense is a committee bill. There was full and free discussion and after that discussion there was a decision unanimously arrived at. There was no politics in the partisan sense in our discussion. There was never the hint of "Well, we have to do something for good old Joe in his district." That did not enter into our discussion at any time. Certainly there was a remarkable forbearance on the part of the committee members in asking for anything, either for themselves or for any of the other Members of the House to whom they felt they might owe an obligation.

The committee started its work by adopting certain premises which we tried to follow. One of those premises was that this is a wartime situation, whether it be called a limited emergency or whether you call it a police action halfway around the world, the committee felt, insofar as Government spending on the projects for rivers and harbors and flood control and the Panama Canal Zone is concerned, that ours must be the approach of a wartime economy. That meant conservation of money, conservation of critical materials, conservation of manpower. That was constantly in our thoughts as we proceeded with our work.

Secondly we adopted the premise that we would stay within the recommendations of the Bureau of the Budget. I know since this bill has been reported to the House some people have come around and said, "Well, are you fellows going to write this bill, or are you going to let the Bureau of the Budget tell you what should go in it?"

The fact is the Bureau of the Budget has had an opportunity to go over these items very carefully, and the attitude of our subcommittee was that the Bureau of the Budget was doing the first job of sifting and winnowing. That was the first step, and we felt our function was to continue that process in order to arrive at what we consider the minimum necessities of our present economic situation.

There are items which were called to the attention of our committee, which we felt very keenly about. If the war situation were different, if we could get some definite figures from the Bureau of the Budget, there were some items which we would want to do something about. In that connection I think particularly of the situation at Clinton, Iowa, which was aptly called to our attention by the gentleman from Iowa [Mr. TALLE], and some of the local officials who came to Washington. We referred him to the Bureau of the Budget. I think it was the unanimous feeling that if we could get the kind of facts we need to have, the committee would probably be willing to help solve a situation for which the Federal Government is entirely responsible.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I am glad to yield to the gentleman.

Mr. STEFAN. I think it would be very, very important if the gentleman would explain to the House under what criteria you have made reductions—whether your criteria is not to allow funds for new construction and new planning and surveys. Will the gentleman give the House that information so that we may better understand the work of the committee?

Mr. DAVIS of Wisconsin. The gentleman has somewhat anticipated me. I shall be glad to come to that in just a moment. That is the fourth and fifth of our premises.

The third premise we worked on is that there should be no funds in this year for planning and survey work. That was based upon a number of facts. First of all there are now in process of construction in flood control and rivers and harbors work projects exceeding $5,000,000,000. I do not know whether anybody knows how many projects have been authorized at some time or another, and what the total amount of those authorized projects is. I am sure I do not. We felt there were too many projects of this kind just hanging around at loose ends. We thought we ought to consolidate the work of the engineers, both for their own benefit and so that the Congress could ride herd in a more efficient manner on those projects.

In that connection, as the committee report points out, there were many authorizations made quite a number of years ago. Those projects are still authorized, but for practical purposes they have remained dormant and during that time the pattern of the economy of the country, the transportation needs of the country and the power needs have changed. Certainly there needs to be within the Corps of Engineers a reevaluation of many of those projects. We gave considerable thought and discussion to suggesting to the legislative committee, the Committee on Public Works, that they ought to consider the possibility of recommending legislation which would cause those old authorizations to lapse when they have lain dormant and no work has been done upon them for a number of years.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. HOFFMAN of Michigan. The gentleman spoke about changing conditions. Do you know whether or not the engineers have been given any consideration to this question of what we are going to do about our highways which are being broken up all the time? As some of us drive from the Midwest back and forth, we get the conviction that unless we do something with reference to regulating the traffic, shortly we will not have any highways. Does that come under the engineers?

Mr. DAVIS of Wisconsin. That does not come within the scope of our hearings or within the scope of this bill.

Mr. TOLLEFSON. Mr. Chairman, will the gentleman yield,

Mr. DAVIS of Wisconsin. I yield to the gentleman from Washington.

Mr. TOLLEFSON. The gentleman is making a fine statement. In his third point he said that the committee had not made provision for any planning or survey funds, yet the bill carries a provision to that effect. Could the gentleman explain that to me?

Mr. DAVIS of Wisconsin. The bill carries a provision to what effect?

Mr. TOLLEFSON. That the funds appropriated may be used for planning.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Michigan.

Mr. RABAUT. The answer to the gentleman's question is that funds are carried over from year to year. There is no new money contained, but they do have funds to use.

Mr. TOLLEFSON. On page 7 of the bill, under the provision dealing with flood control, the sum of $268,000,000 is appropriated. Then, in the sixth line, there is a proviso:

Provided further, That funds appropriated herein may be used to execute detailed surveys and prepare plans and specifications, necessary for the construction of flood-control projects heretofore or hereafter authorized—

Does that not mean that this sum of money appropriated can be used for plans and specifications?

Mr. DAVIS of Wisconsin. There is bound to be some amount of carry-over. That is one answer to it. I am not familiar with this particular piece of legislation. Is that the emergency section?

Mr. RABAUT. We could not hear the gentleman.

Mr. TOLLEFSON. I am not seeking to criticize the committee, but the gentleman from Wisconsin has made the statement that no funds are provided for

plans and specifications in this bill, yet of the $268,000,000 appropriated there is a proviso that the funds appropriated herein may be used to execute detailed surveys, prepare plans and specifications necessary for the construction of flood-control projects heretofore or hereafter authorized. I just wondered if the gentleman could explain that provision of the bill.

Mr. RABAUT. Under an emergency they would have an opportunity to act, but there is $5,000,000,000 worth of work under construction. We figured that this is the time to start some of this work and complete it.

Mr. TOLLEFSON. I am seeking verification of the provision. As I understand, the report carries a list of projects for which money is appropriated, and those sums listed for the various projects constitute the sum of $268,000,000. Actually, if the report is followed, none of the money may be used for planning or detailed surveys, yet the bill carries a provision for that. It seems to me there is a contradiction between the bill and the report.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Michigan.

Mr. FORD. I think the gentleman from Washington [Mr. TOLLEFSON] has answered his own question. It is just usual language that is included, but in our consideration of the request by the Corps through the Bureau of the Budget we have specifically said that there shall be no money for preliminary surveys, planning, and so forth. So that $268,000,000 that is included in the bill on page 70 would be eaten up by the actual projects which we have mentioned as being authorized to be proceeded with at a certain figure. By deleting the survey money and planning money as indicated in the report we simply in effect say to the engineers that no funds shall be used for that purpose.

Mr. DAVIS of Wisconsin. I think it might be said that there will be some emergency work, and included in the $268,000,000 is provided a sum for each project for detailed survey work, but there is no new planning or survey work or planning for new projects.

Mr. TOLLEFSON. The gentleman has answered my question; none of the money will be used for the planning of new projects.

Mr. DAVIS of Wisconsin. That is right.

Mr. CURTIS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. CURTIS of Nebraska. I appreciate the problems the committee is facing, and my desire in asking the gentleman to yield is to secure some information. I refer to page 6 of the committee report under the heading "Flood control." For the State of Nebraska there is one project last year, the Harlan County Reservoir, $2,500,000. I believe the facts will show that that project is 92 percent complete. At the time the Army engineers submitted their request to the Bureau of the Budget they estimated that it would take something over $3,000,000, something like $3,334,000 to finish it. They will have a carry-over of $1,500,000, it is estimated, on the 1st of July. Is it the intention of the committee that that be carried over into 2 years to wind up, or do you have some facts here showing they can get the job done for $2,000,000?

Mr. RABAUT. Mr. Chairman, is the gentleman asking the question of me?

Mr. CURTIS of Nebraska. Yes.

Mr. RABAUT. We have allowed $2,300,000 and they will have a balance on hand at the close of the fiscal year of $1,588,000. The gentleman will find the item on page 70.

Mr. CURTIS of Nebraska. I understand that.

Mr. RABAUT. I thought the gentleman referred to a figure of $3,000,000.

Mr. CURTIS of Nebraska. I did.

Mr. RABAUT. It is $3,588,000.

Mr. CURTIS of Nebraska. Two million dollars and one million five hundred and eight thousand dollars as the amount needed; but it was my understanding that that was the amount needed over and above the carry-over.

Mr. DAVIS of Wisconsin. That is the amount the Bureau of the Budget did ask for, but the committee based its reduction on the amount of the carry-over thinking that they probably were not going to be able to finish it this fiscal year, that there will have to be some work done in the subsequent year; and we felt that $3,500,000 or so that would be available under the budget request would be sufficient; that that would be all they could economically use during the coming fiscal year.

Mr. CURTIS of Nebraska. Did the committee take into consideration the fact that the project is 92 percent completed?

Mr. DAVIS of Wisconsin. We did.

Mr. CURTIS of Nebraska. I am grateful for the support the committee has given this project throughout the years. My only thought was that we do not want the Congress to be called upon to carry the overhead of a great project like this any longer than absolutely necessary, and that if a small additional amount would complete the project within the next fiscal year it would be the part of wisdom to appropriate the full amount now rather than to pay the carrying charges that extra length of time.

Mr. DAVIS of Wisconsin. I can assure the gentleman that the committee did have that in mind.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. O'HARA. I should like to direct a question to the gentleman from Michigan [Mr. RABAUT], if I may, on this situation, and that is upon the question of emergency surveys. This last spring on the Minnesota River we had a very bad flood, particularly affecting the towns of Mankato and North Mankato, in my district. The flood was of such degree that, of a population of some 5,200 people, only 80 were able to stay in their homes. We do have an emergency situation where the United States district engineer has to make a preliminary survey, which should not be expensive, but which would have to be authorized, I presume, to meet an emergency condition, making a survey to control that river at Mankato and North Mankato, which are towns on opposite banks of the same river. Let me ask the gentleman the specific question: Is there any provision in this bill for such emergency preliminary surveys which would authorize the United States district engineer to make a survey?

Mr. RABAUT. There is a $7,000,000 fund for emergency work.

Mr. O'HARA. That would include preliminary and survey work?

Mr. RABAUT. They would have to justify it as an emergency.

Mr. O'HARA. I do not think there is any question but what they could do that, but I want to ascertain if there is a general fund for that purpose.

Mr. RABAUT. A fund of $7,000,000 of new money.

Mr. O'HARA. I thank the gentleman.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from New Mexico.

Mr. DEMPSEY. I am very much interested in the explanation the gentleman has made. He emphasized very clearly that to a great extent he was influenced by the Bureau of the Budget.

Mr. DAVIS of Wisconsin. I do not believe I made quite that statement. My statement was that we did not go outside any projects which were recommended by the Bureau of the Budget.

Mr. DEMPSEY. The gentleman did not accept all of their recommendations?

Mr. DAVIS of Wisconsin. No; we did not.

Mr. DEMPSEY. Nor did the gentleman accept all of the recommendations of the Army engineers?

Mr. DAVIS of Wisconsin. Not in every case.

Mr. DEMPSEY. I want to ask the gentleman about a case in New Mexico, the Jemez Dam, for which we have spent $1,200,000 in excavation work—tunneling—a case where the Director of the Budget recommended $900,000 and where the Army engineers have pleaded for $900,000. I have a newspaper clipping quoting the regional director of the Army engineers, Colonel McNutt, at Albuquerque, in which he hopes to get this amount and he is sure they will get it because there is an Indian reservation involved. How can the gentleman justify eliminating completely the $900,000 recommended by the Bureau of the Budget and the Army engineers, where you have already spent $1,200,000 on excavation work that will be totally destroyed if it is not continued?

Mr. DAVIS of Wisconsin. Of course, the gentleman's last statement is one that is contrary to the testimony of the Corps of Engineers. The testimony in the hearings will show that Colonel Potter testified this project could stand idle without additional work during the course of the next year without damage to that which has already been done.

Mr. DEMPSEY. I do not think he was referring to that. I know the question the gentleman asked him and I think the gentleman was misled by the answer. Colonel Potter did not say the

project could stand idle because there is not any construction man or woman who has ever seen construction work that would say a dirt removal project can stand up where water gets on top of it and stays there. It cannot be done. I have been on construction work a long time in my life. I think the question the gentleman refers to is one that he asked of Colonel Potter. The answer, I do not believe, was exactly as the gentleman thinks it is.

Mr. DAVIS of Wisconsin. Certainly that was my understanding.

Mr. DEMPSEY. If the gentleman will reread it, Colonel Potter was referring to the Chamita Dam, that is not under construction or contemplated at this time. He said that is the only one, that that which has not been started could no be affected; but the Jemez Dam is purely a culvert and dirt-removal proposition. Let me tell the gentleman something about that, too. It was pointed out in the hearings that of this $900,000, $552,000 was more or less committed on a unit removal basis to continue the work if they got this money. In other words, they are doing this work in the proper way. They have taken the entire amount of the contract. The contractor has bid so much per yard for removal of that dirt. If you move that heavy equipment out, let another year go by, then readvertise for bids, you will pay 100 percent more than the contract provides for now. That is not economy. If it were, I would vote for it. It is waste, $1,200,000 worth of waste to save $900,000, and I am not taking into account the damage that will be done to the Indian reservation, the damage which Colonel McNutt speaks of in this article, and I am not going to say anything about the destruction of the soil down there. Anyone who has had anything to do with soil or who has read about it knows that when 1 inch of top soil is removed it takes nature 1,000 years to replace it. This is destroying the Bernalillo Valley. You also did not take into account that this river must provide water to Mexico, under treaty made by Theodore Roosevelt, when President, giving them 60,000 acre-feet of water a year, and we cannot get the water down there unless we have channels.

Mr. DAVIS of Wisconsin. I would appreciate it if the gentleman would present that as a separate matter. I would like to go on with my remarks and then yield after I have finished.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. I do not think there is any doubt but what the committee was misled by the answer given by Colonel Potter to your question. He was thinking and talking about the over-all project which was brought in and on which we are hoping to get additional work done. But, in answering the question that they could stop and not go on, he had reference to the over-all project, and he makes it very clear, if you read the answer, that he said: Except for this they could stop. It was amazing to me when I saw this project was stricken out because there was no question in my mind but what this was one project which should have been approved.

Mr. DAVIS of Wisconsin. I am not going to take the time to discuss that particular project further now. I will be very glad to when it does come before the committee at a later time, if it does. But, I do want to continue with my general discussion of the things that the committee did have in mind.

The fourth premise, which has been mentioned previously, was that no new projects were to be constructed, and that doctrine was applied to new parts of a project. If that part was an independent part and was not completely tied up with portions that had already been done, in other words, if the completed or partially completed portion could stand on its own, then we eliminated any additional independent part of that over-all project. And, it is a corollary of that premise which the subcommittee used that where a project was pretty well along, getting along toward completion, then the committee did provide funds substantially in accordance with what had been asked for in the belief that it was good economy to get the project done, and get it turned over to the local units, if that were to be the ultimate use of it, or to get the power on the line or the navigation in operation if that was what was to be the ultimate objective.

We treated every one of these projects separately. There was no across-the-board percentage cutting done by the subcommittee. We felt that while that may have been a legitimate process in past years, where you had a falling cost of construction where the engineering index was declining. At this time that condition does not prevail and every project should stand on its own, and percentage cuts could not be justified.

As the result of this winnowing and sifting the subcommittee did arrive at a unanimous decision that cut the requests submitted by the Bureau of the Budget from $640,600,000 to $514,400,000, or approximately 20 percent.

There are some specific problems that I would otherwise have taken the time to attempt to explain with respect to the Cheatham lock and dam, The Dalles, Ice Harbor, the Niagara River development, and the lower Columbia development, but I have already taken more time than I intended.

I did want to inform the committee on our action with respect to the Panama Canal and the Panama Canal Zone. Last year the Congress passed Public Law 841, which provided for a reorganization of the operation in the government there. Now, the Panama Canal Company is to be set up on a substantially self-sustaining basis. Then the actual civil government of the area is to be known as the Canal Zone government.

In order to give this new plan a chance to operate, the committee allowed substantially the amounts that were requested on a wait-and-see or look-see basis, but there were three specific cuts that the subcommittee did make.

One of them was with respect to the Government housing in the Canal Zone. We had to make our attack on what we considered to be a very unbusinesslike and lax method in the operation of the Federal Government's housing by hitting at this point where we had a chance to do so through an appropriation.

I do not know how many of you are familiar with the directive that is now in effect under the authority of the Secretary of War which sets up a schedule of rentals for these housing units that has no relation whatsoever to their cost and no relation whatsoever to their maintenance. These rentals are set up simply on the basis of how many rooms there may be available to the person who uses them and what the salary of that person may be. There is an arbitrary ruling that no employee shall pay more than 10 percent of his salary for the rental of those Government housing units. Would you not be happy if somebody would guarantee to you that you would never have to pay more than 10 percent of your income for rent? Yet that is the directive that is in effect.

In order to get at that problem, which they seemed very hesitant to do anything about themselves, the committee reduced the allocated cost of that deficit that is chargeable to the government of the Canal Zone by three-fourths, and we said, "You have in effect until next October to put that on a self-sustaining basis—to do something about that ridiculous program of rental costs that are now being charged to the Federal employees."

That is true not only in the Canal Zone, it is true throughout the country, but we had this one chance to insist that they do something about it and we took that chance. Otherwise, except for cutting out the amount of $200,000 for civil defense, which we felt in an area like the Canal Zone should be handled by the military authorities, and a rather small cut with respect to storage facilities, the amount for the Canal Company and the Canal Zone Government was allowed in full.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Mississippi.

Mr. RANKIN. Is it not a fact that the committee struck out all the planning money for the Army engineers for flood control and rivers and harbors, every dollar of it?

Mr. DAVIS of Wisconsin. For planning of new projects; that is correct.

Mr. RANKIN. You paralyzed the Army engineers so far as further development in this country is concerned, either in flood control or in rivers and harbors development.

Mr. DAVIS of Wisconsin. That is a conclusion that is drawn by the gentleman from Mississippi with which I cannot agree. It is one thing to say that you have tied a man's hands and paralyzed him that way. It is another thing to say that a man is floundering around 100 ways, in a hundred different directions, and is not getting anywhere. That is what the committee felt they have been doing by virtue of the fact that too many things have been planned and

set up, and they have not been able to get around to doing many of them right. Congress has not been able to keep track of what they have been doing.

Mr. RANKIN. I was on the Committee on Rivers and Harbors for years, and I have never found the Army engineers floundering around and wasting money. They were trying to give the Congress information on which they could pass legislation for the benefit of the American people.

Mr. DAVIS of Wisconsin. I do not mean to place the entire blame on the engineers. The major responsibility must be borne by the Congress itself for authorizing more projects than the engineers could perform.

Mr. RANKIN. This takes us back toward the dark ages so far as the advancement of this kind of project is concerned.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Michigan.

Mr. CRAWFORD. There are two sides to this proposition. A man and his family may be planning to do a lot of things, but one child gets a leg broken, another loses his arm, another takes sick with a fever, and another is dying with TB. Certain things have to be set aside when a great emergency arises. With 3,000,000 Koreans dead and 150,000 or 160,000 American casualties, and still no direction in which to go, it is about time we set a few things aside at least for a few moments until we find out what direction we want to travel in.

I compliment the committee on bringing in this reduction, and I will support it 100 percent when the roll call comes on this bill.

Mr. DAVIS of Wisconsin. The gentleman has very ably restated one of the major premises on which the committee based its work.

Mr. RANKIN. There will be more boys dying in Korea or elsewhere, probably, as a result of this paralyzing of the Army engineers and blocking those internal developments that are necessary to our national defense.

The CHAIRMAN. The gentleman from Wisconsin has consumed 35 minutes.

Mr. RABAUT. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill comes to the House with the full endorsement of every member of the subcommittee. Every project in the bill has the full endorsement of every member of the subcommittee. In this bill there are no new projects. Controversial projects have been omitted. There are no unbudgeted projects. There is no planning or survey money in the bill. The committee's thought with reference to that was that the Army engineers should finish the work already undertaken. That work amounts to something in excess of $5,000,000,000.

The committee held long and extensive hearings. Four hundred and sixteen witnesses, not including the Corps of Engineers, appeared before the committee from all parts of the country, including 98 Members of the Congress. There is a recognition on the part of the committee of the devotion of Members of Congress to the projects in their respective districts, and the committee has tried to act in a manner so as to treat all Members of the Congress alike. There has been no action favoring any project, regardless of where it was located. The committee is unanimous, as I said, in the report. The hearings comprise two volumes totaling over 1,600 pages. It is not a question of who is right. This year it is a question of what is right under the situation that this Nation is in. What is right?—and that thought was in the mind of every member of the committee, not with the idea of doing what is right for any individual, but to do what is right for the country. We think we have done that. We think we have acted in a way so as to do what is right.

Tomorrow the bill will be open for amendment and debate. Every Member will have his opportunity to tell of the projects in his district and to present their necessity to the Nation with all the ability at his command.

It is not a cherished position to be on this committee. This committee deals with matters which are so intimate to our colleagues with whom we sit here in this Chamber every day. I hope the Committee will view the subcommittee in that light and recognize the responsibility which rests upon the committee dealing with the projects of individual Members throughout the Nation. With those few words, reminding you that the national debt is in excess of $250,000,000,000; that recently we passed a bill, almost a blank check, for the defense forces of $6,000,000,000; that at the present time hearings are being held for the benefit of the defense forces of this Nation, totaling $60,000,000,000, and through the grapevine route it has come to us that there will be another demand for construction in the sum of something between five and seven billion dollars, I ask you to realize the situation of Uncle Sam's purse; and try to appraise the over-all picture, a picture that astounds thinking statesmen of the world.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. RABAUT] has expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, as a member of this subcommittee, I take some pride, along with the other members of the subcommittee, in the bill we are bringing to the House. It seems to me that, all factors considered, this is an excellent bill, one which each and every Member of this House in good conscience can support.

My first experiences on this committee have been most gratifying. This attitude has resulted from my association with my colleagues on both the Republican and the Democratic sides.

Our subcommittee chairman, the very distinguished gentleman from North Carolina, Judge KERR, is probably one of the finest men I have ever worked with in any capacity whatsoever.

My good friend and colleague the gentleman from Michigan [Mr. RABAUT] is a most able and considerate member of the committee. It has been a real pleasure for me to work with the gentleman from New York [Mr. MCGRATH], who has contributed very substantially to the success we have had in writing this bill.

It goes without saying that my sentiments with reference to my colleague on the Republican side, the gentleman from Wisconsin [Mr. DAVIS] are of the highest.

Sometimes perhaps we should not take time to pass around these compliments, but after you have worked 3 months or more, 6 or 7 hours a day, through long hearings, with men whose patience at times may have been tried, and see them come up with constructive legislation, it is most essential that we say a few kind words. The staff, made up of Mr. Orescan and Mr. Sanders, certainly has done a wonderful job in behalf of those of us on the committee. In every instance the staff has given the greatest cooperation and most helpful assistance in every way.

I have a member of my own office staff who helped me considerably, Professor Brainerd, of the faculty of Michigan State College, who has been here on a temporary basis. He has done excellent work on this terrific task.

At times we in the Congress spend much time condemning members of the executive branch of the Government. We in Congress seem to think we are above reproach and that anyone who represents the executive branch of the Government is not doing a good job. My own feeling is precisely the opposite in reference to the Corps of Engineers. I think the corps, under General Pick, is doing a very good job on an over-all basis. Colonel Potter, who came before our committee and was before the committee day after day after day for many weeks, did an excellent job in presenting the arguments in behalf of the projects recommended by the Bureau of the Budget.

Any member of this subcommittee can stand before the membership of the House and say without equivocation that this bill is without partisanship; it is without sectionalism. In our discussions in marking up the bill never once did a bit of partisanship enter into the recommendations. This bill was written purely on the basis of what we felt in our best judgment was for the over-all good of the country.

It is not a case of sectionalism, and I think figures are available which will show that the benefits dollarwise are pretty well distributed. As a side light I might say that some of us on the subcommittee, had we been sectional in our approach, could have done some harm to certain areas that I know feel very deeply against a project in which my part of the country is interested; I refer, for example, to the St. Lawrence waterway. I was looking through the bill the other day just to refresh myself as to what we had done, and I noticed that Baltimore Harbor, for example, got all the money that the Budget had requested for Baltimore Harbor. In addition some of the other harbors along the seacoast from the deep South up through the North got the money that they requested. Those particular areas have fought, and I am sure will continue to fight, the St. Lawrence seaway; but as far as I am concerned, as long as a good case can be

made for Baltimore Harbor or any other harbor the money should be appropriated for that project. How the citizens in these areas might feel about the St. Lawrence project is immaterial in the over-all picture.

Serving on this subcommittee, particularly for the first time, is a hard chore. A great many individuals, Members of Congress and their constituents, come before the committee pleading for a project in their own particular area. Some of the witnesses this year made a most appealing case, and I can assure the Members and their constituents that it was most difficult for the subcommittee to turn down such requests. I cannot help but mention two or three instances, because I think they are unusual. In the first instance, the gentleman from California [Mr. SCUDDER] had five or six people come all the way from California to appear on behalf of two projects. There was a project called the Noyo Outer Harbor, involving a relatively small amount of money. Two or three witnesses appeared on that project, including a Mr. Welch. I can honestly say that Mr. Welch in testifying for the project made a tremendous appeal. He told about the lives that had been lost because there had not been adequate protection given to this particular harbor. Quoting from his testimony which appears at page 181 of the hearings in volume 2, he said:

> Many are not so lucky and lose their boats or their lives.

Unfortunately we had to disallow that particular item. It was not budgeted, it had not been recommended by the budget, and under our criteria it could not be included.

In another instance the gentleman from Minnesota [Mr. MARSHALL] brought some people before the subcommittee from Aitkin County. They made a most appealing case. On page 152 of volume 2, Mr. Quaintance, and others explained their situation, which was a very deplorable one. I was somewhat familiar with it because of my work on the Committee on Public Works last year. Those people in that area eventually must have to get some help or leave their homeland.

Another group from Clinton, Iowa, presented a tremendous case, almost the best I have ever heard. The gentleman from Iowa [Mr. TALLE] appeared with them. Let me give you the facts.

About 7 or 8 years ago the Corps of Army Engineers in doing some work on the river built a dam. In building that dam the Corps increased the water height of the river at Clinton by about 4 feet. Now when the floods come Clinton is completely inundated. This year they had a flood at Clinton, Iowa, which inundated the entire town. As a result of that flood every citizen of Clinton, about 30,000 of them, had to be inoculated. To straighten out that problem would require about $270,000. The Corps of Engineers would have to do some work on the sewers to prevent them from backing up.

Here is a situation that was the fault of the Federal Government; yet after a period of 7 or 8 years we have not done anything about it, and in the meantime 30,000 people of Clinton, Iowa, have to be inoculated to protect their lives. Despite this crisis, this committee under its criteria, and all of us were unanimous, had to say "no" to the Clinton project.

I mention these cases because they show that although our hearts may be in favor of help and assistance in certain meritorious circumstances, under the subcommittee policy we could not do it.

Just to reiterate, I would like to reaffirm what has been said previously about the subcommittee's basic policies in this bill. First, the subcommittee had a policy that a project not included by the Bureau would not be included in the bill. That does not mean that the budget is running the subcommittee. Not at all. It simply means that the budget was the first sieve. The ones that the budget sifted out we did not consider. Those that the budget left in we did consider.

The second criterion: Even those projects recommended by the Bureau which were new starts were eliminated in toto. That is a logical policy. I think it can be well-defended. Not a single new project recommended by the Bureau is included in the bill.

The third criterion: We eliminated all planning money and we eliminated all funds for preliminary surveys in toto.

The fourth criterion: We made a number of reductions on projects already under way where an entirely new segment was involved. The policy permits the completion of continuing projects but not the initiation of any new ones.

Then the subcommittee set the policy of hurrying up or expediting some projects which were 96 percent completed or perhaps 98 percent completed. We felt it was best to get those projects out of the way and turn them over to local interests particularly so that they could assume thereafter the maintenance cost.

The gentleman from Wisconsin touched on one subject which is most important. I am not so sure that we are going to be able to achieve the results which are obviously necessary, but all through the hearings it was quite apparent that the Department of the Army had no satisfactory policy in reference to the rentals charged for housing units for people who work on the projects under way. The gentleman from Wisconsin [Mr. DAVIS], pointed out a particularly bad situation in the Panama Canal Zone, but it was equally bad in every other area where the Department of the Army constructed and rented living quarters. Our subcommittee, throughout the hearings, pressed for some information in reference to this problem. The information obtained reveals a disgraceful condition.

The present policy is as follows:

An apartment or living quarters without bedroom, $25 per month.

One bedroom, $30 per month.

Two bedrooms, $35 per month.

Three bedrooms, $40 per month.

Four bedrooms, $45 per month.

There is a limit above those figures in that no more than 10 percent of the salary earned by the individual who occupies the quarters can be paid or charged for rent.

Testimony was brought out that a house which cost the Government $16,000 to build was not bringing into the Treasury enough money to pay the upkeep and maintenance, much less a sufficient sum to amortize the cost of the project, or the living quarters. In other words, the Department of the Army had a completely unrealistic and uneconomical policy, and the best evidence of this is the following quotation from the recommendation of the Army Corps of Engineers to the Department of the Army, the Secretary of the Army:

> 1. Over a considerable period of time it has appeared that the rates set up in Civilian Personnel Regulation P16 for rental of housekeeping quarters are not equitable nor strictly in accord with the act of Congress (45 Stat. 193; 5 U. S. C. 75a; M. L., 1939, sec. 1620). The following reasons indicate why this appears to be the case:
>
> (a) Present rental rates are based on the number of bedrooms in each unit and do not take into consideration the condition of dwellings, such as size of rooms, state of repairs, special appointments and conveniences or lack thereof, type of construction, location, with respect to shopping facilities, recreational facilities, schools, churches, etc.
>
> (b) Present rental rates are limited so as not to exceed 10 percent of the employee's basic compensation. Statistics show that 20 percent would be a more realistic percentage of income as evidenced by the income of families in the general group to whom houses are rented.
>
> (c) Taking into consideration these two facts, rentals are not based on the fair value of the quarters to the employee as is required under the basic law (16 Comp. Gen. 236).

In other words, the Department of the Army at the present time is violating the law, in the estimation of the Corps of Engineers, by not charging an adequate rental for these quarters which are occupied by employees. I can say that the Corps of Engineers has made a recommendation to the Department of the Army proposing that the present policy be changed. At the present time the Government of the United States is getting a very bad deal, and the policy needs the immediate attention of the Secretary of the Army.

Mr. SCUDDER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from California.

Mr. SCUDDER. When I came in I thought I heard some familiar language. The gentleman was quoting from an appeal made by the people from Noyo, Calif., for an improvement to their harbor.

Mr. FORD. I was complimenting the gentleman from California and those he brought out from California on the very fine case they made. However, I said thereafter that because of the policy the subcommittee had enunciated they could not include the Outer Noyo Harbor project in our bill.

Mr. SCUDDER. I thought that is what the gentleman was speaking about. Has the committee given any consideration to the possibility of some of these smaller projects being included or given consideration by the Congress in the effort to solve some of their local problems? It seems to me that many of these projects are so worth while that some consideration should be given to

participation in these projects if the Government is not in a position to pay the entire cost of some of the obligations which the Federal Government has assumed.

As the gentleman realizes, these people have a very serious situation. Their hands are rather tied because they cannot proceed themselves. The Federal Government does not have the money to do the job, but possibly through a participating plan we might be able to spread the dollars we have available out over a broader scope and give everyone that is entitled to consideration some thought in these matters.

I realize what the committee is up against at this time, but I do feel that the project referred to, and also the Russian River project, are projects worthy of consideration.

However, as I say, I appreciate the limitations under which the committee has to operate.

Mr. FORD. I can only say to the gentleman from California that the committee did all they possibly could to try to distribute these projects equitably and economically throughout the United States.

Mr. ANGELL. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Oregon.

Mr. ANGELL. May I ask the gentleman what the attitude of the committee is with reference to Albeni Falls project, the dam in Idaho just over the Washington line. It has great possibilities, and it is one of the dams which is already under construction and which has great possibilities not only in generation of hydroelectric power so much needed in that area, but also for storage to increase the capacity of the dams already constructed below. As I understand, no appropriation was allowed for Albeni Falls.

Mr. FORD. The subcommittee unanimously agreed to eliminate the $10,000,000 requested by the Bureau of the Budget for the Albeni Falls project. I assure the gentleman from Oregon that we did it only after considerable thought and analysis. It was our feeling from the testimony which was presented to us that this project could be temporarily delayed without substantial harm or detriment to what has been done so far. In other words, the engineers have reached a point where a temporary suspension will not seriously injure or harm the work that has been done. That is the deduction we of the subcommittee arrived at from the testimony which was presented to us by the Corps of Engineers.

Mr. ANGELL. May I say there is a great urge from all of the people in the area that that dam, of the many which are under construction or contemplated construction, should go forward because of the fact that with the least expense and in the shortest possible time it will give some relief to the great dearth of hydroelectric power which is so urgently needed in our present program for national defense.

As the gentleman may know, I just returned from overseas where I had an opportunity to observe somewhat what is being done with our dollars around the world. I also recently saw on the screen where an immense project is going forward in Austria, building a hydroelectric project perhaps equal to or greater than many of ours here which are now being held up. It was announced that this is 1 of 17 projects. Yet it is with American money that that is being done. We are spending taxpayers' dollars, not by millions but by the billions around the world for the doing of the identical things which we are now refusing to do here in America to keep up our economy. If we continue to cut out worth-while projects, many of which are self-supporting and which will add to our economy and enable us to get the tax dollars to meet the large indebtedness which we owe and also to help in the rearmament program, we will be badly crippling ourselves. If we discontinue essential projects here in America, we are headed for a storm. It is penny-wise and pound-foolish to cut out substantial Government work in hydroelectric projects and rivers and harbors improvements such as the St. Lawrence project, for instance, which perhaps is headed for the rocks, too, and at the same time continue to appropriate six, eight, ten, and twenty-five billions of dollars to be sent overseas for doing identically the same type of projects.

Mr. FORD. May I say to the gentleman from Oregon that over the weekend a distinguished Member of this body came to me. He is from one of the States which had some cuts. He said, "I just do not see how I can go ahead voting for some of this foreign aid if your committee is not going to give us any money down in my State." "Well," I said, "I guess you cannot for our subcommittee is not going to turn this bill into a pork-barrel proposition as long as the Treasury is in such a bad condition. I think that is the only answer.

Mr. ANGELL. I think it was at Munich that I saw a group of public buildings—apartment-house buildings. They were lovely structures, the very last word in construction, with all modern conveniences. They extended block after block.

I was very much impressed and intrigued by them. I got out of the car and went into one of them. I learned they were built with American tax dollars. I learned that when our use of them, which perhaps will be for a short time, we hope, is over we will give the key and a deed to the property to the local government gratis. There were block after block of those apartment buildings. They are finer apartment buildings than we can obtain here in Washington for our own employees and yet our dollars are building those structures.

Mr. FORD. I admire the consistent and determined efforts of the gentleman from Oregon in furthering flood control and rivers and harbors projects and particularly power projects in the Northwest. I know of his fine work on the Committee on Public Works. I know that much of what has been accomplished in that area is to a large extent due to his fine efforts. Let me say that we have a chart here which will indicate the far West has not done so badly in this bill. It may be true that it would be nice to get a little more, but compared with some of the other States, for example the State of Minnesota which received a pretty deep cut—may I remind the gentleman that the State of Washington and some of the other States came away with a pretty good share of the kitty.

Mr. ANGELL. Having served with the gentleman on the Committee on Public Works for a long time I know of his great interest in these problems and of the great energy with which he applies himself to them. I certainly am very thankful to the members of this committee for the fine work they have done. I know they had a difficult job. I am just pointing out a few things which, it seems to me, perhaps could have been done differently in the interest of our own economy and well-being. I thank the gentleman for his fine efforts.

Mr. HORAN. I share with my colleague from Oregon [Mr. ANGELL] the disturbance over the elimination of Albeni Falls Dam. Later on I want to take some time to explain our reason for being in support of this dam.

Mr. FORD. I assume there are some good and logical arguments for Albeni Falls project, but five members of our subcommittee unanimously agreed that the $10,000,000 should be cut for the next fiscal year.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Washington.

Mr. HOLMES. I would like to ask the gentleman a question concerning the Ice Harbor Dam on the Snake River, in relation to the report, in which it is stated that you were still perturbed about the fish problem. I was wondering if the testimony made by Mr. Day was not sufficient in relation to that problem to give the committee the information it wanted.

Mr. FORD. In answer to the gentleman from Washington as to why we cut out $4,000,000 for Ice Harbor, particularly with reference to the fish problem, I have a statement from a natural conservation news letter reporting the recommendations of the fishery people of the far West on this project. I think the meeting was held on May 2. In that report the fish people of that area of the country recommended against the construction of The Dalles and Ice Harbor. So, regardless of what Mr. Day testified to, the fish people from the area are against it.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. RABAUT. Mr. Chairman, I yield to my colleague from Michigan, a member of the committee, 10 additional minutes.

Mr. FORD. I thank the gentleman.

Mr. HOLMES. Will the gentleman yield further for a question?

Mr. FORD. I yield.

Mr. HOLMES. In the consideration that the committee gave the Ice Harbor Dam on the Snake River, did they give careful consideration to the problems of defense attached to that dam, and its

contribution of power for purposes of the Hanford Engineer Works expansion?

Mr. FORD. I will say to the gentleman from Washington that the subcommittee heard much testimony from the Corps of Engineers, and a great deal of testimony from the Department of the Interior in reference to Ice Harbor. Most of the testimony that those gentlemen gave, or a substantial part of it, on behalf of the project was related, according to them, to the defense effort.

Mr. FURCOLO. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. FURCOLO. I know there is no truth in it, but there was a story around that there was a choice between some money for certain projects in the Midwest and some projects in Afghanistan. I wish for the RECORD the gentleman would state that there was not any such choice at all.

Mr. FORD. Would the gentleman repeat that?

Mr. FURCOLO. There was a story around that there was a choice before the committee between certain projects in the Midwest and other projects in Afghanistan. I know there is no truth in it, but I wish the gentleman would so state for the RECORD that that was simply a story.

Mr. FORD. In answer to the gentleman from Massachusetts, I can only say that the nation of Afghanistan was never discussed in our subcommittee.

Mr. FURCOLO. I just wanted to have that for the RECORD.

Mr. HOLMES. Will the gentleman yield again?

Mr. FORD. I yield.

Mr. HOLMES. Had you fully answered to question which I asked, before the gentleman from Massachusetts interrupted?

Mr. FORD. No.

Mr. HOLMES. In that move in relation to the defense plant, this dam plays a very, very important component part in the defense picture and the expansion program for the Hanford Engineer Works.

Mr. FORD. Our subcommittee, after hearing this testimony from the corps and from the officials of the Department of the Interior, decided for a number of reasons that this project could not be undertaken at this time. It is a new project and, as such, it fell within that category. Secondly, we were not convinced that the electric-power needs could not be adequately handled with the electric power that was going to be available from other projects in the area.

The wand of national defense has been waved over this project by its advocates. Ice Harbor and The Dalles are not going to be completed until 1955. You must stretch your imagination just a little bit to tie up something that is going to be completed in 1955 with the current emergency. Second, the construction of these two dams—and Ice Harbor and The Dalles are fairly closely interrelated, would inevitably take a considerable amount of strategic and critical materials which are needed now, right now, for the defense effort. Third, Ice Harbor, as you undoubtedly know, is only one of four dams on the Snake River; it is the lowest of the four. The testimony of the Corps of Engineers brings this out very emphatically and most clearly, that the construction of Ice Harbor alone cannot be economically justified; they have got to construct the other three dams at a total cost of almost $400,000,000 in order to make any one of the four economically justifiable. That is the best reason I know for the turndown of Ice Harbor.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. HOLMES. Did the Army engineers so testify?

Mr. FORD. They certainly did. You will find that point made in the testimony of Colonel Potter in the hearings. The engineers would have to construct the other three projects totaling almost $400,000,000 before any one of the four can be considered on the basis of the benefit-to-cost ratio.

Mr. HOLMES. I want to thank the gentleman for the answers he has made to my question and thank him very much for his courtesy in yielding.

Mr. LOVRE. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. LOVRE. First I want to compliment the gentleman for making such a clear and concise presentation of the views of the committee, and I should like to ask him a few questions relating to the Missouri River development project. I believe the Bureau of the Budget recommended $5,000,000 for Gavins Point. Is that correct?

Mr. FORD. That is correct. The Bureau of the Budget recommended $5,000,000 for Gavins Point.

Mr. LOVRE. That was turned down by the committee.

Mr. FORD. The committee did not give any funds to Gavins Point.

Mr. LOVRE. And on the Oahe Dam, I believe the Bureau of the Budget recommended $3,770,000. Is that correct?

Mr. FORD. That is correct, as I recollect.

Mr. LOVRE. And the committee turned that amount down.

Mr. FORD. The committee rejected the funds for Oahe Dam.

Mr. LOVRE. I want to refer the gentleman to page 5 of the committee report where it states:

> The amount of $5,000,000 was requested for beginning constuction of Gavins Point Reservoir, Nebr. Under provisions of the conference report on the general appropriation bill, 1951, up to $500,000 could have been made available for beginning construction of this project. The Corps of Engineers and the Bureau of the Budget did not apparently consider the dam as meeting the criteria established by the afore-mentioned conference report, and no construction funds were allocated to the project. The committee does not see sufficient change in the previous circumstances surrounding this project to justify its construction at the present time.

I now ask the gentleman if the committee took into consideration the letter of F. J. Lawton, Director of the Bureau of the Budget, addressed to me under date of March 26, 1951, and found on page 413 of the hearings, wherein he stated in part:

> This decision does not, of course, minimize in the slightest the necessity for initiating construction in 1952. It is essential that that project be started in 1952 in order that it will be ready in 1955 to perform its primary function of reregulating power releases from Fort Randall. Otherwise, it will be impossible to obtain full utilization of the power generation from Fort Randall.

Mr. FORD. May I say to the gentleman from South Dakota that the subcommittee did know of the request by the Bureau of the Budget for this $5,000,000 for Gavins Point. After all, Mr. Lawton is Director of the Bureau of the Budget and he approved the budget as brought up and presented to our committee by the Corps of Engineers. Obviously we knew they wanted $5,000,000 for Gavins Point in 1952.

The reason the subcommittee did not allow $5,000,000 for Gavins Point at this point is that Gavins Point Reservoir in Nebraska and South Dakota will eventually cost $44,900,000 and to date only $663,800 has been spent. The $5,000,000 requested this year would practically initiate the project. The subcommittee felt that this could almost be put in the category of a new project and for that reason we deferred it. That does not mean we are not going to build it eventually but it does mean that for the time being anyway the subcommittee feels the project should be deferred.

Mr. LOVRE. Then the committee did consider the contents of Mr. Lawton's letter to me under date of March 26, 1951, before it decided not to recommend any money for Gavins Point?

Mr. FORD. We not only considered the recommendation of Mr. Lawton, of the Bureau of the Budget, but the subcommittee had the benefit of the fine testimony of the gentleman from South Dakota and his citizens from the district. A good case was made, but, again, it was a job of sifting the most desirable from the less desirable and under the circumstances because Gavins Point is a new project in effect we eliminated it.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KERR. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. FORD. I thank the gentleman.

Mr. LOVRE. The committee has recommended $33,000,000 for Fort Randall in 1952?

Mr. FORD. We recommended for Fort Randall Dam and Reservoir $33,000,000.

Mr. LOVRE. Is it not true that if Gavins Point is not completed by the time the first power comes off Fort Randall, Randall will lose approximately $4,800,000 annually?

Mr. FORD. That is about what the Corps of Army Engineers testified. In other words, Gavins Point is of benefit principally to Fort Randall, and in order to get the maximum benefit from Fort Randall you have to construct the Gavins Point project. Oahe is another one of those instances where it is practically a new project.

Mr. LOVRE. As a matter of fact, all of these projects we are talking about are part of an integrated program. Each project depends upon the others as far as the whole program is concerned, is that correct?

Mr. FORD. That is right. You have Fort Randall, Gavins Point, and Oahe, all part of an integrated program. We are further along on Fort Randall and for the time being the subcommittee simply felt we had to defer the initiation of construction work on the other two.

Mr. LOVRE. Oahe was started in 1948, is that correct?

Mr. FORD. I understand that Oahe was initiated in the calendar year 1948.

Mr. LOVRE. Approximately $9,600,000 has already been spent on Oahe, is that not true?

Mr. FORD. I will give the gentleman the precise figures if he would like to have them. Oahe Reservoir in South Dakota is estimated to cost $245,900,000. To date $9,600,000 has been spent. So relatively we have spent little money on it. Our committee felt that because they had an unobligated balance, plus the fact it is a relatively new project, it should be deferred.

Mr. LOVRE. Is it not true that Oahe takes care of the flood waters as well as the silt storage for all of the upstream waters of the Missouri River?

Mr. FORD. I think the gentleman has a very good grasp of the integrated system. Everything the gentleman has said from an engineering point of view is correct, as we understand it. However, when you get down to how much money you are going to spend, we had to put the money where it would do the most good the quickest and defer temporarily some of these other projects, Gavins Point and Oahe fell into that particular category.

Mr. LOVRE. Then it is only a temporary suspension as far as the construction of Oahe and Gavins Point is concerned, is that correct?

Mr. FORD. In my estimation eventually Oahe and Gavins Point will be built. However, I am only one member of the subcommittee and I do not know for certain. I think it is only a temporary suspension.

Mr. LOVRE. I thank the gentleman very kindly for his explanation.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Alabama.

Mr. ELLIOTT. Do I understand from what the gentleman has said that this bill does not contain funds for any new funds whatsoever in the United States, either for rivers and harbor or for flood control?

Mr. FORD. That is correct. No new projects of any kind were included, even those recommended by the Bureau of the Budget.

Mr. ELLIOTT. Do I further understand that the bill does not contain any money whatsoever for planning on projects that have not yet been started?

Mr. FORD. That is correct.

Mr. ELLIOTT. In addition to that, some of the projects that have been started but on which very little money has been spent are suspended, or, rather, no appropriations made for them for this fiscal year.

Mr. FORD. That is correct. There are quite a few projects in that category.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Michigan.

Mr. CRAWFORD. On these projects referred to costing from four to nine million so far, that money is not necessarily lost; is it?

Mr. FORD. Oh, no; and that is one of the things our subcommittee went into very carefully. Where we recommended suspension by not giving funds for the next fiscal year, we investigated rather carefully to see whether or not there would be any loss on the investment of the funds already spent. In every case, if there was any possible loss, it was relatively minor in the overall picture.

Mr. CRAWFORD. It was simply a question of delaying action until we got our house in order to finance them.

Mr. FORD. That is correct.

In conclusion, let me say, it is easy to talk about economy in Government; it is difficult to achieve it. The Committee on Appropriations has been sincere and honest in its study of requests from the Department of the Army to carry on its civil functions. This is the work done by the Corps of Engineers. The original request by President Truman was for more than $640,000,000; the bill being considered today totals about $514,000,000. The committee has thus made about a 20-percent reduction below the the President's budget. This is the way to reduce the costs of Government. In my estimation, the committee is to be commended for its work on behalf of the American taxpayers.

To achieve this very substantial reduction it has been necessary to eliminate funds entirely for some of the 110 projects recommended by the White House. For many other projects it has been necessary to slow down the work. But, I ask you, by what other means are you going to reduce the costs of Government? The American people as a whole simply have to be satisfied with less in the way of public works. Sacrifices all along the line must be made. Each project considered and recommended by the committee is worth while; each one will provide benefits exceeding costs. This must be the case not only legally but economically.

In order to make the savings that have been made and to bring to the House a bill which it can accept, our subcommittee of the Appropriations Committee has had to make very difficult decisions. Obviously it has been necessary to weigh the importance of this project against the importance of that one. Our criteria was simply this. Where could the maximum of savings be made with the minimum of sacrifice? It has not been any easy job, not by any means. But I do say that it has been done objectively, sincerely and honestly by the five members of the Civil Functions Subcommittee.

The committee knows very well that the reductions it has made may not be entirely acceptable to every Member of this House. One or more of the projects eliminated or curtailed may be in your district. You have fought hard for it from the beginning and now you do not want it stopped or slowed down. But again, I must remind you that if savings in the cost of government are to be made, sacrifices have to be made. Locally a certain project may have great attraction, but when considered from a national point of view its importance may be much less. And that is just what the Committee on Appropriations must do—it must adopt an over-all perspective. It must weigh the relative advantages of this project against that one from a national viewpoint. That is exactly what has been done in this bill. The committee could not do otherwise and survive—it must be and has been impartial. In addition, and this is important, the five members of the subcommittee were unanimous in recommending this bill to the Congress.

The committee has been consistent in its action with respect to eliminating projects. The Corps of Engineers proposed starting three new projects in the rivers and harbors category with a total estimated cost of $471,385,000. The request for next year's work on these three projects was $30,000,000. The committee has recommended that none of these projects be started in the next fiscal year. Certainly, these projects are desirable and when completed would add to the Nation's assets. But the point is this: Once started the Congress on these three projects would be committed to very heavy future appropriations—nearly half a billion dollars, as I have already indicated. It was the considered judgment of the committee that under present conditions the Government could not and should not assume such an obligation.

Similarly, there were several projects that had progressed to a point where suspension of operations at this time would not seriously impair their usefulness. Again it was realized that under different world and domestic conditions it might be desirable to complete the work. But today we must cut Government costs, so the committee selected with great care those projects on which work could be logically and economically suspended. The reductions thus achieved totaled a little over $8,000,000. Sooner or later it will be necessary to appropriate funds to complete these projects already under way.

The committee also concluded that some projects could be slowed down and has recommended smaller appropriations than requested by the President. This accounts for several million dollars savings for rivers and harbors alone, and becomes a substantial figure when applied to flood-control projects in addition.

The same general procedure was followed with respect to flood-control projects. All new projects were rejected for the identical reasons discussed above. In the same way several projects will be slowed or stopped completely where that can be accomplished without serious impairment to work already done.

The justification advanced for many of these projects, and especially the new ones, was the contribution they would make to national defense. This is an appealing argument but not always co-

gent. For many projects the benefits to be derived would become available in 5, 6, even 8 years hence. I do not deny that it may be desirable to have these projects ready for use and production at those future dates, but we must realize that a state of national emergency also exists right now. It is entirely possible that the immediate drain on our steel supplies, labor force, and other equipment to build these structures would be very serious and would overbalance benefits to be derived several years hence. We all hope most sincerely that the present national and international crisis will be of short duration and if such proves to be the case then the present drain on our economy would be difficult to justify. If the duration of the current emergency is short, then there is ample time to start construction of these projects which have been eliminated as well as complete the projects now suspended.

The arguments with respect to those projects whose progress will be retarded are much the same. Many scarce materials can be diverted to other and more important uses. It is also possible that the generally tight labor market can be eased if the work of the Corps of Engineers is curtailed somewhat. This would be especially true in certain areas of the country. It is not anticipated that the really important and vital parts of any projects will be seriously delayed. It makes relatively litle difference, for example, whether the corps buys a few less acres of land for a particular project this year or next, or whether a highway is relocated in the next fiscal year or the one following. It might be desirable to maintain a production schedule, but not to do so will, in many cases, have relatively little effect on the project, at least for a year or so.

The committee could have gone much further in reducing the appropriations for the Corps of Engineers, as, indeed, it did during World War II. During that period practically all work of this agency was stopped, and that was fitting and proper and, I might add, essential. I do not doubt for a moment but what Congress would do the same thing again if an all-out mobilization effort became necessary. In fact, there would be no alternative. However, I do not think it can be argued that such drastic action is either desirable or called for under present-day conditions. There are undoubtedly those, both in and out of Government, who think the committee has been too liberal in its recommendations. I can understand their reasoning but unless conditions become more severe it seems to me that the bill recommended can be justified. In the light of the current world situation, however, I think it would be very difficult to argue for a larger appropriation.

Inevitably as soon as pet projects are brought up for discussion selfish or partisan viewpoints are expressed. We in the Congress and the American people generally immediately are faced with the ever-present problem—"I believe in government economy so long as my interests are not affected." We simply cannot have both a defense economy and business as usual. Many of the projects in the total program of the Corps of Engineers falls within the category of "business as usual." Some of its work must be postponed so that greater efforts can be made in the direction of national defense. There may be room for further cuts; there is no room for upward revision. Frankly, it just is not in the cards.

The bill is before you for action. It is a good bill. It is not pork-barrel legislation. The work of the Appropriations Committee should be affirmed. To do this requires that all of us put national interests above local interests. If a pet project in any congressional district is to be delayed somewhat, then the sacrifice in local benefits is made solely in behalf of greater national welfare. I am confident the American people will unselfishly accept the recommendations of the subcommittee on civil functions and the full Committee on Appropriations. It is the responsibility and obligation of the House of Representatives to do likewise.

Mr. KERR. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. NORRELL].

Mr. NORRELL. Mr. Chairman, I am very greatly disturbed about the pending bill. I do not believe anyone is more in favor of sound economy than the speaker now addressing you. I have practiced it; I have preached it; I have done everything in past years to bring about the most rigid economy. But, Mr. Chairman, the flood control and rivers and harbors sections of this bill have absolutely, I think, been—well, I will say slaughtered. There is very little regarding flood control that is left. This great committee is a good committee. They are my colleagues on the Committee on Appropriations and I like every one of them; they are good and able and conscientious men. However, we see this committee coming into this House and saying, "Now, unless you have a budget estimate, you are just wrong; there is no way for the committee to do anything for you." Then, on the other hand, they come in and say, "Well, the Corps of Engineers is wrong; the Bureau of the Budget is wrong. You ought not to include any work on an existing project. We are going to take such projects out of the bill."

There is no change or expansion of any project presently under construction included in the bill, as I understand it.

Then they come in and say, "Well, the engineers and the Bureau of the Budget are wrong. They have allowed too much here. We are going to cut it." They have cut it. They have cut this bill 20 percent under the budget estimate. Not one dime anywhere have they allowed even for planning, either in new or old projects.

Mr. Chairman, there is one conclusion that we can reach—that is, that somewhere there is an effort being made by somebody to choke off and smother the Army engineers—to reduce their work and reduce their activity to such an extent that somewhere out there in the future the Hoover plan can be inaugurated—that is, Reclamation can take over the Army engineers' work. We cannot afford to do that.

I am going to offer some amendments—one on bank stabilization and one on a flood-control project in my district—and I am going to vote for an amendment that will add planning money. Under no circumstances should we choke off the Corps of Engineers to such an extent that the work will gradually be turned over to the Bureau of Reclamation.

As stated, I am going to offer an amendment on bank stabilization when we get to that part of the bill. Bank stabilization is something I wish you knew more about. It protects the levees which have been constructed by the Government. It also protects the greatest, richest land in the world, which, of course, I think lies in my area of the country. During the current year we have the sum of $500,000 for bank stabilization on the Arkansas River. This is no new project. The engineers requested a budget estimate in the amount of $3,300,000. I am going to offer an amendment to allow this amount of money to be used from the mouth to Catoosa, Okla. There is one area south of Pine Bluff, known as Rob Roy Mile 103, where a railroad bridge and 22 natural-gas lines cross the river. This should have attention.

I hope you will bear with me because my No. 1 interest is flood control. The other is secondary.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield.

Mr. HAYS of Arkansas. I should like to join in the statement of my colleague from Arkansas with reference to the ability and the conscientious attitude of this subcommittee. I am sure the criticisms we offer are in perfect accord with that statement and in that appreciation of the members personally. I do not know of a finer committee in the House.

However, we owe it to the House to bring out such constructive criticism as the gentleman from Arkansas has just offered. It seems to me that, unless we can free ourselves from this straitjacket of applying four rigid criteria, we will permit some valuable investments to be lost.

On the Arkansas River, with which the gentleman is so familiar, it is apparently the official view of the Budget Bureau that with the completion of the levees from Little Rock to Fort Smith no further activity is required of the Federal Government. It was on that theory, I suppose, though it is not tenable, that the Bureau of the Budget submitted no request whatever for a single dollar on this stream. Incidentally it has been referred to by General Feringa as the most treacherous large river in the United States, the most unpredictable. It is the last of the big streams to remain uncontrolled.

Since the budget was submitted, as the gentleman knows, a situation has developed in the vicinity of Dardanelle which means a $2,000,000 investment in levees will be utterly destroyed unless an appropriation for bank stabilization is made. It is not economy to refuse to spend a few thousand dollars to protect a $2,000,000 investment.

Mr. NORRELL. I thank the gentleman, and I certainly agree with him.

Not only did the Army engineers take out most of the money for the Arkansas River but this great subcommittee came along and took out what they did include, which was $100,000.

Mr. HAYS of Arkansas. Mr. Chairman, in March of this year I wrote to the district engineer of the Little Rock district asking about the estimated cost of preventing an extensive flood damage in the neighborhood of Dardanelle. I was advised that a total of $700,000 could be used advantageously for bank stabilization work and that, unless banks are stabilized, levees heretofore constructed below Dardanelle will go into the river with a consequent loss of hundreds of acres of valuable farm land.

I quote as follows from his reply:

You are thoroughly familiar with the Arkansas River and know that except at certain fixed points it meanders greatly. The nearest fixed point upstream from the near Dardanelle levee project is at Dardanelle Rock, mile 257 on our charts. The nearest point downstream at which the river can be considered fixed is Reed's Ferry, mile 240.2. Our tentative program for stabilizing the banks of the Arkansas River considers this entire reach as a unit. It contemplates that new work will be placed progressively for several years and the work that has been started will be an integral part of the plan for stabilizing this reach. When the reach is fully stabilized there should be no further loss of land by caving banks. However, until that is done there will be a hazard not only to farm lands but to existing works, and even after completion it can be expected that repairs will be necessary as the river continues its search for places it can attack successfully. Thus it is impossible to assure anyone that his land is safe until the reach involved is completely stabilized or at least until permanent stabilization works begin at a fixed point upstream and extend downstream past the place in question.

It is obvious, Mr. Chairman, that the recommendations of the Budget Bureau are based upon a disregard for such threats to the farms in the Arkansas Valley. Mr. NORRELL's proposed amendment should be adopted.

Mr. HUGH D. SCOTT, JR. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield.

Mr. HUGH D. SCOTT, JR. Referring to the remarks of the gentleman from Arkansas, I would like to observe that this administration has been destroying the taxpayers' lettuce in very large quantities for the last 20 years.

Mr. NORRELL. My section is where the drainage ditches are located for about 32 States of the Union, and through this area and eventually all this water runs into the Gulf of Mexico. We have the Mississippi, the Arkansas, the Ouachita, the Sabine, the White, the St. Francis, the Red, and numbers of others.

We are flooded with water which comes from your areas. I humbly ask you to go along with us who believe that here is the only chance we have to control these waters. We are being reasonable in our request. The Arkansas River is just as important as any stream of its size in the United States.

You stood here a few weeks ago and passed a bill reported out of my own Subcommittee on Appropriations, which contained about all of the planning, engineerings, and survey money which was requested, amounting to about $6,000,000, as I remember, for reclamation and building dams and doing other things to reclaim land. I voted for that. They are entitled to it. They ought to have it. But do not draw the line here and say, "While you are trying to reclaim land, that is all right, but where you are trying to protect the land, we cannot do that."

We have the land, and I beg you to help us to save it.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. KERR. Mr. Chairman, I yield five additional minutes to the gentleman, if he wishes additional time.

Mr. NORRELL. Mr. Chairman, I am not going to use the additional time, but I do want to thank my good friend, Judge KERR, for the courtesy.

Mr. Chairman, there is one item that I want to mention which affects only the district I represent. At Pine Bluff, Ark., there is a project which has been authorized by the name of Hardin Drain. It has been approved by the engineers. It has been authorized by Congress. It may be found in Public, No. 516, approved May 17, 1950. It will cost the local people at Pine Bluff, Ark., about $252,000. The estimated costs of the Government is $265,000. The project would prevent Pine Bluff from suffering from the flash floods in the future. Now Hardin Drain overflows, and a large portion of the business and residential sections of the city is covered by the flood waters. Even the schools are flooded. It is a very serious problem.

I went to the committee and tried to get them to allow the estimated costs of this project, but they did not do it. I am going to offer an amendment to include it. I sincerely trust you will think about the hundreds of school children who cannot attend school when the stream is overflowed.

I yield back the remainder of my time.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 7 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, first I wish to express my very deep appreciation to the members of the Civil Functions Appropriations Committee. Aside from not granting any relief to me, they have shown me every courtesy and kindness. I ought to be grateful that they did that; but they are fine, conscientious men, and I want them to know that regardless of what they have done, or failed to do, I feel very strongly for them.

I am speaking today for the people of the village of Wellsville, of 8,000 population. It is a village of outstanding Americanism, both in its war efforts and in all of its civic activities. It is a credit to the United States. Through their fine civic spirit they have built up a splendid civic and industrial town. They have war plants there. They have been flooded year after year. The floods have been getting worse all the time, until last spring the damage, according to the district engineer, was $400,000.

I appeared before the Civil Functions Committee and received an authorization of something like $609,000 for this flood project. We worked with the Bureau of the Budget and they brought in a recommendation for $34,000 as a planning item. I thought surely that would be in this bill, but it is not.

Now, there is a town where floods come roaring down, oftentimes in the night. It is a terrible thing and an awful tragedy when you think of the lights going out in a town of that size, and a roaring stream coming down, sweeping through their houses, filling their furniture and their rugs and everything with mud, flooding the lower floor of the schoolhouse so that it is weeks before it can be dried out and used. There are cases where babies have been born in relief boats, resulting in premature births because of the fright of expectant mothers who had been taken out of their flooded homes in boats.

I have asked to extend my remarks, and I am going to extend in the RECORD the remarks that I made before the Civil Functions Committee. If you think I do not have a little vein of resentment in spite of what I said, I have, for this reason: I picked up the paper the other day and I saw where the administration had given $7,000,000 to Great Britain to build 50 miles of railroad in Africa. At the present time France has imposed the tariffs on goods we are sending there to help her prepare for her own defense for war. So you can go on with a thousand agencies where we have built roads and helped them with flood control and what not; yet in this bill, in attempting to cut, we are not cutting in the right place, but instead depriving loyal citizens the use of their own money to protect their homes, their lives, and their industry. So we are going to neglect these fine people whose sons have gone to Korea to win the war and let them be flooded out.

I presented it all, and what I have presented is in the report of the district engineer. I commend him for his fine investigation of the flood conditions in Wellsville, N. Y., this fine village of 8,000 people.

I have voted time and again against all of these foreign relief matters, every bit of it, billions of dollars worth. You know where your tax bill is going. You know why you have got inflation, do you not? Are we going to keep this thing up, spending this money abroad and not take care of our own people? I do not believe the people are going to stand for it. In spite of the war, I question whether the tax bill that we have worked on since February 5 will receive the approval of this House. The citizens of this great Nation will sacrifice their money for essential expenditures of government. They are not willing, however, to sacrifice taxes for waste, extravagance, corruption, and foreign aid. The people are waking up to this fact, though, and coming out for their own country from now on, and without any criticism of this committee, this was no time to cut out these projects which affect the very life of communities engaged in defense industry.

Mr. Chairman, you may recall that I appeared before your committee to obtain the authorization for an appropriation to eliminate the recurring floods which over a period of years have been

inflicting great damage to the village of Wellsville in Allegany County, N. Y. This village has a population of over 8,000, according to the 1940 census. Aside from being an attractive residential community, it is a thriving business and industrial village. There are many outstanding defense industries in Wellsville, N. Y., which have been greatly damaged by floods.

Under date of December 27, 1950, I wrote to Col. H. W. Schull, Jr., district engineer, United States Engineers Office, 960 Ellicott Square Building, Buffalo, N. Y., as follows:

MY DEAR COLONEL SCHULL: I shall appreciate it if you will furnish me with a complete report on the extent of the damage to the residential and industrial districts of Wellsville, N. Y., caused by the flood of November 25 and 26, 1950. I need this information for legislative purposes. I would also like to know to what extent this flood damaged potential war industries in said area. In addition, will you please let me know the severity and damage of this flood as compared with the floods incurred in 1942, 1945, 1946, 1947, 1948, and March of 1950?

Under date of January 4, 1951, Col. H. W. Schull, Jr., replied as follows to my letter of December 27, 1950:

DEAR MR. REED: Reference is made to your letter of December 27, in which you requested a report on the flood at Wellsville in November 1950, and a comparison between that flood and previous floods. The inclosed map shows the limits of the areas flooded in Wellsville in July 1942, May 1946, and November 1950. These three floods caused more damage than any others. In 1942 damage was confined principally to the Dyke Creek area.

Plants of Sinclair Refining Co., Air Preheater Co., and Julius Kayser Co. are in the flood area. The Bausch & Lomb plant on Pearl Street west of the Genesee River is not directly damaged by floods, but employees cannot get to work because it is surrounded by floodwaters. The municipal water and light plant is in the flood area.

When it is forced to shut down the above industries and the Worthington Pump & Machinery Co., outside the flood area, are affected by loss of electric service. The Bausch & Lomb plant has only recently started operation, but all the others produced military supplies during World War II and all are potential supplies.

Flooded areas along Broad, Miller, Hanover, Rauber, Cameron, Chamberlain, Stevens, and Brooklyn Streets are residential, and there are a few commercial establishments affected on South Main Street. The Baltimore & Ohio Railroad is damaged frequently. Except for Island Park and the baseball field on the opposite side of Dyke Creek, the remainder of the flood area is undeveloped.

Flood damage begins at Wellsville when the river rises above 7.5 feet on the gage at the water and light plant. As a result of heavy rains, the river rose above this stage early in the afternoon of November 25, reached a peak about midnight, and then dropped below flood stage before noon on November 26. The peak was the highest on record.

The water and light plant was shut down from November 25 to 29. Power service was interrupted for only 1 hour, after which it was supplied from another source. Water pumps were out of service for 24 hours. During that time, the supply in storage fell below a normal day's usage and would have been inadequate for fire fighting.

Spot interviews were made after the flood and compared with damage at the same points in previous floods. On this basis, the damage at Wellsville from the November 1950 flood is estimated at $400,000. Damages to industries because of lost production were low since only the refinery normally operates on week ends.

The following table lists the peak stages at the water and light plant and estimated damages in the floods listed in your letter:

Date	Peak flood stage	Estimated damages (adjusted to 1950 price levels)
	Feet	
July 1942	11.4	$210,000
May 1945	10.2	30,000
May 1946	13.4	250,000
April 1947	9.4	20,000
March 1948	9.8	30,000
March 1950	12.1	60,000
November 1950	14.3	400,000

Local officials consider that clearing and snagging work done in Wellsville in 1950 reduced the peak stage of the November flood. They understand that the work was not of sufficient scope to eliminate damage in a major flood.

Very truly yours,

H. W. SCHULL, Jr.,
Colonel, Corps of Engineers,
District Engineer.

The authorization for the Wellsville, N. Y., flood project did not become law in time to permit me to get the appropriation; moreover, it is seldom that an appropriation is made for an authorization the same year. To provide against damage to Wellsville from a flash or sudden flood pending a future appropriation I sent under date of January 11, 1950, the following letter to Col. E. H. Forney, district engineer at that time, Buffalo, N. Y.:

DEAR COLONEL FORNEY: I have a flood-control project in my district, with reference to Dyke Creek at Wellsville, N. Y., which, of course, is part of Genesee River and its flood-control problem. The menace of recurring floods to the village of Wellsville is ever present and you may recall that I made application on November 3, 1948, to have Dyke Creek at Wellsville, N. Y., cleared under the authorization for emergency flood-control work.

A request was submitted by Col. Herbert Vogel, then district engineer stationed at Buffalo, under date of November 18, 1948, for $20,000 for clearing and snagging in Dyke Creek and Genesee River, but funds appropriated for the purpose in the fiscal year 1949 had been exhausted before that time, I was so informed.

I had an authorization for this entire project at Wellsville inserted in a bill which passed the House during the first session of the Eighty-first Congress but it did not pass the Senate. The bill is now pending in the Senate and I doubt if it will become a law in time to enable me to procure the appropriation this year to carry out this work.

In the meantime the people as well as the residential sections and schools and public buildings are in danger of spring floods and even flash floods in the coming summer. Therefore, I feel that I will be under very severe criticism on the part of the people of that village unless some effort is made under the authorization for emergency flood-control work to relieve this village pending the time when the authorization for this project becomes law and the appropriation procured.

I want to say here and now that I appreciate the fine cooperation I have had from the Corps of Engineers and I do not intend to ask for anything that I do not think has real merit. I believe that if there is any place where this emergency fund could be made available, at the earliest practicable moment to convince the people that the Government is going to relieve them of this frequent damage of property by floods as well as the danger to the life and health of the community, I think it is this particular community—Wellsville.

I have a letter dated January 25, 1949, from Col. Herbert Vogel, the then district engineer at Buffalo, from which I quote:

"After the next appropriation act has been passed, if you believe the urgency of the work is critical, this office will consider resubmission of the request."

I wish to state now that I firmly believe that the flood-control work to be performed at Wellsville is critical and in need of relief under the emergency act pending the time when the authorization becomes law and the appropriation has been made.

Yours sincerely,

DANIEL A. REED.

Without going into further detail the following telegram is sufficient to show the fine cooperation I received from the Army engineers:

Re your telegram September 28, 1950, clearing and snagging operation on Genesee River and Dyke Creek at Wellsville, N. Y., completed on September 22, 1950, included removing snags, debris, and shoals widening channel were required, widening at bends and clearing under all bridges on Genesee River within limits of Wellsville, N. Y., and approximately one-half mile downstream and on Dyke Creek within limits of Wellsville, N. Y.

CORPS OF ENGINEERS.

I wish to stress that the industries in Wellsville, endangered by frequent and devastating floods, are industries engaged in national defense. This fact, it will be recalled, is mentioned in Colonel Schull's letter to me under date of January 4, 1951.

Under date of March 9, 1951, I received from Robert L. Fleischer, Esq., village attorney of Wellsville, the following letter together with a copy of an enclosure, both of which I am inserting as they bear on national defense:

MARCH 9, 1951.

Hon. DANIEL A. REED,
Congressional Office Building,
Washington, D. C.

DEAR MR. REED: I thank you for your recent communication and telegram in connection with our flood-control program.

I am enclosing, for your information, copy of letter which I am today sending to the Army engineers. Thanking you for your help in this matter and hoping you will continue actively to support our flood-control program, I am

Yours sincerely,

ROBERT L. FLEISHER,
Village Attorney.

[Enclosure.]

MARCH 9, 1951.

C. H. CHORPENING,
Brigadier General, United States Army,
Office of the Chief of Engineers, Department of the Army, Washington, D. C.

DEAR GENERAL CHORPENING: Senator IVES has forwarded to me copy of your letter to him of February 23, 1951, in connection with the proposed Wellsville flood-control project. Your office has previously been sent my memorandum of December 20, 1950, which attempted to set forth in some detail the urgent need for flood control in the light of the defense and war production of this community.

I am today in receipt of further information from the Air Preheater Corp. which is supplemental to the information contained

in the memorandum referred to. This corporation is now very deep in the defense program and an interruption of its production would be very serious. It has unfilled orders totaling 2 years' production. These are for Ljungstrom preheaters, of which it is the only manufacturer in the United States, and they are for installation in steam plants furnishing power for public utilities, atomic-energy projects, navy yards, ordnance plants, synthetic-rubber plants, and refineries producing high-octane gasoline.

The Power Equipment Division of the National Production Authority has assigned Defense Order No. 45 to apply to its equipment. In addition, it is continuing its research for the Navy Department with regenerators as applied to gas turbines.

In order to meet its deliveries, it is erecting additional building facilities and purchasing new equipment at a cost presently in excess of $241,000.

Will you kindly take these additional factors into consideration in connection with your efforts to speedily hasten the authorized program at Wellsville, the need for which you have indicated your recognition.

Yours sincerely,

ROBERT L. FLEISHER,
Village Attorney.

Mr. Chairman, the amount recommended by the Bureau of the Budget for planning this flood-control project is $34,500.

I feel that inasmuch as this is an area of national defense industries it is entirely inadequate.

The authorization is $609,000. If the threat of an all-out war is as serious as we are told and as vast appropriations indicate, it is of the utmost importance that we preserve our essential defense industries from flood damage as well as from enemy destruction.

Mr. KERR. Mr. Chairman, I yield 10 minutes to the gentleman from Florida [Mr. ROGERS].

THE PORT OF PALM BEACH (LAKE WORTH INLET PROJECT)

Mr. ROGERS of Florida. Mr. Chairman, first I want to congratulate this subcommittee on the very splendid job they have done. You know when you have so many projects coming before you at a time when we are all practicing a little economy it is more or less hard to do justice to every project that comes before you. While I congratulate the committee on what they did, there is just one little error that I think should be corrected. I think if they will look into it a little more minutely they will see that justice and equity demand that they give me some action in this particular appropriation.

Let me tell you what it is; it is the port of Palm Beach, Fla. We built a port down there. The Eightieth Congress passed a law for which I presume every one of you voted if you were here. The Public Works Committee authorized the expenditure of $305,000 to improve the turning basin at the Port of Palm Beach. We wanted it improved for the reason that we were getting in a lot of traffic, and we are paying into the coffers of this Government over a million dollars a year in customs receipts. In this port in 1949 we paid $1,792,686.54; in 1950 we paid $1,422,200.29. The increase was the result of the work that was done by reason of improvement on the port, under authorization of $305,000.

Remember that in the Eightieth Congress there was a little dispute over the public works measure; it did not reach the floor until late in the session, too late for us to ask for an appropriation at that session, so we put in a proviso and my people acted on it in good faith, and spent $238,842.77 to improve the turning basin to take care of the traffic coming from Cuba and other points and which this year brought $1,422,200.29 of customs receipts. Here is the language of the proviso:

Provided, That the Secretary of the Army is hereby authorized to reimburse local interests for such work as they may have done upon this project subsequent to July 1, 1949. Insofar as the same shall be approved by the Chief of Army Engineers and found to have been done in accordance with the project modification hereby adopted; *Provided further*, That such payment shall not exceed the sum of $305,000.

The improvement has been made subsequent to July 1, 1949.

Upon the strength of that authorization from the Congress the port commissioners went ahead and made this improvement in accordance with the plans and specifications of the Army engineers, and at a cost of less than $305,000. They kept strictly within the terms of the proviso as directed by the Congress of the United States. The Congress, therefore, solemnly contracted with the Palm Beach port authorities that the Secretary of the Army would reimburse them for such sums as they expended, provided it did not exceed $305,000, and provided that the work was done in accordance with the project modifications hereby adopted and the work approved by the Chief of Army engineers.

The port authorities under this assurance from Congress completed the job for $238,000. The port authorities made that improvement cheaper than it was estimated it could be done by the Army engineers. The job was completed for the said sum of $238,000. Relying in good faith upon this law, as passed by Congress, the local interests borrowed the sum of $169,000 believing that they would be reimbursed by the Secretary of the Army as provided by an act of Congress.

We think it is nothing but right; we think it is just as well as doing equity, that when a local community goes ahead and improves a port with the assurance from the Congress that they would be reimbursed, that reimbursement should be made. Certainly, this Congress cannot in equity and good conscience refuse to reimburse the local interests for sums expended for the improvements made when such expenditures were made upon the reliance and upon the faith of an act of Congress. There is no excuse for the local interests to continue to pay interest on $169,000 which was borrowed to make this improvement.

This port has paid more than $6,000,000 in customs receipts to the United States Government within the past 5 years. The port commissioners have complied with everything that the Congress required and stipulated.

Congress said that the Secretary of the Army would reimburse local interests when they have done these things. The port commissioners have literally complied with every condition prescribed by the Congress.

Here is a letter showing compliance that I received from Brig. Gen. C. H. Chorpening, Assistant Chief of Engineers for Civil Works, dated April 30, 1951. Here is what he says:

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D. C., April 30, 1951.

Hon. DWIGHT L. ROGERS,
House of Representatives,
Washington, D. C.

DEAR MR. ROGERS: Reference is made to your telephone conversation of April 26, 1951, with Lt. Col. W. D. Milne of this Office regarding the status of the audit being made of the accounts of the port of Palm Beach, Fla., concerning the work performed by the port in connection with the enlargement of the turning basin authorized in the 1950 River and Harbor Act.

A detailed audit of the books of the port of Palm Beach district, West Palm Beach, Fla., as they pertain to the improvement of the turning basin has been made. This audit, which is now being reviewed in this office, indicates that the cost of the work performed and properly chargeable against the authorization in the 1950 act was $238,842.77 instead of $240,379.74 previously reported by the port of Palm Beach. The work performed by the port is in full accord with the project document recommended in House Document 704, Eightieth Congress, and authorized in the 1950 River and Harbor Act.

Sincerely yours,

C. H. CHORPENING,
Brigadier General, USA, Assistant Chief of Engineers for Civil Works.

Mr. Chairman, I am sure the committee did not consider all the merits and details of this matter. The committee had so many projects to consider that some projects of great merit were overlooked. With all the detailed work that this committee has to do they cannot be criticized for overlooking some projects with extraordinary merit.

I am sure that the committee overlooked the provisions of the law which Congress enacted in the Eightieth Congress which authorized the Secretary of the Army to reimburse the local interests for the improvement of the port as hereinbefore stated; and also overlooked the letter from General Chorpening showing that the local interests had complied literally with every requirement made by the Congress.

I also call attention to the fact that the Bureau of the Budget approved this estimate of $238,843 to reimburse local interests as contained in House Document No. 124. I think that since the port authorities performed this work in good faith, and that the work has been satisfactorily performed, that the expenses incurred constitute a legal and moral obligation upon the Government for reimbursement.

The repudiation by this Congress of this authorization by a former Congress is calculated to destroy the confidence of our people in our Government and its great constitutional legislative body.

This is not a new project. This is a project that is bringing in money. As I say, we have brought into the coffers of the United States Government more than $6,000,000 within the past 5 years

in the form of customs receipts. In the year 1949 the receipts were $1,792,686.54, and in 1950 were $1,422,200.29. We will bring in more than that as the years go by, by reason of this improvement. We only ask you for the small sum of $238,000 to reimburse us for what we have already spent.

Mr. Chairman, I hope that the Committee, when I offer an amendment, will accept it. I hope that the justice and the equity of this cause will appeal to the Committee because we went forward based upon, not what the committee said, not what the Public Works Committee recommended, but upon what you, the Members of this Congress, the Representatives of the people, told us to do. If we cannot have faith in the Government, if we cannot have faith in a law that you have passed, you as Members of this Congress, where in the name of God has the country gone? I appeal to you as Americans to carry out the laws that this Congress enacted when they said to the port authorities, "Go ahead, so long as you do it in accordance with the project modification hereby adopted; so long as you do not expend more than authorized, we will reimburse you." That is what we are asking you to do today: Reimburse the port authorities of Palm Beach Port for expenditures made in improving the port.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, there is not a single flood-control project in my district listed in this bill. Therefore, I have no ax to grind when I say that I am against the principle of you scratch my back and I will scratch yours. I think that the idea of logrolling in a flood-control bill is a great mistake. I was glad to hear the gentleman from Wisconsin say that there was absolutely no logrolling in this bill. I hope we are coming to the time in American Government when we will not be engaged in this nefarious practice of logrolling.. By this expression, I mean getting some project in one district for a concession made to another. I do not think a man has to obtain a dam-building project in his district to be elected.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from New York?

Mr. KEATING. The gentleman has demonstrated that in his own district, has he not?

Mr. EDWIN ARTHUR HALL. Right because I have never had a single flood-control project in my district. I am absolutely opposed to nonmilitary spending of a nature that is not needed. I believe that the flood walls which I am advocating in my district, hoping that I may get them some day, should be placed in a defense-spending category. I believe that we ought to go right down the line and choose between these projects on the basis of how they protect the plants and the factories and the farms of the workers and farmers of this country and how they protect the war plants to carry out the preparedness program. That is the only fair basis we can award these projects on, and I for one want to express here and now the hope that the Endicott-Vestal New York flood walls along the Susquehanna River will be built before very long, because upon them depend the welfare of 20,000 Endicott-Johnson workers, 10,000 International Business Machines workers, and 8,000 Ansco workers, all of whom are engaged in vital defense work.

Several days ago, I was a speaker at a mammoth protest meeting in Chenango County, N. Y. I told the audience of 500 people at South New Berlin that I would fight any and all attempts to build a flood dam in their community.

This proposed dam will not help the Triple Cities down the Susquehanna River. It would only destroy the farms and lands of the folks in Mount Upton and South New Berlin. I am against it and am tickled to death not to see any provision for this dam in the flood-control bill now before us.

Let us build flood walls in the Endicott-Johnson City-Vestal area on the Susquehanna as a defense measure and save my section from floods.

Mr. KERR. Mr. Chairman, I yield 7 minutes to my distinguished friend, the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, the program for the development of the Missouri River watershed, in my opinion, is one of the most important economic factors for the future of the Midwest. Although it will provide for the conservation and extension of the natural resources of one-sixth of the land area of the United States, in my opinion, its completion will have a direct bearing on all our national defense program.

We who represent constituencies along the Missouri River are grateful that the committee has allowed $1,500,000 for flood control of agriculture levees in Nebraska, Iowa, Kansas, and Missouri, and $4,000,000 for river and harbor work between Sioux City and Kansas City. It should be noted that the original request for this latter item was $7,500,000. In view of the torrential rains and an average damage of 1 acre of land per hour along the Missouri River, this item should be immediately reviewed on present existing conditions. Naturally, we are disappointed that the committee has eliminated entirely the item for the beginning of construction of Gavins Point Reservoir in Nebraska. The amount of $5,000,000 was requested for the beginning of this project, and the committee states that under the provisions of their conference report of the general appropriations bill of 1951, up to $500,000 could have been made available for the beginning of construction of this project.

We are cognizant of the fact that the engineers and the Bureau of the Budget did not apparently consider the dam as meeting the criteria established by the report, and the committee decided that no construction funds should be allocated at this time. In view of the fact that a delegation from Iowa, Nebraska, and South Dakota visited the Budget Office and was told that Gavins Point must be completed at the same time as Fort Randall, it seems that perhaps the committee was not wise in eliminating the $500,000 which should be used to start the Gavins Point construction at this time.

We call your attention to page 476 of the hearings in which Colonel Potter of the Army engineers stated that Gavins Point is a regulating dam for Fort Randall, and with Gavins Point the value of power at Fort Randall falls off $4,800,000 due to the fact that Fort Randall cannot be used for peaking. I also call your attention to a letter written by F. J. Lawton, Director of the Budget Bureau, which you will find on page 413, in which the Director states that the underlining decision to defer construction of Gavins Point until fiscal year 1952 is to stress the fact that, at a time of extremely rigid budget limitations, the most careful planning and scheduling of public works improvements is essential.

On the basis of economy, we naturally agree, but I call your attention to the further statement of Mr. Lawton in which he states that the decision he has made does not minimize in the slightest the necessity for initiating construction in 1952 of Gavins Point Reservoir. He states further that it is essential that this project be started in 1952 in order that it will be ready in 1955 to perform its primary function of regulating power releases from Fort Randall. Otherwise, the Director of the Budget states in his letter, it will be impossible to obtain full utilization of power generation from Fort Randall.

This indicates that both the Army engineers and the Bureau of the Budget are planning to budget money for the beginning of construction of Gavins Point Reservoir for 1952; but, in view of the fact that $33,000,000 is provided in this bill for Fort Randall and in view of the fact that it is imperative that Gavins Point be completed at the same time, it seems that the $500,000 which could be used for this purpose should be used at this time in order to synchronize the construction between the two reservoirs.

I need not go into the details of the flood damage that occurs annually along the Missouri River, a tremendous damage to valuable land and property, but the construction of Gavins Point Dam and Reservoir is important to national defense as well as to the economy of the Missouri Basin region. It seems to me in view of the fact that both the Army engineers and the Bureau of the Budget emphasized the simultaneous completion of Gavins Point with Fort Randall, a review of the entire matter should be had immediately and construction should begin in order to eliminate serious delay as well as prevent future damage and in order to add to our national defense effort. Without the construction of Gavins Point Dam, the complete realization of the power-producing potential of the Missouri River construction cannot be achieved, according to the best information received by our group from the Midwest.

As I understand it, Fort Randall Dam is now about 36 percent completed and will be producing power in 1954. However, until Gavins Point Dam is built, the peaking operations at Fort Randall would have to be restricted because of

the fluctuations in the river stages which would result from the unrestricted release of water for power production at Fort Randall, and this would cause serious ice jam hazards down the stream in the wintertime and interfere with navigation in navigable seasons. Gavins Point Dam, we are informed, is planned to have an installed capacity of 100,000 kilowatts of hydropower and this would add significantly to the potential output of power in the entire system of main river dams.

A study has been made by cooperating Federal agencies concerned of the development and distribution of power in the Missouri Basin development plan, and this indicates that during winter months only 120,000 kilowatts of the total 320,000-kilowatt capacity of Fort Randall can be utilized for peak power demands until the Gavins Point relaying facilities are provided. The Congress should also know that both Fort Randall and Gavins Point projects are to be operated as part of an interconnected and integrated system of main-stem dams extending along the Missouri River from Fort Peck and Garrison to Fort Randall and Gavins Point and that the power capacity of the entire system will be increased by 300,000 kilowatts when Gavins Point Dam is completed.

From the standpoint of national defense, we are reliably informed that adequate power is essential to the effective use of a number of military and defense production installations now being reactivated in the Missouri Basin. The 300,000 kilowatts of effective power which would be made available by building Gavins Point Dam would be very important in future defense establishments which might be located in the Missouri Basin area and in line with the policy of strategic dispersal defense industries and establishments. I need not tell you of the real use for power in the development of the tremendous deposits of low-grade manganese located not far from Fort Randall and Gavins Point Dams. We are also told that studies by the Bureau of Mines has demonstrated it would be feasible to exploit these deposits and furnish manganese for the steel industry when and if emergency demands make it necessary. Additional power from Gavins Point and Fort Randall would naturally be of great value for national defense in modern agriculture production. Until a short time ago, the rural electrification in this region was behind the average for the Nation and undoubtedly additional electricity from these dams would go immediately to meet these farm demands unless needed for specific defense uses of higher priority. Agriculture usage of this power would result in increased production of food and fiber and, of course, reduce manpower requirements on the farm. The importance of water storage should not be minimized to cut down flood damage to industrial cities such as the present flood around Sioux City, Iowa, and the great areas of rich producing farm lands. No one doubts the importance of the food from the Missouri Valley in a national emergency.

In suggesting a review of $4,000,000 item for river work in the vicinity of Sioux City, Iowa; Onowa, Iowa; and Decatur, Nebr., the Congress should know that an emergency presently exists. The torrential rains occurring now in that vicinity have caused all of the tributaries of the Missouri River to overflow causing flood damage all along the river in that vicinity. In Sioux City, the valuable airport, the stockyards, the city auditorium, an important highway, and a great industrial district are threatened with serious damage. Everett Winter, a representative of the Missouri Valley Association, has just returned from the scene and informs me that we are not only losing one acre of valuable land every hour in various sections of the territory but valuable industrial establishments are seriously threatened; and unless a bend in the vicinity of Sioux City, Iowa is taken care of immediately, further serious damage is inevitable. Mr. Winter informs me that the bridge at Decatur, Iowa, which is now on dry land and which was 1,700 yards from the river, is now nearly a mile from the river; and as the waters damage additional acreage on the Iowa side, the bridge will undoubtedly be considerable distance from water. I call your attention to this latest information in order to apprise you of the present emergency and necessity of giving some immediate emergency attention to that section of our rich farming territory. To give you some further information about the condition of the river, I include in my remarks the statement made only recently by the Honorable Dan J. Conley, mayor of Sioux City, Iowa:

Sioux City is located at a central point in the great agricultural area known as the Midwest; at a point where the boundaries of the States of Iowa, Nebraska, and South Dakota join. The Big Sioux River is our boundary line on the west, and this joins the Missouri River, which is our boundary on the south. United States Highway No. 20 enters Sioux City on the east, passes along the north bank of the Missouri River just in front of our new municipal auditorium, then crosses the Missouri River south over the combination bridge into the State of Nebraska. United States Highway No. 77 enters Sioux City from the State of Nebraska on the south, across the combination bridge over the Missouri River, joins onto and continues along our recently completed river front express highway known as Gordon Drive and into the State of South Dakota across the Big Sioux River. These highways are a main artery for people traveling in any and every direction and their maintenance and protection are of the utmost importnce. As a result of the protective construction work that was done in past years by the Army engineers along the north bank of the Missouri River adjoining the city of Sioux City and the assurances given that this protective work would be maintained, extended and improved, the people of our community spend nearly $3,000,000 in the construction and recent completion of a new municipal auditorium which is located facing Gordon Drive on the bank of the Missouri River.

The State of Iowa and the city of Sioux City spent many thousands of dollars in the construction of Gordon Drive; also upon the assurance that this protective work along the bank of the Missouri River would be so maintained, extended, and improved. Actually, Gordon Drive was located upon the basis of the suggestions and advice offered by the State highway department, the Corps of Engineers, and the Bureau of Public Roads.

The Sioux City stockyards is now recognized as the fourth largest livestock and meat-packing center in the United States. A large percentage of the livestock shipped into Sioux City comes from the States of Nebraska, South Dakota, Wyoming, and Montana, all of which funnels into Gordon Drive, passing along the Missouri River front. Over a period of time, manufacturing plants and other industries have located along our river-front area, by reason of the assurances given by the Corps of Engineers, and we are having a major industrial expansion along this entire river front.

Sometime ago the city purchased, and has since been in the process of developing a dock site in excess of 2 blocks in length along the Missouri River front.

The Sioux City Municipal Airport, constructed at a cost of approximately $12,000,000, is located south of the city and adjoining the Missouri on the east. This airport was used as a major base during World War II, and it is reasonable to assume that in the event of a national emergency, it can and will at any time be reactivated.

Previously I have made reference to the Missouri River front protective work. In this respect I had in mind the dikes and revetment work which had been placed along the north bank of the Missouri River from the mouth of the Sioux River to a point adjoining the Sioux City stockyards. This is a distance of about 3 miles. These dikes and this revetment work were placed at a terrific cost, all of which was justified and which at least partially served the purpose so long as they were properly maintained. However, by reason of lack of maintenance resulting from lack of funds, much of this piling and this revetment work has been washed out. As a result of this damage and deterioration, Gordon Drive, our new auditorium, our river front industrial area and stockyards area, and our dock site fronting on the Missouri River are now in very serious danger.

At this point I call your attention to the map which I submit with this statement, and which discloses, by reference to the legend, the changes that have taken place on the north bank of the Missouri River adjoining Sioux City, and the damage to protective works that have been constructed. This map will disclose that work which had been originally constructed and that which has been destroyed. That part of the work which is still in place is shown in the color blue; that which has been destroyed is shown in red. The green lines show the latest bank line of the Missouri River, and disclose how far the shore line has been pushed back because of damage to and destruction of previously constructed dikes. A quick glance will further disclose just how seriously our costly improvements are now threatened.

Unpredictable as the Missouri River is, it is fair to assume that upon the basis of past experience and present trend, the Missouri River will cause far more damage than we have ever known before unless immediate replacement and maintenance work is done.

I am interested, of course, in additional long-range protective work along the entire Missouri River, but basically I appeal on this occasion for replacements and maintenance in connection with the construction which has previously been installed at Sioux City. It is a matter of protecting river construction investments that have already been made. The damage which has been and is being done by the lack of control of the Missouri River is not only creating a danger, but it is eating away thousands of acres of rich production land just below Sioux City, and additional thousands jeopardized because of the general uncontrolled condition of the river. More than that, however, we have already experienced a washing away of part of our municipal airport, including approximately

1,500 feet of the sanitary sewer outlet. This, as you can readily understand, is a serious matter, and is becoming increasingly serious day by day.

Mr. Chairman, I deeply appreciate the courtesy of the chairman of the committee, Judge KERR, granting to me this time, and I would like to compliment Judge KERR and his committee on the tremendous work that they performed in connection with this bill. I have been associated with Judge KERR on committees for over a period of years and have learned to love him and respect his efficiency and his statesmanship, and I would like to be the first Member of the House in suggesting that before this bill is completed that this House, by way of recognition for the services rendered to this Congress and to the country by Judge KERR, name the dam in his district John Kerr Dam.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Michigan.

Mr RABAUT. I would like to say to the gentleman that I think the Buggs Island Dam should be named the John Kerr Dam. The gentleman now addressing us and the gentleman from New York [Mr. TABER], and I have discussed this matter many times, and perhaps before we finish this bill we might put that name on this dam.

Mr. STEFAN. I deeply appreciate the statement of the gentleman from Michigan with whom I have worked for many years. He and I know of the great patriotism, the statesmanship and the service rendered by our colleague, Judge KERR.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Washington.

Mr. HORAN. As a member of the Committee on Appropriations, may I say that I am sure the whole committee is unanimous on this, that nothing would please us more than to honor our colleague from North Carolina.

Mr. STEFAN. I thank the gentleman very much.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Iowa.

Mr. HOEVEN. The gentleman knows of the destruction that has been occasioned by the Missouri River at Sioux City, Iowa, and points south. Many witnesses, including myself, appeared before the subcommittee to express our interest, and to urge the needed appropriations to remedy the situation, but to no avail.

Mr. STEFAN. We are losing 1 acre of land every hour right now as a result of this torrential rain.

Mr. HOEVEN. Aside from the loss of valuable farm land, erosion is jeopardizing the Sioux City Air Base, which adjoins the river, Gordon Drive, and the municipal auditorium at Sioux City, which is on the river front.

Mr. STEFAN. Not only that, all of the industrial section along with the stockyards and the other valuable industrial buildings are in danger of washing away at the present time.

Mr. HOEVEN. The gentleman is right. In presenting the matter to the subcommittee, we pointed out that it would only take about $750,000 to remedy the situation. The subcommittee, however, saw fit to deny even that amount. I believe the gentleman is a member of the subcommittee which has to do with appropriations for the Department of State?

Mr. STEFAN. Yes.

Mr. HOEVEN. It is my understanding that we have already spent some $104,000,000,000 for foreign aid during the past 10 years. A certain amount of that has been spent for the building of reservoirs, roads, and dams in foreign countries. I am just wondering whether the time has not come for this Congress to give some attention to the worthwhile projects in the United States rather than to be building dams and reservoirs all over the world.

Mr. STEFAN. When we are losing 1 acre of valuable agricultural land every hour we should stop, look, and listen when we are considering foreign aid. There is a new foreign-aid bill coming to the House soon and, as I understand, it will call for about $8,500,000,000 for foreign aid, of which about $2,000,000,000 or more will be in the Marshall plan for rehabilitating foreign countries. You are taking away from the American taxpayers in some of these bills to do the same work and alleviate damage in foreign countries. The gentleman is absolutely right on that premise.

Mr. HOEVEN. It is the gentleman's understanding, then, that even the new appropriation bill for the Department of State provides for the building of dams and reservoirs in foreign countries?

Mr. STEFAN. There will be some of that in that bill.

Mr. LOVRE. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. LOVRE. I want to compliment the gentleman for the interest he has taken in the development of the Missouri River. He has given much time and study to this most important project. May I ask the gentleman if it is not his opinion that all of the projects up and down the Missouri River comprise one integrated program?

Mr. STEFAN. The Cahe, Fort Randall, and Gavins Point projects comprise the integrated program which the gentleman knows the Army engineers feel should be completed at the earliest possible time, especially, however, Fort Randall cannot be effected 100 percent unless Gavins Point is completed.

Mr. LOVRE. And the same thing is true with Oahe, is it not?

Mr. STEFAN. Yes, indeed.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 7 minutes to the gentleman from Kentucky [Mr. GOLDEN].

Mr. GOLDEN. Mr. Chairman, I, too, am grateful to this committee for the time allotted me when we are all pressed for time. I wish to concur in the sentiments expressed by Judge KERR, a man whom we all love, when he said that flood-control projects in America are the responsibility of the Congress of the United States. I wish further to concur in the sentiment expressed by him and other members of this great committee to the effect that we owe our first allegiance and our first duty to the American people.

Mr. Chairman, I have some important flood-control projects in my own district. I have been before this great committee and have explained our terrible situation on the upper Cumberland River. I have been treated with courtesy and kindness and, I think, with some sympathy. There are two Kentucky county seat towns of Pineville, Ky., and Barbourville, Ky., on this river. You have heard of terrible conditions explained by other Members of Congress which exist in their district. I, too, have for many years seen my people almost destroyed by this river in times of flood. We have gone through all of the preliminary stages. I heard a member of this committee, who is familiar with the various steps that have to be taken to complete flood-control projects, say that there were about 24 different steps necessary before the people could have the money appropriated for these flood-control projects. These two projects have passed all of these preliminary steps and it is now up before this committee to decide what should be done. We have floods down there annually. It will take about $3,000,000 to give complete protection to the two towns of Pineville and Barbourville, Ky., both on the Cumberland River, and they are about 18 miles apart. We have complete engineering estimates which show that it is feasible to protect the population of those two towns. They have allotted to us the proportion that the local people shall raise in order to qualify for these flood-control projects. A rather large percentage of this sum has been allotted to each town. Pineville, Ky., has already taken all the steps necessary to raise $490,000 and Barbourville, Ky., has taken all the steps necessary to raise its portion of $290,000. When these floods come, and they occur every year, as the gentleman from New York said, the river comes down the streets of these towns. It not only gets 2 or 3 feet deep in the schools but the Kentucky towns have water in the principal streets from 7 to 10 feet deep. Not only one of our schools but all of our schools are flooded almost every year. All the churches and business houses on the public squares are flooded. In one flood more than 500 homes were invaded by water. When the floods come we are paralyzed for more than a month. Our contribution to the welfare of this country is stopped, and we are almost at the point of desperation, where it becomes my duty to lay these terrible facts before the Members of this body.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. GOLDEN. I yield.

Mr. RANKIN. Are there any funds in this bill for that project?

Mr. GOLDEN. There are no funds in this bill. I have been before all the committees of Congress and I have laid our troubles upon the conscience of the members of this and other committees. Heretofore I have tried to make them

understand the terrible destruction, the loss of life, ill health, and sickness, and the property damage that results from these floods.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. GOLDEN. I yield to the gentleman from Kentucky.

Mr. PERKINS. I wish to concur in the statement that the gentleman from Kentucky is now making, because he is reciting the true facts that exist in these towns he has mentioned in Kentucky, and I do hope this committee and the Members will give the consideration these Kentucky flood-control projects deserve.

Mr. GOLDEN. I thank the gentleman.

I want to say this: I can meet the requirements of the emergency that now exist if the Members of this House will give me their attention for a short time. These Kentucky towns are in southeast Kentucky, right in the heart of the greatest bituminous coal section of America. In Harlan County we have the largest coal mine in the United States. Every ounce of that coal is used in the production of steel. Everyone who is familiar with the process of making steel knows that you cannot make steel without bituminous coal. The United States Steel Corp. has a mine in Harlan County that goes back into the great Black Mountain more than 7 miles. Every day it produces a trainload of coal. There is no way to get that coal out to he blast furnaces in Michigan and in the northeast portion of the United States except to go through Pineville, Ky., and Barbourville, Ky. When these floods strike all of that great industry is paralyzed.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. KERR. Mr. Chairman, I yield the gentlemen three additional minutes.

Mr. GOLDEN. I thank the distinguished gentleman.

There are more than 100 coal mines in this section. The annual production of bituminous coal in America is about 500,000,000 tons. The two counties I am trying to protect and these two towns that need protection from the war standpoint, ship every year into the war factories of America more than 20,000,000 tons. We produce one-twentieth of all the bituminous coal in America every year. In times like this we can step up our production.

In addition to this, the Kentucky Utilities plant is there on the river just below Pineville, Ky., and it spreads out all over the State of Kentucky. We have just completed a new plant there doubling the size of the KU. They did it for the purpose of furnishing power to the Oak Ridge bomb plant. There is a high tension wire going from the Pineville, Ky., KU plant to Tennessee Valley. They need and use that power to make bombs to protect this country. Furthermore, they cannot run that plant unless they have this coal. A score of mines every year pour their products into the Kentucky utilities to make power in order to protect this country.

In addition to that, Mr. Chairman, down in the western portion of the State we have the Gilbertsville plant that requires 7,000,000 tons of coal a year, and we can help supply that plant. In addition to that we are now building a supplemental bomb plant at Paducah, which has to have great quantities of coal.

Besides this being a great bituminous coal-producing section we produce some of the best hardwood for the construction of ships, and we do make a contribution to the war effort. If we are to live up to our high obligations to protect our American people and to prepare the defense of this country these two flood projects ought to be built now, not later.

As I stated before, approximately $3,000,000 will build flood walls around each of these two towns and enable this great section of America to make its large contribution to the country in this time of war emergency and will protect our local people from the devastating floods that invade our homes and businesses every year.

In 1946 these two towns suffered the greatest flood of record. In that one year alone, Pineville had 563 homes and residences damaged in the amount of $723,900. Commercial and industrial property was damaged in the sum of $614,800. Schools and public buildings and churches were damaged $99,800, and streets and municipal property were damaged in the sum of $13,900, making a total damage of $1,451,500 in 1 year.

It will be noted by the Members of Congress that this damage in 1 year was a larger sum than it requires to build and complete the flood wall to give us protection. Barbourville, Ky., which is on the same river and only a few miles down the river, during this 1946 flood suffered similar damages. The homes, business property, churches, schools, and municipal property in Barbourville suffered enough damage to build a flood wall around that city also.

We had a flood in 1947, another in 1949, and in this year, 1951 a flood hit these two towns and caused approximately another $1,000,000 in damages, losses, and uptold suffering.

It is good business for our Federal Government to protect these towns. When these devastating floods hit these two county seat towns, the citizens who work and earn money suffer such tremendous losses that the tax loss, as estimated and reported in the Army engineers' report, approximate nearly $500,000 to each town. Approximately 3 years in tax losses because of the destruction of property would cause a loss sufficient to cover the entire expenditure required to give these two towns complete protection.

This location in Kentucky is near the headwaters of the Cumberland River. The Cumberland has its source and rises in Harlan County, one of the great coal-producing counties of America. It flows on through Bell County where Pineville is the county seat, and through Knox County where Barbourville is the county seat, down through Kentucky and Tennessee and is a tributary of the Ohio. It is approximately 600 miles long. In our mountainous country, when these floods come, they come very quickly. They are called flash floods. They wash out and carry enormous quantities of mud and debris and this is deposited in our homes and places of business, public buildings, schools and churches, and we are paralyzed and the business of this section is stopped sometimes for more than a month. Equipment and trucks and street-cleaning machinery is sent to us to aid us from many sections of Kentucky. Our chief and largest city, Louisville, Ky., 200 miles away, has sent its street-cleaning equipment to aid us and our State highway department sends 50 and sometimes 100 trucks into these two towns to haul off the broken furniture, the mud, and personal property that is destroyed when one of these floods hit our towns. They pose a serious health problem and practically all the population of the two towns have to be vaccinated for typhoid and other epidemic and contagious diseases.

Besides this being one of the great bituminous-coal areas, this section produces valuable and essential hardwood. There are several large and many small timber and lumber operations and to my certain knowledge much of this valuable and scarce and precious hardwood is used by the United States Navy and in other essential war and emergency factories over the United States.

The Cumberland Valley division of the L. & N. Railroad Co. serves this section and passes through these two towns. There is a railroad center at Corbin, Ky. in the edge of Knox County below Barbourville and this branch of the L. & N. Railroad Co. runs through Knox, Bell, and Harlan Counties and all of the coal from this coal-producing section must come out over this branch line and when these floods strike it paralyzes this whole section and the war plants of America, the steel mills, the bomb plants of America are denied this essential fuel. The floods get over the highways in these two towns and trucks of timber and coal cannot be moved out to where these products are so urgently needed.

These two towns that need this flood protection are approximately 80 miles from the giant bomb plant at Oak Ridge, Tenn. The capacity of the Kentucky Utilities Co. has, as stated before, just been doubled. The new addition to the plant went into operation in this year, 1951, and I know that they have a direct line carrying quantities of essential power into the Tennessee Valley Region and to Oak Ridge, Tenn. All of this electric power is manufactured by the steam plants by the Kentucky Utilities on this river and it is manufactured from coal produced in this area, and unless this coal can be moved to the Kentucky Utility plant electricity cannot be produced.

I do not believe that there are any communities of like size in America that make a larger contribution to the war effort and to the economic stability and strength of all the American people than the towns and the counties that lie on the Cumberland Valley Division of the L. & N. Railroad Co.

We have a very high quality of bituminous coal and in searching over the United States for the type of bituminous coal best fitted to use in our steel mills in this country of ours, some of the captive mines owned by the steel mills are located in this region. By captive mines

I mean mines where the entire output of the mines is not sold on the market but goes directly and is used entirely in the steel plants for the purpose of making steel.

We are close to one of the largest aluminum producing plants in America. About 90 miles from this section in the outskirts of Knoxville, Tenn., the Aluminum Co. of America has one of its largest plants and aluminum for our war planes, bombers, and fighters, is manufactured there. Our people have suffered so much they live in constant dread of these devastating floods that they can ill afford to wait longer for this country of ours to join hands with the local people in building these flood walls so as to enable the citizens of Kentucky to continue to live and prosper and to furnish their essential products for the betterment, welfare, and security of all the people of the United States.

I recognize some of the limitations and restrictions under which this committee is working, but when a full realization and understanding of the terrible and dangerous conditions these two towns are in is fully understood and appreciated and it is known that we do produce large quantities of essential products that go directly to and contribute in a large measure to the war plants of this country in this time of emergency, we feel that these food projects are justified from every viewpoint and justified in this time of emergency and that they should be built now.

Mr. KERR. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. ARMSTRONG].

Mr. ARMSTRONG. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ARMSTRONG. Mr. Chairman, I greatly appreciate the privilege of speaking out of order on an urgent request that comes from that great humanitarian organization, the American Red Cross. I do so at the request of national and local officials of this agency, because they are now engaged in collecting donations of blood urgently needed for use by our fighting forces in Korea, and to replenish stockpiles for peacetime use.

I am adding my word to that of my distinguished colleague, the gentleman from Missouri [Mr BOLLING], who yesterday told of how blood supplied by the Red Cross in a hospital can save the lives of men, women, and children in peacetime.

I want to urge that every Member of this House who feels he is physically able to do so donate a pint of blood for wartime or civilian use.

I speak now as one who has seen firsthand the great need for blood at the fighting front in Korea. Only a few weeks ago the gentleman from South Carolina [Mr. DORN] and I watched our wounded boys being evacuated from the front and flown by helicopter to the advance hospital at the edge of Seoul. We stood in the operating room, where at five operating tables our surgeons and nurses were working in relays of about 8 hours each, for 24 hours around the clock. At each operating table stood the containers of blood without which those operations could not be performed. One of the surgeons remarked to us: "Without this blood, supplied by American donors, through the American Red Cross, we simply could not carry on our work. This blood has saved thousands of lives." We could duplicate that incident by dozens from our personal observation of the Korean battle front as we observed it from east to west, and from the battle line to Pusan. No one who has seen what we saw could ever fail to appreciate the importance of human blood in the saving of lives and the rehabilitation of wounded men, nor appreciate also this marvelous work of humanity being carried on by the Red Cross.

From statistics I received from Red Cross headquarters just this morning, I can inform members of this House that from the outbreak of war in Korea, nearly a year ago, until the end of December 1950 the American Red Cross expended more than $8,000,000 in the work of collecting and transporting human blood, both for war and peacetime use. The organization's budget for this year calls for an expenditure of more than $14,000,000 for this purpose.

The amounts of blood collected through the Red Cross national blood program since its establishment in January 1948, and as of the end of April, 1951, totaled 2,067,111 pints. Of this total collection, 1,171,992 pints have been collected since August 1950, when we first began sending blood to Korea.

Between last August and May 1, 1951, Red Cross, through its own centers, has supplied our Defense Department with almost 500,000 pints of blood, but we are told the present rate of blood collections must be increased at least 25 percent if commitments for blood are to be met. During the past 9 months the Red Cross has supplied more than 840,000 pints of blood to 2,900 civilian hospitals in the country.

Red Cross is now operating 42 regional collection centers serving 1,200 communities and will open 6 more regional centers during the calendar year. It has already opened the first 3 or 14—the remaining 11 to be opened during the next few months—defense centers where blood will be collected exclusively for defense purposes.

Let me remind the Members that representatives of the Red Cross will be waiting for us, today and tomorrow, at the caucus room in the House Office Building, to receive our donations of blood. Let us make a generous response, demonstrating to our constituents that despite some physical inconvenience, we are willing to join them in this small sacrifice to help their boys at the fighting front, and to insure a stockpile of blood for essential home-front use.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. BEALL].

Mr. BEALL. Mr. Chairman, I want to thank the committee for the opportunity to present a little problem we have in the State of Maryland. Some 3 or 4 years ago the city of Cumberland, Md., entered into a joint flood-control project with the Government. This work has been proceeding along in regular order until this time. It has gone along to the point where this year the Director of the Budget, under the advice and recommendation of the Army engineers, asked for $2,400,000 to continue this work. I may say that Cumberland is a community of some 50,000 people and has been regularly flooded at various periods.

When this work is finished, under recommendation of the Army engineers, these conditions will be corrected. The project is at such stage now that the streets of the city of Cumberland are all torn up and there are deep ditches, some 10 to 12 feet deep which is very hazardous. It is so bad that some 3 months ago a child was drowned in one of these ditches.

I think the Appropriations Committee was justified in taking out and reducing where they could but in the case of this particular project they took $1,400,000 away from us, leaving a balance of $1,000,000. They were justified in one respect, because there was an item for the construction of a pumphouse. The building of a pumphouse involves machinery needed in wartime work, and I do not think that pumphouse should be built at this time. However, the $1,000,000 that is left is not going to do the work. The Army engineers as recently as yesterday told me an additional amount is absolutely necessary for the present phase of the contract. They want additional money to deepen the channel and to carry on work such as surfacing the edges of the creek bed which will prevent floods and clean up the present work that has been undertaken.

At the proper time I shall offer an amendment asking the committee to restore part of this money which has been taken away. I think the Committee on Appropriations was justified in eliminating the appropriation for the pumphouse at this time, but in order to have this work proceed in an orderly manner we are going to need more than $1,000,000, which has been allotted.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise, and on that I demand tellers.

Tellers were ordered; and the Chairman appointed as tellers Mr. RABAUT and Mr. DAVIS of Wisconsin.

The Committee divided; and the tellers reported that there were—ayes 2, noes 60.

So the motion was rejected.

The CHAIRMAN. Does the gentleman from Michigan insist on his point of order?

Mr. HOFFMAN of Michigan. I have not withdrawn it, Mr. Chairman.

The CHAIRMAN. The Chair will count.

Mr. HOFFMAN of Michigan. Mr. Chairman, at the request of so many Members of the House, especially the request of the whip on the majority side, I withdraw my point of order.

Mr. RABAUT. Mr. Chairman, I yield myself 2 minutes and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, on Thursday at 2 o'clock, at the invitation of Senator WILEY, a number of official representatives of foreign governments and leaders of management and labor will be in the Senate caucus room to meet Members of Congress. They have just come from the World Assembly for the Moral Rearmament of the Nations at Mackinac Island, Mich.

I was at Mackinac Island this last week end. I can say that to confer with these people is tremendously enlightening as to world problems. During the conference at Mackinac Island there were over 1,600 people from 34 countries. There were former members of the Communist Party there who had mended their ways, and they made some of the finest statements for unity I have heard in a long time. There were representatives of 12 Parliaments including a senator from the Irish Parliament, the Honorable Eleanor Butler. She made a wonderful speech.

I invite the Members to try to go to the caucus room of the Senate on Thursday at 2 o'clock.

Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, I join my colleagues in believing that this committee has done an excellent job. However, I feel it my duty to point out a thing which may perhaps have been overlooked. This is indicated at page 117 of the hearings, where Colonel Potter, of the United States engineers, was testifying on the Jacksonville Harbor project. Let me read what was said at that time:

Colonel POTTER. This is one of our more important harbors. The project calls for the deepening of the main ship channel to 34 feet. There are very important naval installations there, to wit, a very large naval oil terminal and a major naval air station. There were 3,000,000 tons utilizing this harbor in 1949.

With the $800,000 we got last year we were going to partially complete the cut-off in the approaches to the harbor. The Navy requested us to expedite not only that cut-off but also the completion of the channel, and we are doing all we can to get this harbor capable of bringing in deep-sea tankers for the Navy at the earliest possible date.

I do not know why the committee cut this particular Bureau of the Budget appropriation figure of $2,000,000 down to $693,500. I have read the committee statement on the matter, but it seems to me that it overlooks the fact that the Navy has requested that this work be expedited in the interest of national defense. There is not only a major naval air station in this harbor, but also a major Navy fuel oil facility. And there is, in addition, a project which I assume will be started within the next year, on the banks of this river, a naval supply depot. There is also a major carrier base which is not mentioned in the hearings here, a carrier base already under way now calling for a 40-foot channel in this river. There is also nearby, within, perhaps, 5 or 10 miles of the banks of the river, one of the very few master jet bases of the Navy. There is close by and in this river one of the reserve fleets from which naval vessels are stored and taken from time to time. This reserve fleet is at Green Cove Springs. Therefore, I feel this is a very major matter which should be considered in the light of defense needs and in the light of the Navy request.

Mr. RABAUT, at page 118 of the hearings, asked:

You notice there were vast quantities of miscellaneous war materials and munitions shipped to Jacksonville Harbor sometimes with difficulty and undue delay, due to inadequate channel depths.

Colonel Potter answered:

When that happens, we have to wait outside until we get a high tide and then slip in.

Mr. RABAUT said:

And you cannot do that in wartime.

And Colonel Potter answered:

No, sir.

In addition to its defense importance the project is also justified from the standpoint of the economic aspect of it. But certainly in the field of national defense it is a matter which should receive priority. I feel that the committee, or at least the Congress in one House or the other, should restore this entire amount which has been requested by the Navy in the interest of national defense.

Mr. RANKIN. Mr. Chairman, on tomorrow an amendment will be offered to this bill for funds to speed up the construction of the missing link in our national defense program, as well as in our internal water transportation system—the Tennessee-Tombigbee inland waterway, which will provide a slack-water route from the Gulf of Mexico at Mobile to our atomic bomb plants at Oak Ridge and Paducah and to all other points on the Tennessee River, the Ohio River, the Upper Mississippi, the Illinois, the Cumberland, the Missouri, and the Great Lakes.

The tonnage carried on these rivers in 1949 was 105,858,093 tons, while that on the Panama Canal amounted only to 27,582,588 tons. In other words, the traffic we have virtually bottled up on those rivers amounts to approximately four times as much as the traffic through the Panama Canal.

I was surprised to find that this committee had eliminated all the funds necessary for planning for flood control and river and harbor projects throughout the entire United States.

I have a letter in my hand from the Bureau of the Budget, written to me today, which reads as follows:

MY DEAR MR. RANKIN: This is in reply to your request of Mr. MacPhail, of this Bureau, for information concerning the funds requested in the 1952 budget for the planning of rivers and harbors and flood-control projects of the Corps of Engineers. You also requested the amount of funds proposed for allocation for the continuation of planning on the Tennessee-Tombigbee waterway.

The 1952 budget included an amount of $2,000,000 for the planning of flood-control projects and $1,000,000 for the planning of river and harbor projects. Information supplied this office by the Corps of Engineers indicates that within the $1,000,000 for rivers and harbors planning a total of $100,000 has been allocated to the Tennessee-Tombigbee waterway.

Sincerely yours,

F. J. LAWTON,
Director.

You will note that the 1952 budget included an amount of $2,000,000 for planning for flood-control projects, $1,000,000 for the planning of rivers and harbors projects, $100,000 of which had been allocated to the Tennessee-Tombigbee inland waterway.

The Army engineers have already spent $576,604 on planning of this Tennessee-Tombigbee inland waterway; and need $100,000 to complete that planning of this great project that means so much to our national defense, as well as to our internal transportation.

The greatest wealth we have in this country, outside of the soil from which we live, is our inland waterway system, with its vast water power, and its great transportation potentialities.

The only other project on earth that compares with the Tennessee-Tombigbee inland waterway, when it comes to transferring the traffic from one watershed to another with so much ease, so little expense, and such tremendous savings in transportation costs and distances, is the connection between the Don and the Volga Rivers in Russia, the construction of which Stalin is speeding up with all possible haste.

It is costing many, many times as much as the construction of the Tennessee-Tombigbee inland waterway would cost; and I dare say our people are paying for it. The lend-lease money, and lend-lease machinery, that was voted to Russia at the expense of the overburdened taxpayers of America is probably being used for that purpose. Yet here we are with our atomic bomb plants and other defense establishments isolated, and having to beg Congress for a small appropriation to speed up the construction of this short link in our defense program that may some day mean the life of the Nation.

The only way possible on earth to provide a short slack-water route from the Gulf to these atomic-bomb plants, and other defense plants in that area, is through the completion of this Tennessee-Tombigbee inland waterway.

It will cut the water distance between Oak Ridge, our present atomic-bomb plant in Tennessee, and the Gulf at Mobile by more than 800 miles.

It will cut the distance between our new atomic-bomb plant at Paducah, Ky., and the Gulf at Mobile by more than 300 miles. It will cut the cost of transportation on every upstream barge going from Demopolis, where all the traffic comes in from Birmingham, to any point on the upper Mississippi River, or any point on the Great Lakes, or any point on the Missouri River from $2.68 a ton to 67 cents a ton. On a bargeload of 14,000 tons, the savings would amount to $20,160, on the fuel bill alone.

If it were going to Paducah, Cincinnati, Wheeling, Pittsburgh, or any other point on the Ohio River, the savings on the fuel bill alone would amount to $22,120.

If it were going to our atomic-bomb plant at Oak Ridge on the Tennessee River, the savings on the fuel bill alone would amount to $38,360—to say nothing of the savings in time, and other expenses.

In other words, a bargeload of 14,000 tons going from Demopolis, where they pick up oil and a great many other materials that are necessary, to any point on the upper Tennessee, up to Oak Ridge, would save $38,360 on its fuel bill alone. Going to any place on the Ohio River it would save $30,100 on its fuel bill alone. Going to the Great Lakes or any place on the upper Mississippi River, all the way to Minneapolis and St. Paul, it would save $28,140 on its fuel bill alone.

The following table shows what these savings will amount to on every bargeload of 14,000 tons:

From—	To—	Cost via Mississippi per tow of 14,000 tons	Cost via Tennessee-Tombigbee per tow of 14,000 tons	Average savings per tow of 14,000 tons
New Orleans, La.	Cairo	$28,280	$18,480	$9,800
	Paducah	29,400	17,640	11,760
	Tennessee-Tombigbee junction	33,880	13,860	20,020
Mobile, Ala.	Cairo	33,460	13,300	20,160
	Paducah	34,580	12,460	22,120
	Tennessee-Tombigbee junction	39,060	8,680	30,380
Port Birmingham, Ala.	Cairo	41,440	13,300	28,140
	Paducah	42,560	12,460	30,100
	Tennessee-Tombigbee junction	47,040	8,680	38,360
Demopolis, Ala.	Cairo	37,520	9,380	28,140
	Paducah	38,640	8,540	30,100
	Tennessee-Tombigbee junction	43,120	4,760	38,360
Columbus, Miss.	Cairo	39,620	7,140	32,480
	Paducah	40,740	6,300	34,440
	Tennessee-Tombigbee junction	45,220	2,380	42,840
Aberdeen, Miss.	Cairo	40,320	6,440	33,880
	Paducah	41,440	5,600	35,840
	Tennessee-Tombigbee function	45,920	1,820	44,100
Amory, Miss.	Cairo	40,740	6,160	34,580
	Paducah	41,860	5,320	36,540
	Tennessee-Tombigbee junction	46,340	1,540	44,800
Fulton, Miss.	Cairo	41,020	5,740	35,280
	Paducah	42,140	4,900	37,240
	Tennessee-Tombigbee junction	46,620	1,120	45,500

As the engineers have pointed out, there is not another project on earth where traffic can be transferred from one major watershed to another with so much ease, so little expense, and with such tremendous savings in transportation costs and distances.

This great project is absolutely necessary if we are going to defend this country.

It will not cost as much as Congress poured into the lap of old Nehru, the Communist leader of India, only a few days ago. It will not cost as much as you gave to Communist Tito, the man who murdered our aviators, shot them down, and buried them without notifying the United States; the man who murdered Mihailovitch, the man who protected our boys during the dark days of World War II.

I say it is time the Congress began to look after the welfare and the safety of the American people. This project should be constructed as rapidly as possible.

We cannot afford to wait until it is too late.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield 7 minutes to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, there are a couple of items connected with this bill with which I find myself in disagreement with the subcommittee. I think it is a pretty good bill otherwise in most respects. One of those items is that mentioned earlier in the discussion by the gentleman from Arkansas [Mr. NORRELL], and I beg the indulgence of the Committee if an amendment is offered to restore at least part of the survey and planning money to speak in behalf of the restoration of that money, because I believe that the total elimination of the survey and planning money for the Army engineers is not a realistic approach to this matter. Some of these surveys and some of this planning have to go on over the years no matter what happens, and the total elimination of that fund, I insist, is unrealistic. So I want to speak to that when we get to reading the bill and an amendment is offered. I presume there was an element of trading with the other body that entered into the total elimination of that item.

At the danger of being repetitious, I should like to tell you again that I have the privilege of representing an area through which the Columbia River falls and flows. The Columbia River is not exceeded in potential benefits by any other river in the world, with the single exception of a river in equatorial Africa, and that river, geographically, is so situated that it cannot possibly compete with the Columbia. The only other river that can compete with the Columbia in North America is the St. Lawrence, and that is only one-tenth as great.

The Columbia River drains some six or seven major watersheds, including the Rockies. The problem of harnessing the Columbia River for flood control and getting the last ounce of benefit out of it means the creation of storage dams high in the watersheds. One is being built by the Bureau of Reclamation near Hungry Horse, Mont. It will provide 3,500,000 acre-feet of water storage and create immense down-river benefits, because every time the water stored above flows over Hungry Horse Dam and over a dam farther down the river it creates additional kilowatts.

Last year, at the time the Korean War started, we began looking for energy with which to implement the defense effort, and the Army engineers said this:

> The only dam on the Columbia River drainage area that can be built quickly and which will give us major benefits is one which we have just recently authorized, a dam at Albeni Falls, some 50 miles northeast of Spokane, Wash.

It is not in my district; it is in the district represented by the gentleman from Idaho [Mr. WOOD]. It can be built, they said, quickly; in fact, by August of 1952 we can have the storage facilities and benefits of that dam available for down-river benefits, because the building of the Albeni Falls Dam, even without the generators in it, means the additional generation of some 100,000 kilowatts downstream by August of 1952. That is a realistic statement, for it will be available for use at a time when this defense activity will still be with us. It is primarily a storage dam, which would create 1,140,000 acre-feet of storage water, which, going downstream and tumbling over the generators of Grand Coulee, of Chief Joseph Dam—for which there is $17,000,000 in this bill—down the river to Rock Island Dam—which is presently operating and has been since 1928—and on down to McNary. The Dalles, and Bonneville, creates almost overnight a tremendous amount of electrical energy. It is for that reason that the supplemental appropriation bill of 1951 carried in it $2,900,000 for the immediate beginning of construction of Albeni Falls. The coffer dams are in now. We were looking forward until action of the committee to having this additional electrical energy by August of 1952. It has been asked for by the Army engineers, and the Defense Electric Power Administration is very anxious to have this dam built.

I understand that the reason the subcommittee kept this out was because they thought it was almost a new project; but please keep in mind this can be built quickly and that by August 1952, next year, these benefits, both of flood control in some categories and especially in power will be flowing down the river.

Mr. ANGELL. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Oregon.

Mr. ANGELL. It is true, is it not, that the Hanford atomic energy plant is situated only a few miles from there, for which additional energy is needed, and that at the present time there is a dearth of hydroelectric energy in the whole Northwest area?

Mr. HORAN. That is true, but I have not raised that point because it is my understanding it has been pretty well understood that we do need electrical energy. We say it is almost a new project. I want you to bear in mind that the assumption that we would carry on with this project was so real that encouragement was given by the Army engineers and others connected with the project so that contracts to the extent of

some nine or ten million dollars now exist against the project. The total cost of the Albeni Falls Dam will be something in excess of $31,000,000.

I hope that as this bill goes through this House and to the other body, and when the subcommittee meets in conference, recognition of the Albeni Falls Dam has in the meanwhile become realistic and that you will treat this dam with all the consideration it deserves.

Mr. BERRY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Chairman, the Missouri River development program is probably the most important development program in the United States today. I make this statement not because I come from that area, but because the Missouri River watershed embraces one-sixth of the entire area of the United States. A vast area which is truly the breadbasket of the world because it produces 50 percent of the basic foodstuffs of the Nation. An area which must be depended upon to feed the world in the years to come. An area which must be depended upon to produce the peace of the world because, as we have been told so many times on the floor of this House, it is food that will dictate the terms and write the peace of the world in the hectic years ahead.

I know that the No. 1 project and policy confronting this Congress is to do everything possible to make this Nation strong and keep it strong. I know that to make it strong we must first halt inflation, curtail spending, and restore value to our currency, and that can only be done by living within our national income. I know, too, that there is no branch of government which is interested in the curtailment of spending, other than this Congress.

I am just as economy-minded as any Member of this Congress and yet even I voted for a loan of $190,000,000 to India only last week, because I felt that diplomacy is the cheapest method of stopping communism. I know, as you know, that communism breeds on empty bellies and I felt that $190,000,000 was cheap if we could thereby retain an anti-Communist government in India. I still feel that food is the most important deterrent to the march of communism and I still feel that even in the face of an economy wave in government, that money spent in the development of the breadbasket of the world, is money judiciously spent, even in troubled times like these.

I served several years on the Missouri River States Committee, the then liaison committee between the States affected and the Federal Government, at the time the mammoth Pick-Sloan program was developed. I was a member at the time of the passage of the Flood Control Act of 1944. I know what the program was then—I know what it is now.

There are four principal purposes of this development program: flood control, navigation, power, and irrigation. Flood control, power, and irrigation in the upper reaches of this vast area and navigation and a controlled river course in the lower reaches.

The Missouri River drains a large portion of our vast inland empire. It is a wild and treacherous river—doing millions of dollars in damage annually from uncontrolled floods. The estimated losses in the immediate valley due to floods in the 1,500-mile area above the mouth of the Missouri River average $35,000,000 per year. These losses have been on rich farm land and in towns and cities, and will continue with perhaps even more devastating consequences if sufficient appropriations are not forthcoming. To check this damage, dams are being constructed on the various tributaries and several large dams are being constructed on the main stem, including Fort Peck, Garrison, Oahe, Fort Randall, and Gavins Point. These dams will hold back flood waters and produce an orderly flow of all water in the basin, thus permitting an even 9-foot channel between Sioux City, Iowa, and the mouth, protecting that area from the ravages of floods and providing for navigation. It will permit the shipment of iron ore and other industrial needs into the heart of the Middle West by waterway, and it will provide for the shipment of many millions of bushels of wheat and corn direct from inland ports near where that grain is produced.

One of the Midwest's greatest problems is movement of grain. Boxcar shortages bring annual difficulties. The country will always be short many thousand boxcars for grain shipment. This waterway is the only practical answer to this national need.

In these days of war hysteria, when so much thought is being given to the decentralization of industry, Missouri River navigation presents the answer. The advice of Horace Greeley today would be, "Go Middle West, my industrial son."

In addition to regulating the flow of the water in the Missouri River, these dams in the upper reaches serve two major purposes—they provide for irrigation of semiarid ranch and farm areas, producing not only crops, but feed for livestock, in dry years—but they also provide for the generation of thousands of kilowatts of electricity as the waters of the "Big Muddy" spin generating turbines, as it is released from the dams in the flow regulation.

It is at this point that I am forced to take issue with the committee. Fort Randall Dam is presently the lowest main-stem dam of the series. It is located about 140 miles above Sioux City. It is a flood-control dam but it cannot function efficiently without the aid of the smaller, Gavins Point Dam, located at Gavins Point, Nebr., to level out the flow of both water and power. Fort Randall will be 46 percent complete by the end of the current fiscal year, and the original request for fiscal 1952 was with the view to 65 percent completion by the end of June 1952.

On page 5 of the committee report, the committee has said this with regard to the Gavins Point appropriation:

> The amount of $5,000,000 was requested for beginning construction of Gavins Point, Nebr. Under provisions of the conference report on the general appropriation bill, 1951, up to $500,000 could have been made available for beginning construction of this project. The Corps of Engineers and the Bureau of the Budget did not apparently consider the dam as meeting the criteria established by the afore-mentioned conference report, and no construction funds were allocated to the project. The committee does not see sufficient change in the previous circumstances surrounding this project to justify its construction at the present time.

In reaching this decision the committee has apparently overlooked the testimony of the Corps of Engineers who have repeatedly testified that Fort Randall would be nearly 50 percent impotent without Gavins Point. In his letter of March 26, 1951, F. J. Lawton, Director of the Budget, has this, among other things, to say—see page 413, volume 2 of the report:

> As you know, the primary purpose of Gavins Point Reservoir is to regulate power releases from Fort Randall Reservoir, located about 80 miles upstream. According to information submitted by the Secretary of the Army, releases up to 40,000 cubic feet per second will pass the turbines at Fort Randall with all eight authorized generators operating at peak capacity. These releases, unless regulated, will cause undue fluctuations in downstream water levels which might create ice jams during the winter months, hazards to navigation during the open season, and serious bank erosion. It is understood that the channel is designed to accommodate flows of 20,000 cubic feet per second and that the present average uncontrolled flow is about 30,000 cubic feet per second.

Lawton adds:

> Initiation of construction of Gavins Point Reservoir in fiscal year 1952 and maintenance of a normal construction schedule would permit closure of the dam in the spring of 1955 and installation of the first three 33,333 kilowatt power units in the spring of 1956. As you can see, the closure date practically coincides with completion of the fourth power unit at Fort Randall.

He adds further:

> It is, therefore, apparent that construction of Gavins Point Reservoir may readily be deferred until fiscal year 1952 without subjecting the downstream alluvial valley to undue damage.

Mr. Lawton then adds further:

> This decision does not, of course, minimize in the slightest the necessity for initiating construction in 1952. It is essential that the project be started in 1952 in order that it will be ready in 1955 to perform its primary function of regulating power releases from Fort Randall. Otherwise, it will be impossible to obtain full utilization of power generated from Fort Randall.

It is, therefore, apparent that the Army engineers and the Budget Bureau held up the $500,000 appropriated last year for the commencement of the construction of Gavins Point thinking that it would be more efficient to complete the two dams at the same time, but when the committee discovered that the $500,000 had not been expended, because the engineers felt that the best interests of the Government would be served by waiting a year with this construction, they refused to make the appropriation this year.

This is an example of what I have been hearing about ever since I came to Washington. Every department sits here spending their appropriations in orderly

fashion—come June—they buy cars and trucks and everything else to clean out the appropriation before July 1—I have watched it and condemned that practice—but now I see they are right; under the procedure of this Congress, if a department is honest, if a department is trying to do the right thing—they do have their rug jerked out from under them.

This is wrong—it is the wrong kind of a precedent to set. How can the Government operate economically if these departments are forced to chisel in order to have any funds to operate on? Let us set this thing up on a business basis; let us, for a change, do it the way you and I would do in our own business. There was no need to start this construction until 1952. The Army held off construction until 1952. Now let us not do the foolish thing and refuse to make their appropriation, simply because they did not spend the money they could have spent.

The effect of reduced appropriations below scheduled amounts on a program such as the Pick-Sloan plan is hardly consistent with what we would like to term as true economy. Reduced appropriations below scheduled amounts result in increased cost of construction on large dams because delays are inevitably costly. For example, a contractor with approximately $3,500,000 worth of equipment moves in one a large project. If insufficient funds are made available to complete scheduled seasonal work, he finds it necessary to move this equipment out to other jobs. When funds are made available again, this equipment is then again assembled. This is indeed an expensive proposition.

Additionally, on the larger dams, town sites are built to take care of workers, trading centers established and set up so that the Government realizes rentals on a percentage of business basis. Reduced appropriations affect construction schedules of these communities and other permanent communities which have geared themselves to construction work planned. Communities and States affected have spent a large amount of money on schools, housing, utilities, and so forth, in anticipation of construction worker needs. Delays in construction through reduced appropriations are thus not alone costly to the Federal Government but to the local taxpayers as well.

Under the policy set out by the committee on page 2 of the committee report, there were three criteria followed: First, no new projects should be started. Second, new features to projects should be eliminated whenever added. Third, all funds for planning and surveys are eliminated.

I commend the committee on this stand, but at the same time I do not believe that the $3,770,000 set up for the Oahe Dam should have been cut out on this basis.

In the first place, Oahe is not a new project. It is not a new feature to an existing project. It is an integral part of the whole river program. It is not a part of the program of the upper river reservoirs which can be eliminated from the program and still be able to hold back the flood waters of the river. The construction of this reservoir has already fallen far behind the planned construction period and economy at the present time, when $9,000,000 have already been invested in this mammoth earthen dam, may prove to be costly economy in years to come.

This joint program, providing for the future of productivity of one-sixth of the Nation—the greatest food-producing area of the Nation—the future industrial area of the Nation—the area that may spell the difference between world peace and communism by providing food for the world—and the vast investment already made in this revolutionary program, must not be lost to the Nation and the world by shortsightedness in the supposed interests of present economy. I urge your support for the appropriation of $5,000,000 for the beginning of Gavins Point and $3,770,000 to continue the work on the Oahe reservoir.

Mr. RABAUT. Mr. Chairman, I yield the balance of the time on this side to the gentleman from South Dakota [Mr. LOVRE].

Mr. LOVRE. Mr. Chairman, first of all I want to thank my good friend and colleague from Michigan [Mr. RABAUT] for allotting me this time.

Mr. Chairman, it was with regret that I noticed that the Appropriations Committee denied the request of the Bureau of the Budget for $3,770,000 for the continuance of the Oahe project and $5,000,000 for Gavins Point. The reason being, according to the committee report, economy. Economy at a time when our national security is threatened not only from without the United States, but also from within by inflation, devaluation of the dollar, unbalanced budgets, and so forth. Certainly no one can find fault with the committee in doing its level best to curb inflation by cutting out unnecessary expenses and restoring the purchasing power of the dollar, balancing the budget and keeping taxes down to the minimum. To the contrary, the committee should be complimented for its efforts in that direction. The question that comes to my mind, and which the House must decided, Are these reductions truly in the interest of economy?

In order that there is no misunderstanding, I want the House to know that the Oahe, Fort Randall, and Gavins Point projects are in my district, but they are not pork-barrel projects for South Dakota, but far from it. South Dakota is primarily an agriculture State and our State is giving up thousands of acres of fertile agriculture land for the development of the Missouri River in the interest of the Missouri River Basin project as a whole. For Oahe alone our State is giving up 342,400 acres; Fort Randall takes 115,830 acres, and Gavins Point about 50 square miles.

To fully appreciate this over-all project we must bear in mind that the Missouri River basin takes in about one-sixth of the total land area of the United States. Under normal conditions it is the bread basket of the United States, but history shows that the people of the basin are subject to many hazards, floods, droughts, erosion, and the like which have had a serious impact upon the entire country and its economy. We cannot forget the drought of the thirties and the resulting depression all over the country; the 20 major floods in the basin caused over $200,000,000 in damages and the destruction of homes up and down the basin. We must also remember that the unpredictable Missouri River has contributed much to the floods up and down the Mississippi Valley, causing untold millions of dollars of damage.

To correct these ravages of nature the Flood Control Act of 1944 was passed, designed to hold the floodwaters and preserve the water for irrigation and navigation, prevent erosion of valuable land and utilize the water power for cheap electricity.

The plan is long-range and composes over 100 projects with its main stem projects up and down the Missouri River, better known as Fort Peck, Gavins Point, Big Bend, Oahe, Fort Randall, and Garrison. It is an integrated program with each project serving its separate purpose in the whole program. One project cannot exist without the other without loss of benefits and increased costs. I am afraid that the committee has lost sight of this. It reminds one of the blind men and the elephant. One blind man touched the elephant on the trunk and said the elephant was built like a snake. Another touched the leg and said the elephant was built like a tree trunk. We must look at the entire picture, or it may cause us untold costs. I am not asking for a spending wave, I am asking for true economy. In order to show you how we will economize, I would like to point out three of the projects for your consideration and show how it is going to cost the United States Government much, much money to exclude two of them which the committee has recommended. In fact, it will cost most to disregard them, as the committee has done, than to appropriate the money as asked for. Truly, this is an example of being penny-wise and pound-foolish.

First. Let us take Fort Randall. It is 46 percent completed as of the end of fiscal 1951 and with the 1952 money it will be 65 percent completed. Due to the shortage of power in the area, on account of demands for more production in the interest of the national defense, the Department of the Interior and the Federal Power Commission have requested the engineers to accelerate the program in advancing the installation of the first power unit to October 1953 rather than April 1954 as originally planned. At this very moment the Bureau of Reclamation is constructing a master grid of transmission lines connecting these various dams so that hydroelectric power can be transmitted to 21 REA's, numerous municipalities, and private utility companies, in anticipation of early power from these dams. Last year this Congress started this Bureau transmission program by appropriating $3,000,000. Keep in mind, that Randall has the stamp of necessity on it. I shall point out later how, in spite of this stamp of approval, Randall cannot operate anywhere near peak efficiency without both Oahe and Gavins Point. On the one hand, we have the stamp of necessity

for national defense, and, since this is an integrated project, we need support of the other projects which the committee has seen fit to cut out. Now, from the economy standpoint it must be recognized that in any commodity such as electricity, it costs money to run a plant at only half capacity. That is exactly what will happen if Randall is not allowed to have its two supporting dams.

I should like to talk for a few moments about the two supporting projects, Oahe and Gavins Point. Oahe is one of the original dams in the Flood Control Act of 1944. If this Congress is going to carry out the aims and objectives of this act and get the maximum of benefits with the minimum of costs, then certainly the continuance of the Oahe project must not be stopped by denying the Bureau of the Budget request of $3,770,000. The principal reason for Oahe is the storage of floodwaters from the upstream basin and for the storage of silt. It is interesting to note that the Missouri River annually carries 400,000,000 tons of earth. Colonel Potter, Corps of Engineers, testified before the committee that if Oahe is not built, the silt-storage capacity of Fort Randall would be filled up in 20 years. This would leave no space for power storage with which to produce electric power. With Oahe in place as it should be, the minimum silt storage capacity of Randall would be 100 years. To put it another way, we are taking a stitch in time to save nine. Money invested in this project now will lengthen the power-producing potential of Randall five times or from 20 years to 100 years. That stitch should be taken now. It is recognized that the greatest cash revenue from these dams comes from the sale of power. If we can extend the period of the greatest cash revenue from 20 years up to 100 years, certainly that is in the interest of economy.

Second. Fort Randall is not designed to take care of all the floodwaters that would come down the river without Oahe. I reiterate it is one integrated program. Oahe is designed to store most of the flood waters and silt for Fort Randall. If Oahe is eliminated, then the whole Randall project must be revamped and for one thing alone the spillway enlarged at a cost of over $15,000,000. Now, I say again, the budget request for Oahe was $3,770,000 and the request for Gavins Point was $5,000,000. As the figures indicate, the appropriation request for these two projects are only half as much put together as the total estimated costs for revamping the spillway alone at Fort Randall and then Randall would only be able to operate at one-half capacity. Mr. Chairman, this is not economy.

Third. Oahe has been started and $9,600,000 has been spent to date. Actual construction was started in 1948. Certainly there would be a great loss in stoppage of the project now. Even if the program were only temporarily suspended there would be added cost and waste in dismantling the project and starting it up at a later date. This added cost undoubtedly would run into millions of dollars of unnecessary expense.

Fourth. Relying upon the Government, the city of Pierre has gone ahead at great expense in expanding its facilities to take care of the influx of people. The city of Pierre and its school board have bonded to the limit in order to provide the necessary municipal and educational facilities for the increased population caused by the building of Oahe. In addition, the city has upped its local tax levy from 49 mills to 59 in 1950 and up to 64.13 mills in 1951, the highest in the State, making ready the necessary municipal facilities for the future. In stopping the project now, the Congress is not keeping faith with the people of Pierre.

Now, let us look at Gavins Point and see what mistakes are being perpetrated in the name of economy. As stated above, this is another phase of an integrated program authorized by the Flood Control Act of 1944. First, let us see how we have wrapped the cloak of economy around us, leaving us in a position of spending more money unnecessarily. I will enumerate the points: First, in the interest of economy, Gavins Point should be started now; second, the economic justification for Gavins Point is greater than for any other project; third, Gavins Point will prevent erosion downstream; fourth, Gavins Point would provide steady navigation; and, fifth, unstable power will mean that defense firms in Council Bluffs, Sioux City, and Omaha, and in the South Dakota area will not be able to rely on firm power.

I should like to talk just briefly on the five points listed above and show how we are approaching the problem of economy in the wrong way. We are now within a few feet of striking oil, so rather than appropriate the money required to continue digging and hit oil, we are going to stop digging under the guise of economy and start again at some later date. Is this procedure in the interest of economy? No. If these projects were not so closely tied in together and if we did not already have one project 46 percent completed, I would not complain about not starting but since we have started and since they are all so integrated, I feel that I must speak up in the name of true economy.

First, on page 5 of the committee report, it is written:

> The amount of $5,000,000 was requested for beginning construction of Gavins Point Reservoir, Nebr. Under provisions of the conference report on the general appropriation bill, 1951, up to $500,000 could have been made available for beginning construction of this project. The Corps of Engineers and the Bureau of the Budget did not apparently consider the dam as meeting the criteria established by the aforementioned conference report, and no construction funds were allocated to the project. The committee does not see sufficient change in the previous circumstances surrounding this project to justify its construction at the present time.

Mr. Chairman, I respectfully call the Committee's attention to the letter written to me under date March 26, 1951, by F. J. Lawton, Director of the Budget, and found on page 413 of the hearings. Mr. Chairman, I particularly call your attention to that portion which reads:

> This decision does not, of course, minimize in the slightest the necessity for initiating construction in 1952. It is essential that the project be started in 1952 in order that it will be ready in 1955 to perform its primary function of regulating power releases from Fort Randall. Otherwise it will be impossible to obtain full utilization of power generation from Fort Randall.

Mr. Chairman, I further call your attention to the testimony of Colonel Potter as found on page 481 of the hearings where he testifies that without Gavins Point, Randall would suffer a power loss of $4,800,000 a year.

The second point is that the economic justification for Gavins Point is greater than for any other project. The total estimated cost of Gavins Point as of now is $44,900,000. The increased revenue for Fort Randall alone, by virtue of Gavins Point would pay for the construction of Gavins Point in less than 10 years. If Randall is to operate without Gavins Point, the benefit to cost ratio for Randall would be reduced from 1 to 5 to about 1 to 1.

Third, the valley down the river from Gavins Point through Sioux City and south is made up of silt which erodes very rapidly. The rise and fall of the river has caused thousands and thousands of dollars of damage to Sioux City alone. The purpose of Gavins Point, in addition to firming up the power at Randall, is to regulate the flow of water downstream, thus keeping the water within its banks at a steady flow, thus preventing erosion and considerable property damage.

Fourth, deals with the navigation channel from Sioux City south. It must be remembered that the channel from Sioux City south has been constructed for navigation at considerable cost and in the interest of economy should be maintained. If Gavins Point is not put into operation, it is conceivable that there would be a lack of water in this channel at times. To quote from Colonel Potter and the hearings:

> Letting the water out of Fort Randall for peaking without Gavins Point may dry up the river below Fort Randall when power was not being produced.

In other words, the money already expended in years past to build this channel for navigation could have been wasted because there would be no water to float barges and boats. This is not economy to put out of operation an item that has already cost the American taxpayer money.

Fifth, defense firms will not be able to rely on Randall power. Needless to say, the interior of the United States is the safest area if we enter a full-scale war. Much valuable war production was completed in inner America during the last struggle. Now, is not it economic waste not to provide these industries and businesses and farms with the tools of production? If they are going to have unstable power because of our lack of foresight, that is an economic waste. It is economic waste to have these plants and not allow them to operate because of power shortages.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield the remainder of my time to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, I very much regret that the Committee on Appropriations has eliminated the item requested for beginning construction on Gavins Point Reservoir, Nebr.

The primary purpose of the Gavins Point Reservoir is to reregulate power releases from Fort Randall Reservoir, located about 8 miles upstream. Fort Randall Reservoir is now under construction and the last of the authorized eight 40,000-kilowatt power units are scheduled to be completed in August 1956.

Although Gavins Point Reservoir, in the eyes of the Committee on Appropriations, may be a separate and distinct project, the fact remains that it is an integral part of the Fort Randall Reservoir project. It will supplement and implement the amount and distribution of power from Fort Randall and is considered a necessary unit in the Fort Randall project. The Bureau of the Budget recognizes this fact, as shown later in my remarks.

In March of this year, several Members of Congress from Iowa, South Dakota, Nebraska, and Minnesota, including myself, conferred with F. J. Lawton, Director of the Bureau of the Budget, requesting the Bureau to review the decision to provide for starting construction on Gavins Point Reservoir in fiscal year 1952, with a view to determining the necessity for advancing initiation of the construction into the current fiscal year.

The Director of the Bureau of the Budget, upon review, decided to defer construction at Gavins Point until the fiscal year 1952, emphasizing, however, that it is essential that the project be started in 1952 in order that it may be ready in 1955 to perform its primary function of re-regulating power releases from Fort Randall. The Director of the Bureau of the Budget pointed out that unless construction was so started, it would be impossible to obtain full utilization of power generation from Fort Randall.

In this time of national emergency, it would seem to be entirely fitting and proper and within the realm of sound economy to begin construction of Gavins Point Reservoir in the current fiscal year. Delay of another year will no doubt mean increased construction costs. It is highly essential that we have a power reserve in this country which can be tapped for immediate use by military installations and other defense projects if the emergency becomes more aggravated or we become involved in another world war. Delaying the construction of Gavins Point Reservoir until 1952 is a false economy move. It simply removes the potential source of power which might have been made available at least 1 year sooner than is now contemplated. The delay, therefore, seems unwarranted and unjustified.

I am quite sure that the Subcommittee on Army Civil Functions is also aware of the terrible destruction occurring along the banks of the Missouri River at and near Sioux City, Iowa. Several witnesses appeared before the subcommittee at the hearings conducted on this bill and others submitted statements for the record. I personally appeared before the subcommittee on May 8, 1951. In view of the strong evidence presented for adequate appropriations, it is most regrettable to learn that our appeals for assistance fell on deaf ears.

Much of our valuable farm land along the river banks, south of Sioux City in the Sergeant Bluff area, has already been washed away. The Sioux City Air Base is in the critical area, due to the failure of old dikes on the Nebraska side of the river which direct the force of the stream, with its corresponding force to the point near the air base. In a recent 2-week period, the Iowa bank of the river was ground back more than 800 feet from the river front, and the outlook is definite for more and more serious erosion. The entire situation also puts in jeopardy Gordon Drive, which runs along the Missouri River at Sioux City, and the Sioux City Municipal Auditorium at the river front.

The Federal Government has spent millions of dollars on the Missouri River but of late the essential work has been sidetracked. Consequently, dikes were torn down and not repaired and the damage began. If this neglect continues, all the money previously spent will simply have been wasted.

The over-all development of the Pick-Sloan plan for the development of the Missouri River should be carried on without interruption. However, if dikes and revetments are established to protect the river bank from erosion, such dikes and revetments should be kept in repair. It is a complete waste of money to erect dikes and revetments and then abandon them.

I have taken up this matter time and time again with the Corps of Engineers, but the story is always the same—there is not enough money to do the job. How can the Corps of Engineers do the job when the Committee on Appropriations refuses to appropriate even enough money to save the investments we have already made on the Missouri River?

I fully appreciate the need for economy, but it certainly is false economy in my book to neglect needed improvements when a few million dollars in appropriations now will save 10 to 25 times that much later on. I have done everything humanly possible to convince both the Army engineers and the Committee on Appropriations of the correctness of my position in this matter. It seems passing strange that, while we have spent $104,000,000,000 in foreign aid during the past 10 years, some of which has gone to the building of dams, reservoirs and river improvements in foreign countries, we cannot find the money to take care of some of our needed flood-control projects at home.

The CHAIRMAN. The time of the gentleman from Iowa has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read down to and including line 7, page 1.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARDY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4386) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes, had come to no resolution thereon.

The SPEAKER. Under previous order of the House, the gentleman from Connecticut [Mr. SEELY-BROWN] is recognized for 10 minutes.

"MILLIONS FOR DEFENSE"

Mr. SEELY-BROWN. Mr. Speaker, we are all familiar with the oft-quoted statement of the American patriot, Ambassador Pinckney, who said, "Millions for defense, but not one cent for tribute."

I think that it is pertinent to paraphrase that famous statement and apply it in a modern setting pertaining to the situation concerning civilian defense.

There is a great deal of talk about civilian defense. So far as I can observe, there is not very much effective action about it.

True, the Federal Government, the State governments, and, in my State at least, the various local communities have set up what purports to be a civilian defense organization. Earnest "Colonel Bumbles" and their cynical, political opposite numbers who seem to have entrenched themselves in this set-up at strategic points have filled in a lot of squares on charts. All they need, if you listen to their pleas, is money with which to go ahead and do the job.

On the local level, which is where the biggest part of the job and probably the most effective will be done, the civilian defense organization is almost entirely on a volunteer basis. In many of the States a rather complete salaried set-up has been provided and on the Federal level jobs have been filled, but we hear much complaining about a lack of funds with which to implement the organization that exists on paper.

The local civilian defense authorities are waiting for materials and equipment to be furnished by the State. The States, many of which already have made rather sizable expenditures, are looking for assistance from the Federal Government.

In the meantime, about the only thing that is happening is that there is much talk and, of course, those who have been put on the payroll continue to draw their pay, come what may.

In my considered judgment, Mr. Speaker, this country needs and must have preparations for civilian defense that are as intelligent, as comprehensive, and as patently effective as the corresponding preparations for military defense, because when and if attack comes there will be little distinction between military and civilian defense. The two will merge into one.

It is high time, then, for all of us to stop talking about civilian defense if we really mean to do anything about it.

If there are any practical and effective steps which can be taken for preparing the civilian population to defend itself, and I am convinced that there are, then let us get on with the job of taking these steps.

My suggestion is that every one of the citizens of this country accept a share of the responsibility for organizing and mobilizing civilian defense.

For those in government—and I mean Federal, State, county, and local—let them pull in their belts and move over on the bench a little to make room for this new emergency service.

In practical terms, Mr. Speaker, I would like to suggest that in order to finance the requirements of civilian defense, instead of levying vast new taxes and lavishing additional appropriations, that we take 1 percent straight across the board from all present appropriations for all departments and services in the Federal, State, county, and local governments.

A procedure can be worked out to channel the hundreds of millions of dollars which would be obtained in this way so that it could be used to procure the materials and equipment and services needed to give us a bona fide civilian defense organization.

The little bit of sacrifice which would be involved would be good for all of us.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. SEELY-BROWN. I yield.

Mr. CANFIELD. I wish to compliment the gentleman from Connecticut on being one of the few giving serious thought to this important subject. I think the Congress as a whole has been most unrealistic, almost naive in its approach to this problem.

Mr. SEELY-BROWN. I thank the gentleman.

Mr. Speaker, I yield back the balance of my time.

EXTENSION OF REMARKS

Mr. TRIMBLE asked and was given permission to extend his remarks in two instances, and include in one an article appearing in the Southwest Times-Record and in the other a report on Arkansas pine and hardwood.

Mr. FINE asked and was given permission to extend his remarks and include two editorials.

Mr. QUINN asked and was given permission to extend his remarks and include an address by Mr. Brown.

Mr. MADDEN asked and was given permission to extend his remarks and include an editorial appearing in the Gary (Ind.) Post Tribune.

Mr. PRIEST asked and was given permission to extend his remarks and include the valedictory address delivered by Stanley Paul Bohrer at the graduation exercises, Page School, last night.

Mr. LANE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. ALBERT asked and was given permission to revise and extend his remarks in the Committee of the Whole today on the civil functions appropriation bill and include extraneous matter.

Mr. CLEVENGER asked and was given permission to extend his remarks and include an editorial.

Mr. DOLLIVER asked and was given permission to extend his remarks in two instances and include in one a telegram from the Boone Chamber of Commerce, N. A. Erbe, president; and the Boone County Farm Bureau, C. A. Scheerer, president; and in the other an article by John W. Beck, financial editor of the Daily Oklahoman, Oklahoma City, Okla., entitled "Controlled Markets Are Not American Markets."

Mr. STEFAN asked and was given permission to include a letter in his remarks on the civil functions appropriation bill.

Mr. VAN PELT asked and was given permission to extend his remarks and include an editorial.

Mr. PHILLIPS asked and was given permission to extend his remarks.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include an article by Mr. Raymond Moley.

Mr. LOVRE asked and was given permission to extend his remarks in two instances; in one, to include a letter, and in the other an editorial.

Mr. TALLE asked and was given permission to extend his remarks and include some extraneous material.

Mr. POULSON asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. BOW asked and was given permission to extend his remarks and include an address by Gustave Simons.

Mr. MURRAY of Wisconsin (at the request of Mr. HULL) was given permission to extend his remarks in two instances.

Mr. JONAS asked and was given permission to extend his remarks and include an editorial.

Mr. HOWELL asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. GOSSETT asked and was given permission to extend his remarks and include an address.

Mr. BRYSON asked and was given permission to extend his remarks and include an address by the Judge Advocate General of the Air Force.

Mr. STEED asked and was given permission to extend his remarks in two instances.

Mr. SHAFER (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks and include an editorial from the Savannah, (Ga.) News.

Mr. McCORMACK asked and was given permission to extend his remarks and include an address recently made by Ambassador Warren R. Austin; and further to extend his remarks and include an editorial recently appearing in the Boston Post.

Mr. RANKIN asked and was given permission to revise and extend his remarks in Committee of the Whole today and include extraneous matter.

Mr. O'KONSKI asked and was given permission to extend his remarks in two instances.

Mr. MARTIN of Massachusetts (at the request of Mr. BROWN of Ohio) was given permission to extend his remarks and include an article entitled "My Air Adventures With General MacArthur," notwithstanding the fact that it will exceed two pages of the RECORD and is estimated by the Public Printer to cost $225.50.

Mr. HARVEY (at the request of Mr. DAVIS of Wisconsin) was given permission to extend his remarks and include a newspaper article.

Mr. HOEVEN asked and was given permission to extend his remarks and include an editorial.

Mr. BERRY asked and was given permission to extend his remarks in two instances and include in one an editorial and in the other an article from Newsweek.

Mr. RANKIN asked and was given permission to revise and extend the remarks he made in Committee of the Whole and include extraneous matter.

Mr. HAYS of Arkansas asked and was given permission to revise and extend his remarks and include extraneous matter.

Mr. NORRELL asked and was given permission to extend his remarks and include an address by the senior Senator from Arkansas, Hon. JOHN L. MCCLELLAN.

Mr. SHELLEY (at the request of Mr. PRIEST) was given permission to extend his remarks.

Mr. HOLIFIELD (at the request of Mr. RABAUT) was given permission to extend his remarks.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. REGAN (at the request of Mr. THOMPSON), for today, on account of illness.

ENROLLED JOINT RESOLUTION SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 267. Joint resolution making an additional appropriation for the legislative branch for the fiscal year 1951, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 372. An act to furnish emergency food aid to India.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. STANLEY, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 652. An act for the relief of the estate of Mattie Mashaw;

H. R. 2918. An act for the relief of Peter E. Kolesnikoff; and

H. J. Res. 267. Joint resolution making an additional appropriation for the legislative branch for the fiscal year 1951, and for other purposes.

ADJOURNMENT

Mr. RABAUT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 43 minutes p. m.),

the House adjourned until tomorrow, Wednesday, June 13, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

513. A letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, transmitting the Eleventh Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, pursuant to section 201 (b) of the Social Security Act, as amended; to the Committee on Ways and Means.

514. A communication from the President of the United States, transmitting a proposed deficiency appropriation for the fiscal years 1946 and 1947 in the amount $1,547.54 for the Department of the Interior (H. Doc. No. 163); to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HÉBERT: Committee on Armed Services. H. R. 1180. A bill to facilitate the performance of research and development work by and on behalf of the Departments of the Army, the Navy, and the Air Force, and for other purposes; without amendment (Rept. No. 548). Referred to the Committee of the Whole House on the State of the Union.

Mr. HÉBERT: Committee on Armed Services. H. R. 1183. A bill to authorize the Secretaries of the Army, the Navy, and the Air Force, with the approval of the Secretary of Defense, to cause to be published official Registers for their respective services; without amendment (Rept. No. 549). Referred to the Committee of the Whole House on the State of the Union.

Mr. SASSCER: Committee on Armed Services. H. R. 1227. A bill to amend further the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947, as amended; with amendment (Rept. No. 550). Referred to the Committee of the Whole House on the State of the Union.

Mr. SASSCER: Committee on Armed Services. H. R. 4024. A bill to authorize certain easements, and for other purposes; without amendment (Rept. No. 551). Referred to the Committee of the Whole House on the State of the Union.

Mr. WICKERSHAM: Committee on Armed Services. H. R. 4260. A bill to authorize the Secretary of the Army to transfer to the Department of the Interior the quartermaster experimental fuel station, Pike County, Mo.; without amendment (Rept. No. 552). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHUDOFF:

H. R. 4404. A bill to prohibit officers and employees of the United States from recording telephone conversations without permission; to the Committee on Interstate and Foreign Commerce.

By Mr. CLEMENTE:

H. R. 4405. A bill to allow medical and dental expenses as deductions from gross income for income-tax purposes; to the Committee on Ways and Means.

By Mr. FALLON:

H. R. 4406. A bill to amend the Internal Revenue Code, so as to extend the period during which claims may be filed for drawback of tax paid on distilled spirits under section 3250 (1) of such code; to the Committee on Ways and Means.

By Mr. FARRINGTON:

H. R. 4407. A bill to amend section 213 (b), 213 (c), and 215 of title II of the Hawaiian Homes Commission Act, 1920, as amended; to the Committee on Interior and Insular Affairs.

H. R. 4408. A bill to amend section 73 (1) of the Hawaiian Organic Act; to the Committee on Interior and Insular Affairs.

H. R. 4409. A bill to enable the Hawaiian Homes Commission of the Territory of Hawaii to exchange available lands as designated by the Hawaiian Homes Commission Act, 1920, for public or private lands; to the Committee on Interior and Insular Affairs.

H. R. 4410. A bill to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators; to the Committee on Interior and Insular Affairs.

By Mr. HAYS of Arkansas:

H. R. 4411. A bill to amend the Social Security Act so as to authorize the extension of old-age and survivors insurance benefits under the act to State and local employees who are covered by State or local retirement systems; to the Committee on Ways and Means.

By Mr. MARTIN of Iowa:

H. R. 4412. A bill to restore the right of certain veterans to apply for insurance; to the Committee on Veterans' Affairs.

By Mr. O'HARA:

H. R. 4413. A bill to amend the act entitled "An act to provide for the extension of the term of certain patents of persons who served in the military or naval forces of the United States during World War II"; to the Committee on the Judiciary.

By Mr. THOMAS:

H. R. 4414. A bill to amend section 307 (d) of the Interstate Commerce Act, with respect to the standard governing the prescribing of differentials in case of through service by rail and water; to the Committee on Interstate and Foreign Commerce.

By Mr. VELDE:

H. R. 4415. A bill to suspend certain rates of duty on steel; to the Committee on Ways and Means.

By Mr. WITHROW:

H. R. 4416. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide annuities for certain officers and employees engaged primarily in fire fighting and fire prevention on the Panama Canal Zone; to the Committee on Post Office and Civil Service.

By Mr. SHELLEY:

H. R. 4417. A bill to provide an additional period of 3 years within which veterans of World War II on active duty during the present hostilities may initiate and receive education and training under Veterans Regulation No. 1 (a); to the Committee on Veterans' Affairs.

By Mr. BENNETT of Florida:

H. R. 4418. A bill to amend the act of August 16, 1937, relating to the welfare of apprentices, to limit the number of officers and employees of the United States who may be employed in States which have State apprenticeship agencies or councils; to the Committee on Education and Labor.

By Mr. TEAGUE:

H. R. 4419. A bill to amend the District of Columbia Teachers' Salary Act of 1947; to the Committee on the District of Columbia.

By Mr. MASON:

H. J. Res. 268. Joint resolution proposing an amendment to the Constitution of the United States relative to taxes on incomes, inheritances, and gifts; to the Committee on the Judiciary.

By Mr. VINSON:

H. Res. 252. Resolution providing for the consideration of H. R. 1227, a bill to amend further the act entitled, "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947, as amended; to the Committee on Rules.

H. Res. 253. Resolution providing for the consideration of H. R. 1180, a bill to facilitate the performance of research and development work by and on behalf of the Departments of the Army, the Navy, and the Air Force, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 4420. A bill authorizing the issuance of a patent in fee to Annie A. Two Bears, heir of Albert Grass, deceased; to the Committee on Interior and Insular Affairs.

By Mr. FALLON:

H. R. 4421. A bill for the relief of the H. R. Nicholson Co.; to the Committee on the Judiciary.

By Mr. FARRINGTON:

H. R. 4422. A bill for the relief of Toshiko Kaneshi Tamashiro; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 4423. A bill for the relief of Pietro Del Pozzo; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 4424. A bill for the relief of Nicholas Katem, Theodosia Katem, Basil Katem, and Josephine Katem; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 4425. A bill for the relief of Saloi John K. Solomon; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 4426. A bill for the relief of Kayed Musa Salem Farhat; to the Committee on the Judiciary.

H. R. 4427. A bill for the relief of Milorad Otasevic; to the Committee on the Judiciary.

By Mr. PROUTY:

H. R. 4428. A bill for the relief of Edi Mario Bertoli, Gino Guglielmi, Serafino Ballerini, and Giuseppi Biggi; to the Committee on the Judiciary.

H. R. 4429. A bill for the relief of Adolph Marian Galacki; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 4430. A bill for the relief of Luigi Lotito; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

313. By Mr. HALE. Petition of the Bath, Maine, Housing Authority, urging the continuance of the Public Housing Administration field office in Boston, Mass.; to the Committee on Banking and Currency.

314. By the SPEAKER. Petition of Miss Irene B. Whetstone, Chicago, Ill., relative to petition of Irene B. Whetstone versus John T. Jarecki, relating to "injunction against enforcement of Federal statutes which are unconstitutional"; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 13, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Father of mercies, in Thee we live; away from Thee we perish. Thou only canst redeem our life from destruction. As we witness man's inhumanity to man, we confess with sorrow that human devices and designs have deceived and betrayed every fair hope and brought ashes for beauty; the arm of flesh has failed us; man has forsaken Thy ways all holy, and slighted Thy word.

Forbid that fronting a day such as this, freighted with sobering and solemn significance for the long years that stretch ahead, we should meet titanic issues with tiny conceptions and with petty patterns. In this dear land of our love and prayer, may we close our national ranks in a new unity, as powers without pity or conscience seek to destroy the birthright of our liberty of worship and speech and the sanctity of the individual. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 12, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had passed a bill (H. R. 3716) to authorize an exchange of lands in Pueblo County, Colo., in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 178. An act for the relief of Zdenek Marek;

S. 249. An act for the relief of Ruzena Pelantova;

S. 361. An act for the relief of Herk Visnapuu and his wife, Naima;

S. 362. An act for the relief of Tu Do Chau (also known as Szetu Dju or Anna Szetu);

S. 364. An act for the relief of Mrs. Suzanne Wiernik and her daughter, Genevieve;

S. 435. An act to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes; and

S. 648. An act for the relief of Evald Ferdinand Kask.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. HILL, and by unanimous consent, the Committees on Armed Services and Foreign Relations, sitting jointly, were authorized to meet this afternoon during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators may transact routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF BOARD OF TRUSTEES OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

A letter from the Secretary of the Treasury, the Secretary of Labor, and Federal Security Administrator, Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, transmitting, pursuant to law, the eleventh annual report of the Board (with an accompanying report); to the Committee on Finance.

LAWS ENACTED BY MUNICIPAL COUNCILS OF ST. THOMAS AND ST. JOHN, AND ST. CROIX, AND LEGISLATIVE ASSEMBLY OF VIRGIN ISLANDS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Municipal Councils of St. Thomas and St. John, and St. Croix, and the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Senate Joint Resolution 34

"Joint resolution relative to memorializing Congress to refuse the passage of H. R. 3348

"Whereas the House of Representatives of the Congress of the United States will soon consider H. R. 3348, which is entitled 'A bill providing for the suspension of annual assessment work on certain mining claims held by location in the United States, including the Territory of Alaska, and for recordation of all mining claims'; and

"Whereas H. R. 3348 includes the limitation that the assessment work expenditure may be made upon any one of a group of claims only where not more than 10 contiguous claims in any group of mining claims are held in common ownership; and

"Whereas H. R. 3348, which would authorize the Secretary of the Interior and the Department of the Interior to make certain rulings, is drafted in such a manner as to prevent the small miner from appealing such rulings to the courts; and

"Whereas the enactment of H. R. 3348 will result in the impairment of the rights of the small miners to locate and patent claims and to perform the assessment work necessary to hold such claims and will result in forcing the small miners from the public domain, thus opening the way for large companies to lease directly from the Department of the Interior, the claims which were discovered and developed by the small miners: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California hereby respectfully memorializes and urgently requests the Congress of the United States of America to refuse the passage of H. R. 3348; and be it further

"Resolved, That the Secretary of the Senate is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 19

"Joint resolution requesting the Congress of the United States of America to amend the Hawaiian Organic Act to permit sale of lands to farmers qualified for Bankhead-Jones Act loans

"Be it enacted by the Legislature of the Territory of Hawaii—

"SECTION 1. The Congress of the United States of America is hereby requested to amend section 73 (1) of the Hawaiian Organic Act substantially in the following form of bill:

"'A bill to amend section 73 (1) of the Hawaiian Organic Act

"'Be it enacted, etc.—

"'SECTION 1. That section 73 (1) of the Hawaiian Organic Act is hereby amended by amending the first proviso thereof to read as follows: *"Provided, however*, That lots may be sold for cash without recourse to drawing or lot and forthwith patented to any citizen of the United States, possessing the qualifications of a homesteader as now provided by law, applying therefor and who has qualified for and received a loan under the provisions of the Bankhead-Jones Farm Tenant Act (July 22, 1937, ch. 517, 50 Stat. 522, 7 U. S. C., ch. 33) as amended or as may hereafter be amended, for the acquisition of a farm."'

"'SEC. 2. This act shall take effect on and after the date of its approval.'

"SEC. 2. Upon its approval, certified copies of this joint resolution shall be forwarded to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of the United States, and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 28th day of May A. D. 1951.

"OREN E. LONG,

"Governor of the Territory of Hawaii."

"Joint Resolution 20

"Joint resolution memorializing Congress to authorize the issuance of public improvement bonds by the county of Maui without regard to the limitations imposed by the Hawaiian Organic Act

"Whereas there has been a very great growth in the population of school age during the past 15 years in the county of Maui; and

"Whereas the supervisors of the county are charged with providing schools for such children; and

"Whereas the heavy storms in the past years have underlined the necessity for flood and drainage controls in many areas of the county; and

"Whereas during the war years the public improvements of the county were under excessive use and strain without possibility of any adequate expansion of old facilities or construction of new ones: Now, therefore,

"Be it enacted by the Legislature of the Territory of Hawaii—

"SECTION 1. The board of supervisors of the county of Maui is hereby empowered and authorized to issue bonds in the sum of $1,500,000: *Provided, however*, That the limitations and requirements in the Organic Act and chapter 117 of the Revised Laws of Hawaii, 1945, as to the total bond indebt-

edness which may be incurred at any time or in any one year shall be waived as to bonds issued under this joint resolution. Said bonds shall be issued in accordance with the provisions of said chapter 117, except as above provided, and shall be serial bonds maturing in substantially equal annual installments, the first installment to mature not later than 5 years from the date of the issue of such series, and the last installment not later than 30 years from the date of such issue.

"SEC. 2. The moneys realized from such bond issue shall be expended as follows:

"Construction of new public school buildings $1,000,000
"Flood control of Iao stream..... 500,000

"SEC. 3. This joint resolution shall take effect immediately upon the enactment of legislation by the Congress of the United States of America ratifying this joint resolution and authorizing such bond issue, notwithstanding the limitations of section 55 of the Organic Act of the Territory of Hawaii or any other law to the contrary.

"Approved this 26th day of May A. D. 1951.

"OREN E. LONG,
"Governor of the Territory of Hawaii."

An act of the General Assembly of the State of Pennsylvania, authorizing the State to enter into a compact with any other State for mutual helpfulness in meeting any civil defense emergency or disaster; to the Committee on Armed Services.

A resolution adopted by the Student Association of Lindenwood College, St. Charles, Mo., favoring the enactment of legislation to make effective all the recommendations of the Hoover Commission on Reorganization of the Executive Branch; to the Committee on Expenditures in the Executive Departments.

A resolution adopted by the United Forces of Organized Labor in Louisiana, Shreveport, La., relating to the extension and revision of the Defense Production Act; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. Res. 154. Resolution extending the time for investigation of problems relating to the airline industry, the United States merchant marine, domestic land and water transportation, and radio, telegraph, and telephone communications; without amendment, and, under the rule, referred to the Committee on Rules and Administration.

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

S. 1559. A bill to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation; without amendment (Rept. No. 419).

INDEPENDENT OFFICES APPROPRIATIONS, 1952—REPORT OF A COMMITTEE (REPT. NO. 418)

Mr. MAYBANK. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill, H. R. 3880, making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes. It is the revised independent offices appropriation bill, with the revisions, being 10-percent cuts as they appear on each page. I shall file the report later, when it comes from the Appropriations Committee.

The VICE PRESIDENT. The bill will be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. O'CONOR (for himself, Mr. KEFAUVER, Mr. HUNT, Mr. TOBEY, and Mr. WILEY):

S. 1660. A bill to require certain individuals receiving income from unlawful sources to furnish information with respect to their net worth in connection with their income-tax returns; to the Committee on Finance.

S. 1661. A bill to clarify the provisions of section 8 of the Immigration Act of February 5, 1917 (39 Stat. 880; 8 U. S. C. 144);

S. 1662. A bill to amend subsection (c) of section 19 of the Immigration Act of 1917 and subsection (a) of section 338 of the Nationality Act of 1940; and

S. 1663. A bill to amend title 18 of the United States Code extending provisions of the Liquor Enforcement Act of 1936; to the Committee on the Judiciary.

(See the remarks of Mr. O'CONOR when he introduced the above bills, which appear under a separate heading.)

By Mr. YOUNG:

S. 1664. A bill for the relief of permittees living on Indian lands, Garrison Dam and Reservoir projects, North Dakota, and others; to the Committee on the Judiciary.

(See the remarks of Mr. YOUNG when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT:

S. 1665. A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), cheese, and rice and rice products; to the Committee on Banking and Currency.

By Mr. LANGER:

S. 1666. A bill for the relief of Shofor Ullah, Ali Moqbul, Tafazzul Miah, Usman Miah, and Maswood B. Chowdhury; and

S. 1667. A bill for the relief of Pino Shaar; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 1668. A bill for the relief of Pansy E. Pendergrass; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 1669. A bill to amend the War Claims Act of 1948, as amended, with respect to payments for the benefit of persons under legal disability; to the Committee on the Judiciary.

By Mr. WILEY:

S. 1670. A bill to amend section 218 (d) of the Social Security Act so as to permit the coverage under the old-age and survivors insurance program of State employees covered under a State retirement system, if the State by which such retirement system was established had in effect on January 1, 1950, a statute providing for making such retirement system supplementary to the old-age and survivors insurance system; to the Committee on Finance.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 1671. A bill for the relief of Fireman's Fund Insurance Co.; and

S. 1672. A bill for the relief of Fireman's Fund Insurance Co.; to the Committee on the Judiciary.

By Mr. RUSSELL (by request):

S. 1673. A bill to authorize and direct the Administrator of General Services to transfer to the Department of the Air Force certain property in the State of Mississippi; to the Committee on Expenditures in the Executive Departments.

By Mr. MAGNUSON (by request):

S. 1674. A bill to give owners of certain special-purpose vessels purchased or requisitioned by the United States an opportunity to reacquire such vessels when they are no longer needed by the United States; to the Committee on Interstate and Foreign Commerce.

S. 1675. A bill for the relief of Linda Fisher Greenwald; and

S. 1676. A bill for the relief of Helen Sadako Yamamoto; to the Committee on the Judiciary.

By Mr. HENDRICKSON:

S. 1677. A bill for the relief of Vincent F. Leslie; to the Committee on the Judiciary.

By Mr. BUTLER of Nebraska:

S. 1678. A bill to provide for segregation of the interests of individual members of the various Indian tribes in funds deposited in the Treasury to the credit of such tribes; to the Committee on Interior and Insular Affairs.

ORGANIZED CRIME IN INTERSTATE COMMERCE

Mr. O'CONOR. Mr. President, on behalf of all five members of the Special Committee To Investigate Organized Crime, the Senator from Tennessee [Mr. KEFAUVER], the Senator from Wyoming [Mr. HUNT], the Senator from New Hampshire [Mr. TOBEY], the Senator from Wisconsin [Mr. WILEY], and myself, I introduce for appropriate reference four bills which carry out the recommendations previously submitted unanimously by the committee. I ask unanimous consent that a statement by me explaining the bills be printed in the RECORD.

The VICE PRESIDENT. The bills will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bills introduced by Mr. O'CONOR (for himself and other Senators) were severally read twice by their titles, and referred, as indicated:

S. 1660. A bill to require certain individuals receiving income from unlawful sources to furnish information with respect to their net worth in connection with their income-tax returns; to the Committee on Finance.

S. 1661. A bill to clarify the provisions of section 8 of the Immigration Act of February 5, 1917 (39 Stat. 880; 8 U. S. C. 144);

S. 1662. A bill to amend subsection (c) of section 19 of the Immigration Act of 1917 and subsection (a) of section 338 of the Nationality Act of 1940; and

S. 1663. A bill to amend title 18 of the United States Code extending provisions of the Liquor Enforcement Act of 1936; to the Committee on the Judiciary.

The statement presented by Mr. O'CONOR is as follows:

STATEMENT BY SENATOR O'CONOR

One of the bills would require every individual who has received an income of $2,500 or more per year from any unlawful

activity to file a declaration of his net worth together with his regular income-tax return.

It has been repeatedly pointed out to the committee in its hearings and investigations that one of the measures of participation in illegal activities, both in determining tax liability and in establishing criminal guilt, is the extent to which an individual's net worth may suddenly increase without legitimate explanation. The committee feels that it is a reasonable extension of the Federal Government's power to protect its revenues to require the submission of the net worth statement, as provided in this proposed enactment.

This provision, together with S. 1529 previously introduced requiring gambling establishments to keep detailed records, and S. 1531 also introduced compelling the preservation of records, would give both tax collectors and other law-enforcement officers additional information relating to persons who are now defying the law in accumulating wealth from unlawful activities.

The second bill is aimed at an obvious weakness in the immigration laws, namely, that it is not presently an offenre to smuggle or conceal aliens who are not entitled to enter the United States. This has seriously impeded the efforts of the Fedcral immigration service and has encouraged open defiance of the immigration laws. The proposed bill would make such smuggling or concealment a felony.

The third bill also would extend the Federal power to deal with undesirable aliens. There is at present no way to reach the case of an alien who has secured a suspension of his deportation proceeding, in the event that new evidence, discovered thereafter, seems to warrant a reconsideration of deportation. This proposed bill would authorize the Attorney General to cancel such a suspension and reopen the case of any alien on the basis of such evidence at any time during a period of 5 years after such suspension.

The fourth would close a gap in the existing laws relating to the transportation of intoxicating liquor. The Liquor Enforcement Act of 1936 restricts the transportation of liquor into or through any State which is totally dry under its own laws, but does not reach such transportation with respect to the so-called local option States. Since flourishing bootlegging operations have sometimes grown up in connection with this type of operation, the proposed change would include them in the restrictive provisions of this general law.

RELIEF OF CERTAIN PERMITTEES ON INDIAN LANDS, GARRISON DAM AND RESERVOIR PROJECT, NORTH DAKOTA

Mr. YOUNG. Mr. President, I introduce for appropriate reference a bill for the relief of permittees living on Indian lands, Garrison Dam and Reservoir project, North Dakota, and others, and I ask unanimous consent that an explanatory statement of the bill by me be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 1664) for the relief of permittees living on Indian lands, Garrison Dam and Reservoir project, North Dakota, and others, introduced by Mr. YOUNG, was read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. YOUNG is as follows:

STATEMENT BY SENATOR YOUNG

In connection with the Garrison Dam and Reservoir project now under construction in North Dakota by the Corps of Army Engineers, two villages, Sanish and Van Hook, will necessarily be relocated. Plans are progressing satisfactorily for the establishment of a single townsite for the inhabitants of these two communities at a location which has already been selected.

Under existing authority, those who actually own real property within the two villages will be compensated for the loss of their lands, and will thus be enabled financially to establish themselves in homes at the new townsite.

Within the two villages, a number of persons have constructed homes upon Indian lands. They do not have the legal title to the real estate—but they occupy it as permittees. Some 42 homes in the two places fall within this category. The actual cash value of these lots, or of comparable lots in the two towns, would be practically nil. I would say that the range in value would be from $10 to $150 per lot.

In nearly every instance the reason why legal ownership remained with the Indians is because they refused to sell the lots at any price. Generally, these home owners classed as permittees are people of modest means, and their forced move to a new location will constitute a real hardship at best.

Unfortunately, under existing law there is no provision whereby these residents may be compensated for the improvements they have constructed, since they are permittees and not owners within the contemplation of the statute.

Thus, it will be observed, a part of the inhabitants will be satisfactorily compensated, while others, whose equity is just as great, will not be. Their claim for compensation should not, in all fairness, be denied them simply because they do not own a lot—which might be worth only $10.

Similarly, there are a few business installations in the two locations which have constructed improvements upon lands leased from the railroad. According to a recent decision by the Comptroller General of the United States, they fall within a class which may not be compensated for their improvements, since they are lessees only. These businesses, and they are few in number, are situated upon lands owned by the railroad company and leased for a long term for purposes of construction and occupancy. It is well nigh a universal and general practice for railroads to retain the legal title to such property, and they will not sell it under any circumstances. As in the case of the permittees on Indian lands, these lessees do not own the real estate, but nevertheless their losses will be substantial because of the improvements they have constructed.

The measure I have today introduced will authorize and direct the Secretary of the Treasury to compensate these two classes for the very real losses they would otherwise sustain on their improvements.

AMENDMENT OF SOCIAL-SECURITY LAW

Mr. WILEY. Mr. President, I introduce for appropriate reference a bill to amend the social-security law so as to permit the integration of the Wisconsin retirement fund with the Federal social-security system. I ask unanimous consent that the bill, together with a statement by me and a joint resolution of the Legislature of the State of Wisconsin, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill, statement, and joint resolution will be printed in the RECORD.

The bill (S. 1670) to amend section 218 (d) of the Social Security Act so as to permit the coverage under the old-age and survivors insurance program of State employees covered under a State retirement system, if the State by which such retirement system was established had in effect on January 1, 1950, a statute providing for making such retirement system supplementary to the old-age and survivors insurance system, introduced by Mr. WILEY, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 218 (d) of the Social Security Act (relating to exclusion of certain positions from voluntary agreements for coverage of State employees under the old-age and survivors insurance program) is amended to read as follows:

"EXCLUSION OF POSITIONS COVERED BY RETIREMENT SYSTEMS

"(d) No agreement with any State may be made applicable (either in the original agreement or by any modification thereof) to any service performed by employees as members of any coverage group in positions covered by a retirement system on the date such agreement is made applicable to such coverage group unless the State or political subdivision by which such retirement system was established had in effect on January 1, 1950, a statute, ordinance, or other legislative act providing for making such retirement system supplementary to the insurance system established by this title."

The statement by Mr. WILEY is as follows:

STATEMENT BY SENATOR WILEY

My action today in introducing this integration bill is a renewal of an effort which was made during the Eighty-first Congress when I attempted to secure an amendment to H. R. 6000, the omnibus social-security bill. On June 19, 1950, I offered an amendment, as recorded in CONGRESSIONAL RECORD, volume 96, part 7, page 8796.

WISCONSIN CONSTITUTION PROVIDES FOR INTEGRATION

I pointed out throughout the consideration of the amendment that by no stretch of the imagination could it be construed that my amendment would harm teachers, policemen, firemen, or other municipal employees or groups in other States which preferred to remain outside the social-security system. By way of contrast, the thousands of individuals already covered under the Wisconsin retirement fund wanted then, and want now, to get in under the social-security system, and I feel that they have that elementary right. Wisconsin is the only State of the Union whose constitution provides for integration of the State retirement fund with the Federal system, if Uncle Sam will permit.

FEDERAL COVERAGE, THEN INTEGRATION POSSIBLE

Thus, we have an ironic situation wherein scores of far-sighted Wisconsin municipalities accordingly brought in their employees under the modest State pension system. Over 30,000 individuals are now under the Wisconsin retirement fund. But now these far-sighted municipalities cannot have their workers covered by the Federal system, whereas other municipalities which lagged

in setting up a pension system and which did not plan for it up until after the recent liberalization by the Congress—those other municipalities can have their employees covered under the Federal system and can then include them under the State fund. It seems to me that under this sort of arrangement we are punishing enterprise and vision instead of rewarding enterprise and vision. We are descriminating against innocent workers, their wives, and other dependents. I want to point out that 2 out of 3 individuals past the age of 65 and covered under the State retirement fund have not retired. Why? Largely because pensions are too modest and individuals can barely keep body and soul together on them.

I am, indeed, hoping that the Senate Finance Committee and the House Ways and Means Committee will heed this appeal because I think that it is in the best interests of the workers themselves, of their local and State governments, and of the public interest as a whole. No one will be harmed by the integration proposal; over 30,000 people will be helped.

The joint resolution of the Legislature of the State of Wisconsin is as follows:

Joint resolution memorializing the Congress of the United States to amend the Social Security Act to permit the integration of the Wisconsin retirement fund therewith

Whereas the State of Wisconsin and all participating municipalities under the Wisconsin retirement fund have been its inception been committed to the integration of that retirement plan with the Federal old-age and survivors insurance system; and

Whereas the Wisconsin retirement fund cannot be fully effective without such integration since the State plan was formulated so as to dovetail with the Federal system, and such integration would be automatic when Congress removes the existing prohibition against integration; and

Whereas it is absurd that 33 counties, 86 cities, 351 villages, 1,288 towns, and approximately 600 school districts can under the Federal law first come under the Federal system and then subsequently act to be included under the Wisconsin retirement fund, while 37 counties, 77 cities, 15 villages, 1 town, and 29 school districts which have already acted in good faith to be included under the Wisconsin retirement fund are denied the benefits of such integration; and

Whereas public employees under the Wisconsin retirement fund favor such integration because there would be a substantial increase in benefits for the public employees as annuitants, for their wives, and for their dependent children in case of death before retirement; and

Whereas under section 66.903 (2) (f) of the Wisconsin statutes such integration and the increased benefits could be achieved without any material change in cost either to the employees or the employing governmental units; and

Whereas the taxpayers of Wisconsin and the public employees concerned are now as Federal taxpayers required by Federal law to underwrite the ultimate cost of this Federal program and therefore it is unreasonable to pay for the same benefits for public employees in Wisconsin by increasing the cost of the State system; and

Whereas such protection would be especially valuable for persons with a short span of public employment who would receive only modest benefits under the State system; and

Whereas it is discriminatory to deny to the State of Wisconsin the right to make its retirement plan supplementary to the Federal old-age and survivors insurance system when business and industry have been able to do this for those in private employment: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Wisconsin Legislature respectfully requests the United States Congress to amend the Social Security Act by repealing the discriminatory provision now contained in section 218 (d). Be it further

Resolved, That a copy of this resolution be transmitted to each House of Congress and to each Wisconsin Member thereof.

ORA R. RICE,
Speaker of the Assembly.
ARTHUR L. MAY,
Chief Clerk of the Assembly.
GEORGE M. SMITH,
President of the Senate.
THOMAS M. DONAHUE,
Chief Clerk of the Senate.

PRINTING OF ADDITIONAL COPIES OF REPORT OF JOINT COMMITTEE ON ECONOMIC REPORT

Mr. O'MAHONEY submitted the following resolution (S. Res. 157), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed 2,000 additional copies of Senate Report 210, current session, the report of the Joint Committee on the Economic Report on the January 1951 Economic Report of the President, for the use of said joint committee.

AMENDMENT OF DEFENSE PRODUCTION ACT OF 1950—AMENDMENTS RELATING TO RENT CONTROL

Mr. LEHMAN. Mr. President, I submit for appropriate reference amendments intended to be proposed by me to the rent-control features of the bill (S. 1397) to amend the Defense Production Act of 1950, and for other purposes, and I ask unanimous consent that I may make a brief statement in connection with the amendments.

The VICE PRESIDENT. The amendments will be received, printed, and referred to the Committee on Banking and Currency, and, without objection, the Senator from New York may proceed.

Mr. LEHMAN. Mr. President, these are simple amendments which would make it illegal for a landlord to deny the rental of housing accommodations to any applicant solely on the ground that the applicant has children.

I think these are most vital amendments, most vital provisions for any rent-control bill that is enacted by the Congress.

I have heard with growing distress the many recitals of difficulties encountered by people with children seeking to find adequate rental accommodations.

Advertisements for "accommodations wanted," are almost piteous in any daily newspaper in their pleas on behalf of families with children. An increasing number of dwelling owners and landlords have been refusing to rent their accommodations to families with children.

In a time of housing shortage, in a time when there is a landlords' market, it is an obligation of Government, insofar as it regulates housing and rentals, to provide also that there shall be no discrimination in housing against families with children.

It goes without saying that this attitude on the part of landlords is antisocial, even if it is understandable from their own viewpoint—from the viewpoint of the preservation of their properties from wear and tear.

If the Government is going to control rents, if the Government is going to prevent evictions, the Government should certainly exercise its authority to prevent the denial of housing on account of children.

I understand that the Committee on Banking and Currency is now considering in executive session the Defense Production Act and, within a few days, will begin consideration of the rent-control features of that act. I hope that the committee will give sympathetic and favorable consideration to the amendments.

I serve notice that I shall submit the amendments on the floor if the committee is unable, through lack of time, to give consideration to these simple proposals now.

Provision taking care of this situation was a major feature of the rent-control bill I introduced last year. This particular feature received sympathetic support in many quarters. I hope that it will become part of the law this year. My amendments provide a penalty for any person who willfully violates its provisions.

This is not a new or revolutionary concept with regard to housing legislation. The Banking and Currency Committee has on many occasions in the past recommended such provisions in other housing legislation and the Senate has approved those recommendations.

On the basis of these precedents and the reasons of substance I have referred to I hope that the Senate will approve this proposal and include this basic charter of antidiscrimination against children in the Defense Production Act of 1951. If there is any provision that is vital to the social health of this country, this is one of them.

HOUSE BILL REFERRED

The bill (H. R. 3716) to authorize an exchange of lands in Pueblo County, Colo., was read twice by its title, and referred to the Committee on Agriculture and Forestry.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. BYRD:

An address delivered by him in Richmond, Va., on June 12, 1951, on the occasion of the unveiling of a mural commemorating the one hundred and seventy-fifth anniversary of the adoption of the Virginia Declaration of Rights.

By Mr. KNOWLAND:

A commencement address on the subject, The Far East and Its Impact Upon American Foreign Policy, delivered by him at Mills College, Oakland, Calif., June 10, 1951.

By Mr. WHERRY:

Memorial Day sermon by Rabbi David Lefkowitz, national chaplain of the American

Legion, at Forest Lawn Cemetery, Omaha, Nebr., May 30, 1951.

By Mr. MORSE:

Article entitled "Manufacturer Denies Link to China Lobby," published in the New York Herald Tribune of June 12, 1951.

Resolutions adopted by the Western Association of State Game and Fish Commissioners.

By Mr. THYE:

Article entitled "Beef Industry Sees Rationing Threat in Price Roll-Back," written by Nat S. Finney and published in the Minneapolis Star of June 8, 1951.

OPERATING COSTS AND PROFITS IN THE CANNING INDUSTRY, 1946–50

Mr. ELLENDER. Mr. President, the Committee on Agriculture and Forestry has recently completed a study of Operating Costs and Profits in the Canning Industry, 1946–50. I ask unanimous consent that there be printed in the body of the RECORD, following my remarks, the findings of the committee.

There being no objection, the findings were ordered to be printed in the RECORD, as follows:

OPERATING COSTS AND PROFITS IN THE CANNING INDUSTRY, 1946–50

SUMMARY

The Senate Committee on Agriculture and Forestry under the leadership of Chairman ELLENDER, has just completed an analysis of operating costs and profits of a representative group of fruit- and vegetable-canning companies for the years 1946 to date.

Payments to producers for raw products canned represent less than 40 percent of the sales value of the canned products. Containers, cases, and labels cost almost as much as the materials canned in some of the recent years.

Profits on invested capital (after taxes) reached the extraordinarily high level of 35 percent the first year after price controls were removed, but losses were more common than profits in both the 1948 and 1949 canning operations. Increased demand in recent months has resulted in substantial profits again in the 1950 canning operations.

Labor costs are around 17 to 20 percent of total canning costs and have not increased in relation to other costs in recent years.

Distribution and selling costs represent approximately 10 percent of the sales dollar and do not show any distinct trend.

PROFITS ON INVESTED CAPITAL

Fluctuations in the yield of canning crops and in consumer demand cause profits in the fruit- and vegetable-canning industry to vary widely from year to year. The year beginning with the harvest of the 1946 crop was the best year on record for the canning industry as a whole. Yields of canning crops were almost uniformly above average. They had been contracted under the prevailing price ceilings. Removal of price ceilings and rationing in the summer and early fall of 1946 resulted in an unusually favorable demand situation.

Profit before taxes for a representative sample of 25 canners was 57.7 percent on the invested capital in 1946–47. After taxes, the remaining profit was 34.9 percent. The year 1947–48 was also highly profitable for the canning industry, but losses were experienced in each of the next 2 years, 1948–49 and 1949–50. The year just closed, 1950–51, was again profitable for the canners. Data from another sample, discussed in the closing paragraphs, indicate that profits per dollar of sales were higher than in 1947–48, although information on profits on invested capital is not available at this time.

The annual profits for the 25 companies, 1946–49, were as follows:

Year	Profits on invested capital	
	Before taxes	After taxes
	Percent	*Percent*
1946–47	57.7	34.9
1947–48	24.6	15.1
1948–49 (loss)	−1.1	−3.4
1949–50 (loss)	−9.5	−9.6

RAW PRODUCTS VERSUS CONTAINER COSTS

Canners of vegetables pay over three-fourths as much for the containers, cases, and labels used on the cans as they pay for the raw products for canning. Canners of fruits pay around half as much for the containers, cases, and labels as they pay for the fresh fruit canned. The annual figures are as follows:

Year	Cost of containers, cases, and labels as a percentage of raw product costs	
	Vegetable canners	Fruit canners [1]
	Percent	*Percent*
1946–47	75	37
1947–48	79	51
1948–49	75	49
1949–50	97	74
1950–51	78	53

[1] Some vegetables canned.

RAW PRODUCT, LABOR, AND OTHER COSTS

When labor and other manufacturing expenses are added to the container costs, they make up around two-thirds of the total cost of canned vegetables. The vegetables purchased for canning represent roughly a third of the total cost of manufacture. Although these percentages varied from year to year, no distinct trend is evident in recent years.

Year	Canned-vegetable costs			
	Raw material	Labor	Containers and all other	Total
	Percent	*Percent*	*Percent*	*Percent*
1946–47	36	22	42	100
1947–48	33	24	43	100
1948–49	38	20	42	100
1949–50	33	20	47	100
1950–51	37	19	44	100

A similar analysis of the costs of manufacture as reported by companies which canned mostly fruits indicates the following:

Year	Canned-fruits costs (including some vegetables)			
	Raw material	Labor	Containers and all other	Total
	Percent	*Percent*	*Percent*	*Percent*
1946–47	49	20	31	100
1947–48	41	21	38	100
1948–49	44	19	37	100
1949–50	36	20	44	100
1950–51	43	18	39	100

ADMINISTRATIVE AND DISTRIBUTION COSTS

Canners of vegetables and fruits spend around 10 percent of their sales dollar for brokerage and discounts, administration, and other selling expenses. The detailed figures for the years 1946–50 are as follows:

Administrative and distribution costs as a percentage of total sales

Year:	*Percent*
1946–47	9
1947–48	10
1948–49	10
1949–50	12
1950–51	10

COSTS AND PROFITS AS A PERCENTAGE OF SALES

A summary of the costs and profits for 24 companies (a different sample from those reporting profits on invested capital) indicates the following:

	Costs and profits as a percentage of sales				
	1946–47	1947–48	1948–49	1949–50	1950–51
Cost of operations:	*Pct.*	*Pct.*	*Pct.*	*Pct.*	*Pct.*
Raw products	37	33	37	31	34
Labor	18	20	19	20	17
All other	32	40	41	48	39
Total	87	93	97	99	90
Net income before taxes	13	7	3	1	10
Provision for income tax	5	3	1	1	5
Net profit after tax	8	4	2	0	5
Cases sold as a percentage of cases packed	98	97	89	98	113

CONTRACT PRICES FOR THE 1951 SEASON

In line with other increases in prices, canners' 1951 contracts with producers provide for substantially higher prices than those prevailing in 1950. There is shown below the United States average price for 1950 as reported by the Bureau of Agricultural Economics and the range in increases reported in 1951 contract prices in different sections of the United States, as reported to the National Canners Association:

	United States average price, 1950 (dollars per ton)	Range in increase in 1951 contract prices in specific geographic areas
Tomatoes for processing	$25.00	20 to 35 percent.
Green peas for processing	81.90	12 to 25 percent.
Sweet corn for processing	17.60	24 to 40 percent.
Snap beans for processing	104.00	8 to 12 percent.
Green lima beans for processing.	133.00	12 to 13 percent.

MARKETING CHARGES ON CANNED FRUITS AND VEGETABLES, 1949–50

The Bureau of Agricultural Economics has just completed an analysis of the marketing charges for seven fruits and vegetables during the 1949–50 season. They found that the returns to the growers for producing the fruit and vegetables for canning amounted to approximately the same percentage of the consumer's dollar as the retailer's margin. Farmers received from 16 to 24 percent of the consumer's dollar.

Production and marketing charges as a percentage of the retail price of canned fruits and vegetables, 1949–50 season [1]

	Cling peaches	Freestone peaches	Bartlett pears	Green beans	Sweet corn	Green peas	Tomatoes
Return to producer of raw product	*Pct.* 18	*Pct.* 16	*Pct.* 18	*Pct.* 25	*Pct.* 20	*Pct.* 24	*Pct.* 24
Cost of processing:							
Containers and supplies	22	20	18	14	19	18	18
Direct labor	8	13	10	6	7	5	8
Selling and administration	7	7	6	7	11	9	8
Other costs	12	10	11	9	13	13	13
Processor's profits [2]	−4	1	2	6	−3	2	2
Total processing	45	51	47	42	47	47	49
Transportation	13	10	10	5	5	5	5
Wholesale margin	5	6	7	7	6	6	3
Retail margin	19	17	18	21	22	18	19
Total	100	100	100	100	100	100	100

[1] From the Marketing and Transportation Situation, BAE, May 1951, table 5.

[2] Before payment of income taxes.

MARKETING CHARGES ON FROZEN FRUITS AND VEGETABLES

Similar data were compiled by the Bureau of Agricultural Economics on frozen fruits and vegetables. They indicate that farm producers received from 8 to 29 percent of the consumer's dollar spent for the frozen fruits and vegetables selected for study.

Production and marketing charges as a percentage of the retail price of frozen fruits and vegetables, 1949–50 [1]

	Peaches	Strawberries	Baby lima beans	Peas
	Pct.	Pct.	Pct.	Pct.
Returns to producer of raw product	8	29	21	21
Cost of processing:				
Containers and supplies	17	10	5	8
Direct labor	12	5	7	5
Selling and administration	6	7	6	7
Other costs	15	9	16	17
Processor's profits [2]	5	8	9	6
Total processing	54	39	43	43
Transportation	7	4	3	5
Wholesale margin	9	9	12	10
Retail margin	21	19	21	21
Total	100	100	100	100

[1] From The Marketing and Transportation Situation, BAE, May 1951, table 6.
[2] Before payment of income taxes.

THE CENTRAL ARIZONA PROJECT

Mr. KNOWLAND. Mr. President, on April 6, I addressed a letter to Hon. Oscar L. Chapman, Secretary of the Interior, asking him for certain information relative to Senate bill 75, which was then on the Senate Calendar. That bill relates to the central Arizona project.

On the 16th of April I received an acknowledgment saying that the information I was requesting was being assembled. It dealt with the amount of payments by the irrigators because of the irrigation features of the project.

The bill was voted upon on June 5. On June 6, I received the information from the Secretary of the Interior. I think the Senate will be interested in it, and I ask unanimous consent to have the correspondence printed in the RECORD at this point, as a part of my remarks.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

APRIL 6, 1951.

Hon. OSCAR L. CHAPMAN,
Secretary of Interior,
Department of Interior
Washington, D. C.

DEAR MR. SECRETARY: Senate debates on S. 75 are expected to begin April 11, 1951. In preparation for these debates, may I have your answer to a question as follows: What percentage of the amount allocated to irrigation is payable by the irrigators on each Federal reclamation project?

Your courtesy in an early reply will be appreciated.

Sincerely yours,
WILLIAM F. KNOWLAND.

UNITED STATES,
DEPARTMENT OF THE INTERIOR,
Washington, D. C., April 16, 1951.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

MY DEAR SENATOR KNOWLAND: Your letter of April 6, 1951 asked about what percentage of the amount of costs allocated to irrigation is payable by the irrigators for Federal reclamation projects.

This information is being assembled, and will be forwarded to you as soon as possible.

Sincerely yours,
WILLIAM E. WARNE,
Assistant Secretary of the Interior.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
Washington, D. C., June 6, 1951.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

MY DEAR SENATOR KNOWLAND: In further reply to your letter of April 6, 1951, I am pleased to provide you with information on the estimated proportion of costs allocated to irrigation payable by irrigators on Federal reclamation projects. Estimates are used because, in most cases, cost allocations for those reclamation projects undertaken before 1939 were not required, except in the case of a few projects specifically authorized by the Congress. Furthermore, final cost allocations for projects governed by the Reclamation Project Act of 1939 cannot be established until after project construction has been completed, all costs have been incurred, and payment arrangements have been established.

Reclamation projects fall generally into three categories with respect to irrigation reimbursement. The first and largest group includes those projects where all of the construction cost of the project, or all of the irrigation cost allocation, is payable by the irrigators. The second group includes those projects where the extent of irrigation reimbursability is limited by special acts of the Congress. The final group includes a smaller list of projects where irrigation reimbursement is aided through the use of other net project revenues—principally power revenues and municipal and industrial water revenues—in providing for the payment of the costs allocated to irrigation.

Regarding the first group, with the inauguration in 1902 of the Federal reclamation program, Congress authorized the Secretary of the Interior to proceed with the construction of irrigation projects, after the Secretary determined that a project was practicable, and that the estimated cost of construction could be returned to the United States by the irrigation water users in not exceeding 10 annual installments. In other words, the irrigators were required to bear the full cost of project construction even though there were often other benefits, such as flood control, resulting from project construction. Later the Congress raised the maximum pay-out period to 20 years in 1914 and to 40 years in 1926. In addition to authorization of projects by finding of feasibility by the Secretary of the Interior, and, at one time, by the President, other reclamation projects were authorized by specific Federal legislation. Then certain reimbursability cost adjustments for specified irrigation projects were authorized by special acts of the Congress, as, for example, the Omnibus Adjustment Act of 1926. In the following tabulation the congressionally approved cost adjustment is taken into account in estimating the percentage of reimbursement by irrigation.

Projects where it is estimated that all of the construction cost, or the total cost as adjusted by the Congress, or the total irrigation cost allocation, is fully payable by the irrigators, are as follows (this list also includes projects authorized under the Reclamation Project Act of 1939, where it is estimated that irrigation users will pay the full cost of irrigation works): All-American Canal, Arnold, Baker, Belle Fourche, Bitter Root, Burnt River, Cachuma, Carlsbad, Deschutes, Fort Sumner, Frenchtown, Fruitgrowers Dam, Gila, Grand Valley, Grants Pass, Humboldt, Huntley, Hyrum, Klamath, Lower Yellowstone, Milk River, Moon Lake, Newlands, North Platte, Ochoco, Ogden River, Okanogan, Orland, Owyhee, Paonia, Pine River, Preston Bench, Provo River, Rapid Valley, Salt River, San Luis Valley, Sanpete, Strawberry Valley, Sun River, Truckee Storage, Umatilla, Uncompahgre, Vale, Vermejo, Weber River, Yuma, Yuma Auxiliary.

Logically, the All-American Canal could be omitted from this group, as the irrigation contractors pay nothing toward the construction cost of storage facilities such as provided by Hoover Dam.

The second group of projects include those where the extent of irrigation reimbursability is affected by the special provisions of the Water Conservation and Utilization Act of 1939, and by other special legislation. During the period 1933 to 1940, Congress appropriated large sums for public works throughout the United States. Reclamation projects were among the public works initiated under the authority vested in the President for the expenditure of relief funds. Furthermore, another outgrowth of the depression years was the effort of Congress to provide through reclamation for distressed conditions in the western plains and Mountain States affected by the extreme drought of the mid-1930's. The Conservation and Utilization Project Act of August 11, 1939, authorized the construction of projects on the basis of joint findings of feasibility by the Secretary of Agriculture and the Secretary of the Interior and approved by the President. The act provided originally for reimbursable appropriations combined with nonreimbursable participation by the Works Progress Administration and the Civilian Conservation Corps, thereby making projects with a high total cost per acre feasible, provided sufficient relief labor could be made available to hold the reimbursable portion to a reasonable amount. This act ordinarily would have expired with termination of the WPA and CCC at the beginning of World War II. Congress, by the act of July 16, 1943, modified the original law to permit the completion of water conservation and utility projects which could show a general benefit to the war effort.

Projects in this second category of partial irrigation reimbursability, but without reimbursement aid from other project revenues, and the proportion of the irrigation cost payable by the irrigators, are as follows:

	Percent
W. C. Austin	19
Balmorhea	58
Buffalo Rapids	30
Buford-Trenton	58
Eden	23
Intake	50
Kendrick	17
Mancos	23
Mirage Flats	27
Missoula Valley	16
Newton	49
Rathdrum Prairie	64
Scofield	26
Tucumcari	34

All of the projects in the second group, except W. C. Austin, Kendrick, and Tucumcari, were WCU projects. Other legislation established the extent of irrigation reimbursement for the latter three projects.

The third group of reclamation projects include those where the payment of the costs allocated to irrigation is aided by the application of other net project revenues, such as those from power and municipal water, to the return of irrigation construction costs. This list includes, in addition to several projects authorized by special legislation, those projects for which cost allocations are governed by the provisions of the Reclamation Project Act of 1939. This latter act was the first general legislation authorizing cost allocations for reclamation projects; for the first time it brought into reclamation law the concept that benefits from reclamation projects were more than

local in scope, and benefits that were national in character should not be a burden on the beneficiaries of reclamation projects.

Projects where the return of the costs allocated to irrigation is aided from other project revenues, and the percentage of payments estimated to be made by irrigators, include the following:

	Percent
Boise	70
Central Valley	68
Colorado-Big Thompson	28
Columbia Basin	26
Minidoka	99
Missouri River Basin	35
Rio Grande	74
Riverton	99
Shoshone	95
Weber Basin	74
Yakima	85

Information on the recently authorized Middle Rio Grande, Palisades, and Solano projects is in process of analysis and can be supplied at a later date when the cost allocations have been formalized. Information on the Yakima project does not include the Kennewick and Roza divisions, and not all of the Folsom Reservoir cost and payments are included in the Central Valley project data. You will understand, of course, that the data for the Missouri River basin apply to the basin as a whole, whereas the proportion of reimbursability by individual units of the project is expected to vary considerably around this average.

Thank you very much for this opportunity of providing you with this information.

Sincerely yours,

OSCAR L. CHAPMAN,
Secretary of the Interior.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from New Mexico [Mr. CHAVEZ] to suspend the rule.

Mr. FERGUSON. Mr. President, I should like to ask a question of the distinguished Senator from New Mexico. I notice that an error has crept into the wording of the bill. It was not the intention of the Committee on Appropriations, or the subcommittee, nor of the Senator from Michigan or the Senator from New Mexico or any Senator, that Freedmen's Hospital should be included in the cut.

Mr. CHAVEZ. That is correct.

Mr. FERGUSON. I wanted to ask the Senator from New Mexico to ask unanimous consent—or the Senator from Michigan will make the request—that that limitation be stricken from the bill.

Mr. CHAVEZ. Mr. President, in order to put the matter before the Senate, I will say that through inadvertence a limitation was included in the bill, as shown on page 13, line 8, as follows: "of which not more than $2,053,786 shall be available for personal services." I ask unanimous consent that that limitation be stricken, inasmuch as it was included through an error, and in direct contravention of the committee action.

The VICE PRESIDENT. Is there objection? The Chair hears none, and without objection, the correction will be made.

Mr. CHAVEZ. Mr. President, when the Senate recessed on yesterday we were discussing the amendment submitted by the Senator from New Mexico with reference to the construction of housing units at the medical center. This morning the Senator from New Mexico received a letter from Assistant Surgeon General W. H. Sebrell, Jr., the Director of the National Institutes of Health, with reference to that particular amendment. The subject was thoroughly discussed by the Senator from Maryland [Mr. BUTLER] and by the Senator from New Mexico. I should like to have Senators who are interested in this amendment listen to this letter:

JUNE 13, 1951.

DEAR SENATOR CHAVEZ: At the request of your subcommittee on appropriations of the Senate, we are submitting the following information concerning certain aspects of housing for key emergency personnel required for operation of the clinical center of the National Institutes of Health.

1. Costs—

I believe the Senator from Maryland [Mr. BUTLER] inquired as to costs.

Estimates were made and submitted May 16, 1951, on the costs of Government operation of the 60 units, which had been provided in fiscal 1951 appropriations. These were $58,000 per annum and included utilities, and direct expense for operation, maintenance, and repair of structures and equipment. When this figure for 60 units is projected to include 250 units, it becomes $241,000—

Which the Government would have to spend on the upkeep of the structures if the Government were to build them.

Also, for the 250 units, there are additional requirements of $33,500 for the maintenance and repair of roads and walks, street lighting, and the grounds upkeep, making a total per annum cost of $274,500.

2. Revenue: As income to offset these costs, estimates were made and submitted also on May 16, 1951. These indicated that from 60 units the annual revenue to the Government would be $56,600. When this figure for 60 units is projected to include 250 units, it becomes $236,000.

To the State of Maryland. So in arriving at a conclusion the Senate must decide whether someone should pay taxes to the State of Maryland to the extent of $250,000, or whether the Government should pay for the upkeep.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. CHAVEZ. I will yield as soon as I have finished reading the letter. Continuing:

However, only 95 percent occupancy can be expected on 250 units. Therefore, the net revenue per annum becomes $226,400.

3. The difference between the estimated costs of $274,500 and revenue of $226,400 is $48,100. These figures, according to standard Government practice, do not include annual interest on the capital investment or estimates for depreciation.

4. It is estimated that 250 units would represent a capital investment, if built by private enterprise, of approximately $2,500,000. The county manager of Montgomery County—

The legal, political, and fiscal entity of Montgomery County—

informs us that the tax rate estimated to be applicable here is $2.40 per $100 and that evaluations are about 65 percent of construction costs. When 65 percent of $2,500,000 is taken, it amounts to $1,625,000, to which is applied the tax rate. On this tax base Montgomery County would obtain an annual tax revenue of $39,000. The calculation does not include State tax revenues which would come from net income.

5. The proposed language incorporates those provisions of the Wherry Act (Public Law 211, 81st Cong.) which are applicable to the housing requirements of the Clinical Center.

In other words, within the provisions of the Wherry Act provision could be made applicable to the clinic at Bethesda. Senators should bear in mind that the Senator from New Mexico is not directly interested one way or the other in the Bethesda Center, except from the standpoint of the public welfare and good government. He is not politically or personally interested in the problem.

The term of 99 years for the lease was taken from section 801 (a), which defines the "mortgage" available for insurance under the Wherry Act to mean "a first mortgage on real estate, in fee simple, or on a leasehold (1) under a lease for not less than 99 years which is renewable; or (2) under a lease for a period of not less than 50 years to run from the date the mortgage was executed * * *." Our legal counsel recommended as best for NIH purposes the phrase "not more than 99 years" without the renewable clause of the Wherry Act. In fact, the project—

He is now speaking of the Medical Center—

can be soundly operated and amortized on a 50-year basis if that is preferred.

The provision that the Surgeon General establish terms and conditions for the lease is adapted from section 805 of the Wherry Act, which states: "Whenever the Secretary of the Army, Navy, or Air Force determines that it is desirable to lease real property * * * to effectuate the purposes of this title, the Secretary concerned is authorized to lease such property * * * upon such terms and conditions as in his opinion will best serve the national interest"—

So everything would be kept within proper legal authority.

The extension of the Surgeon General's "terms and conditions" to regulate the private operation of the quarters is similar to section 803, subsection (b) (2), which states that "Notwithstanding the provisions of any other law, preference or priority of opportunity in the occupancy of the mortgaged property for such personnel and their immediate families shall be provided under such regulations and procedures as may be prescribed by the Commissioner."

I call this portion of the letter particularly to the attention of my good friend from Nebraska [Mr. WHERRY], who sponsored the so-called Wherry Act.

The principal feature of the Wherry Act which is not contained in the proposed language is the Government insurance provision to protect the mortgage. After consultation with the Federal Housing Administration and the Bureau of the Budget, we felt confident that the NIH quarters, as a part of a permanent medical research center—

Long ago authorized by the Congress—

may well have less investment risk for a private developer than housing projects at isolated military installations. The language would therefore permit the successful bidder to secure conventional private financing or to apply for mortgage insurance under Federal Housing procedure.

We have been hearing about that for years. We have been hearing about get-

ting back to normalcy and letting American business proceed in the way it has proceeded for many years. That is what we are trying to do by this amendment.

The language would therefore permit the successful bidder—

I do not know who he might be, but he would be in private enterprise. He would be investing his own money. He would be taking a chance, including the chance of being able to rent the property—

to secure conventional private financing or to apply for mortgage insurance under Federal Housing procedure.

What is wrong with that? The successful bidder could go to a bank in Maryland or in Washington and he could say, "I have a legitimate business proposal to build houses at the Medical Center in Bethesda. Do you think it is a good business deal?" In other words, Mr. President, he would take a chance, and the banker would take a chance. Under the law he could also apply for conventional mortgage insurance under the Federal Housing procedure. We passed the law. What is wrong with a builder in Bethesda, in order to carry out the provisions of a law which Congress passed, when building houses which are needed at the Medical Center in Bethesda, to applying for mortgage insurance?

I continue to read from the letter:

In the latter case the standard FHA regulations would be incorporated in the terms and conditions determined by the Surgeon General.

It would not be a one-way affair. It would be in keeping with what I think has been the desire, especially on the other side of the aisle, that we let business take its course.

6. To make the intent of the legislation quite clear, especially to the community, it may be desirable—

We are now talking about the fine citizens of Montgomery County, who live within the area in which the National Institutes of Health are located—

it may be desirable to specify clearly a limitation of "not to exceed 250 units, the occupancy of which shall be limited entirely to the employees of the National Institutes of Health."

Mr. President, my home is 2,000 miles from Montgomery County, Md. However, I know Montgomery County. I know families in Montgomery County. I know teachers in Rockville. I know nurses in Bethesda. Some of the residents there are former citizens of my State, who now live within the area. But they own their own homes, and pay taxes in Montgomery County. The interest of the Senator from New Mexico in this instance is not personal or political. I am trying to perform my duty as chairman of a subcommittee which is investigating the requirements of Federal functions. I say to Senators, "Do not tell me that you want the Government to proceed in a normal way, if you object to a committee recommendation that we let private enterprise in the State of Maryland construct houses at no cost to the American taxpayers anywhere in the country, including Montgomery County, and by which the State of Maryland would collect taxes."

The houses would have to be built anyway.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. CHAVEZ. I will yield in a moment. Millions of dollars of taxpayers' money has been spent to construct the institution. No one would dare say it should not be there. The National Institutes of Health are a creature of the Congress of the United States. I congratulate the State of Maryland and the people of Montgomery County that the Congress of the United States was able to build the institution in Montgomery County.

The Institute is active. It is investigating the heart conditions of millions of people. It is investigating the mental health of millions of people. It is investigating the causes of cancer throughout the country, and endeavoring to find a cure for that dread disease. It is dealing with human beings and with humanity. Congress, in its wisdom, placed the institution in Montgomery County and has appropriated millions of dollars for it. It is continuing to operate. The people who are connected with the institution are entitled to have a place to sleep. They are entitled to be out of the weather. The only question is whether we want to provide for them through a Government appropriation, by taking the money out of the taxpayers' pockets, or letting American businessmen take a chance. The issue is simple. There is no question in my mind about the necessity of constructing the housing.

I will say to my good friend from Nebraska [Mr. WHERRY] that I think he sponsored a very fine law. I believe it is in keeping with what we are all trying to fight for, namely, the American way of life. If Jim Jones, of Bethesda or Baltimore, wants to construct 250 units at Bethesda and take the chance that he will get his money back, what is wrong with letting him do it? Is that not preferable to taking money from the Federal Treasury, a process to which so many have been objecting?

I now yield to my good friend from Maryland.

Mr. BUTLER of Maryland. The junior Senator from Maryland certainly does not object to providing adequate housing at the National Health Institutes at Bethesda. I realize that housing will have to be built. However, directly across the road from the Bethesda Medical Center there are apartment units similar to the ones which are proposed to be built under the Senator's amendment. I should like to ask the Senator from New Mexico whether the State of Maryland receives one penny of taxes from any of the apartment units which are located across the street from the Medical Center?

Mr. CHAVEZ. That is what we are trying to avoid. That is why we are recommending this kind of construction. Out of all the apartment units at the Naval Clinic the State of Maryland does not receive 1 cent in taxes. We are trying to help the State of Maryland get some return from the construction of the buildings.

Mr. BUTLER of Maryland. Is it not correct to say that under existing law the Government of the United States could tax the property at any time it desired to do so, even though it had been built under private auspices?

Mr. CHAVEZ. Mr. President, the Senator from Maryland is not going to argue with me along that line, because I know what it means to have land in the ownership of the Federal Government. Sixty-three percent of all the land of my State is not on the tax rolls of my State. Thirty-seven percent of the land of the State pays for the cost of the State Government. I understand what the Senator from Maryland has in mind. I would not like to see the Federal Government go to Virginia and take eight counties completely off the tax rolls. Nor would I like to see the Federal Government do it in New Mexico or in Maryland. But in order to be consistent, what we are trying to do is to help avoid a similar situation in Montgomery County. We are trying to permit the State of Maryland to collect some taxes from this development.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield further?

Mr. CHAVEZ. I yield.

Mr. BUTLER of Maryland. Is there any compelling reason why the conference committee could not strike out the tax provision? Taxes are not paid in similar situations, so why should we in Maryland be treated differently in that respect?

Mr. CHAVEZ. Do I correctly understand that the Senator from Maryland wishes to have arrangements made so that Maryland will be unable to collect taxes in connection with this development?

Mr. BUTLER of Maryland. No; I do not. I want Maryland to be able to collect taxes, and that is the only inducement to the county authorities to favor this provision. I know the amendment contains a provision in regard to taxes, but there is no reason why the conference committee could not strike it out, and the conference committee probably would.

Mr. CHAVEZ. Mr. President, I want the Senator from Maryland to have the same faith in me that I have in him.

On page 6418 of the RECORD we find the following:

such quarters and facilities to be constructed and operated without regard to local zoning limitations, but to be subject—

That is rather clear language—

for the term of the lease to State and local taxation on the same basis as other property in the community.

If the Senator from Maryland can suggest clearer language than that to carry out that purpose, we shall be glad to accept it.

Mr. BUTLER of Maryland. I am not complaining about the language, but I point out that there are similar housing units within 100 yards of this very location, and from them the government of Maryland collects no taxes. So it is not very likely that the development now

under discussion would continue to pay taxes for any length of time, because it is an integral part of the hospital—just as much a part of the hospital as is the operating room of the hospital.

Mr. CHAVEZ. No; so far as the legal entitites are concerned, they are two separate developments. The development the Senator from Maryland is now discussing is a naval institution, pure and simple. The National Institutes of Health are separate units, created by the Congress for particular purposes. They have nothing to do with taking care of those in the Navy who are sick.

I agree with the Senator from Maryland with regard to the taxation feature. I object just as strenuously as he does to tax exemption, because millions of acres in my State are not on the tax rolls, and I do not like to have the Federal Government take property off the tax rolls in Virginia or in New Mexico or in Prince Georges County or Montgomery County, Md., or any other county, and not make some kind of recompense for it. That is what we are trying to arrange for here; we are trying to place Maryland in the position the Senator from Maryland has in mind.

Mr. O'CONOR. Mr. President, will the Senator from New Mexico yield to me, to permit me to make a statement?

Mr. CHAVEZ. I yield.

Mr. O'CONOR. First, I desire to express to the senior Senator from New Mexico our appreciation of his forthrightness and his very commendable attitude. I know full well that the Senator from New Mexico is almost as much a part of the State of Maryland as are the citizens of Maryland who vote there and claim Maryland as their residence.

Mr. CHAVEZ. I love the Free State.

Mr. O'CONOR. I say that because over a period of many years the Senator from New Mexico has, either directly or indirectly, been associated with Maryland in one way or another, and has been most welcome there. He is highly regarded by the citizens of the State; and I know full well that in connection with this matter he has the interests of the State of Maryland just as much at heart as do we who have been elected from that State.

There are several aspects of this matter to which I should like to address myself, if I may have the permission of the Senator from New Mexico to do so.

Mr. CHAVEZ. I am glad to yield for that purpose.

The VICE PRESIDENT. Without objection, the Senator from Maryland may proceed.

Mr. O'CONOR. Mr. President, in making this brief statement, I wish to say first that I associate myself with the position taken yesterday in the Senate by the junior Senator from Maryland [Mr. BUTLER]. I am familiar with what he has stated, and I am in full accord with the views he expresses, because I feel that an overriding consideration in connection with this entire matter is the effect on the interests of the property owners and citizens of that very enterprising community. As the Senator from New Mexico well knows, there is hardly to be found a community whose citizens have invested more of their own possessions and have built homes with greater expectations of personal enjoyment of them than have the citizens of this area of Montgomery County. The splendid residences which they have built give evidence of their interest and faith in that community.

Mr. CHAVEZ. Mr. President, if the Senator will permit, I should like to ask whether he feels that the expenditure of the millions of dollars at the Bethesda Naval Hospital and the millions of dollars at the National Institutes of Health has interefered with the development the Senator from Maryland has just mentioned.

Mr. O'CONOR. I am very glad the Senator from New Mexico has asked that question, because I happened to be present when the cornerstone of the Naval Hospital was laid by a great American, Franklin D. Roosevelt. Since that time I have followed the progress of that institution and I have familiarized myself with it, so that certainly I know what has transpired there. I am confidently of the belief that that institution has been of great benefit to America. The Senator from New Mexico is entirely correct in what he has so eloquently stated in regard to the humanitarian efforts and the successful endeavors which have been made there in Maryland in the interest of humankind.

Although possibly we in Maryland have suffered by reason of a slight diminution of tax revenues, nevertheless that has been overbalanced, I am sure, by the great benefits which have come to other States and, I may say, to the entire world as a result of the research and other work which has been done there.

Mr. CHAVEZ. I should like to ask a question of the Senator from Maryland.

Mr. O'CONOR. I am very glad to have the Senator from New Mexico do so.

Mr. CHAVEZ. The personnel at the naval hospital and the personnel at the National Institutes of Health are considerable in number, as I am sure the Senator from Maryland will agree.

Mr. O'CONOR. Yes, I agree.

Mr. CHAVEZ. Those persons make daily purchases within the State of Maryland, and the State of Maryland has a sales tax. Is not that correct?

Mr. O'CONOR. That is correct.

Mr. CHAVEZ. So by reason of the expenditure of these millions of dollars of Federal Government funds, although the State of Maryland may not be able to collect quite as much money in the way of property taxes, it does obtain the benefit of the additional payments which are made in connection with its sales tax. Is not that correct?

Mr. O'CONOR. Although I agree with the Senator, yet probably this is not the time to debate those relative benefits and advantages or disadvantages. However, the Senator is correct in saying that immediate benefits do flow from that source.

I return to the point that the State of Maryland and, in particularly, the immediate community affected, have given much to these very worthy institutions and also have suffered some losses by way of a decrease in tax revenues. However, I prefer not to base my conclusion upon that consideration as much as upon the immediate effect on the residents who are members of that great and splendid community—and particularly upon the question of whether we in Congress may be doing something which will adversely affect the holdings and homes and residences of the several thousands of families who live in that immediate vicinity.

Mr. President, several questions were raised in yesterday's debate which we think have since been clarified. The distinguished Senator from New Mexico stated that the crux of this issue is whether the nurses' and doctors' quarters, which are to be a part of the Government hospital, shall be built with private money or with Government money, and he, together with one of the other Members of the Senate, understandably indicates a preference for the use of private money.

I may say that I am heartily in accord with the maximum use of private enterprise and the minimum use of public construction; but it seems to me that that principle does not entirely solve the problems which we here face. We believe that Government money will pay for these hospital quarters, no matter what or who constructs and operates them, and that it is for us to consider whether it might be more expensive for the Federal taxpayers if the quarters were privately constructed and operated; because, if this were not so, then the Government might be making a serious mistake by constructing its own buildings elsewhere, as in the case of post offices and Army barracks.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield to the Senator from Florida.

Mr. HOLLAND. I wonder whether the Senator has considered the question as to which of these programs would throw the heavier burden upon the taxpayers.

Mr. O'CONOR. I have given consideration to that, and we believe that ultimately there will be a greater burden thrown upon the local taxpayers if it is financed in the way which has here been suggested. We believe that the nurses' home and the quarters for resident surgeons and house doctors are as much parts of a hospital as are the wards, kitchens, and operating rooms. At the Bethesda Naval Hospital, as has been stated by the junior Senator from Maryland, directly across the road from the National Institutes of Health, quarters are provided for both the professional and the nonprofessional staffs. Every Government hospital of which I have heard provides necessary quarters for its key personnel and offices appropriate to the construction of the hospital. The authorization for this research hospital now under construction included not only the hospital building, but also the necessary service buildings and the essential quarters for the hospital personnel. If this building, which is part of a public construction project on public land, to house public employees, is constructed with private capital and operated privately, the Government will be paying the rent on the building through

the rental allowance it must pay to its commissioned personnel.

It was stated on the floor of the Senate yesterday that there would be annual operating costs of about $58,000 if the Government were to build and to operate these quarters, and the statement was repeated this morning. But it was not pointed out that there would be an annual rental of approximately from $200,000 to $300,000 paid out of appropriated funds if private persons were to operate the 250-unit project.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield to the Senator from Nebraska.

Mr. WHERRY. I do not quite get the Senator's point. I wonder whether the Senator would elaborate on it, because I am very much interested in it. In order that the Senator may understand the point of my question, I may say it is my understanding that in all of the Wherry housing, whether it is connected with military installations or colleges, or whether it is connected with atomic-energy projects, the conditions are prescribed by the Government, and the lessee must account for his own rents.

Yesterday afternoon the distinguished junior Senator from Maryland [Mr. BUTLER], if I understood his statement, said it would cost more to build this project under private enterprise than for the Government to build it, because of the rental consideration, and that the cost to the taxpayer would be greater. What I was apprehensive about last night was whether the project as provided for by the amendment would meet the conditions of the Federal Housing Authority for insurance and in other ways. If those conditions cannot be met, the structure cannot be built by private enterprise. If they can be met, certainly the private enterpriser who builds the project will be able to get the money from the revenues derived with which to pay the necessary annual amortization on the project until it is completely amortized, at which time it will then revert to the one who gives the lease.

Mr. O'CONOR. I may answer——

Mr. WHERRY. If the Senator will pardon me, what I desire the Senator from Maryland to explain to me is this: If that be true, if those provisions are met, then will the Senator please say why he thinks that, if the Government builds this project by direct appropriations, it will cost the taxpayers less money than if it were built otherwise? Does the Senator understand what I mean?

Mr. O'CONOR. I understand, and I am in accord with the junior Senator from Maryland, whom I see standing, wanting to comment; and I shall be very glad to have him do so, if he desires.

Mr. BUTLER of Maryland. The senior Senator from Maryland has the floor, and I would rather have him do it.

Mr. O'CONOR. In answer to the Senator from Nebraska, I may say I agree with the position taken by the junior Senator from Maryland, because I think the allowances which are made to the personnel must necessarily be such that the builder will be operating at a profit. While we, of course, applaud every effort made to have private enterprise take over, yet in this particular instance, where there are conditions totally different from those covered by construction projects under the Wherry Act——

Mr. WHERRY. Just a moment, please. I did not get the Senator's last statement.

Mr. O'CONOR. I was about to say that I think there are conditions obtaining in this case which are vastly different from those which apply to construction under the Wherry Act. I recall being with the junior Senator from Nebraska at the ground-breaking at the Naval Academy.

Mr. WHERRY. That is correct.

Mr. O'CONOR. There, where there was no other housing available and where there were possibilities of deactivation, which of course would make it unattractive possibly for private capital to undertake construction, it was very necessary that the housing should be provided and that the Government should erect it. As the Senator from New Mexico has stated, I think the Senator from Nebraska did a very splendid thing in sponsoring the so-called Wherry Act, but we think the conditions in this instance are so different as to make that act inapplicable.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield to the Senator from Nebraska.

Mr. WHERRY. What is the difference between the conditions which are imposed by the provisions of the Wherry Act on a project on a military installation, or one near military installations, and this project in Maryland?

Mr. O'CONOR. Take the one where the Senator from Nebraska personally participated in the ground-breaking: Had it not been for the procedure followed in that construction work, I dare say the facilities would not have been made available, because there were conditions applicable at that location which might very well have made it unattractive to private enterprise.

Mr. WHERRY. I understand that. It is the question of building an installation in an isolated place, where it would not otherwise be built.

Mr. O'CONOR. That is correct.

Mr. WHERRY. I am trying to resolve this question in my own mind. If the explanation which has been given is correct—and I have no reason to doubt it at all—all the conditions of the Wherry Act are complied with in the case of this installation in Maryland, even regarding insurance. It is even thought to be much better so far as the insurance feature goes than an installation of a military character in an isolated place, and that it is even more attractive commercially. Is it not a fact that all these units will be rented? If anyone who works at the Institutes have an allowance because of his military status, he would have the same privilege anywhere he went.

Mr. CHAVEZ. That would be true, whether he went to Annapolis or wherever he went.

Mr. WHERRY. That is correct. If this is to be a private building it must obtain revenue from monthly rentals payable in cash, in order to fulfill the conditions imposed by the Wherry Act, and the situation in that respect would be the same in Maryland as it is supposed to be throughout the country.

I ask the Senator from Maryland to point out wherein there is any difference. If there is no difference, then I am forced to say that certainly the housing should be built in the private-enterprise way, and, for the life of me, I cannot see that it would cost more to do it that way than it would to have it built at Government expense.

Mr. O'CONOR. If the Senator will bear with me for a few more moments, we have made a computation of rentals, cost, and allowances, and we find that there will be made available for rentals approximately $250,000, which amount, of course, the Government will continue to pay and which we think will more than offset the allowances.

Mr. WHERRY. The allowances are an entirely different matter. They would not make any difference at all. If I built an installation in Washington and an Army officer who could not live on the post had to rent privately, he would pay me the cash, because it would be allowed to him by the Government. There is not involved the question of a subsidy to be paid directly by the Government to the private-enterprise builder. That is the point I am making. There might be difficulties with reference to zoning. There might be a building on Government property constructed by outside builders in the locality. There might be some zoning condition, some opening up of territory to private builders, but if I correctly understand the explanation, I do not see any difference, in the application of the law in Maryland and any other State, with reference to any military or near-military installation, under the provisions of the Wherry Act, which provides that the construction must be amortized by private money until it is paid for, and that then it shall revert to the Government.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from New Mexico has the floor.

Mr. CHAVEZ. I shall be glad to yield to the Senator. I have yielded to the senior Senator from Maryland for the purpose of making an explanation, but I do not desire to lose my place on the floor.

Mr. O'CONOR. Mr. President, I ask unanimous consent that the junior Senator from Maryland be allowed to make a statement.

The VICE PRESIDENT. Without objection, the junior Senator from Maryland may proceed.

Mr. BUTLER of Maryland. I should like to answer, if I can, the argument of the Senator from Nebraska. I think there is this difference: If the housing accommodations were not built under Federal auspices and those needing quarters had to get their housing in a private building, it would cost the Government more money, through the

granting of allowances, than it would to build the housing.

Mr. WHERRY. If the officers receive allowances it does not make any difference whether they live in Maryland or in Nebraska. They have to account for the rental.

Mr. BUTLER of Maryland. It is my understanding that if they are in Government housing they do not get allowances.

Mr. WHERRY. I think it will be found that in the case of officers, they are given rental as a part of their compensation, wherever they are located, and in the event they do not have quarters on the post, they have to pay rental, whether the housing is built privately or by the Government.

Mr. CHAVEZ. Mr. President, we are talking directly about the National Institutes of Health. There is only one class of persons who would be eligible for allowances. They are commissioned officers in the Public Health Service. Besides that, there are nurses, the custodial force, the man who shovels the coal or turns on the oil for the furnace, and there are other workers who do not receive any allowance and who would be subject to paying rent to the private enterprise.

It is extremely simple, in the opinion of the Senator from New Mexico. I hope Senators will not tell me how much they love private enterprise. There is one thing that should be done; housing must be provided for those connected with the institutes of health. Do we want the Government to build it, or do we want some businessman from the State of Maryland to build it? That is all there is to the question.

Mr. HILL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. HILL. I have the figures on personnel connected with all the national health institutes, whether they be heart, cancer, mental diseases, tuberculosis, poliomyelitis, sanitation, or milk pasteurization.

Mr. O'CONOR. Are these the figures requested by the junior Senator from Maryland yesterday?

Mr. HILL. Yes. There are 186 commissioned officers. The civilian personnel is 1,794.

Mr. CHAVEZ. And they do not receive allowances.

Mr. HILL. The latter class, the civilian personnel, have no allowances whatever. Much the larger number of these units will be occupied by civilian employees who receive no allowances. With all appreciation of the distinguished Senators from Maryland, and with all respect for them, the argument they make is an argument against the Wherry Act, which was passed a good many months ago, and which certainly, so far as the evidence before the Appropriations Committee shows, has worked very well. The distinguished author of that act, who deserves much credit for his authorship of it, knows that time and again we have asked the question, "How is the Wherry Act working out? Is it doing what its distinguished author contemplated?" The witnesses have shown us how well it has worked out. The argument made by the distinguished Senators from Maryland applies merely to that act.

Mr. CHAVEZ. Mr. President, I feel that the project is so greatly needed that whether it be constructed under the Wherry law or under a Government appropriation, it should, nevertheless, be constructed. I think both Senators from Maryland have agreed that the construction of the housing units is needed. If they do not want it done under the Wherry law, I will accept an amendment making a direct appropriation for the construction. But let the units be constructed.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. CHAVEZ. Will the Senator permit an amendment to make a direct Government appropriation?

Mr. O'CONOR. I want to state clearly what is in my mind. I am sure that my able colleague understands that what the Senators from Maryland are trying to do is to protect the people of our State, protect them in their possessions, their residences and holdings, and to avoid any adverse effect on a taxable basis. I am sure the Senator from New Mexico is equally earnest in his desire to preserve those values, and I ask him to give attention to the language on line 10 of the proposed amendment, which states that the quarters and facilities are to be constructed and operated without regard to local zoning limitations. Of course, that has been a matter of considerable concern to our people, because it would indicate that this particular operation and construction of quarters and facilities would be done in defiance of, or certainly leaving out of consideration, all that has been built up in the way of zoning regulations. I am confident that the Senator from New Mexico has no intention to overthrow those safeguards which, of course, are so necessary for the preservation of values. I am wondering whether the Senator is of the opinion that provision could be eliminated and whether he could give assurance, so far as assurance can be given, that the language can be changed——

Mr. CHAVEZ. Mr. President, the amendment as now submitted was not a recommendation of the committee. After consultation with the class of citizens of Montgomery County, Md., to whom the senior Senator from Maryland has referred, they submitted the amendment which is now being considered. They were property owners in the immediate vicinity, persons for whom I know the Senators from Maryland have the highest regard. But I want the construction to proceed. I think it is needed.

Mr. HILL. Mr. President, will the Senator yield for a moment?

Mr. CHAVEZ. I yield.

Mr. HILL. Certainly if the United States Government constructs this housing, as it will do, because it must do it unless we provide for its construction by private enterprise, along the lines of the amendment offered by the distinguished chairman of the subcommittee, the Federal Government is not going to give any consideration to the question of zoning.

Mr. O'CONOR. I understand that.

Mr. HILL. There is a much better chance that a private builder, a local citizen of the great State of Maryland, will give much more consideration to zoning than will the United States Government. If the Government undertakes the project I am sure it will build the housing as convenience dictates, and without regard to zoning.

Mr. O'CONOR. The Senator from Alabama is entirely correct. But if the construction is to be by private builders, and if the provision to which I have referred is written into the law in express language, it will represent an entire departure from zoning regulations.

Mr. CHAVEZ. Mr. President, I wish to carry out the ideas expressed by the two Senators from Maryland with respect to protecting the property owners' rights. They have made their investments, and I want to see their homes protected. Why do not the two Senators from Maryland permit us to take the amendment to conference? The conferees will discuss the subject, and I can assure my two good friends from Maryland that, so far as the conferees on the part of the Senate are concerned, we will do nothing that will in any way jeopardize the property rights of any good citizen of Montgomery County or the State of Maryland.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. WHERRY. I believe what the Senators have in mind will be accomplished if the Senator from New Mexico will do what I understood him, last night, to say he would do, ask unanimous consent to strike out the syllable "out" in the third word in line 10.

Mr. O'CONOR. Mr. President, what the Senator says is exactly our position.

Mr. WHERRY. So, after the word "operated", the word "with" would follow, striking out the syllable "out", so the language in that line would be "and operated with regard to local zoning limitations." I believe such a change would solve the whole problem.

Mr. CHAVEZ. In all sincerity, I will say to the two Senators from Maryland that if they will permit us to take the amendment to conference, with that proposed change, we will work the provision out intelligently and within reason.

Mr. WHERRY. So the word would be "with," instead of "without."

Mr. CHAVEZ. Yes, the word would be "with."

Mr. BUTLER of Maryland. Does the Senator from New Mexico agree to strike out the syllable "out"?

Mr. CHAVEZ. Yes.

Mr. O'CONOR. The provision will be acceptable if that change is made, so the word will be "with" instead of "without."

Mr. CHAVEZ. That is agreeable. I shall be glad to take that language to conference so we can discuss the subject intelligently and in a reasonable way. I believe in acting in a reasonable manner. I do not believe in bullheadedness, or in endeavoring to use driving power, or anything like that. I like to discuss what is the best manner of procedure with my fellow Senators and conferees.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. McKELLAR. What will this project cost?

Mr. HILL. Mr. President, will the Senator from New Mexico yield to me?

Mr. CHAVEZ. I yield.

Mr. HILL. I will say to the distinguished chairman of the Appropriations Committee that 250 units, built by private enterprise, will cost approximately $2,500,000.

Mr. McKELLAR. Two million five hundred thousand dollars?

Mr. HILL. Yes.

Mr. McKELLAR. Could not this matter be postponed until our foreign troubles are settled? We are in a war.

Mr. BUTLER of Maryland. We have settled the matter now.

Mr. McKELLAR. We are spending sixty to seventy billions of dollars this year. Could we not postpone this item until a little later?

Mr. CHAVEZ. Let me correct the Senator from Tennessee, to whom I am very much devoted. We are trying to get private enterprise to invest money, without appropriating any of the taxpayers' money.

Mr. McKELLAR. There will be no appropriation under this item?

Mr. CHAVEZ. Not a penny.

Mr. HILL. Will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. HILL. We have already appropriated $1,125,000 for this project, which is now available. If we can have the amendment agreed to, and permit private enterprise to construct the project, then that $1,125,000 will not be taken out of the Federal Treasury; not a penny of it will be taken out of the Federal Treasury for this project.

Mr. CHAVEZ. We are trying to have private enterprise construct the building. I will take the matter to conference, if the Senators from Maryland agree.

Mr. BUTLER of Maryland. Mr. President, I should like to withdraw the point of order I raised against the amendment of the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I further modify my amendment, on page 1, line 10, by striking out the syllable "out" in the third word, thus leaving the language in that line reading: "and operated with regard to local zoning limitations, but."

The PRESIDING OFFICER (Mr. GILLETTE in the chair). The Senator from New Mexico has modified his amendment.

Mr. O'CONOR. Will the Senator from New Mexico allow me to thank him very much for his consideration in this whole matter?

The PRESIDING OFFICER. Does the Senator from New Mexico withdraw his motion to suspend the rule?

Mr. CHAVEZ. Yes. I submit the amendment, as modified. The junior Senator from Maryland [Mr. BUTLER] has withdrawn his point of order. I ask for action on the amendment.

The PRESIDING OFFICER. The present occupant of the chair wishes to inform the Senator that the point of order was not ruled on.

Mr. CHAVEZ. Yes, but the Senator from Maryland withdrew his point of order.

The PRESIDING OFFICER. The question reverts to consideration of the amendment offered by the Senator from New Mexico.

Mr. CHAVEZ. Yes; as modified by the Senator from New Mexico.

The PRESIDING OFFICER. As modified, the amendment will be stated.

The LEGISLATIVE CLERK. On page 27, after "$250,000" in line 19, it is proposed to insert the following: "*Provided*, That the Surgeon General is authorized, on such terms and conditions as he determines are appropriate for the efficient operation of the combined hospital and research building, to lease for a total of not more than 99 years a portion of the present site of the National Institutes of Health for the construction, operation, and maintenance thereon by the lessee of rental quarters, but not to exceed 250 units limited exclusively to occupancy by employees of the National Institutes of Health and necessary related facilities, such quarters and facilities to be constructed and operated with regard to local zoning limitations, but to be subject for the term of the lease to State and local taxation on the same basis as other property in the community: *Provided further*, That not more than $50,000 of the amounts heretofore appropriated fo the construction of additional auxiliary structures under this head shall be available for expenditure by the Public Health Service for the preparation of plans and specifications for the construction on the property leased pursuant to the preceding provision, such expenditure to be repaid by the lessee and credited to such appropriation."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico, as modified.

The amendment, as modified, was agreed to.

Mr. BUTLER of Maryland. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. BUTLER of Maryland. I wish to thank the Senator from New Mexico for the considerate treatment he has accorded me during the debate.

Mr. CHAVEZ. I thank the Senator.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. WHERRY. I think the RECORD ought to show that what we have done does not represent an idle gesture, and that the conferees on the part of the Senate will stand by the amendment in conference. I have faith in their doing so, so that if the project is to be built in accordance with the terms of the amendment, it will be built in line with the local zoning regulations.

Mr. CHAVEZ. I firmly believe in the action taken by the Senate.

I submit another amendment, Mr. President, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 13, after "title" in line 13, it is proposed to insert the following: "*Provided further*, That the District of Columbia shall pay by check to Freedmen's Hospital, upon the Surgeon General's request, in advance at the beginning of each quarter, such amount as the Surgeon General calculates will be earned on the basis of rates approved by the Bureau of the Budget for the care of patients certified by the District of Columbia. Bills rendered by the Surgeon General on the basis of such calculations shall not be subject to audit or certification in advance of payment; but proper adjustment of amounts which have been paid in advance on the basis of such calculations shall be made at the end of each quarter: *Provided further*, That the Surgeon General may delegate the responsibilities imposed upon him by the foregoing proviso."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

The amendment was agreed to.

Mr. DOUGLAS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 32, line 6, in the committee amendment, it is proposed to strike out "$33,000,000" and insert in lieu thereof "$30,000,000."

Mr. DOUGLAS. Mr. President, this is a proposal to diminish by $3,000,000——

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. DOUGLAS. May I be permitted to finish the sentence, and then I will yield. I will yield at the end of a sentence, but not at the end of a clause.

Mr. WHERRY. I was about to suggest the absence of a quorum. I believe that Senators should be present to hear the distinguished Senator.

Mr. DOUGLAS. I am not anxious about that.

Mr. CHAVEZ. Mr. President, I would not mind having a quorum call, because the Senator from Illinois is about to discuss the Children's Bureau. I should like to have more Senators listen to the argument of the Senator from Illinois.

The PRESIDING OFFICER. Is there unanimous consent that the Senator from Illinois may yield for the purpose of a quorum call?

Mr. WHERRY. I so request, Mr. President. I ask unanimous consent that the Senator from Illinois shall not lose the floor, and that we may proceed with a quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Capehart	Ecton
Anderson	Carlson	Ellender
Bennett	Chavez	Ferguson
Brewster	Clements	Flanders
Bricker	Connally	Frear
Bridges	Cordon	Fulbright
Butler, Md.	Douglas	George
Butler, Nebr.	Duff	Gillette
Byrd	Dworshak	Green
Cain	Eastland	Hayden

Hendrickson	Long	Robertson
Hennings	Magnuson	Russell
Hickenlooper	Malone	Saltonstall
Hill	Maybank	Schoeppel
Hoey	McCarran	Smith, Maine
Holland	McCarthy	Smith, N. J.
Humphrey	McClellan	Smith, N. C.
Hunt	McFarland	Sparkman
Ives	McKellar	Stennis
Jenner	McMahon	Taft
Johnson, Colo.	Monroney	Thye
Johnson, Tex.	Moody	Tobey
Johnston, S. C.	Morse	Underwood
Kefauver	Mundt	Watkins
Kerr	Neely	Welker
Kilgore	Nixon	Wherry
Knowland	O'Conor	Wiley
Langer	O'Mahoney	Williams
Lehman	Pastore	Young

Mr. JOHNSON of Texas. I announce that the Senator from Connecticut [Mr. BENTON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. CASE] and the Senator from Illinois [Mr. DIRKSEN] are absent on official business.

The Senator from Missouri [Mr. KEM] is absent by leave of the Senate.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Massachusetts [Mr. LODGE] and the Senator from Colorado [Mr. MILLIKIN] are necessarily absent.

The PRESIDING OFFICER (Mr. PASTORE in the chair). A quorum is present. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment.

Mr. DOUGLAS. Mr. President, the amendment which I have offered would reduce by $3,000,000 the amount granted to the States for maternal and child welfare.

Yesterday, when I proposed to reduce the amounts for the teaching of retail selling, I was accused of being against motherhood, the selling of ribbons, and gifts. I suppose today, in proposing to reduce the amount of the grants to the States for maternal and child welfare, I will be accused not only of being against mothers, but of being against children, the American home, and pure milk.

Nevertheless, Mr. President, it is necessary to observe a very simple fact. In 1951 there was appropriated for this purpose $30,250,000. The 1952 estimates submitted by the Budget Bureau were $33,000,000. The House cut the amount to $30,000,000, or roughly the same as was appropriated last year. There is also a carry-over from last year of approximately $3,000,000. So if we add the carry-over of $3,000,000 to the appropriation of $30,000,000 for this year, we reach a total of $33,000,000, or the amount which the Bureau of the Budget estimated for 1952.

As I understand it, Mr. President, the carry-over of $3,000,000 arises from the fact that a number of the States have not fully utilized the grants the Federal Government has made to them. Therefore, I propose that we utilize the unexpended balance, in order to help reach the total of $33,000,000, which was recommended. Twenty States of the 48 have had carry-overs; they have not spent all the grants the Federal Government has made to them. Twenty-eight States have spent all the grants which have been made to them. The funds are not transferable, so they cannot be transferred from the 20 States which have carry-overs to the 28 States which do not have carry-overs. Thus, in the 28 States there would actually be a reduction in the amounts requested by the Bureau of the Budget, but they would still get about the same amounts as they got last year.

Mr. President, I know this is a somewhat unpopular proposal to make, for it is unquestionably a fine program. I campaigned for it myself in the 1920's. But I should like to point out that this bill contains funds for other fine programs, which we not only failed to increase over the amounts appropriated last year but actually cut below last year's level. For instance, I think we all agree that the tuberculosis program is a fine one. Yet we cut that appropriation a half million dollars below that of last year. We cut the communicable diseases program nearly a third of a million dollars. We cut the National Heart Institute by nearly a half million dollars and we also cut the National Cancer Institute below what we appropriated last year.

As I say, Mr. President, the maternal and child health program is a good one. But so is research in tuberculosis, communicable diseases, cancer, and heart ailments. All I am saying is that we will not wreck the program, and we can treat it the same as the others by reducing the Senate committee figure of $33,000,000 down to $30,000,000, which is about the same level as last year. And, in so doing, we can save $3,000,000.

Therefore, Mr. President, I move that the appropriation be reduced from $33,000,000 to $30,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

Mr. LEHMAN. Mr. President, I rise in opposition to the amendment. Aside from the health-research work done in research laboratories and the work done in hospitals, I certainly do not know of anything more important than maternal care and child care; in fact, I am not sure that I do not regard all of them as of equal importance, although it will be recalled that within the last few days I fought with all the force at my command against the proposal to make a reduction in the appropriation for research laboratories and hospitals.

Certainly I believe that maternal care and child care are just as important as our defense efforts. Certainly we cannot afford to jeopardize the welfare of the mothers or to jeopardize the welfare of the children of this country or decrease the care and help we give to them.

I realize perfectly well that we are now in the midst of a great emergency. I know that all of us have to make sacrifices in meeting the requirements of the emergency; but the emergency will not last forever. On the other hand, the children whom we may neglect today will grow up; and if we do not care for them now, we may have a liability, rather than an asset, later on.

The distinguished Senator from Illinois, for whom I have very great regard, but who I know is as deeply moved by the health needs and moral needs of our country as is any other Member of this body, has objected to the increase of $3,000,000 in the proposed appropriation, and he has referred to the fact that this year there is a carry-over of $3,000,000 from the appropriation made last year. As I understand, that carry-over does not benefit all the States of the Union. I believe I am correct in saying that the Senator from Illinois said that 28 of the States have used up their full quotas.

Mr. DOUGLAS. That is correct.

Mr. LEHMAN. Therefore, even though there may be a carry-over on paper, those 28 States—and I do not know which States they are; I do not know whether my own State is included among them—will have cuts made in their funds, if the proposed reduction in the appropriation is made.

Mr. HILL. Mr. President, will the Senator yield at this point?

Mr. LEHMAN. I yield.

Mr. HILL. The Senator speaks of the 28 States, and he is correct in saying that those 28 States will have cuts made in their funds for maternal care and child-health services. There are also 43 States which will have cuts made in their funds for services to crippled children. So the amendment affects both the 28 States which are involved so far as maternal care and child care are concerned, and the 43 States which are involved insofar as their funds for services to crippled children are concerned.

Mr. LEHMAN. I thank the able Senator from Alabama for his very valuable remarks; by his statement he has strengthened the case which I am trying to present to my colleagues in the Senate, and he has shown the unwisdom of making the proposed reduction in the appropriation.

It is true that we are asked to appropriate $3,000,000 more than was appropriated last year, but every Member of this body knows that during the past year the cost of living and the costs of administration and the costs of operation have increased to such a great extent that an increase of more than $3,000,000 really is required in connection with this appropriation. Therefore, when it is proposed that we appropriate $33,000,000 instead of the $30,000,000 which was appropriated last year, the result of adopting that proposal will not be to increase in the slightest degree the scope of the work. All we are asking is that the work continue on an undiminished scale. I wish we could greatly increase the scale of the work, but of course we know the exigencies of the present situation. Therefore, we do not request an increase in the scope or scale of the work; but certainly we ask that this highly important work, which concerns every man, woman, and child in the United States, be not curtailed.

Therefore, Mr. President, I very much hope that my colleagues in the Senate will reject the amendment of the Senator from Illinois.

Mr. CHAVEZ. Mr. President, I have such great respect for the Senator from Illinois that I am really surprised that he should propose the amendment he has submitted. I rise in opposition to it. I know the Senator from Illinois is sincere in his efforts to reduce the expenses of the Government. However, it is quite possible for us to vote for reductions in appropriations which actually will not result in making any savings.

In this instance, the proposed reduction would hit the lifeline of the United States. This amendment, if adopted, would strike a very serious and heavy blow at the funds to be appropriated and made available for the care of crippled children and for maternal care. So I am surprised that my good friend, the Senator from Illinois, should even offer the amendment.

In connection with this amendment, as proposed, I wish to read from the committee hearings on page 527, where there is found the testimony of Miss Katharine F. Lenroot in regard to this item. In speaking of the proposed cut in the funds for child welfare, Miss Lenroot said:

> There are similar cuts for child welfare. I totaled up a few of these figures on the three programs for the States. There would be a total cut, for instance, of about $20,000, roughly, for New Mexico, and other States, in proportion.
>
> Now, Mr. Chairman, I think that the figures indicate that this would mean serious curtailment of services and it does not seem to me good economy—

I stress this point—

> to let crippled children go with their conditions uncared for when a little work now would prevent, perhaps, a much more serious condition a little bit later, or to let the very high infant-mortality rates in some of the States go without everything possible being done to lower those rates and bring them down to the national average.

Mr. President, these are most serious matters. We try to prepare our children so that in case of necessity or emergency they will be able to make the supreme sacrifice, if need be, and thus be the recipients of nothing more than white crosses over their graves. Yet, by means of this amendment, it is proposed that on the basis of—may I say, measly advice?—we make reductions in the funds to be appropriated for maternal care and the care of crippled children.

Mr. President, a portion of the funds to be appropriated in this connection are to be used to reduce the infant mortality rate. Millions and millions of dollars are appropriated by the Congress to eradicate Bang's disease in cattle, but complaint is made because we try to make a small appropriation—certainly it is very small when compared with the total appropriations which are made—to reduce infant mortality.

I wish to ask the Senator from Illinois a question. What right have we to sermonize to people behind the iron curtain, when we do not do anything about infant mortality, which, in itself, is quite a serious problem?

But I shall proceed with the reading of the testimony of that noble woman. Let those who wish to call her a bureaucrat do so. I refer to Miss Katharine F. Lenroot. She works for the Government, and I wish there were more Government employees of her type. From page 527 of the hearings, I read:

> Senator CHAVEZ. We have the national picture very well, but for the benefit of the Senator from Montana, I wish you would briefly explain again why the House cut that $3,000,000 because some of the States had balances.
>
> Miss LENROOT. I shall be glad to do that, Senator ECTON.
>
> Senator ECTON. Thank you.
>
> Miss LENROOT. The provisions of the Social Security Act regarding maternal and child health, crippled children, and child welfare—

Possibly they do not deserve our consideration. The committee thought they did, and I believe the red-blooded Americans in this body, who are lovers of humanity, will feel the same way about it. I continue reading—

> provide that the States can carry over a part of the fund for 2 years beyond the year for which they are appropriated.
>
> That has been of value to the States in giving continuity to their planning. In reducing the amount for grants from $33,000,000 as recommended by the budget to $30,000,000, the House said there was $3,000,000 already available to the States in balances, but those are very unevenly distributed. About 28 States have no balance or less than $1,000 for maternal and child-health services; about 43 States have no balance or less than $1,000 for crippled children's services.
>
> Senator ECTON. There is no way to reallocate?

That is the problem. There is no way to allocate an allotment made to the State of North Carolina, or to the State of Arkansas, the State of Georgia, the State of Alabama, the State of Wyoming, the State of Arizona, or the State of New York. The money cannot be used in North Carolina for maternal and child health, and the other purposes, no matter how much the State may need it.

Mr. HOEY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from North Carolina.

Mr. HOEY. I notice that the committee has stricken out the proviso on page 32, lines 11 to 15, which provided that this money should be allotted on a pro rata basis among the several States. Why was that stricken out?

Mr. CHAVEZ. It was done in order to obtain a more equitable distribution of the allotments to the respective States. It was a question of policy. It was a question of whether, under one formula, one State might obtain a slight advantage over another State. What the committee did was to try to assure that the allocations would be made as equitably as possible, so that every State might receive its proportionate share.

Mr. HOEY. It appears that under the present plans the money has been allotted on a pro rata basis. The committee would strike that out. Upon what basis is it to be allotted?

Mr. HILL. If I may answer the Senator's question, striking out that language leaves the law just as Congress has written it, exactly as the distinguished Senator's committee reported it, and exactly as we agreed to it in the last Social Security Act. The purpose of that act was to change the existing law, I may say to the Senator and, by striking the language out, we leave the law as it is now, under the basic Social Security Act, as reported by the committee of which the Senator from Georgia [Mr. GEORGE] is chairman, and as passed by the Congress.

Mr. HOEY. Upon what basis is it distributed under that law? The language of the bill as it came to the Senate says it shall be upon the basis of the amounts to which the respective States are entitled, and so forth. Upon what basis will it be distributed under the committee amendment?

Mr. CHAVEZ. I shall endeavor to explain that to the Senator in a moment.

Mr. HILL. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Alabama.

Mr. HILL. As I understand, by striking out that language we declined to do away with the statutory minimum which is written into the basic act.

Mr. HOEY. When the State gets its pro rata share, upon what basis does it get it, if this language is stricken out?

Mr. HILL. Will the Senator kindly let the Senator from New Mexico proceed with his explanation, and give us time to get this information?

Mr. HOEY. Very well.

Mr. DOUGLAS. Mr. President, will the Senator from New Mexico yield for a question?

Mr. CHAVEZ. I yield to the Senator from Illinois.

Mr. DOUGLAS. Am I correct in my understanding that for the fiscal year 1950 this type of work received a total of $22,000,000?

Mr. CHAVEZ. The statement of comparable adjusted funds available for the fiscal years 1941–52 appears on page 190.

Mr. DOUGLAS. I have that page.

Mr. CHAVEZ. In 1950, the agency received $22,000,000. The Senator is correct.

Mr. DOUGLAS. So the committee's proposal would give them $33,000,000, or an increase of 50 percent. The hard-hearted proposal of the Senator from Illinois, to give them $30,000,000, is an increase of but 40 percent, plus the unexpended balances in 20 States, is it not?

Mr. CHAVEZ. But, Mr. President, I may say that what is proposed is not only possible, but it is also sound. Since the Congress made the appropriation for 1950 it has changed the law with reference to that particular item, hence it is necessary that the increase be made. But the Senate committee is not recommending 1 penny more than was estimated by the Budget Bureau. We increase this particular item for the Children's Bureau only $3,000,000. I hope the amendment of the Senator from Illinois will not be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. AIKEN. Mr. President, I rise to express my opposition to the amendment,

I realize that some agencies of the Government are overstaffed, indeed, three-fourths of them are overstaffed. There are some, however, which have tried to operate efficiently and economically all through the years. I do not like indiscriminate cuts in appropriations, because they hurt not only those who have done good work, but those who have tried to do so. I think this is a very bad program by which to effect economies. "Pogrom," I think the proper word would be. Maybe it is "program," but I do not think so.

Mr. CHAVEZ. Mr. President, I like the remarks of the Senator from Vermont. I should like to cut appropriations for unnecessary automobiles, unnecessary chauffeurs, or unnecessary personnel. But let us be fair. This is one agency of the Federal Government which, as I stated previously, is headed by a noble person. Yes, she might be referred to as a bureaucrat, but I wish there were more of her type of bureaucrats. This item should not be cut one penny.

Mr. AIKEN. The Senator is correct about that. I think we were perfectly right in limiting the number of automobiles and chauffeurs and there are also many other places in the bill where we can make cuts. We should use proper care in watching the expenditures of the so-called temporary agencies of Government, because in the provisions relating to those agencies much can be done both economically and politically, and much more can be done advantageously than in cutting the older and conscientious agencies of the Government. Therefore, Mr. President, I hope the amendment will not prevail.

Mr. LEHMAN. Mr. President, I wish to reply briefly to the question raised by the senior Senator from Illinois, who pointed out that the total appropriation for the care of crippled children had increased at this time to $22,000,000. I wish to point out that this is a matching proposition. The Federal Government matches appropriations made by the States.

The whole concept of maternal care, the care of children and of crippled children, has changed and advanced in the past 10, 15, or 20 years. When I became Governor of New York there was virtually no provision for the care of crippled children. Gradually that work was undertaken, because it was demonstrated to be of tremendous value to the people not only of New York State, but of the Nation generally. Therefore the work has increased in volume, and the appropriations necessarily have increased very greatly in size.

The cost of government by the States, largely because of fulfilling their necessary and essential duties toward their people, has increased. During the last year I was Governor the budget of the State of New York was under $400,000,000. Last year it was nearly a billion dollars. I do not claim for a minute that that great increase was due to wastefulness, or to a desire to undertake activities which were not essential in the interests of the people. The budget increase was in excess of 150 percent because of the general increase in the cost of operation, not only in government, but in private business as well, throughout the country.

The appropriations made for hospitals in New York increased from $50,000,000 to approximately $140,000,000. I do not think there has been any greater waste under the present administration in Albany than there was under my administration. The appropriations increased because the needs were present, because costs were higher, and because salaries were higher. Of course, we felt that it was the duty of government to care for its people.

So the increase which the distinguished Senator from Illinois has pointed out has come about normally. It is not a real increase; it is merely to meet the increased cost of operation and the increased needs of our people. The $33,000,000 which I hope will be appropriated this year will not permit the States to do a single piece of work larger in scope than that which was performed this year. It would simply permit the carrying on of the work on the same scale, at the same tempo, and under the same necessity, as in the past year.

So, Mr. President, I hope the Senate will not lessen our ability to help the mothers and the crippled children in every State of the Union by trying to save a small sum of money. We are spending great sums of money for our Armed Forces. I have voted and shall continue to vote for every defense measure. But do not let our social and health activities be neglected simply to save a small sum of money.

I very much hope that the amendment of the distinguished Senator from Illinois will be rejected.

Mr. HILL. Mr. President, the term "carry-over," in describing the sum of $3,000,000, is a misnomer. It requires explanation. It is not a carry-over. There is no criticism of the Senator from Illinois in my statement. He made a very fine speech, and I concur in what he had to say. It is not a carry-over as to the majority of the States.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. DOUGLAS. It is a carry-over as to 20 of the States, is it not?

Mr. HILL. That depends upon the particular item. It would be a carry-over for 20 States out of the 48 States, so far as maternal and child health services are concerned.

Mr. DOUGLAS. So those States which will next year service not only the amount appropriated by the pending bill, but will also have unexpended amounts appropriated for the past year, are in effect being provided with more than $33,000,000 for the coming year, are they not?

Mr. HILL. The Senator is correct. We make those funds available for a period of 2 years, and there is a reason for that. As we know, the use of these funds depends upon action by State legislatures, as well as on action by the Congress of the United States.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. HILL. I yield.

Mr. KERR. If the Congress permitted itself to be controlled in the amount it appropriated by the extent to which one or more States had not used a previous appropriation, would it then follow that the States which have been carrying the program forward on the basis of congressional authorization should be limited to what the State which has spent the least was able to do?

Mr. HILL. The Senator is correct in his implication. If we followed such a course, and put a heavy penalty on the States which are going forward with the program, and who are putting up their funds and making their sacrifices to carry forward the program we would be unjustly penalizing them.

Mr. KERR. In other words, the effect of the amendment of the Senator from Illinois would be to cripple the States which are carrying out the program, and which most nearly do what is required by the necessities of their children.

Mr. HILL. The Senator is absolutely correct. It would cripple and penalize the States which in good faith have gone forward with what the Congress has said was the kind of program we should follow in providing for maternal care and for our children.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. CARLSON. A short time ago the Senator from Alabama was engaged in a colloquy with the Senator from North Carolina [Mr. HOEY]. I do not believe the question then raised was cleared up.

Mr. HILL. Will the Senator from Kansas permit me to proceed with the other phase? I will say that since that colloquy I have conferred with the chairman of the subcommittee and also with the Senator from Michigan [Mr. FERGUSON], who is a member of the committee, and before the debate is concluded we propose to clear up the matter.

Mr. CARLSON. If the Senator will do that I shall appreciate it very much, because I have had some experience in handling programs of this nature.

Mr. HILL. The Senator, as a former distinguished governor of his State has, as he has said, had personal knowledge of the handling of these programs.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. LANGER. The Senator is familiar with the report made recently by the Institute of Public Affairs, which is constituted entirely of Democrats, among whose members are the junior Senator from Minnesota [Mr. HUMPHREY], and a son of former President Roosevelt, and whose director is Dewey Anderson. The director reported that there are 10,000,000 families in the United States having an income of less than $2,000 a year. Would not the Senator say that the bill is designed to help those particular families?

Mr. HILL. Very definitely so. No bill could have a more definite purpose toward helping those in the low-income groups than the bill now before us, I

will say to my distinguished friend from North Dakota.

Mr. President, 28 States have carried the program forward by putting up funds of their own, by carrying their part of the financial burden. They have carried on what the Congress has prescribed as adequate programs for maternal and child health services. The question is: Are we to penalize those 28 States because 20 States have not gone forward as we feel they should have gone forward with their programs?

Forty-three States have to the fullest extent gone forward with their programs for crippled children's services. Are we now to take money away from these 43 States because 5 of the States have not seen fit—as they had a right to do—to go forward with the full program? That is the question involved here. These States have their programs. We know what the basic Social Security Act provides so far as Federal aid is concerned. They know what we did this year. I think they have a right to expect that we will not cripple or impair or paralyze these programs for next year. That is exactly what the amendment of my distinguished friend from Illinois would do.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HILL. Yes, I yield to my good friend from Oklahoma.

Mr. KERR. As brought out by the committee, the bill provides a total of $33,000,000 Federal funds for the 3 services, for child welfare services, for maternal and child health services, and for crippled children's services. A total of $33,000,000. Is that correct?

Mr. HILL. The Senator is correct.

Mr. KERR. Is it not a fact that that amount, $33,000,000, is approximately $8,000,000 less than the amount for these three services which was authorized by the Eighty-first Congress?

Mr. HILL. The Senator from Oklahoma is correct. He is a distinguished member of the Senate Committee on Finance. That was the committee which handled the legislation embodying the amendments to the Social Security Act, which amendments authorized the additional $8,000,000.

Mr. KERR. If the Senate keeps the bill, as reported by the committee, at the sum of $33,000,000, that will represent an amount $7,951,800 less than the amount for these three programs which at this time is authorized by the acts of Congress.

Mr. HILL. The Senator from Oklahoma is exactly correct, and I thank him for his contribution. I do not know of any Senator who has been more interested in the work of the Children's Bureau, or has done more to help that Bureau, or to further or to strengthen and fortify these great child-welfare programs, than has the distinguished Senator from Oklahoma.

Mr. President, on last Friday the Senate heard one of the most eloquent and moving speeches that certainly I have heard in my somewhat long service on this floor. I refer to the speech of the distinguished senior Senator from Vermont [Mr. AIKEN]. We recall that in that speech he asked us to assess the value of a child, the value of a healthy mother as compared to a sickly one, the value of a crippled child put back in the main stream of human effort instead of lying all of his life staring at the ceiling. Since the Senator from Vermont asked the value of a child, let us pause for a moment to think of its value. It is difficult to assess. It is particularly hard to assess that value in terms of dollars and cents. But it is not hard to estimate the value of children in the eyes of the people of the United States.

In March the census dazed us by reporting that in the decade from 1940 to 1950 the population of children under 5 years of age increased by 54 percent. That is the largest increase of any element of our population. In these past years, when we have endured war, anxiety, sudden death, long family separations, this increase in our children has been America's affirmation of life. It is as if America wanted to underscore the belief that she has a future by increasing the number of children by more than 50 percent, taking on the emotional burdens, the financial burdens, the long-term planning, the sacrifices that go with the care of the young.

Merely considering the past 5 years, that is, from 1945 to 1950, a grand total of over 20,000,000 children have been born in the United States. From a statistical standpoint at least one-fourth of these children were unexpected when we consider the birth rate of 10 years ago. Sometimes on some matters we are not entirely certain as to the drift of the sentiment of the people of our country. I think the 5-year birth rate of 20,000,000 is sufficient answer as to whether or not the American people feel that our children are important.

The Children's Bureau, which is the agency of our Federal Government which serves our children, has been given many increased duties and functions in recent years. I referred a few minutes ago to the amendments to the Social Security Act which Congress passed about a year and a half ago. That act imposed new duties, new functions, on the Children's Bureau.

The Senate has already, Mr. President, as we know, made two 5-percent cuts in the appropriations for the personnel of the Children's Bureau. We have already cut off 10 percent, so far as the personnel for the Children's Bureau is concerned. Now the amendment of the Senator from Illinois proposes that we whack off $3,000,000 from the funds that go as aid to the States for carrying forward these great programs for children.

Where do these cuts lead us? Where do they end? They end with much slower progress in the work for crippled children throughout the country. Today there are some 31,400 crippled children on State waiting lists. They are children who cannot receive any care, children who cannot receive any rehabilitation, children who cannot receive any medical attention. All they can do is to wait, because the funds are not available to provide personnel and equipment to go forward with their care and rehabilitation.

These cuts will mean reductions in the various offices in the States and in State-employed personnel. They will mean a reduction in the ranks of medical directors in small cities, public-health nurses, and social workers. The result will be that the compelling need for the care of our children can no longer be met. Special programs for children with rheumatic heart disease will be impaired. The cerebral palsy program for our children, the program for epileptics, and other such programs will be impaired, slowed down, and cut off in much of their work and benefits. As I have said, these cuts will eliminate specially trained people, pediatrically trained doctors and nurses. Heaven knows, today there is the most acute shortage the country has ever known in this type of personnel. We are getting along with far less today than the compulsion of the need requires.

Mr. President, we hear much about the emergency which confronts us. We all share a deep concern with respect to expenditures and a deep desire to cut down expenditures wherever they can be wisely and properly cut down. But we do not know how long this emergency may last. It may last 5 years, 10 years, or 20 years.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HILL. I yield to my friend.

Mr. KERR. On the basis of the statement just made, which I think is well founded and in accordance with the very distinct probabilities, is it not a fact that, as we look forward to the time 10 or 15 years from now, we look forward to the time when children now in the age brackets which make them eligible for this help will be the ones upon whom the survival of the Nation will depend?

Mr. HILL. The Senator is absolutely correct. In fact, the Senator has anticipated me, and has expressed much better, I am sure, than I would have expressed it, the very thought which I had in mind and was about to give expression to.

I intended also to make the point that we can dismantle a factory and put the machinery away, properly grease it and care for it, or we can put the Navy in moth balls; but we cannot put our children in moth balls. We cannot reclaim the golden minutes if we lose them today.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. May I ask the Senator from Alabama if he thinks that it would be easier to obtain an adequate appropriation if we were dealing with a piece of machinery?

Mr. HILL. I think the RECORD will show that the Senator's question answers itself. Very likely, if we were considering a piece of machinery, we would not have the same difficulty we are having in trying to get funds for the care of our children.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KERR. On the basis of experience, has it not been demonstrated that it is often easier to get an appropriation

to improve the blood stream of a bull than it is to provide adequate funds for the prevention of deterioration and delinquency in youth?

Mr. HILL. The Senator is absolutely correct. A little earlier in the debate the distinguished chairman of the subcommittee, the Senator from New Mexico [Mr. CHAVEZ], cited figures to show how much more money is going for bulls, cows, heifers, and other animals, and for plants of all kinds, than we are able to get for our most precious possession, our children, our citizens of tomorrow, as the Senator from Oklahoma has stated.

A child will not remain static. A child continues to grow. Either we give the child the opportunity now for a healthy, strong, normal body, and the opportunity now to develop into a strong and healthy citizen, or the opportunity is lost and gone forever.

Mr. President, I very much hope that the Senate, in emphatic fashion, will vote this amendment down, and that we can send back to our people in the States the message that the Congress keeps faith with the States, keeps faith with our children, and that we are going to continue to provide the funds necessary to carry forward these great programs.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 32, line 6.

Mr. LEHMAN. I suggest the absence of a quorum.

Mr. KERR. Mr. President, will the Senator withhold his suggestion of the absence of a quorum?

Mr. LEHMAN. Certainly.

Mr. KERR. Mr. President, I am happy to aline myself with the distinguished Senator from New Mexico [Mr. CHAVEZ], the chairman of the subcommittee, the distinguished Senator from Alabama [Mr. HILL], and other Senators who are opposed to the so-called Douglas amendment to reduce by $3,000,000 the appropriation for the child welfare services, the maternal and child health services, and the crippled children's services.

The requirements and necessities for this money are on the increase; they are not on the decrease. As the distinguished Senator from Alabama [Mr. HILL] has just reminded us, for the past few years our Nation has seen the greatest increase in the birth rate it has ever known. In 1947, births in this country exceeded the staggering total of 4,000,000. Even today, the increase in the birth rate is being reflected in the greatly increased requirements of our schools and of every other facility in our Nation having to do with the training and care of youth. My information is that for the last part of 1950 and the first part of 1951 the birth rate has again increased, to the point where it is entirely probable that the all-time record of approximately 4,000,000 in 1947 will be exceeded in 1951.

In the last Congress authorization was given for a little more than $40,000,000 for these three services. That was a great increase in the amount of Federal funds provided for these services.

The Senator from Illinois has called attention to the fact that some of the States have not used all the funds previously appropriated. The State of Oklahoma is one of the States. My information is that the State of Oklahoma even now has its program in operation to the point where the remaining amount of the appropriation will be available in the succeeding fiscal year and where there will be a deficit even on the basis of a $33,000,000 appropriation being made.

I think the Senator will find that in a number of States, by reason of the greatly increased appropriation last year, the State programs have not yet quite caught up, either with the tempo of the needs for the program within the States or with the amount made available by the Federal Government. I believe that such a situation is short-lived. I hesitate to think how tragic it would be if, by reason of the Federal Government's failure to provide the funds which it had indicated it would provide by the authorization of the Eighty-first Congress, there should come to our attention, as I believe there surely would, a great increase in the number of children who could not be reached because of limited funds.

Mr. President, this is the greatest nation on the earth. It is the strongest and the richest nation on the earth. It has attained that distinction because of the abundance of its natural resources and the character and quality of its people. We are now in the midst of the graduation season of our colleges and universities. It has been my privilege to attend a few such exercises during the past weeks. It has been a tremendous thrill to me to see the thousands of American youth coming from our colleges and universities through their graduation and moving into the blood stream of the Nation. It is a source of great pride and gratification to learn that between 450,000 and 500,000 young Americans will graduate this year from our colleges and universities. What a transfusion of strength and power it will be as they move into the blood stream of the Nation and make their contributions of physical courage, mental ability, and spiritual character. I do not believe that all the universities and colleges in the world outside of our Nation will graduate so great a number this year. I know of no fact more reassuring, as we contemplated the troubled condition of the world and the crises we face, than to realize the tremendous increase in spiritual and mental power provided by the ever greater numbers of American youth.

Mr. President, on the basis of the birth rate in this country for the past 6 years and on the basis of the increased opportunities and necessities for education, I believe it is entirely possible that within a decade we shall see American colleges and universities graduating a million youth every year. However, there will be hundreds of thousands of them who will not be graduated if the Nation fails to meet its responsibilities to them in the form of a greater educational program and in the form of such programs with reference to which the appropriation is being made available. The future strength and power of the Nation will be as great as the mental and moral and spiritual forces of our people make it.

We have surpassed the world in scientific development and industrial progress. We have surpassed the world in the matter of the utilization of resources for constructive and beneficial purposes. But the future of the Nation and the future of the world depend upon the generation of American youth of this day.

The appropriation in the amount of $33,000,000 is inadequate. It is not excessive. It is tragic to contemplate a drastic arbitrary reduction on the basis of a hypothesis which does not exist, and in spite of the definite realities of the situation as the situation does exist. I believe it is tragic that the appropriation is not in the amount of $40,000,000 or $41,000,000, as authorized by the Eighty-first Congress. It was not an ill-conceived act by the committees of the two Houses of Congress. It was action which was taken after the fullest consideration had been given to the subject and after the fullest presentation had been made of the pertinent facts. The action of the committee in recommending an appropriation of $33,000,000 was not one which was hastily taken or taken in the absence of knowledge. It was taken by the committee after it had given consideration to the facts as they had been presented to it.

Mr. President, America would be doing herself an injustice, and she would be doing her future an injustice, if the reduction were made. Over and beyond that, Mr. President, she would, in the midst of her greatest prosperity and strength and in the midst of her greatest need for the fullest development of her youth, be taking an action which would be penny-wise and pound-foolish and detrimental in the extreme to her youth. To the extent that she damaged them she would certainly damage herself. A continuation and an expansion of the policy in the name of economy could bring about a weakening of the fiber of America to her very destruction.

Mr. LANGER. Mr. President, as the temporary acting leader of the minority which is the Republican Party I desire to associate myself fully and entirely and completely with each and every one of the words spoken by the distinguished Senator from Oklahoma [Mr. KERR]. I think it is one of the finest speeches I have ever heard made on the floor of the Senate insofar as it pertains to the youth of this country. It was a clear, succinct, patriotic, and statesmanlike summing up of all that is involved in the pending amendment.

A few years ago in the State of North Dakota, during the years of the depression, the Bank of North Dakota made a fund of $150,000 available to graduates of our high schools who because of their financial status were unable to go to college. We made the money available in loans of $300 a year at 1 percent interest, payable some years after they graduated and were able to repay the money. I may say that today the record shows that 96 percent of that money has been returned to the Bank of North

Dakota by these young men and women, who became school teachers, doctors, lawyers, and leaders in agriculture.

I find that in my State we have had a remarkably fine record insofar as the administration of child welfare services and crippled children's services and maternal and child-care services are concerned. And the people of North Dakota are justly proud of those who have often sacrificed money, time, and opportunty to get better positions.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, two tables giving the apportionment of total funds estimated to be appropriated for the fiscal year 1951 for grants to States for maternal and child health, crippled children's, and child-welfare services. I call particular attention to North Dakota's position on the schedule and the fact that the State matched the Federal funds.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Apportionment of total funds estimated to be appropriated for fiscal year 1951 for grants to States for maternal and child health, crippled children's and child-welfare services

	Total	Maternal and child health services	Crippled children's services	Child welfare services
Balances from prior years	$3,078,724	$870,518	$294,286	$1,913,920
Appropriation prior to enactment H. R. 6000	22,000,000	11,000,000	7,500,000	3,500,000
Supplemental appropriation requested under H. R. 6000	11,250,000	3,000,000	3,375,000	4,875,000
Total	36,328,724	14,870,518	11,169,286	10,288,920

State	Total available to States, 1951	Maternal and child health services: Total available to States, 1951	Maternal and child health services: Total available to States, 1951, fund A	Maternal and child health services: Total available to States, 1951, fund B	Crippled children's services: Total available to States, 1951	Crippled children's services: Total available to States 1951, fund A	Crippled children's services: Total available to States, 1951, fund B	Child welfare services, total available to States, 1951
Alabama	$1,128,237	$504,323	$151,079	$353,244	$338,546	$116,475	$222,071	$285,368
Alaska	298,144	117,200	57,200	60,000	123,947	53,947	70,000	56,937
Arizona	360,215	173,118	98,118	75,000	107,320	87,320	20,000	79,777
Arkansas	814,904	309,316	119,153	190,163	254,319	93,599	160,720	251,269
California	1,015,055	456,313	328,166	128,147	295,127	211,309	83,818	263,615
Colorado	440,555	218,383	91,383	127,000	93,925	73,925	20,000	128,247
Connecticut	460,944	126,894	101,894	25,000	194,926	92,666	102,260	139,124
Delaware	288,217	112,908	79,908	33,000	120,310	100,310	20,000	54,999
District of Columbia	349,284	117,480	77,480	40,000	185,533	65,533	120,000	46,271
Florida	569,957	253,198	121,698	131,500	145,029	95,198	49,831	171,730
Georgia	1,120,413	488,304	159,427	328,877	285,411	119,571	165,840	346,698
Hawaii	363,669	130,239	70,239	60,000	163,938	63,938	100,000	69,492
Idaho	322,347	97,141	72,141	25,000	83,088	63,088	20,000	142,118
Illinois	973,082	297,770	264,515	33,255	280,345	189,284	91,061	394,967
Indiana	825,553	315,331	188,940	126,391	193,770	119,919	73,851	316,452
Iowa	701,049	321,396	232,678	88,717	195,702	97,839	97,863	183,952
Kansas	428,880	147,765	102,447	45,318	118,557	85,499	33,058	162,558
Kentucky	994,419	414,383	141,736	272,647	296,864	111,130	185,734	283,172
Louisiana	843,778	381,362	137,330	244,032	243,495	105,935	137,560	218,921
Maine	348,440	146,708	100,021	46,687	111,929	68,929	43,000	89,803
Maryland	841,153	418,847	114,656	304,191	298,204	90,204	208,000	124,102
Massachusetts	658,977	316,782	164,780	151,972	232,381	126,261	106,120	109,844
Michigan	1,022,773	446,579	230,060	196,519	298,728	162,768	135,960	277,466
Minnesota	656,127	239,491	139,302	100,189	217,896	104,039	113,857	198,740
Mississippi	924,800	357,431	128,200	229,231	296,735	100,242	196,493	270,634
Missouri	768,958	300,160	190,124	119,036	239,685	118,522	121,163	229,113
Montana	324,635	139,843	114,843	25,000	107,177	62,177	45,000	77,615
Nebraska	471,357	161,371	111,219	50,152	124,972	74,972	50,000	185,014
Nevada	343,426	160,153	135,153	25,000	137,590	117,590	20,000	45,683
New Hampshire	270,928	95,136	68,136	25,000	118,296	98,296	20,000	59,496
New Jersey	616,118	231,935	206,935	25,000	224,214	124,214	100,000	159,969
New Mexico	309,518	132,146	77,146	55,000	85,940	65,940	20,000	91,432
New York	1,292,964	468,025	398,025	70,000	420,921	268,341	152,580	404,048
North Carolina	1,393,790	564,061	178,507	385,554	396,481	133,703	262,778	433,248
North Dakota	312,502	97,835	72,835	25,000	83,887	63,887	20,000	130,780
Ohio	1,156,712	442,498	271,580	170,918	282,733	182,501	100,252	431,461
Oklahoma	754,115	257,086	163,297	93,789	261,831	98,094	163,737	235,198
Oregon	331,026	125,471	93,887	31,584	98,269	78,269	20,000	127,286
Pennsylvania	1,461,371	573,897	316,101	257,796	412,840	230,536	182,354	474,584
Puerto Rico	966,307	427,976	153,858	274,118	284,861	110,129	174,732	253,470
Rhode Island	322,670	115,960	90,960	25,000	159,804	89,804	70,000	47,906
South Carolina	805,240	287,399	119,399	167,900	273,720	98,994	174,726	244,121
South Dakota	404,929	187,531	162,531	25,000	92,137	64,137	28,000	125,261
Tennessee	1,073,429	484,965	147,380	337,585	287,352	117,372	169,980	301,112
Texas	1,549,674	638,119	300,716	337,403	483,641	194,428	289,213	427,914
Utah	338,050	148,619	98,619	50,000	116,633	66,633	50,000	72,798
Vermont	264,025	90,778	65,378	25,000	105,111	85,111	20,000	68,536
Virgin Islands	201,933	80,923	55,923	25,000	74,790	54,790	20,000	46,220
Virginia	977,190	367,842	169,562	198,280	280,880	115,185	175,695	318,468
Washington	484,488	206,486	117,403	89,083	167,281	92,652	74,629	110,721
West Virginia	674,456	272,536	121,146	151,390	176,880	93,012	83,868	225,040
Wisconsin	791,145	334,225	231,143	103,082	242,085	110,429	131,656	214,835
Wyoming	404,376	170,901	145,901	25,000	143,140	123,140	20,000	90,335
Unapportioned reserve fund B	491,300	391,350		391,350	100,040		100,040	
Total	36,328,724	14,870,518	7,870,518	7,000,000	11,169,286	5,731,786	5,437,500	10,288,920

Apportionment of total funds estimated to be appropriated for fiscal year 1951 for grants to States for maternal and child health, crippled children's and child-welfare services

	Maternal and child health services	Crippled children's services	Child welfare services
Balances from prior years	$870,518	$294,286	$1,913,920
Appropriation prior to enactment H. R. 6000	11,000,000	7,500,000	3,500,000
Supplemental appropriation requested under H. R. 6000	3,000,000	3,375,000	4,875,000
Total	14,870,518	11,169,286	10,288,920

Apportionment of total funds estimated to be appropriated for fiscal year 1951 for grants to States for maternal and child health, crippled children's and child-welfare services—Continued

State	Maternal and child health services				Crippled children's services				Child welfare services		
	Total available to States, 1951	Apportionment 1951 exclusive of reserve fund B	Apportionment 1951 reserve fund B [1]	Prior years' balances available in 1951	Total available to States, 1951	Apportionment 1951 exclusive of reserve fund B	Apportionment 1951 reserve fund B [2]	Prior years' balances available in 1951	Total available to States, 1951	Apportionment, 1951	Prior years' balances available in 1951
Alabama	$504,223	$404,323	$100,000		$338,546	$288,196	$50,000	$350	$285,368	$285,321	$47
Alaska	117,260	82,260	35,000		123,947	73,947	50,000		56,937	45,848	11,089
Arizona	172,118	100,633	50,000	$22,485	107,320	86,484		20,836	79,777	77,643	2,341
Arkansas	309,316	246,177	52,500	10,639	254,319	204,319	50,000		251,269	218,443	32,826
California	456,313	421,313	35,000		295,127	269,627	25,500		265,615	212,945	50,670
Colorado	218,383	116,383	102,000		93,925	93,923		2	128,247	96,520	31,727
Connecticut	126,894	126,894			194,926	101,063	82,260	8,603	130,124	83,810	55,314
Delaware	112,905	87,020	8,000	17,888	120,310	77,545		42,765	54,999	51,265	3,734
District of Columbia	117,480	102,480	15,000		185,533	85,533	100,000		46,271	40,000	6,271
Florida	253,198	203,198	50,000		145,029	145,029			171,730	130,228	41,502
Georgia	488,304	413,304	75,000		285,411	285,411			346,698	284,345	62,353
Hawaii	130,239	95,239	35,000		163,938	83,938	80,000		69,492	61,398	8,094
Idaho	97,141	97,141			83,088	83,088			142,118	77,342	64,776
Illinois	297,770	297,770			280,345	212,499	67,200	646	394,967	228,976	165,991
Indiana	315,331	273,630	12,000	29,701	193,770	193,770			316,452	184,522	131,930
Iowa	321,395	211,526		109,869	195,702	153,657	42,000	45	183,952	177,760	6,192
Kansas	147,765	147,765			118,557	118,469		88	162,558	137,609	24,949
Kentucky	414,383	374,383	40,000		296,864	266,864	30,000		283,172	276,570	6,602
Louisiana	381,362	306,362	75,000		243,495	220,755	22,740		218,921	205,639	13,282
Maine	146,708	105,599	20,000	21,109	111,929	88,929	23,000		89,803	89,671	132
Maryland	418,847	155,669	263,178		298,204	110,204	188,000		124,102	111,614	12,488
Massachusetts	316,752	189,780	126,972		232,381	146,261	86,120		109,844	77,730	32,114
Michigan	446,579	376,671	50,000	19,908	298,728	248,728	50,000		277,466	218,974	58,492
Minnesota	239,491	236,913		2,578	217,896	167,896	50,000		198,740	180,068	18,672
Mississippi	357,431	357,431			296,735	246,735	50,000		270,634	253,339	17,295
Missouri	309,160	269,186	800	39,174	239,685	209,685	30,000		220,113	218,449	1,664
Montana	139,843	95,891		43,952	107,177	81,939	25,000	238	77,615	74,171	3,444
Nebraska	161,371	119,445	20,000	21,926	124,972	94,972	30,000		185,014	118,119	66,895
Nevada	160,153	82,961		77,192	137,590	75,046		62,544	45,683	45,655	28
New Hampshire	93,136	92,913		223	118,296	81,540		36,756	59,496	57,846	1,650
New Jersey	231,935	189,997		41,938	224,214	144,214	80,000		159,969	102,319	57,650
New Mexico	132,146	102,143	30,000	3	85,940	85,783		157	91,432	85,649	5,783
New York	468,025	423,010	45,000	15	420,921	288,341	132,580		404,048	233,473	170,575
North Carolina	564,061	534,061	30,000		396,481	361,481	35,000		433,248	362,170	71,078
North Dakota	97,835	97,657		178	83,887	83,887			130,780	95,788	34,992
Ohio	442,498	423,822	13,300	5,376	282,753	282,598		155	431,461	257,981	173,480
Oklahoma	257,086	204,982		52,104	261,831	191,271	70,560		235,198	207,772	27,426
Oregon	125,471	125,471			98,269	98,269			127,286	89,727	37,559
Pennsylvania	573,897	570,599		3,298	412,890	412,890			474,584	375,768	98,816
Puerto Rico	427,976	427,976			284,861	284,861			253,470	229,871	23,599
Rhode Island	115,960	97,973		17,987	159,804	84,437	50,000	25,367	47,906	45,179	2,727
South Carolina	287,399	287,399			273,720	223,720	50,000		244,121	223,334	20,787
South Dakota	187,531	97,453		90,078	92,137	84,137	8,000		125,261	90,290	34,971
Tennessee	484,965	365,065	$119,900		287,352	275,352	12,000		301,112	257,887	43,225
Texas	638,119	616,601		21,518	483,641	483,641			427,914	427,848	66
Utah	148,619	102,365	25,000	21,254	116,633	86,633	30,000		72,798	70,487	2,311
Vermont	90,378	89,431		947	105,111	79,291		25,820	68,536	62,818	5,718
Virgin Islands	80,923	79,692		1,231	74,790	73,089		1,701	46,220	40,882	5,338
Virginia	367,842	345,580		22,262	290,880	238,272	50,000	2,608	318,468	238,102	80,366
Washington	206,486	156,486	50,000		167,281	117,281	50,000		110,721	110,719	2
West Virginia	272,536	244,875	20,000	7,661	176,880	176,870		10	225,040	206,064	18,976
Wisconsin	334,225	249,895		84,330	242,085	167,085	75,000		214,835	183,521	31,314
Wyoming	170,901	87,207		83,694	143,140	77,545		65,595	90,335	55,531	34,804
Unapportioned reserve fund B	391,350		391,350		100,040		100,040				
Total	14,870,518	12,110,000	1,890,000	870,518	11,169,286	9,000,000	1,875,000	294,286	10,288,920	8,375,000	1,913,920

[1] These allocations are for special projects of Nation-wide significance that will contribute to the development of maternal and child health programs in all States. They represent amounts of less than $100,000 in all except 5 States. These States are as follows: Alabama, special medical and hospital care project; Colorado, project for care of premature infants; Maryland, projects for premature infants, training of maternal and child health personnel, demonstration of comprehensive county maternal and child health program; Massachusetts, training of maternal and child health personnel and children's dental health; Tennessee, training maternal and child health personnel. (Students from a number of States attend training programs.)

[2] These allocations are for special projects of Nation-wide significance that will contribute to the development of crippled children's programs in all States. They represent amounts of less than $100,000 in all except 3 States which are as follows: District of Columbia, rheumatic fever and pedintric care projects; Maryland, projects for cerebral palsy, rheumatic fever, hearing, and training of personnel for crippled children's programs; New York, rheumatic fever and training of personnel for services to crippled children.

Mr. LANGER. Mr. President, at this time I wish to compliment the distinguished Senator from New Mexico [Mr. CHAVEZ] for the fine, enlightened, and courageous fight he has made in behalf of those who, more than anyone else, need help. In the United States there are 10,000,000 families having incomes of less than $2,000 a year. The distinguished Senator from New Mexico has become their spokesman on this floor. Words on my part would be entirely inadequate to express to the Senator from New Mexico the thanks not only of the North Dakota families who come in that bracket, but also of all those in the entire United States and in the Territories. In their behalf I thank the distinguished Senator from New Mexico.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	Kerr
Anderson	Flanders	Kilgore
Bennett	Frear	Knowland
Brewster	Fulbright	Langer
Bricker	George	Lehman
Bridges	Gillette	Long
Butler, Md.	Green	Magnuson
Butler, Nebr.	Hendrickson	Maybank
Byrd	Hennings	McCarran
Capehart	Hickenlooper	McCarthy
Carlson	Hill	McFarland
Chavez	Hoey	McKellar
Clements	Holland	McMahon
Connally	Humphrey	Monroney
Cordon	Hunt	Moody
Douglas	Ives	Morse
Duff	Jenner	Mundt
Dworshak	Johnson, Colo.	Neely
Eastland	Johnson, Tex.	Nixon
Ecton	Johnston, S. C.	O'Conor
Ellender	Kefauver	O'Mahoney
Pastore	Smith, N. J.	Underwood
Robertson	Stennis	Welker
Russell	Taft	Wherry
Saltonstall	Thye	Williams
Smith, Maine	Tobey	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment lettered "O" of the Senator from Illinois [Mr. DOUGLAS].

Mr. TAFT. Mr. President, I shall oppose the Douglas amendment. Only last year the Social Security Act was reconsidered. We increased the amount of the authorization in the item under consideration because we did not think the amount provided was sufficient to carry on the work required in connection with maternal health, crippled children, and child welfare. In my opinion this is not a field in which we should cut the allowances. It is a field in which the Federal Government to a very limited extent helps various pro-

grams primarily for the benefit of children. I am quite willing to have the appropriations in the bill cut, but I do not believe the economy sought in the pending amendment is justified under the circumstances.

The PRESIDING OFFICER. The question is on agreeing to the amendment lettered "O" of the Senator from Illinois [Mr. DOUGLAS].

Mr. LANGER and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Connecticut [Mr. BENTON], the Senator from Arizona [Mr. HAYDEN], the Senator from Florida [Mr. SMATHERS], the Senator from North Carolina [Mr. SMITH], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Arkansas [Mr. MCCLELLAN] is unavoidably detained on official business at one of the Government departments.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Illinois [Mr. DIRKSEN]. If present and voting, the Senator from Montana would vote "nay" and the Senator from Illinois would vote "yea."

If present and voting, the Senator from Arizona [Mr. HAYDEN], the Senator from North Carolina [Mr. SMITH], and the Senator from Alabama [Mr. SPARKMAN] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. CASE] is absent on official business.

The Senator from Illinois [Mr. DIRKSEN], who is absent on official business, is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from Montana would vote "nay."

The Senator from Missouri [Mr. KEM], who is absent by leave of the Senate, is paired with the Senator from Massachusetts [Mr. LODGE] who is necessarily absent. If present and voting, the Senator from Missouri would vote "yea" and the Senator from Massachusetts would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

The Senator from Washington [Mr. CAIN], the Senator from Nevada [Mr. MALONE], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Utah [Mr. WATKINS], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The result was announced—yeas 17, nays 61, as follows:

YEAS—17

Bennett	Butler, Nebr.	Douglas
Bricker	Byrd	Ecton
Butler, Md.	Capehart	Ferguson
Hendrickson	Robertson	Wherry
Jenner	Smith, Maine	Williams
O'Conor	Smith, N. J.	

NAYS—61

Aiken	Hill	McKellar
Anderson	Hoey	McMahon
Brewster	Holland	Monroney
Bridges	Humphrey	Moody
Carlson	Hunt	Morse
Chavez	Ives	Mundt
Clements	Johnson, Colo.	Neely
Connally	Johnson, Tex.	Nixon
Cordon	Johnston, S. C.	O'Mahoney
Duff	Kefauver	Pastore
Dworshak	Kerr	Russell
Eastland	Kilgore	Saltonstall
Ellender	Knowland	Stennis
Flanders	Langer	Taft
Frear	Lehman	Thye
Fulbright	Long	Tobey
George	Magnuson	Underwood
Gillette	Maybank	Welker
Green	McCarran	Young
Hennings	McCarthy	
Hickenlooper	McFarland	

NOT VOTING—18

Benton	Lodge	Schoeppel
Cain	Malone	Smathers
Case	Martin	Smith, N. C.
Dirksen	McClellan	Sparkman
Hayden	Millikin	Watkins
Kem	Murray	Wiley

So the amendment of Mr. DOUGLAS was rejected.

Mr. CONNALLY. Mr. President, I had purposed to offer an amendment, which I understand from the Parliamentarian is not in order at this time because of the adoption of the Ferguson amendment. My amendment had reference to the operation of the wage-and-hour law. In my State there are wholesale petroleum marketers who operate in each county. They sell gasoline and oil to farmers and retail service stations, and they are purely local, independent businessmen. However, the wage-and-hour-law examiners who go snooping about, approach one of these local agents, for instance, and say, "You come under interstate commerce." The agent says, "How do I come under interstate commerce? My operations are purely local, among my own customers." The examiner says, "You sell to farmers, and what the farmer produces may go into interstate commerce. Therefore you are in interstate commerce, and, therefore you must abide by the wage-and-hour law."

THREATENED WITH PROSECUTION

These marketers are threatened with prosecution, and some of their employees are likewise threatened with prosecution. They are told they will be fined heavily if they do not comply with the wage-and-hour law. In many instances the salaries paid the employees amount to more than is required by the wage-and-hour law.

Wholesale petroleum marketers are local businessmen, small fellows, who are carrying on their operations. I do not believe, Mr. President, that the act was ever intended to apply to them. They are independent businessmen, who make 95 percent of their sales directly to retail service stations and to farmers. The rest of their sales, amounting to only 5 percent of the total, are made to customers such as road contractors, oil drilling rigs, and small industrial plants. Yet the wage-and-hour snoopers undertake to bring them all within the jurisdiction of the wage-and-hour law.

SALES LIMITED TO ONE COUNTY

In almost every case, the business of these marketers is limited to a radius of 30 miles and to one county. Only by the wildest stretch of the imagination can they be considered to be in interstate commerce. If they are engaged in interstate commerce, then every person in the United States is engaged in interstate commerce. I do not think the Senate is ready to accept such a concept.

Investigators of the Wage and Hour Division have recently begun a campaign of harassment against wholesale petroleum marketers. These marketers are reasonable men and therefore assumed that a one-county operation was not interstate commerce and that they were not covered by the law. Unfortunately, they reckoned without the legal—or rather, illegal—imagination of the Wage and Hour Division. They now find themselves threatened with suits for back pay over the past two years amounting in some cases to as much as $9,000.

EMPLOYEES THREATENED

It is significant that these suits do not come from the employees to whom the back pay is allegedly due. They come, instead, from the wage-hour investigators. The employees themselves do not want to sue. In many instances, they are getting a monthly salary in excess of the requirements of the act. The wage-hour investigators insist, however, that, in the absence of any written agreement between employer and employee, the monthly salary applies only to the basic workweek of 40 hours and does not include any payment for overtime beyond 40 hours. In at least one case, an investigator warned employees that if they attempted to waive their allegedly due back pay, they themselves would be subject to fine.

Mr. President, the investigators carry on a process of coercion and intimidation to bring about a supposed compliance with the wages-and-hours law.

The Wage and Hour Division alleges that these marketers are in interstate commerce, because:

(a) They sell petroleum to farmers, and the products which the farmers produce may go out of the State.

In other words, cotton may eventually go to Europe. If a man is a cotton producer, they allege he is in interstate commerce, and therefore the man who sells him his gasoline comes under the wages-and-hours law. That is a ridiculous proposition, Mr. President.

(b) They sell to concerns other than retail outlets, and the products of these concerns may go out of the State. But this amounts to only 5 percent of the marketers' total business.

This legal reasoning is so ridiculous that it would be curious if it were not a life-and-death matter to the businessmen involved. They operate on thin profit margins and cannot afford to pay thousands of dollars in back wages which they do not owe.

LAW SHOULD BE FAIRLY ENFORCED

I have no desire to interfere with the enforcement of the wage-hour law. It ought to be enforced vigorously—but only against those persons to whom it applies. If the Wage and Hour Division has nothing better to do with its investigators than to harass businessmen and their employees who are not covered by the law, then I think it has too many investigators.

Mr. President, farmers are specifically exempted from the wages-and-hours law, but these investigators on the pretext that the farmers may be doing an interstate business by sending some of their products out of the State, want to bring into the system the very people who furnish the farmers with the supplies for operations.

In his testimony before the Appropriations Committees, the Wage and Hour Administrator made much of the fact that 57 percent of all business establishments investigated were found to be in violation of the law. If this figure of 57 percent includes alleged violations by persons who are not covered by the law at all, it is obviously too high. If the Administrator did not investigate anybody except exempt businesses, he might be able to produce a figure of 97 percent violations—or even 100 percent.

BACKLOG OF COMPLAINTS

The Wage and Hour Division has a heavy backlog of complaints of violations of the law. On January 1 of this year, that backlog amounted to 3,773 cases—more than three times its size of a year earlier. The Division ought to devote itself to getting rid of this backlog instead of snooping around people who are not covered by the law and who are not complaining. But it is allotting only 25 percent of its investigative program to complaints.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a memorandum dealing with the subject I have been discussing.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

THE WHOLESALE MARKETER

(a) There are approximately 50,000 men in this business throughout the Nation, operating in every State. There are roughly 3,000 men in the business in Texas.

(b) The marketer represents the wholesale distribution link between any producer of petroleum on the one hand, and the consumer (viz., service stations, farms, etc.) on the other. Generally there is one marketer for each producer (Texas Co., Gulf, Phillips, Magnolia, etc.) in each county.

(c) The marketer is an independent businessman, this being established by definition in H. R. 6000 (extension of Social Security) last year. His arrangement with a producer ranges from that of consignee, who owns part of the equipment he uses (trucks, tanks, etc.) and operates on a flat commission on all oil and grease sold, to that of jobber on the other hand, who operates completely independently, buying the product at the most favorable price and selling it the same way, and who owns all equipment and stock in his business.

(d) Dollar volume: The average wholesale marketer averages 60,000 gallons of petroleum per month in sales. (He may range from 20,000 to over 300,000 gallons.) His margin averages between 1 and 2 cents per gallon. He employs 1.3 men only (thus hardly constituting a field of employment, within the intent of this law, but more nearly being a one-man operation). He owns two trucks.

(e) Geographical aspects: He is, by necessity of distribution requirements, located in almost every county. His radius of operation rarely exceeds 30 miles and almost always is limited to his own immediate county.

(f) His customers: Examination of the dollar volume of his business divides his customers as follows:

	Percent
(a) Retail (service stations)	65
(b) Farms	30
(c) Others (road contractors, oil drilling rigs, small industrial plants)	5

EFFECTS OF THE PRESENT LAW

The attached exhibit, a copy of a letter, tells the story of the effects of the interpretation of this law on one individual marketer. In the last 3 weeks in central Texas alone, three additional cases have arisen and the pattern is usually the same.

1. The marketer at present is totally unaware that he is allegedly operating in interstate commerce.

2. An investigator from the Wage and Hour Division of the Department of Labor visits his office, inspects his books, states that he is in interstate commerce for one or more of the following reasons: (No cases have yet been reported where the inspector "found" otherwise.)

(a) He does business with farms and their products may go out of State. (Manifest unfairness of this reasoning lies in the fact that the farmers themselves are specifically exempt from the provisions of the Fair Labor Standards Act.)

(b) He does business with concerns other than retail outlets (regardless of the fact that it is only a fractional amount) and their products may go out of State.

(c) He is therefore subject to the provisions of wages and hours, must put his employees on a 40-hour week at 75 cents per hour minimum, pay time and a half overtime.

(d) He must pay his employees allegedly due back overtime pay for a period of 2 years or face suit for double the amount involved (one-half being a fine). This amount in Texas has ranged from $1,800 to approximately $9,000.

(e) Employees are encouraged to press such suits. In at least one case, the investigator warned the employees that if they attempted to waive their allegedly due back pay, they themselves would be subject to fine.

(f) The small operator, faced with this amount in nearly every case is faced with the prospect of going out of business. This in turn would destroy the very jobs the law was designed to aid.

(g) In many instances, the employer is paying a monthly salary equivalent to more than the 75-cent minimum. However, investigators insist, in the absence of any written agreement between employer and employee, that the base figure involves only the base 40 hours and thus "overtime pay at a much higher hourly rate is still due."

SHOULD BE EXEMPT FROM LAW

1. Wholesale marketers do not, as a group, constitute a real employment field, as Congress intended the law to affect. They are largely one-man operations, average 1.3 employees per employer.

2. They are allegedly subject to the provisions of the Fair Labor Standards Act because they do business (about 30 percent) with farmers. Yet the farmers themselves are exempt as a class from the provisions of this same law.

3. They are also allegedly subject to the provisions of the law because they sell oil and grease to small industrial firms whose products may go out of the State. This percentage is so fractional, however, average of 5 percent, as to be manifestly unfair. Their entire purpose is to serve service stations (exempt) and farms (exempt).

4. They cannot (in rural areas particularly) stay in business under these arbitrary rulings. Their margin of profit is too thin, other costs too high, volume too small to face sudden claims for alleged back wages. This will result in their going out of business and the loss of employment to their employees.

5. If this group can be considered, by arbitrary interpretation, to be in interstate commerce, then every single businessman can, by the same token, be so considered. This implies Federal control over all business, occupations, professions. That was not the intent of Congress.

A TYPICAL CASE OF BROWBEATING

Mr. CONNALLY. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point a copy of a letter which sets forth one typical case of browbeating and intimidation on the claim that the persons involved come within the law.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 7, 1951.

DEAR ———: With reference to our telephone conversation this afternoon concerning the Wage and Hour and Public Contracts Division of the United States Department of Labor, with ——— of ———, Texas, I will give you the following history:

Mr. ——— is a small gasoline wholesale agent selling ——— oil products at an average of about 1½ cents per gallon, commission. He bought this agency here in 1945, after he was discharged from the armed service of World War II.

He has employed, three truck drivers and one bookkeeper.

About 3 weeks ago, Mr. ——— came to his office in ——— and informed him he was with the Wage and Hour and Public Contracts Division of the United States Department of Labor and thought that possibly he came under the Fair Labor Standards Act. At Mr. ———'s suggestion, Mr. ——— let him examine his books and records. He then took out a pamphlet and stated that according to the law, ——— would come under the act, because he sold grease and oil to oil producers and that the oil they produced might eventually go out of the State.

He then informed Mr. ——— that he would have to put all of his men on a 40-hour-week basis and pay time and a half for overtime. He also told Mr. ——— that he would have to pay all of his men the back overtime for a period of 2 years prior to that time. He then checked over ———'s books again and said that the back wages which he would have to pay the employees amounted to about $4,000.

——— is a small operator, and, of course, this $4,000 would put him out of business.

——— then talked with his four employees about the matter and told them the situation. They told him that they did not want to sue him for any back wages, that they were satisfied with what he had been paying them, and that they wanted to continue working for him. ——— immediately put all of his employees on the 40-hour-week basis, time and a half for overtime, and is paying them according to such orders. The

employees told Mr. ——— that they would sign any paper or release that was necessary, except that Mr. ——— told them that they would be subject to a $250 fine if they signed any release or compromise of their claim for back wages. However, they assured Mr. ——— that they did not want any back wages, and they are still on the job and everybody is satisfied except the ——— office of this Bureau.

On May 4, 1951, the ——— office wrote Mr. ———, and I am enclosing herewith the original of their letter.

I have heard of lots of Government interference in private business, and we are all sick of it, but I don't believe that I ever heard of the Government trying to dictate to the employees that they cannot settle their claim for back wages with an employer, even though the employees and the employer are agreed upon it. Possibly individuals, under such a set-up have no right to contract between themselves, without the permission of some bureaucrat.

Mr. ——— does not know what to do with reference to the circumstance in the letter of May 4 that the Bureau at ——— will hold the file open until May 18, 1951, before taking any action against Mr. ———.

I would appreciate your taking some immediate steps in connection with this matter, as I do not believe Congress or anyone else approves of such tactics.

Yours very truly,

——— ———.

GROWING BUREAUCRACY

Mr. CONNALLY. Mr. President, the regional office of the Wage and Hour Division in Dallas, which covers Arkansas, Louisiana, New Mexico, Oklahoma, and Texas, is the second largest in the country, exceeded in size only by that in New York, which covers only New York and New Jersey.

There are 180 employees in the Dallas office, of whom 107 are investigators and 11 are investigation supervisors.

Mr. President, this is growing to be a bureaucracy of the worst character. I am glad the Ferguson amendment reducing appropriations for personnel has been agreed to.

OPS AND BEEF—LETTER FROM GRANT E. ANDERSON TO SENATOR THYE

Mr. THYE. Mr. President, will the Senator from New Mexico yield to me?

Mr. CHAVEZ. I yield.

Mr. THYE. Mr. President, I wish to read a letter I received from a partner in a business establishment. Two young men established the business after they were discharged from the military forces following the end of the war in 1945. What is set forth in the letter is rather typical of conditions with which some businessmen are now faced, and more especially the young man who is operating on limited capital. The letter comes from the A. & P. Chip Steak Co., North Mankato, Minn. It is dated June 4, 1951, and is as follows:

DEAR ED: Ten years ago when we were driving along some of these long Minnesota roads I never dreamed that I would be writing you as one of your constituents. But with the present beef situation under OPS I thought I would let you know what it is doing to us.

If you remember my partner and myself were down to your farm and talked to you about going into slaughtering our own cattle fearing price control and the result of Government control.

To give you an idea what is happening to us and I imagine other small businesses I will quote figures off invoices from Armour & Co.

The week of January 22, 1951, we purchased from Armour & Co. 52 beef rounds (3,723 pounds) at a price of 44 cents per pound.

The week of May 28, 1951, we were able to purchase from Armour only one (77 pounds) round at a price of 50.55 per pound.

In addition to this we were able to purchase from Swift & Co. two high-priced cuts of beef, one of 25 pounds at 75.60 per pound and 102½ pounds at 70 cents per pound.

We have three other packers calling on us and we were not able to get any beef at all from them.

I could cite you many, many more inequities such as—the ceiling of hamburger patties imposed on us is 60.40 per pound which is the same ceiling as the major packers have as their price.

From the above it seems to me clear that either OPS goes or else we will go.

Ed, I know how busy you are but I wanted to get my two bits worth into Washington where I thought it would do the most good. I would appreciate any information that you could give us on the situation.

Sincerely,

GRANT E. ANDERSON.

This is a veteran who served for many years throughout World War II. He is one of the young men who went into business.

He adds this postscript:

P. S.—Other troubles: My partner, Gibb, is being called back into the Army July 6. We were flooded out for 2 weeks during the flood in North Mankato.

That was the terrific flood of last spring.

How about a job after OPS gets through with us?

This is a letter from Grant E. Anderson, a young man whom I have known for many years. This letter deals with OPS regulations. I stated last spring that we were off to a bad start. I think we are in a bad situation at the present time.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

Mr. JENNER. Mr. President, on behalf of the Senator from Illinois [Mr. DIRKSEN] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Indiana will be stated.

The CHIEF CLERK. On page 33, line 12, after the word "approval," it is proposed to insert a colon and the following proviso: "*Provided*, That no State which has, by legislative enactment, provided the conditions under which public access may be had to the records of the disbursements of grants in aid funds shall be denied its allocation of Federal funds under titles I, IV, X, and XIV if such State has otherwise complied with the governing statutory provisions."

Mr. CHAVEZ. Mr. President, the chairman of the subcommittee will accept the amendment and take it to conference. I believe that it is necessary.

Mr. JENNER. I thank the Senator.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. DOUGLAS. Mr. President, I call up my amendment designated "6-8-51—B."

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The CHIEF CLERK. On page 16, line 9, in the committee amendment, it is proposed to strike out "$40,000,000" and insert in lieu thereof "$31,000,000."

Mr. DOUGLAS. Mr. President, this is an amendment to decrease the appropriation suggested by the Senate committee for the maintenance and operation of local schools in federally affected areas.

I was very glad to work and vote for the original bill providing for school construction in federally affected areas, and for the maintenance and operation of such schools. The Senator from Minnesota [Mr. HUMPHREY] performed a very valuable service in getting this legislation to the floor and through the Congress, and I am very much in favor of it. I do think, however, that there are certain facts which we should bear in mind as we vote on the appropriation.

The Office of Education informs us that a total of $41,500,000 would pay for all the added Federal costs in every district in the country. In other words with this amount we could provide 100 percent of the requested Federal support for the maintenance of local schools to the degree to which those costs had been increased. I think we should remember that, in the first place, there is a tendency to overestimate the added Federal costs. When we are dealing with Uncle Sam it is always easy to be generous by way of padding costs or overestimating costs, particularly when we look forward to the future. So I am personally inclined to sprinkle a little salt on the estimate of $41,500,000.

There is another offsetting factor which should be borne in mind. It is true that Federal installations bring large numbers of children from outside the school district into the district, thus creating an added strain upon the school resources. But it is also true that in the wake of those children and in the wake of those families will come added stores, and in some cases added housing. Therefore the taxable capacity of the locality is increased along with the burden. The taxable capacity is not increased in the same ratio as the added burden, but it is increased to some extent.

The House of Representatives made an appropriation of only $28,000,000 for this purpose, which would provide for 68 percent of the estimated total cost, which, as I have said, I think is a padded figure.

The Senate committee raised this amount to $40,000,000 at the request of the Bureau of the Budget. The appropriation suggested by the committee would meet over 97 percent of all the estimated cost, virtually the entire estimated cost. In view of the fact that I think these budget estimates are excessive, in view of the fact that there is added taxable capacity, and in view of the principle that the localities should assume some share of the burden, I believe it is safe to cut this figure to $31,000,000. That is $3,000,000 more than the House figure, and it would provide 75 percent even of the high total cost figures given out by the Office of Education.

I am in favor of the proposal which the eminent Senator from Minnesota [Mr. HUMPHREY] advanced, that the Federal Government should meet at least a portion of these costs which are federally created. I am in favor of welfare programs and social reform during periods of prosperity, within the limits of a balanced budget. But I do not believe that in periods of prosperity we should spend grossly excessive amounts above the amounts which we collect in taxes. If we do that, we are allowing our hearts to run away with our heads. We are creating a deficit which can be met only by borrowing; and in periods of prosperity, when workers are employed, such borrowing is generally in the form of bank credit, resulting in bidding up prices, and in inflation. So we do more damage through the indirect effects of the governmental deficit than we realize in benefits from the direct effects of the appropriation.

I wish to make my position very clear. I am for appropriations for welfare; but in a period of full employment I want to have the Government balance its budget, because if the budget is not balanced, inflation is bound to ensue. I submit that this is a sane program of social reform within the confines of a balanced budget.

Mr. CHAVEZ. Mr. President, let me say to the good Senator from Illinois that when he refers to this particular item as a matter of social welfare, he is in error. This is not social welfare at all. It is for the payment of costs of operating the school systems throughout the Nation.

Let me explain why the committee made this recommendation, so that the Senate may be informed as to what it is voting upon. I have stated heretofore, and I repeat, that the Senate is supreme in these matters. If the Senate desires to cut the figure, well and good. However I do not believe the Senate would be justified in cutting one penny from the committee's recommendations unless it had information upon which to justify such a cut.

For what purpose is the $40,000,000 to be used? It is to be used for payments to school districts, not for social welfare. The committee recommended $40,000,000, an increase of $12,000,000 over the House allowance, for which the Senate received a supplemental estimate, known as Senate Document No. 40, on May 21, together with a change of language to correct an inaccuracy in the estimate and to permit the use of funds in carrying out the provisions of section 6 of Public Law 874.

We should have in mind that last fall when the estimates were submitted to the Bureau of the Budget they were based on what were supposed to be the requirements at that time. The Bureau of the Budget had approved the $28,000,000. After the approval by the Bureau of the Budget, the Congress of the United States passed Public Law 874, in which the Government was authorized, wherever the Federal Government, because of its national defense activities, caused an impact upon local school districts, to contribute to the work of the public-school system.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. STENNIS. As I understand, a formula was worked out, and the schools which did not meet the requirements of the formula were not considered.

Mr. CHAVEZ. That was last fall.

Mr. STENNIS. Yes.

Mr. CHAVEZ. That is correct.

Mr. STENNIS. During the current year, as I understand from the report, only 68 per cent of the schools which met the formula requirements received payments.

Mr. CHAVEZ. That is correct.

Mr. STENNIS. In that connection I should like to point out that two school districts in my State have not paid their teachers this year because of the existence of that very situation.

Mr. CHAVEZ. The same situation exists in every State of the Union. For example, there is tremendous activity in South Carolina, in the area which is being developed by the Atomic Energy Commission. Perhaps 20,000 or 30,000 families with children will be brought into the area. In the first place, the Government has taken the land from the people of South Carolina and has thus taken it from the State's tax rolls. Thousands of children will be brought into the area. Such situations are behind the philosophy of Public Law 874, which Congress passed after the original requirements were submitted to the Bureau of the Budget. Since that time the House allowed $28,000,000. All the Senate committee has done is to take into consideration Public Law 874. On the basis of such consideration it approved $12,000,000 more. It is that simple.

Mr. President, we should either appropriate the money, or Public Law 874 should not be on the statute books. The Federal Government should contribute what Congress determines to be its just share by reason of the impact of Federal activities in individual States.

I hope the amendment of the Senator from Illinois will be rejected.

The PRESIDING OFFICER (Mr. UNDERWOOD in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. BRIDGES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Moody
Anderson	Hill	Morse
Bennett	Hoey	Mundt
Bricker	Holland	Neely
Bridges	Humphrey	Nixon
Butler, Md.	Hunt	O'Conor
Butler, Nebr.	Ives	O'Mahoney
Capehart	Jenner	Pastore
Carlson	Johnson, Colo.	Robertson
Chavez	Johnson, Tex.	Russell
Clements	Johnston, S. C.	Saltonstall
Connally	Kefauver	Smith, Maine
Cordon	Kerr	Smith, N. J.
Douglas	Kilgore	Smith, N. C.
Dworshak	Knowland	Sparkman
Eastland	Lehman	Stennis
Ecton	Long	Taft
Ellender	Magnuson	Thye
Ferguson	Maybank	Tobey
Frear	McCarran	Underwood
George	McCarthy	Watkins
Gillette	McClellan	Welker
Green	McFarland	Wherry
Hayden	McKellar	Wiley
Hendrickson	McMahon	Williams
Hennings	Monroney	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment of the Senator from Illinois.

Mr. MAYBANK. Mr. President, I should like to address a question to the Senator from New Mexico. As I understand the amendment which we are now considering, it proposes to reduce certain funds intended for educational institutions in congested and critical areas. Is that correct?

Mr. CHAVEZ. That is correct.

Mr. MAYBANK. I should like to say, if the Senator will permit me, that I am as much in favor of economy as is any other Member of the Senate. I worked long and hard on the appropriations in an endeavor to effect economies, but the amendments, including the one which is now before the Senate, which affect schools, will do nothing short of inflicting serious injury upon my own State and upon many other States. We have on the Savannah River an atomic energy plant which is taking 250,000 acres of land which will be removed from the tax rolls of South Carolina. It is expected that 35,000 people will be employed at that plant. My State cannot possibly afford to provide the necessary schools and other facilities which will be needed in connection with that development.

I favor economy, but I want the RECORD to show that the kind of economy proposed in this instance, which affects an area comprising 250,000 acres of land and which also affects the farmers, is not an economy from the viewpoint of the people of my State. No one in the State of South Carolina asked that the atomic energy plant be located on the Savannah River, and most of us were very much shocked when we learned that it was to be located there. It takes

250,000 acres of land, including some of the best land in the State. It is estimated that, for its peak operations, the plant will require an influx of 35,000 people, who will be employed there, and who will bring their families with them.

I should simply like to know what the people of my State would expect me to do other than to support to the end an appropriation of the necessary funds with which to develop the schools and other facilities of that district, even though they feel, as I do, that economy is the first order of business. I certainly do not want inflation, but when it comes to making cuts of this kind in connection with the project in the Savannah River Valley, I oppose it.

The Senators from Georgia know the situation in the area to which I have referred as well as I do. Other Senators know it also. The same thing is going to happen in the home State of our distinguished Vice President, in the Paducah area. Certain increases were made in the bill in order to take care of the atomic energy installations, were there not?

Mr. CHAVEZ. That is correct.

Mr. MAYBANK. I merely wanted the RECORD to show that.

Mr. CHAVEZ. Mr. President, let us make clear the reason for the action of the Committee on Appropriations in recommending an increase of $12,000,000 in this item. The Bureau of Education, under the law, is required to present evidence before the Budget Bureau. It is generally done in the fall of the year. The Bureau of Education for this purpose requested of the Budget Bureau $28,000,000, which request was approved by the Bureau. After the request had been made and approved, the Congress of the United States passed Public Law 874 for the purpose of caring for the situation which has been outlined by the Senator from South Carolina and similar situations.

When the House of Representatives acted on the appropriation bill the only information it had, so far as the budget was concerned, was that the sum of $28,000,000 had been approved last fall. It acted upon that information and under those circumstances, and allowed $28,000,000.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. CHAVEZ. I shall be glad to yield to the Senator in a moment. On the 21st of May the Budget Bureau sent to the Committee on Appropriations a supplemental estimate of $12,000,000 designed to take care of the additional obligations of the Government under Public Law 874; which was acted upon by the House committee. Therefore, all we are doing now is to approve the budget figures.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from South Carolina.

Mr. MAYBANK. Is it not true that the additional money was for the purpose of atomic-energy installations at Paducah, Ky., on the Savannah River in South Carolina, and at other places?

Mr. CHAVEZ. That is correct; and also in connection with an installation in North Carolina. It could be used anywhere in the United States.

Mr. MAYBANK. I understand that; but will the Senator not agree with me that, if we materially reduce this appropriation, restoring it, let us say, to the House figure, then these installations will not be properly cared for? Will the Senator say that I am wrong about that?

Mr. CHAVEZ. No; the Senator from South Carolina is not at all wrong. I stated, in his absence, that I felt sure many thousands of acres of taxable land had been or would be taken.

Mr. MAYBANK. The project contemplates the taking of 250,000 acres of land on the Savannah River in South Carolina.

Mr. CHAVEZ. I really did not know the full extent of the area taken, but I said it amounted to thousands of acres. The philosophy behind the enactment of Public Law 874 was that it would in a way compensate for the loss of revenues with which to carry on governmental functions within the respective States.

Mr. STENNIS. Mr. President, will the Senator yield for a question at that point?

Mr. CHAVEZ. I am glad to yield to the Senator from Mississippi.

Mr. STENNIS. In spite of the fact that we now, in fiscal 1951, have an increased load to carry for these federally affected areas, is it not true that it was found possible to fill but 68 percent of the entitlement under the formula which is the basis of our present operations?

Mr. CHAVEZ. That is correct.

Mr. STENNIS. Is it not also correct that, with this increased load, unless additional money is made available, we shall be unable to fill as much as 50 percent of the entitlement under that formula?

Mr. CHAVEZ. That is correct.

Mr. STENNIS. In addition to the matters which have already been mentioned in the areas affected, is the Senator familiar with Keesler Field, located in the heart of the city of Biloxi, Miss., where more than 40 percent of the municipality is federally owned at this time?

Mr. CHAVEZ. I am not only familiar with Keesler Field, in the Senator's home State, but I am familiar, in a way, with many fields in the State of the Senator from Oklahoma. In my home State there are two of the largest atomic energy activities in the country. What is proposed is only to carry out the authorization which was provided last fall by congressional action, that where local districts are suffering from the impact of Government activities, the Government should participate in a contribution.

Mr. STENNIS. Mr. President, will the Senator yield for another question?

Mr. CHAVEZ. I have reference to Public Law 874, based on House bill 7940, which was approved on September 30, 1950, by which time the request had already been made. That is why on the 21st of May a new estimate was submitted to the Committee on Appropriations.

We are either going to comply with the law or we are not. It is all right to say "cut," but why should the State of Georgia, the State of South Carolina, the State of New Mexico, or any other State in the Union, merely because the Federal Government, of necessity, creates a Federal activity, be burdened with the education of many thousands of children?

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. MONRONEY. Is it not true that the greater the military activity, the greater the demands on the local communities?

Mr. CHAVEZ. There can be no question about that. In the first place, the Government takes away taxable land. The Government takes over acreage in my State. It has been taken over to the extent of millions of acres. Sixty-three percent of the area of my State now belongs to the Federal Government, and, of course, the State cannot collect taxes on it. In the State of Nevada the condition is even worse than that.

Mr. McCARRAN. In Nevada the Government owns 87 percent.

Mr. CHAVEZ. Thirteen percent of the area of the State of Nevada is carrying the costs of the State government. It was to meet that condition that Public Law 874 was passed. The figure in the bill is not an increase by the Senate committee, but an approval of the budget figure.

Mr. MONRONEY. Is it not a fact that if we do not approve this figure, the school terms will have to be cut?

Mr. CHAVEZ. The average State school district cannot stand it.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. JOHNSTON of South Carolina. Is it not a fact that if the increased amount is not provided, communities which have come into existence since the budget was made up will not be treated as are other places in the United States where installations were made prior to that time?

Mr. CHAVEZ. That is correct.

Mr. JOHNSTON of South Carolina. In other words, this bill equalizes the conditions.

Mr. CHAVEZ. They are equalized by an appropriation based on an authorization by the Congress to carry out the purposes of the law.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment.

Mr. BRIDGES. Mr. President, with reference to this amendment, last year

there was provided by the Federal Government an appropriation, with transfers, totaling $28,285,000. That amount provided for 68 percent of the cost for educational purposes accruing because of the expansion of Federal installations. In other words, the Federal Government bore 68 percent of the cost. This year the regular and supplemental estimate for this purpose totaled $40,000,000. That amount is included in this bill, which means that it is recommended on the basis of the estimates, and it enables the Federal Government to pay 97 percent of the total cost. The amendment offered by the distinguished Senator from Illinois calls for an appropriation of $31,000,000. With such a sum the Federal Government would provide 75 percent of the cost. But, even with the amendment offered by the Senator from Illinois, the Federal Government would be participating to the extent of 7 percent more than it was last year, and on a higher level than obtained last year.

I realize the problem this construction presents in many parts of the country. Unfortunately, in my own section of New England we have not been favored by the administration placing any great installations there. We would like to have some, but we have been skipped in the distribution. We would welcome such installations in our sections.

I believe, Mr. President, since last year the Federal Government provided a total of $28,285,000, or 68 percent of the funds, that if we provide $31,000,000 this year, or 75 percent of the total, and 7 percent more than last year, we are doing the fair thing. Therefore I hope the amendment offered by the Senator from Illinois will be agreed to, and I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Illinois [Mr. DOUGLAS] to the committee amendment. On this question the yeas and nays have been demanded.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Connecticut [Mr. BENTON], the Senator from Virginia [Mr. BYRD], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Arkansas [Mr. FULBRIGHT] is paired on this vote with the Senator from Missouri [Mr. KEM]. If present and voting, the Senator from Arkansas would vote "nay," and the Senator from Missouri would vote "yea."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Illinois [Mr. DIRKSEN]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Illinois would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. CASE] is absent on official business.

The Senator from Illinois [Mr. DIRKSEN] who is absent on official business is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from Montana would vote "nay."

The Senator from Missouri [Mr. KEM] who is absent by leave of the Senate is paired with the Senator from Arkansas [Mr. FULBRIGHT]. If present and voting, the Senator from Missouri would vote "yea," and the Senator from Arkansas would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

The Senator from Washington [Mr. CAIN], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Maine [Mr. BREWSTER], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from North Dakota [Mr. LANGER], and the Senator from Nevada [Mr. MALONE] are detained on official business.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent, and if present, he would vote "yea."

The result was announced—yeas 25, nays 53, as follows:

YEAS—25

Aiken	Frear	Saltonstall
Bennett	Gillette	Smith, Maine
Bricker	Hendrickson	Smith, N. J.
Bridges	Hickenlooper	Taft
Butler, Md.	Ives	Welker
Capehart	Jenner	Wherry
Douglas	Mundt	Williams
Dworshak	Nixon	
Ferguson	O'Conor	

NAYS—53

Anderson	Hunt	Monroney
Butler, Nebr.	Johnson, Colo.	Moody
Carlson	Johnson, Tex.	Morse
Chavez	Johnston, S. C.	Neely
Clements	Kefauver	O'Mahoney
Connally	Kerr	Pastore
Cordon	Kilgore	Robertson
Eastland	Knowland	Russell
Ecton	Lehman	Smith, N. C.
Ellender	Long	Sparkman
George	Magnuson	Stennis
Green	Maybank	Thye
Hayden	McCarran	Tobey
Hennings	McCarthy	Underwood
Hill	McClellan	Watkins
Hoey	McFarland	Wiley
Holland	McKellar	Young
Humphrey	McMahon	

NOT VOTING—18

Benton	Duff	Malone
Brewster	Flanders	Martin
Byrd	Fulbright	Millikin
Cain	Kem	Murray
Case	Langer	Schoeppel
Dirksen	Lodge	Smathers

So Mr. DOUGLAS' amendment to the committee amendment was rejected.

Mr. DOUGLAS. Mr. President, I call up my amendment "6-7-51—U," which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 41, line 24, it is proposed to strike out the period, insert a colon and the following: "*Provided further*, That no part of any appropriation contained in this act shall be used for the payment of remuneration for annual or sick leave of classified or Wage Board employees in excess of 20 days of annual leave per year or 12 days of sick leave per year."

Mr. DOUGLAS. Mr. President, I think the facts of annual and sick leave are getting to be fairly well known. Classified and wage board employees now receive 26 working days of annual leave each year, and 15 days of sick leave each year. This 26 days of annual leave, I emphasize, is not on the basis of calendar days, but on the basis of working days.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CHAVEZ. I may say to the Senator from Illinois that the chairman of the subcommittee will be glad to accept the amendment.

Mr. DOUGLAS. I thank the Senator from New Mexico, but I should like to finish the argument, if I may.

Since the Government is on a 5-day week, this amounts to 5⅕ weeks of annual leave a year, and the 15 days of sick leave, on the basis of a 5-day week, amount to 3 weeks a year. As a matter of fact, workers in the Foreign Service receive 60 days of annual leave a year, and that applies to home duty as well as to foreign duty.

Mr. President, the number of industrial concerns in the country which make such liberal provision for annual and sick leave as does the Government are very few indeed.

I have before me a study by the National Industrial Conference Board, just issued, on vacation practices. That shows that in all the industries surveyed the maximum vacation leave given to any employee is 2 weeks for 47.8 percent of the employees and 3 weeks for 42.9 percent. So the greatest vacation period any employee can get, with respect to over 90 percent of the employees working in all the industries surveyed, is 3 weeks or less. Only 7 percent can have as much as a maximum of 4 weeks. Only a little over 1 percent can have above 4 weeks. The rest get only 1 week. I wish to emphasize that the figures I am now quoting represent the maximum.

Private plans tend to be graduated. The Federal plan is uniform, for all employees, on the first day of entrance into the system as well as at the conclusion of 40 years of service. So what is now being done is to provide 5⅕ weeks vacation for every employee in the Government service, irrespective of how long he has been employed.

Mr. President, I ask unanimous consent to insert at this point a table showing the results of the survey of the National Industrial Conference Board.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Maximum paid vacation allowances in 303 companies—by industry

Industry	Hourly employees (number of companies)						Salaried employees (number of companies)					
	Total	1 week	2 weeks	3 weeks	4 weeks	Over 4 weeks	Total	1 week	2 weeks	3 weeks	4 weeks	Over 4 weeks
Total, manufacturing and nonmanufacturing:												
All industries	273	9	126	122	12	2	301	3	144	129	21	4
Percent of total	100.0	3.3	46.9	44.7	4.4	0.7	100.0	1.0	47.8	42.9	7.0	1.3
A. Manufacturing:												
Total	233	9	120	96	8	0	235	3	134	86	11	1
Percent of total	100.0	3.9	51.5	41.2	3.4		100.0	1.3	57.0	36.6	4.7	.4
Aircraft	3		2	1			3		2			[1] (a)
Automotive and farm equipment	12		10	2			12		9	2	1	
Building materials	12	1	10	1			11		9	2		
Chemicals	11		3	5	3		11		4	4	3	
Electrical equipment	19		7	10	2		19		9	8	2	
Foods and beverages	19		8	11			20		8	11	1	
Glass	3		3				3		3			
Leather	4	1	2	1			4		3	1		
Machinery (except electrical)	36	1	20	15			36		23	13		
Metals and metal products	37	1	20	15	1		37		22	14	1	
Professional scientific instruments	7		3	4			7		2	5		
Paper	17		3	[2] 14			17		6	11		
Petroleum	5		2	1	2		6		3	1	2	
Printing and publishing	8		4	4			8		4	3	1	
Rubber	6		1	5			6		1	5		
Shipbuilding and railroad equipment	3		2	1			3		2	1		
Textiles	22	4	14	4			22	2	16	4		
Miscellaneous	9	1	6	2			10	1	8	1		
B. Nonmanufacturing:												
Total	40	0	8	26	4	2	66	0	10	43	10	3
Percent of total	100.0	0	20.0	65.0	10.0	5.0	100.0	0	15.2	65.1	15.2	4.5
Wholesale and retail trade	4		1	1	2		6		1	2	3	
Finance, insurance, and real estate	5		1	2	1	[3] 1	23		1	14	6	[4] 2
Transportation	10		2	8			11		3	8		
Communication	3			2	1		4			3	1	
Public utilities	16		2	13		[5] 1	18		2	15		[5] 1
Services	2		2				4		3	1		

[1] 24 days.
[2] In 1 company 2 weeks' vacation but 3 weeks' pay.
[3] 22 days.
[4] In 1 company, 1 month; in 1 company, 22 days.
[5] 6 weeks.

Source: National Industrial Conference Board, Paid Vacation Practices (1951) p. 6.

Mr. LONG. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. PASTORE in the chair). Does the Senator from Illinois yield to the Senator from Louisiana?

Mr. DOUGLAS. I am very glad to yield for a question.

Mr. LONG. Is it not true that in practice most Federal employees never do take all their leave; they simply accumulate it, so that if their services are terminated they draw terminal leave pay for as much as 60 days. Formerly they were able to draw terminal leave pay for 90 days. Many of them seem to prefer to accumulate annual leave, so that they can draw additional money if and when their Government employment is terminated.

Mr. DOUGLAS. The Senator is correct. As a member of the Committee on Post Office and Civil Service, the Senator went into this question in some detail.

The present leave or vacation practice has developed by accident. The other day I pointed out that in 1898 Congress enacted a law giving civil employees 30 days annual leave. I think there is no doubt that what Congress intended was to give to civil employees the same amount of leave which men in the military service received. Men in the military service received then, and now receive, 30 calendar days of leave each year. But in the year 1900, in the administration of William McKinley, someone in the executive office interpreted the 1898 law as meaning 30 working days. So under the act of 1898 annual leave became not a vacation of a month, but a vacation of 5 weeks since the Government was on a 6-day week. Then matters went on until 1933. In the economy bill in the spring of 1933, annual leave was cut back to 15 days, which on the basis of a 6-day week, amounted to 2½ weeks' leave.

In 1936 conditions were a bit better. The anxiety to balance the budget may have been somewhat less. In any event, Congress extended annual leave to 26 days. I think there is no doubt as to what the purpose of Congress was in 1936. The Government was on a 6-day week. The provision of 26 days annual leave a year was an attempt to provide a month's vacation and no more, because on the average there are 26 working days in a month, assuming that the employee works Saturdays. No doubt the purpose was to provide a month's vacation.

However, in 1945, after VJ-day, the Government went on a 5-day week. But the leave provisions were not changed, so the 26 days annual leave became 5⅕ weeks, and the 15 days sick leave became 3 weeks instead of 2½.

Mr. President, I desire to see justice done to Government employees. I believe that in the lower grades we are doing very well for Government employees, although we are not paying those in the upper grades the full market value. However, we give them security. Let me say that, in view of the recent increase in the cost of living I shall be very glad to support the bill which I understand the Post Office and Civil Service Committee is about to report, providing for a salary increase of about 8 percent to offset the increase in the cost of living. I am perfectly willing to do that, and glad to do it. I think we should do it. But I see no reason to give these extraordinary privileges to Government employees.

While I am speaking on this subject, I should like to point out that the postal workers fare very badly indeed in comparison with other workers. They are given 15 days of annual leave a year, and 10 days sick leave. This means that instead of getting 5⅕ weeks annual leave, they get 3 weeks. Instead of getting 3 weeks sick leave, they get two weeks.

Some of the postal employees have said that what we should do is to raise the postal leave to 26 days, and sick leave to 15 days. In my judgment, we should come down to some uniform basis which can apply to all classes, and not discriminate against the postal service. If my present amendment is adopted, I promise that when the Post Office appropriation bill comes before the Senate I will offer an amendment to raise the level of annual and sick leave for Post Office employees to 20 and 12 days, respectively, as provided in the pending amendment for other Government employees.

Let us consider how many days during the year Government employees really work. We can approach this question by considering how many days there are in which they do not work. With 52 weeks during the year, which is, I think, a correct assumption, and 6 days a week, there is a maximum of 313 days, with 52 days taken out for Sundays.

But, of course, Saturdays are also holidays. That brings the total down to 261. Then there are 26 leave days plus 15 days' sick leave, or a total of 41 days, plus 8 holidays, making a total of 49. Then when visitors of note come to this country there is a day off for governmental employees, in Washington at least, so that the crowds along Constitution Avenue may be swelled.

When, every 4 years, a President is inaugurated from 1 to 2 days are taken off. When it is excessively hot in the summertime, Government departments are closed. I think it is safe to say that the average Government employee does not work more than from 209 to 212 days.

Even on the basis of an 8-hour day, that comes to a little less than 1,700 hours a year. It seems to me not excessive to ask Government employees to perform somewhere between 1,900 and 2,000 hours of work every year. But all my amendment would require is that they work an extra 48 hours and take 18 hours less sick leave.

I believe that this is a chance really to save money and to put the Government service on a self-respecting basis. I have made some computations as to the savings which would be effected by my amendment.

If it were applied to all branches of the Government, it would save not far from $250,000,000. In justice we should say that from this should be deducted the increased amounts which would go to postal workers if we were to increase their leave to a level of 20 and 12 days respectively. That would represent an increased cost of about $50,000,000, which we should offset against the economy of $250,000,000.

As I see it, no real argument can be made against the amendment except the political power of 2,500,000 Government employees. In November 1949, I first proposed a cut in annual leave in speeches off the floor of the Senate. I first offered such a provision as a rider to a deficiency appropriation bill on the 9th of March 1950. It was rejected by a vote of 57 to 14. In April of 1950 I introduced two bills, one providing for 20 days annual and 12 days sick leave, and the other for leave on a sliding scale, depending upon length of service of 10, 15, or 20 days, respectively.

I tried to modify the general appropriation bill on July 20, 1950 by a similar proposal. My proposal was rejected by a voice vote. The Senate Committee on Post Office and Civil Service considered my two bills. The Senator from Minnesota [Mr. HUMPHREY], who was the chairman of the subcommittee, did an extremely good job.

I wish to call attention to what the Government departments did or did not do in this connection. On the 8th of May 1950 the Civil Service Commission recommended that no change be made until a thorough study could be made. On July 17 the Comptroller General made a similar recommendation. On August 7, 1950, the Bureau of the Budget made a similar recommendation. The Postmaster General never went into the question of a thorough study; he merely made an adverse report from the very beginning.

Not getting much cooperation from governmental agencies, in September 1950 the staff of the subcommittee began a study, asking for the cooperation of the Civil Service Commission and the Bureau of the Budget. I have seen a copy of the committee's staff report, and I think it is an excellent one. It recommends reductions in annual leave although a sliding scale is proposed. I wish to compliment the staff of the committee and the members of the committee for the excellent study which they have produced. I hope that at some time during the course of the debate it may be made a part of the RECORD.

But the record is clear that the governmental administrative agencies are trying to sabotage any cut in leave. They are refusing to commit themselves. They hope we will wear ourselves out and that the issue will be forgotten. The Bureau of the Budget, which should defend the interests of the taxpayers of the country, by silence tends to line up with its fellow employees in the executive departments.

These are harsh words, but I think they are true words. The point is that every time an attempt is made to curtail the privileges of persons in governmental employ the ranks close around them. Various bureaus rally to their defense. I have no intention of attacking governmental employees. I believe that on the whole they are a fine group. On the whole they are hard working and excellent, law-abiding people. However, through accident they have been allowed to obtain privileges, and being human, they want to hold on to them.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. FERGUSON. The question is whether or not the amendment, if it is adopted as a part of the pending appropriation bill, will become permanent legislation, or whether it will apply only to the appropriations involved in the pending bill.

Mr. DOUGLAS. The proposal I am making would apply only to the pending appropriation bill. However, it is my intention to offer similar amendments to every appropriation bill. I am waiting for the time when the State Department appropriation bill comes to the Senate. Members of the Foreign Service on duty in the United States get not 5 weeks but 12 weeks vacation each year.

Mr. FERGUSON. Will the Senator yield further?

Mr. DOUGLAS. Yes.

Mr. FERGUSON. When the Senator from Illinois offers a similar amendment to each appropriation bill it will, of course, apply to that bill, and only to that bill. Furthermore, if such amendments are agreed to, the provisions will only apply to the new fiscal year. Such provisions will not be in effect, of course, in succeeding years, unless similar provisions are inserted in each appropriation bill each year.

Mr. DOUGLAS. That is correct. I have grown tired of waiting for permanent legislation to come from the committee. I have been waiting for the Government to take a stand on this issue. I would like to begin here and now, and not be paid off with promises upon some conjectural future.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. DOUGLAS. Yes.

Mr. FERGUSON. Does the Senator realize that in the Independent Offices Appropriation bill there is contained a provision, inserted by the committee, which in effect would compel the Administrator to give every employee an opportunity to take the full 26 days leave? Therefore, in this period of emergency, Congress would in effect compel every employee to take 26 days leave, no matter what the demands might be as a result of the defense effort.

Mr. DOUGLAS. I may say that it may or may not be a good thing. I am not addressing my amendment to the question of whether a Government employee must take his leave in a given year. I am addressing my amendment to the point that I believe the present total amount of leave is excessive, whether it be taken or stored up for the future, and that we should reduce it.

Mr. FERGUSON. If we permit it to be stored for future use and allow it to be paid off in terminal leave, we will get the same result, will we not?

Mr. DOUGLAS. No. I would cut the leave from 26 days to 20 days. It would be a saving of 6 days in annual leave. In certain cases of sick leave it would be 3 days. It would be a total saving of approximately $250,000,000 on all appropriation bills. On the pending bill it would effect a saving of more than $5,000,000.

Mr. FERGUSON. The Senator from Illinois misunderstood my purpose. My point is that if his amendment were not approved, the employees would be able to build up and carry over what he considers to be excessive leave barring some other limitation on its accumulation.

Mr. DOUGLAS. I thank the Senator from Michigan for turning out to be a friend and supporter instead of a sideswiper.

Mr. FERGUSON. The Senator from Michigan has been a supporter of all cuts in appropriations.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MOODY. Is it not correct to say that 26 days of leave, computed on a 5-day week, amounts to more than 5 weeks?

Mr. DOUGLAS. It amounts to 5⅕ weeks. If I remember correctly my school-day arithmetic, 26 divided by 5 is 5⅕.

Mr. MOODY. Mr. President, does the Senator from Illinois know of any private industry which grants its employees an annual vacation of 1 month with pay?

Mr. DOUGLAS. I learn from a recent study by the National Industrial Conference Board that in all the industries which they surveyed, only 1⅞ percent of salaried employees get more than 4 weeks vacation with pay, and those are probably for executives and others with extremely long periods of service.

Mr. MOODY. We are talking about 5 weeks in the pending bill, are we not?

Mr. DOUGLAS. Yes. I believe we have a unique situation. I do not believe any industry in the country is so liberal as is our Government. I admire a liberal government, but this is being excessively liberal.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. I wonder whether the Senator knows also that in most agencies 15 days of sick leave can be taken without the necessity of submitting a doctor's certificate, but merely upon the person's word. Therefore, to the 5 weeks of leave the Senator should add 3 weeks of sick leave.

Mr. DOUGLAS. Yes. In justice to Government employees it should however be said that not all the employees take their maximum sick leave. The average is somewhere between 8 and 9 days.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to my friend from New Hampshire.

Mr. TOBEY. I should like to point out to my distinguished colleague from Illinois and to my other colleagues that we are hearing this afternoon a courageous address. We see the distinguished Senator from Illinois standing up on the floor of the Senate, facing the country as a whole, and speaking courageously on an issue which is bound to be unpopular with a large segment of our people. It is typical of the courageous approach which the Senator from Illinois has made to many national issues, and I commend him for that exercise of courage. However, I should like to point out to him perhaps as an effective way to realize his object. I suggest to him that when the Democratic Party meets in Chicago next year it make his point a plank in its national platform.

Mr. DOUGLAS. I thank my good friend from New Hampshire for his kind words, which, I assure him, I do not deserve. I believe the Democratic convention will meet after the Republican convention has met. If the Republicans should adopt such a plank, I am certain that the Democratic Party will also adopt a similar one.

Mr. CHAVEZ and Mr. JOHNSTON of South Carolina addressed the Chair.

Mr. DOUGLAS. I yield to the Senator from New Mexico for a question.

Mr. CHAVEZ. I desire only to ask a question. Inasmuch as the Senator from Illinois is trying to save money by his amendment, why could not the Senate practice that kind of economy also, in view of the fact that the chairman of the subcommittee has stated he would accept the Senator's amendment?

Mr. DOUGLAS. Mr. President, there is an old saying, beware of the Greeks bearing gifts.

I have been in this body long enough to beware of the chairman of a committee who says in an enticing tone of voice, "Let me take the amendment to conference," because I think that is frequently the parliamentary equivalent of saying, "Let me take the child into the Tower, and I will strangle him to death."

So, Mr. President, I regret to peer rather searchingly at the eminent gentleman from New Mexico when he comes bearing this gift; but personally I wish to have a yea-and-nay vote taken on the amendment. I think this would help it survive the conference committee if it were to pass.

I now yield the floor.

Mr. CHAVEZ. Mr. President, of course, there are Greeks and Greeks.

Mr. DOUGLAS. Let me say that the Greeks as a nation probably had the greatest ability of all the nations in the world, and I meant no reflection on the Senator from New Mexico by implying that his gifts as a chairman might be those of a Greek. I merely wished to say that I have been taught by sad experience to be careful when a person offers a gift or a chairman takes an amendment "to conference."

Mr. CHAVEZ. Mr. President, there are some Greeks for whom I have a great deal of respect. Therefore, I consider the Senator's remark a compliment to me.

However, when the Senator from Illinois said he did not wish to injure the Government employees, I am reminded of a man in my home State who was fishing for trout. He made a number of casts, and finally pulled out a beautiful 12-inch trout. He said, "What a beautiful trout this is. I will not hurt it. It is simply beautiful. I will not harm it at all; all I am going to do is gut it."

It seems to me that the Senator from Illinois takes a somewhat similar stand in regard to the effect of the amendment he has submitted. He tells us that he does not wish to harm the Government employees; he says he loves them and knows they are fine. However, he proposes that the Senate take action in a way which would be most harmful to them.

Mr. President, I have agreed to take the amendment to conference, and I made that statement in all sincerity. When I make such an agreement, I expect to act in accordance with it in exactly the same way the Senator from Illinois would act under similar circumstances. When I am instructed by this body to press for the adoption of an amendment in the committee of conference, I follow out the instructions to the very best of my ability and in all sincerity.

No Senator should think that he is the only honest Member of this body. I have the utmost confidence in the integrity and sincerity of purpose of every Member of the Senate. Regardless of any differences of opinion which we might have as to the desirability of including in the bill any particular amendment, far be it from me ever to suggest that any Senator—on either side of the aisle—is not just as honest as I am. Some Senators may not have the same opinion of the amendment that I do; in fact, I am opposed to the amendment. Nevertheless, I understand what the Senate wishes to have done. Certainly as one member of the committee of conference I will not attempt to thwart the purpose of the Senate.

I take my duty as a Senator very seriously. When I became a Member of this body, I swore to support and defend the Constitution of the United States, and I swore that I took that obligation freely, without any mental reservation or purpose of evasion. I believe in constitutional government and I believe in majority rule. The Congress has passed some laws which I do not believe to be correct and proper ones, but I obey those laws because the Congress has passed them.

I want all other Senators to share my feelings in regard to these matters. If we do not have faith in the integrity of each other—faith in the integrity of all Members of this body—there is no use in our proceeding further. I thank the good Lord that I have faith in my fellow citizens and in my colleagues in this body—even my fellow Republicans.

Mr. DWORSHAK. Hear! Hear!

Mr. CHAVEZ. I think they are just as fine, just as honest, just as sincere, just as patriotic, and just as loyal as any Democrat.

If the Senate passes this appropriation bill this afternoon, whatever the Senate decides in that connection is what I, as one of the conferees, will endeavor to carry out in the conference committee, in conjunction with the conferees on the part of the House.

Mr. President, Senators speak of achieving economy, but I point out that we have already taken 5 days in the consideration of this bill. It costs money for the Senate to be in session. Therefore, why cannot we vote now?

I accept the amendment.

Mr. JOHNSTON of South Carolina. Mr. President, first I should like to ask the Senator from Illinois whether the amendment will really result in reducing the leave of Government employees to 20 days of annual leave and 12 days of sick leave.

Mr. DOUGLAS. Yes.

Mr. JOHNSTON of South Carolina. Then I raise a point of order against the amendment. I thought the amendment was only a restriction on the appropriation bill. There is quite a difference between the two. As I read the amendment, it would not change the present leave of Government workers from 26 days to 20 days, but still would allow them to have 26 days of annual leave. If I am mistaken about that, I raise a point of order against the amendment, namely, that it is legislation on an appropriation bill, in that it would change the amount of annual leave of Government employees from 26 days to 20 days.

Mr. DOUGLAS. Mr. President, the amendment provides that no funds shall be paid for annual leave in excess of 20 days. Government workers could take additional annual leave at their own expense, if they wished to do so. The amendment would not prevent them from doing that, but would merely bar the appropriation and expenditure of public funds for annual leave in excess of 20 days. Therefore, I submit that the amendment constitutes a restriction, and not legislation on an appropriation bill.

Mr. JOHNSTON of South Carolina. Therefore, according to the Senator's statement, the amendment, if adopted, would not reduce the annual leave of Government workers from 26 days to 20

days. I wish the Senate to understand that, in the first place. Even if the amendment is adopted, the annual leave of Government workers will continue to be 26 days; the amendment, if adopted, would not change the amount of their annual leave, but would merely restrict the amount of the appropriation which could be used in paying for the annual leave of Government workers. Is that correct?

Mr. DOUGLAS. We believe that if we restrict the amount of money which the Government can pay for annual leave, by providing that these funds may not be used to pay for more than a maximum of 20 days of annual leave, we shall effect these savings; and we have a shrewd surmise that probably not many Government employees will voluntarily take annual leave in excess of 20 days. However, the latter is strictly conjectural.

Mr. JOHNSTON of South Carolina. Mr. President, let us consider the amendment a little further. It is easy for a Senator to submit an amendment, and often it is easy to have an amendment adopted by the Senate. I believe in listening to the views of the members of the committee who work faithfully and hard on the bills they report to the Senate. I believe that my colleagues also believe that we should listen carefully to the stated views of the chairman of the subcommittee which held the hearings on this particular bill.

I understand the Senator from Illinois to argue, in favor of adoption of the amendment, that "Often the Government employees get an additional day of leave when a celebrity comes to Washington from another country." However, Mr. President, I point out that not all of the employees of the Federal Government live in Washington. As a matter of fact, only about one-tenth of them live in Washington.

So let us consider the facts in connection with this matter.

Let me also point out that if the amendment were adopted and finally became a part of the bill as enacted, a Federal Government employee who expected to be paid from this appropriation probably would take 20 days of annual leave in the coming year, and would let the other 6 days of his annual leave accumulate and be taken in a subsequent year. In that way he would take only 20 days in the year which would be affected by this appropriation bill.

Mr. THYE. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Minnesota.

Mr. THYE. Mr. President, I am not an attorney, and I do not now profess to be speaking in legal terms, but it seems to me that if there is a statute on the books which provides that a Federal employee shall receive 26 days of annual leave, then if, in an appropriation bill, we restrict the actual amount to be paid for the period of annual leave merely to compensation for 20 days, we shall still stand morally responsible as a congressional body for the additional 6 days' pay. It is an indebtedness which the Government would owe the employee. The employee may not receive it this year, but the Government will be owing the employee for 6 days of annual leave, in every moral sense, under the statute.

Mr. JOHNSTON of South Carolina. From a moral standpoint, I grant that the Senator from Minnesota is entirely correct. That is one of my reasons for being on the Senate floor today. My committee, which was criticized a few moments ago, has been working on this question.

Mr. DOUGLAS. Mr. President, if I may make the point of order, I did not criticize the committee.

Mr. JOHNSTON of South Carolina. I beg to differ with the Senator. The Senator criticized the committee.

Mr. DOUGLAS. I criticized the Government departments for not cooperating fully with the committee.

Mr. JOHNSTON of South Carolina. I think the Senator criticized the committee for not having taken action on the question of leave. However, if the Senator says he did not intend it as a criticism of the committee, that is satisfactory to me. But I am saying to the Senate that my committee, working with the chairman of the Civil Service Commission, has been working on this very subject in an effort to make provision which we could consider equitable to all Government employees.

Mr. IVES. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield to the Senator from New York.

Mr. IVES. The Senator from New York would like to inquire whether any Senator has a bill which he intends to introduce or whether a bill has been introduced to do what the Senator from Illinois has attempted to do by his amendment to the appropriation bill.

Is there an authorization bill? Is there something entirely different in character? Has such a bill been introduced?

Mr. JOHNSTON of South Carolina. Such a bill was introduced. It is Senate bill 832. We referred the bill to the various commissions and departments.

Mr. IVES. Who introduced the bill?

Mr. JOHNSTON of South Carolina. At the moment, I merely have the number of the bill. It is Senate bill 832.

Mr. IVES. How many Senators joined in introducing the bill?

Mr. JOHNSTON of South Carolina. I do not recall; but it is before my committee. My committee has made an extensive study of the question. I am now able to tell the Senator from New York that the bill to which I refer was introduced by the Senator from South Dakota [Mr. CASE].

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that the study which the Senator's committee made was made as the result of the two bills which I introduced at the last session?

Mr. JOHNSTON of South Carolina. The Senator's bills started it off. I give him all the credit.

Mr. DOUGLAS. No; I do not ask for any credit. I merely want to have the RECORD straight, that is all.

Mr. JOHNSTON of South Carolina. But it should be remembered that the bill this year was a new bill. When it was referred to our committee, following the usual custom, a copy of the bill was referred to the various interested departments. They, in turn, have written to us, and they have stated that, as the result of their study, some way ought to be devised which would make it possible for a new employee to receive during his first year, probably not so much as an employee who has been working for the Government for a period of 10 or 15 years. I think Senators will acknowledge the propriety of that. But, by this amendment, all Federal employees would be treated alike.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from North Dakota.

Mr. LANGER. Mr. President, I am a member of the Committee on Post Office and Civil Service. I want to say that everything the distinguished Senator from South Carolina has said is true. We have been conducting hearings on this highly complicated subject. For example, in Alaska, the situation in regard to Federal employees is entirely different from that in the State of California in regard to the matter of giving the Federal employees more time and more sick leave.

That is not all. There are various occupations which are highly dangerous. I refer particularly to mining, for example, in connection with which people work for the Federal Government in certain mines under conditions which affect adversely their health.

So the question is a very complicated one. It is very easy to say that we shall simply cut off 6 days, but it is a very difficult matter to make a proper application of it.

Furthermore, there is involved the problem of maternity, the problem connected with the birth of a child to a woman working for the Federal Government. We have conducted many hearings on the subject. We have had hearing after hearing.

There are other problems connected with abnormal conditions. There are various diseases which incapacitate employees for varying lengths of time. It might be said that a woman employed by the Government should have only a few days of sick leave, when, as a matter of fact, doctors have testified that sickness sometimes incapacitates employees for long periods of time.

Again, in World War II, the suggestion was made suddenly that Government employees work Saturday afternoons. Later, they were told to work part time on Sunday, and they did. I submit that the committee which now has a bill before it should have the right to consider carefully all the various angles, and that we ought not to adopt this amendment merely because to do so would seem to be the popular thing. I hope the amendment will be rejected.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from New Mexico for a question.

Mr. CHAVEZ. Along the line of the argument submitted by the Senator from Minnesota [Mr. THYE], in which he spoke merely of a moral obligation, is it not true that, until the Congress itself changes the period of leave from 26 days, as it is now, to 20 days, or to whatever lesser number of days it desires, there would not only be a moral obligation but also a legal obligation imposed upon the Federal Government to observe the present law? Is not that correct?

Mr. JOHNSTON of South Carolina. Speaking without having looked into the matter thoroughly from a legal standpoint, I would say, as a lawyer, that that is correct.

Mr. CHAVEZ. Will the Senator not also agree that, even if the amendment of the Senator from Illinois were adopted, any Government employee could file an action in the United States Court of Claims, through which he could possibly succeed in collecting that to which the law says he is entitled?

Mr. JOHNSTON of South Carolina. In my opinion, he could certainly go to the United States Court of Claims. It would then be a question for the court to determine.

Mr. CHAVEZ. So it is more than a moral obligation, although that should be considered as the important controlling factor. Nevertheless, there is also a legal obligation.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Nebraska.

Mr. WHERRY. I should like to ask the distinguished junior Senator from South Carolina whether he made a point of order against this amendment? I did not understand that he did.

Mr. JOHNSTON of South Carolina. I shall make a point of order, if it is proposed to reduce the employees' leave from 26 days to 20.

Mr. WHERRY. Has the Senator made the point of order?

Mr. JOHNSTON of South Carolina. I have not made it as yet.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from New Mexico.

Mr. ANDERSON. In the studies which were made, was any testimony introduced to show that Government employees work as few as 209 to 212 days a year, as was stated here a moment ago?

Mr. JOHNSTON of South Carolina. Something of the kind was said.

Mr. ANDERSON. Is it not true that many Federal workers do not take sick leave and that they take pride in the fact that they do not take sick leave?

Mr. JOHNSTON of South Carolina. A good many of them do not take sick leave; that is true.

Mr. ANDERSON. Is it not also true that the eight holidays do not always fall on the working days of the week, but sometimes fall on Sunday?

Mr. JOHNSTON of South Carolina. That is true.

Mr. LONG. Is it not true that, if a holiday falls on a Sunday, the employees get an additional holiday?

Mr. JOHNSTON of South Carolina. That is not always the case.

Mr. ANDERSON. I am glad the Senator answered as he did, "not always," because I have seen some Government employees—I have not seen all of them—but I have seen a great many Government employees who have worked day after day, regardless of whether they were entitled to holidays. There are employees who are at work day after day, and they remain at work, whether it happens to be a 5-day week or a 6-day week. I know employees who work long hours. I do not deny that there are some who sometimes do very little, but I also remember that I never left the Department of Agriculture, even though it might be as late as 11 or 12 o'clock at night, when there was not a light burning in some other person's office, where he was working far into the night, and working without extra pay.

I do not believe the merits are all on one side, as has been suggested here. There are employees who always take advantage of an opportunity, but I want to suggest that there are a great many Government employees who do not take their sick leave, and who take pride in the fact that they do not take sick leave—and there are dozens of them, hundreds of them, even thousands of them, working here in Washington.

As to a day being taken off when there is a parade down the streets of Washington, I do not believe there is an employee in the Agricultural Adjustment Agency, working in a State such as that of the distinguished minority leader, who takes the day off because there is a parade in Washington. I do not believe the delivery of mail is stopped in Keokuk, Kankakee, or Chicago, because there is a parade in Washington. I think we are being a little unjust to the Federal employees.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Oregon.

Mr. CORDON. If the Senator will check the language of the amendment he will notice that it is clearly a limitation upon the use of funds in this bill, and as such it does not and cannot affect the legal right of a Government employee to 26 days of annual leave and 15 days of sick leave, if necessary. If the philosophy of the amendment is that because of the emergency we should endeavor to induce employees not to take their full statutory sick leave or annual leave, it might be justified. But it would not be justified on the ground of economy, because it simply puts off the evil day when the Government will be required to pay for the accumulated leave. It will be paid when the individual takes it, at a later time, or when the individual is separated from the service of the Government, in which case it becomes terminal leave.

Mr. JOHNSTON of South Carolina. The Senator is correct. It simply postpones the time of payment. It does not prevent the taking of 26 days annual leave or 15 days sick leave. It does not change the number of days of leave for the employees, but simply puts off to another year the payment of it.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. The committee, in considering this question, also had another problem, namely, the case of an employee who had worked for the Government 15, 20, 25, or 30 years. The committee felt that those who had worked longer should have more sick leave and vacation than the ones who had worked only a year or 3 or 4 or 5 years.

Mr. JOHNSTON of South Carolina. One of the things we found in our investigation was that as people grow older they need a little more leave. When a man takes a position at the age of 21, he may not need much annual leave. After 10 years of service, he would probably need more leave than he needed after 5 years of service. I should like to see a saving of approximately $200,000,000 effected to the taxpayers of the United States, but the amendment now offered will not save one cent, in the long run.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McCLELLAN. Does the committee expect to finish its study of the problem and bring some proposal to the Senate for action in the near future?

Mr. JOHNSTON of South Carolina. We have received letters from the Commission. I can read to the Senator a letter dated June 11. But we wanted to wait to get reports from whatever department would be affected, just as is done by any other committee. Let me read the letter we received on the 11th day of June.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DOUGLAS. Will the Senator please state when he addressed his inquiry to the Civil Service Commission?

Mr. JOHNSTON of South Carolina. On February 9, 1951.

Mr. DOUGLAS. When did he receive the letter from the Civil Service Commission?

Mr. JOHNSTON of South Carolina. On June 11.

Mr. DOUGLAS. In other words, they waited 4 months, and only after the Senator from Illinois filed his amendment did the Civil Service Commission take a stand on the question.

Mr. JOHNSTON of South Carolina. I do not know whether it was because of what the Senator from Illinois did, or whether the Commission waited until it had finished its investigation so it could make a proper report to us.

Mr. McCLELLAN. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McCLELLAN. It was my purpose to try to ascertain when we might properly deal with the problem. I think the position taken by some Senators is correct, that this particular amendment

simply limits the amount of pay out of the appropriation in the pending bill. I think employees will probably still be entitled to the extra 6 days leave when they want to take it. It is my opinion that it will accumulate. This is a problem which should be dealt with as early as we can deal with it, and when it is properly dealt with, considerable savings will be effected. I believe the present law to be unfair; there are inequities in it, and advantages are afforded which are not deserved.

Mr. JOHNSTON of South Carolina. I agree with the Senator; but we must remember that there are leaves of various kinds in various places, and dealing with the question by one amendment on the floor of the Senate is not so simple a problem as some people think.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. ANDERSON. I agree with what the Senator from Arkansas has just said. Many Senators believe that 26 days of annual leave in every case is too much, and that 15 days of sick leave in every case is too much, but for a long term of service it may be that extra sick leave and extra annual leave might be desirable. I hope the Senator will report some measure to the Senate so that we can take action.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. BENNETT. I have a question which relates to the matter of saving under this amendment. I should like to have the Senator from Illinois give his attention to the question also. As I understood the Senator's statement, he expected the amendment would save approximately $5,000,000 in this particular bill.

Mr. DOUGLAS. And in subsequent appropriation bills a total of $250,000,000 would be saved.

Mr. BENNETT. This is my question: By reducing the amount of money paid for leave, without changing the gross total of a particular department, do we not release that gross fund for the department to spend for other purposes, so that, in effect, we save nothing?

Mr. DOUGLAS. We make it possible for the department to operate with a smaller number of employees.

Mr. McCLELLAN. Will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McCLELLAN. I am very anxious to effect savings but I believe I am correct in my feeling that simply paying for 20 days instead of for 26 days, with the other 6 days accumulating as an obligation against the Government, which will eventually have to be paid for until and unless the basic law is changed, is not a sound proposition. The only way we can actually effect a saving is to get a bill reported from the committee as early as possible and deal with it on the floor.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DOUGLAS. I think it would be an expense to the Government if we appropriated additional money to provide for those 6 days, but by a continued refusal to appropriate we could prevent the amount from being paid.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. ANDERSON. There have been too many cases decided in the Court of Claims to leave us in any doubt that the statement of the Senator is as fallacious as it can be. Claims have been paid to the Ute Indians in connection with a matter which arose in 1850. The Senator from Utah [Mr. BENNETT] was correct in his statement a minute ago. The amendment does not save $5,000,000 or 5,000,000 cents. It simply postpones payment until a later date.

Mr. IVES. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from New York.

Mr. IVES. It seems to the Senator from New York that ultimately the only possible saving that could be made would result from the fact that the amount which might be owed would be paid in currency. The currency may have depreciated under its present value. Heaven forbid that that shall ever happen, and heaven forbid that that is the process by which we effect savings.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Idaho.

Mr. WELKER. I should like to advise the Senator from South Carolina that I appreciate the effort he has expended, and I should like to join the Senator from Minnesota and the other Senators who have expressed themselves to the effect that we shall never be in favor of doing something through the back door that we do not have the courage to do through the front door. I feel that the Senator from South Carolina is correct, and I shall support him.

Mr. JOHNSTON of South Carolina. I thank the Senator.

I think the Senate understands that the pending amendment would save nothing, but would only postpone to another year what we are legally obligated to do this year, unless we enact legislation to take care of the matter.

Mr. LEHMAN. Mr. President, will the Senator yield for an observation?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LEHMAN. I wish to say that I am deeply impressed with what the Senator from New Mexico and the Senator from South Carolina have said about governmental obligations. I think every Member of the Senate who has been Governor of a State can speak from experience that that is the fact. Time and time again, when the Legislature of the State of New York failed to make appropriation to cover the costs of carrying out the provisions of a statute which was passed in that State, the State immediately became liable to claims, which were always met. So until the statute can be changed I do not believe that there can possibly be any savings by the adoption of the amendment.

Mr. BUTLER of Maryland. Mr. President, I desire to associate myself with the remarks of the Senator from South Carolina [Mr. JOHNSTON].

CONTROL AND CURE OF CANCER—LETTER FROM CHARLES W. TOBEY, JR.

Mr. TOBEY. Mr. President, the Senate has under consideration an appropriation bill which provides an appropriation for research into various diseases which affect the human body, and I have a particular interest in such legislation, because two members of my family are afflicted with subtle and terrible diseases, which have been the source of sorrow and anxiety to me and still are.

This morning I received a letter from my son, who bears my name and is a practicing lawyer in Concord, N. H. Some 3 or 4 years ago he came down with an attack of illness which was diagnosed as cancer, a virulent form, and gave those of us to whom he is precious tremendous apprehension and anxiety. We sought the best medical advice obtainable, but not much hope was given. However, he learned of a treatment given by a doctor in Medford, Mass. Following these treatments, now of about 3 years' duration, he has been so impressed with the results which have accrued in his case, results which have allowed him to continue to carry on his law business, to be extremely active in forwarding my campaign for election in 1950, and to live a normal life, that he feels he has an obligation and a responsibility to release that testimony of the benefits which have accrued to him and to several others whose cases have come to his attention and which he has observed since the beginning of their treatment. He has been so moved by his feeling of interest in his fellow men who may be suffering from the threats and ravages of cancer, he felt it was his duty to write to me and ask me to insert his letter in the body of the RECORD, which I ask unanimous consent to do at this point.

This is done in the hope that some other unfortunates may find improvement and betterment in line with what has come to him and the other cases which he mentioned in his letter. Therefore, I ask, Mr. President, that this letter be inserted in the body of the RECORD at this point in the further hope that it may come to the attention of some of the great institutions of the country whose officers may want to inquire into it for their own research work.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

CONCORD, N. H., *June 12, 1951.*

The Honorable CHARLES W. TOBEY,
Senate Office Building,
Washington, D. C.

DEAR DAD: I am writing this letter to you in the hope that what is written here will give incentive to cancer research institutes and clinics to investigate and evaluate a research program which has apparently demonstrated its ability to arrest and dissipate cancerous growth.

Through treatment in our own family you have become acquainted with the research program of Dr. Robert E. Lincoln, of Medford, Mass. It was about 3 years ago that I became his first cancer patient. You will recall that following long medical treatment and a period of hospitalization, you were advised by our family physicians that I had been stricken with an incurable and rapidly growing cancer. That was the year before I commenced treatment with Dr. Lincoln. The diagnosis of retriculum cell lymphosarcoma was confirmed at Tufts Medical School and reaffirmed at Columbia University College of Physicians and Surgeons. I cannot say, of course, that Dr. Lincoln's treatments are totally responsible for my present state of good health, but having received reports of improvements of other cancer victims who had been under Dr. Lincoln's care, I am deeply convinced that here is a medical discovery that should be investigated at once for the possible benefit of many thousands of homes in America that have been stricken and that will be stricken each month of each year to come.

Following his discharge from service in World War I, Dr. Lincoln obtained his doctorate of medicine in 1926 and became engaged in a coordinated plan of the general practice of medicine together with a collateral research program. He devised an original type of mechanical heart pump and did basic research work in supersonic energy as he applied it to the field of medicine. This latter research work was done under the immediate direction of Prof. George W. Pierce at the Laboratory of Applied Physics, Harvard University, Cambridge.

For the past 25 years he has practiced general medicine in Medford, Mass., where at the same time, he has conducted his research program. He has made a study of viral infection throughout this period. About 5 years ago he succeeded in isolating from patients during certain stages of epidemic infections, certain viruses from which bacteriophages were made. The results which, over the past 5 years, have been constantly observed in patients having various acute and chronic diseases, would strongly indicate that Dr. Lincoln has been successful in isolating the basic viruses and their specific cellular elements that are the cause of these infectious epidemic diseases.

In order to carefully evaluate each patient as they take their treatments every other day, the doctor has limited his research program to an average of 20 to 30 patients daily. From time to time, during the past 3 years, I have seen and talked with a great many of these people and have seen their hospital and clinic reports of their diagnoses and treatments prior to coming to Dr. Lincoln's clinic. The results in these cases, most of whom had been regarded as hopeless by hospitals and medical institutions, have almost invariably demonstrated a steady improvement.

Last October I received an urgent phone call from a total stranger. He had learned of Dr. Lincoln and of the fact that I had been treated by him. This man had a serious cancer problem in his family in which a recurrence was taking place. At the time he called me X-rays showed that certain tissues were being eaten away. I advised him to visit Dr. Lincoln at once with his wife. X-rays which were taken at regular intervals as the treatments went on showed that as early as 40 days after commencement of treatments, the malignant process was not only arrested but that a replacement of normal tissue was taking place. He had been advised by both Boston and New York specialists that his wife's case was incurable and that she would probably not live longer than a period of 6 months. She advised me, following 1 week of treatment, that most of her pain had disappeared. This patient has now outlived her estimated duration of life by several months.

I have before me a letter written a few days ago by a mother who had a complete breast amputation in August of 1949, due to the presence of a malignant growth. Following a periodic X-ray check-up in February of 1951, her family physician advised her that he had received a disturbing report from the X-ray specialist. Further X-ray pictures which were taken at a prominent Boston hospital confirmed this report. Subsequently, tissue removed for biopsy examination confirmed the diagnosis of cancer. X-ray pictures showed malignant invasion of one of her lungs.

She was first treated by Dr. Lincoln last March. Within the past week inquiry has revealed the following. An X-ray taken 6 weeks after the start of treatment was compared with her previous pictures. The X-ray specialist expressed surprise at the result which showed that the malignant spots had been checked. Her general physical condition was markedly improved.

The last case that I will mention is that of another woman. Following a pathologist's biopsy examination, a diagnosis of carcinoma of the so-called sigmoid portion of the lower bowel or colon was made. The cancer had spread to the neighboring organs, so much so that a complete hysterectomy was done. A colostomy, or false opening of the intestine through the abdominal wall was also performed. This occurred in May of 1950.

Seven months later severe pain again returned and examination showed that her cancer had recurred. Her husband was told that it would be useless to operate again and was advised to bring her home.

There was such a rapid deterioration of her general condition that four months later she was unable to support herself in an erect sitting position in bed. There was constant nausea. At this point her husband describes her condition as follows:

"She was vomiting about four to five times daily, and was being given regular hypodermic injections of drugs to relieve her pain. Her weight had fallen from 155 pounds on February 1, 1951, to 112 pounds on May 18, when she commenced treatments with Dr. Lincoln, a total loss of 43 pounds. The morning following the first treatment, she showed her first real desire for food in several months. She kept this food down and has continued to do so up to the present time" (June 1).

I understand from the doctor that this patient has shown steady progress to a point where she now equally divides her time between bed rest and being up and about. She is now practically free from pain. A continous and severe burning sensation throughout the entire abdomen, which was due to a chronic colitis of long standing, has disappeared. The rapid loss of weight was not only stopped, but there has been a slight gain of weight since the starting of treatment.

As you know, the evaluation of the component parts of Dr. Lincoln's therapy, together with his clinical results, have been largely corroborated by a number of other investigators working independently. Each one has attested to the therapeutic utility and individual efficiency of Dr. Lincoln's antibiotic agents.

As you can most easily understand, in view of the invasion of our own home by cancer, I am particularly anxious to do all that I can to make this particular treatment available to as many people as possible in the shortest period of time. The medications used in this research work will not be available for widespread distribution until its manufacture has been placed on a commercial level. The present facilities are such that this treatment can be available only for a limited amount of organized research work at the present time.

I have in mind that the four cancer cases that I have cited are by no means conclusive proof of the efficacy of Dr. Lincoln's therapies as comprising the total answer to the problem of malignancy. However, I have seen enough evidence of a decidedly positive nature, as gaged both by the doctor's own interpretations of his results, those of the corroborating investigators, together with the obvious and visible improvements that I myself have witnessed, to make me feel that every effort should be made to encourage further investigation.

Dr. Lincoln's successful isolation of these viral bodies and their means of propagation has opened the door to an entirely new and wide field of medical research. The results that he and his colleagues are obtaining in the treatment of victims of acute and chronic disease call for a rapidly increased expansion of clinical research along the same lines that have already been activated.

It is for these reasons that I am writing this letter to you, with the request that you place the contents hereof in the CONGRESSIONAL RECORD in order that various medical research groups may have this matter called to their attention, so that the people, as well as the medical research world, may be encouraged to look further into this new viral field of medical science.

In closing this letter, I would like to mention that Dr. Lincoln has made an irrevocable assignment of his discoveries and therapeutic agents to the Lincoln Foundation, a nonprofit organization dedicated solely to the furtherance of medical research. Accordingly, no monetary profit will ever accrue to any individual or group. He has dedicated his life to this work and has so assigned these antibiotics as to insure continued and increased medical research to the end that the people may be the perpetual beneficiaries of these discoveries.

You and I, as father and son, have worked together over the years on a great many matters that we have felt have been of vital concern to the country and the people. Having lived the subject matter of this letter over the past few years, I am glad to be able to come to you and to have your help and cooperation in this new work.

With my best to you always,

Sincerely,

CHARLES W. TOBEY, Jr.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. LONG. Mr. President, I believe I should say one or two words about the amendment. I had the pleasure of serving with the distinguished and able Senator from South Carolina [Mr. JOHNSTON] on the Committee on Post Office and Civil Service last year, and having looked into this matter considerably, I am of the opinion that there is really no basis upon which we can justify the large amount of leave that the Federal employees are receiving. I know that employees of the Post Office Department and their union officials came to me and urged that the Post Office employees

should have more leave. When we looked into their need for leave we found that they could not make a particularly strong case, except that they could say that the civil-service employees were receiving so much leave, and therefore that they should receive the same amount.

But after studying the question further it was my conclusion, as a member of the committee—and I believe I was the chairman of the subcommittee dealing with the subject at that time—that it is rather unfair to ask the average American worker to pay taxes and receive very little leave himself, in order to pay the expense of someone else receiving an enormous amount of leave that could not be justified. That, to me, seems to be unfair to those who are paying for these conditions for Federal employees.

The point was made, and very correctly so, by the distinguished Senator from New Mexico [Mr. ANDERSON] that he knows of many Federal employees who do not take that leave. That is entirely true, and it goes further to demonstrate, to my mind at least, that they receive too much leave, so that they really have little need for all the leave they accumulate.

If I might cite an example fairly close to me; my own administrative assistant worked for a Federal agency for some time. After 5 years he would have been entitled to draw up to 124 days' leave. During those 5 years he drew about 40 days' leave. It happened that he was very busy at his job, and could not find time to take the leave. He was in a responsible position, and in order to do his work as it should be done he could not find time to take all the leave granted under Federal law.

It has been pointed out that the leave runs somewhere around 40 percent of the days of the year. Many employees find that they do not particularly care to take that much leave, but they do rather like to accumulate it, so in the event their services are terminated they would be entitled to draw additional pay for the days of leave to which they were entitled, but of which they did not take advantage.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. LONG. I yield after I say that I had in mind that the days of leave include Saturdays and Sundays, sick leave, annual leave, and holidays, which run approximately 153 days.

Mr. ANDERSON. I question that.

Mr. LONG. Well, 104 days represent Saturdays and Sundays. That figure is not difficult to arrived at. Fifteen days for sick leave, 26 days for annual leave, and 8 holidays.

Mr. ANDERSON. Can the Senator from Louisiana pick out a year in which eight holidays come on working days? He stated a moment ago that employees took leave regardless, but the very case of the Senator's administrative assistant proves that employees do not do so. That only shows that the Senator ought to know more Government employees. I am sure if he knew more Government employees he would find that many hundreds and hundreds of them do the very same thing the Senator's administrative assistant did.

Mr. LONG. I have the very highest admiration for Government employees, and always will have. The point I wish to make, however, is that here is a case of Government employees receiving far more leave than they feel they should take. Here is a case of a Government employee receiving three times more time off at the Federal Government's expense than he feels he can find time to take, believing he is responsible for getting a certain job done. The Senator from New Mexico himself pointed out examples of leaving his office and finding employees who were entitled to leave, still working at their jobs. That is not a case of doing work that they are required to do. It is a case of their volunteering to do over and above the amount of work they are required to do.

I know that Senators are sometimes inconvenienced because of the fact that there are many holidays on which Government employees do not work. Sometimes when we are trying to do work for our constituents we are not able to accomplish it because we cannot do business with Government offices since there are no employees in those offices, especially on Saturdays.

The argument was made to me that employees must have additional time, more than the post office employees get, in order to go home to vote. Actually, my experience has been that there are very few employees who must go home to vote. Most of them who could do so do not. There are much better absentee-voter laws for the benefit of persons who wish to vote but who are not in their States at the time of the election than there were at the time the leave situation was created.

It has also been urged that originally the justification for so much leave was based upon the idea that most Federal employees were in Washington, and that they required about 3 days' travel time to get home and 3 days' travel time to get back to Washington. That situation no longer prevails in the main, because most Federal employees are no longer situated in Washington. In the second place, methods of communication and transportation being what they are, and transportation having become so much more rapid since the leave situation was created, there is no longer a requirement of 3 or 4 days' travel time to go home and several additional days to come back to Washington. Therefore, I believe that sooner or later the public is going to wonder why we do not reduce the amount of leave.

I hope I shall not be misunderstood on the question of the amount of leave which I think is available to Federal employees. I understand that there are 26 days annual leave, and usually about 8 holidays. The junior Senator from Louisiana was under the impression that with respect to most holidays, if the holiday falls on a Saturday or Sunday, the succeeding day is a day of vacation, to allow for that fact.

Therefore, Mr. President, I feel that some action should be taken by the Congress. If we are to take action, what form should that action take? So far as I can see, the only action which has been taken affecting leave while the junior Senator from Louisiana has been in Congress has been action taken on appropriation bills. I consider that rather unfortunate. Having served as a member of the Committee on Post Office and Civil Service, I believe that that is the proper committee to consider such legislation; yet the committee never got around to it while the junior Senator from Louisiana was a member of the committee, and has not gotten around to it up to this time.

It is my impression that if we put the Congress on record that we do not believe there should be 26 days annual leave, by voting for the amendment offered by the senior Senator from Illinois, with all the defects which might be pointed out in that amendment, at least a start will have been made and I believe that we shall be able to devise a method to surmount the legal defects, and finally obtain a reduction of the excessive leave, such as we probably should have.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. FERGUSON. If the amendment of the Senator from Illinois stands as it is, there seems to be grave doubt that it will save any money. The reason the Senator from Michigan says that is that the following provision is inserted in the independent offices bill:

SEC. 601. No part of the funds of, or available for expenditure by any corporation or agency included in this or any other act, including the government of the District of Columbia, shall be available to pay for annual leave accumulated by any civilian officer or employee during the calendar year 1951 and unused at the close of business on June 30, 1952: *Provided*, That this section shall not apply to officers and employees whose post of duty is outside the continental United States: *And provided further*, That this section shall not apply with respect to the payment of compensation for accumulated annual leave in the case of officers or employees who leave their civilian positions for the purpose of entering upon active military or naval service in the Armed Forces of the United States.

Mr. LONG. Will the Senator inform me whether the measure to which he is referring is already on the statute books of the Nation, or whether it is merely language in a bill which the House has passed?

Mr. FERGUSON. The House passed it in the independent offices appropriation bill.

Mr. LONG. That is not the law. It will have to come before the Senate, and be considered in conference.

Mr. FERGUSON. That is correct; but without that sort of provision in the pending bill, limiting it to this year, and limiting the amount that may be paid, I do not see how we are going to save any money.

Mr. LONG. I agree with the Senator that from a legislative point of view the amendment might be more in line with what I should like to see, actually to accomplish the result we are seeking.

However, if the senior Senator from Illinois had phrased his amendment as

he would probably have liked to phrase it, a point of order would have been made against his amendment, and he would have been in the position of being required to move to suspend the rule. He would have been subjected to a further delay of 1 day in order to give notice of a motion to suspend the rule. Therefore he would not have been able to get a vote on his amendment. It would have been sidetracked, and we would not have had any action.

I believe that the senior Senator from Illinois acted quite wisely under the circumstances. Certainy he knows that if he is able to obtain approval for this amendment, sooner or later he will be able to accomplish what he is trying to do. If this amendment will not actually save money, he will be able to get more effective language in a future appropriation bill, and have the rule suspended, so as to result in a saving of $125,000,000, which the senior Senator from Illinois seeks to save. That, I believe, would be a proper economy.

Mr. KERR. Mr. President, will the Senator yield?

Mr. LONG. I yield for a question.

Mr. KERR. As I understand the Senator from Louisiana, he tells us that if this amendment is enacted it will not save any money, but that it will be persuasive as an expression of sentiment on the part of the Senate with reference to the desirability of legislation similar to this, which would save money.

Mr. LONG. The junior Senator from Louisiana understands this amendment to say that funds appropriated for the agencies with which we are dealing here cannot be spent to pay for annual leave in excess of 20 days a year. The money would simply not be spent in that fashion. The argument is made that that provision, standing alone, would mean that possibly the employees might at a later date come back and receive pay for annual leave in addition to that which they might have actually earned. If that argument is correct, then it is true that this amendment would not accomplish what it seeks to accomplish. However, as a practical matter, I point out that if this amendment carries by a substantial vote, even with all the defects anyone might point out in it, the probabilities are that in connection with the next appropriation bill we shall succeed in suspending the rule and placing a rider in that bill which will accomplish exactly what the senior Senator from Illinois seeks to accomplish.

As a practical matter, the junior Senator from Louisiana is of the opinion that if we defeat this amendment we shall go along for another 2 or 3 years, still paying for 26 days annual leave, and that if we adopt this amendment, the probabilities are that we shall succeed during this session—probably in the near future—in so correcting the leave situation that the leave will be more in line with what it probably should be.

Mr. KERR. Mr. President, will the Senator yield for another question?

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LONG. I yield first to the Senator from Oklahoma.

Mr. KERR. What is the opinion of the Senator from Louisiana as to whether or not this amendment, if adopted, would be effective in saving any money?

Mr. LONG. The junior Senator from Louisiana feels certain that for this year it would prevent that money from being paid out. That is exactly what it says it would do.

Mr. KERR. Mr. President, will the Senator further yield?

Mr. LONG. The junior Senator from Louisiana is also strongly of the opinion that if this amendment is adopted particularly if it is adopted by a large vote—the Senate will act on this subject again within a month; and possibly even before the pending appropriation bill becomes law we may enact legislation, in connection with some other appropriation bill, sufficient to see to it that any defect which the Senator now points out in this amendment is cured from a legal point of view.

Mr. KERR. Does not the Senator think that if at this time there is a legal liability on the part of the Government to pay this money to the employee, and if the total effect of this amendment would be merely to provide that the money should not be paid out of current appropriations, the inevitable result would be that the employees would have a valid claim against the Government, and thereby the Government would be in the position of owing the money and declining to pay it, which would create confusion rather than accomplish the result which the Senator has in mind, with which I am thoroughly in accord?

Mr. LONG. The Senator from Louisiana is strongly of the opinion that if the amendment is adopted, the result will be that during this session Congress will express its will to reduce the amount of annual leave. If the amendment does not carry, the probabilities are that we will get no action on the subject.

Mr. FERGUSON. Mr. President, a little earlier, I read from a section of the independent offices bill, but I neglected to make special mention of a particular provision in that section. I invite the attention of the Senate to the provision, section 601, in the independent offices bill, and to the following words in that section:

> No part of the funds of, or available for expenditure by any corporation or agency included in this or any other act—

That language makes it general legislation. The use of the words "or any other act" makes the provision general in application. It even includes the District of Columbia, which confirms that it is general legislation.

Mr. DOUGLAS. In reply to the Senator from Michigan, I would say that what he has stated confirms the position I am taking. The amendment would prohibit money being expended in this year for leave in excess of 20 days. The provision to which the Senator from Michigan invites attention indicates that such leave cannot be stored up for the future.

Mr. FERGUSON. That is correct.

Mr. DOUGLAS. Therefore there would be no future liability to the Government. The Senator from Michigan has confirmed my argument.

Mr. FERGUSON. That is correct, assuming the provision in the independent offices bill is ultimately enacted.

Mr. MAYBANK. Mr. President, as chairman of the subcommittee which is about to report the independent offices bill I should like to say that this amendment is legislation. There was incorporated in the independent offices bill the provision to which reference has been made because of the confusion we had last year in connection with the so-called Rent Control Board.

Mr. FERGUSON. On the question of accumulated leave, we found that in that agency there was a great amount of accumulated leave which was imposing future liability upon the Government not in harmony with current operations.

Mr. MAYBANK. I am in favor of evening up the leave between the Post Office employees and employees of the other agencies. However, we have provision for such legislation in the bill which will be considered by the Senate tomorrow or the next day, which will take care of the situation. As I understand the Senator from Louisiana [Mr. LONG], the Senator from Illinois [Mr. DOUGLAS], and the Senator from South Carolina [Mr. JOHNSTON], we are concerned not with a matter of legislation, but a matter of court decision, and therefore, we cannot save any money.

Mr. LONG. It has been argued that there is an obligation on the part of the Government to pay.

Mr. MAYBANK. So far as the independent offices appropriation bill is concerned, I should like to ask the Senator from Michigan whether such a provision would be legislation.

Mr. FERGUSON. A point of order could not be raised against it, because it is contained in the House bill as it came to the Senate.

Mr. McCLELLAN. But the Senator is referring to the independent offices bill.

Mr. FERGUSON. Yes.

Mr. McCLELLAN. I should like to make a suggestion. I wish to reduce expenditures. I believe in this time of crisis and emergency it is not unreasonable to ask Federal employees to take only 20 days' leave with pay. I do not believe that to be unreasonable at all. However, I should like to accomplish it without simply limiting their pay and still retaining a continuing obligation to pay later. Inasmuch as the only way to correct the situation is by legislation, I should like to suggest that the amendment be withdrawn, and that a proper amendment, in the form of legislation, be made to apply to all appropriation bills for 1952. By suspending the rules of the Senate we could have such a provision apply to every appropriation bill. That is the right way to do it.

Mr. MAYBANK. Mr. President, may I ask whether the Senator from Arkansas voted for the amendment to the independent offices bill.

Mr. McCLELLAN. Yes.

Mr. MAYBANK. The bill will be reported tomorrow.

Mr. McCLELLAN. Yes. I suggest that we suspend the rules in order to legislate on the question. In the interim I hope the Committee on Post Offices and Civil Service will go into the question and report new basic legislation.

Mr. JOHNSTON of South Carolina. I should like to ask the junior Senator from Louisiana a question. He was the chairman of the subcommittee which dealt with questions of this kind. He is familiar with them. If we were to adopt the amendment, making the limitation and cutting down the leave to 20 days, the effect would be to throw a block in the way of the legislation on which we are now working. I should like to read a letter which I received from the Civil Service Commission.

Mr. DOUGLAS. Is that the letter which was written 4 months after the Commission was requested for the information?

Mr. JOHNSTON of South Carolina. I wish to read it into the RECORD, so that Senators will be familiar with the facts. It says:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., June 11, 1951.

Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office and Civil Service, United States Senate, Room 134, Senate Office Building.

DEAR SENATOR JOHNSTON: This is in further reply to your letter of February 9, 1951, requesting the Commission's views concerning S. 832, a bill to reduce the annual leave of Federal officers and employees to 15 days during the continuance of the existing national emergency, and for other purposes.

The Commission opposes the enactment of S. 832. As you know, the facts developed by the joint study recently made for your Committee by the Bureau of the Budget and the Commission show that the savings to the Government as a result of a graduated system similar to that discussed by your staff would be greater than those resulting from a flat cut to 15 or 20 days for all employees. Such a plan is now in use in a number of industrial concerns. While the Commission is not making a recommendation at this time to reduce the leave of Federal employees, it is believed that any change in the leave system should contemplate a graduated scale whereby the amount of annual leave granted employees would be related directly to the employee's length of service. In the Commission's opinion, a graduated system would also be more equitable to career employees.

The Bureau of the Budget has informed the Commission that it has no objections to the submission of this report.

By direction of the Commission:
Sincerely yours,
JAMES M. MITCHELL,
Commissioner.

If the Senator from Louisiana goes along with the amendment he will be throwing a block in our way. We will be unable to do anything with regard to it, and we need not expect the Commission to do anything either.

Mr. DOUGLAS. May I ask the Senator if he would be willing to offer an amendment providing for a graduated scale? If so, I would be willing to accept it.

Mr. JOHNSTON of South Carolina. In reply to the Senator from Illinois I should like to say that we have a great many lawyers on the floor of the Senate. Nevertheless we have a staff working on the amendment. It is working out the details. It is not possible to bring up a suggested amendment on the floor of the Senate and do justice to the employees of the Federal Government.

Mr. LONG. Mr. President, I fully understand the observations made by Senators on the floor. I would point out, however, that I am firmly of the opinion that if we are ever to succeed in reducing the amount of leave, we shall have to do it by way of an amendment to an appropriation bill. Otherwise, with the opposition which would come from various Government agencies, the complications which would be brought about by the opposition raised on the part of many organizations, as well as the pressure upon individual Senators, with no similar counterpressure from the taxpayers, who would have to pay the money involved, in the long run our efforts would probably go for naught. Therefore, I hope the amendment of the Senator from Illinois will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois, on page 41, in line 24 .

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senators from Connecticut [Mr. BENTON and Mr. MCMAHON], the Senator from Texas [Mr. CONNALLY], the Senator from Delaware [Mr. FREAR], the Senator from Iowa [Mr. GILLETTE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Maryland [Mr. O'CONOR], the Senator from Florida [Mr. SMATHERS], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland. If present and voting, the Senator from Montana would vote "nay."

I announce further that if present and voting, the Senator from Connecticut [Mr. BENTON], the Senator from Delaware [Mr. FREAR], the Senator from Iowa [Mr. GILLETTE], and the Senator from North Carolina [Mr. SMITH] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. CASE] is absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business. If present, he would vote "yea."

The Senator from Missouri [Mr. KEM], who is absent by leave of the Senate, is paired with the Senator from Massachusetts [Mr. LODGE], who is necessarily absent. If present and voting, the Senator from Missouri would vote "yea" and the Senator from Massachusetts would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

The Senator from Ohio [Mr. BRICKER], the Senator from Washington [Mr. CAIN], the Senator from Indiana [Mr. CAPEHART], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from Nevada [Mr. MALONE], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from New Hampshire [Mr. TOBEY] are detained on official business.

The result was announced—yeas 35, nays 36, as follows:

YEAS—35

Aiken	Hendrickson	Mundt
Bennett	Hennings	Nixon
Brewster	Hickenlooper	Robertson
Bridges	Hill	Saltonstall
Butler, Nebr.	Hoey	Smith, Maine
Byrd	Holland	Smith, N. J.
Carlson	Jenner	Stennis
Douglas	Long	Taft
Dworshak	McCarthy	Wherry
Eastland	McClellan	Wiley
Ellender	Monroney	Williams
Ferguson	Moody	

NAYS—36

Anderson	Johnson, Colo.	McKellar
Butler, Md.	Johnson, Tex.	Morse
Chavez	Johnston, S. C.	Neely
Clements	Kerr	O'Mahoney
Cordon	Kilgore	Pastore
Ecton	Knowland	Russell
George	Langer	Sparkman
Green	Lehman	Thye
Hayden	Magnuson	Underwood
Humphrey	Maybank	Watkins
Hunt	McCarran	Welker
Ives	McFarland	Young

NOT VOTING—25

Benton	Frear	Millikin
Bricker	Fulbright	Murray
Cain	Gillette	O'Conor
Capehart	Kefauver	Schoeppel
Case	Kem	Smathers
Connally	Lodge	Smith, N. C.
Dirksen	Malone	Tobey
Duff	Martin	
Flanders	McMahon	

So Mr. DOUGLAS' amendment was rejected.

Mr. DOUGLAS. Mr. President, the Senate has just turned down an opportunity to save $250,000,000. I think that some of those who voted against this amendment did so in the belief that a bill on the subject should be reported to the Senate by the Committee on Post Office and Civil Service. I believe we should give all encouragement to that committee immediately to proceed to its work. I therefore offer another amendment, as follows:

On page 41, line 24, strike out the period, insert a colon and the following: *"Provided further,* That the Senate Committee on Post Office and Civil Service is hereby directed to report to the Senate on or before July 25, 1951, a bill providing that the annual and sick leave of Classified, Postal and Wage Board employees shall be set at 20 days annual leave per year and 12 days sick leave per year; provided further, That the Senate shall proceed to vote on such bill within 30 days after it shall have been reported."

Mr. JOHNSTON of South Carolina. Mr. President, a point of order.

Mr. CHAVEZ. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from South Carolina will state the point of order.

Mr. JOHNSTON of South Carolina. I make the point of order that the amendment is in the nature of legislation on an appropriation bill.

Mr. LONG. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. LONG. Has the Senator from Illinois yielded for that purpose?

Mr. DOUGLAS. I have not yielded for that purpose.

Mr. JOHNSTON of South Carolina. I am making the point to save the time of the Senate, that is all, and because I know the amendment is out of order.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Who has the floor?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. DOUGLAS. I thank the Chair.

Mr. President, we can always find all kinds of excuses for not acting. When an amendment is proposed to an appropriation bill, it is argued that we should take the matter up in a legislative bill.

Whenever we try to save money for the Government and for the people, it is always said that it is not being done in the right manner, nor at the right time, nor attached to the right bill. The pea is always underneath another shell and the poor taxpayer is worn out chasing it.

In the great shell game of economy, the taxpayer always seems to lose. I am trying to help him find the pea.

Some have said we should not try to cut annual leave on an appropriation bill, but should do so only on a legislative bill. Well, that is what I am now trying to do. I am trying to assure that those good friends get their expressed wish.

We know perfectly well the influences which are going to be at work to prevent action. Thousands of Government employees will be out in force, and it will be most difficult to act. I know it would be rather rough on the committee to turn its members over to the tender mercies of all the various governmental agencies, unless we gave them some legislative direction. Under this proposal of mine members of the committee could say, "It is not our fault that we are taking this matter up. It is the fault of the Senate as a whole. The Senate is compelling us to report within 12 days, and the Senate must then act within 30 days."

If we really mean business about having this matter handled in a legislative bill, let us adopt this amendment.

Mr. JOHNSTON of South Carolina. Mr. President, as the chairman of a committee which is being directed what to do, and when to do it, I am not pleased at all with what is now proposed, and I do not think the chairman of any other committee of the Senate would appreciate it. This proposal would, if adopted, be the same as establishing a precedent binding upon every Member of the Senate, whereby the Senate could tell any committee having jurisdiction over a given subject that it must report a bill, whether the members of the committee believe in it or not. For the Senate to tell the committees what to do suggests that we should simply abolish all committees of the Senate and handle everything upon the floor of the Senate. That, Mr. President, seems to me is what we are facing today.

Mr. CHAVEZ. Mr. President, will the Senator yield, that I may make a point of order?

Mr. JOHNSTON of South Carolina. I intend to make a point of order. But I feel that I ought to speak for my committee, and to tell Senators how I feel regarding a proposal of this kind.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Oklahoma.

Mr. KERR. In doing that, will the Senator from South Carolina yield to any Senator on this floor to make a statement with reference to his conviction and his responsibility, and his recognition of his duties?

Mr. JOHNSTON of South Carolina. So far as I am concerned, when I was sent to the Senate of the United States I was sent here to do my own thinking and to do my own voting, and I intend to do that so long as I am a Senator from South Carolina. I shall not permit anyone from Illinois or from any other State to tell me what to do or what not to do. I think the members of my committee entertain the same feeling. So I make the point of order that this proposal is in the nature of legislation on an appropriation bill, and also that it is out of order for the reason that it would constitute a violation of the rules for the Senate to tell a committee what it must do in regard to a particular bill which may have been referred to it.

The PRESIDING OFFICER. The point of order is well taken, and is sustained.

Mr. DOUGLAS. Mr. President, I appeal from the ruling of the Chair, and I ask for the yeas and nays.

Mr. CHAVEZ. Mr. President, it is all very well for the Senator from Illinois to talk about economy. It is all very well to have him feel that he is the only Member of this body who is trying to do what is right. But if the Senator from Illinois actually wanted to be consistent, he would let the Senate take action on the pending bill and get through with it. We have wasted much time today. I shall not say what I had in mind to say. We have wasted more of the taxpayers' money by discussing matters which the Senate knew about and understood than I can estimate. For the sake of economy, why not vote on the bill either one way or the other.

I ask for the regular order, Mr. President.

Mr. DOUGLAS. Mr. President, I withdraw my appeal from the ruling of the Chair, and offer instead another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Illinois.

The CHIEF CLERK. On page 41, line 24, it is proposed to strike out the period, insert a colon and the following: "*Provided further*, That no part of any appropriation contained in this act shall be used for the payment of remuneration for sick leave of any classified or Wage Board employee in excess of 12 days per year; or for the payment of remuneration for annual leave in excess of 13 days per year in the case of such an employee who has rendered a total of less than 5 years of active service as a civilian employee or in the Armed Forces of the United States, 19½ days per year in the case of such an employee who has rendered a total of 5 years but less than 15 years of such service, 26 days per year in the case of such an employee who has rendered a total of 15 years of such service."

Mr. JOHNSTON of South Carolina. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSTON of South Carolina. I raise the point of order that the amendment offered by the Senator from Illinois constitutes legislation on an appropriation bill.

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that the amendment is in order.

Mr. DOUGLAS. Mr. President, we are making every effort to present some measure on this subject which the Senate will adopt. When we propose a uniform cut of a certain number of days, it is said that it should be graduated. The amendment now offered provides for such a graduation, and I believe it is identical with the plan tentatively suggested by the staff of the Committee on Post Office and Civil Service.

The amendment will provide 13 days a year for those who have been employed less than 5 years, 19½ days for those who have been employed from 5 to 15 years, and 26 days for those who have been employed more than 15 years. This particular program has great administrative advantages. There are 26 pay periods of 2 weeks each during the Federal year. The days of leave suggested are fractions of 26. The amendment would mean that an employee who has worked less than 5 years would get one-half day's leave per pay period, and those who have been employed for between 5 and 15 years will get three-fourths of a day for each pay period. Finally those employees who have served more than 15 years will receive 26 days, the same as now, or 1 day for each pay period.

At this point in my remarks, Mr. President, unless the Senator from South Carolina objects, I should like to have printed in the RECORD the very excellent report of the staff of the committee.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON POST OFFICE
AND CIVIL SERVICE,
April 17, 1951.

The Honorable OLIN D. JOHNSTON,
Chairman, Committee on Post Office and Civil Service,
United States Senate,
Washington, D. C.

DEAR SENATOR JOHNSTON: In accordance with your directions the staff has analyzed the joint report concerning the accumulated

annual leave and length of service of Federal employees submitted to the Committee by the Bureau of Budget and the Civil Service Commission.

The report, based on this analysis, is submitted for the consideration of the committee.

This report is divided into nine parts:

Part I states the recommendations of the staff with regard to annual and sick leave and unemployment insurance.

Part II presents a brief analysis and conclusion of the different Federal leave systems.

Part III presents the justification for a graduated system of annual leave.

Part IV in brief compass describes a method for reduction in backlog of accumulated leave.

Part V is a brief conclusion regarding future accumulation of annual leave.

Part VI presents an analysis of sick-leave benefits, rate of usage and conclusion with specific recommendations.

Part VII describes method of bookkeeping that would save the Government much of the administrative costs with regard to records of accrued sick and annual leave.

Part VIII states the reason and need for unemployment insurance, provided certain leave cuts are adopted.

Part IX presents two schedules of graduated leave systems that should be considered.

Each schedule is divided into three parts: Length of service reported; basis for graduated system; and analysis of graduated system. The adoption of either schedule would save the Government over $200,000,000 annually.

For the preparation of this report special acknowledgment is due Mr. Don Kerlin of the Bureau of the Budget.

Sincerely yours,

H. W. BRAWLEY,
Staff Director.

SICK AND ANNUAL LEAVE IN THE EXECUTIVE BRANCH OF THE FEDERAL GOVERNMENT

PART I. RECOMMENDATIONS

1. Review the several annual- and sick-leave laws with a view to legislation establishing a uniform system throughout the Federal service to the greatest extent practicable.

2. Consider adoption of a graduated system of annual leave based on length of service that will provide employees with adequate time for liberal vacations yearly and for incidental use, yet at the same time, conserve manpower and produce economies.

3. Consider means of forcing an orderly reduction in the large amount of accumulated annual leave to the credit of individual employees.

4. Consider means of preventing unduly large accumulations of annual leave by individual employees in the future.

5. Consider the sick-leave situation with a view to legislation that will reduce what appears to be a too liberal yearly allowance; remove the limitation on the amount of sick leave that may be accumulated in order to provide greater coverage to long-time employees during periods of serious and prolonged illness; and provide reasonable safeguards to minimize the possibility of abuse of the sick-leave privilege.

6. Consider legislative changes in both the annual- and sick-leave laws that will greatly reduce the cost of maintaining individual leave accounts.

7. Consider legislation to cover Federal employees with unemployment insurance, both as a matter of equity and to replace the widespread practice of building up large accumulations of annual leave as insurance against unemployment.

PART II. DIFFERENT FEDERAL LEAVE SYSTEMS

A. Among the several leave systems in effect in the Federal service are the following:

1. Federal employees generally: Approximately 75 percent of all Federal employees are subject to the Uniform Annual and Sick Leave Acts of 1936, as amended. These acts provide leave as follows:

Annual leave

(a) Permanent employees: Permanent full-time employees earn annual leave at the rate of 26 days per calendar year. Permanent part-time employees, for whom there has been established a regular tour of duty covering not less than 5 days in any week, earn annual leave on a pro rata basis.

(b) Temporary employees: Temporary full-time employees earn annual leave at the rate of 30 days per calender year. Temporary part-time employees for whom there has been established a regular tour of duty covering not less than 5 days in any week earn annual leave on a pro rata basis during each full continuous month of service.

(c) Intermittent employees: Permanent or temporary employees whose services are required either full or part time or on intermittent basis do not earn annual leave provided the agency takes the precaution to notify the employee in writing to that effect at the time of his appointment.

(d) Accumulations: Employees in the United States now may accumulate annual leave in an amount not to exceed 60 days. During World War II (September 8, 1939 to July 25, 1947) employees were permitted to accumulate up to 90 days. Many employees still have such accumulations to their credit.

Employees outside the continental United States are permitted to accumulate annual leave in accordance with agency regulations in effect prior to January 1, 1936. These regulations permit accumulations of annual leave in varying amounts, ranging from 90 to 120 days.

Sick leave may be accumulated by employees both in and outside the continental United States in an amount not in excess of 90 days at the end of any calendar month.

2. Postal field service: Over 360,000 employees in the Postal Field Service are subject to Public Law 134, which grants 15 days annual leave per year and 10 days sick leave per year. By administrative action such employees are not permitted to carry over more than 5 days annual leave from one fiscal year to the next. However, there is no restriction on the amount of sick leave they may accumulate. Departmental employees, postmasters, assistant postmasters, and certain other employees in the post offices throughout the country are subject to the Uniform Annual and Sick Leave Acts of 1936, as amended, and, therefore, earn and accumulate annual and sick leave in the same manner as other Federal employees.

3. Foreign Service—Department of State: Over 8,000 employees in the Foreign Service, Department of State, are subject to the Foreign Service Act of 1946, Public Law 724, in the matter of annual and sick leave. This act gives such employees 60 calendar days annual leave and 15 calendar days sick leave per year. The act permits an accumulation of annual leave in amount not to exceed 180 days and an accumulation of sick leave not to exceed 120 days.

4. Doctors, dentists, and nurses—Veterans' Administration: Several thousand medical employees in the Veterans' Administration are subject to Public Law 293, Seventy-ninth Congress, in the matter of sick and annual leave. This law grants annual leave at the rate of 30 calendar days per year and sick leave at the rate of 15 calendar days per year. The maximum accumulation of annual leave is not to exceed 120 days. The maximum accumulation of sick leave is not to exceed 90 days.

5. Commissioned officers of the Public Health Service: Approximately 2,300 commissioned officers of the Public Health Service are subject to a leave system under which they accrue annual leave at the rate of 30 calendar days per year and sick leave to the extent the Surgeon General considers justified by the circumstances involved. The accumulation of annual leave is limited to 60 days, but sick leave is granted on the basis of justification, without limitation.

6. Employees of the Government Printing Office: Some 7,000 employees of the Government Printing Office are subject to annual and sick leave laws which grant 30 and 15 days, respectively, each year. However, by administrative action, such employees have been brought under Uniform Annual and Sick Leave Acts for 1936, as amended.

7. Miscellaneous groups: Employees of the Panama Railroad Company, Panama Canal, Maritime Commission, certain field employees of the Department of Agriculture, commissioned officers of the Coast and Geodetic Survey, and employees of the United States Park Service are subject to a variation of leave laws.

B. Conclusion: The conditions of employment, hours of work, and basis of pay of each of the above groups should be thoroughly analyzed with the view to standardization of annual and sick leave laws insofar as may be practical and equitable. The various statutes and administrative directives governing the accumulation of annual leave for United States citizen employees in overseas areas should be standardized, as there is no justification for the wide variation in the amount of annual leave that can be accumulated by employees under like conditions.

PART III. GRADUATED SYSTEM OF ANNUAL LEAVE

A. A system of granting annual leave at a graduated rate based on the length of service of the individual employee has a great deal of merit. Such a practice prevails rather generally in private industry. However, it must be recognized that Federal employees, unlike employees in private industry, are required to charge every absence from official duty to some type of leave, in the main, either to their annual or sick leave account. In private industry, incidental leave for such purposes as paying taxes, attending funerals, car inspection, participation in civic enterprises, and the transaction of personal business is granted without charge to an employee's vacation time. Therefore, any system adopted for Federal use must not only provide for adequate vacations, but must allow a few additional days each year for incidental use.

B. Conclusions: The present allowance of annual leave which generally is at the rate of 26 days a year to permanent employees and 30 days a year to temporary employees is, in some respects, too liberal to many employees and too costly to the Government. It is difficult to justify a system under which a new employee earns the same amount of annual leave during the first year of his employment as does an old employee during his twenty-fifth or thirtieth year of service.

It is even more difficult to justify a system under which a temporary employee earns leave at a greater rate than a permanent employee. These seeming inequities can be corrected on the one hand and substantial savings accomplished on the other by adopting a system under which the amount of annual leave earned by an employee is

based solely on his total length of service.[1] The type of appointment under which an employee is serving at any given time should not affect the amount of annual leave he earns; i. e., a temporary employee should not earn leave at a greater rate than a permanent employee, and a permanent employee with many years of service should not earn leave at a reduced rate in the event he accepts a temporary appointment.

The graduated system outlined on the chart attached hereto gives 13 days' annual leave a year to employees during the first few years of their service, 19½ days a year during the middle years of their service, and 26 days a year during the remaining years of their career. This is sufficient to permit a full two weeks' annual vacation plus three days for incidental purposes to employees in the first category; a full three weeks' annual vacation plus 4½ days for incidental purposes to employees in the middle category; and a full four weeks' annual vacation plus 6 days for incidental purposes to employees in the latter category.

PART IV. REDUCTION IN BACKLOG OF ACCUMULATED LEAVE

A. Generally, existing law permits an accumulation of not over 60 days annual leave. During World War II employees were permitted to accumulate not over 90 days because they could not be spared from their work. In spite of this increase in the maximum amount of accumulation, many employees lost leave at the end of each year and many employees who have reached their maximum accumulation still lose leave each year. The accumulation of annual leave is a two-sided question. On the one hand, many employees by design accumulate leave because of its insurance value during times of prolonged illness, or unemployment and its cash value upon voluntary separation from the service. On the other hand, many employees would like to use leave for vacation purposes, but are prevented from doing so because of work requirements. In either case, the Government pays an extremely high premium on account of accumulated leave, for these reasons:

1. Leave is often accumulated by an employee while he is in a low grade and is paid for at a time when he has risen to a higher grade.

2. When general pay raises (of which there have been several during recent years) go into effect, it increases the value of accumulated leave, and must be liquidated at the increased value.

B. Conclusion: Employees should be required to liquidate excessive current accumulations of annual leave to their credit over a 5-year period at the rate of not less than 20 percent each year. To accomplish this, an employee should be required to use such leave, but if it is administratively determined that it would be detrimental to the Government service for him to be spared, then he should be paid for his leave in cash. So long as the rate of reduction is in keeping with 20 percent per year, in the event the employee leaves the service before the full 5-year period, he should be compensated for the unliquidated amount of leave still to his credit.

PART V. FUTURE ACCUMULATION OF ANNUAL LEAVE

A. Assuming that some type of unemployment insurance will be adopted and that the limitation on the amount of sick leave that may be accumulated will be removed, some positive means of controlling future accumulations of annual leave should be adopted.

B. Conclusion: The accumulations of large amounts of annual leave should not be permitted in the future. The law should be specific that annual leave is for the purpose of providing employees with time for adequate vacations and the transaction of personal affairs. Furthermore, the law should be equally specific that in the event an agency denies an employee the use of leave for these purposes, it should be required to pay the employee for the leave at the end of the fiscal year. There should be sufficient elasticity in the requirements of law to permit an employee to carry over from one year to another an amount of leave not exceeding that which he has earned during the past year in order that he may either take a prolonged vacation or otherwise juggle his vacation schedule. This privilege should not, however, obligate the Government to compensate him for such carry-over leave in the event he does not use it in this manner.

PART VI. SICK LEAVE

A. Benefits: In general, employees earn sick leave at the rate of 1¼ days a month for a total of 15 days per calendar year. Employees may accumulate sick leave in an amount not to exceed 90 days at the end of any calendar month. In addition an advance of sick leave of not to exceed 30 days may be made to an employee. In most instances advanced sick leave is amortized out of future earnings; however, if because of death, continued illness, or involuntary separation from duty, the advance is not fully liquidated out of future earnings the unliquidated balance is canceled.

B. Rate of usage: The average amount of sick leave used by Federal employees ranges from 7 to 9 days per year. Many employees use little or no sick leave year after year. The great majority use only a normal amount. A relatively few, however, use sick leave as rapidly as it accrues to their credit. There is some indication that a very limited number of employees enjoy good health until they approach or reach the maximum 90-day limit on accumulation, after which time they are ill often enough to prevent the loss of any sick leave. It is to the credit of the Federal service as a whole, however, that for each employee who plans his illnesses so as not to lose sick leave, there are a hundred who guard their health so as not to lose time from their work.

C. Conclusion: In the light of the average rate of usage, 15 days sick leave a year is too liberal. To allow an amount above that actually required by the majority takes the form of a bonus to the very small minority who abuse the use of sick leave. By and large, these few are the very ones least deserving of any reward. Accordingly, consideration should be given to reducing the amount of sick leave to not more than 13 days a year. (One-half day per biweekly pay period.)

At the same time the 90-day limitation on the amount of sick leave that can be accumulated should be removed. When an employee approaches or has reached the 90-day accumulation, the 15 days sick leave theoretically earned by him each year has little or no value. Human nature being what it is, things of little value are treated lightly, and accordingly, the indiscriminate use of sick leave may follow. If on the other hand, there were no limit on the amount of sick leave that an employee could accumulate, there would be more of an inclination to preserve it more carefully as insurance against prolonged illness in the years to come. In the final analysis, if an employee preserves his sick leave for the entire duration of his Federal service, it represents a saving of that much time to the Government and the potential liability is wiped out when the employee leaves the service. The law should impose a greater obligation on supervision to see that sick leave is used properly. At the same time, supervision should have the right to penalize employees for the abuse of sick leave. Supervision should have the authority to suspend employees for limited periods for flagrant abuse of sick leave.

PART VII. ADMINISTRATIVE COSTS

A. Bookkeeping aspects: Both the annual- and sick-leave laws impose a needlessly complex and costly bookkeeping burden on the agencies.

1. Annual leave: The annual-leave law provides that employees shall earn and be credited with annual leave on a calendar-year basis. The Federal-wide payroll procedure is based on 26 biweekly pay periods a year with a twenty-seventh pay period each sixth or seventh year. Accordingly, the 26 biweekly pay periods never correspond precisely with any given calendar year. Therefore, in order to maintain leave accounts in accordance with the law and also so they will be suitable for payroll purposes, it is necessary to make an adjustment in each individual account at the beginning and again at the end of each calendar year. Such adjustments cover 1 to less than 10 days' work (10 days constitute a biweekly pay period), and in terms of leave may amount to a charge or credit of only an hour or so. The total cost of making such adjustments for all employees on the rolls is well in excess of the total value of the leave for the relatively few employees who enter or leave the service during the period involved.

The annual leave law provides, further, that employees shall not have an accumulation in excess of a specified number of days at the end of any calendar year. To comply with this requirement of law, individual leave accounts are brought into balance at the end of each calendar year, instead of at the end of the fiscal year as are the other fiscal accounts of the agency. This conflict in the keeping of accounts is not only costly from an administrative standpoint, but it is one reason why the problem of funds for the payment of terminal leave arises with such frequency.

2. Sick leave: The sick-leave law provides that employees shall earn and be credited with sick leave on a calendar-month basis. The law provides, further, that employees shall not have an accumulation in excess of a specified number of days at the end of any calendar month. To comply with this requirement of law, it is necessary to post and balance the sick-leave portion of each employee account on a calendar-month basis. Accordingly, the handling of sick leave does not coincide with the handling of annual leave, and neither coincides with the handling of the other accounts of an agency.

Conclusion: Credits of both annual and sick leave should be in terms of allowances per biweekly pay period. Maximum accumulations, if any, should be applied either on a biweekly pay-period basis or at the close of the fiscal year.

B. Leave credits: Under existing law when an employee enters on duty or leaves the service, fractional parts of a month in the case of sick leave and fractional parts of incomplete biweekly pay periods in the case of annual leave are considered for the purpose of crediting earned leave or deducting unearned leave. This is a rather complicated procedure and more than a little costly.

C. Conclusion: Periods of less than a complete biweekly pay period should be disregarded for purposes of computing earned leave. The loss to an individual by not counting odd days in computing leave at the time of his entrance on duty and again at the time of his leaving the service is only a

[1] In computing an employee's total length of service, military service and all Federal employment creditable for retirement purposes should count. In other words, the same formula should be used for leave purposes as applies in the case of retirement.

matter of hours and of little consequence. The saving in overhead on a Federal-wide basis is worth capturing.

PART VIII. UNEMPLOYMENT INSURANCE

A. Federal employees generally are not now covered by unemployment insurance. For this reason, there has been a tendency on the part of many employees to accumulate annual leave as a form of insurance against abrupt separation or long periods of illness. If the limitation on the amount of sick leave that can be accumulated is removed, and Federal employees are accorded the benefits of some type of unemployment insurance, the two principal reasons for accumulation of annual leave will have been removed.

B. Conclusion: Consideration should be given to covering Federal employees under unemployment insurance.

Comparison of present system[1] of annual leave and a graduated system based on legth of service for the 1,258,070 full-time employees for whom length of service was reported[2]

Years of service	Number of employees	Days leave		Aggregate days leave		Aggregate value		Aggregate difference		Percent reduction	
		Present system	Graduated system	Present system	Graduated system	Present system	Graduated system	Days	Value	Days	Value
Less than 5	320, 825	26	13	8, 341, 450	4, 170, 725	$96, 106, 400	$48, 053, 200	4, 170, 725	$48, 053, 200	50	50
Over 5 and less than 15	770, 349	26	19½	20, 029, 074	15, 021, 805	271, 817, 000	202, 862, 750	5, 007, 269	67, 954, 250	25	25
15 and over	166, 896	26	26	4, 339, 296	4, 339, 296	73, 907, 600	73, 907, 600				
Total	1, 258, 070			32, 709, 820	23, 531, 826	441, 831, 000	325, 823, 550	9, 177, 994	116, 007, 450	28	26

[1] Present system: Present system as used here refers to the Uniform Annual Leave Act of 1936, as amended. Approximately 75 percent of all Federal employees are subject to this act. Major groups under other leave systems are—field employees of the Post Office Department; Foreign Service, Department of State; medical employees, Veterans' Administration; and commissioned officers of the Public Health Service.

[2] Employees for whom length of service was reported: Length of service data was obtained on 1,258,070 employees. Employees for whom length of service data was not obtained included 360,700 in the field service of the Post Office Department, 192,100 part-time employees, and 147,000 outside the continental United States. See table 5, p. 23, (committee print), Joint Report of the Bureau of the Budget and the United States Civil Service Commission.

BASIS FOR GRADUATED SYSTEM

1. Less than 5-year category: 13 days' annual leave a year for employees with less than 5 years of service compares favorably with leave practices in private industry. It allows for 1 sustained vacation of 2 full weeks a year with 3 days additional for incidental use.

2. The over 5- and less than 15-year category: 19½ days' annual leave a year for employees with over 5 and less than 15 years of service follows the more liberal trend in private industry of granting increased leave to employees with more years of service. It allows for 1 sustained vacation of 3 full weeks a year with 4½ days additional for incidental use.

3. The 15-year and over category: 26 days' annual leave a year to employees with 15 years or more of service recognizes length of service and the advancing age of the employees. It allows for 1 sustained vacation of 4 full weeks a year or a winter and summer vacation of 2 weeks each, plus 6 days' additional for incidental use.

ANALYSIS OF GRADUATED SYSTEM

1. Annual savings: The graduated system would produce during the first year of operation a saving of 9,177,994 days of annual leave, with a value of $116,007,450 for the 1,258,070 employees covered by the survey. This would be a saving of 28 percent in the amount of annual leave and 26 percent in the total dollar value of the leave earned by these employees. On a projected basis to cover an additional 348,300 employees (exclusive of 360,700 employees in the field service of the Post Office Department) in the Federal service at the time of the survey and an additional 500,000 who have been added since that date the total saving would be approximately 18,000,000 days of annual leave with a value of close to $200,000,000.

2. Increased man-years: This total saving in annual leave is equal to 69,000 man-years. In terms of new employees required by the emergency, it would be necessary to employ 19 persons under the graduated system to obtain the same number of workdays as would result from 20 persons employed under the present leave system. Worded another way the manpower requirements (in production work at least) could be reduced by 5 percent.

3. Emergency and new employees: New employees entering the service either as replacements or as additional staff during the emergency or because of an increase in the Federal service for any other reason would earn during the first 5 years of their employment 13 days less per year under the graduated system than under the present system. During the next 10 years of their employment, the saving would amount to 6½ days per year. After 15 years of service there would be no further saving.

4. Net effect on career employees: A person who enters the service under the present system and is employed for 30 years earns 780 days annual leave. Under the graduated system, such an employee would earn 650 days. This reduction of 130 days is equal to 25 percent. However, fewer than half of all employees who enter the Federal service remain in the service for as long as 10 years, so the total net reduction would be greater than 25 percent.

5. Administrative aspects: The 13-, 19½-, and 26-day allowances are on a graduated basis at the rate of 4, 6, and 8 hours per biweekly pay period, respectively.

Comparison of present system[1] of annual leave and a graduated system based on length of service for the 1,258,070 full-time employees for whom length of service was reported[2]

Years of service	Number of employees	Days leave		Aggregate days' leave		Aggregate value		Aggregate difference		Percent reduction	
		Present system	Graduated system	Present system	Graduated system	Present system	Graduated system	Days	Value	Days	Value
Less than 5	320, 825	26	13	8, 341, 450	4, 170, 725	$96, 106, 400	$48, 053, 200	4, 170, 725	$48, 053, 200	50	50
Over 5 and less than 20	854, 933	26	19½	22, 228, 258	16, 671, 193	309, 202, 400	231, 901, 800	5, 557, 065	77, 300, 600	25	25
20 and over	82, 312	26	26	2, 140, 112	2, 140, 112	36, 522, 200	36, 522, 200				
Total	1, 258, 070			32, 709, 820	22, 982, 030	441, 831, 000	316, 477, 200	9, 727, 790	125, 353, 800	30	28

[1] Present system: Present system as used here refers to the Uniform Annual Leave Act of 1936, as amended. Approximately 75 percent of all Federal employees are subject to this act. Major groups under other leave systems are—field employees of the Post Office Department; Foreign Service, Department of State; medical employees, Veterans' Administration; and commissioned officers of the Public Health Service.

[2] Employees for whom length of service was reported: Length of service data was obtained on 1,258,070 employees. Employees for whom length of service data was not obtained included 360,700 in the field service of the Post Office Department, 192,100 part-time employees and 147,000 outside the continental United States. See table 5, p. 23 (committee print), Joint Report of the Bureau of the Budget and the United States Civil Service Commission.

BASIS FOR GRADUATED SYSTEM

1. Less than 5-year category: 13 days' annual leave a year for employees with less than 5 years of service compares favorably with leave practices in private industry. It allows for 1 sustained vacation of 2 full weeks a year with 3 days additional for incidental use.

2. The over 5 and less than 20-year category: 19½ days' annual leave a year for employees with over 5 and less than 20 years of service follows the more liberal trend in private industry of granting increased leave to employees with more years of service. It allows for 1 sustained vacation of 3 full weeks a year with 4½ days additional for incidental use.

3. The 20-year and over category: 26 days' annual leave a year to employees with 20 years or more of service recognizes length of service and the advancing age of the employee. It allows for 1 sustained vacation of 4 full weeks a year or a winter and summer vacation of 2 weeks each, plus 6 days additional for incidental use.

ANALYSIS OF GRADUATED SYSTEM

1. Annual savings: The graduated system would produce during the first year of operation a saving of 9,727,790 days of annual leave, with a value of $125,353,800 for the 1,258,070 employees covered by the survey. This would be a saving of 30 percent in the amount of annual leave and 28 percent in the total dollar value of the leave earned by these employees. On a projected basis to cover an additional 348,300 employees (exclusive of 360,700 employees in the field service of the Post Office Department) in the Federal service at the time of the survey and an additional 500,000 who have been added since that date it is estimated that the total saving would approximate 19,000,000 days of annual eave, with a value of over $200,000,000.

2. Increased man-years: This total saving in annual leave is equal to 73,000 man-years. In terms of new employees required by the emergency, it would be necessary to employ slightly less than 19 persons under the graduated system to obtain the same number of workdays as would result from 20 persons employed under the present system. Worded another way the manpower requirements (in production work at least) could be reduced by more than 5 percent.

3. Emergency and new employees: New employees entering the service either as replacements or as additional staff during the emergency or because of an increase in the Federal service for any other reason would earn during the first 5 years of their employment 13 days less per year under the graduated system than under the present system. During the next 15 years of their employment, the saving would amount to 6½ days per year. After 20 years of service there would be no further saving.

4. Net effect on career employees: A person who enters the service under the present system and is employed for 30 years earns 780 days' annual leave. Under the graduated system, such an employee would earn 617 days. This reduction of 163 days is equal to 30 percent. However, fewer, than half of all employees who enter the Federal service remain for as long as 10 years, so the total net reduction would be greater than 30 percent.

5. Administrative aspects: The 13-, 19½-, and 26-day allowances are on a graduated basis at the rate of 4, 6, and 8 hours per biweekly pay period, respectively.

Mr. DOUGLAS. Mr. President, the present amendment would save $250,000,000 of which is approximately the same sum my original proposal would save. It would be graduated according to length of service, thus conforming more closely to the practice in private enterprise.

I read from a letter to the Senator from South Carolina [Mr. JOHNSTON], dated June 11, 1951, from Mr. James M. Mitchell of the United States Civil Service Commission:

> While the Commission is not making a recommendation at this time to reduce the leave of Federal employees, it is believed that any change in the leave system should contemplate a graduated scale whereby the amount of annual leave granted employees would be related directly to the employees' length of service. In the Commission's opinion, a graduated system would also be more equitable to career employees.

Mr. President, I think the last logical excuse for not taking action has now been removed. We have to fish or cut bait. There has been stalling for over a year on the part of the Civil Service Commission, and there may have been a little bit of delay in the Senate; I am not certain about that. But we now have a chance to act.

Mr. KERR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield to my genial friend, the very able dialectitian from Oklahoma.

Mr. KERR. On a point of personal privilege, I hope the word means what I think it does.

Mr. DOUGLAS. It means one who is very skilled in argument.

Mr. KERR. I was hoping it had a wholesome meaning, but I wanted to be clear on that point. I thank the Senator.

With reference to my question, does the amendment offered by the Senator from Illinois eliminate the liability of the Government in the future to pay the employees to whom the amendment applies for accumulated leave?

Mr. DOUGLAS. I think the Senator did not follow the very interesting discussion of the Senator from Michigan. The Senator from Michigan pointed out that in the appropriation bill for independent offices, there is a provision that accumulated leave cannot be taken in the future, and that instead an employee must take all the leave granted in a particular year. This amendment prohibits the payment in this year of more than the sums indicated, and the amendment of the section in the independent offices bill prohibits the accumulation of claims in the future, so that the gate is completely locked if the amendment is agreed to.

Mr. KERR. The Senator from Oklahoma was not aware of the fact that the amendment discussed by the Senator from Michigan had become law.

Mr. DOUGLAS. I think it is well known that it is about to become law.

Mr. KERR. I should like to renew the question and ask the Senator if the adoption of his amendment would eliminate the liability of the Government to the employee whom the Senator's amendment would prevent being paid.

Mr. DOUGLAS. The effect of the two amendments would be just that.

Mr. KERR. Will the Senator answer the question with reference to his own amendment?

Mr. DOUGLAS. The Senator from Illinois is not a lawyer, and he is reluctant to commit himself on a legal question.

Mr. KERR. Would the Senator like to be informed with reference to the matter?

Mr. DOUGLAS. Is the Senator from Oklahoma a member of the Supreme Court?

Mr. KERR. No; and he does not need to be to know that the language of the amendment offered by the Senator from Illinois would not limit the liability of the Government to the employee, and the Senator from Oklahoma has enough respect for the law to cause him not to vote for a futile and a foolish thing.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. With regard to the point raised by the distinguished Senator from Michigan, I think the Senator overlooked a vital matter in connection with the independent offices bill. Without suspending the rules, it would accomplish exactly what the Senator from Illinois seeks to accomplish.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays, and yield the floor.

Mr. McFARLAND. Mr. President, the subject matter which I had intended to discuss has already been covered by the distinguished Senator from Oklahoma [Mr. KERR]. I do not think there is any question that a limitation upon an appropriation bill with regard to the expenditure of money does not change the law, and we would be doing a futile thing by adopting the amendment. There is no question in my mind, and I do not think there should be any question in the mind of anyone else, that if a man who had served his country in the employ of our Government were sick for a longer period than that specified in this limitation on the appropriation, later on another Congress would appropriate the money.

Furthermore, Mr. President, I want to state that it is unfair for us to try at the last moment to change the law by limiting the expenditure of money. The procedure relating to sick leave and annual leave of employees of the Government of the United States has been established after careful study. This proposal is much more important than is any limitation upon annual leave. When we are dealing with the service of an individual, I do not think the Senate should vote for a limitation such as this without giving the employee an opportunity to be heard.

Mr. CHAVEZ. The Government employee does not have to be heard. It is basic law. It is a legal obligation, and, even more, it is a moral obligation.

Mr. McFARLAND. I concede that what the distiguished Senator from New Mexico says is correct, but it might deprive the employee of being paid what was due him at a time when he needed the money for the support of his family more than at any other period in his life.

Mr. CHAVEZ. That applies to the merits of the case; but the basic consideration is that we should not go through the back door to violate the law.

Mr. McFARLAND. I agree with the Senator.

Mr. CHAVEZ. If the law is not correct, let us amend it. The Kefauver committee has been investigating crime, and I say that any time we go around by the back way to avoid the law we are contributing to crime.

Mr. McFARLAND. And we are failing to fulfill our obligations.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. LEHMAN. I am not at all satisfied that the amendment proposed by the Senator from Illinois reduces the liability of the Government any more than the original amendment proposed by him. But quite aside from that, although I know it is quite within the rules of the Senate, I think it is a great pity that an amendment so important as this, which proposes to change the entire system of leaves, both for vacations and sick leave, should be presented without giving Senators any opportunity whatsoever to study it and know what is in the amendment.

I do not know what is in the amendment, even though it was read. It was hastily read by the clerk. I doubt whether many Senators on the floor know exactly what is proposed to be done by it. And certainly if Senators have listened carefully to the reading of the amendment, and heard it clearly, they have had no opportunity for giving consideration to the effect of the proposed change, a change which will overturn a system which has been in effect in the Government for many years. I say that without passing on the merits of the proposal. But I do not think it is right to submit an amendment, so wide-flung in its implications and in its results, without giving the Members of the Senate an opportunity of knowing what they are considering and are to vote on.

Mr. JOHNSTON of South Carolina. Mr. President, I call to the attention of the Senate the fact that it is not a simple matter with which we are dealing. It is a matter which goes deeply and profoundly into the hearts and minds of all Government workers. Hearings are given on bills which come to the Senate, in accordance with the custom in the Senate, but by this amendment it is proposed to legislate on the floor without giving the committee a chance to act upon the subject.

What would we be doing thereby? Legal minds of the Senate differ as to just what would be the effect of the amendment. Should we legislate on something about which we are in doubt? The only thing I would ask is that the committee be given time to look into this particular question, and then act upon it as we do on other matters that come before the committee. If that is done, I shall be satisfied to vote on the matter when it is reported to the Senate. Let

Senators amend the bill to suit their individual tastes on the floor of the Senate, but I plead with Senators not to do something hurriedly which they might regret later.

Mr. KERR. Mr. President, one of the things I have come to respect most as a Member of the Senate is the work of its committees. It has been my privilege to serve on three of the great committees of the Senate. It has been my privilege to observe them in their work.

I congratulate the distinguished Senator from South Carolina on his remark that legal minds of the Senate differ as to what is in the amendment. Prior to his having made that statement I hesitated to acknowledge that the amendment was not entirely clear to me. I hope I have a legal mind. I hope I have the average mind of a Senator who has had the limited service I have had. But I doubt if more than a few Members of the Senate know as much about everything that every committee of the Senate does as some of the Senators seem to know. There may come a time, Mr. President, when I will feel that I am competent, without a hearing, and without a study, to vote on legislative matters on the floor of the Senate which either have not been heard or have not been acted on by a committee, or which are in the process of being heard or acted on by a committee, but before the committee has had the time or the opportunity or seen fit to bring them to the floor for consideration and action by the Senate.

To me, Mr. President, it is unthinkable that two of the great committees of the Senate should be treated in the manner which the adoption of this amendment would evidence, especially in view of the fact that there is no legal mind on the floor of the Senate, or out of it, that will say that this amendment is anything but futile. It effects no saving to the United States Government. It goes through the motion of saying that employees who are on sick leave beyond a certain period of time shall be denied their pay, if I understand any part of it, but at the same time leaves the Government in the position of being legally indebted to the employee. I do not say that that is an end which should not be attained, Mr. President, but if it is a worthy end, and if it is worthy of our support, it is worthy of being brought in by the front door and not by the back door.

Mr. WELKER. Mr. President, I do not wish unduly to prolong the debate, and it is rare indeed that I have joined with the junior Senator from Arizona [Mr. MCFARLAND] or the senior Senator from Oklahoma [Mr. KERR]; but I wonder how those who serve as members of the Post Office and Civil Service Committee feel when they are told by this amendment that they do not have the ability, the honesty, or the integrity to do their job for their country and for the Federal employees. I do not like it at all, and I am sure that other Senators who serve on the committee do not when they see an amendment offered which is conceived in error and urged upon us as a slanderous attack upon the great Senator from South Carolina [Mr. JOHNSTON] when he promises that he is going to do his duty, and all the members of the Post Office and Civil Service Committee have promised that they would do their duty respecting this matter.

I agree with the Senator from Oklahoma. I am a country lawyer, and I do not know what the amendment means. I am not one to shoot in the dark.

Mr. President, I say it is about time that we call a halt to all this acting here; that we vote down the amendment, and leave it to the senior Senator from South Carolina and his committee to do what is right in the premises. I am sure we want to do what is necessary. If we adopt an amendment such as this, what is the use of the committee debating the postal rate bill, spending hours of time, day after day, on it? I say it is time to call a halt to such proposals. We should either abandon the committee functions entirely, or go about our work in an orderly way.

Mr. HUMPHREY. Mr. President, I rise for a moment to object to some of the insinuations which have been made here this afternoon as to the purposes, objectives, and intent of the senior Senator from Illinois [Mr. DOUGLAS].

The senior Senator from Illinois has made a consistent and determined effort to bring about economy in Government. I have differed with him on many occasions. In fact, I have differed with respect to the majority of the amendments which he has presented to the Senate in an effort to promote the kind of economy he desires. But be that as it may, Mr. President, no Member of this body is more sincere, a finer citizen, or a finer Senator than my friend the senior Senator from Illinois. I have not supported his proposals, but I deeply resent any insinuation as to his purposes, his motives, his convictions, or his ability.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. KERR. Did the Senator hear the senior Senator from Illinois intimate or say that we should have a vote on this question and find out about the sincerity of Members of this body?

Mr. HUMPHREY. My only reply to the Senator from Oklahoma is that I believe that if we had less wrangling here, and less insinuation as to motives of Senators, we would accomplish much more in attaining the purposes of legislation.

I know the senior Senator from Illinois as a friend, as does the Senator from Oklahoma. He knows that he is an able fighter, a great debater, with a keen mind and a sense of deep sincerity. All I am saying is that I propose that the Senate vote on this amendment on the basis of its merits as we see them, without in any way impugning the motives of any Senator who proposes an amendment on the floor of the Senate.

Mr. KERR. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. KERR. Then the Senator from Minnesota recognizes the fact, does he not, that a Senator may vote against this amendment and still be just as sincere as its author when he votes for it?

Mr. HUMPHREY. I will say to the Senator from Oklahoma that Senators who vote against this amendment will do so simply because of what the chairman of the Senate Post Office and Civil Service Committee has said, that he has the right, as chairman of the committee, to have legislative measures referred to his committee. I think that is a rather sound position. But be that as it may, I still say that no Member of this body has given more careful examination or detailed analysis to the budget than has the Senator from Illinois. As a friend and colleague, I rise to support his honorable intentions and purposes.

Mr. CHAVEZ. Mr. President, suppose Senators forget about hurt sensibilities for the moment, and let us get down to a vote on this amendment.

Mr. GEORGE. Mr. President, I have said nothing with respect to several of the amendments. I have been compelled to vote against two of them because it seemed to me that the savings were insignificant. I am profoundly favorable to real economy, but I cannot escape the conclusion that we do our cause an injustice and weaken it before the American people, by insisting upon amendments which really accomplish very little when all is said and done, assuming the utmost good faith in offering them and the highest purpose in presenting them to the Senate.

There are appropriation bills coming up in connection with which there could be substantial cuts. If the Senate is then willing really to effect economies, we can get somewhere with a program which will at least lead us back toward a sound financial and fiscal system. There must be cuts in the appropriations ahead of us, some of which will be represented by the highest brass in the country, but I shall not hesitate to vote against them, because I am confident that they are asking for more money than they can wisely or intelligently spend.

There is to be a big appropriation asked, totaling almost $10,000,000,000, for foreign aid and assistance. The acid test of whether we mean to bring about any economy in Government will come upon such big appropriations, as a result of which large amounts of money are being spent. In the judgment of sound, thinking men and women in this country, we shall accomplish little except to discredit a good cause by cutting off a little here, proposing a little cut there, and making other minor reductions.

With all respect to the Chair—and I have every respect for the Chair—I am satisfied in my own mind that this amendment is clearly and unmistakably subject to a point of order. It is not a question of limining an appropriation. It is not a question of denying an appropriation for something which the Congress has itself authorized by law. This amendment proposes payment of leave pay on a basis vitally, definitely, and radically different from anything written in the law. It is a change of law. It is a change of law for this year, but it is a change of law. This amendment does propose legislation on an appropriation bill.

It would be competent for the Congress to say that there shall be no appropriation made to pay those in the departments who take leave of absence this year, or to say that we will pay for only 50 percent of it. But that is not what this amendment does. This amendment provides that those who have served for 5 years shall receive so much; that those who have served a longer time shall receive more; and that those who have served for the maximum period stated in the amendment shall receive the full amount fixed by the law.

That is a change of basic law in an appropriation act. It can be nothing else. For that reason alone I would vote against it, because I do not believe in general legislation upon an appropriation bill.

Mr. President, I hope there may be some legislation presented by the committee having jurisdiction of this subject. I refer to the committee presided over by the distinguished junior Senator from South Carolina [Mr. JOHNSTON]. I have every faith that that committee will bring forth some legislative proposals which will enable us to vote an honest conviction, and not vote against a strong and abiding conviction when we are presented with legislation upon an appropriation bill.

I realize the condition in which our country finds itself. I know cuts must be made in appropriations. It will not suffice to raise ten, fifteen, or twenty billion dollars more in Federal revenues through taxation. Regardless of what is raised by taxation, there will still be left a potential deficit at the end of 1952, unless we also reduce expenditures by at least $6,000,000,000. We ought to bring to bear the very best common sense possible in this most important juncture of our national and international affairs.

In my opinion, we are proceeding upon a general theory which is suicidal. It is the theory of allocating all of our raw materials and vital materials to the Military Establishment, at a time when the country is in the grasp of a military economy. What does it mean? It means the crucifixion of many small businesses. It means the crucifixion of many manufacturers of farm implements and tools. It means the crucifixion of many taxpayers. It means the reduction of the Federal income itself, because of the crucifixion of the taxpayers out of whose pockets the money must come.

All the restrictions which the Committee on Banking and Currency and my good friend from South Carolina [Mr. MAYBANK] can put upon prices of articles and upon wages and credit will not furnish the answer, if there is not a sensible allocation made as between military and civilian demands.

Mr. MAYBANK. Mr. President, I wish to say to the distinguished Senator from Georgia that, as he knows, he and I have discussed the situation on many occasions, particularly recently. I can only see the same picture that he sees. If to the military are allocated all the steel, all the copper, and all the aluminum, and private business firms throughout the country must curtail their production, there will be less and less money raised by taxation. Two and two make four.

The distinguished Senator from Georgia has referred to farm-machinery production being cut back, to allocations for railroad cars, and to big factories in Michigan having to materially cut back production. I am in thorough agreement with what he has said. I only hope that we can arrive at some solution before the Defense Production Act expires on June 30. I am of the opinion that we must have some sort of controls. I believe we have a good act. I will say further that the administration of the act has been pretty poor. To my way of thinking it has been pretty bad. The fault lies with its administration.

Mr. GEORGE. I thank the Senator from South Carolina. I am certain that he is correct. There must be controls, but controls alone are not the answer. There must be higher taxes, but higher taxes alone are not the answer. There must be cuts in the expenditures by the Government if we are to put our feet on the road that leads back to sound fiscal and financial policies. Not only is what the distinguished Senator from South Carolina has said true, to wit, that the allocations to which he referred would cut into our revenues, but would add an irrepressible force to inflation.

Mr. MAYBANK. Unemployment, too.

Mr. GEORGE. And unemployment. That would be the case regardless of controls. Shall we not approach the problem correctly?

I have every respect and confidence in the distinguished Senator from Illinois. I believe he means to bring about real economy in our spending, and with that I am in fullest sympathy. However, I cannot help repeating that it is a great mistake to fire a 14-inch shell at a little sparrow, even though it is desirable to kill the sparrow and even though a small amount of economy is effected thereby. I believe we would bring discredit upon our efforts in the great job ahead, and the great job ahead clearly indicates that we can effect certain economies in the ordinary supply bills.

However, if there is to be a $6,000,000,000 saving in our spending, it must be made somewhere along the line. The Military Establishment will have to make savings. It is absolutely vital to the salvation of this Nation. As yet we are not in a world war. As yet we are fighting a minor war in a limited area of the world. If we are to fight that war as it should be fought, and if we are to make real cuts in appropriations as we should make them, we must make certain that our civilian economy will not be allowed to die, at a time when it is so vital and necessary to have the money coming into the Treasury, and when it is so vitally necessary to conserve manpower and prevent inflation.

Mr. President, it seems to me that we make a mistake. I rose for the purpose of saying that we should not override one of the standing committees of this body. It is a committee which has been trying to meet its fullest obligation. We should not override the committee by a species of legislation on an appropriation bill. I recognize the soundness of limiting appropriations. However, when a limitation also becomes legislation, it goes beyond the rules that should be followed in this body.

Therefore, Mr. President, I shall vote against the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois on page 41, line 24.

Mr. DOUGLAS and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senators from Connecticut [Mr. BENTON and Mr. MCMAHON], the Senator from Texas [Mr. CONNALLY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Iowa [Mr. GILLETTE], the Senator from Maryland [Mr. O'CONOR], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference now being held in Geneva, Switzerland. If present and voting, the Senator from Montana would vote "nay."

Mr. WHERRY. I announce that the Senator from South Dakota [Mr. CASE] is absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business, and, if present, he would vote "yea."

The Senator from Missouri [Mr. KEM] who is absent by leave of the Senate, is paired with the Senator from Massachusetts [Mr. LODGE] who is necessarily absent. If present and voting, the Senator from Missouri would vote "yea" and the Senator from Massachusetts would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

The Senator from Ohio [Mr. BRICKER], the Senator from Washington [Mr. CAIN], the Senator from Indiana [Mr. CAPEHART], the Senator from Oregon [Mr. CORDON], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Nevada [Mr. MALONE], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained on official business.

The result was announced—yeas 14, nays 56, as follows:

YEAS—14

Brewster	Jenner	Taft
Butler, Nebr.	Long	Wherry
Byrd	Nixon	Wiley
Douglas	Smith, Maine	Williams
Ferguson	Smith, N. J.	

NAYS—56

Aiken	Carlson	Ellender
Anderson	Chavez	George
Bennett	Clements	Green
Bridges	Dworshak	Hayden
Butler, Md.	Eaton	Hendrickson

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Hennings	Langer	O'Mahoney
Hill	Lehman	Pastore
Hoey	Magnuson	Russell
Holland	Maybank	Schoeppel
Humphrey	McCarran	Smith, N. C.
Hunt	McCarthy	Sparkman
Ives	McClellan	Stennis
Johnson, Colo.	McFarland	Thye
Johnson, Tex.	McKellar	Tobey
Johnston, S. C.	Monroney	Underwood
Kefauver	Moody	Watkins
Kerr	Morse	Welker
Kilgore	Mundt	Young
Knowland	Neely	

NOT VOTING—26

Benton	Eastland	Martin
Bricker	Flanders	McMahon
Cain	Frear	Millikin
Capehart	Fulbright	Murray
Case	Gillette	O'Conor
Connally	Hickenlooper	Robertson
Cordon	Kem	Saltonstall
Dirksen	Lodge	Smathers
Duff	Malone	

So Mr. DOUGLAS' amendment was rejected.

The PRESIDING OFFICER (Mr. UNDERWOOD in the chair). The bill is open to further amendment.

If there is no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. NEELY. Mr. President, I move that the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year 1952, and for other purposes, be recommitted to the Committee on Appropriations with instructions promptly to report it to the Senate in the form in which it was recommitted, except with such changes as may be necessary to make the sums available for expenditure by or for the National Cancer Institute, mental health activities, tuberculosis services, venereal disease services, dental health activities, National Heart Institute, National Institutes of Health, Office of Vocational Rehabilitation, and the Children's Bureau identical with the respective amounts proposed for these agencies or services in the bill when it was first reported by the committee to the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

Mr. HOEY. Vote!

(Mr. NEELY addressed the Senate. After having spoken, for a few minutes, without completing his speech, he yielded to Mr. MCFARLAND to propose a unanimous-consent agreement. Mr. NEELY'S speech will be published after it has been concluded.)

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. NEELY. I gladly yield for a question.

Mr. McFARLAND. I was not trying to get the distinguished Senator to stop his speech. I heartily agree that the things being referred to by the Senator should be done, but I do not know that it would do any good to recommit the bill. What I wanted to ask the Senator was whether he expected to finish his speech tonight or whether he wanted to continue tomorrow and have the bill go over.

Mr. NEELY. Mr. President, it is late, and Senators are weary. Therefore, I am quite willing to postpone the making of my remarks until tomorrow.

Mr. McFARLAND. Does the Senator expect that he will take quite a little time?

Mr. NEELY. About an hour.

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from New Mexico?

Mr. NEELY. I yield.

Mr. CHAVEZ. Mr. President, of course, I want the Senator from West Virginia to have all the time he actually wants and needs, in order that he may properly and adequately make his views known to the Senate. But we have been considering the pending bill for 5 or 6 days. I know the time has not been taken by the Senator from West Virginia.

Mr. NEELY. Only one minute so far.

Mr. CHAVEZ. That is correct. Could we not come to some agreement? The only thing which is in order now is the motion of the Senator from West Virginia. The bill has been read the third time, so nothing else can come up except his motion, or a motion of a similar nature. Can we agree, if we go over until tomorrow, to have a vote on the bill at some particular time?

Mr. NEELY. If I may have an hour in which to discuss my motion to recommit, I shall be glad to agree to a final vote at any time that will be satisfactory to the other Members of the Senate.

Mr. McFARLAND. Mr. President, will the Senator yield for a unanimous-consent request, with the understanding that he shall not thereby lose the floor?

Mr. NEELY. I gladly yield.

Mr. McFARLAND. Mr. President, I ask unanimous consent that, when the Senate reconvenes tomorrow, the distinguished Senator from West Virginia shall have the floor for the purpose of discussing his motion—for a period of how long?

Mr. NEELY. Not more than an hour.

Mr. McFARLAND. For a period of not more than 1 hour, and that the opponents of the motion shall have not more than 1 hour.

Mr. CHAVEZ. May we not have a definite hour fixed at which to vote?

Mr. McFARLAND. In order to obtain an agreement fixing a time for the vote, it would be necessary, under the rules, to have a quorum call.

Mr. CHAVEZ. What about 2 o'clock?

Mr. McFARLAND. Mr. President, I shall restate my unanimous-consent request. I do not want to have a quorum call. I ask unanimous consent that, when the Senate convenes tomorrow, the distinguished Senator from West Virginia shall have the floor, and that he be limited to 1 hour in which to discuss his motion to recommit; that the time of the opposition to the motion be limited to 30 minutes, and that the time on the bill be limited——

Mr. CHAVEZ. I should like 15 minutes.

Mr. McFARLAND. That the time on the bill be limited to 30 minutes, 15 minutes to a side.

Mr. WHERRY. That would bring us to 2 o'clock, would it not?

Mr. McFARLAND. That would be approximately 2 o'clock.

Mr. WHERRY. It would mean that there would be a vote at 2 o'clock. Then, if agreeable, will the Senator include a provision that we have a vote on the bill at 2 o'clock?

Mr. CHAVEZ. We must first vote on the motion of the Senator from West Virginia.

Mr. WHERRY. That is correct.

Mr. CHAVEZ. And then, after that, we must vote on the bill.

Mr. WHERRY. Make it "not later than 2 o'clock."

Mr. McFARLAND. Mr. President, in order to accommodate everyone, I ask unanimous consent that the rule requiring a quorum call in this connection be waived, and that the time for voting upon the pending motion and for voting upon the bill be fixed at not later than 2 o'clock tomorrow.

Mr. O'MAHONEY rose.

Mr. McFARLAND. And that the time of the Senator from West Virginia be limited to an hour. He will have the floor.

Mr. O'MAHONEY. Mr. President, reserving the right to object, I call attention to the fact that as the unanimous-consent request is made, it would seem to limit the debate in favor of the motion of the Senator from West Virginia to the Senator from West Virginia alone. It is possible that some other Senator may wish to take the floor in support of the motion of the Senator from West Virginia, and I think the unanimous-consent request should be so stated as to permit such additional remarks. The Senator from West Virginia has requested an hour, so that the unanimous-consent request now allots him the 1 hour, and then allots 1 hour to the opposition, in any way that it may be divided.

Mr. McFARLAND. Let me ask the Senator from West Virginia whether he would be willing to limit the time for speaking in favor of the motion to 1 hour, the time to be controlled by himself?

Mr. NEELY. No. Mr. President, I hope that the Senator will not insist on that limitation.

Mr. McFARLAND. Mr. President, I am going to restate my first unanimous consent request, and, if it is objected to, then we simply shall have no unanimous-consent agreement.

Mr. MAGNUSON. Mr. President, will the Senator yield a moment?

Mr. McFARLAND. I yield to the Senator from Washington.

Mr. MAGNUSON. I may say there are probably three or four of us who have been very active in regard to some of the items contained in the bill, and who, because of the legislative and parliamentary situation have not had a chance to express ourselves fully. I remember in my own case that I merely had to say, "I associate myself with the remarks of the Senators from New York

and Alabama." We might desire to say something on the Neely motion. It would not take long in my own case, nor, I am sure, in the case of most of us—possibly 5 or 10 minutes. So I am hoping that the unanimous-consent request will include the 1 hour which the Senator from West Virginia wants, and also provide a certain leeway in regard to time in order that we may be heard.

Mr. McFARLAND. How much time does the Senator want?

Mr. MAGNUSON. I said, in my own case, I would need but 5 or 6 minutes, possibly, but, in any event, not more than 10.

Mr. CHAVEZ. I would be willing to let Senators who intend to speak along the lines suggested by the Senator from West Virginia have 30 minutes of my 1 hour.

Mr. McFARLAND. I ask unanimous consent that when the Senate reconvenes tomorrow the Senator from West Virginia be given the floor, and that he have 1 hour in which to discuss his motion to recommit; that thereafter the time to discuss the motion to recommit be limited to 30 minutes, 15 minutes to the proponents, 15 minutes to the opponents, and that the time for discussion of the bill be limited to 30 minutes, 15 minutes to the proponents and 15 minutes to the opponents.

Mr. MAGNUSON. Reserving the right to object, if the Senator from Arizona would make a unanimous-consent request that the Senate vote on this question at, say, 2 or 2:15 o'clock tomorrow, I am sure that would provide ample time for all Senators, and there would be no limitation of an hour on the Senator from West Virginia, or a limitation of 3 minutes on some other Senator.

Mr. McFARLAND. Mr. President, there is opposition. If we cannot get a unanimous-consent agreement we shall recess, if that is all right with the Senator from West Virginia.

Mr. NEELY. Mr. President, if the Senator would modify his unanimous consent request by substituting 30 minutes for 15 minutes, he would thereby assure the adoption of his proposal.

Mr. McFARLAND. Mr. President, I shall make one more attempt, and only one. I am not going to stay here all night propounding requests.

I ask unanimous consent that when the Senate convenes tomorrow the Senator from West Virginia [Mr. NEELY], have the floor and that the time to discuss his motion be limited to one hour; that the time thereafter be limited to 1 hour, 30 minutes to a side; that the time for discussing the bill itself be limited to 30 minutes, 15 minutes to a side, the time to be divided between the distinguished Senator from New Mexico [Mr. CHAVEZ], and the distinguished minority leader, with reference to the bill, and that the time on the motion be divided between the Senator from West Virginia [Mr. NEELY], and the Senator from New Mexico [Mr. CHAVEZ], unless he favors the motion, in which event, the time shall be divided between the Senator from West Virginia and the distinguished minority leader.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. McCARTHY. Will the Senator accept an amendment to the request, that I may obtain the floor immediately after the vote upon the bill?

Mr. McFARLAND. I cannot add that to the request. I do not believe in farming out the time. I am trying to put a limitation on the debate, which will give the Senator from Wisconsin an opportunity to obtain the floor.

Mr. McCARTHY. Reserving the right to object, I am afraid that immediately after the vote on the bill tomorrow there may be a motion to recess or to adjourn over the week end.

Mr. McFARLAND. I can give the Senator assurance that I am not going to try to keep him from speaking by making a motion to recess immediately after the vote.

Mr. McCARTHY. In other words, I have the Senator's assurance that there will be no such motion made immediately after the vote on the bill.

Mr. McFARLAND. I have no intention of recessing the Senate at that time of day.

Mr. DWORSHAK. Mr. President, reserving the right to object, the bill has been before the Senate for at least a week. I have been in attendance most of the time. I have listened time and time again to the senior Senator from New Mexico, the chairman of the subcommittee, plead for expediting action. He has pointed out that the bill involves very vital features. It is unfortunate if any Member of this body has found it impossible to be present during the debate, but if we are to take a week or more for the consideration of each of the 12 regular appropriation bills, I wonder when Congress will complete work on the schedule which has been presented to it, even as late as this morning, by the President of the United States. We have received a great deal of criticism about sabotaging the work of this body. I wonder that the senior Senator from New Mexico is willing to accept this kind of an agreement, when he has been pleading for the past week for expediting action on this bill.

Mr. NEELY. Mr. President, I have not yielded, and I refuse to yield for a speech.

Mr. DWORSHAK. The Senator does not have to listen to it.

Mr. NEELY. I said nothing about listening to it. I said I refused to yield for a speech.

Mr. McFARLAND. May we have a decision on the unanimous-consent request?

Mr. McCARTHY. Mr. President, I offer an amendment to the unanimous-consent request, and I hope the Senator from Arizona will not object to it. The amendment is that immediately after the vote is taken on the bill, the junior Senator from Wisconsin may obtain the floor.

Mr. McFARLAND. No, Mr. President, I cannot accept that amendment. That is farming out the time of the Senate. I gave the Senator assurance that I would try to let him have an opportunity to speak, but I am not going to as far as his amendment would go. If the Senator objects, I will withdraw my request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request as stated by the Senator from Arizona?

Mr. McCARTHY. Mr. President, if there is anything unreasonable about my request, I withdraw it.

Mr. McFARLAND. Mr. President, I do not like to agree to any Senator having the floor at any particular time. The only exception I ever made in that regard was when a Senator was speaking and other Senators wanted the Senate to recess. If the distinguished Senator from Wisconsin were speaking at this time, I would extend him the same courtesy I would extend to the Senator from West Virginia. What he requests is not according to the rules, and I am trying to treat all Senators alike.

Mr. LANGER. Mr. President, a few weeks ago the Senator made a similar agreement with the senior Senator from Texas.

Mr. McFARLAND. I did not make it.

Mr. LANGER. It is a simple request, and I think it should be granted.

Mr. McCARTHY. Mr. President, I do not want to take the time of the Senate unnecessarily. If I object, I shall be able to get the floor before the vote on the measure. I think, in view of the fact that I am serving notice that I wish to speak tomorrow, and no other Senator has indicated a desire to speak it is a very reasonable amendment to the unanimous-consent request.

Mr. McFARLAND. Let me say to the distinguished Senator that I have no objection to his obtaining the floor. It is a matter of principle. If I have to agree to such a thing it will be with reluctance.

Mr. McCARTHY. Mr. President, I withdraw my request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request as stated? The Chair hears none, and it is so ordered.

Mr. WHERRY. Mr. President, now that the agreement has been entered into, will the Chair state what it is?

The PRESIDING OFFICER. The Chair will ask the Senator from Arizona to restate the agreement.

Mr. McFARLAND. First, Mr. President, I want to thank the distinguished Senator from Wisconsin for not objecting.

The agreement is that tomorrow, when the Senate reconvenes, the Senator from West Virginia [Mr. NEELY] will have the floor and his time to speak on his motion to recommit the bill will be limited to 1 hour; that thereafter the time on the motion to recommit will be limited to 1 hour, to be divided equally between the proponents and the opponents, the Senator from West Virginia [Mr. NEELY] to have charge for the time of the proponents and the Senator from New Mexico [Mr. CHAVEZ] to have charge of the time for the opponents, unless he favors the motion, in which event the distinguished Minority Leader shall have charge of the time for the opponents; that thereafter

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the debate on the bill will be 30 minutes, 15 minute to a side, the Senator from New Mexico [Mr. CHAVEZ] to have charge of the time for the proponents and the distinguished minority leader to have charge of the time for the opponents.

Mr. WHERRY. I am more interested in the time element than in anything else, and if I correctly understand the interpretation of the agreement, 1 hour will be given the Senator from West Virginia, and an additional hour will be allowed to discuss the motion to recommit if Senators care to take that much time.

Mr. McFARLAND. The total time on the motion to recommit may be up to 2 hours, with the Senator from West Virginia occupying the first hour. Thereafter the additional hour, if used, will be divided between the proponents and the opponents, and the vote on the motion to recommit will take place not later than 2 o'clock.

Mr. WHERRY. Thereafter, 30 minutes will be used, 15 minutes to a side, for what purpose?

Mr. McFARLAND. For discussion of the bill itself.

Mr. WHERRY. So that 2 hours will be available on the motion, and if they are completely used they would take until 2 o'clock. Thereafter there will be 30 minutes for discussion of the bill, 15 minutes to a side. That would make the maximum time for a vote on the bill about 2:30. Am I correct?

Mr. McFARLAND.. That is correct.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. Are we to vote on the motion at 2 o'clock?

Mr. McFARLAND. Not necessarily. There may be a quorum call.

Mr. WHERRY. Mr. President, I thank the distinguished majority leader, because, in the confusion, it was impossible to tell at times what was to happen at a certain hour. Several Senators are very much interested in when the vote will be taken.

Mr. President, there is one thing I should like to say. The junior Senator from New Jersey [Mr. HENDRICKSON] told me he had a very important engagement tomorrow. It means a great deal to him and to his family. He would very much have liked to have the Senate continue tonight and finish action on the bill. I urged that he withhold his objection. I told him, however, to use his own judgment. I personally want to thank him for not objecting to the arrangement which has been entered into. It means much to him to be at the place appointed for him to be tomorrow, but, in view of the fact that he is such an industrious and loyal Senator, I suppose he will forego keeping his engagement, and remain in the Senate. If there is one Senator to whom the orchid should be given for going the last mile to help the majority leader and other Senators interested in the bill, it is the junior Senator from New Jersey, who did not object to the unanimous-consent request.

Mr. HENDRICKSON. Mr. President, I thank the distinguished Senator from Nebraska for the statement he has made. I did have an engagement for tomorrow. I was to be given an honorary degree by my alma mater, Temple University. I was on the point of objecting to the unanimous-consent request. I have seen Senators on this floor from time to time at moments similar to this object for purely selfish reasons. So long as I am a Member of the Senate I shall refuse to be selfish about the business of the Senate. I want to cooperate with the majority leader fully at all times. But I think that other Senators from now on should be a little less selfish about their own notions as to how the business of the Senate should be conducted at times.

I wish that statement to appear in the RECORD.

Mr. McFARLAND. Mr. President, I thank the distinguished Senator from New Jersey for the attitude he has taken. I will say to him that I do not think any objection he would make to anything would be made for selfish purposes. I express my appreciation to him.

Now that the Senator from Wisconsin has returned, I wish to express my thanks to him also for not objecting to the unanimous-consent request. I will add the Senator from Idaho to the list, and to make it unanimous I will add all other Senators.

Mr. HENDRICKSON. Mr. President, in case I should be absent tomorrow I now want the RECORD to show very plainly that I am opposed to the motion to recommit; that I am wholeheartedly for the bill as it is now before the Senate.

EXECUTIVE SESSION

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. UNDERWOOD in the chair), laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION WITH COLOMBIA—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER. The Chair lays before the Senate Executive M, Eighty-second Congress, first session, a treaty of friendship, commerce, and navigation between the United States of America and the Republic of Colombia, together with a protocol relating thereto, signed at Washington on April 26, 1951. Without objection, the injunction of secrecy is removed from the treaty, and the treaty, together with the President's message, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a treaty of friendship, commerce, and navigation between the United States of America and the Republic of Colombia, together with a protocol relating thereto, signed at Washington on April 26, 1951.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the treaty

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 13, 1951.*

(Enclosures: (1) Report of the Secretary of State; (2) treaty of friendship, commerce, and navigation, with protocol, signed at Washington, April 26, 1951.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Wayne Coy, of Indiana, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1951 (reappointment); and

Franklin J. Miller, and sundry other persons, for appointment in the United States Coast Guard.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

SECURITIES AND EXCHANGE COMMISSION

The Chief Clerk read the nomination of Robert I. Millonzi, of New York, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1952.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters on the calendar.

Mr. McFARLAND. Mr. President, I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the President be immediately notified of all confirmations of today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. McFARLAND. As in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 5 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 14, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 13 (legislative day of May 17), 1951:

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

Pursuant to the provision of section 4 (a) of Public Law 492, Seventy-ninth Congress, approved August 2, 1946, the Commissioners of the District of Columbia nominate the following-named person for appointment as

a member of the District of Columbia Redevelopment Land Agency:

Francis F. Healy, for the unexpired term of Edward A. Dent, resigned, which term expires from and after March 3, 1954.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment of the Regular Corps of the Public Health Service:

To be medical director (equivalent to the Army rank of colonel), effective date of acceptance

Ralph E. Knutti

To be dental surgeon (equivalent to the Army rank of major), effective date of acceptance

Edward G. Hampp

To be senior assistant dental surgeon (equivalent to the Army rank of captain), effective date of acceptance

Carl J. Witkop, Jr.

To be assistant dental surgeons (equivalent to the Army rank of first lieutenant), effective date of acceptance

James L. Field — Anderson F. Williams
Weldon G. Blodgette — Homer F. Stephens
Judson C. Hickey

To be sanitary engineers (equivalent to the Army rank of major), effective date of acceptance

Harvey F. Ludwig
John H. Ludwig

To be junior assistant pharmacists (equivalent to the Army rank of second lieutenant), effective date of acceptance

William T. Nakaoka — Basil P. Ketcham
Edward L. Schmidt, Jr — Mario C. Baratta

To be sanitarian (equivalent to the Army rank of major), effective date of acceptance

Ralph L. Perkins

To be physical therapist (equivalent to the Army rank of major), effective date of acceptance

Eleanor G. Loomis

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), and Public Law 36, Eighteth Congress, subject to physical qualification:

To be major

John F. Connole, MC, O411291.

To be captains

Maxwell D. Bentley, MC, O1755218.
William E. Froemming, MC, O466146.
Robert M. Hall, MC, O435168.
David J. LaFia, MC, O991900.
John F. Miley, MC.
Thomas G. Nelson, MC, O1736570.
Robert L. Obourn, MC, O418579.
James J. O'Donnell, MC, O1718228.
Clinton A. Piper, MC.
Spencer B. Reid, MC, O1785579.
Richard A. Rink, MC, O439904.
James E. Shipley, MC, O1756937.

To be first lieutenants

Robert I. Cochran, DC, O982922.
Harold S. Elliott, DC, O736495.
John E. Flick, JAGC, O989982.
Darwin F. Fuller, Jr., DC, O2086818.
Bueford G. Herbert, JAGC, O988322.
Frank Herbert, Jr., MSC, O1997090.
Malcolm L. McCain, JAGC, O989983.
Ernest B. Mingledorff, DC, O937405.
Harvey W. Phelps, MC, O975695.
Harry B. Philp, DC, O1185116.
James J. Proyor, Jr., DC, O981268.
Donald L. Shaneyfelt, JAGC, O549434.
Robert B. Steiner, DC, O2064995.
Hugh T. Verano, JAGC, O1118672.
John W. Whelan, JAGC, O990930.
Charles A. Zuccardy, JAGC, O529346.

To be second lieutenants

Robert M. Aitman, MSC, O1035590.
Eugene M. Baker III, MSC, O2202215.
Regina I. Bernat, WMSC, M2869.
Helen V. Bowman, WMSC, M2879.
Mary L. Bradley, ANC, N792818.
Dorothy L. Breland, WMSC, R2559.
Donald F. Callaghan, MSC, O2050427.
Nicholas V. Carroll, MSC, O1543562.
Donna M. Christensen, ANC, N804529.
Thomas A. Costello, MSC, O2051091.
John J. Wilson, MSC, A966631.
Richard W. Whitney, MSC, O969127.
Irene E. Waters, WMSC, M2874.
Vernon J. Tipton, MSC, O688615.
Dona R. Timme, WMSC, J100090.
Keith O. Shafer, MSC, O2047141.
Judith A. Ploss, WMSC, M2881.
Carlyle Nibley, Jr., MSC, O980241.
Mary V. Morris, WMSC, J100093.
Fergus T. Monahan, MSC, O980086.
Don F. McElrath, WMSC, M2872.
Glenn W. Madere, Jr., MSC, O1847102.
Emily R. Lynch, ANC, N804301.
Roger W. Little, MSC, O1305947.
Lorraine T. Leroux, WMSC, M2871.
Dorothy M. Kinnison, WMSC, M2868.
Harriett F. Kingan, ANC, N792553.
Nellie A. Henson, WMSC, M2878.
Margaret G. Gibson, ANC, N792726.
Martha E. Frazee, WMSC, R2562.
Louis H. Foubare, MSC, O1533553.
Nancy E. Dority, WMSC, M2877.
Francis G. Dickinson, MSC, O1691744.
Mary I. Couch, ANC, N804307.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship, and subject to physical qualification:

To be captains

Anthony A. Borski, O1534682.
Robert I. Bosman, O444500.
Roscoe C. Brand, Jr., O1169034.
Gerald J. Breakstone, O426719.
Otis E. Bridgeford, O1534685.
John E. Buess, O926884.
Thornton R. Cleek, O1041526.
James A. Ewart, O407299.
Hugh S. Geiger, Jr., O747124.
Robert W. Green, O388326.
Thomas M. Hall, O410302.
Joe S. Haney, Jr., O441260.
William O. Kearse, O366344.
Dean McCandless, O414073.
Gordon B. Miller, O451619.
Walter S. Mizell, O513096.
John de La S. Morris, O379852.
Harold W. Mueller, O2209654.
Robert C. Nelson, O363141.
Matthew D. Parrish, O789498.
Arnold M. Reeve, O1296257.
William L. Richardson, O925652.
Thomas D. Sellers, O678337.
James A. Shafer, O671116.
Leo H. Silverman, O325022.
John W. Stark, O460951.
Walter E. Switzer, O854290.
James C. Syner, O566870.
Lewis A. Van Osdel, O420535.
Lloyd T. Wright, O2209672.
Harry H. Youngs, Jr., O1535118.

To be first lieutenants

Henry J. Anlage, O2209658.
Lyal D. Asay, O2201311.
John L. Babb, O2203687.
Timothy G. Barila, O1119740.
William A. Boyson, O422793.
Paul W. Brown, O2209674.
George A. Buckmaster, O516472.
Roswell S. Cheves, Jr., O986904.
Richard L. Colley, O2203696.
Claude W. Delia, O2201312.
John W. Eckstein, Jr., O2209662.
Thomas S. Edwards, O2207482.
Harold L. Engel, O986943.
Luther G. Fortson, Jr., O2205611.
Charles M. A. Frankhouser, Jr., O986903.
Vernon L. Fromang, O987809.
Arthur E. Grant, O986910.
Norman L. Grant, O986905.
Rufus R. Hambright, O986853.
Francis H. Hughes, Jr., O986439.
Robert E. Kellenberger, O2209661.
Mortimer V. Kleinmann, Jr., O2203555.
Per H. Langsjoen, O2209666.
Verne G. LaTourrette, Jr., O2201307.
Janus C. Lindner, O722443.
Hugh P. McGrade, O864678.
Edwin A. Meeks, O2205614.
Joseph F. Metzger, O986440.
Carlyle C. Moore, O541618.
Richard H. Mott, Jr., O874899.
Jack R. Muth, O718193.
Fred J. Nahli, O2201310.
William H. Nichols, Jr., O2205609.
James K. Pope, O398863.
Joseph S. Robinette, O1291523.
Karr Shannon, Jr., O986856.
James L. Sheehy, O986907.
John R. Simmons, O986852.
William G. Simonis, O2203689.
Martin E. Smith, O492774.
Noel G. Smith, O446889.
Daniel E. Stalker, O2205612.
Michael H. Sulak, O2207483.
Jonathan B. Torrance, O2210592.
Albert L. Upton, O1545216.
William R. Vineyard, O2209657.
Frederick E. Vultee, Jr., O2201315.

The following-named persons for appointment in the Regular Army of the United States in the grades specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

To be first lieutenants

William H. Applegate, O404404.
Donald J. Arthur, O1331132.
Donald E. Atkinson, O1338042.
John W. Barber, O1294415.
Thomas A. Beasley, O553357.
Douglas L. Behenna, O1060710.
Robert D. Bentley, O1300268.
Joseph R. Boisvert, O1043322.
James R. Booth, O551815.
Robert C. Brannock, O1001737.
William W. Brash, O1332779.
Frederick Brouillette, O544227.
Frank W. Burpo, O1703017.
Francis J. Bush, O1170302.
Milton P. Callero, O1341745.
Wilford B. Carlisle, O1054202.
James H. Carroll, Jr., O1335116.
James W. Chesnut, O1332350.
William J. Clement, O1950310.
Earl F. Cole, O1291235.
Edward H. Cope, O1316015.
Walter R. Curtis, O445991.
Harry N. Custis, O2016182.
Lawrence M. Dellinger, O1844651.
Faris T. Farwell, O1341217.
Robert L. Freeland, O514566.
Douglass E. Glinski, O1293759.
John F. Grogan, O1059797.
Eric L. Hahn, O470087.
Ransom S. Haig, O1335414.
Albert E. Haines, Jr., O1323832.
Richard H. Harrington, O1119925.
Harry H. Hiestand, O1284704.
Herbert R. Hill, O945849.
Charles M. Honour, Jr., O1341099.
Douglas A. Huff, O1338826.
John A. Jarrett, O1172088.
Gilbert C. Jones, O1306518.
Thomas H. Jones, O1340186.
Stephen T. Kean, O888349.
Chris Kohler, O1179925.
Joseph F. Landers, O441971.
Albert G. Lane, O1281639.
Garland A. Ludy, O558783.
Otis C. Lynn, O1340671.

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Everett I. Madden, O959275.
James A. Manning, O420713.
Louis J. Maricle, O1587776.
James K. McCaslin, O487459.
Gordon H. McGough, O1284179.
Janis C. McMillan, O1102855.
Robert N. McNitt, O1633401.
Robert B. McPherson, O1055385.
Walter H. Miescher, Jr., O442995.
Kurtz J. Miller, O1115355.
John W. Nocita, O1054346.
George Norrie, Jr., O432408.
Kenneth M. Oliver, O1119847.
Wilbern L. Packett, O510523.
William B. Oxford, O1120635.
Gerald L. Overstreet, O1001428.
John L. Olow III, O2033211.
John F. Parker, O1058095.
Edwin Paulmann, O1644653.
George B. Powell, O1181734.
Wallace W. Price, O1598202.
Vern W. Reaugh, O1287585.
Harold B. Roberts, O1287945.
Raphael J. Schach, O553394.
Leo W. Shoemaker, O1310159.
Eb W. Smith, Jr., O425467.
Carlton E. Stevens, Jr., O1322182.
Charles R. Teagle, O555866.
Clark W. Trainer, O1284056.
Fred A. Tupper, O1178018.
James M. Vail, O1342021.
John W. Vessey, Jr., O1683442.
William L. Walker, O1535430.
Ace L. Waters, Jr., O441977.
Ralph J. Webb, O1543559.
James W. West, O1019794.
William E. Wyrick, O1334393.

To be second lieutenants

Milan J. Andrichik, O956249.
William J. Ankley, O949605.
Ralph C. Antrim, Jr., O2203053.
Thomas M. Armour, O1332912.
John R. Armstrong, O955925.
Horace E. Bailey, O2204439.
John E. Baker, O2200312.
Robert M. Baker, O2210042.
George E. Balcom III, O550178.
Kenneth K. Barclay, O963270.
Ernest F. Barrett, O776858.
Richard M. Beavers, O967704.
Jack M. Becker, O2204565.
Cleo O. Bell, O1688495.
William G. Benedict, O2208601.
Cheney L. Bertholf, Jr., O1341620.
Courtland Bivens, Jr., O1057360.
Louis B. Bjostad, Jr., O2208208.
Gorham L. Black, Jr., O1293189.
Frederick H. Borland, O962893.
John H. Boyes, O1552640.
Wilburn H. Boze, O531545.
Howard H. Braunstein, O1546619.
Charles R. Breed, O1058927.
John L. Buckley, O513497.
Robert J. Burns, O746854.
Aubrey A. Butler, O2206237.
Jerome J. Butler, Jr., O2200421.
Robert T. Carty, O1688485.
Eual A. Cathey, O2210326.
Albert Catullo, O2200522.
LeRoy W. Caulder, O1310067.
Bryce T. Cayce, O1688489.
Warren M. Clark, O1183039.
Clinton R. Clinedinst, O693848.
Richard A. Cole, O467174.
John J. Collins, Jr., O969437.
Charles E. Connaway, O2206043.
John R. Connelly, O2210119.
Richard J. Connolly, O2200007.
Paul A. Cooper, O2019139.
Edward F. Corcoran, O2203066.
Rennie M. Cory, O1686831.
Arthur L. Cox, O558280.
Theodore H. Crane, O2209599.
Elnomac V. Creel, O531685.
Steven S. Crowell, O2203023.
Ralph T. Dabbs, O1337401.
William C. Davidson, O1020548.
John W. Dearing, O2203404.
Richard S. Demory, O1014675.
John F. Dennington, O518107.
Harold E. Dill, O2204159.
Roland M. Dixon, Jr., O2206044.
Hanz K. Druener, O1323673.
Harris A. Dubois, O2204332.
John M. Dunn, O945655.
Joseph B. Duray, O535484.
Jimmie W. Edmunds, O2210331.
Thomas G. Ellis, Jr., O1685679.
Robert W. Engberg, O1685660.
Donald B. Erickson, O2019570.
Ludwig Faistenhammer, Jr., O955649.
Byron A. Falk, Jr., O2203057.
Paul T. Fancher, O1686791.
Alex E. Fisher, O949575.
Merlin W. Foerster, O1589833.
John J. Foley, Jr., O2200604.
Charles R. Ford, O965122.
Donald C. Fox, O2206115.
Charles S. Francis, O973262.
Robert A. Garber, O971457.
Francis Garner, O2017684.
Hilton E. Geohagan, O2204187.
John P. Geraci, O2200402.
James P. Godsey, O955695.
John R. Goodrich, O832385.
Robert S. Gordanier, O1647912.
Homer E. Gray, Jr., O961281.
Thomas W. Greer, O2202338.
Thurman M. Groves, O1324462.
Raymond M. Gunn, O2204020.
Clinton B. Haden, O2202323.
Eugene Hammonds, O2202815.
Donald E. Harkins, O2210388.
Donald L. Harouff, O2208119.
James L. Harrington, O1012392.
Richard Harwood, O1285418.
Ray R. Hayden, O1048397.
Carl J. Helton, O1290419.
Haven H. Hemmings, O2202218.
Jack B. Hilburn, O2206428.
Robert W. Hill, O2206403.
John J. Hoch, O968770.
Billy D. Hughes, O2208576.
Donald W. Hyler, O971025.
Wilfred E. Irish, O1331840.
Jasper P. Jacques, O2210459.
Thadeus S. Janasiewicz, O959623.
Robert M. Japinga, O2208618.
Thomas F. Jenkins, O1326848.
Wilbur G. Jenkins, Jr., O960372.
Maurice A. Johnson, Jr., O967356.
Harry T. Jones, O948272.
Hugh H. Jones, Jr., O2203054.
Roy M. Jones, O2206012.
Julius J. Jorgensen, Jr., O2208101.
Marion D. Joyce, O2208738.
Thomas G. Kearney, O2203047.
Edward L. King, O2204303.
Richard L. Kirk, O934361.
Rudolf W. Kogan, O1018889.
Jim H. Kolster, O971010.
Reginald W. Koseki, O958603.
Richard J. Koziel, O2208580.
Karl J. Krstulich, O964388.
Robert A. Kuntze, O1686742.
Charles M. Landis, O2063438.
Gale L. Larson, O2208220.
Lyle R. Larson, O2208235.
Willard Latham, O2206079.
Thomas M. Lawler, Jr., O2206175.
Douglas M. Lawrence, O967089.
Robert E. Lazzell, O508253.
Addison L. Lewis, O2210296.
Samuel A. Lewis, O2210466.
William T. Liffiton, O2018897.
George S. Long, O1171257.
Henry L. Luers, O2204194.
William D. Lynch, O1030173.
Worthington M. Mahone, O1329140.
William M. Major, Jr., O556631.
David D. Maul, O2208449.
Wayne A. Mautz, O2202341.
James J. McAloon, O1821745.
Robert S. McClenaghan, Jr., O957207.
Bruce McClure, O783201.
Edgar B. McGee, O968331.
James F. McIntosh, O1101111.
Terence J. McLarnon, O1185983.
John L. McNeal, O926672.
Samuel J. Merrill, O2204100.
Harold J. Meyer, O1330841.
Charles F. Miller, O1648764.
George P. Mooney, O953545.
John H. Moore, O1328062.
Robert H. Moore, O2204137.
Ernest H. Morgan, O1328283.
Richard H. Morley, O960643.
Charles E. Morris, O1686820.
John H. Morrison, Jr., O962229.
Robert M. Mullens, O964632.
Meredith E. Murphy, O2204318.
William R. Needham, O2209227.
Billy B. Nicholas, O2206007.
Charles J. Norris, O966920.
Eugene V. Norris, O970091.
Doyt P. Norton, O2208325.
Dunbar S. Norton, O958045.
Joel B. Nyquist, Jr., O1685721.
John W. Nystrom, O970527.
Richard E. O'Brien, O1688471.
Louie W. Odom, O2204134.
Hubert W. Ogilvy, O539864.
Joseph L. Parker, O2203046.
Thomas R. Parsons, O964660.
Thomas J. Patton, O2206105.
Paul A. Pencola, O962422.
Anthony B. Petruzzi, O1685668.
Dallas M. Peyton, Jr., O958029.
Eugene Phillips, Jr., O1101165.
Bernard J. Ploshay, O421380.
Homer W. Poerner, O2206383.
Donald F. Polden, O1822053.
William S. Price, O1341999.
Harold G. Quackenbush, O452011.
Antone P. Raposa, O2204087.
James C. Redford, O467746.
Neil Reese, O527101.
Foy Rice, O1284022.
Robert L. Richters, O437731.
Alfred C. Ring, O2203307.
Bernard L. Robinson, O1120339.
Elton C. Rodgers, O1045903.
Lynn O. Rohde, O974794.
Albert A. Rosner, O2019371.
Rudolph L. Ruzich, O2202332.
Joseph F. Schall, O1017309.
Daniel F. Schungel, O965030.
James P. Scilley, Jr., O2210025.
Thomas M. Scovill, O1315221.
Le Roy V. Sedlacek, O963271.
Homer L. Sellers, Jr., O1052562.
Harry G. Sherblom, O1044095.
Raymond E. Siegrist, O1550052.
Daniel G. Smaw III, O964178.
Richard D. Smith, O2202325.
Robert L. Smith, O1336138.
Carl B. Smyth, O2206208.
Clyde H. Stagner, O2208568.
Allen A. Stiteler, O556958.
Fred Stivers, Jr., O1651201.
Jack G. Stoltenberg, O1686619.
James L. Stone, O945739.
Robert H. Strohm, O2208318.
Leon H. Sugg, Jr., O2204325.
Anthony S. Suglia, O1341921.
Chester F. Sunski, O466461.
Quentin S. Swain, Jr., O968049.
Joseph F. Teel, O2206203.
Ward A. Thompson, O947294.
Wilbert A. Tieman, O970532.
Everett G. Topham, O1951611.
Frank W. Trinkle, O1686750.
Jack D. Van Meter, O2208457.
Allan E. Van Patten, O956816.
Jesse F. Van Sant, O973335.
James B. Vaughn, O2210289.
Fort A. Verser, Jr., O928228.
James D. Vittitoe, O555563.
William F. Warlick, Jr., O2204340.
Norbert J. Wayne, O1318357.
Robert J. Weber, O1341928.
Marhl L. Welch, O1685579.
Charles G. Wellborn, Jr., O1330497.
Donald E. Wendling, O2208728.
Albert L. Wenz, O2200515.
William A. Whichard, O1340242.
Charles J. White, O671818.
Thomas D. Whitlock, O963907.
Lyndall C. Williamson, O2208474.
Lloyd G. Wright, O957500.
Willard S. Wyatt, O2210214.
Edward P. Wyruchowski, Jr., O1112538.
Arthur W. Youngren, O956531.
Anthony Zagarella, O518856.
Marion B. Zollicoffer, O2204322.
Frederick R. Zurth, O749806.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Guy E. Peterson, O2205385.
George P. Short, Jr., O2204293.

The following-named distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1951, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Carl A. Anderson	John A. Johnson, Jr.
John S. Bailey	Joe T. Knox
John D. Barringer	Raymond F. Korber
William W. Beutler	Mark E. Kuhn
Nelson R. Bickley, Jr.	Brady L. Kunkle
Odie E. Biggs	Matthew B. Lamer, Jr.
Robert M. Blasingame	James D. Langley
Phillip H. Bradley	David L. Lichtenstein
Allan A. Buergin, O2206925	Lon J. Lutz, O2206631
Robert B. Burke, O1913006	Frederick M. Martin, Jr.
Donald Q. Carmichael	Moyle D. Mitzner
Eugene C. Cochran	John H. Mjoseth
Thomas J. Compton	Donald O. Nachtigal
Daniel L. Criswell	James W. Neff
Lowell M. Davis	Eugene H. Nettles
Michele N. Diana	Robert E. Otterson
William H. Dobson	Charles E. Parker
John E. Donaldson	John E. Parks
Elmore G. Dufour	Gilbert W. Pavlovsky
Loren D. Eaton	John J. Peppard, Jr.
Robert W. Elliott, O2209905	Joe H. Pitts
John H. Englund	Wendell L. Prince
Donn C. Fendler	Bobby D. Reusser
Leo J. Fitzgerald	Keith L. Riley
Harry L. Forsyth	Bill D. Saxon
Walter A. Fred	John H. Schnibben, Jr., O2205065
Richard S. Fridy	William K. Short
Donald W. Freeman, O2002672	Thaddeus R. Sobieski
James E. Gay	Herbert J. Stevenson
Richard E. Gillis	Joseph T. Tambe
Robert E. Grant	Robert C. Taylor
Robert L. Greer, O2202853	Roger K. Thompson, Jr.
Donald R. Hannum	George G. Tucker, Jr.
Floyd J. Helmick	Ray E. Tucker, O966941
Jim C. Hicks	Donald S. Wean, Jr.
Arthur R. Hill, Jr.	Sylvester L. Wilhelmi
Stephen H. Janovick, Jr.	Milton B. Witty, Jr.
Louis N. Jensen	Melvin G. Wode
	Webb S. Wraith

CONFIRMATIONS

Executive nominations confirmed by the Senate June 13 (legislative day of May 11), 1951:

SECURITIES AND EXCHANGE COMMISSION

Robert I. Millonzi, of New York, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1952.

POSTMASTERS

ALABAMA

Kathleen F. Davis, Ragland.

CONNECTICUT

Lambert W. Harrison, Guilford.

ILLINOIS

Robert P. Cash, Columbia.
Carl R. Healer, Moline.
Lela M. Campbell, Oakland.
Harry Leonard Thompson, Robinson.
Winsor Brayfield, Sesser.
Herschel B. Wilkinson, West Frankfort.

IOWA

Norman W. Bell, Boyden.
Charles N. Schinker, Norway.
Ray H. Fink, Tripoli.

KANSAS

Alice M. Campbell, Blue Mound.
Gerald E. Harville, Coats.
John W. Robinson, Coffeyville.
George C. Piersall, Hardtner.

KENTUCKY

Vivion L. Sutton, Mackville.

MAINE

Charles E. Frey, South Bristol.

MARYLAND

Irving F. Bodenburg, Fullerton.
Vernon L. Sullivan, Garrison.
Louis A. Stoddard, Joppa.
Morris G. Richardson, Owings Mills.

MISSISSIPPI

Sammy Jo Crawford, Mount Olive.
Charles E. Ross, Weir.

MONTANA

Donald Cameron, Jr., Gardiner.

NEW HAMPSHIRE

Maurice E. Kierstead, North Hampton.

NEW YORK

John J. Bohuslaw, Bay Shore.
Hannah M. Curtis, Morrisville.
Anthony M. Cipriano, Mount Morris.

NORTH DAKOTA

Joseph K. Salwei, Crystal.

OREGON

Albert L. Burch, Powers.
Floyd V. Cavanaugh, Seaside.

PENNSYLVANIA

Isaac R. Walker, Irvona.

SOUTH DAKOTA

Francis G. Jurrens, Buffalo Gap.

VIRGINIA

Cletus E. Bomgardner, Bumpass.
Alice H. Fields, Castlewood.
Frederick T. Given, Chase City.

WEST VIRGINIA

Carl T. Lee, Ethel.
Edward W. Fitzgerald, Glen Dale.
Lillie M. Wintz, Lorado.

WYOMING

Alexander M. Gilchrist, Kemmerer.
Ira B. Dickinson, Lance Creek.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 13, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou eternal spirit of the living God, in this moment of prayer, may our own spirits be inspired and reassured with a new faith and a new hope as we face tasks which are far beyond all finite wisdom and strength.

We are bringing unto Thee the many needs and problems of our country and the world which we know cannot be solved by legislation alone or by any form of political action, nor by might or power, but only by Thy spirit.

We pray that Thy servants, who are entrusted with the responsibilities of leadership in the affairs of government, may be richly endowed with some special revelation of Thy divine guidance.

May all that we are seeking to do to build a nobler civilization reflect and validate the reality of Thy spirit within our hearts. May the day speedily come when the presence and influence of Thy spirit, in the life of man, shall conquer all feelings of hatred and unworthy attitudes.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate agrees to the amendment of the House to a concurrent resolution of the Senate of the following title:

S. Con. Res. 33. Concurrent resolution authorizing certain changes in the enrollment of Senate bill 435, to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (H. R. 1424) entitled "An act for the relief of T. L. Morrow."

COMMITTEE ON VETERANS' AFFAIRS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs may have until 12 o'clock tonight to file reports on 13 bills voted out of the committee this morning.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

DRAFT OUR BOYS, BUT DO NOT TOUCH THE PRICE OF BEEF

Mr. ADDONIZIO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ADDONIZIO. Mr. Speaker, it appears that there are separate standards of sacrifice in this emergency—one for men, another for cattle.

We expect our men from 18 to 26 to answer to their names when they are called up for military service to defend us all against the threats of Communist aggression. That is one standard. But when we try to set a fair price in this country for meat—135 percent of parity—we are told that the beef will all go into the black market. Beef is sacred.

Remember, Mr. Speaker, this charge is made with a straight face by people who supposedly believe in democracy. They say the order is bad, therefore it should be criminally violated.

Imagine what we would say in this Chamber if people who set themselves up as spokesmen for our young men would threaten us that unless we repealed the Draft Act they would tell all of the young men to refuse to serve in the Armed Forces.

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Actually, there is no equality of sacrifice in this emergency. Many of our young men are dying for the right of our cattle raisers to get a fair price for their beef in an American system of free enterprise. But the beef crowd says a fair price is not enough. Tell that to the boys in Korea.

THE DEFENSE OF WESTERN EUROPE

Mr. JACKSON of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JACKSON of California. Mr. Speaker, I think, in light of the testimony which has been given before an investigating committee in the other body by General Wedemeyer, that it is extremely important that it be placed in the RECORD that many of the Members of this House have for many months, and in fact for several years, been asking for an increased measure of American air power on the continent of Europe. It seems to us that the concept of the ground defense of Western Europe is as antiquated as oxcart travel and that any successful defense of that area of the world against Communist aggression must come through effective and planned use of strategic air power from bases in Western Europe.

THE CHINA LOBBY

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I hold in my hand headlines from the paper reading "Acheson presses probe of corrupt China lobby." That is interesting because the China lobby as I understand it, has been anti-Communist and for Chiang Kai-shek. I can understand Mr. Acheson and some of the State Department folks who have been so soft with the Communists in the State Department wanting to investigate the China lobby. The China lobby has opposed the Communists. It is my opinion that when the Secretary of State gets down to the bottom of this thing he may change his mind about the China lobby. The investigation ought to extend to the whole field of the Communist lobby and the softness in the State Department toward the Communists. Any probe should investigate the other foreign lobbies, who work so hard sucking economic blood from the American taxpayer.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 5 minutes today, following the special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mr. DOLLINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

[Mr. DOLLINGER addressed the House. His remarks appear in the Appendix.]

SECRETARY OF STATE ACHESON

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, as adroit and as skillful as Secretary Acheson has proven himself to be as a witness before the Russell committee investigating the dismissal of General MacArthur, his entire statement as regards the China policy pursued by the State Department will have been badly shaken unless the testimony given by General Wedemeyer to the effect that his appointment as Ambassador to China was canceled because he was unsatisfactory to Russia is convincingly disproved.

SPEAKER EMPOWERED TO DECLARE RECESS ON JUNE 21 TO RECEIVE THE PRESIDENT OF THE REPUBLIC OF ECUADOR, HIS EXCELLENCY GALO PLAZA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, June 21, 1951, for the Speaker to declare a recess subject to the call of the Chair for the purpose of receiving in a joint meeting the President of the Republic of Ecuador, His Excellency Galo Plaza.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks and include a speech recently made on the occasion of the Tufts College commencement.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, and I shall not object, will the gentleman tell us whether there will later in the week be a request to adjourn over Friday next?

Mr. McCORMACK. I may say to the gentleman that the only business I know of this week is the bill now before the House.

Mr. HOFFMAN of Michigan. Can the gentleman tell us when a request to adojurn over will be made?

Mr. McCORMACK. Why, I am unable to state that. It will be made sometime after the termination of consideration of the present bill. If the gentleman wants the House to meet on Friday, that is perfectly all right with me, and I have no objection, but if the present bill is disposed of there will be no legislative business. I welcome the opportunity of advising my colleagues to that effect so that they can govern themselves accordingly. If the unanimous-consent request is made and objected to, I shall protect the rights of all Members who want to make speeches and will offer a motion to adjourn.

Mr. HOFFMAN of Michigan. As I understand it, there are some who would like to be present when that request is made to adjourn over Friday, so that if we know when the request will be made we could govern ourselves accordingly.

Mr. McCORMACK. Sometime after the present bill is disposed of. To give the exact minute or hour is impossible. I would like to be able to accommodate the gentleman, but, of course, that is beyond human possibility.

Mr. HOFFMAN of Michigan. I realize that the issue of final adjournment is a very important question and requires consideration.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPECIAL ORDER GRANTED

Mr. FISHER asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

CALL OF THE HOUSE

Mr. DAVIS of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 75]

Aandahl	Hébert	Preston
Battle	Heffernan	Rains
Bosone	Herter	Reed, Ill.
Breen, Edward	Hinshaw	Ribicoff
Brehm, Walter E.	Hoffman, Ill.	Richards
Brooks	Irving	Rivers
Byrne, N. Y.	Johnson	Rooney
Camp	Judd	Sabath
Carnahan	Kelley, Pa.	Scott, Hardie
Celler	Kennedy	Secrest
Chelf	Kersten	Sheppard
Chiperfield	Lantaff	Short
Cole, N. Y.	LeCompte	Sikes
Cotton	Lind	Simpson, Pa.
Coudert	Lyle	Smith, Kans.
Davis, Tenn.	McKinnon	Smith, Wis.
Dawson	Machrowicz	Sutton
DeGraffenried	Mansfield	Teague
Delaney	Martin, Mass.	Towe
Dempsey	Meader	Velde
Dingell	Merrow	Whitten
Flood	Miller, Calif.	Wigglesworth
Fulton	Morano	Winstead
Gary	Morrison, La.	Wood, Idaho
Gillette	Morton	Zablocki
Goodwin	Moulder	
Gordon	Murray, Wis.	
Hall, Leonard W.	Patten, Ariz.	
	Poulson	
	Powell	

The SPEAKER. Three hundred and forty-nine Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CIVIL FUNCTIONS APPROPRIATION BILL, 1952

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4386) making appropriations for civil functions admin-

istered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H. R. 4386, with Mr. HARDY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read the first paragraph of the bill. If there are no amendments to this paragraph, the Clerk will read.

The Clerk read as follows:

CORPS OF ENGINEERS

RIVERS AND HARBORS AND FLOOD CONTROL

The following appropriations for rivers and harbors and flood control shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers, and shall remain available until expended: *Provided*, That not to exceed $1,500,000 shall be available for the current fiscal year from such appropriations for the services of such civilian personnel as the Secretary of the Army may deem necessary to be employed in the Office of the Chief of Engineers, to carry into effect the various appropriations for rivers and harbors and flood control, surveys, and preparation for and the consideration of river and harbor and flood-control estimates and bills: *Provided further*, That the various appropriations for rivers and harbors and flood control may be used for examination of estimates of appropriations in the field; purchase (for replacement only) in the current fiscal year of 250 passenger motor vehicles and 1 motorboat (to be acquired from surplus stock where practicable) and the maintenance, repair, and operation of aircraft: *Provided further*, That, during the current fiscal year, such appropriations shall not be used to start or resume any project for which funds were not allocated for construction in the preceding fiscal year; but this proviso shall not apply to any project for which funds are provided in this act.

Mr. RABAUT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RABAUT: On page 4, line 17, before the period, insert "*Provided further*, That the project known as Buggs Island Reservoir, Va. and N. C., shall hereafter be designated as the John H. Kerr Dam and Reservoir."

Mr. RABAUT. Mr. Chairman, little or no time should be spent on an amendment of this kind. Judge KERR has been in public service for 50 years of his 75 years of life. He is chairman of this subcommittee and has been intimately connected with this great project. He served for 20 years in his own State and will have served for 30 years in the Congress of the United States at the conclusion of his present term.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from New York.

Mr. TABER. I am very glad that the gentleman from Michigan has offered this amendment. It is very fitting that the man who is responsible for this great dam should be honored by having it named after him. Judge KERR has rendered a fine public service for a long time and the very least that can be done is to adopt this amendment. I compliment the gentleman from Michigan for having offered it.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Chairman, I am very glad to support this amendment. When I first came to Congress 23 years ago my first chairman was the distinguished gentleman from North Carolina [Mr. KERR]. I shall always treasure with fond recollections the memory of my service with and under him as chairman of the first committee I served on. As a matter of fact, in a joshing way, every once in a while when I meet my distinguished friend I say: "Well, JOHN, you made me what I am today. I hope you're satisfied."

That represents a state of mind. It is very seldom during the lifetime of people that their work is recognized. That happens usually after they have taken the journey into the great beyond. How fitting and how proper it is that this great project which means so much to the people of his area of the country and for which he fought so diligently, ably and courageously, should be named in his honor during his lifetime.

Mr. DEANE. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from North Carolina.

Mr. DEANE. Mr. Chairman, I would like to associate myself with the majority leader in this recognition of my colleague from the great State of North Carolina, Judge KERR. He has made a great contribution through the years of his public service and this is certainly something which the entire State of North Carolina will receive with great appreciation because they too love this honored and respected Member who has served that State so faithfully.

Mr. McCORMACK. I thank my friend. The gentleman from North Carolina [Mr. KERR] is not only an outstanding Member of this House, but he is humble. If ever a man typified or was symbolic of those qualities which make up vividity of man, it is the gentleman from North Carolina [Mr. KERR]. I know that the people of his State and his district will realize the significance of what is taking place here today, a most unusual thing, to have a dam and a reservoir, for which we are appropriating money, named in honor of a person who is living. I know that my dear friend is very deeply touched and that he will always remember this as one of his most fondest of recollections.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Missouri.

Mr. CANNON. Mr. Chairman, this is a richly deserved tribute to a great man, a man who has served with distinction here for more than 30 years; one of the most lovable Members of the House.

He comes from distinguished ancestry. His father led a North Carolina company under General Lee in the War Between the States, and my mother always felt that if a man was of Confederate descent, there was nothing more that could be asked or desired.

Judge KERR is one of the scholarly men of the House. He served as trustee of the University of North Carolina and his alma mater, Wake Forest College, one of the historic institutions of the South, conferred the doctorate on him in recognition of his contributions to education and to public service.

Judge KERR has rendered notable service in many congressional fields. Among the many activities in which he has displayed exceptional leadership was as chairman of the Subcommittee on Subversive Organizations. As chairman of that committee he made history in the House and conducted a singularly successful campaign against Communist infiltration in the Federal departments.

Of course his greatest service has been in river and harbor work and flood-control development—in the handling of appropriations for the purposes serviced by the bill now pending before the committee. He has been in charge of subcommittees and bills of this character longer than any Member of either House. He probably is better acquainted with the needs of the Nation in this respect and has a wider knowledge of the subject and a deeper insight in the solution of the problems connected with the waterways of the North American Continent than any Member of either body.

It was but natural that he should early see the vast possibilities for conservation of natural resources and development of needed power in the Carolina and Virginia area, and direct his attention and devote his time to the great project which is now nearing completion and for which he is solely responsible. For unmeasured centuries it will be a source of strength in time of war and unmeasured wealth in time of peace.

It is most appropriate that this giant plant, one of the assets of the Nation, a potential blessing to generations to come, should bear the name of the distinguished statesman who brought it into being. And it is even more appropriate that the House should thus confer this distinction upon a beloved colleague whom the Congress and the country so delight to honor.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from North Carolina.

Mr. BONNER. Mr. Chairman, I wish to take this opportunity to join in the high praise of the gentleman from North Carolina, Judge KERR, who has given faithful and long service to the development of flood control in the Roanoke River Valley of Virginia and North Carolina. It can truly be said that Judge KERR is the father of flood control in the Roanoke Valley. I think it is most appropriate, and I think a

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tribute like this could not be paid to a more deserving person. The naming of this dam for Judge KERR will be very pleasing, I am sure, to the people of North Carolina, approved by the people of Virginia to the North Carolina delegation. Judge KERR is a gentleman of the finest character and one who holds and carries the dignity of this House to the highest degree.

Mr. RABAUT. Mr. Chairman, I have no intention to circumvent my dear friends over here, but I just want to say this: When we go back in the House, I will make a unanimous-consent request that all Members may extend their remarks concerning Judge KERR's leadership in this activity at this point in the RECORD.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am very happy to join many other Members of this body in favoring the passage of this amendment to honor our colleague the gentleman from North Carolina, the Honorable JOHN KERR, by naming the dam in his State with his famous name. Having been closely associated with Mr. KERR over a period of years on very important committees, I have experienced his tremendous work during which he alone overcame great obstacles in securing the legislation and the funds to institute survey and the beginning of actual construction on this very important project. This work was done and accomplished by Mr. KERR practically alone during the most serious times in our history. He had frequently told me that he would not have fought for this project unless he absolutely knew and was sincerely convinced of its great need by the entire country, his State, and his district. In honoring JOHN KERR by naming this dam for him, this Congress is honoring a statesman whose service to the Nation and his State is an outstanding one. Born and educated in North Carolina, the State which he loves, JOHN KERR represents the third member of the same family with the name of John Kerr who was a Member of the United States House of Representatives. Our colleague's father, the late John Kerr, was a member of the Confederate Army. His ancestors hailed from Scotland where the name John Kerr is prominently known. Our colleague has been a prominent lawyer of North Carolina where he distinguished himself as a judge of the superior court. Our colleague was the United States delegate to important missions in Mexico and is a world traveler as a result of his official missions for the House of Representatives and the Department of State in Europe. It was my privilege to be with him at the Army maneuvers during the Second World War in North and South Carolina and, in my opinion, there is no Carolinian who knows more about the history of his State than does our colleague. From him I learned much of the history of that State and especially his insistence that it was in North Carolina that the first blow was struck for freedom against the British. So it is with a great deal of pride, Mr. Chairman, that I take the floor to support the amendment to honor our distinguished colleague, JOHN KERR, of North Carolina.

Mr. CARLYLE. Mr. Chairman, of course I join at this time with my colleagues in recognizing and deeply appreciating the loyal and invaluable services which have been rendered to the State of North Carolina and to this country by Judge JOHN H. KERR, who has been a Member of Congress since November 6, 1923. It has been my good fortune to have known him from the time of his election as a superior court judge in North Carolina, and it was at all times a privilege and a pleasure to practice in his court. As a judge, he made a distinguished record because of his thorough knowledge of the law and his innate sense of justice. He had previously served with distinction as a superior court solicitor in our State. North Carolinians are proud of Judge KERR's record in Congress. It is one of achievement and devotion to public service.

The great Federal development at Buggs Island is a product of the fertile brain of Congressman KERR, who has given unselfishly of his time and efforts in its promotion, and it is only natural that his name should always be closely associated with this development. Therefore, it is eminently appropriate that the Congress should now honor our distinguished colleague by officially designating this great Federal project the John H. Kerr Dam.

Mr. SMITH of Mississippi. Mr. Chairman, I deem it a great privilege to be able to join in support of this amendment to pay a small measure of tribute to the distinguished Representative from North Carolina, Judge JOHN H. KERR.

My distinguished predecessor, the Honorable Will M. Whittington, has often told me of the great services which Judge KERR has rendered the country from his important post on the Appropriations Committee, and I have come to realize this fully during my brief service in the Congress.

The Mississippi Valley is completely dependent upon an adequate flood-control system to protect the lives and property of its people. The Federal Government has recognized its responsibility in this field and acted to meet it, largely because of the far-sighted leadership of such statesmen as Judge KERR.

It is fitting that this great multipurpose dam in North Carolina should be named in his honor, but hundreds of other great projects of vast benefit to the people of this Nation will always stand as a monument to his foresight and vision of the future potentialities of America.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The Clerk read as follows:

RIVERS AND HARBORS

Maintenance and improvement of existing river and harbor works: For expenses necessary for the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation; for surveys of northern and northwestern lakes and other boundary and connecting waters as heretofore authorized, including the preparation, correction, printing, and issuing of charts and bulletins, and the investigation of lake levels; for prevention of obstructive and injurious deposits within the harbor and adjacent waters of New York City; for expenses of the California Débris Commission in carrying on the work authorized by the act approved March 1, 1893, as amended (33 U. S. C. 661, 678, and 683); for removing sunken vessels or craft obstructing or endangering navigation as authorized by law; for operating and maintaining, keeping in repair, and continuing in use without interruption any lock, canal (except the Panama Canal), canalized river, or other public works for the use and benefit of navigation belonging to the United States; for examinations, surveys, and contingencies of rivers and harbors; for the execution of detailed investigations and the preparation of plans and specifications for projects heretofore authorized; for printing, either during a recess or session of Congress, of surveys authorized by law, and such surveys as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress; $162,860,500: *Provided*, That no part of this appropriation shall be expended for any preliminary examination, survey, project, or estimate not authorized by law: *Provided further*, That from this appropriation the Secretary of the Army may, in his discretion and on the recommendation of the Chief of Engineers based on the recommendation by the Board of Engineers for Rivers and Harbors in the review of a report or reports authorized by law, expend such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality, or other public agency outside of harbor lines and serving essential needs of general commerce and navigation, such work to be subject to the conditions recommended by the Chief of Engineers in his report or reports thereon: *Provided further*, That not to exceed $5,000 of the amount herein appropriated shall be available for the support and maintenance of the Permanent International Commission of the Congress of Navigation and for the payment of the expenses of the properly accredited delegates of the United States to the meeting of the Congresses and of the Commission: *Provided further*, That from this appropriation not to exceed $1,600,000 shall be available for transfer to the Secretary of the Interior for expenditure for the purposes of and in accordance with the provisions of the act of August 8, 1946 (16 U. S. C. 756), and the act of August 14, 1946.

Mr. NORRELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NORRELL: On page 5, line 21, strike out "$162,860,500" and insert in lieu thereof "$166,160,500."

Mr. NORRELL. Mr. Chairman, the adoption of this amendment would mean that the request of the corps of Army Engineers for $3,300,000 would be allowed and used in bank stabilization work on the Arkansas River between Catoosa, Okla., and the mouth of the Arkansas River. I know that the job of this great subcommittee is a hard one, and I want to say to the House that the membership on both sides of the aisle of this subcommittee, are honorable, sincere, courageous, upright, and able gentlemen, my colleagues on the Committee on Appropriations and for whom I have the very highest regard. But the committee laid down a criteria to control the marking up of the bill. One criteria was that no new project would be appropriated for. Bank stabilization on the Arkansas River

is not a new project. We have had appropriations during the years past for this work. This year we have a current appropriation for bank stabilization on the Arkansas River. It is not a new project. The second criteria which guided them in their consideration is that no controversial project would be included. This is not controversial. Everybody is, as far as Arkansas is concerned, in favor of the work. The third criterion—and there is a difference, and I want to be honest with the committee—is that there is no budget estimate for the $3,300,000. But, may I call your attention to the fact that the Corps of Army Engineers made a request for $3,300,000 for bank stabilization to be used from Catoosa, Okla., to the mouth, and if I am in error on that I would like to be corrected.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield.

Mr. FORD. I am looking at the chart which we used in our committee of the rivers and harbors projects for the fiscal year 1952. Under Arkansas there are only two projects listed. One is entitled Arkansas River and tributaries, Arkansas and Oklahoma. The Corps of Engineers requested from the budget under that category only $400,000 for planning. The next item under Arkansas is the Overton-Red River waterway, Arkansas-Louisiana. The corps asked of the budget only $50,000.

Mr. NORRELL. I think I can get the gentleman to understand the situation. You must remember that the lower Mississippi extends up the Arkansas River to the vicinity of Pine Bluff. There is a current appropriation in the lower Mississippi River funds for the Arkansas River bank stabilization program on the Arkansas River to Pine Bluff, and your records will so disclose. This part of the river, up to Pine Bluff, is under the jurisdiction of the Mississippi River Commission. We have $600,000, for bank stabilization.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Oklahoma.

Mr. ALBERT. In that connection I call the gentleman's attention to the fact that I hold in my hand a letter dated May 28, 1951, from Brig. Gen. C. H. Chorpening, Assistant Chief of Engineers, in which he states in a memorandum to the clerk of this committee:

> The estimates submitted to the Bureau of the Budget for 1952 include $3,300,000 for work on the Arkansas River, of which $800,000 was for the continuation of work at two locations below Little Rock, and $2,500,000 was for the inauguration of work at other locations.

Mr. NORRELL. That is correct.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman may have five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield.

Mr. RANKIN. I am in favor of the gentleman's amendment, but I want to know whether or not it includes planning money that the Army engineers asked for and which the Bureau of the Budget recommended?

Mr. NORRELL. May I say to the gentleman that will have to be handled in another amendment, and I am sure the amendment will be offered.

Mr. RANKIN. I thank the gentleman.

Mr. NORRELL. Mr. Chairman, in conclusion, and I am not going to take the full 5 minutes because I am simply trying to get before you the idea that this is an old project and one currently being worked on; the Army engineers made a request for $3,300,000.

Bank stabilization is highly essential on the Arkansas River. The stabilization of these banks not only protect the investments of the Government in the levees that have been constructed at great cost but set-back levees are prevented. When the banks are permitted to cave in and destroy existing levees, it becomes necessary for the Government to condemn and buy the land and build set-back levees. This is very expensive, and in addition to the enormous costs the land is placed behind levees and is forever ruined.

I am simply trying to do what the Army engineers recommended, and which the flood-control experts in the Bureau of the Budget, in their wisdom, saw fit to take out. I have no criticism of that. I hope the amendment may be adopted. If not, I trust that this subcommittee, if the other body amend the bill by including it, will not be too hard because this is not a new one. The Army engineers have recommended it. It ought to be done. It is better to save land than it is to try to rebuild it after the land has been destroyed.

If I am unsuccessful here, I repeat, I hope the House conferees will consider any action that the other body might take, with some degree of charity and mercy.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. NORRELL] has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 15 minutes, the last 3 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Arkansas [Mr. NORRELL]. This amendment seeks to secure $3,300,000 for bank stabilization from Catoosa, Okla., to the mouth of the Arkansas River, a distance of 481 miles.

The appropriation we are seeking is for emergency work. The Arkansas River is causing damage amounting to millions of dollars each year because of the lack of protection afforded to the banks in places where they are caving off into the river. In addition to the loss of land along the river, there is the threat of the loss of newly constructed levees which have been paid for by the Federal Government, in cooperation with levee districts. We have already expended nearly $50,000,000 for levees which are now being threatened by the bank cavings along this treacherous stream.

I would further call your attention, Mr. Chairman, to the fact that the Congress authorized the improvement of the Arkansas River and tributaries in Arkansas and Oklahoma in the River and Harbor and Flood Control Act of the Seventy-ninth Congress and from time to time since then, including the Flood Control Act of 1950, additional authorizations have been made. In last year's authorizing act, provisions were made for the emergency which existed then and which has grown progressively worse since that time. We ask the Congress to provide only sufficient money to protect the present investment that has been made on the Arkansas River and to stop the destruction of hundreds of acres of fertile farm lands and to protect 145 river crossings consisting of highway and railroad bridges, natural-gas and petroleum production pipelines, and electric-transmission lines.

If it were only the postponement of future improvements, we would not be here today seeking an appropriation of $3,300,000, but this money is to protect investments and values that now exist, and the Government itself may well lose many, many times this appropriation if it fails to make available to the Corps of Engineers adequate funds to take care of the emergency bank-caving problems in the 481-mile reach of the river below Tulsa, Okla.

Mr. Chairman, the Appropriations Committee handling this bill, has been given a justification for the amount which we seek by the Corps of Engineers, and I urge you to consider the conservative judgment of the Corps of Engineers and allow this amendment to pass, which will provide the emergency funds needed to halt the terrible destruction of land and property and to halt the interruption of transportation which is so badly needed at this time in our country's defense program.

Under leave which I obtained in the House, I include herewith the memorandum dated May 28, 1951, written by Brig. Gen. C. H. Chorpening, Assistant Chief of Engineers for Civil Works. The memorandum follows:

> 1. The authorized project for improvement of the Arkansas River and tributaries, Arkansas and Oklahoma, provides for a channel 9 feet deep from the mouth to Catoosa, Okla., a distance of 481 miles, to be provided by lock and dam construction, bank stabilization, and open channel improvement. The bank stabilization work is estimated to cost about $95,000,000, of which $2,032,000 has been provided to date for emergency work at critical locations. The estimates submitted to the Bureau of the Budget for 1952 included $3,300,000 for work on the Arkansas River of

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which $800,000 was for continuation of work at two locations below Little Rock and $2,500,000 was for inauguration of work at other locations. No funds were included in the approved budget estimate for 1952 for continuation of this feature of work.

2. Funds required for work at the most critical locations, which could be utilized during the fiscal year 1952 where benefit to the national emergency will accrue through the conservation of resources and facilities vital to the war effort, are shown in the accompanying table. For the section, Plum Bayou to Rob Roy, the work consists of about 9,000 linear feet of revetment for immediate protection above Rob Roy Bridge, Ark., where the bank line has now receded as far as it should be permitted to cave and the work should be carried out promptly to preserve a favorable alignment. At other locations the work involved is the continuation or betterment of works already constructed and is necessary either as a protection to the works already constructed, to protection of existing levees, or for protection of additional areas or facilities. For the section downstream from the Morrilton cut-off, the recent completion of this cut-off may accelerate changes in the regimen of the river causing damage to the Conway Levee District No. 8 or to Faulkner Levee District No. 1. For the section Wilsons Rock to Missouri Pacific Railroad bridge, the proposed work would provide a greater amount of protection in the Bradens Bend section of the Arkansas River where limited protection has been provided for under a flood-control authorization. Additional work is necessary to protect and strengthen the partial project authorized in the Flood Control Act which is to be carried out as a part of the general stabilization program for the Arkansas River. Any funds which might be appropriated should be concentrated on work at the most critical locations and should be sufficient to permit the completion of useful and permanent increments of work of sufficient length to permit tying in at hard points at either end and thus obviating the danger of loss of work through flanking action.

3. In spite of the urgency and importance of this work, I do not believe that provision for bank stabilization work on the Arkansas River can be provided for within the approved budget estimates for river and harbor projects by elimination or reduction in the amounts included for other projects.

C. H. CHORPENING,
Brigadier General, USA, Assistant Chief of Engineers for Civil Works.

Emergency bank stabilization, Arkansas River

Location and river mileage	River mileage	Total estimated cost	Allotted to date	Amount which could be utilized in fiscal year 1952	Balance to complete
Wilsons Rock to Missouri-Pacific R. R. bridge	376	$6,800,000	0	$3,000,000	$3,800,000
White Bluff to Jefferson County free bridge	130	5,465,000	$1,624,000	2,000,000	1,841,000
Rock Island R. R. bridge to White Bluff	165	13,813,000	0	1,500,000	12,313,000
Arkansas Post Canal to Yancopin bridge	42	1,400,000	0	460,000	940,000
Rob Roy Bridge to Arkansas Post Canal	89	28,760,000	0	2,400,000	26,360,000
Plum Bayou to Rob Roy	102	1,500,000	0	1,040,000	460,000
Downstream Morrilton cut-off to Cadron Ridge	209	1,022,000	0	500,000	522,000
Upstream Morrilton to downstream Morrilton cut-off	217	552,000	100,000	452,000	0
Dardenelles Rock to Reeds Ferry	257	6,385,000	308,000	3,000,000	4,077,000
OKane Bend to Patterson Bend	302	4,446,000	0	1,000,000	3,446,000
St. Louis & Santa Fe R. R. bridge to Flat Rock Bend	354	2,493,000	0	1,000,000	1,493,000
Total		72,636,000	2,032,000	15,352,000	55,252,000

Mr. STIGLER. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Oklahoma.

Mr. STIGLER. I wish to associate myself with my colleague the gentleman from Oklahoma [Mr. ALBERT] and ask him this question: Is it not a fact that in the gentleman's district, which adjoins mine, you have quite a bank stabilization project, and if the present situation is not corrected the farmers of that valley stand to lose several thousand acres of very valuable bottom land?

Mr. ALBERT. My colleague is correct.

Mr. STIGLER. Is it not a further fact that if additional work is not done and we have any flash floods the damage will be very heavy?

Mr. ALBERT. Not only to farms but also to transmission lines, highways, railroads, bridges located in that valley.

Mr. STIGLER. I hope the amendment will be adopted.

The CHAIRMAN. The gentleman from Arkansas [Mr. TACKETT] is recognized.

Mr. TACKETT. Mr. Chairman, I wish to associate myself with the Members who are attempting to have this amendment adopted. For instance, in the Corridon bottoms of the Arkansas River this Congress has provided for bank stabilization projects to the extent of $2,000,000. Unless this money is appropriated, the $2,000,000 of bank stabilization projects that have already been constructed will float down the river. I believe every member of the committee will tell you that the testimony in corroboration of my statement was unanimous, that it was not contradicted. I cannot understand why, after we have started trying to curb the flood waters on the Arkansas River, we should at this time leave off a little dab of money to preserve that which we have already spent, to say nothing of the loss of land and the loss of that segment of our economy, the loss of highways, railways, and so forth. That, of course, this amount of money would not save, but I do know that surely we can afford to spend a dab of money to preserve something we have already established. I know that several other of my colleagues have brought to your attention many of the reasons why this amendment should be adopted, and I do sincerely hope that the House will today allow this very minimum amount of only $3,300,000 to be used to preserve that which you have in the past already established for that area.

The CHAIRMAN. The gentleman from Arkansas [Mr. TRIMBLE] is recognized.

Mr. TRIMBLE. Mr. Chairman, I rise to support the amendment offered by my colleague, the gentleman from Arkansas [Mr. NORRELL].

Next to the children which God gives us, our soil is our greatest asset. As my colleague [Mr. TACKETT] has said, we have spent vast sums of money already in an effort to preserve that soil. If we go ahead and follow the action of the committee here we will jeopardize not only the money we have already expended but will continue to jeopardize and lose the very fine soil of the Arkansas Valley which is so important and vital at all times, but especially at this time of national emergency. I certainly hope the amendment offered by my colleague will be adopted.

Mr. HAYS or Arkansas. Mr. Chairman, will the gentleman yield?

Mr. TRIMBLE. I yield.

Mr. HAYS of Arkansas. I appreciate what the gentleman has said about the Arkansas River. I should like to remind the House that in previous sessions, in 1943 and 1945 it was necessary for us to pass emergency legislation to assist the people of the valley whose homes and farms were destroyed by floods. Prior to that, in 1927, the first of these devastating floods occurred. I saw a railroad bridge collapse and fall into the Arkansas River that year. In the 1943 flood one-tenth of all the cultivated acres between Fort Smith and Little Rock were washed away and scores of lives were lost in the floods of that period.

We are undertaking by this amendment simply to preserve the investment that was made through Federal appropriations for flood control following those floods and to preserve and protect the farms that are left in that narrow valley. We are trying to save the morale of the great number of people who live in the valley of the Arkansas.

Remember, the water that causes this damage falls not in Arkansas but in six States above us. It is a national problem.

Mr. TRIMBLE. I thank the gentleman very much. I especially appreciate his mentioning the preservation of the morale of the people of the valley. That, too, is very important. To deny these funds would be like building a fine home, furnishing it completely, but leaving the roof off. You submit what you have constructed to the whim of the elements.

I do earnestly urge the committee to support the pending amendment. Let us preserve the investment that we already put in the Arkansas Valley.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, the gentleman from Oklahoma [Mr. ALBERT] read a letter from Brigadier General Chorpening, but he failed to read the last paragraph as follows:

> In spite of the urgency and importance of this work, I do not believe that provision for bank stabilization work on the Arkansas River can be provided for within the approved budget estimates for river and harbor projects by elimination or reduction in the amounts included for other projects.

It is true, as the gentleman from Arkansas [Mr. NORRELL] has said, this project does not fall in the category of a new project, it does not fall in the category of controversial projects, but it does fall under the provision of unbudgeted projects.

We are trying to treat everybody alike. I have a very necessary project in the Detroit River, but it is unbudgeted. No mention is made of it any place here.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from New York.

Mr. TABER. I hope that this amendment will be defeated. If we start in allowing a lot of items that are not budgeted and have not been allowed, we are going to have a bill here that will carry more money than we can afford to put up. I hope the House will reject the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. NORRELL].

The amendment was rejected.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is obvious that there are many projects proposed by individual Members that will not be included in the bill we are now considering. It is also obvious that the idea of logrolling or being able to get projects through for certain districts is out.

I believe the time has come for us to prescribe some yardstick as to the selection of these flood-control projects. I think we ought to decide a flood-control project on what good it does for national defense. For instance, in my particular district there has been a project eliminated year after year, yet this floodwall project along the Susquehanna River is entirely indigenous to the welfare, the safety, and the security of thousands upon thousands of workers' homes and hundreds of defense plants, as well as the shoe manufacturing corporations and the International Business Machines Corp. In other words, the Susquehanna River has already washed out several defense plants up in that district and it seems to me that a flood-control project of that kind would come under national defense. I attended a flood-control meeting in my district last week. That meeting was entirely against the building of a flood-control dam in the upper reaches of the Unadilla River, which empties into the Susquehanna. The people up in that district do not want the dam.

Mr. KEARNEY. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from New York.

Mr. KEARNEY. Where is that dam?

Mr. EDWIN ARTHUR HALL. Up in Mt. Upton.

Mr. KEARNEY. Copes Corners also.

Mr. EDWIN ARTHUR HALL. Well, that is in Delaware County. That is not in my district.

Mr. KEARNEY. We are against that also.

Mr. EDWIN ARTHUR HALL. I am glad to hear the gentleman say that. I wish he had been at that meeting, but I know he was unable to get there. But that was one of the most enlightened meetings that I have ever attended. It shows that some of the Army engineers and some of the authorities down here in Washington are trying to ram down the throats of the people of these various counties flood-control projects to their own liking, and they are deliberately flaunting the opinion of the individuals that are going to be jeopardized and hurt by putting these projects in. One of the natives came to me and said, "It is my understanding that they are going to force us off our lands and exercise eminent domain over thousands and thousands of acres of our farm lands up here without giving us any voice in it." He said, "I can tell you what is going to happen if the Army engineers come in here ready to build flood-control dams. We are going to fight them with shotguns and pitchforks and scythes and every other tool we can get our hands on." That meeting of over 500 people that met in the South Berlin School on the 2d day of June consisted of resolute and determined citizens of the United States. They do not want to see that dam constructed, and although the propaganda had been thrown up by one of the daily newspapers in my district down in Broome County to the effect that the Triple Cities depended on that project, and although they had thrown up a smoke screen of propaganda, the people of the Triple Cities do not want the dam either.

Mr. KEARNEY. Was the question of an atomic bomb brought up in that meeting?

Mr. EDWIN ARTHUR HALL. Yes; and they said they would rather see a substantial atomic bomb developed for Korea or some other place to protect the American troops than to spend millions of dollars to construct this flood-control dam that nobody wanted, which was going to jeopardize our lands in Chenango County, much against the will of the people. I think we ought to base the awarding of these contracts not on the whim of the Army engineers, not because it may be lucrative for certain big contractors to be awarded contracts for building flood-control dams, but on the basis of the needs of the people, on the needs of the various communities, so that we can get intelligent flood control.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 6, after line 20, insert the following:

"Tennessee-Tombigbee inland waterway: For work of construction of the Tennessee-Tombigbee inland waterway heretofore authorized by law (Public Law 525, 79th Cong.), $5,000,000."

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Chairman, I hope the House will adopt this amendment. I know some Members will say they do not want to begin a new project. This is not a new project. It is the missing link in our national defense program.

It is 481 miles from the Gulf at Mobile to the Tennessee River along this Tombigbee inland waterway. More than half of that distance has already been constructed. With the construction of the Demopolis Dam which is now under way, it will be completed all the way up to Gainesville, Ala. The completion of the short stretch, between Gainesville and the Tennessee River means more to the American people, from the standpoint of national defense, as well as that of navigation than any other project of its kind that has ever been proposed.

This project was approved by an act of Congress in 1946, and already the Army engineers have spent $576,604 on the planning for the construction of this project; and are ready and anxious to speed up its construction. It will cut the water distance between the Gulf at Mobile and our atomic bomb plant at Oak Ridge, Tenn., by more than 800 miles.

It will cut the water distance between the Gulf at Mobile and our new atomic bomb plant at Paducah, Ky., by more than 300 miles.

It will cut the cost of transportation between those points to the irreducible minimum, and still save the swift current of the Mississippi for the downstream traffic.

This project is more important from the standpoint of national defense than all the billions you have poured into the rat holes of Europe, Asia, Israel, Africa, and Japan through the so-called Marshall plan.

Today the Aluminum Co. of America, that great concern that manufactures the aluminum we need for our airplanes and for other defense equipment, is getting 95 percent of her bauxite from South America, yet instead of enjoying this short slack water route they have to ship it up against that swift current of the Mississippi, which sometimes runs so fast that a barge cannot navigate it at all. It will mean more from the standpoint of national defense than any other project of its kind that has yet been proposed.

Again, we are going to have to get our high-grade iron ore from some other source. Every informed person admits that. Today the United States Steel Corp., and other big steel concerns have gone to Venezuela and bought interests in those high-grade ore mines that have been discovered in Venezuela, which they tell me are the greatest the world has ever known. They are going to need a cheap slack-water route to bring in this material.

It will mean more to the people in the State of Ohio than any other project that has yet been proposed, for the simple reason that it will not only furnish a slack-water route from the Gulf to the Great Lakes but it will furnish what will amount to a slack-water route all the way up the Ohio River up to Cincinnati, and other cities along the Ohio on up to Pittsburgh, Pa.

It will furnish a slack-water route for bringing in the essential raw materials that are necessary for the operation of those great plants, and at the same time,

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as I said, save the swift current of the Mississippi for the downstream traffic.

It will mean more to the State of Indiana than any other project of its kind that has yet been proposed, as well as to Wisconsin, Minnesota, Michigan, and all those States up and down the upper Mississippi, the Illinois, the Ohio, the Tennessee, and the Cumberland Rivers, as well as along the Great Lakes.

It is the missing link in our national defense program as well as the missing link in our internal-waterway system.

Let me show you some of the saving it will bring. The other day a man from Detroit, Mich., wrote me that they were shipping hundreds of automobiles down the Ohio and the Mississippi by barges, but, he said, "We need a slack-water route to come back on." He said they are bringing back oil.

Where do they get that oil? They can get oil at Demopolis, Ala., which is right on the edge of one of the greatest oil fields in the world. The first oil well ever brought in east of the Mississippi which produced 1,000 barrels a day was in Jasper County, Miss., just west of Demopolis. Let us see what this would mean. A 14,000-ton barge going from Demopolis, Ala., to Cairo, Ill., by this Tennessee-Tombigbee route would have its cost of transportation—and I am speaking now about the fuel bill alone—cut from $37,520 to $9,380, a saving of $28,140. That is on the fuel bill alone. At the same time, as I said, they would have the swift current of the Mississippi for their downstream traffic.

Supppose this material is going to Oak Ridge, Tenn., where our atomic plant is located and where we need it most. Let us see what the cost of shipping this material to Oak Ridge, going from Demopolis to Oak Ridge, would be. The cost would be cut from $43,120 down to $4,760, or a saving of $38,360 on the fuel bill alone. Is that a new project? Is it a new project when we propose to complete the missing link in our national defense program? If you are going to vote against money for a project of this kind you might as well kill the entire bill.

Suppose this material is going to our new atomic-bomb plant at Paducah, Ky. The cost would be cut—and I am talking about the fuel bill alone now—from $37,520 to $9,380, or a saving of $28,140 on the fuel bill alone for a barge load of 14,000 tons.

This would mean more to the State of Pennsylvania than any other project of its kind yet proposed. Even the St. Lawrence will not mean as much to the Pittsburgh area, for the simple reason that this project will provide a slack-water route from the Gulf of Mexico right into Pittsburgh, where they need this iron ore, and where they need this bauxite, to manufacture the aluminum and steel necessary for our national defense. It means taking in all the ore that they are bound to get and which they are bound to have if they carry on the great industries that Pittsburgh is now operating. It means more to the States of Ohio, Indiana, and Illinois, which have hundreds and hundreds of miles of frontage on the Ohio River and on the upper Mississippi and on the Great Lakes and the Illinois that would be served by this project. It is not a power project. This is merely the completion of our inland waterway system. For you people in the West—in the State of Kansas, when you undertake to ship goods up to Kansas, what do you do? You have to climb that swift current of the Mississippi which at times runs as fast as 7 miles an hour, and when it flows more than 5½ miles an hour, no barge can navigate it. So, for a large portion of the time you are shut off entirely. Up as far as the Missouri River is navigable it will provide a slack-water route for your returning traffic.

Let me say to you Members from Nebraska, Iowa, Kansas, and all the other States west of the Mississippi River, that you are paying doubly, if you please, for your transportation of finished products which you ship east. You are paying a one-way freight rate which is robbing and plundering your people of untold millions of dollars every year. I appeal to you to adopt this amendment, and let us move forward with this great development.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. ELLIOTT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to associate myself with what the gentleman from Mississippi [Mr. RANKIN] has said in regard to this project, and particularly its civilian aspects.

In addition, I want to emphasize something in connection with the desirability of building this project in the interest of national defense. In that connection I desire to read a part of a statement which was made to this House a little more than a year ago, on May 8, 1950, by the distinguished gentleman from Georgia [Mr. VINSON], chairman of the Committee on Armed Services of this House. At that time Mr. VINSON said:

Mr. VINSON. Mr. Chairman, the national defense is vitally involved in this project.

This project gives our Nation a short slack-water route.

And why is that important to the national defense?

It shortens by more than 800 miles the distance from the Gulf of Mexico to our atomic-bomb plant at Oak Ridge.

It cuts the cost of transportation by 50 to 75 percent.

It gives us an additional outlet to the sea in time of emergency.

It gives us a connecting, highly important slack-water route from the Gulf of Mexico to the Ohio River, to the upper Mississippi, to the Missouri River, to the Great Lakes.

In this day of snorkel submarines, of guided missiles shot from submarines against our coastal cities, possibly with atomic waterheads, how vital can a slack-water inland transportation network be?

Of course, we have no way of knowing, in time of peace.

I point out that since that statement was made, as we all know, this country has become involved in one of the most serious wars. A war that has caused more casualties in its first year than we suffered in the first year of World War II.

At the time referred to the gentleman from Georgia further said:

But in time of war its importance can be incalculable.

As an example, I think of the terrible depletion, in the last war, of the Mesabi iron-ore range.

Two years ago the Armed Services Committee had a forecast from an industry leader that in the very near future our great Nation will be substantially dependent upon Brazil and other South American countries for high-grade iron ore.

Now, just how, in time of war, will we get that iron ore, if we have to have it?

That is the kind of defense question that has interested me in this Tennessee-Tombigtree inland waterway.

I recall only too vividly our tragic experiences with German submarines in the last war.

Why, members of the committee, even the Caribbean became almost impassible.

Ships were being sunk, one after the other, right off New York Harbor.

And that was before the snorkel submarine.

That was before guided missiles.

That was before atomic energy.

I shudder to contemplate the next submarine war—with submarines fighting submarines—with homing devices guiding torpedoes—with submarines serving as carriers of long-range missiles guided by radio to their targets—missiles armed, possibly, with such terrible destructive warheads that it may well be that the future submarine will be able to devastate the coastal areas of the entire Nation.

The grief we had in the last war in trying to get our tankers, our coastal shipping, or Liberty ships through is all too vivid in my mind.

We missed only by an eyelash the losing of the war to the submarine.

And today, Russia has far more submarines—about six times as many—including the modern, deadly snorkel type, that Germany had in her possession at the outbreak of World War II.

Its potentialities in time of war are enormous.

To my way of thinking, with national defense our No. 1 requirement today, that fact must play an important role in the decision of the House on this project.

It will save vast amounts of transportation cost.

It permits the newly discovered, extremly rich iron ore deposits of Venezuela to be brough more cheaply—and, of much greater importance, far more safely—to our great steel centers such as Pittsburgh, Cincinnati, Youngstown, Chicago, Detroit, and St. Louis.

Mr. Chairman, this project has been before the House since I have been a Member, since 1949, and for that matter for a hundred years before that time.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ELLIOTT. The building of the Pickwick Dam on the Tennessee River raised the level of the water of that river about 54 feet and made this project practical for the first time about 1938. Since that time the Congress became convinced of its practicability, and in 1946 enacted a public law which made

this project one of the rivers and harbors projects for the whole country.

If the project was justified in 1946, in time of peace, it is, Mr. Chairman, 10 times more justified in times of grave and great emergency such as we are passing through today.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from Mississippi.

Mr. RANKIN. Every great engineer who has investigated this project since the building of the Pickwick Dam, including General Wheeler, one of the greatest engineers this country ever saw; including General Reybold, another great engineer; including General Farringer, another great engineer, every single one of them—and General Pick, too, the present Chief of Army Engineers, as the gentleman from Alabama [Mr. BOYKIN] suggests, has approved this project and said that it was not only feasible but necessary to complete our inland waterway system, which is now a part of our national defense.

Mr. ELLIOTT. I thank the gentleman for his contribution, and I want to say here that there is no one who is more thoroughly familiar with the need for this great project than is the gentleman from Mississippi [Mr. RANKIN].

The attempt is sometimes made, Mr. Chairman, to make this a local project, a project of local application to west Alabama and northeast Mississippi. No impression could be given the membership of the House that would be more erroneous than that. It is so vitally tied to the entire waterway system of this country as to be equally valuable and equally necessary to all the eastern half of the United States that is tied to our inland waterway system. Had we gone ahead and built this project in time of peace, of course, we could have built it for about $30,000,000 or $40,000,000 less than we would be able to do it today; and I predict, Mr. Chairman, that every single year we postpone this project the cost will increase from $15,000,000 to $20,000,000.

Let us see whether or not this is a local project. A day or two ago I received from Hendersonville, North Carolina, a letter from a gentleman who lists himself on his letterhead as being a consulting engineer, in which he makes this statement:

> The importance of this canal has tremendously increased in the last year or so, not only for defense purposes, but to the economy of the central part of the country, due to the increasing needs for the large iron ore reserves that have been brought under development in Venezuela, Brazil, and Africa and the need for cheap transportation of this iron ore by river from Mobile, where large unloading facilities are now being erected, to the Tennessee and Ohio Valleys where there are extensive deposits of coking coals.
>
> This is certainly now not a local matter of interest, but of much importance to all the States bordering these great now improved river channels of commerce from western Pennsylvania westward, and the comparatively moderate sums required for this construction should receive the support of all the States in that area.

Mr. Chairman, all of us feel, I believe, that this period of war emergency that we are presently in is likely to last—although we hope in less intensity than it carries with it today—for a period of 10 or 15 years. The time is coming when a showdown with the godless forces of communism that have stolen the hearts of 800,000,000 people in the last 4 or 5 years is going to have to be made by our country. We might as well face that fact. Perhaps we can postpone it, I hope that we can, I hope that it is not immediately upon us, but, nevertheless, the time of reckoning is approaching. I therefore urge the committee to give favorable consideration to this amendment to the end that we may get this great Tennessee-Tombigbee Waterway project started and get it built while we still have time. It is false economy of the grossest kind to postpone its construction for another year.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, the Tennessee-Tombigbee project is in the budget this year for only $100,000 for planning—no construction funds. According to the current estimates of the Corps of Engineers the Tennessee-Tombigbee project will cost $179,264,000. So far only $898,000 have been spent. The Corps is requesting in the budget this year only $100,000 for planning.

I would like to make this comment about the amendment offered by the gentleman from Mississippi: Over past years there has been a constant effort to try to include this project in the civil functions appropriation bill. As a result of the efforts of the gentleman from Mississippi and others the project has gone along to a very limited point. Over the past years there has been a considerable amount of criticism of this project by very responsible individuals in the Government and on the outside.

As a result of this criticism and in order to find out the facts concerning the project to determine whether or not it is economically justifiable, whether it is engineering-wise feasible, at the very present time our subcommittee on civil functions is holding a very, very important investigation on the project. It would be the height of folly for this Congress, while we are holding these hearings, to go ahead and authorize $5,000,000 for the Tennessee-Tombigbee project. These hearings will be completed within a month. Until the committee has gone into every single aspect of this project the Congress would be most unwise to authorize any construction fund.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. I think the gentleman has hit at the nub of the proposition. This is an old chestnut that previous Congresses under more favorable circumstances have turned down time and time again. Now the circumstances are such that we should not consider this new project, even if the acknowledged feasibility and the acknowledged need at some time or other were more clearly shown than they are at the present time. I think it cannot be disputed that the Army engineers as of this moment are not prepared to use the $5,000,000 that the gentleman offers in his amendment; that their planning is not yet complete, and that there is some very serious question in the minds of the members of the subcommittee with respect to the planning that has already been done. Assuming that this is new, and it is new, then you would have to find some very urgent defense necessity in order to proceed with the construction of this project at this time, and I think the gentleman from Michigan [Mr. RABAUT] is prepared to show that contrary to any defense necessities, the record shows that there is nothing urgent, and that the Government agencies concerned have informed the committee that now is not the time to proceed with the construction of this project.

Mr. FORD. I thank the gentleman from Wisconsin.

Mr. RANKIN. The Army engineers did not tell you that.

Mr. FORD. This project is one of those that is absolutely deferrable at the present time. The fact that the Bureau of the Budget and the Corps of Engineers only asked for $100,000 is excellent evidence that they are not prepared to go ahead and use any construction money. The most they could do in the year ahead under their own schedule is $100,000 for planning. If the Army engineers did not request $5,000,000, they certainly are not prepared to go ahead and spend $5,000,000 to the economic advantage of the country as a whole.

I would like to say this in conclusion: The Corps of Army Engineers have estimated that it will cost $179,000,000 to construct this project over a period of 8 or 9 years. A number of competent people who have gone into the cost of this project very thoroughly have come up with figures which are considerably higher than the $179,000,000. These estimates reach well over $200,000,000.

Mr. Chairman, I urge the House to vote against this amendment by the gentleman from Mississippi.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. JONES].

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Mississippi.

Mr. RANKIN. The money the gentleman from Michigan talks about, that is asked for planning is the last $100,000 necessary to complete the planning of

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this project, but the Army engineers said they could easily use $5,000,000 for construction purposes on this project.

Mr. JONES of Alabama. I thank the gentleman.

Mr. Chairman, in order that we may review briefly what has transpired since the authorization of this project in 1946 it is necessary for us to examine the general transportation systems that presently exist throughout our country. Since 1946 we have increased the number of vehicles on our highways by some 45 percent. Every highway, every road, is being taxed to its full limit in the number of vehicles using them at the present time. You will recall that last year we appropriated some $600,000,000 for the continuation of the road system that you had heretofore seen fit to authorize. In addition to that, we have a very critical situation existing in the railroad transportation system of this country. When the National Production Authority granted DO orders to our railroads they gave priorities for steel in the amount of 9,000 cars per month. They stated in the request for those orders that it would be absolutely necessary that they produce that number to supply the needs of the railroads. Up until the present time they have not produced more than 6,000 cars per month. We are falling behind in the construction of cars to carry out the normal functions of our railroads in addition to carrying the extra burden that is being imposed upon them by the defense preparedness program.

Now let us go back and examine and see what is taking place in the development of our waterways. On the main stem of the Mississippi River we have spent—I mean spent and not authorized—$1,700,000,000 on the navigation features that make it feasible for the operation of our boats on this stream. We have spent $150,000,000 making the Tennessee Valley navigable from the confluence of the Ohio to Knoxville, Tenn. We have spent additional millions on the tributaries to the Mississippi including the Ohio. All of these projects are designed and developed to make water transportation feasible and economical. This project adds to the tremendous value of the waterway transportation systems already constructed in the eastern part of the United States.

This is a fine investment, a wise investment in the future economic development of our great country. It is a resource in which we should invest. It will be repaid like other waterway transportation developments have repaid themselves.

Not only was the report of the Corps of Engineers favorable in 1946 when this work was authorized but it becomes of increasing value in relationship to the developments on other tributaries of the Mississippi River. We authorized the development of the works on the Arkansas River and on the Red River, and the harbor developments down at New Orleans. As was so well pointed out by the gentleman from Mississippi, these waterway systems are going to be further taxed because to carry out the program of national defense it will be absolutely necessary that we use all the facilities at our command to insure an orderly and continuous flow of war materials and the articles necessary for domestic commerce.

Mr. Chairman, I hope the Committee will accept the amendment offered by the gentleman from Mississippi.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT] to close debate on the amendment.

Mr. RABAUT. Mr. Chairman, the investigation by the House Committee on Appropriations which is still pending was conducted by a staff of two engineers, an economist, and an investigator. Files of the Corps of Engineers were studied. In addition, the site of the proposed project was visited and numerous people in the general area of the project were interviewed.

The cost-benefit ratio of this project is not 1 to 1.13, the ratio is 1 to 0.32.

The total cost of this project is not $179,000,000 but at least $236,000,000. The annual charges will be over $10,500,000.

On the question of iron ore, the distance from Venezuela to Baltimore is slightly less than the distance to Mobile. The rate from the port of entry, Baltimore, to Pittsburgh by rail is $2.61. The barge rate from Mobile to Pittsburgh would be $4.16.

When you talk of national defense and talk of atomic energy—I have a letter here addressed to our Chief Investigator, from the Assistant Secretary of Defense, W. J. McNeil:

ASSISTANT SECRETARY OF DEFENSE,
Washington, December 26, 1950.

Mr. JAMES J. MALONEY,
Chief Investigative Staff
Committee on Appropriation,
House of Representatives.

DEAR MR. MALONEY: Reference is made to your letter of September 12, 1950, concerning the interest of the Department of Defense in the Tennessee-Tombigbee Canal.

The question has been brought to the attention of all organizational divisions of this department which might have such an interest and none considers this project as essential to national defense at this time.

Obviously, anything which contributes to the improvement of the economic position of the United States has a bearing on national defense, but in this regard the project is not considered to have sufficiently high priority as to warrant military support at present.

W. J. MCNEIL.

There is a letter on this very project from the Atomic Energy Commission by M. W. Boyer, the General Manager, to the chairman of the full committee, the Honorable CLARENCE CANNON. The letter is as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., May 23, 1951.

Hon. CLARENCE CANNON,
Chairman, House Appropriations Committee.

DEAR MR. CANNON: Mr. Vechery, chief of the investigating staff, House Appropriations Committee, called our Mr. Keichan last night and requested that we advise you as to any interest of the Atomic Energy Commission in a project proposed by the Corps of Engineers for the construction of the Tombigbee-Tennessee waterway.

We had occasion to ascertain our interest in this project in October 1950 at the request of Mr. James J. Maloney, of the investigating staff of the House Appropriations Committee. We discussed the project at that time with our Oak Ridge operations office, and it did not appear that the Commission would have any particular interest in the construction of the proposed canal as we anticipated obtaining little material over the proposed route. As you no doubt know, the use of natural gas at Oak Ridge has very substantially reduced the required coal shipments to Oak Ridge. There have been no developments since last fall which would warrant any change in our previous conclusions.

If there is any additional information which we can supply, we will be pleased to do so.

Very truly yours,

M. W. BOYER,
General Manager.

Mr. Chairman, with this evidence before us, and with the cost ratio appearing as it now does after closer study, this project cannot now be justified. I ask for a vote on the amendment offered by the gentleman from Mississippi.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was rejected.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 6, after line 20, insert "for planning for rivers and harbors by the Army engineers, $1,000,000."

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, and that the committee be recognized for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan [Mr. HOFFMAN] is recognized.

Mr. HOFFMAN of Michigan. Mr. Chairman, I always hesitate to disagree with my good friend the gentleman from Mississippi [Mr. RANKIN]. I admire him for his sincerity, integrity, ability, and patriotism. In the short time I have been here, only some 17 years, I know of no Member—and, of course, I know that comparisons are not in order—who has spoken more often for Americanism, for the welfare of our people, the security of this country of ours than has the gentleman from Mississippi.

But when he talks about giving this $1,000,000 to the Army engineers for planning for future public works I just cannot go along. As I understood him, the money was for the purpose of making surveys and for planning future river and harbor improvements. I say to my good friend that if the policy of his party or perhaps more accurately the New-Fair Deal policies and of Secretary of State Acheson continues, we will need to plan for more cemeteries than we will improvements to our rivers and harbors. As General Wedemeyer told the Senate committee Korea is a bottomless pit into which our men are being thrown by the UN and Acheson and Marshall and to no purpose. I am sure the gentleman

agrees with that and that we ought first to do the things which have to do with the welfare of our people, the safety and the security of our Republic.

I cannot see the advisability of spending $1,000,000 at this time on planning for river and harbor improvements. Since when has either the New or the Fair Deal needed to do any planning for spending?

The gentleman's section of our country ever since the Civil War, and especially since the coming in of the New Deal—and I do not understand why the gentleman is not for the New Deal more unless and I am sure that is the situation, it is that he does value the safety of the country more than he does the material benefits which have flowed to the extent of billions and billions of dollars, and I want to compliment the gentleman on his service to the South—into the South. I am only afraid that he is going to get everything my State has, that he is even going to take my back yard and plant it somewhere down there and on it grow cotton after he gets the price fixed to suit him.

Where are we going? Let us call a halt. I know the gentleman is in favor of economy for this country. If we had followed his advice over the years we would not be in the fix we are in; we would not be in this war had the Congress followed him when the repeal of the Embargo Act was up in 1939. Am I right?

Mr. RANKIN. The gentleman is entirely right.

Mr. HOFFMAN of Michigan. Sure, I am right.

Mr. RANKIN. On this proposition.

Mr. HOFFMAN of Michigan. Right more often than the gentleman thinks. But I shall have to turn him down on this one. No hurry about his amendment. We will have the Tombigbee River with us just as long as the gentleman is in Congress, and he can ultimately take care of that.

The CHAIRMAN. The gentleman from Michigan [Mr. FORD] is recognized.

Mr. FORD. Mr. Chairman, speaking in opposition to the amendment offered by the gentleman from Mississippi I should like to call the committee's attention to one very, very important fact. The Corps of Engineers requested $1,000,000, and in justifying their request the corps said they wanted the million to plan nine projects, the total cost of which after the plans were prepared would be over $1,300,000,000. If you want to stop the construction of these projects that will eventually total $1,300,000,000 you should cut out the planning money of $1,000,000.

Let me add one thing more; according to the sheets prepared and submitted by the Corps of Engineers to the Civil Functions Subcommittee we now have river and harbor projects approved, projects under way and not finished totaling $2,900,000,000. That is a substantial amount of unfinished work which should have funds first. It can be seen we will have plenty of work for the Corps of Engineers to do in the next few years without putting in a million dollars in planning money for the spending of an additional $1,300,000,000 in new projects.

The CHAIRMAN. The gentleman from Michigan [Mr. RABAUT] is recognized to close the debate.

Mr. RABAUT. Mr. Chairman, for planning rivers and harbors the Corps of Engineers had in 1950 $1,285,000; that is what they spent. They have for this year $3,189,800. Much of these funds will be carried into the next year. I hope that all who take part in this debate today will not undo all the good we did in spending huge sums of money indirectly for the national effort, by saying things here that are offensive to our allies in every part of the world. Let us start to look at this thing as a whole. After all is said and done, what is done in this room is done for America, done for us, done for that figure that we represent to the entire world, Uncle Sam. Let us not be injecting every other piece of legislation because we are dealing with the home problem today. The home problem is one thing; the problem at the office is another.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. I want to point out to the gentleman from Michigan that one of the projects which of the nine were included for planning in the amount of a million dollars has never been authorized by this Congress. There is $150,000 out of the $1,000,000 for a project that the Congress has never given its approval to.

Secondly, our biggest trouble in attempting to intelligently evaluate these requests for funds for these projects has been due to the fact that in many cases the authorizations are four or five years old and the plants have not been brought up to date with respect to the amount of money that will be required.

Our subcommittee felt that the intelligent and the proper thing to do is to require the Engineers to consolidate their planning and their thinking on the projects which have had some planning done on them, some of these 413 projects that are pending at the present time, before we enlarge the field and scatter buckshot all over the country.

Mr. RABAUT. Let the Members of the House recall that I just told them they have over $3,000,000 at the present time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 23, noes 95.

So the amendment was rejected.

Mr. GREENWOOD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREENWOOD: Page 5, line 21, strike out "$162,860,500" and insert in lieu thereof "$163,088,500: *Provided*, That not to exceed $228,000 shall be available for Fire Island Inlet, New York."

Mr. GREENWOOD. Mr. Chairman, I cannot help but think as I listened to the testimony and tribute to the gentleman from North Carolina [Mr. KERR] that if it were sent out to all the schools of these United States as an example of civic duty it would do more good than many civic lessons I have heard and have taught. I wish the Members would spread this information in their own communities as to the valuable work the Members of this House are doing in Washington.

I am in full accord with the intense desire and determination of the Members of the House to economize, as my votes in this session have already shown, yet, there are cases which, in the minds of the people of certain localities, and I believe in the minds of the committee which heard the arguments on this civil functions appropriations bill, are pertinent to the cost of living as well as to the defense program.

Under this category comes, what we on Long Island, call the Fire Island Inlet project, that is the dredging or opening of the channel from the Atlantic Ocean to the Great South Bay Shore of Long Island, the only coast line of the State of New York. This project, for which $228,000 has been requested, is essential for defense and also for the preservation of our civilian economy.

We must save our extensive shellfish industry, our fishing industry, our boatbuilding industry, our shipping industry, by which fuel oil, coal, feed are transported by tanker rather than by road. I would like to tell the Members that the tankers that are passing through the Fire Island Inlet today are only able to load 50 percent of their capacity. In regard to our production on Long Island, it is no playhouse. Long Island is no longer a playhouse locality; it is a place of industry. The population in my district has grown in 10 years from 270,000 to 440,000. We produce on Long Island 12,000,000 pounds of Long Island ducks. We produce 12,000,000 pounds of fish and shellfish and 15,000,000 pounds of oysters and clams, 74,000,000 pounds of cauliflower and 750,000,000 pounds of potatoes. From those figures it is obvious that the Fire Island Inlet is an important avenue of transportation to and from this important section of Long Island. We have a great number of defense plants on Long Island, including the Brookhaven Laboratory in which the Government has sunk millions upon millions of dollars. We have also, as you know, the Grumman plant and the Republic plant and other plants as well.

Equally important, if not even more vital, are the defense aspects of this project. The Coast Guard station, maintained at great public expense, at the inlet would be ineffective, unless this improvement is made, in going to the assistance of any disasters occurring in what is known as a graveyard in the Atlantic Ocean, off the coast of Long Island, and into the harbor of New York.

Also, in the case of atomic bombing, the millions of people in the city of New York, would, if they could, teem out of the city. They would be blocked in their escape on the roads already conjested. If the bridges were bombed, there could be only one avenue of escape, and that would be by water transportation.

The Fire Island Inlet project, which involves only the sum of $228,000, should, in my estimation, not have been left out of the bill, and I hope that some way

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can be found to include it in this legislation. In my mind it meets the President's criteria of being necessary for defense and for the maintenance of essential civilian economy.

This is not a new problem. Work was done on the Fire Island Inlet about 10 years ago.

Mr. Chairman, I hope the committee will accept the amendment.

Mr. McGRATH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know that politically it is unwise for me to take this step, but I recognize at this time we must put aside political considerations. My deep and genuine affection for the distinguished gentleman from New York [Mr. GREENWOOD] would prompt me, normally, to attempt to agree to his amendment. I recognize, and so do my colleagues on both sides of the aisle, how diligent he has been, yes, and how persistent he has been in attempting to get this subcommittee to approve his project. I know, too, politically, that he comes from a district where it would be to the advantage of my own party if this could be achieved. But, I respectfully submit to this House that political considerations and personal friendships must be put aside when we are dealing with a bill amounting to over $514,000,000. No budget estimate has been made for this project. The engineers requested no funds for it.

We have set up a test that we thought was fair to the people of the entire country, that no new projects, no unbudgeted items, would be considered. If a budget estimate is obtained, I would be happy to assist the gentleman to have the item added in the other body. The gentleman from New York [Mr. GREENWOOD] is working toward this end. It is with some reluctance that I oppose this amendment and ask that it be voted down.

The grave danger in adopting an amendment of this character, although it calls for only $228,000, is that you are faced with $13,000,000,000 of expenditures once you make an exception. There is $5,300,000,000 now under construction, $4,000,000,000 in the planning stage, and over $3,000,000,000 authorized but not started in the line of construction. So I say that while this amount may be small, while there is a crying need for the improvement, and while the gentleman from New York has been most diligent, yet we must live up to the tests heretofore stated, without exception. This bill will have a sound budgetary effect on our national economy. I must reluctantly, nevertheless sincerely, oppose this amendment. I ask that it be voted down.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. McGRATH. I yield.

Mr. DAVIS of Wisconsin. The very commendable attitude which the gentleman from New York has exhibited on this amendment prevailed through the entire discussion and the marking-up of this bill in the subcommittee.

Mrs. BOLTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, no one is more aware of the dramatic need for economy with which this country is faced than am I. Our people are already carrying a heavy tax load and are soon to be asked to add to their burden. It follows that as a Congress we must not impose upon them national expenditures that are not a definite part of a clear-cut defense program—that do not fit into the long-range picture of a strong and impregnable United States. But the people expect us to see to it that defense is adequately planned for and carried out.

Probably none of the subcommittees of the great Appropriations Committee has a more difficult task than that dealing with the civil functions of the Army, whose program we have been considering for several days. Under the very able leadership of the distinguished gentleman from North Carolina [Mr. KERR], its work could well be a pattern for us all.

It has been my fortune to appear before them on various occasions. Always well informed on the matters under discussion, they draw from those testifying the heart of the matters involved. No one could question the conscientiousness of their study of the facts as presented nor their desire to see imperative work done. Upon them lies the burden of weighing one project against another and the final increasingly difficult choice.

One of the budgeted projects eliminated this year by the committee is that of the long-authorized and steadily progressing work on the Cleveland Harbor.

I had thought that no one need be reminded that our steel output is the yardstick by which we measure our effectiveness in all our other production, both defense and nondefense. Yet, with the Cleveland area being called upon by the Nation to produce more and yet more steel for the defense plants, no provision is being made here for making possible the delivery of the extra tonnage of ores that are and will be increasingly needed to produce that steel.

Cleveland has only 1 percent of the Nation's population. Yet it accounts for 2 percent of the Nation's industrial production. It is preparing to do more. Two of our big steel plants are at this moment carrying out expansion programs which will cost between $100,000,000 and $130,000,000. The Ford Motor Co. is building the largest foundry in the world there. How are they to be supplied if the harbor and the river will accommodate only the smaller boats, which are years out of date, and will not adequately carry the larger, more efficient new-type ore boats?

Nor is this all, Mr. Chairman. Cleveland is an important point for transshipping of ores and materials to Youngstown and other points to the south. A bottleneck in this harbor means a bottleneck in many, many other plants. We cannot afford to risk such a tie-up at this point in our defense program.

Cleveland Harbor last year handled nearly 15,000,000 tons of ore and limestone. Under the steel expansion programs I mentioned, it will be expected to carry 2,500,000 tons more than that in the coming year. Our national steel program will be seriously hindered if the harbor is unable to accommodate this added traffic when these new facilities begin to function.

Let me remind you that the work on the Cleveland Harbor has gone forward under provisions set forth in Public Law 647 of the Seventy-sixth Congress setting up provisions for the relocation of certain bridges and roads and some channel work. This is a joint operation by the railroads, the Federal Government, and the city of Cleveland. The city has spent some $12,000,000 on its part of the project, the Federal Government has spent $3,667,900, and the railroads stand ready with their share as soon as the work progresses to that point.

Mr. Chairman, steel is the crux of our national defense program. Without a constant increase in our production of steel there cannot be the machine tools and all the other devices that mean supplies and equipment for our Air Force, our Navy, and our indispensable armies. Without a constantly increasing supply of ore and other needed materials, foundries, furnaces, and mills cannot produce steel.

Through the Cleveland Harbor must flow the ore required by the huge factories of the Cuyahoga Valley as well as mills in Youngstown and Pittsburgh. To meet the national need, such great companies as the Republic Steel, Jones & Laughlin, are spending hundreds of millions of dollars on new plants. Ford is in process of putting up what will be the largest foundry in the world in connection with its new Cleveland plant. Their needs must be met.

The program as set up in the Seventy-sixth Congress would meet the situation. Unfortunately the timing has been seriously slowed down by the cuts recently made. No one can estimate the harm that may result from the elimination of all Federal moneys this year, for it will not become dramatic until the interference with the steel production program contemplated by the tremendously enlarged mill capacity evidences itself.

I wish it were possible for the Members of this House to see for themselves what goes on. I wish you could see the new ore boats being gentled around the curves and under the old bridges with only a few inches to spare. Only the most skillful of captains could manage. But even these cannot prevent the overhang of these new vessels from turning over boxcars and parked automobiles. The time involved in getting these big boats to the docks, the waiting vessels in the harbor and the great furnace up-river waiting for the ore would be impressive to you—particularly if you could project yourselves 1 year, 2 years, 3 years ahead with the country clamoring for more steel and more steel.

Mr. Chairman, I bring this to the attention of the House today because I understand every effort will be made in the other body to reinstate the budgeted $1,000,000 which has been deleted here. It is my earnest hope that this effort may be successful and that when the matter goes to conference the House conferees will agree to this important defense appropriation.

Mr. REED of New York. Mr. Chairman, will the gentlewoman yield?

Mrs. BOLTON. I yield.

Mr. REED of New York. My brothers were navigators. They were masters of the largest steel ships on the Great Lakes. They have told me repeatedly of the importance of the very improvements which the gentlewoman is now expressing, and surely if they are important in times of peace, they are much more important in time of war.

Mrs. BOLTON. I thank the gentleman. His contribution is most helpful.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GREENWOOD].

The question was taken; and on a division (demanded by Mr. KLEIN) there were—ayes 30, noes 92.

So the amendment was rejected.

Mr. BENDER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to support the argument made by my distinguished colleague, the gentlewoman from Ohio [Mrs. BOLTON].

I want to point out just as strongly as I can that the elimination of the bridges which are interfering with navigation on the Cuyahoga River is most vital to the present and future industry of Cleveland, particularly our iron, steel, and ore industries. The transportation of ore is rapidly going to the larger size boats, which are materially more economical than the smaller boats. The small boats are rapidly being taken out of the ore trade, and as this continues, the security of the iron and steel industry along the river is naturally threatened.

I am sure that you appreciate this trend, and also appreciate what the replacement of these bridges means to the industrial life of Cleveland. I am fully familiar—and I think those of you here who are interested in this project are in agreement with—in fact, commend the efforts being made to reduce Government expenditures; and if this expenditure were in the category which could be delayed without affecting the industrial life of Cleveland, as well as the present defense effort, we would not be urging this matter upon you. Because of the fact that it is so important to our industrial life here, we do feel justified in asking that every effort be made to include this appropriation of $5,000,000 in this year's budget.

This improvement has been acknowledged as necessary by the Army engineers and by every recognized authority. Such outstanding industries as Republic Steel Co., Midland Steel, the American Steel & Wire Co., the Ford Motor Co., and many other industrial plants. As a result of this bottleneck, production and transportation has been hampered tremendously.

I hope that when this bill comes back from the Senate the conferees will find some way of providing the money for this project. I am not offering an amendment. I am simply supporting the argument made by the gentlewoman from Ohio [Mrs. BOLTON], calling it to your attention. I trust that when the other body considers this project it will include the Cleveland Harbor improvement, and I hope the conferees on the part of the House will support this most worthy expenditure.

Mr. ANFUSO. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ANFUSO. Mr. Chairman, may I take a few minutes to warn my colleagues of a perilous situation in Italy which can endanger our whole European-defense program.

We have just received the returns of the elections in Italy. The New York Times and all of our newspapers report gains for the pro-Soviet parties and a considerable decrease in strength of the anti-Communist coalition.

Mind you, of the 6,563,000 ballots cast in the provincial elections, the left Socialist-Communist bloc received 2,530,000 votes, or 38.5 percent, compared to 36 percent in the same provinces in 1948 when America went all out to assist the anti-Communist forces. I remember that election fully well, because I personally caused to be sent a quarter of a million letters to Italy which prompted the New York Times at that time to call me the one-man crusader to destroy communism in Italy.

We also noted in this election of 1951 the rise of another party, the Social Movement Party—MSI—which received 125,000 votes. I have it on pretty good information that this party is Communist-inspired and appeals to former Fascists who could not be induced to follow the Communist label. It is just another front to attack the Democratic-Christian Party of Premier de Gasperi.

Now, why these gains—in spite of our aid to Italy through ECA program?

The reason lies in the unjust Italian peace treaty signed at Paris on February 10, 1947.

Under the terms of that treaty, Italy's armed forces which in 1938 totaled almost 8,000,000 men, including reserves, were reduced to 250,000 men.

Besides Italy is required to pay economic reparations to Soviet Russia, Yugoslavia, Greece, and Abyssinia. There are other unconscionable provisions of the treaty which I shall not discuss now. But it does seem to me that, by these two provisions alone, we are tying the hand of Italy to properly defend her borders and to protect herself internally.

The Communists certainly had plenty of ammunition to throw at the voters when they told them that in the contemplated treaties with Japan and Western Germany that there would be no economic reparations and no limitations on rearming these two countries.

It was recalled that Italy was a cobelligerent with the western allies from September 1943, when the armistice was signed and that she helped materially in defeating Japan and Germany.

It was further recalled that prior to to this armistice and prior to the landing of allied troops in Italy, the United States made a pledge to the Italian people by radio and leaflets that the sovereignty of Italy would be maintained.

How can this be done with an army of only 250,000, while at the same time she is required to pay reparations to Russia to build up her war potential, which some day might easily spell doom for Italy and the other western allies. I am afraid that the situation in Italy and in Europe is being completely overlooked and that we are being blinded by the Korean crisis. I beg of you, ladies and gentlemen, both Democrats and Republicans, do not let our country become so completely lost in Asia that we will open the doors wide for Russia to conquer Europe without any measurable resistance.

You know the trouble we have been experiencing to get France and England to organize divisions to aid Western Europe to defend itself.

Here we have a Christian country, which at heart will never become communistic, pleading with us to help it organize an army and navy of more than 3,000,000 men to help defend not only Italy, but all of Europe, and we keep on lending a deaf fear to her pleas.

Our American people have made it clear in no uncertain terms that they do not want to fight other people's battles all alone.

Italian soldiers want to fight side by side with our own boys. Is not it the height of folly not to permit them to do so?

You think Korea is important. It is. But I say to you that the Mediterranean is far more important. And do you know who controls Italy's main Mediterranean naval bases? Taranto and Spezia, as well as Leghorn and Brindisi—the Leftist.

I say to you—unstrap Italy's hands. Give her a fair treaty now when the danger is greatest before she becomes further strapped by the Communists that she can no longer be of any help.

Form now in the Mediterranean a strong Mediterranean Pact with the countries there—Turkey, Spain, Greece, and Italy.

Admit Italy to the United Nations. Let her stand side by side with the United States, which every person with real Italian blood loves so well, and as sure as there is a God above, the forces of freedom will conquer the diabolical forces of communism.

Mr. BUTLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUTLER: Page 5, line 21, strike out "$162,860,500" and insert "$163,165,500, of which $305,000 shall be available for the deepening of Buffalo Harbor."

Mr. BUTLER. Mr. Chairman, this is not a new project; it is an old one; they have been working on this for years, receiving just a little bit at a time. Originally it was a $16,000,000 project, but of this $9,000,000 is still to be done, so I am not asking for anything new. All I want is something old. The deepening of this river harbor will in my opinion be a great help in the defense effort of this country. We have to go up river to the plant of the Republic Steel Co.,

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and in the inner harbor we have the Bethlehem Steel plant, which latest reports I get show to be the third largest steel plant in the country.

The $305,000 which originally was in the budget request has been stricken out. All I am asking is to have restored the $305,000. At the present time we have the following situation up there: They were blasting under the river getting some of this rock ledge out and they disturbed the foundation of one of our bridges. We would like to get the $305,000 so that we can take care of this bridge. We do not want to repair the bridge, then have them blast in the same area again and damage the bridge. It is going to cost Buffalo $125,000 to repair the bridge.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. I yield to the gentleman from Michigan.

Mr. DONDERO. Was this item stricken out by the committee or was it stricken out or left out by the budget?

Mr. BUTLER. It was left out by the committee.

Mr. DONDERO. It was in the budget as an item?

Mr. BUTLER. That is right. All I am asking is to restore the $305,000 so that we can continue with our defense movement and help get the ore to the steel plants and the steel back out to the fabricators who need it.

Mr. NORBLAD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to commend the Appropriations Committee for their action in again refusing to appropriate sums for construction of Ice Harbor Dam.

This is a dam which would have little or no value from either a navigation or a power standpoint but would do irreparable damage to the salmon industry. I wish to point out that while the committee was asked to appropriate only $4,000,000 to start this dam that the entire project would total about $400,000,000, as it would be necessary to construct not only Ice Harbor but three other dams, namely, Lower Monumental, Little Goose, and Lower Granite. In other words, the attempt to obtain the $4,000,000 appropriation this year was merely a foot in the door to obtain over a period of time the necessary $400,000,000 to complete the project. A competent authority indicates that the construction of any of these dams would eliminate 75 percent of the salmon runs in the Columbia River. This would happen, of course, because the extensive spawning grounds in the Snake River would be completely blocked off. The salmon-fishing industry is a very important one. The Columbia River salmon-fishery resource, according to published reports of the United States Fish and Wildlife Service, produces an annual revenue of $17,440,000 per year. This figure is based upon the first processing level for the commercial pack which is credited with an annual revenue of $13,800,000 a year. This figure should be appreciated 30 percent to reflect the final value of this pack at retain level, thus bringing the total annual return from the resource to $21,500,000 a year. If this revenue is calculated on the basis of a 4-percent return, it reflects a capital value of $537,500,000. This resource has been utilized for almost a century, and in that period has produced well over a billion dollars in new values.

There has been a contention made that this dam was very necessary for upper Columbia River navigation but this argument, of course, is out of the window since the completion of a pipeline from Salt Lake City into this area. The only justification I have ever heard for the navigation feature of the project involved these oil shipments, and that, of course, is no longer of consequence.

As far as the power feature is concerned, the amount produced by Ice Harbor is negligible compared with that of Chief Joseph, Hungry Horse, McNary, and other dams soon to come into production.

It is my hope that this project has been killed, once and for all, but I presume that, as usual, the proponents will be back here asking for an appropriation next year and I hope that the House and the committee will again take the same action they have taken on this bill.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MILLER].

Mr. MILLER of New York. Mr. Chairman, I rise in support of this amendment for one very simple reason. Although I have been always on the side of economy during my short tenure in this House, I do not believe, and cannot believe, that the elimination of this recommended sum of $305,000 for project work in the port of Buffalo is on the side of economy.

It is not because I am one of those who favor reductions in appropriations in all things and everything except for those things coming directly into my district but I am for this amendment. Regardless of the geographical allocation of the funds to be spent, I sincerely try to always apply the test that if it is not good generally for America, it is not good for me or the people of my district. However the total estimated costs of the authorized projects for the improvement of Buffalo Harbor made some six or seven years ago is $16,146,000, of which only $4,623,000 have been provided to date. I realize and understand that part of the project includes works to be done up the river, which probably are not and should not be done in the immediate future because of the present emergency.

But I am asking support for the allocation of only $305,000, $250,000 of which is to be provided for entrance improvements near the south end of the outer harbor and for deepening a portion of the south outer harbor to 23 feet and $50,000 to remove shoals at the south entrance.

The areas proposed to be dredged have available a depth of only from 11 to 14 feet and thus form an unsurpassable barrier between the south outer harbor and the north outer harbor so that much of the available depth in the north and south outer harbors cannot be used for transportation, loading, and so forth.

Buffalo is one of the largest traffic harbors on the Great Lakes and, as Colonel Potter testified before the subcommittee, the commerce haul is practically the same as the foreign commerce of Baltimore and actually, I believe, is in excess thereof. Almost 20,000,000 tons in receipts and shipments annually.

The commerce consists principally of grain, iron ore, limestone, and petroleum—all vitally needed in our defense effort, and yet because ore ships have a draft in the neighborhood of 24 feet, much of the Buffalo Harbor is inaccessible to them, if they are to be fully loaded, and certainly now when time is of the essence, we want our ships fully loaded.

Through the port of Buffalo go many items needed in the West for the production of finished defense items, and though the port of Buffalo go many of these defense items when they are finished, and if you cripple the facilities of the port of Buffalo, you cripple the contribution of the Great Lakes and all the ports thereon to the general defense effort. It is only common sense that the port facilities in Buffalo should be comparable to the port facilities of Cleveland, Detroit, Duluth, and other cities on the Great Lakes so all commerce can flow unhampered across the Great Lakes in both directions at full capacity.

We are spending millions and millions to build railroads for Britain in Africa and have spent millions to rehabilitate the transportation systems of other nations. It seems that we can export, through bills passed on the floor of this House, billions in materials and dollars for the welfare of other people but one thing we will never be able to export is the commodity known as Americanism because we apparently have not enough to give to our own people. The only economies come in the crippling of our own natural resources, our transporta- economics came in the crippling of our own people.

The more than $4,000,000 spent to date on this project in Buffalo will have been of little use unless this project is at least extended to include the small item asked in this amendment so as to utilize all the facilities in the outer ports of Buffalo just to the simple extent that we shall have water deep enough to load the boats and room enough to tie them up.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MILLER of New York. I yield to the gentleman from New York.

Mr. REED of New York. We must not overlook the fact that Buffalo is one of the greatest ports on the Great Lakes. Buffalo also has two of the most outstanding steel mills in this country. There are no steel mills in the United States that are more important to our national defense than those located in Buffalo, N. Y. This item should be put in. I am sure if the committee really understood the situation so far as this great harbor is concerned and the need

for the improvement, the item would be put back in the bill.

Mr. MILLER of New York. I thank the gentleman for his contribution.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, although I take second place to no one in this House in a desire to retrench in the cost of government, to eliminating waste and extravagance, I feel compelled to rise to support this amendment because I do not think it is in the interest of economy or our national defense not to support or pass this amendment.

As the gentleman from New York [Mr. MILLER] has just pointed out, this minor item of $305,000 was requested by the engineers and the Bureau of the Budget. It only increases this project from 29 to 31 percent, and it is not a case of starting a new project. It is a case of deepening the harbor and removing the shoals. And, as the point has well been taken, this project is in the interest of our national defense and in the interest of the economy of our country.

While I am on my feet, I would like to commend the subcommittee for the fine work they have done, and I should like to call the attention of the House at this time to the report of the committee on page 2, where they say:

> At the present time the corps has under construction 413 river and harbor and flood-control projects involving a total estimated Federal cost in excess of $5,300,000,000. Furthermore, many of the projects for which planning funds have been requested were authorized a number of years ago. The economy of this country is a live and changing force. Transportation patterns have changed. Emphasis as to types of structures and locations have changed. Accordingly, the committee suggests that the Corps of Engineers make an economic reevaluation from a national standpoint of all projects presently in the planning stage with a view to effecting greater economies and a better integrated national program.

I should like to raise this question with the committee: What assurance have we in this House that such a survey or reevaluation would be made as to the importance of these projects, both as to those that are authorized and those projects that are planned, so that we can deal with these matters intelligently? If the committee has no such assurance, I think legislation should be introduced to bring about that end.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, this Buffalo Harbor amendment deals with a budget estimate of $305,000. It is not easy for me to oppose this amendment, but I want to read to you just what this stands for. I recognize the position of the Members from the area and I commend them for their devotion to their people and their projects.

This project is in its initial stage, being only approximately 29 percent completed. The funds requested for fiscal 1952 allow for new starts—get that—new starts within the project. According to Colonel Potter's testimony the funds will be for minor works. "Minor works" is a quote from his own statement.

It is recommended that the entire amount be deleted until such time as the Engineers believe it desirable to go ahead with the major portion of the work which would allow for the economic justification of the project.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from New York.

Mr. OSTERTAG. At this point I should like to have an answer to the question I raised as to what assurance the House has as to revaluation of those projects, those authorized and those planned.

Mr. RABAUT. The committee has recommended that to the engineers, and we are making more studies on it at the present time.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. DAVIS of Wisconsin. I concur in what the gentleman from Michigan has said, that last year substantial funds were provided for the northerly entrance, and that was almost completely cleared up, as I understand. The southerly entrance was used to a great extent for part-time purposes because of the inadequacy of the northern channel. That does not seem to prevail any more. This can be deferred, inasmuch as it is a new portion of an over-all project, until an appropriate time for the expenditure of funds.

Mr. RABAUT. I refer those who are interested to the testimony on page 173.

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. MILLER of New York. Do I understand the gentleman quoted the testimony of Colonel Potter to the effect that he recommended that this sum of $305,000 be deferred until such future time as the whole project can be completed?

Mr. RABAUT. No; I did not say that at all.

Mr. MILLER of New York. Was not the testimony of Colonel Potter to the effect that he did favor the expenditure of this sum?

Mr. RABAUT. The testimony of Colonel Potter is right here on page 173.

Mr. MILLER of New York. It was to the effect that he supported the expenditure.

Mr. RABAUT. That is what he came before the committee for.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. MILLER of New York) there were—ayes 24, noes 62.

So the amendment was rejected.

Mr. WICKERSHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, down in western Oklahoma we have had three very serious floods in the last 3 weeks. As much rain has fallen in 6 days of these last 3 weeks as ordinarily falls in 6 months. It has done untold millions of dollars of damage.

It had been my intention to offer an amendment at this time, but I have talked with the acting chairman of the subcommittee, the gentleman from Michigan [Mr. RABAUT], and he has informed me that section 205 funds provide $1,000,000 which would be available for projects not specifically authorized, with a limitation of $150,000 on each local emergency; further, that there was an emergency flood-control fund of perhaps $3,000,000 remaining in this fiscal year of the $6,000,000 that was available during the hearings; further, in the pending bill providing for the next fiscal year, H. R. 4386, on page 7, lines 18 to 23, there is provision for $7,000,000 of "flood control, general (emergency fund)" funds. I would like to make inquiry of the gentleman from Michigan if these statements are true?

Mr. RABAUT. That is true.

Mr. WICKERSHAM. I thank the gentleman, and I hope that the United States engineers and those in charge of spending this money when it is made available will take care of this area in western Oklahoma.

Mr. POTTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am taking the floor today not to offer an amendment. I am not here to seek additional funds for my district. I wish to compliment the committee, and particularly the two distinguished young gentlemen on the minority side, the gentleman from Michigan, JERRY FORD, and the gentleman from Wisconsin, GLENN DAVIS, who have done such a magnificent job of giving sympathy and little money to persons requesting additional funds. I am most appreciative, however, of the consideration the committee has given to Sault Ste. Marie in providing funds to complete the hydroelectric power project in the St. Marys River. That project is nearing completion. It will mean a great deal to the upper peninsula of the State of Michigan and will provide them with the power which they so badly need. I am particularly pleased with the committee's report. It recommends that the old power plant be retained. That is the feature which I am sure will bolster the hands of the engineers in keeping the old power plant in operation in order to provide the additional power needed to take care of this emergency and possible future emergencies.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. POTTER. I yield.

Mr. DONDERO. What I think my able colleague means is to retain one unit in the old powerhouse in order to have that available to provide the necessary power with a new powerhouse to take care of the needs.

Mr. POTTER. Yes; unit No. 10 is about the only unit of any value in the old power plant.

Mr. DONDERO. I will say to the gentleman that the Committee on Public Works was there.

Mr. POTTER. I can assure that the committee had a very gracious time; the people in Sault Ste. Marie are most friendly and were very happy to have had the gentleman's committee visit their city.

Mr. Chairman, I would like at this time to emphasize to the committee that many Members of the Congress have

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appeared in the well and asked for funds for rivers and harbors projects which affect their own districts. These are trying times, times when we must do everything possible to have some economy in Government. We are going to be asked next week to pass on a tax bill which will dig further into the pockets of the taxpayers of this country. When sacrifices are made by men who are fighting in Korea, and when sacrifices are made by the taxpayers who will have to dig deeper into their pockets, we also must make sacrifices with respect to projects which are very desirable and which many of us would like to have. I might mention that my congressional district, the Eleventh Congressional District of the State of Michigan, which has the longest coast line of any district in the United States, has three harbor projects which have been authorized. Yet with the emergency that exists I did not feel I could go before the committee and ask for funds for those projects. I did not feel that I could today offer an amendment to provide those funds. Although the amount of money is small, the total amount for these three projects involves less than a million dollars, nevertheless in these times we cannot afford to spend money of that kind. However, I wish to warn the committee that if we should ever get back to normalcy and we are no longer in a war situation, you can be very sure I will be in constant communication with you. I know the committee will be very fair, as it always is, in giving meritorious projects their full consideration.

There are three small projects in my district; one at Grande Marais, one at Manistique, Mich., and one in my home town, Cheboygan, on which work should be done. As a matter of fact, the maintenance work that is being done now is costing considerable money. The additional harbor work authorized by the wisdom of this Congress will greatly aid in cutting down the maintenance expense.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. POTTER] has expired.

Mr. CHUDOFF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHUDOFF: On page 5, line 21, strike out "$162,860,500" and insert "$163,760,500."

Mr. CHUDOFF. Mr. Chairman, the purpose of my amendment is to restore to this bill $900,000 which is a legal obligation on the United States to the Schuylkill River project. Members of this House come before this committee oftentimes to request funds, but this request on my part is that the United States carry out its legal obligation to the State of Pennsylvania.

During the year 1945 the Government of the United States and the Commonwealth of Pennsylvania entered into an agreement to clean up the Schuylkill River. The State of Pennsylvania agreed to dredge the silt which had accumulated in the river north of Norristown and the Federal Government agreed to do likewise south of Norristown to Fairmont Dam. The State of Pennsylvania has practically completed 90 percent of its job. They first caused over 37 collieries on the upper branches of the Schuylkill River to build silt basins so that the water being discharged into the river at the present time is clean and pure water. The State also agreed to dredge out an estimated 24,000,000 tons of culm deposits in the river above Norristown at a cost of $35,000,000. This has been 90 percent completed. On the other hand, the Federal Government agreed that when Pennsylvania had completed one-half of its work they would then go to work and dig out of the Schuylkill River 12,000,000 tons of silt between Norristown and Fairmont Dam, at a cost of approximately $12,000,000.

This year the Bureau of the Budget and the Army engineers agreed that $1,900,000 of this money would be expended for that purpose. Nevertheless, in spite of that agreement, the Appropriations Committee took out one-half of the agreed sum, namely $900,000, and that is what we would like restored.

The Schuylkill River just south of University Bridge is a navigable river. There are many business firms, the Atlantic Refining Co., the Gulf Oil Co., the Allied Chemical division of the Barrett Co., and many other plants have ships coming up the river for the purpose of carrying out those industries. What happened? Every time we have a storm in Philadelphia approximately 100,000 tons of silt are washed over the Fairmont Dam and slowly that navigable part of the river is being brought to a point where perhaps the ships will not be able to go up the river. That means that those plants will not have the right to bring water transportation to their plants.

Also down at Girard Point where we have some of the largest grain elevators in the world on the Schuylkill River, there are many ships that might find it impractical to come up and load this grain. I could go on and on giving you reasons why this appropriation should be increased, but probably the greatest reason is that there is a legal obligation on the part of the Government of the United States to carry out its agreement with the State of Pennsylvania; and I know that you will agree with me, Mr. Chairman, that we ought to carry out our legal obligations.

If you were to take a drive along either the east or west side of the river in my district, you would see what originally was a half-mile-wide river reduced to a stream of probably 50 or 60 feet in width, with culm on both sides of the river built to the height of 14 or 15 feet.

We showed pictures to the Committee on Appropriations and asked them to go along with us to get this job started since the State has completed its half of the job. We not only need this money, but this is a legal and a moral obligation of the United States and that is why we ask that it be restored.

Mr. RABAUT. Mr. Chairman, this is the Schuylkill River project, Pennsylvania. The budget estimate this year was $1,900,000; the recommendation was for $1,000,000; the reduction was $900,000.

This is virtually a new start since the Corps of Engineers did not allocate funds for the project in fiscal year 1951 despite the fact that the House allowed $2,500,000, and the Senate raised it to $3,500,000. That is the story in a few words.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. DAVIS of Wisconsin. I just wanted to add to what the gentleman from Michigan has said, that there is no question but what the Federal Government is going to have to contribute at some time, but that does not mean that this obligation of the Federal Government has to be handled in the next fiscal year at this critical time any more than other obligations of the Federal Government are going to all have to be fulfilled in this year. Last year it was deferred a year. Today our condition either internationally or fiscally cannot be said to be any better than it was a year ago. This matter was deferred by the Army engineers. At that time it might be said that there was considerable feeling on our subcommittee that this entire thing could be deferred for another year, but because the State of Pennsylvania has done so much here at its own expense we felt that we ought to show the good faith of the Federal Government in keeping the project moving to some extent. There was a compromise in the subcommittee to the extent of $1,000,000.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

The Clerk read as follows:

FLOOD CONTROL

Flood control, general: For expenses necessary for the construction and maintenance of certain public works on rivers and harbors for flood control, and for other purposes, in accordance with the provisions of the Flood Control Act, approved June 22, 1936, as amended and supplemented, including preliminary examinations, surveys, and contingencies in connection with flood control; $268,009,900: *Provided*, That funds appropriated herein may be used for flood-control work on the Salmon River, Alaska, as authorized by law: *Provided further*, That funds appropriated herein may be used to execute detailed surveys and prepare plans and specifications, necessary for the construction of flood-control projects heretofore or hereafter authorized or for flood-control projects considered for selection in accordance with the provisions of section 4 of the Flood Control Act approved June 28, 1938, and section 3 of the Flood Control Act approved August 18, 1941 (55 Stat. 638): *Provided further*, That the expenditure of funds for completing the necessary surveys shall not be construed as a commitment of the Government to the construction of any project.

Mr. SPENCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: Page 7, lines 3 and 4, strike out "$238,009,900: *Provided*," and insert in lieu thereof the following: "$269,409,909: *Provided*, That $1,400,000 of such amount shall be available for flood-control work on the Licking River section of the project at Covington, Ky., authorized by law: *Provided further*."

Mr. SPENCE. Mr. Chairman, I do not come here with any quarrel with the Appropriations Committee. It gave me profound pleasure this morning to know of the great honor that has been conferred upon Chairman KERR of this subcommittee, a faithful and a great public servant, a gentleman who endears himself to everyone who comes in contact with him.

I realize we must effect economy at this time, and I am not opposing that, I think it is essential, but the Covington, Ky., project seems to be in an unusual position. Covington lies at the confluence of the Ohio and the Licking Rivers. The Licking River flows in a northerly direction at that point while the Ohio River flows in a westerly direction. The Ohio River is one of the most treacherous and unpredictable rivers in the world.

The estimated total cost of the project at Covington is $8,400,000. Allotments to date amount to $3,399,200. Part of the wall has been completed on the Ohio River side. At the end of that wall there is high land which furnishes protection to the city, but further along there must be some protective works constructed in order to give protection from floods.

The reason that no appropriation has been made, as I understand it, is that this is considered by the Appropriations Committee to be a new project, and I refer to the construction of the wall on the Licking River side. The wall although completed on the Ohio River furnishes no protection to the city. I think it puts Covington in a very precarious position when you realize that in the 1937 flood the city of Covington sustained a loss of $2,000,000.

The amount mentioned in my amendment of $1,400,000 has been requested for 1952. It has been authorized and budgeted. I know that Colonel Potter said that this is new construction. It is new construction, but it is not a new project. The project is worthless unless completed and during the time until completed the city of Covington will be greatly imperiled by floods.

Covington, Ky., is a city of 67,000 people. It is highly industrial and is situated in a defense area. Covington has complied with its part and has issued and sold bonds in the sum of $765,000 for the acquisition of lands, easements, and rights-of-way. I cannot believe that there is any economy in not building this protective work because the loss that may accrue to the city by reason of recurring floods, averaging one every 2 years in the Ohio Valley, would more than offset the cost of this project. If the Licking River floods there is no protection. If the Ohio River goes to flood stage it will back up the Licking River and will cause flood conditions and the situation will be as though there are no protective works there at all.

Is this economy? I do not think it is. I believe that the committee acted on the statement of Colonel Potter who said, and it may be literally a fact, that this is new construction; but the protection of the city of Covington can only be completely effected by the completion of these protective works. I agree that we ought to have economy, but I am just wondering whether this is economy.

The reason I appear here is that the people of that city are deeply apprehensive of what might happen if another flood came without some protective works to assure them their property will not be devastated again. I hope the House will take favorable action upon this amendment, but if they fail to do so, I shall make every effort to have the Senate restore it to the bill, and in that event, I hope the House will concur. Judicious appropriations often effect the greatest economies in the long run.

Mr. SCUDDER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I meant to speak on a former title of this bill of one project in my district which I think is of utmost importance to the economy of a large segment of the population in my district. The gentleman from Michigan [Mr. FORD] yesterday called attention to this project that has been authorized for several years. It is the harbor of Noyo on the coast of California, some 135 miles north of San Francisco. Out of that harbor there are 250 boats fishing commercially. They are producing fish products valued in excess of $3,000,000 a year which are shipped throughout the entire country. A large portion of the fish caught in this area is processed and sent to the Armed Forces of our country in the Far East.

Mr. Chairman, these men are risking their lives every day that they go out of that harbor. Boats have been wrecked on the rocks in an effort to make port. Men have been drowned and property has been lost due to the lack of the Government in continuing a job that they undertook many years ago. It was in 1945 that this project was authorized for the construction of a jetty to protect the harbor entrance and the lives of these men and their equipment, and from that time on Congress has not seen fit to appropriate the comparatively slight amount of money necessary to complete this project. At the time it was authorized, the project would have cost $600,000. Today it amounts to about $1,500,000, and that, I think, is important. I believe small projects should be given consideration because they benefit a large and scattered segment of our population. These men have a just claim for seeking this appropriation. However, I realize that this is not the place or the time for an amendment to effect the completion of this project, but I would ask that the conferees take into consideration the argument that was made by these people so that if this bill should be amended in the other body, they would give consideration to this project.

Another project in my district is the Russian River project authorized last year for a very important program of flood control, irrigation, and for domestic water purposes. It would cost the Government about $12,000,000 in all. The local communities are ready and willing to put up over $6,000,000 as their share. Every year we are suffering about $500,000 in damages by reason of floods. This is a project where the people locally are willing to cooperate with the Federal Government. If we do not receive some assistance in this matter, the city of Santa Rosa will be forced to construct a water system at a cost of over $5,000,000, which would be almost as much as the entire district will be compelled to put up in order to match the Government requirements. This type of thing, I think, should be given more careful consideration by the Congress and not so often decided by the Bureau of the Budget or the Corps of Engineers. The Corps of Engineers has asked for $65,000 for planning, but it was cut out by the Bureau of the Budget. Considerable money has been spent by the engineers in preliminary survey. The district has spent a large sum on projection reports and investigation. The area needs this project and needs it now. I hope the other body provides for this planning money and that we concur.

I appreciate very much the courtesy extended to this delegation who came all the way from California to appear before this committee. The committee gave them a full hearing and went out of their way to see that they were properly heard when they arrived here. And I, too, thank the committee for the courtesy extended me as well as the men who comprised the delegation. They are very sincere in this effort to benefit their community, which shows its willingness to cooperate by putting up an extremely fair share of the necessary funds.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on the amendment offered by the gentleman from Kentucky close in 5 minutes, and I ask that I be recognized.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, the gentleman from Kentucky spoke in such glowing terms concerning our distinguished chairman, Judge KERR, that I want to say to the Members of the House that I do not think there is a finer gentleman in the Congress of the United States than the distinguished gentleman from Kentucky [Mr. SPENCE]. I have known him throughout 15 years of service here. He is a gentleman of the old school. My official position in taking this bill through the House in the manner in which I am supposed to take it, in an unblemished state, makes it very difficult for me to talk against his project and his distinguished district.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Kentucky.

Mr. SPENCE. May I thank the gentleman for that fine compliment. At least it will not be in vain that I have offered my amendment, because the compliment makes its offer well worth while.

Mr. RABAUT. There are several projects here, the projects called section A, section B, and section C, and the Russell, Main, and Willow Run pumping plants, and so on, all of which have certain total cost estimates upon them. Something has been done on all of them except on this section, the Licking River

UNIVERSITY OF MICHIGAN LIBRARIES

levee. The total estimated cost of that project is $3,450,000. This is the first request for funds on this project, $1,350,000.

Under the four provisions under which we wrote this bill, of course this is a recognition of a new project, and it falls out under that category. The 1952 budget estimate was $1,450,000, the recommendation is nothing, and the reduction is the full amount. The reduction is made by withholding funds for new construction within the project and funds for advance planning. It is pointed out that in 1951 the Corps of Engineers had available to them over $2,000,000 as appropriated by the Senate, and the House offered $1,500,000 for this project, yet under the conference agreement, which left the discretion for the money to be used in the Corps of Engineers, they spent only $890,000, eliminating this very project in which the gentleman from Kentucky is so interested.

Mr. SPENCE. If the gentleman will yield further, the city of Covington, relying upon the assurance of the Government that this would be completed, bonded themselves to the extent of $765,000, and they are paying interest on those outstanding bonds now. This included the whole project.

Mr. RABAUT. I realize that the bonds cover all the project, but still none of the projects is completed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. SPENCE].

The amendment was rejected.

Mr. NORRELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NORRELL: On page 7, line 3, strike out "$268,009,900" and insert in lieu thereof "$268,274,000."

Mr. NORRELL. Mr. Chairman, I am not unmindful of the legislative situation which exists at this time regarding amendments to the bill. We have been trying to correct this bill all day. A few of us believe improvements should be made. We have been trying to make it a good bill. So far we have not yet been successful. This experience reminds me of an old Arkansas justice of the peace who was trying a case one day. At the conclusion of the evidence in the case the prosecuting attorney and the defense lawyer got to arguing as to how much time they would have within which to argue the case before the justice would render a decision. They could not agree, so after extensive argument as to how long they would have to argue the case, the justice of the peace pulled his glasses down on the end of his nose and said, "Well, gentlemen, just argue this case as long as you want to, and when you get through you will find my decision here on my desk. I have to go."

Possibly that is about the way it is here, but at least we will do the very best we can.

This amendment, if you adopt it, would add $265,000 to the bill. It would be used on a project known as the Hardin drain, which is a tributary, technically I believe, of the Ouachita River. It extends through the center of Pine Bluff, Ark. During flood times the water overflows many of the streets of this city and Pine Bluff is a city of about 40,000 population. It overflows many of the streets, a large number of the stores, shops, and the residential section; and even the school building at Pine Bluff is flooded. The water comes up as high as two or 2 or 3 feet in some of the school buildings and at times schools must be closed until the water recedes.

The local people have been obligated to rase about half of the money. They are obligated to maintain the project. I think they are ready to do that. It is authorized, but it is a new project.

I will say in conclusion if there is any item anywhere in the bill which is in the interest of national defense, and which is in the interest of our own Government, this is it, regardless of what the decision of this subcommittee and this House may be. I bring the matter before you, trusting that you will adopt it. If not, I do want to say to the subcommittee that I am going to follow the matter to the other body and I am going to do my best as a Member of the Congress to get that body to adopt it. Should I succeed, with the help of others, I hope the subcommittee and the House will be willing to go along in the concurrence of an amendment of the other body to allow these funds. Of course, I earnestly urge you to vote for this amendment.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes, and that I be recognized.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, the Hardin drain project of Arkansas is strictly a local project. The engineers did not request any money for it except for planning. The benefits would accrue to solely local people.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Arkansas.

Mr. NORRELL. I stated that it was a new project. It is an unbudgeted project, of course; but is it not true that the reason the Army engineers did not request any money for it was because the directive to the Army engineers directed them not to include funds for any new projects? That is the reason they did not request it.

Mr. RABAUT. Unless the project could be justified as a national defense measure; that is true. The gentleman's statement is absolutely true.

Mr. FORD. Mr. Chairman, will the gentleman yield.

Mr. RABAUT. I yield to the gentleman from Michigan.

Mr. FORD. On page 547 of part II of the civil functions hearings, one of the best arguments for not including this project is set forth. The testimony points out that a large portion of the Harding drain project is in effect storm sewers for the city of Pine Bluff?

Mr. RABAUT. That is right.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. NORRELL. Is it not authorized as a Federal Government project.

Mr. RABAUT. Yes. It is authorized.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. NORRELL].

The amendment was rejected.

Mr. REED of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REED of New York: Page 7, line 3, at the end of line 3, strike out "$268,009,900" and insert "$268,044,400, the increased amount to be used for planning of the Wellsville, N. Y., flood project as recommended by the Bureau of the Budget."

Mr. REED of New York. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes, if I need that much time, and I also ask unanimous consent to extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Chairman, I have listened with great interest to the fine speeches that have been made for different flood projects set forth in the civil functions bill. I have also noted the result of the adverse votes, so it is with some temerity that I come before the House. I would not do so if I did not feel that this is a most worthy project, affecting the lives and property of the people in a village of 8,000 population—Wellsville, N. Y.—where there are several very important defense plants. The village of Wellsville, N. Y., is frequently subjected to disastrous floods.

Sometimes the question is asked why is it that people do not move out of flood areas; why do they stay in a place that is flooded year after year?

Some years ago I stood on the hills looking down upon the beautiful city of Johnstown, Pa. I was with one of the distinguished citizens of that town. As we stood there he described in vivid language the Johnstown flood that stirred the emotions not only of the people of this Nation but of the entire world. When the flood came down through that city it was a major tragedy. My friend said, "I am the only surviving member of a large family." Then pointing to a distant cemetery, "You see those little monuments over there glistening in the sun?" I said, "Yes." He remarked, "I often wonder if my brothers and sisters and father and mother are buried there. I saved myself," he said, "by hanging on to a piece of timber, and when the flood receded a little group of us orphans sat down. We were hungry and wet. We debated whether we should leave this place where we had grown up and played together or go down to Pittsburgh and be bootblacks or sell newspapers." He said, "We all cried out 'Let us stay here. This is home'."

Then my friend explained that "from that day on"—and he was then 60 years old or more—"I have never failed to make some contribution to the civic weal of my home town."

That is one reason why people stay in a flood area. Then he pointed out

the beautiful buildings, playgrounds, and parks that had been established in this once-flooded district of his home city.

There is another illustration of why people refuse to desert their home town in its hour of flood disaster. The men who follow the lines of battle to bury our dead soldiers tell us that invariably the dying man reaches for the inner pocket for some little keepsake of his mother, wife, or loved one back home—all of which teaches us that our boys are not fighting because of abstract rights and responsibilities of international relations; they are fighting because of love of God and home and native land. Yes; it is love of God and home and native land that enters into the souls of our soldiers and makes their arms invincible. The stability of this Nation is in the homes in our villages and cities.

Why should this village of Wellsville, N. Y., a Christian community, whose sons are fighting for this country, whose sons are being killed and wounded, be denied this item of $34,500 by this administration—and this item is all I am asking for—to carry on the preliminary work looking to the eventual relief of these people? Floods are costing them $400,000 a year. Somebody here said that taxes are increasing. Yes; they are increasing in this community to the extent of $400,000 in flood damages that this Government can save, if it will, and, having once saved this amount of damage, the people can pay taxes with less sacrifice.

I am interested in comparable flood projects, but I say—and I am not going into what I said yesterday with reference to the Wellsville, N. Y., project—but I do say that failure to furnish flood relief for this village is a reminder that "where there is no vision the people perish." People are perishing in our home communities from floods while the boys are fighting in Korea, and they are fighting not because of international problems; they are fighting, as I have said, for love of God and home and native land. That is why the boys are fighting and they do not want to come back to their flooded homes because of the indifference and neglect of their own Government. They do not want to return from Korea to find their loved ones flooded out because the Government for which they have been fighting refused to do anything to save their homes.

I cannot see why we should not put this item in the bill, in spite of the action that has been taken; it is justified in every sense of the word.

Yesterday I put in the recommendation of the engineers all the facts pertaining to this flood project, and I felt there was hope for favorable action on this amendment I have offered today. I have the utmost respect and affection for the gentleman from Michigan [Mr. RABAUT]; he is an able man, and I know he is a man of integrity and a man who will not, I feel sure, go back on his word. When testimony was taken before this committee asking for this relief, this colloquy took place, as appears on page 4 of the hearings:

Mr. RABAUT. This project has a budget estimate?

Mr. REED. Yes; $34,000.

Then the gentleman from Michigan [Mr. RABAUT] said:

I think they have made a good justification of it.

When he said that, I sent word out to the district that a distinguished member of this committee on the majority side had said that he agreed that it was a sound project; the people of Wellsville, N. Y., had reason to expect favorable action on their flood project.

As I say, I know that Representative RABAUT is a man of integrity, who will not go back on his word, and I now look to him to support me in getting relief in this matter of flood control.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 6 minutes, the last 5 to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Maryland [Mr. SASSCER] is recognized.

Mr. SASSCER. Mr. Chairman, I, like I am sure most of the other Members, was greatly impressed by the remarks of the gentleman from New York. There is nothing more discouraging, more devastating, nothing that is worse than the flooding out of towns and communities, but this frequently occurs. The gentleman from New York has made out an exceptionally sound case and I trust his amendment prevails.

The CHAIRMAN. The gentleman from Michigan [Mr. RABAUT] is recognized.

Mr. RABAUT. Mr. Chairman, I have often spoken with the gentleman from New York because there is something in his name that is very close to me. We salute each other generally as we pass in the corridors as cousins. We do not know that we are cousins. But my maternal grandfather was a Reed and like the forefathers of the distinguished gentleman from New York he was a ship's carpenter. So we feel very kindly toward one another.

Everything the gentleman stated as to what I said in committee is true. But you know what legislation is, you know what the activities are in the various subcommittees of the House. When it came to the point where we had not yet a unanimous bill, we had to abide by certain conditions. Those conditions I presented in general debate in my first talk yesterday.

These are the conditions, and I must live up to the conditions in presenting this bill to the House. So that the gentleman may explain what the maneuvering of a committee is when he goes back to his constituency, I recite the conditions as follows: No new projects in the bill, controversial projects are omitted, no unbudgeted projects, and here is where the gentleman is affected. No planning or surveys in this bill, with the idea that the engineers should complete the work in the vicinity of $5,000,000,000 that they have on hand.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Michigan.

Mr. FORD. May I say on behalf of the subcommittee that despite the fact the gentleman from Wisconsin [Mr. DAVIS] and myself have great affection and respect for the gentleman from New York [Mr. REED] I feel that we must sustain the action of the subcommittee and the full committee in reference to this project. It is difficult, surely, to undertake that because of our feeling for the gentleman from New York [Mr. REED]; however, we have had to sift the projects, keeping in only those which are the most meritorious and leaving out those that have lesser priority. Those who came before our subcommittee in support of the Wellsville project made an excellent presentation, but when you look at the complete number of projects individually and collectively it was considered one that simply had to be deleted or deferred at the present time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. REED].

The question was taken; and on a division (demanded by Mr. REED of New York) there were—ayes 27, noes 47.

So the amendment was rejected.

Mr. RAMSAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAMSAY: On page 7, line 3, strike out the figure "$268,009,900" and insert in lieu thereof the figure "$268,084,900 to aid in the planning and completion of the project known as the Wheeling flood-control wall."

Mr. RAMSAY. Mr. Chairman, my amendment restores to this bill the full amount requested by the budget for flood control. While I can appreciate the desire of the committee to economize, I hesitate to economize on flood-control projects. Most of these projects become even more vital in this period of partial mobilization, and that is assuredly true of the proposed Wheeling-Benwood flood wall.

Mr. Chairman, this project is sufficiently far along so that the engineers could complete all planning with an additional $75,000, and could, during the coming fiscal year expend up to $500,000 on construction. The construction funds were denied by the Budget Bureau.

Wheeling, located in the industrial Ohio Valley, is the location of a number of industries producing essential material. It is subject to periodical floods. When the river overflows its banks, many of these industries—steel mills, fabricating plants, and the like—are forced to close. We, as a Nation, lose this productive capacity. Transportation of coal and other important raw materials is brought to a halt. We know from experience, that every delay in production, even the least delay, adds a corresponding burden to our fighting men.

By offering this amendment, Mr. Chairman, I am not suggesting that the Congress increase budget estimates; I am not suggesting that pork be added to this bill. I am merely suggesting that projects of vital importance to our national defense be permitted to go forward in an orderly manner

UNIVERSITY OF MICHIGAN LIBRARIES

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes, and that that time be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, this project has a very low cost-of-benefit ratio, 1.01. That is about as low as you can get unless you lose money. This is a project dating back to the 1938 authorization for $13,501,700. That is quite a while ago. I do not know what it would be now. It is true there was new money in here this year for planning, $75,500, but that falls under the very same category as the project of the gentleman from New York that we just voted upon.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Michigan.

Mr. FORD. I think it should be pointed out to the members of committee that the cost-of-benefit ratio of 1.01 was based on 1948 figures.

Mr. RABAUT. The gentleman is absolutely right.

Mr. FORD. With the increase in costs now, I fear very greatly that the benefit-cost ratio will be thrown out of balance to a considerable degree.

Mr. RABAUT. That is true.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia.

The amendment was rejected.

Mr. VAN ZANDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VAN ZANDT: On page 7, line 3, after the word "control", strike out the semicolon and insert "to include flood control at Tyrone, Pa.," and change the amount to read "$274,484,900."

Mr. VAN ZANDT. Mr. Chairman, for the past several years I have appeared annually before the subcommittee handling the civil functions appropriation bill and like many other Members of the House who have flood-control projects in their districts, I have not reached first base.

The amendment which I offered concerns a flood-control project at Tyrone, Pa., which was authorized December 22, 1944, in the Seventy-eighth Congress. The project was estimated to cost $3,650,000 and has not been initiated because of the lack of an appropriation, even though the Commonwealth of Pennsylvania and the borough of Tyrone have agreed to assume the local cost in the sum of $335,400 for lands, rights of way, and utility changes.

When I realize it is the policy of the subcommittee that handled this bill that no money would be appropriated for the planning or starting of new projects and that a 20-percent reduction has been made in all appropriations for existing projects in all probability I am wasting my time and effort in offering my amendment.

Nevertheless, I want the Members of the House of Representatives to know that the citizens of Tyrone, Pa., and vicinity, are very much concerned about the Tyrone flood-control project. In 1936 the residents of Tyrone were the victims of a disastrous flood that caused millions of dollars of property damage. Every year since, the community of Tyrone has been threatened and actually damaged with floods. In November of last year another disastrous flood struck Tyrone and inflicted property damage of approximately a million dollars.

The citizens of Tyrone realize that unless flood conditions are corrected they live in constant fear of other disastrous floods. The stream that is responsible for the flood cuts through the heart of Tyrone and with one flood after another it is impossible for the residents of that community to assume the losses that have occurred annually since 1936. To be frank, they cannot understand why other communities have had flood conditions corrected while their flood-control project is ignored.

I am vigorously opposed to any boondoggling projects and I assure you that a flood-control project like Tyrone, Pa., is not a waste of taxpayers' money but an absolute necessity.

I recognize, as do other Members of the House, the necessity for economy, but it should not be practiced at the expense of the health and welfare of our people.

At this point I would like to warn the Members of Congress that if we want to destroy the confidence and morale of the American people we can do so by practicing this type of economy.

No doubt this economy program will prevail while we continue to dole out billions of dollars in foreign aid to nations, some of whom have actually turned on us and call us imperialistic Yankees.

I hope that when the foreign aid bill reaches the floor of this House that the same economy program that is being applied to our own domestic problems will be kept in mind. However, I doubt that it will happen because we seem to have money for every foreign nation and ignore the problems of our own people.

In justice to the residents of Tyrone, Pa., and vicinity, I sincerely hope that my amendment will be adopted.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 2 minutes, and I ask for recognition.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, this is known as the Tyrone project in Pennsylvania, that was originally estimated at $6,650,000. Not one cent was budgeted for planning. We cannot break all the rules. That is why I oppose the amendment.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

Mr. WERDEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WERDEL: On page 7, line 3, strike out the colon and insert "of which $15,000 shall be utilized for the study of the specifications used by the Bureau of Reclamation in connection with controls for laterals and sublaterals to distribute water from the Friant Kern Canal, and to estimate the cost of correcting specification errors."

Mr. RABAUT. Mr. Chairman, I make a point of order against the amendment offered by the gentleman from California, which I will reserve so that the gentleman may speak on his amendment.

Mr. WERDEL. Mr. Chairman, I am glad the gentleman has reserved his point of order because I think I can make it clear that the amendment is germane.

Mr. Chairman, I do not know exactly how to approach this subject. I know that when I gradually began developing a degree of clumsiness, my mother discovered it was probably myself bouncing around the kitchen that caused the cake to fall, and I wound up out in the yard or out in the field with my father who, as a farmer, knew that if you knew the grade and you knew the volume of water that you had to move on that grade, then a 150-year-old almanac would tell you what size pipe you needed. I was not in the House of Representatives when you gentlemen discussed and passed an amendment requiring that Bureau of Reclamation officers be qualified engineers. Perhaps last year I should have said something when we had a flood from some of the streams over which the Bureau, through the Friant-Kern canal are conveying water from one watershed to another. The culverts are so small that the canal constructed by the Bureau backed water up for miles over the farmer's property out of the natural channel. It appears now that during the past 6 months the Bureau of Reclamation has constructed 25 miles of laterals and sublaterals conveying water to irrigation districts in various watersheds that the Army engineers are constructing flood-control facilities in at the present time. That would be the Kings River watershed, the Kaweah, and the Tule. There have been as many as 25 breaks in one day in one small section of these supply lines. There are hundreds of breaks already present in the laterals constructed. The contractor who constructed them is responsible for repairing the breaks under the contract for 1 year, and 6 months of that year have expired. To reconstruct these lines is costly. They have been constructed under the specifications of the Bureau of Reclamation. They have been put in the ground in accordance with their specifications. There are still 50 miles of laterals to construct, and 150 miles of sublaterals to construct. In addition to the breakage the Bureau has specified valves along the laterals which are not proper because they leak water; meters, which are costly and must now be reinstalled, because they are flooded and damaged. The water must be pumped out, new valves installed and new meters purchased and installed or repaired. When these repairs are done they are going to be paid for by the farmers. These municipal water districts have bonded themselves.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. WERDEL. I yield.

Mr. DONDERO. Was this work planned by the Corps of Army Engineers?

Mr. WERDEL. No, this work is being done on the laterals and sublaterals by the Bureau of Reclamation in the watershed of the Kings River where the Bureau and the Army engineers are presently working on flood control.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. WERDEL. I yield.

Mr. PHILLIPS. Is it not a fact that the Army engineers are equally—perhaps not equally, but proportionately interested in the area with the Bureau of Reclamation and that since this is presumably an error on the part of the Bureau of Reclamation it would be desirable that the decision should be made by a disinterested group, that is, a professional engineering group like the engineers?

Mr. WERDEL. That is the reason I have drafted this amendment the way I have, and it is also the reason why I have asked for no adidtional funds.

The CHAIRMAN. The time of the gentleman from California [Mr. WERDEL] has expired.

Mr. RABAUT. Mr. Chairman, I make a point of order against the amendment.

Mr. PHILLIPS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PHILLIPS. Since my amendment is a part of the same situation, involving a similar condition, would it be possible to offer my amendment and discuss both at the same time; permit me to speak 5 minutes before the decision is made on the point of order?

The CHAIRMAN. Permit the Chairman to express his own feeling, that the point of order pending against this amendment should be disposed of. If the gentleman's amendment to the amendment is along the same line, I presume it would be subject to a point of order also.

Mr. PHILLIPS. May I make the unanimous-consent request that the point of order be withheld until the amendment to this amendment is disposed of?

Mr. RABAUT. May I be heard, Mr. Chairman? I feel constrained to speak to the point of order.

The CHAIRMAN. The Chair will hear the gentleman from Michigan.

Mr. RABAUT. Mr. Chairman, this deals with the Reclamation Department of the Government and not with the Corps of Engineers. It involves a project in reclamation, and we are not talking about reclamation projects here at all.

I insist on the point of order. It is legislation on an appropriation bill.

Mr. WERDEL. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. WERDEL. Speaking in opposition to the point of order, Mr. Chairman, the Friant-Kern canal mentioned in the amendment is a part of the Central Valley project, designed to transport water from one watershed over several other watersheds and supply additional irrigation water into various watersheds as it passes. One of these watersheds is the Kings River, on which there is an appropriation in this bill for the Army engineers, in connection with the Pine Flat Dam. They are presently constructing a dam on Pine Flat, which will have not only flood-control benefits but will have irrigation benefits and will affect existing irrigation canals. The laterals and sublaterals that I mention in my amendment are used not only to carry water from the Friant-Kern canal to various pieces of agricultural property, but actually carry water from the Friant-Kern canal under and around various irrigation systems that now exist in the Kings River watershed.

There are other watersheds now being studied by the Army engineers between the Kern and Kings, in which all of these breaks would occur. So there is no doubt in my mind but that the subject is germane, and I have not asked for additional funds. I want the Army engineers to be able to study this problem and make a report as to what the errors in specifications were, and what the incidental damage is.

The CHAIRMAN (Mr. HARDY). The Chair is ready to rule.

The Chair has examined the amendment. As far as any argument which he has heard is concerned, there is no reference to any authority which exists in law for this study and there is nothing in this bill on this subject.

Therefore the Chair sustains the point of order.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have at the desk an amendment which will not now be offered. It would have included the same examination by the Army engineers as to the specifications used in making the cement pipe for laterals in the Coachella Valley, that is the distribution of water in the Coachella Valley. I am not constrained to oppose the point of order, although I personally think that this is a matter of interest to the Army engineers. If the same specifications are being used in other parts of the Central Valley concerning which the gentleman from California [Mr. WERDEL] spoke, then it is desirable that the Army engineers discover the error immediately in the Bureau of Reclamation formula, and make the necessary corrections if they appear elsewhere. Whether or not that is to be done in this bill, perhaps it should be done in a separate bill, it is essential that something be done to discover why hundreds of thousands of dollars of pipe have been put into the ground and then to have it discovered almost by accident within the last few months that the pipe had split, making it necessary to replace the pipe.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from California.

Mr. HUNTER. I believe it would be well to note at this point that in my own district in the Madera irrigation district the people recently held an election and voted to obligate themselves to the extent of $8,000,000 for a similar type distribution system to be built by the Bureau of Reclamation. Those people there are beginning to wonder what the situation will be if that system begins to fall apart, who will have to pay for it, because $8,000,000 is a terrific amount of money.

Mr. PHILLIPS. I may say to the gentleman from California that the question of who is going to pay for it answers itself. The farmers are going to have to pay for it and pay for replacing the pipe unless some investigation like this discovers the flaws in the specifications. I think it is very essential.

Mr. HUNTER. I think it is an excellent idea.

Mr. BRAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BRAY: On page 7, line 3, strike out "$268,009,900" and insert in lieu thereof "$268,309,900," and add immediately thereafter the following: "of which $300,000 shall be used for the construction of the Vincennes flood-control project, Indiana."

Mr. BRAY. Mr. Chairman, the reason that the Vincennes flood-control project is not in this bill is very simple. This project was approved by the Public Works Committee in 1948. In this bill the committee has not included any project that was not included in the report of the Bureau of the Budget. This year and last, on the advice of the President, the Bureau of the Budget did not include any new projects. The extreme need and utility of this project is accepted by all and considered of the highest priority by the United States Corps of Engineers. This item was added to the flood-control bill by the Senate last year, but was lost when the 10-percent cut was made. The basic error made by the Bureau of the Budget is that this is not, in a strict sense, a new project as my following remarks will show. It is to rebuild a section of the levee that is crumbling and inadequate.

Vincennes, which with its environs would be protected by this wall, is a city of 24,000 people. This city has been endangered by floods for a period of many years. It is, at this time, protected by a levee which was erected by the WPA. This levee is inadequate, is crumbling, and a portion of it must be replaced. If this levee gives way, more than 80 percent of this city will be flooded—damaged to the amount of probably $20,000,000, in addition to all the suffering it will entail. There is at the present time more than $20,000,000 of defense contracts in the factories of Vincennes, which a flood will stop. However, since this present levee, part of which must be rebuilt, was not built by the United States engineers, the Bureau of the Budget termed it a new project for purely technical reasons. The city of Vincennes is in a much more critical situation than in former years in that levees above and across the river have been built which funnel the water into Vincennes. This proposed flood wall fits in with the long-time plan for flood control on the Wabash. Vincennes

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and Knox County are already bonded to the limit, and the State of Indiana cannot issue bonds. The flood in 1950 broke the city.

There are places in the country where floods only occur at very rare intervals. There are other places where, because of the great expense involved, adequate protection cannot be made against floods. This Vincennes case is neither. We know that floods return approximately every 7 years, and we know that the city can be protected adequately at a very reasonable cost. A serious flood, which cost a great deal of money to avert, occurred in 1943. Last year in 1950, a very serious flood occurred and the Government and the city of Vincennes spent more than $400,000 sandbagging the levee and putting mud boxes on top of it to save the city, and countless volunteers labored day and night, and when victory was finally achieved over the flood, the church bells of the city rang in thanksgiving. That amount is $100,000 more than we are asking at this time to rebuild this section of the flood wall. The Corps of Engineers in their budget, put in the sum of $600,000 for the rebuilding of this critical section, which incidentally does fit in with the over-all planning for general flood-control work on the Wabash River, but after investigation I find that this following year we would not be able to spend more than this $300,000. If the $300,000 is granted it will be used to rebuild that half of the section that is the most critical. If another flood occurs similiar to that of 1950 before this section is rebuilt, the entire city of Vincennes will be flooded, but probably before this levee gives way, the Government will spend a half million to a million dollars trying to save it. Is that economy?

In 1950 an entire battalion of troops was called from Fort Knox. It is "penny-wise and pound-foolish" to ignore this need. The Army engineers are spending approximately $50,000 this year driving piling to prevent the levee from crumbling. We are for economy in the State of Indiana as much as in any State in the Union. We need many flood-control projects in Indiana, but the State has dropped all of them temporarily except for the Vincennes project. The Governor of the State and the Indiana Flood Control and Water Resources Commission feel that the Vincennes project is a must. The secretary of the Indiana State Flood Control and Water Resources Commission came to Washington to the hearing before the committee, and I wish to repeat again every request for funds for various projects in Indiana has been dropped in the interest of the Vincennes project. We are asking now only $300,000 which is less than was spent in trying to save the flood wall in 1950. I have been looking over the projects approved by the Bureau of the Budget. Millions and tens of millions of dollars are recommended for these various projects. It makes the small amount that the State of Indiana is asking for Vincennes seem utterly insignificant. Perhaps that is why the Vincennes project is overlooked. Perhaps it is that the State of Indiana is talking in terms of economy instead of multimillions. We are not asking for a billion dollars to relocate the Wabash River. No, this is not a plan to spend millions to irrigate Timbuctoo, or to build flood walls in the Congo, it is merely a project to save a city—a city of loyal American taxpayers—by spending a sum that is less than we are spending to temporarily sandbag a section of its crumbling levee. Only here in the Congress can relief be given. Vincennes spent all of its money and borrowing power in trying to save itself in 1943 and in 1950.

This plan is just simple economy. In the next flood we will spend more than we are asking now, and then probably lose the city. All the State of Indiana is asking is $300,000 to save a city of 24,000 people that is doing $20,000,000 worth of defense work, and is a great heritage to America. It is the capital of the old Indiana Territory and one of the finest industrial cities of southern Indiana. If you turn this down, you are allowing the Bureau of the Budget, which is not elected by the American people and which is willing to give billions for any project on earth, to reject a most necessary expenditure.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BRAY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Do I understand the gentleman correctly that this is an item to repair damage that has been done to the flood wall and an emergency matter only?

Mr. BRAY. That is exactly what it is. They must replace that part of the wall because of faulty workmanship in construction. They have spent $400,000 last year to sandbag it and we are only asking for $300,000 now to construct part of the severely damaged wall.

Incidentally, this section to be rebuilt fits into the general long-term plan of flood control on the Wabash as planned by the engineers.

Mr. BROWN of Ohio. The city has suffered damage as a result of this situation and this is an emergency matter?

Mr. BRAY. Yes. The city is broke, they have spent every dime they have and it is bonded to the limit, in order to try to save the levee in past floods. Incidentally much of this critical condition is due to the levees above which have funneled the water into the city of Vincennes. Without this wall Vincennes cannot survive another flood.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes and that I be recognized to close debate.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. DENTON].

Mr. DENTON. Mr. Chairman, I appreciate the need for economy and I also appreciate the temper of this House as to all amendments to the flood-control section of this bill. But when there is a leak in your house I think it is poor economy to wait until it rains and then start to repair the damage and attempt to stop the leak. It is much better to fix the leak while the weather is good.

That is exactly the situation you have with this Vincennes flood wall. During the WPA days a flood wall was constructed at Vincennes out of earth and part of it out of concrete. It was not built according to specifications employed by the Army engineers when they do this type of work and the workmanship was probably faulty, because the wall has begun to crumble and gave way. Every time there is a flood the Army engineers spend about $50,000 to sandbag that levee. Just a short while ago they drove in some piling to hold up the wall and that cost approximately $50,000. Every few years they have extremely high floods on the Wabash. They had one in 1950, and at that time the Government spent over $300,000 to prevent the town from being inundated. There were thousands and thousands of volunteer workers, and locally $90,000 was spent. Now that was a total of over $400,000 spent at that time, and this amendment only calls for an appropriation of $300,000. I am not adding the damage to property that would have occurred if the town had been flooded and the great loss of life and suffering that goes with such a disaster.

Vincennes is a town that has about $20,000,000 worth of war contracts. It is on the main highway and the railroads running north and south from Chicago. This city is not in my district, but I am especially interested in this project, because if Vincennes is inundated, practically all of the north and south traffic in the western part of my district is stopped. In the appropriation bill last year $600,000 was authorized for this project. It was taken out under the Taber-Thomas amendment.

Mr. Chairman, I have not spoken to anyone who did not think this was a worth-while project and that it should be in the budget. They say it is a new project. This program was authorized under the Flood Control Act of 1946, because that is when the flood wall gave way; so it would have to be a new project. I think we are considering the form and not the substance, if we refuse to approve this amendment, because of rules the committee has laid down. It is not economical to spend $400,000 to prevent a town from being flooded when you can start this present project for $300,000. I think this is a very worth-while amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, this is a flood wall project. In the bill for fiscal 1951 the Senate recommended $600,000 for construction. The House allowed nothing, and there was no budget estimate. It is pointed out, therefore, that under the conference report, the Corps of Engineers, had they believed the project to fit the defense criterion, could have expended up to $600,000 last year on this project. They chose to spend nothing. In the budget for 1952 the Corps of Engineers were allotted a certain sum of money by the Bureau of the Budget for

their budgetary planning. It is pointed out that the Corps of Engineers recommended to the Bureau of the Budget $600,000 for this project in 1952. However, the $600,00 was over ceiling previously established by the Bureau of the Budget, so after they had the amount estabilshed that they could use, they went in on a request for $600,000 over and above the established amount. In other words, they did not choose to make this a specific project.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. I simply want to say that our subcommittee was put in a difficult position. Whereas here is a project in excess of $3,000,000, all that was requested was $20,000 for planning, and the record shows that only 38 percent for the planning has been completed.

Mr. RABAUT. Thirty-eight percent of the planning.

Mr. DAVIS of Wisconsin. Yes. It puts any committee charged with the responsibility for expending funds in a difficult position to go ahead and authorize the spending of money for construction when the planning has not even reached the half-way stage.

Mr. RABAUT. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. BRAY].

The amendment was rejected.

Mr. HALE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have made this motion reluctantly because I know the House wants to get on with this legislation, but I do feel it my duty to call attention to an omission from this bill which I think is due to a combination of unfortunate circumstances and not really to the fault of anybody. However, there is one item omitted from the bill for the further dredging of Portland harbor in my district. This is necessary for the completion of a project which was authorized in 1945, and which has actually been going forward for several years, and needs to be completed if the very large sums of money already spent are to accomplish their purpose.

The authorization in 1945 was for a 35-foot channel available for tankers, to obtain access to the Portland-Montreal pipeline, and to a large number of tanks at the head of our harbor, for a turning basin at the head of the harbor, for a breakwater at the entrance of the harbor, and for a 170-acre anchorage, 35-foot depth, at a point designated by the Army engineers. All other work as authorized has been completed, but no appropriation has been made for the 170-acre anchorage.

I should like to read into the RECORD the traffic which is involved in this situation.

In 1945 we had a net total tonnage of 4,848,696 and a tonnage of petroleum products of 2,704,151.

In 1946 the net total tonnage was 5,988,900 and the tonnage of petroleum products 4,730,418.

In 1947 the net total tonnage was 6,677,060 and the tonnage of petroleum products 5,501,825.

In 1948 the net total tonnage was 7,583,938 and the tonnage of petroleum products 6,450,535.

In 1949 the net total tonnage was 6,847,619 and the tonnage of petroleum products 5,957,582.

I have no figures for 1950, but that traffic is constantly increasing.

The modern tanker is a big, deep-draft ship even in contrast with the tankers which were operating 5 or 10 years ago. The harbor has to be able to accommodate those tankers and it is important to the national defense, because Portland is the easternmost harbor on the Atlantic coast. A tanker went aground in our harbor only the other day. Portland was in the last war the site of a very important naval base. In any conceivable military operations, the necessity for getting these big tankers into Portland harbor would be absolute.

I appreciate what a very difficult time the subcommittee have had on this bill, and I do not criticize them. On the contrary, I congratulate them on the care and study they have given these matters. I think this item would probably have been in the bill if the Army engineers had seasonably brought it to the attention of the Bureau of the Budget, which for some reason they did not. I earnestly bespeak the consideration of the House for this project. I hope that when this bill gets into another body the necessary appropriation will be made, because, as I say, until this anchorage is provided, the millions of dollars which have heretofore been spent in improvements on this harbor will have been used to very imperfect effect.

Mr. SASSCER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SASSCER: On page 7, line 3, strike out "$268,009,900" and insert "$268,034,900, of which $25,000 shall be used for planning and surveying flood control, Anacostia River and tributaries, with particular reference to conditions existing at Bladensburg, Md."

Mr. SASSCER. Mr. Chairman, I earnestly ask you to give me your attention for a few minutes, and if, from the facts I outline in that brief time, you feel I have made out a case for this $25,000 item, I will very genuinely appreciate your support. The issue right now is whether I make out a case or whether on the basis of a yardstick we are going to put the item aside. The issue is whether this item merits passage and whether the House as a legislative body is going to work its will or on the other hand whether we are going to accept and rubber stamp, without thought or consideration, a general recommendation of the subcommittee that no items be included for planning.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. SASSCER. I yield to my friend.

Mr. BAILEY. Is it not true that after the severe rainstorm on last Friday night, traffic was blocked on one of the main highways leading into the National Capital, that is, the Defense Highway, due to this very situation you are talking about?

Mr. SASSCER. In answer to my distinguished friend, the gentleman from West Virginia, it was rather tragic and ironical that the hearings were released, and the remarks made before the hearings probably gave some hope of relief, on this route No. 1, and on the very next day, Sunday, Route 1 at Bladensburg, at that point known as the Peace Cross, the water at the deepest point was 6 feet over the roadway with three main highways blocked there.

Mr. Chairman, I have the utmost respect and affection, as everyone in the House has, for the committee. They have performed a hard and arduous task and naturally when they take the position in committee that they are going to strike out all planning items, they maintain that position on the floor. But if the House is to completely accept that theory, then we have wasted 2 days here of valuable time in passing upon and discussing these items.

Mr. Chairman, to get on to the project in the 5 minutes I have, the Defense Highway and Route 1 converge at what is known as the Peace Cross, 1 mile from Washington. That point gets flooded about 12 times a year, and the floodwaters have increased as the section has grown up, blocking the roads for approximately half a mile. Had we had an atomic bomb attack on Sunday, or at this time when we are thinking about civilian defense, and certainly the National Capital is important—had an attack come during floodwaters, exit from the city of Washington would have been practically blocked with the bridges leading to Virginia clogged up and Route 1 blocked up by floods and the Defense Highway, leading to one of the nearest ports at Annapolis, blocked up by flood, and a third road, which has been used as a detour, also blocked by flood.

This is not a local project for Maryland. It is on Route 1, leading from the State of Maine all the way down the Atlantic coast. I wish I had time to show you the pictures of this point at flood time. Every time the road is blocked the automobiles of people from New York, Pennsylvania, and all points north are frequently stalled with baggage damaged. Even when they get on the other side, the brakes slip and they have to stop at a garage, delaying their trip.

What I say now is basically in the interest of defense. It is only a $25,000 Federal contribution for planning of a project that was authorized in the last Congress.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. SASSCER] has expired.

Mr. EBERHARTER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

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Mr. SASSCER. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. When these main highways are blocked how long does it take to clear them, usually?

Mr. SASSCER. It all depends on the amount of the flood water. The last one was one of the worst; it could take 6 or 7 hours, or all night. I would say 12 hours is the usual extent of it. But even during the early periods of it, when people do get through, I have seen them with badly damaged brake bands, and they have to stop at garages and have the brakes tightened up so that they can proceed. In some instances people have had to remain in their cars all night.

I cite this to show the national scope of the item. Beyond that, there is a particular inconvenience to local people, many of whom work in the Federal Government and who should be considered.

This is not a new item. After a long and tedious fight which goes back to the time of my predecessor, the present Members of Congress at the last session of Congress authorized this project. The Bureau of the Budget has authorized simply $25,000 for planning, and we are asking that it not be stricken out. We are asking the Members on both sides of the aisle if they think it is right to keep it in to express the will of the Congress and leave it in so that the State and local agencies can go ahead with their planning, as this is a responsibility of the Federal, State, and local governments, to which the Congress, by an authorization bill passed at the last session, authorized a Federal contribution of $4,531,200, which is over half the cost of the project.

The law authorizing this Federal participation is already on the books and will continue there, with the remaining step the appropriation of the money. If we make this initial appropriation we will expedite the actual authorized construction and completion of the project.

The CHAIRMAN. The time of the gentleman from Maryland has again expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes and that I be recognized.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, not one dime has been spent on this project. This Anacostia River project has a total Federal estimate of $6,709,000. The request of the engineers was for $50,000 for planning. There is no new planning in this bill. The budget allowed $25,000.

Just how will we look to the Nation, refusing funds for planning in every district of the country, and then, because we are going to travel this highway, we say we will have to make an exception for this de luxe crowd. Will that not look fine? It would be the worst thing we could do. Where would I be in justice to the position of any man in this House who has approached me upon a similar project for his own district? We say, "No. We cannot do anything for the folks back home, but we are going to do something right here in the shadow of the Capitol of the United States."

It is not the right thing to do.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Michigan.

Mr. FORD. I think this particular project fits in that category of a new project, very well. This is the first money we will spend, if the amendment is approved, on a $6,709,000 project.

Mr. RABAUT. The gentleman is correct.

Mr. FORD. If we want to hold up some projects without harm to the project, we must stop at this point. We should defeat the amendment.

Mr. RABAUT. I agree with the gentleman.

Mr. SASSCER. Let me answer the criticism by saying that the project was broken down into road relocation and dredging. They felt that the road relocation part of flood control was the most important, and that is the part that this is directed to.

In answer to the statement of my beloved colleague from Michigan, I am not trying to get Congress out of Washington; most of us want to stay in Washington; what I am thinking about is in case of disaster with the clogging up of bridges on the south side of the city and the blocking of roads on the north side by floods the National Government is imperiled.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. HOFFMAN of Michigan. I want to compliment the gentleman. I am happy to find I can agree with him once. This planning business seems to me to be the height of absurdity; his party never needs any planning to spend more.

Mr. RABAUT. Why, the gentleman always agrees with me.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. SASSCER].

The amendment was rejected.

Mr. GOLDEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOLDEN: On page 7, line 3, after the words and figures "$268,009,900", insert "also the further sum of $1,500,000, to be used for the construction of the Barbourville, Ky., flood wall project on the Cumberland River, as authorized by law, and the construction of the Pineville, Ky., flood wall project on the Cumberland River, as authorized by law, said sum to be divided equally between said two projects."

Mr. GOLDEN. Mr. Chairman, we are all aware of the tremendous importance of economy at this time. We are also aware that a project should make a considerable contribution to the war effort in order to qualify. But I think in view of all the facts and evidence this body heard on yesterday and today that enough has been presented to impress this powerful and most respected committee that the people of America are entitled to some consideration when devastation is taking place by reason of floods every year. Last year I had the pleasure of talking to Mr. Frank Pace, at that time the Director of the Budget of the United States. He said that because of the present emergency many worth-while American problems were not being solved, and that the Golden Age of America was passing away.

Most of these projects do not run into large figures. I think this committee and the entire Committee on Appropriations as well as the Members of the House ought seriously to question and think about the policy and the hard rules laid down by this honorable committee that prevents many worthy and needed projects from being approved by this present Congress.

So far as these projects that I am bringing before the Congress are concerned, I think that if there is any project that can qualify from any standpoint, such projects are in the great bituminous coal fields of southeastern Kentucky. The last figures I have concerning the three counties involved show that more than $58,000,000 worth of bituminous coal was shipped to the plants and factories of America. The entire production of bituminous coal in America is approximately 500,000,000 tons per year. The territory concerned with these two flood walls contributes more than 20,000,000 tons of bituminous coal this year, and in times of emergency we can produce much more. In other words, by spending less than $2,000,000 you can protect one of the great basic industries of America and we can keep the coal running into the war plants of this great Nation of ours. One-twentieth of all the coal of America is produced in this region. Yet floods flow down the streets of these two towns. Some Members have said that floodwaters encroach upon their home communities as much as 3 or 4 feet. The Cumberland River, when it goes on a rampage of destruction, goes into Barbourville, Ky., and Pineville, Ky., and floods all of the business section and 80 or 90 percent of the homes to a depth of from 7 to 10 feet. The loss of property is enormous. In 1946 the total loss in each of these towns was more than the total cost of giving us protection for each of the towns. We have floods practically every year.

There are more than 18,000 men working in these coal mines. There are something like four or five thousand railroad men who have their homes in and around the towns that can be protected by these flood walls. We occupy in the defense program of America a key position there in southeastern Kentucky. We are just 80 miles from the great bomb plant at Oak Ridge, Tennessee.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. GOLDEN. Mr. Chairman, in view of the fact I have two projects involved here, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. GOLDEN. Mr. Chairman, we are contributing basic products. You cannot

make steel unless you have bituminous coal. I said here yesterday that the largest coal mine in America is located in my district and it will be protected by these flood walls. The United States Steel Corp. has a mine in Harlan County that produces a trainload of coal a day and every ounce of that coal has to come out on the Cumberland Valley Railroad through Pineville and through Barbourville. If we protect these towns that coal will continue to go into the steel mills of this great country. They do not sell it. They use it all for the manufacture of steel.

We furnish coal to the bomb plant at Oak Ridge, we furnish coal to all of the Tennessee Valley. This year the Kentucky Utilities, that furnishes power for most of Kentucky and some parts of Tennessee, has doubled the capacity of that great steam plant there just below Pineville, Ky., and has built a separate new transmission line right into the bomb plant over there in Oak Ridge, Tenn. They are now supplying large quantities of electricity for one of the most essential war plants in America. They have to have this coal.

Some two dozen coal mines every day take their entire output to the Kentucky Utilities. We furnish coal and we furnish power. It is not economy to let our people be destroyed year in and year out. We do make a notable coutribution to the war effort and I think that these projects are justified.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on these two projects close in 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, the gentleman is correct in saying that the engineers asked for $25,000 on the Barbourville project; but on the Pineville project they did not even ask for a cent. The budget allowed no money for the projects. It is true that they mine a very high grade of coal in that area and that we need coal for the defense effort. We need steel, and we have to run the great plants of America. I certainly know the devotion of the gentleman for his district. He has come before the committee and he has talked with us on other occasions. But, these two projects fall within the very category of the projects of the other gentlemen in the House from all over the United States. We just cannot go along with one of these projects any more than we can with the others.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. GOLDEN].

The amendment was rejected.

Mr. CHENOWETH. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CHENOWETH. Mr. Chairman, I am of course very much disappointed that the committee did not see fit to include in this bill the sum of $209,000 for the flood-control project at Pueblo, Colo. I am not critical of the committee, however, as I fully realize the problems they faced. I am hoping that this item can be put in the bill before it is finally passed, as I feel that it is important to construct the same as soon as possible.

The project provides for flood protection at Pueblo, Colo., by the construction of a 10-foot levee as a protection against backwater, and at an estimated cost to the United States of $209,000 and to the local interests of $4,287, which includes rights-of-way.

Pueblo is our second largest city in Colorado, having a population of approximately 80,000.

I want to call the attention of the committee to the fact that this project is entirely earthwork, and no critical materials of any kind will be used. It is an emergency project, and is necessary in order to complete the work done by the Army engineers in providing a small levee in 1948.

The city of Pueblo suffered a disastrous flood in 1921. Practically 3 square miles, including the center of the business district, were under water. I think the average depth was about 14 feet, and you can still see the watermarks on some of the buildings. Property damage was estimated at $10,000,000, and it is known that 78 people lost their lives. It is the general opinion that many more perished as a result of that flood.

Following the flood, the city of Pueblo formed a conservancy district and constructed its own flood works, consisting of a floodway 10,000 feet long through the city, designed to carry a flow of 125,000 cubic feet per second. The cost to the taxpayers of Pueblo was about $9,000,000. It was estimated that the previous flood carried about 103,000 cubic feet per second.

Now the immediate flood-control problem arises from the insufficient height of the backwater levee on the left bank of the river below the Santa Fe Avenue Bridge, and which would permit flooding of approximately 46 blocks within the city limits whenever the flow exceeds 27,000 cubic feet per second. That is due to the fact that the river has silted up, and for other causes.

I want to quote from the House Document No. 327, Eighty-first Congress, which is the report of the Army engineers, on this Pueblo project and includes this statement:

> There is urgent need for further protection of this area.

And another statement:

> The district engineer finds that there is a critical flood problem in the city of Pueblo, Colo., due to an inadequate backwater levee on the left bank of the Arkansas River downstream from the Santa Fe Avenue bridge, for a distance of approximately 3,000 feet.

The report further states that the survey "indicates an economic ratio of 1 to 1.7. The proposed improvement is economically justified."

I understand that is a very high ratio as compared to some other projects. I am not going to say more about the engineering features of this project; it has been approved by the Army engineers, and you have their statement, which I have just read, that there is urgent need for further flood protection of this area.

I understand that it has been the policy of the Bureau of the Budget to refuse to approve the starting of any new construction unless it is connected with the national defense program. Therefore, I would like to say just a few words in support of our contention that this project is definitely tied in with national defense, and that it would be most disastrous and unfortunate if we should have another flood before this project could be completed. I will try to point out just what such a flood would mean to the defense activities in the Pueblo area.

First, Pueblo is an important defense city, perhaps one of the most important in the western part of the country at this time. The Pueblo Ordnance Depot is located there, and about 6,500 people are employed at present. This is one of the largest and most important depots in the United States, and is now being enlarged. It is a distribution depot, serving some 10 States, and supplying many military installations with equipment and supplies.

The Colorado Fuel & Iron Corp. has a steel works at Pueblo, known as the Minnequa steel plant, employing about 4,500 men. The production of this plant is almost 100 percent for defense. There are many smaller corporations in Pueblo which have defense contracts. One is the Triplex Corp., employing some 750 people, making pistons for the aircraft industry, and also for tanks and jeeps.

Pueblo is a very important railroad center. There are four major railroad lines into Pueblo, and from these photographs you can see some of the tracks and roundhouses. The Santa Fe Railroad passes through Pueblo with its line to Denver. The Santa Fe just recently spent over $2,000,000 in extensive improvements to its yards and facilities at Pueblo.

The Colorado & Southern Railway runs through Pueblo. This is a most important operation from Denver to Dallas.

The Missouri Pacific main line from the East has its terminal in Pueblo. The Denver & Rio Grande Western Railway passes through Pueblo with its line to Salt Lake City.

Those railroads would be completely out of commission if there should be another flood like the one occurring in 1921. This would stop the flow of supplies of ore and other raw materials into the steel works, which would, of course, be compelled to suspend operations as a result.

Shipments of military equipment and supplies from the Pueblo Ordnance Depot would be stopped.

We feel very strongly that this work should be completed as quickly as possible. We consider this an emergency project. We feel that it does have a direct bearing on our national defense effort. I have mentioned the important defense projects which are located in Pueblo and the serious situation that

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would develop if the railroads in Pueblo ceased operations because of their tracks being washed out. We feel that a real hazard exists and that the construction of this flood-control project should be completed as soon as possible.

We have been fortunate in that we have not had another large flood in the last few years. However, such a flood may occur at any time, because no one can predict just when these floods will strike.

Again I want to impress upon the committee that this project would involve the use of earthwork only. It would provide for the employment of a few men, but it does not call for any critical materials which are in short supply.

We feel that we should finish the job that the Army engineers started in 1948, when they constructed a smaller levee out of emergency funds—there was no direct appropriation. The district engineer in Albuquerque made a special survey of this flood situation in Pueblo, as I recall, late in 1948. They recognized that emergency work was necessary and did the job at a cost of about $20,000 out of their emergency fund.

Now we would like the Army engineers to go ahead and complete this project. We feel that a real danger exists and there is a great deal of apprehension over the constant threat of another flood.

Mr. TOLLEFSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Chairman, I had planned to offer an amendment to this section of the bill which would have provided funds to start the construction of the Eagle Gorge flood-control project in my congressional district. Several weeks ago I appeared before the subcommittee on appropriations for Army civil functions and urged that funds be approved for this project. At that time the chairman informed me that the committee had adopted a policy of not approving funds for any new project or for any project which was not included in the budget. The policy was adopted because of our national emergency program which necessitated reductions in nondefense spending. With this policy I could not find much criticism. Yet it was my feeling that as the Representative from my district I should do everything possible in behalf of the needs of that district. Therefore, as I have said, I had planned to offer an amendment seeking funds for this particular project.

In view of what has transpired here today, however, I have now decided not to offer the amendment. Several other Members with flood-control projects as needy as mine have offered amendments similar to mine and they have all been rejected. The House has supported the policy adopted by the subcommittee and has refused to approve any amendment. To offer mine now would be but a futile gesture, as I am sure it would meet the same fate as the others. I shall seek to have my project approved by the Senate which will consider this appropriation bill at a later date. That body may approach this flood-control problem on a different basis. It is my hope that it will do so for the reason that many projects are badly needed by the various communities affected.

ALBENI FALLS DAM

Mr. MACK of Washington. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection?

Mr. MACK of Washington. Mr. Chairman, I hope to give the Committee in the time allotted me a better understanding of one project that has been omitted from this bill—the Albeni Falls power dam project in the State of Idaho.

The Albeni Falls Dam is one of the dams included in the Columbia River projected system of power dams. It is the smallest and least costly of all these dams; yet it is one that will return a higher profit in power production than any dam which has been built or which are projected for construction on the Columbia River.

The United States Army engineers asked for $10,000,000 for the construction of the Albeni Falls Dam. They said that with this $10,000,000 they could, within the brief period of 13 months, get the Albeni Falls Dam so far near completion that by August 1952, only 13 months from now, this dam could be producing 100,000 kilowatts of electricity.

I know of no power dam that has ever been built in this country where so large an amount of electricity as 100,000 kilowatts has been produced for the small expenditure of $10,000,000.

Most power dams require 40 to 50 years to pay for themselves. If the engineers can, as they claim, produce 100,000 kilowatts of electricity at an expenditure of only $10,000,000, and I believe they can, the Albeni Falls Dam will be the most profitable Government-owned power dam in the country.

The engineers say that the ratio of benefits to cost on the Albeni Falls Dam is 4.47 to 1. I know of no river and harbor or flood-control project where the benefits are so high compared to the cost. It is not, therefore, in my opinion true economy to leave the Albeni Falls Dam out of this appropriation bill.

I, however, am not offering an amendment to put the Albeni Falls Dam in this bill. Every amendment that has been offered today to get a new project into this bill has been defeated. I am fearful that any amendment to include the Albeni Falls Dam in this bill, judging from today's temper of the House, probably would suffer the same fate.

I do, however, hope that when this bill goes to the other body that the Albeni Falls Dam will be added to the list of projects included. I hope that the committee meanwhile will give further study to this Albeni Falls project. When they come to understand that the Albeni Falls Dam when built, if $10,000,000 is appropriated for its construction, that it, by increasing the electricity production of the Columbia system, will pay for itself not in 40 or 50 years but in from 10 to 20 years.

It is not true economy to eliminate such a power-producing dam from this bill.

Some projects have been eliminated by the committee on the ground that they were new projects. Albeni Falls Dam does not fall in this category. Work already has started on it. A total of $2,900,000 was appropriated last year for this project.

Other projects were rejected because they were not considered necessary to the defense effort. Electricity, particularly in the region which is a heavy producer of aluminum, is a defense need. Therefore, Albeni Falls Dam does not fall in the category of not being a defense project.

Some projects have been rejected because the cost was too high compared to the benefits. The Albeni Falls Dam is not in this category because the engineers estimate its benefits as $4.67 for every $1 spent in its construction.

Mr. FERNANDEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FERNANDEZ: On page 7, after line 17, insert a new paragraph, as follows:

"Flood control, Middle Rio Grande, N. Mex.: For continuation of work on Jemez Canyon Reservoir in accordance with the Flood Control Act of 1948, $900,000."

Mr. FERNANDEZ. Mr. Chairman, I appreciate the hard and fast task of the gentleman from Michigan [Mr. RABAUT], and his subcommittee in opposing every amendment, and I realize that we face a situation here where the program is not to allow a single change in the bill, on the grounds that if the committee has made a mistake it can still be corrected through action of the Senate and the conference committee.

There are other items in my State which were approved by the Bureau of the Budget, but were eliminated by this committee, on which I am not going to offer any amendment, and I would not offer any amendment on this except for the fact that I am satisfied that our good committee is making a grievous error in stopping a project which is right in the middle of construction. The over-all Rio Grande program was approved as late as 1948, and yet because of the emergency character of it, this committee and this Congress appropriated money to start construction of this particular part of it last year. They are right in the middle of it now. They have 110 men on the job this very day, on a continuing contract, and if this money is not appropriated, then that work will be chopped off right in the middle of it and that contract cut off in the midst of it. It means that what they have already done would be wasted and lost. That is the situation.

The gentleman from Michigan yesterday said that the committee tried to be fair, and I am sure they are fair, everybody agrees to that, but they do not claim that they are infallible. In this case I think an error has been committed through misapprehension. My colleague, the gentleman from New Mex-

ico [Mr. DEMPSEY] yesterday called attention to that misapprehension, and I think this is an occasion on which the committee could very graciously and conscientiously agree to let this amendment go in. When the news came out to New Mexico that this project, which is in the midst of construction, had been left out, there was consternation. I hold in my hands a large batch of telegrams from people who realize how vital this project is and who realize the disastrous situation that will result if it is stopped right in the middle of it.

I am not going to take time to read them all, but I do want to read one:

The following information is from sources we deem reliable, and work on Jemez Dam at present includes placing of concrete for the intake tower, placing of concrete for the barrel of the outlet conduit, which is about one-fourth completed, and excavation for the stilling basin. There are 110 men employed on the job.

Shut-down of work for considerable period of time would expose the partially completed conduit to damage and covering by possible slides from the steep hillside adjoining it and, under certain conditions, could involve considerable expense preparatory to resuming work.

Excavation in the stilling basin is being carried on at a considerable depth below normal water table, which requires unwatering. If work were shut down for a considerable period of time, the water would either have to be allowed to rise in the excavation, which would result in considerable sliding of the banks when it was again pumped down, or this area would have to be continually pumped during the entire shutdown period, which would be quite expensive. In either case, whether the pumping is continued or the water allowed to return to its normal level, the stilling-basin excavation would be subject to filling from slides, since the north side of it also is against a steep slope.

The cost of stopping all work for a period of approximately 12 months would exceed $200,000 under normal weather conditions, and in the event of flash floods, heavy rain, or snow this loss would increase proportionately.

If a flood did come down, the work that has already been done there would be destroyed. This is not economy. As I say, I am satisfied that the committee rejected this item only through misapprehension. I plead with the committee to adopt this amendment, which is only for nine hundred thousand, and, of course, has the full approval of the Bureau of the Budget.

Mr. DEMPSEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment which is offered by my colleague the gentleman from New Mexico [Mr. FERNANDEZ] is not for some new project which has not been started, and it is not for a project that has not been budgeted. We have already expended through the generosity of Congress $1,200,000 upon this small dam. Outlets are being constructed at this time. I was informed this morning by Colonel Potter of the Army engineers that this was a continuing contract for the completion of the outlets and, if the outlets are not completed, they will not only be destroyed but, in addition, because of this continuing contract, it will be necessary to buy up the contract and pay the contractors for not completing it.

This Rio Grande project is an important one. It affects the States of Colorado and Texas and the country of Mexico. That river provides 60,000 acre-feet of water annually to Mexico under a treaty signed during the administration of President Theodore Roosevelt.

If we cannot get these silt-control dams that are necessary, the water cannot get down to Mexico or Texas. Today New Mexico owes the State of Texas about 250,000 acre-feet of water not because we have used the water but because of lack of a channel. Due to silting of the channel, filling it in places, when we have any rain, the runoff is so rapid it cannot be carried off properly because there is no channel available. This was explained to the committee by the Army engineers. Central Avenue in Albuquerque is lower than the Rio Grande Channel. As a result of this condition water is wasted. What we are trying to do is continue a program this Congress has authorized and for which this Congress has appropriated money. It is a program for which the Bureau of the Budget has recommended the amount the amendment offered by the gentleman from New Mexico [Mr. FERNANDEZ] wishes to restore.

Only 4 days ago the chief engineer at Albuquerque said:

We feel that the prospects are very good that work on the dam will proceed without interruption.

Colonel McNutt said the $900,000 now is incorporated in the appropriations bill which is before Congress. Action on the bill is expected this week.

The $900,000 now awaiting congressional approval will provide sufficient funds to complete the outlet structures.

On those structures that he is trying to complete, there is a pending contract for their completion. We have spent $1,200,000 already, which money will be wasted.

Mr. Chairman, I think the committee has tried to do a good job, but I do not consider the committee to be infallible. They have not shown that to be the case in this instance. I have talked to different members of the committee, and I am sure they realize they have made a mistake, but sometimes it is difficult to get people to correct a mistake. All we ask here is fairness in connection with this appropriation. I hope the Congress will restore the cut in the appropriation which has been made by the subcommittee, because I am sure it was made without a thorough understanding of what is involved.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the amendment. On this project the budget estimate was $900,000. The recommendation was to delete the $900,000. This project is only 17 percent completed, and the committee does not feel that its economic benefit or its relationship to national defense is such that the Corps of Engineers should proceed with the construction at the present time. The cost-benefit ratio here for the entire basin program is only 1 to 1.22, and the economic benefits of the Jemez Canyon are directly related to the over-all program. At the present time no other projects in the basin are being planned.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. FERNANDEZ. Yes, of course, there are other projects in the basin which we are willing to have postponed. But here you have authorized the work. The work has been started, and it is being stopped right in the middle of it. I think it is uneconomical, to say the least, to stop it in the middle of the work.

Mr. RABAUT. The economic ratio is tied to the entire system and that ratio is very low. It is 1 to 1.22. It is a very low ratio.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. DEMPSEY. The gentleman says that this project has no reference to the national defense. That is not what the Army engineers stated to the gentleman's committee. They said quite the opposite of that. It has a definite connection with our national defense. On this very river is the Sandia base, which is one of the most important projects today in America.

Mr. RABAUT. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. FERNANDEZ].

The question was taken; and on a division (demanded by Mr. DEMPSEY) there were—ayes 17, noes 61.

So the amendment was rejected.

The Clerk read as follows:

Emergency fund for flood control on tributaries of Mississippi River: For rescue work and for repair or maintenance of any flood-control work on any tributaries of the Mississippi River threatened or destroyed by flood, in accordance with section 9 of the Flood Control Act, approved June 15, 1936 (36 U. S. C. 702g–1), $500,000.

Mr. SIMPSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SIMPSON of Illinois: Page 8, after line 9, insert the following new paragraph:

"Flood protection, Beardstown, Ill.: For prosecuting work on the project for flood protection at Beardstown, Ill., including modification of the existing Lost Creek, South Beardstown, and Valley Drainage and Levee District projects, in accordance with section 204 of the Flood Control Act of 1950, approved May 17, 1950, $2,976,000, to remain available until expended. No part of the sum appropriated pursuant to this paragraph shall be expended without prior approval of the Bureau of the Budget."

Mr. SIMPSON of Illinois. Mr. Chairman, the authorization for flood protection at Beardstown, Ill., was authorized during the second session, Eighty-first Congress, House Resolution 5472, Public Law 516. It was authorized substantially in accordance with the recommendations of the Chief of Engineers in House Report 322, Eighty-first Congress, at an estimated cost of $2,976,000.

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The Civil Functions Subcommittee was as considerate as they possibly could be as they gave Beardstown citizens and myself about 30 minutes to testify in behalf of the appropriation. The reason given me for not including the amount in the civil functions appropriation bill was because we did not have budget approval. This is an old project, needing repairs and about to cave in the river.

We asked Mr. Donald MacPhail, assistant to the Director of the Budget, to give us the approval. Our office was led to believe we would receive an answer of some kind by noon today. Our office did receive a letter signed by Director F. J. Lawton rejecting our request.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., June 12, 1951.

Hon. SID SIMPSON,
House of Representatives,
House Office Building,
Washington, D. C.

MY DEAR MR. SIMPSON: This is in reply to your letter of June 5, 1951, to Mr. MacPhail of this Bureau requesting favorable consideration to an appropriation for flood control at Beardstown, Ill.

I regret to advise you that in the light of the necessarily restrictive policies covering public works followed in the preparation of the 1952 budget this office would not be able to recommend the funds for the initiation of the Beardstown project.

The President's budget contained no recommended funds for initiating construction of any projects in the river and harbor, flood control or reclamation fields except for a limited number of multiple-purpose projects, all of which would provide substantial power benefits essential to the defense effort. Decision to include these projects came after a careful review of power requirements for the defense effort, particularly in areas where the power shortage appeared potentially critical.

I appreciate knowledge of your interest in the authorized Beardstown improvement and can assure you that should changed conditions permit an adjustment of the present budget policies any estimate submitted by the Department of the Army for Beardstown will be given every consideration by this office.

Sincerely yours,
F. J. LAWTON, *Director.*

I also insert a letter from the White House dated July 21, 1950, to the Secretary of the Army, directing executive agencies to conduct detailed review of programs:

THE WHITE HOUSE,
Washington, July 21, 1950.

The honorable the SECRETARY OF THE ARMY.

MY DEAR MR. SECRETARY: In my message of July 19 to the Congress, I announced that I was directing the executive agencies—

"* * * to conduct a detailed review of Government programs, for the purpose of modifying them wherever practicable to lessen the demand upon services, commodities, raw materials, manpower, and facilities which are in competition with those needed for national defense. The Government, as well as the public, must exercise great restraint in the use of those goods and services which are needed for our increased defense efforts."

In order to adjust the programs of the Federal Government, I am writing to you and the heads of the other agencies whose programs involve substantial use of materials and other resources needed for the defense effort. Please reexamine your programs, giving particular attention, to the extent applicable, to the following:

(1) All civil public works, both direct Federal programs and grant-in-aid programs, should be screened with the objective, as far as practical, of deferring, curtailing, or slowing down those projects which do not directly contribute to defense or to civilian requirements essential in the changed international situation set forth in my message.

(2) Consistent with the restrictive policy already in force for housing credit, other credit programs should be tightened. The only exceptions should be those which directly contribute to meeting our defense and international responsibilities.

(3) Procurement of supplies and equipment should be held to minimum amounts, especially purchases of motor vehicles, typewriters, and other equipment using critical materials. Inventories should be reduced to the lowest practical levels, and excess supplies and equipment should be made available immediately to the General Services Administration.

In addition, I shall expect that in the reexamination of the programs of your agency you will give first priority to those activities which contribute directly to national defense, including requests of other agencies for assistance.

I am asking the Director of the Bureau of the Budget to work closely with you in this review and to report to me on the steps which you have taken in revising your program to meet these objectives.

Sincerely yours,
HARRY TRUMAN.

Mr. Chairman, I feel my record for economy during the five terms I have been here is as good as anyone's. The word economy, according to the dictionary, has several meanings besides the general implication of economy. One of the meanings, a theological one, is "the Creator's plan; the design of providence." In my opinion it is not the design of providence or the Creator's plan for the wake of man-made barges to wash the ground from under the foundation of a sea wall protecting the city.

Beardstown has 6,000 people in it, railroad shops, a large flour mill, and a defense manufacturing plant. Above all, it has homes and houses of worship. In my experience, along the Illinois, Mississippi and Sangamon Rivers in the Twentieth Illinois District, it does not make any difference to floodwaters whether you are a Democrat or a Republican, a Protestant or a Catholic, Jew or Gentile, colored or white. It comes just the same. Floods make no exception of legislative bodies, appropriation committees or the Bureau of the Budget. Old Man River does as it pleases.

The seawall protection at Beardstown is in danger of collapsing. This is caused by the wake of barge lines and other boats, churning the ground loose from under the foundation of the wall. Two years ago a 20-foot section caved in and has been temporarily repaired.

I have offered my amendment subject to approval of the Bureau of the Budget. What could be fairer than such a proposal? Some political subdivision is going to have to help or floodwater is going to wash Beardstown into the Illinois River. It is the most needed flood protection between Chicago and the 275 miles length of the river.

Are not 6,000 lives, homes, and churches in Illinois and the United States as important to protect as the lives of starving people in India? As far as I am concerned they are more important.

Mr. Chairman, this body can and has voted $50,000,000 for the rehabilitation of Korea. To my knowledge, not a single United Nations member has made any proportionate authorization. Mr. Speaker, this body has voted untold billions for good will all over the world. Under such circumstances, I do not propose for my part, Mr. Chairman, to let a city of 6,000 people float down the river.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 2 minutes, and that I be recognized.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, the gentleman from Illinois is absolutely right; this is a project that deals with with the homes of 6,500 people. It calls for an estimated cost of approximately $3,000,000. It is unbudgeted; not a nickel has been spent on it; it falls in the category of so many other projects of my worthy colleagues who have spoken here today.

Mr. Chairman, I ask for a vote and that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. SIMPSON].

The amendment was rejected.

Mr. CURTIS of Nebraska. I move to strike out the last word.

Mr. Chairman, during these troublesome years of increasing Government expenses and increasing taxes I have given considerable thought to our Federal flood-control program. I am of the opinion that that program is essential and that it is one of the things that will have to be carried on at a reasonable rate of speed.

A sound flood-control program is necessary if we are to preserve our productive facilities. An efficiently run private business which is ever so zealous to cut down overhead costs does not and cannot refuse to pay out necessary money for maintenance and repair of its productive machinery. Flood control falls in a similar category in regard to our national economy.

When no floods are threatening, and none have occurred recently, it is easy to suggest that flood control be cut out entirely. When citizens drown, when bridges, highways and roadways are washed away and homes are flooded, when industrial plants are inundated and millions of dollars of precious soil is washed away people change their mind about the necessity of flood control.

Flood control is not just another Government expenditure. Flood control is not the creation of a new department of government. It does not mean just more bureaucracy. Expenditures for flood control are not a means of handing out Government money to individuals who are able to provide for themselves.

Flood control is a public necessity. It is a public improvement. If the program is sound it constitutes necessary protection just as we must protect our communities against fire and other hazards.

Flood control is one program that cannot be returned to the States. The reason for this is obvious. Our rivers are interstate. Torrential rains and flood walls know no State lines. The rain falls and the snow melts in a far-off mountainous State and the water may flow through several States before it reaches flood height. The program of controlling floods is likewise interstate. A dam and reservoir in one State brings protection and safety and increased productivity to areas in States far below it. Floods and flood control are interstate. It is the type of program that must be handled by the Federal Government. By its very nature it is a public problem that calls for a public program.

Mr. Chairman, wide areas in the district that I have the honor to represent have again faced damaging floods. The entire south edge of Nebraska is menaced by floods. That part of southwest Nebraska included in the Republican Valley suffered a great deal throughout the years. A program of flood control and irrigation by the Bureau of Reclamation and the Army engineers is well underway. In several localities adequate protection has become a reality. This program must and will be carried on. It has been one of my chief concerns in the years that I have served in this Chamber.

Considerable of the Republican Valley flood protection is being carried on by the Bureau of Reclamation. The main construction by the Army engineers in the valley now is the Harlan County Dam. Closure of the dam will be made this summer. The construction of the Harlan County Dam is 92 percent complete. At the end of June this year there will be an unexpended balance of previous years of about $1,500,000. The Army had secured approval of the Bureau of the Budget for a new appropriation of $3,344,000. The committee in this bill has recommended the sum of $2,000,000. I have been in touch with the Office of the Chief of Engineers. They informed me that they believe that the job can be completed with this $2,000,000. We are very grateful for this.

In recent years all of southeast Nebraska has been subject to severe and reoccurring floods. Because I believe in these programs and because the need has been so urgent in this area as well, I have consistently worked for flood control.

In June 1944, after conferring with the local people in regard to their flood problem, I introduced the necessary resolutions which called upon the Army engineers to make an investigation and bring in a report and a plan for flood control for Salt Creek and the Big and Little Nemaha Rivers. These resolutions were approved by the House Committee on Flood Control on the 21st day of June 1944, and the Army engineers were assigned the job of formulating a flood-control program for these areas. The report of the Army engineers on Salt Creek has not yet been forwarded to Washington. I understand that the tentative proposals met with local opposition. To date, no final report by the engineers has been made to the Congress but one is expected by November 15, 1951.

Neither has the Army engineers report on the Nemaha and the Little Nemaha been transmitted to Washington. It is my information that these plans call for small dams and levee and channel improvements on both of these Nemaha Rivers. The report is not expected to reach Congress before December 1951. Congress cannot act until a report is officially transmitted to it.

The Army engineers have completed their studies and a plan has been submitted to Congress for local protection work at Hubbell, Nebr., on Rose Creek which flows into the Big Blue River. This is a small project consisting of a levee and channel improvements on Rose Creek.

Likewise, the Army engineers have submitted a plan for local protection work at Beatrice, Nebr., where Indian Creek joins the Big Blue River. The plan calls for levee and channel improvements on the Big Blue River and on Indian Creek and the removal of a low dam on the Big Blue River, which seriously reduces the channel capacity at that point.

The report on the Beatrice and Hubbell projects was not transmitted to Congress until June 21, 1950. This was after the last flood-control authorization bill. This bill was of May 17, 1950. After the Army engineers make a report the Congress must pass an authorization act before any money can be appropriated to carry out the engineers' recommendations. These authorization acts embody projects in all parts of the country. There is usually only one such authorization act every 2 or 3 years. It was unfortunate that the engineers' recommendations for local protection at Beatrice and Hubbell were so long delayed in reaching Congress. This was due to other parts of the Kansas River report dealing with Kansas projects which were exceedingly controversial.

The Department of Agriculture has a flood-control program which is important. It involves soil practices, land treatment, and water-retarding structures too large or too difficult to be handled by the individual farmer or his soil-conservation district, yet not of the size and cost of those built by the Army engineers and the Bureau of Reclamation.

Congressman STEFAN and I have introduced and secured the passage of a resolution by the Public Works Committee which directs the Department of Agriculture to bring in a flood-control program for the Salt Creek-Wahoo Creek Basin. This work by the Department of Agriculture is under way and it is expected that a report will be forthcoming before many months.

Likewise, I have introduced a resolution for agricultural flood survey for the Big Blue. This was referred to the Public Works Committee. I am informed that within the last few days a favorable recommendation on my resolution has been obtained from the Department of Agriculture. It is expected that the Public Works Committee will take up this resolution very shortly and I urge its passage.

Likewise, Representative BUFFETT and I have introduced a resolution calling for an agricultural flood survey for the Little Nemaha. This was referred to the same committee and likewise the Department of Agriculture has approved the resolution. We will press for early and favorable action by the Public Works Committee so that the technicians in the Department of Agriculture can bring in definite recommendations to lessen the flood damage in the Little Nemaha Basin.

Mr. Chairman, in many ways these flood problems become more acute each year. There are other rivers and creeks that have a considerable flood-control problem that I have not taken time to enumerate. I believe that the entire Missouri River Basin faces a flood problem.

This work is necessary. The loss of topsoil runs into millions of dollars. Almost every year several lives are lost and property is damaged. In my opinion, flood control is a necessary Federal function. I believe that a lot of handouts, both foreign and domestic, can be eliminated that will save many billions. I believe that we have other Government services that we can get along without. I do not know how we can ignore the ravages of floods and be fair to ourselves or those who follow us. We must conserve the good earth and hand it on a little more productive than we found it.

The Clerk read as follows:

SEC. 104. The Governor of the Canal Zone and the Chief of Engineers, Department of the Army, are authorized to employ services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), in amounts not exceeding $15,000 for the Canal Zone government and not exceeding $150,000 for the Corps of Engineers, Department of the Army: *Provided*, That the rates for individuals shall not exceed $100 per diem.

Mr. JENSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENSEN: On page 15, after line 7, add a new section as follows:

"No part of any appropriation or authorization contained in this act shall be used to pay the compensation of any incumbent appointed to any civil office or position which may become vacant during the fiscal year beginning on July 1, 1951: *Provided*, That this inhibition shall not apply:

"(a) To not to exceed 25 percent of all vacancies.

"(b) To positions filled from within the agency.

"(c) To offices or positions required by law to be filled by appointment of the President by and with the advice and consent of the Senate.

"(d) To seasonal and casual workers.

"(e) To employees in grades CPC 1 and 2.

"(f) To employees paid from trust funds.

"(g) To employees of the Canal Zone government.

Provided further, That when any department or agency covered in this act has reduced their employment rolls to 80 per cent of the total number on their rolls as of July 1, 1951, this limitation may cease to apply."

Mr. JENSEN. Mr. Chairman, this is a similar but not an identical amendment as those I have offered to four previous

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appropriation bills and which were adopted by the House.

I shall explain the exemptions in this amendment.

With reference to seasonal and casual workers, the amendment will permit the Army engineers to hire extra help in cases of flood and other emergencies; also for extra seasonal and casual help for the cemeteries provided for in this bill. Trust funds which are for the Old Soldiers Home are exempt under this amendment. Employees of the Canal Zone government are also exempted.

The budget requested $136,658,788 for personnel salaries. They requested salaries for 200 officers and for 37,163 civilian employees. The civil functions part of the Army engineers' duties does not have anything directly to do with our war effort except as a part of their duty is to keep floodwater off of land that produces food, feed, and fiber. Construction items have been materially reduced by the committee, hence it is proper to reduce administrative costs also, regardless of other reasons for doing so.

If my amendment is finally made law it will save the taxpayer at least $15,000,000 in the fiscal year 1952. The Bureau of the Budget requested funds to cover salaries for 37,163 civilian employees and for 200 uniformed officers. Uniformed officers are not affected by my amendment. It only covers civilian employees. In fact not a single employee now on the payroll is affected by this amendment.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment, as applied to the civil works functions of the Corps of Engineers, would have a drastic effect upon the authorized work of the corps, seriously curtailing essential services, and increasing the final costs of construction work as a result of construction delays.

If this amendment passes I am going to ask for a roll call, because I think it very necessary that the implications of this amendment be understood by the Members of this House. Take one little example. This is going to affect the harbor of New York. If that is not related to the defense effort, there is nothing relating to the defense effort in this country that I know of. Now let us get our feet on the ground. This is important. This does not fall within the ordinary fabric of things, and I hope you will listen to what I have to say.

This effect is particularly drastic on the Corps of Engineers because of its high rate of turn-over of personnel. Because of this high turn-over rate the full 20 percent cut would be effected during the first 4 or 5 months of the fiscal year inasmuch as the expected turn-over rate will exceed 50 percent during the year. During the 12-month period March 1950 to February 1951, the turn-over rate in the Corps of Engineers average over 4½ percent per month, or over 50 percent for the year. Some factors which have contributed to the turn-over rate are the establishment of new and expansion of present Government agencies in connection with the defense program, expansion in private industry, and unfavorable Federal pay schedules as compared with private industry. These factors are equally applicable to agencies other than the Corps of Engineers. It may be expected that the rate will increase during the coming year under existing circumstances.

To illustrate specifically the effects of such a cut, operations and maintenance work and new construction work may be taken as examples. The operations and maintenance work would include operation and maintenance of dredges and other floating plant, navigation locks, and multiple-purpose dams. Through constant efforts to decrease costs, the crews of these operations already have been reduced to the absolute minimum.

If the number of personnel on such operations were cut an additional 20 percent, dredges would be insufficiently manned to comply with navigation laws and thus would be unable to operate at all or would be operated at less than full capacity. As an example, the seagoing hopper dredge *Essayons*, under the jurisdiction of district engineer, New York district, is operating 24 hours per day 7 days per week. Extensive studies have indicated that this type of operation is practicable and the most efficient considering the investment in the plant and the magnitude of the project. The normal crew for such operation should be 123. Due to normal turn-over of personnel, it is possible to maintain a crew of only 110 to 115 full-time employees, with the difference being made up by overtime work by some individuals and reassignment of crew members to the more important operations. A further cut of 20 percent would reduce the personnel aboard the *Essayons* to approximately 90—you need 123 and you are going to cut it down to 90—which would be insufficient to keep the dredge operating on its present schedule in New York Harbor and still comply with navigation laws and operating regulations. A reduction in number of days operation per week and number of shifts per day would be mandatory, with resulting increase in the per unit cost of material removed by the dredge and a reduction in the amount of vital dredging performed in New York Harbor.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, the number of hours of operation of locks would have to be curtailed in order to spread available crews, resulting in the tie-up of navigation during some hours of the night, which would interfere seriously with the flow of interstate commerce, and all operations at multiple-purpose dams, including power production and distribution, flood control, and navigation, would be seriously affected.

To cite only one instance, power output at powerhouses would have to be curtailed, as the highly complicated power production and distribution equipment must be attended by trained operators. Such a curtailment would have a serious effect upon the defense effort, as the operation of these powerhouses is of vital importance to the defense production program.

The problem on construction work might not be cessation or curtailment of activity, as in dredge, lock and dam, and powerhouse activities, but delay in completion through inability to utilize sufficient construction and inspection personnel. This would result in higher construction costs.

If we are talking about economy, let us realize the situation as it exists.

The foregoing examples are limited to some of the direct effects of the amendment on actual operations. The total effect would be even greater, as the 20 percent reduction would also apply throughout the engineering and service activities of the Corps.

As indicated by the above discussion, the provisions that only 25 percent of all vacancies can be filled, and that the amendment is inapplicable after July 1, 1951 force is reduced to 80 percent, are of no value in easing the efforts of the amendment. Further, the exception for positions filled by transfer within an agency would be of extremely limited value, as the net result in each case will be reduction of one position at some equally critical point in the agency.

An additional factor which must be considered is the problem of operating and policing the proposed amendment, which would require considerable manpower to insure that all payments to personnel were legal. Since the amendment precludes the employment of additional personnel, the personnel necessary to administer the amendment could only be obtained by a further reduction in operating personnel, resulting in a still further curtailment of important functions.

Mr. Chairman, this is a dangerous amendment to a proposition dealing so intimately with the defense problems of the Nation and dealing with navigation and power and with things worth while for the conservation of America. I ask for the defeat of the amendment.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this bill has been reduced in the Corps of Engineers, rivers and harbors item, from $220,000,000 to $162,000,000. The flood control item has been reduced from $328,000,000 to $268,000,000. The Mississippi River item has been reduced from $61,000,000 to $59,000,000. Yet, there is nothing in the report or in the bill to indicate exactly what personnel are reduced.

If you want to get a picture of what the situation is, look at the green sheets which have been furnished by the Bureau of the Budget. Here we have engineers, ranging 10 to 11 thousand dollars: for 1950, 5; for 1951, 6; for 1952, 7. Down a little further you find—Engineers for an average pay of $8,500: in 1950, 16; for 1951, 19; and for 1952, 21. Then you go down a little further and you get more engineers—39 for 1950, 40 for 1951, and 41 for 1952, with an average pay of $8,000.

In other words, with a lessened activity, the payroll has been built up in the higher grades. Is it not time for us to look at this situation and let them manage their business so that the lower activity which will result from the reduction that the committee has made in the flood control and river and harbor activities will reduce their personnel where they do not need them, and that we can save some money and get some results for the people of the United States out of the money that is spent? That is the object of this amendment, and it is a painless operation that the gentleman from Iowa [Mr. JENSEN] has provided.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Is it not a fact that due to the work of the gentleman from Iowa [Mr. JENSEN] with this same amendment on previous appropriation bills, the other body yesterday saw fit to institute something along the same order, or having the same thing in mind, that is, a reduction in the personnel of this Government to a great degree?

Mr. TABER. If we do not reduce the personnel of this Government and get it down to earth, we are going to be in terrible shape in this country, and we are never going to be able to control it. The gentleman from Iowa [Mr. JENSEN] is entitled to a lot of credit for offering it.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HOFFMAN of Michigan. Do I get the argument right that while we are cutting the amount of money for their operation, we are giving them more employees, and that this amendment is designed to cut that out?

Mr. TABER. The employees in the upper grades are being increased at a time when the responsibility that was given them by the Bureau of the Budget was being reduced.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Iowa.

Mr. JENSEN. Is it not a fact that the gentleman who preceded you said this would affect the defense of our country?

Mr. TABER. It will not.

Mr. JENSEN. And the gentleman did not say a word about all the cuts he made in flood control, where waters are covering the finest land in America and affecting the defense of this Nation?

Mr. TABER. They ought to be using the money to take care of the rivers and harbors and flood control, and not try to keep people on the payroll where they do not need them.

The CHAIRMAN. The time of the gentleman from New York has expired.

The question is on the amendment offered by the gentleman from Iowa [Mr. JENSEN].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 80, noes 92.

Mr. JENSEN. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chairman appointed as tellers Mr. RABAUT and Mr. JENSEN.

The Committee again divided; and the tellers reported that there were—ayes 89, noes 92.

So the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. RABAUT. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARDY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4386) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. RABAUT. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TABER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the Committee on Appropriations with instructions to report the same back with the following amendment: Add a new section on page 15, line 7, as follows:

"No part of any appropriation or authorization contained in this act shall be used to pay the compensation of any incumbent appointed to any civil office or position which may become vacant during the fiscal year beginning on July 1, 1951: *Provided*, That this inhibition shall not apply—

"(a) to not to exceed 25 percent of all vacancies;

"(b) to positions filled from within the agency;

"(c) to offices or positions required by law to be filled by appointment of the President by and with the advice and consent of the Senate;

"(d) to seasonal and casual workers;

"(e) to employees in grades CPC 1 and 2;

"(f) to employees paid from trust funds;

"(g) to employees of the Canal Zone Government.

Provided further, That when any department or agency covered in this act has reduced their employment rolls to 80 percent of the total number on their rolls as of July 1, 1951, this limitation may cease to apply."

Mr. RABAUT. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 92, noes 109.

Mr. TABER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 170, nays 165, not voting 97, as follows:

[Roll No. 76]

YEAS—170

Abernethy	Fulton	Ostertag
Adair	Gamble	Patterson
Allen, Calif.	Gathings	Phillips
Allen, Ill.	Gavin	Pickett
Andersen, H. Carl	Gossett	Potter
Anderson, Calif.	Graham	Poulson
Andresen, August H.	Greenwood	Prouty
Angell	Gross	Quinn
Arends	Gwinn	Radwan
Armstrong	Hagen	Rankin
Auchincloss	Hale	Reece, Tenn.
Ayres	Hall, Leonard W	Reed, N. Y.
Bakewell	Halleck	Rees, Kans.
Bates, Mass.	Hand	Riehlman
Beamer	Harden	Rogers, Mass.
Bender	Harrison, Va.	Sadlak
Bennett, Mich.	Harrison, Wyo.	St. George
Berry	Harvey	Saylor
Betts	Heselton	Schwabe
Bishop	Hill	Scott, Hugh D., Jr.
Blackney	Hillings	Scrivner
Boggs, Del.	Hinshaw	Scudder
Bolton	Hoeven	Seely-Brown
Bow	Hoffman, Mich.	Shafer
Bramblett	Holmes	Sheehan
Bray	Hope	Simpson, Ill.
Brown, Ohio	Horan	Sittler
Brownson	Hull	Smith, Va.
Budge	Hunter	Springer
Buffett	Jackson, Calif.	Stanley
Busbey	James	Stefan
Bush	Jenison	Taber
Butler	Jenkins	Talle
Byrnes, Wis.	Jensen	Taylor
Canfield	Jonas	Thompson, Mich.
Case	Kean	Tollefson
Chenoweth	Kearney	Vail
Church	Keating	Van Pelt
Clevenger	Kilburn	Van Zandt
Corbett	Latham	Vaughn
Crawford	Lovre	Velde
Crumpacker	McConnell	Vorys
Cunningham	McCulloch	Vursell
Curtis, Mo.	McGregor	Weichel
Curtis, Nebr.	Mack, Wash	Werdel
Dague	Martin, Iowa	Wheeler
Davis, Ga.	Mason	Widnall
Denny	Miller, Md.	Williams, Miss.
Devereux	Miller, Nebr.	Williams, N. Y.
D'Ewart	Miller, N. Y.	Wilson, Ind.
Dolliver	Morton	Withrow
Dondero	Mumma	Wolcott
Donovan	Murray, Tenn.	Wolverton
Ellsworth	Nelson	Wood, Idaho
Engle	Nicholson	Wood, Ga.
Fellows	Norblad	
Fenton	O'Hara	
	O'Konski	

NAYS—165

Abbitt	Burleson	Eberharter
Addonizio	Burnside	Elliott
Albert	Burton	Evins
Allen, La.	Cannon	Fallon
Andrews	Carlyle	Feighan
Anfuso	Celler	Fernandez
Aspinall	Chatham	Fine
Barden	Chudoff	Fisher
Baring	Combs	Fogarty
Barrett	Cooley	Forand
Bates, Ky.	Cooper	Ford
Beckworth	Cox	Forrester
Bennett, Fla.	Crosser	Frazier
Bentsen	Davis, Wis.	Fugate
Blatnik	Dawson	Furcolo
Boggs, La.	Deane	Garmatz
Bolling	Delaney	Gore
Bonner	Dempsey	Granahan
Boykin	Denton	Granger
Brown, Ga.	Dollinger	Grant
Bryson	Donohue	Green
Buckley	Dorn	Gregory

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Hardy	McCormack	Riley
Harris	McGrath	Roberts
Hart	McGuire	Robeson
Havenner	McKinnon	Rodino
Hays, Ark.	McMillan	Rogers, Colo.
Hedrick	McMullen	Rogers, Fla.
Heller	Mack, Ill.	Rogers, Tex.
Herlong	Madden	Sasscer
Holifield	Magee	Shelley
Howell	Mahon	Sieminski
Jackson, Wash.	Marshall	Smith, Miss.
Jarman	Mills	Spence
Javits	Mitchell	Staggers
Jones, Ala.	Morgan	Steed
Jones, Mo.	Morris	Stigler
Jones, Hamilton C.	Multer	Stockman
	Murdock	Tackett
Jones, Woodrow W.	Murphy	Thomas
	Norrell	Thompson, Tex.
Karsten, Mo.	O'Brien, Ill.	Thornberry
Kelly, N. Y.	O'Brien, Mich.	Trimble
Kennedy	O'Neill	Walter
Keogh	O'Toole	Watts
Kerr	Passman	Welch
Kilday	Perkins	Whitaker
King	Philbin	Whitten
Kirwan	Poage	Wickersham
Klein	Polk	Wier
Lane	Price	Willis
Lanham	Priest	Wilson, Tex.
Larcade	Rabaut	Winstead
Lesinski	Reams	Yates
Lucas	Redden	Yorty
McCarthy	Rhodes	

NOT VOTING—97

Aandahl	Gillette	Moulder
Bailey	Golden	Murray, Wis.
Baker	Goodwin	Patman
Battle	Gordon	Patten
Beall	Hall, Edwin Arthur	Powell
Belcher		Preston
Bosone	Hays, Ohio	Rains
Breen	Hébert	Ramsay
Brehm	Heffernan	Reed, Ill.
Brooks	Herter	Regan
Burdick	Hess	Ribicoff
Byrne, N. Y.	Hoffman, Ill.	Richards
Camp	Irving	Rivers
Carnahan	Johnson	Rooney
Chelf	Judd	Roosevelt
Chiperfield	Kearns	Sabath
Clemente	Kelley, Pa.	Scott, Hardie
Cole, Kans.	Kersten, Wis.	Secrest
Cole, N. Y.	Kluczynski	Sheppard
Colmer	Lantaff	Short
Cotton	LeCompte	Sikes
Coudert	Lind	Simpson, Pa.
Davis, Tenn	Lyle	Smith, Kans.
DeGraffenried	McDonough	Smith, Wis.
Dingell	McVey	Sutton
Doughton	Machrowicz	Teague
Doyle	Mansfield	Towe
Durham	Martin, Mass	Vinson
Eaton	Meader	Wharton
Elston	Merrow	Wigglesworth
Flood	Miller, Calif.	Woodruff
Gary	Morano	Zablocki
George	Morrison	

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Herter for, with Mr. Camp against.

Mr. Towe for, with Mr. Preston against.

Mr. Eaton for, with Mr. Teague against.

Mr. Gillettee for, with Mr. Lantaff against.

Mr. Kearns for, with Mr. deGraffenried against.

Mr. Coudert for, with Mr. Dingell against.

Mr. Elston for, with Mr. Kelley of Pennsylvania against.

Mr. Hess for, with Mr. Patten of Arizona against.

Mr. Ribicoff for, with Mr. Clemente against.

Mr. LeCompte for, with Mr. Carnahan against.

Mr. Reed of Illinois for, with Mr. Byrne of New York against.

Mr. Brehm for, with Mr. Flood against.

Mr. Short for, with Mr. Moulder against.

Mr. Simpson of Pennsylvania for, with Mr. Mansfield against.

Mr. Cole of New York for, with Mr. Hays of Ohio against.

Mr. Baker for, with Mr. Gordon against.

Mr. Woodruff for, with Mr. Zablocki against.

Mr. Merrow for, with Mr. Kluczynski against.

Mr. Meader for, with Mr. Chelf against.

Mr. Golden for, with Mrs. Bosone against.

Mr. Goodwin for, with Mr. Brooks against.

Mr. Smith of Kansas for, with Mr. Heffernan, against.

Mr. McVey for, with Mr. Rooney against.

Mr. Chiperfield for, with Mr. Sikes against.

Mr. Judd for, with Mr. Roosevelt against.

Mr. Johnson for, with Mr. Machrowicz against.

Until further notice:

Mr. Miller of California with Mr. Martin of Massachusetts.

Mr. Morrison with Mr. McDonough.

Mr. Hébert with Mr. Wigglesworth.

Mr. Regan with Mr. Smith of Wisconsin.

Mr. Rivers with Mr. Hardie Scott.

Mr. Sabath with Mr. Edwin Arthur Hall.

Mr. Sheppard with Mr. Murray of Wisconsin.

Mr. Battle with Mr. Cole of Kansas.

Mr. Doyle with Mr. Cotton.

Mr. BROWN of Ohio. Mr. Speaker, may we have the well cleared so we can see who changes his vote?

The SPEAKER. If we are going to start that procedure now we will follow it on every vote hereafter. There are just as many on one side as the other.

The Members will retire from the well to their seats.

Mr. BOYKIN. Mr. Speaker, how am I recorded?

The CLERK. The gentleman is recorded as voting "yea."

Mr. BOYKIN. Mr. Speaker, I change my vote from "yea" to "nay."

Mr. O'TOOLE. Mr. Speaker, I change my vote from "yea" to "nay."

Mr. LUCAS. Mr. Speaker, how am I recorded?

The CLERK. The gentleman from Texas is recorded as voting "nay."

Mr. SASSCER. Mr. Speaker, how am I recorded?

The CLERK. The gentleman from Maryland is recorded as voting "nay."

Mr. JARMAN. Mr. Speaker, how am I recorded?

The CLERK. The gentleman from Oklahoma is recorded as voting "nay."

Mr. BURNSIDE. Mr. Speaker, I qualify and vote "nay."

Mr. ROOSEVELT. Mr. Speaker, I vote "nay."

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Is it necessary on this vote that Members qualify?

The SPEAKER. It is.

Mr. HALLECK. I did not hear the gentleman say that he could qualify under the rule.

The SPEAKER. Which gentleman?

Mr. HALLECK. The gentleman from New York [Mr. ROOSEVELT].

Mr. ROOSEVELT. No, Mr. Speaker; I was not here in the beginning.

The SPEAKER. Members to qualify must have been in the hall listening when the roll was called and not heard their names called.

Mr. ALBERT. Mr. Speaker, how am I recorded?

The CLERK. The gentleman from Oklahoma is recorded as voting "nay."

Mr. GAVIN. Mr. Speaker, how am I recorded?

The CLERK. The gentleman from Pennsylvania is recorded as voting "nay," Mr. Speaker.

Mr. GAVIN. Mr. Speaker, I change my vote frrom "nay" to "yea."

Mr. BEALL. Mr. Speaker, am I recorded?

The CLERK. The gentleman from Maryland is not recorded.

Mr. BEALL. Mr. Speaker, I cannot qualify.

Mr. O'KONSKI. Mr. Speaker, how am I recorded?

The CLERK. The gentleman from Wisconsin is not recorded.

Mr. O'KONSKI. Mr. Speaker, I qualify and vote "yea."

The result of the vote was announced as above recorded.

Mr. RABAUT. Mr. Speaker, pursuant to the instructions of the House in the motion to recommit, I report back the bill, H. R. 4386, with an amendment which is on the Clerk's desk.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

On page 15, insert a new section as follows:

"No part of any appropriation or authorization contained in this act shall be used to pay the compensaton of any incumbent appointed to any civil office or position which may become vacant during the fiscal year beginning on July 1, 1951: *Provided*, That this inhibition shall not apply—

"(a) to not to exceed 25 percent of all vacancies;

"(b) to positions filled from within the agency;

"(c) to offices or positions required by law to be filled by appointment of the President by and with the advice and consent of the Senate;

"(d) to seasonal and casual workers;

"(e) to employees in grades CPC 1 and 2;

"(f) to employees paid from trust funds;

"(g) to employees of the Canal Zone government.

Provided further, That when any department or agency covered in this act has reduced their employment rolls to 80 precent of the total number on their rolls as of July 1, 1951, this limitation may cease to apply."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

CLERK AUTHORIZED TO CORRECT SECTION NUMBERS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that the Clerk have authority to correct section numbers in the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that all Members

may have an opportunity in the proper place in the RECORD to extend their remarks in reference to the change of the name from the Buggs Island Dam to the John H. Kerr Dam.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

JOINT COMMITTEE ON THE ECONOMIC REPORT

The SPEAKER. Pursuant to the provisions of section 5, Public Law 304, Seventy-ninth Congress, the Chair appoints as a member of the Joint Committee on the Economic Report the gentleman from California, Mr. MCKINNON, to fill an existing vacancy thereon.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

WASHINGTON, D. C., *June 13, 1951.*

The Honorable SAM RAYBURN,
Speaker of the House of Representatives,
United States Capitol.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on Merchant Marine and Fisheries of the House of Representatives to be effective immediately in order to accept an appointment to the Committee on Banking and Currency.

WILLIAM A. BARRETT.

The SPEAKER. Without objection, the resignation is accepted. There was no objection.

ELECTION OF MEMBER TO COMMITTEE ON BANKING AND CURRENCY

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 254) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That WILLIAM A. BARRETT, of Pennsylvania, be, and he is hereby, elected a member of the standing committee of the House of Representatives on Banking and Currency.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF MEMBER TO COMMITTEE ON PUBLIC WORKS

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 255) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That CLARE MAGEE, of Missouri, be, and he is hereby, elected a member of the standing committee of the House of Representatives on Public Works.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROTECTING CONSUMERS AND OTHERS AGAINST MISBRANDING AND FALSE ADVERTISING

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 256, Rept. No. 573), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2321) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AMENDING AGRICULTURAL ACT OF 1949

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 257, Rept. No. 574), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3283) to amend the Agricultural Act of 1949. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

LEAVE OF ABSENCE

Mr. DAVIS of Wisconsin. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Wisconsin, Mr. KERSTEN, be granted leave of absence for today on account of official business.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SPECIAL ORDER

The SPEAKER. Under the previous order of the House, the gentlewoman from Massachusetts (Mrs. ROGERS) is recognized for 5 minutes.

(Mrs. ROGERS of Massachusetts asked and was given permission to revise and extend her remarks and include a description of the National Paraplegia Foundation.)

THE NATIONAL PARAPLEGIA FOUNDATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, the Public Health Service tells us that there are 85,000 paraplegics in the civilian population of the United States. Paraplegics are paralyzed from the level of a spinal injury on down. These are the forgotten men and women, boys and girls among the Nation's paralyzed.

The Paralyzed Veterans of America have set out to help them and established the National Paraplegia Foundation to do this job. The National Paraplegia Foundation is a non-profit corporation incorporated under the laws of the State of Illinois.

Briefly the purposes for which the National Paraplegia Foundation was organized as stated in their corporate charter are to form a national foundation for the benefit of all persons who have suffered injury to the spinal cord. They want to set up adequate rehabilitation programs for these people, the majority of whom are not now receiving care and training. The program has been endorsed by Dr. Morris Fishbein, editor of the Journal of the American Medical Association.

The foundation has a board of directors composed of prominent business leaders and paralyzed veterans to manage its affairs. Its president is Jerry Giesler, an attorney from Los Angeles, Calif. The duties of the Board are to manage the affairs of the corporation and to raise funds to carry on the program to help paraplegics resume their normal place in their communities and to become self-supporting.

The National Paraplegia Foundation has a medical advisory committee to direct its activities from a medical standpoint and to set the standards for its research programs. The chairman of the medical advisory committee is Dr. Leslie W. Freeman, director of surgical research, Indiana University Medical Center in Indianapolis. Also on the board are Dr. R. Glen Spurling, professor of neurological survey at the University of Louisville School of Medicine and formerly Chief Consultant in Neurosurgery to the Veterans' Administration. Dr. Andrew C. Ivy, vice president of the University of Illinois and nine other equally prominent medical men make up the board that advises the foundation's board of directors on establishing its program and carrying out its researches.

At the present time the National Paraplegia Foundation is operating a medical-fellowship program utilizing available medical school laboratories across the Nation. Doctors are given an opportunity through this program to carry research projects in connection with spinal cord injury and the basic physiology of the spinal cord. Spinal cord injuries are received through many types of accidents ranging from accidents at birth through sports activities and falling down steps at school and on into automobile and industrial accidents as well as accidents around the home.

The support of all Americans is needed for this worthy cause. Money is needed to help the National Paraplegia Foundation help these people who would otherwise not receive aid. An understanding attitude by the general public will help paraplegics to resume their occupations and trades and to become self-supporting independent and happy individuals.

The following is a brief description of the National Paraplegia Foundation:

WHY THE NATIONAL PARAPLEGIA FOUNDATION WAS FORMED—HOW IT IS ORGANIZED

The Paralyzed Veterans' Associations of America (now Paralyzed Veterans of America) was formed in 1947. One of its goals was adequate care for civilian paraplegics (about 85,000 in the United States[1]) and

[1] Public Health Service figures.

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the advancement of research into conditions of the spinal cord resulting from injury and culminating in paralysis from the level of the injury down, including loss or impairment of bodily functions.

During 1948 we decided that the program we had planned to assist civilian paraplegics, who outnumber the veterans 34 to 1, and our research activities could best be handled by a separate organization. Accordingly the National Paraplegia Foundation was incorporated as a nonprofit benevolent corporation under the laws of the State of Illinois.

Briefly, the purposes for which the foundation was organized, as stated in our corporate charter, are to form a national foundation for the benefit of all persons who have suffered injury or diseases of the spinal cord. We will also advocate, foster, and maintain complete and effective programs of medical care and rehabilitation for all paraplegics. The majority of them are not now receiving such care and training.

We need your help. We need your moral support, and your contributions will make this ambitious program a success. Dr. Morris Fishbein, editor of the Journal of the American Medical Association, has heartily endorsed this program.

Each chapter of the Paralyzed Veterans of America (formerly Paralyzed Veterans' Associations of America) has 1 member and 1 vote on the board of directors for a total of 6 votes; 5 prominent men were chosen to bring the board up to a strength of 11 members. Mr. Jerry Giesler, a Los Angeles attorney, was made president. Mr. H. Barry McCormick, president of the Chicago firm of McCormick & Henderson, was made vice president. Mr. Henry Slavik, vice president of Albert Schwill & Co., of Chicago, was made treasurer. Mr. Alfred L. Gore, of the Chicago Book Bindery Co., and a paralyzed veteran, was made secretary of the foundation, but has no vote on the board of directors. Mr. Fred Levinthal, president of Allure Fabrics Corp., of New York, and Mr. R. W. McKee, secretary-treasurer of the Maywood Glass Co., a division of Anchor-Hocking Glass Co. in Los Angeles, were also named as members of the board of directors.

William H. Schwarzschild, chairman of the board of the Central National Bank of Richmond, and Dr. W. T. Sanger, president of the Medical College of Virginia, were recently elected vice presidents, and Mr. Schwarzschild was named assistant treasurer of the foundation. At the present time they are acting with the executive director as the executive committee.

The duties of the board of directors are to manage the business of the corporation, and to raise funds to carry on the research activities of the foundation. Such activities as the medical board may recommend will be carried out by the board of directors.

We have a medical advisory committee to tell us how we can best spend the funds that are available. We believe that from the standpoint of active medical personnel, we probably have one of the most outstanding medical groups in the United States.

Dr. L. W. Freeman, director of surgical research, Indiana University School of Medicine, 1040–1232 West Michigan Street, Indianapolis 7, Ind., is chairman. You will find the entire medical board listed at the bottom of the first page. Probably some of the names are already familiar to you. Each of these doctors will be glad to answer any questions you may care to ask concerning our program.

In the back of this pamphlet is a copy of our medical program as it was formulated by our medical advisory committee.

Our objectives are:

1. To train and rehabilitate all paraplegics to the point that they will become self-supporting citizens.

2. A cure for paraplegia.

The second objective is idealistic, but we believe it is attainable. It is an expensive program. Ten medical fellowships (which should be our minimum) will cost about $45,000 per year. As the store of knowledge concerning the spinal cord is added to by these doctors, the care and treatment of the persons suffering from spinal injury will be improved gradually until the ultimate objective is reached. All applicants for fellowships are screened, and their qualifications evaluated by the Medical Advisory Committee. Only the best are chosen.

We hope to be able to give grants-in-aid to laboratories and medical schools from time to time to carry on research in the various phases of the physiology and pathology of the spinal cord.

It is, indeed an ambitious program for 1,600 paraplegic veterans. We need all the help we can get. We are doing our best and we solicit your assistance. If a group becomes interested in our program and wants to learn more we will try to make arrangements for Dr. L. W. Freeman or some other member of our Medical Advisory Committee to meet with that group.

Your dollars are needed to make this program effective. Checks should be made payable to the National Paraplegia Foundation and may be sent directly to the national office, or through one of the officers of the foundation in your locality.

Don't forget that spinal injury can come from sports activities, such as diving and football; it can come from automobile accidents, and industrial accidents; persons have become paraplegics by falling down steps in their own homes. It is the goal of the foundation, toward which your contribution will be used, to improve the medical situation of paraplegics to the extent that they can all live self-supporting, useful lives.

We hope that we shall hear from you in the near future.

BERNARD E. SHUFELT,
Executive Director.

THE NATIONAL PARAPLEGIA FOUNDATION MEDICAL PROGRAM

I

Scope of the activities of the foundation:

A. To seek means of expanding the present facilities for the care and rehabilitation of paraplegic patients.

B. To increase the knowledge of the physiology and pathology of the spinal cord, of pathological conditions arising out of disease or injury of the spinal cord, and of the techniques of rehabilitation.

II

The program for rehabilitation:

A. It is proposed that the Federal Government make its present facilities for rehabilitation of paraplegic veteran patients available to all citizens, and that these facilities be expanded to meet the additional load. It is proposed that the expense be borne by State, local, and private funds in the same manner that tubercular and mental patients are cared for.

1. An act of Congress is required for this to be realized.

(a) A survey of the number of patients now suffering from paraplegia (and the rate at which new cases are occurring) must be carried out.

(b) An educational program to impress lay and medical groups with the need for such legislation must be carried on.

B. The number of trained personnel for paraplegia centers must be increased.

1. An educational program to stimulate interest by the medical profession in the treatment of paraplegia is required.

III

The program for medical research:

A. The interest of the proper men in the specific problems of paraplegia must be stimulated.

1. This increased interest can best be created by close association of medical schools and paraplegic patients. It is suggested that all paraplegic patients in the acute phases be treated in hospitals connected with medical schools, thus permitting students, house staff members, and younger attending men to meet the problems at first-hand.

2. Another means is to facilitate dissemination of information regarding present activities in treatment and research.

IV

The program for fellowships:

A. Fellowships are one of the best means available for creating interest in the problems of paraplegia and for the provision of personnel training.

1. It is suggested the National Paraplegia Foundation establish 10 fellowships ranging from $3,000–$6,000 a year for 3 years' duration each, for work in the fundamental disciplines of science and medicine.

2. The medical advisory committee will make these appointments.

V

The organization and duties of the medical advisory committee:

A. Chairman, Dr. Leslie W. Freeman.

B. General plan of duties:

1. To participate in the educational program by speaking on behalf of the medical program of the foundation.

2. To assist in the preparation of material for the local medical societies and the lay public in regard to the medical program.

3. To assist in the preparation of material of interest and instruction for the general practitioner of medicine.

4. To assist in the collection of data regarding paraplegia from the standpoints of therapeutics and research.

5. To assist in obtaining grants-in-aid for specific research projects.

6. To administer the fellowship program of the foundation.

C. Composition of committee: 1. To include representatives of the major specialties concerned with the care and rehabilitation of paraplegic patients.

D. Miscellaneous: 1. Meetings will be held as often as necessary, judged principally by the progress made, and by specific needs as they arise.

The SPEAKER pro tempore (Mr. MORRIS). Under previous order of the House, the gentleman from Texas [Mr. FISHER] is recognized for 15 minutes.

PRICE ROLL-BACK ON CATTLE IS PROVING UNFAIR, UNWISE, AND, UNWORKABLE TO CONSUMERS, PRODUCERS, AND PROCESSORS ALIKE

Mr. FISHER. Mr. Speaker, the OPS order rolling back cattle prices, which took effect on May 20, is not helping consumers and is doing serious damage to producers and small packing houses. As I pointed out in a radio forum discussion with Mr. Erickson, Chief of the Beef Division of OPS, 2 or 3 weeks ago, the order will lead to a less and a more irregular and undependable meat supply for consumers. It will result in reduced feeding operations where a third of the weight of live cattle for market is added. It is resulting in severe hardships to producers, small operators, and to thousands of feeders who were caught with inventories when the roll-back order was issued.

Already these facts are unfolding: When the order was announced many producers and feeders rushed their cattle to market, many before they were finished, to avoid the drastic roll-back. Markets were flooded for a while. Since then, receipts in the markets have slumped considerably and there is a vir-

tual meat famine in many cities today, and the housewives are still paying about the same price, or even more in some instances, for their meat.

SMALL PACKERS BEING FORCED OUT OF BUSINESS

Many small packing plants have already been forced out of business. The largest meat-packing plant in Lubbock, Tex., closed the other day for the duration of the Government's present controls on meat marketing. I have just received a communication from the Mills County Commission Co., of Goldthwaite, Tex., one of the thousands of sales outlets for this Nation's beef, advising that it will probably be forced to close shop in view of the adverse effects of the roll-back order.

I have received numerous letters from small operators who say they cannot continue to operate under the order. Let me quote briefly from one, to illustrate the point. This is one of thousands over the Nation similarly affected. This comes from Mr. E. G. Eggemeyer, of Miles, Tex.:

> I would like for you to let me know what I should do with some steers that I have fed for the market. I have fed out from 10 to 15 head each year for the past 14 years. These cattle are ready to go to town in about a week. Some local buyers have looked at them and told me they could not pay more than Commercial price for them. It has been dry here and feed was very high. * * * There are several small feeders around here like myself.
>
> I am not opposed to price controls on cattle, but if I sell them for Commercial at $27.30 I could not make any money. * * * Let me know at once what you think about this situation as I am intending to get out of this work if it will not pay me.

Let me explain what Mr. Eggemeyer means by "Commercial." Under the OPS order the roll-back applies to grades of meat, designated as Prime, Choice, Good, Commercial, Utility, and Canner and Cutter. Each has a different ceiling, and there is a differential in the amount of the roll-back as applied to each.

There is a differential of $4 per hundred pounds between meat graded Commercial and that graded Good; between Utility and Commercial, $5.50 per hundred pounds. When a Government grader goes into a slaughterhouse or a packing plant and inspects a carcass he makes a decision whether the meat he inspects is Utility or Commercial or Good, and so forth, and what he says will have a lot to do with the price the packer-buyer can afford to bid for the animal before he buys and slaughters it. A mistake in judgment might easily cost him as much as $5.50 per hundred pounds on the animal. If the steer weighs 1,000 pounds, that would mean if he misjudged, or if his judgment should not be the same as that of the grader, he would stand to lose a lot of money. So the buyer is naturally going to render every doubt in favor of himself and against the producer who brings the cattle to market and who is at the mercy of the purchaser's offer.

That illustrates why the buyers are afraid to pay Mr. Eggemeyer more than $27.30 per hundred pounds for his steers he has been feeding for months. They want to be safe and they will naturally render every doubt against Mr. Eggemeyer in order to protect themselves against possible heavy losses. The result is that the producer is caught in the squeeze. In practice this will actually often mean an additional roll-back in prices to the producer below what he might be entitled to receive under the OPS orders. He becomes a helpless victim of a condition over which he has no control.

MANY NEW MEAT INSPECTORS WILL BE INEXPERIENCED AND SUBJECT TO CORRUPT TEMPTATIONS

This situation is further complicated by the fact that the Government is planning an additional five or six hundred meat inspectors to help carry out the order. Many of them will, of course, be inexperienced, and their whims and prejudices may enter the picture when decision on grades are made, particularly where decisions are close. Moreover, imagine the room and the temptation for corruption in that field on the part of this new army of meat inspectors who will go on the Government's payroll to inspect meat. This simply points up one of the many problems involved in this program no matter what care is used in the selection of these men.

TOTAL ROLL-BACK MAY BE AS MUCH AS 34 PERCENT AS APPLIED TO RANGE CATTLE GROWN IN TEXAS

Another valid criticism of this drastic roll-back order was made by Mr. Ray Willoughby and Hon. Joe Montague, president and general counsel, respectively, of the Texas and Southwestern Cattle Raisers' Association, when they recently appeared before the House Committee on Agriculture. They pointed out that the effect of the roll-back order will be to actually reduce the price of cattle graded Commercial by 18 percent instead of the 10 percent average on the initial roll-back. And if the same proportion is carried out in the next two roll-backs, the total will amount to 34 percent. Others before the committee put the total at 27 percent. Since Texas and the Southwest produce cattle on the range, most of them will be graded Commercial. Therefore, the order is most severe and indefensible as applied to that segment of the industry.

WHY ROLL BACK PRICES ON ONE INDUSTRY AND NOT ON OTHERS?

Mr. Speaker, another just criticism of this order is the obvious discrimination that is involved. Why pick out one single segment of our economy and roll the prices back? There is no similar order applying to any other commodity. There is no roll-back on labor costs to the producer. There is no roll-back on skyrocketing feed costs, nor on transportation costs, nor on taxes, nor on commission, nor on the cost of living to the producer. And there is no roll-back on the terrific drought conditions that have plagued the Southwest during the past year, adding immeasurably to the cost of production.

It will be recalled that last December there was an order rolling back the prices of new automobiles. But it was soon lifted as a result, in part at least, of pressure from the CIO's United Automobile Workers because it would have caused workers to be laid off and would have interfered with wage increases that were in the making. Since then there have been increases allowed for new automobiles and there have been many instances of wage increases over the country.

Indeed, at about the time of the cattle roll-back, a 10-percent increase in wages for slaughterhouse workers was granted by the Government. Mr. DiSalle has said the initial roll-back on cattle was primarily for the benefit of the packing houses. Yet not a single packing house or slaughterer came before the House committee to testify on the subject. Can it be that the real purpose was to enable the packers to pay higher and higher wages, at Government sanction, to the workers who are members of powerful labor unions? Certainly the consumers are not benefiting from the initial roll-back.

PRODUCERS KNOW ABOUT DANGERS OF INFLATION AND ARE READY TO HELP FIGHT IT

I know that every producer and processor is concerned about the dangers of inflation. They know the disastrous effects of inflation and the resulting damages to their savings, the value of their dollar, their cost of living, the Nation's security, and to the millions of people with fixed incomes. They know that to fight the cause of inflationary forces we must have credit controls, less deficit financing by the Government which increases the money supply, and above all more and more production. High prices result from people bidding against each other for a limited supply of goods. By passing a law, we do not even touch the real causes of inflation. It may provide what appears to be a sort of narcotic treatment, but it does not get at the cause.

Beef prices are admittedly high. The producers can help by producing more and more cattle and the feeders can help by stepping up their operations. Therefore, a Government order that has a tendency to discourage production, to reduce incentive, may very well add to rather than reduce inflationary causes that lead to high beef prices.

Let us take a brief look at what has happened in the past. Back in the thirties there were fewer than 67,000,000 cattle in the United States. There was not much money and there was not much demand, so not many cattle were grown. Then preceding World War II the demand increased, and to satisfy a more healthy market, the producers raised more cattle, until now there are nearly 85,000,000 head. Last year, with prices good, there was a net gain in cattle numbers of 4,100,000, the highest increase in any one year in history. On last May 17 the Secretary of Agriculture estimated that if the trend continued it would "carry cattle numbers to as much as 95,000,000 or more head within 4 or 5 years."

Then came the general freeze order of January 25. At that time the average price of cattle stood at 28 cents per pound. The packers knew they couldn't pay more for cattle than they could afford to pay and sell beef at the freeze level to consumers. But they paid more anyhow, at their own risk. The price went up to an average of 30.2 cents in

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April. Mr. DiSalle said his order was to bail out the packers because they could not absorb that increase which they, themselves, had brought about. The roll-back carries those ceilings back not only to the date of the freeze but includes two additional roll-backs of 4½ percent each to be effective on August 1 and October 1, making a total of 19 percent average.

WHY DID NOT DISALLE ACT LAST FALL?

If Mr. DiSalle was determined to freeze the price of cattle, then why did not he do it last fall when prices were comparable to prices that prevailed before the war in Korea? He had the authority then. If he was going into the field, why did not he freeze those prices at the January 25 level as he did other prices? Why wait until investments were made, ranches were leased, production plans were advanced and inventories were built up, if he planned to apply price controls to live cattle?

PRODUCERS WERE LED TO BELIEVE THERE WOULD BE NO ROLL-BACK

Moreover, the producers were given assurance they would not be thus singled out and victimized. At least they had a right to assume that to be the case from a broadcast made by Mr. Eric Johnston, head of the Economic Stabilization Agency, in a speech made to the Nation on March 9, 1951. Then in referring to the subjects of roll-backs, he said the consumers might cheer such roll-backs "if you could really get the steak or the suit you want. But the chances are you couldn't. They'd disappear from the butchers' counters, and from the racks in your clothing stores. You might find plenty of beef, yes. Plenty of beef in the black market—and all at fantastic bootleg prices."

Now, is not it only fair to say that even though Mr. Johnston in the same speech indicated there might be some roll-backs, he did not intend to allow any such roll-backs to be applied to cattle? He made a good argument against roll-backs on meat, and the producers and feeders had a right to take what he said at its face value and plan accordingly.

FACTORY WORKERS CAN BUY MORE BEEF FOR AN HOUR'S WORK THAN PREVIOUSLY

Mr. Speaker, it is claimed that cattle prices are too high and that they should be rolled back for that reason. I am sure they are too high, but so are many other things. The CIO, which represents many factory workers, yells the loudest for roll-backs on meat, contending that the workers cannot afford to pay the high prices. They overlook the fact that some meats are available at much lower prices than is beef. Pork is selling at below parity prices. Poultry is quite reasonable. Both of these can be greatly increased in quantity almost overnight, if it is desired. It takes more time to plan and step up beef production. But can the factory workers afford to buy beef at pre-roll-back prices? Let us take a look at that picture for a moment.

To begin with, there has been a great increase in meat consumption in this country. In 1940 the average American consumed 54.7 pounds of beef. Back in 1930 it was 48.6 pounds. Last year the average meat consumption hit 144.5 pounds, including 63 pounds of beef—the highest in history, when the demand for beef was at an all-time high. The Secretary of Agriculture has pointed out that in 1909 an average factory worker could buy .9 of a pound of round steak with 1 hour's work. Steak was cheap then, but so was labor. Today the average worker can buy 1.5 pounds of round steak for 1 hour of work—almost twice as much. Back in 1929 the average factory worker could buy three-tenths of a pound of steak less than he could last year for an hour of work. That simply means that the wages of factory workers have increased even more in proportion than has the price of beef.

EFFECT OF ROLL-BACK WILL BE TO RETARD PRODUCTION

Mr. Speaker, there are many other arguments that could be made against the discriminatory and unrealistic roll-back order as applied alone to cattle, but I shall not belabor the point. We know that with the high beef prices that prevailed last year we got the highest increase in cattle produced in history. We know that this was the result of increased incentive and a healthy and expanding market for cattle. And we know that production will increase more in the future if the production is not knocked out of balance by drastic Government controls. Such controls will mean fewer cattle fed in the feed lots, where one-third of the weight is added that consumers buy. The drastic roll-back will mean that more and more of the small producers, the small feeders in particular, and small packers, will be forced out of business. It will mean that more and more meat will be sold through channels that are not legal ones, as was the case in OPA days after the end of the war when 86 percent of cattle were sold outside of Government-inspected packing houses.

DISALLE'S PROPOSAL TO LICENSE BUSINESS IS UNTHINKABLE

Only recently Mr. DiSalle announced that he will ask for the right to license all businesses, large and small, in order that if one of them violates OPS orders their right to continue to do business may be canceled. If that should be permitted, do you think General Motors, or United States Steel, or Chrysler Corp. would be shut down because of an infraction of OPS orders? Of course not. Their production is too important to the preparedness program. The victims, I fear, would, in the main, be the small operators, the little one-horse packers and retail stores. Such a system as advocated by Mr. DiSalle is, in my opinion, unthinkable and contrary to the traditional American way of doing things. We have courthouses in this country to adjudicate individual rights, and we need less and less control over the lives and rights of our people in the hands of bureaucrats in Washington. Unless there is a change in policies and methods employed by the Office of Price Stabilization, it should be discontinued.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to revise and extend his remarks in Committee of the Whole today and include extraneous matter.

Mr. O'TOOLE asked and was given permission to extend his remarks and include a letter he addressed to Hon. James Mead.

Mr. BURNSIDE asked and was given permission to extend his remarks in three instances.

Mr. DEMPSEY (at the request of Mr. FERNANDEZ) was given permission to extend his remarks and include a short radio broadcast.

Mr. ALLEN of Louisiana asked and was given permission to extend his remarks and include an editorial.

Mr. BOLLING asked and was given permission to extend his remarks in two instances and include extraneous matter in each instance.

Mr. BUSBEY asked and was given permission to extend his remarks and include a commentary from Radio Commentator Robert F. Hurley, of Chicago.

Mr. BURDICK asked and was given permission to extend his remarks.

Mr. ANGELL asked and was given permission to extend his remarks in Committee of the Whole today and include extraneous matter.

Mr. ARENDS asked and was given permission to extend his remarks in two instances, in one to include an editorial and in the other a short statement.

Mr. SADLAK asked and was given permission to extend his remarks and include an address given by the president of Georgetown University at the commencement exercises.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in two instances, in one to include an article by ex-Governor McKelvie on the question of meat price roll-backs.

Mr. HARRISON of Wyoming asked and was given permission to extend his remarks and include a letter.

Mr. JAVITS asked and was given permission to extend his remarks and include extraneous material.

Mr. JACKSON of California asked and was given permission to extend his remarks and include an article, The Problem of China, Background of Tomorrow.

Mr. BEALL asked and was given permission to extend his remarks and include an editorial from the Times-Herald.

Mr. DOLLIVER asked and was given permission to extend his remarks and include an article entitled "Food Needs and Price Controls" from the June 1951 issue of the Nation's Agriculture, the official publication of the American Farm Bureau Federation.

Mr. LANE asked and was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. McGUIRE (at the request of Mr. HAYS of Ohio) was given permission to extend his remarks and include extraneous matter.

Mr. FURCOLO asked and was given permission to extend his own remarks.

Mr. ANDERSON of California asked and was given permission to extend his remarks and include a letter.

Mr. O'KONSKI asked and was given permission to extend his remarks in

three different instances, in each to include extraneous matter.

Mr. REED of New York asked and was given permission to extend his remarks in three different instances, in each to include extraneous matter.

Mr. KEATING asked and was given permission to extend his remarks and include two editorials.

Mr. CANNON asked and was given permission to extend his remarks and include an article from the St. Louis Globe-Democrat.

Mr. McCORMACK asked and was given permission to extend his remarks and include a statement made on June 7 by President Truman.

Mr. MURDOCK asked and was given permission to extend his remarks and include a resolution which was adopted by the Committee on Interior and Insular Affairs on June 12, 1951, and also to include two acts relating to the procedure concerning the expenditure and rehabilitation and betterment costs of certain reclamation projects.

Mr. GRANAHAN asked and was given permission to extend his remarks and include an address by Francis J. Myers.

Mr. MULTER asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. GRANGER asked and was given permission to extend his remarks and include quotations.

Mr. YORTY asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. BOYKIN asked and was given permission to extend his remarks and include a statement by Dr. John Steelman.

Mr. GREEN asked and was given permission to extend his remarks and include an editorial.

Mr. PICKETT (at the request of Mr. THOMPSON of Texas) was given permission to extend his remarks and include a radio address.

Mr. STOCKMAN asked and was given permission to extend his remarks and include an article.

Mr. GAVIN asked and was given permission to extend his remarks.

Mr. SIMPSON of Illinois asked and was given permission to revise and extend the remarks he made in Committee of the Whole and include two letters, and also to extend his remarks and include an editorial.

Mr. PATTERSON asked and was given permission to extend his remarks and include an article.

Mr. SHAFER asked and was given permission to extend his remarks and include extraneous matter.

Mr. HOEVEN and Mr. BEAMER asked and were given permission to extend their remarks and include editorials.

Mr. BOGGS of Delaware and Mr. WOOD of Idaho asked and were given permission to extend their remarks.

Mr. HAND asked and was given permission to extend his remarks in two instances.

Mr. SCHWABE and Mr. JENSEN asked and were given permission to extend their remarks and include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Messrs. DOYLE, HÉBERT, CLEMENTE, ELSTON, and HESS (at the request of Mr. PRIEST), for the balance of the week, on account of official business.

To Mr. MORANO (at the request of Mr. SADLAK), for today, on account of illness.

To Mrs. BOGGS (at the request of Mr. KLEIN), for Wednesday, June 13, on account of official business.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 178. An act for the relief of Zdenek Marek;

S. 249. An act for the relief of Ruzena Pelantova;

S. 361. An act for the relief of Herk Visnapuu and his wife, Naima;

S. 362. An act for the relief of Tu Do Chau (also known as Szetu Dju or Anna Szetu);

S. 364. An act for the relief of Mrs. Suzanne Wiernik and her daughter, Genevieve;

S. 435. An act to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes; and

S. 648. An act for the relief of Evald Ferdinand Kask.

ADJOURNMENT

Mr. JONES of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 21 minutes p. m.) the House adjourned until tomorrow, Thursday, June 14, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

515. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated May 3, 1951, submitting a report, together with accompanying papers on a review of reports on Oyster Creek, Tex., with a view to determining if it is advisable to modify the existing project by constructing a lock at one of the points where the projected local protection levee crosses the channel. This investigation was requested by a resolution of the Committee on Public Works, House of Representatives, adopted on June 2, 1949; to the Committee on Public Works.

516. A letter from the Assistant Secretary of the Interior, transmitting copies of legislation passed by the Municipal Councils of St. Thomas and St. John, and St. Croix, and the Legislative Assembly of the Virgin Islands, pursuant to section 16 of the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

517. A letter from the Assistant Secretary of the Interior, transmitting copies of certain resolutions adopted by the Legislature of Hawaii during its recent session; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REDDEN: Committee on Interior and Insular Affairs. H. R. 1733. A bill to authorize the establishment of the City of Refuge National Historical Park, in the Territory of Hawaii, and for other purposes; with amendment (Rept. No. 553). Referred to the Committee of the Whole House on the State of the Union.

Mr. BREEN: Committee on Merchant Marine and Fisheries. H. R. 157. A bill to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, and between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation; without amendment (Rept. No. 554). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 301. A bill to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans; with amendment (Rept. No. 555). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 302. A bill to redefine the eligibility requirements for appointment of pharmacists in the Department of Medicine and Surgery of the Veterans' Administration; with amendment (Rept. No. 556). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committees on Veterans' Affairs. H. R. 1072. A bill to amend the existing law to provide the privilege of renewing expiring 5-year level-premium-term policies of United States Government life insurance; without amendment (Rept. No. 557). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOYKIN: Committee on Merchant Marine and Fisheries. H. R. 2995. A bill to amend the joint resolution of August 8, 1946, as amended, with respect to the appropriations authorized for the conduct of investigations and studies thereunder; with amendment (Rept. No. 558). Referred to the Committee of the Whole House on the State of the Union.

Mr. REDDEN: Committee on Interior and Insular Affairs. H. R. 3100. A bill to repeal the act of August 7, 1939 (53 Stat. 1243; 48 U. S. C., sec. 353); with amendment (Rept. No. 559). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 3193. A bill to establish a rate of pension for aid and attendance under part III of Veterans Regulation No. 1 (a), as amended; without amendment (Rept. No. 560). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 3205. A bill to amend the Veterans Regulations to provide that multiple sclerosis developing a 10-percent or more degree of disability within 3 years after separation from active service shall be presumed to be service-connected; without amendment (Rept. No. 561). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 3549. A bill to modify eligibility requirements for payment of pension to certain widows of veterans of the Civil War, Indian wars, and Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection; without amendment (Rept. No. 562). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H. R. 3830. A bill to authorize the construction and equipment of a geomagnetic station for the Department of Commerce; without amendment (Rept. No. 563). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 3861. A bill to extend to June 30, 1953, the authority of the Administrator of Veterans' Affairs to make direct home and

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farmhouse loans under title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes with amendment (Rept. No. 564). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 3932. A bill to amend subparagraph (a), paragraph I, part I, Veterans Regulation No. 1 (a), as amended, to provide more equitable rates of disability and death compensation for disability or death incurred in service on or after June 27, 1950, and for other purposes, with amendment (Rept. No. 565). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 4000. A bill to amend subsection 602 (f) of the National Service Life Insurance Act of 1940, as amended, to authorize renewals of level premium term insurance for successive 5-year periods; without amendment (Rept. No. 566). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 4108. A bill to amend the act of July 2, 1948 (Public Law 877, 80th Cong.), as amended, to include persons whose service-connected disability is rated not less than 40 percent; without amendment (Rept. No. 567). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 4233. A bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans or cash payments in lieu thereof, and for other purposes; with amendment (Rept. No. 568). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 4387. A bill to increase the annual income limitations governing the payment of pension to certain veterans and their dependents, and to preclude exclusions in determining annual income for purposes of such limitations; without amendment (Rept. No. 569). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 4394. A bill to provide certain increases in the monthly rates of compensation and pension payable to veterans and their dependents, and for other purposes; without amendment (Rept. No. 570). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 1025. An act to expand the authority of the Coast Guard to establish, maintain, and operate aids to navigation to include the Trust Territory of the Pacific Islands; without amendment (Rept. No. 571). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. In compliance with the provisions of the act approved July 6, 1943 (57 Stat. 380), as amended by the act approved July 6, 1945 (59 Stat. 434); without amendment (Rept. No. 572). Ordered to be printed.

Mr. DELANEY: Committee on Rules. House Resolution 256. Providing for the consideration of H. R. 2321. A bill to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs; without amendment (Rept. No. 573). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 257. Providing for the consideration of H. R. 3283. A bill to amend the Agricultural Act of 1949; without amendment (Rept. No. 574). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARRIS:

H. R. 4431. A bill to extend and revise the District of Columbia Emergency Rent Act; to the Committee on the District of Columbia.

By Mr. ARMSTRONG:

H. R. 4432. A bill to promote on the retired list enlisted men and officers who were decorated and recommended for promotion for gallant or distinguished service and subsequently wounded and who have not attained the rank to which recommended; to the Committee on Armed Services.

By Mr. CANFIELD:

H. R. 4433. A bill to amend section 304 (relating to the marking of imported articles) of the Tariff Act of 1930, as amended; to the Committee on Ways and Means.

By Mr. EDWIN ARTHUR HALL:

H. R. 4434. A bill to double pensions of dependent widows of veterans of all wars in which the United States has been or is being engaged; to the Committee on Veterans' Affairs.

By Mr. HART:

H. R. 4435. A bill to incorporate the Legion of Guardsmen; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 4436. A bill to provide for the establishment of a separate immigration quota for nationals of Pakistan; to the Committee on the Judiciary.

By Mr. O'HARA:

H. R. 4437. A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), cheese, and rice and rice products; to the Committee on Banking and Currency.

By Mrs. ROGERS of Massachusetts:

H. R. 4438. A bill to provide appropriate lapel buttons for parents of members of the Armed Forces who lost their lives in the armed services of the United States during World War I; to the Committee on Armed Services.

By Mr. SMITH of Mississippi:

H. R. 4439. A bill to authorize certain additional appointments to the United States Military Academy and the United States Naval Academy; to the Committee on Armed Services.

H. R. 4440. A bill to provide for the paymen of increased special pensions to persons holding the Congressional Medal of Honor, and for other purposes; to the Committee on Veterans' Affairs.

H. R. 4441. A bill to provide additional compensation for members of the Army, Navy, and Air Force during periods of combat duty in Korea; to the Committee on Armed Services.

By Mr. CASE:

H. R. 4442. A bill to extend to certain individuals serving on active duty in the Armed Forces the same protection against bodily attack as is now granted to personnel of the Coast Guard; to the Committee on the Judiciary.

By Mr. LUCAS:

H. R. 4443. A bill to prevent the entry of certain mollusks into the United States; to the Committee on Agriculture.

By Mr. VINSON:

H. R. 4444. A bill to authorize the Secretary of the Navy to convey to the city of Macon, Ga., a parcel of land in the said city of Macon, containing 2 acres, more or less, to the Committee on Armed Services.

By Mr. ADDONIZIO:

H. R. 4445. A bill to provide for the erection at the Memorial Avenue entrance to the Arlington National Cemetery of the sculptural piece known as The Last Farewell, and for the establishment of the Christopher Columbus Memorial Grove; to the Committee on Interior and Insular Affairs.

By Mr. GRANAHAN:

H. R. 4446. A bill relating to the income restrictions placed upon the payment of certain pensions to the widows and children of veterans of World Wars I and II; to the Committee on Veterans' Affairs.

H. R. 4447. A bill to amend the Selective Service Act of 1948; to the Committee on Armed Services.

By Mr. MITCHELL:

H. R. 4448. A bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; to the Committee on Banking and Currency.

By Mr. REES of Kansas:

H. R. 4449. A bill to amend the Internal Revenue Code, so as to increase the penalties applicable to persons who sell or otherwise transfer marihuana to minors; to the Committee on Ways and Means.

By Mr. GATHINGS:

H. R. 4450. A bill to amend section 10 of the Flood Control Act of 1946; to the Committee on Public Works.

By Mr. DEMPSEY:

H. R. 4451. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. PATMAN:

H. R. 4452. A bill to amend section 2 of the Clayton Act so as to make it applicable to discriminatory sales to the United States and to any State or political subdivision thereof; to the Committee on the Judiciary.

By Mr. GOODWIN:

H. J. Res. 269. Joint resolution to provide for the reestablishment of a postal branch station at West Medford, Mass.; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to Senate Joint Resolution No. 34, relating to refusal of passage of H. R. 3348; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 4453. A bill for the relief of Emanuele Ferrigno; to the Committee on the Judiciary.

By Mr. BYRNES of Wisconsin:

H. R. 4454. A bill for the relief of Maria Alexandra Banescu; to the Committee on the Judiciary.

By Mr. CASE:

H. R. 4455. A bill for the relief of Robert A. Buchanan; to the Committee on the Judiciary.

H. R. 4456: A bill for the relief of Vincent F. Leslie; to the Committee on the Judiciary.

By Mr. CURTIS of Missouri:

H. R. 4457. A bill for the relief of NG Shuk-Ying, NG Shuk-Jen, NG Wai-Ming, and NG Wai-Kuen; to the Committee on the Judiciary.

By Mr. HALE:

H. R. 4458: A bill for the relief of Tibor Kálmán Jalsoviczky; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 4459. A bill for the relief of Lodewyck Bruckman; to the Committee on the Judiciary.

H. R. 4460. A bill for the relief of Valentin M. Sara; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 4461. A bill for the relief of Vincenzo Coluccio; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. R. 4462. A bill for the relief of David Helmer; to the Committee on the Judiciary.

By Mr. SCRIVNER:

H. R. 4463. A bill to effect the entry of a minor child adopted by a citizen of the United States; to the Committee on the Judiciary.

By Mr. WIDNALL:

H. R. 4464. A bill for the relief of Mrs. Regina Hansen McEntee; to the Committee on the Judiciary.

By Mr. WOOD of Idaho:

H. R. 4465. A bill for the relief of Angela Moniz McCracken; to the Committee on the Judiciary.

By Mr. YORTY:

H. R. 4466. A bill for the relief of Rahel Zakar Peters; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

315. By Mr. CANFIELD: Resolution adopted by National Retail Lumber Dealers Association with reference to the continuation of certain Government restrictions and controls; to the Committee on Banking and Currency.

316. Also, resolutions adopted by the New Jersey Bankers Association opposing the enactment of the proposed 20 percent withholding tax on dividends and on interest on savings accounts and United States Governmet savings bonds and urging the adoption of legislation requiring the payment of taxes by savings and loan associations; to the Committee on Ways and Means.

317. By Mr. HART: Petition of local 988, Union City, N. J., of the National Federation of Post Office Clerks, urging a discontinuance of the present method of paying salaries of postal employees on a semimonthly basis. Payment on a weekly basis is the accepted procedure; to the Committee on Post Office and Civil Service.

318. Also, petition of local 483 of Jersey City, N. J., of the New Jersey Federation of Post Office Clerks at a conference assembled in Jersey City on May 19, 1951, condemning vigorously any attempts to increase the 40-hour workweek in the postal service; to the Committee on Post Office and Civil Service.

319. Also, petition of local 988, Union City, N. J., New Jersey Federation of Post Office Clerks desire to go on record as favoring enactment of House bill 2241, and Senate bill 1015; to the Committee on Post Office and Civil Service.

320. By Mr. HINSHAW: Petition of the Burbank, Calif., Chamber of Commerce to the Congress of the United States to reject amendments to the Defense Production Act of 1950, as introduced by Congressman SPENCE (House bill 3871), and Senator MAYBANK (Senate bill 1397); to the Committee on Banking and Currency.

321. By Mr. SADLAK: Petition of the Connecticut State Industrial Council, Waterbury, Conn., containing many signatures urging the Connecticut Members of Congress to exert every effort to amend the Defense Production Act so that it will accomplish the purposes for which it was intended and attaching seven suggested amendments; to the Committee on Banking and Currency.

SENATE

THURSDAY, JUNE 14, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God our Father, Thou searcher of men's hearts, from whom no secrets are hid: Help us in this opening moment of a new day's council to draw near to Thee, in tranquillity, in humility, in sincerity. With Thy benediction may we face the toil of this day with honest dealing and clear thinking, with hatred of all hypocrisy, deceit, and sham, and in the knowledge that all great and noble service in this world is based on gentleness and patience and truth. Setting a seal upon our lips, so that no thoughtless words of ours shall sting or harm another, valiantly may we meet the tasks that await us with laughter and kindness and cheerful good will. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 13, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 14, 1951, the President had approved and signed the following acts:

S. 155. An act for the relief of Victor G. Lutfalla;

S. 277. An act for the relief of Lily Pfannenschmidt;

S. 291. An act for the relief of Claudio Pier Connelly;

S. 297. An act for the relief of Tsung Hsien Hsu;

S. 348. An act for the relief of Jacoba van Dorp;

S. 356. An act for the relief of Edith Winifred Henderson;

S. 363. An act for the relief of Irmgard Kohler;

S. 463. An act for the relief of Alice de Bony de Lavergne; and

S. 548. An act for the relief of Freidoun Jalayer.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 4386) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes, in which it requested the concurrence of the Senate.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. TOBEY was excused from attendance on the sessions of the Senate next week.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. SPARKMAN, and by unanimous consent, the Committee on Foreign Relations and the Committee on Armed Services, sitting jointly, were authorized to meet during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORT OF GOVERNOR OF PANAMA CANAL

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Armed Services:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report of the Governor of the Panama Canal for the fiscal year ended June 30, 1950.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 14, 1951.*

PETITION

The VICE PRESIDENT laid before the Senate a letter in the nature of a petition from the President's Patriotic Council of Salt Lake City, Utah, signed by Mrs. J. R. Wilson, president, praying for the enactment of legislation providing that Fort Douglas (Utah) Cemetery be made a military cemetery, which was referred to the Committee on Interior and Insular Affairs.

REPORT OF COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, to which was referred the joint resolution (S. J. Res. 71) relating to the compensation of employees of the House and Senate press, periodical, and radio galleries, reported it with amendments, and submitted a report (No. 420) thereon.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 14, 1951, he presented to the President of the United States the following enrolled bills:

S. 178. An act for the relief of Zdenek Marek;

S. 249. An act for the relief of Ruzena Pelantova;

S. 361. An act for the relief of Herk Visnapuu and his wife, Naima;

S. 362. An act for the relief of Tu Do Chau (also known as Szetu Dju or Anna Szetu);

S. 364. An act for the relief of Mrs. Suzanne Wiernik and her daughter, Genevieve;

S. 435. An act to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes; and

S. 648. An act for the relief of Evald Ferdinand Kask.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BENTON:

S. 1679. A bill for the relief of Stephen Gorove; to the Committee on the Judiciary.

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By Mr. LANGER:

S. 1680. A bill to amend the act of July 8, 1937 (ch. 443, 50 Stat. 478), and to provide for the retirement of certain noncitizen employees of the Panama Canal and the Panama Railroad Company on the Isthmus of Panama; to the Committee on Armed Services.

By Mr. DIRKSEN:

S. 1681. A bill for the relief of Sister Maria Seidl and Sister Anna Ambrus;

S. 1682. A bill for the relief of Daniel J. Crowley; and

S. 1683 (by request). A bill for the relief of Carlos Tannoya; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 1684. A bill to provide for a jury commission for each United States district court, to regulate its compensation, to prescribe its duties, and for other purposes;

S. 1685 (by request). A bill to authorize relief of authorized certifying officers from exceptions taken to payments pertaining to terminated war agencies in liquidation by the Department of State; and

S. 1686 (by request). A bill for the relief of Albert Goldman, postmaster at New York, N. Y.; to the Committee on the Judiciary.

INDEPENDENT OFFICES APPROPRIATIONS—AMENDMENTS

Mr. KEFAUVER submitted amendments intended to be proposed by him to the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT OF DEFENSE PRODUCTION ACT OF 1950—RELATING TO PLANT EXPANSION

Mr. O'MAHONEY (for himself, Mr. SPARKMAN, and Mr. FULBRIGHT) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 1397) to amend the Defense Production Act of 1950, and for other purposes, which was referred to the Committee on Banking and Currency and ordered to be printed.

HOUSE BILL REFERRED

The bill (H. R. 4386) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. BYRD:

Address on the subject Our Most Urgent Needs at Home and Abroad, delivered by him before the Economic Club, Detroit, Mich., on May 28, 1951.

By Mr. McCLELLAN:

Address delivered by the Secretary of the Army at the commencement exercises at the University of Arkansas, Fayetteville, Ark., June 9, 1951.

By Mr. MAGNUSON:

Address delivered by the Secretary of the Interior and other proceedings at the ceremony for putting Grand Coulee's pumps into official service in pumping water on the land of the Columbia River Basin.

By Mr. HILL:

Address delivered by Marx Leva at the annual alumni dinner of the University of Alabama, at University, Ala., June 4, 1951.

Address entitled "The Challenge of Life," delivered by Dr. Odie W. Underhill, director of vocational education of the North Carolina School for the Deaf, at the eighty-seventh commencement of Gallaudet College, Washington, D. C.

By Mr. THYE:

Editorial dealing with the prices of meat entitled "Forgotten Meat Story," published in the St. Paul Pioneer Press of June 7, 1951.

By Mr. WILEY:

Editorial entitled "Senator WILEY Proposes Vital Amendment," published in the Waukesha Daily Freeman of May 24, 1951, regarding proposed amendment of the Taft-Hartley law relating to utility strikes.

CALL OF THE ROLL

Mr. McFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hennings	Morse
Anderson	Hickenlooper	Mundt
Bennett	Hill	Neely
Benton	Hoey	Nixon
Brewster	Holland	O'Conor
Bricker	Humphrey	O'Mahoney
Bridges	Hunt	Pastore
Butler, Md.	Ives	Robertson
Butler, Nebr.	Jenner	Russell
Byrd	Johnson, Colo.	Saltonstall
Cain	Johnson, Tex.	Schoeppel
Capehart	Johnston, S. C.	Smathers
Carlson	Kefauver	Smith, Maine
Chavez	Kerr	Smith, N. J.
Clements	Kilgore	Smith, N. C.
Connally	Knowland	Sparkman
Cordon	Langer	Stennis
Dirksen	Lehman	Taft
Douglas	Long	Thye
Duff	Magnuson	Tobey
Dworshak	Maybank	Underwood
Ecton	McCarran	Watkins
Ellender	McCarthy	Welker
Ferguson	McClellan	Wherry
Frear	McFarland	Wiley
George	McKellar	Williams
Green	McMahon	Young
Hayden	Monroney	
Hendrickson	Moody	

Mr. JOHNSON of Texas. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Arkansas [Mr. FULBRIGHT] are absent on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. CASE], the Senator from Vermont [Mr. FLANDERS], the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Missouri [Mr. KEM] is absent by leave of the Senate.

The Senator from Massachusetts [Mr. LODGE] and the Senator from Colorado [Mr. MILLIKIN] are necessarily absent.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The VICE PRESIDENT. A quorum is present.

Under the unanimous-consent agreement entered into the Senator from West Virginia is entitled to the floor for 1 hour.

VISITORS TO THE SENATE FROM MORAL REARMAMENT ASSEMBLY

Mr. MUNDT. Mr. President, will the Senator from West Virginia yield?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from South Dakota?

Mr. NEELY. I shall yield if I may do so without losing the floor.

The VICE PRESIDENT. Without objection, the Senator from West Virginia may yield.

Mr. MUNDT. Mr. President, the Senate is honored today to have present in the gallery as its guests some very distinguished citizens from abroad, who are in this country attending the meeting of the Moral Rearmament Assembly at Mackinac Island, Mich. As Members of the Senate we are fully aware that those engaged in the moral rearmament movement are attempting to approach the problem of solving the world's difficulties by trying to determine what is right, rather than who is right. I recall that in 1947 a congressional committee, of which one of the most distinguished members was the present occupant of the chair, the Vice President of the United States, paid a visit to Caux, Switzerland, located on a majestic mountain overlooking Lake Geneva, where the moral rearmament organization have a headquarters.

Delegates from approximately 30 foreign countries are present in the galleries today. Many of them will have lunch with Members of the Senate, some of them in the family dining room, and others in the District Room. All Members of the Senate are invited to join us as soon as possible, to meet these distinguished visitors from abroad. They are sincere people who are working in the direction of the peace which all of us deserve and desire. I thank the Senator from West Virginia.

Mr. NEELY. The Senator from South Dakota may rest assured that I shall help him to obtain a large audience downstairs by speaking upstairs in the Senate until his prandial festivities shall have been completed.

ONE HUNDRED AND SEVENTY-SIXTH BIRTHDAY ANNIVERSARY OF THE UNITED STATES ARMY

Mr. KILGORE. Mr. President, will the Senator from West Virginia yield to permit me to make a brief statement and to insert an article in the RECORD?

Mr. NEELY. I yield.

Mr. KILGORE. Mr. President, today marks the one hundred and seventy-sixth birthday anniversary of our United States Army.

This is a day for all loyal, patriotic Americans to unite in paying tribute to the gallant and heroic soldiers who have carried our flag into battle against our enemies.

It is not necessary here and now to recite in detail the record of our United States Army; it is sufficient to say it lives in the hearts of all who cherish liberty.

This is a day for all Americans to pause and give thought to those who

have served their country bravely; to those gallant soldiers who fought on many battlefields that our Nation might survive as a land of the free.

All loyal Americans cherish the tradition of the Minute Men, those gallant men who fought so bravely against such tremendous odds that this might become the land of the free and the home of the brave.

It is in that tradition that our United States Army has sought to serve us in every grave hour; it is in that tradition that our gallant forces have gone forth to defend and preserve our way of life.

Today, on this anniversary, our soldiers, sailors, and marines are fighting alongside the armed forces of other free nations to preserve the light of freedom.

As we pause to pray for these brave men, let us not forget that each of us must remain eternally vigilant if freedom is to prevail.

With our united support, our Armed Forces will secure the victory; they will match the record of all those brave men who have loved liberty so dearly that when necessary they were glad to fight and even to die for it.

Regardless of political beliefs, this is a day for all patriotic citizens to unite and pledge our wholehearted support to the fight to preserve democracy.

This is a proud day for America.

This is a day of unusual importance to all West Virginians because our own Two Hundred and First armored field artillery battalion—"Fairmont's finest"—is the only living descendant of the original eight companies that formed the Continental Army on June 14, 1775.

Mr. President, I know I speak for all West Virginia when I pay tribute on this occasion to "Fairmont's finest," the only known unit today that displays both Confederate and Union streamers.

My distinguished colleague and longtime personal friend, the Senator from West Virginia [Mr. NEELY], is much better qualified to give this tribute, because he served with distinction in the Two Hundred and First AFA.

This battalion is now on active duty at Fort Benning, Ga., having been inducted into the Federal service last September, and I know it will serve its country with great devotion.

Mr. President, the June 11, 1951, issue of the Fairmont Times, edited by a widely known and highly respected gentleman, Mr. C. E. Smith, carried a very interesting article about the Two Hundred and First AFA. I ask unanimous consent that it be placed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO HUNDRED AND FIRST BATTALION ONLY LIVING UNIT DIRECTLY DESCENDED FROM FIRST UNITED STATES ARMY

When the United States Army celebrates its one hundred and seventy-sixth birthday next Thursday, Fairmont's own Two Hundred and First Armored Field Artillery Battalion will be singled out for special honors as the only living descendant of the original eight companies that formed the Army on June 14, 1775.

Information that the Two Hundred and First Armored Field Artillery is the lone unit now in service which is descended from one of the original companies making up the Army has just been disclosed by the National Guard Bureau in the Department of the Army.

The same source also reveals that the Two Hundred and First is the only known unit today that displays both Union and Confederate streamers for participation in both sides of the Civil War. The battalion unites companies that once served in opposing armies.

Maj. Lawrence G. Brown, of Fairmont, executive officer of the battalion, which is now in training at Fort Benning, Ga., after its induction into Federal service last September, was informed by the Times last night of the new honors for the Two Hundred and First that have been disclosed.

He said that a tight training schedule might prevent any elaborate ceremonies honoring the battalion of the Army's birthday, but thought that the report, verified by the Office of Military History, would be read to the organization at a formation on Thursday.

The Army archives disclose that Capt. Hugh Stephenson's company was one of the original eight companies of the United States Army. It and Capt. Daniel Morgan's company came from Virginia and there were two from Maryland and four from Pennsylvania.

"All of the original companies, except Stephenson's (now part of the Two Hundred and First Armored Field Artillery) have passed out of existence," said the report from the National Guard Bureau which was sent to Brig. Gen. Charles R. Fox, adjutant general of West Virginia. "Stephenson's company was organized with men from the volunteer regiment of the time. During the Revolutionary War the company was expanded into a rifle regiment.

"In this connection it is noted that the history of the Two Hundred and First Armored Field Artillery is a regional history and covers the history of the Organized Militia-National Guard supported by the area of the Two Hundred and First Armored Field Artillery through the years. The research done by the Department of the Army incident to publishing official statements of lineage and battle honors is done from the point of view of the color-bearing unit, i. e., regiment or battalion. Company histories, as such, are not being done. The action of Captain Stephensons company affects the lineage and battle honors of the battalion and therefore is recorded."

With reference to the battle streamers of the Union and Confederacy and the blue and gray in the heraldry of the battalion's coat of arms, the Army report makes this comment:

"There is no record that the Two Hundred and First Armored Field Artillery or any of its companies fought on both sides in the Civil War. The companies that left and fought with the Confederacy were inactivated in 1862; doubtless the men returned home and lived quietly until the stigma (in West Virginia) of their Confederate service wore off. Captain Alburtis, it appears, was an ardent Confederate sympathizer. The companies that fought for the Union remained in service from 1861 to 1865. After West Virginia became a separate State, these units were designated the Second West Virginia Veteran Volunteer Infantry Regiment (1864). In 1878 the descendants of the Union and Confederate companies were united in the First Regiment, West Virginia Volunteer Militia.

"Other border States, Maryland, for example, had units on both sides in the Civil War, but no other unit today appears entitled to display both Confederate and Union streamers."

There had been previous records obtained from the Army archives that the Two Hundred and First was one of the four oldest military units in the country. The official records now disclose that the Fairmont Battalion, as it is generally known at Fort Benning, is the only one which maintains an unbroken line of service from the creation of the first United States Army to the present time.

Headquarters of the battalion are in the National Guard Armory in Jackson Street, and this city is the home of the headquarters company and A Battery. Other companies come from Martinsburg, Keyser, and Terra Alta, Kingwood.

The battalion, which now includes draftees from other sections of the country, has been undergoing intensive training at Fort Benning. Firing problems were on the schedule for this week, Major Brown said.

Unbrigaded with any other military organization, the Two Hundred and First not only appears to be on the way to becoming one of the Army's elite units but one whose history is unparalleled in the Nation's military service at the present time.

LABOR-FEDERAL SECURITY APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

[Mr. NEELY resumed and concluded the speech begun by him yesterday. His speech in its entirety is as follows:]

Mr. NEELY. Mr. President, before addressing myself to the subject matter which I purpose to discuss, please let me warmly congratulate the Senate and the people upon the outstanding, patient, patriotic service rendered them by our distinguished colleagues, the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Alabama [Mr. HILL], who conducted the lengthy hearings on the pending bill for more than 2 months. Unfortunately the measure which they reported has been seriously impaired by the amendments adopted by those who apparently know more about the cost of everything than they care about the value of anything.

Mr. President, a great Scotchman gave the world these impressive lines:

> Man, whose heav'n-erected face
> The smiles of love adorn—
> Man's inhumanity to man
> Makes countless thousands mourn.

The spirit of a Senate rule restrains me from characterizing the adoption of the Ferguson appropriation-slashing amendment as an inhuman act. But I nevertheless believe that its operation will make many thousands of victims of cancer, heart disease, and other dire afflictions mourn.

It is my hope that the facts to which I am about to invite attention will persuade the Senate to recommit the bill, to the end that the various health services specified in my motion may be exempted from the blighting effect of the Ferguson amendment.

According to the most conservative estimates obtainable, the United States has, during the last year, directly spent at least $5,000,000,000 to prosecute the war in Korea against vast armies of well-equipped and thoroughly trained, fanatical, bloodthirsty Communists. But notwithstanding the fact that our foes are

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countless, they have succeeded in killing only 11,413 of our Armed Forces since the 25th day of last June. During this same period cancer killed not 11,000 but 200,000 American people. During this period heart disease killed more than 700,000 American people. But regardless of these appalling facts, the Bureau of the Budget's recommendation of approximately $20,000,000 for the National Cancer Institute was reduced more than $141,000 and the proposed $10,072,000 appropriation for the National Heart Institute was reduced more than $77,000 by the Senate Committee. But these reductions in the means of alleviating the suffering of the pitiful victims of cancer and heart disease were insufficient to satisfy those who habitually write economy very large and humanity very, very small. Consequently the Senate, by means of the Ferguson amendment, slashed an additional five per cent from the reduced amounts reported by the Committee for personal services to the perishing sufferers from cancer and heart disease.

No Senator ever has complained or ever will complain of our having spent $5,000,000,000 to defeat a foe in far-off Asia that killed fewer than 12,000 of our troops in a year. But, in the circumstances, can anyone justify a reduction of an appropriation of less than $20,000,000 to protect the American people against an enemy at their very door which is sixteen times as deadly as the foreign foe against which we spent 250 times $20,000,000 for protection last year.

Since heart disease, in a given time, kills more than three times as many as are killed by cancer, the 5 percent slash in the appropriation for personal services for the Heart Institute is, if possible, even more astounding than the reduction in the appropriation for the eradication of the cancer scourge.

The first funeral, which proceeded from the House of Representatives, after I became a Member of that body in the year 1913, was that of a victim of cancer from the State of New Jersey.

Our very latest senatorial death was also caused by the cancer monster that knows no pity and shows no mercy.

Every two minutes and thirty-six seconds, on the average, cancer destroys some man, woman, or child in this country. Since the Senate convened 40 minutes ago, cancer killed 15 persons in the United States.

Mr. President, unless the Ferguson amendment is neutralized in accordance with my motion to recommit, all the following will seriously suffer:

1. Experimentation for the relief of arteriosclerosis.

2. The development of recent discoveries producing blood needed for transfusions in case of atomic attack.

3. The development of a newly discovered technique for growing experimental cancer cells.

4. The work now being done to obtain greater quantities of cortisone for arthritic, heart, and cancer patients.

5. The development of a drug which promises to lead to the eradication of malaria.

6. A project for obtaining sex hormones from tomato vines for therapeutic work relating to cancer and change of life.

7. Experimentation to establish the relationship between body processes and mental diseases.

8. Work in the treatment of venereal diseases, tuberculosis and ailments resulting from exposure to radioactive materials.

9. The development of a recent discovery to alleviate the dire consequences of high-blood pressure.

In addition to the foregoing, the Ferguson amendment cuts would:

a. Make it extremely difficult to recruit personnel for the $40,000,000 clinical center in Bethesda, which is being built to facilitate the solution of cancer, heart, and mental health problems.

b. Retard cooperative work with the States in health and safety matters relating to civil defense.

c. Impair the operation of foreign quarantine—which is now a more serious problem than ever before because of increased international travel.

Mr. President, I entreat those who voted for the Ferguson amendment to reverse themselves and vote for the motion to recommit, and thus help to avert the calamitous consequences which would otherwise be suffered by these priceless activities and services.

Let us hope that those who have reduced the appropriation for the agonized victims of cancer will not be visited with the misfortune that descended upon two very capable Members of the House of Representatives who, in the Seventy-ninth Congress, both by voice and vote, most effectually helped to defeat a bill I had introduced in behalf of an appropriation for $100,000,000 with which to mobilize the cancer experts of the world to make an all-out effort exterminate the loathsome and terrifying cancer curse. Within a year after three outstanding debaters of the House made attacks on my bill, one of them was afflicted with a cancer on his face. Prompt and modern treatment has, as I sincerely hope and believe, completely healed this victim. Another of these three was stricken with an internal cancer from which he, after a year and a half of unspeakable agony, finally found relief by passing into the silent land.

Mr. President, according to medical authority, one-eighth of all the people of the Nation will die of cancer. But since many members of the Senate are past middle age, their cancer death rate will certainly be above the average. It is therefore probable that one of every five of the present Members of this body will eventually become a tortured victim of this frightful affliction.

Let us bear this well in mind not that our lives may be consumed with impotent fear or our days darkened with dispiriting gloom, but rather that we may be up and doing our very best to conquer cancer while opportunity's sun still shines. Let us ceaselessly endeavor to speed cancer research to the limit until humanity's victory over this hideous foe has been decisively won.

It is highly regrettable that certain Senators, who for several days have apparently been striving for preeminence in the matter of reducing appropriations for the alleviation of human misery and misfortune, have on this occasion elected to absent themselves from the Chamber. I am particularly sorry that the two great and honorable Senators from the State of Illinois are not here. The able junior Senator from that State [Mr. DIRKSEN], as a Member of the Seventy-ninth Congress, made a most eloquent and impressive speech in behalf of my bill to appropriate $100,000,000 with which to finance the anticancer war. Consequently, I was amazed when he voted for the Ferguson amendment to reduce the proposed appropriation of less than $20,000,000 with which to carry on our nation-wide battle against our most brutal and relentless foe.

I was also greatly disappointed when the senior Senator from Illinois, who is not only a great debater but, on Mondays, Wednesdays, and Fridays also a great liberal, appeared to be striving to surpass his junior colleague in the matter of cutting more and more from the human welfare appropriations carried in the bill. Indeed, what seemed to be an appropriation-slashing oral contest between these distinguished gentleman forcefully reminded me of a story that the famous Senator "Bob" Taylor told on this floor during the Wilson administration. He said that the birds had a contest to determine which could fly the highest. Eventually the American eagle, soaring above all its visible competitors, scornfully looked down on all below and screamed: "I'm the highest of the high." But instantly a squeaking voice cried: "I'm higher than you are. I'm higher than you are." The eagle turned his head, and, with the deepest humiliation, discovered that a tomtit was on his back taking a free ride above all the other birds, including the eagle himself.

Mr. President, let me make it plain that I do not mean to compare either of the distinguished Senators from Illinois to any bird, whether tomtit or eagle, for many reasons—one of which is that, in existing circumstances, I would not accuse or even suspect an eagle or a tomtit of having voted to cut a proposed appropriation for combatting cancer and other agonizing human afflictions. And, secondly, if a comparison must be made between these two distinguished Senators, I wish it to be made by the people of their native State who, I am certain, would demonstrate much greater ability and exercise much greater prudence in rendering their decision than was once attributed to the humble little flea by Stephen Leacock, an outstanding college professor, who never committed the unpardonable sin of taking himself too seriously or of losing his sense of humor. He wrote in one of his leisure moments these lines:

> And there's the bounding little flea.
> You cannot tell a female from a he,
> The sexes look alike, you see;
> But he can tell and so can she.

Mr. President, so can and will the people of Illinois eventually be able to pass judgment on their two outstanding Senators who have rendered truly unusual service in reducing proposed appropriations, designed to alleviate the agony caused by cancer and save the lives of the countless sufferers from heart disease.

Mr. President, I am sorry that the distinguished Senator from Michigan [Mr. FERGUSON] for whom I have a very high regard, is not present. I would have thought that in view of the pro-

longed anguish and final death of his beloved, illustrious colleague, which was caused by cancer, he above all other Senators would have fought to the last parliamentary ditch for a greater instead of a lesser appropriation with which to carry on our anticancer warfare. It is my hope that the nobility of his nature may yet impel him to help protect the vast army of cancer victims from the distressing effects of his 5-percent amendment.

Mr. President, the people of the United States spent more than a billion dollars last year for face powder, nail polish and lipstick. Had the Congress 10 years ago appropriated an equal sum for cancer research, this life-and-death problem would, in my opinion, long since have been so completely solved that it never would have plagued mankind again.

The able, liberal, beloved Senator from Vermont [Mr. AIKEN], who honors us with his presence, delivered on the subject before the Senate a most remarkable address which should have been heard by everyone in the land. Alexander Pope, in his "Essay on Man," said:

> Never elated while one man's oppress'd;
> Never dejected while another's bless'd.

John Ruskin declared that Pope had "summed up the law of noble life in these two lines, which are the most complete, the most concise and the most lofty expression of moral temper existing in English words." In my opinion, the humanitarian address of the Senator from Vermont is just as deserving of Mr. Ruskin's commendation as were the famous lines to which they were originally applied.

Mr. President, it is my hope that many more progressives like the Senator from Vermont [Mr. AIKEN] and the equally great liberal near his side, the Senator from New Hampshire [Mr. TOBEY], will be elected to the Senate so that the crying necessity for these constantly recurring battles for the proper protection of the common people and the adequate defense of their rights may take its flight from the Senate never to return. Until that happy consummation is realized, let us hope that the insatiable cutters of general welfare appropriations will never fortify themselves for future activities by adopting the macabre suggestion made by Jonathan Swift in his satirical pamphlet entitled "A Modest Proposal to the Poverty-Stricken People of Ireland." The author recommended to the distressed Irish people that in time of famine they satisfy their hunger by eating their own children.

Mr. President, it is my hope that when the roll is called on my motion to recommit, the able Senators from Illinois will demonstrate their devotion to the sublime philosophy expressed by the immortal Abraham Lincoln of their State in these deathless words: "I believe in both the man and the dollar, but in a contest between the dollar that man made and the man that God made, put me down on the side of the God-made man every time." And let me voice the further hope that all other Senators who helped to adopt the devastating Ferguson amendment will absolve themselves by voting for the motion to recommit, and thus avoid, in future years, the bitter experience of mourning the loss of loved ones who prematurely died of cancer or heart disease because of the operation of the Ferguson amendment.

If those who voted for the amendment fail to improve this opportunity to escape the responsibility for its disastrous consequences, they will, in my opinion, find it as impossible to clear their conscience in days to come as it was for Pilate, by washing his hands, to escape his guilt for the Saviour's death upon the cross.

On the approaching roll call let us vote for the sick, the suffering, and the needy in obedience to the Master's injunction:

> Whatsoever ye would that man should do to you, do ye even so to them: for this is the law and the prophets.

Mr. CHAVEZ. Mr. President, I congratulate the Senator from West Virginia for his sound and powerful address in support of his motion. The Senator from New Mexico wishes that in this instance he were acting only as a Senator from New Mexico, because he would like to agree with the Senator from West Virginia. However, it so happens that my responsibility in this instance is a little different from that of an individual Senator. I am acting now on behalf of the committee and of the Senate.

I wish the Ferguson amendment had not been adopted. If it had to be adopted, I wish the modification submitted by the Senator from New York [Mr. LEHMAN] had been adopted. However, this body, contrary to the wishes of the Senator from New Mexico, in charge of the bill, took definite action on those amendments. I am so deeply interested in the items which have been discussed so ably by the Senator from West Virginia that I want to take this bill from the floor and save something, at least, from the wreck.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. WHERRY. Is the distinguished Senator from West Virginia through?

Mr. CHAVEZ. I understand he is.

Mr. WHERRY. He was entitled to the first hour. Are we now starting on the second hour?

Mr. CHAVEZ. Yes. I wish to take 5 or 6 minutes, or perhaps 10 minutes.

Mr. WHERRY. As I understand, we are now in the second hour, and 30 minutes to a side are allotted.

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). The Senator from West Virginia has 12 more minutes which he has not used.

Mr. CHAVEZ. Mr. President, it is not my purpose to delay the Senate. I think it has been delayed long enough in taking action on the bill. However, the proposal now being made by the Senator from West Virginia was made in a different way several days ago by the Senator from New York [Mr. LEHMAN], and the Senate took definite action. By a definite vote, it did not agree to the modification offered by the Senator from New York, but voted overwhelmingly for the Ferguson amendment. In order that Senators may be informed as to how definite that vote was, I wish to read to the Senate the names of Senators who voted for the Ferguson amendment. The list is as follows:

> BENNETT, BREWSTER, BRICKER, BRIDGES, BUTLER of Maryland, BUTLER of Nebraska, BYRD, CAIN, CARLSON, CONNALLY, DIRKSEN, DOUGLAS, DUFF, DWORSHAK, EASTLAND, ECTON, FERGUSON, FLANDERS, FREAR, FULBRIGHT, GEORGE, GILLETTE, HENDRICKSON, HICKENLOOPER, HOEY, HOLLAND, IVES, JENNER, JOHNSON of Colorado, JOHNSON of Texas, JOHNSTON of South Carolina, KEFAUVER, KNOWLAND, LANGER, MALONE, McCARRAN, McCARTHY, McCLELLAN, McKELLAR, MORSE, MUNDT, NIXON, ROBERTSON, RUSSELL, SALTONSTALL, SCHOEPPEL, SMATHERS, SMITH of Maine, SMITH of New Jersey, SMITH of North Carolina, STENNIS, TAFT, THYE, WATKINS, WELKER, WHERRY, WILLIAMS, YOUNG.

The list includes possibly 10 members of the Committee on Appropriations who had voted to report the bill. I feel that we are not doing justice to those whom we should protect, as suggested by the Senator from West Virgina, if we delay the bill longer. I am worried about it. I shall try, at least, to explain to the Senator from West Virginia that possibly the situation will not be as bad as he fears.

Like the Senator from West Virginia, I would not have limited the National Cancer Institute to $19,805,171. I would have gone the limit of the authorization. However, at the moment we are facing stern realities. Do we wish to save the bill, or do we wish to have an opportunity, even in committee, of taking further action in doing what has been so ably described by the Senator from West Virginia? The committee recommended $19,805,171 for the National Cancer Institute. The effect of the Ferguson amendment is to reduce it by $141,830.

In mental health activities the Ferguson amendment would cut $62,026. Tuberculosis services would be cut by $112,649; venereal disease research, $146,640; dental health activities, $52,602. I do not believe we should have cut one cent. However, 58 Senators said "yes" and 24 Senators said "no." That is the responsibility which the Senator from New Mexico now must face.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. CHAVEZ. I shall yield in a moment.

In the National Heart Institute item the Ferguson cut would be $77,018. The appropriation would still be very close to the committee recommendation. The National Health Institutes item would be cut $240,000, in round figures. In the appropriation for the Office of Vocational Rehabilitation, in the payments to States, the cut under the Ferguson amendment would be only $4,597. In the salaries and expenses in the Office of Vocational Rehabilitation the cut would be $29,388. The Children's Bureau would be cut $5,205; and I would be sorry to see cuts made in that appropriation.

The only redeeming feature of the cuts is that they generally apply to personnel not of the type that is doing the actual research. I am hopeful that we can convince the House conferees of the soundness and justice of the committee recommendation, even though we could

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not convince this body. For that reason, Mr. President, notwithstanding that down deep in my heart I agree fully with the Senator from West Virginia [Mr. NEELY], under my responsibility to see that the bill becomes law, I shall have to oppose his motion.

Mr. LEHMAN. Mr. President, will the Senator from West Virginia yield me some time?

Mr. NEELY. I yield 5 minutes to the Senator from New York.

Mr. LEHMAN. Mr. President, I should like to point out to the distinguished Senator from New Mexico, for whom I have the highest regard, and appreciating the tremendous amount of time, effort, and thought that has gone into the work of the committee, that in giving the figures with regard to the vote on the Ferguson amendment, I believe he inadvertently told only half the story. It seems to me that the real test came on the vote on the amendment which I offered, which would have exempted various services, most of which were mentioned in the motion to recommit. On the amendment which I offered, the vote was 38 in favor of the amendment, and only 42 in opposition to it. A difference of only three votes would have caused my amendment to prevail.

Mr. President, I am not so pessimistic as is the Senator from West Virginia [Mr. NEELY] with reference to the recommittal of the bill. I know that we have an uphill fight, but we have a chance to carry the motion to recommit.

With the help of the Senator from Minnesota [Mr. HUMPHREY], I tried to make a motion to reconsider the vote by which my amendment was defeated. I was informed by the Parliamentarian—and I am quite certain that his advice was correct—that such a motion would be out of order. Therefore, the only recourse we had was through a motion to recommit, with instructions to the committee. Such a motion was made by the Senator from West Virginia.

I wish to point out what the motion of the Senator from West Virginia actually would do. It would not change the entire picture with regard to cuts. It would only restore the cuts of 5 percent in personal services in the following activities: National Cancer Institute, mental health activities, tuberculosis services, venereal disease services, dental health activities, National Heart Institute, National Institutes of Health, Office of Vocational Rehabilitation, and the Children's Bureau.

Certainly no one can possibly question or doubt the importance, nay, the necessity, of carrying on such activities on a scale at least equal to that on which they were carried on in the past year. I personally believe we should have had much larger appropriations for such essential services. However, we are not asking for larger appropriations. All we are asking for is that the appropriations shall not be reduced. To do so would set back the quality and scope of the services through an arbitrary cut of 5 percent in personnel. Such a cut would inevitably set back the services. It would reduce their effect and scope.

Just how much would be saved by such arbitrary cut? Slightly more than a million dollars. We would be setting slightly more than a million dollars in savings against the hopes of millions of our people.

On one of the occasions on which I have spoken on the bill—and I have spoken on it many times, as Senators know—I said that if the Senate were confronted with a proposal which would save a few hundred lives on appropriation for that purpose would loom too large; that the appropriation would be voted without debate; that it would be voted without any question at all. In this instance we know that the cut would set back work of the various health activities. It is work which is beginning to roll into high gear. It is work which will undoubtedly save the lives of many thousands of persons who will be stricken by the deadly heart and venereal diseases and cancer. It would save hundreds of thousands of lives and families from the great killer, mental disease, by making it possible to give better treatment and undertake more intensive and intelligent research work.

Will the Senator from West Virginia yield two more minutes?

The PRESIDING OFFICER (Mr. MOODY in the chair). Does the Senator from West Virginia yield more time to the Senator from New York?

Mr. NEELY. Mr. President, I yield two more minutes to the Senator from New York.

Mr. LEHMAN. Mr. President, this is not the time to economize on essential services. I am in favor of economy with respect to everything that is not essential. I am in favor of economy if it will make available to our defense efforts every cent that is needed for that purpose. However, the proposed cuts do not represent economy. Protecting the health of the people of the United States is as much a defense effort as is the purchase of arms and equipment and the training of troops. I say we cannot afford to gamble with a great generation of children, with our crippled children, and with maternal care, and the various other services on which cuts are proposed. We need such services in order to maintain the high level of humanitarian and scientific services in our country.

I beg of my fellow Senators, Mr. President, to vote for the motion of the Senator from West Virginia, so that the arbitrary cuts which have been made will be restored. In my opinion, the cuts which have been made are completely without justification and will severely hurt the people of the United States.

Mr. AIKEN. Mr. President, if the Senator will yield, I should like to say that if the motion of the Senator from West Virginia is agreed to, and if the amount which subsequently is restored to the appropriation is the amount stated by the Senator from New York, namely, approximately $1,000,000, that will mean that one twenty-fifth of 1 percent of the total amount carried in the bill will be provided for the purpose of continuing the work in maternal and child welfare and in research on the various malignant diseases. That is the price we would pay for carrying on this work.

Mr. LEHMAN. Mr. President, I thank the Senator from Vermont very much. As usual, his comments are both timely and extremely useful.

Mr. MAGNUSON. Mr. President, will the Senator from West Virginia yield to me for 5 minutes?

Mr. NEELY. I yield 5 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 5 minutes.

Mr. MAGNUSON. Mr. President, anything I might say at this point, following the eloquent speech of the distinguished Senator from West Virginia in regard to these humanitarian appropriations, would be somewhat of an anticlimax. However, I wish to call attention to the almost lifetime devotion of the Senator from West Virginia to the cause of combating cancer and other deadly diseases. Long ago, when the Senator from West Virginia was first in the Congress, he started the ball rolling in favor of the establishment in the United States of a cancer research institute. Unfortunately, at that time his goal was not achieved. When I first served in the House of Representatives, I had the privilege and opportunity of joining in that effort with an old friend of ours, from my State, former Senator Homer Bone. Finally, as a result of the groundwork he did, the establishment of the National Cancer Institute was achieved.

After the fine and able presentation the distinguished Senator from West Virginia has made in regard to this problem, I think the RECORD would not be complete without referring to these matters and to the fine work which has been done in this connection. The Senator from West Virginia has been at it a long time. As he has stated, I hope the other Members of the Senate will see the light in regard to this matter and will take the position he has taken.

Adoption of the motion of the Senator from West Virginia will not delay the bill in any way, Mr. President. The motion, if agreed to, would require the bill to be returned from the committee forthwith, with the original amounts of appropriations for these items restored. Technically, that would mean only having the bill sent to the committee and coming back from the committee almost at once. It would take only 2 minutes to do that, and there would be no delay at all in our action on the bill.

So, Mr. President, I hope that Senators who voted the other day for the amendment of the Senator from New York [Mr. LEHMAN]—which, if adopted, would have had the same effect as that of the motion of the Senator from West Virginia—will see how important this matter is.

Some Senators have stated that the cuts which have been made in these appropriations will not amount to much, but I think the RECORD should show just what they will amount to. The Senator from New Mexico has pointed out that the making of these cuts will mean a reduction in the personnel utilized for this research work. Certainly that is the crux of the matter. In that connection, let us consider the National Cancer Institute. When representatives of that institute came before the Appropriations Committee, they testified as to the

amount of money they would need to carry out their long-range plans in connection with their research work. They did not ask for more money than they could spend. As Vannevar Bush once told me, "You have to keep scientists and research workers hungry, because then they work harder."

The plans of the National Cancer Institute call for having one university or laboratory in the United States do certain work in regard to cancer research, and another one do other work, and then all the work would be correlated. Thus we can see how harmful the proposed cut would be, for it would mean the abolishment of approximately 28 scholarships and research fellowships, and the men in those positions have been playing an important part in the drive to find a cure for cancer. As a result, the proposed reduction, although involving only a small amount of money, would require a substantial reduction in the research personnel, and such a reduction would do great harm.

I think a similar situation would exist in the case of the proposed cuts in the appropriations for the programs for research in heart disease and for the other programs which are referred to in the motion of the Senator from West Virginia.

After all, Mr. President, the amount of these cuts is really quite small. It is hard to conceive of a naval craft which could be built for the amount of money involved in the proposed cuts, but perhaps two small PT boats could be built with the amount of money which it is proposed to save by making the cuts in the program for cancer research.

I sincerely hope the Senate will agree to restore these funds, because the program has been carefully planned, and only the amounts of money which are needed to carry on the necessary work are requested.

Of course, we know that thus far the cure for cancer has not been found.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. MAGNUSON. Mr. President, will the Senator from West Virginia yield one more minute to me?

Mr. NEELY. I yield an additional minute to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 1 minute more.

Mr. MAGNUSON. Mr. President, the scientists and physicians inform us that when cancer is diagnosed in its early stages, approximately 41 or 42 percent of the cases can be cured. Therefore, the problem is how to get the American people to be examined in order to determine whether they have cancer.

However, in the entire United States there are only 1,700 pathologists who are able to give the kind of examination required in order to determine whether a person has cancer. Just the other day the Senator from Alabama and I heard testimony in regard to this phase of the problem.

It is most encouraging to learn that as a result of last year's meager appropriation, one researcher—perhaps one who had one of the 28 scholarships which would be canceled as a result of the proposed cuts—devised a machine, which now is in operation, by which it is possible to detect cancer cells and distinguish them from normal cells, and do so very rapidly—in fact, as rapidly as people can walk past the machine. Just think what that development means in connection with cancer research.

Therefore, Mr. President, in view of the entire situation, I hope the Senator from Michigan will join with us, so that we can keep this program going. It was started some years ago, and has made great progress in alleviating human suffering.

I repeat that the proposed cuts would mean reductions in the numbers of men engaged in research, rather than in the administrative functions. If the Senator realizes how important this matter is, I am sure he will support the motion of the Senator from West Virginia.

Mr. HILL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HILL. Will the Chair advise the Senate how much time remains?

The PRESIDING OFFICER. The Senator from West Virginia has 30 minutes remaining, and the opponents to the motion of the Senator from West Virginia have 18 minutes remaining.

Mr. NEELY. I yield 2 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 2 minutes.

Mr. HUNT. Mr. President, on Monday, when speaking on the floor, I gave my views in regard to this appropriation. Since that time I have had a unique experience. As a member of the Kefauver investigating committee, now the O'Conor committee, I was assigned to visit the United States Public Health Institute for Narcotics at Lexington, Ky., and I made that visit the day before yesterday. Let me say that if the other Members of the Senate had had the privilege of seeing what I saw in the course of that visit they would vote to recommit this particular appropriation bill. If Senators could have seen the 208 teen-age youngsters who were in that institution, whereas only 2 years ago there were only 3 young people there—in other words, a jump from 3 to 208 in 2 years—and if all Senators could have heard those youngsters tell their stories and state how they became addicted to the use of narcotic drugs, and if Senators then could have seen all the evidences of the wonderful work the Public Health physicians are doing in that institution in restoring those young people to society and reclaiming their lives and making them useful citizens again, I repeat, that every Member of this body would vote to recommit this particular appropriation bill.

I thank the Senator from West Virginia for yielding to me.

Mr. FERGUSON. Mr. President, will the Senator from Wyoming yield?

Mr. HUNT. I yield to the Senator from Michigan.

Mr. FERGUSON. Does the Senator from Wyoming realize that the cuts here made will not affect the work to which he has referred?

Mr. HUNT. No; I do not realize it. I do not realize it because three of these doctors are doing purely research work, and, as I understand, this appropriation applies to research physicians in the Public Health Service.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. WHERRY. I think we should check up on the time, in order that we may know just what time remains. My understanding is that the distinguished Senator from New Mexico has used 12 minutes of the second hour. If so, that would leave 18 minutes at the disposal of the Senator from New Mexico [Mr. CHAVEZ]. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. Will the Presiding Officer kindly tell me how much time is left of the second 30 minutes, to be controlled by the Senator from West Virginia [Mr. NEELY]?

The PRESIDING OFFICER. Twenty-eight minutes remain.

Mr. WHERRY. I thank the Chair.

Mr. NEELY. Mr. President, I yield 10 minutes to the distinguished Senator from Minnesota [Mr. HUMPHREY].

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 10 minutes.

Mr. HUMPHREY. Mr. President, my purpose in rising is not only to associate myself with the motion of the distinguished Senator from West Virginia, but to support vigorously the effort he is making to have the pending bill recommitted, and to have it again reported by the committee, in accordance with the instructions incorporated in the motion of the Senator from West Virginia.

I desire to say a few words regarding the question of procedure and about what could and I trust will happen. There are those who would have us believe that the recommittal motion, if it is agreed to, might delay the progress of business in the Senate. First of all, I may say that argument has little or no merit, in view of the many weeks and months which we have already spent with not too much progress, and this sudden concern over the rapidity of action by the Congress is hardly becoming to a body which has taken so long in order to get thus far. But, even more important, the motion to recommit can be acted on favorably and a bill can be reported back to the Senate within a very few moments by prompt action on the part of the committee.

I desire to emphasize, Mr. President, that there is no delay which is of substantial nature involved in the motion of the Senator from West Virginia. Let me document my argument with a very recent experience. I understand the independent offices appropriation bill made an untimely entrance into this Chamber, and in no uncertain words it was sent scooting back to committee, with instructions to take off 10 percent. Within a very short time the bill was returned, with the 10-percent clip having been well performed. The cutting operation, if not successful, and even though the patient may die, was, from a surgical

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point of view, at least, accomplished. I submit, therefore, that the bill can be recommitted in this instance without undue delay resulting, and that it ought to be recommitted.

Mr. President, how much money is involved in these appropriations? Apparently there is a deep and abiding concern about checkbooks, about cash in the bank, and about dollars. As the Senator from West Virginia intimated, even though he did not say it, there are no checking accounts either in heaven or in hell. As the saying goes, "You cannot take it with you." I understand it is the purpose of man on this earth to try to better his life at least a little bit within the pattern of ethics laid down in the Old and New Testaments.

Mr. President, how much money is involved? Are we talking about subsidizing some great research program to the extent of $2,000,000,000, as we did in connection with atomic research? Are we talking about the kind of appropriation which went scooting through the Congress for a hydrogen bomb, without even as much as an argument? It was all hush-hush. We had to have that right away. We had to appropriate the money right away. I voted for the appropriation. I was told it was vital to the security of the United States. But that involved hundreds of millions of dollars, Mr. President; and, by the way, those in charge of the project are not even sure that they can make it work, they are not even sure of that; but at least we took the chance, and I did not hear one economizer say, "Now, take it easy, let us ease into this thing, let us not be jumping into this uncertain field of scientific endeavor." But we had to do it, because it was important to the welfare of the American community, the American Nation, to its people, and to the free world.

How much money is involved in the proposal of the Senator from West Virginia? Frankly, I think he has been very timid. I think he has not gone far enough. But I think he has used prudent judgment in saying this may be as far as we should go, in view of the temper of the Senate. The amount is slightly over $1,000,000. I wish to repeat that figure, because the American people have heard other figures so frequently that it may have slipped by without proper notice. I am talking about $1,000,000-plus, a little over $1,000,000. For what? Is it $1,000,000 to be used for the purpose of destroying something? Oh, no; it is $1,000,000 to be used to save life; $1,000,000, as the Senator from West Virginia so eloquently and with such deep sincerity said, to relieve the agonizing suffering of people who are victims of cancer, multiple sclerosis, nervous disorder, heart disease, arthritis, and the many other diseases which are included in the field covered by the National Health Institutes.

Is there a United States Senator, or is there anyone who aspires to come to this body, or anyone who has left this body, who can tell me that the United States of America cannot afford an extra $1,000,000 to alleviate the suffering of its own people? As a matter of fact, the Senate of the United States could save a good portion of that sum, if it wanted to, merely by limiting certain of its activities. It should be done. Do not tell me that we cannot afford $1,000,000 for heart and mental health and for cancer research.

Mr. President, there is not one logical argument against the proposal of the Senator from West Virginia—not one. There is not a Member of the Senate who can say that the country cannot afford the appropriations which would be provided if the motion were agreed to. There is no man who can say a recommittal of the bill would unduly delay the progress of business in this body. There is no one who can say that the programs affected are not well-thought-out, constructive programs, which have had a great history of experience. If this were a case to be tried in court, where justice was to be done, there is not a judge in the whole country who would not give an unqualified decision in favor of the motion of the Senator from West Virginia.

Let me make another observation regarding the health programs. Every time we have under consideration in this body a measure connected with the national defense, we have literally a struggle here to see which one of us will be recognized first, to prove that we are for it. In other words, Senators almost literally jump out of their chairs to say "Mr. President," because they want to be on record for the great appropriations for the national defense. There is not one of us who wants to go back home and have someone point at us and say, "How does it come you did not vote for enough airplanes or enough guns?" I am sure that all of us want to be within the category of devoted, patriotic citizens, who are concerned about the national security; but, Mr. President, one weakness of our country, one limitation, is manpower. We have the scientific know-how. We have the greatest industrial machine the world has ever known, but we are outnumbered in this world; and one of the real problems for the selective service, one of the real problems for our defense industries, and one of the real problems, as we face 800,000,000 slaves of the Soviet Union, is the problem of manpower. So what does the Senate do? It says, "Well, we are just going to shave off a little bit more of that manpower; we are going to reduce the funds for research."

I say that, Mr. President, because it is impossible to conduct research without people, and, when we reduce personnel, as the Senator from Washington [Mr. MAGNUSON] said, and, as the Senator from New York [Mr. LEHMAN] said, the result is to cut down on research work.

No, Mr. President, this country can ill afford to cut down on research which will save the lives of men, women, and children. We need to save our manpower and our human resources, and I believe it is fair to say—and anyone who has studied the subject will understand it, I think—that the problem of mental health is one of the Nation's foremost problems.

What is the problem of mental health? Does it involve the building of more sanatoriums, the erection of more buildings? Not at all, Mr. President. The problem is that of training competent staffs. We are able to put together bricks and mortar, to erect buildings, and to create large institutions, but we have not the trained personnel to put into them. So what does the Senate do, by the Ferguson amendment? The Senate says, "Go ahead, create, and build some buildings; we did not trim down the hospital construction. Go ahead and build the buildings, but do not train any doctors to put inside of them." I submit, Mr. President, that is not sound public policy.

Furthermore, let me make a general comment on the defense of our country. I appreciate the sudden increase in attendance in this body, but I wish Senators would listen, because we might change a vote.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HUMPHREY. The defense of this country is not to be found in military equipment alone; it is to be found in the utilization of its total resources, its industrial resources, its military resources, and its human resources. What the Senator from West Virginia is pleading for this afternoon is that we place just a little emphasis upon the human resources and the care of our most precious resources, namely, the human mind, the human body, and the human soul.

Mr. President, will the Senator from West Virginia yield me a little more time?

Mr. NEELY. Mr. President, I yield all my remaining time to the Senator from Minnesota.

Mr. HUMPHREY. I shall not need it all. I appreciate the generosity of the Senator from West Virginia.

Mr. President, I wish to emphasize the point I was making. Why are we putting up this struggle to have the bill recommitted? The Senator from West Virginia is fearful that he may not be successful. Let me address some remarks to the distinguished Senator from New Mexico [Mr. CHAVEZ], whose heart and whose spirit in connection with these measures are second to none. I have appeared before the subcommittee, and I know the friendly manner in which he received testimony and how he feels toward humanitarian programs. In case the motion to recommit does not succeed, there will be a chance to do something for the country in the conference committee, because it can bring back a report which will accomplish the objectives which the Senator from West Virginia has outlined.

Mr. President, let me make a few general remarks about the Ferguson amendment and what its result would be, because I realize that the motion of the Senator from West Virginia does not go so far in terms of restoring funds as the Ferguson amendment would diminish them. Therefore, I want to comment on one or two other phases of the question.

It so happens that in the pending Labor and Federal Security Agency appropriation bill there are such items as research in tuberculosis, venereal diseases, communicable disease, sanitation; and all these have been affected—every one of them—by the Ferguson amendment.

The committee recommended appropriations which were less than the budget estimates, and yet every single one of these projects which I have mentioned has been affected by the cut as outlined in the Ferguson amendment.

Mr. HILL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HILL. The subcommittee, headed by the distinguished Senator from New Mexico [Mr. CHAVEZ], reported the bill to the full committee with the restoration of the full budget items in these different particulars.

If the Senator from Minnesota will yield further to me, let me say, with reference to the distinguished Senator from New Mexico, that he finds himself in a position which I am sure is most painful to him. He has a particular responsibility as the chairman of the subcommittee of the Senate Committee on Appropriations in charge of this bill. He is not free as is an individual Senator to act in a matter of this kind; he has the responsibility of the chairmanship of the subcommittee representing the full committee which reported the bill.

Mr. HUMPHREY. I understand.

Mr. HILL. I desire to say again, as I tried to say on Friday afternoon, that there is no Member of the Congress, in either the Senate or the House, who has worked harder or labored more earnestly to get the funds necessary to carry forward these great health programs than has the distinguished senior Senator from New Mexico. I can bear witness, as a member of his subcommittee, that he has spent days, weeks, and months attending hearings, endeavoring to marshal and to bring forth the strongest possible testimony to sustain and support the carrying forward of these great programs.

I again pay my tribute to him for his many devoted and valued efforts not only in connection with this bill, but throughout the year, in behalf of these great health programs. There is no Member of the Congress of the United States who is filled with a deeper sense of humanity than is the Senator from New Mexico. He is, in truth, one of our great humanitarians.

Mr. HUMPHREY. I thank the Senator from Alabama, and I concur in his remarks concerning the chairman of the subcommittee.

I just put into the RECORD the fact that for the National Institutes of Health there was recommended in the bill an appropriation of $240,027 under the budget estimate. This, in turn, has been cut another 5 percent.

For the National Cancer Institute there was recommended an appropriation of $141,829 under the budget estimate. That has, in turn, been cut another 5 percent.

For the mental-health activities there was recommended an appropriation of $82,026 under the budget estimate. That has been cut another 5 percent.

The National Heart Institute's appropriation was $77,018 under the budget estimate. It has, in turn, been cut another 5 percent. And so on down the line, Mr. President.

If we are going to start an economy movement in the Congress, it seems to me we should start it somewhere else than in appropriations affecting human life.

What else has been the effect of this over-all cut? I invite the attention of the Senate, and I do it only as a warning, because of my responsibility as chairman of a subcommittee dealing with labor-management relationships, to what is going to happen. At least, I think it is fair to prophesy that it will happen.

The National Labor Relations Board, which is responsible for the administration of the Labor Relations Act of 1947, has been severely impaired by this 5-percent cut. The National Labor Relations Board handles 1,900 labor-relations cases a month, and this cut will mean that at least a thousand cases will not be handled and processed.

I submit, Mr. President, that during a period of defense we need labor-management peace. What we have done has been to cut off a piece of the machinery that can give us some peace.

I also desire to point out, Mr. President, that the same thing has happened in connection with the National Mediation Service. I am familiar with the activities of that splendid agency of the Government. Its appropriation, like others in this appropriation bill, as it was reported to the Senate, was far below the budget estimate, namely, $200,000 below it. Another 5 percent has been taken off personnel. We do not settle labor-management disputes by documents; we settle them by personnel. I have been informed that a 5 percent cut will severely handicap the operations of these two agencies, both of which are vital defense agencies. They are working hand in hand with the Wage Stabilization Board. Both of them are assigned the responsibility of working out a program of labor-management peace and harmony in our defense industries, and it seems to me that, in view of the tremendous responsibility which faces us with respect to production and a full flow of production, it is false economy of the worst kind to try to cut the appropriation of these two agencies of the Government, particularly when the committee's recommended appropriation was far below the budget estimate.

The National Labor Relations Board, before the Ferguson amendment, had a decrease in its budget allowance of $348,541. I submit, Mr. President, as chairman of the Labor-Management Relations Subcommittee, where we have discussed the work of the National Labor Relations Board, that it is fair to say that every member of the committee concurs in my judgment that instead of its being overstaffed, instead of its being able to complete its work on schedule, it is understaffed and will be severely impaired in its operations by the 5-percent cut.

So, Mr. President, if there ever was a need to send a bill back to committee, that need has been demonstrated all the way from the Bureau of Education down the line.

Mr. President, I conclude by urging upon this body that it act favorably on the motion of the Senator from West Virginia, and that we give the people of the United States an opportunity to be adequately served by their Government particularly in the fields of health, which are so vital.

At a later time, Mr. President, because of the reductions, I think we shall be confronted with the situation of having presented to us a deficiency appropriation bill.

By the way, let me speak on that subject for a moment. I just mentioned the word "deficiency." Every time we try to bring about a little efficiency, every time some Member endeavors to bring about efficiency, do Senators know what happens? A deficiency appropriation bill is sneaked in through the back door. But what receives the headlines is the original move for economy. That is what receives the headlines. The very first appropriation bill the Congress voted for this year was a deficiency appropriation bill providing several hundred million dollars. What does deficiency mean? It means that something goes wrong, and that a little later we will have to change our minds with respect to economy and say, "Very well, we have changed our minds." We will pick up the tab.

If that is the procedure to be followed, it is all very well with me; but I should like to be let in on the secret. If this is not a sincere effort to cut, I should like to be told, because I submit that when research projects are underway, and a research experiment is within 10 points of being completed, Congress is not going to stop it. Why do we not face up to the problem honorably, and tell the American people that we are willing to appropriate the money needed to do the job on schedule, instead of having to dismiss personnel and then rehire them. There is no business in the world that has so many dismissals and as many rehirings as has the Government of the United States. There is only one reason for it. It is because the Congress of the United States, in its appropriations, does not properly give due credence to the requirements of the various agencies.

Mr. President, I ask support for the motion of the Senator from West Virginia.

Mr. BRIDGES. Mr. President, will the Senator from New Mexico yield to me for 4 minutes?

Mr. CHAVEZ. I yield 4 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER (Mr MCCLELLAN in the chair). The Senator from New Hampshire is recognized for 4 minutes.

Mr. BRIDGES. Mr. President, I listened with interest to the remarks made by the distinguished Senator from Minnesota [Mr. HUMPHREY]. Of course, those who are for economy must attempt to economize at some place. As bills come along for action by the Senate, if the Senator from Minnesota continues to object so strongly to certain cuts being made, I hope he will endeavor to find places in the budget where he can support the economy effort.

Mr. President, many of the remarks which have been made on the floor have a good deal of merit. Many Senators

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who are opposed to recommital of the bill have just as much human interest in the projects sponsored by the various health groups as has any other Member of the Senate. It was my privilege to initiate the original appropriation for heart research in the Congress of the United States, and I have actively supported such activities as the National Heart Institute and other worthy activities and projects covered by this item of the bill.

When Senators speak of the terrible effect of the additional 5 percent cut, I call to their attention that actually it is a cut of less than 1 percent. Contained in these appropriations is a total of $102,089,739. If the 5-percent cut carried by the Ferguson amendment remains, it will mean that the agencies will still receive $101,157,675, which represents a cut of less than 1 percent. Any agency of the Federal Government that cannot absorb a cut of less than 1 percent certainly should go out of business. It is not going to ruin anybody or anything for the Senate of the United States to stand by the figures as represented by the cuts.

So far as I am concerned, I do not like to hear statements endeavoring to place on Members of the United States Senate the onus of being against the Health Institutes or any other similar activites simply because they are in favor of retaining the Ferguson amendment, which provides a cut of less than 1 percent. If the amendment meant cutting the heart out of a needed appropriation, it would be wholly different. But it does not mean that.

In order that the figures may be cleared up, Mr. President, I ask that, as a part of my remarks, the exact appropriations, the exact effects of the 5-percent cut, and the amounts available to the departments, may be placed in the RECORD at this point, so that we will have the facts before us, and not generalities inferring that we are making tremendous cuts.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Effect of Neely motion to recommit

Item	Committee recommendation	5-percent cut in personal services by Ferguson amendment	Available after Ferguson amendment
National Cancer Institute	$19,805,171	$141,830	$19,663,341
Mental health activities	10,737,974	62,026	10,675,948
Tuberculosis	8,887,351	112,649	8,774,702
Venereal diseases	11,653,360	146,640	11,506,720
Dental health activities	1,697,308	52,692	1,644,616
National Heart Institute	10,072,982	77,018	9,995,964
National Health Institutes	15,559,973	240,027	15,319,946
Office of Vocational Rehabilitation:			
Payments to States	21,500,000	4,597	21,495,403
Salaries and expenses	675,620	29,380	646,240
Children's Bureau:			
Salaries and expenses	1,500,000	65,205	1,434,795
Total	102,089,739	932,064	101,157,675

Mr. LEHMAN. Mr. President, will the Senator yield to me for a question?

Mr. BRIDGES. Yes.

Mr. LEHMAN. I am not sure of my ground on this point, and therefore I am asking the Senator from New Hampshire a question. Is it not a fact that last year the Senator from New Hampshire joined the Senator from New York and his associates in introducing a bill asking for about $60,000,000 more for cancer research, heart research, mental health research, dental care, and other collateral and similar activities?

Mr. BRIDGES. I should like to tell the Senator that I did, but frankly I do not think I did. I would not say positively, however. I have always supported similar programs. But now the Senate has attempted to bring about an economy program, to make cuts. I do not believe the cuts proposed to be made are going to bear serious consequences, because they will affect only subordinate personnel.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. CHAVEZ. Mr. President, I now yield 4 minutes to the Senator from Michigan [Mr. FERGUSON].

The PRESIDING OFFICER. The Senator from Michigan is recognized for 4 minutes.

Mr. FERGUSON. Mr. President, first, I desire to compliment the Senator from West Virginia [Mr. NEELY], and those who have argued on his side, for their humanitarian sentiments. I realize that the atmosphere of today's Senate session is choked with emotion. I wish to say, however, that the mere fact that we have proposed a 5-percent cut in the personnel below the budget figure is not an attempt to destroy or cripple or in any way harm the health programs. There is no one who would not give dollars to cure the ills of man. But the appropriation of millions of dollars does not mean that the problems will be solved. It takes time, it takes the intelligent study under programs properly supervised, not loosely thrown together, to solve the problems.

Certain problems cannot be solved, no matter how many persons may be placed on the job this year or next year. When I think of that I am always reminded of what General Knudsen said when he first came to Washington to take over the production program. He said, "One thing that must be learned here is that you cannot change the hatching process and get chickens any quicker by putting two hens on the nest." There is much truth in that statement.

Mr. President, referring now to the motion to recommit, is nothing but a paraphrase of the Lehman amendment which was rejected by the Senate. The amendment which was added to the bill on motion of the Senator from Michigan and other Senators does not cripple health and welfare activities. It scarcely touches them. Appropriations for the activities covered by the motion amounted, in the House bill, to $132,875,000. The Ferguson amendment reduces them by seven-tenths of 1 percent. This comes about because these programs are mainly carried forward by grants to the States, to institutions, and to individuals for reaserch and care. That is the way to solve these problems. They will not be solved by housing thousands of employees under one supervisor. Workers must be sent to the colleges and hospitals, to the firing line where the medical men are engaged from day to day in particular forms of research in an effort to solve the problems. We cannot solve them here in Washington.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LEHMAN. I wonder whether the Senator from Michigan thinks that the way to solve these research problems is to reduce by several hundred the number of highly trained scientific and research staffs which are now engaged in this work.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. FERGUSON. Mr. President, will the Senator from New Mexico yield me a little more time?

Mr. CHAVEZ. Mr. President, I have been as tolerant and patient as possible in giving my time to the other side. Other Senators wish to speak too.

I yield 4 minutes to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, the pending motion is the motion by the Senator from West Virginia [Mr. NEELY] to recommit the bill to the committee. I trust that it will be voted down by an overwhelming majority of this body.

When I came here I thought it was my public and private duty to pursue, as best I knew how, my own convictions in the interest of my country. I also thought when I came here that perhaps this was a confraternity of gentlemen, and that every Member respected the motives of every other Member. Yet, when I came into this Chamber a little while ago, I heard myself being excoriated by the Senator from West Virginia. I heard him impugn my motives. I heard him, by implication, at least, leave the impression that there was ice water in my veins. He ought to be ashamed of himself.

Mr. NEELY. Mr. President, I call the Senator to order. I said nothing of the kind.

The PRESIDING OFFICER. The Senator will take his seat.

Mr. CHAVEZ. Mr. President, I did not yield 4 minutes to the Senator from Illinois except for the purpose of discussing the pending question.

Mr. DIRKSEN. I shall discuss the pending question, Mr. President.

I remind my friend from West Virginia that when the Pepper-Neely bill relating to cancer was pending I stood in the House of Representatives and did yoeman service in behalf of my friend from West Virginia.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. NEELY. If the Senator had been present, he would have known that I said that the able junior Senator from Illinois delivered one of the best speeches

made in the Seventy-ninth Congress in behalf of my bill proposing an appropriation of $100,000,000 for cancer research, and that I wished he would vote to get rid of the 5-percent cut in connection with a $19,000,000 appropriation.

Mr. DIRKSEN. Then why the reflection on the motives of the Senator from Illinois?

Mr. NEELY. Mr. President——

Mr. DIRKSEN. I do not yield further.

Mr. NEELY. I did not reflect on the Senator's motives at all.

Mr. DIRKSEN. As a minority Member, I stood up and defended the Pepper-Neely bill when most Members would not do it. I was one who initiated an amendment to the independent offices appropriation bill asking Mr. Lilienthal for $25,000,000 out of the atomic energy funds for the pursuit of cancer research. It was cut down to $1,000,000.

That bears out what the Senator from Michigan [Mr. FERGUSON] says, that we cannot get results faster by putting two hens on the same nest. So we said, "We will not take $25,000,000; we will not take $5,000,000; we will take $1,000,000 and pursue the work."

There is no disposition on the part of any Senator on this side of the aisle to imperil or impair these health research programs. On the other hand, we realize that there is involved the issue of the solvency of America. I think we take a judicious course when we follow the Ferguson amendment right down the line, and make no exceptions. We cannot hurry the program any faster merely by spending more money. All the work being done in the field of private research will continue as it has continued in the past. All the work being done at the State level will continue. All the work being done in American universities will continue. We seek only to get at the over-staffing of Government. So I hope that the motion to recommit will be voted down with gusto.

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. CHAVEZ. The Senator from New Mexico would like to ask the Senator from West Virginia a question.

Mr. NEELY. Mr. President, I have only 6 minutes left. I do not know under what mistaken impression some other Senator may speak. My point was that in view of the fact that the distinguished junior Senator from Illinois so enthusiastically supported my bill for $100,000,000 for cancer research in the Seventy-ninth Congress while he was a Member of the House, I was wondering how he could now vote to reduce an appropriation of less than $20,000,000 for the very same kind of service.

The PRESIDING OFFICER. The Senator from New Mexico is recognized. He has 6 minutes remaining; and the Senator from West Virginia has 6 minutes remaining.

Mr. CHAVEZ. Mr. President, I should like to hear every Senator express his opinion. I yield out of my time to the Senator from New York——

Mr. LEHMAN. Mr. President, I have expressed my opinion, so I do not wish to impose on the Senator's generosity.

Mr. CHAVEZ. I yield 2 minutes to the Senator from New York.

Mr. LEHMAN. Mr. President, I asked the distinguished Senator from New Hampshire [Mr. BRIDGES] whether or not he was one of the group which recommended $60,000,000 for research work. The reason I asked that question was that I was not sure whether his name was on the bill or not. I believe it was. I do know that he was a member of our group. I do know that his sympathies and support were on the side of the request for $60,000,000. If $60,000,000 more was necessary last year, I wonder why this year he feels that it is justifiable to knock out $60,000,000 and, in addition, cut the appropriation recommended by the Bureau of the Budget. To me it does not make very sound sense.

So far as the Senator from Illinois [Mr. DIRKSEN] is concerned, he talked about our not being able to use a great deal more money. We are not asking for any more money. We are asking to be given the same amount which is estimated by the Budget Bureau, without reducing personnel. By no stretch of the imagination can anyone question the fact that by the cut provided by the Ferguson amendment our research staffs, our technical staffs, and our staffs of great scientists will be reduced by many hundreds in the various services.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FERGUSON. It is not necessary to reduce the number of scientists. The reductions in personnel can be made in the various lower grades of clerks, and so forth. The scientists can still work under the provisions of the Ferguson amendment.

Mr. LEHMAN. Mr. President, may I answer the Senator from Michigan?

Mr. CHAVEZ. Mr. President, I yield an additional minute to the Senator from New York.

Mr. LEHMAN. I showed in my remarks on several occasions that the administrative staff in all this work was less than 3 percent of the entire roster of employees. We cannot cut to any extent from the minimum figure of 8 percent. So those who would be laid off would be scientists and research workers.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. CHAVEZ. Mr. President, I am opposing the motion of my good friend from West Virginia, but not for the reasons outlined by the Senator from Illinois. The cuts brought about by the Ferguson amendment will reduce the items in the public health branch of the bill by $932,064. I do not believe that adding that much to the bill would in any way involve the solvency of our Nation.

I am opposing the motion of the Senator from West Virginia not because I am not interested in the items which he has so ably discussed, but because I am afraid that the longer the passage of the bill is delayed the more chance there is that there will be worse damage done to it than has been done to it by the Ferguson amendment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. PASTORE. The Senator from New Mexico will recall that about 3 or 4 days ago I addressed a question to him with respect to how he justified the 5-percent cut which the committee was willing to make, and then I asked him with respect to the 10-percent cut, and he said that he was opposed to a 10-percent cut because such a cut would render the whole program ineffective.

Mr. CHAVEZ. And I so voted.

Mr. PASTORE. That is correct. If the Senator takes that position as a fundamental fact, how can he oppose the motion of the Senator from West Virginia?

Mr. CHAVEZ. The Senator from New Mexico is only 1 of 96 Senators. Fifty-six Senators voted contrary to the views of the Senator from New Mexico. Therefore I am afraid that there will be more damage done by sending the bill back to committee than otherwise. I am willing to take the chance that there may be some charity in the House conferees and that they will reinstate the Senate figures.

Mr. PASTORE. Does the Senator from New Mexico still believe that a 10-percent cut would render the entire program ineffective?

Mr. CHAVEZ. Not necessarily, and I will tell the Senator why I believe so. I thought that a 5-percent cut was sounder than a 10-percent cut. However, the 10-percent cut goes to the budget figures. The Senator from Rhode Island has been in public life long enough, both in his home State and in the Federal service, to know that when departments submit figures to the Bureau of the Budget the requests usually contain at least a 10-percent cushion, which the departments do not know whether Congress will reduce. Therefore I do not believe they would be hurt by a 10-percent cut. Naturally they will be hurt more than by a 5-percent cut.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. NEELY. Mr. President, how much of my allotted time remains?

The PRESIDING OFFICER. Six minutes.

Mr. NEELY. If no other Senator wishes to take time I yield the remainder of my time to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I shall not use all the time remaining. However, there are one or two points which I should like to clarify, because there seems to be some misunderstanding with respect to the statistics which have been presented to the Senate.

First of all, if I heard correctly, I understood the Senator from New Hampshire [Mr. BRIDGES] to say that what was involved was less than a 1-percent cut. Percentage figures are always very interesting. To be sure, all that is involved is less than a 1-percent cut on the total appropriations carried by the bill; but I repeat there is involved a 5-percent cut on personal services on the

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items which the Senator from West Virginia has mentioned. A 5-percent cut is involved on the personal services in research for cancer, mental health, dental activities, arteriosclerosis, arthritis, and the other Health Institute services.

Let no one say that any department that cannot get along with a little cut of less than 1 percent does not deserve to exist. Let no one get by with that kind of argument. What we are talking about is a 5-percent cut in trained technical personnel, and a 5-percent cut in trained technical personnel can mean the difference between the life and death of a program.

The Senator from Minnesota has just asked one of the pages to get a copy of the hearings. I have a copy of the hearings in my office with which I prepared myself for the debate. I ask any Senator to point out one line of testimony in which a doctor or professional man, either in the Government or out of the Government, said that any of the health agencies were overstaffed. If any Senator can point to one line of testimony on the part of a man of honor and integrity that the Heart Institute, for example, is overstaffed, or that the Cancer Institute is overstaffed, we have no ground for our amendment.

What do they say, Mr. President? They pleaded day in and day out, in hundreds of pages of testimony, not for what they got from the committee, but for more. The committee cut down even the budget estimates. They were able to persuade the subcommittee, which took the time to listen to hours of testimony. They were able to persuade the distinguished Senator from Alabama [Mr. HILL], and the distinguished chairman of the subcomittee [Mr. CHAVEZ], who recommended to the full committee more money than was finally recommended to the Senate by the full committee.

Mr. President, I say that if I had to base my judgment with respect to the funds which are needed for heart research either on the testimony of the junior Senator from Illinois [Mr. DIRKSEN], the Senator from New Hampshire [Mr. BRIDGES], or the Senator from Michigan [Mr. FERGUSON], on the one hand, or that of Dr. Van Slyke, one of the most eminent heart specialists in the country, I would take the doctor's judgment. I believe doctors know more about heart research and needs for trained personnel than Senators know about such subjects. That is why witnesses were called to appear before the committee. Not one doctor testified that sufficient money was available or that a sufficient number of trained personnel was available. Our problem has been lack of trained personnel, a lack of trained doctors, dentists, and nurses. That is our problem.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BRIDGES. Does the Senator from Minnesota recall, since he has been a Member of the Senate, any official of any department coming before the Appropriations Committee and telling it that the department was overstaffed and should be cut?

Mr. HUMPHREY. No. But the Senator from Minnesota does recall that when funds were suggested by Senators on the floor of the Senate with respect to certain agencies only a year ago, one of the eminent members of either the Heart or Cancer Institute said they could use only so much money at the time and asked that they not be given as much as we wanted to give them. Therefore, we reduced our suggestions and came in with the amount that we could honorably support on the basis of professional evidence.

Mr. President, I merely wish to point out one other fact. It appears that every Senator is filled with a sincere conviction and humanitarian concern with respect to our sick people. They will express their convictions by the votes that they will cast. However, Mr. President, somewhere it is written, "By their fruits ye shall know them." It is deeds that count, not words. The measure of the concern we have will be shown by our votes. The amount of money involved is about $1,000,000. How shall we vote on recommittal? If we vote to recommit the bill we are simply saying that 150,000,000 people cannot support another $900,000 worth of research. Either that, or we are saying we are in favor of it, but not quite enough.

I conclude by saying that there is no evidence anywhere in the testimony to substantiate the claims which have been made by the distinguished Senators who have spoken in opposition to the motion.

The PRESIDING OFFICER. The Senator's time has expired. All time for debate has expired. The question is on agreeing to the motion of the Senator from West Virginia [Mr. NEELY].

Mr. WHERRY and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GEORGE (when his name was called). On this vote I have a pair with the junior Senator from Oregon [Mr. MORSE]. If the junior Senator from Oregon were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

The roll call was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], and the Senator from Arkansas [Mr. FULBRIGHT] are absent on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Nevada [Mr. MCCARRAN] is unavoidably detained on official business, and if present, would vote "nay."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Louisiana [Mr. ELLENDER]. If present and voting, the Senator from Montana would vote "yea," and the Senator from Louisiana would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] is absent on official business. If present, he would vote "nay."

The Senator from Missouri [Mr. KEM], who is absent by leave of the Senate, is paired with the Senator from Massachusetts [Mr. LODGE], who is necessarily absent. If present and voting, the Senator from Missouri would vote "nay," and the Senator from Massachusetts would vote "yea."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness. If present, he would vote "nay."

The Senator from Colorado [Mr. MILLIKIN] is necessarily absent.

The Senator from Oregon [Mr. MORSE] is absent on official business, and his pair has been announced previously by the Senator from Georgia [Mr. GEORGE].

The Senator from South Dakota [Mr. CASE] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The result was announced—yeas 31, nays 50, as follows:

YEAS—31

Aiken	Ives	Monroney
Anderson	Johnson, Tex.	Moody
Benton	Kefauver	Neely
Clements	Kerr	O'Mahoney
Connally	Kilgore	Pastore
Green	Langer	Smathers
Hayden	Lehman	Sparkman
Hennings	Long	Tobey
Hill	Magnuson	Underwood
Humphrey	McFarland	
Hunt	McMahon	

NAYS—50

Bennett	Ferguson	Robertson
Brewster	Frear	Russell
Bricker	Hendrickson	Saltonstall
Bridges	Hickenlooper	Schoeppel
Butler, Md.	Hoey	Smith, Maine
Butler, Nebr.	Holland	Smith, N. J.
Byrd	Jenner	Smith, N. C.
Cain	Johnson, Colo.	Stennis
Capehart	Johnston, S. C.	Taft
Carlson	Knowland	Thye
Chavez	Maybank	Watkins
Cordon	McCarthy	Welker
Dirksen	McClellan	Wherry
Douglas	McKellar	Wiley
Duff	Mundt	Williams
Dworshak	Nixon	Young
Ecton	O'Conor	

NOT VOTING—15

Case	George	Martin
Eastland	Gillette	McCarran
Ellender	Kem	Millikin
Flanders	Lodge	Morse
Fulbright	Malone	Murray

So Mr. NEELY's motion to recommit was rejected.

The PRESIDING OFFICER. The question is, Shall the bill pass? There are 30 minutes of time for debate remaining.

Mr. CHAVEZ. I ask unanimous consent to have printed in the RECORD, at this point, a table purporting to show the effect of the Ferguson amendment. The table has been prepared at my direction by the staff of the committee. It shows that the Ferguson amendment would reduce the total appropriation by $4,492,071. There may well be differences of opinion as to the application of the Ferguson amendment to individual items. The table shows the maximum effect. I ask that it be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Labor-Federal Security appropriation bill, 1952—Effect of Ferguson amendment

[Figures in parentheses not added in totals]

Agency and item	1952 budget estimate	Specific amounts in bill	Budget estimate for personal services	5 percent of personal services estimate	Available funds after application of Ferguson amendment (3)–(5)
(1)	(2)	(3)	(4)	(5)	(6)
DEPARTMENT OF LABOR					
Office of Secretary:					
Salaries and expenses	$1,475,000	$1,000,000	$1,315,933	$65,797	$934,203
Salaries and expenses, Office of Solicitor	1,750,000	1,575,000	1,611,101	80,555	1,494,445
Salaries and expenses, Bureau of Labor Standards	766,000	688,000	636,705	31,835	656,165
Salaries and expenses, Bureau of Veterans' Reemployment Rights	277,000	265,758	224,845	11,242	254,516
Total, Office of the Secretary	4,268,000	3,528,758	3,788,584	189,429	3,339,329
Salaries and expenses, Bureau of Apprenticeship	2,692,000	2,578,682	2,266,367	113,318	2,465,364
Bureau of Employment Security:					
Salaries and expenses	5,475,000	5,245,959	4,580,814	229,041	5,016,918
Grants to States:					
Basic appropriation	159,560,000	159,560,000	681,092	34,055	159,525,945
Contingency reserve	10,000,000	5,000,000			5,000,000
Bureau of Employees' Compensation:					
Salaries and expenses	1,973,000	1,887,816	1,703,683	85,184	1,802,632
War claims transfer	(122,000)	(122,000)			(122,000)
Employees' compensation fund	31,000,000	30,000,000			30,000,000
War claims transfer	(5,000,000)	(5,000,000)			(5,000,000)
Bureau of Labor Statistics:					
Salaries and expenses	5,935,000	5,371,352	4,769,216	238,461	5,132,891
Revision of Consumers' Price Index	1,250,000	1,125,000	1,043,498	52,175	1,072,825
Salaries and expenses, Women's Bureau	396,000	379,285	334,296	16,715	362,570
Salaries and expenses, Wage and Hour Division	8,740,000	8,365,304	7,493,923	374,696	7,990,608
Total, Department of Labor	231,280,000	223,042,156	26,661,473	1,333,074	221,709,082
FEDERAL SECURITY AGENCY					
American Printing House for the Blind	115,000	115,000			115,000
Columbia Institution for the Deaf, salaries and expenses	390,000	374,537	309,268	15,463	359,074
Food and Drug Administration:					
Salaries and expenses	5,395,000	5,172,975	4,440,500	222,025	4,950,950
Certification and inspection services, salaries and expenses (special)	(1,049,300)	(1,049,300)		(1)	(1,049,300)
Freedmen's Hospital, salaries and expenses	2,987,000	2,631,500	2,161,880	(1)	2,631,500
Howard University:					
Salaries and expenses	2,575,000	2,415,084	3,198,324	159,916	2,255,168
Plans and specifications	55,500	55,500			
Construction of buildings	1,236,500	1,236,500			1,236,500
Office of Education:					
Vocational education grants (George-Barden funds)	20,017,760	20,017,760			20,017,760
Further endowment of colleges of agriculture and mechanic arts	2,480,000	2,480,000			2,480,000
Salaries and expenses	3,550,000	3,397,706	3,045,871	152,294	3,245,412
Payments to school districts	40,000,000	40,000,000			40,000,000
Grants for surveys and school construction	75,000,000	75,000,000			75,000,000
Office of Vocational Rehabilitation:					
Payments to States	23,000,000	21,500,000	91,943	4,597	21,495,403
Salaries and expenses	705,000	675,620	587,600	29,380	646,240
Public Health Service:					
Venereal diseases	11,800,000	11,653,360	2,932,797	146,640	11,506,720
Tuberculosis	9,000,000	8,887,351	2,252,972	112,649	8,774,702
Assistance to States, general	16,084,000	15,960,000	2,000,994	100,050	15,859,950
Communicable diseases	6,150,000	5,915,747	4,685,070	234,254	5,681,493
Engineering, sanitation, and industrial hygiene	3,800,000	3,648,158	3,036,846	151,842	3,496,316
Water pollution control grants	1,000,000	900,000			900,000
Alaska, disease and sanitation investigations and control	1,234,000	1,211,129	457,418	22,871	1,188,258
Buildings and facilities, Cincinnati: Appropriation	2,400,000	2,400,000			2,400,000
Hospital construction, grants to States:					
Liquidation cash	120,000,000	100,000,000			100,000,000
Obligation cash	75,000,000	95,000,000			95,000,000
Salaries and expenses, hospital construction	1,220,000	1,166,465	1,070,700	53,535	1,112,930
Hospitals and medical care	20,200,000	20,200,000	22,625,358	(1)	20,200,000
Foreign Quarantine Service	3,000,000	2,868,029	2,639,430	131,972	2,736,057
National Institutes of Health	15,800,000	15,559,973	4,800,532	240,027	15,319,946
National Cancer Institute	19,947,000	19,805,171	2,836,590	141,830	19,663,341
Mental health activities	10,800,000	10,737,974	1,240,515	62,026	10,675,948
National Heart Institute	10,150,000	10,072,982	1,540,351	77,018	9,995,964
Dental health activities	1,750,000	1,697,308	1,053,848	52,692	1,644,616
Construction of research facilities: Appropriation	18,590,000	16,630,540	89,200	4,460	16,626,080
Commissioned officers, pay, etc	1,900,000	1,861,500	770,000	38,500	1,823,000
Salaries and expenses, Public Health Service	2,868,000	2,745,868	2,442,646	122,132	2,623,736
Total, Public Health Service	362,693,000	358,921,555	56,475,267	1,692,498	357,229,057
St. Elizabeths Hospital:					
Salaries and expenses	2,135,000	2,135,000	1,547,961	(1)	2,135,000
Miscellaneous construction and replacements	136,500	136,500			136,500
Total, St. Elizabeths Hospital	2,271,500	2,271,500	1,547,961		2,271,500
Social Security Administration:					
Bureau of Federal Credit Unions, salaries and expenses:					
Appropriation	200,000	167,650	647,000	32,350	135,300
Annual indefinite (fees)	(598,000)	(598,000)			(598,000)
Bureau of Old-Age and Survivors Insurance:					
Salaries and expenses (trust fund limitation)	(60,000,000)	(57,437,980)	(51,200,398)	(2,563,020)	(54,874,960)
Reimbursement to OASI trust fund	3,734,000	3,734,000			3,734,000
Bureau of Public Assistance:					
Grants (titles I, IV, X, and XIV)	1,300,000,000	1,150,000,000			1,150,000,000
Salaries and expenses	1,698,000	1,600,000	1,532,000	76,600	1,523,400
Children's Bureau:					
Salaries and expenses	1,592,000	1,500,000	1,304,105	65,205	1,434,795
Grants to States, maternal and child welfare	33,000,000	33,000,000			33,000,000
Office of Commissioner, salaries and expenses:					
Appropriation	233,000	200,000	310,100	15,508	184,492
Transfer from OASI trust fund	(117,000)	(100,000)			(100,000)
Total, Social Security Administration	1,340,457,000	1,190,201,650	3,793,205	189,660	1,190,011,990

[1] Not applicable.

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Labor-Federal Security appropriation bill, 1953—Effect of Ferguson amendment—Continued

[Figures in parentheses not added in totals]

Agency and item	1952 budget estimate	Specific amounts in bill	Budget estimate for personal services	5 percent of personal services estimate	Available funds after application of Ferguson amendment (3)–(5)
(1)	(2)	(3)	(4)	(5)	(6)
FEDERAL SECURITY AGENCY—continued					
Office of Administrator:					
Salaries, Office of Administrator:					
Appropriation	$2,419,000	$2,150,000	$2,832,000	$121,600	$2,028,400
Transfer from OASI	(413,000)	(413,000)		(20,000)	(393,000)
Service operations, salaries and expenses:					
Appropriation	780,000	711,500	432,205	18,160	693,340
Transfer from OASI	(135,000)	(123,500)		(3,000)	(120,500)
General Counsel, salaries:					
Appropriation	427,000	396,478	850,444	22,522	373,956
Transfers (Food and Drug and OASI)	(423,950)	(411,950)		(20,000)	(391,950)
Surplus property disposal and utilization	333,000	75,000	276,893	(1)	75,000
Total, Office of Administrator	3,959,000	3,332,978	4,382,542	162,282	3,170,696
Total, Federal Security Agency	[2] 1,888,574,210	1,729,799,865	80,034,361	2,628,115	1,727,171,750
National Labor Relations Board, salaries and expenses	8,582,500	8,233,959	6,970,825	348,541	7,885,418
National Mediation Board:					
Salaries and expenses	410,000	394,247	315,060	15,753	378,494
Arbitration and emergency boards	150,000	144,000	120,000	6,000	138,000
National Railroad Adjustment Board, salaries and expenses	638,000	600,000	485,025	24,251	575,749
Total, National Mediation Board	1,198,000	1,138,247	920,085	46,004	1,092,243
Railroad retirement appropriated account	613,000,000	562,534,409			562,534,409
Salaries and expenses (transfer from railroad retirement trust fund)	(5,268,000)	(5,056,904)	(4,221,916)	(211,096)	(4,845,808)
Total, Railroad Retirement Board	613,000,000	562,534,409			562,534,409
Federal Mediation and Conciliation Service:					
Salaries and expenses	3,247,000	3,047,000	2,701,740	135,087	2,911,913
Boards of inquiry	50,000	48,750	25,000	1,250	47,500
Total, Federal Mediation and Conciliation Service	3,297,000	3,095,750	2,726,740	136,337	2,959,413
Grand total, all appropriations	[2] 2,745,940,710	2,527,844,386	117,313,484	4,492,071	2,523,352,315

[1] Not applicable.
[2] Includes $1,986,950 in transfer and fees.

Mr. CHAVEZ. Mr. President, I move that, without further debate, the Senate proceed to vote on the final passage of the bill.

Mr. WHERRY. That requires unanimous consent.

The PRESIDING OFFICER. The motion is not in order.

SEVERAL SENATORS. Vote! Vote!

Mr. WHERRY. Mr. President, I submit it is in order to vote upon final passage of the bill; is it not?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that it is not in order to vote upon the final passage of the bill at this time, by reason of the unanimous-consent agreement.

Mr. CHAVEZ. Mr. President, I ask unanimous consent, then, that consent for further time for debate on the bill be withdrawn, and that the Senate now proceed to vote upon final passage of the bill itself.

The PRESIDING OFFICER. Is there objection to the request? The Chair hears none, and it is so ordered. The question is, Shall the bill pass? [Putting the question.]

The bill (H. R. 3709) was passed.

Mr. CHAVEZ. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CHAVEZ, Mr. RUSSELL, Mr. HILL, Mr. KILGORE, Mr. KNOWLAND, Mr. THYE, and Mr. ECTON conferees on the part of the Senate.

INDEPENDENT OFFICES APPROPRIATIONS, 1952

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of House bill 3880, the independent offices appropriation bill for 1952.

The PRESIDING OFFICER. The bill is on the calendar. The clerk will read the bill by its title.

The LEGISLATIVE CLERK. A bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments.

ORDER FOR CONSIDERATION OF THE CALENDAR ON TUESDAY

Mr. McFARLAND. Mr. President, I desire to make a unanimous-consent request regarding the call of the calendar. We had thought that tomorrow we could at least have an explanation of the bill which has just been made the unfinished business of the Senate, and could dispose of the committee amendments, or noncontroversial amendments. I ask unanimous consent that on Tuesday, beginning at 12 o'clock, we have a call of the Consent Calendar, from the beginning of the calendar, for the consideration of measures to which there is no objection.

The PRESIDING OFFICER. Is there objection?

Mr. MAYBANK. Mr. President, may we have order? I could not hear what the distinguished majority leader said.

The PRESIDING OFFICER. The Senate will be in order. Will the majority leader please restate his request?

Mr. McFARLAND. Mr. President, I ask unanimous consent that next Tuesday, June 19, beginning at 12 o'clock, the Senate proceed with a call of the calendar for the consideration of uncontested bills.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from South Carolina.

Mr. MAYBANK. Do I correctly understand that the independent offices appropriation bill has been made the unfinished business of the Senate, and that it is to be considered tomorrow and Monday?

Mr. McFARLAND. That is correct.

Mr. MAYBANK. In the event we do not finish it on Monday, is it intended that we shall lay it aside temporarily in order that there may be a call of the calendar?

Mr. McFARLAND. It would be laid aside temporarily for the call of the calendar, under the unanimous-consent agreement.

Mr. MAYBANK. I thank the Senator. I merely wanted to have the RECORD clear.

The PRESIDING OFFICER. Is there objection to the request of the Senator

from Arizona? The Chair hears none, and it is so ordered.

LEGISLATIVE PROGRAM

Mr. WHERRY. Mr. President, there is no objection to the call of the calendar on Tuesday. I understand the majority leader is to make a further unanimous-consent request. If he does, I think he perhaps will clarify or will at least answer a question which I was about to ask.

The PRESIDING OFFICER. The Senator from Arizona may proceed.

Mr. McFARLAND. Mr. President, after the independent offices appropriation bill shall have been disposed of, it now having been made the unfinished business of the Senate, and after the call of the calendar and the disposition of any minor business which may come before the Senate, and which may be disposed of in short order, it is our intention to call up Calendar 233, the bill (S. 719) to establish beyond doubt that under the Robinson-Patman Act, it is a complete defense to a charge of price discrimination for the seller to show that its price differential has been made in good faith to meet the equally low price of a competitor, with the understanding that it be laid aside temporarily for any appropriation bills which may be reported and which may be ready, and also for the bill for the extension of the National Production Act, when it is reported.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McFARLAND. I shall yield in a moment. I have conferred with the distinguished minority leader, and with the distinguished senior Senator from Colorado, who is interested in that bill, and it is my understanding that the procedure I have suggested is agreeable to them.

Mr. WHERRY. That is correct.

Mr. McFARLAND. I simply desired to give this notice, in order that Senators may know what the legislative program is to be.

Mr. WHERRY. Mr. President, there is one other thing. I do not want to labor this point, because I do not care to delay the work which can be done on the unfinished business, either this afternoon or tomorrow; but, as I understand from the majority leader, any controversial matters connected with the independent offices bill will be voted upon on Monday.

Mr. McFARLAND. I do not think we would have time to dispose of them tomorrow. Therefore, I thought it fair to make the unanimous-consent request which I made.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from South Carolina.

Mr. MAYBANK. Is there any possibility that we might be able to obtain a unanimous-consent agreement to vote on the independent offices bill on Monday?

Mr. WHERRY. I think not yet.

Mr. McFARLAND. How about a limitation of debate?

Mr. WHERRY. If the Senator will later submit a unanimous-consent request for limitation of debate, we shall see what can be done about it. I do not think there is a chance at this time.

Mr. MAYBANK. I desired to raise this question with both the majority leader and the minority leader. The Senator from Arizona has mentioned the National Production Act, and has also mentioned the possible laying aside temporarily of the so-called basing-point bill. I wish to have it clearly understood that it is the belief of the members of the committee, including myself, that, whatever we do with the National Production Act, either a resolution of some kind continuing it, or a new bill, it will have to be submitted to the Senate by the end of next week, if we are to pass any measure on the subject and have a conference on it with the House. I merely wanted Senators who may be in charge of the so-called basing-point bill to know that I believe it to be the consensus of the members of the committee that, certainly by week after next, it will be necessary that we do whatever we intend to do with the defense production bill, because the present law will expire on June 30.

Mr. WHERRY. Mr. President, the distinguished majority leader has made it a condition of making the basing-point bill the unfinished business after the independent offices bill has been disposed of, that permission be granted to take up appropriations bills or the national production bill when it shall be reported for consideration.

Mr. MAYBANK. I appreciate that, but many Senators have asked me about it. It will be necessary to have either a bill or a resolution before the Senate at the end of next week to be acted on if we are to continue the defense production law in operation. I wanted the RECORD to show that fact.

PRINTING OF REPORT ON HEALTH INSURANCE PLANS

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I ask unanimous consent to report favorably, with an amendment, Senate Resolution 151, authorizing the Committee on Labor and Public Welfare to have printed for its use 10,000 copies of part 1 of Senate Report No. 359, Eighty-second Congress, a report on health insurance plans in the United States. I request immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the Senate proceeded to consider the resolution which had been reported from the Committee on Rules and Administration with an amendment.

The PRESIDING OFFICER. The clerk will state the amendment of the committee.

The LEGISLATIVE CLERK. It is proposed on page 1 to strike out "twenty-five" and insert "ten."

Mr. WHERRY. Mr. President, may I ask the distinguished chairman of the committee to explain why the amendment was made?

Mr. HAYDEN. The resolution authorizes the printing of documents for the Committee on Labor and Public Welfare. As the resolution was submitted, it provided for 25,000 copies. That would require a concurrent resolution of the two Houses. Ten thousand copies would cost $1,250, so the number of copies was reduced to 10,000.

Mr. WHERRY. I have no objection.

The amendment was agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That the Committee on Labor and Public Welfare be authorized to have printed for its use 10,000 copies of part 1 of Senate Report No. 359, Eighty-second Congress, a report on health insurance plans in the United States.

ADDITIONAL PERSONNEL — INCREASED EXPENDITURES BY COMMITTEE ON EXPENDITURES IN EXECUTIVE DEPARTMENTS

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I ask unanimous consent to report favorably Senate Resolution 156, and I request its immediate consideration.

I might explain, Mr. President, that the authority of the Committee on Expenditures in the Executive Departments to act will expire on June 30. This resolution would extend the authority of the committee to continue its investigations until January 21 of next year, and would make available the unexpended balance of the money which was previously appropriated, which was $100,000, with an additional $15,000, so that it can operate for the next 7 months.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LANGER. How much additional help will be employed?

Mr. HAYDEN. The resolution will not increase the personnel at all.

Mr. WHERRY. Mr President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. WHERRY. The resolution merecarries it over for 1 month, so that the resolution is comparable with all the similar resolutions which we have adopted. Is that correct?

Mr. HAYDEN. That is correct.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 156) was considered and agreed to, as follows:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by subsection (g) (2) (B) of rule XXV of the Standing Rules of the Senate, or any other duties imposed upon it, the Committee on Expenditures in the Executive Departments, or any duly authorized subcommittee thereof, is authorized during the period beginning on July 1, 1951, and ending on January 31, 1952, to make such expenditures, and to employ upon a temporary basis such investigators, and such technical, clerical, and other assistants, as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $15,000 in addition to the amount authorized under Senate Resolution 51, Eighty-second Congress, first session, agreed to January 29, 1951, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee or subcommittee, as the case may be.

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THE HISTORY OF GEORGE CATLETT MARSHALL

Mr. McCARTHY obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. McCARTHY. I will if the Senator insists, but would rather not yield for that purpose, because I have informed many Senators that in view of the fact that this speech is approximately 60,000 words, I do not expect them to sit and listen to it as I deliver it, but I hope they will read it when I have concluded.

While I normally will yield for questions at any time, I hope Senators will refrain from interrupting until I have developed a part of the evidence in this matter.

Mr. President, in closely following the testimony before the joint committee on Foreign Relations and Armed Services, sitting jointly, which is conducting an investigation of the dismissal of Douglas MacArthur, I have become more and more impressed by two inescapable facts:

First. That it is impossible to develop the facts in the MacArthur inquiry without at the same time bringing to light some of the facts which bear on the question of why we fell from our position as the most powerful Nation on earth at the end of World War II to a position of declared weakness by our leadership.

Second. That it will be equally impossible to obtain the answers to the above without uncovering a conspiracy so immense and an infamy so black as to dwarf any previous such venture in the history of man. During the Marshall testimony, one of the Senators, obviously troubled by the odor of the conspiracy which was commencing to rise as a result of the constant probing by the members of the committee—troubled by the fringes of the conspiracy which were commencing to show—came to my office and asked me for information on a subject which was troubling and puzzling him greatly. While I cannot quote him verbatim, the questions he asked were substantially as follows:

First. Who was close to Marshall and succeeded in deceiving this great American at Yalta when his military advice was that we turn Manchuria over to Russia, thereby signing at least the first section in the death warrant of the Republic of China?

Second. Who twisted and perverted the thinking of this great American and misguided him into the folly of his disastrous mission to China?

Third. Who, of tortured disloyalty to America, succeeded in deceiving this great general during the course of World War II to the end that he always sided with Stalin and against Churchill when history's great decisions were being made—decisions which turned out so bad for the free world and so good for international communism?

Upon searching for the answers for the Senator, I found to my surprise that Marshall, who, by the alchemy of propaganda, became the "greatest living American," and the recently proclaimed "master of global strategy" for the party in power, has never had his record subjected to the searching light of any historian. In view of the fact that the committee, the Congress, and the American people are being called upon either to indorse or reject Marshall's global strategy, I felt that it was urgent that such a study be made and submitted to the Russell committee.

MARSHALL'S RECORD FROM FRIENDLY SOURCES

I decided that the record of Marshall's unbroken series of decisions and acts, contributing so greatly to the strategy of defeat, should be given not from the pens and lips of his critics but from sources friendly to him. In view of the fact that the archives of this Nation and other nations are not available to me, I have been unable to document all of the important details of his record. However, sufficient evidence is available to give a picture which is complete in its general outline. I have drawn on the written record; on the memoirs of the principal actors in the great events of the last 10 years; I have drawn heavily from the books out of which the history of these times will be written for the next 500 years; I have drawn from the pens of Admiral Leahy, Winston Churchill, Mark Clark, Robert Sherwood speaking for Harry Hopkins, Henry L. Stimson, James F. Byrnes, Edward R. Stettinius, Jr., Sumner Wells, Cordell Hull, General Arnold, General Deane, General Chennault, and Jonathan Daniels. No one of them alone was trying to or did give anything remotely approaching a complete record of Marshall. The picture emerges, however, as we piece together their recollection of the events in which he figures—oftentimes fragmentary, never directly uncomplimentary, but when fitted together, pointing unerringly to one conclusion.

It is from those sources, plus the State Department's record taken from Marshall's own files, that the picture becomes generally complete.

It is needless to tell you that this was a monumental task, but one which I felt had to be done, for unless we understand the record of Marshall it will be impossible to even remotely grasp the planned steady retreat from victory which commenced long before World War II ended. Unless we carefully study the records of Marshall and Acheson, who have worked together so closely, it will be impossible to foretell the next move on the timetable of the great conspiracy.

I realize full well how unpopular it is to lay hands on the laurels of a man who has been built into a great hero. I very much dislike this unpleasant task, but I feel that it must be done if we are to intelligently make the proper decisions in the issues of life and death before us.

ELEMENTS OF AMERICA'S STRENGTH

Before embarking upon the documentation of the history of Marshall, let us first briefly review the elements of our strength. Primarily, of course, we have the great industrial potential of this the mightiest of industrial lands—a potential which during the late hostilities poured forth the weapons of war to such an extent that in the closing months the enemy was hopelessly overmastered. That is one element we may take for granted unless the Russians by, among other things, gaining command of the western Pacific could successfully threaten it from air bases in Alaska and northern Canada. We may assume our industrial potential for the time being.

The other great constant factor is the will of the American people to resist. I think that will is not weakened, and I am proud, as other Senators are, of the magnificent evidence of that will which we have seen in Korea. And yet will and arms are not in themselves entirely sufficient. The mountains of materials which we may produce and the valor of American arms, as it has been demonstrated on a thousand battlefields in every corner of the globe from King Philip's War to the current engagements in Korea, are not enough.

The variable factor in all this is politics and military strategy. What is strategy? Webster tells us that it is "the science or art of projecting and directing great military movements." In our case those military movements must be projected on a world-wide scale.

It is here that we come to the enigmatic, powerful figure of General Marshall. Why should we seek, as we shall, to understand General Marshall's strategic decisions in World War II? Because we are asked today to accept General Marshall as the paramount strategist of the present and the oncoming wars. The issue of these times has been partly framed in terms of the widely contrasted personalities and judgments of General MacArthur and General Marshall. We are asked to make the choice between MacArthur and Marshall. The issue in the great controversy that ensued upon the dismissal of General MacArthur by President Truman "in the dead, vast, and middle of the night" is at bottom a strategical issue.

THE STRANGE WAR OF 1951

As a backdrop to the investigation being conducted by the joint committee there is being waged a strange war, an undeclared and unacknowledged war; a war such as never before has been seen on sea or land. It is a war into which we were launched on the impulse of a President in the name of the United Nations, which has been striving ever since to disavow its paternity. If we are to believe the administration's spokesmen, it is a war without point or objective, a war without meaning except in the high personal and tragic sense in which it appears to the men who are consecrating the hills and valleys of Korea with their blood and to the wives and families of those men.

There is a nightmare quality about this war. In the eyes of the distinguished General Bradley it is a war fought against the "wrong enemy." The chairman of the Joint Chiefs of Staff, it is clear, has succumbed to the general confusion, and while it is not given to General Bradley to know that in Korea we are fighting the Russian Empire, we in this Chamber may be supposed to know better. This being an unacknowledged war, we endure all the disadvantages of war without any of the advantages. We are powerless to exercise the

political or military initiatives customary to a belligerent.

In everything that concerns the deadly and ruinous aspects of war—the casualty rolls, the immense cost in treasure, the domestic strains, the fears—we are at war. In everything that has to do with the constructive, hopeful aspect of war—for war has those aspects too—we are not at war. Because of the maddening ambiguity of the administration's policy, we cannot pursue intelligent policies that would bring victory, nor can we make use of sound military principles which might minimize bloodshed and prevent the appalling destruction of Korea. We are in a war of alliance, yet our allies are at best of nominal assistance and at worst a conflicting hindrance. When they could really support us, then we and we alone are at war. Nor are we willing to make use of true friends, such as the Chinese Nationalists, who never have swerved in purpose.

WHO IS RUNNING THE WAR?

As the hearings progress, the question of what power is making decisions is becoming more and more confused. In one breath we hear that we, as the agent of the United Nations, can do all that is necessary to bring the war to a speedy and victorious conclusion. In the next breath we hear that actions which our military leaders consider necessary cannot be taken because the United Nations is running the war. The best example is found in the testimony of the Joint Chiefs and Acheson in regard to the hot pursuit of enemy planes. It was the unanimous opinion of General MacArthur, General Stratemeyer, the Secretary of Defense and the Joint Chiefs that our Air Force be allowed to engage in hot pursuit. The testimony was that Acheson was instructed to take the necessary steps to get the consent of our 13 "allies." He testified, however, that he only contacted six of them. When asked why he did not present this question to the United Nations in view of the fact that the United Nations is allegedly the final authority in the operation of this war, he stated—and listen to this—that could not be done because Russia as a member of the United Nations would veto this military action. From this it would appear that we are in the fantastically incredible position of supplying a vast majority of the manpower (outside of Korean manpower) and the weapons of war, while at the same time we are in the position of having the war run by an organization in which our principal enemy, in the words of our Secretary of State, can veto any action which would promise us victory.

There will be found among us, Mr. President, many views regarding the United Nations. Some may see it with the infatuated and cloudy vision of President Truman and Secretary Acheson, as the only hope of mankind. Others, taking a moderate view, may see in it a still hopeful instrument for future peace and world order. Still others look upon the United Nations, so hastily improvised by the late President Roosevelt, the late Secretary Stettinius, and the presently incarcerated Alger Hiss, as a misbegotten fraud. All must admit that it is sown with our enemies and with false friends. It is, nevertheless, in the name of the United Nations that our sons and brothers are committed to the carnage of Korea.

DANGER OF A SUDDEN SELL-OUT

Worst of all, we cannot be sure as we sit here that suddenly behind the screen of chicanery and evil purpose we may not be committed to an ignominious peace. In January the Messrs. Truman, Acheson, and Marshall were ready to negotiate a truce that would have rewarded the Chinese hirelings of the Kremlin with a seat in the United Nations and the island bastion of Formosa. As recently as last March, these same gentlemen, in collaboration with the British, with the impudent National Socialist, Nehru, and their tools and minions throughout Europe and the Middle East, were on the verge again of surrendering to the Asiatic power drive of Moscow. It is not a pleasant sight to see Uncle Sam, with purse in one hand and hat in the other, begging on bended knee for the things which are ours. But it was to be done cleverly, so that we would appear to be opposing what by our actions would have been inescapable results. Let me explain that the future of our allies on Formosa and the question of unseating the Republic of China in the United Nations and replacing her with Red China was to be settled by a jury composed of Red China, Red Russia, Socialist Britain, and the United States—a packed jury, if I ever heard of one.

There was no question about how three of the four would vote. There was no possible question about how the Attlee government's representative would vote, because they have long stood 100 percent with Red China in her claims to Formosa and her claims to a seat in the United Nations. Our State Department had instructed our delegate to the United Nations to vote to settle the fate of our friends by a fixed jury—a jury stacked with the enemies of the Republic of China; a jury which had the wholehearted and publicly expressed approval of the great Marshall, of course.

We are told that only the prompt action of General MacArthur in issuing a field ultimatum to the bloody pawns of Peiping forestalled that disaster. The President of the United States has explained that it was this act of General MacArthur that precipitated his dismissal. If that is indeed true, this single deed of MacArthur's, preserving for yet a little while our vital position in the Western Pacific, may well be regarded by history as the foremost among his many services to his country.

We cannot rest secure today in the confidence that this administration will not again put our security in the Pacific to the hazard of its muddy and perverted purposes. Certainly Dean Acheson will not forsake the high-minded executioners of the Kremlin who are turning the public squares of Chinese city after Chinese city into charnel houses. The administration, which procured the surrender of China to Russia, is obviously well pleased with the results of its endeavors and has no desire to disturb the Russian Empire in its possession of the mainland of China. And among the journalistic voices that invariably echo the administration's will, we have had fresh evidence within recent days of their eagerness that Russia be not molested in Asia. Many of those journalistic satraps have been demanding the punishment of Dean Rusk for his belated and partial acknowledgement that American policy has been betrayed in China.

I hope the press will understand that I am only referring to the left-wing, bleeding-heart elements of the press, because, thank God, we do have essentially a good press in this Nation.

POLICY OF FEAR

This administration, which has given us this caricature of a war, is now bent on an even worse horror—a phony and fraudulent peace. It is planned by Secretary Marshall and the elegant and alien Acheson—Russian as to heart, British as to manner. We even hear cries for a fraudulent peace within this Chamber. In support of their campaign for a fraudulent peace, its advocates wage a campaign of fear.

The President threatens us with the destruction of our cities by Russian bombs unless we continue to pursue his empty, defeatist strategy in the Far East. The President's only answer to the splendid counsel of General MacArthur is that we must on no account offend the Soviet Union. One of the administration's two principal spokesmen on this matter seeks to frighten us with the admonition that unless we mind our P's and Q's in Korea, "This very Capitol Building, this very Senate Chamber may be blown to smithereens next week or the week after." Mr. President, that is not the great heart of America speaking.

I do not think we need fear too much about the Communists dropping atomic bombs on Washington. They would kill too many of their friends that way.

I never thought that I would live to see the day that Senators representing sovereign States would rise on the floor of the Senate and actually debate and argue to the effect that we should not protect the lives of our young men, whom we ourselves have sent into battle, merely because, if we were to fight back, we might make someone angry.

In my boyhood in Wisconsin, we had a deep pride in our country, in its strength as well as its wealth, in its high destiny as a great free society as well as in its opportunities for individual riches or position. We were simple, uncomplicated Americans, not above dying, if need be, for the land we love. We had self-assurance, too, and we assumed that whenever our security, our way of life, and our ideals were threatened by a hostile force, we would have the physical strength, and also the strength of character, to defend those values by force of arms, and to the utmost, regardless of consequences. We were not misled and enfeebled by abstractions such as collective security and by the tortured, twisted reasoning of men of little minds and less morals who for the first time in the history of this Nation argue that we should not vigorously fight back when attacked and in every way possible protect the lives of our men for fear of making an enemy or potential enemy mad, and that

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we dare not win a war. We hear the President in a Nation-wide broadcast saying, "Even if we win." Mr. President, listen to those words—"even"—"even if we win." When before in the history of this Nation has a President been so craven? Imagine George Washington, when he was leading this small, physically weak Nation against mighty and powerful England, saying to his troops, "Even if we win." Imagine Lincoln, in even the darkest days of the Civil War, saying, "Even if we win." Imagine Churchill, in England's darkest days during World War II when invasion was imminent, saying, "Even if we win." Imagine what might well have happened to England if those had been his words instead of his immortal words, "We shall fight on the beaches, we shall fight on the landing grounds, we shall fight in the fields and in the streets, we shall fight in the hills; we shall never surrender." Imagine Roosevelt, when he addressed the Congress on that fateful December 8, saying, "Even if we win."

As I listen to the debates in this Chamber and hear the testimony of the President's spokesmen, it makes me sick down deep inside. But when I get out of Washington into the United States, it is a healthy feeling—for then is answered the question: Where stand the people? Not with the Gospel of fear which is being preached to us. Not with the craven fears of the President and his spokesmen but rather with the wholesome American view regarding the integrity and self-reliance of America.

WHY ARE WE WEAK?

The administration explicitly announces to the world that we are too weak to resist the Soviet Empire.

When World War II ended, the United States had the most powerful military machine the world has ever witnessed. It could have rolled across Asia, over the Ural Mountains, and on to the Pacific Ocean, and Korea would not have even been considered a minor mopping up operation by one of Patton's armored divisions. Since then the administration has been given every cent that it has asked, and more, to maintain a powerful military machine. Yet during the hearings, Chief of the Air Force General Vandenberg testified—page 3630 of the MacArthur hearings—that the United States is operating a shoestring air force, and Secretary Marshall testified—page 880 of the MacArthur hearings—that we had almost nothing in the summer of 1950 in the way of available troops in this country other than one airborne division and a part of a Marine division.

This is the same administration which, as we shall again demonstrate today, deliberately—and I use the word "deliberately" advisedly—assisted the Russian conquest of China—a conquest that General Marshall conceded in his recent testimony had taken place—and in so doing reversed the American policy toward the Far East that had been maintained by every President, Republican or Democrat, for the last half a century. This is the administration which has sheltered the friends and puppets of the Russian Empire high in its own councils and, when challenged, has turned the batteries of its anger and its camp-following propaganda agents, not upon the enemies of our country in its ranks, but turned them upon the enemies of those enemies.

This is the administration that has allowed priceless atomic secrets to slip through its dubiously loyal fingers—stolen by spies who, according to the President, never existed, and to make the very bombs with which it now threatens us. Moreover—and this is a fact of equal significance which I propose to reveal if you will forgive the lengthy exposition required by the evidence—the administration preceding this one, by its pursuit of a fateful high strategy in World War II itself produced the might of the Russian Empire which General Marshall now so greatly fears.

MARSHALL'S ROLE IN THE STRUGGLE BETWEEN CHURCHILL AND STALIN

In order to draw clearly the picture of Marshall, it is necessary to sketch in some detail the vast, history-making struggle between Churchill and Stalin and the decisive role which Marshall played in that struggle. During those wartime days, Marshall sometimes overbore Churchill; he was sometimes overborne by Churchill. Each was striving to guide the decisions of Roosevelt, who, because of the great weight of American military and industrial power, had the last word. The President moderated between these two men, as we shall see, but I think it entirely fair to say that in those procedures General Marshall more often than not swayed the historic decisions.

That estimate may strike some of us as novel. It does not accord with the accepted and popular view of those times, which places Roosevelt as the all-powerful voice, only modified, often to America's hurt, by the strong desires of Churchill. We have not been properly instructed. The truth is that among the three great powers of that day, Stalin had a policy, Churchill had a policy, and we operated between the two, almost invariably in support of the Russian line rather than the British.

If Senators will bear with me I shall document the fact in detail. We had no discernible policy except the superficial one of defeating the enemy in battle as fast as possible. This will become more manifest as we proceed to review the high strategy of World War II.

THE NATION'S PERIL

The history of those events would not deserve extended treatment in this Chamber at this time unless its lessons afforded us insight into our present perils. I think we are in the greatest danger ever faced by this Republic. I think that for the first time in our history we are in a danger from which we may not be able to escape as a distinguishable, a free, and a hopeful society. The continued existence of this country has never before been called into question. Even had the Confederate States succeeded in establishing their independence we would be today two countries instead of one, but they would be countries of a common civilization and way of life.

The danger we face today is different not only in its magnitude but in its intrinsic nature. If the Communist empire, which alone threatens us and which alone is the only power able so to do, were to accomplish the objective it seeks—and which so many Americans in high places either consciously or unconsciously assist—we will not only cease to be the country we have known and loved, but those of us who are allowed to stay alive will no longer be allowed to exist as civilized men.

While the peril is great, the great and shining hope of ultimate victory for the free half of the world lies in the fact that the people of this Nation do not subscribe to the craven, whining, whimpering policy of fear of those who, because of an accident of history, are in a position of leadership.

What the Communist Empire is trying to do, of course, is so to arrange world events, and through her stooges to shape American policy so that in the not distant future they will feel themselves strong enough to destroy us. Lest there be any doubt about the aims of world communism, let me quote the leader of world communism, Stalin himself. Here are his words, spoken not 10 years ago, not before World War II, but in 1947. Listen:

> The existence of the Soviet Republic side by side with capitalistic states for a long time is unthinkable. One or the other must triumph in the end.

His words represent no new thought on the part of the leader of communism. It was part of the Communist credo since the days of its founder. It was the principle which guided Stalin during all of his titanic struggles with Churchill, in which Marshall played such an important part.

THE MASTER OF GLOBAL STRATEGY

Let us, therefore, discuss for a time what is perhaps the most significant aspect of our situation as we face this Communist public promise to enslave us. Let us, therefore, discuss the history of Marshall as the master of our world-wide strategy. I do not myself so describe him, although I have no doubt that he is one of its architects. He has recently been so described in a partisan sense. Recently a Democratic Party gathering at Denver, laying the groundwork for the campaign of 1952, summed up what it believed to be the party's assets in a resolution with which they were prepared to enter that campaign. These assets included the President, the Secretary of State, and the Secretary of Defense. They termed the Secretary of State a man of "broad vision and knowledge of world affairs." It is not so much that I disagree with what they said; it is that I would question what they left unsaid. I do not doubt Acheson's vision and knowledge. I pause to observe in passing that his conduct of his high office serves the interests of Russia, not the interests of the United States.

We come to that other political asset of the Democratic Party, Secretary Marshall. Him they describe as a "master of global strategy." It is, therefore, both as a professional military man and as a partisan that we must view Secretary

Marshall. Were he merely a professional soldier who had given his lifetime to the service of his country, I should hesitate to lay hands on his laurels. We cannot too much honor the men who have dedicated their lives to our military services. We can afford to deal lightly with their mistakes of judgment, but not with their lapses of honor. Had General Marshall been content at the end of World War II to rest upon his laurels, instead of assuming command of our military and political decisions and ranging himself with stubborn zeal at the side of the old Acheson-Hiss-Yalta crowd, we might never have found occasion to audit what he did in World War II.

It is now necessary in the public interest to examine with care and detail the record of General Marshall in the recent war. I myself am a little handicapped in this examination because during the events of those days I was segregated in a small area of the Pacific Ocean. I was not here in Washington where I might have passed judgment as the scene unfolded. Had I been, it is unlikely that I would have been admitted to the august circles where the great decisions of the war were made.

So, lacking first-hand access to those meetings where the great decisions were taken, I have had recourse, as could anyone, to what has been written of them by the principals. I have consulted the memoirs of the associates of General Marshall in that war. They are voluminous and revelatory. Those sources I might remind you, are friendly. None of the great leaders of the English-speaking peoples who have written of the war have been noticeably unfriendly to General Marshall.

Mr. President, there are various ways in which to arrive at an estimate of a wartime figure. It is helpful if he will write his own recollections, but that General Marshall has declined to do, giving, as I understand it, the explanation that to do so would injure certain reputations. If all public figures accepted that thesis, I may remark in passing, the public would be even less enlightened than it is at present. In pursuit of an estimate, one may also gain information from official records. The records of the Joint Chiefs of Staff and the Anglo-American Combined Chiefs of Staff are not open to my perusal. In the end the inquirer will also find in the archives of the enemy, when they become available, evidence regarding the behavior of his own leaders. If the archives of the Kremlin are ever open to us, we shall have even deeper insight than we have today concerning the conduct of our current leaders. But as matters now stand, I have been forced to rely upon the memoirs and upon some other contemporary sources. I repeat that all these are friendly sources, and cannot be charged with attempts to injure General Marshall.

1941 TO 1942

I have begun my review with the winter of 1941 and 1942, when the comprehensive outlines of Anglo-American strategy were drawn. I must ask my colleagues to go back with me to those days. During the Christmas holidays of 1941, we recall that Winston Churchill, attended by his military advisers, came to Washington and held a series of conferences at the White House with President Roosevelt and his military advisers. Japan had struck at Pearl Harbor on the 7th of December. Our fortunes were then joined with those of the British and the lesser powers engaged against Japan and Germany. We faced, for the first time in our history, global responsibilities. We were everywhere on the defensive. The British occupied a precarious foothold in Egypt. We still held Corregidor and Bataan, although the end there was in sight. Singapore had not yet fallen, but the Japanese were well advanced in their southward drive. Germany, master of the Continent as far as the Pyrenees and the North Cape, was still marching toward the east into Russia.

THE SECOND FRONT NOW

The President and the Prime Minister, with their military counselors, agreed then upon a strategic plan embracing the globe. Included in this plan was a provision for the invasion of the mainland of Europe at some time during 1943. It was rightly considered that we would lack the men and the equipment to cross the Channel before 1943. What came to be known as the second front was allotted the appropriate place in the world-wide scale as this conference came to a close in the middle of January. It was at this time that the enormously destructive battle of the Atlantic began—the ruthless submarine warfare aimed at our shipping, which was to hamper our war effort far more than the conferees at the White House had expected.

The Soviet Union, its armies reeling back, had been beseeching the British since the preceding summer to attack Germany in Europe as a means of relieving their dire pressure. After the White House conference, known as the Arcadia Conference, ended, the efforts of the Russians to promote a diversion in Western Europe were redoubled. The pressure was not alone maintained against our governments; it took the form of public propaganda, in which the Communists both of England and America, and their friends and well-wishers, took a leading part.

Sometime between the end of the Arcadia Conference and the 1st of April General Marshall, who was then, as you will recall, Chief of Staff of the United States Army, had prepared in the War Department Planning Section a plan for the invasion of Western Europe in 1942. This planning section was under the command of Col. Dwight D. Eisenhower. I might say, parenthetically, that at the Arcadia Conference in a closed session among the President, the Prime Minister, and Ambassador Litvinoff, the President had, with characteristic impulsiveness, given Litvinov some cause to hope that the western allies might find it possible to mount this invasion in 1942. At Arcadia the President had proposed an intermediate attack in North Africa for the purpose of gaining command of the Mediterranean and threatening Europe from the south. It was over these two projects that the violent disputes of the next 3 months were to wage, disputes largely hidden from the public at the time, but in which General Marshall and the Prime Minister played the leading roles.

MARSHALL AND STALIN VERSUS CHURCHILL ON QUESTION OF SECOND FRONT

The plan for a "second front now" has been described by the late Secretary Stimson as "the brain child of the American Army." There can be no doubt but that it was General Marshall's plan. He fought for it with the utmost vigor, a vigor bespeaking an interest that went far beyond the call of duty of a purely military adviser. As Mr. Churchill once put it in a cable to Mr. Roosevelt, the matter was a political, more than a military, issue." The text of this cable may be found on page 43 of Mr. Churchill's book, The Hinge of Fate. By March 9, 1942, we are told by Mr. Sherwood, the President had fallen in to some extent with the Marshall plan, cabling Churchill on that date:

> I am becoming more and more interested in the establishment of a new front (on the European Continent) this summer.

By the first of April, Mr. Roosevelt had been induced, as Sherwood explains on page 521, by Stimson, Marshall, and Hopkins, to supersede the North African venture known as Gymnast in favor of the transchannel operation. By then, as Sherwood puts it, "Roosevelt was attaching great importance to the political importance of this in relation to Russia." Hopkins and Marshall were sent to London to persuade Churchill. The Americans found Churchill reluctant. With his customary eloquence, the Prime Minister explored the difficulties of the operation. They lacked the landing craft necessary, they lacked the air cover, and the naval support. The venture would be costly, the Prime Minister believed, and he foresaw the channel turned into a "river of Allied blood." Should it fail, said Churchill, it would not only expose our friends on the Continent to great disappointment, it would hearten the Nazis and prejudice subsequent attempts to invade the Continent. However, the British agreed to give the matter careful study, which they did.

The American strategists continued hurriedly and confidently to plan for a "second front now" until early in June, when disquieting news reached Washington with the arrival of Lord Louis Mountbatten. He reported to the President that the British military experts could find no feasible method by which the invasion could be mounted. By this time the invasion bore the name Sledgehammer. Churchill followed Mountbatten to Washington, and under his representations of the difficulties, the President weakened, returning to his predilection for Gymnast. When the President sought to moderate Marshall's views, "he met with," as Mr. Stimson put it, on page 424 of his book, On Active Service in Peace and War, "a rather robust opposition." The general quickly submitted a new paper in support of the "second front now" and against Gymnast.

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On July 10, as Stimson reports it, Marshall returned from a White House conference "very stirred up and emphatic over a British War Cabinet paper vetoing Sledgehammer and calling for Gymnast." Still following Mr. Stimson's version of the occasion, Marshall "proposed a show-down which I cordially endorsed. As the British will not go through with what they agreed to, we will turn our back on them and take up the war with Japan."

Although Stimson in retrospect was "not entirely pleased with his part in this venture," he went along with Marshall at the time. The Army Chief of Staff acquired the support of his colleagues, Admiral King and General Arnold. This is the appropriate time to point out that during the war Admiral King's preoccupations were almost wholly with the Pacific theater. He had little or no interest in the strategy of the war in Europe and Asia and only exercised himself there when the claims of those theaters infringed on his own supply of ships and men. I find no evidence in the sources I have consulted that General Arnold ever took a leading part in these strategical questions. To all intents and purposes it is quite clear that General Marshall spoke the voice of the Joint Chiefs in matters of over-all strategy. Returning to the Sledgehammer quarrel, Marshall submitted to the President a paper, signed by all three chiefs, proposing that we withdraw from the war in Europe unless the British acceded to his plan. Here I quote Mr. Stimson, page 425:

> The President asserted that he himself was absolutely sound on Bolero (Sledgehammer) which must go ahead unremittingly, but he did not like the manner of the memorandum in regard to the Pacific, saying that it was a little like "taking up your dishes and going away."

Mr. Roosevelt was not persuaded and the bluff was never tried. It would not have worked in any case, for there was no real intention of carrying it out and Stimson supposed that the British knew this as well as he did.

Furthermore, Stimson knew that the President had a "lingering predilection for the Mediterranean," and the Prime Minister had shown on his last visit that he, too, knew the President's feeling; back on June 21 he "had taken up Gymnast, knowing full well I am sure that it was the President's great secret baby." The quotation is from Stimson.

Mr. Sherwood, in commenting on these events—page 594—recalls that Roosevelt described the Marshall show-down as "a red herring," a phrase that has a familiar ring. Sherwood does not agree with Stimson that it was a tactical maneuver in the struggle between Marshall and Churchill, saying, "It is my impression that the plan was far more than a bluff in General Marshall's mind and certainly in Admiral King's. Indeed, the first step in it—the assault of Guadalcanal was approved on June 25, the last day of Churchill's stay in Washington."

The President resolved the crisis by dispatching Marshall, Hopkins, and King to London to have it finally out with the Prime Minister and his advisers. They arrived in Scotland on a Saturday, finding the Prime Minister's train and an invitation to Chequers, the Prime Minister's country place, awaiting them. Rather mystifyingly Marshall, who was so obviously the guest of the Prime Minister, bluntly declined his invitation to stop at Chequers and insisted on proceeding directly to London. Churchill protested this "rudeness" in talks with Hopkins. Marshall, it was clear, did not want to put himself under the persuasive fire of Churchill. Sherwood testifies that those were tense days for the Anglo-American Alliance both at the White House and in London. General Marshall found heavy going in London. Before long Admiral King had been alienated from Marshall by representations of the Royal Navy that the French coast would become a lee shore in September and hence difficult to invade.

CLARK SIDES WITH CHURCHILL AGAINST MARSHALL AND STALIN

What was perhaps the most crushing argument against Sledgehammer was dealt by a general who was taking no sides in the political question, Mark Clark. Clark was then in command of all American Army forces in the British Isles. Rather belatedly, it seems, he was called before the combined Chiefs of Staff and asked by Marshall what American forces could be contributed to a "second front now." I quote from page 34 of Clark's book, Calculated Risk, his version of that occasion:

> I pointed out that all we could count on using would be the Thirty-fourth Division then in North Ireland. * * * The Thirty-fourth, however, had little amphibious training, it lacked antiaircraft support and it had no tanks. The First Armored Division also in Ireland, was not yet fully equipped, nor would any other units scheduled to arrive before September 15 be prepared for battle. * * * There would be a difficult problem getting the men and equipment together and * * * there seemed to be no possibility that invasion boats would be ready by midspring—to say nothing of bad weather conditions prevailing at that time of year * * * the American forces will be ready to contribute comparatively little until spring of 1943.

With Clark's report it at once becomes evident that Marshall had virtually nothing to contribute in support of his plan. What he was, in effect, doing was calling upon the British to execute an operation in which they firmly disbelieved with scarcely any support from his own forces.

I leave it to you to characterize the general's zeal. We were to learn later that as late as the spring of 1943, the Nazis had 1,300,000 troops in France and the Low Countries.

MARSHALL'S TRAINING OF TROOPS

It should also be noted that the first troops that we sent abroad in 1942 were, as we discovered in North Africa, insufficiently trained for combat. It is no reflection upon them to say that in the first weeks of the American Corps' venture into battle they did not behave as hardened veterans. Indeed, General McNair, who, as you know, unhappily lost his life by misdirected American fire in the Normandy invasion, observed to General Clark after a visit to the North African front, "The American soldiers are not fighting in Tunisia." This may be found on page 168 of General Clark's memoirs. He qualified that in favor of the First Division. McNair attributed their lack of battle stability to the failure to inculcate discipline in their training here at home.

It is noteworthy that we have been assured times without number that General Marshall's greatest achievement in World War II was the organization and training of our armies. When our forces in North Africa had become battle-hardened and General Clark and General Patton had put them under advanced training, they, as you all know, behaved in the best tradition of the American Army. But what would have happened had we thrown the green troops of Kasserine Pass against Hitler's Panzers in the fall of 1942? We find a curious retrospective glance at that incident in Sherwood's recollections, where, on page 807, he quotes Hopkins to this effect:

> In trying to figure out whether we could have gotten across the channel successfully in 1942 or 1943, you have got to answer the unanswerable question as to whether Eisenhower, Bradley, Spaatz, Patton, Beedle Smith, and also Montgomery and Tedder and a lot of others could have handled the big show as they would if they hadn't had the experience fighting Germany in North Africa and Sicily.

So at London in July of 1942, the plan of the "master of global strategy" went awry and the Combined Chiefs settled on Gymnast. Sherwood recalls that "General Marshall had firmly opposed it and so had General Eisenhower, who is quoted as having described the day when the decision was made by Roosevelt as possibly the blackest day in history."

HANSON BALDWIN'S ESTIMATE OF MARSHALL'S PLAN

If I may, in this connection, I should like to summon as a witness Hanson W. Baldwin, the distinguished military critic of the New York Times, whose strategic insights are universally recognized.

I think it goes without saying that Marshall's fervent determination to cross the Channel in the fall of 1942 or the spring of 1943 is open to grave doubts. It was, in fact, the first of a series of grave decisions made by this "master of global strategy," some of them producing consequences which today increasingly threaten the well-being and survival of the West. In his book, Great Mistakes of the War, Baldwin says on page 33, "In retrospect it is now obvious that our concept of invading Western Europe in 1942 was fantastic; our deficiencies in North Africa, which was a much-needed training school for our troops, proved that. The British objection to a 1943 cross-channel operation was also soundly taken militarily; we would have had in that year neither the trained divisions, the equipment, the planes, the experience, nor (particularly) the landing craft to have invaded the most strongly held part of the Continent against an enemy whose strength was far greater than it was a year later." Baldwin's estimate goes far to support

Churchill's objections that a disaster on the French coast due to a hasty, reckless invasion might have proved "the only way in which we could possibly lose this war." That Churchillian remark appears on page 590 of Sherwood.

It was at this time, whether or not because of the unmitigated fervor with which Marshall pushed his plan, that Roosevelt superseded him in the military circle around the White House. The President chose Admiral Leahy, a naval officer of eminent achievements and the saltiest of common sense, as his personal Chief of Staff. Leahy became Chairman of the Joint Chiefs and thus, nominally, Marshall's superior, although, as we shall see, Marshall overcame him at several of the most critical junctions. Although Leahy came on the scene, having been our Ambassador at Vichy, too late to participate in the discussions of Sledgehammer, he was familiar with their general setting. He wrote on page 110 of his valuable book of memoirs, I Was There, his own judgment of that sorry and provocative incident. Leahy wrote:

> The Russians could not have been more disappointed than our own Army people. * * * There was much grumbling about Britain and much criticism of Winston Churchill. The Prime Minister was convinced that England was not ready to undertake such a major effort and I did not think that we were either. He (Winston Churchill) wanted to have much more assurance of success than General Marshall could give him.

Our subsequent history would have been happier had Leahy, rather than Marshall, prevailed at Yalta—a chapter which we shall soon open.

THE OPPOSITION OF MARSHALL AND STALIN TO THE MEDITERRANEAN OPERATIONS

It became evident with the Sledgehammer quarrel that Marshall intended to make his mark on the political and strategic decisions of World War II. The next assertion of his will came late in August when, without advance notice, the American Chiefs of Staff—meaning Marshall—served notice on the British that they opposed the hitherto agreed upon plans to invade North Africa by way of the Mediterranean as well as the Atlantic coast of Morocco. "The Army," as Admiral Leahy wrote in the above connection, "was not well disposed toward the adventure." The North African expedition had by now been christened Torch. The news reached Churchill on the 25th of August. Until that moment plans had been proceeding full speed ahead for landings at Casablanca on the Atlantic, Oran, which is the western end of the Mediterranean coast of Algiers, and at a point or points farther east toward Tunisia. Suddenly the American chiefs notified the British that they now believed the Mediterranean landings too hazardous to undertake.

Stalin had been vigorously opposed to the Mediterranean landings, urging a second front in France.

Upon receipt of the advice from Washington that Torch had been ditched by Marshall and his associates, Churchill wrote a disparaging letter to Hopkins. This was on the 4th of September and the text of the letter appears on page 540 of the volume of Churchill's memoirs known as The Hinge of Fate. He wrote Hopkins:

> Frankly, I do not understand what is at the back of all this. I thought there was agreement with Marshall and that King had been paid off with what he needed for his Pacific war. But now it seems there is a bad comeback from the professional circles in the American Army and I have a deep and growing fear that the whole of the President's enterprise may be wrecked bit by bit. With it will fall the brightest hope of the Allies and the only hope this year.

When Churchill refers in his book to the professional circles of the Army, he is generally denoting Marshall and his principal strategical planners of that time.

ROOSEVELT SIDES WITH CHURCHILL

The Prime Minister's letter was never mailed. Before it could reach the letter box he had a cablegram from the President announcing that he had overcome the opposition of his staff and that the bell could again be rung for full speed ahead on Torch. Had Roosevelt not overruled Marshall at this critical time, undoubtedly Russia would enjoy the same complete domination over the Mediterranean area which she now enjoys over the other unhappy areas behind the iron curtain. As early as the White House conference known as Arcadia, the President had given his full support to North Africa, saying at that time, as quoted by the late Gen. H. H. (Hap) Arnold in his memoirs, Global Mission, "We must get into North Africa before the Germans." In this connection it may be mentioned that Stimson remarked in his book that "The Mediterranean Basin always fascinated Roosevelt." Sherwood likewise recalls the President's strong preference for this operation, basing it upon Roosevelt's "naval mindedness," and his knowledge that by ridding North Africa of the Nazis we would free the lifeline to the Middle East and the Far East by way of Suez thus obviating the long voyages around the cape and providing for ourselves a whole new theater from which the assault against the Nazis could be carried out.

It is an interesting speculation as to the future of World War II had we abandoned Torch or curtailed it by landing on the Atlantic alone. There was strong British sentiment to land in Tunisia as well as Tangiers at that time. A proposal from British quarters suggested that several thousand soldiers could be flown from Malta into Tunisia, which was only weakly garrisoned by the French, to coincide with the landings in Morocco and Algiers. This was vetoed. As it turned out, Hitler was able to send more than 100,000 of his best troops into Tunis. These forces, with Rommel's army retreating before Montgomery, made a formidable opposition, and it may be assumed that without the overpowering strength in the air which the Allies were able to command, the war in North Africa might have dragged on indefinitely. Suppose we had not landed in Algeria, suppose that the battle of North Africa had continued for months on end and engaged ever larger numbers of our forces, in whose interest would that have been? By winning the war in North Africa and by our subsequent conquest of Sicily and Italy—enterprises which were unflaggingly opposed by Marshall—we, instead of Russia, were able to hold postwar command of at least the Mediterranean away from the Red armies. The European picture as of today would have been far different if the Red armies had themselves received the surrender of Italy. As it stands, we have Italy and a foothold on the opposite shore of the Adriatic at Trieste, a foothold which is no doubt today a reassurance to Tito.

We are all familiar with the developments in the North African war. No sooner had it been launched than Marshall again began to press his views in opposition to what Churchill called the exploitation of the prospective victory. In spite of Churchill's most eloquent pleading, Marshall only very reluctantly agreed to the attack on Sicily and with even greater reluctance to the further assault on the Italian mainland as a possible step toward the Churchill aim of invasion through the Balkans. In all these attitudes, Eisenhower, who had become commander in chief in North Africa, was Marshall's firm supporter.

STALIN WINS EASTERN EUROPE

We now come to what was without question the most significant decision of the war in Europe: the decision by Marshall, which was made against Roosevelt's half-hearted wishes and Churchill's bulldog determination, to concentrate on France and leave the whole of Eastern Europe to the Red armies. This was a strategical struggle in the classic manner. It was pursued with great vigor, sometimes becoming very violent on both sides. It only reached its terminal point at Tehran, as we shall see, where the great combined weight of Stalin and Marshall defeated Churchill. I cannot dwell too urgently on this great decision. Its military effects were of no very great importance although the unnecessary invasion of southern France, enjoined by Stalin and Marshall, gave Kesserling a welcome breathing spell in northern Italy and protracted Mark Clark's campaign for the Po with an attendant greater loss of American lives. It is the political consequences of this controversy which stand forth in all their stark implications for us today. I will attempt to summarize the debate briefly.

The British, from the beginning of the Italian strategical discussions, had been intent on carrying the war into the Mediterranean. Their motives were mixed. Foremost perhaps was their desire to relieve their forces in Egypt, which had suffered several crushing blows. Secondarily they wanted the use of the Mediterranean for very obvious purposes of communication. Thirdly, the British have had for many generations a paramount position in the eastern Mediterranean and had wide interests both in those lands and in the Suez Canal as a gateway to India and their great possessions and dependencies in the Orient and the Southern Seas. There was a further and personal factor, which Marshall frequently characterized as the Prime Minister's preoccupation with eccentric operations, such as the ill-fated Dardanelles' campaign in

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World War I with which Churchill's name will be forever associated. Overshadowing and of much more importance, of course, as we see it now and as we get glimpses in the writings of the principal actors of those times, was a steady desire on the part of the British to reach Eastern Europe and the Balkans before the Red armies.

HANSON BALDWIN LABELS OUR DESERTION OF CHURCHILL AND SUPPORT OF STALIN AS SHORT-SIGHTED

I think there can be no question that Hanson Baldwin is correct when he stigmatizes our military planning in this connection as short-sighted. Churchill, with his intimate and profound knowledge of the continuing drama of Europe, knew that a war is only a phase of history. Victory is one thing; where you stand at the end of war is another. He had the ability to foresee what Europe would look like as a result of certain policies.

THE GREAT BLUNDER OF THE WAR IN EUROPE

My own feeling, and I believe the Senate will agree with me, is that our failure to place ourselves in a position of strength in Austria, Czechoslovakia and the Balkans was perhaps our greatest single blunder of the war in Europe. The Allied debate on this question has further significance for us. Marshall triumphed over Churchill at the First Quebec Conference in August 1943 with reference to this question.

CHURCHILL'S SWAY ENDED

That conference marked the end of Churchill's sway over the great decisions of war—a sway always modified by Marshall. Thereafter, Mr. President, the policy of the United States in the European war was wholly and without deviation the policy announced by Joseph Stalin. There was a break in the relations between the two English-speaking powers, which were carrying the brunt of the war, and the United States thereafter was found always on the side of Stalin. To obtain this result, Marshall bore down on British preoccupation with the Mediterranean. I have enumerated some of the reasons which led to the British position. Marshall ignored all of these except the one addressed to British self-interest. He minimized and derided the British position, ridiculing the Prime Minister's strategical judgment by frequent references to the Dardanelles.

THE FATAL RUPTURE

I cannot help believing that the rupture of interest between the United States and Great Britain signified by this decision was one of the most fateful ruptures between allies in modern times. It embittered our relationships at the first Quebec meeting, at Cairo, and at Tehran. I intend, if I am not exhausting the Senate's patience, to go into these matters in detail.

At the moment let me generalize that the year 1943 was by all odds the critical year of the war, casting its shadow over the whole postwar period in which we now find ourselves convulsed by anxiety and doubt. It was in February of 1943 that the Russians achieved victory over the Germans at Stalingrad. In fact, it can, I believe, be safely stated that world war III started with the Russian victory at Stalingrad. Thereafter, they opened their diplomatic war against the West when they gave every evidence of turning upon the Polish armies, the Polish people and the loyal and devoted Polish government in exile in London.

ONE OF THE WAR'S MOST IMPORTANT DOCUMENTS

The Kremlin's treatment of the Poles, beginning in the spring of 1943, has been the touchstone of this whole period, and it was at the Quebec Conference that the whole dangerous policy of the United States toward the Soviet Union was forecast and prefigured. At Quebec the decision was made to invade southern France and keep the weakened American Fifth Army and the British Eighth Army indecisively engaged in Italy. It was at Quebec also that the most amazing and indicative document that has so far emerged from the voluminous records of World War II was brought to bear. This document, a memorandum entitled "Russia's Position," affords us clear insight into our subsequent surrenders at Tehran and Yalta as well at Potsdam. The document appears, and only there, in Sherwood's book about Hopkins. It appears on page 748. The memorandum is ascribed there to "a very high-level United States military strategic estimate." Sherwood reports that Hopkins had it with him at Quebec. Can it be doubted that this document emanated from General Marshall, whoever drafted it? The question of its authorship is extremely important and I hope that some day this body, or some other, will be able to fix that authorship.

No document of World War II was more controlling on our fate. I am going to read it in full as it appears in Sherwood's book. I read:

> Russia's postwar position in Europe will be a dominant one. With Germany crushed, there is no power in Europe to oppose her tremendous military forces. It is true that Great Britain is building up a position in the Mediterranean vis-à-vis Russia that she may find useful in balancing power in Europe. However, even here she may not be able to oppose Russia unless she is otherwise supported.
>
> The conclusions from the foregoing are obvious. Since Russia is the decisive factor in the war, she must be given every assistance and every effort must be made to obtain her friendship. Likewise, since without question she will dominate Europe on the defeat of the Axis, it is even more essential to develop and maintain the most friendly relations with Russia.
>
> Finally, the most important factor the United States has to consider in relation to Russia is the prosecution of the war in the Pacific. With Russia as an ally in the war against Japan, the war can be terminated in less time and at less expense in life and resources than if the reverse were the case. Should the war in the Pacific have to be carried on with an unfriendly or negative attitude on the part of Russia, the difficulties will be immeasurably increased and operations might become abortive.

Sherwood, himself, while passing no adverse judgment on the conclusions therein, did understand its great significance. He wrote, "This estimate was obviously of great importance as indicating the policy which guided the making of decisions as Teheran and, much later, at Yalta." What this document is, in effect, is a rationalization of the whole policy of submission to and appeasement of Russia during the remainder of World War II and, most notably, in our relationships with China thereafter. What it said was that as a result of the utter destruction of Germany which we had erected into a policy at Casablanca with the phrase "unconditional surrender," Russia would be the unquestioned "top dog" in Europe after the war, and that it behooved the great, enlightened, and truly progressive English-speaking peoples therefore to cater to, to placate, and, in fact, to submit to the will of the Kremlin thereafter. It said unmistakably that the British endeavors in the Mediterranean, which Marshall had succeeded in blocking, were aimed at balancing power in Europe vis-à-vis Russia. This Marshall did not want.

That, Mr. President, is bad enough The document went further. It insisted that we must carry this attitude of solicitude and deference beyond the European situation. We must bow to Russia in the Far East as well. It is here that we find the first explicit delineation of the policy which produced the shameful betrayal of China at Yalta, the blackmail paid by Roosevelt to get Russia into a war which she had already announced her eagerness to wage.

STALIN'S GREAT VICTORY

The debate over Mediterranean policy had reached a focus at the White House late in May of 1943 when Churchill again crossed the Atlantic in pursuit of a common objective. He found Marshall opposed to any action in the Mediterranean beyond taking Sardinia after the occupation of Sicily and that then all of our subsequent efforts be devoted to what the late Sir John Dill, who was Chief of the British Military Mission in Washington, once referred to in a letter to Churchill as "Marshall's first love"—the transchannel invasion. Roosevelt was pulled and hauled on this issue as much as any in the war. His inclinations, based upon a great knowledge of geography and his adventurous strategic desires, were toward expanding the war into Eastern Europe. Ultimately, however, Marshall again won out and Roosevelt went along with him.

So determined was Churchill at the White House in May to have his views prevail that he induced Roosevelt to send Marshall with him to North Africa for a further discussion with military leaders in that theater. I gather from the Hinge of Fate that it was at this point that Churchill realized that his great antagonist in the war was Marshall, that he and Marshall were virtually contending for the mastery of their views over the impulsive will of the President. It was in connection with that journey by Churchill and Marshall to North Africa that the Prime Minister wrote in his book, pages 812 and 813, a tribute to the general as a "statesman with a penetrating and commanding view of the whole scene." It may be noted that Churchill did not ascribe to Marshall a correct and trustworthy view of the whole scene and it may be wondered, in the light of their

great conflicts, whether the Prime Minister was not perhaps indulging his rather frequent taste for irony.

In Tunis, Churchill brought to bear upon Marshall and Eisenhower, who invariably sided with Marshall, the whole battery of persuasion of himself and his military subordinates. The views of the British were made more persuasive by the fact that they had carried the major burden of the war in North Africa. Marshall resisted, remaining, as Churchill comments, "up 'til almost the last minute, silent or cryptic." The upshot was that Marshall insisted upon deferring the decision until Sicily had been made secure and "the situation in Russia known." The quotation is from Churchill's report of the conference.

We recur to the Quebec Conference of August 14, as Admiral Leahy reports it on page 175 of his book:

General Marshall was very positive in his attitude against a Mediterranean commitment.

Churchill did, however, temporarily prevail, and we invaded Italy; but Marshall and Stalin won out in the end when Roosevelt sided with them at Tehran, where there was thrown away the advantage of the Italian campaign. We are indebted to Mr. Sherwood for the fullest account of the Stalin position at Tehran. This account was obtained, of course, from Hopkins' oral and written recollections. At one point, quoted on page 780 of Sherwood's book, Stalin urged that the "entry of Turkey into the war—a development to which Churchill was passionately committed, and which the Russians had been previously urging—might be helpful in opening the way to the Balkans, but the Balkans were far from the heart of Germany, and the only direct way of striking at that heart was through France." Here Roosevelt suggested that it might be useful if the Americans and British marched east in conjunction with Tito's Partisans into Rumania and joined with the Reds at Odessa. Stalin inquired if that would affect the 35 divisions earmarked for the transchannel invasion of France. Churchill replied that it would not. Sherwood comments, however, that "nothing could be further from the plans of the United States Chief of Staff." It was then that Stalin brought his powerful guns to bear to conclude the controversy. I am quoting from Sherwood—and he wrote:

Stalin then expressed the opinion that it would be unwise to scatter forces in various operations through the eastern Mediterranean. He said he thought Overlord (the name given to the cross channel invasion) should be considered the basis of all operations in 1944 and that after the capture of Rome, the forces used there should be sent into southern France to provide a diversionary operation in support of Overlord. He even felt that it might be better to abandon the capture of Rome altogether, leaving 10 divisions to hold the present line in Italy and using the rest of the Allied forces for the invasion of southern France. He said it had been the experience of the Red army that it was best to launch an offensive from two converging directions, forcing the enemy to move his reserves from one front to the other. Therefore, he favored simultaneous operations in northern and southern France, rather than the scattering of forces in the eastern Mediterranean.

We may be sure that Stalin's didactic observations fell upon Marshall's ears with the authority of revelation. It was made abundantly evident at Tehran, by his labors in behalf of Russia's military desires, that he had earned the warm approval of Stalin. On page 783 of the Sherwood record, the author notes that both Stalin and Voroshilov obviously "recognized—Marshall—as the supreme advocate of Overlord and therefore their friend."

In this same connection Sherwood notes that after Marshall had discussed the difficulties of Overlord, Voroshilov turned to him and said admiringly, "If you think about it, you will do it."

On page 791, in discussing the moot question at that time of who was to command Overlord, Sherwood repeats a report that Stalin in discussions with Roosevelt, made evident his conviction that "no wiser or more reassuring choice than Marshall could be made."

It is noteworthy that the brusque, cynical Stalin exhibited fondness for no other American at Tehran with the single exception of Hopkins, with whom he had a personal acquaintance dating from Hopkins' visit to Moscow in August of 1941 upon an errand which must have gratified the tyrant's heart. It was then that Hopkins offered the bountiful support of the United States to the Kremlin's resistance of the Nazi invaders without stint, quid pro quo, or any reservations whatsoever.

Stalin's exposition of the policy we should follow in Europe awakened the ardent support in far-off Washington of General Marshall's nominal superior, Secretary Stimson as well. Upon hearing that Stalin had vetoed the operations in the East, Stimson hurriedly called a press conference in which he commented guardedly on the results at Teheran. His comment may be found on page 440 of his memoirs. He said, and I am quoting from the book—

The presence of Premier Stalin and his companion at the conference, Marshal Voroshilov, had contributed mightily to the success of the conference. Marshal Stalin's power of lucid analysis and the fairness of his attitude contributed strongly to the solution of several long-standing problems.

The strategical fate of the Soviet Union and the United States had been so inextricably linked in Europe, the British done in, and Secretary Stimson was happy over that result. General "Hap" Arnold, who was not present because of illness, at Teheran, himself commented on the reports as he received them. His comments will be found on page 465 of Global Mission. Said Arnold:

Apparently Uncle Joe had talked straight from the shoulder about how to carry on the war against Germany and his ideas, it seems, were much more in accord with the American ideas than with those of the British.

Admiral Leahy, who was there, adds his comment after giving his own version of the Stalin speech I have quoted from Sherwood. He wrote, and this is on page 204 of his book:

The Soviets and Americans seemed to be nearly in agreement as to the fundamental strategic principles that should be followed.

THE BALKANS ARE STAKED OUT FOR THE RED ARMY

Teheran took place, as all know, in November of 1943. The projected invasion of southern France was given the name Anvil. Although Churchill and his advisers continued to fight for the eastern operation it was manifestly a losing struggle. Churchill himself employed his stormy eloquence on Mark Clark, as that great American general was fighting his way up the Italian peninsula, assuring Clark that, given his way, the Western Powers could "slit this soft under-belly of the Axis." The Prime Minister was pursuing a lost cause. After the capture of Rome, the Fifth Army which had become, as Clark proudly asserts, "a tremendous fighting machine" with "horizons unlimited," was disrupted. Over Clark's strong protests, he lost the Sixth Corps and seven crack French divisions, all withdrawn from Anvil. Clark was compelled to abandon his drive to the Po, giving Kesselring respite, a decision that puzzled the German high command as we were to discover after their surrender. Writes Clark on page 371 of Calculated Risk: "It was a decision that was likely to puzzle historians for a much longer time." In considering his impression of that period when he sat down to write his memoirs after the war, Clark says, on page 368, and I am quoting him:

Stalin, it was evident throughout the Big Three meeting, and negotiations at Tehran, was one of the strongest boosters of the invasion of southern France. He knew exactly what he wanted in a political as well as a military way; and the thing he wanted most was to keep us out of the Balkans, which he had staked out for the Red Army. If we switched our strength from Italy to France, it was obvious to Stalin * * * that we would turn away from central Europe. Anvil led into a dead-end street. It was easy to see why Stalin favored Anvil at Tehran and why he kept right on pushing for it.

I come to a most significant passage which deals specifically with what lay before Clark and was denied him by Marshall in collaboration with Stalin. Says Clark:

After the fall of Rome, Kesselring's army could have been destroyed if we had been able to shoot the works in a final offensive. Across the Adriatic was Yugoslavia * * * and beyond Yugoslavia were Vienna, Budapest, and Prague.

At this point may I remind you that wherever the Russian armies came to rest, there they stayed and there they remain to this day. The Red armies have not relinquished one inch of the soil upon which they stood at the defeat of Germany. General Clark continues.

There was no question that the Balkans were strongly in the British mind, but so far as I ever found out, American top-level planners were not interested. It was generally understood that President Roosevelt toyed with the idea for a while but was not encouraged by Harry Hopkins. After the fall of Rome, we "ran for the wrong goal," both from a political and a strategical standpoint.

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There is a note of poignancy in Mark Clark's reflections of the frustration of his great victory in northern Italy.

He has, moreover, a vantage point from which to judge the consequences because he served with the utmost distinction as the American military governor of Vienna after the war. It was there that he felt the iron determination of the Russian Empire to prevail over eastern Europe. It was there that he had ample opportunity to consider how differently things might have been had we proceeded east from the valley of the Po instead of turning our forces into the trivial and wholly unnecessary operations in southern France. General Clark concludes on page 3 of his book, and I here summon him as the most highly qualified witness in this matter:

> Yet, I believe our mission was fulfilled and, save for a high level blunder that turned us away from the Balkan states and permitted them to fall under Red army control, the Mediterranean campaign might have been the most decisive of all in postwar history.

At another place, expressing his frustration over the enfeeblement of his campaign in Italy—and this is on page 368:

> A campaign that might have changed the whole history of the relationships between the Western World and Soviet Russia was permitted to fade away. * * * The weakening of the campaign in Italy * * * was one of the outstanding political mistakes of the war.

I ask Senators, where today is Gen. Mark Clark, a man still in his military prime, a man of great achievement in Italy and of outstanding political and diplomatic accomplishment in Austria? Since World War II General Clark has been relegated to secondary commands. We now hear that he intends to resign from the Army at the very height of his powers and at an urgent point in our military situation.

After hearing the sentiments I have quoted from Clark, can you wonder why there is no place for him?

So also is this true of General Wedemeyer, likewise in his prime, likewise a soldier of great brilliance and great devotion to his country. Both Wedemeyer and Clark dared to oppose the judgment of General Marshall in his history-making decisions, Clark in Europe, Wedemeyer in Asia.

Where is Lucius Clay? Like MacArthur and Clark, a great proconsul; young as generals go, brilliant and steadfast in devotion not to party but to country. Clay insisted on resisting the Russians at Berlin.

Where, too, is Louis Johnson? Where is Admiral Denfeld? The lessons must be plain as a pike staff to the military leaders of our establishment. A prudent officer looking forward to his continued career and his pension, certainly has to think twice these days before he can express an objective and disinterested opinion of strategy, or the conduct of our military operations, which are so often complicated with political considerations.

General MacArthur is not the only monument to the determination of Marshall with Acheson at his elbow to rule our policies now as he ruled our policies in World War II.

NO AMERICAN POLITICAL POLICY AT TEHRAN

The evidence, Mr. President, is overwhelming that at Tehran we had no political policy. It so appears in the recollections of General Deane. After observing, on page 43 of his book, The Strange Alliance, that "Stalin advocated the American point of view in our differences with Britain" and again that "Stalin's 'position' coincided with that of the American Chief of Staff and every word he said strengthened the support they might expect from President Roosevelt in the ultimate decision", Deane went on:

> Stalin appeared to know exactly what he wanted at the conference. This was also true of Churchill, but not so of Roosevelt. This is not said as a reflection on our President but his apparent indecision was probably a direct result of our obscure foreign policy. President Roosevelt was thinking of winning the war; the others were thinking of their relative positions when the war was won. Stalin wanted the Anglo-American forces in Western and Southern Europe; Churchill thought our postwar position would be improved and British interests best served if the Anglo-Americans, as well as the Russians, participated in the occupation of the Balkans. From the political point of view, hindsight on our part points to foresight on Churchill's part.

The political immaturity of our generals, mentioned by Hanson Baldwin in his study of the great mistakes of the last war, was never so glaringly manifested as at Tehran—if, indeed, it was political immaturity and not the consequences of some hidden, and so far undisclosed, influence binding us to Stalin's world policy.

Could it be that like children, our military advisers at Tehran dwelt only in the pleasures and tasks of the day with no thought for the morrow? Could they not envisage what was so clear to many other minds that after the conclusion of hostilities the Soviet Union, conscious of its vast and violent world mission, might be ranged against us in every quarter of the globe? Or, did Marshall and his supernumeraries on the Joint Chiefs at Tehran think of England instead of Russia, as the future enemy?

Before quitting this question of the Marshall-Churchill conflict over the most important phases of the recent war, may I cite another example of the ruthlessness with which Marshall prosecuted the rift. It should be noted that Churchill, who is an indomitable adversary in the House of Commons and elsewhere, fought on against ANVIL long after his was a lost cause.

MARSHALL THREATENS TO RESIGN IF STALIN'S VIEW NOT ACCEPTED

At Malta, where the Yalta conferees on the Anglo-American side met before proceeding to that Black Sea conference, the British chiefs stil persisted in the hope of accomplishing some Mediterranean operations while preparing for the attack across the Channel. In Sherwood's book, page 848, is a revealing passage concerning those discussions of the combined chiefs, and I am now quoting Sherwood:

> The arguments reached such a point that Marshall, ordinarily one of the most restrained and soft-spoken of men, announced that if the British plan were approved by the Prime Minister and the President, he would recommend to Eisenhower that he had no choice but to be relieved of his command.

Again, as in the case of the ultimatum over the "second front now" Marshall was threatening summary action unless his will prevailed. Why was it so important to Marshall that the British, as a full partner in the Anglo-American war effort, should be prevented from creating that balance of military power in the Mediterranean spoken of in the memorandum circulated by Hopkins at the first Quebec conference?

Why—we return to this question—was Marshall so determined to follow Stalin and oppose Churchill?

Marshall has found fault with MacArthur's independence. It is clear from the Malta episode, as well as other incidents, that as Chief of Staff in World War II he was always ready to overrule the judgment of his superiors up to the point of defiance.

Why did he insist upon ruling the political strategy of that war? We may find the answer before we are through documenting this record.

Before we proceed to other matters of political strategy, let us consider instances in the management of American military affairs where Marshall's actions were so bad for America.

GENERAL DEANE'S UNUSUAL INSTRUCTIONS

General Deane is an uncommonly friendly witness for George Marshall. He was Marshall's protégé having served as secretary of the combined chiefs in Washington until Marshall selected him and sent him in the fall of 1943 to go to Moscow as chief of our military mission in Russia. It should be noted that we had withdrawn our military and naval attachés from Moscow because in fulfilling the time-honored and expected duties of military attachés, they had aroused the resentment of the Kremlin. Those duties include discovering and reporting to the home government all information that can be obtained legitimately regarding the armed forces of the country to which the attachés are accredited. The information thus sought has to do with weapons, tactical programs and methods, and the size, training, and disposition of that country's military forces.

Before General Deane departed for his mission in Moscow, he had a long interview with General Marshall, in which the Chief of Staff cautioned Deane to seek no information about these matters for fear that he might "irritate" the Russians. I remind Senators that we were then devoting a substantial part of our military production to Russia's war effort, and doing so in entirely good faith. It was not long after General Deane reached Moscow that he began to be impressed with the extraordinary contrast between the Russian attitude and our own. He describes his feelings

on this subject on page 49 of his book. General Deane writes:

We had thousands of Soviet representatives in the United States who were allowed to visit our manufacturing plants, attend our schools, and witness tests of aircraft and other equipment. In Italy, and later in France and Germany, Russian representatives were welcome at our field headquarters and allowed to see anything they desired of our military operations. Our policy was to make any of our new inventions in electronics and other fields available to Russia * * * each month I would receive a revised list of secret American equipment about which Russia could be informed in the hope that if it could be made available, it might be used on the Russian front. We never lost an opportunity to give the Russians equipment, weapons, or information which we thought might help our combined war effort.

The head of the American military mission in Moscow encountered the iron curtain long before Churchill coined the phrase. Toward the end of the war, when our always excessive solicitude seemed to him no longer warranted, he advised a more resolute attitude toward the Russians. Each time he suggested that we demand a fulfillment of an agreement—and they broke virtually every agreement we made with them—he was called off in Washington. By whom? Senators' guesses are as good as mine, but Dean's reports went directly to General Marshall.

WHO FAILED TO PROVIDE AN AMERICAN CORRIDOR TO BERLIN?

Why have we not had, and do not have at this moment, an American, or at least an allied, corridor to Berlin? Why are we at the mercy of the Russians in our access to the joint capital of the occupying powers? Why was it possible for the Russians to produce the blockade of Berlin with a simple set of instructions with which General Clay found it impossible, as a man of honor and a great American soldier, to comply?

It has been the fashion to place the blame for this lack of foresight upon the late John G. Winant. As our Ambassador to London he sat on the European Advisory Commission, which worked out under the direction of the respective governments the zoning of Germany for occupation purposes. Winant cannot answer our questions now. In his report on his great career as the American governor in Germany, Decision in Germany, General Clay accepts the version that shoulders the blame onto Winant. Subsequently, on page 26, he himself takes the final blame. He was in Berlin in late June of 1945 arranging with Marshal Zhukov for the entry of American forces into their occupation position in Berlin.

I pause to say to my colleagues on the floor of the Senate that it is certainly not necessary for them to stay in the Chamber to listen to a documentation which is bound to be very lengthy. Frankly, Mr. President, I do not expect my colleagues to remain in the Chamber, although I welcome their presence. I know they have other work to do. My presentation will consume many hours.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McCARTHY. Gladly.

Mr. LANGER. I am sure that every colleague of the distinguished Senator from Wisconsin who is on the floor is very much interested in what he has to say. I hope that more of his colleagues will come to the floor of the Senate, because I consider the Senator's speech one of the most important speeches that has ever been made on the floor of the Senate.

Mr. McCARTHY. I thank the Senator from North Dakota very much. I may say that I have notified many of my colleagues that I would supply them with a copy of my address. Certainly I do not want them to miss the ball game this evening.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. HENDRICKSON. Mr. President, the junior Senator from New Jersey wishes to associate himself with the comments of the distinguished senior Senator from North Dakota [Mr. LANGER].

Mr. McCARTHY. I thank the Senator very much.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. WHERRY. Certainly the junior Senator from Nebraska, who represents the Republican side as minority leader, wishes to associate himself with the very able remarks made by the distinguished Senator from North Dakota [Mr. LANGER]. I wish to say that several committee meetings are being held at the moment. I know that it would be the desire of those who feel they must attend such hearings to be present to hear the Senator's speech. I will say to the Senator that his speech will be read by many Senators who are not present, as he well knows.

What we need is the kind of speech which the Senator from Wisconsin is making today. We need such a thoroughly documented speech. It states the historic background and leads up to the present moment in our foreign relations. I not only wish to corroborate what the distinguished Senator from North Dakota has said, but I wish to express my deep appreciation for the work which the Senator from Wisconsin has done in compiling such a lengthy speech. It is lengthy because it contains so much historical data, to which all of us can turn for documentation when we need it in discussing the chain of events which have led us into our present position.

Mr. McCARTHY. I thank my three colleagues very much. I deeply appreciate what they have said. It has been a monumental task. We have been working almost around the clock for about a month.

At this point I should like to pay high tribute to what I believe to be the most loyal and efficient office staff that any Senator can possibly have. I believe most of them are in the gallery today. I salute them; they worked 18, 19, and 20 hours a day in getting the document together.

The Russians were, as usual, hard to deal with. Clay was eager to get his occupation going and to have American forces on guard in Berlin. Instead of pressing the matter of a corridor under American rule, guarded by American troops, with supply and communication beyond the reach of Russian interference, he accepted an oral understanding with Zhukov that nothing would ever occur to impede American access to Berlin. Our zonal border as you will recall, had been set at a distance of 100 miles from Berlin.

The legend which saddled the late Winant with the responsibility for this tragic blunder in postwar arrangements has been vigorously challenged by Hanson Baldwin. I have his book, in which he fixes the responsibility not on Winant but squarely on the War Department. War Department at that time meant George Catlett Marshall. From the fall of 1939 until the fall of 1946, Marshall was, in effect, the War Department. I cannot find in Mr. Stimson's memoirs any occasion on which he opposed the will of General Marshall.

I now read from page 47 of Baldwin's book, where he expresses his conviction "that the blame for Berlin cannot be laid—exclusively, or even to a major degree—upon the shoulders of Winant." Two pages later in reviewing the background of this deplorable situation, Baldwin notes that the State Department at the end of 1943 proposed that the zones of postwar occupation "be so drawn as to bring each into contact with Berlin." I hasten to remind you that Cordell Hull—not Marshall or the Red Dean Acheson—was then the Secretary of State.

I go on with Baldwin:

For some reason that defies logical understanding now, the War Department rejected this suggestion, which would have solved nearly all our postwar Berlin difficulties, so that it was never even broached in the EAC.

In February 1944, the British informally suggested that a corridor to Berlin be established and defined, but the War Department again objected stating that this was not a subject for the EAC, but that the entire question of access to Berlin was a military matter which should be settled at the proper time by military representatives.

And this evenutally was the solution, but the military representatives made a botch of it. In May 1945 our allies stood deep on German soil. The zonal occupation agreements for Germany * * * placed Berlin in the Russian zone * * *. In May 1945 ECA's work was done and SCAEF was briefed as to its accomplishments.

The military were told the history of the problem, according to Baldwin. They were told that the War Department had blocked any consideration of it by EAC and were advised that the EAC staff believed we should have an indisputably American corridor under our own military supervision and guard. As we have seen, neither Marshall nor Eisenhower made provision for a corridor, General Clay concluded his improvised agreement with Zhukov, and the fat was in the fire.

Why did the War Department, meaning Marshall, leave us at the mercy of the Russians in Berlin? Why did not our forces march first into Berlin? Why was General Patton not allowed to take Prague? We have only glimpses at the inner reality behind these questions. We gather from General Bradley's memoirs that Eisenhower's decision not to reach

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Berlin first was conditioned to some extent by the flagrant quarrel that had arisen between Bradley and General Montgomery. In his version of the matter, appearing on page 69 of the Life magazine of April 30, 1951, Bradley relates a discussion with Eisenhower wherein it was decided not to allow Montgomery the forces with which to push on to Berlin. Eisenhower was principally concerned at the moment lest the armies of Russia and the English-speaking powers should meet in a head-on collision somewhere in Germany. I quote Bradley on how Eisenhower solved the problem:

> Five days before Hodges and Simpson closed their trap around the Ruhr, Eisenhower radioed Stalin through the United States Military Mission in Moscow of his plan to push east with a powerful force in the center to the line of the Elbe.

The Elbe line was where Eisenhower proposed to Stalin that he would bring the American armies to rest. Eisenhower fixed this highly important point, be it noted, with Stalin. It is clear from Bradley's recollections that Eisenhower acted on this highly political question without consulting with Churchill. Whether he consulted Roosevelt and Marshall is not mentioned by Bradley. Certainly he must have consulted Marshall. I continue to quote Bradley:

> Although Churchill protested Eisenhower's radio to Moscow as an unwarranted intrusion by the military into a political problem, he reserved his angriest vituperation for the plan Eisenhower had proposed. The Prime Minister, according to Eisenhower, was greatly disappointed and disturbed, that SCAEF had not reinforced Montgomery with American troops and pointed him toward Berlin in a desperate [sic] effort to capture that city before the Russians took it.

We gain another bit of insight into this situation—which provides a somewhat more startling example of command discretion than any displayed by MacArthur in Japan—from Edward Ansel Mowrer in his book, The Nightmare of American Foreign Policy, in which he relates having been personally told by the White House that "the Joint Chiefs of Staff advised Truman to let the Russians take Berlin." The Joint Chiefs of Staff, of course, meant Marshall.

THE OBJECT OF WAR IS NOT MERELY TO KILL THE ENEMY

We have been reviewing General Marshall's record as it applies to the war in Europe with an eye to his competence and the extent to which he backed up Stalin in political decisions. The Democrats in Denver proclaimed him "a master of global strategy." The term, of course, implies much more than purely military planning. As we have seen, when you reach the upper levels of command inhabited during the recent war by Marshall, Churchill, and Roosevelt, the military decisions blend everywhere with the political. They cannot be dissociated. A war is not conducted merely as a means of killing the enemy, although during the late war Mr. Roosevelt expressed so much joy over Russia's accomplishments in that line that it might be questioned if he always understood the nature of war. We have seen recently in Korea where, beggared of any respectable and intelligent war purpose, our forces have been led to believe from Marshall's testimony that the only objective of that war is to kill the enemy. I leave aside the ethical considerations raised by such an attitude and point out that the enemy's extermination is not enough. Of course, it is necessary to have the enemy's submission. But also, great powers must have some understanding of what that submission portends and what they intend to do with the world over which they will exercise sway once the enemy is defeated.

We have observed what calamities might have befallen the allied cause had Roosevelt accepted Marshall's persistent demand for a "second front now." We have seen the equivocal and dangerous nature of his counsel with reference to the North African invasion. We have observed how closely he fitted his views into those of Stalin over every major issue of the war. We have seen further how in his instructions to General Deane, his refusal to exercise foresight over the corridor to Berlin, and his wish that the Russians might first enter that great and shattered city, General Marshall's decisions paralleled the interests of the Kremlin.

The Democrats at Denver may have been correct in their appraisal of General Marshall's attainments as a strategist. The question that arises, after examining the facts we have enumerated and those we shall enumerate, is, in whose interest did he exercise his genius? If he was wholeheartedly serving the cause of the United States, these decisions were great blunders. If they followed a secret pattern to which we do not as yet have the key, they may very well have been successful in the highest degree.

I DEAL WITH MARSHALL'S ACTS—NOT HIS MOTIVES

I do not at this time discuss the question of whether General Marshall was aware that he was implementing the will of Stalin in these matters. I do not propose to go into his motives. Unless one has all the tangled and often complicated circumstances contributing to a man's decisions, an inquiry into his motives is often fruitless. I do not pretend to understand General Marshall's nature and character, and I shall leave that subject to subtler analysts of human personality.

YALTA—CHINA FOR SALE

We turn now to the Pacific side of the recent global war and an examination of General Marshall's behavior in that vast theater. However, before doing so, I should like to refer to another phase of Marshall's activities.

On Friday, June 16, 1948, when Marshall was Secretary of State, a Mr. Robert C. Alexander, in the visa division of the Department of State, testified under oath in regard to what he thought the truth was. He told about the number of Communists who were being allowed to enter the United States under the aegis of the United Nations. Senators will recall the facts in that connection. Let us see what Marshall, who then was Secretary of State, did. We should remember that Alexander testified under oath about the entry of Communists into the United States.

On September 9, 1948, Alexander, who had honestly testified before the committee, received from the State Department a notice informing him that he was to be disciplined, but let me read the first paragraph of the letter:

> The Department proposes to take appropriate disciplinary action against you * * * for misconduct in office and dereliction of duty.

Note those words, Mr. President.

I read further from the letter:

> The intended action grows out of your testimony and inferences arising from your statements made before the staff of the Subcommittee on Immigration and Naturalization, Committee on the Judiciary, United States Senate.

The Senator from Nevada [Mr. McCARRAN] wrote to Admiral Hillenkoetter sometime later—in fact, it was quite sometime later, being on June 30, 1949. I read from his letter:

> DEAR ADMIRAL HILLENKOETTER: There is attached to this letter a list of the names of 100 persons.

Of course, Mr. President, those were names given by the witness, Alexander.

I read further from the letter:

> This is a partial list of those persons to whom visas have been issued for admission into the United States either as affiliates of international organizations or as officials or employees of foreign governments, and their families—

And so forth. The Senator from Nevada asked Admiral Hillenkoetter to inform him whether those persons were Communists.

Admiral Hillenkoetter, the head of the Central Intelligence Agency, replied to the Senator from Nevada by means of a letter in which the following is stated:

> Thirty-two of the individuals named in your attached list have reportedly or allegedly been engaged in active work for the intelligence services of their respective countries.

Mr. President, listen to this:

> Twenty-nine of the individuals named in your attached letters are high-ranking Communist Party officials.

I wonder whether Senators get the awfulness of that picture. The witness Alexander, under oath, says, in effect, Communists are being admitted to the United States. Here are their names. Marshall says, "We will take disciplinary action against you for telling the people of this country the truth," and then the head of our Central Intelligence Agency is given a list of 100 names of individuals named by Alexander, whom Marshall would discipline, and the head of Central Intelligence Agency says that 29 of them are high-ranking members of the Communist Party. That was Marshall as Secretary of State.

Let us examine Marshall's behavior in the vast Pacific theater. We must first consider what went on at Yalta. If, as Hanson Baldwin observes, we lost the peace because of great military mistakes in World War II, then it is clear that those mistakes culminated in the controlling decisions made at the conferences of Tehran and Yalta. It is my judgment, Mr. President, that we lost the peace in Europe at Tehran. It is even clearer that we lost the peace in Asia at Yalta. At Tehran, Marshall's will prevailed in concert with that of Stalin regarding the Mediterranean. At Yalta, Marshall's will prevailed with that of Stalin regarding Russia's entry into the far-eastern war as a full-fledged partner entitled to the spoils of such participation.

What happened at Yalta had enormous consequences for every American, especially for the men who are upholding the honor of our country in Korea. As we all know, Yalta is a former resort of the Romanoff czars on the shores of the Black Sea. Yalta is where Roosevelt, already suffering from the enfeeblement that brought his death 4 months hence, went to meet again with the bloody autocrat of Russia and the Churchill with whom he had signally differed at Tehran.

The President, bearing the marks of his approaching dissolution, traveled the thousands of weary miles by plane, by ship, and, at the end, by motorcar, to treat with the tyrant, to seek accord with him, and to make the bargains over Poland and China that today plague and shame us all. The principle, the most utterly damaging of these bargains was over China in the bribe he paid to Stalin for his eleventh-hour participation in the war against Japan.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). Does the Senator from Wisconsin yield to the Senator from North Dakota?

Mr. McCARTHY. I am glad to yield to the Senator from North Dakota.

Mr. LANGER. In view of the interpolation of the Alexander matter and the reference to the letter of the Senator from Nevada [Mr. McCARRAN], does the Senator from Wisconsin mind placing in the RECORD the letter of the Senator from Nevada and the reply thereto, in which it was stated that 29 of these top men were Communists?

Mr. McCARTHY. That is an excellent idea. I ask unanimous consent to insert in the RECORD at this point in my remarks a letter written under date of June 30, 1949, by the Senator from Nevada [Mr. McCARRAN]. It appears on page 357 of the hearings before the Subcommittee on Immigration and Naturalization of the Committee on the Judiciary of the United States Senate, in regard to Communist activities among aliens and national groups. I also ask to have printed in the RECORD at this point in my remarks the reply thereto of Admiral Hillenkoetter, dated July 13, 1949, which appears on pages 358–360 of the same volume.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
SUBCOMMITTEE TO INVESTIGATE
IMMIGRATION AND NATURALIZATION,
June 30, 1949.

Rear Adm. ROSCOE H. HILLENKOETTER,
United States Navy Central Intelligence Agency, Washington, D. C.

DEAR ADMIRAL HILLENKOETTER: There is attached to this letter a list of the names of 100 persons. This is a partial list of those persons to whom visas have been issued for admissions into the United States either as affiliates of international organizations or as officials or employees of foreign governments, and their families.

Without disclosing the name or indicating the identity of any such person, and without revealing the sources of information contained in the files of the Central Intelligence Agency, you are respectfully requested to furnish me an answer to each of the following questions, for inclusion in the public record of the Senate Immigration and Naturalization Subcommittee.

1. How many of the persons whose names appear on the attached list have been engaged in subversive activity prior to their assumption of official duty in the United States as affiliates of international organizations or as officials or employees of foreign governments? The term "subversive activity" as used in this question denotes active participation in foreign intelligence organizations or active Communist organizational work, rather than mere membership in the Communist Party.

2. Describe a typical pattern or typical patterns of such subversive activity and a typical background or typical backgrounds of such persons who have been engaged in such subversive activity.

3. Describe in general terms the extent to which foreign governments are utilizing their officials and employees in this country, and their membership, in international organizations, for active intelligence work against the United States.

4. Describe in general terms the extent to which foreign governments are utilizing their officials and employees in this country, and their membership in international organizations, for active direction of and participation in subversive organizations in the United States.

I should be obliged if you will cause your answers to the foregoing questions to be transmitted to me as soon as possible.

With kindest regards, I am,
Sincerely,

PAT MCCARRAN,
Chairman.

CENTRAL INTELLIGENCE AGENCY,
Washington, July 13, 1949.

The Honorable PAT MCCARRAN,
Chairman, Senate Committee on the Judiciary,
Washington, D. C.

DEAR MR. CHAIRMAN: This is to acknowledge receipt of your letter of June 30, 1949, requesting answers to certain questions contained therein for inclusion in the public record of the Immigration and Naturalization Subcommittee of the Senate Committee on the Judiciary.

I wish to point out that section 102 (d) (3) of the National Security Act of 1947 (Public Law 253, 80th Cong.), which established the Central Intelligence Agency, specifically provides that the Agency shall have no police, law-enforcement, or internal security powers and functions. For this reason our answer to question 1 of your letter, concerning the list of 100 foreigners which you attached, is restricted to our knowledge of the activities of these persons abroad and not to their activities in the United States. The latter information is completely within the jurisdiction of other agencies of the Government.

Similarly, our answer to question 2 of your letter is based on typical patterns and backgrounds of subversive activity engaged in by Soviet and satellite diplomatic officials abroad.

In view of the reasons set forth above, we have not given detailed answers to your questions 3 and 4. However, the patterns set forth in our answer to question 2 may well be duplicated in this country. The extent to which it is being done, however, and the details of this apparatus lie completely within the jurisdiction of the FBI of the Department of Justice, and detailed answers, if available, must come from them in view of the legal limitations on CIA as to internal security functions.

Question 1. "How many of the persons whose names appear on the attached list have been engaged in subversive activity prior to their assumption of official duty in the United States as affiliates of international organizations or as officials or employees of foreign governments? The term 'subversive activity' as used in this question denotes participation in foreign intelligence organizations or active Communist organizational work, rather than mere membership in the Communist Party."

Answer. In view of the definition of "subversive activity" contained in this question, we have organized our answer in accordance with this definition:

(a) Thirty-two of the individuals named in your attached list have reportedly or allegedly been engaged in active work for the intelligence services of their respective countries.

(b) Twenty-nine of the individuals named in your attached list are high-ranking Communist Party officials. It must be assumed that by virtue of their positions they are working ardently for the benefit of their government. This activity, by definition, and in the light of known Communist methods, must be considered to be subversive and against the intrests of the United States.

(c) Twenty-one of the individuals named in your attached list have reportedly or allegedly been engaged in active Communist organizational work of an underground or subversive nature outside their homelands.

(d) Fifteen of the individuals named in your attached list are not included in our files with data pertinent to the questions asked.

(e) Three of the individuals named in your attached list reportedly show definite pro-American sympathies and/or disaffection with Communist ideology.

Question 2. "Describe a typical pattern or typical patterns of such subversive activity and a typical background or typical backgrounds of such persons who have been engaged in such subversive activity."

Answer. Typical pattern. (a) Reporting on political, economic, industrial, and military conditions of the country concerned. This activity is carried out both through the collection of overt information from newspapers, periodicals, or radio, and through agents placed within strategic installations. As a corollary to this activity, an attempt is made to recruit and place agents against the time when the diplomatic official is required to his homeland.

(b) Arrangement of communications facilities through which agents can make their reports either to Soviet or satellite diplomatic installations within the country, or

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directly to the homeland. In this connection, reports have been received of attempts of these officials to organize Communist Party cells among seamen serving on vessels sailing to the homeland. These seamen are then utilized as couriers.

(c) Surveillance of, and controlling, the activities of Soviet and satellite diplomatic personnel assigned to the country concerned as well as the activities of delegates from the homeland who enter the country to attend conventions or meetings, assuring that such personnel do not defect or become politically unreliable through contact with western influences.

(d) Disseminating party line propaganda within the foreign country. Also sending propaganda about conditions in the country back to the homelands in the form of articles designed to encourage unfavorable sentiment against this country.

(e) Work with immigrant groups who have settled in the country from the homeland or with citizens with former homeland connections. This activity is apparently regarded as particularly important. Attempts are made to activate Communist groups within immigrant elements. Immigrants are encouraged to send the more stable currency of the country back to the homeland where, when exchanged at an official rate, it represents a considerable income for the homeland government. Efforts are made to recruit immigrants to work for the homeland government and to use their established businesses, such as shipping or export-import firms, as a cover for the intelligence activities of the homeland. Networks are organized within immigrant groups in order to check native personnel abroad, to control immigrants and former natives and indoctrinate them in the party line. Strong efforts are made to break up an anti-Soviet or anti-satellite sentiments among immigrant groups. Attempts are also made to establish financial and commercial contacts with the immigrant groups for the benefit of the homeland.

(f) Act as intermediaries between the Communist Party of the foreign country concerned and the Communist Party of the homeland. Maintain communications and often procure funds for the homeland Communist Party.

(g) Organize pressure groups within the foreign country concerned in order to combat certain political or military measures being considered by that country which are deemed unfavorable toward the Soviet-satellite axis.

Typical background: Soviet and satellite diplomatic officials who have been selected to carry out espionage or subversive activities in foreign countries vary widely in their backgrounds, qualifications, and training. A study, however, of available background information has disclosed certain characteristics which it may be of interest to note.

Primarily, the official chosen is an individual in whom the Communist regime of his homeland places the greatest confidence as to political reliability. He is often an old line Communist who has served the party faithfully over a period of years. Many of these satellite officials have spent some time in the Soviet Union and some have served in the Soviet Army. Others have gained their position in the Communist hierarchy through their service with partisan guerrillas during the war.

Many of the official have records of long-time diplomatic careers in the service of their countries. These often are described as unscrupulous and opportunistic individuals who find it to their advantage to serve faithfully the regime in power. That they serve well is implicit in the confidence which the Communists apparently place in them.

It is of interest to note that many of these officials have had legal training and have practiced as lawyers. Quite a few also have journalistic backgrounds. Not much mention is made of technical espionage training, although it may be assumed that many, particularly the old-line Communists and those who have visited the U. S. S. R., have received indoctrination of this type.

It is of further interest that the wives of many of these men are ardent Communists in their own right and occasionally even act as agents themselves. They are mentioned as exerting strong influences on their husbands.

In conclusion, these officials do not appear to be, in most cases, men of high moral standards or idealistic motivation. Many of them are described as clever, unscrupulous, opportunistic, ambitious, and given to shady financial deals or occasional black marketing.

I hope that this information may be of value to you in connection with your subcommittee's investigation. If there is any further assistance which I can render, please feel free to call upon me in this connection.

Sincerely yours,

R. H. HILLENKOETTER,
Rear Admiral, USN, Director of Central Intelligence.

Mr. McCARTHY. I also ask unanimous consent to have printed in the RECORD at this point in my remarks, a letter dated September 9, 1948, written by Arch K. Jean, Chief, Division of Departmental Personnel, of the Department of State, to Robert C. Alexander, Assistant Chief, Visa Division, Department of State; and also two newspaper articles, one, bearing the headline "Marshall Naming Committee To Investigate U. N.'s Aliens," which was published in the New York Sun, on July 28, 1948; the other, an article entitled "Alexander Refuses To Attend 'Secret' Trial by State Department," published in the Washington Post of October 6, 1948.

There being no objection, the letter and newspaper articles were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, September 9, 1948.

Mr. ROBERT C. ALEXANDER,
Assistant Chief, Visa Division,
Department of State.

MY DEAR MR. ALEXANDER: The Department proposes to take appropriate disciplinary action against you, in accordance with the provisions of Public Law 623, Eightieth Congress, and civil service regulations issued in conformance therewith, for misconduct in office and dereliction of duty. The intended action grows out of your testimony and inferences arising from your statements made before the staff of the Subcommittee on Immigration and Naturalization, Committee on the Judiciary, United States Senate.

The testimony in question appears on the following pages of the stenographic transcript of hearings before the afore-mentioned subcommittee as reported by the official reporters (Hart, Alderson, McCabe and Harkins); Thursday, July 15, 1948, volume 1, pages 96 to 105, inclusive, and pages 129, 130, 134, and 135; Friday, July 16, 1948, volume 2, pages 154 to 167, inclusive.

Specifically, the Department charges that this testimony was irresponsibly made and at variance with the facts. In the opinion of the Department, this testimony constituted an indiscriminate reflection on the United Nations and other international organizations, and consequently embarrassed the Department.

The Department further charges that you failed to make serious and persistent efforts to acquaint the responsible policy-making officials of the Department on a matter of high policy relating to a condition which you felt should be corrected in the interests of our national security.

As provided in Civil Service Regulations Nos. 9.101 and 9.102, you are hereby given 10 days from the date of this letter to reply in writing to the charges mentioned above.

If you wish, an informal hearing will be conducted to enable you to present facts and any extenuating circumstances which you consider may have a bearing on the disciplinary action to be taken against you.

Please advise this office within 3 days of the receipt of this letter whether you desire a hearing in addition to the opportunity to reply in writing to the charges. Following the receipt of your reply and at the conclusion of the hearing, should one be held, a decision will be made as to the disciplinary action to be taken against you.

Copies of hearing transcript and other material pertinent to your reply will be made available to you upon request.

Very truly yours,

ARCH K. JEAN,
Chief, Division of Departmental Personnel
(For the Secretary of State).

[From the New York Sun of July 28, 1948]

MARSHALL NAMING COMMITTEE TO INVESTIGATE U. N.'S ALIENS—APPOINTING THREE DISTINGUISHED CITIZENS TO DETERMINE WHETHER FOREIGNERS WORKING FOR AGENCY ENDANGER UNITED STATES SECURITY

WASHINGTON, July 28.—Secretary of State Marshall announced today that he is creating a committee of three citizens to investigate whether the United Naions is bringing persons into this country who are a danger to American security.

Marshall declined to announce at a news conference the names of the three citizens, but he promised that they would be given out later. He described the three as distinguished citizens.

The investigation will cover all classes of persons associated with the United Nations, Marshall said, including foreign delegations and their staffs, newspapermen, and other reporters, members of specialized U. N. agencies, and the staff of Secretary-General Trygve Lie.

[At Lake Success, Arkady A. Sobolev, Acting Secretary General of the United Nations, declared that neither the United States nor any other nation has a legal right to investigate U. N. officials or conduct an inquiry on U. N. property. He added, however, that the U. N. had nothing to hide.]

The investigation grows out of testimony of two State Department officials before a congressional committee that hundreds of secret agents from Europe's Communist countries may be using U. N. credentials as a means of getting into the United States to stir up trouble.

INITIAL INQUIRY FRUITLESS

Marshall reiterated today what he said a week ago after this testimony came out: that he knew of no instances in which any person here on United Nations credentials had actually jeopardized the security of the United States by actions outside his official duties. Since then, he said, he has been having what he called a very careful check made of all records. That inquiry has developed nothing so far, he said.

Then he announced that he had started the setting up of a committee of distinguished citizens to investigate the whole issue and determine whether the United Nations or related agencies, such as the U. N. Educational, Scientific, and Cultural Organization, have provided means of entry into this country for people whose actions are against American security.

SAYS U. N. WELCOMES INQUIRY

Arkady A. Sobolev, Acting Secretary-General, said at Lake Success today that the United Nations had nothing to hide. Commenting on an announcement in Washing-

ton by Secretary of State Marshall that he is setting up a committee of three citizens to investigate United Nations personnel and delegations, Sobolev said:

"The United Nations welcomes any public discussion of this matter. We have nothing to hide."

He would not comment further. He added that he could not speak for U. N. delegations.

Sobolev returned yesterday from a vacation at home in Russia. He is acting Secretary-General while Trygve Lie is in Europe on a tour of U. N. centers.

[From the Washington Post of October 6, 1948]

ALEXANDER REFUSES TO ATTEND "SECRET" TRIAL BY STATE DEPARTMENT

A secret "trial" of State Department Officer Robert C. Alexander on charges of misconduct had to be called off yesterday when the accused official refused to show up.

Alexander, Assistant Chief of the Department's Visa Division, boycotted the scheduled hearing and in effect, challenged his superiors to convict him without a public review of the charges.

Alexander said he would not submit to a secret cross-examination by Arch C. Jean, the State Department personnel chief who was to have decided his case.

The charges stemmed from Alexander's testimony to a congressional committee last summer that subversive aliens were getting into the country under the protection of the United Nations.

His testimony was contradicted by his department superiors all the way up to Secretary of State George C. Marshall. A committee of three private citizens appointed by Marshall to investigate denounced Alexander's allegations as irresponsible and untrue.

Alexander, who claims immunity for his congressional testimony, has denied in writing that he was guilty of misconduct and has threatened libel action against the three investigators.

BACKGROUND OF MANCHURIAN DEAL

Mr. McCARTHY. I beg leave to remind you, Mr. President, of the history of those parts before proceeding to the terms of this bargain. Manchuria, as you know, Mr. President, is the richest part of China. In terms of area and natural resources it may be described as the Texas of China. But Manchuria has not been China's to enjoy for many years. It must be recalled, and this is a key to much of China's fearful history during the last generation, that the age-old empire of China came to its end in the years before World War I. The causes of that event need not take up too much of our time. The imperial court, presided over by the aged dowager empress, was beset by western ideas, western-trained Chinese reformers, notably Dr. Sun Yat-sen, by the incompetence of the empress' advisers and by the conflicting and greedy claims of the Great Powers. And so it fell, and for a generation China has known neither peace nor freedom from foreign invasion.

Manchuria itself has been the scene and occasion of wars for more than half a century. Japan and Russia alike have fought for its mastery since the Sino-Japanese War of 1894. When, after that war, the Japanese were prevented by the European powers from enjoying the fruits of victory in Manchuria, Russia lunged down from the Maritime Provinces of Siberia to fill that vacuum.

By the year 1904, Japan felt strong enough to challenge Russia over Manchuria. That was what the Russo-Japanese War was about, a war in which, Theodore Roosevelt backed Japan by deed and sentiment, out of a fear of the growing might of Russia in eastern Asia. Theodore Roosevelt was solely pursuing American interest and when he saw that Japan, if it won too conclusive a victory, might succeed to Russia's mantle and advance farther into China, Roosevelt intervened. He brought the Japanese and Russians together at Portsmouth, N. H., to negotiate a peace which checked Japanese ambitions even as it also ended Russian sway in Manchuria.

The intervening years saw a steady encroachment by Japan over Manchuria, an encroachment viewed with alarm by the single-minded Americans who then conducted our foreign policies, until the climax was reached in 1937 when Japan launched full-scale war against China for undisputed control of Manchuria and northern China. Korea, which is a geographical dependency of Manchuria, had, of course, been sacrificed to Japan's imperial ambitions along the route and had long since been integrated into the empire of Nippon.

The historic route of the invaders of China has been from the north. During many centuries China has mounted guard on its northern frontiers against the peoples of Manchuria, Mongolia, and Siberia, who have, for as many centuries, been regarded as barbarians by the civilized Chinese. Manchuria has been the key to the security of China since the Manchu conquest now nearly four centuries ago. This fact we should remember and consider, as we remember Yalta.

CHIANG KAI-SHEK EXCLUDED FROM YALTA CONFERENCE

It was a rich, highly developed Manchuria that was at stake at Yalta. It was Manchuria which Roosevelt thrust upon the Russians, who had plotted the gift; it was, moreover, conferred upon the new barbarians will full understanding that the United States was thereby satisfying an old imperialistic design of the Kremlin. The very language of the secret protocol which sealed the bargain at Yalta recognized this fact. What Roosevelt ceded to Stalin at Yalta, without the knowledge or consent of the Chinese, whose sovereignty there we always had upheld, was, and I quote from the work of Edward R. Stettinius, Jr., Roosevelt and the Russians, page 93, in restoration of "the former rights of Russia violated by the treacherous attack of Japan in 1904." The testimony before the Senate committee shows that Chiang Kai-shek was not invited to the Yalta conference and that the terms of the agreement selling out Chinese interests were kept secret from him. That at the Cairo conference it was solemnly agreed with him that China's rights—which were sold out to Stalin at Yalta—would be fully respected and protected. When Wedemeyer appeared before the Russell committee, he testified that when Ambassador Hurley informed Chiang Kai-shek of the Yalta agreement which sealed the doom of the Republic of China, Chiang was so shocked that he asked Hurley to repeat it before he could believe it.

The project was not disguised. It was a nakedly imperialistic aggression over the prostrate body of China. What Roosevelt sealed and delivered in the protocol agreed upon by him and Stalin in a secret parley consuming only 11 minutes, and thereafter kept locked away in a White House safe for many months, were what he conceded to be the historic levers of power over China—the ports of Dairen and Port Arthur and the Chinese Eastern and South Manchurian railways. It was through those ports and along those railways, with their armed guards and command of all the communications, including the telegraph lines, that first Russia, then Japan, and now again Russia, with her satellite, exercised mastery over Manchuria.

According to the terms of the bribe, drawn up in Moscow by that elusive statesman of the half world in which our relations with Russia dwell, Averell Harriman, Dairen was to be "internationalized," the preeminent interests of the Soviet Union being safeguarded, and "the lease of Port Arthur as a naval base of the U. S. S. R. restored." I have quoted from the protocol as published by Stettinius. I again quote, "the Chinese Eastern Railroad and the South Manchurian Railroad, which provides an outlet to Dairen, shall be jointly operated by the establishment of a joint Soviet-Chinese company, it being understood that the preeminent interests of the Soviet Union shall be safeguarded and that China shall retain full sovereignty in Manchuria." There were other provisions. Russia's long-standing protectorate over Outer Mongolia was ratified, the southern end of Sakhalin, of which Russia was deprived by the treaty of Portsmouth, was restored to her end, as if to boot, the Kuriles were handed her. The Kuriles had been Japanese, never Russian.

What shall we say of Roosevelt's cynical submission to Russian imperialism in that deal? This was the Roosevelt, mark you, who is represented to us in Sumner Welles' book, Seven Decisions That Shaped History, as the high-principled opponent of imperialism in Hong Kong and India. This is the Roosevelt who steadfastly through the war sought to persuade Churchill to get out of India and surrender the British leasehold of Hong Kong. This was the Roosevelt who proposed to Stalin at Yalta, and I find this in Sherwood on page 866, that Hong Kong be handed to the Chinese or internationalized and that colony turned over to a United Nations trusteeship. This was the Roosevelt who suggested that French Indochina be placed under a trusteeship. He broached this idea to Sumner Welles.

THE HYPOCRISY OF THE PHONY LIBERALS

What does this whole sordid transaction teach us about the good faith of the advisers of Roosevelt and the assorted liberals, Communists, Communist sympathizers, and agents of the Kremlin—the Achesons, the Lattimores, the Philip Jessups, and the Institute of

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Pacific Relations—the whole sorry crew who have for so long been insincerely befuddling the people with talk of imperialism and people's rights in Asia?

Why, merely this, Mr. President, that in their minds the imperialism of the west, that decaying instrument of European expansion, is wicked and must be opposed. The imperialism of Russia is not only commendable but must be advanced by every means of diplomacy and war at whatever cost to the United States. That is the liberal-leftist doctrine on imperalism. Have we heard one liberal voice raised in this Chamber or elsewhere in condemnation of Roosevelt's surrender to Russian imperialism at Yalta? This is the test, and by it we may measure the monstrous hypocrisy of the self-proclaimed liberal elements in this Chamber and in the country which have assisted in and applauded the surrender of all China to Russia without the firing of a single Russian shot.

The record of our betrayal of Poland, of our friends in Yugoslavia and, in truth, of all Eastern Europe, is shameful enough but the pages of our history have never been blackened by a more immoral, a more illiberal sell-out of a friendly nation which put its unjustified trust in us.

The apologists for Mr. Roosevelt have attempted to palliate his offense. Robert Sherwood suggests that Roosevelt was tired. I quote him, "had it not been that the Yalta conference was almost at an end and he was tired and anxious to avoid further argument," Roosevelt, in his opinion, might have refused to sign the protocol. This is on page 867 of "Roosevelt and Hopkins." Yet on the preceding page he nullifies the argument of fatigue by conceding, I quote, "it is quite clear that Roosevelt had been prepared even before the Tehran conference in 1943 to agree to the legitimacy of most if not all of the Soviet claims in the Far East, for they involved the restoration of possessions and privileges taken by the Japanese from the Russians in the war of 1904." And Sherwood elsewhere reports Roosevelt offering Stalin the "warm water port" of Dairen as early as Tehran. Mr. Sherwood is, as all know, a fervent and practicing "liberal." He sees nothing wrong in restoring the imperialistic "possessions and privileges" which had been wrested from a dying Chinese empire by the forces of czarism. The insincerity, the speciousness, the nonlogical workings of the liberal mind when it comes to deal with Asia are clearly manifested by Mr. Sherwood. Mr. Welles presents a better case. He, too, is a "liberal" but with a higher sense of responsibility to history. I need not introduce Mr. Welles to you. He served in the Department of State until the fall of 1943 when his long-standing feud with Cordell Hull brought about the termination of his public service. Mr. Welles was Under Secretary of State when dismissed. His book, "Seven Decisions That Shaped History," is an apologia for his late chief, Roosevelt, and a justification for certain events in his own career.

Mr. Welles insists that Roosevelt's betrayal of China and the United States at Yalta is excusable. On what ground? "The ground of military necessity." When Roosevelt acted, according to Welles, he did so because he believed that we must entice Stalin into committing what we see as a plain act of self-interest, namely, getting into the war against Japan before it was too late. The President made that judgment because he had been advised by his military advisers, the Joint Chiefs of Staff, that we had a long, hard row to hoe with the Japanese in January of 1945 and that without Russia's help we might not achieve victory.

That is the Welles doctrine. It is likewise the Marshall-Acheson-State Department line. Where Welles differs is that he exposes that the military advice upon which Roosevelt acted was false and misleading. And where does pursuit of this rationalization lead us? And we might suppose—to Marshall.

FALSIFICATION OF INTELLIGENCE REPORTS TO MISLEAD ROOSEVELT

It was Marshall who stood at Roosevelt's elbow at Yalta, urging the grim necessity of bribing Stalin to get into the war. It was Marshall who submitted intelligence reports to support his argument, suppressing more truthful estimates, as we are informed in Hanson Baldwin's book on page 81, and keeping from the stricken Roosevelt knowledge that the Japanese were even then feeling for peace in acknowledgment of defeat.

Was this a sincere endeavor by the master of global strategy to advance American interest? Did we sorely need Russian assistance? Or was it another in the baffling and frightening pattern of General Marshall's interventions in the course of the great war which conduced to the well-being of the Kremlin? I leave you to judge after I have traced out this development in the detail it deserves.

It should be remembered that major portions of the Yalta agreement were drafted by three men working together—Alger Hiss, Gromyko, and Jebb. In that connection, there should be recalled the words of Arthur Bliss Lane, our Ambassador to Poland, when he first read the agreement. He said:

> As I glanced over the document, I could not believe my eyes. Every line spoke a complete surrender to Stalin.

Hiss alone should not bear the odium of this agreement because he, Gromyko, and Jebb, drafted it. Marshall was much higher in the councils of Roosevelt, and unless he approved the document it would not have been signed. Certainly he and Hiss discussed details of the agreement.

The desire to have Russia's help in the Far East arose with Marshall and was embodied, as we know, in the pregnant, fateful appeasement memorandum of the first Quebec conference in August of 1943; the document which has charted our course of appeasement, at Tehran and Yalta, and thereafter. The desire to entice Russia into the Japanese war was officially embodied in a combined Chiefs of Staff doctrine which I have previously discussed and which was presented at second Quebec, in September of 1944. Back in the fall of 1943 the President sent Averell Harriman to Moscow as his ambassador and Marshall sent General Deane, their "prime objective," as Deane describes it on page 25 of his book, being "to induce Soviet participation in the war with Japan."

Were inducements necessary? Was it in the Kremlin's interest to become a full-fledged combatant in the war in the Far East, to take part in the defeat of Japan and have a seat at the peace table where the spoils of war would be divided? Was it to the Kremlin's interest to march its armies into Manchuria, from which they had been barred since 1905 by the Kwantung army, and to be in possession there when the war ended? If some Americans did not grasp the strategic importance of Manchuria, there is certainly abundant evidence that the Kremlin, faithful to Lenin's dictum that "He who controls China controls the world," never lost sight of it. To ask these questions is to answer them, even if we lacked the indications of Stalin's determination to be in at the far-eastern kill, which we have. I ask any of my colleagues if they do not know the answers for certain. Of course they do. Any intelligent American, after giving the matter sufficient thought, would know that the aim of Roosevelt and Marshall at Yalta should have been not how to get the Russians in, but how to keep them out.

I have evidence here of four occasions before Yalta on which Stalin indicated to American officials his desires in this respect. The first such suggestion was made to Averell Harriman when, in August of 1942, he went to Moscow with Churchill to deliver the word that the operations in North Africa had been substituted for the second front now so exigently demanded by Stalin—and Marshall. The occasion is reported by General Deane on page 226 of his book, where he says:

> Stalin told Harriman then that Japan was the historic enemy of Russia and that her eventual defeat was essential to Russian interests. He implied that while the Soviet Union's military position at that time would not permit her participation, eventually she would come in.

Roosevelt knew of this; so, presumably, did Marshall. It should be noted that Stalin ascribed Russian interests as his motive for fighting Japan.

The Red czar next informed Gen. Pat Hurley of his intentions. And in April of 1943 Hurley so reported to Admiral Leahy. The reference is on page 147 of Leahy's book, and I quote him:

> Hurley saw Stalin * * * and the Marshal told him that after Germany was defeated, he would assist America in the war against Japan. * * * The (our) Army, in its plans for the defeat of Japan, was anxious to have the help of Russia. It was my opinion that we could defeat Japan without Russian assistance.

The stouthearted old sea dog Leahy held to that opinion throughout, being overborne always by Marshall. The history of the war in the Far East and our postwar loss of China, with the result-

ant war in Korea, would have been far different had Leahy been, as his rank prescribed, the principal military adviser to Roosevelt. That was not to be. The iron will of Marshall prevailed over Leahy, as it did over Roosevelt and after the invasion of Italy over Churchill.

I digress to give Senators the substance of Leahy's opposition to asking the Russians in, because it bears so pertinently on the issue and because Leahy's qualifications were so high, his reasoning so sound and so soundly American. In the record of World War II, where Leahy occupies an honorable place, no question can arise at any time as to where his loyalties lie.

MARSHALL AND MAC ARTHUR DISAGREE ON NECESSITY OF LAND INVASION OF JAPAN

In the strategical discussions about how to end the war with Japan, Marshall urged that a land invasion was necessary; an invasion beginning in the southern islands of the Japanese homelands and proceeding north; an invasion requiring upward of 2,000,000 riflemen and entailing, according to Marshall's estimates, casualties of a half million.

Leahy reports a conference at the White House on the 10th of July 1944. This is on page 245 of his book. Wrote Leahy,

It was my opinion, and I urged it strongly on the Joint Chiefs of Staff, that no major land invasion of the Japanese mainland was necessary to win the war.

Far more impelling even than Leahy's own judgment was the agreement he reported, page 251, between General MacArthur and Admiral Nimitz at Honolulu on that point. Leahy accompanied Roosevelt, it will be recalled, on that excursion, which coincided with the Democratic National Convention of 1944. He attended the conversations at which the President and the Army and Navy commanders in the Pacific projected victory over Japan. These—Nimitz and MacArthur—were the true experts on the Pacific. Let us have their judgment and Leahy's conclusions thereon:

The agreement on fundamental strategy to be employed in defeating Japan and the President's familiarity with the situation acquired at this conference were to be of great value in preventing an unnecessary invasion of Japan which the planning staffs of the Joint Chiefs and the War Department were advocating, regardless of the loss of life that would result from an attack on Japan's ground forces in their own country. MacArthur and Nimitz were now in agreement that the Philippines should be recovered with ground and air power then available in the western Pacific and that Japan could be forced to accept our terms of surrender by the use of sea and air power without an invasion of the Japanese homeland.

There we have the strategy of MacArthur, Nimitz, and Leahy for winning the war in the Pacific—but not Marshall's. Who was right?

MARSHALL INSISTS ON LAND INVASION OF JAPAN OVER OBJECTIONS OF MAC ARTHUR AND NIMITZ

Yet despite this expert advice Marshall persisted. At the staff discussions before second Quebec, 2 months later, Leahy had this to report on page 259:

By the beginning of September, Japan was almost defeated through a practically complete sea and air blockade. However, a proposal was made by the Army (meaning Marshall) to force a surrender of Japan by an amphibious invasion of the main islands through the island of Kyushu. • • • The Army did not appear to be able to understand that the Navy, with some Army air assistance, already had defeated Japan. The Army not only was planning a huge land invasion of Japan, but was convinced that we needed Russian assistance as well to bring the war against Japan to a successful conclusion.

This willingness on Marshall's part to sacrifice hundreds of thousands or millions of American boys in an invasion of Japan which MacArthur and Nimitz, who were in charge, considered unnecessary, when coupled with his frenzied attempt to obtain the Stalin-requested cross-channel invasion of Europe in 1942, despite the inevitable, using Churchill's words, "English Channel of blood," makes doubly significant his willingness to conduct an endless war of death and destruction on both sides in Korea rather than run the risk of offending Soviet Russia by winning a quick victory as suggested by MacArthur in Korea.

So much for the strategy of the matter.

RUSSIAN INTENTIONS

I return to the indications of Russia's intentions in the Far East. Cordell Hull was the unexpected and extremely gratified recipient of the third such proffer of help in the Far East. The venerable Secretary of State, an upright and proud man, although he did not wholly understand the currents of high policy that swirled about him, went to Moscow in October of 1943 to attend a conference of the Allied foreign ministers. It was a momentous occasion for Mr. Hull, the crowning accomplishment of a lifetime devoted to public service. At that time Mr. Hull suffered from the current credulity about Russia's good faith in the highest American circles. He was insisting, to the annoyance of subtler minds about him, that Russia was one nation, Britain another, equal in merit as in menace, and that we must treat them with equal and exact consideration. A fair-spoken man himself, Mr. Hull assumed that he was dealing with men of like scruple.

On the final night of his stay in Moscow, Mr. Hull attended the usual state banquet with which the master of the Kremlin regales his visitors. The banquet took place in the Hall of Catherine the Great at the Kremlin. They dined upon gold plate and drank innumerable toasts from heavy crystal.

Mr. Hull felt himself honored at being on the right of the prime author of world misfortune. After having suitably flattered Stalin, Hull was "astonished and delighted" when the marshal turned to him and said, as recorded on page 1309 of Mr. Hull's "Memoirs":

Clearly and unequivocally that, when the Allies had succeeded in defeating Germany, the Soviet Union would then join in defeating Japan. Stalin had brought up this subject entirely on his own • • • He finished by saying that I could inform President Roosevelt of this in the strictest confidence. I thanked him heartily.

The Secretary of State lost no time in cabling the promise to Roosevelt, using both the Army and Navy ciphers in the hope of keeping the news from the British. It was Mr. Hull's belief, a belief too often verified, that the Foreign Office in London leaked secrets.

In his reflections over Yalta—Hull had by then resigned—he seemed to think it passing strange that Roosevelt had had to acquire Stalin's assistance by means of "numerous territorial concessions." He added, "When Stalin made his promise to me it had no strings attached to it."

The fourth assurance from Stalin regarding the Far East came at Tehran where he observed that once peace came in Europe, "by our common front we shall win" in that quarter. But by that time, recognizing that Harriman and Deane had come to Moscow to ply him for his assistance, Stalin was, quite naturally, thinking of his price. The price was not cheap. In October of 1944, during Churchill's second visit to Moscow, Harriman got Stalin on the subject of the war against Japan. Deane noted, page 247 of his book, that Stalin agreed that—

The Soviet Union would take the offensive after Germany's defeat, provided the United States would assist in building up the necessary reserve supplies (for 60 divisions in Siberia) and provided the political aspects of Russia's participation had been clarified. His latter proviso referred to the recognition by China of Russian claims against Japan in the Far East.

At this sitting Stalin agreed that the United States Navy might have Petropavlosk on the Pacific as a naval base and our air forces the sites for heavy bomber bases in the Maritime Provinces, but denied us use of the Trans-Siberian railroad to haul in supplies.

Thus was the gun pointed at Roosevelt's head. If we wanted Russia in, we had to supply her armies and force Chiang Kai-shek to accept the loss of Manchuria, which had been solemnly promised him by Roosevelt and Churchill at Cairo. Marshall insisted, again beyond the call of duty, that we needed Russia. Roosevelt believed him. The cost of supplies was fairly heavy, the Russians stipulating what amounted to 860,410 tons of dry cargo, 206,000 tons of liquid cargo. All this in addition to the supplies for the war in Europe called for under the fourth protocol. The Russians got 80 percent of their far-eastern requirements. One item was 25,000 tons of canned meat. That would provide at least 50,000,000 meat courses, at a pound each, for Red soldiers.

And as one result of the political deal we have suffered over 140,000 casualties in Korea.

NO NECESSITY FOR THE STALIN PAY-OFF

I return to Yalta, where Stalin got his price in full, the conference which is described by Hanson Baldwin as, "the saddest chapter in the long history of political futility which the war recorded."

What was the war situation in the Pacific in January of 1945? Leyte was ours, the Japanese fleet was defeated, Manila fell during the Yalta Conference, Okinawa lay ahead, but the Air Force was daily raining destruction and fire on Chinese cities. General Bill Donovan's

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Office of Strategic Services was reporting from China that the Kwantung army had been dissipated and depleted. In any case, said the OSS, what was left could not be moved to the Japanese home islands because of the lack of shipping. Nor could the Japanese troops in China be moved. Everywhere the story was the same. The Japanese merchant marine was beneath the sea. The blockade was strangling Japan. Admiral Leahy wrote on page 293 of his book concerning his own views of the situation at this time:

I was of the firm opinion that our war against Japan had progressed to the point where her defeat was only a matter of time and attrition. Therefore, we did not need Stalin's help to defeat our enemy in the Pacific. The Army did not agree with me and Roosevelt was prepared to bargain with Stalin.

Hanson Baldwin, writing after the event, endorsed Leahy's conclusions, saying, on page 79 of his book, that—

At the time of Yalta, Japan was already beaten—not by the atomic bomb which had not yet been perfected, not by conventional bombing then just starting, but by attrition and blockade.

MARSHALL'S PRESSURE ON ROOSEVELT

Yet at Yalta, General Marshall redoubled his endeavors for Russia's entrance with all the indomitable persistence he had applied to the "second front now" and to blocking Mark Clark and the British over the Eastern European strategy. The late Edward Stettinius, who, as Secretary of State, played a hand at Yalta, recalled on page 90 of "Roosevelt and the Russians," that—

I knew at Yalta * * * of the immense pressure put on the President by our military leaders (meaning Marshall) to bring Russia into the far-eastern war.

Before Stettinius left Washington he saw a memorandum from the Joint Chiefs to the State Department, saying, "We desire Russia's entry at the earliest possible date."

In support of his urgent demand, Marshall used what Baldwin calls on page 80 of his book, "a pessimistic intelligence estimate," which placed the strength of the Kwantung Army in Manchuria at 700,000, a total of 2,000,000 Japanese forces on the Asiatic mainland—"all first-rate troops and well trained," according to Marshall. Far worse than this, Baldwin exposes the fact that more realistic intelligence estimates, corresponding to the facts as brought out after the war and held at that time by Leahy and others, "never reached the top echelon at Yalta." Even the Washington Post, that Communist camp-following paper, that pillar of leftism and scuttle in Asia, felt moved on September 9, 1948, to declare that the Chiefs of Staff "made a blunder, to advise Roosevelt and Churchill at Yalta that Japan would last 18 months after VE-day."

Just how that got into the Washington edition of the Daily Worker I do not know. Nor is this the end of this dismal story.

JAPANESE PEACE OVERTURES

Rear Admiral Zacharias, in his book, "Behind Closed Doors," declares that a Japanese peace feeler had been received and transmitted to Washington by General MacArthur before Roosevelt departed for Yalta. So at the time we sold out China to Russia to induce Russia to come into the Japanese War, we already had Japan suing for peace, according to Admiral Zacharias. The peace overtures were to come thick and fast from Japanese sources after Yalta and by the time of Potsdam they were so authentic that the Declaration of Potsdam was put forward to answer them.

Yet late in April of 1945 Marshall was still intent upon wooing the Russians into the far-eastern war. As Stettinius reports it on page 97:

At a top level policy meeting in the White House just before the San Francisco conference opened on April 25, President Truman, the military leaders and I discussed the failure of the Soviet Union to abide by the Yalta agreement on the Balkans. At this meeting the United States military representatives pleaded for patience with the Soviet Union because they feared that a crackdown would endanger Russian entry into the far-eastern war.

Who advised patience with Russia? Marshall? At Potsdam in July Marshall's determination to have the Red Army equipped by us and moved into Asia had not abated. Stettinius reports, with some perplexity on page 98, that—

Even as late as the Potsdam conference, after the first atomic bomb had exploded at Los Alamos on July 16, the military insisted that the Soviet Union had to be brought into the far-eastern war.

Japan, as I have said, already had sued for peace.

In his endeavor to exculpate Roosevelt of blame for the shame of Yalta, Welles saddles the blame on the Combined Chiefs of Staff. We know that it was Marshall who formed and carried through those decisions, apparently indifferent to what should happen to the 2,000,000 riflemen he wanted to send ashore in Japan. Welles attributed Marshall's desire to have Russia in, to "a basic misapprehension of existing facts." This appears on page 158 of his book.

Is that the answer? Or was Marshall's insistence that Russia should be allowed to serve her own interest—not ours—in Eastern Asia a part of that pattern which has been emerging with ever greater clarity as we trace his career: a pattern which finds his decisions, maintained with great stubbornness and skill, always and invariably serving the world policy of the Kremlin? I ask the question. You answer it. Marshall can.

ALGER HISS AT YALTA

The President had another adviser at Yalta, Alger Hiss, that impudent, execrated, and unrepentent traitor. Was it upon the advice of Hiss, who served on the far-eastern desks and was deep in the China plot, that Roosevelt, chatting companionably with Stalin, assured him that "the blame for the breach (in China) lay more with the Comintern and the Kuomintang than the rank and file of the so-called Communists." The quotation is from page 868 of Sherwood's revelatory book. It will be noted that the Communists, the Kremlin lackeys who sent their armies against our own in Korea, were to Roosevelt only "so-called" Communists, and pretty good fellows at that, more reasonable, the President may have gone on to say, than Chiang Kai-shek's bunch or even your own fellows, Generalissimo, in Moscow! We shall encounter that view of the Chinese Reds as agreeable innocents again when we examine Marshall's ill-fated mission to that ill-fated country.

Let me assume for the moment that Marshall's judgment in World War II was clouded by no ulterior objective, no hidden thread of purpose which could not reach the light of day. What kind of a "master of global strategy" would have made the mistake of Yalta? What kind of strategic genius does that display? The whole array of Marshall's strategical endeavors, from Sledgehammer, or the second front now, through his timidity over invading Algiers by way of the Mediterranean to his downright insistence upon invading southern France 2 months after D-day in Normandy, is unreassuring in this present situation. We inevitably contrast Marshall's competence with MacArthur's during that general's grand march from New Guinea to Tokyo. In the circumstances, how could we take Marshall's word on strategy? If he so overestimated the Japanese as to believe they could fight on for a year and a half after the Germans quit in Europe, how can we place any reliance upon his estimate of the strength of the Russian empire and its Chinese satellite in Eastern Asia at this moment?

So the A-bombs fell on Japan and the war was over, although so careful a military critic as Hanson Baldwin believes that the bombs hastened the end of the war, if at all, by only 1 day. Japan's fate had been determined long, long ago. And with the end of the war Yalta's chickens came promptly home to roost. The Red Army after a bloodless campaign of 6 days took over all Manchuria; it stood also in North China. The Reds were there by right, ceded them at Yalta.

MARSHALL DIVIDES KOREA

And so we come to the question of Korea. Who divided that unhappy land at the thirty-eighth parallel, ordering that Russia should receive the surrender of Japanese forces above that line, the United States below it? Here we have one of the major mysteries of that time. At Yalta, Stalin had agreed with Roosevelt on a four-power trusteeship for Korea, the powers to be the United States, China, Russia, and Britain—a decision which he ratified when Harry Hopkins visited Moscow in the late spring of 1945. The trusteeship called for a unified administration of all Korea with a government of Koreans to be freely elected and governing the whole peninsula. What happened to the trusteeship? When Japan quit, there arose the problem of accepting the surrender of the forces in the field.

Welles covers the situation on page 167 of his book, "The Seven Decisions That Shaped History." I quote him:

Some subordinate officers in the Pentagon hastily recommended that the Russians accept the Japanese surrender north of the thirty-eighth parallel in Korea, while the American troops would accept it south of that line.

I am told that this line was fixed because it was convenient. Certainly it was

fixed by officials with no knowledge of what they were doing, and without consulting any responsible members of the administration who might have had some regard for the political and economic considerations which the decision so lamentably ignores.

There the matter rested until the able senior Senator from Maine [Mr. BREWSTER] brought to light the fact that the thirty-eighth parallel has historic significance. I had wondered why the War Department in August of 1945 chose to divide Korea for purposes, as was said, of receiving the Japanese surrender, along the thirty-eighth parallel. Why not the thirty-seventh, or the thirty-ninth parallel? Why had it to be the thirty-eighth parallel?

The Senator from Maine [Mr. BREWSTER], in delving into United States Relations, which is the continuing history of American foreign affairs as published periodically by the Department of State, found that the Russians had fixed the thirty-eighth parallel, nearly a half century ago, as the dividing line. They were negotiating with Japan over the division of Korea between the two imperial systems that had designs upon China then. So the Czar's diplomats proposed to those of the Emperor of Japan that the thirty-eighth parallel be the border between the two empires.

I refer to the testimony before the Armed Services and Foreign Relations Committees on June 8, when Secretary Acheson was being questioned by the Senator from Maine [Mr. BREWSTER] on this point. Acheson disclosed that the decision was taken by the Secretary of War, was approved by the Joint Chiefs of Staff, by State, Army, Navy, Air Force Coordinating Committee, and by the President. This was not, as Sumner Welles—who has excellent sources of information—was forced to conclude, a decision made by "subordinate officers at the Pentagon." This was a high-level decision, initiated by the Secretary of War. Who was, in effect, the Secretary of War during the later incumbency of Mr. Stimson? I think no one who was in touch with the inner workings of those adjoining offices at the Pentagon, who has read the late Secretary's explicit memoirs, who knows the inner relationships between the two men, can doubt that in matters of this sort it was Marshall who made the decisions, Stimson who rubber-stamped them.

It was Marshall who selected the line for the division of Korea which was chosen by the Russian Foreign Office and General Staff nearly 50 years ago. We restored their pre-1904 claims on North Korea at the Pentagon in August of 1945.

I refer you particularly to this colloquy, the Senator from Maine asking, Secretary Acheson answering the questions:

Senator BREWSTER. Isn't it rather interesting to note the thirty-eighth parallel in Korea was proposed 45 years earlier by Russia as a means of dividing the spheres of influence of Russia and Japan incident to the episodes around the Russo-Japanese War?

Secretary ACHESON. I am not familiar with that, Senator.

I content myself with noting further that a Secretary of State unfamiliar with the complex of imperial ambitions in the Far East during the days when the United States played a humane, a creditable and an intelligent part in those affairs can scarcely qualify as an expert on the diplomacy of the Far East.

RETREAT FROM VICTORY

The war was over, millions of Americans, mistakenly thinking that their international troubles were over too, had a 24-hour celebration only to awaken before long to find that, even as we were spending vast amounts of flesh and blood and steel to win the fighting part of the war, there was being conducted what appeared to be a planned loss of the peace. Hanson Baldwin refers to that disastrous planning as the follies of World War II. I am reminded of a wise and axiomatic utterance in this connection by the great Swedish chancellor, Oxenstierne, to his son departing on the tour of Europe: He said, "Go forth my son and see with what folly the affairs of mankind are governed."

GENERAL STILWELL'S ROLE IN CHINA

Before we plunge into the Chinese situation as it developed, with Japan defeated but Russia replacing her in Manchuria, let us have a brief look at what had been happening in China that bears on the career of General Marshall. We come at once to the contentious figure of Gen. Joseph W. Stilwell, known as "Vinegar Joe." Stilwell was Marshall's protégé. Marshall had him appointed the American military representative and chief of staff to Chiang Kai-shek in 1942.

I shall not detain Senators with a study of "Vinegar Joe's" personal eccentricities, his self-assurance verging on arrant egotism, his contempt for Chiang Kai-shek, who was to him always "The Peanut," and for all the Chinese leaders except the Reds of Yenan. The dismaying chronicle of Stilwell is known to all of us. It was this twisted and tortured soldier who was set up by Marshall as our supreme military representative among the 450 million Chinese, who had for years been bearing the brunt of Japanese power, retreating and fighting, moving ever inland, but refusing with honor and dignity to make peace with the invader. Stilwell spoke Chinese.

He spoke that language in a halting, stilted way, I am assured by old China hands, and the complaint of the educated Chinese was that, because of his unfamiliarity with the inflections and nuances of their language, he often insulted them when he thought he was uttering matter-of-fact phrases.

STILWELL'S ADVISERS

The greatest barrier to cooperation between Chiang Kai-shek and Stilwell was not, however, his own unaccommodating spirit. Stilwell was surrounded in China by a clique of young Foreign Service officers supplied by the State Department, headed by John Patton Davies as his political adviser. Stilwell and Davies had been friends since 1938, when both were in Hankow, Stilwell as American military attaché, Davies as consul general. Those were trying days in the war between Japan and China. They were days also of the common front, when the Communists were fighting alongside the Nationalists and all ranks were closed. The American colony at Hankow likewise included Capt. Evans Carlson, later a brigadier general in the Pacific.

I pause to remind you that Stilwell and Carlson are the Communist heroes of our war in the Far East, that both were and are honored in the Daily Worker and throughout the Communist movement in this country.

Dominating the intellectual life of the American colony in Hankow, according to Freda Utley, who was also there, was that effective agent of Russian imperialism, Agnes Smedley. That Miss Smedley, a recreant American, was a Russian spy throughout her long career in China, is doubted by no Americans outside of perhaps Owen Lattimore and his camp-following friends. I quote from Miss Utley's new book, the China Story, a scholarly and temperate account of how the Hiss-Acheson-Lattimore-Marshall group and their accomplices converted the Chinese civil war of 1945–49 into the present Chinese-American war. I quote from pages 106 and 107:

Agnes (Smedley) not only captivated "Vinegar Joe," but also completely won over the British Ambassador, Sir Archibald Clark Kerr, subsequently Ambassador to Moscow and later, as Lord Inverchapel, appointed to Washington. "Archie" Clark Kerr was another benevolent friend of the Chinese Communists for many years. He told me he thought Agnes was "the greatest woman he had ever met" and their close friendship was continued in America. * * * Davies was also a great admirer of Agnes Smedley, whom he called "one of the pure in heart." He used to invite us to excellent dinners at the American consulate, at which he expressed both his admiration and affection for Agnes. * * * Together with Edgar Snow and other journalists I knew in Hankow, he (Davies) became one of the most potent influences in the Department (of State) furthering the cause of the Chinese Communists.

Davies, as Stilwell's political adviser, surrounded himself with young men of his choice and ilk—John Stewart Service, Raymond P. Ludden, and John Emerson. We have heard of Service before. I do not ask you to believe upon the sole authority of my word that the full weight of Stilwell, of Davies, and these young men were thrown in the balance of the conspiratorial, subversive Chinese Reds against our ally, the Government of China. You have read the State Department's insincere and dissembling white paper on the China question. I bid you read again, study, and mark the reports sent back to Washington by Stilwell's clique; read them with this in mind, that except for the reports of the naval attaché in China, these were the only advices the administration had to go on regarding the situation in that huge and distressed land.

The Army and the State Department were suffused with pro-Red propaganda emanating from Stilwell's circle. It is one of the few benevolent dispensations of fate in this situation that Admiral Leahy had a clear stream of information. Apart from his influence, and the word of honest travelers and finally the blunt advices of Gen. Pat Hurley, I honestly

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believe that Stilwell would have been kept in China and the Reds have been able to conquer that land several years before they finally accomplished it.

Davies has been suitably rewarded by Dean Acheson for his sell-out of an ally. Davies serves in Washington as a member of the State Department's Policy Planning Committee, where he is strategically placed to help further the betrayal he began in Chungking.

It was the constant endeavor of the Davies people in China to assure the Departments of War and State that the Chinese Communists were moderate reformers, simple agrarians in the style of Thomas Jefferson, with no subservience to Moscow.

We find an excellent example of this in report No. 34, document No. 109A7, dated September 28, 1944, a document signed by John Stewart Service and sent to the State Department:

Politically, any orientation which the Chinese Communists may once have had toward the Soviet Union seems to be a thing of the past. The Communists have worked to make their thinking and program realistically Chinese, and they are carrying out democratic policies which they expect the United States to approve and sympathetically support.

We find the following in report No. 10, dated March 13, 1945, again signed by John Stewart Service:

The Chinese Communist Party, on the other hand, is the party of the Chinese peasant. Its program—reduction of rent and interest, progressive taxation, assistance to production, promotion of cooperatives, institution of democracy from the very bottom—is designed to bring about a democratic solution of the peasant's problems. On this basis, and with its realization of the necessity of free capitalistic enterprise based on the unity, not conflict, of all groups of the people, the Communist Party will be the means of bringing democracy and sound industrialization to China. These are the only possible guaranties of peace and stability.

This friendliness toward the Communists in Asia extended also toward the Japanese Communists. Luckily, MacArthur was in Japan. The State Department's advice was not followed there. But let me quote again from a John Service document S 187, with "Q" number 524:

The Japanese Communist Party is still small (Mr. Okano himself does not claim more than a few thousand members), but it has the advantages of strong organization and loyal, politically experienced membership. If its policies, as claimed, seek to achieve our own hopes of a democratic, nonmilitaristic Japan, we may wish to consider the adoption toward it of an attitude of sympathetic support.

The Stilwell-Davies group took over in China in 1942. Soon thereafter Lauchlin Currie, at the White House, and John Carter Vincent and subsequently Alger Hiss, at the State Department, were exercising their influence at the Washington end of the transmission belt conveying poisonous misinformation from Chungking. The full outlines of Currie's part in the great betrayal have yet to be traced. That is was an important and essential part, I have no doubt. In this connection it should be recalled that Currie issued an order on White House stationery depriving the Republic of China of 20,000 German rifles.

STATE DEPARTMENT ADOPTS COMMUNIST POLICY ON CHINA, ACCORDING TO EARL BROWDER

What bearing did Stilwell's assumption of command in China in 1942 have on the following answers made by Earl Browder before the unlamented Tydings subcommittee?

Mr. BROWDER. I could not name specific instances, but, now that you raise the question, I assume that that was done. It was our purpose to stir up all sorts of political expressions of opinion in support of the Communists in China and support of unity in China; to influence the Government in every possible way.

Mr. MORGAN. To influence the Government, you say, with respect to unity in China; unity between whom?

Mr. BROWDER. And to take a different attitude toward specific Communists——

Mr. MORGAN. What attitude did you want to project, Mr. Browder?

Mr. BROWDER. Abandonment of the previous policy in which the influence of the United States Government was largely instrumental in maintaining and intensifying Chiang Kai-shek's war of extermination against the Chinese Communists. We wanted that influence of America removed and this influence to be exercised, on the contrary, in favor of unification.

Mr. MORGAN. I believe you have answered for us the principal matter in which we are concerned, Mr. Browder. At least you have given your testimony with respect to it——

Mr. BROWDER. I would say that further, in 1942, it became unnecessary any longer to bring such pressure upon the Government of the United States because the officially declared policy from that time until 1946 was the United States pressed upon China the coalition of the Kuomintang, the Communist, and all the democratic mass forces in one united government.

From 1942 to 1946 that was the official policy of the American Government, and it was, therefore, no occasion for the Communists—I would say from 1942 to 1945, the only period of which I can speak—there was no occasion for the Communists to press for a change of policy in the United States Government at that time.

Senator HICKENLOOPER. But, nevertheless, the views advocated up to 1942—at least, the substance of the important views advocated by the Communist Party up to 1942—were in fact adopted by the State Department toward the Communists in China at about 1942—is that correct?

Mr. BROWDER. In October 1942.

Is this mere coincidence? I do not think so.

CHENNAULT DESCRIBES STILWELL'S LOVE AND ADMIRATION FOR COMMUNISTS

Before coming to the denouement of this sorry state of affairs, I give you another view of the activities of Stilwell and Davies in Chungking. This testimony comes from an eyewitness, a valorous retired major general of the United States Army Air Forces, Claire Lee Chennault, who won undying fame with his Flying Tigers. I am referring to Chennault's recorded experiences in China, Way of a Fighter, where he reviews Stilwell's behavior in unsparing detail. Chennault describes how Stilwell in the spring of 1944 sent a mission to his friends in Yenan. I quote from page 317 of Way of a Fighter:

The American mission to Yenan was hardly established before Stilwell's Chungking staff began to proclaim loudly the superiority of the Communist regime over the Chungking Government. Contents of secret reports from the Yenan mission were freely discussed over Chungking dinner tables by Stilwell's staff. No secret was made of their admiration for the Communists, who, they said, were really only "agrarian reformers" and more like New Dealers than Communists.

Incidentally, this, too, was the burden of Agnes Smedley's propaganda line at this time.

I return to Chennault:

The hue and cry charging the Generalissimo with "hoarding lend-lease arms" to fight the Communists was raised with renewed vigor along with the claim that China's best troops were being used to blockade the Communists instead of fighting the Japanese.

The American propagandists for Red China—men paid by you and me, by all taxpayers—were mendacious as well as disloyal to our alliance and to American interest. I quote further:

After Stilwell was removed, Wedemeyer conducted an exhaustive survey of all Chinese Army equipment and reported that not a single American gun or bullet had gone to Chinese armies east of Yunnan with the exception of 500 tons belatedly delivered to Kweilin and Liuchow. The generalissimo did keep a sizable army at Sian, the gateway to Communist territory, and they did maintain a patrol on the main communication lines to Yenan. That they were also defending the Tungkwan Pass, one of the three vital gateways to west China, was conveniently ignored by Stilwell's staff. Late in 1944 many of these troops were withdrawn to bolster the sagging Salween offensive, and the Japanese promptly began an offensive aimed at Sian. Only a sudden and cold winter halted the Japanese offensive short of its goal.

I have quoted General Chennault at this length because these passages go to the heart of the means by which the American people were misled and Government policy distorted during World War II to bring about our present disasters. I continue to quote Chennault:

The Yenan Communists shrewdly tickled Stilwell's vanity with many flattering appreciations of his military prowess and clinched him as an ally by shrewdly letting it be known that they would be delighted to have him command their armies. Stilwell never gave up his hopes of commanding the Chinese Red armies. * * * Since it was still official American policy in the summer of 1944 to support the Chungking government, it was a common joke (in Chungking) that Stilwell's headquarters were developing a private foreign policy with John Davies as secretary of state.

During this period there was a strong group of left wingers in the Far Eastern Division of the State Department who used Stilwell's sympathy for the Chinese Communists and his violent antipathy to the generalissimo as a lever to shift American policy in favor of the Communists. Had Stilwell been retained in his China-Burma-India command their chances for success would have been brightened. The situation was so bad that when Wedemeyer arrived he found it necessary to make all American officers in China sign a formal statement saying they understood clearly their duty in China was to execute official American policy, not to make it.

STILWELL EXPRESSES DESIRE TO FIGHT WITH COMMUNISTS AGAINST OUR ALLY

Before I leave the subject of Stilwell, I want to refer to a photostatic copy of a page from the New York Daily Worker of January 26, 1947. Represented on

this page is a handwritten letter of the general's to a friend. The letter appears under the letterhead of the Commanding General, Headquarters Sixth Army. Stilwell was then commanding the Sixth United States Army. The letter was addressed to a friend whose identity the Daily Worker did not see fit to disclose. Stilwell wrote, and I quote:

> Isn't Manchuria a spectacle? But what did they expect? George Marshall can't walk on water. It makes me itch to throw down my shovel and get over there and shoulder a rifle with Chu Teh.

At that moment the forces of the Republic of China were successful in Manchuria, they had reached the peak of their efforts at pacification at about this moment. This was, of course, displeasing to Stilwell.

What Stilwell is saying is that even Marshall, unable to perform miracles, had not yet been able to deliver Manchuria to Chu Teh. This passage will grow clearer as we proceed with this narrative. Stilwell wanted also to give his assistance to the man who had carried support of him almost to the point of defying President Roosevelt. Need I remind you that Chu Teh, the heir of Agnes Smedley, was then, and is now, the commander in chief of the Chinese Red Armies who are at war with us in Korea?

MARSHALL FIGHTS TO KEEP STILWELL IN CHINA

Where does General Marshall stand in all this? After all, we are reviewing his career, not Stilwell's. Stilwell was his friend. He had nominated him for this job. What did Marshall do about this field commander who was, as we have seen, so disloyal to American policy, so flagrantly perverting our purpose in China, so grievously failing both as a soldier and a diplomat, and who, in the end, would avow his desire to take up arms with the Communists against America's ally.

Demands for Stilwell's removal from his disastrous command reached such a pitch in June of 1943 that President Roosevelt directed Marshall to recall him. Stilwell and Chennault, at loggerheads over the land-air strategy in China, had been brought back to Washington just previously, where they appeared before the combined Chiefs and advanced their respective positions. Chennault won the decision. Thereafter, Stilwell's strategy, his disposition, and his good faith were under constant and steady suspicion in the minds of all the American leaders save only Marshall's and the old gentleman who had been captivated by him, Secretary Stimson.

Did Marshall yield to the President's wishes that Stilwell, who was proved to be supporting the Chinese Reds, be recalled? He did not. I quote from Mr. Sherwood's book, Roosevelt and Hopkins, on page 739, where he recalls that incident, saying that General Marshall said:

> He realized that Stilwell was indiscreet but that he is the only high-ranking officer we have that can speak Chinese and that, while obviously, he does not like Chinese officialdom, he has a great regard for the Chinese people.

Mr. President, I believe that we have in the clause I have just quoted a clue to Marshall's regard for Stilwell and his obstinate determination to keep him and his bevy of Communist propagandists at Chungking. If Marshall had been entirely candid, I believe the words would have been, "He has a great regard for the Chinese Reds." As we all know, "people" in Communist parlance has a special meaning. It does not mean all the people in our sense. It is a catchword, an occult word, clear to the initiates, meaning Communists. They use it in a special sense to designate all their political organs. We all recall the various people's fronts organized to promote the Communist cause throughout the world. More specifically the Chinese Communist army was referred to in Communist parlance as the people's army. We shall find, as we pursue this subject, further evidences of General Marshall's affinity for the Chinese Reds.

Not only did Marshall brook the President's will in this instance; he risked a quarrel with Hopkins, the man who, as Sherwood elsewhere reports, had been his principal supporter for chief of staff when Marshall was unexpectedly jumped over many more highly qualified and experienced major generals and brigadier generals to that post in 1939. Sherwood is recording a conversation with Marshall, also on page 739, when he says:

> Marshall has told me that his only serious difference of opinion with Hopkins in the entire war was over this issue between Stilwell and Chennault. * * * Hopkins was on the side of Chennault, who was close to the Fascist-tinted Kuomintang.

I beg you note the use of Communist terminology "Fascist-tinted" to describe the Kuomintang. It is significant. The false and meaningless epithet "Fascist" was on the lips of every apologist and propagandist of Russian imperial designs in those days from Smedley to Alger Hiss and their journalistic echoes in the United States. I suggest also that you check the accuracy of Marshall's views regarding the superior fighting value of the Chinese Reds with Chennault's plain, unvarnished opinions, with those of General Wedemeyer, and with a host of other loyal Americans who know whereof they speak. The legend that the Reds were genuinely fighting the Japanese was another of the big lies with which American opinion and judgment was corrupted and subverted at that time.

Roosevelt did not press for Stilwell's recall. Sherwood gives a partial explanation of why he did not in a continuation of the foregoing passage, saying:

> Roosevelt had high regard for both Stilwell and Chennault, as fighting men, but his overriding concern was to keep China in the war and to hold the friendship of the Chinese people for the United States and he had those objectives in mind in every decision he made.

I think it is evident that Roosevelt did not know what we know. A great deal of water has gone over the dam; we are better informed and more vigilant now. We know that Stilwell and his gang were a nest of anti-American activity at the Chinese capital, that they did us unmeasured harm both in injuring the faith and credit of Chiang Kai-shek in America and in deceiving us concerning the minions of the Kremlin at Yenan. Chennault supplies us with other insights into Roosevelt's attitude toward China at this time. During his visit to Washington in the spring of 1943, Chennault saw the President three times. It was evident that the President had a due appreciation of Chennault's gallant services in China, that he respected and liked him. On page 225 of his book, Chennault reports Roosevelt assuring him that:

> His policy was aimed at creating a strong pro-American China to emerge from the war as a great stabilizer among the oppressed peoples of the Orient. I have a deep conviction that had he lived and maintained the faculties which he had at his prime, the debacle of our postwar floundering in China and the incredible folly of the Marshall mission would never have occurred.

However that may be—and I sometimes feel that some have too indiscriminately charged Roosevelt with the blame for what has happened in China—Marshall remained at the President's elbow, a trusted adviser able to overshadow the loyal and foresighted counsel of Admiral Leahy, and, as we have seen, the tide of reports from the field, serving the great conspiracy, still flowed into Washington.

The impatience of Leahy with Stilwell and all he stood for breathes through a brief entry in his book, page 172, when he notes that "the problem (of the China command) was not to be solved for more than a year, however, when Stilwell was finally relieved of his command in October 1944."

And, on page 271, that great American, Leahy, observes that even after Stilwell's insults had moved Chiang Kai-shek to demand Stilwell's head at the price of remaining in cooperative wartime relations with America, "Marshall made repeated efforts to induce the President to retain 'Vinegar Joe' regardless of Chiang's objections." Leahy observes dryly that the President had to give "direct and positive orders" to Marshall before Stilwell was at long last called home.

How does that compare with Marshall's attitude toward the great proconsul of Japan? What accounts for the difference? Stilwell played with the Reds in China; MacArthur, on the other hand, made no secret of his wish to break their power over Asia. In whose cause was Marshall enlisted when he fought with such bitter obduracy to retain at Chungking the friend of the stooges of Moscow? How does it compare with his present and successful insistence for MacArthur's head? Was he then serving American interest in China and the Far East, the interest delineated by Roosevelt before he yielded to Marshall's scare pictures of the war in the Pacific at Yalta? I leave the answer to you.

And so Stilwell finally came home to be succeeded by that great American soldier, Albert Wedemeyer. Wedemeyer has not enjoyed the friendship and patronage of the powerful Marshall since the day he brought home his wise and effective report on China in 1947 and

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since the further day when he refused, putting his career in peril, to sign a doctored version of his report which Marshall, by then Secretary of State, wished to issue in further delusion of the American people.

Wedemeyer does deserve the fullest confidence and esteem of the American people and I look forward to the day when, please God, this country may again have the full use of his talents, his judgment and his unalloyed devotion to his country and her interests. Wedenmeyer redeemed our situation in China, he forged a fighting instrument out of Chinese conscripts, he reestablished good relations with our long-suffering and loyal ally, Chiang Kai-shek and he conducted the affairs of America in the interests of America.

THE COMMUNIST ENEMY OF CHINA SELECTS THE UNITED STATES AMBASSADOR TO CHINA

Before quitting Wedemeyer, I wish to call your attention to another telltale incident of General Marshall's mission. I refer to Marshall's veto on the appointment of Wedemeyer as Ambassador to China in the summer of 1946. I call your attention to pages 6,097 to 6,100 of the Russell committee transcript, wherein General Wedemeyer is testifying on that incident; pointing out that Marshall, having originally recommended his appointment, is now opposing it on the ground that the Yenan Reds were violently opposed to Wedemeyer.

Let us run over rapidly Wedemeyer's testimony concerning Marshall's suggestion to the general in January or February of 1946 that he be named ambassador. Marshall, according to Wedemeyer, observed, "The Communists may not like you, but they respect you." Already Marshall was evincing tenderness to Communist views. In July, Wedemeyer, home on leave, was awaiting the appointment, his commission being on the President's desk, when he was called to the State Department. I quote Wedemeyer's testimony:

> The then Under Secretary of State Acheson sent for me in July and showed me a telegram as I recall it stating that the appointment of General Wedemeyer has leaked, that is the prospective appointment of General Wedemeyer as Ambassador to China has leaked, and was militating against "my delicate negotiations between the Communists and the Nationalists. The Communists are protesting violently."

The telegram was from Marshall. I go on with the testimony, quoting Wedemeyer:

> Dean Acheson said, "I'm sorry about this, Wedemeyer," and I told the Secretary, "Well, I'm not sorry at all about it. There are two factors that I don't like about it. One, I don't think that the Communists should determine who should be appointed by our Government in positions of responsibility, and two, I bought a trousseau, as it were, an ambassadorial trousseau to the tune of $800 or $900."
>
> So he disregarded my first remark.

Would Wedemeyer, or anyone else, suppose that Dean Acheson would object, as did Wedemeyer, to the Communists dictating the appointment of an American ambassador? Of course, Acheson disregarded that comment of the general. To Acheson it is perfectly all right for the Yenan Reds, the Moscow Reds, or any other Reds, or the British Pinks for that matter, to interfere in an American ambassadorial appointment. I resume quoting:

> And Acheson said, "The State Department will take care of the clothes." And I sent the clothes to the State Department along with the bill, and the State Department did pay the bill and the clothes were sent back to me and they are in mothballs.

This is not the end of this fantastic picture. The truth is that Wedemeyer asked to see the full text of the telegram from General Marshall but Acheson declined to show it to him.

This I have not documented but the information was given to me by one of Washington's most reliable correspondents who discussed the matter with Wedemeyer over luncheon shortly after the episode in question. I have obviously never seen that telegram but the best information we can get is that the wire recommended the appointment of Dr. Leighton Stuart. That this was upon the recommendation of Chou En-lai, who was with Marshall at the time and who had vetoed the appointment of Wedemeyer seems obvious. Dr. Stuart, as you know, had been the president of a university of Peiping. One of his many Chinese students was Chou En-lai. I urge that the Russell committee obtain a copy of that wire and find out whether it is true that Stuart was selected as American Ambassador to the Republic of China upon the recommendation of one of the greatest enemies of the Republic of China, Chou En-lai, the foreign secretary of the Yenan Reds.

Mr. President, a very interesting article on this point, entitled "A Surrender to Communists," has been written by Constantine Brown, one of the outstanding columnists, and appeared in last night's Washington Star. I ask unanimous consent to have that article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star of June 13, 1951]

A SURRENDER TO COMMUNISTS—ANXIETY OF STATE DEPARTMENT SHOWN IN CANCELLATION OF WEDEMEYER'S APPOINTMENT AS ENVOY TO CHINA

(By Constantine Brown)

The matter related by General Wedemeyer last Monday, concerning the cancellation of his appointment as Ambassador to China, is more than a mere routine incident.

It shows the anxiety of the State Department and of General Marshall, who at the time was on a special mission to China, to bring about a coalition between the Chinese Communists and the Nationalists, to leave no stone unturned to placate the Reds.

It amounted, in fact, to administration surrender to the wishes of the Communists, who did not want a man of General Wedemeyer's personality representing the United States in China. The result was appointment of Dr. J. Leighton Stuart, an American scholar, to the post at the suggestion of Chou En-lai, No. 2 Chinese Communist.

The appointment of General Wedemeyer had been proposed to President Truman by James F. Byrnes, then Secretary of State. Mr. Truman approved it. The former commander in China was selected not only because of his intimate knowledge of conditions in that country, but also because he enjoyed the complete confidence of Chiang Kai-shek and knew the top Chinese Reds personally and well.

There seemed to be no conceivable opposition to this appointment. The Senate Foreign Relations Committee had indicated its unanimous approval as soon at Mr. Truman sent the nomination for consideration.

Mr. Byrnes informed General Wedemeyer that he would have to have a complete new civilian wardrobe—top hat, cutaway, pearl gray vest with pretty mother-of-pearl buttons and silk hat. He suggested to the general, who had always bought ready-made civilian clothes, the name of a good New York tailor. The bill amounted to $900.

Mrs. Wedemeyer gave up her apartment in Washington and made reservations on the train to San Francisco, where she expected to join her husband for the flight to Nanking.

Forty-eight hours before she was to leave, the then Under Secretary of State, Dean Acheson, sent a rush call to General Wedemeyer, and asked him to come to the State Department to see him at once. General Wedemeyer believed it was a matter of additional instructions.

Mr. Acheson was embarrassed and broke the news to him that General Marshall, then still in China, had sent a top priority cable urging the cancellation of General Wedemeyer's appointment because of strong objections voiced by the Communist spokesman, Chou En-lai.

General Wedemeyer wanted to read the telegram, but the interview was short because Mr. Acheson was in a great hurry to see the President. The general did have time, however, to mention his expense for the useless ambassadorial rig and received the assurance that the State Department would take care of that promptly.

Soon it became known that Chou En-lai had suggested to General Marshall that Dr. Stuart, aging president of the American University in Peiping which Chou had attended before the war, be considered for the job.

Dr. Stuart was practically unknown in America. The Far East Division of the State Department knew about his educational activities in China. Officers on the Chinese desk in the Department pointed out that with the help of an able staff, headed by a good counsellor of embassy, Dr. Stuart would be able to do the job. He was immediately appointed and confirmed by the Senate.

Dr. Stuart settled himself, his Chinese personal secretary, and his American staff in the former German Embassy in Nanking—the best building available in the Chinese capital—which Chiang placed at the disposal of the American Government.

He was a mere figurehead as Ambassador. There were no representatives of the Communists left in Nanking when the new envoy assumed his post. He marked time and frequently was as uninformed as Americans back home about what was going on between the American Government and both Chinese factions.

In fairness to the distinguished scholar, catapulted in spite of himself into an ambassadorial post, it must be said that while he never complained officially or attempted to act with the energy displayed by men like Maj. Gen. Patrick J. Hurley, his predecessor, he did frequently and privately express his disappointment at the role which he was called on to play in Nanking.

After all General Marshall's efforts failed General Wedemeyer was ordered to go to China in 1947 on a special mission to report on the situation and to suggest whatever remedy he possibly could. Before leaving Nanking General Wedemeyer was urged to make a public statement for the press. He prepared it, and at Dr. Stuart's suggestion, the draft was sent to Washington for approval.

General Marshall at this time was Secretary of State. The draft was returned to Nanking approved. But it was such a changed and watered-down version that General Wedemeyer hesitated to release it. He felt that it did not fully express his views. Dr. Stuart and his State Department coworkers urged, however, that it be given to the press and General Wedemeyer agreed.

Mr. McCARTHY. Mr. President, the war came to an end with the Russian armies firmly entrenched in Manchuria and the northern Provinces of China, thanks to Marshall's endeavors at Yalta, but with Wedemeyer at Chungking still able, if left alone, to salvage something out of the situation. In Moscow Stalin ungratefully proclaimed his joy over the bloodless victory in the Far East, giving no thanks to his benefactors, Marshall, Roosevelt, Harriman, and the crimson clique that is still entrenched in the State Department and omitting any reference to Agnes Smedley and her disciples:

The defeat of the Russian troops in 1904 left bitter memories in the minds of the people. It lay like a black spot on our country. Our people believed and hoped that a day would come when Japan would be smashed and that blot effaced.

Forty years have we, the people of the old generation, waited for this day.

The Kremlin had its revenge, it had the historic base of conquest over China in Manchuria and never perhaps in all human history had so much been obtained for so little. Stalin's proclamation is quoted from page 166 of Welles' book.

POSTWAR CHINA

The war was over and the Chinese people might at last have hoped to be free from the great troubles which had torn and vexed their land since the last days of the old Empress Dowager. But no. The Reds at Yenan, determined as always on acquiring all China in the service of the Kremlin, launched into guerrilla warfare. By October the conflict had assumed the scope of a civil war. Chiang Kai-shek was in a position to deal with the situation. He had 39 American-trained divisions, he had equipment, he had a high morale among his forces, although he lacked the air forces that had been promised him and withheld by the War Department. The situation was not too difficult. Back in March Pat Hurley and General Wedemeyer, with Commodore Miles, of the Navy, had assured the Joint Chiefs in expectation of the trouble that would ensue upon the end of the war that the "rebellion in China could be put down by a comparatively small assistance to Chiang's central government." I have quoted from Admiral Leahy's veracious record, on page 337.

The Government at Chungking was our ally. We had come through a long, hard war together. It was we who had encouraged Chiang to resist, to treat with scorn the entreaties of the Japanese that China fall out of the war so that the combined forces of Asia could fall upon the Americans in the Pacific and the Far East. We owed much to Chiang.

Roosevelt was dead. He had been swayed up to a point by Marshall. We now had Truman, who, in these matters, was to become the pliant tool and instrument of Marshall and of the Acheson whose every endeavor is to deliver our foreign policy into the hands of London and our eventual fate into the hands of Moscow. In explaining to the new President how the Russians had got into Manchuria, Leahy gave Truman his "jaundiced view" of the situation, adding, and I quote from page 385, that the Army, meaning Marshall, had won the argument and the "decision had been ratified at Yalta." The exposition of the admiral fell upon uncomprehending ears. From that day forward Truman has never wavered in support of the forces that were intent upon delivering China to the Kremlin. The one manly and courageous act of his administration, however illegal it was, the only act that put a spoke in the wheel of the Hiss-Acheson-Lattimore-Marshall China policy was his decision to fight in Korea. This decision, from all the information available, was taken against the advice of Acheson and at a time when, by what I feel sure was a dispensation of Providence, Marshall was out of office and not at his side.

WHY DID TRUMAN ORDER MAC ARTHUR INTO KOREA?

This decision was made by Truman even after Acheson had informed the world on three separate occasions that neither Formosa nor South Korea fell within our defense perimeter—a notification to Russia that she could have her minions attack and overrun either of those areas without any interference from the United States. The question arises: Why did Acheson allow Truman to double-cross international communism at this point? The answer is clear if we merely hark back to that fateful 26th of June 1950. For months previous to that time the headlines on the front pages of every paper from the Atlantic to the Pacific, from New Orleans to St. Paul, carried day-to-day stories of the unsuccessful, bumbling attempts of the ill-famed Tydings committee to cover up, protect, and whitewash Communists in Government. The American poeple were at long last awake to the fact that this administration was subscribing to the destruction of this Nation by a combination of the slow death of socialism and the quick dagger death of communism.

Some of the administration's men up for election that fall were tottering upon the verge of political oblivion. Something had to be done—a bold stroke was necessary to convince the American people that this administration was really anti-Communist. So the administration which would not fight communism at home undertook to prove to the American people that it was willing to fight communism abroad. But even before the ink was dry on the order to MacArthur to help our friends in South Korea with American troops—an order of which he had not even a moment's previous notice—Hiss' friends in the State Department were drafting the orders which would make victory for us impossible.

TREASONABLE ORDERS

Let us briefly examine the first one of those orders—the most fantastic that this Senate perhaps has ever heard of in war or peace time—the order to the Seventh Fleet. Among other things this order provides that American men in the Seventh Fleet have the job of protecting the Communist mainland from any invasion by our allies, the anti-Communists. Nothing secret or involved about this. The order to the Seventh Fleet very simply states that it shall immobilize Chiang Kai-shek on Formosa and prevent any landings by him on the China coast.

Another part of the orders to the Seventh Fleet provides that it break Chiang Kai-shek's blockade of the Communist ports. Prior to the entry of the Seventh Fleet upon the scene, Chiang Kai-shek had been doing a fairly good job of blockading the main Communist ports of China. Since the Seventh Fleet broke the blockade, a vast amount of British and some American war materials are flowing into Communist China and are being used to kill the men we send to Korea—brothers of the men we send into the Seventh Fleet whose orders are to protect the flow of war materials into Communist China.

The orders to the Seventh Fleet, of course, also were that it prevent the Communists from landing on Formosa. However, at that time, and for weeks thereafter, the weather and other circumstances were such that it was, according to all military men, completely impossible for the Communists to attempt any Formosan landing with the type of craft they had available on the China coast.

Before the Seventh Fleet was ordered to keep Chiang from attacking the China coast, there were roughly a quarter of a million Chinese Communist troops immobilized on the China mainland opposite Formosa. When the order went into effect, however, those troops started to move northward to Manchuria—to the Yalu River—and are now killing American men in Korea. It will be recalled that General MacArthur stated that two entire Chinese armies were freed in this manner and elements of those armies have been identified in Korea.

Let me sum up briefly just what the order to the Seventh Fleet has accomplished to date:

First. It has protected the entire exposed coast of China from landings thereon by our allies and has released vast numbers of Chinese Communist troops for service elsewhere.

Second. It is endangering the freedom of Indochina by freeing Chinese Communists otherwise immobilized on the China coast so that they may go to the aid of Ho Chi-Minh in Indochina.

Third. This in turn has impaired the defense of Western Europe by keeping the great majority of the French professional military forces from training duties at home.

Fourth. It has posed the additional threat to Hong Kong by freeing Red Chinese soldiers to concentrate against Hong Kong who would otherwise be immobilized on the China coast. Our myopic British friends seem to blind their eyes to this fact.

Fifth. It has in effect given complete freedom of action to the Chinese Reds by having our Navy protect their long

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and very vulnerable southern flank from our allies, the anti-Communists. This in turn means more Chinese Communists hurled against American forces in Korea, more American dead and wounded, greater percentage of the American Army tied down in Korea, less arms and ammunition to rearm Western Europe, and an additional and almost unbearable burden upon the American taxpayer. Such is the result of our two-sided, contradictory war in the Pacific in which the Seventh Fleet is ordered to fight on one side and the United States Army on the other. It seems impossible, but it is happening.

BROTHER FIGHTS BROTHER

It must be puzzling, indeed, for an American young man who is drafted and sent to Korea to fight communism and whose brother is sent to the Seventh Fleet to protect the same Communists whom he is fighting—the result of the most fantastic order that has ever existed in war or peace—an order which cannot be justified by even the most tortured reasoning; an order which bears the fingerprints—the very blood fingerprints, if you please—of Communist treason.

ONLY AMERICANS ARE ENTITLED TO FIGHT AND DIE

As the Senate knows, while we were badly outmanned in Korea and taking an awful kicking around because of the tremendous weight of numbers of the opposition, our ally, Chiang Kai-shek, who has about 600,000 troops on Formosa, offered to supply badly needed troops in Korea. Incidentally, remember that Nationalist China is a member of the United Nations, and all members of the U. N. were called upon to send troops to Korea, and that Chiang made the first and only sizable offer of troops.

He also offered the use of 1,000,000 guerrillas in China if he were merely given the light automatic weapons to equip them—a million fighters as a diversionary force to drag the Chinese Communist armies back out of Korea. But the group in power in the State Department, the same group which has been slowly gaining more and more power since the early 1940's, the group which was in power during the sell-out of China and the sell-out of Poland, said, "No; we won't use your troops because, if we did, we might make the Chinese Communists mad."

No one with eyes to see, ears to hear, and a mind with which to think can but agree that this action on the part of the President's Communist camp-following advisers signed the death warrant of vast numbers of American young men. It would be noted, also, that Marshall has apparently endorsed these orders—lock, stock, and barrel.

UNDISCLOSED WEDEMEYER REPORT TO CHIANG KAI-SHEK

I have in my hand the report of General Wedemeyer to Chiang Kai-shek made on the 10th of November 1945 upon his return from an official mission to Washington. I do not believe that this report has ever before seen the light of day, although the joint committee may have received it—but I have no information that they have. General Wedemeyer was the chief of staff to the Generalissimo and, in effect, the commander in chief of all the Chinese Government forces as he was supreme commander of American forces in that theater. Wearing these two hats it was his duty to mediate between the Generalissimo and the American authorities.

It was his duty also to report in detail upon the American official attitude toward the crisis in China. This he did and I quote first the section of his report dealing with what he learned in what he described as his "consultations with the President." Wedemeyer wrote, and I quote in paraphrase: (a) The President wanted me to convey his greetings. (b) He was well satisfied with the accomplishments of this theater. (c) He emphasized the necessity of the early withdrawal of American Army, Navy, and Air Forces from China, stating the pressure on this point, the withdrawal of American personnel from China, is strong.

From whence did this pressure arise? Was it from the great peaceable masses of the American people, eager to have the war over and peacetime conditions reestablished, eager to have their sons, husbands, and brothers back home but in nowise eager to have our forces out of China? The answer, and you know this as well as I, came from the friends of the Russian Empire in America.

The message of the President to the Generalissimo was not discouraging. It remained for the Secretary of State and the Joint Chiefs of Staff, which, of course meant Marshall, to deliver the coup de grace to Chiang Kai-shek's hopes for American support, moral, economic, and military, in putting down what Leahy had called the rebellion in China. It was evident from the Wedemeyer report on his talks with him that the China policy had already been set: No help to the Government of China in case it undertook to put down the Reds. The State Department made that clear to Wedemeyer—it quoted the President, although Truman himself had not mentioned the matter to Wedemeyer:

That the United States would not permit herself to be involved in the conflict between Chinese forces, and that she would also not facilitate the activities of the central government vis-à-vis the rebellious forces within Chinese territory.

The Joint Chiefs—again meaning Marshall—were even more explicit and disheartening. It remained for Marshall to state the larger policy: not only would we view a suppression of the rebellion adversely, withdrawing our aid in case Chiang Kai-shek proceeded forcibly, but we would demand a government of unity in China. Chiang must bring the Communists into his government. Already we had the example of Poland and of Rumania before us. We were now embarking on that same disastrous road in China. The Joint Chiefs, and I quote the Wedemeyer report:

Solemnly declared that American forces could not be involved in the civil war in China and that the United States would remain aloof in relations between the Chinese Government and Britain, France, the Soviet Union, or any other country.

Who was this, declaring diplomatic policy? The President, the Secretary of State—no; it was the Chief of Staff of the Army. I digress to explain the significance of that utterance. At the end of the war this Government had brought its overwhelming influence to bear to induce Chiang Kai-shek to yield to the betrayal at Yalta. Chiang had, therefore, a treaty with the Kremlin respecting the sovereignty of Manchuria, a treaty which the Russians had steadily violated from the day of the Japanese surrender, stripping Manchuria of what Edward Pauley, the Reparations Commissioner, estimated was at least $800,000,000 of movable assets under the specious claim that it was "war booty." "War booty" from a bloodless, 6-day war.

The declaration I have quoted from the Wedemeyer report to the Generalissimo served notice in unmistakable language that the United States, having coerced China into accepting the sell-out at Yalta, was washing its hands of China's relations with Russia. We were abandoning the lamb to the lion. I doubt if the history of nations exhibits another such cynical declaration nor one which made the intentions of its author clearer. And who was the author of it? Not the President or the Secretary of State, who constitutionally speak for the United States in such matters—but the Joint Chiefs of Staff, a term, which, as we have abundantly discovered, was merely a euphemism for George Catlett Marshall.

I go on reading from this incredible document:

The Joint Chiefs of Staff clearly stated that American military aid to China would immediately terminate if the United States Government became convinced by facts that the Chinese forces benefiting from American aid were serving a government unacceptable to the United States, were engaged in civil war, or were employed for aggressive purposes. The degree of political security obtained under a unified government completely representative of the people would be regarded as a fundamental condition for the consideration of American economic, military, and other forms of aid to China. The United States Government would consider the above-mentioned condition, i. e., a unified government, as the criterion in determining whether or not to continue such aid.

There you have it spelled out in all its blunt and terrifying implications: The China policy, which ever since that date has operated to deliver China into the hands of the Kremlin acting through Mao Tse-tung and his accomplice lackeys—the China policy that inhibited Chiang at every turn from suppressing the Reds, setting his country in order, and proceeding with the great internal reforms to which he was committed and which he has always given every indication of pursuing in entire good faith. There it is: The China policy that brought about the war in Korea and which turned 450,000,000 friends of America into 450,000,000 foes.

AUTHOR OF CHINA POLICY

And who was the author of it? Had this directive to Wedemeyer been dictated by the master strategists of the

Kremlin themselves it could not more accurately have represented their will and wish. And where does this China policy leave the vital interests of the United States in the Far East, interests which we had just vindicated at the end of a 4-year war fought in good faith with the aid of our Chinese allies and at the cost of many thousands of lives and uncountable treasure? What of the men, the flower of American youth who died in the air and over the waters and islands of the Pacific to sustain American honor and support American interest in Asia? Every mother's son of them was betrayed by this policy as surely as were our Chinese allies.

The paternity has been denied, but finally from the conflicting testimony taken before the Russell committee, it is clear that the named authors were Marshall, Acheson, and John Carter Vincent with the balance of Hiss's friends in the background. It will be recalled that originally Marshall brushed off the drafting of the document with the statement that he was tied up in the Pearl Harbor investigation and indicated that he only knew about the instructions after the draft had been completed. Finally, it became clear, however, that Marshall, with the aid of Acheson and Vincent, himself drafted the instructions and presented them to the President for the President's approval.

I do not care to take the Senate's time in giving a picture of the third man, John Carter Vincent, at this time. Suffice to say that he has been repeatedly named as one of those who is always found helping to do the planning where disaster struck America and success came to Soviet Russia. Vincent it was who, with Owen Lattimore, guided Wallace on his mission through China. At the conclusion of this trip, Wallace made a report to the State Department in which he recommended the torpedoing of Chiang Kai-shek.

In his book, Soviet Asia Mission, Wallace states—page 172—that while he, Lattimore and John Carter Vincent, were traveling through China, Sergei Godlize, a high Soviet official—president of the executive committee of Siberian territory—and an intimate friend of Stalin's, toasted Owen Lattimore and John Carter Vincent at a dinner as the men on whom rests the responsibility for the future of China.

We need not dwell at this time on why Marshall under oath in 1950 was so anxious to disavow knowledge of the formulation or paternity of this infamous document. His faulty memory in this respect, however, should be borne in mind as one of the keys to the mystery of Marshall. At first blush the policy as set forth in the above document would appear disorganized and without clear point. It was not pointless, however. Those who drafted it understood very clearly the over-all plan being advanced.

On the 2d of December, 2 weeks before Marshall departed for China, William Z. Foster, the chairman of the Communist Party in the United States, assured a meeting of the American Politburo in New York of what had been for long a truism of Communist world strategy. He put it in a new time frame, however, saying, "the civil war in China is the key to all problems on the international front." The problems of Europe, in other words, depended upon the issue in China. The next great expansive moves in the Kremlin's plan for world conquest waited upon victory in China. Those were the plain meanings of his words.

ACHESON'S MESSAGE TO THE KREMLIN

Two weeks earlier, on the 14th of November, Dean Acheson gave what was perhaps an unconscious explanation of why he and Marshall were determined that Russia must have China. On second thought, perhaps what he said was not veiled to the Kremlin. I believe now that he intended it as an official assurance to the Kremlin, and its friends in America concerning our intentions in China. Acheson was speaking—he was Under Secretary of State—on the platform with the Red Dean of Canterbury, Dr. Johnson, with Corliss Lamont, the prospective quisling, with Paul Robeson and Joseph E. Davies, who assisted as much as any American in the corruption of the American mind regarding Russia and the nature of the Kremlin during World War II.

First Acheson indulged in some dishonest history, saying that American and Russian interests never had clashed anywhere in the globe; forgetting in his zeal for Mother Russia the fears of Russian designs on the west coast of North America that helped to occasion the Monroe Doctrine and forgetting also how this Government under Theodore Roosevelt gave aid and comfort to Japan in the war of 1904–5 because the President thought Russian aggressions upon China were harmful to our interests in Asia.

At the moment Acheson spoke the Red armies were giving every manifestation that they intended to treat Manchuria not as a part of China but as their own colony, which, they have, in truth done to this day, to the utter ruin of the Open Door Policy of John Hay. They were showing every sign of annexing Northern Korea to their Manchurian colony. They were violating the spirit and text of the treaty we had extorted in their interest from Chiang Kai-shek.

Yet the Under Secretary of State, abasing himself before Russian imperial power, found no objective reason to suppose that we ever would have a clash of interest with what, with infinite hypocrisy, he called the Soviet peoples, identifying the subjected masses of Russia, the first victims of bolshevism, the faceless serfs of the Kremlin, with the tyrants themselves. We find that utterly fraudulent identification throughout the public utterances of that prince of deceivers, Acheson. He added, while the Red Dean, Quisling Lamont, Robeson, and Davies applauded, "We understand and agree with them—the Soviet peoples—that to have friendly governments along her borders is essential both for the security of the Soviet Union and the peace of the world."

The peace of the world. That was the specious moral reason given by the deluded and duped Truman for insisting upon Chiang Kai-shek's capitulation to the Chinese Reds.

I think it is clear what Acheson was signaling to his masters in Moscow. He was saying, "You have seen that we delivered Manchuria and Northern Korea to you. That task is completed. You have set us another task, to see that you have a friendly government on your Manchurian and Mongolian borders. Never fear, rest assured, we will see to that, too. Only give us time and you will have a friendly Asia and then we can have world peace."

It could not have been spelled out more explicitly. And, as we shall see, Acheson and Marshall performed up to the very limit of their capacity, stinting nothing, withholding nothing of their country's interest, brooking no opposition to see that the Kremlin had a friendly government in China and we had a bloody and pointless war in Korea.

MARSHALL CHANGES HIS STORY

So the instructions were put into final shape by Marshall and Acheson and John Carter Vincent and, no doubt, Alger Hiss, who was by then in the Far Eastern Division and who was then, as now, the trusted friend of Acheson's. Marshall has recanted his false testimony of September 1950 wherein he sought to make it appear that he had no hand in the China policy and was a mere messenger of the President's. He has acknowledged the truth which was staring him in the face from the pages of Jimmy Byrnes' book, where Byrnes wrote on page 226:

> The Sunday before I left for Moscow, Under Secretary Acheson, General Marshall and members of his staff met in my office. By the end of the morning's discussion, we had agreed upon the statement of policy that subsequently was approved by the President and released to the public on December 15.
>
> Thereafter, the President made no change in that policy except upon the recommendation of General Marshall or with his approval.

The disastrous China policy, as we now see, was given birth to by Marshall with Acheson and Vincent acting as sympathetic and helpful midwives.

MARSHALL'S MEMORY

In this connection it should be remembered that Millard Tydings, of whitewash fame, wrote Marshall about the part that Lattimore had played in the formulation of the State Department's disastrous and treasonable far-eastern policy. Marshall answered that he had never met Lattimore—apparently had never even heard the name. It developed, however, that Lattimore had attended a three-day round table discussion called by the State Department on far-eastern policy. Some of those who attended have since pointed out that Lattimore sat next to Marshall for 3 days and engaged in a rather constant interchange of ideas with Marshall—another reason why, perhaps, V. M. I. should add a memory refresher course to its curriculum.

STALIN PROCLAIMS HIS ADMIRATION FOR MARSHALL

There is an interesting footnote to this situation, recounted in all innocence by Byrnes in his discussion of the ill-fated

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mission to Moscow which he was undertaking at the same time that Marshall went to China. On page 228 "Speaking Frankly," Byrnes draws aside the curtain upon a talk with Stalin at the Kremlin regarding the China matter. I quote Byrnes:

He (Stalin) paid a compliment to General Marshall, saying that if anyone could settle the situation in China he (Marshall) could.

As Stalin might have added with entire accuracy—settle it to my satisfaction.

MARSHALL WAS WRONG, SAYS LEAHY

This was only a few days after the stormy scene at the White House described only sketchily in Jonathan Daniels' hero-worshiping biography of Truman. Marshall had appeared to get Truman's approval of his policy and Admiral Leahy, who was present, emphatically admonished him that his China policy was wholly at variance with President Roosevelt's attitude toward China and the Far East. The discussion became acrimonious and resulted in a permanent breach of the friendship between Leahy and Marshall.

Daniels quotes Leahy, page 317, saying:

I was present when Marshall was going to China. He said he was going to tell Chiang that he had to get on with the Communists or without help from us. He said the same thing when he got back.

I thought he was wrong both times.

The admiral only refers obliquely in his own memoirs to this passage, which took place in the uncomprehending presence of the Chief Executive and which disposes of his fraudulent claims to having administered Roosevelt's world policies as a faithful heir. Concerning this, Leahy wrote on page 104 of I Was There, and I quote him:

In the postwar period, General Marshall and I disagreed sharply on some aspects of our foreign policy.

THE CHINA QUESTION

I pass over the moral aspects of the Marshall policy for China, a mere statement of which should bring the blush of shame to every conscientious American. I turn to the clear and easily understood question of our national interest. I am not, Mr. President, reluctant or shamefaced when I speak of the interests of America. They are the interests of a great, decent, peaceable human society; a society long-suffering and patient, bearing no malice to any people anywhere, a society which has distributed its surplus bounty with a generosity and on a scale undreamed of in all the centuries of man to this time. I speak of American interests in the Far East with pride, not with embarrassment. What was our interest in China in the fall of 1945? What was the stake as between the United States and the Russian empire? Which was to have sway and influence over China: That is the kernel of the situation which we describe as the China question.

ONE STAKE AT YALTA—OUR WEST COAST

It is not necessary to outline where we would stand if Russia controlled all the Pacific shores of Asia and the islands pertaining thereto—Japan, Formosa, the Philippines, and the rest.

Our flank would be most grievously exposed. Not only would Hawaii be rendered extremely insecure and our Pacific coast brought into danger, but, most significant of all, the road to Alaska and northern Canada would be open to the air forces of the Russians, who have been for so long perfecting the arts of Arctic warfare. The Russians can reach Alaska over their own land mass. Given command of the western Pacific, they can supply and refresh their forces in Eastern Siberia by sea and ward off our attempts to interdict their supply. And from Alaska, as I have said, Pittsburgh—to say nothing of the west coast with its enormous war plants—is brought within range of Soviet long-range bombing and of guided missiles.

The command of the coast of Asia is part of the stake for which Russia was playing at Yalta and before. That may be called the oceanic aspect of the strategic problem. There is also the continental—and this bears upon Russia's defense from us in case of war. I do not profess to be expert on this subject and so I turn to one more proficient. I summon as a witness General Chennault, an airman, who, besides distinguishing himself in command of air forces during the war in China, has had long service in the leadership of civil aviation in Asia. I quote from General Chennault's book, Way of a Fighter, in his foreword where he says:

China is the key to the Pacific * * *. The United States attitude toward China should be based on a thoroughly realistic appraisal of China's value to the United States.

And again:

The Russians understand the role of China.

I again quote:

I seriously question that Russia will make anything more than probing skirmishes in Europe until her Asiatic flank is secure.

Chennault goes on to explain why this is so, and I quote:

From air bases built for America during the last war at Chengtu, Sian, and Lanchow in northwest China, all of the vast Russian industry east of the Ural mountains is open to air attack. From these same bases and dozens of others in northern China the slender thread of Russian communications between eastern and western Siberia could be snapped by even a small air force.

Chennault published all this in 1949 before our China policy had finally borne its bitter fruit, but what he says remains true. I quote:

If China remains friendly to the United States, the Russians will not dare move deeper into Europe, leaving their vitals exposed on their Asiatic flank. If the Asiatic flank is secure and American airpower is pushed out beyond critical range, then the way will be open for new and more powerful ventures in Europe.

At this point, perhaps we should recall the words of Lenin—"He who controls China, controls the world."

I commend those observations regarding our strategical problem in the Far East and its relationship to the security of Europe to the baffled but arrogant statesmen of Westminster and the deluded gentlemen of this administration who say, whatever they may believe, that what happens in Korea is of no matter to the safety of Europe.

PREVARICATION

I have established by means of the Wedemeyer report to Chiang Kai-shek that Marshall, with the aid of Acheson and the rest of the old Hiss crowd, is the author of our China policy. What bearing does this revelation have, you may ask, upon Marshall's testimony before the Armed Services Committee of this body on September 19, 1950, when, by what I take to have been a deliberate equivocation, he contrived to give the impression that he had not partcipated in drafting the instructions he bore when he departed on his mission to China. He was being questioned by a Senator who is no longer among us, Millard F. Tydings of Maryland, chairman of that committee at that time.

This is General Marshall replying to a question which had been asked in a very friendly fashion by the chairman:

While I was in this room for a week undergoing the Pearl Harbor investigation, the policy of the United States was being drawn up in the State Department, and that was issued while I was on the ocean, going over there.

This was, mark you, in September 1950. The war which Marshall had helped to produce was being fought and he was under the scrutiny of the Armed Services Committee with reference to his nomination as Secretary of Defense. The China policy was not as popular as it had been. The people had been awakened by the events in Korea to a livelier interest in the factors that had brought on the war. Marshall was eager to get that job. I leave his motives to your conjecture.

And so he indulged that piece of barefaced, if indirect, prevarication. For a few days he was believed, for a time sufficient to have his nomination confirmed in what was one of the most monumental blunders ever committed by the Senate of the United States. This prevarication was even too strong for the stomach of the Washington Post, which has a strong stomach where the betrayal of American interest in the Far East is concerned, and it took the Secretary to task for it. I shall not dwell further upon this disgraceful episode. General Marshall's veracity, or lack of it, would be apropos; the incident would brand him as unworthy of high office under ordinary circumstances. However, the issues with which we are now dealing far transcend the question of his truthfulness.

The questions now before us concern his share in a series of events which go to the very heart of our existence as a free, self-governing people. Our survival is at stake in the present war in the Far East and what shall grow out of it and upon the wisdom and the loyalty of the men at the head of our Government depend decisions of life and death. We are now concerned with reviewing the record of General Marshall with a view to ascertaining his trustworthiness in that larger sense.

I had often wondered, until I read the Wedemeyer report from which I have quoted, why General Marshall, a man of

advancing years, undertook the ardors and discomforts of a sojourn in wintry, war-ravaged China at the behest of the President in December of 1945. His laurels were fresh and undimmed. As one of the leaders of the sweeping, world-wide allied victory he had world-wide prestige. So far as the public knew he deserved the respect of his countrymen and the honor due an old soldier who had apparently fulfilled one of the greatest duties ever entrusted to an American. To go to China, to enter into that vexed and complicated situation as a mere emissary of the President would be a thankless task. Furthermore, it represented a come-down in status. It was a good bit like sending Churchill to govern India, if India had still remained subject to the Crown.

I think it is now transparently clear why Marshall went to China. Having, with the Yalta crowd, framed the China policy, he was intent on executing it down to its last dreadful clause and syllable and it is, I think, significant that he tarried in China for 13 arduous months, and when he left it was obvious to all beholders that China must fall to the Russian Empire. What was his mission:

First. To restrain the Government of China from subduing the Red forces which were sworn to bring all China within the orbit of Moscow.

Second. To deny the Chinese Government American assistance if it attempted to master the Communist minority by force.

Third. To insist at all times, in defiance of the lessons of Europe and the plain evidences of Russian imperial ambitions in Asia, that Chiang Kai-shek must accept the Communists into his government.

The surrender of Yalta had to be concluded and perfected.

WEDEMEYER'S SOLUTION

But there was a final act to perform, an act calculated to put the quietus on the only sane, sensible formula for settling the civil war in China that came out of this whole deplorable period. General Wedemeyer had sent such a formula to the War Department, whence the plan was circulated through the Navy and State Departments. It was so simple and workable, so in conformity with American interest and all the ideals which had been uttered by the late President, that only in treason can we find why evil genius thwarted and frustrated it.

What General Wedemeyer proposed was that the Government of China, with the backing of the United States forces under his command, offer the Chinese Communist leaders full political rights and full status as a national political party. The rights and security of their leaders and the status of their party was to be underwritten by the United States and its forces, providing only that the Communists disarm their forces and surrender their arms. The Wedemeyer proposal included the promise of national elections to be supervised by the forces of the United States, to be held soon, with full electioneering rights to be guaranteed. Further, General Wedemeyer proposed that if the Communist leaders refused this offer, which rested on the good faith of the United States, the forces under his command would then forcibly disarm them and return their troops to civilian status. In that case, however, the full political rights of the Communist leaders and party would still be safeguarded as in the former case and their security guaranteed by the United States.

The Reds, one may be sure, would not have accepted the offer. They did not want peaceful collaboration but unrest, guerrilla warfare, and finally conquest backed by their neighbor in Manchuria and deviously abetted by the United States Government. And that was what they got.

What fairer solution could have been found? What better solution in the interest of the United States? We professed to want a unified China operating under democratic procedures. But did our Government want that? General Wedemeyer's plan died in the files of the executive agencies concerned and we heard no more about it until the Russell committee forced it into the open.

And so General Marshall departed for China. His instructions as we have seen were written by the enemies of our friend and long-time ally, the Republic of China. I beg leave to express doubt that President Truman understood what the instructions were all about. He perhaps thought he was furthering a pious object. I beg leave to doubt that Secretary Byrnes, then departing on a fruitless errand of quasi-appeasement to Moscow, fathomed the purport of the China project.

I believe that if Byrnes had studied the thing, if he had familiarized himself with all its implications and the complex circumstances surrounding it, he would have rejected the Marshall plan for China. Unquestionably Dean Acheson understood it, and helped draft the open instructions with pleasure and endorsed its every aspect. In the days since then, Acheson has never deviated from the sheer intent of the policy, which was the surrender of China to Russia.

Why was it so impossible for the Marshall mission to reach any conclusion that served the interests of China and the United States? To begin with we had served notice on Chiang Kai-shek in Wedemeyer's report of November 10, that we would oppose and obstruct any attempt by him to come to realistic terms with the rebels who were in arms against him. We were, under all the verbiage, in their corner.

MARSHALL'S DECISIONS AIDED THE REDS

It has been said that every decision made by Marshall in China helped the Reds, harmed the Nationalists. That is true and the study of the expurgated and biased white paper which I shall lay before you, will prove it beyond any shadow of a doubt. I shall cite an example of the partisanship with which the Marshall policy worked in an incident that happened within a few days of his arrival in China. The situation which then was most roiling the relationships between Nationalists and Reds was the surrender of the Japanese forces. General Wedemeyer, with commendable dispatch, had set about moving the Nationalist armed forces from the west and the south of China where the defeat of Japan had left them, to the east and north so that they could implement the capitulation arrangements imposed upon Tokyo. The Communists, in violation of those arrangements, as they were always in violation of all arrangements that did not suit them, were forcing the surrender of Japanese forces in territories which they controlled. This was by express order of Gen. Chu Teh.

The purpose was to fasten the Red hold on territories and to acquire the Japanese arms and equipment given up when they surrendered. It was this confused and illegal situation in northern China which had prompted the Generalissimo and General Hurley to work out plans for a so-called political consultative conference to be held in January at which plans for the future welfare of China, including a national assembly of all parties, were to be discussed. Marshall arrived after both the Kuomintang and the Yenan Reds had agreed to a meeting of a Chiang Kai-shek representative, Chou En-lai for the Reds, and a third party, which should complete the plans for the conference. Marshall was asked to be the third party. He agreed. It was a hopeful moment. Conditioned on the functioning of the consultative conference was a cease-fire or stand-by agreement, to end the fighting and regularize the surrender of the Japanese. The committee held its first meeting on the 7th of January. Marshall had arrived on the day before Christmas, December 24.

THE MARSHALL MISSION'S FIRST GIFT TO RED CHINA

At the last moment the Communists threw a monkey wrench into the program. On the eve of the consultative meeting, the Communists demanded control of two cities in the north before signing the truce agreement. The cities were Chihfeng and Dolun. They were gateways from north China into Manchuria. Possession of them would make it impossible for the Reds to move their forces from the west into Manchuria and there effect junction with the Soviet armies. The basis upon which Chou En-lai demanded these cities was that Communist Chinese already were in possession of them. This Chiang Kai-shek, relying upon his advices, disputed, saying the Russians, who had reached that point in northern China, held the cities under agreement to turn them over to the Central Government. A. T. Steele, the correspondent of the New York Herald Tribune in the Chinese capital, quoted Chou En-lai in a dispatch at this time as saying that "the Communists would never agree" to the Nationalists having those cities. Chou En-lai threatened to derrick the whole cease-fire arrangement and the consultative conference unless Chiang yielded. Chiang on his part was firm. Marshall offered several compromises which Chou En-lai rejected.

Thereupon, acting upon Chou En-lai's representations that Chihfeng and Dolun already were in Chinese Red hands,

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Marshall forced Chiang Kai-shek to yield.

He went to the generalissimo's house at 10:30 o'clock on the night of the 9th. He stayed until midnight bringing to bear all the power which he held as the representative of the United States Government, and in the end Chiang Kai-shek gave up. Marshall sent for Chou En-lai the next morning, and at 8 a. m. issued a statement saying:

> Last night I had a very good talk with the generalissimo and he agreed to the conditions regarding the towns of Chihfeng and Dolun.

Whereupon, Chou En-lai signed the cease-fire agreement. I take this incident in part from Miss Utley's book, in part from other sources. This was the first but not the last of Marshall's surrenders to the Reds. The fat was in the fire after that first test of his strength. The fact is, and it has bearing on the incident, that the cities were not in the hands of the Chinese Reds. That was a lie out of whole cloth. They were occupied at that time by the Russians, who did not evacuate them until the 23d of January. Chou En-lai knew it to be a lie.

So did Chiang Kai-shek. What Marshall had done was to force Chiang to abandon those cities upon the basis of a fraud which all China soon knew about.

I have in my hands the official report of a conversation between General Torochenko of the Russian Army, and Gen. Tung Yen-ping, deputy chief of staff of the Chinese Nationalist headquarters in Manchuria, at Mukden, on the 29th of January, which utterly disproves the lie that moved Marshall to impose his will upon Chiang. I did not obtain the transcript of that talk from Russian sources. Torochenko was reporting to Tung upon the Russian withdrawal from Chihfeng and Dolun, expressing his surprise that the Chinese Nationalist forces had not arrived at Chihfeng on the 16th as expected. He said:

> Up to 2 a. m., January 23, there were no signs that the Chinese troops were advancing toward the city. Since we had no way of knowing why Chinese troops hesitated in entering the city, and since the Soviet troops were due to withdraw on January 23 from Chihfeng, the Soviet garrison commander, Colonel Shalenko, could only adhere to the withdrawal plan which had already been communicated to the Chinese authorities and ordered all Soviet troops to withdraw from the city. At the time of the Soviet withdrawal, the administrative machinery of the city remained intact * * * it was the same set of administrative machinery that we found when we entered the city in August 1945.

That ends the quotation. The city administration was non-Communist. I again quote the Red General Torochenko:

> The responsibility for the failure of Chinese troops to enter Chihfeng should be borne by the Chinese alone. From January 16 to January 23 we were waiting for Chinese troops to enter the city. According to my own estimation, this is probably due to the fact that the Chinese troops had received orders from President Chiang Kai-shek preventing them from advancing as of January 13.

We have seen why they did not advance on the 13th. Marshall had on the 9th given them to Yenan. The consequence was that these gateways to Manchuria passed to the Reds and that fact was highly significant in future operations. So began the dreary tale of the Marshall mission to China and it was so that General Marshall began executing the Yalta policy in China.

We must never lose sight of the overwhelming influence of the surrender to Russia at Yalta in the subsequent history of China. In his letter transmitting the white paper on China to the President, Secretary Acheson perpetrates two astonishing untruths. The first is his denial that the refusal of ammunition to the Republic of China by the United States from August 1946 to August 1947 helped bring about the downfall of the Republic.

This is the repetitious lie which has been amply refuted, if nowhere else, in the dispatches of Ambassador J. Leighton Stuart, published in the annexes of the white paper.

THE MASTER OF THE HALF-TRUTH

The second falsehood is less tangible. It deals with speculative matters. Dean Acheson is a master of the half-truth, of the artful deception calculated to deceive the people. There is a sinuosity to Acheson's public utterances which makes it always advisable to place them under close analysis. He excused the demoralizing effects of Yalta on China's postwar circumstances by suggesting that, in any case, Russia could have moved into Manchuria and accomplished what she did in the way of turning that treasure house over to the Chinese Communists. Acheson repeated this barefaced fraud in his testimony the other day. That is plaintly not true. When the deal was made at Yalta, the Russians had something like 30 divisions in eastern Siberia, according to General Deane's report. For these they lacked equipment. They were not prepared for offensive operations. Under the terms of the bribe negotiated by Harriman and Deane at Moscow, we gave Russia 800,000 tons of equipment for its far-eastern forces. They moved a number of divisions from the west into Siberia and when they opened their bloodless march across Manchuria, at our invitation, they were a well-equipped army.

IF THE SELL-OUT HAD NOT OCCURRED

Suppose, and this is a reasonable supposition, we had not implored Russia to enter the war in the Far East, had not equipped her army, had not given her the right to take Manchuria—where would the sudden collapse of Japan on the 10th of August, 1945, have found the Russians? Certainly not established in force throughout Manchuria and the northern provinces of China. Had we followed the advice of Admiral Leahy, instead of Marshall, the war with Japan would no doubt have come to its abrupt end with the Kremlin dickering with us for the bribe which they obtained with such miraculous ease at Yalta. The situation in the Far East—then and today—would have in that case looked something like this:

The surrender of the Japanese Kwantung army in Manchuria would have been made to the Americans and Chinese. The Americans would have held Manchuria—and all Korea for the Koreans—until the armies of the Republic of China could have been moved unimpeded there to take over. There were no Communists in Manchuria on VJ-day except for secret agents. The Japanese had refused to allow such enemies within their lines. Given a peaceable transfer of Manchurian sovereignty from Japan to China, the great industrial plant of Manchuria would have remained intact instead of being looted and wrecked by the Russians, the surplus agricultural products of Manchuria could have been organized for relief of hunger in China proper and the problems that aggrieved the Republic of China from 1945 to its fall in 1949—military and economic—would have been well on their road to solution. With the Red army of Russia confined behind the Siberian-Manchurian border, the threat of Russian assistance to the Yenan Communists would have been negligible.

Given an uncontaminatedly American policy in Washington, we could have applied the same rule we were to apply to Greece—arming the government which we recognized, affording it military guidance to put down a Communist rebellion. Had we followed Leahy with respect to Yalta and Wedemeyer in the immediate aftermath of VJ-day in China, we would not, in all human likelihood, be at war in Asia today. China would have become a progressive, hopeful, democratic society instead of a slave state in subjection to Moscow and 140,000 young Americans would not have been called upon to expiate Yalta and the Marshall mission—with how many more to come, God alone knows.

I have emphasized the overshadowing importance of Yalta in what is to follow because Manchuria was the rock upon which China broke in the postwar years. It was Chiang Kai-shek's effort to claim Manchuria against the will of the Russians and their Chinese stooges and against the restraints imposed by Marshall that first cracked the great military machine which he had on VJ-day.

COMMUNISTS IN UNITED STATES WRECK CHINA MONEY SYSTEM

Chiang was also beset by the monetary and inflation difficulties which were partly the result of a lengthy war, but to at least some extent planned for him in the United States. In that connection, Mr. President, I ask unanimous consent to insert in the CONGRESSIONAL RECORD at this point an article by a man who, perhaps better than any other, has an insight into and grasp of the problems of China. While I know it is unnecessary, permit me to mention also that he is one of the greatest Americans I know—George Sokolsky.

In this article he points out that ruinous inflation for China was planned and perpetrated by the agents of the Kremlin working high in our Government.

I ask unanimous consent, Mr. President, that this article appear in the body of the RECORD at this point in my remarks.

THESE DAYS

(By George Sokolsky from the Washington Times-Herald, September 3, 1950)

These two events are not unrelated:

1. The controversy between President Truman and Gen. Douglas MacArthur over Formosa;

2. The admission of Lee Pressman that he, John Abt, Nathan Witt, Charles Kramer and others had been members of the Harold Ware cell of the Communist party, designed to infiltrate the highest positions in government.

The connection is that were it not for the machinations of these intellectual Communists in the State Department and Treasury Department, it is unlikely that Nationalist China would have collapsed and Soviet Russia would not so readily have been able to add China to the federation of Soviet Socialist Republics.

Had China not been conquered, General MacArthur would not today be leading an army in Korea, and he would not have become involved in a controversy with the President over Formosa.

Therefore a full congressional investigation might be made, now that Lee Pressman has opened the door, into the destruction of China's currency by the Treasury Department of the United States. Such an investigation might go into the activities of Harry Dexter White, Harold Glasser, Charles Kramer and Frank Coe.

Chiang Kai-shek was a popular leader among his people since 1924 until the currency of his country became so depreciated as to be worthless. The beginning of this was the Silver Purchase Act of 1934, passed by the Congress of the United States.

China's currency was based on a silver standard. When the United States raised the price of silver from 30 cents an ounce to $1.29, the silver of China flowed to the United States.

One of the arguments in favor of the Silver Purchase Act of 1934 was that it would aid the economy of China. Anyone familiar with the economy of China knew that it could only do damage, particularly to China's exports.

China sent commissions and representatives to this country to plead against this madness, which did them so much harm and did us no good. As K. P. Chen, manager of the Shanghai Commercial Savings Bank, once said:

"* * * The rise of the silver price brought in its wake, as far as China is concerned, falling prices, shrinkage of currency, destruction of industries and business, a greater deficit in the government's budget, and increasing chaos in society."

This is a mild description of what happened. Then President Roosevelt began to give China advisers. Some, like Lauchlin Currie and Owen Lattimore, actually went to China; other drew ornate plans in the Treasury Department.

Loans were made to China to help her off a bad spot, but these loans always involved an agreement to reform something in that country, and after the reform was introduced, the currency situation became worse.

It would be vitally important, if we are to get at the facts, to study not only the activities of the United States Treasury, but also of the RFC.

In connection with these various loans and credits and stabilizations, it would be advantageous to note which Americans acted as counsel for the Chinese borrowers.

It might also be of advantage to study the role of that amazing Pole, Ludwic Rajchman, who is no longer attached to the Chinese but is a representative of Communist Poland in the United Nations.

Gen. Douglas MacArthur, who knows how vital Formosa is to the defense of the United States on the Japan-Okinawa-Philippines line, has already issued a warning to the American people. In 1947, before it was too late, General Wedemeyer reported:

"The situation in Manchuria has deteriorated to such a degree that prompt action is necessary to prevent that area from becoming a Soviet satellite.

"The Chinese Communists may soon gain military control of Manchuria and announce the establishment of a government.

"Outer Mongolia, already a Soviet satellite, may then recognize Manchuria and conclude a 'mutual support agreement' with a defacto Manchurian government of the Chinese Communists.

"In that event, the Soviet Union might accomplish a mutual support agreement with Communist-dominated Manchuria, because of her current similar agreement with Outer Mongolia.

"This would create a difficult situation for China, the United States, and the United Nations. Ultimately it could lead to a Communist-dominated China."

The warning was not heeded and we are now at war in Korea. If General MacArthur's warning that Formosa is vital to our national defense is not heeded, we may soon be fighting again in the Philippines.

CHIANG'S PROBLEM IN MANCHURIA

The campaigns in Manchuria, added to the harassing and vexatious necessity of fighting the guerrilla warfare of the Communist Chinese in north China, strained the logistics of the Republic unendurably, as General Wedemeyer had predicted they would when, in his November 10 report to the generalissimo, he advised deferring the attempt to subdue Manchuria until north China had been pacified.

That advice Chiang Kai-shek was unable to accept. The sentiment of his people reminded him that the 8-year war with Japan had been over Manchuria. Manchuria was his nominally by a treaty which he hoped, in spite of all examples to the contrary, Russia would honor. Furthermore, and this was a clinching fact, Manchuria, the workshop of Asia, contained until looted by Russia four times the industrial capacity of China proper, three times its power capacity and four times its railroad mileage in proportion to area. The great plains of Manchuria, moreover, were and are the granary of the Far East.

What was the diplomatic situation when Marshall began his mission? The August treaty, signed by T. V. Soong and Molotov, bound Russia "to render to China moral support and aid to be given entirely to the National Government as the Central Government of China." You will remember that this treaty pledged Moscow to recognize Chinese sovereignty over Manchuria. Did Russia live up to this treaty? The question answers itself. Did Bolshevik Russia ever live up to a commitment made with the world outside its hostile battlements? General Wedemeyer reported to the War Department as early as the 20th of November 1945, and noted on page 131 of the white paper; and I quote:

Russia is in effect creating favorable conditions for the realization of Chinese Communists, and possibly their own plans in north China and Manchuria. These activities are in violation of the recent Sino-Russian treaty and related agreements.

Wedemeyer added a warning with reference to the fatuous policy—a policy that never made sense from the American and Chinese viewpoint but made the highest type of sense from that of the Kremlin—of attempting a Nationalist-Red coalition in China. He said:

It appears remote that a satisfactory understanding will be reached between the Chinese Communists and the National Government.

As Wedemeyer reported this in November of 1945, the State Department was daily receiving advice from its embassies and legations in Eastern Europe to the effect that collaboration with Communists in the succession governments of those States was an evil dream, impossible to maintain in good faith, conducive only to the conquest of those lands by Moscow.

One American diplomat who was so notifying the Department in the most urgent and explicit terms was Arthur Bliss Lane, the postwar Ambassador to Poland, who protested when Dean Acheson's law firm wangled a $90,000,000 loan for the Red government at Warsaw and received a $50,000 fee for that betrayal of the American taxpayer.

At the time Acheson was negotiating this loan for Communist Poland, Ambassador Lane cabled him as follows:

With the greatest earnestness of which I am capable, I beg the Department not to approve the extension of any credits at this time. When the terroristic activities of the security police come to an end, when freedom of the press is restored, and when American citizens are released from Polish prisons—not until then should United States public funds be used to assist the Polish Provisional Government of National Unity.

But getting back to China, the white paper further records, on page 136, that:

The National Government is convinced that the U. S. S. R. had obstructed the efforts of the National Government to assume control over Manchuria in spite of the provisions of the Sino-Soviet Treaty of August 1945, and that the Chinese Communists were tools of the U. S. S. R.

And again, on page 147, allow me to submit this further evidence:

The entry of Chinese Government forces (into Manchuria) had * * * been seriously impeded by Russian refusal to permit their use of Dairen as a port of entry * * * and by delay in Russian withdrawal. This delay also had the effect of giving the Chinese Communists time to build up their forces in Manchuria, which had apparently been reinforced by the movement of hastily organized or reinforced units from Chahar and Jehol provinces.

These movements were by way of Chihfeng and Dolun, cities about which we have heard.

What had the Russians done to implement their treaty of friendship and alliance with China? A treaty, mind you, to which we were a part, for, and

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I am reading from page 116 of the white paper:

At the outset (of the T. V. Soong negotiations for the treaty in Moscow) the United States informed the participants that it expected to be consulted prior to the signing of any Sino-Soviet agreements in view of its role at Yalta.

Not only did we compel the Chinese to make this treaty, we declared, for that is what the diplomatic language means, that we were a party at interest in it.

What did the Russians do? First, they closed the principal port of Manchuria—Dairen—to the shipping of all nations, including the Chinese, whose sovereignty over it they had just sworn to uphold. Did we protest this flagrant violation of the treaty and our rights? The white paper fails to record it if we did. Next they clamped a rigid control over the railroads, denying them as it pleased them to the forces of the Republic of China even though the ink was scarcely dry on their solemn word that the railroads were to be administered jointly by Russia and China.

CHINESE REDS MOVE INTO MANCHURIA

The Russians welcomed the Chinese Communists to Manchuria. They had enormous stores of arms surrendered by the Japanese, their ammunition dumps, their reserve weapons, and so forth. Those they gave to the Chinese Communists. They supplied staff direction, training officers, and camps for the conscript of the Chinese Reds. They stiffened them with Japanese from the Kwantung armies and finally they turned them loose—a disciplined army, well armed and well led—to defeat the war-weary, under-supplied forces of the Chinese Republic.

That is the story. It is an old story, familiar to you all. Does anyone doubt it? On the 2d of November 1945, Chinese Reds, who had already seized the port of Yingkow in Manchuria with Russian Red assistance, warned Vice Admiral Barbey, of the United States Navy, to withdraw his command from that port to avoid a collision. Barbey was also compelled to pull out of the Manchurian port of Hulutoo after Chinese Communist soldiers fired on his launch.

Did our State Department protest this unfriendly action? I remind you that at about the time the United States Navy was being humiliated in Manchurian waters, General Marshall was admonishing Chiang Kai-shek, that he could expect no diplomatic assistance from us vis-à-vis Russia. Protect Chinese interests? We would not even protect our own.

ATTEMPTS TO DECEIVE RUSSELL COMMITTEE

The other day Dean Acheson testified before the Russell committee. He uttered the time-honored and fraudulent version devised by him and Marshall of why we yielded to Russia at Yalta. He sought to palliate that shame by his shopworn excuse: Had we not bribed Russia into the war, she would have come anyway and then her behavior would have been even worse. I ask this question—I do not ask it of Dean Acheson; he is too far gone in mendacity and treason for his answer to carry any weight whatsoever—I ask it of the people whom we all in this Senate collectively represent.

Given the immense strength the United States disposed in the Far East in August 1945, do you believe the Soviet Union would have ventured to fight its way into Manchuria once we and our Chinese allies had accepted the surrender of the Kwantung army? The answer is self-evident.

If we had wanted to keep Russia out of Manchuria in August 1945, all hell couldn't have blasted her in. We didn't want to keep Russia out. We invited her in, and Acheson had the nerve the other day to insult the intelligence and the knowledge of two senior committees of the Senate of the United States by repeating that pernicious tissue of falsehood regarding Yalta.

What was the situation when General Marshall arrived? Economically, according to the White Paper, page 127, it was, and I quote, "despite the brutal and devastating effect of 8 years of war, surprisingly good and contained many elements of hope. In China proper, although there had been serious wartime disruptions in certain sectors of the economy, the productive potential of agriculture, mining and industry in most of the area taken from the Japanese was not substantially different from that of 1937. The expulsion of the Japanese from Manchuria and Formosa promised to increase several-fold the national industrial plant and to contribute to the achievement of national self-sufficiency in food."

The Chinese Republic, as we have seen, never got Manchuria. China had unprecedentedly large gold and United States dollar exchange, estimated at $900,000,000, with half that much again in private hands. Politically, the prospect was equally promising, except for the rebellion. Civil rights had been restored, including the right to a free press, and Chiang Kai-shek was genuinely trying to implement the reforms which had been interrupted by the outbreak of the war with Japan in 1937.

As always, he was committed to the Sun Yat-sen program, which all parties, including the Communists, embraced in principle; being willing to go half way with the Reds on a new political regime which would end the one-party rule of the Kuomintang. He had shown his good faith—as he was to do again and again in the negotiations with the Yenan Reds—in the matter of the political consultative conference.

I notice a curious aspect of the white paper. I find nowhere in its hundreds of pages any reflection upon the character and integrity of Chiang Kai-shek. His character was proof against the busy justifiers who compiled that record under the editorial oversight of Philip Jessup. It is my opinion that when the historians of the future come to enumerate the foremost men of the age in which we live, they will place Chiang Kai-shek high on that roster. I say this, Mr. President, in spite of all the high-pitched screaming and squealing of the Lattimores, the Jessups, and the camp-following bleeding hearts of press and radio.

SABOTAGE BY COMMERCE AND STATE DEPARTMENTS

In a military sense, the Republic of China was in a position to meet any problem confronting it except the subversion of its will and the failure of supply from outside. Had China been Greece, had 1945 been 1947, there would have been no problem of pacification at all. I turn again to the white paper, page 311, for the story of the military situation, and I quote:

The Government * * * possessed an estimated 5 to 1 superiority in combat troops and rifles (over the Reds), a practical monopoly of heavy equipment and transport, and an unopposed air arm.

General Wedemeyer had promptly ferried armies to Shanghai, Peiping, and Nanking by air from the west. He subsequently transported up to a half million troops to new positions. He finished equipping the 39 divisions which had been trained by the United States forces and supplied large quantities of military supplies earmarked under wartime lend-lease. This was the only material assistance given the Republic of China in any bulk after the war until the aid-to-China bill of 1948 began to operate—the operation of which was thoroughly sabotaged by the Commerce and State Departments. It should have been more. Over the hump in India, the United States military authorities were detonating large stores of ammunition and dumping 120,000 tons of war supplies in the Bay of Bengal—much of it undelivered to China but charged to her wartime lend-lease account.

CHOU EN-LAI CONVERTS MARSHALL

The arrival of Marshall in Nanking was welcomed by all parties. Chiang Kai-shek, who, at the time, was unacquainted with Marshall, as many of us have been, and thought so well of him that he would have, the following fall, invited him to take supreme command of his armies, hoped that Marshall, if truly serving the interests of the United States, would soon perceive, after a personal experience of the realities, where those interests lay. The Communists, as Miss Utley reports on page 10 of the China Story, "Welcomed," and I quote, "General Marshall with open arms." Miss Utley is not a hostile witness for, while she dissects and condemns the China policy with merciless clarity, she is indulgent with General Marshall and considers that he was imposed upon by impossible orders. The Wedemeyer report of November 10 was not available to her when she wrote.

The Chinese Reds were fortunate, Miss Utley continues, in that their leading representative in Chungking was the handsome, intelligent, and charming Chou En-lai, now foreign minister of the Peiping government. Chou En-lai had for years shown a singular capacity for converting American journalists to the belief that the Chinese Communist Party was composed of liberal agrarian reformers who should be backed against

the despotic, reactionary government of Chiang Kai-shek. I continue to quote Miss Utley:

Soon it became apparent to those of us who were in Chungking at the time and were frequently invited to General Marsall's residence, that Chou En-lai had succeeded in captivating him. Any doubts General Marshall may originally have had as to the truths of the State Department thesis about the "progressive" Communists and the "reactionary" Nationalists had obviously been dispelled. The fascinating Chou En-lai had evidently finally convinced General Marshall that the Chinese were not "real" Communists, or that they could be detached from their Russian affiliation provided only that they were helped by America to bring "democracy" to China. Marshall had long since come under the influence of his old friend, General Stilwell, who believed in the liberal professions of the Chinese Communists. Chow En-lai merely completed his conversion.

I do not subscribe to Miss Utley's analysis of Marshall's state of mind. I do not regard him as the dupe of Chou En-lai.

RADICAL WRITER DESCRIBES MARSHALL

I call up another friendly witness to the happiness brought to the Communists by Marshall's arrival. This one is Robert Payne, the author of the seemingly authorized and certainly idolatrous biography entitled, "Mao Tse-tung, ruler of Red China." Writes Mr. Payne on page 207, and I quote him:

In the early days of 1946 there was a breathing spell for the Communists. Gen. George Marshall had been sent to replace General Hurley. He was a man of an entirely different caliber. He made a serious effort to understand the opposing camps. He visited Yenan and commented favorably upon the Communist's social policies, and he detested the servility (sic) of most of the Kuomintang officers he met. Urbane, polished, sensitive to social forces, he refused to accept the claims of either side in the quarrel, his preferences remaining with the liberal groups in the center, though for the most part these had long ago despaired of the reactionary policies of the Kuomintang.

I ask you to pause with me for a moment while we analyze the language of Payne. You will note the use of the term "reactionary" to describe the Kuomintang. That was standard operating procedure for the Yenan Reds as it was, and still is, for all those in America who follow the Yenan line on China. We shall meet with that epithet for the Kuomintang later in the language of the soldier-statesman who was sent to China presumably to work out a solution of the civil strife in that country, which would accord, first, with the international interests of the United States, and secondly, with the interests of the people of China. The job of George Marshall in China scarcely called upon him to pass upon the relative social reform program of the contending parties. Both were reformers, both claimed to be the heirs of Sun Yat-sen. A commission of social workers or practicing sociologists could have weighed those matters far more expertly than this old soldier. He was called upon at a critical stage of world history, with Russia looming down from Manchuria and with that country already visibly embarked upon its scheme of world conquest and consolidation to consider where the struggle in China fitted that larger picture and to extract from it something that suited his own country's welfare and security. I shall give you an example that is strictly to the point. Suppose Britain had sent to Austria in the days when the Nazis, the Dollfuss-Stohremberg party and the Social Democrats were contending for mastery, a soldier with the mission of bringing about a peace that would serve England's European interests as against the rising Nazi power. Would he have troubled himself with questions of internal reform, or would he have sought to make a peace which would bring to power the forces most bent upon frustrating and defeating Nazi power?

The spectacle of General Marshall, ignoring the world interests involved in China, the menace of the Russia he had done more than any other man to seat in Manchuria, and solemnly inspecting the soup kitchens and nurseries of Yenan would be laughable were it not so heavy with portent for the American people.

GUTTER INTELLECTUALS—WHETHER NAZI OR COMMUNIST, THE SAME

The point to dwell upon here is that Marshall showed throughout his stay in China that he accepted the party line for innocents, that the Communists are a party of social reform devoted to the well-being of the masses. In that light they had his sympathy. It is no wonder that the prevailing opinion of the Marshall mission has been that it was the venture of a gullible man not yet apprised of what was a truism to students of politics and the world in 1946, namely, that communism was a drive for power by a disciplined minority with welfare as its cloak, precisely as nazism was an enterprise of gutter intellectuals to gain the power of a great state and then Europe in the guise to Germans of what its name meant: national socialism. That view of General Marshall does insufficient credit to his mentality and is far too pat. Reform was not, in my opinion, Marshall's prime consideration in China, although he sometimes made it appear so. Neither was peace. What it was we shall consider later when we have treated the evidence further.

MARSHALL'S COMMISSION

I shall not take the time to discuss Marshall's exploits in China in detail. I could speak for a week on that subject. It is unnecessary, I think, to follow the course of the endless, frustrating negotiations he conducted. He had commissioned himself to provide a political solution of the civil war "satisfactory to both sides." The specific solution was a new government which would include representation from the Communists and the minor parties, a government that could function with a parliament, courts and the rest, but a government with two armies. For that was what allowing the Communists to have a part of the national army, to be stationed in areas under Communist political control, meant. As finally worked out but never, of course, put into practice, the Republic of China was to have 50 divisions, the Peoples Republic of Yenan 10 divisions. I have only to state the solution which Marshall was bent upon imposing to exhibit its absurdity. Such a proposal did not look to a permanent government in the western sense, it looked only to a truce in the struggle for all China. The Kuomintang wanted a stable government representing the consensus of all political opinion with a parliament affording a forum in which issues might be debated and resolved. The Communists said they wanted participation in a national government with a private army and regional ascendency on the side.

DISTORTION OF THE WHITE PAPER

I have studied the White Paper on this subject. In this address I am going to refer only to the White Paper concerning General Marshall's activities. Chapter 5 of the White Paper deals, as you know, with the Marshall Mission. It contains a footnote which says, "The bulk of the material for this chapter has been drawn from the files of General Marshall's mission.

The White Paper is obviously a highly prejudiced document. It is impossible to form a final opinion of China's sell-out from it alone because so much has been left out—so much of it is phrased and tailored to convey a certain viewpoint toward Marshall and his policy.

For example, where the editors needed to balance the recalcitrance of the Communists on some point which is tangible, they resort to intangible reports of what some unidentified officials of the Republic of China were saying, not doing, so that they may blame them also for the failures. This is in line with Acheson's bringing forth, at the Russell hearings, an anonymous document from an anonymous chamber of commerce in an anonymous town signed by anonymous men, setting forth all of the Communist party line arguments against the Republic of China, and it was a fantastic sight to see a few Senators during the reading of this anonymous document, nodding their heads and smiling as though they were receiving some valuable information.

Where it became necessary to recount some Communist outrages against United States Marines in July, the authors of the White Paper first meticulously related an attack upon a peace delegation that went from Shanghai to Nanking, an attack which the White Paper says was committed by "an organized group of Kuomintang secret police." The information that they were Kuomintang secret police was from an anonymous source, of course. This is on page 171. Turn the page and you come to a paragraph describing as "part of Communist activities during this period" the kidnaping of seven Marines in East Hopei and, this I quote:

A deliberate Communist ambush of a United States Marine-escorted motor convoy bound from Tientsin to Peiping, during which 3 Americans were killed and 12 wounded.

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That is surely a restrained treatment of that occurrence. Considerably greater emotion was displayed by the writers in describing the incident at Nanking. One gathers that, since the alleged assailants at Nanking were Kuomintang police, the victims were Communists. You can be sure none of the Marine victims of the Communists were Communists. This is taken, may I remind you, from an American Government document printed at the expense of Americans. I find similarly biased matter throughout the White Paper, but it is General Marshall's own record of his mission, hence I quote from it hereafter.

NATIONALIST VICTORIES SPEED UP MARSHALL'S DEMAND FOR CEASE-FIRE

I related to you some time back how Marshall was able to arrange a cease-fire between the contending armies in January after compelling Chiang Kai-shek to give up the cities of Chihfeng and Dolun. That truce was in effect when General Marshall returned to the United States on March 11. It was generally observed by the forces of the Republic. On the 15th of April, however, there was a resounding breach when the Yenan Reds laid siege to the important city of Changchun in Manchuria, which lies on the railway from Mukden to Harbin. Three days later the Reds had Changchun. That day General Marshall returned to Nanking.

Chiang, finding the truce broken to his disadvantage, ordered his forces to recapture Changchun. A month later the Nationalist forces defeated the Reds in a battle south of Changchun, and with the Reds in flight to the northward, the Nationalists easily retook Changchun on the 23d of May.

At this time the advantage lay with the forces of the Republic. This was before, mind you, the Yenan Reds had been able to train their conscripts with the new weapons handed them by the Russians. The Nationalists streamed north out of Changchun, headed for Harbin. It is possible, and the Nationalist generals so thought, that victory in Manchuria and the control of the railway lines as far as Harbin lay open to them.

WHITE PAPER DESCRIBES MARSHALL'S FRENZY

General Marshall had other plans. He had been busy since his return, seeking to restore the truce. With the Nationalist victory he redoubled his efforts until, as described in the White Paper, they mounted to something like a frenzy. The Reds were clamoring at his heels, demanding that he call off the enemy. Chiang went to Mukden and the wires were kept hot between Marshall and him.

At length, Chiang yielded, and on June 6 a new truce was put into effect. Several times extended, it lasted until early in July, but in the meanwhile no political issues could be settled. I want to be fair about this, I do not want to give you a hasty judgment, but throughout the Marshall mission the succession of events seems to have been this:

Marshall obtained concessions from Chiang to meet Red demands, whereupon, having gained a point, the Reds levied new demands. It was the familiar technique of Petrograd in 1916. Whenever the Kerensky government yielded a point to the Bolsheviks in the Petrograd Soviet the Soviet presented a new demand more exorbitant than the preceding one. I think it is evident from a reading of the white paper on these negotiations that the Yenan Reds never appeared in good faith. They did not want agreement but disagreement.

They were playing for time in which to avail themselves of their resources in Manchuria, meanwhile conducting a barrage of insulting propaganda against the United States in the free press of Kuomintang China aimed at enfeebling the already feeble will of the Truman administration to help the Republic of China.

The June 6 truce was being steadily whittled away during July. Aggressive action was being taken, primarily by the Communists, and never for an instant did they cease the guerrilla activity, the destruction of the railway lines, the blowing up of dams and bridges, the damaging of mines and factories which were making a nightmare out of the efforts to reestablish the communications and the economy of China. By mid-July the forces of the Republic had gained control of many strategic points and the Reds increasingly were thrown back on hit-and-run activities. I shall not list the specific points taken by the Nationalists. The names of the cities are unfamiliar and difficult to pronounce and, in any case, of more significance to the Chinese than to us.

CHINA REDS DENOUNCE UNITED STATES

It was during July that the outrages I have mentioned, along with others less grievous, took place against the 50,000 marines who were stationed at Tientsin and other points. It was during July that the shrill denunciations of the United States over the radio and in the Red press reached a crescendo. On July 7 the Yenan officials issued a manifesto denouncing the United States in bitter terms for giving assistance to the Chinese Republic. We were sending a military advisory staff to Nanking, the advisory service which you will recall the Joint Chiefs had advised General Wedemeyer they approved in November. The Government at Washington was negotiating with Nanking over the sale of surplus war materials stored on the islands of the Pacific.

ACHESON ASKS HOUSE COMMITTEE TO APPROVE TRAINING OF COMMUNIST ARMIES

It was on the 21st of June that Chou En-lai suggested to Marshall that the United States undertake the training of Communist troops slated for the national army. You are familiar with this episode. Let me put it in the framework of the Marshall mission. The Reds were everywhere obdurate in the negotiations, they were violating the truce wherever it was profitable, they were attacking Americans and, apparently acting upon orders from Moscow, uttering the same billingsgate simultaneously in Shanghai, Nanking, Manchuria, and in the cities of America.

It was under those circumstances that on June 19, Marshall's faithful coconspirator, the Under Secretary of State, Acheson, appeared before the House Committee on Foreign Affairs in behalf of that project. Already in China 69 American officers had been earmarked for the training program and 400 tons of equipment set aside to start the project. The hearings were being held on a bill submitted by the State Department as an aid-to-China bill, but which contained the joker relating to training the Communist forces. We are all indebted to the able and vigilant Congresswoman EDITH NOURSE ROGERS for bringing the crucial part of these hearings—which never were published—into the RECORD recently. "The Communist leaders have asked," Acheson testified, "and General Marshall has agreed that their integration with the other forces be preceded by a brief period of United States training and by the supply of minimum quantities of equipment."

Mrs. ROGERS reported that she sought unavailingly to find out who had written the bill. Secretary of War Patterson, who was also testifying for the bill, said that it came from the State Department. Acheson mentioned a State, War, and Navy Coordinating Committee, but Mrs. ROGERS found, upon consulting her Congressional Directory for 1946, no listing for such a committee. She did find a State Department coordinating committee mentioned—its chairman was Dean Acheson.

Among its members—

And I am quoting Mrs. ROGERS—

were Alger Hiss and John Carter Vincent. Mr. Hiss also is listed as Director of the Office of Special Political Affairs. Mr. Vincent is listed as Director of the Office of Far Eastern Affairs. Both positions, as you know, had an important bearing on the matter before the committee at that time. I think my question, which was never answered, was pertinent then and that it is pertinent today in the light of the tragedy we are undergoing now in Korea.

Is the matter clearer now?

There was a colloquy further in the hearings between Mrs. ROGERS and Acheson in which she pressed him as to what assurances we might have that the Chinese Communists would not use our arms against us. The Under Secretary referred to the United Nations as a guarantor of the peace, then said, and I quote:

I think we can rest assured that the Chinese will not do that.

The chairman rescued Acheson from the questioning, but he concluded:

I am sure we do not need to worry.

We probably owe it to Mrs. ROGERS and the grace of God that Americans are not being killed today by American-trained Chinese Reds.

FOREIGN POLICY IN EUROPE CONTRADICTORY TO FOREIGN POLICY IN ASIA

It was during this same period, with Marshall seeking to placate the Yenan Reds while at the same time using his great power to wring concessions out of Chiang Kai-shek in the interest of a unified Chinese Government, that the State Department was taking quite another line in Europe. I turn to Sumner Welles' book, Seven Decisions That Shaped History, and I read you from page 217, where the author is expressing his view that the late President would

never, in view of Moscow's tactics, and I am quoting "in imposing Communist governments on Poland and other countries in the autumn of 1945 and 1946," have continued the Marshall policy in China. I quote again:

He [Roosevelt] would never have permitted his representative in China to pave the way for a repetition of the same tactics in the Far East by trying to browbeat Chiang Kai-shek, as General Marshall did, into bringing representatives of the Chinese Communist Party into the Chinese Cabinet. It is, in fact—

And I am still quoting Mr. Welles—

a strange anomaly that this Government in 1946 urged Prime Minister de Gasperi, of Italy, to oust the Communists who were then in the Italian Cabinet. De Gasperi's decision to take that step was in the highest degree salutary. It was probably the chief reason why a successful coup d'état in Italy that year was prevented. Yet in the autumn of that year General Marshall, as President Truman's special representative in China, was informing Chiang Kai-shek that all American assistance would be withdrawn unless he broadened his Government by appointing Communists as well as other liberal elements to the Cabinet.

What the former Under Secretary of State overlooked—it is doubtful if he knew it—was that Italy had been saved to the Anglo-American world over Marshall's strenuous objections.

What he likewise overlooked was that the same Marshall had provided at Yalta that Russia should have Manchuria and, furthermore, there was the Acheson doctrine announced at the Madison Square Garden rally with the Red Dean of Canterbury that we heartily endorsed Russia's demand for friendly neighbors.

MARSHALL'S INTERVENTION AND EMBARGO

Marshall's first Chinese intervention gave the Communists two cities by a species of fraud perpetrated by the Reds. His second checked the victory of the Nationalists at Changchun, halting them in their tracks, and giving the Reds a chance to regroup, retrain, and to prepare for more decisive action later. His third intervention occurred in August. Its long-range effects were far more disastrous. It may not be wide of the mark to say that perhaps more than any other factor it made the victory of Russian imperialism in China inevitable.

I refer to the imposition by Marshall of an embargo on the sale and shipment of arms from the United States, an interdict promptly seconded by the British, to the Republic of China. By this act and a further minor restriction on the Nationalists' ability to obtain ammunition, Marshall declared the United States neutral in the struggle of China to remain free of Russian domination. Using Marshall's own boastful language:

As Chief of Staff I armed 39 anti-Communist divisions, now with a stroke of the pen I disarm them.

And, while he was arbitrarily shutting off the flow of arms to one of the great Chinese contestants, the flow of arms, of men, of training, and moral support from Russia to the other continued unabated.

What occasioned this momentous decision by the man who had been sent to China presumably, as far as the American people knew, to conserve their interests in that quarter?

I take you again to the white paper where, on page 181, Marshall's own files explain why he embargoes war supplies to China. I quote:

With respect to United States military aid programs, General Marshall was being placed in the untenable position on the one hand between the two Chinese groups while on the other the United States Government was continuing to supply arms and ammunition to one of the two groups, namely, the National Government.

The situation was obviously not only untenable but to General Marshall intolerable. The Republic of China was winning its campaigns to subdue the rebellion. Something obviously had to be done to keep the Republic of China from winning the civil war which the Yenan Reds continued at all times to agitate by their aggressions. The Russians were providing for the Reds. That aspect of the situation was satisfactory. It was now necessary to pull the plug on the Republic of China. Otherwise Russia might not have a friendly neighbor and the United States and the west would have a progressive and prosperous China with a hopeful future as a powerful containing force against Russian imperialist aims in Asia. The prime author of the Yalta sell-out could not stand idly by and see that happen.

I ask again, supposing that Marshall was acting in good faith—which I deny—did he regard himself as an impartial arbiter of China's destiny with no responsibilities to his native land which had honored him extravagantly and was, to put the matter on its lowest terms, paying the bills for his venture into international politics?

I throw in also the reflection, which will at once strike home to those American liberals and leftists who eagerly besought sanctions in behalf of the Spanish Government in the late 1930's: The ground upon which they based their argument was that the republican government at Madrid was the legal and recognized government and hence entitled to our assistance against the Franco rebels. Marshall's embargo in China was applauded by these same liberals and leftists. The shoe was on the other foot in China but the liberal-leftists unblushingly forgot the arguments they had used in the Spanish civil war. Their inconsistency is only apparent, however, not real. What you must look for with the gentry of the left is the hard line of consistency that runs to Moscow. They never deviate from what serves the cause of Soviet imperialism.

I invite you to give ear to the insincere, devious language with which Marshall recounted his embargo in the white paper. That is on page 181, and it reads:

Action was therefore taken in August to suspend certain portions of these programs which might have a bearing on the continued prosecution of hostilities in China. Licenses were not granted for the export to China of combat type items of military equipment and in late September shipments of combat items from the Pacific area to China were temporarily suspended.

What is referred to in the first sentense is an order obtained from Truman by Marshall withholding combat items, such as ammunition, from the surplus supplies granted China from the stores left over from the war in the Pacific, stores rotting on Pacific islands. This order was another nail in the coffin of Chinese hope although, as it turned out, only a minute part of this surplus equipment could be used by the Nationalist forces and only a tiny part consisted of their greatest need: Small arms and small arms ammunition.

The language I quoted in the foregoing is the kind of language we have grown accustomed to from the State Department when they wished to conceal something. What Marshall did was to get from Truman an order forbidding export licenses in the sale of materials of war to China. He got also a similar order from the British Government. This left Nanking high and dry. There were no other markets into which they could enter. Does his language make that clear? I think not. This is the same sort of calculated deception that emanated from Marshall when he testified in the MacArthur hearings.

The embargo was put on in 1946—it lasted for a year, sufficient time to enable the Reds to launch their massive operations in 1947—and the white paper came out in the summer of 1949. Times had changed. The people were uneasy over what had happened in China. They were coming to resent the fact that our ancient ally, China, was being overthrown by the Communists, with Russia standing by in Manchuria. They had begun to wonder if there was not something deeply sinister, perhaps treasonous, in what the American Government had been doing in China. And so the brief and ambiguous reference in the white paper to what was the crown and seal of Marshall's destructive mission, his embargo, was followed by weasel words of reassurance. I quote:

This ban was imposed at a time when the National Government was gradually increasing the tempo of its military campaign and when its reserves of material were ample. The ban apparently had little effect, since it was not until November, when the National Government had reached the peak of its military holdings, that the National Government issued an order for the cessation of hostilities. By that time the Government's forces had occupied most of the areas covered by its demands to the Chinese Communists in June and during the later negotiations and had reached what turned out to be the highest point of its military position after VJ-day.

What Marshall and his editors here are saying is that the forces of the Republic of China were at a high tide of victory in August and the fall of 1946. That was true. It is possible that Marshall acted in the nick of time. Obviously the choking off of supplies to the Generalissimo's forces would not take effect at once. I interpolate a minor comment on the white paper's objectivity. The official name, honored in all diplomatic documents, of the Government at Nanking was the Republic of China. Does the white paper so describe Nanking? Only where it so appears in official papers. Republic of

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China is a plus phrase in the language of the semanticists. It has a favorable connotation to American ears; National Government is a less commendable phrase.

The aim of the words I quoted about the state of Nationalist affairs is obvious. It is to assure the readers of the white paper that the embargo did not hurt Chiang Kai-shek's cause and that it brought him to a cease-fire in November. That statement is false on two counts. The embargo stifled the cause of the Republic of China, and the cease-fire had no relationship whatever to it. We shall soon come to the ugly details and connotations of this cease-fire. The fact is that the Republican forces had arms in 1946. By 1947 they had fewer, a fact noted in a dispatch to the New York Times on June 22 from Manchuria, which reported that the barrels of some of the machine guns of the First Army were so worn out that, and I quote, "bullets fell through them to the ground." What the Republican forces needed most were small arms and ammunition, as we have said, and trucks.

VALUE OF MILITARY EQUIPMENT SENT TO CHINA

I have recently talked to one of the officers in charge of the "roll up" of American surplus materials for shipment to China. He stated that Acheson's story about the amount of military material we have shipped to China would defy the abilities of Ananias, even when Ananias was operating at the pinnacle of his ability. For example, he pointed out that the tanks which we dumped into China had their guns spiked and the breeches blown. He stated further that when the President asked him about the value of the surplus material shipped to China about that time he told the President that he could best compare it to a situation in which he were asked to redecorate the White House, and he had, say, $2,000,000 to do the task, and he spent all of that money for baby-grand pianos in which the wires were all cut and the keyboards destroyed, and then were to announce to the American people that the White House really was decorated because he had spent $2,000,000 doing the job.

The enemies of the Republic of China have made much of the declining morale of its armies in late 1947 and 1948. The enemies of the Republic of China never ascribe the declining morale to the shortage of bullets, rifles, and machine guns. Much has been made of the capture by the Reds of Nationalist equipment. The legend has been spread that American supplies were sold by venal Chinese generals to the Reds. Some Nationalist generals did defect to the Reds as the war wore along. A great deal of propaganda to-do has been made over the fact that when the victorious Red armies, Russian-trained Chinese, Koreans, and Japanese, entered Peiping in 1949 they paraded in American trucks, they wore American parkas, and they exhibited guns made in the United States. Where did those items, none of them battle-stained, come from? They were part of the 800,000 tons of equipment turned over to Russia as bribery for the Russian war in the Far East which did not eventuate.

The question of stopping the flow of combat items from the reserve dumps in the Pacific, raised in my quotations from the white paper, brings to light a telltale piece of behavior upon Marshall's part. He acted, of course in both instances—the embargo and the one under question—under pressure from Chou En-lai. If we want to put a polite term to it, we may say that Marshall's acts were appeasement of Chou En-lai. Marshall was under heavy abuse in Communist organs in China and America. His good faith and his intergrity were being called into question. And so, in an attempt orally to appease Chou En-lai and to attest his fidelity to the impartiality of his course, Marshall prevaricated to his friend about the nature of the surplus stores. In this connection I read from page 180:

> General Marshall had explained to General Chou En-lai the background of the negotiations (between Nanking and Washington) leading to the signing of this agreement * * * and had explained that the surplus property in question did not contain combat material but consisted of machinery, motor vehicles, communications equipment, rations, medical supplies, and various other items which would be of considerable value in the rehabilitation of the Chinese economy.

The prevarication in no way damaged the Communist cause of Chou En-lai because Marshall got an order from Truman barring the shipment to the Republic of China of any material other than what he had told Chou En-lai was in the stores. So while on the face of it he lied to Chou En-lai and justified the pressures upon him by the Communist press, actually he was only anticipating what he could get Truman to do.

THE NECESSITY FOR ANOTHER TRUCE

At this precise moment Chou En-lai and Mao Tse-tung were ordering a general mobilization, which meant the conscription of the farmers' lads throughout the areas controlled by their forces, the kind of conscription which fills their ranks today in Korea. Did Marshall seek to discipline the Reds for that as he had just disciplined the Generalissimo? Do not be absurd. He could not discipline the Reds, even had he wanted to, which I, of course, doubt. He had no leverage on the Reds. The only party to this quarrel which he could injure was the Chinese Republic. We have seen how he did so in his third major intervention.

We come to his fourth deadly blow at the friends of the United States in the republican government.

As the white paper states, the forces of the Generalissimo were rapidly expanding their gains during September. The Reds were alarmed. The propaganda machines at Shanghai, New York, and Moscow were busy spewing out abuse of the Americans in China and our Government's supposed assistance to China. The great objective of the Yenan Reds at this moment, having won their campaign to stop American aid to China, was a truce. The Generalissimo was pushing too hard. The great objective of the propaganda campaign being waged with great intensity in the United States was to get the Americans' military mission, which was idling its time away in Nanking performing no useful function, and the Marines out of China.

"GET-OUT-OF-CHINA" RALLIES

I shall remind you of the force and nature of the get-out-of-China drive of the American Communists by describing one major rally with which they were seeking to bring pressure upon Marshall in China, and upon the administration here in Washington. This one took place in San Francisco, beginning its 3-day sessions with a mass meeting on the 18th of October. Brigadier General Carlson, whom we have met before with Stilwell as disciples of Agnes Smedley, presided. Paul Robeson was vice chairman. Among the celebrated participants in this rally were Harry Bridges, Bartley Crum, Joe Curran, and Frederick Vanderbilt Field, the self-proclaimed Communist; Guenther Stein, the Soviet Spy; and Harrison Forman, the Soviet apologist; Congressman Marcantonio, the Soviet mouthpiece; and his colleagues, de Lacy, and Ellis Patterson.

And likewise prominent on the platform were these leaders of the intellectual and political life of Hollywood: Edward G. Robinson, Paulette Goddard, Gregory Peck, and the young gentleman who gave such a disconcerting performance before the House Un-American Affairs Committee the other day, John Garfield. The rally passed resolutions denouncing Chiang Kai-shek as a reactionary and demanding that this Government at once withdraw our forces from China.

THE OPENING OF KALGAN PASS

The Yenan Reds had been besieging the city of Tatung in northern Shansi Province since August. Late in September the Generalissimo's forces began a retaliatory movement upon Kalgan. That city which is described in the white book as "one of the political and military centers of the Communist Party," had great strategic importance inasmuch as it commanded the Kalgan Pass through the mountains from China into Manchuria. The Reds had seized Kalgan with Marshall's blessing soon after VJ-day and it was through the Kalgan Pass that multiple thousands of Red soldiers and conscripts had marched into Manchuria, there to be outfitted and trained for the expected campaign from the north against the Republic of China. So valuable did Yenan consider Kalgan, that Mao Tse-tung announced that he was lifting the siege of Tatung in the hope of deterring the Nationalist attack on Kalgan.

With the Generalissimo's forces pressing steadily north toward Kalgan, Chou En-lai began his supreme effort to bring about, through Marshall, a cease-fire. As a gesture of annoyance, Chou En-lai had quit Nanking for Shanghai in mid-September and Marshall had to communicate with him thereafter at long range, making, however, one visit to Shanghai to beseech the Red leader to yield on a point under

discussion. At issue in these times was the whole impossible endeavor of Marshall to force an amalagamation of the party of the Republic and the Reds at Yenan into a parliamentary system, an endeavor likened by General MacArthur to the generally accepted impossibility of making oil and water mix. The discussions centered upon Communist agreement to enter in good faith into the various agencies and organs that had been proposed under the Political Consultative Conference's terms of the preceding January, a council of state divided among the Kuomintang on the one side and all other parties on the other; a national assembly and a new executive yuan, or cabinet.

The heart of the issue was this: Chiang Kai-shek insisted that the Communists nominate their representatives in these bodies and get ready to make them work before he called off hostilities. The Reds demanded the cease-fire first. Having found through long and distracting experience that the Reds, being true to their nature, never lived up to any agreements whatsoever, the Generalissimo felt that there must be some quid pro quo as an indication of good faith.

Chou En-lai steadily dinned into Marshall's ears his demand for a truce before the Nationalists took Kalgan. In support of his demands, Marshall threatened the Generalissimo that, without the truce, the Reds "would be driven to seek outside support such as Russian aid." I quote that from page 187 of the white paper. Chiang Kai-shek, in general, replied that, and I quote from page 190:

> It was absolutely essential to the national welfare that the Government gain control o' Kalgan and that the occupation of that city by the Government would do much to prevent further military action by the Communists.

Meanwhile, 2 weeks earlier, Chou En-lai, at Shanghai, had threatened Marshall that unless he brought about a meeting of the P. C. C.'s committee of issues, he would, and I quote from page 186 of the white paper, "be compelled to make public all the important documents in the negotiations since the June truce period." What that touch of blackmail hinted at I do not know. The white paper omits any reference to what Chou En-lai had in his possession that might prove sufficiently damaging to spur Marshall on to greater efforts.

MARSHALL'S THREAT

So matters stood at the beginning of October. The Generalissimo could see daylight ahead through his military operations. The Reds were panicked. On the 4th of October Marshall saw the Generalissimo, urging him in the strongest terms to leave Kalgan to the Reds. When Chiang Kai-shek still insisted on some evidence of good faith from Yenan, Marshall returned to his quarters resolved, as he put it in a message to Truman dated the next day, October 5, to play his ace. That consisted of his self-directed recall to America, a sign that the United States was abandoning its efforts to find a solution in China.

Marshall wrote the President, and this may be found on page 192 of the White Paper—

> That this is the only way to halt the military campaign and to dispel the evident belief of the Government generals that they can drag along the United States while carrying out their campaign of force.

In these controversial days he repeatedly lectured the President of China regarding what he called his campaign of force. There is no evidence in the White Paper that he ever sermonized Chou En-lai about the campaign of force which the Reds had been conducting wherever they could since the truce of June had been broken by them. The evidence of Marshall's partiality to the Reds infuses every page of the White Paper at this point.

In this connection let me read an incredible passage on page 205 of the White Paper:

> General Marshall stated that he wished General Chou to determine formally from the Communist leaders at Yenan whether specifically they wish him to continue in his mediation role and asked that the matter be viewed as a plain business proposition without regard to Chinese considerations of face since he was not interested in face. He explained that his sole interest was the question of whether he could render some service to China by way of mediation. General Chou stated that he sympathized with the request by General Marshall and that he would place the question before the appropriate Communist authorities at Yenan.

I believe that in this revelatory passage we begin to have some insight into Marshall's true relations with the Communists in China and perhaps those at a far higher level.

Marshall did not so conduct himself with humility and a desire to please before the great adversary of the Reds, the President of China. To Chiang Kai-shek, Marshall prided himself upon speaking with direct and forceful candor. He never, so far as the White Paper discloses, asked the President of China, "How am I doing?" If his attitude toward the Yenan Reds was that of a solicitous subordinate, toward Chiang Kai-shek it was one of master, with only one reservation: he could not as a rule expressly order the President of China to do his bidding.

Even that became possible after he dictated to Truman the order for his recall, allowing Leighton Stuart, his bewildered "Man Friday," to show the text to Chiang Kai-shek. The scheme worked. The Generalissimo, who, through thick-and-thin, resisted Japanese threats and blandishments and rejected during this period advances from Moscow for a common front against the Americans, remained as always steadfast in his friendship for the United States. I think it is not well understood that during this trying period the Russians had made and were to make further overtures to Chiang Kai-shek, offering his regime a full partnership in a great Sino-Russian state enterprise to exploit the riches of Manchuria and hinting that if he agreed he would have no further trouble with his domestic Reds. To join up with the Russians meant, however, trouble with America, because the proposed deal made permanent and legal hash of this country's desires for the open door in Manchuria. Perhaps Chiang Kai-shek, who viewed the Russians with a cautious eye on good and sufficient grounds, also feared getting into their clutches.

CHIANG SURRENDERS TO MARSHALL

In any case he surrendered to Marshall. The white paper puts it this way, and I quote from page 192:

> When word reached the Generalissimo through Ambassador Stuart of General Marshall's action, the Generalissimo expressed his willingness to stop military advances against Kalgan for a period of 5 days, perhaps even longer if the American mediators insisted, on condition that the Communist Party would immediately participate in meetings of both the five-man committee and the committee of three (these were agencies by which they had been trying to reach political understandings) and that Kalgan would be the first issue negotiated. The Generalissimo also requested that General Marshall and Dr. Stuart discuss the matter with him the following morning.

Marshall's ultimatum, suggestive of the get-out-of-China agitation stirring the American leftists and liberals at that moment, had worked. Although, the Communists, as could have been anticipated, rejected any and all proposals arising in the truce negotiations, Marshall now had the upper hand and nothing but an unconditional cease-fire by the Republic of China would satisfy him.

It was during these days that Marshall put the dignity of the United States in his pocket and went to Shanghai to implore Chou En-lai to make at least some face-saving gesture. Chou En-lai, as you might suppose, refused to take his friend off the hook. Agreement, peace, and the welfare of China were far from the thought of Chou En-lai.

On October 13 Marshall laid down the law to the Generalissimo, saying, according to page 197 of the white paper, that, and I quote:

> The important factor was the immediate cessation of hostilities and that—

And I ask you to mark these words carefully—

> even if the Communists were forced to submit to various agreements by the pressure of government military action, there could be no healthy results from political negotiations and the reorganization of the government as the bitterness engendered thereby would be too deep and the spirit of revenge and distrust too great.

In other words, you have the Reds on the run, they have refused at all times and on all occasions to act in good faith concerning the future of China, but do not press them. If you do, they may get mad and will not play.

Three days earlier Kalgan had fallen to the Nationalists, Chihfeng also on the same day, there was talk of a new offensive in Manchuria and the Nationalists were marching on Communist-held towns in the province of Kiangsi. The situation grew urgent. In the last hours of his independence, Chiang Kai-shek

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agreed to issue a new basis for negotiations, an 8-point tender which, had the Reds ever been willing to make terms, would have fetched them. Quite naturally, they flatly rejected it.

The military situation had by now grown so menacing to the Reds that party negotiators and agitators, who had been sheltered under government protection in Nanking, Shanghai, and Chungking, besought transportation from the United States authorities to Yenan and were flown there in Army planes.

Marshall and Stuart handed the Generalissimo a draft of a statement to be issued by him on November 7. As we have previously pointed out, this is the Stuart who was picked for the ambassadorship by Chou En-lai and approved by Marshall. This statement, whether the Generalissimo knew it or not, was his last straw. In it the mediators, if such they may be called, put the Generalissimo on record for an unconditional cease-fire.

He protested, he made his last stand, saying, and I am quoting from page 205 of the white paper:

That he could not support an unconditional termination of hostilities before his military and political leaders, and that he stood practically alone in the belief (among his associates) that matters could be settled by peaceful negotiations.

Yet Marshall was adamant. When the Generalissimo asked him to reconsider his views with another draft in mind, Marshall replied, and this appears on page 205 also:

That he would need an opportunity to consider with Dr. Stuart the points of view expressed by the Generalissimo as he was seriously concerned whether he should participate, as a representative of the United States Government, in the preparation of a paper in accordance with the points of view he had indicated, which were contrary to the views of General Marshall and those, he thought, of the United States Government.

He had scarcely bothered to glove the mailed fist. This was, of course, a threat. How different from Marshall's inquiry of Chou En-lai as to what the big boys at Yenan thought of his exertions.

Chiang Kai-shek yielded the next day, issuing an unconditional cease-fire order to all his forces.

Did this humiliating capitulation save him and his Republic? You know the answer as well as I. Did it lift the embargo? Did it bring cooperation from Yenan? You know quite well that it did not.

It did bring the Communist armies a much-needed respite, however—another breathing spell in the sense of the biographer of Mao Tse-tung. The legions they and the Russians were training in Manchuria with Japanese and American stores were not yet ready to march. That would come later. And what shall we say of the effect upon the morale of the fighting forces of the Republic? They had been stopped in their tracks after long, weary, bloody campaigns across the face of northern China and Manchuria with victory in sight. They could not but read in all this—coming on top of the embargo and the partiality of Marshall for the Yenan Reds—the desertion of China by its ally, America.

The cause of the Republic of China reached its high-water mark at the time of the enforced truce. The Generalissimo's armies would make some gains thereafter, but the balance had been tipped and slowly, gradually, the advantage would come to lie with the armies of Yenan and Moscow.

The United States had thrown its weight on the side of Moscow in the struggle for command of the allegiance and resources of China. That was the plain meaning of Marshall's fourth and last great and fateful intervention. That struggle, which might have been settled honestly by Chinamen in battle, would now have to be settled in battle by Americans as well as Chinamen, but, as we shall see to our sorrow later in this discourse, the interventions of Marshall were not at an end.

MARSHALL'S ATTITUDE TOWARD YENAN

Marshall, his mission completed, was to stay in China until early in January 1947. Chiang Kai-shek, carrying out his promises of political reform, convened the first national assembly on the 15th of November. The Yenan Reds, of course, stayed away. They wanted no part of any democratic institutions unless they had full control and could subvert them to totalitarian purposes. Chou En-lai came to call on Marshall on the next day, the 16th, to ask for an American airplane ride to Yenan:

He (Chou) expressed fear that the National Government would undertake offensive operations against Yenan and said that if this occurred it would mean the end of all hopes for a negotiated peace.

I have quoted from page 208 of the white paper. I have heard of idle threats all my life. Chou's threat to end all prospects of a negotiated peace if Yenan were invaded strikes me as the choicest example I have ever heard of the idle threat.

General Marshall hastened to offer United States Army transportation for all Red personnel in Republic of China territory, adding, with a tender touch of solicitude—

That—

And I am quoting from the same page—

while he had no information of Government plans for an attack on Yenan, he would deplore such action and oppose it strongly. He also said that if such an attack occurred he would consider that it terminated his mission.

Quite naturally, and the inference from the foregoing is that had he information that the Generalissimo intended advancing upon Yenan he would gladly disclose it. In summing up his impressions of the breach in negotiations represented by Chou's departure for Yenan, Marshall thought the Nationalists obdurate because—

They were thoroughly convinced—

And I quote from page 209—

that the Communists would not carry out any agreement reached * * * and that the Communists would merely disrupt any government in which they participated.

The experience of all Europe had by that time developed the hard and immitigable fact that you could not do business with Communists in your government. The Kuomintang was, as we will all agree, entirely correct in its appraisal of the situation. Marshall ascribed the refusal of the Yenan Reds to make a single concession toward accord and peace in very innocent terms.

The Communist Party had—

And I am quoting from page 210—

defeated itself through its own suspicions.

MARSHALL'S ATTITUDE TOWARD THE REPUBLIC OF CHINA

Upon the subject of the Chinese Government's shortcomings, Marshall was all but rabid. The white paper quoted, page 210, Marshall's reply to a high-ranking Government official who was asking for American financial assistance.

The general was "very emphatic in stating to him that it was useless to expect the United States to pour money into the vacuum being created by the Government military leaders in their determination to settle matters by force and that it was also useless to expect the United States to pour money into a government dominated by a completely reactionary clique bent on exclusive control of governmental power."

When another Chinese official asked why the Export-Import Bank had rejected loans for the purpose of rehabilitating the Canton-Hankow Railroad and for a Yellow River bridge in Honan—

General Marshall pointed out—

And I am quoting—

that it was the open corruption of the Government as well as its military policy which entered into consideration.

On the 1st of December, Marshall, in a talk with Chiang Kai-shek, briefly but firmly warned the Generalissimo that he could not expect to subdue the Yenan Reds because they were too strong, and that, therefore, it was imperative, and his words are taken from page 212 of the white paper, "that efforts be made to bring them into the Government." Three days later Marshall heard from Chou En-lai at Yenan. The Red leader who is, I believe, the Foreign Minister at Peiping at this moment, imposed utterly impossible terms for reopening negotiations. Says the white book:

General Chou En-lai's message made no reply to General Marshall's request for an indication by the Communist Party of its attitude toward his mediation effort and posed conditions which the National Government obviously could not be expected to accept. It appeared that the Communist Party had, in effect, rejected American mediation.

The terms called for the dissolution of the National Assembly, which was, at the moment, adopting what the white paper was to call with some reservation "on its face a democratic document." They called also for the relocating of all Chinese troops to where they stood in the preceding January when the Reds had the advantage.

We have heard much of the necessity of reform in China. Although a bit grudgingly, the white paper did have to

pay tribute to Chiang Kai-shek's progressive endeavors in the Assembly. I quote:

He did exercise a determined personal leadership, assisted by almost all other groups and individuals in the Assembly, in opposing the extreme right-wing group. The Assembly adjourned on December 25 with the Generalissimo in full and confident control of the situation, having demonstrated his ability to override the Kuomintang reactionaries and having restored his prestige through his action in securing the adoption of a constitution of a democratic nature.

That was not good enough for Marshall.

The passage of the constitution was only the beginning—

Reads the white paper, page 215—

and the only guaranty of an honest reorganization of the Government and a genuine enforcement of the constitution lay in the development of a truly liberal group in China.

In his farewell statement, made January 7, 1947, when Marshall departed for his reward in the Secretaryship of State back home, he spoke approvingly of the liberals in the Chinese Communist Party.

It has appeared to me—

And I am quoting from Marshall's statement on page 687 of the white paper—

that there is a definite liberal group among the Communists, especially of young men who have turned to the Communists in disgust at the corruption evident in the local governments—men who put the interest of the Chinese people above ruthless measures to establish a Communist ideology in the immediate future.

Here is truly the real Marshall speaking. In connection with this I ask a question, How could Hiss, Gromyko, or Stalin himself disagree with this?

I see what you mean, General Marshall, as I follow the dispatches from within the Chinese iron curtain and the news of the "human waves" of Chinese peasants attacking our positions in Korea.

MARSHALL VIEWS THE CHINESE COMMUNISTS

The January 7 statement of General Marshall's must be read in one of two ways. It is, in my opinion, the most fantastic utterance ever to come from an American in an exalted position. If it is read as a propaganda document in behalf of Communist world objectives, it makes sense. It is in that case a highly intelligent, effective piece of work, calculated to confuse the American people concerning the situation in China but to fill them at the same time with a warm reassurance that things are coming all right once the liberals in the Communist Party and the other liberals obtain control of affairs from the dominant reactionary group in the Government. How dominant they were we have just seen in the results of the national assembly. If, on the other hand, you try to understand the statement as the report of an American who was sent to China to advance his country's interests and the interests of the free world and to arrest the advance of Communist terror and Russian imperialism, you will be dumbfounded. You will then have to fall back upon the origin of this mission, the well disclosed intentions of Marshall, the author of his own directives; and the climate in the Department of State with Acheson, Vincent, and Hiss managing far-eastern policy.

I urge that you reread this statement in the white paper.

There is nowhere in it a phrase suggesting that the United States has a stake in what happens to China. There is no indication of any special interest on the part of the country whose representative Marshall presumably was. There is, mark my words, no suggestion that the Chinese Communists were anything more than a political party, wholly Chinese in character, working toward a Communist regime in China, it is true, but first, and I quote, "advancing through the medium of a democratic form of government of the American or British type."

That is the subtlest, most disarming of all the adroit passages in the statement. In an attempt to establish his fairness, Marshall condemns Communist propaganda in harsh terms, but reports that the Government publicity agency misrepresented him also although those misrepresentations "were not," and I am quoting, "of the vicious nature of the Communist propaganda." The new constitution, he concedes is "in all major respects in accordance with the principles laid down by the all-party Political Consultative Conference of last January." He continues, "it is unfortunate that the Communists did not see fit to participate in the Assembly since the constitution seems to include every major point that they wanted."

To the careless reader that would appear to make the Communist Party neglectful of its own true interests in refusing to sit in the Assembly. How far off base can you get?

Nowhere in this remarkable letter is there any hint that the Reds of Yenan belonged to a worldwide imperialistic system, that they were in league with and under command of the Kremlin; that in Manchuria, ceded at Yalta, Russia was supplying the strategic direction, the training and the supplies so that these liberals could take over all China and thus add it as another vast and teeming province to the dominions of Moscow. Nowhere is there any reproach to Russia for having broken its good faith in Manchuria over and over, for having prevented the China with which it was bound in the treaty of August 1945 from exercising its sovereignty over Manchuria.

As I say, if you read this letter as coming from an American emissary, loyal to his country and his institutions, you are first puzzled, then indignant, and you finally conclude that its author is the greatest incompetent ever sent abroad by this or any other country. If you read it as a propaganda document in behalf of other interests, another country and civilization, you will be struck by its persuasiveness and force, and the brilliance of its author.

The utter silence of Marshall's letter regarding the rampant Bolshevist conspiracy to rule the world is deafening. Had the letter been written in the early 1940's it might have been put down to innocence of Russia's lethal intentions. Coming in January of 1947, after Marshall had been cheek-by-jowl with Russian imperialism in Manchuria for 13 months, after every other informed man in the non-Communist world had scanned the darkening skies and read therein the outline of Soviet expansion, the letter admits of one of two conclusions—you name them.

A sober, measured epitaph was written on the Marshall mission by General Chennault, who observed, in the foreword to Way of a Fighter, and I quote him:

The net result of Marshall's mission to China was much the same as Stilwell's earlier experience. The trend of a gradually stronger central government was reversed and the military balance shifted again in favor of the Chinese Communists.

MARSHALL COMES HOME

So Marshall, with Acheson and Vincent at his elbow, having created the China policy, having executed it in China, was returned to the State Department where he could administer it in line with his will and desires.

I have often wondered what prompted President Truman to replace Byrnes, a man of politics, who seemed steadily to be learning more about his job and understanding more deeply the single, all-encompassing issue of these years, Russia, with a professional soldier—a soldier turned diplomat who had, moreover, just sold China out to the Communists—a fact which, I suspect, was, however, among the multitude of things that Truman did not know. But he had much company in this. Our attention, among other things, was on Greece during the early weeks of 1947 and Marshall's prestige among the liberals who control the avenues of communication with the people was towering by then.

Jonathan Daniels gives us a satisfactory clue in the Man From Independence, where, on page 316, he reflects and I quote, that—

Truman had, when he appointed him and afterward as well, more confidence in Marshall than in anybody in the Government and probably anybody in the world. Sometimes, indeed, he acted when some members of his staff thought that Marshall was being a little stuffy, as if Marshall were his walking equivalent of George Washington and Robert E. Lee.

Elsewhere—page 320—Daniels has more of the same and I quote him:

Even if he did not always please Truman's political advisers, so far as Truman himself was concerned, Marshall was the Secretary of State he had been seeking and needing from the beginning. He had a soldier's distaste for politics. But he had magnificent presence, great prestige, and a deep loyalty to Truman.

The subject of Marshall's loyalties is a challenging one as we have seen and shall see further.

I have some curiosity that goes deeper than the passages I have just quoted. Whence did that adoration spring? What hidden and undisclosed forces were at work around the President so to shape his emotions and his will that he would appoint Marshall Secretary of State. Some future memoirs may enlighten us or information may come to the surface in other ways.

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In any event, Marshall apparently discovered the same thing that Acheson also had learned so well—namely, that if you were to hold any degree of hypnotic influence over Truman you must at all times cater to his ego, convince him that he was a great man, and if you could convince him of your loyalty to him personally, then the Nation be damned.

Whatever dark forces lay behind Marshall's appointment to head up our foreign relations, it did bring him into even more close contact with Dean Acheson. I have studied Acheson's public utterances sidewise, slantwise, hindwise, and frontwise; I have watched the demeanor of this glib, supercilious, and guilty man on the witness stand; I have reflected upon his career, and I come to only one conclusion: his primary loyalty in international affairs runs to the British labor government, his secondary allegiance is to the Kremlin, with none left over for the country of his birth. The only trouble Acheson ever encounters is where Socialist-British and Russian-Communist policy diverge, which, in recent months, has been seldom. Then he reluctantly follows the lead from Socialist London. That was so in the matter of the Greek and Turkish aid policy to which we shall soon come. On the question of China he has no difficulty: Socialist London and Communist Moscow are as one there.

Where, you may ask, does Truman fit into this picture? I do not believe that the President's stanchest advocate will claim that he understands these questions. They are beyond the capacity he has demonstrated to the country both as to scope and detail. We have noted his idolatry of Marshall through the testimony of his friend and former press secretary, Jonathan Daniels. I think it is clear that, in these great matters of life and death, Truman is in the custody of Marshall and Acheson.

So we find that from January of 1947 onward Marshall and Acheson were linked in intimate, day-to-day endeavors in the State and Defense Departments. Their relationship before that time is not documented, but it was close.

The question of China was never absent from the forefront of American concern during the two years Marshall passed as Secretary of State. The matter of supplying the Republic of China frequently recurred. We had brushes with Russia over the open door in Manchuria. Twice during 1947, we are informed by the white paper, this Government protested over Russia's appropriation of the free port of Dairen, a port whose freedom was guaranteed in the Yalta-inspired treaty of August 1945 between Moscow and China. Each time the State Department was rebuffed and let the matter drop. The Russian pretext was that the treaty allowed Russia to close the port in time of war with Japan. Were we at war with Japan? Technically, yes. No peace treaty had ended that war and Russia was a party to that war because of Marshall's exertions before and at Yalta. As you might suppose, the Secretary of State refused to get exercised over Russian effrontery and impudence in this matter.

There were a number of other situations affecting China which we shall consider in their proper place. Through his incumbency at the State Department, Marshall remained the sworn and implacable enemy of the Republic of China, as we shall see. Such enmity, of course, was in the interest of the Yenan Reds and their masters in Moscow.

MARSHALL GOES TO MOSCOW

Other major aspects of the struggle with Russia over the shape of the peacetime world intruded in the spring of 1947. Marshall had scarcely warmed his office chair before he went to Moscow for one of those fruitless, ill-natured conferences with the commissars through which we have expiated the original sin of getting on friendly terms with the Bolshevik empire. This conference was to consider a peace treaty with Germany. Before he departed for Moscow on March 7, the Secretary of State ordered home the last of the United States Marines who had afforded some measure of stability to north China. This removed, as the American Communists had long been urging, the last visible assurance to the Chinese that American power was friendly to them. On April 2, in Moscow, Marshall was able to report to Molotov that the marines were coming home "as rapidly as shipping becomes available." Did he tie this great concession to the Yenan Reds, to American leftist and liberal agitation and to Moscow, to anything we wanted from the Kremlin? Not that we know of.

The council of foreign ministers at Moscow was a perfunctory exhibition of Russian intransigeance. Nothing of any moment was accomplished. Marshall had been unprepared and had to be briefed daily on the rudiments of the problems of Germany and Austria. The plain-speaking Mark Clark was there on the problems of Austria, Lucius Clay on those of Germany. As Clark recalled the matter in his book, Calculated Risk, and I quote him from page 486:

> I felt that it must have taken a great deal of courage for Marshall to step into the job of Secretary of State and then leave almost immediately for Moscow to deal with many intricate problems before he had had time to familiarize himself with the essential details.
>
> I was amazed, however—

And I am still quoting General Clark—

> when we met in Berlin (on the way to Moscow) to discover that we didn't have a definite program of action. On the eve of the most important conference since Potsdam everybody was still discussing what we should do in Moscow.

I want to interrupt the main stream of our review of General Marshall's public career to deal with a minor and collateral matter treated by Clark in his book. It bears upon the infinite ramifications of the problem that confronts us. Clark had been in London acting as Secretary Byrnes' deputy at a meeting of deputy foreign ministers at work on a treaty for Austria. When assigned there by Byrnes, he had advised the State Department that he was taking his own staff of experts on Austria with him from Vienna. Back came a quick reply from Washington, saying that his staff would be furnished by the State Department and he should take only a personal secretary. General Clark is not a man to be lightly brushed aside, however, so he took his Vienna staff, finding thereafter at London that he had two staffs.

The principal issue at London was the definition of German assets in Austria. The Russians were claiming as German assets everything that had passed into German possession during the virtual occupation of Austria by the Nazis. The western powers had maintained that assets seized, appropriated, or extorted from the Austrian Government and Austrian nationals by the Nazis should be restored to their rightful owners and not go to Russia. In making the treaties with the Russian satellite countries, hasty instruments drawn up in the full tide of western appeasement, the Russians had been able to make good such illicit claims as they were now pressing upon Austria. I have rephrased the explanation of this matter as it appears in Clark's book in the interest of brevity. At London, Clark found that the State Department contingent of his staff, as he noted on page 483 of his book, seemed intent on putting Austria "in about the same position as the satellite countries"—Hungary, Rumania, and Bulgaria. I am quoting Clark:

> There was an inclination to make the same kind of treaty and, in many instances, to use the same clauses; in other words, we must get a treaty at almost any cost. One of the main difficulties * * * was the Russian demand that we accept their definition of German assets in order to legalize their looting of Austria * * * it was already apparent that in making treaties with the Russian satellite countries we had agreed to too much that the Russians wanted * * * we more or less had sold those countries "down the Danube." We had not fully understood * * * what the Russians were trying to do or the manner in which they were seeking to gain complete domination over central Europe. * * * Austria was an entirely different matter, and I was determined to do all that I could to guarantee its independence, based on a sound national economic set-up rather than on one controlled by Soviet interests.

Clark's difficulties at London would have been enormously magnified, as we may imagine, had he heeded the State Department injunction and left his own staff in Vienna.

In passing I should note that it is refreshing to come across evidence that the United States commands the loyalty of such soldiers as Mark Clark, Lucius Clay, Albert Wedemeyer, and Douglas MacArthur.

The atmosphere of Moscow should have been congenial to Marshall. On several occasions, as we have seen, Marshal Stalin had gone out of his way to make commendatory remarks about the American—the only such remarks that appear in the exhaustive annals of Robert Sherwood concerning the conferences of those days. At a dinner given by Molotov, Marshall wore his Order of Suvorov on his dinner jacket. He had a talk with Stalin. Usually, perhaps without exception, foreigners who have words with Stalin find some way to acquaint the public with the whole con-

versation between them and the Autocrat of all Russia. Not so with Marshall. He did say in a radio broadcast noting the conference's failure, that, in this conversation, Stalin had called the conference negotiations "only the first skirmishes and bruches of reconnaissance forces on this question." The question was the kind of self-government Germany should have. This broadcast took place on April 28 upon Marshall's return to Washington. The obstacle to agreement on this issue, he said, was that "the Soviet government insisted upon proposals which would have established in Germany a centralized government adapted to the seizure of absolute control." He concluded, "the patient is sinking while the doctors deliberate."

It may be gathered that one subject of Marshall's private talk with Stalin was the Russian demand, first heard when Hopkins was in Moscow in the preceding June for a reinstatement of some of the items of the fourth lend-lease protocol which was, as you will recall, canceled at the end of hostilities in Europe but later given some modification under the fiction that Russia was going to fight in the united interest of the Allies in the Far East. All lend-lease had, of course, been terminated with the end of the war with Japan.

MARSHALL COMES HOME FROM MOSCOW

A few days after Marshall's return to Washington he conferred here on the Hill with the chairman of the Appropriations Committee of this Chamber, the Senator from New Hampshire and with his opposite number from the other house, Mr. TABER. The Congress, as some of us at least will recall with nostalgia, possessed in those days a Republican majority.

Marshall came to see those gentlemen in behalf of a project which he very much desired, namely, the restoration of some forty million dollars' worth of lend-lease which the Russians claimed due them by some distortion of logic. The Secretary of State announced that he approached the gentlemen of the Congress as personal friends to plead in that capacity for this appropriation. "We must," he said, and I am relying upon the memory of my colleague, "in our relations with Soviet Russia be, like Caesar's wife, above reproach. We must give them no reason whatever to feel that we have not lived up to every commitment we have made." The Secretary was asked if he knew what the forty million dollars represented in the way of goods. He said that he did not, not having the schedules with him. Whereupon he was told that, among other things, the schedules in question called for two plants, earmarked for Siberia, for the purpose of converting gasoline into high octane fuel for aviation purposes. Marshall failed to win his case.

The principal advantage to the United States, as I look back over it, of the Moscow conference was that it took Marshall out of Washington while the policy of aid to Greece and Turkey was being hurriedly formed. Given his militant aversion to anything which would adversely affect Communist interest in the Mediterranean, which we have seen, and subsequent manifestations which are yet to come, we can scarcely believe that he would have been a genuine advocate of the Forrestal plan in the eastern Mediterranean. I regard the assistance we voted to Greece and Turkey the most statesmanlike approach made by the Truman administration to the whole postwar problem of the containment of Russia. The so-called Truman doctrine for Greece and Turkey, which should be rightly named the Forrestal doctrine, is perhaps the only statesmanlike enterprise which has come out of the administration.

THE TRUMAN DOCTRINE VERSUS THE MARSHALL PLAN

With the Truman doctrine, Marshall had nothing to do. He was the author of the Marshall plan. Between the two concepts and programs there is the difference of night and day, although they have become inseparably united in the public mind under the impact of administration propaganda. It is no doubt generally supposed that, as Jonathan Daniels puts it on page 321 of his book, The Man of Independence, the Truman doctrine, the Marshall plan, and the Atlantic Pact "all were steps in one plan and parts of the policy of one man." He is referring to the man from Independence. Nothing could be more misleading.

I take it you are all familiar with the rapid events which in March of 1947 brought our quick acceptance of the British burden of support for Greece and Turkey. Its chief supporter in the highest administration circles was the late James V. Forrestal, a complex, gifted statesman, who saw with as much clarity as any American the drift of events toward Russian expansion. Because of his strong services rendered in this cause, Forrestal was marked for destruction by the Soviet apparatus in this country.

THE ASSASSINATION OF A GREAT AMERICAN

The character assassination of Jim Forrestal was carefully planned by the Communist apparatus and led by Drew Pearson, that master of snidery and venom, who operates in the dark, smelly corridors of half-truths. How much Forrestal's derangement and eventual tragic death came as the result of the campaign by Pearson and the other Communist camp followers to injure his faith and credit and reflect upon his gallantry and courage, I do not know. I can only say that their task was to destroy him.

This seems to be the one time in all of Acheson's history in which he supported a plan adverse to Communist Russia's interests, which seems to indicate that Acheson's first loyalty is to Socialist Britain, with Communist Russia a close runner-up for his loyalty and affection. Marshall had no part whatever in the discussions of the Forrestal program for Greece and Turkey. In this respect, I am relying in the matter of the personalities involved upon the recollections of a man who was at the time high in the confidence of the White House.

The situation at the time seemed to those around the President most urgent. He, therefore, cut short a vacation to hurry home, and on March 12 asked Congress to support an aid program for those countries to preserve them from Communist aggressions, actual and feared. The President asked for $400,000,000 for Greece and $150,000,000 for Turkey. What were these sums for? Primarily, to strengthen the military forces of the countries, only secondarily to assist them economically, and emphasis was put on the rebuilding of harbor installations and railways in Greece for military purposes. This was a policy that made sense from the point of view of America's world politics. It served the interest of the United States and the west—not the Kremlin. The Congress passed it by overwhelming majorities in both Houses.

The stanch Americans who, like Forrestal, believed that the steady encroachment of Soviet imperial purposes must be confronted by evidences of America's will to resist were enormously encouraged. That they were momentarily in the ascendant at the White House was seen when the President went on to put the policy into a larger frame.

The enlargement of the Forrestal Greek-Turkish aid measure into the Truman doctrine came on May 8. On that date Dean Acheson addressed an audience in Cleveland, Miss. Because Truman was staying close to the White House telephone for word from the sick room of his aged mother in Grandview, Mo., he had seen fit not to deliver the speech prepared for him at Cleveland and had deputized Acheson to substitute for him. It was an important speech. So muddled has been the thinking on this subject that it is generally held to have been a prior enunciation of Marshall's plan, which was born in a speech by Secretary of State Marshall at Harvard University nearly a month later, on June the 5th.

NO LIKENESS BETWEEN FORRESTAL AND MARSHALL PLANS

Actually, the only similarity between the Cleveland speech and the Cambridge speech is that they both envisaged the enormous transfer of money from the pockets of the American taxpayers to those of other lands.

At Cleveland, Acheson said, and I quote:

> Since world demand exceeds our ability to supply, we are going to have to concentrate our emergency assistance in areas where it will be most effective in building world political and economic stability, in promoting human freedom and democratic institutions, in fostering liberal trading policies, and in strengthening the authority of the United Nations.

How would the United States Government determine where its assistance would be sent? I quote the answer given by Acheson at Cleveland:

> Free peoples who are seeking to preserve their independence and democratic institutions and human freedoms against totalitarian pressures, either internal or external, will receive top priority for American reconstruction aid. This is no more than frank recognition as President Truman said, "Total totalitarian regimes imposed on free people, by direct or indirect aggression, undermine the foundations of international peace and hence the security of the United States."

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Keep in mind this was not Acheson speaking; this was Truman's speech. He had been given it to read—a speech drafted under Forrestal's thinking and not the thinking of Acheson and Marshall. It must have deeply pained Acheson to give this speech, but he had instructions to follow the text. As we may well suppose this speech found little favor in the Kremlin. The prospect of the United States pouring out its limitless treasure to support the enemies of Soviet aggression, direct or indirect, could not be welcome to the masters of Russian policy. The means test, the test which signified that only countries prepared to resist Russian world policy could qualify, must have been especially irksome. It could easily have been clear to Stalin that such a policy, strengthening the political and military resources of lands in the path of Soviet ambition, and followed as a logical corollary by an effective military alliance among the free nations, would be infinitely troublesome to his plans.

So rested the matter when the President, on May 17, flew to Kansas City to be at the bedside of his dying mother. He was absent from Washington until after she died on June 26, transacting the Government's business in his penthouse suite atop the Hotel Muehlbach in Kansas City. In his absence, Secretary Marshall and his advisers—I wish we knew who all of them were—wrote the speech that launched the Marshall plan. I wonder if the President, harassed as he was by grief, attending his mother several hours a day, ever passed upon that speech or whether it was represented to him as it has been steadily represented to the country ever since, as a complement to, a fulfillment, of the Truman doctrine, and hence something he need not see and study. Certainly, Acheson's heart must have sung with joy as he passed on this speech.

What Marshall said at Cambridge, after depicting the disorganization of European economies, the hunger and scarcities obtaining there, was this:

> It is logical that the United States should do whatever it is able to do to assist in the return of normal economic health in the world, without which there can be no political stability and no assured peace.

Was there to be any discrimination in the assistance envisaged by the Secretary of State, any means test based on resistance to Soviet encroachments and machinations? No, indeed. He went on and I quote him:

> Our policy is directed not against any country, or doctrine, but against hunger, poverty, desperation, and chaos. Its purpose should be the revival of a working economy in the world so as to permit the emergence of political and social conditions in which free institutions can exist. Such assistance, I am convinced, must not be on a piecemeal basis as various crises develop (a direct hit at the Greek-Turkish aid program). Any assistance that this Government may render in the future should provide a cure rather than a palliative.

Who is to get the assistance? I again quote:

> Any government that is willing to assist in the task of recovery will find full cooperation, I am sure, on the part of the United States Government. Any government which maneuvers to block the recovery of other countries cannot expect help from us. Furthermore, governments, political parties or groups which seek to perpetuate human misery in order to profit therefrom politically or otherwise will encounter the opposition of the United States.

Need I point out to you that the Marshall plan made mincemeat of the Truman-Forrestal doctrine? The last sentences, I quoted were, of course, window dressing, a restatement of the Truman-Forrestal doctrine in innocuous weasel words with no point whatsoever. Their insincerity was plainly shown when the benefits of the Marshall plan were promptly offered to Russia and her satellites. Need I elaborate the point that, whereas the Truman-Forrestal doctrine offered to give our wealth to like minded countries, striving to combat communism, externally and internally, the Marshall plan neatly eradicates that purpose? Need I say that the one bade fair to forge the free world into a great and vital instrument with which to confront Soviet imperialism, the other reduced the whole splendid concept of Truman speaking Forrestal's mind at Cleveland into a mere charity enterprise, without political content and without use to the United States in the major crisis of these times. What Marshall did, to borrow the facetious language of some opponents of his plan, was to put Europe on the WPA.

The Forrestal plan would have strengthend us in the conflict with Russia. The result of using the Marshall plan instead of the Forrestal plan in Europe has been to make us the patsy of the modern world, to arouse the contempt and suspicion of Europe and to leave us in the summer of 1951, heavily engaged in Asia, and with no willing, reliable allies in all Europe among the beneficiaries of our bounty except Greece and Turkey and, a country that had no seat at the table at all, Spain, plus Western Germany whose resources we cannot use in the struggle against international communism because her 48,000,000 people according to the State Department are not peace-loving.

The Truman-Forrestal doctrine's means test would have included Spain. The Marshall plan excluded Spain, although it included Russia in its intent.

I do not think that this monstrous perversion of sound and understandable national policy was accidental. I think it was an evil hoax on the generosity, good will and carelessness of the American people. I think that it was the product of a will and intention hostile to this free society.

The Marshall plan was received with a clamorous acclaim from the leftist, liberal intellectuals and the superficial, knowing gentlemen who write so many of our columns and advise us on the air. Those who spoke against it, who sought to point out the dire discrepancy between it and the Truman doctrine, were howled down as ungenerous reactionaries. There was point to this hubbub, which raised Marshall to the highest levels of liberal esteem, although the point was not apparent, I must assume, to most of those who in the press, the pulpit and the universities contributed most to it. I voted for the Marshall plan. As I said at that time, I voted for the Marshall plan because it had some good aspects, for example, the feeding of the starving people of Europe. I strongly maintained then that the food and clothing which we were giving should be on the basis of need of the people themselves rather than a gift to the government involved, which sold it to the starving people on the basis of ability to pay. Another point which I maintained at that time was that the money for the rehabilitation of industry should have been loaned directly to the industry in question, taking back what security that industry had to offer regardless of how valueless the security might be, instead of funneling the money through tottering, corrupt, and socialistic governments as the Marshall plan proposed to do.

Nevertheless, in the end I voted for it because it was a case of Marshall plan aid for Europe or nothing. I am not too sure today that nothing might not have been better.

Of all Marshall's significant endeavors since the early months of World War II, the derricking of the Forrestal plan ranks next, I should judge, to the Marshall policy for China in its massive helpfulness to the world ambitions of the Kremlin. That judgment is in no way impaired by the fact that Russia declined and forbade its satellites to share in the Marshall plan's bounty.

There were good and sufficient reasons for that attitude from the Russian viewpoint. Two will immediately occur to anyone who thinks of it. To accept it meant to disparage in the eyes of the world the industrial magnitude, the might and prestige of the great rival of the United States, Russia. The acceptance of this assistance would likewise have meant the intrusion of United States representatives in the affairs of the satellites—although, given the political nature of so many of the men and women who have represented this country abroad under UNRRA and ECA, that could not have been the major disability it no doubt seemed to the Kremlin—and a certain intereference with their economies. The Kremlin could not, it is patent to me, have allowed to arise among the millions of its unwilling vassals sentiments of gratitude for this free country.

ORIGIN OF MARSHALL PLAN

I have often wondered whence came the inspiration for the Marshall plan in the mind of its author. Why should he conceive that we needed another plan when we already had the Truman-Forrestal plan? What called for his intervention in this matter? The country was content with the Truman doctrine. There were no objections from abroad save from the Kremlin alone. Who prompted Marshall? I hope that some among my colleagues are better instructed on this point than I am.

I have found one clue that offers some promise. I have here a book by Earl Browder entitled "Tehran—Our Path in War and Peace." It is a highly informative book that deserves a wider reading among those who would like to

make sense and order out of our national policies in recent years. In his book, Browder gives us the true significance of Tehran from the viewpoint of Russia, finding great cause for rejoicing in the solidarity of American and Russian interest at that conference. There is more to the book than that. I find in it almost textually exact the blueprint for unlimited, indiscriminate benevolence abroad comprehended in the Marshall plan. In fact, in 1945 Browder in his book gave almost a complete blueprint of the Marshall plan and of the administration's point 4 program.

Let us again briefly compare at this time the Forrestal plan—erroneously named the Truman plan—for Greece and Turkey with the Acheson-Marshall plan for Europe.

The Forrestal plan—which Truman fortunately adopted for Greece and Turkey—provided for all the necessary military aid to people who themselves were willing to fight communism—enough military aid to make them strong enough to withstand international communism. While sufficient economic aid was given to make the military aid effective and workable, the emphasis at all times was to be on military aid. The Forrestal plan proved very successful.

The Acheson-Marshall plan for all of Western Europe was directly opposite to the Forrestal plan for Greece and Turkey. It consisted of giving the maximum economic aid with no thought whatsoever of any military defense of Western Europe. In fact, the over-all plan was to build up the area economically and keep it defenseless from a military standpoint. The Acheson-Marshall plan fitted perfectly with Communist Russia's desire for a power vacuum in all of Western Europe. The recommendations of Washington in the summer of 1947 were something like this:

Hundreds of millions for Greece and Turkey to help preserve them from being engulfed by the tide of Soviet imperialism—billions for economic aid for Europe—not one cent for the Republic of China.

The Secretary of State, having opened the Treasury gates for his massive and unrewarding boondoggle throughout Europe, made no mention whatsoever of aid to China. It was only after the Eightieth Congress indicated that they would look with disfavor on aid to Europe unless aid to China were included in the plan that the State Department proposed a similar nonmilitary grant to China. It called for $570,000,000 over a 15-month period. Marshall stipulated in the bill he sent to Congress that the money should go alike to his friends, the Yenan Reds and our friends, the Republic of China.

CAMPAIGN OF DECEPTION

I must at this time deal with the extraordinary campaign of deception which has been practiced upon this Congress regarding aid to China. Acheson's testimony before the Armed Services and Foreign Affairs Committees early this month was a piece of organized fabrication on so vast a scale as to have excited the envy of the prince of liars, Ananias. Acheson had the triple-distilled brass to repeat the assertion that this Government between VJ-day and 1949 gave China $2,000,000,000 in grants and credit. He has used that figure before, and so great is his persuasiveness, that he cozened the chairman of the Foreign Relations Committee into accepting it and repeating it on this floor.

They scraped the bottom of the barrel to arrive at that figure. It includes lend-lease left over from the war to the tune of several hundred millions. It includes nearly a half million estimated to be the United States share of UNRRA for China—our friends and the Yenan Reds alike sharing in this. It includes about $600,000,000 for "services," the principal part of which was the cost of transporting the Republic of China's armies into northern and eastern China and Manchuria to accept the surrender of the Japanese—as much our job as theirs. It includes perhaps a hundred million in loan for internal reconstruction. If you were to believe Acheson, the unbelievable, half of the two billions was "military aid." That is the most preposterous aspect of his great deception. I invite you to study the record. You will find, as I have found, that the only military aid given the Republic of China, either as grants or credits, from VJ-day to 1949 consisted of this:

The balance of lend-lease with which Wedemeyer finished equipping and munitioning the Nationalist forces in the fall of 1945; the $125,000,000 voted by this Congress in the spring of 1948, an appropriation which was maliciously sabotaged by acts of the State Department and Commerce Department; a tiny residue found in the surplus war materials sold the Republic of China on credit in 1946 before Marshall, in deference to his friend, Chou En-lai, procured a Presidential order forbidding any combat items to be included.

Why do Marshall and Acheson seek to deceive you about this? The record is open. Not only did we fail to assist the Republic of China in its war with world communism, represented by the Yenan Reds; it was the declared and consistent policy of this administration to refuse to assist our only friends, the only friends of freemen and the west that could be found in the political framework of China—Chiang Kai-shek and the Republic of China. I refer you to the directive of December 15, 1945, of Truman to Marshall, written by Marshall, in which it is said, and I quote:

> A China disunited and torn by civil strife could not be considered realistically as a proper place for American assistance along the lines (including military assistance) enumerated.

I refer you to the State Department bulletin of the day following, December 16, outlining the Marshall China policy to our representatives abroad, a document produced no doubt by the collaboration of Acheson, Service, and Hiss, which spelled it out, and I quote:

> United States support will not extend to United States military intervention to influence the course of any Chinese internal strife.

And adding that only when China moves toward peace and unity, will we be prepared to assist the National Government of China. I refer you finally to Truman's statement of policy of December 18, 1946, where with unflagging zeal on an evil course, after all the evidence of Russian intentions to dominate all governments in which they were allowed to enter had been thoroughly disseminated through the western world, he demands in stern tones that Chiang Kai-shek accept the recalcitrant Yenan Reds on pain of incurring his displeasure. I want particularly to stress Truman's apologetic reference to the surplus stores, supplies which Acheson would have you believe assisted in China, and I quote the President's words:

> China agreed to buy all surplus property owned by the United States in China and on 17 Pacific islands and bases * * * especially in view of the rapid deterioration of the material in open storage under tropical conditions and the urgent need for the partial alleviation of the acute economic distress of the Chinese people * * *. Aircraft, all nondemilitarized combat material and fixed installations outside of China were excluded. (This was done at Marshall's insistence upon the urging of the Yenan Reds when the Nationalists were winning the civil war.) Thus, no weapons which could be used in fighting a civil war were made available through this agreement.

TOO EARLY OR TOO LATE?

I have submitted enough evidence to prove beyond any doubt whatsoever that, instead of lending assistance to the Republic of China as Acheson claims, it was our studied policy to do nothing of the sort. And so when Acheson said in the foreword to the white paper that "the second objective of assisting the National Government * * * we pursued vigorously from 1945 to 1949" he is deliberately attempting to deceive. Not only did we not assist them affirmatively, but Marshall shut off what they had coming to them by his embargo and in the surplus stores. I shall offer one final proof of Acheson's moral turpitude in this matter.

First I read from testimony of Acheson before the Foreign Affairs Committee of the House on March 20, 1947, when he opposed military advice and supplies to China, saying:

> The Chinese Government is not in the position at the present time that the Greek Government is in. It is not approaching collapse. It is not threatened by defeat by the Communists. The war with the Communists is going on much as it has for the last 20 years.

Next I read from the white paper letter of transmittal where Acheson said that the action which he was against in 1947, because it was unnecessary then, was too late to do any good in 1949. I quote:

> The unfortunate but inescapable fact is that the ominous result of the civil war in China was beyond the control of the Government of the United States. Nothing that this country did or could have done within the reasonable limits of its capabilities could have changed that result; nothing that was left undone by this country has contributed to it.

I hope that I never have to face an angry God with a lie of that enormity and that fatefulness to the history of

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China, this country and the world upon my conscience. The plain fact is, and I am confident that when I have finished this analysis you must agree with my conclusions, that we not only did not assist the Republic of China to avoid "the ominous result of the civil war in China" but we did everything we could, short of arming and leading the Yenan Reds to give the decision to them. And for this result two men are more responsible than any other Americans, and their names, as you have guessed, are George Catlett Marshall and Dean Gooderham Acheson.

What occasioned Acheson's duplicity in the white paper, his continuing duplicity before the Russell committee?

I say it is fear of their being found out, exposed and taken out of control of our foreign policy before the betrayal is completely done. It is one thing to betray China and the United States and the free world in secret and by the lofty language of diplomatic double talk when the attention of the people is otherwise directed. It is another to face the plain, bare, and ugly record in light of day and be forced to "give an account of thy stewardship."

THE WEDEMEYER REPORT

And so we come to another attempt to hide, to prevaricate, and deceive. This concerns the Wedemeyer mission to China. Already in 1947 the public was stirring in curiosity over the deplorable and dangerous trend of events in China. Already, the friends of China were asking why, if we could so munificently assume the British burden, we could not take care of our equally important interest in China? So Wedemeyer, originally a protégé of Marshall until later events awakened this man of vision and fractured their friendship, was sent to China in the summer of 1947.

He returned in September and rendered to the President his report, a report which I cannot commend too highly for objectivity, for candor and, above all, for its sound realization that Russia was on the march in China to our potential disaster. The Republic of China still had, you will remember, the upper hand militarily when Wedemeyer was there, although the problem of supply was growing more acute day by day and he recommended measures to relieve it.

The Wedemeyer report utterly displeased General Marshall for reasons we shall come to later. At first, he thought it might be modified and doctored up so that it would suit his long-range purpose—the defeat of the Republic of China. A crew of State Department officials was put to the task of rewriting the report. I would like to know if it included Hiss and Vincent. Wedemeyer declined to sign a distorted report. And so Marshall pocketed the whole thing, keeping it suppressed for nearly 2 years until selected parts of it were inserted among the annexes of the white paper.

Why did Marshall bottle up the Wedemeyer report? The true answer is found in the nature and language of that report, which is a plain repudiation of the intent of his policy and mission. Two pretexts were put forward by Marshall. One, which was given to satisfy a request for publication by our late and lamented colleague, the Senator from Michigan, who was then chairman of the Foreign Relations Committee, was utterly and in toto false. The second answer was ambiguous but indicative of the goal and purpose of Marshall's China policy.

I have in my hand photostatic copies of two letters addressed by Senator Vandenberg to Alfred Kohlberg, a stanch American, without whose indefatigable efforts to expose the truth we might already have been totally lost in Asia. The first Vandenberg letter, dated November 24, 1947, said, and I read it:

> It is my opinion that there is nothing to be gained for China by it (the Wedemeyer report's) publication—and I think I speak as a proven friend of China. I give you one example—confidentially. The report is replete with quotations of many prominent people (both Chinese and Americans) whose opinions were obtained under the seal of confidence. I am advised on what I consider to be unimpeachable authority that this is the fact.

Kohlberg replied, expressing his fears that "a conspiratorial group in the State Department, and possibly in the administrative office of the President, and possibly in the Bureau of the Budget, have objectives in the Far East that conflict with our proclaimed open-door policy," and further stated that he was under the impression that "the so-called bipartisan foreign policy is being used as a shield to cover objectives which are hidden from the Republicans, like yourself, concerned with that policy."

On December 31, 1947, Senator Vandenberg again wrote Kohlberg in reassurance concerning the Wedemeyer report, referring to his previous letter and saying, and I quote:

> My statement to you in my letter of November 24 regarding the Wedemeyer report was based upon a direct and specific statement to me by Secretary of State Marshall. This, however, is a confidential comment to you because I do not care to involve in any controversy on a point of this nature.

But the Wedemeyer report finally saw the light of day despite Marshall's and Acheson's opposition. You all have read it and are thus in a position to bear witness concerning it. Did you find in it any confidential statements ascribed to any Chinese or Americans such as the first Vandenberg letter relates? Certainly not, because there are none. What can you make of this clear and explicit declaration from beyond the grave? Only this, that Marshall manufactured this excuse out of whole cloth. That, in short, he lied; as he lied on the witness stand in September 1950 about the authorship of the China policy; as he lied about his whereabouts on the morning of Pearl Harbor Day, saying first that he was horseback riding, then that he was at home at Fort Myer, when, in Arthur Upham Pope's book on Litvinov, Marshall's name appears as one of those Americans who met the Russian Ambassador when he arrived by plane in Washington on that morning. This latter incident I have already placed in the CONGRESSIONAL RECORD. Whether he was with a horse, his wife, or Litvinov, I do not know. But it is an interesting speculation about a morning upon which every American knew exactly where he was and what he was doing when he heard that the bombs were falling.

What can we make of this succession of blatant untruths? What of the character of their author? There was a time when the word of an officer of the United States Army or Navy was as good as his bond. Veracity was bred in the bone and fiber of our officer corps, at their academies and throughout their careers. We honored them for it and took pride in their honor. What has become of the code of the officer and gentlemen, and I say this without the sneer that usually accompanies this phrase on the lips of the leftist-phony "liberals"? I ask this in all seriousness. General Marshall is at the head of our armed services. Quite apart from the destructive nature of his public acts since the beginning of World War II, I ask in all gravity, whether a man so steeped in falsehood, who has recourse to the lie whenever it suits his convenience, is fit to hold so exalted a place, a place where he must be a model to the officers and men and women of our armed services?

How can we believe General Marshall under oath or otherwise? On this ground alone what value can his counsel have to us regarding our public course? I leave this consideration to the Congress and the people of the United States for prayerful meditation on the degeneration of public figures if they would maintain favor with and position in this administration.

The second reason given for suppressing the Wedemeyer report was that in it Wedemeyer recommended a trusteeship for Manchuria as a cure for the intolerable bloodshed and turbulence that grew, originally, out of Yalta. It is true that Wedemeyer does so recommend. The implication of this excuse was that its publication would have been offensive to the Republic of China. The disingenuousness of that excuse is at once apparent if we refer to China's position in 1947, with its continued possession of Manchuria touch and go in any case, and to the brusque and contemptuous treatment which had been meted to Chiang Kai-shek by Truman and Marshall since December of 1945. Since when were we considering the feelings of the Republic of China? You need not seek far to find the real reason lurking behind this avowed one. Who would such a proposal really offend? Not China, but Russia—the Russia which had, as a result of the Yalta deal, a hammerlock on Manchuria which it proposed not to relax, sharing it, if at all, nominally only, with its creatures of Yenan.

So we see that the excuse based upon the trusteeship proposal was a species of deceit also. The genuine reason fits perfectly into the whole pattern of the China policy, being part and parcel of the scheme hatched in the fall of 1945 with Marshall as its chief exponent to deliver China, and with it all Asia, to the Soviet empire.

We come to the bona fide reason for the suppression of the Wedemeyer report in the fall of 1947, when, I bid you note, China still had a chance to fight off

the Red imperialists with our assistance. By 1949, when the report found its way into public attention, that hope had vanished and the Marshall plan for China was, to all intents and purposes, crowned with success. The overwhelming reason for the suppression was that the Wedemeyer report in almost every line, directly and indirectly, repudiated the Marshall policy.

Wedemeyer did point out need for reform in the Chinese Government, but the need for reform in the Chinese Government was infinitely less than the need for reform within our own Government, as evidenced by the odorous 5-percenter investigation, the deep freezes, the mink coats, the fixes in criminal cases and in RFC loans, the combine of gamblers and Government officials. No one in this Nation has urged, as Marshall did in China, that because this Government is corrupt, we should turn it over to the Communists. Incidentally, Acheson, before the Russell committee, dealt almost exclusively with the small section of the Wedemeyer report dealing with corruption in China.

Why was the Wedemeyer report really suppressed?

Marshall wholly ignored the question of Russia, omitting any reference to it in his valedictory.

The whole of Wedemeyer's general statement to the President is instinct with the urgency of that question. I shall quote passages illustrating this point, resisting the temptation to quote all. I read from the Wedemeyer report:

> The goals and the lofty aims of freedom-loving peoples are jeopardized today by forces as sinister as those that operated in Europe and Asia during the 10 years leading to World War II. The pattern is familiar—employment of subversive agents; infiltration tactics; incitement to disorder, and chaos to disrupt normal economy and thereby to undermine popular confidence in government and leaders; seizure of authority without reference to the will of the people—all the techniques skillfully designed and ruthlessly implemented in order to create favorable conditions for the imposition of totalitarian ideologies. This pattern is present in the Far East, particularly in the areas contiguous to Siberia.

In other words, Manchuria.

Why did Wedemeyer propose a trusteeship for Manchuria? Was it against the interest of China? I quote further from his report:

> The situation in Manchuria has deteriorated to such a degree that prompt action is necessary to prevent that area becoming a Soviet satellite. * * * This would create a difficult situation for China, the United States, and the United Nations. Ultimately it could lead to a Communist-dominated China.

Do you now see why Marshall suppressed that for 2 years?

What can be done in general to meet the threat to the peace contained in Soviet imperialism?

> Events of the past 2 years demonstrate the futility of appeasement based on the hope that the strongly consolidated forces of the Soviet Union will adopt either a conciliatory or a cooperative attitude except as tactical expedients. Soviet practice in the countries already occupied or dominated completes the mosaic of aggressive expansion through ruthless secret police methods and through an increasing political and economic enslavement of peoples. Soviet literature, confirmed repeatedly by Communist leaders, reveals a definite plan for expansion far exceeding that of nazism in its ambitious scope and dangerous implications.
>
> Therefore in attempting a solution to the problem presented in the Far East * * * every possible opportunity must be used to seize the initiative in order to create bulwarks of freedom.

How did our difficulties arise in the Far East?

> Indirectly the United States facilitated the Soviet program in the Far East by agreeing at the Yalta Conference to Russian reentry into Manchuria and later by withholding aid from the Nationalist Government.

Marshall read Wedemeyer's eloquent indictment of Soviet imperialism, although denying it to the people, who paid for the Wedemeyer mission. Wedemeyer proposed after a moving and sincere statement of the case of China, which I do earnestly bid you study anew, that we make a fresh start there advising Nanking, and I quote from page 774:

> That the United States is favorably disposed to continue aid designed to protect China's territorial integrity and to facilitate her recovery.

He proposed that the whole problem be referred to the United Nations; that the United Nations set up a trusteeship over Manchuria; that China give continuing evidence of a will to reform her governmental structure; and that, to put it in language different from Wedemeyer's but containing the same meaning, the United States supply official advisers, military and civilian, to assist China in those reforms.

What evidence does General Wedemeyer's report offer on whether or not we supplied China? In his testimony of June 4, before the Russell committee, Dean Acheson said, and I quote:

> Although his [Wedemeyer's] actual recommendations do not call for a grant of military aid, it is possible to read that in.

Although in September 1947 the forces of the Republic of China had invaded and captured Yenan, the situation in Manchuria had reached a point where, said Wedemeyer on page 808 of the white paper, "prompt action is necessary to prevent Manchuria from becoming a Soviet satellite." Elsewhere the Nationalist forces faced severe stringencies and suffered from poor strategical leadership. Said Wedemeyer:

> It is doubtful if Gen. Chen Cheng [the new Nationalist commander in Manchuria] can weld a strong unified force in view of the continued serious shortages of both supplies and capable subordinates.

The Yenan Reds had no shortages of supplies and trained captains, both being furnished by Russia.

What did Wedemeyer think of the importance of China to the American position in the Far East? I quote from page 809 of the white paper:

> Any further spread of Soviet influence and power would be inimical to United States strategic interests. In time of war the existence of an unfriendly China would result in denying us important air bases for use as staging areas for bombing attacks as well as important naval bases along the Chinese coast. Its control by the Soviet Union or a regime friendly to the Soviet Union would make available for hostile use a number of warm-water ports and air bases. Our own air and naval bases in Japan, [the] Ryukyus and the Philippines would be subject to relatively short range neutralizing air attacks. Furthermore, industrial and military developments of Siberia east of Lake Baikal would probably make the Manchurian area more or less self-sufficient.
>
> On the other hand, a unified China friendly or allied to the United States would not only provide important air and naval bases, but also from the standpoint of its size and manpower, be an important ally to the United States.

These strategic lessons are elementary to any consideration of the relationship of the United States to the Far East. Recognizing them, Wedemeyer's advice, explicit and implicit, is that we hold and preserve China as an ally. If General Wedemeyer understood matters in this sense, were they not understandable also to General Marshall? No one ever has described him as a dunce. He, like Wedemeyer, is a professional soldier, trained to the understanding of strategy.

What did Wedemeyer recommend that we do in detail to bolster China in its civil war on the Yenan Reds? He had a six-point program.

First, China had 16,000 motor vehicles which it could not use, chiefly trucks, because of the lack of spare parts which we had agreed to supply but hadn't.

The United States—

Said Wedemeyer—

is morally obligated to complete this program.

Secondly, the United States should enable the Chinese to buy military equipment. He said, and I quote from page 811:

> Since completion of the 39-division program nearly 2 years ago very little has been supplied. Thus there are many shortages in military equipment which react to the disadvantage of Nationalist military efforts. Credits should be established for China to purchase the necessary military equipment needed to effect a supervised revitalization of her ground and air forces. Without such aid American equipment purchased during and subsequent to the war is, or soon will be, valueless since maintenance parts will not be available to keep the equipment in use.

What does that do to the false story of Acheson concerning the billion dollars in military aid furnished China between VJ-day and 1949? What a monstrous deception that has been. The Secretary of State has repeatedly declared that the Republic of China lost no battles because of a lack of equipment and ammunition. What did Wedemeyer say bearing upon the future of the civil war in September 1947? I read:

> In July the Navy abandoned 335 tons of ammunition in Tsingtao, which was recovered by Nationalists. However, Nationalist armies continue to complain of shortages of ammunition of all types and calibers. There will be severe shortages in the near future unless replenishment from foreign sources is accomplished.
>
> There is an implied moral obligation to assist the Chinese Government to obtain ammunition.

What did Marshall do about this moral obligation? That fall 1947 he recommended a grant of $570,000,000 to

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China—not one cent for military supplies. We shall see later what he did to forestall and delay any military supply to China.

In conclusion, Wedemeyer recommended, and I read from page 814:

That the United States provide as early as practicable moral, advisory, and material support to China in order to prevent Manchuria from becoming a Soviet satellite, to bolster opposition to Communist expansion, and to contribute to the gradual development of stability in China.

Could you ask for a more forthrightly American program? Can you wonder that Marshall, bent on other aims, suppressed this report?

Did Marshall act upon Wedemeyer's advice? Did he reverse himself? You know the answer.

CONFUSION COMPOUNDED

Six months later, on March 10, 1948, months during which the situation in China had gone, from the American viewpoint, from bad to worse, Marshall was asked at a press conference whether the directive of December 1945, demanding a unified government of China, was still our policy. He said that it was, an answer which threw the State Department into a dither. No one but Marshall was openly supporting that policy by the spring of 1948. So the Department sought to extricate him, issuing a statement the next day which made it appear that Marshall had been confused. They said that he had thought the question had to do with the President's statement of December 15, 1945, which it, of course, did. Suppler minds in the Department of State then edited what the Secretary had said to make it appear that what he really said was that, the Communists being in open rebellion in China, the matter of their inclusion in the Government was for the Chinese, not the American Government, to decide.

The President, too, was utterly confused at this point. On March 11, at a White House press conference, he was asked the same question, "Do you still insist upon Communists in the Chinese Government?" The statement of December 15, 1945, "still stood," replied Truman. He confounded his American interviewers by adding the contradictory explanation that, however, "we did not want Communists in the Government of China or anywhere else if we could help it." The Tass correspondent was perhaps not confused at all.

The questions of March 10th and 11th had been prompted by public discussion of aid to China. Such demands were rising. We were then in the Eightieth Congress. The friends of China had friends in this court. And so, the Congress, rejecting Marshall's nonmilitary $780,000,000 bill, appropriated $275,000,000 for economic aid and $125,000,000 for arms to help Chiang Kai-shek at that late hour stand against Soviet imperialism. This sum, inadequate though it was, might have been effective had it been immediately translated into the ammunition for lack of which the armies of the Republic of China were being beaten, were defecting, or fading away.

SABOTAGING THE WILL OF CONGRESS

What ensued is one of the most shocking subversions of the will of the Congress by an administration that our history will show. If proof were needed that the State Department, under Marshall and Acheson, and sheltered by a wholly uncomprehending and pliant President, were intent upon delivering China to Russia, that proof was afforded by their administration of the China-aid bill of 1948.

Nothing was done for 2 months. The Chinese Ambassador had been pleading in vain for implementation. On June 2 the Senator from New Hampshire, having sent a strong note to the White House concerning this delay, the President wrote the State and Treasury Departments, in effect, authorizing them to move. But the President, relying upon his State Department advisers, had gummed up the works. I am sure this was intentional on their part. He had authorized the executive agencies to buy only military supplies from commercial suppliers. No supplies were available from those sources. Not until July 28, 4 months after the act was passed, was the Defense Department empowered to issue matériel from its own stocks.

Not until November 9, more than 7 months after Congress spoke, did the first shipment clear from Seattle for China. China was finally lost during those months. This is not the end of this wretched story. Not only was the will of Congress frustrated for more than half a year, but China got only half as much in the way of military supplies as Congress had supposed she would. The prices fixed upon the supplies by the Army were exorbitant. Congress had expected China to be treated as had all other countries which drew from our stores, that is, that she would be charged the cheap, surplus price charged the others. Instead of that, and I am taking the figures from Miss Utley's book, The China Story, China paid for bazookas $162 apiece, the surplus price being $3.65; for .30-caliber rifles she paid $51 each, the surplus price being $5.10; for thousand rounds of rifle ammunition $85, the surplus price being $4.55; and for machine-gun ammunition per thousand rounds $95, the surplus price being $4.58. Those figures appear in Miss Utley's book. I have not myself checked them; therefore, I ask the Department of the Army to come forward and submit to the appropriate committee of this House the price lists that it charged the Chinese.

I shall not take more of your time to dwell on this appalling chapter in the betrayal of China. As it demonstrates, Marshall was still implacably against the Republic of China. He has never relented even up to this moment. Only a few weeks before he resigned as Secretary of State, Marshall was attending the Assembly of the United Nations in Paris. There he was approached by Dr. T. S. Tsiang, the Chinese delegate, who, and I find this on page 887 of the white paper, implored Marshall for assistance. Tsiang asked that the United States recognize the need for expert military leadership by sending United States officers to actual command of the republican armies; that the United States expedite the supply of munitions, and he asked Marshall's advice about laying China's plight before the United Nations, as Wedemeyer had proposed.

In his report on the incident to Under Secretary Lovett at Washington, Marshall said, and I quote:

I did not offer encouragement beyond present efforts.

Respecting Tsiang's United Nations inquiry, Marshall reported:

I said I would have to consult my colleagues of the United States delegation to develop various possibilities; that offhand I thought it an inadvisable procedure and discussed possible Soviet moves to take advantage rather than to counter such a move.

The sense of the foregoing is difficult to arrive at. What can be easily gathered is that Marshall was, as usual, sensitive to Russia's plans, aims, and prospects.

"LET THEM FALL BUT DON'T LET IT APPEAR WE PUSHED THEM"

The final, definitive word was given on the Marshall China policy in July 1947. By then the friends of the Yenan Reds, who are, of course, by definition, the enemies of America and the West, were jubilant. Marshall's policy was a success. There remained the task of explaining to the faithful how it had been accomplished. There remained a bit of crowing to do over the corpse of China and the decline of America's position in the Far East. This task was assumed by, or delegated to, Owen Lattimore. There has been a controversy over whether Owen Lattimore is a conscious agent of Soviet imperialism. I know that he is and I know that in the fullness of time that fact will be established for all to see and hear.

I have here a photostatic copy of the editorial page of the Sunday Compass of New York, dated July 17, 1949. Displayed thereon is an article by Owen Lattimore, with the exultant, and, I hope, premature heading, "South Korea—another China." In the body of the article, Lattimore is discussing the proposals, then before Congress, for a grant to South Korea of $150,000,000. Dean Acheson had made what Lattimore called a "strong appeal" for that appropriation before the House Foreign Affairs Committee. Lattimore went on to point out that at this same time we were withdrawing our troops from South Korea. The conjunction of these events was to Lattimore, and he was so explaining them to the faithful who read the Compass, a demonstration of the Communist-planned duplicity of American policy, a policy which he said "is now conducted under rules of protocol which have become as rigid as tribal taboos." If we may paraphrase Lattimore's words, the United States was then pursuing one policy with two contradictory horns. Upon the one horn, we were appearing to be standing in friendly sponsorship of South Korea; on the other we were preparing to let her fall into the maw of Russian imperialism. I shall let him describe George Marshall's part in this conspiracy in Lattimore's own words, quoting him—

There is logic to the course of action advocated by Secretary Acheson. It is, moreover, a perfectly convincing logic. * * *

For the logic we must go back to the sad precedent of China. The truth is that Gen. George C. Marshall, on his mission to China in 1946 * * * became convinced of sev-

eral unpleasant things which, because of the state of political opinion in America, could not be stated out loud.

I invite you to note that Lattimore is interpreting the secret mind of George Marshall as one having authority. I read:

First, he was convinced that the Kuomintang would not be able to triumph over the Chinese Communists unless it took American advice. Second, he was convinced that politically and militarily America could not handle the situation in China by taking the Kuomintang by the scruff of the neck and the seat of the pants and making it behave. Yet he could not, as a statesman, advise what seemed sensible to him as a general—that the United States simply pull out and abandon an untenable position.

I come to the operative part of this astounding recital of the problem of China, reading:

As a compromise, American policy took a course of relative inaction, but not complete inaction. As it became more and more obvious that Chiang Kai-shek and the Kuomintang were doomed, the conduct of American policy became increasingly delicate. The problem—

And here we have reached the inner chamber, the arcanum, of the Marshall plan for China—

was how to allow them to fall without making it look as if the United States had pushed them. Such a policy never succeeds completely (that is, it cannot be wholly concealed) and critics have done their best to make the public believe that the United States did push Chiang and the Kuomintang over the cliff.

There you have the complete, sinister, treacherous, traitorous picture—here is the modus operandi written to instruct the Communists and Communist sympathizers which, alone, read the Compass. This is a secret communication, in effect, letting the faithful in on the secret of how the Marshall policy worked.

Can anyone in this Chamber doubt, after the lengthy documentation from the pens of Marshall's own friends, that Lattimore was speaking the truth?

So, he went on, it was to be with Korea.

The thing to do—

And I am reading from Lattimore—

therefore, is to let South Korea fall—but not to let it look as though we pushed it. Hence, the recommendation of a parting grant of $150,000,000.

Can you doubt the veracity of that explanation of our Korean policy until Truman ordered Korea defended?

It was so true. I am grateful to Lattimore for his graphic exposition.

The next appearance of Marshall in a position of supreme influence over our affairs came only last September. It was a black day for America when this Senate voted to set aside a law it had passed to guard against lesser calamities to allow Marshall to become Secretary of Defense. We were not on guard, we were not vigilant. We fell short on that day and I accept my share of the blame with sorrow and repentance. I was recorded against the bill but opposition was hopeless then because Marshall was still wearing the false halo placed upon his head by the alchemy of false propaganda.

I wondered then why this venerable soldier, who had received the world's honors, who had served as the first man in the President's Cabinet, should be willing to return to the wars. I no longer wonder.

AMERICAN STRATEGY

What is our strategy now?

It is to fight a pointless war in Korea, hoping against hope that the enemy in Peiping and Moscow will sue for peace so that we may ignominiously yield and depart, leaving them to enjoy peaceably what the Marshall policy gave them?

It is to abandon American interests in the Far East, surrendering Formosa to the grasp of a United Nations strewn with our enemies and wanting nothing so much, under the leadership of the temporary Socialist Government of Britain and the Communist-loving present Government of India, as to thrust the United States out of the Far East.

It is because he differed with that policy that General MacArthur was recalled from the Far East. He stood as a barrier to the final fulfillment of the Marshall-Acheson policy for China. That is why, when Marshall took office, Eisenhower was rushed to Europe and the great debate over the extent of our participation in the defense of Europe was provoked. That was the diversionary trick of a carnival prestidigitator. What had changed in Europe during last summer and early fall? What sign was there that we faced attack from Russia in that quarter? The whole procedure was without meaning in any realistic sense, yet it had meaning in the mind of the man referred to by the Democrats at Denver as "a master of global strategy."

In order to more completely round out the history of Marshall over the past decade, let me cite three unconnected documented examples of his activities all of which follow the same pattern as those given: The Senate will recall that Russia was given the plates so they might print allied currency. On page 16 of the hearings held in June 1947 before the Committees on Appropriations, Armed Services, and Banking and Currency, the following testimony of Mr. Howard Peterson, Assistant Secretary of War, is found:

On April 18, 1944, the Soviet Ambassador was furnished with glass negatives and positives of plates for the use of the Soviet Government in the printing of allied military marks, together with technical information on inks.

On pages 20 and 21, Senator Tydings is questioning the Assistant Secretary of War to find out who approved the plan to give Russia our currency plates. The following questions and answers are significant in that respect:

Senator TYDINGS. It did clear the Joint Chiefs of Staff before it reached the civilian branches of our Government?

Mr. PETERSON. That is correct.

Senator TYDINGS. And ostensibly, I suppose it is fair to ask that they approved it before it went to these others, otherwise, it would never have gone any further?

Mr. PETERSON. I certainly would assume so, Senator.

The hearings also quote from a letter written by Marshall on April 13, 1944, in which he advises when the plates should be made available to Russia.

Much has been said in the past about the assistance which Marshall gave to China in furnishing Chiang a 1,500-man military mission. In that connection, it is important to have some picture of the type of military mission Marshall furnished Chiang. On pages 41 and 42 of Freda Utley's book, The China Story, the following is found:

As his authority for the statement that the Chinese Nationalist forces did not lose a battle in 1948 through lack of adequate arms, Mr. Acheson cited our military observers on the spot. But our military observers, meaning the United States military mission, were not in fact on the spot; they were sitting in Nanking, thanks to Mr. Acheson.

On August 24, 1949, in a statement to the press, he said that United States military advisers in China were not permitted to give advice in the field because Congress refused to include the Greek-Turkey proviso in the 1948 China Aid Act. In fact, however, it was the State Department which caused this proviso to be removed from the act. The House had included it, but the Senate removed it at the State Department's request, and upon assurances given by the State Department that the act would in fact be implemented as if the Greek-Turkey proviso were included.

Having induced the Senate to withdraw the House proviso for diplomatic reasons, but with the promise that military advice would nevertheless be given to the Chinese Nationalist forces, the State Department proceeded to act within the limits set by the letter of the law, thus ignoring its promise to the Senate. In the fall of 1948, William C. Bullitt, on his return from a visit to China, reported that the so-called mission sent to aid Chiang had been instructed not to advise him with regard to the operation of his forces.

The former Ambassador and confidant of Franklin D. Roosevelt further stated that "nearly half of the 1,500-man military mission was composed of fellow travelers and Communist sympathizers."

Whatever the exact figures, it would seem that the military mission to China was never intended to be more than window dressing to satisfy the opposition in Congress. Since it was forbidden to give strategic or tactical advice to the Nationalist forces, it had no valid function.

WARNING OF SUBCOMMITTEE OF SENATE APPROPRIATIONS COMMITTEE

Another document which also sheds some light upon the activities of Marshall and Acheson is a confidential report from a Senate Appropriations Committee to Secretary of State Marshall, dated June 10, 1947. I quote parts of that document:

It becomes necessary due to the gravity of the situation to call your attention to a condition that developed and still flourishes in the State Department under the administration of Dean Acheson.

It is evident that there is a deliberate, calculated program being carried out not only to protect Communist personnel in high places but to reduce security and intelligence protection to a nullity.

Regarding the much-publicized Marzani case, the evidence brought out at his trial was well known to State Department officers, who ignored it and refused to act for a full year.

Marzani and several other Department officials, with full knowledge of the State Department, and with Government time and

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money, promoted a scheme called Presentations, Inc., which contracted with a Communist-dominated organization to disseminate propaganda.

Security objections to these and other even more dangerous developments were rebuffed by high administrative officials, and there followed the substitution of unqualified men for these competent, highly respected personnel who theretofore held the intelligence and security assignments in the Department. The new chief of controls is a man utterly devoid of background and experience for the job, who is, and at the time of his appointment was known to those who appointed him to be, a cousin and close associate of a suspected Soviet espionage agent. * * *

On the file in the Department is a copy of a preliminary report of the FBI on Soviet espionage activities in the United States, which involves a large number of State Department employees, some in high official positions. This report has been challenged and ignored by those charged with the responsibility of administering the Department with the apparent tacit approval of Mr. Acheson. Should this case break before the State Department acts, it will be a national disgrace.

Voluminous files are on hand in the Department proving the connection of the State Department employees and officials with this Soviet espionage ring. Despite this, only two persons, one of whom is Marzani, were released under the McCarran rider because of their subversive activity (I omit the names) are only a few of the hundreds now employed in varying capacities who are protected and allowed to remain despite the fact that their presence is an obvious hazard to national security. There is also the extensive employment in highly classified positions of admitted homosexuals, who are historically known to be security risks.

The War and Navy Departments have been thwarted for a year in their efforts to carry out the German scientist program. They are blocked by one man in the State Department, a protege of Acheson (I omit the name) who is also the chief instrument in the subverting of the over-all security program.

This deplorable condition runs all the way up and down the line. Assistant Secretary Braden also surrounded himself with men like * * * and with * * * who has a notorious international reputation. The network also extends into the office of Assistant Secretary Benton.

This report to Marshall was completely ignored and I understand not even answered by him.

PLANNED DISASTER FOR EUROPE

But let us explain Marshall's strategy in Europe. I realize that some of my good friends feel that the problem there can be settled merely by the decision of whether we shall send an additional 6 or 8 or 10 American divisions to Western Europe. Would that it were that simple. Keep in mind that the group which is doing the planning for Western Europe is the identical group which has been doing the disastrous planning for Asia—the same group that did the planning for the sell-out of Poland and China. Let us look at the unquestioned facts in that area. Those facts speak for themselves. The planning has been disastrous for America and good for Soviet Russia.

The Senate will recall that when General Eisenhower appeared before the joint session of the Congress, he said he was unable to discuss the use of German manpower until the politics of the situation were cleared up by the diplomats. And for 5 years those diplomats have done nothing to clear up the situation. Periodically, our State Department has talked of rearming Western Germany to counter the powerful "peoples" army built up by the Russians in East Germany. But it is nothing but talk—words apparently planted to lull the American people into a sense of security that we are going to do something in West Germany to counter the threat of what Russia has been doing in East Germany. Clever administration of sleeping tablets, if you please.

When Eisenhower went to Europe to plan the defense of Western Europe, he was not even allowed to visit the greatest potential source of manpower for a Western European army—a country that has long been dedicated to fighting communism—Spain. I am not going to argue that Spain has or has not the kind of government of which we should approve. The point is we cannot make over the Spanish Government. I am not going to argue that we should or should not love the 48,000,000 people of Western Germany. But it takes no argument, it follows as the night follows the day, that there is no way on God's earth to defend the richest prize for which Communist Russia is aiming—the industrial heart of Europe—unless we use those two great wells of tough anti-Communist manpower, Western Germany and Spain. The talk of doing otherwise is either the talk of those who know not what they say or the talk of traitors planning a phony defense.

When I hear administration spokesmen urging that the solution to the whole problem lies in drafting and sending to Europe another 6, 8, or 10 American divisions, there is called vividly to my mind an article which I just discussed which appeared in the Compass on July 17, 1949, in which the State Department adviser said:

The problem is to let them [our allies] fall but don't let it appear that we pushed them.

PLANNED DEFEAT IN EUROPE

Why have we apparently adopted the suicidal strategy of opposing American and Allied flesh to the Russian on the undefended plains of central Europe? Are we inviting defeat there as well as in Asia? Why has our strategy, under Marshall, ignored the Mediterranean theater, as he scorned it in World War II; an area where we alone have potential bastions that can be held and from which we can launch counterattack by air and land against Russia? Why have we slighted the two nations in Europe—one with an organized and effective army that is on our side; the other with a vast potential army. Spain has an organized army. The warlike quality of the Spanish is not challenged.

They have 35 divisions which they would throw into the pool. France has a half dozen at most, and who could rely completely upon French conscripts in a war against the Communist motherland? The British have no more. The loyalty of the Spanish to the cause we serve cannot be questioned. Why have we shunned Spain? Why have we shunned organizing any army from Western Germany's 48,000,000 anti-Communist people? Why have we slighted heroic Greece and the Turks whose valor in Korea has won our respect and forged ties of gratitude which should last as long as this Republic itself?

IN WHOSE NAME DOES ACHESON MAKE PROMISES?

We have embraced Yugoslavia. Dean Acheson has served notice upon the Kremlin that an attack upon Communist Yugoslavia will mean war with us. At whose bidding and by whose authority did Acheson speak—Acheson so meek in the Far East, so willing to surrender Formosa, to make peace on the thirty-eighth parallel and admit Communist China into the United Nations? Whose bidding was he following. Was it the British Socialist Government which, pursuing what Winston Churchill has called a sectarian and isolationist policy, has sought to strengthen all left-wing governments this side of the Iron Curtain and weaken all others? Acheson's friends in London have steadfastly opposed the strategy of a united Europe since they came to power in 1945. They have sought to put themselves at the head of what their leftist apologists call a third force, a Socialist force, between the massive weight of Russia on the one hand and the United States on the other. Their behavior has insulted the long-standing, unexpressed, and unwritten alliance between the English-speaking powers which has ranged them for generations against all others arising from the outside. Was it the British Labor Party's desire for a socialized Europe that prompted Acheson to give his guaranty to Tito?

THE PATH OF APPEASEMENT AGAIN

The policy of the United States with reference to the global pressures of Russia was ambiguous enough even before Marshall reentered the picture last September. With Marshall again at Acheson's side, their captive President between them, there has been little doubt that we were treading the old downward path of appeasement of Russia.

Marshall's old friends, the liberals of Yenan, shouldered their way into the war in Korea last December. In January this Government agreed to the most abject poltroonery, the cease-fire offer to Peiping which, had it been accepted, would have resulted in our departure from Korea, the seating of the Chinese Reds in the United Nations and placing the disposition of Formosa at the hazard of a commission weighted three to one against us. What saved us then I do not know. I can only thank God for our salvation.

Our escape was, however, only temporary.

ANOTHER SELL-OUT

Acheson testified the other day that he is ready to make peace now on the basis of the thirty-eighth parallel. I awake each morning in the fear that overnight, in some secret chamber of the United Nations, the enemies of the United States, with Britain and India at their head, have made a secret deal—a new Yalta—to do us out of the last vestige of our position in the Far East, to dishonor the dead we shall have to leave in Korea, and to advance the

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world-wide interests of Russia. They are capable of it on their record.

The point that I want to make with all emphasis is this: Since Marshall resumed his place as mayor of the palace last September, with Acheson as captain of the palace guard and that weak, fitful, bad-tempered and usable Merovingian in their custody, the outlines of the defeat they meditate have grown plainer. The weakness of the United States in relation to the growing power of Soviet imperialism has become clearer. Our weakness has become plain to the simplest citizen, the farthest removed from the seat of Government in Washington, and would have been evident even without the shameless doubts of the President that we could win a war with Russia and the self-satisfied shocking revelations of Marshall and his place men, in their testimony before the Russell committee.

The feeling of America's weakness is in the very air we breathe in Washington. It derives not only from the moral debility of the highest echelons of the administration, from the flabbiness and lack of resolve upon the part of the palace guard and their minions. It comes from the objective facts of the situation.

FROM THE MOST POWERFUL NATION TO A NATION THAT CRINGES IN FEAR

Six years ago this summer America stood at what Churchill described as the "highest pinnacle of her power and fame." The President and the man who is now Secretary of Defense commanded the greatest military instrumentality on land, sea and in the air that the world had even seen. Our forces had fought victoriously on every continent except the American—in Africa, in Europe, in Asia, and above, on and over the seven seas. The Soviet empire, which would have fallen before the Nazis but for our assistance, was nursing its wounds, but glowering, self-confident and on the march from its own weakness. Britain had declined into the incompetent, self-righteous and doctrinaire hands of its Labor Party. Britain was economically prostrated, its empire was dwindling and was to dwindle further.

Only the United States among the great powers found its economic strength undiminished, its Territories uninvaded and unswept by war, it full powers still unflexed. Everywhere America had friends, everywhere its power suggested friendship to others. In terms of the division of the world into spheres of interest, the United States, at the head of the coalition of the West, exercised friendly influence over nearly all the masses of the earth. The Soviet Union's own people and the few millions in the bordering satellites upon which it was already laying its hands constituted a small minority of the earth's peoples.

What do we find in the summer of 1951? The writs of Moscow run to lands which, with its own, number upward of 900 millions of people—a good 40 percent of all men living. The fear of Russia or the subservience that power inspires inclines many hundreds of other millions, as in India, toward Moscow. The fear of Russia, plus other reasons, the chief of which is the supine and treacherous folly of our own policies, places other hundreds of millions in a twilight zone between the great poles of Moscow and Washington.

THE UNITED STATES STANDS ALONE

The United States stands today virtually alone as it faces its greatest trials. Where have we loyal allies? In Britain? I would not stake a shilling on the reliability of a Government which, while enjoying billions in American munificence, rushed to the recognition of the Chinese Red regime, traded exorbitantly with the enemy through Hong Kong and has sought to frustrate American interest in the Far East at every turn. Let us not blame our long-time friends, the British people. They have their Attlee and Morrison directing their foreign policy. We have our Acheson. Or perhaps, I should say, their Acheson. They will survive their curse even as we will ours.

The case of Australia and New Zealand is a brighter story. Their ox is gored, like ours, by the Peiping Reds.

What of Western Europe generally? Have we a constant friend in that quarter? The Marshall plan has mystified and alienated while it enriched them; the Marshall strategy, which threatens to turn Western Europe into another devastated Korea, has rightfully terrified them and encouraged among them a neutralism, which sees the coming world struggle as one between two reeling giants, Russia and the United States, in which they have little or no part.

In Europe we have snubbed our friends, the heroic Greeks and Turks and the thoroughly indoctrinated anti-Communists of Spain; and because of our servility toward Russia in Eastern Europe we have discouraged the gallant souls behind the iron curtain who might have waited upon our deliverance of them, as the peoples oppressed by the Nazis did only to find themselves betrayed to an equal tyranny by our appeasement. What do we find in Asia? Our former enemies, the Japanese, are our friends, but they are disarmed friends, and the State Department says they must stay disarmed and defenseless. We reject the friendship of the free Chinese of Formosa and the millions on the mainland struggling to be free of the monstrous usurpation that overwhelms them. The Government of India, like the Socialist Government of Britain, is in alliance with the crimson clique at the head of our affairs who want to deprive us of our strategical interests in the western Pacific. They are not in alliance with the American people.

The will to resist Russia here at home is vitiated. Gone is the zeal with which we marched forth in 1941 to crush the dictatorship. The leftist-liberals who preached a holy war against Hitler and Tojo are today seeking accommodation with the senior totalitarianism of Moscow. Is this because we are today arrayed against, to recall the phrase of General Bradley, "the wrong enemy" in the "wrong war"? We were on Russia's side in the last war—our strategy after the first Quebec conference might as well have been dictated in the Kremlin and teletyped to the Pentagon—and is that why the Marshall who prosecuted World War II with bloodthirsty zeal, eager to order Americans to storm fortified shores, is sitting this one out?

General Vandenberg, who added no luster to an illustrious name thereby, proclaimed to the world that we lacked the air force to execute the moderate and minimum strategical recommendations of General MacArthur. The Congress voted a 70-group air force 3 years ago. Truman cut it down to 48. Who was the mayor of the palace then? The same as now: Marshall.

Where have the billions gone that the Congress poured into the Armed Services between VJ-day and the outbreak of the war in Korea? Marshall told us that when the North Koreans attacked we had one battle-ready division in the United States. What has the Department of Defense done to put us since then in a posture of defense? Of that, Mr. President, we know very little. We are told in Life magazine of last week that our airplane industry is still on a one-shift basis. We hear alarming reports from industry that the overwhelming emphasis in procurement is upon building new plants which will be ready 2 or 3 years from now to turn out what? Even when ready they will turn out not munitions but chemicals and yarn and steel sheets, all valuable materials but not in themselves fighting weapons. What of the strategic materials stockpiles? Is the State Department still maintaining, as in the case of the sands embargoed by India, that it would be ungentlemanly to insist upon requiring what we need in those categories in exchange for the bounty we have poured by the hundreds of shiploads upon alien shores?

THE GOSPEL OF FEAR

During all this time the administration preaches a gospel of fear and Acheson and Marshall expound a foreign policy in the East based upon craven, whimpering appeasement. The President and his palace guard go on a Nation-wide broadcast and threaten the American people with Russian-made atomic bombs. What is the purpose of such craven actions and utterances? Is it to condition us to defeat in the Far East, to soften us up so that we shall accept a peace upon the Soviet empire's terms in Korea; a peace which would put the enemy one step nearer to Alaska? And how, may I ask, did Russia acquire the technical secrets, the blueprints, the know-how to make the bombs with which the administration seeks to terrify us? I have yet to hear a single administration spokesman raise his voice against the policy of suppression, deceit, and false witness with which this administration has protected the Soviet agents who have abstracted those secrets from us.

THEY PLANNED IT THAT WAY

The people, Mr. President, recognize the weakness with which the administration has replaced what was so recently our great strength. They are troubled by it. And they do not think it accidental. They do not believe that the

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decline in our strength from 1945 to 1951 just happened. They are coming to believe that it was brought about, step by step, by will and intention. They are beginning to believe that the surrender of China to Russia, the administration's indecently hasty desire to turn Formosa over to the enemy and arrive at a cease-fire in Korea instead of following the manly, American course prescribed by MacArthur, point to something more than ineptitude and folly. They witness the conviction of Hiss, which would not have happened had he not brought a private suit for damages against Whittaker Chambers; they follow the revelations in the Remington case, the Marzani case, and the others which have disclosed at the heart of Government active Soviet agents influencing policy and pilfering secrets; they note the policy of retreat before Soviet assertion from Yalta to this day, and they say: this is not because these men are incompetents, there is a deeper reason.

INFAMY SO BLACK

How can we account for our present situation unless we believe that men high in this Government are concerting to deliver us to disaster? This must be the product of a great conspiracy, a conspiracy on a scale so immense as to dwarf any previous such venture in the history of man. A conspiracy of infamy so black that, when it is finally exposed, its principals shall be forever deserving of the maledictions of all honest men.

Who constitutes the highest circles of this conspiracy? About that we cannot be sure. We are convinced that Dean Acheson, who steadfastly serves the interests of nations other than his own, the friend of Alger Hiss, who supported him in his hour of retribution, who contributed to his defense fund, must be high on the roster. The President? He is their captive. I have wondered, as have you, why he did not dispense with so great a liability as Acheson to his own and his party's interests. It is now clear to me. In the relationship of master and man, did you ever hear of man firing master? Truman is a satisfactory front. He is only dimly aware of what is going on.

I do not believe that Mr. Truman is a conscious party to the great conspiracy, although it is being conducted in his name. I believe that if Mr. Truman had the ability to associate good Americans around him, he would have behaved as a good American in this most dire of all our crises.

REVIEW OF MARSHALL'S ACTIVITIES

It is when we return to an examination of General Marshall's record since the spring of 1942 that we approach an explanation of the carefully planned retreat from victory. Let us again review the Marshall record, as I have disclosed it from all the sources available and all of them friendly. This grim and solitary man it was who, early in World War II, determined to put his impress upon our global strategy, political and military.

It was Marshall who, amid the din for a "second front now" from every voice of Soviet inspiration, sought to compel the British to invade across the Channel in the fall of 1942 upon penalty of our quitting the war in Europe.

It was Marshall who, after North Africa had been secured, took the strategic direction of the war out of Roosevelt's hands and who fought the British desire, shared by Mark Clark, to advance from Italy into the eastern plains of Europe ahead of the Russians.

It was a Marshall-sponsored memorandum, advising appeasement of Russia in Europe and the enticement of Russia into the far-eastern war, circulated at Quebec, which foreshadowed our whole course at Tehran, at Yalta, and until now in the Far East.

It was Marshall who, at Tehran, made common cause with Stalin on the strategy of the war in Europe and marched side by side with him thereafter.

It was Marshall who enjoined his chief of military mission in Moscow under no circumstances to "irritate" the Russians by asking them questions about their forces, their weapons, and their plans, while at the same time opening our schools, factories, and gradually our secrets to them in this count.

It was Marshall who, as Hanson Baldwin asserts, himself referring only to the "military authorities," prevented us having a corridor to Berlin. So it was with the capture and occupation of Berlin and Prague ahead of the Russians.

It was Marshall who sent Deane to Moscow to collaborate with Harriman in drafting the terms of the wholly unnecessary bribe paid to Stalin at Yalta. It was Marshall, with Hiss at his elbow and doing the physical drafting of agreements at Yalta, who ignored the contrary advice of his senior, Admiral Leahy, and of MacArthur and Nimitz in regard to the folly of a major land invasion of Japan; who submitted intelligence reports which suppressed more truthful estimates in order to support his argument, and who finally induced Roosevelt to bring Russia into the Japanese war with a bribe that reinstated Russia in its pre-1904 imperialistic position in Manchuria—an act which, in effect, signed the death warrant of the Republic of China.

It was Marshall, with Acheson and Vincent eagerly assisting, who created the China policy which, destroying China, robbed us of a great and friendly ally, a buffer against the Soviet imperialism with which we are now at war.

It was Marshall, who, after long conferences with Acheson and Vincent, went to China to execute the criminal folly of the disastrous Marshall mission.

It was Marshall who, upon returning from a diplomatic defeat for the United States at Moscow, besought the reinstatement of forty millions in lend-lease for Russia.

It was Marshall who, for 2 years suppressed General Wedemeyer's report, which is a direct and comprehensive repudiation of the Marshall policy.

It was Marshall who, disregarding Wedemeyer's advices on the urgent need for military supplies, the likelihood of China's defeat without ammunition and equipment, and our "moral obligation" to furnish them, proposed instead a relief bill bare of military support.

It was the State Department under Marshall, with the wholehearted support of Michael Lee and Remington in the Commerce Department, that sabotaged the $125,000,000 military-aid bill to China in 1948.

It was Marshall who fixed the dividing line for Korea along the thirty-eighth parallel, a line historically chosen by Russia to mark its sphere of interest in Korea.

It is Marshall's strategy for Korea which has turned that war into a pointless slaughter, reversing the dictum of Von Clausewitz and every military theorist since him that the object of a war is not merely to kill but to impose your will on the enemy.

It is Marshall-Acheson strategy for Europe to build the defense of Europe solely around the Atlantic Pact nations, excluding the two great wells of anti-Communist manpower in Western Germany and Spain and spurning the organized armies of Greece and Turkey—another case of following the Lattimore advice of "let them fall but don't let it appear that we pushed them."

It is Marshall who, advocating timidity as a policy so as not to annoy the forces of Soviet imperialism in Asia, had admittedly put a brake on the preparations to fight, rationalizing his reluctance on the ground that the people are fickle and if war does not come, will hold him to account for excessive zeal.

What can be made of this unbroken series of decisions and acts contributing to the strategy of defeat? They cannot be attributed to incompetence. If Marshall were merely stupid, the laws of probability would dictate that part of his decisions would serve this country's interest. If Marshall is innocent of guilty intention, how could he be trusted to guide the defense of this country further? We have declined so precipitously in relation to the Soviet Union in the last 6 years. How much swifter may be our fall into disaster with Marshall at the helm? Where will all this stop? That is not a rhetorical question: Ours is not a rhetorical danger. Where next will Marshall carry us? It is useless to suppose that his nominal superior will ask him to resign. He cannot even dispense with Acheson.

GREAT CONSPIRACY

What is the objective of the great conspiracy? I think it is clear from what has occurred and is now occurring: to diminish the United States in world affairs, to weaken us militarily, to confuse our spirit with talk of surrender in the Far East and to impair our will to resist evil. To what end? To the end that we shall be contained, frustrated and finally fall victim to Soviet intrigue from within and Russian military might from without. Is that farfetched? There have been many examples in history of rich and powerful states which have been corrupted from within, enfeebled and deceived until they were unable to resist aggression.

The United States first ventured into world affairs a bare half century ago. Its rise to world leadership was almost unprecedentedly sudden. We call this a

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young country. It is in terms of the tenure of the settlement by Europeans on these lands. It is also in terms of the spirit and daring of its people. Yet the United States belongs to, is the last great example of, the farthest projection of an old culture. The vast and complicated culture of the west, which bloomed with the spread of the Gothic cathedrals and the universities which has carried science and technology and art and the humane values to lengths nowhere else dreamed of and whose sway covered the earth only a few years ago, is in manifest decay. We see the symptoms of decay in Western Europe. We find evidences of it here.

There is a rising power, not yet a culture; a power barbarous to us which has attracted many followers and devotees in the heart of the west. Why these men and women of the west are so attracted lies outside our interest at this moment. We know that these enemies of the west are here, we know they are at work among us, burrowing, mining, sapping ceaselessly; seeking to destroy our civilization. We know principally because we see the results of their work. We cannot always detect them at it. That is not an easy task as we have seen with the notorious case of Alger Hiss.

The enemies of our civilization, whether alien or native, whether of high or low degree, work in the dark. They are that way more effective. It is easy to single out, identify and isolate a frank and open Communist. The Communists openly among us are scarcely a problem at all. They have the aversion and contempt of all honest Americans. It is the clandestine enemy which taxes our ingenuity.

THE KREMLIN'S EXECUTIONERS

It is the great crime of the Truman administration that it has refused to undertake the job of ferreting the enemy from its ranks. I once puzzled over that refusal. The President, I said, is a loyal American; why does he not lead in this enterprise? I think that I know why he does not. The President is not master in his own house. Those who are master there not only have a desire to protect the sappers and miners—they could not do otherwise. They themselves are not free. They belong to a larger conspiracy, the world-wide web of which has been spun from Moscow. It was Moscow, for example, which decreed that the United States should execute its loyal friend, the Republic of China. The executioners were that well-identified group headed by Acheson and George Catlett Marshall.

How, if they would, can they break these ties, how return to simple allegiance to their native land? Can men sullied by their long and dreadful record afford us leadership in the world struggle with the enemy? How can a man whose every important act for years had contributed to the prosperity of the enemy reverse himself? The reasons for his past actions are immaterial. Regardless of why he has done what he did, he has done it and the momentum of that course bears him onward. This is his plight:

I am in blood,
Stepped in so far, that should I wade no more,
Returning were as tedious as go o'er.

Can we foretell the next move on the timetable of the great conspiracy? It seems clearly indicated. Dean Acheson foreshadowed it the other day before the Russell committee when he expressed his desire to have a cease-fire negotiated with the Peiping Reds on the basis of the thirty-eighth parallel. A cease-fire leaving the enemy in command of Korea north of that imaginary line that has occasioned the spilling of so much blood. And then, after the cease-fire, to have our friends on Formosa delivered behind the iron curtain by a jury stacked with the friends of international communism and then have the question of the admission of Red China decided by the United Nations. While Acheson publicly proclaims he is opposed to the sell-out, but privately continues to encourage our "friends" in the United Nations to prepare to not only bury the Republic of China, but to heap refuse on its grave. If that is the best that the perfidious Red Dean can offer us, I say let him come again. After all, we need not take what he or the mayor of the palace or the weak Merovingian himself brings us.

The time has come to halt this tepid, milk-and-water acquiescence which a discredited administration, ruled by disloyalty, sends down to us. The American may belong to an old culture, he may be beset by enemies here and abroad, he may be distracted by the many words of counsel that assail him by day and night, but he is nobody's fool. The time has come for us to realize that the people who sent us here expect more than time-serving from us. The American who has never known defeat in war, does not expect to be again sold down the river in Asia. He does not want that kind of betrayal. He has had betrayal enough. He has never failed to fight for his liberties since George Washington rode to Boston in 1775 to put himself at the head of a band of rebels unversed in war. He is fighting tonight, fighting gloriously in a war on a distant American frontier made inglorious by the men he can no longer trust at the head of our affairs.

The America that I know, and that other Senators know, this vast and teeming and beautiful land, this hopeful society where the poor share the table of the rich as never before in history, where men of all colors, of all faiths, are brothers as never before in history, where great deeds have been done and great deeds are yet to do, that America deserves to be led not to humiliation or defeat, but to victory.

The Congress of the United States is the people's last hope, a free and open forum of the people's representatives. We felt the pulse of the people's response to the return of MacArthur. We know what it meant. The people, no longer trusting their executive, turn to us, asking that we reassert the constitutional prerogative of the Congress to declare the policy for the United States.

The time has come to reassert that prerogative, to oversee the conduct of this war, to declare that this body must have the final word on the disposition of Formosa and Korea. They fell from the grasp of the Japanese empire through our military endeavors, pursuant to a declaration of war made by the Congress of the United States on December 8, 1941. If the Senate speaks, as is its right, the disposal of Korea and Formosa can be made only by a treaty which must be ratified by this body. Should the administration dare to defy such a declaration, the Congress has abundant recourses which I need not spell out.

SOURCE LIST
for
"THE HISTORY OF GEORGE CATLETT MARSHALL"

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Adm. William Leahy, I Was There.
Cordell Hull, Memoirs of Cordell Hull, vol. II.
Henry L. Stimson, On Active Service.
James F. Byrnes, Speaking Frankly.
Sumner Welles, Seven Decisions That Shaped History.
Edward Stettinius, Jr., Roosevelt and the Russians.
Robert Sherwood, Roosevelt and Hopkins.
Hanson Baldwin, Great Mistakes of the War.
Gen. H. H. Arnold, Global Mission.
Gen. Claire Chennault, Way of a Fighter.
Gen. Lucius Clay, Decision in Germany.
Gen. Mark Clark, Calculated Risk.
Gen. John R. Deane, Strange Alliance.
Gen. Omar Bradley, "The War America Fought," Life magazine, April 30, 1951.
Edward Ansel Mowrer, The Nightmare of American Foreign Policy.
Jonathan Daniels, The Man of Independence.
Freda Utley, The China Story.
Henry Wallace, Soviet Asia Mission.
Robert Payne, Mao Tse Tung—Ruler of Red China.
U. S. Relations with China (State Department White Paper).
Hearings before Senate Committees on Appropriations, Armed Services, and Banking and Currency, June 17, 1947.
Hearings before Subcommittee of Senate Foreign Relations Committee (Tydings Committee), April 27, 1950.
William C. Bullitt, General Patrick Hurley, and others, as quoted in above books.

EXECUTIVE SESSION

Mr. McFARLAND. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. CLEMENTS in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

CONVENTION WITH SWITZERLAND, RELATING TO DOUBLE TAXATION—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER. The Chair lays before the Senate Executive N, Eighty-second Congress, first session, a convention between the United States of America and Switzerland, signed at Washington on May 24, 1951, for the

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avoidance of double taxation with respect to taxes on income. Without objection, the injunction of secrecy will be removed from the convention, and the convention, together with the message from the President will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the convention between the United States of America and Switzerland, signed at Washington on May 24, 1951, for the avoidance of double taxation with respect to taxes on income.

I also transmit for the information of the Senate the report by the Secretary of State with respect to the convention. The convention has the approval of the Department of State and the Treasury Department.

Particular attention is invited to the concluding two paragraphs of the report by the Secretary of State, indicating that in view of the provisions of article XX (1) of the convention it is hoped that the convention can be brought into force prior to October 1, 1951. This, of course, would entail the making of arrangements between the Governments of the two countries for the exchange of instruments of ratification.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 14, 1951.*

(Enclosures: (1) Report by the Secretary of State; (2) convention of May 24, 1951, with Switzerland with respect to taxes on income.)

The PRESIDING OFFICER. Reports of committees are in order. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

FEDERAL COMMUNICATIONS COMMISSION

The legislative clerk read the nomination of Wayne Coy to be a member of the Federal Communications Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the United States Coast Guard.

Mr. McFARLAND. I ask unanimous consent that the nominations in the United States Coast Guard be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the United States Coast Guard are confirmed en bloc.

Mr. McFARLAND. I ask that the President be notified immediately of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified immediately.

That completes the Executive Calendar.

RECESS

Mr. McFARLAND. As in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 46 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 15, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 14 (legislative day of May 17), 1951:

NATIONAL LABOR RELATIONS BOARD

James Joseph Reynolds, Jr., of New Jersey, to be a member of the National Labor Relations Board for a term of 5 years from August 27, 1951. (Reappointment.)

DEPARTMENT OF THE NAVY

Rear Adm. Calvin M. Bolster, United States Navy, to be Chief of Naval Research in the Department of the Navy for a term of 3 years.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 14 (legislative day of May 11), 1951:

FEDERAL COMMUNICATIONS COMMISSION

Wayne Coy, of Indiana, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1951. (Reappointment.)

UNITED STATES COAST GUARD

The following-named persons for appointment in the United States Coast Guard to the positions indicated:

To be lieutenant (junior grade)

Franklin J. Miller

To be chief boatswains

Joseph E. Sherwood
Edward L. Masters

To be chief radio electrician

Preddie G. Bookout

To be chief machinists

William B. Lupton
Oskar Johansen

To be chief pay clerks

Bernard S. Keffler
Frank A. Mattson

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 14, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the great God of men and of nations, we rejoice that in the calendar of our national life there are many special days which stir our minds and hearts with feelings of patriotism and pride.

Grant that this day, which we call Flag Day, may inspire and kindle within us a greater loyalty and love for our country for Thou hast given us a goodly heritage and hast not dealt so bountifully and graciously with any nation.

We pray that we may reverence and obey Thy laws and the laws of our land and do all in our power to preserve and perpetuate the free institutions under which we are privileged to live.

Help us to appreciate and understand our duties and rights as citizens. May we strive to elevate the moral and spiritual character of our beloved country. Wherever the flag is carried may it be the emblem of peace and righteousness and the glorious herald proclaiming a new era of liberty and happiness for all mankind.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 25, 1951:

H. R. 2685. An act to authorize the Administrator of Veterans' Affairs to reconvey to Tuskegee Institute a tract of land in Macon County, Ala.

On May 28, 1951:

H. R. 2952. An act to authorize the attendance of the United States Navy Band at the final reunion of the United Confederate Veterans to be held in Norfolk, Va., May 30, through June 2, 1951.

On May 29, 1951:

H. R. 3939. An act to amend the act of June 23, 1949, with respect to telephone and telegraph service for Members of the House of Representatives.

On May 31, 1951:

H. R. 3842. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

On June 1, 1951:

H. R. 593. An act for the relief of Cleo C. Reeves, Floyd L. Murphy, and Fabian P. Durand.

On June 2, 1951:

H. R. 3587. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

On June 12, 1951:

H. J. Res. 253. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Japanese Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

On June 14, 1951:

H. R. 652. An act for the relief of the estate of Mattie Mashaw.

THE FLAG

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, as the Chaplain has so properly pointed out, today is Flag Day. As we especially honor our national emblem we realize that it is more than just red and white and blue threads.

Woven into it is all of the glorious history, the hopes, and the aspirations of a great Republic.

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In it is embodied all of the bravery, sacrifice, and service of its heroes in all of its wars.

Our flag is not to be desecrated; it is not to be trampled upon.

And yet, Mr. Speaker, the only place in the United States where acts of desecration are punishable as a crime by Federal law, is in the District of Columbia.

For that reason, Mr. Speaker, I have today introduced a bill to make certain acts of desecration any place in the United States punishable as a crime.

I hope this measure will receive immediate and favorable consideration.

CONSTANTINO BRUMIDI

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, the man who did the painting in the United States Capitol is to be honored in the near future by a program in the rotunda of the Capitol.

The reason his name comes to my mind today is this: Constantino Brumidi worked 25 years in this Capitol. After he had been here 5 years, the time required by law, and within 3 days after the 5-year period expired, he became a citizen of the United States. The first work that he did was on the mural which used to be in this Chamber on the left-hand side of the Speaker's rostrum, showing Cornwallis at Yorktown. So proud was he to become a citizen of the United States under the flag that we honor today, he wrote his name on the corner of that mural, "C. Brumidi; artist; a citizen of the United States."

Let us be as proud as he was that we are citizens of the greatest country on this earth, the United States of America.

The SPEAKER. The time of the gentleman from Michigan has expired.

CASUALTIES IN KOREA

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, for some years I, along with many of you, have deplored our ever-increasing highway accidents. I have urged added safety measures, better roads, and stricter compliance with our traffic laws.

In all that time, however, it has never occurred to me that highway accidents could be used as an alibi or an excuse for poor hospital facilities, lack of medical care, or rising mortality rates from cancer, infantile paralysis, and other afflictions of mankind.

Needless to say, I was both astounded and shocked when I read in the papers last night that the President of the United States had attempted to dismiss the killing and maiming of American boys in Korea by comparing the total of our casualties to highway accidents.

To me, that reaches the bottom of the political barrel.

Since Mr. Truman desires to put America's tragedy on a political basis, I suggest that he campaign next year on the platform that "if you want better roads and more and bigger wars, vote for Harry Truman."

BILLS FROM THE COMMITTEE ON VETERANS' AFFAIRS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the 13 bills reported by the Veterans' Committee, namely, H. R. 301, H. R. 302, H. R. 1072, H. R. 3193, H. R. 3205, H. R. 3549, H. R. 3861, H. R. 3932, H. R. 4000, H. R. 4108, H. R. 4233, H. R. 4387, and H. R. 4394, be made eligible for the Consent Calendar on Monday, since we may not be in session tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CASUALTIES IN KOREA

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BUFFETT. Mr. Speaker, I have here a stack of news releases by the War Department, over 6 inches thick. These hundreds and hundreds of sheets carry the tally of American battle casualties in Korea just since May 1.

The finest manhood we have, the seed corn of America, is being fed into Asia's most dangerous trap—the Korean Peninsula.

Mr. Speaker, a great military leader, Gen. Albert Wedemeyer, a leader in whom the American people have confidence, and who incidentally comes from my district, has pointed out the reckless stupidity of the present campaign in Korea.

Here in my hand is sickening and frightening evidence of the cost of staying in that trap.

Mr. Speaker, I would like to repeat the question so often asked by the gentleman from Michigan—a question to which no answer has yet been forthcoming: What are the objectives for which our men are fighting in Korea and which, having attained, these Americans can come home?

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CLEVENGER. Mr. Speaker, the President's speech yesterday, minimizing casualties in Korea as compared to traffic casualties, was a disgraceful utterance, and he should retract it immediately and apologize to every mother and father in America.

If the President's phony reasoning were carried out to its logical conclusion, the Department of Defense in its casualty notifications to parents henceforth would console them by pointing out that they only need realize that for 1 casualty in their family in Korea, there are 12 casualties on the highway.

Just try to give that guff to a mother who has lost a son in Korea. And while we are on the subject, just how many casualties have we had in Korea? General Bradley says 140,000. Mr. Truman says 80,000. Have the American people become faceless nonentities who are no more than numbers to be bandied about on Mr. Truman's political adding machine?

The President should immediately write an apology to every parent who has a son in Korea.

CONFERENCE OF STATE SOCIETIES, WASHINGTON, D. C.

Mr. BOGGS of Delaware. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. BOGGS of Delaware. Mr. Speaker, at the request of the Conference of State Societies, Washington, D. C., and on behalf of other Members of the House of Representatives, I am today introducing a bill to incorporate the Conference of State Societies, Washington, D. C.

Some 5 years ago a prominent group of interested members of the various State societies met and organized a Conference of State Society Officers, in order to more effectively coordinate and carry out the purposes of the various State societies. As a result of this effort, increased interest and activity developed in the State societies. Memberships increased, more cordial relationships between the State societies developed, joint activities were encouraged, and in general the various State societies realized a great mutual benefit from this association.

The conference, as a result of the important function it performed, grew and developed in its services and benefits to the State societies, and to be more inclusive changed its name from a "Conference of State Society Officers" to the "Conference of State Societies, Washington, D. C."

The conference has been recognized by the Washington Board of Trade, the Greater National Capital Committee, newspapers, radio, television, and the public generally, as a result of accomplishments during the recent years.

All of the State societies and the conference operate on a nonprofit basis and are devoted not only to the perpetuation of the great traditions of the various States, but to educational, charitable, cultural, civic, and patriotic purposes.

The conference and the individual State societies represent a local, back-home interest, as well as the national interest.

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By a unanimous vote the conference urges the Congress of the United States to grant it incorporation under a Federal charter. I think that every Member of the House will be interested and, I am hopeful, will help toward early and favorable action in support of such a worthy cause.

PERMISSION TO ADDRESS THE HOUSE

Mr. FELLOWS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. FELLOWS. Mr. Speaker, the chief justice of the State of Rhode Island, Hon. Edmund W. Flynn, giving the commencement address to the graduating class of the College of Our Lady of Mercy at Portland, Maine, declared that America cannot win permanently without virtue. He called upon the 31 graduates to go into action as Christian, educated, cultured young women to bring America back to original principles. He told them that the so-called American way of life has become but a thin mask which conceals a betrayal of the founding ideals—a mask that hides materialism, godlessness, amorality, and atheism.

Mr. Speaker, this is Flag Day, and here is a serious indictment of the devious ways of this administration.

ANNUAL REPORT OF THE GOVERNOR OF THE PANAMA CANAL—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 22)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers referred to the Committee on Merchant Marine and Fisheries and ordered printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Annual Report of the Governor of the Panama Canal for the fiscal year ended June 30, 1950.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 14, 1951.*

KOREAN CASUALTIES

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SHEEHAN. Mr. Speaker, I rise in protest against the callous way in which the President of the United States yesterday sought to compare the casualties suffered by our American forces in Korea with the hair-brained, suicidal antics of our motorists at home.

Nobody condones our highway accidents, and there is no one, more than I, who would like to see them completely eliminated. But when the average motorist ventures out onto the highway, he does so voluntarily, at his own risk, and at his own free will. When our boys march to the front in Korea, they do so at the direct instigation of Mr. Truman and his split-second decision made a year ago to put us into this treadmill war.

Just when did it become "press sabotage" for the newspapers to accurately protest against the senseless killing and maiming of American boys in Korea, when they fight with one hand tied behind them on direct orders from the White House?

Since when did it become a "misstatement" for a columnist to disagree with the White House policy of warfare in a bottomless pit, with no objective in sight and no hope of victory.

Since when did it become congressional demagoguery for Members of this Congress to demand that we either settle the issue in Korea in a courageous manner or get out?

So far as I am concerned, I have witnessed the all-time low in demagoguery when the President of the United States seeks to minimize casualties in Korea by comparing them to highway accidents.

POINT OF NO QUORUM

Mr. HAYS of Ohio. Mr. Speaker, I make the point of order that a quorum is not present. I think we ought to have a quorum to hear this propaganda.

The SPEAKER. The Chair will count. [After counting.] Evidently a quorum is not present.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 14 minutes p. m.) the House adjourned until tomorrow, Friday, June 15, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

518. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated January 5, 1951, submitting a report, together with accompanying papers and illustrations, on a review of reports on Arkansas River and tributaries, with a view to improvement for flood control in Conway County drainage and levee district No. 1, in Conway County, Ark., along the south side of the Arkansas River, requested by a resolution of the Committee on Public Works, House of Representatives, adopted on April 20, 1948 (H. Doc. No. 167); to the Committee on Public Works and ordered to be printed with two illustrations.

519. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1952 in the amount of $131,400 for the legislative branch in the form of an amendment to the budget for said fiscal year (H. Doc. No. 166); to the Committee on Appropriations, and ordered to be printed.

520. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated April 16, 1951, submitting a report, together with accompanying papers on a review of report on Moose and Black Rivers, N. Y., for flood-control improvement of the Black River between Lyons Falls and Carthage. This investigation was requested by resolutions of the Committee on Flood Control, House of Representatives, and the Committee on Commerce, United States Senate, adopted on July 25, 1946 and September 9, 1946, respectively; to the Committee on Public Works.

521. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated April 12, 1951, submitting a report, together with accompanying papers on a preliminary examination and survey of Grand Portage Harbor, Minn., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LARCADE: Committee on Public Works. H. R. 4338. A bill to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del.; without amendment (Rept. No. 575). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS of Delaware:

H. R. 4467. A bill to incorporate the Conference of State Societies, Washington, D. C.; to the Committee on the District of Columbia.

By Mr. BARDEN:

H. R. 4468. A bill to provide for Federal financial assistance to the States and Territories in helping to establish and maintain an adequate minimum program of education and in attempting to more nearly equalize educational opportunities in public elementary and secondary schools; to the Committee on Education and Labor.

By Mr. EDWIN ARTHUR HALL:

H. R. 4469. A bill to compel professional gamblers to carry their share of the national defense program and to curtail their activities; to the Committee on Ways and Means.

By Mr. OSTERTAG:

H. R. 4470. A bill to authorize and direct the Chief of Engineers to reevaluate certain rivers and harbors and flood-control projects in order to determine the advisability of prosecuting such projects to completion; to the Committee on Public Works.

By Mr. SCRIVNER:

H. R. 4471. A bill to protect the flag of the United States of America, and for other purposes; to the Committee on the Judiciary.

By Mr. DORN:

H. Res. 258. Resolution expressing the sense of the House of Representatives that the United States Air Force should have a strength of at least 150 air groups; to the Committee on Armed Services.

By Mr. ROOSEVELT:

H. Con. Res. 122. Concurrent resolution stating basic foreign-policy objectives of the United States; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BEALL introduced a bill (H. R. 4472) for the relief of Henry T. Weber, which was referred to the Committee on the Judiciary.

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SENATE

FRIDAY, JUNE 15, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, who putteth down the mighty from their seat and exalteth the humble and meek, Thou hast made us heirs of all the ages. In the heat and burden of our swiftly ebbing day may we be the agents of Thy beneficent will for mankind, with honor unsullied, playing our part in the life of our times. In spite of our own shortcomings, which we confess with contrition, in this hour of world crisis Thou hast summoned us as trustees of civilization to defend the heritage of the ages and to help create institutions essential to human progress. With full purpose of heart, wherever we are called to stand in this epic hour, may we strike our blow for the truth of God and the freedom of man. We ask it in the Name that is above every name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 14, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 14, 1951, the President had approved and signed the following acts:

S. 52. An act for the relief of Delfro Giorgi;

S. 53. An act for the relief of Vittorio Quilici;

S. 435. An act to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes; and

S. 1092. An act for the relief of Dr. Francesco Drago.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. NEELY, and by unanimous consent, the subcommittee of the Committee on Labor and Public Welfare considering labor and management relations was authorized to meet during the session of the Senate today.

On request of Mr. NEELY, and by unanimous consent, the Committees on Foreign Relations and Armed Services, sitting jointly, were authorized to meet during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to make insertions in the RECORD, introduce bills and joint resolutions, present petitions and memorials, and transact other routine business, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred, as indicated:

REPORT OF FEDERAL BUREAU OF NARCOTICS

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a report of the Federal Bureau of Narcotics for the calendar year ended December 31, 1950 (with an accompanying report); to the Committee on Finance.

SAMUEL A. WISE

A letter from the Assistant Secretary of Agriculture, transmitting a draft of proposed legislation for the relief of Samuel A. Wise (with accompanying papers); to the Committee on the Judiciary.

REPORT OF THE ATTORNEY GENERAL

A letter from the Attorney General, transmitting, pursuant to law, his annual report for the fiscal year ended June 30, 1950 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF FEDERAL SECURITY AGENCY

A letter from the Administrator, Federal Security Agency, transmitting, pursuant to law, a report of the Agency for the fiscal year 1950 (with an accompanying report); to the Committee on Finance.

REPORT OF BOARD OF GOVERNORS, FEDERAL RESERVE SYSTEM

A letter from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report of the Board for the year 1950 (with an accompanying report); to the Committee on Banking and Currency.

PROTEST AGAINST ROLL-BACK OF FARM PRICES

Mr. WILEY. Mr. President, in connection with the consideration by the Senate Banking and Currency Committee of the problem of future controls, I present a telegram received from Polk-Burnett (Wis.) Electric Cooperative, embodying a resolution adopted by the cooperative protesting against the roll-back of farm prices. I ask unanimous consent that the telegram be printed in the RECORD and referred to the Committee on Banking and Currency.

There being no objection, the telegram was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

CENTURIA, WIS., *June 11, 1951.*

Senator ALEXANDER WILEY,
United States Senate,
Washington, D. C.:

Whereas in the past the farmer has always been the shock absorber for the financial condition of our country, and whereas the Government again plans to have roll-backs on the products of the farmer: Therefore, we, the members of the Polk-Burnett Electric Cooperative, assembled in annual meeting at Centuria, Wis., this 9th day of June 1951, representing 4,500 members, voice our protest to our President, Secretary of Agriculture, Senator, and Congressman to grant us the same privilege as is granted to other groups of society.

POLK-BURNETT ELECTRIC COOPERATIVE.

LIVESTOCK CONTROLS—RESOLUTION OF NEBRASKA LIVESTOCK AUCTION ASSOCIATION, FAIRBURY, NEBR.

Mr. BUTLER of Nebraska. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the Nebraska Livestock Auction Association, Fairbury, Nebr., condemning the livestock controls issued by the OPS as being impractical, prejudicial, and dangerous to the livestock and meat industry.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE NEBRASKA LIVESTOCK AUCTION ASSOCIATION IN ANNUAL CONVENTION ASSEMBLED AT THE MARY-ETTA HOTEL, FAIRBURY, NEBR., JUNE 2, 1951

Whereas the Office of Price Stabilization has issued directives controlling the livestock and meat industry, and that said directives are impractical, prejudicial, and dangerous to the livestock and meat industry, and that the application of the directives will endanger the well being of the Nation in time of emergency for the following reasons:

(A) There is no shortage of meat at the present time, production is on the upgrade, and the 1951 estimated production of 147.5 pounds per capita is near an all-time high.

(B) During the past 30 years America has spent from 5 percent to 6.4 percent of her disposable income for meat. When cattle and hogs were lowest in 1934, it was 6.4 percent, and in 1950, it was 5.6 percent, and the percentage spent for meat in the past 4 years is on the decline. On the other hand, meat consumption is high.

(C) Farmers have been producing pork on practically a nonprofit basis for several years and cannot be expected to continue to produce unless there is some chance of hitting profitable seasonal markets some time during the year. There will be no incentive for farrowing pigs in early hazardous spring months to hit an early market with the result that hogs will be marketed in great numbers during certain seasons and very light in other seasons.

(D) Inflation is the cause of a great many of our consuming public demanding choice cuts of beef. There is only about 100 pounds of choice meat in a thousand-pound steer. This percentage can never be overcome and the inflationary demand has forced the restaurants and butchers to ask high prices for these fancy cuts. Other cuts are just as nourishing and just as palatable when properly prepared. Some educational work along this line will help. As an alternative to price controls which cannot control prices effectively but only create inflationary black markets, meat shortages, and consumer rationing, we advocate all-out production, careful use of supplies and sound antiinflationary, monetary, and fiscal policies. Specific objectives: Helping to halt inflation, supplying meat at prices in line with production costs, guaranteeing the present and future meat needs of the country's civilian population and Armed Forces, continuing to provide raw materials for medicines vital in treatment of diseases such as insulin, coritisone, etc., removing the opportunity for cheaters to take over the meat business as they did in the OPA days, preventing the buying public from being exploited and robbed by black marketers.

(E) We all remember the pork production of World War I. There was no ceiling but on the other hand producers were guaranteed 13 times the price of a bushel of corn for 100 pounds of pork. Production went up even though the guaranties were never made good by the Government. If increased production is desired there should be an effort on the part of the Government to see that farmers are allotted sufficient machinery, fertilizer and labor and given a free hand to produce for a profit.

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(F) Slaughtering quotas have proved to be disastrous to the marketing industry. Any regulation that causes a packer buyer to ride down the alley and pass up cattle he could use and leave the producer with the stock on hand is a grave mistake. Under ordinary conditions packers have always absorbed the offerings almost regardless of the size of the runs and this must continue as it is impossible to know when a few hundred thousand stockmen are planning on marketing.

(G) Hazards and disaster are numerous in the livestock business. We remember the severe losses of winter blizzards, hay selling for $65 per ton in Texas this spring due to the drouth, the fire that ruined hundreds of thousands of acres of grazing land in Nebraska this spring and every livestock producer is conscious of what an outbreak of foot and mouth disease would do to him. These major disasters together with all of the natural disease and loss sustained by the stockmen of America make the business, a business for the rugged individual who loves to gamble his fortune for a chance of profit that comes to him several times during his lifetime. The opportunity for him to use his skill, knowledge, and determination against the hazards for profit is the incentive of livestock production. With this incentive removed, production can do but one thing and that is to go down until rationing and black marketing takes place.

(H) This is not an assembly line production problem. There are no guaranties of cost plus to the livestock producer. Psychology plays an important part in the Nation's livestock program. What can you do to encourage production? Certainly production will not be increased with ceiling controls. History proves this point. Hundreds of thousands of farmers and stockmen cannot be compelled to produce more for less and the disaster of the controls will fall in the lap of the consuming public when it is unnecessary.

(I) The severe roll-back has created staggering losses to the livestock industry at this time. The production and feeding operation is a long-drawn out operation covering most of the months of the year, and most of the cattle in America today come under the full cut promised by October 1, 1951. The nature of the business make it impossible to come down in small stages. The ultimate price becomes today's price overnight.

(J) Market uncertainties must be removed or the farmer will not place his year's grain crops in feed yard exploitations running the risk of losing his entire year's work and crop. He has other alternatives by sealing the corn, thereby eliminating the OPS directive of livestock controls. Unless these controls are removed there is no question but what there will be a tremendous reduction in the number of cattle put in feed lots this fall, resulting in unorderly marketing of lighter weight unfinished cattle.

(K) There is probably no commodity in all America that has the stabilising effect on the economy of the country as a whole as livestock. The price of livestock controls the income of all the grasses of the range, all of the hay and forage, and most of the grains. When livestock prices are good, agriculture prospers, and when agriculture prospers there are jobs in the factories, the mines, mills, and the oil fields, in transportation and trading.

If all the cities were destroyed and the ranches and farms were saved, new cities would spring up again and be rebuilt, but if the ranches and farms were destroyed, the civilization would perish.

This all-important industry that sprawls across the country from ocean to ocean, and finds its place in the hidden spots of the mountains, the desert, swamps, and plains to the very back door of our great cities is manned for the principal part by good red-blooded American citizens who have a patriotic devotion to freedom. They have never failed to produce in times of emergency, they have never struck against their Government.

Whereas the membership of the Nebraska Livestock Auction Association are not necessarily producers of livestock, yet most of its members are producers in some form or another to a greater or lesser extent, but the very nature of their business makes them familiar with every phase of the livestock business, including transportation, growing, feeding, marketing, slaughtering, distribution, and consumption of meat. There is probably no group of men in America more able to speak with authority on the subject because of their close connections in every part of the country. We sincerely believe if the Nation is to be properly fed, and the consuming public is to be able to maintain their present standard of food consumption, then it will be necessary to declare the OPS directive of livestock and meat controls null and void: Therefore be it

Resolved, That the Congress of the United States be requested to do all in its power to relieve this Nation of livestock and meat controls at its earliest possible moment.

We are definitely of the opinion that our best hope of maintaining the American free-choice system and of controlling inflation at its source is by defeating at this time the extension of title IV of the present act and the proposed amendment, rather than to consider any possibility of extensions or delays.

NEBRASKA LIVESTOCK AUCTION ASSOCIATION.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAVEZ:

S. 1687. A bill for the relief of Stefano Campo; and

S. 1688. A bill for the relief of Pierino F. Berta; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 1689. A bill providing for an extension of the time during which annual assessment work on mining claims held by location in the United States, including Alaska, may be made, and for other purposes; to the Committee on Interior and Insular Affairs.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS, 1952—AMENDMENTS

Mr. BRIDGES (for himself, Mr. FERGUSON, and Mr. WHERRY), submitted 15 amendments intended to be proposed by them, jointly, to the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes, which were severally ordered to lie on the table and to be printed.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. MUNDT:

Article paying tribute to Senator WILEY, written by Carl Soresi, and published in Il Progresso Italo Americano.

By Mr. O'CONOR:

Commencement address delivered by Hon. James A. Farley at Loras College, Dubuque, Iowa, on June 3, 1951.

By Mr. BUTLER of Nebraska:

Tabulation prepared by the Legislative Reference Service of the Library of Congress showing the share of cost of all foreign-aid programs over a 12-year period borne by counties and cities and towns of Nebraska.

By Mr. BRIDGES:

Editorial relating to Government-owned cars and Government chauffeurs, entitled "You Have a Chauffeur, or Didn't you Know," published in the Concord (N. H.) Daily Monitor of June 13, 1951.

By Mr. AIKEN:

Article entitled "A Canadian Seaway," by Richard L. Stout, published in the Christian Science Monitor of June 1, 1951.

By Mr. SMITH of New Jersey:

Article entitled "Liberia Denounces President's Rival," from the New York Times of June 2; article entitled "Liberia and Mr. Twe," from the Philadelphia Evening Bulletin of June 2; and a letter written by Mr. John Collier to the editor of the New York Times, published under the headline "Governing Liberia" in the New York Times of June 10; all dealing with the current political situation in Liberia.

By Mr. McMAHON:

Editorial dealing with selection by State Department of Prof. Wilbert Snow, of Wesleyan University, to lecture in Europe on American literature, criticism, and ublic affairs, published in the Hartford Courant of June 10, 1951.

By Mr. HUNT:

Article dealing with the Senate hearings into General MacArthur's dismissal and the background of American policy in the Far East, written by Marquis Childs, and published in the Kentucky Herald of June 12, 1951.

By Mr. LEHMAN:

A statement in commemoration of the one hundredth anniversary of the establishment of a cheese factory by Jesse Williams near Rome, N. Y.

CENTENNIAL CELEBRATION OF THE FOUNDING OF THE ICE-CREAM INDUSTRY IN AMERICA

Mr. O'CONOR. Mr. President, 100 years ago today there was established in Baltimore, Md., the first wholesale ice-cream establishment in the world. Today, the national ice-cream industry, which has grown to be one of the leading factors in the mammoth dairy industry of our country, will mark the centennial of that founding with appropriate ceremonies. A memorial plaque will be erected on the very spot where Baltimoreans of a century ago were first privileged to procure this confection, which previously had been unavailable to the rank and file of the citizens of this or any other land.

Our country has grown and progressed through the initiative and the industry of those who have dared to embark in new fields of endeavor, and whose ideas and abilities have combined to bring success in their chosen fields of endeavor. The ice-cream industry is outstanding not only in the vast progress it has made, but likewise in the unsurpassed contribution it has made to the enjoyment of living among our people, as well as to the enrichment of the national diet.

Merely to cite that the ice-cream industry has increased its volume 100 times since the turn of the century, and now makes use of 10,000,000,000 pounds of

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milk and cream equivalent annually is to suggest the part it plays in helping to maintain the prosperity of the Nation's dairy industry and of our farming population generally.

Ice cream is an integral part of the American way of life today. All those whose efforts combine to make this confection available to every man, woman, and child in the Nation deserve a tribute on the occasion of the celebration of the industry's centennial—the farmers who provide the milk and cream, the fruits and nuts, which are used in such abundance; the management personnel whose continuing care it has been to maintain the purity and to increase the taste appeal of their delicious product, and the great segment of our working population who perform all the necessary intermediary tasks connected with the manufacture, distribution, and sale of this delectable confection. They are a valuable part of this greatest of all Nations. May their efforts, in the century ahead, be ever more and more productive of enjoyment and healthful food for our people, and of increasing prosperity and satisfaction for themselves.

Because it conveys officially the attitude of the responsible Government agency in the field, I ask unanimous consent that the attached letter from Secretary of Agriculture Charles F. Brannan to the International Association of Ice Cream Manufacturers be printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, June 7, 1951.

Mr. ROBERT C. HIBBEN,
International Association of Ice Cream Manufacturers, Washington, D. C.

DEAR MR. HIBBEN: It is a pleasure to extend greetings to the ice-cream industry as it observes the important anniversary marked by National Ice Cream Day, June 15.

In the past 100 years you have made outstanding progress. Ice cream has become an important dairy food in the American diet and is classified by our nutritionists in group IV of the seven basic foods, along with cheese, milk, and other dairy products.

The ice-cream industry is important to all of agriculture. This importance is measured by your annual use of about ten billion pounds of milk and cream equivalent and an estimated 250,000,000 pounds of fruits and nuts in the manufacture of ice cream each year. All of your sweeteners come from the soil.

On behalf of agriculture, I send congratulations and best wishes to your industry.

Sincerely yours,

CHARLES F. BRANNAN,
Secretary.

INDEPENDENT OFFICES APPROPRIATIONS 1952

The Senate resumed the consideration of the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes.

Mr. McFARLAND. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the order for the call of the quorum be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, will the majority leader yield to me in order that I may ask a question concerning the appropriation bill?

Mr. McFARLAND. I yield.

Mr. WHERRY. Is the majority leader willing to suggest a unanimous-consent request in connection with presentation of amendments to the appropriation bill? It is perfectly agreeable that the committee amendments, with respect to which there is no controversy, be adopted; but I feel that, as the Senate has previously done in connection with bills of this kind, an agreement should be entered into that in the event a Senator wishes to offer an amendment thereafter, he may be permitted to do so, without going to the trouble of moving that the Senate reconsider the vote by which a committee amendment was agreed to.

Mr. McFARLAND. That is agreeable. I should prefer to wait, however, until the Senator from South Carolina [Mr. MAYBANK] comes into the Chamber. He is in charge of the appropriation bill.

Mr. WHERRY. If such an agreement is entered into, it will solve one difficulty.

Mr. KERR obtained the floor.

Mr. McFARLAND. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield to the Senator from Arizona.

Mr. McFARLAND. Now that the distinguished senior Senator from South Carolina [Mr. MAYBANK] has come into the Chamber, I would ask him if it would be agreeable with him that I ask unanimous consent that amendments to the bill of which he is in charge, the independent offices appropriation bill, be adopted today, with the understanding that any Senator who desired to offer an amendment on Monday could do so.

Mr. MAYBANK. As the distinguished majority leader knows, I have been in a meeting considering the defense production control bill since early this morning; we are going to have another meeting this afternoon and may remain in session until sometime between 10:30 and 11 o'clock. We have recessed until 2:30. As a matter of fact, I recessed the meeting until 2:30 because when I left the Senate last evening I thought that no amendment of a controversial nature would be voted on before Monday. If the Senator will permit me to say so, I do not see much use in voting on amendments and having them brought up on Monday and gone over again. I may say that in whatever the majority leader wants done I will cooperate, but I think going over the amendments a second time would be a little too much to ask me to agree to. I do not mind working, but I do not believe we should go over amendments twice.

Mr. McFARLAND. What I had in mind was that as to many amendments there would be no discussion, and those about which there was discussion or controversy could go over, but I thought most of them could be adopted without discussion.

Mr. MAYBANK. It is all right with me if the Senator desires to have the amendments agreed to, with the understanding that I will not have to debate an amendment today and then debate the same amendment on Monday.

Mr. WHERRY. Mr. President, we are considering a suggested unanimous-consent request presented by the majority leader. I should like to know if my understanding is correct that even though the Senate proceeds today and agrees to amendments, whether they are controversial or not, any Member of the Senate, before the passage of the bill, may ask for a reconsideration and present an amendment to an amendment as though it had not been agreed to in the first place, or that a Senator may have the right to offer an amendment in the second degree to any amendment, without asking for its reconsideration.

Mr. MAYBANK. That is my understanding, and I have no objection whatsoever if the amendments are adopted without debate because the debate may come on the amendments to the amendments later. I do not see much use of my trying to explain an amendment and then having to go over the argument and explain an amendment in the second degree later. I, therefore, withdraw my objection. I merely desired to have the RECORD clear.

Mr. McFARLAND. If any controversy develops on the amendments, I shall suggest that they go over, rather than be voted on today.

Mr. WHERRY. Mr. President, I inquire who has the floor?

The PRESIDENT pro tempore. The Senator from Oklahoma has the floor.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. WHERRY. Naturally there would be no objection to a unanimous-consent agreement that amendments which are not controversial be agreed to, but at the same time, I do not want to be the judge as to what is a controversial amendment. For that reason, I desire to preserve the rights of Senators who may desire to offer amendments between now and the time the bill passes. We have had such arrangements before, and I know they have worked satisfactorily.

Mr. McFARLAND. My suggestion would not preclude that.

Mr. MAYBANK. Mr. President, I am frank to say I do not care to go over the same argument twice.

The PRESIDENT pro tempore. Is there objection to the request? The Chair hears none.

Mr. WHERRY. I think we understand each other.

Mr. McFARLAND. I hope so.

Mr. WHERRY. I hope so, too, because when a Senator rises and offers an amendment, I do not want any argument raised that the amendment was adopted in advance, and is, therefore, not open to amendment. I desire to cooperate with the majority leader. Even though an amendment about which there was

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no controversy was agreed to, any Senator would have a right, prior to the time the bill was passed, to offer an amendment to it in the second degree, as if it had not been acted on.

The PRESIDENT pro tempore. Is there objection to the amendment to the unanimous-consent request presented by the majority leader?

Mr. McFARLAND. I did not propose to amend it.

The PRESIDENT pro tempore. Is there objection? The Chair is a member of the committee, and recalls that one of the members of the committee had objection to one of the amendments. I believe that was the only controversy that arose.

Mr. MAYBANK. Mr. President, I may say that I made to the ranking minority member of the subcommittee, the Senator from Massachusetts [Mr. SALTONSTALL], the same statement which has been made by the majority leader and the minority leader. I may also say that I understand several amendments will be offered to the bill.

The PRESIDENT pro tempore. The Parliamentarian advises the Chair that no right will be lost to any Senator by reason of the agreement. Without objection, the agreement is entered into.

The amendments agreed to en bloc are as follows:

Under the heading, "Title I—Executive Office of the President—Bureau of the Budget," on page 3, line 20, after the word "individuals", to strike out "$3,412,000" and insert "$3,134,750, of which not more than $2,810,250 shall be available for personal services."

Under the heading, "Independent offices—American Battle Monuments Commission," on page 4, line 13, after the word "countries", to insert "the purchase of two passenger motor vehicles for replacement only"; and in line 16, after the word "countries", to strike out "$710,400" and insert "$719,000, of which not more than $504,000 shall be available for personal services."

On page 5, line 9, after the word "expended", to insert "of which not more than $305,850 shall be available for personal services."

Under the heading, "Atomic Energy Commission—Salaries and expenses," on page 5, line 17, after the word "exceed", to strike out "three hundred" and insert "five hundred and seventy-six"; on page 6, line 2, after the word "authorizations", to strike out "$1,139,932,750" and insert "$1,168,932,750, of which not more than $25,135,000 shall be available for personal services"; and on page 8, line 20, after the words "per annum", to insert a colon and the following additional proviso: "*Provided further*, That no part of the foregoing appropriation shall be used for any new construction project until after the Commission shall have notified all architects and engineers involved that the plans for such project should be purely utilitarian and without unnecessary refinements."

Under the heading, "Civil Service Commission," on page 9, line 18, after the word "amended", to strike out "$17,000,000" and insert "$18,050,000"; and on page 10, line 20, after the word "exceed", to strike out "$520,000" and insert "$600,000."

On page 12, line 15, after "(5 U. S. C., ch. 14)," to strike out "$300,000,000" and insert "$320,000,000."

Under the heading "Commission on Renovation of the Executive Mansion," on page 12, line 22, after the word "Congress", to strike out "$20,000" and insert "$25,000."

Under the heading "Displaced Persons Commission," on page 13, line 17, after the word "advance", to strike out "$6,195,000" and insert "$7,500,000, of which not less than $4,375,000 shall be available for the expenses of transporting to the United States displaced persons of German ethnic origin."

Under the heading "Federal Communications Commission," on page 15, line 3, after "(5 U. S. C. 55a)", to strike out "$6,000,000" and insert "$6,233,300, of which not more than $5,550,300 shall be available for personal services."

Under the heading "Federal Power Commission," on page 15, line 12, after the word "newspapers", to strike out "$3,926,800" and insert "$3,683,850, of which not more than $3,250,350 shall be available for personal services and."

Under the heading "Federal Trade Commission," on page 16, line 2, after the word "newspapers", to strike out "$3,891,695" and insert "$3,989,130, of which not more than $3,625,800 shall be available for personal services."

Under the heading "General Accounting Office," on page 16, line 23, after the word "services", to strike out "$29,894,000" and insert "$30,225,000."

On page 17, after line 6, to strike out:

"The Comptroller General of the United States hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place two positions in grade GS-13, two positions in grade GS-17, and seven positions in grade GS-16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in lieu of any positions in the General Accounting Office previously allocated under section 505. The authority granted herein shall not be construed to require or preclude the reallocation of any positions in the General Accounting Office previously allocated under section 505."

Under the heading "General Services Administration," on page 18, line 2, after the word "agencies", to strike out "within the District of Columbia"; in line 7, after the word "exceed", to strike out "five" and insert "fifteen"; and in line 13, after the word "War", to strike out "$109,000,000" and insert "$107,757,800, of which not more than $59,779,870 shall be available for personal services."

On page 18, after line 15, to insert:

"The foregoing appropriation shall not be available to effect the moving of Government agencies from the District of Columbia into buildings acquired to accomplish the dispersal of departmental functions of the executive establishment into areas outside of but accessible to the District of Columbia."

On page 20, line 3, after the word "quarter", to insert a colon and the following proviso: "*Provided*, That the purchase, utilization, and disposal of typewriting machines shall be performed in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended (Public Laws 152 and 754, 81st Cong.)."

On page 20, after line 7, to strike out:

"No part of any money appropriated by this or any other act for any agency of the executive branch of the Government (which shall include all departments, independent establishments, and wholly owned Government corporations) shall be used during the current fiscal year for the purchase within the continental limits of the United States of any typewriting machines (except typewriting machines for veterans under public laws administered by the Veterans' Administration) unless the Administrator of General Services certifies that he is unable to furnish such agency with suitable typewriting machines out of stock on hand. The Administrator of General Services is authorized and directed at such times as he may determine to be necessary to survey and determine the numbers and kinds of typewriting machines located in the continental limits of the United States which are at any time surplus to the requirements of any agency in the executive branch of the Government (which shall include all departments, independent establishments, and wholly owned Government corporations). Upon such determination, the Administrator of General Services is authorized to direct, upon such notice and in such manner as he may prescribe, the head of any such agency to surrender to the General Services Administration any and all typewriting machines surplus to its requirements, the costs of packing, shipping, and handling thereof to be charged to the general supply fund. Each such agency shall furnish the Administrator of General Services such information regarding typewriting machines, wherever located, as he may from time to time request. The General Services Administration is authorized and directed to receive, hold, sell, exchange, or supply to any branch of the Government, including the District of Columbia, typewriting machines surrendered to it hereunder. The Administrator of General Services is authorized to charge each agency to which typewriting machines are supplied hereunder amounts equal to the fair value thereof, as determined by him, and such amounts shall be credited to the general supply fund."

On page 22, line 4, after the word "expended", to insert "of which not more than $273,150 shall be available for personal services."

On page 22, line 15, after the figures "$9,000,000", to insert "of which not more than $1,661,400 shall be available for personal services."

On page 23, line 2, after the word "section", to strike out "403 (a) (4) (D) (relating to the recomputation of the amortization deduction) and by the last sentence of section 403 (i) (3) (relating to excess inventories) of the Renegotiation Act; and to refund any amount finally adjudged or determined to have been erroneously collected by the United States pursuant to a unilateral determination of excessive profits, with interest thereon (at a rate not to exceed 4 percent per annum) as may be determined by the War Contracts Price Adjustment Board, computed to the date of certification to the Treasury Department for payment"; and insert "201 (f) of the Renegotiation Act of 1951"; and in line 18, after the word "appropriation", to strike out the colon and the following additional proviso: "*Provided further*, That refunds made hereunder shall be based solely on the certificate of the War Contracts Price Adjustment Board or its duly authorized representatives."

On page 23, line 25, after the word "vehicles", to strike out "$15,000,000" and insert "$16,426,000, of which not more than $8,201,000 shall be available for personal services."

Under the heading "Housing and Home Finance Agency—Office of the Administrator," on page 24, line 16, after the numerals "1949", to strike out "$3,446,200" and insert "$2,907,200"; and in line 17, after the word "*Provided*", to strike out "That necessary expenses of inspections of projects financed through loans to educational institutions authorized by title IV of the Housing Act of 1950 shall be compensated by such institutions by the payment of fixed fees which in the aggregate in relation to the development costs of such projects will cover the costs of rendering such services, and expenses for such purpose shall be considered nonadministrative, and for the purpose of providing such inspections, the Administrator may utilize any agency and such agency may accept reimbursement or payment for such services from such institutions or the Administrator, and shall credit such amounts

UNIVERSITY OF MICHIGAN LIBRARIES

to the appropriations or funds against which such charges have been made, but such nonadministrative expense shall not exceed $140,000" and insert in lieu thereof the following: "That necessary expenses of inspections and of providing representatives at the site of projects being undertaken by local public agencies pursuant to title I of the Housing Act of 1949 and of projects financed through loans to educational institutions authorized by title IV of the Housing Act of 1950, shall be compensated by such agencies or institutions by the payment of fixed fees which in the aggregate will cover the costs of rendering such services, and expenses for such purpose shall be considered nonadministrative and for the purpose of providing such inspections, the Administrator may utilize any agency and such agency may accept reimbursement or payment for such services from such institutions or the Administrator, and shall credit such amounts to the appropriations or funds against which such charges have been made."

Under the subhead "Public Housing Administration," on page 27, line 3, after the word "further", to strike out "That notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, (1) authorize during the fiscal year 1952 the commencement of construction of in excess of 5,000 dwelling units, or (2) after the date of approval of this act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for dwelling units aggregating in excess of 50,000 to be authorized for commencement of construction during any one fiscal year subsequent to the fiscal year 1952, unless a greater number of units is hereafter authorized by the Congress: *Provided further*, That the Public Housing Administration shall not, after the date of approval of this act, authorize the construction of any projects initiated before or after March 1, 1949, in any locality in which such projects have been or may hereafter be rejected by the governing body of the locality or by public vote, unless such projects have been subsequently approved by the same procedure through which such rejection was expressed" and in lieu thereof to insert the following: "That notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, authorize during the fiscal year 1952 the commencement of construction of in excess of 50,000 dwelling units."

On page 28, line 7, after the word "Administration", to strike out "$5,000,000" and insert "$11,400,000."

Under the heading "Indian Claims Commission," on page 28, line 13, after the word "Commission", to strike out "$90,000" and insert "$89,600, of which not more than $84,600 shall be available for personal services."

Under the heading "Interstate Commerce Commission," on page 28, line 24, after the word "of", to strike out "19" and insert "twenty-four"; and in line 25, after the word "only", to strike out "$8,569,870" and insert "$9,000,000, of which not more than $7,991,500 shall be available for personal services."

On page 29, line 18, after the word "engineers", to strike out "$983,000" and insert "$922,575, of which not more than $696,800 shall be available for personal services."

On page 30, line 1, after "(45 U. S. C. 22-34)", to strike out "$706,600" and insert "$662,520, of which not more than $508,300 will be available for personal services."

Under the heading "Motor Carrier Claims Commission—Salaries and expenses," on page 30, line 18, after "(5 U. S. C. 55a)", to strike out "$34,000" and insert "$36,500, of which not more than $31,500 shall be available for personal services."

Under the heading "National Advisory Committee for Aeronautics," on page 31, line 5, after "(5 U. S. C. 55a)", to strike out "$48,112,980" and insert "$51,362,500, of which not more than $32,737,500 shall be available for personal services."

On page 31, line 10, after the word "expended", to strike out "$11,700,000" and insert "$25,000,000."

Under the heading "National Capital Park and Planning Commission," on page 32, line 16, after the word "exceeding", to strike out "$12,000" and insert "$22,500"; and in line 18, after the word "services", to strike out "or other necessary expenses."

Under the heading "Securities and Exchange Commission," on page 32, line 25, after "(5 U. S. C. 55a)", to strike out "$5,699,000" and insert "$5,378,480, of which not more than $4,909,700 shall be available for personal services."

Under the heading "Smithsonian Institution," on page 34, line 5, after the word "publications", to strike out "$2,391,200" and insert "$2,363,620, of which not more than $1,740,400 shall be available for personal services."

On page 35, line 4, after the word "proper," to strike out "$1,154,000" and insert "$1,089,160, of which not more than $943,600 shall be available for personal services."

Under the heading "Tariff Commission," on page 35, line 17, after "(5 U. S. C. 55a)", to strike out "$1,259,300" and insert "$1,144,600, of which not more than $1,092,600 shall be available for personal services."

Under the heading "Tennessee Valley Authority," on page 36, line 8, after the word "vehicles", to strike out "$236,139,600" and insert "$240,639,600, of which not more than $70,998,000 shall be available for personal services."

Under the heading "The Tax Court of the United States," on page 36, line 16, after the word "expenses", to strike out "$818,000" and insert "$783,900, of which not more than $433,000 shall be available for personal services other than salaries of the judges."

Under the heading "Veterans' Administration," on page 37, line 22, after the word "equipment", to strike out "$875,163,335" and insert "$873,105,770"; in the same line, after the amendment just above stated, to strike out "of which $656,518,760 shall be available only for medical, hospital and domiciliary services, and" and insert "of which not more than $195,140,000 shall be available for personal services other than hospital, domiciliary, and out-patient care, and"; and on page 38, line 14, after the word "than", to strike out "$6,888,000" and insert "$7,388,000."

On page 39, line 16, after the word "facilities", to strike out "$27,955,440" and insert "$27,505,080, of which not more than $4,454,000 shall be available for personal services."

Under the heading "War Claims Commission—Administrative expenses," on page 42, line 20, after the word "Commission", to strike out "$800,000" and insert "$900,000."

Under the heading "Title II—Department of Commerce—Maritime activities," on page 47, line 15, after the word "amended", to insert a colon and the following additional proviso: "*Provided further*, That nothing contained in this act, or in any prior appropriation act, shall be construed to affect the authority provided in section 603 (a) of the Merchant Marine Act, 1936, as amended, (1) to grant operating-differential subsidies on a long-term basis, and (2) to obligate the United States to make future payments in accordance with the terms of such operating differential subsidy contracts"; and on page 48, line 1, after the word "of", to strike out "fourteen hundred and fifty" and insert "eighteen hundred and thirty."

On page 48, line 7, after the word "Administration", to strike out "$15,651,400" and insert "$16,200,350, of which not more than $12,667,000 shall be available for personal services."

On page 48, line 17, after the word "models", to strike out "$8,029,400" and insert "$8,578,350."

On page 49, line 18, after the word "exceed", to strike out "$69,300" and insert "$77,000"; in line 20, after the word "Administration", to strike out "$3,724,500" and insert "$4,108,500"; and in line 21, after the word "midshipmen", to insert "and other trainees."

On page 49, after line 21, to strike out:

"State marine schools: To reimburse the State of California, $47,500; the State of Maine, $47,500; the State of Massachusetts, $47,500; and the State of New York, $47,500; for expenses incurred in the maintenance and support of marine schools in such States as provided in the act authorizing the establishment of marine schools, etc., approved March 4, 1911, as amended (34 U. S. C. 1121-1123); $153,000 for the maintenance and repair of vessels loaned by the United States to the said States for use in connection with such State marine schools; and $340,000 for uniforms, textbooks, and subsistence of cadets on an average yearly cost of not to exceed $475 per cadet; $683,000."

And in lieu thereof to insert the following:

"State marine schools: To reimburse the State of California, $50,000; the State of Maine, $50,000; the State of Massachusetts, $50,000; and the State of New York, $50,000; for expenses incurred in the maintenance and support of marine schools in such States as provided in the act authorizing the establishment of marine schools, etc., approved March 4, 1911, as amended (34 U. S. C. 1121-1123); $255,000 for the maintenance and repair of vessels loaned by the United States to the said States for use in connection with such State marine schools; and $749,050 for the pay of 710 cadet midshipmen at $65 per month and $275 per annum for the subsistence of each cadet midshipman; $1,206,800."

On page 52, after line 3, to strike out:

"No money appropriated by this or any other act may be used for the payment to the owner on account of the purchase, requisition, or loss for which the United States is responsible of any vessel previously sold by the United States in an amount in excess of the price paid the United States depreciated as hereinafter provided, plus depreciated cost of capital improvements made on such vessel, subsequent to such sale by the United States: *Provided*, That in the case of any vessel the price of which has been adjusted pursuant to the provisions of section 9 of the Merchant Ship Sales Act of 1946, as amended, the payment shall not exceed the statutory sales price of such vessel as of March 8, 1946, depreciated, plus the depreciated cost of capital improvements made on such vessel subsequent to such date: *Provided further*, That in the case of a bona fide purchaser for value, the payment may equal but not exceed the adjusted basis of the vessel in the hand of such purchaser determined under section 113 (b) of the Internal Revenue Code. If any vessel previously sold by the United States is chartered or taken for use by the United States, the charter hire paid for bareboat use of the vessel shall not be based on a value in excess of the payment permitted under the preceding provisions in case the vessel were purchased by the United States. Depreciation under the preceding provisions shall be computed in accordance with the schedule adopted by the Bureau of Internal Revenue for income-tax purposes, or, in the absence of any such schedule, depreciation shall be computed at the rate of 5 percent per annum. Notwithstanding the provisions of any other law, neither the Secretary of Commerce nor the Federal Maritime Board shall

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determine, for any purpose whatsoever, a valuation for any vessel previously sold by the United States, except in accordance with the preceding provisions."

And in lieu thereof to insert the following:

"No money made available to the Department of Commerce, for maritime activities, by this or any other act shall be used in payment for a vessel the title to which is acquired by the Government either by requisition or purchase, or the use of which is taken either by requisition or agreement, or which is insured by the Government and lost while so insured, unless the price or hire to be paid therefor (except in cases where section 802 of the Merchant Marine Act, 1936, as amended, is applicable) is computed in accordance with subsection 902 (a) of said act, as that subsection is interpreted by the General Accounting Office."

Under the heading "Title III—Emergency fund for the President—National defense," on page 55, line 8, after the numerals "1951", to strike out "may be carried forward and expended in fiscal year 1952" and insert "shall remain available during the fiscal year 1952."

Under the heading "Title IV—Corporations—Housing and Home Finance Agency," on page 56, line 6, after the word "exceed", to strike out "$3,060,000" and insert "$3,260,000"; and in line 25, after the word "practices", to strike out the colon and the following additional proviso: *"Provided further,* That the expenses excluded from the limitation of $3,060,000 shall not exceed $150,000."

On page 57, line 11, after the word *"Provided"*, to strike out "That the uncommitted authorizations for making loans for the foregoing purposes, transferred to the Administrator pursuant to Reorganization Plan No. 23 of 1950, and remaining uncommitted on the date of enactment of this act, are hereby rescinded" and insert "That no additional loan shall be made under the authority transferred to the Administrator pursuant to Reorganization Plan No. 23 of 1950 for the foregoing purposes after the effective date of this act unless the Administrator shall have determined that such loan is in the interest of the Government in the furtherance of any existing loan or for the refinancing of any existing loan."

On page 60, line 15, after the word "exceed", to strike out "$4,824,000" and insert "$5,074,000"; and in line 25, after "(not to exceed "$1,500)", to strike out the colon and *"Provided further,* That expenditures for nonadministrative expenses classified by section 2 of Public Law 387, approved October 25, 1949, shall not exceed $22,320,000."

On page 61, line 8, after the word "exceed", to strike out "$8,240,000" and insert "$15,000,000", and on page 62, line 3, after the word "Congress", to strike out the colon and the following additional proviso: *"Provided further,* That all expenses of the Public Housing Administration not specifically limited in this act, in carrying out its duties imposed by or pursuant to law shall not exceed $33,000,000."

Under the heading "Inland Waterways Corporation," on page 63, line 6, after "(5 U. S. C. 61d)", to insert a colon and the following additional proviso: *"Provided further,* That the Corporation may use its funds to purchase equipment on credit or otherwise, and in so doing may mortgage or pledge equipment as security for the payment of any obligations representing the balance of the purchase price, and for this purpose may enter into purchase money mortgages, conditional sales contracts, equipment trusts, or other similar methods of financing."

Under the heading "Title VI—General provisions," on page 65, line 20, after the numerals "1952:" to insert the following proviso: *"Provided,* That the head of any such corporation or agency shall afford an opportunity for officers or employees to use the annual leave accumulated under this section prior to June 30, 1952."

On page 67, after line 12, to strike out: "SEC. 603. No part of any appropriation contained in this act, or of the funds available for expenditure by any corporation or agency included in this act, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress."

On page 67, after line 17, to strike out: "SEC. 604. No part of any appropriation or authorization contained in this act shall be used to pay the compensation of any incumbent appointed to any civil office or position which may become vacant during the fiscal year beginning on July 1, 1951: *Provided,* That this inhibition shall not apply—

"(a) to not to exceed 25 percent of all vacancies;

"(b) to positions filled from within the agency;

"(c) to offices or positions required by law to be filled by appointment of the President by and with the advice and consent of the Senate;

"(d) to all employees in veterans' medical facilities;

"(e) Atomic Energy Commission;

"(f) to employees of the General Accounting Office;

"(g) to employees in grades CPC 1 and 2:

Provided further, That when any department or agency covered in this act shall, as a result of the operation of this amendment reduce their employment to a figure not exceeding 80 percent of the total number on their rolls as of July 1, 1951, such amendment shall cease to apply and said 80 percent figure shall become a ceiling for employment during the fiscal year 1952 and if exceeded at any time during fiscal year 1952 this amendment shall again become operative."

On page 68, after line 16, to insert:

"SEC. 603. Each appropriation or authorization made by this act for any purpose, of which a specified portion is herein made available for personal services, and each amount so specified as being available for personal services, is hereby reduced by an amount equal to 5 percent of the amount requested for personal services for such purpose in budget estimates heretofore submitted to the Congress for the fiscal year 1952. To carry out the additional requirements of this section and to provide for a total decrease of 10 percent in personal services where applicable, the following sums have been deducted from the face of the bill as recommitted:

"Bureau of the Budget, $156,125.

"American Battle Monuments Commission, $26,115.

"Federal Communications Commission, $166,700.

"Federal Power Commission, $180,575.

"Federal Trade Commission, $152,565.

"General Services Administration, $3,242,200.

"Indian Claims Commission, $4,700.

"Interstate Commerce Commission: Railroad safety, $37,725; Locomotive inspection, $26,240.

"Motor Carrier Claims Commission, $1,750.

"National Advisory Committee for Aeronautics, $1,750,480.

"Securities and Exchange Commission, $272,760.

"Smithsonian Institution, $66,680.

"National Gallery of Art, $59,420.

"Tariff Commission, $60,700.

"Tax Court of United States, $24,050.

"Veterans' Administration: Administration, medical, hospital, and domiciliary services, $7,066,223; Hospital and domiciliary facilities, $347,460.

"Maritime Administration: Salaries and expenses, $201,050; Maritime training, $124,250.

Nothing in this section shall be construed as effecting reductions beyond a reduction of 10 percent from the budget estimates for personal services."

On page 70, line 8, to change the section number from "605" to "604."

Mr. MAYBANK. Mr. President, what time does the majority leader desire that I make a statement on the bill, and present some letters, so that they may be in the RECORD? Shall I wait until the Senator from Oklahoma has completed his speech?

Mr. McFARLAND. The Senator from Oklahoma has the floor.

Mr. MAYBANK. I understand. I was at a meeting of my committee when the Senate met, and I had the committee recess until 2:30 o'clock.

Mr. KERR. Mr. President, if the distinguished Senator from South Carolina desires to offer something for the RECORD, and I may yield to him for that purpose without losing the floor, I shall be glad to do so.

Mr. MAYBANK. I believe it would be best for me to place the various statements in the RECORD as the particular titles to which they refer are reached, so that when we reach the title relating to Interstate Commerce Commission, or General Services, or Smithsonian Institution, or the Tax Court, I may file the papers relating to the particular subject.

Mr. McFARLAND. I understand from the distinguished Senator from Oklahoma that he expects to address the Senate about 30 minutes, and therefore the Senator from South Carolina may make his explanation at the conclusion of the Senator's remarks.

Mr. MAYBANK. I should like to make a request, which may be rather unusual, that I be permitted to have the floor at 1 o'clock.

The PRESIDENT pro tempore. The Chair will state to the Senator that it depends on the Senator from Oklahoma, because he has the floor.

Mr. KERR. Will the Senator from South Carolina amend his request to provide that he shall be recognized at the termination of my remarks? I shall have completed my remarks by 1 o'clock, unless I am interrupted, which I do not anticipate.

Mr. MAYBANK. I so amend my request.

Mr. McFARLAND. Mr. President, I do not think there will be any difficulty about the Senator from South Carolina obtaining the floor. I hope he will not insist on his request. To grant such a request would not be setting a good precedent. I am certain that the Chair realizes the situation and will recognize the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I withdraw my request.

THE PLACE OF POINT 4 IN AMERICAN FOREIGN POLICY

Mr. KERR. Mr. President, on May 24 the President sent to the Congress a message outlining his proposals for a mutual security program for the fiscal year 1952. Its total estimated cost is $8,500,000,000, which, when added to our own large military expenditures, establishes a record peacetime high for our security budget.

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Mr. President, I know that we must build up our own military strength. We must build up a strong North Atlantic Treaty army under General Eisenhower. I also recognize, Mr. President, that our partnership arrangements with other nations require some economic assistance. The relentless effort in the Kremlin to conquer the world must be defeated by making the free world unconquerable.

I recognize the necessity for this effort. At the same time, all parts of the foreign aid approved by the Congress must represent the soundest and most effective use of our resources. And we must secure the maximum response from our friends and allies. I want our aid to be enough to be effective, but it can and must be on a basis that it will also strengthen the economy of the United States, without which the free world could not survive. Moreover, I am as much concerned about the kind of assistance we give as I am about the amount.

Mr. President, we must put on the whole armor of democracy. We could make no greater mistake than to assume that we can successfully defend the free world against communism by arms alone. The building of collective security forces is only a part of the answer. The problem in some areas of the world is of a different kind, and cannot be solved with military measures. The Kremlin threatens some countries with armed force; it seeks to win others with fraudulent promises that economic and social progress is available through communism. These false appeals are camouflaged to appear attractive to hungry, impoverished, illiterate people who are tempted to turn to any system that promises them relief from their desperate plight.

There is an effective answer to these false promises of communism. We must show that the economic and social systems of free men are better able to satisfy the aspirations of all people everywhere. We can and must prove that communism destroys, but that the free world protects the liberty of the individual. In passing upon legislation and appropriations for foreign aid, the Congress must to the greatest possible extent secure these ends. We must give the whole subject of foreign aid the careful consideration it deserves.

In studying the information available so far, Mr. President, I have had great difficulty in determining to my own satisfaction the place and scope in the proposed bill of a very important part of our foreign policy—the point 4 program of technical cooperation. About 6 months ago, one of Oklahoma's most distinguished citizens, the Honorable Henry G. Bennett, president of our great Agricultural and Mechanical College at Stillwater, was asked by the President to take a leave of absence from his important work in Oklahoma and to head up the point 4 program. Dr. Bennett accepted, and I was particularly pleased that the Senate recognized his outstanding ability by unanimously confirming his nomination. In his long and distinguished career of service to the people of Oklahoma, Dr. Bennett has been called on for many important assignments outside his native State. He has carried out missions in many parts of the world in the fields of agriculture and education.

But what is equally important, especially for people working in the field of foreign affairs, Dr. Bennett is a hardheaded, down-to-earth American who knows the problems of the millions of our citizen who live in the rural areas. Therefore, although I regretted his necessary absence from Oklahoma, I was delighted to know that, in the carrying out of the President's point 4 program, with all its vast implications for the future of our foreign relations, Dr. Bennett would be serving the whole Nation in the State Department.

Mr. President, I stated earlier that I am as much concerned about the kind of assistance we give to other nations as I am about the amount. From my talks with Dr. Bennett, I am convinced that the kind of work being carried on under the point 4 technical assistance agreements with underdeveloped nations is the best possible approach to finer and friendlier relations with these countries. Their problems, like the problems many of our rural areas faced a generation ago, are mainly rural problems. To help solve them, the point 4 program reaches out the helping hand of technical cooperation and gets right down to the bedrock of working with the people—helping them to help themselves. This is in the truest American tradition.

Mr. President, our religious denominations have sent missionaries into the far places of the world to preach the gospel of Christianity. In keeping with its spirit, our whole foreign policy is based on extending the helping hand of the good neighbor.

In the proposed mutual security program for 1952, I notice that $6,250,000,000 is earmarked for military assistance. The second part of this bill calls for economic assistance to other free nations in the amount of $2,250,000,000, primarily to support expanded defense efforts abroad. The President has informed the Congress that the program for our own Armed Forces and this mutual security program interlock. The one builds upon the other. In the President's own words:

> Under this program the United States will send tanks, guns, and planes to a number of free countries in Europe and other parts of the world which are building up armed forces against the threat of Communist attack. We will also send economic help to a number of countries—economic help ranging from machinery and materials with which to make weapons to seeds, medicine, and technical assistance with which to conquer communism's allies of starvation and sickness.

Communism's greatest allies are the Four Horsemen of the Apocalypse—famine, pestilence, was, and death—conquer these and communism will wither on the vine.

Mr. President, these are times when every dollar of expenditure, even for our security, must be weighed carefully by the Congress because the load our taxpayers are carrying is a staggering burden. Under this program it is clear that nearly 99.44 percent of all of our aid is to build the power to make war as a means to prevent war. We must build our military strength and that of our allies. We must be ready to send forth our soldiers, our bombers, our fighting ships to stop aggression wherever it starts. We have the resources and we must use them.

But, Mr. President, while we are doing this we must also send the gospel of peace and good will around the world. It is the mission of the point 4 program to do just this. Under it we are sending forth the sower with a sack of better seed; a man with a better hoe in his hand. With point 4, we create hope and inspire faith in the hundreds of millions of people in the underdeveloped areas of the world.

Mr. President, when John the Baptist languished in the confinement and the squalor of his dungeon prison, doubts disturbed his thoughts and fear gripped his mind. From the depths of his anguished soul, he yearned for reassurance.

Luke, in the seventh chapter, and beginning with the nineteenth verse, tells us:

> And John calling unto him two of his disciples sent them to Jesus, saying, Art thou he that should come? or look we for another?
>
> When the men were come unto him, they said, John Baptist hath sent us unto thee, saying, Art thou he that should come? or look we for another?
>
> And in that same hour he cured many of their infirmities and plagues, and of evil spirits; and unto many that were blind he gave sight.
>
> Then Jesus answering said unto them, Go your way, and tell John what things ye have seen and heard; how that the blind see, the lame walk, the lepers are cleansed, the deaf hear, the dead are raised, to the poor the gospel is preached.

The Master knew that John would know that only the Messiah could do the things that were being done.

Mr. President, wherever communism is in power, the people suffer. There is no escape from slavery by day or from terror by night. A tyrannical government robs the farmer of his crops and the worker of the fruits of his toil. Much of the free world, Mr. President, while unafflicted with the awful curse of communistic tyranny, is still undeveloped and its people underprivileged and undernourished. Is it to these areas that we would first offer the helping hand and the flaming encouragement of the point 4 program. It is to them that we would show the benefits of the American way of life. Through point 4 they can find that better way for themselves. Then, when communism with its temptations and false promises seeks to seduce and devour them, they, like the messengers from John in the dungeon, can see the good fruits of their own efforts that they have been led and inspired to produce through the encouragement and the leadership of the American point 4 program. Then they will be fortified to spurn the communistic tempter and cherish their friendly relationship with us.

If it is necessary, Mr. President, I am willing to help develop a program of which 99 percent or, like a well-known advertisement, even 99.44 percent is aimed at protecting peace by building

the power to make war, but at the same time we would be derelict in our duty and careless of our own welfare if we did not take the other one-half of the 1 percent and finance the point 4 program to help make peace.

It may be, Mr. President, that at this time point 4 is no more on the world's horizon than a cloud the size of a man's hand, but it is a program of applied Christianity. It is in the truest tradition of the American way of life. It is a vitalization of the great commission the Master gave to his followers when he said, "Go ye into all the world, and preach the Gospel to every creature."

While point 4 is in the truest spirit of applied Christianity and while it is carried out by modern missionaries, it does not violate in the least the essential concept of the separation of church and state. It is a program in which all the people of all churches and all creeds can participate and go out yonder into the dark places of the world to spread the light of friendship and good will. It is a practical, workable implementation of the priceless spiritual ingredients that have been the strongest elements in the power and vigor of this Nation.

Mr. President, point 4 is above partisanship or political party affiliations. It is true that it was recommended by the President of the United States; but in the great fight we wage against communism, in the noble effort we make to guarantee the security of our Nation, politics should stop at the water's edge.

In the less fortunate areas around the world, where the hundreds of millions of underprivileged people are reaching for the opportunity which point 4 promises, they do not regard it as a Democratic program or as a Republican program. They regard it, Mr. President, as an American program.

From the interior of Africa, from the undernourished peoples of farthest Asia, from the undeveloped areas populated by our worthy and loyal friends in this hemisphere, the requests are pouring in that we send point 4 to help them. Its story has been translated into dozens of languages. It has become the symbol of the desire of the United States to be of the greatest possible help to the common people of the world.

There are, however, Mr. President, in the material which I have seen relating to the mutual security program, certain statements which give me the gravest concern. In his message, the President has said that he is giving consideration to the desirability of transferring the point 4 program to the Economic Cooperation Administration. For the President to suggest such a transfer is a misfortune. If the suggestion were to be carried out, it would be a tragedy.

Mr. President, thus far ECA is a temporary agency. We are asked to extend it to help our friends and allies build up their war potential. Point 4 is neither temporary nor devoted primarily nor limited to the building of the war potential of the friends we have and seek. It is the essence of applied Christianity, designed and dedicated to the building of a better way of life for our friends and our neighbors. It is a program devoted primarily to the promotion of peace.

I would urge the President to keep the point 4 program in the spirit of its applied Christianity concept and its mission for peace. I would urge him not only to permit but to direct my distinguished fellow Oklahoman, Dr. Henry Bennett, to keep it separate and apart from the heavy emphasis which the ECA is bound to give to building war power among our allies.

I should like to remind the President that in this Nation there are tens of millions who feel the deep spiritual urge to support and participate in a real program that has the deeply satisfying base of applied Christianity. Even our scientists, who now devote their talent and energy to building guided missiles and atom bombs, long for the day when they may devote themselves to the more desirable objective of developing projects which will build a finer world in an era of peace. Our industry and our agriculture yearn for the time when their great productive capacities can be devoted to the development of a peacetime era in a peace-blessed world.

As the ECA seeks to develop the war power of our allies, the point 4 program, entirely separate and apart, must be busy at the job of helping our underprivileged neighbors build a better world for themselves and leading them to become fellow workers with us in building a peacetime world.

Mr. President, three major foreign-aid programs are now being conducted by the United States: First, direct military assistance, mainly to Western European countries, but also to certain other countries; second, Marshall plan economic aid, now being used largely to stimulate the production of armaments in the European countries; and, third, technical assistance to the underdeveloped countries, to which I shall refer as rural countries, because in them most of the people live on the land.

The first two of these programs, namely, military assistance and Marshall plan aid, are temporary, and we are hopeful that they may be brought to a successful termination at an early date. The other, which is the point 4 program of technical cooperation, is a long-range program, and is different from the other two, both in concept and in application. The first two are measured in terms of many billion dollars, while point 4 is measured in terms of a few million dollars. In terms of cost, the point 4 program today is figuratively no bigger than a man's hand, yet I am persuaded that it has for the future a significance which surpasses anything else we are doing in foreign affairs today.

We Americans are sometimes prone to confuse bigness with importance. Point 4 is not big in terms of dollars, but it is of the greatest importance to our future relations with the other peoples of the world, of whom the overwhelming majority live in rural countries.

As directed by Dr. Bennett, the point 4 program consists primarily of technical assistance provided by American technicians. These go out among the peoples of the other countries to demonstrate our improved methods of increasing production, to promote economic development, and to help raise the standards of living. The methods employed are particularly suited, and of the greatest value, to the largely primitive and rural economies of undeveloped countries. Because 80 percent or more of the people of these areas live on farms or in villages, their greatest need is to produce sufficient food for themselves and their fellow countrymen.

In order to do this they do not require large grants of dollars or of consumer goods, nor do they require large numbers of tractors or other heavy machinery. They need to be taught simple basic steps which they themselves can understand and apply, largely with the resources they already have. They need scythes instead of sickles, plows of steel instead of wooden sticks, better seed and livestock. I saw this morning a man who had just returned from India, where he had been operating in a capacity much like that of a county agent in our own country. He had with him a sickle. It had been a long time since I had seen a sickle, a curved steel knife, about 12 or 14 inches in length, with a short wooden handle. He astounded us by telling us that 98 percent of all the wheat produced in India is harvested by means of such an instrument. He had a wooden plow, of which the portion used to stir up the ground was little more than a forked stick; and beside it he had what looked to me about like a 6-inch turning plow, made of steel, supported by a steel arm, which he indicated had cost the farmer in India about $2.50. He told of having introduced that small, steel turning plow to the farmers, who for centuries had used only the wooden stick, and of how a simple implement of that kind, within the reach of the farmers of the area in India where he was working, when put into use by those farmers, had resulted in their securing a 100-percent increase in the per acre production of wheat. What a story it was, of how a little can be used to produce so much. The people in these areas need to know how to fertilize and improve their soil not only with manure but by the growing of legumes. They need to be taught better methods of harvesting and storing their crops. They need to learn better systems of land tenure and credit in order that they may secure a larger share of the fruits of their labor.

The nature of the problem determines the nature of its solution. Point 4 deliberately emphasizes the rural approach. It specializes in the services of trained American technicians, agricultural research and extension specialists, public health doctors and nurses, teachers and vocational instructors, engineers and public administrators. These technicians are supplied with moderate amounts of equipment and operating funds, in order that they may show the people how to put the improved techniques into practice. Instructors from other countries are given training in these techniques, both in their own or neighboring countries and in the United States. These instructors are the very seed of point 4. Their work among their fellow countrymen, when they return home, multiplies the benefits of this good-neighbor program many fold. Its benefits are quite out of proportion to the limited amounts it costs us.

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Point 4 does not seek to impose any fixed pattern or prescription upon other people. Its aim is to help them better their conditions of life by their own work. It does not promise them charity in the form of food or goods they do not earn. It builds them by teaching them to create new wealth of their own.

We have achieved outstanding success in our own country by our agricultural extension service, public health service, public school systems and other similar institutions. Point 4 is the means of encouraging and teaching others to achieve these things for themselves. It borrows liberally from, and in doing so does great honor to, the programs of aided self-help evolved by countless American missionaries and private agencies that have been working in foreign fields for many years. It enables the American people to be at their best, as good neighbors, in vast areas of the world, at remarkably small cost to the American taxpayer.

The principal currency of point 4 is not the American dollar, but American skill, ingenuity, and cooperation. It has been repeatedly demonstrated that a dollar spent on technical cooperation does far more good than a dollar spent for any other form of foreign assistance. Moreover, the people helped in this way are able to use their services and their means and their money to match every dollar we provide with many of their own. More than 30 countries now cooperating in the point 4 program are contributing approximately $3 to every $1 which the United States is spending in this cooperative enterprise.

Point 4 not only brings about vast increases in productivity, and substantially raises the standard of living of the great majority of the human race, but in the long run it will be like bread cast upon the water; it will bring back to this country, many times over, all that we send out. In fact it develops opportunities for ever-increasing trade and commerce. From this program our own country and those participating with us will make great profit. We plant in a spirit of helpfulness. We shall reap an abundant harvest of material benefit, and that which is a far greater value—friendship and good will.

Mr. President, point 4 applied under Dr. Bennett's direction is showing how the job can be done without large expenditures from the United States Treasury. This does not mean, of course, that additional funds will not be needed. Substantial amounts of capital will be required by the nations we seek to help in the development of their resources. They will want to build water supply and sewage systems, hydroelectric power projects and dams and irrigation facilities. But most of these can be provided on a self-liquidating basis as they have been in our own country. Projects of this kind are sound investments in the economic development of a country and they will pay for themselves over and over again not only in financial returns, but also in the priceless intangible assets of a better way of life.

But, Mr. President, such projects can be financed largely by loans from the world bank, the Export-Import Bank, or private sources. As we look back over our own glorious history, we are keenly aware that we often needed to borrow money to develop our great natural resources, our railroads, our navigation projects, which were often built with money borrowed either by private enterprises or governmental agencies. But they and other kindred developments were the means whereby our great and wonderful Nation has been enabled to grow and develop and prosper in such a progressive way.

One of the major objectives of point 4 is to help mobilize the capital which exists in many of the countries where we operate along this line and to help create conditions which will make investment attractive and profitable to private capital.

Point 4 technicians can help do this directly by developing the engineering and financial plans for sound projects. They can do so directly by energizing the inherent productive capacities of the peoples of these countries and showing them how their natural resources can be developed.

Mr. President, this is good business in every way for the United States, as well as for the people we help.

As they increase their efficiency and expand their economies with the help of our technicians, they will produce more of the essential materials which we buy from them to supply our own expanding industrial machine. This is in our own interest, because we depend on these countries for nearly three-fourths of the strategic materials we need. As their standards of living rise and their purchasing power increases, they will be able to buy more goods from us. Even now, with their average per capita income around $80 a year, these countries take 44 percent of our exports. Think what doubling their per capita income—from $80 to $160 a year—would mean in terms of a better market for American goods.

Important as these material considerations are, Mr. President, let me repeat what I said earlier, that point 4 means something much more significant. The bulk of our foreign aid is going into military assistance, and the Marshall plan is now being converted into support for Europe's rearmament program. These things are necessary, but they are nevertheless distasteful to Americans. They are preparations for war, if war is forced upon us. Americans have proved that if they have to fight a war, they can fight superlatively well, and win. But our national genius lies in another direction—the production and distribution to the masses of people of the things which make for better living. Our real desire is for peace, and the enjoyment of it.

I am convinced that point 4 is our most attractive, and, in the long run, probably our most effective, bid for peace. This program has a spiritual quality which I think truly reflects the real character of the American people. We have a broad humanitarian attitude in our make-up, and one of the most persistent ways we have expressed this trait is in sending our missionaries to the far places of the earth. Dr. Bennett says that wherever he goes in foreign countries, he finds the missionaries have planted the seed before him. Private nonsectarian agencies likewise have done magnificent work.

Point 4 will not supplant these efforts, but will supplement and give greater impetus to them. Mr. President, I have a humanitarian interest in my fellow man, whether he is in Oklahoma, Honduras, or Timbuktu. I welcome the opportunity to support a sound, effective program like point 4, which expresses the official interest of the United States in the everyday lives of other peoples and our concern for well-being.

Point 4 impresses me as being the most practical way I have ever seen advanced to apply the Golden Rule as a policy of our Government in its international relations. It gives us an opportunity, without crossing the line that separates church and state, to heed the Biblical injunction: "Go ye into all the world and preach the Gospel"—not the gospel of any creed or sect, but the gospel of the brotherhood of man, of mutual helpfulness, of peace on earth.

That is the spirit in which point 4 is being understood and welcomed here and abroad. Interest in point 4 is growing in this country, not as the result of any high-pressure campaign, but because of its appeal to the practical and humanitarian instincts of our people. Dr. Bennett tells me that, as he goes among the American people telling them in simple, homely language the purposes and methods of point 4, the response has been remarkable. Wherever the people understand this program, they say, "That is what we want our country to do. How can I get into this work? What can I do to help?" Some of the strongest support comes from our great church organizations.

The response in other countries has been no less remarkable. The world is torn in many places by strife and dissension—not all of it between Communists and non-Communists. The United States itself is misunderstood and maligned in many parts of the world. But despite these handicaps, in the past 9 months 25 countries have signed point 4 agreements and we have about 400 American technicians at work in 32 countries. About the same number of trainees from 38 countries are in the United States or are on the way. And the work is having its effect.

While the Congress has been approving legislation to provide 2,000,000 tons of wheat that will give India temporary relief from a terrible famine, one American agricultural specialist has been steadily at work in India helping the Indian farmers learn how to prevent famines by their own efforts. This man, working for the past 3 years in a small area near Delhi, has shown Indian farmers how to apply simple practices which have doubled their wheat yield. I repeat, because it is worth repeating and emphasizing to the Senate and to the world, that one American technician has taught a group of Indian farmers to double their wheat production in 3 years. Fifty to one hundred similar American technicians—we call them county agents

in this country—could revolutionize agriculture in India in a few years. If this is what point 4 can do, why should we not give it our full encouragement and support?

I have talked at some length about the purpose and method of this program, because I think they have a direct bearing on its administration. The program must serve the purpose for which it was intended. It is perfectly clear to me that the purposes and methods of point 4 are radically different from the purposes and methods of the military assistance program and the European recovery program. Its whole philosophy and approach are different. Both the other programs are primarily supply programs; they are concerned with providing things, in large quantities, to industrialized nations. The point 4 program is concerned almost altogether with people—with the services of individual technicians who can teach the people of the rural countries how to help themselves.

These are some of the reasons, Mr. President, why I was alarmed by the President's statement that consideration is being given to the question whether or not it would be desirable to transfer the administration of point 4 to the Economic Cooperation Administration.

If that proposal were adopted, it would mean that the permanent, long-range point 4 program of working directly with people in rural areas would be swallowed up by a temporary agency created for an entirely different purpose and operating on entirely different principles. No reason is given for the proposed transfer of the point 4 program to ECA. If there is any dissatisfaction with the way the program has been handled by Dr. Bennett as head of the Technical Cooperation Administration, I am not aware of it. Every indication I have had leads me to believe that the President and the officials of the State Department to whom Dr. Bennett is responsible are highly pleased with the way he has been conducting the program.

As I recall the committee hearings and the debates last year when the Congress was considering the act for international development, which authorized the point 4 program, it is clear to me that it was the intent of Congress to authorize a long-range, unified technical, cooperation program for the underdeveloped areas as a whole, administered by an official appointed by the President and confirmed by the Senate.

The act for international development provides:

> SEC. 405. The President is authorized to plan, undertake, administer, and execute bilateral technical-cooperation programs carried on by any United States Government agency, and in so doing—
>
> (a) to coordinate and direct existing and new technical-cooperation programs.

The authority vested in the President by this act was delegated by Executive order to the Secretary of State, and thence to the Administrator of the Technical Cooperation Administration.

I take the language of the act to mean that the Congress intended to establish a clearly identified, continuing program of technical cooperation under one responsible official. In the present circumstances there is no reason for changing the administrative arrangement authorized by the Congress.

On the other hand, it is my conviction that the unique character and identity of point 4 can best be preserved by keeping it separate from the military-assistance and ECA programs. It must be kept as the responsibility of an administrator and a staff who understand its nature and purpose, who are dedicated to the realization of its objectives, and who can give their undivided thought and energy to the point 4 program as such.

There is now a logical division of effort, with the ECA conducting the grant-aid program to the European countries and the Technical Cooperation Administration conducting the technical-assistance program for the underdeveloped countries.

It would be a grave mistake to disrupt the point 4 program, which is making such a good start under its present management. Instead, I think the Congress should insist that its original intention be adhered to, and that a unified long-range, low-cost technical cooperation program be developed and carried out by the Administrator appointed for that purpose.

I trust, Mr. President, that when the Senate begins to study the foreign-aid program for 1952, the Members of this body will give prayerful consideration to the place of the point 4 program in American foreign policy. I hope they will make it their business to see that this constructive, positive instrument for making peace will not be shunted aside or distorted in the urgency of the present situation which compels us to emphasize military measures. I hope that they will assure the Administrator of point 4 sufficient authority to demonstrate the soundness and effectiveness of the rural approach in dealing with the problems of the rural countries.

I strongly urge the Senate to see to it that the point 4 program is given a real chance to become a powerful arm of American foreign policy and a means of drawing the free peoples into a strong, cooperative, mutually helpful international relationship in which the United States will be a leader among prosperous Christian democratic nations.

This, Mr. President, is a practical program of applied Christianity. It is a strong pillar of hope for the security of America and the peace of the world.

Mr. HILL. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. HILL. I warmly commend the distinguished Senator from Oklahoma for his address. He is always able, eloquent, and informative. He has been particularly able today. His speech is most timely.

He and I fully appreciate the compulsion for the building of our military and industrial strength. I have sometimes felt, however, that we have been so engrossed with the building of that strength that we have not addressed ourselves as we should to the point 4 program, that we have not spoken of it as we should, have not given expression to our appreciation of its importance, and have not given it that emphasis which it so much needs to be given and so much deserves.

The Senator from Oklahoma in his very fine address has lifted our eyes to that vision without which the people perish. I am sure he will agree with me that we may preserve the peace for a time with military might, with the display of force, but that if we are to build the peace on lasting and sure foundations it must be built in the spirit and with the purpose of the great point 4 program.

So I congratulate the Senator from Oklahoma, and again commend him for his most timely, able, and eloquent speech.

Mr. KERR. Mr. President, I thank the Senator from Alabama.

The PRESIDENT pro tempore. The Chair asks the indulgence of the Senate to say that as a Member of this body he wishes to join with the distinguished senior Senator from Alabama in what he has said respecting the speech delivered by the Senator from Oklahoma.

Mr. KERR. I thank the distinguished Presiding Officer of the Senate, and my good friend the Senator from Alabama, for their kind words. Furthermore, I thank the distinguished senior Senator from Alabama for his eloquent language in pointing out that the best we can hope to do with military strength and armament is but to furnish a temporary stopgap, and that, in the final analysis, the hope for peace in the world rests upon carrying the spirit of the Prince of Peace and those things which follow in the wake of acceptance of that spirit, to the hundreds of millions of people around the world who need and who share the great desire of the American people for peace—peace on earth, good will among men.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. SPARKMAN. I join with my colleague from Alabama and the able President pro tempore of the Senate in their words of commendation of the able Senator from Oklahoma for the very fine presentation he has made, a presentation which ought to be repeated over and over and over because of the need, as I see it, for deemphasizing some of the things we are thinking, some of the tendencies we have in our thinking, that through force alone can the problems of the world be solved.

In that connection, if the able Senator from Oklahoma will permit, I should like to say that one of the most striking passages in the remarkable speech made by General MacArthur to the joint meeting of the two Houses of Congress is one of which little mention is made. He called our attention particularly to the fact that the peoples of Asia were astir, and he said the things they want—I am sorry I do not have his exact words before me, so I could quote literally the

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eloquent language the general used—are a little more food and little better roofs over their heads, in other words, better living conditions. He challenged our recognition of that fact and the need for helping the people of Asia to secure better living conditions. In simple words, that is point 4, is it not?

Mr. KERR. Mr. President, that is point 4. Point 4 is the light of hope in the hearts of the common people around the world.

If I may add an illustration, I should like to say that it was my happy privilege to serve as Governor of Oklahoma for a term of 4 years. During that time I was well acquainted with a Negro inmate of the penitentiary who occupied the status of a trusty. He sough to become a parolee, and looked forward to the time when he might secure a pardon.

I developed quite a friendship with this man, and the day came when there was trouble at the penitentiary, threats of an uprising. I talked with a number of the prisoners personally, including the man to whom I have referred, whom I called "Elder." I said, "Elder, tell me what it is that you believe to be the most necessary thing in the operation of the prison in order to maintain discipline and order." He looked at me and said, "Governor, you must give them hope. If you will give them hope of improving their condition, you can secure discipline and their cooperation in any worth-while program." Then, as solemn as a judge, he said, "Governor, if you take hope from their hearts they will come out of there if they have to tear the walls down with their hands."

It is hope for a better day that the people in the underprivileged areas of the world need, and I know of no better source from whence gratification of their hope to improve their life can come than from the implementation of point 4. I thank my great friend, the junior Senator from Alabama, for his contribution to the debate.

Mr. SPARKMAN. Mr. President, will the Senator yield further?

Mr. KERR. I yield.

Mr. SPARKMAN. I followed with a great deal of interest the testimony of General Wedemeyer before the two committees of the Senate sitting jointly now studying far-eastern affairs. I suppose no other person who has been before us has the knowledge of the interior of China and other Asiatic countries possessed by General Wedemeyer. Repeatedly throughout his testimony he told us—and he showed us documentary proof of what he was saying—that back in 1945 and 1947 he was telling the Generalissimo, Chiang Kai-shek, in those years, that communism in China could not be stopped through military force alone. He told the Generalissimo, and he told us, the kind of aid that ought to be given to China in order to stop the onrush of communism in that one country, and he was pointing out the very type of aid the Senator from Oklahoma has been discussing.

The Senator said something about agricultural work, which brought to my mind a little incident, if he will allow me to refer to it. It was my pleasure last winter to attend a meeting of the National Farm Institute at Des Moines. I was sitting in the audience one afternoon during a discussion period at which point 4, technical assistance, and various matters of that kind, were being discussed at this Farm Institute meeting. Questions were being propounded by people in the audience, and I remember that far over in the audience a farmer rose and said, "You know, I am a member of a church that down through the years has been sending missionaries into these foreign countries, missionaries, first, to preach, and then we sent medical missionaries, and missionaries to teach. I wonder why we should not start with the same zeal to send agricultural missionaries, to go to those countries and teach the people better methods of growing food and fiber for themselves, and in order to make a contribution to the world." Then he made a statement which I desire to emphasize. He said, "I tell you, when conditions will permit, we must come to the point when we are willing in this country to spend a dollar for peace for every dollar we spend for war."

Mr. President, I think this man in the thought expressed by him had something which we might well be considering while pondering on the great program of seeking to help people in other parts of the world to help themselves in order that they may get the something better to which they all aspire.

Mr. KERR. Mr. President, I thank my great friend from Alabama. I yield the floor.

INDEPENDENT OFFICES APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes.

Mr. MAYBANK. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	McMahon
Anderson	Hill	Millikin
Benton	Hoey	Moody
Bricker	Holland	Morse
Bridges	Humphrey	Mundt
Butler, Md.	Hunt	Neely
Butler, Nebr.	Ives	O'Conor
Byrd	Jenner	O'Mahoney
Cain	Johnson, Colo.	Robertson
Capehart	Johnson, Tex.	Russell
Carlson	Johnston, S. C.	Saltonstall
Case	Kefauver	Schoeppel
Chavez	Kerr	Smathers
Clements	Kilgore	Smith, Maine
Connally	Knowland	Smith, N. J.
Cordon	Langer	Sparkman
Dirksen	Lehman	Stennis
Douglas	Long	Taft
Duff	Magnuson	Thye
Dworshak	Malone	Underwood
Ecton	Maybank	Watkins
George	McCarran	Welker
Green	McCarthy	Wherry
Hayden	McClellan	Wiley
Hendrickson	McFarland	Williams
Hennings	McKellar	Young

Mr. JOHNSON of Texas. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Vermont [Mr. FLANDERS], the Senator from California [Mr. NIXON], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Missouri [Mr. KEM] is absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] and the Senator from Massachusetts [Mr. LODGE] are necessarily absent.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Maine [Mr. BREWSTER] is unavoidably detained.

The PRESIDENT pro tempore. A quorum is present.

Mr. MAYBANK. Mr. President, because of the extreme importance of the hearings which are being conducted this afternoon by committees, there will not be very many Senators on the floor. For the RECORD, I wish to call attention to the fact that it is almost impossible to legislate while committees are in session. Frankly, I, myself, happen to be one of the violators, because the Committee on Banking and Currency is to meet again this afternoon at 2:30.

In view of the fact that Senators will not be on the floor this afternoon, in my judgment it would be useless to proceed with the consideration of the amendments to the pending bill at this time.

I ask unanimous consent to have printed in the body of the RECORD a statement showing that the increases in the bill as reported to the Senate over the appropriations contained in the House bill are $77,419,265, and the appropriations in the bill as reported are below the estimates by $615,717,845.

The 5-percent reduction first made by the full committee in the items for personal services amounted to $849,000, and the further reduction of 5 percent in the personal services items made after the recommittal of the bill, amount to $13,900,000 additional. That is explained by the action of the Senate, and the belief that all appropriation bills, as I understand, should be cut 10 percent. The statement also shows the differences between the bill this year and the bill last year, amounting to a decrease of approximately $5,700,000,000. I ask that the statement be printed in the RECORD as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The independent offices appropriation bill, 1952, H. R. 3880, as reported to the Senate, amounts to $6,221,959,620, which is $615,717,845 below the budget estimates and $77,419,265 increase over the bill as passed the House. The bill is under the appropriations for 1951 by $5,710,760,712.

The Senate committee received requests for restoration totaling $154,449,265, and approved increases of $82,895,235 and decreases of $5,475,970, or a net increase of $77,419,265 over the House bill.

The larger part of the increases approved were for directly related national defense activities, as follows:

Atomic Energy Commission	$29,000,000
National Advisory Committee for Aeronautics	16,549,520
Tennessee Valley Authority	4,500,000
Total defense increases	50,049,520

The next largest increase approved is the restoration of $20,000,000 for payment to the civil-service retirement and disability fund, in order to prevent the piling up of the deficit in that fund.

Public Housing Administration was increased by $6,400,000 for administrative expenses, partly due to the increase in the limitation for low-rent public housing units to be started in 1952 from 5,000 to 50,000.

Maritime Administration was increased by $1,456,750, for staff to clear up backlog of subsidies and for pay to cadets in training.

Displaced Persons Commission was increased by $1,305,000, to bring in, under Public Law 555, displaced persons of German ethnic origin.

General Supply fund expenses were increased by $1,426,000.

Civil Service Commission expenses were increased by $1,050,000.

The subcommittee recommended a bill showing $98,046,973 increase over the House.

The full committee increased Interstate Commerce Commission general expenses by $180,130, specifying $100,000 increase for valuation of railroads and pipelines; and decreased Council of Economics Advisers by $50,000, Displaced Persons Commission by $495,000, Housing and Home Finance research by $1,000,000, and Tennessee Valley Authority by $4,500,000, and adopted the proposal of Senator CORDON, as a substitute for the Jensen amendment, to reduce personal services by 5 percent and place a limitation on the agencies by amounts that made available 95 percent of their estimates for personal services, which required further reductions as follows:

Bureau of the Budget	$121,125
Federal Power Commission	85,875
Indian Claims Commission	700
Interstate Commerce Commission:	
Railroad safety	21,700
Locomotive inspection	15,840
Motor Carrier Claims Commission	1,750
Securities and Exchange Commission	47,760
Smithsonian Institution, expenses	96,700
National Gallery of Art	52,420
Tariff Commission	54,000
Tax Court, except judges' salaries	24,050
Veterans' Administration, construction	302,900
Maritime training	124,250
Total of 5-percent reductions	849,070

The bill first ordered reported showed a net increase over the House of $91,333,033.

On motion of Senator FERGUSON, shortly after the bill was approved by the whole committee and reported to the Senate, and before the report could be printed—although the bill was printed for reference purposes—the bill was returned to the committee on June 12, 1951, with directions agreed to in colloquy to reduce personal services in each item of appropriation by 10 percent, in lieu of the 5-percent reduction in personal services previously made by action of the whole committee. Further reductions were thereupon made as follows:

Bureau of the Budget	$156,125
American Battle Monuments Commission	26,115
Federal Communications Commission	166,700
Federal Power Commission	180,575
Federal Trade Commission	152,565
General Services Administration	3,242,200
Indian Claims Commission	4,700
Interstate Commerce Commission:	
Railroad safety	38,725
Locomotive inspection	28,240
Motor Carrier Claims Commission	1,750
National Advisory Committee for Aeronautics	1,750,480
Securities & Exchange Commission	272,760
Smithsonian Institution, expenses	96,680
National Gallery of Art	52,420
Tariff Commission	60,700
Tax Court, except judges' salaries	24,050
Veterans' Administration (administrative and construction expenses	6,986,000
Maritime Administration, salaries	201,050
Maritime training	124,250
Additional 5 percent reductions	13,913,768
Total of 10 percent reductions	14,762,838

These reductions make the net increase over the House in the present bill $77,419,265.

Compared with 1951, the bill is $5,710,760,712 below the amounts appropriated last year.

Stockpiling funds make up the largest difference, since a total of $3,038,548,370 was provided last year, and such funds are not included in this bill, but has been submitted as a supplemental estimate in House Document 139 of $800,000,000 for 1952.

Veterans' funds, mostly for readjustment benefits, make up a difference of $1,634,603,580.

Selective Service was provided $36,430,000 last year, and is not in this bill but will be submitted later as a supplemental estimate for 1952.

Atomic Energy Commission is under last year by $803,887,250.

General Accounting Office is under last year by $2,364,500.

Advance planning is under last year by $19,450,000.

Mr. MAYBANK. Mr. President, I also desire to have printed in the RECORD certain letters written by various officials in order that Senators may have an opportunity to read them over the week end before the Senate votes on further amendments, next Tuesday or Wednesday. One of the letters happens to be from the Interstate Commerce Commission. In it the Commission shows the impossibility of its being able to work under the reductions. Another happens to be from the Smithsonian Institution, calling attention to the effect the reductions will have upon it. There is also a letter from the Director of the National Gallery of Art, and a letter from John W. Kern, Chief Judge of the Tax Court of the United States. Everyone knows that judges' salaries cannot be cut, even though other items of the appropriations may be cut. In his letter, the Chief Judge shows the adverse effect the cut would have upon the Tax Court.

There is also a letter from the General Services Administration, whose appropriation for personal services we cut 10 percent. However, I wish the RECORD to show that we did not eliminate any of Mr. Larson's buildings. We leave him with the same number of buildings, but require him to operate with 10 percent fewer employees, under Federal laws and under civil-service regulations. There have been many more communications, which I shall file on Monday. I do not subscribe to all that is said in the letters, but I think it my duty as chairman of the subcommittee to place in the RECORD the communications which have been sent to me by the various agencies. I shall submit additional communications for the RECORD on Monday.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, June 14, 1951.

The Honorable BURNET R. MAYBANK,
United States Senate,
Washington, D. C.

DEAR GOVERNOR: I enclose a condensed statement showing the effect of the House bill on the Interstate Commerce Commission. As it is centered largely in three bureaus, I have mentioned those three bureaus only. This is what I understood you wanted. Senator EDWIN C. JOHNSON desired the same material, so the statement was mimeographed.

The Commission appreciates your interest and help already shown.

Cordially,

J. M. JOHNSON,
Commissioner.

STATEMENT COVERING APPROPRIATIONS, INTERSTATE COMMERCE COMMISSION, BUREAUS OF MOTOR CARRIERS, TRANSPORT ECONOMICS AND STATISTICS, AND VALUATION

BUREAU OF MOTOR CARRIERS

The appropriation as proposed will make it necessary to substantially curtail enforcement of the law and regulations affecting motor carriers. It will result in complete discontinuance of highway safety work. These activities are already greatly undermanned; if discontinued or substantially curtailed, disorder in highway transportation and increased accidents may be expected. This might be disastrous in view of the greatly increased movement of explosives by highway at this time.

The reduction in the funds available for holding hearings and preparing decisions will further delay the determination of application and rate cases involving motor carriers. There is presently a backlog of 2,500 such cases, and more than 300 new cases are added each month. The proposed reduction will cause this backlog to increase. The present delays already cause justifiable complaint.

The proposed reduction will cause a reduction of 35 percent in the field staff, which is the source of information on which the Commission grants temporary authority to furnish emergency service. Handicapping the Commission in authorizing temporary service and causing delay in determining formal proceedings will prevent proper provision for necessary transportation at a time when the need is greatest.

FIELD SERVICE

The field services of the Interstate Commerce Commission are the field services of the Defense Transport Administration. To

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eliminate any substantial number of field services of the Interstate Commerce Commission would eliminate correspondingly the field services of the Defense Transport Administration. To offset such reduction, the Defense Transport Administration would immediately have to supply itself with additional field services, which would in all probability cost the United States more money than the entire proposed cut to the Interstate Commerce Commission.

The House appropriations would cut from the Interstate Commerce Commission's personnel 232 employees.

BUREAU OF TRANSPORT ECONOMICS AND STATISTICS

The Bureau of Transport Economics and Statistics studies, compiles, and publishes statistics concerning railroads, motor carriers, water carriers, pipelines, freight forwarders, private car lines, express and sleeping-car companies. These statistics which cover financial, traffic, and other vital data are in universal use in the transportation world. They are essential to the Commission in its regulatory duties and responsibilities; its financial investigations and findings are a part of the record in all the major rate and revenue cases, are of inestimable value to the carriers, shippers, and other Government agencies, and are used by committees of Congress. The work of this Bureau is of necessity never quite current. Its serious impairment, as indicated by the present status of the appropriations, would be a tremendous blow to the regulation of transportation and most difficult and expensive to bring back in its present relationships.

BUREAU OF VALUATION

The Bureau of Valuation of the Commission must keep reasonably current the inventories and costs of properties of railroads and pipelines subject to the Commission's jurisdiction. This is essential to the Commission in prescribing just and reasonable rates, determining the divisions of joint rates and fares, prescribing switching charges, setting up depreciation reserves, determining costs of services, and in passing on financial reorganizations, mergers, and consolidations. This information, vital to the Commission, is also most useful to other governmental agencies and regulatory bodies and to Members of Congress.

Recently, under mandate from the Congress, work in bringing pipeline valuation up to date was resumed in the face of a decrease in the appropriation. Progress has been made at the expense of other functions. The present status of appropriations in Congress would stop the pipeline valuation and so cripple and hinder the other operations vital to the Commission that valuation would become so far in arrears that at some future time it would be most difficult and most expensive to bring it reasonably current.

The work of the Commission would be seriously hampered if the work of the Bureau of Valuation were to become any further in arrears than at present.

SMITHSONIAN INSTITUTION,
Washington, D. C., June 13, 1951.

Hon. BURNET R. MAYBANK,
Chairman, Subcommittee in Charge of the Independent Offices Appropriation Bill, 1952, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: We have noted in the CONGRESSIONAL RECORD that the Senate has instructed the Committee on Appropriations to review the question of reducing the personnel items in the independent offices appropriation bill, 1952, to an amount 10 percent below the estimates approved by the Bureau of the Budget. We are taking this opportunity to bring to your attention the importance of the joint custodial and exhibition functions of the Smithsonian Institution and its bureaus.

The Smithsonian Institution and its bureaus are responsible for the protection and exhibition of the national treasures entrusted to them. Both of these functions cannot be accomplished safely by expenditures 10 percent less than the estimates approved by the Bureau of the Budget. Accordingly, if the proposed reduction is made one or the other of these functions will have to be seriously curtailed. The Institution could not conscientiously reduce the protection afforded these cultural and scientific treasures. If, therefore, the entire reduction has to be absorbed by the exhibition function, the Institution's largest bureaus will have to be closed to the public one or more days each week.

In order to avoid this result it is urgently recommended that the Smithsonian Institution and its bureaus be exempted from the proposed 10-percent reduction.

Sincerely yours,

J. E. GRAF,
Acting Secretary.

NATIONAL GALLERY OF ART,
Washington, D. C., June 13, 1951.

Hon. BURNET R. MAYBANK,
United States Senate,
Washington, D. C.

DEAR BURNET: I had hoped to hand you the enclosed letter from the Smithsonian Institution, but Mr. Smith, of your office, tells me that you will be in the committee all day and has kindly offered to see that the letter reaches you during the day.

We are, as you know, a bureau of the Smithsonian Institution and, as Mr. Graf has stated in his letter, our primary responsibility is for the preservation and protection of collections belonging to the Government and the people of this country. We could not reduce our force 10 percent without greatly impairing these custodial functions, so that the only alternative would be to close the buildings to the public during a part of each week. This would not only work a hardship on the public but also a grave injury to the National Gallery and the other bureaus of the Smithsonian Institution, both as regards their contractual obligations to the donors of collections and in their standing with other similar institutions in this and other countries, whose functions are not impaired in this way.

I hope very much that the committee will be willing to write into the bill an exemption for the Smithsonian Institution and its bureaus as regards the mandatory reduction of personnel.

With many thanks for your consideration, I am,

Sincerely yours,

DAVID E. FINLEY,
Director.

THE TAX COURT OF THE UNITED STATES,
Washington, D. C., June 14, 1951.

Hon. BURNET R. MAYBANK,
United States Senate,
Washington, D. C.

DEAR SENATOR MAYBANK: The work of the TAX COURT is seriously threatened by the proposed cut of 10 percent in appropriations for personal services in the independent offices appropriation bill.

Over a half-billion dollars ($620,000,000 as of December 31, 1950) of asserted tax liability are involved in litigation pending before this court, and collections of Federal taxes of more than this amount are necessarily delayed pending adjudication or settlement of this litigation. The number of cases filed with us last year was 5,386, while in 1947 the number was 3,802. The number of cases filed during the current fiscal year is already in excess of 6,000. There are now pending cases in the number of 9,000, while 2 years ago there were 7,000 pending cases.

We have been striving to cope with this increased litigation without any increase in personnel. In fact, our authorized personnel is less now than it was in 1940 (134 as contrasted with 136 in 1940).

It is impossible to cut our small personnel further without such a breakdown in our organization that hardship to taxpayers will result from delays in adjudicating their tax questions and the collection of the Federal revenue will be seriously affected by our inability to dispose of the litigation before us.

I earnestly and sincerely urge upon you that the Tax Court be exempted from any general percentage cuts proposed in the independent offices appropriation bill.

Respectfully yours,

JOHN W. KERN,
Chief Judge.

GENERAL SERVICES ADMINISTRATION,
Washington, June 13, 1951.

Hon. BURNET R. MAYBANK,
Chairman, Subcommittee in charge of the Independent Offices Appropriation Bill, 1952, United States Senate, Washington, D. C.

DEAR SENATOR MAYBANK: Immediately upon the passage of the amendment to the Labor-Federal Security appropriation bill for 1952 proposed by Senator FERGUSON and the remanding of the independent offices appropriation bill to your committee for application of that amendment, I have studied the effect of that amendment on the appropriations and programs of the General Services Administration. As the result, I hasten this request to you and urge favorable consideration of exempting the appropriations of this Administration for operating expenses and expenses, general supply fund, from the provisions of the amendment.

My reasons for this appeal are summed up as follows:

1. GSA is strictly a service agency for providing space facilities, supplies, and records management for other Federal agencies. It does not have flexibility of determination of volume of performance of its programs. It must either meet the requirements of the other agencies or lapse into ineffectiveness such as prevailed prior to the passage of the Federal Property and Administrative Services Act of 1949, as amended.

2. For the operating expenses appropriation, personal services in the 1952 budget reflected an increase of some 3.5 percent over 1951 actual employment. The Ferguson amendment would reduce employment in GSA 6.5 percent below 1951 without eliminating any programs or comparable reductions in demands for services from other agencies. This can only mean curtailing services below the level necessary for the proper conduct of programs of other agencies.

3. Of the employment under operating expenses, 86.5 percent is for the maintenance and operation of buildings occupied by Federal agencies. Any assumption that employment and, hence, space occupancy of other agencies would be reduced also 10 percent by the Ferguson amendment does not relieve the situation in GSA because:

(a) Considerable of the reduction to be applied to other agencies is for increases in personnel in 1952 over 1951, space provisions for which are not included in the 1952 budget for GSA. Hence, our workload in GSA will not be decreased to the extent of that portion of the reductions.

(b) Such reductions as are made by other agencies from their 1951 employment and space occupancy will not be made July 1, 1951, for the entire fiscal year so that we will have to provide and maintain the space until occupancy is reduced, perhaps an average of several months.

(c) Much of the space given up in the reductions by other agencies will be in small segments, a position here and a couple there which will have little, if any, effect in decreasing the operations of GSA.

(d) Much of the reduction in other agencies will be rented space which is owner-operated. Giving up this space will not result in any reduction in GSA employment.

(e) After reductions are made in other agencies, reductions in space can only be realized by multiple moves of furniture and equipment with attendant changes in doors, partitions, and so forth to accommodate the new occupants. All of this expense would be in excess of provisions in the 1952 budget of GSA.

(f) As the reduction in personal services for GSA would be 6.5 percent below present employment, the reduction in our forces would require the payment of accrued annual leave estimated at over $500,000 from the personal services limitation. This would further aggravate the foregoing difficulties.

4. Under the appropriation expenses, general supply fund, the amount included in the Senate committee report is already less than 90 percent of the amount included in the 1952 budget. This would require considerable ingenuity on the part of this administration to be able to provide a program of $150,000,000 stores sales and direct delivery sales on which the 1952 program is based. Already it is becoming apparent that the 1952 requirements of other agencies will exceed the $150,000,000 program. This will mean additional operating expenses and a supplemental appropriation for 1952.

I conclude by categorically stating that it will be extremely difficult for the General Services Administration to maintain a reasonable semblance of meeting its responsibilities under the Federal Property and Administrative Services Act of 1949, as amended, with full flexibility under the amounts for operating expenses and expenses, general supply fund as originally reported by the Senate Appropriations Committee. I urge that these appropriations be exempted from the Ferguson amendment.

I am sending this same letter to Senator McKELLAR as chairman of the Senate Appropriations Committee.

Sincerely yours,

JESS LARSON.

Mr. SALTONSTALL. Mr. President, will the Sentor yield for a question?

Mr. MAYBANK. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Am I correct in my understanding that, as now drafted and on the desks of Senators, the pending bill, H. R. 3880, includes the amount recommended by the Appropriations Committee with the 10-percent cut which was voted by the Senate a few days ago?

Mr. MAYBANK. That is correct.

Mr. SALTONSTALL. So that if any amendments should now be offered proposing further reductions of the amounts shown as the recommendations of the Senate Appropriations Committee, those cuts would be in addition to the 10-percent cut. Am I not correct?

Mr. MAYBANK. The Senator from Massachusetts is eminently correct. We have already made a cut of $615,000,000 below the budget estimates.

Mr. SALTONSTALL. And does that include the 10-percent cut?

Mr. MAYBANK. That includes the 10 percent. I may say for the benefit of the Senator from Massachusetts, who worked ably and long on this bill, that we had previously cut it $600,000,000. The other cut of 5 percent, made by the Senate a day or two ago, amounted to $14,000,000, because, for example, we had already cut the appropriation for the Atomic Energy Commission, so that no additional cut for salaries was applicable.

Mr. SALTONSTALL. What I am trying to bring out—and I know the Senator from South Carolina agrees with me—is the fact that any further amendments which may be made to the pending bill will cut even below the 10 percent cut. Is that not correct?

Mr. MAYBANK. The Senator is entirely correct. Furthermore, they would cut below the $600,000,000 direct cuts which the Senator and myself approved in the subcommittee. The bill cuts, by $5,700,000,000, the amount appropriated last year. In addition to being $600,000,000 below the estimate, some stockpiling funds were left out of this bill and changed from contract authorizations, as the Senator knows, to direct cash.

Mr. CASE. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. I yield to the Senator from South Dakota.

Mr. CASE. I should like to get a clear understanding of the effect of section 603. That is the 10 percent amendment. I noticed that the last clause recites:

The following sums have been deducted from the face of the bill as recommitted.

Mr. MAYBANK. That is designed to list the cuts made by the committee; so that every Senator who is not on the committee may know what the cuts amounted to.

Mr. CASE. Are those cuts reflected in the figures which are shown?

Mr. MAYBANK. They are reflected in the figures, but we wanted to make those cuts, not only in the individual items, but in the latter part of the bill, so that every Senator would not find it necessary continually to thumb through the bill in order to ascertain the effect of what has been done.

Mr. CASE. This is not an additional cut, is it?

Mr. MAYBANK. It is an additional cut from the original bill which was reported to the Senate. It is the cut which the Senate made when it cut the items for personnel in the Federal Labor-Federal Security bill 10 percent.

Mr. CASE. But it is not a cut below the figure which appears for a particular agency elsewhere in the bill, is it?

Mr. MAYBANK. It is not. The section referred to appears in the bill for the convenience of Senators, so they may know how much the Interstate Commerce Commission was cut, or how much any other commission was cut.

Mr. CASE. In effect, then, it is in the nature of a report, and it is not of itself legislation, is that correct?

Mr. MAYBANK. The Senator might consider it to be a report but, in justice to other appropriation bills which are to be reported, we wanted to put it in a legislative way, so there would be no mistake about the bills which are to come later, which I understand—and I can only speak for myself—the committee intends to treat in somewhat the same manner.

Mr. CASE. I thank the Senator from South Carolina.

RECESS TO MONDAY

Mr. MAYBANK. Mr. President, I move the Senate stand in recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 1 o'clock and 49 minutes p. m.) the Senate took a recess until Monday, June 18, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 15 (legislative day of May 17), 1951:

UNITED STATES ATTORNEYS

Bryce R. Holt, of North Carolina, to be United States attorney for the middle district of North Carolina. He is now serving in this office under an appointment which expired June 14, 1951.

Howard Caplan, of West Virginia, to be United States attorney for the northern district of West Virginia, vice Charles Lee Spillers, term expired.

IN THE MARINE CORPS

The following-named officer of the Marine Corps for permanent appointment to the grade of major general:

Henry D. Linscott

The following-named officer of the Marine Corps for permanent appointment to the grade of brigadier general:

John C. McQueen

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 15, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou eternal God, our Father, we are again turning unto Thee in faith and in trust for Thou alone art the source of our joy and peace and of all wisdom and strength. We cannot get along without Thee. We lose our way unless we have Thy guiding and sustaining presence.

Thou knowest how anxious and deeply concerned we are about the safety and welfare of our beloved country in these strange and baffling times. Again and again we seem to be wandering in a maze. We often wonder what a new day may bring to us. We are "like an infant in the night, an infant crying for the light, and with no language but a cry."

Grant that we may yield ourselves gladly and unreservedly to the leading of Thy spirit as we seek to build the kingdom of brotherhood and of peace and good will.

To Thy name, through Christ Jesus our Lord, we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

PARLIAMENTARY INQUIRY

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. Mr. Speaker, I expect to make a point of order that a quorum is not present. Should a motion then be made to ad-

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journ, will it be in order to ask for a division on the question of adjournment?

The SPEAKER. It will.

Mr. MILLER of Nebraska. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Will the gentleman permit the Chair to receive a message from the Senate?

Mr. MILLER of Nebraska. I will, Mr. Speaker.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3709. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. RUSSELL, Mr. HILL, Mr. KILGORE, Mr. KNOWLAND, Mr. THYE, and Mr. ECTON to be the conferees on the part of the Senate.

TAX BILL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Monday next to file a report on the tax bill, H. R. 4473, and that the minority may have the same right to file minority views.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

POINT OF ORDER

Mr. MILLER of Nebraska. Mr. Speaker, I renew my point of order that a quorum is not present.

Mr. ARENDS. Mr. Speaker, will the gentleman from Nebraska withhold that long enough for me to find out what the program will be for next week?

Mr. MILLER of Nebraska. Mr. Speaker, I think we should have a quorum here to hear the program for next week.

The SPEAKER. Evidently a quorum is not present.

MOTION TO ADJOURN

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The question is on the motion.

The question was taken; and on a division (demanded by Mr. MILLER of Nebraska) there were—ayes 33, noes 53.

Mr. MILLER of Nebraska. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

Mr. RANKIN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. You do not have to have a quorum to adjourn.

The SPEAKER. The vote was negative; ayes 33, noes 53. The Clerk will call the roll.

Mr. RANKIN. There has been no roll call demanded. The vote has already been taken.

The SPEAKER. The gentleman made the point of order that a quorum was not present on the vote on the motion to adjourn.

Mr. RANKIN. That point of order is not in order for the simple reason you do not have to have a quorum to adjourn.

The SPEAKER. But the House refused to adjourn on the vote.

Mr. RANKIN. I understand, but a roll call is not in order unless it is demanded by the House.

The SPEAKER. This matter has been up many times since the present occupant has been in the chair, and the decision always has been just what the Chair has stated it to be.

Mr. RANKIN. The Chair is in error.

The SPEAKER. The Chair has been following the rules and precedents established for over 150 years.

Mr. RANKIN. The Chair is still wrong; that never has been the rule.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 75, nays 161, not voting 196, as follows:

[Roll No. 77]

YEAS—75

Arends	Gore	O'Brien, Mich.
Aspinall	Gregory	O'Neill
Bailey	Hardy	Priest
Bates, Ky.	Hart	Rabaut
Biatnik	Harvey	Rains
Bolling	Herlong	Redden
Bonner	Jones, Ala.	Riley
Brown, Ga.	Kilday	Rogers, Fla.
Cannon	King	Sieminski
Carlyle	Kluczynski	Spence
Colmer	Lanham	Stanley
Combs	Larcade	Steed
Cooley	McCarthy	Stigler
Cooper	McCormack	Sutton
Cox	McKinnon	Thompson, Tex.
Davis, Ga.	McMillan	Vinson
Doughton	McMullen	Walter
Eberharter	Mack, Ill.	Whitaker
Elliott	Madden	Whitten
Evins	Mahon	Wickersham
Fogarty	Mills	Wier
Forand	Morgan	Willis
Frazier	Morris	Wilson, Ind.
Fugate	Murdock	Wood, Ga.
Gathings	Norrell	Yorty

NAYS—161

Adair	Blackney	Curtis, Mo.
Allen, Calif.	Boggs, Del.	Davis, Wis.
Andersen, H. Carl	Boggs, La.	Deane
Anderson, Calif.	Bow	Devereux
Andresen, August H.	Brambiett	D'Ewart
Angell	Bray	Dolliver
Armstrong	Brehm	Dorn
Auchincloss	Brown, Ohio	Ellsworth
Ayres	Brownson	Feighan
Baker	Bryson	Fellows
Bakewell	Buffett	Fenton
Baring	Burdick	Ford
Bates, Mass.	Burleson	Forrester
Beamer	Burnside	Furcolo
Beckworth	Butler	Gavin
Belcher	Byrnes, Wis.	Golden
Bender	Chenoweth	Gossett
Bennett, Fla.	Church	Graham
Bennett, Mich.	Clevenger	Grant
Bentsen	Cole, Kans.	Gross
Betts	Crawford	Gwinn
Bishop	Crosser	Hagen
	Crumpacker	Hall, Edwin Arthur
	Cunningham	
Harden	Magee	Saylor
Harris	Marshall	Schwabe
Harrison, Wyo.	Martin, Iowa	Scrivner
Heselton	Mason	Scudder
Hill	Miller, Nebr.	Sheehan
Hillings	Mitchell	Simpson, Pa.
Hinshaw	Mumma	Sittler
Hoeven	Nelson	Smith, Kans.
Hoffman, Mich.	Nicholson	Smith, Miss.
Holmes	Norblad	Springer
Howell	O'Brien, Ill.	Staggers
Hull	O'Hara	Stefan
Hunter	Patterson	Tackett
Jackson, Calif.	Perkins	Talle
Jarman	Phillips	Thompson, Mich.
Javits	Poage	Thornberry
Jenison	Polk	Tollefson
Jenkins	Poulson	Van Pelt
Jensen	Price	Van Zandt
Jones, Mo.	Prouty	Velde
Karsten, Mo.	Radwan	Vursell
Kean	Rankin	Welch
Keating	Reams	Werdel
Lind	Reece, Tenn.	Wharton
Lovre	Reed, N. Y.	Williams, Miss.
Lucas	Rees, Kans.	Williams, N. Y.
McConnell	Regan	Winstead
McDonough	Rhodes	Withrow
McGregor	Ribicoff	Woodruff
McGuire	Roberts	Yates
Mack, Wash.	Rogers, Colo.	

NOT VOTING—196

Aandahl	George	Morton
Abbitt	Gillette	Moulder
Abernethy	Goodwin	Multer
Addonizio	Gordon	Murphy
Albert	Grannahan	Murray, Tenn.
Allen, Ill.	Granger	Murray, Wis.
Allen, La.	Green	O'Konski
Andrews	Greenwood	Osmers
Anfuso	Hale	O'Toole
Barden	Hall, Leonard W.	Passman
Barrett	Halleck	Patman
Battle	Hand	Patten
Beall	Harrison, Va.	Philbin
Berry	Havenner	Pickett
Bolton	Hays, Ark.	Potter
Bosone	Hays, Ohio	Powell
Boykin	Hébert	Preston
Breen	Hedrick	Quinn
Brooks	Heffernan	Ramsay
Buckley	Heller	Reed, Ill.
Budge	Herter	Richards
Burton	Hess	Riehlman
Busbey	Hoffman, Ill.	Rivers
Bush	Holifield	Robeson
Byrne, N. Y.	Hope	Rodino
Camp	Horan	Rogers, Mass.
Canfield	Irving	Rogers, Tex.
Carnahan	Jackson, Wash.	Rooney
Case	James	Roosevelt
Celler	Johnson	Sabath
Chatham	Jonas	Sadlak
Chelf	Jones, Hamilton C.	St. George
Chiperfield	Jones, Woodrow W.	Sasscer
Chudoff	Judd	Scott, Hardie
Clemente	Kearney	Scott, Hugh D., Jr.
Cole, N. Y.	Kearns	Secrest
Corbett	Kelley, Pa.	Seely-Brown
Cotton	Kelly, N. Y.	Shafer
Coudert	Kennedy	Shelley
Curtis, Nebr.	Keogh	Sheppard
Dague	Kerr	Short
Davis, Tenn.	Kersten, Wis.	Sikes
Dawson	Kilburn	Simpson, Ill.
DeGraffenried	Kirwan	Smith, Va
Delaney	Klein	Smith, Wis.
Dempsey	Lane	Stockman
Denny	Lantaff	Taber
Denton	Latham	Taylor
Dingell	LeCompte	Teague
Dollinger	Lesinski	Thomas
Dondero	Lyle	Towe
Donohue	McCulloch	Trimble
Donovan	McGrath	Vail
Doyle	McVey	Vaughn
Durham	Machrowicz	Vorys
Eaton	Mansfield	Watts
Elston	Martin, Mass.	Weichel
Engle	Meader	Wheeler
Fallon	Merrow	Widnall
Fernandez	Miller, Calif.	Wigglesworth
Fine	Miller, Md.	Wilson, Tex.
Fisher	Miller, N. Y.	Wolcott
Flood	Morano	Wolverton
Fulton	Morrison	Wood, Idaho
Gamble		Zablocki
Garmatz		
Gary		

So the motion to adjourn was rejected.

Messrs. O'BRIEN of Illinois, PRICE, and POULSON changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

PERMISSION TO ADDRESS THE HOUSE

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, well, it seems we are wasting another day in Congress.

Of course, we are only wasting 2 days this week, and someone may suggest that this is an improvement over some of the weeks of this session, when it has been the policy to schedule no business on Monday, Thursday, or Friday. Naturally, few people expect Congress to be in session on Saturday, despite the fact that many of the Members are in their offices during the greater part of that day when the House is not in session.

I realize that one does not "make friends and influence people," especially among some of his colleagues when he suggests that Congress should work at least 5 days out of each week. I have observed that one is not looked upon with favor when he suggests the absence of a quorum on days that the leadership has not scheduled legislative business for the day.

I might agree with the leadership that there is no point in raising a point of order that a quorum is not present and forcing either a roll-call or a motion for adjournment, when there is no business which could be transacted by the House, but I respectfully point out, Mr. Speaker, that that was not the case yesterday and that is not the case today.

There is work to be done today, and there have been other days during this session on which this House could have been meeting when it was not in session; days on which could have been discharged some of the work which will cause this session to be drawn out beyond the time necessary. This practice which is being followed will deny to many conscientious Members of this body the opportunity of enjoying a well-deserved recess period at their homes, and in their home districts; Members who are unable to enjoy the long week ends from Thursday night to Tuesday morning in their home districts.

Mr. Speaker, I believe I am expressing the views of a majority of the Members of this House when I say that the calling of the roll every day in the week, Monday through Friday, would be conducive to keeping most of the Members on the job, not only to insure their presence on this floor when there is business before the House but would make them available for committee meetings in order that the work of the committees could be expedited and the legislative bills processed and sent to the floor for final action.

We have already wasted a good 50 percent of the time we have been in session since the first of the year, but it is not too late to change our ways and there is yet time to complete the "must" legislation that is needed and to enjoy a recess during the hot trying days of the late summer.

GENERAL MacARTHUR'S SUBCONSCIOUS

Mr. HOWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWELL. Mr. Speaker, in reading over Gen. Douglas MacArthur's speeches in Texas, I have the distinct feeling that the general's subconscious is showing. His speeches are billed as being critical of our administration. Frankly, Mr. Speaker, I find in them some of the finest words of praise for the work of the present administration. I think that the general is admitting that deep down in his heart he does not believe a lot of what he is saying.

In his speech before the Texas Legislature on Wednesday he had the following to say:

> This great Nation of ours was never more powerful—never more prepared to extend a dynamic and courageous leadership to guide the world through the morass of artificially created timidity, complexity, and indecision—it never had less reason for fear. It was never more able to meet the exacting tests of leadership in peace or in war, spiritually, physically, or materially. As it is yet unconquered, so it is unconquerable.

In his speech yesterday in Houston he declared:

> Our Nation is young and virile and our future is still before us. Let no man tell you that we are old and decadent and tottering on the verge of national collapse. All that I have seen since my return is to the contrary.

Where can you find in any public speech made by any public official finer commendation for the efforts of the two Democratic administrations of the last 20 years? Mr. Roosevelt took this country in the midst of a great depression and built it into a strong nation, a healthy nation—worthy of world leadership.

Under the courageous leadership of President Truman, our country—as General MacArthur has stated—was "never more prepared to extend dynamic and courageous leadership to guide the world through the morass of artificially created timidity."

Certainly these excerpts from General MacArthur's speeches represent strong praise for our present state of preparedness for world leadership—a preparedness achieved through the farsightedness and dynamic action taken by President Truman and his administration.

In my opinion, General MacArthur's subconscious refutes his spoken word.

FUEL WASTE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, the Department of Defense, or some top-level national fuel coordinator, should check into the waste of fuels that is now taking place in this country. While the coal miners go idle, and at a time when coal is cheaper than gas, numerous governmental agencies are being permitted to burn gas for generating purposes by entering into interruptible contracts with gas companies in order that the gas companies may balance out their load by dumping part of their excess gas off on a governmental agency to be burned under boilers during the summer months. This arrangement, of course, enables those companies to pay for their gas lines and installations at an early date.

It is common knowledge that many of these companies have been able to borrow money from a governmental agency at a very low rate of interest. Some action should be taken by the appropriate governmental agency to stop waste of our natural gas in any such manner.

It is generally known that natural gas is already unavailable for many important defense plants making military items where gas alone is required for special heat-treating purposes. Among them are Plancor 269, to be operated by American Steel Foundries Co. at East Chicago, Ind. This plant should be in operation making an important part of a military tank.

Another is the St. Louis Ordnance Plant, to be operated by the Chevrolet Co., at St. Louis, Mo. This plant should be in operation making shells urgently needed for Korea.

With these conditions, and many others quite similar, it is an actual waste of natural gas to be burning it in large quantities for merely generating steam. Steel for such extensions of gas pipe lines instead should be saved for such purposes as interconnecting present transmission gas lines.

Mr. Speaker, in view of tanks becoming obsolete before completion on account of natural gas to make one particular part, it seems rather strange to me that a governmental agency like TVA would propose to burn gas in several units at its Johnsonville plant for generating purposes. TVA is proposing to lay a 65-mile gas line in order to get gas on an interruptible basis. The cost of such a line would run into the millions and deprive other essential defense industries of steel. I am hopeful that someone in our Government will see that our natural resources are utilized for the welfare of our country and stop this waste that is now being committed.

SANTA MARGARITA WATERSHED, CALIFORNIA

Mr. YORTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YORTY. Mr. Speaker, I desire to take this moment just to ask the Members of the House to interest themselves in a lawsuit pending in California that has national implications.

In our State the attorneys for the Lands Division of the Department of

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Justice are in the process of serving complaints on every person who owns land in the whole Santa Margarita watershed, asserting that the rights of the Government are paramount to the rights of every other user of water in that area, and asking that the title of the Government be quieted to the water which it asserts it owns by virtue of the national defense establishment at Camp Pendleton and by virtue of having acquired a ranch there called the Santa Margarita ranch.

Those people who have scoffed at the implications of the so-called tidelands decisions and failed to see the ultimate end of the theory of those cases; those who have felt that the theory would not be extended to other types of property; those people who have thought heretofore that the tidelands fight was merely some kind of a dispute between the Federal Government and the big oil companies; those who have failed to understand that a fundamental question of the sovereignty of our States is involved as well as the constitutional prohibition against taking private property without paying for it—those people had better wake up and examine this water suit in California.

SPECIAL ORDER GRANTED

Mr. HAYS of Arkansas (at the request of Mr. FRIEST) was given permission to address the House for 30 minutes on Monday next, following the legislative program and any special orders heretofore entered.

POSTAL RATES

Mr. HAGEN. Mr. Speaker, I ask unanimous consent that I may have permission to file minority views on the bill (H. R. 2982) to readjust postal rates.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

THE AIR FORCE

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, I selected yesterday, Flag Day, to introduce a resolution stating that it is the sense of this House that our Air Force, as soon as feasible, be built up to a strength of at least 150 groups. I base that decision upon my experience in World War II in Europe and upon my recent trip to Korea. I think it is needless to point out to you this morning how horrible it would be if we lost control of the air over any given battle area. I think the situation in Korea today would be reversed if Red China gained control of the air of South Korea. We would be suffering the casualties the Red Chinese are suffering in Korea if we became involved in war in Europe tomorrow because, as Gen. Carl Spaatz pointed out, Red Russia outnumbers us in tactical aircraft 10 to 1, not only the United States but the entire United Nations 10 to 1, and at the end of next year it will still be 5 to 1.

The great lessons of Korea are the lessons that we do not learn. That is, air power is the deadliest single American instrumentality when it comes to killing enemy troops on the ground. This great weapon would be on the side of Russia in Europe this year or next. I urge this House to go on record as favoring a rapid expansion of our air forces, both tactical and strategic.

Nearly every responsible diplomat, statesman, and soldier with whom I have talked lately will admit that our strategic bombing force plus our industrial ability to build planes has deterred Russia from all-out war. Then why not exploit this advantage still further and guarantee the security of the free world? We must depend more on science and technolcgy and less on manpower.

The question of adequate air power should be placed on a higher plane than partisan politics. We can all unite, regardless of party, on an immediate program for this force which Russia dreads more than any other. During World War II we had an air force of nearly 250 groups. Our enemy today is stronger than our enemies of 1941–45. America can remedy this situation. We must act now to furnish air cover for the democratic world. Our country should have an air force of at least 150 groups before the end of 1952.

LOCKERS FOR SCHOOL CHILDREN

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, all over the country new school buildings are being completed, and they have been so designed that steel lockers fit into the ventilating and heating systems. Today, after talking with several members of the NPA Division of our Government, I have been informed that a decision has been made to the effect that 750,000 lockers for school buildings, calling for only 5,000 tons of steel, will not be permitted to be constructed.

I have told them that I think their action is unwise, that it is a direct insult to all those people who have worked hard for better schools, to the members of the parent-teacher associations over the country, and to the intelligence of all of our people, and that such a decision cannot be defended, and that in my opinion the public will not support such a decision.

If steel is unavailable, the holes in the walls must be filled with plywood, which is as short as steel.

Today I contacted Mr. Ray Ehrlick in NPA for the purpose of further discussing the steel requirements needed for the completion of the two schools at Owosso, Mich., which now needs steel. Mr. Ehrlick without hesitation and categorically informed me that no steel is to be allotted for school-locker purposes to the more than 750 schools who have applications now on file with NPA.

He told me there is a backlog of some three-quarter of a million locker-unit applications. This would involve only 5,000 tons of steel.

Mr. Ehrlick advised me that the Coordinator of Civilian Education Requirements in the Department of Education, Federal Security Agency, had been notified that NPA had decided no more steel could be allotted for school lockers.

When I inquired of Mr. Ehrlick who in NPA handles the allotment of lumber, since a school which cannot get steel must have some substitute, I was referred to Mr. C. R. Bruce.

Mr. Echols, NPA administrator of Order M–47, use of iron and steel, was sympathetic, pointing out that his own daughter goes to school on a 3 o'clock p. m. shift because of crowded conditions.

I told Mr. Echols that no Government agency could stand before the people of this country and defend a decision of NPA which denied lockers to be installed in new school buildings.

It is my belief that if the men in the Department of Education and their friends here on the Hill would solidly line up against this order, it could be changed.

It is more important that we have schools than that we have a number of the buildings which you know and I know are getting all the materials they need for construction purposes.

OUR KOREAN CASUALTIES

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Wisconsin [Mr. DAVIS] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAVIS of Wisconsin. Mr. Speaker, the remarks made by President Truman on Wednesday, when he tried to discuss our tragic casualties in Korea by comparing them to traffic accidents, will not make pleasant reading for our fighting men on the thirty-eighth parallel. I therefore hope the armed services' newspapers and other information organs that circulate in Korea will not report the President's remarks.

I realize how serious it is to withhold a factual story from any American citizen, but I believe an exception should be made in this case. I can think of nothing that would destroy the morale of our troops faster than to know that their President regards them as mere decimals in America's annual death rate.

If the armed services' newspapers feel they are duty-bound to report the President's remarks, I hope they will also report that Mr. Truman was speaking only for himself, and not for the American people, who still regard human life as the most precious thing on earth.

LEGISLATIVE PROGRAM

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute in order to ask the majority leader to announce at this time what the program is for next week.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

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Mr. McCORMACK. Mr. Speaker, the program for next week is as follows: On Monday the Consent Calendar will be called. Two bills will be called up under suspension of the rules—H. R. 4393, to extend free postage to members of the armed services; and H. R. 2321, the fur-labeling bill.

I am informed that there are no bills on the Private Calendar, so on Tuesday there will not be a call of the Private Calendar. The legislative appropriation bill will come up on Tuesday.

On Wednesday, Thursday, Friday, and Saturday two bills are scheduled—the revenue bill of 1951, and the migrant farm labor bill, H. R. 3283.

If the revenue bill of 1951 is not ready—but I expect that it will be ready on Wednesday—then the migrant farm labor bill will come up on that day.

May I say for the benefit of the membership of the House that the House has caught up with every piece of legislative business. Let us be frank about it. If there is any criticism, let them talk about the committees. I am not criticizing the committees, but let them direct their remarks to the committees. The only two rules that have been reported out now are on the fur-labeling bill and the migrant farm labor bill, and they only were reported out on Wednesday, and, at that, they were reported out in the late afternoon, after I had announced, in response to an inquiry, that after the disposition of the then pending appropriation bill there would be no further legislative business for the remainder of the week. That statement was made, as I recall, in response to an inquiry by my friend the gentleman from Michigan [Mr. HOFFMAN].

Therefore, I repeat, the House has caught up with all its legislative business. We only have a few bills on the Consent Calendar for next Monday, and the gentleman from Mississippi has obtained the unanimous consent of the House to consider on the Consent Calendar 12 or 13 bills which were reported out of his committee too late to meet the requirements of the rule as to the length of time which bills must be on the calendar to be eligible to be called up. His request was made yesterday.

I ask the legislative committees if they have bills to report to get them out as soon as they can. The House has caught up with all the business that it could attend to. I have no criticism to make of anyone. I have no comment to make, so far as the remarks made by the gentleman from Missouri just now. Of course, his remarks are in order; but the House has caught up with its business, and whatever observations might be made should not be made concerning the House of Representatives as such, but might be in the nature of urging upon committees to report their bills out as soon as possible, that is, the bills which they do intend to report out, before the session is over.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. MILLER of Nebraska. It is my understanding on this side that it seems quite likely the revenue bill might be disposed of on Thursday. At least, that is the talk among some of the members of the revenue committee. In that case, will there be a legislative schedule for Friday at all?

Mr. McCORMACK. If legislation is in order for consideration, yes. I am sure the acting leadership on the gentleman's side will agree that I consulted with them before I made my motion.

In connection with yesterday, I might say that a Member raised the point of order that a quorum was not present. As a matter of fact, I tried to persuade him to withdraw his point of order. No motion was made to cut off debate, because no one wants to give Members an opportunity to debate more than I do. There was a misconstruction of that, as I note in the press. The only thing I did was to move to adjourn, being in doubt as to whether a quorum was present. The only reason I made the motion today was because if a quorum were not present we would get into an unnecessary complicated situation. As far as speaking is concerned, I am for it.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. HOFFMAN of Michigan. Under the very able leadership of the gentleman from Massachusetts [Mr. McCORMACK] we realize, most of us, that the House is caught up in its work, but does not the gentleman think that it is possible—maybe not probable, but possible—that if we stay here and suffer from day to day, the other body will speed up its action out of sympathy for us? Is that not just possible?

Mr. McCORMACK. I cannot challenge—I do not want to express an opinion with reference to the other body, but commenting on the gentleman's observation, far be it from me to undertake to challenge that particular observation.

Mr. HOFFMAN of Michigan. I thank the gentleman.

The SPEAKER. The time of the gentleman from Illinois has expired.

SHORTAGE OF BALING TWINE

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, among complaints I am currently receiving from home there stands out one in particular which I believe is deserving of immediate attention from Congress.

The draft has taken most of the dairy farmers' sons from the family-size farms of the Northeast.

This means that haying operations are seriously curtailed. In some cases hay will rot in the fields because there are not enough hands to get it into the barns.

There will follow a shortage of hay and other forage crops.

With such a condition the folks in our big cities will go hungry and dairy products will be hard to buy.

For lack of this labor farmers must have their hay baled in order to handle it with reduced help. But here is where the problem arises.

Several farmers have already told me their supply of baling twine is exhausted and they are unable to procure any more. This may not be a national condition; it may not be more than a spotty, local condition. But even if only a few sections are affected by the lack of this vital commodity of baling twine at haying time, the matter is still pressing.

There will be no baled hay on many farms in up-State New York this year unless the proper order is given in Washington for a fair distribution of baling twine.

The responsibility is on the shoulders of the National Production Authority here in the Nation's Capital.

Therefore I am introducing a bill today directing the NPA to act right away so that farmers all over America can have plenty of twine to bale their hay.

The Hall bill reads as follows:

A bill to make available enough baling twine to meet the needs of farmers throughout the United States in order to harvest the 1951 hay, grain, and other forage crops

Whereas many farmers are without sufficient baling twine to carry on haying operations and lack necessary farm help to handle loose hay; and

Whereas their dependence upon baled hay for cattle fodder compels them to use baling twine in order to successfully feed their stock through the winter months; and

Whereas the National Production Authority has failed to make adequate provisions for proper distribution of baling twine and the supply of hay cannot be fully utilized as the result: Therefore

Be it enacted, That the National Production Authority shall take immediate action to allocate enough baling twine to meet the needs of American farmers to harvest the 1951 hay, grain, and other forage crops.

CONFIDENCE AND COURAGE WILL WIN OVER THREAT AND FEAR

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, last night I heard two radio speeches, one full of confidence and courage, giving hope and assurance to the American people that this great Nation still is, as it always has been, strong, virile, unconquered, and unconquerable. The other, full of fear and threats, telling the American people that Russia will conquer the world without firing a shot if we do not follow the demands of the administration and approve the kind of control legislation recommended and written by the administration's bureaucrats. The speech of confidence and courage was delivered by Gen. Douglas MacArthur in Houston, Tex. The speech of fear and threat was delivered by President Harry Truman in Washington, D. C. Never in my lifetime nor in my recollection of American history have the American people been subject to the whiplash of threat and fear from an American President.

This is not the American way. This is the way of a dictator.

If we need economic controls to meet the present emergency which has been brought about by the faults, errors, and mistakes of the Truman-Acheson administration of foreign affairs; the Congress will provide them without the whiplash of threat and fear from the President.

The characteristic loyalty and patriotism of the American people and the United States Congress to support, protect, and defend this Nation needs no goading or prodding from anyone.

The confidence, courage, and hope expressed by MacArthur gave strength and new life to the American people. It filled them with pride that they are Americans. It inspired the unconquerable spirit that has made this the greatest Nation on earth.

The only controls MacArthur asked for were control of those forces within our Government that are wearing down the morale of the American people by insidious fear propaganda, corruption, and disloyalty in high places and appeasement of communism.

Courage and confidence are the tools of free men who cherish liberty and independence.

Threat and fear are the tools of small men who seek power to dictate and control.

The American people will not respond to threat and fear, but, as always, will meet and conquer this emergency with confidence and courage.

The SPEAKER. The time of the gentleman from California has expired.

KOREAN CASUALTIES

Mr. WERDEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WERDEL. Mr. Speaker, the mothers and fathers of America heard the President of the United States on Wednesday attempt to excuse casualties in Korea by comparing them to highway traffic accidents.

So far as I am concerned, this is one of the most disgraceful utterances ever issued by any public official.

If Mr. Truman wants a really apt comparison between his conduct of the war in Korea and our highway accidents in America, he could have chosen far better ones.

Everybody knows that the overwhelming majority of our highway accidents are senseless. And the overwhelming majority of the American people are beginning to think that Mr. Truman's war in Korea is also senseless.

Mr. Truman deplores one-arm driving in America at a time when the American people are deploring the one-arm war which Mr. Truman insists that we conduct in Korea. The President would be much closer to the thinking of the American people if he deplored the fact that our military is driving with one arm tied behind its back in a stalemate war that is achieving nothing but endless casualties.

FREEDOM OF THE PRESS

Mr. HILLINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HILLINGS. Mr. Speaker, President Truman's attack last Wednesday on columnists whom he accused of making misstatements is reminiscent of Dictator Peron's attack on the freedom of the press in Argentina recently which resulted in the destruction of La Prensa. The President's attack on the columnists came in an address where he lightly compared Korean casualties to highway accidents.

Mr. Truman did not specify what columnists he had in mind nor did he say what their alleged misstatements were. I must conclude, therefore, that the President was castigating all columnists. It is clear from his remarks that the offense has been their refusal to go along with his thinking that the Korean casualties are not important because they amount to only one-twelfth of the annual injuries and deaths on highways.

I do not agree with everything I read in newspaper columns nor do I expect Mr. Truman to do so, but that is beside the point. The real issue is the right of newspaper columnists to express their honest opinions as they please without becoming subject to an attack of this sort by the President.

If Mr. Truman really believes in freedom of the press he ought to retract his slur and apologize.

PRICE CONTROL AND NEED FOR GOVERNMENT ECONOMY

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, the same old medicine show is back on the road. We heard again last night about the same whipping boys who are said to be trying to wreck our economy to advance their own selfish interests.

Now undoubtedly the Defense Production Act of 1950 must and will be renewed. With the heavy impact of huge defense expenditures abnormal dislocations are bound to occur which require unorthodox treatment. Hearings are now under way to determine in detail how to meet this problem. Some controls are the aspirin tablets that must be administered to the patient to afford temporary relief.

But it would have been a performance more convincing to the informed, if the master of the show had pointed out to the American people also—

First. What he proposes to do to meet the long-range threat of inflation, caused primarily by excessive Government spending in nondefense, often nonessential, fields.

Second. What steps he recommends be taken by the Government to tighten its belt and eliminate tragic and frequently criminal waste of public funds extracted from pay envelopes, and how far he will back up those who try to force this belt-tightening process.

Third. Why he opposed a year ago at the very outset of the Korean war all efforts to meet this problem at that time and said there was no necessity for any such action.

Fourth. Why he tried to get the law passed by Congress last September watered down, and then waited 3 months before lifting a finger to put it into operation.

Fifth. Why he seeks to fasten on a Congress controlled by his own party the responsibility for allowing the economy to get out of hand when he has had all the tools he needs to do the job if they had been used wisely and in time?

REPORT ON CAMP PICKETT

Mr. PROUTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. PROUTY. Mr. Speaker, the article which appeared in the June 4 issue of Time under the caption "The troubled Forty-third" is, to my mind, an outstanding example of grossly careless and unobjective reporting with the result that an unwarranted aspersion has been cast against the good name of a famous New England National Guard Division.

In brief, the Time article intimated that the morale of the Forty-third was at a dangerously low level, food was bad and living conditions deplorable; that complaints from officers and enlisted men had become so numerous that officials in the Pentagon had labeled the Forty-third the "cry-baby division" and that, generally speaking, the training program was far below par. This was a serious indictment and one for which, as I shall point out later, there is little justification.

Had the writer of this article been attempting to document an historical record of the Forty-third Division since its arrival at Camp Pickett his efforts would have been worthy of commendation because, indeed, the conditions he describes so dramatically did exist several months ago; and while it would be inaccurate to suggest that all of the problems he mentioned have been entirely solved, it should be pointed out that the most serious of these have been corrected or are in the process of being remedied and that, on the whole, the camp is very well administered.

One cannot help wondering if the reporter's misinterpretation of facts to such a degree that his readers could not possibly gain a true perspective of the current and existing situation could have been inspired by persons long recognized for their pronounced tendencies to view all National Guard units with complete and utter disdain. Perhaps the future will furnish the answer to this question.

I make this statement only after having taken the time to make a surprise

and unpublicized visit to Camp Pickett on June 6 in an endeavor to obtain on the spot information concerning conditions at the camp. Obviously, the 7 or 8 hours I spent there were insufficient to enable me to even approach anything resembling a full-scale investigation, but I do hope that the general impressions gained and the observations made on this trip will help to dispel any doubts concerning the inaccuracy of the Time article and may serve as a basis for future consideration of camp problems.

The Time article was first brought to my attention at the annual State encampment of the Vermont Veterans of Foreign Wars, on June 2. Its publication caused feelings to run high within this group. Many of its members had served in the Forty-third during the last war under the heroic and inspired leadership of the late Maj. Gen. Leonard F. Wing, the division commander and a fellow Vermonter, in whose honor the name "Winged Victory" was bestowed upon the division.

These members of the VFW resented the appellation "crybaby division" which Time's reporter said Pentagon officials had dubbed the Forty-third. They considered this alleged label a serious reflection upon the patriotism and integrity of the division's personnel which includes many combat veterans from Vermont and other New England States and, as a result, they adopted a resolution which, in effect, called for an investigation to determine if any officials in the Pentagon had referred to the Forty-third in the derogatory term attributed to them by the Time reporter.

Meanwhile, officers of the American Legion, Department of Vermont, were equally resentful of the reported slight to the division and to the men serving in it, and urged immediate action to institute corrective measures at Camp Pickett in the event that the Time exposé was found to have any substantial basis in fact.

On June 5 I wrote General Marshall, the Secretary of Defense, as follows:

Gen. GEORGE C. MARSHALL,
Secretary of Defense, the Pentagon,
Washington, D. C.

DEAR GENERAL MARSHALL: With reference to the article appearing in the June 4 edition of Time concerning the Forty-third Division, currently stationed at Camp Pickett, I desire to register an emphatic protest against the appellation "crybaby division" alleged to have been conferred upon the Forty-third by anonymous Pentagon officials.

Such a label is an unwarranted insult casting a damaging reflection and discredit on thousands of men from Vermont and other New England States. The names of high-ranking officers who referred to the division in such derogatory terms should be revealed and a public apology demanded.

This office has received relatively little criticism from Vermont boys as to the nature of life at Camp Pickettt, unpleasant as that may be. Certainly if the equipment, quarters, and food were of the quality suggested in Time there would be every reason for discontent and morale of the lowest order. The failure of Vermont boys to complain would most assuredly indicate that they were anything but "crybabies." The unrevealed name callers should be reminded that many of these so-called crybabies were the men who stormed Lingayen Gulf in an assault landing and secured many important beachheads for the Allies in World War II.

I shall appreciate full information as to the veracity of Time's allegations concerning the food, quarters, and equipment at Camp Pickett and an immediate investigation of the source of the name calling directed at a division of America's finest soldiers.

Yours very truly,
WINSTON L. PROUTY,
Member of Congress.

This letter was acknowledged by Mr. Lovett, Acting Secretary of Defense during General Marshall's absence, who informed me that the letter had been turned over to Secretary of Army Pace and that I would hear from him directly. Thus far I have not heard from Mr. Pace.

Much has been written to discount the implications contained in the Time story and I desire to call particular attention to a series of two articles printed in the Washington Post recently. These were written by Marshall Andrews and, in my judgment, give a true and accurate picture of the present status of Camp Pickett.

Even though the difficulties experienced by the Forty-third over a period of several months following its arrival at Camp Pickett have been pretty thoroughly explored, I would like to review these briefly even at the risk of being repetitious because it seems to me that an examination of the morale and conditions of a military unit to be complete must encompass a consideration of the recent development of that unit as well as its present condition.

The Forty-third Division came to Camp Pickett last September directly from summer training. The New England men found themselves in a camp erected 9 years ago for use in the last war. When built it was not intended as a permanent installation and consequently little had been done to maintain the buildings for occupancy. Long rows of shabby weatherbeaten buildings lined the grounds and in many instances these were without essential facilities. Uniforms for the men were scarce and many of the needed weapons and supplies were either lacking or in short supply. Quarters were overcrowded and this resulted in considerable confusion and discomfort.

It should be clearly understood that no criticism whatsoever can be attached to the officers of the Forty-third for the condition of the camp when the division arrived. It was not their responsibility to prepare the camp for occupancy or to make the necessary repairs and improvements so sorely needed. Indeed, General Clark, of Army Field Forces, stated in a letter to General Cramer, commanding general of the Forty-third Division, "the camp is to be run on an austere basis. It is not intended or desired that personnel of the Forty-third become involved permanently in station complement operation." This suggested that the Forty-third was to concentrate on rigorous training for combat service and was not to concern itself with making the camp more livable through its own efforts except in a very limited manner.

General maintenance and construction is a function of the permanent post command which is unrelated to and separate from the division command. At Camp Pickett the post command has more than 12,000 troops available for the performance of its duties.

The efforts of General Cramer to meet the urgent need for physical improvements within the area of the camp occupied by the Forty-third constitute a rather sad commentary upon Army red tape which I shall discuss in some detail on another occasion.

However, at this time, may I suggest that untold millions of dollars could probably be saved if prescribed rules and regulations governing administrative functions of the Army could be altered to obviate the necessity of repeated treks around Robin Hood's barn in order to reach a given objective.

What we need is some kind of Jensen amendment to eliminate overlapping authority, duplication of effort, unnecessary personnel, inefficiency, waste, and extravagance in military administration. I hope the gentleman from Iowa will give this matter his attention.

But to return to Camp Pickett, as the Korean situation grew worse, the training program was stepped up drastically. By Army field forces directive the Forty-third was to complete a training schedule in slightly more than half the time usually required.

Pass and leave restrictions were tightened and married men were prohibited from having their wives with them on the post. Day by day training schedules became more rigorous and these factors plus faulty and insufficient equipment resulted in widespread resentment among the officers and enlisted men.

At a time when facilities were far from adequate for the contingent and morale was at a new low, hundreds of draftees were shipped in, making the division 20 percent overstrength.

General Cramer was plagued with a severe shortage of noncoms prior to the arrival of the new men and this only added to the burden. Forced to use many of the noncoms to train the draftees, the divisional officers were confronted with a problem which hindered the division from working as a unit and resulted in large numbers of troops in various phases of training which, obviously, made it impossible for the division to meet the schedule imposed by Army field forces.

It is significant to note, however, that some 3,400 draftees who were stationed at Pickett prior to being shipped to Korea have given undisputed evidence of the effectiveness of the training program at this camp.

Much of what I have discussed thus far concerns the past, but this is important if only as a means of indicating the progress which has been achieved to date. With time, many of these problems came to be ironed out. The pass policy was liberalized, supplies became more plentiful, and life at the camp took on a more pleasant aspect.

My primary aim in going to Pickett was not to prove any personal thesis but to ascertain what did seem to be the facts concerning life at this camp. I

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wanted to have the opportunity to mingle with the boys and to hear how they personally felt about the food, training, and equipment and also to determine for myself the state of camp morale.

Upon arrival at the camp, first I sought out some close personal friends who, I knew, would speak with candor and without fear of possible retaliatory action about conditions in the division.

First may I assure you that the label "cry-baby division" is one of the most undeserved insults imaginable. There are few men in the division who would not prefer to be back in civilian life. I heard the usual amount of petty grumbling and fault finding which is a characteristic of all good soldiers but, on the whole, I would say that morale was satisfactory. The boys are working very hard but look healthy and in the best of condition. Make no mistake about it, they are taking things pretty much in stride, and if the Forty-third ever finds itself in action these men will uphold the division's glorious traditions as a fighting unit.

To present as clearly as possible my observations of the present needs of the division, and my recommendations concerning these needs, I would like to speak in some detail on various aspects of the subject.

First of all let us consider the question of food. Good food in liberal quantities is an essential to the maintenance of high morale. Shortly after my arrival at Camp Pickett, I ate the noon meal at the enlisted men's mess and found that the men were receiving substantial servings of well-prepared food. After eating at one mess hall I visited several others and talked individually to the mess sergeants and the men about the quantity and quality of the food.

One mess sergeant complained that he would have to feed his men for the next 2 days with but a 1-day allowance of bread. He explained that ordinarily on such occasions he would make biscuits for the men to take the place of bread, but he claimed his monthly supply of baking power and other condiments had not arrived. We checked this with the divisional quartermaster's office and were informed that the sergeant was mistaken and that the allotment which the mess sergeant received was for 1 day instead of 2, and that he would receive additional bread the following day. After returning to Washington I called the mess sergeant to check to see that the men in his company had bread on the following day. The sergeant informed me that while he had received no more bread, the condiments necessary for baking had arrived and the men had biscuits that day. We hoped that our visit to the company played some small part in straightening out the situation. A later check with the division quartermaster revealed that the battalion of which the mess sergeant's company was a part had turned back to quartermaster supply 18 pounds of condiments that month.

This is an example of relatively minor mixups which are inevitable in the process of feeding thousands of men, but what impressed me most about the incident was the obvious concern which this particular mess sergeant had for the welfare of the men he served. He assured me that in general he had no fault to find with the quantity or quality of supplies furnished him.

I examined the menus covering the period of a month and a typical menu reads as follows:

Breakfast: Chilled orange juice, ready-to-eat cereal, glazed doughnuts, toast, butter, fried eggs, sausage links, fresh milk, coffee.

Dinner: Roast beef with brown gravy, mashed potatoes, buttered corn, lettuce wedges with Thousand Island dressing, bread, butter, apple pie, coffee.

Supper: Spanish frankfurters, lyonnaise potatoes, baked lima beans, spring salad with vinegarette dressing, bread, butter, ice cream, coffee.

Certainly there is every indication that the food is diversified in nature and contains the necessary calories to sustain hard-working men.

There were few complaints concerning the food served in the company areas, but many of the boys felt that they were not getting enough food when they were in the field. At present the Forty-third Division is receiving the prescribed army ration, but in feeding over 20,000 men spread over 45,000 acres, mistakes in calculation occur which cause temporary shortages.

After talking with several of the men on the matter, I am convinced that it might be wise for the Army to review the present prescribed rations for the field to determine whether increases in the rations might be needed.

In March, General Cramer asked the post command at Camp Pickett for seven additional mess halls. The acuteness of the shortage of mess halls became even more apparent when several thousand draftees arrived, and the requested mess halls had still not been started.

Gravely concerned over the problem, I called Fort Meade, and learned that Second Army Headquarters had approved the building of seven new mess halls for the Forty-third. At present, with the division at 16 percent overstrength, many of the companies are forced to eat in shifts. I would recommend strongly that the construction of these mess halls have a first priority to alleviate the overcrowding of present mess facilities.

In addition to mess halls, other buildings are required as well. These include 3 additional PX's, 16 day rooms, a medical dispensary, motor shops, and various supply and orderly rooms.

The recreational facilities of a military unit are perhaps second only to food supplies in maintaining morale.

Because of the nature of the training at Camp Pickett it has been difficult to create a highly organized recreational program. Much more can and should be accomplished in this respect, but it is only fair to add that real progress has been made recently. It seems to me that proper emphasis is being given to the further development of intramural sports in order that all who wish to may participate.

It would appear that there has been a shortage of athletic equipment and, in some instances, unnecessary delay in acquiring this. For example, when I was at the camp there was a dearth of soft balls. Some 60 dozen had been requisitioned by the Forty-third Division from the post special-services officer, but none was available. However, I was glad to learn that on the day following my visit 20 dozen had arrived and immediately were sent to the Forty-third. Apparently miracles still happen.

There are at present four service clubs at the camp. Each of three can meet the needs of 5,000 men while the other is smaller and can take care of about 2,500. There is one area where 5,100 men have no service club, and divisional headquarters has requested the opening of another for the benefit of these men.

G–4, the logistical branch of the Second Army, agrees that another service club is needed and the post special-service officer has consented to put a building in shape if one can be made available.

The various levels of command have not yet agreed on any definite building, and I believe that a serious attempt to do this should be made without further delay.

Six out of seven theaters are now being operated. A limited survey taken between March 14 and 17 disclosed over this period of time that there was on the average at the first showing of the film an attendance of 53 percent of capacity and at the second showing an attendance of 43 percent of capacity.

In view of the limited statistics available, it is difficult to judge whether or not the seventh theater should be opened. Many other factors, such as the accessibility, must also be taken into consideration.

There are no swimming facilities available to the men of the Forty-third. Medical officers have barred the use of three ponds within the camp acreage because of a high degree of pollution. It is my understanding that some arrangements are being worked out to transport a limited number of men each week to a swimming area. However, contemplated plans will make it possible for each man to go swimming only once every 20 weeks under camp auspices.

There is a partially completed swimming pool within the division area which was started during the last war and which can be finished at an estimated cost of $60,000. In my opinion, this project should be undertaken at once, and, in addition, consideration might well be given to the construction of other pools.

The post special-services officer has informed me that expenditures in the amount of $1,500,000 are necessary to provide adequate recreational facilities.

While we are on the subject of recreation perhaps it should be pointed out that funds in excess of $200,000 have been made available to troops at Camp Pickett for use in decorating and furnishing day rooms, purchase of book kits, and for other purposes involving the welfare and recreation of enlisted men. With the exception of $67,500 appropriated by Congress, these funds represent profits derived from PX's and movies. Allocations are made from the Second Army welfare fund and the central post fund. Profits are divided on

the following basis: From each $1.10 earned 10 cents per man goes to the Second Army welfare fund, 60 cents per man to the central post fund, and 40 cents per man to local unit funds at the company level.

For present training purposes, sixty to sixty-five thousand acres are needed. General Cramer explained that because of the large number of soldiers at the camp, and in order to handle the artillery training more effectively, he had requested Second Army to supply 20,000 additional acres. I called Second Army headquarters and was informed that the request of General Cramer was referred to G–4, which in turn wrote back to the post command to get additional specific information as to the acreage need. Second Army has regarded General Cramer's request favorably and it is to be hoped that action will be taken in the near future.

There is also, at present, a shortage of 75-millimeter and 57-millimeter guns, 3.5 bazookas, 4.2 chemical mortars, and other recoilless weapons. The shortage of these weapons forces divisional officers to simulate real firing conditions.

This shortage, however, is alleviated to some extent by the use of subcaliber attachments on certain weapons. Many handicaps have been overcome in the weapon training by the ingenuity of the officers of the Forty-third Division, but I feel that there has been too great a delay in supplying the division with this needed equipment.

Much has been said and written about the shabby nature of the building exteriors at Camp Pickett. General Cramer, shortly after he arrived at the camp, requested the necessary paint and other supplies to clean up the buildings. His request was turned down and he was informed that a Second Army regulation prohibited external painting with but few exceptions. However, the post engineer has announced that bids opened June 6 for the painting of the building exteriors. Five hundred thousand dollars will be appropriated during the next fiscal year for this purpose. This long-awaited change should do much to improve the appearance of the camp.

Even under normal circumstances shortages of noncoms and officers in a military unit present perplexing problems. Although the division was authorized to carry 15,607 noncoms there were early this spring only 9,000 in the Forty-third Division. This shortage appeared more acute when hundreds of new draftees were shipped into the division to be trained. The division now totals 16 percent over strength.

Within a short time the 2,340 men graduating from leadership school will step into the noncom ranks and 450 more will come after maneuvers at A. P. Hill Reservation. With little fanfare the command of the Forty-third has step by step managed to overcome seemingly insuperable difficulties.

At present the New England Division is authorized 941 officers and has 869. Twenty-one are on orders to be transferred out and 79 are on orders to report in. It is not known definitely, however, when they will arrive.

The recent inspections, carried on by a six-man team of the inspector general and a Second Army group, speak well for the work of Maj. Gen. Kenneth Cramer and his men.

In the inspection by Second Army the Forty-third Division received an overall rating of excellent in 210 training activities and in administrative activities.

In the Inspector General's report morale was termed "excellent" and the six-man team concluded "that responsibilities were being carried out efficiently."

There has been no extensive inspection of the training activities of the infantry units in addition to the regular Inspector General inspection, but from all appearances the infantry ranks of the Forty-third would receive a favorable rating on their activities.

Mr. Speaker, no one familiar with the problems which have engulfed the Forty-third since its establishment at Camp Pickett can deny that officers and men are worthy of the highest commendation.

Ordered to a camp which was scarcely fit for human habitation, and with insufficient supplies and equipment, they have faced an uphill fight all the way. But these men have succeeded where those with less determination would have failed.

The Forty-third has rounded into shape as a unit of which the Army and the Nation may well be proud; and justice demands that responsible leaders in the Pentagon publicly and emphatically repudiate and deny the inference that they subscribe to the sentiments credited to them by Time's untimely reporter.

KOREAN CASUALTIES

Mr. VAN PELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. VAN PELT. Mr. Speaker, last night the President again took the old skeletons out of the closet in an attempt to put more fear into the minds of the American people. He never once attempted to state or meet the true facts of the case. Is the present national administration so lacking in moral leadership that under President Truman's inadequate leadership they must keep the country in a state of emotional emergency? How can he answer the mothers and fathers who have lost their sons in Korea or who have had them returned with lost limbs and mental disturbances? In a speech on June 13 President Truman attempted to pass off the more than 140,000 casualties suffered in Korea by lightly comparing them with highway casualties. This is a tragic commemoration to those men who have given their all to preserve the freedom of this great Republic. No, Mr. Speaker, the mistakes of that clique who would not turn their backs on Alger Hiss will not be written off so lightly.

The hasty adjournment that took place here yesterday could well signify to the constituents of some Members the lack of sincerity in the performance of their duty to this country. If continued adjournments are the only important work we have at hand, why not adjourn until such time as we are needed.

PRESIDENT TRUMAN'S ADDRESS TO HIGHWAY SAFETY CONFERENCE

Mr. BRAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRAY. Mr. Speaker, the newspaper accounts of President Truman's address to the Highway Safety Conference stated that when he made his unfortunate comparison of Korean casualties and highway casualties he was departing from his prepared text. This means that those remarks represented the real Mr. Truman. This was the President expressing his thoughts without benefit of ghost writers, anonymous advisers, or political censors.

It has now become clear that the American people must look to such occasions for a true understanding of the man in the White House. Mr. Truman's letter threatening to beat up Paul Hume, the music critic of the Washington Post, his letter to a Member of Congress comparing the Marine Corps to the Russians, and many other such letters and speeches that slipped through the White House watchboys have given us an insight into Mr. Truman that we could have obtained in no other way.

I regret exceedingly that it is only by such displays of intemperance and pique that we are able to understand the President, but they are at least more informative and revealing than the carefully ghost-written and rehearsed utterances which are the usual fare.

PRESIDENT TRUMAN'S SPEECH ON CONTROLS

Mr. BEAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BEAMER. Mr. Speaker, not in idle curiosity but with deep concern I ask the question: Who wrote President Truman's political speech on controls that he gave over the free air waves last night, Thursday, June 14?

Russian communism is an example of complete controls — controls over even the lives and destinies of the consumer—and it was the consumers that the President so loudly and hypocritically proclaimed himself as their champion, and and then he says that we are fighting communism.

The consumers—and I am one of them—ask how can he be so inconsistent? Does he propose to adopt Communist regimentation to fight communism? Is this another deliberate attempt to bring this country under the domination of the principles of socialism and communism?

Wars and preparations for war make high prices—and this is Truman's war,

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not the consumers' war. Had the President worked as diligently for victory and peace as he works for complete regimentation of our society, we would have more opportunity to return to normal times—and the workingman's dollar would be worth more than the few pennies it now represents.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. D'EWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. D'EWART. Mr. Speaker, I would like to address myself to the able majority leader. I do not think he is wholly fair when he blames the House committees for lack of legislation coming out of these committees to the floor.

I happen to be a member of the Interior and Insular Affairs Committee. We have important bills in that committee that have been there, some of them, since January 3, on which we cannot get reports from the departments or the Bureau of the Budget. Our able chairman, the gentleman from Arizona [Mr. MURDOCK] has appealed for those reports but they do not come up. We should like to consider these bills. We know we can consider them without reports, but it is not the orderly way to do business. If we could get those reports out of the departments and from the Bureau of the Budget with the help of the majority leader we could bring bills to the floor much faster than we have.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. D'EWART. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I know the gentleman wants to be fair. In my remarks I did not criticize any committee. I said that the House is caught up with its business and I hoped committees would report bills out as quickly as possible. Knowing the gentleman, I think he wants to have the RECORD clear as to what the gentleman from Massachusetts said.

Mr. D'EWART. I recognize that the majority leader did not intend to be critical, but he was seeking a reason why bills were not before the House for consideration and hoped that committees would report bills out as quickly as possible. Mr. Speaker, The House Committee on Interior and Insular Affairs has had referred to it for consideration 257 bills and resolutions. The committee has requested department reports on 230 of these. It is still awaiting reports on 155 bills, withholding consideration until the reports are received. With regard to these 155 bills, 49 reports were requested in January, 24 in February, 19 in March, 22 in April, 30 in May, and 11 in June.

PRESIDENT TRUMAN'S SPEECH TO HIGHWAY SAFETY CONFERENCE

Mr. BOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, President Truman, in his speech to the Highway Safety Conference Wednesday, spoke of what he called "the sabotage press," complaining that the newspapers do not try to shrug off the casualties in Korea as he does by comparing them with traffic deaths and injuries.

Mr. Truman's statement is a blanket attack on all newspapers, magazines, and radio stations. Their offense, in the President's eyes, is that they have been carrying to the people the day-after-day factual account of blunder and plunder in Washington—the story of mink coats, deep freezes, and free Florida vacations; the story of fixers and 5-percenters who operate with White House backing; the story, in short of the tragic decline in morality in the Federal Government. The press has also been telling the incredible account of mismanagement of the war in Korea—the story of our military forces being sent into Korea under restrictions that make it, according to the Joint Chiefs of Staff, impossible for us to win.

If by "sabotage" Mr. Truman means that the press does not approve of these things, then he is also accusing 75 percent of the American people of sabotage, because, according to the Gallup poll, they do not approve of Mr. Truman's conduct in office.

LEGISLATION

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, it is not pleasant to be in the position of demanding quorum calls. I know it does not add to his popularity. I did give warning that a call would be made. This morning more than 30 Members desire to speak. They deserve an audience. The majority leader must realize that the Members want to get information back home to their people. The Members are anxious to work. I want to compliment the gentleman for saying that we will work Mondays, Fridays, and Saturdays, if necessary. That suits me. If we tackle must legislation, the House could recess in August and September. I know the majority leader says he is not responsible for legislation. I must remind him and the administration that there are many reports we need from the Bureau of the Budget as well as other information requested by chairmen of various committees so bills can be reported.

I say that the leadership of this House is responsible, and if the legislation is not out here then it is their fault. I refer to the appropriation bills, OPS, tax bills, and others. We have much to do before June 30. The administration controls all committees, all chairmanships and nothing comes to the House without their approval. Someone is dragging his feet. I hope we can meet on Mondays and Fridays so must legislation can be worked upon.

SUSPEND CERTAIN RATES OF DUTY ON STEEL

Mr. VELDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VELDE. Mr. Speaker, I should like to call special attention to H. R. 4415, the bill I introduced last Monday to suspend certain rates of duty on steel.

This bill calls for the suspension of the import duty on raw steel and steel mill products as set forth in various paragraphs of the Tariff Act of 1930, as amended.

There definitely is a tremendous shortage of steel in the United States today. The fact that the controlled material plan is to be put into effect the first of next month is a clear indication of the gravity of the situation.

We are presently trying desperately and frantically to rearm this country to meet the ever-increasing threats of further Communist aggression. Our own steel mills, while doing a most commendable job, are not able to keep up with the demands of the industries depending upon their output. Many plants engaged in vital defense production throughout the country have been forced to turn to foreign markets for steel. This imported steel is saddled generally with a 10 percent import duty.

A 10 percent duty on the foreign price of steel at this time serves only to peg the inflationary spiral one step higher. It causes a higher cost of production which is reflected in the selling price of the end product.

A report of the United States Department of Commerce Survey of Current Business shows an increase in importations of steel from 51,136 tons in February of 1950 to 479,284 tons in January 1951. This is practically a tenfold increase in the amount of steel imported in a period of a year. Should this rate prevail thoughout the entire year 1951, it would mean an importation of between five and six million tons of steel. This tonnage, I understand, is equivalent to more than 50 percent of the anticipated increase in steel production in the United States between the present and some time in 1953.

I believe the following figures of the average cost of different types of domestic and foreign steel, f. o. b. Peoria, Ill., the largest city in my congressional district, illustrate very clearly that as long as there is a demand for foreign steel, it will bring a much higher price than the corresponding local mill prices:

	Domestic steel (net ton)	Foreign steel (net ton)	Premium
Plates	$84	$222	$138
Bars	90	158	68
Semifinished	80	124	44
Sheets	90	246	156
Structurals	85	140	55

Now, if we import 6,000,000 tons of steel a year, and we assume the average price of it is approximately $150 per ton at the point of origin, this makes an initial value of $900,000,000. Ten percent of this amounts to $90,000,000 import duty tax which eventually gets added to the production cost of the machines in which this material is used. In other words, it adds $90,000,000 to our already pyramiding inflation.

I do not believe our manufacturers should be penalized for the use of foreign steel when the National Production Authority is making such an effort to develop defense production and at the same time produce enough products for the civilian economy.

While my bill has no provision for a definite termination date of the suspension of import duty on steel, I feel the Congress will take the necessary action whenever the price of foreign steel becomes competitive to the price of domestic stock or whenever there is sufficient domestic production to satisfy our requirements.

Right now we do not have enough steel, and as the defense effort moves along the situation will become even tighter. We have got to go all out now. Time is of the essence.

Speedy action by committee and the Congress on this bill will help industry get more of the raw steel and steel mill products it needs so desperately at a lower cost resulting in lower production costs and savings to the American taxpayer.

VOICE FROM KOREA

Mr. KERSTEN of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, Wednesday of this week a father and mother received a letter from their son, a fighting marine, over in Korea, which reads as follows. The letter was dated June 3:

> We had an attack a few days ago, in which a few fellows died. Here's the way they feel about it. You have never seen a more disliked man than Truman, Acheson, Marshall, and his political big businessmen. It is the opinion here that those 14 boys died in vain, not because of their belief in democracy and freedom, but they don't know why they are over here. I saw these fellows and knew them. The boys here either want peace or go all-out and have a reason for being here. They call it a conflict. It's Truman's war. He could stop it any time he wanted. You're no better than the Chinese if you mention Truman's name over here. The morale is high as a unit of men goes here but low to those back home backing the political war. In the last war the guys were willing to fight but now the guys are praying for a going-home wound.

In other words, these American boys do not know why they are there.

REMEDY FOR INFLATION

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, years ago, many an hour was wasted in arguments over whether a hen laid the first egg or whether the first hen was hatched from an egg.

If you are interested in an equally futile debate, seek the answer to the question of whether prices follow, or precede, wage increases. Are higher prices the result of increases in wages, or do higher prices cause wage increases?

Prices and wages are playing leap-frog or see-saw with each other but with this qualification—in see-saw, one child goes up, the other goes down. In the inflation which is with us today, neither wages nor prices seem ever to go down. Nor in their upward trend does either ever seem to overtake and balance the other.

President Truman, following one of MacArthur's devastating Texas speeches, pointed to the danger growing out of inflation and called upon the people to insist that Congress continue the power given him almost a year ago to fix prices and wages.

He either did not use, or misused, that power. Being politically-minded and seeking votes, the President, in the interest of consumers—forgetting they were also producers and wage earners—through DiSalle, made some feeble efforts to fix prices but neglected to actually freeze wages.

General Marshall, just last week, said the $35,000,000,000 given by Congress for defense purposes would only purchase $27,000,000,000 worth of equipment, a net loss in purchasing power of $7,000,000,000 in less than a year—the result of the political maneuvering of the President in his effort to buy votes.

The President has not, and apparently he will not, fairly and with equal justice to all, use the power which the Congress gave him to stabilize wages and prices. Why, then, extend that power which, to date, he has misused; why grant him additional power when the result has been an acceleration of inflation—first prices leap-frogging wages, then wages jumping prices?

The housewife, and everyone else for that matter, now knows that the increased weekly pay check put no more—sometimes less—in the market basket.

Now the President could, had he desired, at least have made a sincere effort to maintain our accustomed standard of living had his party leaders in Congress accept the bill which I introduced long, long ago. That bill would have authorized the fixing of wages and prices; that is, the amount paid for things and services during a determined previous period. Under that proposal, the sum paid for a service or an article in local communities would have been the same as that which previously existed there.

The enforcement of the law would have been left to local authorities. Every chiseler and profiteer could have been haled before the local justices of the peace or a court of record and the issue as to whether he was, or was not, a "gouger" would have been decided by a local jury. The law would not have required a horde of snoopers on the Federal payroll—actually doing political work. It was simple and easy of enforcement. Perhaps that was why it received no consideration.

REMEDY FOR HIGH PRICES—INFLATION

Excessive wasteful Federal spending on nondefense projects is another cause of the present inflation, but the President throws a fit every time Congress tries to remedy that wrongful Executive practice by cutting appropriations.

In truth and in fact, there is no substitute for the law of supply and demand even though, under it, inequities exist, some suffer injustice. When merchandise is scarce, dollars plentiful, prices go up; when there are fewer dollars and more merchandise, they go down. That, everyone knows. We can stop this dangerous inflation if Government at every level will cut out the waste, the unnecessary expenditures and if each of us will give a dollar's worth of service, a dollar's worth of merchandise for every dollar which changes hands.

Production and thrift, rather than a grant of power to the head of a political machine, is the real answer to our problem.

THE QUESTION OF THE YEAR

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, I should like to ask the question of the year, What was General Marshall doing in Korea?

ADDRESS BY PRESIDENT TRUMAN

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an address delivered by the President last night.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the following is the text of President Truman's address to the Nation last night on economic controls as recorded by the New York Times:

TEXT OF TRUMAN'S MESSAGE ASKING ECONOMIC CONTROLS

My fellow Americans, I am going to talk to you tonight about a real, practical, down-to-earth problem that affects the daily life of every American. It affects your savings, your pocketbook, and your standard of living.

This is the problem of inflation and high prices. We have to keep prices down. This is hard to do. And it is going to get a lot tougher as time goes on. The problem is going to be with us for two more years at least. It is important for us to face these facts and do what has to be done to keep inflation under control.

Right at this time the Congress is considering a bill to extend and improve the laws under which we are controlling prices, wages, credit, and rents. This is a bill to extend and amend the Defense Production Act.

Some of you may not realize that our present powers to control high prices are due to expire in about 2 weeks—on the 30th of

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this month. That leaves just 16 days—14 working days—for Congress to pass a new law. I repeat, if the Congress does not pass a new law, price controls will expire on June 30.

Last April I sent to the Congress recommendations for improving and continuing our laws for controlling inflation. For the last 6 weeks, committees of the Senate and the House of Representatives have been busy holding hearings on that problem. Now, both committees are hard at work deciding what kind of a bill to recommend. And very soon, both the House and the Senate will start to debate and then vote on the measure.

This will be one of the most crucial debates the Congress has had in a long time. The way the issue is decided will have a direct, personal effect on every American, and it will affect the whole future of our defense effort and our chance to have peace in the world.

There are millions of families in this country living on low or fixed incomes. A lot of people live on salaries or pensions. And above all, we must remember the families of the men in our Armed Forces. These people simply cannot keep up with the cost of living if we let inflation controls go out the window. They know this and they are worried about what is going to happen. I am getting hundreds of letters from them.

ONE FROM BROOKLYN WOMAN

Here is one from Mrs. David Green, of Brooklyn, N. Y. Mrs. Green writes:

"DEAR PRESIDENT TRUMAN: I am a homemaker. My husband earns a fixed salary. During the past year my standard of living has declined as prices went up.

"I know that I am expressing the sentiments of millions of homemakers when I write you to continue the struggle against inflation.

"* * * Please continue this struggle for a high American standard of living."

Here is another letter, from Mr. J. A. Pels, of Cincinnati, Ohio. Mr. Pels writes:

"DEAR SIR: I am writing this in reference to controls * * *. I am in my seventy-ninth year. I am retired. I have a fixed income * * *.

"When controls were taken off the last time, the wise men"—

And by that I think he means the know-it-alls—

"stated that everything would be cheaper. On the contrary, the prices jumped up so that it hurt. A $2 shirt cost $5 * * *.

"God help the many thousands who are in the same position I am in * * *.

"Please, Mr. President, I beg of you to keep the controls, all of them, in force for the sake of us who need this protection."

Now I want Mr. Pels and Mrs. Green and all the others who have written me to know that I am doing everything I can to keep controls in force.

The other day, I called in a group of Senators and Congressmen—leaders of both parties in the committees that are working on the defense production bill. I told them how important it is for the country that we get a good bill passed. I think they all agreed. But some of them told me they were under a lot of pressure from the special interests to do away with controls, and that the consumers were not making themselves heard.

Well, I told them that I represented the consumers and that I was speaking for them. And I am speaking for you and working as hard as I can to convince the Members of Congress that we must have a strong anti-inflation law. But I can't do the whole job by myself.

This is something the whole country should support.

It's up to all of us.

It's up to us, not as Democrats or Republicans, but as Americans concerned about our welfare and our country's welfare. This fight we have to make is not a partisan fight. Inflation is not partisan. It strikes all the people in all parties. This is a fight for everyone to join—a fight for the very life of this Nation.

We all know what inflation can do to people. It can take their savings away from them. It can take the food right out of their mouths. It can cause widespread suffering and despair to us and to our families.

In addition to what inflation can do to us in our everyday lives, it can also wreck our program of national defense.

The other day, General Marshall told the Congress that price increases have added about $7,000,000,000 to the cost of the military equipment we have bought since the Korean outbreak. This means inflation has cost us $7,000,000,000 for arms alone in 1 year—that is now we pay $7,000,000,000 more than we would have paid last June—and we still have most of our military equipment to buy.

Think what this means in terms of taxes we must pay. Think what this will mean in the future, if we let inflation run wild after June 30.

We've got to have a good, strong inflation-control law on the books if we are going to get through this emergency successfully.

Some people have the idea that, if the fighting stopped in Korea, we could cut down on our defense effort enough to do away with the danger of inflation. That is not true.

We would need controls even if the fighting in Korea stopped tomorrow. The threat of Communist aggression is world-wide, and must be met with world-wide defenses. We are carrying on a tremendous mobilization program which is absolutely necessary to prevent the Soviet rulers from starting a third world war.

Government spending for defense will increase very fast in the next few months. And the more money the Government spends on defense the greater the danger of rising prices. Controls are absolutely necessary for at least the next 2 years, no matter what happens in Korea.

Everybody should understand that the price rises we have so far are only curtain raisers to what will come along if the Congress fails to pass a strong price-control law.

Up until now there have been no real shortages of civilian goods to push prices up. Price increases so far have been due mostly to the wave of buying by businessmen and consumers who were afraid of shortages and wanted to get in under the wire.

This buying wave pushed prices up so rapidly that in January the Government had to put on a general freeze of prices and wages. This was a rough, emergency step, but it did check the price rise. As price controls took hold people gained confidence and the buying wave subsided.

Since February we have been building up our price and wage control organization and improving our emergency controls. Most prices have held steady. A few have gone up slightly, but many have gone down. Many retailers, caught with overloaded shelves, have been starting bargain sales to get rid of the merchandise they acquired in the buying rush last winter.

Prices look steadier now than at any time since last September. This makes some people think the worst is over. But that just isn't so.

The full force of inflationary pressure is still to come.

Military production is just now getting under way on a big scale. The output of civilian goods is just now beginning to be seriously cut back.

In the next few months, as shortages of civilian goods develop, the danger of inflation will become more and more serious. It will take the hardest, toughest kind of controls to keep prices from going through the roof. Unless we have a good, strong law, we won't have a chance.

Some people are telling the Congress now that we can get along without price, or wage, or rent controls. They call them direct controls and say they are bad and should be wiped out.

That's the way the National Association of Manufacturers is talking these days. That's what its representatives told the congressional committees working on the defense production bill. These lobbyists say that we can curb inflation without price control simply by tighter credit controls and higher taxes.

But, strange to say, when it comes to taxes, these same people are going around urging another committee of Congress to go easy on raising taxes on corporate profits.

SAME OLD SONG AND DANCE

These people who say we should throw out price controls and rent controls are all wrong. They are just as wrong now as they as they were back in 1946. They told us then that if we would just put an end to price controls, everything would be rosy and prices would stay right in line. Do you remember that?

The NAM put full-page advertisements in the papers all over the country, saying if we would just take off price controls, there would be plenty of things to buy at reasonable prices. The NAM had its way in 1946. The Congress failed to pass a good price-control law. And then we had the biggest wave of price increases in modern history.

Do you think the NAM has learned anything from that? They haven't learned a thing. Not a thing. Here they are again giving us the same old song and dance: Take off price controls and everything will be just dandy.

These people were wrong before and they are wrong now.

In fact, the danger of price increases today is much worse than it was in 1946 and the situation is much different. Whatever difference of opinion there may have been about the need for price controls then, there is no possible doubt that controls are needed now.

Now, we are in a great mobilization effort requiring 20 percent of our national production for defense. Now, our men are fighting in Korea. This is no time to yield to selfish interests who scorn equality of sacrifice.

Fortunately, most businessmen—especially small-business men—do not agree with the NAM. Most of them know that their future prosperity and the prosperity of the country depend upon good, strong price controls at this time.

Small-business men, like working people, and consumers, know what this country is up against. They know we must have controls that bite down hard if we are to succeed.

Your Government is getting ready to meet the inflationary wave that is coming this fall.

The Office of Price Stabilization has put controls on the prices of most commodities. It is now working out dollar and cents ceilings to be posted in retail stores. Posters are going up at every meat counter showing the legal price for beef. The OPS will soon have a lot more food prices posted in grocery stores, and more and more goods of other kinds are going to be tagged with the legal price.

All along the line we are working to tighten up our controls system to get ahead of it in shape to meet the big test that's coming. That's what Charlie Wilson and Eric Johnston and Mike DiSalle and the others are doing. And I am keeping after them to keep on improving their operations.

We are getting results now—good results. You can buy work shoes in Philadelphia now

for the same or less than you had to pay last January, when the price freeze was ordered. You can buy cotton house dresses in Los Angeles for less than they cost 5 months ago. You can buy those little jars of baby food in Boston or Chicago for less than they cost last winter.

This is not perfect—a lot of these prices were high to start with—but it is real progress.

All of this will be wasted if we don't get the right kind of control law from Congress. If we get no law, or if we get the wrong kind of a law, we will not be able to keep prices from running wild.

SOME BURDENS FOR ALL

I suppose a lot of people think it's a sure thing that Congress will agree to the right kind of a law. But we just can't take that for granted.

After the representatives of the administration testified in favor of a good, strong law, the congressional committees heard some 124 witnesses, representing all sorts of private organizations. And do you know how many of them came out for the bill? Twenty, just twenty. All the rest were against the whole anti-inflation program, or they opposed very important parts of it, or they were trying to get special exemptions for themselves.

At a time like this, when men are fighting and dying for our country, and the peace of the world, it is wrong for any of us to place private interests above the national interest.

Price controls put some burdens on all of us. We may have to forego profits or wage increases or keep some extra records that we ordinarily wouldn't keep. But the burdens are small compared to the benefits for all of us. A strong control law will be good for the workers, good for businessmen, good for farmers, and good for consumers.

In that connection, I should like to say a word to the farmers and ranchers who grow beef cattle. You know I am a friend of agriculture. I have worked long and hard to hold farm prices up when the farmer was getting hurt. I was for fair prices for the farmer then, and I am for fair prices for the farmer now.

Recently, as you know, Mike DiSalle put out an order that will bring down beef prices to the consumer. That order was put out with my approval. That order will bring beef-cattle prices down from about 150 percent of parity to about 125 percent of parity. I think that's fair enough in a time of national emergency. I think most farmers and ranchers would agree that is a fair price.

But certain lobbyists claiming to represent cattle growers have put on a terrific hullabaloo down here in Washington. These lobbyists are saying that the cattle growers and the cattle feeders of this country won't be satisfied with a fair profit.

And these lobbyists say if they can't get what they want the cattle growers and feeders will go on strike against the Government and the people of this country. These lobbyists are actually threatening us—all of us—that if they don't get big profits at the consumers' expense we won't get any meat. They say the cattle will be held off the market and the American people will be starved out until the Government gives in. The Government's not going to give in.

DOUBTS THE LOBBYISTS

Now, I don't believe for a minute that most of the cattle growers or cattle feeders in this country feel that way or would conspire to do that sort of thing against the public interest.

I don't believe these lobbyists here in Washington really speak for the cattle producers of this country. In fact I am very sure that they don't. I do not believe our cattlemen would keep meat away from our soldiers and defense workers. I don't believe they would cut off the supply of leather to make shoes for our Armed Forces in the field.

I think they are just as patriotic as the rest of us and want to do what's fair and right.

Many of them have told me that they realize that beef prices have been too high. They are willing to accept some reduction if they can be sure that the burden will be fairly distributed and that the benefits will be passed on to the consumer. That's what's bothering most of the cattle feeders.

If the Congress makes it clear that price controls are going to stay in effect, then the growers and feeders will ship their beef cattle to market in the normal way. Once they are convinced that the controls are going to stay on, and that the controls are fair, I am sure the cattlemen will go along. I just do not believe—no matter what some people who claim to speak for the cattlemen are saying—I just do not believe that the cattle growers and feeders of this country are going to strike against their country and their fellow citizens.

The situation we face is far too serious for that.

This is a time for national danger. The welfare of all of us is at stake. If inflation gets away from us, and wrecks our savings and ruins our economy, it would be the easiest victory the Kremlin could ask for. Communist Russia would win the whole world to totalitarianism without firing a shot.

That's what the Communists have been hoping for. They have been hoping for years for the collapse of the American economy.

KREMLIN CONFOUNDED

For years we have been proving the Communists to be wrong. We have prevented depressions.

We've proved over and over again—to the Kremlin's confusion and dismay—that instead of collapsing our economy is growing stronger and stronger.

We must keep right on proving that.

The way to do it is to have an anti-inflation program, including price controls, wage controls, rent controls, credit controls—controls that really hold down prices and the cost of living.

When some of us have to take a cut in profits, or pass up a wage increase we might otherwise get, let us remember that we are making a contribution to the peace in the world. The men who are fighting in Korea would tell us it's a very small contribution after all. And they are right. They are not here to speak for themselves but we know what we ought to do to back them up.

The people of this country, acting together, are stronger than any special interest. If we work together as a team, if everyone does his part, we can beat inflation, we can secure the defenses of this Nation and keep down the cost of living for the average family.

Nothing is more important to the long-run strength of our economy and to our work for world peace.

Peace in this world is what every thinking man and woman is praying for. It's what I am working and praying for.

It is up to Congress to pass a strong anti-inflation law so this country can do its full part in the fight for world peace.

GEN. GEORGE C. MARSHALL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I do not rise to defend a noble-minded man and a great American, but to honor and praise him.

The gentleman I have in mind needs no defense. I refer to one of the outstanding Americans of all time, who has untiringly given his whole life to the service of our Government as a soldier, military commander, Chief of Staff of the United States Army during World War II, former Secretary of State, and now Secretary of Defense, General George C. Marshall.

General Marshall's place in history as an American and as a successful, in fact, a brilliant military leader, is assured. Born a son of Pennsylvania, his place in the minds of his fellow Americans cannot and will not be dimmed by any individual or group who might attack him. It is, therefore, a great pleasure for me as a son of Massachusetts but also as an American to honor and praise General George C. Marshall, a son of Pennsylvania, and one of the great Americans of all time.

The name of George C. Marshall will long be recorded and be remembered favorably in history when those who attack him will be forgotten or, if remembered or even mentioned, will be remembered or mentioned only with contempt.

The whole life of General Marshall has been an active, constructive, and courageous one in the service of God and country. I know of no man in my time who has more unselfishly dedicated his talents to our country and who has made more sacrifices than he.

I conclude these brief remarks about General Marshall with my opening statement: "I do not rise to defend a noble-minded man and a great American, but to honor and praise him."

PERMISSION TO ADDRESS THE HOUSE

Mr. STEED. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEED. In view of the fact that so many of our Members here today, who did not vote to adjourn, did not see fit to remain on the floor, I think it might be wise to put them on notice that a point of order of no quorum will be made tomorrow.

THE CONGRESS

Mr. RHODES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES. Mr. Speaker, as I sit back and listen to some of the remarks it makes me wonder what the people back home are thinking of the kind of performance which goes on in the Congress.

What is more subversive than a deliberate campaign of smear and insult on the elected head of this Government?

It is good Americanism that we should air honest differences, but they should certainly be held on a level of common decency.

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Some people may be fooled by smears and such un-American tactics, but an increasing number of citizens are realizing that while President Truman is the target, the intended victim is the average American citizen whom these critics would like to rob of the social gains he has won over the New Deal years, and for which the President so stubbornly fights to preserve and improve.

PERMISSION TO ADDRESS THE HOUSE

Mr. YATES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. YATES addressed the House. His remarks appear in the Appendix.]

PRESIDENT TRUMAN'S ADDRESS ON ECONOMIC CONTROLS

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, President Truman in his speech on economic controls last night spoke of all the people who want controls, and he remarked that our men in Korea "are not here to speak for themselves." Whom is Mr. Truman trying to fool?

In view of the cases of General MacArthur and Lt. Williams Evans, Jr., it is plain that our men in Korea do not dare to speak for themselves.

Yesterday was Flag Day. President Truman might, at least during his speech to the American people, have made reference to the Flag Day and what it means to our free citizens.

GEN. GEORGE C. MARSHALL

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, we have listened to a great many confusing speeches this afternoon. The most confusing of all to me was the one just made by the gentleman from Massachusetts [Mr. MCCORMACK], praising in unlimited terms the record of Gen. George C. Marshall, putting him on a parity with, if not above, such great military leaders as George Washington, U. S. Grant, Robert E. Lee, or Stonewall Jackson.

As I listened to those remarks and noted the apparent delight of the gentleman from Massachusetts, it reminded me of an incident I witnessed many years ago.

When I was a boy, I was standing on the streets of a small town listening to a conversation by a group of leading men of the village, when a beautiful young lady about 30 years old passed by.

One of these men threw out his chest, and tried to tease this lady. He said, "What a pity you can't get married." She turned to him and said, "Why, if I were half as easily pleased as your wife was, I would have been married long ago."

Probably I would be much happier if I were as easily pleased as the gentleman from Massachusetts.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER. The time of the gentleman from Mississippi has expired.

THE HOUSE OF REPRESENTATIVES

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, I rise to criticize the behavior that has just been displayed in this House today. It is well enough for us as Members of this body to understand the horseplay that goes on here, like we have had today, but when we realize the situation of the world, when we realize the place that this body holds in the opinion of mankind, we are making a tremendous mistake to be so light and flippant in what we say and do on the floor of this House.

I say to you we have made more headlines in this Chamber for old Joe Stalin's publications in the last few months than any agency that he could ever concoct. We are just tying a fine rope and tying it tightly on our young boys holding them in Korea with our antics and horseplay, and we are encouraging the Kremlin to continue its senseless aggression against us and renew its efforts again and again goaded on by the double talk of this Chamber.

The SPEAKER. The time of the gentleman from Michigan has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DURHAM (at the request of Mr. BONNER) for 2 weeks, on account of necessity for hospital treatment.

SESSION OF THE HOUSE ON TOMORROW

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, in view of the statement of the majority leader to the effect that no bill is ready for consideration by the House, and that no business will come before the House either during the remainder of the day or on tomorrow, and especially in view of the fact that gentlemen who objected to adjourning over have indicated that objection was made on account of the fact that many Members wanted to make brief speeches, and since it now appears that all Members have had an opportunity to be heard and apparently no one else desires to be heard, I ask unanimous consent that when the House adjourn today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MILLER of Nebraska. Reserving the right to object, I thought the majority leader had already expressed himself that we would meet tomorrow.

Mr. COOLEY. The majority leader, I am certain, had conferred with the minority leader with reference to the program for the remainder of the week, and while he did state that the House would meet tomorrow, I am certain that he was prompted to do so by the attitude which prevailed at the moment he made the statement. The gentleman from Nebraska [Mr. MILLER] made the statement that the House should not adjourn, since Members in good faith actually wanted to be heard. Now that everyone has been heard, why should we keep the House in session and have one foolish roll call after the other for the remainder of the day, and then have another session tomorrow with other roll calls, when all of us know that nothing will be before the House for consideration?

Mr. MILLER of Nebraska. I am not asking that we meet tomorrow, but I understood the majority leader to say we would meet.

Mr. COOLEY. We are faced right now with another point of no quorum.

Mr. MILLER of Nebraska. I think the request should come from the majority leader.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MCCORMACK. Mr. Speaker, I object.

PERMISSION TO ADDRESS THE HOUSE

Mr. MCCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MCCARTHY. Mr. Speaker, the remarks of the gentleman from Illinois [Mr. YATES] prompt me to ask for this time. The gentleman has observed well the great similarity in terminology and subject matter of the series of addresses given by the Republican Members who have preceded us here today.

Mr. Speaker, the Senate is now holding hearings, or is about to begin holding hearings, to draw up a special code of ethics for Members of Congress and for other officials of the Government. It seems to me only a matter of simple honesty that Members of Congress who present speeches written by other persons should acknowledge the real authors. I would like to enlist the support of Republican Members of the House in requesting the Senate committee to consider writing into this new code a provision that any Member of Congress who makes a speech, which he has not prepared himself, be required to state the name of the real author, or of the organization, which produced his text. Then, if a script is used which came out of the

offices of the Republican National Committee, or one which was prepared by the employees of some lobby, or even by a personal ghost writer, the Members of Congress and the American public would be so informed. My academic experience may make me unduly sensitive on this point, for, as you know, there is a strong tradition among students and scholars to give credit for original work to the originator. Among scholars plagiarism is the unforgivable sin. We have passed laws making the source and amount of campaign funds and of the support of lobbies a matter of public record. It seems to me even more important that citizens, who have the responsibility of electing public officials, should know whether the words which their representatives use and the statements which they make are really the representative's own or whether they belong to someone else.

COST OF PREPAREDNESS

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Has the gentleman addressed the House for 1 minute previously today?

Mr. GAVIN. I have not.

The SPEAKER. Without objection, the gentleman may proceed for 1 minute.

There was no objection.

Mr. GAVIN. Mr. Speaker, I listened to my good and able friend from Michigan [Mr. RABAUT], whom I greatly respect and admire, talk about confusion and horseplay. I also listened to the President last night. I want to tell my good friend that there were lots of things the President said and lots of things he did not say. He talked about the increased cost of our armament program. I want to tell my good friend from Detroit that as a member of the Committee on the Armed Services back in 1949 we prepared a great national defense program under that great American, Jimmy Forrestal, then Secretary of Defense. The administration, if my memory serves me correctly, cut that program back from $20,000,000 to $17,000,000,000; and from $17,000,000,000 back to $13,000,000,000. The defense program would not be costing what it is today if that program had been adopted. Yes, there has been confusion.

I can readily recall how the administration cut back the 70-group Air Force to 48; how they canceled the carrier; how they fired Denfeld; how they mothballed the fleet; how they skeletonized the Marine Corps; how they cut back the Navy Air; how they cut back the ground force; and how suddenly we were thrust into Korea and our boys, our good American boys, were sent into Korea to fight tanks with carbines.

Nothing was said last night about the 50,000 troops we had in Korea which somebody decided to withdraw as it was thought Korea was outside of our safety perimeter in the South Pacific and was untenable; and left an open invitation to Joe Stalin to walk in. Which he did. Then the leadership was somewhat confused and decided to fight our way back in and we now have some 80,000 or more casualties.

So, I might say to my good friend from Michigan that there has been a lot of confusion. Also, there is still a lot of explaining to be done as to that confusion which has occurred in the last several years.

PARLIAMENTARY INQUIRY

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. Would it be in order for a Member of the minority at this time to ask unanimous consent that when the House adjourns today it adjourn to meet on Monday?

The SPEAKER. It will be, probably, after the gentleman recognizes the gentleman from Pennsylvania, if he desires recognition.

Mr. EBERHARTER. Yes, Mr. Speaker; I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE PRESIDENT'S ADDRESS ON PRICE CONTROLS

Mr. EBERHARTER. Mr. Speaker, the American public last night heard a very remarkable and convincing address, and I am fortified in that conclusion by seeing and hearing what has happened on the floor of the House today. The Members of the opposition are discovering that the people of this country are firmly behind a strong price-control program. People want a renewal of the controls that are now exercised. They appreciate, especially the housewives, how inflation has been held down, and it is hurting the opposition so much that they feel compelled to get up on the floor of the House and attempt to throw up a smoke screen and raise a lot of dust in order to detract from the remarkable and convincing address made by our leader, the President of the United States.

The SPEAKER. If all Members who desire to speak have had that opportunity, the Chair is ready to entertain a motion to adjourn.

ADJOURNMENT OVER

Mr. HOFFMAN of Michigan. Mr. Speaker, so that we may rest tomorrow, to be ready for Sunday, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, it is most refreshing and pleasant to see my friend from Michigan——

Mr. HOFFMAN of Michigan. I always try to please.

Mr. McCORMACK. To see my friend from Michigan make this unanimous consent request. It is all evidence showing that consideration of the leadership is very anxiously sought by many on some occasions but not understood on other occasions. The action of the gentleman from Massachusetts was out of regard for Members of both parties. Frankly, I felt there was not a quorum here today and we know what the situation would be if a quorum were not present. I had previously announced the program so that the Members could govern themselves accordingly.

The House took action here this morning. A quorum was established. If I felt a quorum could have been established I would have made a motion for a call of the House.

My friend from Michigan out of consideration I know for Members who are present here today would like to have the House adjourn until Monday.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I attribute to the gentleman the purest of motives so that there is really nothing the gentleman can say. He has the purest of motives in mind out of consideration for other Members.

Mr. HOFFMAN of Michigan. That I am not disputing. I asked the gentleman to yield so that I could praise his efficient leadership.

Mr. McCORMACK. I was thinking of Members who are not present today. I am going to ask the gentleman from Michigan to withdraw his unanimous consent request.

Mr. HOFFMAN of Michigan. Mr. Speaker, always out of consideration for the Members who are present and for those who are not here, and because I admire the gentleman and appreciate his leadership, I withdraw the request.

ADJOURNMENT UNTIL MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. REAMS asked and was given permission to extend his remarks and include extraneous matter.

Mr. FOGARTY asked and was given p rmission to extend his remarks and include an address delivered by Mr. McCORMACK at Villanova College, June 4, 1951.

Mr. KLUCZYNSKI asked and was given permission to extend his remarks and include an editorial.

Mr. LARCADE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. FUGATE asked and was given permission to extend his remarks and include extraneous matter.

Mr. MITCHELL asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. MULTER (at the request of Mr. RABAUT) was given permission to extend his remarks in two instances and include extraneous matter.

Mr. ROOSEVELT (at the request of Mr. RABAUT) was given permission to extend his remarks and include extraneous matter.

Mr. PERKINS asked and was given permission to extend his remarks and include extraneous matter.

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Mr. YORTY asked and was given permission to extend his remarks and include extraneous matter.

Mr. HAMILTON C. JONES (at the request of Mr. PRIEST) was given permission to extend his remarks and include two editorials.

Mr. VAN ZANDT asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. ANGELL (at the request of Mr. ARENDS) was given permission to extend his remarks and include an editorial.

Mr. O'HARA (at the request of Mr. ARENDS) was given permission to extend his remarks in two instances.

Mr. DAVIS of Wisconsin (at the request of Mr. ARENDS) was given permission to extend his remarks.

Mrs. ST. GEORGE (at the request of Mr. ARENDS) was given permission to extend her remarks and include a short editorial.

Mr. MORANO (at the request of Mr. ARENDS) was given permission to extend his remarks.

Mr. WITHROW asked and was given permission to extend his remarks and include a brief editorial.

Mr. HUNTER asked and was given permission to extend his remarks and include a letter he recently wrote to the editor of the American Press.

Mr. HILLINGS asked and was given permission to extend his remarks and include an address by Gen. Douglas MacArthur.

Mr. KEATING asked and was given permission to extend his remarks and include extraneous matter.

Mr. JENSEN asked and was given permission to extend his remarks and include a letter he received from the Iowa Beef Producers Association of Des Moines, Iowa, in opposition and in explanation of their opposition to the beef price roll-back.

Mr. SCHWABE asked and was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. BRAY asked and was given permission to extend his remarks and include a column by Robert C. Ruark.

Mr. BROWNSON (at the request of Mr. BRAY) was given permission to extend his remarks in two instances and include newspaper articles.

Mr. GWINN asked and was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. D'EWART asked and was given permission to extend his remarks and include extraneous material.

Mr. HARRISON of Wyoming asked and was given permission to extend his remarks.

Mr. HINSHAW asked and was given permission to extend his remarks and include an article entitled "The Origins of American Scientists," from the publication Science by the American Association for the Advancement of Science, and to have the small amount of tabular material which appears in that article appear as tabular material in the RECORD.

Mr. ANGELL asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. FLOOD (at the request of Mr. LIND) was given permission to extend his remarks in two instances, in each to include an editorial.

Mr. JENSEN asked and was given permission to extend his remarks and include an editorial from the Red Oak Express, of Red Oak, Iowa.

Mr. BENNETT of Florida asked and was given permission to extend his remarks and include extraneous matter.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 32 minutes p. m.), under its previous order, the House adjourned until Monday, June 18, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

522. A letter from the Acting Secretary of the Treasury, transmitting the Annual Report of the Federal Bureau of Narcotics for the calendar year ended December 31, 1950, pursuant to the act of June 14, 1930; to the Committee on Ways and Means.

523. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting the Thirty-seventh Annual Report of the Board of Governors of the Federal Reserve System, covering operations for the year 1950, pursuant to section 10, of the Federal Reserve Act; to the Committee on Banking and Currency.

524. A letter from the Attorney General, transmitting the report of the activities of the Department of Justice for the fiscal year ended June 30, 1950; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURDOCK: Committee on Interior and Insular Affairs. S. 109. An act to protect scenic values along the Grand Canyon Park South Approach Highway (State 64) within the Kaibab National Forest, Ariz.; with amendment (Rept. No. 576). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3018. A bill authorizing the Secretary of the Interior to convey to the city of Klamath Falls, Oreg., all right, title, and interest of the United States of America in certain lands in Klamath County, Oreg., and for other purposes; without amendment (Rept. No. 577). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 3206. A bill to amend the act creating the Motor Carrier Claims Commission (Public Law 880, 80th Cong.); without amendment (Rept. No. 578). Referred to the Committee of the Whole House on the State of the Union.

Mr. BENTSEN: Committee on Interior and Insular Affairs. H. R. 3540. A bill to provide for boundary adjustments of the Badlands National Monument in the State of South Dakota, and for other purposes; without amendment (Rept. No. 579). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 4393. A bill to extend for 2 years the period during which free postage for members of the Armed Forces of the United States in Korea and other specified areas shall be in effect; without amendment (Rept. No. 580). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on the District of Columbia. H. R. 2094. A bill to amend the act of August 7, 1946, so as to authorize the making of grants for hospital facilities, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes; without amendment (Rept. No. 581). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGHTON:

H. R. 4473. A bill to provide revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. ABBITT:

H. R. 4474. A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products; to the Committee on Banking and Currency.

H. R. 4475. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. CROSSER:

H. R. 4476. A bill to provide for an appropriate badge for the parents of individuals who serve on active duty in the Armed Forces in and around Korea or in such other areas as the President may designate as combat zones; to the Committee on Armed Services.

H. R. 4477. A bill to amend the War Claims Act of 1948, as amended, with respect to payments for the benefit of persons under legal disability; to the Committee on Interstate and Foreign Commerce.

By Mr. GORE:

H. R. 4478. A bill to provide for fixing maximum rents charged by Government agencies for housing accommodations; to the Committee on Banking and Currency.

By Mr. EDWIN ARTHUR HALL:

H. R. 4479. A bill to make available enough baling twine to meet the needs of farmers throughout the United States in order to harvest the 1951 hay, grain and other forage crops; to the Committee on Banking and Currency.

By Mr. HART:

H. R. 4480. A bill to give owners of certain special-purpose vessels purchased or requisitioned by the United States an opportunity to reacquire such vessels when they are no longer needed by the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. HELLER:

H. R. 4481. A bill to provide pay increases for employees of the United States; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE:

H. R. 4482. A bill to amend the War Claims Act of 1948, so as to extend detention benefits thereunder to certain spouses of American citizens; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON of Texas (by request):

H. R. 4483. A bill to amend section 307 (d) of the Interstate Commerce Act, with respect to the standard governing the prescribing of differentials in case of through

service by rail and water; to the Committee on Interstate and Foreign Commerce.

By Mr. WALTER:

H. R. 4484. A bill to confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries; to the Committee on the Judiciary.

By Mr. BENNETT of Michigan:

H. R. 4485. A bill to amend the act of June 4, 1897, entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1898, and for other purposes," as amended, to enable the Secretary of Agriculture to sell without advertisement national forest timber in amounts not exceeding $2,000 in appraised value; to the Committee on Agriculture.

By Mr. FUGATE:

H. R. 4486. A bill to provide for a cost-of-living increase in the rates of compensation of policemen and firemen employed by the Panama Canal; to the Committee on Merchant Marine and Fisheries.

By Mr. HAGEN:

H. R. 4487. A bill to readjust postal rates and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PERKINS:

H. R. 4488. A bill granting to veterans of World War I and their widows and dependent children pensions equivalent to the pensions granted to veterans of the war with Spain and their widows and dependent children; to the Committee on Veterans' Affairs.

H. R. 4489. A bill to increase the period of education or training to which veterans of World War II are entitled, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SIEMINSKI:

H. R. 4490. A bill to amend the Housing Act of 1948, so as to provide that disability and death benefits based on military service may be excluded from net income in establishing rents for certain low-rent housing projects; to the Committee on Banking and Currency.

By Mr. TEAGUE:

H. R. 4491. A bill to amend section 2 of the Missing Persons Act, so as to provide that benefits thereunder shall be available to certain members of the Philippine Scouts; to the Committee on Armed Services.

By Mr. ABBITT:

H. J. Res. 270. Joint resolution continuing for a temporary period certain provisions of law relating to import controls for fats and oils (including butter) and for rice and rice products; to the Committee on Banking and Currency.

By Mr. KERSTEN of Wisconsin:

H. Con. Res. 123. Concurrent resolution expressing the hopes of the American people for the early liberation of the Rumanian people from their present enslavement and for the early restoration of their basic human rights and freedoms; to the Committee on Foreign Affairs.

By Mr. GROSS:

H. Res. 259. Resolution favoring an armistice in the Korean War; to the Committee on Foreign Affairs.

By Mr. MURDOCK:

H. Res. 260. Resolution authorizing the printing of the manuscript comprising reports on the basic physical and economic features of water resources and photosynthesis as a House document; to the Committee on House Administration.

By Mr. DOLLINGER:

H. Res. 261. Resolution reestablishing principles stated in Executive Order 8802 of June 25, 1941, as amended, and requesting the President to provide for fair employment practices; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUFFETT:

H. R. 4492. A bill for the relief of Norma J. Roberts; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 4493. A bill for the relief of Dorothy Radich; to the Committee on the Judiciary.

By Mr. SABATH:

H. R. 4494. A bill for the relief of Carmella Zuccarello; to the Committee on the Judiciary.

By Mr. WOOD of Idaho:

H. R. 4495. A bill for the relief of Lee Yim Quon; to the Committee on the Judiciary.

SENATE

MONDAY, JUNE 18, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Chaplain (Lt. Col.) Frederick E. Morse, post chaplain, Fort Jay, Governors Island, N. Y., offered the following prayer:

Eternal God, the Father of all mankind, we yield Thee hearty thanks for all Thy goodness and loving kindness to us and to all men. As we stand in this place of service make us to have a true appreciation of our heritage, of the great men and great deeds which have gone before us, and help us to feel our inadequacy without Thee as we face the problems of this troubled hour. Direct and prosper our President, the Members of this body, and all others in authority in the great work of government which is theirs, that all accomplished herein will be to the advancement of Thy glory, the safety, honor, and welfare of Thy people.

We pray this day for a blessing on our Nation. Make us strong in our devotion to truth; great in our desire for honor; wise in our labors with the nations of men; ready to sacrifice all else, but never righteousness or virtue. Strengthen us all that we may walk with Thee as we carry burdens of responsibility. Guide us that in honorable service and humility of spirit we may bring peace by doing Thy will. Thus help us at all times to seek and see Thy plan, and may our faith be seen in our works.

In Thy holy name we pray. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 15, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 15, 1951:

S. 276. An act for the relief of Dr. Alexander V. Pananicolau and his wife Emilia; and

S. 872. An act to furnish emergency food aid to India.

On June 16, 1951:

S. 362. An act for the relief of Tu Do Chau (also known as Szetu Dju or Anna Szetu); and

S. 364. An act for the relief of Mrs. Suzanne Wiernik and her daughter, Genevieve.

LEAVE OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. MORSE was excused from attendance on the sessions of the Senate during this week.

TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators may introduce bills and joint resolutions, present petitions and memorials, and transact other routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, DEPARTMENT OF AGRICULTURE (S. DOC. NO. 45)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, in the amount of $200,000, for the Department of Agriculture, fiscal year 1952, in the form of an amendment to the budget for said fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON EXCHANGE STABILIZATION FUND

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the Exchange Stabilization Fund, together with a summary of operations of the fund from its establishment to June 30, 1950 (with accompanying papers); to the Committee on Banking and Currency.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Attorney General, transmitting, pursuant to law, copies of the orders of the Commissioner of Immigration and Naturalization granting the application for permanent residence to certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO UNITED STATES OF CERTAIN ALIEN SEAMEN

A letter from the Attorney General, transmitting, pursuant to law, a copy of an order of the Acting Commissioner of Immigration and Naturalization, dated October 20, 1950, authorizing the temporary admission into the United States, for shore leave purposes

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only, certain alien seamen (with accompanying papers); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO UNITED STATES OF CERTAIN DISPLACED PERSONS

A letter from the Attorney General, transmitting, pursuant to law, a copy of an order of the Acting Commissioner of Immigration and Naturalization, dated November 16, 1950, authorizing the temporary admission into the United States of certain displaced persons (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Attorney General, transmitting, pursuant to law, copies of the orders of the Commissioner of Immigration and Naturalization suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

AMENDMENT OF HAWAIIAN HOMES COMMISSION ACT

A letter from the Assistant Secretary of the Interior, transmitting a copy of joint resolution 22, adopted by the Legislature of Hawaii, requesting the Congress to amend the Hawaiian Homes Commission Act, 1920, as amended, by amending the first sentence of section 202 (a) thereof, relating to membership on the Hawaiian Homes Commission (with an accompanying paper); to the Committee on Interior and Insular Affairs.

TITLE TO CHICALE DAY SCHOOL SITE, NEW MEXICO

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to declare title to the Chicale Day School site to be vested in the United States in trust for the Pueblo of Islet (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT OF UNITED STATES MARITIME ADMINISTRATION

A letter from the Secretary of Commerce, transmitting a report of the United States Maritime Administration under section 217 of the Merchant Marine Act, 1936, as amended, relating to registration of foreign freight forwarders, for the periods September 1, through December 31, 1950, and January 1, 1951, to April 31, 1951 (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORTS OF NATIONAL SECURITY COUNCIL

A letter from the Executive Secretary, National Security Council, transmitting, pursuant to law, reports of the National Security Council entitled "NSC Determination No. 1: An Interim General Exception Under Section 1302 of the Third Supplemental Appropriation Act, 1951"; "NSC Determination No. 2: Trade Between Austria and the Soviet Bloc in the Light of Section 1302 of the Third Supplemental Appropriation Act, 1951," and "NSC Determination No. 3: Trade Between Norway and the Soviet Bloc in the Light of Section 1302 of the Third Supplemental Appropriation Act, 1951", together with certain confidential matter (with accompanying papers); to the Committee on Armed Services.

AUDIT REPORT ON HOME LOAN BANK BOARD, FEDERAL HOME LOAN BANKS, FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION, AND HOME OWNERS' LOAN CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Home Loan Bank Board, the Federal home loan banks, the Federal Savings and Loan Insurance Corporation, and the Home Owners' Loan Corporation, for the year ended June 30, 1950 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Utah; to the Committee on Armed Services:

"Senate Joint Resolution 4

"Joint resolution congratulating Justice George W. Latimer upon his appointment as a justice of the United States Court of Military Appeals

"*Be it resolved by the Legislature of the State of Utah:*

"Whereas the President of the United States of America has seen fit to appoint Justice George W. Latimer, of the Supreme Court of the State of Utah, to the office of justice of the United States Court of Military Appeals; and

"Whereas Justice Latimer has served with distinction and honor as a member of the bar and the bench of this State, and as an officer in the Army of the United States, and the National Guard of the State of Utah; and

"Whereas the people of the State of Utah regret to lose the services of such an able jurist and humble, friendly soul, but rejoice in the great honor which has come to Justice Latimer and to the State of Utah: Now, therefore, be it

"*Resolved by the Legislature of the State of Utah in session assembled*, That Justice George W. Latimer be congratulated upon his appointment as Justice of the United States Court of Military Appeals; be it further

"*Resolved*, That a copy of this resolution be forwarded to Justice George W. Latimer, and to the President of the United States, and the Senate of the United States of America, and Utah delegation in the Congress of the United States."

Two joint resolutions of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint resolution requesting the Congress of the United States to ratify and confirm act 2. of the Session Laws of Hawaii 1951, authorizing the Board of Supervisors of the City and County of Honolulu to issue general obligation bonds in the sum of $6,000,000 for the construction of the Kalihi tunnel and its approach roads.

"*Be it enacted by the Legislature of the Territory of Hawaii:*

"SECTION 1. The Congress of the United States is hereby respectfully requested to ratify and confirm act 265 of the Session Laws of Hawaii 1951, authorizing the Board of Supervisors of the City and County of Honolulu to issue general obligation bonds in the sum of $6,000,000 for the construction of the Kalihi tunnel and its approach roads.

"SEC. 2. Duly authenticated copies of this joint resolution shall, upon its approval, be forwarded to the President of the United States, to the President and Vice President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to the Secretary of the Interior and to the Delegate to Congress from the Territory of Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 16th day of May A. D. 1951.

"OREN E. LONG,

"*Governor of the Territory of Hawaii.*"

"Joint resolution requesting the Congress of the United States to enact a bill enabling the Legislature of the Territory of Hawaii to authorize the Board of Supervisors of the city and county of Honolulu to issue bonds for the completion of, the improvements to, and the development of certain existing public parks and playgrounds and for the acquisition, construction and improvement of new public parks and playgrounds in the city and county of Honolulu

"Whereas additional public-park areas are needed in the city and county of Honolulu; and

"Whereas the public parks and playgrounds are necessary for the health, safety, and welfare of the people of the city and county of Honolulu: Now, therefore, be it

"*Enacted by the Legislature of the Territory of Hawaii:*

"SECTION 1. That the Congress of the United States of America be, and it hereby is requested, through the Delegate to Congress from the Territory of Hawaii, to enact legislation which will enable the Territory of Hawaii, any provision of the Hawaiian Organic Act or any act of this Congress notwithstanding, to authorize the Board of Supervisors of the city and county of Honolulu to issue general obligation bonds in the sum of $1,600,000 for the completion of, the improvements to, and the development of certain existing public parks and playgrounds and for the acquisition, construction, and improvement of new public parks and playgrounds in the city and county of Honolulu, and to that end the Congress of the United States of America is hereby requested and urged, through said Delegate to Congress, to adopt a bill in substantially the following form, to wit:

"'A bill to enable the Legislature of the Territory of Hawaii to authorize the Board of Supervisors of the City and County of Honolulu to issue bonds in the sum of $1,600,000 for the completion of, the improvements to, and the development of certain existing public parks and playgrounds, and for the acquisition, construction and improvement of new public parks and playgrounds in the city and county of Honolulu

"'*Be it enacted, etc.,*—

"'SECTION 1. The bonds issued under authority of this act may be either term or serial bonds, maturing, in the case of term bonds, not later than 30 years from the date of issue thereof, and, in the case of serial bonds, payable in substantially equal annual installments, the first installment to mature not later than 5 years and the last installment to mature not less than 30 years from the date of such issue. Such bonds may be issued without the approval of the President of the United States.

"'SEC. 2. Act 255 of the Session Laws of Hawaii, 1951, pertaining to the issuance of bonds for the completion of, the improvements to, and the development of certain existing public parks and playgrounds, and for the acquisition of new public parks and playgrounds in the city and county of Honolulu, as authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however*, That nothing herein contained shall be deemed to prohibit the amendment of such Territorial legislation by the legislature of the Territory of Hawaii from time to time to provide for changes in the completions, improvements, development, acquisitions, and constructions authorized by such legislation and for the disposition of unexpended moneys realized from the sale of said bonds.'

"SEC. 2. A copy of this joint resolution shall be forwarded to the President of the Senate, and to the Speaker of the House of Representatives of the Congress of the

United States of America, the Secretary of the Interior in Washington, D. C., to the Governor of Hawaii, and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 5th day of June A. D. 1951.

"OREN E. LONG,
"Governor of the Territory of Hawaii."

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 38

"Joint resolution relative to the reopening of Birmingham General Hospital

"Whereas many of the residents of the city of Los Angeles and surrounding cities and communities have been inducted into the Armed Forces and the personnel of the Fortieth Division, a California National Guard unit recently federalized, was recruited from the same area, and casualties from the Korean campaign are now reaching the mainland in increasing numbers; and

"Whereas there is a critical and desperate need in and around the city of Los Angeles for medical facilities available to servicemen and their families, and the closest available facilities are now at Fort MacArthur and Camp Pendleton; and

"Whereas from the standpoint of practical economy it is logical that Birmingham General Hospital can be reopened at a minimum cost to the Government, when compared with the cost and time required to provide new buildings; and

"Whereas recent surveys by Federal and local authorities indicate an estimated life for the buildings at Birmingham General Hospital of from 10 to 25 years and the site of Birmingham General Hospital at Van Nuys, Calif., was selected by the Army on account of its agreeable climate, accessibility to rail facilities and centers of supplies, and the surrounding comprehensive highway system; and

"Whereas the same favorable conditions still exist and have been enhanced in recent years by developments such as the enlargement of the Van Nuys Airport to accommodate airplanes of the Constellation type; and

"Whereas the growth of the area surrounding Birmingham General Hospital will afford adequate housing and transportation for the members of the staff of the hospital, if it is reopened, as well as for the families of patients wishing to reside near the hospital: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Secretary of Defense to reopen the facility known as Birmingham General Hospital at Van Nuys, Calif., in order to provide adequate and convenient hospitalization to servicemen and their families in southern California; and be it further

"*Resolved*, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of Defense, and to each Senator and Representative from California in the Congress of the United States."

A resolution adopted by the Common Council of the City of Canby, Oreg., protesting against Federal taxation of municipal activities; to the Committee on Finance.

A resolution adopted by the Queensboro Federation of Mothers' Clubs, Inc., of New York, N. Y., relating to the illegal importation of narcotics; to the Committee on Finance.

Two acts of the Legislature of the Territory of Hawaii, relating to authorizing the Board of Supervisors of the City of Honolulu to issue bonds for completion of certain public parks, and for the construction of the Kalihi tunnel and its approach roads; to the Committee on Interior and Insular Affairs.

DEFENSE MOBILIZATION ACT OF 1950—RESOLUTION OF VIEW FARMERS UNION LOCAL, RURAL RAY, N. DAK.

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD, a resolution adopted by the View Farmers Union Local, of Rural Ray, N. Dak., favoring the reenactment of the Defense Mobilization Act of 1950.

There being no objection, the resolution was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

We, the members of View Farmers Union Local, of Rural Ray, N. Dak., in regular meeting assembled this 28th day of May 1951, hereby adopt the following resolutions:

(a) That the Defense Mobilization Act of 1950 be reenacted.

(b) That no farm prices be frozen at any level below parity.

(c) That a good effective across-the-board price-control program is necessary and desirable.

Also, be it resolved that a copy of this resolution be mailed to each of our representatives in the Congress of the United States.

MRS. SIMON PEPPER,
Chairman of Resolutions Committee.
NEWTON WAGNER.
J. A. HUKEL.

AID TO ISRAELI GOVERNMENT—RESOLUTIONS OF LEGISLATURE OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, on behalf of my colleague, the junior Senator from Massachusetts [Mr. LODGE] and myself, I present for appropriate reference resolutions adopted by the Legislature of the Commonwealth of Massachusetts relating to bills in the Congress to provide aid to the Israeli Government. I am happy to say that my colleague and myself are both in full support of the proposed legislation.

There being no objection, the resolutions were referred to the Committee on Foreign Relations, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolutions memorializing the Congress of the United States to enact certain legislation granting aid to the Israeli Government

Whereas there are now pending before Congress bills to grant aid to the Israeli Government, being S. 1247, H. R. 3458, H. R. 3488, and H. R. 3807; and

Whereas it is the purpose of these bills to give financial aid in the form of grants to the Government of the ancient and traditional democracy now known as the State of Israel; and

Whereas such assistance to the people of Israel in developing their natural resources, expanding their agricultural and industrial economy will mean a great productive capacity and will further the promotion of the security and general welfare of the United States and of Israel and will strengthen the ties of friendship between the people of the United States and of Israel; and

Whereas such grants would further the basic objectives of the Charter of the United Nations: Therefore be it

Resolved, That the Members of the Congress of the United States of America be and they are hereby respectfully requested by the General Court of Massachusetts to give intensive study and consideration to S. 1247, H. R. 3458, H. R. 3488, and H. R. 3807, now pending in the Congress of the United States, and to use their best efforts to have this proposed legislation enacted into law; and be it further

Resolved, That the State secretary transmit forthwith duly certified copies of these resolutions to the presiding officer of the Senate and House of Representatives in the Congress of the United States, and to each Senator and Representative from Massachusetts in said Congress.

In senate, adopted, June 7, 1951.

IRVING N. HAYDEN,
Clerk.

In house of representatives, adopted, in concurrence, June 11, 1951.

LAWRENCE R. GROVE,
Clerk.

The VICE PRESIDENT laid before the Senate resolutions of the Legislature of the Commonwealth of Massachusetts, identical with the foregoing, which were referred to the Committee on Foreign Relations.

DEFENSE PRODUCTION ACT—RESOLUTION OF CITY COUNCIL OF ST. PAUL, MINN.

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the City Council of the City of St. Paul, Minn., on June 7, 1951, in connection with the Defense Production Act.

There being no objection, the resolution was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Whereas there is now pending before the Congress of the United States, certain bills designated as H. R. 3871 and S. 1397, introduced in the House of Representatives and the Senate respectively, the effect of which bills would give to the Office of Price Stabilization power to control rates of municipally owned utilities; and

Whereas it has historically been the policy of Congress not to interfere in the supervision, regulation or control of municipal utilities and the rates charged by such municipal utilities; and

Whereas municipal utilities are not operated for profit but actually are operated and maintained for the purpose of improving service to the public; and

Whereas municipal utilities are under direct and effective control of the municipality in which they operate: Now, therefore, be it

Resolved, That the Council of the City of St. Paul does hereby oppose the adoption of Senate bill S. 1397 and House bill designated as H. R. 3871; be it further

Resolved, That a copy of this resolution be transmitted to the Honorable HUBERT H. HUMPHREY, Senator from Minnesota, Hon. EDWARD J. THYE, Senator from Minnesota, and to the Honorable EUGENE J. MCCARTHY, Congressman from the district, with the request that they oppose the adoption of the aforesaid measures.

DEFENSE PRODUCTION ACT OF 1950—RESOLUTION OF EXECUTIVE COUNCIL, MINNESOTA STATE FEDERATION OF LABOR

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD a resolution unanimously adopted by the executive council of the Minnesota State Federation of Labor at its quarterly meeting on June 2, in connection with the Defense Production Act of 1950.

UNIVERSITY OF MICHIGAN LIBRARIES

There being no objection, the resolution was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Whereas inflation is a great menace to American working people directly and to their efforts to make America strong against communism; and

Whereas the Government seeks to prevent further inflation by a system of orderly controls, both direct and indirect, on the American economy while it preserves maximum freedom for American citizens; and

Whereas some special interests would jeopardize America's defense and its economy by using only indirect controls; and

Whereas those indirect controls would lower the standard of living of American working people by taxing away their wages, restricting their credit, and forcing savings from inadequate wages in some cases and still not effectively prevent inflation: Therefore be it

Resolved, That the Minnesota State Federation of Labor executive council, in regular meeting Saturday, June 1, 1951, goes on record urging Congress to continue direct controls on prices and to strengthen the national Defense Production Act of 1950 as recommended by the President to the end that inflation may be effectively controlled and America made strong while it preserves as high a living standard as possible in a defense economy; and be it further

Resolved, That copies of this declaration be sent to the President, all Minnesota Senators and Congressmen, and Mr. Michael V. DiSalle, Director of Price Stabilization.

PLACING OF RATES OF MUNICIPALLY OWNED PUBLIC UTILITIES UNDER OFFICE OF PRICE STABILIZATION—RESOLUTION OF THE CITY COUNCIL, MINNEAPOLIS, MINN.

Mr. HUMPHREY. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD, a resolution adopted on June 8, 1951, by the City Council of the City of Minneapolis, Minn., disapproving action by Congress to place rates of municipally owned public utilities under the jurisdiction of the Office of Price Stabilization.

There being no objection, the resolution was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Resolution disapproving any attempt by Congress to place rates of municipally owned public utilities under the jurisdiction of the Office of Price Stabilization

Whereas it has been called to the attention of the city council that an effort is being made in Congress to require the consent and approval of the Office of Price Stabilization of any municipally owned utility rate change or fare change; and

Whereas specifically this is being attempted by H. R. 3671 and S. 1397; and

Whereas under the proposed amendments all privately owned utilities must give notice to the Office of Price Stabilization of the filing of an application for any increase in rate, fare, or charge and consent to the timely intervention of the Office of Price Stabilization before Federal, State, municipal or other public regulatory body; and

Whereas municipally owned utility fares, rates and charges for sewer and water works and for other municipally owned utilities should not be subject to control or approval by a Federal agency for the following reasons:

1. Such rates, fares, and charges are already under direct public control, that is, by the people themselves who own the municipal utility. If such rates are excessive or inflationary, it is historically true that the segment of the American public which owns such utility will do something about it by removing the public officials in power or by reorganizing or refinancing the municipal utility.

2. There is no profit motive in the operation of municipal utilities. One of the very purposes of public ownership is to eliminate excessive profit from the operation of the utility so that the public may benefit therefrom in various ways through lower rates, better improvements through improved ability to finance, and so forth.

3. Municipal utility rates, fares and charges are almost universally below comparable privately owned utility fares, rates, and charges. Therefore, there is less need to regulate publicly owned utility fares, rates, and charges than privately owned utility fares, rates, and charges.

4. It has always been the intent of Congress to exempt from Federal control the regulation of municipal utilities in any shape, manner or form, and to exempt from Federal control the rates charged by municipally owned utilities. If that intent in the past has existed, and if municipally owned utilities are now effectively regulated as to their charges, rates, and fares by the public which owns them, it would seem wholly unnecessary if not improper, for Congress now to attempt to completely regulate all municipal utility rates, fares and charges by requiring approval first by the Office of Price Stabilization, and permitting all privately owned utilities to change their rates, fares, and charges, but only after a 30 days' notice to the Office of Price Stabilization to afford it an opportunity to be heard before the State, Federal, or municipal regulatory body.

5. To require approval by the Office of Price Stabilization before any change in municipal utility rates, charges, or fares would, in effect, be discriminating against municipally owned utilities by requiring more rigid control with municipally owned utilities and lesser control with reference to privately owned utilities: Now, therefore, be it

Resolved by the City Council of the City of Minneapolis, That it oppose any attempt by Congress, either by H. R. 3671 or S. 1397, or otherwise, to exercise any control over rates and charges fixed by the city of Minneapolis for service by any publicly owned utility to its customers; be it further

Resolved, That a copy of this resolution be sent to the Honorable Harry S. Truman, President of the United States, the Honorable Alben Barkley, Vice President, the Speaker of the House of Representatives, and to each Member of Congress from the State of Minnesota.

Passed June 8, 1951.

C. L. SWANSON,
President of the Council.

Approved June 8, 1951.

ERIC G. HOYER,
Mayor.

Attest:

ARLENE R. FINKLE,
Assistant City Clerk.

The VICE PRESIDENT laid before the Senate a resolution adopted by the City Council of the City of Minneapolis, Minn., identical with the foregoing, which was referred to the Committee on Banking and Currency.

RENT CONTROL—RESOLUTION OF BOARD OF PUBLIC WELFARE, HENNEPIN COUNTY, MINN.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Hennepin County (Minn.) Board of Public Welfare at its regular meeting on June 1, 1951, relating to rent control.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

BOARD OF PUBLIC WELFARE,
Minneapolis, Minn., June 5, 1951.

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: The board of public welfare at its regular meeting held June 1, 1951, adopted the following resolution:

"That the board go on record as favoring an extension of rent control, plus the following changes needed in the present law, and which are necessary to make it effective:

"1. Under the present law, if a landlord evicts a tenant wrongfully, such as demanding the premises for his own use and then not moving in himself, there is no remedy for the tenant. The Supreme Court has recently ruled that although the tenant has been wronged there is no law that allows the tenant to correct this injustice.

"2. Many units are not under rent control at the present time, such as rooming houses, hotels, and new construction. These units should be under rent control, at least for the purpose of protecting the tenant against arbitrary eviction.

"3. The Rent Advisory Board provided by the act is one of the most democratic standards that the tenant has against arbitrary action on the part of administrators. Our experience with the Minneapolis Rent Advisory Board is that these citizens put in long hours without any compensation whatsoever. If we expect due representation on these boards there should be a per diem payment for the time spent.

"4. Under the present law there is no criminal provision for willful violation of the rent law. This omission weakens the hand of the Administrator in enforcing the act."

Very truly yours,

O. A. PEARSON, *Secretary.*

PRICE CONTROLS—RESOLUTIONS OF HOLSTEIN-FRIESIAN ASSOCIATION, WEST ALLIS, WIS.

Mr. WILEY. Mr. President, I have this morning received from Florence Reynolds, secretary of the Holstein-Friesian Association of Wisconsin, West Allis, Wis., resolutions on behalf of certain fiscal policies to curb the inflationary price rise and in opposition to the price roll-back on beef. I ask unanimous consent that the resolutions be appropriately referred and printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

No. 1

Whereas inflation and devalued dollars, constitute a serious threat to the economy to the United States of America and will lead us inevitably along the road toward economic chaos and destruction; and

Whereas amendments to the Defense Production Act, now introduced in the Congress of the United States, appear to us to contribute further to these dangers: Be it

Resolved by the annual convention of the Holstein-Friesian Association of America, meeting in Des Moines, Iowa, this 6th day of June 1951, and representing over 41,000 members, That it go on record as strongly recommending and urging restrictions on the expansion of the money supply, strict

economy by Government, pay-as-we-go taxation, limitations on consumer credit, encouragement of individual savings, and increased production, by the removal of controls that limit output and prevent full use of resources.

No. 2

Be it resolved by the annual convention of the Holstein-Friesian Association of America, meeting in Des Moines, Iowa, this 6th day of June 1951, and representing over 41,000 members, That it go on record as opposing the price roll-back on beef, as ordered by the Director of the Office of Price Stabilization, for the reason, that such order discriminates against and adversely affects the interest of dairy farmers the country over, as dairy farmers supply 42 percent of the total quantity of the beef and veal consumed in the United States; and be it further

Resolved, That a copy of this resolution be sent to the Office of Price Stabilization with copies to the public press.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PASTORE, from the Committee on the District of Columbia:

S. 1645. A bill to amend the act incorporating the American University; without amendment (Rept. No. 421);

S. 657. A bill to amend and clarify the District of Columbia Teachers' Leave Act of 1949, and for other purposes; with an amendment (Rept. No. 422);

S. 1152. A bill to provide for the payment and collection of wages in the District of Columbia; with amendments (Rept. No. 423);

S. 1167. A bill to require a premarital examination of all applicants for marriage licenses in the District of Columbia; with amendments (Rept. No. 424); and

S. 1349. A bill to establish a Department of Food Services in the public schools of the District of Columbia, and for other purposes; with amendments (Rept. No. 425).

By Mr. JOHNSTON of South Carolina, from the Committee on the District of Columbia:

S. 258. A bill to amend section 824 of the Code of Laws for the District of Columbia; without amendment (Rept. No. 439);

S. 493. A bill to require the taking and destruction of dangerous weapons in certain cases, and for other purposes; with amendments (Rept. No. 440);

S. 951. A bill to prescribe the weight to be given to evidence of tests of alcohol in the blood, urine, or breath of persons tried in the District of Columbia for certain offenses committed while operating vehicles; with an amendment (Rept. No. 441); and

S. 1590. A bill to extend and revise the District of Columbia Emergency Rent Act; with an amendment (Rept. No. 442).

By Mr. SALTONSTALL, from the Committee on Armed Services:

H. R. 1726. A bill to provide for the organization of the Air Force and the Department of the Air Force, and for other purposes; with amendments (Rept. No. 426).

By Mr. ECTON, from the Committee on Interior and Insular Affairs:

S. 818. A bill authorizing the Secretary of the Interior to issue a patent in fee to Elisworth Schroeder; with amendments (Rept. No. 427);

S. 1033. A bill authorizing the Secretary of the Interior to issue a patent in fee to Lucille Ellen Sanders Groh; with amendments (Rept. No. 428);

S. 1034. A bill authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders; with amendments (Rept. No. 429);

S. 1036. A bill authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders; with amendments (Rept. No. 430);

H. R. 630. A bill authorizing the Secretary of the Interior to issue a patent in fee to Richard James Brown; without amendment (Rept. No. 431);

H. R. 631. A bill authorizing the Secretary of the Interior to issue a patent in fee to Alice E. Williams Sisk; without amendment (Rept. No. 432);

H. R. 964. A bill authorizing the Secretary of the Interior to issue a patent in fee to Percival H. Glenn; without amendment (Rept. No. 433);

H. R. 2349. A bill authorizing the Secretary of the Interior to issue patents in fee to certain allottees on the Crow Indian Reservation; without amendment (Rept. No. 434);

H. R. 3033. A bill authorizing the Secretary of the Interior to lease certain land in the State of Montana to the city of Poplar and the county of Roosevelt, Mont.; without amendment (Rept. No. 435);

H. R. 3215. A bill to authorize the sale of certain allotted land on the Crow Reservation, Mont.; without amendment Rept. No. 436); and

H. R. 3216. A bill authorizing the Secretary of the Interior to issue a patent in fee to Lulu M. Whitebear; without amendment (Rept. No. 437).

SMALL-BUSINESS MANPOWER PROBLEMS—REPORT OF SELECT COMMITTEE ON SMALL BUSINESS (REPT. NO. 438)

Mr. SPARKMAN. Mr. President, from the Select Committee on Small Business, I submit a report on small-business manpower problems, and I ask unanimous consent that it be printed.

The VICE PRESIDENT. The report will be received, and, without objection, printed as requested by the Senator from Alabama.

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McMAHON (by request):

S. 1690. A bill for the relief of Cleve W. Steeves; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 1691. A bill for the relief of Betty Rubak MacDonald; to the Committee on the Judiciary.

By Mr. McFARLAND (for Mr. HUNT and Mr. O'MAHONEY):

S. 1692. A bill for the relief of Hilde Schindler and her minor daughter, Edeline Schindler; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1693. A bill to regulate the registration, manufacture, labeling, and inspection of fertilizer and fertilizer materials shipped in interstate commerce, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. ELLENDER (for himself, Mr. GEORGE, Mr. O'MAHONEY, Mr. JOHNSON of Colorado, Mr. MILLIKIN, Mr. LONG, Mr. HOLLAND, Mr. SMATHERS, Mr. HUNT, and Mr. FERGUSON):

S. 1694. A bill to amend and extend the Sugar Act of 1948, and for other purposes; to the Committee on Finance.

By Mr. KEFAUVER (for himself, Mr. O'CONOR, Mr. HUNT, Mr. TOBEY, and Mr. WILEY):

S. 1695. A bill to amend the penalty provisions applicable to persons convicted of violating certain narcotic laws, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. KEFAUVER when he introduced the above bill, which appear under a separate heading.)

By Mr. DOUGLAS (for himself and Mr. DIRKSEN):

S. J. Res. 78. Joint resolution to make the restrictions of the Federal Reserve Act on holding office in a member bank inapplicable to M. S. Szymczak when he ceases to be a member of the Board of Governors of the Federal Reserve System.

(See the remarks of Mr. DOUGLAS when he introduced the above joint resolution, which appear under a separate heading.)

AMENDMENT OF PENALTY PROVISIONS APPLICABLE TO PERSONS CONVICTED OF VIOLATING CERTAIN NARCOTIC LAWS

Mr. KEFAUVER. Mr. President, on behalf of the Senator from Maryland [Mr. O'CONOR], the Senator from Wyoming [Mr. HUNT], the Senator from New Hampshire [Mr. TOBEY], the Senator from Wisconsin [Mr. WILEY], and myself, I introduce for appropriate reference a bill to amend the penalty provisions applicable to persons convicted of violating certain narcotic laws, and for other purposes, and I ask unanimous consent that a statement by me be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 1695) to amend the penalty provisions applicable to persons convicted of violating certain narcotic laws, and for other purposes, introduced by Mr. KEFAUVER (for himself and other Senators), was read twice by its title, and referred to the Committee on Finance.

The statement presented by Mr. KEFAUVER is as follows:

STATEMENT BY SENATOR KEFAUVER

The bill which I have filed to provide for mandatory minimum penalties for violating certain narcotic laws is filed by direction of Senator O'CONOR, chairman of the Special Senate Committee To Investigate Organized Crime. All of the members of said committee join as cosponsors, to wit: Senators O'CONOR, HUNT, TOBEY, and WILEY.

The hearings held some time back by the Special Crime Investigating Committee showed positive need for minimum mandatory punishing for narcotic violators. This was one of the principal recommendations of Commissioner Anslinger, of the Bureau of Narcotics. The Special Crime Investigating Committee stated many months ago that it urged the passage of this legislation and this was one of the legislative recommendations in the Third Interim Report submitted to the Senate on May 1, 1951.

The bill provides for a minimum sentence of 2 to 5 years for the first offense, 5 to 10 years for the second offense, and from 10 to 20 years for the third offense. Upon conviction for a second or subsequent offense, the imposition or execution of sentence shall not be suspended and probation shall not be granted.

Continuing investigations and new inquiries have developed additional evidence of the necessity of this legislation. Fortunately the Ways and Means Committee of the House of Representatives has favorably acted upon this legislation and has recommended the passage of a bill, H. R. 3490, which is now pending for action before the House, and which was filed by that most able Congressman, HALE BOGGS of Louisiana.

The legislation is so urgently necessary that this bill is filed now so that the Finance Committee of the Senate can have the bill before it for consideration during the time H. R. 3490 is awaiting action in the House of Representatives.

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I shall not recite details as to the necessity for this legislation. It is suffice to say that Commissioner Anslinger and his associates of the Narcotics Bureau feel that this is the most positive step that can be taken to stop the vicious narcotics trade and peddling in the Nation. The penalties in the bill are those recommended by Mr. Anslinger. I think the committee should consider making them more severe. In any event, this bill can be the basis for consideration.

M. S. SZYMCZAK

Mr. DOUGLAS. Mr. President, I introduce, for appropriate reference, a joint resolution which has the approval of the Banking and Currency Committee, having to do with the resignation from the Federal Reserve Board of Mr. M. S. Szymczak. Mr. Szymczak has been a member of the Federal Reserve Board for 18 years and has rendered conspicuous service. It is his intention, I understand, if this joint resolution is passed, to resign from the Board and accept office in a member bank. He described his plans before both the House and the Senate committees I fear we are going to lose a noble public servant who has rendered outstanding service throughout many years. I know our good wishes go with him when he retires from the Federal Reserve Board.

The joint resolution (S. J. Res. 78) to make the restrictions of the Federal Reserve Act on holding office in a member bank inapplicable to M. S. Szymczak when he ceases to be a member of the Board of Governors of the Federal Reserve System, introduced by Mr. DOUGLAS (for himself and Mr. DIRKSEN), was received, read twice by its title, and referred to the Committee on Banking and Currency.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS, 1952—AMENDMENTS

Mr. BYRD (for himself, Mr. FERGUSON, Mr. WHERRY, Mr. BRIDGES, Mr. WILLIAMS, and Mr. WELKER) submitted amendments intended to be proposed by them, jointly, to the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. DOUGLAS submitted 16 amendments intended to be proposed by him to House bill 3880, supra, which were severally ordered to lie on the table and to be printed.

Mr. WILLIAMS submitted amendments intended to be proposed by him to House bill 3880, supra, which were severally ordered to lie on the table and to be printed.

PRINTING OF REPORT OF BOARD OF TRUSTEES OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND (S. DOC. NO. 44)

Mr. GEORGE. Mr. President, I ask unanimous consent that the eleventh annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, together with the letter of transmittal, be printed as a Senate document with an illustration.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. ELLENDER:

Address on the broader aspects of American agriculture, delivered by him before the sixth annual convention of the American Plant Food Council, at Hot Springs, Va., on June 15, 1951.

By Mr. WILEY:

An article prepared by him, entitled "The Wisconsin River: A Private Development in the Public Interest."

By Mr. ROBERTSON:

Editorial dealing with the question of controls, entitled "The Lesser Peril," published in the June 14, 1951, issue of the Christian Science Monitor.

Editorial dealing with the record of Gen. George C. Marshall, entitled "The Marshall Record," published in a recent issue of the Christian Science Monitor.

By Mr. LANGER:

Editorial dealing with the prosecution of certain Communist leaders, entitled "Six Men Amend the Constitution," published in the June 5, 1951, issue of the St. Louis Post-Dispatch.

By Mr. ANDERSON:

Article relating to the foreign policy of the United States, entitled "For What We Have Achieved," published in the London Economist of June 9, 1951.

CONFIRMATION OF NOMINATIONS OF DELEGATES TO UNESCO

Mr. CONNALLY. Mr. President, as in executive session I ask unanimous consent that I may report, from the Committee on Foreign Relations, several nominations of delegates of the United States to the United Nations Educational and Cultural Organization, known as UNESCO. The committee has unanimously ordered the reporting of the nominations. There are a number of nominations. The delegates are in Paris attending a meeting of the organization, and they are suffering the embarrassment of not having had their nominations confirmed by the Senate. Therefore I ask unanimous consent that, as in executive session, the nominations may be confirmed en bloc at this time.

Mr. SALTONSTALL. Mr. President, reserving the right to object, may I ask the Senator from Texas if the nominations were unanimously approved by the committee?

Mr. CONNALLY. They were; yes. The reason they were not placed on the executive calendar is that the meeting of the organization opens today in Paris. We do not wish to embarrass them by not having their nominations as delegates from the United States confirmed.

Mr. SALTONSTALL. Are the delegates in Paris now?

Mr. CONNALLY. They are there now. That is what I have been informed.

Mr. FERGUSON. Will the Senator advise the Senate when the nominations were sent to the Senate?

Mr. CONNALLY. They were sent to the Senate on May 29, but the Committee on Foreign Relations has been tied up, as the Senator knows, with the Committee on Armed Services.

Mr. FERGUSON. I appreciate what the Senator is saying. I do not know how he could have held a meeting of his committee in the meantime.

Mr. CONNALLY. The joint hearing of the two committees adjourned today, and the Committee on Foreign Relations was able to hold a hearing.

Mr. SALTONSTALL. Would the Senator from Texas read the names of the nominees?

Mr. CONNALLY. I may say that the nominations were referred to the Senators from the States involved. The names are:

George F. Zook, of Virginia. He was formerly the head of the Department of Education in Washington.

Mrs. Helen C. Russell, of California.

Elvin C. Stakman, of Minnesota.

Howland H. Sargeant, of Rhode Island.

George D. Stoddard, of Illinois.

I may say that these are not salaried positions. The delegates are paid a per diem during the sessions, and expenses.

Mr. BRIDGES. Mr. President, am I correct in understanding from the Senator from Texas that the nominations bear the unanimous recommendation of the committee?

Mr. CONNALLY. That is correct.

Mr. BRIDGES. I do not like on such short notice to take action on matters which affect our international relations. Apparently we are up against the gun and we must take the word of the Committee on Foreign Relations. They are just names as they have been read off to the Senate. They may be good and they may be bad.

Mr. CONNALLY. They were all referred to the Senators from the States involved. No objection was filed against any of the nominees.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas that the nominations be considered at this time? The Chair hears none, and the nominations are considered and confirmed en bloc. Without objection, the President will be notified forthwith.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting several nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. LONG, from the Committee on Armed Services:

Paul W. Brosman, of Louisiana, to be a judge of the Court of Military Appeals;

George W. Latimer, of Utah, to be a judge of the Court of Military Appeals; and

Robert Emmett Quinn, of Rhode Island, to be a judge of the Court of Military Appeals.

By Mr. CONNALLY, from the Committee on Foreign Relations:

Irving Florman, of New York, to be Ambassador Extraordinary and Plenipotentiary to Bolivia;

Willard L. Beaulac, of Rhode Island, a Foreign Service officer of the class of career minister, now Ambassador Extraordinary and

Plenipotentiary to Colombia, to be Ambassador Extraordinary and Plenipotentiary to Cuba;

John C. Wiley, of Indiana, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Panama;

William G. Allen, of Vermont, and sundry other persons for appointment as Foreign Service officers in the diplomatic service;

Ware Adams, of Georgia, and sundry other Foreign Service officers, for promotion from class 2 to class 1; and

Heyward G. Hill, of Louisiana, and sundry other persons, now Foreign Service officers of class 2 and secretaries in the diplomatic service, to be also consuls general.

INDEPENDENT OFFICES APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1952, and for other purposes.

The VICE PRESIDENT. The unfinished business before the Senate is House bill 3880, making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices. The bill is open to further amendment. If there be no further amendment——

Mr. WHERRY. Mr. President, I do not know what is the pleasure of the majority leader, but I feel that inasmuch as we have now reached the point where the bill is open to further amendment, a quorum call should be had.

Mr. McFARLAND. Mr. President, I will leave that honor to the Senator from Nebraska.

The VICE PRESIDENT. The committee amendments have all been agreed to.

Mr. WHERRY. I mean that since all committee amendments have been adopted, and since the bill is now open to further amendment, we should have a quorum call. For that reason, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Green	McKellar
Anderson	Hayden	McMahon
Bennett	Hendrickson	Millikin
Bricker	Hennings	Moody
Bridges	Hickenlooper	Mundt
Butler, Md.	Hill	Neely
Butler, Nebr.	Hoey	Nixon
Byrd	Holland	O'Mahoney
Capehart	Humphrey	Pastore
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Johnson, Tex.	Saltonstall
Clements	Johnston, S. C.	Schoeppel
Connally	Kefauver	Smathers
Cordon	Kem	Smith, Maine
Dirksen	Kilgore	Smith, N. J.
Douglas	Knowland	Smith, N. C.
Duff	Langer	Sparkman
Eastland	Lehman	Taft
Ecton	Long	Thye
Ellender	Magnuson	Watkins
Ferguson	Malone	Welker
Flanders	Maybank	Wherry
Frear	McCarran	Wiley
Fulbright	McClellan	Williams
George	McFarland	Young

Mr. JOHNSON of Texas. I announce that the Senator from Connecticut [Mr. BENTON], the Senator from Wyoming [Mr. HUNT], the Senators from Oklahoma [Mr. KERR and Mr. MONRONEY], the Senator from Maryland [Mr. O'CONOR], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] is unavoidably detained.

The Senator from Washington [Mr. CAIN] is absent because of illness in his family.

The Senator from Idaho [Mr. DWORSHAK] and the Senator from New York [Mr. IVES] are absent on official business.

The Senator from Massachusetts [Mr. LODGE] and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

Mr. FERGUSON. Mr. President, on behalf of the Senator from New Hampshire [Mr. BRIDGES], the Senator from Nebraska [Mr. WHERRY], and myself, I offer the amendment which I send to the desk and ask to have stated. The amendment is designated "6-15-51—A."

The VICE PRESIDENT. The amendment offered by the Senator from Michigan will be stated.

The LEGISLATIVE CLERK. On page 3, line 12, it is proposed to strike out "$315,600" and insert "$290,000."

Mr. FERGUSON. Mr. President, this amendment is proposed on page 3, line 12. The item in the bill reads as follows:

EXECUTIVE MANSION AND GROUNDS

For the care, maintenance, repair, and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Mansion and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of any other act, $315,600.

Mr. President, the $315,600 appropriation contained in the bill is an increase of $49,600 over the appropriation for the fiscal year 1951.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McKELLAR. From what page of the bill is the Senator reading?

Mr. FERGUSON. Page 3.

Mr. McKELLAR. I hope the Senator will not insist on the amendment. The Commission involved here, like the rest of us, has run into the problem of inflation. I believe they have been exceedingly careful. That is all I know about it. All that I have heard about it is to the effect that they have been exceedingly careful. Certainly this does not represent an extravagant amount. I hope the Senator will not insist on his amendment. I have great respect for the Senator from Michigan, as he knows. I feel that I should state the facts involved in this subject. The Commission is trying to do a good job.

Mr. FERGUSON. Mr. President, I appreciate what the Senator from Tennessee says, but I must advise him that the item to which he has made reference is not the item about which the amendment of the Senator from Michigan applies. The item of the salaries for the members of the Commission on Renovation of the Executive Mansion is not included in the paragraph on page 3. The item to which the Senator from Tennessee refers is on page 12, line 20. It is a $25,000 item. The Senator from Michigan does not intend to propose any cut in that item at all.

Mr. McKELLAR. I should like to say that when that item is reached I wish to add to what I have said. I shall have to make a telephone call before I can give the exact amount involved.

Mr. FERGUSON. I appreciate the Senator's interest in the item, because the Senator from Tennessee is a member of the Commission, and it is a Commission item, rather than one referring to the Executive Mansion and the grounds.

Mr. McKELLAR. I thank the Senator.

Mr. FERGUSON. Mr. President, in 1951 the appropriation for the Executive Mansion and grounds was $266,000. For 1952 the request is $315,600. The House allowed $315,600. The appropriation in the bill is $315,600. The amount proposed in my amendment is $290,000, which represents a reduction of $25,000, but is still higher than the 1951 appropriation.

This is not an item which is touched by the reduction-of-salaries item, since it has been exempted in the committee. The White House is not covered by the proposed cut in the personnel item. For personal services the request is $228,985, as against $204,405 last year and $175,878 the previous year. The average number of employees has increased from 58 in 1950 to 66 at the present time. For the fiscal year 1952 the number of employees is 75.

The increase of $49,600 over last year's appropriation is to cover additional operating expenses required by the expanded facilities of the White House and grounds for a period of 7 months after completion of the White House renovation on December 1. It is at the rate of an annual increase of $80,000.

To justify the increase, it has been submitted that roughly 30 percent additional floor area and facilities must be maintained. But the curious thing is that the dollar request also is a 30 percent increase. In other words, the increase is by rule of thumb rather than on the basis of any calculated relationship to additional requirement. I cannot subscribe to the view that costs of maintenance go up in exact proportion to the area of floor space or facilities to be maintained.

The amendment proposes a reduction of $25,000 in this appropriation item, which will permit an increase in operating expense at an annual rate of $42,850, instead of $80,000.

As specific suggestions for reductions from budget estimates attention is di-

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rected to the question of actual need of 10 additional employees for operation of the new air conditioning system in the White House, to such materials as paint and lumber, which would seem unnecessary in a renovated establishment, and to what appears to be an unusually expensive contract for servicing the building's elevators, most of which are new. We will have a new White House on the 1st of January, and yet we find that to maintain it, keep it in repair, and service the building we are asked to increase the appropriation by $80,000. Everyone who is familiar with new buildings knows that the upkeep for the first few years is not large. All the decoration is new. Everything is new. The building will be practically new. Only the outside walls remain from the old building. We are not asking for a cut in the amount of the payroll at the White House. We are seeking to cut down the amount for servicing the new building.

Mr. MAYBANK. Mr. President, I am sorry that there are so few Senators on the floor. I wish the RECORD to show that after lengthy hearings the House approved $315,600 for the upkeep of the Executive Mansion and grounds. The amendment of the Senator from Michigan would reduce the House figure. When I noticed the increase, I sent for Mr. Crim, of the White House.

Mr. Crim said:

> Mr. CRIM. Yes, Mr. Chairman. The renovated mansion will provide approximately 30 percent additional space, and the building for the first time in history will be completely air-conditioned. * * * It is estimated that the increase in cost of electric power alone will amount to approximately $25,000 per annum.
>
> The amount is determined by the power company and the White House officials.
>
> An increase of $49,600 is requested to cover the additional operating expenses required by the expanded facilities.

I shall not read the remainder of his statement, because I know a great many amendments will be offered to the bill. The subcommittee took the figures of the House after hearing testimony on the subject. We had Mr. Crim appear before us, and we were told that the increase in the space was 30 percent. It is now a six-story building, whereas formerly it was only a four-story building. It has been completely air-conditioned. That is all I have to say about it, Mr. President.

Mr. FERGUSON. Those of us who are interested in the amendment appreciate that there is virtually a rule that the committee does not challenge proposed White House expenditures. That is ordinarily the rule. However, the sponsors of the amendment do not believe that the mere addition of floor space in the White House, to the extent of a 30-percent increase in the floor space available in the new building, should increase by 30 percent the expense of maintaining the building during the coming fiscal year.

We appreciate that the President has indicated that this budget is what he terms a tight budget, and that he says that not one dollar can be cut from it. That is the statement which has been given to the press and to the public.

Mr. MAYBANK. Who does the Senator from Michigan say is the one who said the budget could not be cut?

Mr. FERGUSON. The President.

Mr. MAYBANK. I shall not enter into a debate as to what the President said in that connection, but the bill as reported to the Senate by the committee provides appropriations which are less by more than $600,000,000 than the appropriations called for in the estimates.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. However, the White House is being enlarged by the addition of two more floors, and the result will be to increase the floor space in the building by 30 percent. In addition, the rates for electric power have increased, and the building has been air-conditioned.

Mr. FERGUSON. We do not question those things at all. However, the Chief Executive said the budget could not be cut and that it would be absolutely necessary for the Congress to appropriate the amounts of the budget requests.

So the question before the Congress today is whether some cuts can be made in the budget. Those of us who sponsor this amendment feel that a cut can be made in this item, inasmuch as it relates to a new building which certainly should require less maintenance than the old building did. The mere fact that there will be a 30-percent increase in the floor space does not mean that during the first year of maintaining the new building a 30-percent increase will be required in the appropriations previously made for maintaining a building which was more than 100 years old.

The reason assigned for the expenditure of the $5,000,000 for the Executive Mansion was that the building was old and obsolete and was about to fall down and required many repairs. Now the Mansion has been completely rebuilt; but, nevertheless, we find that the request for funds for the maintenance of the new building exceeds in amount the request for funds for the maintenance of the building before it was rebuilt. Certainly the Senate should make a cut at this particular time in this item.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and other Senators.

Mr. BRIDGES. Mr. President, the amendment, which has been submitted by the Senator from Michigan, on behalf of himself, the Senator from Nebraska, and myself, is a very simple one. The Congress is spending millions of dollars to rebuild the Executive Mansion or the White House. As the Senator from South Carolina has said, it is true that the Mansion, when rebuilt, will have 30 percent more floor space; but, in my opinion, that is no argument for increased appropriations for maintenance. The rebuilt White House will be a finer Executive Mansion. It should be cleaner, more modern, easier to care for, and more efficient in operation. Less labor should be required for its maintenance. In fact, instead of calling for increased maintenance, less maintenance should be required and requested.

This item has nothing to do with the personnel employed by the President. There has been some discussion in regard to that matter; but I feel that if the President justifies his request for personnel, the legislative branch of the Government should not interfere in that case.

However, the item to which this amendment relates provides funds for the maintenance of the Executive Mansion and its grounds. Even though the White House when rebuilt will have an increased amount of floor space, nevertheless the reconstructed building should be more efficient and modern in every respect and should be easier to maintain. Therefore, why should the personnel assigned to care for the rebuilt White House be increased?

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. BUTLER of Maryland. Has it always been true that the appropriation made under this heading is turned over to the Chief Executive, to be spent at his discretion? I ask that question because I note in the item the words "and traveling expenses."

Mr. BRIDGES. It is my understanding that this item is similar to corresponding items in previous appropriation bills. However, I would have to check as to that matter, because I do not have the previous appropriations before me at this time.

Mr. BUTLER of Maryland. Is there any budget for the maintenance and upkeep of the White House and its grounds?

Mr. BRIDGES. The Bureau of the Budget, as the Senator from Maryland knows, is a creature of the Chief Executive; the Bureau of the Budget really represents the President. Therefore, any recommendation of the Bureau of the Budget in regard to the White House would really have no effect or no meaning, because the Bureau of the Budget naturally is not going to change or alter the figures submitted by its boss, the President.

Mr. BUTLER of Maryland. I should like to know why maintenance funds for the White House and its grounds are lumped with travel expenses for the Chief Executive. Is there any breakdown to show the details?

Mr. BRIDGES. This item, as I understand it, has nothing to do with travel expenses for the President.

Mr. BUTLER of Maryland. I notice in line 10 on page 3 the words "and traveling expenses." For whom are those traveling expenses to be allowed?

Mr. BRIDGES. I shall read the entire item appearing on page 3, beginning in line 6:

> EXECUTIVE MANSION AND GROUNDS
>
> For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Mansion and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of any other act, $315,600.

Mr. BUTLER of Maryland. For whom are the traveling expenses to be allowed?

Mr. BRIDGES. I assume that they are traveling expenses for some of the personnel assigned to the grounds and to the care of the White House. I do not understand that the traveling expenses referred to relate to travel by the President himself.

Mr. BUTLER of Maryland. Why should those matters be left to the discretion of the President? Is not there some budget for this item?

Mr. BRIDGES. As I have said to the Senator, the Bureau of the Budget is a creature of the President, and therefore a budget for this item would be rather meaningless, inasmuch as it would be a recommendation made by a subordinate to the Chief Executive.

In short, this item is more or less a carte blanche item for the President, but it is the Chief Executive who directs the operation and maintenance of the Executive Mansion and its grounds. I do not know to whom else this fund might be assigned. I am informed that in previous years this item has been handled in the same manner.

Mr. BUTLER of Maryland. Is there a breakdown as to how these funds will be spent, based on experience in previous years?

Mr. BRIDGES. My understanding is that in the 1951 appropriation bill this item was $266,000. The request for the 1952 appropriation bill was $315,600. The House voted to appropriate that amount. The amount carried in the bill now before the Senate is the same as the amount voted by the House of Representatives. Our amendment would reduce that amount by $25,600, to $290,000, which would still leave this item approximately $24,000 more than was appropriated for this purpose last year. We believe that would be reasonable.

There is no breakdown in regard to the details of the item, as submitted to us. I may say to the distinguished Senator from Maryland that I do not like the idea of legislating in this way, but this item is for the executive branch of the Government, and the Congress has never scrutinized such expenditures as completely and as fully as perhaps it should. I think perhaps the Congress is at fault for not doing so; but because this item relates to the Executive, we have provided for it in that manner.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and other Senators. [Putting the question.] The "ayes" seem to have it.

Mr. McMAHON. I ask for a division.

The PRESIDING OFFICER. A division is requested.

Mr. McMAHON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Butler, Md.	Case
Anderson	Butler, Nebr.	Chavez
Bennett	Byrd	Clements
Bricker	Capehart	Connally
Bridges	Carlson	Cordon
Dirksen	Johnson, Colo.	Neely
Douglas	Johnson, Tex.	Nixon
Duff	Johnston, S. C.	O'Mahoney
Eastland	Kefauver	Pastore
Ecton	Kem	Robertson
Ellender	Kilgore	Russell
Ferguson	Knowland	Saltonstall
Flanders	Langer	Schoeppel
Frear	Lehman	Smathers
Fulbright	Long	Smith, Maine
George	Magnuson	Smith, N. J.
Green	Malone	Smith, N. C.
Hayden	Maybank	Sparkman
Hendrickson	McCarran	Taft
Hennings	McClellan	Thye
Hickenlooper	McFarland	Watkins
Hill	McKellar	Welker
Hoey	McMahon	Wherry
Holland	Millikin	Wiley
Humphrey	Moody	Williams
Jenner	Mundt	Young

The PRESIDING OFFICER (Mr. PASTORE in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and other Senators.

Mr. McMAHON. Mr. President, I should like to ask the chairman of the subcommittee, the Senator from South Carolina [Mr. MAYBANK] whether there was any suggestion in the committee that this cut be made, or is this the first notice the Senator has had of it?

Mr. MAYBANK. This is the first time I have heard of it. I do not recall any motions being submitted.

Mr. McMAHON. Was there any suggestion in the committee that such a cut be made.

Mr. MAYBANK. Not that I remember.

Mr. McMAHON. I have read the record hastily and I do not find that any motion was made or that any comment was made in the meeting of the committee with reference to this proposed cut. Is it correct that the number of rooms in the White House will be increased from 82 to more than over 100?

Mr. MAYBANK. I can only say that I was told there would be an over-all increase of 30 percent in the space, plus additional cost for power, air conditioning, and so forth.

Mr. McMAHON. There will be 128 rooms, and there used to be 82 rooms.

Mr. MAYBANK. That would be about correct. If we increased the appropriation one-third it would be raised considerably more than the amount provided by the bill. We took the House figures. The increase amounts to $49,600 over last year's appropriation.

Mr. McMAHON. That would cover the expanding facilities.

Mr. MAYBANK. That is correct; and it would also cover the increased cost of electricity. Power rates have increased.

I think it will be found in the consideration of all the appropriation bills that the rates for electricity have been raised during the past year.

Mr. McMAHON. I have looked over the hearings and do not find any suggestion of a reduction or any contrary vote to the appropriation now provided by the bill. Is it not the regular procedure of the committee, if someone does not like an appropriation, that testimony is produced in connection with the question? What good to us are hearings if on an item on which there was no testimony before the committee an effort is made to get a headline on a proposal involving $25,000?

Mr. MAYBANK. I cannot answer the Senator's question. It is customary for the committee to make a record, and a record was made. Before the committee no one objected to the $315,000 for the upkeep of the Executive Mansion and grounds. No one in the committee questioned it.

Mr. McMAHON. The point I make is that when we are confronted with a record I should like to see some testimony in the record that will support the proposed cut. If it were there, I might be glad to vote for it.

Mr. MAYBANK. If there had been any testimony to indicate that some cut should be made, I believe the Senator from Connecticut knows me sufficiently well to be sure I would have stated it.

Mr. McMAHON. I thank the Senator.

Mr. BRIDGES. Mr. President, I may say to the distinguished Senator from Connecticut, who says he notices in the record of the Appropriations Committee hearings no motion with reference to a cut in this item, that the mark-up of the bill, as the distinguished Senator knows, is done in executive session, and it is not a part of the hearings. There was no case made for the decrease; neither was much of a case made for the increase.

Mr. MAYBANK. Mr. President, when we noticed an increase over last year we called Government officials to come before the committee, and they explained that there was a 30-percent increase in space, and that a great many things had gone up in price.

Mr. BRIDGES. My thought was that, like the Senator from Connecticut, I wanted to be very fair in this matter.

The Government has spent several million dollars to rebuild the White House, and we were told that when it was rebuilt we would have a new building that would be clean, efficient, labor-saving, and more economical, as well as providing more conveniences and safety for the President.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McKELLAR. I stood before the committee, and on this floor, and opposed a new White House building, because I thought the White House was one of the most beautiful buildings in the world. I still think so. I think it has been well renovated, and I believe the country will be proud of it when the work is finished.

Mr. BRIDGES. I did not mean to say that the entire building is new. The shell was left, of course.

The point I wanted to make to the Senator from Connecticut, who I know wants to be fair in this matter, was that the 1951 appropriation was $266,000. The proposed cut would still leave $24,000 more than the last regular appropriation, which will take care of any increase in the cost of electricity, or any other normal increase.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

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Mr. McMAHON. Is it not true that the President is at Blair House instead of at the White House?

Mr. BRIDGES. That is correct, but he still uses the White House offices and grounds. The appropriation covers the offices in the White House and the grounds. What we did was to try to arrive at a reasonable figure. If it does not work out, we can correct it another year, if this amendment should be adopted.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FERGUSON. Is it not true that Blair House is under the jurisdiction of the State Department rather than of the White House?

Mr. MAYBANK. That is correct.

Mr. CASE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CASE. That being true, I invite attention to the testimony of Mr. Crim, who was asked the following question by the Senator from Massachusetts [Mr. SALTONSTALL]:

> And you got in this past year $266,000 that it has cost you to operate the grounds and Executive Office and the Blair House. Is that not right?

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. CASE. I yield.

Mr. MAYBANK. Blair House is temporarily under the jurisdiction of the White House. Ordinarily, it comes under the jurisdiction of the State Department.

Mr. CASE. The question asked by the Senator from Massachusetts was as follows:

> Senator SALTONSTALL. And you got, in the past year, $266,000 that it has cost you to operate the grounds and the Executive Office and the Blair House. Is that not right?
> Mr. CRIM. Yes.

Then the Senator from Massachusetts made the suggestion that the additional $49,600 be left out, and he did it in this way:

> Why would it not be a wise thing for this committee just to leave out the additional $49,600 with the general thought that when you get an accurate estimate along about next January, you can come back and ask for it in a supplemental?

It is apparent, by reference to the record, that the increased amount contemplates only a 7-month operation of the new White House, and if I read the record correctly over the week end, the White House will not be ready when it was expected it would be ready.

Mr. MAYBANK. It is understood that it will be ready December 1, and, as the Senator said, a period of 7 months would be covered.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McCLELLAN. I wish to inquire how much the amount of $315,600 which is carried in the bill is under the budget request.

Mr. BRIDGES. The budget request was exactly that amount, as I understand.

Mr. McCLELLAN. So, in the bill as reported by the committee there is no reduction below the budget request?

Mr. BRIDGES. No.

Mr. McCLELLAN. None whatsoever?

Mr. BRIDGES. No. But as the Senator from Arkansas knows very well, the Bureau of the Budget is a creature of the executive; therefore, the Bureau of the Budget would not normally attempt to cut any recommendation made by the White House.

Mr. McCLELLAN. I am not talking about whether the Bureau of the Budget cut a recommendation made by the White House. I am asking whether the committee made such a cut.

Mr. BRIDGES. No; it did not.

Mr. McCLELLAN. One other question. Would a general provision for a 5- or 10-percent reduction apply to this item?

Mr. FERGUSON. The Senator from Michigan can answer that question. The answer is "No." It does not apply to the White House, or, as it is called, the Executive Mansion.

Mr. McCLELLAN. In other words, if we support the amount carried in the bill we are supporting the Budget Bureau estimate for the item.

Mr. FERGUSON. That is correct.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LONG. Can the Senator explain to me how the amendment would have the effect of reducing the ultimate cost of repairing and modernizing the White House? Regardless of what we do now, it will still cost the same amount to get the job done, will it not?

Mr. BRIDGES. Perhaps the Senator from Louisiana has misinterpreted the purpose of the amendment. The amendment has nothing to do with construction. It has to do only with personnel and maintenance after the job is completed.

Mr. LONG. I thank the Senator from New Hampshire.

Mr. BRIDGES. Mr. President, may we have the yeas and nays on the amendment?

The PRESIDING OFFICER. The yeas and nays have been requested. Is the demand sufficiently seconded?

The yeas and nays were ordered.

Mr. MAYBANK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FERGUSON. Mr. President, I wonder if it would be agreeable if I were to ask unanimous consent that the order for the call of the quorum be rescinded and ask to modify the amendment so as to provide that the amount of the item shall be $300,000? I should like to know whether the chairman of the subcommittee would accept such a modification.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request that the order for a quorum call be rescinded? The Chair hears none, and it is so ordered.

Mr. MAYBANK. I would have no objection to accepting the amendment to make the amount contained in the item $300,000, and taking it to conference. I will be perfectly frank and say that I cannot state whether the House will sustain that figure. However, I shall be glad to take the amendment to conference.

The PRESIDING OFFICER. The yeas and nays have been ordered. Therefore, it would require unanimous consent——

Mr. FERGUSON. Mr. President, I ask unanimous consent to modify my amendment in the way I have just suggested.

The PRESIDING OFFICER. Is there objection?

Mr. O'MAHONEY. Mr. President, reserving the right to object, I was called out of the Chamber while the Senator from Connecticut [Mr. McMAHON] was speaking on this matter, and I should like to know from him what the situation is.

Mr. McMAHON. Mr. President, I will say to the Senator from Wyoming that I would be inclined to go along with the chairman of the subcommittee and see what comes out of conference.

Mr. O'MAHONEY. When it goes to conference and the conferees have acted, the opportunity will have passed to see what is going to be done.

Mr. MAYBANK. I wish it distinctly understood that I do not wish to hold up the $300,000. I think the Senator from Michigan understood that. I am not going to do that, but I will take it to conference if the Senate so directs. I wanted Senators to know where I stood.

Mr. O'MAHONEY. The Senator has made his position quite clear.

Mr. President, the burden of the expense of government is to be found in the moneys which we appropriate for the national defense. The budget which is now before the Senate Appropriations Committee for the three defense departments amounts to $60,650,000,000, and we still have not received the budget for certain public works. A request is to be made by the armed services for authorization for the construction of public works for the defense of the Nation. What the Congress decides with respect to the appropriations for national defense will determine to what extent taxes will have to be raised, and to what extent there will be a deficit, if any. We shall not avoid a deficit by curtailment in the appropriations for the Executive Mansion; by curtailment in the appropriations for the Interstate Commerce Commission; or by curtailment in the appropriations for various civil establishments. Wherever there are excessive appropriations, such curtailments ought to be made. But the Senate and the country should know that the appropriations for national defense, the appropriations for war-connected activities, amount to more than 84 percent of the entire expenditures of the Government.

The pending measure carries national defense appropriations for the President, for the Atomic Energy Commission, the National Advisory Committee for Aeronautics, the Tennessee Valley Authority, and the Maritime Administration. The total of these five appropriations amounts to $1,645,950,500. Every penny

of that appropriation has a direct connection with our present national emergency.

The Atomic Energy Commission is making atomic weapons. The National Advisory Committee for Aeronautics is carrying on essential research without which it will be impossible for this Nation to keep abreast of the aerial development of Soviet Russia. All but 2 percent of the appropriation for the Tennessee Valley Authority is needed to provide power for defense work. A substantial part of the appropriation for the Maritime Administration is designed to provide shipping which is necessary in the emergency.

In addition to these, the bill carries an appropriation for the American Battle Monuments Commission, for the Displaced Persons Commission, and for the Veterans' Administration, three separate services all of which are the result of past wars. The total of these three appropriations is $3,980,655,220.

The net result, therefore, is that out of the total of $6,221,959,620 carried in the bill for three separate agencies of Government, something more than $5,625,000,000 is for expenditures connected with wars past and present, or 90 percent of the total.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MAYBANK. I should like to call the distinguished Senator's attention to the fact that in past years he was chairman of this subcommittee. He and I have been on the subcommittee together for many years, considering appropriations for the independent offices. There is an item of $1,739,000,000 which is purely for national defense. It consists principally of the appropriations for the Atomic Energy Commission.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. The appropriation for the Executive Mansion, which we are discussing, was $266,000 last year. The request this year is for $315,000. Mr. Crim, who testified, stated that the building would not be ready until December 1, and that this amount is a guess. It is the best guess he could make, but it is only a guess. It is not based upon any experience. I asked him at the hearing if he could not cut the request back, and come in later for a supplemental appropriation. He said he thought that was inadvisable. He thought the money should be made available now, and he gave some reasons.

I agree entirely with the statement of the chairman of the subcommittee in taking to conference an item of $300,000 rather than $315,000. At best it is a guess. It is not based upon experience. The building may not be completed by December 1.

Mr. O'MAHONEY. Mr. President, I am not going to object, but I am taking advantage of the opportunity to lay before the Senate a few plain facts. Nothing should be more clear to Members of the committee than what the Senator from Massachusetts has just stated. In explaining why this agreement should be made, he tells us of his examination of the witness, and of his suggestion to the witness that he should come back later for a supplemental appropriation. We had a discussion of that question this morning in the subcommittee in connection with the Interior Department appropriation bill. One of the members of the subcommittee said, "I cannot understand why we should undertake to cut appropriations, and then invite the departments to come back for deficiency appropriations." I remarked at that time that frequently when we make cuts on the floor of the Senate, in a situation in which there is a lack of information, we do so with the invitation to the various departments involved to come back later and ask for more money. It seems to me that that is not a logical procedure.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. I agree 100 percent with what the Senator from Wyoming says. However, in this instance there is a building which is not even completed. I hope it will be completed by December 1. Mr. Crim stated that the amount of the request was a guess. It was not based upon facts or experience. I agree that we should not make a cut with an invitation to the departments concerned to come back for a supplemental appropriation. However, in this instance the amount is a guess. It may be too high or it may be too low.

Mr. O'MAHONEY. The Senator is quite right. As I stated, I do not intend to object, but I thought this was as good a time as any to place in the RECORD certain facts which I have assembled with respect to the independent offices bill. A year ago, when, as the Senator from South Carolina has said, I was chairman of this subcommittee, I was impressed by the fact that by far the largest part of the money in the Independent Offices appropriation bill had to do with defense-connected expenditure of various kinds. This bill carries the entire appropriation for the support of the Veterans' Administration. How many people know that the cost of carrying out the obligations which by law we have imposed upon the Veterans' Administration, plus interest upon the national debt, together amount to more than $11,000,000,000, which, in turn, is approximately equal to the entire appropriation for all the civil functions of the Government?

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. Is the Senator from Wyoming aware of the fact that the reduction in the amount of the bill this year is accounted for by a reduction in the Veterans' Administration appropriation, and also the fact that the appropriation for stockpiling of strategic materials was $3,000,000,000 last year, and that it is not in the bill this year?

Mr. O'MAHONEY. I am not quite sure that I understand what the Senator is saying.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MAYBANK. What the Senator from Delaware mentions was done because of the action of the committee. I am glad we did it. In the Eightieth Congress we authorized contractual obligations to buy materials in the future. This appropriation represents the cash payment, as should have been the case during the past 4 years. We had to catch up with all the obligations which were made in the Eightieth Congress.

Mr. O'MAHONEY. Whatever the facts may be with respect to this matter, they are altogether irrelevant to the point I am making, which is that when we add together the expenditures which we must make for the Veterans' Administration and the expenditures we must make to pay the interest on the national debt, we have a total which is practically equal to the expenditures for all the civil functions of the Government.

Mr. CASE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CASE. I was enjoying the remarks of the Senator from Wyoming. He says that if we want to balance the budget we must do something about the large expenditures, such as the expenditures for national defense. That is the point I wish to make. When we had before us for consideration the fourth supplemental appropriation bill I offered an amendment which would have made it possible to save a nickel out of every dollar. In that connection I was trying to make the very same point. The large appropriations which we are now making are for national defense. In addition, we have certain contractural obligations.

Mr. O'MAHONEY. At that time I urged that the Senator's amendment, which he offered on the floor of the Senate, to make a blanket cut in the fourth supplemental bill, be defeated. It was defeated. The reason I made the argument was that I believed that the cuts should be made upon information and evidence obtained by the committees having charge of the particular bills. Such reductions cannot be intelligently made without information and evidence. In the interest of economy, such reductions should not be made by amendments hastily offered on the floor of the Senate.

Mr. CASE. Of course, the distinguished Senator will recall that in that case the committee was reporting the budget estimate. No reduction was proposed. Furthermore, the amendment which was offered did not make a specific cut in specific items, but would have left it to the departments to make cuts wherever they wished to do so.

The point I wish to make is that the Senator from Wyoming has stated that if we are to balance the budget and save something on the tax bill we must scan the big money items, and they are the national defense items. It is important to make savings. We cannot answer to our responsibility to the country without doing whatever we can all along the line.

Mr. O'MAHONEY. Of course the Senator is correct. I am all for doing it. But I should like to see it done in an orderly manner based upon information, after scrutiny of the various items.

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All the items in the independent offices bill were examined by the committee. I know that many of the members of the committee were diligent in attendance at committee hearings. The Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from South Carolina [Mr. MAYBANK] scarcely missed a session. I believe both Senators have been thoroughly informed as to the money items in the bill. When the Senator from Massachusetts and the Senator from South Carolina agree upon a matter such as this I do not intend to raise any objection. I wish to point out, however, that we must not perform an operation of false economy by the hasty adoption of amendments presented on the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan to modify his amendment? The Chair hears none, and it is so ordered. The question is on agreeing to the amendment, as modified, offered by the Senator from Michigan [Mr. FERGUSON], the Senator from Nebraska [Mr. WHERRY], and the Senator from New Hampshire [Mr. BRIDGES]. The yeas and nays have been ordered.

Mr. FERGUSON. Mr. President, I ask unanimous consent that the order for the yea-and-nay vote be rescinded.

The PRESIDING OFFICER. Is there objection? The chair hears none, and it is so ordered.

The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. KEFAUVER. Mr. President, I call up my amendment lettered "B" referring to the Federal Trade Commission appropriation.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 16, line 2, it is proposed to strike the figure $3,989,130" and substitute therefor the figure "$4,392,000"; on page 18, line 2, it is proposed to strike the figure "$3,625,800" and substitute therefor "$4,028,655."

Mr. KEFAUVER. Mr. President, the purpose of the amendment is to increase the appropriation for the Federal Trade Commission by approximately $402,000, in order that it may enforce the amended section 7 of the Clayton Act, giving the Commission certain jurisdiction in connection with corporate mergers. The new section 7 was passed by Congress last year.

Mr. President, in regard to the history of the appropriation the Federal Trade Commission requested $950,000 for the enforcement of section 7. The Bureau of the Budget approved and recommended to Congress $500,000 for that purpose.

The House committee reduced the figure to $365,000. The House, in adopting the Keating amendment, eliminated any increased funds whatever for the Commission. The Senate committee recommends $250,000 for the purpose of enforcement of section 7.

However, with the adoption of the Ferguson amendment, the amount of the appropriation for this item is brought down to $97,435.

Effective enforcement of section 7 is essential to the economy. It is essential for the protection of small businesses at a time when they are in greater need of protection than in any previous period in our history, at a time when they cannot even receive materials, supplies, and equipment in order to continue in business. The enforcement of section 7 is urgently necessary to protect the country from the monopolistic trends which have been so prevalent in the past few years.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. KEFAUVER. I shall be glad to yield in a moment. I wish to invite attention to the fact that on December 13 of last year the Senate passed a bill amending section 7 of the Clayton Act. The vote was 53 to 22. The House of Representatives passed it by substantially the same 3 to 1 vote. The vote in the House was 223 in favor of amending the act and 92 in opposition. The Federal Trade Commission has had no funds and will have no funds in any appreciable amount with which to make the investigations necessary to determine whether cease and desist orders should be issued as required by the amended section 7.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield for a question.

Mr. BRIDGES. Will the Senator give the figures of the change he is proposing in this case?

Mr. KEFAUVER. The request is to increase the appropriation on page 16, in line 2, by $402,000. That would give the Federal Trade Commission $500,000 for the enforcement of section 7 of the Clayton Act. As a result of the various reductions proposed by the amendment of the Senator from Michigan and other amendments, $97,435 of increased funds will be available, as set forth on page 6 in the report on the bill. That amount is, of course, utterly inadequate for the purpose of enforcing section 7. Therefore, the purpose of this amendment is to increase the appropriation in order to bring it up to the amount recommended by the Bureau of the Budget for the enforcement of section 7.

The Federal Trade Commission felt that $950,000 would be required for this purpose. The Bureau of the Budget cut this request in half, recommending $500,000.

Mr. President, it would hardly be consistent with our action in passing section 7 of the Clayton Act if we were to deny the Federal Trade Commission, which is the enforcement agency, sufficient funds with which to enforce that act. It would be similar to having a municipality adopt an ordinance, but then refuse to provide funds with which to hire the necessary policemen. Passing an ordnance and then firing the policeman is not the way in which Congress should do business.

By a 3-to-1 vote in both Houses of Congress, the Congress said it wanted mergers which threaten our economic system looked into by the Federal Trade Commission; and Congress said that if there are mergers which tend to create a monopoly or substantially lessen competition, orders of divestiture should be issued by the Federal Trade Commission.

Since January 1 of this year there have been 238 mergers or acquisitions, one corporation buying up another. I have a list of them before me. Many of those mergers are very substantial in nature. Many of them undoubtedly violate section 7 of the Clayton Act. Therefore, under the amendment passed by Congress, certain of those mergers are inimical to the public interest.

No funds are available for the purpose of even making investigations as to the 238 mergers which have occurred since the beginning of the present year. No funds are available for determining the facts in regard to these mergers. No funds are available to bring prosecution under the Federal Trade Act, as is required by section 7.

As an example of the cost of prosecuting a case under section 7 of the Clayton Act, I have before me the figures in regard to the expenses involved from November 1, 1947, to April 1, 1951, in the Federal Reserve Board's Transamerica case. In that case a section 7 prosecution was brought against the Bank of America, the Federal Reserve Board administering this act with respect to banking. That case was brought under the same act which the Federal Trade Commission exercises with respect to commerce and industry. The cost of that case so far—and it has not yet been finished—is $342,210. Approximately one-half of the cost is for salaries.

With 238 substantial mergers taking place in the first 5 months of this year, certainly the Federal Trade Commission will need more funds with which to investigate such mergers, and with which to prosecute the ones which should be prosecuted, than the Federal Reserve Board spent in prosecuting the Bank of America case.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. FERGUSON. In the case of antimonopoly matters—for instance, under section 7 which applies the antimonopoly laws to the purchase of assets, rather than simply to the purchase of stock, as was formerly the case—does the Senator from Tennessee realize that the FBI does considerable work in connection with the investigations? Does the Senator realize that the FBI receives its funds for that purpose from the Department of Justice, rather than from the Federal Trade Commission?

Mr. KEFAUVER. Section 7 of the Clayton Act gives authority to the Federal Trade Commission to make the investigations. Of course, in order to issue an order under section 7, it would be necessary for the Federal Trade Commission to make an investigation. We know that 238 mergers have occurred during the first 5 months of the present year, but the Federal Trade Commission has not been able to do anything whatsoever about them.

Mr. FERGUSON. Is it not true that when suit is brought under the antimonopoly law, the case goes to the Department of Justice, and is handled by

what is known as its antimonopoly section, which joins with the FBI in making the investigation? In this case the Federal Trade Commission desires to have its own investigators, rather than to use the present investigating staff, which is the FBI.

Mr. KEFAUVER. The Senator is approximately three-quarters wrong in regard to what occurs in such cases.

By law, the original investigation is required to be made by the Federal Trade Commission. It is the Federal Trade Commission which is required to investigate the 238 mergers which have already occurred in the past 5 months. After the Federal Trade Commission issues a complaint, the Department of Justice has the right to appear before the Commission and argue for or against the merger. The Department of Justice, of course, has charge of all appeals to the Supreme Court. But in all cases, the responsibility for making the investigation rests upon the Federal Trade Commission, under sections 7 and 11 of the Clayton Act.

The history of the past few years discloses that Congress has very rarely, if ever, given the Federal Trade Commission sufficient funds with which to conduct its activities. I have before me a study of the appropriations of the FTC, included in a report entitled "United States against Economic Concentration and Monopoly," which is a report conducted by the Small Business Committee of the House a few years ago. It shows, over a period of many years, what has happened to Federal Trade Commission appropriations. Let us take a typical year, 1949. The amount requested was $6,000,000, which was reduced to $3,850,000 by the Bureau of the Budget, and later, by the Congress, to $3,622,000. In 1950, the amount requested was $5,600,000, in which the Bureau of the Budget made a cut to $3,738,000, after which it was cut a little bit more in the Congress. For 1952, a request was made for $5,833,000, which was cut by the Bureau of the Budget to $4,392,000, and it was further reduced in the Appropriations Committee to the amount of $3,989,130.

The duties of the Federal Trade Commission are already so great that it cannot divert any funds from any of its other activities for the purpose of enforcing section 7 of the Clayton Act. I should like to have inserted in the RECORD at this point a brief statement of all the duties of the Federal Trade Commission for which allocations of money have been made in this appropriation bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DUTIES OF THE COMMISSION

In the administration of the five statutes committed to its jurisdiction, the principal responsibilities of the Commmission are:

1. To promote free and fair competition in interstate commerce in the interest of the public through prevention of price-fixing agreements, boycotts, combinations in restraint of trade, other unfair methods of competition, and unfair or deceptive acts or practices (Federal Trade Commission Act, sec. 5).

2. To safeguard the consuming public by preventing the dissemination of false or deceptive advertisements of food, drugs, cosmetics, and devices (Federal Trade Commission Act, secs. 12 through 15).

3. To prevent certain unlawful price and other discriminations, exclusive-dealing and tying contracts and arrangements, acquisitions of the stock and assets of competitors, and interlocking directorates (Clayton Act, secs. 2, 3, 7, and 8).

4. To protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in manufactured wool products (Wool Products Labeling Act).

5. To supervise the registration and operation of associations of American exporters engaged solely in export trade (Export Trade Act).

6. To petition for the cancellation of the registrations of trademarks which were illegally registered or which have been used for purposes contrary to the intent of the Trade-Mark Act of 1946 (Lanham Trade-Mark Act).

7. To gather and make available to the Congress, the President, and the public, factual data concerning economic and business conditions as a basis for remedial legislation where needed, and for the guidance and protection of the public (Federal Trade Commission Act, sec. 6).

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I yield to the Senator from Massachusetts for a question.

Mr. SALTONSTALL. If the Senator will permit, I may say I understand the situation to be as follows: The budget estimate for the Federal Trade Commission was $4,392,000. The House committee cut that by $255,600, to $4,136,400. Then, on the floor, on motion by Representative KEATING, the House made an addtitional cut of $244,705 to $3,891,695.

The subcommittee of the Senate Appropriations Committee restored $250,000 of that, for the enforcement of the amendment to section 7 of the Clayton Act adopted last year, and to restore the floor cut which was made, so as to make the appropriation, $4,141,695. This was followed by the 10-percent cut, which was made by the committee following the vote on the floor recently, which reduced the appropriation to the present amount in the bill, namely, $3,989,130.

The Senator from Tennessee would add $407,870 to the amount recommended by the committee, so as to bring the appropriation up to the original budget estimate of $4,392,000. I should like to call to the Senate's attention the fact that the Federal Trade Commission, in its request for restoration of the House floor cut, asks for only $135,000 for the purpose of enforcing the new law. The remainder of the amount asked by the Commission is for activities already under way. It would mean, then, that if we tried to cut——

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SALTONSTALL. If I may finish one sentence——

Mr. MAYBANK. I merely wanted to correct the Senator on one thing.

Mr. SALTONSTALL. If I have made a misstatement, I shall yield.

Mr. KEFAUVER. I ask unanimous consent that I may yield, without losing the floor, for the purpose of allowing the Senator from South Carolina to ask a question of the Senator from Massachusetts.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SALTONSTALL. I desire to stand corrected, if I have made a misstatement.

Mr. MAYBANK. I would merely suggest that the Commission originally requested $500,000 for the purpose indicated.

Mr. SALTONSTALL. That is correct; and the committee cut it in half, to $250,000.

Mr. MAYBANK. That is correct. I merely wanted to call it to the attention of the Senator, because the House allowed $135,000. Of course, the Senate restored about $250,000 of the House cut, following which the 10-percent cut came into play.

Mr. SALTONSTALL. That is correct.

Mr. MAYBANK. The effect of it was to make the increase which the Senate committee had provided $97,435, according to my understanding.

Mr. SALTONSTALL. That is my understanding, also.

Mr. MAYBANK. If the Senator will yield further, I should like to make a brief statement. No one appreciates the Federal Trade Commission more than I do, but of course I could not support the Senator from Tennessee on this amendment, nor could I support the Senator from Michigan or the Senator from New Hampshire in a further reduction.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I yield, but first I would like to observe that the Federal Trade Commission, as the Senator will find by referring to page 572 of the record, originally asked the Bureau of the Budget for $950,000 with which to enforce section 7 of the Clayton Act. The President recommended $500,000 for the purposes of enforcement of the law. As the matter finally eventuates, with the Ferguson amendment, the appropriation is $97,435 more than it was last year.

This amount is not adequate to even begin the enforcement of section 7 of the Clayton Act. Of course, a large portion of the Commission's other funds must be spent in enforcing the other laws which Congress has given it to administer, such as the Federal Trade Commission Act, the Wool Products Labeling Act, the Export Trade Act, the Robinson-Patman Act, and other acts.

It is manifest that the intention of Congress in amending section 7 cannot be carried out by the Federal Trade Commission with any $97,000. We passed a law imposing a responsibility on the Commission. We desire to protect small business. We want it to conduct investigations of monopolistic mergers. We want it to issue orders of divestiture where competition is lessened; yet we do not provide the Federal Trade Commission with resources to carry on these functions.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I yield to the Senator from Massachusetts.

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Mr. SALTONSTALL. I wish to correct one statement I made to the Senator from Tennessee. I said that the Federal Trade Commission requested that $135,000 be restored. That was from the House floor action. It does not take into consideration Senate committee action.

Mr. KEFAUVER. That would be $400,000.

Mr. SALTONSTALL. Yes, for the full budget; but that would not be for the new law alone. What I was going to do was to separate the amount to be expended in connection with the new law from other expenditures of the Commission.

As nearly as I can determine the amount, between $200,000 and $250,000 would be a fair figure for the enforcement. In the judgment of the Federal Trade Commission, that would represent a fair amount to be expended in connection with enforcement of the new law alone, apart from other activities.

Mr. KEFAUVER. I think the explanation of the $130,000 is that, after the House committee had allowed $250,000 for the enforcement of section 7, a request was made for $130,000, or a little more in addition thereto, in order to increase the figure to $402,000, as I recall. I think that is substantially what is now being proposed by my amendment.

Mr. SALTONSTALL. I think there is no difference between the Senator and myself in our understanding of the figure.

Mr. KEFAUVER. I do not believe there is.

Mr. SALTONSTALL. I think it would be a fair statement that between $200,000 and $250,000 is what the members of the Federal Trade Commission had in mind, as evidenced by their own words, as representing the amount which they believed would be necessary in connection with enforcement of the new section of the law.

Mr. KEFAUVER. But that would be in addition to what they were allowed by the House committee. They have always insisted that they should have $950,000. That is the figure they have requested, but the Bureau of the Budget cut it to $500,000. In any event, the record shows that there will be but $97,000 for the enforcement of section 7. One case, just one case, which was brought by the Federal Reserve Board under section 7, and which has not even been completed, has thus far cost $342,000.

During the first 5 months of this year there have been 238 substantial mergers in violation of section 7, which need to be investigated. The Federal Trade Commission is helpless to do anything about these mergers. In my opinion, Mr. President, if we pass a law and then fail to appropriate funds for its enforcement, we are not being fair to the persons who demanded that this loophole in the old section 7 be plugged. If it was in the public interest that the new section 7 be passed, the Senate and the House should support the expression of public opinion, as made by Congress, by appropriating funds for investigations to be made and suits to be brought.

Mr. President, there are some places where economy is not in the best interest of the Nation. It is not in the best interest of the Nation to permit mergers and consolidations which are monopolistic in character to continue unchallenged. The law was passed by a 3-to-1 majority, after a long fight over a period of 20 years. The will of Congress will be frustrated if adequate funds are not provided for the enforcement of the law.

So I hope, Mr. President, that my amendment will be agreed to.

Mr. WHERRY. Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from Tennessee.

On page 127 of the House hearings it appears that $202,205 was requested for the trade practice conference. Perhaps that is a good thing; I do not know. I have been advised that this activity has not worked out very satisfactorily. There is no statutory authority for it. Although such authority has been requested over the years, Congress has never given the authority, and we are now asked to appropriate a quarter of a million dollars to this agency when this activity has not been authorized by the Congress.

I also desire to point out, as a matter of record, that the Federal Trade Commission is doing so-called defense work for other agencies. The Senate hearings disclose that $200,000 is being given the Federal Trade Commission by OPS and NPA. I point out to the Members of the Senate that, instead of doing that work with their own employees, thereby saving money for the taxpayers, the Federal Trade Commission has hired extra employees to do work for which other agencies are paying.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. AIKEN. Will the Senator spell out the names of those agencies, instead of giving merely the abbreviations?

Mr. WHERRY. The NPA is the National Production Authority. FTC is the Federal Trade Commission, and OPS is the Office of Price Stabilization. The Federal Trade Commission is doing work for those two agencies. I agree that the work has to be done, but the Federal Trade Commission offered to do the work because it did not have enough for its employees to do; yet it hires new employees to do work which has been referred to it in addition to what it already has to do.

Mr. AIKEN. Does the Senator know whether the additional employees have been engaged temporarily, or are they permanent?

Mr. WHERRY. I suppose they were put on as temporary employees, but after employees are engaged, the Government keeps finding things for them to do.

Mr. AIKEN. The Senator is correct. "Temporary" means "permanent" in the Government.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. KEFAUVER. In reference to the trade practice conferences, the Appropriation Committees of both Houses have appropriated a certain amount of money to be used for that purpose whether or not the work has been authorized by subsequent legislation. The Federal Trade Commission could not take money appropriated for this purpose and use it in connection with section 7 activities.

Mr. WHERRY. I agree that the Senator is correct. They tried to get an authorization. On the floor of the Senate and on the floor of the House someone finds that these activities ought to be appropriated for, and the first thing we know an appropriation has been provided. If we had a test vote, the provision would not be agreed to. I point out to the distinguished Senator from Tennessee that we have been unable to get a statute providing for these conferences. It has been refused by the committees. As is very often done, when an agency cannot get an authorization, it tries to get an appropriation, and then wants an authorization. I am saying that this particular feature has not been authorized by the Congress. While it has been appropriated for, I doubt that Commission can get an authorization.

Mr. KEFAUVER. If the Senator will yield further, I do not know much about this trade-practice conference work which has been carried on by the Commission for many years, but assuming that we gave the agency funds for a purpose for which we should not have provided the money, that is no reason to forbid the agency from carrying on an activity which has been specifically and recently approved by the Congress.

Mr. WHERRY. I am not telling any agency what to do, but I think the proper thing is to come to the House and the Senate and get an authorization, and then ask for an appropriation. The agency here involved has not done so. If the distinguished Senator can show me that this activity is authorized by law, I shall be glad to give further consideration to the appropriation. But as a member of the Appropriations Committee, I feel that appropriations should not be made for this purpose until the Senate and the House authorize the Federal Trade Commission to do this very thing.

Mr. KEFAUVER. Of course, the appropriation about which I am speaking is one which has been authorized by Congress.

Mr. WHERRY. The distinguished Senator is talking about increasing the appropriation for the Federal Trade Commission by $400,000. He is talking about everything he can think of to help out the Federal Trade Commission. I am resisting the Senator's amendment. The first thing I have talked about is the trade practice conferences, which I say have not been authorized. I have other reasons why I think the amendment should be rejected.

Mr. KEFAUVER. I am not asking any money for the trade practice conference work. I agree that until the agency has received authorization for a purpose it should not receive any appropriation. I am talking about section 7, which by a 3-to-1 vote has been authorized.

Mr. WHERRY. I realize that. I think that instead of increasing the appropriations, we should decrease them. The Commission will still have sufficient employees for the enforcement of the Clayton Act, about which the Senator is speaking.

Does the Senator wish to ask another question?

Mr. KEFAUVER. The record shows that the Commission has not had anyone to assign to the work. I ask the Senator if he would not agree that with 238 mergers already having taken place since the law was passed, at the rate of 50 a month, $97,000 is insufficient and that the agency is going to need more money if it is to take action under section 7?

Mr. WHERRY. I might be that if the Federal Trade Commission received all the authorizations it desired, what the Senator says would be true. I am giving to the present occupant of the chair and to the Members of the Senate my experience in connection with these matters as a member of the Appropriations Committee. I say it is not necessary to increase the Federal Trade Commission's appropriation $400,000. The Commission has ample funds to do the job it is intended to do if it stays within its particular authorization. But, like many other Government agenices, the minute it gets started it wants to take over this and take over that. It offered to do defense work for another agency. It suggested it could do the work. After they are once given the authority, then what happens? They hire new employees to make surveys for OPS and for NPA, work which the latter two agencies are supposed to do with their own personnel. Yet the FTC increases its own personnel tremendously to do such work.

Mr. BRIDGES. Mr. President, will the Senator yield for a question?

Mr. WHERRY. I will yield in a moment. In view of the fact that the two latter agencies were established to carry on special work, there is no reason to give money to the FTC with which it may carry on the same work, unless the FTC will do such work with its own staff, rather than restaffing with employees who will carry on work of the other two agencies.

I now yield to the Senator from New Hampshire.

Mr. BRIDGES. The Senator from Nebraska is absolutely correct in his statement. What he points out is true, that not only one, but a great many so-called civilian agencies of government are rushing in as fast as they can to justify increased appropriations. Why? Because they propose to do the work necessitating the increased appropriations, for defense purposes. We are appropriating money for defense agencies, and those agencies have certain work to do. Civilian agencies are now using the limited war, or police action, whatever the administration calls it in Korea, to justify their requests for more money. Such practices should be absolutely stopped.

Mr. WHERRY. I thank the distinguished Senator from New Hampshire. He has very forcefully made an observation which is completely in accord with the thinking of the junior Senator from Nebraska respecting the FTC.

Mr. KEFAUVER. Mr. President, will the Senator now yield to me?

Mr. WHERRY. I yield.

Mr. KEFAUVER. May I ask the Senator from Nebraska, if the record does not show that the work done by the FTC for other agencies was done for them by reason of the fact that the FTC already had trained investigators and kept certain permanent records which these other agencies wished to make use of; that these other agencies called on the FTC for the staff and records which the FTC had, and that those other agencies reimbursed the FTC for that work? That is a matter which does not enter into this consideration of appropriations at all.

Mr. WHERRY. If it is necessary for the OPS or the NPA to make surveys, they can do so with the staff they already have. They do not need to come to the Federal Trade Commission for such service. In fact, the Federal Trade Commission went to those agencies and asked to be permitted to make the surveys. There is no reason why the two agencies which were established to do certain work should give money to the Federal Trade Commission with which to carry on the work. If the FTC were to do such work, it should do it with its own staff. It did not do so, however. Obviously, if additional help were required, OPS and NPA could have hired such additional help, without turning over any work to FTC to perform. We have appropriated money for OPS and NPA with the idea that they would carry on their own work, and not with the idea that another agency should ask for money to perform duplicate work.

Mr. MAYBANK. Mr. President, am I correct in understanding the Senator from Nebraska to say that we have appropriated money to the OPS and NPA with which to carry out the act which was passed in relation to them?

Mr. WHERRY. We have appropriated money to reimburse NPA and OPS for work that FTC is doing. That is what I mean. If we increase the amount by $400,000, we shall continue to appropriate money to FTC which I believe they should not have. Let me give the Senate another illustration. Let us consider the prosecutions of violations of the Antimonopoly Act. What happens?

Mr. KEFAUVER. Mr. President, before the Senator leaves the previous subject, will he yield to me?

Mr. WHERRY. I wish to finish my observation first, and then I shall be glad to yield to the Senator from Tennessee.

In the illustration I am about to give, we find duplication by a department of work done in another department. I believe the Department of Justice ought to conduct the prosecutions in cases of violations of the antimonopoly law. I do not believe the Federal Trade Commission should be staffed for that purpose. The Department of Justice has one staff, and the FTC has another staff, and how they keep out of each other's hair is more than I know. I believe the time has come when such money as is appropriated to FTC for the prosecution of antimonopoly violation cases should go to the Department of Justice. One agency only should be engaged in prosecuting, while the other agency should be engaged in determining the facts upon which the prosecution should be based.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. Yes. I have given another case wherein agencies were duplicating the work done by each other. We are paying for such duplication. The question is, Are we getting any results?

Mr. KEFAUVER. In any event the FTC is required by law to do its own prosecuting. The Senator from Nebraska may disagree with that, but there we have the requirement of law.

Mr. WHERRY. I disagree with that. I believe the Department of Justice should, by law, do the prosecuting.

Mr. KEFAUVER. Will the Senator not agree that section 11 of the Clayton Act says that the prosecution shall be undertaken by the Federal Trade Commission?

Mr. WHERRY. I agree, but in their own sphere. That is true. But what has developed is a duplication of prosecution. We may have a prosecution by the Attorney General for violation of a case which the FTC has prosecuted and acted upon. The party involved can be picked up and prosecuted again by the Department of Justice, so the FTC prosecution does not mean anything. The distinguished Senator from Tennessee is a lawyer. He knows as well as I do what ought to be done. He knows that all the prosecutions ought to be turned over to the Department of Justice where they belong, and that the FTC is the agency which should find the facts.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. DOUGLAS. Is it not true that the Department of Justice has virtually taken the position that it will not enforce the Robinson-Patman Act and virtually declines to prosecute under that act; so that if the law is to be enforced—and I presume it is the intention of the law that it shall be enforced—it will have to be the Federal Trade Commission that will do the prosecuting? Is not that the skeleton in the closet which should be brought out into the open?

Mr. KEFAUVER. If I may answer that——

Mr. WHERRY. Mr. President——

Mr. KEFAUVER. Let me make an observation.

Mr. WHERRY. I am glad to yield for that purpose.

Mr. KEFAUVER. What the Senator from Illinois has said is true. In my opinion, the Department of Justice has defied the will of Congress in refusing to conduct prosecutions under the Robinson-Patman Act. The Department of Justice refused to participate in the Standard Oil Co. case, which was decided in the Supreme Court just a few weeks ago. Hence unless the Federal Trade Commission had its own staffs, at least as to the Robinson-Patman Act, no prosecution would be brought.

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Mr. WHERRY. I wish to mention something concerning the FTC's activities in the Standard Oil case. We are seeking to bring about economy. We are doing everything we can for national defense. Everyone wants every dime possible to be used for national-defense purposes. But we are trying to effect a saving of six or seven billion dollars in the interest of protecting the value of the dollar, in the interest of stopping inflation, in doing whatever we can to bring about savings which are advocated by those who believe in economy. I am pointing out the places where the Federal Trade Commission can save money.

The other day I was very much inclined to offer an amendment in committee to cut the FTC appropriation, but I did not do so because I felt that the way to accomplish the purpose was to offer new legislation the purpose of which would be to transfer the prosecution of cases from the FTC to the Department of Justice. I intend to introduce such a bill at the proper time. I think that is the way it should be done. But under the theory they are working for defense, the FTC have asked to conduct investigations for OPS and NPA, and have employees running all over the country, duplicating the work of agencies which came to Congress asking for money and saying that such work was necessary to be done. We gave them the money they asked for. Now they are asking FTC to do the work, and FTC hires extra help to do the very work the NPA and the OPS should have done for themselves.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. MAYBANK. Much of the information they obtain from the Bureau of Internal Revenue and from the Treasury has resulted in investigations by these Government agencies which have aroused the people of the country.

Mr. WHERRY. Yes. Every time we turn around we find an investigation being conducted by an agency. When in this instance we try to effect a saving we are met with an amendment offered on the floor, the purpose of which is to increase the amount for the FTC. If there is one agency in the entire Government which will be mighty lucky to obtain appropriations on the present basis, I think it is the FTC. I do not believe they should receive appropriations unless they can thoroughly justify them. Those are my feelings. I have no ulterior motives in regard to this agency. Some of my best friends are employed by it. I am giving the Senate the truth based on experience and on questions I asked of representatives of FTC in the Appropriations Committee.

I desire the RECORD to show that I want the Federal Trade Commission to pursue effectively its functions and administer the laws over which it has authority, without duplication of the work of other agencies, or seeking to expand its authorities by interpretation, rather than by law.

Certainly one of its responsibilities is the administration of the amendment to section 7 of the Clayton Act, passed at the end of the Eighty-first Congress, to correct a weakness in the original act, which permitted the merging and absorption of business through purchase of a company's assets without purchasing its stock. There is no doubt that such a loophole has contributed in years past to greater concentration of economic power.

However, my difference with the junior Senator from Tennessee with respect to his amendment, is that he proposes a $400,000 over-all additional appropriation for FTC, whereas I believe the FTC appropriation as approved by the committee provides sufficient funds for the Commission to begin its enforcement of the amendment to the Clayton Act—and for its other administrative work, as well.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. McKELLAR. The Senator from Nebraska is on several subcommittees with me.

Mr. WHERRY. That is true.

Mr. McKELLAR. Is it not true that time after time we find that an appropriation is made for one activity, and turned over bodily to another activity?

Mr. WHERRY. The Senator is correct.

Mr. McKELLAR. That is bad government. It is dishonest government.

Mr. WHERRY. I thank the distinguished and able chairman of the Appropriations Committee, who has had such a long experience with appropriations.

I asked the prosecuting officers of the Federal Trade Commission: "Under the antimonopoly act, when do you start the prosecution, and when does the Department of Justice start a prosecution? Do both of you join and prosecute at the same time, or do you make the prosecution, followed by a prosecution by the Department of Justice?"

He replied, "We supplement the work of each other."

Mr. President, that is ridiculous. If one department is authorized to make the prosecution, and is equipped and staffed, and has the money to make it, if it is the department which should do it, its work should not be supplemented by that of the Federal Trade Commission or some other agency which is doing the same thing.

I thank the distinguished senior Senator from Tennessee, the very able chairman of the Appropriations Committee, for bringing to the attention of Members of the Senate the fact that time and time again we uncover in the Appropriations Committee duplicate appropriations going to agencies which are doing almost identical work, and which are trampling over each other trying to get the work done.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. The record shows that the Antitrust Division of the Department of Justice is asking for $3,700,000 for 1952. This would allow them 605 employees. It seems to the Senator from Michigan that if we are to have investigators in the Federal Trade Commission who are to work up the cases, and then transfer the cases to the Department of Justice, the agents of the Department of Justice who are to sit in court and actually try the case must review all the work of the Federal Trade Commission. I think the time has come when we must consolidate the work. It is not a question of not spending the money for prosecution of antitrust violations. It is a question of saving money and spending it wisely for the actual prosecutions, so that convictions can be obtained.

The enforcement of the antimonopoly law, so far as the United States is concerned, is a disgrace. There can be no doubt about that. Prosecutions have been brought, and after the case has been tried in court the parties finally enter into a consent decree. The monopoly is allowed to exist for years, and finally a consent decree is entered, under which the defendant is fined a few thousand dollars.

When the antimonopoly law was originally enacted it was not intended that the Department should do the investigating. We placed in the law a provision for triple damages, so that the Department would not be required to police various businesses. In the case of a small manufacturer—or even a large one—if his business were being interfered with by a monopoly, he would have the incentive to collect the evidence and start the case. By virtue of his effort in obtaining the evidence, he would receive triple damages.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. Just a moment. I have the floor. I shall be glad to yield to the distinguished Senator from Michigan so that he may ask a question of the Senator from Tennesssee, provided these observations hew to the line. I am not farming out any time for any Senator.

Mr. KEFAUVER. The Senator from Michigan has confused the Sherman Act with the Clayton Act. It is the Sherman Act under which the Department of Justice has exclusive jurisdiction. The Federal Trade Commission has nothing whatsoever to do with the Sherman Act, which is the law under which consent decrees have been entered. The Federal Trade Commission enforces the Clayton Act, including section 2, as amended by the Robinson-Patman Act. If it did not administer this act the Robinson-Patman Act cases would not be prosecuted, because the Department of Justice refuses to prosecute such cases—at least it refused in the Standard Oil case.

Mr. FERGUSON. Will the Senator state the reason why the Department of Justice refuses to prosecute?

Mr. KEFAUVER. The Department of Justice made its own interpretation of what was good economics, and decided, in effect, that the Robinson-Patman Act, enacted by Congress, is undesirable. So the Department simply refuses to support the prosecution. It refused to argue the case before the Supreme Court.

Mr. FERGUSON. The Senator appreciates, does he not, that the head of the Department of Justice is a lawyer and a former Member of the Senate?

Mr. KEFAUVER. A very distinguished lawyer.

Mr. FERGUSON. And a very distinguished former Member of this body. He is a Cabinet officer. Therefore, would it not be well, if he interprets the law in that way, for the United States Government to follow the Department of Justice, which is the chief law adviser to the administration, and which is headed by a Cabinet officer? Does not the Senator feel that the position of the Department of Justice should be followed rather than the position of an agency which is not headed by a Cabinet officer? Does not the Senator feel that the Department headed by a Cabinet officer should take the burden of performing the function of prosecuting cases?

Mr. KEFAUVER. The point is that the Department of Justice has always disagreed with the theory of the Robinson-Patman Act. It has always felt that under any and all circumstances the meeting of a competitor's price in good faith should be an absolute defense to a suit brought under the Robinson-Patman Act. The Congress, according to the interpretation most of us have given the law, said that good faith should be only a procedural defense. Thus, if we had to rely upon the Department of Justice, the Robinson-Patman Act would not be enforced.

But the principal point I wish to again emphasize is that if a law is to be changed, it should be changed in an orderly manner. But let us not deny an agency the appropriation required to carry out a law which Congress has enacted.

Mr. WHERRY. Mr. President, it is on that theory that I do not at this time offer an amendment to cut the appropriation of the Federal Trade Commission. I have already made such a statement on the floor of the Senate. I have already stated to my distinguished friend that I agree with him. I believe that the orderly way is to change the law, which I propose to try to do.

Mr. President, I invite the attention of Members of the Senate to the hearings before the subcommittee on the independent offices appropriation bill for 1952, at page 574. This covers the very point which I have been discussing. This is Mr. Edwards speaking:

> I have here a letter which arrived since the beginning of the hearing, from Eric Johnston, addressed to Mr. Mead as Chairman, and sent down from Mr. Mead's office, which says, in part:
>
> "Prior commitments will prevent me from appearing before the Independent Offices Subcommittee in support of the profit-data phases of your reporting program. However, I would like to take this means to express our substantial interest in your profit-reporting activities and express my hope that they will be continued. As you well know, we have found the profit data for the manufacturing segment of the economy."
>
> That is what we now get—
>
> "most useful as an aid in formulating stabilization policy and in connection with the evaluation of price action. We also look forward to receiving profit data from the trade segment of the Commission, which you are currently collecting for us under contract.
>
> "I trust that the Appropriations Committees of Congress will see fit to permit the continuance of your valuable profit-reporting program."
>
> AVAILABLE FUNDS
>
> The program which we are carrying on is important enough to them so that as I left my office this morning I was told that they are now in process of preparing a request for us to get the figures for an additional base year for the manufacturing end of the program for a new sum of money, which they will supply.
>
> Senator ELLENDER. How much money have they supplied you up to the moment?

He is talking about OPS supplying the money to do a job which has been assigned to the Federal Trade Commission.

> Mr. EDWARDS. They have supplied us for the current fiscal year with $125,000. That includes a sum for equipment, which is nonrecurring.
>
> It is estimated also that the additional funds which they will supply us to keep the program going will run at the rate of $200,000 a year.
>
> We are spending of our own money, out of our own appropriation, a little over $100,000 a year for the manufacturing profit data.

Mr. President, that is an example of what I have contended all along, namely, that agencies do pay to other agencies for work performed for them. If NPA or OPS did not get enough money they should have come before the Committee on Appropriations. Instead, they gave $125,000 of their money to do the job. Now FTC comes to Congress and asks for another appropriation to do the same job.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. KEFAUVER. Since 1939 the Federal Trade Commission has been keeping profit data on manufacturing industries. Since they were already keeping the data, Mr. Eric Johnston decided to ask them for certain information. He asked them to expand their work along certain lines which he regarded as important to his agency. He then reimbursed the Commission. They are not asking for any appropriation for the work they are doing for Mr. Eric Johnston. If Mr. Johnston did not use the Commission to obtain the figures which he required, he would have to obtain them by other means—probably at greater cost. It made sense to Mr. Johnston, and it makes sense to me, to secure the information which he needs by calling on established agencies which for years have been providing this type of material, rather than establish duplicate operations. Mr. Johnston's action was an action designed to attain economy, for which he should be commended.

Mr. WHERRY. Mr. President, that is not the situation. FTC hired a great many empoyees to do the job which the Senator says they are already doing. If the job had to be done an appropriation should have been asked for it by NPA or OPS. They are the ones who are accountable to Congress. They should not be paying $125,000 to another bureau, and have the bureau come to Congress and ask for reimbursement of the money which they paid to another agency. They should come before Congress in the first instance.

Mr. KEFAUVER. The Federal Trade Commission is not asking for any appropriation for that work.

Mr. WHERRY. The Federal Trade Commission has asked for additional appropriations. They are resisting the cut-back. The distinguished junior Senator from Tennessee is asking that the appropriations be raised by several hundred thousand dollars. I am resisting the request under two theories. The first theory is based on the example which I have already given.

Let me go a little further. The House Small Business Committee studied the Federal Trade Commission last year. They made a complete study of all the claims that came up. The chairman of the committee, Representative PATMAN of Texas—and the junior Senator from Tennessee knows Representative PATMAN very well—filed a report. He filed House Report 3236, Eighty-first Congress, second session. At page 18 he discusses the "low level of morale among the employees"; the "internal strife and office politics that prevade the agency"; the "many small cliques and groups whose chief interest is in personal authority and advancement"; the presence at FTC of "numerous prima donnas, persons who are looking for personal glorification and who seem to have scant appreciation of the need for teamwork"; and "among the older employees an attitude of indifference toward the work of the agency."

That criticism is contained in the report filed by the chairman of the committee, Representative PATMAN of Texas.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I wish to read the conclusion. The conclusion is contained on page 44:

> The conclusion reached by the committee in respect to the need on the part of the Federal Trade Commission for additional financial support presupposes the maximum degree of operating efficiency and an ability to render a dollar's worth of public service for each dollar appropriated.

Those are the words of Representative PATMAN, who went into all the activities of the Federal Trade Commission.

> Unfortunately, this high level of operating efficiency does not exist today. We do not disparage the numerous worth-while efforts made by the present members to increase the Commission's effectiveness. We feel, however, that the progress made up to the present time is not sufficient to justify any very substantial increase in the Commission's appropriations.

Those are the words of Representative PATMAN, chairman of the committee which made the investigation of the activities of the FTC and filed its report in January 1951.

Yet the junior Senator from Tennessee [Mr. KEFAUVER] asks the Senate for an additional appropriation of $400,000.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Tennessee.

Mr. McKELLAR. I wish to ask the Senator from Nebraska whether it is not correct to say that the two items involved were very carefully studied by the committee. As I understand, they were discussed in committee, and proof was heard

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with respect to them. We wish to meet every obligation. The distinguished chairman of the subcommittee, the Senator from South Carolina [Mr. MAYBANK] was perfectly fair about it. He wanted to do the right thing by the Federal Trade Commission.

No one has anything against the Federal Trade Commission. We wish to help it along. However, it appeared to the committee, after very careful study and consideration, that the amounts that should be recommended are those which are contained in the bill. A very careful study was given to the subject in committee. Such careful study has not been given to the subject on the floor. After very careful consideration the committee reported the amounts which are contained in the bill.

I hope that not only every member of the committee but that every Senator will vote against the two amendments.

Mr. WHERRY. Mr. President, I wish to make some further observations.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I should like to finish with some observations. Then I shall be happy to yield.

The Federal Trade Commission has pursued a course of conduct which is directly contrary to the expressed will of Congress. It is also now pursuing conduct contrary to the interpretations of law by the Supreme Court. It is doing so at this very moment.

In thus directing its activities in a manner contrary to the objectives desired by Congress, the Commission is dissipating the funds appropriated by Congress.

Obviously, the appropriations are intended to carry out the policies directed by Congress. Furthermore, FTC's conduct requires substantial unnecessary expenditures by many business firms, which are compelled to pay the cost of litigation and controversies instigated by the Commission in disregard of the expressed will of Congress.

The junior Senator from Tennessee knows what I am talking about.

The Supreme Court has rendered a decision. Instead of obeying the Supreme Court's decision, the Federal Trade Commission sends its employees to Congress to lobby in an effort to get a contrary opinion. I say that is not the function of the Federal Trade Commission. If it is possible to do so, I should like to have that statement underscored with black ink. That is not the job of the Federal Trade Commission. Congress writes the laws. Congress is capable of writing the laws. Bureaus of the Government should interpret the laws in the same manner the Supreme Court interprets them. Congress writes the laws and the Supreme Court interprets them. If all we are to do is to appropriate the money and then have the Federal Trade Commission lobby for legislation which would go contrary to the decision of the Supreme Court, I say they violate the very purpose for which FTC was created.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. Not at this point. I do not wish to get off the track. I wish to finish with my observations.

When Congress passed the Robinson-Patman Act in 1936 it refused to adopt the mill-net theory of price. Yet FTC argued this theory in the Cement case. Later it told Congress that it used mill-net merely as a method of exposition.

Even now, two cases before the Commission, the Chain case and the National Lead case, both of which have been pending for 5 years, still proceed under the mill-net theory.

Last August FTC wrote the Committee on Interstate and Foreign Commerce to the effect that the cases would be decided in a few months, but they are still undecided. They are still undecided after 5 years. That is proper work for the FTC to perform. The Commission should get busy and decide some of its cases instead of trying to lobby Senators and Representatives to legislate against decisions with which they disagree.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. WHERRY. I shall be glad to yield in a moment. I should like to finish my observations. If the Senator from Louisiana wishes to ask a question on this point, I shall be glad to yield to him. There is no one to whom I would rather yield than to the Senator from Louisiana. If he wishes to ask me a question on this item, I am only too glad to yield. Does the Senator wish to ask a question on this point?

Mr. LONG. The Senator from Nebraska knows that a great many people lobby. I do not know whether the Federal Trade Commission has lobbied on this bill. Certainly all the cement companies are lobbying in Congress in an effort to try to enact a law which would permit them to resume the practices which were followed in past years.

Mr. WHERRY. That is beside the point. The Federal Trade Commission was created as an agency of the Congress. Its obligation is to enforce the laws which Congress passes, as those laws relate to the field in which the Federal Trade Commission operates. It is not the obligation or authority of the Federal Trade Commission to interpret those laws contrary to the will of Congress and then send its representatives to Congress as a lobby to attempt to persuade the Congress to enact legislation which will be directly contrary to the will of Congress. It is not the job of the Federal Trade Commission to lobby against legislation which will write upon the statute books the final determination made by the Supreme Court. Yet that is exactly what representatives of the Federal Trade Commission are doing; they are lobbying in that way, saying that the Supreme Court does not know what it is talking about and saying that the Congress does not know what it is talking about. Representatives of the Federal Trade Commission spend more time lobbying in Congress than they spend in doing anything else.

The truth of the matter is that the two cases I have mentioned have been before the Federal Trade Commission for 5 years. Yet it is impossible to obtain a decision from the Federal Trade Commission.

Mr. McKELLAR and Mr. KEFAUVER addressed the Chair.

The PRESIDING OFFICER. (Mr. SMITH of North Carolina in the chair). Does the Senator from Nebraska yield; and if so, to whom?

Mr. WHERRY. I intended to complete my statement before I yielded, Mr. President. However, inasmuch as I have already begun to yield, I shall yield now—first to the senior Senator from Tennessee [Mr. McKELLAR] and then to the junior Senator from Tennessee [Mr. KEFAUVER].

Mr. McKELLAR. Mr. President, the Senator from Nebraska has said a number of times that certain persons are lobbying in Congress against the bill. Does the Senator have any knowledge of that, or is he simply referring to rumors?

Mr. WHERRY. Mr. President, the Senator from Tennessee misunderstood me. I did not say that lobbyists were engaged in lobbying against this appropriation bill, but I said that the Federal Trade Commission has sent some of its own employees to Congress to lobby against the decisions in some of the cases which I mentioned a moment ago.

Mr. McKELLAR. There is a law against that, and we should see to it that the law is enforced.

Mr. WHERRY. I thank the Senator from Tennessee for his observation.

Mr. President, in this connection let us consider the ECA. Recently we passed what is known as the Kem amendment, relative to the ECA. That amendment provides that the Secretary of Defense shall determine what materials are strategic materials, and that—by a mandate of the Congress—he shall not permit countries which are the recipients of ECA aid to export such strategic materials to satellite countries or to Russia, unless such exportations are in the interest of the national security of the United States of America.

However, what has happened? Just as soon as we put that law into effect, a horde of ECA employees begin to talk to Members of Congress and to send them documents, and they say to Members of Congress that the law will not work in Austria or in Norway; and the ECA officials say they will have to suspend all operations under the act if the Kem amendment remains in effect, instead of interpreting the act in accordance with the mandate of Congress, namely, determining whether the export of individual items is in the interest of our national security.

I can name agency after agency which, the moment Congress attempts to write a statute affecting it, sends hordes of its representatives to tell Members of Congress what to do. They even write speeches for a number of Members of Congress, who deliver them on the floor. If we wish to know the truth relative to some phases of this intricate subject, let me say that I have seen that very thing happen; I have seen copies of the speeches and I have heard them made. Certainly that happens on a wholesale basis.

At the moment I am not asking for further cuts to be made in the appropriation for the Federal Trade Commission, although I am in favor of having that done. If any Senator will offer an amendment calling for a larger cut than the one now proposed, that will be satisfactory to me, and I shall vote for it.

However, I did not intend to propose at this time a larger cut in the appropriation for the Federal Trade Commission. I prefer not to make such a proposal until after we act on an authorization in regard to the duties of the Federal Trade Commission. When we act in that connection, I think we should act in such a way as to see that the Federal Trade Commission does what it should do, namely, enforce the laws which it is required to enforce and perform the duties which are imposed upon it. Certainly it is not the duty of the Federal Trade Commission to permit its representatives to lobby with Members of Congress in regard to the Standard Oil case or any other case, or to attempt to lobby with the distinguished junior Senator from Louisiana [Mr. LONG], who is the son of another great Senator.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. KEFAUVER. I do not know just what the Senator from Nebraska means when he refers to lobbying.

Mr. WHERRY. The Senator from Tennessee knows what I am talking about.

Mr. KEFAUVER. Let me make it clear——

Mr. WHERRY. Let me make it clear that the Senator knows what lobbying I am talking, and he knows those who are lobbying against the bill.

Mr. KEFAUVER. I cannot read the Senator's mind.

Mr. WHERRY. The Senator from Tennessee does not have to do that.

Mr. KEFAUVER. But the Senator from Nebraska knows that I have been interested in the enforcement of section 7 of the Clayton Act for nearly 10 years. He knows that as a Member of the House I introduced bills to amend section 7 as early as 1945? Does he know that I presented my case for the bill before the House Judiciary Committee of the Seventy-ninth and Eightieth Congresses and before the Senate Judiciary Committee of the Eighty-first Congress? Therefore, I wish to see the Congress provide sufficient funds to enable the Federal Trade Commission to perform the duties which have devolved upon it by Congress under that Act. Certainly, if a Senator requests a list of the mergers and similar information, I do not think the Senator from Nebraska should classify the submission of that material as lobbying. Are we to understand that furnishing Members of the Senate with information which Senators request constitutes lobbying? The submission of material upon request is the only so-called lobbying I know of.

Mr. WHERRY. Mr. President, if I may conclude, I should like to say that in passing Senate bill 1008 last year, Congress said it favored permitting sellers to reduce their prices in good faith to meet competition. The Senate said that, and so did the House of Representatives. In the Standard Oil Co. case the Supreme Court said the present law gives the seller that right. However, in both the Standard Brands case and the Minneapolis-Honeywell case, now pending in the courts, the Federal Trade Commission argues that the sellers can reduce their prices to meet competition only if in each case permission is obtained from the Federal Trade Commission. The Federal Trade Commission is attempting to require the seller to obtain such permission in each individual case in which the seller wishes to meet competition. That is why I favor turning this entire matter over to the Department of Justice.

The Federal Trade Commission and its lobbyists now say they need more money in order to be able to go through lengthy and expensive proceedings every time a seller wishes to meet a competitor's price. Mr. President, the result of permitting the Federal Trade Commission to go through long, expensive proceedings each time a seller wishes to meet a competitor's price will be, in effect, to destroy the right which Congress approved and which the Supreme Court has said presently exists. However, of course, the Federal Trade Commission does not agree about that, so the Commission wishes to have $400,000 more appropriated to it, to permit it to bolster up its appropriations to such an extent that it will be able to do what it pleases.

In Senate bill 1008, Congress said it favored permitting sellers to reduce their prices in order to meet competition, and in the Standard Oil Co. case the Supreme Court said that the right to engage in good-faith competition was a necessary right in order to preserve a competitive economy. Mr. President, I am interested in preserving a competitive economy, and I am interested in having that right preserved. That opinion was handed down by the Supreme Court. However, in its report on Senate bill 719, the Federal Trade Commission urges Congress to reverse the Supreme Court's decision, although the Court's decision was in accord with the express will of the Congress and the Federal Trade Commission is supposed to be an arm of the Congress.

Last year the Federal Trade Commission's Chairman, Mr. Mead, testified before the Committee on Interstate and Foreign Commerce that the Commission was concerned only with the laws as passed by Congress, and that it could not be concerned with the consequences of those laws. He said that the Commission's obligation was only to carry into effect the laws passed by the Congress, and that it was the obligation of Congress to have constantly in mind the effect of the laws on the welfare and well-being of the country. Yet, Mr. President, instead of the Federal Trade Commission discharging its obligation in connection with enforcing a law which Congress has passed in performing its constitutional duty of considering the welfare and well-being of the country, it devotes its time and energy to fighting the Congress and to defying the decision of the Supreme Court of the United States. That is exactly what I mean.

Mr. President, that is why I rise in opposition to this amendment. The Federal Trade Commission does not need any more funds in order to be able to perform its functions, as authorized by the Congress. In fact, the Senator from Tennessee, who is a lawyer, should join with me and we should place the prosecution of these cases in the Department of Justice, where they belong, and we should do a few other things in connection with the Federal Trade Commission. We should wipe out the strife in the Commission and should see to it that something worth while is done by it. When we provide for that, I believe Representative PATMAN and the other Members of Congress will go along with us.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FREAR. Did the Senator from Nebraska say the hearings before the Commission had continued for 5 years?

Mr. WHERRY. I think that is correct.

Mr. FREAR. The Senator will recall, no doubt, that up until about a year ago the Chairman of the Federal Trade Commission was a member of the Senator's own party, and a very distinguished man.

Mr. WHERRY. The Chairman of the Commission is Mr. Mead.

Mr. FREAR. I refer to the former Chairman. He was a member of the Senator's own party, was he not?

Mr. WHERRY. I do not know whether or not one good Republican in the Federal Trade Commission can handle all the Democratic members of it; I am not sure. [Laughter.]

As a matter of fact, I do not know whether the former Chairman was a Republican. The only Chairman of the Commission with whom I have had anything to do is Chairman Mead. I have great respect for him. I do not know what the trouble is, but we find the chairman of the Small Business Committee of the House of Representatives, Representative PATMAN himself, who is one of the authors of the Robinson-Patman Act which the FTC administers, in no uncertain terms condemning this Commission. He says they should not have another dime, until there is evidence on the part of the Commission that they want to get along, and that they want to do some good. Yet we continue to appropriate—for what major reason? To permit a few of them, whom one good Republican cannot handle, to come to the Capitol and tell us what we cannot do in the matter of legislation.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to my good friend from Delaware.

Mr. FREAR. I think I can support the Senator's point of view without much difficulty at all.

Mr. WHERRY. I thank the Senator.

Mr. FREAR. But I wish to bring out the fact that it is not merely a matter of who is chairman of the Federal Trade Commission, and of whether he be a distinguished member of the Senator's party or a member of our party. The fact remains that the men in those agencies are lobbying on the hill, and cer-

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tainly I am one who objects to it. I should like to ask the Senator whether the persons from the agencies who are at the Capitol lobbying are on the Government payroll while doing the lobbying?

Mr. WHERRY. I think there can be no question about that.

Mr. FREAR. Then I believe it is the duty of Senators on the floor of the Senate as well as members of the Appropriations Committee, to see that appropriations are not provided for purposes in connection with which they engage in such lobbying.

Mr. WHERRY. We might write a limitation in the legislation.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from South Carolina.

Mr. MAYBANK. I simply wish to assure my distinguished friend from Delaware that when Government employees come to the Capitol to attempt to influence the committee they are serving no good.

Mr. WHERRY. I did not refer to the committee. I say they are lobbying with Members of the Senate and Members of the House. They are doing more than that. Publicly they are doing all they can, by means of letters, telephone calls, and every other means, to thwart absolutely the intent of Congress. I think most Senators on the floor know that to be so, and would say that I am correct in my statement, and that the statement is not excessive to any degree.

Mr. President, I should like to conclude by thanking the distinguished Senator from Delaware for his observations. He has hit the nail exactly on the head. If the Federal Trade Commission wants to show good faith, and wants to correct its vices, and all that goes with them, as outlined by Representative PATMAN, the chairman of the House Select Committee on Small Business, in the report submitted by him; if the members of the Federal Trade Commission comply with that report by cleaning up the Commission and doing the job they ought to be doing within their own agency, administering their functions as the Congress intends the Commission should, then they can come before us with clean hands to request appropriations. But until they do that the least we can do is to refuse to give them any more money than the Appropriations Committee felt to be justified to enable them to perform their functions during the coming fiscal year.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield further to the Senator from Delaware.

Mr. FREAR. I should merely like to offer another comment, if I may, in view of the remarks made by the distinguished Senator from South Carolina. In his behalf, and in his defense, I should like to say that, so far as I am concerned, I do not believe that any of the lobbyists from the agencies downtown have had any undue influence on the distinguished chairman of the Committee on Banking and Currency, who is also chairman of the subcommittee in charge of the pending bill.

Mr. WHERRY. I appreciate the Senator's remarks, and I thank him.

Mr. LONG. Mr. President, I do not believe the record should stand completely unanswered in regard to the statements just made by the distinguished minority leader. As a matter of fact, it is my feeling that it is not proper for Congress to attempt to put pressure upon independent agencies, to the extent that if the independent agencies carry out their duties as they see them, the Congress will, in effect, punish them, in the matter of their appropriations, for doing what those administering the agencies in their hearts feel to be right. The point was made that the Federal Trade Commission should not have been attempting to enforce the law against the Standard Oil Co. of Indiana when that company was engaged in a practice which was driving hundreds of independent filling station operators out of business.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LONG. I will yield as soon as I complete this point. In my opinion, that is exactly what the Federal Trade Commission is for. The Commission was doing its duty as it saw it, and I might point out that the Federal Trade Commission won that case in the circuit court of appeals. Had one of the judges of the circuit court of appeals, who had been advanced to the Supreme Court, been able to vote on the last decision, it would have been only a 5 to 4 decision, in favor of the Standard Oil Co. of Indiana. Because of that decision, small business is in very grave trouble today. The fair trade laws have been declared unconstitutional by the United States Supreme Court. The Robinson-Patman Act has been declared not to mean what it was supposed to mean, and small business is in danger of being completely destroyed by larger competitors. I say, Mr. President, that the Federal Trade Commission was doing the best it could, insofar as the performance of its duty was concerned.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LONG. I will yield in a few moments. I have read the reports coming from the Committee on Interstate and Foreign Commerce, which say, in effect, that the Federal Trade Commission should enforce the law as the Committee on Interstate and Foreign Commerce would like to have the law interpreted, and I have heard the inferences that, although the Congress did not override the veto of the President of the United States, a bill which never became law should be regarded as the substantive law of the United States, for the benefit of the Standard Oil Co. of Indiana, for the benefit of the Cement Institute, and certainly for a benefit accruing to the steel companies, who are asking us to change the law.

So far as the point which has been made regarding lobbying is concerned, I may say that every bit of information I can get from the Federal Trade Commission or from anyone else to show the harmful effects of the basing-point pricing system, or the type of discrimination which is being practiced by the Standard Oil Co. of Indiana, which was shown in the very case we are discussing here, will be welcomed by the junior Senator from Louisiana. I shall seek it wherever I think it can be found. As a Member of the Senate, I believe I am entitled to such information.

I have no knowledge of any improper lobbying being done by the Federal Trade Commission. Let us recognize where the real lobbying is. I, personally, have been contacted. I have spent hours in conference with distinguished executives of some of the largest cement companies in America, who have asked me to go along with the bill which the Senate is expected to consider within the next few days, a bill proposing to change the antitrust laws, in order that the Cement Institute of America and all its members may be able to continue making agreements among themselves as to what the public is to pay for cement without the public having absolutely anything to say about it. Perhaps they may be able to get such legislation; I do not know whether they will or not. But I know where the real lobbying is. I know where the influence is. I know where the campaign contributions will come from, if any are to be made.

So, Mr. President, let us not accuse the Federal Trade Commission of improper lobbying before the Congress because it gives to a few Members of the Congress the facts which we so earnestly seek.

Mr. WHERRY. Mr. President, the Senator from Louisiana would not yield to me, so I should merely like to say, in my own time, that he may know where the campaign contributions are coming from, and I know where they will go. I repeat, I know where they will go; and that is a statement which is exactly true.

Mr. NEELY. Mr. President, some of us would like to find out about that. Where are they going? [Laughter.]

Mr. WHERRY. Why was the basing point bill vetoed? There was no justification for the veto. Those of us who raise sugar beets and other farm products want to be able to raise those products and to deliver them to any market in the world; and, if we want to absorb the freight, I submit we have a right to do it. We are doing it in defense of the free economy and of the law of the land in the United States of America. Any Senator who stands on this floor to say that that legislation is only for the benefit of the Standard Oil Co. of Indiana either does not know what is in the legislation, or misrepresents what is contained in it. I want that statement to be as strong as I can make it.

Without in any way wishing to become involved in personalities with the Senator from Louisiana, I contend that if I want to sell and deliver a mule to a purchaser 50 miles from my home, and if I want to absorb a cost of, say $25, in order to effect delivery, and in order to meet competition, anyone who says that is not in the interest of the little man; the only ones he has met are big-business men, including the Standard Oil Co. of Indiana.

Mr. President, one more thing. The Senator from Louisiana talks about the Robinson-Patman Act as though he were

one of its authors, and as if he were the only man who is interested in the protection of small business. I am willing to submit my record of service in the Senate for a period of 9 years, with respect to protecting small business, against the record of any other Member of the Senate, including the Senator from Louisiana, who continually makes charges of the kind he is now uttering. I am willing at any time to submit my record.

I want to ask if the Senator believes in Mr. PATMAN. He is the author of the act.

Mr. LONG. Mr. President, will the Senator yield, in order that I may answer his question?

Mr. WHERRY. I yield.

Mr. LONG. I think he is a distinguished gentleman, and I believe that the Commission's interpretation of the act is the very interpretation which the author of the act, Mr. PATMAN, put on it.

Mr. WHERRY. Mr. President, I did not yield so that the Senator could make a speech.

The Senator said he believed in Mr. PATMAN. Let us see what Mr. PATMAN says with reference to the Commission:

> The conclusion reached by the committee in respect to the need on the part of the Federal Trade Commission for additional financial support presupposes the maximum degree of operating efficiency and an ability to render a dollar's worth of public service for each dollar appropriated. Unfortunately, this high level of operating efficiency does not exist today. We do not disparage the numerous worth-while efforts made by the present members to increase the Commission's effectiveness. We feel, however, that the progress made up to the present time is not sufficient to justify any very substantial increase in the Commission's appropriation.

There is Mr. PATMAN's statement. He is the hero of the Senator from Louisiana. He is the man who he says is the champion of small business. He is a Member of the House. But as to his conclusions so far as the Federal Trade Commission is concerned, he says that until the Commission increases its efficiency, it should not have any increase in appropriations.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. KEFAUVER. Will the Senator state the date of the report from which he read?

Mr. WHERRY. The House Small Business Committee studied the Federal Trade Commission last year, and the chairman filed a report in January 1951, House Report No. 3236, Eighty-first Congress, second session. What I quoted was from page 18 of that report.

Mr. KEFAUVER. Does the Senator from Nebraska know that Representative PATMAN made that statement at a time when vacancies were being filled on the Commission? Does he know that the statement was actually written before the enactment of H. R. 2734, amending section 7, on December 29, 1950, though filed a few days later? Does he know that Representative PATMAN feels much better about the Commission at this time?

Mr. WHERRY. I admit that Members of Congress can change their minds overnight when it comes to appropriations.

Mr. LONG. Mr. President, insofar as I am concerned, I have no particular knowledge of the appropriations or of whether a smaller or larger amount is needed. The point I had in mind was that I disliked to see the Commission criticized because it is making an attempt to protect small business, as I believe it should do. When Senate bill 1008 was before the Senate I was asked by some persons to support the bill and by others to fight it. I believe that small-business men have a very good idea about what is good for small business, and when they unanimously said that they believed the tactics pursued by certain large corporations were wrong, the probabilities were that they knew something of what they were talking about. Yet, after the Commission has been prosecuting certain corporations for 14 years, after many thousands of pages of evidence have been produced against them to prove what they have done has been against the best interests of the Nation, the corporations seek selfishly to change the law. If they are successful the probabilities are that they will return to the same kind of pricing practices they adopted in the past.

I pointed out that a commission enforcing the law in line with what it conceived its duty to be, for the benefit of the Nation and of small business, should not be criticized. If Congress does not like the way in which the Commission interprets the law, the law can be changed. Congress has declined to change the law up to this time. I am only too happy to have the Commission do what it can to protect the small independent merchants of the Nation.

Mr. FERGUSON. Mr. President, I am somewhat fearful that we are slightly off the track as to what is being done here. We got into an argument over the question of the enforcement of antimonopoly laws. The appropriation requested is $4,392,000. We have spent most of the time arguing and debating the question of the enforcement of a new section placed in the law as if the whole appropriation of $4,392,000 were going to be used for the express purpose of enforcing section 7.

Section 7 is a new section which provides that it is unlawful to appropriate the accumulation of assets of corporations in such a way as to create a monopoly. Formerly, it was the accumulation of stock and interest of one corporation by another which was condemned by the law, and for which a corporation should be prosecuted. I happened to be a member of the subcommittee which heard the evidence on section 7 when the question was before the Senate Judiciary Committee.

Mr. President, the work of enforcement in the first year can be carried on without great appropriations, for the reason that the Commission had investigated the proposition and had brought large volumes of evidence before the committe prior to the time there was such a law, so as to convince the committee and the Congress that such a law was needed.

As I understand the process of enforcing antitrust laws, the Commission takes one of the best cases in which to start an action, and proceeds through the courts to get an interpretation. It is not going to start hundreds of cases during the first year. If it were to start all the cases it has before it, of 655 additional employees requested it is asking for only 139 in the antimonopoly bureau. So we are talking about 139 employees out of 655.

I hope that when Senators vote upon the pending amendment they will not base their action on a decision as to whether they are in favor of the enforcement of section 7, or the enforcement of the law requiring prosecution of corporations which create monopolies by buying the assets of smaller or even of greater corporations. When we vote let us bear in mind that the agency should perform its functions within a limit which will be proper in our present strained national emergency.

Mr. President, has this particular agency been wasteful? Has it used employees not needed in the enforcement of the antimonopoly laws? Let me give the Senate a little evidence which has been adduced, and which has not been disputed. I am not now referring to the Chairman of the Commission, who is an able and distinguished gentleman, but let me say to the Senate, that, as those who have examined the various Government commissions know, it is not the chairmen who know what is going on in the commissions. A chairman has much greater functions to perform in connection with the interpretation of rules and regulations and the creation of policies. Who runs such agencies? It is the lawyers, the economists, and the planners.

I see that the distinguished Senator from Illinois [Mr. DOUGLAS] raises his hand when I mention the word "economists." Economists disagree more often than do lawyers. I know what I am talking about, because I happen to be a lawyer.

Mr. President, the Chairman of the Commission does not know what is going on. Therefore Congress must determine how much money is needed. There are 10 full-time employees vouchering the slips for the handling of $191,000. The salaries paid these 10 employees, if they only get the average minimum of $3,600 a year, is $36,000. Think of it. An amount equal to one-fifth of the amount of the vouchers they are auditing is paid to the auditors. I am sure the distinguished economist from Illinois would say, as the Senator from Michigan would say, that this is too great a percentage to be paid simply for the auditing of these slips.

Mr. President, there are in this agency 35 employees in the Service and Supply Section. What do Senators suppose they service and supply? That must be surely the buying of red tape. Certainly, 35 employees would not be necessary to deal with supplies and equipment in this Commission, which has nothing whatever to do with the servicing of the Army. They are using 35 employees to purchase paper, and so forth, and 10 employees to audit the work of the 35. Just think of it—35 persons in this particular

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agency are in the Service and Supply Section, a portion of whose duties is to buy the supplies and equipment and the furniture of the department, and there are 10 employees to audit the paper work of these 35.

Then the agency comes here and says that they cannot take a cut. Here we have an agency with 665 employees, many of whom are employed in the ways I have recounted to the Senate, yet the minute it is proposed to cut them $1 they say, "You are going to take it out of prosecutions of cases for violation of the antimonopoly law. You are going to take it out of the man who is to enforce the particular law."

That reminds me of what happened to the Senator from Michigan when he proposed, in executive session of the committee, to cut a certain item in the Post Office Department appropriation. Within a short time the Senator from Michigan received complaints from Flint, Mich., from lawyers who wanted to know whether I proposed to close down the post office so they could not operate in Flint.

Mr. THYE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. THYE. In looking at the itemized statement, as it appears in the side slips, or in the explanation of the various appropriations, I note that there is a $40,708 increase for trade-practice conferences.

Mr. FERGUSON. Yes.

Mr. THYE. I notice that there is an increase of $5,252 in the item of printing and binding. Then there is an increase in the item of equipment, of $4,252. We can go through various items and find similar increases, but we cannot obtain an intelligent explanation of why the increases are made. I wonder if the able Senator from Michigan can give me an explanation as to why there should be an increase of $40,708 for trade-practice conferences. Why is such an increase needed?

Mr. FERGUSON. I will read to the Senator from Minnesota and to the Senate the reasons assigned in the hearings.

Mr. THYE. I have read the statement contained in the hearings, and I cannot find a common-sense, full explanation of what I am seeking in that statement. That is why I asked the Senator from Michigan if he could give me an explanation. The explanation contained in the hearings is found on page 562. I cannot find a sufficiently intelligent explanation in that statement for the proposed increase of $40,708.

Mr. FERGUSON. I will say to the Senator that there is no real justification for the proposed increase.

The statement says:

> Trade-practice conferences establish rules against unfair and illegal practices or methods of competition.

Mr. THYE. The statement proceeds to say, with respect to the rules established by the trade-practice conferences:

> These rules covered the following industries: Peat, candy manufacturing, mail-order insurance, tie fabrics, wholesale optical, slide fastener, bedding manufacturing and wholesale distributing, cocoa and chocolate, fine and wrapping paper distributing, umbrella, shoe finders, venetian blind, and parking meter.

Those are the items for which they want an additional $40,708 with which to hold further conferences.

Mr. FERGUSON. That is correct. That furnishes one reason why we should not get off the track and discuss the point whether we are going to enforce antimonopoly law violations. Here we have an item of more than $40,000. Most of that can be eliminated and no harm done thereby. Perhaps better administration would result if the amount were cut off. We are talking about 139 employees at the most, whereas 655 are on the payroll.

Returning to what I was saying about Flint, Mich. What happened after I had made the proposal? The Post Office Department immediately got in touch with Flint. They thought they could put pressure on the Senator from Michigan by curtailing or eliminating certain mail deliveries that would do great harm to the State of Michigan.

That is not the only case of similar character. Senators know what happened when Congress attempted to make a cut in the customs service. Word went to every border State that a cut was to be made in the payroll of customs officials and border patrols, which would result in goods coming into the United States without being subject to any tariff duties or regulations whatsoever. That was the word that went forth simply because Congress attempted to cut one item.

Does the Senate realize what takes place when we have an item in an appropriation bill to cut the payroll of the ICC? Immediately the ICC gets in touch with the railroad interests, and their representatives come to the Senate and tell Senators that the cut would result in a serious curtailment in the work of inspecting the boilers of railroad engines. In spite of the number of employees on the payroll of the ICC one would think that the inspection of railroad engines would be crippled, with the result that an explosion might occur which would kill many persons.

Every time we endeavor to cut one item, either on the floor of the Senate or in committee, such a bogey man is raised, and the claim is made that the cut will result in real harm.

Surely, Mr. President, we are all in favor of enforcement of the antitrust laws and the antimonopoly laws. We want some violators of those laws to be sent to prison, as a deterrent against further violations. A prison sentence is a greater deterrent than the obtaining of a consent decree to pay a small fine, which in itself becomes nothing more than the payment of a small license fee.

Mr. President, I am surprised that the Senator from Tennessee would argue this one item as if there was nothing else in the bill affecting the Federal Trade Commission. There are other items as the distinguished Senator from Minnesota has stated. There is the item of increase of more than $40,000 to bring businessmen to Washington to confer as to what shall be done with respect to peat, candy manufacturing, tie fabrics, venetian blinds, and parking meters, and so forth.

Surely, Mr. President, with $40,000 businessmen could be brought here to stay a few days and confer. When they return to their homes the Commission does as it pleases. It pays no heed to them. The businessmen go back home thinking that they had something to do with the question of fair-trade practices. Such conferences are only window dressing.

Mr. President, this country is at war. Let me say to the Senate and to the people that the appropriations of $60,600,000,000 for armament and supplies do not cover a single item for the fighting of the war in Korea. That expense will be presented in supplemental bills.

It has been said that we must cut deeper into civilian appropriations. Let me say today upon the floor of the Senate that the way to make a start is to cut a dollar here and a dollar there, to cut, for example, a few dollars off the White House appropriation, as we did today, representing things which are not needed. When we come to the appropriations totaling $60,600,000,000, and to the supplemental bills for furnishing arms to the men who are fighting in Korea, it will be more dangerous to cut such items than to cut the item for $40,000 for conferences of businessmen who come to Washington to talk about tie fabrics and parking meters.

If we do not start now we shall be unable to make any start at all. We shall come to the last bill, which will be the defense bill, and then discover that we have not cut the budget at all. What are we going to do? We are going to raise taxes. We are going to take more money from the people. If we want to go to socialism, or if we want to go back to the days of feudalism, let us increase taxes more and more, and put the Government into business. Once we do that, we are going back to feudalism. Why do I say that? I say it for the reason that, to the Senator from Michigan, communism, socialism, and feudalism are one and the same thing. Why? Because in the old feudal days the lord of the manor, the man who had charge of everything, had control, first, of the political system; secondly, he had control of the military system; and, third, he had charge of the entire economic system. That was feudalism.

When this Republic was formed and free enterprise was established in the world, the economic system was taken away from the control of the feudal lord. He had only two things left, namely, the political system and the military system. The only way he could derive any income to operate those two systems was by taxation, by taking from the economic system a royalty or tax.

From time to time he increased the amount of taxes, but it became increasingly difficult every year for him to get more taxes out of the people. Now there is a desire in some quarters to go back to the feudal system and to have the Government own and operate not only the political system and the military system, but the economic system as well.

Therefore, I say that today we are on the way back to feudalism. It is called

liberalism, as though it were a move in a new direction. It is on the road back to feudalism, and not forward. That is why we must reduce every one of these budgets, so that we may reduce the amount of taxes to meet unnecessary expenditures. We should not levy tribute upon the economic system for one dollar which is not absolutely necessary to operate the political and military systems and the necessary functions of Government. So I hope that we shall not be confused.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I am glad to yield to the Senator from Wyoming.

Mr. O'MAHONEY. I have listened with a great deal of interest and approval to what the Senator has said about the drift toward feudalism and socialism. However, I am wondering whether that is altogether applicable, when we are discussing the appropriation for the Federal Trade Commission, the whole purpose of which is to prevent the concentration of economic power, to prevent the building up of monopoly, to prevent the drift toward feudalism, and to help maintain the independent, competitive system. I am ready to agree that undoubtedly the Commission can struggle through the next fiscal year with what the committee has recommended. I have just been making a little computation, and I find that the restoration, or partial restoration, which was made by the Senate committee of the cut made by the House, when subjected to the 10-percent cut which the Senate adopted the other day, reduces the increase to about $97,000. So if the amendment of the Senator from Tennessee were adopted, the net effect would be practically to restore the exact figure which the Senate committee had recommended.

Mr. FERGUSON. Yes. It would reduce the amount to $3,989,130.

Mr. O'MAHONEY. If the restoration were made, I think it would help the Federal Trade Commission in its efforts to prevent mergers and to develop stronger support for the free competitive system, to which we are all loyal.

Mr. FERGUSON. I realize that it is the province of this particular agency to regulate and investigate, toward the end that we may have a free-enterprise system, that we may have competition, that we may prevent monopoly. But when taxes are raised, and there is an increase of a dollar here, and a dollar in the next budget—and when I speak of dollars, I really mean millions or thousands of dollars—the tendency of the whole system is toward monopoly in the Federal Government.

The higher we raise taxes, the nearer we come to the feudal system, because we are concentrating the power of government over the economic system. We finally reach the point where taxes are so high that the people cannot afford to operate the economic system. So long as we keep taxes reasonable, we can maintain and develop the free individual economic system. But when we go too far in the collection of taxes and force upon the people the will of government in the operation of the economic system, we come nearer every day to the old feudal system. In the days ahead we shall call it socialism; and after calling it socialism for a while, we shall find that the dictators will become stronger and more powerful. The system will then be known as communism, with the red flag as the real dictator, under a small group of those who have the economic and military power to enforce the taking and retention of the whole economic system.

So let us not be fooled here today. We are not voting for or against monopoly. We are voting for or against higher taxes. We are voting on the question of the operation of the Government on a sane and sound basis.

Mr. MAYBANK. Mr. President, as chairman of the subcommittee, I can appreciate the efforts being made by the Senator from Tennessee [Mr. KEFAUVER] to increase the appropriation. Some 2 years ago he offered an amendment, in which I joined him, to increase the appropriation for the Commission. It was at the time when the Senate was meeting in the old Supreme Court Chamber. I am not here to condemn the Commission. I think it has done some good. It is true that perhaps they have created some discord here and there. That sometimes happens as a result of the activities of a Government agency. I merely wish the RECORD to show that as chairman of the subcommittee I oppose the amendment of the Senator from Tennessee because it would increase the expenditures of the Commission. I shall likewise oppose the amendment being offered by the Senator from New Hampshire [Mr. BRIDGES], the Senator from Michigan [Mr. FERGUSON], and the Senator from Nebraska [Mr. WHERRY] to reduce the appropriation by some $917,000. Unfortunately, I am placed in the middle, but I shall have to oppose both amendments.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. BRIDGES. I agree with the Senator that the Kefauver amendment should be defeated. I will say to the Senator, so there will be no misunderstanding, that if the Kefauver amendment is defeated, the Senator from Michigan [Mr. FERGUSON], the Senator from Nebraska [Mr. WHERRY], and I shall not offer the amendment to reduce further the appropriation of the Federal Trade Commission. We shall let the figure stand as reported by the committee.

Mr. MAYBANK. I appreciate what the Senator from New Hampshire has stated. He, the Senator from Michigan, and the Senator from Nebraska are members of the subcommittee. They will bear out my statement that the committee has labored long and hard in an effort to reduce the appropriation by $614,000,000 below the budget request. The budget request was considerably lower than last year because of the cut that has been made in stockpiling and in the appropriation for the Veterans' Administration.

However, I remind the Senate, and I ask the particular attention of the Senator from Michigan [Mr. FERGUSON], that the appropriation for the Veterans' Administration in the pending bill is $3,969,000,000, which is 63 percent of the total amount contained in the bill.

I wish the Senate to know that the distinguished Senator from Wyoming will shortly report the armed services bill, carrying an appropriation of approximately $62,000,000. That bill does not take into consideration the cost of the Korean war, which fact was testified to by Mr. Lovett on the first day of the hearings in the caucus room. Whatever expense is incurred as a result of the Korean war must be taken care of by future legislation. The appropriation of $3,969,000,000 for the Veterans' Administration does not take into consideration the expenditure of one dime to any veteran of the Korean war. It does not cover one veteran of the Korean war or of any future war. The veteran of the Korean war does not enjoy the benefits of the GI bill of rights or any of the educational advantages such as are enjoyed by veterans of World War II.

I know the Senate will do what is necessary and I am very fearful that it will be necessary before the year is out to restore the cuts being made in the Veterans' Administration appropriation to take care of the boys who are crippled, or maimed and to make the other necessary provisions for the veterans of the Korean war, similar to the provisions which were made for the veterans of World War II. I wish the RECORD to show that fact, because there will be a deficiency appropriation bill for the Veterans' Administration, to take care of a Korean veterans' GI bill, for example, and to take care of whatever else it may become necessary to provide for. I shall be among the first to sponsor such legislation. However, I do not want to have the idea go abroad that the $3,969,000,000 appropriation for the Veterans' Administration includes one cent for any veterans of the Korean war. I wish that fact to appear clearly in the RECORD.

I am glad to hear that the Senator from New Hampshire will withdraw his amendment, and I regret that I shall have to oppose the amendment offered by the Senator from Tennessee [Mr. KEFAUVER].

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. FERGUSON. The reason for withdrawing the amendment is that the subject will be taken up in conference.

Mr. MAYBANK. The Senator is correct.

Mr. HUMPHREY. Mr. President, I rise to speak in reference to the argument which was made a few moments ago by the distinguished minority leader pertaining to the incompetency, inefficiency, and irregularities in the Federal Trade Commission.

As I listened to the debate my mind was refreshed by the thought that only about a year ago in the Senate we debated quite extensively the whole subject of the reorganization of the Federal Trade Commission pursuant to the recommendations of the Hoover Commission and the reorganization proposal of the President of the United States.

The Senator from Nebraska quoted extensively from a report known as

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"Antitrust Law Enforcement by the Federal Trade Commission and the Antitrust Division of the Department of Justice." I have before me a copy of the report. It is my intention to quote from it, since as long as the Senator from Nebraska felt that the report was so persuasive and so compelling. Before I do so I wish to make a few observations. I refer particularly to Reorganization Plan No. 8, which pertained to the Federal Trade Commissison.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MAYBANK. I am glad that the Senator is referring to the investigation of the Veterans' Administration.

Mr. HUMPHREY. I was referring to the Federal Trade Commission, not the Veterans' Administration.

Mr. MAYBANK. I thought the Senator said Veterans' Administration. I had the pleasure of reading the report which the Senator submitted on the investigation of the Veterans' Administration. We shall have to go further into appropriations when we take into consideration the Korean casualties and the question of what must be provided by way of education, and so forth, for veterans of the Korean war, or police action, or whatever one may wish to call it. I thought the Senator would address himself also to the Veterans' Administration. I have asked him how long he expects to talk, because I should like to return to the committee for a short time. I regret that I shall not be able to remain on the floor to hear his remarks.

Mr. HUMPHREY. I am confining myself to the Federal Trade Commission. I am interested in what the Senator from South Carolina said about the Veterans' Administration. That is why I wish to be on the floor when the bill is discussed.

Mr. MAYBANK. I thank the Senator.

Mr. HUMPHREY. When charges are made on the floor of the Senate as to the inadequacy or inefficiency of regulatory bodies, it is a serious matter. I would say that if the words of the distinguished Senator from Nebraska [Mr. WHERRY] were to be accepted at face value it would indicate that, instead of appropriating as much as the committee recommends, we should appropriate much less. In other words, if the Federal Trade Commission is as bad as has been portrayed, surely it does not merit the confidence of the representatives of the people.

However, Mr. President, I would invite the attention of the Senate to the fact that we did debate the subject of reorganization of this very administrative agency on May 22, 1950. We debated it extensively. In fact, the RECORD reveals at least 25 to 30 pages of debate. Senators who participated in the debate were the Senator from Connecticut [Mr. BENTON], the Senator from Louisiana [Mr. LONG], the Senator from Nebraska [Mr. WHERRY], the Senator from Colorado [Mr. JOHNSON], the Senator from Massachusetts [Mr. LODGE], and other Senators. The issue of the inadequacy and inefficiency of the Federal Trade Commission was gone into. There were those of us who believed in reorganization. We recognized the fact that there were some shortcomings and debated the desirability of reorganizing the Federal Trade Commission.

Frankly, Mr. President, the reorganization proposal carried, even though by only a scant three votes. The Federal Trade Commission was reorganized by a majority of only three votes. Who were the Senators who opposed the reorganization? It is strange to note that the very Senators who opposed the reorganization of the Federal Trade Commission, so that the Chairman of the Commission could have control over the administrative functions, and so that the Chairman of the Commission could do away with the petty bickering and the unnecessary paper work which was consuming the time of employees, as was referred to by the Senator from Michigan [Mr. FERGUSON], are the ones who today are criticizing this agency. Let me read from the RECORD, Mr. President. I have before me the CONGRESSIONAL RECORD dated May 22. I refer to the CONGRESSIONAL RECORD, volume 96, part 6, page 7375. Mr. President, a yea-and-nay vote was had on that day. The vote was on the issue of whether or not the Senate should approve or disapprove Reorganization Plan No. 8.

It so happens that the resolution on this plan was reported to the Senate as a resolution of disapproval. So when I read from the RECORD, I wish to have it noted that those who voted for reorganization were those who voted against the resolution disapproving the reorganization.

I shall read now the names of some of those who voted to disapprove the reorganization plan. I read from the RECORD the names of those who felt that the Federal Trade Commission should not be reorganized, despite the report which came from the House of Representatives and the report which came from a Senate committee. As I look down the list, I see the following, for example: The Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Virginia [Mr. BYRD], the Senator from Washington [Mr. CAIN], the Senator from Indiana [Mr. CAPEHART], and others as listed in the roll call.

Let me come to the concluding part: I notice also that the Senator from Nebraska [Mr. WHERRY] voted against the program to reorganize the Federal Trade Commission.

I simply say to the distinguished minority leader that if inadequacy and inefficiency are present in the Federal Trade Commission, as the Senator now says a year later, at least he did not make that clear on May 22, 1950, when we needed his vote in order to revitalize and reorganize the Federal Trade Commission. Where was the minority leader then? He was in opposition to a proposal which would have made possible better administrative control and procedure in the Federal Trade Commission. He voted against a proposal which would have given the Chairman of the Federal Trade Commission the opportunity and the responsibility to properly organize the administrative structure of the Commission. In other words, the Senator from Nebraska voted to keep inefficiency in the Federal Trade Commission. He voted to keep on the auditors that the Senator from Michigan [Mr. FERGUSON] was talking about. The Senator from Nebraska voted to deny the Chairman of the Federal Trade Commission the opportunity to operate that Commission smoothly and to organize it on an efficient basis.

Thank goodness, Mr. President, we carried the day for economy in government; thank goodness we carried the day for efficiency in government, despite the protest of the distinguished minority leader, the Senator from Nebraska [Mr. WHERRY].

Now let us consider how much money the Federal Trade Commission has had. Let us examine the House report about which I have heard so much said. I heard the Senator from Nebraska ask the distinguished Senator from Louisiana [Mr. LONG], who has given wonderful leadership in this body on the entire issue of antimonopoly legislation and protection of small business, "Do you agree with Representative PATMAN of Texas?"

The Senator from Louisiana was not given the courtesy of being permitted to answer the question then, but I think it is fair for me to interpolate the expression of the Senator from Louisiana, namely, that he recognized in Representative PATMAN, of Texas, one of the vigorous champions of small business and competitive enterprise in the United States.

Mr. President, I have before me the preliminary report of the House Committee on Small Business. Let me say that one of the practices engaged in in the course of debate is to quote only partially from a record. I wish to have certain pages of the committee report printed in the RECORD as a part of my remarks, and I shall so request a little later. However, at this time I read from page 40 of the report:

VII. THE FEDERAL TRADE COMMISSION—APPROPRIATIONS AND PERSONNEL

RECENT APPROPRIATION HISTORY OF THE COMMISSION

Figure 7 indicates the total appropriations granted the Federal Trade Commission since 1915 and also the number of employees on June 30 of each year. It will be noted that although the general trend of appropriations has been upward, the increase has not kept pace with the rising cost of operations. With the exception of a brief period in 1941 the Commission had a larger staff in 1918 than at any time since.

Mr. President, let me digress from the report long enough to say that, as stated in the report, the Federal Trade Commission had a larger staff in 1918 than it had in any other year except 1941. I shall ask any Member of this body whether monopolistic enterprise has grown stronger in the United States since 1918. Has there been more concentration of economic power, has there been a greater threat to small business, and have more small businesses perished since 1918 than before that time? I think the record speaks for itself.

Today we hear talk about competition. Mr. President, there is no competition in putting Joe Louis in his prime in a

ring in Madison Square Garden with a high-school freshman. That is not competition; for the high-school freshman it is suicide. When the Senator from Nebraska talks about trying to preserve competition between the Standard Oil Co. of Indiana and a small filling-station operator, that is not competition; and when he refers to competition in that case, he is merely indulging in a play on words. It is not competition, Mr. President; it is the economic and political murder of an independent business institution.

I return to the committee report, and I read now from page 41; I read the next paragraph, and I do not skip a line, nor do I read out of context:

During the last 15 years, the funds available to the Commission—

The Federal Trade Commission—

reached their low point in 1937, when $1,939,000 was appropriated. A slight increase then occurred which in 1942 raised the appropriation to the then maximum of $2,434,000. The war years saw some diminution, and in 1945 $2,059,000 was appropriated. Since then, a slow but steady increase has occurred, with $3,723,000 appropriated in 1950 and $3,892,000 in 1951.

Now I read the next paragraph:

During the 15 years from 1936 to 1950 the number of employees reached its year-end peak in 1941 at 694.

Mr. President, I stress the point that there were only 694 employees of the Federal Trade Commission, to supervise and enforce the Clayton Antitrust Act, to supervise and enforce the Robinson-Patman Act. There were only 694 employees to protect thousands upon thousands of small-business institutions and enterprises in the United States. Yet there are those who would say that that number of employees is an exorbitant one.

I read further from the report:

There was a substantial reduction in staff during the war years from which only a partial recovery has been made up to the present time. At the end of fiscal 1950, 654 persons were employed at the Commission. In spite of the increase in appropriations this was slightly less than the number of employees just prior to the war.

Mr. President, is there anyone in the entire country—not just in the United States Senate, but the entire United States—who does not know that during the war years big business grew and grew—bigger and bigger? Is there anyone who does not know that since the war years the threat of big business to little business has been an increasing threat? Yet, what has Congress been doing for the Federal Trade Commission, to protect those who believe in free enterprise, to give small-business men a chance to live? Do you know, Mr. President, what Congress has been doing in that connection? Congress has been cutting down the size of the police force to be used for that work. As these corporate economic barons have marched up and down the American economic landscape, the Congress of the United States has said to the Federal Trade Commission, "You can get along with a few less policemen." So, Mr. President, the bigger big business got, the fewer law-enforcement officers Congress provided.

The Senator from Tennessee [Mr. KEFAUVER], who has done such an admirable and history-making job in connection with the investigation of crime, knows that, basically, two things are needed: One is the integrity and the will to enforce the law; the second thing is the necessary manpower.

However, the Senator from Nebraska is opposed, first, to the will to enforce the law; the Federal Trade Commission has enforced certain laws which the Senator from Nebraska thinks should not be enforced. In the second place, the Senator from Nebraska objects to giving the Federal Trade Commission more manpower with which to do the job of enforcement.

Let me continue to quote from the committee report; and I point out that I read without skipping any portion of it; I read the report as it is printed:

Of the Commission's total expenditures of $3,723,000 in 1950, $2,503,000, or about two-thirds, was devoted to legal case work. Slightly more than half of the funds available for case work are allotted to actions against monopoly and restraint of trade. Of the funds devoted to activities not involving case work the largest item is the administration of the Wool Act. In 1950 the sum of $311,000 (as expenditures are presently classified) was allocated to this activity. Economic and financial reports were allotted $234,000, and trade practice conferences were granted $211,000. None of the above figures include administrative salaries. (See pt. III, exhibit 8, for additional data.)

I continue the quotation from the report:

INCREASING COST OF FEDERAL TRADE COMMISSION ACTIONS

One of the striking developments of recent years in the operations of the Federal Trade Commission is the rapidly increasing cost of taking effective action to correct violations of the law.

It is to be expected, of course, that costs would be affected by the general increase in prices and salaries. It is equally clear that the increase in appropriations in recent years, although substantial, has not kept pace with rising costs. It would be expected, therefore, that some diminution would occur in the number of corrective actions. Nevertheless, the decline in these actions is too great to be explained solely in terms of the increase in costs of operations.

I read the good, and I read the bad. Now, Mr. President, turning to page 44, it says:

The committee fully realizes that the effectiveness of the Commission's orders and stipulations cannot be measured in terms of dollars and cents. Nevertheless, we believe we have here a symptom of a basic problem confronting the present Commission; namely, that of exercising sufficient administrative control over its staff to hold them to the highest level of operating efficiency. We suggest that serious study be given this matter of increasing internal costs by the Commission itself, the Bureau of the Budget, and the Congress.

That paragraph relates to the problem which I cited earlier, the administrative difficulties. Here is a House committee which takes note of the fact that one of the reasons for the increasing costs in the Commission's activity is the lack of administrative efficiency. But I point out again that some of that has already been rectified by the passage of Reorganization Plan No. 8. I point even more vociferously and more directly that the Senator from Nebraska, the minority leader, voted against reorganization, and voted for inefficiency and inadequacy in the Federal Trade Commission activities.

Let us now read the next paragraph appearing on page 44:

THE NEED FOR ADDITIONAL FUNDS

The need for larger appropriations to finance our business-regulating programs has been repeatedly pointed out. The committee believes that more and better men, and hence more money, are basic to the necessary enhancement of the effectiveness of the antitrust laws. We are convinced that this is true of the Federal Trade Commission as well as of other agencies.

On June 30, 1950, the Federal Trade Commission had only 98 attorneys engaged in enforcing the antimonopoly provisions of the Federal Trade Commission and Clayton Acts.

Mr. President, the Federal Trade Commission of the United States of America had 98 attorneys for all of its numerous activities in the protection of small-business enterprise and free competition in this country. I read further:

In one case before the Commission at the time this was being written, the respondents were represented by 102 separate law firms.

In one case, Mr. President, the Federal Trade Commission, as it prosecuted a case against an alleged violator of the Clayton antitrust law, found that that violator, or alleged violator, had 102 law firms to support the respondent, or the violator; and this is not unusual. I learned in committees of the Congress when we were looking into the Interstate Commerce Commission, particularly into the railway mail pay case, that the Post Office Department, with 2 attorneys was contending against 45 railroad attorneys, and apparently there are those who would have them staffed with even less than 2 attorneys.

I submit that our duty is to protect the public interest, and it is impossible to protect the public interest against the powerful economic forces of the country with but a handful of attorneys, good as they may be, because there can be so many diversionary actions going on around the countryside that there is no possible way that the Federal Trade Commission can win its struggles.

I have heard about the number of years required for cases before the Commission to come to a head. With 98 attorneys in the Federal Trade Commission, it is a wonder to me that they ever get one case to a decision, particularly when every one of those attorneys is confronted with from 50 to 100 attorneys on the opposite side of the case, depending upon the size of the case or the size of the firm. Let me quote further:

To meet this force of legal talent the Commission had the services of one principal attorney and two part-time assistants.

The Federal Trade Commission had one principal attorney and two part-time assistants. I read further:

For every dollar spent by the public in defending itself against monopoly the respondents spend thousands.

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This is what the House committee report says:

Under the circumstances it is to be expected that only the surface of the problem of unfair competition is being scratched.

Ah, Mr. President, there is a very key sentence. Is it any wonder that monopoly grows stronger? Is it any wonder that we have continuous pressure upon us by the steel companies, and by the Cement Institute, of which the Senator from Louisiana has spoken today? Why does that happen? Because the public stands helpless before the legal and economic power and subtlety of those who want special privilege.

Mr. President, this House report is a very interesting one. It has a great deal more in it than the Senator from Nebraska quoted. When the Representative from Texas was unhappy about certain things in the Federal Trade Commission, this report tells a revealing story, and it tells the story that we have not kept pace with the threat which exists against our economic system, that our regulatory bodies have not been given the staffs they need in order to protect the public interest.

Of course there must be economy. One way to achieve economy in the Congress is merely to abolish the agency. That would save about $3,989,130 this year, but in the process of doing it, Mr. President, there would be abolished not only an agency, but there would be abolished, liquidated, and obliterated great sections of American free enterprise.

I have noticed an interesting overtone in the comment today. I have noticed that this attack on the Federal Trade Commission has little or nothing to do with this appropriation. I have noticed that this is the continuation of an attack against the very purpose of the Federal Trade Commission and against the basic law which it administers. When I heard the Senator from Nebraska attack the rulings of the Federal Trade Commission, what was he saying? He was saying that they were not administering the law as he thought they ought to administer it. He referred continuously to a bill, Senate bill 1008, known as the basing-point bill. This bill was opposed on this floor by the Senator from Tennessee [Mr. KEFAUVER], the Senator from Louisiana [Mr. LONG], the Senator from Illinois [Mr. DOUGLAS], and other Senators. I was privileged to be a partner in that effort. The bill passed the Senate over our opposition. It passed the House, but the President of the United States, exactly as he did with several other measures adversely affecting the consuming public, the American people, vetoed the bill.

The minority leader may not like what the President does. I have gathered during the 2½ years I have been here that there has been a mild element of disagreement between the minority leader and the President. But, Mr. President, before a bill becomes law, the President must sign it, and it is no law until the President signs it, and it has no binding jurisdiction upon a committee of the House or upon an administrative agency. If the Federal Trade Commission administered the law on the basis of what a Senate vote was, or a House vote, without a Presidential signature, then the Federal Trade Commission would be in violation of the law, and would be in violation of the oath of its members to uphold the law of the land.

Mr. President, what is behind this struggle? What is behind the attack made here today? I will tell the Senate what is behind it. This is but part and parcel of an attack upon the Robinson-Patman Act, part and parcel of an attack upon the Clayton Antitrust Act. It is a part of a program which has been launched, a program which was brought to our attention last year in the basing-point bill, a program which has been known by those who believe in small business enterprise as directed to the disadvantage of the man who truly believes in free competition with rules of fair play.

The Senator from Nebraska says he is not going to ask for any further reduction in this bill, he simply is not going to support an amendment which is offered by the Senator from Tennessee. What is the purpose of the amendment? The purpose of the amendment is to provide an administrative legal staff so that a glaring loophole in the Clayton antitrust law may be plugged. That is what it amounts to. The purpose of the amendment of the Senator from Tennessee is to provide a staff so that the bill which the Congress passed to prevent mergers of corporate enterprises detrimental to the public interests, and which is now the law of the land, may be properly administered. To deny an adequate staff is to undermine the administration of the act. To deny to the Federal Trade Commission a legal staff needed to carry out the mandate of the law is to kill the intent and purpose of the law. The law is no better than its administration. It does little or no good to pass a law unless there is available the administrative personnel to enforce it.

Mr. President, let me pay the Senator from Tennessee [Mr. KEFAUVER] a tribute. He has been on the floor every time there has come up an issue pertaining to monopoly. He has been a defender of the people. Just as he fearlessly exposed the hoodlums and racketeers, so he is now willing to stand up and expose those who would kill the last vestige of free enterprise in this country. I know of no Member of the Congress who has performed a more valiant and vigilant service than has the Senator from Tennessee [Mr. KEFAUVER].

The Senator from Louisiana [Mr. LONG] knows the basing-point problem and what is behind it as do few Members of this body or of any other body.

Those of us who are in favor of the amendment offered by the Senator from Tennessee realize the difficulty of our task. But it is time to sound warnings, and I now join with the Senator from Louisiana in saying that if the attack on the Federal Trade Commission is sustained, if it is permitted to go unchallenged, we can write off the Federal Trade Commission as another casualty of special privilege and special interest. The small-business man can write off his future. I think the time has come when those who believe in these things should stand up and fight. We have too often let some arguments pass unchallenged. That day is over, so far as I am concerned. Every time a Senator rises to emasculate one of these agencies, he will be in for a fight on the floor of the Senate, or off the floor, on the basis of the issue. I have watched certain laws being emasculated, point by point, because those who believe in them find themselves too preoccupied with many duties.

So, today, Mr. President, I have the record, and it is on the side of the Senator from Tennessee, it is on the side of the Senator from Louisiana, and it is not on the side of the argument made only a few moments ago by the minority leader.

I join with the minority leader in promoting efficiency in government. If he can show me an employee who is not doing his duty, I will say that employee should be fired. If he can show me that there is malingering going on, it should be corrected, and I shall support him in correcting it. But to find one junior clerk who is not doing his job is not enough to convince me that we should drastically reduce appropriations for an entire agency and thereby limit its effectiveness.

The distinguished senior Senator from Colorado [Mr. JOHNSON], in a speech appearing in the CONGRESSIONAL RECORD, volume 96, part 6, page 7371, said:

How much money do these commissions handle in their budgets?

He was talking about regulatory commissions.

How much money does it take to operate them? The ICC, which is the largest, costs the Government $12,000,000 a year. The Federal Communications Commission costs $7,000,000. The Federal Trade Commission, the one we are now considering, costs $4,000,000, and the Federal Power Commission costs $4,000,000. The total for the four commissions is $27,000,000.

How great a percentage is that of the total expenditures for this year? It is sixty-five one-thousandths of one percent. That is a pretty small amount.

Mr. President, to regulate the private utilities of the United States, to prevent certain persons from being able to exploit the market, to regulate the railroads, to regulate the monopolies, and to regulate the system of radio and television communications costs sixty-five one-thousandths of one percent of the budget. Is that exorbitant? Is this small sum threatening the economic solvency of the Government? To my mind, never has so little produced so much in the interests of the people.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MAYBANK. I desire to remind the Senator that in the allocations and in the appropriations for NPA and OPS there will be more than sixty-five one-thousandths of one percent, because they are asking for a great deal of money. They want to take over all the regulatory bodies of the Government.

Mr. HUMPHREY. Mr. President, I am happy the Senator from South Carolina has brought that to my attention, because I believe we must maintain the so-called independent agencies of the Government. All I wish to point out is that we have witnessed on the floor of the Senate not an attack upon an appropriation, but an attack against the philosophy of the regulation of monopolies and trusts. We have heard some complaints because the President vetoed Senate bill 1008. We have heard voices raised to the heavens about the poor competitive position of the Standard Oil Company of Indiana. I am going to cry my eyes out about that. I want the Standard Oil Co. of Indiana to have a fair break, but that is all. I want any large concern to have a fair break in the economic arena, but that is all. I do not want them to have the privilege of breaking other persons or monopolizing the market. That is what will happen if we tear down the Federal Trade Commission.

Before there are any further economy moves, I suggest that there be brought before the Congress of the United States evidence to indicate that the commission is overstaffed, that its job is less than it used to be. If those facts are established, I shall vote for any cut that anyone wants. But until that is done, I am suspicious of those who would cut into the lifeline of these regulatory bodies.

Two practices go on here. Either we destroy an agency by cutting off its appropriation or the agency is obliterated by the kind of appointments and internal arrangements that affect the enforcement of the law. I have some criticism of certain agencies, but my criticism is not that they are doing too much in terms of regulation. My criticism is that they lose the will to regulate, primarily because they hear certain critical voices in the Congress.

I tell my friends of the Federal Trade Commission, "Do not be moved by the voices you have heard on only one side of the aisle. Do not become too disturbed about what the minority leader said, because he is the minority leader, not the majority leader." But I remind the Federal Trade Commission that the law of the land still requires the enforcement of the Robinson-Patman Act, the Clayton Act, and of laws pertaining to free economic enterprise, so as not to permit the giants of economic power to stalk up and down the land and browbeat the small-business enterprises of America. Within the framework of the law the only way laws will be effective is through enforcement. The only way we can have enforcement is through the employment of competent trained personnel who cannot and will not be intimidated.

Talk about lobbies, Mr. President. We are lobbying these agencies all the time by our debate. No member of the Federal Trade Commission has ever lobbied me. Maybe I should feel badly because I have been omitted. But the minority leader seems to find all kinds of lobbying going on. The Senator from Louisiana said he had not been lobbied. The Senator from Tennessee said that in order to get any action he had to make a personal request. I have not been lobbied. The minority leader is the only one who has had the privilege of being lobbied.

I desire to make it quite clear that there is no agency of the Government that should be intimidated by the talk, the insinuations, or the comments of any Member of the Congress. The separation of powers means just exactly what it says.

One of the things that is happening in America is that too many voices are being stilled, too many voices that should speak out for the American people are being hushed, and they are being hushed because some voices are saying to others, "Be quiet." As one United States Senator I will say my voice will not be hushed nor will I discontinue my efforts to support effective regulation of monopolistic enterprise. I shall speak out for human welfare.

I say to the Federal Trade Commission, "Your only weakness is that you are not doing enough. You ought to be prosecuting cases with more determination and perseverance." I say to the Federal Trade Commission, "If you knuckle down and bow down to the kind of talk that has been heard on the floor of the Senate and the House about the Standard Oil case or any other case, you are not fulfilling your obligations under the law."

The law on this subject still stands on the side of the independent entrepreneur. The law on this subject is still written so that competition must be in good faith without discrimination. That is the law that must be preserved.

So I ask, Mr. President, that as we vote on this measure we consider what the true issue is. The true issue is not whether we are going to save $3,000 or $30,000. The true issue is whether we are going to save small enterprise; to keep big business from becoming bigger and little business from becoming fewer and fewer.

Mr. McKELLAR. Mr. President, I am tremendously in favor of the Federal Trade Commission. The chairman of that Commission was long a Member of this body, and served with most of those who are now Members of the Senate. He is James M. Mead, formerly Senator from New York. He is a grand man, a straightforward man, in every way a worthy man. So far as I know all the other members of the Commission are fine men, and I should like to help them. I want to do everything possible to help the Commission do its real work; not to take over the work of other agencies, but to do its own work. As I said, I know of no commission in the Government to which I would rather be fair and just than this commission.

Mr. President, the committee went carefully over the items for the Federal Trade Commission all the way through and increased the appropriation over that for last year by some ninety-seven thousand dollars. Is that being unfair to a commission? Is that being unjust to a commission? It is not at all unfair or unjust. We increased the amount appropriated for the Commission instead of decreasing it. But the Commission wants to take over the work of other agencies, which the Commission has no legal right to do at all. Our committee did not permit that. Should our committee be condemned for doing the fair thing by the Commission? It certainly should not be. I doubt if there is a member of the committee on either side who does not feel the utmost interest in the Federal Trade Commission. The Commission can be of wonderful advantage to all the people of the country, and ought to be sustained in every proper and just way.

Mr. President, I am sorry the junior Senator from Nebraska is not now present on the Senate floor. I was very truly surprised to hear him speak as he did about lobbyists. I believe there is only one lobbyist I ever knew by sight, and he came before our committee because he was summoned by me to appear before it. He is one whose name I do not need to give. Senators all know him. I do not believe I know any other single lobbyist among what I am told are several thousand in Washington.

Mr. President, I call the attention of Senators to a general provision of law enacted in an appropriation bill several years ago. I hope every Member of the Senate present on the floor will listen to the reading of this law, and that Senators who are not present will read it. I am reading from section 6, chapter 6, of the legislative appropriation act passed in the Sixty-sixth Congress, first session, in 1919. This is legislation on an appropriation bill, if you please, but no one objected to it, apparently. It is still the law, and it has never been repealed:

SEC. 6. That hereafter no part of the money appropriated by this or any other act—

Making it legislation—

shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers and employees of the United States from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

Any officer or employee of the United States—

Listen to this, Senators—

Any officer or employee of the United States who, after notice and hearing by the superior officer vested with the power of removing him, is found to have violated or attempted to violate this section, shall be removed by such superior officer from office or employment. Any officer or employee of the United States who violates or attempts to violate this section shall also be guilty of a misdemeanor and on conviction thereof shall be punished by a fine of not more than $500 or by imprisonment for not more than 1 year, or both.

I should like to say to my friend from Nebraska that he must be wholly mistaken as to any lobbyist having anything to do with the pending bill. I wish to say for myself and for the members of the committee that I am sure no lobbyists have been before us. I cannot imagine why the question of lobbying

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with Senators or Representatives should be brought into the debate in the face of the law I have just read. While that language is contained in an appropriation bill, while it is legislation on an appropriation bill—the words "this or any other act" make it legislation—in view of that provision I am sure that no lobbyist from any department comes to the Capitol to lobby. If anyone did so he should be removed from office. I am sure the Senator from Nebraska simply made a mistake on that point. I wanted the Senate to know what the law was.

As I said before, the members of the Appropriations Committee—and with the exception of myself, it is composed of the finest men I ever saw, men of great acumen and ability—have gone over this question for several days; they have heard the proof; they have looked at the subject from the standpoint of the Government and the standpoint of the people, and have reported the bill which is now before the Senate. It may be that we increased the amount of the appropriation a little too much, though I hope not. But we have tried to be fair and just about the matter. I hope the Senate will sustain the committee. I will say for the chairman of the subcommittee, the Senator from South Carolina [Mr. MAYBANK], that, as all Senators know, he is one of the most high-minded and conscientious men in the Senate. No man has ever done a finer job of handling a bill than has my distinguished friend from South Carolina; and he ought to be upheld by every Democrat.

What are committees for, if they are not to look into various subjects and submit proper recommendations?

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. MAYBANK. I greatly appreciate what the distinguished Senator from Tennessee has said with reference to me. Whatever good I may have accomplished has resulted because the chairman of the committee appointed me chairman of the subcommittee and told me to do what was right.

Mr. McKELLAR. I cannot claim the credit. I say that we ought to stand by the Senator from South Carolina and his subcommittee. We ought to stand by the Appropriations Committee. We ought not to be misled into voting for this amendment. I hope that it will be defeated.

The PRESIDING OFFICER. The question is on agreeing to the emendment offered by the Senator from Tennessee [Mr. KEFAUVER].

The amendment was rejected.

LEGISLATIVE PROGRAM

Mr. McFARLAND. Mr. President, on Friday I asked unanimous consent to have a call of the calendar for uncontested bills. At that time I thought that we would complete consideration of the appropriation bill today. I do not like to interrupt the handling of the appropriation bill by a call of the calendar; so I ask unanimous consent that the order which was obtained last Friday, to call the calendar tomorrow, be vacated.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. SALTONSTALL. Mr. President, reserving the right to object, is it the Senator's plan to consider bills on the calendar at the conclusion of the pending appropriation bill?

Mr. McFARLAND. Yes. I was just about to give notice——

Mr. MAYBANK. Reserving the right to object, I hope this bill will be concluded tomorrow; but if the bill is not concluded tomorrow, the Senate already has a unanimous-consent agreement to bring up the defense production bill. I merely call it to the attention of the majority leader.

Mr. McFARLAND. I am unable to state when, but at least shortly after the disposition of the pending bill, it is our intention to call the calendar. I am hopeful that we can do so at an early time, but I ask unanimous consent that the other unanimous-consent agreement be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEFAUVER. Mr. President, will the majority leader yield?

Mr. McFARLAND. I yield for a question.

Mr. KEFAUVER. I had understood that a part of the previous unanimous-consent agreement related to putting into statutory form the recent decision of the Supreme Court in the Standard Oil case. Does that agreement stand vacated, too?

Mr. McFARLAND. I will say to the distinguished Senator from Tennessee that it was not the subject of a unanimous-consent agreement. I merely gave notice that after the disposition of the appropriation bill, and after the call of the calendar, it was our intention to bring up the bill to which the Senator refers, with the understanding that it might be temporarily laid aside for the control bill, or any appropriation bill which may be ready.

Mr. KEFAUVER. Is it still the intention of the majority leader to bring up that bill following the call of the calendar?

Mr. McFARLAND. The Senator is correct; unless the control bill is ready.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. LONG. I wonder if the distinguished majority leader knows that that bill is one which many of us believe would make very important changes in the administration of the antitrust laws. Responsible small-business organizations have been asking for a hearing on the bill. So have members of the Judiciary Committee. The bill has been heretofore reported without any hearings whatsoever on behalf of small-business concerns.

There are many persons who would like to present their protest against the proposed legislation, and possibly attempt to reason with the committee and agree upon amendments to the bill.

I wonder if the Senator feels that so important a measure should be considered without giving those who wish to be heard an opportunity to present their side at appropriate hearings.

Mr. McFARLAND. I will say to my distinguished friend from Louisiana that I had understood that he would probably oppose the bill; but I did not feel that I should be the judge as to whether or not it should be considered. The bill was reported by a committee. It has been on the calendar for some time. I felt that it was our duty to give it the right-of-way. I do not believe that we should bury legislation merely by not bringing it up.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. McFARLAND. I yield.

Mr. LONG. I certainly wish the Senator from Arizona would do what in my opinion he has the power to do, namely, to see that we have an opportunity for a hearing. Independent retail and wholesale associations would like to be heard.

Mr. McFARLAND. The chairman of the Committee on the Judiciary is present in the Chamber. If the distinguished Senator from Louisiana will address his remarks to the chairman, perhaps he can persuade him. Or does the Senator feel that I would have more persuasive ability? I do not think so.

Mr. LONG. Some time ago the junior Senator from Louisiana suggested to the chairman that he would like to see hearings held on the bill, so that many of us might have an opportunity to present our views and to hear the viewpoint of those supporting the proposed legislation before the committee. My request had very little effect upon the chairman of the committee. I thought the distinguished majority leader might be able to help me.

Mr. McFARLAND. I thank the Senator for the compliment.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. McCARRAN. The presentation of this matter was made by the most eminent body in the world. Its answer has been handed down, and is now of record. The bill carries only the language of the Supreme Court of the United States, handed down after the matter had been fully presented to that tribunal.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. McFARLAND. I yield.

Mr. LONG. Many of us believe that this bill, particularly with the committee report which accompanies it, would have the effect of requiring an interpretation of the law far beyond what the Supreme Court held in the case of the Standard Oil Co. of Indiana, and would have the effect of extending what we believe to be a bad doctrine, and one contrary to previous decisions of the Court.

The junior Senator from Louisiana believes that this matter should be the subject of hearings. He believes that the case of the Standard Oil Co. of Indiana probably makes necessary legislation to give some protection to small business, which it would not otherwise have; therefore, he hopes that the chairman of the committee and the majority leader will consider doing what could be done

to see that we have appropriate hearings before final action is taken.

Mr. McCARRAN. Mr. President, may I inquire of the majority leader whether or not the calendar is to be called tomorrow?

Mr. McFARLAND. No. I had made an announcement, before the Senator entered the Chamber, that the calendar would be called following the disposition of the pending bill, rather than to interrupt consideration of the bill.

Mr. McCARRAN. Which bill?

Mr. McFARLAND. The appropriation bill. When I made the announcement on Friday, I thought we would finish consideration of the bill by this evening.

Mr. McCARRAN. The Senator was filled with optimism at that time.

Mr. McFARLAND. I believe in being optimistic.

INDEPENDENT OFFICES APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes.

The PRESIDING OFFICER. An agreement was entered into Friday that the amendments reported by the Committee on Appropriations should be considered as agreed to en bloc, with the privilege reserved to any Senator to offer an amendment in the second degree without reconsideration. The amendments of the committee agreed to en bloc will be printed in the RECORD for the information of Senators.

Mr. McKELLAR. Mr. President, it is not often that I ask for an increase in an appropriation, but I am asking for an increase of $8,000 for the expenses of the Commission on the Renovation of the Executive Mansion. The provision which is found on page 12 of the bill, reads:

> For all expenses of the Commission on Renovation of the Executive Mansion as authorized by Public Law 40, Eighty-first Congress, $25,000.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. MAYBANK. Is not the Commission composed chiefly of Members of the House and Members of the Senate? I understand that the distinguished Senator from Tennessee is the head of the Senate representation on the Commission. I should like to inquire who is the head of the House membership.

Mr. McKELLAR. The membership has changed recently. It is Representative RABAUT now. I do not think there will be any objection to the increase in the appropriation.

Mr. MAYBANK. I hope there will not be. I shall be happy to take it to conference.

Mr. SALTONSTALL. I should like respectfully to call the attention of the chairman of the subcommittee to the fact that the Senator from Michigan felt quite strongly about it. The committee increased the amount contained in the House bill by $5,000 and gave the Commission 1 month more to operate. Now the Senator from Tennessee [Mr. McKELLAR], who is the chairman of the Commission, wishes to add $8,000, and to take it to conference.

Mr. McKELLAR. Yes.

Mr. SALTONSTALL. The Commission would have two more months to operate, in order to close out its affairs.

Mr. MAYBANK. Provided the conferees agreed.

Mr. McKELLAR. I hope they will agree.

Mr. SALTONSTALL. I hope the amendment will go to conference.

Mr. McKELLAR. I thank the Senators.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 12, line 22, it is proposed to strike out "$25,000" and insert in lieu thereof "$33,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Tennessee [Mr. McKELLAR] to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. DOUGLAS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 4, lines 13 and 14, it is proposed to strike out "two passenger motor vehicles" and insert in lieu thereof "one passenger motor vehicle."

On page 5, lines 17 and 18, it is proposed to strike out "five hundred and seventy-six" and insert in lieu thereof "one hundred and forty-nine."

On page 5, lines 18 and 19, it is proposed to strike out "two hundred and twenty-nine" and insert in lieu thereof "one hundred and fourteen."

On page 15, line 1, it is proposed to strike out "twenty" and insert in lieu thereof "ten."

On page 15, line 10, it is proposed to strike out "two" and insert in lieu thereof "one."

On page 18, line 7, it is proposed to strike out "fifteen" and insert in lieu thereof "two."

On page 23, lines 24 and 25, it is proposed to strike out "including the purchase of four passenger motor vehicles."

On page 28, line 24, strike out "twenty-four" and insert in lieu thereof "nine."

On page 31, line 2, strike out "eight" and insert in lieu thereof "four."

On page 36, lines 6, 7, and 8, strike out "not to exceed one hundred and ninety, of which one hundred and sixty-four shall be for replacement only" and insert in lieu thereof "not to exceed eighty-two, for replacement only."

On page 37, line 3, strike out "seventy-four" and insert in lieu thereof "thirty-seven."

On page 40, lines 16 and 17, strike out "including the purchase of one hundred and ninety-eight passenger motor vehicles."

On page 46, between lines 6 and 7, insert the following:

> SEC. 110. No part of any appropriation made in this title or title II of this act, except appropriations for the Atomic Energy Commission, shall be available for the purchase of any passenger motor vehicle for replacement purposes unless each such passenger motor vehicle purchased replaces two passenger motor vehicles.

On page 48, line 11, strike out "five" and insert in lieu thereof "two."

On page 49, line 14, strike out "four" and insert in lieu thereof "two."

On page 61, line 10, strike out "seven" and insert in lieu thereof "three."

On page 64, between lines 5 and 6, insert the following:

> SEC. 403. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used for the purchase of any passenger motor vehicle for replacement purposes unless each such passenger motor vehicle purchased replaces two passenger motor vehicles.

On page 70, between lines 7 and 8, insert a new section, as follows:

> SEC. 604. The appropriations or authorizations of the following agencies and corporations are hereby reduced by amounts equal to the cost of acquisition of the number of passenger motor vehicles indicated with respect to each such agency or corporation as follows: American Battle Monuments Commission, 1; Atomic Energy Commission, 427; Federal Communications Commission, 10; Federal Power Commission, 1; General Services Administration, 17; Interstate Commerce Commission, 15; National Advisory Committee for Aeronautics, 4; Tennessee Valley Authority, 103; Veterans' Administration, 235; Department of Commerce, 5; and Public Housing Administration, 4.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. Have the amendments been printed?

Mr. DOUGLAS. Because of the fact that the Senate recessed at 2 o'clock on Friday, it was not possible for me to get the amendments ready before that time, and therefore they have not been printed.

Mr. MAYBANK. I have no intention, as chairman of the subcommittee, of preventing the offering of any amendments. I could not do so even if I wished to do so. My thought is that something like 16 amendments will be offered. We have completed consideration of only one, I believe. The amendments which have been printed have been before Senators for their study. Over the week end I had an opportunity to study the printed amendments. I made a study of each one of the amendments. I would appreciate it if my good friend from Illinois would let his amendment go over until tomorrow.

Mr. DOUGLAS. I would be glad to do so——

Mr. MAYBANK. Particularly if any amendment conflicts with amendments which have been printed.

Mr. DOUGLAS. We already agreed in principle on the question of automobiles when we dealt with the first appropriation bill. I had hoped that we could

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dispose of the question of automobiles this afternoon. That is what is covered by the amendment I have just submitted.

Mr. MAYBANK. I am in agreement with the Senator from Illinois on the question of automobiles, if it includes chauffeurs. I realize that the Senate recessed at 2 o'clock on Friday. Therefore, the Senator did not have time to have the amendments printed. We had to go to a committee meeting immediately after the Senate recessed. The Senator from Illinois was in attendance at the meeting in the writing of the control law. As chairman of the subcommittee it is impossible for me to study an amendment that is offered on the floor. We have 17 amendments before us, or will have 17 amendments before us. I believe we have 13 amendments remaining. If the Senator will bear with me, I will not make the point of order that the amendment has not been printed, but I would ask him to bring up only those amendments on which I have some information. I notice that one amendment to be offered by the Senator from Illinois would reduce the number of houses in the Housing Administration section of the bill to 37,000. Is that correct. Or is it 35,000 houses?

Mr. DOUGLAS. That amendment refers to a reduction in the appropriation for administrative expenses of the Public Housing Administration. It does not reduce the number of housing units. I shall not bring up that amendment this afternoon, but shall wait until tomorrow.

Mr. MAYBANK. The Senator is an economist, and knows it would take Mr. COOPER and I a long time to study each item. We would have to do it until late at night.

Mr. DOUGLAS. At the moment I am only bringing up the amendment to reduce the number of automobiles. I shall be glad to postpone the offering of the amendment on the administrative expenses of the Public Housing Administration section until tomorrow. Perhaps some other amendments could also be brought up at this time.

Mr. MAYBANK. The Senator can understand what I am confronted with in the case of amendments which involve millions of dollars, such as the amendments to the section relating to the Housing Administration.

Mr. DOUGLAS. I would have preferred to have had the amendments printed on Friday. I was unable to do so because the Senate recessed very early. It was almost impossible to prepare the amendments in time. The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Michigan [Mr. FERGUSON] had the great advantage, being on the Committee on Appropriations, of knowing what the appropriations were going to be.

Mr. MAYBANK. The bill was reported and any Senator could have seen what it contained, whether or not the Senator was on the committee. I gave the bill to the press about 10 days ago.

Mr. McFARLAND. Mr. President, if I may have the attention of the distinguished minority leader, I should like to say that this is the second day we have spent in the consideration of the pending bill. We have not made much progress. I should like very much to enter into a unanimous-consent agreement for a limitation of debate on amendments. If it is agreeable, I should like to suggest that 20 minutes be allowed to an amendment, with 10 minutes to a side. I believe we have 15 amendments. Even with a limitation it would take a long time to dispose of them.

Mr. MAYBANK. Reserving the right to object——

Mr. WHERRY. Would the limitation start at noon tomorrow?

Mr. McFARLAND. Yes.

Mr. MAYBANK. I should like to have it start now. If I may have the attention of the majority leader and the minority leader, as I understand, one of the amendments will be withdrawn. It affects the Civil Aeronautics Board, particularly with respect to the work at Langley Field, and involves construction. I understand it will be withdrawn. I do not know whether other amendments will be offered to that item. If it is a matter on which the House Armed Services Committee has acted and on which the House has acted, there will not be any amendments offered in the Senate. We have not recommended anything for construction. We must pay on so-called future agreements which have been made. The only construction item is the one in the Senate bill. If the amendment to which I have referred is withdrawn, less time will be required. An amendment which will call for considerable debate is the one relating to public housing. I believe that the Senator from Massachusetts will agree as to that.

Mr. McFARLAND. Mr. President, I wish to say that it will be perfectly agreeable to me to have the limitation on debate begin now. The sooner it begins the better, for I think the Senate must begin to make progress in handling the appropriation bills, and it seems that we do not make any progress on them unless we have a limitation of debate. So I should like to have the Senate begin now to limit debate, with 10 minutes allowed to each side, or 20 minutes altogether, on each amendment.

Mr. WHERRY. Mr. President, I believe in progress, but I believe we had better provide for 30 minutes on each amendment, with 15 minutes to each side. Some amendments are somewhat more important than others. If that proposal is made, I think it will be satisfactory.

Let me say that when I was off the floor of the Senate, I was informed that request was made for unanimous consent to vacate the order for the calling of the calendar tomorrow. Let me inquire whether that is the case.

Mr. McFARLAND. Yes, it is.

Mr. WHERRY. As usual, Mr. President, several Senators told me that they were assured that the calendar would be called tomorrow, regardless of what other developments might occur, because the majority leader had stated specifically that if action on the pending bill was not completed today, it would be temporarily laid aside tomorrow, at which time the Senate would take up the calendar.

I shall agree to the proposal now made, but I shall do so with a great deal of reluctance, because at least two Senators, who now have left the city, may be very much interested in votes which will be taken during the further consideration of this bill. However, in the interest of progress, I shall not object to the proposed agreement, and I shall be glad to have the Senator from Arizona at once make his unanimous-consent request.

Mr. McFARLAND. How much time would the Senator like to have allowed for debate on the bill itself?

Mr. WHERRY. The amount of time is immaterial to me, but I think not more than 1 hour altogether or—30 minutes to each side—should be provided.

If there is to be any exception in regard to the time to be allowed for debate on the amendments, will it be in the case of the housing amendment?

Mr. McFARLAND. I intend to propose an allowance of 30 minutes for each side in that case.

Mr. MAYBANK. Mr. President, I believe that half an hour in total will be sufficient in the case of the housing amendment, as well, for there are a number of amendments, including the amendment of the Senator from Nebraska [Mr. WHERRY], the amendment of the Senator from New Hamphire [Mr. BRIDGES], the amendment of the Senator from Michigan [Mr. FERGUSON], and the amendment of the Senator from Illinois [Mr. DOUGLAS]; and if we total the time to be allowed on all those amendments, on the basis of 30 miutes on each one, I believe there will be ample time.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. WHERRY. My suggestion is that there be allowed for debate on the bill itself the same amount of time allowed for debate on any amendment. Certainly when we have completed action on the amendments, we shall know what we wish to do in regard to the bill itself. The only exception I would make to the proposal for a total of 30 minutes on each amendment would be in the case of the housing amendment, if the majority leader wishes to have such an exception made.

Mr. MAYBANK. Mr. President, I do not believe that will be necessary. The ranking minority Member of the subcommittee, the distinguished Senator from Massachusetts [Mr. SALTONSTALL], agrees, I am sure, that we have fought out this matter in the committee, and there are at least 5 amendments which affect it.

Mr. WHERRY. Very well.

Mr. McFARLAND. Mr. President, I now ask unanimous consent that beginning immediately there be a limitation of debate, on all amendments, to 30 minutes, to be divided equally between the proponent of the amendment and the distinguished Senator from South Carolina [Mr. MAYBANK], provided he is opposed to the amendment; or, if he favors the amendment, to be under the control of the distinguished minority leader; and that there be a limitation of 30 minutes on the bill, to be divided equally between the distinguished Senator from South Carolina [Mr. MAYBANK] and the distinguished minority leader or any Senator whom he may designate.

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The PRESIDING OFFICER. Is there objection?

Mr. HOLLAND. Mr. President, reserving the right to object, I wish to ask a question either of the majority leader or of the distinguished chairman of the subcommittee, the Senator from South Carolina [Mr. MAYBANK], because I think it will bear very greatly upon the amount of debate on the specific amendments. Are we correctly informed that the so-called Ferguson amendment, making a deduction of 10 percent from the figures originally contained in the bill as reported by the committee, as they relate to the employment of personnel, has been incorporated in the bill as it is now being considered by the Senate?

Mr. MAYBANK. I may say to my good friend, the Senator from Florida, for the RECORD, that the bill as originally reported by the committee called for a 5-percent reduction, in accordance with the proposal of the Senator from Oregon [Mr. CORDON]. Later, a further 5-percent reduction was reported by the committee, in accordance with the amendment of the Senator from Michigan [Mr. FERGUSON].

So the bill now before the Senate includes reductions of 10 percent, 5 percent of that being in accordance with the original Cordon amendment, and the other 5 percent being in accordance with the Ferguson amendment which was adopted by the Senate to the Labor-Federal Security appropriation bill. I was authorized to report the bill with that amendment included in it. Therefore, the bill as reported includes amendments making total reductions of 10 percent.

Mr. HOLLAND. Mr. President, further reserving the right to object, I wish to ask the distinguished Senator whether he has placed in the RECORD the specific figures as to the savings which thus will be accomplished.

Mr. MAYBANK. I did so on Friday; and on Friday the Senate adopted all the committee amendments, subject to the right to consider them again, later on. The total savings will amount to approximately $14,000,000.

Mr. McKELLAR. That amendment has been adopted, has it not?

Mr. MAYBANK. That is correct. We adopted it, at the request of the Senator, after the Senator from Michigan conferred with us.

For the information of the Senator from Florida, I may say that the total savings thus made are $14,762,838. Those are the savings made by all of the committee amendments, and the figures in connection with the various reductions have been printed in the RECORD.

Mr. WHERRY. Mr. President, further reserving the right to object, let me inquire if the committee amendment has been adopted.

Mr. MAYBANK. Yes; it was adopted on Friday.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement, as proposed? The Chair hears no objection, and the agreement is entered.

Mr. McFARLAND. Mr. President, I wish to thank Senators for permitting us to reach this agreement at this time.

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

Ordered, That during the further consideration of H. R. 3880, the independent offices appropriation bill for 1952, debate on any amendment or motion (including appeals) that may be proposed shall be limited to not exceeding 30 minutes, to be equally divided and controlled by the proposer of any such amendment or motion, and Mr. MAYBANK, respectively: *Provided*, That in the event Mr. MAYBANK is in favor of any such amendment or motion the time in opposition thereto shall be controlled by Mr. WHERRY or some one designated by him.

Ordered further, That debate on the question of the passage of the bill shall be limited to not exceeding 30 minutes, to be equally divided and controlled by Mr. MAYBANK and Mr. WHERRY, respectively, or some one designated by the latter.

The PRESIDING OFFICER. The Chair understands that, under the unanimous-consent agreement which is in force, the Senator from Illinois has 15 more minutes.

Mr. DOUGLAS. Mr. President, I like very briefly to explain the purport of the amendment.

Mr. MAYBANK. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. Does the Senator intend to ask for a vote on the amendment this afternoon?

Mr. DOUGLAS. I should like to have a vote.

Mr. MAYBANK. I know the Senator will agree with me that the one great concern I have is, in connection with specifying the number of automobiles, that the Atomic Energy Commission I understand would lose 427 automobiles, and, since atomic energy projects have moved, not merely to rural sites, but into vast rural spaces, in far-off New Mexico and Idaho, as well as in the Savannah Valley, the situation is much more complex, and special consideration should be given to the number of automobiles for the Atomic Energy Commission, because of the distances to be traversed.

Mr. DOUGLAS. I may say we have been much gentler with the Atomic Energy Commission than with the other agencies.

Mr. MAYBANK. Mr. President, if the Senator from Illinois will yield, I should like to call his attention to what his amendment would do to the Savannah River project and to the area represented by the Senators from Georgia. It would reduce by 279 the number of automobiles which otherwise would be available for 250,000 acres of land. I merely want to say that the Government chose those sites. No one requested it to August, Ga., or to Aiken, S. C., to appropriate the land there. I am sure the Senator from Georgia will agree with me that we do not have good railroad service in the swamps of the Savannah River and we do not have good bus service in the smaller towns, and, therefore, travel is none too easy.

Mr. DOUGLAS. The principal point of this amendment is that, for all agencies other than the Atomic Energy Commission, their requests for additional automobiles are eliminated, and the number of replacements which they request is cut in half. In the case of the Atomic Energy Commission, the replacements are cut in half, but they are allowed one-half the new automobiles provided in the House bill; so they will have available about 149 new automobiles with which to cover the beautiful areas in Nevada and South Carolina, where the projects are to be located.

Mr. MAYBANK. Mr. President, if the Senator will yield further, I am sure he appreciates the beauty of South Carolina, because he was trained there, not far from the atomic-energy project. But, in all seriousness, atomic energy is an expanding proposition, it is not one which is contracting, and we have called upon the Atomic Energy Commission to do twice the work this year that it did last year, so while some requests for additional automobiles might be reduced, I may say that a cut of 427 would be rather a severe cut in the good States of Nevada, New Mexico, Kentucky, South Carolina, and Georgia.

Mr. DOUGLAS. This can be adjusted in conference, but I think it is very important to establish the principle that there are too many government automobiles, and that one way to reduce their number is to fail to replace some of them when they wear out and to stop the acquisition of additional automobiles.

This amendment would reduce the total number of automobiles by 825, and it would save approximately $1,000,000.

It has the two safeguards which the Senator from Massachusetts called to our attention last week. There is a provision that the total number of automobiles must be reduced by the number of replacements not allowed. This is done by requiring the agency in question to turn in two automobiles for each replacement provided. There is a further safeguard, to which the Senator from Massachusetts referred last week, namely, the provision that the appropriations must be reduced by the amounts provided for the automobiles we are denying. Those two safeguards, to which the Senator from Massachusetts very properly called our attention, have been added to this amendment.

It would seem to me that, if we proceed on the theory that there should be a reduction in the total number of automobiles, we should carry it through for all agencies, and then the conference committee can make adjustments to provide particular agencies which may be affected by the amendment with an adequate number of automobiles.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from South Carolina.

Mr. MAYBANK. That is exactly what I wanted to call to the attention of my distinguished friend from Illinois, namely, that, on page 5, line 17, we could not make an adjustment in accordance with his amendment, insofar as the Atomic Energy Commission is concerned, because the House had cut the number to 300. We raised it to 576, as an adjustment; so we could not agree as to that commission only. The others could be adjusted, but I should like to have some adjustment, as the Senator himself suggested, in the conference, so far

as the number of automobiles to be provided for the Atomic Energy Commission is concerned.

Mr. DOUGLAS. I thought the committee had been somewhat overgenerous to the Atomic Energy group regarding automobiles.

Mr. MAYBANK. Why does not the Senator propose to reduce the number in such a way that the conferees may be able to act regarding the 300 automobiles? The Senator now proposes to reduce it to a point where it would be impossible to consider the matter in conference.

Mr. DOUGLAS. What does the Senator suggest?

Mr. MAYBANK. I would say 450. I merely want to be fair about it.

Mr. DOUGLAS. Very well; I accept that. I will accept the figure of 450.

The PRESIDING OFFICER. What is the modification suggested?

Mr. DOUGLAS. It is in the committee amendment, on page 5, lines 17 and 19, to strike "five hundred and seventy-six" and insert "four hundred fifty."

The PRESIDING OFFICER. The Chair understands that that is accepted by the Senator from South Carolina.

Mr. MAYBANK. So far as I am concerned, and speaking for the subcommittee, I may say it is acceptable. That will make possible a conference between the House figure of 300 automobiles and the Senator's figure of 450. The other amendment would cut it below the 300, and then there could have been no conference on it. I should like to inquire of the acting minority leader whether he is satisfied with it, since we have been working together on this bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois.

Mr. SALTONSTALL. Mr. President, will the Senator from South Carolina yield?

Mr. MAYBANK. Mr. President, I understand the time on the amendment is divided between the proponents and the opponents, if any.

The PRESIDING OFFICER. The Senator from Illinois [Mr. DOUGLAS] has the floor for the purpose of speaking on his amendment.

Mr. MAYBANK. I suggest that the time I have taken be deducted from the time of the opposition, or from my time, since I have not otherwise used any of my time.

The PRESIDING OFFICER. The Senator from South Carolina is in opposition to the amendment of the Senator from Illinois is he?

Mr. MAYBANK. I am in opposition to the original amendment, yes.

Mr. SALTONSTALL. Mr. President, I should like to ask a question.

The PRESIDING OFFICER. The Senator from Illinois has the floor. He yielded to the Senator from South Carolina. The Chair understands that the Senator from South Carolina is asking the Senator from Illinois to yield to the Senator from Massachusetts.

Mr. MAYBANK. That is correct—in the time of the Senator from South Carolina.

The PRESIDING OFFICER. In the time of the Senator from South Carolina. Is that satisfactory to the Senator from Illinois?

Mr. DOUGLAS. I am glad to agree to that.

Mr. MAYBANK. I would say that the provision of 450 automobiles is all right. The provision of 140 automobiles would be all wrong, because there is a great deal of new business.

Mr. DOUGLAS. I have accepted the amendment of 450 automobiles. Mr. President, that is about all I wanted to say. I think the Senate should accept the amendment and carry through with the reductions we provided in the Labor-Federal Security appropriation bill. Even with the modification for the Atomic Energy Commission, which is a defense agency, my amendment would still cut out 525 automobiles and save about $700,000.

Mr. SALTONSTALL. Mr. President, if the Senator will yield, does his amendment now provide for 450 automobiles? If so, how many are for replacement only?

Mr. MAYBANK. Two hundred and twenty-nine, as in the bill, if I may say so; because I changed the figures.

Mr. SALTONSTALL. The Senator cut it to 114. Does the Senator from Illinois put it back to 200?

Mr. DOUGLAS. That is all right; yes.

Mr. President, I think I have said about all I need to say. This is a chance to allow the population of Government automobiles to shrink by providing that the birth rate shall be kept below the death rate, so that there will be a net reduction.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield to the Senator from Michigan.

Mr. FERGUSON. Will the Senator advise us what cut he has made in items for the replacement of automobiles, and what cut he proposes to make in the purchase of new automobiles?

Mr. DOUGLAS. The cut is about 200, in the case of replacements.

Mr. FERGUSON. Out of how many? Two hundred from what?

Mr. DOUGLAS. Out of approximately 568. We have eliminated new cars to the extent of approximately 327.

Mr. FERGUSON. From how many?

Mr. DOUGLAS. From a total of 841.

Mr. MAYBANK. They were replacements.

Mr. DOUGLAS. No. The 327 reduction was from a total of 841 new cars. The total saving would amount to approximately 525 cars as a result of the modification for the Atomic Energy Commission instead of 825 cars as I had originally offered my amendment.

Mr. FERGUSON. Aside from the Atomic Energy Commission, the cut is just about the same as it was under the Labor-Federal Security bill, is it not?

Mr. DOUGLAS. That is correct.

Mr. FERGUSON. I thank the Senator, and I hope that his amendment may be voted on and agreed to.

Mr. DOUGLAS. Mr. President, I see the accusing finger of the Senator from Nebraska across the way.

Mr. WHERRY. It is not always accusing.

Mr. DOUGLAS. It is admonitory.

Mr. WHERRY. Mr. President, I think the Senator from Michigan covered the point, but I wish the Senator from Illinois would state for the RECORD percentagewise what this cut will accomplish and how it relates to the other appropriation bill which was recently passed.

Mr. DOUGLAS. It is precisely the same, with the exception of the Atomic Energy Commission. That is, it cuts in half the number of automobiles for replacement and cuts out additional automobiles completely.

Mr. THYE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. THYE. The thought occurs to me that we cannot apply the cut to the Atomic Energy Commission in the same manner in which it could be applied to older and long-existing agencies, because atomic energy is a new field, which is expanding, and we have appropriated funds for new construction. For that reason we cannot compare it with any existing agency. We are only guessing at what we are doing with respect to the Atomic Energy Commission, because it is a new field in which scientists are opening up new jobs every month. We cannot apply to the Atomic Energy Commission the same scale or rule we would apply to old agencies which have existed for many years.

Mr. DOUGLAS. It was just such consideration as that which led the Senator from South Carolina [Mr. MAYBANK] to urge a more moderate policy with regard to the Atomic Energy Commission, and that led me to agree to the modification.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. With reference to the Senator's amendment, there is a figure of 427 shown——

Mr. DOUGLAS. That figure should be changed.

Mr. MAYBANK. Mr. President, we shall have to change the figures all through the bill.

Mr. SALTONSTALL. That is correct.

Mr. President, will the Senator yield for another question?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. With reference to the Veterans' Administration item, the amendment strikes out the appropriation for the purchase of new automobiles for hospital facilities. I am wondering if that is not going too far. It eliminates new automobiles.

Mr. DOUGLAS. It is the same principle which we followed in connection with agencies under the Labor-Federal Security bill. I think we must ask the hospitals and the Veterans' Administration to observe the same principles of economy that apply to other agencies.

Mr. SALTONSTALL. As I understand, we have allowed some replacements of old automobiles. It is not economy to operate old automobiles. But I had in mind veterans' automobiles, which are in a different category.

Mr. DOUGLAS. This matter will be in conference, and if the conferees think

it goes too far they can bring it up toward the House figure. I think it is a rule which can be modified in individual instances and we can bring about economy without too much hardship.

Mr. SALTONSTALL. The Senator understands, does he not, that if the conferees believe it to be proper, they may make a change in the figures?

Mr. DOUGLAS. Certainly. That is their privilege, although I hope the resulting figures will be kept low.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS], as modified.

The amendment as modified was agreed to.

Mr. MAYBANK. Mr. President, I should like to ask the Senator from Michigan and the Senator from New Hampshire, if I may have their attention for a moment, a question in connection with one of the largest sections of the bill. It has been feared that the amendment of the Senator from Michigan calling for a 10 percent reduction would affect contractors. The Atomic Energy Commission has been called upon to do 100 percent more work. It was my understanding that it was not the intention to affect the personnel of the Atomic Energy Commission.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. The amount involved is about $19,000,000, as I remember.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. The Commission has been fearful that the limiting language might adversely affect it. I told the Commission that it was not the intention of the Senator from Michigan, of the Senator from New Hampshire, or of the Senator from South Carolina, who worked and agreed on the amendment, together with the Senator from Tennessee, that it should affect them.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. Is that the understanding of the Senator from New Hampshire?

Mr. BRIDGES. It is.

Mr. MAYBANK. Is it also the understanding of the Senator from Tennessee?

Mr. KEFAUVER. Yes.

Mr. MAYBANK. I just want the RECORD to show that.

Mr. FERGUSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The LEGISLATIVE CLERK. On page 64, between lines 10 and 11, it is proposed to insert a new section, as follows:

SEC. . No part of any appropriation contained in this act shall be used to pay the compensation of any civilian employee of the Government whose duties consist of acting as chauffeur or driver of any Government-owned passenger motor vehicle (other than a bus or ambulance), and any funds appropriated in this act for any such purpose shall be covered into the Treasury as miscellaneous receipts. This section shall not apply with respect to any person whose duties consist of acting as chauffeur for the President of the United States.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. As I understand, this amendment would not affect the Vice President or the Speaker of the House.

Mr. FERGUSON. It applies only to this particular bill. They are not mentioned in the bill.

Mr. MAYBANK. I wanted to make certain of that, because I do not want to be legislating against our distinguished Vice President, the Speaker of the House, or the Chief Justice.

Mr. FERGUSON. The Chief Justice does not have a public chauffeur.

Mr. MAYBANK. I did not want to take any chances.

Mr. FERGUSON. With respect to future bills, the Senator from Michigan proposes to follow the same course, with the exception of the officials who have been mentioned by the Senator from South Carolina.

Mr. MAYBANK. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield for a question.

Mr. MAYBANK. This question may interest the Senator from Virginia [Mr. BYRD], and I hope to have his attention His report showed that there were 4,755 part-time drivers in the field for the Atomic Energy Commission alone. My information is that with the exception of 7, these chauffeurs are the chauffeurs of contractors who are doing contracting work for the Federal Government. In other words, let us say a contractor has a contract in Idaho, or in Savannah, or in Paducah, and the automobiles are needed to get around to the jobs. The amendment would not apply to any contractor who has a contract with the Government, would it?

Mr. FERGUSON. No.

Mr. MAYBANK. Those 4,755 part-time chauffeurs might do other work for the contractors; they might be bookkeepers or something else.

Mr. FERGUSON. They are not included, and they are also not using their automobiles for the carrying of passengers.

Mr. MAYBANK. I simply wanted the RECORD to be made clear on that point.

Mr. FERGUSON. Yes. I send to the desk a list of those who would be affected, and ask that it may be printed in the RECORD as a part of my remarks.

Mr. LEHMAN. Mr. President, would the Senator object to the list being read into the RECORD now?

Mr. FERGUSON. I shall be glad to have it read. These are the chauffeurs who are employed, with the exception of those under the Atomic Energy Commission.

Mr. LEHMAN. The Atomic Energy chauffeurs are not included?

Mr. MAYBANK. Yes, Mr. President, they are.

Mr. FERGUSON. When they are under contract.

Mr. MAYBANK. No. I may say that the Atomic Energy Commission has seven chauffeurs; three in New Mexico, one in Idaho, two in Schenectady, and one in Oak Ridge. Four are chauffeurs of contractors who have contracts in Idaho, New Mexico, Schenectady, or wherever they may be, in distant and rural areas of the States.

Mr. FERGUSON. Yes; they are driving their cars, not for passengers, but to get to their work.

Mr. MAYBANK. To the backwoods, or wherever necessary. The Atomic Energy Commission itself has only seven chauffeurs.

Mr. FERGUSON. Does the Senator from New York still want the list to be read?

Mr. LEHMAN. Yes, I should like to have it read.

The PRESIDING OFFICER. Without objection, the clerk will read the list.

The legislative clerk read as follows:

Chauffeurs in the bill:

Bureau of the Budget, full time, District of Columbia, 3; field, none; total, 3. Part time, District of Columbia, 2; field, none; total, 2.

National Security Council, full time, District of Columbia, 1; field, none; total, 1. Part time, none.

National Security Resources Board, full time, District of Columbia, 6; field, none; total, 6. Part time, none.

Council of Economic Advisers, part time, 2; field, none; total, 2.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. I believe the clerk is reading the names of some agencies that are not contained in the bill.

The PRESIDING OFFICER. The clerk is reading the matter which the Senator from Michigan asked to have placed in the RECORD.

Mr. MAYBANK. I understand. I wish the clerk would read the list again slowly. I understand the clerk is reading from the paper presented by the Senator from Michigan for the RECORD, but I think some agencies have been included which are not in the bill.

Mr. FERGUSON. The Senator from Michigan took these as extracts from the Byrd report. If they are not covered in the bill, naturally they would not be cut by the amendment, because the amendment applies only to agencies contained in the bill.

Mr. MAYBANK. I understand that, but I want the record to be made straight. The National Security Council, for instance, was one of those read. Also the National Security Resources Board, if I am not mistaken.

Mr. FERGUSON. Yes. Those two are not covered by the bill.

Mr. MAYBANK. I simply wanted the record to be clear. I do not believe by this bill we can attempt to make cuts of agencies dealt with in other bills.

The PRESIDING OFFICER. Will the Senator from Michigan look over the list and see that it contains only agencies dealt with in the bill?

Mr. FERGUSON. The Senator from Michigan will check the list over with the distinguished Senator from South Carolina, who is in charge of the bill.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LEHMAN. I am confused. I asked for a list of those who would be affected by the proposed amendment. We ought to have some accuracy in the statement.

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Mr. FERGUSON. That is correct. That is why we are now endeavoring to check up on this matter. There were two agencies, the second and the third on the list that are not included in the pending bill.

The PRESIDING OFFICER. Does the Senator want the clerk to read the list now?

Mr. FERGUSON. Yes.

The PRESIDING OFFICER. The clerk will read.

The legislative clerk read as follows:

Chauffeurs in bill

	Full time			Part time		
	District of Columbia	Field	Total	District of Columbia	Field	Total
Bureau of the Budget	3	-----	3	2	-----	2
Council of Economic Advisers	-----	-----	-----	2	-----	2
Atomic Energy Commission	8	191	199	23	4, 755	4, 778
Civil Service Commission	3	-----	3	1	-----	1
Displaced Persons Commission	-----	-----	-----	3	-----	3
Federal Power Commission	1	-----	1	-----	-----	-----
Federal Trade Commission	1	-----	1	1	-----	1
General Accounting Office	2	-----	2	1	-----	1
General Services Administration	20	1	21	3	5	8
Housing and Home Finance Agency	13	-----	13	4	-----	4
NACA	1	-----	1	2	5	7
National Capital Park and Planning Commission	-----	-----	-----	1	-----	1
National Gallery of Art	-----	-----	-----	3	-----	3
Office of Housing Expediter	3	-----	3	3	-----	3
Securities and Exchange Commission	1	-----	1	2	-----	2
Smithsonian Institution	1	-----	1	-----	-----	-----
Veterans' Administration	18	928	946	22	395	417

Mr. LEHMAN. Mr. President, will the Senator from Michigan yield for a question?

Mr. FERGUSON. I yield.

Mr. LEHMAN. I am not at all clear about the amendment of the Senator from Michigan. I do not think it has been printed yet. Has it?

Mr. FERGUSON. It was printed in connection with the original bill, the one we passed last week providing for the Federal Security Agency.

Mr. LEHMAN. But not for this bill?

Mr. FERGUSON. No.

Mr. LEHMAN. Will the Senator from Michigan explain briefly what classes of employees are cut from the bill by his proposed amendment?

Mr. FERGUSON. The amendment covers only the chauffeurs whose duties consist of acting as chauffeurs or drivers of any Government-owned passenger motor vehicle other than a bus or ambulance. In other words, it does not cover any bus transportation. It does not cover any ambulances.

Mr. LEHMAN. Would it include the automobiles and chauffeurs employed in field services as well as the District of Columbia service?

Mr. FERGUSON. It would cover it if the man was acting as a chauffeur of a passenger vehicle or the driver of a passenger vehicle. In other words, the amendment does not cut out any automobiles. That was done by the distinguished Senator from Illinois [Mr. DOUGLAS], in connection with a reduction in the number of cars. My proposal is to do away with chauffeurs or paid drivers, whether they be called chauffeurs or by any other name.

Mr. LEHMAN. As I understood the amendment of the distinguished Senator from Illinois it did not do away with all the automobiles.

Mr. FERGUSON. That is correct.

Mr. LEHMAN. It simply limited the replacements and to some extent limited the purchase of new automobiles?

Mr. FERGUSON. Yes.

Mr. LEHMAN. So that there will be a great many automobiles in service?

Mr. FERGUSON. Yes. Let us consider a hypothetical case.

Let us say that the Chairman of the Securities and Exchange Commission now has a government-owned automobile. He has a government-paid chauffeur. He would not lose the automobile under this amendment; and unless it were taken away under the amendment of the distinguished Senator from Illinois, he would have the automobile, but he would not have a Government-paid chauffeur. He could hire his own chauffeur with his own funds to drive the car, or he could drive it himself. But the Government would not furnish a paid chauffeur for the Chairman of the Commission.

Mr. LEHMAN. Mr. President, will the Senator yield for an observation?

Mr. FERGUSON. I am glad to yield.

Mr. LEHMAN. I have no idea whether there are enough such full-paid jobs in the District of Columbia, or too many, or too few. The number involved is very small. I am not going to argue that question. But when it comes to the field service, it seems to me that the situation is quite different. Take the Atomic Energy Commission. There are 191 in the field service. In the Veterans' Administration there are 928. I wonder whether the distinguished Senator from Michigan has had an opportunity really to survey the field and find out how many chauffeurs are now working in the field for the Atomic Energy Commission, or how many, if any, of the Veterans' Administration employees who serve as chauffeurs can be spared. It seems to me that it is not the proper procedure to make a general cut.

Mr. FERGUSON. The Senator from Michigan feels that if those in the field are not actually driving a bus or ambulance for the veterans, they can be spared. For example, the superintendent of a hospital may have a Government-owned car. He may have a publicly paid chauffeur serving full time in that position. He may do nothing but sit in the car, or keep it clean, and handle it in the way an ordinary chauffeur does. If he is not a full-time chauffeur, he may be an employee who is taken away from other work to act as a chauffeur.

The object is to try to eliminate those positions, whether they be in the field, in Detroit, or in Washington. The object is to eliminate unnecessary employees during an emergency such as we have now. The Senator from Michigan is not trying merely to take jobs away from men. Many of these men would be hired by those for whom they now drive, and who would be entitled to a chauffeur if they wanted to pay for him with their own money. I believe that the fact that the Government spends money to furnish a Government official with a car is a great help to him. There has grown up, without any authorization from Congress, the practice of furnishing automobiles to thousands of Government employees. After they got the cars we went a step further and furnished them with chauffeurs. It is very difficult to identify who is a chauffeur and who is not.

The employees for whom cars and chauffeurs are furnished become a privileged class. They are not spending their own money for the privilege of having a chauffeur, but the taxpayers' dollars are being used to provide chauffeurs to drive public officials around.

I am sure that the Senator from New York, who has a car in Washington, has seen various Government cars being driven around by paid chauffeurs. Many of them are uniformed chauffeurs. All we want to do is to eliminate paid drivers for public officials. They can drive their own cars or hire their own chauffeurs.

Mr. LEHMAN. Mr. President, will the Senator yield for an observation?

Mr. FERGUSON. I am glad to yield.

Mr. LEHMAN. As I have pointed out, I am not particularly interested in chauffeurs or cars in the District of Columbia. However, I know that in the State of New York, when I was responsible for its administration, we could not have got along in our public health activities and our public works activities if we had not had a substantial number of cars on the job to do the work which was charged to the various departments to which they were attached.

I fear that what we are engaging in here is a hit-and-miss procedure. We say that we must cut out all the part-time chauffeurs in the field in every one of these agencies. I wonder what study or survey the distinguished Senator from Michigan and his associates, the distinguished Senator from New Hampshire [Mr. BRIDGES] and other Senators have made. I wonder what they have really done to ascertain whether there should be 900, 500, 100, or none. My objection goes to the hit-and-miss method which is being used in the consideration of this appropriation bill.

I wonder whether the distinguished chairman of the subcommittee, in recommending these items, did not do, through his committee or otherwise, a considerable amount of surveying of the needs. Apparently the subcommittee came to the conclusion that these positions were needed. What are the sources of information of the Senator from Michigan?

Mr. FERGUSON. We have tried in committee——

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. I did not suggest anything. I asked Mr. Larson to furnish a list of all the automobiles and

chauffeurs. Mr. Larson has furnished such a list, which was printed in the RECORD, showing the thousands of automobiles owned by the Government, aside from military vehicles. I did not make any survey, I will say to the distinguished Senator from New York. I asked for certain information. We received it, and it is in the RECORD.

With respect to the cuts which are being made here, it is my attitude that if I accept any amendment it will be with the distinct understanding that it will have to be taken to conference.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. I invite the attention of Senators to page 499 of the hearings, which shows that the General Services Administration and the State Department have pools of cars and are using a two-way radio system. As I understand, the Department of State has a number of cars which it is operating as a sort of transportation ferry. I believe that the General Services Administration operates in the same way. I would assume, from the conversation which I have just had with the distinguished Senator from South Carolina, that if this amendment is accepted, it will be with the understanding that we will try to work it out in conference.

Mr. MAYBANK. Of course, that is all we can do. The Senator will be a member of the conference committee. There is a pool of automobiles in the General Services Administration as well as in the State Department. Calls are made from one building to another, and the cars are kept moving. That subject will have to be studied.

Mr. LEHMAN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The Chair is advised that the time of the Senator from Michigan has expired, under the limitation.

The Senator from South Carolina [Mr. MAYBANK] has 15 minutes.

Mr. LEHMAN. Mr. President, will the Senator from South Carolina yield 3 minutes to me?

Mr. McFARLAND. Mr. President, I should like to ask the Senator from Michigan a question with regard to his amendment. The last sentence in the amendment is as follows:

> This section shall not apply with respect to any person whose duties consisted of acting as chauffeur for the President of the United States.

Would that include the Vice President?

Mr. FERGUSON. Of course he would be excluded. I suppose the Speaker of the House would also be excluded.

Mr. McFARLAND. What about the wife of the President?

Something should be done about Government cars. The number of them should be reduced. However, I am fearful that what is suggested may be false economy, because employees who ought to be at their jobs may be taken from their work to drive cars. When a car is used by various officials in a department, sometimes it is more economical to have a chauffeur than to have the car standing idle for a great part of the time.

Mr. MAYBANK. The Senator would have to address his question to the Senator from Michigan, who is the author of the amendment. However, I presume that under the terms of his amendment the President and the President's wife would both be excluded.

Mr. FERGUSON. It would exclude the President and his family.

Mr. McFARLAND. The amendment is not written that way.

Mr. MAYBANK. I do not know the answer. The Senate instructed us to bring the bill back with a 10 percent reduction, and we did so. As these amendments have been brought up, all I have said is that we will take them to conference and try to work them out.

Mr. President, on page 498 there is a list showing passenger-carrying vehicles reported by executive agencies other than the Department of Defense, on hand as of March 1, 1951.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MAYBANK. Mr. President, I yield 3 minutes to the Senator from New York. Then I shall yield to the Senator from Michigan.

Mr. LEHMAN. I will not take 3 minutes. I shall not labor the point. I know I shall be overborne by the sentiment expressed today and on other days. I wish, however, to enter a protest against the manner in which the pending appropriation bill and other appropriation bills, in certain particulars at least, are being approached. I hope I can be shown to be wrong, although I doubt it, but my judgment is that the distinguished Senator from Michigan [Mr. FERGUSON] and the distinguished Senator from New Hampshire [Mr. BRIDGES] made no survey of the needs which would justify a cutting out of all the field automobiles in the Atomic Energy Commission and in the Veterans' Administration. I do not believe they know whether the number should be a 1,000, 700, 400, or none. To make an arbitrary cut is not good legislation.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LEHMAN. I do not have the floor.

Mr. MAYBANK. I wish to have it definitely understood that it is agreeable to me to have a yea-and-nay vote if Senators desire to have one. I now yield time to the Senator from New Hampshire.

Mr. BRIDGES. We are dealing with a problem which has had the attention of many Members of the Senate. It has had the attention of many Senators on the Appropriations Committee. No survey on this subject has ever been made by the legislative branch of the Government, so far as I know. The legislative branch, unfortunately, does not possess facilities for making such a survey.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MAYBANK. I wish to say to the Senator that when the subject first came up before the subcommittee, I asked the General Services Administration to make a survey. On page 498 of the hearings reference is made to the survey made by the General Services Administration. The General Services Administration found that there were 24,527 automobiles belonging to the Government, exclusive of any automobiles owned by the Military Establishment, the number of which I am told is greater than the 24,000 automobiles which the agencies own.

Mr. BRIDGES. The legislative branch of the Government not having facilities for investigating, as the distinguished chairman of the subcommittee has indicated, the chairman asked a representative division of the Government to make such a survey. It was probably not a field survey. However, from time to time we have made spot checks in departments and divisions, and we have found a terrific abuse in the use of chauffeur-driven cars.

The Senator from New York has been around Washington long enough to know that he cannot go to a public or private function in Washington without being almost run over by the chauffeur-driven cars of persons who hold positions in the executive branch of the Government. To my mind it is certainly indicative of the abuse of the use of chauffeur-driven cars in Washington.

In the field the average person who is working as a field operative for the United States Government is competent to drive his own car. Unless he is a cripple or has suffered some misfortune which will not permit him to drive his own car, he is certainly able to do so. If he is not the victim of such a misfortune and cannot drive his own car he had better get out of the service of the United States Government, because if he is not competent to drive his own car he is not competent to be a field representative of the United States Government, unless he has suffered some peculiar disastrous illness or crippling injury, in which case certainly some consideration should be given.

The over-all studies, spot checks, and surveys which have been made resulted in the decision to offer the amendments. I do not think anyone would be hurt by the adoption of the amendment. I think it would be very helpful to eliminate some of the chauffeurs for some of the government bureaucrats, who ride around all over the country. It has got to the point where the abuse exists not only in the civilian agencies, but such abuses are becoming apparent also in the defense agencies. I do not believe a major, captain, or a colonel ever comes up to the Hill who is not being driven in a car with a private or a sergeant acting as chauffeur. It is a vicious circle. In some instances it may be wise to have the use of drivers. By and large the offering of the amendments is an effort to eliminate some of the abuses.

As the Senator from New York has pointed out, the amendment is not based upon an over-all individual survey. It is based upon sufficient facts, resulting from spot checks, information coming to us, and surveys such as the one ordered by the Senator from South Carolina, as chairman of the subcommittee, which would warrant support of the amendments. That is the general basis for the offering of the amendments.

Mr. LEHMAN and Mr. FERGUSON addressed the Chair.

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Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. How much time do I have remaining?

The PRESIDING OFFICER. Five minutes.

Mr. BRIDGES. I yield time to the Senator from New York.

Mr. LEHMAN. I do not wish to take any more time if the Senator from South Carolina wishes to yield to another Senator.

Mr. MAYBANK. No; I did not mean it that way. I asked the question for my own information.

Mr. LEHMAN. I realize that when one attends a diplomatic or other reception, he sees many cars which belong to officials. I believe I have the right to point out to the distinguished Senator from New Hampshire that the chauffeurs of many of the cars are paid by the owners of the cars. It is true in my case. I have no doubt it is also true in the case of many of the other Senators who attend dinners or receptions of an official character. I am not making any defense of the use of cars in Washington. I do not wish to give the impression that I do not realize that there may be an oversupply of cars in the Government service. What I do not like is what I would call a hit-and-miss way of approaching appropriations. I think it is bad.

I wish to repeat that the only factual information we have is that which has been collected by the subcommittee or the General Services Administration. I do not believe we have any information before us on which to base an arbitrary cut or eliminate the automobiles for all the field activities of the Veterans' Administration and the Atomic Energy Commission.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from New York does not have the floor. The Senator from New Hampshire has the floor.

Mr. BRIDGES. I yield.

Mr. FERGUSON. Is it not correct to say that when requests are made for automobiles at first they are made only for the cars. The original request does not include chauffeurs or drivers. However, the driver of an automobile becomes a part of the personnel which is included in the estimate of the number of employees needed by a department.

Mr. BRIDGES. The Senator from Michigan understands the technique. I have been a member of the Appropriations Committee for 15 years, and the technique is to ask first for an authorization. An authorization is made by a legislative committee. When the bill comes before the Senate it is said, "This is only an authorization. It does not carry any appropriation. The Senate is not obligated to make an appropriation." After the authorization becomes law, the representatives of the agencies come before the Appropriations Committee and say, "This is authorized by law. This is what you should do. You must appropriate. The Congress has spoken. The Congress has authorized it."

To some degree the same is also true about automobiles. First the department or agency says, "We have got to have automobiles." Incidentally, now they say, "We must have planes, too." It is not enough to have them ride; they must fly, too. We are going up, Mr. President. The next thing we know, not only are automobiles requested, but chauffeurs must be provided to drive the automobiles. It is the building up of a sort of vicious circle.

I admit to the Senator from New York that the amendment is not based on an over-all comprehensive survey made by the legislative branch itself, but we are warranted in taking the action proposed because of spot checks, personal observations, a careful survey made by the General Services Administration, and at least 15 years of observation, to my knowledge, of abuse in connection with this matter.

Mr. CASE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CASE. Is it not a fact that this amendment is the culmination of a long effort in regard to this matter?

I see the Senator from Illinois [Mr. DIRKSEN] in the Chamber. I recall the fight in years gone by, when he and I, as Members of the House, struggled to require Government labels to be placed on all Government automobiles, so that it would be possible to know which automobiles were Government-owned.

So, I say this amendment is an effort to do something constructive in connection with that matter, and I certainly hope the amendment will be adopted.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. SALTONSTALL. I should like to read for the RECORD the figures in connection with this ammendment, in case any Senator is not familiar with them. On July 1, 1950, there were on hand 19,888 automobiles in the various executive agencies other than the Department of Defense. At that time 3,968 automobiles were disposed of, and 4,073 automobiles were purchased, making a net increase of 105. There were 1,380 full-time chauffeurs and 5,672 part-time chauffeurs or drivers.

So by means of this amendment we are asking that the committee of conference determine how many of them can properly be eliminated without reducing efficiency.

Mr. BRIDGES. Yes.

Mr. President, as the Senator from South Dakota [Mr. CASE] has stated, several years ago the Senator from Illinois and others who at that time were House members of the committee of conference, fought very hard in favor of the bill requiring federally owned automobiles to be labeled as such. That was a step forward. I would almost go so far as to do all that I could to require that all Government-owned automobiles be painted yellow or some other peculiar hue or color, so that the public could immediately identify them. We would save many millions of dollars if we required that to be done.

Mr. FERGUSON. Mr. President, if the Senator will yield, let me say that if all Government-owned cars were required to be painted yellow, they would be found to be bunched together on the streets of Washington like bananas.

Mr. BRIDGES. That may be true.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment of the Senator from Michigan [Mr. FERGUSON].

The amendment was agreed to.

AFFIRMATION OF FRIENDSHIP OF THE AMERICAN PEOPLE FOR ALL THE PEOPLES OF THE WORLD—CONFERENCE REPORT

Mr. McMAHON. Mr. President, I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 11) reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read, as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 11) entitled "Concurrent resolution reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
>
> That the Senate recede from its disagreement to the amendments of the House and agree to the same.
>
> TOM CONNALLY,
> BRIEN MCMAHON,
> ALEXANDER WILEY,
> *Managers on the Part of the Senate.*
>
> A. A. RIBICOFF,
> BROOKS HAYS,
> FRANCES P. BOLTON,
> *Managers on the Part of the House.*

The PRESIDING OFFICER. Is there objection to the request for the present consideration of the conference report?

Mr. SALTONSTALL. Mr. President, I assume that this report is on the concurrent resolution which was originally submitted by the Senator from Connecticut, and was adopted unanimously by the Senate, and that the Senate is now receding from its disagreement to the amendment of the House to the concurrent resolution.

Mr. McMAHON. Mr. President, 22 Senators sponsored the concurrent resolution and it was adopted by the Senate and was sent to the House of Representatives. The House has, I say very frankly, improved the concurrent resolution, and the Senate conferees are unanimous in agreeing to accept the changes which have been made by the House of Representatives.

Mr. FERGUSON. Mr. President, is the resolution in its final form long?

Mr. McMAHON. No. It is not very long.

Mr. MAYBANK. Mr. President, how long would be required to read the concurrent resolution, as it would be modified in accordance with the conference report?

Mr. McMAHON. It would take about 5 minutes to read it.

Mr. FERGUSON. I think it should be read. Will the Senator yield for that purpose?

Mr. McMAHON. Of course I would be happy to accede to the request. The Senator is interested in the changes which were made by the House of Representatives, I assume.

Mr. FERGUSON. That is correct. If the concurrent resolution as thus amended is read now, we shall be able to see how it will stand after the conference report is agreed to.

Mr. MAYBANK. Mr. President, I should like to ask a question of the minority leader in regard to the appropriation bill. However, he has been called from the Chamber temporarily. I understand that he will return before long. I suggest that following action on this conference report, we proceed until approximately 5 minutes after 6 with a few of the other amendments.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. SALTONSTALL. I have spoken with Senators on this side of the aisle, and I am sure they will be agreeable to having that course followed.

Mr. MAYBANK. I make that suggestion because in that way we shall be able to clean up several of the amendments after the conference report is acted on.

Mr. McMAHON. Then, Mr. President, I suggest that in accordance with the request of the Senator from Michigan, the concurrent resolution as reported by the committee of conference, which is the version adopted by the House of Representatives, be read.

The PRESIDING OFFICER. Without objection, it will be read.

The legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States reaffirms the historic and abiding friendship of the American people for all other peoples, and declares—

That the American people deeply regret the artificial barriers which separate them from the peoples of the Union of Soviet Socialist Republics, and which keep the Soviet peoples from learning of the desires of the American people to live in friendship with all other peoples, and to work with them in advancing the ideal of human brotherhood; and

That the American people believe the Soviet Government could advance the cause of peace immeasurably by removing those artificial barriers, thus permitting the free exchange of information between our peoples; and

That the American people and their Government desire neither war with the Soviet Union nor the terrible consequences of such a war; and

That, although they are firmly determined to defend their freedom and security, the American people welcome all honorable efforts to resolve the differences standing between the United States Government and the Soviet Government and invite the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor; and

That the Congress request the President of the United States to call upon the Government of the Union of Soviet Socialist Republics to acquaint the peoples of the Soviet Union with the contents of this resolution.

Mr. FERGUSON. Mr. President, I appreciate the Senator's courtesy in permitting the concurrent resolution as proposed to be amended in accordance with the conference report to be read, and I think all Members of the Senate approve of the concurrent resolution and hope that the leaders of the Soviet Union will actually call it to the attention of the people of Russia. If we find that it is not called to the attention of the Russian people, I suggest that all means possible should be used by our own Government to see that the people of the Soviet Union and the people of the satellite countries learn of our friendship for them.

Mr. McMAHON. Mr. President, I hope and trust that the President of the United States, when this message is sent by him to the head of the Soviet Government, for dissemination to its people, will reiterate and make very clear his own desire that this message be promulgated to the people of the Soviet Union, because it is my belief and the belief of all other Members of this body that if the peoples of the Soviet Union really knew what was in our hearts and minds, it would indeed be impossible to continue to make them believe that what we wanted was to enslave the world, and they would understand that what we really want, above all else, is peace in the world, because on a very practical basis I do not know of any people in the world who have more to lose from a third world war than the American people themselves.

So I am delighted with the action which I am sure the Senate is about to take, and I wish to thank the Senator from Michigan for his courtesy.

The PRESIDING OFFICER. Is there objection to the request for the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

INDEPENDENT OFFICES APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3880) making appropriations for the executive office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1952, and for other purposes.

Mr. BRIDGES. Mr. President, I call up the amendment previously submitted by me, on behalf of myself and the Senator from Michigan [Mr. FERGUSON], and the Senator from Nebraska [Mr. WHERRY], on page 22, in line 18, relative to the Chicago post office, and ask that it be read.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. On page 22, line 18, it is proposed to strike out all down to and including the period on line 25.

Mr. BRIDGES. Mr. President, in the case of this particular amendment, let me say——

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MAYBANK. The Senator does not expect to have the Senate vote on the amendment tonight, does he?

Mr. BRIDGES. No. The Senator from Illinois [Mr. DIRKSEN] told the sponsors of the amendment that we had proceeded on the wrong assumption in regard to the amendment, and he wished to explain it. If I correctly understand his explanation, I propose to withdraw the amendment.

Mr. MAYBANK. I was going to say that, as the Senator from New Hampshire knows, there has been a report made on this proposal by the Senator from Montana [Mr. ECTON]. My information is that it would ultimately cost $60,000,000 if the Government should rent this property.

Mr. BRIDGES. I should like to have an explanation from the Senator from Illinois.

Mr. MAYBANK. My information is that greater expense would be involved if this provision were not adopted.

Mr. DIRKSEN. Mr. President, if the distinguished Senator from New Hampshire will yield, I may say that when the Government erected the new Federal building in Chicago, it was built so as to straddle a street which is now in process of widening, and which is one of the principal arteries used in getting from the Loop. That matter was reasonably understood at the time the Federal building was constructed, and so a high archway was left in the middle of the building, up to about what would be called the second floor, with the understanding that if Congress Street were ever widened, it would be possible to put that street through the middle of the new post office building in Chicago. The widening process is now under way, and when the street finally goes through the middle of the Federal building, it will mean that that section of the building which is devoted to deliveries of parcel post, to motor vehicles, and to many other things, will be completely separate from the other portion of the building.

It now becomes necessary in order to meet that problem; and, in order to have necessary facilities with which to work at the present time, as well as in the future, taking into account that there will be a tremendous increase in the postal load, to acquire the land across the street, and the money which is involved in this item is for that purpose. Without it, simply nothing can be done and if there is much delay the cost will be infinitely more than the price for which the land can be purchased at the present time. It is entirely possible that it would cost 3 or 4 times as much, before we get through. So this is in the interest of economy.

Mr. THYE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from Minnesota.

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Mr. THYE. I should like to say to the very able and distinguished Senator from Illinois that, as members of the Committee on Appropriations, we sat through the hearing, and the information we got from the testimony was in accord with his statement. That was one reason why we arrived at the conclusion that it would be a very sound appropriation of money, because, as the Senator says, without an appropriation, the rent would amount to a great deal more in course of time, and if we failed to make the purchase soon, the cost of the property would increase and we would have a great many additional dollars to appropriate.

Mr. DIRKSEN. I may add one or two other observations. There is another property which can be acquired at the present time.

Mr. THYE. That is correct.

Mr. DIRKSEN. Consequently, if we had to move that Federal building to some other site, the cost would be enormous. The second observation is that I fully verified the facts of the situation with the Postmaster General, and he completely concurred in the observations I make on the floor of the Senate.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from Michigan.

Mr. FERGUSON. When the building was erected was it constructed in anticipation of this widening?

Mr. DIRKSEN. It was. The building has been so constructed that it is highly arched in the middle, and the street can go right through the middle of the building. But by virtue of putting that thoroughfare through the building linkage from one side of the building to the other would be almost completely cut off. So the property across the street is absolutely necessary in order to carry on and to expedite the business of the Post Office Department. This item is not for the construction of a building. This is for acquiring the land at a time when the land can be bought, not necessarily at a bargain price, but at a very decent price.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. The testimony of Mr. Reynolds, found at page 502 of the hearings, showed that the present owners came down $600,000, and accepted the appraisal of the Government of $3,200,000 for the land. The total purchase price for the land and for the buildings was $6,552,531.

Mr. DIRKSEN. That is correct.

Mr. SALTONSTALL. It was a very reasonable price, by the way.

Mr. DIRKSEN. That, at least, represents my opinion of the matter.

Mr. BRIDGES. Mr. President, in view of the explanation given, it is not the intention of the Senator from New Hampshire and his colleagues to urge the amendment. I withdraw the amendment.

The PRESIDING OFFICER. The Senator from New Hampshire withdraws his amendment.

Mr. MAYBANK obtained the floor.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. McFARLAND. I wonder whether the Senator from South Carolina would care to have presented any further amendments. It is 15 minutes of 6 o'clock. We really ought to have a better attendance on the floor if further amendments are to be considered.

Mr. WILLIAMS. Mr. President, I send to the desk an amendment. I ask that it may lie on the table and be printed. I propose to call up the amendment tomorrow.

The PRESIDING OFFICER. The amendment will lie on the table and be printed.

Mr. FERGUSON. May we make the amendment "6-15-51—B" the pending question for tomorrow morning, so there will be something before the Senate when it reconvenes?

Mr. McFARLAND. That would be perfectly all right with me, except that——

Mr. MAYBANK. Mr. President, I believe I have the floor, have I not?

The PRESIDING OFFICER. The Senator from South Carolina has the floor, and he yielded to the Senator from Arizona.

Mr. MAYBANK. I was going to make a suggestion with respect to the battle monuments amendment. I went to Europe last summer, and I tried to bring about the application of counterpart funds to the work of the Battle Monuments Commission while I was there; and the Commission, under General North, also tried to have that done, but there was no counterpart money available for that purpose. So I am only saying that I should be glad to carry the amendment to conference, but I want to assure the Senator from Michigan that last summer there was none of that money available. I will take the amendment to conference.

Mr. FERGUSON. Mr. President, at this point in my remarks, for the benefit of the Senate and for the benefit of the conference, I ask permission to insert in the RECORD an explanatory statement and also a table prepared by the Department of State entitled "Outstanding Foreign Credits Payable in Local Currencies as of December 31, 1950." It is the latest report I could get.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

AMERICAN BATTLE MONUMENTS COMMISSION

This amendment is a simple proviso, requiring that wherever practicable expenditures for the operations of the American Battle Monuments Commission in foreign countries shall be from local currencies which are held to the credit of the Treasury.

I think it is a fair statement that no one anywhere knows just how much credit the United States Government has with other nations. The Secretary of the Treasury's annual report shows something like $1,750,000,000 in accounts receivable under active agreements with foreign governments involving lend-lease articles or services and surplus property. In addition there are the counterpart funds which are to our credit under ECA, which provided that 5 percent of the counterparts should be available to us for administrative expenses. I understand than an interdepartmental committee is at work or planning to reconcile all the various credits outstanding so that we may get some idea of their possible utilization.

I have here a table furnished me by the State Department of "Outstanding Foreign Credits Payable in Local Currencies as of December 31, 1950." The total is more than $750,000,000.

It seems to me that we should make every effort to utilize such credits, and this proviso is a step in that direction.

EXHIBIT C.—*Department of State—Outstanding foreign credits payable in local currencies as of Dec. 31, 1950*

Countries	Surplus property agreements		Lend-Lease agreements	War Assets agreements	Reparations allocations	On deposit U. S. Treasury, Dec. 31, 1950	Held by United States DO in trust for Treasury	Total amount payable in local currencies
	Principal	Interest						
American Republics:								
Argentina								
Bolivia			$15,644			$221,600		$237,244
Brazil	$84,027						$2,024,218	2,108,245
Chile						209,241		209,241
Colombia	105,059					22,650		127,709
Costa Rica							12,000	12,000
Cuba	260,350							260,350
Ecuador	351,381	$9,083				2,993		363,457
Honduras							28,500	28,500
Mexico			5,250,000					5,250,000
Nicaragua								
Panama								
Peru	328,531	3,359						331,890
Venezuela	6,372							6,372
Europe:								
Austria	8,455,114	192,172		$2,732,600		1,616,689		12,396,575
Belgium-Luxemburg	17,990,738					72,059		18,062,797
Bulgaria								
Czechoslovakia	5,223,855						80,000	5,303,855
Denmark	904,637					894,337		1,798,974
Finland	17,995,831			4,930,873				22,926,704
France	57,438,857			5,338,302		5,621,160		68,398,319

EXHIBIT C.—*Department of State—Outstanding foreign credits payable in local currencies as of Dec. 31, 1950*—Continued

Countries	Surplus property agreements		Lend-Lease agreements	War Assets agreements	Reparations allocations	On deposit U. S. Treasury, Dec. 31, 1950	Held by United States DO in trust for Treasury	Total amount payable in local currencies
	Principal	Interest						
Europe—Continued								
Germany	$66,357,217					$183,902		$66,541,119
Hungary	14,061,808						$24,925	14,086,733
Iceland	359,428					39,628		399,056
Italy	141,885,856				$184,000			142,069,856
Netherlands	16,957,791			$615,630		89,167		17,662,578
Norway	4,183,800	$13,316	$5,900,000	455,000		56,608		10,608,724
Poland	36,320,221							36,320,221
Portugal	14,400							14,400
Spain					500,000		809,389	1,309,389
Sweden	1,659,443							1,659,443
Switzerland	12,670							12,670
Trieste								
Yugoslavia			900,000					900,000
British Commonwealth and Empire:								
Australia	6,227,831		62,093			538,844		6,828,768
Canada						3	75,002	75,005
New Zealand	3,969,389							3,969,389
South Africa	1,232,948					64,438		1,297,386
United Kingdom	32,800,000					250,000		33,050,000
Africa—Near and Middle East:								
Burma	4,240,140					313,604		4,553,744
Egypt						5,901,218		5,901,218
Ethiopia	39,861		200,000					239,861
Greece	53,319,760					2,243,433		55,563,193
India-Pakistan	10,792,424					10,340,775		21,133,199
Iran	23,362,692					2,115,308		25,478,000
Iraq						1,913,783		1,913,783
Israel-Palestine-Jordan						568,409		568,409
Lebanon-Syria	560,345	7,046						567,391
Liberia	332,672							332,672
Saudi Arabia	52,416							52,416
Turkey	3,306,849					71,429		3,378,278
Eritrea	34,000							34,000
Far East:								
China	50,161,019							50,161,019
Indonesia	62,296,507					101,316		62,397,823
Japan	13,837,735							13,837,735
Korea	20,950,019					294,066		21,244,085
Philippines	2,333,169			1,016,485				3,349,654
Thailand	5,431,516							5,431,516
Total	686,238,678	224,976	12,327,737	15,068,880	684,000	33,146,060	3,654,034	750,704,965

Mr. MAYBANK. I may add, in connection with the remarks of the Senator from Michigan, that General North advised me in writing—and I shall be glad to confine my remarks to that—to the effect that a great deal of the counterpart money had already been committed, and therefore there was none which could be committed to the Battle Monuments Commission. I know the Senator from Michigan does not desire to cripple the Battle Monuments Commission.

Mr. FERGUSON. Not at all.

Mr. MAYBANK. The sole duty of the Battle Monuments Commission is to look after the graves of American servicemen who are buried in foreign soil. I will take the amendment to conference, and if the State Department has any funds which are still available, I shall insist upon it; but I was told, and General North was told, that it does not have money available for the purpose.

Mr. FERGUSON. As I understand, the Senator from South Carolina is willing to take the amendment to conference.

Mr. MAYBANK. Yes. It was my hope that some of these expenses could be paid by the Battle Monuments Commission, through the use of counterpart money. General North and I worked hard and long on it. We could obtain none of those funds. I know the Senator would not expect me to take the amendment to conference unless the funds could be obtained from the State Department.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. If we can get the funds from the State Department, I think we should then increase the funds for the monuments as may be found necessary.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. I think that is far more important, and that the program of the Battle Monuments Commission is far more important than certain of the things for which the State Department is now spending money. Nevertheless, it will depend upon what we can get from the State Department. I shall use my every effort to get the funds, and I shall immediately communicate with General North what the Senator from Michigan has suggested. General North feels the same way about it as I do. He and I tried to work the matter out last October, as I recall the time.

Mr. FERGUSON. I appreciate that.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Michigan is agreed to.

Mr. MAYBANK. It is to be carried to conference. If we can get the funds from the State Department, by way of money for foreign aid, well and good. If we cannot, the Senator from Michigan agrees that the money will not be appropriated.

The amendment offered by Mr. FERGUSON, for himself, Mr. BRIDGES, and Mr. WHERRY, and agreed to, is as follows:

On page 5, line 10, change the period to a colon and insert "*Provided*, That foreign currencies available to the credit of the Treasury shall be used to defray expenses incurred for this purpose wherever practicable."

Mr. WILLIAMS. Mr. President, I have an amendment at the desk which I offer at this time and ask that it be stated by the clerk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, line 17, it is proposed to strike out the figures "$1,883,615" and insert in lieu thereof "$1,585,553."

Mr. McFARLAND. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

Mr. DOUGLAS. Mr. President, will the Senator withhold his motion?

Mr. McFARLAND. Yes.

Mr. DOUGLAS. I ask that certain amendments which I have prepared be printed and lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

DECLARATION OF CONSCIENCE

Mrs. SMITH of Maine. Mr. President, will the Senator from Arizona yield to me before he renews his motion?

Mr. McFARLAND. I am glad to yield.

Mrs. SMITH of Maine. Mr. President, a year ago I made a speech in this chamber which has been called the Declaration of Conscience. What I said then is even more applicable today particularly in view of statements made in the past few days.

I ask unanimous consent that the so-called "Declaration of Conscience" be inserted in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE GROWING CONFUSION—NEED FOR PATRIOTIC THINKING

Mrs. SMITH of Maine. Mr. President, I would like to speak briefly and simply about a serious national condition. It is a national

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feeling of fear and frustration that could result in national suicide and the end of everything that we Americans hold dear. It is a condition that comes from the lack of effective leadership either in the legislative branch or the executive branch of our Government. That leadership is so lacking that serious and responsible proposals are being made that national advisory commissions be appointed to provide such critically needed leadership.

I speak as briefly as possible because too much harm has already been done with irresponsible words of bitterness and selfish political opportunism. I speak as simply as possible because the issue is too great to be obscured by eloquence. I speak simply and briefly in the hope that my words will be taken to heart.

Mr. President, I speak as a Republican. I speak as a woman. I speak as a United States Senator. I speak as an American.

The United States Senate has long enjoyed world-wide respect as the greatest deliberative body in the world. But recently that deliberative character has too often been debased to the level of a forum of hate and character assassination sheltered by the shield of congressional immunity.

It is ironical that we Senators can in debate in the Senate, directly or indirectly, by any form of words, impute to any American who is not a Senator any conduct or motive unworthy or unbecoming an American—and without that non-Senator American having any legal redress against us—yet if we say the same thing in the Senate about our colleagues we can be stopped on the grounds of being out of order.

It is strange that we can verbally attack anyone else without restraint and with full protection, and yet we hold ourselves above the same type of criticism here on the Senate floor. Surely the United States Senate is big enough to take self-criticism and self-appraisal. Surely we should be able to take the same kind of character attacks that we "dish out" to outsiders.

I think that it is high time for the United States Senate and its Members to do some real soul searching and to weigh our consciences as to the manner in which we are performing our duty to the people of America and the manner in which we are using or abusing our individual powers and privileges.

I think it is high time that we remembered that we have sworn to uphold and defend the Constitution. I think it is high time that we remembered that the Constitution, as amended, speaks not only of the freedom of speech but also of trial by jury instead of trial by accusation.

Whether it be a criminal prosecution in court or a character prosecution in the Senate, there is little practical distinction when the life of a person has been ruined.

Those of us who shout the loudest about Americanism in making character assassinations are all too frequently those who, by our own words and acts, ignore some of the basic principles of Americanism—

The right to criticize.

The right to hold unpopular beliefs.

The right to protest.

The right of independent thought.

The exercise of these rights should not cost one single American citizen his reputation or his right to a livelihood nor should he be in danger of losing his reputation or livelihood merely because he happens to know some one who holds unpopular beliefs. Who of us does not? Otherwise none of us could call our souls our own. Otherwise thought control would have set in.

The American people are sick and tired of being afraid to speak their minds lest they be politically smeared as Communists or Fascists by their opponents. Freedom of speech is not what it used to be in America. It has been so abused by some that it is not exercised by others.

The American people are sick and tired of seeing innocent people smeared and guilty people whitewashed. But there have been enough proved cases, such as the Amerasia case, the Hiss case, the Coplon case, the Gold case, to cause Nation-wide distrust and strong suspicion that there may be something to the unproved, sensational accusations.

As a Republican, I say to my colleagues on this side of the aisle that the Republican Party faces a challenge today that is not unlike the challenge which it faced back in Lincoln's day. The Republican Party so successfully met that challenge that it emerged from the Civil War as the champion of a united Nation—in addition to being a party which unrelentingly fought loose spending and loose programs.

Today our country is being psychologically divided by the confusion and the suspicions that are bred in the United States Senate to spread like cancerous tentacles of "know nothing, suspect everything" attitudes. Today we have a Democratic administration which has developed a mania for loose spending and loose programs. History is repeating itself—and the Republican Party again has the opportunity to emerge as the champion of unity and prudence.

The record of the present Democratic administration has provided us with sufficient campaign issues without the necessity of resorting to political smears. America is rapidly losing its position as leader of the world simply because the Democratic administration has pitifully failed to provide effective leadership.

The Democratic administration has completely confused the American people by its daily contradictory grave warnings and optimistic assurances, which show the people that our Democratic administration has no idea of where it is going.

The Democratic administration has greatly lost the confidence of the American people by its complacency to the threat of communism here at home and the leak of vital secrets to Russia through key officials of the Democratic administration. There are enough proved cases to make this point without diluting our criticism with unproved charges.

Surely these are sufficient reasons to make it clear to the American people that it is time for a change and that a Republican victory is necessary to the security of the country. Surely it is clear that this Nation will continue to suffer so long as it is governed by the present ineffective Democratic administration.

Yet to displace it with a Republican regime embracing a philosophy that lacks political integrity or intellectual honesty would prove equally disastrous to the Nation. The Nation sorely needs a Republican victory. But I do not want to see the Republican Party ride to political victory on the four horsemen of calumny—fear, ignorance, bigotry, and smear.

I doubt if the Republican Party could do so simply because I do not believe the American people will uphold any political party that puts political expoitation above national interest. Surey we Republicans are not so desperate for victory.

I do not want to see the Republican Party win that way. While it might be a fleeting victory for the Republican Party, it would be a more lasting defeat for the American people. Surely it would ultimately be suicide for the Republican Party and the two-party system that has protected our American liberties from the dictatorship of a one-party system.

As members of the minority party, we do not have the primary authority to formulate the policy of our Government. But we do have the responsibility of rendering constructive criticism, of clarifying issues, of allaying fears by acting as responsible citizens.

As a woman, I wonder how the mothers, wives, sisters, and daughters feel about the way in which members of their families have been politically mangled in Senate debate—and I use the word debate advisedly.

As a United States Senator, I am not proud of the way in which the Senate has been made a publicity platform for irresponsible sensationalism. I am not proud of the reckless abandon in which unproved charges have been hurled from this side of the aisle. I am not proud of the obviously staged, undignified countercharges which have been attempted in retaliation from the other side of the aisle.

I do not like the way the Senate has been made a rendezvous for vilification, for selfish political gain at the sacrifice of individual reputations and national unity. I am not proud of the way we smear outsiders from the floor of the Senate and hide behind the cloak of congressional immunity and still place ourselves beyond criticism on the floor of the Senate.

As an American, I am shocked at the way Republicans and Democrats alike are playing directly into the Communist design of "confuse, divide, and conquer." As an American, I do not want a Democratic administration whitewash or cover-up any more than I want a Republican smear or witch hunt.

As an American, I condemn a Republican Fascist just as much as I condemn a Democrat Communist. I condemn a Democrat Fascist just as much as I condemn a Republican Communist. They are equally dangerous to you and me and to our country. As an American, I want to see our Nation recapture the strength and unity it once had when we fought the enemy instead of ourselves.

RECESS

Mr. McFARLAND. I now renew my motion that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 51 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 19, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 18 (legislative day, May 17), 1951:

IN THE ARMY

Maj. Gen. William Edward Bergin, O7127, Army of the United States (brigadier general, U. S. Army), for appointment as The Adjutant General, United States Army, and as major general in the Regular Army of the United States, under the provisions of section 206 of the Army Organization Act of 1950 and section 513 of the Officer Personnel Act of 1947.

Brig. Gen. Kenneth Burman Bush, O6650, Army of the United States (colonel, U. S. Army), for temporary appointment as major general in the Army of the United States under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 18 (legislative day of May 17), 1951:

UNITED NATIONS

The following-named persons to be representatives of the United States of America

to the sixth session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization:

Howland H. Sargeant, of Rhode Island.
George D. Stoddard, of Illinois.
Mrs. Helen C. Russell, of California.
Elvin C. Stakman, of Minnesota.
George F. Zook, of Virginia.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 18, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, may we enter upon the duties of this week confidently and courageously, assured that Thy divine presence is ever round about us.

Grant that when we are confronted with difficult decisions we may not yield to those pressures which would make us subservient to our lesser and baser selves.

May all the resources of power and wisdom, which have been revealed and placed at the disposal of humanity, be sanctified and dedicated to the loftiest and noblest purposes.

We penitently confess that we are sometimes greatly bewildered and confused and frightened when we think of the vast and marvelous amount of physical power which now belongs to our modern world.

May the mind and heart of man be endowed with those moral and spiritual controls which will be adequate to direct and channel all these powers and energies to safe and beneficent ends and for the welfare of mankind and Thy glory.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Friday, June 15, 1951, was read and approved.

LEGISLATIVE APPROPRIATION BILL, 1952

Mr. McGRATH, from the Committee on Appropriations, reported the bill (H. R. 4496) making appropriations for the legislative branch for the fiscal year ending June 30, 1952 (Rept. No. 582), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. HORAN reserved all points of order on the bill.

SPECIAL ORDER GRANTED

Mr. DEANE asked and was given permission to address the House on tomorrow for 20 minutes, following the legislative program and any special orders heretofore entered.

EFFECTING COOPERATION BETWEEN GOVERNMENT AND INDUSTRY

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LARCADE. Mr. Speaker, I am today introducing legislation designed to achieve more effective and efficient cooperation between government and industry in the defense program by spelling out provisions under which industry advisory committees to defense agencies shall be organized and shall function.

During World War II, industry advisory committees contributed substantially to the most outstanding production job in the world's history. Since the collapse of the Axis Powers, both Japanese and Nazi military leaders have stated repeatedly that it was America's capacity for production, achieved on an all-out basis, which provided the Allies with the margin for victory.

The present Defense Production Act, passed last year, contemplates that advisory committees to the defense agencies operate under a system similar to that which was so successful during the war against the Axis.

It seems, however, that the Justice Department has discovered the World War II system of advisory committees was somehow illegal—that such committees, in recommending prices and allocations of materials and supplies, might often find themselves in conflict with the antitrust laws. This discovery has come at a very late hour.

To prevent these committees from violating the antitrust laws, the Justice Department has directed that they shall have full-time Federal bureaucrats as chairmen, with the agenda for each meeting prepared by such chairmen. This means, of course, that industry members would have a hard time getting before the Government proposals which their respective chairmen might not favor.

If fear that the system of advisory committees in effect during the last war might place similar committees in the current defense program in danger of violating the antitrust laws is the motivating influence behind the Justice Department's contention, I feel sure that our distinguished Attorney General, the Honorable J. Howard McGrath, will welcome the legislation I am proposing.

My objective is to remove the legal barriers to full cooperation between government and industry in the defense program—to break through the bureaucratic red tape which frequently hampers efficiency in essential all-out production.

I am seeking to achieve this objective by providing for exemption of these advisory committees from provisions of the antitrust laws, only in their relationship to the defense program.

Controls for controls' sake is not the way to promote more effective and efficient cooperation between government and industry. My amendment would permit more freedom to industry in defense production without granting any immunity to participants in their normal nondefense operations.

THE LATE T. ALAN GOLDSBOROUGH

Mr. MILLER of Maryland. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MILLER of Maryland. Mr. Speaker, I have the sad duty to report to the House the sudden and untimely death of a great and beloved citizen of my district who served that district for a period of 18 years in this House. He was intimately known to and beloved by many of the Members still here. As many of you have seen in the papers, Hon. T. Alan Goldsborough died suddenly Saturday night.

He was an outstanding Marylander, descended from a famous family. He fully lived up to its great tradition. He served with distinction in this body for nine terms before going on the Federal bench, where he continued his career with equal distinction during the past 12 years.

Perhaps the most significant thing to his neighbors, friends, and former constituents was the deep human understanding and the kindly heart of this great American, who devoted so much of his life to public service, both big and little. Hundreds of the members of his own community have in their hearts deep gratitude to Judge Goldsborough for some generous act or service rendered. It is with profound sorrow that I report the loss of this fine patriot and personal friend.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman from Mississippi.

Mr. RANKIN. As a Member who served with Judge Alan Goldsborough during all the time he was in Congress, I want to join the gentleman from Maryland in expressing my profound sorrow at the passing of one of the finest Americans I have ever known.

He was honest, courageous, and conscientiously devoted to the welfare of his country. All the time he served in this body he put the welfare of his country first.

His passing is a great loss to the American people.

Mr. MILLER of Maryland. I thank the gentleman from Mississippi for so well expressing what so many of us think.

The SPEAKER. Without objection, other Members may extend their remarks at this point in the RECORD on the life and services of Judge Goldsborough.

There was no objection.

Mr. RAYBURN. Mr. Speaker, in the passing of Judge T. Alan Goldsborough the bench and the country have lost an outstanding citizen and servant. He served well his day and generation. I have lost a real friend. Judge Goldsborough was a good man. I shall miss him very much along with his other admirers and friends.

SPECIAL ORDER GRANTED

Mr. CRAWFORD asked and was given permission to address the House for 15

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minutes on tomorrow, following the legislative program and any special orders heretofore entered.

SCHOOL LOCKERS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, the other day I spoke about the National Production Administration having refused to allow 5,000 tons of steel to be used for 750,000 school lockers. Today I have a telegram from my State that the Precision Equipment Co., 3712 North Milwaukee, Chicago, Ill., is advertising all sizes of lockers for shipment in 20 to 30 days with D097 priority, prices about 50 percent over market.

It would appear from this that there is considerable steel in the black market or available from imports of steel for school-locker purposes, but new schools are unable to obtain steel for locker purposes. Unless the NPA changes its present attitude, school districts will be forced to suffer great inconvenience and additional costs.

SPECIAL ORDERS GRANTED

Mr. MACK of Washington asked and was given permission to address the House for 10 minutes tomorrow, following the legislative program and any special orders heretofore entered.

Mr. ARMSTRONG asked and was given permission to address the House for 30 minutes today, following the legislative program and any special orders heretofore entered.

MIGRATORY FARM LABOR

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, the calendar for this week carries, along with the revenue bill for 1951, the bill H. R. 3283, the so-called migratory farm labor bill.

This particular piece of legislation is one which deserves much more publicity than it has received. It affects directly some one million migratory farm laborers in the United States. It involves also approximately 500,000 illegal Mexican entrants who come into this country every year to work in the cotton fields of the South and in the sugarbeet fields and vegetable farms and gardens of the far West.

Congressman POLK, of Ohio, and I have filed a minority report on this legislation, and we intend to have copies in the hands of every Member. We ask you to study this minority report and to be present here in the House when this bill comes up for debate.

SAYING WHAT OTHER PEOPLE SAY

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the gentleman from Minnesota [Mr. McCARTHY], who just left the well of the House, if memory serves me correctly, last week cautioned the Republican Members that when they used someone else's speech to give credit to the author. I do not know of any Republican who was ever forced to use anyone else's ideas or words in order to express his opinion of the administration or its works. Perhaps he should have. I know I have had some letters referring to Secretary Acheson with words which the rules of the House prohibit me from using on the floor. But I say to the gentleman, if he wants to get examples where Members of the administration have used someone else's talk or speech, all he has to do is go back over the record a few years, and find where in one week two Cabinet members used the same speech.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday this week be dispensed with.

Mr. RANKIN. Mr. Speaker, reserving the right to object, and I expect to object——

Mr. McCORMACK. Mr. Speaker, I withdraw the request.

VETERANS' LEGISLATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I am going to object to dispensing with Calendar Wednesday until veterans' legislation now on the calendar is considered by the House.

LEGISLATIVE BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the gentleman from Mississippi has made a charge that is absolutely unfounded. On two occasions the gentleman has made an oblique reference to me. I hope someday he will make a direct reference, because I have a speech to make.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first business on the Consent Calendar.

SUSPENDING APPLICATION OF CERTAIN FEDERAL LAWS WITH RESPECT TO CERTAIN EMPLOYEES

The Clerk called the joint resolution (H. J. Res. 240) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigation ordered by House Resolution 78, Eighty-second Congress.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. CUNNINGHAM, Mr. BYRNES of Wisconsin, and Mr. FORD objected.

ATTENDANCE OF MARINE BAND AT NEW CASTLE, DEL., ON JUNE 16

The Clerk called the bill (H. R. 3573) to authorize the attendance of the United States Marine Band at the celebration of the three hundredth anniversary of the settling of New Castle, Del., to be held in New Castle, Del., on June 16, 1951.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that this bill may be stricken from the calendar, due to the fact that the President authorized the attendance of the Marine Band to this function and there is no need for the legislation.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

SUSPENDING APPLICATION OF CERTAIN FEDERAL LAWS WITH RESPECT TO EMPLOYMENT OF ATTORNEY BY SENATE COMMITTEE ON RULES AND ADMINISTRATION

The Clerk called the resolution (S. J. Res. 70) to suspend the application of certain Federal laws with respect to an attorney employed by the Senate Committee on Rules and Administration.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. FORD. Mr. Speaker, reserving the right to object, I should like to state that I have consulted with the gentleman from Pennsylvania [Mr. WALTER] and I believe an agreement has been worked out whereby section 2 of the resolution will be deleted. If this is done I have no objection to the resolution's being considered at this time. I have not had an opportunity to present an amendment to the Clerk, but if I could offer it——

The SPEAKER. The gentleman may offer any germane amendment after the bill is considered.

The question is, Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That service or employment of Robert T. Murphy as an attorney on a temporary basis to assist the Senate Committee on Rules and Administration, or any duly authorized subcommittee thereof, shall not be considered as service or employment bringing such person within the provisions of sections 281, 283, or 284, of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of service, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

Amend the title so as to read: "Joint resolution to exempt an attorney employed by

the Senate Committee on Rules and Administration, and members and certain employees of the President's Commission on Internal Security and Individual Rights from the operation of certain conflict-of-interest statutes."

With the following committee amendment:

Add a new section 2 to the bill to read as follows:

"SEC. 2. That service of an individual as a member of the President's Commission on Internal Security and Individual Rights, established by Executive Order Numbered 10207 of January 23, 1951, or employment of an individual by the Commission as an attorney or expert on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or of section 190 of the Revised Statutes (5 U. S. C. 99), or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States."

Mr. FORD. Mr. Speaker, I have an amendment.

The SPEAKER. Is the gentleman's amendment to the committee amendment?

Mr. FORD. It would be; yes, sir.

Mr. Speaker, I ask unanimous consent that this bill may be placed at the foot of the calendar to be brought up last so that I may have an opportunity to present an amendment.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REVISION OF THE OFFICER PERSONNEL ACT OF 1947

The Clerk called the bill (H. R. 4200) to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Officer Personnel Act of 1947, as amended, is further amended by—

(a) Deleting in sections 116 and 214 the last sentence thereof and substituting therefor the following sentence: "Except when suspended under the provisions of section 426 (c), the remaining provisions of this title shall be effective during any period in which title III of this act is not in effect."

(b) Amending section 301 to read as follows:

"SEC. 301. The authority granted by this title and all provisions thereof shall be effective during any period when the total number of line officers serving on active duty exceeds the number of line officers holding permanent appointments in the grade of ensign and above on the active list of the Regular Navy: *Provided*, That with respect to provisions relating to officers serving in grades of lieutenant (junior grade) and lieutenant, the President during any period that he determines the needs of the service so require may suspend the operation of any or all such provisions of this title."

(c) Deleting in the last sentence of subsection (g) of section 303 the word "annual" and changing the period at the end of the said sentence to a colon and adding the following new proviso: *"Provided further*, That, notwithstanding the provisions of this subsection relating to the authorized number of officers in grade, in order to make adjustments for the number of officers in the Naval Reserve who may be ordered to active duty in any grade pursuant to this act or to other provisions of law, the authorized number of officers in each grade concerned may be temporarily exceeded by such number of officers ordered to active duty in such grade until the next succeeding computation authorized by this subsection shall be made."

(d) Amending subsections (g) and (h) of section 303 by deleting where appearing the words "as of January 1 of each year" and substituting in lieu thereof the words "at such times that the needs of the service require but not less than once annually."

(e) Changing the period at the end of subsection (n) of section 304 to a colon and adding the following proviso: *"Provided*, That the President, during any period that he determines the needs of the service so require, may suspend the operation of this subsection."

(f) Inserting in the first sentence of paragraph (1) of subsection (a) of section 305 after the word "senior" the words "in permanent rank."

(g) Inserting in the first sentence of subsection (f) of section 314, between the words "active" and "list," the words "or retired" and deleting in the third proviso of that subsection the words "major general on the active list" and substituting therefor the words "major general or above on the active or retired list."

(h) Amending section 426 by adding a new subsection as follows:

"(c) The President may, at such time or times as he may deem advisable during any war or national emergency declared after the effective date of this act, suspend the operation of any or all of the provisions of this act which relate to the distribution in grades, promotion by selection, involuntary retirement and discharge of officers of the naval service, and such suspension shall not continue beyond June 30 of the fiscal year following that in which such war or national emergency shall end."

SEC. 2. (a) The act of July 24, 1941 (55 Stat. 603), as amended, is further amended by changing the period at the end of section 5 to a colon and adding the following proviso: *"Provided*, That officers shall be temporarily appointed pursuant to this act to grades above lieutenant (junior grade) in the Navy and first lieutenant in the Marine Corps only upon the recommendation of a board of officers convened for that purpose."

(b) Section 5 of such act is further amended by—

(1) Inserting, immediately after "Sec. 5" the subsection designation "(a)"; and

(2) Inserting at the end thereof the following new subsection:

"(b) In addition to recommending those officers whom it considers fully qualified for temporary appointment to higher grades, such a board shall also report, from among the officers whose names are presented to it for consideration, the names of any officers of the active list of less than 20 years' service whose records in its opinion indicate their unsatisfactory performance of duty in their present grades and in its opinion indicate that they would not satisfactorily perform the duties of a higher grade. Officers holding permanent appointments on the active list of the Regular Navy or Marine Corps in the grades of warrant officer and above whose names are so reported shall, except as hereinafter provided, be honorably discharged from the naval service on the first day of the fourth month following that in which their names are thus reported with a lump-sum payment computed on the basis of 2 months' active-duty pay at time of discharge for each year of commissioned service computed in accordance with subsection 102 (d) of the Officer Personnel Act of 1947, as amended, for line officers and subsection 202 (d) of that act for staff officers, but not to exceed a total of 1 year's active-duty pay. No such officer who is under consideration for or undergoing disciplinary action of any kind shall be separated from the naval service prior to the final disposition of his case and he shall thereafter without delay be separated from the naval service pursuant to this subsection or other provisions of law, in the discretion of the Secretary of the Navy. An officer holding permanent appointment as a commissioned warrant or warrant officer and serving temporarily in a higher grade, or an officer designated for limited duty who when appointed for the performance of limited duty only held a permanent appointment as a commissioned warrant or warrant officer, whose name is so reported shall, in lieu of such honorable discharge from the naval service, have the option of reverting to the grade and status he would have held had he not been so appointed. An officer designated for limited duty who when appointed for the performance of limited duty only held a permanent rating below warrant officer, whose name is so reported shall, in lieu of such honorable discharge from the naval service, have the option of reverting to the grade and status he would have held had he not been so appointed and instead had been appointed a warrant officer. In any computation to determine the grade and status to which such officers may revert, all of their active service as an officer designated for limited duty or as a temporary or reserve officer shall be included."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FUR LABELING

The Clerk called the bill (H. R. 2321) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs.

Mr. CUNNINGHAM. Mr. Speaker, a rule has been granted on this bill. I therefore ask unanimous consent that it may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

OFFICIAL REGISTERS OF THE ARMY, NAVY, AND AIR FORCE

The Clerk called the bill (H. R. 1183) to authorize the Secretaries of the Army, the Navy, and the Air Force, with the approval of the Secretary of Defense, to cause to be published official registers for their respective services.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretaries of the military departments, with the approval of the Secretary of Defense, are authorized to have published, annually or at such times as they may designate, official registers containing the names of and pertinent data relating to such officers of the Regular and Reserve components of their respective services and such other lists as they may deem appropriate.

SEC. 2. All laws or parts of laws requiring the periodic publication of an official register of the Army, of the Navy and Marine Corps, and of the Air Force, and prescribing the contents thereof, including, but not restricted to, provisions relating to lists of names, grades, pay and emoluments, and personal data inconsistent with the provisions of this section are repealed and such

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repeal shall include but shall not be limited to the following acts or parts of acts:

(a) Section 2 of the act of June 18, 1878 (20 Stat. 149).

(b) So much of section 1226, Revised Statutes (18 Stat. 215), as reads: "The highest volunteer rank which has been held by officers of the Regular Army shall be entered, with their names respectively, upon the Army Register."

(c) So much of section 1256, Revised Statutes, 18 Stat. 218), as reads "continue to be borne upon the Army Register, or Navy Register, as the case may be, and shall."

(d) The ultimate proviso of section 1 of the act of May 24, 1928 (45 Stat. 735).

(e) The words "and directed" in the seventh line of the act of February 28, 1929 (45 Stat. 1409).

(f) So much of the first sentence of section 201 of the act of June 29, 1948 (Public Law 810, 80th Cong.), as reads "to be published annually in the official Register of the service concerned."

(g) So much of subsection 301 (a) of the act of June 29, 1948 (Public Law 810, 80th Cong.), as reads "to be published annually in the official Register of the service concerned."

(h) So much of section 1457, Revised Statutes (18 Stat. 253), as reads "and continue to be borne on the Navy Register."

(i) So much of section 1406, Revised Statutes (18 Stat. 248), as reads "and shall be entered upon the naval register."

SEC. 3. There are hereby authorized to be appropriated such funds as may be necessary to carry out the purposes of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING CERTAIN EASEMENTS

The Clerk called the bill (H. R. 4024) to authorize certain easements, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized to grant and convey without reimbursement and on such terms and conditions as he determines to be in the public interest, to the following grantees the following easements in and over land, description by metes and bounds in each case being on file in the Navy Department:

(a) To the county of Kleberg, Tex., a permanent easement for public highway purposes over a strip of land ten feet wide and approximately three thousand seven hundred and sixty feet long on the south side of the outlying field of the naval auxiliary air station, Kingsville, Tex.;

(b) To the city and county of San Francisco, Calif., a permanent easement for the construction and maintenance of two 10-inch sludge force mains in and under two strips of land eight feet wide, and twenty-five and one hundred and twenty-five feet long, respectively, within the lands of the United States Marine Corps Depot of Supplies, Islais Creek, San Francisco, Calif.;

(c) To the city of San Diego, Calif., a permanent easement for public highway purposes over a strip of land fifteen feet wide and approximately nine hundred and sixty-two feet long adjacent to the east boundary of San Pasqual Street and on the west side of the Sachem housing project (No. Cal-4037-N), San Diego, Calif.; and

(d) To the Public Telephone & Telegraph Co., a permanent easement for telephone line purposes over two strips of land ten feet wide and aggregating approximately six hundred and six feet in length over and across the lands of the naval training and distribution center at Camp Elliott, San Diego County, Calif.

SEC. 2. The Secretary of the Navy is authorized to grant and convey to the Kansas City Power & Light Co. a permanent easement for the erection and maintenance of overhead transmission lines across and over an irregular shaped parcel of land within the boundaries of the Naval Industrial Reserve Aircraft Plant, Kansas City, Mo., containing approximately two and sixty-seven one-hundredths acres, a metes and bounds description of which is on file in the Department of the Navy, the terms and conditions of the grant and conveyance to include the payment therefor of the fair market value thereof as determined by the Secretary of the Navy.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

QUARTERMASTER EXPERIMENTAL FUEL STATION, PIKE COUNTY, MO.

The Clerk called the bill (H. R. 4260) to authorize the Secretary of the Army to transfer to the Department of the Interior the quartermaster experimental fuel station, Pike County, Mo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized to transfer to the Department of the Interior, without compensation therefor, for use in connection with the development of synthetic liquid fuels, all that real property and interests therein, comprising approximately 391 acres, known as the quartermaster experimental fuel station in Pike County, Mo., as delineated on map dated July 13, 1948, designated as "Final Project Ownership Map, Quartermaster Experimental Fuel Station," on file in the Office, Chief of Engineers, Department of the Army, and all personal property therein at the time of approval of this act: *Provided*, That at such time as the property herein authorized for transfer is no longer required for the purpose stated, it shall be returned to the Department of the Army.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF REFUGE NATIONAL HISTORICAL PARK, T. H.

The Clerk called the bill (H. R. 1733) to authorize the establishment of the City of Refuge National Historical Park, in the Territory of Hawaii, and for other purposes.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

TRANSPORTATION OF PASSENGERS AND MERCHANDISE ON CANADIAN VESSELS IN ALASKA

The Clerk called the bill (H. R. 157) to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, until June 30, 1952, notwithstanding the provisions of law of the United States restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from any port in the United States to another port of the United States, passengers may be transported on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation: *Provided*, That such Canadian vessels may transport merchandise between Hyder, Alaska, and other ports and points herein enumerated.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING CERTAIN VETERANS' BENEFITS TO HUSBANDS AND WIDOWERS OF FEMALE VETERANS

The Clerk called the bill (H. R. 301) to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans.

Mr. ASPINALL. Mr. Speaker, reserving the right to object, I wish to ask the author of the bill if the authorization given by this bill would amount in the ultimate to over $1,000,000?

Mr. RANKIN. Mr. Speaker, I am unable to answer that question.

Mr. ASPINALL. Mr. Speaker, under the circumstances I ask unanimous consent that the bill may be passed over without prejudice.

Mr. RANKIN. Mr. Speaker, I am going to have to object to any bills going over. If the gentleman wants the bill to go over he will have to object.

Mr. ASPINALL. Mr. Speaker, I object.

ELIGIBILITY REQUIREMENTS FOR PHARMACISTS, VETERANS' ADMINISTRATION

The Clerk called the bill (H. R. 302) to redefine the eligibility requirements for appointment of pharmacists in the Department of Medicine and Surgery of the Veterans' Administration.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 (e) (2) of the act of January 3, 1946, as amended (38 U. S. C. 15d), is hereby amended to read as follows:

"(2) Pharmacist—

"hold the degree of bachelor of science in pharmacy from a school of pharmacy approved by the Administrator, or have the equivalent of such a degree in experience, and be registered as a pharmacist in one of the States or Territories of the United States or in the District of Columbia."

With the following committee amendment:

Strike out all after the enacting clause and in lieu thereof insert the following: "That the requirement of a bachelor of science in pharmacy degree, or its equivalent, to be eligible for appointment or for the purpose of promotion as pharmacist in the Department of Medicine and Surgery in the Veterans' Administration in subsection (e) (2) of section 5 of the act entitled 'An act to establish a Department of Medicine and

Surgery in the Veterans' Administration,' approved January 3, 1946 (59 Stat. 675), is hereby waived in the case of all pharmacists who acquired temporary or indefinite appointments in the Veterans' Administration prior to July 1, 1950, and have performed continuous satisfactory service in the Veterans' Administration up to the date of the enactment of this act.

"SEC. 2. The United States Civil Service Commission is hereby authorized and directed to confer competitive civil-service status upon all pharmacists coming within the purview of the foregoing section, without regard to the competitive provisions of the civil-service rules."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RENEWAL OF 5-YEAR LEVEL-PREMIUM-TERM INSURANCE FOR WORLD WAR I VETERANS

The Clerk called the bill (H. R. 1072) to amend the existing law to provide the privilege of renewing expiring 5-year level-premium-term policies of United States Government life insurance.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, this is a similar bill to one called a moment ago. It has passed the Congress probably six times and extends the right of veterans of World War I to pick up their insurance and carry it on. This will not cost the Government any money but it does deplete the fund for those veterans who have already converted their insurance and carried it all the way from 5 to 30 years to the extent of $20,000,000. I feel that this is of such importance the membership should be fully advised before it is extended again because of the amount of money it will take from a great majority of the veterans who have carried their insurance for a long period of time. Therefore, I ask unanimous consent that the bill be passed over without prejudice at this time.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. RANKIN. Mr. Speaker, as I said a moment ago, I am going to object to passing any of these bills over.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, I object.

CONTROL OF SEA LAMPREYS OF THE GREAT LAKES AREA

The Clerk called the bill (H. R. 2995) to amend the joint resolution of August 8, 1945, as amended, with respect to appropriations authorized for the conduct of investigations and studies thereunder.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, reserving the right to object, will the sponsor of this bill explain the position of the agency of the Government which will administer the provisions of it?

Mr. POTTER. Mr. Speaker, this bill was unanimously reported by the committee although the report does not apparently indicate that the Fish and Wildlife Service recommends the bill. The Fish and Wildlife Service, I can assure the gentleman, is highly in favor of the legislation and has worked with the committee in bringing the bill to its final conclusion.

Mr. STEFAN. Mr. Speaker, reserving the right to object, may I get an explanation of the bill from the author?

Mr. POTTER. Mr. Speaker, this bill increases the authorization for the research program that is now under way in reference to sea lampreys, which is a parasite on the fish in the Great Lakes.

Mr. STEFAN. What kind of fish?

Mr. POTTER. Lake trout, whitefish, in fact, all types of fish in our Great Lakes waters. I will say to the gentleman that at the present time this parasite has practically destroyed all of the lake trout in Lake Huron.

Mr. STEFAN. This is not a new program?

Mr. POTTER. This is not a new program. It increases the authorization only.

Mr. KEATING. Mr. Speaker, reserving the right to object, I may say to the gentleman from Michigan I know how hard he has worked on getting rid of this pest in our Great Lakes, for which he is to be commended. This sea lamprey has now gotten into some of the waters in the vicinity of the area I represent. I feel that the gentleman is entitled to great credit for his efforts in this matter.

Mr. POTTER. I know the gentleman's interest in conservation and I appreciate his remarks.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the last sentence of the first paragraph of the joint resolution entitled "Joint resolution authorizing and directing the Director of the Fish and Wildlife Service of the Department of the Interior to investigate and eradicate the predatory sea lampreys of the Great Lakes," approved August 8, 1946, as amended, is hereby amended to read as follows: "The cost of the investigations and studies authorized in this section shall not exceed $359,000 for the first year, $216,000 for the fiscal year ending June 30, 1951, and $500,000 for each of the five succeeding fiscal years.

With the following committee amendment:

Page 2, line 3, strike out "each of the five succeeding fiscal years" and insert "the fiscal year ending June 30, 1952."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPEALING THE ACT OF AUGUST 7, 1939 (53 STAT. 1243; 48 U. S. C., SEC. 353)

The Clerk called the bill (H. R. 3100) to repeal the act of August 7, 1939 (53 Stat. 1243; 48 U. S. C., sec. 353).

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, may I inquire of the author of the bill, the Delegate from Alaska [Mr. BARTLETT]: I note there is no report from the Bureau of the Budget due to the urgency for this measure, also it is impossible to tell from a reading of the bill the cost. I assume that the cost will be much less than a million dollars; is that correct?

Mr. BARTLETT. There will be no cost whatsoever.

Mr. CUNNINGHAM. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of August 7, 1939 (53 Stat. 1243; 48 U. S. C., sec. 353), be, and is hereby, repealed.

With the following committee amendment:

Page 1, after line 4, insert:

"SEC. 2. Section 1 of the act of March 4, 1915 (38 Stat. 1214, 1215), as amended (48 U. S. C. 1946 ed., sec. 353), is hereby amended by striking out the following language in the last proviso of that section:

'if any of said sections, or any part thereof, shall be of known mineral character at the date of acceptance of survey thereof, the reservation herein made shall not be effective or applicable, but the entire proceeds or income derived by the United States from such sections 16 and 36 and such section 33 in each township in the Tanana Valley area hereinbefore described, and the minerals therein, together with.'

"SEC. 3. Section 1 of the act of March 4, 1915 (38 Stat. 1214, 1215), as amended (48 U. S. C., 1946 ed., sec. 353), is further amended by adding the following language at the end of the section: 'Nothing in this act shall affect any lands included within the limits of existing reservations of or by the United States, or lands subject to or included in any valid application, claim, or right initiated or held under any laws of the United States unless and until such reservation, application, claim, or right is extinguished, relinquished, or canceled.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSION FOR NON-SERVICE-CONNECTED DISABLED VETERANS

The Clerk called the bill (H. R. 3193) to establish a rate of pension for aid and attendance under part III of Veterans' Regulation No. 1 (a), as amended.

Mr. DEANE. Mr. Speaker, under the rule adopted by the objectors, it appears that this legislation would cost over $16,000,000, and therefore I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. RANKIN. As I stated, Mr. Speaker, I am going to object to any of these bills being passed over without prejudice.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DEANE. I object, Mr. Speaker.

THREE-YEAR PRESUMPTION OF SERVICE-CONNECTED DISABILITY

The Clerk called the bill (H. R. 3205) to amend the Veterans Regulations to provide that multiple sclerosis develop-

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ing a 10 percent or more degree of disability within 3 years after separation from active service shall be presumed to be service-connected.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I see nothing in the report or any other data that has been turned over to me indicating the cost of this legislation. Could the gentleman from Mississippi give me the information in that regard?

Mr. RANKIN. I will say to the gentleman from Michigan that my information is that it will cost less than $1,000,000 the first year, but there is no way of telling exactly how much it will cost.

Mr. FORD. It will be less than $1,000,000 the first year?

Mr. RANKIN. Yes.

Mr. FORD. But the cumulative cost will be more than $1,000,000?

Mr. RANKIN. I do not know. I cannot tell.

Mr. FORD. I also notice that this legislation would not be in accord with the program of the President. In the light of those facts, I withdraw my reservation of objection and ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. RANKIN. I do not agree to this bill being passed over. I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. I object, Mr. Speaker.

REMOVE DEPENDENCY REQUIREMENT IN CERTAIN PENSIONS

The Clerk called the bill (H. R. 3549) to modify eligibility requirements for payment of pensions to certain widows of veterans of the Civil War, Indian wars, and Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, this bill also is not in line with the directive that the committee has adopted, and therefore I object.

GEOMAGNETIC STATION FOR DEPARTMENT OF COMMERCE

The Clerk called the bill (H. R. 3830) to authorize the construction and equipment of a geomagnetic station for the Department of Commerce.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CONTINUANCE OF DIRECT HOUSING LOANS

The Clerk called the bill (H. R. 3861) to extend to June 30, 1953, the authority of the Administrator of Veterans' Affairs to make direct home and farmhouse loans under title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, reserving the right to object, I would like to ask the sponsor of this legislation to explain its provisions, if he will, please.

Mr. ELLIOTT. Mr. Speaker, the bill, H. R. 3861, of which I am author, provides that the Veterans' Administration be empowered to make direct home and farmhouse loans to veterans of World War II for a period of 2 years, beginning July 1, 1951, which is the date that the present law providing for such loans expires. You will recall that last year we appropriated $150,000,000 for the purpose of making such loans. It is estimated that by the end of this fiscal year, that is, through June 30 of this year approximately $120,000,000 of this money will have been used up for the purpose of making direct loans to veterans.

This bill does not call for a new appropriation, and therefore, in the broad sense it can be considered as not placing any new liability on the Treasury of our country. In simple terms, the bill provides that the Veterans' Administration may take the $30,000,000 which will be left from last year's appropriation, and continue to make direct GI loans with this money. The bill goes further and provides that the Veterans' Administration may sell the mortgages which it presently holds from veterans of World War II, under this program, in the amount of approximately $120,000,000 and with this money make additional direct loans to World War II veterans in those cases where the need for such direct loans is apparent. Thus, the bill before us, if passed, will be financed with the $30,000,000 unexpended under the old law, plus such sums as may be acquired by selling all or any part of the approximately $120,000,000 worth of mortgages that it will hold by July 1, 1951. Every loan made under this program in the past, or in the future, bears or will bear interest at the rate of 4 percent. If the bill before us becomes law, the Veterans' Administration can only sell the mortgages securing the direct loans which it has made in the past, or which it will make in the future, at par, which means for a consideration equal to the unpaid balance plus the accrued interest.

As I see it, this bill, without any new appropriation, and with little or no risk to the Treasury of the United States will keep open the door of opportunity to veterans to buy or build homes for themselves for a period of two additional years.

One of the fundamental weaknesses we have had heretofore in our home and farmhouse loan structure for veterans of World War II has been the inability of veterans who live in rural areas to procure loans through private financial institutions. We were faced with the situation of a veteran living in a city being able to procure through private lending agencies a Government guaranteed GI loan, whereas his cousin, equally qualified under the law for a loan, could not obtain one because he happened to live in a rural area where private financing was not available. This created an inequitable situation which operated as a discrimination against veterans living in rural areas. It created a problem that only this Government of ours, representing all the people, could solve. The bill before us will do a great deal toward solving the problem.

There are 2,600 counties in the United States that are classified by the Veterans' Administration for the purposes of this program as being wholly or partly rural. In these counties there lives some 4,000,000 veterans of World War II. The Veterans' Administration, upon its investigation has found that private financing in these counties at the reasonable rate of 4 percent interest is not available.

That brings up the question of whether or not 4 percent interest is reasonable. Some people say that it is not reasonable, that 4 percent is not enough. We all recognize that the money market fluctuates. Sometimes money can be had on good security at 2 percent, at other times it might be 5 percent or 6 percent, but I believe we can agree that year in and year out 4 percent is a good interest rate. This bill provides that no loan will be made for more than $10,000. A $10,000 loan at 4 percent interest, repaid on a monthly basis over 10 years nets the lender the sum of $2,150 interest. A $10,000 loan at 4 percent interest repaid on a monthly basis over a period of 15 years pays the lender $3,314 interest. A $10,000 loan at 4 percent interest repaid on a monthly basis over a period of 20 years pays the lender $4,544 interest. Yes, I think that we can agree that 4 percent is a reasonable rate of interest for most loans of this nature. There will always be some who will want a higher rate of interest. I have heard my father speak about a prevailing interest rate of 25 percent when he was a young man. I recall myself the prevailing rate of 8 percent on most loans in rural north Alabama when I was a young man. The point I am building up to is that if we pass this bill I hope it will have the effect of keeping interest rates on home loans at a reasonable level. The availability of 4 percent home-loan money for veterans of World War II will have a salutary effect on all interest rates, and particularly on home loans.

The passage of this bill will, in my judgment, have another good effect. It will encourage private-lending agencies to extend their operations into the rural areas of our country to a greater extent than they have done before now. There are some who will say that private financing is available wherever it is really needed. Let us examine this contention. In Fayette County, Ala., since the GI bill became law in 1944, there had through November 25, 1950, been a total of nine guaranteed GI loans made by private-lending institutions. In the adjoining county of Lamar there had been a total of six of such loans, an average of about one loan per year. Just to the north in Marion County, Ala., there had been seven guaranteed loans by private-lending agencies. Examples

could be furnished all day. One of the indirect and perhaps unmeasurable benefits of the passage of this bill will be the additional home loans made to veterans in the rural areas of this country by private capital. Of course, none of us want the Government in any kind of business where the need can be furnished by private sources. We do not want our Government competing with private business where it is at all possible to avoid it. But I believe we can agree that a system of direct loans to serve areas such as those that I have cited as examples will be no competition to private money lenders. In those areas there have been no GI loans by private capital. The passage of this bill will not provide competition where no loans have been made before. This bill merely provides a means of allowing veterans of our rural areas to become home owners. Home ownership is our greatest bulwark against the instability of these times. It will be our greatest weapon against instability in the future.

Mr. Speaker, it is important that we pass this bill today. I hope that with the explanation made of this bill that my friend, the gentleman from Colorado, will be able to withdraw his reservation of objection. The gentleman is recognized as a true friend of the veteran. He is fair in his approach. He has a job to do here today, and he is always conscientious.

Mr. ASPINALL. Is this a new policy of appropriating money without direct authority of the Congress, or have we followed this policy before?

Mr. ELLIOTT. There is no new authorization contained here, and about the policy with respect to similar loans in past years, I will say to the gentleman from Colorado that I do not know.

Mr. ASPINALL. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) section 512 (b) of the Servicemen's Readjustment Act of 1944 is amended (1) by striking out clause (C); and (2) by striking out "June 30, 1951" and inserting in lieu thereof "July 1, 1953."

(b) Section 512 (d) of the Servicemen's Readjustment Act of 1944 is amended to read as follows:

"(d) The Administrator is authorized to sell, and shall offer for sale, to any private lending institution evidencing ability to service loans, any loan made under this section at a price not less than par; that is, the unpaid balance plus accrued interest, and may guarantee any loan thus sold subject to the same conditions, terms, and limitations which would be applicable were the loan guaranteed under section 501 (b) of this title."

(c) The first sentence of section 513 (a) of the Servicemen's Readjustment Act of 1944 is amended to read as follows: "For the purposes of section 512 of this title, the Secretary of the Treasury is hereby authorized and directed to make available to the Administrator such sums not in excess of $150,000,000 (plus the amount of any funds which may have been deposited to the credit of miscellaneous receipts under subsections (a) and (c) hereof), as the Administrator shall request from time to time except that no sums may be made available after July 1, 1953."

(d) Section 513 (c) of the Servicemen's Readjustment Act of 1944 is amended by striking out "June 30, 1952" and inserting in lieu thereof "July 1, 1954."

With the following committee amendments:

Page 1, line 6, strike out "July 1" and insert "June 30."

Page 2, line 17, strike out "July 1" and insert "June 30."

Page 2, line 20, strike out "July 1" and insert "June 30."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VOCATIONAL TRAINING FOR CERTAIN VETERANS

The Clerk called the bill (H. R. 3932) to amend subparagraph (a), paragraph I, part I, Veterans Regulation No. 1 (a), as amended, to provide more equitable rates of disability and death compensation for disability or death incurred in service on or after June 27, 1950, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That subparagraph (a), paragraph I, part I, Veterans Regulation No. 1 (a), as amended, is hereby amended by inserting after the words "during the dates specified" the words "or in active service on or after June 27, 1950, and prior to such date as is fixed by proclamation of the President or concurrent resolution of the Congress."

SEC. 2. Public Law 894, Eighty-first Congress, approved December 28, 1950, is hereby amended by substituting for the words "subparagraph I (c), part II" the words "'part I."

Mr. RANKIN. Mr. Speaker, as reported by the committee, this bill provides that all men suffering a service-connected disability due to service on or after June 27, 1950, will be entitled to education and training under the provisions of Public Law 16 of the Seventy-eighth Congress. This is the law which applied to World War II training of the same type.

Public Law 894 of the Eighty-first Congress extended this training to men serving after June 27, 1950, who were injured in combat or in extra-hazardous service. The present bill makes it applicable to all service-connected cases.

The Veterans' Administration has been unable to furnish a worth-while estimate of cost, but the committee believes that the proposal is meritorious and the expense, whether large or small, is justified. Significantly, the Bureau of the Budget has no objection to the Veterans' Administration report.

The SPEAKER pro tempore. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 1, strike out lines 3 to 8 inclusive.

Page 2, line 1, strike out "Sec. 2." and insert "That."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill to provide vocational rehabilitation training for veterans with compensable service-connected disabilities who served on or after June 27, 1950."

A motion to reconsider was laid on the table.

RENEWAL OF CERTAIN INSURANCE FOR WORLD WAR II VETERANS

The Clerk called the bill (H. R. 4000) to amend subsection 602 (f) of the National Service Life Insurance Act of 1940, as amended, to authorize renewals of level-premium-term insurance for successive 5-year periods.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Reserving the right to object, Mr. Speaker, there is confusion in my mind as to the distinction between this bill and the bill H. R. 1072, which was passed over or objected to earlier on the call of the calendar. H. R. 1072 related to the renewal of 5-year level-premium-term insurance for World War I veterans. In connection with its report the Veterans' Administration stated that it thought the bill would have an adverse effect upon the United States Government life-insurance fund, and that the additional cost to that fund would be about $22,000,000.

However, as far as this bill, H. R. 4000, is concerned, which relates to the renewal of 5-year level-premium-term insurance for World War II veterans, the Veterans' Administration in its report states that it would not involve any additional cost as far as the Government is concerned and apparently would not have an adverse effect upon the United States Government life-insurance fund.

Since they both relate to the same subject but to different groups of veterans, I am wondering why there should be such diversified reports.

Mr. RANKIN. It would be rather difficult for me to explain this measure fully, for the simple reason that you cannot call the name of the other body on the floor of this House without being subject to a point of order. However, just about the time we entered the Second World War, or in 1940, instead of leaving this legislation to the Committee on Veterans' Affairs somebody at the other end of the avenue introduced a bill, and tacked it onto a bill that came from the Committee on Ways and Means. The Committee on Veterans Affairs never saw it. In doing so they denied to World War II veterans some of the privileges that World War I veterans enjoyed, one of which I will say is the total and permanent disability provision.

Mr. BYRNES of Wisconsin. Maybe it will clarify my question if I ask this question: Is there a real distinction between the purpose of this bill we are now considering, H. R. 4000, and the bill H. R. 1072, which was passed over earlier in the day?

Mr. RANKIN. That one applied to World War I veterans, who had a different policy. This applies to World War II veterans. The Administration says it

UNIVERSITY OF MICHIGAN LIBRARIES

will not impose any material additional cost on the Government.

Mr. BYRNES of Wisconsin. As I understand it, then, the insurance is handled differently as far as those two groups of veterans are concerned; therefore, we can say that the two bills are very definitely distinct one from the other?

Mr. RANKIN. Absolutely.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first proviso of subsection (f) of section 602 of the National Service Life Insurance Act of 1940, as amended, is hereby amended to read as follows: "*Provided*, That at the expiration of any term period any national service life insurance policy which has not been exchanged or converted to a permanent plan of insurance, may be renewed as level premium term insurance for a successive period of 5 years at the premium rate for the then attained age without medical examination, provided the required premiums are tendered prior to the expiration of such term."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAKING VETERANS WITH 40-PERCENT DISABILITY ELIGIBLE FOR ALLOWANCES FOR DEPENDENTS

The Clerk called the bill (H. R. 4108) to amend the act of July 2, 1948 (Public Law 877, 80th Cong.), as amended, to include persons whose service-connected disability is rated not less than 40 percent.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, this seems to be a very laudable bill and one which I am satisfied the Congress would pass with probably everyone voting for it if it came up in the regular order under a rule.

However, the report from the Veterans' Administration shows that the first-year cost of this bill would be almost $17,000,000, with no estimate of the total cost, and since the rules governing the Consent Calendar bar any bill involving more than a million dollars from being considered on that calendar, I am compelled to ask unanimous consent that the bill be passed over without prejudice.

Mr. RANKIN. Mr. Speaker, we cannot agree to these bills going over without prejudice.

Mr. CUNNINGHAM. Mr. Speaker, I object to the present consideration of the bill for the reasons stated.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, Public Law 877 of the Eightieth Congress provided additional compensation for service-connected veterans who had dependents and who were 60 percent or more disabled. By Public Law 339, the disability was reduced to 50 percent.

This bill would further reduce the requirement to 40 percent. For example, a veteran 40 percent disabled under today's disability compensation schedule would receive $60 per month compensation. If he had a wife, he would receive 40 percent of $21 additional, if this bill should be enacted into law.

The Veterans' Administration estimates that the first-year cost would be approximately $16,000,000.

AUTOMOBILES FOR CERTAIN SERVICE-CONNECTED DISABLED VETERANS

The Clerk called the bill (H. R. 4233) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans or cash payments in lieu thereof, and for other purposes.

The SPEAKER pro tempore [Mr. PRIEST]. Is there objection to the present consideration of the bill?

Mr. DEANE. Mr. Speaker, this is a very meritorious piece of legislation, but in view of the policy adopted by the committee of objectors and the cost of this bill indicating that it will be over $27,000,000, I therefore ask unanimous consent that it be passed over without prejudice.

Mr. RANKIN. Mr. Speaker, we have to object to the bill being passed over. If the gentleman wants to object to its present consideration, let him object.

Mr. DEANE. Mr. Speaker, I object to the present consideration of the bill.

INCREASING INCOME LIMITATIONS FOR PAYMENT OF NON-SERVICE-CONNECTED PENSION

The Clerk called the bill (H. R. 4387) to increase the annual income limitations governing the payment of pension to certain veterans and their dependents, and to preclude exclusions in determining annual income for purposes of such limitations.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, inasmuch as this bill likewise goes over the cost limitation set by the committee of objectors, I ask unanimous consent that it be passed over without prejudice.

Mr. RANKIN. Mr. Speaker, we cannot agree to the bill going over without prejudice.

Mr. FORD. Mr. Speaker, I object to the present consideration of the bill.

COST-OF-LIVING INCREASE IN COMPENSATION AND PENSION RATES

The Clerk called the bill (H. R. 4394) to provide certain increases in the monthly rates of compensation and pension payable to veterans and their dependents, and for other purposes.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

Mr. RANKIN. Mr. Speaker, we cannot agree for these bills to go over.

Mr. ASPINALL. Mr. Speaker, I object to the present consideration of the bill.

EXPANDING AUTHORITY OF THE COAST GUARD

The Clerk called the bill (S. 1025) to expand the authority of the Coast Guard to establish, maintain, and operate aids to navigation to include the Trust Territory of the Pacific Islands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the last sentence of section 81 of title 14, United States Code, is amended by inserting after the word "possessions," the phrase "the Trust Territory of the Pacific Islands,", so that the sentence will read as follows: "Such aids to navigation other than loran stations shall be established and operated only within the United States, its Territories and possessions, the Trust Territory of the Pacific Islands, and beyond the territorial jurisdiction of the United States at places where naval or military bases of the United States are or may be located, and at other places where such aids to navigation have been established prior to June 26, 1948."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING COMPLETION TIME ON DELAWARE RIVER BRIDGE

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4338) to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del., and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act entitled "An act authorizing the State of Delaware, by and through its State highway department, to construct, maintain, and operate a toll bridge across the Delaware River near Wilmington, Del.," approved July 13, 1946, is hereby amended to read as follows:

"SEC. 5. The authority hereby granted shall cease and be null and void unless the actual construction of said bridge and its approaches be commenced within 3 years and completed within 6 years from July 13, 1946."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING ESTABLISHMENT OF NATIONAL PARK IN HAWAII

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 93, the bill (H. R. 1733) to authorize the establishment of the City of Refuge National Historical Park, in the Territory of Hawaii, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, earlier in the day I asked that this bill go over without prejudice pending the appearance of some Member who might be able to explain one matter in connection with this bill.

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There appears in the report filed by the Bureau of the Budget, the following language:

It is the President's policy to curtail new activities which do not contribute to the defense effort. Therefore, in the event of the enactment of the bill appropriation estimates for maintenance of this park should be held in abeyance until such time as conditions warrant consideration of additional items of expense of this character.

The question which occurs to me is this. If we are not going to incur any expenditure in connection with the purchase of this property or in connection with the maintenance of it until some future date when our fiscal picture is brighter than it is today, I wonder why we should commit ourselves at this point to take on this obligation in the future. Why not wait and see what our situation is at that time.

I wonder, in other words, if we would not be better off to simply defer action on this until these conditions mentioned by the Bureau of the Budget are met at some future date?

Mr. MURDOCK. I would be very happy to answer that, but before I do so I would like to call on the gentleman from Colorado [Mr. ASPINALL] and the gentleman from Michigan, [Mr. CRAWFORD] who can give a better answer.

Mr. BYRNES of Wisconsin. I would be very glad to have either one of the gentlemen explain.

Mr. ASPINALL. In the committee which handled this bill it was agreed that this was perhaps one of the most historic sites in Hawaii and that a background of policy should at this time be established so that those who have private interests around this area would know what the wishes of the Congress might be. It was also agreed by the Delegate from Hawaii that there would be no request for funds until the present international emergency was taken care of.

It appeared to us, in order to save this historic site, which amounts to a place of refuge, so far as history is concerned, of all the oppressed people of Hawaii, this bill should be passed, and that it is a very laudable undertaking.

Mr. BYRNES of Wisconsin. In other words, as I understand it, the committee feels that by passing this authorization legislation at this time we will be preserving this area so that when the Congress does decide it is expedient to step in and maintain this park the property will be available for that purpose.

Mr. ASPINALL. The distinguished gentleman is absolutely correct.

Mr. BYRNES of Wisconsin. Under those circumstances, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, when title to such lands located on the island of Hawaii, within the following-described area, as shall be designated by the Secretary of the Interior, in the exercise of his judgment and discretion as necessary and suitable for the purpose, shall have been vested in the United States, said lands shall be set apart as the City of Refuge National Historical Park, in the Territory of Hawaii, for the benefit and inspiration of the people:

PARCEL 1

Being all of R. P. 3306, L. C. Aw. 7219, Apana 2 to Kailae, all of L. C. Aw. 9470 to Muki, and portions of R. P. 7874, L. C. Aw. 11216 Apana 34 to M. Kekauonohi (Ahupuaa of Honaunau), and R. P. 6852, L. C. Aw. 7712 Apana 1 to M. Kekuananoa (Ahupuaa of Keokea).

Beginning at a one and one-half-inch pipe in concrete monument called "Kalani", at the southeast corner of this parcel, the northeast corner of parcel 3, and on the common boundary of the lands of Keokea and Kiilae, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Lae-O-Kanoni" being seven thousand four hundred forty-four and eight-tenths feet south and five thousand three and two-tenths feet east, and running by azimuths measured clockwise from true south:

1. Seventy-nine degrees thirty-three minutes fifteen seconds six hundred and eighty feet along the land of Kiilae, L. C. Aw. 8521–B to G. D. Hueu and passing over a rock called "Kuwaia", marked K+K at six hundred seventy-three and two-tenths feet to high-water mark; thence along high-water mark, along seacoast for the next three courses, the direct azimuths and distances between points at seacoast being:

2. One hundred and thirty-five degrees fifty-one minutes three thousand nine hundred seventy-six and one-tenth feet;

3. One hundred and fifty-two degrees twenty-five minutes one thousand and seventy-eight feet;

4. Two hundred and forty degrees fifty-five minutes one thousand two hundred four and four-tenths feet;

5. Three hundred and fifty-four degrees nine minutes two hundred twenty-four and one-tenth feet along the remainder of L. C. Aw. 11216: 34 to M. Kekauonohi, along stone wall and old trail;

6. Two hundred and sixty degrees fifty-four minutes one hundred seventy-five and nine-tenths feet across old trail along stone wall to a "+" on rock;

7. One hundred and fifty-eight degrees six minutes seventy-two feet along L. C. Aw. 7296 to Puhi, along stone wall;

8. Two hundred and sixty degrees thirty-six minutes ninety and seven-tenths feet along stone wall;

9. One hundred and ninety-four degrees ten minutes sixty-two and nine-tenths feet along stone wall along L. C. Aw. 7295 and 6979–B: 2 to Keolewa;

10. One hundred and seventy-five degrees fifty-four minutes twenty-six and nine-tenths feet along stone wall;

11. Two hundred and fifteen degrees thirty-seven minutes forty-seven and four-tenths feet along stone wall along remainder of L. C. Aw. 11216:34 to M. Kekauonohi;

12. One hundred and seventy-two degrees twenty-eight minutes forty-eight and one-tenth feet along same;

13. Two hundred and twenty-six degrees twenty-three minutes two hundred twenty-eight and eight-tenths feet along remainder of L. C. Aw. 11216: 34 to M. Kekauonohi to the south side of fifty-foot road;

14. Two hundred and sixty-four degrees fifty-one minutes one hundred fifteen and two-tenths feet along the south side of fifty-foot road;

15. Two hundred and fifty-two degrees thirteen minutes two hundred and two-tenths feet along some;

16. Two hundred and eighty-six degrees thirty minutes one hundred seventy and nine-tenths feet along same;

17. Two hundred and thirty-eight degrees twenty-five minutes ninety-two and eight-tenths feet along same;

18. Two hundred and twenty-three degrees one minute one hundred fourteen and four-tenths feet along same;

19. Three hundred and thirty-eight degrees forty-nine minutes thirty seconds four thousand nine hundred eighty and three-tenths feet along the remainder of L. C. Aw. 11216: 34 to M. Kekauonohi and L. C. Aw. 7712: 1 to M. Kekauonohi and passing over a one and one-fourth-inch pipe in concrete monument at one thousand four hundred eighty-one and six-tenths feet to the point of beginning.

Area, one hundred sixty-six and ninety one-hundredths acres.

PARCEL 2

Being portions of L. C. Aw. 11216 Apana 34 to M. Kekauonohi R. P. 7874 (Ahupuaa of Honaunau).

Beginning at a pipe in concrete at the northeast corner of this parcel, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Lae-O-Kanoni" being two thousand one hundred thirty-nine feet south and eleven thousand six hundred seventeen and nine-tenths feet east and running by azimuths measured clockwise from true south:

1. Three hundred fifty-eight degrees twenty-three minutes two hundred sixty and four-tenths feet along the remainder of L. C. Aw. 11216: 34 to M. Kekauonohi;

2. Ninety-three degrees thirty minutes two hundred and sixty-nine feet along same, along stone wall, along lot 2 of the subdivision by B. P. Bishop estate;

3. Eighty-two degrees no minutes three hundred and eighteen feet along same to the east side of fifty-foot road;

Thence along the east side of fifty-foot road, the direct azimuth and distance being: one hundred seventy-one degrees twenty minutes two hundred ninety-one and five-tenths feet;

5. Two hundred and seventy degrees no minutes six hundred and twenty feet along the remainder of L. C. Aw. 11216: 34 to M. Kekauonohi to the point of beginning.

Area, three and seventy one-hundredths acres.

Together with an easement six feet wide for a pipeline right-of-way extending from the Government road to parcel 1, the south side of said right-of-way being described as follows:

Beginning at the east end of this right-of-way on the common boundary of the lands of Honaunau and Keokea, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Lae-O-Kanoni" being three thousand one hundred ninety and eight-tenths feet south and eleventh thousand seventy-eight and eight-tenths feet east, and running by azimuths measured clockwise from truth south:

1. Eighty degrees thirty-six minutes five sections one hundred and seventeen feet along L. C. Aw. 7712: 1 to M. Kekaunaoa, to the Triangulation Station "Ahupuaa" of the B. P. Bishop estate;

2. Eighty-two degrees twenty minutes seven thousand two hundred eighty-nine and one-tenth feet along same to a one and one-fourth pipe in concrete monument on the east boundary of parcel 1 the coordinates of said point of the end of this six-foot right-of-way referred to Government Triangulation Station "Lae-O-Kanoni" being four thousand one hundred eighty-two and four-tenths feet south and three thousand seven hundred thirty-nine and four-tenths feet east.

Area, one and two one-hundredths acres.

PARCEL 3

Being portion of L. C. Aw. 8521–B to G. D. Hueu, being portion of the Ahupuaa of Kiilae.

Beginning at a one and one-half-inch pipe in concrete monument called Kalani at the northeast corner of this parcel, the southeast corner of parcel 1, on the common boundary of the lands of Keokea and Kiilae,

the coordinates of said point of beginning referred to Government Survey Triangulation Station "Lae-O-Kanoni" being seven thousand four hundred forty-four and eight-tenths feet south and five thousand three and two-tenths feet east and running by azimuths measured clockwise from true south:

1. Three hundred thirty eight degrees forty-nine minutes thirty seconds five hundred ninety-five and four-tenths feet along the remainder of L. C. Aw. 8521-B to G. D. Hueu to the eight thousand foot south coordinates line referred to Government Survey Triangulation Station "Lae-O-Kanoni";

2. Ninety degrees no minutes one thousand ninety-nine and seven-tenths feet along same and along said eight thousand foot south coordinates line and across school grant 7 Apana 6 to high-water mark;

3. Thence along high-water mark, along sea, the direct azimuth and distance being: two hundred six degrees thirty-three minutes thirty seconds four hundred eighty-two and nine-tenths feet;

4. Two hundred fifty-nine degrees thirty-three minutes fifteen seconds six hundred eighty feet along L. C. Aw. 7712:1 to M. Kekuanaoa and passing over a rock called Kuwaia, marked K+K at six and eight-tenths feet to the point of beginning.

Area, ten and twenty-five one-hundredths acres.

SEC. 2. Upon the vesting of title in the United States to such lands as may be designated by the Secretary of the Interior as necessary and suitable for historical park purposes in accordance with the provisions of section 1 of this act, the City of Refuge National Historical Park shall be established by order of the said Secretary, which shall be published in the Federal Register. Any other lands within the area described above shall become a part of the national historical park upon the vesting of title thereto in the United States and upon publication of an appropriate supplemental order by the said Secretary in the Federal Register.

SEC. 3. The Secretary of the Interior is authorized to procure, by donation, purchase, or otherwise, with any funds that may be available for that purpose, lands and interests in lands which may be needed for the City of Refuge National Historical Park within the area described in section 1 hereof.

SEC. 4. In order to cooperate with the Secretary of the Interior in consolidating in Federal ownership lands within the area described above, and to facilitate acquisition of the lands needed for the national historical park, the Governor of the Territory of Hawaii is also authorized to acquire lands for said park, at the expense of the Territory of Hawaii by exchange or otherwise, in accordance with procedure prescribed by the act of February 27, 1920 (41 Stat. 452).

SEC. 5. The City of Refuge National Historical Park shall be administered by the Secretary of the Interior subject to the provisions of the act of August 25, 1916 (39 Stat. 535; 16 U. S. C., 1946 edition, secs. 1-4), as amended and supplemented, and such additional authority compatible therewith as is contained in the act of August 21, 1935 (49 Stat. 666; 16 U. S. C., 1946 edition, secs. 461-467), with regard to preservation of historic sites and objects of national significance.

With the following committee amendment:

Page 9, line 8, strike out the words "donation, purchase, or otherwise" and insert "donation or purchase."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

XCVII—421

The SPEAKER pro tempore (Mr. PRIEST). This completes the call of the calendar.

SUSPENDING APPLICATION OF CERTAIN FEDERAL LAWS WITH RESPECT TO EMPLOYMENT OF AN ATTORNEY BY SENATE COMMITTEE ON RULES AND ADMINISTRATION

The SPEAKER pro tempore. Under the previous unanimous-consent agreement submitted by the gentleman from Michigan [Mr. FORD], we will continue the consideration of Senate Joint Resolution 70.

The committee amendment has been reported and is now pending.

Mr. FORD. It is my understanding that it is agreeable to the Committee on the Judiciary that the committee amendment be withdrawn, and that the bill as originally introduced be voted on at this time. Is that correct?

Mr. WALTER. That is correct.

Mr. FORD. I therefore ask unanimous consent that the committee amendment may be withdrawn, and Senate Joint Resolution 70 be approved.

Mr. BROWN of Ohio. I object. Is not that resolution before the Rules Committee at this time? Does not that relate to the Nimitz committee?

Mr. WALTER. Yes; that is correct.

Mr. BROWN of Ohio. Mr. Speaker, I object.

The SPEAKER pro tempore. May the Chair state that permission for consideration had been granted earlier in the day. The question now is on the request of the gentleman from Michigan to withdraw the committee amendment at the present time.

Mr. FORD. May I say to the gentleman from Ohio [Mr. BROWN] that by withdrawing the committee amendment we are actually deleting from the resolution the portion pertaining to the Nimitz Commission.

Mr. WALTER. That is correct.

Mr. FORD. It still leaves that part the gentleman is interested in before the Committee on Rules, and simply puts through the other part to which there is no objection.

Mr. BROWN of Ohio. Just a minute; let us understand this thing. What is left in the bill?

Mr. WALTER. There is left in the bill, if the gentleman will yield to me, authority with respect to the employment by a committee of the Senate of a clerk. That bill passed the Senate some time ago, but when it came to the House it was amended by including a bill that had passed the House which was not considered in the Senate.

Mr. BROWN of Ohio. This Senate joint resolution has been pending before the Committee on Rules. The gentleman from New York was the only Member heard on it. I understand other Members desire to be heard on it. I think this is rather an unusual action to bring the measure up at this time, and I hope that it will not be approved.

The SPEAKER pro tempore. Is there objection?

Mr. BROWN of Ohio. I object.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was rejected.

The SPEAKER pro tempore. Without objection the Senate joint resolution will be read a third time.

Mr. BROWN of Ohio. Mr. Speaker, I object.

CALL OF THE HOUSE

Mr. BROWN of Ohio. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting]. Ninety-one Members are present, not a quorum.

Mr. THOMPSON of Texas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 78]

Aandahl	Gore	Morgan
Abbitt	Granahan	Morris
Allen, Calif.	Green	Morrison
Allen, La.	Hall,	Morton
Andrews	Leonard W.	Murphy
Anfuso	Hand	Murray, Wis.
Auchincloss	Harrison, Va.	O'Brien, Mich.
Barden	Hart	O'Konski
Battle	Havenner	O'Neill
Belcher	Hébert	O'Toole
Bender	Heffernan	Patman
Boggs, Del.	Heller	Patten
Breen	Herlong	Philbin
Brooks	Herter	Pickett
Brownson	Hoffman, Ill.	Powell
Buckley	Irving	Preston
Byrnes, N. Y.	Jackson, Wash.	Quinn
Camp	Javits	Ramsay
Carnahan	Johnson	Reed, Ill.
Case	Jonas	Reed, N. Y.
Chatham	Jones,	Richards
Chelf	Hamilton C.	Rivers
Chiperfield	Jones,	Rooney
Chudoff	Woodrow W.	Roosevelt
Clemente	Judd	Sabath
Cole, N. Y.	Kearney	St. George
Cotton	Kearns	Schwabe
Coudert	Kelley, Pa.	Scott, Hardie
Crosser	Kelly, N. Y.	Scudder
Dawson	Kennedy	Shafer
DeGraffenried	Keogh	Short
Dingell	Kirwan	Sikes
Donohue	Klein	Smith, Wis.
Donovan	Lane	Spence
Durham	Lantaff	Stanley
Eaton	Latham	Steed
Evins	LeCompte	Stigler
Fallon	Lesinski	Taylor
Fellows	Lyle	Teague
Fine	McGregor	Towe
Flood	McVey	Vail
Frazier	Madden	Weichel
Fulton	Magee	Wheeler
Furcolo	Mansfield	Wigglesworth
Garmatz	Mason	Wilson, Ind.
Gary	Merrow	Wood, Ga.
Gillette	Miller, Calif.	Woodruff
Goodwin	Miller, N. Y.	
Gordon	Morano	

The SPEAKER pro tempore. On this roll call 290 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SUSPENDING APPLICATION OF CERTAIN FEDERAL LAWS WITH RESPECT TO EMPLOYMENT OF ATTORNEY BY SENATE COMMITTEE ON RULES AND ADMINISTRATION

Mr. BROWN of Ohio. Mr. Speaker, will the Chair state the parliamentary situation at this time?

The SPEAKER pro tempore. The question now is on the third reading of the joint resolution.

Mr. BROWN of Ohio. As amended?

The SPEAKER pro tempore. The amendment was defeated on a voice vote.

Mr. BROWN of Ohio. Then the question is on the resolution, without section 2?

The SPEAKER pro tempore. The question is on the third reading of the Senate joint resolution without the committee amendment.

Mr. BROWN of Ohio. Without section 2?

The SPEAKER pro tempore. That is correct.

The question is on the third reading of the joint resolution.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on agreeing to the joint resolution.

The question was taken; and the Chair being in doubt, the House divided; and there were—ayes 44, noes 56.

Mr. WALTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and twenty-six Members are present, not a quorum. The roll call is automatic. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 120, nays 164, not voting 148, as follows:

[Roll No. 79]

YEAS—120

Addonizio	Gossett	Passman
Aspinall	Granger	Perkins
Bailey	Grant	Polk
Baring	Greenwood	Price
Barrett	Gregory	Priest
Bates, Ky.	Harris	Rabaut
Beckworth	Hays, Ark.	Rains
Bennett, Fla.	Hays, Ohio	Reams
Bentsen	Hedrick	Redden
Blatnik	Holifield	Regan
Boggs, La.	Howell	Rhodes
Bolling	Jarman	Ribicoff
Bonner	Jones, Ala.	Riley
Bosone	Jones, Mo.	Roberts
Boykin	Karsten, Mo.	Rodino
Brown, Ga.	Kerr	Rogers, Colo.
Bryson	Kilday	Rogers, Tex.
Burnside	King	Secrest
Cannon	Kluczynski	Shelley
Carlyle	Lanham	Sheppard
Celler	Lantaff	Sikes
Combs	Larcade	Smith, Miss.
Cooley	Lind	Staggers
Cooper	McCarthy	Sutton
Davis, Tenn.	McGrath	Tackett
Deane	McGuire	Thomas
Delaney	McKinnon	Thompson, Tex.
Denton	McMillan	Thornberry
Dollinger	McMullen	Trimble
Dorn	Machrowicz	Vinson
Doyle	Mack, Ill.	Walter
Eberharter	Mahon	Watts
Elliott	Marshall	Welch
Engle	Mills	Whitaker
Feighan	Mitchell	Wickersham
Fernandez	Moulder	Willis
Fisher	Multer	Wilson, Tex.
Fogarty	Murdock	Yates
Forand	O'Brien, Ill.	Yorty
Gathings	O'Brien, Mich.	Zablocki

NAYS—164

Abernethy	Angell	Beamer
Adair	Arends	Bennett, Mich.
Allen, Ill.	Armstrong	Berry
Andersen, H. Carl	Ayres	Betts
Anderson, Calif.	Baker	Bishop
Andresen, August H.	Bakewell	Blackney
	Bates, Mass.	Boggs, Del.
	Beall	Bolton
Bow	Hale	Potter
Bramblett	Hall, Edwin Arthur	Poulson
Bray		Prouty
Brehm	Harden	Radwan
Brown, Ohio	Hardy	Rankin
Budge	Harrison, Wyo.	Reece, Tenn.
Burdick	Harvey	Rees, Kans.
Burleson	Heselton	Richlman
Burton	Hess	Robeson
Busbey	Hill	Rogers, Fla.
Bush	Hillings	Rogers, Mass.
Butler	Hinshaw	Sadlak
Byrnes, Wis.	Hoeven	Saylor
Canfield	Hoffman, Mich.	Scott, Hugh D., Jr.
Chenoweth	Holmes	
Church	Hope	Scrivner
Clevenger	Horan	Seely-Brown
Cole, Kans.	Hull	Sheehan
Colmer	Jackson, Calif.	Simpson, Ill.
Corbett	James	Simpson, Pa.
Cox	Jenison	Sittler
Crawford	Jenkins	Smith, Kans.
Crumpacker	Jensen	Smith, Va.
Cunningham	Kean	Springer
Curtis, Mo.	Keating	Stefan
Curtis, Nebr.	Kersten, Wis.	Stockman
Dague	Kilburn	Taber
Davis, Ga.	Lovre	Talle
Davis, Wis.	Lucas	Thompson, Mich.
Denny	McConnell	
Devereux	McCulloch	Tollefson
D'Ewart	McDonough	Van Pelt
Dolliver	Mack, Wash.	Van Zandt
Dondero	Martin, Iowa	Vaughn
Doughton	Martin, Mass.	Velde
Ellsworth	Miller, Md.	Vorys
Elston	Miller, Nebr.	Vursell
Fenton	Morano	Werdel
Ford	Mumma	Wharton
Forrester	Murray, Tenn.	Whitten
Fugate	Nelson	Widnall
Gamble	Nicholson	Williams, Miss.
Gavin	Norblad	Williams, N. Y.
George	Norrell	Winstead
Golden	O'Hara	Withrow
Graham	Ostertag	Wolcott
Gross	Patterson	Wood, Idaho
Gwinn	Phillips	
Hagen	Poage	

NOT VOTING—148

Aandahl	Gore	Morgan
Abbitt	Granahan	Morris
Albert	Green	Morrison
Allen, Calif.	Hall, Leonard W.	Morton
Allen, La.		Murphy
Andrews	Halleck	Murray, Wis.
Anfuso	Hand	O'Konski
Auchincloss	Harrison, Va.	O'Neill
Barden	Hart	O'Toole
Battle	Havenner	Patman
Belcher	Hébert	Patten
Bender	Heffernan	Philbin
Breen	Heller	Pickett
Brooks	Herlong	Powell
Brownson	Herter	Preston
Buckley	Hoffman, Ill.	Quinn
Buffett	Hunter	Ramsay
Byrne, N. Y.	Irving	Reed, Ill.
Camp	Jackson, Wash.	Reed, N. Y.
Carnahan	Javits	Richards
Case	Johnson	Rivers
Chatham	Jonas	Rooney
Chelf	Jones, Hamilton C.	Roosevelt
Chiperfield		Sabath
Chudoff	Jones, Woodrow W.	St. George
Clemente		Sasscer
Cole, N. Y.	Judd	Schwabe
Cotton	Kearney	Scott, Hardie
Coudert	Kearns	Scudder
Crosser	Kelley, Pa.	Shafer
Dawson	Kelly, N. Y.	Short
DeGraffenried	Kennedy	Sieminski
Dempsey	Keogh	Smith, Wis.
Dingell	Kirwan	Spence
Donohue	Klein	Stanley
Donovan	Lane	Steed
Durham	Latham	Stigler
Eaton	LeCompte	Taylor
Evins	Lesinski	Teague
Fallon	Lyle	Towe
Fellows	McCormack	Vail
Fine	McGregor	Weichel
Flood	McVey	Wheeler
Frazier	Madden	Wier
Fulton	Magee	Wigglesworth
Furcolo	Mansfield	Wilson, Ind.
Garmatz	Mason	Wolverton
Gary	Meader	Wood, Ga.
Gillette	Merrow	Woodruff
Goodwin	Miller, Calif.	
Gordon	Miller, N. Y.	

So the Senate joint resolution was not agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Havenner for, with Mr. Allen of California against.

Mr. Carnahan for, with Mr. LeCompte against.

Mr. Byrne of New York for, with Mr. Reed of Illinois against.

Mr. Kelley of Pennsylvania for, with Mr. Wolverton against.

Mr. Flood for, with Mr. Towe against.

Mr. Keogh for, with Mr. Auchincloss against.

Mr. Breen for, with Mr. Eaton against.

Mr. Magee for, with Mr. Buffett against.

Mr. Jackson of Washington for, with Mr. Coudert against.

Mr. Murphy for, with Mr. Taylor against.

Mr. Patman for, with Mr. Short against.

Mr. Garmatz for, with Mr. Leonard W. Hall against.

Mrs. Kelly of New York for, with Mr. Halleck against.

Mr. Patten for, with Mr. Herter against.

Mr. Roosevelt for, with Mr. Jonas against.

Mr. Preston for, with Mr. Kearney against.

Mr. Camp for, with Mr. Hand against.

Mr. Rooney for, with Mr. Gillette against.

Mr. Dingell for, with Mr. McGregor against.

Mr. Clemente for, with Mr. Mason against.

Mr. Quinn for, with Mr. Miller of New York against.

Mr. Teague for, with Mr. Latham against.

Mr. O'Toole for, with Mr. Kearns against.

Mr. Morrison for, with Mrs. St. George against.

Mr. Mansfield for, with Mr. Goodwin against.

Mr. Miller of California for, with Mr. Fellows against.

Mr. Klein for, with Mr. Chiperfield against.

Mr. Anfuso for, with Mr. Bender against.

Mr. deGraffenried for, with Mr. Reed of New York against.

Mr. Fine for, with Mr. Woodruff against.

Mr. Heller for, with Mr. McVey against.

Mr. Heffernan for, with Mr. Hardie Scott against.

Mr. Buckley for, with Mr. Vail against.

Mr. Chudoff for, with Mr. Wheeler against.

Mr. Green for, with Mr. Wood of Georgia against.

Mr. Gordon for, with Mr. Abbitt against.

Mr. Granahan for, with Mr. Gary against.

Mr. Hart for, with Mr. Harrison of Virginia against.

Until further notice:

Mr. Evins with Mr. Brownson.

Mr. Fallon with Mr. Cole of New York.

Mr. Frazier with Mr. Merrow.

Mr. Morgan with Mr. Scudder.

Mr. Madden with Mr. Shafer.

Mr. Lesinski with Mr. Smith of Wisconsin.

Mr. Hébert with Mr. Weichel.

Mr. Battle with Mr. Wigglesworth.

Mr. Albert with Mr. Fulton.

Mr. O'Neill with Mr. Cotton.

Mr. Sasscer with Mr. Schwabe.

Mr. Stigler with Mr. Morton.

Mr. Wier with Mr. Hoffman of Illinois.

Mr. HALE changed his vote from "yea" to "nay."

Mr. HAGEN changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

On motion of Mr. BROWN of Ohio, a motion to reconsider was laid on the table.

T. L. MORROW

Mr. CELLER submitted a conference report and statement on the bill (H. R. 1424) for the relief of T. L. Morrow.

UNIVERSITY OF MICHIGAN LIBRARIES

FREE POSTAGE FOR MEMBERS OF THE ARMED FORCES

Mr. MURRAY of Tennessee. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 4393) to extend for 2 years the period during which free postage for members of the Armed Forces of the United States in Korea and other specified areas shall be in effect.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to provide free postage for members of the Armed Forces of the United States in specified areas," approved July 12, 1950 (Public Law 609, 81st Cong.), is hereby amended by striking out "June 30, 1951" and inserting in lieu thereof "June 30, 1953."

The SPEAKER pro tempore. Is a second demanded?

Mr. REES of Kansas. Mr. Speaker, I demand a second.

By unanimous consent a second was considered as ordered.

Mr. MURRAY of Tennessee. Mr. Speaker, on July 12, 1950, an act was approved providing free first-class mail privileges sent by members of the Armed Forces of the United States while on active duty or in the active service of the Armed Forces of the United States in Korea, and such other areas as the President of the United States might hereafter designate as combat zones or areas of military operations to any person in the United States including the Territories and possessions thereof.

The legislation also provided that the free mailing privileges above-granted should become effective upon the date of enactment of this act and should continue until June 30, 1950, unless terminated at an earlier date by concurrent resolution of the Congress or by direction of the President.

The bill before the House for consideration merely amends this act so as to strike out "June 30, 1951" and insert in lieu thereof "June 30, 1953." We hope of course that the war in Korea may be brought to a successful conclusion long before that time, but there must be some termination date inserted by the amendment, for the present act expires on June 30 of this year. I am sure every Member of this House is highly in favor of continuing the present free first-class mail privilege to the members of our Armed Forces in Korea.

Mr. REES of Kansas. Mr. Speaker, this legislation has the unanimous approval of all the members of the House Committee on the Post Office and Civil Service. There was no objection on the part of anyone who came before our committee. It is needed legislation; it is fair and will, I am sure, have the unanimous approval of the membership of this House.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from New Jersey.

Mr. CANFIELD. I ask the gentleman from Kansas if the President has taken any action to designate certain theaters of operation so that the boys will have the frank under this amendment.

Mr. REES of Kansas. Of course, this particular legislation has not yet been approved. It is merely extension of present law.

Mr. CANFIELD. I understood that the bill amended existing law by continuing it further.

Mr. REES of Kansas. The gentleman is right. It continues existing law.

Mr. CANFIELD. My question now is whether the President has designated any areas under the former law.

Mr. REES of Kansas. Only the Korean area so far as I am informed.

Mr. CANFIELD. How about the boys serving, for instance, in Japan in the army of occupation?

Mr. REES of Kansas. I am quite sure they will be included, along with Korea as a part of the theater of operation.

Mr. CANFIELD. How about the boys serving in Germany in the army of occupation?

Mr. REES of Kansas. They will be included under this bill only if Germany is declared a theater of operation.

Mr. CANFIELD. Is it not true that during the Second World War all members of the Armed Forces had this privilege?

Mr. REES of Kansas. That is correct.

Mr. CANFIELD. They do not have it today, do they?

Mr. REES of Kansas. That is correct.

Mr. CANFIELD. They will not have it in the United States under this bill?

Mr. REES of Kansas. No; they will not under this legislation.

Mr. Speaker, I urge the support of the Members for this legislation, without which the free mailing privilege of our troops in Korea would expire on the 30th of this month. I am informed that this mail service for the troops is working out entirely satisfactorily and that all mail sent from Korea is sent by air to this country. With such vast distances to cover it is virtually a necessity that mail go by air.

I have received a large volume of mail from people all over the country urging a reduction in the air parcel post rates for parcels they send to their sons fighting in Korea. Much of this mail comes to me since I introduced a bill which would reduce the present air parcel post rates by 50 percent for those parcels weighing less than 5 pounds addressed for delivery to military personnel in Korea. My bill, H. R. 3742, should receive priority for early consideration.

I realize the Post Office Department is operating at a deficit, but, in my judgment, it is much more equitable to reduce the postal rate on parcels weighing less than 5 pounds going to troops in Korea than to continue to pay increased subsidy for second- and third-class mail which are now being carried at a large deficit. For example, in second-class mail we are paying $20,000,000 more in subsidies this year than was paid last year. The cost of my bill would be only a fraction of this increased cost we are bearing for people who are receiving their newspapers and magazines and can read them in the comfort of their own homes. Furthermore, the cost of my bill would be a mere fraction of the $135,000,000 in subsidies which we paid for the handling of circulars and advertising matter sent through the mail last year as third-class mail.

My bill would not increase the postal deficit for the reason that the Post Office Department is not charged for carrying these parcels beyond the ports of embarkation. Such transportation is furnished by the Air Force in most instances.

During the last war, for example, the Department realized in 1 year—1945—approximately $90,000,000 in profit on air mail going to our men in the Armed Forces. The reason for this profit is that they do not have the expensive distribution costs that they pay in the individual delivery on other mail.

Mr. REES of Kansas. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. ARMSTRONG].

Mr. ARMSTRONG. Mr. Speaker, I wish to endorse the remarks of the two leaders of this committee, and commend especially the distinguished chairman for his remark that we all hope this war in Korea may be brought to a successful conclusion before the 2 years have expired. I think most of us would have been more gratified had he added that this war be brought to a successful conclusion with victory.

Mr. REES of Kansas. Mr. Speaker, I yield back the balance of my time.

Mr. CAMP. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. JACKSON].

Mr. JACKSON of California. Mr. Speaker, Mr. Thomas Mann, the eminent German author, is one of the world's most renowned literary luminaries and a resident of the district which I have the honor to represent. On the rise of Adolf Hitler, Mr. Mann sought, and was granted, political refuge in this country. It was presumed that in seeking sanctuary Mr. Mann sought not only to escape the slavery which Hitlerism would have imposed upon artists and other independent thinkers everywhere, but every other form of degradation and intellectual bondage as well.

However, with the passage of the years, it has become increasingly evident that the Stalinist form of physical and mental bondage holds no terrors for my distinguished constituent. To the contrary, Mr. Mann has become one of the world's foremost apologists for Stalin and company. Politically, Mr. Mann indicates a preference for those on the far left, and he rarely misses an occasion to eulogize the mental strait-jacket performances of fellow apologists.

On May 22, 1951, Mr. Mann sent warm and cordial birthday greetings to an east-German Stalinist literary hack by the name of Becher. Mr. Becher's chief claim to fame would appear to be his consistent ability to tongue the boots of his political superiors. An example of Becher's literary capacity and intellectual honesty appears at par when he says, "How happy must be the letter 'I' as it is permitted to form a letter in the name of Stalin."

While none will deny that Mr. Mann is a literary giant, many will question his good judgment and his political wisdom. Some may even go so far as to question his loyalty to the principles of personal freedom of action under the law. Mr. Mann, under the laws governing our free society here in these United

States, has the high privilege of existence under the Stars and Stripes. He is permitted a sacred and envied space in the ranks of free men and women who are devoted to individual liberty, and who mean to maintain that liberty at the cost of what Winston Churchill called blood, sweat, and tears. Thousands of lives have already been lost in the mortal struggle against international communism and the leaders of that godless crusade. Mr. Becher is an artist whose devotion to Stalin and to communism is unquestioned and universally accepted. The American people do not share Mr. Mann's high regard for Mr. Becher, and the way of life to which he pays such high tribute. Our eminent guest within the gates of what we Americans consider to be a land of liberty and justice, will do well to lard his obvious sympathies for communism and Communists with a few strips of common sense and common gratitude. Mr. Mann should remember that guests who complain about the fare at the table of their host are seldom invited to another meal.

Mr. Speaker, I ask unanimous consent to include in the Appendix of the RECORD an article appearing in the June issue of New Leader magazine, titled "Thomas Mann and the Commissar." The article by Eugene Tillinger should receive the thoughtful consideration of every citizen dedicated to the maintenance of intellectual honesty and moral integrity.

The SPEAKER pro tempore. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

THE CHIEF OF ARMY ENGINEERS LOBBIES FOR THE ST. LAWRENCE SEAWAY AND POWER PROJECT

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I had occasion recently to call the attention of the House to the lobbying activities of the Army engineers in connection with the proposed St. Lawrence seaway and power project.

Now, I want to call attention to a statement credited to Major General Pick, Chief of the Army Engineers, which should be of interest to every Member of this body.

I have in my hand an article from the June 5 issue of the Ogdensburg (N. Y.) Journal. It is written by Fred G. Eaton of that staff and it describes a dinner given at Cornwall, Ontario, to the members of the House Public Works Committee who recently made an inspection trip of the proposed St. Lawrence project. At this dinner, speeches were made by the committee chairman, Mr. BUCKLEY of New York, by General Pick, and presumably by others. The writer is somewhat critical of the delivery of the chairman of the Public Works Committee of the House of Representatives, but I shall not go into that. Here is what he said of General Pick:

> General Pick was much quieter and more effective. In his mild southern drawl, the general made the point most effectively.

Then Mr. Eaton proceeds to quote General Pick as follows:

> "Any group or individual who allows selfish interests or motives to destroy these two great nations will have to answer to his own Maker," the chief of engineers declared.

Mr. Eaton said:

> And that is just what anyone who opposes the seaway is doing, he believes.

Then directly quoting General Pick again, Mr. Eaton proceeds:

> We must have steel to take care of our oncoming needs. We need this waterway. We can't get sufficient steel without it and I will stake my reputation as an engineer and truthful person on that.

Now, Mr. Speaker, I want to call attention to Mr. Eaton's statement—

> And that is just what anyone who opposes the seaway is doing, he—General Pick—believes.

In other words, General Pick believes that those of us who oppose this economic monstrosity are "allowing selfish interests or motives to destroy" the United States and Canada.

Mr. Eaton does not give General Pick's own words to justify the statement that this is what the general believes, but I am told by those who heard him, that his words fully justified Mr. Eaton's conclusion.

I am convinced, Mr. Speaker, that General Pick is referring to a majority of the Members of this body who oppose the St. Lawrence seaway and power project. As a matter of fact, General Pick is deliberately insulting them and I think it is time he should be called to account.

In passing I think we should also be interested in General Pick's statement that he will stake his reputation as an engineer and truthful person on the need of the waterway to get sufficient steel for this country.

In the light of the indisputable facts, I think we may well question both his reputation as an engineer and truthful person, because the promoters of the Labrador-Quebec ore reserves have said time and again, that they plan to bring in 10,000,000 tons of ore a year by 1957 over present transportation facilities and this justifies their investment.

These selfish promoters contend they need the subsidized waterway to bring in an additional 10,000,000 tons 20 years from now on a competitive basis with other iron ores at midwest steel centers. This 20,000,000 tons is the capacity of the 360-mile railroad which they are having to build through the Canadian wilds. They have no plans for a greater capacity, yet General Pick wants to build them a waterway that in the final analysis would cost American taxpayers more than a billion dollars. This 20,000,000 tons will compare with the more than 125,000,000 tons of ore we will be using 20 years from now; indeed, it is about the amount we are using now.

Mr. Speaker, the great majority of the steel operators, those who produce 75 percent of this country's steel, are not interested in the Labrador-Quebec ore or in the St. Lawrence waterway.

I suppose General Pick is applying his engineering knowledge against the statement of Mr. Fairless of United States Steel, that the steel industry faces no ore scarcity, and that of Mr. Eugene Grace, of Bethlehem Steel Co., that the St. Lawrence seaway is not essential to bringing in Labrador-Quebec ore.

As I have said many times before, the St. Lawrence seaway and power project is being sought by only five of the smaller steel companies who have invested in the Canadian project and who produce only 25 percent of the country's steel, and with them it is strictly a proposition of competition in marketing their ores, not one of meeting an ore scarcity.

Mr. Eaton's article in the June 5, 1951, issue of the Ogdensburg (N. Y.) Journal, follows:

JUNKETING CONGRESSMEN BOOST SEAWAY IN CORNWALL SPEECHES

Iron ore and steel. Iron ore and steel.

This theme was repeated like strokes on an anvil as speaker after speaker endorsed the St. Lawrence seaway last night at Cornwall.

The occasion was a dinner for members of the House Public Works Committee who are touring the site of the proposed seaway development.

Representative CHARLES BUCKLEY, Democrat, New York, chairman of the committee, declared it would be "seaway and power project or nothing." Maj. Gen. Lewis A. Pick, Chief of Army Engineers, implied that such a stand was needlessly dogmatic. But both hammered at the necessity for the seaway so that the United States and Canada would have sufficient iron ore.

They were talking about the iron ore fields that have been discovered in Labrador, huge deposits which could easily meet the needs of both nations—if the ore can be economically transported to the steel industry of the Midwest.

BUCKLEY, one-time foe of the project, described the committee's visit to the Mesabi range, prime source of iron ore today. He declared that he was convinced that the high-grade ore would not last more than "7 or 8 years."

Thus if the seaway is not built, the United States and Canada will run short of steel upon which their economy is based.

But, he shouted, "it will be seaway and power or nothing." This was a slap at the repeated requests of the Dewey administration to go ahead and develop the power jointly with the Province of Ontario.

BUCKLEY said that "most of my committee wants what I want. They want the seaway and they want the power."

The committee will vote on sending seaway legislation to the House for consideration on its return to Washington.

BUCKLEY was loud in his convictions, using all the tricks of the politician to influence his audience. One would have thought he was addressing the House, instead of an international group gathered for dinner.

General Pick was much quieter and more effective. In his mild southern drawl, the general made the point most effectively.

"Any group or individual who allows selfish interests or motives to destroy these two great nations will have to answer to his own maker," the Chief of Engineers declared.

And that is just what anyone who opposes the seaway is doing, he believes.

"We must have steel to take care of our oncoming needs. We need this waterway.

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We can't get sufficient steel without it and I will stake my reputation as an engineer and truthful person on that."

He continued that the steel industry could be moved east of the Appalachians and gather its ores from Venezuela and from Labrador by sea, but he pointed out the vast economic dislocation that would result.

His voice sharpened as he concluded:

"The chairman (BUCKLEY) said all or nothing. That isn't, in my opinion, good enough to last us 50 years."

Mr. Speaker, in the city of Omaha, Nebr., General Pick, Chief of the Army Engineers, is continuing his lobbying activities at the expense of the American taxpayers. General Pick is appearing before the First Governor's Conference of Inland America at Omaha, Nebr., a conference financed by the M. A. Hanna Steel Co., one of the five small Midwest steel companies advocating the St. Lawrence seaway and power project.

It is interesting to note that no one has been invited to the Governor's Conference unless he favors the St. Lawrence project.

SPAIN

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, recently in the debate on the wheat-for-India legislation, Speaker RAYBURN emphasized the fact that we need friends all over the world. I heartily agree with his statement.

Therefore, I cannot understand why the administration continues to resist making a friend and ally of Spain. A nation which is definitely anti-Communist and which has indicated willingness to join the United States in the defense of liberty-loving countries of the world.

In a recent speech in Detroit, Spain's Ambassador, José de Lequerica, stated that—

> Spain is prepared to resist the Communist aggressors and to contribute the necessary military force which, in union with others, will create such a mass of dynamic force • • • that they (the Reds) will be little inclined to carry through their plans.

Why Spain is not given more consideration by the State Department I am unable to say. Last September a loan of $65,000,000 was approved by the Congress. However, I understand that only one-third of that amount has been granted.

Certainly Spain should be taken into the proposed military defense assistance program, the ECA, and the point 4 program. They would be a logical and valuable ally.

In my report of January 22, 1951, on my European trip, I stated:

> I am thoroughly convinced that the defense of Western Europe requires the immediate participation of Spain and the utilization of strategic air bases in that country. From a military standpoint we cannot afford longer to neglect so valuable a potential ally as Spain. I hope that the exchange of Ambassadors between the two countries will be followed, in the near future, by the inclusion of Spain within the defense organization of Western Europe; and I am convinced that by such action we can obtain a much greater return, in military terms, for our expenditures than we are receiving in certain other countries.

On several occasions, in the well of this Chamber, and elsewhere, I have urged that Spain be joined in the alliance for the protection of Europe and for the preservation of freedom-loving peoples of the world. With all the vehemence at my command, I have pointed to the failure of the President and his Secretary of State to negotiate with Spain and our European allies in an effort to incorporate that country into the North Atlantic Pact. If such a conference could not be arranged, or if actual negotiations should be had but fail, then I urge the alternative of a separate armament agreement between the United States and Spain similar to that which we now enjoy with Portugal. Indeed, the agreement with Portugal is recognized as being quite useless unless Spain is included as a partner.

Today, I want to present to this body the impelling reasons why Spain should be made a full partner in the defense of Western Europe. I want also to touch upon the resources of that country and point out to you its strategic military potentials.

Oh, I know that ideological thinking has caused us to shun a nation with whose form of government and with whose internal policies we cannot and do not agree. I know too that, pursuant to action taken by the United Nations Organization, we and other nations cut off diplomatic relations with Spain. But I am happy in the thought that the first step in restoring those relations has been taken in the appointment of Stanton Griffis as American Ambassador to Madrid. Ladies and gentlemen, I say to you that, in this crisis, when the shadow of the great black bear is looming ever larger and more forebodingly over the continent of Europe, we need to give primary consideration to military security.

What kind of business is this? We do not hesitate to make common cause with Tito. Tito—who denounced capitalistic governments and, in particular, the United States of America. Well, I am willing to make medicine with Tito. If we are ever to get into a brawl on the Continent, paraphrasing General Eisenhower, I want to be certain that Tito is swinging chairs on our side. But if we join as partners with Tito, why not with Franco? While we were doling out billions all over the world, Spain asked for nothing and received nothing. Spain has never been on our relief rolls.

Spain has substantial potentialities and her people possess the spirit and will to resist the further spread of communism. She successfully resisted communism in a bloody and grueling civil war which cost hundreds of thousands of lives and left her almost prostrate. Yes, if ever we should again become involved in Europe, I want both Yugoslavia and Spain swinging chairs on our side.

Last fall, I visited the Iberian Peninsula. I saw at first hand many things that enlisted my interest and caused me to wonder what kind of a diplomacy is it that disdains to avail America of an invaluable contribution that could be made to our great plans for defense. I wonder what passed through General Eisenhower's mind when recently, he flew from Portugal to Italy over the high plateaus and snow-capped mountains of Spain? Can it be doubted that he gave much thought to the important role Spain could play in the defense plans for Western Europe?

The star of Spain has risen and descended. Following the discovery of America by Columbus, an Italian sailing under the flag of Ferdinand and Isabella, the fortunes of Spain expanded until the sun never set on her soil: South, Central, and North America; settlements in the Mediterranean; colonies in the Far East. Then, with the destruction of the great armada in 1588, not by Britain's might, but by a great storm of the sea, off the coast of Ireland, the decline of Spain as a world power commenced. During the period from 1810 to 1825, she lost all of her colonies on the American Continent. The Spanish-American War in 1898 ended with the loss of her remaining significant colonies: Cuba, Puerto Rico, and the Philippines.

SPAIN AND HER COLONIAL AND INSULAR POSSESSIONS

But though Spain disappeared from the scene as a world power, she occupies, nonetheless, a most strategic position in any defense plans for Europe. The mainland, consisting of the Iberian Peninsula, affords a natural bastion, which can serve either in the defense of the southwest of Europe, or as an assembly area from where a counterattack could be launched. The Pyrenees Mountains to the north form a natural barrier through which ground troops could be moved only with great difficulty. Spain holds a protectorate over Spanish Morocco which lies just across the Straits of Gibraltar in North Africa and is so situated as to prove of highly significant strategic value in the control of that corridor that leads from the Atlantic to the Mediterranean. Think what the control of the Straits of Gibraltar meant to us in World War II. Unmolested, our fleets passed through this corridor, including the mighty task forces which captured Oran and Algiers.

Further lending itself to control of the Mediterranean, Spain possesses the Balearic Islands. Off the northwest coast of Africa, she has the important Canary Islands, on which is located Spain's only important oil refinery. Scattered along the west coast of the African Continent, on and off the mainland, are the following colonies: The Territory of Ifni, the Spanish Western Sahara, the Spanish Guinea, and the Islands of Fernando Po, Annobon, Corisco and the Elobeyes.

Thus, it will be seen that not only is Spain strategically situated for any plan to protect Western Europe and the Mediterranean, but also could make most valuable contributions in the plan to defend all of Africa, a continent which is presently furnishing us with indispensable strategic materials essential in war production and in the development of

atomic energy in all its forms. Governor Dewey, of New York, recently, before the joint Senate Foreign Relations and Armed Services Committees, laid primary emphasis on the importance of these strategic materials. He stated that were these important supplies to be cut off the wheels of American industry generally would slowly grind to a halt. His information, he stated, had been gathered from highly informed and reliable sources. In the Washington Evening Star of April 12, 1951, appears an editorial based upon a bulletin issued by the National Geographic Society telling of the discovery of an enormous mountain of tin in the Belgian Congo. The editorial goes on to say that Africa has long furnished to the world cobalt, industrial diamonds, coal, zinc, cadmium, lead, silver, platinum, palladium, and gold. Africa also has fabulous copper resources and half of the world's known supply of uranium ore. The United States is dependent on Africa and the Far East for furnishing of most of these metals.

Moreover, Africa has long been regarded by military strategists as indispensable in any world-wide plan of defense for Western Europe and the Americas. It must be plain to everyone that Spanish possessions would play a most invaluable role in such plans.

HARBOR, HIGHWAY, AND RAIL FACILITIES

Large, adequate seaports are located at Barcelona, Bilboa, Valencia, and Seville; 11 lesser ports are also located on the mainland. All the colonies possess fair port and harbor facilities.

Spain has some 10,500 miles of railroads, much of it constructed at great cost through difficult terrain. About half of the mileage is wide-gage, and the remainder of varying gages. Three lines pass through the Pyrenees into France. Spain needs help in standardizing her rails, needs new equipment, and her system needs reorganization. American ingenuity and perhaps American financial help by way of loan could be of assistance in solving these problems.

Because of the inadequacy of her railroads, highways are of greatest importance in Spain. Some 50,000 miles of roads radiate from Madrid to all seaports. These roads are only in fair condition and are not kept in the best state of repair, but they would play an important part in any logistic military plans.

AIRFIELDS AND AIR POWER

In commercial aviation, Spain is already playing an important role as a traffic base between the East and the West. The airports of Madrid and Barcelona have become important communication centers for Europe and North and South American lines, which connect all of Europe with Africa, Asia, and the Americas. Internal aviation service has been greatly improved and airfields generally are being modernized.

A new military airstrip accommodating large aircraft was opened in Madrid in February of this year. It can accommodate aircraft of 150 tons. This installation has military value. Other airfields capable of handling heavy aircraft are located at Barajas, at Barcelona, Seville, Bilboa, and Valencia. All of these have important military potentials.

Near Antiago de la Ribera on the Mediterranean, there is a huge air training reservation with very substantial accommodations and facilities for air cadets.

Important airports are located at Melilla in North Africa, the Canary Islands, Guando in Los Palinas and Los Rodeos in Tauerife, all of which are of great strategic importance as links with the continent of Africa.

COMMUNICATIONS FACILITIES

Spain is supplied with a nation-wide telephone and telegraph system. Government-owned radio reaches to all sections of the country. International cable and radio-telegraph facilities, largely controlled by American and British capital, connect Spain with New York, Buenos Aires and the British Isles. These become important considerations in any military planning.

INDUSTRIAL CAPACITY AND POTENTIALS

It is well known, of course, that much poverty prevails in Spain, but it is nevertheless true that she has important resources and industrial facilities, and that she possesses substantial potential capacities which, with assistance, could be developed. There are some 2,570 cotton textile mills in Spain, which process some 100,000 metric tons of cotton annually. She produces an average annual cotton crop of close to 20,000 bales of 220 kilograms each.

Spain produces and processes a substantial amount of wool, rayon, and jute. She produces annually some 135,000 metric tons of paper and processes some 8,000 tons of rubber.

The iron and steel industry, while relatively small, is heavily concentrated and does fairly well in supplying domestic needs.

The engineering industry is highly developed. Spain constructs locomotives, rolling stock, and other railway material. The industry produces steam engines, internal combustion engines, cranes, bicycles, sewing machines, textile machinery, some machine tools, small arms, artillery and other heavy armament, steam and motor rollers, agricultural machinery, refrigeration plants, and typewriters. Shipbuilding facilities exist at Bilboa, Cadiz, Valencia, and at the national naval yard. Some electric appliances are produced but insufficient to meet domestic requirements.

The chemical industry of Spain is important. The principal chemicals produced are superphosphates, hydrochloric, sulfuric and nitric acids; caustic soda; sulfur; calcium carbide; sulfate of ammonia; copper sulfate; and common salt. Explosives, dyestuffs, and pharmaceutical products are also manufactured in substantial quantity.

Other industries of Spain include the manufacture of tiles, earthenware, glassware, bricks, furniture, and leather, as well as flour milling and sugar refining.

AGRICULTURAL RESOURCES

Of course, agriculture is the basis of Spain's economy. Before the revolution, the country was self-supporting in most essential foodstuffs. And agricultural products accounted for approximately two-thirds of Spain's exports. But Spain's greatest wealth, her soil, has been depleted by failure to maintain a fertilizer program. In addition, she has been hard hit by droughts since 1945—droughts that have served to deplete her crops and her hydroelectric power sources.

SIGNIFICANCE OF SPANISH ECONOMY

I trust my colleagues will not regard this hurried review of the economic resources of Spain as a pedantic lecture on things that most people should know. But I am attempting to bring into focus all the contributions Spain could make were she to be incorporated into the defense of Western Europe. Spain needs to be strengthened economically. If we are to continue the Marshall plan, the military assistance plan, and, mayhap, a point 4 plan, then I insist that assistance should be given to Spain's economy, in order that she may become a stronger partner, either as a member of the North Atlantic Pact or in separate alliance with Portugal and the United States of America.

MILITARY POTENTIALS

I have dwelt on the strategic advantages to be gained by an alliance with Spain. I now wish to present to the House the actual and potential military contributions Spain could make in the way or war matériel and manpower.

The Spanish Army is the largest non-Communist fighting force in Europe today. It has 422,000 men in 22 divisions. It is estimated that, if necessary, they could put 2,000,000 men in the field. Spain's infantry demonstrated beyond peradventure, in the civil war, its capacity for tough fighting. Its army is composed chiefly of peasants who can operate in the field without too much in the way of refined equipment, food, or transportation. Even so, the soldiers of the Spanish Army are well-fed and clothed. The Spanish arsenals produce enough machine guns, Mauser rifles, and revolvers, but the army is deficient in heavy artillery, tanks, and support.

In the matter of officer strength, Spain maintains a most commendable training program. Most university students are required to do 2 months' summer training over a period of years in order to become reserve commissioned officers and in order to hold those commissions, or to advance to higher grades.

Spain's Navy is old and of little consequence. Likewise her air force, though she presently has some 1,500 trained pilots with a small number of antiquated aircraft.

Having said this, however, I wish to emphasize to the Members of the House that Spain has an estimated potential military manpower of 2,000,000 men, and if well trained, equipped, and supplied, they could furnish one of the greatest contributions to the defense of Western Europe of any of the nations joined in the effort to stem the spread of the communistic menace. And, remember, Spain has several hundred

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thousand seasoned combat veterans—veterans of the terrible civil war. This fact alone would insure that her contributions would be invaluable.

LET'S MAKE SPAIN OUR ALLY

And so I say, let us make Spain our ally—an ally in the North Atlantic Pact or an ally under separate agreement with the United States and Portugal. An ally to help maintain the peace, but an ally, too, in the event of war which we seek to avoid. Who, more than Spain, has experienced the meaning and significance of communism? Spain is the one nation of Western Europe today which has demonstrated the will to fight and repulse the incursion of communism.

The Spaniards know that, standing alone, and in the present state of their armament, they could not resist for long even with the great natural barrier of the Pyrenees, and no matter how desperate and heroic their resistance might be.

I know that Spain is asking, "How can we save ourselves?" I believe General Eisenhower has come to symbolize the iron will to resist, and that the United States has come to symbolize the arsenal that can insure peace or that can turn that resistance to victory should the situation demand.

We need alliance with Spain because of her strategic geographical advantages. We need alliance with Spain because of her resources and facilities. We need alliance with Spain because of her trained and reserve military manpower. We need alliance with Spain to assist in keeping available to us the strategic materials found in Africa, and to insure air lanes across that continent. We need alliance with Spain, above all things, because of her indomitable will to resist the aggression that threatens Europe and the rest of the freedom-loving peoples of the world.

PRESIDENT TRUMAN'S SPEECH ON INFLATION

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I have received many letters from my constituents back home asking for my views on President Truman's message asking for economic controls, given on Thursday, June 14. The following are the comments that I have made to my people.

I listened very intently Thursday night, June 14, to President Truman's speech on inflation.

I noted with regret that, instead of trying to unify the country, he proceeded to castigate certain large segments of our peoples. He used the National Association of Manufacturers as his whipping boy again. Well, I do not think the National Association of Manufacturers is always on the right track, but I certainly have respect for their judgment just as I have respect for the judgment of our great labor leaders, farm leaders and leaders in other segments of our society.

Furthermore, even when their views conflict, which is quite often, I do not believe that one would find more or less sincerity or patriotism in any particular one of these groups. I would expect the President to reach this same conclusion. I further noted that President Truman used deception in his speech to the American public. He castigated the people who wanted to take off controls back in 1946. Well, certain people's memory may be short, but I think most recall that it was President Truman himself who took off controls 2 months before the Eightieth Congress met for the first time in January 1947. He may castigate the NAM or other groups for giving him bad advice, but to be honest, he should have stated it that way. He and he alone assumed the responsibility for taking off controls. Personally, I think controls should have come off and I believe this could have been accomplished successfully if the President had properly performed his job.

But this is water over the dam. It does not help solve our present problems. And that is what the President should have directed our attention to, alone.

First of all, in talking about the need for controls and the continuance of the present emergency, the President said not one word about the basic force lying behind inflation—the $260,000,000,000 Federal debt. A $260,000,000,000 Federal debt means that we have extended credit, issued paper money, to the extent of $260,000,000,000 beyond the normal credit existing in our private-enterprise system. This is bound to bring inflation. To stop it we must cut to the bone Federal expenditures and start paying off the Federal debt, at least not increase it. We cannot buy everything we might want to buy tomorrow. You and I have to plan when we can afford to buy an icebox or an automobile. We may have to put it off for a year or two. Well, if we are to beat inflation, so must our Federal Government put off buying what it cannot afford this year.

We must, of course, buy what is necessary for national defense, but even here, intelligence prescribes that we schedule our buying. It is not the people who are at fault for inflation. It is the Federal Government in its spending program, and President Truman said not one word about cutting Federal expenditures or balancing the budget in his speech.

All he said was he wanted more controls. Well, controls simply put the lid on the steaming saucepan. If you do not lower or douse the fire under the saucepan, no lid will keep the steam in. In fact, you may get an explosion.

I am against controls unless we hit at the fire causing inflation at the same time. I am in favor of extending the power of the President to impose controls across the board—which powers he has now had for almost 8 months—so that he can immediately impose controls when he douses the fire. But I do so with great fear, because if the fire is allowed to burn, imposition of controls will be a very dangerous and very ineffective procedure. The power to control is a terrible power. It should be applied only with the greatest of caution and wisdom. A wise man, if he did request this power, would request it with humility and prayer, not with arrogance, blame and bluster.

SPECIAL ORDER GRANTED

Mr. BENNETT of Florida asked and was given permission to address the House for 30 minutes on Tuesday, June 26, 1951, following the legislative program and any special orders heretofore entered.

FUR LABELING

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 256 and ask for its immediate consideration.

The Clerk read the House resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2321) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield 20 minutes to the gentlemen from Oregon [Mr. ELLSWORTH] and I now yield myself 5 minutes.

Mr. Speaker, House Resolution 256 makes in order H. R. 2321, a bill to protect the consumers and others against misbranding, false advertising, and false invoicing of fur products and furs. The bill is designed to protect the consumers and others from widespread abuses arising out of the frequent practice of the fur trade of using, in advertisements and otherwise, in a false and misleading manner, foreign animal names and glamorous, fictitious designations for furs and fur products. It requires further that when furs or fur products are advertised in such commerce or after having been shipped and received in such commerce, these vital facts be truthfully stated in the advertising.

The bill makes it unlawful and declares it an unfair and deceptive act and practice within the meaning of the Federal Trade Commission Act to market in interstate or foreign commerce either furs or fur products which are not respectively invoiced and labeled to show the true name of the animal, and other factual information affecting the value of both furs and fur products.

The fur trade is a large and growing segment of American business. Latest

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available figures indicate that the American public is buying the output of this industry at the rate of $500,000,000 a year. While furs are natural products, they are peculiarly susceptible to dyeing and other manipulations and processing which tend to change their appearance. Such manipulations are commonly undertaken for the purpose of simulating more expensive furs in appearance. This practice makes it easily possible for the purchasing public to be misled and deceived. This legislation wil go far toward protecting consumers.

This bill was previously passed in the Eighty-first Congress, I believe, by a substantial majority. The rule provides for 1-hour general debate, to be equally divided between the majority and minority.

Mr. Speaker, I know of no objection to it, and I ask for its adoption.

Mr. ELLSWORTH. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, H. R. 2321 is, as the gentleman from New York has stated, quite similar, if not almost identical, to bills which have previously been reported to the House no less than three times. On one occasion the bill was actually passed by the House.

Mr. WILLIS. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Louisiana.

Mr. WILLIS. Have not significant amendments been offered to this bill making it quite unlike the bill adopted in the last Congress with reference to the simulation clause?

Mr. ELLSWORTH. I will say to the gentleman, I have not studied the bill meticulously along that line, but I am informed that the bill is substantially the same as previously reported. In general debate I am sure the gentleman's question can be completely answered.

I recall having been present during hearings on this bill in the previous Congress in the House Committee on Interstate and Foreign Commerce, and from that experience I am well aware of the need for legislation of this kind. I recall in those hearings we had a witness talking to us, giving testimony, and he mentioned a trade name "jungle mink raccoon." Upon questioning by the committee it was revealed that there was nothing with reference to the jungle in connection with that particular fur. So that part of the name was considered to be misleading. Then it was developed that the fur certainly did not come from mink or any member of the mink family, so that part of the trade name of that particular fur was ruled out. Then, of course, that left the word "raccoon," so one member of the committee said to the witness:

"Well, I assume then the fur is raccoon," whereupon the w'tness said:

"No, Congressman, as a matter of fact, the fur is rabbit."

That sort of thing has gone on in the fur trade for some time and I assume is still going on. Consumers are being misled when they purchase furs in many, many instances, so it seemed to the committee that it was high time to pass legislation to protect the consumer against misbranding and mislabeling.

As I recall it, the legitimate fur trade, the dealers in furs who are part of that industry and conduct their businesses entirely legitimately, have no objection to this legislation.

Further, may I say that the committee was unanimous in reporting this bill.

Therefore, Mr. Speaker, I urge the adoption of the rule.

Mr. Speaker, I yield to the gentleman from Kentucky for a unanimous-consent request.

Mr. GOLDEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. GOLDEN. Mr. Speaker, the Congress of the United States should at the present session do everything possible to make certain that we pass an amended and improved Railroad Retirement Act.

Mr. Speaker, I have the privilege and honor of representing a very large number of men and women who live in the Ninth Congressional District of Kentucky who are employees of railroad companies.

It is my duty as the representative and spokesman for this fine group of American citizens to represent their best interests in urging this present Congress to speed up its action on an amended railroad retirement bill so as to insure its enactment at the present session of Congress.

In order that the entire membership of the Congress may be well acquainted with the underlying facts which support a new act I wish to bring before you and urge your serious consideration of the following:

The first year I represented my people I made a very thorough study of the existing laws pertaining to the Railroad Retirement Act. For a period of 2 months, as time would permit, I tried to learn everything I could about the history and the practical application of the act which became a law in 1937, and also the amendments since that date.

It will first be remembered that this huge fund of money was created by the men themselves by taking a portion of their wages each month and setting it aside to build up a fund to guarantee to them and their dependents security when supplemented by an equal amount from their employers created the fund to which these men look for their annuities to assist their dependents in case they pass away, and to guarantee to them pensions and annuities when they retire. It should be well known by every Member of Congress that the payment of pensions and annuities does not come from the taxpayers of America, but that the fund in reality belongs to these men and their dependents under the law of the Federal Government.

To begin with, I learned that over the years this fund had grown and accumulated as is set forth in this table.

Up to June 1938 collections from the men and railroad companies amounted to $150,477,279, and from this fund there had been paid out in benefits $87,169,151.

The following figures in this table give the amount of receipts and the payments made out of the fund for each year:

	Receipts	Payments
1938–39	$109, 256, 540	$107, 131, 438
1939–40	120, 966, 719	114, 025, 141
1940–41	136, 942, 076	121, 769, 903
1941–42	170, 011, 691	126, 656, 781
1942–43	208, 794, 892	130, 863, 977
1943–44	267, 064, 593	135, 215, 326
1944–45	285, 037, 862	142, 527, 642
1945–46	282, 610, 497	153, 815, 252
1946–47	380, 057, 125	173, 101, 153
1947–48	557, 060, 782	224, 871, 297
July 1948 to May 1949	434, 523, 001	258, 558, 872

At the end of May 1949, the balance in the retirement account over all expenditures was $1,692,338,000.

After making this study and knowing that the cost of living had increased tremendously, I did, in the first year that I represented these people in Congress, and on June 6, 1949, introduced an amended Railroad Retirement Act, which was numbered H. R. 5005.

Throughout the balance of 1949–50 during the Eighty-first session of Congress I made many trips to visit and had many conferences with the chairman and other members of the Interstate and Foreign Commerce Committee, that has the right, power, and jurisdiction to hold hearings upon this subject, but during the Eighty-first Congress, of which I was a Member, we were not able to have hearings and bring out a bill.

When the people of my district saw fit to reelect me to the present Congress, the Eighty-second Congress, I made a further study of the money that has been accumulating in this railroad-retirement fund and I found that these following additional funds had accmulated since I introduced H. R. 5005 in June 1949. In the year 1948–49 there was collected $563,832,724. There was paid out during this period, $283,052,033.

During the 1949–50 fiscal year, there was collected $550,173,200 and there was only paid out during this period $301,452,273.

And in the last half of 1950, from July to December, there was collected $282,895,350, and there was paid out $156,777,765.

It will be noted that in recent years this fund has been increasing at the rate of more than $200,000,000 per year over all expenditures.

The balance remaining in the fund on December 31, 1950, was $2,369,008,240.

Being fully aware of the tremendous needs for additional benefits through this fund to the railroad men and women who had already retired and those would retire in the future, I made another study to get up some facts on the increased cost of living since there was any material increase in payment of benefits from this fund. Beginning back in the year 1937, when the Railroad Retirement Act first became a law, I place before my colleagues an index showing the increase in the price of the essential things that every family has to have. I

am indebted to our colleague, Hon. JAMES E. VAN ZANDT, for this table and index:

Price index

	1937	1948	Nov. 15, 1950
Food	105.3	210.2	209.5
Apparel	102.8	198.0	195.0
Rent	100.9	117.4	125.4
Fuel, electricity, and refrigeration	100.2	133.9	143.7
Housefurnishings	104.3	195.8	202.3
Miscellaneous	101.0	149.9	160.5
All items	102.7	171.2	175.6

Armed with these facts and early in the present session of Congress, I introduced another bill seeking to reenact and to amend the Railroad Retirement Act, which is H. R. 2533, and was introduced by me on February 8, 1951.

It is my opinion that the great Committee on Interstate and Foreign Commerce of the House of Representatives is made up of sincere and learned members from both the Republican and Democratic side of the House. I do believe that they are deeply concerned and interested in bringing before this Congress the very best bill that the facts and circumstance and the solvency of the fund will permit.

After I introduced the above referred to bill I talked to a great many other Congressmen, and I visited and talked with the Members who served upon this great Interstate and Foreign Commerce Committee. I found that there was keen interest in beneficial amendments, insofar as the strength of the fund would allow, and finally it was the decision of this committee to open hearings and to hear evidence on this vital subject and to my keen satisfaction this committee began to hold hearings on bills to amend and improve the Railroad Retirement Act on Monday morning, May 14, 1951.

The chairman and other members of this committee knew that I had a very large number of railroad men in my district, and they knew that I was vitally concerned with a bill to improve this law.

When this committee met in their very large and beautiful committee room, that is much larger than most circuit courtrooms in my home district, I went down before this committee, and I was shown the courtesy by the chairman and other members of the committee on both sides of being allowed to speak to this committee on the vital necessity of bringing out a new and improved Railroad Retirement Act. This committee room was packed with representatives of the great brotherhood organizations of America and quite a few Congressmen, who represented, as I do, large numbers of railroad men and women, and it was with a great deal of pleasure and satisfaction when I was called upon to give my ideas to this committee there, early in the hearings, and, in fact, being the second man that was allowed to speak.

I do know that this committee has for more than a month now been hearing evidence and getting every pertinent fact possible looking toward bringing out the best bill that the financial strength of the present fund will permit.

The bill which I have introduced provides for a straight 25-percent increase in pensions and annuities to men and women who have retired and to those that will retire in the future, and it provides for increased protection and payments to the widows and dependent children of deceased railroad employees.

This committee has had the benefit of many scholars, students, accountants, and statisticians that have given much time to a study of the financial strength of this fund and the future payments that may be made from it. They are very seriously considering two plans, as I understand it. It seems to be the thought of many good men that are interested in this question that we may not be able to increase the payments as much as my bill provides, namely 25 percent, and the committee has made an exhaustive study of this question, and it appears that they are very seriously considering two plans—and maybe more—one of these plans would increase the payment to a retired annuitant by approximately 14 percent, and this plan would give in addition thereto considerable increases to the widow of a deceased employee and would also increase the benefits to dependent children.

The other plan being considered would give a 16-percent increase in the annuity and pension to retired employees only, but as I understand it, it does not provide for any increase for widows, except in a few cases.

I have received hundreds of letters from thoughtful, interested, sensible railroad men in my own district. I believe most of these letters mention the fact that they would like to have more protection for their widows in case they should die. My bill provides for this, and it provides for many improvements.

Considering the fact that the present Congress must pass upon many bills of Nation-wide importance and many that affect the entire world, in our efforts to build up the defenses of this country and to secure it against the onward rush of the Communist dictators, it is perfectly apparent to me that if we secure the passage of a good, beneficial railroad retirement act at the present session of Congress, we shall all be required to work together, get this bill out of committee as soon as possible, and seek an opportunity to bring it before the membership of the Congress for public debate.

I think I know, from talking with members of this fine committee, that they are bending every effort to do just that thing, and it is my confident hope that they will report a bill out in the very near future, and I call upon my colleagues in the Congress to acquaint themselves with the great need for improving the annuities, pensions, and payments under the Railroad Retirement Act, so that when this bill is brought before us for debate that we can discuss it fully, debate the various provisions and amendments and arrive at a decision that will give to the people whom we represent the very best increases possible, yet at the same time making sure that we leave this fund solvent and strong.

I urge all Members of Congress to make a sincere study of this question and to be ready to participate in the debates on this bill and to vote wisely and conscientiously upon a greatly improved and expanded railroad retirement bill.

Mr. DELANEY. Mr. Speaker, there being no further requests for time, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. BECKWORTH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2321) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2321, with Mr. THOMPSON of Texas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BECKWORTH. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, as has been indicated, the bill we bring before the committee today is not strange, new, and different legislation. We have had this bill before us at least twice before. This kind of legislation is not without precedent, insofar as the action of the House Committee on Interstate and Foreign Commerce is concerned. Several years ago we passed the wool labeling bill, which did in regard to wool and woolen products substantially what this bill does in regard to fur.

We had much testimony in two preceding Congresses before we brought the bill to the floor. In order to be fair and in order to give everybody an opportunity to be heard who wished to be heard, we again held hearings on this legislation this session. As has been indicated, after hearing the considerable testimony for a third time, the House Committee on Interstate and Foreign Commerce unanimously reported this bill. Its purpose simply is to give to the consuming public that purchase furs the opportunity to know what they are buying.

Our colleague on the committee, one who has worked on this subject from the beginning and who is the author of the bill, is a real authority, in my opinion, on the problems that are involved. It is not my purpose to take any more time, because I know that the gentleman from Minnesota [Mr. O'HARA] will give a very ample explanation of the provisions of the bill.

Mr. O'HARA. Mr. Chairman, I yield myself 10 minutes, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. O'HARA. Mr. Chairman, as those who have previously spoken on the bill and who have given you a general outline

of it have said, it is true that this legislation is patterned after the so-called truth-in-wool bill which was passed in 1939 by this Congress.

LEGISLATIVE HISTORY

The fur-labeling bill was introduced by me in the Eightieth Congress—H. R. 3734. Hearings were held on this bill by the Committee on Interstate and Foreign Commerce on April 6 and 7, 1948. The bill was reported favorably with amendments by the committee, but in the rush of the close of the session, it was not possible to obtain passage.

During the Eighty-first Congress, new fur labeling bills were introduced by Mr. Sadowski and myself. Hearings were held on these two bills by the committee on May 11, 12, and 13, 1949. As a result of these hearings, a clean bill—H. R. 5187—was introduced by me. It was reported favorably by the Committee on Interstate and Foreign Commerce—House Report No. 919, Eighty-first Congress. H. R. 5187 passed the House on July 14, 1949. Hearings were held in the Senate on this, and it was reported favorably by the Senate Committee on Interstate and Foreign Commerce. No legislative action was taken thereafter.

The present legislation was reported by the Committee on Interstate and Foreign Commerce of the House, and a rule was granted last week by the Rules Committee. The above history shows the action of the committees in reporting the legislation, and in the instance of the last session of Congress when the legislation was debated and passed out of committee, shows the action of the House of Representatives was unanimous in favor of this legislation.

I realize that the older members of the committee are fully familiar with the bill which has been twice unanimously reported out of this committee, and as the chairman has indicated, it passed the House and a similiar intended bill has already been reported out of the Senate Committee on Interstate and Foreign Commerce.

Mr. Chairman, I appreciate that the will of the committee will be worked out upon whatever type of legislation I am urging the passage of.

H. R. 2321 is the identical bill reported out of this committee which was given a rule unanimously by the Rules Committee and passed the House after a full debate in the Eighty-first Congress, without any dissenting votes.

I believe there were two small, clarifying amendments included in that legislation which were adopted upon the floor of the House, one by my colleague Mr. Wilson, of Oklahoma, and one by myself, which amendments appear in the bill.

The bill is primarily designed, Mr. Chairman, to protect consumers from the practice of at least part of the fur trade, of using false or misleading statements in advertisements, of foreign animal names and glamorous, fictitious names for furs and fur products.

Furs are particularly susceptible to dyeing and processing, which tends to change their appearance. The manufacturing industry—and it is a compliment to them—are so successful that they can dye, color, and change a fur, such as rabbit fur, to resemble a far more expensive fur. This imitation, coupled with misleading and flamboyant statements in advertising, makes it easily possible for the purchasing public to be misled and deceived.

In hearings before the committee, a great deal of testimony was received on these abuses. The record of the House hearings speaks for itself, but I should like to give you a few examples of names under which rabbit coats have been sold to the public.

Beaverett. There is no such animal. But the name is very close to beaver, and the purchaser might well believe he was getting some kind of a beaver's relative, when it is actually rabbit.

Ermiline. There is no such animal in existence, but the name is suggestive of ermine, which is an expensive fur. An ignorant purchaser might think he is buying ermine when he is buying ermiline.

Lapin is the name of another fur coat. That is the French name for rabbit.

Other names are Hudseal, mink coney, and sealine. All of them are rabbit furs.

Muskrat has been described as Hudson seal, diver sable, and water mink.

I could go on for a long time. Any of the Members who are interested in additional examples might have a look at the list of them set forth on page 70 of the hearings in the House. This list gives the designations used, the correct name of the fur, and the name and date of the publications in which the advertiser used such designation.

Filed in the committee there are a number of photostatic copies of original advertisements taken from all over the country with these flamboyant, misleading, and deceptive terms in the advertising.

The Federal Trade Commission has endeavored to correct some of these practices. However, these practices are so widespread that enforcement by the Federal Trade Commission, through its normal processes, is exceedingly difficult. Furthermore, such practices are engaged in frequently by retailers, who are beyond the reach of the Commission because they are engaged in intrastate rather than interstate commerce. Therefore, specific legislation on this subject is considered necessary.

The remedy suggested in this bill is the mandatory invoicing of furs and the mandatory labeling of fur products moving in interstate or foreign commerce under the usual name of the animal that produced the fur.

Let me say, Mr. Chairman, in that connection there were two changes, I believe, which were made by the House committee. The original bill which was introduced—and there were several—it has been written and rewritten in an attempt to meet some of the legitimate claims of the industry.

I want to say that we had a provision in there which provided that if the fur product was made from a foreign animal the label should show that. The other provision was that if it was changed and given some fictitious name to represent some other animal than it was that it should show that it was processed to imitate.

The subcommittee and the Eighty-first Congress adopted the language "proceed to simulate." Now, the industry probably felt that "imitate" was a stigma. The committee went along with the subcommittee and agreed with them.

I am not arguing particularly about that, but I do feel that with reference to the provision as to whether it was made of a foreign fur should still be in the law. But it was not in the bill as reported by the subcommittee of either committee.

In addition, the label or advertisement is to set forth other information vital to the consumer, such as, first, whether the garment contains used fur; second, whether the fur is dyed or bleached; and, third, whether the product is composed of waste fur or other inferior parts of the pelt.

There is an excellent precedent for the kind of informative labeling proposed in this bill. As some of the Members may well recall, in 1939 Congress passed the Wool Products Labeling Act. This act, which was reported by the Committee on Interstate and Foreign Commerce, requires disclosure of the wool contents of a fabric or article. The act is also known as the Truth in Fabric Act.

The Wool and Products Labeling Act, while vigorously opposed at the time by many segments of the trade, is today recognized as an outstanding piece of consumers' protective legislation.

The Interstate and Foreign Commerce Committee and the House of Representatives have indicated that they feel that similar protection is required for the purchasers of furs and fur products.

In other words, Mr. Chairman, I do not think there is a single person today who raises his voice and says that the Wool Products Labeling Act should be changed or repealed or modified one iota.

Now, if that is the truth-in-wool act, then this should be known as the truth-in-fur act, because it has identically the same purpose as the Wool Labeling Act.

The fur-products labeling bill, like the Wool Products Labeling Act, would be administered by the Federal Trade Commission. The enforcement provisions of the fur-labeling bill closely follow those of the Wool Products Labeling Act.

The Commission may issue cease-and-desist orders and, wherever necessary, may report to condemnation and injunctive proceedings. A criminal penalty is also provided for willful violations of the provisions of the act.

Of course, Mr. Chairman, that has to be reported to the Attorney General for action.

The bill further directs the Federal Trade Commission to set up a register of names to be known as the "fur-products name guide." This guide would set forth the true English names of fur-bearing animals, or, in the absence of such a name, the name by which such animal can be properly identified in the United States. In order to correctly describe on the label or in the advertisement the name of the animal that produced the fur, the manufacturer would have to use the name set forth

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for such animal in the fur-products name guide.

The use of the name of an animal other than the animal that produced the fur is allowed only if the name of such animal is preceded by the words "processed to simulate." This may sound complicated. However, it is quite simple.

A bad practice has grown up in the fur industry of advertising muskrats, for example, as mink-blended muskrat. Of course, they cannot blend two different types of furs. That cannot be done, as I understand it from the gentlemen who are experts on this matter, but what they are doing is to give it, of course, the connotation of adjectively mink blended so as to create the impression that it is mink, at least partly mink. What that conveys to the consumer, I am not quite sure. I am reasonably sure, however, that it is, to say the least, confusing to the consumer.

If the bill is enacted, such muskrat coat would either have to be advertised and labeled purely and simply as a muskrat coat or, if the manufacturer or retailer insists on using the word "mink" in connection with muskrat, he would have to advertise or label the coat as "muskrat processed to simulate mink." In this way, the consumer will be absolutely certain as to what he is getting.

To summarize this all briefly:

The abuses which this bill aims to cure are very widespread. Attempts to eliminate these abuses under the Federal Trade Commission Act itself have failed. The Interstate and Foreign Commerce Committee of the House was unanimous in the belief that legislation is required to protect consumers of furs and fur products, and that in this case the pattern set so successfully by the Wool Products Labeling Act should be followed.

The effect of this bill will be to require honest, fair labeling, and honest advertising, and will afford protection of a very substantial character, not only to the buying public but also to the industry and trades engaged in the fur business.

Certainly I would be the first to state that many of those engaged in this industry are honorable, high-type people. There is also the other type who are out to deceive the public and to mislead them. This legislation is imperative to make it possible to adequately reach the evils in question.

I am reliably informed by some of the expert processors that even many of the buyers and operators of high-class stores themselves are inexpert in judging furs which are sold to them, which means that these honorable dealers are the victims of fraud which they innocently pass on to the general public.

As one instance of that, Mr. Chairman, the CONGRESSIONAL RECORD will show one of the Members of Congress during the debate on this bill told of going and buying what he thought was an ermine coat. When he had it a few days, of course, or a short time, he realized that it was not a fur coat. It was rabbit, and the merchant who sold it to him was just as much deceived as was the gentleman who bought the coat.

The practice of taking some cheap fur and giving it a high-sounding name, implying that it comes from some northern climate, and with flamboyant titles which indicate that the fur is something which it is not, is the rankest kind of fraud.

People generally have the impression that the better furs come from the northern climates. That is not necessarily true. Excellent furs are produced in the southern climates, such as Louisiana, Maryland, and Virginia.

It is also true that many furs are advertised as coming from some foreign land and are sold on the basis that they are long-wearing and a very fine fur, when, as a matter of fact, some of these highly advertised fur coats are not as long-wearing as some of the furs produced in this country.

I am particularly thinking, Mr. Chairman and members of the committee, of the muskrat coat. The muskrat coat is probably, as I understand from the fur industry, as fine a product for the money as a person could buy, for both wearing ability and wearing qualities, and colors.

The industry itself has many problems, and this bill has been written and rewritten in order to remove what would be an undue harassment to the industry.

As an illustration, I am reliably informed that one of the representatives of a large fur-manufacturing group in the city of New York had appealed for advice to the Federal Trade Commission, dealing with the action of certain buyers, who after negotiating for the purchase of a number of fur coats made of wombat, which is a sort of ground squirrel, insisted that the coats be invoiced to them as Russian weasel instead of wombat, and would not take the coats unless they were so invoiced by these dealers. Now, Russian weasel would be a false name, as these other animals are a type of ground squirrel and are not of the weasel family and, further, are not as valuable or as long-wearing fur. From this you can see what the decent industry is up against in these negotiations in the give-and-take of the fur trade.

Now, I realize that many of these gentlemen who are here opposing this bill have continuously opposed it from the first hearing on to the last. I presume they will continue to oppose it. Personally, I have tried to meet with the industry whenever they have asked for it. I have tried to work these matters out to have a fair and a good bill.

These gentlemen will claim that there is no consumer demand for this type of legislation. Now, I have quite a file of letters, and I should like to read into the RECORD two letters which I have received, Mr. Chairman, which are illustrative of the need of this type of legislation.

The first one is a letter which I received shortly after this bill passed the House, from New Orleans, La. I inserted it in the Appendix of the CONGRESSIONAL RECORD, volume 95, part 15, at page A4601. It reads as follows:

Congressman O'HARA, of Minnesota.

DEAR SIR: Enclosed is a page of the Louisiana Retailers' Bulletin which you will be interested in reading. It represents the opinion of one man.

Thousands of retailers are in favor of your bill to require more labeling of furs.

Customers, as you probably know, have been getting gypped for years by the crooks in the fur business. In the trade they say: "It is a skin game in more ways than one."

The hundreds of prosecutions in the files of the Federal Trade Commission will show how necessary your bill is.

You know that there are more than 150 trade names for rabbit skin alone, including Baltic lion. Women absolutely do not know what these trade names mean. They do not know that Chinese wool, for example, is plain old dog.

Not one woman in a thousand knows that a marmink is a ground hog dyed to look like a mink. Northern seal, I know has frequently been sold as genuine seal, although it is clipped rabbit dyed black.

The very best of luck to you, and God bless you for introducing that bill. The public will be grateful.

Mr. Chairman, another type of letter which I received is the following: It is dated August 15, 1948, and is from Cicero, Ill.:

DEAR MR. O'HARA: I have just finished reading your article in the August issue of the American magazine, and I wish I would have known some of the things I read there 3½ years ago.

When I was 18, I managed to save $350 to buy my first fur coat. It was in August. When I passed this fur store in the neighborhood, I saw this beautiful gray fur coat in the window. That was my coat. Everyone that passed stopped and looked and admired it. I went in and tried it on, and it looked even more beautiful on, and it was just $300.

These people did seem quite anxious to sell the coat. At the time I thought they only realized my enthusiasm and wanted me to be happy. They assured me I would never see another fur coat like it, which was true. I never saw another one there except in this store. Well, I got my coat around Christmas, and I was so happy with it until I noticed every time I moved it the fur flew out all round like a cloud of smoke. Soon little bald spots appeared. I called up the store salesman, and he reassured me all new fur coats did that, and they would fix it with the first cleaning.

I guess I forgot to mention my coat is a chinchillete, or Russian lamb, or supposed to be.

Well, then, I was satisfied for a while. This loosening of fur kept on, and then the coat got such an awful odor it was unbearable. People would look at me and actually move away in the theater. My entire closet was unbearable, and other clothing acquired the odor.

When I was disgusted and took the coat back, he told me that all coats smelled like that, and would not give me any satisfaction. Finally, after enough complaint, he said he would have a new coat made for me, but the same kind, which he did.

This lasted just 3 weeks when the same thing happened, only in this coat the fur turned a sick-green color. He would no longer have anything more to do with me and told me I spilled something on the coat to make it green. Here I am stuck with this coat. When I went to have it put in storage, no one would accept it or clean it because of the condition, odor, and color. I don't know when I will ever be able to afford another fur coat; but believe me, when I do, I will investigate the people I buy from first.

Mr. O'HARA, if there is anything you could do to save people from having this happen, I think it would be the most wonderful thing in the world.

Mr. Chairman, with most people who go to buy a fur coat, whether it is the chairman of this committee or myself, or some poor girl who has probably cheated herself out of the necessary food to buy the garment which she wants—and, of course, a fur coat is as much desired, I presume, by a girl or a young woman or a woman as to us, as a young man, an automobile was—they are both major investments.

The public knows nothing about these furs. I would not any more pretend to know what a fur coat was made of, without some expert to advise me—I would have to depend on them; and the average person is the same way; they know nothing about furs.

As a result—and I say this with all deference to the decent, honest people who are in the fur industry, who tell you exactly what you are getting, approximately how long it will wear, and how to take care of it, as compared with the other element who are in a racket—they are trying to cheat and take the public, and have done a beautiful job of it for a number of years. And I think, Mr. Chairman, it is time that the Congress legislate on this, so that it is a protection not only to the public but to the decent people in the industry.

And I should think that some of them would come in and testify—and I am sorry to say that they have not. I have some letters which I might read, from the industry, one or two. They are limited and they say "We need this." I am informed that the decent people in the industry do not want to come up here and testify against some of their brothers in the same industry.

This bill likewise is for consumer protection, and grows out of the fact that because of the rather flamboyant advertising and the treatment by at least part of the industry a great deal is done in the way of fraud and deception on the buying public, the greater part of whom are completely innocent and have no experience in the buying of furs.

It is customary in the use of these terms to describe the fur after it has been processed into something that is of more expensive nature than the animal which is actually used in the coat or fur product that is sold or so as to give the impression either that it comes from the north country, which is supposed to add to the quality of the fur, or that the trade name that is used indicates that it is a product which comes from the north country. As a matter of fact, those who know something about furs know that oftentimes excellent furs of various kinds, such as the Louisiana muskrat, and furs from other animals which are domesticated and raised in some of the southern States, are equally as good furs, and sometimes even better than those from some of the same animals which are reared in the North.

I am not mentioning Louisiana to disturb my friends from that State because I know of their great concern in this matter. But I do want to say this bill deals with a subject on which the Committee on Interstate and Foreign Commerce has had full hearings. This year we had four rather full days of hearings. In the bill which was reported out in the Eighty-first Congress which included the terminology which my friend, the gentleman from Louisiana, is concerned about, the subcommittee included language in an attempt to satisfy the fur manufacturers and processors and those in the retail trade who are opposed to this legislation.

They used the words "processed to simulate." They did that, as some of my colleagues know who served on the subcommittee, in an effort to satisfy the industry. However, there is nothing that will satisfy the industry or at least that part of it that is opposing this legislation. They simply do not want any legislation at all. They frankly admit there is fraud and deception in the selling and advertising of fur products, but they say they hope it will be cleaned up. It has been a long time since they have been hoping that, and now it is the unanimous feeling of the committee that has had extensive and exhaustive hearings on this bill on three occasions that there is nothing left to be done but to legislate in order to protect the public.

I yield to my friend, the gentleman from Louisiana.

Mr. WILLIS. The gentleman has pointed out the amendment that I referred to a while ago. In the bill which was voted on favorably in the House last year, there was a clause to the effect that a fur could be labeled mink or simulated fox or processed simulated fox, and so on. That simulation or imitation clause which was in the bill last year is quite common, is it not, in the general Pure Food and Drug Act, where for instance such words are used as "extracts" and "flavorings" and "imitation flavoring" and "imitation extracts" and stones imitating diamonds, and so on.

This bill is much more restrictive than any other law on the books with regard to false advertising and is very much more restrictive than the bill acted on last year; is that not so?

Mr. O'HARA. It does eliminate in the invoicing, advertising, and sale the words "processed to simulate." When the bill was before the subcommittee for a hearing during the Eighty-first Congress there was some suggestion about using the word "imitated" or "processed to imitate." The industry has strongly objected to that term so the subcommittee then in an attempt to satisfy those in the industry who objected to it, accepted the language which was suggested by its proponents in the industry and inserted the clause "processed to simulate."

Well, I just do not know how many people would know what "simulate" means. I think the word "imitation" is very plain. But the Federal Trade Commission feels very strongly on that. You can see what would happen if we left this clause in.

The person selling the fur would have to have the word "rabbit" on it, if it was rabbit; and also he would have to put on the label the words "processed to simulate" mink, or muskrat, or whatever it might be. Of course he might have the word "rabbit" in very, very small letters and then this other clause "processed to simulate" in small letters, and then have the word "mink" or "muskrat" or "raccoon" or whatever it might be in large letters. That would just be opening the door to further deceit and fraud on the public. If it is obvious from the nature of the article that it can be simulated or processed to resemble anything, he still has to call it rabbit, and the lady or gentleman who is buying that particular fur product is going to know that he or she is buying a certain product.

Amazingly, as my friend, the gentleman from Texas, knows, the greatest importation into this country of skins and furs is of rabbit skins, which is a cheap fur subject to processing and it is processed to resemble many of the finer furs, but of course it will not wear nearly as long or last as long as many of the other furs that it is processed to imitate.

I believe the gentleman from Louisiana had some question to ask. I yield to the gentleman.

Mr. WILLIS. In this matter of uniformity of language, what about the general law permitting the use of imitation flavoring extracts and other things under the Pure Food and Drug law? For instance, you might have a gelatin imitation of fig preserves imitated to taste like figs, or you might have an imitation strawberry jam that contains a certain part of strawberries, and so on. There is a breaking point and a fair permission to trade fairly by the use of the word "imitation." Let me say, however, that this statute is much broader than what we have on the books under the Pure Food and Drug laws, and those laws have worked out well.

Mr. O'HARA. Under the Pure Food and Drug Act the requirement is that the thing which is being sold, if it is to imitate, has to carry in sufficiently large type the statement that it is an imitation of sugar or whatever product it is, and that is permissible. But they are very strict about it in the way it is sold. I think there is an entirely different situation, let me say to the gentleman from Louisiana, in the matter of furs; I think it is quite obvious when a fur has been treated to imitate something else than it appears so on the surface.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I must yield first to the gentleman from Louisiana [Mr. LARCADE], who has been on his feet for some time. I will then yield to the gentlewoman from Illinois.

Mr. LARCADE. I wish to ask the gentleman two questions. It may not be generally known that the State of Louisiana is the largest fur-producing State in the Union. I happen to represent the district that produces more furs than any other district in the State of Louisiana, principally muskrat. I know the gentleman from Minnesota knows this, but I should like to ask two questions: First, I want the RECORD to show that this bill is not aimed at the trappers or producers of fur.

Mr. O'HARA. Not at all. It should be most helpful to them.

Mr. LARCADE. That is correct.

Mr O'HARA That is correct

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Mr. LARCADE. Second, the domestic industry will be protected under the provisions of this bill against the importation of furs from foreign countries, say from China or Russia.

Mr. O'HARA. No, this bill will not prevent the importation of furs from abroad, but when they are shipped in they must be properly labeled, and if dog is shipped in it must not be labeled Baltic lion, or some other flamboyant attractive name.

Mr. LARCADE. That is what I mean; domestic producers will be protected by the bill to that extent.

Mr. O'HARA. The gentleman is correct; it will protect the fur industry as I hope it will the trappers and fur farmers of the United States.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield briefly?

Mr. O'HARA. I yield.

Mrs. CHURCH. I wish to congratulate the gentleman on his bill and its purpose, but I would like to ask a question. Page 14 (b) (1) reads:

> Whenever the Commission has reason to believe that any person is violating or is about to violate sections 3, 6, or 10 (b) of this act.

What is the gentleman's interpretation of the words "about to violate"? How could that fact be arrived at and what would be the penalty?

Mr. O'HARA. I suppose that is where it is obvious to those who are charged with the enforcement of this act that somebody is getting into a situation where they are violating the law. It permits a cease-and-desist order to be obtained by the Federal Trade Commission to prevent the deception upon the public. It was a suggestion, let me say to the gentlewoman from Illinois, of the Federal Trade Commission itself from their experience in dealing with this subject in the enforcement of the truth-in-wool-labeling bill.

Mrs. CHURCH. Does this bill affect the situation arising from fraudulent advertising?

Mr. O'HARA. Yes.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. BECKWORTH. The Pure Food and Drug Law has been mentioned, and how it works; is it not one of the fundamentals of the Pure Food and Drug Law that insofar as possible the food, for example, must bear the name that will be best understood by the purchasing public?

Mr. O'HARA. That is correct.

Mr. BECKWORTH. So that there can be no deception. I remember very distinctly in regard to the question of trying to rename dry skim milk. One of the important fundamentals that was often made known to our committee was that it must be so labeled that the average person purchasing it would know what he was buying. That is exactly what this legislation has as its purpose, that the purchasing individual may know exactly what he is getting hold of in the way of a skin.

Mr. O'HARA. The gentleman is entirely correct.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Minnesota.

Mr. WIER. I want to test my colleague's knowledge of just how far-reaching this bill is, having had some knowledge of the fur business. I want to ask the gentleman if he ever saw a fur coat with a trade label on or advertised for sale as rabbit?

Mr. O'HARA. Let me say to the gentleman in all candor I am not an expert furrrier in any sense. I have only had one experience in buying a fur coat, and that was for my wife. I definitely was not interested in buying rabbit, so I cannot say that I ever had any experience in that regard.

Mr. WIER. For the gentleman's information, out of the experience I have had, on the fur market, at least up until the time I came to this body, I know of 14 different trade names out of the fur industry in which the same rabbit would have applied and the price for that finished coat out of the same rabbit varied from $50 to $350 by the process of the finishing and the ability to transform that fur into a limitation of about seven animals from the northland.

Now, then, with regard to muskrat that has been mentioned here, in the field of finishing muskrat there is on the fur market today at least eight trade names on finished fur coats and they all come from the same muskrat. The price will vary proportionately, due, of course, to the finishing and the label of the product. I say very sincerely in the interest of people who like to be flashy and dressy and have a well-paid-for coat, that in the fur industry in the main you will find the greatest number of coats sold come from muskrat or rabbit.

Mr. O'HARA. I thank the gentleman and I admit his qualifications as an expert.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. My experience in the fur-coat business is limited, as is that of the gentleman from Minnesota. That rabbit the gentleman from Minnesota has been talking about must have been a big one.

Mr. ELLSWORTH. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Oregon.

Mr. ELLSWORTH. At several places in the bill the term "advertising" is used, for example on page 5, "Any person introducing, selling, advertising, or offering for sale." Standing by itself I am wondering if it may not be interpreted as applying to the advertising medium? I feel certain that the intent of the committee was not to charge a newspaper or a magazine publisher or a radio station with having knowledge of the product which an advertiser seeks to advertise.

Mr. O'HARA. The legislative intent of this bill is as the gentleman has stated. There is absolutely no intention in this bill to charge responsibility to the advertising medium, whether it be the radio station or newspaper.

Mr. ELLSWORTH. Speaking as a member of the committee and as the author of the bill, it was never our intention, and it is not the intention of the bill, to refer by using the term "advertising" in the bill to the advertising medium. The responsibility is on the person who seeks to do the advertising and no one else.

Mr. O'HARA. Let me say that it is the intention not in any way in this bill to create any liability against the advertising medium.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Maine.

Mr. HALE. I wanted to call the attention of the gentleman from Minnesota to the fact that the schedule on page 73 of the hearings shows that dyed rabbit appears under no less than 35 different trade names. So rabbit is the most versatile of all animals.

Mr. O'HARA. I was going to comment on the statement made by the gentleman from Minnesota [Mr. WIER], that I thought there were nearly 100 of them somewhere in the record. Maybe it was 35.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Michigan.

Mr. DONDERO. After listening to the discussion by the gentleman from Minnesota and also the gentleman from Louisiana as to muskrat and rabbit and the different gradings, can the gentleman give the House any information on the different grades of mink?

Mr. O'HARA. There was a statement made here that I am some sort of an expert. I am not. Of course, in any fur, let me say to the gentleman, one of the most valuable things you have is a good skin. In other words, you might have a poor muskrat skin and it would make a poor muskrat coat, or a poor mink skin and it would make a poor mink coat. The importance lies in the grading.

Mr. NELSON. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Maine.

Mr. NELSON. Is it the gentleman's understanding that section 3 of the bill, on page 4, permits a retailer to remove a manufacturer's label and substitute his own, as long as it is properly marked?

Mr. O'HARA. It is specifically in there for that purpose, and it was one of the principal objections when that provision was not in the bill by the retail level. It is a perfectly good argument, and it is so provided, let me say to my colleague.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Louisiana.

Mr. WILLIS. I was on my feet and intended to suggest the same thought as did the gentleman from Michigan [Mr. DONDERO] and the gentleman from Minnesota [Mr. WIER], who said that the specie of muskrat might come in four or five different prices, and he said in an undertone as though it was being palmed off. I am sure the gentleman does not so intend. Shoes are made out of cowhide, all of them, or most of them, but they command different prices, as is

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also true of mink and ermine, and I hope it was not intended to leave in the record that thought, because the design, the use of the animal, the size, the age, and so on, all these things affect the price. I hope the gentleman will concede that to be so.

Mr. O'HARA. The gentleman is completely right about that.

Mr. BECKWORTH. Mr. Chairman, we have no further requests for time.

Mr. O'HARA. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. Mr. Chairman, I rise in support of this legislation. So far as I have learned from the discussion thus far, there is no real opposition to the fundamental principle of this legislation, namely, that the public should be protected by truth in fur labeling. This bill has had the consideration of two or three Congresses and at one time actually passed the House.

The legislation is not a partisan issue in any sense. It has had exhaustive consideration by the Commerce Committee of the House. I was a member of the subcommittee which considered this legislation. We heard all segments of the industry, the producers, the processors, the manufacturers, and the retailers, saw numerous exhibits of the abuses to which the fur industry is now subject by reason of the fact that there is no limitation apparently, no legal limitation certainly, upon the facts about what the fur coats are made of.

This House would be astounded, even appalled, at some of the misrepresentations which were disclosed before our committee, both in advertising and in labeling. This is, perhaps, not an earth-shaking or destiny-making proposition, but it does do something for one segment of our great economy in this country. It provides that the small minority of those who are engaged in the fur trade shall be brought into line and required to tell the truth as to what their product is. That is the purpose of this legislation.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. The question was asked a moment ago as to whether or not a retailer would have the right to remove a label and substitute one of his own. I believe the gentleman from Minnesota [Mr. O'HARA] said that that was true. Does the gentleman know what part of this bill would authorize the retailer, as he received the product, to remove the label and substitute one of his own, which may in truth or in fact tell what the true contents of that article is?

Mr. DOLLIVER. I think that will be found in subsection (e) on page 5.

Mr. ROGERS of Colorado. On page 5, subsection (e) states:

> Any person introducing, selling, advertising, or offering for sale, in commerce, or processing for commerce, a fur product, may substitute for the label affixed to such product pursuant to section 4 of this act—

Is that the authority the gentleman says gives the retailer the power to take out one label and substitute another?

Mr. DOLLIVER. My answer is in the affirmative, but he must substitute a label which reveals the kind of fur it is.

Mr. O'HARA. If the gentleman will yield, may I suggest to the gentleman that in virtually every case it would be in commerce. I would suggest that the authorization would have to be in commerce.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield to the gentleman from Louisiana.

Mr. WILLIS. What is the effective date of this act? I have in mind the position of dealers who have large stocks of furs, fur parts, and overcoats on hand. Are they going to be subject to the sanctions of this statute?

Mr. DOLLIVER. The effective date is one year after its enactment.

Mr. WILLIS. Suppose one has a stock on hand that is going to last him 5 years. Then is he going to be a law violator, when he bought the merchandise in good faith?

Mr. DOLLIVER. I think our testimony shows that probably 1 year would satisfy the requirements of the trade.

Mr. O'HARA. Mr. Chairman, I yield myself 1 minute to answer specifically the question of the gentleman from Louisiana. Section 7 provides the Name Guide is brought out in 6 months by the Federal Trade Commission under this bill. Under section 14 the act does not take effect until 1 year after its passage, except for section 7.

Mr. ROGERS of Colorado. If the gentleman will yield, do I correctly understand in connection with the answer that was given a moment ago as to section 3 (e) that this would cover the question of what is in commerce, and that the interpretation the gentleman places upon it is that anything that may have been shipped in commerce and brought to an end you still have jurisdiction over so far as this act is concerned?

Mr. O'HARA. The gentleman is correct.

Mr. BECKWORTH. Mr. Chairman, I yield 5 minutes of my time to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA. Mr. Chairman, I yield 1 minute to my colleague from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, this is a bill to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs. It is a good bill and I support it. I am certain, however, that the sponsor of the measure and his colleagues on the House Committee on Interstate and Foreign Commerce are aware of the fact that there are other articles that are being imported and sold to the public as things they are not.

I have in mind the thousands of foreign sewing machines that are now coming into our country from abroad, sewing machines that are not properly marked as to indicate the country of origin, others that are so marked that the markings can readily be concealed through the placement of other parts or attachments, some whose markings are here covered by plates or labels bearing well known American names, all calculated to defraud a too-often gullible buyer.

There is domiciled in Passaic, N. J., in my congressional district, a red-blooded veteran of World War II, who has been making his living through a store in which he retails sewing machines of American make. Months ago he sensed the threat to his business and he began a one-man crusade, frequently taking him to Washington and other parts of the country, in an effort to force proper foreign markings on imported machines and to stop fraudulent advertising of the same. He came to me and I had him meet with representatives of the Federal Trade and Tariff Commissions, the Bureau of Customs. He had the goods, the proof, and all who heard him and saw his exhibits, admitted this. Several cases were instituted by Federal Trade and it is now expected final action will be had shortly. Meanwhile, I have introduced a bill which, I hope, will have the early consideration of the committee now bringing the fur measure before us. This would require foreign markings that cannot be concealed by any operations on this side.

Several times during my constituent's crusade, even while he was exercising his American right of petition, he has had phone calls, usually in the nighttime, from unknown parties threatening to blow his brains out if he did not cease mixing in this foreign import business. Nine days ago my constituent was criminally assaulted in his home city shortly after he had closed his store at night. Red pepper was doused into his eyes and he was taken to a local hospital for treatment. Doctors say he will be required to take frequent eye baths and wear dark glasses for many weeks.

The case has given me much concern and while the Federal Bureau of Investigation does not seem to have any jurisdiction I know the Bureau has looked into the case and it is distinctly my intention to bring my constituent before the Senate Crime Committee if there is any more of this hoodlum stuff. It is possible that the committee might find a new type of racket threatening the future of many American businessmen and workers.

I do hope that the committee will give consideration to my bill and the plight of others, manufacturers, retailers, and consumers, injured by these fraudulent and nefarious undertakings.

Mr. WIER. Mr. Chairman, will the gentleman from Minnesota yield for a question?

Mr. O'HARA. I yield.

Mr. WIER. I think it ought to be clear to the House that this bill will not entirely eliminate the problem in our major cities, whether it is Milwaukee, Minneapolis, or Omaha, Neb., or Denver, Colo., where there is a manufacturer making the garments within his own shop and selling them on the local market. He is not necessarily covered by this legislation, is he?

Mr. O'HARA. If the fur product itself is raised and processed within the State and is not transported in interstate commerce, the gentleman's comment is correct.

Mr. YATES. Mr. Chairman, will the gentleman yield for a question?

Mr. O'HARA. I yield.

Mr. YATES. I call the gentleman's attention to section (c) appearing on page 12, wherein it is stated:

The Commission is authorized to cause inspections, analyses, tests, and examinations—

In the event some furs are picked up for the purpose of making examination, is the person who owns such furs compensated in any way for them?

Mr. O'HARA. I would think so. I do not think the Government would have any right to confiscate those furs, except under authority of a prosecution. But if it is for the purpose of making tests, certainly they would either have to be returned in substantially the same condition as when they were taken, or there should be a responsibility on the Government to compensate the owner of the furs for the value of them.

Mr. YATES. Is there provision for such reparation in the bill at any point?

Mr. O'HARA. No; there is not.

Mr. YATES. But it is the intention of the committee, in the event that is done and a loss is suffered without fault on the part of the vendor, that proper reparation be made by the Government to the vendor?

Mr. O'HARA. I think that would be no more than absolute simple justice. Reparation should be made.

Mr. YATES. That would be true, as well, with respect to section 9 appearing on page 13, where proceedings are started against furs, condemning such furs, and in the event there is deterioration and a not-guilty verdict is returned, should not the Government compensate for any loss occurring there as well?

Mr. O'HARA. I will say frankly to the gentleman that question did not occur to me or to any member of the committee or any witness that I know of when the matter was under discussion and neither did any of the many witnesses who appeared raise any point as to that so far as I can recall.

Mr. YATES. I was under the impression that furs could deteriorate if not properly stored.

Mr. O'HARA. If they are not properly stored, that is correct.

Mr. YATES. And if the Government did not properly store the furs seized pending adjudication of the case, I wonder what the compensation would be to the person damaged?

Mr. O'HARA. I would assume, in the event there was a prosecution and furs were seized and a not-guilty verdict was returned, or no cease-and-desist order issued, there would certainly be a liability upon the Government for the value of those furs.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. BECKWORTH. Mr. Chairman, I wish to digress just a moment to commend the gentleman from New Jersey [Mr. CANFIELD] on bringing to the attention of the Committee here the matter with reference to the importation of sewing machines. I have had similar criticisms, excepting the violence part, which the gentleman mentioned, with reference to such items as motorcycles. In my opinion certain dealers for American made motorcycles are having a rough time. Unquestionably this influx of products from foreign areas, so that American manufacturers are prevented from selling that which they make, is a dangerous trend at this time and I am certainly glad that the gentleman called the attention of the House to the example which he mentioned.

Mr. O'HARA. Mr. Chairman, will the gentleman yield for a brief observation?

Mr. BECKWORTH. I yield.

Mr. O'HARA. Mr. Chairman, I have been requested by the ranking member on our side of the committee, the gentleman from New Jersey [Mr. WOLVERTON], who is unavoidably detained in his district today, to express his great interest in this bill, and at the proper time to obtain consent for him to extend his remarks. I am sure the gentleman from Texas knows of the great interest of the gentleman from New Jersey [Mr. WOLVERTON], in this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. O'HARA. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Fur Products Labeling Act."

SEC. 2. As used in this act—

(a) The term "person" means an individual, partnership, corporation, association, business trust, or any organized group of any of the foregoing.

(b) The term "fur" means any animal skin or part thereof with hair, fleece, or fur fibers attached thereto, either in its raw or processed state, but shall not include such skins as are to be converted into leather or which in processing shall have the hair, fleece, or fur fiber completely removed.

(c) The term "used fur" means fur in any form which has been worn or used by an ultimate consumer.

(d) The term "fur product" means any article of wearing apparel made in whole or in part of fur or used fur; except that such term shall not include such articles as the Commission shall exempt by reason of the relatively small quantity or value of the fur or used fur contained therein.

(e) The term "waste fur" means the ears, throats, or scrap pieces which have been severed from the animal pelt, and shall include mats or plates made therefrom.

(f) The term "invoice" means a written account, memorandum, list, or catalog, which is issued in connection with any commercial dealing in fur products or furs, and describes the particulars of any fur products or furs, transported or delivered to a purchaser, consignee, factor, bailee, correspondent, or agent, or any other person who is engaged in dealing commercially in fur products or furs.

(g) The term "Commission" means the Federal Trade Commission.

(h) The term "Federal Trade Commission Act" means the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, as amended.

(i) The term "Fur Products Name Guide" means the register issued by the Commission pursuant to section 7 of this act.

(j) The term "commerce" means commerce between any State, Territory, or possession of the United States, or the District of Columbia, and any place outside thereof; or between points within the same State, Territory, or possession, or the District of Columbia, but through any place outside thereof; or within any Territory or possession or the District of Columbia.

(k) The term "United States" means the several States, the District of Columbia, and the Territories and possesions of the United States.

MISBRANDING, FALSE ADVERTISING, AND INVOICING DECLARED UNLAWFUL

SEC. 3. (a) The introduction, or manufacture for introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product which is misbranded or falsely or deceptively advertised or invoiced, within the meaning of this act or the rules and regulations prescribed under section 8 (b), is unlawful and shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act.

(b) The manufacture for sale, sale, advertising, offering for sale, transportation or distribution, of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, and which is misbranded or falsely or deceptively advertised or invoiced, within the meaning of this act or the rules and regulations prescribed under section 8 (b), is unlawful and shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act.

(c) The introduction into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur which is falsely or deceptively advertised or falsely or deceptively invoiced, within the meaning of this act or the rules and regulations prescribed under section 8 (b), is unlawful and shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act.

(d) Except as provided in subsection (e) of this section, it shall be unlawful to remove or mutilate, or cause or participate in the removal or mutilation of, prior to the time any fur product is sold and delivered to the ultimate consumer, any label required by this act to be affixed to such fur product, and any person violating this subsection is guilty of an unfair method of competition, and an unfair or deceptive act or practice, in commerce under the Federal Trade Commission Act.

(e) Any person introducing, selling, advertising, or offering for sale, in commerce, or processing for commerce, a fur product, may substitute for the label affixed to such product pursuant to section 4 of this act, a label conforming to the requirements of such section, and such label may show in lieu of the name or other identification shown pursuant to section 4 (2) (E) on the label so removed, the name or other identification of the person making the substitution. Any person substituting a label shall keep such records as will show the information set forth on the label that he removed and the name or names of the person or persons from whom such fur product was received.

(f) Subsections (a), (b), and (c) of this section shall not apply to any common carrier, or contract carrier in respect of a fur product or fur shipped, transported, or delivered for shipment in commerce in the ordinary course of business.

MISBRANDED FUR PRODUCTS

SEC. 4. For the purposes of this act, a fur product shall be considered to be misbranded—

(1) if it is falsely or deceptively labeled or otherwise falsely or deceptively identified,

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or if the label contains any form of misrepresentation or deception, directly or by implication, with respect to such fur product;

(2) if there is not affixed to the fur product a label showing in words and figures plainly legible—

(A) the name or names (as set forth in the Fur Products Name Guide) of the animal or animals that produced the fur, and such qualifying statement as may be required pursuant to section 7 (c) of this act;

(B) that the fur product contains or is composed of used fur, when such is the fact;

(C) that is the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

(D) that the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(E) the name, or other identification issued and registered by the Commission, of one or more of the persons who manufacture such fur product for introduction into commerce, introduce it into commerce, sell it in commerce, advertise or offer it for sale in commerce, or transport or distribute it in commerce;

(3) if the label required by paragraph (2) (A) of this section sets forth the name or names of any animal or animals other than the name or names provided for in such paragraph, unless such name or names are preceded by the words "Processed to simulate" and the fur product has been so processed.

FALSE ADVERTISING AND INVOICING OF FUR PRODUCTS AND FURS

SEC. 5. (a) For the purposes of this act, a fur product or fur shall be considered to be falsely or deceptively advertised if any advertisement, representation, public announcement, or notice which is intended to aid, promote, or assist directly or indirectly in the sale or offering for sale of such fur product or fur—

(1) does not show the name or names (as set forth in the Fur Products Name Guide) of the animal or animals that produced the fur, and such qualifying statement as may be required pursuant to section 7 (c) of this act;

(2) does not show that the fur is used fur or that the fur product contains used fur, when such is the fact;

(3) does not show that the fur product or fur is bleached, dyed, or otherwise artificially colored fur when such is the fact;

(4) does not show that the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(5) contains the name or names of any animal or animals other than the name or names specified in paragraph (1) of this subsection, unless such name or names are preceded by the words "Processed to simulate" and the fur product has been so processed, or contains any form of misrepresentation or deception, directly or by implication, with respect to such fur product or fur.

(b) For the purposes of this act, a fur product or fur shall be considered to be falsely or deceptively invoiced—

(1) if such fur product or fur is not invoiced to show—

(A) the name or names (as set forth in the Fur Products Name Guide) of the animal or animals that produced the fur, and such qualifying statement as may be required pursuant to section 7 (c) of this act;

(B) that the fur product contains or is composed of used fur, when such is the fact;

(C) that the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

(D) that the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(E) the name and address of the person issuing such invoice;

(2) if such invoice contains the name or names of any animal or animals other than the name or names specified in paragraph (1) (A) of this subsection, unless such name or names are preceded by the words "Processed to simulate" and the fur product has been so processed, or contains any form of misrepresentation or deception, directly or by implication, with respect to such fur product or fur.

EXCLUSION OF MISBRANDED OR FALSELY INVOICED FUR PRODUCTS OR FURS

SEC. 6. (a) Fur products imported into the United States shall be labeled so as not to be misbranded within the meaning of section 4 of this act; and all invioces of fur products and furs required under the Act of June 17, 1930 (ch. 497, title IV, 46 Stat. 719), shall set forth, in addition to the matter therein specified, information conforming with the requirements of section 5 (b) of this act, which information shall be included in the invoices prior to their certification under said act of June 17, 1930.

(b) The falsification of, or failure to set forth, said information in said invoices, or the falsification or perjury of the consignee's declaration provided for in said Act of June 17, 1930, insofar as it relates to said information, shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act; and any person who falsifies, or fails to set forth, said information in said invoices, or who falsifies or perjures and consignee's declaration insofar as it relates to said information, may thenceforth be prohibited by the Commission from importing, or participating in the importation of, any fur products or furs into the United States except upon filing bond with the Secretary of the Treasury in a sum double the value of said fur products and furs, and any duty thereon, conditioned upon compliance with the provisions of this section.

(c) A verified statement from the manufacturer, producer of, or dealer in, imported fur products and furs showing information required under the provisions of this act may be required under regulations prescribed by the Secretary of the Treasury.

NAME GUIDE FOR FUR PRODUCTS

SEC. 7. (a) The Commission shall, with the assistance and cooperation of the Department of Agriculture and the Department of the Interior, within 6 months after the date of the enactment of this act, issue, after holding public hearings, a register setting forth the names of hair, fleece, and fur-bearing animals, which shall be known as the Fur Products Name Guide. The names used shall be the true English names for the animals in question, or in the absence of a true English name for an animal, the name by which such animal can be properly identified in the United States.

(b) The Commission may, from time to time, with the assistance and cooperation of the Department of Agriculture and Department of the Interior, after holding public hearings, add to or delete from such register the name of any hair, fleece, or fur-bearing animal.

(c) If the name of an animal (as set forth in the Fur Products Name Guide) connotes a geographical origin or significance other than the true country or place of origin of such animal, the Commission may require whenever such name is used in setting forth the information reqiured by this act, such qualifying statement as it may deem necessary to prevent confusion or deception.

ENFORCEMENT OF THE ACT

SEC. 8. (a) (1) Except as otherwise specifically provided in this act, sections 3, 6, and 10 (b) of this act shall be enforced by the Federal Trade Commission under rules, regulations, and procedure provided for in the Federal Trade Commission Act.

(2) The Commission is authorized and directed to prevent any person from violating the provisions of sections 3, 6, and 10 (b) of this act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this act; and any such person violating any provision of section 3, 6, or 10 (b) of this act shall be subject to the penalties and entitled to the privileges and immunities provided in said Federal Trade Commission Act as though the applicable terms and provisions of the said Federal Trade Commission Act were incorporated into and made a part of this act.

(b) The Commission is authorized and directed to prescribe rules and regulations governing the manner and form of disclosing information required by this act, and such further rules and regulations as may be necessary and proper for purposes of administration and enforcement of this act.

(c) The Commission is authorized (1) to cause inspections, analyses, tests, and examinations to be made of any fur product or fur subject to this act; and (2) to cooperate, on matters related to the purposes of this act, with any department or agency of the Government; with any State, Territory, or possession, or with the District of Columbia; or with any department, agency, or political subdivision thereof; or with any person.

(d) (1) Every manufacturer or dealer in fur products or furs shall maintain proper records showing the information required by this act with respect to all fur products or furs handled by him, and shall preserve such records for at least 3 years.

(2) The neglect or refusal to maintain and preserve such records is unlawful, and any such manufacturer or dealer who neglects or refuses to maintain and preserve such records shall forfeit to the United States the sum of $100 for each day of such failure which shall accrue to the United States and be recoverable by a civil action.

CONDEMNATION AND INJUNCTION PROCEEDINGS

SEC. 9. (a) (1) Any fur product or fur shall be liable to be proceeded against in the district court of the United States for the district in which found, and to be seized for confiscation by process of libel for condemnation, if the Commission has reasonable cause to believe such fur product or fur is being manufactured or held for shipment, or shipped, or held for sale or exchange after shipment, in commerce, in violation of the provisions of this act, and if after notice from the Commission the provisions of this act with respect to such fur product or fur are not shown to be complied with. Proceedings in such libel cases shall conform as nearly as may be to suits in rem in admiralty, and may be brought by the Commission.

(2) If such fur products or furs are condemned by the court, they shall be disposed of, in the discretion of the court, by destruction, by sale, by delivery to the owner or claimant thereof upon payment of legal costs and charges and upon execution of good and sufficient bond to the effect that such fur or fur products will not be disposed of until properly marked, advertised, and invoiced as required under the provisions of this act; or by such charitable disposition as the court may deem proper. If such fur or fur products are disposed of by sale, the proceeds, less legal costs and charges, shall be paid into the Treasury of the United States as miscellaneous receipts.

(b) Whenever the Commission has reason to believe that—

(1) any person is violating, or is about to violate, section 3, 6, or 10 (b) of this act; and

(2) it would be to the public interest to enjoin such violation until complaint is is-

sued by the Commission under the Federal Trade Commission Act and such complaint dismissed by the Commission or set aside by the court on review, or until order to cease and desist made thereon by the Commission has become final within the meaning of the Federal Trade Commission Act,

the Commission may bring suit in the district court of the United States or in the United States court of any Territory, for the district or Territory in which such person resides or transacts business, to enjoin such violation, and upon proper showing a temporary injunction or restraining order shall be granted without bond.

GUARANTY

SEC. 10. (a) No person shall be guilty under section 3 if he establishes a guaranty received in good faith signed by and containing the name and address of the person residing in the United States by whom the fur product or fur guaranteed was manufactured or from whom it was received, that said fur product is not misbranded or that said fur product or fur is not falsely advertised or invoiced under the provisions of this act. Such guaranty shall be either (1) a separate guaranty specifically designating the fur product or fur guaranteed, in which case it may be on the invoice or other paper relating to such fur product or fur; or (2) a continuing guaranty filed with the Commission applicable to any fur product or fur handled by a guarantor, in such form as the Commission by rules and regulations may prescribe.

(b) It shall be unlawful for any person to furnish, with respect to any fur product or fur, a false guaranty (except a person relying upon a guaranty to the same effect received in good faith signed by and containing the name and address of the person residing in the United States by whom the fur product or fur guaranteed was manufactured or from whom it was received) with reason to believe the fur product or fur falsely guaranteed may be introduced, sold, transported, or distributed in commerce, and any person who violates the provisions of this subsection is guilty of an unfair method of competition, and an unfair or deceptive act or practice, in commerce within the meaning of the Federal Trade Commission Act.

CRIMINAL PENALTY

SEC. 11. (a) Any person who willfully violates section 3, 6, or 10 (b) of this act shall be guilty of a misdemeanor and upon conviction shall be fined not more than $5,000, or be imprisoned not more than 1 year, or both, in the discretion of the court.

(b) Whenever the Commission has reason to believe any person is guilty of a misdemeanor under this section, it shall certify all pertinent facts to the Attorney General, whose duty it shall be to cause appropriate proceedings to be brought for the enforcement of the provisions of this section against such person.

APPLICATION OF EXISTING LAWS

SEC. 12. The provisions of this act shall be held to be in addition to, and not in substitution for or limitation of, the provisions of any other act of Congress.

SEPARABILITY OF PROVISIONS

SEC. 13. If any provisions of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to any other person or circumstance shall not be affected thereby.

EFFECTIVE DATE

SEC. 14. This act, except section 7, shall take effect 1 year after the date of its enactment.

Mr. BECKWORTH (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and that the entire bill be open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk will report the committee amendments.

The Clerk read as follows:

Page 5, line 17, strike out "or" and insert after the words "contract carrier" the following: "or freight forwarder."

Page 7, line 4, after "paragraph" strike out the comma and all that follows down through the words "processed" in line 6.

Page 8, line 6, strike out beginning with the word "unless" down through the comma in line 8.

Page 9, line 9, strike out beginning with the word "unless" down through the comma in line 11.

The committee amendments were agreed to.

Mr. O'HARA. Mr. Chairman, I offer a clarifying amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA: Page 9, lines 19 and 20, strike out "the act of June 17, 1930 (ch. 497, title IV, 46 Stat. 719)," and insert "title IV of the Tariff Act of 1930, as amended"; and in line 24, strike out "said act of June 17, 1930," and insert "the Tariff Act of 1930, as amended"; and on page 10, lines 3 and 4, strike out "said act of June 17, 1930," and insert "the Tariff Act of 1930, as amended."

Mr. O'HARA. Mr. Chairman, briefly, this amendment has been suggested by the Legislative Counsel to make more certain to which tariff act the language of the bill refers, and it is for that purpose only that I offer it, as a matter of clarification.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

The CHAIRMAN. Are there any further amendments? If not, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMPSON of Texas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2321) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs, pursuant to House Resolution 256, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WOLVERTON] may extend his remarks in the debate on H. R. 2321.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. Under the previous order of the House the gentleman from Arkansas [Mr. HAYS] is recognized for 30 minutes.

IT IS NOT TOO LATE TO REESTABLISH A BIPARTISAN FOREIGN POLICY

Mr. HAYS of Arkansas. Mr. Speaker, I wish to speak today of efforts to recapture the bipartisan approach to foreign policy problems of our Nation in a period of great peril. I agree with my friend, the gentleman from Minnesota [Mr. JUDD], that it is more important that a policy be right than that it be bipartisan. But it is my conviction that in the year 1951 it is not likely to be right unless it is bipartisan.

Now it is hardly becoming of a Democrat to give advice to his Republican friends, and I do not wish to appear in that role today. If I speak critically of any phase of the Republican position, actual or potential, I would with equal candor speak of my own party's deficiencies. I wish very much to speak without partisanship. I recognize that it would be a mistake to make a fetish of the bipartisan plan for foreign policy, but on the other hand proposals for maximum cooperation between the parties in this period of danger must be received favorably if we are to have an adequate and predictable policy.

The advantages in our political system of having a vigorous majority opposition need not be lost and will be available if the responsible party in power should not meet its obligations acceptably. In a certain sense, the party in power can neither renounce nor share responsibility. It would be contrary to the American system to permit the majority, by sharing decisions, to escape its final responsibility for our foreign policy. At the same time we must distinguish between the execution of a policy which rests exclusively upon the administration and the determination of that policy through consultation and cooperation between the parties. The opposition is entitled to advantages growing out of gross mishandling of a policy's execution by the administration, but the opposition should seek perfection in the policy itself.

Senator Vandenberg is said to have preferred the term "nonpartisan" to "bipartisan." Perhaps he was right, but I use the term "bipartisan" because I believe that the resources to be made available through the facilities of political organizations are essential to an effective foreign policy, and since our very existence may depend on the effectiveness of that policy, we cannot indulge the luxury of ordinary political rivalry. If it is inevitable that foreign policy should become a political issue in 1952 it nevertheless would be ignoble for either party in 1951 to seek an advantage with only Presidential politics in mind.

I am more concerned, Mr. Speaker, about getting the right policy with an emphasis upon its positive phases than in convincing my colleagues on a procedural point, but both procedure and

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content are important. Bipartisanship can be negative in character, and negativism would be fatal. Both parties might fail, for example, to use their best efforts before 1952, determining decisions then that should be made now. But this would mean renouncing leadership at a time when the people are eager for leadership, eager even to share new sacrifices if essential for victory and peace.

Mr. Speaker, we must find a way, through our party organizations and every other device of popular government, to end the disunity which threatens our country. I fear that the Congress may be partly responsible for the divisive influences that are powerfully asserting themselves right now and that is my reason for presenting these ideas today. Again, I insist that we do not have to give up the benefits of the two-party system with the wholesome clash of opinion which it permits, but only that it is imperative that we have a new emphasis upon party cooperation in deciding foreign policy questions.

In the critical months just ahead we must avoid exploiting fears, we must dispel them. We must foreswear any advantage from the blunders of the other side—if the blundering is incidental to the pooling of our moral and intellectual resources for saving the Nation. We have moved into an era in which America is inescapably the free world's leader and today we are not spiritually conditioned for this role. We would be equal to it if we matched our tremendous physical and material power with the moral strength that comes with dedication to common ends, if there is team work by both organizations.

Bipartisanship in 1951 must be different from bipartisanship in 1924. Then, the mood of isolationism was upon us. I insert this footnote of political history, Mr. Speaker, primarily to remind my Democratic colleagues that our taunting the Republicans with isolationism is hardly in order. In the twenties the policies of isolationism reflected the official thinking of Democrats as well as Republicans. The 1924 convention in Madison Square Garden approved, not the forward-looking proposal of Newton D. Baker to cooperate with the League of Nations, but the weak and negative position which the isolationists in the party advanced. We must carry our share of the blame for the disasters which followed the retreat from world responsibility in that unhappy decade.

You see, Mr. Speaker, it is only because I believe that much of the confusion in popular thinking today is due to the inability of Congress to maintain bipartisan discussions, that I offer this plea for its recapture. We must not permit one party to become identified with success in Korea, for the suffering that has come from that far-away enterprise touches families of every political affiliation.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Ohio.

Mr. VORYS. The gentleman is making a most interesting and important address, as he always does. We all know him as a sincere and able advocate of the best in bipartisanship. We know that he approaches this problem with idealism and common sense. I wish to point out, however, if the gentleman would permit me, that we have gone further in bipartisan action on foreign policy than possibly meets the eye of the general public, because our accomplishments in this field in this present session of Congress have not been in the realm of controversy but in the realm of bipartisan agreement. If the gentleman would permit, I would like to call his attention to five instances in which a bipartisan, nonpartisan, dualpartisan, patriotic approach to problems dealing with our foreign affairs has been carried out with success in this House.

On January 19 the McCormack-Martin resolution, urging the United Nations to declare Red China an aggressor, was implemented and passed by the joint efforts of the leadership of both parties. The Rogers resolution, urging the United Nations to declare an embargo on Red China, passed under similar auspices, as did the Harris resolution, opposing the seating of Red China in the United Nations. The Ribicoff resolution, declaring our historic friendship for the Russian people, passed under similar auspices; and the India relief bill, after a long and tempestuous prelude, came to the floor and was passed, and the conference report was adopted with the support of the leadership on both sides of the House.

Now, the fact that we did not get into a dreadful argument over all of this has perhaps kept it from the attention of the newspapers and radio commentators, who love to tell about a fight; but I think that the gentleman from Arkansas and the House and the country can look forward with a certain degree of confidence, in view of this record that has already been made, unheralded and unsung, in the Eighty-second Congress.

Mr. HAYS of Arkansas. I am very happy to have that emphasis upon the constructive side of the work of the House. I am sure that the gentleman would not disagree with my main thesis that often the task is made infinitely harder by political speeches and by an accentuating of political differences, and for that reason I am happy to have the high lights of the record that we have already made. I do not want to speak epigrammatically, but it appears to me proper to say what we need more is an atmosphere of good will in which right solutions may be sought. We need that more than the perfect answer on every specific issue. It is the atmosphere that I am directing my remarks toward more than anything else.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I simply want to amplify what the gentleman from Ohio [Mr. VORYS] has said, with which the gentleman from Arkansas agrees. Those five measures, both resolutions and bills, are all indicative of the wide area of agreement that exists in the House. As I have stressed several times on the floor, I think the thing we should stress is the wide area of agreement that exists, and then concentrate on the honest differences of opinion, what might be called the areas of disagreement, because when we talk about the areas of disagreement we convey to the country the impression that we are in disagreement on everything.

I well know of some of the legislation that the gentleman from Ohio referred to in connection with the collaboration of the leadership on his side, and our unanimous action. I well know of the wheat-for-India bill, and if the gentleman from Arkansas will permit me, I want to pay a special tribute, because I believe in giving credit where credit is due, to the gentleman from Ohio [Mr. VORYS]. One day I was very much disturbed; I realized that as time went on and time passed, the result of undernourishment and starvation in India would catch up and the newspapers would be filled with deaths, and I was very much disturbed in conscience about the fact that we had not acted upon the bill that had been reported out of the Committee on Foreign Affairs. There was a difference of opinion among members on the question of a grant. That was an honest difference of opinion and I talked with the gentleman from Ohio [Mr. VORYS] to get his reaction, a sort of survey. I did it in my own individual right. I told him I was not speaking to him as majority leader, but simply as JOHN MCCORMACK, simply to get a survey, and I wanted him to understand it from that angle so that he would not get the impression that I was speaking to him in my capacity as majority leader. As the result of that talk there started into operation a chain of events which brought about the grant bill and the successful passage, with bipartisan or nonpartisan or dual support. Whatever you want to call it is immaterial; the fact speaks for itself, and that support resulted in the passage of the bill.

Again, as I say, I like to give credit where credit is due. I want to pay my special tribute to the gentleman from Ohio [Mr. VORYS] not only on the other four but particularly in connection with the wheat-for-India bill.

Mr. HAYS of Arkansas. I am very happy to hear the majority leader speak of his admiration for the gentleman from Ohio [Mr. VORYS] and his appreciation of his contribution to our foreign policy. I might insist, however, that it tends to support my feeling that the expression "bipartisan" is more accurate than nonpartisan because in the instances referred to it was responsible party leadership on both sides that effectuated the results. We were not closing our eyes to the existence of the parties.

I thank the gentleman from Massachusetts for his timely remarks.

I was speaking of the fact that it would be very unfortunate if Korean successes should be flavored at all with Democratic prestige. We must not permit that to happen.

Still it could come about that the administration would gain an advantage to which it is not entitled, if unrestrained party warfare continues in certain channels. To make my meaning clear I will

quote one of the saddest things I have heard. One of Mr. Truman's critics, not a Member of the Congress, I am glad to say, once said: "It would just be this administration's luck to have the Korean war wind up victoriously." He implied that he would hate to see that happen. Some of Mr. Truman's partisans are also extremists. They would make a Korean victory the occasion for a Democratic rally.

Some of the things we might do to create a more favorable asmosphere in which to legislate are these:

First. Resolve that we will not permit the issues to be defined in personal terms. Administration adherents must not withhold concessions if General MacArthur is shown to be right, and on the other hand his partisans must make it a little easier for alterations to be made in our policy as events tend to supply answers to some questions. A workable bipartisan procedure would assume that the modifications in policy resulting from events as distinguished from debate would not be charged to political motives and political strategy.

Second. We must accept in the most sportsmanlike way one of the hazards of democratic life, namely, that differences between the parties and conflicts between points of view of the allied nations must be settled right out in the open. We must achieve by democratic means the power of unified effort which the Soviets gain by tyrannical means.

Third. Both sides should agree that the United States will not inaugurate a preventive war and that a world war must be avoided if possible. Both should agree that neither side will exploit fears of a global conflict or of Communist gains through irresponsible use of such terms as appeasement and war mongering.

Applied to specific problems, these mean taking a fresh look at America's policy with reference to China. We do not need to express in formal terms some of the things that we have finally reached agreement on, but it would do a lot of good if we quit talking as if there remains a breach between the parties with reference to Formosa and China's seat in the United Nations. The State Department is somewhat to blame for this collateral quarrel, for its pronouncements have been conflicting. However, on the proposition of holding Formosa and opposing admission of Communist China to the United Nations there is no question as to American official policy. Perhaps feelings have become so irritated that the Republicans find it hard to accept graciously any concessions by the administration, and the Democrats find it politically inexpedient to admit that there are alterations.

We are close enough together on other points of disagreement as to the Far East to suspend debate until 1952. Further recriminations for errors and alleged errors since 1945 can help no one but our enemies now.

And while I am enumerating some weaknesses on the administration side, may I suggest that my Democratic brethren studiously avoid claiming credit for all of the achievements on the foreign-policy front. We have made tremendous strides toward world stability. We have produced tremendous results in the armament program and production all along the line, and the Democrats are tempted to claim credit as a political party for it, when in all honesty both parties must share it.

And I do not understand, Mr. Speaker, why the Republicans have let us claim credit for it. Perhaps a lingering sense of isolationism by some of their number has produced this timidity. Perhaps a fear that they will lose the chance to pull the Nation back to domestic concerns if the obligations of world leadership prove too much for us has forced them into this position. If I were writing the Republican platform I would have boasted more of the fact that the Marshall plan, for example—one of the pillars in our foreign policy—was produced by a Republican Congress and was made possible only because of the bold and imaginative leadership of Republican-dominated committees at both ends of the Capitol. I would boast of Republican Paul Hoffman's magnificent record as ECA Chief and of the fine work of his Republican successor—William C. Foster. I would have stressed the fact that while the Democratic administration was yielding to the drive for economy in 1948 by trimming from the Air Force appropriations money sorely needed to maintain air superiority, Republican leadership insisted on larger expenditures for this purpose. Here was world-mindedness of an admirable kind.

Let us suspend the political vendettas until 1952. Nothing would thrill the people of America more in the present danger than to find in the speeches we make and in the laws we pass evidence that we sincerely believe that politics stops at the water's edge and that we are supplying leadership, if need be, at the expense of political advantage. An alarming fact about 1951 is that fears are being exploited, that issues are becoming personalized, that we may be withholding the contribution of individuals and of political parties from the total effort required for the protection of the free world.

Finally, Mr. Speaker, it will take the contribution of both parties to bring our national efforts into correct alinement with the military and economic efforts of the other free nations. It is all right for the enemy to know that there are differences between Britain and America as to trade policy, for the problem is complicated and requires discussion; it is all right for the Communists to know that America regards some of Britain's policies with reference to the oil properties of Iran inadequate—if not improper, but it is not all right for us to gloat over these conflicts and to perpetuate them at the expense of developing maximum strength for the free world. We must stand with Britain in the Middle East and elsewhere.

We should ponder the words of Secretary Finletter and General Vandenberg of the Air Force that United States air power cannot retain its deterrent influence or build greater striking power without bases to be supplied by Great Britain and other allies. Shorn of this aid, we would be immeasurably weaker.

I will be satisfied with the answers that are finally embodied in foreign policy legislation if we operate in an atmosphere of good will, if we make a more vigorous effort to find common ground and to heal the wounds that quarreling has produced. We should not continue to embarrass our Nation's military leadership. General Collins should have been spared embarrassment in stating an honest difference of opinion with General MacArthur which he and others of the Joint Chiefs of Staff entertained over military strategy. He has been forced by questions flavored with politics to offer answers which he fears will disparage General MacArthur's efforts, yet it is his judgment as a military man that General MacArthur's place in history is secure. General Collins believes that General MacArthur's brilliant handling of the Pacific operations in World War II and his administrative successes with one of the toughest assignments one could have, the occupation of Japan, will overshadow any Joint Chief's decisions, though correct ones, overruling General MacArthur's recommendations for the war in Korea.

Unless Congress wants to take over military decisions—and nothing more tragic than this could be imagined—should we not agree that those with whom responsibility rests for military action are as loyal to this Nation's interests as we, and that they conceivably are as wise as we? It is utterly inconsistent with that view to pursue the apparent determination of some to destroy faith in our Joint Chiefs of Staff and to impair their usefulness in the transcendently important role they must continue to occupy.

It is more important, Mr. Speaker, that we attempt in good faith to recapture the atmosphere in which right solutions may be sought, than that we come up with the perfectly correct answers to some of the questions that harass us, questions that will not be answered for a long, long time. Even though the Korean phase of this period of world tension should immediately terminate, we will be struggling with the problem of national security for many years. Surely we can agree that Korea is only one part, although a highly significant part, of a long and difficult world conflict.

Neither must we underestimate our strength. There is no occasion for defeatism. Granting that we of the Congress can ask on the people's part only such faith as our performance here will justify, we can nevertheless place at the top of the list of our national needs this element of restored faith, this spirit of confidence in the righteousness of our cause, and the grandeur of our military victories so far achieved.

Speaking finally as a Democrat and speaking as my Republican friends know I speak—with deep affection and respect and appreciation—is it asking too much that the opposition party help the administration open wide the door for participation in the evolving of our foreign

policy. Perhaps the Republican opposition might specify procedures for achieving a greater degree of consultation and collaboration. If they entertain doubt as to whether their views would be welcomed on the cooperative basis which I believe is possible in 1951, I hope they will tell the Democrats how we can be more effective in getting the doors opened wide for joint decisions.

Since consultation is an essential part of the bipartisan approach, it seems to me that the opposition should repudiate any in their party ranks who object to consultation through fear of responsibility. Presenting a solid front to the world is imperative now and criticism of the administration policy should be offered in a way that does not give aid and comfort to the enemy.

In all fairness, I submit that the opposition cannot afford to ignore the efforts of a few embittered members to exploit disunity and destroy confidence. Even though the temptation to do so is great, since it might appear that the impact of irresponsible condemnation harms only a democratic administration. Damage resulting from irresponsible criticism always includes the legislative, as well as the executive department. As a matter of fact, the greater damage is to the Congress and whatever our part affiliation we owe it to ourselves as legislators to guard jealously the prestige of our branch of the Government.

I know that the Democratic administration has much to answer for—that our record is not perfect. And the 1952 campaign will fully develop our mistakes of judgment, but in 1951 some public services are required that we, the majority, cannot supply. Only the Republicans can deal with the situation I have described. The decision is theirs, of course—not ours, to make. But as one Democrat, I am expressing the hope that they will give us a chance to establish the basis for cooperation. The opportunity offered the minority in this instance is one of the greatest in our history. Only the Republicans can set in motion the ideas that will give full national pride to success in Korea.

It depends, I suppose, upon whether or not we are in agreement on the basic propositions that underlie my comments today that the free world must continue to fight for its survival, and that the United States of America, the free world's leader, must find a way through its responsible party spokesmen, Republican and Democrat, to state its case to the world, and to leave no doubt in the minds of any that regardless of what happens to either political party we will fight it out along these lines. We will oppose aggression; we will not appease; we will stand by the United Nations; we will seek to perfect it; we will use our great resources in all proper ways to help stricken peoples to help themselves; we will deny the inevitability of war—not for propaganda purposes—but with our deep conviction that an honorable peace is obtainable, and we will presistently hold out that hope to the people of the world—convicing them, if possible, that with all our hearts we wish to dwell in peace with other nations. We must include in these resolutions also that we will not expect our allies to embrace all of our policies and ideas. We will, in other words, not seek to dominate the free world but rather to inspire and strengthen it. Every major action of the Congress of the past few years has been in line with these general tenets. Therefore, both parties having shared in the preparations for this our Nation's grandest service to mankind, let both parties in 1951 give fully of themselves to a policy that will lead ultimately to success and peace.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. First may I say to the gentleman from Arkansas that there is no one in whose sincerity and good faith I put more credence. I hope that he will realize that I am speaking in a temperate vein, and also in extreme good faith. As witness of that good faith, let me state that I personally have voted with the gentleman from Arkansas on the five measures which Mr. VORYS pointed out as a test of bipartisanship, although I would say such votes were a test of good Americanism. However, much as I share the desire for peace; much as I realize our responsibility as a country; much as I most lamentedly decry with the gentleman from Arkansas the need for a strong purpose and direction. I wonder if he would not admit that there is in this country and in this Congress a very honest, intelligent, inspired, and responsible difference of opinion on elements of foreign policy.

I merely rise in this short time to state the wish that on both sides of the House there be expression of opinion only on conviction and certainly not through desire to make political capital; but that there be no hesitation at any time on the part of the minority on any issue to stand on its feet and say: "I cannot agree." I would say further to the gentleman from Arkansas that as a spectator I sat in the gallery during the years of 1935 to 1950 and have been always convinced that if there had been more honest criticism and more outspoken courage during those years, some of the mistakes which we are now ruing might not have come to pass. And so I ask, is there not a phrase "There is more faith in honest doubt?" I would like to be given the benefit of that honest doubt, and in the name of the colleagues who have a lack of faith in the administration and in the foreign policy of the administration, I should have the gentleman from Arkansas know that we consider it a duty to disagree when reason for disagreement rests on principle. I think that he should, and will, grant us that privilege.

Mr. HAYS of Arkansas. Mr. Speaker, if my time has not expired——

The SPEAKER. The time of the gentleman has expired.

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to proceed for one additional minute.

The SPEAKER. Without objection, the gentleman may proceed for one additional minute.

There was no objection.

Mr. HAYS of Arkansas. Mr. Speaker, I am very grateful to the gentlewoman from Illinois for what she has said, because I do agree that the Republican Party as the opposition party should not renounce its role of critic. The fact that she and the gentleman from Ohio [Mr. VORYS] responded in their generous way to my personal attitude, of course, confirms the feeling that it was not too bold on my part to undertake to make these suggestions today. It is a delicate matter, I realize, and I have tried to think in broadest terms in this discussion. Certainly I appreciate the gentlewoman's contribution.

Mr. Speaker, it does finally depend, as I undertook to say in my closing comments, upon our good faith, and while this sounds platitudinous, nevertheless it is true, we must make a more vigorous effort, we on the Democratic side, to open the doors of collaboration and on the Republican side to accentuate and emphasize the positive and constructive side of their criticism. I do hope in this way that we may clarify to some extent the issues shorty to be considered, so fateful in their character.

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. ARMSTRONG] is recognized for 30 minutes.

BOOKER T. WASHINGTON BIRTHPLACE MEMORIAL

Mr. ARMSTRONG. Mr. Speaker, recently one of my colleagues, the gentleman from New York [Mr. POWELL], presented a discourse on the floor of the House which to my way of thinking did grave injustice to a fine group of American citizens who are conscientiously trying to do a job which benefits the entire country. I refer to the group of officials and workers who constitute the Booker T. Washington Birthplace Memorial. I do not question the intent of the gentleman who made certain charges about this organization, but I do question the source of his information. I desire to submit to this House some facts to keep the record clear.

The gentleman's remarks indicated that he thought the Booker T. Washington Birthplace Memorial and its leader, Dr. S. J. Phillips, have no standing among colored people of Virginia and the Nation; that Dr. Phillips would personally profit from sale of land to the Government if the Booker T. Washington Hospital should be established; and that the Booker T. Washington Memorial Foundation, entrusted with the sale of the commemorative half dollars as authorized by Congress, has paid out 90 percent of its profits for salaries and only 10 percent for the humanitarian purposes of the foundation.

First, let me say that I have an especial interest in the late great Booker T. Washington, for after intensive research into the life of this noble man at the scene of his great work at Tuskegee Institute in Alabama, I wrote and published a condensed biography of this illustrious educator who "lifted the veil of ignorance from his people."

I have the honor to be a member of the board of trustees of the Booker T. Wash-

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ington Memorial Trade School at Roanoke, Va. On last May 16 I delivered the commencement address for this school, helping Dr. Phillips, the president, place diplomas in the hands of the 115 splendid young Negro men and women who were given degrees, many of them with high honors.

Mr. Speaker, the Booker T. Washington Birthplace Memorial was incorporated under the laws of the Commonwealth of Virginia, as a nonprofit organization. Its national program is based on the late Booker T. Washington's philosophy of racial understanding. Its purpose is to establish and conduct practical training centers in agriculture and industry, emphasizing the dignity of labor. Its center is at Roanoke, with other activities near where Booker T. Washington was born a slave in a little cabin on a plantation.

As to the standing of this organization, surely the gentleman from New York would never have called it in question had he been aware of the names of those serving on its board of directors. I hold in my hand a letterhead of the organization, containing those names. I note that among them are such distinguished Members of the other body of this Congress as the Senator from Virginia, Mr. BYRD, and the Senator from Ohio, Mr. TAFT; a total of 20 distinguished Members of this House including the gentleman from Virginia [Mr. SMITH], the gentleman from Virginia [Mr. GARY], the gentleman from Arkansas [Mr. HAYS], the gentleman from North Carolina [Mr. COOLEY], the gentleman from Missouri [Mr. CANNON], and the gentleman from Missouri [Mr. BAKEWELL]. The list includes also such worthy citizens as Mr. M. W. Clement, president of the Pennsylvania Railroad; Mr. William Green, president of the American Federation of Labor; and Mr. Donald W. Douglas, president of the Douglas Aircraft Co. Surely such names are proof of the high esteem in which the work of this organization is held.

The list of outstanding achievements of the Booker T. Washington Birthplace Memorial is impressive. They may be summarized as follows:

First. Numerous projects have been sponsored, of tremendous value in building interracial good will.

Second. Establishment of the trade school, where hundreds of Negro veterans and others are trained as skilled workers to help meet industry's needs.

Third. Transformation of the plantation on which Booker Washington was born into a center of unselfish service, with an investment of $100,000 in land, equipment, livestock, and so on, all of which is being used to give help and guidance to thousands of Negro farmers and their families.

Fourth. A national program among Negro citizens to combat the insidious propaganda of communism. Such a program as this springs from courage, vision, and unselfish service on the part of the leaders of the organization.

I have personally visited, on several occasions, the headquarters of the Booker T. Washington Birthplace Memorial in Franklin County, Va. I have walked over the memorial grounds, and driven over its farming lands. I have been inside Tuck Hall which is named in honor of Ex-Governor William H. Tuck of the Commonwealth of Virginia. I have looked upon the large brick structure known as Walter B. Hopkins Hall named in honor of Hon. Walter B. Hopkins, a member of the Virginia General Assembly who was the first white man to serve as a trustee of the Booker T. Washington Birthplace Memorial. I have gone all through the memorial's trade school in Roanoke, Va. I have seen hundreds of Negro men being trained in such useful trades as auto mechanics, radio repair, carpentry, and other trades. I have viewed with admiration the beautiful brick chimneys, walks, and driveways, that were being built by students of the Booker T. Washington Memorial Trade School. I had the pleasure of talking to and with those 115 men and women who received trade certificates and diplomas from the School at its recent commencement exercises. I have a copy of the Roanoke Times which carries pictures of the graduates. Would anyone believe that such a reputable newspaper in the memorial's home State and community would send its photographers to make pictures and give all this space if that organization did not have the respect and esteem of the public generally?

As to what Negro citizens think of the birthplace memorial, I quote from a column written by the distinguished journalist, Mary McLeod Bethune, in the Chicago Defender for Saturday, January 13, 1951. Under the title "Ideals of Booker T. Washington Find New Life in Birthplace Memorial," Mrs. Bethune said:

> We have never needed more the ideals of Booker Washington, and I was deeply impressed, recently, when I heard of the work being done at the birthplace of this great American, to extend basic, vocational education to the masses of Negro adults in the South.
>
> I knew Dr. Washington intimately. He was a great help and inspiration in my own work. It cheered me to know that a group of loyal, devoted followers of the founder of Tuskegee Institute were making this attempt to carry on his idea. Directing this praiseworthy effort is Sidney J. Phillips, the alert sponsor of the Booker T. Washington Memorial half dollar. I understand that more of these historic coins have been sold than any other commemorative coin issued by the Government.
>
> The Booker T. Washington Birthplace Memorial group also took the leadership in securing an appropriation of $150,000 for the purchase of land and the development of the birthplace of Dr. Washington's scientific right arm, Dr. George Washington Carver, at Diamond, Mo. These are real achievements. They represent a sincere effort to keep alive and productive the ideals and teachings of these two great Americans.
>
> What interests me most is the manner in which the memorial has set about achieving its aims. First, it has provided a broad base for public participation. Through a premium-sharing plan in connection with the sale of Booker T. Washington half dollars it offers to churches, clubs, sororities and fraternities, an opportunity to add to their financial reserves, for these historic, commemorative coins are legal tender like all other United States money. The Memorial's proposal to share the 50-cent premium with organizations seems to me to be both entirely feasible and a fine demonstration of "helpfulness toward others."
>
> In Roanoke, Va., the memorial has begun operation of the largest unsubsidized trade school in the State, for men and women who are not high school or college material. The school has its own special sphere—one greatly neglected—and does not in any way compete with high schools, and State- or church-supported schools of higher learning.
>
> I am told that the aim of the memorial is to reach the unlettered masses who are the habitual inheritors of low-skill, low-wage jobs, raising their educational level to enable them to become competent workers at their occupations. This is a real contribution to our national welfare.
>
> At Booker T. Washington Birthplace, Virginia, the slave cabin in which the great educator was born has been restored. The grounds have been improved, orchards planted. Crops of tobacco, wheat, corn, and sweetpotatoes yield income while furnishing practical training for youthful farmers and providing a demonstration project for the community. A start has been made toward securing pure-bred livestock. The farm is mechanized and is supervised by a competent manager.
>
> Recently, this versatile organization has gone into the marketing of canned foods, with the idea of furnishing fresh vegetables at low prices and giving employment opportunities to hundreds of trained workers, opening up a wide, new field for men and women interested in marketing and selling.
>
> There are so many of us at the bottom of the ladder, and so little provision is being made to build solid rungs for the upward climb of the masses. I heartily approve of the far-sighted work which Mr. Phillips and his associates have begun at the Booker T. Washington Birthplace Memorial at Roanoke. I believe that it merits the earnest support of those who realize the need for meeting the problems of the American masses "back down the line;" the need for extending our help to those who still have those first, difficult rungs to climb.

Who is this Dr. S. J. Phillips, and what is his reputation among our citizens, white and colored alike? Strange as it may seem, I first met Dr. Phillips when he was a little boy, on his father's farm near Pike Road, Ala. As a soldier from Missouri in the First World War, I was stationed at Taylor Field, near Pike Road, for many months of my training. I spoke in a little Negro Baptist Church one Sunday, and there was Phillips, a raw-boned but intelligent youth. I lost track of him for many years, and was delighted to find in my research on Booker T. Washington at Tuskegee, that he had become an honored graduate of Tuskegee Institute, a noted educator, and a true disciple of the founder of the institute. I know that he has given of his time, his energy, his talents, and his very life to furthering the cause of Negro education in the South. As evidence of the esteem in which both Dr. Phillips and the birthplace memorial organization are held, let me quote a letter from the managing editor of that great newspaper, the Pittsburgh Courier, dated October 26, 1950:

> DEAR MR. PHILLIPS: Following an exhaustive and thorough study on the part of the Pittsburgh Courier relative to the background, the aims, the future, and the ideals of your association, the Courier has decided to interest itself in your program to the extent of giving you both editorial endorsement and complete news coverage.

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We feel that your project is one which should interest every American. We feel that the ideals of the late Booker T. Washington, as expressed in your literature and in the work your organization has done, should merit the whole-hearted support of the entire country and all of the business institutions who believe in the principle of helpfulness toward others.

We are happy to write this letter expressing our approval of both your organization and yourself. As time goes along, we intend to do everything in our power to awaken the interests of those whom we serve in the worthiness of your project, to the extent where they will engage in active participation. Furthermore, we hope to do all in our power to help you move the memorial coins which you will have on hand.

Sincerely yours,

WILLIAM G. NUNN,
Managing Editor, the Pittsburgh Courier.

Mr. Speaker, I was greatly disturbed by the implication that Mr. Phillips or the organization he heads might profit personally from the sale of land to the United States Government in the event that the Booker T. Washington Veterans Hospital were authorized by this Congress. I hold in my hand the photostatic copy of a letter from Mr. Cam B. Perdue, commissioner of the revenue of Franklin County, Va., dated at Rocky Mount, Va., June 11, 1951, and sworn to before a notary public. I quote from this letter:

To Whom It May Concern:

This is to certify that Booker T. Washington Birthplace Memorial, Inc., has three tracts or parcels of land in Franklin County, Va., assessed on the books of the office of the commissioner of the revenue in the name of Booker T. Washington Memorial, Inc., as follows:

(1) A tract of land containing 214 acres.
(2) A tract of land containing 247 acres.
(3) A tract of land containing 101 acres.

Each of the above tracts or parcels of land are situate, lying, and being in Gills Creek magisterial district, Franklin County, Va.

This is further to state that S. J. Phillips is not assessed on any real estate or personal property in this county.

Given under my hand this the 11th day of June, 1951.

CAM B. PERDUE,
Commissioner of the Revenue, Franklin County, Va.

Mr. Speaker, the Seventy-ninth Congress passed legislation authorizing the coinage of 5,000,000 Booker Washington memorial half dollars to help the program of this great organization. The Eighty-first Congress, at the request of this same Booker T. Washington Birthplace Memorial, authorized the expenditure of $150,000 to clear the debt on the home at the birthplace of the late George Washington Carver near Diamond, Mo., so that it might become a national shrine. Because of my interest in the education, welfare, and general progress of citizens of the colored race in America, I was invited to speak at the dedication of that shrine. I know that such humanitarian projects as this by the Booker T. Washington Birthplace Memorial are possible because of the receipts from the sale of the memorial half dollars.

The memorial distributes thousands of leaflets in the very splendid campaign it is carrying on to prevent the spread of communism. For the past 5 years it has carried on year-round good-will-building broadcasts over Station WROV in Roanoke, Va., and WSFA in Montgomery, Ala.—broadcasts which are designed to create greater good will and tolerance among America's people. It has distributed millions of certified plants among farmers of the southland to help farm production; it conducts Booker T. Washington community service clubs in various sections—and any one who takes time to go through the charter which governs these clubs is bound to be deeply impressed by the magnificent job that the memorial is doing to build strong, solid Americans among its people.

As to the charge that the real work of the organization is carried on with only 10 percent of the receipts from the sale of the Booker Washington coins, and that 90 percent goes to salaries, I hold in my hand a copy of a letter from Mr. W. Webb Hamill, certified public accountant, Roanoke, Va., dated June 14, 1951, addressed to Dr. Phillips, in which Mr. Hamill certifies that he compared the salaries and wages paid by the Booker T. Washington Birthplace Memorial working fund during the fiscal years from 1947 to 1950, inclusive, with the revenues received during the same periods of time, and their relationship in terms of percentages was found to be as follows:

Fiscal year ending:	*Percentage of salaries and wages to revenue*
Nov. 30, 1947	10.31
Nov. 30, 1948	16.42
Nov. 30, 1949	24.96
Nov. 30, 1950	21.11
Average for entire period	17.17

This figure of 17.17 percent average paid in salaries and wages seems to me to be quite modest, when one contemplates the great amount of office work and travel necessary to conducting the widespread activities of the organization.

Mr. Speaker, I am a Baptist layman, for which I claim no credit, except that I try to take some modest part in religious affairs. Particularly I have been interested in movements of my church to bring about closer and more brotherly relations between people of the white and colored races, so that we may more fully exemplify the spirit of the Christian brotherhood. I hold in my hand a copy of a letter from Mr. Henry A. Boyd, secretary of the National Baptist Publishing Board, publishers of literature used widely in our Negro Sunday schools. In this letter, Dr. Boyd says to Dr. Phillips:

I have been especially interested in two phases of your work which I believe can bring gravely needed guidance to our people. One is your Booker T. Washington Community Service Club idea, the other, your efforts to help them to become more efficient workers.

When I pass through a Negro neighborhood in almost any community, I wish that my strength were twice as great, my time half as full, so that I could work with them to help make their surroundings more livable, more conducive to comfort and happiness. Your organization's idea of helping more Negroes to become skilled workers and then teaching them the fundamental principles of living through the Booker T. Washington Community Service Clubs seems to be the solution of many of our problems. If we can be of any help to you let us know.

I quote also from a letter of Dr. D. V. Jemison, president of the National Baptist Convention, to Dr. Phillips, dated May 2, 1951:

When I read of the splendid response of schools and churches over the Nation in joining with you in paying homage to the birthday of Booker T. Washington, of the Virginia Congressman that took time out of his busy life to dedicate the new building at the birthplace, which will play such a large part in advancing Negro rural life, and the wonderful job that the memorial is doing in helping adult Negroes to find a better way of life through the Booker T. Washington Community Service Clubs and their trade schools—I could not put off writing any longer.

We are rather proud of the fact that the 4,000,000 members of the National Baptist Convention have stood behind you from the beginning. Keep up the good work. Any time we can be of service, just call on us. You are doing a great work for our people.

I quote also from a letter of the Reverend W. H. Jernagin, chairman of the executive committee of the Fraternal Council of Churches in America, with headquarters here in Washington, representing 7,000,000 members of churches of many denominations. Dr. Jernagin said:

Yours is one of the organizations that is endeavoring to do that and all of us can be proud that under your guidance it has developed into the kind of forceful organization that I believe the late Booker T. Washington had in mind when he spoke of a program on which white and Negro people could stand and work together for their mutual welfare.

Mr. Speaker, let me conclude by quoting some words of President Phillips, in the Booker T. Washington Community Service Clubs Manual, which expresses the philosophy of those working in this splendid organization:

We believe that all men must earn for themselves the blessings which they get out of life. We also believe that the finest and best place to start earning these things is in your community. You can help it to be a finer, better community and it can help you to be a better, more useful citizen. If you are willing to work and sacrifice; to be honest, law abiding, and thrifty, you can get many of the things you want right in your own home town.

By working together for the common good you will learn to know and understand your home town people better—and they will understand and appreciate you more.

EXTENSION OF REMARKS

Mr. JONES of Missouri asked and was given permission to extend his remarks.

Mr. YATES asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. YORTY asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. LARCADE asked and was given permission to extend his remarks and to include extraneous matter.

Mr. BARTLETT asked and was given permission to extend his remarks and include a newspaper article.

Mr. BOYKIN asked and was given permission to extend his remarks in three

instances and include articles from Alabama papers.

Mr. RABAUT asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. THORNBERRY asked and was given permission to extend his remarks and include an article from the New York Times magazine, notwithstanding the fact that it will exceed the limit and is estimated by the Public Printer to cost $492.

Mr. SMITH of Mississippi asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. MILLER of Maryland asked and was given permission to extend his remarks.

Mr. ANGELL asked and was given permission to extend his remarks in four instances and include extraneous matter in each.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks and include a letter from a marine in Korea.

Mr. GAMBLE asked and was given permission to extend his remarks in four instances and include editorials and news articles and other extraneous matter.

Mr. WIDNALL asked and was given permission to extend his remarks and include an article from the New York Herald Tribune of this morning.

Mr. BOW asked and was given permission to extend his remarks and include an editorial.

Mrs. BOLTON asked and was given permission to extend her remarks and include excerpts from the Plain Dealer of Cleveland.

Mr. BAKEWELL asked and was given permission to extend his remarks and include an editorial from the St. Louis Post-Dispatch.

Mr. HUNTER asked and was given permission to extend his remarks and include an article from the Fresno Guide.

Mr. GOLDEN asked and was given permission to extend his remarks and include a newspaper article.

Mr. BUTLER asked and was given permission to extend his remarks on the bill H. R. 3639.

Mr. VAN ZANDT asked and was given permission to extend his remarks.

Mr. HÉBERT asked and was given permission to extend his remarks and include several articles written by him.

Mr. GATHINGS asked and was given permission to extend his remarks and include an editorial from the Commercial Appeal of Memphis.

Mr. PRICE asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. MITCHELL asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. JONES of Missouri asked and was given permission to extend his remarks and include extraneous matter.

Mr. GRANGER asked and was given permission to extend his remarks.

Mr. CRAWFORD asked and was given permission to extend his remarks and include a very fine analysis of the new tax bill by the Ways and Means Committee.

Mr. PHILLIPS asked and was given permission to extend his remarks and include correspondence addressed to him and his comments in reply thereto, notwithstanding the fact that it exceeds the limit and is estimated by the Public Printer to cost $410.

Mr. HARVEY asked and was given permission to extend his remarks and include several editorials.

Mr. REES of Kansas asked and was given permission to extend his remarks and include a newspaper article.

Mr. NORBLAD asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. BENNETT of Florida asked and was given permission to extend his remarks and include extraneous matter.

Mr. SADLAK asked and was given permission to extend his remarks and include an editorial.

Mr. GROSS asked and was given permission to extend his remarks and include extraneous material.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CHUDOFF (at the request of Mr. PRICE), for Monday and Tuesday, June 18 and 19, on account of official business.

To Mr. HARRISON of Virginia (at the request of Mr. PRIEST) for today, on account of important official business.

To Messrs. TEAGUE and EVINS (at the request of Mr. PRIEST), for Monday, June 18, on account of official business.

To Mr. BREEN (at the request of Mr. PRICE) for an indefinite period on account of illness.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 29 minutes p. m.), the House adjourned until tomorrow, Tuesday, June 19, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

525. A letter from the Assistant Secretary of Defense, transmitting a draft of legislation entitled "A bill to authorize the Secretary of the Army to convey certain road right-of-way easements in De Kalb and Putnam Counties, Tenn., to the State of Tennessee"; to the Committee on Armed Services.

526. A letter from the Assistant Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill for the relief of Samuel A. Wise"; to the Committee on the Judiciary.

527. A letter from the Governor of Hawaii, transmitting certified copies of Joint Resolutions 15 and 36 and Acts 255 and 265, enacted by the Legislature of the Territory of Hawaii in its regular session of 1951; to the Committee on Interior and Insular Affairs.

528. A letter from the Attorney General, transmitting copies of orders of the Commissioner of Immigration and Naturalization granting the application for permanent residence filed by the subjects of such orders, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

529. A letter from the Attorney General, transmitting copies of orders of the Commissioner of Immigration and Naturalization suspending deportation as well as a list of the persons involved, pursuant to the act of Congress approved July 1, 1948 (Public Law 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

530. A letter from the Assistant Secretary of the Interior, transmitting a copy of a joint resolution adopted by the Legislature of Hawaii during its recent session, relative to amending the Hawaiian Homes Commission Act, 1920, as amended; to the Committee on Interior and Insular Affairs.

531. A letter from the Attorney General, transmitting a copy of an order of the Acting Commissioner of Immigration and Naturalization, dated November 16, 1950, authorizing the temporary admission into the United States of displaced persons, who, upon arrival in possession of appropriate immigration visas, are found to be excludable as persons within the classes enumerated in section 1 (2) of the act of October 16, 1918, as amended by section 22 of the Internal Security Act of 1950; to the Committee on the Judiciary.

532. A letter from the Deputy Attorney General, transmitting a draft of a proposed bill entitled "A bill to amend the Immigration Act of February 5, 1917, to safeguard the internal security by regulating the discharge of alien seamen in the United States, and for other purposes"; to the Committee on the Judiciary.

533. A letter from the Secretary of Commerce, transmitting a copy of Report No. 20, pursuant to section 217 of the Merchant Marine Act, 1936, as amended (Public Law 498, 77th Cong.); to the Committee on Merchant Marine and Fisheries.

534. A letter from the Comptroller General of the United States, transmitting the report on the audit of the financial statements and accounts of the Home Loan Bank Board and the organizations under its supervision, consisting of the 11 Federal home-loan banks, Federal Savings and Loan Insurance Corporation, and Home Owners' Loan Corporation, for the year ended June 30, 1950 (H. Doc. No. 169); to the Committee on Expenditures in the Executive Departments, and ordered to be printed.

535. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to declare title to the Chicale Day School site to be vested in the United States in trust for the Pueblo of Isleta"; to the Committee on Interior and Insular Affairs.

536. A letter from the Secretary, National Security Council, Executive Office of the President, transmitting certain reports as follows: National Security Council Determination No. 1, National Security Council Determination No. 2, and National Security Council Determination No. 3, pursuant to section 1302, Public Law 45 (Third Supplemental Appropriation Act, 1951); to the Committees on Appropriations, Armed Services, and Foreign Affairs.

537. A letter from the Secretary of the Army, transmitting a draft of a bill entitled "A bill for the relief of certain disbursing officers of the Army of the United States, and for other purposes"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGRATH: Committee on Appropriations. H. R. 4496. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1952, and for other purposes; without amendment (Rept. No. 582).

Referred to the Committee of the Whole House on the State of the Union.

Mr. RODINO: Committee of Conference. H. R. 1424. A bill for the relief of T. L. Morrow (Rept. No. 583). Ordered to be printed.

Mr. MORRIS: Committee on Interior and Insular Affairs. H. R. 1087. A bill to amend title 18, section 3618, of the Code of Laws of the United States of America, to empower the courts to remit or mitigate forfeitures; with amendment (Rept. No. 584). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Interior and Insular Affairs. H. R. 3095. A bill to authorize payment of salaries and expenses of officials of the Klamath Tribe; with amendment (Rept. No. 585). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 4473. (A bill to provide revenue, and for other purposes; without amendment (Rept. No. 586). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McGRATH:

H. R. 4496. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1952, and for other purposes; to the Committee on Appropriations.

By Mr. LARCADE:

H. R. 4497. A bill to amend the Defense Production Act of 1950 to provide for more effective consultation with interests affected by its administration; to the Committee on Banking and Currency.

By Mr. POLK:

H. R. 4498. A bill to permit the Ohio Society of Washington to erect a shelter house in East Potomac Park, in the District of Columbia, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SASSCER:

H. R. 4499. A bill to provide that certain women officers of the Army, Air Force, and Marine Corps shall have the rank of brigadier general and that certain women officers of the Navy shall have the rank of rear admiral; to the Committee on Armed Services.

By Mr. WITHROW:

H. R. 4500. A bill granting an increase in pension to certain widows and remarried widows of Civil War veterans; to the Committee on Veterans' Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, urging enactment of legislation granting aid to Israel; to the Committee on Foreign Affairs.

By the SPEAKER: Memorial of the Legislature of the State of California, relative to assembly joint resolution No. 38, relating to the reopening of Birmingham General Hospital; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Texas, relative to senate resolution No. 310, being opposed to social-security taxes on maids and domestic help, and requesting the Senators and Representatives elected from Texas to use their utmost influence in opposition to said project; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FERNÓS-ISERN:

H. R. 4501. A bill for the relief of Maria Teresa Ortega Perez; to the Committee on the Judiciary.

H. R. 4502. A bill for the relief of Santos Sanabria Alvarez; to the Committee on the Judiciary.

By Mr. FORAND:

H. R. 4503. A bill for the relief of Suzanne Marie Schartz; to the Committee on the Judiciary.

By Mr. GRAHAM:

H. R. 4504. A bill for the relief of Dr. Philip Bloemsma and Mrs. Joy Roelink Bloemsma; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 4505. A bill for the relief of Tien Koo Chen; to the Committee on the Judiciary.

By Mr. McCARTHY:

H. R. 4506. A bill for the relief of Marcel Duvivier; to the Committee on the Judiciary.

By Mr. SMITH of Virginia:

H. R. 4507. A bill for the relief of John J. Braund; to the Committee on the Judiciary.

By Mr. WILLIAMS of Mississippi:

H. R. 4508. A bill for the relief of Dr. Abraham Richard Best; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

322. Mr. HESELTON presented a resolution of the General Court of the Commonwealth of Massachusetts memorializing the Congress of the United States to enact certain legislation granting aid to the Israeli Government; to the Committee on Foreign Affairs.

SENATE

TUESDAY, JUNE 19, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty and everlasting God, from whom all holy desires, all good counsels, and all just works do proceed: As the torch of a new day lights afresh the path of duty, we bow before Thee in humility and hope. As Thou hast bound together the free peoples of the earth, with all their differing traditions and cultures in a costly struggle to preserve their threatened liberties, hold them together, we beseech Thee, in a stern resolve which can never be broken by any sinister force bent on enslaving the earth.

Hasten, we pray, through us the day of an ampler life for all, when every man shall dwell in safety among his neighbors, free from gnawing want, free from torturing fears, free to speak his thoughts and free to choose his altar of worship. Above all other acclaim or reward in these searching days we crave the assurance of Thy approving voice: "Blessed are the peacemakers, for they shall be called the children of God." We ask it in the name of the Prince of Peace. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 18, 1951, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1025) to expand the authority of the Coast Guard to establish, maintain, and operate aids to navigation to include the Trust Territory of the Pacific Islands.

The message notified the Senate that the House having had under consideration the joint resolution of the Senate (S. J. Res. 70) to suspend the application of certain Federal laws with respect to an attorney employed by the Senate Committee on Rules and Administration, had rejected the same.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 157. An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation;

H. R. 302. An act to redefine the eligibility requirements for appointment of pharmacists in the Department of Medicine and Surgery of the Veterans' Administration;

H. R. 1183. An act to authorize the Secretaries of the Army, the Navy, and the Air Force, with the approval of the Secretary of Defense, to cause to be published official registers of their respective services;

H. R. 1733. An act to authorize the establishment of the City of Refuge National Historical Park, in the Territory of Hawaii, and for other purposes;

H. R. 2321. An act to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs;

H. R. 2905. An act to amend the joint resolution of August 8, 1946, as amended, with respect to appropriations authorized for the conduct of investigations and studies thereunder;

H. R. 3100. An act to repeal the act of August 7, 1939 (53 Stat. 1243; 48 U. S. C., sec. 353);

H. R. 3861. An act to extend to June 30, 1953, the authority of the Administrator of Veterans' Affairs to make direct home and farm-house loans under title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes;

H. R. 3932. An act to provide vocational rehabilitation training for veterans with compensable service-connected disabilities who served on or after June 27, 1950;

H. R. 4000. An act to amend subsection 602 (f) of the National Service Life Insur-

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ance Act of 1940, as amended, to authorize renewals of level premium term insurance for successive 5-year periods;

H. R. 4024. An act to authorize certain easements, and for other purposes;

H. R. 4200. An act to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes;

H. R. 4260. An act to authorize the Secretary of the Army to transfer to the Department of the Interior the quartermaster experimental fuel station, Pike County, Mo.;

H. R. 4338. An act to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del.; and

H. R. 4393. An act to extend for 2 years the period during which free postage for members of the Armed Forces of the United States in Korea and other specified areas shall be in effect.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles, and referred, or ordered to be placed on the Calendar, as indicated:

H. R. 157. An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation;

H. R. 2321. An act to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs; and

H. R. 4200. An act to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes; ordered to be placed on the Calendar.

H. R. 3861. An act to extend to June 30, 1953, the authority of the Administrator of Veterans' Affairs to make direct home and farmhouse loans under title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes; to the Committee on Banking and Currency.

H. R. 302. An act to redefine the eligibility requirements for appointment of pharmacists in the Department of Medicine and Surgery of the Veterans' Administration; and

H. R. 3932. An act to provide vocational rehabilitation training for veterans with compensable service-connected disabilities who served on or after June 27, 1950; to the Committee on Labor and Public Welfare.

H.R. 1183. An act to authorize the Secretaries of the Army, the Navy, and the Air Force, with the approval of the Secretary of Defense, to cause to be published official Registers of their respective services;

H. R. 4024. An act to authorize certain easements, and for other purposes; and

H. R. 4260. An act to authorize the Secretary of the Army to transfer to the Department of the Interior the quartermaster experimental fuel station, Pike County, Mo.; to the Committee on Armed Services.

H. R. 1733. An act to authorize the establishment of the City of Refuge National Historical Park, in the Territory of Hawaii, and for other purposes; and

H. R. 3100. An act to repeal the act of August 7, 1939 (53 Stat. 1243; 48 U. S. C., sec. 353); to the Committee on Interior and Insular Affairs.

H. R. 2995. An act to amend the joint resolution of August 8, 1946, as amended, with respect to appropriations authorized for the conduct of investigations and studies thereunder; to the Committee on Interstate and Foreign Commerce.

H. R. 4000. An act to amend subsection 602 (f) of the National Service Life Insurance Act of 1940, as amended, to authorize renewals of level premium term insurance for successive 5-year periods; to the Committee on Finance.

H. R. 4338. An act to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del.; to the Committee on Public Works.

H. R. 4393. An act to extend for 2 years the period during which free postage for members of the Armed Forces of the United States in Korea and other specified areas shall be in effect; to the Committee on Post Office and Civil Service.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. LEHMAN, and by unanimous consent, a subcommittee of the Committee on Labor and Public Welfare was authorized to meet during the session of the Senate today.

ABSENCE OF SENATOR WHERRY TO ATTEND THE ONE HUNDRED AND SEVENTY-FIFTH ANNIVERSARY OF THE SIGNING OF THE DECLARATION OF INDEPENDENCE

Mr. SALTONSTALL. Mr. President, I should like to announce that the junior Senator from Nebraska [Mr. WHERRY] is absent today. As a member of the President's Commission on the One Hundred and Seventy-fifth Anniversary of the Signing of the Declaration of Independence, the Senator from Nebraska is delivering an address this noon in Philadelphia.

He is addressing a meeting there to inaugurate plans for celebration of the Fourth of July. The Commonwealth of Pennsylvania, the city of Philadelphia, and the President's Commission of which Chief Justice Vinson is Chairman, are cooperating in plans for the celebration.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to make insertions in the RECORD and transact routine business, without debate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and letter, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, GENERAL SERVICES ADMINISTRATION (S. Doc. No. 47)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, in the amount of $225,000, for the General Services Administration, fiscal year 1952 (with an accompanying paper); to the Committee on Appropriation and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATION, LEGISLATIVE BRANCH (S. Doc. No. 48)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, in the amount of $150,000 for the legislative branch, fiscal year 1951 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT OF LIBRARIAN OF CONGRESS

A letter from the Acting Librarian of Congress, transmitting, pursuant to law, the annual report of the Librarian of Congress, together with a complete set of quarterly journal of current acquisitions, the supplements to the annual report, for the year ended June 30, 1950 (with accompanying documents); to the Committee on Rules and Administration.

ST. LAWRENCE SEAWAY—RESOLUTION OF ROCHESTER (N. Y.) BAR ASSOCIATION

Mr. LEHMAN. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Rochester (N. Y.) Bar Association, endorsing the St. Lawrence seaway project.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas there is now pending before the Congress of the United States resolutions known as House Joint Resolution 3 and Senate Joint Resolution 27 which are designed to implement the obligation of the United States as set forth in the 1941 St. Lawrence agreement between the United States and Canada, calling for a Great Lakes-St. Lawrence waterway and power project; and

Whereas the said project will directly benefit local and national commerce and private enterprise by improving transportation, creating additional electric power, and conserving natural resources; and

Whereas the economic feasibility of such a project has been established by many nonpartisan studies which have resulted in recommendations for the completion of said project by Presidents Wilson, Harding, Coolidge, Hoover, Roosvelt [sic], and Truman and by the New York Governors, Smith, Roosvelt [sic], Lehman, and Dewey; and

Whereas such project will be a further step forward in the harmonious relations between the United States and Canada; and

Whereas such project will strengthen the military defenses of the United States: It is hereby

Resolved by the Rochester Bar Association, That said resolutions should be approved by the Congress of the United States.

Abram N. Jones, Chairman; Sol M. Linowitz, Vice Chairman; Leon H. Sturman (in favor of power project only); James D. Andrews; Ray F. Fowler; John Branch; Bernard M. Pogal; Harry D. Goldman; William L. Clay; S. William Rosenberg; John Lomenzo.

PRICE CONTROL OF BEEF—MEMORIAL

Mr. BUTLER of Nebraska. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution in the nature of a memorial which is being circulated in Stanton County, Nebr., remonstrating against the meat-control orders, and particularly the proposed rollbacks. I am afraid many city residents do not realize how seriously this order will affect their supply of beef in the future. Those who live in the farming country, townspeople as well as farmers, understand what is being done to meat production by these unwise and hasty orders. I am told that townspeople are signing memorials like this just the same as cattle feeders. I am presenting it now even before all the signatures are collected because we will

shortly be taking up the extension of these controls, and it is absolutely vital that Congress realize the seriousness of this problem.

There being no objection, the memorial was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

STANTON COUNTY LIVESTOCK FEEDERS ASSOCIATION, STANTON, NEBR., JUNE 1951—MEMORIAL TO UNITED STATES SENATOR HUGH S. BUTLER

Whereas OPS through its infamous, discriminatory, and un-American order to roll back the price of beef cattle 18 percent or to pre-Korea levels has so drastically reduced the available supply of beef that the Government is planning to buy foreign beef for the armed services. This plan calls for supplying inferior quality foreign beef to our boys in uniform while saving the limited supply of high quality corn-fed beef for our civilians. We the undersigned believe that the boys at the front well deserve first priority on this country's supply of choice corn-fed beef. The civilians here at home are still free to strive for the elimination of OPS regulations that have increased the price of meat on the one hand and sabotaged the source of supply on the other; and

Whereas beef is much higher to the American housewife under OPS ceiling prices; and

Whereas with the continuation of OPS meat rationing will soon be inevitable; and

Whereas the control of pork production is next on OPS schedule; and

Whereas thousands of OPS-ers (snoop troops) have been employed at public expense to prey on the industry; and

Whereas wide-scale black market operations including such practices as illegal slaughtering, tie-in sales, up grading, and devious ways of cutting beef, are now well under way; and

Whereas, many World War II veterans just getting started in the cattle business are either being wiped out or thrown for serious financial loss. This, of course, applies to countless others who own cattle in every neighborhood, county, and State in the United States. The roll-back order does not allow cost of production as proven by hundreds of feed-lot records from all over the Corn Belt. A large share of the investment in feed-lot cattle is covered by borrowed money. When a livestock feeder buys feeder cattle at the prevailing market price, and the price is rolled back 18 percent, it means the loss of all profit and part or all of the equity that the owner has in his cattle. This condition covers a large percent of the cattle on feed in the country at the present time. This is why cattlemen who bought cattle in good faith on the free open market before the roll-back are so concerned and anxious to have the roll-back canceled; and

Whereas, 80,000,000 cattle in the United States, at the close of the 18 percent roll-back period, will have been depreciated approximately $50 per head or $4,000,000,000. This affects nearly every one of our millions of farmers and ranchers, because cattle are owned and beef is produced on nearly every farm and ranch in the country. Even dairy or farm milk cows sold for beef will be depreciated nearly $100 per head; and

Whereas beef cattle and related industries are in a state of paralysis. Large numbers of packing-house laborers have been laid off. Feed lots are rapidly becoming empty. For the past several weeks, during the roll-back scare period, cattle feeders have greatly reduced the buying of replacement cattle to fill their feed lots and have sold large numbers of unfinished cattle with a resulting large loss in beef tonnage. The sale of feeder cattle in the big ranch areas of the western half of the United States has practically stopped. At Wisner, Nebr., one of the largest cattle feeders in the United States has stopped buying cattle for his feed lots because he says cattle fed under OPS regulations would only result in serious financial loss. Before OPS this feeder produced 500 top quality corn-fed cattle per week, or 300 tons live weight; 15,600 tons per year. Thus, one of our Nation's important food producing defense plants is being closed due to OPS. Many livestock trucking companies report a drastic reduction in the business of hauling feeder cattle, feed, and supplies to feed lots and finished corn-fed cattle to market; and

Whereas there is much more at stake in the roll back order than the price of cattle and meat. If the roll back is allowed to stand it will mean permanent government domination of the industry and the end of a free agriculture in the United States; and

Whereas OPS officials administering the meat program are strictly inexperienced in this industry and are totally unqualified for their positions. Neither will they heed the sincere counsel of leading men of long experience in the industry; and

Whereas an 87 percent of last year slaughter quota on beef cattle will force cattle into the black market require that packers slaughter at least 13 percent less cattle than a year ago. Under this plan the owner of a shipment of cattle on a given market might be forced to take his cattle back home if all the buyers had filled their quotas toward the end of an accounting period; and

Whereas grain farmers look to the livestock farmer and feeder for a market for their corn, other feed grains, and hay. With an OPS forced shortage of livestock feeding, great surpluses of these commodities are certain to accumulate; and

Whereas OPS has so ruthlessly destroyed confidence in the livestock feeding industry that many feeders have lost all desire to continue their operations until such controls are eliminated; and

Whereas Mr. DiSalle has threatened to roll all farm prices back as far as the law will allow. This would mean another 20 percent roll back in the price of cattle since cattle will still be 125 percent of parity at the completion of the present 18 percent roll back. Parity is a horse and buggy formula based on the period 1909 to 1914 and has very little to do with present day conditions. Much higher quality corn fed beef is produced today under considerably higher relative production costs. For instance, in the 1909 to 1914 period poorer quality cattle were carried for much longer periods on cheap pasture; much of which was free public domain. Today highly bred corn-fed cattle are marketed as baby beeves, yearlings, and 2-year olds. In the previous period cattle were marketed mainly as 2-, 3-, and 4-year olds; many as grass finished beef; and

Whereas every division of the meat industry, including livestock feeders, farmers, processors, and retailers stand ready and willing to supply the American consumer and the armed services with an ample and ever increasing supply of meat at reasonable prices as determined by consumer demand, if left unhampered by OPS controls; be it

Resolved, That we, the undersigned farmers, livestock feeders, and other interested parties of Stanton County, Nebr., most urgently request you, Senator HUGH BUTLER, to do everything possible to prevent the renewal of any legislation affecting the livestock industry when the National Production Act expires June 30.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

H. R. 3605. A bill to amend section 6 of Public Law 134, approved July 6, 1945, as amended, to grant annual and sick leave privileges to certain indefinite substitute employees in the postal service; without amendment (Rept. No. 443); and

H. R. 4393. A bill to extend for 2 years the period during which free postage for members of the Armed Forces of the United States in Korea and other specified areas shall be in effect; without amendment (Rept. No. 444).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCARRAN:

S. 1696. A bill to amend Public Law 587 of the Eighty-first Congress (approved June 30, 1950) to provide relief for the sheep-raising industry by making special quota immigration visas available to certain alien sheepherders; and

S. 1697. A bill for the relief of Sister Maria Gasparetz; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 1698. A bill to provide for the education, medical attention, relief of distress, and social welfare of Indians in the State of South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. SALTONSTALL:

S. 1699. A bill to amend the Natural Gas Act to authorize the Federal Power Commission to prescribe safety requirements for natural-gas companies; to the Committee on Interstate and Foreign Commerce.

Mr. DIRKSEN. Mr. President, I introduce for appropriate reference three bills, the first of which deals with the transportation of fireworks in interstate and foreign commerce for use in violation of State laws; the second deals with the suspension of certain rates of duty on steel, and the third deals with the imposition of penalties under the Federal Narcotics Act, with special emphasis on the imposition of the death penalty on persons who purvey narcotics to minors.

The VICE PRESIDENT. The bills will be received and appropriately referred.

By Mr. DIRKSEN:

S. 1700. A bill to prohibit the transportation of fireworks in interstate and foreign commerce for use in violation of State law, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1701. A bill to suspend certain rates of duty on steel; and

S. 1702. A bill to amend the penalty provisions applicable to persons convicted of violating certain narcotic laws, and for other purposes; to the Committee on Finance.

By Mr. CONNALLY:

S. 1703. A bill to exempt certain wholesale marketers of petroleum from the provisions of the Fair Labor Standards Act of 1938; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. CONNALLY when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself and Mr. O'CONOR):

S. 1704. A bill to amend section 9 of the Shipping Act, 1916, relating to transfer of vessels documented under the laws of the United States to foreign citizens, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE:

S. J. Res. 79. Joint resolution to provide for a codification of regulations of agencies and departments of the government of the District of Columbia; to the Committee on the District of Columbia.

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EXEMPTION OF CERTAIN WHOLESALE MARKETERS OF PETROLEUM FROM PROVISIONS OF FAIR LABOR STANDARDS ACT OF 1938

Mr. CONNALLY. Mr. President, I introduce for appropriate reference a bill to exempt certain wholesale marketers of petroleum from the provisions of the Fair Labor Standards Act of 1938, and I ask unanimous consent that the bill, together with an explanatory statement by me, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 1703) to exempt certain wholesale marketers of petroleum from the provisions of the Fair Labor Standards Act of 1938, introduced by Mr. CONNALLY, was read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 13 (a) of the Fair Labor Standards Act of 1938, as amended, is amended by inserting before the period at the end thereof a semicolon and the following: "or (16) any employee of an employer engaged in the business of dealing in petroleum products as a commission merchant, factor, consignee, wholesaler, or distributor, if at least 50 percent of such employer's annual dollar volume of sales in the course of such business is made to retail service stations or local agricultural consumers, or to both, and at least 85 percent of such employer's annual dollar volume of sales in the course of such business is made within the State in which his principal place of business is located."

The statement by Mr. CONNALLY is as follows:

STATEMENT BY SENATOR CONNALLY

Last week I called the attention of the Senate to the activities of the Wage-Hour Division of the Department of Labor in attempting to apply the Fair Labor Standards Act, commonly known as the Wage-Hour Act, to wholesale petroleum marketers.

I pointed out that, by any reasonable test, these marketers are not engaged in interstate commerce and therefore do not come under the Wage-Hour law. Most of their operations are in a single county and within a radius of 30 miles and therefore cannot be in interstate commerce. But the Wage-Hour Administrator is nevertheless attempting to bring them under the law, notwithstanding the plain intent of Congress to the contrary.

In order to make the meaning of the law perfectly clear, I am today introducing a bill to amend section 13 (a) of the Fair Labor Standards Act. This is the section dealing with employees specifically exempt from the minimum wages and maximum hours provisions of the law. My bill would add employees of certain wholesale petroleum marketers to this list.

PRINTING OF REPORT ENTITLED "MANPOWER UTILIZATION AT MILITARY INDOCTRINATION CENTERS" (S. DOC. NO. 46)

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the report of the Preparedness Subcommittee, Committee on Armed Services, entitled Twenty-sixth Report, "Manpower Utilization at Military Indoctrination Centers," be printed as a Senate document.

This report was based upon a thorough investigation by the subcommittee of manpower practices at 16 military indoctrination centers. We believe it has already resulted in some constructive steps and that additional steps will be taken to remedy an unfortunate situation. I am sure the Senators will be interested in reading this report.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

EXTENSION OF SUGAR ACT OF 1948—ADDITIONAL COSPONSORS OF BILL

Mr. ELLENDER. Mr. President, I ask unanimous consent that the names of the Senator from North Dakota [Mr. YOUNG], the senior Senator from Minnesota [Mr. THYE], the junior Senator from Minnesota [Mr. HUMPHREY], the Senator from Montana [Mr. ECTON], the Senator from Nebraska [Mr. BUTLER], the Senator from Washington [Mr. MAGNUSON], and the Senator from South Dakota [Mr. MUNDT] be added as cosponsors of the bill (S. 1694) to amend and extend the Sugar Act of 1948, and for other purposes, introduced on behalf of myself and several other Senators on June 18, 1951.

The VICE PRESIDENT. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. KILGORE:

Address on the achievements of the supply services, delivered by him before the European Theater Operation, Quartermaster Association, New York City, June 9, 1951.

By Mr. LEHMAN:

Address delivered by him at the Baltic freedom rally in Carnegie Hall, New York, June 16, 1951, and address by Edward M. O'Connor on the subject The Tragedy of the Baltic States, on the same occasion.

Editorial entitled "Mucking," published in the Washington Post of June 19, 1951, relating to charges made by Senator MCCARTHY.

By Mr. WILEY:

Address entitled "This Year of Decision," delivered by Samuel F. Pryor, vice president and assistant to the president of Pan-American World Airways, on June 13, 1951, in Milwaukee, Wis.

By Mr. NIXON:

Memorial Day address entitled "Over Silent Graves," delivered by Bishop Timothy Manning at Sawtelle Veterans Hospital.

By Mr. BRIDGES:

Statement regarding the effect of controls, by Charles J. MacGowan, international president of the International Brotherhood of Boilermakers, Iron Shipbuilders, Blacksmiths, Drop Forgers and Helpers, A. F. of L.

Article entitled "Bulletin No. 84. How the 48 States Would Share the Cost of the President's $8,500,000,000 Foreign-Aid Program," appearing in Federal Spending Facts, published by the Council of State Chambers of Commerce.

By Mr. KEM:

Article entitled "Query on Kansas City Vote Theft Stirs Applause at Optimist Lunch," published in the St. Louis Globe-Democrat of June 16, 1951.

By Mr. BUTLER of Nebraska:

Article entitled "Roll-Backs Won't Produce More Beef," published in the Nebraska Farmer of June 2, 1951.

By Mrs. SMITH of Maine:

Essay entitled "Freedom's Open Door," written by Richard Samuel Sterns, of Skowhegan, Maine, second award winner in State competition sponsored by Women's Auxiliary, Veterans of Foreign Wars.

By Mr. SALTONSTALL:

Address delivered by Senator WHERRY in Philadelphia, Pa., on June 19, 1951, as a member of the President's Commission for the Celebration of the One Hundred and Seventy-fifth Anniversary of the Signing of the Declaration of Independence.

By Mr. MUNDT:

Address entitled "Danger Signs in Our Domestic Economy," delivered by him at the annual banquet of the national convention of the American Plant Food Council, at the Homestead, Hot Springs, Va., June 16, 1951.

Address entitled "The Duties of a Citizen," delivered by George E. Stringfellow, vice president, Thomas A. Edison Co., Inc., before the Kiwanis Club at Elizabeth, N. J., on June 7, 1951.

By Mr. DOUGLAS:

Statement on the Fulbright resolution to establish a Commission on Ethics in the Federal Government, made by Senator BENTON before a subcommittee of the Committee on Labor and Public Welfare, on June 19, 1951.

By Mr. BENTON:

Letter from Rev. Charles Brainard Hart regarding Peace Sunday, and a statement of Christian interpretation of international relations by the International Relations Commitee of the Connecticut Council of Churches.

Letter regarding oppression in Communist-controlled Hungary, from Laszlo Boros, of Connecticut, publisher and editor of the newspaper the American Hungarian.

By Mr. HUMPHREY:

An address delivered by Mr. George L. P. Weaver, Special Assistant to the Chairman of the National Security Resources Board at the commencement exercises of Livingstone College, Salisbury, N. C.

WASTEFUL PROCUREMENT PRACTICES OF DEPARTMENT OF DEFENSE

Mr. BENNETT. Mr. President, as we debate the cost of government, and as we labor in this Chamber to eliminate unnecessary expenditures, it is discouraging to realize that our Department of Defense has not yet been able to solve its simplest procurement problem, the problem of buying an insignificant item without using all the cumbersome and expensive machinery it employs in purchasing materials the cost of which runs into the millions of dollars. I have in my hand a letter from a paint manufacturer in Chicago telling me that he received a request to bid on four pints of paint, a request in triplicate mailed from Washington, as it must have been mailed to hundreds of other paint manufacturers. The irony of the situation is emphasized by the fact that this order, which if he had chosen to bid, would have represented a purchase of approximately $2, contained this statement: "No partial payments will be made on resulting order."

Mr. President, I ask unanimous consent that the letter may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JEWELL PAINT & VARNISH CO.,
Chicago, May 31, 1951.

Senator WALLACE F. BENNETT,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I have before me a bid form—Request for Proposal and Contractor's Proposal—that is in no respect unique, but illustrates so well a type of wasteful and unreasonable purchasing practice extant among some agencies of the Government that I feel impelled to call it to your attention.

The form is a request for a bid from the Chief, AFSA Procurement Office, Armed Forces Security Agency, Washington, dated May 4, 1951. How many firms received this request I have no way of knowing, but the fact that it was sent to us in Chicago would imply that the list must have been fairly long. Proposals are to be submitted in triplicate by May 18, 1951—4:30 p. m., delivery f. o. b. Arlington, Va.

Now all the above is perfectly normal, and the procedure is similar to that regularly employed by procurement officers in obtaining bids for a tremendous variety and quantity of commodities, including paints., But in this case the quantity on which bids are requested is four pints of "Wrinkle Varnish, black, air-drying for machines." No special specifications or requirements, just a regular black wrinkle finish that is a product of a long list of manufacturers. Only the fact that it is to be the air-drying variety, rather than baking, makes it anything but a regular stock item. Its value, if we had entered a bid—which we did not—would be about $2.25 total, plus parcel post or express charges.

What the cost of making such a purchase is I can't estimate, but the preparation of bid forms in quadruplicate for each prospective bidder and their distribution by mail must in itself run to a sizable figure. Add to that the opening and tabulation, final preparation of vouchers and forms, and the value of the merchandise itself must be a very small fraction indeed of the cost of purchasing it.

If this were an isolated case it would be rather comic, and a statement on the reverse side of the form that "No partial payments will be made on resulting order" adds to its ludicious aspect. But as an example of painfully wasteful practice that is unnecessary it isn't so funny. One of the nearby Navy installations takes care of such small items by making cash purchases from the nearest source, just as you or I would buy a package of razor blades from the handiest drugstore, which makes a lot more sense.

Yours very truly,

ROBERT O. CLARK,
President.

INDEPENDENT OFFICE APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Delaware [Mr. WILLIAMS], lettered "R."

Mr. SALTONSTALL. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	George	McKellar
Anderson	Green	McMahon
Bennett	Hayden	Millikin
Benton	Hendrickson	Monroney
Brewster	Hennings	Moody
Bricker	Hickenlooper	Mundt
Bridges	Hill	Neely
Butler, Md.	Hoey	Nixon
Butler, Nebr.	Holland	O'Conor
Byrd	Humphrey	O'Mahoney
Cain	Ives	Pastore
Capehart	Jenner	Robertson
Carlson	Johnson, Colo.	Russell
Case	Johnson, Tex.	Saltonstall
Chavez	Johnston, S. C.	Schoeppel
Clements	Kem	Smith, Maine
Connally	Kilgore	Smith, N. J.
Cordon	Knowland	Smith, N. C.
Dirksen	Langer	Sparkman
Douglas	Lehman	Taft
Duff	Lodge	Thye
Eastland	Long	Watkins
Ecton	Magnuson	Welker
Ellender	Maybank	Wiley
Ferguson	McCarran	Williams
Flanders	McCarthy	Young
Frear	McClellan	
Fulbright	McFarland	

Mr. JOHNSON of Texas. I announce that the Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference now being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Nebraska [Mr. WHERRY] is absent on official business as a member of the President's Commission on the One Hundred Seventy-fifth Anniversary of the Signing of the Declaration of Independence.

The Senator from Idaho [Mr. DWORSHAK] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Under the unanimous-consent agreement entered into, 15 minutes are allowed to each side, to be controlled, respectively, by the Senator from Delaware [Mr. WILLIAMS] and the Senator from South Carolina [Mr. MAYBANK].

The Senator from Delaware is recognized.

Mr. WILLIAMS. Mr. President, my amendment would amend the bill at page 2, line 17, by striking out the figure "$1,883,615", and inserting in lieu thereof the figure "$1,585,553." It would represent a reduction of approximately $300,000.

The reason for taking the latter figure is that it represents the exact amount which was allowed to the President during the past fiscal year. Frankly, I seriously question the advisability of allowing even this much for salaries and expenses of the White House Office, but surely there can be no argument whatever made for the increase which is recommended.

The argument has been advanced that the President might need more money this year than he did last year, but that is still no reason why the amount proposed by my amendment should not be adopted and the reduction made, since it is a matter of record that last year the President had more money than he could use properly. Since he has the usual New Deal bureaucratic aversion to returning any unused funds to the Federal Treasury we found that out of these funds he assigned a Government car, chauffeur, and other personnel to conveying his sister on an unofficial tour of the country.

Last Thursday night President Truman, when speaking to the country, made an eloquent appeal to the American people for their cooperation in reducing their own individual expenditures to the barest minimum as their contribution to the fight against inflation.

Surely the President of the United States would not want Congress to make an exception of his own personal expense allowance and thereby place him in the category of those selfish people whom he so bitterly denounced as individuals who were always willing to call on the other fellow for sacrifices but always end their appeals with the statement, "Cut the other fellow's but don't cut mine."

It is in an effort to place the President's expense account in line with all other appropriation cuts and also in line with his own statements that I am offering this amendment and urging that it be adopted.

This amendment has no reference to the special $50,000 tax exemption allowance which is enjoyed by the President, which question will be taken up when the tax bill arrives from the House.

This amendment refers only to his miscellaneous expense allowance.

In reviewing the past years, we find that the following amounts were allowed to Mr. Truman's predecessor in the White House:

1944	$302,190
1945	339,131
1946	312,583

We find the following figures after Mr. Truman took office:

1947	$883,660
1948	952,500
1949	969,612
1950	1,375,140
1951	1,585,553

Now we are being asked to appropriate $1,883,615. Remember, there is no accounting required for these vast expenditures.

Mr. President, I believe the time has come when we must call a halt to such

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lavish expenses. There is no reason why the President should require such a large sum of money for entertainment expenses. It is nearly five times as much money as was spent on the same item by President Truman's predecessor. Frankly, I feel that we should go much further than my amendment proposes to go. Certainly, making this mild reduction I propose is the very least we should consider and would be taking a step in the right direction. We should at least put the figure back where it was last year, when, as I said before, apparently the President had more money than he could properly spend, otherwise he would not have assigned a Government car and chauffeur to take his sister on an unofficial tour of the country.

I hope the chairman of the subcommittee will accept the amendment.

The VICE PRESIDENT. Does the Senator from Delaware yield the floor?

Mr. WILLIAMS. I yield the floor.

Mr. MAYBANK. Mr. President, I shall yield 4 minutes to the Senator from Arizona. First, I should like to make a brief statement. I believe the committee was in full accord on the item. The House had made no reduction. Speaking as chairman of the subcommittee, let me say that I could not agree to take the amendment to conference; I would have to oppose it.

In the meantime, if the Senator from Arizona will bear with me, I should like to say that when the Senator from Arizona completes his 4-minute statement, I wish to have the clerk read a letter which came to me from the Atomic Energy Commission. I believe the letter is of great consequence. Yesterday I showed it to the Senator from Michigan, but I should like to have the letter read into the RECORD. I think there will be time to have that done, unless some other Senator wishes to have me yield time to him.

Mr. President, let me inquire how much time I have remaining.

The VICE PRESIDENT. The Senator has 14 minutes remaining.

Mr. MAYBANK. Then I now yield 10 minutes to the Senator from Arizona, if he desires to have that much time; and at the completion of his remarks I shall ask that the clerk read the letter to which I have referred.

Mr. McFARLAND. Mr. President, I hope the Senator from Delaware will not insist on this amendment. During the time I have been in the Senate, no attempt has ever been made in any way to change the amount requested by the President as the appropriation for an item such as this one. For the Congress to interfere with the appropriations for the President's office would be just the same as for the President to interfere with appropriations for the Congress or to veto them. It is simply one of the things which are not done.

I have made inquiry; and during the short time I have had since the Senator offered his amendment, I have not been able to find any precedent for the action the Senator suggests. I have not been able to find any case in which the Congress has cut down the appropriation items for use by the President in connection with conducting his office.

So, Mr. President, I hope the Senator from Delaware will not insist on his amendment. It is not in keeping with the precedents of the Congress, and I am sure that no good would come by our taking such action as is proposed by the amendment.

The VICE PRESIDENT. The Senator from South Carolina has requested unanimous consent that a letter to which he has referred be read at the desk. Without objection, the letter will be read.

The legislative clerk read as follows:

UNITED STATES ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1951.

Hon. BURNET R. MAYBANK,
Chairman, Subcommittee on Independent Offices, Committee on Appropriations, United States Senate.

DEAR SENATOR MAYBANK: The Independent Offices Appropriation Act for the fiscal year 1952, as reported by the Senate Appropriations Committee, on June 13, 1951, contains the following provision under the appropriation language for the Atomic Energy Commission:

"Provided further, That no part of the foregoing appropriation shall be used for any new construction project until after the Commission shall have notified the architects and engineers involved that the plans for such projects should be purely utilitarian and without unnecessary refinements."

We believe this provision may adversely affect the scheduled completion of the present large construction program of the Commission. The purpose of this letter is to request that such language be eliminated from the bill.

The Commission, as part of its method of doing business has had as one of its goals the objective apparently sought by this language. In addition to the continuing surveillance of the construction program to assure that facilities are entirely utilitarian in design and do not contain unnecessary refinements, the General Manager recently reemphasized existing instructions to the field offices to assure that these objectives are being accomplished. A copy of his memorandum to all managers of operations is attached. Moreover, we are considering the employment of a well-known architect engineer, with considerable experience in this field, to survey the work being performed by our architect engineers to determine what, if any, further measures could be taken, including possible standardization of design for certain types of buildings, to accomplish this objective.

Our concern with the proposed language is not with its basic purpose but with the effect it may well have on our contractors and, consequently, on our ability to get our construction jobs done. The language, literally applied, places a restriction on the availability of our appropriations. It is our understanding that this restriction would be removed in any case where the Commission gave the proposed notification to the architects and engineers involved. However, the language will, we anticipate, raise immediately in the minds of our contractors numerous questions as to whether they will be reimbursed under the terms of their contracts with the Commission. Because of the indefiniteness of the standards "purely utilitarian and without unnecessary refinements," and other interpretive difficulties, construction and architect-engineer contractors may well be reluctant to assume the risks of doing business with the Commission. The following are illustrations of the difficulties we anticipate if the quoted language is included in our appropriation act:

1. The required notification of an architect-engineer firm could reasonably be interpreted both by the firm and by the construction contractor as making compliance with the notice a condition of reimbursement. The question of what constitutes "purely utilitarian and without unnecessary refinements" is one on which men of experience and sound judgment could well differ. Contractors may be concerned that the architect-engineer's best judgment could later be questioned not only by the Commission but by other agencies of the the Government and that, therefore, funds would not be available to reimburse either the construction contractor or the architect-engineer for the costs of the construction project. The risk thereby imposed would probably make more difficult obtaining the services of qualified firms.

2. Many of our contracts with firms of architect-engineers are subcontracts made by our principal operating contractors, such as du Pont and General Electric. We are concerned that they would also interpret the quoted language as making reimbursement to them conditioned on their architect-engineer complying with the rider. We anticipate that they would be reluctant to proceed expeditiously with the work with the assumption of this risk.

3. The specifications for many of our facilities are provided in the first instance by the responsible operating contractor to meet operating requirements. It is often necessary to include what might be considered elaborate safeguards to protect against unusual hazards associated with the project. An architect-engineer firm may well differ with the judgment of the operating contractor and the Commission as to whether certain of these features are purely utilitarian. We could not be in the position of substituting the judgment of the architect-engineer for the judgment of the operating contractor and of the Commission. The design might well be unduly delayed while agreement with the architect-engineer is being sought.

4. To complete our construction program on schedule it is necessary to start construction and procurement on some of the most important projects in the early stages of design. Contractors may believe that it is necessary to delay construction and procurement until the design is completed and a final determination made as to whether it is purely utilitarian and without unnecessary refinements.

5. Contractors may also be concerned as to the possible retroactive application of this language. Design of a number of our urgently required facilities is nearing completion. Since the architect-engineers will not have received notification in the proposed formal statutory words, a possble interpretation of language might lead to insistence upon a complete review of all construction plans before proceeding further with construction work. This could result in an extensive delay in completion of the project and considerably increased cost, since in many cases construction will already have been started.

We are in agreement with the objectives proposed to be attained through this language. We believe that this can best continue to be done administratively by the Commission without adversely affecting the construction schedules presently established. If such an objective becomes a matter of law, we believe that it may interpose many obstructions to the speedy accomplishment of the Commission's construction program.

We would appreciate an opportunity to discuss this matter with you and members of your committee. Copies of this letter are

being sent to the chairman, Independent Offices Subcommittee, House Appropriations Committee, and to the Chairman, Joint Committee on Atomic Energy, for their information.

Sincerely yours,

GORDON DEAN,
Chairman.

The VICE PRESIDENT. Does the Senator from South Carolina also wish to have the clerk read the paper which is attached to the letter?

Mr. MAYBANK. No, Mr. President; I do not think that is necessary. However, I should like to have it printed in the RECORD.

The VICE PRESIDENT. Without objection, the attachment to the letter will be printed at this point in the RECORD.

The attachment to the foregoing letter is as follows:

APRIL 10, 1951.

ALL MANAGERS OF OPERATIONS,
M. W. BOYER,
General Manager, Washington:

ECONOMY OF DESIGN AND CONSTRUCTION

It is appropriate at this time to reiterate the policy of the Commission concerning the design and construction of facilities required for the program. A determined effort must be made to assure that facilities are designed and constructed with that forthright simplicity that will effect the maximum of economics in money and critical materials, while fully satisfying the functional adequacy for which intended, and with due regard for vulnerability criteria developed for individual installations.

Bulletin GM-127—"Building Codes and Other Building Criteria" established the basic building codes to be considered as minimum requirements for the appropriate classes of structures and at the same time stated that the policies of the Commission require that economy, safety, and uniform good practice be followed in the design and construction of work built for the Commission's use.

Under date of December 19, 1950, I sent to all managers of operations a memorandum concerning the conservation of critical materials, which called attention to the fact that the President was directing the executive agencies "to conduct a detailed review of Government programs, for the purpose of modifying them wherever practicable to lessen the demand upon services, commodities, raw materials, manpower, and facilities. The Government, as well as the public, must exercise great restraint in the use of those goods and services which are needed for our increased defense efforts." This memorandum further stated that it is the responsibility of managers of operations to screen all design to assure that no critical materials are used where it is practicable to use noncritical substitutes.

Steps have been taken to initiate a conservation coordinating committee, comprising representatives of major Government agencies, under the auspices of the Defense Production Administration to ensure that savings of manpower, materials, and industrial services, as well as dollars are attained to the greatest extent possible through simplification, standardization, substitution, and conservation. In a period such as exists today, with the unprecedented industrial expansion which the Nation is undergoing, even economies of dollars are far outweighed by economies of critical materials.

Bulletin GM-128 "Supervision of Construction and Related Activities" set forth the responsibility of the operations offices and the Washington office in ensuring that such economies are met. It is the responsibility of the operations offices to screen all preliminary proposals, designs, and specifications to insure that both economy and functional adequacy are obtained. There is also set forth, under paragraph 4c of the bulletin, the requirement for submitting preliminary proposals in duplicate on proposed projects to the Washington office for review as to general functional adequacy, practicability, and feasibility of basic design for construction of proposed facilities. In most cases, such submissions have not been timely and the purpose of the submission therefore has been largely nullified. I would like to call your attention at this time to the necessity for timely and informative submissions and your responsibility for doing same.

I want you to forward copies of this memorandum to the principal operating contractors and architect-engineers engaged at your installations to reaffirm our policy concerning economy of design in effecting functional and utilitarian facilities.

In the near future I plan to visit all offices of operations and will discuss this subject with you and key personnel of your principal contractors.

Mr. McKELLAR. Mr. President, will the Senator from South Carolina yield to me about 1 minute?

Mr. MAYBANK. I shall be glad to yield. Mr. President, how many minutes do I have remaining?

The VICE PRESIDENT. The Senator from South Carolina has 5 minutes remaining.

Mr. MAYBANK. I yield to the Senator from Tennessee as much of the 5 minutes as he may desire.

Mr. McKELLAR. I shall need but a moment. Mr. President, the Senator from Arizona has stated the case very frankly and fully. In support of what he has said, let me say to the Senator from Delaware, whom I admire very much, that so far as I recall, this is the first time in my long service in the Senate the Congress has ever been asked to interfere with the Executive's appropriations. The appropriations for the Executive Office have been agreed to in all cases without any objection, just as the President does not interfere with the legislative appropriations which we make. I do not think he should, and I do not think we should interfere with the Executive appropriations. I hope the Senator will not insist upon the amendment, because, while I am very much in favor of economies, as the Senator knows, and as I have demonstrated time and again, I do not believe we ought to change this appropriation for the President of the United States.

Mr. CASE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from South Dakota.

Mr. CASE. The junior Senator from South Dakota would like to ask the distinguished Senator from Tennessee whether he does not recall the instance, a few years ago, when the Chief Executive sought to change the White House structure and to convert it more or less into a modern office building, at which time there was considerable discussion about it. At that time I think the distinguished Senator from Tennessee was opposed to the change. He may recall that the House of Representatives adopted an amendment to an appropriation bill which reappropriated the funds from which it had been proposed to pay for the remodeling of the White House, and directed that those funds should be used for other purposes connected with the White House; which, in principle, expressed the opinion of Congress with regard to the expenditure of funds in connection with the White House.

Mr. McKELLAR. I may say to the Senator that I recall it very distinctly; but it was a different item entirely. I was utterly opposed to changing the White House or to building a new one. I so stated on many occasions.

Mr. CASE. I may say to the distinguished Senator, it was an opposition which I shared.

Mr. McKELLAR. I thank the Senator. I think we are going to have a wonderful White House, when the improvements now under way are completed, which will probably be by November 1. I wish to say in regard to the particular appropriation referred to by the Senator from South Dakota that it was, of course, an entirely different thing. It was for the building of a new White House or the reconstruction of the present one. It was not an appropriation of money to be used for the personal expenses of the President in connection with his office. As I have said, so far as I know—and I have been here for quite a while, and there are those in my State who think I have been here too long—this is the first time that a question has ever been raised as to appropriations for the President's personal expenses. The Senator from South Dakota has served a long time in the House of Representatives and in the Senate. We have had two wars lately, and even during those wars nothing was said about appropriations in this category, and they were always passed. I hope the Senate will allow this one to be passed also.

Mr. CASE. The reason the Senator from South Dakota raised the question——

Mr. MAYBANK. Mr. President, how much time do I have left?

The VICE PRESIDENT. The Senator from South Carolina has 1 minute remaining.

Mr. MAYBANK. I yield that 1 minute to the Senator from Massachusetts [Mr. SALTONSTALL].

The VICE PRESIDENT. The Senator from Massachusetts is recognized for 1 minute.

Mr. SALTONSTALL. Mr. President, in voting on this amendment I shall follow the committee action. I shall do so, cause I believe that the personal expenditures of the President should not be questioned, any more than we question the expenditures of the House of Representatives, or any more than the House of Representatives questions the expenditure of the Senate.

I should like to point out, however, that the President apparently intends to add 35 persons to his staff. In a period such as this, every effort should be made to effect economies. I think we should bear this in mind, and I hope the President will not find it necessary to expend the entire appropriation. From his 1950 appropriation the President had remaining, after all expenditures, $115,426. In 1951 he had $150,000 remaining, though he spent $45,020 of the 1950

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amount which was carried over. In 1952 he estimates that he will have remaining $170,615, but that he will carry over from prior years $100,000. I hope the President will not find it necessary to add so many new employees to his staff and that he will not require all the money the bill provides. I, personally, shall not vote to cut it down, because the personal expenditures of the President have never been questioned by the Congress, I believe, in our history.

Mr. McKELLAR. I may say that I hope the President will not appoint the additional employees to whom reference has been made.

Mr. WILLIAMS. Mr. President——

The VICE PRESIDENT. The Senator from Delaware has some time left.

Mr. WILLIAMS. Mr. President, I wish to say first that I, too, have examined the record and I agree with what the Senator from Arizona has said regarding precedents. To my knowledge, this is without precedent. Perhaps that accounts for today's excessive expenditures. I might add that there is no precedent within the past 18 years of the Administration having made any sincere effort to cut the appropriations of any of the departments. But that is all the more reason my amendment should be adopted. It is high time that the Congress established a precedent by calling not only upon the heads of the executive departments but also upon the President to cut out their extravagance and to begin rendering some account to the American people of the moneys spent.

Perhaps the expense accounts of the Presidents who preceded the present incumbent of the White House were not questioned, but I point out that, for the years 1944, 1945, and 1946, which were the war years, at no time, even at the peak of the war, did President Roosevelt spend more than $350,000 in this same classification. Last year the cost was almost five times that much, and we are being asked now for another $300,000 increase.

If we are to continue this trend through the years and not call a halt sometime, where is it going to stop? I certainly shall insist on this amendment. I think it is time we established a precedent. So far as the argument is concerned that there has been no check placed upon the Senate and the House of Representatives, I may say that we should put a check on ourselves. The time has come when we must check them all. The President of the United States has himself said that those who would exempt their own budgets and be excused from cuts are selfish. Surely no Senator on this floor wants to put the President of the United States into the classification of the selfish individuals whom he so bitterly denounced.

I ask for the yeas and nays on this amendment.

The VICE PRESIDENT. Is the demand sufficiently seconded?

The yeas and nays were not ordered.

Mr. WILLIAMS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

Bricker	Ives	Monroney
Carlson	Johnson, Colo.	Neely
Case	Johnson, Tex.	O'Mahoney
Eastland	Johnston, S. C.	Pastore
Ferguson	Lehman	Saltonstall
Frear	Maybank	Welker
George	McFarland	Williams
Hill	McKellar	
Holland	McMahon	

The VICE PRESIDENT. A quorum is not present. The Secretary will call the names of the absent Senators.

The names of the absent Senators were called, and Mr. BENTON, Mr. BRIDGES, Mr. BYRD, Mr. ELLENDER, Mr. HAYDEN, Mr. HENDRICKSON, Mr. LODGE, Mr. THYE and Mr. YOUNG answered to their names when called.

The VICE PRESIDENT. A quorum is not present.

Mr. McFARLAND. I move that the Sergeant-at-Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant-at-Arms will execute the order of the Senate.

After a little delay Mr. SPARKMAN, Mr. BUTLER of Maryland, Mr. HOEY, Mr. MUNDT, Mr. ROBERTSON, Mr. BREWSTER, Mr. CLEMENTS, Mr. WILEY, Mr. BENNETT, Mr. SMITH of North Carolina, Mr. DUFF, Mr. McCLELLAN, Mr. KILGORE, Mr. KEM, and Mr. AIKEN entered the Chamber and answered to their names.

After a little further delay, Mr. ANDERSON, Mr. BUTLER of Nebraska, Mr. CAIN, Mr. CHAVEZ, Mr. CONNALLY, Mr. CORDON, Mr. DOUGLAS, Mr. ECTON, Mr. FLANDERS, Mr. GREEN, Mr. HICKENLOOPER, Mr. HUMPHREY, Mr. JENNER, Mr. KNOWLAND, Mr. LANGER, Mr. LONG, Mr. MAGNUSON, Mr. McCARRAN, Mr. MILLIKIN, Mr. MOODY, Mr. RUSSELL, Mr. SCHOEPPEL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, and Mr. WATKINS entered the Chamber and answered to their names.

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MAYBANK. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. No business has been transacted since the roll call for a quorum just completed.

Mr. MAYBANK. I understood that, but I wanted to make it clear.

The VICE PRESIDENT. The yeas and nays were ordered. The Chair assumes that that may be regarded as business. Does the Senator insist on his point?

Mr. MAYBANK. I do not.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS]. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. SMATHERS] are absent because of illness.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Missouri [Mr. HENNINGS] is unavoidably detained on official business, and if present would vote "nay."

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Maryland [Mr. O'CONOR], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Iowa [Mr. GILLETTE] is paired on this vote with the Senator from New Hampshire [Mr. TOBEY]. If present and voting, the Senator from Iowa would vote "nay," and the Senator from New Hampshire would vote "yea."

The Senator from Oklahoma [Mr. KERR] is paired on this vote with the Senator from Wisconsin [Mr. McCARTHY]. If present and voting, the Senator from Oklahoma would vote "nay," and the Senator from Wisconsin would vote "yea."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Pennsylvania [Mr. MARTIN]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Pennsylvania would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] who is absent because of illness is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Montana would vote "nay."

The Senator from Oregon [Mr. MORSE] is absent by leave of the Senate.

The Senator from Nebraska [Mr. WHERRY] is absent on official business as a Member of the President's Commission on the One Hundred and Seventy-fifth Anniversary of the Signing of the Declaration of Independence, and, if present, he would vote "yea."

The Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], the Senator from Idaho [Mr. DWORSHAK], the Senator from Wisconsin [Mr. WILEY], the Senator from California [Mr. NIXON], and the Senator from Ohio [Mr. TAFT] are detained on official business. If present and voting the Senator from California [Mr. NIXON] would vote "yea."

The Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from New Hampshire [Mr. TOBEY] who is absent by leave of the Senate is paired with the Senator from Iowa [Mr. GILLETTE]. If present and voting, the Senator from New

Hampshire would vote "yea" and the Senator from Iowa would vote "nay."

The Senator from Wisconsin [Mr. McCARTHY] is detained on official business and is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Wisconsin would vote "yea," and the Senator from Oklahoma would vote "nay."

The result was announced—yeas 37, nays 36, as follows:

YEAS—37

Aiken	Ecton	Millikin
Bennett	Ferguson	Mundt
Brewster	Flanders	Robertson
Bricker	Frear	Schoeppel
Bridges	Hendrickson	Smith, Maine
Butler, Md.	Hickenlooper	Smith, N. J.
Butler, Nebr.	Ives	Thye
Byrd	Jenner	Watkins
Cain	Kem	Welker
Carlson	Knowland	Williams
Case	Lodge	Young
Cordon	McCarran	
Duff	McClellan	

NAYS—36

Anderson	Hoey	McFarland
Benton	Holland	McKellar
Chavez	Humphrey	McMahon
Clements	Johnson, Colo.	Monroney
Connally	Johnson, Tex.	Moody
Douglas	Johnston, S. C.	Neely
Eastland	Kilgore	O'Mahoney
Ellender	Langer	Pastore
George	Lehman	Russell
Green	Long	Saltonstall
Hayden	Magnuson	Smith, N. C.
Hill	Maybank	Sparkman

NOT VOTING—23

Capehart	Kerr	Smathers
Dirksen	Malone	Stennis
Dworshak	Martin	Taft
Fulbright	McCarthy	Tobey
Gillette	Morse	Underwood
Hennings	Murray	Wherry
Hunt	Nixon	Wiley
Kefauver	O'Conor	

So, Mr. WILLIAMS' amendment was agreed to.

Mr. DOUGLAS. Mr. President, I send to the desk an amendment which is substantially the same as the amendment offered by the Senator from Delaware [Mr. WILLIAMS], except that it would reduce the amount from $1,883,615 to $1,685,553. It would increase the amount appropriated last year by $100,000, but would diminish the amount provided in the bill by approximately $200,000.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 2, line 17, it is proposed to strike out "$1,883,615" and in lieu thereof insert "$1,685,553."

The VICE PRESIDENT. The amendment is not in order. It is an amendment to the amendment which has just been agreed to by the Senate.

Mr. FERGUSON. Mr. President, I call up my amendment designated "6-15-51—C." It is offered to the committee amendment on page 9, in line 18.

Mr. McFARLAND. Mr. President, will the Senator yield for an announcement?

Mr. FERGUSON. I yield to the majority leader for that purpose.

Mr. McFARLAND. Mr. President, I wish to make an announcement. Hereafter during the consideration of an appropriation bill I shall object to any committee meeting during the session of the Senate, except the Appropriations Committee. I will state further that I believe the Committee on Appropriations should not meet during the consideration of appropriation bills. That committee, above all other committees, should not meet, because its members should be present on the floor of the Senate to help conduct the business of the Senate.

In spite of a limitation on debate of 30 minutes, we have spent an hour and a half considering one amendment. Hereafter I shall object to any unanimous-consent requests to permit committees to meet during the consideration of appropriation bills.

Mr. President, several Senators have asked me when we shall be able to get away from Washington. I will tell them that we will not get away for a long time, unless we can make more progress than we are now making on appropriation bills. Senators must be in attendance on the floor and they must be more attentive to their duties on the floor if we are to make any progress.

Mr. FERGUSON. Mr. President, did the majority leader except the Committee on Appropriations?

Mr. McFARLAND. I believe that the members of the Appropriations Committee should want to be on the floor. That committee, above all other committees, should not meet during the consideration of appropriation bills.

Mr. FERGUSON. I agree completely and for that reason I believe the majority leader should not except the Appropriations Committee. No committees should be permitted to meet during the sessions of the Senate when appropriation bills are being considered, and least of all the Appropriations Committee.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CHAVEZ. The subcommittee of the Committee on Appropriations considering appropriations for the Department of the Interior is meeting this afternoon. Did I understand the majority leader to insist that the members of that subcommittee remain on the floor?

Mr. McFARLAND. Mr. President, I will answer the Senator by saying that all Senators ought to be on the floor. However, the members of the subcommittee to which the Senator from New Mexico refers have already secured unanimous consent to meet this afternoon. I still say that if the members of any committee should be on the floor it is the members of the Committee on Appropriations.

Mr. CHAVEZ. Of course I should like to comply with the request of the Senator from Arizona. It so happens that the senior Senator from Arizona [Mr. HAYDEN] conducting the meeting of the subcommittee this afternoon. I wish to comply with the will of the Senate. If our committee is not going to be exempted, well and good; but we would like to know whether we can meet.

Mr. McFARLAND. The Senator's committee already has received unanimous consent to meet during the session of the Senate today. It is up to the Senator's committee to determine whether it will meet.

Mr. CHAVEZ. Very well.

Mr. RUSSELL. Mr. President, will the Senator from Michigan yield, to permit me to propound a unanimous-consent request?

Mr. FERGUSON. Yes, I am glad to yield.

Mr. RUSSELL. Mr. President, before there was any knowledge of the action to be taken by the Senate with reference to the meeting of committees while the Senate is in session, a meeting had been called for 2:30 this afternoon by the Foreign Relations Committee and the Armed Services Committee, meeting jointly. Hereafter, when appropriation bills are under consideration in the Senate Chamber, I shall not seek to obtain consent for meetings of the two committees during the afternoon, but at least I should like to have an opportunity for the committees to meet jointly this afternoon in order that we may apprise the witnesses of the action taken, so that at least we shall be able to proceed in an orderly way.

Therefore, Mr. President, I ask unanimous consent that for this afternoon the two committees, meeting jointly, may sit at 2:30 p. m.

The PRESIDING OFFICE (Mr. HOLLAND in the chair). Is there objection to the request of the Senator from Georgia? Hearing none, consent is given.

Mr. RUSSELL. I thank the Senator from Michigan.

Mr. FERGUSON. Mr. President, I appreciate that for this afternoon the committees to which the Senator from Georgia refers have made arrangements to meet and witnesses have been called. That was the reason for making this exception, and I think it was proper, instead of having the witnesses appear but not be able to testify.

However, I join the majority leader, as I know the Senator from Georgia, a distinguished member of the committee, does, in saying that appropriation bills are very important and worthy of full attendance on the floor.

Mr. RUSSELL. I stated that hereafter we would not undertake to have the two committees meet during the afternoon when appropriation bills are under consideration in the Senate.

Mr. FERGUSON. I understand that, and I will ask that all Senators on this side of the aisle be in attendance in the Senate Chamber, because each of these appropriation items is very important. Although I realize that all Senators feel that they have outside duties or missions of importance, yet I doubt that any of their outside missions are more important than their duties on the floor of the Senate, particularly when debate is limited and votes are being taken every few minutes on various items in appropriation bills.

I see in the Chamber the distinguished chairman of the Appropriations Committee, the Senator from Tennessee [Mr. McKELLAR]. I would say he has spent every minute of his time on the floor of the Senate during the time when the appropriation bills have been under consideration.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

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Mr. MAYBANK. In view of the fact that certain of the committees are going to meet this afternoon, I would suggest that after we vote on the pending amendment, which has been proposed by the Senator from Michigan, we take a recess until 12 o'clock noon tomorrow. I shall not make that motion at this time; but certainly nothing will be accomplished this afternoon with only a few Senators in attendance. Under such circumstances, the situation in the Senate chamber will be similar to the situation here yesterday afternoon or last Friday afternoon. Until we can have many Senators present at the sessions on the floor, we are merely wasting our time.

Mr. FERGUSON. Mr. President, I know how the chairman of the subcommittee feels, and I join him in reitering that these are very important matters and should have full attendance on the floor.

Mr. MAYBANK. I appreciate having the Senator from Michigan join me in regard to this matter. Both of us serve on the committee, and we appreciate the seriousness of the situation. There are a large number of amendments which must be considered by the Senate in connection with this bill, and certainly Senators should be present. However, not many Senators will be present this afternoon.

Therefore, when we conclude action on the pending amendment I shall make a motion that the Senate take a recess until tomorrow. If the motion is not carried, of course we shall proceed this afternoon.

Mr. FERGUSON. At the moment we have an increased attendance, and I should like to proceed with the amendment I have offered to the committee amendment.

Mr. MAYBANK. Mr. President, will the Senator yield further?

Mr. FERGUSON. I am glad to yield.

Mr. MAYBANK. As I count the Senators who are now in attendance, it seems to me that not as many as one-fifth of the Members of the Senate are in the Chamber at this time. Am I mistaken?

Mr. FERGUSON. Certainly considerably less than half the Members of the Senate are present, but a 50-percent attendance would be large.

Mr. MAYBANK. I count only 15 Senators present at this time.

Mr. FERGUSON. Even that is a large number, compared to other recent sessions.

Mr. MAYBANK. However, when we are considering such important matters, it seems to me that at least a quorum should be present. I shall not ask for a quorum, of course; but I make these remarks because earlier today, during the consideration of the amendment of the Senator from Delaware [Mr. WILLIAMS], only five Senators were present.

Mr. FERGUSON. Mr. President, the amendment I am asking to have considered at this time is offered by me, on behalf of myself, the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Nebraska [Mr. WHERRY], to the committee amendment on page 9, in line 18, and would strike out the figure appearing at that point and would insert "$17,500,000."

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 9, in line 18, it is proposed to strike out "$18,050,000" and insert "$17,500,000."

Mr. FERGUSON. Mr. President, the appropriations for 1951 for the same function was $16,511,913. In other words, if my amendment is adopted, we shall be increasing the appropriation for salaries and expenses of the Civil Service Commission by $1,000,000, less only $11,913.

The House of Representatives voted to appropriate $17,000,000 for this item. The amount recommended by the Senate Appropriations Committee is $18,050,000, and the amendment now proposed to the committee amendment would reduce that amount to $17,500,000.

The Civil Service Commission requests an increase of 1,628 employees over the number it had last year, and that accounts primarily for the great increase in budget estimates.

The entire increase in funds requested is, in the words of Chairman Ramspeck at page 459 of the Senate hearings, "to process greater workloads resulting from rising Federal employment and from an anticipated increase in turn-over."

The House discounted the extent of the burden carried by the Commission in its placements, and allowed the Commission $17,000,000, which was an increase of approximately $500,000 over last year.

Two cuts were involved. The House committee recommended a reduction of about $5,000,000, on the ground that turn-over estimates were inflated. The Commission had estimated turn-over rates for 1951 at about 1.4 percent per month, or 17 percent a year; but it anticipated a turn-over rate of 3 percent a month, or 36 percent a year in 1952. The House committee determined that turn-over rates were runnning at about 2.3 percent a month, which figure was confirmed in the Senate hearings by Chairman Ramspeck. Accordingly, the House committee projected that rate for the future and justified the reduction of $5,000,000 which was made.

Mr. President, the Civil Service Commission admits there is a great turnover in personnel, principally because transfers seem to be allowed from one agency to another in the Government service, by means of which the employees thus making transfers are able to secure increases in their ratings and increases in their pay, whereas they would not be able to obtain such increases in ratings and in pay if they did not make the transfers.

On the floor of the House of Representatives, Representative TABER pointed out that placement activities of the Commission called for an increase of $1,500,000, although the actual increase in number of placements was estimated at only 5,000. Accordingly, he was successful in reducing the appropriation on the floor by $1,050,000, leaving an increase of about $500,000 for placement activities.

It is the amount of the floor cut in the House, $1,050,000 which the committee amendment proposes to restore, and my amendment to that amendment proposes to allow only $500,000 of that increase. Adoption of the amendment to the amendment would still leave the Commission with approximately $1,000,000 more than it received in 1951.

I want to say a few words about the effect of carrying out the Senate's avowed intent to reduce budget estimates for personal services by 10 percent, which it expressed in its action on the Labor-Federal Security bill and in recommitting this independent offices bill after it was first reported with only a 5 percent cut. That action affects the activities of the Civil Service Commission in two ways.

First, it is going to cut down considerably the turnover in Government employment. Vacancies created by death or resignation are not going to be filled so readily. In fact, it is my contention that the 10-percent reduction in funds can be realized by failing to replace personnel in vacancies. This was the theory of the Jensen amendment, adopted in the House. The Senate has departed from that theory to impose a ceiling on expenditures for personal services. Any administrator can adopt the principle of the Jensen amendment as a means of staying within the ceiling the Senate has set.

Also, there will be fewer transfers from one agency to another. They run to at least 22,500 a year on the basis of the limited data furnished by the Commission, excluding those not reported and those who resign from Government service and later re-enter, perhaps after using up their terminal leave in one agency.

Mr. President, there appeared in the press this morning—and I mentioned this case on the floor a few weeks ago—an account of a man who was employed in the Reconstruction Finance Corporation, and who, while on terminal leave, sought employment with a company which was borrowing money from the RFC. From that company he received, I think, almost double the salary he had been receiving with RFC. He was still on the payroll of the Federal Government, by reason of having accumulated terminal leave.

Mr. McKELLAR. Mr. President, will Senator yield?

Mr. FERGUSON. I am glad to yield to the distinguished chairman.

Mr. McKELLAR. Was the man referred to dismissed from the RFC, where he had been employed?

Mr. FERGUSON. No. I take it he had resigned voluntarily in order to take this private employment.

Mr. McKELLAR. He should have resigned, and, if he did so, I commend him for it. But in the event he failed to resign, he ought to have been discharged.

Mr. FERGUSON. I agree.

Mr. McKELLAR. He should have resigned, because he did a dishonest thing.

Mr. CASE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from South Dakota.

Mr. CASE. The man who has been referred to in the press within the past few days, apparently resigned, because he had an opportunity to get from the private company a salary twice that he had been receiving from the Government. I say it is no wonder that he resigned.

Mr. FERGUSON. But what the Senator from Michigan calls attention to is the fact that, while he was on terminal leave from the Federal Government, he was using his position and the office and telephone where he had been employed by the RFC, to carry on work for the private company.

Mr. CASE. I do not question that point at all.

Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield further to the Senator from South Dakota.

Mr. CASE. Is it not also true that the Civil Service Commission, in addition to not having as much of a load, by reason of reductions made in appropriations, in the House under the Jensen amendment and in the Senate under the Ferguson amendment, may get some allocations from National Defense appropriations for the purpose of processing National Defense employees?

Mr. FERGUSON. That is correct, and many of those are not covered by the Civil Service Commission regulations.

Mr. CASE. Then certainly we ought to be able to save half the amount which the House thought it could save.

Mr. FERGUSON. Yes.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. FERGUSON. Mr. President, will the Senator from South Carolina yield me sufficient time that I may place the remainder of my statement in the RECORD, and may also read from the committee's report by way of answer to the Senator from South Dakota.

Mr. MAYBANK. I hope the Senator will not ask me to yield too much time. How long will the Senator take,

Mr. FERGUSON. About half a minute.

Mr. MAYBANK. I yield to the Senator from Michigan.

Mr. FERGUSON. I ask unanimous consent that the remainder of my prepared statement be printed in the RECORD as a part of my remarks.

There being no objection, the reminder of Mr. FERGUSON's statement was ordered to be printed in the RECORD, as follows:

Transfers will be fewer because Government personnel money will be a little tighter. All this adds up to a confirmation of the House committee's lower estimate of turnover, upon which the original cut in this appropriation was predicated.

Second, if the Senate's intent were to work out as a straight across-the-board cut of 10 percent budget estimates for personnel, we would have at least halted the trend of increased Government payrolls. I might add, however, that we would be doing no more than halt it. We would simply be holding payrolls to the 1951 level and disallowing the increases planned for next year. Some may have thought the 10 percent reduction formula was going to do a great deal more, but unfortunately it does not. It just about allows us to stand still.

In any event the result would be to relieve the Civil Service Commission of the "greater workloads resulting from rising Federal employment" which Mr. Ramspeck used, along with increased turn-overs, as justification for the increase in funds he requested.

Information which he furnished the Senate committee shows how this works out. He reported Federal civilian employment within the continental United States on June 30 would be 2,350,000. He estimated that by June 30, 1952 it would be 2,600,000. If we apply a 10 percent cut to this 1952 figure, which roughly the Senate's actions would accomplish although our 10 percent cut has been in dollars and not in jobs, there would be taken 260,000 off the 1952 figure. That takes us back almost exactly to the current employment figure of 2,350,000.

Mr. FERGUSON. Mr. President, I should also like to read to the Senator from South Dakota from the committee report on the pending bill, this statement:

The committee also wishes to point out that 72 percent of the placements during the next fiscal year will be made by boards and committees of examiners paid for by the several agencies, whereas only 54 percent of such placements will be made by agency boards during the current fiscal year. This transfer of work to the agencies will permit additional savings in the commission's expenditures.

Mr. CASE. I thank the Senator.

Mr. MAYBANK. Mr. President, the subject of the RFC was brought into the argument by the Senator from Michigan, and he mentioned the case of an employee who had made an improper use of his terminal leave. No one knows better than the Senator from Michigan that I am, and always have been, opposed to employees accumulative terminal leave. The Senator knows that he and I, last year, when the subject of rent control was under consideration, voiced complaint about terminal leave. I understood that the purpose of the law was to require Federal employees to take their annual leave, not to accumulate it and make an improper use of it in getting a better job.

Mr. FERGUSON. Mr. President, if the Senator will yield to me, I should like to answer that by saying I think that is exactly true. I think that particular agency pointed out to the subcommittee, of which we were both members, the fallacy of permitting a large amount of terminal leave to be accumulated by Federal employees.

Mr. MAYBANK. As the Senator from Michigan knows, in the latter part of the pending bill we propose an amendment to require Federal employees to take their leave at appropriate times.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. Further replying to the Senator's statement, I merely wish to say that this particular item for the Civil Service Commission, as the Senator is aware, is $4,950,000 below the Budget estimate. It is true that it is more than the House figure, but that is because the chairman and other members of the Commission appeared before us in connection with the loyalty program, and wrote various letters and submitted various statements in connection with the enforcement of that program. In the Senate subcommittee, we increased the House figure by more than $1,000,000. I refer to the House committee's figure. Therefore, what we have reported to the Senate is merely the figure of the House Subcommittee on Appropriations for this agency, plus the full committee's report to the House. I hope, in the interest of good government, that this additional amount will not be taken from this agency of Government. As I have stated, it is already about $3,900,000 below the President's budget.

There is no point in my reading the hearings and the records and the letter which was written by Mr. Ramspeck, or in reading the laws which were passed by the Congress.

I know the Senator from Michigan will agree with me on one thing, namely, that oftentimes Congress passes a law but makes no appropriations with which to pay those employed to enforce the law. They come before the commitee and say that there is an authorization, or that because of the law with respect to loyalty proceedings, or something else, more money is required. It is incumbent on Congress, as I see it, to appropriate money with which to carry out the provisions of laws duly passed.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Michigan.

Mr. FERGUSON. I merely want to say in reply that we have attempted to get estimates as to what prospective laws are going to cost the taxpayers before the bills are passed in the Senate and in the House.

Mr. MAYBANK. The Senator is correct.

Mr. FERGUSON. The Senator from South Carolina has been assisted in that effort by the Senator from Michigan.

Mr. MAYBANK. I have joined hands with the Senator, and we have introduced a bill to meet that objective.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. The Senator from Michigan knows that, so far as terminal leave is concerned—and I am not boasting; I merely happened to be one of those who introduced the bill—we have been trying to do something about it for 2 years. We have in the pending bill an amendment, I think, which prohibits the accumulation of terminal leave, and which provides that leave must be used from year to year. Certain amendments are legislation on an appropriation bill, but there will be amendments proposed by other Senators for the purpose of furthering the legislation which the House committee has sent to the Senate regarding terminal and other leave.

Mr. President, I have nothing more to say.

Mr. DOUGLAS. Mr. President, I wonder whether the Senator from Michigan will not be willing to accept my amendment "C."

The PRESIDING OFFICER. Does the Senator from South Carolina yield time to the Senator from Illinois?

Mr. MAYBANK. Is the Senator from Illinois on my side, or on the other side?

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Mr. DOUGLAS. I am on the other side.

Mr. MAYBANK. Mr. President, whatever side the Senator is on, I yield 2 minutes to him.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 minutes.

Mr. DOUGLAS. I wonder whether the Senator from Michigan would not be willing to accept my amendment "C," which appropriates $17,000,000 instead of $17,500,000, and hence would effect an additional saving of $500,000, and would conform to the House figure. I know it is sometimes difficult for us to agree on precise amounts in the matter of the cuts which are to be made. On the last amendment upon which there was a yea-and-nay vote, I think the Senator from Delaware [Mr. WILLIAMS] went a little further than I was willing to go. But I wondered whether we could not get together on the suggestion I have made, and save another $500,000 in the Civil Service Commission. This may be going further than the Senator from Michigan wants to go, but I think that agency can take the cut. It would still allow nearly $500,000 more than was allowed last year.

Mr. MAYBANK. Mr. President, when the Senator from Illinois refers to the House figure, he, of course, refers to the cut which was made on the House floor.

Mr. DOUGLAS. That is correct.

Mr. MAYBANK. He does not refer to the action of the Appropriations Committee of the House or of the subcommittee of the Appropriations Committee of the House, which made a lengthy study of the matter, but he refers simply to some amendment which was thrown into the House hopper during the closing hours.

Mr. DOUGLAS. The House is a deliberative body.

Mr. MAYBANK. Yes; but not quite so deliberative as is the Senate.

I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I hope the Senate will not agree to the amendment of the Senator from Illinois. The number of employees is being increased by reason of the situation in which we find ourselves. I should like to invite attention to one group of figures. I read from page 464 of the hearings before the subcommittee of the Committee on Appropriations:

> Senator SALTONSTALL. This increase, Mr. Ramspeck, in this particular function comes from increasing your number of employees from 704 to 1,805, and your record check and inquiry cases from 483,000 to 1,250,000.

In other words, the work of the Commission has increased threefold. That is why we should give at least enough money properly to do its work. The amount suggested is an estimate. I believe the estimate of the Senator from Illinois is too low and that the estimate of the Senator from Michigan is more in line with the facts. The committee took the figure which the House felt was right. If we are going to have loyalty checks, Mr. President, I believe we should make them worthwhile.

Mr. MAYBANK. Mr. President, insofar as the law is concerned, the amendment of the Senator from Illinois to the amendment of the Senator from Michigan is based on too low an estimate. I am not here defending the Civil Service Commission, but I am defending the laws passed by the Congress of the United States. Mr. Ramspeck was for many years a responsible Member of the House of Representatives. He stated that, because of developments, it is expected that June 30, 1951, will find the Commission with a balance of more than 650,000 cases on which it has been unable to make the loyalty check required by the laws of Congress.

I do not know whether the cost was discussed, but we are asked to appropriate money, and then when the item comes up for debate we are asked to undo the laws passed by Congress. So I am opposed to both amendments.

Mr. FERGUSON. Mr. President, the information which Mr. Ramspeck furnished the Senate committee shows how the amendment would work out. He reported that on June 30 Federal civilian employment within the continental United States would be 2,350,000. He estimated that by June 30, 1952, it would be 2,600,000. If we apply a 10-percent cut to this 1952 figure, which roughly the Senate's actions would accomplish, although our 10 percent cut has been in dollars and not in jobs, we would take 260,000 off the 1952 figure. That takes us back almost exactly to the current employment figure of 2,350,000.

Mr. MAYBANK. Mr. President, the reason why the 10-percent cut is not effective is that we had already cut the agencies so much.

Mr. FERGUSON. If we apply the 10-percent cut to budget estimates for personnel we shall go back to the current employment figure of 2,350,000. That would mean maintaining the status quo rather than cutting from the number they had last year. The budget figures propose a pyramid.

Mr. MAYBANK. Mr. President, the Senator from Michigan knows that we have given the Civil Service Commission additional laws to administer. We have passed laws which have placed extra burdens upon the Commission. We pass laws and then do not want to appropriate money to carry out the laws passed by the Congress. That is my sole point. The Senator cannot differ with that statement.

Mr. FERGUSON. We are giving the Commission a million dollars more than last year, and the loyalty program has been in effect.

Mr. MAYBANK. But the loyalty program requires $3,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and other Senators.

Mr. BRIDGES. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senators from Oklahoma [Mr. KERR and Mr. MONRONEY], the Senator from Nevada [Mr. MCCARRAN], the Senator from Maryland [Mr. O'CONOR], the Senator from Rhode Island [Mr. PASTORE], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. SMATHERS] are absent because of illness.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is absent because of illness, and if present, he would vote "yea."

The Senator from Oregon [Mr. MORSE] is absent by leave of the Senate, and if present, he would vote "yea."

The Senator from Nebraska [Mr. WHERRY] is absent on official business as a member of the President's Commission on the One Hundred and Seventy-fifth Anniversary of the Signing of the Declaration of Independence, and if present, he would vote "yea."

The Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], the Senator from Idaho [Mr. DWORSHAK], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Massachusetts [Mr. LODGE], and the Senator from Ohio [Mr. TAFT] are detained on official business. If present and voting, the Senator from Wisconsin [Mr. MCCARTHY] and the Senator from Massachusetts [Mr. LODGE] would each vote "yea."

The Senator from Nevada [Mr. [MALONE] is absent on official business.

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate, and if present, he would vote "yea."

The result was announced—yeas 52, nays 19, as follows:

YEAS—52

Aiken	Frear	Mundt
Bennett	Hendrickson	Nixon
Brewster	Hennings	Robertson
Bricker	Hickenlooper	Russell
Bridges	Hoey	Saltonstall
Butler, Md.	Holland	Schoeppel
Butler, Nebr.	Ives	Smith, Maine
Byrd	Jenner	Smith, N. J.
Cain	Johnson, Colo.	Smith, N. C.
Carlson	Johnson, Tex.	Sparkman
Case	Kem	Thye
Connally	Knowland	Watkins
Douglas	Langer	Welker
Duff	Long	Wiley
Eastland	McClellan	Williams
Ecton	McMahon	Young
Ferguson	Millikin	
Flanders	Moody	

NAYS—19

Anderson	Hayden	Maybank
Benton	Hill	McFarland
Chavez	Humphrey	McKellar
Clements	Johnston, S. C.	Neely
Cordon	Kilgore	O'Mahoney
George	Lehman	
Green	Magnuson	

NOT VOTING—25

Capehart	Gillette	Malone
Dirksen	Hunt	Martin
Dworshak	Kefauver	McCarran
Ellender	Kerr	McCarthy
Fulbright	Lodge	Monroney

Morse	Smathers	Underwood
Murray	Stennis	Wherry
O'Conor	Taft	
Pastore	Tobey	

So the amendment to the committee amendment proposed by Mr. FERGUSON on behalf of himself and other Senators was agreed to.

The PRESIDING OFFICER. The question is on the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. DOUGLAS. Mr. President, I ask to have my amendment lettered "O" considered at this time.

Mr. BRIDGES. Mr. President, may I ask the Senator from Illinois a question? I have an amendment which is a limitation on travel expense of the Civil Service Commission, which logically follows the one we have just acted upon. I believe the chairman may accept it.

Mr. DOUGLAS. I shall be very glad to withhold offering my amendment temporarily.

The PRESIDING OFFICER. The Senator from Illinois temporarily withholds his amendment.

Mr. BRIDGES. Mr. President, I offer an amendment lettered "D" for myself, the Senator from Michigan [Mr. FERGUSON], and the Senator from Nebraska [Mr. WHERRY], which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, line 21, in the committee amendment, it is proposed to strike out "$600,000" and insert "$575,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

Mr. BRIDGES. Mr. President, last year's appropriation act contained a limitation on travel expense of $438,013. With an increased appropriation of $1,000,000 in the first supplemental appropriation bill, the limitation raised to $466,000.

The budget estimates for 1952 carry an estimate for travel of $499,058. Despite this estimate it was asked that the limitation for this item be raised to $623,000. The House allowed $520,000 and the Senate Committee has allowed $600,000. We propose that the limitation be reduced to $575,000, which is about $75,000 more than was allotted by the Budget Bureau, and some $25,000 under the Senate committee figure. It would be in line with the amendment previously adopted.

This limitation does not actually assure any saving. It is, however, a brake upon waste through excessive or unnecessary travel. If anything, we have been entirely too generous in the ceiling upon travel expense which we propose in this amendment.

Mr. MAYBANK. Mr. President, what the Senator from New Hampshire has said is eminently correct, and I shall be glad to accept the amendment.

Mr. BRIDGES. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] for himself and other Senators to the committee amendment on page 10, line 21.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. DOUGLAS. Mr. President, I offer the amendment which I send to the desk and ask to have stated. It is my amendment designated "6–18–51–O."

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 65, line 17, after the word "leave", it is proposed to insert "of any civilian officer or employee in excess of 20 days per year or for annual leave."

On page 65, line 20, in the committee amendment, after the comma, it is proposed to insert "That after July 1, 1951, no civilian officer or employee shall be permitted to earn annual leave at a rate in excess of 20 days per year: *Provided further,*".

Mr. DOUGLAS. Mr. President, I have been advised informally that this amendment is in order from the parliamentary standpoint, because section 601 of the bill before us is already legislation upon a general appropriation bill. Section 601 not only applies to the leave provision for Government agencies covered by this appropriation, but also to all Government corporations and agencies included in this or any other act. So section 601 is already general legislation. My amendment is therefore merely an amendment to language already in the House provision, and it is my understanding that therefore, from a parliamentary standpoint, it is in order.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. I should like to ask the Senator whether the effect of this amendment is the same as the effect of his amendment he offered a few days ago to the Labor-Federal security bill?

Mr. DOUGLAS. It is the same, with the exception that, because of the fact that section 601 does not itself refer to sick leave, I have omitted from my amendment any reference to sick leave, and have confined it purely to annual leave. Otherwise, this amendment would not be germane. It has the same purpose as the amendment I offered last week, but it is even more technically ironclad than was that amendment. It contains a prohibition that no one shall be permitted to earn annual leave at a rate in excess of 20 days a year, and provides that no money shall be paid out for leave in excess of that amount. So it affords a double protection.

Thus there are two important differences between this amendment and the one I offered to the Labor-Federal Security bill. First, this one affects all Government agencies rather than only those included in any particular appropriations bill. Second, the law is actually changed, so that fund limitations for the payment of annual leave are backed up by changes in the law itself.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. When the House bill came to the Senate, it contained the language in section 601, on page 65, lines 14 to 20. Mr. Campbell, president of the Association of Government Workers, wrote me quite a long letter, suggesting that the subcommittee amend this provision under one of two alternative plans, either plan 1 or plan 2.

We amended the House language under plan 2.

Mr. President, I ask that my remarks be charged to my time. I do not want to make a speech on the time of the Senator from Illinois. However, I wish to state the situation perfectly clearly for the RECORD.

I talked with the Senator from Illinois about the amendment at the time the Federal Security bill was before the Senate. That bill contained no legislation. This bill contains the provision "that the head of any such corporation or agency shall afford an opportunity for officers or employees to use the annual leave accumulated under the section prior to June 30, 1952."

It is my judgment, as a member of the Appropriations Committee, that this section, as it came from the House, is legislation. I would not undertake to instruct the Chair how to rule, or to suggest a ruling. I merely wish the RECORD to be clear, that in view of the fact that the provision is legislation as it came over from the House, and in view of the fact that the language was amended by the committee itself, the amendment is not subject to a point of order. I express only my own opinion. I would not presume to suggest to the Chair how he should rule.

When a similar amendment came up in connection with the Labor-Federal Security bill, as I remember, I spoke to the present occupant of the chair, and we looked at the language. When the amendment was before the appropriations subcommittee I took the liberty of saying at that time, as well as before the full committee, as the Senator from Michigan knows, that it was my opinion, after consulting with several Senators, that since the House provision itself was legislation, the amendment would not be subject to a point of order.

The Senator from Illinois has been talking with me about this subject over a considerable period of time. We have been discussing leave and other matters for about 2 years. So far as I was concerned, as chairman of the subcommittee, and speaking solely for myself, I stated that I would have no objection to accepting his amendment.

I appreciate the fact that it seeks to legislate in this bill contrary to the wishes of my good friend, the Senator from South Carolina [Mr. JOHNSTON], chairman of the Post Office and Civil Service Committee. The last time, when the amendment was carried by one vote, I voted with the distinguished Senator from South Carolina, because at that time I stated that I construed the amendment to be legislation on an appropriation bill. In view of the fact that I am charged with the responsibility for the bill as reported by the subcommittee, and in view of the fact that I am

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in charge of the bill as reported from the full committee, I felt that I should call attention to the situation.

The House of Representatives wrote this language into the bill in no uncertain terms. While I will not stand here to defend it, I consider it to be my duty not to oppose the language which the House placed in the bill, as amended by the subcommittee of the Committee on Appropriations, and as agreed to by the full committee.

That is the point which I wished to make clear. I do not want to be charged with interfering with some other committee. For that reason I opposed the Senator from Illinois when he sought to amend the Labor-Federal Security bill. The distinguished Senator from Georgia [Mr. GEORGE] made an excellent speech on the subject.

This provision I consider to be legislation on an appropriation bill, but it was written into the bill by the House of Representatives. The subcommittee of the Senate Committee on Appropriations amended the language, and the full committee added a proviso, as I remember, under plan numbered 2.

I am not here to make a speech in favor of the amendment of the Senator from Illinois, but I will say to him that as a member of the subcommittee and of the full committee I cannot consistently and honorably object to his amendment.

Mr. DOUGLAS. Do I correctly understand the Senator from South Carolina to say that he accepts the amendment?

Mr. MAYBANK. The Senator from South Carolina stated that he would be willing to accept it on behalf of himself, as chairman of the subcommittee. However, other Senators may wish to discuss the amendment. I merely wish to have the RECORD show what happened in the committee. I want the RECORD to show why I opposed the Senator's motion on the previous bill. I told him a week ago how I construed the language. I am merely stating my own position as chairman of the subcommittee. I will accept the amendment provided it is agreeable to the committee. I do not know what the committee desires to do. I do not know what my good friend from South Carolina, chairman of the Post Office and Civil Service Committee, intends to do. I supported him to the end on a previous occasion because I believed that at that time the Senator from Illinois was attempting to legislate on an appropriation bill, although the Chair did not so rule.

Mr. President, I ask that the time consumed by my remarks be charged to my time.

The PRESIDING OFFICER. That arrangement will be made. The Chair advises the Senator from South Carolina that 7 minutes are now charged to his time on this amendment.

Mr. DOUGLAS. Mr. President, this is a very simple amendment. It would reduce from 26 working days a year to 20 days the amount of annual leave provided for virtually all employees in the Government. As I have pointed out over and over again, the present provision of 26 working days, on the basis of a 5-day week, comes to 5⅓ weeks for every Government employee, except for postal workers; and if this amendment carries, I will offer an amendment to the post-office bill to give them the same amount of leave. With the provision of 15 days for sick leave—which, because of a parliamentary situation, we could not touch by this amendment—3 weeks more are added. I am merely substituting for this 5⅓ weeks a 4 weeks' vacation, which, with a week end, will amount to a full month.

I believe that every Member of the Senate, and virtually everyone else in the country as a whole, is convinced that 5⅓ weeks' annual leave a year for every classified Government employee is excessive. They should not have had it in the past, and certainly, in view of the financial stringency in which the Government is placed at present, we should not allow it to continue any longer.

Fortunately, the section inserted by the House is of such a general nature that we can now proceed to legislate, not merely for the independent offices, but for all other Government agencies.

Mr. MAYBANK. It means the amendment, as the Senator says, is general in nature.

Mr. DOUGLAS. Yes.

Mr. MAYBANK. I wish to state again that it is legislation.

Mr. DOUGLAS. That is correct.

Mr. FERGUSON, Mr. JOHNSTON of South Carolina, Mr. LEHMAN, and Mr. CASE addressed the Chair.

Mr. DOUGLAS. Mr. President, I should like to finish my statement on one more point. Then I shall be glad to yield. I see the bees closing in around me. I did not say hornets; I said bees.

I believe every Senator is convinced that this step must be taken at some time. The question is when the step should be taken. I submit that now is the time, when the need for economy is very great. My amendment would save $200,000,000. That is not something to be ignored.

I know that my good friend the junior Senator from South Carolina [Mr. JOHNSTON], for whom I have great admiration, is very likely to say that the subject should be left to the Committee on Post Office and Civil Service, of which he is chairman. However, I should like to point out, in all sincerity and friendliness, that his committee has had the subject before it for more than a year, and no action has been taken. In a sense, Mr. President, we are helping the Committee on Post Office and Civil Service, because by fixing 20 days, or four full weeks, we are taking from the committee a great deal of pressure which would undoubtedly be brought to bear on it by every group of Government employees. If the committee does not like the provision, it is always within its power to provide for a more graduated scale based on length of service. The amendment is merely an attempt on the part of Congress to express its conviction that something should be done now. We can leave the working out of the details to the committee. If the committee believes that the leave period should be left at 26 days, it can restore the 26-day provision, although I do not believe it is likely that the committee would take such action.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the junior Senator from Michigan.

Mr. MOODY. Does the Senator from Illinois know of any private business in the United States which gives its employees a vacation of 5 weeks?

Mr. DOUGLAS. A negligible number. Less than one-half of 1 percent of all employees are granted such liberal vacations.

Mr. MOODY. I should like to commend the Senator from Illinois for the action he is taking. I believe this is the way it should be done. I am not in favor of a meat-axe cut. I believe economy should be effected in the manner now being suggested by the Senator from Illinois.

Mr. DOUGLAS. The adoption of the amendment would save $200,000,000.

Mr. MOODY. Which is not a negligible sum of money.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the senior Senator from Michigan.

Mr. FERGUSON. The Senator from Michigan understands that the Senator from South Carolina [Mr. MAYBANK], who is in charge of the bill, is willing to take the amendment to conference. I wonder whether the Senator from Illinois would allow it to be taken to conference. The Senator from Michigan shares the views of the Senator from Illinois on the proposed cut in the number of days of leave, indeed, the Senator from Michigan had endeavored in committee to get an agreement as to what would be a reasonable amount of leave, both in connection with this bill and on the previous appropriation bill.

Mr. MAYBANK, Mr. CASE, and Mr. JOHNSTON of South Carolina addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield; if so, to whom?

Mr. DOUGLAS. If the committee is willing to accept the amendment and take it to conference, it will be perfectly satisfactory to me. I shall not insist on a yea-and-nay vote at this time.

Mr. MAYBANK and Mr. JOHNSTON of South Carolina addressed the Chair.

The PRESIDING OFFICER. The Chair advises the Senator from Illinois that the Senate would have to vote on his amendment regardless of whether it is accepted by the chairman. The Chair will state that the time for debate on the amendment is controlled by the Senator from Illinois [Mr. DOUGLAS] and by the Senator from South Carolina [Mr. MAYBANK], respectively.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. If the Senator from New York is in favor of my amendment, I shall be glad to yield some time to him.

Mr. LEHMAN. The Senator from New York wishes to ask a question.

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from New York for a question?

Mr. DOUGLAS. Yes.

Mr. LEHMAN. In debate on the floor of the Senate recently I have seen it very definitely demonstrated that if the pending amendment were agreed to, there would still exist liability on the part of the Government to pay for the extra 6 days provided by law, unless the appropriate statute were simultaneously repealed or amended.

Mr. DOUGLAS. Mr. President, I may say to my good friend from New York that if he will look at lines 4 to 7 of my amendment and compare the language with line 20 of the bill he will see that the amendment is now in such form that no legal liability against the Government would accrue in the future. We have closed the door.

Mr. LEHMAN and Mr. CASE addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; if so, to whom?

Mr. DOUGLAS. I yield further to the Senator from New York.

Mr. LEHMAN. I would certainly question whether the amendment of the Senator from Illinois would not constitute legislation on an appropriation bill.

Mr. DOUGLAS. I may say to my good friend from New York that the House has already legislated in this bill. If I understand the parliamentary rules, amendments to such legislation if germane are therefore in order.

Mr. LEHMAN. Mr. President, will the Senator yield for a further observation?

Mr. DOUGLAS. Yes.

Mr. LEHMAN. Although it is quite probable that the length of annual leave should be curtailed, I certainly do not believe this is the way to do it. The Senate has a committee which has charge of the consideration of matters affecting the employees of the Government. It would seem to me that instead of again resorting to a hit-and-miss method—and that is what we are doing virtually with every amendment that is being presented—we should proceed in an orderly way through the functions of a committee which is duly constituted by the Senate with definite powers in that regard. We have seen several instances on the floor of the Senate of amendments being adopted in a completely hit-and-miss manner.

Mr. DOUGLAS. Mr. President, my affection for the Senator from New York is so great that I am very glad to have yielded him time for him to making a speech against my amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; if so, to whom?

Mr. DOUGLAS. Before yielding I should like to say in reply to the Senator from New York that the Committee on Post Office and Civil Service could work out the details. The adoption of my amendment would be merely a declaration by the Senate that we do not believe that on the average annual leave should exceed 20 days.

I now yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I again wish to say to the Senator from New York that I think it is rather unfortunate when we attempt to legislate on the floor of the Senate, but this is not an attempt to legislate on the floor of the Senate. It is merely an attempt to amend legislation which was passed by the House of Representatives in the pending bill, which was sent to the subcommittee of which I am the chairman. I had previously voted against changing the present law, but not because I thought the amount of leave should not be reduced, or that the employees of certain agencies should not have more leave, such, for example, as the employees of the Post Office Department. The amendment is not legislation, except in the sense that it proposes to change what the House has legislated.

Mr. CASE and Mr. JOHNSTON of South Carolina addressed the Chair.

The PRESIDING OFFICER. The time is controlled by the Senator from Illinois [Mr. DOUGLAS] as proponent of the amendment, and by the Senator from South Carolina [Mr. MAYBANK].

Mr. MAYBANK. Mr. President, I inquire how much time I have remaining.

The PRESIDING OFFICER. The senior Senator from South Carolina has 8 minutes remaining.

Mr. MAYBANK. Mr. President, I shall yield whatever time the junior Senator from South Carolina wishes to take, except that I yield 2 minutes to the Senator from South Dakota [Mr. CASE].

The PRESIDING OFFICER. The Chair understands that the senior Senator from South Carolina is yielding 6 minutes to his colleague, the junior Senator from South Carolina [Mr. JOHNSTON], and 2 minutes thereafter to the Senator from South Dakota.

Mr. MAYBANK. Is that satisfactory to the Senator from South Dakota?

Mr. CASE. That is satisfactory.

Mr. JOHNSTON of South Carolina. Mr. President, we have a rule in the Senate which provides that the Senate cannot legislate on an appropriation bill. I believe every Senator agrees that it is a good rule. Let us see what we are doing here. I shall raise a point of order to the amendment of the Senate committee, on the ground that it represents legislation upon an appropriation bill. If such be the fact, then the amendment offered by the Senator from Illinois to that amendment is out of order at this time. Let me read the provision of the bill:

> No part of the funds of, or available for expenditure by any corporation or agency included in this or any other act, including the Government of the District of Columbia, shall be available to pay for annual leave accumulated by any civilian officer or employee during the calendar year 1951 and unused at the close of business on June 30, 1952.

Now let us consider the amendment voted by the Senate committee. Here is where we begin with legislation on an appropriation bill and here is where I raise the point of order. I read now the committee amendment:

> *Provided*, That the head of any such corporation or agency shall afford an opportunity for officers or employees to use the annual leave accumulated under this section prior to June 30, 1952: *Provided further*—

Now comes the amendment submitted by the Senator from Illinois to the committee amendment. It reads as follows:

> That after July 1, 1951, no civilian officer or employee shall be permitted to earn annual leave at a rate in excess of 20 days per year: *Provided further*—

Mr. President, if that is not legislation on an appropriation bill, there cannot be legislation on an appropriation bill. When we take into consideration both the committee amendment and the amendment of the Senator from Illinois to the committee amendment, it is clear that they constitute legislation on an appropriation bill. Therefore, I make the point of order that the amendment is legislation on an appropriation bill. I make the point of order against both the committee amendment and the amendment submitted by the Senator from Illinois to the committee amendment. Certainly they are legislation on an appropriation bill. I should like to have the Chair rule on the point of order before we proceed further.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. Is it in order to make a point of order against a committee amendment which has been adopted, namely, the committee amendment on page 65 in lines 20 to 23?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that at the time when the committee amendments were adopted, it was agreed, and was so stated in the RECORD, that the committee amendments would be open to future amendment, just as if they had not been agreed to on that day.

Mr. FERGUSON. Let me inquire whether the right to offer amendments to the committee amendments which then were adopted would include the right to make points of order in the future.

The PRESIDING OFFICER. The Chair believes that would be possible. The Chair would welcome expressions of opinion on that point by Members of the Senate.

However, it seems to the Chair, who has conferred with the Parliamentarian in regard to this matter, that the fact that the bill as passed by the House of Representatives contained the words, on page 65, in lines 15 and 16, "in this or any other act," makes this provision of the bill, as passed by the House, general legislation applicable not only to the agencies covered by this appropriation bill but to other agencies of the Government, likewise. That being the case, it is in order for the committee, in turn, to offer the amendment now appearing on page 65 in lines 20 to 23.

If that be true, the latter part of the amendment offered by the Senator from Illinois would itself be in order as an amendment to a committee amendment which is offered to wording already contained in the bill as it came from the House of Representatives; and, as the Chair has already stated, the committee amendment also would be in order.

Before making a final ruling to that effect, the Chair will be glad to be ad-

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vised by Members of the Senate, if they care to argue the matter.

Mr. FERGUSON. Mr. President, would it be possible for me to obtain time in that connection?

The PRESIDING OFFICER. The Chair rules that under the unanimous-consent agreement there may be as much as 30 minutes of debate on the point of order, with the time to be divided equally.

The Senator from Michigan may proceed.

Mr. FERGUSON. Mr. President, I should like to confirm the interpretation given by the present occupant of the chair. As I indicated on the floor of the Senate a few days ago, when I first read section 601 of the bill, it was not apparent that it was legislation, but a second reading indicated clearly that the words "in this or any other act," as those words appear in lines 15 and 16 on page 65 of the bill as passed by the House of Representatives, are not only a limitation but are general legislation. Being general legislation which was included in the bill as passed by the House of Representatives, those words, in my opinion, then became a general provision of the bill, and therefore are subject to amendment in the Senate. The only question that remains is whether any Senate amendment to that general legislation is germane. Certainly the committee amendment appearing in lines 20 to 23 on page 65 is germane as an amendment to the general provisions of section 601.

Therefore, Mr. President, it seems clear that the Chair is correct in ruling that the amendment is not subject to a point of order.

I inquired whether the adoption of that committee amendment, although subject to further amendment, would exclude the possibility of making a point of order. After the Chair's ruling that the adoption of the committee amendment at that time did not prevent in the future the making of a point of order, I still feel that the Chair is correct in his ruling that the words "in this or any other act," as those words were inserted in the bill by the House of Representatives, make this provision of the bill general legislation, and that therefore the committee amendment is in order, and that therefore the amendment of the Senator from Illinois to the committee amendment is also in order.

The PRESIDING OFFICER. The Chair understood the Senator from Michigan to raise the question of germaneness. The Chair has not ruled on that question at all. The Chair understands that if that question is raised, it will have to be submitted to the Senate itself for determination.

Mr. MAYBANK. Mr. President, I should like to ask the Presiding Officer about the allocation of the time.

The PRESIDING OFFICER. That depends on whether the Senator from South Carolina favors the point of order. If he favors the point of order, the time in opposition to the point of order will be controlled by the minority leader or by some Senator designated by him.

Mr. MAYBANK. I wish to make it perfectly plain, so that there will be no misunderstanding, that I do not think the amendment is subject to a point of order, although I may be mistaken.

Therefore, I desire to yield whatever time I have to the junior Senator from South Carolina. Inasmuch as the provision referred to is in the bill as it came from the House of Representatives, I believe the committee amendment is in order.

The PRESIDING OFFICER. The Senator from South Carolina asks unanimous consent that he may yield control of his time on this matter to his colleague, the junior Senator from South Carolina. Is there objection?

Mr. SALTONSTALL. Mr. President, reserving the right to object, let me ask how much more time is available to the Senator from South Carolina, and how much time is available to the other side.

The PRESIDING OFFICER. The entire 15 minutes in opposition to the point of order are available to the Senator from South Carolina.

The time remaining to the Senator from Michigan is 11 minutes, so the Chair is advised.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. Is not the Senator from South Carolina speaking in favor of the point of order, and the Senator from Michigan speaking in opposition to the point of order.

The PRESIDING OFFICER. The Senator is correct. The Chair's ruling is simply that the Senator from South Carolina has not begun to use his time, and that 4 minutes of the time available to those opposing the validity of the point of order have been consumed.

Mr. MAYBANK. I ask unanimous consent that I may yield the time allowed to me under the unanimous-consent agreement to the junior Senator from South Carolina.

The PRESIDING OFFICER. Is there objection?

Mr. CASE. Reserving the right to object, do I correctly understand that the unanimous-consent request pertains to the question regarding the point of order, and does not affect the time previously allowed?

The PRESIDING OFFICER. The Chair advises the Senator from South Dakota that it is the understanding of the Chair, that the Senator from South Dakota will have the right to be recognized for 2 minutes upon the principal question, when the point of order shall have been disposed of.

Mr. MAYBANK. In justice to the Senator from South Dakota, I may say, before I yield the entire 15 minutes, that I shall be glad, as I feel certain my colleagues will, to yield additional time to the Senator from South Dakota.

The PRESIDING OFFICER. The junior Senator from South Carolina may proceed.

Mr. JOHNSTON of South Carolina. Mr. President, in regard to the saving of money for the Federal Government under this appropriation bill, when we adopt the House provision, we save money to the extent of stopping the pay of employees for certain accumulated leave. We would not be saving it if we were to cut the annual leave to 20 days this year, next year, and the following year. Next year the Congress, if it sees fit to do so, may appropriate whatever amount it cares to in regard to leave, as it could do in this appropriation bill; but in this bill the door has been closed as to accumulation of annual leave next year, or until June 30, 1952. The Congress will have until then to adjust the matter of leave. The question will then arise, how can the greatest saving be effected?

I have in my hand a table which is the basis of the work of the subcommittee of the Committee on Post Office and Civil Service at the present time, and adoption of the figures there given would result in greater saving than the saving which would be effected by the amendment proposed by the Senator from Illinois.

I desire to read from the table certain figures. I notice that the saving under the Senator's amendment would be $140,618,430, as against $199,765,215, as shown by the table. It will be noticed that the figures appearing on the table represent a far greater saving—and it would be brought about in a systematic way and in an equitable way—than by merely making a cut across the board.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Illinois.

Mr. DOUGLAS. Do I correctly understand, then, that the Senator from South Carolina is in favor of a graduated system of leave which will reduce the total amounts of leave from 26 days?

Mr. JOHNSTON of South Carolina. I may say to the Senator from Illinois that, as a result of discussions, the committee seems to think that that would be the logical course, instead of applying the provision equally to an employee who has been working for, say, 30 years and one who has been working only a short time. The former may need more leave than would be needed by a man serving his first year.

Mr. DOUGLAS. But the Senator is in favor of reducing the total amount of leave, I take it.

Mr. JOHNSTON of South Carolina. The total amount of leave should be reduced for those in the early years of their service.

Mr. DOUGLAS. Why does not the Senator from South Carolina accept this amendment, and then later in committee propose his refinements?

Mr. JOHNSTON of South Carolina. I assert to the Senator from Illinois that his amendment would not save a single dime in this appropriation bill. It is nothing but a flash, so far as saving money is concerned.

Mr. DOUGLAS. I understood the Senator from South Carolina to say my amendment would save at least $140,000,000.

Mr. JOHNSTON of South Carolina. The amendment which now lies on the desks of Senators would not save anything this year, not a cent. The truth of the matter is that employees who do not take leave are the ones who cost the Government money. In the case of those who take their leave, in most instances

their jobs are filled by people within the department, through a doubling-up process.

Mr. DOUGLAS. Mr. President, will my good friend bear with me, to permit me to ask another question?

Mr. JOHNSTON of South Carolina. I yield gladly to the Senator from Illinois.

Mr. DOUGLAS. If the total amount of leave were reduced from 26 days to 20, so that each man would work 6 days more than would otherwise be the case, does the Senator from South Carolina not feel that as a result fewer people would be employed to do the same amount of work, and would that not effect economies in the total size of the payroll?

Mr. JOHNSTON of South Carolina. My understanding is that a reduction is already being made. Let me call to the attention of the Senate one other matter which should be considered for a moment. First we make a 10-percent cut, and then we cut the employees leave. When both those things are done, the result is a two-way cut. That is exactly what we would be doing to the Government workers.

So far as Government workers are concerned, I am not here to say that each of them is working at his job every minute; neither is every employee in the office of the Senator from Illinois or in my office working every minute. But I think that, as a whole, Government workers give as good service, hour in and hour out, as do employees working for corporations in carrying on their activities. So I think we should adopt a provision which would result in the older employees being shown some consideration for their service. The truth of the matter is that as a usual thing the older a person becomes, the more he needs to take leave.

I do not care to consume the time of the Senate in connection with this appropriation bill, but I call the attention of the Senate to the fact that I believe the Committee on Post Office and Civil Service, which has been devoting many hours to the consideration of this particular question of leave, should be given consideration, rather that what is said by some Senators on the floor of the Senate.

Mr. LANGER rose.

Mr. JOHNSTON of South Carolina. If there were a bill before a committee, whether it be the Committee on the Judiciary, the Committee on Foreign Relations, or the Committee on Finance, each member of the committee would want the committee to decide what was best to be done under all the circumstances.

Let us remember that there are various kinds of leave, which the committee is studying at the present time, in an effort to determine what should be done. An amendment is now proposed to cut annual leave to 20 days, merely by an amendment to be acted upon on the floor of the Senate.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from North Dakota.

Mr. LANGER. I ask the distinguished Senator whether it is not true that, if the question were before a committee, we would be confronted with a proposition which I shall cite purely as an example. We have before our committee a matter which concerns Alaska, where the weather is very cold, and where the situation is entirely different from that in Panama. Our committee found, for example, 3 years ago, that in one department 800 employees were doing absolutely nothing. They had been on the payroll a long time, and the criticism was made, "Here you have 800 employees who are doing absolutely nothing." We brought in the head of the Bureau of Mines, and we said, "How can you justify having on the payroll 800 employees who are doing nothing?" The answer was, "It is very simple. John L. Lewis may call a strike tomorrow. He is threatening from day to day, from week to week, and from month to month to call a strike. It is necessary that we have these stand-bys, so that, in case a strike is called, we shall have the people available to go in and do the job, overnight." He said, "For example, who is going to take charge of these mines if a strike occurs?" The members of the committee, including one of the Senators who today is arguing for the pending amendment, decided unanimously to extend the period of time of those 800 employees, by reason of the fact that it was winter, and it was desired to protect the American people from suffering in case a strike occurred at any time within the near future.

I ask my distinguished colleague from South Carolina, the chairman of the Committee on Post Office and Civil Service, if the subcommittee and the committee itself have not spent weeks and weeks of time in working out this matter on an equitable basis, so that, as the Senator said a moment ago, those who have worked for a great many years would get more leave than those who have worked a shorter period.

I agree fully with what the distinguished chairman of the committee has said. The subject is pending before his committee, and hearings are being conducted. Therefore, I believe that the committee should not be discharged, as it were, and legislation passed on the floor without our going into the question very carefully. I compliment the distinguished Senator from South Carolina for battling not only for the rights of the committee, but for the rights of Federal employees so that they may receive a square deal.

Mr. JOHNSTON of South Carolina. I thank the Senator from North Dakota for his remarks. If we examine the appropriation bill, it will be found that some persons employed by the Federal Government receive bonuses or increased salaries because they reside in certain territories or areas, which brings out the fact that possibly those persons who live in a particular section will receive more leave than will others.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the distinguished Senator from Idaho.

Mr. WELKER. Will the Senator from South Carolina inform me whether it is his opinion that the same problem which is before the Senate at this moment was discussed, argued, and acted upon in connection with a similar amendment last week?

Mr. JOHNSTON of South Carolina. It was.

Mr. WELKER. Does the Senator remember the very learned and able address of the senior Senator from Georgia [Mr. GEORGE], when he told his colleagues that it was an attempt at general legislation on an appropriation bill and was, therefore, not in order?

Mr. JOHNSTON of South Carolina. I recall the address, and the Senator from Georgia was correct.

Mr. WELKER. Is it not a further fact that in the event this amendment is adopted claim after claim will be presented to the Treasury of the United States to pay for the administration of the amendment, and that no good lawyer upon the floor of the Senate can tell the real legality of the amendment?

Mr. JOHNSTON of South Carolina. I think the Senator is entirely correct. There is no Senator who will not agree that this amendment is legislation attached to an appropriation bill. The fact that it started in the House and the amendment is offered in the Senate makes no difference. It is still wrong legislation.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the able Senator from Tennessee.

Mr. McKELLAR. I was attending a meeting of the Committee on Appropriations this morning and could not be present at the meeting of the Committee on Post Office and Civil Service. Did the committee report a bill on this subject?

Mr. JOHNSTON of South Carolina. The bill is before a subcommittee at the present time, which is now considering it. The Senate is asked to take it out of the hands of the subcommittee.

Mr. McKELLAR. It seemed to me that the plan which the subcommittee had worked out was a very excellent plan.

Mr. JOHNSTON of South Carolina. The Senator from Tennessee was present when we discussed the same question in the full Committee on Post Office and Civil Service. I think that practically every member of the committee agreed that an excellent piece of work had been done and that the present head of the Civil Service Commission had made an excellent record on this subject. Yet, Mr. President, the Senator from Illinois brings up the question of limiting the annual leave to 20 days and doing nothing with reference to sick leave. Why did he not make the number of days 19, or 21? How did he arrive at the provision for 20 days? That is the length of leave received by the Post Office Department employees.

The PRESIDING OFFICER. All time for debate has expired. The Chair is ready to rule, unless there be further discussion.

After conferring with the Parliamentarian, the Chair rules that the inclusion of the words "in this or any other act," in section 601 of the pending bill as it

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came from the House of Representatives, constitutes general legislation, and in view of that fact, amendments, whether they be committee amendments or amendments offered from the floor, which are germane or relevant to the subject matter, are in order.

The Chair rules, therefore, that the point of order is not well taken, and that the amendment offered by the Senator from Illinois is in order.

Mr. CASE. Mr. President, the purpose of the amendment, I think, is one as to which there is general agreement. I myself have a bill pending before the Committee on Post Office and Civil Service which proposes during the national emergency to reduce the leave of employees from 26 to 15 days, the amount which postal employees have. So I am in favor of the objective. But there are two questions with respect to the language, concerning which I should like to have the attention of the Senator from Illinois. First, the effect of inserting the first amendment, starting in line 14, would be to make it read, "shall be available to pay for annual leave of any civilian officer or employee in excess of 20 days per year or for annual leave."

The question I raise is whether that would seek to confiscate leave in excess of 20 days. I fear that it would open the Government to claims of civil-service employees who have accrued leave in excess of 20 days, and that no appropriation would be available for the 6 days. It seems to me it should be made applicable to the existing fiscal year. I would suggest that instead of the words "per year" we use the words "for the fiscal year 1952."

Mr. DOUGLAS. Mr. President, that is perfectly acceptable.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Illinois is modified accordingly.

Mr. CASE. Mr. President, the second question related to the use of the words "permitted to earn" in line 6 of the suggested amendment. If "permitted to earn" means permitted to accrue, that is one meaning, but I think the intent of the Senator from Illinois is to go to the matter of entitlement. I think the present law entitles a civil-service employee to have annual leave of 26 days, except as to postal employees. I would suggest that instead of using the words "permitted to earn" the words be "entitled to earn."

Mr. DOUGLAS. I shall be very happy to accept that modification also.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Illinois is modified accordingly.

Mr. CASE. I thank the Senator from Illinois. The problem is a very difficult one.

Mr. DOUGLAS. I thank the Senator for his suggestions.

The PRESIDING OFFICER. All time for debate has expired.

Mr. DOUGLAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	McMahon
Anderson	Green	Millikin
Bennett	Hayden	Monroney
Benton	Hendrickson	Moody
Brewster	Hennings	McKellar
Bricker	Hickenlooper	Mundt
Bridges	Hill	Neely
Butler, Md.	Hoey	Nixon
Butler, Nebr.	Holland	O'Mahoney
Byrd	Humphrey	Pastore
Cain	Ives	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Colo.	Saltonstall
Case	Johnson, Tex.	Schoeppel
Chavez	Johnston, S. C.	Smith, Maine
Clements	Kem	Smith, N. J.
Connally	Kilgore	Smith, N. C.
Cordon	Knowland	Sparkman
Dirksen	Langer	Taft
Douglas	Lehman	Thye
Dworshak	Long	Watkins
Eastland	Magnuson	Welker
Ecton	Maybank	Wiley
Ellender	McCarran	Williams
Ferguson	McCarthy	Young
Flanders	McClellan	
Frear	McFarland	

The VICE PRESIDENT. A quorum is present.

The question is on the amendment of the Senator from Illinois [Mr. DOUGLAS], as modified. All time on the amendment has expired.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The yeas and nays have been asked for. Is the demand sufficiently seconded?

The yeas and nays were ordered.

Mr. DOUGLAS' amendment, as modified, is as follows:

On page 65, line 17, after "leave" insert the following "of any civilian officer or employee in excess of 20 days for the fiscal year 1952 or for annual leave."

On page 65, line 20, after the comma, insert the following: "That after July 1, 1951, no civilian officer or employee shall be entitled to earn annual leave at a rate in excess of 20 days per year: *Provided further.*"

The VICE PRESIDENT. The yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. SMATHERS] are absent because of illness.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Maryland [Mr. O'CONOR], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Iowa [Mr. GILLETTE] is paired on this vote with the Senator from New Hampshire [Mr. TOBEY]. If present and voting, the Senator from Iowa would vote "yea", and the Senator from New Hampshire would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Oregon [Mr. MORSE] is absent by leave of the Senate, and, if present, he would vote "nay."

The Senator from Nebraska [Mr. WHERRY] is absent on official business as a Member of the President's Commission on the One Hundred and Seventy-fifth Anniversary of the Signing of the Declaration of Independence, and, if present, he would vote "yea."

The Senator from Pennsylvania [Mr. DUFF] is detained on official business.

The Senator from Nevada [Mr. MALONE] is absent on official busines.

The Senator from New Hampshire [Mr. TOBEY] who is absent by leave of the Senate is paired with the Senator from Iowa [Mr. GILLETTE]. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from Iowa would vote "yea."

The Senator from Massachusetts [Mr. LODGE] is absent because of illness, and if present, he would vote "nay."

The result was announced—yeas 52, nays 26, as follows:

YEAS—52

Bennett	Ferguson	Millikin
Benton	Flanders	Monroney
Brewster	Frear	Moody
Bricker	George	Mundt
Bridges	Green	Nixon
Butler, Nebr.	Hendrickson	Robertson
Byrd	Hennings	Russell
Capehart	Hickenlooper	Saltonstall
Case	Hill	Smith, Maine
Clements	Hoey	Smith, N. J.
Connally	Holland	Smith, N. C.
Cordon	Jenner	Sparkman
Dirksen	Johnson, Colo.	Taft
Douglas	Kem	Wiley
Dworshak	Long	Williams
Eastland	Maybank	Young
Ecton	McClellan	
Ellender	McMahon	

NAYS—26

Aiken	Johnson, Tex.	McFarland
Anderson	Johnston, S. C.	McKellar
Butler, Md.	Kilgore	Neely
Cain	Knowland	O'Mahoney
Carlson	Langer	Schoeppel
Chavez	Lehman	Thye
Hayden	Magnuson	Watkins
Humphrey	McCarran	Welker
Ives	McCarthy	

NOT VOTING—18

Duff	Lodge	Pastore
Fulbright	Malone	Smathers
Gillette	Martin	Stennis
Hunt	Morse	Tobey
Kefauver	Murray	Underwood
Kerr	O'Conor	Wherry

So the amendment offered by Mr. DOUGLAS, as modified, was agreed to.

The PRESIDING OFFICER (Mr. HILL in the chair). All time on the committee amendment has expired. Without objection, the committee amendment, as amended, is agreed to.

RENOVATION AND REPAIR OF WHITE HOUSE

Mr. McKELLAR. Mr. President, I ask the Chair to lay before the Senate a communication from the President of the United States, preceding an amendment which I desire to offer.

The PRESIDING OFFICER. The Chair lays before the Senate a communication from the President of the United States, which will be read.

The communication was read by the Chief Clerk, as follows:

THE WHITE HOUSE,
Washington, June 19, 1951.

The PRESIDENT OF THE SENATE.

Sir: I have the honor to transmit herewith for the consideration of the Congress a proposed supplemental appropriation for the fiscal year 1952 in the amount of $225,000 for the General Services Administration.

The details of this proposed appropriation, the necessity therefor, and the reasons for its submission at this time are set forth in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,
HARRY S. TRUMAN.

The PRESIDING OFFICER. The message will be referred to the Senate Committee on Appropriations, and ordered to be printed.

Mr. McKELLAR. Mr. President, I offer an amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 22, after line 25, it is proposed to insert a new paragraph, as follows:

Renovation and modernization, Executive Mansion: For an additional amount for "Renovation and modernization, Executive mansion," $225,000, to remain available until expended.

Mr. McKELLAR. Mr. President, the Director of the Budget writes:

These funds are necessary to meet unforeseen expenses arising out of the advance in construction costs between April 1, 1949, when the original estimate of costs was prepared, and the time the various elements of the renovation and modernization project were actually committed for contract. The work to be performed with funds contained in this estimate has been reviewed and concurred in by the Commission on Renovation of the Executive Mansion.

If Senators will bear with me for a moment I should like to explain the amendment. The entire appropriation for the purpose of renovating the White House was in the amount of nearly $6,000,000. Prices have gone up tremendously since the work was first undertaken. It seems to me that in the light of all circumstances the President and the Director of the Budget are making a very reasonable request. I have talked with the Senator from South Carolina [Mr. MAYBANK] who is in charge of the bill, and I have talked also with the majority leader and the minority leader. They have substantially endorsed the amendment. However, the Senator from Michigan has made a proposal, which I am perfectly willing to accept. He would like to reduce the amount by $50,000.

Mr. FERGUSON. That is correct.

Mr. McKELLAR. So as to reduce the amount requested to $175,000. I believe it is a very reasonable request on his part. I, therefore, ask that the amendment be adopted, as modified. I believe we all realize that the work must be completed.

Mr. FERGUSON. Mr. President, will the Senator yield? I should like to make an explanation of the item.

Mr. CHAVEZ. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. I do not mind agreeing with the Senator from Michigan. However, it would seem to me to be rather inconsistent to have the Bureau of the Budget and the President write to Congress; to have us agree with them; to have the Senator from Tennessee [Mr. McKELLAR] tell us that the amount requested is necessary in order to finish the renovation of the Executive Mansion—and we all agree that the work should be completed—and then to be asked to agree with the Senator from Michigan that we must cut the amount requested by $50,000.

Mr. FERGUSON. Mr. President, the Senator from Michigan would like to state the reason for the proposed cut.

Mr. CHAVEZ. Mr. President, I would like to see the work completed. I would like to agree with my good friend from Tennessee. I believe he is correct. I believe the work should be finished. If $225,000 is required that is the amount that should be appropriated. If $200,000 is required, $175,000 will not be sufficient.

Mr. FERGUSON. I should like to make an explanation on that point. I should like to explain why I propose to cut $50,000 from the $225,000. It is based on an examination of the details involved in the completion of the White House. In the items submitted there is included one which is in effect a contingency amount of eighty-nine-thousand-and-some-odd dollars. As a matter of fact there is another $10,000 in reserve, or a total of about $100,000. Something like $89,000 of that contingency reserve would be replaced if the whole amount of $225,000 which is requested were granted. Therefore if we were to reduce the amount by $50,000 there would still be in the contingency fund approximately $50,000, which would enable the Commission to take care of any small items that might arise. And if we deduct $50,000 from the $225,000 requested there remains $175,000. The $175,000 would cover every item of dollar expenditures required to complete the construction of the building. I feel as the Senator from Tennessee feels, that if we are going to spend $5,600,000 to build the White House——

Mr. McKELLAR. It is practically $6,000,000.

Mr. FERGUSON. Yes. It is almost completed. There are such matters as the installation and adjustment of chandeliers and some venetian blinds still to be provided for, I believe. At any rate, I certainly believe that we should finish the work on the mansion for the President. However, that can be done even if the item of $50,000 is taken out because it is only a contingent item. Does that explain the situation to the Senator from New Mexico?

Mr. CHAVEZ. It explains it, but I am not satisfied with the explanation. I think we should appropriate the entire amount.

Mr. FERGUSON. I hope the Senator will not insist on replacing $50,000 in the reserve for contingencies because even after we take $50,000 away there will still be $50,000 remaining for such unanticipated expenses.

Mr. McKELLAR. Under the agreement there would be sufficient funds provided to pay for materials and work to finish the White House. The sum of $89,000 is purely a contingent fund. It could be brought up in a deficiency bill at any time if the expense were actually incurred.

Mr. CHAVEZ. Is the Senator from Tennessee satisfied that $175,000 will be sufficient to complete the White House?

Mr. McKELLAR. I think so, but I am not absolutely certain.

Mr. CHAVEZ. That is what I have in mind.

Mr. McKELLAR. Estimates are the best we can get at this time.

Mr. CHAVEZ. Inasmuch as estimates are being made and the present estimate is for $225,000, why can we not appropriate $225,000?

Mr. McKELLAR. I should like to do so, but there is opposition.

Mr. FERGUSON. Under my proposed modification of the amendment sufficient funds would be provided to complete the building, except for the contingency fund, for which we would provide $50,000.

Mr. McKELLAR. I hope we can have a vote on the amendment.

The PRESIDING OFFICER. Does the Senator from Tennessee modify his amendment by deducting $50,000, so as to make the amount read $175,000?

Mr. McKELLAR. The amount is to be reduced to $175,000.

Mr. FERGUSON. The amount of $225,000 is to be reduced by $50,000, making it $175,000.

Mr. MAYBANK. Mr. President, I shall be happy—because it must be done—to accept the amendment.

I rise to ask how much time remains, because I have assured another Senator that he will be able to have 3 minutes of the time available to me.

The PRESIDING OFFICER. The Senator from South Carolina has 15 minuts.

Mr. CHAVEZ. Mr. President, I wish to read to the Senate the language of the modified amendment of the Senator from Tennessee:

Renovation and modernization, Executive Mansion: For an additional amount for "Renovation and modernization, Executive Mansion," $175,000, to remain available until expended.

Mr. President, the Bureau of the Budget and the President both said that for this purpose $225,000 would be needed. The amendment as originally submitted was prepared in accordance with their letters or requests.

However, as a result of the compromise reached with the Senator from Michigan, the amendment now has been modified so as to provide $50,000 less, or $175,000,

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for renovation of the Executive Mansion. I wish to point out that both the Bureau of the Budget and the President requested the larger amount, namely, $225,000. I simply wish to have the Senate know what it is doing when it acts on the modified amendment. When we act on the modified amendment, we are not acting on the request of the Bureau of the Budget or the request of the President, but we are acting on an amendment which was submitted on the floor of the Senate, by which the amount requested by the President and the Bureau of the Budget—namely, $225,000—would be cut $50,000, to $175,000.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. MAYBANK. I have not suggested the reduction. However, I wish to say that I understand that the request for this item is an additional request on which no hearing was held. When the chairman of the committee asked me whether I would agree to take the amendment to conference, I simply said I would agree to do so. I did not agree to do anything else.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee [Mr. McKELLAR] as modified.

Mr. CAIN. Mr. President, I think the Senator from South Carolina has agreed to yield 3 minutes to me.

Mr. MAYBANK. Yes, Mr. President; I yield 3 minutes to the Senator from Washington.

Mr. CAIN. Mr. President, from the Committee on Armed Services, I ask unanimous consent to report favorably 1,736 nominations in the Army, Navy, and Air Force; and, in order to avoid the printing of the nominations in the Executive Calendar, I wish to ask unanimous consent that, as in executive session, the nominations be confirmed and the President be notified.

Mr. MAYBANK. Mr. President, I object. We should not go into executive session at this time.

Mr. CAIN. My request is that the nominations be confirmed as in executive session. These are routine nominations in the Army, Navy, and Air Force; and they are unanimously reported by the Committee on Armed Services.

Mr. MAYDANK. Mr. President, I have no objection to having the nominations confirmed, but I do not think we should go into executive session at this time, in view of the unanimous-consent agreement. Certainly it will be proper to have the nominations brought up later in the day.

So, with all respect to the Senator from Washington, I think it would be a mistake for the Senate to act on the nominations at this time, but of course I would have no objection to having the nominations confirmed toward the end of today's session.

Mr. CAIN. Mr. President, I thoroughly understand the position of the Senator from South Carolina, and I shall report the nominations toward the end of the session today.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee, as modified.

The amendment, as modified, was agreed to, as follows:

On page 22, after line 25, insert:

"Renovation and modernization, Executive Mansion: For an additional amount for 'Renovation and modernization, Executive Mansion,' $175,000, to remain available until expended."

Mr. FERGUSON. Mr. President, I submit, on behalf of myself, the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Nebraska [Mr. WHERRY], an amendment to the committee amendment on page 24, in line 1; and I ask that the amendment to the amendment be stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 24, in line 1, it is proposed to strike out "$16,426,000" and insert "$15,000,000."

Mr. FERGUSON. Mr. President, this item relates to the General Services Administration expenses, general supply fund. It is the overhead item for operation of the general supply fund through which the General Services Administration makes purchases for use of the various Government agencies. Some time ago the Senate and the House decided—and it is now the law—that purchases for the various Government agencies should be made by the General Services Administration, rather than by the various agencies themselves. Therefore we now have before us this item.

There is no real basis for comparing present costs with past costs, for two reasons: First, in the past indirect costs were appropriated for under operating expenses of the General Services Administration, and direct costs were financed from surcharges paid to the General Services Administration by the purchasing agencies. Second, there has been a great increase in the volume of business to be done in 1952—an increase from approximately $92,000,000 to approximately $150,000,000.

The Budget request was for $18,426,000. The House allowed $15,000,000. That is the amount proposed to be allowed by this amendment to the committee amendment, although the Senate committee recommended, by its amendment, the amount of $16,426,000. In other words, Mr. President, our amendment to the committee amendment proposes a reduction of $1,426,000 in the appropriation.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. SALTONSTALL. The amendment the Senator from Michigan now proposes is the same as an amendment which was offered on the floor of the House of Representatives, is it not?

Mr. FERGUSON. It is.

Mr. SALTONSTALL. And the amount voted for this item by the Senate committee is the same as the amount which the House Appropriations Committee recommended, is it not?

Mr. FERGUSON. It is.

Mr. President, aside from storage facilities this item relates to the handling of stores sales which may amount to $88,000,000 in volume. For handling expenses or overhead the bill in its present form would allow $8,700,000, or a handling charge of 9.9 percent of those sales.

There are also direct deliveries of supplies amounting to $61,600,000. The bill would allow 1.25 percent of the dollar volume of direct deliveries as a handling expense.

The total sales amount to $149,600,000, and the bill as it is before us would allow $9,500,000 to the General Services Administration as expenses in connection with the total sales—in other words, the business of making the purchases and distributions. That allowance for expenses amounts to 6.35 percent of the total sales.

Also included in the requests are funds for rent and space maintenance amounting to $2,805,200, and for new warehousing facilities amounting to $4,061,200. Both of those items could bear reduction and any reductions would make more money available for handling expenses. But even including them, we arrive at the real point of the reduction desired.

The proposed overhead cost for handling this program is 8.3 percent on store sales and 1.25 percent on direct deliveries, for an average of 5.41 percent, as compared with 6.35 percent which is in the bill.

Now let me emphasize again that those are pure handling costs, because rents, utilities, and the usual costs of doing business are taken care of otherwise. Here is a place where Government must prove its ability to do a businesslike job economically, and we propose by appropriating no more than the $15,000,000 for this operation, that the agency should be required to cut down its handling costs.

Mr. President, this is a business which can be compared to ordinary business outside Government. It is not at all one of the intangibles, where we are enforcing regulations, or any such thing. This item simply involves the centralized purchase and handling of material and supplies for the various agencies of Government.

For the operation of this business we propose an allowance of 5.41 percent on the dollar volume handled. That is exclusive of the usual overhead costs chargeable to private business, and I am entirely confident that private business could and would operate on such an operating allowance. For that reason I think the Government agency doing this business should. I hope that the Senate will see fit to vote favorably upon this proposed cut, which is $1,426,000 below the committee recommendation but in accordance with what the House allowed.

Mr. MAYBANK. Mr. President, the Senate committee adopted the House committee figure, after going into lengthy hearings with the General Services Administration, General Larson, and others.

I should like to call the following quotation to the attention of the Senate:

Although this is a new appropriation item for 1952, the functions, activities, workload,

unit costs, staffing and other elements which are utilized to formulate the estimate are not new. The fundamental difference between the operations to be financed in 1952 is the volume of business to be done and in nonrecurring preparatory work for taking care of the increased volume of business.

I might comment in that connection that there has been an increase of Government activities, under the Reorganization Act, with respect to buildings turned over to the General Services Administration during the past year.

I read from page 696 of the hearings on the pending bill:

The increase in volume of business is best expressed in terms of stores sales which show an increase from $35,000,000 in 1951 to $88,000,000 in 1952, or 151 percent. As compared to this 151-percent increase in sales, the cost of doing business on a comparable basis is increased only 77 percent.

In other words, the increase in cost was half of the business.

The budget for 1952 presented a balanced program for expanding the business under the general supply fund from $35,000,000 in 1951 to $88,000,000 in 1952. The reduction indicated by the House committee distributed between activities shown in the report would result in such an unbalanced program as to defeat, or at least defer until 1953, the purpose of the Congress in providing $34,000,000 increase in the capital of the general supply fund to increase the inventory and to increase sales of common-use items to Government agencies.

Reference was made to a law similar to the laws of which I spoke previously, which the Congress passed under the Reorganization Act, setting this sales activity up. For the first time it is included this year in an appropriation bill. We finally reached the conclusion that we would go along with the original recommendation of the House committee, and not with what the Senator from Michigan has recommended, which is the same as the amount adopted by the House after the recommendation of the committee was cut on the House floor. With due deference to them, most of the Members of the House had not sat in committee when the hearings were conducted, and therefore were not familiar with what the House committee had done and the reasons for their action.

I yield the remainder of my time to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I hope that this amendment of the Senator from Michigan will not be adopted. I do not think it would result in economy. I believe it approaches the subject in the wrong way. The increased expenses of the General Services Administration are based on the Hoover Commission report. Under that report the sales to the various departments of the Government would be centralized in one department. The General Services Administration estimated the need for the fiscal year 1952 would amount to $18,426,000 of which $15,781,000 would be due to new legislation passed by Congress.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from South Carolina.

Mr. MAYBANK. The Senator has referred to the so-called reorganization acts. The provision under consideration gives effect to bills reported by the Senate Committee on Expenditures in the Executive Departments, which became Public Laws 152 and 754, Eighty-first Congress. We are endeavoring to provide the appropriations required under laws passed by the Congress. I wanted the RECORD to show that. As the Senator has so ably said, it was one of the recommendations of the Hoover Commission.

Mr. SALTONSTALL. I thank the Senator. The General Services Administration requested $18,426,000, of which $15,700,000 was necessary because of the new legislation. The House committee cut the amount to $16,426,000, and, on the floor of the House, it was cut to $15,000,000. The amendment of the Senator from Michigan would reduce the appropriation to the figure to which it was cut in the House, whereas the Senate committee put it back to the House committee figure of $16,426,000.

Why is this money needed? The store sales, plus the goods which are stored, amounted in 1950 to $26,000,000; in 1951, to $35,000,000; and in 1952 they are estimated at $88,000,000. The direct delivery sales were $51,000,000 in 1950, $56,000,000 in 1951, and estimated to be $61,000,000 in 1952.

The purpose of providing for store sales is to enable the agencies to buy in bulk and then to store in warehouses. The money proposed to be appropriated is needed to enable the agency to place in warehouses the goods bought in the so-called store sales. If the money is not allowed for the warehouses, then it is impossible to have the store sales; and if we make this further cut, which will be a total cut of more than $3,000,000 in the amount estimated, the consequence will be that we shall simply be unable to carry out the purposes of the Hoover Commission, because of the impossibility of buying goods in advance, as a result of having no place in which to store them. That is my understanding of the reason for the appropriation.

Mr. MAYBANK. The Senator has most ably elucidated the point about which I was going to ask him a question. I might add, however, that they are all put into one group, rather than being scattered helter-skelter. That is what the Hoover Commission and the Senate committee recommended. We have appropriated sufficient funds after we have cut $3,000,000 from the original estimate.

Mr. SALTONSTALL. Mr. President, I might make one more statement. The floor amendment in the House of Representatives reduced the amount to $15,000,000. Representative WILLIAMS, who argued the question, compared store sales with the percentage of costs, but he failed to take into account the fact that the expense of the store sales would gradually decline from 19 percent to 12 percent, providing there were a place in which to store the goods. Gradually the expense of carrying on the store sales will decline and we can get the original warehouse cost out of the way. That is what I understand to be the purpose of the appropriation.

Mr. MAYBANK. That is the purpose.

Mr. SALTONSTALL. I hope, therefore, Mr. President, that the amendment offered by the Senator from Michigan will not be adopted.

Mr. FERGUSON. Mr. President, I should like to inquire how much time I have remaining.

The PRESIDING OFFICER (Mr. JOHNSON of Texas in the chair). The Senator has 10 minutes.

Mr. FERGUSON. Mr. President, the sponsors of this amendment realize what the Hoover Commission recommended. All the sponsors of the amendment are endeavoring to do is to ensure efficient and economical operation, which was what the Hoover Commission most certainly intended. We realize that it is claimed that the agencies will purchase $150,000,000 worth of supplies instead of $92,000,000 worth. That is, incidentally, one of the things wrong with the budget. We are supplying to various agencies $150,000,000 instead of $92,000,000. This amendment does not cut down those amounts, but as I understand, the Senate and the Appropriations Committee have been seeking to cut down the amount of the budget. To the extent they are successful that volume of purchasing supplies will be reduced and the need for overhead funds or handling charges reduced also.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. I do not want to predict what the Senator from Michigan will say in his argument, but the Senator knows that the products which the Government buys have materially increased in price during the past year. That applies to typewriters and everything else the Government has to buy. It has to buy from private concerns.

Mr. FERGUSON. But I am contending that it does not cost any more to handle the purchase of a $100 typewriter than a $50 typewriter. That makes my argument that pyramiding costs of supplies should not make pyramiding costs of overhead. It should not take a correspondingly greater number of employees to do the work.

Mr. President, if there is any cut in the bill that is justified, it is the one in connection with purchasing. I hope we shall not go back to the conditions such as the Truman committee found during the Second World War, with warehouses full of saddles designed for use in the First World War, and full of parts of wagons intended for use in the War Between the States.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. It was up to the Senate of the United States to turn down the Hoover reorganization recommendations if it did not agree with them. The general supply office and other agencies of Government have been scattered all over the country. Furthermore, some of the Government agencies never went to any central depot to buy goods. They bought wherever they chose.

Mr. FERGUSON. I know that and I supported the Hoover Commission recommendation. I am only saying that I want a businesslike administration of

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Government agencies. It is that for which the Senator from Michigan voted when the GSA was set up, and he is now one of the sponsors of legislation to put into effect all the other Hoover Commission recommendations.

There should be a businesslike administration. The House, after due consideration, voted for $15,000,000, and I think the Senate will be wise in cutting the amount to that figure.

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on agreeing to the amendment offered by the Senator from Michigan.

Mr. SALTONSTALL. Mr. President, if the Senator from South Carolina will yield me time——

Mr. MAYBANK. I shall be glad to yield to the distinguished Senator from Massachusetts. But first let me say that the House never had a record vote with reference to this appropriation.

Mr. FERGUSON. On the side-slip on page 47, it is stated that the amendment by Mr. WILLIAMS of Mississippi was agreed to.

Mr. MAYBANK. Yes, but there was no yea-and-nay vote. The amendment was just accepted by the chairman of the committee.

Mr. FERGUSON. In effect, then, it was accepted by the House unanimously.

Mr. MAYBANK. I would not question the Senator from Michigan, but I had understood that there was no yea-and-nay vote.

Mr. FERGUSON. But the action taken was indicative of what the House wanted to do. The chairman of the subcommittee consented to the cut.

Mr. MAYBANK. I think it was thought it would be taken to conference, if I may say so.

Mr. SALTONSTALL. Mr. President, I shall not continue the discussion except to point out that the appropriations for 1950 and 1951 did not include rent for additional space in warehouses in order to make the contemplated sales possible. I understand the whole theory of authorizing store sales is to make it possible to be able to buy in sufficient bulk to supply the needs of more than one department at a time. If there is no place in which to store goods, that cannot be done.

I argue most sincerely that the idea of the Hoover Commission is to cut down the overhead expenses of Government, but we shall not bring about that result unless the Government agencies can buy goods as cheaply as possible, from such stores as Sears, Roebuck, Montgomery Ward, and other department stores which have storage space.

Mr. FERGUSON. Mr. President, there is included in the amount of $15,000,000 the sum of $4,061,800 for warehousing. We are not asking to have the warehousing appropriation cut down, although I have suggested that possibility if it is not absolutely essential storage space that is to be provided.

Mr. SALTONSTALL. Mr. President, we have already cut $2,000,000 from that amount. It was requested by the Bureau of the Budget. Instead of $4,000,000, it is $2,000,000, and my argument applies.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON]. [Putting the question.] The "ayes" seem to have it.

Mr. MAYBANK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	George	McKellar
Anderson	Green	McMahon
Bennett	Hayden	Millikin
Benton	Hendrickson	Monroney
Brewster	Hennings	Moody
Bricker	Hickenlooper	Mundt
Bridges	Hill	Neely
Butler, Md.	Hoey	Nixon
Butler, Nebr.	Holland	O'Conor
Byrd	Humphrey	O'Mahoney
Capehart	Ives	Pastore
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Saltonstall
Chavez	Johnson, Tex.	Schoeppel
Clements	Kem	Smith, Maine
Connally	Kilgore	Smith, N. J.
Cordon	Knowland	Smith, N. C.
Dirksen	Langer	Taft
Douglas	Lehman	Thye
Duff	Long	Watkins
Dworshak	Magnuson	Welker
Eastland	Maybank	Wiley
Ecton	McCarran	Williams
Ellender	McCarthy	Young
Ferguson	McClellan	
Frear	McFarland	

The VICE PRESIDENT. A quorum is present.

The question is on the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and other Senators, in the committee amendment, on page 24, line 1, to strike out "$16,426,000" and insert in lieu thereof "$15,000,000."

Mr. FERGUSON. On that amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. SMATHERS] are absent because of illness.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Wyoming [Mr. HUNT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Georgia [Mr. RUSSELL], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Oregon [Mr. MORSE] is absent by leave of the Senate.

The Senator from Nebraska [Mr. WHERRY] is absent on official business as a Member of the President's Commission on the One Hundred Seventy-fifth Anniversary of the Signing of the Declaration of Independence, and, if present, he would vote "yea."

The Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from New Hampshire [Mr. TOBEY] who is absent by leave of the Senate is paired with the Senator from Pennsylvania [Mr. MARTIN], who is absent because of illness. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from Pennsylvania would vote "yea."

The Senator from Massachusetts [Mr. LODGE] is absent because of illness, and, if present, he would vote "yea."

The Senator from Washington [Mr. CAIN] and the Senator from Vermont [Mr. FLANDERS] are detained on official business.

The result was announced—yeas 49, nays 27, as follows:

YEAS—49

Bennett	Frear	Moody
Brewster	George	Mundt
Bricker	Hendrickson	Nixon
Bridges	Hickenlooper	O'Conor
Butler, Md.	Hoey	Robertson
Butler, Nebr.	Holland	Schoeppel
Byrd	Ives	Smith, Maine
Capehart	Jenner	Smith, N. J.
Carlson	Johnson, Colo.	Smith, N. C.
Case	Kem	Taft
Dirksen	Knowland	Watkins
Douglas	Langer	Welker
Duff	Lehman	Wiley
Dworshak	McCarthy	Williams
Eastland	McClellan	Young
Ecton	McMahon	
Ferguson	Millikin	

NAYS—27

Aiken	Hayden	McCarran
Anderson	Hennings	McFarland
Benton	Hill	McKellar
Chavez	Humphrey	Monroney
Clements	Johnson, Tex.	Neely
Connally	Kilgore	O'Mahoney
Cordon	Long	Pastore
Ellender	Magnuson	Saltonstall
Green	Maybank	Thye

NOT VOTING—20

Cain	Kerr	Smathers
Flanders	Lodge	Sparkman
Fulbright	Malone	Stennis
Gillette	Martin	Tobey
Hunt	Morse	Underwood
Johnston, S. C.	Murray	Wherry
Kefauver	Russell	

So the amendment offered by Mr. FERGUSON for himself and other Senators, to the committee amendment, was agreed to.

The committee amendment, as amended, was agreed to.

Mr. JOHNSON of Colorado. Mr. President, the Senate has been making some reductions. Now I shall offer two small amendments in an effort to increase certain appropriations in the bill. I have been voting with economy-minded Senators almost straight down the line; but we have now reached an appropriation which I think, in the interest of the country and in the interest of the national defense, should be increased. I refer to the safety sections of the Interstate Commerce Commission appropriations.

The other day I voted for the amendment offered by the Senator from Michigan, making an across-the-board percentage cut. It is difficult to justify an across-the-board cut when we reach certain items. I know it is said that we want to cut everything except the things in which we are directly interested. That does not happen to be the case

with respect to the amendments which I am offering today.

The VICE PRESIDENT. The Chair suggests that the Senator offer his amendment. He has only 15 minutes.

Mr. JOHNSON of Colorado. Very well. The time can be charged to me.

The first amendment which I shall offer is to strike out the Senate committee amendment on page 30, line 1, thus restoring the item of $706,600 as passed by the House. The item covers the inspection of locomotives.

Mr. President, I believe that railroad transportation is as much a part of national defense as is the purchase of a cannon, a tank, or any other kind of weapon used in warfare. Railroad transportation is an absolute necessity in carrying on any kind of national defense.

We know that trains have been speeded up. We know that the railroads have been called upon to exert every possible effort to improve the transportation of freight and passengers. We are dealing with a proposed increase of $44,080. That is pretty small potatoes, measured by the amounts of appropriations which have been granted for national defense.

We are transporting soldiers across the country. We are transporting supplies for them. It does not seem to me that it is sensible to attempt to effect an economy in such an item as this.

I wonder how many Members of the Senate have ever seen a bad railroad wreck. I have had the misfortune to see three very serious railroad wrecks, in one of which a dozen or more passengers were burned to death. I have seen 20 or 30 derailments, in which freight was strewn across the right-of-way. There is nothing much worse than a railroad wreck.

I do not know whether restoring $44,080 in this appropriation would save us from a wreck, or whether, if the amount were not restored, such action would cause a wreck. However, I am very sure that we are going to have wrecks. We are going to have very bad wrecks. Such wrecks will kill many GI's. They will destroy a great deal of property and many weapons of war. I have the feeling that if the Senate votes not to restore this appropriation, someone will be unkind enough to say that had the appropriation been restored the wreck would not have occurred. Perhaps it would not.

The number of inspectors has been cut to the very limit. Congress, in its wisdom, determined the number of engine inspectors for the country. It seems to me that we would be going against the judgment of Congress if we were to cut the appropriations and thus reduce the number of locomotive inspectors. I sincerely hope the committee will accept my amendment.

Mr. MAYBANK. Mr. President, I merely wish to say that I regret that my good friend from Colorado voted for the 10-percent cut in personnel, which affected also the Interstate Commerce Commission. I believe his amendment should be agreed to, and I shall vote for it. I regret that he does not make the amount more than $44,000. There is nothing to be gained by cutting the appropriation for the Interstate Commerce Commission, as can be seen from the letter written to the committee by Commissioner J. Monroe Johnson, which I have had printed in the RECORD. My suggestion would be that the Senator raise his figure of $44,000 to $100,000, in the interest of economy.

Mr. JOHNSON of Colorado. If the Senator will permit me to say so, I am offering two amendments. One of them is for $44,000, which would cover locomotive inspections. The other amendment is for the sum of $67,000, which would cover the maintenance and inspection of automatic signals.

Mr. MAYBANK. The amount of money to be appropriated for the Interstate Commerce Commission should be what was originally reported to the Senate by the Appropriations Committee, including the restoration of the 10-percent cut which was voted. That would be the fair thing to do. It should be done to protect the railroads. It would be the fair thing to do to protect the transportation of our country. I hope the Senator will modify his amendment and that we will have a yea-and-nay vote on it. I am not in favor of taking half-way measures.

Mr. THYE. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I shall be happy to yield if I have some time remaining.

Mr. MAYBANK. I beg the Senator's pardon. I did not intend to take his time. People have come from all over the United States to testify before the subcommittee. I believe the distinguished Senator from Minnesota was present.

Mr. President, I ask that the time I have used be charged to my time.

The VICE PRESIDENT. Under the agreement the Senator from South Carolina would not have any time in his control, because he is supporting the amendment.

Mr. MAYBANK. No; I am supporting the original appropriation as made by the Senate committee. I am supporting the entire amount.

The VICE PRESIDENT. The pending amendment is the Johnson amendment.

Mr. MAYBANK. I beg the Chair's pardon.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. Yes; I shall be happy to yield, but first I yield to the Senator from Minnesota. I yield to him very briefly.

Mr. THYE. Mr. President, I know it is very unpopular to support an increase in an appropriation. However, those of us who heard the testimony and became familiar with all the facts involved know that with present demands upon our railroads, they must be kept in a condition to transport every ton of freight that is necessary to be transported.

Mr. President, I suggest that one wreck on our railroads would cost more in money than the amount of the appropriation involved. There would not only be an interference with transportation, but the lives of people would be endangered. A failure to provide adequate appropriations would endanger not only the lives of the passengers on trains, but of the crews who operate the trains.

In these days, when we have such an increase in freight movements, I cannot see any economy in reducing an appropriation item and thereby curtail the required number of locomotive inspectors and of others engaged in safety work on our railroads.

The VICE PRESIDENT. Under the unanimous-consent agreement, the time for debate on the pending amendment is equally divided. The proponent of the amendment is entitled to 15 minutes, and a Senator opposing the amendment is entitled to 15 minutes.

Mr. MAYBANK. I am opposing it.

Mr. JOHNSON of Colorado. Mr. President, as I have already stated, I have two amendments. One of them is on page 29, line 18, to restore the figure $983,000. The other amendment is on page 30, to restore the original amount of $706,600. They are the amounts which the House voted. If I may, I should like to consolidate my amendments into one amendment.

The VICE PRESIDENT. By unanimous consent the Senator may offer them together.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I shall be happy to yield if I have some time remaining.

Mr. SALTONSTALL. I should like to call the Senator's attention to the fact that although I am in favor of his amendments, both of them are limited by the amendment with respect to personal services, and I would suggest to the Senator from Colorado that the amounts in his amendments be increased proportionately.

Mr. MAYBANK. Mr. President, if the Senator from Colorado will yield, I should like to say that what the Senator from Massachusetts has said suggests the only reason why I opposed the amendment. The proposal of the Senator from Colorado is to add money without providing a sufficient number of men to carry on the work. It was my thought that the 10 per cent cut, from which the Senate exempted some agencies, such as the Atomic Energy Commission and the Civil Aeronautics Board, should also not apply to the Interstate Commerce Commission. I am in further agreement with the Senator's suggestion that the amount be raised to over $100,000. I believe he should restore the cut that was made in the item for personal services.

Mr. JOHNSON of Colorado. I thank the Senator.

Mr. FERGUSON. A parliamentary inquiry.

The VICE PRESIDENT. The clerk will state the amendment.

Mr. JOHNSON of Colorado. Mr. President, I should like to perfect my amendment. The first part of the amendment is on page 29, line 18, to restore the figure "$983,000"; to strike out the figure "$922,575"; and on line 19 to strike out "$696,800", and insert in lieu thereof the figure "$743,000."

The second part is on page 30, line 1, to restore the figure "$706,600" and strike out the figure "$662,520": and on line 2.

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to strike out the figure "$508,300" and insert in lieu thereof the figure "$540,000."

The amendments would restore the appropriations as originally provided for the employment of personnel in almost exact proportion to the amounts which were provided by the Committee on Appropriations.

The VICE PRESIDENT. The Secretary will state the amendment, as modified.

The CHIEF CLERK. The first part of the amendment is in the amendment of the committee on page 29, line 18, to strike out "$922,577" and insert "$983,000," and on line 19 to strike out "$696,800" and insert "$743,700."

The second part of the amendment is in the committee amendment on page 30, line 1, to strike out "$662,520" and insert "$706,600," and on line 2 to strike out "$508,300" and insert "$540,000."

The VICE PRESIDENT. The question is on agreeing to the amendment, as modified.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. FERGUSON. I inquire whether the amendment is in order. Is it not an amendment in the third degree?

The VICE PRESIDENT. The amendment is in the second degree. It is an amendment to a committee amendment, which has not been agreed to.

Mr. FERGUSON. Mr. President——

The VICE PRESIDENT. The time for debate is divided between the Senator from Colorado [Mr. JOHNSON] and the Senator from South Carolina [Mr. MAYBANK].

Mr. MAYBANK. Mr. President, I yield my time to any Senator who desires to oppose the amendment. I have no intention to oppose the amendment as modified. The only reason why I opposed it originally, as I stated previously, was that the personal services provision should have been restored. That has been done. I am in favor of the amendment. I yield the remainder of my time to the Senator from Michigan.

Mr. FERGUSON. Mr. President——

The VICE PRESIDENT. The Senator from Michigan is recognized for 12 minutes, or as much of the 12 minutes as he desires to take.

Mr. FERGUSON. With respect to the Bureau of Railroad Safety, I have been trying to ascertain the number who would actually be employed in the inspection department of this particular agency. I believe there are 95 inspectors out of a personnel force of 131. However, I wish to call the attention of the Senate to what I understand to be the fact that there are seven vacancies in the Bureau at the present time, although funds were appropriated for those positions last year. Funds for them have naturally been requested again for 1952. We must also bear in mind that these percentage cuts are made against budget requests, rather than against the number on the payroll this year.

The Bureau gets credit automatically for those vacancies if they are not filled. The average salary in the Bureau is $5,894. That means that a credit of possibly $40,000 will automatically be applied against the cut made in the budget estimates. At that point the Bureau will be left with the work force which now is on the job. Any further reductions would have to be absorbed in other ways, but particularly in administration.

Of course, Mr. President, we realize that when we propose cuts in the funds for the administration of a particular agency, representatives of the agency are always inclined to say to Congress that the result will be a reduction in some vital part of the work of the agency, rather than in the number of clerical positions or in the amount of overhead.

Mr. THYE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. THYE. When we deal with work in the field of safety, I must say to the distinguished Senator from Michigan that the question is not what one person may do when he makes inspections in the field, but the question is what he may be able to accomplish in the way of education among those who work in the shops—for instance, education of the section crews or the engineers or the brakemen or the conductors or the switchmen. The inspector must do educational work with them, in order to teach them how to assure safety in the operations of the railroad or in the operations of the division or the shop.

The great safety record made in the United States in its industrial plants, and elsewhere, has been achieved as a result of educational work, rather than work by the individual inspectors in the field.

If a reduction were made in the number of persons who engage in the safety work, there would be a decrease in the results achieved in the field in terms of reducing accidents and reducing the resultant losses.

So, as a colleague and as a fellow member of the Appropriations Committee, I say to the Senator that I regret exceedingly that I cannot agree with him. I understand that he is entirely sincere in attempting to bring about economy in Government, and of course his purpose is most laudable. Nevertheless, in this particular case I am afraid that if the personnel are reduced, there will be a decrease in the educational work in connection with the attempt to minimize the losses occurring on the railroads.

Mr. FERGUSON. Mr. President, we appreciate the sincerity of those who are pleading for a high standard of railway safety inspection. We do not wish to injure or curtail that inspection. However, it cannot be contended with correctness that this program is an educational one. These men make spot checks in the shops. The superintendents and others in the shops are the skilled men in the field, and they are the ones who do the real work. This item relates to inspections to see whether the work is done, rather than to an educational program.

I hope that those on the other side, who contend that we are in error, will appreciate, in turn, the sincerity of our efforts to reduce the staggering load of the Federal budget. I am sure the amount of the reduction now proposed can be absorbed in the overhead and in the general operations, rather than by making a reduction in the number of inspectors.

Mr. President, we have previously had an example of this situation. Some time ago when we said we would make a reduction in the appropriations for the Customs Service, the officials of that Service said that if the cut were made, they would have to reduce the number of men engaged in the patrol work, which of course is the vital part of the Customs Service; and of course an argument based on that claim has a real appeal to the Members of Congress.

Similarly, in this case, the officials claim that the cut we propose will cause a reduction in the number of inspectors, rather than in the overhead. However, we believe that all of the proposed reduction can be absorbed in the overhead, without doing harm to a program which has unquestioned value.

Therefore, Mr. President, I hope the amendment of the Senator from Colorado will be rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Colorado [Mr. JOHNSON] as modified.

The amendment, as modified, was agreed to.

Mr. JOHNSON of Colorado. Mr. President, I rise to a point of information.

The VICE PRESIDENT. The Senator will state it.

Mr. JOHNSON of Colorado. I should like to address this inquiry to the Senator from Michigan, who is the author of the 10-percent reduction amendment, which I supported: In the committee amendment on page 69, in lines 12 and 13, we find the following:

Railroad safety, $37,725.
Locomotive inspection, $28,240.

If those two lines are stricken, will not the amendment just agreed to become effective?

Mr. FERGUSON. Mr. President, technically speaking, I am not certain of that. But I am of the opinion that what has been stated on the floor, together with the vote which has just been taken on the Senator's two amendments and his proposal to strike the two lines on page 69 would make very clear the intent of the Senate and any technical detail could be worked out in conference. I understood that the 5-percent cut originally contemplated in the committee would remain in effect because it would remain in the figure the Senator has stated in connection with this item.

Mr. JOHNSON of Colorado. That is correct.

Mr. FERGUSON. I am satisfied that would be accomplished.

Mr. MAYBANK. That is correct, and I point out that line 11 should also be included.

Mr. FERGUSON. That is correct. I was about to point that out. It is the title of these items.

Mr. JOHNSON of Colorado. Then, Mr. President, I move that in the committee amendment on page 69, lines 11, 12, and 13 be stricken out.

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The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 69, it is proposed to strike out lines 11, 12, and 13, reading as follows:

Interstate Commerce Commission:
Railroad safety, $37,725.
Locomotive inspection, $28,240.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to insert certain statements in the RECORD, in connection with the amendment dealing with locomotive inspection and railroad safety. I also want to thank the chairman of the Subcommittee of the Appropriations Committee, the very able Senator from South Carolina (Mr. MAYBANK), for his generous attitude with respect to the appropriations requested by the Interstate Commerce Commission.

My reason for wanting these statements made a part of the record is so that they may be available to the conference committee.

The VICE PRESIDENT. Without objection the statements will be printed in the RECORD.

The statements are as follows:

STATEMENT COVERING APPROPRIATIONS, INTERSTATE COMMERCE COMMISSION, BUREAUS OF MOTOR CARRIERS, TRANSPORT ECONOMICS, AND STATISTICS AND VALUATION

BUREAU OF MOTOR CARRIERS

The appropriation as proposed will make it necessary to substantially curtail enforcement of the law and regulations affecting motor carriers. It will result in complete discontinuance of highway safety work. These activities are already greatly undermanned; if discontinued or substantially curtailed, disorder in highway transportation and increased accidents may be expected. This might be disastrous in view of the greatly increased movement of explosives by highway at this time.

The reduction in the funds available for holding hearings and preparing decisions will further delay the determination of application and rate cases involving motor carriers. There is presently a backlog of 2,500 such cases, and more than 300 new cases are added each month. The proposed reduction will cause this backlog to increase. The present delays already cause justifiable complaint.

The proposed reduction will cause a reduction of 35 percent in the field staff, which is the source of information on which the Commission grants temporary authority to furnish emergency service. Handicapping the Commission in authorizing temporary service and causing delay in determining formal proceedings will prevent proper provision for necessary transportation, at a time when the need is greatest.

Field service

The field services of the Interstate Commerce Commission are the field services of the Defense Transport Administration. To eliminate any substantial number of field services of the Interstate Commerce Commission would eliminate correspondingly the field services of the Defense Transport Administration. To offset such reduction, the Defense Transport Administration would immediately have to supply itself with additional field services, which would in all probability cost the United States more money than the entire proposed cut to the Interstate Commerce Commission.

The House appropriations would cut from the Interstate Commerce Commission's personnel, 232 employees.

BUREAU OF TRANSPORT ECONOMICS AND STATISTICS

The Bureau of Transport Economics and Statistics studies, compiles, and publishes statistics concerning railroads, motor carriers, water carriers, pipelines, freight forwarders, private car lines, express and sleeping-car companies. These statistics which cover financial, traffic, and other vital data are in universal use in the transportation world. They are essential to the Commission in its regulatory duties and responsibilities; its financial investigations and findings; are a part of the record in all the major rate and revenue cases; are of inestimable value to the carriers, shippers, and other Government agencies, and are used by committees of Congress. The work of this Bureau is of necessity never quite current. Its serious impairment, as indicated by the present status of the appropriations, would be a tremendous blow to the regulation of transportation and most difficult and expensive to bring back in its present relationships.

BUREAU OF VALUATION

The Bureau of Valuation of the Commission must keep reasonably current the inventories and costs of properties of railroads and pipelines subject to the Commission's jurisdiction. This is essential to the Commission in prescribing just and reasonable rates, determining the divisions of joint rates and fares, prescribing switching charges, setting up depreciation reserves, determining costs of services, and in passing on financial reorganizations, mergers, and consolidations. This information, vital to the Commission, is also most useful to other governmental agencies and regulatory bodies and to Members of Congress.

Recently under mandate from the Congress, work in bringing pipeline valuation up to date was resumed in the face of a decrease in the appropriation. Progress has been made at the expense of other functions. The present status of appropriations in Congress would stop the pipeline valuation and so cripple and hinder the other operations vital to the Commission that valuation would become so far in arrears that at some future time it would be most difficult and most expensive to bring it reasonably current.

The work of the Commission would be seriously hampered if the work of the Bureau of Valuation were to become any further in arrears than at present.

BUREAU OF MOTOR CARRIERS

The allocation of the 1951 appropriation to the Bureau of Motor Carriers was $3,742,149. The allocation of the 1952 appropriation as it passed the House of Representatives is $2,799,060, a reduction of $943,089. The reduction applies almost entirely to the work of hearings, and to highway safety and enforcement work.

The reduction in the amount available for holding hearings and preparing reports is $84,897. The Commission has pending on its dockets 3,800 motor carriers proceedings, many of them several years old. Because of an increase in the staff authorized 2 years ago, the backlog was being reduced. If the present appropriation is continued, it is estimated that this work can become current within 2 years. The present delay in reaching decisions is frequently so long that the Commission has been subjected to criticism. As the law requires that no person may begin to furnish interstate service as a motor carrier without obtaining approval of the Commission and also provides that the Commission can determine whether rates filed by such carriers are reasonable and may be collected, any delay in reaching a determination on such matters in effect denies justice to the public. Unless the present appropriation for this work is continued, there will be a constant increase in the backlog and of the time required to reach decisions.

The reduction in the work of highway safety and enforcement and the field staff, which work is intermingled, is $867,365, from $2,075,554 at present to a proposed $1,208,189. The reduction was made for the purpose of eliminating the highway safety work of the Commission. This would have serious consequences to every person using the highways, and, in view of the great increase in transportation of explosives and inflammables during the present emergency, the increased danger will affect also those persons residing near highways. The Interstate Commerce Commission is the only agency having jurisdiction in respect of safety of operation of interstate motor vehicles and hours of service of their drivers, and its jurisdiction covers every bus and truck operating in interstate or foreign commerce.

This work consists of preparation of safety regulations and of safety programs for motor carriers, inspection of the records and practices of carriers, analysis of accident reports and suggestions to eliminate unsafe practices and conditions, obtaining evidence of violations of the law or regulations, to presentation of evidence of violations in Commission proceedings and in prosecutions in the Federal courts. It has been demonstrated that this work, to the extent that it can be performed with the staff available, can reduce the danger and deaths by 50 percent.

It has been suggested that the safety work of the Commission is a duplication of work performed by the States. That is not correct. The kind of work performed is entirely different, and applies to different vehicles. As long as the Federal Government has assumed jurisdiction over safety practices of interstate operations, State regulation cannot be effective as to such operations. No State can effectively regulate hours of service of drivers of vehicles crossing the State, nor the operating practice. Patrolling the highways alone will not provide proper protection. Control of the carrier, and holding it responsible for the operation of its vehicles in all States in which it operates has been shown to be the best way to reduce accidents by motor carriers. This can be done only by a Federal agency, and the cost is minute in comparison with the saving in lives and property.

The desirability of reducing nondefense spending at this time is recognized, but transportation is not a nondefense industry. Highway accidents involving motor carriers involve loss of essential transportation equipment, loss of essential manpower, and loss or delay in delivering materials essential to the defense effort. There is no question that the Armed Forces are justified in spending money to assure safe delivery of material shipped on army trucks. It is equally important that the much greater quantity of defense freight moved on civilian trucks, as well as the freight essential to the civilian economy, be transported safely. It would be false economy to destroy the effectiveness of the one Federal agency which is working to reduce this loss at this time merely because it is one of our regular agencies and not one set up temporarily for defense purposes.

Field service

The field services of the Interstate Commerce Commission are the field services of the Defense Transport Administration. To eliminate any substantial number of field services of the Interstate Commerce Commission would eliminate correspondingly the field services of the Defense Transport Administration. To offset such reduction the defense Transport Administration would immediately have to supply itself with additional field services, which would in all

probability cost the United States more money than the entire proposed cut to the Interstate Commerce Commission.

The House appropriations would cut from the Interstate Commerce Commission's personnel 232 employees.

BUREAU OF TRANSPORT ECONOMICS AND STATISTICS

The statistical and analytical work of the Commission's Bureau of Transport Economics and Statistics will be seriously crippled during the fiscal year 1951–52 if the funds for its maintenance are reduced by about one-third, as indicated by the action of the House of Representatives. In the Commission's 1950 annual report to the Congress attention was called to the importance of the examination and tabulation of the returns contained in the monthly, quarterly, and annual reports filed by the various agencies of transport subject to the provisions of the Interstate Commerce Act. From these data the Bureau prepares a series of periodic publications all of which are necessary tools in connection with the Commission's regulatory duties. It would be impossible properly to administer many of the important provisions of the act if the Commission is not kept currently informed as to the trend in the financial and operating statistics of the railroads, motor carries, carriers by pipeline, freight forwarders, private-car lines, and express- and sleeping-car companies. In all of the recent major rate and revenue cases a large number of the Bureau's periodic publications, including its waybill studies and the basic reports of the carriers from which the data are compiled, were made a continuing part of the record. These data are also of fundamental importance to the carriers, shippers, Government agencies, State commissions, practitioners, and others in preparing exhibits and evidence in Commission proceedings.

Because of the enlargement of the Commission's jurisdiction by various legislative enactments, the workload of the Bureau has increased greatly in recent years (about 60 percent since 1940). In presenting the budget for the fiscal year 1952, the Commission recommended that the Bureau's force be increased from 151 to 228 employees to cope with the situation. Subsequently the Bureau of the Budget, in its recommendations, allowed only eight additional positions.

If the House cut in the appropriation is allowed, the number of employees of the Bureau will be reduced from 153 at present to about 100. This will, of course, result in the dismissal of a large number of competent employees who are thoroughly trained in the various phases of the Bureau's work. Such a severe cut in personnel will immediately result in the curtailment of some of the Bureau's important functions. The examination and compilation of the various periodic returns filed by the carriers under orders of the Commission will be greatly delayed. This will, of course, delay and no doubt prevent the issuance of important publications, many of which are being currently used as a continuing part of the record in major cases pending before the Commission.

The Bureau's trained staff of economists, statisticians, and accountants, which is engaged in the analysis of transportation problems and in assisting the Commission in connection with rate, financial, and other proceedings, will also have to be drastically reduced. The loss of men trained in the highly technical field of transportation research will be a severe blow to the Commission.

BUREAU OF VALUATION

The cut in the budget estimate for 1952 proposed for the Bureau of Valuation by the House is based on the understanding that the amount for the fiscal year 1952 will be one-third less than that available for the fiscal year 1951. This will mean a reduction of $155,566 from a total of $480,905, leaving $325,339 available for 1952, reducing the Bureau's present staff from 89 to about 59, and separating 30 experienced employees with an average service of 25 years in a highly technical field.

Without any lessening in duties and responsibilities, the appropriation for this Bureau has been steadily reduced over the last 13 fiscal years from $640,000 in 1939 to $504,398 in 1950 and to $480,905 in 1951, with the resulting decreases in employment from 187 in 1939 to 89 in 1950 and to 86 in 1951. Notwithstanding a 25-percent reduction in the appropriation for the fiscal year 1950, additional pipeline work was resumed in late 1949 by direction of Congress. The basic pipeline program will not, however, be completed during the fiscal year 1951, and with the reduction proposed in the House bill completion will be difficult, if not impossible. Further, after completion of the basic pipeline program there will remain the responsibility of keeping inventories and cost records current.

The continual reduction in personnel, especially that from 122 in 1949 to 89 in 1950, has placed the Bureau in a position of inability to keep up with its current program, and backlogs are accumulating rapidly. If the cut presently proposed is put into effect the Bureau will no longer be able to develop to any degree of currency the information required by the statutes and needed by the Commission in the performance of its regulatory functions.

In connection with keeping inventories and cost records, certain field checking is absolutely essential to assure dependability of results. With the 1951 funds only 19 field men are on the rolls, as compared with a requirement of at least 34. Under the proposed cut the field force would be completely eliminated.

Presently, the Bureau is engaged in furnishing certain important information to various defense agencies. This has been possible because its files contain data peculiarly fitted to develop such material.

With the appropriation recommended by the Bureau of the Budget, an increase in force of seven employees was provided for which would have enabled the Bureau of Valuation to recruit some new blood and to lower the average age of the technical employees which is now about 59 years.

In summation, if the Bureau of Valuation is cut to the extent now proposed, the result of long years of work and large expenditures of money devoted to the accumulation of the only over-all record in existence of physical consist and costs of carrier property will necessarily become of little current value. If this work is allowed to lapse it will be extremely difficult and costly to resume it at some later date. Such resumption is inevitable.

Mr. BYRD. Mr. President, on behalf of myself, the Senator from Michigan [Mr. FERGUSON], the Senator from Nebraska [Mr. WHERRY], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Delaware [Mr. WILLIAMS], and the Senator from Idaho [Mr. WELKER], I offer the amendment identified as "6–18–51—Q."

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 70, between lines 7 and 8, it is proposed to insert the following new section:

SEC. 604. No money appropriated by this act to any corporation or agency shall be available to pay the compensation of persons performing information functions or related supporting functions, if the amount expended by such corporation or agency during the fiscal year 1952 to pay such compensation is in excess of 75 percent of the amount required to pay the compensation of all persons the budget estimates for personal services heretofore submitted to the Congress for the fiscal year 1952 contemplated would be employed by such corporation or agency during such fiscal year in the performance of information functions and related supporting functions. For the purposes of this section, the term "information functions" means functions usually performed by a person designated as an information specialist, information and editorial specialist, publications and information coordinator, press relations officer or counsel, or publicity expert, or designated by any similar title; and the term "related supporting functions" means functions performed by persons who assist persons performing information functions in the drafting, preparing, editing, typing, duplicating, or disseminating of public information publications or releases, radio or television scripts, magazine articles, and similar material.

On page 70, line 8, it is proposed to strike out "604" and in lieu thereof insert "605,"

The VICE PRESIDENT. The Senator from Virginia is recognized.

Mr. MAYBANK. Mr. President, if the Senator from Virginia will yield, I merely desired to call attention to a typographical error I noted when the amendment was being read by the clerk. In line 5 the word "forming" should be corrected to "performing." I imagine the Senator from Virginia would desire that that correction be made. It was for that reason that I rose while the amendment was being read by the clerk.

The VICE PRESIDENT. The Senator from Virginia may make the modification.

Mr. BYRD. I ask that the amendment be modified, in section 604, line 5, by striking out "forming" and inserting "performing."

The VICE PRESIDENT. Without objection, the amendment will be modified accordingly.

PUBLICITY EXPERTS

Mr. BYRD. Mr. President, the purpose of this amendment is to correct one of the greatest abuses in our governmental services. Since 1913, it has been illegal, by virtue of an act of Congress, for governmental agencies to employ any publicity experts unless appropriations are specifically made for that purpose. Notwithstanding that, Mr. President, every agency of the Government has publicity agents. It is true they are not called by that name, but they are scattered throughout the departments. I am presenting an amendment, which is the only way by which the question can be reached, which provides that for the purpose of information functions only 75 percent of the money recommended by the Bureau of the Budget shall be available for expenditure under this bill.

I call attention to a long fight which has been made for the purpose of trying to eliminate these publicity agents, whose employment, as I have said, has been illegal since 1913, when an act was placed on the statute books providing that no money appropriated by Congress should be used for the compensation of any publicity expert, unless specifically appropriated for that purpose.

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EFFECT OF THE AMENDMENT

The effect of the amendment would be, as I said, to limit expenditure of funds appropriated in this act for personal service to 75 percent of the amount requested by the President in his budget estimates to pay employees whose functions are those of publicity experts and their assistants, and those engaged in related supporting activities, such as typing, mimeographing, mailing, and so forth.

Any reduction in personal service funds resulting from this amendment could, of course, be applied to the requirements of the Cordon and Ferguson amendments.

NEWSPAPERMEN—PUBLISHERS—VAST GOVERNMENT

Mr. President, I am a newspaperman and a publisher. I have great sympathy for the problems of both. Nothing I shall say is intended to reflect upon either; and I am certain that if this amendment is intelligently and efficiently administered it will result in more news and less "bull" from the Federal publicity mill.

I am aware that no newspaper, no press association, no radio chain, and no newsreel publisher could possibly finance enough of a staff adequately to cover the vast domain of the Federal Government without the assistance of legitimate press services to be maintained within the Federal Establishment. But the fact remains that this necessity for services to the public press which results from big government is subject to abuse in the form of propagandizement, political figures, and political programs such as the Brannan plan.

PROBLEM

Individual glorification of bureaucrats and political propaganda constitute the press service problem which this amendment seeks to curtail. It has been a problem for a long time. Since 1913, as I said, there has been a statute on the books providing that no money appropriated by Congress shall be used for the compensation of any publicity expert unless specifically appropriated for that purpose.

I sum up the debate on the problem, which is found in the CONGRESSIONAL RECORD, volume 50, part 11, pages 4805 and 4806, as follows:

No person should be employed as a press agent by a Government agency to extoll his boss or to advertise the work of the department, but we ought to have men in the various departments to make available facts about the work of these departments to the public.

The amendment which is proposed by myself and the Senators associated with me, the Senator from Michigan [Mr. FERGUSON], the Senator from Nebraska [Mr. WHERRY], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Delaware [Mr. WILLIAMS], and the Senator from Idaho [Mr. WELKER], allows a sufficient appropriation to make facts available about the work of the departments, but it will, I think, compel the dismissal of all those who are being employed as publicity experts, of whom there are many thousands of them, and who are acting as such.

In 1937 the Brookings Institution, in a report for the Senate Select Committee To Investigate Executive Agencies of the Government, said:

Notwithstanding the fact that the employment of publicity experts is forbidden by the act of October 22, 1913 (38 Stat. L. 208, 212), unless funds are specifically appropriated for that purpose, publicity agents are nevertheless appointed under other designations, and one of the results has been an increasing flood of press releases produced by the process method.

Later, in 1947, the House committee headed by Representative Harness said:

It is a duty of representative government to keep the people fully and accurately informed. Administrative officials at policy making levels are and should be entirely free to express their views and discuss policy on any issue. But beyond the regular news channels no agency properly may go. The information services of the administrative agencies may not lawfully use public funds to promote new projects, to influence legislation—

They are doing that now—

or to mold public opinion for or against any legislative proposal. * * * The sole legal function of Federal information service is to issue factual, objective, and studiously unbiased information.

The Harness report continued:

Unfortunately, the law is being violated repeatedly by numerous administrative agencies. In hundreds of ways, some devious, some blatant, Federal officials and employees are ignoring or flouting section 201 of title 18 of the Criminal Code, often for the deliberate purpose of fostering sentiment and support for administration policies and programs.

The issue is far broader than the merits of any particular piece of legislation. The record reveals clearly the manner in which Government lobbyists operate on the Federal payroll, how they are always at work to expand their fields of interest, to perpetuate themselves in office, and to impose their ideas and systems upon the American people by organized propaganda paid for entirely by the diversion of public funds from their true purposes to the secret purposes of top bureaucrats and planners.

Then came the Hoover Commission report. In its preparation, a task force on Government publicity and propaganda started out by saying:

Federal operations in publicity, public relations, and dissemination of Government intelligence cost the taxpayers approximately $105,000,000 a year.

The Hoover Commission Task Force said further:

Every agency of the Government maintains its public relations staff. Every agency issues printed matter in great or small volume every year for public distribution. Printing costs on Government literature approach $50,000,000 a year, and the mailing costs, computed at regular postage rates add $40,000,000 a year.

Staff salaries in publicity functions were tabulated by the Bureau of the Budget for fiscal year 1948 at $13,000,000, but this figure does not include—

I am quoting from the report of the Hoover Commission Task Force—

editorial and research expense in the preparation of Government intelligence. The Budget Bureau's itemization begins with preparation of the press release, radio continuity or motion-picture scrips. The research and testing behind the press release are not charged to the publicity fuction, but rather to the routine administrative expenses of the department.

Then the Hoover Commission Task Force touched on that facet of the problem which makes it difficult to be reached by any sort of legislation. It said:

In many cases public-relations work is concealed entirely from routine accounting review, principally by the device of carrying publicity operatives on the roll as supervisors, administrative assistants, or technical experts.

They never call them "publicity experts"; they give them some other name.

For these reasons in the present state of the Federal budget and accounting procedures, a precise itemization of Government expenditures in this broad field is almost impossible.

For this reason the language of the pending amendment is directed to functions performed, no matter what the title may be, or at what station in Civil Service ranks and grades the employee may be.

In this bill, and in the Government, now it is still virtually impossible to determine how many people there are engaged in so-called information work in the Federal Government, but the Civil Service Commission admits to 4,199 who can be positively identified in these positions. A check of the appendix to the budget document reveals that of this number there are more than 100 such positions covered by the independent offices appropriation bill, and that the salaries run to nearly three-quarters of a million dollars. Undoubtedly there are others in high positions who cannot be identified in the detailed personnel tables, and still others engaged in clerical, mechanical, and transportation jobs connected with publicity which would more than double—probably treble—both the number of people involved and the personal-service costs.

But this is not all that is involved. We become involved also in the paper shortage, in the purchase of duplicating equipment, and especially in the cost of disseminating the material through the mail.

VOLUME AND MAIL COSTS

The Joint Committee on Reduction of Nonessential Federal Expenditures on April 19 started a sampling of material printed and otherwise duplicated by Government agencies for public dissemination. In 2 months, exclusive of the material printed by the Government Printing Office, Government publications, mimeographed and otherwise processed, have been received at the rate of a file case full a week, exclusive of envelopes and wrappings. That means single statements and all publicity sent out. By actual count in the mails of Saturday and Monday morning 2,226 separate pieces were received. All of this, of course, was delivered under the free penalty mail privileges. On page 741 of the budget document, the Post Office Department reveals that in fiscal year 1952 it expects to handle 1,780,100,000 pieces of penalty mail from Gov-

ernment departments and agencies in the executive branch. That is approximately a letter a month from the executive branch departments and agencies to every man, woman, and child in the country. This volume of penalty mail represents an increase of nearly a hundred million a day over the volume handled last year, which totaled less than a billion and a half pieces.

Examples of some of the material which is going through the mails is a pamphlet called Filipino Women—Their Role in the Progress of Their Nation, published by the Labor Department; Raccoons of North and Middle America: North American Fauna No. 60, published by the Fish and Wildlife Service, Department of the Interior; and then there is the gem by the ECA entitled "ECA's Dilemma—Can Elephants and Water Buffalos Outwork Machinery?" This is a little article about 5-day weeks for elephants working in Burma. The ECA found that elephants do not like to work in the hot sun.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. FERGUSON. Has the Executive Office issued any publication concerning the Byrds of Virginia?

Mr. BYRD. There has been some comment about that, I believe.

The ECA has found that elephants do not like to work in the hot sun, and that in March and April they should be sent to a rest camp, and also that they should be given about 2 weeks vacation again in October.

Mr. President, that is where some of our money is going.

It is no wonder that I and other Senators are receiving numerous complaints about the stuff which is being received by citizens all over the country, about the uselessness of the material which they are receiving through the mails, in the nature of Government publications from the executive departments of the Government.

I receive letters, and I assume other Senators receive similar letters, saying "For God's sake stop sending all this mail." It is thrown away because the recipients have no use for it; yet the mails are filled up with it.

A typical paragraph is quoted from a letter from Mr. H. W. Osgood of the Youngstown, Ohio, Modern Furniture Store. Mr. Osgood writes:

> I enclose a copy of a publication, The Agricultural Situation, April 1951, which we received in the mail today. This publication has no value to us (in the furniture business).

Mr. Osgood further suggested that instead of unnecessarily oversized heavy envelopes the Government might use cheaper self-mailers. The Government gets the most expensive paper and envelopes it can obtain.

As I have said, this material which is now coming into our office does not include any publications disseminated by the Government Printing Office. In addition, publications disseminated by the Government Printing Office, printed in fine type, cover 78 pages of an attractive green-bound monthly catalog, and exclusive of the Military Establishment, the appendix to the budget reveals that the Government's printing bill for fiscal year 1952 is estimated at $41 million, and the Military Establishment will more than double this figure when the estimates are counted.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. AIKEN. Am I correct in my interpretation of what the Senator has said, that the Senate having approved an amendment which inspired department heads to drive their own cars, the Senator from Virginia now proposes another amendment which will require Senators to write their own speeches?

Mr. BYRD. I hope that will be the effect of it. I do not know whether it would improve the quality of the speeches.

All my amendment would do, as I have said, is to limit expenditures for the purposes enumerated to 75 percent of the figure recommended by the Budget.

Actually, this amendment simply points up a field of Federal personnel costs where the requirements of the Cordon and Ferguson amendments may be absorbed in nonessential activities.

I have no fear about serious impairment of essential Federal functions resulting from this amendment in any agency headed by an efficient administrator.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. SALTONSTALL. If we cut down personnel 10 percent, what the Senator's amendment would do, in substance, would be to cut the personnel used for this informative service by another 15 percent, would it not?

Mr. BYRD. That is correct. Much discretion is given to the bureaus of the Government. If the Ferguson amendment applies to them, the cut would be 25 percent. The total would not be in excess of 25 percent.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. AIKEN. I take it that the Senator's amendment would not apply to legitimate informational work, such as that done by the Bureau of the Census, would it?

Mr. BYRD. No; it is not intended to do that. The publicity experts are not set forth separately in the budget. I feel that 75 percent will be entirely adequate for handling reports and other things which are important to the people.

Mr. President, I yield the remainder of my time to the Senator from Michigan [Mr. FERGUSON].

The VICE PRESIDENT. The Senator has one more minute.

Mr. FERGUSON. Mr. President, I have been working on this subject for a number of years. I ask unanimous consent to have printed as a part of my remarks a table headed "Estimated expenditures for educational, informational, promotional, and publicity activities, executive branch of the Federal Government, fiscal year 1946, by departments and agencies." The total sum to be spent in 1946 for those purposes was $74,829,467. This table is 6 years old but I think it may be the latest and most complete indicator of the functions we are talking about. I had it in my files as a survey that I had once requested the Bureau of the Budget to make for me.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated expenditures for educational, informational, promotional, and publicity activities, executive branch of the Federal Government, fiscal year 1946, by departments and agencies

	Total expenditures
Total, executive branch	$74,829,467
Executive Office of the President	8,154,021
White House	6,103
Bureau of the Budget	165,700
Office for Emergency Management:	
Civilian Production Administration	172,000
Committee on Fair Employment Practice	3,370
Foreign Economic Administration [1]	15,175
Alien Property Custodian	121,000
Office of Defense Transportation	207,000
Office of Inter-American Affairs [2]	886,178
Office of Scientific Research and Development	6,800
Office of War Information [1]	3,772,095
War Shipping Administration	157,000
Office of Price Administration	2,572,000
Petroleum Administration for War	69,600
Independent establishments	2,627,808
American Battle Monuments Commission	0
Civil Service Commission	204,000
Employees' Compensation Commission	9,000
Export-Import Bank of Washington	6,700
Federal Communications Commission	24,363
Federal Deposit Insurance Corporation	4,650
Federal Power Commission	75,266
Federal Trade Commission	27,417
Interstate Commerce Commission	43,000
National Advisory Committee for Aeronautics	171,000
National Archives	19,400
National Capital Housing Authority	500
National Capital Park and Planning Commission	0
National Labor Relations Board	21,400
National Mediation Board	3,063
Office of War Mobilization and Reconversion	292,000
Office of the Director	180,000
Office of Contract Settlement	22,000
Surplus Property Administration	90,000

[1] To date of liquidation.
[2] Liquidated in part during 1946 fiscal year.

Estimated expenditures for educational, informational, etc.—Continued

Independent establishments—Continued	Total expenditures
Railroad Retirement Board	$17,300
Securities and Exchange Commission	91,000
Selective Service System	19,500
Smaller War Plants Corporation	279,100
Smithsonian Institution	134,000
National Gallery of Art	24,850
Tariff Commission	25,000
Tennessee Valley Authority	245,000
The Tax Court of the United States	30,728
United States Maritime Commission	199,000
Veterans' Administration	660,571
Federal Loan Agency	331,167
Federal Security Agency	2,043,988
Federal Works Agency	89,295
National Housing Agency	343,616
Department of Agriculture	9,295,700
Department of Commerce	2,003,212
Department of Interior	387,569
Department of Justice	199,000
Department of Labor	1,440,641
Navy Department	704,000
Post Office Department	11,960
Department of State	30,377,000
Treasury Department	11,104,800
War Department [1]	5,715,690

[1] Exclusive of pay and allowances of military personnel.

Mr. FERGUSON. Mr. President, I ask unanimous consent to have another table printed in the RECORD, another table I have had in my files, showing the number of personnel engaged in public relations and publicity activities in the Department of Defense for the fiscal year 1949, totaling approximately $8,162,505.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Personnel engaged in public relations and publicity activities, Department of Defense, fiscal year 1949

Department	Military	Civilian	Total personnel	Total compensation
Departmental	273	255	528	$1,806,584
OSD	0	10	10	46,517
Army	75	141	216	745,123
Navy	155	47	202	542,555
Air Force	43	57	100	472,389
Field	1,585	593	2,178	6,355,921
OSD	0	0	0	0
Army	566	344	910	2,259,838
Navy	315	43	358	1,556,083
Air Force	704	206	910	2,540,000
Total	1,858	848	2,706	8,162,505
OSD	0	10	10	46,517
Army	641	485	1,126	3,004,961
Navy	470	90	560	2,098,638
Air Force	747	263	1,010	3,012,389

NOTE: Compensation for Air Force enlisted personnel excludes subsistence and quarters allowances.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. BYRD. Mr. President, I may say that I agreed to give some time to the Senator from Michigan, and I ask unanimous consent that he be given 5 minutes additional time.

Mr. MAYBANK. I object.

Mr. McFARLAND. Mr. President, I make the point of order that the amendment is legislation on an appropriation bill. Some abuses may have been disclosed, but there may also be some value to the publications mentioned. Sometimes Government agencies are criticized for not giving out sufficient information.

Mr. BYRD. Mr. President, may I be heard on the point of order?

Mr. MAYBANK. I hope the Senator from Virginia will permit me to say a word.

Mr. BYRD. I wish to discuss the point of order.

Mr. MAYBANK. I understand that, but the reason why I objected was because the Senator from Michigan asked me one or two questions, and I said I would discuss the questions with him in the time I had remaining.

The VICE PRESIDENT. That does not affect the Senator's time on the amendment.

Mr. BYRD. Mr. President, I wanted to invite the attention of the Chair to the fact that section 603 deals with the same subject, and was passed by the House.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. MAYBANK. It is my judgment that section 603 should have remained in the bill.

Mr. BYRD. I am speaking to the point of order. The amendment is a limitation on expenditures. I again invite attention to section 603 of the bill. There is no contingency whatever involved in the amendment which the Senator from Virginia has offered. It is a limitaton on expenditures, along the same lines as was the Ferguson amendment, which was declared to be in order by the Presiding Officer.

The VICE PRESIDENT. Under rule XVI, no limitation on an appropriation bill is permissible which depends for its validity upon a future contingency. The amendment of the Senator from Virginia provides that not more than 75 percent of the amount is to be made available for the information services, and that the departments involved must look into the question and determine, as the year goes along, whether the 75 percent has been reached or has been exceeded. It also involves the definition of informational services. The Chair is of the opinion that there is a contingency involved, and also a definition, and that the amendment is legislation on an appropriation bill.

Mr. BYRD. Mr. President, I respectfully invite the attention of the Chair to the fact that there is no contingency, and that the amendment is exactly along the same line as the Ferguson amendment.

The VICE PRESIDENT. The Ferguson amendment was a straight-out reduction.

Mr. BYRD. It was based upon budget estimates, just as is my amendment.

The VICE PRESIDENT. That is correct, but it does not contain the terms which are contained in the amendment offered by the Senator from Virginia.

Mr. FERGUSON. Mr. President, may I be heard prior to the final decision of the Chair?

The VICE PRESIDENT. Yes.

Mr. FERGUSON. The bill contains legislation on the same point in section 603——

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I shall be glad to yield.

Mr. MAYBANK. I do not want to be misunderstood in this situation, because we went over it very thoroughly in the committee. The reason for section 603 being stricken out was that the Senator from Alabama [Mr. HILL] and another Senator thought it might apply to farmers' bulletins which farmers requested. I am relying on my memory. However, I may be wrong.

Mr. FERGUSON. Mr. President, when the bill came from the House it contained this language:

> No part of any appropriation contained in this act, or of the funds available for expenditure by any corporation or agency included in this act, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before before the Congress.

At the present time there is a statute on the books, section 54 of title V, United States Code, which provides as follows:

> No money appropriated by any act shall be used for the compensation of any publicity expert unless specifically appropriated for that purpose.

That law was passed on October 22, 1913. It is chapter 32, paragraph 1, Thirty-eighth Statutes, page 212.

The Byrd amendment is merely a limitation on the amount of the budget estimate, so the specific 75 percent is already determined. No determination is necessary to be made in the carrying out of the provisions of the amendment. I hope the ruling of the Chair will be that this is not legislation, because it could be part and parcel of section 603, which provides the same kind of a limitation. Therefore I hope the point of order will not be upheld.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. May I ask the Chair a question, in the nature of a parliamentary inquiry? Would it not be possible for the Senator from Virginia to move to reconsider the committee amendment striking out section 603? If the committee amendment were rejected, and the House provision were restored, would not an amendment to the House language then be in order?

The VICE PRESIDENT. Section 603 is the language that came from the House. The Senate committee struck out that language, and the Senate committee amendment has been agreed to. The only way to proceed in that connection is to reconsider the vote by which the Senate committee amendment was adopted.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the Senate committee amendment was adopted.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

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The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. I understood that all committee amendments which were adopted were adopted with the understanding that Senators would have the privilege of reopening them without moving to reconsider the vote by which the amendments were adopted.

The VICE PRESIDENT. That is correct, but action would have to be taken by the Senate in order to do what the Senator suggests be done.

Mr. SALTONSTALL. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. It was my understanding that it was specifically agreed that no reconsideration of the votes by which amendments were agreed would be necessary in order to take action on the amendments. While all the committee amendments were agreed to en bloc, they were agreed to with the understanding that they could be reopened or reconsidered merely by the action of Senators in offering amendments to the committee amendments.

The VICE PRESIDENT. Ordinarily the procedure is to move to reconsider the vote by which a committee amendment was adopted. However, under the unanimous-consent agreement with respect to committee amendments to the bill, it was agreed that if any Senator wished to offer an amendment to a committee amendment, which would ordinarily make it necessary to reconsider the vote by which the committee amendment was agreed to, all he would have to do would be to offer an amendment to the committee amendment.

Mr. BYRD. Mr. President, I move that the vote by which the committee amendment was agreed to be reconsidered.

The VICE PRESIDENT. The Chair does not think it requires any motion, in view of the unanimous-consent agreement which was entered into. A point of order is pending as to the language of the amendment of the Senator from Virginia.

Mr. McFARLAND. Mr. President, I have been requested to withdraw the point of order. I will say, however, that I am sincere in my belief that if the amendment of the Senator from Virginia should be adopted the result would be to cut out publicity which should be given. The Senator from Virginia thinks that certain things are being done which should not be done. On the other hand, others are criticizing the administration for not doing certain things. I do not think reconsideration of the vote by which the committee amendment striking out section 603 was agreed to will make any difference. There still will remain the question of a point of order. I feel that the questions involved should be considered by a legislative committee, which could give the time carefully to consider the effects of the various proposals. I am not opposing the principle the Senator from Virginia is trying to maintain, but I think the subject is one which should be brought before the proper committee. If the Senator should introduce a bill dealing with the subject, I am sure it would receive careful consideration. I do not think this is the time to consider the question. The Senate has adopted certain rules, and we should live up to them.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. McFARLAND. Yes.

Mr. SALTONSTALL. I respectfully say that I believe the Senator from South Carolina will agree with me that the subcommittee cut out section 603 not so much because it opposed it, but because it did not think it was framed in proper language and form, and that we felt that the section should be stricken so that it might be further considered and rewritten in proper form.

Mr. MAYBANK. The Senator from Massachusetts is correct. It is my recollection that fear was expressed by some members of the subcommittee that the action would seriously impair the publication and distribution of the Farmers' Bulletin. So the committee struck out section 603, with the idea that it would be taken to conference. Is that not the recollection of the Senator from Alabama?

Mr. HILL. That is my recollection, Mr. President. It was feared that there might be interference with the publication and the distribution of the Farmers' Bulletin to the farmers of the country.

The VICE PRESIDENT. The Chair must pass on the point of order, and not on the merits. The Chair would say that he is not certain that if section 603 as adopted by the House, were restored, the amendment of the Senator from Virginia still would not be subject to the point of order that it is limitation based on a contingency, and also that it contains legislation in the form of definition of terms which are not now in the law and which would constitute legislation on an appropriation bill.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. The Senator from Massachusetts will say very frankly that perhaps it is not a parliamentary inquiry. However, I should like to put the question: Cannot Section 603 as adopted by the House be restored by simply reconsidering the action by which the Senate committee amendment was agreed to? Or if the Senate feels that the House language is not in proper form, then it certainly can amend that language, can it not?

The VICE PRESIDENT. By any germane amendment.

Mr. SALTONSTALL. So if the amendment of the Senator from Virginia is germane it would be proper to attach it as an amendment to section 603. I ask that as a parliamentary inquiry.

The VICE PRESIDENT. The question of germaneness is not one of which the Chair, in connection with an appropriation bill, can pass, because the rule provides that that question should be submitted to the Senate. If the language of the House bill in section 603 should be restored, undoubtedly any germane amendment to that section would then be in order. If the question were raised as to its germaneness it would have to be submitted to the Senate as a parliamentary question, on which the Senate would pass and not the Chair. But any germane amendment to the House language would be in order, although the Chair would not wish to say in advance than an amendment which constituted legislation or put a limitation on an appropriation contingent on some future event would be in order. The Chair is not passing on that now.

Mr. SALTONSTALL. Mr. President, I should like to make a brief statement. If the amendment of the Senator from Virginia should be ruled out on a point of order it seems to me that the whole purpose of the Senate committee in striking out section 603 in the hope of obtaining better language to cover the purposes of the section, would be destroyed, and the whole theory on which the committee acted would be frustrated.

Mr. FERGUSON. Mr. President——

The VICE PRESIDENT. The Chair suggests to Senators that if section 603, which has been stricken out by action of the Senate, remains in that status, it will be before the conferees, and they will have the right to modify it in any way which is not beyond their power, as between the language of both Houses. If section 603 is restored and there is no amendment to it in the Senate, it will not be in conference. It will go into the bill as the House has written it.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. FERGUSON. Is not the question now before the Senate the restoration of section 603?

The VICE PRESIDENT. No. The Chair thinks that the point of order is the question which is pending.

Mr. FERGUSON. May the Senator from Virginia withdraw his amendment and ask for the restoration of section 603, and then offer his amendment to that section, and have the Senate pass upon the question of germaneness?

The VICE PRESIDENT. The Senator from Virginia may withdraw his amendment by unanimous consent, and then proceed to some other amendment.

Mr. McFARLAND. Mr. President, may I speak to the point of order?

Mr. BYRD. Mr. President, I ask unanimous consent to withdraw my amendment.

The VICE PRESIDENT. Is there objection to the Senator withdrawing the amendment? The Chair hears none, and the amendment is withdrawn.

Mr. BYRD. Mr. President, I ask reconsideration of the action taken by the Senate with respect to section 603, in accordance with the unanimous-consent agreement; and I ask that it be restored to the bill.

The VICE PRESIDENT. The Senator from Virginia asks that the vote by which the amendment striking out section 603 was adopted, be reconsidered, and that that language be restored for the further consideration of the Senate. Is there objection?

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Mr. MAYBANK. Mr. President, reserving the right to object——

Mr. BYRD. Mr. President, we had a unanimous-consent agreement that any of the committee amendments which were agreed to en bloc could be reconsidered.

The VICE PRESIDENT. Under the unanimous-consent agreement entered into at the time the bill was taken up, any Senator has the right to ask that a committee amendment be reconsidered.

Mr. BYRD. There was an agreement that there would be no objection to the reconsideration of any of the committee amendments.

Mr. MAYBANK. I merely reserved the right to object.

The VICE PRESIDENT. The Chair does not think that under the agreement an objection would avail anything. The Senator may reserve the right to object.

Mr. MAYBANK. That is all I ask. There is no need for the Senator from Virginia to be disturbed about what I have to say.

Mr. BYRD. The Senator said he objected.

Mr. MAYBANK. I said I reserved the right to object.

Mr. BYRD. Is the Senator going to object, or not?

Mr. MAYBANK. I wish to make it perfectly clear that I believe that before we consider this question there should be a quorum call, so that Senators who objected in the subcommittee to section 603 being in the bill may have an opportunity to be present. I do not want to have the question considered in their absence.

Mr. BYRD. Every other Senator has had the privilege of having the action of the Senate with respect to committee amendments reconsidered. I do not take it with any special appreciation that the Senator from South Carolina is objecting to my request.

Mr. MAYBANK. I have not objected.

Mr. BYRD. Such requests have been acceded to in every other instance, in accordance with the unanimous-consent agreement.

Mr. MAYBANK. Mr. President, I have not objected. I merely reserved the right to object. I have stated that before the action suggested is taken—and as chairman of the subcommittee, I feel that the Senator from Virginia should agree with me—the other members of the subcommittee should know what we intend to do with respect to section 603. I did not move to strike it out. As I stated, I had hoped that it would remain in the bill. But some Senator moved to strike it out. Frankly, I will say to the Senator from Virginia that I do not remember which Senator moved to strike it out; but I believe that members of the subcommittee should be present before action is taken.

Mr. BYRD. Mr. President, I renew my request that the action whereby section 603 was stricken from the bill by the committee amendment be reconsidered.

Mr. McFARLAND. Mr. President, reserving the right to object—and I shall not object—I hope the Senator will not insist upon a quorum call.

The VICE PRESIDENT. The request is not subject to an objection.

Mr. McFARLAND. May I complete my statement, Mr. President?

The VICE PRESIDENT. Certainly.

Mr. McFARLAND. It was understood that we might take this action. I merely wish to say that I do not believe, when we take out section 603, that any department should have the right to use publicity or propaganda to defeat or support legislation. However, that is not the point of order which I was making. I believe that the amendment of the Senator from Virginia is definitely new legislation, other than that contained in the House provision in section 603, and I shall make the point of order against the amendment just the same.

Mr. MAYBANK. Mr. President, reserving the right to object, I have no objection to section 603 being put back in the bill. I reserve the right to object until I can find out who made the motion to strike it out. I think I am entitled to that opportunity.

Mr. BYRD. Mr. President, I renew my request.

Mr. MAYBANK. That question has nothing to do with the point of order.

Mr. McKELLAR. Mr. President, may I ask the Senator a question? The Senate committee reduced the appropriation for personnel 10 percent, as shown by the new section 603 on page 69. If that section is stricken out that reduction will be stricken out.

Mr. MAYBANK. Mr. President, I may say to the chairman of the full committee that there is no difference of opinion between the Senator from Virginia and myself about the section 603 which has been stricken out. However, I wish to show the proper courtesy to members of the subcommittee who objected to the section at the time. I suggest that they be present. That is all I have asked. I am certain that the Senator from Virginia would extend the same courtesy to a member of a subcommittee of the Committee on Armed Services or the Committee on Finance.

The VICE PRESIDENT. The Chair thinks he can clear up this situation.

Under the rules, when an amendment is offered and a point of order is made with respect to it, during the discussion of the point of order the sponsor of the amendment may withdraw the amendment without having unanimous consent. If the Chair had actually ruled on the point of order, the amendment could not be withdrawn. While the Chair has indicated how he might rule, he has not actually ruled on the point of order, and therefore the Senator from Virginia may withdraw the amendment if he wishes, without asking unanimous consent. Does the Senator from Virginia wish to do that?

Mr. BYRD. Mr. President, I withdraw the amendment which I have offered.

The VICE PRESIDENT. The Senator from Virginia withdraws his amendment, and he moves that the Senate disagree to the amendment striking out section 603. That question is now before the Senate. [Putting the question.]

Mr. MAYBANK. Mr. President, I trust that we shall wait until members of the subcommittee can return to the Chamber.

Mr. BYRD. Mr. President, this is the unanimous-consent agreement, as stated by the Presiding Officer on page 6817:

> The PRESIDING OFFICER. An agreement was entered into Friday that the amendments reported by the Committee on Appropriations should be considered as agreed to en bloc, with the privilege reserved to any Senator to offer an amendment in the second degree without reconsideration.

Mr. MAYBANK. That is correct.

Mr. BYRD. I do not know what the Senator wants to do. Does he want to have a quorum call, or shall we stand here indefinitely until some Senator comes into the Chamber?

Mr. MAYBANK. No.

Mr. BYRD. I am not going to withdraw my request.

The VICE PRESIDENT. The Senator from Virginia has made a motion, on which he has 15 minutes. The Senator from South Carolina may have 15 minutes in opposition to the motion. Does the Senator from Virginia wish to take time on his motion?

Mr. BYRD. I have no desire to take time on the motion now.

Mr. MAYBANK. Mr. President, I have no desire to take time on the motion, because I have been advised that the Senators who were interested at the time are not now interested. That is all I wanted to find out.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Virginia that the Senate disagree to the amendment striking out section 603.

The motion was agreed to.

The VICE PRESIDENT. Therefore the original language of the House in section 603 is restored.

Mr. BYRD. Mr. President, I now offer the amendment which I have previously offered, as an amendment to section 603, beginning in line 17, after the word "Congress."

The VICE PRESIDENT. The amendment has already been read, and therefore it will not be necessary to read it again.

Mr. McFARLAND. Mr. President, I make the point of order that the amendment offered by the Senator from Virginia is new legislation, offered on an appropriation bill.

Mr. BYRD. Mr. President——

The VICE PRESIDENT. The Chair will hear the Senator from Arizona.

Mr. McFARLAND. Mr. President, I believe that the Chair has well stated the contingency which is involved. The Department must determine when 75 percent has been used, and there must be a definition as to what is propaganda, and so forth.

I think it is a dangerous field that we are getting into, when we try to insert in appropriation bills on the floor of the Senate definitions which change legislation. I do not care to argue the question at length. I think the Chair has better stated the rule than I could state it.

The VICE PRESIDENT. The Chair will ask the Senator from Arizona to read section 603 so that we may have clearly in mind what it says.

Mr. McFARLAND. Does the Chair ask me to read it?

The VICE PRESIDENT. Yes.

Mr. McFARLAND. Section 603. No part of any appropriation contained in this act, or of the funds available for expenditure by any corporation or agency included in this act, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McFARLAND. Yes.

Mr. SALTONSTALL. It seems to me that we are now getting ourselves into the position which the committee did not want us to get into. We have adopted the House language. Unless we accept an amendment like the amendment offered by the Senator from Virginia or a similar amendment, the section will not be open to conference and to a change in language. In that case we would have language in the bill which we thought was not good language.

Mr. MAYBANK. That is the reason I reserved the right to object, because it was the desire of the subcommittee that the original language should not stay in the bill.

Mr. McFARLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McFARLAND. We have not adopted the amendment. All that we have done was to repeal the action adopting the amendment. It is now before the Senate. The Senator from Virginia offers an amendment to the amendment of the committee.

The VICE PRESIDENT. The Senator is mistaken. The Senator from Virginia moved that the committee amendment be disagreed to. The Senator's motion was agreed to. That action restored the language of the House bill.

Mr. McFARLAND. I consider the amendment of the Senator from Virginia to be far more dangerous than the original language. All of us agree on the principle involved. However, when it comes to the question of publicity to be used by departments, I do not know what might be involved. If we were considering a health bill, we would know what was involved.

We should not legislate on an appropriation bill. We should have the amendment go first to a committee and have the committee give careful consideration to it. We have committees established for that purpose. Let us use the committees.

Mr. HUMPHREY, Mr. HOLLAND, Mr. BYRD, Mr. THYE, and Mr. MOODY addressed the Chair.

The VICE PRESIDENT. The Chair would like to offer a suggestion. The Chair is confronted with an important point of order, which he does not wish to rule on without having sufficient advice on it. Inasmuch as other amendments are to be offered, and it does not appear as though we shall finish consideration of the pending bill today, the Chair would inquire if it would be agreeable to let the amendment go over temporarily until tomorrow so that the Chair may look further into the question involved.

Mr. McFARLAND. It would be agreeable to the Senator from Arizona.

Mr. BYRD. It would be agreeable to the Senator from Virginia.

The VICE PRESIDENT. If it is agreeable, the Chair will look into the question before the Senate convenes tomorrow.

Mr. HOLLAND. Mr. President, I am certain that the Senator from Virginia was confining his motion to the reconsideration of the original section 603.

Mr. BYRD. That is correct.

Mr. HOLLAND. His motion had no reference to the new section 603, which was written in following the recommittal of the bill to the Committee on Appropriations; is that correct?

Mr. BYRD. I said page 67.

Mr. HOLLAND. May I ask the Senator from Virginia to state definitely that he does not refer to the new section, having to do with the reduction of appropriations for personnel?

Mr. BYRD. I think the RECORD is clear. I have already stated that I refer to section 603 on page 67. What I have said applies to the old section 603, not to the new section.

The VICE PRESIDENT. The amendment temporarily goes over. The bill is open to further amendment.

Mr. JOHNSON of Colorado. Mr. President, I raise a point of order with respect to the language in the bill at page 63, lines 6 to 13, on the ground that it is legislation on an appropriation bill.

The VICE PRESIDENT. It is a committee amendment which has been agreed to.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. Yes.

Mr. MAYBANK. Does the Senator have reference to the Inland Waterways Corporation?

Mr. JOHNSON of Colorado. That is correct.

Mr. MAYBANK. We heard the testimony of the Secretary of Commerce on that point. As he is chairman of the Committee on Interstate and Foreign Commerce, the Senator from Colorado understands my position. I am glad he brought up the point.

Mr. JOHNSON of Colorado. The Committee on Interstate and Foreign Commerce had a proposal before it authorizing $18,000,000 for the purpose of purchasing barges. The bill was before the committee a long time. We gave it a great deal of consideration. It was not enacted by Congress. Now the bill contains an amendment which reads:

Provided further, That the Corporation may use its funds to purchase equipment on credit or otherwise, and in so doing may mortgage or pledge equipment as security for the payment of any obligations representing the balance of the purchase price, and for this purpose may enter into purchase money mortgages, conditional sales contracts, equipment trusts, or other similar methods of financing.

The proviso makes it possible for the operators of the Government Barge Line to pledge for loans, property of the United States. I believe it is a very improper proviso. However, my point of order is based on the ground that it is legislation on an appropriation bill.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. Yes.

Mr. FERGUSON. The Senator from Michigan agrees that it is general language and therefore it is legislation in an appropriation bill. Does it not attempt to do indirectly what the committee had before it? It would permit the Corporation to use Government money for the purchase of additional barges. It would allow them to mortgage Government property, which at the present time is owned by the Corporation, and use the money for the purchase of additional barges, or as they may see fit to use the money.

Mr. JOHNSON of Colorado. The barges which the corporation owns belong to the United States of America.

Mr. FERGUSON. That is correct. Therefore, they are trying to do indirectly what they have not been permitted to do directly by the committee.

Mr. LONG. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. Yes.

Mr. LONG. I should like to point out for the benefit of the Senator that it is my understanding that the attorneys who have examined the question have arrived at the opinion that the Federal Barge Line does have the right to borrow such money as may be necessary to make purchases of equipment out of funds it may have on hand from the mortgaging of equipment. However, out of an abundance of caution, so that there would be no doubt so far as banks making such loans were concerned, it was thought wise to clear up any doubt that might exist.

I would say to the Senator from Colorado that actually the purpose of the amendment is to make it possible to replace some worn-out equipment with a smaller amount of better equipment, which would reduce the loss of the barge line and probably would put the barge line into the black, instead of having it continue to operate in the red. It would involve only a small amount of funds. I believe I can give the Senator some figures I have available.

Mr. JOHNSON of Colorado. In either case it is legislation and should come before our committee in the regular way.

Mr. LONG. I believe the Senator will find that actual legislation is not necessary, and for the most part the attorneys have advised me that it is not necessary. However, there is some doubt in this situation. Therefore, it probably would be wise to have the doubt cleared up.

Mr. JOHNSON of Colorado. If there is any doubt, it should be removed by means of legislation handled in the regular way by the committees which are authorized to handle legislation on this subject.

I repeat that at one time there was before the committee a bill calling for an authorization of an appropriation of $18,000,000 for this purpose, but Congress did not pass the bill. The committee did not report the bill favorably, and Congress has never passed such a measure.

So I make the point of order that the amendment is legislation on an appropriation bill.

The VICE PRESIDENT. The Chair wishes to determine whether he has a proper understanding of the unusual unanimous-consent agreement which was entered into, by means of which all the committee amendments were adopted en bloc, with the reservation of the right for any Senator to offer an amendment to any committee amendment which thus was agreed to.

By analogy, but not by the specific terms of the agreement, the Chair would assume that if a Senator has a right, after a committee amendment is agreed to, to offer an amendment to it, he would have a right to make a point of order against it. Only on that basis could the Chair entertain the point of order at this time.

The Parliamentarian indicates that the Chair's opinion on that subject is what the Senate had in mind at the time when the agreement was entered into.

Therefore, the Chair can entertain the point of order against the amendment, although it has been agreed to.

The Chair would like to have the language of the bill to which the amendment is offered read.

Mr. LONG. Mr. President, let me submit that in this section of the bill as it was passed by the House there is already general language dealing with this matter, namely, the Inland Waterways Corporation, and dealing with other matters. In view of the language included in that section by the House, which also is general legislation, I believe that an amendment such as that reported by the Senate committee is in order.

The VICE PRESIDENT. The Chair would like to have the language of this portion of the bill, as passed by the House, read in connection with the amendment.

Mr. JOHNSON of Colorado. Mr. President, I rise to a point of information.

The VICE PRESIDENT. The Senator will state it.

Mr. JOHNSON of Colorado. What must I do in order to make my point of order in that case?

The VICE PRESIDENT. The Senator does not have to do anything. The Chair is entertaining the point of order at this time, but the Chair would like to have the original language of the bill as passed by the House read, along with the amendment.

Mr. LONG. Mr. President, I should like to point out——

The VICE PRESIDENT. The Senator will suspend for a minute, please. The Chair, for his own information, would like to have the language of this section of the bill as passed by the House read. The clerk will please read it.

The legislative clerk read as follows:

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce): Not to exceed $481,200 shall be available for administrative expenses, to be determined in the manner set forth until the title "General expenses" in the Uniform System of Accounts for Carriers by Water of the Interstate Commerce Commission (effective January 1, 1947): *Provided*, That no funds shall be used to pay compensation of employees normally subject to the Classification Act of 1949 at rates in excess of rates fixed for similar services under the provisions of said act, nor to pay the compensation of vessel employees and such terminal and other employees as are not covered by said act, at rates in excess of rates prevailing in the river transportation industry in the area (including prevailing leave allowances for vessel employees, but the granting of such allowances shall not be construed as establishing a different leave system within the meaning of that term as used in section 8 of the Act of December 21, 1944 (5 U. S. C. 61d)):

The VICE PRESIDENT. The Chair would now like to have the Senate committee amendment read.

The legislative clerk read as follows:

Provided further, That the Corporation may use its funds to purchase equipment on credit or otherwise, and in so doing may mortgage or pledge equipment as security for the payment of any obligations representing the balance of the purchase price, and for this purpose may enter into purchase money mortgages, conditional sales contracts, equipment trusts, or other similar methods of financing.

Mr. LONG. Mr. President, let me point out that the language beginning on page 62, in line 25, dealing with the compensation of employees, including the words "and other employees as are not covered by said act," and I stress these words "at rates in excess of rates prevailing in the river transportation industry in the area" amounts to requiring the Corporation to determine what the rates are in private industry and to make the rates of the Corporation not in excess of the rates in private industry. Therefore that would be general legislation relating to the manner in which the Corporation could use its funds. The amendment proposed to that section of the bill is of the same type, namely, it relates to the manner in which the Corporation can use its funds.

Furthermore, the attorneys have advised the Corporation and have advised the committee that the Corporation already has a right to use its funds in that manner. This is merely a matter of clearing up any doubt as to the manner in which the funds may be used, although the Senate committee proposal is not so broad as the House proposal in regard to the way in which the use of the funds should be restricted.

Therefore, it seems to me that the Senate committee amendment is of the same nature as the language adopted by the House in this portion of the bill, both of them relating to the manner in which the funds may be used, and that therefore the committee amendment is in order.

Mr. SALTONSTALL. Mr. President, I should like to speak to the point of order.

The VICE PRESIDENT. The Senator may proceed.

Mr. SALTONSTALL. I wish to call the attention of the Chair to the fact that in the hearings on the independent offices appropriation bill, the following appears on page 161, in connection with the testimony of Secretary of Commerce Sawyer in regard to these funds:

I propose to use the funds available as a down payment upon a substantial quantity of new equipment, to be financed on a short-term basis through equipment trusts or some similar method, if such financing can be arranged.

This is the important point:

The Attorney General has advised me that I have authority to purchase new equipment on this basis. However, in attempting to make arrangements for such purchases, questions have been raised by prospective financiers of the new equipment as to my authority, as to the validity of the Attorney General's decision.

NEED FOR CLARIFICATION OF LANGUAGE OF LAW

I believe it would be appropriate for this committee to clarify my authority to use the Corporation's funds in this manner.

Then there was colloquy between the Senator from South Carolina [Mr. MAYBANK] and the Secretary of Commerce, as follows:

Senator MAYBANK. You gentlemen know the question about legislation on appropriations during all of these Marshall-plan fights and the Chair's ruling. So if you could work up something that would be satisfactory, the committee would be glad to give consideration to it.

Secretary SAWYER. We will see that your committee gets that.

Senator MAYBANK. You can get it both ways and if we see a chance of doing it, we could do it.

Mr. President, I respectfully call attention to the fact that apparently the Attorney General has made a ruling that the Secretary of Commerce has the authority. If that is correct, the amendment would not be subject to a point of order. If the Secretary of Commerce has to get an opinion in addition, then the point of order would be well taken, because the amendment would be legislation on an appropriation bill.

Therefore, Mr. President, I would argue in favor of the position of the committee, namely, that it is merely trying to clarify authority which the Secretary of Commerce already has.

The VICE PRESIDENT. The Chair is ready to rule. The Chair does not have before him at the moment the statute upon which the Attorney General may base his opinion, and the Chair cannot accept an opinion ex officio as having any binding force or validity upon a parliamentary point of order raised in connection with an amendment on the ground that it is legislation on an appropriation bill.

The House language to which the amendment is offered deals only with the compensation of employees. The amendment deals with the power to purchase equipment. If the statute already provides that power, it is difficult to understand why the amendment is necessary, because it does not provide funds, but merely says the agency has the power to use for that purpose the funds already appropriated in this bill.

Unless there is something in the nature of a permanent statute, which does not appear on the surface of the bill, obviously the amendment would not be

UNIVERSITY OF MICHIGAN LIBRARIES

in order to the bill, because in the bill there is nothing dealing with the purchase of equipment by the Inland Waterways Corporation or by any agency connected with it.

Therefore, the Chair feels constrained to sustain the point of order.

Mr. LONG. Mr. President, may I point out to the Chair that the question which the Chair is relying upon is the point of germaneness, which the Chair is deciding for himself, in saying that this amendment is not in order.

The VICE PRESIDENT. No; the Chair does not base his decision upon that.

Mr. LONG. I should like to point out to the Chair that, if there is legislation on an appropriation bill, the Chair would rule that it was out of order, in that it is legislation. Here, however, we have a case in which there is already House legislation, which is being amended, and, therefore, the point that this is legislation on an appropriation bill would not apply, unless it should happen that the Senate determined that it was not germane; and it would be the duty of the Chair at that point to submit the question of germaneness to the Senate, as a body, rather than to rule on the point directly.

The VICE PRESIDENT. The Chair did not understand that the point made was based on the question of germaneness, and the Chair did not base his decision upon the question of germaneness, but based it on the fact that it constitutes legislation, giving the Inland Waterways Commission power to purchase equipment, which is nowhere provided for in the bill, and which, so far as the Chair knows without further investigation, is not provided for in the present law.

Mr. LONG. Am I to understand that the Chair's ruling is that the section being amended does not contain general legislation? Because if that section, which came from the House, contained general legislation, then the Senate has the right to amend that section by further general legislation.

The VICE PRESIDENT. The Chair does not understand the rule to be that, if the House writes into an appropriation bill a legislative provision on a particular subject, the Senate can then provide for the whole field, adding to it legislation of all sorts. The Chair does not understand that to be either the rule or the practice of the Senate, and especially since it constitutes new legislation, not definitely in the House bill.

Mr. LONG. Mr. President, I point out that the House wrote in general legislation, and it is my impression that the Senate may amend that legislation with amendments which are germane, and that the question of germaneness is a question to be decided by the Senate, rather than a question for the Chair to decide directly.

The VICE PRESIDENT. The Chair feels that his ruling is correct, on the basis of the amendment being new legislation; and the question of germaneness was not one of the questions upon which the Chair undertook to pass.

Mr. DIRKSEN. Mr. President, if we have disposed of the point of order, I desire to call up an amendment which is on the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 27, line 3, after the word "further", it is proposed to restore the language stricken by the committee, to and including line 24, as follows:

That, notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, (1) authorize during the fiscal year 1952 the commencement of construction of in excess of 5,000 dwelling units, or (2) after the date of approval of this act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for dwelling units aggregating in excess of 50,000 to be authorized for commencement of construction during any one fiscal year subsequent to the fiscal year 1952, unless a greater number of units is hereafter authorized by the Congress: *Provided further*, That the Public Housing Administration shall not, after the date of approval of this act, authorize the construction of any projects initiated before or after March 1, 1949, in any locality in which such projects have been or may hereafter be rejected by the governing body of the locality or by public vote, unless such projects have been subsequently approved by the same procedure through which such rejection was expressed.

And in line 25, to strike out the language to and including line 5, on page 28, as follows:

That, notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, authorize during the fiscal year 1952 the commencement of construction of in excess of 50,000 dwelling units.

And on page 28, line 7, to strike out the committee amendment, "$11,400,000" and restore the numerals "$5,000,000."

Mr. MAYBANK. Mr. President, if I may inquire, is it the Senator's desire to amend the provision regarding the Housing Administration, so that the provisions for the 5,000 units will be restored?

Mr. DIRKSEN. That is correct.

Mr. MAYBANK. I wish to congratulate the Senator. I am not for the amendment, but there have been many amendments proposed whose meaning I have never yet been able to understand exactly. But the Senator intends to cut the number from 50,000 to 5,000, directly. I am against the amendment. We had votes in the committee, as the Senator knows, upon two occasions, and in the subcommittee, to make it 50,000, which the House Appropriations Committee had made it, and to raise it from the House floor figure of 5,000.

The VICE PRESIDENT. The time of the Senator from Illinois is running.

Mr. DIRKSEN. Mr. President, I should like to utilize a little of my own time in explaining this amendment.

The VICE PRESIDENT. The Senator from Illinois is recognized.

Mr. DIRKSEN. If the Senate will be patient for a moment, let me say that when the Eighty-first Congres passed the Act of July 15, 1949, it provided——

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. DIRKSEN. My time is running out.

Mr. McFARLAND. Will the Senator yield, upon the understanding that his time will not be running?

Mr. DIRKSEN. I am agreeable, if it is not taken out of my time.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the time shall not be charged to the Senator from Illinois.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. McFARLAND. I wonder whether the Senator wants a vote on his amendment this evening. The hour is getting late, and some Senators have left thinking the Senate was about to recess. The Senator from Illinois was recognized when I was trying to get the floor for that purpose.

Mr. DIRKSEN. I should like to present this matter for the moment, at least, and then come to a resolution of the Senator's question a little later, if he does not mind.

Mr. McFARLAND. I thought perhaps the Senator would rather discuss the amendment tomorrow. I had intended to move a recess.

Mr. DIRKSEN. Mr. President, in the Eighty-first Congress, by the act of July 15, 1949, Congress authorized the construction of 810,000 public housing units, and those were to be divided up, with construction to begin on 135,000 units a year. So there is authority of Congress for 135,000 housing units a year for a period of 6 years. When the hearing was held by the House committee, witnesses indicated that, as of the first of March, they had under construction 34,356 units; that construction bids had been advertised for 47,514 units; and that loan and contributions contracts had been authorized for 116,592 units. So they were proceeding under the act of 1949, in due course.

Then out of a clear sky comes an Executive order; and what does that Executive order say? First of all, it limits the number of units for the last 6 months of 1950 to 30,000 units. The order further goes on to say that, for the 6 months' period beginning January 1, 1951, and for each 6 months' period thereafter, the limit should be 37,500 units. So, we have an Executive order which provides for 75,000 units a year, as against 135,000 a year, as authorized by Congress. In other words, the President cut the number down by 60,000 units a year.

There must have been some reason for that, and there was a reason. We have been dealing with this matter in the Senate for quite some time. The Federal Reserve Board indicated that in order to keep the inflationary pressure within manageable dimensions, the housing starts ought to be reduced from, roughly, 1,350,000 units in 1950 to 850,000 units in 1951; in other words, indicating that there should be a stoppage, by means of

credit regulations, of possibly 500,000 starts in 1951.

When this matter came before the House, the House committee limited the number to 50,000 units. An amendment was offered on the floor by Representative GOSSETT, of Texas, which cut it to 5,000, and his argument, which I think was a good one was that "If we are in war, and if on the one hand we have to watch our credit and watch our materials, then certainly on the other hand, we do not want to be authorizing the Government to undertake a life-sized housing program." In that amendment there was also a proviso that there should be no housing units constructed in an area or locality where there was public objection, unless it was done by a vote of the public body in that locality. That was the shape in which the matter came to the Senate. The bill provided for 5,000 starts, to take care of some bobtailed contracts, if there were any such. The Senate committee has restored the number to about 50,000.

I think we ought to readopt the House language, and I say that for a reason. All this construction is carried out under the 1949 act, which is a low-rent housing act. It is an act which calls for a subsidy, Mr. President, if you please, and yet, in the budget message, the President said he was going to use this authority for defense housing. He said:

> To make sure that the full defense potentialities are realized, the Public Housing Administration, to the maximum extent feasible, will give preference to projects serving defense areas and will require local housing authorities to give military personnel and defense workers preference tenants.

That is precisely what the Federal Housing witnesses said when they came before the House committee. The quarrel I have is simply this, that we are to use the construction for defense housing—and it is a subsidy program—there will conceivably be persons living on one side of the street who work in a defense plant, and who pay their own rent without any help from the Government, and on the other side there will be persons working in the same plant, receiving the same pay, but receiving a gratuity or a subsidy under the program which is set forth in the President's budget message. That is indicated, of course, by testimony of housing officials.

I submit, Mr. President, that if the situation is as bad as we are told it is, and if the inflationary pressures are as bad as we are told they are, Congress has no business authorizing public housing units so long as it is possible for private enterprise to do the job. For that reason, I believe the House language should be restored, the administrative funds ought to be refined and reduced, and the Senate committee langauge ought to be deleted.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. TAFT. I think one statement which the Senator made is incorrect. He said that the defense workers would be subsidized. I do not approve the policy of permitting public housing to be used for defense workers. They have to pay the economic rent. There is no subsidy for a defense worker. So the suggestion of the Senator that one man is subsidized, and another man earning the same amount is not subsidized, is not correct. A man who is a defense worker must pay the economic rent. He sometimes pays three times as much as does the other man.

Mr. DIRKSEN. Conceivably, he could be a defense worker and still not pay the economic rent in his area. He would be eligible for the same subsidy as would anyone else. That is what happens under the basic language of the law. I think it is unfair. I agree with the Senator from Ohio that the kind of housing proposed should not be used for defense purposes. That is a further argument for cutting down from 50,000 units to 5,000 units, as indicated by the amendment which was adopted in the House.

Mr. McFARLAND. Mr. President——

The VICE PRESIDENT. The Senator from Arizona is recognized.

Mr. LEHMAN. Mr. President, will the Senator from Arizona yield for a parliamentary inquiry?

Mr. McFARLAND. I yield.

Mr. LEHMAN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LEHMAN. I am shocked at the proposal made by the junior Senator from Illinois. I think 50,000 housing units would be too small a number. I want to increase the number——

The VICE PRESIDENT. The Senator is not propounding a parliamentary inquiry.

Mr. LEHMAN. I am seeking information from the Presiding Officer. I wish to increase the number of units from 50,000 to 60,000. I should like to be informed as to how that can be done.

Mr. DIRKSEN. Mr. President, I have not yielded for an inquiry.

Mr. McFARLAND. I have the floor, Mr. President.

Mr. LEHMAN. Mr. President, may I have a reply to my parliamentary inquiry?

The VICE PRESIDENT. The Chair thinks an amendment to the committee amendment would be in order. The amendment now offered by the Senator from Illinois is an amendment in the second degree. Therefore, the Senator from New York could not offer another amendment until the amendment of the Senator from Illinois had been disposed of; and it may depend on how it is disposed of whether he should offer it at all. He could not offer it as an amendment to the amendment of the Senator from Illinois.

Mr. LEHMAN. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LEHMAN. Would it be in order to restore the amount the Senator from Illinois now wishes to change to the original sum mentioned in the bill as reported by the Appropriations Committee?

The VICE PRESIDENT. The Chair understands the House provided a certain number of units, 5,000. The Senate committee amended the figure to 50,000.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. TAFT. Is this a motion to strike out and insert, or is it an attempt to defeat the committee amendment?

The VICE PRESIDENT. The committee amendment struck out and inserted, and the Senator from Illinois is seeking to restore the House language, which would involve the defeat of the committee amendment.

Mr. TAFT. Was it a motion to strike out the committee amendment and insert?

The VICE PRESIDENT. Under the agreement, the committee amendments were all agreed to en bloc with the understanding that any Senator could move to amend a committee amendment even though it had been agreed to. The effect of the amendment would be to restore the 5,000 units provided in the House bill.

Mr. TAFT. Mr. President, another parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. TAFT. Is it in order for the Senator from New York to strike out "50,000" and insert "60,000" and have it passed on before the Dirksen amendment is passed on?

The VICE PRESIDENT. The Chair is of the opinion that an amendment would be in order changing the committee amendment from 50,000 to another figure, and it should first be voted on.

The Chair has recognized the Senator from Arizona.

Mr. McFARLAND. I will yield for another parliamentary inquiry.

Mr. LEHMAN. Mr. President, the reason why I am asking for a ruling on this parliamentary question is that I do not want to be deprived by some parliamentary procedure from offering such an amendment. Do I correctly understand that at this time I may offer an amendment to increase the number of units from 50,000 to 60,000?

The VICE PRESIDENT. Whenever the Senator is recognized for that purpose, he may do so. But he cannot do it under the situation in which the Senator from Arizona yielded to him.

Mr. McFARLAND. I will yield for that purpose.

Mr. LEHMAN. Mr. President, will the Senator yield for the purpose of enabling me to offer an amendment to the committee amendment?

Mr. FERGUSON. A parliamentary inquiry.

The VICE PRESIDENT. Is there objection to the request of the Senator?

Mr. FERGUSON. Reserving the right to object, do I correctly understand that if this is accomplished the amendment of the Senator from Illinois will not be in order because it will be in the third degree?

The VICE PRESIDENT. No. The effect of the amendment of the Senator from New York, if and when he shall offer it, will be to amend the committee amendment which the Senator from Illinois is seeking to have defeated so as to restore the original House figure. It

UNIVERSITY OF MICHIGAN LIBRARIES

would take priority in the vote of the Senate.

Mr. FERGUSON. Does the Senator offer an amendment?

Mr. MAYBANK. Mr. President, will the Senator from Arizona yield?

Mr. McFARLAND. I yield.

Mr. MAYBANK. It is my judgment that it would affect several pages and sections of the bill where money is provided for different purposes. I do not think that any amendment should be suggested in a hurry. I do not want to object to the Senator from New York attempting to accomplish his purpose, but it would take quite some time. I understood the Presiding Officer to say that the Senator could offer an amendment when he was recognized for that purpose.

Mr. McFARLAND. Mr. President, my reason for yielding was that the Senator from New York might have his amendment printed. I did not mean that the amendment would be discussed at this time. If the Senator will offer his amendment, it can be discussed tomorrow.

Mr. LEHMAN. Mr. President, as the Senator from South Carolina has pointed out, the amendment which I propose to offer would undoubtedly affect several pages of the bill. So I would prefer not to offer it at this time, but I do not want to be estopped from offering it in due course.

The VICE PRESIDENT. , The Senator can offer it at any time before the amendment of the Senator from Illinois has been disposed of.

REGISTRATION OF AMERICAN SHIPS UNDER FOREIGN FLAGS

Mr. MAGNUSON. Mr. President, on behalf of the Senator from Maryland [Mr. O'CONOR] and myself, I ask unanimous consent to introduce for appropriate reference a bill to amend section 9 of the Shipping Act, 1916, relating to transfer of vessels documented under the laws of the United States to foreign citizens, and for other purposes.

There being no objection, the bill (S. 1704) to amend section 9 of the Shipping Act, 1916, relating to transfer of vessels documented under the laws of the United States to foreign citizens, and for other purposes, introduced by Mr. MAGNUSON (for himself and Mr. O'CONOR), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

Mr. MAGNUSON. Mr. President, I invite the attention of the Senate, as I did last year and the year before, to the great number of foreign-flag-registry ships, not only American-owned ships, but ships of other countries as well. The Panamanian Merchant Marine today is the fourth largest in the world. It is exceeded only by that of the United States, Great Britain, and the Scandinavian countries.

Putting ships under Panamanian registry is a growing evil which involves tax evasion insofar as American corporations are concerned. It is a serious threat, of course, to our merchant marine, and we have no control over the situation. There are some serious legal difficulties involved as to how we might put a stop to this practice, which may have to be worked out further.

The bill I am introducing now is the bill which the Senator from Maryland and I worked out last year, and which the committee unanimously passed. The bill was placed on the calendar.

Mr. President, in a recent trip I made to the Orient I found that much of the trade in Red China was being handled by ships flying the Panamanian flag. These ships never were in Panama. In 90 percent of the cases their crews do not even include a single Panamanian. The United Nations Economic Relations Pact, to which Panama is a signatory, provides for no control over the situation whatever.

The practice which our bill seeks to control however is one we should stop, and I hope we can stop it. I hope the bill may be the answer. It is the answer with respect to the ships over which the Maritime Board has control. The board has long ago, except in cases of rare emergency, followed the policy of not allowing the transfer of a ship to a foreign flag when we had some control over the ship, such as a mortgage, or where the line was a subsidized line. But the operators in question are independent operators. What they have done has caused a great deal of trouble, not only to all the other maritime nations of the world, but here at home.

Mr. President, surely the bill will take care of those ships over which we have control, but if it should not provide the way to stop the practice, I wish to attach to it, if I can, necessary amendments, in which the Senator from Maryland will join me, such as providing for a possible tax penalty on American capital or American corporations that expend their money for maritime building or maritime operations outside this country, and yet not fly the American flag.

Mr. President, the other day in Vermont, at a place called Island Pond, a Memorial Day address was delivered by the chairman of the National Americanism Commission of the American Legion, Mr. Crispe, which I ask to have printed in the body of the RECORD, together with my remarks made when I introduced the bill last year.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

EXTRACT FROM MEMORIAL DAY ADDRESS BY A. LUKE CRISPE, OF BRATTLEBORO, VT., CHAIRMAN, NATIONAL AMERICANISM COMMISSION OF THE AMERICAN LEGION AT ISLAND POND, VT., MAY 30, 1951

Fellow Americans, today we again observe Memorial Day and pay homage and respect to all those who have answered the final call in the service of their country. This year this observance takes on added significance; for Americans are again engaged in battle in defense of democracy and freedom.

I have discussed the general menace of communism. There is, however, a very important aspect of which the American people should immediately take notice. Some years ago, Panama enacted legislation permitting foreign shipowners irrespective of residence to register their vessels with that government, thereby assuming Panamanian nationality. The mechanics of this law are very simple: A shipowner need only to apply at the nearest Panamanian consulate and pay a small fee. From then on, he is entitled to fly the flag of Panama.

When the United States passed the original Neutrality Act, United States ships were forbidden from entering war zones. Because of this prohibition, some United States citizens, owners of vessels, immediately applied for Panamanian registration and were then free from the restrictions of the Neutrality Act. This practice has now developed into a most definite and serious threat. After the war, because many shipowners could save money by registering as Panamanian, great numbers of vessels were registered by citizens of many countries. As a result we now have a huge fleet flying the flag of Panama, having access to the ports of this country and the rest of the world.

Nevertheless, if all of the vessels flying the Panamanian flag were American owned, the problem would be rather simple. However, we must bear in mind that the Panamanian merchant marine is now among the big ten in the world and that actually a great majority of the vessels flying the Panamanian flag are of European and Asiatic origin.

The practice of Panamanian registration developed about 20 years ago when a few countries couldn't get an American registration or certificate. From that time on it has developed into an international octopus with all sorts of tentacles. Shippers have used it to smuggle contraband goods, narcotics and opium. The Panamanian Government knows only that they have registered a ship, received a fee, and sent somebody some registration papers. The ships, of course, may operate anywhere, but a great majority of them never see the shores of Panama. The Panamanian Government doesn't know anything about the ship it registers, its traffic, officers, crew or business. On 90 percent of these vessels there isn't even one Panamanian citizen.

The tonnage of the Panamanian merchant marine runs into several million tons. About one-sixth of the total tonnage is Russian owned or owned by countries behind the iron curtain. The crews of these Russian-controlled vessels number Communists of all nationalities, yet they are allowed free access to the ports of the United States. It may not be far-fetched to say that the greatest threat of a Russian atomic explosion may be a Panamanian ship.

The crews of these ships are often interrogated by our port and police authorities, but invariably the pattern has been one of silence which typifies the well-indoctrinated "Commie." The fact that the ship may be owned by some European corporation is not always a test of its genuineness for there is evidence that many of the holding companies licensed by countries in continental Europe are controlled either by Russia or its satellites. These holding companies are as fraudulent as the ship's right to fly the flag of a Central American country.

Although we must recognize that we have no jurisdiction over the Government of Panama, nevertheless it is our responsibility to bring about a full disclosure of this menace. The question immediately arises as to how many of these ships are actually owned and controlled by Americans? How many are owned and controlled by Russia and her satellites? What cargoes do they transport? Is our Government fully cognizant of the Communist-manned ships? What so-called Americans are flying the Panamanian flag to betray our boys in Korea by trading with the enemy?

You and I cannot answer these questions, but our Government can conduct an investigation and give us the answers. There is now pending before the Congress a bill,

UNIVERSITY OF MICHIGAN LIBRARIES

introduced by Senator MAGNUSON, of Washington, which would prohibit American-owned ships from transferring their registration to Panama. The bill is in committee and is receiving thoughtful study. However, this Senate Committee not only has a great responsibility but a great opportunity to investigate all phases of this problem.

The work of the House Un-American Activities Committee, which I have mentioned in discussing communism with you today has been of tremendous service to our country. Then, too, we have had the recent so-called Kefauver investigation which has resulted in the conviction and imprisonment of various gangsters and phony politicians. These two committees have demonstrated that the investigative power of Congress can be of tremendous service to the Nation. Therefore, I feel that it is incumbent upon the Congress and the committee studying the Magnuson bill to immediately launch a full and complete investigation so that the questions which I have propounded may be answered. The American people are entitled to know whether some of these Panamanian-registered ships are Russian couriers engaged in espionage and ready for sabotage. We are entitled to know whether American-owned vessels flying the Panamanian flag are furnishing supplies and ammunition to the enemy. I am sure that once this knowledge is brought to the attention of the American people we can find a remedy to deal at least with those American citizens who betray our boys in Korea. Publicity alone would tend to discourage the American citizen from dealing directly or indirectly with the Red Chinese or other Communist, for our recent investigations have demonstrated the power of publicity and the American, owning ships flying the Panamanian flag and dealing with the enemy, knows the price that he will pay in the loss of commerce and business here at home.

The dangers of Russian-controlled Panamanian vessels can be dealt with by adequate security regulations.

REGISTRATION OF AMERICAN SHIPS UNDER FOREIGN FLAGS

Mr. MAGNUSON. Mr. President, I introduced for appropriate reference a bill. It is introduced on behalf of the Subcommittee on Merchant Marine of the Senate Committee on Interstate and Foreign Commerce.

I desire to call the attention of the Senate to an evil which has arisen in the maritime industry of the world, namely, the registration of ships under Panamanian and other foreign registries, which operates to the detriment of the employment of our seamen. It also involves a tax evasion on the part of many American citizens who build ships here, or at other places throughout the world, and then register them under the Panamanian flag. It is an evil which we hope we shall be able to eradicate.

There is a most difficult legal question involved, but it surely is one which must be dealt with if we are to keep an adequate merchant marine flying the American flag. I call attention particularly to the fact that the language of the bill is not entirely perfect, because of legal questions involved. However, we hope to have immediate hearings on the bill. We are open to suggestions. Our real objective is to eradicate the evil referred to.

The bill (S. 3823) to amend section 9 of the Shipping Act, 1916, relating to transfer of vessels documented under the laws of the United States to foreign citizens and for other purposes, introduced by Mr. MAGNUSON, was read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

SAVING IN THE PRICE OF TIN—ARTICLE BY CHARLES LUCEY

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. McFARLAND. I yield.

Mr. LONG. During the past several days we have been working in an attempt to achieve greater economy in government. I notice that on some occasions we have spent hours in considering amendments which might save as much as $3,000. Therefore it is gratifying to notice that there are several committees of the Senate which are saving the taxpayers of the Nation a great deal of money, without legislation ever coming to the floor.

I have particularly in mind the Preparedness Subcommittee of the Senate Committee on Armed Services. Excellent work is being done in that committee by its members, particularly by the chairman, the Senator from Texas [Mr. JOHNSON].

I hold in my hand an article in which it is explained how, largely because of the work of that preparedness subcommittee, the price of tin has been greatly reduced, and that the Government of the United States in its stockpiling program will save many millions of dollars, possibly hundreds of millions. I ask that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TIN CARTELS TAKE A LICKING—UNITED STATES GETS TOUGH AND SAVES MONEY

(By Charles Lucey)

Tough action by the United States is beginning to break the back of price-gouging foreign monopolies on strategic materials. The campaign is to save this country hundreds of millions of dollars.

Three months ago this Government, tired of being held up by British, Dutch, Belgian and Bolivian tin cartels, pulled out of the world market as a buyer and decided to make a fight of it.

In these 3 months tin prices have tumbled from nearly $2 a pound to $1.11. The foreign tin producers have panicked.

And the United States is telling them that if they want to sell tin they'd better get the price down even more.

Credit for this seems to go chiefly to Senator LYNDON JOHNSON, Democrat, of Texas, chairman of a Senate Preparedness Subcommittee which built a hot fire under the administration; RFC Chairman Stuart Symington and Donald C. Cook, the subcommittee's chief counsel.

WEARY TAXPAYER

On February 12 the subcommittee, in a detailed report on tin, said:

"The American taxpayer is weary of being gouged for the privilege of obtaining from some of its allies the raw materials with which he is expected to supply the food and armament needs of the non-Communist nations in the event of another all-out war. And this committee intends to do whatever it can to put an end to that gouging."

The ceiling price on tin in World War II had been only 52 cents a pound. In May 1950 the price was 76 cents. But the Korean war gave the tin producers a lever to shove prices up and they did—to about $2 in February.

Tin was coming into the United States both as metal and in concentrates—the latter to be smelted at the Texas City, Tex., tin smelter operated by the RFC. The RFC bought all the tin that came from overseas, and sold it as needed to United States industry.

RFC DROPS PRICE

After the Senate committee report, the RFC dropped its tin price from $1.82 to $1.57 and then to $1.34. This meant the United States no longer was tied to the world-controlling Singapore tin price. The Singapore price followed downward at first but then, perhaps "feeling out" the United States, moved higher again.

At one point the RFC, paying more for tin than it was selling it for to United States industry, wavered and shoved its selling price upward—and promptly drew a severe rebuke from Senator JOHNSON. Then, on March 6, the United States decided it could stop buying tin for its stockpile without prejudicing national security, and this decision, plus the earlier pressure, at last got tin prices in Singapore and London rolling downward in earnest.

On April 12 the Singapore price was $1.50, the RFC price was $1.47. By May 31 both prices were $1.39. On June 1 the RFC pulled its price to $1.36, and Singapore went to $1.32. Then RFC went down to $1.29 and so did Singapore. RFC led down to $1.23, and Singapore followed. Last Thursday the Singapore price went to $1.18, and the RFC cut its price to the same level. Friday Singapore went to $1.11, and so did the RFC. This was an 18-cent tumble in 4 days.

CANCELLATION THREAT

After the RFC stopped buying tin for the stockpile, the only tin coming into the United States was that which had been contracted for under long-term contract. These contracts carried a clause saying that if the tin price was above $1.03 they could be canceled on June 30 of this year.

The Senate committee had recommended cancellation, and the Government decided now to do that. Nothing has been announced about it, but a notice of intent to cancel went out to Singapore. It could have reached there toward the end of last week—when prices really began to tumble.

All of this has caused much wringing of hands by the tin producers, and the State Department, always intent on keeping our overseas allies happy, has passed on their protests.

The United States, world's biggest tin user, chews up about 135,000,000 pounds a year. The price tumble since February, applied to that, represents more than $100,000,000. And, although detailed figures can't be disclosed in relation to this country's tin stockpile, the saving could be several hundred millions there.

SYNTHETIC RUBBER OUTPUT—ARTICLE BY CHARLES LUCEY

Mr. LONG. Mr. President, I also have another article along the same line, relating to the savings in the stockpiling program of rubber, as well as the synthetic rubber program, in connection with which the same Senate Preparedness Subcommittee has also done very excellent work. I ask unanimous consent that the article may be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATURAL RUBBER PRICES DECLINE—STEPPED-UP SYNTHETIC RUBBER OUTPUT IS SAVING MILLIONS FOR UNCLE SAM

(By Charles Lucey)

Production of synthetic rubber is moving toward full capacity and is helping to drive down rubber prices so effectively as to rep-

resent hundreds of millions of dollars in savings for this country.

That's the word from the Senate Preparedness Committee headed by Senator LYNDON JOHNSON (Democrat, Texas), which criticized Government rubber policies a few months ago and is now preparing a new report on this strategic commodity.

The report may make at least two important recommendations: Get a tougher rubber conservation program and build more synthetic-rubber plants to decrease United States dependency on overseas rubber sources.

NOT QUITE AS GOOD

No synthetic rubber produced yet is as good for all purposes as natural rubber—for the biggest, heavy-duty truck tires, for example—and so this country must import and stockpile natural rubber. Ninety-five percent of it comes from the Far East. The United States lost this source during World War II, and it could happen again. Hence, the committee says, this country must have adequate natural-rubber stockpiles and increasing synthetic capacity.

After World War II the United States had a synthetic-rubber capacity of 830,000 tons a year. But synthetic plants were closed down to a point where output was only about 300,000 tons. Senate committee officials place some blame for this curtailment on the State Department. The Department, they say, favored British, Dutch, and other natural-rubber producers who wished to sell more rubber here.

At one time in the postwar period, the United States was making synthetic rubber at a profit for about 18 cents a pound, and the natural-rubber price dipped to 16–17 cents. But when the Korean war started, natural-rubber prices began to climb. By last September they had reached 50 cents a pound; by January the level reached about 70 cents, and at one point was headed toward 90 cents.

FAILED TO MAKE HAY

Yet, according to the Senate committee, when the natural-rubber price slid below 20 cents, the Government wasn't stockpiling. There were big United States rubber imports, but they were going mostly to the rubber industry. Later on, though, Government stockpiled at much higher prices.

Rubber can be bought now for about 49 cents a pound, or 26 cents under the February price, and the view of Donald C. Cook, Senate Preparedness Committee counsel, is that the United States action in building up synthetic output is largely responsible.

The United States uses about 500,000 tons of natural rubber a year. Applying the price decline of recent months to this would run to more than $200,000,000. And Mr. Cook's view is that the price would have been much higher if the United States had not stepped up its synthetic production.

THAT'S NOT ALL

At the time the committee first protested, the Government actually had been considering disposing of a 30,000-tons-a-year capacity plant at Akron.

But the saving growing from forcing down natural-rubber prices isn't the whole saving. The substitution of greater quantities of synthetic rubber, made possible by the increased production program, means more savings. The Government is selling synthetic now at 24½ cents a pound. That's about half what natural rubber costs today. Savings could run to a pile of millions here again.

There seems to be continuing good news ahead on rubber prices for the consumer, if there's no bigger war. Future deliveries are being scheduled at 43 cents, 6 cents under current quotations.

The Senate committee said months ago it had found that "Government agencies responsible for our rubber supply and stockpile have been slow to adjust their thinking to and actions to the realities of the post-Korean world." The coming Senate report on rubber may give credit for progress made, but is fairly sure, too, to demand still more aggressive action to cushion possible loss of overseas rubber sources in future days.

THE 1952 BUDGET AND INTERNAL REVENUE COLLECTIONS FOR FISCAL YEAR ENDED JUNE 30, 1950

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a breakdown of the $71,250,000,000 budget that has been proposed for this year. There is a breakdown by States, showing the proportionate part each State will pay. At the same time there is shown how much was collected by the Internal Revenue Bureau for the fiscal year ended June 30, 1950.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

State	Total internal revenue collections for fiscal year ended June 30, 1950 [1]	Proportionate part to be paid toward the $71¼ billion budget
Alabama	$233,208,454	$427,500,000
Arizona	74,822,094	135,375,000
Arkansas	105,425,486	192,375,000
California	2,794,713,395	5,108,625,000
Colorado	272,505,614	498,750,000
Connecticut	592,874,470	1,083,000,000
Delaware	356,901,157	655,500,000
Florida	359,387,115	655,500,000
Georgia	392,518,088	719,625,000
Idaho	71,928,936	128,250,000
Illinois	3,396,892,658	6,213,000,000
Indiana	973,283,542	1,781,250,000
Iowa	345,223,492	634,125,000
Kansas	307,923,529	562,875,000
Kentucky	857,689,175	1,567,500,000
Louisiana	350,570,822	641,250,000
Maine	106,910,352	192,375,000
Maryland	1,128,476,407	2,066,250,000
Massachusetts	1,127,641,137	2,059,125,000
Michigan	2,747,570,685	5,023,125,000
Minnesota	629,726,416	1,154,250,000
Mississippi	88,306,655	163,875,000
Missouri	1,102,085,135	2,016,375,000
Montana	74,864,365	135,375,000
Nebraska	261,366,873	477,375,000
Nevada	35,446,339	64,125,000
New Hampshire	68,755,337	128,250,000
New Jersey	1,133,975,046	2,073,375,000
New Mexico	57,906,231	106,875,000
New York	7,215,466,535	13,195,500,000
North Carolina	1,131,446,603	2,066,250,000
North Dakota	52,054,181	92,625,000
Ohio	2,435,580,906	4,453,125,000
Oklahoma	413,470,362	755,250,000
Oregon	262,968,480	484,500,000
Pennsylvania	2,964,381,617	5,422,125,000
Rhode Island	183,795,663	334,875,000
South Carolina	175,019,823	320,625,000
South Dakota	56,717,659	106,875,000
Tennessee	316,035,571	577,125,000
Texas	1,290,622,384	2,358,375,000
Utah	84,012,613	156,750,000
Vermont	37,110,077	71,250,000
Virginia	744,061,228	1,360,875,000
Washington	444,759,395	812,250,000
West Virginia	203,917,245	370,500,000
Wisconsin	758,371,637	1,389,375,000
Wyoming	37,425,839	71,250,000
Alaska	17,393,930	28,500,000
Hawaii	81,400,813	149,625,000
Puerto Rico	2,320,274	7,125,000

[1] From report of the Bureau of Internal Revenue, Treasury Department, released Aug. 23, 1950.

UNIVERSAL MILITARY TRAINING AND SERVICE ACT OF 1951—STATEMENT BY ERLE COCKE, JR.

Mr. McFARLAND. Mr. President, I understand the President has signed the Universal Military Training and Service Act of 1951, the manpower bill, which contains the universal military training and service provisions. I desire at this time to compliment the commander of the American Legion, Erle Cocke, Jr., for the splendid work he did in behalf of the bill. No one worked harder and more diligently to secure UMT legislation than did the commander of the American Legion. He worked for it because he felt it was necessary for the defense of our country.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement by Commander Cocke dealing with the subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ERLE COCKE, JR., NATIONAL COMMANDER OF THE AMERICAN LEGION, COINCIDENT WITH THE SIGNING INTO LAW OF THE UNIVERSAL MILITARY TRAINING AND SERVICE ACT OF 1951, JUNE 19, 1951

Universal military training was first advocated by the American Legion in 1919. The organization has fought for it without let-up ever since.

The 1919 resolution adopted at the Legion's first national convention, called for "a policy of universal military training (with) administration, removed from the complete control of any exclusively military caste." The American Legion stands for that policy today.

The measure signed into law today sets up a series of steps by which the Congress must decide finally whether the Nation is to have an operating UMT program. We believe a clear majority of Americans made up their minds long ago, and affirmatively. We intend to use every means at our disposal to convey that majority opinion to Congress.

While postponement of the final decision is regrettable and unnecessary, I am convinced that the additional study and detailed training curriculum to be initiated by the National Security Training Commission will serve to strengthen and solidify the public support UMT has enjoyed since the end of World War II.

The opposition has been whittled over the years by enlightened understanding of the need for a system of youth training under civilian control and within predictable costs. It remains centered today where it has always been—in a small but loud handful of pacifists and chronic critics who are for national security but against the measures that would make the Nation secure.

The American Legion had introduced into the Congress last January Senate bill 1. That bill provided for a program of UMT, to go into operation after the end of the present national emergency. The measure signed into law today was S. 1 as amended to strengthen the draft and set up the preliminaries of UMT.

Twenty-eight years elapsed before UMT legislation won approval of a committee of the Congress. Now, another 4 years later, the Senate and House have agreed to settle the issue once and for all in the reasonably near future.

The Universal Military Training and Service Act is an important victory—although a limited one—for realistic preparedness. The American people owe a great deal to the leaders of vision and courage, particularly Senator Richard Russell, Senator Lyndon Johnson, Senator Styles Bridges, Senator Harry Cain, Representative Carl Vinson, Representative Overton Brooks, Representative W. Sterling Cole, Secretary of Defense George C. Marshall, and the Assistant Secretary of Defense, Mrs. Anna Rosenberg, who fought this legislation through.

EXECUTIVE SESSION

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Fifteen postmasters.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE COURT OF MILITARY APPEALS

The Chief Clerk read the nomination of Paul W. Brosman, of Louisiana, to be judge of the Court of Military Appeals for the term expiring May 1, 1956.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. LONG. Mr. President, I should like to state briefly that we of Louisiana are very much honored by the appointment of Dr. Paul W. Brosman to the Court of Military Appeals. Dr. Brosman has a very eminent and distinguished record as dean of the Tulane Law School. He has been a distinguished citizen of Louisiana for many years. We believe that no finer jurist could have been appointed by the President.

The Chief Clerk read the nomination of George W. Latimer, of Utah, to be judge of the Court of Military Appeals for the term expiring May 1, 1961.

Mr. WATKINS. Mr. President, Judge Latimer has rendered outstanding service to the Nation through 26 years of military service with the Utah National Guard and the Army of the United States. He has served the State of Utah well as a justice of the Utah State Supreme Court. He has the universal approval of the bench and bar of the State of Utah.

Judge Latimer practiced law in his home State for 15 years prior to entering active military service. While in the service he was awarded the Legion of Merit for service in combat in New Britain and the Philippines.

While Judge Latimer was recommended by Republicans and the Republicans are proud that he is a member of the party, he has received the support of members of both parties. The enlisted men and the men in the ranks of the Army of the United States will find in Justice Latimer a man who has risen through those ranks and who therefore is sympathetic to them and their problems.

Utahans are proud of Judge Latimer and are confident that he will fill with dignity, ability, and distinction the office to which he has been appointed.

I have a short memorandum giving the details of Judge Latimer's military, professional, and legal activities. I request that it be printed at the close of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MILITARY SERVICE

Col. George W. Latimer has had approximately 26 years' military service with the Utah National Guard and the Army of the United States. He enrolled in the Reserve Officers Training Corps, University of Utah, and attended a basic camp at Camp Knox in 1920 and an advance course at Fort Lewis, Wash., in 1822. In 1924 he graduated as a second lieutenant of field artillery. The year after he accepted a commission in the National Guard, and has served that organization in all ranks from second lieutenant to colonel. In 1926 he was ordered to and graduated from the Battery Officers Course, Fort Sill, Okla. He was selected to attend the Ninth Corps Area Command and General Staff School in 1938 and 1939, but this course was discontinued. In 1940 he was selected to attend the first special course, Command and General Staff School, Fort Leavenworth, Kans., and upon his completion the school requested he be detailed there as instructor. He was inducted into the Federal service February 1941 as G–1 of the Fortieth Infantry Division. He subsequently was promoted to a full colonel, became chief of staff of this division, and served in that capacity while the division was in Hawaii, Guadalcanal, New Britain, and Luzon, Negros and Panay, Philippine Islands. During the years 1944–45 this division was engaged in combat in the areas above mentioned. Since being relieved from active duty late in 1945, Colonel Latimer was selected for duty with the General Staff in Washington, D. C., but was unable to accept the assignment because of his election to the supreme court, State of Utah. In 1948–49 he accepted two short tours of duty with the Army Field Forces, Fort Monroe, Va. He supervised the National Guard officers in the preparation of National Guard training programs and staff-training programs.

PROFESSIONAL AND LEGAL SERVICE

Justice Latimer graduated from the University of Utah Law School with an L. L. B. in 1924. He practiced law in Salt Lake City, Utah, from 1925 until 1940. In the latter year he discontinued his practice because of having been ordered into the military service. He returned to general practice in the State of Utah in the latter part of 1945, and remained in the practice until he was elected to the supreme court of the State of Utah in November 1946. He has served 4½ years of a 10-year term, and he is regarded by the people of the State of Utah as an eminent jurist and hard working public servant.

Mr. WATKINS. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD several editorials from Utah newspapers, as well as a resolution passed unanimously, by the legislature of the State of Utah, congratulating Judge Latimer upon his appointment, and pointing out his many fine qualifications, as well as congratulating the President upon making such a wonderful choice.

There being no objection, the editorials and resolution were ordered to be printed in the RECORD, as follows:

[From the Deseret News, Salt Lake City, Utah, of May 24, 1951]

UTAH JURIST NAMED TO HIGH FEDERAL POST

Utah has again been honored by the choice of one of its eminent jurists for Federal appointment to a high appellate court. Justice George W. Latimer of the Supreme Court of Utah has been named by President Truman for a post on the new Federal Court of Military Appeals.

This is a newly constituted court, consisting of three civilian judges of adequate experience and specialized knowledge, set up under the new program of unification of the Armed Forces. Its duties are to review the findings of military courts, on proper appeal, and its rank is on a par with a United States Circuit Court of Appeals with civilian jurisdiction.

In accepting this post, Justice Latimer will join a list of illustrious Utahans who hold or have held high Federal appellate posts. Most noteworthy was the late Justice George Sutherland, British-born but Utah-raised, who was Senator from Utah and later for 16 years was a Justice of the Supreme Court of the United States. Judge Harold M. Stephens is chief justice of the United States Circuit Court of Appeals for the District of Columbia, and Judge Florence E. Allen, a member of the Sixth Court of Appeals which has jurisdiction in Ohio and adjacent States, was born and raised here in Salt Lake City.

Utah feels that it shares the honor of Justice Latimer's appointment, and wishes him the fullest measure of success in his new and responsible post.

[From the Salt Lake Telegram of May 24, 1951]

JUDICIAL HONOR

Utahans will be pleased over the nomination of George W. Latimer, justice of the State supreme Court, by President Truman for the Republican post on a new Court of Military Appeals. Judge Latimer's name has been sent to the Senate for confirmation, and approval seems certain.

Justice Latimer has served on the Utah Supreme Court for more than 4 years. A native of this State and a graduate of the University of Utah Law School, he practiced law in this city from 1924 until he entered military service in 1940. Service in the ROTC at the university and in the Utah National Guard put him well up the ranks in the army and he came out of the war a full colonel, having served as chief of staff of an infantry division in the Pacific.

The Military Appeals Courts to which Judge Latimer and two Democrats have been nominated is a new tribunal of civilian jurists set up under the Armed Forces unification program to serve as a final court of appeals for serious military cases. Under normal circumstances judges will serve 15-year terms, although initial terms are staggered, that of Justice Latimer being for 10 years.

It is a position of real judicial and military importance to which George Latimer has been named. It is an honor to him and to this State. The Telegram congratulates him and wishes him well in the new position which we are sure will soon become definitely his as the result of senatorial confirmation.

[From the Salt Lake Tribune of May 24, 1951]

AN EXCELLENT APPOINTMENT

Beginning June 1 a new system of military justice will go in effect for the Armed Forces designed to give servicemen accused of major

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offenses fairer treatment and more of the legal protection they would have received in civilian life. The new system, latest step in the unification program, broadens court-marital procedure and in addition provides for appeals to a three-man court of civilian judges. Decisions of the appeals court will be final in all cases except those involving the death penalty, where the president will retain the last say.

President Truman has nominated Justice George W. Latimer of the Utah Supreme Court as a member of the new military tribunal. The choice is excellent. Since his graduation from the University of Utah Law School in 1924 Justice Latimer has been a respected member of the bar. In 1947 he became a member of the Utah Supreme Court, where his wide knowledge of the law and his judicial temperament have been much in evidence. He has long been interested in military affairs and for many years was a member of the national guard. During World War II he served with the Army in the Pacific, participated in three campaigns and was awarded the legion of merit. He left the service as a colonel, a rank he now holds in the national guard.

Justice Latimer's appointment is a signal honor for Utah. But, more than that, it is a great break for the Armed Services. He will bring to his new position (confirmation by the Senate should be a mere formality) a military background and a soldier's viewpoint, combined with marvelous judicial temperament and training in civilian law. These are qualities which will assure success to the new system of military justice.

Senate Joint Resolution 4

Joint resolution congratulating Justice George W. Latimer upon his appointment as a justice of the United States Court of Military Appeals

Whereas the President of the United States of America has seen fit to appoint Justice George W. Latimer of the Supreme Court of the State of Utah to the office of Justice of the United States Court of Military Appeals; and

Whereas Justice Latimer has served with distinction and honor as a member of the bar and the bench of this State, and as an officer in the Army of the United States, and the National Guard of the State of Utah; and

Whereas the people of the State of Utah regret to lose the services of such an able jurist and humble, friendly soul, but rejoice in the great honor which has come to Justice Latimer and to the State of Utah: Now, therefore, be it

Resolved by the Legislature of the State of Utah in session assembled, That Justice George W. Latimer be congratulated upon his appointment as Justice of the United States Court of Military Appeals; be it further

Resolved, That a copy of this resolution be forwarded to Justice George W. Latimer and to the President of the United States and the Senate of the United States of America, and Utah delegation in the Congress of the United States.

Mr. BENNETT. Mr. President, I take pleasure in associating myself with the senior Senator from Utah in his representation in behalf of Judge Latimer.

The VICE PRESIDENT. Without objection, the nomination of George W. Latimer of Utah is confirmed.

The Chief Clerk read the nomination of Robert Emmett Quinn of Rhode Island, to be judge of the Court of Military Appeals for the term expiring May 1, 1966.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. McFARLAND. Mr. President, I have been requested to ask that the nomination of Irving Florman, of New York to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia, go over. I ask that that nomination be passed over.

The VICE PRESIDENT. Without objection, the nomination will be passed over. Without objection, the other nominations in the Diplomatic and Foreign Service will be confirmed en bloc.

That completes the nominations on the calendar.

Without objection, the President will be notified of all nominations this day confirmed.

CONSIDERATION OF ROUTINE NOMINATIONS IN THE ARMED SERVICES

Mr. CAIN. Mr. President, from the Armed Services Committee, I report 1,736 nominations in the Army, Navy, and Air Force.

In order to avoid printing these names in the Executive Calendar, I ask unanimous consent that these nominations be confirmed and that the President be notified.

Mr. SALTONSTALL. Mr. President, I think it would be well for the Senator to say what I know to be the fact, that the Committee on Armed Services unanimously reported all these nominations, and that some of them are of immediate necessity?

Mr. CAIN. To my knowledge every member of the committee voted in support of all the 1,700-odd nominations.

The VICE PRESIDENT. Is there objection to the present consideration of the nominations? The Chair hears none. Without objection, the nominations are confirmed; and, without objection, the President will be immediately notified.

Mr. CAIN. Mr. President, I should like to make a brief statement in support of these nominations.

The VICE PRESIDENT. The Senator may proceed.

Mr. CAIN. Mr. President, six of the officers nominated for promotion are with our Army in Korea. Brig. Gen. Joseph S. Bradley, nominated for appointment as a major general, is commanding the Twenty-fifth Infantry Division in Korea.

The five colonels, Champeny, Watson, Ennis, de Shazo, and Guthrie, nominated for appointment as brigadier generals, are all in Korea. These officers have won their promotions on the field of battle.

One of the officers, Gen. Arthur S. Champeny, is a combat veteran of World War I, World War II, and of the far eastern war I, in Korea. This officer is deserving of a particular word of attention and compliment. He has been decorated with the Distinguished Service Cross in each of three wars, which cover a period of 33 years. I know of no other individual in the United States Army who has so often through so many years exposed himself in defense of and for the good of his Nation to the weapons and ruthlessness of his Nation's enemies. General Champeny has given of his blood, strength, courage and heart for the common welfare. The Senator from Washington, for himself and others, most humbly expresses his gratefulness to this fighting American.

General Champeny was awarded the Distinguished Service Cross, the Nation's second highest combat award, for gallantry in action with the Eighty-ninth Division in World War I. During World War II, he commanded the Three Hundred and Fifty-first Infantry Regiment of the Eighty-eighth Division in Italy. While in command of his regiment he was awarded an oak leaf cluster to the Distinguished Service Cross, the Silver Star, and the Bronze Star Medal for heroism in action, and was awarded the Purple Heart, with three oak leaf clusters, for wounds received during this period. General Champeny commanded the Twenty-fourth Infantry Regiment of the Twenty-fifth Division during the early days of the fighting in Korea. He was awarded the second oak leaf cluster to the Distinguished Service Cross for extraordinary heroism while in command of this regiment in Korea. He was wounded twice during this period. Other decorations awarded General Champeny are the Legion of Merit, with oak leaf cluster, and two oak leaf clusters to the Bronze Star Medal.

As Gen. Matthew Bunker Ridgway has said with such justification and faith—and it applies with equal force to General Champeny—"If it be life that waits, then I shall live forever, unconquered."

RECESS

Mr. McFARLAND. As in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 14 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 20, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 19 (legislative day of May 17), 1951:

NATIONAL SECURITY TRAINING COMMISSION

James W. Wadsworth, of New York, to be a member of the National Security Training Commission for a term of 3 years, expiring June 19, 1954.

Admiral Thomas C. Kinkaid, United States Navy, to be a member of the National Security Training Commission for a term of 4 years, expiring June 19, 1955.

Lt. Gen. Raymond S. McLain, United States Army, to be a member of the National Security Training Commission for a term of 5 years, expiring June 19, 1956.

The following-named persons to be members of the National Security Training Commission for terms of 2 years, expiring June 19, 1953:

William L. Clayton, of Texas.

Karl T. Compton, of Massachusetts.

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CONFIRMATIONS

Executive nominations confirmed by the Senate June 19 (legislative day of May 17), 1951:

THE COURT OF MILITARY APPEALS

Paul W. Brosman, of Louisiana, to be a judge of the Court of Military Appeals for the term expiring May 1, 1956.

George W. Latimer, of Utah, to be a judge of the Court of Military Appeals for the term expiring May 1, 1961.

Robert Emmett Quinn, of Rhode Island, to be a judge of the Court of Military Appeals for the term expiring May 1, 1966.

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA

Willard L. Beaulac, of Rhode Island, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Cuba.

John C. Wiley, of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Panama.

ROUTINE APPOINTMENTS

To be Foreign Service officers of class 1

Ware Adams
John M. Allison
Charles F. Baldwin
Donald F. Bigelow
Sidney H. Browne
Charles R. Burrows
John Davies, Jr.
Owen L. Dawson
Charles E. Dickerson, Jr.
Walter C. Dowling
C. Burke Elbrick
Walton C. Ferris
Andrew B. Foster
Norris S. Haselton
U. Alexis Johnson
George Lewis Jones, Jr.
Cecil B. Lyon
Paul O. Nyhus
Edward Page, Jr.
Donald W. Smith
William P. Snow
Philip D. Sprouse
Francis Bowden Stevens
Tyler Thompson
William C. Trimble
Walter N. Walmsley, Jr.
Joe D. Walstrom
Miss Frances E. Willis

To be Foreign Service officers of class 2

William K. Ailshie
Frederic P. Bartlett
Burton Y. Berry
Clarence E. Birgfeld
Ralph J. Blake
Ralph A. Boernstein
Niles W. Bond
Elmer H. Bourgerie
Aaron S. Brown
Robert Y. Brown
Prescott Childs
Claude Courand
Cabot Coville
Howard Elting, Jr.
Jerome T. Gaspard
Eugene A. Gilmore, Jr.
Bernard Gufler
Edmund A. Gullion
Theodore J. Hadraba
John J. Haggerty
John N. Hamlin
Parker T. Hart
James E. Henderson
L. Randolph Higgs
John A. Hopkins
Morris N. Hughes
Fred W. Jandrey
Perry N. Jester
Howard P. Jones
Erwin P. Keeler
William L. Kilcoin
Bertel E. Kuniholm
Rufus H. Lane, Jr.
Patrick Mallon
Gordon H. Mattison
Edward D. McLaughlin
Robert B. Memminger
George A. Morgan
John H. Morgan
Brewster H. Morris
Robert Newbegin
William C. Ockey
Marselis C. Parsons, Jr.
Troy L. Perkins
C. Montagu Pigott
Paul J. Reveley
Arthur R. Ringwalt
Andreas G. Ronhovde
Albert W. Scott
Charles Nelson Spinks
Robert B. Streeper
E. Paul Tenney
Charles W. Thayer
Sheldon Thomas
Frederik van den Arend
Woodruff Wallner
Milton K. Wells
Clifton R. Wharton
Evan M. Wilson

To be Foreign Service officers of class 3

William C. Affeld, Jr.
H. Gardner Ainsworth
Edward Anderson
Leonard Lee Bacon
N. Spencer Barnes
James D. Bell
Carl Breuer
Willard O. Brown
Glen W. Bruner
John H. Burns
Frank P. Butler
Donald B. Calder
Turner C. Cameron, Jr.
Robert J. Cavanaugh
V. Lansing Collins, Jr.
Harry Conover
Austin B. Cox
Robert C. Creel
Glion Curtis, Jr.
Philip M. Davenport
Joseph L. Dougherty
Perry Ellis
Robert B. Elwood
Frederick E. Farnsworth
Robert S. Folsom
Paul E. Geier
Lewis E. Gleeck, Jr.
Richard E. Gnade
Bartley P. Gordon
Caspar D. Green
Robert Grinnell
Claude H. Hall, Jr.
Wesley C. Haraldson
Walter W. Hoffmann
John B. Holt
Richard S. Huestis
Hartwell Johnson
Sidney K. Lafoon
Frederick P. Latimer, Jr.
Raymond G. Leddy
F. Ridgway Lineaweaver
Walter J. Linthicum
Raymond E. Lisle
Ernest de W. Mayer
David H. McKillop
John M. McSweeney
John Gordon Mein
Robert G. Miner
H. Gordon Minnigerode
Charles H. Owsley
Paul Paddock
J. Hall Paxton
Kennett F. Potter
Henry C. Ramsey
Halleck L. Rose
Edward J. Rowell
Roy Richard Rubottom, Jr.
M. Robert Rutherford
William Langdon Sands
Richard M. Service
Harold Sims
Henry T. Smith
Henry W. Spielman
Paul J. Sturm
Horace G. Torbert, Jr.
Murat W. Williams
David G. Wilson, Jr.
William Witman 2d

To be Foreign Service officers of class 4

Robert J. Dorr
David I. Ferber
Deane R. Hinton
Oscar C. Holder
Walter C. Isenberg, Jr.
Leslie W. Johnson
Weldon Litsey
Henry L. Pitts, Jr.
Edward F. Rivinus, Jr.
Randolph Roberts
Robert Rossow, Jr.
Sheldon B. Vance
Edward L. Waggoner
Fred E. Waller
Meredith Weatherby
Charles H. Whitaker

To be Foreign Service officers of class 4 and consuls

Robert W. Adams
Robert G. Bailey
Milton Barall
Taylor G. Belcher
Donald C. Bergus
Robert O. Blake
Thomas D. Bowie
John W. Bowling
Robert A. Brand
Howard Brandon
Gray Bream
Clarence T. Breaux
William L. Brewster
Lewis D. Brown
Miss Lora C. Bryning
Rolland H. Bushner
Wilbur P. Chase
Keld Christensen
Charles Philip Clock
A. John Cope, Jr.
Robert F. Corrigan
Roy T. Davis, Jr.
Alexander J. Davit
Juan de Zengotita
Dwight Dickinson
Donald P. Downs
Thomas J. Duffield, Jr.
L. Milner Dunn
William J. Ford
Martin F. Herz
William P. Hudson
Alfred le S. Jenkins
Joseph J. Jova
William C. Lakeland
Samuel Owen Lane
Armistead M. Lee
Scott Lyon
George Hubert Maness
Oliver M. Marcy
David E. Mark
Edward N. McCully
Thomas W. McElhiney
Thomas D. McKiernan
Cleveland B. McKnight
Lee E. Metcalf
Joseph J. Montllor
Robert W. Moore
Andrew E. Olson
Clinton L. Olson
W. Paul O'Neill, Jr.
Alexander L. Peaslee
Norman K. Pratt
Lubert O. Sanderhoff
Rufus Z. Smith
Herbert D. Spivack
Wells Stabler
Charles G. Stefan
Gerald Stryker
John H. Stutesman, Jr.
John L. Topping
Temple Wanamaker
H. André Weismann
Jackson W. Wilson

To be Foreign Service officers of class 5

Theo C. Adams
Thomas W. Ainsworth
Willard Allan
Arthur B. Allen
James F. Amory
John C. Amott
Alfred L. Atherton, Jr.
John Campbell Ausland
Philip Axelrod
Robert A. Aylward
William M. Bates
Robert M. Berry
Slator C. Blackiston, Jr.
James J. Blake
Vincent R. Boening
Howard L. Boorman
William D. Brewer
Robert C. Brewster
William B. Buffum
Miss Patricia M. Byrne
Stuart B. Campbell, Jr.
William C. Canup
Frank E. Cash, Jr.
Ralph G. Clark
S. Wilson Clark
Stephen A. Comiskey
Thomas J. Corcoran
Henry L. Coster
Richard H. Courtenaye
William D. Craig
David C. Cuthell
Philip M. Dale, Jr.
Nathaniel Davis
Robert D. Davis
John M. Dennis
Frank J. Devine
John B. Dexter
William B. Dunn
Samuel D. Eaton
Hermann F. Eilts
Richard A. Ericson, Jr.
Richard T. Ewing
John M. Farrior
John W. Fisher
Wayne W. Fisher
Benjamin A. Fleck
Robert C. Foulon
A. Eugene Frank
James A. Garvey
John N. Gatch, Jr.
Scott George
Howard C. Goldsmith
Herbert Gordon
John G. Gossett
Philip C. Habib
Philip E. Haring
Gregory Henderson
Robert S. Henderson
Converse Hettinger
John H. Holdridge
Walter P. Houk
Paul R. Hughes
Vernon V. Hukee
Edward C. Ingraham, Jr.
Richard G. Johnson
Howard D. Jones
Ralph A. Jones
Harold G. Josif
Abbott Judd
Warren A. Kelsey
Jack T. Kilgore
Richard H. Lamb
James F. Leonard, Jr.
Edward T. Long
Matthew J. Looram, Jr.
Roye L. Lowry
John E. MacDonald
Robert J. MacQuaid
Frank E. Maestrone
Francis N. Magliozzi
Philip W. Manhard
Eugene V. McAuliffe
Richard M. McCarthy
Glenn R. McCarty, Jr.
Stephen H. McClintic
James H. McFarland, Jr.
Joseph F. McFarland
John B. McGrath
Ralph J. McGuire
Paul M. Miller
Robert E. Moberly
James D. Moffett
Thomas H. Murfin
John L. Murphy
William Nesselhof, Jr.
Cleo A. Noel, Jr.
Richard B. Parker
John M. Perry
Chris G. Petrow
Robert M. Phillips,
Paul O. Proehl
Ernest E. Ramsaur, Jr.
John B. Root
Robert W. Ross
James R. Ruchti
Samuel O. Ruff
John A. Sabini
Mrs. Corey B. Sanderson
Dwight E. Scarbrough
Robert Simpson
Michel F. Smith
Karl E. Sommerlatte
C. Melvin Sonne, Jr.
G. Alonzo Stanford
Kenedon P. Steins
Harrison M. Symmes, Jr.
Herbert B. Thompson
John M. Thompson, Jr.
Edward J. Thrasher
Edward J. Trost
Gordon C. Tullock
Francis T. Underhill, Jr.
Viron P. Vaky
Philip H. Valdes
George S. Vest
Theodore A. Wahl
John Patrick Walsh
Milton C. Walstrom
Herbert E. Weiner
Arthur D. Weininger
William H. Witt
Chalmers B. Wood
Robert C. Wysong
Elmer E. Yelton
John B. Young
Robert W. Zimmermann

To be consuls general of the United States of America

Heyward G. Hill
Paul W. Meyer
Edward D. McLaughlin
Robert E. Ward, Jr.

To be consuls of the United States of America

Robin E. Steussy
Walter E. Kneeland
Joseph H. Rogatnick
Arthur Doak Barnett
Philip J. Conley
Leo S. Disher, Jr.
Robert W. Ehrman
Archibald B. Roosevelt, Jr.

To be vice consuls of the United States of America

Peter J. C. Adam
Wilson P. Dizard, Jr.
Robert W. Kerwin
Glenn Lee Smith

To be secretaries in the diplomatic service of the United States of America

Robert G. Caldwell
Herbert Cerwin
Bruce Buttles

To be Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America

William G. Allen	Henry Lee, Jr.
G. Michael Bache	William B. Miller
Alan L. Campbell, Jr.	Richard D. Nethercut
William R. Crawford, Jr.	Augustus L. Putnam
	Robert A. Remole
Robert B. Houston, Jr.	Ralph S. Saul
	Kennedy B. Schmertz
Richard E. Johnson	William C. Sherman
Frederick Joseph	Robert K. Sherwood
Myron Brockway Lawrence	Christopher A. Squire

IN THE ARMY

CHIEF CHEMICAL OFFICER, UNITED STATES ARMY, AND MAJOR GENERAL IN THE REGULAR ARMY OF THE UNITED STATES

Brig. Gen. Egbert Frank Bullene, O9708, United States Army, for appointment as Chief Chemical Officer, United States Army, and as major general in the Regular Army of the United States, under the provisions of section 206 of the Army Organization Act of 1950 and section 513 of the Officer Personnel Act of 1947.

Appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major general

Maj. Gen. William Maynadier Miley, O11232.

To be brigadier generals

Brig. Gen. William Shepard Biddle, O15180.
Brig. Gen. Charles Edward Hart, O15788.
Brig. Gen. Charles Draper William Canham, O16496.

Temporary appointments in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Samuel Davis Sturgis, Jr., O9325.
Brig. Gen. George Jacob Nold, O8888.
Brig. Gen. Joseph Sladen Bradley, O12428.
Brig. Gen. William Stevens Lawton, O14924.
Brig. Gen. James Edward Moore, O15650.
Brig. Gen. Bruce Cooper Clarke, O16068.

To be brigadier generals

Col. Arthur Seymour Champeny, O8264.
Col. Numa Augustin Watson, O14968.
Col. William Peirce Ennis, Jr., O16436.
Col. Thomas Edward de Shazo, O16479.
Col. John Simpson Guthrie, O18228.

UNITED STATES AIR FORCE

PROMOTIONS

The nominations of Martin Williams Baumgaertner and other officers, for promotion in the United States Air Force, under the provisions of sections 502, 508, and 509 of the Officer Personnel Act of 1947 and section 306 of the Women's Armed Service Integration Act of 1948, which were confirmed today, were received by the Senate on May 28, 1951, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Martin Williams Baumgaertner, which appears on page 5898, and ending with the name of Edna Haley Farry, which appears on page 5900.

APPOINTMENTS

The nominations of Archibald G. M. Martin III, et al., for appointment in the United States Air Force, which were confirmed today, were received by the Senate on May 29, 1951, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD of that date, under the caption "Nominations," beginning with the name of Archibald G. M. Martin III, which is shown on page 5968, and ending with the name of Thomas C. Pinckney, Jr., which appears on page 5969.

IN THE NAVY

PERMANENT APPOINTMENTS IN THE NAVY

The following-named officers of the Navy for permanent appointment to the grade of rear admiral:

Rear admiral, line

Charles D. Wheelock	John P. Whitney
Richard M. Watt, Jr.	Hugh H. Goodwin
Paul E. Pihl	Edgar A. Cruise
Wilson D. Leggett, Jr.	Thomas B. Brittain
Harold D. Baker	Richard P. Glass
Herbert E. Regan	Clark L. Green
Thomas M. Stokes	Leon J. Huffman
Robert E. Blick, Jr.	Harold A. Houser
Frank T. Watkins	John M. Higgins
Tom B. Hill	John B. Pearson, Jr.
Carl F. Espe	

Rear admiral, Medical Corps

Leslie O. Stone
Clifford A. Swanson

Rear admiral, Supply Corps

George F. Yoran
Robert F. Batchelder

Rear admiral, Civil Engineer Corps

William O. Hiltabidle, Jr.

The nominations of Kemp Tolley and other officers for permanent appointment in the Navy to the grade and corps indicated, which were confirmed today, were received by the Senate on June 4, 1951, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Kemp Tolley, which appears on page 6082, and ending with the name of Henry H. Laramore, which is shown on page 6084.

The following-named line officers of the Navy for permanent appointment to the grade of ensign in the Staff Corps of the Navy as indicated:

Supply Corps

Andrew L. Frahler

Civil Engineer Corps

James W. Murray
Richard K. Pulling

The following-named officer of the Navy for permanent appointment to the grade of lieutenant (junior grade) in the Supply Corps of the Navy in lieu of the line as previously nominated and confirmed:

Andrew L. Frahler

APPOINTMENTS IN THE NAVY

Alan G. Lewis (Naval Reserve Officers' Training Corps) to be an ensign in the Supply Corps of the Navy in lieu of ensign in the Navy as previously nominated and confirmed to correct name.

Richard Y. Kelly (civilian college graduate) to be a second lieutenant in the Marine Corps.

The following-named women (civilian college graduates) to be ensigns in the Navy:

Rosemary D. Arenth	Betty R. Kunzman
Kathleen D. Beck	Diana McNair
Marion C. Brenner	Bertha S. Miller
Emily J. Byrd	Mary V. Moore
Nancy J. Chapman	Faye P. Overton
Shirley J. Clare	Frances MacD. Patch
Mary T. Connors	Bette J. Pickett
Yvonne C. Fossenkemper	Mary-Jeannette M. Rayner
Nellie M. Grieve	Louise B. Rogerson
Louise E. Griffin	Agnes I. Rupp
Elizabeth Hart	Mary E. Sheffels
George Hodges	Suzanne S. Shera
Mitzie L. Jacobson	Margaret F. Smith
Ethel R. Klein	Ann Thompson
Sibyl L. Kuhnle	Ruth V. Whitfield

The following-named women (civilian college graduates) to be ensigns in the Supply Corps of the Navy:

Elizabeth L. Childers
Clair Cook

The following-named (civilian college graduates) to the grades indicated in the Medical Corps of the Navy:

Lieutenant commander

Rufus J. Pearson, Jr.

Lieutenants (junior grade)

Robert H. Palmer, Jr.	Roger P. Smitley
Clifford C. Roosa	James N. Waggoner

Fitzhugh N. Hamrick to be a lieutenant (junior grade) in the Dental Corps of the Navy.

The following-named to be ensigns in the Nurse Corps of the Navy:

Belva L. Coole	Virginia Marfia
Winifred L. Copeland	Rachel A. Nantz
June M. Elsesser	Margaret E. Nix
Evelyn C. Foht	Mary L. O'Donnell
Susan M. Hanley	Elizabeth Pope
Mary H. Harris	Julia E. Scarcello
Viola M. Hofer	Dorothy J. Shields
Regina M. Holland	Iris M. Stock
Wanda J. Humphrey	Mary T. Taylor
Barbara J. Hundley	Annie R. White
Dorothy V. Krause	

The following-named officers to the grade indicated in the line of the Navy for limited duty only:

Ensigns

Albert Antar	Richard E. Mikkelsen
Harold S. Birdsong	Peter E. Moll, Jr.
Arthur A. Bish	Robert L. Moore
Donald "D" Butler	Aulcey D. Mosley
John J. Bramblett, Jr.	Sylvester F. North
	James P. Padgett
Francis E. Carnicom	John K. Pegues, Jr.
John T. Childs	Robert Pescott
Earl D. Christensen	Everett R. Peugh
John H. Church	Loyd G. Peterson, Jr.
Ernest L. Cobern	Robert E. Pierce
James E. Criner	Joseph E. Pinning
Peter DellaRocca	Harry B. Pitcher, Jr.
Frank Dievendorff	Wilbur P. Powers
Charles A. Dodd	Walter A. Ramsey
Philip M. Dyer	Garlin R. Read
Otis E. Engelman	Irvin W. Reed
George J. Evans	Albert R. Reid
Julius E. Fuchs	Benjamin G. Sailors
Adolph J. Furtek	William G. Sandberg
Robert D. Gale	Albert G. Sentman
Bernard H. Garrett	Elroy J. Shafer
Homer A. Giddens	George T. Sinclair, Jr.
Herman E. Goebel, Jr.	Jack D. Smith
William L. Halleck	George Stenke
Theodore P. Henrikson	Joseph St. Marie
	Preston G. Thomas
James "B" Hobbs	Ted K. Tillotson
John C. Hounihan	William O. Thomson
Donnie W. Huckaby	Jackson M. Tomsky
William L. Hutton	Mike J. Trens
Jack R. Ingram	John C. Valek
Robert G. Jacks	William McK. Villines, Jr.
Cecil King	
Everett N. Leach	Willard F. Waterfield, Jr.
William R. Leibold	
John D. Lewallen	Arthur C. White
Joe J. Lilienfeld	George W. Whitman
Eugene J. McGuire	Raymond O. Wilkinson
George W. Macauley	
Armido E. Mancini	William R. Yarwood

The following-named officers to the grade indicated in the Supply Corps of the Navy for limited duty only:

Ensigns

Donavon E. Abraham	Lowell A. Reade
Charles H. McKenzie	Clarence E. Reed
George W. Nelson	

The following-named officers to the grade indicated in the Civil Engineer Corps of the Navy for limited duty only:

Ensigns

David H. Bodtke
Robert A. Martin

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 19, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the Lord God omnipotent and omniscient, may we daily come to the sacrament of public service richly endowed with the grace of insight, the gift of interpretation, and the sinews of moral and spiritual strength.

We pray that we may always have the leading of Thy divine spirit and beseech Thee to create within us those desires which Thou dost delight to satisfy.

May it be the goal of all our aspirations to build a finer and nobler social order and to bring praise and glory to Thy great and holy name.

Grant that the day may be hastened when the blessings of freedom and democracy shall be the glorious possession of all mankind.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Woodruff, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the concurrent resolution (S. Con. Res. 11) entitled "Concurrent resolution reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union."

SPECIAL ORDERS GRANTED

Mr. LARCADE asked and was given permission to address the House today for 15 minutes, following any special orders heretofore entered.

Mr. HUGH D. SCOTT, JR., asked and was given permission to address the House on Tuesday, June 26, for 1 hour, and on Wednesday, June 27, for 1 hour, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1952

Mr. McGRATH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4496) making appropriations for the legislative branch for the fiscal year ending June 30, 1952, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, the time to be equally divided and controlled by the gentleman from Washington [Mr. HORAN] and myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4496, with Mr. BONNER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. McGRATH. Mr. Chairman, I yield 6 minutes to the gentleman from Massachusetts [Mr. McCORMACK], the majority leader.

Mr. McCORMACK. Mr. Chairman, July 4 in any year, when our people celebrate the anniversary of the day when that famous historic document, the Declaration of Independence, was signed, is a very important day, but this year it is particularly important in view of the fact that it is the one hundred and seventy-fifth anniversary of the signing of that immortal document which preceded and which is just as much a part of our fundamental law as the Constitution itself.

The President of the United States has appointed a Commission in connection with the one hundred and seventy-fifth celebration of the signing of the Declaration of Independence consisting of the Vice President of the United States, our beloved Speaker, the Chief Justice of the United States Supreme Court, the majority and minority leaders of the House, and the majority and minority leaders of the Senate.

We are hopeful that in every city and town throughout every State of the Union there will be a most active celebration this year of the anniversary of this historic event. I can assure the Members of the House that already there is a tremendously favorable response throughout the country, but we are hopeful that the open and public manifestation of our love as Americans for that historic document will evidence itself this year to the maximum extent humanly possible by all Americans, and that each Governor will make the necessary proclamation and do everything possible within his State, and the mayors of all cities and the duly constituted authorities of all towns and communities will take such action and give such leadership within their communities that this year the maximum celebration humanly possible will be engaged in and that religious, civic, and educational leaders will do the same thing.

Mr. Chairman, I yield to the minority leader the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, I would like to join with the majority leader in urging a widespread observance of the one hundred and seventy-fifth anniversary of the Declaration of Independence. At this time when liberty is in peril all over the world, it is an opportune time for the American people to learn the truth and permit them to rally to the support of the precious rights enunciated by our forefathers. As a member of this Commission, I am pleased that the response to a July 4 celebration is so universal throughout the country. I join my distinguished colleague from Massachusetts in urging the fullest possible observance of the issuance of this sacred document. And it is particularly proper that the center of its celebration should be in old Philadelphia where the cracked liberty bell is a constant reminder of our heritage.

Mr. McCORMACK. I thank the gentleman very much.

Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM. Mr. Chairman, may I call the gentleman's attention to the fact that the Independence Homecoming Committee of the city of Philadelphia is planning to have a token session of the Congress on the 4th of July in Independence Hall. I hold in my hand a communication addressed to the gentleman from Pennsylvania, the Honorable HUGH D. SCOTT, JR. He has consulted me, and we are hopeful that we can get a sufficient number of Members to go there and engage in a debate apropos of the questions under discussion at the time, and which in all probability will be televised in that historic center. I call this to the attention of the Members in order to have it before them at this time.

Mr. McCORMACK. I thank my friend. I hope the response will be very large. We all know that the State of Pennsylvania and the city of Philadelphia are going to have a historic celebration this year.

There is a bill pending before the House Committee on the Judiciary which has passed the Senate, and which I hope the committee will report soon, because it will have to if it is to be timely. I will do everything I can to try to get it through the House.

Mr. HUGH D. SCOTT, JR. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. HUGH D. SCOTT, JR. I am glad the gentleman has yielded to me immediately after the encouraging comment just made, because my purpose in asking him to yield has to do with the bill now pending. The State of Pennsylvania has already passed and the Governor has signed a similar bill. The city of Philadelphia is joining in and equally supporting this celebration.

Mr. McCORMACK. That is $100,000 apiece.

Mr. HUGH D. SCOTT, JR. That is right. The United States has been asked to show a similar interest as has been evidenced by the other governmental units involved. I do hope the gentleman will do all he can to get a fairly early report on that measure.

May I also say with reference to the matter the gentleman from Pennsylvania [Mr. GRAHAM] has mentioned, having confidence as we all have in his ability at research, we hope he will help us to find a suitable revolutionary topic to be debated in a token session, and with the aid of the majority and minority

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leaders will help us corral a sufficient number of Members of Congress to sit in a token session and debate of the Congress of the United States on the 4th of July in celebration of this great and important anniversary when liberty was proclaimed throughout the land and unto all the inhabitants thereof.

Mr. McCORMACK. The gentleman from Massachusetts will cooperate to the fullest extent possible, but the gentleman frankly feels that the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.] and the gentleman from Pennsylvania [Mr. GRAHAM] have more persuasive influence with Members than the gentleman from Massachusetts. But I will be glad to cooperate with you.

Mr. HUGH D. SCOTT, JR. The gentleman from Massachusetts is very modest, as usual.

Mr. McCORMACK. Mr. Chairman, I yield back the balance of my time.

Mr. McGRATH. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the legislative branch appropriation, consisting of the sum of $60,355,370, is before the House for its consideration. The subcommittee is unanimous in its report as to the appropriation dollarwise. It is also unanimous in its expression of appreciation to the staff members of the committee, Claude Hobbs, Carson Culp, and Ken Sprankle. May I be permitted to convey to my colleagues on the Democratic side, as well as to my good friends on the Republican side, my appreciation for painstaking efforts that they made in order to report out a bill that would meet with your approval.

In appropriating the sum of $60,000,000, there is a reduction under the 1952 estimates of $8,617,000, and while one looking at the report will find that there is an increase over 1951 in the sum of $2,016,000, upon further study, will note that $2,500,000 has been advanced to the Government Printing Office in a revolving fund. This is in effect merely a loan, because it is to be repaid to the Treasury, so that this bill reflects an actual reduction of about one-half a million dollars under fiscal 1951.

No appropriation is made herein for the items of the Senate which follows, of course, the time-honored custom of having the other body prepare its own budgetary requirements.

This subcommittee has before it the matters affecting the House of Representatives, Capitol Police, Legislative Counsel, Architect of the Capitol, Botanical Garden, Library of Congress, and the Government Printing Office.

The House of Representatives shows a decrease of $78,000 in the 1952 estimate, an increase of $760,000 over the 1951 appropriation. This is due to many mandatory provisions of various House resolutions, so that this committee has, for practical purposes, simply a mathematical computation as to these matters.

There is an increase of $700,000 which is reflected in the telephone service of the Members. That is due to Public Law 42, which is set forth at page 34 of the hearings. Briefly, this law provides that each Member of the House will be entitled to 150 minutes of long distance telephone calls per month and to 1,000 words in telegrams per month sent on official business. Both of these monthly amounts are cumulative, so that if a Member does not use his allotted amount in 1 month, it will inure to his credit during the succeeding month.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. McGRATH. I yield.

Mr. DONDERO. On page 4 of the bill under clerk hire of Members and Delegates, I notice the amount is $8,844,150. Is that an increase or decrease over last year?

Mr. McGRATH. I am not sure I understood the gentleman. There are some increases in funds for hire of committee employees.

Mr. DONDERO. But not to the Members' staffs.

Mr. McGRATH. No, not to the employees of Members' offices. For that item the bill contains the same amount as for the current year.

The Architect of the Capitol would receive under the provisions of this bill, $6,717,000; or, $1,129,000 under the 1951 appropriation. This is $2,500,000 under the 1952 estimates. This reduction is caused, to a large degree, by the fact that the Capitol Power Plant, during the next fiscal year, can only expend $3,000,000, which is $2,000,000 under the estimates of 1952.

The Library of Congress is allocated $8,455,000 which is a reduction of $100,000 under the last fiscal year. The committee feels that that sum will be ample for the continuation of the functions of the Library. While this is an important service of government, yet we feel that it would be unwise at this time for the Library of Congress to engage in any extension program.

There is an increase of $2,500,000 in the working capital of the Government Printing Office, which sum will, of course, be returned to the Treasury.

This sums up the financial aspects of the bill and we unanimously submit it to you for your consideration.

Among some of the other matters discussed was the question of modern mechanical devices which would aid in the efficiency with which Members of Congress could serve their constituency. This committee has been in close contact with the Committee on House Administration and assures the Members that, if this matter receives the approval of the latter committee, we will be more than willing to act promptly upon their recommendations. We feel that with the rising costs and the increasing demands of the public upon the legislative branch of the Government we have submitted to you a bill that has the unanimous approval of all of its Members and one that is fair and just to all parties concerned.

The CHAIRMAN. The gentleman from New York has consumed 9 minutes.

Mr. HORAN. Mr. Chairman, I yield myself such time as I may require.

The CHAIRMAN. The gentleman from Washington is recognized.

Mr. HORAN. Mr. Chairman, I think it is a duty that we who have handled this, our own personal housekeeping bill, should report to you some of our own feelings with regard to such a bill and to find out those things which we feel perhaps we should discuss among ourselves with the object in view of adequate correction. I think it is well for us to realize that the whole system of representative government in this world is very much on trial right now. We here in this House are the very forefront of an attempt to make representative government dignified and effective. We have just finished at least the shooting part of what we term World War II. There is some question, of course, as to whether or not that war is over. We found ourselves alined in that conflict against executive form of government in the fullest possible flower. In order to win that conflict we have to hold in abeyance some of the things which many of us feel are sacred to our representative form of government. Your subcommittee, very ably led by the gentleman from New York [Mr. McGRATH] fully weighed that fact in the consideration of this routine housekeeping bill and we are before you now with a bill which in many ways we feel is inadequate, that it needs correction in certain aspects.

One thing, for instance, is the allowance you received for stamps. I am reliably informed that the Delegate from Alaska spends a considerable amount of money out of his own pocket in order to properly answer the mail which comes to him from the Territory of Alaska. It is not right if he is forced to do that in carrying out his duty to the people of the Territory of Alaska. The same thing is true of those who live in the West. Many of the Members have to pay out of their own salaries to make up for the inadequacies of this appropriation bill.

We have seen fit, and it is in the bill, to raise your stationery allowance in this measure for next year to the total of what you were allowed last year, $500 in the regular bill last year and the $300 supplemental of last year; nevertheless, that amount of $800, in the present bill, may not be adequate, because the manager of the stationery room came before our committee and said that if he were required to replace the inventory of the stationery room tomorrow he would have to increase the amount for replacing that inventory by some 25 percent. That cannot help but reflect itself in the cost of running your offices.

Another item that is of interest to me, and I know it is of interest to quite a number of Members on the floor, is the matter of automatic equipment. The folks in America who like to shoot at Congress at all times, and particularly the House of Representatives, perhaps do not know that Members of the House are not supplied with anything but the ordinary typewriters. There is hardly a branch or department of Government but what has automatic machines, calculators, duplicating machines, practically anything that lies within the power of the Representatives of the people of the United States to supply to the executive departments. Down through the years, on the other hand, there has been a tendency, in my opinion, to handicap

the very Members of this House of Representatives who try to protect the American people in the preservation of representative government. However, we on this Appropriations Subcommittee are not a legislating committee. It is our job to pass on the budget which comes before us to supply you with that equipment, but Chairman MCGRATH and other members of the subcommittee have scheduled—as soon as we can get the House Administration Committee together—an informal meeting at which we will go over these problems which are important to you.

This is your bill, and it is up to you. If you want to go to war in this world of ours, where representative government is under attack; if you want to purchase the things that will help you to better represent your people and fight this battle of freedom and representative government in this world, you had better help us who are trying in the right way and in such a way that abuse will not be possible to supply you with the sinews of war in this battle of ideologies and political science, which is practically everywhere extant today.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Will the gentleman tell us whether he understands the other body has a program for installing this automatic equipment?

Mr. HORAN. I understand they do have. Of course, the Senate portion of this bill does not show here now. There has been a rule that they pass on their own appropriations. The completed bill, however, as it goes to conference and as it will be signed into law will contain all of it.

In that regard I want to pay my tribute particularly to the chairman of one of the important subcommittees of the House Administration Committee, the gentleman from North Carolina [Mr. DEANE]. He has shown every desire to hold what hearings are necessary and to dig deeply into this whole problem. The gentleman from Virginia [Mr. STANLEY] has shown every interest in this matter, and I feel, with the cooperation between that Subcommittee on Appropriations and the full Committee on House Administration on both sides of the aisle, that they will be able to work out those things which properly should be worked out.

Mr. DEANE. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from North Carolina.

Mr. DEANE. I wish to thank the gentleman for his reference to the Committee on House Administration and to say that our committee is vitally interested in furnishing to the membership all the equipment necessary to do a good job. We came to grips with the telephone and telegraphic allowances, which we feel now are fair and equitable, and it would seem that either the Committee on Appropriations or our Committee on House Administration should very easily come to grips with the subject of mechanical equipment for the offices.

For the information of the House, several Members on both sides took the position here some days ago to determine the interest of the Members in such equipment, and of the inquiries received a total of 248 Members indicated that they felt an urgent need, because of the amount of mail that was coming to the offices, to take care of it promptly. I do not know what the correct procedure should be. It was felt, perhaps, that this committee itself has the authority to appropriate sufficient funds for mechanical equipment, just as they would for the typewriters in our offices. I want to do what is right in the matter, but I feel a certain responsibility to these Members, the 248 who replied to Dr. MILLER, and perhaps others who took an interest in the Members. I want to thank the subcommittee for its interest in its willingness to come to grips with this subject, and I wish to assure the membership that I, too, will do everything to do what is right to follow through with the program as it should be.

Mr. HORAN. I thank the gentleman. One reason a Subcommittee on Appropriations sometimes makes reports to the House of Representatives and that you wonder why a legislative committee has not already worked on it is the fact that every year we have to pass on things that seem to be out of our line, whereas sometimes a legislative committee will just pass over those things and keep postponing them, and that is the reason sometimes we members of the Committee on Appropriations get in bad with legislative committees here in the Congress. Now, we did come into contact with some of these problems, but in most of them we thought that an arbitrary action on our part, while we felt that it might be justified, we saw some problems connected with it that ought to, by every rule of thumb that we live by, be investigated by an appropriate committee and be acted on with the fullest of knowledge. Now, that applies to automatic typewriters. I do not doubt but that each one of you about once a month finds occasion to properly answer personal mail with a letter that is almost a form letter, but you feel more serious about it than that, and an automatic typewriter might be helpful. But it only occurs now and then, our subcommittee discussed that, and we wondered perhaps why some arrangement might not be made so that a number of Members might share one machine, or something along that line. It needs to be surveyed. The weight of the need ought to be evaluated so that no money is wasted, but at the same time, whatever the Members of this House need should properly be supplied to them without any argument, with everything done to guard against any automatic abuses on the part of individual Members.

Mr. MCGRATH. Mr. Chairman, I yield 2 minutes to the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, I want to congratulate the legislative Subcommittee on Appropriations for the good job that they have done on this particular appropriation bill. The gentleman from New York [Mr. MCGRATH], chairman of the subcommittee, who sits with me on the Subcommittee on Labor and Federal Security, is one of the most conscientious Members of this House. I served as a member of Subcommittee on the District of Columbia with the gentleman from Washington [Mr. HORAN] during the Eightieth Congress, and I found that he was one of the most able chairmen that we had in the Eightieth Congress, and it was a pleasure to serve with him.

I asked for this time for the purpose of inquiring of the chairman of the subcommittee, the gentleman from New York [Mr. MCGRATH], whether or not there are any provisions in this bill to supply the police force with summer-weight uniforms.

Mr. MCGRATH. Mr. Chairman, if the gentleman will yield, there was some discussion, I might say to the gentleman from Rhode Island, on that question. I personally stated at that time that the police on Capitol Hill should certainly have lightweight uniforms. I must say that they already have enough money appropriated for the purchase of these trousers, although it is not in this bill as a specific item. I personally feel that the Sergeant at Arms should purchase them. They have the money, and it merely resolves itself into an administrative function.

Mr. FOGARTY. I wish the committee would look into that, because I understand the Sergeant at Arms of the House has requested the necessary amount of money to purchase these lightweight uniforms but there has been some mix-up along the line and he has not been able to get a voucher signed for that purpose.

If there was ever a city in this country where the police force should have lightweight uniforms in summertime it is certainly the city of Washington. Practically every other city in the country supplies its police force with these lightweight uniforms during the summertime. I hope that when the request is made by the Sergeant at Arms of the House the request will be granted by whomever has that responsibility.

Mr. HORAN. Mr. Chairman, I yield 35 minutes to the gentleman from Illinois [Mr. BUSBEY].

Mr. BUSBEY. Mr. Chairman, I concur in the previous remarks of my distinguished chairman, the gentleman from New York [Mr. MCGRATH] and also the remarks of the ranking minority member of this subcommittee, the gentleman from Washington [Mr. HORAN]. May I also say that as far as the bill is concerned the committee was in unanimous agreement.

I believe the gentleman from New York [Mr. MCGRATH] and the gentleman from Washington [Mr. HORAN] have covered the general points of the bill very well, and I do not intend to take the time of the Members by repeating the points covered by them. However, you will notice in the report of the committee I filed minority views because I thought certain conditions around the House of Representatives should be called to the attention of the full committee. I did

UNIVERSITY OF MICHIGAN LIBRARIES

not do this to embarrass anyone, but I thought as a member of the legislative subcommittee it was my duty to make this minority report.

While it is unusual to file minority views on an appropriation bill, I did it in the hope that some of the practices now carried on would be discontinued. Any fair, honest-thinking man would agree that there have been some injustices and illegal practices condoned and permitted under the dome of the Capitol of the United States in the House of Representatives. I filed the minority views in the hope that before we report out the appropriation bill for the fiscal year 1953 these injustices and illegal practices will have been corrected, and it will not be necessary for me to file minority views on the next legislative branch appropriation bill.

Every member of this committee should read the hearings and the report on this bill, because this is your bill. If the new Members of the Eighty-second Congress will read the hearings they will learn a great deal about the machinery of the House of Representatives.

One of the matters I discussed in the committee, and it is in the printed hearings, is the subject of pages for the House of Representatives. We were informed that there is an appropriation for 50 pages. I am sure many of you have had the same experience I have had. When we wanted an important document from our offices to use on the floor of the House in debate the page that was sent for that document we needed urgently, had to make four or five, sometimes six or seven additional stops in other offices before he returned to the floor. This, naturally, consumed at least an hour if not more.

Out of the appropriation for 50 pages, we have only 7 pages on the Republican side of the aisle. Seven pages are not enough to take care of the work on the floor of the House, especially when the majority of the Members are present. We found that many of the pages were being used on various doors as guards. I have no fault to find with that; but, in all seriousness, I think most of these door jobs around the House of Representatives should be delegated to adults and not to boys.

I hope the members of this committee will read the hearings and my minority report regarding the publications in the folding room. I made a personal investigation of the situation in the folding room, and, to my amazement, I found stored back in one of the subrooms in the subbasement of the New House Office Building the following documents:

Communism in Action, 77,093; One Hundred Things You Should Know About Communism, 57,899; Fascism in Action, 54,166; Servicemen's Rights and Benefits, 72,789; Manual Explanatory of the Privileges and Rights and Benefits Made in the Seventy-ninth Congress, 76,140.

There is one thing in particular I want to call to your attention. The 57,899 copies of One Hundred Things You Should Know About Communism are there because they have been allotted to the Members of the Congress. When they were first printed, each Member of the Congress was allotted 300 copies. It is evident that a large number of the Members of Congress have had no use for them and do not intend to use them.

On the other hand, I found the Committee on Un-American Activities has been out of these documents for some time and has recently placed an order with the Government Printing Office for additional copies. I think it is well that we consider having each Member surveyed as to whether or not he intends to use the documents to his credit. If not, to transfer them to the Committee on Un-American Activities, which so badly needs them.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. REES of Kansas. I am not sure, but I thought there was an understanding or rule of some kind where if a Member did not call for the copies of a document assigned to him they were permitted to be assigned to other Members. What is the explanation of that?

Mr. BUSBEY. In reply to the question of the gentleman from Kansas, I do not know of any such rule. In discussing this with the superintendent of the document room, he informed me that he was not permitted to disclose the names of the Members who have these documents assigned to them. Otherwise it would be possible that somebody might contact them to see if they would release them to the committee.

I do not know of any such rule. I would like to ask the chairman of our committee, Judge McGRATH, if he knows of any such rule.

Mr. McGRATH. My information is that there is no such rule.

Mr. REES of Kansas. In other words, the documents just remain there until called for, and if not, they are perhaps finally destroyed; is that correct?

Mr. BUSBEY. I imagine they will eventually be sold for scrap the same as other documents which I am going to discuss in a moment.

Mr. REES of Kansas. I agree with the gentleman that that matter ought to be carefully checked and use made of those documents. I think also a careful accounting should be made so that we know where they go and what happens to them.

Mr. BUSBEY. To me it seems ridiculous to have the Committee on Un-American Activities spend money with the Government Printing Office for documents when, at the present time, there are 57,899 of those same documents in the folding room not being used by anyone.

Mr. REES of Kansas. And if they are assigned to Members of Congress, they should have a record showing the assignment or who owns them.

Mr. BUSBEY. They have the record showing to whom they belong.

Mr. REES of Kansas. Then why not contact these Members to find out whether they want to use them, and if not, let them go to the Committee on Un-American Activities.

Mr. BUSBEY. Something should be done. That is the point I am making. Something should be worked out so that the Members of Congress who are not using these documents would release them. I am sure they would be glad to release them if it were brought to their attention in the proper way.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. McCORMACK. I am sure no one would disagree with the statement made by the gentleman when we have a situation where one committee, the Committee on Un-American Activities, is seeking additional copies and these copies are in existence, which are available for Members who have not as yet called for them. The superintendent of the document room, of course, has no control over that.

Mr. BUSBEY. That is right.

Mr. McCORMACK. Common sense would say that something should be done to meet that situation. I can, however, realize the difficulty of contacting individual Members. It seems to me that a resolution to the effect that Members whose allocation in whole or in part is still there but who do not exercise their right to use the documents on or before a certain date would lose that right would meet the situation; something of that kind, in my opinion, would be the way to meet the situation, and it should be met.

Mr. BUSBEY. I think the distinguished majority leader has made a very valuable contribution to the debate. Before we leave the matter I should like to report that in conferring with Mr. John Carrington, the clerk of the Committee on Un-American Activities, he informed me that he had sent a general letter to all Members of the House requesting the release of documents they were not going to use, especially this document, One Hundred Things You Should Know About Communism; and quite a number of Members did release some of their documents to the committee. On the other hand that does not reach the point of soliciting these Members individually and personally to release the documents.

In my investigation of the folding room I noticed that a great deal of space is taken up with old sets of the bound volumes of the CONGRESSIONAL RECORD. It is my understanding that each Member of Congress is entitled to four bound sets of the CONGRESSIONAL RECORD for each session of Congress. I can appreciate that some Members would have use for the entire allotment of four sets. On the other hand many Members would not have use for more than one or two sets. The custom has been that after these bound volumes have been taking up the valuable storage space of the folding room for a period of 7 or 8 years they are then sold for scrap. The cost of these bound volumes of the CONGRESSIONAL RECORD runs into a tremendous sum of money. It is my recommendation that this situation should be surveyed and a more efficient method worked out to handle the bound volumes of the CONGRESSIONAL RECORD.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Kansas.

Mr. REES of Kansas. What would the gentleman think about cutting down the allotment to two sets of the RECORD and save expense in that way? The Members could then have one set for the office and one at home, or somewhere else if they wanted it there.

Mr. BUSBEY. I do know that most Members like to have one set here in the office at Washington and another set out home for reference.

I also checked into the shortage of various documents and books reported in the folding room last year. I cannot help but feel that as members of a subcommittee called upon to appropriate money for the various items in this bill, it is our duty and responsibility to know what we are appropriating for and whether the money has been spent judiciously and correctly in the past.

On December 20 of last year, 1950, the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], introduced the following resolution:

House Resolution 890

Resolved, That appropriations under the head "Contingent expenses of the House, 1951," shall be available for such additional numbers of books, pamphlets, and documents as the Doorkeeper may find necessary to complete allotments to Members.

That resolution was adopted by the House of Representatives to pay for the printing of these documents which were missing from the folding room.

To date, in accordance with that resolution, the following documents have been printed and delivered to the folding room:

Agricultural Yearbooks, 1943–47, 4,000 copies, approximate cost $8,280.03;

Diseases of the Horse, 1,500 copies, approximate cost $4,696.58;

Diseases of Cattle, 4,000 copies, $7,381.41;

Agricultural Yearbook, 1949, 5,000 copies, $8,864.79;

Agricultural Yearbook, 1942, 54,000 copies, $79,496.77; which makes a total of 68,500 at an approximate cost of $108,719.58.

This resolution was adopted after the General Accounting Office had made an inventory check in order to ascertain in its judgment the total amount of books missing from the folding room. From the information I have been able to obtain, I do not believe that a sincere effort has been made to really determine how this shortage came about, whether Members of Congress were given more books than they were entitled to under their allotment, whether they were removed from the folding room by someone, and maybe sold on the outside, or disappeared in some other manner.

At this time no one knows the real amount in dollars and cents value of the documents that were removed from the folding room. Certainly a situation such as this demands a thorough investigation and a report to Congress. There is no evidence, as far as I have been able to determine, to show whether this shortage occurred in the Eighty-first Congress, the Eightieth Congress, the Seventy-ninth Congress, the Seventy-eighth Congress, or any other Congress. So we cannot point the finger of guilt to any particular Congress.

It is my recommendation that the FBI be requested to go into this phase of the shortage of documents in the folding room and that a detailed report be made to the House of Representatives.

Another recommendation I would make is in reference to employees who are handling documents of so great a value. These employees should certainly be bonded the same as the Sergeant-at-Arms who runs the bank of the House of Representatives or the Clerk of the House of Representatives and the employees of the stationery room. If the folding room employees were bonded I think it would be a very good investment. It would certainly foreclose the possibility of any additional resolutions being presented to the House of Representatives to appropriate a tremendous sum of money to make up any shortage that might occur at some future date in the folding room.

Speaking further of the folding room, the General Accounting Office was called upon to make an investigation in regard to the assignment of personnel charged to the folding room. In its report to the Speaker of the House of Representatives, which is included in my minority report, it was disclosed that 30 employees were charged to the payroll of the folding room but doing no work there whatever.

I can truthfully say that while the majority of them in practically every case were doing work some place else around the Capitol, some money was paid to people who did no work at all at the Capitol during certain periods of time.

One of the cases recorded in the hearings to which I refer in my report is the case of a lady who drew her pay at the folding room while she worked in a beauty shop downtown. This was not done after hours but was done during the hours she was supposed to be working in the folding room for which she accepted pay from the Government. She had relatives call up and report that she was too sick to report for work at the folding room and went to work in the beauty shop. I think if an employee is charged up to the folding room the folding room should have the service of that employee. If we need additional employees around the Capitol for other work, they should be charged to that particular department and they should be so justified in the appropriation bill.

Another thing that is particularly ridiculous to me is the fact that after the Civil War there was a division established here in the House of Representatives known as the Soldiers Roll. While it has been many, many years since a veteran of the Civil War has worked around the Capitol, we are still asked in this appropriation bill of 1952 to appropriate for 14 positions on the Soldiers Roll. I understand that most of the people who are charged to that category are doorkeepers or doormen in the gallery of the House of Representatives. If that is true, and I think it is, why in the name of goodness do we not classify them as door tenders or doorkeepers and appropriate for them as such?

Another thing I recommend is a clerk for the Patronage Committee. This is no reflection on the Democrats in any way, shape, manner, or form, because it would work just the same if the Republicans were in control of the House of Representatives. Personally I think the Patronage Committee is entitled to a clerk. I do not see how a Patronage Committee can operate without the services of a clerk. Certainly, the chairman of the Patronage Committee could not possibly be expected to look after all of the details necessary in screening and allocating the various jobs around the Capitol which come under the jurisdiction of that committee which belongs to the majority party in the House of Representatives. Nevertheless, I think it is certainly unjust to charge the clerk of the Patronage Committee to another department of the Capitol which I am convinced needs that particular position to efficiently carry on its work, and then assign the person to the clerkship of the Patronage Committee. We should provide for a personnel director or some other title to be designated as the clerk of the Patronage Committee and appropriate for that particular job.

The gentleman from Washington [Mr. HORAN] made some reference to automatic equipment in the offices of the Members. I believe that is something we can very seriously consider. I know there are many Members of Congress who are in the same position as I am, and I know I have personally had to spend out of my own pocket over $1,000 this year for office equipment. In addition, like the majority of the Members of the House of Representatives, I have to pay approximately $9 a month out of my pockets for an interoffice communication system. I think these interoffice communication systems are necessary to run an efficient office, otherwise I would not have installed one at my own personal expense. In my opinion, the House of Representatives could well afford to pay for that service. As the gentleman from Washington [Mr. HORAN] said, the departments of the executive branch of Government do not stint themselves. With the responsibility we have, I do not feel there is anything we have to be ashamed of in asking for proper equipment to carry on efficiently the work in our offices.

I also recommend that at a very early date a specific rule and regulation be drawn up so that the employees around the Capitol will know exactly how much sick leave and how much annual leave they are entitled to.

In my investigation of this problem I find there is not an employee around here who has any idea of exactly what he is entitled to. I have not been able to find any directive of any kind specifically stating to the employees what they are entitled to.

UNIVERSITY OF MICHIGAN LIBRARIES

I am only sorry I did not have the time to finish a survey I have undertaken in regard to the differential in the number of employees around the Capitol, particularly on the various committees at the present time compared to the number employed before the Reorganization Act of 1946 went into effect, which I believe was at the beginning of the Eightieth Congress.

You may recall when the reorganization of the legislative branch of our Government was before this House for consideration it was to streamline the legislative branch of Government. This was the bill that, instead of having so many different committees handling everything under the sun, would consolidate them into fewer committees for efficiency and economy.

I did not check the exact number, but if my memory serves me right—and if I am wrong I will be very happy to have someone who knows the figures correct me—before the Reorganization Act of 1946 went into effect we had some 48 committees in the House of Representatives, and they were consolidated into 19 committees.

When that appropriation bill comes before the House next year I propose to have the survey completed, and will present it to the House for consideration.

One other thing that I raised in the committee was the bottleneck on Independence Avenue, from the House Office Building to the foot of the Hill, or Second Street. That is a very bad bottleneck as far as traffic is concerned. When the street was laid out, it was in the days before anyone dreamed of automobiles and such heavy traffic on that avenue.

I brought this matter to the attention of the Architect of the Capitol, Mr. Lynn, to have a survey made to see what would have to be done to bring the retaining walls along the south border of the Capitol grounds back in line with the south wall of the grounds of the Library of Congress, which would widen Independence Avenue considerably and certainly expedite traffic during the rush hours.

Mr. Chairman, I do not propose to take any more of the time of the Committee, but I sincerely urge you and every Member of this body to read the hearings and the report of the legislative subcommittee and become acquainted with the housekeeping duties of our own House.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield.

Mr. BYRNES of Wisconsin. I have listened most intently to the report that has been given to us by the gentleman from Illinois. I certainly compliment him on bringing these matters to the attention of the House. Certainly, once we have knowledge of these things taking place, it becomes our duty to see that improvements are made and that the things that can be criticized are corrected. I think you have done a real service in bringing to our attention these various matters that so often, I think, are just overlooked in the hurry and under the pressure of probably bigger problems. But it is the accumulation of these little things that really do amount to the big problems in the end.

Mr. BUSBEY. I thank the gentleman from Wisconsin for his very complimentary remarks.

Mr. Chairman, what I have done has been done in the spirit of cooperation and in a spirit which I hope will be constructive so far as the future operations of the House of Representatives are concerned. My minority report—and I say this sincerely—I tried to keep on a very high plane. I did not try to embarrass a single soul. I disagreed with my committee when they voted not to ask Mr. Lindsay Warren to make the report which he made on the survey of the folding room available to the full committee in executive session.

I think it is my duty and my responsibility to pursue this during the coming year. So that there will be no mistake about it and no surprise about it, I expect to pursue it diligently to the best of my ability, and I expect to again ask for the suppressed report before and also in committee next year.

In order to conserve time I include, herewith, my minority views as contained in the report on the legislative branch appropriation bill for 1952:

MINORITY VIEWS OF FRED E. BUSBEY

It is my desire to cooperate at all times with the members of any committee of the House of Representatives to which I am assigned. I concur with the other members of the Subcommittee on Legislative Appropriations in their determination and recommendation for appropriations. I also concur in the report submitted by the subcommittee as far as it goes, but feel that information with respect to certain situations should be brought to the attention of the House of Representatives.

As a member of the Appropriations Committee it is my sincere belief that it is the duty of every member of the committee to do everything possible to ascertain whether or not the taxpayers' money which we are asked to appropriate is spent judiciously, economically and, more important, for the explicit purpose for which it is designated in the justification of our hearing. I also believe that if we are to criticize the various departments of the executive branch of our Government for the manner in which they administer funds, we, the Members of the House of Representatives, should be first to see that the funds appropriated for maintaining and running the legislative branch of our Government are properly administered and expended for the purposes for which they are appropriated.

Last year, Mr. NORRIS POULSON, the gentleman from California, made an investigation of his own in regard to moneys which were appropriated for certain divisions of the legislative branch. As a result, the Office of the Comptroller General of the United States, Mr. Lindsay C. Warren, was called upon to make an investigation to determine the true facts, particularly as they applied to the folding room of the House of Representatives.

In order to determine if the funds for the folding room were being legally spent, I addressed a letter dated May 7, 1951, to Mr. Lindsay C. Warren, as follows:

MAY 7, 1951.

Mr. LINDSAY C. WARREN,
Comptroller General, Washington, D. C.

DEAR MR. WARREN: I am a member of the Legislative Subcommittee on Appropriations, and we expect to start hearings about the first of next week.

It is my understanding that your office made a detailed survey and report on the situation that developed last year in the folding room and the stationery room of the House of Representatives. Therefore, I respectfully request that I be furnished a complete record of all documents which pertain to this matter. Your cooperation and assistance will be greatly appreciated.

Sincerely yours,

FRED E. BUSBEY,
Member of Congress.

On May 17, 1951, Mr. Lindsay C. Warren replied to my request of May 7, 1951, as follows:

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, May 17, 1951.

Hon. FRED E. BUSBEY,
House of Representatives.

MY DEAR MR. BUSBEY: In response to your request of May 7, there is enclosed a copy of my report of November 28, 1950, to the Speaker of the House of Representatives on an examination of the folding room of the House of Representatives by the General Accounting Office, for use in connection with hearings to be held by the Subcommittee on Legislative Appropriations, Committee on Appropriations.

There are also transmitted herewith one copy each of reports covering audit by the General Accounting Office of the House of Representatives Stationery Room for the periods January 25, 1947–January 31, 1949; February 1, 1949–February 4, 1950; and February 5, 1950–January 16, 1951, respectively.

Copy of the stationery room report for the period January 25, 1947–January 31, 1949, is complete (except for exhibit No. 2—inventory), but I regret it is not very legible; it is the last copy available.

In view of the frequent use of these reports here, it would be appreciated if it be found practicable to return them after your needs have been fully served.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

Mr. Warren transmitted with his letter of May 17, 1951, a copy of his report of November 28, 1950, to the Speaker of the House of Pepresentatives as follows:

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, November 28, 1950.

Hon. SAM RAYBURN,
Speaker of House of Representatives.

MY DEAR MR. SPEAKER: As a result of information coming to my attention of statements made by Representative NORRIS POULSON, indicating certain employment irregularities in the folding room of the House of Representatives, the General Accounting Office recently made an examination of that organization. I hereby report, for your information, the results of that examination.

On the whole, the records of the folding room as to time, attendance, and work of those employees actually working therein were found to be in excellent condition, and the superintendent of the folding room appears to be discharging his duties conscientiously and in an efficient manner, although apparently handicapped to some extent because no fixed and uniform policy with respect to leave of employees has been established.

The pay records of the folding room for the period July 1, 1949, to August 31, 1950, disclosed that 30 persons had been paid for folding room work during all or a part of this period although none of them had actually worked for the folding room. A list of the 30 persons, showing the period for which they were paid as employees of the folding

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room, is attached hereto. Fourteen of these persons were paid as per annum employees and the payrolls therefor were certified as correct by the Doorkeeper of the House of Representatives. The remaining 16 persons were paid as hourly workers and the vouchers on which they were paid were certified as correct by the employees, by the superintendent of the folding room, and by the Doorkeeper. In this connection attention is invited to sections 85, 89, and 90 of title 2, United States Code, as follows:

"85. Employees of the House of Representatives under the Clerk, Sergeant at Arms, Doorkeeper, and Postmaster shall only be assigned to and engaged upon the duties of the positions to which they are appointed and for which compensation is provided, except that in cases of emergency or congestion of public business incident to the close of a session of Congress or other like cause an employee or employees may be assigned or required to aid in the discharge of the duties of any other employee or employees, and in the discretion of the Doorkeeper not more than one folder may, if necessary, be assigned to do clerical work under the direction of the foreman of the folding room, but all assignments made hereunder shall be without additional compensation and shall not constitute the basis of a claim therefor."

"89. The Clerk, Sergeant at Arms, Doorkeeper, and Postmaster of the House of Representatives shall make certificate each month to their respective payrolls, stating whether the persons named in such payrolls and employed in their respective departments have been actually present at their respective places of duty and have actually performed the services for which compensation is provided in said payrolls, and in each case where a person carried on such payrolls has been absent and has not performed the services in whole or in part for which payment is proposed, the reason for such absence and for such nonperformance of services shall be stated."

"90. The violation of any of the provisions of sections 85–89 of this title shall, upon ascertainment thereof, be deemed to be cause for removal from office."

While the subject payrolls and vouchers incorrectly reflect the employment and disposition of the persons involved it should be pointed out that in each instance the person involved actually was employed and performed services elsewhere for the House of Representatives, although the place of employment of one of the individuals, for a short period of time, was not ascertained. In most cases the individuals actually worked as doorkeepers, pages, etc. Three of the individuals had been assigned to a Congressman's office but this situation no longer exists. Three other employees apparently were paid in August 1950 for 28 hours for which they performed no services.

In addition to the 30 employees discussed in the foregoing, 1 employee was put on the rolls and paid from and after March 1, 1950. The employee has sworn to an affidavit, which is on file here, to the effect that she worked "one or more weeks in the office of the Doorkeeper" after she was appointed until a recurring back ailment necessitated her staying away from work for "quite some time." However, the official records and the testimony of the officials in a position to know establish that she did not enter on duty until April 17. Another employee of the folding room who had private employment after hours is shown to have worked at her private employment during the period March 2 through September 21, 1950, on 28 days of which she was on "sick leave" from her folding-room duties. Three other employees of the folding room have been detailed to, and are now working in, the document room.

I shall be glad to furnish additional details or assistance in the matter should you so request.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

Folding room, House of Representatives

	From—	To—
PER ANNUM EMPLOYEES		
Margaret M. Ball	July 1, 1949*	Aug. 16, 1950
Claudia J. Maddox	do	Aug. 31, 1950*
Frances M. Dorsey	Aug. 17, 1950	Do.*
Derwin W. Darling, Jr.	July 1, 1949*	Do.*
Thomas J. Duffley	do*	July 31, 1950
Lucien O. Hunter, Jr.	do*	Aug. 31, 1950*
Martin Jenkins	do*	Do.*
John J. Durkin	do*	Do.*
C. E. Frazier, Jr.	do*	Do.*
Robert Sanford	do*	Do.*
Fred Chatt	do*	Oct. 15, 1949
	Mar. 1, 1950	Aug. 31, 1950*
Amazon E. Turner	July 1, 1949*	Feb. 6, 1950
J. D. Reid	do*	Feb. 28, 1950
Robert S. Moses	Aug. 8, 1949	Aug. 31, 1949

	Period worked
HOURLY WORKERS	
Juanita M. LaTour	August 1949.
Courtland W. Sands	July and August, 1949.
Earl J. Mondschein	July and August, 1949.
Nicholas Nicastro	March to July, 1950.
William H. McClarin, Jr.	November and December, 1949.
John J. Gordon	November and December, 1949.
	February to April, 1950.
J. N. Hill	April and May, 1950.
Joe E. Burrows	May to August, 1950.
Bill Arbogast	June and July, 1950.
Gerard M. Cahill, Jr.	June 1950.
Arthur Cameron	June to August, 1950.
Robert P. Curtis	June 1950.
Wallace L. Engle	June to August, 1950.
Charles W. Hackney, Jr.	June and July, 1950.
Robert Sikes	June 1950.
William Lee Stephens	July 1950.

*Asterisk indicates employees carried on Folding Room payroll prior to July 1, 1949, and/or subsequent to Aug. 31, 1950.

Inasmuch as Mr. Lindsay Warren, the Comptroller General of the United States, did not transmit with his letter of May 17, 1951, a copy of the inventory report of the shortage of documents in the folding room and a complete, detailed report as to the findings of fact in regard to each of the 30 employees and their duties when they were charged to the folding room payroll, I wrote Mr. Warren on May 18, 1951, as follows:

MAY 18, 1951.

Mr. LINDSAY C. WARREN,
Comptroller General of the United States, General Accounting Office, Washington, D. C.

MY DEAR MR. WARREN: This will acknowledge receipt of one copy each of reports covering audit by the General Accounting Office of the House of Representatives stationery room for the periods January 25, 1947–January 31, 1949; February 1, 1949–February 4, 1950; and February 5, 1950–January 16, 1951, respectively (except for exhibit No. 2—inventory).

In accordance with our telephone conversation this afternoon, I can readily understand how my letter of May 7, 1951, could be interpreted as desiring only the report that was made on the investigation of the House of Representatives folding room, dated November 28, 1950. You informed me that so far as your personal knowledge is concerned, the only inventory report that was made on the folding room by the General Accounting Office was one dated 1949, and that the only copy you had left of that report was your file copy.

I would appreciate very much the loan of this copy until we have concluded the hearings of the Legislative Subcommittee on Appropriations. In your report of November 28, 1950, to Speaker of the House of Representatives, Hon. SAM RAYBURN, you listed 30 individuals who were carried on the payrolls of the folding room who, you admitted, were not working at any duties pertaining to the folding room but were assigned to other duties around the Capitol. I respectfully request a complete, detailed report as to the findings of fact in regard to each of the 30 employees, specifically with regard to where each was working.

I would also appreciate it if you would make arrangements for me to have a conference with the man from your office in charge of the investigation, in order that I may have in detail the extent of his inquiries. In this regard I would like to have not only the name of the man in charge, but the names of all those who worked with him and under his supervision during the investigation.

Due to the fact that we are just about to begin our hearings in our subcommittee, I shall appreciate your immediate cooperation in regard to the above request.

Sincerely yours,

FRED E. BUSBEY,
Member of Congress.

On May 24, 1951, Mr. Lindsay Warren replied to my communication of May 18, 1951, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, May 24, 1951.

Hon. FRED E. BUSBEY,
House of Representatives.

MY DEAR MR. BUSBEY: I have your letter of May 18, 1951, acknowledging receipt of copies of reports of audits by the General Accounting Office of the House of Representatives stationery room and of my report of November 28, 1950, to the Speaker of the House on an examination of the folding room of the House. Your letter requests the loan, for the duration of the hearings of the Legislative Subcommittee of the Committee on Appropriations, of the file copy of a General Accounting Office report made in 1949 covering an audit of the operations of the folding room, as well as additional information and data not included in my report of November 28, 1950, to the Speaker on the later examination of the folding room.

In accordance with your request, I am sending you herewith the file copy of my report of April 15, 1949, to the Speaker of the House of Representatives, covering audit of the records of the folding room for the period ended March 7, 1949. Since this copy is the official file copy of the General Accounting Office its prompt return at the conclusion of the appropriation hearings will be appreciated.

Your request for additional data in connection with my report of November 28, 1950, to the Speaker, on the examination of the folding room, is as follows:

"In your report of November 28, 1950, to Speaker of the House of Representatives, Hon. SAM RAYBURN, you listed 30 individuals who were carried on the payrolls of the folding room who, you admitted, were not working at any duties pertaining to the folding room but were assigned to other duties around the Capitol. I respectfully request a complete, detailed report as to the findings of fact in regard to each of the 30 employees, specifically with regard to where each was working.

"I would also appreciate it if you would make arrangements for me to have a conference with the man from your office in charge of the investigations, in order that I may have in detail the extent of his inquiries. In this regard I would like to have not only the name of the man in charge, but the

names of all those who worked with him and under his supervision during the investigation."

You already have a copy of my official report as sent to the Speaker, which was furnished you with my letter of May 17. The additional information and staff assistance you now desire are in nature and extent the kind of assistance it has been the practice to furnish only upon request of the Committee on Appropriations, a practice sanctioned and followed by that committee as well as by other committees for which the General Accounting Office is required by section 312 (b) of the Budget and Accounting Act, 1921, to furnish assistance. Section 312 (b) is as follows:

"(b) He shall make such investigations and reports as shall be ordered by either House of Congress or by any committee of either House having jurisdiction over revenue, appropriations, or expenditures. The Comptroller General shall also, at the request of any such committee, direct assistants from his office to furnish the committee such aid and information as it may request."

Upon receipt of advice that the Committee on Appropriations desires the additional information and assistance you have requested, or approves my furnishing it for your use, I shall be glad to respond promptly.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

On Thursday, June 7, 1951, at an executive session of the Legislative Subcommittee on Appropriations I made a formal request to have Mr. Warren deliver the report in question to our subcommittee for consideration by us in executive session to determine if all of his recommendations had been complied with, and the committee could satisfy itself that the legislative branch of our Government was being operated in accordance with law. This followed the suggestion contained in the last paragraph of Mr. Warren's letter of May 24, 1951, which stated:

"Upon receipt of advice that the Committee on Appropriations desires the additional information and assistance you have requested, or approves my furnishing it for use, I shall be glad to respond promptly."

The subcommittee voted to reject my request. I sincerely regret this action. In all probability the information contained in the suppressed report might have answered the questions in my mind and I, therefore, might not have found it necessary to report minority views.

The Legislative Subcommittee on Appropriations had agreed to hear the Honorable THOMAS B. STANLEY, Representative from Virginia and chairman of the House Administration Committee, at 2 p. m. on Monday, June 11, 1951. I was convinced there were apparent discrepancies in the testimony of Mr. William M. Miller, Doorkeeper of the House of Representatives, and I had the following letter delivered the morning of June 11, 1951, to the Honorable CHRISTOPHER C. MCGRATH, chairman of our Legislative Subcommittee on Appropriations:

JUNE 11, 1951.

Hon. CHRISTOPHER C. MCGRATH,
Chairman, Legislative Subcommittee on Appropriations,
House of Representatives,
Washington, D. C.

DEAR JUDGE MCGRATH: It is my understanding that the Honorable THOMAS R. STANLEY, Chairman of the House Administration Committee, House of Representatives, is scheduled to apear before our subcommittee at 2 p. m. today.

Due to apparent discrepancies in the testimony of William M. Miller, Doorkeeper of the House of Representatives, when testifying before our committee as a witness, I respectfully ask that Mr. Miller again appear before our committee at the conclusion of Mr. STANLEY's testimony for further questioning.

Sincerely yours,

FRED E. BUSBEY,
Member of Congress.

The subcommittee met at 2 p. m. Monday, June 11, 1951, as agreed and we immediately started "marking up" our appropriation bill. At the conclusion of this work, I asked if Mr. STANLEY would appear before us as scheduled. I made it known to the members of the committee that I was desirous of recalling Mr. William M. Miller, the Doorkeeper of the House of Representatives at the conclusion of Mr. STANLEY's testimony, in accordance with my request outlined in the above letter to Mr. MCGRATH. To my surprise and amazement I was informed that the hearings had been concluded and that we would hear Mr. STANLEY informally at some future date.

I believed then, and still believe, that I had reason to feel there were inconsistencies in the testimony of Mr. Miller, the Doorkeeper, and that it was only fair to him to be given an opportunity to appear again before our committee before the hearings were closed and make any corrections he desired in his testimony.

During Mr. Miller's appearance he was interrogated regarding the employment of Margaret Greenwell as follows:

"Mr. MILLER. She works in the folding room, sir.

"Mr. BUSBEY. I think, according to the Comptroller General's report there was a time when she got paid that she did not do any work in the folding room, but was working in a beauty shop, is that correct?

"Mr. MILLER. I do not know, sir.

"Mr. BUSBEY. Do you know anything about that, Mr. Roberts?

"Mr. ROBERTS. No; I do not know anything about that at all. I knew a doorkeeper by the name of Greenwell.

"Mr. MILLER. He is dead.

"Mr. ROBERTS. Yes. He died about 2 years ago.

"Mr. HORAN. May I interject there? I think in all fairness to some of those people that the wrongs and inequities of the 40-hour week, because there are inequlites in the 40-hour week, which help to bring these things about sometimes. I knew a doorkeeper who was running a taxi part time, but he was perfectly within his right in doing that. He was working on the taxi part time and on the door part time. That might be possibly true in other cases.

"Mr. BUSBEY. I think that is probably true also of the people who work in the Post Office Department in the metropolitan areas.

"Mr. HORAN. Sure.

"Mr. BUSBEY. Because it is really tough going for them. Mr. Miller, you know nothing about the situation, about whether Margaret Greenwell was working in this beauty shop and getting paid for working in the folding room?

"Mr. MILLER. I have not seen that report. It was sent to the Speaker, and I have not seen it. It has not been brought to my attention.

"Mr. BUSBEY. Do you know anything about the situation?

"Mr. MILLER. I have heard offhand that happened. I do not have the actual facts or the actual knowledge that it took place.

"Mr. BUSBEY. Did you do anything to ascertain the accuracy of the report?

"Mr. MILLER. That has been looked into, sir, and I am quite certain that this Margaret Greenwell is working in the folding room now and has been working there for some time.

"Mr. BUSBEY. It has also come to my attention that she has offered to make restitution to the Government for the money she received as a folder for which she did not work, but was working at the beauty shop. Have you any knowledge of that?

"Mr. MILLER. I imagine when she was being investigated she made that offer. That is the only answer I can give, sir.

"Mr. BUSBEY. Well, who has responsibility for checking those things?

"Mr. MILLER. The superintendent of the folding room.

"Mr. BUSBEY. No; I mean as far as this restitution is concerned?

"Mr. MILLER. Should I have?

"Mr. BUSBEY. I am asking you.

"Mr. MILLER. I should not think that I should.

"Mr. BUSBEY. Well, certainly, if an employee has received compensation for something around the Capitol while she is working some place else, and not working here, some provision ought to be made to accept that money, I should think. I understand that she is willing to reimburse the Government, but no one seems to want to take it.

"Mr. MILLER. Well, I will be glad to take that up with her at the first opportunity.

"Mr. BUSBEY. As long as she wants to do it, I think we ought to get the money."

It is obvious that the situation in regard to employees has no bearing on the fact that Margaret Greenwell received pay for working in the folding room when she was working in a beauty shop. Mr. Norman Simpson, the senior investigator from the Comptroller General's Office, discussed this matter with the superintendent of the folding room and informed him that he had ascertained Mrs. Margaret Greenwell had been working at the Katie Dunn Beauty Shop, 739 Eleventh Street NW., Washington, D. C., and at the same time she had relatives call the folding room by telephone and report that she was too ill to report for work at the folding room. Subsequently, the superintendent of the folding room received a signed statement from Mrs. Greenwell offering to reimburse the Government for moneys she had wrongfully received. This and additional information was transmitted by letter to Mr. Miller, the Doorkeeper, the latter part of September 1950. Therefore, I am at a loss to reconcile this information with the statement of Mr. Miller, "I have heard offhand that happened. I do not have the actual facts or the actual knowledge that it took place."

It is my contention that after Mr. Miller had been formally notified in writing that Mrs. Greenwell received money from the Government to which she was not entitled, and had offered to make restitution, he should have taken immediate action to collect the money instead of waiting until I brought the matter to the attention of the subcommittee during hearings.

In Mr. Miller's testimony he cited section 85, title 2, of the United States Code as his authority for placing persons on the payroll of the folding room even though they were not actually employed there. It is quite apparent to me that the Comptroller General was of the opinion that the law had been violated or he would not have felt the need of calling attention to that particular law in his report of November 28, 1950, to the Speaker of the House of Representatives. Yet, an official of the House of Representatives appeared before our subcommittee and cited the very same law as his authorization to do what the Comptroller General said was illegal.

The survey which I requested this subcommittee to consider in executive session should show, among other things, where each of the 30 persons referred to were or were not employed at the time they were on the payroll of the folding room and receiving compensation for working in the folding room. I believe this survey will show, among other things, that the doorkeeper erroneously or falsely certified that those persons had

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been actually employed in the folding room and had actually performed the services for which they were paid, all of which is contrary to the law cited by the Comptroller General.

I do not believe we should be placed in the position of criticizing expenditures in the executive branch of the Government without first assuring ourselves that our own house is in order. I submit that the document I requested of the Comptroller General was necessary evidence for the proper consideration of the legislative appropriation by this committee.

I cite the instances where there were apparent discrepancies in Mr. Miller's testimony to substantiate my written request of June 11, 1951, to the chairman of our subcommittee, the Honorable CHRISTOPHER C. MCGRATH.

The system of assigning employees to certain positions around the Capitol and charging them to payrolls and departments in which they do not work is not only antiquated, unbusinesslike, and a practice that could easily lead to dishonesty, but, in my opinion, a direct violation of the law. I do not see how the Patronage Committee of the majority party of the House of Representatives could possibly function without a clerk to handle and check upon the tremendous amount of detail inherent to the numerous responsibilities and duties of that office. Nevertheless, in my estimation, there can be no justification for charging the position of clerk of the Patronage Committee to another division of the legislative branch of our Government, and then assign the person to handle the details of the patronage office. It is my recommendation that provision be made for a position of personnel director, or some other title, with the understanding that the person holding that position will be assigned to and working for the Patronage Committee.

Mr. Miller, the Doorkeeper, testified to the fact that a total of 68,500 books have been delivered to the folding room in accordance with House Resolution 890, passed by the Eighty-first Congress, December 20, 1950, in the following amounts:

Agricultural Yearbook for 1942	54,000
Agricultural Yearbook for 1943–47	4,000
Agricultural Yearbook for 1949	5,000
Disease of Cattle, 1942	4,000
Disease of Horses, 1942	1,500
Total	68,500

The approximate cost of these books in accordance with the resolution is $108,719.58.

In view of the fact that these books have such a tremendous monetary value, it is my recommendation that all employees of the folding room charged with the responsibility of the safekeeping of these books be bonded in a manner similar to the Sergeant at Arms and the employees of the stationery room. It is my further recommendation that the Doorkeeper of the House of Representatives, Mr. Miller, make a formal demand upon Mr. J. Edgar Hoover, Director of the Federal Bureau of Investigation, to conduct a thorough investigation regarding the shortage of books in an effort to ascertain how such a large shortage involving such a large sum of money occurred and who is responsible.

The subcommittee was desirous of having the hearings and report printed and presented to the full Committee on Appropriations on Friday morning, June 15, 1951. In view of the shortness of time since the subcommittee closed its hearings, over my objection, last Monday afternoon, I, of necessity, have had to omit many references which should have been included in my minority views. However, I do wish to assure the Members of the House of Representatives that I shall pursue my duties and responsibilities as a member of the legislative Subcommittee on Appropriations and bring to the attention of the proper authorities certain recommendations during the next fiscal year which I believe should be favorably acted upon by the House of Representatives. For example, in the year 1864 there was provided a Soldiers' Roll in the House of Representatives to give employment to veterans of the Civil War. It seems absolutely absurd that we are asked to appropriate funds for 14 positions for the fiscal year 1952 on the Soldiers' Roll. For the most part, I have been informed that employees carried on the Soldiers' Roll are doorkeepers in the gallery of the House of Representatives. It is my contention that these men should be carried as doorkeepers or door attendants, and not as employees on the Soldiers' Roll. This is only one of the many classifications included in the legislative appropriation bill which should be reviewed and corrected.

I do not concur in the general attitude that these conditions should remain as at present because it has always been that way in the past. This condition certainly should have been corrected when the Seventy-ninth Congress passed what is known as the Reorganization Act of 1946. The fact that no steps have been taken in the past to correct situations of this kind is no reason they should not be adjusted at once.

I wish to assure my colleagues that my criticisms and recommendations are presented wholly in the spirit of making my contribution, regardless of how small it may be, to establish a more businesslike and efficient administration in the Congress. It is my sincere desire that when the Legislative Subcommittee on Appropriations makes its report for the fiscal year 1953 I shall not feel compelled to write a minority report, but shall be able to inform the House of Representatives honestly that the situation which I have called to their attention in these minority views has been corrected.

FRED E. BUSBEY.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HORAN. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, the gentleman from Illinois has called our attention to the very unsatisfactory loose handling and poor management of so-called housekeeping right here in and around the Nation's Capital.

There are some of us, and I belong to that group, who criticize agencies downtown with respect to the manner in which they handle their affairs. Now comes a member of a subcommittee of the Committee on Appropriations who suggests that the FBI ought to look into the matter. I agree with him the matter should not go unnoticed. As a matter of fact, it should have been dealt with long ago. I do think, however, that this subcommittee of the Committee on Appropriations, ought to go into the whole matter and furnish a report to this House.

I do not know who is to blame, but it is very clear that there is something wrong with the management of the folding room when it is discovered that more than $100,000 worth of property has been removed, and nothing has been done to account for it. I think it is generally understood that yearbooks and other documents assigned to Members of Congress are delivered to the folding room.

For example, some time ago I asked the folding room to deliver 200 yearbooks assigned to my credit and to be sent to the farmers of my congressional district. I was told they did not have a yearbook. I wrote a letter to one of the officials whom I thought was in charge and was informed that he was very sorry. I wrote to another official. He seemed to be just as sorry as the first one, and that is all there was to it, no responsibility, and apparently not too much concern.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished majority leader, who might be able to give us some information and straighten this matter out.

Mr. McCORMACK. I will give you 25 of my yearbooks, if you want them.

Mr. REES of Kansas. I will be glad to have them. I am sure my farmer friends will make good use of them.

Mr. McCORMACK. That is a promise.

Mr. REES of Kansas. It seems rather strange that apparently it became necessary for the majority leader to bring in a request to authorize the expenditure of more than $100,000, charged to the taxpayers of this country, in order that these documents could be replaced. Of course, if the documents should not have been printed in the first place, that is different, but after they are furnished at the expense of our Government and are put in the Folding Room and then disappear, somebody ought to account for them. I believe the distinguished leader of the House will agree with my statement. Of course, we will be glad to use the extra 25 yearbooks that are from the quota assigned him.

Mr. McCORMACK. You are going to have them.

Mr. REES of Kansas. The point I am making, and I think the gentleman will agree with me, is that after documents are placed in the folding room and assigned to Members of the House and then disappear, some investigation or accounting is in order. Does not the gentleman agree with me?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I will yield to the gentleman for an answer to that question, as to whether or not there ought to be an investigation with regard to the loss of these documents.

Mr. McCORMACK. There is no question that any inquiry will show that everything is all right.

Mr. REES of Kansas. I am glad to have the gentleman's observation on that.

Mr. McCORMACK. The gentleman is a practical person. He knows that this has been going on for years.

Mr. REES of Kansas. I do not know.

Mr. McCORMACK. There is nothing of a criminal nature about it.

Mr. REES of Kansas. I do not know whether it is criminal or not, but it does not look right.

Mr. McCORMACK. After consultation with the leadership on both sides I offered a resolution.

Mr. REES of Kansas. Certainly, and we appreciate that. But at the same time we ought to be able to find out whether there is loose handling or mismanagement in the folding room. If so, it ought to be corrected.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. BUSBEY. I hope the gentleman gets his 25 books before I make the following remarks.

Mr. McCORMACK. If I have them the gentleman from Kansas will have them.

Mr. REES of Kansas. I thank the gentleman from Massachusetts.

Mr. BUSBEY. But I think the gentleman from Kansas has some yearbooks to his credit now because they have been replaced.

Mr. REES of Kansas. The thing I regret is that because of loose handling, mismanagement, and irresponsibility, it has become necessary to appropriate funds from the Federal Treasury to pay for documents that have been removed or lost without any accounting therefor. Again, I think an investigation by this committee and a report to the House is in order.

Mr. HORAN. Mr. Chairman, will the gentleman from New York yield? We have used all our time on this side, but I do feel, as the ranking minority member of this subcommittee, I should make a brief statement.

Mr. McGRATH. I yield to the gentleman from Washington.

Mr. HORAN. These matters were brought to our attention and were considered by this Subcommittee on Appropriations. We were advised not only in this but in other things that were peculiar that steps were being taken to correct them, and we did not feel that it was our office to go into them further with the exception that we did feel as both the chairman and myself have reported to you, that we are going to follow up and meet with the Committee on House Administration and really follow through on these matters with the committee. That is the responsibility of keeping our House in order in the regular way.

In the general debate both the chairman and I pointed out one or two other items that should be properly handled and provision should be made for adequate treatment of each Member of the House through this appropriation. But in any event—and the RECORD will show this and informal discussions that I have had with various men who have responsibilities to their colleagues here—we have pointed out that we want, in every particular, everything done to avoid any abuse of the privileges of a sitting Member of this House.

I thank the gentleman.

Mr. McGRATH. Mr. Chairman, I agree wholeheartedly with everything the gentleman from Washington has said. While there has been some criticism of the classification of employees, I want the membership to know that in many instances employees here work longer hours and at less compensation than they would have had they stayed in their original classification. We are going to follow that through to see that everything is done for the proper administration of the House, as the distinguished gentleman from Washington, the ranking member of the subcommittee, has told you.

Mr. Chairman, there are no further requests for time on this side.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For the Speaker's table, including $2,000 for preparing Digest of the Rules, $30,490.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the committee deserves a great deal of credit today for the way they have gotten to the core of this situation and are investigating something that has been confused and uncertain for years. If my good friend from Massachusetts [Mr. McCORMACK] and other city Members have had the same experience I have in distributing these agricultural yearbooks they have found that many city folks like the agricultural yearbooks as well as the farm folks. I know from my own experience and in connection with one particular publication on trees, my city people made more requests asking for the book than did those living on farms. So these publications are of interest to both city and rural dwellers and I think they contain very valuable information for them.

Mr. Chairman, I ask unanimous consent to proceed out of order for the balance of my time.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, perhaps the No. 1 problem America now faces here at home is how to fight the dope traffic.

According to investigators, newspapermen, and other observers, the body politic is riddled with the unwholesome and illegal sale of all kinds of narcotics, injurious drugs, dope-packed cigarettes and hypodermic needles overflowing with powerful sedatives and sleep inductors.

These are peddled at will, it is reported, through the streets, at counters, behind the barn or wherever an eager clientele reaches out for such tools of destruction.

The time is ripe for action and I am waiting no longer to perform what I consider to be my duty as a Member of this House. I want to see the dope evil stopped, especially at the most crucial period of our preparedness.

We cannot win the struggle in peace or in war if we are overcome from within by villains who are bent upon subjugating the whole population by plying them with dope. If this is permitted to continue, we are in danger of becoming a Nation of dope fiends.

I want to read a bill which I am introducing today which I think is appropriate and which should be considered as soon as possible by the House of Representatives. It is entitled "A bill to stop illegal traffic in narcotics, injurious drugs and marijuana cigarettes by imposing further penalties":

Whereas there is a flourishing trade in narcotics and doped cigarettes and illegal drugs all over the United States and they can be bought in many quarters as easily as legal beverages; and

Whereas such unlawful distribution of these evil drugs is wrecking morale, lowering standards of public deportment, devastating moral equities, weakening physical, spiritual, and mental fibers of our citizenry, causing degeneracy and inebriating social relations; and

Whereas the application of dope to an ever-increasing segment of the population constitutes sabotage worthy of the Communist underground and is probably an offspring of their diabolical program to destroy America from within and consequently must be stopped: Therefore

Be it enacted, That—

1. All citizens be called upon to actively cooperate with National, State, and local police and public officers in furnishing information, providing direct witnesses, and taking aggressive action against the enemies of America who perpetrate such crimes upon society; and

2. All officials and agents dealing directly in the enforcement of laws to stamp out the sale of marijuana cigarettes, heroin, narcotics and all other injurious drugs shall be charged anew with their responsibility to the citizens of this country and shall accelerate their ceaseless campaign to destroy forever the dope peddlers, the purveyors of narcotics, and the dealers in deadly drugs.

3. Jail sentences for convicted offenders who are the overlords and chief beneficiaries of said dope and narcotics traffic shall be increased to a maximum of 100 years.

The Clerk read as follows:

LEGISLATIVE REFERENCE SERVICE

Salaries and expenses: For necessary personal services to enable the Librarian to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946, including not to exceed $20,000 for employees engaged by the day or hour at rates to be fixed by the Librarian; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and supplies and materials; $700,000: *Provided*, That no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor, to be issued by the Library of Congress.

Mr. REGAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REGAN: Page 16, line 11, after the comma insert "except the Digest of Public General Bills."

Mr. REGAN. Mr. Chairman, I have discussed this with the chairman of the subcommittee. The amendment permits the publication of this important digest that every Member and his office staff uses at one time or another. Without this amendment the publication cannot be furnished to the Members.

Mr. McGRATH. Mr. Chairman, will the gentleman yield?

Mr. REGAN. I yield to the gentleman from New York.

Mr. McGRATH. Mr. Chairman, on behalf of the majority members and myself of the full committee we accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

The Clerk completed the reading of the bill.

Mr. McGRATH. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation

that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4496) making appropriations for the legislative branch for the fiscal year ending June 30, 1952, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. McGRATH. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMPLETION OF ROTUNDA FRIEZE, CAPITOL BUILDING

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, far up in the rotunda of the Capitol there is an unfinished painting. More than 60 years ago the authorities in charge of decorating the dome of the Capitol decided to have a frieze painted around the dome depicting a series of the important events in American history. It was only natural that the first of these pictures would be that of Columbus discovering America. The great painter, Brumidi, was engaged to do this work. Before he had proceeded more than halfway with this very important task, he died and his work was carried on by another painter.

This frieze is 9 feet high and extends around the dome a circumference of 300 feet. No pictures were painted on about 26 feet of this space. Congress at different times has considered the matter of finishing this frieze but no definite action was taken until I succeeded in getting Congress to pass legislation to that effect. This legislation became effective on August 17, 1950. My main purpose in securing the passage of this legislation was to portray the birth of aviation and thereby give to the Wright brothers some recognition for the great benefaction that has come to the people of the world by reason of their great natural genius and their intrepid spirit.

In the bill that we have been considering today an appropriation of $20,000 is provided for the finishing of this painting. The legislation authorizing this appropriation provided that this unfinished 26 feet should be used to portray three important events in American history. These three events are set forth in this legislation which we are now considering in the following language:

Completion of rotunda frieze, Capitol Building: For carrying into effect the provisions of Public Law 703, Eighty-first Congress, approved August 17, 1950, entitled "Joint resolution to provide for the utilization of the unfinished portion of the historical frieze in the rotunda of the Capitol to portray (1) the Civil War, (2) the Spanish-American War, and (3) the birth of aviation in the United States," $20,000, to be expended by the Architect of the Capitol, as contracting and executive officer, under the direction, advice, and approval of the Joint Committee on the Library.

Mr. Speaker, I hope that the other legislative body will appreciate the importance of this matter and will approve this very timely action of the House of Representatives.

I wish to thank the members of the Appropriations Committee that have brought this legislation up for our consideration and for the courteous assistance that they have given this worthy cause.

I was prompted to press this legislation because I felt that one of the greatest of our national accomplishments has been the development of aviation. This is distinctively an American accomplishment. To the Wright brothers of Dayton, Ohio, must go the credit of having been responsible for the birth of aviation. I shall not venture upon a recital of the great benefits that have come to the world by reason of the genius of Orville and Wilbur Wright, two Ohio boys who struggled against great odds to give the world the result of their efforts.

Mr. Speaker, I wish to thank the members of the Appropriations Committee for recommending this legislation and I hope that the other body will prove this legislation promptly and that in due course this unfinished portion of this beautiful frieze will be completed as provided in the bill which we passed today.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Washington [Mr. MACK] is recognized for 10 minutes.

THE TRUMAN ADMINISTRATION BOOSTS YOUR TAX BILL

Mr. MACK of Washington. Mr. Speaker, the average American next year will pay $50 more and the average American family $200 more in new and additional taxes if the proposed Truman tax increase bill becomes law.

This new Truman tax increase bill imposed $7,208,000,000 in new and additional taxes on the American people. Even at that, the bill falls almost $3,000,000,000 short of giving the President as big a tax increase as he had asked. This Truman tax increase will raise everyone's income tax by 12½ percent. This means that more money will be withheld from every worker's pay check every payday.

The following table shows what the American workers now pay and what they will pay under the proposed new tax bill:

Single persons

Total annual income	Now pays—	Will pay under new bill	Increase
$1,000	$60	$68	$8
$2,000	240	270	30
$3,000	422	475	53
$4,000	620	698	78
$5,000	818	920	102

Married couple

Total annual income	Now pays—	Will pay under new bill	Increase
$1,000	None	None	None
$2,000	$120	$135	$15
$3,000	300	338	38
$4,000	480	540	60
$5,000	660	743	83

But higher income taxes are not the only increased taxes the American citizen will have to pay under this new Truman increase-tax bill.

If a citizen today buys a new $2,000 automobile, he pays a special Federal tax of about $100 on it at the time of purchase. Under the new bill this tax on a new $2,000 car will be raised from $100 to about $140, an increase of $40.

Taxes on every cigarette the citizen smokes, on every beer he drinks, on every gallon of gasoline he uses, on sporting goods, tires, auto accessories, films, on many electrical appliances, and many other things he purchases will be also increased to produce this $200 increase in the taxes on the average American family.

STOP WASTEFUL SPENDING

In my opinion, before the Federal Government imposes burdensome new and additional taxes on the people it should make a sincere and determined effort to eliminate or reduce wasteful, extravagant, and unnecessary Federal spending that is rampant everywhere in the Federal Government. If the Democratic majority, which now controls Congress, did this, it could save five to seven billion dollars a year and no tax increase, or at worst a very small one would be required at this time.

Latest Government figures show a total of 2,409,121 civilians now on Federal payrolls. This is an increase of more than 300,000 during the past year or an average increase of civilian workers, not including those in the armed services, of 6,073 for each average week of the past 52 weeks. Statisticians say it would require 96 buildings of the size of the 102-story Empire State Building, the largest office building in the world, to provide office space for these workers.

Recently, it was revealed that there are more than 7,000 chauffeurs on the Federal payroll. Not only are taxpayers required to provide hundreds of thousands of automobiles for the use of Federal job holders, but in addition, through

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taxes, to provide more than 7,000 of the Federal job holders with chauffeurs to drive some of these officeholders wherever they want to go. Last week one of the bodies of Congress ordered the firing of 42 chauffeurs in one department as an unnecessary luxury.

MONEY DOWN THE DRAIN

Within recent months, the Government has published a handsomely bound book of 2,015 pages that contains biographical sketches on the lives of the about 9,900 men and women who have served in the House or Senate since 1776. A staff of editorial workers were employed for 4 years gathering the material for this book. The cost of editing, printing, and binding the 6,500 copies which were published must have run into six figures. It is a nice book but hardly one that will in any way serve the defense effort. Certainly, it should not have been published at a cost running into six figures when the President is seeking to squeeze every dollar possible out of the harried taxpayer.

Then, too, more than 3,000,000 cookbooks have been printed by the Agriculture Department for free distribution to the housewives of the Nation. Only 1 housewife in 15 will get a copy of this cookbook yet the 14 who do not get a book will be forced to pay, in added taxes, for this printing of cookbooks. The cookbooks are a nice gesture but not necessary when equally good cookbooks are available in every book store.

During debate on a House Appropriation bill it recently was revealed that $85,000 of taxpayers' money had been spent by a Federal bureau to build a dog and cat hospital, which is now being leased to a veterinarian for $150 a month. Such a small return as $150 a month—$1,800 a year—on the Government's investment of $85,000 in this dog and cat hospital is a testimonial to the absurdity of the undertaking. Congressman LYLE, a Democrat, commenting on this hospital said that "This is disgusting and ridiculous."

These examples of Federal waste which I have given are not in any one case large. Multiplied, however, by the thousands of similar examples of waste that could be found in the Government if the administration would search for them, it is easy to see that billions of taxpayers' dollars are squandered annually. It is this callous waste and the Democratic indifference to it that has resulted in this now proposed biggest-in-history increase in taxes.

EXPENDITURES INCREASE TEN-FOLD

If you ask the administration, "Why must taxes go up so much?" the administration replies, "It is the war."

Do not be fooled.

In the peacetime departments of the Federal Government, which have nothing or little to do with the war effort, the cost of operating many of these nondefense departments have increased tenfold in the past 10 years.

The Department of Commerce, which has little or nothing to do with the defense effort, spent $12 in 1950 for every dollar it spent in 1940. The Department of State, under Dean Acheson, cost 15 times as much in 1950 as it did 10 years previously.

Here are figures which show how the cost of operating peacetime departments has increased, from 3 to 15-fold during the past 10 years:

	1940	1950
Department of Commerce	$75,116,535	$863,082,952
Department of Interior	71,385,290	568,435,344
Department of Labor	18,576,698	257,045,997
Department of Justice	50,813,162	131,250,804
Department of State	20,829,487	361,226,112
Independent offices	3,269,254,403	9,033,499,925
Total	3,505,975,565	11,214,579,034

Now, I do not contend that any business can be operated as cheaply today as it could 10 years ago. However, there is no justification for nondefense departments of the Federal Government increasing their expenses ten to fifteen fold during the past 10 years.

The fact that they have done so is evidence that they are reckless with the money they extract from the harried and harassed taxpayers of this Nation.

THE ROAD TO COMMUNISM

Karl Marx, the father of communism, more than 100 years ago, said:

There's only one way to kill capitalism—by taxes, taxes, and more taxes.

When our leaders persistently turn a deaf ear to all demands for economy and steadfastly continue on a course of uninterrupted wasteful spending and seek continually to finance their spendthrift ways with more and more taxes, they pave the way for communism to take our country without having to fire a shot.

It often has been said, "The power to tax is the power to destroy." The enormous size of the new taxes now being proposed causes one to wonder if we are not already rapidly approaching the brink of national financial and economic disaster.

It is time for the American people to wake up and say to their political leaders, "You are not by taxes, taxes, and more taxes going to shove us into national chaos and national bankruptcy." It is time for the American people to say to their leaders, "Cut wasteful and unnecessary nondefense spending or we will send someone to Congress who will."

The SPEAKER. Under previous order of the House, the gentleman from North Carolina [Mr. DEANE] is recognized for 20 minutes.

ROBINSON-PATMAN ACT 15 YEARS OLD TODAY—MAGNA CARTA OF SMALL BUSINESS ENACTED INTO LAW JUNE 19, 1936

Mr. DEANE. Mr. Speaker, 15 years ago today the Robinson-Patman Act became law. It was the answer to the plea of independent manufacturers and merchants to eliminate discrimination in the buying and selling of goods and services in the United States. For many years large-scale buying and selling of merchandise of all types had been subjected to unjustified rebates, allowances, commissions, brokerages, and other forms of preferential treatment and discrimination. The depression years of the early thirties were particularly ones in which buying power was abused by the high-handed methods of certain segments of American business. On June 11, 1935, our distinguished colleague and friend, WRIGHT PATMAN, introduced an antiprice-discrimination bill. In this action he was joined on June 26 by the eminent majority leader of the Senate, the late Senator Joseph Robinson, of Arkansas. This was the basis of the legislation which the Seventy-fourth Congress enacted into law and which has become known throughout the country as the Robinson-Patman Act.

It is particularly appropriate at this time not only to give recognition to the fifteenth anniversary of the Robinson-Patman Act but to pay tribute to a Member of the House who sponsored the legislation, fought for its passage and who, throughout the years, has championed the cause of small business in every field of endeavor. I might hesitate to make these remarks if WRIGHT PATMAN were on the floor of the House today, as he might not approve. However, I am taking a fair advantage of his absence, which is due wholly to the necessity of undergoing a required physical checkup, to pay my respects to his true worth. WRIGHT PATMAN has been an extraordinary public servant. In the 30 or more years of his public service, nearly 23 of which have been spent in the House of Representatives, he has shown great ability and industry far beyond the call of duty. No Member of this House has been more faithful to his constituency and no Member has ever been more faithful and loyal to his friends on both sides of the aisle than has WRIGHT PATMAN.

I have been particularly impressed with his love for and devotion to the institution of the House of Representatives itself. Certainly I do not believe any one of us has given more of his time and strength to the highest principles of our democracy than has the gentleman from Texas. Perhaps had he spared himself, had he been willing to cut the corners a little, the strain which takes its toll on the physical being of many of our Members would not have occurred, but WRIGHT PATMAN is not built that way. His magnificent fight for small business and free competition over the years is evidence to that fact. For many years, as we all know, he has been chairman of the House Small Business Committee. During his chairmanship the House Small Business Committee has been an inestimable service not only to small business but to our whole economy. The committee has risen to a position of influence wholly through service. The membership of the committee since its formation has been graced by some of the most distinguished Members of the House, men whose service has been recognized by both parties and whose positions of influence and leadership are recognized by all of us. One member of the committee, the distinguished gentleman from Indiana [Mr. HALLECK] has been the majority leader of the House. Mr. PATMAN and Mr. HALLECK both, I believe, would testify as to the nonpartisan manner in which the affairs of the Small Business Committee have been conducted.

I do not know whether WRIGHT PATMAN would want me to say this or not. However, I shall risk his censure if I am talking out of school, but to me, the test of a man is his answer to the call of duty wherever he believes in his honest judgment his duty lies. Purely by chance, I have learned that WRIGHT PATMAN declined a lifetime position at considerably higher pay in order to continue to serve his constituents and his country in the House of Representatives. Now, it is not always easy for a man to decline security accompanied by a certain amount of ease to continue in a position where the going is often rough and insecurity of position is always apparent. I believe that no greater tribute could be paid to any man than to say he chose the more arduous task because he felt it was his duty to do so.

In his absence I requested Mr. PATMAN's office to afford me the opportunity of looking over any messages which he may have received on the fifteenth anniversary of the Robinson-Patman Act and to place such messages on the record. Although I have not dwelt on the Robinson-Patman Act to any extent because of the opportunity afforded me to offer a few words of praise to a valiant soldier in our ranks, the fact is that the Robinson-Patman Act has been the greatest deterrent to unfair competition that the Congress of the United States has ever placed on the statute books. It is not the mere fact that this act affords protection against discriminatory pricing tactics through its enforcement, but the very fact that this law is on the books is a deterrent to many would-be discriminators, and perhaps this deterring effect bespeaks its greatest usefulness. The treble-damage features of the act are silent policemen of enforcement. If, perchance, there were efforts to remove the Robinson-Patman Act from the statute books, I imagine an unprecedented wave of indignation would emanate from the four million small businesses in this country. Many consider it their last outpost in maintaining free competition in this country.

I have selected a few of the letters and telegrams at random and before asking permission to incorporate them in the RECORD, I desire to read a few brief passages. Each letter and telegram is a congratulatory message to Mr. PATMAN on the fifteenth anniversary of the enactment of the Robinson-Patman Act.

From Boise, Idaho:

Primarily and secondarily, the entire population of the United States is benefited very materially by the stabilization of conditions through the Robinson-Patman Act. This act is a monument to you and to Senator ROBINSON.

From Cleveland, Ohio:

We know there are negative forces working for its repeal, and we sincerely hope that you and your colleagues will work with the same vigor and forcefulness to maintain this great protective act.

From Baltimore, Md.:

I had the pleasure of listening to some of the debates on the bill, which has been a godsend to the brokerage profession and the independent wholesale grocers.

From New York City:

This legislation which you put through is one of the most important ever introduced in Washington to protect businessmen in general from unfair, selfish practices, which benefited only a few at the expense of many.

From Detroit, Mich.:

In the few short years of its existence, the Robinson-Patman Act has been influential in helping thousands of business operators in the United States to maintain their existence.

From Burlingame, Calif.:

Had Government followed through with the strict enforcement of that law, it would have accomplished as much in promoting and protecting sound business economy within our Nation as any other single piece of legislation.

From Cleveland, Ohio:

It has helped business to stay on a fair, equitable basis for all.

From Philadelphia, Pa.:

We strongly feel that the vigorous attacks now being made on this act, if successful, would be a calamity too far-reaching to be understood.

From Buffalo, N. Y.:

Congratulations on fifteenth anniversary of Robinson-Patman Act.

From Cheyenne, Wyo.:

We do appreciate the assistance your efforts have given us during the past 15 years.

I could quote from many more letters and telegrams from every geographical section of the country. However, instead of doing so I incorporate these letters and telegrams as part of my remarks where all may see and read the great interest of small business in America in the continuation and preservation of the Robinson-Patman Act:

NATIONAL FOOD BROKERS ASSOCIATION,
Washington, D. C., June 15, 1951.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR MR. PATMAN: I am attaching copy of a resolution that was adopted unanimously by the officers and the members of the executive and advisory committees of the Nation Food Brokers Association.

As president of the National Food Brokers Association, I have been instructed to send a copy of this resolution to you, which congratulates you for the outstanding job you have done for this country by your sponsoring the Robinson-Patman Act.

Sincerely yours,

WATSON ROGERS,
President.

RESOLUTION COMMEMORATING ENACTMENT OF THE ROBINSON-PATMAN ACT OF 1936 UNANIMOUSLY ADOPTED BY THE EXECUTIVE AND ADVISORY COMMITTEES OF THE NATIONAL FOOD BROKERS ASSOCIATION

Whereas members of the National Food Brokers Association are located in every trade area of the United States and serve as resident sales agents of the many thousands of food canners, manufacturers, and processors who sell and deliver their food and grocery products in interstate commerce; and

Whereas members are in daily personal contact with the hundreds of thousands of wholesale and retail food outlets; and

Whereas the members are therefore on-the-spot witnesses of the day-to-day competition of enterprises constituting the food industry; and

Whereas many members have vivid recollections of the chaotic competitive conditions existing in the food industry prior to the enactment of the Robinson-Patman Antidiscrimination Act, conditions which were rapidly tending toward monopolization of food distribution by elimination of small competitive enterprises engaged in that distribution; and

Whereas the said monopolistic trend was attributable to the employment by some large buying units of coercive economic pressures to get price advantages having no relation to the cost of the goods, and which price advantages were not available to the great majority of the competitors of these large units; and

Whereas more than ever before competition in the food industry is a close competitive struggle in which an unearned price advantage of even a small percentage to one unit represents a loss to the small, competing enterprises at the beginning of the competitive struggle; and

Whereas members of the National Food Brokers Association are overwhelmingly of the opinion that the Robinson-Patman Act as it has been enforced and administered by the Federal Trade Commission during the past 15 years, has done more than any other law to make competition in the food industry free and fair to all competitors: Therefore be it

Resolved, That upon this fifteenth anniversary of the enactment of the Robinson-Patman Antidiscrimination Act, the National Food Brokers Association congratulates Hon. WRIGHT PATMAN, the United States Representative from the great State of Texas, both for his sponsorship of and fight for the enactment of the Robinson-Patman Act 15 years ago and, equally important, for his vigilant and vigorous guardianship of the act ever since; be it further

Resolved, That the president of the association is hereby directed, on behalf of the association and its members, to send a copy of this resolution to the Honorable WRIGHT PATMAN.

CHICAGO, ILL., *June 19, 1951.*

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Sincere congratulations on occasion fifteenth anniversary passage Robinson-Patman Act which constitutes so important a bulwark preserving fair opportunity for small business in our country. Your own record as consistent champion of small business deserves thanks of millions of American citizens.

JERRY VOORHEES.

MINNEAPOLIS, MINN., *June 19, 1951.*

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on anniversary of Robinson-Patman bill. And best wishes your good health.

E. B. ROUZER.

CINCINNATI, OHIO, *June 19, 1951.*

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on the fifteenth anniversary of the Robinson-Patman Act. Our sincere thanks for all that you have done for its preservation.

JOHN H. VOELKER.

MINNEAPOLIS, MINN., *June 19, 1951.*

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

It is with sincerest congratulations that we greet you on the fifteenth anniversary of the

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establishment of the emancipation of American free enterprise through the origination and passage of the Robinson-Patman Act. We wish you continued health, happiness, and prosperity and the time in the world to enjoy them.

S. N. BEARMAN BROKERAGE CO,

PORTLAND, MAINE, *June 19, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulating you on the fifteenth anniversary of Robinson-Patman Act. May we take this opportunity of commending you for the fine job you are doing.

WOODSIDE CO., INC.

PHILADELPHIA, PA., *June 19, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Sincere congratulations to you on fifteenth anniversary of Robinson-Patman Act.

THE H. A. N. DAILY CO.

PHOENIX, ARIZ., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on fifteenth anniversary of Robinson-Patman Act.

E. O. DAVIS CO.

LINCOLN, ILL., *June 18, 1951.*
Congressman WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations to you on the fifteenth anniversary of the Robinson-Patman Act. If it wasn't for you and your fine work we wouldn't have very many small-business men in this country today. Keep up your good work. We must always have small business. When we lose that we have lost freedom of opportunity.

ROY CLAPPER.

PHILADELPHIA PA., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on the fifteenth anniversary of the Robinson-Patman Act.

ROHN & CHAPMAN, INC.

NEW YORK, N. Y., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Fifteen years of proven worth to all industry under the Patman Act is a tremendous tribute to your business knowledge and foresight. Hearty anniversary congratulations.

HARRY C. FAULKNER.

CLEVELAND, OHIO, *June 19, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Our sincere congratulations to you on this the fifteenth anniversary of the Robinson-Patman Act, your efforts in originating and continuing to support that legislation is greatly appreciated.

GENERAL INGREDIENTS, INC.,
FIRMIN C. DEIBEL.

ROANOKE, VA., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

On fifteenth anniversary of Robinson-Patman Act we want to congratulate you as author of this fine piece of legislation. Also to thank you for your constant fight against efforts to weaken this act which we believe is vital to public interest, especially small business.

AMERICAN BROKERAGE CO., INC.
M. P. SNELLER, *President.*

NEW YORK, N. Y., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on the fifteenth anniversary of the Robinson-Patman Act.

WESLEY H. MORROW,
MORROW BROS, INC.

PHILADELPHIA, PA., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on the fifteenth anniversary of the Robinson-Patman Act. We appreciate your efforts to help the small-business man and your continued efforts to prevent any weakening of the act.

CAREY & COALE.

CHICAGO, ILL., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives
Washington, D. C.:

My heartiest congratulations and everlasting thanks. Your courage, effort, and accomplishments in behalf of the small-business man for the past 15 years is deeply appreciated.

A. H. PEARLMAN, INC.,
A. H. PEARLMAN, *President.*

CLEVELAND, OHIO, *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Please accept congratulations on the fifteenth anniversary of the Robinson-Patman Act. This has been a fine contribution to industry in general and the brokers fraternity particularly. Hope the continued effort by some factions to disrupt this legislation will not be successful.

HOUSUM KLINE CO.

BROWNSVILLE, PA., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

Congratulations on the fifteenth anniversary of your Robinson-Patman Act and your continued fight for the small-business man. Best wishes and success for the future.

E. L. SHELBAER,
SHELLY'S, INC.

PHILADELPHIA, PA., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on the fifteenth anniversary of the Robinson-Patman Act. The benefits of this act have been a lifesaver to many businessmen against unfair trade practices. We hope the benefits of this act will continue for years to come. Thank God for men like you who continue to fight against unfair business tactics.

M. L. ROOT CO.

BUFFALO, N. Y., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on fifteenth anniversary of Robinson-Patman Act.

H. A. SLOCOMBE & ASSOCIATES, INC.

CHEYENNE, WYO., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

Congratulations on your helpful work for small business. We do appreciate the assistance your efforts have given us during the past 15 years.

CHAS. E. SANDS.

JACKSONVILLE, FLA., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

As a champion of small business for 15 years, accept our congratulations. Keep up the good work for there was never a time in our history when small business needed your help more. In particular fight Senate bill S. 719.

C. R. THEBAUT, Jr.

DULUTH, MINN., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

Congratulations on your continuous fight for small business. Keep up the good work.

OSCAR MATHIESEN,
MATHIESEN TIRE CO.

WOODVILLE, MISS., *June 19, 1951.*
Hon. WRIGHT PATMAN,
Select Committee on Small Business,
House of Representatives,
Washington, D. C.:

We extend congratulations to you on this fifteenth anniversary of the Robinson-Patman Act. Through your efforts in maintaining this law it has been possible for small firms like ours to exist and render services to a rural community. Thanks so much for your kind assistance.

SEVEN DAY WHOLESALE GROCERY, INC.

BUTTE, MONT., *June 19, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building:

Ever mindful of exerted effort you put forth toward sponsorship and successful conclusion of Robinson-Patman Act, on this fifteenth anniversary of the President's signature, we extend our congratulations and best wishes for your continued health and happiness.

T. J. LANPHIER CO.

DENVER, COLO., *June 19, 1951.*
Hon. WRIGHT PATMAN,
House Office Building:

Congratulations, sir. This day, the fifteenth anniversary of your Robinson-Patman Act. With the confusion and turmoil now in evidence, it is important to maintain this important act.

ANDERSON-LUDWIG CO.

ERIE, PA., *June 19, 1951.*
Hon. WRIGHT PATMAN,
House Office Building:

We offer our hearty congratulations on the fifteenth anniversary of the Robinson-Patman Act. May this important legislation continue to survive the attacks of those who would destroy it.

WALTER L. WALKER CO.

SAN ANTONIO, TEX., *June 19, 1951.*
Hon. WRIGHT PATMAN,
House Office Building:

Congratulations to you today, your fifteenth anniversary of the signing of the Robinson-Patman Act. We earnestly solicit your continued sponsorship of this famous law.

THE GITTINGER CO.

KINSTON, N. C., *June 19, 1951.*
Hon. WRIGHT PATMAN,
Select Committee on Small Business,
House of Representatives:

Since the Robinson-Patman Act has become law many of the practices detrimental to small business have disappeared and any

weakening of the act would be a step toward the elimination of small business. We thank you for your valiant fight for us over the years.

C. E. GRAY and J. F. OGLESBY.

CLEVELAND, OHIO, *June 19, 1951.*
Hon. WRIGHT PATMAN,
House Office Building:

On the fifteenth anniversary of the enactment of the Robinson-Patman Act, we wish to acknowledge to you our indebtedness for this great piece of legislation. Each year proves its worth to the Nation as a whole. Our sincere appreciation to you.

THE C. H. BREWSTER CO.

BALTIMORE, MD., *June 19, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives:

Accept our heartiest congratulations for your vigorous fight for small business, which has continued these many years and especially on this the fifteenth anniversary of the Robinson-Patman Act for which you worked so hard.

Sincerely,

CAFFEE TIRE CORP.,
GEORGE E. CAFFEE, JR.

CHICAGO, ILL., *June 19, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

Continue your fight for independent tire dealers on this the fifteenth anniversary of the Robinson-Patman bill.

CAMPION GAHAM TIRE CO.,
E. CAMPION.

DALLAS, TEX., *June 19, 1951.*
Hon. WRIGHT PATMAN,
Select Committee on Small Business,
House of Representatives,
Washington, D. C.:

The 31 member firms of Dallas Food Brokerage Association note this fifteenth anniversary of Robinson-Patman Act to thank you for your valiant fight over the years in the interest of small business. Any weakening of the act would be detrimental. Keep up the good work.

RALPH E. TINKLE,
President.

SHREVEPORT, LA., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on the fifteenth anniversary of the Robinson-Patman Act. This act has proven itself a valuable piece of legislation to the food-brokerage business.

S. D. CARTER CO.

CLEVELAND, OHIO, *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on the fifteenth anniversary of your sponsorship of the Robinson-Patman Act. Best wishes.

ARTHUR C. MARQUARDT & CO.

SAN FRANCISCO, CALIF., *June 19, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Please accept our congratulations on the fifteenth anniversary of the Robinson-Patman Act and the splendid work you have done and are still doing in connection with this act, also against the vigorous attacks being made against it.

B. L. MCCORMICK CO.

BALTIMORE, MD., *June 19, 1951.*
Congressman WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

I wish to extend my congratulations and best wishes on the fifteenth anniversary of the passage of the Robinson-Patman Act.

H. W. LOOCK,
ALLEN SON & CO.

FORT SMITH, ARK., *June 18, 1951.*
Congressman WRIGHT PATMAN,
United States Congress,
Washington, D. C.:

Every independent retailer in the State of Arkansas joins me in wishing you congratulations on the fifteenth anniversary of the Robinson-Patman Act. We all deeply appreciate your time and effort in behalf of independent dealers and ask for your continued support.

YANTIS HARPER CO.,
BERNIE HARPER.

SAN ANTONIO, TEX., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Tomorrow being anniversary Robinson-Patman bill we want to again thank you for your support in having this legislation passed and at same time please continue efforts to defeat crippling amendments to this act which would put small concerns such as ours out of business.

RYAN BROKERAGE CO.,
MARTIN RYAN.

SAN ANTONIO, TEX., *June 18, 1951.*
Hon. WRIGHT PATMAN:
House Office Building,
Washington, D. C.:

Fifteen years ago today, the Robinson-Patman Act was signed. Please accept our sincere congratulations for your sponsorship of this famous law and your untiring efforts protecting business with free and fair competition from monopoly and unfair coercion.

BUSBEE BROKERAGE CO.

ROANOKE, VA., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on fifteenth anniversary of Robinson-Patman bill most effective scotch of monopoly on statute books thus far—has saved business lives of thousands of small businesses—call on them when needed to help repel assaults. Cordially,

HORTON & SNYDER,
Food Broker.

MONTESANO, WASH., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

Congratulations on this day the fifteenth anniversary of the Robinson-Patman Act and the splendid fight you continue to wage on behalf of all small business to keep this valuable law alive and effective. Will appreciate your continued opposition to Senate bill S. 719 which would emasculate the Robinson-Patman Act if passed.

V. I. WHITNEY,
Director, State of Washington National Association of Independent Tire Dealers.

SAN ANTONIO, TEX., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

We extend sincere thanks and gratitude to you on the fifteenth anniversary of the enactment of the Robinson-Patman law. We trust that this law will never be repealed and we pledge you our support.

EBELING-EGGER CO.

ROCKY MOUNT, N. C., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
Select Committee on Small Business,
House of Representatives,
Washington, D. C.:

The Robinson-Patman Act has eliminated many practices detrimental to small business. Any weakening of the act would tend to kill small business—an interest which the country needs to nourish. Thank you for your long and valiant fight.

GEO. S. EDWARDS & CO.

ATLANTA, GA., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

Congratulations on fifteenth anniversary Robinson and Patman bill. It has served and preserved small business for many years. Your continued support is greatly appreciated as we all know your sincere purpose of representing the small-business man of today.

ABE GOLDSTEIN,
NAITD Director, State of Georgia.

OTTUMWA, IOWA, *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

On the fifteenth anniversary of the enactment of Robinson-Patman Act, may I express to you my appreciation and that of my associates for your efforts in the interests of small business.

C. L. PANGBORN,
First Vice President, National Association of Independent Tire Dealers.

SAN FRANCISCO, CALIF., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

The arrival of the fifteenth anniversary of the Robinson-Patman bill gives cause for real celebration. We extend our sincerest thanks to you for protection we have been given under this bill and your constant vigilance in upholding it. May it remain in full force.

MEL-WILLIAMS CO.

NEW YORK, N. Y., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Our congratulations are extended to you on this fifteenth anniversary of the constructive act which bears your name. Lets keep this law in effect. Permit of no weakening of its provisions.

THE KENNEDY MENKE CO., INC.

LITTLE ROCK, ARK., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

We 11 member firms of the Little Rock Food Brokers Association express our appreciation and extend our congratulations to you on the fifteenth anniversary of the Robinson-Patman Act. Please accept our best wishes for your health and the continued excellency of your endeavors in the Congress.

LITTLE ROCK FOOD BROKERS ASSOCIATION.

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LANCASTER, PA., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:
Congratulations to a really intelligent Congressman on this fifteenth anniversary of the signing of the Robinson-Patman Act.
B. P. MILLER & CO.,
Food Brokers.

MISSOULA, MONT., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:
Congratulations on the fifteenth anniversary of Robinson-Patman Act. Please be assured of our appreciation of your efforts in behalf of small business. Let the good work go on.
O. J. MUELLER,
President, O. J. Mueller Co.

CINCINNATI, OHIO, *June 19, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:
On the fifteenth anniversary of the signing of the Robinson-Patman Act I send you repeated thanks for your authorship and continuous, unwavering support of the act that stands as the main bulwark against discriminatory practices in the food industry.
RALPH D. DAVIS,
Past National Chairman of NFBA.

BUTTE, MONT., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:
Please accept our congratulations on this the fifteenth anniversary of the Robinson-Patman Act.
We also want you to know that we appreciate your constant effort to maintain this legislation for the protection of small business.
COONEY BROKERAGE CO.

ROANOKE, VA., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:
Hearty congratulations on the anniversary of the Robinson-Patman Act. This has been a wonderful blessing to everyone, even if there are some who would destroy it for selfish reasons. We know you are justly proud of a good job well done.
ALBERGOTTI BROS,
Stokley.

HARRISBURG, PA., *June 18, 1951.*
Congressman WRIGHT PATMAN,
House Office Building,
Washington, D. C.
Pennsylvania Farm Bureau Cooperative Association extends heartiest congratulations on the fifteenth anniversary of the signing by the President of the Robinson-Patman Act, and for the part you have played in advancing the best interests of small business. Your efforts to prevent legislation to restrict the effectiveness of this act will be greatly appreciated by this and other farmer cooperatives throughout the Nation.
DAVID PUTNEY,
General Counsel.

DENVER, COLO., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:
Congratulations to you on the fifteenth anniversary of the Robinson-Patman Act.
MORRIS BROS. BROKERAGE CO.

FORT WORTH, TEX., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:
Congratulations and thanks to you for good work on Robinson-Patman Act and its fifteenth anniversary so helpful to independent dealers and small businesses.
WAPLES PLATTER CO.,
J. W. SHUGART.

PORTLAND, OREG., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:
On this fifteenth anniversary of the Robinson-Patman Act I take this opportunity to congratulate you and encourage you to continue your effort in the interest of small business and to offer you my wholehearted support if I can be of service to you.
Best regards,
RAY GRIMSHAW.

CEDARTOWN, GA., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives.
Since the Robinson-Patman Act has become law many of the practices detrimental to small business have disappeared and any weakening of the act would be in the direction of hurting small business. We thank you for your grand fight over the years.
INTERSTATE WHOLESALE CO.,
By E. J. DUGAN.

BALTIMORE, MD., *June 19, 9151.*
Hon. WRIGHT PATMAN:
It is with great pleasure that we offer our congratulations and felicitations upon this the fifteenth anniversary of the Robinson-Patman Act. It is the opinion of this organization that the act bearing your name and for which you were originally responsible and for which you have fought so hard to maintain has represented one of the most constructive steps taken by industry within the 40 years of our business experience. May it always stand as a monument to your industry.
THE HARRY B. COOK CO.

DALLAS, TEX., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives:
Congratulations on the fifteenth anniversary of the Robinson-Patman Act and we want to express sincere appreciation for your own personal efforts toward protection of small business.
WARREN DAVIS,
Vice President, Johnnie Daniels Tire Co., Inc.

CLEVELAND, OHIO, *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building:
Congratulations on the fifteenth anniversary of the Robinson-Patman Act. Also congratulations for your untiring efforts in upholding this law which is so vital to the economy of our country. We pledge our continuing support of your efforts.
J. A. PLAIN CO.

PHILADELPHIA, PA., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building:
We wish to express appreciation and congratulations on the occasion of the fifteenth anniversary of the Robinson-Patman Act.
LOUIS A. LUDWIG CO.

WASHINGTON, D. C., *June 18, 1951.*
Congressman WRIGHT PATMAN,
House Office Building:
On the occasion of the fifteenth anniversary of the Robinson-Patman Act, may I on behalf of the Wholesale Confectionery Industry of the United States bring greetings and good wishes to the man who made this law possible and to the one who has always labored diligently in the interest of the small independent American businessman against the discriminatory practices which are so harmful to the American economy.
C. M. MCMILLAN,
Executive Secretary, National Candy Wholesalers Association, Inc.

SAN ANTONIO, TEX., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building:
Congratulations on the fifteenth anniversary of the Robinson-Patman bill. We appreciate your efforts.
RANDAL CHRISTAL CO.

PHILADELPHIA, PA., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building:
Our congratulations to you upon the fifteenth anniversary of the Robinson-Patman Act and sincere appreciation for you continuing efforts for this fine legislation.
JOHN F. JAMISON CO.

CLEVELAND, OHIO, *June 18, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives:
On fifteenth anniversary of Robinson-Patman Act I thank you for your untiring efforts in behalf of small business. I wish you continued success in your fight against interests who would throttle life of small independents.
CARL E. MCCAGUE.

BEDFORD, IND., *June 18, 1951.*
Hon. WRIGHT PATMAN,
Select Committee on Small Business,
House of Representatives:
Want to thank you for your valiant fight past 15 years to maintain the Robinson-Patman law. It has protected the small business from the evil practices prior to its passage. It should not be altered for special cases such as Congressman MCGRATH's proposed amendment.
WHEELER FOUTCH CO.

PIKESVILLE, KY., *June 18, 1951.*
Hon. WRIGHT PATMAN,
Care of Select Committee on Small Business, House of Representatives:
Since the Robinson-Patman Act has become law many of the practices detrimental to small business have disappeared and any weakening of the act would be in the direction of elimination of small business. We thank you for your valiant fight over the years.
KENTUCKY WHOLESALE CO.

BATTLE CREEK, MICH., *June 18, 1951.*
The Honorable WRIGHT PATMAN,
Chairman, Committee on Small Business,
House Office Building:
It seems appropriate on the fifteenth anniversary of the Robinson-Patman Act to express appreciation of your vigorous efforts through that act, and otherwise, on behalf of the small-business men of America. We are grateful to you and your committee for your fine work.
BERNARD E. GODDE,
President, Associated Retail Bakers of America.

ADRIAN, MICH., *June 16, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives:
Congratulations on your record as an outstanding champion of the small-business

men for the past 15 years. You can rest assured of our support in defeating Senate bill S. 719.

C. J. RAMUS.

WASHINGTON, D. C., *June 18, 1951.*
Hon. WRIGHT PATMAN,
Member of Congress,
New House Office Building:

We desire to tender you our cordial felicitations on the fifteenth anniversary of the Robinson-Patman Act and to express our appreciation of your part in the enactment of that law and your constant and unyielding defense of it against all harmful amendments. Your service in this respect has been outstanding and every independent merchant is your debtor.

UNITED STATES WHOLESALE GROCERS ASSOCIATION,
HAROLD O. SMITH, JR.,
Executive Vice President.

OAKLAND, CALIF., *June 17, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

The past 15 years stand as milestones of tribute to your courage on behalf of Nations smaller businessmen we here are deeply concerned should S. 719 pass. Continued success to you sir.

L. S. SANDERS,
Past President National Association Independent Tire Dealers.

PAWTUCKET, R. I., *June 16, 1951.*
Hon. WRIGHT PATMAN,
House of Congress,
Washington, D. C.:

Congratulations on your continued fight for the rights of small business. It is great comfort to know that men of your caliber are in Government to protect these rights. Business as well as sport must be governed by fair rules in order to survive. Keep up the excellent work.

MORTON BOROD,
Bridge Tire & Supply.

CHICAGO, ILL., *June 16, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

Your continuous fight for small business makes it appropriate we send our congratulations anniversary of Robinson-Patman bill.

R. E. HEDLUND,
General Manager, Tire Dealers, Inc., uth Michigan.

ABILENE, TEX., *June 16, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building:

Congratulations on this the fifteenth anniversary of the Robinson-Patman Act.

THE ABILENE FOOD BROKERS ASSOCIATION.

PHOENIX, ARIZ., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

Permit me to congratulate you on your fight for the preservation of small business in this country. "Thousands of small businesses are counting on you to continue your good work."

J. EARL STOWE,
President, Earl Stowe Tire Co.

BUFFALO, N. Y., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House Office Building:

Cordial and hearty congratulations for your successful efforts anent Patman Act.

G. E. BUTTS CO., INC.

PHOENIX, ARIZ., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Please accept our heartiest congratulations on the fifteenth anniversary of the enactment of the Robinson-Patman Act which has been so all important to the survival of small businesses, such as ours. Our sincere thanks to you personally for your efforts in our behalf.

ED M. RYAN & Co.

MILWAUKEE, WIS., *June 16, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Please accept our thanks for your initial and continued efforts on the Robinson-Patman Act. The past 15 years have brought about a substantial elimination of unfair and unethical practices. We encourage intensified vigilance in the detection and prosecution of those persisting in continued violations.

J. L. READ CO.

BUFFALO, N. Y., *June 16, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Congratulations on the fifteenth anniversary of the Robinson-Patman Act. A good job well done.

LYTLE & STALTER, INC,
Food Brokers.

DALLAS, TEX., *June 15, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Sincere congratulations to you on the approaching fifteenth anniversary of the Robinson-Patman Act. We recognize now as never before the true value of this act to American business and the necessity for eternal vigilance against those who would destroy it. Thanks for your continued valuable leadership.

A. J. PHILLIPS CO.

SHREVEPORT, LA., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

On eve of fifteenth anniversary of the Robinson-Patman Act you will please accept our most thankful acknowledgment to you for this bill. Indeed the brokerage fraternity and entire food industry have been immensely benefited. Just another example of courageous service you have always so ably and conscientiously rendered.

MASON JACKSON CO.

ABERDEEN, S. DAK., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives:

Thanks for the good work you have shown us small operators. Keep up the good work. Thanking you kindly.

GIESE SUPPLY & TIRE CO.

HENDERSON, N. C., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House of Representatives:

Congratulations on fifteenth anniversary Robinson-Patman Act. Your activities on behalf of small business is much appreciated.

HENDERSON VULCANIZING CO.
T. W. MCCRACKEN.

ROANOKE, VA., *June 15, 1951.*
The Honorable WRIGHT PATMAN,
The House Office Building:

Hearty congratulations on the fifteenth anniversary of the Robinson-Patman Act. It is the most stabilizing influence in industry today, and we hope it has many, many more anniversaries.

ALLIED SALES CO.

CINCINNATI, OHIO, *June 19, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building:

Hail to the king. Congratulations in honor of fifteenth anniversary Robinson-Patman Act. May God continue to guide and protect the Robinson-Patman law from its enemies, namely, the direct buyers and many chiseling buying organizations camouflaged and masqueraded as saving millions for distributors but in reality are grafters, leeches, scheming parasites dividing their ill-gotten gains and planning to stay within the law. Don't give up. Keep on fighting. We are only beginning. There is still much to be done to beat the strong-armed octopus with vast financial backing to continue their lobbying; the National Food Brokers Association of Washington, of which we are members since 1916, is one of your best information bureaus.

THE NICHOLAS J. JANSON CO., INC.

CLEVELAND, OHIO, *June 18, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

The wisdom embodied in the Robinson-Patman Act is responsible for its unique record during the 15 years of its existence. The act has been a pillar in support of fair-trade practice providing all trade factors an equal opportunity. Your untiring efforts upholding this legislation are particularly responsible for its effectiveness so on this fifteenth anniversary of the act we send thanks to you for your sincere interest and a hope that you will be spared many years to continue this valuable support.

THE PAUL E. KROEHLE CO.,
Food Brokers.

CHICAGO, ILL., *June 19, 1951.*
Hon. WRIGHT PATMAN,
House Office Building, Washington, D. C.:

In behalf of the members of the National Food Brokers Association of this district, Illinois, Indiana, Wisconsin, we extend congratulations on this the fifteenth anniversary of the signing of the Robinson-Patman Act. It has proved to be one of the most signicant laws governing business, protecting free and fair competition from monopoly and unfair coercive practices. It is invaluable, beneficial, and helpful to the small- and middle-class merchants of America. We wish you continued good health and extend our sincere thanks for your fighting efforts in behalf of the average merchant of the United States of America.

ALVIN H. LIVINGSTON,
Regional Director of the Fourteenth District.

TAMPA, FLA., *June 18, 1951.*
Hon. WRIGHT PATMAN,
Select Committee on Small Business,
House of Representatives,
Washington, D. C.:

On the anniversary of the Robinson-Patman Act, we want to congratulate you on being the father of this bill, and since it has become a law it has been most helpful in many ways to the small-business man, and we sincerely hope that no legislation will be passed to weaken this law which is so necessary to keep the small man in business, for he sure is having a struggle, and many thanks for your consistence in behalf of the small-business man.

BERGER & RACHELSON, INC.,
Wholesale Grocers.

WASHINGTON, D. C., *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building:

Someone told me that the fifteenth anniversary of the Robinson-Patman Act was on

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the 15th and some others tell me on the 19th. I surely should remember the date. It goes without saying that 15 years ago when Congress voted the Robinson-Patman Act it meant this much to independent business: A real break for them on their expectations and hopes that they would remain a part of our economy. The law has saved the day for many thousands upon thousands of small businesses both at the production and distribution level. The law has been made to order to protect small business. The only failure has been in the lack of vigorous enforcement of the law. Small business of this Nation owes you a vote of thanks for this needed legislation and on this fifteenth anniversary our congratulations to you. I believe I speak for the many thousands upon thousands in sending this message to you.

GEORGE J. BURGER,
Vice President in Charge Washington Office, National Federation of Independent Business.

TOLEDO, OHIO, *June 18, 1951.*
Hon. WRIGHT PATMAN,
House Office Building:

Tomorrow will be the fifteenth anniversary of the passage of the Robinson-Patman law and I want to commend you for the passage of this fair trade law which has withstood attacks by its enemies and remains on the statute books in original form. You undoubtedly get a lot of pleasure out of the thought that you were instrumental in getting such worth-while legislation passed. You have always worked in the interests of fair and equitable legislation, and I trust you are enjoying good health and the Lord will give you the help and strength to continue your fine work. Congratulations and best wishes.

IRA E. MERRILL,
President, Merrill Ranft Co.

NEW HAVEN, CONN., *June 16, 1951.*
Congressman WRIGHT PATMAN,
House of Representatives:

Congratulations to you on the fifteenth anniversary of the Patman Act which has so benefited small-business men. As an outstanding legislator championing small business you have done remarkable work. More power to you and may your efforts bear fruit for years to come, and may you be able to successfully defeat Senate bill 719.

Independent Tire Dealers, New Haven, Conn.; Peat & Voigt Service, L. F. Voigt; Byron Tire Shop; George L. Smith; Stevens, Inc.; C. M. Charlies Tire Repair; C. Demusis; Ralph J. Welter; Myers & Schwartz.

MILWAUKEE, WIS., *June 15, 1951.*
Congressman WRIGHT PATMAN,
House of Representatives:

It has come to my attention that next Tuesday, June 19, is the fifteenth anniversary of the Robinson-Patman Act. On this occasion I want to express my deep appreciation for all the good work you have done in behalf of the small-business man, and extend to you my hearty congratulations on this memorable day. May the good Lord bless you with good health and a long life so that you may be able to continue your efforts in behalf of the small-business man.

Sincerely,

HENRY O. STENZEL,
President, H. O. Stenzel Co., and Wisconsin Director, NAITD.

WASHINGTON, D. C., *June 15, 1951.*
Hon. WRIGHT PATMAN, *Member of Congress,*
New House Office Building:

On this the fifteenth anniversary of the enactment of the Robinson-Patman Act may I offer my congratulations to you and the select Small Business Committee of the House for the diligent persevering and prudent program formulated by yourself and colleagues for the preservation of small business in our country.

DR. JOHN W. DARGAVEL,
Executive Secretary, Nard.

PHILADELPHIA, PA., *June 14, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

June 19 marks fifteenth anniversary of the Robinson-Patman Act. Congratulations to you in the magnificent support you have given to the substance of this act. Our opinion no other law has done as much to sustain American Business as the Robinson-Patman Act. We stand ready to support all its phases.

JAMES J. REILLEY, ASSOCIATES.

KANSAS CITY, MO., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House Office Building:

Congratulations on the fifteenth anniversary of the Robinson-Patman Act which has meant much to independent business. You are to also be thanked for your diligent watchfulness of this act and having kept the pirates from destroying it. Good wishes, health and happiness.

MEINRATH BROKERAGE CO.,
ED W. JONES & IRVING S. MEINRATH.

CHICAGO, ILL., *June 15, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building:

The Robinson-Patman Act has most certainly been the solution to protecting free and fair competition from monopoly and unfair coercive practices in business and on its fifteenth anniversay may we again extend to you our appreciation for your untiring energy in preserving this law.

PICKETT & CO.

MOBILE, ALA., *June 15, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: We offer our sincerest congratulations on the fifteenth anniversary of the Robinson-Patman Act. The act is our greatest single protection, allowing us to operate a small business on an ethical basis.

With earnest wishes for continued success.

Sincerely,

REDMOND BROKERAGE CO.

NEW YORK, N. Y., *June 11, 1951.*
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

Our congratulations to you upon the fifteenth anniversary of the Robinson-Patman Act. Your sincere devotion to the principles of this legislation and your consistent guardianship of its high ideals and practices is most commendable.

LESTRADE BROS.

WASHINGTON, D. C., *June 18, 1951.*
Congressman WRIGHT PATMAN,
House Office Building,
Washington, D. C.:

On the occasion of the fifteenth anniversary of the Robinson-Patman Act, may I on behalf of the wholesale confectionery industry of the United States bring greetings and good wishes to the man who made this law possible and to the one who has always labored diligently in the interest of the small independent American businessman against the discriminatory practices which are so harmful to the American economy.

C. M. MCMILLAN,
Executive Secretary, National Candy Wholesalers Assn., Inc.

FALK BROKERAGE CO.,
Phoenix, Ariz., June 15, 1951.
Hon. WRIGHT PATMAN,
House of Representatives,
House Office Building,
Washington, D. C.

DEAR MR. PATMAN: We want to send our congratulations to you on the fifteenth anniversary of the Robertson-Patman Act, which we believe falls on June 19. We feel that it has been the greatest leveler or equalizer of large and small business ever passed by our Congress. We feel that it is truly American in that it puts everything on an equal basis with favors and premiums to nobody.

We do hope that this will remain on the statutes for many years to come.

Sincerely,

FALK BROKERAGE CO.,
CLARENCE G. FALK.

FRANK C. GLUECK & CO.,
Cincinnati, Ohio, June 18, 1951.
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN PATMAN: May we extend our congratulations on the fifteenth anniversary of the signing of the Robinson-Patman Act. We regard this measure as one of the most significant laws governing business, protecting free and fair competition from monopoly, and unfair coercive practices. Many thanks for the splendid effects it has realized in the food industry.

Very truly,

FRANK C. GLUECK.

W. S. MOUNTFORT CO.,
Buffalo, N. Y., June 18, 1951.
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: On the fifteenth anniversary of the Robinson-Patman Act, we want you to know that we approve this law and believe it will continue to help everyone in the food business.

We want you to know that we appreciate your support on this matter.

Yours very truly,

W. S. MOUNTFORT CO.,
W. S. MOUNTFORT.

G. C. LOVILL CO.,
Mount Airy, N. C., June 18, 1951.
Hon. WRIGHT PATMAN,
Select Committee on Small Business,
Washington, D. C.

DEAR SIR: We want to express to you our appreciation of the service you have rendered the wholesale grocers throughout the country in keeping the Robinson-Patman Act in operation. It has been a great benefit to small business.

With best wishes, we beg to remain,

Yours very truly,

G. C. LOVILL CO.,
G. C. LOVILL,
Secretary and Treasurer.

FRIEDRICH & KEMPE CO., INC.,
Red Wing, Minn., June 16, 1951.
Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.

DEAR SIR: As June 19 marks the fifteenth anniversary of the passage of the Robinson-Patman act, we wish to extend to you and your colleagues our best wishes. Since this act became law, small business has had an opportunity to compete. We express our sincere gratitude for your efforts during these many years.

Sincerely yours,

FRIEDRICH & KEMPE, CO., INC.,
J. C. FRIEDRICH.

WITHERSPOON-SIMPSON CO., INC.,
Fort Smith, Ark., June 15, 1951.
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: As June 19 is the anniversary of the Robinson-Patman act we would like to thank you for the outstanding work you did in creating such a fair act, and for your continuous effort to keep the act as it was originally written.

We are behind you in very way.

Respectfully yours,

R. A. COUNCIL.

THE GOULEY BURCHAM CO.,
Phoenix, Ariz., June 15, 1951.
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

HONORABLE SIR: As June 19 is the anniversary of your bill that has done so much for us and all business in the United States, we take this opportunity to again express our thanks and appreciation. If we had more men of your caliber serving our country I am sure we would not be in the chaotic condition we are now in.

Yours sincerely,

THE GOULEY BURCHAM CO.
H. B. DUBOSE.

SIMCHUK SALES CO.,
Spokane, Wash., June 15, 1951.
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN PATMAN: We wish to extend to you our congratulations on the fifteenth anniversary of the Robinson-Patman Act.

You have done an outstanding job in the face of attacks from all sides and you have our full support in your continued efforts to keep the Robinson-Patman Act intact.

Sincerely yours,

ANDREW SIMCHUK.

J. C. BLASKEY CO.,
Philadelphia, Pa., June 18, 1951.
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: Just as you receive this letter it will be the fifteenth anniversary of enactment of the Robinson-Patman law and we want to again take this opportunity to thank you for that act which we consider was definitely responsible for helping us stay in business.

As a matter of fact many canners and wholesale grocers over the country are likewise indebted to you because the business of special rebates and secret allowances was getting to a point where there would be no place in the picture for the legitimate food broker nor the small chain grocer, small wholesaler, or the independent canners.

We wish you the strength and fortitude to continue in your fight to not only uphold the Robinson-Patman Act but also put more strong teeth into it.

Once again, many thanks and more power to you.

Very truly yours,

J. C. BLASKEY CO.

DOUGHERTY BROKERAGE CO.,
Philadelphia, Pa., June 18, 1951.
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: Congratulations on the fifteenth anniversary of the Robinson-Patman Act. I should also like to express my personal appreciation to you—the sponsor and champion of this excellent law. Thank goodness, it has withstood the attempts of special interests to emasculate and undermine its provisions.

During the past 15 years, it has especially proven itself the protector of small business against the unfair competition of the giant corporations.

I wish you many more years of health and energy, so that you may continue your fight for fair competition in business, which is the American way of life.

Sincerely yours,

DOUGHERTY BROKERAGE CO.,
JOSEPH C. DOUGHERTY.

WM. G. BONSTEDT & CO.,
Philadelphia, June 18, 1951.
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: Congratulations to you, Congressman WRIGHT PATMAN, on the fifteenth anniversary of the Robinson-Patman Act.

In our opinion the Robinson-Patman Act has certainly eliminated confusion and unfair trade practices in the grocery distributing field, and we certainly hope that the current attacks being made against it in Washington will prove unsuccessful.

We would hate to return to the confusion in the grocery selling field which existed before the passage of the Robinson-Patman Act.

Yours very truly,

WM. G. BONSTEDT & CO.

W. N. MARSHALL CO.,
Norfolk, Va., June 18, 1951.
The Honorable WRIGHT PATMAN,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN PATMAN: I and my organization want to take this time to congratulate you on your fifteenth anniversary of the Robinson-Patman Act.

We feel that it is one of the finest bills and laws that has ever been passed in this country, and we are very glad to have a man such as you for one of our leaders in this great country of ours.

With best regards, we are

Sincerely,

W. N. MARSHALL CO.
W. N. MARSHALL.

RANNEY-HORNUNG SALES CO.,
Wichita, Kans., June 16, 1951.
To the Honorable WRIGHT PATMAN.

We wish to take this opportunity to congratulate you on the fifteenth anniversary of the Robinson-Patman Act.

I don't know of another law which has furthered fair trade any more in the food industry than this particular act.

It is sincerely hoped that it will stand unchanged during the years ahead.

Our best wishes to you.

ROBERT J. HORNUNG.

E. L. ROBERTS & CO.,
San Francisco, Calif., June 13, 1951.
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: On this the fifteenth anniversary of the signing of the Robinson-Patman Act, I wish to congratulate you on your sponsorship of this fine law. We are proud to have such farsighted, clear-thinking men as you in our Government.

Yours very truly,

E. L. ROBERTS.

DRAPER, GORDON & WALKER,
DULUTH, MINN., *June 15, 1951.*
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR MR. PATMAN: Watson Rogers, president of National Food Brokers Association, calls to our attention that June 19 is the anniversary of the Robinson-Patman Act. We want to take this opportunity to congratulate you and all of your associates who did such a fine job in not only formulating the act but in policing it during these last years. We certainly hope that nothing happens to upset this guardian of small business.

Sincerely,

DRAPER, GORDON & WALKER,
C. D. WALKER.

BURNSIDE & SPENCER,
Erie, Pa., June 16, 1951.
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: Please accept our heartiest congratulations on the fifteenth anniversary of the Robinson-Patman Act.

Very truly yours,

BURNSIDE & SPENCER,
W. L. SHAFFER.

STANLEY G. VOELKER & CO.,
Louisville, Ky., June 15, 1951.
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: We wish to send you our congratulations on the fifteenth anniversary of the Robinson-Patman Act, and express our thanks for the many benefits derived from same.

With kindest regards, we are,

Sincerely yours,

STANLEY G. VOELKER & CO.
R. M. JOSEPH.

INTERSTATE BROKERAGE CO., OF SAN ANTONIO, INC.,
San Antonio, Tex., June 14, 1951.
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: Since June 19 is the emancipation of the food broker, as well as the emancipation of the Negro, we are giving this anniversary serious thought and we are greatly indebted to you for making this possible, Mr. PATMAN, and we want you to know how much we appreciate it. We believe you know without our telling you the real value of the Robinson-Patman Act to the people of the United States and to the consuming public. It has saved small business and has helped block the huge combines which would have been detrimental to the American people. We want you to know we appreciate it.

Yours truly,

INTERSTATE BROKERAGE CO.,
By B. O. MCCRELESS.

JOHN H. LOCK & SONS,
Buffalo, N. Y., June 15, 1951.
The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE PATMAN: We should like to congratulate you on this the fifteenth anniversary of the Robinson-Patman Act.

Very truly yours,

JOHN H. LOCK & SONS,
JOHN H. LOCK.

HUGH B. HUNTER CO.,
Louisville, Ky., June 15, 1951.
Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

MY DEAR SIR: June 19, I believe, is the fifteenth anniversary of the Robinson-Patman Act, which is a good act and very beneficial to business, especially small business such as ours.

We all appreciate the untiring effort you have put forth in keeping this bill where it belongs, and that is in the laws of this country.

We as merchandise brokers would appreciate very much if you would continue to fight

UNIVERSITY OF MICHIGAN LIBRARIES

to keep this law alive and do hope for your continued efforts in behalf of same.

With best wishes, we are

Yours very truly,

HUGH B. HUNTER CO.

BARNES-TERRY CO.,
Wilkes-Barre, Pa., June 16, 1951.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: On the occasion of the fifteenth anniversary of the signing of the Robinson-Patman Act, I congratulate you and also thank you for the stabilizing influence your great law has brought to the food business and the whole United States economy.

The section 2c of your act particularly has broadened the basis of fair competition in our industry and made markets free. It enables the small-business man to come to the bargaining counter at the same level as his larger competitor and thus to survive and serve his community.

We all agree that a large number of business units, both small and large, is necessary if we are to have competitive markets; and further, that free and fair competitive markets are the basis of our American free-enterprise system itself. Your contribution in protecting this great principle is, indeed, a memorable one.

Very truly yours,

C. F. TERRY.

TERRILL BROKERAGE CO.,
Louisville, Ky., June 16, 1951.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: In recognition of the moral and economic good accomplished with the enactment of the Robinson-Patman bill 15 years ago on June 19, we offer our sincere thanks. Our thanks, also, for the courage and determination you have shown in continuing your work to make this legislation accomplish the purposes for which it was intended. The very fact that June 19 is the fifteenth anniversary of this act is evidence enough that the principles involved are sound and for the over-all welfare.

My voice as one businessman is small, but I am most anxious to add it to the thousands of others who are also grateful to you for the steadfast position you have maintained.

Yours very truly,

TERRILL BROKERAGE CO.,
GLENN R. TERRILL.

E. F. HATFIELD CO.,
Louisville, Ky., June 15, 1951.

The Honorable WRIGHT PATMAN,
House of Representatives,
Washington, D. C.

DEAR SIR: On this, the fifteenth anniversary of the enactment of the Robinson-Patman Act, we want to express to you our sincere appreciation for all that you have done in making this law and your sustained efforts to keep the law strong.

We are small-business men who have benefited by and have been protected by the act, and there is no doubt in our minds that we would not be in business today were it not for this equality of opportunity afforded by the act.

Needless to say, the continuing efforts to weaken the act are a source of great concern to us, and we must depend on you and those associated with you to see that what you have fought for so long and so well is not broken down.

May we assure you of our confidence and of our readiness to cooperate in every way.

With best wishes, we are

Very truly yours,

E. F. HATFIELD CO.,
E. F. HATFIELD.

NORMAN L. WILSON CO., INC.,
Rochester, N. Y., June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: On the occasion of the 15th anniversary of the Robinson-Patman Act, we wish to extend our congratulations to you for your efforts in making this act a potent force in the well-being of the small businessmen of this country.

We particularly approve of the fact that the act is being properly enforced and also that it is so firmly entrenched, that so far it has been able to withstand the many attacks against us.

With our sincere regards, we remain,

Very truly yours,

NORMAN L. WILSON CO., INC.,
NORMAN L. WILSON.

LYONS BROKERAGE CO.,
San Antonio, Tex., June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN PATMAN: We understand that June 19 is the fifteenth anniversary date for the Robinson-Patman Act. We would like to take this opportunity to congratulate you for the wonderful work you did in originating this act, and also for the fine cooperation you have given legitimate and ethical business in fighting the vigorous attacks made against this act.

With kindest regards, we remain

Sincerely,

LYONS BROKERAGE CO.,
By W. J. LYONS.

PILLANS & SMITH CO., INC.,
Ocala, Fla., June 16, 1951.

Hon. WRIGHT PATMAN,
Select Committee on Small Business,
House of Representatives,
Washington, D. C.

DEAR REPRESENTATIVE PATMAN: Since June 19 is the fifteenth anniversary of the passage of the Robinson-Patman Act I would, as a representative of a small business, like to thank you for your fight over the years in keeping this legislation active.

We well realize that had it not been for you many of us would be out of business today.

Again thanking you, we are

Very sincerely,

PILLANS & SMITH CO., INC.,
W. T. ALSOP, *President.*

HOLLOWAY-OPPENHEIMER CO., INC.,
Louisville, Ky., June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building, Washington, D. C.

DEAR SIR: We are desirous of congratulating you on the coming fifteenth anniversary of the Robinson-Patman Act.

This act has been instrumental in protecting our, as well as many other small businesses of like nature throughout the country.

We want you to know that we appreciate your untiring efforts in getting this act across and sincerely trust you and your associates will see to it that those who are and have been striving to destroy it will not be successful.

Very sincerely,

L. J. HOLLOWAY,
President.

CHENEY BROS.,
West Palm Beach, Fla., June 16, 1951.

Hon. WRIGHT PATMAN,
Select Committee on Small Business,
House of Representatives,
Washington, D. C.

DEAR SIR: Since the Robinson-Patman Act has become law many of the practices detrimental to small business have disappeared. Any weakening of the act would tend to eliminate small business.

Thank you for your fight over the years for this act.

Respectfully yours,

CHENEY BROS.
J. N. CHENEY.

CHARLOTTE, N. C., *June 16, 1951.*

Hon. WRIGHT PATMAN,
Select Committee on Small Business,
House of Representatives,
Washington, D. C.

DEAR HONORABLE PATMAN: Since the Robinson-Patman Act has become law many of the practices detrimental to small business have disappeared and any weakening of the act would be in the direction of elimination of the small business. We thank you for your valiant fight over the years.

Your truly,

L. W. PETRIE.

M. L. KNOWLTON CO., INC.,
Memphis, Tenn., June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR MR. PATMAN: It has come to our attention, that the 15th Anniversary of the Robinson-Patman Act is near at hand, and upon this occasion, we wish to extend to you our heartiest congratulations and best wishes for your future success.

We feel if we had more fine gentlemen in Washington that would look after the interests of the people as you have with the Robinson-Patman Act, we would all be much better off.

With our best wishes for your future success, and kindest regards, we are.

Very truly yours.

M. L. KNOWLTON CO., INC.,
I. H. MAYOR.

DAN JOSEPH CO.,
Columbus, Ga., June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

GENTLEMEN: Referring to the fifteenth anniversary of the Robinson-Patman Act, we would like to recommend that you continue to fight for this act, as it means so much to our independent wholesalers. We strongly urge you to continue this work.

Yours very truly,

DAN JOSEPH CO.,
HAMLIN H. FORD.

MURPHY BROKERAGE CO.,
Louisville, Ky., June 15, 1951.

Hon. WRIGHT PATMAN,
Washington, D. C.

DEAR SIR: Fifteen years ago we of the brokerage fraternity hailed you and your associate in making the Robinson-Patman bill the Moses that led us into a promised land. Personally I want to again thank you for the effort and interest that had such a great part in making your bill a law. Please permit me to assure you that brokers throughout the country will never cease to appreciate what you have done to make it possible for us to conduct our businesses as they should be conducted.

Won't you please continue to be on the alert and try and prevent the passing of amendments that will weaken the law bearing your name? Again thanking you, I am

Sincerely yours,

C. R. MURPHY.

LOUISVILLE FOOD BROKERS ASSOCIATION,
Louisville, Ky., June 15, 1951.

The Honorable WRIGHT PATMAN,
House of Representatives,
Washington, D. C.

DEAR SIR: Remembering that this June 15, 1951, is the fifteenth anniversary of the enactment of the Robinson-Patman Act, we

wish to again thank you for the great part you had in the enactment of what we consider a great law.

May we urge your eternal vigilance in combatting efforts to weaken this law, and to urge that you continue to cooperate with us in its enforcement.

Again, we thank you sincerely.

LOUISVILLE FOOD BROKERS ASSOCIATION,
C. R. MURPHY, *Secretary.*

L. G. ALLEN BROKERAGE CO.,
Phoenix, Ariz., June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: June 19 reminds us that it will be the fifteenth anniversary since the Robinson-Patman Act was passed.

We want to congratulate you on the part you had in fostering such a fine piece of legislation and what it has meant to us in the food field.

Very truly yours,

L. G. ALLEN BROKERAGE CO.,
L. G. ALLEN.

SMITH-WHELAN CO.,
Phoenix, Ariz., June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: It is indeed with great pleasure that we take this opportunity to congratulate you on the fifteenth anniversary of the Robinson-Patman Act.

We believe the Robinson-Patman Act has done more good to stabilize business conditions than any other legislation enacted by the Congress.

Again our sincere congratulations and best wishes for your continued success.

Very sincerely yours,

SMITH-WHELAN CO.,
WILLIAM E. SMITH, Jr.

PEMBERTON BROKERAGE CO.,
Oklahoma City, Okla., June 14, 1951.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: We, as one of the small-business firms in Oklahoma, wish to extend our congratulations to you on the fifteenth anniversary of the Robinson-Patman Act which you so ably sponsored.

I began my career in the brokerage business at the very depth of the depression and saw the great discriminatory practices that were then going on in the food industry, and then watched the transition as the enforcement of the Robinson-Patman Act corrected all these evils.

Best regards.

Sincerely yours,

PEMBERTON BROKERAGE CO.,
GEORGE B. PEMBERTON.

THE NELSON-SPANGLER CO.,
Columbus, Ohio, June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: Please accept our sincere congratulations upon the fifteenth anniversary of the Robinson-Patman Act. We certainly hope that this good law continues in force for many years to come.

Respectfully,

THE NELSON-SPANGLER CO.,
W. H. SPANGLER.

GEORGE R. LYONS CO.,
Cleveland, Ohio, June 15, 1951.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SENATOR PATMAN: It has been called to our attention that June 19 is the fifteenth anniversary of the Robinson-Patman Act.

We, as brokers in the food business, feel each year an increasing gratitude to you for your courage and foresight in sponsoring this bill.

Please accept our sincere congratulations on this, the fifteenth anniversary of the Robinson-Patman Act.

Sincerely yours,

GEORGE R. LYONS CO.

SUGGS BROKERAGE CO.,
Fort Smith, Ark., June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: Since June 19 is the anniversary of the Robinson-Patman Act, we would like to take the opportunity to not only thank you for the outstanding work you did in creating such a fair, workable act, but for your continuous effort to keep the act as it was originally written.

We in Arkansas are behind you 100 percent. Keep up the good work.

Respectfully,

SUGGS BROKERAGE CO.,
ROBERT S. SUGGS, Jr.

COWAN BROKERAGE CO.,
Erie, Pa., June 15, 1951.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

Dear Mr. PATMAN: On the 19th, the fifteenth anniversary of the Robinson-Patman Act, I wish to congratulate you on your judgment and foresight when this act was introduced and passed.

We think this is one of the greatest protections that small businesses have as against the very large chains who formerly threw their weight around to get unreasonable concessions.

Sincerely yours,

COWAN BROKERAGE CO.,
A. H. COWAN.

YOUNG & ROBERTS, INC.,
Columbia, S. C., June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR MR. PATMAN: The coming anniversary on June 19, of the Robinson-Patman Act, is so important to us that we would like to take this opportunity of thanking you for the efforts you have made in behalf of the small-business man, and which you are continuing today.

With very best regards, we are,

Sincerely,

YOUNG & ROBERTS, INC.,
J. C. ROBERTS.

PHILADELPHIA, PA., *June 16, 1951.*

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN PATMAN: The writer wishes to take this opportunity to congratulate you on the fifteenth anniversary of the Robinson-Patman Act.

Since you have championed the cause of the American businessman unselfishly, we wish you many years of good service to our country.

Our organization stands behind you 100 percent.

Respectfully yours,

MILTON FORD.

M. & M. BROKERAGE CO.,
Baltimore, Md., June 8, 1951.

Hon. WRIGHT PATMAN,
Washington, D. C.

DEAR CONGRESSMAN: Time flies. It does not seem that 15 years will soon have passed when President Roosevelt signed the Robinson-Patman Act. I had the pleasure of listening to some of the debates on the bill, which has been a godsend to the brokerage profession and the independent wholesale grocers.

Would that we had in the two legislative branches in Washington a majority as represented by the scrappy, fighting Texan, WRIGHT PATMAN.

Yours truly,

J. D. MCDOWALL.

REILLY ATKINSON & CO., INC.,
Boise, Idaho, June 12, 1951.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR MR. PATMAN: The National Food Brokers Association's letter which has arrived this morning reminds me that we are approaching the fifteenth anniversary of the signing of the Robinson-Patman Act and inspires me to write congratulating you on the work which you did in securing the passage and signing of this act.

We food brokers, who were in business for a few years prior to the effective date of the Robinson-Patman Act, now have had ample experience under the two different conditions and realize more acutely than the newcomers the tremendous benefits which have inured to the merchandising interests of the United States through the Robinson-Patman Act. The benefits of this law may superficially appear to be flowing to the merchandise broker, but the fact is all those who are engaged in merchandising primarily and secondarily the entire population of the United States are benefited very materially by the stabilization of conditions.

This act is a monument to you and to Senator Robinson. I am very happy that I am able to write you this sincerely from one who wants to be a good American citizen.

Very truly yours,

REILLY ATKINSON.

CHAS. A. RIEGLER & CO.,
Cleveland, Ohio, June 14, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

MY DEAR SENATOR: May we thank you for your splendid contribution in helping to make possible the very important and protective law known as the Robinson-Patman Act.

We are very grateful in knowing that this splendid law will celebrate its fifteenth birthday on June 19, 1951, and congratulate you on its effectiveness during this period.

We know that there are negative forces working for its repeal, and we sincerely hope that you and your colleagues will work with the same vigor and forcefulness to maintain this great protective act, which prompted you to make it possible. Thank you.

Yours very truly,

CHAS. A. RIEGLER & CO.,
CHAS. A. RIEGLER.

BACON & TRUBENBACH, INC.,
New York, June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: It affords me great pleasure to congratulate you on the fifteenth anniversary of the Robinson-Patman Act.

It is my opinion, as well as that of practically all other fair-minded businessmen, both large and small, in various lines of business, that this legislation which you put through is one of the most important ever introduced in Washington to protect businessmen in general from unfair, selfish practices which benefited only a few at the expense of many.

I feel it is a privilege to be able to express to you my appreciation of your farsighted

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vision in having put through this valuable and necessary act.

Sincerely,

E. TRUBENBACH.

NEW YORK CITY, *June 12, 1951.*

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR MR. PATMAN: As a member of the National Food Brokers Association, I wish to be one of the many who will extend congratulations to you on the fifteenth anniversary of the signing of the Robinson-Patman Act. It has been a godsend to the grocery trade in general, and you are entitled to many plaudits for the splendid pioneering work which you did in making this act a law.

My best wishes to you for a long and happy life.

Sincerely yours,

A. R. RODWAY.

J. THEOBALD, JR., INC.,
Cleveland, Ohio, June 14, 1951.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

MY DEAR MR. PATMAN: At this time we feel that it is certainly becoming that we congratulate you on the fifteenth anniversary of the Robinson-Patman Act for which you were so largely responsible and for which you have kept up continuous fighting support.

We want you to know that your continued interest is highly appreciated.

Your truly

J. THEOBALD, JR., INC.,
ROBERT B. REED, *Vice President.*

CHARLES K. STONE CO.,
Detroit, Mich., June 14, 1951.

The Honorable WRIGHT PATMAN,
House Office Building, Washington, D. C.

Honorable SIR: We note that the fifteenth anniversary since the signing of the Robinson-Patman Act will occur in the next few days. We would like to take this opportunity of congratulating you upon your sponsorship of this most important law.

Since the signing of the Robinson-Patman Act on June 19, 1936, by President Roosevelt, it has become very apparent that of the many laws governing the operation of business in the United States in recent years, this one stands out particularly as having been most influential in protecting free and fair competition from monopoly and unfair coercion.

There is no question but what, in the few short years of its existence, the Robinson-Patman Act has been influential in helping thousands of business operators in the United States to maintain their existence, which probably would be impossible without the help of this law.

Best wishes for your continued success.

Very truly yours,

CHARLES K. STONE CO.,
JOHN L. WHITE.

NATIONAL FEDERATION OF
INDEPENDENT BUSINESS,
Burlingame, Calif., June 14, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR WRIGHT: June 15 will be the 15th anniversary of the Robinson-Patman law. I know that the Federation membership over the entire Nation greatly appreciates the effort you have put forth in their behalf as co-author of this important piece of legislation.

Had Government followed through with the strict enforcement of that law, it would have accomplished as much in promoting and protecting sound business economy within our Nation as any other single piece of legislation. The importance of same is more pronounced today than ever before.

You already have ample evidence that the Federation has as one of its prime objectives, the work for strict enforcement of the Robinson-Patman law.

We of the federation rejoice with you on this important anniversary.

With kindest regards and best wishes.

Sincerely,

C. WILSON HARDER,
President.

ALFRED RICE & SON,
Scranton, Pa., June 15, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

SIR: I have just heard that June 19 marks the fifteenth anniversary of the Robinson-Patman Act and I want to congratulate you on the wonderful job you have done, and are doing, and hope you will be in Washington for many years to come.

Very truly yours,

ALFRED G. RICE.

CLEVELAND, OHIO, *June 14, 1951.*

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: Wish to congratulate you on the fifteenth anniversary of the Robinson-Patman Act, next Tuesday June 19. As you are well aware, this act has been of tremendous help to the people of our country by helping to eliminate unfair competition among manufacturers, distributors, etc. through certain discounts, allowances etc. It has helped business to stay on a fair, equitable basis for all.

In these days of attacks on the act, I have every reason to believe that it will stand up under the stress and remain a bulwark against its enemies, and as a protector against unfair competition.

My best wishes to you and thanks again for the great work you have carried on in behalf of the Robinson-Patman Act through these 15 years.

Yours Respectively,

ARTHUR M. JONES.

R. L. FITZWATER & SON,
Philadelphia, Pa., June 14, 1951.

The Honorable WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR SIR: We wish to congratulate you on a twofold basis, not only because 15 years ago through your efforts the Robinson-Patman Act came into being, but also because for 15 years, as of June 19, 1951, you have put forth consistent efforts to see that this act remained in effect, helping to keep many tens of thousands of small-business men and independent operators in the economic picture in this country.

We strongly feel that the vigorous attacks now being made on this act, if successful, would be a calamity too far-reaching to be understood.

Sincerely yours,

R. L. FITZWATER & SON,
R. L. FITZWATER, JR.

SPARTANSBURG, S. C., *June 12, 1951.*

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR MR. PATMAN: I believe the 19th of June will represent the fifteenth anniversary of the Robinson-Patman Act and I desire to extend to you my heartiest congratulations on this occasion.

We, who know of the fine work you did in bringing about the passage of this act 15 years ago and also your continued efforts to beat down any amendment that would weaken the act in any way, are ever mindful of what this act has meant to business, particularly small business.

Undoubtedly, there will be continued efforts to amend this bill so as to favor certain large interests and I am sure I speak for the food brokerage fraternity when I say that I feel we are all 100 percent in favor of keeping this act as it is and will resist, through every means possible, any effort to weaken the act in any way.

I trust this letter will find you in excellent health and thanking you again for all that you have meant to the food industry, I am,

Respectfully yours,

JACK L. GENTRY.

STUART FOX CO.,
Dayton, Ohio, June 11, 1951.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR MR. PATMAN: June 19, 1951, will mark the fifteenth anniversary of the passage of the Robinson-Patman Act and we now have the opportunity to look back over the last 15 years and see of the many good things that have happened as a result of this law.

Despite continued attacks by minority elements, the act has emerged as major deterrent to those who want discriminatory practices in the food and other industries.

All the small businesses, and we believe many large businesses, will be eternally grateful for your interest in the enactment of this legislation, which has done so much to eliminate the many unfair and vicious practices which were prevalent prior to the time of the passage of the Robinson-Patman Act.

Please accept my sincere thanks for the work you have done through all these years in representing the American people as well as those of your own State in Congress.

Respectfully yours,

STUART FOX CO.,
S. C. FOX.

SCHLESINGER-TARRANT BROKERAGE CO.,
St. Louis, Mo., June 11, 1951.

Congressman WRIGHT PATMAN,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN PATMAN: It is our understanding that shortly the Robinson-Patman Act will have been a law over 15 years.

We do not know of any piece of legislation that has been so much to the benefit of the American public as the act sponsored by you and Senator Robinson.

True Americans are all glad to play the game in a fair and honorable manner with all cards face up, and we feel that your law has certainly laid down the rules and regulations under which the game is played.

Any fair-minded person is glad to compete on a fair basis but does not want to be penalized unfairly or unjustly.

We think that you have rendered a distinct service to America and congratulate you on your stand on such subjects.

Wishing you continued good health and strength and happiness, we remain.

Very truly yours,

SCHLESINGER-TARRANT BROKERAGE CO.,
T. O. TARRANT.

Mr. Speaker, I also ask unanimous consent that the gentleman from Tennessee [Mr. PRIEST], the gentleman from Indiana [Mr. HALLECK], the gentleman from Colorado [Mr. HILL], the gentleman from New York [Mr. MULTER], the gentleman from New York [Mr. RIEHLMAN], the gentleman from California [Mr. MCKINNON], and the gentleman from Montana [Mr. MANSFIELD], and any others who may desire to do so, may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ROBINSON-PATMAN ACT AND SMALL BUSINESS

Mr. HILL. Mr. Speaker, for over 60 years this Congress has stood firmly for the principle of free competition. In this principle we find the cornerstone of the economic philosophy of the people of this country. Our faith in free competition is far more than merely a preference for a particular type of business procedure. It represents nothing less than faith in a way of life.

America is basically a country of small and independent businessmen. To say that we believe in competition is merely another way of saying that we believe in preserving these independent businessmen as the backbone of the economic structure of this country.

For more than 25 years I have operated a small business in my State of Colorado. I am proud to be a small businessman engaged in the hardware business. I know from first-hand knowledge of the difficulties of small merchants in buying and selling merchandise. It is not easy to maintain a competitive position in any community unless you can purchase your wares on a competitive basis. In order to sell competitively you have to buy competitively. Certainly if your neighboring larger competitor or more distant competing mail-order house enjoys preferential discounts, rebates, and other forms of price discrimination, the smaller hardware merchant has imposed upon him handicaps which he cannot overcome. I know whereof I speak and I am convinced that unless the small merchant and manufacturer has an equal opportunity in the market place that competition in this country will become a thing of the past. One of the easiest ways for a strong competitor to drive the legitimate, independent merchant out of the market is to be able to undersell him. This can only be done on the long haul if that large a competitor is the beneficiary of preferential treatment.

Today, 15 years to the day since the Robinson-Patman Act became law, we have a specially fitting occasion for reviewing the plan of this act in our antitrust legislation and of the role of the distinguished coauthor of the act in formulating the antitrust policy of this country.

The Robinson-Patman Act is one of the essential props to our antitrust policy. When the Sherman Act was enacted in 1890, this Congress gave expression to the conviction that monopoly was a threat to the American system and that only the Federal Government could successfully meet the challenge.

When the Federal Trade Commission and Clayton Acts were enacted in 1914, the Congress again recognized the urgency of the problem and introduced a new principle into American antitrust law, namely, that it is not enough merely to prohibit monopoly, the end product. We must also stop those individual practices which, in the aggregate, make monopoly possible. The concept of unfair methods of competition was thus introduced into American statutory law.

Among those practices which, as the Supreme Court once said, are opposed to good morals and have an undue tendency to suppress competition, none is more vicious than price discrimination. This is a primary weapon in the arsenal of the would-be monopolist. It disrupts the market, destroys normal trading relations, places a premium on economic power rather than efficiency, and wipes out of existence those independent business firms which are not sufficiently powerful to exert the pressure on the sellers of goods necessary to secure favors.

Although the Clayton Act of 1914 was intended to stop the practice of price discrimination, it failed to do so. The rapid growth of mass distributors able to exert terrific pressure on suppliers gave a new focus to the old problem of price discrimination. In the grocery, hardware, and drug trades, in tobacco, tires, and many other industries the small dealer needed protection against the rebates, discounts, fictitious brokerage payments, advertising allowances, promotional advances, and other preferential treatment granted to their larger competitors. As the gentleman from Texas [Mr. PATMAN] aptly stated to this House in 1936, the measure he proposed would "accomplish what so far the Clayton Act has only weakly attempted, namely, to protect the independent merchant, the public whom he serves, and the manufacturer from whom he buys, from exploitation by his chain competitor."

The Robinson-Patman Act stands today as the first, and by far the strongest, defense of the small distributor against the depredations of his large competitor. Its failures—and like every major piece of legislation, it has not been completely successful—are more the result of weak administration and of the lack of funds appropriated for enforcement.

Nor should we forget the role of the House Small Business Committee. Under the able leadership of our chairman, WRIGHT PATMAN, and my friend, the distinguished former majority leader, CHARLES A. HALLECK, of Indiana, the Small Business Committee of the House has compiled an enviable record of service to small business. The committee has achieved this record through its nonpartisan approach to the problems of small business. It has waged a continuous struggle for intelligent and vigorous enforcement of the antitrust laws throughout its history. The committee's record in the Eighty-second Congress in attacking the problems of small business during the present national emergency and in solving those problems are accomplishments which cause me to be proud of my membership on the committee. The committee's work has not been within the narrow confines of one or two problems of small business, but fortunately, we are able in our work to study and investigate along the broadest front of the business world. This includes the general problem of fair competition in our market place, to which the committee has given much attention in every Congress since it was established.

It is a pleasure to join with my colleagues today in the celebration of the fifteenth anniversary of the Robinson-Patman Act.

FIFTEENTH ANNIVERSARY OF THE ROBINSON-PATMAN ACT

Mr. MULTER. Mr. Speaker, 15 years ago today, a keystone was placed in the great structure of our antitrust laws with the enactment of the Robinson-Patman Act.

On this occasion, small and independent businessmen throughout the Nation are honoring one of the chief architects of that law, the distinguished gentleman from Texas, Hon. WRIGHT PATMAN. Unfortunately, this fine public servant cannot be with us today. He is temporarily absent from the floor for reasons of health, but I trust that before long his great knowledge and his long experience once again will add distinction to our debates. All of us wish that WRIGHT PATMAN will add many more years of service to the more than two decades he has served as a Member of this body.

The Robinson-Patman Act is only one of WRIGHT PATMAN'S accomplishments, but certainly it is one of his greatest. It has become known as the Magna Carta of small business, and its place in the history of antitrust legislation is secure. As with all legislative measures which seek to curb and restrain powerful economic interests, it has been the subject of attacks and misrepresentation. WRIGHT PATMAN has been a tower of strength in fighting off all attempts to weaken or destroy the act. His efforts in this respect during the past 15 years have been fully as important as his original battle to have the act placed on the statute books.

Even today, there are powerful forces at work against the Robinson-Patman Act. Therefore, it is important for all of us to recall the circumstances which brought about the passage of the act by a vote of 290 to 16 in the House and by a voice vote in the Senate.

For many years, the Congress has recognized the necessity of preserving independent business and of preventing the growth of monopoly in our economy. The dangers of excessive concentration of economic power long have been recognized. In other nations, such concentration has prepared the way for widespread suffering and strife, and has been the forerunner of totalitarianism in various forms. There is serious question whether our democratic form of government could long endure should the Nation's small and independent businesses be destroyed.

The importance of action to curb monopoly was recognized by Congress more than 50 years ago with passage of the Sherman Act. This was followed by the Clayton Act and by other pieces of antitrust legislation. In the early 1930's, however, it became apparent that existing law was not adequate to meet the circumstances of the day. Throughout the Nation, large buyers and sellers were using their economic power as a club to create unfair price discrimination.

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Independent merchants were being driven out of business by unfair competition, and monopoly was taking over wherever independent business lost ground.

Competition is healthy. But unfair, cutthroat competition has the effect of destroying competition by forcing independents out of business and leaving the field clear for monopoly. Just as the foes of democracy can use democratic freedoms with the goal of destroying them, so monopoly interests can use competition to destroy competition. This is the lesson which WRIGHT PATMAN brought home to the Nation 15 years ago. This is the lesson which resulted in the passage of the Robinson-Patman Act.

The Robinson-Patman Act prohibits unfair discriminations in price. Let us examine the meaning of this phrase.

First, it is important to emphasize that the Robinson-Patman Act does not penalize efficiency. What the act does prohibit is rebates, allowances, unjustified commissions, brokerages, and other price discriminations which cannot be justified through savings in cost. It is obvious that a large customer has a great deal of power over his suppliers. If such a customer takes his business elsewhere, he may destroy the supplier's business. Using this threat as a club, some large customers have been able to force suppliers to sell at a considerably lower price than was afforded smaller customers of the supplier, who were in direct competition with the large firms. The supplier then protected himself against any decrease in profits by hiking the prices he charged his small customers—who were unable to protect themselves—at the same time as he decreased the prices charged his large customers.

It is obvious that genuine competition cannot long exist under such circumstances. Inevitably, the small customer—the independent merchant—is forced to the wall, not because of inefficiency, but simply because he does not have the economic club which is wielded by the chain store or other large interest.

Let me emphasize that such blackjack tactics on the part of big interests do not result in a savings to the consumer. As soon as the independent merchant is driven out of business, the monopoly then is able to charge all that the market will bear, and the consumer suffers.

Many specific examples of this type of unfair discrimination were disclosed by the select committee which WRIGHT PATMAN headed to conduct an investigation of the trade practices of large buying and selling organizations. These disclosures shocked the Nation. On March 4, 1936, more than 2,000 small businessmen from throughout the country gathered in Constitution Hall in Washington to urge the enactment of the Robinson-Patman legislation into law. A delegation was appointed to confer with President Roosevelt, who expressed his sympathy with the objectives of the legislation. President Roosevelt's interest in the measure was evidenced when he signed the Robinson-Patman Act one day after the adoption of the conference report.

One standard for judging legislation is that of determining its supporters and its enemies. Throughout the history of the Robinson-Patman Act, the independent businessmen of the Nation—the druggists, the retail grocers, the independent tire dealers, and many others—have been its strongest supporters. They know that the Robinson-Patman Act has given them a fair opportunity to exist, and thereby has increased the competitive forces in the Nation. They have resisted every effort to weaken or destroy the act. Throughout the history of the act, its opponents have been those forces which represent the concentration of economic power in the Nation. These forces still are attempting to destroy the act. Their efforts are proof that the Robinson-Patman Act still is a vital force in encouraging competition and in preventing the further concentration of economic power.

I have discussed the background of the act briefly because we must not forget the conditions which existed before the enactment of the Robinson-Patman Act. We must exercise constant vigilance in preserving our antitrust laws. Momentary forgetfulness or lack of vigilance on the part of Congress might result in a weakening of those laws which would take years to repair.

Before I close, I should like to mention one other activity in which WRIGHT PATMAN has distinguished himself for service to small, independent business. He was a moving spirit in the creation of the Select Committee on Small Business of the House of Representatives 10 years ago, and he has served as its chairman ever since, with the exception of the 2 years of the Eightieth Congress. I have the honor of being a member of this committee, and I know that it is working in a spirit of unity and nonpartisanship to provide small business with a fair opportunity to exist in this difficult period.

So long as WRIGHT PATMAN continues to devote his great abilities to the service of the people in the House, independent business and the consumer will never lack a champion. I know that every Member joins me in honoring him on this occasion.

SMALL BUSINESS AND THE ROBINSON-PATMAN ACT

Mr. RIEHLMAN. Mr. Speaker, today marks the fifteenth anniversary of the Robinson-Patman Act, a law which is regarded by the small enterprises of the country as a symbol of equality of opportunity in competitive business enterprise.

In the years antecedent to the Robinson-Patman Act small businessmen were suffering under the ruthless price-discrimination practices employed by many of the large concerns in their efforts to establish monopolies in particular localities. Unfair price cutting became the death knell for many of our independent operators. Existing monopolies were becoming stronger and new ones were springing into being. As we all well remember, these were difficult times for the average small businessman. The economy of the country was attempting to pull itself out of the chaotic conditions arising from the depression of the thirties, and the spirit of competition was keen in all segments of industry. The small concern had to utilize its utmost resourcefulness in order to keep in operation. This picture became more bleak when advantage was taken of existing conditions to destroy competition by predatory pricing practices, to the detriment of the country as a whole. This capitalization on the weakened status of smaller business units had the effect of forcing them out of business.

When it became apparent that the destructive forces of unfair competition would wipe out our system of competitive enterprise, if not further curbed, the Congress passed the Robinson-Patman Act to insure to small businessmen an opportunity to operate on a basis of equality with their larger competitors. This act was not designed as a means of protecting so-called weak-sister enterprises which fell by the wayside under normal conditions; nor has it had that effect. It was a means of codifying into law the principles of fair play which have made the free-, competitive-enterprise system of these United States the foundation of democracy.

Too often, we think of our great Nation in terms of huge industrial plants and skyscrapers. In reality, our Republic is a great unity of thousands of small communities with their own institutions and small businesses. Main Street of these self-governed little commonwealths has its retail stores, its distributing outlets, service establishments, and sometimes one or more factories. Usually these enterprises are independently owned and operated. Thus the strength and happiness of America depend upon the stability of its community life.

During the last quarter of the nineteenth century and the first decade of this century large units of business began to form in our great industrial and financial centers. This was the beginning of accelerated industrial consolidation and concentration. Power to control the market ofttimes became an obsession. The possibilities of fixing prices, restricting output, curtailing investment, and maximizing profits were increased as the number of sellers decreased.

Although this may be a natural result of the growth of a nation's resources and industries, no one doubts the fact that control of the market confers great power over the "little brothers." The large combination, operating in the whole length and breadth of the market, possesses power to harass and even destroy a small competitor. It used this power to demand secret rebates or preferential treatment. For many years, powerful producers made discriminatory discounts and allowances to big buyers, unrelated to cost savings.

It was when these abuses became evident that our colleague, WRIGHT PATMAN, and the late Senator Joseph Robinson introduced their antiprice-discrimination bill to prohibit predatory practices calculated to destroy smaller competitors.

The Robinson-Patman Act became the newest weapon in the antitrust arsenal. It plugged the loophole which

had allowed the large business to take advantage of the small one through unfair price discriminations. Today, 15 years after its enactment, it stands as assurance that small business will be given a fair opportunity to compete in our free-enterprise system.

The original proponent of this measure, the gentleman from Texas [Mr. PATMAN], is still an honored and valued Member of this House. It has been my privilege to serve alongside WRIGHT PATMAN, and my colleague, CHARLES A. HALLECK, for 5 years as a member of the Select Committee on Small Business of the House. In that committee, the interests of small business always have been held paramount, with no partisan considerations. We have worked together in a spirit of unity and cooperation, and I know that our chairman and the members have had the welfare of the Nation's small businessmen at heart. It gives me great pleasure to join in the expressions of appreciation which are being paid to WRIGHT PATMAN on this occasion.

FIFTEENTH ANNIVERSARY OF ROBINSON-PATMAN ACT

Mr. McKINNON. Mr. Speaker, it gives me great pleasure to join with other Members of the House in commemorating the fifteenth anniversary of the signing of the Robinson-Patman Act. This is a great occasion for independent business throughout the Nation. For a decade and a half, the Robinson-Patman Act has protected small merchants from encroachment by monopoly. It has given the independent merchant a chance to exist under fair competitive conditions, and it has benefited the consumer by preserving true competition.

I was not a Member of the House at the time the Robinson-Patman Act was passed. At that time, I was working hard to build up a newspaper which I had established a few years previously. I experienced the usual headaches and problems of the small-business man, and I gained first-hand knowledge of the forces working in our economy. Therefore, I was especially pleased to be made a member of the Select Committee on Small Business of the House of Representatives at the beginning of the present Congress. As you all know, the gentleman from Texas, WRIGHT PATMAN, is chairman of that committee. As a matter of fact, his name is almost synonymous with the committee, since he has been its chairman throughout its existence, with the exception of 2 years of the Eightieth Congress.

Membership on the Small Business Committee, as well as the House Banking and Currency Committee, has given me an opportunity to work with WRIGHT PATMAN. My association with him has been one of the most valued experiences of my tenure in Congress. I know that he is an untiring worker in behalf of the small and independent businessman. I wish that he were here today to listen to the fine tributes that have been paid him. Certainly the Robinson-Patman Act is one of his greatest accomplishments. It stands today as one of the most important antitrust laws, as it is the law which offers protection to the small retailer against unfair price discriminations.

During the 15 years since the passage of the Robinson-Patman Act, WRIGHT PATMAN has never slackened his efforts to assist small business and to prevent the growth of monopoly. Under his direction, the House Small Business Committee has conducted investigations into the enforcement of the antitrust laws by the Federal Trade Commission and the Antitrust Division of the Department of Justice. The committee has conducted a continuing study of antitrust legislation and has recommended many changes to strengthen the present statutes.

During the present Congress, the committee has been particularly active in studying the impact of the national emergency upon small and independent business. The dislocations accompanying the mobilization program have created serious problems for small businesses throughout the Nation. The committee has gathered a great deal of evidence regarding these problems and has recommended legislation to alleviate them.

WRIGHT PATMAN is well aware that in the field of antitrust legislation there is no time to rest on one's laurels. The foes of antitrust legislation never cease their efforts, and the supporters of these laws must be equally untiring in their efforts to preserve and strengthen them. Therefore, I should like to emphasize today that WRIGHT PATMAN deserves credit not only for his great fight to enact the Robinson-Patman Act 15 years ago but for his work since then to maintain small business as a strong, vital force in the economy. I know that WRIGHT PATMAN will never cease these efforts. His interest in independent business is as fresh today as it was when he began his long service in the House.

I understand that small businessmen throughout the Nation have sent telegrams and letters to WRIGHT PATMAN commemorating this anniversary of the Robinson-Patman Act. In my own section of the Nation I know that independent merchants regard the act as a cornerstone of their place in the economy. The act is a check upon the tremendous economic power of large interests, which otherwise could be used to drive thousands of small merchants out of business and leave the way clear for monopoly.

All of us who believe in the principles of free, competitive enterprise, and who believe that our system could not endure if monopoly were given a free hand, owe a real debt of gratitude to WRIGHT PATMAN. I am glad to have the opportunity to express my appreciation of his efforts upon this occasion. I know that in doing so I speak for hundreds of small businessmen in my district and State.

Mr. MANSFIELD. Mr. Speaker, it gives me pleasure to pay tribute to the Robinson-Patman Act and to its original sponsor on the fifteenth anniversary of the act. No one among us has been more constant to the cause of small business and free enterprise than has WRIGHT PATMAN. His work for the independent businessman of this country has brought him awards of merit from numerous small-business organizations. His work in strengthening and protecting the antitrust laws has earned him the respect of friend and foe. It is indeed a pleasure to take note of the fifteenth anniversay of an important piece of legislation, but perhaps it is equally or more fitting to say a word of praise for the man who is responsible more than anyone else for this legislation being on the statute books.

We are all agreed that the individual merchants and the small businessman must be treated right; must be assured a place of usefulness in the national economy; must be given a fair opportunity to succeed and prosper, achieving an adequacy for the future of themselves and their families.

Else we fall into the grip of monopoly, cut ourselves off from the common man, losing the strength and stability of his individual enterprise.

His welfare is paramount to that of the large corporations, necessary and useful though they may be.

Time was before the Robinson-Patman Act, when the small merchant, no matter how efficient he might be, was whipped at the start. He had against him advertising allowances which he did not get except a dribble in a few cases but which his powerful corporate competitor received in bountiful supply.

The independent operator had against him brokerage fees paid to the buyer which he did not get but which his mass-buying competitors got in millions; he had against him "off the invoice quantity discounts" which he got not at all but which his chain competitors got in superabundance.

How could he survive so handicapped at the very start of the competitive race?

There was the Clayton Act. It had been on the statute books for 22 years but had not been effective toward stopping these discriminations against the small merchant and in favor of the large operator.

Then 15 years ago came the Robinson-Patman Act, coauthored by Congressman WRIGHT PATMAN, of Texas, and the late Senator Joseph T. Robinson, of Arkansas, then Senate majority leader.

It spelled out in detail prohibitions against these and other forms of discrimination. It made the Clayton Act applicable to trade practices as they were and are. It gave real protection against discriminations that penalized the small merchant through no fault of his own.

In addition to making the competition race more nearly equal for the independent merchant, it has benefited him in many other ways besides. It has bestowed on him freedom from the hopeless effort to obtain even a modicum of the discounts and allowances bestowed with lavish hand by manufacturers on his large-volume competitors.

With this freedom from the catch-as-can buying tussle, he is enabled to devote his attention to improving his own business methods and operations, so that now the wholesaler and retailer, acting as an effective team, can and do sell commodities as cheap as any other form of business enterprise.

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The Robinson-Patman Act has given small business a new lease on life, new assurance of survival, new guaranty of success.

Of course, the Robinson-Patman Act is not perfect either in provision or enforcement. What law is? But you may be assured no large industrial or distributive organization disobeys it lightly. It has operated time after time in the protection of small business.

It should be recognized that a law which has dried up the stream of millions on millions of easy dollars would not go unchallenged. For the past several years this law has been under constant attack.

Those who originally opposed this law and their successors in interest have not forgotten. They want a return of the lush old days of price and other concessions to bigness and will try unceasingly to obtain it. They do not forget.

The Robinson-Patman bill passed the House by an overwhelming bipartisan vote of 290 to 16. It passed the Senate with only a few dissenting voices.

Now we fear some of its friends are forgetting. Many seem disposed to hearken to subtle voices, saying a little change here and there will do no harm. They forget to look beneath the surface where they will see that frequently the changes proposed are not casual or inconsequential, but may amount in fact to nullification. Therefore it behooves us to rally its friends lest they forget.

I do not know how we can celebrate this the fifteenth anniversary of the Robinson-Patman Act better than by resolving that it and the protection it affords for the small shopkeepers of the Nation shall be maintained and preserved, that no hostile hands be laid upon it and that it shall not be changed except to strengthen it.

Yes, I repeat, it is a pleasure to take recognition of the fifteenth anniversary of this legislation so important to small business and to pay tribute to its author. It is often said that there is no crucial time in the affairs of men that does not bring forth a champion to marshal the righteous cause and overthrow the forces of evil. Certainly in the cause of small business and free competition a champion appeared on the American scene at the psychological moment. No man has been more constant and untiring in championing the cause of small business and upholding the integrity of the antitrust laws than has our friend and colleague, WRIGHT PATMAN. I sincerely wish for him many, many more anniversaries for himself and for the act which bears his name.

ONE HUNDRED AND FORTY-SIXTH ANNIVERSARY OF THE BIRTH OF CONSTANTINO BRUMIDI

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 100, Eighty-second Congress, the Chair appoints as members of the joint committee to prepare plans for an appropriate ceremony in the rotunda of the Capitol on the one hundred and forty-sixth anniversary of the birth of Constantino Brumidi the following Members on the part of the House: Mr. FURCOLO, Mr. RODINO, Mr. ANFUSO, Mr. DONDERO, Mr. MORANO.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. CRAWFORD] is recognized for 15 minutes.

STEEL FOR LOCKERS IN PUBLIC SCHOOLS

Mr. CRAWFORD. Mr. Speaker, the other day, on June 15, I called the attention of the country to the fact that the NPA has declined to allow the public schools of this country some 5,000 tons of steel for the purpose of building lockers for the new school buildings being completed for the coming school year starting in September. At this time I wish to give additional information with respect to this situation. The architects of the public schools of the country and the school boards throughout the country, as well as members of the parent-teacher associations have all come to the conclusion that in the design and building of these new school buildings locker service should be provided for the school children.

Those schools which have broad schedules of athletics, such as football and baseball certainly need lockers in connection with their gymnasium and physical education work, because there is no other adequate way that the clothing can be stored or protected from damage or theft. Schools that have visiting teams coming there to play the home teams must have locker service for the visiting teams.

Many of these new buildings have been designed in such a way that the locker recesses are made along the walls of the corridors for the lockers to be installed as a part of the wall of the buildings which are now awaiting completion. Communities find they are unable to obtain the steel lockers, and are now planning to fill up those recesses with plywood, which is just about as critical as steel.

Of course if they fill the recesses with plywood, the recesses are tied in with the ventilating and heating system of the school and that creates a new problem, and then great additional costs; because at some future date that wooden material must be torn out and the steel lockers installed. And in the meantime the schools will be without lockers, and thousands of dollars of additional cost will be added to the cost of buildings.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield for a question?

Mr. CRAWFORD. I yield.

Mr. HOFFMAN of Michigan. Is that because they say there is a shortage of steel?

Mr. CRAWFORD. It is because the NPA officials have told me specifically and categorically they have denied the use of the 5,000 tons of steel for that purpose.

I have said to these officials that in my opinion there is no way on earth they can go before the members of the Parent-Teachers Association and before the 27,789,000 school children of this country and defend the position which the NPA has taken in refusing to allow 5,000 tons of steel for this purpose. I have said to them that they cannot justify that decision in the name of the contest in Korea or 50 Koreas, for that matter, because if we have come to the place where we cannot find in this country 5,000 tons of steel to complete the construction of public school buildings then I must assume that we have reached a pretty sorry hour in these United States.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield further?

Mr. CRAWFORD. I yield to the gentleman.

Mr. HOFFMAN of Michigan. Do they say that there is a shortage of steel, that you cannot get the steel?

Mr. CRAWFORD. They take the position that they will not allow this 5,000 tons of steel to be used for this purpose. You can say that it is a shortage or whatever you want to, but they simply take the position that the NPA will not allow the 5,000 tons of steel for the purpose of building these 750,000 lockers. We have 750,000 new enrollments in our public school system each year. In my district there are new school buildings which will be used for the first time this coming September. These recesses in each of them they are now planning to fill with plywood. During the last war a number of the schools had to build wooden lockers. These lockers have to be kept sanitary; otherwise contagious diseases spread among the student body. Those lockers had to be replaced within 3 years. But right now it resolves itself down to 5,000 tons of steel, and I think the NPA's position is absolutely inexcusable and indefensible.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield further?

Mr. CRAWFORD. I yield.

Mr. HOFFMAN of Michigan. I take it then the gentleman's position is that we ought to do a little something to take care of these generations which are coming on instead of shipping it all across. Is it the gentleman's argument that unless we take care of this—I would not say cannon-fodder crop, but soldier crop, we will not be able to carry on in these wars for the benefit of other nations?

Mr. CRAWFORD. When the local communities go out and raise money locally for the purpose of building schools instead of coming down here to the Federal Government and asking the Federal Government to build these schools for them, certainly the least we can do is to provide them with authority to procure the steel they need to put into the lockers in those schools. Steel lockers are just as necessary as toilet facilities, and I do not think anyone can make any sound argument against that.

Mr. HOFFMAN of Michigan. Will the gentleman yield further so we can find out how they operate?

Mr. CRAWFORD. I yield.

Mr. HOFFMAN of Michigan. In the Fourth Congressional District there is a production plant that makes steel furniture. Ninety percent of their orders are from the Army and the Navy. But along comes the NPA and states that they can have only 70 or 80 percent of their previous production and that although the suppliers are writing this

particular production agency telling them they have the steel on hand—that is the one that bothers me and I can get no explanation. I was just wondering if the gentleman could give me any suggestions as to how I could get relief for this manufacturer.

Mr. CRAWFORD. I am sorry; I cannot give the gentleman any light on that.

ESSENTIALITY OF STEEL LOCKERS IN MODERN SCHOOL BUILDINGS

In a modern school lockers are used in many different ways, and the type of school and the grade level of the pupils involved determine in large part where the lockers are located in the building, the type of lockers installed, and the ways in which the lockers are used.

The installation of steel lockers in school buildings results in a very material saving in cost to the school districts. The lockers are placed in recesses in corridor walls and thereby save on the cubage cost that would be necessary if cloakrooms had to be built to accommodate all of the pupils enrolled in a school.

In the elementary schools lockers are installed in the corridor adjoining the classrooms, or in each classroom, where they are used by the pupils occupying that particular room for storing outdoor clothing, books, and other personal belongings for safekeeping. Practice varies as to the number of pupils using a locker, but in the large urban school which is not overcrowded the usual practice is to assign one or two pupils to a locker. In many communities the assigning of two pupils to a locker is discouraged, due to the incidence of skin and scalp infections at these ages and the tendency for the spread of these infections by joint use of hangers, and so forth.

IN THE JUNIOR AND SENIOR HIGH SCHOOLS

In those junior high schools which are not departmentalized the situation in regard to lockers is very similar to that described for the elementary school.

In those schools which are departmentalized, that is, the pupils move from one room to another throughout the day for different classes, the provision of lockers becomes extremely essential. Safe storage space must be provided for personal clothing and for the books and other equipment and supplies which are needed in the various classes. These lockers are usually installed in the corridors in sufficient numbers to accommodate all the pupils enrolled in the school with one or two pupils assigned to each locker. In planning a new school building it is usual to consider locker space as the only provision for such storage of personal belongings and no provisions can be made for storage elsewhere without considerable change in building plans and eventually in the manner in which the building is used.

In the junior and senior high schools which have a gymnasium and a shower room, and carry on a regular program of physical education, another set of pupil lockers is usually provided in the locker room adjoining the shower room. In the majority of the schools of the country physical education is a required subject for all pupils, and most school authorities require that the pupils participating in the physical activities must change from street clothes into gym clothes. Storage for the street clothes while the pupils are in the gymnasium or on the playing field is provided by the lockers mentioned.

The usual practice is to provide sufficient gym locker space to accommodate the largest class enrolled during any one period of the day. Thus in a school with a six-period day it would be necessary to provide lockers to accommodate approximately one-sixth of the pupils enrolled in the school.

Since these gym lockers are exposed continually to steam and water from the showers and to continual usage by different classes of pupils throughout the day, it is essential that they be of sturdy construction—not subject to warping or easily damaged—and that they be made of a material which is easily cleaned and sterilized. During the last war many schools installed wood lockers because steel was not readily available. In many cases those lockers were completely unusable within 2 or 3 years and had to be replaced with steel.

In many of the large high schools with extensive programs of intramural and intermural athletics, supplementary locker rooms and training rooms are provided for the use of the teams of the "home" school as well as for visitors. It is particularly important that the personal belongings of the students participating in such activities be stored safely for as long as 2 or 3 hours. Steel lockers have proved to be the best answer to this problem.

NUMBER OF LOCKERS BASED ON INCREASE IN ENROLLMENTS

According to estimates of the Office of Education, enrollment in the elementary and secondary schools of the country is increasing at approximately 750,000 per year.

To provide 1 locker for each of these pupils would require a minimum of 750,000 lockers.

The average weight of a locker—full size—12x15x60 is approximately 50 pounds.

Of course, a small locker used by the small children in the lower grades would not necessarily be as large.

The schools generally would require from 5,000 to 15,000 tons of steel per year for the purpose of building lockers alone.

The latest statistics I have been able to get with respect to estimated enrollments show that in 1951 and 1952 there will be 41,800 schools and an enrollment of 31,543,000 pupils.

Mr. Speaker, I am here requesting the Department of Education to solicit the support of Members of Congress in an effort to have this NPA ruling changed so that this steel may be made available for the purpose of building these lockers.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman is to be complimented upon the fight he is waging to secure steel for the schools. I wonder if the gentleman knows how many hundreds, perhaps thousands, of tons of steel the ECA is buying and shipping overseas?

Mr. CRAWFORD. I do not have those figures, but there are many thousands of tons of steel sent to other parts of the world under the ECA and military programs.

The SPEAKER. Under previous special order of the House the gentleman from Louisiana [Mr. LARCADE] is recognized for 15 minutes.

MAJ. GEN. LEWIS A. PICK AND THE ST. LAWRENCE SEAWAY

Mr. LARCADE. Mr. Speaker, on yesterday, my good friend and colleague, the gentleman from Pennsylvania [Mr. VAN ZANDT] addressed the House on the question of the proposed Great Lakes-St. Lawrence seaway now under consideration by the Congress, and in the course of his remarks took occasion to attack the Chief of the Corps of Engineers, Maj. Gen. Lewis A. Pick, one of the finest men I have ever known, referring to lobbying activities of the Corps of Engineers and quoting statements made by General Pick at Cornwall, Canada, on the occasion of a dinner tendered the House Public Works Committee at that place while on an inspection trip in connection with the study of the project now under consideration by that committee.

Mr. Speaker, I have the highest respect and admiration for the gentleman from Pennsylvania [Mr. VAN ZANDT], who I consider a fine and patriotic American, and while I do not impugn his motives and his sincerity, and his right to his opinion, either for or against the proposed St. Lawrence seaway or any other subject, I feel that his remarks and criticism directed against General Pick in connection with his accompanying the Public Works Committee in his capacity as Chief of the Corps of Engineers—which committee it is his duty to advise in all matters connected with rivers and harbors and flood-control projects coming before that committee—on the inspection trip of the St. Lawrence seaway project were eminently improper and the charge of lobbying on the part of General Pick or the Corps of Engineers unfair. In making his remarks, the gentleman from Pennsylvania [Mr. VAN ZANDT] includes an article by Mr. Eaton, published in the Ogdensburg (N. Y.) Journal, of date June 5, 1951, captioned "Junketing Congressmen boost seaway in Cornwall speeches."

Mr. Speaker, first let me say that the inspection trip by the Committee of Public Works on the St. Lawrence seaway was not a "junket." On the contrary, it is my opinion that by going over the entire project from one end to the other the committee members were able to obtain a much better perspective and evaluation of the project, and has been most valuable in checking the facts and testimony presented to the committee during the hearings held on the project by the committee from February 20, through April 1951.

As one of the members who participated in the inspection trip I desire to say that the trip was made in the least possible time in order that the Members of Congress would not absent themselves from their duties, and a time was select-

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ed for a week end and period when very little, if any, business was transacted on the floor, and no Member, to my knowledge missed a roll call as a result of their temporary absence.

It might be interesting to know that the committee was absent for only 7 days, and during that time traveled approximately 3,500 miles, an average of 500 miles per day, by bus, automobile, boats, and plane, and as a result the trip was tiring and certainly was not a "junket"; the cost of the trip being only about $3,500.

Mr. Speaker, in the second place, I would like to comment upon the remarks of the gentleman from Pennsylvania [Mr. VAN ZANDT] and quotes in regard to the speech of General Pick in the article by Mr. Eaton, previously mentioned. I will not engage in a discussion of the merits or the demerits of the Great Lakes-St. Lawrence seaway for on yesterday, June 18, 1951, I inserted two articles in the Appendix of the RECORD, one titled "Facts About Great Lakes-St. Lawrence Seaway and Power Project," printed on pages A3635–A3639; the other article being captioned "New bill on Great Lakes-St. Lawrence seaway providing for 50-year bond issue to cover United States cost under self-liquidating provisions," and printed on pages A3639–A3640, both of which articles together answer all objections and arguments of the opponents.

On the inspection trip discussed here it may be proper to say that I was appointed by Hon. CHARLES A. BUCKLEY, chairman of the Public Works Committee, as chairman of a subcommittee to organize and plan and direct this trip, and that it was at my instance and invitation that Maj. Gen. Lewis A. Pick, Chief of the Corps of Engineers, was requested to accompany the committee on the inspection trip. I also requested General Pick to be accompanied by Col. W. E. Potter, Deputy Chief of Engineers for Special Projects, and Ray F. Stellar, Special Projects Branch, Office of Chief of Engineers. Representatives of the Department of the Interior, Commerce, State, and Federal Power Commission were also invited to accompany the committee, all of whom could give the committee expert advice on the various phases of the project under investigation, and all of whom accompanied General Pick on the trip, and all of whom were most helpful in furnishing information and answers to questions by members of the committee.

As stated in the beginning of this statement, it is the duty of the Chief of Engineers to advise and consult with the committee in all matters pertaining to the projects and legislation of the committee, and when projects are authorized it is the duty and the responsibility of the Corps of Engineers to build and construct all rivers and harbors and flood-control projects authorized by this committee for which funds are appropriated.

In his capacity as Chief of the Corps of Engineers, General Pick attends all conferences, meetings, and inspections of projects, and I personally, have attended conferences, conventions, meetings, and inspections in all parts of the United Staes which were attended by General Pick; in the North, South, East, and West, and General Pick has invariably been invited to address all meetings which he attended in order that he might give the benefits of his views and experience on the matters or projects being discussed at the meetings.

Under these circumstances, it is not unusual for General Pick to have accompanied our committee on the inspection trip for the St. Lawrence seaway project, nor was it unusual for him to address any or all meetings on the trip to give the committee and the people his views on the St. Lawrence seaway trip.

In view of the reputation, experience, and long and faithful service of General Pick to his country as a member of, and as Chief of the Corps of Engineers, I feel that my friend, the gentleman from Pennsylvania [Mr. VAN ZANDT] was offside when he quoted the statement, in the article by Mr. Eaton, by General Pick, and then questioned the statement of General Pick; and while I deplore the statement very much I cannot but reach the conclusion that the statement was made impetuously and without due consideration, for if Mr. VAN ZANDT would know General Pick as others do, he certainly would not have made such a statement in regard to General Pick.

Mr. Speaker, I particularly feel that the statement is unwarranted and unfair to General Pick as I do not know of anyone who has ever before questioned the integrity of General Pick in any way. As a matter of fact, I think that the reverse is true; I do not knew of any man who has so great a reputation as an engineer and American; I do not know of anyone who stands higher in the opinion and esteem of those who know him, and his veracity has never before been questioned in all of the years that I have known him.

Mr. Speaker, the Corps of Engineers of the United States Army has a long and honorable and successful record in protecting this country against floods, have made our rivers and streams navigable, have made possible the establishment of great ports, have builded great dams and reservoirs to control and store water to prevent devastating floods and for irrigation and to supply our cities with pure water for drinking and other commerical purposes; they keep the lanes of commerce open by maintaining the channels of our rivers and ports, protect our great recreation centers against beach erosion, build harbors and places where boats take refuge, and in disasters are the first on the ground to give relief and protection with their equipment and skill. All of this in peacetime.

In war, the Corps of Engineers are the first to be called upon to build camps, airfields, roads, bridges, ports of embarkation for men and for the transport of matériels. They prepare the landing beaches for landings, and are always necessary in the operations of our Army.

Mr. Speaker, over a long period of years the Corps of Engineers has had distinguished men at the head of its organization as the Chief of Engineers, and all of them have left their imprint upon the country by their great works.

At this time we are indeed fortunate to have as the Chief of Engineers one of the most distinguished and learned and experienced engineers that the Corps of Engineers has ever had, Maj. Gen. Lewis A. Pick.

I do not have to tell you of his record and his accomplishments as his activities are too well known to the people of the United States.

I will never forget when I first had the opportunity to know this great and good man, General Pick. It was in May 1927, 24 years ago, the year of the great Mississippi River flood. Parts of my State and district were under 2 feet to 20 feet of water; hundreds of lives were lost, millions of dollars of property was destroyed; homes of the people were swept away by the floods, and pestilence was beginning to be rampant. Food was unavailable until the then Secretary of Commerce, Herbert Hoover, arrived on a special train to the scene of a devastated and helpless country and people. Who was the representative of the Corps of Engineers of the United States accompanying Mr. Hoover to give aid and protection to our countryside and people? It was the then district engineer at New Orleans, Col. Lewis A. Pick.

With Mr. Hoover and Colonel Pick on the scene it was no time before they had the full facilities and funds of the United States Government and the American Red Cross to aid the distress and suffering of the people of Louisiana and the entire Mississippi River Valley.

It was Col. Lewis A. Pick who collaborated with the then United States Chief of Engineers Gen. Jadwin and the famous Jadwin plan for the protection of the lower Mississippi River Valley was born and legislation introduced and passed by the Congress, which plan has been followed by succeeding Chiefs of the Corps of Engineers, and is even today being prosecuted, and with a few more years appropriations from Congress the plan and program will be completed and forever give protection and security to the people of the lower Mississippi River Valley.

After the Jadwin-Pick plan got under way on the Mississippi, General Pick was transferred to the Missouri River Basin, and there again who worked out a comprehensive plan for the Missouri River Basin? You know. Everyone in the Missouri River Valley knows Gen. Lewis A. Pick. There were great reclamation projects under way in the Missouri River Valley at that time, and it was necessary for General Pick to cooperate with the then representative of the Reclamation Bureau, Mr. Sloane. Then was born the Pick-Sloane plan for the protection of the Missouri River Valley. Like the lower Mississippi River plan, the Pick-Sloane plan for the Missouri River Basin is now being completed.

During World War II General Pick was assigned the most difficult tasks that any engineer had ever undertaken, and all his missions were completed.

Ever heard of the Lido Road? And who built it? Gen. Lewis A. Pick, then a brigadier general in World War II, was

given the task of building this road through what was known as impenetrable jungles—through a country where the white man had never before set foot.

Mr. Speaker, I have heard the story of the building of the Lido Road in the India-Burma-China theater. Every GI could tell it.

It was said that General Pick was assigned the task of building the Lido Road by the Joint Chiefs of Staff and he was sent a complement of the best engineers in the Corps and engineers of fame from civil life to assist him in planning and building this great strategic undertaking.

When these engineers arrived on the scene General Pick immediately called a meeting of the group to discuss the problem. Maps were checked and the assistants given a chance to inspect as much of the country as possible and make a study and report back to General Pick. A meeting was held by General Pick and the engineers all given an opportunity to express their opinions. Every one of the engineers present stated that it was an impossible task. After all of them had spoken and advised against the undertaking General Pick rose and said "Gentlemen, all right, we will begin building the Lido Road tomorrow morning, and we will build it." And in spite of all the almost seemingly insurmountable obstacles and the opinions and advice of famous engineers, General Pick completed the Lido Road on schedule.

I could go on and on and tell you of the exploits and leadership of General Pick as an engineer and the great works that were built under his supervision. The great dams in the West and Northwest, the works on the Columbia River and others—all will bear the imprint of a great engineer and a great patriotic American.

Last year when the Midwest was in the throes of a blizzard, one of the worst in the history of this country, the President sent General Pick to take personal charge of the operations to save the lives of the people and save thousands of head of livestock from destruction. This he did without much acclaim.

Looking back on the disasters in our country, our people in Louisiana and the entire Mississippi River Valley were reassured and glad to have General Pick in charge of the fight in the greatest of all floods in the Mississippi River Valley, the flood of 1927, when General Pick was a colonel in charge of the New Orleans, La., district engineer's office where he made a brilliant fight with the odds against him.

It has been my pleasure within the last few months to listen to several magnificent speeches given by General Pick before a number of waterway organizations, and if we will follow his advice and recommendations, there is no question in my mind that the country will be more securely protected from floods; that our resources will be conserved, and that most of our water and waterway problems will be solved.

Mr. Speaker, Gen. Lewis A. Pick needs no defense from me to testify to his ability, character, honor, and devotion to his position as a great engineer, his devotion to his country, and the respect and esteem in which he is held by the American people in all parts of the country, for long ago it has been said "By their works, ye shall know them" and the great works of General Pick as an Army engineer, a soldier, a christian gentleman, a good and kind man, his dependability will stand, now and long after he has passed this earth, and his great works will stand as monuments to his brilliant career.

I have said before and I repeat, that I hope that General Pick will have the opportunity to build the Great Lakes-St. Lawrence seaway project as the crowning glory of a great engineer and a great American.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. TEAGUE and Mr. EVINS (at the request of Mr. PRIEST), for Tuesday, June 19, 1951, on account of official business.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks and include a telegram received from Governor Dever, of Massachusetts.

Mr. RILEY asked and was given permission to extend his remarks and include an editorial appearing in the Augusta Chronicle.

Mr. BARTLETT asked and was given permission to extend his remarks and include a newspaper article.

Mr. PASSMAN asked and was given permission to extend his remarks and include an address delivered by Miss Margaret Hunter of Gilbert, La.

Mr. YORTY asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. POLK asked and was given permission to extend his remarks and include a copy of a bill he introduced yesterday.

Mr. LANE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. MORANO asked and was given permission to extend his remarks and include an editorial appearing in Life.

Mr. ANGELL asked and was given permission to extend his remarks and include an editorial.

Mr. DONDERO and Mr. AYRES asked and were given permission to extend their remarks.

Mr. HUGH D. SCOTT, JR., asked and was given permission to extend his remarks and include extraneous matter.

Mr. HAYS of Ohio asked and was given permission to extend his remarks and include extraneous matter.

Mr. BUSBEY asked and was given permission to revise and extend the remarks he made in Committee and include extraneous matter.

Mr. RIBICOFF (at the request of Mr. KLEIN) was given permission to extend his remarks and include extraneous matter.

Mr. ADDONIZIO (at the request of Mr. RODINO) was given permission to extend his remarks and include an editorial.

Mr. RODINO asked and was given permission to extend his remarks and include an editorial.

Mr. ASPINALL asked and was given permission to extend his remarks in two instances and include editorials.

Mr. VAN ZANDT (at the request of Mr. CRAWFORD) was given permission to extend his remarks in two instances and include editorials.

Mr. CLEVENGER (at the request of Mr. CRAWFORD) was given permission to extend his remarks and include an editorial.

Mr. STEFAN asked and was given permission to extend his remarks in three instances and include editorials.

Mr. CURTIS of Nebraska asked and was given permission to extend his remarks and include a newspaper article.

Mr. GOSSETT asked and was given permisison to extend his remarks and include an editorial.

Mr. OSTERTAG asked and was given permission to extend his remarks and include a newspaper article.

Mr. BUDGE (at the request of Mr. SAYLOR) was given permission to extend his remarks.

ADJOURNMENT

Mr. SHELLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 2 minutes p. m.), the House adjourned until tomorrow, Wednesday, June 20, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

538. Under clause 2 of rule XXIV, a letter from the Secretary of the Treasury, transmitting the Annual Report of the Exchange Stabilization Fund created by section 10 (b) of the Gold Reserve Act of 1934 for the fiscal year ending June 30, 1950, pursuant to section 10 (a) of the act, was taken from the Speaker's table and referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. SABATH: Committee on Rules. House Resolution 262. Resolution providing for the consideration of H. R. 4473, to provide revenue, and for other purposes; without amendment (Rept. No. 629). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. WALTER: Committee on the Judiciary. S. 51. An act for the relief of Arthur Henrik Sorensen, Maren Anderson Sorensen, and minor child, Evelyn Sorensen; without amendment (Rept. No. 587). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 124. An act for the relief of Mrs. George (Wong Tze-yen) Poy; without

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amendment (Rept. No. 588). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 275. An act for the relief of Rafael Kubelik, his wife, Ludmila Kubelik, and their minor son, Martin Kubelik; without amendment (Rept. No. 589). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 470. An act for the relief of Sister Bertha Pfeiffer and Sister Elzbieta Zabinska; with amendment (Rept. No. 590). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 631. An act for the relief of Conrad Xavier Charles Mauerer; without amendment (Rept. No. 591). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 879. An act for the relief of Luigi Podesta; without amendment (Rept. No. 592). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1229. An act for the relief of Jan Josef Wieckowski and his wife and daughter; with amendment (Rept. No. 593). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. S. 699. An act for the relief of James M. Shellenberger, Jr., a minor; without amendment (Rept. No. 594). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 579. A bill for the relief of Hendryk Kempski; with amendment (Rept. No. 595). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 580. A bill for the relief of Kwangnyeng Chu; with amendment (Rept. No. 596). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 581. A bill for the relief of Isabel Tabit; with amendment (Rept. No. 597). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 627. A bill for the relief of Mrs. Tjitske Bandstra Van Der Velde; with amendment (Rept. No. 598). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 677. A bill for the relief of Ramute Alexandra Vailokaitis; with amendment (Rept. No. 599). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 870. A bill for the relief of Anton Bernhard Blikstad; with amendment (Rept. No. 600). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 970. A bill to adjust the status of an alien who is in the United States and who is a quota immigrant; with amendment (Rept. No. 601). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 1136. A bill for the relief of Sister Natalie (Marie Palagyi) and Sister Alice (Elizabeth Siachta); with amendment (Rept. No. 602). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 1420. A bill for the relief of Dr. Eugen Jose Singer and Mrs. Frieda Singer; with amendment (Rept. No. 603). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 2158. A bill for the relief of Sister M. Crocefissa and Sister M. Reginalda; with amendment (Rept. No. 604). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 2160. A bill for the relief of Sister M. Leonida; with amendment (Rept. No. 605). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 2292. A bill for the relief of Jai Young Lee; with amendment (Rept. No. 606). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 2787. A bill for the relief of Thomas Alva Raphael (Richards); without amendment (Rept. No. 607). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 3214. A bill for the relief of Irene Senutovitch; with amendment (Rept. No. 608). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 3819. A bill for the relief of Ann Elisabeth (Diana Elizabeth) Reingruber; without amendment (Rept. No. 609). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 3823. A bill for the relief of Shozo Ichiwawa; without amendment (Rept. No. 610). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4038. A bill for the relief of Dr. George Alexandros Chromakis; without amendment (Rept. No. 611). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. House Concurrent Resolution 111. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; without amendment (Rept. No. 612). Referred to the Committee of the Whole House.

Mr. JONAS: Committee on the Judiciary. H. R. 623. A bill for the relief of Carroll O. Switzer; without amendment (Rept. No. 613). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 828. A bill for the relief of Maj. Bruce B. Calkins; with amendment (Rept. No. 614). Referred to the Committee of the Whole House.

Mr. JONAS: Committee on the Judiciary. H. R. 1485. A bill for the relief of R. E. Agee and Margaret E. Agee; with amendment (Rept. No. 615). Referred to the Committee of the Whole House.

Mr. GOODWIN: Committee on the Judiciary. H. R. 1688. A bill for the relief of James J. Lieberman; without amendment (Rept. No. 616). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1961. A bill for the relief of Guy Christian; without amendment (Rept. No. 617). Referred to the Committee of the Whole House.

Mr. JONAS: Committee on the Judiciary. H. R. 2275. A bill for the relief of J. Alfred Pulliam; with amendment (Rept. No. 618). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2459. A bill for the relief of Ollie O. Evans, Jr.; with amendment (Rept. No. 619). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2550. A bill for the relief of Thomas G. Digges; without amendment (Rept. No. 620). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 3730. A bill for the relief of the estate of Elwood Grissinger; without amendment (Rept. No. 621). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. H. R. 2858. A bill for the relief of William C. Reed; without amendment (Rept. No. 622). Referred to the Committee of the Whole House.

Mr. GOODWIN: Committee on the Judiciary. H. R. 3430. A bill for the relief of the estate of Nora B. Kennedy; with amendment (Rept. No. 623). Referred to the Committee of the Whole House.

Mr. RODINO. Committee on the Judiciary. H. R. 3891. A bill for the relief of Paul D. Banning, Chief Disbursing Officer, Treasury Department, and for other purposes; without amendment (Rept. No. 624). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. H. R. 3966. A bill for the relief of George S. Paschke; without amendment (Rept. No. 625). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 4226. A bill for the relief of Walter M. Smith; with amendment (Rept. No. 626). Referred to the Committee of the Whole House.

Mr. BYRNE Of New York: Committee on the Judiciary. H. R. 3246. A bill for the relief of Mrs. Maud M. Wright and Mrs. Maxine Roberts, formerly Mrs. Maxine Mills; with amendment (Rept. No. 627). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 4269. A bill for the relief of John S. Downing; without amendment (Rept. No. 628). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 4509. A bill to increase the membership of the District of Columbia Recreation Board, and for other purposes; to the Committee on the District of Columbia.

By Mr. DONOHUE:

H. R. 4510. A bill providing that gain realized on the sale of a personal residence, if used by the taxpayer for another property as his personal residence, shall, under certain circumstances, be exempt from income tax; to the Committee on Ways and Means.

By Mr. FARRINGTON:

H. R. 4511. A bill to authorize the Secretary of the Navy to convey to the Territory of Hawaii certain real property at Kahului, Wailuku, Maui, T. H.; to the Committee on Armed Services.

By Mr. EDWIN ARTHUR HALL:

H. R. 4512. A bill to stop illegal traffic in narcotics, injurious drugs and marijuana cigarettes by imposing further penalties; to the Committee on the Judiciary.

By Mr. AYRES:

H. J. Res. 271. Joint resolution to continue in effect certain provisions of the Defense Production Act of 1950 through July 31, 1951; to the Committee on Banking and Currency.

By Mr. MOULDER:

H. J. Res. 272. Joint resolution designating the song entitled "Behold Thy Mother," as the National Mothers' Day song; to the Committee on the Judiciary.

By Mr. AYRES:

H. Con. Res. 124. Concurrent resolution providing for the adjournment of the House from June 29, 1951, until July 9, 1951, to enable its Members to seek the views of the people concerning the operation of the Defense Production Act of 1950; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. GOODWIN: Memorial of the General Court of Massachusetts for Congress to enact certain legislation granting aid to the Israeli Government; to the Committee on Foreign Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States, relative to enacting certain legislation granting aid to the Israeli Government; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. HOWELL introduced a bill (H. R. 4513) for the relief of Giovanni Giuseppe Pilato, Leonardo Trani, Michele Sasso, Gioacchino Gaudioso, Francesco Castagna, and Pasquale Di Meglio, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

323. Mr. SMITH of Wisconsin presented a resolution by the Women's Club of Kenosha, Wis., going on record to reaffirm faith in the American, voluntary way to safeguard the Nation's health and insure against the costs of illness and unequivocally oppose any form of national compulsory health insurance as a dangerous step toward complete acceptance of a planned, socialistic economy; to the Committee on Interstate and Foreign Commerce.

SENATE

WEDNESDAY, JUNE 20, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. James W. Elder, minister, Cumberland Presbyterian Church, Lawrenceburg, Tenn., offered the following prayer:

Almighty and Eternal God, who art above all, yet in all, who knowest our need of Thee and our desire for Thee, give unto us of Thy grace and strength to meet the challenge and the responsibility of this day. Fill our hearts with gratitude for the gift of life with all of its golden opportunities and responsibilities.

Be pleased to bestow upon these Thy servants Thy choicest blessings. Give unto all the mind of Christ, and make us ever to know that the way of righteousness and godliness and truth is the only way of life to genuine and abiding success and accomplishment.

Help us ever to remember what the Lord requires of us: To do justice, to love mercy, and to walk humbly with our God.

Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 19, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 19, 1951:

S. 1. An act to provide for the common defense and security of the United States and to permit the more effective utilization of manpower resources of the United States by authorizing universal military training and service and for other purposes;

S. 178. An act for the relief of Zdenek Marek;

S. 223. An act for the relief of Azy Ajderian;

S. 249. An act for the relief of Ruzena Pelentova; and

S. 361. An act for the relief of Herk Visnapuu and his wife Naima.

On June 20, 1951:

S. 648. An act for the relief of Evald Ferdinand Krsk.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 4496) making appropriations for the legislative branch for the fiscal year ending June 30, 1952, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1025) to expand the authority of the Coast Guard to establish, maintain, and operate aids to navigation to include the Trust Territory of the Pacific Islands, and it was signed by the Vice President.

HOUSE BILL REFERRED

The bill (H. R. 4496) making appropriations for the legislative branch for the fiscal year ending June 30, 1952, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

ANNOUNCEMENT OF JOINT MEETING OF THE TWO HOUSES TOMORROW

Mr. MCFARLAND. Mr. President, I desire to announce that the House of Representatives has invited the Senate to attend a joint meeting of the two Houses tomorrow to hear the President of Ecuador. The Senate will recess shortly after it convenes and will proceed to the Hall of the House of Representatives about 12:20 o'clock.

TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators may be permitted to make insertions in the RECORD and transact routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LEHMAN. Mr. President, I send to the desk a perfecting amendment to the bill H. R. 3880, as amended.

The VICE PRESIDENT. The amendment will be received and lie on the table. This is not the time to offer the amendment, if the Senator wants to offer it.

Mr. LEHMAN. I ask unanimous consent that I may present the amendment out of order.

The VICE PRESIDENT. The Senator from New York will have ample opportunity to offer the amendment when the Senate comes to consider amendments to the appropriation bill. The Senate is now engaged in transacting routine business.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

REDUCTION OF LEAVE OF FEDERAL EMPLOYEES—RESOLUTION OF COLUMBIA TYPOGRAPHICAL UNION, NO. 101, WASHINGTON, D. C.

Mr. NEELY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Columbia Typographical Union, No. 101, Washington, D. C., protesting against the enactment of legislation to reduce the leave privileges of Federal employees.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

COLUMBIA TYPOGRAPHICAL UNION, No. 101,
Washington, D. C., June 18, 1951.

The Honorable Members of the Senate and of the House of Representatives of the United States:

As officers of Columbia Typographical Union, No. 101, we respectfully submit for your consideration the following resolution (adopted June 17, 1951):

"RESOLUTION

"Whereas we, the members of Columbia Typographical Union, No. 101, in regular meeting assembled on this the 17th day of June 1951, have reason to believe that legislation is intended to be proposed the purpose of which is to reduce the leave privileges of more than a million Federal employees; and

"Whereas we have reason to believe that the legislation intended to be proposed will be submitted as an amendment to the independent offices appropriation bill, presently under consideration in the Senate of the United States; and

"Whereas the enactment of substantive legislation by means of an amendment to an appropriation bill, with no prior hearing upon its merits, is at best a circumvention of orderly, established procedure and at worst, as here, where the legislation intended to be proposed is regressive, a form of legislative chicanery repugnant to all principles of fairness and justice; and

"Whereas there have been submitted for consideration in both the Senate and House of Representatives of the United States bills to amend the Federal leave laws: Therefore be it

"*Resolved*, That we respectfully petition the Senate and House of Representatives of the United States to enact no amendment to the laws governing the leave privileges of Federal employees without having previously

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given those affected an opportunity to be heard in congressional hearings."

JAMES J. O'CONNOR,
President.
JOHN R. EVANS,
Vice President.
JOSEPH Z. LINS,
Secretary-Treasurer.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary, without amendment:

S. 518. A bill for the relief of Dr. Isac C. Goldstein (Rept. No. 446);

S. 585. A bill for the relief of Shizu Fujii and her son, Suenori Fujii (Rept. No. 447);

S. 1006. A bill for the relief of Libuse Chalupnik Pavlish (Rept. No. 448);

S. 1503. A bill for the relief of Harold Frederick D. Wolfgramm (Rept. No. 465);

S. 1696. A bill to amend Public Law 587 of the Eighty-first Congress (approved June 30, 1950) to provide relief for the sheep-raising industry by making special quota immigration visas available to certain alien sheepherders (Rept. No. 449);

H. R. 895. A bill for the relief of Dr. Giuseppe Mazzone (Rept. No. 450);

H. R. 896. A bill for the relief of Mrs. Clara Raffloer Droesse (Rept. No. 451);

H. R. 997. A bill for the relief of William J. Drinkwine (Rept. No. 452);

H. R. 1443. A bill for the relief of Paul Matelli (Rept. No. 453);

H. R. 1840. A bill for the relief of Bernard Spielmann (Rept. No. 454);

H. R. 2310. A bill for the relief of Jindrich Henri Nosek and Mrs. Zdenka Nosek (Rept. No. 455);

H. R. 2853. A bill for the relief of Shizue Sakurada (Rept. No. 456);

H. R. 2854. A bill for the relief of Dorothy Fumie Maeda (Rept. No. 457);

H. R. 3063. A bill for the relief of Rosina Mouradian; (Rept. No. 458);

H. R. 3217. A bill for the relief of the Peerless Casualty Co. and of Charles E. Nelson and Irwin I. Main (Rept. No. 459); and

S. J. Res. 42. Joint resolution consenting to an interstate compact to conserve oil and gas (Rept. No. 460).

By Mr. McCARRAN, from the Committee on the Judiciary, with an amendment:

S. 236. A bill for the relief of Nicholas George Strangas (Rept. No. 461);

S. 1261. A bill for the relief of Eric Adolf Lenze (Rept. No. 462);

S. 1282. A bill for the relief of Cecil Lennox Elliott (Rept. No. 463);

S. 1436. A bill for the relief of Mrs. Marie Y. Mueller (Rept. No. 464);

S. 1504. A bill for the relief of Valmai Eileen Mackenzie (Rept. No. 466); and

H. R. 2395. A bill to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," to provide basic authority for certain activities of the United States Secret Service, and for other purposes (Rept. No. 467).

By Mr. CHAVEZ, from the Committee on Public Works:

H. R. 4338. A bill to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del.; without amendment (Rept. No. 468).

FEDERAL JOB SELLING AND OTHER IRREGULARITIES IN MISSISSIPPI—REPORT OF A COMMITTEE (REPT. NO. 445)

Mr. HOEY. Mr. President, from the Committee on Expenditures in the Executive Departments, I submit, pursuant to Senate Resolution 51, Eighty-second Congress, authorizing the Committee on Expenditures in the Executive Departments to carry out certain duties, an interim report, relating to Federal job selling and other irregularities in Mississippi, and I ask unanimous consent that I may be permitted to make a short statement in connection with the report.

The VICE PRESIDENT. The report will be received and printed, and, without objection, the Senator from North Carolina may proceed.

Mr. HOEY. Mr. President, this report sets forth the results of the subcommittee's investigation of Federal job selling and other irregularities in Mississippi.

It will be recalled that early in the session the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS] stated on the Senate floor that representatives of the Mississippi Democratic Committee were selling Federal jobs and were otherwise using improperly political powers which had been delegated to them. At the specific request of the Mississippi Senators an investigation of these charges was made by the Senate Investigations Subcommittee. The staff of the subcommittee conducted extensive inquiries throughout the State of Mississippi, and public hearings on this matter were held in Jackson, Miss., and in Washington.

The facts as disclosed by the investigation and hearings are set forth in considerable detail in the report I have just submitted. It was found that as a result of the factional split between the National Democratic Party and the States Rights Democratic Party in the 1948 elections, Federal patronage rights in Mississippi were taken away from the congressional delegation of that State and turned over to a self-appointed rump group, known as the Mississippi Democratic Committee. It developed that control of the Mississippi Democratic Committee was usurped by a small group of willful men who corruptly extorted political contributions from a substantial number of persons seeking recommendations for appointment to postal jobs. This same group extracted political contributions from a number of other persons who were promised OPS jobs which were, in fact, nonexistent. In addition, some of this same group sought without success, to use improperly their political power to further their own financial gain by influencing defense contracts, RFC loans and other matters involving the activities of Federal agencies.

It is gratifying to report that the nefarious activities of this clique have been brought to an end. Shortly after the first public disclosure of job-selling in Mississippi, the chairman of the Democratic National Committee divested the Mississippi Democratic Committee of its political power and returned Federal patronage in Mississippi to the congressional delegation of that State. Furthermore, all the facts developed as a result of the subcommittee's investigation have been made available to the Department of Justice by the subcommittee. Shortly thereafter the Attorney General very properly directed one of his special assistants to institute a grand jury investigation in Mississippi. That Federal inquiry is now in progress and I am convinced that in those instances where there is evidence of Federal criminal violations the guilty will be prosecuted.

In this case a number of persons, who were eligible for postal appointments under the Civil Service rules, were the victims of this vicious job-selling racket. It is especially disturbing that many of the persons victimized by these job peddlers were disabled war veterans or others who enjoyed veterans' preference rights. Furthermore, there is no doubt in my mind that the open and widespread job-selling activities of certain representatives of the Mississippi Democratic Committee, over a long period of time, had the effect of weakening the confidence of many of the law-abiding citizens of Mississippi in the administration of Federal affairs. Such a situation is a serious one which cannot be allowed to continue. It is, therefore, my sincere hope and belief that the exposure of the sordid facts in this case and the prosecutive action which has already been initiated by the Department of Justice will strengthen and renew the faith of the people of Mississippi in the integrity of our system of government.

It is indeed regrettable that from time to time men lacking in moral integrity find their way into positions of power and trust where they can corrupt public affairs. When such conditions are found to exist, they must be exposed and corrected, as the subcommittee has attempted to do in this case. In closing, I wish to point out that the distinguished senior Senator from Mississippi [Mr. EASTLAND] and his able colleague, the junior Senator from Mississippi [Mr. STENNIS], by making public disclosure of the conditions in their State and by demanding a congressional investigation of this matter, have rendered a distinct service to the people of Mississippi, to the Senate, and to the public at large.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 20, 1951, he presented to the President of the United States the enrolled bill (S. 1025) to expand the authority of the Coast Guard to establish, maintain, and operate aids to navigation to include the Trust Territory of the Pacific Islands.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOEY:

S. 1705. A bill to amend title 28 of the United States Code so as to provide for two United States Commissioners for Great Smoky Mountains National Park; to the Committee on Interior and Insular Affairs.

S. 1706. A bill for the relief of Marie Koch; to the Committee on the Judiciary.

By Mr. DWORSHAK:

S. 1707. A bill for the relief of the George B. Henly Construction Co., Inc., to the Committee on the Judiciary.

By Mr. RUSSELL (by request):

S. 1708. A bill to authorize certain construction at military and naval installations, and for other purposes; to the Committee on Armed Services.

S. 1709. A bill for the relief of certain disbursing officers of the Army of the United States, and for other purposes; to the Committee on the Judiciary.

S. 1710. A bill to authorize the Secretary of the Army to convey certain road right-of-way easements in De Kalb and Putnam Counties, Tenn., to the State of Tennessee; to the Committee on Public Works.

By Mr. LEHMAN:

S. 1711. A bill for the relief of Dr. William Edward Cowell-Taylor; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 1712. A bill to provide for the erection at the Memorial Avenue entrance to the Arlington National Cemetery of the sculptural piece known as The Last Farewell, and for the establishment of the Christopher Columbus Memorial Grove; to the Committee on Interior and Insular Affairs.

By Mr. McFARLAND:

S. 1713. A bill for the relief of Charles Cooper; to the Committee on the Judiciary.

NOTICE OF HEARING ON NOMINATION OF EDWARD JORDAN DIMOCK TO BE DISTRICT JUDGE FOR SOUTHERN DISTRICT OF NEW YORK

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, June 27, 1951, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Edward Jordan Dimock, of New York, to be United States district judge for the southern district of New York, vice Hon. George Murray Hulbert, deceased. At the indicated time and place persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from West Virginia [Mr. KILGORE], and the Senator from New Jersey [Mr. HENDRICKSON].

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. MOODY:

Address broadcast by the President to the people of the United States on June 14, 1951, with reference to the necessity for controls.

By Mr. ELLENDER:

Address on the meaning of citizenship, delivered by him to the twenty-first national 4-H Club camp, at the Jefferson Memorial in Washington, D. C., on June 19, 1951.

By Mr. HILL:

Address delivered by Senator MURRAY at the International Labor Conference, Geneva, Switzerland, June 11, 1951, in reply to the report of the Director General of the International Labor Office.

By Mr. LEHMAN:

Statement regarding reforms in senatorial procedure made by him before the Committee on Expenditures in the Executive Departments on June 18, 1951.

Address delivered by Dr. Julian P. Boyd, librarian of Princeton University and editor of the Jefferson Papers, on June 17, 1951, dealing with freedom and the right of criticism and opposition under our form of government; and an editorial from the Washington Post, dealing with the attitude of Communists toward the Bill of Rights.

By Mrs. SMITH of Maine:

A column by her and one by George Sokolsky dealing with the Committee to Proclaim Liberty.

By Mr. O'CONOR:

Address on the subject Common Carriers by Water—Mobilizing for Action, delivered by W. B. Garner, executive vice president of the Waterman Steamship Corp., before the regional transportation conference of the Chamber of Commerce of the United States, in Atlanta, Ga., June 7, 1951.

Address delivered by Charles P. McCormick, president of McCormick & Co., Inc., at the thirty-fourth annual conference of the International Labor Organization in Geneva, Switzerland, June 14, 1951.

By Mr. WHERRY:

Address on Independence Day, by Hugh Darling, of Arlington, Va., in the national public speaking contest at the forty-ninth annual convention of the American Institute o. Banking, in Pittsburgh, Pa., June 4, 1951.

By Mr. HENDRICKSON:

Tribute to the late Benjamin Rosenthal, of New Jersey, by his brother, Morris Rosenthal.

By Mr. WILEY:

Text of an interview by Tris Coffin of a Russian youth regarding the reactions of Russian children to Communist rule.

INDEPENDENT OFFICES APPROPRIATIONS, 1952

The Senate resumed the consideration of the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes.

The VICE PRESIDENT. The question before the Senate is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN] on the reopening of an amendment which was agreed to previously, when all the committee amendments were agreed to en bloc. Under the unanimous-consent agreement, they may be reopened. The Senator from Illinois has offered an amendment, which has been stated.

Mr. LEHMAN obtained the floor.

Mr. WHERRY. Mr. President, I am wondering if the distinguished Senator from New York would yield for a quorum call. The Senator from Illinois [Mr. DIRKSEN] is absent, and he has asked the junior Senator from Ohio [Mr. BRICKER] to handle the amendment for him. Inasmuch as this is an amendment to perfect a committee amendment, I believe that it would expedite matters if we could have a quorum call to bring the Senator from Ohio into the Chamber. Will the Senator from New York yield for a quorum call?

Mr. LEHMAN. Mr. President, it is not quite clear to me whether the amendment which I sent to the desk is now in order, or whether it has been received.

The VICE PRESIDENT. It has not been officially offered. During the transaction of routine business, the Chair suggested that the amendment could only be received at that time. If the Senator wishes to offer it now, he may do so.

Mr. LEHMAN. I should like to offer the amendment, and then I shall be glad to yield for a quorum call.

The VICE PRESIDENT. The amendment offered by the Senator from New York will be stated.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MAYBANK. I understood the minority leader to state that the Senator from Ohio would handle the amendment.

Mr. WHERRY. I meant to state, if I did not, that the Senator from Illinois has offered an amendment, to which I understand this is a perfecting amendment.

Mr. LEHMAN. It is a perfecting amendment to the committee amendment.

Mr. WHERRY. The several amendments are involved. It is perfectly all right to offer it now, and then proceed to discuss it. However, I should like to have the Senator from Ohio in the Chamber.

Mr. MAYBANK. Mr. President, may I ask a question? I am wondering how much time is left to the Senator from Illinois [Mr. DIRKSEN].

The VICE PRESIDENT. The Senator from Illinois, who offered the amendment, has 8 minutes remaining. The Senator from South Carolina did not use any time, so there are 15 minutes in opposition to the Dirksen amendment.

Mr. MAYBANK. Mr. President, I should like to ask a further question. I am asking it merely to find out at what time it will be necessary for me to return to the Chamber. I was about to go downstairs for a few minutes to eat lunch.

The VICE PRESIDENT. The Chair cannot answer that question.

Mr. MAYBANK. I ask the Senator from Nebraska whether or not the Senator from Illinois [Mr. DIRKSEN] intends to speak for 8 minutes.

Mr. WHERRY. If the Senator will yield so that I may answer that question, I stated that the Senator from Illinois, who offered the amendment, is absent. The junior Senator from Ohio [Mr. BRICKER] is not present in the Chamber. He is attending a committee hearing. He is to have charge of the remaining time.

Mr. MAYBANK. He will then take charge of that time?

Mr. WHERRY. He will. That is the reason I asked that we have a quorum call, to bring him into the Chamber. However, it is perfectly all right to offer the amendment.

Mr. MAYBANK. I thank the Senator for the information.

The VICE PRESIDENT. The Senator from New York [Mr. LEHMAN] has offered an amendment, and on that amendment there will be 30 minutes debate.

Mr. McFARLAND. Mr. President, will the Senator from New York yield for a unanimous-consent request?

Mr. LEHMAN. I yield.

Mr. McFARLAND. I ask unanimous consent that the Senator from New York may yield for a quorum call without losing his right to the floor, and without time being taken from him.

Mr. LEHMAN. I am glad to yield for a quorum call, provided I do not lose the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

The amendment will be stated.

The LEGISLATIVE CLERK. On page 28, line 4, in the committee amendment, it is proposed to strike out "fifty" and insert in lieu thereof "sixty."

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On page 28, line 7, in the committee amendment, it is proposed to strike out "$11,400,000" and insert "$12,000,000."

Mr. McFARLAND. Mr. President, under the unanimous-consent agreement just made, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Green	McMahon
Anderson	Hayden	Millikin
Bennett	Hendrickson	Monroney
Benton	Hennings	Moody
Brewster	Hickenlooper	Mundt
Bricker	Hill	Neely
Bridges	Hoey	Nixon
Butler, Md.	Holland	O'Conor
Butler, Nebr.	Humphrey	O'Mahoney
Byrd	Ives	Pastore
Cain	Jenner	Robertson
Carlson	Johnson, Colo.	Russell
Case	Johnson, Tex.	Saltonstall
Chaves	Kem	Schoeppel
Clements	Kilgore	Smith, Maine
Connally	Knowland	Smith, N. J.
Cordon	Langer	Smith, N. C.
Douglas	Lehman	Sparkman
Duff	Lodge	Stennis
Dworshak	Long	Taft
Eastland	Magnuson	Thye
Ecton	Maybank	Watkins
Ellender	McCarran	Welker
Ferguson	McCarthy	Wherry
Flanders	McClellan	Wiley
Frear	McFarland	Williams
George	McKellar	Young

Mr. JOHNSON of Texas. I announce that the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Florida [Mr. SMATHERS] are absent because of illness. The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Illinois [Mr. DIRKSEN] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent.

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the amendment offered by the Senator from New York [Mr. LEHMAN] to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The Senator from New York is recognized for 15 minutes.

Mr. LEHMAN. Mr. President, the issue before the Senate is not, as far as I am concerned, on whether an appropriation should be made for 60,000 housing units, as provided by my amendment, or 50,000 units, as provided by the committee amendment. The real issue is whether we should have a public housing program at all. The amendment offered by the junior Senator from Illinois [Mr. DIRKSEN] would reduce the number from the 50,000, as provided in the committee bill, to 5,000.

The VICE PRESIDENT. The Senator from New York will suspend. The Senate will be in order. It is impossible to transact business if every Member of the Senate is talking at the same time. The Chair appeals to Senators, if they must converse and cannot do so in a whisper, to please retire from the Chamber. The Chair would also admonish the occupants of the galleries. They are the guests of the Senate. We are glad to have them with us. However, private conversation creates confusion. The Chair asks the occupants of the galleries to cooperate with the Members of the Senate, and vice versa, in preserving order. The Senator from New York.

Mr. LEHMAN. Mr. President, the amendment offered by the junior Senator from Illinois [Mr. DIRKSEN] would, to all intents and purposes, completely gut and destroy the public housing program. Public Law 171, the Housing Act of 1949, authorized 810,000 units, to be built over a 6-year period, with 135,000 units to be built each year. The President had the authority to accelerate the program up to the rate of 200,000 units a year, or to decrease it to 50,000 units a year, upon the advice of the Council of Economic Advisers.

President Truman, taking into account the present conditions as far as our national economy is concerned and the availability of materials, reduced the program to 75,000 units. That program would be further reduced to 50,000 units by recommendation of the Appropriations Committee. Even that figure is too low. I cannot conceive of anything we could do which would be worse than to cut the heart out of the housing program by providing for only 5,000 units. Frankly, so far as I am concerned, I would much rather be honest, acknowledge that we intend to have no public housing program, and ask for no appropriation at all—rather than make the proposed token provision for 5,000 units. That is pure show.

Mr. IVES. Mr. President, will the Senator yield?

Mr. LEHMAN. I am glad to yield to my colleague.

Mr. IVES. Mr. President, I wish to ask my colleague a very brief question. I shall not take much time, because I know his time is limited. Does not my colleague feel that to make the reduction which is provided for in the amendment offered by the distinguished junior Senator from Illinois [Mr. DIRKSEN] might be most disastrous, especially in view of the fact that no action has been taken by the Congress as a whole with respect to defense housing, and that the provision we are discussing now may be all that we shall have in concrete form by which to meet the defense housing requirements? Therefore, is it not highly essential that, within reason, as much as possible should be done at this time by the means now available to us?

Mr. LEHMAN. I thank my colleague for his observation. Of course, he is entirely correct.

However, in addition to what he suggests, the building of 50,000 low-cost units for families of low income certainly is as greatly needed today as it has ever been needed at any time during the past decade. The Housing Administration has applications for several times the 50,000 units which now are proposed in the committee bill. Construction of approximately 50,000 units was started during the past year. One hundred seven thousand six hundred and forty-six units are under final contract, but not under construction, in the several States of the Union. By that I mean that agreements were entered into between the Federal Government and the various cities and communities, under the terms of which the cities and communities were authorized to proceed with the planning, with the acquisition of sites, and with the assumption of other responsibilities in connection with the housing program.

If we reduced the number to 50,000 that would mean that one out of two of all those that have been contracted for, but are not under construction, would have to be eliminated. If we reduced the number from 50,000 to 5,000, it would mean that 19 out of 20 of these very essential undertakings would have to be completely scrapped.

I think it would be against the interest of the Nation to do this, because it would then be impossible to proceed with a long-range program of low-rental-housing construction and slum clearance, and it would take away from the workers in the various States a great amount of work which may be very necessary because under the Defense Production Act restrictions which I hope will be imposed, following the recommendation of the Committee on Banking and Currency, it is probable that in many communities there will be little nondefense construction work.

The need of housing for private tenancy has been recognized, and the program has been authorized.

I understand that the amount of residential housing scheduled to be built next fiscal year is 1,000,000 residential units. Certainly one-tenth of these would not be too many for public housing for low-income groups. However, we are not asking for even 100,000. The committee bill, which I support, proposes 50,000, or less than 5 percent of the total building program.

In New York State and in New Jersey applications are on file for a large number of new public-housing units. I believe New York State has applications for approximately 16,000 or 17,000, and they cover large communities, such as New York City, Buffalo, Albany, Binghamton, Rome, and many other cities. I understand that the State of New Jersey, my neighboring State, has applications for a great number of housing units. Although I do not have the figures in that connection, I am under the impression

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that the number is even larger than the number requested in my own State of New York.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. HENDRICKSON. I should like to say to the Senator from New York that the need in New Jersey in connection with this matter is very great indeed, and the Senator from New York is entirely correct with respect to his estimates in regard to the situation in New Jersey.

Mr. President, if the Senator from New York will permit, I should like to request unanimous consent to have printed at this point in the RECORD an editorial entitled "An Unfair Housing Cut," published in the New York Times on May 21 of this year, and also an editorial entitled "Newark Housing," which was published in the May 11 issue of the Newark News.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 21, 1951]

AN UNFAIR HOUSING CUT

The decision of the House of Representatives to cut the number of public housing units to be started in the next fiscal year to 5,000 transfers too heavy a share of the burden of sacrifice for national defense to slum dwellers in New York and other major cities. The Federal program, as originally approved by Congress, called for 135,000 new units a year. After the Korean fighting began President Truman recommended that this figure be cut to 75,000.

A cut of the severity approved by the House would virtually wipe out the program. It would give Communist critics new ammunition for charging that the costs of defense were being thrown on the shoulders of the poorest elements in our economy. It would delay progress toward wiping out substandard housing and thus give rise to disaffection in communities that will have a large part to play in the attainment of our war-production goals. It is to be hoped that the Senate will act to bring the housing program up to a more realistic level, one that balances the requirements of defense and the social needs of our large cities.

[From the Newark (N. J.) News of May 11, 1951]

NEWARK HOUSING

Newark Housing Authority has proved itself to be an action agency. A year of hard work, some of which had to be devoted to cutting governmental red tape, has resulted in ground-breaking for two low-rent housing developments. These badly needed projects will bring to a housing-poor city 1,360 apartments, to be occupied by families now forced to live in the slums or to live doubled up with other families.

The authority and its executive director, Louis Danzig, deserve credit for getting the two projects under way at last. But the Congress deserves something considerably less than praise for the fast one pulled Friday when antipublic housers, without warning that the move was in the wind, succeeded in limiting low-rent housing starts for the 1952 fiscal year to 5,000 instead of the 50,000 recommended. For the country at large, 5,000 is the same as nothing. It means among other things that Newark's two slum sites in the first and fourteenth wards will not be developed as scheduled next year for low-rent housing.

The slash was effected by the old trick of waiting until the "4-day" Representatives from the East went to their home towns for their usual 3-day week ends. Most of the absentees were Democrats, who thereby left the House to a coalition of Republicans and Dixiecrats. This is congressional action which should be reversed.

But whether Newark gets the 3,740 units in the two slum sites or not, one point raised by NHA Commissioner Stickel at both ground-breaking ceremonies is as true as ever. And that is the public housing alone cannot do the job of reclaiming the city from slums and blight. Private enterprise must jump in to do its share by providing homes for the middle-income groups who find themselves unable to get into public housing and also unable to afford the costly apartments that are available in profusion.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. LEHMAN. I am glad to yield to the Senator from Michigan.

Mr. MOODY. I should like to join in the statement that the Senator from New York is entirely correct, and I should like to read for a moment an excerpt from an article which appeared in the Detroit Free Press on December 7 last. The article is by James Ransom:

Housing conditions in Detroit are worsening.

At least 250,000 persons are living in substandard dwellings. Twice that many are living in standard dwellings but under substandard conditions.

In another article which appeared in the Detroit Free Press it is stated that—

Detroit is leading with its chin again as far as defense housing is concerned.

That is the opinion of at least two councilmen, of a health department engineer, of unemployment-compensation commission officials, of many industrialists.

What sometimes happens in the situation the Senator from New York is discussing is referred to in another article, which reads in part as follows:

A ramshackle slum dwelling, long ago condemned as a firetrap, finally lived up to its name Thursday.

A number of persons were killed in that fire, Mr. President.

I should also like to point out that Mr. Walter Reuther, chairman of the CIO National Housing Commission, has stated in a message to a number of Members of the Senate that the 1950 census of housing, which has just been released, shows the existence of 2,500,000 substandard and dilapidated dwelling units in the United States, the same number which existed in 1940.

I believe the Senator from New York is entirely correct in regard to this matter, and I hope Congress will not slash this program, which is required for the minimum living standards of a great many of the American people.

Mr. LEHMAN. Mr. President, I thank the Senator from Michigan for his very helpful observations.

Mr. MOODY. Mr. President, if the Senator from New York will permit, I should like to ask unanimous consent that the articles to which I have referred, which were published in the Detroit Free Press, be printed in the RECORD. The articles are brief.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Detroit Free Press of December 7, 1950]

SEVEN HUNDRED AND FIFTY THOUSAND FOUND ILL-HOUSED IN DETROIT—CONDITIONS WORSENING, OFFICIAL SAYS—6,000 WAIT VACANCY IN PUBLIC PROJECTS

(By James Ransom)

Housing conditions in Detroit are worsening.

At least 250,000 persons are living in substandard dwellings. Twice that many are living in standard dwellings but under substandard conditions.

These figures were released Wednesday by the Housing Commission after a survey.

Mark K. Herley, assistant director-secretary of the Commission, said thousands of workers are coming to Detroit for war jobs and increasing the housing problem.

"An all-out war effort would make the job of housing the influx of workers practically impossible," Herley said.

He pointed out that there are more than 6,000 families on lists waiting to get into public-housing units.

The survey shows that 16 management companies operating large apartment buildings containing 11,378 dwelling units had only three vacancies during November and waiting lists of 1,950 families.

Dwelling units are considered substandard by the Commission when they are dilapidated or when they do not have inside toilets, baths, or running water.

Substandard conditions in a standard dwelling occur when two or more families occupy a unit designed for one family.

These conditions exist in more than 48,000 dwellings in Detroit.

"Most serious effect of the current crowded conditions is the health and moral structure of the community," Herley said.

[From the Detroit Free Press of March 18, 1951]

HOUSING CRISIS NEAR AS CITY DAWDLES—DETROIT TOLD TO PLAN FOR WAR-WORK RUSH—ALREADY-JAMMED LIVING SPACE AND LACK OF LABOR SURPLUS CITED

(By James McConkey)

Detroit is leading with its chin again as far as defense housing is concerned.

That is the opinion of at least two councilmen, of a health department engineer, of unemployment compensation commission officials, of many industrialists.

Despite the possibility—even probability—that Detroit will again be overrun by defense workers from outside the State, nothing is being done to prepare the city for a war-worker housing crisis.

Councilmen Eugene I. Van Antwerp and Edward D. Connor have urged the local administration to do some advance planning. But apparently peace has broken out again in the thinking of many city officials.

The city administration looks to Washington for advice. And since that is not immediately forthcoming, it continues to plan housing in terms of 1948 and 1949.

As a body, common council has done nothing but go on record as deploring all future construction of claptrap housing such as the 6,000 units of temporary war housing that has cluttered Detroit, since the middle of World War II.

Van Antwerp and Connor argue that the present state of inertia may lead to more of the same.

The Wayne County CIO Council recently suggested that a defense-housing committee be set up to help the Detroit Housing Commission. The commission said it didn't need any help.

Well, as one Federal housing official commented:

"They can pray to the east as long as they want, but if war workers start swarming in it will be up to Detroit to find room for them. Washington can only appropriate."

There are at least two good reasons for predicting that an influx of war workers would hit Detroit harder this time than it did in World War II.

First, there already is a critical housing shortage in Detroit, particularly in rental units.

That shortage is a hangover from the war. New construction has barely kept pace with the city's greatly increased labor force.

But at the beginning of World War II there were an estimated 30,000 housing vacancies in the Detroit area. That is 4½ percent of the housing total, according to Housing Commission figures.

Vacancies in late 1950 were estimated at four-tenths of 1 percent. The Office of Housing Expediter surveyed rental vacancies here last October. He found three.

The survey also disclosed that hundreds of newly hired factory workers from outstate were leaving Detroit because of the housing shortage.

General Motors Corp., Great Lakes Steel, the Detroit Tank Arsenal, and many other plants reported they were having difficulty recruiting new workers because of the housing scarcity.

In short, no longer was there the housing cushion that existed in 1941.

Then there also was a cushion of unemployment. There were approximately 300,000 jobless persons in Michigan at that time. Most were available for war production.

Last week, however, unemployment in the State was down to 90,000, according to the MUCC. Detroit claims were down to 15,982.

So the labor market has very little slack in it. An anticipated cut-back in employment has not materialized. Local manufacturers already are recruiting outside the State.

In store for migrant workers are plenty of high down-payment houses and $100-and-up apartments. That takes care of the out-of-town vice presidents.

Van Antwerp warned council a week ago that Detroit may be in the path of a housing blitz. And Connor wanted to know:

"Where are we going to put these people if they start rolling in again. We're starting this time with an existing shortage and our defense production already is attracting people to Detroit."

An MUCC official estimated that between 25,000 and 30,000 defense workers have flocked here within the last 90 days.

Cecil Kirkpatrick, of the board of health's substandard housing division, said he "had no doubt" that housing would be critical if the influx continues.

At its peacetime tempo, Detroit's housing program can barely accommodate the hundreds of families being dispossessed by expressways and other civic projects.

The housing commission expects to have some 4,000 new units completed within 2 years at the Jeffries and Douglass sites. Land for another project has not yet been condemned.

But these, in substance, are slum-clearing projects—trading new units for old. And 6,000 families are on a waiting list for the vacancies that may turn up.

The city decided a year and a half ago that no new housing was needed on vacant land. Council tossed out a carefully prepared program for acquiring 12 vacant sites.

Some city officials point out that Washington has not yet determined how much additional manpower Detroit may need. Maybe none.

But the people who plug for advance planning would rather lead with a left.

FOUR PERISH IN SLUM FIRE, LANDLORD FACES TRIAL—FATAL BLAZE HAD BEEN PREDICTED—SCORES OF COMPLAINTS MADE ON APARTMENT

A ramshackle slum dwelling, long ago condemned as a fire trap, finally lived up to its name Thursday.

Flames licking up the rear stairwell in the dilapidated, overcrowded building trapped three small children and their grandmother in a bedroom. All died.

Killed were Mrs. Clara Johnson, 76, and Florence Culver, 6, and her brothers Early, Jr., 4, and Frank, 3.

Mrs. Johnson and little Frank were found dead in bed. The two others died at Receiving Hospital.

The blaze, which started at the foot of the stairs, routed 12 families living in six upstairs apartments. Among the 26 persons who escaped unhurt, was the mother of the dead children, Mary Culver, 30. She rescued her youngest child, 9-months-old Mary Lou.

Mrs. Culver told police her husband, Early, lives at 4412 Brush, because their apartment was too crowded.

Three years ago, Fire Marshal Ed Hall had predicted that this sort of tragedy would eventually strike the two-story frame building at 4264 Orleans.

He said it had inadequate fire escapes and defective wiring.

At that time owner William Burton, 59, was called "the typical Detroit slum landlord" by then Mayor Eugene Van Antwerp.

The next year, 1949, the board of health cited the building on 40 violations. Burton, operator of the Industrial Investment Corp., 83 East Palmer, was accused of allowing up to four families to live in one apartment.

Sanitary engineers found excessive vermin, lack of kitchens, and other unhealthy conditions. Building inspectors added their complaints, including lack of enough exits.

Burton was tried before a jury and got away with a $300 fine.

As a result of Thursday's fatal fire, Burton is due to appear in traffic court Friday, on new board of health charges. Overcrowding is the chief complaint. He has asked for a jury trial.

Four other city agencies have entered the new investigation. They are the fire marshal's office, arson squad, the department of building and safety engineering, and even the narcotics squad.

There has been a report that marijuana addicts were staging reefer parties in the attic of the two-story frame structure.

Mr. LEHMAN. Mr. President, let me inquire how much time I have remaining.

The VICE PRESIDENT. The Senator has 4 minutes remaining.

Mr. LEHMAN. Mr. President, I wish to say that this program is of very real help to those of low incomes. These housing units cannot be occupied by persons who are not of a low-income status. The subsidies granted by the United States Government are small. This bill provides for only $10,000,000 in the aggregate. Certainly we cannot afford to take the chance of jeopardizing the interest and the well-being of the low-income groups of our people. It is not only necessary for their own welfare for them to have reasonably priced housing, but it is also of great aid and help in our defense effort.

Mr. President, I wish to yield 2 minutes to the Senator from New Jersey [Mr. HENDRICKSON], and thereafter I shall yield half a minute to the Senator from New Hampshire.

The VICE PRESIDENT. The Senator from New Jersey is recognized for 2 minutes.

Mr. HENDRICKSON. Mr. President, when the House of Representatives took action to limit to 5,000 the number of units for which construction would be begun in the coming year under the housing program, many of the Members of the House who voted for that limitation were under the impression that it did not affect any units already under contract between local housing authorities and the Federal Government.

However, that is not the case, of course. So I feel that it is necessary to make sure that the Senate understands the full implications of such a cut in connection with the present program, which includes much preliminary work which already is underway, but will have to be stopped in the event this limitation is concurred in by the Senate.

As of June 1 of this year, there were actually 114,154 public housing units with approved annual contributions contracts which were not under construction. Even if as many as 14,000 of these homes were put under construction by July 1, it would mean that there would be more than 100,000 dwelling units on which much preliminary work has been done, and on which millions of dollars have already been spent, which would be abruptly halted now by the 5,000 unit limitation on those which could actually go into construction.

On many of these projects, sites have already been selected, condemnation proceedings entered into, architects' fees paid, final plans and specifications drawn. All this work would be for naught.

There is one other point I should like to impress upon my colleagues. Seldom has there been such unanimity of opinion, as reflected by the press throughout the country, on the necessity of restoring a minimum program of low-rent public housing; the minimum program, of course, being 60,000 units for the coming fiscal year.

In passing the Housing Act of 1949, it is heartening to note that the Congress had the foresight to recognize the possibility that the low-rent public-housing program might have to be revised upward or downward, depending upon general economic conditions. I remind Senators that the upward and downward limits were set at 200,000 units a year and 50,000 a year, respectively. Are we not merely being consistent with our own position of 2 years ago if, in this period of emergency and curtailment of many elements of our civilian economy we fix the figure for public housing at 60,000 units?

Mr. President, at this point in my remarks, I ask unanimous consent to have inserted in the RECORD editorials from the Newark News of May 11, 1951, and the New York Times of May 21, 1951, which are representative of scores of other editorials which have appeared in newspapers throughout the country denouncing the drastic cutback in the public-housing program to 5,000 units for the coming fiscal year.

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The VICE PRESIDENT. The time of the Senator from New Jersey has expired.

Mr. LEHMAN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LEHMAN. As I stated a moment ago, my interest is not so much in increasing the appropriation to cover 60,000 units instead of 50,000 but in the main issue of whether we should defeat the Dirksen amendment and adopt the report of the committee. So, I would want to withdraw my amendment, but for the fact that I do not wish to deprive my distinguished colleague from Ohio of the opportunity of arguing for the 15 minutes to which he is entitled, as he would be deprived if I were to withdraw my amendment at this time. At the conclusion of the remarks of the opponents of the amendment, I shall withdraw my amendment and offer another one.

The VICE PRESIDENT. The Senator may withdraw his amendment at any time before it is voted upon.

Mr. LEHMAN. I now yield 1 minute of my remaining time to the Senator from New Hampshire.

The VICE PRESIDENT. The Senator's time has expired. He has no time remaining.

Mr. SALTONSTALL. Mr. President——

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. SALTONSTALL. I rise in the absence of the chairman of the Independent Offices Subcommittee, to speak in opposition to the amendment of the Senator from New York [Mr. LEHMAN] and in opposition to the amendment of the Senator from Illinois [Mr. DIRKSEN]. I am the ranking minority member of the subcommittee, and I support the committee's report. I should like to answer very briefly the argument of the Senator from New York, if it is in order.

The VICE PRESIDENT. The Senator from Massachusetts is recognized. The question is whether the 15 minutes allowed on each of the two amendments can be merged.

Mr. SALTONSTALL. I respectfully state that I believe the chairman would permit me a few moments, under the circumstances.

The VICE PRESIDENT. The Senator is recognized for 15 minutes on the pending question, which is on agreeing to the amendment of the Senator from New York.

Mr. BRICKER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BRICKER. How much time has the opposition on the Dirksen amendment?

The VICE PRESIDENT. Eight minutes.

Mr. SALTONSTALL. And how much time on the amendment on which the Senator from New York has taken 15 minutes?

The VICE PRESIDENT. The opposition has 15 minutes.

Mr. BRICKER. Am I correct that we shall have 15 minutes, then, on the amendment of the Senator from New York, even if he has withdrawn it?

The VICE PRESIDENT. No.

Mr. BRICKER. Or if he withdraws it? He has spoken to the whole issue on his amendment, and my understanding is there is 15 minutes left.

The VICE PRESIDENT. As long as the two amendments are before the Senate, there is still 15 minutes remaining on each; and there is still 15 minutes left to the opponents of the Dirksen amendment and 8 minutes to the proponents of the Dirksen amendment.

Mr. BRICKER. Am I correct in my understanding that 7 minutes have been used by the proponents of the Dirksen amendment?

The VICE PRESIDENT. That is correct.

Mr. BRICKER. So we have only 8 minutes left on that side. Is that correct?

The VICE PRESIDENT. That is correct.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. TAFT. Did the Senator from New York withdraw his amendment?

The VICE PRESIDENT. No; he has not withdrawn it. He announced he would withdraw it, but he has not done so.

Mr. LEHMAN. I have not withdrawn it. I said I would be glad to do it, except that I do not wish to deprive my distinguished colleague from Ohio of the right to present his case. I shall withdraw my amendment and propose another amendment immediately, when I am recognized for that purpose by the Chair.

Mr. BRICKER. I thank the Senator.

The VICE PRESIDENT. The Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I should like to explain very briefly how the Subcommittee on Independent Offices arrived at the figure of 50,000 units. On May 2 the President sent a letter to the committee requesting that this year 75,000 new units be authorized in place of the 135,000 units authorized under the law. The committee discussed the matter. A motion was made to make it 40,000 units. Another motion was made to make the number 60,000 units. The committee agreed unanimously on 50,000 units. I believe I am correct in saying that the entire committee voted for the 50,000 units, some of the members reserving the right to vote for 5,000 units on the floor of the Senate in the event an amendment were offered to that effect.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I ask the Senator whether it is not a fact that 135,000 are authorized by law, but the Bureau of the Budget, or the estimates which the President sent to the Congress, cut the amount for which appropriations were asked from 135,000, as authorized, to 75,000, which was the recommendation?

Mr. SALTONSTALL. That is correct, and the committee, as I say, discussed the question and agreed unanimously on a compromise of 50,000 units.

Mr. O'MAHONEY. The Senator is not quite correct. It was in order to obtain a united front on the part of the subcommittee that we agreed upon the 50,000 units which were reported.

Mr. SALTONSTALL. That is correct.

Mr. O'MAHONEY. And it was done, was it not, upon the understanding that it was absolutely essential to authorize the construction of 50,000 units, in order to carry out contracts which exist throughout most of the States of the Union?

Mr. SALTONSTALL. Not only in order to carry out existing contracts, but also to meet housing shortages in certain cities which needed housing very badly. I have here communications from several cities in Massachusetts, showing the need of continuing housing construction at a higher level than that authorized by the House.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. FLANDERS. I wish to say that I was a member of the Banking and Currency Committee, and had a part in drawing up the housing bill under which this public housing is to be constructed. I have a distinct recollection of it, because, as I remember, I introduced into the bill the feature providing that there should be a sliding range of annual construction, depending on the financial and economic situation of the country. That range provided for a minimum of 50,000 units to be constructed a year in times of full employment and inflation. So, there is warrant for the 50,000, aside from the idea of compromise. The 50,000, if I remember correctly, is provided for in the bill as the minimum approved for annual construction in times such as these.

I very strongly hope that the Senate will follow the bill as reported. We have had some criticism of legislation on appropriation bills. I hope we shall not by cutting down the appropriation legislate something less than the bill as reported calls for.

Mr. SALTONSTALL. I thank the Senator from Vermont. I did not mean to say that the number of units now provided by the bill was simply the result of a compromise in the committee. I say it is the result of a minimum need which the committee felt it could unanimously agree upon and submit to the Senate.

I hope the Senator from New York will withdraw his amendment; otherwise the issue will not be clear. The issue becomes clear between 50,000 units and the 5,000 units proposed by the Senator from Illinois. I believe that in these difficult times the number of units agreed upon by the subcommittee on independent offices is fair and is calculated to keep the housing effort moving ahead without undue demands upon material, manpower, and the construction effort of our country.

Mr. MAYBANK. Mr. President——

Mr. SALTONSTALL. I would say to the chairman of the subcommittee that in his absence I took it upon myself to use some of his time.

Mr. MAYBANK. Mr. President, how much time have I remaining?

The VICE PRESIDENT. The Senator from South Carolina has 10 minutes on the amendment.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield for a question.

Mr. WHERRY. What is the feeling of the Senator from South Carolina as to the reaction of all the members of the full committee when they wrote this particular feature of the bill? Does the Senator feel that all committee members were ready and willing to endorse 50,000 units?

Mr. MAYBANK. There was a vote in the subcommittee for 75,000 units; then for 65,000. It was then agreed to recommend the figure "50,000", which was the figure of the House Appropriations Committee before the House itself cut the number of units to 5,000. The question then went to the full committee, and there was never any vote in the full committee except as to the figure "50,000." There was a vote on 50,000 units or less on two occasions, but the figure of 50,000 was agreed to by the full committee. There was no motion to increase the number in the full committee.

I can understand the situation of the Senator from New York [Mr. LEHMAN]. I understood he wanted to speak on the bill and to urge the continuation of public housing. I am in the position of being consistent, which I always try to be. I voted five times for 50,000 units, and I shall vote for that number on the Senate floor as many times as may be necessary.

Mr. WHERRY. I should like to ask the Senator if it is not true that several members of the committee who were opposing 50,000 units voted for that number with the absolute understanding that it did not bind them. They would rather have taken a reduction of 5,000 or 10,000.

Mr. MAYBANK. There were members of the committee who voted for 50,000 units who said they intended to offer an amendment on the floor to reduce the number. That was likewise true in the subcommittee.

Mr. WHERRY. When it came time to vote for 50,000 units, a suggestion was made to reduce the number to 40,000 units. I asked that the motion not be made, because I did not think it was proper to bind the Members. I made it very plain that members of the committee had a right to offer an amendment on the floor to reduce the number to less than 50,000.

Mr. MAYBANK. The Senator is eminently correct. I do not see the Senator from Michigan [Mr. FERGUSON] here at this time. As I recall, he reserved the same right. There was no binding vote on anything, except that a decision was reached, after many days of argument, that some figure be written into the bill. So we reported the bill containing the figure of 50,000. I voted for the 50,000 three times in the subcommittee and two times in the full committee, and I expect to vote for that number on the Senate floor.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. SALTONSTALL. Is it not true that the House committee recommended 50,000 units and that the amount was cut to 5,000 units on the floor of the House?

Mr. MAYBANK. The Senator is correct. The law gives authority for 135,000 units. There was a cut from 135,000 to 75,000 units. That was the biggest cut, to the best of my knowledge, in any section of the independent offices appropriation bill. The House Appropriations Committee cut it to 50,000. The 5,000 cut was made on the floor of the House on a Friday afternoon without any long debate. There was a yea-and-nay vote. The Senate Appropriations Committee increased the number to the House Appropriations Committee figure. As chairman of the subcommittee, since I voted for 50,000 units, I am not going to vote to reduce the number.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. CARLSON. I am somewhat confused by the colloquy between the Senator from Massachusetts and the Senator from Wyoming. If we authorize the 50,000 units contained in the bill as reported——

Mr. MAYBANK. There were 135,000 units authorized by the law. The appropriation in the pending bill will take care of only 50,000.

Mr. CARLSON. If we limit it to 50,000 units, do I correctly understand that it will not take care of any additional units?

Mr. MAYBANK. The Senator is correct. There are loan and annual contribution contracts for 107,646 units. The housing agency has made contracts throughout the United States. The law gave authority for 135,000 units.

Mr. CARLSON. Do I correctly understand that there are defense communities which have not filed their applications and which would not be given any advantage or benefit?

Mr. MAYBANK. I could not answer that question. But the commissioner would have the right to give preferences.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. BYRD. What is the estimated cost per unit?

Mr. MAYBANK. It would vary in different localities.

Mr. BYRD. What would be the average?

Mr. MAYBANK. I do not know the average. There might be one project in Chicago, one in South Carolina, and one in Virginia. The average for the whole United States would be no criterion, because the housing would cost more in Chicago than it would in Virginia or in South Carolina. The law allows $1,750 per room, and there is provision for an addition $750 in high cost areas.

Mr. BYRD. What is the average number of rooms?

Mr. MAYBANK. Approximately five.

Mr. BYRD. Does not the bill provide for some regulation?

Mr. MAYBANK. The law provides various regulations. This bill is only an appropriation bill.

Mr. BYRD. It does not appropriate money for the construction of houses?

Mr. MAYBANK. It does not.

Mr. BYRD. If we appropriate money for the administration of the project, there should be some information somewhere as to how much the houses will cost. Is it not true that the housing will cost around $11,000 on the average?

Mr. MAYBANK. Possibly more than that, in certain places.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BYRD. Is there any limit on the cost?

Mr. MAYBANK. It is $1,750 per room.

Mr. BYRD. Who determines the number of rooms?

Mr. MAYBANK. It depends on what the need is. The average size of the low-income families eligible for admission to low-rent projects is usually larger than those seeking housing accommodations in an average 608 project, for instance, and the average number of rooms of each dwelling unit is higher—on the average five rooms.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. SPARKMAN. I should like to say, in connection with the question asked by the Senator from Virginia, that when the act was passed the estimate that time was the average cost would be $8,500 per unit. We know there have been some increases in costs since that time. However, I may say to the chairman of the subcommittee that in my own State of Alabama in recent months contracts have been let for the construction of several of these projects—I will not say how many units, but probably running between 500 and 1,000, and the average cost has been approximately $8,000, which is actually less than the estimated cost.

Mr. MAYBANK. That might be true in Alabama, and I appreciate the Senator having brought out that point, but in my own community of Charleston, if Senators will permit me to speak of matters of which I have personal knowledge——

The VICE PRESIDENT. The time of the Senator has expired.

Mr. MAYBANK. Mr. President, I ask unanimous consent that I may have 10 more minutes in which to explain this matter.

The VICE PRESIDENT. Is there objection to the request of the Senator from South Carolina that his time be extended by 10 minutes?

Mr. LEHMAN. Mr. President, reserving the right to object, and, of course, I shall not object, I wish to withdraw my amendment and offer an amendment to the amendment of the Senator from Illinois [Mr. DIRKSEN].

The VICE PRESIDENT. The Senator from New York can withdraw his amendment when he is recognized in his own right, but he cannot do it in the time of the Senator from South Carolina.

Mr. LEHMAN. I understand that. I shall withhold my request then until I am recognized.

The VICE PRESIDENT. The Senator from South Carolina has asked for an additional 10 minutes on the amendment. Is there objection? The Chair hears none, and it is so ordered.

Without taking the time of any Senator, if the Senate will indulge the Chair a moment, the present occupant of the chair will say that he must leave the Chamber a little later in order to go to the airport to take part in greeting the President of Ecuador, and may not return during the further consideration of amendments.

On yesterday an amendment went over temporarily, upon which the Chair wished to make some investigation regarding a point of order which was made against it. The Chair is privately informed that the Senator from Virginia [Mr. BYRD] intends to withdraw that amendment and offer another one. The Chair has looked over the new amendment and thinks that it will be in order when it is offered as a limitation on the appropriation provided for in the bill.

Mr. BYRD. Mr. President, when will it be in order to offer the amendment?

The VICE PRESIDENT. Whenever the pending amendments are disposed of, that is, the amendment of the Senator from New York and the amendment of the Senator from Illinois, if the Senator from Virginia is then recognized for that purpose.

Mr. BRICKER. Mr. President, will the Senator from South Carolina yield?

Mr. MAYBANK. If the Senator from Ohio will indulge me for a moment, I wish to make a further statement. In answer to Senators who have asked questions relative to cost, I wish to say that no matter what questions may be put concerning the cost of the proposed houses or units, or what the limitation is, in my humble judgment, as chairman of the Committee on Banking and Currency and as one of the authors of the present housing law, there is no complete answer. Last week in my own home town the lowest bid on a project which it was estimated would cost $2,250,000 actually was $3,000,000. The Senator from Illinois [Mr. DOUGLAS] told me that it was proposed to acquire certain land in Chicago for such housing units as we are discussing, and it was found that the cost of the land was so high that it was necessary to abandon the project.

Mr. BYRD. Will the Senator from South Carolina inform me what authority fixes the number of rooms for the units?

Mr. MAYBANK. The local housing authority.

Mr. BYRD. Who puts up the money for them?

Mr. MAYBANK. The money comes from bonds, revenue bonds, which are repaid by rents paid on the property, plus the Federal contribution.

Mr. BYRD. In what do the local authorities invest?

Mr. MAYBANK. The land and the buildings.

Mr. BYRD. Will the Senator from South Carolina make a clear statement as to what the local governments do and what the Federal Government does, so we can find where the great burden is going to rest if the housing units should not prove to be successful, and should not be rented?

Mr. MAYBANK. The local governments apply to the Federal Government. As I told the Senator from Kansas, thousands of applications are made for housing units to be erected. A unit might be of large size in New York. It might be of a lesser size in a rural area.

Mr. BRICKER. Mr. President, will the Senator now yield to me?

Mr. MAYBANK. The Senator from Ohio has previously requested that I yield to him. It will really take me more than 10 minutes to discuss this matter. I will say, however, in answer to the Senator from Virginia, that costs vary greatly, and the responsibility rests on the local authorities to decide whether certain projects shall be built. For example, the city of Charleston, S. C., threw out all bids the other day because they were too high. In Chicago I understand the local authorities refused to buy land because the cost was too high.

Mr. BYRD. That is something which is a local responsibility. But the Federal Government pays the whole bill for the erection of the units, pays everything except the cost of the land.

Mr. MAYBANK. No; the local community sells bonds, which are revenue bonds, repaid from collection of rents. The Federal Government only makes up the difference between the cost of operation and rental income.

Mr. BYRD. Who guarantees these bonds?

Mr. MAYBANK. The local community.

Mr. BYRD. The local community?

Mr. MAYBANK. The Federal Government does not.

Mr. BYRD. The Federal Government does not guarantee the bonds?

Mr. MAYBANK. That is correct.

Mr. BYRD. Does the Senator mean to say that the Federal Government does not guarantee anything?

Mr. MAYBANK. Yes; it guarantees certain payments.

Mr. BYRD. Why then do not the local communities go ahead and construct the units themselves?

Mr. MAYBANK. Because the Federal Government guarantees a certain amount of money to make up the difference between operating cost and income.

Mr. BYRD. The Federal Government does not guarantee the cost of construction?

Mr. MAYBANK. That is my understanding.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. BRICKER. Is it not true that the limit placed in the law is $1,750 per room?

Mr. MAYBANK. Yes.

Mr. BRICKER. With the authority in the President to increase that in certain areas to the extent of $750 per room, that is in areas where such increase in cost is justified.

Mr. MAYBANK. Yes.

Mr. BRICKER. That would make the top cost of a five-room unit $12,500, and that is in addition to the cost of the demolition of the property already on the land and the cost of the land to the local community.

Mr. MAYBANK. Yes, but the figure of $12,500 is not necessarily a stable figure, because it can be less in some communities, and the commissioner has the right to make it higher in other communities.

Mr. BRICKER. To raise it to $2,500 per room.

Mr. MAYBANK. Yes.

Mr. BRICKER. Regardless of the size of the house or the living unit that is erected.

Mr. MAYBANK. Yes.

Mr. BRICKER. And the Government subsidizes the local community to the extent of an average of $29 per unit per month.

Mr. MAYBANK. Without the land. There again there are some differentials in cost. The subsidy as to rentals varies with the types of houses.

Mr. BRICKER. But the average is about $29 per unit per month.

Mr. MAYBANK. The Senator from Virginia asked whether the Federal Government guarantees the bonds. I again say that it does not guarantee a single nickel of any bonds.

Mr. BYRD. Does it guarantee the rent?

Mr. MAYBANK. No, it guarantees certain subsidy payments to the local authority.

Mr. BYRD. Suppose none of the units in a locality could be rented; then what would the Federal Government do?

Mr. MAYBANK. It is hard to imagine such a situation with the housing such as it is. But the Government would be responsible for the payments. If there are no longer eligible low-income families in the community, I imagine the authority could dispose of them for private purposes.

Mr. BYRD. To what extent are they subsidized?

Mr. MAYBANK. It varies with the area, the income of the tenants, the operating costs, and so forth.

Mr. BYRD. What is the percentage?

Mr. MAYBANK. As I said before the percentage varies.

Mr. BYRD. Here we are dealing with a project which is going to cost hundreds of millions of dollars, and no one can inform the Senate, apparently, upon what basis these contracts are made.

Mr. MAYBANK. They are made in variable ways.

Mr. BYRD. Give me one instance of how they are made. How much does the Federal Government guarantee, and how much do the local authorities guarantee? Take the case of South Carolina for example.

Mr. MAYBANK. The Federal Government does not guarantee anything on the cost of the building.

Mr. BYRD. The Federal Government is going to guarantee the land, is it not?

Mr. MAYBANK. It agrees to pay a subsidy to make up for the difference in income and operating cost.

Mr. BYRD. Do not those who buy the bonds have a guarantee that the Federal Government will pay the bonds?

Mr. MAYBANK. No.

Mr. BYRD. What is the basis, then?

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Mr. MAYBANK. They are revenue bonds—the credit of the local government is behind them.

Mr. BYRD. If an apartment is rented for let us say $50 a month, can the Senator from South Carolina tell the Senator from Virginia how much the Federal Government guarantees—what percentage?

Mr. MAYBANK. It would depend entirely on the particular case.

Mr. BYRD. Let us suppose it is in South Carolina.

Mr. MAYBANK. What it would cost would vary with the community and the operating cost and income.

Mr. BYRD. Can the Senator give me one single instance?

Mr. MAYBANK. The Senator from Ohio gave various figures. I can give others. But there is no uniform pattern.

Mr. BYRD. I am not asking about a uniform pattern. Give one single case.

Mr. MAYBANK. Twenty-nine fifty.

Mr. BYRD. Twenty-nine fifty what?

Mr. MAYBANK. That is the average.

Mr. BYRD. Does the Senator mean that the Federal Government guarantees $2,950 for each house that is built?

Mr. MAYBANK. No; $29.50, which is the rent.

Mr. BYRD. What is the percentage the Federal Government guarantees of the rental of these buildings? That is a simple question, and someone ought to be able to answer it.

Mr. MAYBANK. The Senator from Illinois [Mr. DOUGLAS] can answer for Chicago. It would vary greatly in different communities.

Mr. DOUGLAS. Mr. President, I am not an authority on this subject. I can be wrong, but as I understand the Federal Government, in effect, guarantees the interest upon the bonds which are floated at a rate of approximately 3 percent.

I think we can get some idea of the magnitude of the commitment by saying that if we authorize 50,000 units, as I hope we shall, with an average cost of $8,000 or $8,250 per unit, it would come to a little more than $400,000,000 capital outlay, of which the Federal Government would guarantee, on the bonds floated, a return of approximately 3 percent, or a maximum liability of approximately $12,000,000 a year.

Mr. BYRD. The Federal Government guarantees the interest. Does it guarantee the bonds?

Mr. DOUGLAS. No. If I am correct, it guarantees the interest, but not the principal.

Mr. BYRD. But the Government guarantees so much rent, does it not?

Mr. DOUGLAS. No. The rents are fixed by the Federal Housing Administration in consultation with the local authorities. If the rents meet not only operating costs, but also some portion of the fixed costs, then the liability of the Federal Government is reduced.

Mr. MAYBANK. It may be nothing at all.

Mr. BYRD. What is the maximum liability of the Federal Government?

Mr. DOUGLAS. If I am correctly informed, the interest rate upon the bonds which are floated.

Mr. BYRD. They must be paid off some day.

Mr. MAYBANK. There is a 40-year amortization period.

Mr. LEHMAN. Mr. President, I withdraw the amendment which I have offered, and send to the desk an amendment to the amendment of the Senator from Illinois [Mr. DIRKSEN], and ask that it be stated.

The PRESIDING OFFICER (Mr. MOODY in the chair). The amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. On page 27, line 8, it is proposed to strike out the word "five" and insert the word "sixty", so as to read "in excess of sixty thousand dwelling units."

On page 28, line 7, under the heading "Administrative Expenses," it is proposed to strike out "$5,000,000" and insert "$12,000,000."

Mr. BRICKER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. BRICKER. The amendment offered by the Senator from Illinois [Mr. DIRKSEN] was to restore the House figure and the House language. In my judgment this is not an amendment to that amendment. If it is, it is an amendment in the third degree.

The PRESIDING OFFICER. This amendment seeks to amend the language reported by the commitee, and is in the nature of a perfecting amendment.

Mr. BRICKER. But it is not an amendment to the amendment of the Senator from Illinois.

The PRESIDING OFFICER. The Chair is informed that it is an amendment to the House text. It is a perfecting amendment to the House text. Therefore the amendment is in order.

Mr. BRICKER. Is it in order to offer an amendment prior to the time of the vote as to whether we adopt the House language or leave the Senate amended language in?

The PRESIDING OFFICER. It is in order to offer a perfecting amendment.

Mr. BRICKER. The House language is not now before the Senate. That which is before the Senate is the committee amendment adopted by the Senate. We do not have before us now the language of the House bill.

The PRESIDING OFFICER. The The Chair is informed by the Parliamentarian that any Senator has the right to offer an amendment to the House language.

Mr. BRICKER. Is it in order to offer an amendment to the House language, regardless of what the Senate committee has done in reporting the bill to the Senate? Is the House language yet before the Senate for amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. If the amendment proposed by the Senator from New York were adopted, would a point of order then lie against the Dirksen amendment?

The PRESIDING OFFICER. No.

Mr. BRICKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BRICKER. As I understand the proceedings of day before yesterday, the Senate adopted the language of the Senate committee amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. BRICKER. Is that language now before the Senate and subject to amendment, under the unanimous-consent agreement?

The PRESIDING OFFICER. The Chair is informed that under the unanimous-consent agreement any Senator has a right to offer an amendment, the same as if the committee amendment had not been agreed to.

Mr. BRICKER. The same as if the committee amendment had not been agreed to?

The PRESIDING OFFICER. The Senator is correct.

Mr. BRICKER. Is that in the unanimous-consent agreement?

The PRESIDING OFFICER. The Chair is informed that it is. The Chair is informed by the Parliamentarian that any Senator may offer an amendment either to the House text, which has been displaced by the committee amendment, or to the committee amendment.

Mr. LEHMAN. Mr. President, I intend to yield most of my time to my colleagues, but before doing so I wish to address myself to the question raised by the distinguished Senator from Virginia.

Let me say to the Senator from Virginia that the cost of construction of these buildings is not a responsibility of the United States Government. The construction is carried on through a loan from the United States Government. The communities have formed their own agencies, called authorities in most cases, to reimburse the Federal Government for the cost of the new facilities; and they have made reimbursement.

Let me say also that the only responsibility of the United States Government, so far as I know, is this: The authorities set a price schedule of rentals in the facilities. Those rentals are supposed, in most cases, to pay the cost of operation, of depreciation, and of amortization. If there is a deficit—and such deficits have been very slight—that becomes a responsibility of the Government.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. BYRD. Does not the Government guarantee the rental income, if the rents are not sufficient to pay the cost?

Mr. LEHMAN. Let me say to the Senator from Virginia——

Mr. BYRD. The Government is underwriting the whole proposition.

Mr. LEHMAN. The Government is underwriting only the difference between the rentals and the costs of operation, depreciation, and amortization.

Mr. BYRD. We are underwriting any losses which may occur.

Mr. LEHMAN. The entire amount of the appropriation in the bill for these purposes is $10,000,000.

Mr. BYRD. The Administrator has the authority to make contracts, which the Government is obligated to carry out. We shall have to make appropriations, whatever they may be—$100,000,000, or $500,000,000 a year. It must be paid, because the Government underwrites it. The Government has made 40-year contracts with respect to some of these buildings, and has guaranteed the interest and guaranteed the operating cost for 40 years.

Mr. MAYBANK. Yes.

Mr. BYRD. The Senator from Illinois [Mr. DOUGLAS], who knows a great deal about this subject, has stated that the Government guarantees the interest. Those who are backing the legislation ought to get together.

Mr. MAYBANK. I am not backing the legislation.

Mr. BYRD. The Senator from Illinois is usually correct on these matters.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. SPARKMAN. We went over this subject thoroughly in 1949, when the law was enacted. It is a matter of contract between the Federal Government and the individual city. The Federal Government contracts to pay only a percentage of the costs. There is a limit beyond which it cannot go. Under the law which we enacted the maximum which the Federal Government can pay in any one of the 40 years is $308,000,000. It is tied in with the cost of operation indirectly. It is a contract under which a city works up its budget and tells the Government that it can operate with the contribution from the Federal Government as a subsidy. The bonds are sold on the market. The operation has the confidence of the people who buy the bonds that the plan can be worked out, and that is what makes the bonds salable. Consequently, the bonds have sold at very low rates of interest.

Mr. BYRD. But the Government is obligated up to $308,000,000 a year.

Mr. SPARKMAN. If all the units are built.

Mr. BYRD. To that extent, the Government is subsidizing the program with $308,000,000 a year in the event the conditions are such as to warrant the payment.

Mr. SPARKMAN. Only if the full number of units are constructed.

Mr. MAYBANK. Eight hundred and ten thousand units.

Mr. SPARKMAN. May I give the Senator another figure which I think he can use in translating the argument? The figure is approximately 4½ percent of the capital cost of the project. That is what the Government's participation amounts to.

Mr. LEHMAN. Mr. President, I have had considerable experience with housing projects in my home State. We undertook such construction in New York State as far back as 1936. We have expended large sums. I believe my distinguished colleague from New York will bear me out when I say that not one of the Authorities has defaulted; they received no outside assistance except for a very small subsidy which was authorized by law under the Constitution of the State of New York.

Mr. IVES. I certainly wish to verify what my colleague has stated.

Mr. MAYBANK. What is that?

Mr. LEHMAN. We have had many State authorities as well as Authorities set up under public building law, and we have not had one instance in which there has been a default. In not one instance has the State or the Federal Government been called upon for more than was provided under the laws or Constitution of the State of New York.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LEHMAN. Yes.

Mr. MAYBANK. Is it not also correct to say that in many instances the State of New York received less than what the creditor received? I mean the State received less than 4½ percent.

Mr. LEHMAN. Yes, that is correct.

Mr. MAYBANK. Because the Government has put up much less than 4½ percent.

Mr. LEHMAN. Yes. Mr. President, I yield 4 minutes to the senior Senator from Alabama.

Mr. SPARKMAN. Mr. President, I wish very much that we were in a position to argue for the full 75,000 units. However, the committee has reported 50,000 units. I certainly believe that we would be making a very bad mistake if we were to cut the figure, as proposed by the distinguished Senator from Illinois [Mr. DIRKSEN], to 5,000 units a year.

Mr. President, we have been going over a great deal of the material which was studied very carefully in 1949, when the Senate voted overwhelmingly in favor of the program. My recollection is that only 13 Members of the Senate voted against the program in 1949. The program called for an average of 135,000 units a year. We recognized the fact that economic conditions might make it desirable to vary the provision. Therefore we adopted an escalator clause, under which the President could raise the number of units to as high as 175,000, as I recall, or decrease it to as low as 50,000 units a year.

At the beginning of this year the Federal Reserve Board, having been given the right by the Defense Production Act of 1950, put a credit curb on new housing starts. It was cut down by about 35 to 40 percent. The President cut the number of public housing starts to 75,000 or by 45 percent. The committee provides for 50,000 units, which cuts the number even more.

It seems to me, Mr. President, that if we are to maintain an orderly housing program, no one segment of our economy ought to be required to take a higher proportion of cuts in housing than another segment. If so, certainly the preference ought to be given to people in the lower-income brackets. The Dirksen amendment would work in the opposite direction. It would give the steepest cuts of all to the people who can least afford them.

We discussed this method of Government financing in 1949, and it was well understood by the 83 or more Senators who voted for the measure that what was provided was a subsidy from the Federal Government to the respective cities throughout the country. It was not a subsidy which was imposed on them. In other words, no city can engage in a housing program until the State legislature has authorized the city to set up a housing authority and until the city council has passed an ordinance allowing such construction in the city. The Housing Authority must first come in and show its good faith and the need for the housing. It must enter into a solemn contract with the Government for a maximum of 4½ percent of the capital cost of the project. I may say, by the way, that the experience in the past has been, as I recall, that only about 77 percent of the allowable Federal contribution was used. I do not know offhand what it would amount to, but it would amount to less than 4½ percent of the capital cost of a project.

I think it would be a very bad mistake for us to cut the number of units below 50,000. It would be taking a backward step. It would destroy a well-balanced housing program which Congress has worked out over a number of years under bipartisan leadership. First we had the Wagner-Ellender-Taft bill. Then we had the Taft-Ellender-Wagner bill. We worked on the program for years. I do not believe we should now cripple it in the way the Dirksen amendment would.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LEHMAN. Mr. President, I yield the remainder of my time to the Senator from Alabama, if he wishes to use it.

Mr. SPARKMAN. I appreciate the offer of additional time from the Senator from New York. I had just about made my point, because I had been limiting myself to 4 minutes.

I do not know whether there has been placed in the RECORD a list of the various States showing the number of units which are now under construction and the number of contracts which have been entered into. If the Senator from South Carolina intends to put the information in the RECORD I will not do so at this time.

I have a break-down of the respective States, showing the various cities which have gone under contract. I invite the attention of the Senate to the fact that the Senator from Florida [Mr. HOLLAND] was talking to me a few minutes ago, and he said, "In Florida there are a great many small towns. In the act we describe them as rural nonfarming housing projects. In a great many of such small towns houses are desperately needed."

I invite the attention of the Senate to the fact that we wrote such a provision into the act in 1949. It was something new. As a result, such rural towns have been slow in coming in. By the way, we should not misunderstand what is meant by a rural town. Any town with a population of more than 2,500 is not a rural town. If we look over the list of the 700,000 units covered under contract we will find very few in rural small towns, because they have not reached

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the point yet of coming under contract. If we were to adopt the amendment offered by the Senator from Illinois, we would not only wipe out any chance of such small towns of getting into the program, but we would throw the whole program backward to such an extent that it would amount to practically a complete reversal by the Senate on a program which has been worked out carefully and studiously over the years.

A number of studies have been made. We had a Joint Committee on Housing, and it spent a great deal of time studying this problem. It brought out this provision. That joint committee was very largely under the direction of the able Senator from Ohio [Mr. TAFT], the able Senator from Vermont [Mr. FLANDERS], the able Senator from Wisconsin [Mr. MCCARTHY], the able Senator from New Hampshire [Mr. TOBEY], and the able Senator from New York [Mr. IVES]. With the support of those Senators and other Senators on the other side of the aisle and with the practical unanimous vote of the Senators on this side of the aisle, the bill was written into law. I think we should not reverse our policy today.

Mr. SPARKMAN subsequently said: Mr. President, I ask unanimous consent to have printed in the body of the RECORD at the point where I spoke today on the amendment relating to public housing, a table showing the dwelling units under final contract in the State of Alabama as of June 15, 1951.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

State of Alabama—Dwelling units under final contract as of June 15, 1951, Housing Act of 1949

Locality	Placed under construction	Under final contract, not under construction
Anniston	102	
Athens		100
Auburn		75
Birmingham	500	800
Boaz		60
Carbon Hill		50
Collinsville		22
Columbiana		60
Cordova		60
Cullman		80
Decatur		143
Dothan	92	148
Florence		250
Fort Payne	50	
Gadsen	380	224
Haleyville		40
Hamilton		40
Huntsville	170	180
Jasper	40	36
Lanett		200
Mobile		112
Montgomery	216	
Opelika		150
Phenix City	174	76
Red Bay		35
Russellville		75
Selma	216	94
Sheffield		46
Tuscaloosa		160
Tuscumbia		78
Total units	1,940	3,083
Total localities	10	27

Mr. LEHMAN. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. LEHMAN. Mr. President——

Mr. MAYBANK. Mr. President, will the Senator from New York yield, with the understanding that if I take very much of his time, it will be taken from the 15 minutes allotted to me?

Mr. LEHMAN. I am very glad to yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, a few minutes ago, when we were discussing the cost of this housing, I hesitated to state exactly what one of the houses would cost, even though I was one of the authors of the law in 1949. I wish to state to the Senator from Virginia [Mr. BYRD] that I was correct when I said that there is no definite cost figure; the cost varies as among the authorities and among communities and locations. A few minutes ago I had the clerk call the Housing and Home Finance Agency to get the latest details; and I am informed that the prices vary from $7,500 to $12,500, with the national average being $10,500.

I did not want the Senator from Virginia to be without a specific figure.

Mr. BYRD. I thank the Senator.

Mr. MAYBANK. I thank the Senator from New York for yielding to me.

I ask unanimous consent to have printed in the RECORD at this point a table showing the ranges of cost and typical local costs.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

Upper and lower ranges of cost

Lower	$7,500
Average	10,500
Upper	12,500

Those in the higher ranges are typically densely populated central city sites with very high site acquisition cost, including demolition of slum structures.

Typical local costs

LOWER RANGE

Location	Number of units	Unit cost
Dothan, Ala	92	$7,587
Del Rio, Tex	126	8,214
Woodland, Calif	60	8,663
Albany, Ga	125	8,878
McComb City, Miss	64	8,959
Kingsport, Tenn	36	9,123

MIDDLE RANGE

Birmingham, Ala	500	$9,905
Augusta, Ga	225	10,214
Oakdale, Calif	26	10,308
San Antonio, Tex	275	10,448
Benton Harbor, Mich	94	10,893
Roanoke, Va	300	10,913

UPPER RANGE

San Francisco, Calif	234	$11,320
Worcester, Mass	600	11,773
Baltimore, Md	642	11,983
Harrisburg, Pa	550	12,138
New York City, N. Y	1,595	12,326
Chicago, Ill. (estimated)	916	13,248

Mr. LEHMAN. Mr. President, I wish to point out that this authorization and appropriation are definitely and exclusively in the interest of the common people of our country. This program does not provide housing for individuals who can pay several thousand dollars a year in rental; it assists only a small fraction of the people who are working for small salaries, people who are giving of their best to their city, their State, their country, and their family, but who in many instances cannot possibly afford the high rentals which are demanded in various of the communities.

No man of wealth and no man of substantial earning power will benefit by the provisions of this bill. This bill will aid the poor man—the families of genuinely low income—because under the Housing Act of 1949 no household can occupy one of these apartments if the bread winner has an income amounting to more than five times the rental charge.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. MAYBANK. Mr. President, I yield to the Senator from New York 5 minutes of my time, if he desires to have it.

Mr. LEHMAN. I am glad to have that much additional time, and I thank the Senator very much.

Mr. President, the rental of these apartments is limited to persons whose incomes do not exceed by five times the rental of the apartments. There is no way for many such persons to live in good surroundings, save through a program of this kind. As soon as they begin to earn an income greater than five times the rental that is charged for the public-housing units, they are required to move.

So the bill will serve the interest and the needs of the small wage earners, the persons of small income, who cannot possibly obtain adequate housing in any other way.

Mr. MAYBANK. Mr. President, I yield the remainder of my time, except for 2 minutes, to the Senator from Ohio [Mr. TAFT]; and I yield the final 2 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, it seems to me that it is perfectly clear that this amendment is a continuation of the fight against any public housing at all; it is not a matter of economy, but a matter of carrying on the old fight.

We began with a public-housing program long before 1943; but the revival of it, after the war, was commenced in 1943 by bipartisan committees. At that time we went into the entire question and made a complete study.

This program is designed solely to provide housing for persons whose income is so low that the rent they can afford to pay is at least 20 percent below the rent which it is necessary to pay in order to get reasonably decent private housing in the community in which they live; that is all the program is designed to do. It has been mixed up with war housing and with Government programs for housing for defense plants and many other things which do not relate to it. However, the purpose of this program is to try to make decent housing available to persons whose income is so low that they cannot possibly get decent housing in any other way.

Of course, the difficulty is that housing is so expensive and many incomes are so low that there is no place, other than slums, in which persons with low income can live. In the case of persons who can afford to pay only $15 or $20 a month for rent, no matter how high-minded the landlord may be, that amount of money

is not sufficient even to pay for keeping the buildings in repair.

Under our system, that situation has resulted in the development of slums. So far as we can ascertain, the problem cannot be met by private enterprise. That is no reflection on private enterprise; it is simply a fact that private enterprise cannot build housing which will not produce an income sufficient to meet the cost of the housing.

Congress felt that housing relief was as important as food relief or old-age pensions. In practically every community there are extensive programs for taking care of persons whose incomes amount to $1,000 or $1,200, or perhaps the minimum is now somewhat higher, as prices have increased. However, housing was never provided for in that way, even though it is just as important or perhaps more important than the other programs, until the low-rent program was undertaken by the Federal Government.

There are many proper criticisms of this housing program, but we could not find any way to take the edge off the need or to eliminate slum housing except by means of this program. It was adopted by Congress 2 years ago. At that time the program called for 135,000 units a year for 6 years. The present request is for 50,000 units this year, well within the 135,000.

There is perfectly good ground for requesting less than the 135,000, because we have to cut all housing if we are going to undertake to carry out the tremendous military program which we have today. The President began the process of reducing the total number of units last year, but we are not cutting out all housing. If we were going to cut out all housing, I would say we would have to cut out public housing. However, in the last half of 1950, after the Korean war began, the construction of 1,400,000 houses was begun in this country. This year the plans call for the construction of approximately 850,000 houses altogether, but, as a matter of fact, the number has not been held to that figure, and it is likely to run well over 1,000,000 houses during this year.

So, I think it is fair to say that 50,000 is by no means too large a proportion for the low-income groups.

Personally, I have always felt that 10 percent of new houses built was a fair proportion for housing for the low-income groups. It is impossible to tell exactly the correct number needed, because many persons with low incomes find houses in reasonably decent condition which have been passed down, so to speak. So we cannot determine the exact number. However, there are several million persons in our country who today cannot find decent housing at rentals they can afford to pay from the incomes they have, even when based on steady employment.

It is far more an urban problem than a rural problem. In the rural areas the facilities required are not so expensive, and houses that are old are usually kept in fairly decent condition. It is a city problem. It is a problem particularly of the older cities. I became interested because Cincinnati is the oldest city of any size in the West, and it faced the condition which all cities will face sooner or later, though perhaps a litle earlier than other cities.

Let us remember that the Federal Government guarantees thousands and thousands of units of privately constructed housing through the FHA, by the insurance of mortgages. The Federal Government is in the whole program, and in the whole program I wish to make the point that there is a legitimate place for what is here proposed. We should include a reasonable proportion for the low-income housing which was authorized by the Congress 2 years ago.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from South Carolina.

Mr. MAYBANK. I merely desire to ask the Senator from Ohio whether it is not a fact that the Federal Government guarantees billions of dollars, in FHA loans, veterans' loans, and so forth and so on?

Mr. TAFT. Exactly. The Federal Government is in the housing business. Perhaps it should never have been in it, but, as a matter of fact, most of the houses built today are built with money borrowed in mortgages guaranteed by the Federal Government. They could not be built without that guarantee. The Federal Government is engaged in the performance of the obligations of a comprehensive program, and it seems to me perfectly clear that we should not stop the low-rent housing features of that program.

There are certain things in the bill which I would have written differently. Those things can be covered by amendment, if desired. We can impose a tighter cost control, although I think it is not in evidence that today the new houses which are being built involve any excessive costs, or any evidence whatever that they are not, so to speak, streamlined, standard housing such as public housing must be if it is to be reasonably decent and is to meet reasonably the standards which we now require for housing. There was a time, back in the thirties, when the Federal Government built large houses, probably twice as large as they ought to have been, and twice as expensive. I have seen no evidence whatever of any excessive costs today. In any event, here we have a program, and the program has been approved by the Congress. It was approved by the Congress 2 years ago. I do not think it ought to be thrown away in an appropriation bill. Incidentally, the actual increase to the Budget, so far as the present crisis is concerned, is extremely small compared to the advantage of the size of the project. The actual subsidies will run approximately, in the end, around $300 per unit, or, perhaps a little over, $350. Fifty thousand units ultimately will entail a subsidy in the neighborhood of $15,000,000 a year, when these units are built and when the contracts are completed. It will be 2 or 3 years before that time arrives.

Of course, if we complete the entire program, the ultimate cost, as I stated, will be somewhere around $250,000,000 a year. In 1949 we discussed such an expenditure as a method of meeting the housing problem. That is very much less than we spend on other programs. Today we spend throughout the country billions of dollars on health and billions of dollars on relief. We spend billions of dollars on old-age pensions. The provision made for low-cost housing, it seems to me, is a very reasonable figure for a Federal expenditure.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. LEHMAN. Mr. President, so that there may be a clear-cut vote on the Dirksen amendment, I withdraw my amendment to the amendment submitted by the Senator from Illinois [Mr. DIRKSEN].

Mr. MAYBANK. Mr. President, I yield to the Senator from Delaware [Mr. FREAR] the last 2 minutes.

The PRESIDING OFFICER. Will the Senator from New York withhold temporarily the withdrawal of his amendment? If the Senator were to withdraw his amendment at this time, it would result in the loss by the Senator from Delaware of the last 2 minutes.

Mr. LEHMAN. I should be very glad to do that. Will the Chair notify me when I may renew my request?

The PRESIDING OFFICER. The Chair will advise the Senator.

Mr. FREAR. I thank the Chair very much, because the Senator from Delaware is not interested in losing 2 minutes.

Mr. President, my remarks are directed to the amendment offered by the junior Senator from Illinois [Mr. DIRKSEN]. I hope that the Senate will reject this amendment to amend the committee provision for public housing for families of low income now living in slums. I will certainly vote against it because, in my judgment the amendment violates the basic principles of our system of Government.

The families for whom this public housing is to be built now live in slums and other inadequate housing because the price at which they can obtain any adequate housing, except public housing, is far beyond their reach. This public housing would remove from the slums and into decent, safe and sanitary housing, 50,000 families of low income, 50,000 families who, without it, would have no opportunity to get out of the slums, 50,000 families who, without this public housing, face the prospect of having their children grow up under conditions which every member of the Senate would agree are wholly incompatible with what we call our American way of life.

Under our system of Government, service in the Armed Forces of the United States in the defense of the Nation is an obligation to be shared fairly by all our citizens, rich and poor alike. That obligation rests upon the sound foundation that, correspondingly under our system of Government, the benefits of citizenship should be fairly shared by all our citizens. These are but the basic principles of a democratic way of life. They impose upon all of us the sensible and just requirement that, in these times especially, we must proceed in all our endeavors upon the same democratic principle that such sacrifices on the

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home front as may be required for the defense and security of the Nation shall be equitably shared by all our citizens.

Up to now, we have been able to follow this basic principle. The contemplated reduction in the total volume of homebuilding from about 1,004,000 homes in 1950 to about 850,000 in 1951, as the able Senator from Ohio [Mr. TAFT] has stated, represents a reduction of about 40 percent. To reduce the volume of public housing to 50,000 units, rather than the basic rate of 135,000 units a year authorized by the Housing Act of 1949, as the Appropriations Committee recommended, is a reduction of more than 60 percent.

Of course, it is unfortunate that such actiton may be necessary, but at least it represents a reasonably equitable sharing of the required reduction, even admitting that an argument might be made that a larger amount of public housing should be permitted because the needs of low-income families are so great and the provision of adequate housing for these families has been so long delayed.

The action to virtually eliminate the provision of any public housing for families of low income is a complete negation of this basic democratic principle. It requires, that, in the case of housing, those citizens who now live under the worst conditions and who are least able to obtain adequate housing shall bear the greatest share of the burden. Certainly this is not representative of the basic principles of our system of government. Mr. President, I hope the Senate will reject the so-called Dirksen amendment by an overwhelming vote.

The PRESIDING OFFICER. The Senator from New York is now recognized, pursuant to his previous request.

Mr. LEHMAN. Mr. President, in order to have a clear-cut vote on the issue raised by the Senator from Illinois [Mr. DIRKSEN], in other words, in order to have a clear-cut vote on the Dirksen amendment, I withdraw my amendment.

The PRESIDING OFFICER. The Senator from New York withdraws his amendment. The Senator from Ohio has 8 minutes left.

Mr. BRICKER. Mr. President, I request that the Chair kindly notify me at the end of 5 minutes, in order that I may yield the remainder of the time to the Senator from Virginia, who wishes to make a brief statement on the amendment.

We have heard a great deal of discussion on both sides of the aisle in opposition to the Dirksen amendment because of the introduction and withdrawal of an amendment by the Senator from New York; but much of the discussion has been entirely beside the issue which is pending at the present time, in connection with the appropriation bill.

No one here, least of all the Senator from Ohio, is opposed to slum elimination. I think it is essentially and primarily and perhaps exclusively, the responsibility of local government. Likewise, I feel that the housing problem is one which is within the province more properly of local government, but we accept a law which was passed by the Congress of the United States, and I, for one, disclaim any effort whatever to sabotage that program or to stop it or to oppose it. We accept the law as it is now on the statute books. But we are facing an entirely different situation from that which he faced 2 years ago when the law was enacted.

Let us look at the problem realistically. The House of Representatives, on the floor, adopted 5,000 as the maximum number of public-housing units for this year. That was in contrast to the 50,000 recommended by the committee of the House, and the final result was decided by a strong vote, both in the Committee of the Whole and on the final vote in the House. So Members of the House have also given consideration to this problem, and they recognize that it has no relation whatever to the defense program.

There is before the House at the present time a bill passed by the Senate to provide for defense housing, and the ultimate passage of that bill, I think, will be adequate to take care of the needs of all of the critical defense areas in the country, together with the extra needed defense-housing program.

Mr. IVES. Mr. President, will the Senator yield?

Mr. BRICKER. I have but 8 minutes.

Mr. IVES. If the Senator from Ohio will permit one question, Does he think that the bill to which he refers will be passed by the House?

Mr. BRICKER. I am quite sure that it will be passed by the House, because the House is not going to neglect its responsibilities in the matter of taking care of defense housing needs; and the housing provided for in the pending bill will not be available for defense workers.

Two years ago, when the housing bill was under consideration, the junior Senator from Ohio attempted to amend it, to make it available for those who were in need, in the low-income groups, first those with incomes of $1,500, then those with incomes of $1,800, and then those having incomes of $2,100, as I remember the figures. Those amendments were all voted down, and as a result there are now living in the housing units provided, many people who contrary to what the Senator from New York has said, are in excess of the ceiling put on by the Government at the time the units were constructed—which we in the Congress had to recognize—but I do not know what the percentage is. There are also many persons living in the housing units who have no business being there.

I should like to refer to the report of the committee of the House of Representatives with reference to political influence in the public-housing program, which indicated that one man, a Federal employee, was renting one of the units and was subsidized to the extent of $20 a month on his rental. He then rented an additional unit to take care of guests over the week end. Political advertising was found in connection with the various housing units. Automobiles were being used to haul voters to the polls. An organization was trying to get the program indoctrinated into the public schools. We find an effort being made in California to defeat a constitutional amendment, and assessing employees of the agency handling the housing program 3, 4, or 5 percent of their income in order to carry on that propaganda. So it has transferred itself from a public-housing program to what I would consider to be a political housing program. Political influence has been brought to bear time and time again to affect votes of the persons who are living in these projects.

Let me refer to the fact that the personnel employed in this Division of the Housing and Home Finance Agency will cost $4,890,000 this year, and $4,950,000 next year.

We are in the midst of an inflationary situation. We are trying to do everything we can to hold down inflationary pressures. By this amendment we would cut off approximately three-quarters of a million dollars of inflationary pressure, which, multiplied by five, would make over $3,000,000,000 of inflationary pressure at the present time, when everyone is lending every effort to hold down prices.

The PRESIDING OFFICER. For the information of the Senator from Ohio, he has 3 minutes remaining.

Mr. BRICKER. Mr. President, I yield the remainder of my time to the Senator from Virginia [Mr. BYRD].

Mr. BYRD. Mr. President, this program provides for the construction of 135,000 houses over a period of 6 years. The cost is estimated to be $10,000 a house, amounting to $8,100,000,000, should the program be carried out. After much effort we finally found that the Federal Government is obligated to an annual subsidy which may reach three hundred and six million each year. If this occurs, in time the subsidy for these houses may exceed the cost figure of $8,000,000,000, because it is to continue over a period of years. No one can say it will not continue, because the subsidy is based upon the principle that the Federal Government will make up the difference between the income and the cost of operating the projects.

I have heard the senior Senator from Ohio [Mr. TAFT] say that we are spending money for everything else, billions of dollars here and there out of Federal funds, and that therefore we should make this expenditure. With all deference to the distinguished Senator from Ohio, for whom I have the highest regard and admiration, I differ entirely with that philosophy. The very fact that we are spending billions of dollars for other things should warn us not to spend more billions of dollars for the same kind of things.

Let me point out that there will be an expenditure budget next year amounting to $75,000,000,000. That is in prospect. States and localities will spend $25,000,000,000 more, so that there will be a total public burden next year of $100,000,000,000. That should be a warning to us to conserve every possible dollar that does not have to be expended.

Mr. President, there is grave question about building these houses at this time. Why should war materials, steel and other products be allocated to such building, when private construction is

denied similar materials? That is one reason why I think the program should be deferred.

Representative GOSSETT, when he offered the amendment in the House to reduce construction to 5,000 units in this emergency, gave as one of the reasons the fact that the Nation is in an emergency which is equivalent to a war emergency. Why should these particular houses be given priority on materials and other things when other housing will be denied them?

Mr. President, I ask unanimous consent that a statement which I have prepared in support of the Dirksen amendment, and which I do not have time to deliver, be incorporated in the RECORD as part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PUBLIC HOUSING

BACKGROUND

The Housing Act of 1949 authorized starting construction on 135,000 low-rent housing units each year for 6 years beginning July 1, 1949.

On the grounds that urgent defense requirements made it necessary to conserve manpower and materials, the President reduced this construction program to an annual rate of 75,000 units, beginning January 1, 1951.

For the same reason the House committee reduced the number of starts for fiscal year 1952 to 50,000 units.

When this bill was brought up on the floor of the House of Representatives on May 4, the Senate had passed Senate bill 349—the Defense Housing and Community Facilities and Services Act of 1951—providing for the construction of an unestimated number of low-rent housing units, to cost an unestimated amount between now and June 30, 1952. This program, urged upon the Congress to meet what was described as an immediate and urgent need for low-rent housing in vital areas to which defense workers were moving, paralleled and duplicated in a large degree the program authorized in the 1949 act.

With this situation in view, and the constantly growing shortages in manpower and building materials, the House by a vote of 110 to 41 adopted a floor amendment by Congressman GOSSETT limiting the number of starts in 1952 under the peacetime 1949 program to 5,000 units.

And with this reduction in program, administrative expenses for the Public Housing Administration were reduced to $5,000,000.

For some reason not explained in the report on this bill the Senate subcommittee decided to disregard action taken by the House of Representatives by a vote of nearly 3 to 1 and restore this peacetime construction program to the 50,000-unit level.

MANPOWER, MATERIALS, AND INFLATION

The House committee report on the bill quotes Raymond M. Foley, Administrator of the Housing and Home Finance Agency, as saying: "Federal financial aids have been converted from a device for stimulating new housing construction to an aid in limiting such construction in order to conserve materials and manpower for the defense effort and to reduce inflationary pressures within the housing economy."

The Gossett amendment, offered after the Senate action on the emergency defense housing bill, is directly in line with this policy and will have the effect of diverting such materials and manpower as are available for Federal public housing to those requirements most urgently needed in the defense effort, and to places where they will do the most good.

POPULATION SHIFTS

It is certain that defense budgets totaling $50,000,000,000—the bulk of it in production of military equipment in mass quantities—will result in substantial population shifts. And it is likely that this will result in migration of people requiring public low-rent housing from places contemplated in the peacetime program to places contemplated in the provisions of the new Defense Housing Act. It naturally follows that the emphasis, the materials which are already in short supply, and the manpower which is already scarce should be shifted from the peacetime program to the emergency programs designed to support the defense effort.

EFFORTS TO PUT A UNIFORM ON THE PEACETIME PROGRAM

It is to be expected that there are those who will argue that the peacetime program will augment the defense emergency program. This, of course, is the same old shell game which is being played by every agency in the executive branch. All of them are now waving flags, beating drums, and trying to get into the uniform of an indispensable defense-effort activity.

In fact, Mr. Foley has already testified that the Public Housing Administration is reshaping its peacetime plans, policies, etc., to participate in defense area housing construction.

But the Senate Banking and Currency Committee indicates the peacetime program is useless to the defense effort.

In its report on the Defense Housing bill the Banking and Currency Committee said: "Existing law was insufficient to meet the requirements for either housing or the incident community facilities services." And it gave this finding as a reason why the new law and the new program was required. In addition the Banking and Currency Committee said the defense area construction program required "singleness of purpose."

Quoting from page 30 of the Banking and Currency Committee report on the Defense Housing bill: "The very nature of the needs for housing and community facilities in critical defense areas and the interrelationship of the functions authorized in this title for meeting those needs require for effective administration a singleness of purpose and a close coordination which, in the opinion of your committee can be satisfactorily attained only through the vesting of final responsibility therefor in one agency."

Thus it would appear that, in putting the new emergency housing program under the direction of the Housing and Home Finance Agency, it was the desire of the committee that this agency should undertake this new program "with a singleness of purpose" to the exclusion, or at least the deemphasis of all other programs under its jurisdiction, including the peacetime low-rent public-housing program established under the 1949 act.

And that is precisely what the move by the Senator from Illinois [Mr. DIRKSEN] is designed to do.

THE PRESIDENT SPOKE OF SACRIFICES FOR THE WAR EFFORT

In his budget message the President said reductions in other expenditures were necessary "in order to divert a maximum of resources to the overriding requirements of national security."

Here is a definite concrete case where it is right and proper to divert resources, such as materials and manpower, from a peacetime program to the requirements of a defense effort.

A whole new program actually has been made the subject of defense effort legislation.

Restoration of the House provisions for this program in the independent offices appropriation bill would not repeal the peacetime program; it would simply slow it down in order that the money, manpower, and materials might be diverted temporarily to the "overriding requirements" of the defense effort.

The effect of restoring the House language would be merely that of a moratorium, and that is the way most of these expensive social programs must be foregone for the duration if they cannot be repealed.

Mr. SALTONSTALL. Mr. President, has all time for debate expired?

The PRESIDING OFFICER. The Chair is informed that the Senator from South Carolina has not yet used his 15 minutes on the Dirksen amendment.

Mr. SALTONSTALL. Then I understand that the chairman of the subcommittee has 15 minutes if he desires to use it.

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN].

Mr. MAYBANK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MAYBANK. Mr. President, I trust that the amount recommended by the committee will be approved by the Senate. As the Senator from Ohio [Mr. BRICKER] so ably stated, the program has already been cut from the authorized figure of 135,000 units to 75,000 units. The House committee reduced the figure from 75,000 units to 50,000 units. On the floor of the House 45,000 more units were eliminated, leaving only 5,000 units. All the Senate committee has done has been to restore the House Appropriations Committee provision for 50,000 units. This is a far deeper cut than any of the other Government agencies dealing with housing have received. It is the most drastic cut that I know of in the entire bill, or in any other bill which will come before the Senate.

Since this is an over-all program involving public housing, FHA, and the other titles in the original Housing Act of 1949, and in view of the fact that we have cut more deeply in this than in any other item, I hope the Senate will stand by the subcommittee and the committee's report.

Mr. President, I want to repeat that there are 107,000 requests by cities and communities with reference to housing. The Federal Government does not ask anyone to come in.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Eastland	Jenner
Anderson	Ecton	Johnson, Colo.
Bennett	Ellender	Johnson, Tex.
Benton	Ferguson	Kem
Bricker	Frear	Kilgore
Bridges	George	Knowland
Butler, Md.	Green	Langer
Byrd	Hayden	Lehman
Carlson	Hendrickson	Lodge
Case	Hennings	Long
Chavez	Hickenlooper	Magnuson
Clements	Hill	Maybank
Cordon	Hoey	McCarran
Douglas	Holland	McCarthy
Duff	Humphrey	McClellan
Dworshak	Ives	McFarland

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McKellar	O'Mahoney	Stennis
McMahon	Pastore	Taft
Millikin	Robertson	Thye
Monroney	Saltonstall	Welker
Moody	Schoeppel	Wherry
Mundt	Smith, Maine	Wiley
Neely	Smith, N. J.	Williams
Nixon	Smith, N. C.	Young
O'Conor	Sparkman	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCARTHY (when his name was called). On this vote I have a pair with the junior Senator from Illinois [Mr. DIRKSEN]. If he were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay."

The roll call was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Texas [Mr. CONNALLY], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Georgia [Mr. RUSSELL], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. SMATHERS] are absent because of illness.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Iowa [Mr. GILLETTE] is paired on this vote with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Iowa would vote "yea," and the Senator from Oklahoma would vote "nay."

If present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Montana [Mr. MURRAY] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] who is detained on official business is paired with the Senator from Nebraska [Mr. BUTLER] who is also detained on official business. If present and voting, the Senator from Maine would vote "nay," and the Senator from Nebraska would vote "yea."

The Senator from Washington [Mr. CAIN], the Senator from Vermont [Mr. FLANDERS], and the Senator from North Dakota [Mr. LANGER] are detained on official business. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "nay."

The Senator from Indiana [Mr. CAPEHART] is necessarily absent.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business and his pair with the Senator from Wisconsin [Mr. McCARTHY] has been announced previously.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate. If present and voting, the Senator from New Hampshire [Mr. TOBEY] would vote "nay."

The Senator from Utah [Mr. WATKINS] is detained on official business attending the swearing in ceremonies of Hon. George W. Lattimer, judge of the Court of Military Appeals.

The result was announced—yeas 25, nays 47, as follows:

YEAS—25

Bennett	George	Smith, N. C.
Bricker	Hickenlooper	Stennis
Bridges	Jenner	Welker
Butler, Md.	Kem	Wherry
Byrd	McCarran	Wiley
Case	Millikin	Williams
Dworshak	Mundt	Young
Eastland	Nixon	
Ecton	Robertson	

NAYS—47

Aiken	Hill	McKellar
Anderson	Hoey	McMahon
Benton	Holland	Monroney
Carlson	Humphrey	Moody
Chavez	Ives	Neely
Clements	Johnson, Colo.	O'Conor
Cordon	Johnson, Tex.	O'Mahoney
Douglas	Kilgore	Pastore
Duff	Knowland	Saltonstall
Ellender	Lehman	Schoeppel
Ferguson	Lodge	Smith, Maine
Frear	Long	Smith, N. J.
Green	Magnuson	Sparkman
Hayden	Maybank	Taft
Hendrickson	McClellan	Thye
Hennings	McFarland	

NOT VOTING—24

Brewster	Gillette	McCarthy
Butler, Nebr.	Hunt	Morse
Cain	Johnston, S. C.	Murray
Capehart	Kefauver	Russell
Connally	Kerr	Smathers
Dirksen	Langer	Tobey
Flanders	Malone	Underwood
Fulbright	Martin	Watkins

So, Mr. DIRKSEN's amendment was rejected.

The PRESIDING OFFICER. Are there any further amendments?

Mr. BYRD. Mr. President, yesterday the Senator from Virginia and other Senators submitted an amendment to section 603. I desire to withdraw that amendment and offer a modified substitute for section 603. The Vice President has announced from the Chair that he regarded the substitute, which he read, as being in order and not subject to a point of order.

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia will be stated.

Mr. BYRD. First I shall have to withdraw the amendment submitted yesterday.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. BYRD. Now, Mr. President, I offer an amendment as a substitute for section 603, on behalf of myself, the Senator from Michigan [Mr. FERGUSON], the Senator from Nebraska [Mr. WHERRY], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Delaware [Mr. WILLIAMS], and the Senator from Idaho [Mr. WELKER].

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia will be stated.

The LEGISLATIVE CLERK. On page 67, beginning with line 13, it is proposed to strike out all down to and including line 17 and insert in lieu thereof the following:

SEC. 603. No part of the money appropriated by this act to any corporation or agency or made available for expenditure by any corporation or agency which is in excess of 75 percent of the amount required to pay the compensation of all persons the budget estimates for personal services heretofore submitted to the Congress for the fiscal year 1952 contemplated would be employed by such corporation or agency during such fiscal year in the performance of—

(1) functions performed by a person designated as an information specialist, information and editorial specialist, publications and information coordinator, press relations officer or counsel, photographer, radio expert, television expert, motion picture expert, or publicity expert, or designated by any similar title, or

(2) functions performed by persons who assist persons performing the functions described in (1) in drafting, preparing, editing, typing, duplicating, or disseminating public information publications or releases, radio or television scripts, magazine articles, photographs, motion pictures, and similar material,

shall be available to pay the compensation of persons performing the functions described in (1) or (2).

Mr. BYRD. Mr. President, the effect of this amendment is to reduce the functions in the categories it sets forth by 25 percent, assuming that the Ferguson amendment is not made applicable by the head of the agency to these specific items. If the Ferguson amendment is made applicable, this amendment will make a further reduction of 15 percent, the total reduction being 25 percent.

As I stated in the Senate yesterday, my reason for offering this amendment is that the Congress has enacted a law which has been in effect since 1913, that no publicity experts should be employed unless the money were specifically appropriated. Notwithstanding that fact, it is well known to everyone that publicity experts are employed in various agencies of the Government. Not only have we individual knowledge of that fact, but in 1937 the Brookings Institution stated that, notwithstanding the fact that the employment of publicity experts is forbidden by the act of October 22, 1913, unless funds are specifically appropriated for that purpose, publicity agents are nevertheless appointed under other designations. One of the results has been an increasing flood of press releases produced by the process method.

In 1947 the Harness committee in the House made a similar report. The Hoover Commission made a report along the same lines.

Such an amendment as is now proposed is the only way I know of that the abuse—and it has been a great abuse—can be corrected. As I have said, the amendment, if adopted, would bring about a total reduction of 25 percent. It would not be more than that. It would be only 15 percent if the Ferguson amendment were not applied.

I well recognize the need for disseminating information. I have no objection to it. It is my belief that the additional reduction would not in any way affect the legitimate efforts of agencies in disseminating information and answering requests from Members of Congress and the public generally. Therefore, Mr. President, I ask for the adoption of the amendment as a substitute for section 603.

Mr. MAYBANK. Mr. President, I have no objection to the amendment offered by the Senator from Virginia. As I have repeatedly told him, I think it is a step in the right direction. At least we will carry it to conference. What will come out of conference, I do not know. I do not know whether the Senator desires to have a yea-and-nay vote on the amendment.

Mr. BYRD. I should like to have a yea-and-nay vote.

Mr. MAYBANK. Insofar as I am concerned, it is entirely satisfactory. I say that as chairman of the subcommittee. It is entirely satisfactory to me to accept the amendment. In the meantime I yield 2 minutes of my time to the Senator from Kansas.

Mr. CARLSON. Mr. President, I shall not oppose the amendment offered by the Senator from Virginia. In fact, I am very much in favor of it. I should like to use the 2 minutes allotted to me by the Senator from South Carolina to invite the attention of the Senate to what in my opinion is a very stupid piece of propaganda by an organization which I regret very much to criticize. It is the United States Marine Corps. The material I have in my hand was mailed to editors all over the State of Kansas. One of the editors of the Manhattan Mercury Chronicle sent it to me, complaining bitterly about this type of propaganda. The envelope is postmarked at Kansas City. I should like to read the enclosure, to show the kind of material that is being sent out by the Marine Corps. In my opinion, it is a very stupid piece of propaganda. It reads:

CORPORALS ARE BIG MEN TO COMMUNISTS, CORPORAL FIGURES

WITH THE FIRST MARINE DIVISION IN KOREA.—A marine replacement draft had just arrived in Korea, and the men were billeted in adjoining tents for their first night near the front lines.

"Say there, corporal," a voice said. "Come here just a minute, will you corporal?"

Immediately the reply came back, "Dammit, man, don't call me corporal over here. You know the Chinks are looking for us n. c. o.'s."

I cannot imagine anything so unnecessary as this type of material. It is not only unnecessary but stupid. It is no wonder that newspaper editors and publishers, who are having difficulty in getting newsprint, should complain. In addition, it is a great waste of manpower.

I sincerely hope that the amendment will prevail. I hope, also, that the Defense Department will at least give some consideration to this type of propaganda and publicity.

Yesterday, the distinguished Senator from Michigan [Mr. FERGUSON] placed in the RECORD the fact that we have had some $8,000,000 worth of propaganda and information disseminated by the Defense Department. I know that some of it is very necessary.

As I stated in the beginning, I regret to have to criticize such a great organization as the United States Marine Corps. However, I believe that the Marine Corps ought to put its own house in order and place a check on its public relations representatives in that respect.

I thank the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I inquire how much time the Senator from Virginia has remaining.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The Senator from Virginia has 12 minutes remaining. The Senator from South Carolina has 11 minutes remaining.

Mr. BYRD. I yield 5 minutes to the Senator from Arkansas. Then I shall yield 5 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. McCLELLAN. I do not think I shall use 5 minutes. I commend the able Senator from Virginia [Mr. BYRD] for offering his amendment. I merely wish to say that I have had occasion recently to make some inquiry into one agency of the Government. That investigation has not yet been completed; but I was astounded to find so many part-time workers on this kind of publicity. A great deal of information is entitled to be disseminated to the public. It is perfectly legitimate to provide the means of assembling and distributing such information.

The only suggestion I would make with regard to the pending amendment is that the figure could be safely made 50 percent, instead of 25 percent. No worthwhile services to the general public would suffer. I believe the amendment is a step in the right direction, and I shall support it.

I hope that before appropriation bills come to us in the next fiscal year we shall have looked into the problem fully and find where we can make specific cuts, and thus put a stop to the useless and stupid propaganda which is being disseminated all over the country.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 5 minutes.

Mr. FERGUSON. Mr. President, I should like to have a few minutes on the pending amendment. I too hope that before the next appropriation bills come to us we can actually require every agency to give a truthful statement as to every person who is connected in any way with publicity, including so-called information specialists and other propaganda agents.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McCLELLAN. I believe the Senator will find that many of them, although given a different classification and carried under a different title, are used part time, at least, for publicity purposes. Therefore, it will be necessary to go into the subject very thoroughly in order to obtain accurate information on it.

Mr. FERGUSON. Therefore I hope we can actually obtain information as to what is going on in the departments.

Mr. President, in 1913 Congress passed a law stating that no money appropriated by any act shall be used for the compensation of any publicity expert, unless specifically appropriated for that purpose.

That law does not work. We have been unable to get any action under the law. In the Digest the law is shown without one case listed under it. Therefore, it has not been used. It might be said, therefore, that the law is as good as new, or as good as on the day it was passed, for it has not been used, and no one thinks of using it.

In 1946 the Senator from Michigan was able to assemble some figures. Seventy-four million dollars was used for propaganda in the Executive Office alone. At that time there were 80,000 propaganda agents. Approximately 45,000 of them were permanently on the roll. There were temporarily on the roll about 43,000. They were doing this kind of work.

Mr. CASE. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from South Dakota.

Mr. CASE. I should like to inquire whether the agencies this year have submitted the so-called green sheets, which carry a breakdown of the personnel by classification number. I know that up until about 2 years ago it was customary for them to submit the so-called green sheets, which gave the breakdown. Then the Budget Bureau, when it reorganized its methods of presentation, abandoned the custom of submitting green sheets. It made it difficult to tell not only the job classification, but the numbers of persons who were engaged in various lines of work.

Mr. FERGUSON. We do not call them green sheets. They are white sheets in the Senate. The information is broken down only by grades. In that way it is not possible to identify the propaganda agents. They are found in the office of the chief counsel, in the offices of economists and planners. At times they are found throughout the entire department. I recall that at one time when the OPA was suspended for a few days, practically everyone in that agency, including clerks, went to work on propaganda favoring the continuation of the OPA and urging that Congress pass a bill continuing it.

So, Mr. President, as one of the sponsors of the amendment, I feel as the distinguished Senator from Virginia does, namely, that we cannot accomplish our purpose in connection with this matter by means of passing a separate bill, but we must proceed by means of taking action in connection with appropriations. In other words, if we provide that appropriations shall not be used for propaganda purposes, we shall then be able to try to ascertain whether that restriction is violated. It is only in that way that Congress can put a stop to the propaganda which is being issued daily by the various Government agencies.

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Mr. CASE. Of course, I am sure that the Senator from Michigan understands that I am distinctly in favor of the amendment.

Mr. FERGUSON. Yes; I appreciate that.

Mr. CASE. In fact if it met with the approval of the authors of the amendment to do so, I should like to see more than a 25-percent cut provided for.

Mr. FERGUSON. I agree that I should like to see more than a 25-percent cut made. However, under the circumstances, if this year we can accomplish an actual 25-percent reduction in the propaganda activities, we shall relieve the taxpayers to the extent of at least 25 percent of the burden of opening and looking at various Government-agency circulars and other items sent by mail.

If we look into the matter again next year I am sure that then we can make another 25-percent reduction, and finally we shall be able to reach the point where the Government agencies send to the public only what the public want sent to them for their own benefit, rather than for the benefit of the various Government agencies.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The time of the Senator from Michigan has expired.

Mr. BYRD. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Virginia has 5 minutes remaining.

Mr. BYRD. I yield as much of that time as is required by the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. WHERRY. Mr. President, I am one of the cosponsors of the amendment. I wish to state briefly my position in regard to it.

In the Appropriations Committee we have attempted to do what is now sought to be done on the floor of the Senate by means of the amendment. The report of the Hoover Commission reveals that $105,000,000 is spent annually on the personnel who are engaged in this type of work. We cannot ascertain the exact number who are engaged in this activity. Time and time again in the Appropriations Committee we have been told that it is impossible to determine the exact number or to get an exact breakdown. There have been estimates that anywhere from 4,000 to 23,000 persons, depending on their assignments, are paid by the taxpayers for doing what I call propaganda work in the various Government agencies and bureaus.

Mr. President, this amendment is certainly a step in the right direction. Therefore, I favor its adoption. In the event a record vote is not taken on the question of adopting the amendment, I wish the RECORD to show that I, as a member of the Appropriations Committee, am very anxious to have the Senate do what would be done as a result of adopting the amendment, and what we have attempted to do on a number of other occasions, namely, reduce the number of persons who are engaged in this activity. I feel that we can very well do that at this time.

Mr. CASE. Mr. President, does the Senator from Virginia have control of any time at this point?

Mr. BYRD. Mr. President, let me ask how much time I have remaining.

The PRESIDING OFFICER. The Senator from Virginia has 3 minutes remaining.

Mr. CASE. Mr. President, will the Senator from Virginia yield 1 minute to me?

Mr. BYRD. I yield 1 minute to the Senator from South Dakota.

Mr. CASE. Mr. President, I should like to ask the Senator from Virginia whether any estimate has been made in regard to the funds which would be used for travel by those whom the Senator proposes to have stricken from the payroll by reason of the adoption of his amendment, if it is successful, as I hope it will be, in making an important reduction in the number of persons who are assigned to this type of work. It would also follow that the money they would use for travel should also be deducted from the appropriations in some way.

Mr. BYRD. It is very difficult to ascertain that, because we cannot determine who the publicity experts are. The compensation of publicity experts is prohibited by law, unless specifically appropriated for. However, the Hoover Commission has estimated that the operations of the various persons who are engaged in work of this type, work of a propaganda nature, cost the taxpayers approximately $105,000,000 a year.

I say to the Senator from South Dakota that when the next appropriation bill comes before us we shall endeavor to get more accurate information. However, such persons are not listed as publicity experts or publicity agents, and therefore it is very difficult, if not impossible, to ascertain just who they are.

Mr. CASE. I am sure the Senator from Virginia will agree that it is customary to include in the estimates amounts for stationery and for travel for the persons who engaged in that work; and if we eliminate such positions, we should also eliminate funds for their travel, so that the money will not be used by other persons in those agencies.

Mr. BYRD. Of course, a number of persons who engage in this activity are engaged in grinding out the releases here in Washington.

Mr. CASE. That is true, but I happen to know that a few years ago there was a meeting in Minnesota to which committeemen from my State were brought, and at that time we were told that their expenses would be charged to the Department of Agriculture. Those expenses amount to a great deal of money.

Mr. MAYBANK. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from South Carolina has 11 minutes remaining.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. Does this amendment apply to all agencies of Government?

Mr. BYRD. Mr. President, if I may reply, let me say that it applies to the agencies covered by the pending bill.

Mr. MAYBANK. Does the amendment apply to the Atomic Energy Commission?

Mr. BYRD. The amendment applies to the Atomic Energy Commission if it has any publicity experts. However, certainly it should not have any publicity experts, for it should keep its operations secret.

Mr. MAYBANK. Mr. President, I yield now to the Senator from New Mexico, who asked me a question in connection with this matter.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. ANDERSON. Mr. President, I simply wish to point out that in my opinion the pending proposal is an extremely dangerous way of handling this matter.

I recognize that every time a Senator rises to defend any type of Government activity, he is charged with not wishing to make cuts.

I was in the Senate a few years ago when a Member of the Senate stacked books all over his desk and read from them in an attempt to show how ridiculous are some of the publicity releases of the Department of Agriculture. At that time I intended to reply to his statements, but unfortunately he was not on the floor when I returned with the necessary material.

One of the things he talked about was how the Department of Agriculture had thrown away the money of the taxpayers by trying to make an identification of the various varieties of fleas; and he said, "Think of it! The Department of Agriculture, which is supposed to be looking after horses, cattle, and other agricultural matters, is throwing away its money by making a study of fleas."

I suppose some of the present Members of the Senate remember that occasion. At that time no one took the trouble to find out the reason why the Department of Agriculture had made that study. Actually, the reason was that the Department of Agriculture had been appealed to by the Military Establishment of the United States, which during World War II had said to the Department, "We are sending our soldiers to north Africa, and the greatest carrier of typhus is fleas. We find that no authority in the United States or elsewhere in the world can help us with that problem at the present time."

It so happened that the only persons who had made much of a study of that problem were Department of Agriculture scientists, who had studied it in connection with the diseases of cattle. The publication then referred to, which was ridiculed on the floor by one of the Members of the Senate, and was pointed out as an example of foolishness, happened to be a document for which the Armed Forces of the United States gave special thanks to the Department of Agriculture, which prepared it.

I went to Walter Reed Hospital and was told by some of the doctors there that that publication had been used more than any other publication in a number of months. Yet that publication, which was cited as an example of how the taxpayers' money is thrown away, was used

to save the lives of countless soldiers in the north African campaign. Nonetheless, it was referred to as a specific example of how foolish we are in wasting our money.

Mr. President, it seems to me that the responsibility for some of these items should rest with the subcommittee of the Appropriations Committee which deals with the appropriations for the particular agencies.

At this moment I am particularly interested because of the Atomic Energy Commission. Many of us were somewhat surprised in the last few days at the publication of some newspaper articles in reference to the tests at Eniwetok. Some of the members of the Joint Committee on Atomic Energy have felt that it might have been better if some of the things in those articles had not been published. Certainly if there is need for a publications specialist at the present time, it is in the Atomic Energy Commission.

So I shall oppose this amendment because I believe all of us should oppose any attempt to use a meat ax, so to speak, in an effort to strip the Atomic Energy Commission of its publications experts. At a time when atomic energy matters are of such great importance to us, such an attempt is most dangerous to our country and is nothing to be proud of.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from Virginia.

Mr. BYRD. The amendment does not strip from the payrolls the experts at all, that is, the information specialists, because it makes a cut of but 15 percent more than that proposed by the Ferguson amendment. It leaves ample personnel in all the agencies to perform the legitimate functions of publicity.

Mr. ANDERSON. What does it leave in the Atomic Energy Commission?

Mr. BYRD. It reduces by exactly three the number of employees of the Atomic Energy Commission who are engaged in this character of work.

Mr. ANDERSON. Three?

Mr. BYRD. Three. They have 21. It takes 15 percent off the 21. There is not an agency of the Government which cannot absorb such a reduction as that.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to say that in the appendix to the budget, where a statement of the total personnel appears, there are 24 information specialists listed under the Atomic Energy Commission. This amendment would reduce the number. It would mean there would still be 18 information specialists listed under the Atomic Energy Commission.

Mr. ANDERSON. But my point is, if the 24 were not needed, why did the subcommittee of the Committee on Appropriations approve that number? The Senator from Massachusetts was on the committee, which approved 24. Was the Senator right then, or is it right now to take off 6?

Furthermore, I do not know what the amendment would do to the film which has just been made. A film has been made by the Atomic Energy Commission in order that school children may have an opportunity to become acquainted with some of the very important facts in connection with atomic activity. Do we know whether, by this proposal, that sort of work would be stopped?

I voted against a great many of the proposals for reductions which have been made in the Senate, and I may say that I hope that I voted against all of them. I do not believe that the House of Representatives and the Senate can do their work unless they depend on their committees to go through the various items and to consider them carefully, one by one, in the endeavor to ascertain what a given organization or department of Government is entitled to, and then certify in their reports the appropriations that they think the departments ought to have. I do not know how we can simply cut them down and cut them down, steadily, without regard to what the committees have done. All that we would accomplish would be to tempt the committees to raise the appropriations 15 or 20 percent, upon the supposition that the Senate could be counted upon surely to reduce them 15 or 20 percent after they reached the Senate. I say there are involved some problems which I think we had better consider, problems which indicate that we had better wait before taking drastic action.

I do not know what the cut does to the Atomic Energy Commission, because I have not carefully examined the budget, but if the subcommittee of the Committee on Appropriations examined into the positions involved in this amendment and felt that 24 employees were necessary to do this work, I do not see how it can now be said that the figures were not right and we can get along with 6 less.

I am going to support the recommendation of the subcommittee of the Committee on Appropriations. I think they knew what they were doing, and if they did not, then I am greatly surprised in the personnel of that subcommittee.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from South Carolina.

Mr. MAYBANK. The Senator refers to the subcommittee on appropriations having charge of the Independent Offices bill, who heard the members of the Joint Committee on Atomic Energy. I merely want to make the RECORD clear that members of the Joint Committee on Atomic Energy sit on the Subcommittee on Independent Offices of the Appropriations Committee, both in the House and in the Senate. I merely wanted the RECORD to be clear regarding that item.

Mr. ANDERSON. That is correct. I should like to say to the chairman of the subcommittee who is in charge of this bill that I attended some of the meetings of the Appropriations Committee when it was dealing with the items relating to the Atomic Energy Commission.

Mr. MAYBANK. The Senator is correct. He made certain recommendations.

Mr. ANDERSON. The members of the committee were extremely kind, and allowed me to state my position on two or three matters. I am happy to say that the distinguished Senator from Massachusetts [Mr. SALTONSTALL] was, it seems to me, thoughtful as to what the real needs of the committee might be, and I was happy to join with him in saying that I thought the cut which he was recommending was far more sensible than any other cut which had been suggested.

Mr. BENTON. Mr. President, will the Senator yield for a question?

Mr. ANDERSON. I yield to the Senator from Connecticut.

Mr. BENTON. With the experience of the distinguished Senator from New Mexico in the Department of Agriculture, does he not think that the many Senators who are supporting this amendment are partially motivated by confusion over the use of the word "publicity," and by a misunderstanding of the extent to which the funds allotted go into publicity activities as such? I may ask the Senator what part of the items which would fall into the general category we are discussing would he attribute to publicity in the Department of Agriculture, in contrast to the general activities of the Department in the field of education and instruction?

Mr. ANDERSON. I do not know, because, so far as I am aware, the amendment offered by the Senator from Virginia was not printed. I heard it read, but I am not able to say what it would accomplish.

Mr. BYRD. Let me say to the Senator that it was printed yesterday, and it is in substantially the same form as of today changed only slightly in order to meet the question whether it is in order.

Mr. BENTON. May I ask that the first portion of the amendment, which describes the employees who are affected by it, be read, if the distinguished Senator can answer my question after it is read?

The PRESIDING OFFICER. The Senator from New Mexico has the floor. He has not yielded.

Mr. ANDERSON. I may say to my friend from Connecticut that I do not know that I could answer the question if I heard the amendment read, because it is impossible in a far-flung organization such as the Department of Agriculture, which, incidentally, is not included in this bill, to say how many employees might be involved; but I know that, connected with the agricultural colleges, there are employees whose task is like that of an information specialist. I do not regard them as propagandists. I do not regard them as persons who are today trying to do something harmful to their own Department.

Mr. BENTON. Or that they are persons who write the booklets?

Mr. ANDERSON. Or that they are the persons who write the booklets. But

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I do say there is a legitimate place for that type of work.

To refer again to the Department of Agriculture, when it was established, it was found that it was not sufficient to have a Department of Agriculture existing in the city of Washington, and very soon thereafter land-grant colleges began to be established, in order that the information gathered in Washington might be transmitted to the field. It was then discovered that that was not sufficient, but that it was necessary to have experiment stations in order to test some of the theories, and then there was made what I thought was an important decision, namely, that there should be an extension service which would carry information to the farmers. One reason why the Department of Agriculture in this country is wholly different from the Department of Agriculture, for example, in France, is that it carries to the farmer himself the actual information which the farmer requires.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired. All time for debate has expired. The question is on agreeing to the amendment of the Senator from Virginia [Mr. BYRD].

Mr. BYRD. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. MAYBANK (when his name was called). Mr. President, I advised the Senator from Virginia [Mr. BYRD] that I would take the amendment to conference. In view of the fact that I am chairman of the subcommittee, and the subcommittee authorized me to report the bill, I vote "nay."

The roll call was concluded.

Mr. JOHNSON of Texas. I announce that the Senators from Kentucky [Mr. CLEMENTS and Mr. UNDERWOOD], the Senator from Missouri [Mr. HENNINGS], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from New York [Mr. LEHMAN], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. SMATHERS] are absent because of illness.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from Washington [Mr. CAIN], the Senator from Vermont [Mr. FLANDERS], and the Senator from North Dakota [Mr. LANGER] are detained on official business. If present and voting, the Senator from Maine [Mr. BREWSTER] and the Senator from Vermont [Mr. FLANDERS] would each vote "yea."

The Senator from Indiana [Mr. CAPEHART] is necessarily absent

The Senator from Illinois [Mr. DIRKSEN] and the Senator from Nevada [Mr. MALONE] are absent on official business. If present and voting, the Senator from Illinois [Mr. DIRKSEN] would vote "yea."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness, and, if present, he would vote "yea."

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate. If present and voting, the Senator from New Hampshire [Mr. TOBEY] would vote "yea."

The result was announced—yeas 63, nays 10, as follows:

YEAS—63

Aiken	Hickenlooper	Mundt
Bennett	Hill	Nixon
Bricker	Hoey	O'Mahoney
Bridges	Holland	Pastore
Butler, Md.	Humphrey	Robertson
Butler, Nebr.	Ives	Russell
Byrd	Jenner	Saltonstall
Carlson	Johnson, Colo.	Schoeppel
Case	Johnson, Tex.	Smith, Maine
Connally	Kem	Smith, N. J.
Cordon	Knowland	Smith, N. C.
Douglas	Lodge	Sparkman
Duff	Long	Stennis
Dworshak	Magnuson	Taft
Eastland	McCarran	Thye
Ecton	McCarthy	Watkins
Ferguson	McClellan	Welker
Frear	McKellar	Wherry
George	McMahon	Wiley
Green	Millikin	Williams
Hendrickson	Monroney	Young

NAYS—10

Anderson	Hayden	Moody
Benton	Kilgore	Neely
Chavez	Maybank	
Ellender	McFarland	

NOT VOTING—23

Brewster	Hennings	Martin
Cain	Hunt	Morse
Capehart	Johnston, S. C.	Murray
Clements	Kefauver	O'Conor
Dirksen	Kerr	Smathers
Flanders	Langer	Tobey
Fulbright	Lehman	Underwood
Gillette	Malone	

So Mr. BYRD's amendment in the nature of a substitute for section 603 was agreed to.

Mr. DOUGLAS. Mr. President, I now call up my amendment "6-18-51-E" and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Illinois.

The LEGISLATIVE CLERK. On page 18, line 13, it is proposed to strike out "$107,757,800" and in lieu thereof insert "$100,000,000."

Mr. DOUGLAS. Mr. President, this is a proposal to save $7,750,000 in the General Services Administration appropriation. The 1951 act provided a total appropriation of $78,200,000 for operating and administrative expenses, and additional functions were given to the agency. The budget request was for $114,400,000 for this agency.

I congratulate the House and the Senate committees for reducing this appropriation to $107,750,000, but I believe that additional economy can be made without any detriment to the service itself.

Mr. President, when the General Services Administration was established according to the recommendations of the Hoover Commission, it was believed that the consolidation of the housekeeping and purchasing functions of the Federal Government in one agency would result in an appreciable reduction in expense and in an appreciable reduction in the total number of persons employed. It was on that basis that the consolidation was approved.

In the CONGRESSIONAL RECORD for the 4th of May, on page 4872, will be found a statement, which I believe has been unchallenged, of the aggregate number of employees engaged in this character of work before the General Services Administration took it over, and the number now. I find that the aggregate number of persons employed in performing these functions in the agencies prior to their functions being taken over by GSA amounted to 29,562. I am informed that the present number in GSA performing these functions is 29,702. In other words, there has been no decrease in the total number. In fact, there is even a slight increase. The economies which were expected therefore have not been realized.

I should like to call to the Senate's attention that the GSA is strictly an overhead agency, performing overhead services for the Government. If we are to cut overhead, therefore, this is the place to do it. Reducing this appropriation to $100,000,000 would be a cut of only about 12 percent which certainly should not hurt essential services.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. So far as I am concerned, as chairman of the subcommittee, I am glad to accept the amendment of the Senator from Illinois. However, if the Senator wishes to have a yea-and-nay vote on the amendment I shall be glad that he have such a vote.

Mr. DOUGLAS. No, Mr. President, in order to save time I shall not ask for a yea-and-nay vote, although I feel that such a vote would be favorable. I thank the Senator from South Carolina, and I hope he will help to hold this cut in the conference committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the committee amendment on page 18, line 13.

The amendment to the amendment was agreed to.

The committee amendment, as amended, was agreed to.

Mr. MAYBANK. Mr. President, several Senators have heretofore intended to offer other amendments to the bill. I understand that certain amendments will be withdrawn in view of the action taken by the Senate today on the so-called housing amendment, the Dirksen amendment. Am I correct in my understanding that the Senator from Nebraska [Mr. WHERRY] the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Michigan [Mr. FERGUSON], intend to withdraw certain

amendments which it had heretofore been their intention to offer?

Mr. WHERRY. Mr. President, let me ask: Can any other amendment be taken up now?

Mr. MAYBANK. There is no amendment by any Senator on this side of the aisle that can be taken up now.

Mr. DOUGLAS. Mr. President, I do not intend to offer any more amendments.

Mr. WHERRY. I suggest the absence of a quorum. I do that in order that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Michigan [Mr. FERGUSON], who are now in a meeting of the Appropriations Committee, may be called back to the floor so we can ascertain from them whether the remaining amendments which they intended to offer will be offered at this time.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will therefore call the roll.

The legislative clerk proceeded to call the roll.

Mr. MAYBANK. Mr. President, do I understand that the absence of a quorum has been suggested?

The PRESIDING OFFICER. Yes.

Mr. MAYBANK. Are Senators engaged in the preparation of certain amendments? If so, would it be agreeable that the Senate take a recess for one-half hour?

Mr. WHERRY. No, Mr. President.

Mr. MAYBANK. Can they be prepared in 10 minutes?

Mr. WHERRY. Let us proceed with the quorum call.

The PRESIDING OFFICER. Let the Senate be in order. Debate is not in order. The absence of a quorum has been suggested. The clerk will resume the call of the roll.

Mr. WHERRY. Mr. President, I ask unanimous consent that the order for the call of the quorum be rescinded. The reason I make that request is that the Senator from Delaware [Mr. WILLIAMS] has an amendment, which he can present at this time.

Mr. MAYBANK. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. Yes.

Mr. MAYBANK. The Senator from New Hampshire [Mr. BRIDGES] has just entered the Chamber. It is my understanding that it is not the intention of the Senator from New Hampshire or the Senator from Michigan to offer any further amendments to the so-called housing section of the bill in view of the result of the vote had on the Dirksen amendment.

The PRESIDING OFFICER. No debate is in order. The Senate will have to proceed in regular order.

Mr. MAYBANK. I was asking a question, Mr. President, which relates to the present procedure.

The PRESIDING OFFICER. Does the Senator from South Carolina reserve the right to object?

Mr. MAYBANK. I do.

Mr. BRIDGES. I will say in reply to the Senator from South Carolina that it is not our intention to present any further amendments.

The PRESIDING OFFICER. The question is on agreeing to the unanimous-consent request of the Senator from Nebraska. Is there objection? The Chair hears none, and it is so ordered.

Mr. MAYBANK. Mr. President, as I understand, there is only one amendment from the other side, and that is the amendment of the Senator from Delaware [Mr. WILLIAMS]. Is that correct?

Mr. WHERRY. The Senator from Michigan [Mr. FERGUSON] has an amendment to offer.

Mr. MAYBANK. I wanted to find out whether there were any further amendments to be offered from the other side. The Senator from Louisiana [Mr. LONG] and the Senator from Colorado [Mr. JOHNSON] have advised me that, after conferring with Secretary Sawyer, they are preparing amendments in connection with the inland-waterways amendment which was stricken out yesterday on a point of order because of the language in which the amendment was framed. As I understand, as of this time, the only amendments which are intended to be proposed are the amendment of the Senator from Michigan [Mr. FERGUSON], the amendment of the Senator from Delaware [Mr. WILLIAMS], and possibly one amendment or two amendments concerning the inland waterways, from this side of the aisle. The Senator from Illinois [Mr. DOUGLAS] has already stated that he has no further amendments to offer.

Mr. FERGUSON. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 36, line 4, it is proposed to strike out "two" and insert "one for replacement only"; and on page 36, line 12, it is proposed to strike the period, and insert a colon and the following: "*Provided*, That no funds appropriated by this section shall be used for the maintenance or operation of any aircraft for passenger service."

Mr. FERGUSON. Mr. President, I offer this amendment for myself and the Senator from New Hampshire [Mr. BRIDGES]. It is on page 36, and I will read the paragraph to which it applies:

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U. S. C., ch. 12A), including purchase (not to exceed two) and hire, maintenance, repair, and operation of aircraft; the purchase (not to exceed 190, of which 164 shall be for replacement only) and hire of passenger motor vehicles, $240,639,600, of which not more than $70,998,000 shall be available for personal services, to remain available until expended, and to be available for the payment of obligations chargeable against prior appropriations.

Mr. President, when we look at the budget, on page 178, under the heading "Tennessee Valley Authority Fund," we find the following:

Aircraft to be purchased, 2; gross cost $50,000.

Aircraft to be exchanged, 2; allowance (estimated) $2,000.

Net cost of aircraft to be purchased, $48,000.

Old aircraft still to be used, 5.

Cost of maintenance and operation of aircraft, $85,000.

They have indicated in the budget that they want to replace two airplanes, but the language in the bill does not provide for replacement only, which is the proper language to be used, if the purpose is replacement only. So if we were to allow the bill to remain unamended, it would enable the agency to purchase two new aircraft.

The sponsors of this amendment propose that the number of two aircraft be reduced to one, and that it be for replacement only. The reason for feeling that the agency can get along with one airplane instead of two is that it is proposed to use one of the airplanes for personal services. I read from the budget itself:

Public purpose and users: In the transaction of official business of the Tennessee Valley Authority. One plane will be used principally for passenger service, serving the Board of Directors, General Manager, division heads, and other administrative personnel; one plane will be used mainly for * * * other purposes.

It is not the purpose of the sponsors of this amendment to interfere with the actual operation of the Tennessee Valley Authority, or to prevent that agency from using airplanes in the actual conduct of its work. The purpose is merely to take the same action in the case of airplanes that we took with respect to automobiles. The agency does not need airplanes for personal passenger or pleasure service. Everyone knows that the Tennessee Valley is located in a great section of Tennessee. That section is being serviced by aircraft. It is being serviced by commercial lines. Many services operate to that section of the country. So those who are in the employ of the Government can use the regular passenger service for hire in the operation of TVA.

Let us look at the question of airplanes. The amount for repairs, maintenance, and operation is $85,000 a year. That does not include an item for depreciation. To illustrate how great that is, consider the fact that when two new airplanes are purchased the agency pays $50,000 for them; and it is proposed to exchange two aircraft now being used for two new aircraft. The agency is to receive an allowance of $2,000. In other words, there is depreciation of $24,000 on each airplane.

All the sponsors of the amendment seek to do is to make one aircraft available for replacement only, and eliminate from the bill the other airplane, which would be used for passenger service.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. The Senator uses in his amendment the words "appropriated by this act."

Mr. FERGUSON. The Senator is correct.

Mr. SALTONSTALL. The meaning may be indefinite. Would the Senator

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accept a modification so as to make the amendment read:

Provided that no funds appropriated for the Tennessee Valley Authority by this section shall be used for the maintenance or operation of any aircraft for passenger service.

Mr. FERGUSON. That would be perfectly proper. I modify the amendment accordingly.

Mr. MAYBANK. Mr. President, I shall not oppose the amendment of the Senator from Michigan. I stated that I would not oppose the amendment of the Senator from Virginia [Mr. BYRD]. I told the Senator from Virginia that I would take his amendment to conference. If the Senator from Michigan desires me to do likewise with his amendment, I shall be glad to do so.

Mr. FERGUSON. I should like to have it taken to conference.

Mr. MAYBANK. I know that there would not be 10 votes against it. There were not 10 votes against the amendment of the Senator from Virginia. I had sense enough to know that. If any Senator wants to cut the bill further, even though he has not given thought to the various provisions of the bill, it is perfectly agreeable to me to take such amendments to conference. As the bill now stands, it is going to be written in conference. I simply wish the RECORD to show the reason for some of my votes. The Senator from Michigan will have to admit that in the committee I tried to cut many of the items which have been cut on the floor of the Senate.

Mr. FERGUSON. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON], as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I offer the amendment which I send to the desk and ask to have stated. It is designated "6–18–51—S."

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. On page 46, line 24, it is proposed to strike out "$20,000,000."

Mr. WILLIAMS. Mr. President, the purpose of the amendment is to strike out the $20,000,000 provided under the item "Operating-differential subsidies" for the merchant marine.

I know that some argument can be made for operational subsidies on the basis of the differential in labor costs as between the American merchant marine and ships under foreign flags but there are factors overriding this argument. I see no use whatever in continuing the operating-differential subsidies especially under existing circumstances. I have obtained from the Department of Commerce a list of the rates for ocean transportation. Since the outbreak of the war last June in Korea the average rates from the Gulf to ports north of Cape Hatteras have increased 111 percent over what they were at the outbreak of the war. By the same token, the average rates across the Atlantic Ocean from the east coast have increased from 115 to 186 percent since the outbreak of the war. As one further example, I noticed in the press this morning that the first boatload of wheat has left the United States for India, under the pact which we approved a few weeks ago. The transportation charges on wheat to India from the Atlantic seaboard have advanced from $10.50 a ton, the rate prevailing 1 year ago, to $25 a ton, or an increase of about 150 percent. In other words, it will cost us $29,000,000 more to transport the 2,000,000 tons of wheat which Congress authorized for shipment to India than it would have cost 1 year ago. This goes to the same group asking for these subsidies.

The unsettled conditions in the world and the extra risk involved so far as the vessels are concerned cannot be used as an argument, because the vessels are insured by the United States Government under a law which we enacted. The operators pay for the insurance, but they get Government war-risk insurance.

There is a bill before the Committee on Interstate and Foreign Commerce which I am hopeful can be reported and passed, and which would place in effect some control over these rates. In the meantime, however, so long as the shipowners are operating on an uncontrolled rate schedule, advancing their rates from 100 to 200 percent over and above the rates prevailing before the war, surely the least we can do is to eliminate the operating-differential subsidies. Only last week I placed into the RECORD a statement from the Comptroller General, Mr. Lindsay Warren, condemning the manner in which the American merchant marine had profited enormously at the taxpayers' expense. It is time we did something about it other than just talk.

Mr. MAGNUSON. Mr. President, I am naturally quite concerned about this amendment. The Senator from Delaware has stated what he conceives to be the purpose of the amendment. The effect of the amendment, whether it is intended or not, would be completely to wreck the United States merchant marine.

Under the Merchant Marine Act of 1936 Congress authorized operating-differential subsidies in order to make possible the flying of the American flag on the high seas. That plan has been in operation over a period of time with respect to lines which operate over trade routes on which there is foreign competition.

Without the operating-differential subsidies we would have no American merchant marine, because the costs of the foreign operators are lower. They can build their ships more cheaply. Without the operating-differential subsidies the American flag ships would go off the seas.

We passed the Merchant Marine Act of 1936. We directed the Government to pay the subsidies, because we found ourselves at the end of World War I with the American merchant marine at the bottom of the ocean. It cost us almost $50,000,000,000 to build it up for the defense of the country in World War II.

Mr. President, I am becoming a little tired of all the talk about our merchant marine and its subsidies. I have listened to some opponents of the merchant marine. Listening to them one would think that the ship operators were in Washington for the purpose of taking the dome off the Capitol and the roof off the Treasury. I think it is about time that the critics considered some facts. Incidentally, the same critics are warm supporters of subsidies for businesses and industries which are not required to meet foreign competition. The American merchant marine must meet competition in foreign parts of the world. It must ply foreign shipping lanes in direct competition with foreign operators.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MAGNUSON. In a moment I shall be glad to yield. I do not have the exact figure, but during the first year we spent $85,000,000 on operational differential subsidies, and we recaptured $53,000,000. Figures for other years are comparable.

It costs us less to subsidize the most vital service we have in our country in times of war—and during World War II our ships carried 95.7 percent of all cargoes carried all over the world—it costs us less to fly the American flag in foreign countries and meet foreign competition than it has cost us to subsidize the production of peanuts and of cheddar cheese. I believe the American merchant marine is more important to the defense of the country and to the economy of the country than is cheddar cheese; and I am not against subsidies on cheese, either.

The purpose of the $20,000,000 is to allow the Maritime Board to pay the operational differential subsidies which are directed by Congress. They are paid out over a period of years. In the bill itself we direct the Board to make long-term contracts so that operators cannot try to determine the differences between recapture and outgoing payments. This year it will be much less, because the lines are having more cargo.

If the Board cannot pay the lines the operational differential subsidies the ships will have to be tied up. If the Senator from Delaware desires to have the ships tied up, that is one story. If that is his purpose, he should say so. His amendment would not save one penny. It would cut out every penny that we are under contract to pay to ship operators, and they could go into court tomorrow and collect every penny.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. In a moment. The amendment of the Senator from Delaware would not save a nickel. He gives as an excuse high rates. Certainly rates have gone up. All rates have gone up. Tonnage is tight because of the world situation. Two years ago rates went down and we had to pay more in subsidies. The time to collect subsidies is

when ship operators are in much better financial condition. I would not be surprised if at the end of this year the Board were able to recapture as much as twice the $20,000,000 it is asking for.

There is a bill before the Committee on Interstate and Foreign Commerce, on which he shall begin hearings sometime next week. I told the Senator from Delaware I was trying to arrange for a hearing during next week.

We must not penalize American shippers and hold down their rates when foreign operators are on the high seas, charging whatever rates they want to charge. We must consider that fact, too. We are dealing with our fourth arm of defense. We had better be careful what we do to it. Therefore I hope that the amendment will not be agreed to.

We will take care of the subject of rates and other matters. We are dealing with an appropriation bill now. What the Senator from Delaware is trying to do is to legislate indirectly on something he does not like in the merchant marine and cut out every appropriation for operational differential subsidies, which were directed to be paid by Congress, and on which there are long-term contractual obligations on the part of the Board. I hope the amendment will not carry. Its effect would be to bring about a slow disintegration and a tying up of all ships of the American merchant marine, with the exception of a few tramp steamers.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. Is it not correct to say that the Senator from Delaware has some ground for suspicion, in view of the reports of the Comptroller General of the United States, which again and again have charged fraud, both in the building and in the operation of ships, and in the report of the subcommittee of the House Committee on Expenditures in the Executive Departments, headed by Representative HARDY, of Virginia? I have read the reports, and they are scathing denunciations of overpayments permitted by the Maritime Commission. I believe the Senator from Delaware has good reason, therefore, to be suspicious. I do not know the facts in this case. Certainly the past record has not been a pleasant one. Does not the Senator from Washington agree?

Mr. MAYBANK. Mr. President——

Mr. MAGNUSON. May I answer the Senator's question?

Mr. MAYBANK. Mr. President, how much time do I have remaining?

Mr. MAGNUSON. I should at least be permitted to answer the question.

The PRESIDING OFFICER. The Senator from South Carolina has 7 minutes remaining.

Mr. MAGNUSON. Mr. President, in the old Commission, there was a great dispute about some payments which were made. We had the example of the *Mariposa* and the *Monterey*. I do not know whether fraud was involved. If fraud was involved, the Attorney General would be justified in initiating prosecution. I agree that there were some isolated cases of that kind. However, such cases did not involve the great, respectable American steamship companies.

I do not suppose anyone had more to do with the abolition of the Maritime Commission than had the Senator from Washington. We established a new board. I believe it is functioning very well. Some of the contracts involved are old contracts. The contracts are continuing contracts. That is why the Committee on Appropriations gave them money to continue the contracts. Admiral Cochrane is doing remarkable work. There have been some disputes with one or two shipping lines, which arose during World War I, and some of them are still pending to a certain extent. That does not mean that we should take a knife and cut the throat of the whole American merchant marine.

Mr. President, I yield the floor.

Mr. MAYBANK. Mr. President, the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Oregon [Mr. CORDON] and I went into considerable detail during the hearings. In view of the fact that Admiral Cochrane made one of the best witnesses before our committee, and in view of the fact that I believe the charges which have been made have now been clarified, I wish to make a short statement. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. MAYBANK. Mr. President, I yield 2 minutes to the Senator from Massachusetts, and 2 minutes to the Senator from Oregon.

Mr. SALTONSTALL. Mr. President, in my 2 minutes I wish merely to say that the amendment of the Senator from Delaware, for whom I have the highest respect, would not save the Government one penny. The Maritime Board has asked for $26,000,000 to pay subsidies. We propose to appropriate $20,000,000. There has been no settlement on subsidies since 1947.

I read from the hearings:

> Senator MAYBANK. Do these represent 1947, 1948, and 1949?
>
> Admiral COCHRANE. Yes, sir. This money is to pay and settle subsidies for 1947, 1948, and 1949. There are many more coming in 1950 and 1951.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. MAYBANK. I merely wish to make clear the fact that the payments involved are to satisfy obligations of the United States Government. We cannot evade such obligations. We cannot save any money by adopting the amendment.

Mr. SALTONSTALL. The contracts have been in process of settlement for the years 1945, 1946, and 1947. If we do not appropriate the money now, we shall have to appropriate it at some future time, in order to settle the contracts. I hope the distinguished Senator from Delaware will withdraw his amendment.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Yes.

Mr. WILLIAMS. Is that the only objection of the Senator from Massachusetts, if the amendment were phrased so as to stop the payment of operational subsidies in contracts as of today, and to pay only the operational subsidies for which we are obligated, would the Senator from Massachusetts have any objection to the amendment?

Mr. SALTONSTALL. I would have serious objection to it.

Mr. WILLIAMS. That is the point.

Mr. SALTONSTALL. I would have objection to it because the operating subsidies are paid for wages, maintenance, repairs, and subsistence, to equalize the operation costs of our merchant marine with the operation costs of the merchant marines of other countries. If we are to have any merchant fleet at all, we must have some of these subsidies. We might as well face that fact.

Mr. WILLIAMS. Does the Senator think these subsidies can be justified by a merchant marine which today is jacking up the ocean rates by as much as 150 percent over the rates of a year ago?

Mr. SALTONSTALL. I do not have accurate knowledge about that matter. I have trust in Admiral Cochrane. He appeared before the subcommittee and testified in regard to the very difficult subject of construction differential subsidies and operating subsidies, and I believe he is trying to give the Government a square deal.

Mr. WILLIAMS. I am not criticizing Admiral Cochrane. I think this is a responsibility of the Congress. Admiral Cochrane has nothing to do with the rates. Congress has not given Admiral Cochrane or the Maritime Commission or any other agency the power or right to control the rates, under the existing arrangements.

There is before our committee a bill on which the Senator from Washington has stated the committee will hold hearings next week. The purpose of that bill is to take care of this situation. However, until that is done I propose to strike out this provision of $20,000,000 subsidies.

Mr. SALTONSTALL. I hope public hearings will be held on that matter. If the subsidies are wrong or if the law is wrong, a change should be made. However, the funds now requested are not for 1952 operations, but are for payments under contracts dating back to 1948 and 1949. They are for outstanding contracts, and we must settle them.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. MAGNUSON. Mr. President, I yield 2 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 minutes.

Mr. CORDON. Mr. President, I rise in opposition to the amendment. I think there is more misinformation than information at the present time before the Senate. In the first place, an operating differential subsidy is the equivalent of a guaranty that a ship operator who has to pay higher prices, relatively, in order to operate his ship, than the operating expenses paid by a foreign ship operator, shall not lose as a result. It makes no difference whether the rates

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are raised 250 percent—although I have no knowledge whether that has been done—or 500 percent. Of course, no one claims that the rates have been raised 500 percent. However, whatever the situation may be, in each instance an accounting and determination must be made. If it is found that a profit in excess of a certain fixed amount has been made, no subsidy is due.

The only question now before us is whether the Senate will, without having any information at all before it, proceed on the assumption that Admiral Cochrane who is in charge of the Maritime Commission at this time is unfaithful to his trust and that the law under which he operates should be repealed. The question before us is whether we should take such action in ignorance.

The PRESIDING OFFICER. The Senator from South Carolina has 1 minute remaining.

Mr. MAYBANK. Mr. President, I wish to read from the testimony of Admiral Cochrane at the subcommittee hearings:

> There is a possibility of as much as $67,000,000 estimated obligations which will not be cleaned out even with this appropriation as of the end of fiscal year 1952.
>
> Senator SALTONSTALL. So that we will still have $67,000,000 to appropriate, over and above this $35,000,000 to clean up the past obligations; is that correct?
>
> Admiral COCHRANE. All of the backlog as of the end of next year; yes, sir.

So there is nothing to be saved.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MAGNUSON. Mr. President, may I have half a minute in which to make an insertion in the RECORD?

The PRESIDING OFFICER. Under the unanimous-consent agreement, the Senator's time has expired.

Mr. WILLIAMS. Mr. President, I yield one-half minute of my time to the Senator from Washington. I think I have some time left.

The PRESIDING OFFICER. The Senator from Washington is recognized for one-half minute.

Mr. MAGNUSON. I thank the Senator from Delaware.

Mr. President, I merely wish to place in the RECORD a further statement in regard to the Maritime Commission.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The language which the Senator from Delaware proposes to eliminate relating to the liquidation of War Shipping Administration obligations incurred prior to January 1, 1947, has been included in appropriation acts for the past several years. The Government still owes approximately $30,000,000 to various contractors for services performed during World War II. By specific language in the act, these bills can be paid by the Maritime Administration only with the approval of the General Accounting Office. To eliminate the language will not save the Government any money in that these bills as finally adjusted must be paid sooner or later. The proposed amendment could cost the Government more money in the end in that many claims would be placed in the courts where experience indicates that judgments may be at a higher amount than those that would be paid by the Maritime Administration and the General Accounting Office.

Admiral Cochrane, and the other members of the Federal Maritime Board, are attempting to perform the onerous task of improving the operations of the former United States Maritime Commission. It behooves us to assist them in this task of correcting the maritime situation that was so severely criticized by both Houses of the Congress and the General Accounting Office. Reductions in appropriations that do not effect economies and ultimately cost the Government more money can only lead to confusion and inefficiency.

Mr. MAYBANK. Mr. President, I should like to add that the Senator from Oregon [Mr. CORDON] is exactly correct in what he says, because in view of the recapture clause, which many persons forget about in connection with this matter, if the rates are high and if the operators make more money, the additional profits will be recaptured. In the first year $53,000,000 out of $85,000,000 were recaptured.

Mr. HICKENLOOPER. Mr. President——

The PRESIDING OFFICER. The Senator from Delaware has some time remaining. Does he yield?

Mr. HICKENLOOPER. Mr. President, will the Senator yield half a minute to me?

Mr. WILLIAMS. I yield.

Mr. HICKENLOOPER. Mr. President, I ask unanimous consent to have the Senator who is in charge of the opposition to the amendment state categorically, on his own responsibility, whether the $20,000,000 referred to in the amendment is to pay existing obligations which morally and legally should be paid and are due at this time. The answer to that question will influence my vote on the amendment.

Mr. MAYBANK. Mr. President, I can categorically state that that is the testimony which was given by Admiral Cochrane to the subcommittee, of which I was chairman.

Mr. HICKENLOOPER. Is that the basis on which the subcommittee has taken its position?

Mr. MAYBANK. That is the basis of the subcommittee's report. That statement was made to us.

Mr. WILLIAMS. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Delaware has 12 minutes remaining.

Mr. WILLIAMS. Mr. President, the senior Senator from Oregon has stated that the amendment would reduce the funds available for the payment of all operating subsidies. Of course, we cannot do away with any subsidies which now have been promised or assured but we can cut out future authorizations.

The statement has been made that the funds now requested are for the purpose only of paying obligations under contracts 3 or 4 years old. Mr. President, if the Maritime Commission is 3 or 4 years behind in paying their obligations then certainly we need new management in the Maritime Commission; and if that Commission is 3 or 4 years behind in its work, Senators should not brag about its administration but rather assist me in cutting out this appropriation at least until their records are in order. If the Commission is behind in its work it should bring its work up to date.

The American merchant marine is asking for this $20,000,000 subsidy; at the time when the rates have been increased an average of from 110 percent to 200 percent, on the coastwise and as much as 200 percent on foreign shipping. Mr. President, at this time I ask unanimous consent to have printed at this point in the RECORD a list of the rates, beginning in July 1950 and extending through April 1951, broken by months, for shipments from United States Gulf ports to United States ports north of Cape Hatteras.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Average rates, United States Gulf to United States north of Hatteras

	Rate per ton of 2,240 pounds	Rate in relation to former USMC rate of $2.85 per ton
		Percent
July 1946	$2.81	−1
July 1947	2.85	
July 1948	2.35	−17
July 1949	1.28	−55
July 1950	1.93	−32
August 1950	2.52	−12
September 1950	3.71	+30
October 1950	4.19	+47
November 1950	4.89	+70
December 1950	6.26	+120
January 1951	7.81	+174
February 1951	8.55	+200
March 1951	7.46	+162
April 1951	6.01	+111

Mr. WILLIAMS. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD the average rates to the United Kingdom, beginning in July 1950 and extending through April 1951. Those rates have increased 115 percent over the rates of a year ago, and 2 months ago they were 186 percent higher. Why should this group be allowed to profiteer in this manner at a time when our country is confronted with a grave emergency?

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Average rate, Aruba or Curacao to United Kingdom-Continent

	Rate per ton of 2,240 pounds	Rate in relation to former USMC rate of $6.55 per ton
		Percent
July 1946	$6.55	
July 1947	7.21	+10
July 1948	5.90	−10
July 1949	3.28	−50
July 1950	4.59	−30
August 1950	5.57	−15
September 1950	7.86	+20
October 1950	10.15	+55
November 1950	10.61	+62
December 1950	13.43	+105
January 1951	17.29	+164
February 1951	18.73	+186
March 1951	17.16	+162
April 1951	14.08	+115

Mr. WILLIAMS. I also ask unanimous consent to have inserted in the RECORD a table showing the rates on

grain shipped from United States Gulf ports to India and a table showing the rates on grain shipped from Gulf ports to the west coast of Italy. The first table shows that in July 1950 those rates on grain shipped to India were $10.50 a ton, when shipped on American-flag ships, but today the rate is quoted at $25 a ton. This increase means that the United States, when sending the 2,000,000 tons of wheat to India, will have to pay extra shipping charges of over $25,000,000 more than it would have had to pay under the July 1950 rate.

The PRESIDING OFFICER. Is there objection?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Grain trip charter rates

UNITED STATES GULF TO INDIA

[In dollars per cargo ton of 2,240 lbs.]

Date	*Average*
July 1950	10.50
January 1951	22.30
February 1951	25.00

UNITED STATES GULF TO WEST COAST OF ITALY

July 1950	10.50
February 1951	16.90
April 1951	17.50

Mr. WILLIAMS. Mr. President, this same group was defended by the Senator from Washington and by many other Senators on this floor 3 or 4 months ago when some of the American shipping companies were trying to purchase new ships costing as much as $6,000,000 or $8,000,000 for as little as $100,000 or $200,000. At that time those Senators were just eloquent in pleading for those companies as they are today in pleading for the subsidy.

When Senators speak of the great job the American merchant marine has done, remember we have paid the companies for doing it; and after the war ended we sold as surplus at bargain rates a number of ships to the same companies, which are today receiving these subsidies. Some of the ships were purchased from the Government for as little as $17,000 apiece. Those figures have been placed in the RECORD before. Now we are subsidizing the operation of these same ships, and I say it is time to call a halt.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield for a question; I do not have much time remaining.

Mr. MAYBANK. I merely wish to make a statement, if the Senator will permit. In regard to the argument against the increase in rates, no one knows better than I do that the rates have increased, and no one knows better than the Senator from Alabama and I do that the rates on nitrate from Chile have been raised, so that every cotton farmer and every other farmer in the South will have to pay more for nitrates. I was simply trying to reply to the question asked me by the Senator from Iowa [Mr. HICKENLOOPER], and I said that these funds are to pay for the subsidies which already have been approved.

Mr. WILLIAMS. Mr. President, it is my position that the only way to call a halt to this unwarranted rate increase on the part of the American merchant marine is to stop paying the subsidies.

I insist upon a vote on the amendment, Mr. President. I think the amendment should be adopted. That is the only way by which we can speak in regard to this matter.

In my opinion, there is no justification for paying $20,000,000 to a segment of American industry which is hijacking the American people in the manner in where the American merchant marine is doing that today. It cannot be justified. No such increased rates as are now being extended can be justified. I ask for a vote on the amendment.

Mr. CASE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from South Dakota.

Mr. CASE. Mr. President, no one is inclined to view the activities of the Maritime Commission with any more suspicion than myself, because of my having read the report of the Comptroller General made a year ago, when Lindsay Warren spoke of the Maritime Commission as he did, in the most scathing terms ever to appear in any report I have read at any time, from the Comptroller General's Office. I am inclined to believe that the Senator from Delaware is certainly on sound ground in viewing the activities of the Maritime Commission with suspicion. At the same time, it must be recognized that this operating differential subsidy was added to the bill, and the question which bothers me in voting on this amendment is this simple fact: If this audited bill is for services, or for differentials, determined to have existed in 1947, 1948, and 1949, I am unable to see how, by denial of the money in this bill, we can wipe out the obligation. If we cannot wipe out the obligation, we might as well pay the bill now.

Mr. WILLIAMS. Mr. President, how much time do we have left?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. WILLIAMS. Mr. President, since many Members of the Senate are more concerned with the back payments than with future payments, and in order that there may be no misunderstanding as to what we are doing, I modify my amendment as follows, on page 46, line 19, to strike out to and through line 3, on page 48, as follows:

Operating-differential subsidies: For the payment of obligations incurred for operating-differential subsidies granted on or after January 1, 1947, as authorized by the Merchant Marine Act, 1936, as amended, and in appropriations heretofore made to the United States Maritime Commission, $200,000,000, to remain available until expended: *Provided*, That to the extent that the operating-differential subsidy accrual (computed on the basis of parity) is represented on the operator's books by a contingent accounts receivable item against the United States as a partial or complete offset to the recapture accrual, the operator (1) shall be excused from making deposits in the special reserve fund, and (2) as to the amount of such earnings the deposit of which is so excused shall be entitled to the same tax treatment as though it had been deposited in said special reserve fund. To the extent that any amount paid to the operator by the United States reduces the balance in the operator's contingent receivable account against the United States, such amount, unless it is forthwith deposited in the fund, shall be considered as withdrawn under section 607 (h) of the Merchant Marine Act, 1936, as amended: *Provided further*, That nothing contained in this act, or in any prior appropriation act, shall be construed to affect the authority provided in section 603 (a) of the Merchant Marine Act, 1936, as amended, (1) to grant operating-differential subsidies on a long-term basis, and (2) to obligate the United States to make future payments in accordance with the terms of such operating differential subsidy contracts: *Provided further*, That no part of the foregoing appropriation shall be available for obligation, nor any obligation made, for the payment of an operating-differential subsidy for any number of voyages, during the current fiscal year, in excess of 1,830 which number shall include the number of voyages under contracts hereafter awarded.

As modified, it proposes to strike not only the $20,000,000, but also authority for any future operational subsidies. I ask for a vote.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. Since the Senator has amended his amendment, I presume there would be allowed 15 minutes for debate on the amendment by proponents, and 15 minutes by opponents. Am I correct?

The PRESIDING OFFICER. Under the rules, the Senator simply modifies the amendment, in which case additional time is not permitted.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. Is it not correct that the time was allotted for debate on amendments which were read by the clerk? Would it not be correct that, if a modification of the amendment changing the whole tenor of the law, were made after the expiration of time for debate, additional time for debate would be in order?

The PRESIDING OFFICER. The Senator may, if he desires, make a unanimous-consent request.

Mr. MAGNUSON. I ask unanimous consent that, in view of the modification, this be considered as a new amendment, and that we be allowed the regular time allotted for debate on an amendment.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAMS. I object, and I ask for a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware, as modified.

Mr. MAYBANK. I move to lay the amendment on the table.

The PRESIDING OFFICER. The question is on the motion of the Senator from South Carolina to lay on the table the amendment of the Senator from Delaware, as modified. Debate is not in order.

Mr. MAGNUSON. Mr. President, is it in order for me to propose a substitute to the Williams amendment?

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The PRESIDING OFFICER. The Senator would not be in order in offering a substitute now, when a motion to table is pending. The question is on the motion to table the amendment of the Senator from Delaware, as modified. [Putting the question.]

The motion was agreed to.

Mr. LONG. Mr. President, I send to the desk an amendment, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 62, line 15, it is proposed to strike out "Not" and in lieu thereof insert the following: "Not to exceed $3,000,000 may be obligated for the purchase of equipment on the credit of the Corporation but not on the credit of the United States, and the Secretary of Commerce may authorize the Corporation to mortgage or pledge its equipment as security for the payment of any obligations representing the balance of the purchase price of equipment so purchased, and for this purpose, may authorize the Corporation to enter into purchase money mortgages, conditional sales contracts, equipment trusts, or other similar methods of financing; and not."

Mr. LONG. Mr. President, this amendment seeks to accomplish substantially what the committee amendment on page 63 originally provided. The committee amendment was stricken on a point of order raised by the Senator from Colorado [Mr. JOHNSON], the distinguished chairman of the Committee on Interstate and Foreign Commerce, who had some objection to the amendment in the form in which it was written. The amendment offered by me has been prepared to limit the amount of money which could be borrowed for the purchase of new equipment by the Inland Waterways Corporation, and to make it clear that in the purchase of such equipment, the credit of the United States could not be pledged, but that only the equipment belonging to the Corporation could be pledged, as well as the additional equipment being purchased. In that form, the Senator from Colorado, chairman of the committee, who has extensively considered this matter, feels that he would not object to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 3880) was read the third time, and passed.

Mr. MAYBANK. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAYBANK, Mr. O'MAHONEY, Mr. MCKELLAR, Mr. HILL, Mr. MCMAHON, Mr. SALTONSTALL, Mr. BRIDGES, and Mr. FERGUSON conferees on the part of the Senate.

ORDER FOR THE CALL OF THE CALENDAR TOMORROW

Mr. MCFARLAND. Mr. President, I ask unanimous consent that tomorrow, after the Senate reconvenes following the joint meeting with the House of Representatives, there be a call of the calendar from the beginning for the consideration of measures to which there is no objection.

Mr. WHERRY. Mr. President, that is perfectly agreeable to the minority. I assumed that that would be what would be done after the address tomorrow by the distinguished President of Ecuador.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. MCFARLAND. Mr. President, I should like to address an inquiry to the distinguished Senator from South Carolina, as to when he expects the control bill to be ready for consideration by the Senate.

Mr. MAYBANK. It was unanimously agreed by the committee yesterday that the committee would meet at 9:30 tomorrow morning. I might say that the Senator from Indiana [Mr. CAPEHART], who is the ranking Republican member of the committee, was one of those who agreed. He stated that he had to leave the city at 1:30, so we arranged a meeting at 9:30, so that the bill could be presented to the committee tomorrow for printing and be before the Senate on Friday. That is as far as we have gone.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MCFARLAND. I yield.

Mr. WHERRY. I have no objection. I hope the majority leader will carry out his suggestion and make Senate bill 719, the basing-point bill, the unfinished business, with the understanding that when the control bill is ready for consideration——

Mr. MCFARLAND. I should prefer to wait until the calendar is called tomorrow.

Mr. WHERRY. That is all right.

Mr. MAYBANK. I wanted the Senator to know that the control bill would be ready tomorrow.

Mr. MCFARLAND. I was merely making inquiry, because, as previously announced, so-called basing-point bill, if made the unfinished business, will be laid aside for appropriation bills and for the control bill.

Mr. MAYBANK. That was the unanimous-consent agreement.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MCFARLAND. I yield.

Mr. LONG. Mr. President, I should like to suggest to the distinguished majority leader and the distinguished minority leader that in the opinion of the junior Senator from Louisiana, hearings should be held on Senate bill 719. I do not think the hearings need to be lengthy; they would probably consume at least a week or 10 days. I certainly hope that the distinguished majority leader will consider whether we should hold hearings so that the independent tire dealers, the independent retail druggists, and the independent grocers may have an opportunity to be heard. Otherwise, there will be a strong feeling on the part of many persons that the bill was passed without hearing their side of the story. I hope the majority leader and the minority leader will go along with us in connection with hearings on this question.

Mr. MCFARLAND. I do not control the Judiciary Committee. The Senator should address his remarks to that committee. I do not feel that I should take the responsibility of asking that the proposed legislation be sent back to the committee.

Mr. LONG. The point I had in mind was that with various other bills coming up, which may be far more important than Senate bill 719, by the time we actually get around to doing anything affirmatively about Senate bill 719 the hearings probably could have been held. I think it would be a more orderly legislative process to hold hearings.

Mr. WHERRY. Mr. President, I hope the majority leader will go right ahead with the program which he has announced. Ten days ago the program was announced. If any Senator wanted to have the bill sent back to committee, a motion to that effect should have been made. There have been plenty of hearings on the basing-point bill. A year ago the Senator from Louisiana, on motion of the junior Senator from Nebraska, got further consideration of the bill after it had been passed. The vote by which it was passed was reconsidered. There was ample time to go into all phases of the question, and there will be plenty of debate on the bill in the future. The Senator will not have to worry about all angles of the bill being brought out on the floor of the Senate. I hope the distinguished Senator from Louisiana, who is very fair, will not insist on the program being changed. I trust that the majority leader will continue with his program. It has been agreed that if an appropriation bill or the control bill should be ready, the so-called basing-point bill would give way. But certainly, with those two exceptions, I hope we shall continue with the bill until it is passed.

Mr. LONG. Mr. President, will the Senator from Arizona yield?

Mr. MCFARLAND. I yield.

Mr. LONG. The very able minority leader was extremely fair when he agreed at the last session that the bill, which had gone through in a steamroller fashion, should be further considered. I admire his fairness. He has proved himself to be eminently fair. Therefore, I hope that the Senator, having been so fair with regard to giving us a chance to be heard on the floor when the basing-point bill came up last year, will demonstrate the same fairness in giving the independent retailers a chance to make their case. It may be that if hearings are held and the facts developed we may work out something which will meet the objections of the businessmen who are opposed to the bill.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from Nebraska.

Mr. WHERRY. I do not know how many days the bill had been on the calendar at the last session when it came up for debate, but the Senate, in regular procedure, passed the bill. The Senator from Louisiana did not know what had happened, and he said to me, "Senator, I am a new Member of the Senate. We should like to have the bill reconsidered." I said, "We want to be fair about it." The Senator from Louisiana now knows all the procedures from beginning to end. He knows the bill has been amply debated and that hearings were held. All I want him to do is to be as fair with us as we have been with him. He knows every angle of the bill. No one knows any more about it then he does. Let us debate the bill on the floor of the Senate.

Mr. LONG. Mr. President, I regret to say that the Senator from Nebraska attributes to me knowledge far beyond that which I possess. This is a different bill, involving different angles, based upon a Supreme Court decision handed down after the debate on Senate bill 1008 occurred at the last session. It seems to me that if the very able majority leader has an opportunity to turn this question over in his mind he will agree that hearings should be held on the bill.

THE VOICE OF AMERICA

Mr. BENTON. Mr. President, Dr. George Gallup, the distinguished director of the American Institute of Public Opinion, writes that a recent survey of public opinion dealing with the Voice of America shows that 73 percent of those interviewed favor a more aggressive campaign by the Voice of America to win people away from communism. The amazing thing, however, is that some 42 percent, according to Dr. Gallup, believe the Government might well spend $5,000,000,000 a year on an expanded Voice of America effort. This sum would represent about 10 percent of the current $50,000,000,000 defense budget.

The question which was submitted reads as follows:

> It has been suggested that we spend about 10 percent of our defense budget of $50,000,000,000 for fighting the "war of ideas." Do you think this is too much, too little, or is about right?

"Too much" say 25 percent.

"Too little" say 6 percent.

"About right" say 42 percent.

Mr. President, I ask unanimous consent to insert in the RECORD an article on the Voice of America which appeared in today's Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GALLUP POLL—MAJORITY FAVORS INCREASE IN VOICE OF AMERICA PROGRAM

(By George Gallup, director, American Institute of Public Opinion)

PRINCETON, N. J., June 19.—A substantial stepping up of American propaganda efforts abroad would find widespread public support in the United States, judging by a representative sampling of opinions just completed by the American Institute of Public Opinion.

In fact, a Congressional appropriation equal to as much as 10 percent of the present military budget of $50,000,000,000 would not be considered excessive for the purpose of telling our story abroad.

This year the United States is spending some $12,000,000 on radio, press, film, and cultural efforts in the war of ideas as compared to the $50,000,000,000 for arms.

The survey asked each voter two questions, the first being:

"Do you think the United States should increase our efforts to tell the world our side of the story and carry on a more aggressive campaign through the Voice of America to win people away from communism?"

	Percent
Should	73
Should not	11
No opinion	16
Total	100

The next question was designed to find out how many voters would accept a huge increase in the present budget, an increase that would bring the total spending for this purpose to as much as $5,000,000,000:

"It has been suggested that we spend about 10 percent of our defense budget of $50,000,000,000 for fighting the war of ideas. Do you think this too much, too little, or is about right?"

	Percent
Too much	25
Too little	6
About right	42
No opinion	27
Total	100

Persons who are the best informed about our present radio broadcasting activities abroad are more in favor of stepping up our efforts in the war of ideas.

Each voter was asked whether he happened to know what the Voice of America is and what it does.

Those who gave a reasonably correct well-informed answer were somewhat more in favor of increasing our propaganda activities with the work of the Voice of America.

A total of 46 percent correctly described what the Voice of America is, while the rest either did not know or gave vague or incorrect answers.

Mr. BENTON. I am, of course, Mr. President, greatly interested in the remarkable responses to Dr. Gallup's questions on the Voice of America, which surprised me, as I assume they will surprise many Members of the Senate. I earnestly hope we shall not be so short-sighted as to cut back the very modest appropriations currently being sought by the State Department.

Yesterday a very highly placed and well-informed official told me he estimated the cost of the incessant barrage of U. S. S. R. propaganda against Germany to total half a billion dollars a year—half a billion dollars a year in Communist propaganda against this one country alone. He reported the terrifying progress of the youth movement in Eastern Germany, which he called the most sinister thing that is going on in Germany today. He reported that this is due directly to an appropriation of 1,000,000,000 reichsmarks, or $250,000,000, put behind the propaganda and development of that great youth movement.

As perhaps the Senate knows, in Eastern Germany the young people cannot get access to athletic fields unless they join the Communist youth movement. If they do not join the Communist youth movement, they have got to go to school on Saturdays. So they must joint the Communist youth movement or go to school.

The overwhelming percentage of the teachers are stimulated and given prizes for 100-percent enrollment of their young people in the Communist youth movement.

It may be remembered, Mr. President, that Lenin, when he came into power, announced that "we must sacrifice two whole generations." This, of course, is exactly the viewpoint of the Communists in Eastern Germany today, and that is why they are putting a quarter of a billion dollars a year into this one facet of their propaganda there.

The State Department is requesting only $115,000,000 for the entire world—roughly one-fifth of the communistic expenditures on Germany alone. I may say that I am personally again critical of the State Department, as I have been in the past, for its failure to develop a program in this area commensurate with the tremendous opportunities which we are today only partially attempting to grasp.

Yesterday from the same official I learned that in our German program we are now bringing to this country about 2,200 Germans. The Senator from Minnesota [Mr. HUMPHREY] yesterday told me of a dinner night before last at his home with two members of the legislature from Westphalia, and of the extraordinarily favorable impression made upon them by their visit to this country. Such people, Mr. President, will become our major public propagandists when they return home, as they can tell the Germans at first-hand that we are not all commercial Shylocks interested only in money and in making more and more money, as most Germans believe.

Five years ago, when I was serving as Assistant Secretary of State, I urged bringing to this country at least 5,000 Germans annually, and as many Japanese. I was thinking at that time of bringing these people here not merely for a quick trip, such as the legislators from Westphalia are now enjoying, but for a full year. Interpreted in terms of such quick trips, my recommendations of 5 or 6 years ago might have involved bringing into the United States 25,000 or 30,000 annually. I submit if we had been doing that during the past 5 years we would be in an infinitely stronger position today in our relationship with these two key countries.

I cite this, Mr. President, merely as one example of the failure, in my judgment of the administrative agencies of the Government to develop an adequate program in this critical area upon which not only the question of war and peace may depend, but upon which the chances of our winning a war, if we are forced into one, may also depend.

Mr. President, I submit this Gallup poll as evidence to the Congress that we in Congress shall have widespread public approval and support if we appropriate to the State Department the $115,000,000 it is requesting, a budget on which the

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House committee has not yet even reported. More important, I submit this poll to the State Department as evidence that it has been timid in pressing forward with a bold program in this area. As Dr. Gallup points out, I think such a program would have the support of the American public. Indeed, Mr. President, the American public seems to be as far ahead of the State Department and the Congress in this area as a generation ago it was ahead of the War and Navy Departments on the subject of aviation.

It has always been my opinion that a bold program in this area, if properly presented to the Congress, and if given the leadership of the President and the top policy officers of the administration, as well as the Secretary of State and his top policy officers, could and would receive the approval of the Congress.

I am grateful, Mr. President, to the majority leader for having yielded me time.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. LONG in the chair) laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Labor and Public Welfare.

(For nominations this day received, see the end of Senate proceedings.)

CONSULAR CONVENTION AND PROTOCOL WITH GREAT BRITAIN AND NORTHERN IRELAND—REMOVAL OF INJUCTION OF SECRECY

The PRESIDING OFFICER. As in executive session, the Chair lays before the Senate Executive O, Eighty-second Congress, first session, a consular convention and an accompanying protocol of signature between the United States and the United Kingdom of Great Britain and Northern Ireland, signed at Washington on June 6, 1951. Without objection, the injunction of secrecy will be removed from the convention, and the convention, together with the President's message, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a consular convention and an accompanying protocol of signature between the United States of America and the United Kingdom of Great Britain and Northern Ireland, signed at Washington on June 6, 1951.

It is my desire that the convention and protocol transmitted herewith be considered in place of the consular convention and accompanying protocol of signature signed at Washington on February 16, 1949, and the related exchange of notes dated October 12, 1949, which were transmitted to the Senate with my message dated January 9, 1950, and which are at this time pending in the Committee on Foreign Relations—Senate Executive A, Eighty-first Congress, second session. I desire, therefore, to withdraw from the Senate the convention, protocol, and exchange of notes of 1949.

I also transmit for the information of the Senate the report by the Secretary of State with respect to the convention and protocol which are transmitted herewith. The reasons for the substitution mentioned above are explained in that report.

HARRY S. TRUMAN.

(Enclosures: (1) Report by the Secretary of State; (2) consular convention with the United Kingdom, June 6, 1951; (3) protocol of signature accompanying the convention.)

THE WHITE HOUSE, *June 20, 1951.*

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Claude L. Draper, of Wyoming, to be a member of the Federal Power Commission for the term expiring June 22, 1956 (reappointment).

By Mr. McCARRAN, from the Committee on the Judiciary:

Harold R. Medina, of New York, to be United States circuit judge, second circuit, vice Learned Hand, retired;

Thomas F. Murphy, of New York, to be United States district judge for the southern district of New York, vice Harold R. Medina, elevated;

Joseph T. Votava, of Nebraska, to be United States attorney for the district of Nebraska;

Leo P. Flynn, of South Dakota, to be United States attorney for the district of South Dakota;

Charles F. Herring, of Texas, to be United States attorney for the western district of Texas, vice Henry W. Moursund; and

John M. Moore, of Kentucky, to be United States marshal for the eastern district of Kentucky.

POSTMASTERS

Mr. McFARLAND. Mr. President, as in executive session, I ask that the nominations of postmasters on the Executive Calendar be confirmed en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and, without objection, the nominations of postmasters are confirmed en bloc, and the President will be immediately notified.

UNITED STATES ATTORNEY

Mr. JOHNSON of Texas. Mr. President, as in executive session, I ask unanimous consent for the present consideration of a nomination which was reported earlier today from the Committee on the Judiciary by its chairman, the Senator from Nevada [Mr. McCARRAN].

The PRESIDING OFFICER. The nomination will be stated.

The Chief Clerk read the nomination of Charles F. Herring, of Texas, to be United States attorney for the western district of Texas.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none, and, without objection, the nomination is confirmed, and the President will be notified.

AMENDMENT OF CENTRAL INTELLIGENCE AGENCY ACT OF 1949

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 927) to amend section 6 of the Central Intelligence Agency Act of 1949, which was, on page 2, line 6, strike out all after "elect" down to and including "pay" in line 13.

Mr. RUSSELL. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ECONOMIC CONTROLS AND THE AMERICAN FREE-ENTERPRISE SYSTEM

Mr. BRICKER. Mr. President, I think the most important matter we will have to consider during this session of the Senate will be the amendments to the Defense Production Act of 1950, the new 1951 control bill which was submitted by the White House, and introduced by the chairman of the Committee on Banking and Currency [Mr. MAYBANK] by request.

Mr. President, the Senate Banking and Currency Committee has just completed hearings on the bill (S. 1379) to extend and amend the Defense Production Act of 1950. Hearings on the bill began on May 7, 1951. Last Thursday night, President Truman gave the American people his views on this important measure. Having heard practically all of the witnesses who testified before the committee I take this opportunity to comment on the bill and on President Truman's recent address.

First, I should like to say that there is no difference of opinion between President Truman and myself regarding the menace of inflation. In his Thursday night broadcast the President warned that if we do not avoid wild inflation, "Communist Russia could win the whole world to totalitarianism without firing a shot." Last February, in a speech on the floor of the Senate, I expressed the same fear in these words:

> We must keep the cost of a more or less permanent mobilization program within our ability to pay for it. If we fail to do so, we will lose our freedom through overwhelming debt and massive inflation without Russia firing a single shot.

In his broadcast, President Truman indicated that inflation bears most heavily on those who are dependent for their livelihood on static incomes. Last February I expressed the same thought in this statement:

> While inflation can be regarded as an indirect form of taxation, it preys upon the most helpless and most deserving groups in our society. Anyone who advocates another dose of inflation for the economy is, in effect, proposing a capital levy on the value of all annuities, pensions, bonds, life-insurance policies, and savings accounts. Only by adopting courageous monetary, fiscal, and credit policies can we hope to avoid economic disaster in the years ahead.

President Truman is unquestionably correct in defining inflation as a nonpartisan issue. I have found no one, Mr. President, who advocates financing our preparedness program by inflation. There is not the slightest difference of opinion concerning the identity of our common economic enemy. Contrary to President Truman's insinuations, all

business, labor, and farm organizations recognize the necessity of mobilizing without inflation. Representatives of all these organizations appeared before the Senate Banking and Currency Committee. Without exception, they offered comprehensive programs for the control of inflation. There is no dispute over the wisdom of controlling inflation. The real issue before the Congress concerns the method to be employed in fighting inflation.

The American people insist on the right to shape their own destiny. To resist the aggresisve designs of the Soviet Union and her controlled puppet governments, the people through their representatives in the Congress have approved a costly program of national defense. The right of the American people to shape their own destiny can be lost, however, through failure to carry out that defense program without ruinous inflation and permanent regimentation of the economy. As trustees of the freedom of future generations, we are not at liberty to accept an American Tito as a substitute for a Russian commissar.

Again, in the President's speech he said:

> Government spending for defense is going to increase very fast in the next few months. And the more money the Government spends on defense the greater the danger of rising prices.

It is no less true that the more the Government spends on nondefense activities the greater the danger of inflation. We have been spending 3 or 4 days on the floor of the Senate in cutting two or three million dollars from a single appropriation bill; yet at one fell swoop this afternoon we added inflationary measures which will not be countered by all the deductions made from all the appropriation bills. Nevertheless, the President's budget for fiscal 1952 calls for the largest amount of domestic-civilian expenditures in the history of the Nation. Despite the growing danger of runaway inflation, Mr. Truman has consistently opposed all efforts to reduce nondefense Federal spending.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. BRICKER. I yield to the Senator from Idaho.

Mr. DWORSHAK. I am sure the Senator from Ohio realizes that possibly there is a motive for all this planned spending during the next year and a half. The Senator recognizes the fact that we face a Presidential election next year. We recall what happened in 1944 and 1948; so there may be a plausible reason for some of the expanded Federal spending at this particular time. Is not that so?

Mr. BRICKER. There may very well be a political motive behind it. We all recognize that a political employee means so many votes at election time.

I was disturbed at the reports from the Democratic National Committee meeting in Denver. Those reports seemed to be to the effect that there was overwhelming satisfaction with the present situation, because of the fact that the Federal payroll is increasing at the rate of one thousand or two thousand a day, averaging about fifteen hundred. Mr. DiSalle alone has asked for 35,000 employees in his single little agency for the coming fiscal year.

So with the increased payroll and expanded personnel, there seems to be hope on the Democratic side that they can be utilized for voting purposes when election time rolls around next year, just as they have been used in past campaigns.

In that address the President also said:

> Fortunately, most businessmen—especially small-business men—do not agree with the NAM. Most of them know that their future prosperity and the prosperity of the country depend upon good strong price controls at this time.

Only a very few businessmen have urged before our committee the extension of price and wage control authority.

In his January 1951 Economic Report to the Congress, President Truman said:

> We should make it the first principle of economic and fiscal policy in these times to maintain a balanced budget, and to finance the cost of national defense on a pay-as-we-go basis.

Since January, the words "balanced budget" and "pay-as-we-go" have been dropped from the White House vocabulary.

In 1947 the President of the United States, in abandoning the control of prices, said:

> We do not want any more of the police state.

The following year he asked Congress for the same powers. The next year he asked for the same powers, and the following year the same thing happened. Then when we came to the Defense Production Act last year the President of the United States, when such powers seemed to be needed, did not give any encouragement to the idea, and, in fact, did not ask for them, but opposed them.

Mr. President, I should like to read into the RECORD at this point an editorial from one of the outstanding newspapers of Ohio, the Columbus (Ohio) Dispatch. The editorial reads as follows:

THE DARK OUTLOOK

Always the great temptation in commenting on a Truman speech—such as the one he made Thursday night in behalf of his beloved system of controls—is to go lightly, on the assumption that most people will see through its thinly veiled political motives and plainly see its absurdities.

But to avoid making the strongest attacks in the very plain weaknesses is risky. One Tom Dewey thought he could get away with ignoring the more childish and obviously feebler of the Truman campaign speeches in 1948 and learned to his chagrin that it doesn't pay. The man has to be answered, for the record at least, no matter how far from reality he strays or how crassly he plays his surprisingly successful brand of courthouse politics.

What Mr. Truman told the country Thursday was most depressing. His address on controls was, in fact, one of the most dispiriting messages he has ever brought to the Nation; and making it more disturbing than ever is the unmistakable impression it carried that he is enthusiastic about the virtues of the vast program of restriction he is trying mightily to saddle on the country.

Here, for instance, are a few things he is asking the Nation to support, as he asks the people to build a fire under Congress as a means of speeding it toward expanding and amending the Defense Production Act—

Let me interpolate that after the speech of the President I received about 25 letters opposing his position, and 2 letters favoring it. As I have talked with other Members of the Senate, I have found that that is about the ratio represented in the mail of other Senators.

Continuing with the editorial:

1. The measure authorizes the Government to seize private property merely by filing a notice in court that it intends to do so.

2. It authorizes the Government to condemn, acquire, or build any kind of plant, factory, or facility, provided it is deemed essential for defense.

3. It removes all restrictions in the Government's lending power for defense activities.

4. It gives the Executive power to create new corporations at its own will.

5. It practically removes control of defense expenditures from the hands of Congress.

That, perhaps, is the most threatening of all the aspects of the bill.

Continuing with the editorial:

Mr. Truman didn't dwell on these aspects of the measure, but relied on the old technique of fright to arouse some public sentiment against his old enemy, the National Association of Manufacturers, and to intensify a fear that by our own laxity we might hand an easy, ready-made victory to the Kremlin.

On at least two points of the address there can be full public agreement. One is that unless Congress acts by June 30 there will be no more controls; the other, that what Mr. Truman is proposing is proposing has a direct, personal effect on every American.

That everyone who opposes the program is a representative of a special (probably evil) interest and by implication unpatriotic and even dangerous to the country's security is an assertion that must be vigorously opposed.

It is unfortunate that in the President's view the many fine Americans who deplore his so-called anti-inflation program are considered by him as little more than termites of a sort, lacking vision, lacking sense, and lacking any regard for the general welfare.

His implications simply aren't so, and he as one of the country's astute politicians who has resorted on many occasions to political trickery to gain special and privileged political considerations for his own administration knows this probably better than anyone else.

If President Truman is truly and sincerely interested in raising effective safeguards against a coming wave of inflation, he has the power to do it. He can permit the Federal Reserve Board to regain its freedom of discretion in the matter of credit controls and bond levels; and he can reduce Federal expenditures to a point where they will remain within the tax revenues available.

These two acts would eliminate any new additions of cheap money to the already greatly inflated bulk of the currency; and they would maintain private spending within reasonable amounts. But for some reason, Mr. Truman thinks it would be better to have OPS posters go up in every retail establishment, on every meat counter and have "a lot more prices posted in the grocery stores."

The outlook for the country if Mr. Truman has his way, and the kind of a "good, strong law" he wants is adopted by Congress, is very dark. The measure of his intolerance in this matter, and of his blindness toward any consideration of others, is best expressed in his own language:

"After the representatives of the administration testified in favor of a good, strong law," he said, "the congressional committee heard some 124 witnesses, representing all

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sorts of private organizations. And do you know how many came out for the bill? Only 20."

These were representatives of organizations vitally affected and must be presumed to be speaking for the best business and agricultural interests of the country. But did Mr. Truman consider them so? No. To him "they were trying to get special exemptions for themselves." They were selfish, privileged, special interests simply because they are opposed to one of the most restricting and repressive measures that has ever been suggested for hamstringing the American economy.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. BRICKER. I yield to the Senator from Washington.

Mr. CAIN. In the speech of the President, to which the Senator from Ohio has made some pointed references, the President would have the Nation believe that American business, which provides jobs for American workers, is a sinister force which desires to destroy the Nation's economy by adding to the fires of inflation. To what extent, may I ask the Senator from Ohio, does he believe any such charge to be true?

Mr. BRICKER. There is no basis whatever for such a charge. Witnesses before our committee unanimously gave their best proposal for preventing inflation and the very destructive forces which the President condemns. They were patriotic in doing so. That has been the history of American business. That has been the story of American progress. That has been the foundation upon which we have builded the greatest productive system in the history of all time. The President would curb it and bend it to his own will through the bureaucratic domination he is trying to put it under. I will say to the Senator from Washington that a little later I believe I shall be able to show conclusively, at least to my own satisfaction, and I hope to his also, that the President's proposals are not deflationary, but that they are inherently inflationary in our economy.

The Banking and Currency Committee faces a supremely difficult job in writing up the bill to extend and amend the Defense Production Act of 1950. The committee must endeavor to provide the controls needed to carry out the Nation's expanded defense effort without destroying the American system of free competitive enterprise, which, in peace and in war, has been the mainspring of our productive might. It cannot be denied that the Defense Production Act of 1950, even in its present form, places severe restrictions on the free choice which millions of producers, distributors and consumers have long regarded as a fundamental part of their freedom. It is equally true that our present build-up in military strength requires some temporary sacrifice of economic freedom on the part of all groups in our society. The Senate will soon be required, therefore, to consider how regimentation of the American economy can be minimized and terminated at the earliest practicable date consistent with the demands of the expanded defense program.

This Congress must decide how to finance a preparedness program which may require a $90,000,000,000 Federal budget for as long as 10 or 20 years. The means of financing this program and the method of controlling inflation are but two prongs of the same problem. Only three choices are available. They are:

First. Inflation with price and wage controls;

Second. Inflation without price and wage controls; and

Third. Pay-as-you-go financing without inflation.

Inflation is nothing more complicated than an increase in the supply of money and credit relative to the supply of consumer goods available for purchase. For the indefinite future we seem to be committed to defense spending at the approximate rate of $65,000,000,000 a year. Much of the industrial capacity available for the production of civilian goods must be shifted to defense production. The enormous expansion of defense production necessarily tends to increase the over-all supply of money and credit. In short, we are confronted with a substantial increase in the volume of money and credit and a substantial decrease in the supply of goods and services available for civilian purchase. Inflation is inevitable unless the resulting imbalance is corrected. Price and wage controls have little or no effect on the total supply of money and credit. The only way to stop inflation is to reduce the supply of money and credit and to increase production of civilian goods to a degree sufficient to compensate for the enormous increase in defense spending. Only by adoption of the following measures can further inflation be prevented:

First. Increase production: At the outbreak of the Korean war, American industry was operating almost at capacity. Steps to increase production of civilian goods will be offset to some extent by the bureaucratic restrictions which accompany allocation powers and price and wage controls. It will be a long time before industry is able to satisfy completely both military and civilian demands. Mr. Truman's rosy picture of both guns and butter in 1953 is not supported by the facts.

Second. Higher taxes: Increased taxation attacks the root cause of inflation by reducing the total amount of disposable personal income. Unfortunately, tax rates are already close to the record levels which prevailed during World War II. It is no longer possible to obtain additional tax billions simply by soaking the rich or the large corporations. If higher taxes are designed to prevent inflation without destroying incentive to produce, they must also be imposed on the lower- and middle-income groups. To reduce the standard of living of a majority of the people through taxation requires very rare political courage. Nevertheless, that standard of living will be reduced either by inflation or by higher taxes. Our own rearmament program, coupled with the effort to support other nations both militarily and economically, involves a bill which must be paid either honestly or by the cowardly device of depreciating the currency.

Third. Reduction of nonessential Federal spending: Although the desirability of a drastic cut in Federal spending is obvious, it is not enough by itself to prevent inflation. Moreover, a substantial reduction is made extremely difficult by the Administration's stubborn insistence on spending as usual. On several occasions during his Thursday night address, President Truman said that business would have to forego profits and that labor would have to pass up wage increases. Equality of sacrifice is a fine principle, but at no time in his speech did Mr. Truman indicate that Government departments and agencies would share in those sacrifices.

Fourth. Abandonment of inflationary monetary policies: Since June 1950, the Treasury has had a cash surplus. Production of military goods is only beginning to have a significant impact on the economy. The inflation which has occurred since the outbreak of the Korean war has been due almost entirely to the Treasury's monetary policy which forced the Federal Reserve Board to make large purchases of Government bonds at par to support an artificially low interest rate.

Fifth. Increased savings by nonbank investors: It is no longer possible to rely on saving by nonbank investors to neutralize the inflationary gap between Government income and expenditures.

In last evening's newspaper I read an article which stated that more savings bonds had been cashed each month during last year than had been purchased by the nonbanking investing public.

The national debt of $260,000,000,000 hangs like a threatening sword over the entire economy. Even with a balanced budget, the huge spending power tied up in savings bonds can breach almost any barrier against inflation. To sell new bonds and to keep existing savings out of the spending stream the Government must prove beyond any possible doubt that the value of the dollar will be stabilized and that the adulteration of the dollar which has been going on for the past 15 years will cease. Promises, platitudes, and wisecracks by the Government's economic stabilizers are not enough. There must be made a determined effort to finance the preparedness program on a pay-as-you-go basis.

In his broadcast Thursday evening, President Truman described the Defense Production Act of 1950, as proposed to be amended, as an anti-inflationary measure. Nothing could be more misleading. The act does not increase production of consumer goods, raise taxes, reduce Federal spending, establish a restrictive monetary policy, or encourage individual saving. There is hardly a line either in the existing law or in the proposed amendments which exercises any restraint over inflationary pressures. Taken as a whole, the Defense Production Act of 1950, together with the amendments proposed in Senate bill 1397, stimulates inflation. While there may be valid reasons for amending and for extending the act, in whole or in part, the over-all effect of the law is inflationary. A brief title-by-title analysis of the present law will demonstrate its inflationary potential.

Title I of the act provides for priorities and allocations of scarce materials.

Practically everyone agrees that the extension of these powers is required in order that military and defense-supporting activities may be provided with a sufficient quantity of metals and other materials in short supply. But regardless of how necessary the extension of title I may be, the net result is inflationary. Even if the National Production Authority were staffed by the most capable administrators in America, it could not distribute the products of our farms and factories as efficiently as the free-enterprise system does. The sole purpose of allocation orders is to channel the scarce materials toward the production of military items and essential civilian goods. Low-priority manufacturers must either bid up prices for a reduced supply of scarce materials or curtail their production. In either event, consumers of the less essential civilian goods must pay higher prices.

The requisitioning authority found in title II of the act imposes no restraint on the forces of inflation. To the extent that the condemnation authority proposed in Senate bill 1397 would increase Government spending, title II would add to inflationary pressures.

Title III of the act provides for the expansion of defense production by loans on defense contracts, direct loans, and subsidies to producers of critical and strategic minerals and metals. These activities do not materially increase the supply of goods available for civilian consumption. In Senate bill 1397, the administration proposes to hide the inflation and the maladministration of its price-control program through the use of subsidies. Food subsidies merely transfer part of the cost of living from the grocery bill to the tax bill. To the extent that these Government subsidies must be paid for through deficit financing, they add fuel to the fires of inflation.

Title IV of the Defense Production Act of 1950 provides the authority for price and wage controls. It is this title which President Truman presents as the principal weapon against inflation. The American people are being cruelly deceived. If price and wage controls operated on the causes of inflation, there would be ample justification for accepting on a temporary basis the sacrifices involved in that type of regimentation. However, reputable economists, and even the Government's price stabilizers, concede that price and wage controls are directed exclusively toward the symptoms of inflation. For example, Mr. Eric Johnston said in his first official statement as Administrator of Economic Stabilization:

> The effect of price control is not to eliminate inflation, but to suppress it. Inflation comes about as a result of a gap between the available supply of goods and the amounts which consumers, business firms, and governments would like to buy and can pay for. Price control does not eliminate this gap.

Although price control may temporarily suppress inflation, it stimulates inflation in at least two ways. First, thousands of Government employees are required to administer a price and wage control program. Mr. DiSalle testified that the Office of Price Stabilization alone expects to have 35,000 full-time employees by June 30, 1952.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. BRICKER. I yield to the Senator from Washington.

Mr. CAIN. Let me ask the able Senator from Ohio how many American business firms of his knowledge employ as many as 35,000 workers.

Mr. BRICKER. Very few of them do; they can be counted on the fingers of two hands.

Mr. CAIN. That is to say, the intended personnel staff of Mr. DiSalle's office will, in itself, be larger than the staff of all except a very few business concerns in the United States. Is that true?

Mr. BRICKER. That is absolutely true. The worst feature of all is that for each Government employee engaged in price-and-wage control, it has been most conservatively estimated that private business will require 10 employees to keep abreast of the never-ending flow of red tape, instructions, and directives. So, for each of the 35,000 employees in Mr. DiSalle's office, American business will have to employ a total of 10 persons to take care of the Government red tape, to answer questionnaires, to put price tags and other tags on goods, and to reply to questions coming from Mr. DiSalle and his office. In the absence of price-and-wage control, all these persons might be engaged in fighting inflation on the production line. I dare say at this time that if the 35,000 employees Mr. DiSalle wants to have for his office and the 350,000 employees of private concerns who will be required to take care of the burden placed on them by the 35,000 employees Mr. DiSalle wants to have, were able to do useful things, they would have a greater deterrent effect on inflation than when used in connection with the handicaps and hindrances imposed by Mr. DiSalle's organization.

The second inflationary characteristic of price-and-wage controls is their tendency to retard production. It is futile to expect that the judgment of any group of economic planners can ever be an adequate substitute for the combined judgment of millions of producers, distributors, investors, and consumers. It is a very futile assumption that they will ever be able to do it.

The beef-control fiasco is a perfect example of the bureaucratic mismanagement. More cattle are available today than a year ago; farmers want to sell cattle; packers want to supply their customers; and the American people want beef. Yet on May 25, 1951, OPS issued a quota order preventing packing houses from slaughtering in June 1951 more than 80 percent of the weight of cattle slaughtered in June 1950. This arbitrary 20-percent reduction in the supply of beef makes sense only on the assumption that OPS wants to create an artificial shortage. By creating an artificial shortage OPS could proceed to ration meat. I do not see any other purpose to an order of that kind. We have already heard, before our committee, testimony in regard to the needless confusion which is being caused, all the way from the cattle ranges to the feed lots and to the ultimate consumers. I have talked to producers in the State who have fed carload after carload of cattle during the winter and spring months, but now very few of them have many cattle in their feed lots or have many cattle coming in from the range States.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. CAIN. I know the Senator from Ohio is familiar with the fact that by artificial means we created, as a result of Federal rent controls, a housing shortage in the United States.

Mr. BRICKER. There can be no question about that.

Mr. CAIN. We now have had an experience, going back some 10 years, with that particular type of Federal control. Has the Senator from Ohio indicated that the same result can be expected in the beef situation to which he has just addressed himself?

Mr. BRICKER. The same result is inevitable, and it was admitted by the Secretary of Agriculture. Contrary to Mr. DiSalle's claim, the Secretary of Agriculture said that ultimately the present orders will have the result of reducing the cattle population in our country. Under a free market, the cattle population finally reached the highest point it ever has reached during our history. However, today, as a result of these orders and manipulations, the cattle population is being drastically reduced.

Of course, if the present roll-backs are continued, cattle will be rushed to the market when very poorly fed and in bad shape, and as a result we shall not get the good beef products which are obtained as a result of production from corn-fed cattle or feed-lot cattle. In that event, next winter, when we should be obtaining the best beef possible, and when we could have it, it will not be forthcoming—not as a result of price controls, but as a result of the roll-back feature.

The administration passed up the regulation of the price of beef for some 5 or 6 or 7 months after that authority was provided by Congress, but then the administration said that beef prices had increased too much and would be rolled back. The result has been to cause terrific chaos and confusion in the feed lots and in the cattle-raising States, for in order to be able to operate under the lower price per pound which is paid following the roll-back, the cattle are placed on the market without being corn-fed.

By virtue of this direct control over consumer demand, OPS might be able to justify its own idea of fair and equitable meat prices.

Assuming that price and wage controls suppress inflation temporarily, that result is offset by the waste of manpower required to administer such controls and their inevitable tendency to stifle production. Most of the amendments proposed to title IV of the Defense Production Act are designed to give the President added enforcement powers. They add nothing to the almost unlimited power of the President to control prices and wages. For example, the President

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wants the power to license every business in the country and to shut down any business which violates any price-control order or regulation. The existing law already provides criminal and civil sanctions against violators of price ceilings. The loss or lack of a license would be fatal to almost every legitimate business enterprise. The black-market operator would not be troubled by the loss of a license, assuming that he bothered to apply for one in the first place, because his profit would be illegitimate he would be operating outside the market, and a license would mean nothing to him. Yet by means of the regulations the President requests the right to impose, he would have the power to put into a strait-jacket every business in the United States, big, little, and medium, and then he would have the power to revoke their licenses and to require those concerns to go out of business. Every Senator knows that no big business will be affected. The United States Steel Corp. will not be attacked. The big oil companies will not be attacked, because it is necessary to have their products in the defense-production program in order to build up the necessary war armament. It will be the poor little fellow yonder in the back country who does not know what the rules and regulations are, and who possibly could not understand them if he were to read them, as Mr. DiSalle himself the other day admitted he could not. He spoke at that time as though it had come to a point where even he could not understand some of the rules and regulations written by the smart boys in the back room.

It is the little man who will suffer as a result of a licensing system. One came into my office recently from my home State, a man employing 100 persons. He is now engaged in war production. He has some war contracts. He makes blades of all kinds, for use in cutting steel, leather, and wood. He brought with him an order from the Price Stabilizer, and he said to me, "I cannot comply with it. I have taken the order to my auditors." He showed me the statement of his auditors, who said that it was impossible to comply with the order. He has started to make articles which he has not made for 20 years, and there is no way of putting a price standard on them. He came here to see what they would say to him. They said, "Well, if you do not comply with the order, you will violate the law and you can be fined, if you sell anything after the termination date" which was the 28th day of last month. It was later extended. He said the Government was buying from him. They said, "It does not make any difference; both you and the buyer would be guilty." He questioned whether he would ever be able to comply with the order. That indicates some of the resulting confusion.

The consumer credit controls authorized by title VI have been a negligible factor in the fight against inflation. They have served only to make it difficult for the lower-income groups in our society to purchase certain durable consumer goods. The controls over credit for real estate construction authorized by title VI have been of some value in curbing easy Government credit for the construction of new houses.

President Truman described his proposed amendments to the Defense Production Act as "recommendations for improving and continuing laws for controlling inflation." Not one of those amendments would exercise any restraining influence on the forces of inflation. They are designed to give the President power to socialize every aspect of the Nation's economy. I am confident that no member of the Senate Banking and Currency Committee wishes to deny the President any power which may be required to carry out the preparedness program. However, the administration has not made a sincere effort to explain what additional economic controls it needs and how it intends to use them. As long as the administration refuses to abandon its socialistic schemes for the duration of the emergency, cooperation between the President and the Congress is virtually impossible. Inevitably, the national defense effort will suffer.

It is revolting to see the President of the United States trying to use the present emergency as a Trojan Horse for the introduction of socialism in our country. Political profiteering in the present crisis cannot be tolerated. No doubt the administration does need some powers in addition to those already provided in the Defense Production Act of 1950. However, the committee has been unable to obtain any precise statement on the need for additional controls. Instead, the administration insists on acquiring unprecedented power over the economy to meet vague or undisclosed contingencies.

Mr. President, it was very discouraging to sit in the committee hearings, listening to representatives of the administration who came to the committee without one original idea, without one suggestion which would at all help us in considering the bill. They came to take a firm, categorical position in defense of everything the administration asks for in the bill. No one of them had an original thought. One would think they were all tied down to a single line of thinking, as evidently they were, and that they were gagged if they had an idea of their own which would be helpful to the committee. So far as the Government witnesses were concerned, the committee might as well have heard no witnesses and might as well have held no hearings, because every one of them appeared before the committee only to emphasize the great need of complying with the suggestions made by the President which were submitted to the chairman.

It is, indeed, ironic that in order to maintain our cherished freedoms we are asked to adopt the economic controls employed by those who have pledged themselves to destroy our freedoms. A few examples taken from the administration's bill prove that the President is seeking economic power which is no less extensive than that wielded by the dictators in the Kremlin itself.

Section 102 of the bill gives the President power, whenever he "deems it necessary in the interest of national defense," to acquire by condemnation "any real property," to take immediate possession of such property, and to occupy, use, and improve such property "notwithstanding any other law." Under this provision of the bill, the President could build and operate hospitals, schools, colleges, apartments, and housing developments. If section 102 of the bill should be accepted by the Congress, socialized medicine, socialized housing, and Federal control of education would become mere academic issues except insofar as Congress still retained control over the Nation's purse strings. Naturally administration spokesmen deny any intent to use the proposed condemnation authority in the manner I have suggested. But if that is true, why does the administration refuse to submit a reasonably definite amendment designed to meet the needs of the present emergency? In many cases they admitted that there is no pressing need and no present demand for such a bill, but they asserted they wanted one enacted in case it might become necessary, and if it should be demanded through the will of one man, the President of the United States.

Sections 103 (a) and (b) of S. 1397 propose to give the President power to buy agricultural commodities produced abroad and to resell such commodities at a loss on the domestic market. This power would be exercised without regard to the limitation of existing law. Purchases could be made in such quantities and on such terms and conditions as the President deems necessary. This amendment would subsidize foreign producers of agricultural commodities to the detriment of American farmers. The American farmer would pay part of the taxes required for the Government to pay world prices to foreign farmers and to resell at a loss for the purpose of suppressing domestic farm prices. The American farmer, with my vote, is not going to be taxed in order to assure his own impoverishment. Moreover, the proposed buy-sell program is no bargain for consumers. The Federal Government would be empowered, like the Socialist Government of Great Britain, to become the Nation's sole importer. The export-import trade has always proved extremely sensitive to bureaucratic bungling. For example, the British Labor Government refused last year to pay $336 a ton for Argentine beef. As a result, British housewives were reduced to purchases of only 6 ounces of meat a week. Eventually, the Labor Government negotiated a new contract with Argentina for $28 a ton more than they had been offered for beef before. In the meantime, the British housewife had the dubious satisfaction of seeing low meat prices and virtually no meat. Some of us can remember that the same situation existed in this country in 1946.

Just recently, the British Labor Government has turned the job of importing tea back to private importers. For years, however, the British people suffered from the insufficient quantity and low quality of tea made available by the bulk buying and resale program. Mr. Harold A. Bishop, representing the Boston Wool Trade Association, testified at the hearings that the raw wool business is composed primarily of small business units exercising skills which have been

passed from father to son for many generations. If we permit one of Mr. DiSalle's political appointees to handle the delicate job of importing over 3,000 distinct types of wool, we can expect less wool at greater cost and of poorer value.

Section 103 (c) of the bill affords another good example of totalitarian economic power. This section of the bill would allow the President to make subsidy payments on any domestically produced material in such amounts and in such manner, and on such terms and conditions, as he—the President—determines to be necessary. The only condition to the payment of these subsidies is the President's sole determination, not judicially reviewable, that they are necessary to insure maximum production at stable prices. It is impossible to imagine a much more indefinite authority than that, or a much greater grant of power than that which is asked for in that section. Section 103 (c) would permit the President to carry out the Brannan plan for agriculture and to adopt some similar multi-billion-dollar-subsidy scheme for American business. Following on the heels of the RFC scandals, the President's request for power to pay subsidies to every producer in America is amazingly bold. It will be argued, of course, that the President plans to use the proposed subsidy powers sparingly, or that he does not intend to inaugurate a Brannan plan for either business or agriculture. However, if the administration desires only limited subsidy authority why has it asked Congress for unlimited authority?

Section 103 (e) would authorize the President to acquire "any real property" "to erect and construct plants, factories, and other industrial facilities"; and "to engage in the marketing, transportation, and storage" of materials necessary to the national defense. The power requested by the President is power to nationalize any American industry he chooses. The only condition imposed on the President is that "in his judgment it (such action) will aid the national defense. That is not reviewable in court. Should the President decide, for example, that the steel industry or the textile industry should be nationalized his decision could not be challenged by any judicial or other authority. I intend to vote against this amendment and most of the other proposed amendments to the Defense Production Act of 1950. America need not embrace socialism in order to survive during the critical years ahead. No doubt the President will disclaim any desire to nationalize American industry. In my judgment, Mr. President, a President's dictatorial ambitions should be measured by the power he seeks rather than by what he says.

Senate bill 1397 shows how completely Mr. Truman identifies the Government of the United States with himself. The word "President" appears in the bill 80 times. No other office or officer of the executive branch is even mentioned in the bill, except the Attorney General and the Secretary of Agriculture who are named on three occasions, and the Office of the Housing Expediter which is mentioned in order to effect its dissolution. Until recently, Congress has always defined the powers and duties of the heads of executive departments and agencies. There is no reason why this responsibility should be abandoned in the case of defense agencies. If Congress expects certain powers granted by the Defense Production Act of 1950 to be exercised by a particular agency, it should say so. We should not permit the President to scatter emergency powers at random among a maze of present and future Government agencies with varying degrees of competence.

It is perfectly clear, Mr. President, that the Federal Government, by its monetary, fiscal, and credit policies, may either stimulate inflation or prevent it. The Government, and not the individual, controls the relationship between the volume of money and credit outstanding and the supply of civilian goods available for purchase. President Truman's verbal blasts at the NAM, lobbyists for cattle growers, and selfish interests merely confuse the problem by breeding mutual recrimination and social disunity. No individual or group of individuals outside the Federal Government has enough economic power either to add to or detract from inflationary pressures. Control of inflation is a joint responsibility of the President and the Congress. That responsibility cannot be shifted to any private economic group.

If the President intended his speech of Thursday evening to inspire a consumers' crusade against inflation, I applaud his motive. However, if consumers expect the Banking and Currency Committees of the Congress to control inflation through the Defense Production Act, they have been sadly misled. Those who wish to prevent further inflation should impress their views on the executive branch and on those committees of the Congress which have jurisdiction over multibillion dollar foreign and domestic spending programs. Regardless of what action Congress may take on Senate bill 1397, the effect on the causes of inflation will be negligible.

Many of the advocates of direct controls admit that indirect controls are more effective remedies against inflation. They contend, however, that, for political reasons—and this is the important part—taxes will not be increased, the over-all supply of money and credit will not be reduced, and Federal spending will not be cut to the extent necessary to prevent inflation. There is some truth in this argument.

There is one great advantage in extending the Defense Production Act for at least 6 months before taking up the proposed amendments. A temporary extension of the law in its present form would give the President and the Congress one last chance to demonstrate that they have the political courage to finance the preparedness program on a pay-as-you-go basis. If Congress is either unwilling or unable to pay for the cost of the foreign and domestic programs now authorized or contemplated, it should have courage to bring those programs into line with the Nation's financial resources. If, on the other hand, Congress seems determined to finance the current defense program by deficit financing, the extension of price and wage controls becomes somewhat academic, since inflation is inevitable anyway. I am perfectly willing, Mr. President, to abandon the price and wage control strait-jacket if there is a reasonable chance that effective measures against inflation will be adopted. The American people want no more inflation. I shall not support any economic policy which, with or without price and wage controls, guarantees more inflation.

Last year I voted against price and wage controls. It was my hope that without the power to attack the symptoms of inflation the President and the Congress might utilize the really effective weapons against inflation. To date, no vigorous antiinflation program has been adopted except that within the past few months the Federal Reserve Board has ceased the monetization of the national debt, and the results are becoming evident from day to day, especially in the housing program. We discussed a few moments ago what had caused the cut in the number of houses built. Regulation X might have had some minor effect, but the real result came from the Federal Reserve Board ceasing the monetization of the national debt.

Inflation can be prevented by a mere handful of Government employees and without direct daily interference with the economic decisions of the people. It seems strange, therefore, that the administration should seek the power to tell all of the American people how much to charge for their labor and services; how much to pay for the products they want, and what quantity of goods may be purchased. The administration should have learned in 1946 that these controls eventually produce a political reaction against the party in power. On close examination, however, it will be found that political, rather than economic considerations require the imposition of price and wage controls.

Price and wage controls serve only one purpose. They obscure temporarily the sacrifices which must be made in meeting the costs of mobilization. Any plan for concealing sacrifices commends itself to those political leaders who might be held responsible for those sacrifices. With direct controls over the economy, politically powerful groups can be appeased temporarily. Their incomes can be permitted to advance in step with rising prices; their food and their housing can be subsidized, and higher prices can be blamed on lobbyists, selfish interests, the NAM, or reactionary Members of Congress. Eventually, however, the cost of mobilization must be paid for by inflation. In the meantime, the futile effort to fight inflation by attacking its symptoms results in ever-increasing restrictions on individual liberty. In the beginning, it seems so simple to control the price of meat, but in the end it seems so necessary to seize cattle on the farms.

The President threatened that in 1946, as will be remembered. It seemed necessary in the control of prices. He did not go through with it, because it seemed at that time to create such resentment on the part of the American people that it was not considered feasible.

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At first, it seems simple to freeze prices without controlling wages, but finally it becomes necessary to tell every worker that he must work at a particular job for a particular wage.

I do not wish to imply, Mr. President, that the indirect controls against inflation are painless. They would reduce the standard of living of almost every American family, because that is what Federal spending at the current rate demands. As a result of the more restrictive monetary policy recently agreed to by the Treasury and the Federal Reserve Board, real estate interests complain of the lack of mortgage money and ask the Federal Government to step in. Many businesses which are threatened by restrictive credit policies rush to the rescue of the RFC.

It is hardly surprising that every economic group seeks some way to avoid economic sacrifices. Price and wage controls are inherently political in nature. Congress can do little more than enact a general statement of purpose and trust that the administration of these controls will be generally fair and equitable. Here then is an opportunity for every economic group, through political pressure or influence, to exempt itself from the price and wage control restrictions applicable to all other economic groups.

Let us be honest and face the fact that the cost of the Federal programs already authorized, wisely or unwisely, demand the extreme of sacrifice on the part of the American people, lowering the standard of living in our country and arbitrary bureaucratic planning. If we recognize this fact, we can at least proceed to accept the sacrifices as a united people. The glory of our free enterprise system is that it distributes the products of American farms and factories entirely by processes of voluntary economic cooperation. We do not permit any bureaucrat to tell us what we can buy or how much we can charge for our goods and services in a period of relative prosperity. If we are now facing a period of austerity, we should have faith that the free enterprise system will distribute a reduced supply of goods and services more equitably and more efficiently than arbitrary bureaucratic planning.

The only reason why America has been able to contribute so mightily as it has in war as in peace, and given to our friends of the other nations of the world some of the necessities of life which otherwise they would be without, is that this country has been free, that its genius has been encouraged, that individual enterprise has been rewarded. To the degree that the power of government is built, the labor of the American people is decreased.

Mr. CAIN. Mr. President, will the Senator yield to me?

Mr. BRICKER. I yield.

Mr. CAIN. The Senator from Washington has seldom known the President to ask the people of the country to judge any recommended national program on its merits. That fact has puzzled me for a long time. I hope the Senator from Ohio will be able to tell me why the President of the United States invariably, whenever he wishes to present an intended program to the people of the Nation, should select a segment of America's fine society to be used as a whipping boy, as the President, by way of the latest example, did with reference to the National Association of Manufacturers on a recent night.

Mr. BRICKER. Throughout the history of time it has been the tactics of the demagogue that he must pick out somebody, some group, some class that he can attack in order to gain popular support, and in this instance, as is generally the case, the President attacked one small in numbers, to cater to a greater number. My mind does not react, and it is hard for me completely to comprehend why anyone in a position of high responsibility, in a grave time in the history of the world or of his country, would seek to divide the country for political reasons rather than unite the people in a patriotic purpose.

Mr. CAIN. The Senator, then, does agree with the Senator from Washington that the President's latest statement to the Nation was another incitement to class prejudice, to such an extent that one found it difficult, if not impossible, to consider the substance of the program to which the President was addressing himself?

Mr. BRICKER. He makes it very difficult for the Congress to get any help from the administration and for the American people to appreciate the need for such legislation, or to appreciate the extent of the legislation and its impact upon American society. The program of dividing to conquer is not one that is consistent with our present needs in Government or in the world situation as we find it.

I think the President of the United States would have done much better had he come here or sent his agents here to sit down and talk with the committee rather than send them here and direct the committee to "do this and do not vary one line from the bill which has been presented to the Banking and Currency Committee."

Mr. CAIN. I thank the Senator.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. DWORSHAK. The Senator from Ohio has rendered outstanding service in calling the attention of the Congress and the American people to some most significant proposals which may be included in the Defense Production Act. Will the Senator advise us if any or all of these provisions have already been approved by the Committee on Banking and Currency.

Mr. BRICKER. They have not been. The Committee on Banking and Currency is meeting again tomorrow morning finally to write up a bill to report to the Senate. I do not know how many of the amendments will be approved. Not many will be approved, in my judgment. I doubt if any of them will be approved as they are presented. I think it is the sentiment of the majority of the membership of the Committee on Banking and Currency that we ought to continue the present law until the administration has had a chance to put it into operation, without giving any more powers which have not been shown to be necessary to carry out the production program. No one objects to the administration having all the powers which are necessary to build the armaments of war or to support our troops in action, or even where they might be sent as occupation troops. But in my judgment the bill as submitted, which is now before the committee and will be before the Senate next week, is a complete straitjacket for American business and American agriculture and American labor, and it is not only unnecessary but is positively detrimental to the war effort, as well as to the economies and the liberties of the American people.

Mr. President, I yield the floor.

POSTAL PAY INCREASE

Mr. BUTLER of Nebraska. Mr. President, I was glad to learn yesterday that the subcommittee of the Senate Committee on Post Office and Civil Service which has been considering legislation for a pay increase for classified postal workers has decided to reconsider its previous decisions and study again the postal-pay problem.

Serious inequities exist in the pay structure for postal employees. They have existed for sometime. It is my feeling that this year a start at least should be made toward correcting them.

Mr. President, discussion of pay legislation for postal employees has revolved around two principal points—a blanket percentage increase for all postal employees, and a proposal to abolish the lowest four grades. This second proposal—that the bottom four grades be abolished—has probably been widely misunderstood by Members of Congress, perhaps because it has never been really explained to them. Offhand, it probably looks to a great many people like a suggestion to give a lavish pay increase to lower bracket employees at heavy expense to the Government, without taking appropriate steps to preserve proper pay differentials between the lower bracket and higher bracket workers.

That is not the case. The abolishment of these lower four grades is essential to correct a long standing inequity.

Back in 1945, all letter carriers were given a raise of a flat $400 in addition to various other benefits provided in Public Law 134 of the Seventy-ninth Congress. However, as a result of what seems to be a peculiar interpretation of that law, those employed by the postal service after enactment of Public Law 134 did not receive the benefits of this higher wage scale.

In other words, the starting salary before passage of Public Law 134 was $1,700, and after the act was passed, all those in the first grade received $2,100. Men appointed a day or a week or a month after the effective day of that act were hired at the old $1,700 starting salary.

Under the salary scale still in use, letter carriers may advance one grade each year and receive an additional remuneration of $100 for each advance in grade. Employees in the various grades have, for the most part, continued to advance toward the top grade in the intervening years—each year receiving a $100 raise, if their work is satisfactory. Those appointed after the effective date of that act, however, have always stayed

$400 behind their fellow workers who were lucky enough to go on the job even 1 day before the act became effective.

Several attempts have been made since 1945 to correct this discrepancy and various pay increases for particular classes have been granted. None of them, however, has struck at the root of the trouble, which was the original discrepancy in pay between those going to work prior to July 1, 1945, and those appointed after that date.

As a result, the roster of employees when they are divided up among the various grades presents a ridiculous picture. There are no letter carriers in grade 2 at all—this grade is simply not used any more. Almost all the letter carriers are bunched in grades 3, 4, 5, and 6, and in grade 11, which is the top grade. Grades 3, 4, 5, and 6 represent the men who have been appointed since the war. Grades 7, 8, 9, and 10 each have a few hundred men only. Grade 1 contains only substitutes with less than 1 year of service, since new letter carriers are now customarily appointed in grade 3.

We always like to think of the postal service as a career service in which men who work hard and faithfully may steadily progress toward the top. The results of the various pay acts passed during the last few years have certainly not helped to achieve that goal. They have created discriminations which are arbitrary and ridiculous. These discriminations would seem almost laughable if they did not bear down so very heavily on those who must suffer from them.

Mr. President, I very much hope that the subcommittee may find it possible after reconsideration to recommend abolishment of these lower four grades and bring this discrimination to an end.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BUTLER of Nebraska. I am glad to yield to my colleague.

Mr. WHERRY. I ask my distinguished colleague, the senior Senator from Nebraska, if Senate bill 355 does not carry a provision containing such relief, that is, abolishing certain classes? I believe that the six lower grades are proposed to be abolished, if I am not mistaken.

Mr. BUTLER of Nebraska. I will say to my distinguished colleague that it is my opinion that the bill does carry such a provision, but the bill has not yet come from the committee.

Mr. WHERRY. I understand that. I understand that the Senator is advocating passage of the bill, which would provide the relief suggested. I know that in previous sessions of Congress that question has arisen in connection with various pieces of legislation. I have not carefully analyzed Senate bill 355, but if I correctly remember, the provision referred to is contained in it. I hope the committee will give the subject serious attention when it considers the bill.

Mr. BUTLER of Nebraska. It is my understanding that such a provision is contained in the bill. It is also my understanding that a majority of the members of the committee are in favor of such a provision. However, as yet it has not been possible to get the bill out of the committee.

There is one other point in connection with our postal system that I want to mention. It is over a year now since the Post Office Department decided to cut down sharply on the delivery service to homes and businesses outside the downtown sections of the large cities. For over a year now, we have not received the service to which our people feel they are entitled and which they received for many, many years before 1950. It seems absurd that during this period when we are told we are more prosperous than ever, we must content ourselves with service inferior to that achieved even 20 or 30 years ago.

Mr. President, it is with deep regret that I call to the attention of the Senate the fact that the United States postal service is no longer the best postal service in the world—in point of home deliveries at least. In that respect, it lags far behind the service of many other countries.

In the last issue of the Postal Record appears a quotation from a letter of an American student in Belgium, who writes:

> We have three deliveries a day, at 8, 12, and 4, plus one delivery on Sunday morning. So, you see, it is a bit different from in the United States.

At the last biennial convention of the National Association of Letter Carriers, held in Seattle last fall, a representative from the Swiss postal service spoke, and among other things he said:

> Our letter carriers take the mail up to 5,500 feet above sea level three times a day; up to 6,000 feet in the high Alps twice a day. In villages with between 150 and 5,000 inhabitants, we have two deliveries a day, and in larger places with a population of 5,000, three deliveries a day, as a rule.

I have been supplied with a tabulation relating to the number of deliveries per day in various countries, taken from the Postal Telegram and Telephone International, located at Berne, Switzerland. This tabulation shows that in Belgium, the large cities receive three deliveries per day, and the smaller cities two per day. In London, there are three deliveries per day; while in other cities in Great Britain, there are two per day. In Ireland, there are three; in Sweden, there are two in cities except Stockholm, the capital, which has three per day. In Switzerland, there are at least two; and in Austria, there are two. In Germany, there are two. And in India, which most of us think of as a poverty stricken country for which we recently voted a tremendous quantity of wheat on exceptionally easy credit terms, there are two per day.

Most of these countries are receiving aid from the United States. They have been able to maintain the service of their postal system while receiving this aid, but the United States has cut back to one a day for residential and semicommercial areas.

I do not believe our people are satisfied with once-a-day service—even after a year's experience with it. I know that many businesses located outside of the favored areas have been seriously handicapped by not being able to get twice-a-day service. I feel that we should be able to maintain our postal service at least up to the level of the other countries which I have just mentioned.

ADJOURNMENT

Mr. McFARLAND. I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate adjourned until tomorrow, Thursday, June 21, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 20 (legislative day of May 17,) 1951:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment in the Regular Corps of the Public Health Service:

To be senior surgeons (equivalent to the Army rank of lieutenant colonel), effective date of acceptance

Welby W. Bigelow
Morris Schaeffer

To be surgeons (equivalent to the Army rank of major), effective date of acceptance

Robert L. Bowman
Carl J. Mankinen
Robert C. Rendtorff

To be senior assistant surgeons (equivalent to the Army rank of captain), effective date of acceptance

James T. Jennings	Paul T. Condit
Robert D. Shreve	Stewart F. Loeb
Stanley F. Yolles	Karl F. Urbach
Lawrence F. Greenleigh	Robert B. Stewart
	Norman I. Graff
Anthony T. Graniero	Albert L. Steplock
William E. Baber	Floyd B. Bralliar III

To be assistant surgeons (equivalent to the Army rank of first lieutenant), effective date of acceptance

Henry M. Gelfand	Glen B. Van Atta
Louis G. Chelton, Jr.	George E. Files
Rudolph J. Muelling, Jr.	Paul M. Kegan
	John E. Sarno, Jr.
Walter K. Grigg, Jr.	John L. Bacon
John A. Googins	Herbert J. Wilson
Morton Friedman	Robert J. Trautman
Sidney S. Lee	James L. Goddard
Stanley W. Henson, Jr.	Leonard Seidenberg
Bernard Barash	George W. West

To be senior assistant dental surgeon (equivalent to the Army rank of captain), effective date of acceptance

Samuel S. Herman

To be scientists (equivalent to the Army rank of major), effective date of acceptance

Archie D. Hess
Everette L. May
Robert E. Smith

To be senior assistant scientists (equivalent to the Army rank of captain), effective date of acceptance

Richard Q. Bell
Jack J. Monroe

To be assistant scientists (equivalent to the Army rank of first lieutenant), effective date of acceptance

Louis H. Stewart, Jr.
Frederick I. Herzberg

To be sanitarian (equivalent to the Army rank of major), effective date of acceptance

Milton Wittman

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CONFIRMATIONS

Executive nominations confirmed by the Senate June 20 (legislative day of May 17), 1951:

UNITED STATES ATTORNEY

Charles F. Herring to be United States attorney for the western district of Texas.

POSTMASTERS

CALIFORNIA

Frank D. Lowrey, Fullerton.

COLORADO

Julia V. Luedtke, Nederland.
James F. Christoff, Westcliffe.

FLORIDA

Floyd L. Hostetter, Jacksonville Beach.

INDIANA

Walter M. Smith, Butler.

NEW YORK

John V. Hartigan, Chatham.
Prudence A. Davis, Little Genesee.
John F. Harrison, Port Jervis.
Harry L. Gregory, Roxbury.

NORTH CAROLINA

Edmond J. Hudson, Connellys Springs.
Henry C. Kearney, Franklinton.

OHIO

Gladys B. Shelton, Minford.
Burten R. Keith, Wakeman.

UTAH

Clarence W. Bauer, Eureka.
Veri A. Haws, Magna.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 20, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we invoke the blessing of Thy presence as we take counsel together in framing the policies and in administering the affairs of government for our beloved country.

May we strive in faith, in faithfulness, and in the fear of the Lord to find the right and just solution to all our national and international problems.

We pray that our minds and hearts may be impervious to the spirit of self-aggrandizement and self-glory and to all thoughts and actions that are alien to the mind of our blessed Lord.

Help us daily to live and labor among our fellow men as the messengers and mediators of helpfulness and happiness and hopefulness.

Grant that we may be the loyal and heroic champions of every noble and righteous cause.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

RULES OF THE HOUSE

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, the unanimous-consent request to delete from the permanent RECORD the extension of remarks which I made on yesterday, and which appears on page A3852, of the Appendix of the daily RECORD, was made by me not because I have changed my fundamental position against a Hitlerlike attack on General Marshall by anyone anywhere.

I am just as opposed to the big-lie technique as I have ever been, and I am just as opposed to slander and character assassination and all they represent as I can be to anything. I merely make this request because I realize that my insertion of yesterday was in technical violation of sections 371 and 372 of the Rules of the House, which prohibit mentioning the name of a Member of the other body.

I think it is high time that the Congress adopt a code of ethics and some new rules of conduct, one of which should be a strict prohibition against cowardly attacks of the type that have been made against General Marshall under the protective covering of immunity.

If any person is so lacking in common decency as to use Hitler techniques, as was done in the recent attack on General Marshall, on the theory that if you repeat a lie often enough someone will believe it, then apparently the only way to control such persons would be by some sort of legislation.

I would like the House to know that I am working on such a declaration and will introduce it at the proper time.

OUR SECRETARY OF DEFENSE

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, unquestionably the most important quality of a public servant is his ability to handle responsibilities with vision. The giants of American history have been men who, although busy with their daily tasks, have somehow found the time to look to the future and govern their actions and policies by what they saw. Often their foresight occasioned profound and sometimes sincere criticism. Such men were Washington, Jefferson, Jackson, and Lincoln, to speak only of those whose lives were lived long ago. None of these men were perfect. All of them made some mistakes. The point is they made few mistakes in great decisions and great policies.

The United States today is fortunate in having as its Secretary of Defense another such man—a man who before World War II worked to prepare this country for the conflict he then foresaw. A man who more recently, as Secretary of State, has done so much to preserve and increase the strength of the free nations of the world. A man who has at no time allowed himself to be pushed into extreme positions by radical pressure or jingoist clamor. A man who works today, as in the past, for his country and for freedom. The Secretary of Defense, George Catlett Marshall, works for the future with vision and courage.

SPECIAL ORDER GRANTED

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that on tomorrow, after the legislative business of the day and any other special orders, I may address the House for 20 minutes on the iron ore reserves of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

BOTTLENECK OF LEGISLATIVE BUSINESS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, last Friday the distinguished majority leader, in discussing the legislative program, informed this body that the House itself was caught up with all its legislative business and that if there was any criticism on delay in the legislative program it should be directed to the committees of the House.

At the same session the gentleman from Montana [Mr. D'EWART] called to the attention of the House and the majority leader in particular the situation which prevails with respect to the House Interior and Insular Affairs Committee, of which he is a member and of which I am a member.

The gentleman from Montana [Mr. D'EWART] pointed to the fact that we have requests pending with the departments or the Bureau of the Budget for reports on 155 bills before our committee and some of these requests have been pending since January.

Actually the executive branch of the Government is sitting on many of the bills of this particular committee and no doubt on the bills of many other committees of this House. That accounts for the fact that the House itself is caught up with its business. The bottleneck is in the executive branch and is largely due to Executive Order No. 9384, dated October 4, 1943. By this order the President established a barrier and machinery of censorship on what information the heads of his departments could pass on to Congress.

Paragraph 4 of that order reads as follows:

> Before any department or establishment shall submit to the Congress, or to any committee or Member thereof, a report relating to, or affecting in whole or in part, its advance programs, or the public works and improvement projects comprising such programs, or the results of any plan preparation for such programs or projects, such reports shall be submitted to the Bureau for advice as to its relationship to the program of the President. When such report is thereafter submitted to the Congress, or to any committee or Member thereof, it shall include a statement of the advice received from the Bureau.

I am today introducing a resolution calling upon these executive departments and the Bureau of the Budget to respond to the request of committee chairmen for reports within 30 days after the requests are submitted or, in the absence of such reports, the committees shall consider that the departments and Bureau of the Budget have no objections.

In view of the fact that the majority leader, in his remarks last Friday, urged legislative committees having proposals on which they desire House action to report those bills as soon as possible, I sincerely hope he will go along with this proposition which I have presented to the House today in an attempt to expedite consideration of legislation in committees.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. McCORMACK. Mr. Speaker, at the request of the Committee on Expenditures in the Executive Departments, I ask unanimous consent that the committee may sit today during general debate. I understand they are considering three reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PRIVILEGE OF THE FLOOR DURING CEREMONY ON JUNE 21

The SPEAKER. The Chair desires to make a statement. After consultation with the majority and the minority leaders of the House and remembering the terrific jam we had upon this floor on previous occasions, with the consent and approval of the floor leaders, the Chair announces that on tomorrow during the ceremony the door immediately opposite the Speaker will be open and the doors on the Speaker's left and right and none other. No one will be allowed upon the floor of the House who does not have the privilege of the floor of the House.

CALL OF THE HOUSE

Mr. HAYS of Arkansas. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 80]

Aandahl	Gillette	Miller, N. Y.
Allen, La.	Gwinn	Morton
Anfuso	Harden	Murphy
Blatnik	Havenner	Murray, Wis.
Boggs, La.	Hébert	Norblad
Breen	Herlong	O'Konski
Buckley	Herter	Patman
Budge	Hinshaw	Pickett
Burleson	Holifield	Powell
Byrne, N. Y.	Horan	Preston
Camp	Irving	Reed, Ill.
Carnahan	Jackson, Wash.	Rivers
Chatham	Kelley, Pa.	Stanley
Cole, Kans.	Kilday	Taylor
Coudert	LeCompte	Thomas
Crosser	McGrath	Thompson, Mich.
Dawson	McVey	
Dingell	Mack, Ill.	Thornberry
Doyle	Magee	Wheeler
Durham	Mason	Whitaker
Fellows	Merrow	Yorty
Flood	Miller, Calif.	

The SPEAKER. On this roll call 368 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, the tax bill having been programed for today, and in order to carry out the program as announced, I move that the business in order on today, Calendar Wednesday, be dispensed with.

Mr. RANKIN. Mr. Speaker, I rise in opposition to the motion.

Mr. Speaker, there is no hurry about this tax bill. I think, from what I have seen of it, the Members had better take a little time to read it. It was printed and circulated only yesterday.

We now have 11 bills on the calendar affecting the disabled veterans of this country. The boys who are doing the suffering did not create these wars, or even this "police action," but they are the ones who are doing the suffering. This is probably the last chance we will have to get these bills before the House during this session of the Congress. I objected to dispensing with Calendar Wednesday business for that reason.

I hope you will vote down the motion of the gentleman from Massachusetts, and let us consider these veterans' bills now, and we can take up the tax bill later.

I yield to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Is it not true that among the 11 bills the committee reported out there is one which provides an increase in monetary benefits to service-connected veterans of World War I.

Mr. RANKIN. Certainly, and for their dependents.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. Is it not true that there is not a single veteran in the hospitals today, and I am speaking particularly of the Korean veterans, who does not feel that he is a forgotten soldier. They are deeply physically wounded, and they should be taken care of and given the same benefits as World War II veterans have been given. Original benefits and increases are greatly needed. I have pleaded day after day for the passage of this legislation. We spend days and days and days in debate to arm these boys and give them the materials of war with which to defend us and then we cannot spend a day to take up their bills. This legislation is long overdue. The Korean war is nearly a year old, with almost nothing done for our wounded—and veterans of other wars need increases—our veterans are in a tragic condition.

Mr. RANKIN. This may be our last chance at this session. I am going to ask the Members of the House to vote against this motion to dispense with Calendar Wednesday. Let us dispose of these veterans' bills and then we can take up the tax bill and debate it, as well as have a chance to read it.

I hope the motion is defeated.

The SPEAKER. The question is on the motion of the gentleman from Massachusetts [Mr. McCORMACK] that Calendar Wednesday business be dispensed with.

The question was taken; and on a division (demand by Mr. RANKIN) there were—ayes 138, nays 72.

So (two-thirds not having voted in favor thereof) the motion was rejected.

The SPEAKER. This is Calendar Wednesday. The Clerk will call the committees.

The Clerk proceeded to call the committees.

RENEWAL OF 5-YEAR LEVEL-PREMIUM-TERM INSURANCE FOR WORLD WAR I VETERANS

Mr. RANKIN (when the Committee on World War Veterans was called). Mr. Speaker, I call up the bill (H. R. 1072) to amend the existing law to provide the privilege of renewing expiring 5-year level-premium-term policies of United States Government life insurance.

The Clerk read the title of the bill.

The SPEAKER. This bill is on the Union Calendar.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that this bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the second proviso of the first paragraph of section 301 of the World War Veterans' Act, 1924, as amended, is hereby amended to read as follows: "*Provided further*, That at the expiration of any 5-year period a 5-year level-premium-term policy may be renewed for a successive 5-year period at the premium rate for the attained age without medical examination."

Mr. RANKIN. Mr. Speaker, I yield to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Speaker, this bill merely makes in order something that the Congress has done four times previously. That is, to allow these veterans with 5-year-term-level policies to renew them. Unless this legislation is passed, many of the veterans who have no funds to convert these policies would be deprived of the opportunity to renew them. The law expires the 30th of this month, and it is imperative that this bill be passed at once if we are to continue what we have done four times previously; that is, give these people an opportunity to renew these 5-year-term life policies.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. VAN ZANDT. Addressing myself to the chairman of the committee, is it not true that this applies to veterans of World Wars I and II, who hold 5-year-term-level insurance policies?

Mr. RANKIN. World War I veterans. The World War II veterans have already been taken care of.

Mr. VAN ZANDT. Is it not true this bill will not increase the cost of the Veterans' Administration one penny?

Mr. RANKIN. That is right.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. I am sure the Members will want this bill passed. They voted unanimously to give the privilege to World War II veterans.

Mr. RANKIN. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

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The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

EXTENDING CERTAIN VETERANS' BENEFITS TO OR ON BEHALF OF DEPENDENT HUSBANDS AND WIDOWERS OF FEMALE VETERANS

Mr. RANKIN. Mr. Speaker, I call up the bill (H. R. 301) to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans.

The Clerk read the title of the bill.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that this bill may be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That as used in all laws administered by the Veterans' Administration the terms "wife" and "dependent" shall include a dependent husband, and the term "widow" shall include a widower whenever his condition is such that, if his deceased wife were living, he would be dependent upon her for support.

SEC. 2. This act shall not be construed to abridge rights or benefits under any law administered by the Veterans' Administration.

With the following committee amendments:

Strike out all of sections 1 and 2 and insert "That as used in those provisions of laws administered by the Veterans' Administration relating to compensation, pension, retirement pay, and subsistence allowance the terms 'wife' and 'dependent' shall include a dependent' shall include a dependent husband, and the term 'widow' shall include that, if his deceased wife were living, he would be dependent upon her for support: *Provided*, That benefits hereunder shall not be allowed a widower who has remarried, and where benefits are properly discontinued by reason of remarriage, they shall not thereafter be recommenced."

Page 2, line 12, strike out "3" and insert "2."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THREE-YEAR PRESUMPTION OF SERVICE CONNECTION FOR VETERANS DEVELOPING MULTIPLE SCLEROSIS

Mr. RANKIN. Mr. Speaker, I call up the bill (H. R. 3205) to amend the Veterans Regulations to provide that multiple sclerosis developing a 10 percent or more degree of disability within 3 years after separation from active service shall be presumed to be service connected.

The Clerk read the title of the bill.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that this bill may be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore (Mr. MILLS). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the second last proviso of subparagraph (c) of paragraph I, part I, Veterans Regulation No. 1 (a), as amended, is hereby amended by inserting after the words "active pulmonary tuberculosis" the words "and multiple sclerosis."

Mr. RANKIN. Mr. Speaker, this bill was introduced by the distinguished gentleman from Texas [Mr. TEAGUE].

This proposal would grant service connection to any veteran who contracted the disease of multiple sclerosis within a 3-year period from the date of separation from service.

Hearings were held by a subcommittee which heard testimony from a Public Health Service doctor who has spent 3 years studying this dread disease. Testimony was to the effect that this disease could be diagnosed in some instances as early as 8 months. In other cases, the period ran for as long as 20 months. This experience, which related to a study conducted by the Navy Department on men in the service, is contrasted with an estimate of 5 years before the disease is diagnosed in cases involving civilians.

Based upon the information reviewed by the committee, the 3 years' presumption appears to be fully justified.

The Veterans' Administration is unable to present a worth-while estimate of cost.

I now yield to the gentleman from Texas [Mr. TEAGUE] to explain the bill.

Mr. TEAGUE. Mr. Speaker, this bill extends presumptive service connection for multiple sclerosis from 1 year to 3 years. This is a disease the cause of which medical authorities are unable to agree on, the length of incubation period, or the cure for it.

The DAV, the Veterans of Foreign Wars, and the American Legion all appeared before our committee in support of this legislation.

There will probably be some 3,000 World War II veterans affected. The bill merely does for veterans suffering from multiple sclerosis that which is done today for veterans suffering from tuberculosis as far as presumption of service connection is concerned.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I want to compliment the gentleman for including multiple sclerosis, because there are many veterans in hospitals who have been paralyzed from some cause now labeled as multiple sclerosis. As I understand the diagnosis of multiple sclerosis is very indefinite, the terms and provisions of the bill are intended to make for a very broad coverage so that if there is a doubt as to whether it is so-called multiple sclerosis, as there are many variations of the affliction and the course of the disease, the doubt is to be resolved in favor of the veteran. Is that correct?

Mr. TEAGUE. That is correct. It is very indefinite and usually the symptoms are such that a man does nothing about it until he reaches a state of disability.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield.

Mrs. ROGERS of Massachusetts. And there will be very few of them, after all.

Mr. TEAGUE. I think about 3,000 in the entire United States, although that is, necessarily, just an estimate.

Mr. FULTON. Mr. Speaker, will the gentleman yield for a further question?

Mr. TEAGUE. I yield.

Mr. FULTON. It is well known, that as the disease progresses, frequently the symptoms of multiple sclerosis are not continuous. It is a disease which comes and goes, there might even be remissions, but if any of the symptoms are shown to have developed within the period of 3 years, the case of the veteran is presumed to be service-connected. Once the doctor diagnoses or testifies his opinion there was a period of multiple sclerosis during the 3-year period, then even though there might be remissions or the symptoms be not continuous, the later arising disability for multiple sclerosis is presumed to be service connected.

Mr. TEAGUE. The gentleman is correct.

Mr. RANKIN. Mr. Speaker, this proposal would grant, as the gentleman from Texas said, presumptive service connection to these veterans.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REMOVAL OF DEPENDENCY REQUIREMENT ON CERTAIN WIDOWS' PENSIONS

Mr. RANKIN. Mr. Speaker, I call up the bill (H. R. 3549) to modify eligibility requirements for payment of pension to certain widows of veterans of the Civil War, Indian Wars, and Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection.

The Clerk read the title of the bill.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act of December 8, 1944 (38 U. S. C. 293), section 6 of the act of March 3, 1927 (38 U. S. C. 381e), and section 1 of the act of June 24, 1948 (38 U. S. C. 3641), are hereby amended by striking the word "dependent" wherever it appears in such sections.

Mr. RANKIN. Mr. Speaker, this bill seeks to provide that widows of veterans who served in the Civil War, Indian Wars, and Spanish-American War would no longer have to show dependency in order to obtain a pension.

However, in each case, the widow would have to be at least 60 years of age, be unremarried, and have married the veteran and lived with him continuously for 10 or more years prior to his death.

Comparatively few cases are involved, and the Veterans' Administration has advised that the first year cost would be negligible.

Mr. Speaker, I yield to the distinguished gentleman from North Carolina [Mr. HAMILTON C. JONES] the author of the bill, and also chairman of the subcommittee which held hearings on the bill.

Mr. HAMILTON C. JONES. Mr. Speaker, I introduced this bill at the request of the Veterans of Foreign Wars. Hearings were held by a subcommittee of three, of which I was chairman, and on which also served the gentleman from Ohio [Mr. HAYS] and the gentleman from Wisconsin [Mr. O'KONSKI]. It is a simple bill and does not involve more than $100,000.

This is a bill to modify eligibility requirements for payment of pensions to certain widows of veterans of the Civil War, Indian Wars, and Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection. The bill is very short, so I shall read it:

Be it enacted, etc., That section 1 of the act of December 8, 1944 (38 U. S. C. 293), section 6 of the act of March 3, 1927 (38 U. S. C. 381e), and section 1 of the act of June 24, 1948 (38 U. S. C. 364i), are hereby amended by striking the word "dependent" wherever it appears in such sections.

Mr. Speaker, the bill affects Spanish-American veterans, Civil War veterans, Philippine and Boxer Rebellion veterans. The only proof required is proof that the dependent is unmarried, has reached the age of 60 years and lived with the veteran for 10 or more years prior to the death of the veteran. The cost is negligible and will amount to not over $100,000. I am satisfied this reaches a very small group that should be included in the pension list.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF CERTAIN VETERANS' ADMINISTRATION HOSPTIALS

Mr. RANKIN. Mr. Speaker, I call up the bill H. R. 313 and ask unanimous consent that this bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is directed to proceed with the construction of the additional facilities to provide approximately 16,000 additional hospital beds previously approved by the President, authorization for which was dropped in the budget estimates for the fiscal year 1950, as presented to the Congress by the President, pursuant to determination by the President to cancel or reduce the size of certain hospital projects. The facilities which shall be constructed pursuant to this act are as follows: A 250-bed tuberculosis hospital at Americus, Ga.; a 500-bed general medical and surgical hospital at Charlotte, N. C.; a 500-bed general medical and surgical hospital at Chattanooga, Tenn.; a 200-bed addition to the Veterans' Administration hospital at Columbia, S. C.; a 250-bed general medical and surgical hospital at Decatur, Ill.; a 500-bed tuberculosis hospital at Detroit, Mich.; a 200-bed general medical and surgical hospital at Duluth, Minn., a 500-bed neuropsychiatric hospital at El Paso, Tex.; a 1,000-bed neuropsychiatric hospital at Gainesville, Fla.; a 200-bed general medical and surgical hospital at Grand Rapids, Mich.; a 200-bed general medical and surgical hospital at Greenville, S. C.; a 200-bed general medical and surgical hospital at Harrisburg, Pa.; a 1,000-bed neuropsychiatric hospital at Houston, Tex.; a 200-bed general medical and surgical hospital at Klamath Falls, Oreg.; a 1,000-bed neuropsychiatric hospital at Memphis, Tenn.; a 200-bed general medical and surgical hospital at Mound Bayou, Miss.; a 1,000-bed general medical and surgical hospital at New York, N. Y.; a 750-bed neuropsychiatric hospital at Norman, Okla.; a 921-bed neuropsychiatric hospital at Salisbury, N. C.; a 200-bed general medical and surgical hospital at San Diego, Calif.; a 100-bed general medical and surgical hospital at Tallahassee, Fla.; a 100-bed general medical and surgical hospital at Thomasville, Ga.; a 1,000-bed neuropsychiatric hospital at Toledo, Ohio; and a 200-bed general medical and surgical hospital near Tupelo, Miss.

The hospital projects which shall be increased in size pursuant to this act are as follows: General medical and surgical hospital at Atlanta, Ga., from 500 beds to 750 beds; general medical and surgical hospital at Chicago, Ill., from 500 beds to 1,000 beds; general medical and surgical hospital at Cincinnati, Ohio, from 500 beds to 750 beds; general medical and surgical hospital at Cleveland, Ohio, from 500 beds to 1,000 beds; neuropsychiatric hospital at Cleveland, Ohio, from 1,000 beds to 1,250 beds; general medical and surgical hospital at Kansas City, Mo., from 500 beds to 745 beds, consisting of 250 tuberculosis beds and 495 general medical and surgical beds; general medical and surgical hospital at Louisville, Ky., from 500 beds to 750 beds; general medical and surgical hospital at Oklahoma City, Okla., from 500 beds to 1,000 beds; general medical and surgical hospital at Philadelphia, Pa., from 500 beds to 1,000 beds; general medical and surgical hospital at Pittsburgh, Pa., from 750 beds to 1,200 beds; neuropsychiatric hospital at Pittsburgh, Pa., from 1,000 beds to 1,250 beds; general medical and surgical hospital at St. Louis, Mo., from 500 beds to 1,000 beds; general medical and surgical hospital at Syracuse, N. Y., from 500 to 1,000 beds; and general medical and surgical hospital at Washington, D. C., from 500 beds to 750 beds.

SEC. 2. The Veterans' Administration shall make a survey of the abandoned Army and Navy hospitals and include in its program those it is possible to utilize.

Mr. RANKIN. Mr. Speaker, this bill directs the Administrator of Veterans' Affairs to proceed with the construction of approximately 16,000 hospital beds previously approved by the President and later canceled by his direction in December 1948. The projects specified in this bill are those previously approved by the Federal Board of Hospitalization and recommended for those sites indicated in the bill.

Hearings were held on this subject by both Appropriations Committees in the Eighty-first Congress, as well as a subcommittee of the Senate Labor and Public Welfare Committee.

In view of the changed conditions since this cancellation was ordered and because of the fighting in Korea, the committee is of the opinion that this bill is more than amply justified. The Veterans' Administration has estimated that the cost of this construction would be approximately $335,000,000.

Let me say, Mr. Speaker, that right here in the District of Columbia we have serious trouble. As the gentleman from Connecticut [Mr. PATTERSON] will testify, they had serious trouble yesterday in getting a disabled veteran, who was almost in a dying condition, into a hospital because of the lack of beds. This bill should be passed by all means.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. Is it not true there was enough money in the budget to actually cover the cost of construction of the entire program?

Mr. RANKIN. Yes.

Mr. VAN ZANDT. Is it not also true the Veterans' Administration has actually expended money, not only in planning, but for the purchase of the necessary land and actual construction?

Mr. RANKIN. That is right.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the lady from Massachusetts.

Mrs. ROGERS of Massachusetts. The House passed this bill several times, and since we passed it the last time the armed services have authorized and ordered the taking over of beds of the Veterans' Administration for NP and TB cases. We have a great shortage of beds. I know the Members all want it. We voted for it three times.

Mr. RANKIN. Let me say to the lady from Massachusetts that the load has grown very rapidly since the beginning of the war in Korea. Today there are 21,126 veterans awaiting hospitalization.

Mrs. ROGERS of Massachusetts. I see it every day, as was the case with the gentleman from Connecticut, who secured hospitalization for his veteran. We will have a great scandal in Congress if we do not take care of these veterans.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Illinois.

Mr. ARENDS. Did I understand the gentleman to say it had passed this Congress?

Mr. RANKIN. Yes.

Mr. ARENDS. What happened to it?

Mr. RANKIN. The Senate just did not vote on it; but we will give them a chance to vote on it at this time.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Kentucky.

Mr. PERKINS. I concur in the remarks made by the gentleman from Mississippi, the chairman of the Committee on Veterans' Affairs, and also in the remarks made by the ranking minority member, the gentlewoman from Massachusetts. Veterans' hospitals in this country today are overcrowded and that has become very evident in recent months since the Korean war. Veterans are now having much difficulty getting into a hospital when they are in a desperate physical condition, on account of the lack of beds. There are

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many enlisted men in this country today whose wives, some of them on their deathbeds, are unable to secure hospitalization on account of the lack of space in hospitals. I am thoroughly in accord with this program.

Mr. BARDEN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from North Carolina.

Mr. BARDEN. I would just like to say that I am in favor of the gentleman's bill. I hope it passes; it is needed. But, let me call to the attention of the gentleman one other thing. I think it is about time that the Committee on Veterans' Affairs do a little checking on the Veterans' Administration and the handling of the hospital beds they now have, because in some of the administrative positions they have about the most smug people I have ever talked to. It has not been 10 days since I tried to get a veteran, who was a mental case and a dangerous man, into a hospital. They had him under guard of an officer. The instructions I got were to put him in jail and they would attend to it later. That is the type of person that does not belong in the administrative set-up of the Veterans' Administration. Sometimes I think we need less civil service in the Veterans' Administration and more humane service. They are not using the beds they now have very wisely, but they really do need more.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Let me say to the gentleman from North Carolina that I will call that to the attention of the Veterans' Administration.

Mr. BARDEN. I am not the first person who has brought that type complaint to the gentleman's attention, am I?

Mr. RANKIN. The gentleman is the first one that has brought that particular case to my attention. There are a great many other things relating to the bureaus to be considered and taken up later, probably.

Mr. DORN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from South Carolina.

Mr. DORN. We carefully considered this bill, and I think it is absolutely necessary, particularly in view of the progressing war and the ever-increasing casualties. I do hope this House will pass the bill. I believe the Senate will consider it, and I hope this time the President will approve it.

Mr. BRYSON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from South Carolina.

Mr. BRYSON. One of these sites is in my own town, Greenville, S. C. The land was purchased and paid for, and the plans drawn. This is in the center of the veterans' population of that area.

Mr. RANKIN. Mr. Speaker, I move the previous question.

The motion for the previous question was rejected.

Mr. HOFFMAN of Michigan. Mr. Speaker, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I understood the gentleman from Mississippi to say that this bill had passed both Houses. Did the gentleman say that?

Mr. RANKIN. I did not.

Mr. HOFFMAN of Michigan. What did the gentleman say?

Mr. RANKIN. I said it had passed the House.

Mr. HOFFMAN of Michigan. Did it not pass the Senate?

Mr. RANKIN. It was reported by the Senate committee but was not voted on in the Senate.

Mr. HOFFMAN of Michigan. I thought the gentleman said the President sent down some veto message.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. I think I can clarify the situation by offering this explanation.

Some years ago there existed in our Government the Federal Board of Hospitalization on whose shoulders rested the responsibility of approving Federal programs for hospitals, which included the type of hospitals and their locations.

This board after many months of study and using as a formula one bed for every 142 veterans in the United States, established a bed ceiling of 131,000 beds based on a veteran population of approximately 19,000,000 veterans. The board proposed that the Veterans' Administration should embark on a construction program that would bring the number of available beds up to the established ceiling of 131,000 beds.

With the construction program under way President Truman by Executive order arbitrarily canceled 16,000 beds in Veterans' Administration hospitals by eliminating 24 new hospitals and redesigning 15 hospitals already under construction.

At this point I think I should mention that it was said at the time that the American taxpayers would be saved about $280,000,000 as a result of the 16,000 bed-reduction order. That was not correct, because we now know that the Veterans' Administration had already spent for the program $10,545,000 for preliminary work, such as planning, purchase of sites, materials, and the cost of redesigning existing hospitals. Therefore, to save $280,000,000 the Veterans' Administration spent $10,545,000, a sum sufficient to build and equip three modern 200-bed Veterans' Administration hospitals at that time.

In April of 1949, there was an item of $237,000,000 in the budget which represented sufficient money to build enough hospitals to provide the 16,000 beds that the President had canceled by his Executive order. This money was never used even though Congress had appropriated it and made it available to the Veterans' Administration for construction purposes. In all fairness it must be recognized that the hands of the Veterans' Administration were tied because of the Presidential directive.

In April of 1950, the House passed a bill providing for the construction of 16,000 beds and sent it to the Senate where it died in committee.

At the moment, the Veterans' Administration has a total of 108,419 beds in service with about 98,000 of them occupied. This means that there are over 10,000 beds unoccupied because they are unavailable for various reasons. In some cases construction of new wings to hospitals or modernization of existing facilities make these beds unavailable. In addition, the lack of doctors, nurses, and technicians are reasons for only partial use of new hospitals and closing wings of existing hospitals.

Mr. HOFFMAN of Michigan. Does the gentleman mean that in the other body someone stopped it?

Mr. VAN ZANDT. The Senate never considered it.

Mr. HOFFMAN of Michigan. This is what I had in mind. We all know that no one will vote against any bill for the benefit of the veterans. We not only naturally feel the veterans are entitled to more than compensation and fair treatment, but there is that political element that would not influence any Member of Congress but might some other folks somewhere.

I understood from the previous political maneuvering around here earlier in the day that the administration was against all these bills. Is that right, may I ask the gentleman from Mississippi?

Mr. RANKIN. No; not all of them.

Mr. HOFFMAN of Michigan. Which ones did the administration favor?

Mr. RANKIN. I do not know.

Mr. HOFFMAN of Michigan. I guess nobody else does, either. I do recall Report No. 229, first session, Eighty-second Congress. There is a letter from Administrator Carl R. Gray which states:

> Advice has been received from the Bureau of the Budget that enactment of the proposed legislation would not be in accord with the program of the President.

The program was to restore hospital construction of 16,000 beds which was canceled by the President in December of 1948.

The gentleman from Mississippi and the ranking minority member from Massachusetts are always and forever bringing in bills for the benefit of the veterans, and we always go along, even sometimes when we doubt whether those bills are needed or sometimes whether the enactment of them is desired by the veterans themselves. I wish you and your committee would just spend a fraction of the time and energy that you spend on these bills to help the veterans, and to which we do not object, on a policy which will prevent them becoming veterans, and not support the legislation which sends our boys into what

the gentlemen referred to as war—the President said it was a police action—over to Korea—and now sending a couple of million or more men into Germany to camp on Stalin's doorstep where the President knows very well if there is anything to this matter of provoking Stalin into war we will have a war in Europe. The President says he is in favor of peace but he took us into Korea and is following a policy which gets us into another war in Europe.

These hospitals are not going to be even anywhere near large enough to take care of the veterans who may come back from Korea, who may come back from Europe. Would it not be more sensible to quit creating conditions, situations which result in more wars in causing so many of our men to become veterans?

Frankly, is it not more sensible and would it not be of more benefit to our people and our country if we followed a policy here in the Congress of keeping the young men of this country from becoming wounded veterans? Wounded or killed in a war fought for an unknown purpose in the interest of other nations? I am wondering why we do not adopt a policy protecting this, our country? I wish sometime—I know how the gentleman from Mississippi [Mr. RANKIN] feels about it—I wish sometime our ranking minority member would give that thought some consideration and argue a little, with all her great earnestness and sincerity, with the Committee on Foreign Affairs.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. RANKIN. I have no argument with the gentleman on that point.

Mr. HOFFMAN of Michigan. I know you have not.

Mr. RANKIN. But these boys are already wounded, and are already sick.

Mr. HOFFMAN of Michigan. And sure, we must take care of them—I am not finding fault with that.

Mr. RANKIN All we are trying to do is to take care of them.

Mr. HOFFMAN of Michigan. I am not finding fault with that, but I am finding fault with a policy which continues to make veterans. Veterans of wars fought on foreign soil for the benefit of nations other than our own we need no more of. I am finding fault with failure of the administration and the Congress to find, adopt, and follow an American foreign policy. Our present foreign policy is giving us more and more veterans; it is ruinous, as is pointed out in today's Washington Times-Herald, which I will read:

WHY NOT AN AMERICAN DEFENSE POLICY?

Clarence D. Howe, Canada's able Minister of Defense Production, has outlined Canada's defense program, which relies chiefly on air and sea power and avoids conscription. The heart of the Canadian infantry force is an airborne brigade, quickly transportable, and especially trained for Arctic action.

Mr. Howe said that this defense organization for Canada's own protection and as a contribution to the defense of its allies is the only one that makes sense. With that we can agree. Canadian defenses can be maintained without breaking the country. They are Canadian in a sense that Mr. Truman's spread-eagle-defense schemes are not American. Canada's defense is for Canada; Truman's is not for the United States.

What the Canadians have, in fact, done is to utilize the program advocated for the United States by Mr. Hoover and Senator TAFT, but rejected by President Truman. Hoover and TAFT say that our chief reliance should be on sea and air power, and that we should confine our ground forces to a compact, highly maneuverable, fast striking Army.

Lieutenant General Wedemeyer has supported the same view in his testimony before the Senate investigating committee. General MacArthur's program for the defense of the Pacific gives priority to sea and air power.

Mr. Truman and his vest pocket generals are not content with building a defense establishment within the Nation's means which can adequately protect this hemisphere and still retain the reserve power to make the managers of Soviet imperialism think twice.

The administration insists upon building up a huge and unwieldly organization which sits on the taxpayer's back until his chin sinks to the ground. They demand that the United States put troops everywhere and go shopping for wars. They want to arm a dozen or more foreign nations at American expense, and then to put American troops in front of the foreigners.

The best capsule description of the Truman global policy that we have seen recently is that of Clarence B. Randall, president of the Inland Steel Co., who said, "the administration wants to fight one half of the world, feed the other half, and at the same time maintain business as usual at home. It can't be done."

Canada knows it can't be done. That's why Canada has adopted a defense program that makes sense. The Canadians and the rest of the Atlantic alliance allies will leave it to Truman to indulge in programs that don't make sense. They recognize that he has a unique talent for that.

Mr. CRAWFORD. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, if I understand the program, there will be called up within a few minutes the largest tax bill ever presented in the history of the United States, calling for more than seven billions of dollars, and coming on top of two bills passed last year which together called for over $9,000,000,000. We have this great defense program and military program before us. I think most of the Members of the House have been supporting it. I have supported most of it, except the so-called foreign gifts. I have not supported those, and I do not propose to start supporting them now. I think this bill has been called up in a very, very shoddy manner through not having ready the necessary up-to-the-minute detail information.

I do not believe the veterans in my district would be in favor of this type of procedure. Sure, conditions have changed since this bill was passed on before by this body. They have changed to such an extent that the governments of this country—I mean local, State, and Federal—will spend approximately $100,000,000,000 next year, the coming fiscal year.

They have changed to such an extent that we are about to pass a tax bill which will drive the management of corporate enterprise into one of the greatest spending sprees in all history, on the ground that the companies will not have to pay the bill but that Uncle Sam will have to pay most of it—about 82 percent, I think it is, perhaps starting one of the greatest inflationary forces we have ever seen. The last Thursday evening presented to this country a rather remarkable pressing statement to the effect that inflation is going to eat us up unless we establish stronger controls on prices, wages, and so forth. Scarce materials, scarce labor of all kinds, with insufficient nurses, doctors, and other hospital staff members for present hospitals. We bring this bill under a proposal without the facts being presented, without the situation being brought down to date, and as far as I am concerned, I am willing for the world to know that I am not going to support it in the manner in which it is brought up here. You may say that is dangerous politically. Very well. As Members of the House, we had better get to the point where we are willing to make a challenge on some of these things. Let this bill come up in the regular way. Let us have the necessary debate and get the reports from the departments of government, including the Defense Establishment. Let us have the testimony of the veterans of the country, and find out where we are before we vote another $350,000,000. It appears this plan was drawn up 3 years ago. If so, it is now obsolete and we need a new plan.

I yield back the remainder of my time, Mr. Speaker.

Mr. STEED. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, it seems to me that of all the legislation we have had this particular bill should be one of the best understood, because of the numerous times it has been before the House. I think we all know that the statistical and factual information that prevailed when this legislation was first passed is still pertinent.

It happens that down in my State they are now making arrangements to start construction of a hospital. This bill will place that hospital back to the one-thousand-bed level that was originally planned for. That increase in the size of this hospital can be done at a great saving of money. The situation very conclusively shows that beds are needed.

The bill also provides for the construction of an NP hospital at Norman, Okla. It has been well briefed.

I would like to call attention to the fact that some hearings were conducted in the other body when this program was first planned. At that time, in conference with Veterans' Administration officials, they admitted that the hospital facilities in Oklahoma were needed and were meritorious, but that they had arbitrarily canceled the whole program because the hospital work had not progressed as rapidly there as it had in some other places.

This investigation showed that in that part of the United States the hospital bed facilities were not available in the same ratio of number of veterans as in other points in the country. Since that time the casualties from Korea have been unusually large in Oklahoma and all of that part of the United States, and we now have a tremendous increase in

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our veteran population needing hospitalization. I think it is going to be a very great disservice to our veterans if this program is not started again.

I do not think that the argument that held against the original bill and caused its cancellation prevails any more. I hope the House will pass this legislation.

Mr. RABAUT. Mr. Speaker, will the gentleman yield for me to ask a question of the chairman of the committee?

Mr. STEED. I yield to the gentleman from Michigan.

Mr. RABAUT. Has anything been done toward seeing what could be accomplished in having the medical schools take in more students to become doctors? The real trouble in this country seems to be a shortage of doctors. Every Member of Congress has had requests from young men who have taken premedical courses and cannot get into schools. What are we going to do for the veterans if we do not have medical service for them? I am for this bill but I am just asking this. The gentleman is very familiar with all angles of the veterans' program. What is being done about encouraging young men to become doctors, and giving them a chance to get into these institutions?

Mr. RANKIN. One of the greatest things that was done was to get rid of Fishbein, the dictator of the American Medical Association, whose policies closed many medical schools and prevented large numbers of young men from going to medical college. I think from now on we will have sufficient doctors to supply the demand.

Mr. STEED. In the case of the hospitals in Oklahoma, the staff is available. It is also true that the Oklahoma University Medical School has increased its enrollment this year to a considerable extent.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield.

Mrs. ROGERS of Massachusetts. Is it not true that the building of these hospitals will encourage more men to come in and take training?

Mr. STEED. I am sure it will.

The SPEAKER pro tempore (Mr. MILLS). The time of the gentleman from Oklahoma has expired.

Mr. WIER. Mr. Speaker, I want to repeat the argument I presented the other day when we had under consideration the Booker T. Washington Hospital. Coming from the Middle West, let me state that we have a very real problem. I have no quarrel with the needs for further beds and hospitals and as a member of the Veterans of Foreign Wars, I am well aware of the needs, but some of the things that are going on just do not make sense to me.

This bill calls for the construction of a lot more veterans' hospitals when today we have throughout the United States a lot of veterans' hospitals unmanned; and as I said the other day, these are monuments in various districts in the Middle West. The Army closed up Schick Hospital in Iowa. I come from a district which has the Fort Snelling Veterans' Hospital in it, and these veterans' hospitals throughout the country have not been making room for domiciliary cases, and we have thousands of domiciliary cases in the Middle West that are being removed from veterans' hospitals because they occupy beds too long.

The hospitals seem to favor surgery cases. So I am going to object, until Schick Hospital, and other abandoned hospitals are reopened. I have heard members of the Veterans' Affairs Committee, and the gentlewoman from Massachusetts say that she has been asking for the reopening of the Schick Hospital. This is a very fine hospital in Iowa. I know that in the Middle West and especially in Iowa people are concerned, and the Iowa delegation is very much concerned with the reopening of Schick Hospital for domiciliary cases from the Middle West. Until that has been done I am not going to vote for any more new hospitals.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the genleman yield?

Mr. WIER. I yield.

Mrs. ROGERS of Massachusetts. I think since this order of the Department of Defense for the placing of Korean veterans both army and navy veterans in Veterans' Administration hospitals, that we will need every bed in hospitals already constructed. I think Schick Hospital will be reopened.

Mr. WIER. I have heard that for 2 years.

Mrs. ROGERS of Massachusetts. You will find that you have some patients there now.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WIER. I yield.

Mr. RANKIN. The gentleman evidently has not read the bill, for section 2 of the bill states:

> The Veterans' Administration shall make a survey of the abandoned Army and Navy hospitals and include in its program those it is possible to utilize.

The gentleman should take that up with the Veterans' Administration.

Mr. WIER. I have got to laugh at that one. I have taken up many questions with the Veterans' Administration, with Dr. Gray and his whole administration, and all I have been getting is the run-around.

Mr. HAMILTON C. JONES. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I do not want to prolong this discussion, but I happen to be very familiar with one of the hospitals in this program which is supposed to be located at Charlotte, N. C. I can say that we can staff this hospital if the hospital is constructed; that we have about 200 medical specialists who are accessible to the hospital to help in supervising it.

General Bradley told me that this was one of the best locations for a hospital that he knew of in America, a 500-bed general hospital at Charlotte, N. C. I do not know whether we can guarantee every detail of this program, but I know we have not got enough beds now. I am glad this came up today because I am right now trying to get one man in a hospital in my area, in Charlotte, N. C. I have tried three hospitals. He is a combination physical and mental case and should be put in some hospital, but I cannot get him in.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. HAMILTON C. JONES. I yield.

Mr. JONAS. I cannot agree that we do not need more hospitals. I think our problem today arises from the fact that in the past we have been locating these hospitals in isolated areas where you cannot get doctors and nurses to live to staff them. In my area, the Chicago-Great Lakes area, we have a hospital shortage, a bed shortage, a serious shortage. We have had a number of hospitals built there under the old rule and regime that were monstrosities. If you build new modern hospitals in that area, you will have no trouble staffing them. I hope this bill will pass for that reason.

Mr. HAMILTON C. JONES. I thank the gentleman.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. HAMILTON C. JONES. I yield to the gentleman from New York.

Mr. KEARNEY. Assuming that the bill now before the House passes, is the gentleman convinced that we can obtain the services of the necessary doctors, nurses, attendants, cooks, and bakers to staff the extra 16,000 beds?

Mr. HAMILTON C. JONES. I am glad the gentleman asked that question because I can specifically answer it for him. I was on the board of a civilian hospital which was constructed in Charlotte, N. C., before I came here—a 500-bed hospital which we had to staff from the ground up. We had no trouble at all. We heard the same argument that we could not staff it, however in 6 months we had the hospital staffed. It has been operating since and it has 450 beds.

Mr. KEARNEY. As I understood from the Veterans' Administration, and if I am not correct the chairman of the committee will correct me, we were advised that they could not obtain the necessary doctors, nurses, attendants, cooks, and bakers to staff the extra 16,000 beds.

Mr. HAMILTON C. JONES. Carl Gray always falls back on that argument with me, but I do not accept it.

Mr. KEARNEY. I am just seeking information.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. HAMILTON C. JONES. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I would appreciate it very much if the gentleman will inform the five large hospitals in my home town where they can get the necessary staff. I would be very glad to give the gentleman the names and addresses of each of the hospitals. They are continually running short and we have no idea on earth where to get the necessary staff.

Mr. HAMILTON C. JONES. The gentleman can help with that better than I can. I do not know your people at all.

Mr. BARDEN. Mr. Speaker, will the gentleman yield?

Mr. HAMILTON C. JONES. I yield to the gentleman from North Carolina.

Mr. BARDEN. While we are on the subject of the shortage of doctors, it is always easy to point your finger at the other fellow and say he is to blame. This last week I had a doctor 49 years

old who wanted to go into the Army. He has had a practice of 20 years. When I talked to the Army medical authorities they asked, Has he had any Army and administrative experience? I said, "No; he just served in the National Guard and wants to go into the Army." "Well," they said, "we doubt very much that we can take him because at that age and with that experience it calls for a lieutenant colonel's commission. When he reaches the point of a lieutenant colonel then he is an administrative officer and he is used in administration. If he has not had Army experience then we cannot use him."

Well, of course, I popped a valve right there. Anyway the man went in and I think they finally gave him, reluctantly, a major's commission. Now, if the Army is using everyone above the rank of major in the administrative field, they better move those doctors into the hospital rooms, into the operating rooms, because they have the most experience, and let somebody else do the administrative work as any other well-run civilian hospital would do. A civilian hospital has a civilian manager who is not a doctor. Suppose you went to some first-class hospital and you found the finest surgeon in the hospital sitting behind a desk doing the bookkeeping and the clerical work of that hospital? It just does not make sense. If the Army would use the doctors they have more wisely they would not need so many and the civilian population would have access to more doctors.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired.

Mr. KERSTEN of Wisconsin. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I take this time to ask the chairman of the committee how this legislation might affect a situation in Milwaukee. We have an NP hospital in Wood, Wis., in the Milwaukee area. Last December I was taken through that hospital by an American Legion committee and others.

This is a hospital that had been remodeled, and had beautiful new equipment put in it over a year ago. The hospital, of course, was never used. It was completed over a year ago.

It is not in an isolated area. It is very close to the heart of Milwaukee. Doctors and other hospital personnel are available.

I would like to know whether this set-up at Wood, Wis., that is sitting there and which is likely to deteriorate, including very expensive equipment, is likely to be reopened very shortly? I have been talking with the Veterans' Administration officials and they tell me that the NP hospital at Wood, Wis., will open on July 1. But, we have been given that assurance before. I would like to know whether this psychiatric hospital at Wood, Wis., which can be very much used, is likely to be opened up and used.

Mr. RANKIN. All I can tell the gentleman is that it is up to the Veterans' Administration. The Veterans' Administration will have the right to open it if it so desires.

Mr. KERSTEN of Wisconsin. Does not the gentleman believe that this hospital, at Wood, Wis., with the psychiatric equipment rusting away there, when there is a real need now, and there is personnel to man it, should be opened up immediately?

Mr. RANKIN. Yes; and I believe it will be.

Mr. CUNNINGHAM. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, reference has been made to the Schick Hospital located at Clinton, Iowa, in the district served by the distinguished gentleman, HENRY O. TALLE, and the fact that it is not being used. A few years ago, under the leadership of the distinguished gentlewoman from Massachusetts [Mrs. ROGERS], this Congress directed the Veterans' Administration to open that hospital and use it for veterans. That was done with the assistance of the gentleman from New York [Mr. KEARNEY]. Why it is not being used today to full capacity, I do not know, but that brings up this question: I was interested when the distinguished gentleman from Mississippi, the chairman of this committee, read the wording of the bill. I had the great privilege of serving on this committee under the leadship of the gentleman from Mississippi for 6 years, and during that service I have learned that it is the policy of the Veterans' Administration not to approve the use of any hospital unless it has a duration of 50 years or more. They want to build new hospitals for the long pull. They do not want to use these Army and Navy hospitals that were constructed during World War II, and if the wording is left in this bill leaving it to the discretion and the judgment of the Veterans' Administration, new hospitals will be built, and the old ones that were built for the boys during World War II and now abandoned will not be reopened. If this Congress wants to do something of an emergency nature for the benefit of the veterans now, this bill should be amended directing the Veterans' Administration to use available hospitals it now has, even though they may only have a duration of 5 or 10 years instead of 50. I think that is the crux of the entire matter, and if you want to save money and at the same time do the greatest good for the veterans and do it expeditiously, the thing to do is to make a mandatory provision in this bill that the Veterans' Administration will have to use these hospitals that it is not now using.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from New York.

Mr. KEARNEY. The gentleman is aware that many of these World War II hospitals were built at an expense of anywhere from $8,000,000 to $12,000,000, and on a survey we were told that the life of many of these hospitals would be from 50 to 75 years. There is no question in my own mind, or in the mind of the gentleman from Iowa, that these hospitals should be utilized.

Mr. CUNNINGHAM. That is correct. I thank the gentleman.

Mr. KEARNEY. They are lying abandoned now. Many of these have complete equipment in them, and I see no reason why the Veterans' Administration should say, "No, we will not use these hospitals but we will build new ones that will cost $15,000,000 to $18,000,000."

Mr. CUNNINGHAM. Just because these hospitals constructed during World War II are not built according to specifications of other hospitals, they do not want to use them. They want the Congress to appropriate money to build new ones and let these go to waste. We are in an emergency, and they should be used.

Mr. KEARNEY. They are fireproof hospitals.

Mr. CUNNINGHAM. Yes, every one I have been in and I have been in half a dozen of them.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Illinois.

Mr. JONAS. The hospital the gentleman is referring to in Iowa, has that been abandoned for any great length of time?

Mr. CUNNINGHAM. I did not know it had been abandoned. It was ordered opened a few years ago. I recall that the gentleman from Iowa [Mr. TALLE] worked long and hard at that time to have it opened. This is the first knowledge I had that it had been abandoned.

Mr. RANKIN. Mr. Speaker, if the gentleman will yield, I understand there are 700 beds operating in that hospital now. That is my understanding.

Mr. CUNNINGHAM. It is not being operated to full capacity which I understand is 2,500 beds. These extra beds certainly could all be used for the veterans today.

Mr. RANKIN. Probably not full capacity, but the Kearney amendment, section 2 of this bill, provides that the Veterans' Administration shall make a survey of the abandoned Army and Navy hospitals and include in this program those that it is possible to utilize.

Mr. CUNNINGHAM. Yes, but that leaves it up to the discretion of the Veterans' Administration. That is the crux of the whole thing. They will not find it possible to utilize any of them if they can possibly help it. That is why this bill is in here.

Mr. JONAS. If the hospital has not been abandoned and if there are still patients in it, it would be ridiculous and silly to abandon it now and build a new hospital. If it has been abandoned for years and is in an isolated location, it would be just as cheap to build a new one, because the equipment and the machinery would all be gone.

Mr. CUNNINGHAM. We are faced with that emergency, to help the boys. We have the buildings and equipment to do it if we would only use them, and we could save money at the same time.

Mr. BYRNES of Wisconsin. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, one of the most important problems that should be solved by this Congress and this Government, and solved at an early time, is the question of hospitalization for service personnel and our veterans. The very debate that has been going on here today is evidence of the confusion that exists in the hos-

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pital-maintenance and hospital-planning program and the deficiencies that exist in our facilities to meet that problem.

In connection with this bill, I would caution against such hasty consideration, as is being given to it this afternoon. Also, although I do not intend to criticize the committee particularly, I think there has been rather hasty action this year, as far as the committee is concerned, in reporting out this bill. What the committee has apparently done is simply to take a bill that was passed in a prior session, assume that the conditions are the same today as they were when the bill was first considered.

The reason I wonder about the advisability of voting for this bill arises from my reading of the report of the Veterans' Administration which was filed with the Committee on Veterans' Affairs on February 19, 1951. Let me just read a few paragraphs from that letter, which I think show the changes in the circumstances that have occurred since the bill was originally drafted and considered by the committee. The letter reads in part:

In connection with its consideration of the bill, the committee will wish to be advised concerning certain actions which have been taken since the curtailment of the hospital-construction program pursuant to the direction of the President.

In directing the construction of the 1,000-bed hospital at Houston, Tex., the bill fails to take into consideration that since cancellation of this project the Veterans' Administration has acquired a hospital formerly operated by the Navy at Houston, Tex. When alterations and additions to this hospital have been completed the station will have a capacity of approximately 1,100 beds.

I wonder whether under those circumstances this Congress wants to go on record now as directing the construction of a new hospital at that location.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Will the gentleman also quote the bottom of that same page, as to the statement of the Special Medical Advisory Group?

Mr. BYRNES of Wisconsin. If time permits I want to quote several other paragraphs from the letter. The report and the letter are now available on the floor. I think it is quite revealing as to why we should pause and ask the committee to resurvey the need for hospitals, and the ability to supply physicians and surgeons and nurses, and all of the other personnel that are needed for these hospitals, before putting the Congress in the position of directing the building of specific hospitals.

Reading further:

The bill also calls for the construction of the 1,000-bed hospital in New York, N. Y., which was eliminated by direction of the President, but does not make allowance for the fact that at the same time the President approved an increase in the size of another hospital planned for that area from 1,000 to 1,250 beds.

In other words, they have already made arrangements to increase the beds in an existing hospital and now we are asking that they build a new hospital there without taking that into consideration.

I quote further:

In the event your comittee sees fit to recommend that the 16,000 hospital bed eliminated by Presidential action should be restored to the Veterans' Administration hospital program, it is strongly urged that no action be taken to direct particular locations, types, or numbers of hospital beds, as is proposed by H. R. 313. In locating hospital beds consideration should be given to problems of staffing beds in particular areas, the need for particular types of the beds in certain localities, and the desirability of affording equal opportunities for hospital care in reasonable proximity to their homes to all veterans in the United States. It is my belief that insofar as possible the ratio of beds to veterans in individual States should parallel the ratio authorized on a national scale.

Mr. Speaker, I think the advice offered in that paragraph is sound. This bill goes contrary to that advice and I therefore believe it should be recommitted.

Mr. CLEMENTE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLEMENTE: On page 2, lines 23 and 24, after words "thousand-bed general medical and surgical hospital at New York, N. Y.", insert "County of Queens, New York City, N. Y."

Mr. CLEMENTE. Mr. Speaker, I intend to vote for this bill for I know there is a dire need for hospitals for our veterans, the number of which seeking hospitalization will be increased by the Korean incident.

I am supporting this amendment in view of the fact that there is a crying need for a hospital for veterans in Queens County. Queens has approximately 250,000 veterans and I know that Queens is the logical place to build a veterans' hospital in New York City. It is readily accessible to other communities in Long Island. A 1,000-bed general, medical, and surgical hospital in Queens will serve in addition to Queens the counties of Nassau and Suffolk. These three counties have approximately 350,000 veterans in a community of 2,500,000 people.

In stressing the need for this hospital in Queens I would like to point out to the House that veterans in Queens, Nassau, and Suffolk must travel to the Bronx or to Brooklyn for treatment and the hospitals in these two counties are not able to take care of all of them.

Recently I went on a tour with the Armed Services Committee for the purpose of inspecting the hospital facilities in the armed services and found that an order was issued by the Department of Defense curtailing the use of the service hospitals for VA contract patients to a bare minimum. In accordance with this order the number of contract beds at St. Albans Naval Hospital in Queens County was greatly reduced.

It is my understanding that the Queens County borough president's office along with a number of veteran groups toured Queens with General Bradley and his staff and furnished the Veterans' Administration with technical data for the probable site of a hospital and offered several locations.

The establishment of this hospital had been anticipated for approximately 5 years. Through the failure to build this hospital the proper services for general medical and surgical cases have been seriously cut back. At the present time the figures must be much more than in February of 1950 when there were 3,224 eligible veterans awaiting hospitalization. Of this number 1,108 were general medical and surgical cases; 1,634 were neuropsychiatric cases; 472 were tuberculosis cases.

In addition to these 3,224 veterans there were between three and five thousand veterans in State and county mental and tuberculosis hospitals. The care of these cases is a charge upon the local taxpayer. I feel that the Congress should assume its obligation to give proper medical attention to these veterans. I respectfully urge that this amendment be adopted. I hope there will be no objections from the chairman of the Committee on Veterans' Affairs. I wish to commend the gentleman on the magnificent job he has done in pressing for this fine piece of legislation for facilities which are so sorely needed by veterans throughout the United States.

I am deeply grateful to Congressman T. VINCENT QUINN and Congressman JAMES J. DELANEY for their continued efforts and cooperation in the past 2 years, rendering valuable assistance in bringing this legislation to the House.

Mr. RANKIN. Mr. Speaker, I cannot speak for the committee, but personally I have no objection to the gentleman's amendment, but of course it is up to the House.

The SPEAKER. Without objection, the amendment is agreed to.

There was no objection.

The amendment was agreed to.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWIN ARTHUR HALL: On page 1, line 5, strike out "16,000" and insert "17,000."

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I voted for the GI bill of rights, and I believe that since that time, either the Congress or the Veterans' Administration has let the veteran down. I am going to vote for this bill, but I would like to see a thousand more beds added to guarantee enough hospital beds for certain sections in the Northeast. You should receive some of the letters I have regarding the inadequate care that veterans are getting or are able to get due to the fact that they cannot get into the hospitals. As one who voted and supported the GI bill of rights, I supported the principle of a decentralized system of hospitals, so that each and every community, insofar as it was able to, would be able to take care of its own veterans and would have its own veterans' hospitals.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. HOFFMAN of Michigan. Does the gentleman recall that when this bill was up in the report sent up from the departments down below they stated that the President was opposed to this program of building these hospitals and making them serviceable for the veterans?

Mr. EDWIN ARTHUR HALL. Well, the President was able to put us in the middle on the thing.

Mr. HOFFMAN of Michigan. He put us clear off the map, but he will go ahead and spend money everywhere else.

Mr. EDWIN ARTHUR HALL. The Congress has been the whipping boy on this whole veterans' affairs proposition. We are to blame for the lack of these hospital beds and these veterans' hospitals, and I think we ought to show ourselves here today as being in favor of seeing a decentralized system so that these veterans and veterans' relatives will not have to go all the way across the State of New York to get medical attention, and so that the relatives would not have to go for 200 miles to visit their beloved sons and husbands, the veterans who are confined in these hospitals.

I would like to see a policy of distributing these hospital beds on a fair basis so that every section of the country will have a hospital to take care of their own veterans.

Mr. POTTER. Does the gentleman want a hospital in the tri-cities area?

Mr. EDWIN ARTHUR HALL. Indeed I want a hospital there.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Illinois?

Mr. JONAS. I want to compliment the gentleman from New York for his very patriotic and outstanding statement in the interest of the veterans, but how does he reconcile the sharp conflict that is on record between the Veterans' Administration and the objectives which this bill seeks?

Mr. EDWIN ARTHUR HALL. Insofar as the Veterans' Administration is concerned, they have let a lot of us down. I certainly am not going along with the policy which the Veterans' Administration has set down, as far as my section of the country goes. They have never given us any consideration up in the Northeast. I think it is about time we got enough hospital beds throughout the country so that they will give us some consideration.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mrs. ROGERS of Massachusetts. After all, Congress does the legislating and not the Veterans' Administration. I think there are some very fine persons in the Veterans' Administration, but they seem to forget that every one of them owes his job to the veterans.

Mr. EDWIN ARTHUR HALL. Every one of them. I think this Congress has a right to set down the over-all policy, and I think the Veterans' Administration is in duty bound to carry it out in the interest of the veterans.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from New York.

Mr. KEARNEY. Does the gentleman feel that the State of New York has not received a sufficient allotment of hospitals?

Mr. EDWIN ARTHUR HALL. It has not, as far as the triple cities is concerned. As far as the southern tier goes, our veterans have to travel at least 200 miles to get proper medical attention. We need a decentralized system, a system of distribution of hospitals in the country so that the veterans will not have to travel these long distances, and so we can follow out the policy of the GI bill of rights.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. WOOD of Idaho. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, we are witnessing some of the confusion in this House today which usually occurs whenever lay people take into their hands the building or staffing or distribution of hospitals, whether veterans' hospitals or any other kind of hospitals. I happen to know that in my neighboring city of Spokane, Wash., at least when I left to come back here the other day, they had over a 200-bed hospital, Baxter Hospital, which was operating just a few beds, because they could not get either nurses or doctors. The few beds they were operating were operated by home-trained nurses. As far as I know, they were not staffed at all with regular trained nurses, nor could they take any cases of importance.

I am not opposed to building hospitals for veterans. God knows we need them, and if our present foreign policy goes on we are going to need many more. But it does seem to me that this bill has been loosely drawn up; that no effort whatever has been made to ascertain whether the hospitals called for were really needed where proposed. We have learned from one of the gentlemen who spoke today that in at least two instances they probably were not needed. No endeavor has been made at all to ascertain whether they could get doctors or nurses. Doctors are in scarce supply. The lady from Massachusetts [Mrs. ROGERS] of course must recognize that, no matter what may be done to get medical students to enroll in hospitals, it would be at least 5 years before they would be available for staffing veteran-operated hospitals.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Idaho. I yield.

Mrs. ROGERS of Massachusetts. At the time the hospital beds were cut back by the White House—I have a letter from General Gray, I believe it was, or somebody in the Veterans' Administration, saying that the Veterans' Administration did not recommend the cut-back of the hospital beds; that it was the White House that did it. And he so informed our committee.

Mr. WOOD of Idaho. Of course, I would not know anything about that. I am not talking about that part of it, not knowing anything about it. I am simply talking about the bill as it has been introduced here this morning. It does seem to me that it should be recommitted to the committee in order that some of the points which have been raised during this debate may be looked into and elucidated so that an intelligent report can be brought back to this body.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Idaho. I yield.

Mrs. ROGERS of Massachusetts. I should like to bring to the gentleman's attention that if they would stop drafting doctors—they do not need all they are drafting—the Veterans' Administration would have plenty of doctors.

Mr. WOOD of Idaho. I may say to the gentlewoman from Massachusetts that what is needed more is to use the doctors they have in veterans' hospitals more intelligently and stop putting in more people who should be in other institutions than hospitals. Maintain these institutions at Government expense if you will, but do not take the beds needed for those sternly requiring surgical work for common, ordinary cases of sore toes and other similar minor cases. I know what I am talking about, I may say to the gentlewoman; since 1917 I have been doing this work, and I am not talking about maybe. If some of these beds were vacated and some other disposition could be made of these minor cases so that these beds and these quarters could be available for these wounded veterans, that is perhaps all we need, not an additional expenditure of $360,000,000.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Idaho. I yield.

Mr. CRAWFORD. I agree entirely with what the gentleman has said. If I understood the Chairman of the Committee, the gentleman from Mississippi, [Mr. RANKIN], correctly, this particular program was outlined three, four, or five years ago. I understand it was in the budget which was submitted for the calendar years 1949 to 1950. If that be true, I wish someone would take the time to show how a plan then made would fit into the needs of this country today in the light of the new developments and casualties such as are coming in almost every hour.

Mr. WOOD of Idaho. The gentleman is absolutely correct.

Mr. RANKIN. Mr. Speaker, did the gentleman from New York [Mr. EDWIN ARTHUR HALL] withdraw his amendment?

The SPEAKER. His amendment is pending.

Mr. H. CARL ANDERSEN. Mr. Speaker, I wish to be heard in opposition to the amendment.

Mr. RANKIN. I was going to say, Mr. Speaker, that that amendment ought to be voted down. It is a proposition which has not been asked for by the Veterans' Administration, the veterans' organizations, or the committee. I ask that it be voted down.

Mr. H. CARL ANDERSEN. Mr. Speaker, I rise in opposition to the Hall amendment.

Mr. Speaker, I know we are all interested in ample hospital facilities for our veterans, but I frankly question the advisability of this very hasty action. No hearings of any consequence have been had on this bill during this session of the Congress. We find in the report that the President, through the budget, opposes H. R. 313. The Veterans' Administration does not give its support to this bill. Here we are today asked to authorize an expenditure of $335,000,000 without even having the opportunity to have full debate upon it. First, Mr. Speaker, I wish to quote here from the letter from the

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Veterans' Administration which touches upon the one most important thing to be considered—and that is, Can we properly staff these proposed hospitals? I read from the report:

In the event your committee sees fit to recommend that the 16,000 hospital beds eliminated by Presidential action should be restored to the Veterans' Administration hospital program, it is strongly urged that no action be taken to direct particular locations, types, or numbers of hospital beds, as is proposed by H. R. 313. In locating hospital beds consideration should be given to problems of staffing beds in particular areas, the need for particular types of the beds in certain localities, and the desirability of affording equal opportunities for hospital care in reasonable proximity to their homes to all veterans in the United States. It is my belief that insofar as possible the ratio of beds to veterans in individual States should parallel the ratio authorized on a national scale.

Our studies do not demonstrate that the Veterans' Administration hospital program as it was planned prior to the Presidential cut-back would, in the light of later events, have been the most desirable distribution of the beds then authorized for construction.

When the present construction program is completed, the Veterans' Administration will have approximately 131,000 beds in its hospitals which is about 23,500 more than the number of operating beds it had as of December 31, 1950. The problem of obtaining the services of adequately qualified medical personnel to staff these additional beds has caused the Veterans' Administration considerable concern. Available information regarding the supply of professional medical personnel qualified by our standards indicates that it may be difficult, if not impossible, to staff the number of hospital beds now in our approved authorization of 131,000. This concern is shared by the Administrator's Special Medical Advisory Group of which Dr. Charles W. Mayo of the Mayo Clinic is chairman. The following resolution was adopted by that group at its meeting on March 13, 1950:

"The Special Medical Advisory Group reaffirms that, in the light of recent statistical data and knowledge, approximately 120,000 beds is the maximum to be operated by the Veterans' Administration and maintain the present standards." In view of this expected difficulty it would appear to me logical to proceed with the current program and develop the staffing possibilities before further expanding the bed authorization.

Yes, Mr. Speaker, just where will we, or can we, obtain doctors, nurses, and attendants to staff this proposed additional hospital space? Why do we not make as much use as possible of facilities now available in local hospitals for veterans who are not in need of specialized treatment? Why do we not make use of the several large armed services hospitals which the Secretary of Defense ordered closed on February 1, 1950? There are many questions I would like answered, but here we are expected in an hour's time to make a decision affecting veterans' welfare and costing the huge sum of $335,000,000. Why can this proposal not have the detailed study which it deserves? The Veterans' Administration protests in the report against definitely locating in the bill the various hospitals. This bill, above all others, should not come to us tainted by personal wishes of Members who want to take care of their districts.

In Minnesota we have long ago decided that it is not the congressional district which should be considered as to the location of any veterans' hospital, but it should be only what is the best for the veterans; consequently we have decided that veterans' hospitals should be constructed near to large medical centers where the best in medical care and nursing can be provided. We are otherwise not showing faith with the men who because of their service to their Nation need hospitalization.

I agree with the gentleman from Idaho, who is a noted doctor, that this entire question should receive much more consideration. It is not popular here to stand up and speak in opposition to such a bill as this. This is far too important a question to decide without prior notice that it was to come to the House floor. Let us realize what we are doing, let us recommit this bill for further study. It is my intention to offer such a motion so that we can do what is right and also so that the Veterans' Affairs Committee can bring to the House the answers to the questions many of us here want answered. It is our duty to care for our veterans. Slipshod legislation of this kind may result in a large waste of money and in the construction of hospitals at places where they never should be constructed. This bill can be returned to us after careful study in a few weeks' time and everybody concerned, especially the veterans, will benefit from further study of this very important problem of ample hospitalization facilities.

Mr. RANKIN. Mr. Speaker, I move that all debate on the pending amendment and on the bill itself do now close.

The motion was agreed to.

The SPEAKER. The question is on the amendment offered by the gentleman from New York [Mr. EDWIN ARTHUR HALL].

The amendment was rejected.

Mr. CUNNINGHAM. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CUNNINGHAM: Page 4, line 18, strike out the period and add the following: "and that no new construction be undertaken until it has been approved by the Veterans' Committee of the House of Representatives."

The SPEAKER. The question is on the amendment offered by the gentleman from Iowa [Mr. CUNNINGHAM].

The amendment was rejected.

Mr. RANKIN. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. H. CARL ANDERSEN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. H. CARL ANDERSEN. I am, in its present form, Mr. Speaker.

The SPEAKER. Does anyone else qualify by being opposed to the bill? [After a pause.] The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. H. CARL ANDERSEN moves to recommit the bill to the committee for further consideration.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—ayes 62, noes 71.

Mr. CRAWFORD. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. Mr. Speaker, if the tax bill is taken up today, under the rule do we have to vote at 4 o'clock tomorrow on it?

The SPEAKER. That question will be up to the House. The rule says "on the second day," if this is considered a day.

Mr. HOFFMAN of Michigan. If the bill is brought up today, would this be counted as the first day?

The SPEAKER. It would be counted as a day. That is one reason why the Chair is anxious to hurry along the matter before us at the present time.

Mr. CRAWFORD. Mr. Speaker, with that explanation I withdraw my point of no quorum, as I am also anxious to get on to the tax bill.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

AUTOMOBILES FOR CERTAIN SERVICE-CONNECTED DISABLED VETERANS

Mr. RANKIN. Mr. Speaker, I call up the bill (H. R. 4233) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans or cash payments in lieu thereof, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, subject to the conditions hereinafter set forth, the Administrator of Veterans' Affairs is authorized and directed, under such regulations as he shall prescribe, to provide or assist in providing an automobile or other conveyance by paying not to exceed $1,600 on the purchase price, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War I or World War II or of service on or after June 27, 1950, and prior to such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress, who is entitled under the laws administered by the Veterans' Administration to compensation for the loss, or loss of use, of one or both legs at or above the ankle due to disability incurred in or aggravated by such service: *Provided*, That instead of payment on the purchase price of an automobile or other conveyance such

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veteran may elect to receive, and the Administrator is authorized and directed to pay him, a cash benefit of $1,600.

SEC. 2. No payment shall be made under this act for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided*, That a veteran who cannot qualify to operate a vehicle shall nevertheless be entitled to receive the cash benefit provided by this act if he meets the other eligibility requirements.

SEC. 3. The furnishing of such automobile or other conveyance, or the assisting therein, shall be accomplished by the Administrator paying the total purchase price, if not in excess of $1,600, or the amount of $1,600, if the total purchase price is in excess of $1,600, to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran.

SEC. 4. No veteran shall be entitled to receive more than one automobile or other conveyance or cash benefit payment under the provisions of this act and no veteran who has received or who hereafter receives an automobile or other conveyance under the provisions of the paragraph under the heading "Veterans' Administration" in the First Supplemental Appropriation Act, 1947, as extended, or the act of September 21, 1950 (Public Law 798, 81st Cong.), shall be entitled to receive an automobile or other conveyance or cash benefit payment under the provisions of this act.

SEC. 5. The benefits provided in this act shall not be available to any veteran who has not made application for such benefits to the Administrator within 3 years after the effective date of this act, or within 3 years after the date of the veteran's discharge or release from active service if the veteran is not discharged or released until on or after said effective date.

SEC. 6. There is hereby authorized to be appropriated to the Veterans' Administration, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry into effect the provisions of this act.

With the following committee amendment:

Page 2, line 4, after the comma, strike out down to and including the word "service" in line 8, and insert "who is entitled to compensation under the laws administered by the Veterans' Administration for any of the following due to disability incurred in or aggravated by active military, naval, or air service of the United States during any one of such periods:

"(a) Loss or permanent loss of use of one or both feet;

"(b) Loss or permanent loss of use of one or both hands;

"(c) Permanent impairment of vision of both eyes of the following status: Central visual acuity of 20/200 or less in the better eye, with corrective glasses, or central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted to such an extent that the widest diameter of visual field subtends an angular distance no greater than 20° in the better eye."

Mr. ELLIOTT. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the bill before the House, H. R. 4233, is a good bill. It has a worthy objective. I introduced the bill after a first-hand study of the conditions with which it deals.

The bill, when passed, will authorize the Veterans' Administration to pay $1,600 on the purchase price of an automobile for each veteran of World War I, World War II, and of the Korean war, who, as a result of his service has suffered either of these disabilities:

First. The loss or permanent loss of use of one or both feet;

Second. The loss or permanent loss of use of one or both hands; or

Third. The loss of sight.

The principle upon which this bill is based was first approved by the Seventy-ninth Congress in Public Law 663 which provided, briefly, that our Government, acting through the Veterans' Administration, would furnish an automobile, not to cost more than $1,600, to each veteran of World War II for a service-connected loss, or loss of use of one or both legs at or above the ankle. This law also provided that no veteran should be given an automobile until it was established that he would be able to operate the car in a safe manner. It was required that he be licensed to operate his car by the State of his residence.

Later the Eightieth and Eighty-first Congresses passed similar laws. The latest law on the subject expires on June 30, just a few days from today. The law now in effect provides that the veteran himself may pay any amount above the $1,600 that the automobile may cost. These automobiles, like everything else, have been steadily going up in cost. If one has special attachments or equipment on it I should think that practically all makes of conveyances would today cost more than $1,600 each.

So, I think we can assume that most veterans of World War II who have a service-connected loss or loss of use of one or both legs at or above the ankle have already been provided an automobile under existing law.

The bill before us goes further and adds the provision that a veteran who has a service-connected loss, or permanent loss of use of one or both hands, one or both feet, or who has suffered blindness as a result of his military service can have his Government pay $1,600 on the purchase price of an automobile for him, or, if he desires, pay him the $1,600 in cash.

It is my feeling that the provision that a veteran may accept $1,600 in cash, rather than have it paid on an automobile for him is very important, very just, and very fair. Some of these seriously disabled veterans will prefer this amount of cash instead of an automobile. Some will need the cash to meet their financial obligations, or to provide themselves with various comforts which I am sure that we, their Representatives, want our Government to provide, within the means of its ability to do so.

Of course, there is no way to compensate one of our veterans for the loss of his limbs or of his eyesight. All we can do here today is to provide in a very simple and practical way a token of the Nation's gratitude to its heroes.

WORLD WAR I VETERANS

You will note that this bill includes the veterans of World War I. I believe that it is very just that we include them. World War I has been over now almost 33 years. The average age of veterans of that war is approaching 60. There are only some 5,775 who will be affected by this bill. This bill will say to these veterans who through the years have suffered the anguish of blindness, or the loss of hands or feet, that their Government has not forgotten the war they won for democracy.

KOREAN WAR VETERANS

It is entirely fitting and proper that this bill should include the veterans of the Korean war. We must be aware of the gallant sacrifices that have been made, and are still being made each day as they seesaw back and forth over a peninsula laid waste by war. Our casualties this first year of the war are considerably higher than they were during the first year of World War II. The passage of this bill will be great encouragement to those who have suffered loss of arms, legs, and sight, and who shortly will begin their rehabilitation, and readjustment in civilian fields of competition.

The gentlewoman from Massachusetts [Mrs. ROGERS] has been outstanding in this field of veterans' legislation. She and I have conferred about this bill. The bill has her wholehearted support. As a matter of fact, I hope it will have the wholehearted support of every Member of this House.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. HOFFMAN of Michigan. Mr. Speaker, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, all I wish to do is ask the chairman of the committee if the $1,600 is in addition to any other payment that may be made under any other law which applies to the veterans.

Mr. RANKIN. Yes; just the same as it was in the last Congress, when you gave the $1,600 for the automobile. The difference between this bill and the one that passed the last Congress is, as the gentleman from Alabama has explained, that this gives them the choice to take the money or the automobile.

Mr. HOFFMAN of Michigan. Yes; I heard that.

Mr. RANKIN. Also it includes many other disabled veterans, who have lost an arm or both arms, and other disabled veterans who are not covered in the previous law.

Mr. HOFFMAN of Michigan. I understand that part of it, but my inquiry is directed to this point: For example, just as an illustration, take subsection (b) on page 2, "Loss or permanent loss of use of one or both hands." What does the veteran without this provision receive who comes under subsection (b) on page 2?

Mr. RANKIN. He would get compensation of $150 a month, I believe, but he did not get anything extra under the automobile bill passed in the Eightieth or Eighty-first Congresses.

Mr. HOFFMAN of Michigan. So that this $1,600 is in the nature of a lump-sum payment for that particular loss, in addition to all other payments?

Mr. RANKIN. Yes.

Mrs. ROGERS of Massachusetts. If the gentleman will yield, I would just like to state that it has not been mentioned that the Congress passed exactly this bill 2 years ago, both the House and the Senate.

Mr. ALBERT. Mr. Speaker, I rise in support of this bill. It is a fair bill. There is no reason why the blind should not be included in the same manner as lame veterans are included. They should have been in the law from the beginning. I am also glad our Korean veterans and World War I veterans, as well as those of World War II, are included.

It is also encouraging to note that the veteran may take cash if he so desires. This is right and just. I hope the bill will pass without any crippling amendments.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks on this and all other bills taken up today and to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

SERVICE OF CADETS AND MIDSHIPMEN AT SERVICE ACADEMIES

Mr. RANKIN. Mr. Speaker, I call up the bill (H. R. 2384) to provide that attendance during designated dates at service academies of veterans of the Spanish-American War and World War I shall be considered active military or naval service on the same basis provided for veterans of World War II for the purpose of laws administered by Veterans' Administration.

The Clerk read the title of the bill.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act of July 13, 1943, chapter 233, paragraph 10 (57 Stat. 566; U. S. C., title 38, sec. 730), is amended to read as follows: "Service as a cadet at the United States Military Academy or as a midshipman at the United States Naval Academy or as a cadet at the United States Coast Guard Academy during the recognized dates of the Spanish-American War, August 13, 1898, to July 5, 1902, and the recognized dates of World War I, April 6, 1917, to November 12, 1918, shall be considered active military or naval service on the same basis as provided for veterans of World War II who attended such academies for the purpose of laws administered by the Veterans' Administration."

With the following committee amendment:

Strike out all after the enacting clause and insert: "That section 10 of the act of July 13, 1943 (Public Law 144, 78th Cong.; 38 U. S. C. 730), is hereby amended to read as follows:

"'SEC. 10. For the purposes of laws administered by the Veterans' Administration, service as a cadet at the United States Military Academy or as a midshipman at the United States Naval Academy or as a cadet at the United States Coast Guard Academy during the period from April 21, 1898, to July 5, 1902, shall be considered active military or naval service in the Spanish-American War; such service during the period from April 6, 1917, to November 12, 1918, shall be considered active military or naval service in World War I; and such service during the period December 7, 1941, to December 31, 1946, shall be considered active military or naval service in World War II.'"

Mr. EVINS. Mr. Speaker, this bill, I should like to point out, is similar—almost identical—to one which I was pleased to introduce in the Eighty-first Congress and which was passed by the House only to fail of passage in the other body.

It provides that service as a cadet or midshipman at West Point or Annapolis or the United States Coast Guard Academy during the period of the Spanish-American War or during the period of World War I shall entitle such men to the same privileges as are today applicable to veterans of World War II for pension and compensation purposes.

I strongly urge that this measure again receive the favorable consideration of the House. As we know, for sometime past, we have been endeavoring to equalize to the greatest extent possible the rights and benefits of our veterans of all wars in which our country has engaged. This is only fair and just. Risks which have involved men of one war have not been greater than risks of other wars. The sacrifices have not been greater for one than for another. A man who dons the uniform of the United States Armed Forces stands to lose as much or to sacrifice as much in one war as in another. Therefore, their compensation and pension entitlements should be similar.

With enactment of this bill we would be proceeding in the direction of such uniformity of benefits for veterans of all wars, and inasmuch as we have made such provisions for veterans of World War II, we should provide the same for our veterans of the Spanish-American War and World War I.

I sincerely trust and strongly urge that the House again take favorable action in this regard.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "A bill to provide that service of cadets and midshipmen at the service academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration."

A motion to reconsider was laid on the table.

PENSION FOR NON-SERVICE-CONNECTED DISABLED VETERANS

Mr. RANKIN. Mr. Speaker, I call up the bill (H. R. 3193) to establish a rate of pension for aid and attendance under part III of Veterans Regulation No. 1 (a), as amended.

The Clerk read the title of the bill.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., that (a) paragraph I (f), part III, Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"(f) The amount of pension payable under the terms of part III shall be $60 monthly, except—

"(1) That where an otherwise eligible person shall have been rated permanent and total and in receipt of pension for a continuous period of 10 years or reaches the age of 65 years, the amount of pension shall be $72 monthly;

"(2) That where an otherwise eligible person is or hereafter becomes, on account of age or physical or mental disabilities, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person, the amount of pension shall be $120 monthly."

(b) The provisions of subsection (a) of this section shall apply to veterans of both World War I and World War II.

SEC. 2. Where eligibility for pension or increase of pension is established by virtue of this act, pension shall be paid from date of receipt hereafter of an application in the Veterans' Administration, but in no event prior to the first day of the second calendar month following the enactment of this act.

CALL OF THE HOUSE

Mr. MILLER of Nebraska. Mr. Speaker, I make the point of order that a quorum is not present. These are important bills, and it seems to me that we ought to have a quorum present.

The SPEAKER. Evidently a quorum is not present.

Mr. RANKIN. Mr. Speaker, I move a call to the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 81]

Allen, La.	Camp	Durham
Anderson, Calif.	Carnahan	Fellows
Anfuso	Chatham	Flood
Betts	Coudert	Gillette
Blatnik	Crosser	Gossett
Breen	Curtis, Mo.	Gwinn
Brooks	Dawson	Hays, Ark.
Buckley	D'Ewart	Herlong
Burleson	Dingell	Herter
Byrne, N. Y.	Donovan	Hinshaw

Holifield	Mason	Rains
Horan	Merrow	Reece, Tenn.
Irving	Miller, Calif.	Reed, Ill.
Jackson, Calif.	Miller, N. Y.	Richards
Jackson, Wash.	Moulder	Rivers
Kelley, Pa.	Murdock	Scudder
Kennedy	Murray, Wis.	Smith, Va.
Kilday	O'Konski	Stanley
LeCompte	Patman	Taylor
McGrath	Phillips	Vursell
McVey	Pickett	Wheeler
Mack, Ill.	Powell	
Magee	Preston	

The SPEAKER. On this roll call 365 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PENSION FOR NON-SERVICE-CONNECTED DISABLED VETERANS

Mr. RANKIN. Mr. Speaker, I do not think there is any opposition to this bill.

Today, a Spanish War veteran, helpless or blind and thus in need of the constant aid and attendance of another person, is entitled to a monthly pension of $120.

This bill seeks to provide the same rate to veterans of World War I and II and of service after June 27, 1950, who have the same condition. However, the veterans covered by this bill would have to meet the income limitations of $1,000, if single, or $2,500, if married—a requirement which Spanish War veterans do not have to meet.

The committee believes that this is a meritorious bill, and urges its enactment. The first-year cost has been estimated to be approximately $16,000,000.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Missouri.

Mr. SHORT. This is merely to equalize conditions and treat the veterans all alike?

Mr. RANKIN. That is right.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

MAKING VETERANS WITH 40-PERCENT DISABILITY ELIGIBLE FOR ALLOWANCES FOR DEPENDENTS

Mr. RANKIN. Mr. Speaker, I call up the bill (H. R. 4108) to amend the act of July 2, 1948 (Public Law 877, 80th Cong.), as amended, to include persons whose service-connected disability is rated not less than 40 percent, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was on objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the compensation now payable under the act of July 2, 1948 (Public Law No. 877, 80th Cong.), as amended, for certain veterans with service-connected disabilities who have dependents, be amended to include persons whose service-connected disability is rated not less than 40 percent.

This act shall take effect on the first day of the second calendar month next succeeding its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING INCOME LIMITATIONS FOR PAYMENT OF NON-SERVICE-CONNECTED PENSION

Mr. RANKIN. Mr. Speaker, I call up the bill (H. R. 4387) to increase the annual income limitations governing the payment of pension to certain veterans and their dependents, and to preclude exclusions in determining annual income for purposes of such limitations, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph II (a), part III, Veterans' Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"II. (a) Payment of pension provided by part III, except as provided in paragraph I (g), shall not be made to any unmarried person whose annual income exceeds $1,800, or to any married person or any person with minor children whose annual income exceeds $3,000. Income received from all sources shall be considered in determining annual income."

SEC. 2. Section 1 (c) of the act of June 28, 1934, as added by section 1 of the act of July 19, 1939 (53 Stat. 1068), and as amended (38 U. S. C. 503 (c)), is further amended to read as follows:

"(c) Payment of pension under the provisions of this act shall not be made to any widow without child, or to a child, whose annual income exceeds $1,800, or to a widow with a child or children whose annual income exceeds $3,000. Income received from all sources shall be considered in determining annual income. Where payments to a widow are disallowed or discontinued hereunder, payment to a child or children of the deceased veteran may be made as though there is no widow."

SEC. 3. Where eligibility for pension is established by virtue of this act, pension shall be paid from date of receipt of an application in the Veterans' Administration, except that pension shall be paid as of the day following the date of death of a veteran where claim is filed within one year after date of death: *Provided*, That in no event shall payments be made for any period prior to the effective date of this act.

SEC. 4. Section 403 of the act of June 29, 1936 (49 Stat. 2034); the language contained in section 608 of the Federal Employees Pay Act of 1945 (59 Stat. 305; 5 U. S. C. 948), reading "paragraph II (a) of part III of Veterans' Regulation Numbered 1 (a), as amended, or"; and any other provision of law which requires or permits exclusions in the determination of annual income for purposes of payment of pension under part III, Veterans' Regulation No. 1 (a), as amended, or the Act of June 28, 1934 (48 Stat. 1281), as amended and extended, are hereby repealed.

SEC. 5. This act shall take effect on January 1, 1952.

Mr. RANKIN. Mr. Speaker, today, a World War I or II widow or veteran, in order to obtain a pension, must have less than $1,000 income if single or without dependents, or $2,500 income if married or with dependents. That law was passed back in 1930. Owing to the increase in the cost of everything, an appeal has been made to increase this.

This bill would increase those rates from $1,000 to $1,800, and from $2,500 to $3,000.

Under the law today, certain exclusions are made in determining annual income, such as Veterans' Administration benefits, proceeds of Government insurance, payments under the Adjusted Compensation Act, and overtime pay to Government employees. This bill provides for a flat income limitation of $1,800 and $3,000 and would include income from whatever source derived.

The Veterans' Administration has estimated that the first-year cost would involve approximately $88,000,000.

Mr. Speaker, I submit that this bill is justified. This bill has a unanimous report from the subcommittee and also from the full Committee on Veterans' Affairs.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. BYRNES of Wisconsin. If I recall correctly, there was some reference made during the discussion of this bill, or in the report from the Veterans' Administration, which related to the possible difficulty that might be encountered in connection with determining exactly what the income of the individual veteran was, and the question of determining, therefore, the credits that would be allowed or not allowed.

Mr. RANKIN. This includes income from all sources.

Mr. BYRNES of Wisconsin. But does it not require a constant check? In other words, at the present time, as I understand it, a determination is made at the beginning of the year and this will require the determination to be made constantly as the income changes, does it not?

Mr. RANKIN. That is right.

Mr. BYRNES of Wisconsin. So that from now on the veterans will have to report any change in their income status?

Mr. RANKIN. That is correct.

Mr. BYRNES of Wisconsin. Whether it occurs during the course of the year?

Mr. RANKIN. That is correct.

Mr. BYRNES of Wisconsin. And the gentleman does not feel that would impose too much of an administrative burden to use that type of rule?

Mr. RANKIN. No. I do not think it would impose any extra burden, because they can report from time to time.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. The same thing is done under the present law, so this does not add anything.

Mr. RANKIN. Why, certainly.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. AUGUST H. ANDRESEN. How would they consider cases under the proposed bill for a widow with minor children? What would her income be?

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Mr. RANKIN. Three thousand dollars.

Mr. AUGUST H. ANDRESEN. So the dependents are included to raise the income level?

Mr. RANKIN. To raise it $500 for widows with dependents.

Mr. TACKETT. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. TACKETT. Relative to a widow or mother of a deceased veteran, what are the limitations on her ownership of property which may have come to her by virtue of the death of a veteran?

Mr. RANKIN. That is not involved.

Mr. TACKETT. That is no longer a question?

Mr. RANKIN. It is a question of income.

Mr. TACKETT. Only a question of income?

Mr. RANKIN. Yes.

Mr. TACKETT. I thank the gentleman.

Mr. KEAN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. KEAN. How about life insurance? There has been some criticism about this provision because of the fact that somebody who gets a life-insurance payment in five yearly installments is considered to have received income for those 5 years, whereas, if the person gets the life insurance in a lump sum, he is exempted. Does the same situation continue here?

Mr. RANKIN. That is included in the present law. The only thing this bill does is just to raise the limitation.

Mr. KEAN. There is no change in that provision, which I might say I think is very unfair?

Mr. RANKIN. And it includes income from all sources.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. FULTON. If there is a widow with three dependent children, for example, and the children have income, is the income of the whole family unit added up to make this limit, or is it just the widow's income alone that is considered?

Mr. RANKIN. They will be counted as single individuals, and the $1,800 provision would apply.

Mr. FULTON. The income then of each child is considered separate and apart from the income of every other child and from its mother?

Mr. RANKIN. Yes, that is the law now.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for five additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FULTON. If the mother's income is over, for example, nevertheless the children's benefits might continue separately?

Mr. RANKIN. That is right.

Mr. JAVITS. Mr. Speaker, will the gentleman yield for a question?

In considering the bill did the subcommittee which, I gather, had hearings on the bill consider also the whole question of the cost of living of a normal family and try to adjust the whole problem on that basis?

Mr. RANKIN. That is exactly what we are trying to do.

Mr. JAVITS. That seems to me to be the essential basis.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. McCORMACK. I remember this bill, or a similar bill, passed in a previous Congress, is that correct?

Mr. RANKIN. It was reported from the committee.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COST-OF-LIVING INCREASE IN COMPENSATION AND PENSION RATES

Mr. RANKIN. Mr. Speaker, I call up the last bill, H. R. 4394, to provide certain increases in the monthly rates of compensation and pension payable to veterans and their dependents, and for other purposes.

The Clerk read the title of the bill.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That all monthly rates of compensation payable under laws administered by the Veterans' Administration for disability rated 10 percent to 49 percent are hereby increased by 5 percent, and for disability rated 50 percent to 100 percent are hereby increased by 15 percent: *Provided*, That such increases shall not apply to special awards and allowances, dependency allowances, or subsistence allowances.

SEC. 2. Paragraph I (f), part III, Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"I. (f) The amount of pension payable under terms of part III shall be $63 monthly, except that, where such veterans shall have been rated permanent and total and in receipt of pension for a continuous period of 10 years or reach the age of 65 years, the amount of pension shall be $75 monthly: *Provided*, That—"

SEC. 3. Paragraph IV of part I of Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"IV. The surviving widow, child or children, and dependent mother or father of any deceased person who died as the result of injury or disease incurred in or aggravated by active military or naval service as provided in part I, paragraph I, hereof, shall be entitled to receive compensation at the monthly rates specified next below:

"Widow but no child, $75; widow with one child, $121 (with $29 for each additional child); no widow but one child, $67; no widow but two children, $94 (equally divided); no widow but three children, $122 (equally divided) (with $23 for each additional child; total amount to be equally divided); dependent mother or father, $60 (or both), $35 each."

SEC. 4. Section 2 of Public Law No. 484, Seventy-third Congress, as amended, is hereby amended to read as follows:

"SEC. 2. That the monthly rates of pension shall be as follows: Widow but no child, $48; widow and one child, $60 (with $7.20 for each additional child); no widow but one child, $26; no widow but two children, $39 (equally divided); no widow but three children, $52 (equally divided) with $7.20 for each additional child (the total amount to be equally divided)."

SEC. 5. The increased rates authorized by this act shall be effective from the first day of the second calendar month following the date of approval of this act.

Mr. RANKIN. Mr. Speaker, this bill represents considerable study by a subcommittee which had presented to it several bills proposing to give a cost-of-living increase in all rates of compensation and pension. These proposals ranged from a 10 percent increase to 25 percent.

The bill, as reported, provides for a 5 percent increase in the rates of compensation where the disability is less than 50 percent, and where the disability is rated more than 50 percent, the increase is 15 percent. In the case of compensation for widows and children because of a service-connected death, no increase is given the widow without children, but the widows with children are increased by 15 percent.

Pension rates applicable to non-service-connected cases today are $60 a month, or $72 if the veteran has been on the rolls for a continuous period of 10 years or has reached the age of 65. This bill provides a $3 increase in both these categories to make the rates $63 and $75. For widows' pensions for World War I and II, the committee has endeavored to raise this group to the level of the Spanish War widows. The present rate for a widow of World War I or II is $42, and this bill brings it up to $48 to make it uniform with the Spanish War. Similar increase is provided for children.

The Veterans' Administration has advised that the first year cost would be approximately $148,000,000.

Mr. FULTON. What is the cost per year?

Mr. RANKIN. It is estimated it will cost $148,000,000.

Mr. Speaker, I submit the bill is justified and should be passed.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am delighted that the membership of this House has taken this day for the consideration of legislation beneficial to veterans and their dependents. In all 11 bills have been considered and passed.

Of course, I am especially pleased at the passage of the amputee car bill. I have just telephoned the good news to the Korean conflict amputees at Walter Reed Hospital. There are about 200 of them out there, and they are overjoyed by your favorable action in their behalf. There is no doubt but that the passage of this bill will affect most

favorably the physical progress of these badly wounded men. Many of them face operation after operation before they can be discharged, but as one 19-year-old legless veteran said to me: "This gives us something to look forward to. It probably means the difference between getting a job and being idle at home." They are fine, uncomplaining young men and you have enheartened them greatly.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks on the bills just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. That is all we have at this time, Mr. Speaker.

The SPEAKER. The Clerk will continue to call the committees.

The Clerk called the Committee on Ways and Means.

The SPEAKER. That concludes the call of the committees on Calendar Wednesday.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, as it is the intention only to adopt the rule today on the tax bill, I ask unanimous consent, after consultation with members on both sides of the Ways and Means Committee and the leadership on both sides, that when the House adjourns today it adjourn to meet tomorrow at 10 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REVENUE ACT, 1951

Mr. SABATH. Mr. Speaker, I call up House Resolution 262 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4473) to provide revenue, and for other purposes, and all points of order against the bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 2 days, such general debate to end not later than 4 o'clock p. m., on the second day of debate, and which shall be confined to the bill, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by the directon of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. WALTER). The gentleman from Illinois [Mr. SABATH] is recognized for 1 hour.

Mr. SABATH. Mr. Speaker, as usual, I am pleased to say that later on I shall grant 30 minutes of the hour of debate allotted on the rule to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, this is a closed rule and provides for 2 days of general debate, with the debate closing not later than tomorrow at 4 o'clock.

Mr. BROWN of Ohio. The gentleman means Friday at 4 o'clock, does he not? We are not going to start debating the bill until tomorrow.

Mr. SABATH. Friday at 4 o'clock. I thank the gentleman for the correction. Once in a while he is right.

Mr. BROWN of Ohio. The gentleman from Illinois this time was wrong.

Mr. SABATH. I appreciate the gentleman's correction.

To proceed, I wish to say all points of order are waived. No amendments will be permitted unless they be offered by the Committee on Ways and Means.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Yes, I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. I should like to ask the gentleman who has just been explaining the details of the rule if this is one of those vicious rules I have heard the gentleman discuss in the past.

Mr. SABATH. Yes; it is; it is a vicious rule, but all of the Republican Members who appeared before the Rules Committee pleaded and urged and advocated this closed rule to a greater degree than the Democrats.

Mr. MARTIN of Massachusetts. And the gentleman yielded because the Republicans asked him to do it?

Mr. SABATH. Being a good-natured man, sometimes I cannot refuse to yield although I think these gentlemen have been wrong and are wrong, although they appeared urging and pleading for a closed or gag rule. When I asked them whether they would vote for the bill they said they would not. But they wanted a closed rule. Oh, what inconsistency. But that is nothing new, nothing new to me on the part of the Republicans.

Mr. MARTIN of Massachusetts. And my good friend wants to be just as inconsistent as the other people and for that reason is advocating this vicious rule.

Mr. SABATH. No, but under the conditions that exist, with the Nation needing the revenue, I was compelled reluctantly to finally vote to report the rule. But, sir, I make this request and suggestion, and please listen to me. I realize that during all of the years I have been here, only twice, once on a tariff bill and once on a revenue bill, did the House consider such bills without a closed rule and, unfortunately, it required from 6 to 8 weeks to pass those bills in both instances; then it was necessary for the other body to write a bill that would be understood and accepted by the House.

Realizing how complicated these revenue bills are, and this one in particular, and feeling that the House Members should have some right to pass on certain of the provisions in which they are interested or in which they believe, I thought we could have a modified closed rule, making an exception on a stated number of provisions, giving the Members the right and privilege to offer amendments without being foreclosed of that right and privilege which I believe is theirs.

Although I did not succeed in my effort, I am of the opinion that in the future the House will follow the suggestion I offered of a limited or modified closed rule for the consideration of revenue bills such as the one now before us providing for a half dozen or dozen amendments to certain important provisions whereby the bill might be strengthened, corrected, or improved.

I fully appreciate this is a complicated bill. It is this bill or nothing. The Government needs the funds. I am satisfied that the Democratic members of the Ways and Means Committee tried to bring in a more equitable bill that would be in the interest of the Nation and one which would not impose all of the burdens or most of the burdens on those least able to bear them. But the great Committee on Ways and Means, as in the case of my own Committee on Rules is so constituted as to have two or three reactionary Southern gentlemen as Members who support the interests of big business, together with a number of Republican Members who will have their own way or they will not play ball at all, and in desperation the Democratic members, in order to obtain a favorable vote to report the bill, were obliged to yield on many points to the Republicans. Realizing that some of the provisions in the bill go altogether too far in certain respects and that many of the loopholes have not been closed as I have been urging and advocating, I was under the impression that the omissions could be corrected and that a vote of 11 or 12 members of the Committee on Ways and Means should not foreclose the other 410 members of the House from having the right to say whether some of the loopholes should be closed or not.

Of course, I realize that all legislation is a matter of compromise and that the great chairman of the Ways and Means Committee [Mr. DOUGHTON] together with the gentleman from Tennessee [Mr. COOPER] were obliged to compromise because when they appeared before the Rules Committee and I asked them some questions as to why certain provisions were not included in the bill, they admitted they had voted for them in the committee, that they were in favor of them, but unfortunately, did not re-

ceive enough support or enough votes to have their proposals adopted which would have strengthened and improved the bill.

It was stated before my committee that efforts were made by the Democratic membership on the Ways and Means Committee to impose a tax on those cooperatives controlled by a few men, which I believe practical and just. There is room for improvement in the present system of exempting all cooperatives by weeding out those formed with ulterior motives.

I also feel that the provisions of present law which permits the formation of family trusts for the purpose of tax evasion by taking into partnership their wives, daughters, sons, and other relatives to bring them into the lower tax brackets, thus materially reducing their tax liability, should have been eliminated.

The 27½ percent depletion allowance for oil and mining interests now permitted should have been eliminated. This is merely a clever device whereby millions upon millions are accumulated by a favored few in extracting valuable natural resources from the earth. Under this allowance these operators have paid for their properties many times over.

I also feel that the withholding tax on dividends and interest should have been limited to those receiving such returns in the amount of $1,000 and over. There are many individuals, retired persons, and people of small means who have invested their life savings in stocks and bonds, many of whom are not required to pay income taxes, who are and will be seriously inconvenienced by the proposal contained in this bill.

Also, nothing has been done about closing the loopholes now taken advantage of by the many private trusts, the subterfuge educational and charitable trusts, the individual corporations established by movie actors for the purpose of exploiting the production of one picture, all designed for the sole purpose of tax dodging.

The present allowances as expense items by large corporations such as golf club fees, yachts and their maintenance and operation, entertainment of all kinds, dinners and banquets, monthly or yearly hotel suite rentals in Washington and other large cities paid for but not utilized except on special occasions for gay parties and the like, are a travesty on equality of taxation and should be eliminated.

The committee has seen fit to continue the temporary stopgap provision for the taxation of life insurance companies contained in the 1950 Revenue Act, but nothing has been done to broaden this provision by including the fire and casualty insurance companies.

It saw fit to increase the tax on beer, wines, and spirituous liquors but it passed up the lucrative field of patent medicines, many of which are nostrums consumed by those who seek the alcoholic content. These are not used for medicinal purposes but are consumed as appetizers in communities and areas where strict local option laws prevail. The southern producer of one such nostrum boasts of the fact that it is good for millions each year—of dollars, not people.

Oh, yes, why not a tax on soft drinks, such as coca cola? I am informed that a tax of 5 cents per case—not per bottle but per case of 24 bottles—on soft drinks would produce many millions from the excessive profits realized in this industry, none of which would have to be passed on to the consumer.

I want to again call your attention to the fact that under the limited closed rule I proposed, many of these lucrative tax sources could be tapped by proper amendments.

Notwithstanding all this, under present conditions and the dire need for greatly increased revenue as a result of our defense program, I feel in honor bound, and my solemn duty to urge the adoption of this rule making this bill in order, in the hope the other body will make adjustments in some of the provisions I have called attention to, all of which are in the interest of the low-income segment of our population.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Pennsylvania.

Mr. FULTON. The gentleman has pretty well persuaded me that this is a defective bill. Therefore, does the gentleman want us now to vote for this rule to bring this defective bill up for a vote?

Mr. SABATH. Yes; because we cannot get a perfect bill. Of course, there is nothing perfect under the sun, the gentleman knows that. I do not know whether he would admit it or not, but I know this to be true.

Mr. FULTON. Let us assume this, then: Is this bill worth considering, in your judgment? Does it have the right provisions in it? The gentleman has just now convinced a good many independent-minded persons here that it is the wrong sort of a bill; that it was through certain conniving in the committee that things were put in that should not have been put in.

Mr. SABATH. Well, I do not say "conniving." I would not be so harsh as to designate it as conniving.

Mr. FULTON. What would the gentleman call it?

Mr. SABATH. I would call it, as I say, yielding and compromising on matters that they could not help but yield to if they desired some legislation.

Mr. FULTON. Did the gentleman then depart from principle and yield to these pressures in his committee?

Mr. SABATH. No; I have not departed from principle. I still stand where I have been standing all these years and where I hope to continue to stand, for the people; to try to save them from unfair taxation and not give relief to those that can best afford to pay their decent share, the right share, especially in view of the fact that all corporations and industries are more prosperous, have greater profits even if they pay the taxes this bill provides for than ever before in the history of our country.

Lest I forget, Mr. Speaker, I ask unanimous consent that I may extend and revise my remarks and insert some statistics showing the great profits and benefits now accruing to the big interests of the nation.

The SPEAKER pro tempore (Mr. WALTER). Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE GRAVY TRAIN REALLY ROLLED LAST YEAR

While most of the country was scrimping around trying to make ends meet last year, the executives of corporations which have to report top salaries to the Securities and Exchange Commission were doing all right, thank you. Here are the men who did best at the paymaster's window. In most cases their total take represents a combination of salary, bonus and stock. For instance, Charles E. Wilson, General Motors president who heads the list, received in 1950 according to SEC records $201,300 in salary, $363,795 in bonus and $61,205 in stock. A little down the list is J. C. Dellinger, Pacific coast manager for the Houston, Tex., cotton brokerage of Anderson, Clayton & Co.; his salary was only $10,000, but he got a bonus of $458,271.

	Total
Charles E. Wilson (General Motors)	$626,300
Albert Bradley (General Motors)	541,425
Crawford H. Greenewalt (du Pont)	539,550
Marvin E. Coyle (General Motors)	526,100
Harlow H. Curtice (General Motors)	526,100
J. C. Dellinger (Anderson, Clayton)	468,271
Eugene G. Grace (Bethlehem Steel)	464,321
Ronald K. Evans (General Motors)	446,825
Louis C. Goad (General Motors)	441,100
Frederick G. Donner (General Motors)	441,070
Angus G. Echols (du Pont)	384,100
Arthur B. Homer (Bethlehem Steel)	381,932
Dr. Allan B. DuMont (T–V manufacturer)	364,239
Edward R. Godfrey (General Motors)	346,300
J. F. Drake (Gulf Oil)	343,000
Henry B. du Pont (du Pont)	323,500
Walter J. Beadle (du Pont)	323,200
Walter S. Carpenter (du Pont)	323,200
J. Warren Kinsman (du Pont)	323,200
William H. Ward (du Pont)	323,150
Roger Williams (du Pont)	323,150
Walter Dannenbaum (du Pont)	323,150
Seton Proter (National Distillers)	302,206
John E. Bierwirth (National Distillers)	302,206
G. W. Mason (Nash-Kelvinator)	300,832
Steward J. Cort (Bethlehem Steel)	299,547
Frederick A. Shick (Bethlehem Steel)	284,547
T. M. Girdler (Republic Steel)	279,166
S. A. Swensrud (Gulf Oil)	275,000
John J. Schumann (General Motors)	271,200
Norborne Berkeley (Bethlehem Steel)	269,547
C. M. White (Republic Steel)	258,333
Spyros P. Skouras (Twentieth Century Fox)	252,430
Albert K. Chapman (Eastman Kodak)	249,850
Paul M. Hahn (American Tobacco)	227,209
Thomas J. Hargrave (Eastman Kodak)	225,181
Charles R. Hook (Armco Steel)	223,381
W. W. Sebald (Armco Steel)	221,710
Stanley C. Allyn (National Cash Register)	212,500
James A. Gray (R. J. Reynolds Tobacco)	210,000
Harry C. Crawford (Bethlehem Steel)	202,161
David Sarnoff (RCA)	200,000
Roy Fruehauf (Fruehauf Trailer)	194,375
Walter P. Paepcke (Container Corp.)	190,000

	Total
S. S. Nueman (Publicker Industries)	$175,000
Richard J. Boylan, James R. Coon, John A. Crowe, Preston L. Fowler (American Tobacco) (each)	156,292
Frank Folsom (RCA)	154,563
Ralph L. Gray (Armco Steel)	151,625
Frank Stanton (CBS)	151,597
W. Alton Jones (Cities Service)	151,290
Sosthenes Behn (IT&T)	150,795
Royal Little (Textron)	150,645
Hiland G. Batcheller (Allegheny Ludlum)	150,000
John H. Hinman (International Paper)	150,000
Vincent Riggio (American Tobacco)	148,671
Edward R. Murrow (CBS)	135,086
William H. Hobbs (Coca-Cola)	134,933
William S. Paley (CBS)	100,000

PROFITS GUSH TO NEW HIGHS FOR OIL FIRMS

Up, up, up—like a gushing oil well—go the profits of the big oil companies. This year's profits of Standard Oil (New Jersey) are running 82 percent above 1950 figures. Texas Co. profits are up 71 percent. Socony-Vacuum's have increased 68 percent.

Take a look at these figures. They show how much oil profits have increased from the first 3 months of 1950 to the same period this year.

	Percentage increase in profits, 1950 to 1951
Standard Oil (New Jersey)	82
Texas Co.	71
Standard Oil (California)	52
Gulf Oil	23
Cities Service	25
Phillips Petroleum	60
Houston Oil	33
Socony-Vacuum Oil	68
Skelly Oil	28
Sinclair Oil	38
Standard Oil (Ohio)	68
Continental Oil	38
Standard Oil (Indiana)	36
Tide Water Oil	50
Union Oil of California	250
Sunray Oil	100
Pacific Western Oil	300
Mid-Continent Petroleum	72
Ohio Oil	14
Richfield Oil	95

GIFT TO OIL MEN

While profits of oil companies keep mounting, the House Ways and Means Committee makes a $75,000,000 tax gift to oil promoters.

On May 4, the committee refused to close the loophole that allows oil firms to subtract 27½ percent of their income each year before they figure their taxes.

The idea is that wells are worked out finally. The oil boys can pay for a well in 4 years through tax write-offs—forever. That is called a "depletion allowance."

Mr. SABATH. I sympathize with the chairman of the Committee on Ways and Means because he was in the same position that I have frequently found myself in. He was obliged to give way, but I feel from what he stated before the committee, and from what the gentleman from Tennessee [Mr. COOPER] stated, that an honest effort was made to eliminate some of the loopholes, to increase the rates in the higher brackets and reduce those in the lower, and thus bring in a stronger bill. But I cannot understand, for the life of me, when the Government needs additional revenue to carry on our defense program, especially due to the greatly increased costs for which these interests are responsible, why these big interests should not pay their fair share of the burden. As General Marshall stated a few days ago, it will cost the Government over $7,000,000,000 more than was expected because of the increase in the cost of material and all other things that are required for the defense of our Nation. I am amazed, in view of the fact that these increases go into the pockets of these interests, that they should not be made to pay their proportionate share.

Of course, I have no objection to the increase of 12½ percent on personal incomes, but I do not think this same rate should apply to those with lower incomes. I think it should apply only to those who are earning above $10,000. Now even the man who earns $3,000 or $4,000 a year does not really live; he merely exists, because of the high cost of living brought about by these various combinations, trusts, and corporations that are sitting up nights figuring out how they can secure higher prices and greater profits on everything they produce.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman has referred to the high cost of living and controls. I think the people of the country should realize that unless the Congress acts on or before June 30 controls will no longer exist. The present law expires on June 30. The President in a very able and couargeous address to the country a few nights ago presented to the people of the country what the situation is. The responsibility now rests upon the Congress of the United States. If controls are off for 1 day only it will cause irreparable harm not only to the consumer but to the business of our country, whether small or large, whether controlled or independent, and to our entire economy, and in particular to the expenses in connection with emergency legislation relating to our defense. The situation is very, very acute. Congress has only about 10 days more to act. Something must be done, and if nothing is done the responsibility rests upon Congress.

Mr. SABATH. I thank the gentleman for the observation.

In that connection, let me call your attention to the fact that when rent controls went off 3 years ago, for a few weeks, immediately all the hotel and apartment building rents went up from 25 to 100 percent. Consequently I feel that if something is not done in time the same thing will occur now. What applies to that applies to everything else. I have advocated price control. It is absolutely necessary to stop inflation and at the same time bring down the ever-increasing cost of living. It is hard for me to understand, as I said before, how it is possible under present conditions for people who earn only $50 a week, to live. They do not live, they merely exist. Therefore, I feel that they should not be burdened with additional taxation.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Illinois.

Mr. YATES. Rent controls on the apartment and residential hotels are still necessary in the city of Chicago, are they not?

Mr. SABATH. There is no question about it, not only in Chicago but in all large cities. As chairman of a special committee that investigated these conditions 15 years or so ago, I found that many of the people who own these apartment buildings and hotels acquired them at 10, 15, and 20 cents on the dollar. They are the ones that are spending thousands of dollars for lobbying here against housing and rent control, trying to bring about the elimination of control of these apartment buildings and hotels. They are trying to make a hotel out of every apartment building. God only knows what will happen to their tenants if rent controls are taken off.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. SIMPSON of Pennsylvania. The gentleman is urging us to support a tax bill which includes provisions which increase the cost of living of the taxpayer with a very low income. How does he justify that increase while complaining about the increases in the cost of living?

Mr. SABATH. I am doing so because there is nothing else I can do as I stated earlier in my remarks. Under present conditions the Government needs the revenue for defense purposes. Naturally I am not here to say that the man of low earning power should not pay his proportionate share of taxes. He, too, owes something to his country. But I feel that those who can best afford to pay should be made to pay and that this burden should not be loaded unfairly on those who can least afford to carry the burden.

Mr. MILLS. Mr. Speaker, will the geneleman yield?

Mr. SABATH. I yield.

Mr. MILLS. As I understand my friend, the gentleman from Illinois, he is not finding fault with the provisions contained in the bill H. R. 4473. He does find fault because certain provisions, which he supports, are not included in the bill. Am I right?

Mr. SABATH. You are right with one exception. As the gentleman from Virginia [Mr. SMITH] called to my attention, the bill provides for reductions in certain taxes under present law in the amount of some $390,000,000. I cannot understand why that was necessary. This action seemed entirely unwarranted. Oh yes, there is the provision exempting from the 20% retail tax baby oils, powders, and lotions, which is all right, but this represents but a very small portion of the $390,000,000.

Mr. MILLS. The gentleman is in favor, however, of the provision in the bill which exempts from the capital gains tax the so-called homestead, when sold?

Mr. SABATH. To be perfectly candid, the reported bill containing 153 pages and the report containing 152 pages were not available to me until yesterday morning. I labored over them until 3 a. m. this morning and I frankly confess that I am not thoroughly familiar with all of its provisions now. It would require a much better and much abler man than I to thoroughly digest this massive bill in so short a time. However, in answer to

the gentleman from Arkansas I will state that if this provision creates an additional tax evasion loophole for the big real estate operators who sell and resell homes, naturally I could not be for it.

Mr. MILLS. The committee took the position on that particular provision that it was in the interest of defense workers who had to go from one city to another to find defense employment.

Mr. SABATH. If it applies to that group, I am satisfied.

There are other provisions in the bill which are in the right direction, although not as many as I would like to see.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. KEATING. The gentleman has expressed dissatisfaction with one provision and, as I understand him, he is also dissatisfied with this additional taxation on those with incomes under $10,000. Those are very vital provisions of the bill, and I ask the gentleman why, then, he does not support an open rule on this bill, so that the gentlemen can offer amendments to correct those provisions of which he complains.

Mr. SABATH. As complicated as this bill is, I fear that an open rule would create a condition whereby we would weaken the bill instead of improving it, and there is always the danger that many Members on your side would vote to relieve those with great incomes and add to the burdens of those with low incomes, if an open rule were brought in.

Your party would not be in such an unfavorable position today where it is obliged to rely on false statements and ridiculous and unjustifiable attacks and half truths from time to time with which you hope to becloud the real issues and thus mislead a majority of the people into voting with you in 1952. I still have great faith, however, in the immortal words of that great American, Abraham Lincoln, that you can fool some of the people some of the time but not all of the people all of the time.

Furthermore, when the entire membership of the Committee on Ways and Means belonging to your party, and through their representatives appearing before the Committee on Rules, plead for a closed or gag rule, how could I refuse to comply with their request when I did not have the support of your Republican members of my committee?

Mr. KEATING. The gentleman does not always agree with the members of my party.

Mr. SABATH. No; I do not. I wish I could. I frequently invite your party to agree with me, to vote for things that are in the interest of the masses and not for the classes as you invariably do.

Now, I cannot yield any further, because I am obliged to conclude my remarks.

How much time have I consumed, Mr. Speaker?

The SPEAKER pro tempore (Mr. WALTER). The gentleman has consumed 24 minutes.

Mr. SABATH. Oh, I am sorry.

I reserve the balance of my time, and now, with pleasure, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN],

Mr. BROWN of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Speaker, I ask unanimous consent to speak out of order, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OSTERTAG. Mr. Speaker, America is indeed fortunate to have a man of James W. Wadsworth's great stature and wisdom as a member of the National Security Training Commission. No man in this country has dedicated himself with greater devotion or understanding to the establishment of universal military training than has former Senator Wadsworth, and no man could have been chosen to serve on this vitally important commission in whom the country would have more confidence. His appointment, as well as those of other members of the Commission by the President, will be universally applauded.

For more than 50 years, Senator Wadsworth has been convinced of the necessity to establish a system of universal military training in this country, and throughout the 30 years he served in the Congress of the United States he pressed continually for the enactment of legislation to establish such a program.

His interest in UMT stemmed from knowledge, conviction, and experience. As a young man, he answered the call to arms in the Spanish-American War, enlisting in Battery A, Pennsylvania Field Artillery, and with his own eyes he saw the tragic, needless, slaughter of his comrades on the island of Puerto Rico, because they lacked the military training essential to their task. He often said of that war, that the enemy was nothing, but the greenness of American troops was sickening.

Throughout the early years of this century he studied the feasibility of a universal military training program for this country, and when, in World War I, he saw a repetition on a greater scale of the needless casualties caused by insufficient training, his determination to work for a permanent peacetime training program was further strengthened.

As chairman of the Senate Military Affairs Committee, Senator Wadsworth sponsored a measure in 1920 which would have inaugurated such a program, and throughout the remaining years of his service in the Senate and in this House, he sponsored or vigorously supported measures looking toward this end.

Early this year when the march of Red imperialism made it abundantly clear that America must rebuild and maintain her armed strength on a permanent basis, Senator Wadsworth, then in retirement, again pressed for the establishment of a universal military training program.

In a cogent letter sent to every Member of this House, he deplored our costly and tragic policy of "commencing to get ready to fight after the fight has started." He equally deplored, however, the alternative of creating and maintaining a tremendous standing military force, pointing out that such a policy would exact two fearful penalties—a crushing financial burden, and the creation of a dominant military cast which would eventually go far toward Prussianizing the country.

The only sound alternative, he pointed out, is a great civilian reserve, trained in time of peace and ready to answer the call if it comes. This, he said, is the sound way, the American way, the democratic way.

I am frank to say that I believe Senator Wadsworth's persuasive reasoning did as much as any one effort throughout the highly controversial debate on S. 1, to get the problem back to fundamentals and to win approval for peacetime military training in what is now Public Law 51.

No one in America regards the establishment of universal military training lightly. It is a break with all our history and tradition, and it will require vigilance and leadership of the highest order to administer the program in such a way as to insure and maintain our armed strength at the necessary level of effectiveness without encouraging militarism and reckless military adventures.

In launching this tremendously important program, the President could not have chosen a man better fitted to help guide it and keep it firmly in the desired course than James W. Wadsworth, of New York. With the National Security Training Commission under such auspicious leadership, we can go forward with the assurance that America will keep the faith with history and the future, and with freemen everywhere.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, I have listened with a great deal of interest and much attention to my venerable friend and the distinguished chairman of the Rules Committee in his nonpartisan explanation of this resolution and I hope I may be able to speak on this measure with the same objectivity he has displayed in discussing it.

As the gentleman from Illinois has advised the House, this resolution provides for the consideration of the bill, H. R. 4473, a measure designed to increase the revenues of the Government, under 2 days of general debate. It provides further that on the second day of the general debate on the bill the committee shall conclude its labors at 4 p. m., at which time it shall rise and report the measure back to the full House for a vote thereon.

I understand it is the desire of the leadership of the House that the bill will not be called up for general debate until tomorrow, Thursday. Such action means, of course, that we will vote on this bill, if the rule is adopted, at 4 p. m., or shortly thereafter, on Friday.

This proposed rule also provides that the bill shall not be open for amendment except such amendments as may be submitted to the House by direction of the Committee on Ways and Means.

This is, of course, a closed or gag rule, because it prevents any Member of the House of Representatives from offering an amendment to the new tax measure unless the amendment has first been approved by the majority action of the

Ways and Means Committee. The adoption of this rule means that on this great and important measure, a bill which it is estimated will raise more revenue than any other tax measure ever brought before the Congress of the United States, at least 410 Members of this House will have no opportunity to express themselves through the offering of or the voting on any amendments. It means that the House of Representatives, all of the 435 Members, the elected Representatives of the people, must vote "yea" or "nay" on this bill in its entirety. We must swallow it all or we must refuse to swallow any of it. Like the German Reichstag under Hitler, that will be the position in which we find ourselves if this rule is adopted.

It means something more than that. It means, in fact and in actuality, inasmuch as the Ways and Means Committee is made up of 25 members, that 13 members, a bare majority of the Ways and Means Committee, can and probably will be, in many instances, writing the tax laws of this Nation which will affect our national economy as no other legislation can.

I understand there has been, within the Ways and Means Committee, considerable division of opinion, and that often a section or provision of this tax bill was adopted by a bare majority of the committee, or a single vote perhaps, 13 to 12 or 11 to 10, or by a 2 or 3 vote margin.

I have the highest respect and regard for the Ways and Means Committee of the House, and for each and every member of it. The distinguished gentleman who heads that committee as its chairman, Hon. ROBERT L. DOUGHTON, has the respect, the love, and the admiration of every individual in this House. I am not so sure that he can personally agree with or approve every provision and section of this tax bill. I am certain he did not have his way in writing this bill. I am not sure that any one member of the committee had his way preparing this legislation. These men are all distinguished men—these members of the Ways and Means Committee. They are able and capable, yet they are not infallible or omnipotent. It is just possible they may be wrong now and then. They have had wide and long experience in drafting and writing tax legislation, but it is not at all certain that no other Member of the House has not had similar experience with taxation matters, or with the problems of business which arise as a result of the tax bills we pass. In fact, I feel sure there are other Members of this body, beside those who sit on the Ways and Means Committee, who may have as good judgment as theirs as to tax policy, and as to what should or should not be done in connection with tax legislation. So I question the wisdom of adopting a rule which will say to all the membership of the House that none shall have the right to offer, or to consider, or to vote on an amendment to this bill; must accept the word of the majority of the Ways and Means Committee and vote for or against the bill the committee offers in its entirety. By such action we certainly are not furthering the democratic process for which we have been fighting throughout the world.

We discussed this bill rather thoroughly in the Committee on Rules. It was brought out in our committee hearings on this bill that while the Constitution provides all revenue measures must originate in the House, that as a matter of fact very few of the tax bills enacted into law in recent years have been anything like the original bills as they passed the House. Tax bills have constantly and consistently been put through the House under a closed or gag rule, with few exceptions, only to go over to another body where they have been rather completely rewritten, and remember, please, that over in the other body, where they have 96 Members, they do not have any closed or gag rules. Each and every Member of the other body can offer any amendment that he or she may desire, have it debated thoroughly, and finally voted upon. And, I am not so sure but that the membership of this House, while it is larger, is not just as able, and just as capable, and just as much to be trusted, in the enactment of tax legislation—because after all tax legislation is a matter of judgment and a matter of policy—as are the Members of the other body.

The fact of the matter is, and I want to be very frank and not critical, I know many Members of this body whose judgment I would rather trust and follow than I would the judgment of many Members of the other body. Now, what do I mean by the question of judgment? Well, for instance—as an example—in this bill a tax is levied on electric razors, but there is no tax levied on safety razors. Seemingly, there was no Member on the committee from the State of Connecticut. Now, that is a matter of judgment, or perhaps conscience, and certainly a question of policy, as to whether the Congress wants to say if a man shaves with an electric razor he should be taxed and if he shaves with a safety razor he should not be taxed. I feel sure the full membership of the House could be trusted to pass on such a great issue as that as well as could the Committee on Ways and Means.

But, let me discuss the rule. When this bill came before the Committee on Rules the Ways and Means Committee did request, as the gentleman from Illinois has so well explained, a closed or a gag rule, and that has been the rather usual request by past Ways and Means Committees. But when it came to the question approving the gag rule it was finally adopted by a very, very, very close vote in the Rules Committee. While I shall not mention names, I think I am free to say to the House, because we on the Committee on Rules are your servants, that the vote on this rule was first a tie, and then, finally, one of our Members very, very reluctantly, as he expressed it, voted to report out the rule before us.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Georgia.

Mr. COX. The gentleman recalls what took place with respect to the taking of the vote. Is it not the gentleman's recollection that the vote was handled in such a way as to create a situation whereby the chairman would have to take——

Mr. BROWN of Ohio. I did not mention the chairman's name.

Mr. COX. I know, but the gentleman spoke of a tie vote. Does the gentleman not recall that that was the result of a play on the part of the Members to create just the sort of a situation that he described?

Mr. BROWN of Ohio. No; I do not think it was the result of a play to create a situation. Since the gentleman has discussed the question and brought out and mentioned the chairman's name, I presume everyone in the House knows that it was the chairman who cast, very reluctantly, the vote to break the tie and report this rule. I do recall that the three Republican members present voted against the rule; that one member of the majority voted against the rule; that two members of the majority did not vote at first, and that finally one, the chairman, did vote to break the tie. But, I did not want to discuss that. I just wanted to bring this problem to the attention of the House.

Mr. COX. I do not want to pursue the inquiry, because it would involve certain people in the committee which I would rather not do. But, will the gentleman yield on another point?

Mr. BROWN of Ohio. I yield.

Mr. COX. The gentleman has pointed out the objections that lie to the granting of a closed rule on any kind of a bill. In spite of the fact that these objections are valid, is it not the opinion of the gentleman that on a bill of this character it could only, with reasonable safety, be considered under a closed rule? If the action of the committee had depended upon the vote of the gentleman speaking here as a responsible Member of this body, would he not have favored the granting of a closed rule?

Mr. BROWN of Ohio. I will answer the gentleman very frankly that I would have voted against the closed rule, because I do not believe in granting a closed or a gag rule on a bill which I am personally convinced is a bad measure. I am glad the gentleman from Georgia has brought up that question. The gentleman from Ohio has voted for reporting and has supported some closed or gag rules in the past. I have even supported closed or gag rules on tax bills. But there is a great difference in tax bills.

I recall that in the Eightieth Congress, under Republican leadership, we brought in a tax bill under a closed or gag rule. I supported that rule. I am sure my friend, the majority floor leader, is very anxious to make comment on this subject. So I have a copy of the debate at that time which I would love to read to you, but first, before I read it, I want to reiterate, if I may, to the Members of the House that in the Eightieth Congress we had a very, very unique and unusual situation. One that had not existed for a quarter of a century—ah, yes; a very peculiar, a very unique and unusal situation. For the first time in a quarter of a century we had before us here in the House a bill to reduce taxes, not to increase them.

Mr. MILLS. Mr. Speaker, will my friend yield for a correction?

Mr. BROWN of Ohio. I cannot yield now.

Yes; for the first time in a quarter of a century we had a bill that actually reduced the tax burden on all the taxpayers of this country? Previously we did have one bill that took off the wartime excess-profits tax, but we did not before have a bill reducing taxes on the little fellow.

I think it is an interesting bit of history that even the gentleman from Illinois took the floor as other than minority leaders took the floor in support of our gag rule because everybody in the United States was for tax reduction. The Republican Eightieth Congress cut the taxes on the American people by that bill alone by something like $5,500,000,000. We reduced the tax on the small taxpayers by a larger percentage than we did on other groups or classes of taxpayers. The fact is that by that bill we took 7,000,000 low-income Americans completely off the tax rolls. We also increased the personal exemption for individuals from $500 to $600 to help the low-income taxpaying groups in this country.

By the way, no one has seen fit to repeal that particular section of the law yet. All this was done in addition to balancing the budget. On top of all that we made substantial payment on the national debt. So that was an unusual situation as well as an unusual bill. That was a bill in which all of us could join in reducing taxes. I know some people objected to and finally voted against the bill. So I am going to watch with a great deal of interest whether these same persons, who objected to reducing taxes back in the Eightieth Congress, and to lowering the tax burden on the American people, will now vote for increasing the tax burden on the American people.

I realize, as well as anyone else, the great need of the Government for additional revenue. We have to have revenue from some source, because it has become apparent to all of us that we are not getting cooperation from any other branch of the Government in our attempts to hold down the cost of government.

So we will need additional revenue; but, in my opinion, this bill is not the right way to get it. The gentleman from Illinois, my good friend, has said that in this bill there are many provisions with which he cannot agree. Certainly there are many provisions in this bill with which I cannot agree. In fact, I have yet to make up my mind, as other Members of the House have to do, whether a piece of legislation, which is never all white or all black—and is usually a mottled gray—has more good than bad in it, and I should vote for it, or whether it has more bad than good in it, and I should vote against it. So I say to you, in my opinion, this bill has more bad in it than it has good, and I am going to vote against it, in the hope that the Committee on Ways and Means will bring in a better price of tax legislation in the near future.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. COX. Referring to the basis of the gentleman's objection to the bill, does it raise too much money or too little money?

Mr. BROWN of Ohio. It certainly does not raise any more than will be spent by this administration, I can guarantee the gentleman. However I am hoping that whatever legislation we may pass will raise a sufficient amount of revenue to balance the budget.

Mr. COX. There is no disagreement with the gentleman on that, but is it not necessary to raise the revenue which the bill promises to raise?

Mr. BROWN of Ohio. I have just answered the gentleman.

Mr. COX. Is it not necessary to raise the revenue which the bill promises to raise, in order not to further indulge in deficit financing?

Mr. BROWN of Ohio. I have just said to the gentleman I believe we do have to raise additional revenue. I am opposed to deficit financing. But when we raise additional revenue, I want to do it fairly. I want to do it on a basis which is just, and which will not work a hardship on certain classes and groups of our people, as this bill will.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. In view of the fact there seems to be very considerable sentiment on both sides of the aisle that there are many highly objectionable features in the bill, why would it not be the better part of wisdom to recommit the bill to the committee in the hope that the committee, acting as a whole, and as a committee of all its 25 members, rather than operating as a democratic majority, bring in a bill that will remove some of the objectionable features?

Mr. BROWN of Ohio. The gentleman has expressed that which I hope will happen. I hope we may be able to recommit this bill and bring in a more balanced and fairer measure—a bill that can raise the new revenue which is needed, without taking away the rights and privileges—and some necessities of life, if you please, of some of the people, who are so hard hit by the bill.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. MILLS. Because I have such a high opinion of the gentleman's ideas, I would like for him to give us a bill of particulars, so if the bill is recommitted we may know how to bring one out to raise the $7,500,000,000 of revenue.

Mr. BROWN of Ohio. It took the gentleman and his colleagues almost 6 months to bring out this monstrosity, and I am sure I can write a tax bill, at least no worse than this, in less than 6 months.

Mr. MILLS. Oh, no—I want the gentleman to give us something good.

Mr. BROWN of Ohio. I can think of several things you can do, if you want to know. You might take another look at the withholding tax on dividends provision which takes away from the old people—the aged people, if you please—the ones who are not required to pay taxes, a part of their income which they need to buy food and holds it for a year before it is returned to them. As some in the Department of Internal Revenue rather blatantly say, "We will gain $35,000,000 to $40,000,000 a year in taxes from people who do not ask for small tax refunds." These are the very funds our old people need so badly—and to which the Government is not entitled. Why take such money away from the aged? That is one little thing you can do, sir. Think that one over, and later I will gladly give you other suggestions as to what can be done to help, after we recommit this bill to your committee.

Mr. MILLS. That is not raising revenue. I asked the gentleman to give us an idea of how to raise it.

The SPEAKER pro tempore. The time of the gentleman from Ohio [Mr. BROWN] has again expired.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Virginia [Mr. HARDY] to make a unanimous-consent request.

COMMITTEE ON EXPENDITURES

Mr. HARDY. Mr. Speaker, I ask unanimous consent that the Subcommittee on Government Operations of the Committee on Expenditures may be permitted to sit tomorrow during general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

REVENUE ACT OF 1951

Mr. SABATH. Mr. Speaker, I yield to the gentleman from New York [Mr. FINE] for a unanimous-consent request.

Mr. FINE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINE. Mr. Speaker, I would like to make the point that since the tax bill now before us is being considered under a closed rule, there will be no opportunity to offer an amendment during the debate except through the committee. I therefore address these remarks to the committee and respectfully urge them to amend the bill to provide the same tax exemption for governmental pensioners now provided for social-security pensioners and for railroad pensioners. The omission of this important provision has resulted in the following inequitable situation:

Consider the tax problem of three separate individuals doing the same type of work, one employed in private industry, the second by a railroad, and the third by a municipality. The first and second gain a tax exemption of $1,800 and the third no tax exemption at all on retirement. The first two take home $1,800 in pension pay; the third only $1,395 in pension—all income being the same.

The unfairness of the situation is even better pointed out by the following forceful illustration: Where we have a privately owned bus line which has been taken over by a municipality, the employees of said privately owned bus line already retired and receiving social security, or who retire just before unification, are given a tax exemption, but those who become part of the municipal scheme and later retire as members of

the municipal pension system do not get the tax exemption.

What difference can there be between a social-security pensioner, a railroad pensioner, and a governmental pensioner? None, of course. And yet, the committee has rejected a provision sponsored by our colleague and member of the committee, the gentleman from New York, the Honorable EUGENE KEOGH, which would have eliminated this rank discrimination. What justification can there be for this differentiation?

The fight to put governmental pensioners on the same plane with social-security pensioners is being led by Ralph L. Van Name, the fiery secretary of the New York city retirement system, who has lined up in support of the program the leading civil service and public employee organizations as follows:

New York State Joint Council Government and Civic Employees Organizing Committee, CIO.

The Civil Service Employees Association.

Civil Service Technical Guild.

Civil Service Forum.

The National Education Association.

The Congress of Industrial Organizations.

New York and New Jersey Retired Teachers Associations.

National Association of Retired Teachers.

Retired Patrolmen's Association.

In addition to these organizations, organized Government employee groups and retired employee associations in California and Ohio and elsewhere are mobilizing for action on the controversy.

Much credit is due not only to Mr. Van Name, but also Mr. Jesse B. McFarland, president of the Civil Service Employees Association of the State of New York, Mr. Philip F. Brueck and Mr. Raymond E. Diana, chairman and executive secretary of the New York State Joint Council of the Congress of Industrial Organizations, respectively, and the many other officials of the employee groups for their untiring efforts to bring about equality in treatment.

My interest in this legislation stems from my many years of active identification with these men and organizations and I am grateful to them for supplying me with information and data in the preparation of this statement. An analysis of said information and data supports the need for the adoption of the amendment.

First. Under the present income-tax bill, employees are taxed more if they retire from one of the 7,000,000 Federal, State, and city positions than if they retire under social security from one of the 45,000,000 positions in private industry. This is violently discriminatory.

Second. Pensioners are usually aged people. Income taxation of the aged forces continuance of aged employment to the detriment of youthful employment and advancement. Governmental pensioners, whose pension at one twenty-fifth of $1,800, that is, $72 for each year of 25 to age 65 are obliged to work seven additional years to age 72 to produce the $522 Federal income tax which would leave them with the $1,800 take-home pension available 7 years sooner to social security's untaxed $1,800 pension. Governmental pensioners must work up to 7 years longer solely because of Federal discrimination against governmental pensioners in income taxation.

Third. The tax bill as presently written continues an unconscionable hardship upon old persons who have served their adult lives in Government employment, and offers an additional argument for those who claim that Government service is growing less attractive in relation to private industry.

Fourth. It has been suggested that by this method, governmental employees would be compelled to become part of the social-security system to gain the tax exemption now in the law—certainly not a laudable way to treat the problem. If this be the motive, it amounts to an unfair trade practice and should be condemned. Furthermore, to force the many city and State employees into the Federal plan would be depriving them of all of the benefits of pension systems built up over many years of trial and error. The complexity of the change-over and the inherent difficulties, would make the transition much too difficult and costly.

Fifth. The place to derive taxes is from production. The time to derive pension tax income from the first bracket taxpayers is during their productive years. Any first bracket taxpayer—and there are millions of them—would prefer to pay more during his productive years, so as to be relieved of income taxation during his aged unproductive years. The Government would suffer no loss by using common sense in this matter. During his productive years, the taxpayer properly provides: (a) for his current needs, (b) for the current needs of the Government, (c) for the anticipated needs of his old age. If his successors do likewise as they would prefer to do, there will be no need to tax first bracket aged. Certainly, this is true within the $1,800 area established for 45,000,000 industrial employees and ignored by Congress as to 7,000,000 governmental employees and pensioners.

Sixth. Income taxation of short-lived pensioners is robbery of the dying and their survivors. A pensioner does not receive an exact equal common total value. He receives less or more according as he lives a short or long time while retired. The short-lived pensioner who does not receive back even the capital value of his original pension contract is to be compelled by Government to give up, as 22½ percent income tax, that which is not income but part of his original capital. Both he and his heirs suffer by this injustice.

Seventh. Governmental pensioners who survive their expectation of life as at their retirement age, are scheduled to benefit from the forfeiture to the fund of the capital equities of short-lived pensioners. The only way first bracket wage earners may provide for costly survivorship in their eighties and beyond is by mutual consent at the outset to short-lived forfeitures to make possible long-lived payments if long life ensues. The Federal Government which provides tax free $1,800 income to industrial pensioners does not merely tax governmental pensioners similarly situated. It taxes, on an annual income tax basis, inheritance received in annual installments by long-lived pensioners from short-lived pensioners—through retirement fund, of course. It is unprincipled and discriminatory to free industrial pensioners from all tax on $1,800 pension and then to tax governmental pensioners on an annual income tax basis with that which is not annual income but annual installments of the inheritance by the long-lived from the short-lived through the retirement fund.

Eighth. The income which a Government employee earns is taxed as he earns it precisely as is the preretirement income of employees in private industry who are covered by social security; taxation of governmental employees should cease at retirement as it does prior to social security retirement.

CONCLUSION

I suggest to the committee one of two proposals. Either that the bill be immediately amended to bring about even-handed justice in this regard or to agree to offer an amendment so that we, the Members of the House, may, by our votes, determine the question. By this method at least we can once and for all solve the problem of whether or no public employees are to be differently treated taxwise.

Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. DOLLINGER] be given permission to extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOLLINGER. Mr. Speaker, the proposed tax bill in its present form is unsatisfactory to me. I feel that there are glaring injustices which should be corrected. We should be given the opportunity to offer protection to the hundreds of thousands of persons who will be severely penalized by the bill as it now stands. I refer particularly to those sections which deal with individual income taxes.

A vast number of elderly people in this country must depend solely upon a small annuity or pension for their existence. Because of high living costs, they can afford nothing but the barest essentials now. Those persons should have the same protection enjoyed by other groups which are exempt under the law. For instance, social-security benefits—and I am informed, railroad retirement payments, are exempt up to $1,800 now. The persons receiving such exemptions are certainly entitled to them, but it is only fair that all persons dependent upon small annuities or pensions should have comparable exemptions. To continue to tax them is to cause them to suffer real hardship, and the existing discrimination is grossly unfair.

In my opinion, the proposed bill favors those who can afford to be further taxed and penalizes the little taxpayer—those in the low-income brackets who are already taxed to the limit and who find it increasingly difficult to support their families and themselves under present

living costs. Under this bill, the greater burden of taxation will fall upon those who are now staggering under the tax load they carry while those to whom additional taxes mean no real sacrifice are not forced to carry their proportionate share of the load.

I join in the request of my colleague from New York and respectfully urge the Ways and Means Committee to offer the amendment during the debate which would make the new tax law fair and equitable to all.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Speaker, I am opposed to this gag rule. During the 13 years I have been in Congress the Ways and Means Committee has always demanded a gag rule for its tax bills. Their argument is that tax bills are so technical and any and all taxes are so offensive that the House does not have sufficient intelligence or courage to consider amendments to tax bills. I simply do not believe this. Our present tax laws certainly do not prove it, for everyone agrees that our laws are technically complicated and confusing and many of them unfair and unjust. They might have been better if the House membership had been given a chance to consider amendments. They could not be much worse.

I have seen a lot of long, complicated bills come to the floor under open rules. The committee in charge was able to defeat or to improve amendments which were improper or improperly drafted. Of course, the Ways and Means Committee, in asking for a closed rule, implies that the rest of the House should defer to its superior wisdom. I think that what has actually happened over the years is that the Ways and Means Committee has developed an inferiority complex and feels unable to defend its bills on the floor of the House.

The Republican minority on the Ways and Means Committee has filed minority views pointing out defects and needed amendments. I have not had an opportunity to study fully this bill and the majority and minority reports. I am certainly not going to tie my hands in advance of the debate and before I can study the whole bill, so as to keep myself from voting for necessary amendments, I am against this closed rule.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as he may desire to the gentleman from Connecticut [Mr. MORANO].

Mr. MORANO. Mr. Speaker, I wish to deplore the 10-percent tax levied on electric shavers provided for in this revenue act by the Ways and Means Committee as discriminatory.

DISCRIMINATORY CHARACTER OF THE PROPOSED 10-PERCENT TAX ON ELECTRIC RAZORS

An independent survey by American Legion magazine reflects the type of razor currently used: Electric, 23.3 percent; safety, 81.3 percent; straight, 4.4 percent.

A similar recommendation was made by the Treasury Department with respect to excise taxes in the 1941 Revenue Act. It was reported out by the House Ways and Means Committee, passed the House, but was amended in the Senate to exclude electric razors. In order not to discriminate and not to create an unfair competitive situation, logic would impel the inclusion of all razors or none.

Senate Report No. 673 of the Seventy-seventh Congress states:

The House bill imposes a tax of 10 percent upon the manufacturers' sale of electric appliances. It was pointed out that the inclusion of gas and oil water heaters and cooking appliances created an unfair competitive situation. Consequently, these gas and oil appliances are included in the taxable category and are taxed at the 10-percent rate.

In a hearing before the House Ways and Means Committee—Seventy-seventh Congress, first session, revised volume 1—Assistant Secretary John L. Sullivan spoke to the committee in a prepared statement appearing on page 50:

In the field of excise taxation it is proposed that a number of new taxes be imposed and the rates of some existing taxes be increased. We have endeavored to avoid excises which would fall on the basic necessities of life.

Any industry which sells 23 percent of the total volume must receive consideration.

In a similar statement, Colin F. Stam, of the Joint Committee on Internal Revenue, Taxation and the Ways and Means Committee, pages 82 and 87:

The Committee on Ways and Means has six fundamental tests of a sound manufacturing tax as stated in the following (Rept. 708, 72d Cong., 1st sess.) item 4 of the sixth item: "The tax must be imposed uniformly and without discrimination. * * * It was desired that each member of a competitive group base taxes upon substantially the same basis as competitors."

I believe it is obvious to the Members of this House that shaving is a basic necessity of life and that no single method, be it electric or manual, for removing whiskers from the face, should receive preference over any other method, particularly any one method, in excess of one-fifth of the total industry.

ESTIMATED REVENUE TO THE UNITED STATES GOVERNMENT

Assuming a tax of 10 percent at the manufacturers' level, it is conservatively estimated that the loss in income would be sustained by the exclusion of electric shavers from the current revenue act would not exceed $2,000,000 in tax.

Eighty percent of the electric shavers in the United States are manufactured in Fairfield County, my congressional district. Consequently, I urge the Ways and Means Committee to amend the tax bill to include electric shavers together with heating pads already exempted as a basic necessity of life in the articles exempted from the 10-percent tax.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Speaker, traditionally tax bills are brought before us under a closed rule. That it has always been this way in the past is not enough for me. I recognize the practical considerations which have led this year and in previous years to the granting of a rule prohibiting any amendment to the bill. But I feel that these practical considerations have been somewhat exaggerated.

The argument is made that, if amendments are permitted, it will lead to unnecessarily prolonged debate. In the first place, this is an important bill, which deserves the most thorough consideration by the Members of the House. We are told that it represents the largest new tax levy which has ever been imposed on the American people. It reaches into every business and into every home. It touches everyone. No one escapes. For that reason, the House should work its collective will on this legislation before final adoption.

Secondly, it always lies with the membership to limit debate on amendments to the bill, if that course seems to a majority of the Members to be desirable. When viewed in the proper perspective, the so-called practical considerations which have led to a gag rule in the past on tax bills melt away pretty much into thin air.

Even if it be conceded that our course in adopting a closed rule in the past has been sound, these are not normal times. We have reached the point in this country where nearly every object and every activity falls under the hand of the tax collector. As we still further narrow the field of areas either untaxed or not taxed to the absolute limit, the more important becomes our obligation to see it to that those areas are not absorbed within the tax orbit without the most careful and thorough scrutiny and debate. There seems to me even greater reason for allowing an open rule, at least a partially open rule in the case of a tax-increase bill than exists in the case of a tax-reduction bill.

Both those who intend to vote for this bill and those who intend to vote against it should support the move to open the bill to appropriate amendments.

Those who are opposed to this measure, for the most part, concede that additional taxes are necessary in order to balance the Federal budget and finance our present effort to defend our country and make it secure, so far as possible, on a pay-as-you-go basis. Their objection is that this bill in important respects goes about the problem of additional taxes in the wrong way and will lead to inequities and unfair hardships and will increase rather than decrease inflationary pressures. Certainly this group opposed to the measure should welcome an opportunity to improve the bill in such a manner that it may in the long run have their support.

On the other side, the distinguished chairman of the Committee on Ways and Means and other spokesmen who support this measure, according to their public utterances, do so not with enthusiasm, but with faint praise. They concede, so far as I know without exception, that it is by no means a perfect measure and could be considerably improved. The only way to bring that about or to attempt to bring it about is now through amendment on the floor. This group should even more enthusiastically embrace the opportunity to improve the bill by amendment.

Let no one who votes for a closed rule to prevent any amendment to this measure be heard to claim, after voting for it, that he did so only as a last resort

and because it was the only bill before us. As presently minded, I expect to support the final tax bill after the House has had an opportunity to work its will. I do not expect it will in all respects conform to my own wishes. Legislation simply does not work out that way. But what I do want to accomplish is to assist in seeing to it that any efforts to improve the bill are not eliminated through the technicality that amendments are not in order because of the nature of the rule we have adopted.

The vote on this rule will be nearly, if not quite, as important as the vote on the bill itself. Those who are completely satisfied that we have before us a bill complying in every respect with their wishes are justified in supporting a rule to prohibit amendments. Those who are not of that mind and who believe this bill could be improved should stand up and be counted against this effort to ram this bill through precisely in its present form.

Mr. SABATH. Mr. Speaker, I listened to the remarks of the gentleman from Ohio [Mr. BROWN], who so adroitly stressed what he termed a "unique" revenue bill that the Congress passed in the Eightieth Congress in that it was a bill to reduce taxes—not to raise taxes. Yes, that was in 1946 or early in 1947, and there was every reason for passing such a tax bill because the war was over, with a change-over from military to civilian production, the cancellation of war contracts, and the stopping of huge expenditures for war materials, so it was but a natural sequence of action in effecting a reduction of taxes. The gentleman from Ohio strikingly failed to mention these facts and also the fact the legislation was so timed to have a political effect as they believed that would enhance the political fortunes of the Republican Party in the coming Presidential election. It was a tax-reduction bill all right, but the largest reductions went to the fattened war profiteers and the wealthy in the higher-income brackets, and those in the lower-income brackets were given a "sop" reduction of a few dollars, but, fortunately, the common people saw through the camouflage and returned a Democratic administration in the ensuing election. The gentleman from Ohio should have given all the facts with respect to that "unique" Republican tax-reduction legislation.

Mr. Speaker, reverting to the rule under consideration, it has been stated by me, and even by the gentleman from Ohio, that I endeavored to have a provision in the rule under which Members could offer amendments to the bill under certain limitations, but as consideration progressed in the Committee on Rules I realized that would be impossible to accomplish. I recognized the need for a revenue bill at this time and felt that I owed it to my country and to the House to bring about favorable action on the rule which is now before us. Mr. Speaker, I feel that under the conditions it is absolutely necessary that this rule be adopted and the bill be passed.

Mr. BROWN of Ohio. Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. The gentleman has consumed all of his time.

Mr. SABATH. Mr. Speaker, I yield the balance of my time to the gentleman from Massachusetts [Mr. MCCORMACK].

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized.

Mr. McCORMACK. Mr. Speaker, for 10 years I served on the Ways and Means Committee before being elected majority leader in 1940. With one exception, I have no recollection of any tax bill that came out of the committee during the years I was a member that was not considered by the House under a closed rule. The exception was in 1930, when the tax bill was considered under an open rule, and what happened on the floor on that occasion caused the responsible Members of both parties to recognize the practical situation that existed and the difficulty of writing a tax bill on the floor. You will remember that a very important part of that bill was stricken out, carrying with it some few billions of dollars, and members of the Committee on Ways and Means were meeting unofficially, picking out this tax, that tax, or the other tax, and coming into the House and proposing it. We all realize what happened on that occasion. With that exception, I have no recollection of a tax bill coming in other than under a closed rule and members of the Ways and Means Committee unanimously recommending to the Rules Committee that a closed rule be reported out in the consideration of a tax bill, no matter what their views might be on the bill itself, in whole or in part.

In the Eightieth Congress, the then chairman of the Committee on Rules, the gentleman from Illinois [Mr. ALLEN], in reporting the rule, said:

> This is a closed rule providing 2 days of general debate on the tax bill. We can expect the same hue and cry that is always sent up when a closed rule is reported on a tax bill. The Democrats know as well as I do that a tax bill cannot be brought up under any other kind of rule, but they are committed to a policy of obstruction to Republican-sponsored measures.

I do not, of course, agree with the latter statement, because we always supported good measures recommended by a Republican President, but I have very, very vague recollection as to any good one that ever was recommended during my 23 years, because the only Republican President we have had during my term of service was former President Herbert Hoover. Hoover was a good man, but unable to grasp the problems of a nation enveloped in a great economic conflagration; a man I respect, but a man who had no vision, unable to look into the future; a man who thought only of the past; a man whose leadership was that of a status quo nature. So the only legislation that I have any recollection of recommended by a Republican President was the kind that was geared to an economy of 1875, instead of an economy of those days of 1928 to 1932.

The gentleman from Ohio [Mr. BROWN] and the gentleman from Illinois [Mr. HALLECK] are two of the most adroit politicians on the Republican side of the House, and I will say in both branches of the Congress. I will include both branches because the Republicans have none over on the other side. They referred to the fact that the Eightieth Congress reduced taxes and that that was the first time there was a reduction of taxes on individuals. However, in 1945 we reduced taxes on individuals when we repealed the excess-profits tax. We made a mistake at that time by repealing the excess-profits tax too quickly. The Eightieth Congress tax bill unbalanced the budget. The Eightieth Congress Republican tax bill was a corking plan for the wealthy few at the expense of the many.

Mr. BURNSIDE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and thirty Members are present, a quorum.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the rule just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. MILLER of Nebraska) there were—ayes 98, noes 98.

The SPEAKER pro tempore. The Chair votes "aye."

Mr. FULTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and nineteen Members are present, a quorum.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

REAFFIRMING THE FRIENDSHIP OF THE AMERICAN PEOPLE FOR ALL THE PEOPLES OF THE WORLD

Mr. RIBICOFF submitted a conference report and statement on the concurrent resolution (S. Con. Res. 11) reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union.

ST. LAWRENCE SEAWAY

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, the CONGRESSIONAL RECORD of June 19 contains remarks by my colleagues and close friends, the gentleman from Louisiana [Mr. LARCADE] and the gentleman from Michigan [Mr. DONDERO], regarding a statement I made on June 18 that Maj. Gen. Lewis A. Pick, Chief of Army Engineers, is lobbying for the St. Lawrence seaway project.

I want to assure every Member of this House that I was not attacking the reputation General Pick enjoys as an engineer. All I did was read from the article written by Fred G. Eaton, columnist for the Ogdensburg (N. Y.) Journal, in which he quoted General Pick as saying:

> Any group or individual who allows selfish interests to destroy these two great nations will have to answer to his own Maker.

Mr. Eaton continued by quoting General Pick as saying:

> And that is just what anyone who opposes the seaway is doing.

Then directly quoting General Pick again Mr. Eaton proceeds:

> We must have steel to take care of our oncoming needs. We need this waterway. We can't get sufficient steel without it, and I will stake my reputation as an engineer and truthful person on that.

Mr. Speaker, let us take Major General Pick's statement:

> Any group or individual who allows selfish interests or motives to destroy these two great nations will have to answer to his own Maker—and that is just what anyone who opposes the seaway is doing.

In other words, Mr. Speaker, General Pick believes that those of us who oppose this economic monstrosity—the St. Lawrence seaway—are not only traitors but are guilty of a sin before Almighty God.

General Pick speaks of allowing selfish interests or motives to destroy the relationship between Canada and the United States. While I cannot speak for the millions of Americans who have opposed the St. Lawrence seaway for years, yet I can speak for the Governor of the State of Pennsylvania and the legislature of that great State, together with the many organizations that have joined in opposing a project that will destroy the economy not only of Pennsylvania but likewise of the United States.

Mr. Speaker, let us take the other quotation of General Pick:

> We must have steel to take care of our oncoming needs. We need this waterway. We can't get sufficient steel without it and I will stake my reputation as an engineer and truthful person on that.

By this statement alone General Pick reveals himself as a lobbyist for the five small Midwest steel companies who are advocating construction of the St. Lawrence seaway to serve their own selfish interests.

I support my position by reminding you that the records of the Committee on Public Works contain testimony that a great majority of the steel operators who produce 75 percent of this Nation's steel are not interested in the Labrador-Quebec ore or in the St. Lawrence seaway project.

To be more specific, General Pick is applying his engineering ability in trying to refute the statement of Mr. Benjamin Fairless, of the United States Steel Corp., that the steel industry faces no ore scarcity. General Pick also finds his views are contrary to Mr. Eugene Grace, of the Bethlehem Steel Co., who insists that the St. Lawrence seaway is not essential to bringing in Labrador-Quebec ore.

As I said in the beginning, I am not attacking the reputation General Pick enjoys as an engineer. I am simply pointing out, as Mr. Eaton did in his newspaper column, that General Pick has stepped out of his role as Chief of Army Engineers when he accused those of us who oppose this international ditch as being not only traitors but guilty of a sin against Almighty God. That is strong language and I consider it an insult to Members of Congress, the Governor of Pennsylvania, and the State legislature of the great Keystone State, as well as to every loyal American who for over 50 years have opposed the St. Lawrence seaway and power project.

As far as the difference of opinion that exists between leaders of the steel industry and General Pick regarding the necessity of the St. Lawrence seaway and the bringing in of Labrador-Quebec ore, let me remind General Pick that he is on the payroll of the Federal Government financed by the American taxpayers. Therefore, it ill behooves him to step out of his engineering role and assume lobbying activities for the five small midwestern steel companies, who in reality are the selfish interests bent upon constructing the St. Lawrence seaway at a time when the American people are bowed down under the crushing weight of exorbitant taxes and a swollen national budget.

TRANSPORTATION OF FIREWORKS

Mrs. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mrs. CHURCH. Mr. Speaker, I have today introduced a bill of great importance to the safety of this country, a bill to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State or political subdivision thereof in which the sale of such fireworks is prohibited. The bill was introduced at the instance of Coroner Brody, of Chicago, after a recent tragedy. It often happens that tragedies are necessary to point out the necessity for legislation. This bill, however, transcends the individual instance and is designed permanently to prevent continuing and perfectly avoidable tragedies. I hope that the House will give the bill the consideration it merits.

DECENTRALIZATION OF CITIES

Mr. KERSTEN of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KERSTEN of Wisconsin. Mr. Speaker, Congress should create incentives for the decentralization of industry.

Experts on atomic warfare have been telling us again and again that the only defense to atomic bombing in America is to decentralize our cities. As long as we continue to have congested industrial areas we will have attractive targets for enemy bombs. Only a short time ago the President stated that it would be impossible to stop all enemy attacks completely, and that in case of a war with Russia it was most probable that some of our cities would be seriously damaged.

While the manner of the President's announcement during the MacArthur controversy indicated that he is using fear for political purposes, common sense dictates that we take steps to minimize danger to our cities as targets.

I believe we should take measures to encourage decentralization of our cities and in that way lessen both the possibility of atomic attack and also lessen the damage in case we should be attacked. To this end I have introduced into Congress today an amendment to the amortization provision of the income-tax law. Under the present law, emergency facilities built for national defense purposes can be depreciated in 5 years. This accelerated depreciation can be granted to a concern regardless of where the defense facility is located. My amendment however, would permit the use of this accelerated depreciation only when the emergency facility is located in a secure area which is not likely to be subject to atomic attack.

The amendment defines such secure areas to be areas relatively secure from direct attack by an enemy of the United States, by reason of absence of population concentration, industrial congestion, and strategic targets. The amendment further provides that the certifying authority shall make no certification with respect to an emergency facility to be used outside a secure area.

UNESCO

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore (Mr. WALTER). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, at the present time in Paris, France, a conference of the UNESCO organization is taking place. I trust that all other considerations will be laid aside by the American delegation in favor of a reduction of the UNESCO budget. I make these remarks at this time in the trust that the Department of State here in Washington will convey them to Deputy Assistant Secretary of State Howland H. Sargeant, who heads the American delegation at that conference. We are not as much interested in the honor of high office for Americans in UNESCO as we are in the reduction of the American share of its budget.

EXTENSION OF REMARKS

Mr. SMITH of Mississippi and Mr. HART asked and were given permission to extend their remarks in two instances.

Mr. WIER asked and was given permission to extend his remarks and include an address.

Mr. MANSFIELD asked and was given permission to extend his remarks in four instances and include extraneous material.

Mr. RODINO asked and was given permission to extend his remarks and include an editorial.

Mr. WILSON of Texas asked and was given permission to extend his remarks and include an editorial.

Mr. DORN asked and was given permission to extend his remarks and include an article.

Mr. ANGELL asked and was given permission to extend his remarks on three subjects and include extraneous matter in each.

Mr. WOOD of Idaho asked and was given permission to extend his remarks.

Mr. JONAS asked and was given permission to extend his remarks in two instances, in each to include extraneous matter and editorials.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in two instances, in each to include extraneous matter.

Mr. HAND asked and was given permission to extend his remarks and inclue an editorial.

Mr. ADAIR asked and was given permission to extend his remarks in two instances, and to include a letter and an editorial.

Mr. AYRES asked and was given permission to extend his remarks and include an editorial.

Mr. JAVITS asked and was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. LOVRE asked and was given permission to extend his remarks in three instances, and include some editorials.

Mr. FULTON asked and was given permission to extend his remarks and include a statement of the National Association of Letter Carriers, dated June 15, 1951.

Mr. RANKIN asked and was given permission to revise and extend the remarks he intends to make in Committee of the Whole today and include therein extraneous matter.

Mr. SABATH asked and was given permission to extend his remarks and include an article by Dorothy Thompson appearing in the Star.

Mr. McCORMACK asked and was given permission to extend his remarks and include an editorial which recently appeared in the Boston Post.

Mr. WHITAKER (at the request of Mr. RIBICOFF) was given permission to extend his remarks in two instances and include editorials.

Mr. BURNSIDE asked and was given permission to extend his remarks.

Mr. GARMATZ asked and was given permission to extend his remarks.

Mr. DEANE (at the request of Mr. PRIEST) was given permission to extend his remarks and include a letter.

Mr. WALTER (at the request of Mr. PRIEST) was given permission to extend his remarks and include certain letters and other extraneous matter.

Mr. BENNETT of Florida asked and was given permission to extend his remarks and include extraneous matter.

Mr. GATHINGS asked and was given permission to extend his remarks in three instances.

Mr. KEOGH asked and was given permission to extend his remarks in three instances and include in one an address by Hon. James A. Farley and in the others several editorials.

Mr. KERSTEN of Wisconsin asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. BEAMER asked and was given permission to extend his remarks and include two editorials.

Mr. OSTERTAG asked and was given permission to extend his remarks in two instances and include extraneous matter.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1025. An act to expand the authority of the Coast Guard to establish, maintain, and operate aids to navigation to include the Trust Territory of the Pacific Islands.

ADJOURNMENT

Mr. MORRIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 7 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 21, 1951, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

539. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1952 in the amount of $27,000,000 for the Department of Defense (H. Doc. No. 170); to the Committee on Appropriations, and ordered to be printed.

540. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1952 in the amount of $28,926,000 for the Department of State (H. Doc. No. 171); to the Committee on Appropriations, and ordered to be printed.

541. A letter from the Attorney General, transmitting a letter relative to the cases of Nicolas Ioannis Karambelas or Nick John Caras, file No. A-6979683 CR 30078, and Ernst Gustav Benedix, file No. A-3760573 CR 26383, requesting that they be withdrawn from those now before Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

542. A letter from the Attorney General, transmitting a copy of an order of the Acting Commissioner of Immigration and Naturalization, dated October 20, 1950, authorizing the temporary admission into the United States, for shore-leave purposes only, of alien seamen found to be excludable as persons within one of the classes enumerated in section 1 (2) of the act of October 16, 1918, as amended by section 22 of the Internal Security Act of 1950, pursuant to section 6 (b) of the act; to the Committee on the Judiciary.

543. A letter from the Secretary of Defense, transmitting a draft of proposed legislation entitled "a bill to authorize certain construction at military and naval installations, and for other purposes"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRIS: Committee on Interior and Insular Affairs. H. R. 2387. A bill restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes; with amendment (Rept. No. 630). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. S. 11. An act to provide for the appointment of conservators to conserve the assets of persons of advanced age, mental weakness, not amounting to unsoundness of mind, or physical incapacity; without amendment (Rept. No. 631). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIBICOFF: Committee of Conference. Senate Concurrent Resolution 11. Concurrent resolution reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union; without amendment (Rept. No. 632). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H. R. 4514. A bill to provide for a jury commission for each United States district court, to regulate its compensation, to prescribe its duties, and for other purposes; to the Committee on the Judiciary.

By Mr. ENGLE:

H. R. 4515. A bill to authorize the acquisition by exchange of certain properties within Death Valley National Monument, Calif., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LANE:

H. R. 4516. A bill to provide for the erection at the Memorial Avenue entrance to the Arlington National Cemetery of the sculptural piece known as The Last Farewell, and for the establishment of the Christopher Columbus Memorial Grove; to the Committee on Interior and Insular Affairs.

By Mr. MULTER:

H. R. 4517. A bill to provide for the erection at the Memorial Avenue entrance to the Arlington National Cemetery of the sculptural piece known as the Last Farewell, and for the establishment of the Christopher Columbus Memorial Grove; to the Committee on Interior and Insular Affairs.

By Mr. BAKER:

H. R. 4518. A bill to provide for the construction of flood-control works on Coal Creek and its tributaries in Tennessee; to the Committee on Public Works.

By Mr. BARING:

H. R. 4519. A bill to protect living dogs and cats against torture, brutality, and useless, painful experimentation within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. CHENOWETH:

H. R. 4520. A bill to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces; to the Committee on Armed Services.

By Mr. COOLEY:

H. R. 4521. A bill to amend and extend the Sugar Act of 1948, and for other purposes; to the Committee on Agriculture.

By Mr. HELLER:

H. R. 4522. A bill to amend the War Claims Act of 1948, as amended, to provide compensation for unpaid compulsory labor and inhumane treatment of prisoners of war and for other enemy violations of the Geneva Convention respecting prisoners of war; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON:

H. R. 4523. A bill to authorize the Secretary of the Army to convey certain road right-of-way easements in De Kalb and Putnam Counties, Tenn., to the State of

Tennessee; to the Committee on Armed Services.

H. R. 4524. A bill to authorize certain construction at military and naval installations, and for other purposes; to the Committee on Armed Services.

By Mr. CELLER:

H. R. 4525. A bill to provide for a decrease in the rate of interest to be paid by the United States in the acquisition of lands under the power of eminent domain, title to which is taken in advance of final judgment; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 4526. A bill to provide readjustment allowance for certain unemployed former members of the Armed Forces who served in active military, naval, or air service on or after June 27, 1950, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. COLE of Kansas:

H. R. 4527. A bill to provide for the payment of certain traveling expenses of retired employees of the Bureau of Prisons, Department of Justice; to the Committee on Post Office and Civil Service.

By Mrs. CHURCH:

H. R. 4528. A bill to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State or political subdivision thereof in which the sale of such fireworks is prohibited; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. R. 4529. A bill to amend section 124A of the Internal Revenue Code to provide that an amortization deduction shall be granted only with respect to facilities located in areas secure from enemy attack; to the Committee on Ways and Means.

By Mr. RAMSAY:

H. R. 4530. A bill to provide for the continuation of operations under certain mineral leases issued by the respective States covering submerged lands of the Continental Shelf, to encourage the continued development of such leases, to provide for the protection of the interests of the United States in the oil and gas deposits of said lands, and for other purposes; to the Committee on the Judiciary.

By Mr. MULTER:

H. Res. 263. Resolution appointing Members of the House of Representatives to attend a Parliamentary Conference for World Government, to be held in London, England, from September 24 to September 29, 1951; to the Committee on Rules.

By Mr. CRAWFORD:

H. Res. 264. Resolution relating to reports of the executive departments to committees of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BOLTON:

H. R. 4531. A bill for the relief of Burnett Brodziak; to the Committee on the Judiciary.

By Mr. BYRNE of New York:

H. R. 4532. A bill for the relief of certain disbursing officers of the Army of the United States, and for other purposes; to the Committee on the Judiciary.

H. R. 4533. A bill for the relief of Samuel A. Wise; to the Committee on the Judiciary.

By Mr. COLE of Kansas:

H. R. 4534. A bill for the relief of Mrs. Maria E. Penabella; to the Committee on the Judiciary.

By Mr. FELLOWS:

H. R. 4535. A bill for the relief of Nigel C. S. Salter-Mathieson; to the Committee on the Judiciary.

My Mr. HARRIS:

H. R. 4536. A bill to amend the act incorporating the American University; to the Committee on the District of Columbia.

By Mr. HAVENNER:

H. R. 4537. A bill for the relief of Thomas S. Lea, his wife and two children; to the Committee on the Judiciary.

H. R. 4538. A bill for the relief of the Angel Island Foundation; to the Committee on the Judiciary.

By Mr. JOHNSON:

H. R. 4539. A bill for the relief of Man Lee; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. R. 4540. A bill for the relief of Dr. Klaus C. Karde and Ingeborg Karde; to the Committee on the Judiciary.

H. R. 4541. A bill for the relief of Rosarina Garofalo; to the Committee on the Judiciary.

By Mr. SIEMINSKI:

H. R. 4542. A bill for the relief of Mr. and Mrs. Lyguim Sowinski; to the Committee on the Judiciary.

H. R. 4543. A bill for the relief of Mrs. Priscilla Crowley; to the Committee on the Judiciary.

By Mr. SPENCE:

H. J. Res. 273. Joint resolution to make the restrictions of the Federal Reserve Act on holding office in a member bank inapplicable to M. S. Szymczak when he ceases to be a member of the Board of Governors of the Federal Reserve System; to the Committee on Banking and Currency.

SENATE

THURSDAY, JUNE 21, 1951

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Lord of our pilgrim years, as through sleep and darkness we have been safely brought, we thank Thee for a new day with its round of concerns and duties. As in Thy sight Thy servants stand here in posts of high public office, may they be solemnly conscious that their decisions, their attitudes, their words are not their own; but go out from this Chamber as a light on a hill, to influence and to mold the whole structure of human relationships around this troubled world.

Help us in all things to be masters of ourselves that we may be the servants of others. In these times of tension and strain, preserve us from magnifying little slights and stings, or giving them. Keep us calm in temper, clear in mind, sound of heart, in spite of ingratitude, meanness, or even treachery. In these crucial and creative days enable us, we pray Thee, to perform faithfully and well what Thou dost require, even to do justly, to love mercy, to walk humbly with Thee, our God. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 20, 1951, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 301. An act to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans;

H. R. 313. An act to provide for the construction of certain Veterans' Administration hospitals, and for other purposes;

H. R. 1072. An act to amend the existing law to provide the privilege of renewing expiring 5-year level-premium-term policies of United States Government life insurance;

H. R. 2384. An act to provide that service of cadets and midshipmen at the service academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration;

H. R. 3193. An act to establish a rate of pension for aid and attendance under part III of Veterans Regulation No. 1 (a), as amended;

H. R. 3205. An act to amend the Veterans Regulations to provide that multiple sclerosis developing a 10-percent or more degree of disability within 3 years after separation from active service shall be presumed to be service connected;

H. R. 3549. An act to modify eligibility requirements for payment of pension to certain widows of veterans of the Civil War, Indian Wars, and Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection;

H. R. 4108. An act to amend the act of July 2, 1948 (Public Law 877, 80th Cong.), as amended, to include persons whose service-connected disability is rated not less than 40 percent;

H. R. 4233. An act to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans or cash payments in lieu thereof, and for other purposes;

H. R. 4387. An act to increase the annual income limitations governing the payment of pension to certain veterans and their dependents, and to preclude exclusions in determining annual income for purposes of such limitations; and

H. R. 4394. An act to provide certain increases in the monthly rates of compensation and pension payable to veterans and their dependents, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred as indicated:

H. R. 301. An act to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans;

H. R. 1072. An act to amend the existing law to provide the privilege of renewing expiring 5-year level-premium-term policies of United States Government life insurance;

H. R. 2384. An act to provide that service of cadets and midshipmen at the service academies during specified periods shall be considered active military or naval wartime service for the purposes of laws administered by the Veterans' Administration;

H. R. 3193. An act to establish a rate of pension for aid and attendance under part III of Veterans Regulation No. 1 (a), as amended;

H. R. 3205. An act to amend the Veterans Regulations to provide that multiple sclerosis developing a 10-percent or more degree of disability within 3 years after separation from active service shall be presumed to be service-connected;

H. R. 3549. An act to modify eligibility requirements for payment of pension to certain widows of veterans of the Civil War, Indian Wars, and Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection;

H. R. 4108. An act to amend the act of July 2, 1948 (Public Law 877, 80th Cong.), as amended, to include persons whose service-connected disability is rated not less than 40 percent;

H. R. 4387. An act to increase the annual income limitations governing the payment of pension to certain veterans and their dependents, and to preclude exclusions in determining annual income for purposes of such limitations; and

H. R. 4394. An act to provide certain increases in the monthly rates of compensation and pension payable to veterans and their dependents, and for other purposes; to the Committee on Finance.

H. R. 313. An act to provide for the construction of certain Veterans' Administration hospitals, and for other purposes; and

H. R. 4233. An act to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans or cash payments in lieu thereof, and for other purposes; to the Committee on Labor and Public Welfare.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. GEORGE, and by unanimous consent, the Committees on Armed Services and Foreign Relations, meeting jointly, were authorized to meet this afternoon during the session of the Senate.

ORDER OF BUSINESS

Mr. McFARLAND. Mr. President, the Speaker of the House has suggested that Members of the Senate be in the House Chamber at 12:20. The Senate can occupy a few minutes of time for the transaction of routine business.

The VICE PRESIDENT. The Senate has met after an adjournment, so there is a morning hour automatically.

Mr. McFARLAND. Very well.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

RELIEF OF CERTAIN OFFICERS AND EMPLOYEES OF THE FOREIGN SERVICE WHO SUFFERED LOSSES BY REASON OF WAR

A letter from the Secretary of State, transmitting a draft of proposed legislation for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions and catastrophes of nature (with accompanying papers); to the Committee on the Judiciary.

REPORT OF TECHNICAL COOPERATION ADMINISTRATION

A letter from the Secretary of State, transmitting, pursuant to law, the first quarterly report of the Technical Cooperation Administration, for the quarter ended December 31, 1950 (with an accompanying report); to the Committee on Foreign Relations.

EXTENSION OF SUGAR ACT OF 1948

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend and extend the Sugar Act of 1948, and for other purposes (with an accompanying paper); to the Committee on Finance.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

A letter from the Attorney General, withdrawing the name of Nicolas Ioannis Karambelas or Nick John Caras, and Ernst Gustav Benedix from reports relating to aliens whose deportation had been suspended, transmitted to the Senate on May 1, 1951, and January 16, 1950, respectively; to the Committee on the Judiciary.

ACTS AND JOINT RESOLUTIONS OF HAWAIIAN LEGISLATURE

A letter from the Assistant Secretary of the Interior, transmitting copies of the following acts and joint resolutions adopted by the Legislature of the Territory of Hawaii, which acts and resolutions were referred as indicated:

Act 178. An act to amend section 1943 of the Revised Laws of Hawaii, 1945, as amended, relating to the University of Hawaii and the powers of the board of regents thereof;

Act 204. An act authorizing the issuance of bonds for flood-control projects;

Joint Resolution 23. Requesting the Congress of the United States to ratify and confirm Act 204 of the Session Laws of Hawaii 1951 authorizing the issuance of bonds for flood-control projects;

Joint Resolution 24. Memorializing the Congress of the United States to enact legislation to remove the discrimination against women in the matter of jury service in the Territory of Hawaii; and

Joint Resolution 33. Requesting the Congress of the United States to enact legislation permitting any municipality in the Territory to borrow money pursuant to chapter 118 of the Revised Laws of Hawaii 1945 as the same has been or in the future may be amended by the Legislature of the Territory of Hawaii and within such periods of time as the legislature may determine; to the Committee on Interior and Insular Affairs.

Joint Resolution 26. Requesting the Congress of the United States of America to eliminate taxes upon passenger transportation between the several islands comprising the Territory of Hawaii; to the Committee on Finance.

Joint Resolution 29. Memorializing the Congress of the United States of America to enact the necessary legislation granting Federal aid to the city and county of Honolulu for the construction of the Koolau Tunnel project through the Kalihi Valley; to the Committee on Public Works.

REPORT OF DISPLACED PERSONS COMMISSION

A letter from the chairman and members of the Displaced Persons Commission, transmitting, pursuant to law, the fourth semiannual report of the Commission as of August 1, 1950 (with an accompanying report); to the Committee on the Judiciary.

WHAT AMERICA MEANS TO ME—VALEDICTORY ADDRESS BY HELJU KIVIMAE

Mr. FLANDERS. Mr. President, I have in my hand one of the most remarkable documents that I have ever read. It is the valedictory address by a girl from a DP family in a high school in Vermont. It will take 5 minutes to read it. I ask unanimous consent to read it into the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Vermont may proceed.

Mr. FLANDERS. The address is as follows:

WHAT AMERICA MEANS TO ME

(By Helju Kivimae)

Friends, we welcome you most cordially to our commencement exercises. We are grateful to those who have helped us, our parents, the trustees, our principal and teachers, all our friends. For my class I express our appreciation.

Two years ago today I was on an ocean liner entering New York harbor. There were more than 1,000 people aboard, all of them new Americans. We were looking toward our new country and wondering what lay waiting for us there. We had no earthly goods to bring with us to this country, but we brought two gifts from God, happiness in work and a strong hope for the future. We knew little about America, its language or its customs. I did not know then how to love my new country.

Since that day I have learned how to call this country my home, and to love her so much that I want to tell you what America means to me and to many other new Americans.

America is the country of freedom. So often when we have somebody who loves us and is good to us, and whom we have near us all the time, we grow so accustomed to this presence that we take all loving care for granted and may even become careless and rude toward that person. But if that person is taken away we understand at once how much we love her or him. It is the same way with democracy and freedom. Having enjoyed freedom and then having lost it, we realize how much freedom really means to us.

I come from Estonia, one of the three little Baltic States. Estonia was a very democratic country, but the life span of the small independent nation was very short. During World War II Estonia was first overrun by the Russians, who destroyed our homes, killed many of our people, and took many others to prison camps in Siberia. Then came the Germans, still no freedom. Now Estonia is once more under the bloody rule of Russia. Under these dictators people lose all their freedom; they feel like deer who are being pursued.

Freedom has been restored to us who have come here to America. Former cruel experiences have made freedom and democracy twice as dear to us.

What seems only natural to you seems wonderful to me. Your freedom of religion, the right to work usefully in a system of free enterprise; the right to fair play, adequate to command the necessities of life, food, clothing, shelter, and medical care in exchange for work, ideas, and thrift; the right to equality before the law with equal access to justice; the right to security, with freedom from fear, want, and dependency, and finally what has meant so much to me during these 2 years at Lyndon Institute, the right to education, to preparation for a life work, citizenship, and personal growth. I feel to the bottom of my heart a part of Elias Lieberman's poem, Credo:

"I believe
In my country and her destiny,
In the great dream of her founders,
In her place among the nations,
In her ideals;
I believe
That her democracy must be protected,
Her privileges cherished,
Her freedom defended;
I believe
That, humbly before the Almighty
But proudly before all mankind,
We must safeguard her standards,
The vision of her Washington,
The martyrdom of her Lincoln,
With the patriotic ardor
Of the Minute Men
And the boys in blue
Of her glorious past.
I believe
In loyalty to my country
Utter, irrevocable, inviolate."

CALL OF THE ROLL

Mr. McFARLAND. Mr. President, it will be necessary to have a quorum call before the Senate proceeds to the Hall of the House of Representatives. We will try to have insertions in the RECORD and routine business on our return. I suggest the absence of a quorum.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Will the Senate take up at the point where we left off when we return from the House?

The VICE PRESIDENT. The Chair would think so, for the reason that the Senate convened after an adjournment, and we have not yet had the morning hour.

The absence of a quorum has been suggested. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Green	McKellar
Bennett	Hayden	McMahon
Benton	Hendrickson	Millikin
Brewster	Hennings	Monroney
Bricker	Hickenlooper	Moody
Bridges	Hill	Mundt
Butler, Md.	Hoey	Neely
Byrd	Holland	Nixon
Cain	Humphrey	O'Mahoney
Capehart	Ives	Pastore
Carlson	Johnson, Colo.	Robertson
Case	Johnson, Tex.	Russell
Chavez	Kefauver	Schoeppel
Clements	Kem	Smith, Maine
Connally	Kerr	Smith, N. J.
Cordon	Kilgore	Smith, N. C.
Douglas	Knowland	Sparkman
Duff	Lehman	Stennis
Dworshak	Lodge	Taft
Eastland	Long	Thye
Ecton	Magnuson	Watkins
Ellender	Malone	Welker
Ferguson	Maybank	Wherry
Flanders	McCarran	Wiley
Frear	McCarthy	Williams
Fulbright	McClellan	Young
George	McFarland	

Mr. JOHNSON of Texas. I announce that the Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Wyoming [Mr. HUNT], the Senator from Maryland [Mr. O'CONOR], and the Senator from Kentucky [Mr. UNDERWOOD] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference now being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

Mr. WHERRY. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Nebraska [Mr. BUTLER], the Senator from Illinois [Mr. DIRKSEN], the Senator from Indiana [Mr. JENNER], and the Senator from North Dakota, Mr. LANGER], are absent on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Massachusetts [Mr. SALTONSTALL] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY PRESIDENT OF ECUADOR

Mr. McFARLAND. Mr. President, I move that the Senate stand in recess, to assemble in the Hall of the House of Representatives to hear an address to be delivered by the President of Ecuador, the Senate to reconvene upon the call of the Chair.

The motion was agreed to; and, (at 12 o'clock and 20 minutes p. m.) the Senate took a recess, subject to the call of the Chair.

The Senate, preceded by the Secretary, Leslie L. Biffle, the Sergeant at Arms, Joseph C. Duke, and the Vice President, proceeded to the Hall of the House of Representatives to greet and to listen to the address to be delivered by His Excellency Galo Plaza, President of Ecuador.

(For the address delivered by the President of Ecuador, see House proceedings, pp. 6898–6900.)

At 12 o'clock and 56 minutes p. m., the Senate returned to its Chamber, and reassembled when called to order by the Vice President.

MORNING BUSINESS

The VICE PRESIDENT. When the Senate recessed we were in the morning hour and the presentation of petitions and memorials was in order. If there are no petitions and memorials, reports of committees are in order.

MILITARY PROCUREMENT—REPORT OF SELECT COMMITTEE ON SMALL BUSINESS (REPT. NO. 469)

Mr. SPARKMAN, from the Select Committee on Small Business, submitted a report on Participation of Small Business in Military Procurement, which was ordered to be printed.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 21, 1951, he presented to the President of the United States the enrolled bill (S. 927) to amend section 6 of the Central Intelligence Agency Act of 1949.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEHMAN (for himself, Mr. IVES, Mr. SPARKMAN, and Mr. KEFAUVER):

S. 1714. A bill for the establishment of a temporary National Advisory Committee for the Blind; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. LEHMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. DWORSHAK:

S. 1715. A bill for the relief of Elli Neubert and her two children; to the Committee on the Judiciary.

By Mr. WILEY:

S. 1716. A bill for the relief of Sister Odilia, also known as Maria Hutter; to the Committee on the Judiciary.

S. 1717. A bill to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, reported by Mr. MAYBANK, from the Committee on Banking and Currency, which was read twice by its title, and ordered to be placed on the Calendar.

(See the remarks of Mr. MAYBANK when he reported the above bill, which appear under a separate heading.)

By Mr. McCARRAN:

S. 1718. A bill for the relief of Elizabeth Bozsik; to the Committee on the Judiciary.

TEMPORARY NATIONAL ADVISORY COMMITTEE FOR THE BLIND

Mr. LEHMAN. Mr. President, on behalf of myself, my colleague, the senior Senator from New York [Mr. IVES], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Tennessee [Mr. KEFAUVER], I introduce for appropriate reference a bill to establish a temporary national advisory committee for the blind. This bill differs from the one recently introduced by the junior and senior Senators from Delaware [Mr. FREAR and Mr. WILLIAMS] only in respect to the membership of the advisory committee to be established. I feel that the need for the study envisioned in this proposed legislation is important enough to warrant speedy approval by the Congress.

The bill (S. 1714) for the establishment of a temporary national advisory committee for the blind, introduced by Mr. LEHMAN (for himself and other Senators), was read twice by its title, and referred to the Committee on Labor and Public Welfare.

EXTENSION OF SUGAR ACT OF 1948—ADDITIONAL COSPONSORS OF BILL

Mr. ELLENDER. Mr. President, I ask unanimous consent that the names of the Senator from Nebraska [Mr. WHERRY], the junior Senator from Idaho [Mr. WELKER], the senior Senator from Idaho [Mr. DWORSHAK], the junior Senator from Utah [Mr. BENNETT], the senior Senator from Utah [Mr. WATKINS], the Senator from South Dakota [Mr. CASE], the Senator from Kansas [Mr. CARLSON], the Senator from Maryland [Mr. BUTLER], the Senator from Washington [Mr. CAIN], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from New York [Mr. LEHMAN] be added as cosponsors of the bill (S. 1694) to amend and extend the Sugar Act of 1948, and for other purposes, introduced on behalf of myself and other Senators on June 18, 1951.

The VICE PRESIDENT. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

ANNUAL AND SICK LEAVE PRIVILEGES TO CERTAIN INDEFINITE SUBSTITUTE POSTAL EMPLOYEES—AMENDMENTS

Mr. CARLSON submitted amendments intended to be proposed by him to the bill (H. R. 3605) to amend section 6 of Public Law 134, approved July 6, 1945, as amended, to grant annual and sick leave privileges to certain indefinite substitute employees in the postal service, which were ordered to lie on the table and to be printed.

ATTENDANCE OF MEMBERS OF THE SENATE AS OBSERVERS AT HEARINGS OR OTHER MEETINGS

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from the previous day, which will be read.

The resolution (S. Res. 137) submitted by Mr. WATKINS and Mr. FERGUSON on May 2, 1951, was read, as follows:

Resolved, That any Member of the Senate is authorized to attend as an observer any hearing or other meeting, whether executive or open, held by the Committees on Armed Services and Foreign Relations in accordance with the order of the Senate of April 25, 1951.

Mr. WHERRY. Mr. President, with reference to the resolution which the clerk has just read, it was submitted on May 2, 1951. Since that time, of course, the committees have met, and have considered American foreign policy so that even though the resolution is before the Senate for consideration, I suggest that it go over.

The VICE PRESIDENT. The resolution will go over.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. SMITH of North Carolina:

Address on the subject An Example of Private Enterprise, delivered by him on June 15, 1951, at the dedication of the Carolina Power & Light Co. plant at Goldsboro, N. C., and an editorial from the Kinston (N. C.) Daily Free Press.

By Mr. DUFF:

Address entitled "America's Obligation in Today's World," delivered by him to the graduating class of Lehigh University, Bethlehem, Pa., on Monday, June 18, 1951.

By Mr. JOHNSON of Texas:

Address delivered by the Secretary of the Treasury before the Bond Club of Chicago, Ill., on June 13, 1951.

By Mr. MAYBANK:

Commencement address entitled "Democracy Is Our Strength," delivered by Mrs. Ellen S. Woodward, Director of the Office of International Relations, Federal Security Agency, at Winthrop College, the South Carolina College for Women, at Rock Hill, S. C., on June 3, 1951.

By Mr. McFARLAND:

Article entitled "One Year of Korea," written by Ernest K. Lindley, and published in the June 25, 1951, issue of Newsweek.

By Mr. THYE:

Article entitled "Weak Air Force Due to Truman," written by David Lawrence and published in the Washington Evening Star of June 20, 1951.

By Mrs. SMITH of Maine:

A series of three articles entitled "Total War and Coexistence," by Walter Lippmann, published in the Washington Post.

By Mr. KILGORE:

Editorial regarding the Two Hundred and First Field Artillery Battalion of Fairmont, W. Va., published in the Fairmont (W. Va.) Times of June 20, 1951.

THE PRESIDENT OF ECUADOR

Mr. WILEY. Mr. President, if I may have a moment of the Senate's time, I should like to make reference to the President of Ecuador, who has just addressed the two Houses of Congress.

The VICE PRESIDENT. Without objection, the Senator from Wisconsin may proceed.

Mr. WILEY. I wish to say that I think the Senate, when it attended the joint meeting in the House of Representatives today, was privileged to hear one of the most cultured and remarkable addresses we have heard for a long time. The President of Ecuador is a great statesman. He was born in this country and lived in this country when he was a boy. He was educated here and absorbed many of our American ideas. His voice today was like a light shining from South America in behalf of the kind of collaboration which I am sure augurs a great deal of good for the future. We welcome him and his family to our shores. He is building well for Ecuador and both South and North America.

CALL OF THE ROLL—THE CALENDAR

Mr. McFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Green	McKellar
Bennett	Hayden	McMahon
Benton	Hendrickson	Millikin
Brewster	Hennings	Monroney
Bricker	Hickenlooper	Moody
Bridges	Hill	Mundt
Butler, Md.	Hoey	Neely
Byrd	Holland	Nixon
Cain	Humphrey	O'Mahoney
Capehart	Ives	Pastore
Carlson	Johnson, Colo.	Robertson
Case	Johnson, Tex.	Russell
Chavez	Kefauver	Schoeppel
Clements	Kem	Smith, Maine
Connally	Kerr	Smith, N. J.
Cordon	Kilgore	Smith, N. C.
Douglas	Knowland	Sparkman
Duff	Lehman	Stennis
Dworshak	Lodge	Taft
Eastland	Long	Thye
Ecton	Magnuson	Watkins
Ellender	Malone	Welker
Ferguson	Maybank	Wherry
Flanders	McCarran	Wiley
Frear	McCarthy	Williams
Fulbright	McClellan	Young
George	McFarland	

The PRESIDING OFFICER (Mr. HOEY in the chair). A quorum is present.

Under the order previously entered, the calendar will now be called, beginning with the first bill on the calendar. The Chair calls the attention of the Senate to the fact that this is a call of the calendar for unobjected-to bills. If objection is made to a bill, the bill automatically goes over. When objection is made, if Senators will refrain from discussing the bill the Senate can proceed more rapidly.

The clerk will call the first bill on the calendar.

BILL PASSED OVER

The bill (S. 32) to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges traveling while attending court or transacting official business at places other than their official stations and to authorize reimbursement for such travel by privately owned automobiles at the rate of 7 cents per mile, was announced as first in order.

Mr. DOUGLAS. Mr. President, I object.

The PRESIDING OFFICER. On objection, the bill will be passed over.

PROTECTION AGAINST MISBRANDING, ETC., OF FUR PRODUCTS AND FURS

The bill (S. 508) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs was announced as next in order.

Mr. ELLENDER. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. JOHNSON of Colorado subsequently said: Mr. President, I was out of the Chamber when Calendar No. 80, Senate bill 508, was called. Objection was raised to the bill, and it was ordered to go over. I ask unanimous consent that the bill may go to the foot of the calendar. I understand amendments have been prepared which would amend the bill in such a way that there would no longer be any objection to it.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill will be passed to the foot of the calendar.

BILLS PASSED OVER

The bill (S. 337) to amend the Public Health Service Act and the Vocational Educational Act of 1946 to provide an emergency 5-year program of grants and scholarships for education in the fields of medicine, osteopathy, dentistry, dental hygiene, public health and nursing professions, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, this is not the type of bill that should be passed on the call of the calendar. Therefore I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 618) to prohibit the parking of vehicles upon any property owned by the United States for postal purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, I ask that this bill go over.

The PRESIDING OFFICER. The bill will be passed over.

EXCHANGE OF CERTAIN LANDS BELONGING TO THE DISTRICT OF COLUMBIA

The bill (S. 673) to permit the exchange of land belonging to the District of Columbia for land belonging to the abutting property owner or owners, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, I understand that some consideration has been given to an amendment to this measure. I send a copy of the amendment to the desk and ask that it be read.

The PRESIDING OFFICER. Without objection, the amendment will be read.

The CHIEF CLERK. On page 2, line 1, it is proposed to strike the period following "thereof" and insert a colon and the following: "*Provided*, That no such exchange shall be made unless the Commissioners of said District shall, 30 days

prior thereto, publish in a newspaper of general circulation in the said District a notice of their intention to make such exchange and such notice shall include a description by lot or parcel number or otherwise of all lots or parcels to be exchanged and the appraised value thereof"; on page 2, lines 10 and 11, following the comma after "Commissioners", it is proposed to insert "on the basis of an appraisal"; on page 2, line 15, following the word "Commissioners", it is proposed to insert ", on the basis of an appraisal"; strike out section 2 in its entirety.

The PRESIDING OFFICER. Does the Senator from Kansas object to consideration of the bill?

Mr. SCHOEPPEL. I reserve the right to object, unless this amendment is agreed to. I understand that it has been considered, and is acceptable.

The PRESIDING OFFICER. The Senate cannot consider amendments until the bill is before the Senate.

Mr. SCHOEPPEL. I withdraw the objection so that the amendment may be offered.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SCHOEPPEL. Mr. President, I now offer the amendment which has been read.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

THE LOYALTY PROGRAM

Mr. McCARTHY. Mr. President, I shall take the 5 minutes allowed under the rule to bring to the attention of the Senate certain facts which I believe it will find of interest. When first these facts were brought to my attention I could not believe them, and I did not want to give this information to the Senate until I got some confirmation in writing, which I now have.

I find that as of today charges have been filed in the State Department against Philip C. Jessup and John Carter Vincent under the loyalty program, and that both cases are pending before the Loyalty Board.

This is not a routine filing of charges. I find that in October of last year, Mr. Humelsine, who heads the loyalty program, issued a memorandum covering the filing of charges. In that memorandum it was provided that no case could come up after an individual had been cleared, unless there were substantial new evidence.

That memorandum is not found in the Jessup or Vincent file. It is found in the Brunauer file, but it applies to all the cases brought up.

Incidentally, I do not have too much information on the evidence in the Jessup case, except that the charges have been filed.

In the Vincent case a part of the evidence consists of direct testimony that Mr. Vincent was a member of the Communist Party.

I should like to report to the Senate on the disposition of 2 of the 81 cases which were detailed to the Senate by me last year. One of them was case No. 3. I did not give the name of the individual then, so I will not give it today. The names were all given to the Tydings committee. That individual was allowed to resign, and he got a job with the Army. Since then the Army has suspended him under the loyalty program. I think that case demonstrates the dangerous practice—the practice which has been engaged in in the State Department, of bringing a man up under the loyalty program, and then allowing him to resign and proceed to get a job in another department.

Case No. 54 was suspended by the State Department for security reasons, but so far as I can determine is still drawing his pay in the State Department.

INVESTIGATION OF FEDERAL PATRONAGE IN THE STATE OF MISSISSIPPI

Mr. EASTLAND. Mr. President, on behalf of the people of Mississippi I desire to express the State's gratitude to the Senate investigating committee for the very fine work which the committee did in the State of Mississippi in uncovering corruption in the handling of Federal patronage in the State. The Senator from North Carolina [Mr. HOEY], the Senator from Arkansas [Mr. McCLELLAN] and the Senator from South Dakota [Mr. MUNDT] went to Mississippi at the sacrifice of their time, away from their duties here, and conducted a very fair and impartial investigation. No more wholesome work was ever done in any investigation than that done by the committee and by its very able staff. I greatly appreciate the efforts of the committee. Today the committee commands the respect of the people of Mississippi.

The hearings were broadcast on the radio over the States, and I have heard a great number of people comment on the fairness and impartiality of the committee. Again, on behalf of the State of Mississippi, I desire to thank the distinguished Senator from North Carolina, the distinguished Senator from Arkansas, and the distinguished Senator from South Dakota.

BUDGET CHECKING COMMITTEE

Mr. WILEY. Mr. President, reserving the right to object—and I do not intend to object—I wish to exercise my right under the 5-minute rule.

Mr. President, I desire at this time to say a few words in relation to our method of cutting bills which have come from the committee.

I believe that Congress must take major action to set up on a permanent and continuing basis an investigative arm by which it can achieve Federal economy.

The basic challenge to us is to cope with the disease which afflicts Washington bureaus—a disease which might be called "expansionitis." The major symptoms of that disease are the desire for more space, more personnel, more money, more desks, more stationery, more automobiles, more everything.

It is my feeling that although it is important to bring about budgetary economy on the floor of the Senate, there is a continuing investigative job which should be done by what might be called in effect a budget-checking committee.

TRAINED INVESTIGATORS NECESSARY TO SAVE MONEY

I well recognize that we have at present a Joint Committee on Nonessential Federal Expenditures headed by our distinguished colleague from Virginia [Mr. BYRD]. But what I have in mind is an investigative arm which would be staffed by trained efficiency experts who could go into Federal offices throughout the country, find instances of duplication, wasted efforts, and so forth, and report back directly to the Congress.

We of the Senate Crime Committee have found that there is need for trained investigators to unearth basic evidences and that nothing short of such investigators will suffice.

MY 1943 BUDGET COMMITTEE BILL

Back in 1943 I introduced a bill to create a Joint Committee on the Budget. On January 21, 1943, I offered a Senate Concurrent Resolution 3 to bring together members of the Senate and House Appropriations Committees and the Senate Finance Committee as well as the House Ways and Means Committee to make a full and complete study concerning governmental revenues and expenditures. At the present time a considerably modified version of my bill in the form of S. 913 to create a Joint Committee on the Budget is pending before the Executive Expenditures Committee. I believe that such a joint committee could be of genuine assistance, just as the present Joint Committee on Internal Revenue Taxation has helped to coordinate congressional information on revenue raising. But merely having another committee will not of itself do the job. What we need is a trained staff to help the committee do the spadework.

CONGRESS MUST "CHECK AND BALANCE" EXECUTIVE BUDGET

For years and years I have been urging the appointment of efficiency experts by the Congress. The main purpose of such experts would be to provide an adequate check on the overhead and other costs of the executive branch. It is incomprehensible how the Congress can expect to do an adequate job with its present limited staff in trying to evaluate the $60,000,000,000 or $70,000,000,000 budget.

To be sure, the legislative reorganization law of the Seventy-ninth Congress did provide for a modest increase of committee staffs, but it did not provide for the sort of trained squads of efficiency experts such as I think ought to be attached to a joint budget committee.

A REPUBLICAN EIGHTY-THIRD CONGRESS COULD SET UP THIS MECHANISM

It is my judgment that the Eighty-second Congress should set up such a committee and adequately staff it. This could be one of our most important achievements. If the Eighty-second Congress does not do it, then the Eighty-third Congress, which will be elected in November 1952, and which I believe will be a Republican Congress, will, I trust,

accomplish this real improvement by adding this mechanism to the legislative branch.

ARBITRARILY CUTTING FUNDS CAN RESULT IN INEQUITIES

At the present time a bipartisan group of Senators is applying the economy hatchet in the Senate and House Appropriations Committees and on the floor of both Chambers. Deeply interested as I am, and as they are, in economy, I want to point out that this hatchet process is not a pattern to follow permanently. It is open to unintentional mistakes and misjudgments. A billion-dollar bill cannot be slashed in a matter of a few minutes or hours of floor or committee debate without some inequities occurring.

WE SHOULD FOLLOW PATTERN OF PRIVATE BUSINESS

In private business, efficiency experts are employed who become familiar with every phase of operations and who have a genuine knowledge of cost accounting. We ought to apply the same method to government. It is my judgment that the President of the United States through the United States Bureau of the Budget could effectively inaugurate the procedure I am recommending—not on a token basis as at present—just as the various department heads could so inaugurate it through the administrative management divisions which already operate in most agencies. However, with but rare exceptions such as the activities of former Secretary of Defense Johnson, agency heads have refused to even try to cut away "fat."

I mention fat and not muscle; in other words, nonessential functions, rather than essential functions.

WE CANNOT BE A SOUND TRUSTEE ON PRESENT BASIS

We of the legislative branch are after all the custodians of the American people's money. We appropriate tens of billions of dollars, often without adequate consideration. Why? Because of the tremendous pressure of legislative business.

I say we need the facts to do the job of making judicious appropriations. Without the facts, without summaries of the basic conditions of extravagance and waste—which could be provided for us by efficiency experts—about all we can do is concur in the budget requests as submitted to us. We thus fail to provide a check and balance which I believe is our basic legislative function.

SCRUTINY OF MILITARY PROCUREMENT ESSENTIAL

I believe in particular that a budget-checking committee could prove particularly invaluable in connection with economies in the procurement end of the Department of National Defense—a phase of operations which is costing the American people tens of billions of dollars and which, judging from past experiences, undoubtedly is full of water.

If we want to save this American system of ours and keep it solvent, here is a good way to begin. So let us awaken and make the legislative branch more effective and more efficient by setting up a permanent instrumentality to check executive budgets in a scientific, continuing, and efficient way.

EXCHANGE OF CERTAIN LANDS BELONGING TO THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 673) to permit the exchange of lands belonging to the District of Columbia for land belonging to the abutting property owner or owners, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

Mr. McCARRAN. Mr. President, today was set aside for the calling of the calendar. I certainly enjoy very much listening to the remarks of Senators, particularly the Senator from Wisconsin, but I believe that we should go forward with the call of the calendar. It is a long calendar. There are many measures on it. Questions may be asked with respect to them, and we should like to have an opportunity to make explanation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That where two lots or parcels of land abut each other and one of such lots or parcels belongs to the District of Columbia, the Commissioners of the District of Columbia, with the approval of the National Capital Park and Planning Commission, are hereby authorized and empowered, when in their judgment and discretion it is for the best interest of the District of Columbia, to exchange such District-owned land, or part thereof, for the abutting lot or parcel of land, or part thereof. The said Commissioners are hereby authorized to execute a proper deed of conveyance for the land belonging to the District to be conveyed and to accept a proper deed of conveyance from the owner of such abutting real estate. If, in the opinion of the Commissioners, the value of the land to be conveyed to the District is in excess of the value of the land to be conveyed by the District, the Commissioners are authorized to pay, within the limitation of appropriations therefor, to the abutting property owner the amount of such excess as determined by the Commissioners, and, if the value of the land to be conveyed by the District is in excess of the value of the land to be conveyed to the District, the Commissioners shall require the abutting property owner to pay such excess as determined by the Commissioners as part of the consideration for the said exchange.

SEC. 2. That where two lots or parcels of land abut each other and one of such lots or parcels belongs to the United States and under the jurisdiction of the Secretary of the Interior, the Secretary of the Interior, with the approval of the National Capital Park and Planning Commission, is hereby authorized and empowered, when in his judgment and discretion it is for the best interest of the United States, to exchange such United States-owned land, or part thereof, for the abutting lot or parcel of land, or part thereof. The said Secretary is hereby authorized to execute a proper deed of conveyance for the land belonging to the United States to be conveyed and to accept a proper deed of conveyance from the owner of such abutting real estate. If, in the opinion of the Secretary, the value of the land to be conveyed to the United States is in excess of the value of the land to be conveyed by the United States, the Secretary is authorized to pay, within the limitation of appropriations therefor, to the abutting property owner the amount of such excess as determined by the Secretary, and, if the value of the land to be conveyed by the United States is in excess of the value of the land to be conveyed to the United States, the Secretary shall require the abutting property owner to pay such excess as determined by the Secretary as part of the consideration for the said exchange.

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a memorandum relating to the bill just passed by the Senate.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM TO ACCOMPANY AMENDMENTS PROPOSED BY SENATOR SCHOEPPEL TO S. 673, A BILL TO PERMIT THE EXCHANGE OF LAND BELONGING TO THE DISTRICT OF COLUMBIA FOR LAND BELONGING TO THE ABUTTING PROPERTY OWNER OR OWNERS, AND FOR OTHER PURPOSES

These proposed amendments are designed to meet the objections voiced against S. 673 by Senators DIRKSEN (Ill.), LANGER (N. Dak.), and the minority committee on the calendar. They have been suggested as the result of a meeting held in the office of the District of Columbia Committee of the Senate on March 14.

Present at that meeting were counsel to the District of Columbia Committee, counsel to the Office of the National Capital Parks in the Interior Department, a representative of the corporation counsel of the District, and counsel to the minority committee on the calendar.

The amendments are as follows:

Page 2, line 1, strike the period following "thereof" and insert a colon and the following:

"*Provided,* That no such exchange shall be made unless the Commissioners of said District shall, 30 days prior thereto, publish in a newspaper of general circulation in the said District a notice of their intention to make such exchange and such notice shall include a description by lot or parcel number or otherwise of all lots or parcels to be exchanged and the appraised value thereof."

Page 2, lines 10 and 11, following the comma after "Commissioners," insert "on the basis of an appraisal."

Page 2, line 15, following the word "Commissioners" insert ", on the basis of an appraisal."

Strike section 2 in its entirety.

SALE OF ROCKFISH IN THE DISTRICT OF COLUMBIA

The bill (S. 41) prohibiting the sale in the District of Columbia of rockfish weighing more than 15 pounds was announced as next in order.

Mr. CASE. Mr. President, by request, I object.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection?

Mr. CASE. I withhold my objection.

Mr. McCARRAN. The Senator from North Dakota [Mr. LANGER] for whom I believe the Senator from South Dakota is making objection to the bill, has been filing objection to the bill when it has been called on calendar day. After an explanation was made to him he told me that he had no further objection to it. I merely wish to draw the fact to the Senator's attention, if that is the source of his objection.

Mr. CASE. That is the source of my objection. Another Senator also objected, but he is present on the floor.

Since he has no objection, I withdraw the objection I raised.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 899 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, 1940 ed., sec. 22–1605) is amended to read as follows:

"SEC. 899. STRIPED BASS. It shall be unlawful for any person to offer for sale, to expose for sale, or to sell, in the District of Columbia, at any time during the year, any striped bass, locally called rockfish, which is less than 12 inches in length (measured from the tip of the nose to the tip of the tail), or more than 15 pounds in weight."

SEC. 2. This act shall become effective 30 days after the date of its enactment.

BILLS AND RESOLUTION PASSED OVER

The bill (H. R. 857) for the relief of Mrs. Rose A. Mongrain was announced as next in order.

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

The bill (S. 630) to suspend until December 31, 1952, the application of certain Federal laws with respect to an attorney employed by the Senate Committee on Labor and Public Welfare was announced as next in order.

Mr. SCHOEPPEL. By request, I ask that the bill go over.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

The bill (H. R. 36) to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges while attending court or transaction business at places other than their official station, and to authorize reimbursement for such travel by privately owned automobiles at a rate of not exceeding 7 cents per mile, was announced as next in order.

Mr. DOUGLAS. Mr. President, over.

The PRESIDING OFFICER. Objection is heard. The bill goes over.

The bill (S. 719) to establish beyond doubt that under the Robinson-Patman Act, it is a complete defense to a charge of price discrimination for the seller to show that its price differential has been made in good faith to meet the equally low price of a competitor, was announced as next in order.

Mr. HILL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 241) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2929) to authorize the Postmaster General to prohibit or regulate the use of Government property under his custody and control for the parking or storage of vehicles was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 133) to discharge the Committee on the District of Columbia from the further consideration of S. 656, the home-rule bill for the District, was announced as next in order.

Mr. SCHOEPPEL. Over, by request.

The PRESIDING OFFICER. The resolution will go over.

OFFICER PERSONNEL ACT—BILL PASSED TO THE FOOT OF THE CALENDAR

The bill (S. 841) to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. By request, I ask that the bill go over.

Mr. STENNIS. Mr. President, will the Senator withhold his objection?

Mr. HENDRICKSON. I gladly do so at the request of the Senator from Mississippi.

Mr. STENNIS. Mr. President, the bill concerns the status of 200 naval officers, who, under the present law, would be forced out of the service by June 30 of this year, which is a few days from today, unless something is done to remedy the situation. The naval officers involved are not incompetent. They are not being discharged because of lack of ability. Under the application of the present law they are forced out of the service because they have not been promoted on the second call. Unless the bill is passed the Navy will have to call up many Reserve naval officers to take their places. The officers who would be affected by the bill are thoroughly competent.

If the Senator from New Jersey wishes to have a further explanation of the bill it could be given by having the bill go to the foot of the calendar. It would give him an opportunity to look into it further. It is urgent that something be done about the measure promptly.

Mr. HENDRICKSON. In the light of the explanation made by the Senator from Mississippi, I ask unanimous consent that the bill go to the foot of the calendar.

The PRESIDING OFFICER. Without objection, the bill will be passed to the foot of the calendar.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 35) to provide for the appointment of deputy United States marshals without regard to the provisions of the civil-service laws and regulations, was announced as next in order.

Mr. SCHOEPPEL. Over, by request.

The PRESIDING OFFICER. The bill will go over.

The bill (S. 50) to provide for the admission of Alaska into the Union, was announced as next in order.

Mr. McCARRAN. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 49) to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the original States, was announced as next in order.

Mr. McCARRAN. Over.

The PRESIDING OFFICER. The bill will be passed over.

NATIONAL EMERGENCY TRANSFERS OF DISTILLED SPIRITS

The Senate proceeded to consider the joint resolution (H. J. Res. 73) amending chapter 26 of the Internal Revenue Code which had been reported from the Committee on Finance with an amendment on page 4, line 7, after the word "warehouse", to strike out "*And provided further*, That sections 2836, 2800 (a) (5), and 3250 (f) of the Internal Revenue Code shall not apply to the redistillation of such spirits at a distillery nor shall section 2870 of the code apply to the removal of such spirits from any distillery or internal revenue bonded warehouse" and insert: "*And provided further*, That sections 2836 and 2870 of the Internal Revenue Code shall not apply to the production or redistillation and removal of any such spirits; nor shall sections 2800 (a) (5) and 3250 (f) of the code apply to the redistillation or to the mingling at a distillery or an internal revenue bonded warehouse or in the course of removal, of any such spirits."

Mr. McCARRAN. Mr. President, may we have an explanation of the joint resolution?

Mr. GEORGE. The purpose of the joint resolution is to permit the use of beverage distilled spirits for industrial purposes in connection with the synthetic rubber program and other phases of the national preparedness program.

The joint resolution has the recommendation of the Treasury Department. The amendment which has just been read was suggested by the Treasury Department for purposes of clarification only. The primary purpose of the measure is to make available industrial alcohol.

Mr. McCARRAN. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the Committee on Finance.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

TRANSFER OF GIN AND VODKA—AMENDMENT OF SECTION 2883 (d), INTERNAL REVENUE CODE

The bill (H. R. 1613) to amend section 2883 (d) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress, was considered, ordered to a third reading, read the third time, and passed.

TRANSFER BY PIPELINE OF FORTIFYING SPIRITS—AMENDMENT OF SECTION 2883 (b) OF INTERNAL REVENUE CODE

The bill (H. R. 2746) to amend section 2883 (b) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 2192) to amend section 313 (b) of the Tariff Act of 1930 was announced as next in order.

Mr. SCHOEPPEL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

EXCLUSION FROM GROSS INCOME OF INCOME FROM DISCHARGE OF INDEBTEDNESS

The bill (H. R. 2416) relating to exclusion from gross income of income from discharge of indebtedness was announced as next in order.

Mr. McFARLAND. Mr. President, I have no objection to the bill, but I wish to offer an amendment to it, and it will take more than 5 minutes to consider it. I ask unanimous consent that the bill be made the unfinished business at the conclusion of the call of the calendar.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and it is so ordered.

BILL PASSED OVER

The bill (S. 621) to amend section 604 (b) of the Classification Act of 1949 was announced as next in order.

Mr. McFARLAND. Mr. President, by request, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

REPEAL OF OBSOLETE LAWS RELATING TO THE POST OFFICE DEPARTMENT

The bill (S. 1074) to repeal certain obsolete laws relating to the Post Office Department was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the following acts and parts of acts, which have become obsolete, inoperative, and unnecessary are hereby repealed:

1. The second proviso of the twenty-third paragraph under the heading "Office of the Second Assistant Postmaster General" in the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913 (37 Stat. 799; 39 U. S. C. 668), relating to sea post clerks' disability allowance and compensation for death.

2. Section 4015, Revised Statutes (39 U. S. C. 671).

3. Section 4022, Revised Statutes (39 U. S. C. 673).

4. The first paragraph of section 1724 of title 18 of the United States Code as revised, codified, and enacted into positive law by the act entitled "An act to revise, codify, and enact into positive law, title 18 of the United States Code entitled 'Crimes and Criminal Procedure,'" approved June 25, 1948 (62 Stat. 784, ch. 645).

FREE TRANSPORTATION OF CERTAIN MAIL OF UNITED NATIONS COMMANDS

The Senate proceeded to consider the bill (S. 855) to provide for free transportation of official mail of members of certain United Nations commands, which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause, and insert:

That under such rules and regulations as the Postmaster General may prescribe, official mail matter, not exceeding 4 pounds in weight, of organizations and units of the armed forces of nations serving with or under United Nations military commands with which the Armed Forces of the United States are serving, shall be transmitted in the domestic mails of the United States free of postage when addressed within such United Nations military commands or from such United Nations military command headquarters for delivery within the domestic mails of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for free transmission of official mail of organizations and units of certain United Nations commands."

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent that a statement in reference to the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HEADQUARTERS,
ARMY-AIR FORCE POSTAL SERVICE,
Washington D. C., June 4, 1951.

Memorandum for Mr. David Kammerman, counsel for the Senate Minority Committee on the Calendar, room 335, Senate Office Building.

Subject: S-855.

Lt. Col. Carl H. Cundiff, who was formerly chief postal officer for the Far East Command and the United Nations Command at the time General MacArthur's headquarters requested legislation permitting the posting of United Nations mail under a penalty clause, states the legislation was desired for the following reasons.

1. In order that letterheads and penalty envelopes might be printed for the United Nations Command to be used in the preparation of correspondence concerning official business of the United Nations Command, as distinguished from the official business of the United States Army, Navy, and Air Force.

2. It is considered that technically the Commander-in-Chief of the United Nations Command could mail such correspondence under the penalty privilege of the Army, as it is not always possible to separate the official business of the United Nations Command from that of the United States. It would be much better, administratively and otherwise, however, if the United Nations Command could handle its correspondence through the use of its own printed letterheads and penalty envelopes.

3. A specific instance of the value of granting the penalty privilege to the United Nations Command was in the matter of advising next of kin of casualties. It was the practice of General MacArthur (and presumably this practice is being followed by his successor) of writing a personal letter of condolence to the next of kin of those men killed in action. It was necessary for him to write to the next of kin under the General Headquarters, Far East Command, letterheads and post such letters in Army penalty envelopes, whereas it would have been much more administratively convenient and of greater psychological value if he had been able to write to next of kin with United Nations Command letterheads and penalty envelopes.

4. It is now necessary for elements of the United Nations Command, both the United States and non-American, to pay postage on envelopes bearing the return address of the United Nations Command. This practice is not only very inconvenient but it brings up budgetary problems not contemplated in the allocation of various government appropriations, and insofar as American units are concerned, the purchasing of postage is merely transferring government funds from one agency to another, serving no good administrative or governmental purpose.

5. The proposal to restrict the penalty privilege to the mailing of official United Nations communications to the United Nations headquarters in New York is not considered practicable, in view of the necessity for the United Nations command to correspond with the many subordinate commands and United Nations components in the Far East and with addressees located at various post offices within the United States, especially with respect to mailings in connection with casualties.

6. It is not considered the additional cost to either the Department of Defense or the Post Office Department in granting the penalty privilege to a United Nations command is sufficient to override the administrative, operational, and psychological advantages which would accrue to the United States Government, and the various international components of the United Nations command, by the granting of the privilege.

CHARLIE H. BELL,
Lieutenant Colonel, USAF, Director.

EXTENSION TO SCREEN VEHICLE CONTRACTORS BENEFITS ACCORDED STAR-ROUTE CONTRACTORS

The bill (S. 759) to extend to screen vehicle contractors benefits accorded star-route contractors with respect to the renewal of contracts and adjustment of contract pay was announced as next in order.

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill, with particular emphasis as to the cost of the bill?

Mr. PASTORE. Mr. President, this bill extends to screen wagon contractors the same privilege presently enjoyed by star-route contractors.

Briefly, a star-route contractor is a person who for a stipulated sum carries mail, generally in a motor vehicle, from a central post office or other designated point, to outlying smaller offices, and so forth. There are approximately 12,000 such contractors. Under Public Law 669 of the Eightieth Congress authority was given to the Postmaster General to adjust compensation to be paid to such contractors to meet unforeseen circumstances when contract was made and to renew such contracts at expiration of same without competitive bidding. Such action is wholly within the discretion of the Postmaster General after proper notice. In the Eighty-first Congress this was further amended to give same privilege to subcontractors handling star-routes for the prime contractors.

The so-called screen wagon is the vehicle used by a contractor to carry mail to and from the post offices to railroad stations, boat landings, and so forth. There are presently 173 such contractors.

Even though the number is small as compared with star-route contractors, it was felt by the committee and the Postmaster General concurred, that such contractors should have the same privilege of adjustment during the contract period and renewal without competitive bidding at termination of the contract, as is presently enjoyed by star-route contractors, the action again to be wholly within the discretion of the Postmaster General. The results from Public Law 669 have been satisfactory and the provisions have been beneficial to both

the postal service and the star-route contractors. A factor not to be overlooked is that to properly handle mail in either case requires the contractor to acquire rather costly equipment not easily adapted to other use.

In his favorable report on the bill, the Postmaster General stated that in a period of rising costs the bill would increase the expenditures of the Department, but said it is impossible to estimate the additional cost. He further stated that during a period of declining prices, it is conceivable that some savings might accrue in the readjustment of contracts.

Mr. President, I may say further to the distinguished Senator from New Jersey that we tried to secure an estimate of cost, but it was impossible to obtain one. However, the recommended procedure is very much the same as that which is followed in the case of the star route contractors, and it has worked very well. The system is being inaugurated in this case principally because the contractors have to obtain special equipment; and once they obtain it, if they had to enter into competition, in the long run the objective we seek to attain might be destroyed.

Mr. HENDRICKSON. I thank the Senator, and I withhold objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 759) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) clause (1) of the next to last paragraph of section 3951 of the Revised Statutes, as amended (U. S. C., title 39, sec. 434), is amended by inserting after the words "star-route" the words "or screen vehicle service."

(b) Clause (2) of such paragraph is amended by inserting after the word "route" wherever it appears in such clause the words "or contract."

(c) The last paragraph of such section is amended by inserting after the words "star-route" the words "or screen vehicle service."

SUBMISSION OF POSTMASTERS' ACCOUNTS UNDER OATH

The bill (S. 1246) to amend certain laws relating to the submission of postmasters' accounts under oath, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) section 3843 of the Revised Statutes (39 U. S. C. 42) is hereby amended to read as follows:

"Every postmaster shall render to the Postmaster General, in such form and at such times as the latter shall prescribe, accounts of all moneys received or charged by him or at his office, for postage, rent of boxes or other receptacles for mail matter, or by reason of keeping a branch office, or for the delivery of mail matter in any manner whatever or for the performance of any other function connected with his office."

(b) Section 3844 of the Revised Statutes (39 U. S. C. 43) is hereby amended to read as follows:

"The Postmaster General may require a certification to accompany each account of a postmaster, to the effect that such account contains a true statement of the entire amount of postage, box rents, charges, and moneys collected or received at his office during the accounting period; that he has not knowingly delivered, or permitted to be delivered, any mail matter on which the postage was not at the time paid, that such account exhibits truly and faithfully the entire receipts collected at his office, and, which, by due diligence, could have been collected; and that the credits he claims are just and right."

(c) That part of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1879, and for other purposes", approved June 17, 1878 (20 Stat. 140), as amended by the act entitled "An act to enable the Postmaster General to withhold commissions on false returns made by postmasters", approved June 18, 1934 (48 Stat. 989; 39 U. S. S. 45), is hereby amended to read as follows:

"In any case where the Postmaster General shall be satisfied that a postmaster has made a false return of business, it shall be within the discretion of the Postmaster General to withhold compensation on such returns and to allow any compensation that under the circumstances he may deem reasonable or proper. The form of certification to be made by postmasters upon their returns shall be such as may be prescribed by the Postmaster General."

FREE POSTAGE FOR MEMBERS OF THE ARMED FORCES

The bill (S. 826) to provide free postage for members of the Armed Forces of the United States, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, let me say that I introduced a similar bill, and I have made arrangements with the sponsor of this bill to have my name included as a cosponsor. I ask that that be done.

The PRESIDING OFFICER. Without objection, the Senator's name will be added as a cosponsor of the bill.

Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause, and insert:

That any first-class letter mail matter admissible to the domestic mails of the United States as ordinary mail matter which is sent by a member of the Armed Forces of the United States (including the U. S. Coast Guard), while on active duty or in the active service of the Armed Forces of the United States, or while confined for treatment in a military or naval hospital, to any person in the United States, including Territories and possessions thereof, shall be transmitted in the mails free of postage, subject to such rules and regulations as the Postmaster General shall prescribe: *Provided*, That first-class letter mail matter not in excess of 1 ounce mailed by members of the Armed Forces, including the United States Coast Guard, while in the active service and while serving outside the United States, including Alaska, addressed to any person in the United States, including the Territories and possessions thereof, shall be transmitted by air mail, dependent upon air space availability therefor.

SEC. 2. The act entitled "An act to provide free postage for members of the Armed Forces of the United States in specified areas", approved July 12, 1950 (64 Stat. 336), is hereby repealed.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TETSUKO HIDAKA

The bill (H. R. 1431) for the relief of Tetsuko Hidaka was considered, ordered to a third reading, read the third time, and passed.

KIMI HATANO

The bill (H. R. 2785) for the relief of Kimi Hatano was considered, ordered to a third reading, read the third time, and passed.

WILLIAM YINSON LEE

The bill (H. R. 1120) for the relief of William Yinson Lee, was announced as next in order.

Mr. McCARRAN. Mr. President, there is a typographical error in the report on this bill to which I believe the attention of the Senate should be called. In the paragraph headed "Statement of Facts," the report states that the beneficiary of the bill is 54 years old. Actually, the beneficiary of this bill is 66 years of age, as indicated in the Attorney General's report, which is printed in full in the committee report. The matter is not of great consequence, since the age of the beneficiary is not pertinent to the question of approval of this bill; and, in fact, the typographical error did not seem important enough to justify having a star print made of the committee report. However, I did not want to allow the bill to pass without calling the attention of the Senate to the error, and correcting it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1120) was considered, ordered to a third reading, read the third time, and passed.

MRS. JOHANNA HAMPTON

The bill (H. R. 833) for the relief of Mrs. Johanna Hampton was considered, ordered to a third reading, read the third time, and passed.

CARLOS SANCHEZ PEREZ

The bill (H. R. 795) for the relief of Carlos Sanchez Perez was announced as next in order.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, I should like to ask the chairman of the Committee on the Judiciary whether the alien son in this case is a resident of the United States at the present time.

Mr. McCARRAN. He is a resident of this country and a citizen.

Mr. President, let me say that the subcommittee checked carefully into the question of the status of the person who would be responsible for this alien's support. That person is the alien's son, who is a permanent member of the teaching staff at Stanford University, at Palo Alto, Calif.

The Immigration and Naturalization Service has advised the subcommittee that the professor—that is, the son of the proposed beneficiary of this bill—is a lawful permanent resident of the United States, having been lawfully admitted to the United States for permanent residence on July 26, 1948, at the port of New York.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Carlos Sanchez Perez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AENNY BLANK

The bill (H. R. 715) for the relief of Aenny Blank was considered, ordered to a third reading, read the third time, and passed.

K. C. BE AND OTHERS

The bill (S. 1105) for the relief of K. C. Be, Swannio Be, Wie Go Be, Wie Hwa Be, Wie Bhing Be, and Swie Tien Be was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, K. C. Be, Swannio Be, Wie Go Be, Wie Hwa Be, Wie Bhing Be, and Swie Tien Be shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to each such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct six numbers from the appropriate quota for the first year that such quota is available.

IVAN HERBEN AND OTHERS

The Senate proceeded to consider the bill (S. 930) for the relief of Ivan Herben, his wife, son, and daughter-in-law, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Ivan Herben, his wife, Milena, his son, Milan, and his daughter-in-law, Marta, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct four numbers from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FRED P. HINES

The bill (S. 827) for the relief of Fred P. Hines was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to pay, out of any money available for the payment of compensation and allowances to veterans, to Fred P. Hines (C-2389074), of Minot, N. Dak., the sum of $778.78, representing the amount necessary to pay private medical and hospital expenses incurred by him incident to an emergency operation when his physical condition was such that he could not be removed to a Veterans' Administration hospital: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

TOSHIKI ISHIGO AND OTHERS

The Senate proceeded to consider the bill (S. 581) for the relief of Toshiki Ishigo and his children, Kiyoko and Chiyiko Ishigo, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, notwithstanding the provisions of section 13 (c) of the Immigration Act of 1924, as amended, Kiyoko and Chiyiko Ishigo, the minor children of Harue Louise Ishigo, a United States citizen, may be admitted to the United States for permanent residence if they are otherwise admissible under the provisions of the immigration laws.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Kiyoko and Chiyiko Ishigo."

ELIZABETH JEAN CLARKE

The Senate proceeded to consider the bill (S. 543) for the relief of Elizabeth Jean Clarke which had been reported from the Committee on the Judiciary with an amendment in line 3, after the word "of", to strike out "the immigration and naturalization laws" and insert "sections 4 (a) and 9 of the Immigration Act of 1924, as amended", so as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, Elizabeth Jean Clarke shall be considered to be the natural-born alien child of Brig. Gen. and Mrs. Bruce C. Clarke, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. LORNA WAN-HSI FENG

The Senate proceeded to consider the bill (S. 526) for the relief of Dr. Lorna Wan-Hsi Feng which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Dr. Lorna Wan-Hsi Feng shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILMA M. STIEHL

The Senate proceeded to consider the bill (S. 520) for the relief of Wilma M. Stiehl which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Wilma M. Stiehl shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLEM HOUWINK

The Senate proceeded to consider the bill (S. 501) for the relief of Willem Houwink which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Willem Houwink shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MICHAIL IOANNOU BOURBAKIS

The bill (S. 295) for the relief of Michail Ioannou Bourbakis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Michail Ioannou Bourbakis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the

proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ARNO EDVIN KOLM

The Senate proceeded to consider the bill (S. 289) for the relief of Arno Edvin Kolm, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Arno Edvin Kolm shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. HOLLAND was excused from attendance on the sessions of the Senate from this time through tomorrow.

MARIA ENRIQUEZ

The Senate proceeded to consider the bill (S. 211) for the relief of Maria Enriquez, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Maria Enriquez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SISTER CARMEN TEVA RAMOS

The bill (S. 61) for the relief of Sister Carmen Teva Ramos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, Sister Carmen Teva Ramos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

BILL PASSED OVER

The bill (H. R. 400) to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship through voting in a political election or in a plebiscite held in Italy, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, at the request of the Senator from New Mexico [Mr. CHAVEZ], I ask that the bill go over.

The PRESIDING OFFICER. Objection is heard, and the bill will go over.

GRANT OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 90) favoring the granting of the status of permanent residence to certain aliens which had been reported from the Committee on the Judiciary with an amendment on page 14, after line 17, to insert:

A-7450475, Szasz, Alexander.

The amendment was agreed to.

The concurrent resolution as amended was agreed to.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (S. J. Res. 3) proposing an amendment to the Constitution of the United States relative to equal rights for men and women, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. McFARLAND. By request, I ask that the joint resolution go over.

The PRESIDING OFFICER. Objection is heard, and the joint resolution will go over.

The bill (H. R. 1590) for the reimbursement of the S. A. Healy Co., was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPEL. By request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Z. D. GILMAN CO., INC.

The bill (S. 450) for the relief of the Z. D. Gilman Co., Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury credited to the general fund of the District of Columbia, to the Z. D. Gilman Co., Inc., of 627 Pennsylvania Avenue NW., Washington, D. C., the sum of $2,761.01, in full satisfaction of all claims of the said Z. D. Gilman Co., Inc., against the District of Columbia for the unpaid purchase price of medical supplies furnished to Gallinger Municipal Hospital of the District of Columbia during 1944, 1945, and 1946: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

DOMINIC ARCELLA

The bill (S. 1010) for the relief of Dominic Arcella was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, at any time within 1 year after the date of enactment of this act, Dominic Arcella, who lost his citizenship by virtue of his participation in an Italian election, may be naturalized as a citizen of the United States by taking the naturalization oath of allegiance before any court having jurisdiction of the naturalization of aliens.

MRS. OKUNI KOBAYASHI

The bill (S. 1425) for the relief of Mrs. Okuni Kobayashi was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, the provision of section 13 (c) of the Immigration Act of 1924, as amended (U. S. C., title 8, sec. 213 (c)), which excludes from admission to the United States persons who are ineligible to citizenship, shall not hereafter apply to Mrs. Okuni Kobayashi, a former resident of the United States and the mother of two American citizens. If otherwise admissible under the immigration laws, Mrs. Okuni Kobayashi shall be held and considered to be a returning resident under the provisions of section 4 (b) of the Immigration Act of 1924, as amended.

PAUL D. BANNING

The bill (S. 1438) for the relief of Paul D. Banning, chief disbursing officer, Treasury Department, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there be hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $2,625.40 of which amount (a) not to exceed the sum of $1,641.41 shall be credited in the accounts of Paul D. Banning, chief disbursing officer, Treasury Department, not to exceed the sum of $207.68 shall be credited in the accounts of E. J. Brennan, former chief disbursing officer, Treasury Department; and not to exceed the sum of $416.31 shall be credited in the accounts of Guy F. Allen, former chief disbursing officer, Treasury Department, such credits being allowed to adjust certain overdrafts in such accounts; and (b) not to exceed the stated sums shall be paid to the following-named employees of the Bureau of Internal Revenue in reimbursement for amounts paid by them from their personal funds on account of counterfeit bills and notes accepted by them while in the discharge of their official duties: J. W. Bell; Florence Brown; Rosamond H. Cross; Charles P. DeLisle; William H. Franz; Edward N. Fuller; Raymond C. Hein; Estelle V. Lasich; Mrs. Mae Mohm; Mrs. Charlotte Parmentier; Carolyn E. Phipps; Arthur T. Schroeder; Joseph F. Schuler; Margaret T. Sennott; Florence Stetter; Lenora Willsey, $10 each; F. H. Bowden, Jr.; Gertrude J. Davis; Mary S. Donovan; Helen Keegan; Arthur J. Loucks; Helen M. Pietzcker; Dorothy Baron Rich; J. L. Schrum, $20 each; and Harriet Ann Duke, $40.

JAMES PATRICK HACKETT AND CHARLES L. STOVER

The bill (H. R. 574) for the relief of the estate of James Patrick Hackett and Charles L. Stover was considered, ordered to a third reading, read the third time, and passed.

MORGAN FOODS CORP.

The bill (H. R. 621) for the relief of the Morgan Foods Corp. was considered,

ordered to a third reading, read the third time, and passed.

JUDITH LEONE BANKS

The bill (H. R. 737) for the relief of Judith Leone Banks was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. Mr. President, may we have an explanation of this bill? It involves a considered sum of money, and I think the RECORD should show what costs are involved.

Mr. McCARRAN. Mr. President, this is a bill to pay $25,000 to the legal guardian of a minor child of a civilian employee of the Army, who was crushed under the wheels of a United States Army bus in Germany.

The negligence of the bus driver is admitted by the Department of the Army, leaving only the question of damages to be set. The child, a girl, suffered, first, a crushed hip that will result in her being a cripple for life; second, permanent external and internal injuries that will prevent normal elimination; third, a combination of internal and external injuries which make it impossible for this girl ever to bear children; and, fourth, a future of repeated hospitalization and operative procedures with continual distress and pain.

Under the circumstances, the committee was in agreement with the House that $25,000 was not an excessive figure.

Mr. HENDRICKSON. I thank the Senator, and I withhold any objection.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

GABRIELE GILDO FALVO CITRIGNO

The bill (H. R. 1415) for the relief of Gabriele Gildo Falvo Citrigno was considered, ordered to a third reading, read the third time, and passed.

CHARLES E. MAULDEN

The bill (H. R. 1593) for the relief of Charles E. Maulden was considered, ordered to a third reading, read the third time, and passed.

ELIZABETH SABOW

The bill (H. R. 1676) for the relief of Elizabeth Sabow was considered, ordered to a third reading, read the third time, and passed.

MARIA ROZA TARNOWSKA

The bill (H. R. 1593) for the relief of Maria Roza Tarnowska was considered, ordered to a third reading, read the third time, and passed.

HENRY KOLISH

The bill (H. R. 1910) for the relief of Henry Kolish was considered, ordered to a third reading, read the third time, and passed.

ETHEL MARTHA QUINN

The bill (H. R. 2284) for the relief of Ethel Martha Quinn was considered, ordered to a third reading, read the third time, and passed.

EVELYN REICHARDT

The bill (H. R. 3141) for the relief of Evelyn Reichardt was considered, ordered to a third reading, read the third time, and passed.

TERESA E. DWYER

The Senate proceeded to consider the bill (S. 29) for the relief of Teresa E. Dwyer, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the words "sum of", to strike out "$15,072" and insert "$6,316.52", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to Teresa E. Dwyer, of Las Vegas, Nev., the sum of $6,316.52, in full satisfaction of her claim against the United States for compensation for personal injuries, loss of personal property, hospital and medical expenses, and loss of salary, sustained by her as a result of an accident which occurred on December 18, 1946, in Manila, Philippine Islands, while she was an authorized passenger in an Air Force jeep being driven on official business, by an Air Force civilian employee: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HOWARD LOVELL

The Senate proceeded to consider the bill (S. 1362) for the relief of Howard Lovell, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the words "sum of", to strike out "$10,000" and insert "$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Howard Lovell, of Florence, Colo., the sum of $5,000, in full satisfaction of his claim against the United States for compensation for injuries, sustained by him while fighting a forest fire at Camp Carson, Colo., on January 17, 1950, as the result of an accident involving an Army truck, and for which no remedy is afforded him under the provisions of law which authorize suits against the United States based on tort claims: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIM OF MRS. WALTER J. BICKFORD

The Senate proceeded to consider the bill (H. R. 512) conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Mrs. Walter J. Bickford, which had been reported from the Committee on the Judiciary with an amendment on page 2 line 14, after the word "amended.", to insert "Enactment of this act shall not be construed as an implication of liability on the part of the United States."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. SYLVIA LAQUIDARA

The Senate proceeded to consider the bill (H. R. 671) for the relief of Mrs. Sylvia Laquidara which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the words "sum of", to strike out "$1,130.50" and insert "519.50."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JOSEPH A. MYERS AND OTHERS

The Senate proceeded to consider the bill (H. R. 953) for the relief of Joseph A. Myers, Hazel C. Myers, and Helen Myers, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 7, after the word "of", to strike out "$2,000" and insert "$1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CHESTER A. MACOMBER

The Senate proceeded to consider the bill (H. R. 1692) for the relief of Chester A. Macomber, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That Chester A. Macomber, of Everett, Mass., is relieved of liability for repayment to the United States of the sum of $130.63, representing salary paid to him for services rendered as a temporary employee of the Post Office Department for the period from December 13, 1943, to January 5, 1944, during which time he was on terminal leave as a civilian employee of the Department of the Navy.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Chester A. Macomber the sum of $130.63, such amount having been withheld from the annuity payable to him under the Civil Service Retirement Act of May 29, 1930, as amended, on account of the dual employment referred to in the first section of this act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SGT. BENJAMIN H. MARTIN

The bill (H. R. 1789) for the relief of Sgt. Benjamin H. Martin was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill for the RECORD?

Mr. McCARRAN. Mr. President, this bill will pay to Sgt. Benjamin H. Martin the sum of $10,500 for the death of his wife and minor child. Sergeant Martin's dependents were killed in an airplane crash on White Horse Mountain, about 12 miles east of Digne, France, while they were proceeding by Government transportation to join Sergeant Martin in Italy. The report of the Air Force indicates that the cause of the accident was the failure of responsible military authorities to provide the pilot with information to the effect that the Pisa radio range had been unreliable for some time and was inoperative on January 27, 1948, the date of the accident. They also failed to furnish the pilot with a correct report as to the velocity and direction of the winds he would encounter.

A bill was approved by the Eighty-first Congress for Gifford E. Moak, which afterwards became a private law, for the loss of his dependents in the same accident.

The present bill has been amended in amount so as to reflect the same amounts to be paid to Sergeant Martin as was authorized to be paid to Mr. Moak.

In view of the foregoing facts, the committee recommended that the bill be considered favorably.

Mr. HENDRICKSON. I thank the Senator, and I withhold objection.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill H. R. 1789, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the words "sum of", to strike out "$15,000" and insert "$10,500."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 2119) to amend sections 544 and 546 of title 28, United States Code, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPEL. By request, I ask that the bill go over.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection to enable me to ask him a question?

Mr. SCHOEPPEL. I should be glad to withhold it temporarily.

Mr. McCARRAN. Does the Senator care to state for whom he is making the objection?

Mr. SCHOEPPEL. I am making the objection on behalf of the Senator from Idaho [Mr. WELKER].

The PRESIDING OFFICER. Objection is heard, and the bill will go over.

TREATMENT OF POWERS OF APPOINTMENT FOR ESTATE AND GIFT-TAX PURPOSES—BILL PLACED AT FOOT OF CALENDAR

The bill (H. R. 2084) relating to the treatment of powers of appointment for estate and gift-tax purposes was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Colorado. Mr. President, on behalf of the Senator from Minnesota [Mr. HUMPHREY], I ask that the bill go over. Personally, I favor passage of the bill, but the Senator from Minnesota has offered an objection.

Mr. GEORGE. Mr. President, following the call of the calendar, I shall move to proceed to the consideration of this bill, because it deals with a very important matter, namely, the extension of the lapse of a power of appointment. The present act has been extended annually since 1942, and the act, under the last extension, will expire June 30. Therefore there must be action, and, immediately after the call of the calendar is concluded, I shall request the privilege of moving that the Senate proceed to the consideration of this bill.

The PRESIDING OFFICER. Does the Senator ask that the bill go to the foot of the calendar?

Mr. GEORGE. I ask that it go to the foot of the calendar.

The PRESIDING OFFICER. The bill will go to the foot of the calendar, and will be acted upon at that time.

MOTOR CARRIER CLAIMS COMMISSION

The bill (S. 1042) to amend the act creating the Motor Carrier Claims Commission (Public Law 880, 80th Cong.) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act, approved July 2, 1948, creating the Motor Carrier Claims Commission (Public Law 880, 80th Cong.), is amended by striking out from said act section 13 in its entirety and by inserting in lieu thereof a new section 13 to read as follows:

"SEC. 13. The existence of the Commission shall terminate on June 30, 1953, or at such earlier time as the Commission shall have made its final report to Congress on all claims filed with it. Upon its dissolution the records of the Commission shall be delivered to the Archivist of the United States."

EXTENSION OF STATUTE OF LIMITATIONS IN CITIZENSHIP CASES

The bill (H. R. 2396) to amend chapter 213 of title 18 of the United States Code was considered, ordered to a third reading, read the third time, and passed.

CONDITIONAL RELEASE OF FEDERAL PRISONERS

The bill (H. R. 2924) to amend section 4164 of title 18, United States Code, relating to conditional release of Federal prisoners was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF BANKHEAD-JONES FARM TENANT ACT—BILL PASSED OVER

The bill (S. 684) to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, I think this bill requires an explanation, and I should appreciate one from the Senator who reported the bill.

The PRESIDING OFFICER. The Senator who reported the bill does not seem to be present.

Mr. HENDRICKSON. Then, Mr. President, under the circumstances, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

NOTICES OF MEETINGS, CREDITORS IN BANKRUPTCY CASES

The bill (H. R. 1746) to amend subdivisions (d) and (e) of section 58 of the Bankruptcy Act, approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill.

The PRESIDING OFFICER. The Senator from West Virginia [Mr. KILGORE] reported the bill, but he does not appear to be present.

Mr. McCARRAN. Mr. President, this bill proposes to amend subdivisions (d) and (e) of section 58 of the Bankruptcy Act. Section 58 (a) provides that creditors be given 10 days' notice by mail of all meetings. Section 58 (d) presently requires that the notice of first meeting of creditors be published in newspapers. This bill will make such publication of notices discretionary with the court. This amendment is recommended by the Judicial Conference and it is estimated by the administrative office of the United States courts that $50,000 of Federal funds would be saved.

Amendment of section 58 (e) simply provides that the General Accounting Office and the head of any department, agency or instrumentality of the Federal Government disclosed to be a creditor by such proceeding in addition to the Collector of Internal Revenue concerned be notified of first meeting of creditors. This amendment is recommended by the General Accounting Office and the Department of Justice.

Mr. SCHOEPPEL. I have no objection.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 34) favoring the suspension of deportation of certain aliens was considered and agreed to.

(For text of above concurrent resolution, see CONGRESSIONAL RECORD, June 11, 1951, pp. 6332–6334.)

WONG THEW HOR

The bill (S. 885) for the relief of Wong Thew Hor was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the provisions of section 4 (a) and 9 of the Immigration Act of 1924, as amended, pertaining to unmarried children under 21 years of age of a citizen of the United States, shall be held to be applicable to Wong Thew Hor, minor child of Wong Chung Gong, a citizen of the United States.

LEFRANCOIS & CHAMBERLAND, INC.

The bill (S. 1417) for the relief of Lefrancois & Chamberland, Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lefrancois & Chamberland, Inc., of Rutland, Vt., the sum of $47.98, in full satisfaction of its claim against the United States for compensation for damages to such corporation's automobile which resulted from being struck by a Government truck on March 24, 1948, in Rutland, Vt., while such truck was being operated by an employee of the Department of Agriculture: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MARIE LOUISE DEWULF MAQUET

The bill (S. 1442) for the relief of Marie Louise Dewulf Maquet was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Marie Louise Dewulf Maquet, 202 Avenue Charles Woeste, Jette (Province of Brabant), Belgium, the sum of $10,000, in full settlement of all claims against the United States for the death of her husband, Capt. Abel Maquet, of the Belgian Air Force, as a result of his having been struck by a United States Army truck on January 31, 1946, in Newmarket, England: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REV. THOMAS K. SEWALL

The bill (S. 1443) for the relief of Rev. Thomas K. Sewall was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Rev. Thomas K. Sewall, of Detroit Lakes, Minn., is relieved from liability for repayment to the United States of the sum of $379.76, representing the salary paid him as an employee of the Census Bureau for 31 days during the taking of the 1950 population census while he was receiving retired pay as a commissioned officer in the Armed Forces.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Rev. Thomas K. Sewall, the sum of $89.40, in full satisfaction of his claim against the United States for (1) 20 hours of annual leave accrued while working as an employee of the Census Bureau during the taking of the 1950 population census, amounting to $29.80, and (2) salary which he would have received as an employee of the Census Bureau from April 17 to April 21, 1950, had he not been receiving retired pay as a commissioned officer in the Armed Forces, amounting to $59.60.

GERHARD H. A. ANTON BEBR

The Senate proceeded to consider the bill (S. 530) for the relief of Gerhard H. A. Anton Bebr which had been reported from the Committee on the Judiciary with an amendment on page 1, line 11, after the word "the", where it occurs the first time, to strike out "appropriate quota for the first year that such quota is available" and insert "number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)", so as to make the bill read:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Gerhard H. A. Anton Bebr shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JEAN MARIE NEWELL

The Senate proceeded to consider the bill (S. 580) for the relief of Jean Marie Newell which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Jean Marie Newell shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ARTHUR KOESTLER

The Senate proceeded to consider the bill (S. 674) for the relief of Arthur Koestler which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Arthur Koestler shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELLA MARIA NYMAN

The Senate proceeded to consider the bill (S. 1009) for the relief of Ella Maria Nyman which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Ella Maria Nyman shall be held and considered to have been lawfully admitted to the United States for permanent residence, as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALOMON HENRI LAIFER

The Senate proceeded to consider the bill (S. 1242) for the relief of Salomon Henri Laifer, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Salomon Henri Laifer shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GENERAL RULES OF PRACTICE AND PROCEDURE BEFORE FEDERAL AGENCIES

The bill (S. 17) to provide general rules of practice and procedure before Federal agencies, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have a brief explanation of the bill?

Mr. McCARRAN. Mr. President, this bill would provide for an Administrative Rules Commission. The purpose of the Commission would be to formulate and transmit to the Attorney General for report to Congress general rules of practice and procedure for agencies. The Administrative Rules Commission will consist of Member of Congress, an assistant attorney general, a head of an independent agency, the chief judge of the judicial circuits, the dean of a law school, and a practicing lawyer.

The bill further provides that the rules of practice and procedure formulated shall be presented to the Congress within 30 days of the beginning of the session and they shall not become effective until adjournment sine die of that particular session. During the session, the Congress may disapprove the rules of practice and procedure presented. This is the same procedure that is found in the submission of the reorganization plans proposed by the executive on rules of judicial procedure proposed by the judiciary.

Rules of civil procedure for all of the Federal trial courts are provided for by the Rules Act of 1934, and in 1938 a similar project was proposed for the field of criminal law. Practice before the agencies is the only field that is left not governed by rules of practice and procedure, and the committee believes that the establishing of the proposed Commission and the beneficial results that will flow therefrom, are to be as much desired as the beneficial results have been from the Rules Act of 1934, and the act of 1938.

Mr. SCHOEPPEL. I have no objection.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 17) to provide general rules of practice and procedure before Federal agencies, which had been reported from the Committee on the Judiciary with amendments on page 3, line 14, after the word "to", to strike out "28" and insert "title 18", and on page 4, line 9, after the word "sums", to insert "not to exceed in the aggregate $25,000," so as to make the bill read:

Be it enacted, etc., That the definitions in the Administrative Procedure Act shall be applicable to the same terms used in this act.

SEC. 2. Rules of practice and procedure for agencies: The Commission established by section 3 of this act shall formulate, and transmit to the Attorney General for report to Congress, general rules of practice and procedure for agencies, including forms and such rules as it may deem appropriate in agencies respecting judicial proceedings for the enforcement or review of agency action. Such rules shall neither abridge, enlarge, nor modify substantive powers or limitations respecting any agency nor may they provide or withdraw authority to hold hearings or to issue compulsory process. Unless previously disapproved by concurrent resolution of Congress the rules so formulated shall take effect ten days after the adjournment sine die of any regular session of Congress at which, within thirty days of the beginning of such session, they shall have been reported to Congress by the Attorney General. After rules so become effective all laws and agency rules or practices in conflict therewith shall, to the extent of such conflict, be of no further force or effect except in the case of an agency proceeding initiated prior to such effective date. Additions, repeals, or amendments shall be formulated and shall become effective in the same manner. So far as any administrative function is exempt from such general rules by statutory definition or by a provision of the rules, they shall nevertheless be treated as models for adoption to the extent that the policy of this act and the ends of justice would be served.

SEC. 3. Administrative Rules Commission: For the purposes of section 2 of this act there is hereby established a Commission composed of (1) the chairmen and ranking minority members of the Committees on the Judiciary of the Senate and of the House of Representatives or, in case one or more of them declines to serve, the next ranking member of the committee on the majority or minority side, as the case may be, until four shall accept: (2) one of the Assistant Attorneys General who has served as such not less than two years, designated by the Attorney General; (3) the head of an independent agency who has served more than one term of office as such, designated by the President; (4) the senior chief judge of the judicial circuits or, in case he declines to serve, the next in seniority until one agrees to serve; (5) a dean of a law school, designated by the President; and (6) a practicing lawyer versed in Federal administrative law and representative of the legal profession, designated by the President, who shall not be subject to title 18, United States Code, section 283, or any similar prohibition. Members of the Commission shall receive no compensation other than reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission except that members not drawing compensation from the United States for personal services shall be paid $50 per diem in lieu of subsistence. The Commission shall elect a chairman and secretary from among their number and, without regard to the civil-service laws or the Classification Act, shall appoint and fix the compensation of, such professional and clerical assistants as may be necessary for the performance of its duties. The Commission shall also provide for, and collaborate with, voluntary and uncompensated advisory committees representative of Government agencies and private or professional interests. The Attorney General shall be responsible for the Commission's quarters, facilities, and budget. There is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, such sums, not to exceed in the aggregate $25,000, as may be necessary for the purposes of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TESTIMONY OF EMPLOYEES OR MEMBERS OF THE ARMED FORCES IN CONGRESSIONAL INVESTIGATIONS

The bill (S. 1390) to amend secs. 1505 and 3486 of title 18 of the United States Code relating to congressional investigations, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I wonder if the distinguished Senator from Nevada would give us an explanation of the bill.

Mr. McCARRAN. Mr. President, the purpose of this bill is to prevent reprisals against Government employees or members of the Armed Forces because of their testimony before committees of the Congress.

The bill provides specifically that no such witness shall be demoted, dismissed, retired, or otherwise disciplined on account of testimony given or official papers or records produced by request of either House of Congress or any committee thereof, or any joint committee of the Congress, unless such testimony is given or such official papers or records are produced in violation of law, or unless such testimony or the production of such papers or records discloses misfeasance, malfeasance, dereliction of duty, or reprehensible conduct on the part of the witness.

The bill would make it a penal offense, subject to a fine of not more than $5,000 or imprisonment up to 5 years, or both, for any officer of the United States or any department or agency thereof to cause a subordinate to be demoted, dismissed, retired, or otherwise disciplined on account of his attending or having attended, by request of either House of Congress or a committee thereof, any inquiry or investigation being had by either House or any committee thereof, or any joint committee of Congress; or on account of the witness testifying or having testified before a congressional committee.

The bill further provides that the demotion, dismissal, or retirement, other than voluntary retirement or retirement for physical disability, of a Government employee or member of the Armed Forces who has been such a witness, within 1 year after the witness testified or attended the inquiry or investigation, raise a rebuttable presumption that the demotion, dismissal, or retirement was a reprisal because of such attendance or testimony.

In order to make it perfectly clear that there is no possibility for any Government employee to secure temporary immunity from discipline by "crashing" a congressional hearing, the bill specifically uses the words "by request of either House or committee thereof," so that only witnesses properly called will gain the benefit of the protection of this proposed law.

As the report of the Judiciary Committee points out, it is essential to the political health, well-being, and security of our Nation that every witness before a committee of Congress have every opportunity to testify without mental reservation, and to enjoy complete freedom from reprisal. If this bill becomes law, any member of the Armed Forces or other officer or employee of the Government will know that he can come before a committee of the Congress, when called, and speak the truth, the whole truth, and nothing but the truth, without fear that he will suffer because his testimony might offend someone higher than himself in the Government hierarchy.

Mr. HENDRICKSON. I thank the Senator. Clearly this bill is in aid of a legislative objective and purpose, and I think it is very fine legislation.

Mr. CASE. Mr. President, the bill, particularly the latter part of it, which inserts the letter "(a)" after section 3486 and inserts a new section—the one which the able Senator from Nevada, the chairman of the Committee on the Judiciary, has cited—deals with the subject of

testimony before Congress, and immunity. The amendment which is proposed by the bill, which extends special protection to the members of the Armed Forces and employees of the United States in testifying before congressional committees, is one side of the shield. However, the paragraph which constitutes the section which is being amended, and which becomes paragraph "(a)" by the first part of the amendment, reads as follows:

(a) No testimony given by a witness before either House, or before any committee of either House, or before any joint committee established by a joint or concurrent resolution of the two Houses of Congress, shall be used as evidence in any criminal proceeding against him in any court, except in a prosecution for perjury committed in giving such testimony. But an official paper or record produced by him is not within the said privilege.

That is the paragraph and that is the law on which the committees of Congress have relied for help in getting testimony from reluctant witnesses. I refer particularly to the problem of such committees as the House Committee on Un-American Activities, of which I was a member for a time, and the problems which the able Senator's own committee confronts when it seeks to get testimony from reluctant witnesses, particularly those who are suspected of communistic affiliations.

Since the courts have upheld the Smith Act, it is becoming increasingly difficult for the committees which seek to get information about people with communistic affiliations to obtain any testimony from them whatever, for they plead the possibility of self-incrimination. This particular section has been cited by members of the committees to these witnesses in pointing out that they enjoy immunity, but nevertheless, in view of the possibility of conviction under the Smith Act for conspiracy, these witnesses, or witnesses who are in that field, hesitate to testify.

I am not prepared to say at this time that I know what the remedy is, but I have wondered if the remedy might not be to make a further amendment to what will now become paragraph (a) of section 3486 of title 18 which would embrace some such language as this:

Under the immunity provided herein, it shall not be a sufficient defense against charges of contempt for a witness who refuses to testify when asked questions by a committee of the Congress, to plead the constitutional protection against self-incrimination.

Mr. McCARRAN. Mr. President, I may say to the Senator from South Dakota that the whole matter on which he is now dwelling is before the Judiciary Committee, and all phases of it have been turned over in the consideration and study that is being made by the committee. The language which the Senator offers now has been considered. We have come to the conclusion that that language will not accomplish what we want done. But eventually we will work out a bill which will meet the very problem the Senator from South Dakota presents. We are working on that problem now. It is a matter that requires continued and very careful study.

Mr. CASE. Mr. President, I am certainly pleased to have that statement by the distinguished chairman of the Committee on the Judiciary. The problem is a very difficult one. That is why I did not propose at this time to pretend to offer language in a formal amendment. We are dealing with a very tender subject, the question of civil liberties, and it may be a hardship remedy that is proposed. The subject is one which must be dealt with if committees are not to be flouted by reluctant witnesses.

Mr. McCARRAN. As early as last January the Committee on the Judiciary of the Senate started the study of the subject. The subject matter has been under careful study. Eventually—we hope within the very near future in this Congress—we propose to bring in a bill embodying a statute which will be a solution of the problem.

Mr. CASE. Mr. President, I thank the Senator from Nevada. I withdraw my reservation.

Mr. McFARLAND. Mr. President, the discussion has convinced me that the bill is too important a measure to pass on the Consent Calendar. I feel I should want an opportunity to study it further. Therefore, I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

The clerk will state the next bill on the calendar.

RELIEF OF THE STATE OF MARYLAND

The bill (H. R. 389) for the relief of the State of Maryland was considered, ordered to a third reading, read the third time, and passed.

TOMAS J. ZAFIRIADIS

The bill (H. R. 616) for the relief of Tomas J. Zafiriadis was considered, ordered to a third reading, read the third time, and passed.

JOHN REGINALD LEAT

The bill (H. R. 740) for the relief of John Reginald Leat was considered, ordered to a third reading, read the third time, and passed.

DR. JIRI LISKA

The bill (H. R. 1268) for the relief of Dr. Jiri Liska was considered, ordered to a third reading, read the third time, and passed.

JOE TORTOLINI

The bill (H. R. 1791) for the relief of Joe Tortolini was considered, ordered to a third reading, read the third time, and passed.

BELLA AND ARCHIE KENNISON

The bill (H. R. 1799) for the relief of Bella and Archie Kennison was considered, ordered to a third reading, read the third time, and passed.

CAPT. WILLIAM GREENWOOD

The bill (H. R. 1844) for the relief of Capt. William Greenwood was considered, ordered to a third reading, read the third time, and passed.

EDWARD M. CHAPMAN, ROLAND P. DAVIS, AND THE FIDELITY & CASUALTY CO., OF NEW YORK

The bill (H. R. 2107) for the relief of Edward M. Chapman, Roland P. Davis, and the Fidelity & Casualty Co., of New York, was considered, ordered to a third reading, read the third time, and passed.

MR. AND MRS. EMIL SBARBORI, EDNA PERFETTI, AND ANTHONY PERFETTI

The bill (H. R. 2363) for the relief of Mr. and Mrs. Emil Sbarbori, Edna Perfetti, and Anthony Perfetti was considered, ordered to a third reading, read the third time, and passed.

MICHAEL POST-POSNIAKOFF AND ZINAIDA POST-POSNIAKOFF

The bill (H. R. 2372) for the relief of Michael Post-Posniakoff and Zinaida Post-Posniakoff was considered, ordered to a third reading, read the third time, and passed.

JOHN R. HARRIS

The bill (H. R. 2453) for the relief of John R. Harris was considered, ordered to a third reading, read the third time, and passed.

QUON MEE GEE, ALSO KNOWN AS LOUI SIU LIN

The bill (H. R. 2852) for the relief of Quon Mee Gee, also known as Loui Siu Lin, was considered, ordered to a third reading, read the third time, and passed.

CHIN YUEN LING

The bill (H. R. 3133) for the relief of Chin Yuen Ling, minor unmarried Chinese child of a United States citizen, was considered, ordered to a third reading, read the third time, and passed.

SIDNEY YOUNG HUGHES

The Senate proceeded to consider the bill (H. R. 1103) for the relief of Sidney Young Hughes, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, notwithstanding the provisions of the eleventh category of section 3 of the Immigration Act of 1917, as amended, or the provisions of the act of March 4, 1929, relating to entry after deportation, Sidney Young Hughes may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of the immigration laws.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. ALBERT W. LACK

The Senate proceeded to consider the bill (H. R. 3229) for the relief of Mrs. Albert W. Lack which had been reported from the Committee on the Judiciary with an amendment on page 2, line 9, after the word "make", to strike out "an award for payment of compensation to Mrs. Albert W. Lack, as widow of Albert W. Lack, provided for in such act of September 7, 1916, as amended: *Provided*, That no benefits shall accrue prior to the enactment of this act" and insert "such award, pursuant to said act of September 7, 1916, to Mrs. Albert W. Lack, widow of Albert W. Lack, as on the basis of such findings shall appear equitable."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ISSUANCE OF VISAS TO DISPLACED PERSONS

The bill (H. R. 3576) to amend the Displaced Persons Act of 1948, as amended, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, may be have an explanation of this measure, please?

Mr. McCARRAN. Mr. President, this bill would extend the operative effect of certain provisions of the Displaced Persons Act of 1948, as amended, for an additional 6 months, and would extend one provision of the act relating to certain orphans for a period of 1 year, but would require that no immigration visas shall be issued to certain eligible displaced persons unless the Displaced Persons Commission initiated the selection or processing of such persons on or before July 31, 1951.

The bill, as amended, does not increase the numbers or classes eligible for admission into the United States, nor does it extend the term of office of the Displaced Persons Commission.

Under the Displaced Persons Act of 1948, as amended on June 16, 1950, 341,000 visas are authorized to be issued beginning July 1, 1948, and ending on June 30, 1951. It is estimated that on the terminal date of the act, June 30, 1951, 285,711 visas will have been issued, leaving a balance of 55,289. The terminal date of the period during which the 341,000 visas are authorized to be issued, is extended for 6 months in order to complete the processing of cases already in the pipeline. It is contemplated that virtually all of the visas which have been authorized will have been issued by the terminal date, December 31, 1951.

The terminal date of the period during which 5,000 nonquota visas are authorized to be issued to eligible displaced orphans is extended from June 30, 1951, to June 30, 1952. This terminal date will thus coincide with the terminal date for the issuance of visas under existing law to certain war orphans.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, after line 40, to strike out:

SEC. 3. (a) During the three and one-half fiscal years beginning July 1, 1948, and ending December 31, 1951, eligible displaced persons and eligible displaced orphans and persons defined in subdivisions (2), (3), and (4) of subsection (b) of this section seeking to enter the United States as immigrants may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided*, That not more than 341,000 such visas shall be issued under this act, as amended, including such visas heretofore issued under the Displaced Persons Act of 1948: *Provided further*, That no such immigration visa shall be issued to eligible displaced persons or eligible displaced orphans unless the Commission initiated the selection or processing of such person on or before July 31, 1951; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced-persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency.

And in lieu thereof, to insert:

SEC. 3 (a) I. During the three and one-half fiscal years beginning July 1, 1948, and ending December 31, 1951, eligible displaced persons and persons defined in subdivisions (2), (3) and (4) of subsection (b) of this section seeking to enter the United States as immigrants, and

II. During the four fiscal years beginning July 1, 1948, and ending June 30, 1952, eligible displaced orphans seeking to enter the United States as immigrants, may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided*, That not more than 341,000 such visas shall be issued under this act, as amended, including such visas heretofore issued under the Displaced Persons Act of 1948: *Provided further*, That no such immigration visa shall be issued to eligible displaced persons unless the Commission initiated the selection or processing of such persons on or before July 31, 1951; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced-persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement by the distinguished junior Senator from New York [Mr. LEHMAN] in support of the bill to amend the Displaced Persons Act of 1948, which was just passed.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

I rise to express my full support for the pending legislation to extend the date for the admission into this country of displaced persons.

I do not wholly subscribe to that provision of the bill originally presented as an amendment in the House to restrict those coming in under the terms of this bill to persons who will have applied for admission by July 31. I can see where this might work individual injustices and I would have preferred to have seen this provision omitted.

Nevertheless I understand from information made available to me by members of the Displaced Persons Commission that this will not work a serious hardship, nor will it defeat the purpose of this legislation. There are at the present time almost 60,000 cases in the Displaced Persons Commission pipeline—cases for which assurances have been received and on which processing has been started.

It is expected that by June 30 the quota of persons authorized to be admitted under the basic displaced persons law will lack about 38,000 of being utilized. In other words, 38,000 displaced persons who would otherwise be eligible to enter the United States will not have an opportunity to enter because of the cut-off date in the present law.

The situation came about not through the fault of the Displaced Persons Commission, and certainly not through the fault of he displaced persons themselves. Conditions beyond their control, such as the essential diversion of shipping to the military effort in Korea and the build-up in Europe, the new restrictions on admission into the United States established under the terms of the Internal Security Act, and other factors slowed down sailings and processing to such an extent that the full number authorized was not used despite the fact that many of those displaced persons have been waiting for many, many months for the processing to be completed and for requisite ships in which to sail.

It was clearly the intent of Congress to admit the full number authorized. Legislative history makes this very clear. There are more than the unused number of displaced persons hoping and praying and waiting to enter the United States, to find home and haven from the terror and the privations which they have suffered for many years. The great heart of America will not allow this to happen.

I am sure we are going to enact the proposed legislation as reported out by the Senate Judiciary Committee. It has already been approved by the House.

I would like at this point to express my satisfaction and gratitude for the consideration given this matter by the Judiciary Committee and the leadership shown by the distinguished chairman of that committee in this matter. I think his support of this measure and sponsorship of its passage by the Senate deserves the thanks of all of us who are interested in this vital subject and who wish America to be regarded in the hearts and minds of men everywhere as the haven of the oppressed and the homeland of those who search for freedom.

AMENDMENT OF THE BANKHEAD-JONES FARM TENANT ACT

Mr. MAGNUSON. Mr. President, I ask unanimous consent to return to Calendar No. 364, Senate bill 634, a bill to amend the Bankhead-Jones Farm Tenant Act. I have discussed the bill briefly with the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from Kansas [Mr. SCHOEPPEL]. They desired an explanation of the bill. I have asked the chairman of the subcommittee, the distinguished Senator from New Mexico [Mr. ANDERSON], who understands the technicalities of the bill, to make the explanation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate proceeded to consider the bill (S. 634) to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 1, after line 5, to strike out:

Amend section 4 by striking out the period at the end of said section and adding the

following words: "and for the purpose of insuring mortgages there may be allotted in any fiscal year among the State and Territories, without regard to farm population or the prevalence of tenancy, such portions of the authorization provided in section 12 (b) not exceeding in the aggregate $50,000,000 as are determined by the Secretary to be necessary to insure mortgages in the States and Territories under this title."

And in lieu thereof to insert:

Amend section 4 by striking out the words "and insuring mortgages" and "insure mortgages or" where they occur in said section and amend the last sentence of section 12 (b) to read as follows:

"With respect to any fiscal year, one-quarter of the amount available for insurance, commitments, and acceptance of mortgages under this title shall be distributed among the several States and Territories on the basis of bona fide applications and the availability of farms with respect to which loans may be insured and the balance shall be distributed on the basis provided in section 4, and preferences shall be given to mortgages executed by veterans qualified under section 1."

On page 2, after line 19, to strike out:

SEC. 2. Amend section 12 (b) by striking from the first sentence the figures "$100,000,000" and substituting in lieu thereof the figures "$200,000,000."

In line 23, to change the section number from "3" to "2"; on page 4, line 1, to change the section number from "4" to "3"; in line 7, after the word "enable", to strike out "the borrower to obtain a loan on a noninsured basis from the holder of the insured mortgage" and insert "the holder of the insured mortgage to refinance the loan on an uninsured basis under laws or regulations to which he may be subject"; and in line 12, to change the section number from "5" to "4", so as to make the bill read:

Be it enacted, etc., That the following sections of the Bankhead-Jones Farm Tenant Act, as amended (60 Stat. 1062), are hereby amended as follows:

Amend section 4 by striking out the words "and insuring mortgages" and "insure mortgages or" where they occur in said section and amend the last sentence of section 12 (b) to read as follows:

"With respect to any fiscal year, one-quarter of the amount available for insurance, commitments and acceptance of mortgages under this title shall be distributed among the several States and Territories on the basis of bona fide applications and the availability of farms with respect to which loans may be insured and the balance shall be distributed on the basis provided in section 4, and preferences shall be given to mortgages executed by veterans qualified under section 1."

SEC. 2. Amend section 21 to read:

"SEC. 21. (a) The Secretary may make loans to farmers and stockmen who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence.

"(b) No loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program. No initial loan to any one borrower under this section shall exceed $7,000 and no further loan may be made under this section to a borrower so long as the total amount outstanding, including accrued interest, taxes, and other obligations properly chargeable to the account of the borrower, exceeds $10,000.

"(c) The terms of loans under this section, including any renewal or extension of any such loan, shall not exceed seven years from the date the original loan was made.

"(d) No person who has failed to liquidate his indebtedness under this section for seven consecutive years shall be eligible for loans hereunder until he has paid such indebtedness in full, except that the indebtedness on loans made prior to November 1, 1946, which are being serviced and collected by the Farmers Home Administration, shall not be subject to the limitations of this section until November 1, 1953."

SEC. 3. Amend section 44 (c) by changing the period at the end of said section to a colon and adding the following proviso: "*Provided, however*, That in the case of mortgage loans heretofore or hereafter insured under this title, the Secretary may at his discretion delay his request for refinancing until the borrower has acquired a sufficient equity in the farm to enable the holder of the insured mortgage to refinance the loan on any uninsured basis under laws or regulations to which he may be subject."

SEC. 4. Amend section 48 by adding at the end of said section the following sentence: "The foregoing requirements shall not preclude establishing the initial annual payment at a date not exceeding two full crop years from the date of the loan where the Secretary determines that farm income sufficient to make the initial payment cannot be readily anticipated at an earlier date, but this provision shall not have the effect of extending the maximum term of any loan."

Mr. ANDERSON. Mr. President, in connection with this bill I wish to say that a subcommittee of the Committee on Agriculture and Forestry considered it, and all members of the subcommittee were satisfied with the revised version.

I will say to the Senator from Kansas that there was a provision in the original bill which would have permitted an additional $100,000,000 to have been made available for Bankhead-Jones loans. On examination of the representatives of the Department of Agriculture and the Farm Credit Administration it developed that only $30,000,000 had ever been loaned under those provisions. Therefore, so long as $100,000,000 was already authorized, it seemed absolutely ridiculous to authorize $200,000,000.

The difficulty is that loans must be made to the respective States in proportion to the amount of farm tenancy they have. The result is that a relatively large amount of money is made available to States where there is a high degree of farm tenancy, but in certain sections of the country—and in particular the question arose in the State of Oregon—where there is a very small degree of farm tenancy but a rather lively demand for this type of loan, the money was quickly used up. Therefore this measure would permit the Department to prescribe certain amounts of money, up to one-fourth of the capital, which must be allotted on the basis of farm tenancy, but would leave the Department free to allocate the remainder of the Bankhead-Jones loans to any part of the country where there is demand for such loans.

I will say to the Senator from New Jersey and to the Senator from Kansas, who asked for the explanation, that the senior Senator from South Dakota [Mr. MUNDT] was a member of the committee, and asked many questions on the subject, as did the senior Senator from Minnesota [Mr. THYE]. They were completely satisfied, finally, that the language inserted in the substitute bill will be satisfactory.

The bill does not increase the amount of lending authority, but it does provide that all the money need not be allocated across the country on the basis of the amount of farm tenancy the individual States have. A portion of it may be allotted on that basis, and the remainder of the money may be made available in any part of the country where it is needed.

If either of my distinguished colleagues desire additional explanation, I shall be glad to make it. Let me say in fairness to them that there are one or two minor points in the bill which I shall be glad to comment on if they wish. For example, there was a provision which related to the payment of a mortgage. The requirement was that when it got down to a certain figure it had to be refinanced immediately. A provision has been inserted, which all of us decided was fair, when the loan has been paid down to the level which a bank can handle under its permission from the Comptroller of the Currency—for instance, a 55 or 60 percent loan—then it must move into private channels, but it need not move prior to that time.

I will say to the Senator from New Jersey and the Senator from Kansas that we held extensive hearings on the bill. We met twice on it. We finally decided that we could solve the problem by certain simple changes. The bill then came up for a third hearing, and it was unanimously reported by the committee.

I am happy to yield to the Senator from New Jersey.

Mr. HENDRICKSON. Mr. President, in the light of the very clear explanation made by the distinguished Senator from New Mexico, I am very happy to withdraw my objection.

Mr. ANDERSON. I thank the Senator.

Mr. MAGNUSON. Mr. President, will the Senator yield to me for one observation?

Mr. ANDERSON. I yield.

Mr. MAGNUSON. The testimony was to the effect that this provision would help the small local banks to finance loans in a better way than is now possible, when the notes must be sold at a certain time. The interest of the Senator from Washington arose because of the fact that there is not much farm tenancy in our State. There was not very much money available, as was the case in Oregon and South Dakota. However, with new irrigated lands coming in, additional financing may be required.

Mr. CASE. Mr. President, is not the bill in its amended form a little more realistic, so far as the maximum amounts of the loans are concerned?

Mr. MAGNUSON. Yes.

Mr. CASE. The limitation created some years ago is unrealistic in view of current prices.

Mr. ANDERSON. Mr. President, I deeply appreciate having the Senator from South Dakota call that to my attention. I did not intend to avoid that question. However at the time the reg-

ulation was originally established, it provided maximums from $3,500 to $7,000 for certain types of loans. The value of the dollar has so changed that the $3,500 limitation has become some $6,200, and the committee made it $7,000. That change was only to bring the legislation in line with realistic practices.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ELLENDER subsequently said: Mr. President, I do not believe I can add to what has already been said in explanation of Senate bill 684, Calendar 364. I ask unanimous consent that following the consideration of the bill, there be inserted a statement showing the quota of distribution, percentagewise, of funds provided for under the present law, as well as an explanation of how the bill will operate, and an explanation of the changes made by the bill.

There being no objection, the statement, table, and explanation were ordered to be printed in the RECORD, as follows:

S. 684, to amend the Bankhead-Jones Farm Tenant Act, was ordered reported to the Senate with amendments by the Committee at its meeting this date. The bill as ordered reported would make the following changes in the law:

1. Authorize the Secretary of Agriculture to insure mortgage loans totalling up to $25,000,000 per year on the basis of bona fide applications and the availability of farms with respect to which loans may be insured. Distribution of insured mortgage loans totaling $100,000,000 per year is now made according to farm population and prevalence of tenancy, thus the bill provides that one-fourth of this amount would be distributed free of the present formula.

2. Authorize the Secretary to postpone refinancing of insured mortgage loans until such time as the borrower had acquired sufficient equity in the farm to meet the legal requirements to which the holder of the insured mortgage may be subject in making uninsured loans.

3. Increase the limit of initial production and subsistence loans from $3,500 to $7,000 and the total outstanding indebtedness of any borrower on all such loans from $5,000 to $10,000.

4. Extend the term of repayment of operating loans and the maximum period during which a borrower may be indebted in order to be eligible for further financial assistance from 5 to 7 years.

5. Authorize the Secretary to postpone the initial annual repayment of both real estate and production assistance loans to a date not exceeding two full crop years after the date of the loan in those instances where he determines that farm income will not be sufficient to make the initial payment at an earlier date.

Attached is a table giving the distribution of the $100,000,000 of insured farm mortgages among the States and Territories according to present law. Column 6 shows the actual distribution, and under the provisions of S. 684 as reported by our committee the allocations for each State would be reduced 25 percent in order that $25,000,000 of the $100,000,000 would be available to the Secretary to distribute on the basis of bona fide applications.

Since October 1947, when the first real estate mortgage loan was insured, total loans insured have amounted to $44,778,562. No losses have been incurred in this program to date. In the current fiscal year loans amounting to $17,246,325 have been insured through May 31. Mr. Lassiter testified that about $30,000,000 was the greatest amount insured in any one year but I now understand the $17,246,325 insured so far this fiscal year is their highest amount.

Senator ELLENDER suggested we obtain information with respect to production and subsistence loans and direct farm ownership loans, in preparation for Senate action on the bill. From the inception of the program on November 1, 1946, through December 31, 1950, production and subsistence loans were made in the total amount of $329,452,234. Principal and interest repayments on these loans during this period amount of $193,371,589. Repayments on principal equalled 89 percent of the amount that had matured. The Department expects that the ratio of repayments to maturity on these loans will increase and that ultimate losses will be relatively small. Principal write-offs amounted to $315,014 as of December 31, 1950.

The amount available for production and subsistence loans is subject to loan authorization by the Congress each year. For the 1952 fiscal year the House has approved $100,000,000 for this program, which is a reduction of $10,000,000 from the budget estimate.

As you know the Farmers Home Administration makes direct farm ownership loans under Title I of the Bankhead-Jones Farm Tenant Act. Through June 30, 1950, farm ownership loans had been made to 62,031 borrowers in the amount of $362,510,900 for the purchase, enlargement, or development of economic family-type farms. Though these loans are amortized over a 40-year period, 22,259 of the borrowers who had received loans under this program, since its inception in 1938, had repaid their accounts in full at the end of March 1950. Total net losses through liquidation on farm ownership loans as of June 30, 1950, were $522,319, or about one-seventh of 1 percent of the total advances as of that date. The 39,772 farm ownership borrowers indebted on March 31, 1950, had paid 133 percent of scheduled installments.

The amount available for making direct farm ownership loans is also subject to loan authorizations by Congress each year. The House has approved $38,000,000 for making both farm-ownership and farm-housing loans in the 1952 fiscal year, which is a reduction of $2,500,000 from that available in the 1951 fiscal year. The exact amount of the total authorization going into each type of loan is subject to the discretion of the executive departments.

Department of Agriculture, Farmers Home Administration—Farm tenancy: Method of determining the percentage distribution for allocating insured mortgages, by States

State and Territory	Farm population 1945 [1]	Percentage of tenancy 1945 [2]	Allocation factor: Farm population multiplied by percentage of tenancy [3]	Percentage distribution of insured mortgages [4]	Adjusted tenancy dollar distribution [5]
(1)	(2)	(3)	(4)	(5)	(6)
United States total	24,801,342		7,887,624	100	100,000,000
Alabama	1,000,657	49.107	491,393	6.2299242	6,229,924
Arizona	64,928	12.829	8,330	.1056085	105,609
Arkansas	782,520	44.579	348,840	4.4226246	4,422,625
California	558,672	12.325	68,201	.8417110	841,711
Colorado	192,320	27.920	53,696	.6807627	680,763
Connecticut	90,723	4.627	4,198	.0532226	53,223
Delaware	37,665	20.815	7,840	.0993962	99,396
Florida	244,336	16.817	41,090	.5209427	520,943
Georgia	1,015,444	53.802	546,329	6.9265077	6,926,508
Idaho	162,194	20.175	32,690	.4144467	414,447
Illinois	759,429	39.055	296,595	3.7602578	3,760,258
Indiana	656,167	22.675	148,786	1.8863222	1,886,322
Iowa	792,159	42.226	334,576	4.2417843	4,241,784
Kansas	480,469	36.561	175,664	2.2270839	2,227,084
Kentucky	973,328	26.769	260,550	3.3032761	3,303,276
Louisiana	594,127	49.144	291,978	3.7017231	3,701,723
Maine	158,564	3.169	5,025	.0637074	63,707
Maryland	194,169	22.999	44,657	.5661654	566,165
Massachusetts	141,100	2.613	3,687	.0467441	46,744
Michigan	663,610	11.717	77,755	.9857848	985,785
Minnesota	730,748	26.718	195,211	2.4753828	2,475,283
Mississippi	1,050,444	59.294	622,850	7.8965478	7,896,548
Missouri	853,020	26.816	229,282	2.9068576	2,906,858
Montana	134,551	16.632	22,379	.2837230	283,723
Nebraska	403,516	47.513	191,723	2.4309813	2,430,981
Nevada	14,219	9.245	1,315	.0166717	16,672
New Hampshire	85,149	3.556	2,317	.0293751	29,375
New Jersey	110,605	10.155	11,265	.1428187	142,819
New Mexico	154,251	13.736	18,427	.2336192	233,619
New York	669,724	8.253	48,670	.6170426	617,043
North Carolina	1,311,223	42.649	559,223	7.0898730	7,089,873
North Dakota	209,779	27.706	74,988	.9507046	950,705
Ohio	842,385	19.354	163,054	2.0245784	2,024,578
Oklahoma	609,948	30.912	255,416	3.2381868	3,238,187
Oregon	221,309	10.809	23,921	.3033994	303,399
Pennsylvania	730,877	12.892	94,225	1.1945630	1,194,563
Rhode Island	15,624	8.659	1,353	.0171535	17,153
South Carolina	682,663	54.167	369,778	4.6880784	4,688,078
South Dakota	253,899	38.085	96,697	1.2259332	1,225,933
Tennessee	981,501	32.996	323,856	4.1057332	4,105,873
Texas	1,487,829	37.611	559,587	7.0944930	7,094,494
Utah	99,989	8.381	8,380	.1062421	106,242
Vermont	98,275	4.915	4,883	.0593715	59,372
Virginia	801,809	20.327	162,982	2.0663909	2,066,390
Washington	280,467	11.227	33,498	.4120125	412,013
West Virginia	430,306	14.741	63,474	.8047240	804,724
Wisconsin	719,913	20.447	147,201	1.8662274	1,866,227
Wyoming	83,424	19.891	10,611	.1345272	134,527
Alaska	[6] 2,392	20.994	490	.0062155	6,215
Hawaii	[6] 149,435	70.667	105,601	1.3388189	1,338,819
Puerto Rico	[6] 1,084,168	[6] 20.646	223,838	2.8378381	2,837,838
Virgin Islands	[6] 6,944	[6] 27.778	1,929	.0244560	24,456

[1] 1945 Census of Population.
[2] Number of tenant-operated farms divided by number of all farms for each State: Census of Agriculture, 1945.
[3] Total factor is sum of State factors.
[4] State factor divided by column "4" total.
[5] Adjusted farm population and prevalence of tenancy distribution in accordance with the Farmers Home Administration Act of 1946.
[6] Estimated by the Bureau of the Census.

LUCY KONG LEE

The Senate proceeded to consider the bill (H. R. 1800) for the relief of Lucy Kong Lee which had been reported from the Committee on the Judiciary with an amendment on page 1, line 5, after the word "to", to strike out "Lucy Kong Lee, widow", and insert "the estate."

Mr. McCARRAN. Mr. President, this bill provides for the payment of approximately $6,700 to the estate of a former Honolulu policeman who was seriously injured when struck by an Army truck being driven by an Army driver on official business. The Department of the Army has recommended an award in the amount of this bill.

Since the introduction of the bill the claimant died, not as a result of the injuries sustained in this accident, and therefore the committee has amended the bill to provide that the payment shall be made to his estate.

It should be made clear that the committee considers this to be an exceptional case, and is approving the action here recommended on the basis of the particular factors and circumstances in this case; and that this action is not to be regarded as a precedent or a rule to be followed in other cases. If another case arose having precisely the same facts as this, the committee undoubtedly would make a similar recommendation; but the committee does not wish to be committed with respect to the course of action it will follow or recommend in any subsequent case.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act for the relief of the estate of Chin Hien Lee."

TRANSPORTATION ON CANADIAN VESSELS BETWEEN POINTS IN ALASKA AND CONTINENTAL UNITED STATES

The bill (S. 1559) a bill to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, reserving the right to object—and I shall not object—I should like to have a brief explanation of the measure.

Mr. MAGNUSON. Mr. President, the bill would extend the right of certain small Canadian vessels to serve two isolated points in Alaska. I would be the first one to object if service in American vessels was available to the two points involved.

Mr. SCHOEPPEL. The bill goes solely to filling a gap because of lack of American shipping?

Mr. MAGNUSON. Yes. Service to Hyder, Alaska, is very important, because of mining production of strategic material near the port.

An identical bill, Calendar 421, House bill 157, was passed by the House. I ask unanimous consent that the Senate proceed to the consideration of the House bill.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The clerk will state the House bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 157) to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska between Haines, Alaska, and other points in Alaska, and betwen Hyder, Alaska, and other points in Alaska, or the continental United States, either directly or via a foreign port, or for any part of the transportation.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1559 is indefinitely postponed.

AUTHORIZATION TO REPORT DEFENSE PRODUCTION ACT OF 1951 DURING RECESS

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. Mr. President, in reporting the defense production bill, will it be necessary to assign a new number to it, or will it automatically get a Senate number when I report it?

The PRESIDING OFFICER. The Parliamentarian suggests that all after the enacting clause be stricken, the new bill substituted, as amended, and that the Senator submit a clean bill to the Senate.

Mr. MAYBANK. I ask unanimous consent to report a clean bill during the recess, if we recess early this afternoon, because, as the Presiding Officer knows, the committee has completed consideration of the bill, but there must be some minor changes made in connection with Government funds and rent control. We have stricken out all after the enacting clause and are presenting a clean bill. I ask unanimous consent that, should the Senate recess this afternoon, we be permitted to report the bill as of today.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

COMPENSATION OF EMPLOYEES OF THE HOUSE AND SENATE PRESS, PERIODICAL AND RADIO GALLERIES

The Senate proceeded to consider the joint resolution (S. J. Res. 71) relating to the compensation of employees of the House and Senate press, periodical, and radio galleries, which had been reported from the Committee on Post Office and Civil Service, with amendments on page 2, at the beginning of line 1, to strike out "assistant" and insert "assistant superintendents"; and in line 4, after the words "of the", to strike out "assistant" and insert "assistant superintendents", so as to make the joint resolution read:

Resolved, etc., That (a) the annual rates of basic compensation of the superintendents of the House and Senate press galleries shall be $4,800 each; the annual rate of basic compensation of the superintendents of the House periodical press gallery shall be $3,500; and the annual rate of basic compensation of the superintendent of the Senate periodical press gallery shall be $4,100.

(b) (1) The annual rates of basic compensation of the assistant superintendents in the House press gallery shall be as follows: One at $4,100, one at $3,200, one at $2,800, and one at $2,000.

(2) The annual rates of basic compensation of the assistant superintendents in the Senate press gallery shall be as follows: One at $4,100, two at $2,800, and one at $2,200.

SEC. 2. (a) The annual rates of basic compensation of the superintendent of the House and Senate radio press galleries shall be $4,700 each.

(b) (1) The annual rates of basic compensation of the assistants in the House radio press gallery shall be as follows: One at $3,000 and one at $2,850.

(2) The annual rates of basic compensation of the assistants in the Senate radio press gallery shall be as follows: One at $3,000, one at $2,850, and one at $2,500.

SEC. 3. Nothing in this joint resolution shall be construed to authorize the appointment of additional personnel in any of the press, periodical, or radio galleries.

SEC. 4. The provisions of this joint resolution shall take effect on the first day of the first month following the date of its enactment.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF ACT INCORPORATING AMERICAN UNIVERSITY

The bill (S. 1645) to amend the act incorporating the American University was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to incorporate the American University," approved February 24, 1893 (27 Stat. 476), as amended by an act of Congress, approved March 2, 1895 (28 Stat. 814), is amended by striking out "two-thirds of whom shall at all times be members of the Methodist Episcopal Church," and by inserting in lieu thereof the following: "three-fifths of whom shall at all times be members of the Methodist Church."

PAYMENT AND COLLECTION OF WAGES IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 1152) to provide for the payment and collection of wages in the District of Columbia which had been reported from the Committee on the District of Columbia with amendments on page 2, line 23, after the word "organization", to insert a colon and the following additional proviso: "*Provided further*, That where, by contract or custom, an employer has paid wages at least once each calendar month, he may lawfully continue to do so."

On page 3, after line 3, to strike out:

POSTING AND NOTIFICATION

SEC. 3. (a) Every employer employing more than eight employees shall notify each of his

employees in writing at the time of hiring of the rate of pay, of the day, hour, and place of payment, and of any changes in arrangements prior to the time of such change; or such notice may be given by posting a notice on his premises in a place accessible to his employees.

In line 14, to change the section number from "4" to "3"; in line 23, after the word "due", to strike out "within three working days thereafter, unless such employee shall have given previous notice of at least three working days of intention to quit, in which event the employer shall pay such wages earned at the time of quitting", and insert "upon the next regular payday or within 7 days from the date of quitting or resigning, whichever is earlier"; on page 4, line 23, to change the section number from "5" to "4"; on page 5, line 11, to change the section number from "6" to "5"; in line 15, to change the section number from "7" to "6"; on page 6, line 14, to change the section number from "8" to "7"; in line 23, to change the section number from "9" to "8", and on page 8, line 7, to change the section number from "10" to "9"; so as to make the bill read:

Be it enacted, etc.—

DEFINITIONS

SECTION 1. Whenever used in this act, (a) "employer" includes every individual, partnership, firm, association, corporation, the legal representative of a deceased individual, or the receiver, trustee, or successor of an individual, firm, partnership, association, or corporation, employing any person in the District of Columbia: *Provided*, That the word "employer" shall not include the Government of the United States, the government of the District of Columbia, or any agency of either of said governments, or any employer subject to the Railway Labor Act.

(b) "Employee" shall include any person suffered or permitted to work by an employer, other than corporate officers or executives.

(c) "Wages" means monetary compensation after lawful deductions, owed by an employer for labor or services rendered, whether the amount is determined on a time, task, piece, commission, or other basis of calculation.

(d) "Board" means the Minimum Wage and Industrial Safety Board of the District of Columbia.

(e) "Working day" means any day exclusive of Saturdays, Sundays, or legal holidays.

SEMIMONTHLY PAYDAY

SEC. 2. Every employer shall pay all wages earned to his employees at least twice during each calendar month, on regular paydays designated in advance by the employer: *Provided, however*, That an interval of not more than 5 working days may elapse between the end of the pay period covered and the regular payday designated by the employer, except where a different period is specified in a collective agreement between an employer and a bona fide labor organization: *Provided further*, That where, by contract or custom, an employer has paid wages at least once each calendar month, he may lawfully continue to do so. Wages shall be paid on designated paydays in lawful money of the United States, or checks on banks payable upon demand by the bank upon which drawn.

EMPLOYEES WHO ARE SEPARATED FROM THE PAYROLL BEFORE A REGULAR PAYDAY

SEC. 3. Unless otherwise specified in a collective agreement between an employer and a bona fide union representing his employees—

(a) Whenever an employer discharges an employee, the employer shall pay the employee's wages earned not later than the working day following such discharge.

(b) Whenever an employee (not having a written contract of employment for a period in excess of 30 days) quits or resigns, the employer shall pay the employee's wages due upon the next regular payday or within 7 days from the date of quitting or resigning, whichever is earlier.

(c) When work of an employee is suspended as a result of a labor dispute, the employer shall pay to such employee not later than the next regular payday, designated under section 2 of this act, wages earned at the time of suspension.

(d) If an employer fails to pay an employee wages earned as required under subsections (a), (b), and (c) of this section, such employer shall pay, or be additionally liable to, the employee, as liquidated damages, 10 percent of the unpaid wages for each working day during which such failure shall continue after the day upon which payment is hereunder required; or an amount equal to the unpaid wages, whichever is smaller: *Provided, however*, That for the purpose of such liquidated damages such failure shall not be deemed to continue after the date of the filing of a petition in bankruptcy with respect to the employer if he thereafter shall have been adjudicated bankrupt upon such petition.

UNCONDITIONAL PAYMENT OF WAGES CONCEDED TO BE DUE

SEC. 4. In case of a bona fide dispute concerning the amount of wages due, the employer shall give written notice to the employee of the amount of wages which he concedes to be due, and shall pay such amount, without condition, within the time required by sections 2 and 4 of this act: *Provided, however*, That acceptance by the employee of any payment made hereunder shall not constitute a release as to the balance of his claim. Payment in accordance with this section shall constitute payment for the purposes of complying with sections 2 and 4 of this act, only if there exists a bona fide dispute concerning the amount of wages due.

PROVISIONS OF LAW MAY NOT BE WAIVED BY AGREEMENT

SEC. 5. Except as herein provided, no provision of this act shall in any way be contravened or set aside by private agreement.

ENFORCEMENT, RECORDS, AND SUBPENAS

SEC. 6. (a) The Board shall enforce and administer the provisions of this act and the Board or an authorized representative of the Board, acting under its direction, may hold hearings and otherwise investigate any violations of this act and institute actions for penalties provided hereunder.

(b) The Board or its authorized representatives shall have power to administer oaths and examine witnesses under oath, issue subpenas, compel the attendance of witnesses, and the production of papers, books, accounts, records, payrolls, documents, and testimony and to take depositions and affidavits in any proceedings before it.

(c) In case of failure of any person to comply with any subpena lawfully issued, or on the refusal of any witness to testify to any matter regarding which he may be lawfully interrogated, it shall be the duty of the municipal court of the District of Columbia, or the judge thereof, on application by the Board, to compel obedience by attachment proceedings for contempt, as in the case of disobedience of the requirements of a subpena issued from such court or a refusal to testify therein.

PENALTIES

SEC. 7. Any employer who, having the ability to pay, willfully violates any provisions of section 2 or section 4 of this act or who fails to comply with any other provisions of this act, shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not less than $100 nor more than $1,000, for each separate offense, or by imprisonment of not less than 3 days, or more than 30 days.

EMPLOYEES' REMEDIES

SEC. 8. (a) Action by an employee to recover unpaid wages and liquidated damages may be maintained in any court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated, or such employee or employees may designate an agent or representative to maintain such action for and on behalf of all employees similarly situated. Any employee, or his representative, shall have the power to settle and adjust his claim for unpaid wages. Whenever the Board determines that wages have not been paid, as herein provided and that such unpaid wages constitute an enforceable claim, the Board may, upon the request of the employee, take an assignment in trust for the assigning employee of such wages, not to exceed $200 in the case of one employee, and of any claim for liquidated damages, without being bound by any of the technical rules respecting the validity of any such assignments, may bring any appropriate legal action necessary to collect such claim and may join in one proceeding or action such claims against the same employer as the Board deems appropriate. Upon any such assignment the Board shall have power to settle and adjust any such claim or claims on such terms as it may deem just.

(b) The court in any action brought under this section shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow costs of the action, including costs or fees of any nature, and reasonable attorney's fees, to be paid by the defendant. Such attorney's fees in the case of actions brought under this subsection by the Board shall be remitted by the Board to the Collector of Taxes of the District of Columbia. The Board shall not be required to pay the filing fee or other costs or fees of any nature or to file bond or other security of any nature in connection with any action or proceeding under this act.

SEPARABILITY OF PROVISIONS

SEC. 9. If any provisions of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances shall not be affected thereby.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1349) to establish a Department of Food Services in the public schools of the District of Columbia, and for other purposes, was announced as next in order.

Mr. SCHOEPPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

PREMARITAL EXAMINATION OF APPLICANTS FOR MARRIAGE LICENSES IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 1167) to require a premarital examination of all applicants for marriage licenses in the District of Columbia, which had been reported from the Committee on the District of Columbia with

amendments: On page 1, line 3, after the enacting clause, to strike out:

That it shall be the duty of the clerk of the United States District Court for the District of Columbia, before issuing any license to solemnize a marriage, to require each applicant therefor to file with him a certificate from a physician licensed to practice medicine in the District of Columbia, or from a commissioned medical officer of the United States Army, Navy, Air Force, or Public Health Service. Such certificate shall state (1) that the applicant has submitted to an examination (including a standard serological test and.

And in lieu thereof to insert:

That it shall be the duty of the clerk of the United States District Court for the District of Columbia, before issuing any license to solemnize a marriage, to require, with respect to each party desiring to marry, a certificate from a physician licensed to practice medicine or osteopathy in the District of Columbia or in any State or Territory of the United States, or in the case of any member of the Armed Forces of the United States, from a commissioned medical officer of the United States Army, Navy, Air Force, or Public Health Service: *Provided*, That each such certificate shall first be approved by the Director of Public Health of the District of Columbia or by his agent designated by him in writing. Such certificate shall state (1) that such party has submitted to an examination (including a standard serological test and.

On page 2, line 16, after the word "syphilis", to strike out "and gonorrhea"; in line 20, after the word "syphilis", to strike out "or gonorrhea"; in line 22, after the word "partner", to strike out "Such certificate shall be signed by the applicant in the presence of the physician", and insert "Such certificate shall be signed in the presence of the physician by the person examined"; on page 3, line 25, after the word "syphilis", to strike out "or gonorrhea", and on page 4, line 3, after the word "officer.", to insert "Any laboratory operated by any State or Territory of the United States, or by the United States Army, Navy, Air Force, or Public Health Service, shall be deemed to be an approved laboratory for the purposes of this act", so as to make the bill read:

Be it enacted, etc., That it shall be the duty of the clerk of the United States District Court for the District of Columbia, before issuing any license to solemnize a marriage to require, with respect to each party desiring to marry, a certificate from a physician licensed to practice medicine or osteopathy in the District of Columbia or in any State or Territory of the United States, or in the case of any member of the Armed Forces of the United States, from a commissioned medical officer of the United States Army, Navy, Air Force, or Public Health Service: *Provided*, That each such certificate shall first be approved by the director of public health of the District of Columbia or by his agent designated by him in writing. Such certificate shall state (1) that such party has submitted to an examination (including a standard serological test and such other standard laboratory tests as may be necessary for the discovery of syphilis made on a day specified in the certificate, and (2) that, in the opinion of such physician, based on such person's medical history and on clinical and laboratory evidence, the person either is not infected with syphilis or is not in a stage thereof which may become communicable to the marital partner. Such certificate shall be signed in the presence of the physician by the person examined.

SEC. 2. The physician's certificate required to be filed by the first section of this act shall be made on a form (referred to in this act as the "certificate form") to be prepared and distributed by the Health Department of the District of Columbia and shall contain on the same form a statement, from the person in charge of the laboratory making the tests, or from some other person in the laboratory authorized to make such statements, setting forth the name of the tests, the date made, and the name and address of the person whose blood or other specimen was tested, but such statement shall not indicate the results of the tests. Upon a separate form also prepared and distributed to laboratories approved by the Health Department and designated as "premarital", a detailed report of the laboratory tests, showing the results of the tests, shall be made out by the laboratory in duplicate. One copy of this detailed report shall be transmitted by the laboratory to the physician making the examination and the other copy to the Health Department. Such "premarital" laboratory report forms shall be held by the physician and by the Health Department in absolute confidence and shall not be open to public inspection except on order of a justice or judge of a court of competent jurisdiction requiring its production by the Health Department.

SEC. 3. (a) For the purpose of this act a standard laboratory test shall be any laboratory test for syphilis (1) approved by the health officer of the District of Columbia, and (2) made at a laboratory approved by such health officer. Any laboratory operated by any State or Territory of the United States, or by the United States Army, Navy, Air Force, or Public Health Service, shall be deemed to be an approved laboratory for the purposes of this act. To be valid such tests shall be made not more than 30 days before the issuance of the marriage license to which they apply. Such laboratory tests as are required by this act shall be made on request without charge at the laboratory of the Health Department of the District of Columbia.

(b) No marriage license issued after the effective date of this act shall be valid more than 30 days after date of issue.

SEC. 4. Because of an emergency or other cause shown by affidavit or other proof, a judge of the United States District Court for the District of Columbia, if satisfied by medical or other testimony or both that neither the health of the individuals nor the public health and welfare will be injuriously affected thereby, may make an order, on joint application of both of the parties desiring the marriage license, dispensing with those requirements which relate to the filing with the clerk of such court and the Health Department of the physicians' certificates and the "premarital" laboratory reports or, such certificates and reports having been filed, extending the 30-day period following the examinations and tests for the issuance of such license to not later than 90 days after such examinations and tests. The order shall be accompanied by a memorandum in writing from the judge, reciting his reasons for granting the order. The order and the accompanying memorandum shall be filed with such clerk, and the latter shall thereupon accept the application for the marriage license and issue the same, if the applicants are otherwise qualified by law to contract matrimony. The clerk and his employees shall hold such memorandum of the judge in absolute confidence and it shall not be open to inspection, except on order of a justice or judge of a court of competent jurisdiction requiring its production.

SEC. 5. Any applicant for a marriage license, any physician, or any representative of a laboratory who shall knowingly misrepresent any of the facts called for by the certificate form or the "premarital" laboratory report, or any person who shall otherwise fail to comply with any provision of this act, shall be guilty of a misdemeanor and upon conviction thereof, shall be punished by a fine of not more than $500 or imprisonment for not more than 6 months, or both.

SEC. 6. This act shall take effect 90 days after the date of its enactment.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF DISTRICT OF COLUMBIA TEACHERS' LEAVE ACT OF 1949

The bill (S. 657) to amend and clarify the District of Columbia Teachers' Leave Act of 1949 and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill for the purpose of the RECORD?

Mr. PASTORE. Mr. President, this bill would correct certain inequities in, and liberalize certain provisions of, the District of Columbia School Teachers' Leave Act of 1949. The bill would—

Increase accumulated sick leave from a maximum of 60 days to 75 days for regular teachers and from 10 to 20 days for temporary teachers. This is the same as that allowed Federal employees, with an appropriate deduction because teachers are employed only 10 months in the year.

Allow teachers to take 3 days leave a year for personal affairs, religious observances, and other purposes which cannot be classified as "emergencies." Present law allows only for "pressing personal emergencies."

Give teachers 1 day of sick leave for each year of their service prior to 1949 in the District of Columbia school system, up to maximum of 20 days.

Allow teachers to be advanced up to 25 days' sick leave, instead of 20 days, as at present.

Allow certain employees to retain their accumulated sick leave.

The bill provides that teachers on leave without pay prior to a week end or vacation period will lose pay only for those days when school is in session and they could otherwise work.

The bill would require reinstatement of a teacher on leave without pay at the expiration of such leave, to the teacher's former, or an equivalent position.

The bill would also correct certain inequities that have developed in the School Teachers Retirement Act of 1946.

It would require that deductions from salary for the retirement fund shall be made in any month in which the amount of deduction is less than the salary received by the teacher.

Allow a teacher to deposit, and be credited with, the amount which would otherwise be deductible during any period of leave without pay.

The total cost of bill is estimated to be $14,000 annually. It has been approved by Board of Commissioners, the Board of Education, and Bureau of Budget.

I may say that the committee held extensive hearings on the bill, and it is

reported unanimously by the full committee.

Mr. HENDRICKSON. I thank the Senator from Rhode Island. I have no objection.

The PRESIDING OFFICER. Is there objection?

There being no objection the Senate proceeded to consider the bill (S. 657) to amend and clarify the District of Columbia Teachers' Leave Act of 1949, and for other purposes, which had been reported from the Committee on the District of Columbia, with an amendment to strike out all after the enacting clause, and insert:

That the first section of the District of Columbia Teachers' Leave Act of 1949 is amended (a) by striking from the last sentence thereof the words "sixty" and "ten" and substituting in lieu thereof the words "seventy-five" and "twenty", respectively, and (b) by adding at the end thereof the following new sentence: "Under such rules and regulations as the Board of Education may prescribe any teacher or attendance officer may use three days of such cumulative leave with pay in any school year for any purpose, upon giving timely notice of intended absence."

SEC. 2. Section 2 of such act is amended (a) by striking from the proviso of the first sentence thereof the words "total amount to be" and inserting in lieu thereof the word "leave" and also by striking from such proviso the words "shall not exceed twenty days and" and (b) by striking from the last sentence thereof the word "sixty" and inserting in lieu thereof "seventy-five."

SEC. 3. Section 4 of such act is amended by striking therefrom the word "twenty" and inserting in lieu thereof "twenty-five."

SEC. 4. When any person occupying a position, the salary of which position is fixed by article I, title I, of the District of Columbia Teachers' Salary Act of 1947 (61 Stat. 248), as amended, or a position as attendance officer, the salary of which position is fixed in class 32, article II, title I, of such act, is transferred or promoted to any position in the schedule in article II, title I, of such act (other than a position in class 32) shall be entitled to have credited to his account as accumulated sick leave as provided by the act entitled "An act to standardize sick leave and extend it to all civilian employees," approved March 14, 1936 (49 Stat. 1162), as amended, the same number of days as are credited to him as cumulative leave with pay under the provisions of the District of Columbia Teachers' Leave Act of 1949.

SEC. 5. Teachers and attendance officers who are on leave without pay for periods less than 1 month and who are on leave without pay on the last day of school preceding Saturday or any other vacation period designated by the Board of Education shall lose pay only for those days when school is in session and they could otherwise work. In no case shall a teacher or attendance officer on leave without pay for periods less than 1 month suffer a loss of pay for Saturdays, Sundays, holidays, and vacation periods authorized by the Board of Education.

SEC. 6. Any teacher or attendance officer who is granted leave without pay by the Superintendent of Schools or the Board of Education shall be reinstated to the position from which leave was granted or to an equivalent position when said employee is ready to resume his duties.

SEC. 7. The first paragraph of the first section of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved August 7, 1946, is amended—

(1) by striking out "No deduction shall be made from less than an entire month's salary."; and

(2) by adding at the end of such paragraph the following: "Deductions shall be made for every month in which the salary of a teacher exceeds the amount of such deduction. Any teacher may, at his option and under such regulations and at such times as may be prescribed by the Commissioners of the District of Columbia, deposit with the Collector of Taxes, District of Columbia, the amount which would otherwise be deductible during any period of leave without pay, to be credited as herein provided."

SEC. 8. This act shall take effect on the first day of the second month following its enactment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

ORGANIZATION OF AIR FORCE AND DEPARTMENT OF THE AIR FORCE

The bill (H. R. 1726) to provide for the organization of the Air Force and the Department of the Air Force, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the measure?

Mr. STENNIS. Mr. President, House bill 1726, known as the Air Force Organization Act, passed the House on January 24. This bill is drawn along the lines of the Army Organization Act enacted during the Eighty-first Congress. At present the National Security Act, as amended, is the only act prescribing the Air Force organization. The bill provides a more detailed structure for the Air Force, and at the same time permits the affairs of the Air Force to be conducted by the Secretary with appropriate administrative flexibility. I believe that the principle of civilian control over the military is firmly maintained throughout the bill.

The bill is broken down into four titles. Title I pertains to the Secretary of the Air Force and his principal civilian assistants. The Secretary is made responsible for all the affairs of the Air Force and he is given the authority commensurate with that responsibility. He is authorized to delegate powers and duties to his assistants. On page 4 of the bill the committee recommends an amendment which provides that the Under Secretary or an Assistant Secretary will be directly charged with the supervision of all activities of the Air Force.

Title II pertains to the Chief of Staff and the Air Staff. There is provided a Vice Chief of Staff and not to exceed five Deputy Chiefs of Staff. The Air Force presently has this number of Deputy Chiefs of Staff.

I may say that this provision does not necessarily involve the promotion of any additional officers to carry out the machinery of the Organization Act.

The bill provides that not more than 2,800 officers of the Air Force shall be on duty in the Department in Washington, except in time of war or national emergency declared by the President. That is approximately the number on duty in Washington now. The President may increase this number if he finds it to be in the national interest.

The committee also recommends an amendment on page 6 of the bill which requires the designation of a general officer of the Air Force to advise and assist the Secretary and Chief of Staff with respect to all Reserve matters.

Another amendment is recommended in section 204 on page 8, to provide that instead of the Chief of Staff's having supervision over the members and organizations of the Air Force, he shall "under the direction of the Secretary of the Air Force exercise command over" the numbers and organizations. Both Secretary Finletter and General Vandenberg urged this amendment. As amended the language is identical with the language of the National Security Act.

Title III provides for the composition and organization of the Air Force. No change is made with respect to the Air Force Reserve or the Air National Guard.

Mr. CASE. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield.

Mr. CASE. In establishing the components of the Air Force, does the bill impose any limitation in regard to the number of groups which may be organized?

Mr. STENNIS. No; it does not go into that matter at all.

Mr. CASE. The bill does not establish the size of the Air Force, does it?

Mr. STENNIS. No, it does not.

Section 308 of the bill as passed by the House sets up three major commands within the Air Force and provides authority to the Secretary to establish other commands, as may be required.

The committee recommends the deletion of this section on the ground that it establishes a rigid organization and unduly restricts the flexibility necessary in order to be able to meet rapidly changing conditions.

During the hearings on this bill, witnesses who appeared urged that appropriate provisions be included in the bill for the establishment of a separate Judge Advocate General's Corps within the Air Force, similar to that now provided in the Army.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield.

Mr. SCHOEPPEL. Is that matter left open?

Mr. STENNIS. Yes, and I shall refer to it now.

Mr. President, I may say that as a member of the committee, I was impressed very much with the proposal to set up a separate Judge Advocate General's Corps within the Air Force, similar to that now provided in the Army. While the committee has not amended the bill so as to include such provisions, it has stricken from the bill provisions which would have precluded the establishment of such a separate corps. In other words, the committee did not add provisions for the establishment of such

a corps, but the committee struck from the bill provisions which would have precluded the setting up of the corps, and left that an open question.

Mr. CASE. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. CASE. That does not mean, does it, that the Air Force will be allowed to establish a separate and individual military code of justice?

Mr. STENNIS. No.

Mr. CASE. The new uniform military code of justice has recently been put into operation for all three branches of the armed services.

Mr. STENNIS. Yes, and that law would be binding on the Air Force, under the provisions of this bill, just as it is now. This section of the bill pertains to the creation of a separate Judge Advocate General's Corps within the Air Force.

Mr. CASE. And it will operate under and will apply the uniform military code of justice which now is in effect for the three branches of the Armed Forces. Is that correct?

Mr. STENNIS. Yes; that is correct.

I think a strong argument can be made that under the present law a separate Judge Advocate General's Corps could be set up within the Air Force, but the interpretation which has been made does not require that to be done, and the Air Force is operating under that interpretation.

Mr. CASE. Of course, the Senator from Mississippi is familiar with the long effort to establish a uniform military code and to provide a system of appeals similar to that applicable in the civil courts. In my opinion, the Congress would not wish to weaken that system.

Mr. STENNIS. I agree with the Senator, and this bill will not weaken it at all.

No conclusive evidence has been submitted to the subcommittee which clearly resolves this issue. In view of this fact, the committee feels that it will be preferable to defer any decision in this matter until such time as the members of the recently created Court of Military Appeals and the Judge Advocates General of the Armed Forces have had an opportunity to observe the working of the courts-martial procedures within the services and to include in their annual report recommendations on this matter which they deem pertinent.

Title IV of this bill contains repeals, amendments, and savings provisions required as a result of the provision of the bill.

Mr. President, in conclusion, let me say that the provision of the bill in regard to a separate Judge Advocate General's Corps within the Air Force will not change the present law or set aside any of the provisions of the new code of military justice which has been referred to during the debate here. The committee has expressly stricken from the bill provisions which would have precluded the establishment or creation of a separate Judge Advocate General's Corps within the Air Force.

Mr. SCHOEPPEL. Mr. President, I thank the Senator from Mississippi. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with amendments on page 4, line 7, after the word "charged", to insert "(1)"; in line 11, after the word "thereto", to insert "and (2) with supervision of all activities of the reserve components of the Air Force"; on page 6, line 15, after the word "prescribe", to insert a colon and "*Provided*, That there shall be in the Air Staff a general officer who shall assist and advise the Secretary of the Air Force and the Chief of Staff on all matters relating to the reserve components of the Air Force and who shall perform such other duties in connection therewith as may be assigned by the Secretary or the Chief of Staff."; on page 8, line 24, after "(a)", to strike out "The Chief of Staff shall have supervision of" and insert "Under the direction of the Secretary of the Air Force the Chief of Staff shall exercise command over"; on page 14, line 3, after the word "duties:", to strike out "*Provided*, That there shall be no separately constituted or administered arms, branches, services, or corps in the Air Force or any component thereof:"; on page 18, after line 12, to strike out:

SEC. 308. (a) There shall be within the Air Force—

(1) the following major air commands:

(i) an air defense command;

(ii) a strategic air command; and

(iii) a tactical air command;

(2) such other commands, forces, and organizations as may from time to time be established by the Secretary of the Air Force.

(b) For the duration of any war or national emergency hereafter declared by the Congress, the Secretary of the Air Force may establish new major commands in lieu of, or discontinue or consolidate the major commands enumerated in, subsection (a) (1) of this section.,

On page 19, line 1, to change the section number from "309" to "308"; in line 12, to change the section number from "310" to "309"; on page 21, after line 9, to strike out:

(b) Sections 246, 247, 248, and 249 of the act of June 24, 1948 (62 Stat. 643; 10 U. S. C. 61, 65, 62a, 61a), shall not be construed to be applicable to the Air Force.

In line 14, to change the subsection letter from "(c)" to "(b)"; after line 16, to strike out:

SEC. 402. The National Security Act of 1947, as amended, is hereby amended by deleting the word "command" in section 208 (b) thereof and substituting in lieu thereof the word "supervision."

In line 21 to change the section number from "403" to "402"; on page 22, line 5, to change the section number from "404" to "403"; in line 18, to change the section number from "405" to "404"; in line 23, to change the section number from "406" to "405"; on page 23, line 6, to change the section number from "407" to "406"; in the same line, after the amendment just above stated, to strike out "Except as provided in section 402 of this act, nothing" and insert "Nothing"; and in line 11, to change the section number from "408" to "407."

The amendments were agreed to.

The amendment were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

ISSUANCE OF PATENT IN FEE TO ELLSWORTH SCHROEDER

The Senate proceeded to consider the bill (S. 818) authorizing the Secretary of the Interior to issue a patent in fee to Ellsworth Schroeder, which had been reported from the Committee on Interior and Insular Affairs with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Interior, upon application in writing, is hereby authorized to sell the homestead allotment No. 3507 of Ellsworth Schroeder, described as the southwest quarter of the northwest quarter, the east half of the northwest quarter, and the northeast quarter of section 29; the west half of the northwest quarter and the west half of the east half of the northwest quarter in section 28, township 9 south, range 34 east, Montana principal meridian, containing approximately 400 acres, and to disburse the proceeds of such sale for the benefit of Ellsworth Schroeder.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the sale of certain allotted land on the Crow Reservation, Mont."

ISSUANCE OF PATENT IN FEE TO LUCILLE ELLEN SANDERS GROH

The Senate proceeded to consider the bill (S. 1033) authorizing the Secretary of the Interior to issue a patent in fee to Lucille Ellen Sanders Groh, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 2, line 2, after the word "least", to strike out "ninety" and insert "sixty"; in line 7, after the word "of", to strike out "ninety" and insert "sixty"; in line 8, after the word "such", to strike out "ninety" and insert "sixty"; and in line 16, after the word "of", to strike out "ninety" and insert "sixty", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Lucille Ellen Sanders Groh for the following-described land in the State of Montana: The south half of the southeast quarter of section 27, and all of section 34, township 4 south, range 28 east, Montana principal meridian, containing approximately seven hundred and twenty acres.

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser other than the Crow Tribe or a member thereof, unless (1) at least sixty days prior to such sale the superintendent of the Crow Agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the superintendent in a conspicuous public place at such agency and have remained posted for a period of sixty days, and (2) prior to the expiration of such sixty days no bona fide offer in writing to

purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the superintendent of the Crow Agency.

(b) A certificate of the superintendent of the Crow Agency stating that notice of the proposed sale was served upon him and was posted by him for a period of sixty days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The superintendent shall furnish the certificate to the purchaser for filing and recording.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO JULIA JACKSON SANDERS

The Senate proceeded to consider the bill (S. 1034) authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, line 2, after the word "least", to strike out "ninety" and insert "sixty"; in line 7, after the word "of", to strike out "ninety" and insert "sixty"; in line 8, after the word "such" to strike out "ninety" and insert "sixty", and in line 16, after the word "of", to strike out "ninety" and insert "sixty"; so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Julia Jackson Sanders for the following-described lands in the State of Montana: The north half of the north half of section 28, and the south half of the southeast quarter in section 21, all in township 4 south, range 28 east, Montana principal meridian, containing approximately two hundred and forty acres.

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser other than the Crow Tribe or a member thereof, unless (1) at least 60 days prior to such sale the Superintendent of the Crow Agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the Superintendent in a conspicuous public place at such agency and have remained posted for a period of 60 days, and (2) prior to the expiration of such 60 days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the Superintendent of the Crow Agency.

(b) A certificate of the Superintendent of the Crow Agency stating that notice of the proposed sale was served upon him and was posted by him for a period of 60 days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The Superintendent shall furnish the certificate to the purchaser for filing and recording.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO JULIA JACKSON SANDERS

The Senate proceeded to consider the bill (S. 1036) authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, line 3, after the word "least", to strike out "ninety" and insert "sixty"; in line 8, after the word "of", to strike out "ninety" and insert "sixty"; in line 9, after the word "such", to strike out "ninety" and insert "sixty", and in line 17, after the word "of", to strike out "ninety" and insert "sixty", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Julia Jackson Sanders for the following-described lands in the State of Montana: The north half and the southwest quarter, and the north half of the southeast quarter of section 27, and the south half of the southwest quarter in section 22, all in township 4 south, range 28 east, Montana principal meridian, containing approximately six hundred and forty acres.

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser other than the Crow Tribe or a member thereof, unless (1) at least sixty days prior to such sale the Superintendent of the Crow Agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the Superintendent in a conspicuous public place at such agency and have remained posted for a period of sixty days, and (2) prior to the expiration of such sixty days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the Superintendent of the Crow Agency.

(b) A certificate of the Superintendent of the Crow Agency stating that notice of the proposed sale was served upon him and was posted by him for a period of sixty days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The Superintendent shall furnish the certificate to the purchaser for filing and recording.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO RICHARD JAMES BROWN

The bill (H. R. 630) authorizing the Secretary of the Interior to issue a patent in fee to Richard James Brown was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO ALICE E. WILLIAMS SISK

The bill (H. R. 631) authorizing the Secretary of the Interior to issue a patent in fee to Alice E. Williams Sisk was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO PERCIVAL H. GLENN

The bill (H. R. 964) authorizing the Secretary of the Interior to issue a patent in fee to Percival H. Glenn was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO CERTAIN ALLOTTEES ON THE CROW INDIAN RESERVATION

The bill (H. R. 2349) authorizing the Secretary of the Interior to issue a patent in fee to certain allottees on the Crow Indian Reservation was considered, ordered to a third reading, read the third time, and passed.

LEASE OF CERTAIN LAND IN MONTANA TO THE CITY OF POPLAR AND COUNTY OF ROOSEVELT

The bill (H. R. 3033) authorizing the Secretary of the Interior to lease certain land in the State of Montana to the city of Poplar and the county of Roosevelt, Mont., was considered, ordered to a third reading, read the third time, and passed.

SALE OF CERTAIN ALLOTTED LAND ON THE CROW RESERVATION, MONT.

The bill (H. R. 3215) to authorize the sale of certain allotted land on the Crow Reservation, Mont., was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO LULU M. WHITEBEAR

The bill (H. R. 3216) authorizing the Secretary of the Interior to issue a patent in fee to Lulu M. Whitebear was considered, ordered to a third reading, read the third time, and passed.

EXTENSION AND REVISION OF DISTRICT EMERGENCY RENT ACT—BILL PASSED OVER

The bill (S. 1590) to extend and revise the District of Columbia Emergency Rent Act was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MCCARRAN. Mr. President, may we have an explanation of the bill?

Mr. CLEMENTS. Mr. President, Senate bill 1590 controls rents in the District of Columbia until June 30, 1952. For housing which was rented on January 1, 1941, the maximum rent ceiling is 20 percent above the rent fixed for January 1, 1941. For housing first rented after January 1, 1941, the bill fixes the rent ceiling at the original controlled figure, plus 2 percent annually. For housing accommodations first rented after January 1, 1951, the ceiling is to be fixed by the Administrator at a price equal to that of comparable housing accommodations.

The bill leaves hotels, rooming houses, boarding houses, and other transient accommodations free from controls. Provision is made for petitions for adjustment where particular ceilings are inequitable or where there is a rise in

operating costs. The bill fixes the conditions under which, or the procedures by which, landlords may repossess property, provides for court review of actions of the Administrator, and fixes the means of enforcement and penalties.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1590) which had been reported from the Committee on the District of Columbia, with an amendment to strike out all after the enacting clause and insert:

That the District of Columbia Emergency Rent Act is hereby amended to read as follows:

"PURPOSES; TIME LIMIT

"SECTION 1. (a) It is hereby found that the national emergency and the national defense program (1) have aggravated the congested situation with regard to housing accommodations existing at the seat of government; (2) have led or will lead to profiteering and other speculative and manipulative practices by some owners of housing accommodations; (3) have rendered or will render ineffective the normal operations of a free market in housing accommodations; and (4) are making it increasingly difficult for persons whose duties or obligations require them to live or work in the District of Columbia to obtain such accommodations. Whereupon it is the purpose of this act and the policy of the Congress during the existing emergency to prevent undue rent increases and any other practices relating to housing accommodations in the District of Columbia which may tend to increase the cost of living or otherwise impede the national-defense program.

"(b) The provisions of this act, and all regulations, orders, and requirements thereunder, shall terminate on June 30, 1952; except that as to offenses committed, or rights or liabilities incurred, prior to such expiration date, the provisions of this act and such regulations, orders, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"MAXIMUM-RENT CEILINGS AND MINIMUM-SERVICE STANDARDS

"SEC. 2. Subject to such adjustments as may be made pursuant to sections 3 and 4, maximum-rent ceilings and minimum-service standards for housing accommodations in the District of Columbia shall be the following:

"(1) For housing accommodations rented on January 1, 1951, and not under control under this act prior to that date, the rent and service to which the landlord and tenant were entitled on that date.

"(2) For housing accommodations not rented on January 1, 1951, but which had been rented within the year ending on that date, and not under control under this act during that year, the rent and service to which the landlord and tenant were last entitled within such year.

"(3) For housing accommodations not rented on January 1, 1951, or within the year ending on that date, and not covered by subsection (4) hereof, the rent and service generally prevailing for comparable housing accommodations as determined by the Administrator.

"(4) For housing accommodations under control under this act on December 31, 1950, the rent and service to which the landlord and tenant were entitled on June 15, 1951, except that upon the filing, by any landlord of any housing accommodations covered by this subsection, of a new rent schedule on a form prescribed by the Administrator and setting forth the pertinent circumstances as indicated by such form, the rent and service shall be adjusted and automatically effective upon the date of filing thereof, (A) for housing accommodations rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased to 20 percent above the rent heretofore frozen at the level of January 1, 1941, or the last rent in the year 1940, whichever was applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator; and (B) for housing accommodations not rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased by 2 percent per year for each calendar year ending after rent schedules for such housing accommodations were first filed in the office of the Administrator, for the calendar years 1941 to 1950, inclusive, to the extent applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator.

"GENERAL AND SPECIAL ADJUSTMENTS

"SEC. 3. (a) Whenever in the judgment of the Administrator a general increase or decrease since January 1, 1951, in taxes or other maintenance or operating costs or expenses has occurred or is about to occur in such manner and amount as substantially to affect the maintenance and operation of housing accommodations generally or of any particular class of housing accommodations, he may by regulation or order increase or decrease the maximum-rent ceiling or minimum-service standard, or both, for such accommodations or class thereof in such manner or amount as will in his judgment compensate, in whole or in part, for such general increase or decrease. Thereupon such adjusted ceiling or standard shall be the maximum-rent ceiling or minimum-service standard for the housing accomodations subject thereto.

"(b) Upon a showing by any landlord of good cause in the judgment of the Administrator that the maximum-rent ceiling on any housing accommodation is substantially lower than the maximum-rent ceiling for comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, the Adminstrator may, by special order under this section, adjust such lower ceiling so as to equalize the same with such higher ceiling, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"(c) Upon the showing by any landlord to the satisfaction of the Administrator that the maximum-rent ceilings, on any comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, will vary in amount due to the effect of General Orders 12 and 13 or similar general orders, the Administrator may, by special order under this section, adjust any or all of such ceilings so at to equalize the same, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"PETITION FOR ADJUSTMENT

"SEC. 4. (a) Any landlord or tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling is, due to peculiar circumstances affecting such housing accommodations, substantially higher or lower than the rent generally prevailing for comparable housing accommodations; whereupon the Adminstrator may by order adjust such maximum-rent ceiling to provide the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"(b) Any landlord may petition the Administrator to adjust the maximum-rent ceiling or minimum-service standard, or both, applicable to his housing accommodations to compensate for (1) a substantial rise in taxes or other maintenance or operating costs or expenses over those prior to January 1, 1951, or (2) a substantial capital improvement including furniture and furnishings or alteration made since January 1, 1951; whereupon the Administrator may by order adjust such maximum-rent ceiling or minimum-service standard in such manner or amount as he deems proper to compensate therefor, in whole or in part, if he finds such adjustment necessary or appropriate to carry out the purposes of this act: *Provided*, That no such adjusted maximum-rent ceiling or minimum-service standard shall permit the receipt of rent in excess of the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"(c) Any tenant may petition the Administrator on the ground that the service supplied to him is less than the service established by the minimum-service standard for his housing accommodations; whereupon the Administrator may order that the service be maintained at such minimum-service standard, or that the maximum-rent ceiling be decreased to compensate for a reduction in service, as he deems necessary or appropriate to carry out the purposes of this act.

"(d) Any landlord may petition the Administrator for permission to reduce the service supplied by him in connection with any housing accommodations; whereupon the Administrator, if he determines that the reduction of such service is to be made in good faith for valid business reasons and is not inconsistent with carrying out the purposes of this act, may by order, reduce the minimum-service standard applicable to such housing accommodations and adjust the maximum-rent ceiling downward in such amount as he deems proper to compensate therefor.

"(e) Any tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling permits the receipt of an unduly high rent; whereupon the Administrator may by order adjust such maximum-rent ceiling in such manner or amount as shall, in his judgment, effectuate the purposes of this act and provide a fair and reasonable rent for such housing accommodations, but not less than the generally prevailing rate for comparable housing accommodations.

"(f) A petition made pursuant to this section shall be subject to the provisions of sections 8 and 9 of this act. Any adjusted maximum-rent ceiling or minimum-service standard order pursuant to this section shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto; except that, in the event that the adjustment order is stayed or set aside by the court in accordance with section 9 of this act, the maximum-rent ceiling and minimum-service standard theretofore applicable to such housing accommodations under this act remain in full force and effect.

"(g) Upon the expiration of 45 days after the date of the filing of any petition by any landlord for adjustment of the maximum-rent ceiling under the provisions of subsection (b) of this section, the maximum-rent ceiling for the housing accommodations covered by such petition automatically shall become the ceiling requested in such adjustment petition, unless and until such adjustment petition shall have been finally disposed of by the Administrator or his

office, pursuant to the provisions of this section and the provisions of sections 8 and 9. Upon such final disposition, if the maximum-rent ceiling provided by this subsection during the pendency of such adjustment petition shall exceed the maximum-rent ceiling as finally disposed of by the Administrator or his office, any tenant having paid such excess or any part thereof shall be entitled to a refund to the extent of such payment, but the landlord shall not be liable for any penalties under the provisions of this act.

"PROHIBITIONS

"SEC. 5. (a) It shall be unlawful, regardless of any agreement, lease, or other obligation heretofore or hereafter entered into, for any person to demand or receive any rent in excess of the maximum-rent ceiling, or refuse to supply any service required by the minimum-service standards, or otherwise to do or omit to do any act in violation of any provision of this act or of any regulation, order, or other requirement thereunder, or to offer or agree to do any of the foregoing.

"(b) No action or proceeding to recover possession of housing accommodations shall be maintainable by any landlord against any tenant, notwithstanding that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled, unless—

"(1) The tenant is (A) violating an obligation of his tenancy (other than an obligation to pay rent righer than rent permitted under this act or any regulation or order thereunder applicable to the housing accommodations involved or an obligation to surrender possession of such accommodations) or (B) is committing a nuisance or using the housing accommodations for an immoral or illegal purpose or for other than living or dwelling purposes; or

"(2) The landlord seeks in good faith to recover possession of the property for his immediate and personal use and occupancy as a dwelling: *Provided*, That in the case of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association, no such action or proceeding under this paragraph or paragraph (3) of this section shall be maintained unless the landlord is a bona fide owner of stock in, or member of, such cooperative corporation or association and has actually paid in in cash at least 30 percent of the full purchase price of the stock, proprietary lease, or other evidence of ownership entitling the landlord to possession of such housing accommodations, or was, immediately prior to the effective date of this amendatory act, entitled to recover possession.

"(3) The landlord has in good faith contracted in writing to sell the property for immediate and personal use and occupancy as a dwelling by the purchaser and that the contract of sale contains a representation by the purchaser that the property is being purchased by him for such immediate and personal use and occupancy; or

"(4) The landlord seeks in good faith to recover possession for the immediate purpose of substantially altering, remodeling, or demolishing the property and replacing it with new construction, the plans for wh.ch altered, remodeled, or new construction having been filed with, and approved by, the Commissioners of the District of Columbia; or

"(5) The landlord seeks in good faith to recover possession for the immediate purpose of discontinuing the housing use and occupancy for a continuous period of not less than 6 months, during which period, commencing on the date possession is recovered under this subsection, it shall be unlawful for the owner of such housing accommodations or his agent to demand or receive rent for the same, and any person paying such rent may bring an action for double the amount of rent so paid, pursuant to the provisions of section 10 of the act; or

"(6) The landlord, being a recognized school or an accredited nonprofit university, has a bona fide need for the premises for educational, research, administrative, or dormitory use.

"(c) It shall be unlawful for any person to remove, or attempt to remove, from any housing accommodations the tenant or occupant thereof or to refuse to renew lease or agreement for the use of such accommodations because such tenant or occupant has taken or purposes to take action authorized or required by this act or any regulation, order, or requirement thereunder.

"ADMINISTRATOR

"SEC. 6. There is hereby created in and for the District of Columbia the Office of Administrator of Rent Control. The Administrator shall be appointed by the Commissioners of the District of Columbia and shall be a bona fide resident of the District of Columbia for not less than 3 years prior to his appointment. He shall devote his full time to the Office of Administrator and shall receive a salary at the rate of $11,200 per annum. The Administrator shall establish offices, acquire supplies and equipment, and employ such personnel subject to approval by the Commissioners of the District of Columbia, and in accordance with the Classification Act of 1949, without regard to race or creed, as may be necessary in the performance of his functions under this act. The Administrator shall submit a semiannual report to the Commissioners of the District of Columbia for transmittal to the Congress of the United States.

"OBTAINING INFORMATION

"SEC. 7. (a) The Administrator may make such studies and investigations, and obtain or require the furnishing of such information under oath or affirmation or otherwise, as he deems necessary or proper to assist him in prescribing any regulation or order under this act, or in the administration and enforcement of this act, and regulations and orders thereunder. For such purposes the Administrator may administer oaths and affirmations; may require, by subpena or otherwise, the attendance and testimony of witnesses and the production of documents at any designated place; may require persons to permit the inspection and copying of documents, and the inspection of housing accommodations; and may, by regulation or order, require the making and keeping of records and other documents. No person shall be excused from complying with any requirement under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C., 1934 ed., title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege. In the event of contumacy or refusal to obey any such subpena or requirement under this section, the Administrator may make application to the United States District Court for the District of Columbia for an order requiring obedience thereto. Thereupon the court, with or without notice and hearing, as in its discretion may decide, shall make such order as is proper and may punish as a contempt any failure to comply with such order.

"(b) The Administrator shall have authority to promulgate, issue, amend, or rescind rules and regulations, subject to approval by the Commissioners of the District of Columbia, and to issue such orders as may be deemed necessary or proper to carry out the purposes and provisions of this act or to prevent the circumvention or evasion thereof.

"PROCEDURE

"SEC. 8. (a) Any petition filed by a landlord or tenant under section 4 shall be promptly referred to an examiner designated by the Administrator. Notice of such action, in such manner as the Administrator shall by regulation prescribe, shall be given the tenant and landlord of the housing accommodations involved. If the petition be frivolous or without merit, the examiner shall forthwith dismiss it. Such order of dismissal may be reviewed by the Administrator in the manner provided in subsection (c) of this section. The examiner shall grant a hearing upon the petition except in cases dismissed under this subsection.

"(b) Hearings under this section shall be conducted in accordance with regulations prescribed by the Administrator. The landlord and tenant shall be given an opportunity to be heard or to file written statements, due regard to be given the utility and relevance of the information offered and the need for expedition. In any such hearing the common-law rules of evidence shall not be controlling.

"(c) The examiner, after hearing, shall make findings of fact and recommend an appropriate order. Copies of such findings and order shall be served upon the parties to the proceeding in such manner as the Administrator may prescribe by regulation. Within 10 days after such service, any such party may request that the recommended order be reviewed by the Administrator. If there be no such request within such 10 days, the findings and recommended order of the examiner shall thereupon be deemed to be the findings and order of the Administrator: *Provided*, That the Administrator may review the proceedings, as herein provided, on his own motion at any time within 20 days after service of the examiner's findings and order upon the parties. The Administrator may, in his discretion, grant a hearing upon the request. Upon such request or motion, the record in the case shall be forthwith transferred to the Administrator for review and he may, in his discretion, grant a hearing. He shall state his findings of fact or affirm the examiner's findings of fact, which findings in either case shall be conclusive if supported by substantial evidence, and shall made an appropriate order.

"COURT REVIEW

"SEC. 9 (a) Within 10 days after issuance of an order of the Administrator under section 4, any party may file a petition to review such action in the Municipal Court of Appeals for the District of Columbia and shall forthwith serve a copy of such petition upon the Administrator. Thereupon, the Administrator shall certify and file with the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript, the court shall have exclusive jurisdiction to affirm or set aside such order, or remand the proceeding: *Provided*, That the Administrator may at any time, upon reasonable notice and in such manner as he shall deem proper, rescind, modify, or set aside, in whole or in part, any such order at any time notwithstanding the pendency of the petition to review.

"(b) No objection that has not been urged before the Administrator shall be considered by the court unless the failure to urge such objection shall be excused because of extraordinary circumstances. No order shall be set aside or remanded unless the petitioner shall establish to the satisfaction of the court that the order is not in accordance with law, or is not supported by substantial evidence. The commencement of proceedings under this section shall not, except as provided in subsection (d), operate as a stay of the Administrator's order.

"(c) The Municipal Court of Appeals for the District of Columbia is hereby granted

exclusive jurisdiction to review any order of the Administrator made pursuant to section 4 of this act. The judgment and decree of the court shall be final, subject to review as provided by law relative to other judgments of the court.

"(d) No court shall issue any interlocutory order or decree staying the effectiveness of any provision of this act or any regulation or order issued thereunder unless the person objecting to such provision, regulation, or order shall file with the court an undertaking with a surety or sureties satisfactory to the court for the payment, in the event such objection is not sustained, of the amount by which the maximum rent, if any, permitted under such provision, regulation, or order exceeds or is less than the amount actually received or paid while such stay is in effect.

"ENFORCEMENT; PENALTIES

"SEC. 10. (a) If any landlord receives rent or refuses to render services in violation of any provision of this act, or of any regulation or order thereunder prescribing a rent ceiling or service standard, the tenant paying such rent or entitled to such service, or the Administrator on behalf of such tenant, may bring suit to rescind the lease or rental agreement, or, in case of violation of a maximum-rent ceiling, an action for double the amount by which the rent paid exceeded the applicable rent ceiling and, in case of violation of a minimum-service standard, an action for double the value of the services refused in violation of the applicable minimum-service standard or for $50, whichever is greater in either case, plus reasonable attorneys' fees and costs as determined by the court. Any suit or action under this subsection may be brought in the Municipal Court for the District of Columbia regardless of the amount involved, and the municipal court is hereby given exclusive jurisdiction to hear and determine all such cases.

"(b) Any person who willfully violates any provision of this act or any regulation, order, or requirement thereunder, and any person who willfully makes any statement or entry false in any material respect in any document or report required to be kept or filed thereunder, and any person who willfully participates in any fictitious sale or other device or arrangement with intent to evade this act or any regulation, order, or requirement thereunder, shall be prosecuted therefor by the Corporation Counsel of the District of Columbia or an assistant, on information filed in the municipal court for the District of Columbia, and shall upon conviction be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

"(c) No person shall be held liable for damages or penalties in any court on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this act or any regulation, order, or requirement thereunder, notwithstanding that subsequently such provision, regulation, order, or requirement may be modified, rescinded, or determined to be invalid. The Administrator may intervene in any suit or action wherein a party relies for ground of relief or defense upon this act or any regulation, order, or requirement thereunder. No costs shall be assessed against the Administrator in any proceedings had or taken in accordance with this act.

"(d) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of this act, or any regulation, order, or requirement thereunder, he may make application to the United States District Court for the District of Columbia for an order enforcing compliance with this act or such regulation, order, or requirement, and upon a proper showing a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

"DEFINITIONS

"SEC. 11. As used in this act—

"(a) The term 'housing accommodations' means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes in the District of Columbia together with all services supplied in connection with the use or occupancy of such property; but the term 'housing accommodations' shall not include (1) any of the accommodations in a hotel in which more than 60 percent of the units devoted to living quarters for tenants and guests is used for furnishing accommodations for transients, or the building constituting such hotels; or (2) furnished non-housekeeping accommodations, whether or not in a hotel, which are rented as rooms without kitchen privileges or facilities for cooking (but not in a suite of two or more rooms); or (3) any building used as a licensed rooming house.

"(b) The term 'services' includes the furnishing of light, heat, hot and cold water, telephone, elevator service, furnishings, furniture, window shades, screens, awnings, and storage; kitchen, bath, and laundry facilities and privileges; maid service; janitor service; the removal of refuse, and the making of all repairs suited to the housing accommodations or necessitated by ordinary wear and tear; and any other privilege or facility connected with the use or occupancy of housing accommodations.

"(c) The term 'rent' means the consideration, including any bonus, benefit, or gratuity, demanded or received per day, week, month, year, or other period of time, as the case may be, for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"(d) The term 'maximum-rent ceiling' means the maximum rent which may be demanded or received for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"(e) The term 'minimum-service standard' means the minimum service which may be supplied in connection with the renting or leasing of housing accommodations.

"(f) The term 'tenant' includes a subtenant, lessee, sublessee, or other person entitled to the use or occupancy of any housing accommodations.

"(g) The term 'landlord' includes an owner, lessor, sublessor, or other person entitled to receive rent for the use or occupancy of any housing accommodations.

"(h) The term 'person' includes one or more individuals, firms, partnerships, corporations, or associations, and any agent, trustee, receiver, assignee, or other representative thereof.

"(i) The term 'documents' includes leases, agreement, records, books, accounts, correspondence, memoranda, and other documents, and drafts and copies of the foregoing.

"SEPARABILITY

"SEC. 12. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

"APPROPRIATION

"SEC. 13. There are hereby authorized to be appropriated such funds as may be necessary to carry out the provisions of this act, to be paid out of money in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated.

"SHORT TITLE

"SEC. 14. This act may be cited as the 'District of Columbia Emergency Rent Act of 1951.'"

SEC. 2. This act shall take effect on the day following the date of its enactment.

The amendment was agreed to.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The PRESIDING OFFICER. Objection is heard, and the bill will go over.

ALCOHOL TESTS OF PERSONS TRIED IN THE DISTRICT OF COLUMBIA FOR CERTAIN OFFENSES

The Senate proceeded to consider the bill (S. 951) to prescribe the weight to be given to evidence of tests of alcohol in the blood, urine, or breath of persons tried in the District of Columbia for certain offenses committed while operating vehicles, which had been reported from the Committee on the District of Columbia with an amendment on page 1, line 8, after "March 3", to strike out "1923" and insert "1925", so as to make the bill read:

Be it enacted, etc., That if, as a result of the operation of a vehicle any person is tried in any court of competent jurisdiction within the District of Columbia for (1) operating such vehicle while under the influence of any intoxicating liquor in violation of section 10 (b) of the District of Columbia Traffic Act, 1925, approved March 3, 1925, as amended (D. C. Code, title 40, sec. 609), (2) negligent homicide in violation of section 802 (a) of the act entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (D. C. Code, title 40, sec. 606), or (3) manslaughter committed in the operation of such vehicle in violation of section 802 of such act approved March 3, 1901 (D. C. Code, title 22, sec. 2405), and in the course of such trial there is received in evidence competent proof to the effect that at the time of such operation—

(1) defendant's blood or urine contained five one-hundredths of 1 percent or less, by weight, of alcohol, or that an equivalent quantity of alcohol was contained in two thousand cubic centimeters of his breath (true breath or alveolar air having 5½ percent of carbon dioxide), such proof shall be deemed prima facie proof that defendant at such time was not under the influence of any intoxicating liquor;

(2) defendant's blood or urine contained more than five one-hundredths of 1 percent, but less than fifteen one-hundredths of 1 percent, by weight, of alcohol, or that an equivalent quantity of alcohol was contained in two thousand cubic centimeters of his breath (true breath or alveolar air having 5½ percent of carbon dioxide), such proof shall constitute relevant evidence, but shall not constitute prima facie proof that defendant was or was not at such time under the influence of any intoxicating liquor; and

(3) defendant's blood or urine contained fifteen one-hundredths of 1 percent or more, by weight, of alcohol, or that an equivalent quantity of alcohol was contained in two thousand cubic centimeters of his breath (true breath or alveolar air having 5½ percent of carbon dioxide), such proof shall constitute prima facie proof that defendant at such time was under the influence of intoxicating liquor.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. GEORGE subsequently said: Mr. President, was Senate bill 951, Calendar No. 417, passed?

The PRESIDING OFFICER. It was.

Mr. GEORGE. I do not know that I have any objection to it, but I am curi-

ous to know what weight is to be given to evidence of that kind and character. I move that the Senate reconsider the vote by which the bill was passed, in order that the bill may go over until I have had an opportunity to look into it.

The PRESIDING OFFICER. The question is on the motion of the Senator from Georgia to reconsider the vote by which Senate bill 951 was passed.

The motion was agreed to.

The PRESIDING OFFICER. The bill will go to the calendar.

TAKING AND DESTRUCTION OF DANGEROUS WEAPONS IN CERTAIN CASES

The Senate proceeded to consider the bill (S. 493) to require the taking and destruction of dangerous weapons in certain cases, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments on page 4, line 14, after the word "carried", to strike out "with the knowledge or consent of the claimant" and insert "by the claimant or with his knowledge or consent", and in line 25, after the word "destroyed", to insert "In lieu of such destruction, any such serviceable dangerous article may, upon order of the Commissioners of the District of Columbia, be transferred to and used by any Federal or District Government law-enforcing agency, and the agency receiving same shall establish property responsibility and records of these dangerous articles.", so as to make the bill read:

Be it enacted, etc., That the act entitled "An act to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes," approved July 8, 1932 (D. C. Code, 1940 edition, secs. 22–3201 to 22–3216), is hereby amended by adding at the end thereof the following new section:

"SEC. 18. (a) As used in this section, the term 'dangerous article' means (1) any weapon such as a pistol, machine gun, sawed-off shotgun, blackjack, slingshot, sandbag, or metal knuckles, or (2) any instrument, attachment, or appliance for causing the firing of any firearms to be silent or intended to lessen or muffle the noise of the firing of any firearms.

"(b) A dangerous article unlawfully owned, possessed, or carried is hereby declared to be a nuisance.

"(c) When a police officer, in the course of a lawful arrest or lawful search, discovers a dangerous article which he reasonably believes is a nuisance under subsection (b) he shall take it into his possession and surrender it to the property clerk of the Metropolitan Police Department.

"(d) (1) Within 30 days after the date of such surrender, any person may file in the office of the property clerk of the Metropolitan Police Department a written claim for possession of such dangerous article. Upon the expiration of such period, the property clerk shall notify each such claimant, by registered mail addressed to the address shown on the claim, of the time and place of a hearing to determine which claimant, if any, is entitled to possession of such dangerous article. Such hearing shall be held within 60 days after the date of such surrender.

"(2) At the hearing the property clerk shall hear and receive evidence with respect to the claims filed under paragraph (1). Thereafter he shall determine which claimant, if any, is entitled to possession of such dangerous article and shall reduce his decision to writing. The property clerk shall send a true copy of such written decision to each claimant by registered mail addressed to the last known address of such claimant.

"(3) Any claimant may, within 30 days after the day on which the copy of such decision was mailed to such claimant, file an appeal in the municipal court for the District of Columbia. If the claimant files an appeal, he shall at the same time give written notice thereof to the property clerk. If the decision of the property clerk is so appealed, the property clerk shall not dispose of the dangerous article while such appeal is pending and, if the final judgment is entered by such court, he shall dispose of such dangerous article in accordance with the judgment of such court. The municipal court for the District of Columbia is authorized to determine which claimant, if any, is entitled to possession of the dangerous article and to enter a judgment ordering a disposition of such dangerous article consistent with subsection (f).

"(4) If there is no such appeal, or if such appeal is dismissed or withdrawn, the property clerk shall dispose of such dangerous article in accordance with subsection (f).

"(5) The property clerk shall make no disposition of a dangerous article under this section, whether in accordance with his own decision or in accordance with the judgment of the municipal court for the District of Columbia, until the United States attorney for the District of Columbia certifies to him that such dangerous article will not be needed as evidence.

"(e) A person claiming a dangerous article shall be entitled to its possession only if (1) he shows on satisfactory evidence that he is the owner of the dangerous article or is the accredited representative of the owner, and that the ownership is lawful; and (2) he shows on satisfactory evidence that at the time the dangerous article was taken into possession by a police officer it was not unlawfully owned and was not unlawfully possessed or carried by the claimant or with his knowledge or consent; and (3) the receipt of possession by him will not cause the article to be a nuisance. A representative is accredited if he has a power of attorney from the owner.

"(f) If a person claiming a dangerous article is entitled to its possession as determined under subsections (d) and (e), possession of such dangerous article shall be given to such person. If no person so claiming is entitled to its possession as determined under subsections (d) and (e), or if there be no claimant, such dangerous article shall be destroyed. In lieu of such destruction, any such serviceable dangerous article may, upon order of the Commissioners of the District of Columbia, be transferred to and used by any Federal or District Government law-enforcing agency, and the agency receiving same shall establish property responsibility and records of these dangerous articles.

"(g) The property clerk shall not be liable in damages for any action performed in good faith under this section."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF SECTION 824 OF THE CODE OF LAWS FOR THE DISTRICT OF COLUMBIA

The bill (S. 258) to amend section 824 of the Code of Laws for the District of Columbia was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPEL. May we have an explanation of this bill?

Mr. WELKER. Mr. President, Senate bill 258, Calendar No. 419, was reported unanimously by the Committee on the District of Columbia, after having taken testimony, which showed to the committee that, because of the lack of proper legislation, it was possible for vandals and trespassers within the District of Columbia actually to invade public buildings, completely wreck them, and be subject to no process whatever under the peculiar laws of the District. I felt at the time that the general law, or the old common law of malicious mischief, would cover such offenses, but upon investigation, and interrogation of the Corporation Counsel, we found that, within the District there is no law applicable.

A custodian or an officer on public ground, or in a public building, without process, can evict a trespasser therefrom, but I call the attention of the Senate to the startling testimony which was taken before the committee to the effect that actual sexual perverts, men who were waiting to commit the overt act, would lie in wait, lurking around different school grounds within the District of Columbia, and school officials and the police department were helpless to evict them or to do anything else about it.

This bill gives custodians and police officers the power to evict trespassers from school grounds. Upon careful examination, and after listening to the testimony of some of the school principals in the District of Columbia who testified in behalf of this bill, and after listening to the testimony of members of the police department, I have reached the conclusion that the bill would be sound legislation.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 824 of the Code of Laws for the District of Columbia, as amended, is hereby amended to read as follows:

"SEC. 824. Unlawful entry on public or private property: Any person who, without lawful authority, shall enter, or attempt to enter, any public or private dwelling, building, or other property, or part of such dwelling, building, or other property against the will of the lawful occupant or of the person lawfully in charge thereof, or being therein or thereon, without lawful authority to remain therein or thereon shall refuse to quit the same on the demand of the lawful occupant, or of the person lawfully in charge thereof, shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished by a fine not exceeding $50 or imprisonment in jail for not more than 6 months, or both, in the discretion of the court."

AUTHORITY FOR PRESIDENT TO SET ASIDE CERTAIN REQUIREMENTS OF NAVY AND MARINE CORPS SECTIONS OF OFFICER PERSONNEL ACT

The bill (H. R. 4200) to make certain revisions in titles I through IV of the Officer Personnel Act of 1945, as amended, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. The Chair understands that this bill is largely

a companion bill to Senate bill 841, Calendar 292.

Mr. STENNIS. Mr. President, as the Chair has stated, this is largely a companion bill to Senate bill 841, Calendar 292, which was sent to the foot of the Calendar when called a few moments ago. The principal purpose of this bill is to take care of a situation arising under the present law, which was enacted largely for peacetime purposes. Under that law there is a very rigid rule which applies to the promotion of naval officers. Briefly stated, under the rule, when an officer is not promoted the second time he comes up before the Board of Promotion, he automatically goes out of the service, even though he may be fully qualified and competent to fill the role of the office which he has been holding.

Under the operation of that rule, approximately 300 officers will have to go out of the service on June 30 of this year, unless a new rule is adopted. This bill is designed to supply such a rule. In substance, it merely gives the President the authority during war, or during the existence of a declared emergency, to suspend the operation of the present rule.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill.

Mr. BUTLER of Maryland. Mr. President, I send to the desk an amendment to the bill, which I ask to have read. The amendment which I offer will be found in the report of the Committee on Armed Services, of June 23, 1949, on Senate bill 780, Calendar 559, Report No. 562.

The PRESIDING OFFICER. The clerk will read the amendment.

The LEGISLATIVE CLERK. At the proper place in the bill, it is proposed to insert:

SEC. 3. That the Secretary of the Navy is directed to appoint a board of commissioned naval and Marine Corps officers within 6 months of the date of approval of this act to review the records of commissioned officers on the active or retired list of the Regular Navy and Marine Corps who failed of advancement at any time between June 30, 1942, and August 7, 1947, to determine if there was any error, administrative delay, oversight, or injustice that caused the officer concerned to fail of an advancement in grade or rank which would otherwise have been made. The board shall consider all matters of record and receive new matter introduced by affidavit, deposition, or personal appearance of the officer concerned at his own request in order to determine whether or not any error, oversight, administrative delay, or injustice operated to the disadvantage of the officer concerned and caused a failure of advancement otherwise due.

SEC. 4. Upon the determination by the board that an error, oversight, administrative delay, or injustice occurred that substantially prejudiced the officer concerned, the board shall consider, determine, and recommend the grade or rank to which the officer so prejudiced shall be advanced and the date of commission which should be issued in order to restore such officer to the position on active duty or on the retired list which he would have occupied but for the error, oversight, administrative delay, or injustice: *Provided*, That no advancement to a grade or rank higher than that of captain in the Navy or colonel in the Marine Corps shall be recommended by the board.

SEC. 5. The Secretary of the Navy shall review the recommendations of the board and, in any case approved by him shall promote such officer, subject to the approval of the President in each case, to such grade or ranks as the board may recommend and issue a commission with the date of rank recommended by the board. The approval or disapproval of the President in each case shall finally and conclusively determine the rights of officers concerned: *Provided*, That no officer who is on the retired list on the date of approval of this act shall be placed on active duty by the operation of this act.

SEC. 6. The pay and allowances of any such officer advanced to a higher grade or rank in accordance with the provisions of this act shall commence on the date of the approval of his case by the President, and shall be the pay allowances of an officer of similar length of service in the grade or rank to which advanced. Officers advanced in accordance with the provisions of this act, if in excess of the authorized number of the grade to which promoted, shall be carried as extra numbers in that grade.

SEC. 7. Officers on the active list advanced under the provisions of this act shall be promoted by the Secretary of the Navy only after establishing their fitness for promotion in accordance with sections 1493 and 1496 of the Revised Statutes.

Mr. BUTLER of Maryland. Mr. President, the amendment is identical with the bill which was passed by the Senate at the last session. It affects only two officers. I think the Senators who considered the matter in the Armed Services Committee felt that some injustice has been done these men. They recommended that the bill pass, and it did pass the Senate, but was held up in the House. I feel it is only common justice that the amendment be accepted by the committee so that it can be taken to conference.

Mr. STENNIS. Mr. President, the amendment is substantially the same, as the Senator has stated, as the bill which passed the Eighty-first Congress on the same subject.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 841 is indefinitely postponed.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 927) to amend section 6 of the Central Intelligence Agency Act of 1949, and it was signed by the Vice President.

PROTECTION AGAINST MISBRANDING, ETC., OF FUR PRODUCTS AND FURS

The bill (H. R. 2321) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs, was announced as next in order.

Mr. LODGE. Mr. President, I ask that the bill go over.

Mr. JOHNSON of Colorado. Mr. President, House bill 2321 is the same as Senate bill 508, Calendar No. 80 which has been placed at the foot of the calendar. Would the Senator from Massachusetts be willing to let this bill go to the foot of the calendar?

Mr. LODGE. Mr. President, the amendment which I propose to offer is specifically to the Senate bill. While the House bill is similar in tone, it is not identical, and I wish to offer my amendment to the Senate bill.

Mr. JOHNSON of Colorado. That is the bill to which we want the amendment to be offered.

Mr. LODGE. I shall be glad to withdraw my objection so that House bill 2321, Calendar No. 422, may go to the foot of the calendar with Senate bill 508, Calendar No. 80.

The PRESIDING OFFICER. Without objection, it is so ordered.

GRANT OF ANNUAL AND SICK LEAVE BENEFITS TO CERTAIN EMPLOYEES IN POSTAL SERVICE

The bill (H. R. 3605) to amend section 6 of Public Law 134, approved July 6, 1945, as amended, to grant annual and sick leave privileges to certain indefinite substitute employees in the postal service, was announced as next in order.

Mr. HENDRICKSON. Reserving the right to object, I wish we might have a statement or estimate of the cost of this bill.

Mr. PASTORE. Mr. President, all this bill does is to extend to temporary employees the same annual and sick leave privileges now being enjoyed by permanent postal employees.

Mr. HENDRICKSON. I take it, then, there is no cost involved in the bill?

Mr. PASTORE. I should think there would be. It is a privilege which they are not now enjoying, and if they are going to enjoy the privilege it will cost some money.

Mr. HENDRICKSON. I am interested in knowing the actual cost.

Mr. CARLSON. Mr. President, I think the report states that there will be no additional cost for the present fiscal year. It is true that there will be additional cost, but not for the present fiscal year, because it was anticipated when the budget for the Post Office Department was presented to Congress.

Mr. HENDRICKSON. What will the cost be next year?

Mr. CARLSON. I do not believe I can give the distinguished Senator a correct estimate of the cost, because I did not inquire. But if the Senator from New Jersey will be kind enough to withhold his objection, I should like to offer an amendment.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 3605) to amend section 6 of Public Law 134, approved July 6, 1945, as amended, to grant annual and sick leave privileges to certain indefinite substitute employees in the postal service.

Mr. CARLSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, between lines 9 and 10, it is proposed to insert a new section, as follows:

SEC. 2. Such section is further amended by (a) striking out "fifteen" wherever it appears and inserting in lieu thereof "twenty," and (b) by striking out "one and one-quarter" and inserting in lieu thereof "one and two-thirds."

On page 2, strike out line 10 and insert in lieu thereof the following:

"SEC. 3. (a) The amendment made by the first section of this act to such act."

On page 2, after line 4, insert the following:

"(b) The amendment made by section 2 of this act to such act of July 6, 1945, as amended, shall take effect as of July 1, 1951."

Mr. CARLSON. Mr. President, all this amendment does is to increase the annual leave of post office employees from 15 to 20 days, which is in conformity with the Senate's action some days ago in connection with the Douglas amendment to the independent offices appropriation bill. The postal employees of the Nation have had 15 days leave, and this amendment will bring the particular proposed legislation into compliance with what I think is the action of the Senate.

It is my opinion that it would be no more than elementary justice to bring the vacation and sick leave privileges of postal employees up to the level granted other Federal workers in these two respects.

Uncle Sam demands of his mail carriers and postal clerks a high degree of intelligence. He also demands hard work of them. In my opinion, the postal employee is the highest type of public servant developed in this country. Postal employees are the hardest working and the closest in their contacts with the people.

Not many days ago the argument was presented on the floor of the Senate that some Government employees, in addition to their annual and sick leave privileges, are given additional time off for ceremonial occasions, and during the summer days when the temperature rises to such an extent that the efficiency of the employee is lessened, they are given additional time. I submit, Mr. President, that none of these extensions of the leave privilege applies to letter carriers and postal clerks. They are on the job regardless of ceremonial occasions; they are on the job whether it is raining, snowing, or sleeting; and the lights burn in our post offices all over the Nation throughout the night.

Vacation time is properly given to employees in order to permit them to rest, recuperate, and to revive their energies. I know of no group who need this privilege more than do postal employees.

Perhaps it will be remembered by many of my colleagues that during the Eightieth Congress the Trundle Engineering Co., of New York City, conducted a survey of the Cleveland, Ohio, post office with spot checks at three other large post offices. As a result of their study they found that 84 percent of the sick leave hours allotted to the carrier force in that office were used during the 12-month period under examination. They also discovered during their investigation that 83 percent of the annual leave was used. In addition, 17 percent of the man-hours allotted to the office were used without pay because the employee had consumed all his annual leave and sick leave.

More recently, the Federal Security Agency, through the Bureau of Employees Compensation, issued figures to show that during a 12-month period 262,000 clerks and supervisors lost a total of 56,750 days for occupational reasons. During the same 12-month period, 130,000 letter carriers lost 115,900 days for occupational reasons. I think these figures reflect the arduous and hazardous type of work inherent in postal duty.

According to the best information I can obtain, and I believe it is reasonably accurate, approximately 500,000 postal employees will be affected by any change in their annual- and sick-leave privileges.

I believe the sense of this body was clearly indicated by its vote the other day of nearly 2 to 1 on the question of annual- and sick-leave benefits for Federal employees, not including the postal service. It seems to me that decency and fairness require that we now enact legislation to equalize vacation and sick-leave privileges for all Federal employees by granting to postal employees the same 20 days' vacation time and the same 15 days' sick leave accorded their colleagues in the other agencies and departments of the Government.

However, in view of the fact that there is still some question as to the amount of sick leave to be granted Federal employees during this session of Congress, I shall limit my amendment to annual leave only.

I may say to my distinguished friend from New Jersey that the total annual cost for the increase in annual leave to 20 days will be $23,000,000. I believe the distinguished Senator from Illinois [Mr. DOUGLAS] stated on the floor of the Senate this week that if the leave were granted for all classified employees and postal employees, the Federal Government would save $200,000 on the 20-day basis.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. HENDRICKSON. In view of the very excellent explanation made by the Senator from Kansas of his amendment, I want to make it clear that I have no objection to the bill. As a matter of fact, I am for the bill and have been right along. However, I wanted the RECORD to show something as to the cost, so the RECORD would be complete in that respect.

Mr. CASE. Mr. President, will the Senator yield?

Mr. CARLSON. I am glad to yield to the Senator from South Dakota.

Mr. CASE. I should like to say to the Senator from Kansas that I think he is to be commended for bringing this matter to a head. As he knows, there has been pending before the Committee on Post Office and Civil Service a bill which I introduced at the beginning of this session, which proposes for the duration of the emergency to make the annual leave of regular employees of the Federal Government the same as that of the postal employees; which would reduce the leave in regular classified service to 15 days, and establish the principle of being the same as that of the postal employees. It was my expectation that when the national emergency ended they would both be advanced to whatever common point was agreed up. It was my thought that the final compromise would result in about 20 days, which is what the effect of the amendment offered by the Senator from Kansas would bring about.

The action of the Senate the other day in reducing the annual leave of the regular employees to 20 days, has indicated that the Senate feels that that is the figure that should be attained. In view of that I am happy to see that the Senator from Kansas has offered his amendment to establish the 20-day uniform principle. Certainly there is no justification for having one standard of leave for one branch of the Federal Civil Service, and another standard for another branch. The 20 days do establish practically a month's vacation, because with the 40-hour week or the 5-day workweek, it means 4 weeks, and that is comparable to the 4 weeks provided when we had a 6-day week and a 26-day leave. So, the over-all vacation time will be about the same as it was originally before the change in the number of hours per working week. The Senator from Kansas certainly has brought the matter to a head, and I hope his amendment will be agreed to.

Mr. LONG. Mr. President, reserving the right to object, the amendment seems to me to present a subject which probably should be given study. I understand the bill now before the Senate involves leave only for temporary employees, and at a negligible cost. The proposed amendment would make this a bill which would cost, according to the author of the amendment, about $23,000,000.

Mr. President, I have had some familiarity with the problem, having at one time served on the committee dealing with the matter, and having given it some consideration. I reserve judgment on the amendment. I am inclined to think that I shall be for the proposed increase in leave for postal employees. However, it seems to me that the matter should be considered in connection with the bill the Post Office and Civil Service Committe is studying for a flexible leave schedule; and that it also might be well to wait and see what the conferees will bring out in conference on the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the Independent Offices appropriation bill. Therefore, I believe it would be premature to pass this measure; that it is best at this time not to do so until we know what the action of the conferees will be on the Douglas amendment and until we see what the Committee on Post Office and Civil Service will do with this problem. Therefore I object.

Mr. CARLSON. Mr. President, will the Senator withhold his objection for a moment?

Mr. LONG. Yes.

Mr. CARLSON. I appreciate the Senator's position. I happen to be a member of the Senate Committee on Post Office and Civil Service. The distinguished Senator from Rhode Island [Mr. PASTORE] and other members of the committee have been spending a great deal of time studying these various proposals. The particular matter in question is being studied, and they are no doubt getting ready to make recommendations. The Senator from South Dakota [Mr. CASE], among others, has a bill dealing with the subject.

I wish to say that if my amendment to this bill is adopted it, too, will go to conference. The bill we are considering is a House bill. The conferees on the part of the House and the Senate can work the matter out. The Committee on Post Office and Civil Service can work in conjunction with the Appropriations Committee, which has already acted on an amendment which will take care of the postal employees.

I certainly feel that the Senator from Louisiana would not object to having the postal employees have their case presented in a conference committee. The amendment can be considered both by the Post Office and Civil Service Committee and the Appropriations Committee. I sincerely hope the Senator from Louisiana will not object to the immediate consideration of the bill and my amendment.

Mr. LONG. Mr. President, reserving the right to object, I wish to say that I have no reason to question the suggestion made by the Senator from Kansas. However, I believe the subject has not been studied by a committee. It should be studied by a committee and reported from a committee. I am told that the cost of the proposed amendment will be $23,000,000. I believe it is well to take a look at the figures and see if that is what it will cost. It might be well also to consider it in connection with the bill which is before the committee to provide a flexible-leave schedule, which would provide more leave for some of the postal employees even than provided by the present proposed amendment. Therefore, believing that this is a matter that should receive further consideration, I object.

Mr. PASTORE. Mr. President, will the Senator yield to me for a moment?

Mr. LONG. Yes.

Mr. PASTORE. If I understand correctly, when the question was raised by the Senator from South Dakota that the annual leave matter was being studied by the Committee on Post Office and Civil Service, we were made to understand that the reduction of the leave from 26 to 20 days was merely to be construed as the sense of the Senate; that we wanted a reduction in annual leave, and that it should be in the neighborhood of 20 days. By the same token, it strikes me that if we adopt the amendment which has been suggested by the distinguished Senator from Kansas, we would do nothing more than again express the sense of the Senate that the period of leave should be increased, insofar as the postal employees are concerned, to 20 days. I hope the Senator will consider that point. I should like to associate myself with everything the distinguished Senator from Kansas has said. If we are ever going to accomplish anything along this line, now is the time to express the sense of the Senate with respect to postal clerks as we have done with respect to other Federal employees.

Mr. LONG. Mr. President, reserving the right to object, and with all due deference to Senators who are presenting very appealing arguments, I wish to say that they are among those who had the idea that we should not adopt the Douglas amendment in the first place because the Committee on Post Office and Civil Service had not had an opportunity to study the matter and express itself.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PASTORE. If our arguments in that respect had been heeded and the matter had been left to the committee I would agree with the Senator wholeheartedly. But, inasmuch as the Senate took it upon itself to reduce the time of leave of civil-service employees it seems to me it is only proper that now with reference to postal employees we increase the period of leave to equal the period of leave of other civil-service employees, and to demonstrate that it is the sense of the Senate that such period of leave be granted.

Mr. CASE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE. The Senator from South Dakota may have misconstrued the situation, but if my understanding is correct, the bill is already under consideration. At least I thought I heard the clerk read the amendment. How could the amendment have been read if the Senate had not agreed to consider the bill?

The PRESIDING OFFICER. The Chair is advised that objection can be raised to a bill at any time.

Mr. CASE. Even after the bill has been taken up for consideration and amendments have been offered?

The PRESIDING OFFICER. Yes.

Mr. CARLSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Louisiana further object?

Mr. LONG. Reserving the right to object, I am glad to yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, when the distinguished chairman of our committee the junior Senator from South Carolina [Mr. JOHNSTON] was called out of town day before yesterday he made the very distinct and direct statement to me that he hoped that at the very first opportunity an amendment providing for 20 days' leave for the postal employees would be offered. He said that if he were present he would offer such an amendment, and he requested that if I were present when such opportunity presented itself, I offer such an amendment. I wanted the distinguished Senator from Louisiana to know that this is not merely my own idea. I have talked with the chairman of the committee about it, and I sincerely hope the Senator from Louisiana will not object at this time.

Mr. LODGE. Mr. President, will the Senator from Louisiana withhold his objection so I may make a statement to the Senator from Kansas?

Mr. LONG. I withhold my objection.

Mr. LODGE. I wish to commend the Senator from Kansas for the statement he has made about the proposed legislation. It represents an objective which I have tried to achieve in proposed legislation which I have sponsored in the past. I think the arguments which he has made for it are convincing. The argument of the Senator from Rhode Island is also extremely pertinent. In my judgment this bill represents a measure of justice to the postal workers which is long overdue.

Mr. LONG. Mr. President, reserving the right to object, I believe I have fully stated my reasons for objecting to this proposed legislation. Possibly at a future call of the calendar I may be willing to see the bill go through by unanimous consent. However, I do not believe that this is an orderly way to proceed, and I must insist on my objection.

The PRESIDING OFFICER. The bill will be passed over.

EXTENSION FOR 2 YEARS OF FREE POSTAGE SERVICE FOR TROOPS IN KOREA AND OTHER SPECIFIED AREAS

The bill (H. R. 4393) to extend for 2 years the period during which free postage for members of the Armed Forces of the United States in Korea and other specified areas shall be in effect was announced as next in order.

Mr. MAGNUSON. Mr. President, reserving the right to object—and I shall not object—I think the RECORD should show what "other specified areas" are referred to. The bill extends for a 2-year period free postage service for members of the Armed Forces in Korea and other specified areas. I was wondering what other specified areas are involved.

Mr. PASTORE. Mr. President, it is my understanding that this is merely an extension of the present law. We have today unanimously passed another bill which extends these privileges to all our boys in the armed services, no matter where they may happen to be. The bill which we have passed includes this provision, but because of the fact that the law will expire on June 30, and the House has already acted on this bill, we felt that it should be acted upon as a separate measure, so that the President may have the opportunity to sign it before the present act expires. This is merely an extension for a 2-year period of the present law.

Mr. MAGNUSON. I understand that the Senate passed a bill which covered other parts of the world, and that this bill covers only the Korean combat area. I should like to go further and cover all territory outside continental United States.

Mr. PASTORE. We have already passed that bill. This is merely an extension of the present law. This bill has been passed by the House. The term "other specified areas" has not been fully defined.

Mr. MAGNUSON. That is what I understand. I was hoping that the Senate would stand by its original action, particularly with respect to the area outside continental United States.

Mr. PASTORE. We have already taken that action.

Mr. MAGNUSON. This would be a w'ndfall if something should happen to the other bill.

Mr. PASTORE. It would not be a windfall. If the other bill should not pass the House and go to the President, and June 30 should arrive, the law would automatically expire. Therefore, the boys in Korea could not send their mail free.

Mr. MAGNUSON. So this is double protection.

Mr. PASTORE. Yes.

Mr. CARLSON. Mr. President, I sincerely hope that there will be no objection to this bill.

Mr. MAGNUSON. There is no objection.

Mr. CARLSON. If this bill is not approved, within the next few days the present law will expire. It is most essential that this bill be passed and sent to the President.

Mr. MAGNUSON. I was not making an objection. I wished to go further than the bill goes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

INTERSTATE COMPACT TO CONSERVE OIL AND GAS

The joint resolution (S. J. Res. 42) consenting to an interstate compact to conserve oil and gas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the consent of Congress is hereby given to an extension and renewal for a period of 4 years from September 1, 1951, of the Interstate Compact To Conserve Oil and Gas, which was signed by the city of Dallas, Tex., the 16th day of February 1935 by the representatives of Oklahoma, Texas, California, and New Mexico, and at the same time and place was signed by the representatives, as a recommendation for approval to the Governors and Legislatures, of the States of Arkansas, Colorado, Illinois, Kansas, and Michigan, and prior to August 27, 1935, said compact was presented to and approved by the Legislatures and Governors of the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas, which said compact so approved by the six States last above named was deposited in the Department of State of the United States, and thereafter such compact was, by the President, presented to the Congress, and the Congress gave consent to such compact by House Joint Resolution 407, approved August 27, 1935 (Public Resolution No. 64, 74th Cong.), and which said compact was thereafter extended and renewed for a period of 2 years from September 1, 1937, by an agreement executed as of the 10th day of May 1937 by representatives of the States of Oklahoma, Texas, Kansas, New Mexico, Illinois, and Colorado, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to the Congress and the Congress gave consent to such extended and renewed compact by Senate Joint Resolution 183, approved August 10, 1937 (Public Resolution No. 57, 75th Cong.), and which said compact was thereafter extended and renewed for a period of 2 years from September 1, 1939, by an agreement duly executed and ratified by the States of Oklahoma, Texas, Kansas, Colorado, New Mexico, and Michigan, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to the Congress and the Congress gave consent to such extended and renewed compact by House Joint Resolution 329, approved July 20, 1939 (Public Resolution No. 31, 76th Cong.), and which said compact was thereafter extended and renewed for a period of 2 years from September 1, 1941, by an agreement duly executed and ratified by the States of Texas, Oklahoma, Kansas, Colorado, New Mexico, Illinois, Michigan, Arkansas, Louisiana, New York, and Pennsylvania, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to Congress and the Congress gave consent to such extended and renewed compact by House Joint Resolution 228, approved August 21, 1941 (Public Law 246, 77th Cong.), and which compact was thereafter extended and renewed for a period of 4 years from September 1, 1943, by an agreement executed and ratified by representatives of the States of Kansas, Oklahoma, Texas, Colorado, New Mexico, Arkansas, Louisiana, and Kentucky, and was deposited in the Department of State of the United States and thereafter such extended and renewed compact was, by the President of the United States, presented to Congress and the Congress gave consent to such extended and renewed compact by House Joint Resolution 139, approved July 7, 1943 (Public Law 117, 78th Cong.), and thereafter the representatives of the States of Montana, West Virginia, Alabama, Illinois, Michigan, New York, Pennsylvania, Ohio, Florida, Tennessee, and Indiana executed counterparts of said agreement, and said counterparts so executed were deposited in the Department of State of the United States; and which compact was thereafter extended and renewed for a period of 4 years from the 1st day of September 1947 by an agreement executed and ratified by the representatives of the States of Alabama, Arkansas, Colorado, Florida, Kansas, Louisiana, Montana, New Mexico, New York, Ohio, Oklahoma, Pennsylvania, Texas, Tennessee, West Virginia, and Indiana, which was deposited in the Department of State of the United States, and such extended and renewed compact was, by the President of the United States, presented to Congress and Congress gave its consent to such extended and renewed compact by Senate Joint Resolution 122 (Public Law 184, 80th Cong.); and thereafter the representatives of the States of Kentucky, Illinois, Mississippi, and Michigan executed counterparts of said agreement, which executed counterparts were deposited in the Department of State of the United States. The agreement to extend and renew said compact for a period of 4 years from September 1, 1951, to September 1, 1955, duly executed by the representatives of Alabama, Arkansas, Colorado, Florida, Indiana, Kentucky, Louisiana, Michigan, Mississippi, Montana, New Mexico, New York, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas, and West Virginia, has been deposited in the Department of State of the United States, and reads as follows:

"AN AGREEMENT TO EXTEND THE INTERSTATE COMPACT TO CONSERVE OIL AND GAS

"Whereas, on the 16th day of February, 1935, in the City of Dallas, Texas, there was executed 'An Interstate Compact to Conserve Oil and Gas' which was thereafter formally ratified and approved by the States of Oklahoma, Texas, New Mexico, Illinois, Colorado, and Kansas, the original of which is now on deposit with the Department of State of the United States, a true copy of which follows:

"'AN INTERSTATE COMPACT TO CONSERVE OIL AND GAS

"'ARTICLE I

"'This agreement may become effective within any compacting state at any time as prescribed by that state, and shall become effective within those states ratifying it whenever any three of the states of Texas, Oklahoma, California, Kansas, and New Mexico have ratified and Congress has given its consent. Any oil-producting state may become a party hereto as hereinafter provided.

"'ARTICE II

"'The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause.

"'ARTICLE III

"'Each state bound hereby agrees that within a reasonable time it will enact laws, or if laws have been enacted, then it agrees to continue the same in force, to accomplish within reasonable limits the prevention of:

"'(a) The operation of any oil well with an inefficient gas-oil ratio.

"'(b) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas, in paying quantities.

"'(c) The avoidable escape into the open air or the wasteful burning of gas from a natural gas well.

"'(d) The creation of unnecessary fire hazards.

"'(e) The drilling, equipping, locating, spacing or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

"'(f) The inefficient, excessive or improper use of the reservoir energy in producing any well.

"'The enumeration of the foregoing subjects shall not limit the scope of the authority of any state.

"'ARTICLE IV

"'Each state bound hereby agrees that it will, within a reasonable time, enact statutes, or if such statutes have been enacted then that it will continue the same in force, providing in effect that oil produced in violation of its valid oil and/or gas conservation statutes or any valid rule, order or regulation promulgated thereunder, shall be denied access to commerce; and providing for stringent penalties for the waste of either oil or gas.

"'ARTICLE V

"'It is not the purpose of this compact to authorize the states joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

"'ARTICLE VI

"'Each State joining herein shall appoint one representative to a commission hereby constituted and designated as the Interstate Oil Compact Commission, the duty of which said commission shall be to make inquiry and ascertain from time to time such methods, practices, circumstances and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said commission deems beneficial it shall report its findings and recommendations to the several States for adoption or rejection.

" 'The Commission shall have power to recommend the coordination of the exercise of the police powers of the several states within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said states, and to recommend measures for the maximum ultimate recovery of oil and gas. Said Commission shall organize and adopt suitable rules and regulations for the conduct of its business.

" 'No action shall be taken by the Commission except: (1) by the affirmative votes of the majority of the whole number of the compacting States represented at any meeting, and (2) by a concurring vote of a majority in interest of the compacting States at said meeting, such interest to be determined as follows: such vote of each State shall be in the decimal proportion fixed by the ratio of its daily average production during the preceding calendar half-year to the daily average production of the compacting States during said period.

" 'ARTICLE VII

" 'No State by joining herein shall become financially obligated to any other State, nor shall the breach of the terms hereof by any State subject such State to financial responsibility to the other States joining herein.

" 'ARTICLE VIII

" 'This compact shall expire September 1, 1937. But any State joining herein, may upon sixty (60) days notice, withdraw herefrom.

" 'The representatives of the signatory States have signed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States, and a duly certified copy shall be forwarded to the Governor of each of the signatory States.

" 'This compact shall become effective when ratified and approved as provided in Article I. Any oil-producing State may become a party hereto by affixing its signature to a counterpart to be similarly deposited, certified, and ratified.'

"Whereas, the said Interstate Compact to Conserve Oil and Gas has heretofore been duly renewed and extended with the consent of the Congress to September 1, 1951; and,

"Whereas, it is desired to renew and extend the said Interstate Compact to Conserve Oil and Gas for a period of four (4) years from September 1, 1951, to September 1, 1955;

"Now, therefore, this writing witnesseth:

"It is hereby agreed that the Compact entitled 'An Interstate Compact to Conserve Oil and Gas' executed in the City of Dallas, Texas, on the 16th day of February, 1935, and now on deposit with the Department of State of the United States, a correct copy of which appears above, be, and the same hereby is, extended for a period of four (4) years from September 1, 1951, its present date of expiration. This agreement shall become effective when executed, ratified, and approved as provided in Article I of the original Compact.

"The signatory states have executed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States and a duly certified copy thereof shall be forwarded to the Governor of each of the signatory states. Any oil-producing state may become a party hereto by executing a counterpart of this agreement to be similarly deposited, certified, and ratified.

"Executed by the several undersigned states, at their several state capitols, through their proper officials on the dates as shown, as duly authorized by statutes and resolutions, subject to the limitations and qualifications of the acts of the respective State Legislatures.

"THE STATE OF ALABAMA
"By JAMES E. FOLSOM
"Governor

"Dated: 12-4-50
"Attest: SIBYL POOL
"Secretary of State
"[SEAL]

"THE STATE OF ARKANSAS
"By SID MCMATH
"Governor

"Dated: 10-11-50
"Attest: C. G. HALL
"Secretary of State
"[SEAL]

"THE STATE OF COLORADO
"By WALTER W. JOHNSON
"Governor

"Dated: 12-1-50
"Attest: GEO. G. BAKER
"Secretary of State
"[SEAL]

"THE STATE OF FLORIDA
"By FULLER WARREN
"Governor

"Dated: Nov. 15—1950
"Attest: R. A. GRAY
"Secretary of State

"THE STATE OF ILLINOIS
"By ————
"Governor

"Dated: ————
"Attest: ————
"Secretary of State

"THE STATE OF INDIANA
"By HENRY F. SCHRICKER
"Governor

"Dated: 10-25-50
"Attest: CHARLES P. FLEMING
"Secretary of State

"THE STATE OF KANSAS
"By ————
"Governor

"Dated: ————
"Attest: ————
"Secretary of State

"THE STATE OF KENTUCKY
"By LAWRENCE W. WETHERBY
"Governor

"Dated: December 11, 1950
"Attest: GEORGE GLENN HATCHER
"Secretary of State
"SUSAN B. RUTHERFORD
"Assistant Secretary of State

"THE STATE OF LOUISIANA
"By EARL K. LONG
"Governor

"Dated: November 1, 1950
"Attest: WADE O. MARTIN, JR.
"Secretary of State

"THE STATE OF MICHIGAN
"By G. MENNEN WILLIAMS
"Governor

"Dated: January 31, 1951
"Attest: F. M. ALGER, JR.
"Secretary of State

"THE STATE OF MISSISSIPPI
"By F. L. WRIGHT
"Governor

"Dated: NOV. 8, 1950
"Attest: HEBER LADNER
"Secretary of State

"THE STATE OF MONTANA
"By JOHN W. BONNER
"Governor

"Dated: November 22nd 1950
"Attest: SAM C. MITCHELL
"Secretary of State

"THE STATE OF NEW MEXICO
"By THOMAS J. MABRY
"Governor

"Dated: ————
"Attest: ALICIA ROMERO
"Secretary of State

"THE STATE OF NEW YORK
"By THOMAS E. DEWEY
"Governor

"Dated: 2-20-51
"Attest: WALTER J. GOING
"Deputy Secretary of State

"THE STATE OF OHIO
"By FRANK J. LAUSCHE
"Governor

"Dated: 1-3-51
"Attest: CHARLES F. SWEENEY
"Secretary of State

"THE STATE OF OKLAHOMA
"By ROY J. TURNER
"Governor

"Dated: Oct. 7, 1950
"Attest: WILLIAM CARTWRIGHT
"Secretary of State

"THE STATE OF PENNSYLVANIA
"By JOHN S. FINE
"Governor

"Dated: 2-21-51
"Attest: GERALD SMITH
"Secretary of State

"THE STATE OF TENNESSEE
"By GORDON BROWNING
"Governor

"Dated: 2-16-51
"Attest: JAMES H. CUMMINGS
"Secretary of State

"THE STATE OF TEXAS
"By ALLAN SHIVERS
"Governor

"Dated: October 3, 1950
"Attest: LOUIS SCOTT WILKERSON
"Ass't Secretary of State

"THE STATE OF WEST VIRGINIA
"By OKEY L. PATTERSON
"Governor

"Dated: January 8, 1951
"Attest: D. PITT O'BRIEN
"Secretary of State"

SEC. 2. The right to alter, amend, or repeal the provisions of section 1 is hereby expressly reserved.

NICHOLAS GEORGE STRANGAS

The Senate proceeded to consider the bill (S. 236) for the relief of Nicholas George Strangas, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the immigration and naturalization laws, Nicholas George Strangas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. ISAC C. GOLDSTEIN

The bill (S. 518) for the relief of Dr. Isac C. Goldstein was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Dr. Isac C. Goldstein shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

SHIZU FUJII AND SUENORI FUJII

The bill (S. 585) for the relief of Shizu Fujii and her son, Suenori Fujii, was considered, order to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 13 (c) of the Immigration Act of 1924, as amended, Shizu Fujii and her son, Suenori Fujii, the mother and brother, respectively, of United States citizens, may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of the immigration laws.

LIBUSE CHALUPNIK PAVLISH

The bill (S. 1006) for the relief of Libuse Chalupnik Pavlish was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the laws relating to the issuance of immigration visas for admission to the United States for permanent residence and relating to admission at ports of entry of aliens for permanent residence in the United States, the provisions of the act of October 16, 1918, as amended, shall not be held to apply to Libuse Chalupnik Pavlish, the wife of Rudolph Pavlish, a citizen of the United States.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS—REPORT OF A COMMITTEE (REPT. NO. 470)

Mr. MAYBANK. Mr. President, pursuant to the order of the Senate heretofore entered, from the Committee on Banking and Currency, I report an original bill (S. 1717) to amend and extend the Defense Production Act of 1950, and the Housing and Rent Act of 1947, as amended.

The PRESIDING OFFICER. The bill will be placed on the calendar.

Mr. MAYBANK. Mr. President, for the benefit of the press, I announce that the report will not be filed until tomorrow night. It will be printed tomorrow night and be made a part of the RECORD which will appear Saturday. There will be a report from the majority members and minority views by certain Senators who dissented upon certain amendments. I wish to make it clear to the press that the reports will not be available until Saturday morning.

As I understand, the reporting of this bill today makes it possible, under the rule, to have it made the unfinished business tomorrow, if the majority leader so determines.

Mr. McFARLAND. Mr. President, I gave notice yesterday, I believe, that when we concluded the calendar and a few other small bills, I would move to proceed to the consideration of Senate bill 719. However, it was distinctly understood that the moment the controls bill was ready for consideration the unfinished business would be laid aside. If it is ready tomorrow, that is what we will do tomorrow.

The rent-control bill may also be before us for consideration. The law expires at the end of the month, and we may have to consider that bill as well.

Mr. MAYBANK. General over-all rent control for the United States is included in the title, with the exception of the District of Columbia.

Mr. McFARLAND. Before the session is concluded today, I shall move to proceed to the consideration of Senate bill 719, but the sponsors of the bill have agreed that the moment the Senator from South Carolina is ready to proceed with his bill, the unfinished business may be temporarily laid aside.

Mr. MAYBANK. I thank the majority leader. I wanted the RECORD to be clear. Over the week end many Senators will be out of the city. Many of them have asked me when the bill would be taken up by the Senate. After consultation with the Vice President and the majority leader, I have reported a new bill. I hope the Senate will make it the unfinished business before taking a recess, or before adjourning on Friday evening, so that we may proceed with it on Monday, because many Senators are returning to the city with that expectation.

Mr. CASE. Mr. President, may we have a clear understanding? The Senator from South Dakota thought he understood the majority leader to indicate that the controls bill would be taken up whenever it was ready. The Senator from South Dakota understands that the bill has now been reported.

Mr. MAYBANK. An original bill has been reported from the committee.

Mr. CASE. Does that mean that it is ready to be taken up tomorrow? Or is it to be taken up on Monday?

Mr. MAYBANK. I may say to my friend from South Dakota that it would be ready tomorrow, except that the report is being delayed so that it may be ample and fully explanatory. It will be printed in tomorrow's RECORD, so that Senators may have the benefit of reading it over the week end if they so desire.

Mr. CASE. I think that is wholly desirable. Then the understanding is that actual consideration of the controls bill will occur on Monday rather than Friday. Is that correct?

Mr. MAYBANK. The Senator is correct, provided the majority leader agrees to that arrangement. My only thought was that there should be no misunderstanding, and that it should be made the unfinished business tomorrow evening before the Senate recesses or adjourns.

Mr. McFARLAND. Do I correctly understand the distinguished Senator to say that he wishes to proceed with an explanation of his bill tomorrow?

Mr. MAYBANK. No. I wish to have it made the unfinished business, so that Senators who are absent from the city may know that it will be the business before the Senate when it convenes on Monday, and in order that there may not be any parliamentary situation which can stop it.

Mr. McFARLAND. When the Senator from South Carolina is ready to proceed I shall ask unanimous consent that the controls bill be made the unfinished business and that the Senate bill 719 be temporarily laid aside. If objection is made, I shall make a motion that the bill be temporarily laid aside.

Mr. MAYBANK. I thank the Senator from Arizona. I wanted the RECORD to show the situation.

Mr. McCARRAN. Mr. President, the Senator from Maryland [Mr. O'CONOR], who is in charge of Senate bill 719, is now in Miami, Fla., on official business. I am advised by his office that he will not be in the city tomorrow. So far as I am concerned, I am very anxious to have Senate bill 719 taken up and disposed of. If the arrangement which has been suggested by the Senator from Arizona is followed, namely, that Senate bill 719 must be laid aside in order to take up the control bill, I suggest, if he intends to hold a session of the Senate tomorrow, his suggestion be reconsidered, and in place of holding a session tomorrow the Senate go over until Monday.

Mr. McFARLAND. I shall ask that Senate bill 719 be made the unfinished business, in order to keep faith with the distinguished Senator from Colorado and the minority leader.

Mr. CASE. Mr. President, for the benefit of some Senators who have recently entered the Chamber, may I inquire whether Senate bill 719 deals with the amendment to the Robinson-Patman Act?

Mr. McCARRAN. It deals with the language of the Supreme Court. It carries the language of the Supreme Court in its decision dealing with the subject.

Mr. LONG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LONG. What is the unanimous-consent request?

Mr. McFARLAND. There is no unanimous-consent request.

The PRESIDING OFFICER. No unanimous-consent request is pending.

Mr. LONG. There is not pending before the Senate at this time any unanimous-consent request?

The PRESIDING OFFICER. No unanimous-consent request is pending before the Senate.

Mr. LONG. A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LONG. Are we still proceeding on the call of the calendar?

The PRESIDING OFFICER. That is correct.

Mr. LONG. No unanimous-consent agreement has been entered into?

The PRESIDING OFFICER. That is correct.

Mr. McCARRAN. I do not believe that to be the situation. An agreement was entered into that S. 719 should be taken up on the completion of the call of the calendar, and that if the control bill should be reported, Senate bill 719 would be temporarily laid aside.

Mr. McFARLAND. There was no agreement that it would be taken up. I

said I would move to take it up. Of course the Senate might vote me down. I did not make it in the form of a unanimous-consent agreement.

Mr. McCARRAN. I think the Senator will find that it was by unanimous consent.

Mr. LONG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LONG. Is a unanimous-consent agreement pending?

The PRESIDING OFFICER. It is the understanding of the Chair that the majority leader suggested that at a certain time he would make such a unanimous-consent request.

Mr. MAYBANK. Tomorrow.

The PRESIDING OFFICER. He stated that if he should fail to get unanimous consent he would make a motion to make the bill the unfinished business.

Mr. LONG. Is there any unanimous-consent agreement before the Senate and binding on the Senate at this time?

The PRESIDING OFFICER. The Chair does not so understand.

Mr. McCARRAN. It has been stated time and time again that Senate bill 719 would be taken up immediately after the call of the calendar. I believe the majority leader will agree with me.

Mr. McFARLAND. I said I expected to move to do so, unless the distinguished Senator and other Senators working with him would prefer that it be not taken up. I expect to keep faith with the Senator from Colorado and the minority leader.

Mr. McCARRAN. I have in mind that today the Senator from Arizona asked that a bill go to the foot of the calendar and that it be taken up immediately after the call of the calendar.

Mr. McFARLAND. Yes. It was a unanimous-consent request with respect to another bill.

Mr. McCARRAN. That is correct.

Mr. LONG. Mr. President, I understand that the majority leader gave notice to the Senate of his intention to move to take up Senate bill 719 after the call of the calendar, but that no unanimous-consent agreement was entered into. In other words, it is one thing for the majority leader to state what he expects to do, but it is another thing for it to be binding on all Members of the Senate.

Mr. McFARLAND. May I explain what the Senator from Nevada was referring to? During the call of the calendar, when No. 305, House bill 2416, was reached, I asked unanimous consent that it be made the unfinished business immediately after the call of the calendar. I do not expect that it will take over 30 minutes to consider it.

INDEPENDENT OFFICES APPROPRIATIONS, 1952

Mr. MAYBANK. Mr. President, last evening the Senate passed the independent offices appropriation bill. With the exception of the last two amendments, dealing with publicity, and so forth, I understood that the general amendments would apply to all appropriation bills. I should like to inform the Senate that the changes in amounts in the bill resulted in total increases of $287,505 and total decreases of $11,274,467, or a net reduction of $10,986,962. As passed, the bill totals $6,210,972,658. As reported by the committee, it was $626,000,000 below the budget estimate. The cuts we have put into effect on the floor of the Senate will save approximately $10,000,000 more, which is in the ratio of $1 for every $70 the committee saved.

Of course, this does not include the last two sections, which were general legislation. The first was the Douglas amendment reducing leave, which I supported in the committee and on the floor. The second was the amendment submitted by the Senator from Virginia [Mr. BYRD], providing for a reduction in the cost of publications of the various Government agencies, which I assured him I would take to conference and use every effort to have agreed to in conference. But the latter amendment applied only to the independent offices appropriation bill.

INDEPENDENT OFFICES APPROPRIATION BILL, 1952 (H. R. 3880)

The following changes in amounts appropriated were made in the bill considered by the Senate on June 15, 18, 19, and 20:

The White House office	−$298,062
Executive Mansion and grounds	−15,600
Civil Service Commission, salaries and expenses	−550,000
Commission on Renovation of the Executive Mansion	+8,000
General Services Administration, operating expenses	−7,757,800
Renovation of the Executive Mansion	+175,000
Expenses, general supply fund	−1,426,000
Interstate Commerce Commission, railroad safety	+60,425
Locomotive inspection	+44,080
Veterans' Administration, administration, etc	−1,297,005

These changes in amounts resulted in total increases of $287,505 and total decreases of $11,274,467, or a net reduction of $10,986,962.

The previous action in recommitting the bill for a reduction of 5 percent additional from personal services resulted in a decrease amounting to $13,913,768, made in the individual items. These reductions were included in the amounts of the items as reported to the Senate (No. 418).

As passed, the bill totals $6,210,972,658.

DR. ISAC C. GOLDSTEIN

Mr. McCARRAN. Mr. President, I believe one calendar bill has been overlooked. I will be glad to stand corrected if I am wrong about it. I refer to Calendar No. 427, Senate bill 518, for the relief of Dr. Isac C. Goldstein.

The PRESIDING OFFICER. The Chair will advise the Senator that that bill was passed.

Mr. McCARRAN. If the RECORD shows that the bill was passed, well and good.

ERIC ADOLF LENZE

The Senate proceeded to consider the bill (S. 1281) for the relief of Eric Adolf Lenze, which had been reported from the Committee on the Judiciary with an amendment in line 6, after the numerals "1940", to strike out "relating to loss of citizenship by reason of absence from the United States", and insert "providing for loss of citizenship through continuous residence in a foreign state", so as to make the bill read:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Eric Adolf Lenze shall not be held to have lost United States citizenship under any of the provisions of the Nationality Act of 1940 providing for loss of citizenship through continuous residence in a foreign state.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CECIL LENNOX ELLIOTT

The Senate proceeded to consider the bill (S. 1282) for the relief of Cecil Lennox Elliott, which had been reported from the Committee on the Judiciary with an amendment in line 6, after the numerals "1940", to strike out "relating to loss of citizenship by reason of absence from the United States", and insert "providing for loss of citizenship through continuous residence in a foreign state", so as to make the bill read:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Cecil Lennox Elliott shall not be held to have lost United States citizenship under any of the provisions of the Nationality Act of 1940 providing for loss of citizenship through continuous residence in a foreign state.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. MARIE Y. MUELLER

The Senate proceeded to consider the bill (S. 1436) for the relief of Mrs. Marie Y. Mueller which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 4, after the words "as of", to strike out "October 1, 1933," and insert "the date of the enactment of this act", so as to make the bill read:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Mrs. Marie Y. Mueller, of Spokane, Wash. The said Mrs. Marie Y. Mueller, who has resided in the United States since 1933, shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or such warrants and order have issued.

SEC. 2. Notwithstanding any provision of the immigration laws, the said Mrs. Marie Y. Mueller shall be considered as having been lawfully admitted into the United States for permanent residence as of the date of the enactment of this act upon the payment by her of the visa fee of $10 and the head tax of $8.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HAROLD FREDERICK D. WOLFGRAMM

The bill (S. 1503) for the relief of Harold Frederick D. Wolfgramm was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Harold Frederick D. Wolfgramm shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

VALMAI EILEEN MACKENZIE

The Senate proceeded to consider the bill (S. 1504) for the relief of Valmai Eileen Mackenzie which had been reported from the Committee on the Judicary with an amendment in line 6, after the words "date of", to strike out "her last entry into the United States" and insert "the enactment of this act", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Valmai Eileen Mackenzie shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SPECIAL QUOTA IMMIGRATION VISAS FOR CERTAIN ALIEN SHEEPHERDERS

The bill (S. 1696) to amend Public Law 587 of the Eighty-first Congress (approved June 30, 1950) to provide relief for the sheep-raising industry by making special quota immigration visas available to certain alien sheepherders, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, Public Law 587, Eighty-first Congress (approved June 30, 1950) is amended as follows: Strike out the following language appearing in lines 3 and 4 "of 1 year after the effective date of this act", and insert in lieu thereof the following: "ending December 31, 1951".

DR. GIUSEPPE MAZZONE

The bill (H. R. 895) for the relief of Dr. Giuseppe Mazzone was considered, ordered to a third reading, read the third time, and passed.

MRS. CLARA RAFFLOER DROESSE

The bill (H. R. 896) for the relief of Mrs. Clara Raffoer Droesse was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 997) for the relief of William J. Drinkwine was announced as next in order.

Mr. HENDRICKSON. Mr. President, I ask that the bill go over for further study.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

Mr. McCARRAN. Mr. President, it seems to me that the suggestion made by the Senator from New Jersey is a very good one. I think that all private bills carrying amounts of money which have been put on the calendar today should go over, with the understanding that they will be taken up at the next call of the calendar, if that kind of understanding can be entered into.

Mr. HENDRICKSON. I believe the Senator from Nevada is offering a very wise suggestion.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

Mr. McCARRAN. The same understanding should apply to all claim bills which were placed on the calendar today.

The bill (H. R. 1443) for the relief of Paul Matelli was announced as next in order.

The PRESIDING OFFICER. The bill will go over.

BERNARD SPIELMANN

The bill (H. R. 1840) for the relief of Bernard Spielmann was considered, ordered to a third reading, read the third time, and passed.

JINDRICH (HENRI) NOSEK AND MRS. ZDENKA NOSEK

The bill (H. R. 2310) for the relief of Jindrich (Henri) Nosek and Mrs. Zdenka Nosek was considered, ordered to a third reading, read the third time, and passed.

BASIC AUTHORITY FOR CERTAIN ACTIVITIES OF THE UNITED STATES SECRET SERVICE

The Senate proceded to consider the bill (H. R. 2395) to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," to provide basic authority for certain activities of the United States Secret Service, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, may we have an explanation of the bill?

Mr. McCARRAN. Mr President, for some time the Secret Service Division of the Department of the Treasury has been seeking legislation which would incorporate into one statute the authorization for their various activities, which authorization has, in the past, been contained for the most part in annual reenactments of provisions of appropriation acts. This bill accomplishes that purpose.

In addition, it creates two new offenses relating to the mutilation of coins, and also broadens a section of the criminal code, so as to permit the reproduction of pictures of coins in school textbooks and related types of professional publications.

Mr. SCHOEPPEL. I have no objection.

Mr. CASE. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. Yes.

Mr. CASE. This bill presumably would create legislative authority for the activities of the United States Secret Service, so that its appropriations would not be subject to a point of order in the House of Representatives.

Mr. McCARRAN. That is correct.

Mr. CASE. The bill has nothing to do with wire-tapping, has it?

Mr. McCARRAN. No. Such a bill will never have the approval of the chairman of the Judiciary Committee.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, on page 4, line 8, after the word "States", to strike out "in connection with" and insert "directly concerning."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SHIZUE SAKURADA

The bill (H. R. 2853) for the relief of Shizue Sakurada was considered, ordered to a third reading, read the third time, and passed.

DOROTHY FUMIE MAEDA

The bill (H. R. 2854) for the relief of Dorothy Fumie Maeda was considered, ordered to a third reading, read the third time, and passed.

ROSINA MOURADIAN

The bill (H. R. 3063) for the relief of Rosina Mouradian was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 3217) for the relief of the Peerless Casualty Co. and of Charles E. Nelson and Irwin I. Main was announced as next in order.

Mr. McCARRAN. Mr. President, this bill should go over.

The PRESIDING OFFICER. Under the previous objection, the bill will be passed over.

EXTENSION OF TIME FOR COMPLETING CONSTRUCTION OF TOLL BRIDGE ACROSS DELAWARE RIVER NEAR WILMINGTON, DEL.

The bill (H. R. 4338) to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del., was considered, ordered to a third reading, read the third time, and passed.

PROTECTION AGAINST MISBRANDING, ETC., OF FUR PRODUCTS AND FURS

The PRESIDING OFFICER. That completes the call of the calendar, except for bills which previously were passed over and were placed at the foot of the calendar.

Mr. HENDRICKSON. Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of Senate bill 1590, Calendar 416, a bill to extend and revise the District of Columbia Emergency Rent Act.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object, we have not yet completed action on the bills which have been placed at the foot of the calendar. Senate bill 508,

Calendar 80, in regard to the branding and advertising of furs and fur products, was placed at the end of the calendar. After it is disposed of, I shall have no objection to the request the Senator from New Jersey has made. However, Senate bill 508 is in order at this time.

Mr. HENDRICKSON. Senate bill 1590 is in the same category.

Mr. JOHNSON of Colorado. But Senate bill 508 comes first.

Mr. HENDRICKSON. Very well; I have no objection.

Mr. JOHNSON of Colorado. Mr. President, I now ask that Senate bill 508 be considered.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 508) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LODGE. Mr. President, I wish to offer amendments to the bill on pages 5, 7, and 8. The amendments have been printed, and I now send them to the desk.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LEHMAN. Mr. President, reserving the right to object, let me say that I have received from the fur wholesalers and dealers in New York many communications concerning this bill, as it was originally introduced, and even as it has been reported by the committee.

I have been advised that the main objections to the bill would seem to be met by the amendments which have been submitted by the Senator from Massachusetts. Those amendments do not do violence to the rights of consumers, for whose protection the bill is designed.

Therefore, Mr. President, I shall not object to the bill if the amendments of the Senator from Massachusetts are adopted.

However, I have received from the Resident Commissioner of Puerto Rico a letter pointing out that this bill sets forth a definition of jurisdiction which unfortunately transgresses upon the right of Puerto Rico to govern its own internal commerce on the same basis as any State does. If this particular bill affected Puerto Rico more extensively, I would object to it on the basis stated. However, there is no substantial trade in furs in Puerto Rico. Hence, I merely ask that the letter from Commissioner FERNÓS-ISERN be printed in the RECORD. I hope that future legislation coming from the Interstate and Foreign Commerce Committee will not violate the dignity of the essential rights of Puerto Rico.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 20, 1951.

Hon. JOSEPH C. O'MAHONEY,
Senate of the United States,
Washington, D. C.

DEAR SENATOR O'MAHONEY: On June 18, H. R. 2321 entitled "A bill to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs" was brought up before the House. Unfortunately, when I arrived on the floor, the bill was already being amended and immediately reported by the Committee of the Whole to the House. It was at that time that I realized that the bill included language on page 3, line 9, which, as you may see reads "or within any Territory or possession or the District of Columbia". This language is to be found in several other interstate commerce laws which are made applicable to Territories and possessions.

H. R. 2321 is not in itself important to Puerto Rico, whether it has one language or another, but as a matter of principle, I believe that if Puerto Rico is to be self-governing, the regulation of its internal trade should be in the hands of the Puerto Rican Legislature as it is in the hands of State legislatures in the case of the States. I presume the language in this bill, as well as in others, is an inadvertency but I believe it should be corrected.

The people of Puerto Rico, as you know, voted for the Constitutional Government Act. Certain sections of the old Organic Act will continue to constitute the Puerto Rican Federal Relations Statute. Section 9 of the statute reads "that the statutory laws of the United States not locally inapplicable, except as hereinbefore or hereinafter otherwise provided, shall have the same force and effect in Puerto Rico as in the United States," etc. No special provision is made in the statute concerning commerce between Puerto Rico and the United States except in what pertains to the inapplicability of tariffs and to other tax provisions. Consequently, there is no special provision for other regulations on commerce.

If I am correct, the interpretation would be that interstate commerce laws will apply in the case of Puerto Rico equally as if Puerto Rico were a State, except insofar as the statute of relations, itself, may otherwise provide or except where the particular interstate commerce law might carry specific provisions for Puerto Rico. The latter would be tantamount to an amendment by addition to the statute of relations.

As H. R. 2321 stands now, it would not only regulate commerce between Puerto Rico and the mainland but would regulate commerce within Puerto Rico to an extent it could not be constitutionally regulated within a State.

I bring this matter to your attention because I am sure that, as the sponsor of the great piece of legislation which the Congress passed in 1950 and which the people of Puerto Rico so jubilantly accepted in 1951, you will be interested in looking into the matter.

Very respectfully,

A. FERNÓS-ISERN,
Resident Commissioner of Puerto Rico.

Mr. LEHMAN. Mr. President, I withhold the objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 508) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs.

Mr. LODGE. Mr. President, I now offer the amendments which I have sent to the desk.

The PRESIDING OFFICER. The amendments will be stated.

The CHIEF CLERK. On page 5, line 6, immediately following the comma, it is proposed to insert the following: "or any person selling, advertising, offering for sale, or processing a fur product otherwise than in or for commerce, but which has theretofore been shipped and received in commerce."

On page 7, between lines 6 and 7, it is proposed to insert the following new sentence: "Notwithstanding paragraph (3) of this section, a fur product which is processed to simulate another fur shall not be considered to be misbranded if the label required by paragraph (2) (A) of this section sets forth the name or names of the animal or animals that produced the fur, as provided in such paragraph (2) (A), followed by appropriate language indicating that such fur product has been processed to resemble or simulate the fur of another animal."

On page 8, between lines 11 and 12, it is proposed to insert the following new sentence: "Notwithstanding paragraph (5) of this subsection, a fur product or fur which is processed to simulate another fur shall not be considered to be falsely or deceptively advertised if any advertisement, representation, public announcement, or notice which is intended to aid, promote, or assist directly or indirectly in the sale or offering for sale of such fur product or fur contains the name or names of the animal or animals that produced the fur, as required by paragraph (1) of this subsection, followed by appropriate language indicating that such fur product or fur has been processed to resemble or simulate the fur of another animal."

Mr. LODGE. Mr. President, the purpose of the proposed amendment to section 3 (E) of the fur-labeling bill is to enable a retailer to substitute his own label for that of the manufacturer, jobber, wholesaler, or other person whose name or other identification would be required by the law to be on the label of every fur product introduced or sold in commerce.

The retailer is denied the right of substitution under the proposed act. The present wording of section 3 (E) would limit the right of a retailer to substitute his own label for the label of his source only to those garments sold by the retailer in commerce. Since the overwhelming proportion of the average retailer's transactions are not in commerce, he would be seriously and severely handicapped.

The restriction imposed on the retailer by the present wording of section 3 (E) would result in disclosure to both consumer and competitor of the retailer's source of supply. The consumer, with knowledge of the retailer's source, would be lured thereto and would thus aggregate the long-existing evil of wholesale-retailing. The competitor would have easy access to the precious trade secrets which his business rival has assiduously cultivated.

The proposed amendment would not weaken in the slightest the protection afforded the consumer against misbranding and false advertising. The retailer would continue to be bound by the affirmative disclosure requirements of the proposed act.

Mr. President, I should like to make the following statement in explanation of the amendments I am offering on pages 7 and 8:

Under the terms of the present bill the label required to be placed on every fur garment or in advertising of a fur garment cannot contain the name of a fur other than that of which the garment is made. It is proposed that this restriction be modified to permit the use in labeling and advertising of a legend which would indicate that a fur or fur product has been processed to simulate another fur when such is the case.

This type of labeling or advertising could not be considered deceptive or misleading in any respect. The true name of the fur would be clearly and directly set forth, followed by a straightforward statement of the fact that it has been dyed or processed to resemble another fur. There would thus be no possibility of confusion in the mind of the consumer.

Such an amendment would save the retailer the complete loss of this type of advertising and the consequent loss of substantial trade. There is tremendous appeal to a large segment of the fur-consuming public in the opportunity to purchase a relatively inexpensive fur garment that is dyed or processed in a fashion to make it resemble an expensive and elegant fur. The bill, as presently worded, would in effect prohibit the advertising of such processed garments.

Mr. President, the advocates of these amendments submit to me that they will make the bill more fair and workable, without detracting from its underlying purposes.

I hope the amendments will be adopted.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the amendments submitted by the Senator from Massachusetts.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSON of Colorado. Mr. President, House bill 2321, Calendar 422, deals with the same subject. I now move that the Senate proceed to consider that bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 2321) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs.

Mr. JOHNSON of Colorado. Mr. President, I now move that all after the enacting clause be stricken out, and that in lieu thereof there be inserted the text of Senate bill 508 as amended by the amendments of the Senator from Massachusetts.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado.

The motion was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 508 is indefinitely postponed.

TREATMENT OF POWERS OF APPOINTMENT FOR ESTATE AND GIFT-TAX PURPOSES

Mr. GEORGE. Mr. President, I wish to call up Calendar No. 359, House bill 2084, to which objection was made by the Senator from Minnesota, and which was placed at the foot of the calendar. I understand that the objection of the Senator from Minnesota is withdrawn. I ask unanimous consent that the Senate now proceed to the consideration of House bill 2084.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 2084) relating to the treatment of powers of appointment for estate and gift-tax purposes, reported from the Committee on Finance, with amendments.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments on page 2, line 7, after "subsection (c)" to insert "or (d)"; in line 8, after the word "power", to insert "or the complete release of such a power"; in line 10, after the word "before", to strike out "July 1, 1951," and insert "November 1, 1951,"; on page 3, line 3, after "subsection (c)", to strike out the semicolon and "but if such a power lapses during the life of the individual possessing the power, the failure to exercise such power shall not be deemed an exercise or a release of the power" and insert "or (d)"; on page 6, line 7, after the word "first", to strike out "power." and insert "power.

"(5) Lapse of power: The lapse of a power of appointment created after October 21, 1942, during the life of the individual possessing the power shall be considered a release of such power. The rule of the preceding sentence shall apply with respect to the lapse of powers during any calendar year only to the extent that the property which could have been appointed by exercise of such lapsed powers exceeded in value, at the time of such lapse, the greater of the following amounts:

"(A) $5,000, or

"(B) Five percent of the aggregate value, at the time of such lapse, of the assets out of which, or the proceeds of which, the exercise of the lapsed powers could have been satisfied."

On page 7, line 19, after the word "power", to insert "or the complete release of such a power"; in line 22, after the word "before", to strike out "July 1, 1951," and insert "November 1, 1951,"; on page 8, line 7, after the word "exercise", to strike out "or release"; in line 8, after the numerals "1942", to insert "or the release after May 31, 1951, of such a power"; in line 11, after the word "power", to strike out the semicolon and "but if such a power lapses during the life of the individual possessing the power, the failure to exercise such power shall not be deemed an exercise or a release of the power.", and on page 11, line 9, after the word "such", to strike out power." and insert: power.

"(5) Lapse of power: The lapse of a power of appointment created after October 21, 1942, during the life of the individual possessing the power shall be considered a release of such power. The rule of the preceding sentence shall apply with respect to the lapse of powers during any calendar year only to the extent that the property which could have been appointed by exercise of such lapsed powers exceeds in value the greater of the following amounts:

"(A) $5,000, or

"(B) 5 percent of the aggregate value of the assets out of which, or the proceeds of which, the exercise of the lapsed powers could be satisfied."

Mr. GEORGE. Mr. President, I wish to file a statement. This is a highly technical matter, and these powers of appointment must be released under the present law by June 30, 1951, or else they will be subject to certain estate and gift taxes. I wish to file a statement in connection with this bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GEORGE

The report gives a detailed description of the provisions of the bill.

We have had considerable difficulty in determining how powers of appointment should be treated under the estate- and gift-tax laws. Prior to the Revenue Act of 1942, a power of appointment was subject to estate or gift tax only if it were a general power, then only if it were exercised. Beginning with the 1942 Revenue Act, powers of appointment were taxed whether exercised or not, with the exception of two specified classes of powers. One exception related to the power to appoint only to certain near relatives. The other exception was intended to exempt fiduciary powers, but the language failed to accomplish the purpose intended. This language could be construed to extend to emergency powers to invade principal, discretionary powers given to trustees and other types of powers which had not heretofore been regarded as powers of appointment. In 1942 there had been in existence a great many powers which had been created many years before and in reliance upon the law as it then existed. The impracticability of reviewing all of the wills and trust agreements in force in 1942 to determine whether any such taxable powers were contained therein and, if so, whether such powers could be released would have been an almost impossible task. Recognizing this, the Congress has been granting a series of extensions under which powers of appointment created prior to the Revenue Act of 1942 may be released without being subject to estate- or gift-tax liability. The last date for the release of such powers is June 30, 1951.

This bill is the result of studies which have been undertaken by the American Bar Association, the Treasury Department, and our staff of the Joint Committee on Internal Revenue Taxation, in an effort to find a solution for this problem. It is a compromise bill, designed to meet conflicting views, and has the approval of the Treasury Department.

The bill subjects to estate and gift tax only general powers of appointment, and it provides a clear and workable definition of a general power of appointment. The bill defines a general power of appointment as a power which is exercisable in favor of the holder, his estate, his creditors, or the creditors of his estate, but not including a power to consume or invade, which is limited by an ascertainable standard relating to the health, education, support, or maintenance of the holder of the power. In the case of a power created on or before the effective date of the Revenue Act of 1942, a power of appointment is not considered a general power if it is a joint power—that is, a power which can be exercised only with the consent or joinder of another person. In the case of a power created after October 21, 1942, the definition of a general power does not include a joint power where the coholder of the power has a substantial adverse interest to exercise of the power in favor of the decedent. The bill contains detailed rules on the extent to which post-1942 joint powers shall be considered as limited by substantial adverse interests.

The provisions of the bill which deal with taxation of powers created before the Revenue Act of 1942 recognize the injustices which would be caused by forcing the holders of these powers to face the alternative of either upsetting those old property dispositions or else being taxed on the powers even though they were not exercised. The bill provides for estate or gift tax on these old powers only if they are actually exercised. A release of one of these powers at any time is not taxed. Your committee has made this point perfectly clear by an amendment which provides that the complete release of such a power shall not be deemed an exercise thereof.

The bill also provides specifically that where a power created before the Revenue Act of 1942 is partially released prior to November 1 of this year, a subsequent exercise of the special power which is retained shall not be taxable. Of course, the partial release of such a power, whether the partial release occurs before or after November 1, is not a taxable event by itself. However, if the partial release occurs after November 1 and there is a subsequent exercise of the special power which is retained, then that subsequent exercise will be a taxable event.

The bill as it came over from the House contained a July 1, 1951, date instead of the November 1 date. Your committee extended this period for partial release without tax on a subsequent exercise to November 1 in order to provide the holders of these old powers with an opportunity to make a final decision on their course of action after this bill becomes law. The period up to November 1 is adequate for this purpose and, since this bill provides a final solution of the problems with respect to preexisting powers, it will not be necessary to ask the Congress to make any further extensions of this date.

The bill subjects to estate or gift tax both the exercise and the release of a general power of appointment created after October 21, 1942. These powers will also be subject to estate tax where they are held by the decedent until his death without being exercised. Since the release of the post-1942 power is taxable, the question arises as to the proper treatment of a power which lapses during the life of the holder. This problem arises principally in the case of noncumulative annual powers to invade trust property up to a certain specified amount. The House bill provided that where such a power lapses without being exercised, no estate or gift tax would result from this lapse. Your committee has modified this provision in the House bill so as to provide that no estate or gift tax will result from the lapse of these powers to the extent of $5,000 or 5 percent of the trust property, whichever is greater, in each year. Your committee believes that this limited exemption is adequate to take care of the common case where a widow or other relative is given the income from property and a noncumulative power to invade the property at her discretion in case the income is not adequate.

Your committee has also amended the gift-tax provisions of the bill so as to prevent the retroactive application of the gift tax to the release of a post-1942 power where the release occurred before June 1 of this year. This was necessary because, under the periodic extensions of the tax-free release provisions since 1942, the release of such a power has been exempted from gift tax.

This bill provides a definite and final solution for the powers-of-appointment problem which has been before Congress since the enactment of the unduly restrictive provisions of the 1942 act.

While the bill, in my opinion, is not as satisfactory as I would like in its treatment of future powers, that is, powers created after the Revenue Act of 1942, it goes a long way toward relieving a situation which would be intolerable if the provisions of the 1942 law were permitted to come into force and operation. As to the old powers created prior to the 1942 law, the bill provides a complete solution by taxing only general powers and then only if such powers are exercised. As to future powers, the bill does subject to tax the nonexercise of a general power, but the powers to be so taxed are much more narrowly defined than under the 1942 law, and fiduciary powers are completely exempt.

Mr. GEORGE. I understand that the Senator from Minnesota [Mr. HUMPHREY] also has prepared a statement which he desires to place in the RECORD.

Mr. LEHMAN. Mr. President, I have been requested by the junior Senator from Minnesota [Mr. HUMPHREY] to ask unanimous consent to insert in the RECORD at this point a statement prepared by him regarding this bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

H. R. 2084, POWERS OF APPOINTMENT ACT OF 1951

I want the RECORD to show that I am not approving the bill H. R. 2084. At a time when we are increasing taxes for the many it appears inequitable to include an additional loophole for the few.

This bill provides a tax benefit for the wealthy who would be affected by an interstate tax and who would thus be setting up trust funds for their descendants. At a time when we are increasing taxes on the many it appears inequitable to include an additional loophole for the few. The "power of appointment" is the legal terminology in connection with an estate trust for a power or a right given to dispose of property, either by will or by inter vivos (during lifetime) transfer.

The question arises, for example, when a man dies and leaves his property to his wife in trust for her life, and at the same time provides in his will that she shall have the power to designate to whom the property shall go on her death. This property is, of course, taxable when it passes from the estate of the husband to that of his wife. When the wife (donee of the power of appointment) dies, however, the question is raised whether the property which the wife held in trust shall be subject to an estate tax when it passes to the next party whom she has designated.

Prior to 1942 this power of appointment was taxable if it was a general power, that is, the power to select or appoint the property to anyone. Furthermore, the donee of the power (wife) for the property to be taxable has to actually exercise the power of appointment and the property has to pass as a result of the exercise of this power. However, should the donee (wife) have a power to appoint to only a limited number of people, this property was not taxed whether or not the power was exercised.

Example A: Thus, in the above case, if the wife did not exercise the power of appointment, then the property would not be subject to an estate tax upon her death.

Example B: If the wife had the power to appoint the property only to a limited class (her family, for instance), it would not be subject to a tax upon her death, even if she carried out the appointment. This would mean that the wife could enjoy the benefit of practical ownership of property and then leave it to her family without having it subject to tax.

This law was changed in 1942. Legislation was enacted making a power of appointment taxable upon death of the donee whether it was special or general and whether it was exercised or not. This tax would apply unless, paragraph 1, the power of appointment is restricted to the decedent-donee's spouse, the spouse of the creator of the power (the original owner), descendents of the decedent or his spouse, spouses of such descendents, and charities; and, paragraph 2, power to appoint to a restricted class a person who has no other interest in the property (such as a lawyer or executor of the will). A problem arose in connection with this statute inasmuch as certain individuals were trapped since they were given powers of appointment prior to 1942 when these powers were not taxable. They were thus given time to rid themselves of the power without subjecting themselves either to a gift or an estate tax. This was done by means of a grace period in which the legislation was in effect. By successive statutory extensions, the grace period with respect to the effective date of this 1942 legislation has now lasted for 9 years. Thus to date no tax has yet been collected under the provisions enacted in 1942. In reality, therefore, the law dealing with the taxing of the power of appointment has remained the same as it was prior to 1942.

The present bill, H. R. 2084, deals with this problem by establishing two separate powers of appointment: those prior to 1942 and those after. For those powers of appointment created prior to 1942, the old law is restored. Thus, only the exercise of a general power of appointment will be subject to a tax. The possibilities for evasion thus remain.

For those powers created after 1942, the bill subjects to an estate tax a general power of appointment whether or not the power is exercised, and subjects to a gift tax the exercise or release of such power. A general power of appointment, however, is defined in such a manner that an able lawyer can draw up powers of appointment so as to make them tax exempt and not within the classification.

This can be done since the term "general" as applied to a pre-1942 power does not include held in conjunction with anyone else. A post-1942 power is not general unless it is exercisable in favor of the descendent, his estate, his creditors or the creditors of his estate. The donee (wife) has a right to invade the capital for health, education, support, or maintenance without having this invasion considered a general exercise of the power. Thus, the exercise would not be subject to the tax. It would not be difficult for an attorney to create a power which would evade taxation under these provisions.

SUMMARY

The bill, therefore, would exempt people who have practical ownership of property from being taxed even though they receive benefits from that property. It would also penalize those people who obeyed the 1942 law and released their powers of appoint-

ment in order not to be subject to the tax, and it allows those who did not release their powers to keep the power without paying tax.

Another typical example of how one could evade taxes is this: A man leaves $1,000,000 in trust to his son for life. The son derives the income from that money and has the power to designate to whom the property shall go on his death. Thus, he has practical ownership. The son can designate the grandson of the original creator of the trust, and thus have the money be exempt from an estate tax when it passes from the son to the grandson.

I plan to bring this question to the attention of the Senate again when the Senate considers the new Internal Revenue Act.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. STENNIS. Mr. President, I believe there is another measure on the calendar, Order 292, Senate bill 841, covering the same subject matter as House bill 2084.

The PRESIDING OFFICER. That is correct.

Mr. STENNIS. The House bill having been passed, I think it is in order to move that Senate bill 841 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, Senate bill 841 is indefinitely postponed.

EXTENSION AND REVISION OF DISTRICT OF COLUMBIA EMERGENCY RENT ACT

Mr. HENDRICKSON. I ask unanimous consent that the Senate now resume the consideration of Senate bill 1950, Calendar No. 416.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (S. 1590) to extend and revise the District of Columbia Emergency Rent Act.

Mr. NEELY. Mr. President, I believe there is an amendment which has not been acted on.

The PRESIDING OFFICER. The amendment reported by the Committee on the District of Columbia has been heretofore agreed to. The question is on the third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXCLUSION FROM GROSS INCOME OF INCOME FROM DISCHARGE OF INDEBTEDNESS

Mr. McFARLAND. Mr. President, I previously asked that House bill 2416, Calendar No. 305, relating to exclusion from gross income of income from discharge of indebtedness, reported from the Committee on Finance, be made the unfinished business at the conclusion of the calendar call. I now ask unanimous consent that that be done.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 2416) relating to exclusion from gross income of income from discharge of indebtedness, which had been reported from the Committee on Finance with amendments, on page 1, line 5, after the word "to", to insert "discharges of indebtedness occurring within"; and on page 2, line 2, after "(2)" to strike out "by changing the comma following the words "the Revenue Act of 1930" in the last sentence of said section to a period and striking the remainder of the sentence and insert "by striking out the last sentence thereof."

The amendments were agreed to.

Mr. McFARLAND. I requested that the bill be made the unfinished business at the conclusion of the calendar call, for the purpose of offering an amendment. I have no objection to the bill, and I know of no objection to it. When the Senate was considering the social-security bill last year a group of Senators came to me to ask about sponsoring an amendment for the aged, the blind, and dependent children. The distinguished Senator from Georgia, who had control of that bill, requested us not to do so, and asked us, if we intended to propose an amendment, to propose it to another revenue bill at some later time. The same group of Senators has come to me from time to time to talk to me about this subject. I have discussed it with the distinguished Senator from Georgia, and I wish now to offer to this bill an amendment which is designed to raise the monthly payments of the aged, the blind, the permanently and totally disabled, and dependent children.

The House has consistently insisted that social-security measures involve revenue, and therefore the only way by which any changes may be made in this type of legislation is by way of amendment to revenue bills which originate in the House and which are passed by the Congress.

Mr. President, on behalf of myself, the senior Senator from New Mexico [Mr. CHAVEZ], the senior Senator from Texas [Mr. CONNALLY], the Senator from Alabama [Mr. HILL], the Senator from Colorado [Mr. JOHNSON], the junior Senator from Texas [Mr. JOHNSON], the Senator from South Carolina [Mr. JOHNSTON], the Senator from West Virginia [Mr. KILGORE], the senior Senator from North Dakota [Mr. LANGER], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Oregon [Mr. MORSE], the Senator from Georgia [Mr. RUSSELL], the junior Senator from Mississippi [Mr. STENNIS], the senior Senator from Mississippi [Mr. EASTLAND], the Senator from Florida [Mr. HOLLAND], the Senator from Oklahoma [Mr. KERR], the junior Senator from North Dakota [Mr. YOUNG], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. O'MAHONEY], the junior Senator from New Mexico [Mr. ANDERSON], the junior Senator from Montana [Mr. ECTON], and the Senator from Nebraska [Mr. BUTLER], I submit an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment, as follows:

On page 2, after line 10, insert:

SEC. 3. (a) Section 3 (a) of the Social Security Act, as amended, is amended to read as follows:

"SEC. 3. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for old-age assistance, for each quarter, beginning with the quarter commencing October 1, 1951, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as old-age assistance, equal to the sum of the following proportions of the total amounts expended during such quarter as old-age assistance, under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $55—

"(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $25 multiplied by the total number of such individuals who received old-age assistance for such month; plus

"(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A); and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as old-age assistance, equal to one-half of the total of the sums expended during such quarter as old-age assistance under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30, and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Administrator for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for old-age assistance, or both, and for no other purpose."

(b) Section 403 (a) of such act, as amended, is amended to read as follows:

"SEC. 403. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to dependent children, for each quarter, beginning with the quarter commencing October 1, 1951, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to dependent children, equal to the sum of the following proportions of the total amounts expended during such quarter as aid to dependent children under the State plan, not counting so much of such expenditure with respect to any dependent child for any month as exceeds $30, or if there is more than one dependent child in the same home, as exceeds $30 with respect to one such dependent child and $21 with respect to each of the other dependent children, and not counting so much of such expenditure for any month with respect to a relative with whom any dependent child is living as exceeds $30—

"(A) four-fifths of such expenditures, not counting so much of the expenditures with respect to any month as exceeds the product of $15 multiplied by the total number of dependent children and other individuals with respect to whom aid to dependent children is paid for such month, plus

"(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A); and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be

used exclusively as aid to dependent children, equal to one-half of the total of the sums expended during such quarter as aid to dependent children under the State plan, not counting so much of such expenditure with respect to any dependent child for any month as exceeds $18, or if there is more than one dependent child in the same home, as exceeds $18 with respect to one such dependent child and $12 with respect to each of the other dependent children; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Administrator for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for aid to dependent children, or both, and for no other purpose."

(c) Section 1003 (a) of such act, as amended, is amended to read as follows:

"SEC. 1003. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the blind, for each quarter, beginning with the quarter commencing October 1, 1951, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to the blind, equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the blind under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $55—

"(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $25 multiplied by the total number of such individuals who received aid to the blind for such month, plus

"(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A);

and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to the blind, equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Administrator for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for aid to the blind, or both, and for no other purpose."

(d) Section 1403 (a) of such act, as amended, is amended to read as follows:

"SEC. 1403. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the permanently and totally disabled, for each quarter, beginning with the quarter commencing October 1, 1951, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to the permanently and totally disabled, equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the permanently and totally disabled under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $55—

"(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $25 multiplied by the total number of such individuals who received aid to the permanently and totally disabled for such month, plus

"(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A);

and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to the permanently and totally disabled, equal to one-half of the total of the sums expended during such quarter as aid to the permanently and totally disabled under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Administrator for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for aid to the permanently and totally disabled, or both, and for no other purpose."

(e) The amendments made by this section shall be effective with respect to the period beginning on October 1, 1951, and ending on September 30, 1953. Upon the termination of such period, the provisions amended by this section shall be in full force and effect as though this act had not been enacted.

Mr. McFARLAND. Mr. President, I wish to make a brief explanation of this amendment.

It is a proposal to amend the social-security law to increase by $5 per individual per month the Federal payment to States for assistance to the aged, blind, and totally disabled; and to increase payments for dependent children by $3.

AGED, BLIND, AND DISABLED

For individuals receiving old age, blindness, and disability compensation, the Federal Government would put up four-fifths, $20 of the first $25 per month, rather than three-fourths, $15 of the first $20.

Thereafter, the Federal Government would provide one-half the amount in excess of $25, and up to $55, per individual per month. At present the Federal Government pays one-half the amount in excess of $20 and up to $50.

DEPENDENT CHILDREN

With regard to dependent children, the Federal Government would be directed to put up four-fifths, $12 of the first $15 per month, rather than three-fourths, $9 of the first $12, for each dependent child. Thereafter, the Federal Government would pay half the amount in excess of $15 up to a maximum of $30 per child per month where there is only one child receiving assistance in a home, and to a maximum of $21 each for additional children in the same home.

PREVIOUS LEGISLATION

Mr. President, I would call attention to the fact that since the year 1940, the cost of living has practically doubled. Yet Congress has not increased Federal assistance to the aged, the blind, and dependent children in proportion to this increase in the cost of living. To be exact, I believe the cost of living has increased 84 percent. Yet we have not made proportionate increases in aid for these needy persons.

I proposed an amendment in 1946 which increased the Federal assistance by $5 for the aged and the blind and by $3 for dependent children. The second raise since 1940 was an amendment which I proposed in 1948, an amendment to House Joint Resolution 296. My amendment was also sponsored by Senators Sparkman, Johnston, Kilgore, Hoey, Holland, Eastland, Johnson of Colorado, Maybank, McClellan, Russell, Murray, Pepper, Myers, Taylor, Langer, Magnuson, Morse, O'Daniel, Jenner, McCarthy, Downey, and Stewart.

On June 4, 1948, the day following its introduction, my amendment passed the Senate by a vote of 77 to 2.

The bill subsequently went to the Chief Executive, who vetoed it on June 14, 1948, because of his objections to the joint resolution, which, he said, "would exclude from coverage of old age and survivors' insurance and unemployment insurance systems up to 750,000 employees." The President's only objection to the increases in payments made by my amendment was that they fell short of his recommendations.

On the same day the President's veto message was delivered, the Senate overrode the veto and again approved the joint resolution. Thus, the 3,500,000 needy persons then receiving Federal assistance got their scant half-a-loaf increase. That increase became effective October 1, 1948.

The latest release of the Bureau of Labor statistics, May 23, 1951, shows that the consumers' price, or cost of living index is up to 184.6, 12.7 points higher than the 1948 average. To put it another way, the cost of living, as indicated by this index, is 7.4 percent higher than 3 years ago.

We all know that the actual cost of living has gone up much more in this interim, but this is the over-all general figure arrived at by the Bureau.

Here are some figures from the Federal Security Agency for March of this year:

The average recipient of old-age assistance got $43.14 for the month. This included an approximate Federal contribution of 55 percent. Can you imagine any aged person living in any degree of comfort on $43? The lowest average payment was $20.55, Alabama, and the highest $67.31, California.

Aid to the blind in March averaged slightly higher, $46.69; to the permanently and totally disabled, average March assistance was $44.97; to dependent children, the average per recipient was $21.82, per family $75.01.

COST AND NUMBERS INVOLVED

I have prepared a simple chart to show the approximate numbers of persons benefiting from Federal assistance in 1948 compared with 1951, and the estimated cost of the increases provided in my amendment.

I ask unanimous consent to have the chart printed in the RECORD at this point in my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Category	Number of recipients		Increase in number	Increase individual per month	Cost of proposed 1951 increase per month
	February 1948	March 1951			
Old age	2,341,000	2,754,000	413,000	$5	$13,770,000
Blind	82,000	95,000	13,000	5	475,000
Disabled		80,000	80,000	5	400,000
Dependent children:					
Individuals	1,067,000	1,636,000	539,000	3	4,908,000
Families	430,000	640,000	210,000		
Total	3,520,000	4,565,000	1,045,000		
Total monthly increase					19,553,000

Mr. McFARLAND. Mr. President, the numbers of participants are to the nearest thousand, since they are taken from single months, not yearly averages. To use any closer figures, therefore, would be false accuracy.

From this table, we can see that in this 3-year period the number of beneficiaries of Federal assistance has increased about 1,045,000. About 80,000 of these persons were added when the permanently and totally disabled were included by Public Law 734 of the Eighty-first Congress. The numbers of aged have increased 413,000; of blind, 13,000; and of dependent children, 539,000.

The monthly increase in Federal payments which would be brought about by my amendment is $19,553,000. From this, we get an annual increase in cost of $233,624,000.

The total annual increase because of the 1948 amendment was estimated at $124,834,644.

For the last fiscal year, 1949–50, the total Federal contribution to public assistance was $1,038,521,000. This constituted 44.6 percent of the total amount of assistance to these people from Federal, State, and local funds.

Using $233,624,000 as the estimated increase in cost to the Federal Treasury and assuming that the grand total of Federal expenditures for the last fiscal year is representative, the amendment would provide an increase in Federal participation of 17.8 percent.

Mr. President, these aged, blind, and disabled persons and these dependent children do not have any highly paid lobbies to work for them. They are dependent upon their Representatives in Congress. If we do not do the right thing for them, who will? I personally feel that this $5-per-month increase is too small an amount, but I would rather give them $5 now, hoping the States will match it, than not to give them anything at all. This assistance has not kept step with the increases which have been made in wages and in prices of commodities.

Mr. President, I think this is the least we can do for the people included in this category. I know that it will be joyously greeted by them, will make their declining years a little bit happier, and also perhaps will give them an opportunity to get just a little bit more comfort out of life. It will also give the dependent children opportunity to receive a little better attention.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the distinguished minority leader.

Mr. WHERRY. In the confusion, at the end of the call of the calendar I did not quite understand whether House bill 2416, Calendar No. 305, was to be taken up for consideration.

Mr. McFARLAND. Yes, I obtained unanimous consent that it be taken up after the call of the calendar was completed.

Mr. WHERRY. And the amendment the distinguished Senator is offering is an amendment to House bill 2416?

Mr. McFARLAND. Yes.

Mr. WHERRY. And now the distinguished majority leader is asking that the bill be passed as proposed to be amended.

Mr. McFARLAND. Yes.

Mr. WHERRY. The amendment is rather lengthy.

Mr. McFARLAND. It is lengthy in words, but it is very simple.

Mr. WHERRY. I believe everyone is in sympathy with the purpose of the amendment, but has the amendment been considered by the Finance Committee?

Mr. McFARLAND. It has not; because social-security measures have to originate in the House. The amendment is such a simple one that I do not believe it requires any lengthy consideration. I want to say to my distinguished friend that, as I recall, in 1948 he was one who helped secure the adoption of an identical amendment, providing for an increase of $5.

Mr. WHERRY. The chairman of the Finance Committee is present. The ranking minority member is not on the floor. I wondered whether consideration had been given to the amendment in committee, and whether it was similar to the previous legislation which was passed. Does the majority leader recall how much additional appropriation the amendment will result in when it becomes effective?

Mr. GEORGE. Mr. President, the distinguished majority leader placed the figures in the RECORD, and I presume they are correct. The Finance Committee did not consider the amendment, it has not been formally submitted to us, but it is identical with an amendment which has been adopted twice before by Congress. I understand the amendment provides that it shall be effective for a temporary period.

Mr. McFARLAND. Yes; for 2 years.

Mr. GEORGE. It is limited in time.

Mr. WHERRY. Does the distinguished chairman of the committee know what additional amount of appropriation would be called for by the amendment?

Mr. GEORGE. I do not recall.

Mr. WHERRY. My reason for making the inquiry is that there are those who criticize the Senate for increasing appropriations. I am in complete sympathy with the purpose of the amendment, but I think we should have a statement of cost for the RECORD.

Mr. GEORGE. There has been a complete statement placed in the RECORD.

Mr. WHERRY. The amendment is similar to the measure passed a couple of years ago, is it?

Mr. GEORGE. Yes; it is substantially the same. Let me ask the majority leader on that point. The effect of this amendment would be the same as that of the last bill which was passed on the subject, would it not?

Mr. McFARLAND. Yes; and the one before that.

Mr. GEORGE. And the one before that.

Mr. McFARLAND. Yes.

Mr. GEORGE. So it has been twice before the Congress.

Mr. WHERRY. I have no objection.

Mr. LONG. Mr. President, I should like to associate myself with the distinguished majority leader in offering the amendment. It seems to the Senator from Louisiana that in view of the increase in the cost of living, especially since Korea, extreme hardship is being worked on persons living on fixed income, particularly on old persons who live on small pensions, and on orphans and widows who are limited to meager welfare grants. I believe the proposal is very much needed in behalf of those unfortunate persons.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. McFARLAND].

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 2416) was read the third time, and passed.

Mr. McFARLAND. Mr. President, I ask unanimous consent that House bill 2416 be printed with the Senate amendments numbered.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEFENSE PRODUCTION ACT OF 1951

Mr. McFARLAND. Mr. President, I stated a little while previously that I proposed to make a motion to take up a bill after the disposal of the bill which has just been passed. Before doing so, however, I ask unanimous consent that beginning next Monday, whatever business is then before the Senate be temporarily laid aside, and that we take up Calendar No. 448, Senate bill 1717, to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. WHERRY. Mr. President, is that the so-called price-control bill?

Mr. McFARLAND. Yes.

Mr. WHERRY. I have no objection to that procedure, because it is my understanding that unanimous consent has already been given that appropriation bills have the right of way, and that the unfinished business can be temporarily laid aside so that appropriation bills may be considered.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. HUMPHREY. I wish to ask the majority leader what his plans are in reference to Senate bill 630, calendar 227. That bill, as Senators know, is vital to the operation of one of the standing subcommittees of the Senate. Unless action is taken on that measure the work of our subcommittee will simply have to come to a halt. The counsel of the subcommittee is affected by the measure.

Mr. McFARLAND. I do not believe the Senator from Minnesota was present at the time we discussed the question of taking up that bill. The distinguished Senator from Utah [Mr. WATKINS] was ill at the time we referred to it. He has told me that his doctor has informed him that he should not stand on his feet for any length of time. I am willing to take up the bill at almost any time in the future when we can find a fitting opportunity.

Mr. WHERRY. Mr. President, there will be no objection to consideration of the bill. I am satisfied that within a day or two the distinguished Senator from Utah will be able to present his observations on the subject. I shall endeavor to work out that matter with the majority leader. I believe the Senator from Montana [Mr. MURRAY] is not in the city.

Mr. McFARLAND. No. We will take up the bill, however, in spite of his absence.

Mr. HUMPHREY. Mr. President, I merely want to state what the facts are so the RECORD will be clear on that point. The chairman of the Committee on Labor and Public Welfare, the Senator from Montana [Mr. MURRAY] is absent on public business, and left the matter in the hands of the chairman of the Subcommittee on Labor-Management Relationships. The individual to whom the bill applies has been the counsel for the subcommittee for nearly 2 years. A measure similar to the measure in question was passed a year ago, so he could continue to serve as our counsel. He has been serving for our subcommittee without pay, on a voluntary basis since January 1951. This has been going on now for 6 months.

While I have much warm-hearted concern for the welfare and health of our colleague from Utah, I submit that we simply cannot conduct the work of the subcommittee if the measure is not passed. At least we shall be obliged to tell the present counsel that we can no longer use his services. The work of this man has been very helpful and useful in connection with some of the proposed legislation before us.

Mr. McFARLAND. Mr. President, the majority leader will take this matter up with the minority leader and the Senator from Utah, and we will endeavor to agree on a date when the measure can be taken up.

Mr. WHERRY. I assure the distinguished majority leader that there is no disposition at all on the part of the minority or on the part of the Senator from Utah to hold up consideration of the measure. The only reason why it was held up was because the Senator from Utah was ill in the hospital. He is back now. He is not too strong, but I am satisfied that so far as the minority is concerned, whenever the majority leader wishes to have a date fixed, we will try to work it out with him.

Mr. HUMPHREY. I have impressed on the majority leader that this is a matter of urgency, and that the bill should be brought up for action as soon as possible. A date should be fixed on which we can take it up for consideration.

Mr. McFARLAND. I will take the matter up further with the minority leader and the Senator from Utah, so we may agree on a date.

PRICING PRACTICES

Mr. McFARLAND. Mr. President, in order to keep faith I move that the Senate now proceed to the consideration of Senate bill 719, Calendar No. 233.

Mr. LONG. Mr. President, I should like to ask the majority leader what his plans are for the remainder of the day. Does he propose to bring up the bill at this time? There are very few Senators present on the floor now. As one personally opposed to the bill, believing it to be the hidden-ball play of the Eighty-second Congress, the junior Senator from Louisiana would like to know whether the majority leader intends to proceed with the debate on the bill this afternoon, or whether he intends to recess until Monday, in the event it is agreed to proceed to consideration of the bill.

Mr. McFARLAND. The distinguished Senator from New Jersey [Mr. HENDRICKSON] wishes to make an address. I had thought that by the time he had finished perhaps other Senators might wish to speak, and then we could probably take a recess. Whether we should go over until Monday or until tomorrow will depend upon whether Senators interested in the bill wish to proceed with it tomorrow, or whether they wish simply to make it the unfinished business. The committees could use all day tomorrow in working upon important appropriation and other bills.

I ask the distinguished Senator from Colorado [Mr. JOHNSON] whether he cares to proceed with the debate tomorrow?

Mr. JOHNSON of Colorado. Mr. President, I am only one of many Senators who are supporting this bill. So far as I am concerned, I should be very glad, after the bill is made the unfinished business, to have it go over until after the controls bill has been disposed of. However, I think it ought to be made the unfinished business.

EXCLUSION FROM GROSS INCOME OF INCOME FROM DISCHARGE OF INDEBTEDNESS

Mr. TAFT. Mr. President, I move to reconsider the vote by which House bill 2416, Calendar 305, relating to exclusion from gross income of income from discharge of indebtedness, passed the Senate today.

The PRESIDING OFFICER. The motion will be entered.

Mr. WHERRY. Mr. President, I assure the majority leader that so far as the junior Senator from Nebraska is concerned it is perfectly agreeable to make Senate bill 719 the unfinished business and then to proceed with the controls bill. If it is necessary for the committees to work tomorrow, they can do so, and the Senate can stand in recess until Monday.

Mr. McFARLAND. Mr. President, I withdraw my motion to proceed to the consideration of Senate bill 719 in order to have a quorum call and get a vote on the motion of the Senator from Ohio [Mr. TAFT] to reconsider the vote by which House bill 2416 was passed. It is very important that we pass upon the question of whether the aged, blind, disabled, and dependent people may receive a little increase in assistance. I think we might as well dispose of it now. I am sorry the distinguished Senator made his motion, because if other matters are taken up they may require some time, and delay consideration of Senate bill 719. I withdraw the motion that the Senate proceed to the consideration of Senate bill 719.

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HENNINGS in the chair). The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Green	McKellar
Bennett	Hayden	McMahon
Benton	Hendrickson	Millikin
Brewster	Hennings	Monroney
Bricker	Hickenlooper	Moody
Bridges	Hill	Mundt
Butler, Md.	Hoey	Neely
Byrd	Holland	Nixon
Cain	Humphrey	O'Mahoney
Capehart	Ives	Pastore
Carlson	Johnson, Colo.	Robertson
Case	Johnson, Tex.	Russell
Chavez	Kefauver	Schoeppel
Clements	Kem	Smith, Maine
Connally	Kerr	Smith, N. J.
Cordon	Kilgore	Smith, N. C.
Douglas	Knowland	Sparkman
Duff	Lehman	Stennis
Dworshak	Lodge	Taft
Eastland	Long	Thye
Ecton	Magnuson	Watkins
Ellender	Malone	Welker
Ferguson	Maybank	Wherry
Flanders	McCarran	Wiley
Frear	McCarthy	Williams
Fulbright	McClellan	Young
George	McFarland	

The PRESIDING OFFICER. A quorum is present.

A RULE OF RELEVANCY IN SENATE DEBATE

Mr. HENDRICKSON. Mr. President, the thoughts of many Members of this body are currently focused on means to improve our organization and operations. I refer, of course, to the Senate of the United States. Progress to date and areas for improvement under the Congressional Reorganization Act are now being examined by the Senate Expenditures Committee. On the 19th of this month the junior Senator from Connecticut [Mr. BENTON] submitted to the Douglas Ethics Subcommittee a most noteworthy decalogue for Senators to follow.

On the 24th of May I gave notice of an intention to bring to the Senate the results of my study of glaring weaknesses in our legislative proceedings. At that time I had inserted into the RECORD the penetrating observations of Robert Heller on congressional shortcomings, as his observations appeared in the New York Times. Today I am submitting a Senate resolution calling for Senate adoption of "a relevancy rule requiring debate on the floor to be germane to the pending business." My plea is an oft-heard one in this Chamber—a plea for relevancy in debate.

Who is there in this Chamber who will deny that one of the great heritages that is ours as Americans is efficiency? Indeed, efficiency is one of the great symbols of America today. When someone comes along with a better toothbrush, a better telephone, or a better hat, it will be an American who created it; but the thing that perturbs me is that when someone devises a more inefficient legislative body it is sure to be a Member or alumnus of the United States Senate. Mr. President, the inefficiency of this body simply does not comport with the traditional efficiency that so typifies America.

Consider for a moment that epitome of American efficiency, the automobile assembly line. Can we conceive of the engineers, right at the point where the chassis are attached to the frames, all of a sudden starting to assemble refrigerators and leaving the half-assembled cars to wait? That is exactly what we do, in effect, in the Senate. An appropriation bill comes off the drawing boards of the Appropriations Committee and then enters the legislative mill here on the floor. Right in the midst of the debate, someone will start producing refrigerators—in the form of a digression on grain to India, the Missouri River, the MacArthur affair, or a tribute to National Song and Dance Week.

Mr. President, no one can legitimately say that the Senate does not move. We move, all right, but in so many different directions that forward progress is often indiscernible. I cannot help thinking of a stranger who was traveling through one of our New Jersey country towns recently and asked a farmer for directions. "Where's such-and-such a town?" "Don't know," said the farmer. "Well, what county is this?" the stranger queried. "Don't know," said the farmer. "Say, you don't know much, do you?" "Nope, but I ain't lost." [Laughter.]

I am sure the digressors in Senate debate are not lost, either. But they "shore" leave the rest of us floundering for direction.

I am a youngster in this body, but during the 2½ years of my service here, I have become impressed with the high cost of irrelevancy in time, expense, interest, and mental concentration. My experiences are not unique, Mr. President. I am certain that every Member here has had the experience of doing his homework on legislation to be taken up the next day. When he arrives in the Senate the next day, ready to deliberate on the measure, one of his distinguished colleagues secures the floor and proceeds to deliver a 2-hour speech on the significance of—perhaps—Custer's last stand.

Thereafter the floor clears, and some Members finally get back to their offices and start their thought processes off in other directions, and then the buzzer sounds a quorum call. Back we come, and the roll is called; and if the fates be willing, perhaps we ultimately consider the scheduled item of business.

It seems unbelievable, Mr. President, that we would tolerate for a minute such a wasteful and haphazard procedure of legislating for the United States of America. Irrelevancy in debate dishonors our high calling and impugns our good sense. When I begin to add up the wasted motion, the apathy and inadequate consideration of bills, all of which are fruits of irrelevant speech-making, then I know the truth of Robert Luce's indictment that toleration of irrelevancy is "perhaps the most grievious element in the procedure of Congress." An added hurt comes from the fact that this great student of the Congress made that indictment in 1922, and we are still guilty as charged.

Lest certain of my esteemed colleagues fear an attack on the filibuster, let them be calm. I have my views about Senate "talkathons," but I am not voicing them here today. Of course, irrelevant material is the main crutch of a man who speaks 8 or 12 or 15 hours to prevent consideration of a bill. I am sure, for example, that one might secure a free collection of most of Shakespeare's works by going back and clipping from the CONGRESSIONAL RECORD quotations from him used during Senate filibusters.

But I am not half so concerned about the semiannual filibuster as I am about the almost daily flights into irrelevancy which carry us far afield from the superabundant work we have to do.

The problem of relevancy of debate, Mr. President, must surely be as old as legislative bodies themselves. We know that the Mother of Parliaments, the House of Commons, has and enforces a strict prohibition against irrelevancy. Rule XIV governing our colleagues in the other Chamber provides that—

> When any Member desires to speak or deliver any matter to the House * * * he shall confine himself to the question under debate, avoiding personality.

And, as I understand, that rule is strictly enforced.

Jefferson's Manual, long a guidebook for this body here, said that—

> No one is to speak impertinently or beside the question, superfluously, or tediously.

According to Burdette, a contemporary student of the Senate, Jefferson's injunction against irrelevancy was fairly well applied by Senate Presidents up to the 1840's.

But, during that decade, just a hundred years ago, the precedents became conflicting. In one instance, the Senate voted a Member out of order on irrelevancy grounds, whereas a month earlier it had allowed another Member to proceed who had been ruled out of order by the President.

It was our predecessors of the Forty-second Congress who issued the license for irrelevancy under which we have conducted our debates to the present day. On February 29, 1872, the Senate, by a vote of 28 to 18, refused to sustain a ruling of the Chair that a Senator was out of order for not speaking to the point. Better that the extra day of leap year had not happened and that the question had not been raised. For since then a point of order on irrelevancy has never been sustained against a Member of the Senate. What I am proposing in my resolution is that we revoke this license for irrelevancy. Let us put a stop to 80 years of rambling.

Nothing humbles me quite so much, Mr. President, as a moment's reflection on some of the portentous matters requiring our considerate judgment—the military-assistance program and North Atlantic Treaty, the Internal Security Act, the appropriations for national defense, and so many others. How can we dare longer to operate under rules which substitute for a wise and systematic consideration of issues a procedure marvelously designed to befuddle, confuse, and delay? Well might we re-echo the heated words of President Wilson, uttered after a Senate filibuster on a World War I measure, in a crisis period surely less serious than that of today. I quote the great President:

> In the immediate presence of a crisis fraught with more subtle and far-reaching possibilities of national danger than any the Government has known within the whole history of its international relations, the Congress has been unable to act either to safeguard the country or to vindicate the elementary rights of its citizens. More than 500 of the 531 Members of the two Houses were ready and anxious to act; the House of Representatives had acted, by an overwhelming majority; but the Senate was unable to act because a little group of 11 Senators had determined that it should not. * * * The Senate of the United States is the only legislative body in the world which cannot act when its majority is ready for action. A little group of willful men, representing no opinion but their own, have rendered the great Government of the United States helpless and contemptible * * *.
>
> The only remedy is that the rules of the Senate shall be so altered that it can act. The country can be relied on to draw the moral. I believe that the Senate can be relied on to supply the means of action and save the country from disaster.

Mr. President, that is a quotation from one of the greatest statesmen the country ever produced.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HENDRICKSON. I prefer not to yield until I conclude.

An amendment to the Senate rules was adopted 4 days later, on March 8, 1917. Familiar to all of us as the cloture rule, it now stands in amended version as section 2 of rule XXII of the Senate Rules. That rule proscribes irrelevance when cloture is being applied.

Obviously, that rule is not enough, for the "sin doth continue." In proposing this amendment to our rules of procedure, I am espousing both an ancient and, perhaps, a martyr's cause. Proposals to curb irrelevancy were introduced, for example, in 1914, and again in 1925. And the last two men who championed the reform lost their Senate seats last November—albeit for other reasons, I hope and pray. May I call attention to the conclusions arrived at by the former majority leader, former Senator Scott Lucas, after his long efforts to give direction to our deliberations:

> Mr. President, I believe that Members on both sides of the aisle have indulged too often in exhaustive debates and I have pleaded again and again for voluntary limitations on speeches. I have advocated a rule of relevancy, in order to enable the Senate to conduct its business with the efficiency desired by the American people.
>
> Just as certainly as I stand before the Senate today, Mr. President, in order to handle all the controversial and important problems the American Government must solve from this time on, in the role of world leadership which we acquired in World War II, the rule of relevancy and germaneness must come into existence in the United States Senate. Such a rule is necessary if we are to expedite the business of the Government in the efficient manner the people of the Nation expect us to handle their affairs. It is high time we break away from the lethargy which has been displayed here and from the doctrines of the past and adopt some rules in the Senate that will really give us an opportunity to transact some business.

My resolution to amend rule XIX of the Standing Rules of the Senate is intended to accomplish just that. In case one of my distinguished colleagues should suggest stare decisis as a reason for leaving past sins unredeemed, let me say here and now that precedents in the right command my wholehearted respect, but I cannot for an instant honor precedents in the wrong. Now and again, the Supreme Court reverses itself with singularly beneficial results—as in the 1925 Gitlow decision, when the Court finally got around to deciding that some of the privileges secured in the Bill of Rights were protected against State encroachment by the fourteenth amendment. For the Senate now to reverse that crusty precedent of 1872 would have telling effects as well for this body. Mr. President, let us take the hoary bull of tradition by the horns and throw off the yoke of the 1872 precedent which has burdened us all these years with the evils of irrelevancy.

Let me dispel right now any false notion that I want to stop Senators from talking. One attains some conception of the impossible even after only 2 years here. My resolution, if adopted, will not limit debates; rather, it will only cut off that which is not debate. An important corollary of the proposed rule is that sufficient time be set aside each week for eulogies, nonsensicals, tidbits, and miscellany. During the hours thus set aside those of us who want to be moved, impressed, or entertained can come and listen with rapt attention; those who do not can get something accomplished for State and Nation in their offices or in the committee rooms. And during the hours of regular legislative business, when irrelevancy will be barred, we as a body shall move ahead with minds and voices unitedly directed toward the measure pending before us. In giving direction to our freedom to discuss, this resolution will not affect how much we may say, but only when we may say it. To my way of thinking, this veritable temple of freedom will be less encumbered, freer and wiser than ever before.

I now send the resolution to the desk, Mr. President, and ask that it be appropriately referred.

The resolution (S. Res. 158), submitted by Mr. HENDRICKSON, was received and referred to the Committee on Rules and Administration, as follows:

> *Resolved*, That paragraph No. 1 of rule XIX of the Standing Rules of the Senate (relating to debate) is amended by adding at the end of the first sentence thereof the following: "A Senator, upon being recognized, shall confine himself to the question under debate."

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HENDRICKSON. I yield.

Mr. LEHMAN. I congratulate the Senator from New Jersey on his very clear and cogent presentation of his case. It is entirely in line with my own thinking. On last Monday I appeared before the Committee on Expenditures in the Executive Departments and made a plea for a rule which would commit the Senate to the observance of germaneness or relevancy. I said at that time:

> Finally, we come to the question of germaneness or relevancy. No single aspect of our proceedings so puzzles and amazes the general public as our present practice of permitting any Senator during the consideration of almost any question to address himself to any subject under the sun whether or not it has the remotest reference to the pending question.

I mention that only to indicate to my distinguished colleague that I shall be very glad indeed to support the resolution which he has introduced. I think it is high time that the Senate should observe the rules of relevancy and germaneness.

Mr. HENDRICKSON. Mr. President, I thank the Senator from New York, and I also commend him for the efforts which he has been putting forth in this direction.

Mr. LEHMAN. I wish to correct one statement of the Senator in which he made reference to the fact that two Senators who advocated the rule of germaneness and relevancy were defeated in their election last year. I should like to point out that I, too, advocated that rule, and was not defeated, but was elected in my own State.

Mr. HENDRICKSON. That is a very gratifying observation. I said in my remarks that I hoped the Senators were not defeated because of their efforts to bring to the Senate of the United States a rule of relevancy.

I yield the floor.

Mr. WHERRY. Mr. President, I express my appreciation of the very forceful address which has been made by the junior Senator from New Jersey. As a member of the Committee on Rules and Administration I wish to say that the subject of his remarks is one which has been discussed not only at this session, but from the beginning of the sessions of the United States Senate. The unfortunate thing about it is that if we desire to change the rule, we have to be prepared to break a filibuster. That means that we must meet around the clock. But that does not prevent one's advocating a constructive change in the rules.

Mr. President, I should like to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. The distinguished Senator from New Jersey asked for appropriate reference. I should like to ask the distinguished occupant of the chair to what committee the resolution will be referred.

The PRESIDING OFFICER. The Chair is advised that the resolution has been referred to the Committee on Rules and Administration.

Mr. WHERRY. I thank the distinguished occupant of the chair for that answer, because, while it is perfectly agreeable for the Committee on Expenditures in the Executive Departments to look into legislation and possibly to evaluate it, I am quite satisfied that this resolution should be sent to the Committee on Rules and Administration, which I think has full jurisdiction.

Mr. HENDRICKSON. Mr. President, I rise to thank the distinguished Senator from Nebraska for what he said concerning the junior Senator from New Jersey.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LONG. In the Eighty-first Congress, through the efforts of the Senator from Nebraska and other Senators, the Senate succeeded in obtaining a rule that a two-thirds majority could shut off debate. Therefore, it is possible to have cloture when two-thirds of the Senate is anxious to shut off debate.

Mr. WHERRY. I agree with the Senator that we made a great step forward in providing for the first time such a rule, under which there is a possibility of filing a cloture petition or motion. That situation had never before obtained. There are those who feel that the rule of constitutional majority should be changed to two-thirds of those present and voting. We did not change the procedure for amending the rules.

I again thank the distinguished Senator from New Jersey for his fine speech. He is a member of the Committee on Rules and Administration, and, working with the calendar, I am satisfied that he has been relating to the Members of the Senate the experiences he has been

through in the Senate. At times it seems that the procedure is very awkward and very difficult. I am glad the Senator has offered his resolution, but I remind Senators that if there is to be a rule change, it will require not only the necessary legislation, but the ability to put it through the Senate.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LEHMAN. I understand that in order to change the rule we have to change the rule which protects filibusters.

Mr. WHERRY. We first have to be able to get the question before the Senate. That has not been changed.

Mr. LEHMAN. I realize that. I have introduced a resolution to change the rules which protect filibusters, to end a filibuster on a reasonable basis and at a reasonable time. I am sure that resolution has been or will be referred to the Committee on Rules and Administration. With all respect to the distinguished minority leader, if he will support my resolution changing the rules as to filibusters, I believe there would be a very excellent chance of getting it through the Senate. I bespeak his support for my resolution. I think it would go a long way toward ending filibusters, and yet would protect the right of Members of the Senate to express themselves freely.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WHERRY. I should like, first, to make a comment. It is unusual for the Senator from New York to overwhelm me with flattery or commendation, and I thank him. I appreciate it very much. I am not acquainted with all the reasons he has submitted for his resolution, but I will say to him, in all seriousness, that as one who has studied the rules, I am as anxious as he is to change constructively the rules of the Senate as much as we can. I will say now, as I have said many times before, that it is acceptable to me that a cloture petition should require only a two-thirds vote. We could not accomplish that. We debated around the clock one or two nights, but we did get, I think, a workable rule. We shall do the best we can, and I think we should continue to improve the rules. I think it would make the Senate procedure more workable. The point I still wish to drive home is that regardless of how perfect the proposal may be—and I know the Senator from New York drafts resolutions and bills which illustrate what he is thinking—we still must have the ability to break a filibuster when we are going to change a rule and certain Members of the Senate do not want to have the rule changed. To break a filibuster requires that there must be a quorum 24 hours a day, around the clock. I have agreed to that in the past, but about the third night Senators are ready to do anything possible to get the Senate to take a recess.

Mr. LONG. Mr. President, I am sure the distinguished minority leader knows from past experience that if it is proposed that a gag rule of the type proposed by the Senator from New York should be taken up for consideration, the Senator had better plan to wait until we have 2 or 3 months' time available to sit around and listen to the debate.

Mr. WHERRY. Mr. President, I do not know whether the proposal is for a gag rule. I do not know what it is. I will say that I want to protect unlimited debate in the United States Senate. I feel, however, that at times when debate has been exhausted, a cloture petition should be filed. I believe that at some time those who wish to vote on a question should have their day in court. That is my position.

Mr. LEHMAN. Mr. President, will the Senator from Arizona yield to me for a very brief observation?

Mr. McFARLAND. I yield.

Mr. WHERRY. Mr. President, I inquire who has the floor?

The PRESIDING OFFICER. The Senator from Nebraska has the floor, unless he yields it now.

Mr. WHERRY. No; I do not yield now, because I told the able Senator from New York that I would yield to him. I now yield to him.

Mr. LEHMAN. Mr. President, I am encouraged by the statement of the Senator from Nebraska that he will support a movement to liberalize and make less burdensome the Senate rule which by common consent bears his name, which is so stringent that it is perfectly evident to me, as I believe it must be evident to other Members of the Senate, that there is no way of breaking a filibuster.

Mr. WHERRY. Mr. President, with that statement I totally disagree. The present cloture rule is workable. It has been demonstrated that it is workable. It will not accomplish completely what the Senator from New York wants accomplished, and I will say that it does not accomplish exactly what I want it to accomplish. Instead of it being necessary that there be a constitutional two-thirds of the Members of the Senate voting for cloture, I should like to have it provide that action could be taken by a vote of two-thirds of the Senators present. I should like to have the rule changed so a motion for cloture could be adopted by two-thirds of the Senators present. I think it would be a good thing if that were possible.

I am glad now to yield the floor.

CONVENTIONS AND RECOMMENDATIONS BY INTERNATIONAL LABOR CONFERENCE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 176)

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

In accordance with the obligations of the United States of America as a member of the International Labor Organization, I transmit herewith, for the enactment of legislation or such other action as the Congress may consider appropriate, authentic texts of two conventions and two recommendations adopted at the thirty-second session of the International Labor Conference, held at Geneva from June 8 to July 2, 1949.

The conventions and recommendations are:

Convention (No. 95) concerning the protection of wages;

Convention (No. 98) concerning the application of the principles of the right to organize and to bargain collectively;

Recommendation (No. 85) concerning the protection of wages; and

Recommendation (No. 87) concerning vocational guidance.

I transmit also the report of the Secretary of State with regard to the abovementioned conventions and recommendations, together with copies of letters from the Secretary of Labor to the Secretary of State setting forth the coordinated view of the interested departments and agencies of the executive branch of the Government with respect to those instruments.

I am requesting the Secretary of the Interior to transmit the texts of the two conventions and two recommendations to the governments of Alaska, Guam, Hawaii, Puerto Rico, and the Virgin Islands for the enactment of legislation or other action. For action and advice with respect to American Samoa and the Trust Territory of the Pacific Islands, I am transmitting the conventions and recommendations to the Secretary of Defense and also, in view of the projected transfer of jurisdiction over those areas, to the Secretary of the Interior.

HARRY S. TRUMAN

THE WHITE HOUSE, *June 21, 1951.*

(Enclosures: (1) Report of the Secretary of State; (2) three letters from the Secretary of Labor (copies); (3) authentic texts of conventions and recommendations.)

EXECUTIVE SESSION

Mr. McFARLAND. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. HENNINGS in the chair) laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. If there be no reports of committees the nominations on the calendar will be stated.

FEDERAL POWER COMMISSION

The Chief Clerk read the nomination of Claude L. Draper, of Wyoming, to be a member of the Federal Power Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES CIRCUIT JUDGE

The Chief Clerk read the nomination of Harold R. Medina, of New York, to be United States circuit judge, second circuit.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Thomas F. Murphy to be United States district judge for the southern district of New York.

Mr. WHERRY. Mr. President, by request, I ask that that nomination go over for today.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

UNITED STATES ATTORNEYS

The Chief Clerk read the nomination of Joseph T. Votava to be United States attorney for the district of Nebraska.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Leo P. Flynn to be United States attorney for the district of South Dakota.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

The Chief Clerk read the nomination of John M. Moore to be United States marshal for the eastern district of Kentucky.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That concludes the nominations on the calendar.

Mr. McFARLAND. I ask unanimous consent that the President be immediately notified of all confirmations of today.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

LEGISLATIVE PROCEDURE

The Senate resumed legislative session.

Mr. WHERRY. Mr. President, the RECORD, when we read it tomorrow, will show that at just about the time when action was to be taken on a motion to take up for consideration Calendar 233, Senate bill 719, the senior Senator from Ohio [Mr. TAFT] somehow obtained the floor and made a motion to reconsider the action taken on House bill 2416, Calendar 305. What was done is a matter of record.

I should like to state that I am very much disappointed that the motion was not put and that action was not taken which would make Senate bill 719 the unfinished business. I wish to point out for the record that, in order to cooperate with the majority leader, no further effort will be made tonight to make that bill the unfinished business; yet I hope that when the motion to reconsider the vote by which House bill 2416 was passed is acted on, the distinguished majority leader will renew his motion on the basis on which it was offered this afternoon.

Mr. McFARLAND. I expect to do that. I have talked with the senior Senator from Ohio [Mr. TAFT], and it is agreeable with him that we dispose of his motion shortly after the Senate reconvenes tomorrow at 12 o'clock noon.

Mr. WHERRY. I thank the Senator.

RECESS

Mr. McFARLAND. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 22, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 21, 1951:

The following-named (Naval ROTC) to be ensigns in the Navy:

James R. Bachtold	Robert B. McCoy
Richard L. Bailey	Thomas S. Mitchell
Earl E. Bethke, Jr.	David R. Morton
Walter D. Burch	Thomas R. Overdorf
Thomas J. Collins	Duane E. Peak
John T. Cooper	Carl R. Pendell
Roland L. Cooper	Thomas J. Powers
William C. Dewey	Richard F. Rockwell
Richard J. Edris	Eugene P. Schwartz
Chester C. Edwards	John W. Simmons III
William L. French	Harold A. Steen
Donald R. Holman	Travis L. Story, Jr.
Robert C. Irwin	Homer B. Teafatiller
Rockne H. Johnson	Richard H. Wilcox
Charles C. Keathley	Thomas H. Willings,
Richard F. Kilburg	Jr.

Richard M. Stafford (Naval ROTC) to be an ensign in the Navy, in lieu of ensign in the Navy, as previously nominated and confirmed, to correct name.

Frederick N. Larivee, Jr. (Naval ROTC) to be a second lieutenant in the Marine Corps.

The following-named (civilian college graduates) to the grade indicated in the Medical Corps of the Navy:

LIEUTENANTS (JUNIOR GRADE)

Howard Adler	James E. Odell
John P. Anderson	Jed Paul
Leo J. Corazza	Richard C. Smith
Ernest Gosline	Melvin B. Sullivan,
Clifford E. Keeler	Jr.
William G. Mask	Ned H. Wiebenga
Charles H. Miller	

The following-named (civilian college graduates) for temporary and permanent appointment to the grade and corps indicated:

The following-named for temporary appointment:

LIEUTENANT COMMANDER, MEDICAL CORPS

James R. McShane

The following-named for permanent appointment:

LIEUTENANT, MEDICAL CORPS

James R. McShane

The following-named (civilian college graduates) to the grade indicated in the Dental Corps of the Navy:

LIEUTENANTS

Frank M. Ball, Jr.	Wade H. Hagerman, Jr.
Frank N. Ellis	Edwin M. Sherwood

LIEUTENANTS (JUNIOR GRADE)

Andrew J. Bartosh	Carl E. Housekeeper
Richard A. Fogg	Neal A. Sprague
Louis T. Foley	Andrew Wyda
Loren V. Hickey	

The following-named woman (civilian college graduate) to be an ensign in the Navy:

Dorothea J. Meadows

The following-named to be ensigns in the Nurse Corps of the Navy:

Barbara E. Brookfield	Berta M. Saavedra
Ruth M. Carmichael	Eleanor M. Salow
Mary A. Conley	Ethel V. I. Satterlund
Dorothy M. Connell	Marilyn A. Sorenson
Delphine DeMarco	Golda R. Spencer
Florence S. Hass	Dolores L. Stahr
Laura J. Little	Myrtle E. Urban
Winifred MacElree	Nancy M. Van Atta
Mary W. Nesbit	Patricia J. VanCleave
Elizabeth J. Rhinard	Mildred E. Woodruff

The following-named women officers to the grades indicated in the Nurse Corps of the Navy:

LIEUTENANTS

Mary E. Asher
Dorothy C. Becker
Miriam E. Bittle

LIEUTENANTS (JUNIOR GRADE)

Helen V. Chase
Sue E. Smoker

CONFIRMATIONS

Executive nominations confirmed by the Senate June 21, 1951:

FEDERAL POWER COMMISSION

Claude L. Draper, of Wyoming, to be a member of the Federal Power Commission for the term expiring June 22, 1956.

UNITED STATES CIRCUIT JUDGE

Harold R. Medina, of New York, to be United States circuit judge, second circuit.

UNITED STATES ATTORNEYS

Joseph T. Votava to be United States attorney for the district of Nebraska.

Leo P. Flynn to be United States attorney for the district of South Dakota.

UNITED STATES MARSHAL

John M. Moore to be United States marshal for the eastern district of Kentucky.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 21, 1951

The House met at 10 o'clock a. m.

The Rev. Dr. Joseph F. Thorning, associate editor of the Americas, offered the following prayer:

Almighty and Eternal God, look down with favor upon the Speaker of this House, the Members of the Congress, and their colleagues in the other American republics.

Grant to our leaders the light of Thy graces and the blessings of Thy wisdom.

Vouchsafe to the President of the United States of America and to the Chief Executive of our sister Republic, Ecuador, whose noble-hearted son is a guest of our Nation, the splendors of Thy love so that all Americans may continue to form a company of brothers.

Inspire our people generously to uphold the hands of our good neighbors by prayer and sacrifice.

This we ask in the name of our Saviour, "the Christ of the Andes." Amen.

The Journal of the proceedings of yesterday was read and approved.

DISCHARGE PETITION NO. 4 ON TOWNSEND BILL, H. R. 2678

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, on February 16, 1951, I introduced H. R. 2678, and my colleague, the gentleman from Minnesota [Mr. BLATNIK], introduced a companion bill, H. R. 2679. One or more additional bills identical in language, I

understand, have been introduced by other colleagues. The bills were referred to the Ways and Means Committee on February 16.

The objective of this legislation, known as the Townsend recovery plan, is to provide every adult citizen in the United States with equal basic Federal insurance, to permit retirement with benefits at the age of 60, and to cover total disability from whatever cause for certain citizens under 60; to give protection to widows with children; to provide an ever-expanding market for goods and services through the payment and distribution of such benefits in ratio to the Nation's steadily increasing ability to produce, with the cost of such benefits to be carried by every citizen in proportion to the income privileges he enjoys.

Seventy-eight House members petitioned the Ways and Means Committee as follows:

The undersigned Members of the Eighty-Second Congress respectfully request that the Ways and Means Committee report House Resolution 2679, commonly known as the Townsend plan, out of committee and to the House of Representatives, for action.

In view of the fact that the Ways and Means Committee has taken no action on the legislation and the time is approaching for a recess of the Congress, I have filed today Discharge Petition No. 4, which is on the Clerk's desk.

I most respectfully urge all Members of the House who are interested in providing adequate security benefits for the aged, dependent widows and orphans to sign Discharge Petition No. 4 so that the legislation may be brought to the floor for consideration. If 218 Members of the House sign it will be brought up under an open rule so that any germane amendments may be brought up and voted on. Later in the day I hope to get time to discuss the bill at greater length.

RAILROAD RETIREMENT ACT

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, as all of us know, the House Committee on Interstate and Foreign Commerce is now considering improvements in the Railroad Retirement Act. I am deeply interested in this move and I hope that the committee will expeditiously report a bill in order that we may vote it up in the House.

The Railway Labor Executives Association, with whom all Members of the House are familiar, is supporting H. R. 3669 by Mr. CROSSER, of Ohio. This bill makes badly needed improvements in the Retirement Act. It affords to widows and children the increases to which they are so justly entitled. In addition, H. R. 3669 gives to all beneficiaries under the Railroad Retirement Act very substantial increases in keeping with the general advances in the cost of living. Also, H. R. 3669 adjusts the basic Railroad Retirement Act to facilitate good administration.

In addition to all of these benefits which I have mentioned, this bill makes provision for financing the suggested improvements. It is an easy thing to stand here on the floor and advocate giving someone something, but we must always bear in mind that costs must be met. The RLEA bill meets costs that are created by additional benefits. This bill is balanced, costs are balanced against income and the future of the retirement fund is not endangered.

The people of Kentucky are anxious that railroad pensioners, annuitants, and survivors not be crushed between low benefits and rising costs. I am supporting H. R. 3669, and I feel confident that every Member will do likewise after he has had an opportunity to study the problem and the bills now before the Interstate Commerce Committee. Good judgment requires that the committee report H. R. 3669, and the House in its wisdom will undoubtedly pass the bill by a big majority.

CALL OF THE HOUSE

Mr. BISHOP. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently there is no quorum present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 82]

Adair	Gavin	Miller, N. Y.
Allen, La.	Gillette	Morrison
Beall	Gossett	Murray, Wis.
Blatnik	Gwinn	Norblad
Breen	Hays, Ark.	O'Konski
Buckley	Holifield	Patman
Byrne, N. Y.	Irving	Phillips
Camp	Javits	Pickett
Carnahan	Johnson	Powell
Celler	Kelley, Pa.	Preston
Chatham	Kersten, Wis.	Rivers
Coudert	Kilday	Sasscer
Cox	LeCompte	Scudder
Crosser	Lyle	Stockman
Dawson	McCarthy	Taylor
Dingell	McGrath	Tollefson
Durham	Mack, Ill.	Velde
Engle	Magee	Vorys
Evins	Mason	Wheeler
Fallon	Merrow	Whitaker
Flood	Miller, Calif.	Woodruff

The SPEAKER. On this roll call 369 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON EXPENDITURES

Mr. LUCAS. Mr. Speaker, I ask unanimous consent that the subcommittee studying the Wage Stabilization Board may have permission to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REVENUE ACT OF 1951

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4473) to provide revenue, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4473, with Mr. RAINS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule debate will be confined to the bill, will continue not to exceed 2 days, the debate to end not later than 4 o'clock on the second day, the time to be equally divided and controlled by the gentleman from North Carolina [Mr. DOUGHTON] and the gentleman from New York [Mr. REED].

The gentleman from North Carolina is recognized.

Mr. DOUGHTON. Mr. Chairman, I yield myself 38 minutes.

Mr. Chairman, H. R. 4473, the bill to provide revenue, and for other purposes, is the result of 4½ months of continuous work by the Committee on Ways and Means. After 2 months of public hearings during which more than 200 witnesses appeared and testified, the committee went into executive session for approximately 2½ months to study and discuss the record of nearly 3,000 printed pages and to prepare a tax bill.

On June 15, by a 19-to-6 vote of our committee, the bill which I had been directed to introduce was favorably reported. This bill, in a full year of operation, according to the staff of the Joint Committee on Internal Revenue Taxation, is estimated to yield $7,200,000,000 in additional revenue from the following sources:

Income taxes on individuals	$2,847,000,000
Income and excess-profits taxes on corporations	2,855,000,000
Excise taxes	1,252,000,000
Other changes	245,000,000
Total	7,199,000,000

This is the third increase in taxes since the outbreak of the Korean war last June. The first increase was contained in the Revenue Act of 1950 and amounted to approximately $6,000,000,000. The second increase was contained in the Excess Profits Tax Act of 1950, and amounted to $3,900,000,000. The third increase in the pending bill amounts to $7,200,000,000. Thus, the total increase due to these three acts amounts to over $17,000,000,000.

In this context, I think it just and proper that I should pay tribute to the members of our committee, who spent more than 11 months on these three measures, not counting the time spent in conference. Many of our decisions have been unanimous, and, of course, every decision made by the pending bill was reached by at least a majority of the members of the committee. On very few votes in our committee was there a division strictly on party lines—I believe on only 7 out of more than 100 roll calls in the committee. I sincerely believe that

the pending bill represents the composite best judgment of the membership of the Committee on Ways and Means as to the most appropriate sources of the additional revenue so urgently required to finance the defense program.

Although the amount provided in this bill is not as large as the administration request, which was for a little more than $10,000,000,000, it is, in the opinion of our committee, as large an amount as could safely be collected from the economy under present conditions. It is hoped that, with a proper curtailment in nonessential Government spending, it will be ample to balance the budget for the fiscal year 1952. As we near the close of the fiscal year 1951, it appears that we will have a surplus for this fiscal year in the neighborhood of three to four billion dollars, due primarily to the effect of the previously mentioned revenue acts. Our position, for the fiscal year 1951, is, therefore, brighter than the position we were in for the fiscal year 1950, which closed with a deficit of over $3,000,000,000. It is for the heavy defense expenditures in the years immediately ahead, however, that we are now called upon to raise Federal taxes to the highest level in our history.

As I view it, there are three alternatives facing the Congress: First, we must raise taxes even higher than those provided under present law and in the pending bill; or, second, we must reexamine and reduce Federal expenditures wherever possible, including not only the ordinary operations of Government, but the military and foreign aid budgets as well; or, third, we must embark upon a heavy program of additional borrowing and deficit financing. Of these three alternatives, I consider it unlikely that we shall be able to increase substantially the yield of the Federal tax system beyond what is included in the present bill. I say this in all frankness and sincerity, for I consider it essential that we face up to the fact that any higher tax rates on either individuals or corporations or excises would be exceedingly burdensome and difficult to impose. On the other hand, the financing through borrowing of any substantial part of the defense program for an indefinite period in the future would certainly contribute to inflation and might permanently and seriously impair the credit of the Government. The only sound future course, in my opinion, is to reexamine the scope of Federal activities and to cut expenditures to the bone.

This is the setting, then, in which we ask favorable consideration of the pending bill, which includes the following major provisions:

A. Increase in individual income taxes: Our committee decided that instead of increasing the individual rate schedule, it would be better and simpler to provide for a flat percentage increase in the amount of each individual's income tax. This method, if I am not mistaken, was first mentioned by a minority member of the committee. Under this method, each individual liable for taxes will compute his tax as under present law, and then increase it by a flat 12½ percent. This is similar to the method followed in the first Revenue Act of 1940, when we had to raise revenue for defense purposes, and it is a method which has been employed by several of the States in raising revenue for emergency purposes. It is believed that this method will emphasize the emergency nature of this tax, and this will be emphasized by naming it a defense tax.

For the calendar year 1951, the defense tax is 4 percent of the ordinary tax so computed. For the calendar year 1952 and subsequent years, the defense tax is 12½ percent of the computed ordinary tax. To prevent the total tax from being confiscatory in the unusually high brackets, it is provided that the top bracket rate on that part of an individual's income after exemptions and deductions in excess of $160,000, if married, and $80,000, if single, will not exceed 94.5 percent. In no case can the entire tax be greater than 90 percent of a taxpayer's net income. This means that for each dollar of income above those amounts the taxpayer would never pay more than 94½ percent and when the taxes on income below $160,000, if married, and $80,000, if single, are averaged together with the 94.5 percent tax on income above those amounts the total average tax could never exceed 90 percent of the taxpayer's net income.

Our committee felt that the increases in the ordinary tax should also apply to the tax on capital gains. The increase of the tax on capital gains is the same as the increase applied to the tax on ordinary income, such as wages, salary, and dividends. Individuals subject to the alternative capital-gains tax rate of 25 percent will, under the bill, be required to compute their capital-gains tax at such rate and then add 12½ percent to the tax so computed. For the year 1951 the amount to be added to the capital-gains tax is 4 percent of such tax, instead of 12½ percent. The increase in the capital-gains tax is considerably smaller than that advocated by the Treasury, which recommended an increase in the capital-gain rate effective January 1, 1951, from 25 percent to 37½ percent. The committee bill will result in a total capital-gain rate of slightly over 28 percent.

B. Corporation taxes: The bill also increases the normal tax on corporations by 5 percentage points. This means that corporations with incomes of $25,000 or less who under the present law pay a corporate rate of 25 percent will have their rate increased to 30 percent. Corporations with incomes above $25,000 which pay both normal and surtax will have their total tax rate raised from 47 percent to 52 percent. This 5-percentage-point increase and the corresponding increase in the over-all ceiling rate is estimated to increase revenues by approximately $2,085,000,000 in a full year of operation. This increase in the corporate normal tax rate affects the burden of all corporations, including the smaller corporations not subject to the excess-profits tax.

In addition, the committee bill increases the excess-profits tax by reducing the average earnings base credit from 85 percent of such base period earnings to 75 percent. It is deemed preferable to raise further additional revenue from corporations making excess profits than to increase the corporate rate by more than 5 percentage points. A further increase in the corporate rate would cause the burden of taxation to fall on those corporations whose profits during the base period have declined more than 25 percent and upon the smaller corporations not subject to the excess-profits tax.

Under the existing law, a ceiling is imposed upon the total normal tax, surtax, and excess profits tax, so that in no case will the total of such taxes exceed 62 percent of the corporation's excess-profits tax net income. Many of the largest and most prosperous corporations have already reached this 62-percent ceiling. In order that the normal tax and excess-profits tax increases might also apply to such corporations, it was necessary to raise the ceiling to 70 percent.

Corporations are also required to pay an additional tax on their capital gains. But this increase is limited to the same increase which is applied to individuals. That is, an additional 4 percent of their capital-gains tax is added for the calendar year 1951 and an additional 12½ percent is added to their capital-gains tax for 1952 and subsequent years.

C. Withholding on dividends, royalties, and certain payments of interest: The bill also contains a provision providing for collection of tax by withholding at the rate of 20 percent in the case of dividends, corporate bond interest, and royalties. Recipients would proceed in filing income-tax returns just as they do now in the case of salaries and wages where taxes have been withheld, taking credit for taxes withheld and claiming refund if overpayment has occurred. The bill specifically exempts from the withholding requirements interest on United States savings bonds, postal savings certificates, interest on savings accounts, and amounts paid by mutual savings banks, savings and loan associations, cooperative banks, homestead associations, credit unions, or any similar organization in respect of withdrawable or repurchasable shares, investment certificates, or deposits. The revenue to be collected from this source, which is not now being collected because of the failure of taxpayers to report proper amounts of dividends, royalties, and interest, amounts to $323,000,000.

There are some taxpayers who prefer to have a greater part of their tax on wages covered by withholding than is possible at the withholding rates on wages. The bill contains a provision to permit additional withholding on wages if the employer and employee agree to such additional withholding.

D. Miscellaneous income tax changes: The bill contains a number of miscellaneous income-tax amendments. Some close existing loopholes in the law and others remove certain inequities and hardships. These are all fully discussed in the report, and I will, therefore, mention only a few of them.

First. Head of a household: First, the bill recognizes the unfairness in present taxes which exist between a married couple and a head of a household. An especially unfortunate situation exists

where the one spouse dies in a taxable year. The sudden increase in tax due to the fact that the surviving spouse is no longer entitled to the benefits of the split income provisions add another burden to the bereaved spouse who is endeavoring to maintain a home for the benefit of the children. In fact, although the expenses of the home may actually be greater than before the death of one of the spouses, the tax burden under existing law is materially increased on account of such death. The bill provides for a special table which will give the head of a household one-half of the benefits of income-splitting. An individual who is not married will qualify for relief under this provision if, for example, he maintains a home for his unmarried children or grandchildren and furnishes more than one-half of the maintenance costs of such household. Where unmarried children are involved, this relief will be granted, regardless of how much income the unmarried child or grandchild living with the taxpayer may have, so long as the taxpayer furnishes more than one-half of the household expenses. On the other hand, a taxpayer maintaining a household for his mother, father, brother, or sister will qualify for relief under this provision only if the dependent has income of less than $500, and the taxpayer maintaining the home furnishes more than one-half of the support of such dependent.

Second. Gain upon the sale of residences: The bill grants relief for home owners who sell their houses and reinvest in a new home. In such cases the gain upon the old home is illusory since it probably is offset by the higher price paid for the new home. Consequently, under the bill the gain on sale of a residence would be recognized only to the extent the proceeds exceed the cost of a new residence purchased within 1 year before or after sale of the old residence.

Third. Gain from sale of livestock: The bill writes into the law the principle of the Albright case giving capital gain treatment to livestock used in the taxpayer's trade or business. It reaches this result by defining property used in the trade or business as "livestock held by the taxpayer for draft, breeding, or dairy purposes for 12 months or more." The term livestock is intended to be given a broad rather than a narrow interpretation.

Fourth. Percentage depletion: Another relief provision is one granting percentage depletion to certain new minerals, and increasing percentage depletion in the case of coal from 5 percent to 10 percent. The following new group of minerals is allowed percentage depletion at the rate of 5 percent: Sand, gravel, stone—including pumice, scoria, slate—brick and tile clay, shale, oyster shell, clam shell, granite, marble, and asbestos.

The following minerals are added to the list of minerals receiving a 15-percent depletion allowance: Borax, fuller's earth, tripoli, refractory and fire clay, quartzite, perlite, diatomaceous earth, and metallurgical and chemical grade limestone.

Many of these minerals compete with minerals now being granted a depletion allowance, and the committee thought it desirable to place such minerals on a competitive basis as far as the depletion allowance is concerned.

Fifth. Taxation of life-insurance companies: Pending a thorough study of the taxation of life-insurance companies, the bill would continue the stopgap legislation for 1951 developed in the last Congress by a subcommittee of the Committee on Ways and Means and included in the Revenue Act of 1950.

E. Excise taxes: I regret that we had to secure additional revenue by increasing the rates on some existing excise taxes and providing for some new ones. Many of the excises are still at the rate in effect during World War II. The total additional amount to be obtained under the bill from excises is $1,252,000,000. Of this amount, $252,000,000 is secured from increases in the tax on liquor, beer, and wine; $177,000,000 from increasing the tax on cigarettes from 7 cents a pack to 8 cents a pack; and $447,000,000 from manufacturers' excise taxes.

First. Retail excises: In the retail tax field, the bill results in a slight loss in revenue. While an additional amount of revenue is secured from subjecting to the jewelry tax, mechanical lighters for cigarettes, cigars and pipes, $7,000,000 of revenue would be lost from certain exemptions in the tax on toilet preparations. One is an exemption of baby oils, baby powders, and baby lotions. The other exempts toilet preparations used by barber shops and beauty parlors in their establishments. These two exemptions result in a loss of $7,000,000, which, together with the net gain of $2,000,000 secured from taxing mechanical lighters, makes a net loss of $5,000,000.

Second. Electrical energy: One of the taxes which has caused a great deal of concern and which has been on the statute books for many years is the tax of 3⅓ percent imposed on electrical energy used for domestic or commercial consumption. The present law exempts from the tax electric power purchased from publicly owned utilities. The tax has not only been difficult to administer but it has caused discrimination among various consumers, depending upon whether they purchase their electricity from a publicly owned plant or a privately owned plant. Your committee deemed it wise to eliminate this tax entirely.

Third. Liquor, wine, and beer: Turning to the liquor taxes, the rate of tax on distilled spirits is increased under the bill from $9 to $10.50 per proof gallon. The increase on beer would be from $3 to $9 per barrel. In the case of alcohol used for medicinal preparations and flavoring extracts, the committee bill actually reduces the tax by allowing a drawback of $9.50 per gallon. This makes a net tax of $1 to be paid in the case of alcohol used for medicinal preparations and flavoring extracts. Our committee considered very carefully the tax on wines and a compromise rate was agreed upon raising the various wine tax rates by approximately 12½ percent. Certain occupational taxes for dealers in liquor and beer were also increased.

Fourth. Gambling taxes: A new tax is added in the bill on gambling, which applies mainly to bookmaking and numbering transactions. The rate is 10 percent of the amount bet. There is also an occupational tax of $50 a year imposed upon a person liable to the tax and upon any person receiving bets for or on behalf of such person. The yield from this tax is estimated at around $400,000,000.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. DONDERO. I thought gambling was illegal in this country.

Mr. DOUGHTON. Well, I guess it is in most States. There are many illegal things that are taxed. Just because they are supposed to be illegal, would the gentleman be opposed to taxing them? If gamblers make money at gambling, does the gentleman think they should not pay an income tax on the money they win, the same as other people pay taxes on money they earn by doing a hard day's work?

Mr. DONDERO. I am not arguing against it. I am raising the question whether the United States should enter into taking a tax from an illegal transaction.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Tennessee.

Mr. COOPER. Of course, this is a tax on gross receipts from gambling. If the income comes from some illegal activity, it is taxable under the Federal income-tax laws.

Mr. DOUGHTON. It is estimated that this tax will yield about $400,000,000 annually. To that extent it will lighten the burden of other taxpayers. I hope no Member of this House will vote against this bill, but I am sure if he does he will not assign as a reason for voting against it the fact that we put a tax on gambling.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. HOFFMAN of Michigan. The gentleman from Tennessee [Mr. COOPER] made a statement about its being an income tax. Does it carry any implication that it is in any way a sort of license for those people engaging in those activities?

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. COOPER. Certainly there is no thought or intention to condone the activity in any sense.

Mr. HOFFMAN of Michigan. But could it be so construed?

Mr. COOPER. We certainly do not think so. We do not want it to be so construed. There is certainly no intention or thought of in any sense or in any way condoning the activity. But the fact remains that information received indicates that large sums of money are made through this type of activity, and we simply thought that an effort should be made to impose a tax on that type of activity.

Mr. HOFFMAN of Michigan. Properly considered, then, it would be a sort of additional penalty on those unlawful activities, would it not?

Mr. COOPER. If the gentleman will turn to page 55 of the committee report he will find this statement:

> Proposals for a Federal tax on wagering are sometimes criticized as in effect sanctioning the carrying on of gambling activities in violation of such laws. The committee does not share this view. Since its inception, the Federal income tax has applied without distinction to income from illegal as well as legal sources, and it has never been generally supposed that such application carried with it any implied authorization to carry on illegal activities.

Mr. HOFFMAN of Michigan. Then I will renew my observation that it might if properly construed be considered an additional penalty on the illegal activities.

Mr. COOPER. Certainly, and we might indulge the hope that the imposition of this type of tax would eliminate that kind of activity.

Mr. ARMSTRONG. Mr. Chairman, will the gentleman yield for a question?

Mr. DOUGHTON. I yield to the gentleman from Missouri.

Mr. ARMSTRONG. I wish to ask the distinguished and venerable leader of this committee who has outlined so well the provisions of this bill an important question that is bothering a number of us and certainly me as a new Member; he has outlined the three alternatives: First, this tax bill and more taxes perhaps; second, the cutting of expenses; third, continued deficit spending. In the matter of the second alternative I wonder if the gentleman can give us the total amounts that this administration or the administration leaders of this House have recommended or are prepared to recommend by way of cutting expenses of the Federal budget, specifically the elimination of any needless boards and bureaus, or other expenses of the Government? If the gentleman could give us an answer to that I think many of us would be better prepared to consider voting for this bill.

Mr. DOUGHTON. That inquiry could probably be more properly addressed to and more accurately answered by the Committee on Appropriations which has the responsibility of making appropriations.

The administration is criticized severely about expenditures of public funds and blamed for heavy taxes. I am not authorized to speak for the administration so far as that is concerned, but we all know that the administration, the President of the United States, and the head of not a single department of this Government can spend one dollar that is not authorized and appropriated by the Congress. They submit these estimates, make their recommendations, and we act on them; they propose, we dispose.

Now, on the question as to whether or not in my judgment it is necessary to cut expenditures. Certainly it is necessary for us to cut expenditures, but I shall not criticize the Committee on Appropriations or make recommendations to them. I am sure the House realizes that in view of the present heavy burden of taxes that the taxpayers of this country must carry, almost a back-breaking burden, that it is not only essential and important but also absolutely necessary, if the economy of the country is to be kept sound and we to perform our duties and fulfill our just obligations, for us to scrutinize expenditures with the greatest possible care and keep them to the lowest point possible. That responsibility rests upon the Congress and primarily, of course, so far as committees are concerned, upon the Committee on Appropriations. I am sure that committee is doing and will continue to do a magnificent job and scrutinize carefully every request for additional appropriations.

Fifth. Manufacturers' excise taxes: The gasoline tax is increased from 1½ cents to 2 cents per gallon and a new tax of 2 cents a gallon imposed on Diesel fuel used on highways. The total yield from these sources is $220,000,000.

The tax on passenger automobiles and motorcycles is increased under the bill from 7 percent to 10 percent, and the tax on trucks, busses, and truck trailers is increased from 5 percent to 8 percent. The tax on automobile parts and accessories is also increased under the bill from 5 percent to 8 percent. However, the bill contains a relief provision which excludes from the tax base on automobile parts the fair market value of any part traded in for a reconditioned or rebuilt part.

In the case of the 10-percent manufacturers' tax on electric, gas, and oil appliances, the bill does not increase the rate but adds a number of new items to the tax base.

In the case of sporting goods, the bill eliminates from the tax base practically all of the items used principally for school sports and by children, with the exception of baseballs and baseball equipment. Because of the effect upon the revenue, it was not found possible to eliminate the tax on baseballs and baseball equipment. The rate of tax on the items subject to the sporting-goods tax was increased from 10 percent to 15 percent.

Sixth. Telegraph messages: The tax on domestic telegraph, cable, and radio messages is reduced under the bill from 25 percent to 20 percent. This brings this tax more in line with other taxes.

Seventh. Admissions tax: Our committee did not provide for any increase in the admissions tax. However, the bill does contain an exemption from the admissions tax where all the proceeds inure to religious, charitable, educational institutions, and so forth. It does not, however, exempt admissions to athletic contests unless the proceeds inure exclusively to the benefit of elementary or secondary schools. The bill also exempts admission to county fairs, to concerts conducted by nonprofit civic associations, and to government-operated swimming pools. Under the bill, free admissions would not be taxed, and admissions at reduced rates would be taxed only on the amount actually paid.

CONCLUSION

The pending bill is the cooperative effort of 25 earnest and sincere members of the Committee on Ways and Means. To those who contend that the bill does not raise sufficient revenue, I suggest that the enactment of an additional $17,000,000,000 tax load on the people of this country within a period of less than a year is a major legislative accomplishment. That it is understood to be necessary to provide the foundation for strength and support of democratic institutions against Communist aggression is a demonstration that free men can govern themselves successfully.

To those who maintain that the bill would impose too heavy a burden, I point out that personal income and corporate profits are at record levels, and that most people will still have, after the higher taxes are paid, larger take-home pay than they have ever previously enjoyed.

To those who contend that the bill does not impose the additional tax burden in the wisest and most equitable manner, I can only say again that each decision represents a majority vote of the Committee on Ways and Means.

Mr. Chairman, this is the best our committee could do. If you want a better bill, you will probably have to get a new committee. Some Members think the bill should be recommitted to the committee. I am sincerely of the opinion that, if the House is not satisfied with this bill and wants a better one than we have presented here, it will be necessary to get a better committee. I know most of the members of the Committee on Ways and Means are tired. Of course, I, myself, being the youngest member of that committee am not tired, but the older ones are.

If you think we should not raise any additional revenue at all, if you think we can get along with what we will have and not appropriate any more than present taxes will produce, or if you think we should embark on a program of financing the Government by borrowing, just vote against this bill. But I do not believe we can safely do that. If you send this bill back to committee, and we labor four more months, I doubt whether we could bring in a better bill. I do not believe our Democratic members and our Republican friends and colleagues of this committee, ably headed by the gentleman from New York [Mr. REED] would say, if the bill is recommitted, that our committee would be likely to agree on a better one than we have presented.

Mr. Chairman, we urge the favorable consideration and enactment of the pending bill—the greatest tax bill in American history for the reasons aforestated.

Mr. REED of New York. Mr. Chairman, I yield myself 40 minutes.

Mr. Chairman, we have just listened to a great and grand American. We may not agree in our philosophy on some things, but as far as concerns the patriotism, and the earnestness, and the sincerity, and the justice of the great man from North Carolina [Mr. DOUGHTON], who has just spoken, I think we can all

agree that he is outstanding in every respect.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Ohio.

Mr. JENKINS. I think that we on our side will agree that, if he were the President of the United States, no one would be crying out about extravagance and expenditures.

Mr. REED of New York. I think we all concur in that.

Mr. Chairman, 75,000 American boys—dead, wounded, or missing in Korea.

Another 75,000 American boys, many permanently injured and maimed for life—the so-called nonbattle casualties of the war we never fought.

And each day the casualty list grows.

Each day in the valleys and mountains of Korea American boys are fighting and dying for an ideal—an ideal that many of them were too young to ever fully understand.

Mr. Chairman, these boys and their loved ones have made the greatest sacrifice and it is for us here in this great Chamber to be equal to the trust they have imposed upon us to preserve the ideals for which they fought and died.

It is for us who are charged with the great public responsibility imposed upon us by the people to safeguard and cherish the fundamental principles of this great Republic of free people.

At the very least this means, Mr. Chairman, that to the greatest extent possible there must be equality of sacrifice by all of us.

It is not right.

It is not just.

It is not the American way to ask any one group of our people to alone bear the burden and make the sacrifice brought upon us by world conditions.

And yet, Mr. Chairman, although the young men of our country have again been called to the colors; although the Congress has imposed drastic emergency measures on the economic life of our country; although the Congress has already twice within the past 12 months called upon all the people to carry a heavier tax burden to pay for the defense program; although the Congress has already done these things in this period of crisis, President Truman has refused to make any sacrifice in the huge and mounting cost of nonessential Government spending.

The issue, and the only issue, therefore, raised by H. R. 4473 is whether the same sacrifice imposed during this crisis on the people by the Government should not now be imposed by the people on the Government.

Whether before imposing over $17,000,000,000 in new taxes within less than 12 months President Truman and this Congress should not be called before the bar of the American people and made to show that the same restraint and sacrifice has been exercised in the spending of the people's money.

And the answer from all the people is "Yes." They are demanding that President Truman and this Congress cut Government and that the Congress levy new taxes only to the extent that it is necessary to pay for essential costs of Government.

From Maine to California, from the mountains of Tennessee to the lakes of Minnesota, all the people are demanding that President Truman and this Congress cut Government spending before imposing higher taxes.

Can this be done without interfering with the defense program?

Of course it can. You know it. I know it. The American people know it.

Let me give you a few simple facts:

President Truman has asked for cash expenditures of $71,600,000,000 for fiscal 1952 beginning in just about 10 days. Forty billion dollars is for the Department of Defense; $23,000,000,000 is for the nonmilitary expenses of running the Federal Government; and $8,600,000,000 is for economic and military aid to Europe. This makes a total of $71,600,000,000.

As the result of the $10,000,000,000 in new taxes already imposed just a few months ago, the net revenue for fiscal 1952 is estimated to be $61,000,000,000—$15,000,000,000 higher than during World War II. This will make a deficit of approximately $10,000,000,000 in fiscal 1952.

Now, I say to you and to the American people that without in any way interfering with the defense program, or with the essential operation of the Government, a cut of at least $8,000,000,000 can be made, and I will show you how:

First. President Truman and Secretary of State Acheson have asked for $8,600,000,000 for economic and military aid for Europe. Of this amount $2,600,000,000 is for so-called economic aid only. I say that at least $4,000,000,000 of this $8,600,000,000 can be cut, and I challenge any Member of this Congress to show me why this reduction cannot be made.

Second. In addition to the $8,600,000,000 for foreign economic and military aid, President Truman has asked for $23,000,000,000 for nonmilitary expenditures of the Federal Government. At least $2,000,000,000 or less than 10 percent of this amount can be cut. And I challenge any Member of this Congress to show me, and show the people of my district and the people of this country, that in this period of national crisis a reduction of $2,000,000,000 in the cost of nonmilitary expenditures could not be made.

Even with announced and open hostility by President Truman this distinguished body has already cut his requests for appropriations by $1,240,000,000 in the seven or eight bills which have been considered. This is over 10 percent of budget estimates totaling approximately $11,640,000,000.

These two reductions will amount to $6,300,000,000.

The biggest item in the 1952 budget is the $40,000,000,000 for expenditures for the Military Establishment. I know, and you know, and the American people know, that a cut of $2,000,000,000, or only 5 percent, could be made without in any way interfering with the defense program. Reliable estimates show that $500,000,000 could be saved in the more efficient use of personnel alone.

This is a total cut of $8,000,000,000. If it were made, the estimated deficit at this time for fiscal 1952—that is, a year from now—without any new taxes, would be approximately $2,500,000,000. And probably there would be no deficit at all. But even if a small deficit appeared likely then in January of next year—6 months prior to the end of fiscal 1952—the Congress could review the fiscal picture, and additional taxes adequate to raise this, or a lesser amount, could then be imposed, if really necessary.

Many responsible organizations and individuals believe that a reduction of more than $8,000,000,000 in cash expenditures for fiscal 1952 can be made during this emergency period of crisis. I personally share their views, but I have intentionally shown how at least $8,000,000,000 can be cut in order to reflect an obviously fair figure between the $10,000,000,000 and $6,000,000,000 reduction figures which have been recommended.

Cut Government spending, and then levy new taxes only to the extent it is absolutely necessary to meet essential Government spending. This is the meaning of a true pay-as-we-go program.

This is the sound position.

This is the American position.

This is the Republican position.

But President Truman is under the dangerous illusion that pay-as-we-go is only a one-way street of ever-increasing expenditures paved with higher taxes. As the result of this philosophy, unfortunately deliberately promoted by those who seek to destroy the American system under the guise of national emergency, the budget for fiscal 1952 was prepared and presented to the Congress without any attempt at Government economy or without any realistic regard to the availability of the necessary new taxes to support his domestic and foreign program. Commenting on this point, the unanimous minority views on H. R. 4473 states as follows:

> In the face of such casual and haphazard conduct of our Nation's finances in this period of crisis and sacrifice, President Truman's dare to the Congress to reduce his budget reflects a callous disregard for the preservation of the Nation's financial security unparalleled in American history.

But, you say, will not imposing $17,000,000,000 on the working men and women of this country within the past 12 months stem the tide of mounting inflation?

The answer is "No." Excessive taxation will never cure inflation. In fact, excessive taxation creates inflation. Let me call your attention to the fact that as the result of the $10,000,000,000 in new taxes already imposed by the Congress within the last 12 months, the Federal Government is now running both a cash and budget surplus for this fiscal year. I predict that the surplus will be almost $4,000,000,000. And yet, despite this fact, wholesale prices are 20 percent higher than a year ago and 15 percent

higher than at the time of the Korean invasion. The Consumers' Price Index of the Bureau of Labor Statistics, reflecting this increase, shows that the cost of living has risen from 170.2 percent a year ago to 185 percent today. Higher taxes cannot do the job alone.

Inflation is caused by too much money chasing too few goods. But money taken from the people by taxation and then spent again by the Government does not reduce the amount of money. The fundamental and basic causes of inflation boil down to the fact that for the past 20 years, with the exception of the Republican Eightieth Congress, the number of dollars has more than trebled while the amount of commodities has not even doubled.

During this period the fiscal policies of the Democratic administration have been to borrow money from the people, to multiply the Government's indebtedness many times, and to turn this indebtedness into more money. These policies together with the refusal by President Truman to cooperate with this Congress during this drastic emergency period is the cause of the higher cost of living to the American people.

Higher taxes will not cure these evils, and I predict that if H. R. 4473 should be enacted, it will be less than 6 months before President Truman requests even more money than he has requested for the budget in fiscal 1952. I predict that if H. R. 4473 is enacted, the cash expenditure budget for fiscal 1953, which will be presented to the Congress next January, will exceed $85,000,000,000. You know, and I know, and the American people know that this will be the terrible sequel of imposing any taxes without first reducing Government spending as can be done.

Will H. R. 4473 balance the budget for fiscal 1952?

Of course not. The plain and uncontested fact is that additional sources of revenue to pay for President Truman's $71,600,000,000 expenditure budget for fiscal 1952 are not available under any sound tax program. Let me say this again—and if I am wrong I call upon any of my distinguished colleagues on the Ways and Means Committee to correct me—the additional sources of revenue to pay for President Truman's $71,600,000,000 expenditure budget for fiscal 1952 are not available under any sound tax program. Think this over.

The Treasury experts never presented to the committee any feasible program which would raise the necessary taxes to pay for President Truman's budget in fiscal 1952.

The Democratic members of the Ways and Means Committee in preparing this bill could find none.

Not a single witness who appeared during the public hearings could suggest any acceptable tax program to pay for President Truman's budget, because there is no tax program. We have reached the bottom of the American tax barrel.

Most economists agree that between 25 and 30 percent is the maximum tax load that can be carried in a vigorous productive economy. But the Congress should know that our gross Federal taxes together with our State and municipal taxes are already taking 30 percent of our national income—the highest.

And what does this mean?

I will tell you what it means.

It means that 24 of our 48 States have already adopted resolutions asking the Congress to call a constitutional convention in order to impose a limit of 25 percent of the amount that the Federal Government can take from an individual's or company's income.

It means that thousands of loyal, conscientious, and hard-working American citizens in the lower-income groups are being deprived of the very necessities of life as the result of high taxes.

It means that we are rapidly imposing the same tax burden on the American people as is now imposed under the Socialist Government of Great Britain.

Let me now turn briefly and make some frank observations on the provisions of this monstrous bill H. R. 4473, the major revenue provisions of which were agreed to in a secret Democratic caucus by the Democratic members of the Ways and Means Committee.

In passing I call your attention to the fact that it was just about 4 months ago that the Democratic majority of this committee rejected every Republican amendment to safeguard abuses by the State Department in the conduct of the reciprocal trade program. But the House overwhelmingly rejected the position taken by the 15 Democratic members of the Ways and Means Committee on this legislation.

It ought to be apparent to any person of common sense that we cannot live off the rich. There are too few of them. We cannot live off overtaxed industry without inflating prices of everything we buy.

It is obvious, except to the crackpots, that every dollar the Government spends is a dollar we ourselves pay.

It is the Communist doctrine that there is no truth in the law of nature and the word of God that man must live by his own honest labor and earn his bread by the sweat of his brow.

This bill H. R. 4473 carries tax burdens which will retard industrial development—taxes which will destroy wealth and the capital necessary for industrial expansion to meet the defense program by private economy.

This is a bill to authorize the bureaucrats to turn the taxpayers' pockets inside out. They are going to make the country strong by stopping the people from spending their own hard-earned money.

Excessive taxation of incomes, such as we have under H. R. 4473, merely drains the lifeblood out of the whole economic system.

Thus drained of their energy, the people become wards of the Federal Government. This is socialism. This is the road ahead under H. R. 4473. This is the fulfillment of the dream of the hard core of the Socialist planners within the Truman administration. H. R. 4473 is their tax legislation.

At this point, Mr. Chairman, I submit for the RECORD three tables which give some idea of the enormous increased tax burden imposed upon all individuals by the flat 12½-percent increase provided for in H. R. 4473 over the amount of taxes paid by the people of the country less than a year ago. The real impact of this burden must be measured, of course, in the light of the increased cost of living which has taken place during this period.

Single person, no dependents

Income after deductions but before exemptions	A year ago	Under H. R. 4473	Tax increase
$600			
$800	$33	$45	$12
$1,000	66	90	24
$1,500	149	203	54
$2,000	232	315	83
$3,000	409	549	140
$5,000	811	1,062	251
$8,000	1,846	2,303	457
$10,000	2,124	2,741	617
$15,000	3,894	5,004	1,110
$20,000	6,089	7,810	1,721
$25,000	8,600	11,021	2,421
$50,000	23,201	29,687	6,486
$100,000	58,762	74,831	16,069

Married couple,[1] no dependents

Income after deductions but before exemptions	A year ago	Under H. R. 4473	Tax increase
$1,000			
$1,500	$50	$68	$18
$2,000	133	180	47
$3,000	299	405	106
$5,000	631	855	224
$8,000	1,206	1,593	387
$10,000	1,621	2,124	503
$15,000	2,829	3,668	839
$20,000	4,247	5,481	1,234
$25,000	5,877	7,565	1,688
$50,000	17,201	22,041	4,840
$100,000	46,403	59,373	12,970

[1] Income earned by one spouse.

Married couple,[1] 2 dependents

Income after deductions but before exemptions	A year ago	Under H. R. 4473	Tax increase
$2,000			
$3,000	$100	$135	$35
$5,000	432	585	153
$8,000	974	1,296	322
$10,000	1,361	1,791	430
$15,000	2,512	3,263	751
$20,000	3,888	5,022	1,134
$25,000	5,476	7,052	1,576
$50,000	16,578	21,245	4,667
$100,000	45,643	58,401	12,758

[1] Income earned by one spouse.

The effect of a flat 12½-percent increase is to make the marginal rate of tax and the tax burden on many taxpayers even higher than during World War II. This is particularly true of all single persons who do not qualify for the special head-of-the-household exemption and married couples in community-property States. In these cases the marginal rate will become higher than it was during World War II on all surtax net income over $4,000.

On certain single individuals the tax burden will be even higher than that imposed in Canada.

At this point, Mr. Chairman, I submit for the RECORD a table showing the

decrease on the take-home pay of various classes of taxpayers under the flat 12½-percent increase provided for in H. R. 4473:

Take-home pay

SINGLE PERSON, NO DEPENDENTS

Income after deductions but before exemptions	Decrease in take-home pay	Percentage decrease in take-home pay
$1,000	$10	1.1
$2,000	35	2.0
$5,000	118	2.9
$10,000	305	4.0
$20,000	868	6.6
$25,000	1,225	8.1
$50,000	3,299	14.0
$100,000	8,033	24.2

MARRIED COUPLE,[1] NO DEPENDENTS

$2,000	$20	1.1
$5,000	93	2.2
$10,000	236	2.9
$20,000	609	4.0
$25,000	841	4.6
$50,000	2,449	8.1
$100,000	6,597	14.0
$500,000	29,613	30.7

MARRIED COUPLE,[1] 2 DEPENDENTS

$3,000	$15	0.5
$5,000	65	1.5
$10,000	190	2.4
$20,000	558	3.6
$25,000	784	4.2
$50,000	2,361	7.6
$100,000	6,489	13.5
$500,000	29,571	30.3

[1] Income earned by 1 spouse.

You will note from these tables how the percentage decrease in take-home pay goes as high as 30 percent. That the increased revenue which we gain from the flat 12½-percent increase is insignificant in comparison to the damage done by sharply increasing the already steeply graduated rates in the middle and upper brackets is shown from the following facts:

Even before enactment of H. R. 4473 confiscating all normal and surtax net income over $10,000 will yield only an additional $3,500,000,000 in taxes—or just enough to pay for the Truman budget for 18 days.

Confiscating all normal and surtax net income over $26,000 will produce only an additional $713,000,000 in taxes—or just enough to pay for the Truman budget for 4 days.

Confiscating all normal and surtax net income over $100,000 would yield only an additional $39,000,000 in taxes—or just enough to pay for the Truman budget for 5 hours.

After enactment of H. R. 4473 confiscating all taxable income over $10,000 will yield only $3,000,000,000; over $26,000 will yield only $627,000,000; and over $100,000 will yield only $34,000,000.

Under existing tax rates the ratio of tax paid to take-home pay in the case of individuals with adjusted gross income of under $5,000 is 9 percent and for those of $5,000 and over it is 24 percent. Instead of maintaining this ratio, H. R. 4473 will increase the disproportion of these ratios substantially.

High progressive rates, of course, have no deflationary effect because the tax is siphoned away from dollars that would be saved and not dollars which would be spent for consumers' goods. Any intelligent and realistic tax program, particularly a tax program which is intended to act as a brake on inflation, should encourage savings and discourage consumer consumption. In this respect, as in all others, H. R. 4473 is a failure.

Mr. Chairman, the flat 12½-percent increase provided for in H. R. 4473 is a "soak the lower income" groups even harder tomorrow by destroying the "middle and upper income" groups today tax policy. It is excessive taxation without justification, and the working men and women of this country are opposed to it.

CORPORATE INCREASE

Less than 12 months ago the top corporate rate was 38 percent.

H. R. 4473 raises the regular corporate tax rate to 52 percent, extends the combined defense excess-profits tax rate of 82 percent to one-quarter of a company's normal earnings, and raises the over-all ceiling to 70 percent—all retroactive to January 1, 1951.

The effect of these provisions is to increase within less than a year the average tax on corporations from 37 cents on the dollar to 58 cents—an increase of more than 20 percentage points in the average tax rate, or a 58-percent increase in corporate taxes. During the past 12 months corporate profits have increased approximately 20 percent.

Mr. Chairman, I submit for the RECORD some tables which show the amount of taxes payable at current level of corporate profits a year ago with the amount which will be paid after enactment of H. R. 4473:

[Dollars in millions]

Taxable net income classes	Number of corporations	Taxable net income [2]	Income and excess profits tax liabilities [1]		
			A year ago [2]	H. R 4473 [2]	Percent increase
$0 to $25,000	292,491	$2,161	$470	$648	37.9
$25,000 to $50,000	47,192	1,566	479	608	26.9
$50,000 to $100,000	30,477	2,018	772	1,027	33.0
$100,000 and over	45,022	39,311	15,019	24,142	60.7
Total	415,182	45,056	16,740	26,425	57.9

[1] Based upon a level of profits before tax (Department of Commerce basis) of $48 billion.

[2] Excludes $1,200 million of capital gains subject to alternative tax of 25 percent under present law.

An idea of the increased tax imposed by H. R. 4473 over the tax burden just 12 months ago on various size corporations, even though they have no increased earnings, is shown below:

Earnings	Tax a year ago	Tax under H. R. 4473	Percent increase
$100,000	$38,000	$54,000	42
$200,000	76,000	113,500	49
$500,000	190,000	292,000	54
$1,000,000	380,000	589,500	55
$10,000,000	3,800,000	5,944,500	56

Now, Mr. Chairman, must the New Deal try to fool all the people of the country all the time?

They know, and we know, that corporate taxes are for the most part passed on to them in the form of higher prices.

They know that corporate taxes are only hidden taxes.

They know that they are going to have to pay the major share of the increased corporate taxes in the way of higher prices for the very necessities of life. This has always been the case because taxes are essentially no different from other costs of doing business.

Everyone agrees that corporate taxes are the most inflationary type of tax and this will be particularly true under H. R. 4473, which in effect creates a 42-cent dollar for the entire corporate productive forces of the country. In many cases the value of the corporate dollar will be as little as 18 cents. Padded expense accounts, fancy hotel suites, big limousines, private planes charged to the expense account—this will be the result of enactment of H. R. 4473.

Dividend disbursements to the approximately 11,000,000 or 12,000,000 stockholders in the country represent less than 5 percent of all personal income. Dividends are already taxed twice—once in the corporation and again in the individual.

It is not going to reduce inflation if by increasing the corporate tax to a 58-percent rate within this 12 months' period a reduction in corporate disbursements to the stockholders is made. Moreover, the expansion program is now being carried on to produce defense equipment. If there is not sufficient money after taxes to pay for the necessary expansion, corporations will sell their holdings in Government securities or borrow. Both methods are, of course, inflationary.

EXCESS-PROFITS TAX

The Treasury Department recommended an increase to 55 percent in the corporate tax rate.

Although Republican members were not permitted to attend the meeting during which the decision was made we judge that the Democratic members of the committee must have realized that a 55 percent regular corporate rate—15 percentage points higher than during Warld War II might seriously jeopardize the defense program and would impose an impossible tax load on small corporations.

But they reached not only the same but a worse result by the dishonest method of agreeing in their caucus to tax 25 percent of a company's normal earnings at the 82 percent combined excess profits tax rate, and H. R. 4473 so provides.

The arbitrary extension of the excess-profits tax to 25 percent of normal profits completely defeats the objective of making the excess profits tax apply to only profits derived from the defense program for which it was intended. This action, together with the increase in the ceiling relief provision from 62 percent to 70 percent will produce many rank inequities.

Let me give you just one example which will shock the conscience of any

person who believes our tax laws should be applied equitably:

As the result of H. R. 4473 if a $100,000 base period income corporation has $200,000 of current earnings from the defense program, its percentage tax increase is only 10.57 percent, or approximately one-half of that of a $50,000 corporation which has no increase in earnings over the 1946–49 period.

I need not labor this point further to show what can happen to our tax laws when they are written by party caucus and not with true minority representation.

THE NEW 20-PERCENT WITHHOLDING

H. R. 4473 imposes a 20-percent withholding on corporate-bond interest, dividend disbursements, and on royalties, patents, and copyrights irrespective of whether the recipient owes any taxes. It is estimated that approximately $500,000,000 is currently being received by individuals who have no income-tax liability or by tax-exempt institutions such as churches and hospitals from the sources. Applying the 20-percent withholding to this amount means that approximately $100,000,000 will be withheld by the Government from individuals who owe no taxes and from tax-exempt institutions.

In the case of withholding on wages and salaries established in the Current Tax Payment Act of 1943, the amount withheld from an employee is geared to the number of the taxpayer's dependents and his actual tax liability. The new 20-percent withholding, as provided in H. R. 4473, will, however, be made irrespective of the number of the recipient's dependents. Let me show you what this proposal really means to the little taxpayers of the country. Take, for example, an elderly couple who may have interest from corporate bonds and a few dividends which bring in $800 a year, and together with the husband's retirement pay have a yearly income of $2,400. This couple will have no tax liability but they will be out of pocket $160 next year as the result of withholding 20 percent on their $800. Sometime, around the middle of the following year, they will, if a proper claim for refund is made, be reimbursed the $160, but of course by that time approximately one-half of this amount will already have been withheld on the current year's dividends, and by the end of the year they will be out of pocket the full $160 all over again. The continuous withholding by the Government of an amount equal to approximately 10 percent of this couple's investment income will go on each year until they die or dispose of their investment. This is confiscation—nothing else but deliberate confiscation.

EXCISE TAXES

The Treasury Department recommended an increase of $3,000,000,000 in excise taxes.

Mr. Chairman, I submit for the record a table showing the excise tax proposals recommended by the Treasury Department. I think it is important for every Member of the House to see how President Truman's tax advisers proposed to increase the excise taxes on our people.

Item	Proposed increases in rates	Estimated additional revenue in a full year
Passenger automobiles	From 7 to 20 percent of manufacturer's price.	$685,000,000
Refrigerators, television sets, radios, phonographs, electric, gas, and oil appliances, and other consumer durables.	From 10 to 25 percent of manufacturer's price.	425,000,000
Alcoholic beverages:		
Distilled spirits	From $9 to $12 per gallon	710,000,000
Beer	From $8 to $12 per barrel	
Wines	Various	
Cigarettes	From 7 to 10 cents per pack	525,000,000
Cigars	Various	
Gasoline	From 1½ to 3 cents per gallon	580,000,000
Miscellaneous revisions		110,000,000
Total		3,035,000,000

I also submit for the RECORD a table showing the extent to which excise taxes have increased since 1933:

Excise tax revenues for selected fiscal years, 1933–50

[Dollar amounts in millions]

Year:	Excise taxes
1933	$839
1936	1,531
1937	1,746
1938	1,716
1939	1,749
1940	1,867
1941	2,381
1942	3,123
1943	3,795
1944	4,461
1945	5,945
1946	6,684
1947	7,283
1948	7,410
1949	7,579
1950	7,508

As will be seen from these tables, under the Democratic administration excise tax yields have increased from $839,000,000 in 1933 to over $7,500,000,000 in 1950.

The Treasury proposals would have increased the yield by $3,000,000,000 more, making the total yield from excises to almost $11,000,000,000. This is what the Democratic administration has done for the consumers of America.

H. R. 4473 does not contain the excise recommendations of the Treasury. However, it does impose excises on certain selective new items such as electric shavers, electric dishwashers, cigarette lighters, and a 20-percent manufacturers' tax on inexpensive fountain and ball point pens and mechanical pencils. Inasmuch as no recommendations for imposing excise taxes on these new items were made, the manufacturers of these products did not appear during the public hearings.

The fact, as clearly established by the public hearings, is that as in the case of the individual income tax and the corporate tax, excise tax rates on items now taxed have reached their limit.

During the debate on H. R. 4473 Republican colleagues on the Ways and Means Committee will point out to you the defects and inequities in many of the structural provisions contained in this legislation. I shall, therefore, not dwell on these matters. Instead, I should like to call your attention to probably the only constructive new tax contained in this bill. I refer to section 471 which provides for a new tax on professional gambling which should produce, at the very least, $400,000,000 in additional revenue annually. Literally billions and billions of dollars are being bet every year in this country on horse races and the numbers game. The public has been shocked by the recent congressional revelations of the appalling extent of this multi-billion-dollar business. It would be unconscionable to allow this business to remain untaxed at this time when new taxes are being loaded upon almost every other conceivable source of revenue, from dishwashers to bowling alleys, and from ballpoint pens to baseball bats.

The bill places a 10 percent tax on bets, principally those made with bookmakers and lottery operators, and imposes a $50 a year occupational tax on such professional gamblers and their agents. Pari-mutuel betting is exempt. Activities such as bingo and cards are also exempt, mainly because the type of tax imposed by the bill is not suitable to these games, and because such games are frequently played on a social rather than professional basis. Moreover, the bill exempts raffles such as are occasionally conducted by churches and veterans' organizations. It is believed that the bill will cover 90 percent or more of the total professional gambling.

Opponents of the new tax say that it will be difficult to enforce. I say that if we fail to impose such a tax, it will be far more difficult to explain that failure to the American people. I believe that the tax can be enforced, and that, with conscientious administration by the Treasury, the revenue estimate of $400,000,000 will prove conservative.

Mr. Chairman, I hold in my hand a copy of the report on H. R. 4473, the Revenue Act of 1951. The report consists of 152 pages, 140 of which consist of the report of the Democratic members of the Ways and Means Committee attempting to explain this legislation.

In all the 140 pages there is not a single mention of Government economy, not a single recommendation that President Truman and this Congress cut nonessential Government spending, not a single recommendation that this Congress impose upon the Federal Government the same control in the spending of the people's money as the Government has imposed upon the people, not a single recommendation that taxes be levied only to pay for the essential cost of Government.

And yet, Mr. Chairman, the people of America are demanding that these things be done before new taxes are imposed. Until they are done, I shall not

vote for one penny more of tribute from the people.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Mississippi.

Mr. RANKIN. Does this bill provide for an excess-profits tax?

Mr. REED of New York. Yes.

Mr. RANKIN. How much?

Mr. REED of New York. About $700,000,000.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Arkansas.

Mr. MILLS. It is estimated that the excess-profits tax provisions in this bill will raise about $732,000,000.

Mr. RANKIN. I was not asking about the amount it would raise, but I wanted to know what the rate would amount to.

Mr. MILLS. The over-all yield of the tax would then be between four and one-half and five billion dollars.

Mr. RANKIN. I am not talking about the amount, but the percentage of the tax; the rate.

Mr. MILLS. The rate is 30 percent, plus the 52 percent normal and surtax rate, which would make an over-all excess-profits-tax rate of 82 percent, but there is a ceiling, so that no business would pay more than 70 percent of its income.

Mr. REED of New York. Inasmuch as I have a minute left, I emphasize again the importance of cutting down nonessential expenditures of Government. There occurred in the State of New York recently a situation where a contract for certain facilities of the Army was involved. The Pentagon estimated, I think, something like $132,000,000 for this special work. The contract was let for $20,000,000, and an industrialist agreed to do it for $5,000,000. That is running to some extent throughout our whole military government, and, of course, we can cut taxes if we watch these expenditures.

Mr. CURTIS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Nebraska.

Mr. CURTIS of Nebraska. Mr. Chairman, the distinguished gentleman from New York has made an excellent statement, and the statement of the chairman, the distinguished gentleman from North Carolina [Mr. DOUGHTON], was excellent. I think the RECORD should show, however, that the House has been in session almost 2 hours in the consideration of a $7,000,000,000 tax bill, and that the taxpayers are barred from the galleries. There are men at the gallery doors, and a pass issued by a Member of Congress is not honored. That is due to the fact that a little later a representative of a foreign government is going to talk here, but there is no reason for barring the public from the consideration of this huge tax bill during the 2 hours we have been working.

Mr. REED of New York. I thank the gentleman.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Arkansas.

Mr. MILLS. Knowing the gentleman as I do, and having such a high regard for him, I wonder if the gentleman would comment upon the question which numerous Members have asked of me, namely, Why does not the tax bill include some provision for the taxation of farm cooperatives? Would the gentleman comment on that?

Mr. REED of New York. I shall be very glad to answer that question.

In the first place, the farmers of this country are engaged in a basic industry. Not a wheel of industry could turn, not one, were it not for the raw materials that are produced from the ground and largely by the farmers of this country.

There was a situation prior to the farm cooperative law where the farmer was being driven to peonage back in the early twenties. A law was passed in 1926 to give some exemption relief. Then the gougers started in. They thought they could drive the farmers back into peonage where they would have to take any price that was offered. Farmers would send to the chief markets of this country their products and what would they get back? They would get back a bill for the freight. They were being pauperized, not only in one respect but in many respects.

I know why the gentleman asked the question. He is interested in the farmer just the same as I am. The gentleman knows there would be very little said in regard to this law that permits the cooperatives to be exempted from taxation if it were not for the most corrupt lobby that was ever set up in this country, to try to coerce Congress to tax the co-ops, for what? To eventually cut the throats of the farmers. I am not in that business, and I will fight this lobby to the last ditch. I am going to see that the farmers get a fair and square deal from this Congress if it is within my power to do so. The gentleman from Arkansas [Mr. MILLS] has had them before the committee. He knows what the cross-examination disclosed, a corrupt lobby. That is what these promoters are.

Mr. MILLS. One point I hoped the gentleman would discuss, in addition to what he has already said is this: Statements have been made to a great number of businessmen throughout the country that, if we would impose taxes on cooperatives, we would obtain around a billion dollars a year in additional revenue. What was the finding of the committee with respect to that?

Mr. REED of New York. The finding of the committee varied somewhat according to the years which were brought out before our committee. As I recall it, Mr. Wiggins, formerly of the Treasury, put it around $10,000,000. Then I believe Mr. Snyder, the last time he appeared, put it at around $55,000,000, including withholding on patronage dividends. Previous to that it was said that it would produce about $30,000,000.

These people are going around to the businessmen and are deliberately misrepresenting the facts to them. They are assassinating the characters of the Members on the floor of this House who are the friends of the farmers.

Mr. MILLS. Was it not pointed out by the staff of the Joint Committee on Internal Revenue to our committee in executive session that there was about $58,000,000 maximum that could be derived from taxing farm cooperatives?

Mr. REED of New York. Correct.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Mississippi.

Mr. RANKIN. If it had not been for the cooperative-power associations that the power trusts are attacking in this way the average farmer of this country would not have seen an electric light in his house for the next 50 years.

Mr. REED of New York. I want to say further, that as the gentleman knows, the evidence under cross examination before our committee of the National Tax Equality Association, these lobbyists admitted that they had collected from the businessmen of this country over $600,000 in contributions of not less than $500 each; contributions of less than that, however, do not have to be reported to the Senate and the House. Also, the lobbyists admitted they were receiving in salary about $48,000 a year.

Mr. MILLS. I want the Members of the House to know that my distinguished friend from New York has waged a fight not only in Congress, but in his own congressional district and State, over this question of the protection of the farm cooperatives. He has done a magnificent job. I know of no individual who is entitled to greater credit by the farm cooperatives than the gentleman from New York [Mr. REED].

Mr. RANKIN. Mr. Chairman, if the gentleman will yield, I want to join that statement and say that the farmers of this country do not have a better friend in the Congress in either House, on either side, than the gentleman from New York [Mr. REED].

Mr. REED of New York. I thank the gentleman very much.

The CHAIRMAN. The gentleman from New York has consumed 38 minutes.

Mr. DOUGHTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RAINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4473) to provide revenue, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On June 14, 1951:

H. R. 2918. An act for the relief of Peter E. Kolesnikoff.

On June 15, 1951:

H. J. Res. 267. Joint resolution making an additional appropriation for the legislative

branch for the fiscal year 1951, and for other purposes.

On June 16, 1951:

H. R. 1612. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3880. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAYBANK, Mr. O'MAHONEY, Mr. MCKELLAR, Mr. HILL, Mr. MCMAHON, Mr. SALTONSTALL, Mr. BRIDGES, and Mr. FERGUSON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 927. An act to amend section 6 of the Central Intelligence Agency Act of 1949.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina, and Mr. LANGER, members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 51–24.

COMMITTEE ON BANKING AND CURRENCY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight Saturday to file a report on the bill (H. R. 3871) relating to amendments to the Defense Production Act, and also that the minority may have permission to file their views, if they so desire.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

KENNEDY SUBCOMMITTEE

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the subcommittee, headed by the gentleman from Massachusetts [Mr. KENNEDY], of the Committee on Education and Labor, may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

RECESS

The SPEAKER. The House will stand in recess, subject to the call of the Chair.

Accordingly (at 11 o'clock and 57 minutes a. m.) the House stood in recess, subject to the call of the Chair.

JOINT MEETING OF THE HOUSE AND SENATE TO HEAR AN ADDRESS BY HIS EXCELLENCY, GALO PLAZA, PRESIDENT OF THE REPUBLIC OF ECUADOR

The SPEAKER of the House of Representatives presided.

At 12 o'clock and 23 minutes p. m., the Doorkeeper announced the Vice President and Members of the United States Senate.

The Senate, preceded by the Vice President and its Secretary and Sergeant at Arms, entered the Hall of the House of Representatives.

The VICE PRESIDENT took the chair at the right of the Speaker, and the Members of the Senate took seats reserved for them.

APPOINTMENT OF COMMITTEE OF ESCORT

The SPEAKER. On the part of the House the Chair appoints as members of the committee to escort our distinguished visitor to the Chamber the gentleman from Massachusetts, Mr. MCCORMACK; the gentleman from Massachusetts, Mr. MARTIN; the gentleman from New Jersey, Mr. EATON; and the gentleman from South Carolina, Mr. RICHARDS.

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the Committee of Escort the junior Senator from Arizona, Mr. MCFARLAND; the senior Senator from Texas, Mr. CONNALLY; the junior Senator from Nebraska, Mr. WHERRY, and the senior Senator from Wisconsin, Mr. WILEY.

At 12 o'clock and 30 minutes p. m., the Doorkeeper announced the President of the Republic of Ecuador.

The President of the Republic of Ecuador, accompanied by the Committee of Escort, entered the Chamber and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, I deem it a high privilege and a distinct honor to be able to present to you the head of a great and a friendly state, our neighbor to the south made up of liberty-loving and proud people, the President of the Republic of Ecuador. [Applause, the Members rising.]

ADDRESS OF HIS EXCELLENCY, GALO PLAZA, PRESIDENT OF ECUADOR

President PLAZA. Mr. Vice President, Mr. Speaker, honorable Members of the Senate and the House, distinguished guests, it is with deep appreciation that I have accepted the honor of speaking before the Congress of the United States of America in my capacity as President of a nation which, although small in size, can bring before you a record of moral achievement in having established, after years of political upheaval and despite heavy odds, a stable and truly democratic Government. [Applause.]

The privilege which you have graciously afforded me on this occasion is definite proof that your great country, which was built upon faith in people and their ability to govern themselves, is happy to give recognition to people elsewhere who cherish the same faith and the same hopes, and that your high and noble aims will always be to strengthen human freedom and the inherent dignity of man throughout the world. [Applause.]

If we look back into history, we find that the Declaration of Independence of your Republic, the basic document of your public life, was a major inspiration for our own heroes who fought for the political independence of Ecuador. Thanks in large measure to your splendid example, we are today a free and democratic nation. [Applause.]

More than a century has gone by since those heroic days and as the nations of the world again face critical times, we, the young republics in Latin America, once more find compelling reasons to look to you for leadership. Now that destiny has thrust the responsibility for the future of mankind upon your mighty and prosperous land, your aims and aspirations differ dramatically from those of all the other powerful nations which throughout history have dominated the world at one time or another. You are not interested in conquering land and subjugating peoples, you are not interested in imposing your rule anywhere; your purpose is far more noble and of far greater spiritual value. You want for the rest of the world what is already a reality in your own country. [Applause.] Your people enjoy an economic structure which calls for continuous improvement and reform toward better living standards, improved labor conditions, participation in the benefits accruing from increased wealth without loss of personal freedom and the right to free speech, to work, to strike. These are your intentions and your plans for all mankind and we are with you in this fight against servitude, poverty, and injustice. [Applause.]

This is why the free nations of the world must close ranks and fight for the principles that inspire your way of life. We have before us a powerful enemy of freedom, bent on bringing about confusion and disunion. They, the agents of a tyrannic imperialism, are creating a dangerously fanatic creed based on false promises and totalitarian solutions. In order to counteract this fanaticism we must give democracy the passionate strength and spiritual inspiration it had in the past.

I hold to a deep-rooted faith that communism has no chance to impose its doctrines upon the world, for that would mean the victory of two elements hostile to the best in human nature: brute force and dishonest propaganda. While aggressive force pretends to do away with dignity, false propaganda annuls intelligence. If dignity and intelligence are taken from man, it will mean his ultimate destruction. [Applause.]

These are the dangers we face today, which place a tremendous responsibility upon this parliament, whose impact on the course of history is recognized throughout the world.

The nations of the Americas do not believe in peace imposed by tyranny.

Our wars of independence in the nineteenth century were inspired in our will for liberty. Now, and always, we will be ready to defend freedom to the limit of our possibilities. We can accept the use of force only as a last resort in defense of peace, never for domination or for new aggressions.

I am speaking to you, gentlemen, in the name of a South American Republic that has learned to cherish liberty and hence, to realize the dangers of losing it. Therefore we realize that we must all be ready and alert to defend it with conviction, through the printed word, in the classroom, in the workshop, and the public square; and, if need be, if all else fails, if truth and reason cannot at last prevail, then on the field of battle. [Applause.]

We should strive to tell the world that the strength of democracy resides in freedom of discussion and conviction through reason, while the totalitarian system depends solely upon force and propaganda. This was the case with fascism and it failed, this was the case with nazism and that failed; for the same reasons, any other totalitarian system is doomed to inevitable failure. [Applause.] Any doctrine which denies individual liberty and the right to free discussion is reactionary, no matter what it calls itself. What propaganda tries to hide with purges and a government-controlled press is simply fear of the truth. It has been said that one of the weaknesses of democracy is excessive freedom of discussion. I believe that precisely there resides the greatness and the strength of democracy. [Applause.] You here, gentlemen in this Congress, have given the world proof of the vitality of your way of life and your civic institutions, by discussing freely and openly before the whole world problems of history-making scope. This is what we also do today in my country, in parliament, in the press and public assemblies, without restrictions of any kind, because our strength grows out of the fact that we do not fear discussion nor the truth. Our governments do not seek power through the imposition of a police state, but by stimulating a vigorous public opinion. [Applause.]

In Ecuador, I may say with pride, that anyone is free to express his opinion and to criticize the Government. We enjoy unrestricted liberty of the press.

This that would frighten a dictator, I consider our paramount accomplishment, because constructive criticism is an essential aid to good government. A real democracy is inconceivable without the right to freedom of expression. Whoever reasons that the democratic formula of government, to be successful, can be applied only in a powerful and highly developed nation, like your own, and that in certain countries or regions of the world dictatorships and colonial regimes are more in accordance with the psychology and temperament of the people, is unwittingly or deliberately misleading world opinion.

In our fight against aggression there is no sense in a position of neutrality or indecision. The defense of democracy is a defense of our own way of life, of our very life itself. This is why the resolute decision of the United Nations to fight aggression wherever it might appear, has the approval of the free world. [Applause.] This is why at the fourth meeting of consultation of Foreign Ministers, the American nations have shown their firmness against aggression in any form. We realize that we must stand together and strengthen ourselves, both physically and spiritually, if we are to keep the specter of a new war from casting its dread shadow over all our homes. This is the only way to teach the forces of confusion and chaos to respect the will of the democratic world. Only then will we live to see, in the near future, an honorable peace which is after all our ultimate and common goal. [Applause.]

This is our thinking in Latin America, this is how we look upon the crisis of today, how we evaluate democracy and understand our responsibilities; but, on the other hand, we need also to be understood through knowledge of our realities and problems.

Only the towering height of our mountains, the length of our great rivers and the vastness of our forests are comparable in magnitude to the problems we face. But these mountains and this virgin soil are not merely reserves for the future progress of mankind, but a permanent challenge to the ability of the peoples of the Americas to advance their common interests through their own labors.

The people of Ecuador have made it possible for me to show proof that democratic institutions are successful in a country weighed down with all kinds of limitations. Our very existence is a valiant struggle against poverty, ignorance and ill health. On the positive side of the ledger we can show progressive legislation which seeks to correct, gradually, social and economic patterns established over centuries. We are beginning to take good advantage of technical aid and above all, we live in a clime of liberty and respect for human dignity.

The battle for freedom and the rejection of poverty and injustice should not have any geographical limitations. It should be carried out everywhere and in the case of Latin America it is wise to recall how near we are to you. We practically live in a wing of the same building; but if we overemphasize the good will and intentions and the patience of the peoples below the Rio Grande, we might be giving too much of a headway to the forces that, moving in the dark, with the weapons of falsehood and deception, intend to undermine our spiritual foundations. To meet this threat, we must give our masses the opportunity to work and to seek their betterment, and we must do it now. [Applause.]

Our vast majorities need urgent solutions of their problems, solutions suited to our own realities, American solutions for American problems. These cannot be met by solutions designed for Europe or Asia; but we should strive earnestly and promptly to remedy the dangerous disproportion that now exists between progressive economies and the economies of underdeveloped areas.

The time has come for you North Americans and us of Central and South America, for all of us throughout this new world discovered by Columbus, to strengthen our ties, face the responsibility to cooperate in the solution of our own mutual problems, the most important of which is the defense of our democratic institutions, by adopting a firm attitude against aggression. In my country as in all the others of Latin America, a sound policy of investment for constructive progress designed to secure mutual benefits would be the most effective way to fight the infiltration of subversive doctrines. When the peoples of Latin America realize that they can improve their living standards through their own efforts, thanks to proper guidance and assistance, their faith in our common democratic destiny will unquestionably be strengthened. [Applause.]

New industries and modern methods for production, based on our immense natural resources and developed with the aid of your technical know-how, will carry civilization to the most remote corners of our hemisphere so that the men of all the Americas may attain their rightful heritage.

We all should gain from such a process which does not call for embarrassing and unnecessary hand-outs. Your industrial production would find better markets in countries with a higher economic development than in those hardly able to meet their exchange obligations through the production of raw materials alone. Therefore the farsighted concept of assistance to underdeveloped regions of the world set forth in President Truman's point 4 program, blueprinted by the Gray report and the report to President Truman from the International Development Advisory Board headed by that great citizen of the Americas, Nelson Rockefeller, if put into effect, would mean for the United States a great historic decision in keeping with its stature and its noble Christian traditions. [Applause.] A program of this nature would constitute a vital factor in eliminating all possibility of communistic infiltration in the world in which we live. It would mean answering false promises with tangible accomplishments, lies with the truth, a philosophy of imposition with one of freedom: freedom of thought and action, freedom to achieve that spiritual and material well-being which truly dignifies human living.

Because a bold policy of credit and technical assistance for economic development would defeat poverty, which is a breeding ground for communism, such a policy is urgently needed.

The vision of the statesmen and parliamentarians of today will profoundly alter the course of history. In your hands, gentlemen, is the shaping of events to come, and the fate of hundreds of millions of people whose future will be determined by the way your great Nation plays the role in which destiny has cast it. The men fighting today in Korea are doing so in the name of the free world; the hopes of all of us are with them. That free world wants an

honorable peace, a peace that will permit us to live with honor, with tolerance for all ideas, religious beliefs, and political systems; not a peace without liberty in a world of fear. This is why we cannot trust in any solution that would not dispel the element of fear.

The weak points in our democratic front, which are constantly exploited by the enemies of freedom, have to do precisely with low standards of living in the underdeveloped regions of the world.

The countries of Latin America are far from prosperous. They demand a place under the sun which they justly deserve, and when their inhabitants can enjoy the benefits of constructive economic activity, they will certainly be more ready to defend what they have got. Freedom and political ideas mean little when you are walking around on bare feet with an empty stomach. If we can unite our efforts and solve our mutual problems for the benefit of all, there will never be a power strong enough to destroy Western civilization in our hemisphere. [Applause.]

We have always considered the United States of America as the arsenal of democracy, not only the arsenal of battle during the tragic hours of war, but also the arsenal of ideas and ideals which have inspired our political constitutions, and, equally important, the arsenal of progress, of prosperity, of means for production, and of technical knowledge. If you can apply all this in global proportions you will be fulfilling the sublime destiny which historical imperatives have created for you in this day and age: the salvation of mankind from fear and insecurity, the final proscription of war and a firm hope of lasting peace for all the world.

At 12 o'clock and 52 minutes p. m., President Plaza, accompanied by the Committee of Escort, retired from the Chamber.

JOINT MEETING DISSOLVED

The SPEAKER. The Chair declares the joint meeting of the two Houses now dissolved.

Thereupon (at 12 o'clock and 53 minutes p. m.) the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

AFTER RECESS

The recess having expired (at 1 o'clock and 15 minutes p. m.), the House was called to order by the Speaker.

PRESIDENT PLAZA'S ADDRESS

Mr. McCORMACK. Mr. Speaker, the House and the Senate, in joint meetings, have had many honored guests in the past who have delivered outstanding addresses, but I think the Members who were present and heard the stirring address delivered by President Plaza of Ecuador will agree with me that of the great addresses that have been delivered in this House by distinguished visitors invited here, none has been greater than the one we heard this morning.

Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INTERNATIONAL LABOR ORGANIZATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 176)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

In accordance with the obligations of the United States of America as a member of the International Labor Organization, I transmit herewith, for the enactment of legislation or such other action as the Congress may consider appropriate, authentic texts of two conventions and two recommendations adopted at the thirty-second session of the International Labor Conference, held at Geneva from June 8 to July 2, 1949.

The conventions and recommendations are:

Convention (No. 95) concerning the protection of wages;

Convention (No. 98) concerning the application of the principles of the right to organize and to bargain collectively;

Recommendation (No. 85) concerning the protection of wages; and

Recommendation (No. 87) concerning vocational guidance.

I transmit also the report of the Secretary of State with regard to the abovementioned conventions and recommendations, together with copies of letters from the Secretary of Labor to the Secretary of State setting forth the coordinated view of the interested departments and agencies of the executive branch of the Government with respect to those instruments.

I am requesting the Secretary of the Interior to transmit the texts of the two conventions and two recommendations to the governments of Alaska, Guam, Hawaii, Puerto Rico, and the Virgin Islands for the enactment of legislation or other action. For action and advice with respect to American Samoa and the Trust Territory of the Pacific Islands I am transmitting the conventions and recommendations to the Secretary of Defense and also, in view of the projected transfer of jurisdiction over those areas, to the Secretary of the Interior.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 21, 1951.*

THE ST. LAWRENCE SEAWAY AND AMERICA'S IRON ORE RESERVES

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my remark at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, on June 11, the gentleman from New Jersey [Mr. AUCHINCLOSS] gave a speech on the floor of the House concerning America's iron ore reserves and the St. Lawrence seaway. He asserted that prevailing fears regarding our high-grade iron ores are unfounded and that present reserves can adequately sustain our steel industry far into the future. The facts, however, indicate just the opposite. This is such a vital matter of national security that the record must be corrected.

For over a half century, our steel industry has undergone a tremendous expansion. To accomplish this, the steel industry has relied chiefly upon the reserves of high-grade, open-pit ores, 85 percent of which has come from the Lake Superior ranges, including the Mesabi. The Lake Superior area has yielded in the past 50 years 2,500,000,000 tons of ore, of which 1,600,000,000 has come from the Mesabi. Besides being low cost and easily mineable, the open-pit direct-shipping ore of the Mesabi has had this vital characteristic: Production could be increased rapidly as needed at times of national emergency. It was largely with this type of iron ore that Lake Superior production increased from 19,500,000 tons in 1938 to 93,500,000 tons in 1942, a jump of nearly 400 percent in 4 years.

For years, we looked upon this source of supply as veritably limitless. But the tremendous demands for iron ore during and after World War II has changed this situation. The Mesabi Range now contains a known high-grade ore reserve of 912,000,000 tons, of which only 491,000,000 tons are the open-pit, direct-shipping ores, which can be scooped up by large shovels, loaded onto conveyances, and shipped directly to the blast furnaces—the kind of ore which gave our output flexibility and quick expansibility.

The Department of Interior estimates that the annual rate of ore production from 1951 to 1954 at the Mesabi will average 67,400,000 tons for all types and 49,200,000 tons for the open-pit, direct-shipping variety. When these rates are projected against the total known reserves, it is clear that we can safely rely upon the Mesabi for only 10 to 14 years' production of high-grade ores.

During the recent hearings before the Public Works Committee, the railroads, who oppose the St. Lawrence project, presented their own expert on iron ore, Mr. William O. Hotchkiss, who substantiated the inability of domestic production of ores to meet the demands of an emergency. He strongly advocated the establishment of huge stockpiles of iron ore in critical areas at Government expense. As far back as 1947, Mr. Hotchkiss predicted that the present open-pit reserves would be completely exhausted in a little more than 10 years. At the same time, he also stated in an article appearing in the May 1947 issue of Economic Geography:

> With all these facts before us, it is readily believable that within 6 or 8 years, the Lake Superior district will begin to be unable, from its reserves of presently usable ore, to supply fully the needs of the 80 percent of the steel production that now depends on it.
>
> * * * There is no possible source from which ore could be supplied to replace the Mesabi open-pit production, without ad-

vance notice of 6 or 8 years, or more. Without this open-pit ore, steel production would be cut to approximately half the present tonnage. The catastrophic effect of such a contingency on the general business of the country is unthinkable.

In the recent committee hearings, Mr. Hotchkiss emphatically asserted that there will never again be the expansibility of ore in Minnesota as occurred in World War II.

The National Security Resources Board estimates that our annual steel ingot production capacity will rise from the 100,000,000 tons of the present to 115,000,000 tons by the end of 1952, and to 130,000,000 tons by 1960. This will necessitate an annual iron ore supply of 158,000,000 tons by 1960. However, the Department of the Interior expects the maximum output of iron ore for the Lake Superior region to amount to 90,000,000 tons a year through 1954. Thereafter, Lake Superior production will fall off. Thus, taking into account the production from all domestic sources of supply, it is clear that by 1960, we will have to find new sources for between 40,000,000 and 50,000,000 tons of ore annually.

Fortunately, an important new source of high-grade iron ore on this continent has been discovered in the Labrador region of Canada, where over 400,000,000 tons of high-grade ores have already been drilled and proven. These are of the open-pit variety which lie close to the earth's surface and which are susceptible to enormous increases in production largely by the simple expedient of adding more shovels and rolling stock.

That the St. Lawrence seaway constitutes the most practical and economical route for the shipment of Labrador ores into the Great Lakes steel centers has never been seriously disputed. Moreover, the St. Lawrence seaway, because it is a sheltered inland route, would be submarine-free in time of war. Military authorities have testified that ore shipments plying the open sea lanes face a serious threat from enemy submarines, which, in the last war, torpedoed 6 of the 8 ore boats which we attempted to get through from Chile. Thus, the St. Lawrence route has an added value in the factor of safety.

Cognizant of the seriousness of the iron ore situation, Secretary of the Interior Chapman told the Public Works Committee:

> Unless we build a deep waterway from Montreal into the Great Lakes, I do not see how we will be able to meet our national iron ore requirements five years from now.

Similar concern on the part of Defense Mobilizer Charles E. Wilson has led him to conclude:

> The St. Lawrence seaway, in addition to its undoubted general contribution to our transportation system, is essential if we are to put our steel production—which is to say our entire mobilization effort—on a solid and secure foundation. Without the seaway, we shall become steadily more vulnerable in this most strategic of all strategic industries. We must not permit that to happen.

In his recent statement, our colleague the gentleman from New Jersey [Mr. AUCHINCLOSS], placed a great deal of emphasis upon our vast reserves on an iron-bearing material known as taconite, which, by a process called beneficiation, can be concentrated into a highly satisfactory iron-ore product. While we are all interested in the development of economical and practical methods for beneficiating these low-grade taconite deposits, present available information indicates that we would be foolhardy, in the least, to place heavy reliance upon taconite for the sustainment of our steel industry as the high-grade ores become exhausted.

The beneficiation of taconite is a relatively expensive and time-consuming process. Up to now, such production has been carried out only on an experimental basis. The capital investment for the improvement of taconite is extremely heavy, as indicated by the fact that mining companies are now planning the construction of taconite plants costing $70,000,000 and processing only 2,500,000 tons per year, a rate of almost $30 investment per ton of annual output.

Governmental and industrial figures show that last year, the production of taconite amounted to only 62,000 tons. This production is expected to rise to 2,500,000 tons annually by 1954, and a goal of 13,500,000 tons per year has been set for 1960. Even if this goal is achieved, and certainly it is an ambitious one in view of present production rates—taconite production will still constitute only 8½ percent of our 1960 needs. It is not only expensive, but it takes a long time to build capacity, and requires much equipment and heavy machinery. It is not readily expansible. To retain stand-by capacity for an emergency would be costly. Mr. Hotchkiss, the railroads' iron ore expert recognized this fact and advocated that the Government build these taconite plants, at tremendous cost to the taxpayer. The railroads' opposition to the St. Lawrence seaway leads them into strange byways.

Another source in which our colleague the gentleman from New Jersey [Mr. AUCHINCLOSS] placed a great deal of reliance is the Steep Rock deposit in Canada, north of Lake Superior. From time to time we hear astonishing figures with respect to Steep Rock. It has been stated that these deposits contain some 1,500,000,000 tons of iron ore and that, in the future, we can count on it for an annual production of 15,000,000 tons a year for 100 years. Such claims are highly conjectural and cannot stand the test of dependability.

The only well-supported figure for the reserves of Steep Rock is that of Mr. M. E. Hurst, Provincial geologist, Ontario Department of Mines. Mr. Hurst set forth the proven and probable reserves of Steep Rock at 71,675,024 tons. This does not differ greatly from the figure of 74,000,000 tons estimated in an address on November 18, 1949, by Mr. Hugh Roberts, consulting mining geologist for Steep Rock Mines, Ltd.

From a report by Mr. James Boyd, Director of the United States Bureau of Mines, it is clear that the figure of 1,500,000,000 tons of ore for Steep Rock represents a hope, by the company officials, that the ore bodies extend, with the same configuration shown on the surface, to a depth of 3,000 feet, or two to three times as great as their presently assumed depth. Mr. Boyd calls attention to the fact that "most of the production from Steep Rock will be by underground mining methods. The iron formation is fractured and the underground water problem is not yet known, so that cost of the underground mining has not been demonstrated. Underground production does not lend itself to expansibility and will, therefore, be limited."

This is concretely indicated by schedules submitted to the Canadian Department of Mines by Mr. M. S. Fotheringham, president of Steep Rock Mines, Ltd., which show that production is expected to rise from the 1,200,000 tons of the present to 3,200,000 tons for 1954 and 1955, and then to 5,200,000 tons annually for the period 1960 through 1965. This is a far cry from 15,000,000 tons a year for 100 years that the railroads are attributing to this source.

In summing up an analysis of Steep Rock possibilities, Mr. Boyd has this to say:

> It is apparent that the Steep Rock deposits will not and cannot replace the anticipated deficiencies in our iron-ore supplies as the open-pit Mesabi Range direct-shipping ores are depleted, but they will make a worthy contribution.
>
> The development of the desposits should be encouraged, and every available effort should be made to get this ore into our Great Lakes steel-producing area. It will take all the Steep Rock ore and all of the Labrador iron ore that we can get to meet our future demands of our expanded steel industry.

We have also been told that, even when the Labrador ores are developed, the St. Lawrence seaway will not be required for their shipment to our steel centers. It is asserted that these ores could be readily handled by rail shipments from Montreal, by the small "canallers" now passing over the existing 14-foot canals and also by the shipment of a part of these ores to east coast consuming mills. Such allegations fail to explain that they apply only to the initial 10,000,000 tons which the Labrador mines expect to produce, even though no St. Lawrence seaway is available. But the estimates of steel and iron-ore requirements submitted by Mr. Charles Wilson, the Defense Mobilizer, and Mr. John D. Small, the Chairman of the Munitions Board, indicate that the country is faced with a deficit of ore so large that Labrador must be prepared to supply a very great deal more than 10,000,000 tons. In case of war, we may have to take 30 or more million tons from Labrador as other offshore sources are cut off. There is not now any available means of bringing such quantities of ore from Labrador into the North Central States by rail. If it is attempted, it will require enormous construction projects requiring labor and materials far surpassing the cost of the St. Lawrence seaway.

The difference between Labrador ore and all the alternatives suggested to it is that Labrador is now a practical commerical project, whereas the others are

still in the realm of conjecture, exploration, and experimentation. Five steel companies have put up $100,000,000 and insurance companies another $100,000,000, making total private capital of $200,000,000; and the railroad is under construction. Ships and docking facilities are being constructed, and responsible businessmen are making firm contracts to deliver the ore, as recently the M. A. Hanna Co. agreed to sell over 30,000,000 tons of ore to Bethlehem Steel Co.

Compare this dependable business undertaking with any of the alternatives suggested, and you have the contrast between reality and hope. We cannot base our security on hope.

The railroads, who do not have the responsibility of supplying a single ton of iron ore to the steel industry, are generous with their advice as to where and how millions of additional tons of ore should be obtained. Essentially, their suggestion, and the views of their expert, Mr. Hotchkiss, comes to this: Get the ore from underground shaft mining operations; get it from taconite concentrates; get it from stockpiles built up at Government expense. All of these will be more expensive to industry, and more expensive to the taxpayer and the defense program, but it does not matter to the railroads as long as you do not build the St. Lawrence seaway.

From the foregoing, it can be clearly seen that critics of the St. Lawrence seaway cannot make plausible their claims that our iron ore supply presents no cause for alarm and that the Labrador ores and the St. Lawrence seaway are not needed to buttress our steel industry during the forthcoming period of defense mobilization. It is my belief that, in these crucial times, our reliance must be placed on the most assured and positive sources. We must supplement our remaining iron ore reserves with the rich, expansible ores of Labrador and other foreign deposits. There can be no doubt of the capacity of the St. Lawrence seaway to transport these ores in a safe, efficient, and economic manner. Thus, prudence, wisdom, and foresight dictate that the St. Lawrence seaway be constructed at the earliest possible date.

REVENUE ACT OF 1951

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BUFFETT. Mr. Speaker, I am going to vote against the 1951 tax revenue bill. I did not reach this decision easily. I know the paramount importance of tax revenues to balance Government expenditures.

During my earlier 6 years in Congress, I supported, and even crusaded for, tax-raising legislation. For example, when the 1947 tax reduction was initiated, I was one of three Republican Congressmen who voted to keep taxes high.

I believed then that harsh taxation would cause the electorate to drive us back to governmental solvency. I must admit that I did not reckon with the seductive debauchery of irredeemable paper money and bonds in postwar profligate spending.

A realistic appraisal of recent events compels me to change my stand. The complete lack of common sense, honesty, and realism in Government finances today makes this tax measure a monstrosity.

Yet my vote will not reflect undue dissatisfaction with the labors of the Ways and Means Committee. I sense that they were attempting the impossible.

If this measure, oppressive as it is, furnished even a faint hope of fiscal solvency, I would shut my eyes to its unsound and discriminatory features and would vote for it. But it does not. It offers no prospect of a balanced budget.

Instead, what does this bill do? Here is its fatal defect. It places on the American people a tax load that, by itself, would soon make America into a Socialist state.

It has many other serious defects, which need not be detailed.

For example, it extends the tactic of seizing the individual's income before it is received, in violation of moral principle. This withholding scheme imitates the Nazi tactic of "noiseless financing." Instead of extending this scheme, the withholding tax on wages and salaries now in effect should be repealed.

In the name of defense, the Truman administration rushes us toward communism via the route of inflation.

We cannot lick communism by inflation here.

Nor can we pass tax bills that will catch up with the deficit created by the Truman policy of underwriting the socialistic failures of the non-Russian world.

Postponing the day of reckoning with this fiscal insanity serves no constructive purpose.

For example, such delay prolongs the period of cheating during which thrifty, trusting people are despoiled of their real property by those who understand the deliberate debauchery of our money system.

When an honest and common-sense program to balance the budget is developed, it will have my support.

Such a program must embrace a substantial contraction of Government spending, and the restoration of a sound currency. Anything less than that is a fraud.

Until then, I decline to use my vote to help preserve the illusion that Truman's socialistic tax program will aid national defense or prevent inflation.

This tax bill advances the day when Lenin's boast will become true: the boast that he would force America to spend itself into destruction.

The foreign policy of trying to police and supply the world is a sucker game for Stalin. This tax bill is part of that sucker game.

As a noted businessman once said, "Include me out."

I will not vote to destroy America by cruel, discriminatory, and incentive-destroying taxation.

DISCHARGE PETITION NO. 4 ON TOWNSEND BILL, HOUSE BILL 2678

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, on February 16, 1951, I introduced House bill 2378 and my colleague, the gentleman from Minnesota [Mr. BLATNIK] introduced a companion bill, House bill 2679. One or more additional bills identical in language, I understand, have been introduced by other colleagues. The bills were referred to the Ways and Means Committee on February 16.

The objective of this legislation known as the Townsend recovery plan, is to provide every adult citizen in the United States with equal basic Federal insurance, to permit retirement with benefits at the age of 60, and to cover total disability from whatever cause for certain citizens under 60; to give protection to widows with children; to provide an ever-expanding market for goods and services through the payment and distribution of such benefits in ratio to the Nation's steadily increasing ability to produce, with the cost of such benefits to be carried by every citizen in proportion to the income privileges he enjoys.

Seventy-eight House Members petitioned the Ways and Means Committee as follows:

> The undersigned Members of the Eighty-second Congress respectfully request that the Ways and Means Committee report House Resolution 2679, commonly known as the Townsend plan, out of committee and to the House of Representatives, for action.

The Members signing this petition are as follows:

HOMER D. ANGELL, Oregon; JOHN A. BLATNIK, Minnesota; WILLIAM T. GRANAHAN, Pennsylvania; AUGUSTINE B. KELLEY, Pennsylvania; TOBY MORRIS, Oklahoma; MICHAEL A. FEIGHAN, Ohio; CLYDE DOYLE, California; H. R. GROSS, Iowa; A. S. J. CARNAHAN, Missouri; SAMUEL W. YORTY, California; JOSEPH P. O'HARA, Minnesota; HARLEY O. STAGGERS, West Virginia; GARDNER R. WITHROW, Wisconsin; FRED MARSHALL, Minnesota; HAROLD C. HAGEN, Minnesota; CLARE MAGEE, Missouri; USHER L. BURDICK, South Dakota; HARRY P. O'NEILL, Pennsylvania; GEORGE P. MILLER, California; WALTER S. BARING, Nevada; GORDON L. MCDONOUGH, California; ROBERT T. SECREST, Ohio; CARL ELLIOTT, Alabama; NORRIS POULSON, California; WILLIAM S. HILL, Colorado; J. HARRY MCGREGOR, Ohio; KATHARINE ST. GEORGE, New York; A. L. MILLER, Nebraska; EDWIN A. HALL, New York; REID F. MURRAY, Wisconsin; EARL WILSON, Indiana; MERLIN HULL, Wisconsin; SID SIMPSON, Illinois; ROY W. WIER, Minnesota; ALVIN E. O'KONSKI, Wisconsin; FRANCK R. HAVENNER, California; PAUL CUNNINGHAM, Iowa; WAYNE N. ASPINALL, Colorado; JOSEPH R. BRYSON, South Carolina; THOR C. TOLLEFSON, Washington; W. J. GREEN, Pennsylvania; EDWARD BREEN, Ohio; WALTER E. BREHM, Ohio; MEL PRICE, Illinois; M. G. BURNSIDE, West Virginia;

HARRY R. SHEPPARD, California; EDGAR A. JONAS, Illinois; CLEVELAND M. BAILEY, West Virginia; CHARLES A. WOLVERTON, New Jersey; HENRY O. TALLE, Iowa; WESLEY A. D'EWART, Missouri; CLEMENT J. ZABLOCKI, Wisconsin; PHILIP J. PHILBIN, Massachusetts; EDWARD A. GARMATZ, Maryland, JAMES E. VAN ZANDT, Pennsylvania; WILLIAM G. BRAY, Indiana; CHARLES B. BROWNSON, Indiana; FRANK W. BOYKIN, Alabama; JOHN A. MCGUIRE, Connecticut; CLAIR ENGLE, California; JACK Z. ANDERSON, California; JOHN B. BENNETT, Michigan; HUGH J. ADDONIZIO, New Jersey; WALTER NORBLAD, Oregon; GEORGE D. O'BRIEN, Michigan; DWIGHT L. ROGERS, Florida; J. EDGAR CHENOWETH, Colorado; JAMES G. POLK, Ohio; CLINTON D. MCKINNON, California; WAYNE C. HAYS, Ohio; RAY J. MADDEN, Indiana; BYRON G. ROGERS, Colorado; FOSTER FURCOLO, Massachusetts; ADAM C. POWELL, JR., New York; RICHARD W. HOFFMAN, Illinois; W. STERLING COLE, New York; CECIL M. HARDEN, Indiana.

Representative JOHN PHILLIPS, of California, is also sponsoring this legislation.

In view of the fact that the Ways and Means Committee has taken no action on the legislation and the time is approaching for a recess of the Congress, I have filed today Discharge Petition No. 4 which is on the Clerk's desk.

I most respectfully urge all Members of the House who are interested in providing adequate security benefits for the aged, dependent widows and orphans, to sign Discharge Petition No. 4 so that the legislation may be brought to the floor for consideration. If 218 Members of the House sign it will be brought up under an open rule so that any germane amendments may be brought up and voted on.

Unfortunately in these distressing times with the ravages of inflation gnawing at the vitals of our economy and with prices of the necessities of life—food, clothing, shelter and medicine—at an all-time high, and with the dollar shrunk to practically 50 cents in purchasing power, the old people of America, as well as all others who must depend on a fixed, small income from annuities, interest on securities or other frozen income, are put to their wits ends to find purchasing power sufficient to secure the simple necessities of life to keep body and soul together. These are the forgotten people of 1951.

The Congress has expended over $30,000,000,000 in foreign lands since World War II in aid of the peoples of almost every area of the globe, but has overlooked the crying needs of this group of our citizens here at home, many of whom are suffering from malnutrition and lack of adequate medical and hospital care and protection from the elements.

The Federal Security Administrator has called to our attention that 50 years ago, no one was troubled by old-age insecurity. There were older people, it is true, but only some 3,000,000 Americans had passed the age of 65. Today that age group has grown to well over 11,000,000. Their number is expected to double in the next 25 years. At the same time, their proportion to the total population has been increasing. In 1900, 1 out of every 25 Americans had celebrated his sixty-fifth birthday. Today the figure is 1 out of 13. Science and improved standards of living have combined to prolong youth as well as life. The people who are living longer are staying young longer. They are changing the face of America. They are presenting one of the greatest domestic challenges of our time: How are we to make the lengthened life span better, happier, and more productive?

The very first and essential step is to revamp our concepts of aging, and get rid of the strange sense of opprobrium so many of us attach to the term. Aging begins with life itself, and continues as long as life does. The fundamental strength of our democracy is the recognition and appreciation of the fact that an individual living happily and enjoying fulfillment is our richest resource. This applies to individuals of all ages. During the past 50 years there has been a change in the problem of old-age security due to our change from a rural, preponderantly agricultural society to an urban industrial society. About 60 percent of Americans now live in towns and cities over 2,500 population as contrasted with 35 percent in 1890. Seventy-five percent of our workers are employees whose incomes cease when their efficiency declines. It has become difficult, and in many cases impossible, for the family to take care of the older members. To a large extent, the family is no longer an economic unit. Fifty years ago there were 13 people of working age for every 1 over 65. The ratio now is 8 to 1; 25 years from now it will be about 5 to 1. There are now 11,000,000 people over 65 compared with 5,000,000 in 1920. In 1948 only about 1,500,000 people over 65 could support themselves on incomes from savings and investments. About 3,500,000 had no incomes. About 4,500,000 had yearly incomes of less than $1,000. Social-security pensions were received by 1,500,000 and old-age assistance payments by 2,500,000.

Furthermore, the possibility of providing financial security for old age has been greatly restricted by the big increase that has occurred in the proportion of people's incomes which is taken from them through taxation, and especially during the past 10 years, by the reduction that has occurred in the purchasing power of incomes, particularly fixed incomes, because of price inflation. The tax bill we are now considering is confiscatory, the largest in our history, and puts a tax burden on small-income groups which takes food from their mouths. The dollar's purchasing power as applied to food is less than half what it was in 1940, and on an over-all basis it is less than 60 percent. All about us are indications of a continuing inflationary trend which will further reduce the value of our money unless it can be checked.

Notwithstanding the 1950 amendments to the Social Security Act extending the system to nearly 45,000,000 jobs or ten or eleven millions more than were formerly covered, the major portion of persons 60 years of age and over are not embraced in the social-security program. More than 13,000 pension plans cover 7,000,000 employees in United States industry. The first United States pension was established by the Crand Trunk Railroad in 1874. Even with the extended coverage under social security and the private pension plans, millions of American citizens 60 years of age and over are dependent upon aid from the Government or some pension program or their relatives for support.

Payments to individuals for direct relief not including social security, pensions, unemployment insurance, and so on, for Federal, State, and local governments in 1934 aggregated $745,000,000, but in 1948 it had increased to $1,727,000,000. Payments for direct relief have increased about 20 percent a year since 1945. This shows us convincingly that the present provision for old-age security is not meeting the problem.

It has become increasingly apparent to all who have studied the problem of old-age security that the existing social-security law, even as liberalized in the last Congress, is wholly inadequate to meet the needs of the large group of citizens who will be benefited by this legislation. It is equally apparent that the legislation we are proposing will solve this problem efficiently and more equitably than the existing social-security law, and the over-all expense in the long pull will be less than society is now called upon to pay.

The Townsend plan is a self-financing, noncontributory retirement system under which beneficiaries will receive annuities as a matter of right without reference to charity or prior contributions. It is Nation-wide and covers all citizens 60 years of age or over. It is a pay-as-you-go system. Annuities will be paid currently out of currently raised revenues.

Annuities should be provided with neither the stigma of charity nor poverty. They should be given as a matter of right as dividends from the national wealth the aged have helped to create. The system should be one that would replace the complicated, arbitrary, and inequitable provisions of the existing social-security law. It should be one which will have a stimulative effect upon our economy and one which will help to make available jobs to all the young who will replace the aged as the latter move into retirement with a decent standard of living. Only noncontributory pensions will meet the needs of those now grown old who are in need because of past neglect in providing an adequate contributory retirement system.

Mr. Speaker, in behalf of myself and the other sponsors of this legislation, I appeal to all my colleagues to join in the signing of Discharge Petition No. 4 at once so that this legislation may be brought to the floor and considered upon its merits before the Congress recesses.

We would be derelict in our duty to recess and go home without providing for the elderly citizens of America who are in distress. Charity begins at home, and while we are spending billions overseas let us not overlook our own needy on our front doorstep. The annuities

provided in this legislation are not charity but dividends earned by the recipients for their labors through the years in building our America and preserving its economy. As I have said before in appealing for favorable action on this legislation, why not enact a Marshall plan for the aged of America while we are casting our eyes overseas to help the needy in foreign lands? Let us sign Discharge Petition No. 4 now.

REVENUE ACT OF 1951

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4473) to provide revenue, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4473, with Mr. RAINS in the chair.

The Clerk read the title of the bill.

Mr. DOUGHTON. Mr. Chairman, I yield 25 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and I also ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks in the RECORD immediately following my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Chairman, the pending bill, H. R. 4473, to provide revenue, and for other purposes, was favorably reported by your Committee on Ways and Means by a vote of 19 to 6, and is a very vital and important part of the defense program.

Very careful and thorough consideration has been given to this measure. The committee began public hearings on February 5 which extended to April 2. Everybody requesting an opportunity to be heard was given that opportunity. Two whole days were set apart for Members of the House to appear and express their views. Certainly one of the most thorough and complete hearings that has ever been held on any bill was held on this pending bill. Since April 2 the committee has been in executive session considering the provisions of this measure.

The military situation in Korea and the preservation of world peace have made it necessary to provide substantial increases in revenue to meet the national-defense program. Since hostilities began in Korea 1 year ago, your Committee on Ways and Means has reported and Congress has passed three important measures affecting the revenue. First was the Revenue Act of 1950, second, the Excess Profits Tax Act of 1950, which was finally approved January 3, 1951, and third, the Renegotiation of Government Contracts Act which was enacted early in 1951. Now there is this fourth important measure, the Revenue Act of 1951.

The passage of this bill, along with the other two tax acts mentioned, will add $17,000,000,000 to the Federal revenue. The Revenue Act of 1950 produced $6,100,000,000. The Excess Profits Tax Act of 1950 is expected to produce $3,900,000,000. An additional revenue of $7,200,000,000 is estimated to be provided by the pending bill.

I would invite your attention to page 2 of the committee report, where there is an important breakdown of the increases imposed under these various acts.

Under the Revenue Act of 1950 individual income taxes produced $3,438,000,000. Corporation income taxes will produce $2,290,000,000. Excise taxes will produce $73,000,000. Other provisions of the Revenue Act of 1950 will produce $300,000,000. Therefore, there will be a total of $6,101,000,000 under the Revenue Act of 1950.

Under the Excess Profits Tax Act of 1950, and, of course, you know the excess-profits tax applies only to corporations, the corporate income and excess-profits taxes will produce $3,850,000,000.

Under the pending bill, individual income taxes will produce $2,847,000,000, corporation income taxes will produce $2,855,000,000, excise taxes will produce $1,252,000,000, and other provisions under the pending bill are estimated to yield $245,000,000 of additional revenue, making a total of $7,199,000,000 of additional revenue. This is the largest amount of additional revenue under any tax bill in the history of this country. It is anticipated that this bill, with the revenue provided under existing law, will result in collections in the fiscal year of 1952 of $66,300,000,000.

Under the pending bill the individual income-tax rate is raised by 12½ percent, effective September 1, 1951.

That simply means that under the provisions of this bill, individual income-tax payers will figure their income tax just as they did this year, and then increase the amount of the tax by 12½ percent. Under the pending bill, heads of households are given half the benefit of income splitting for future years.

The income-tax rate on corporations is raised by 5 percentage points. The excess-profits credit is reduced to include only 75 percent of the 1946–49 earnings, and the over-all ceiling is increased to 70 percent.

The major changes in the excise-tax provisions are to increase the tax on alcoholic beverages, tobacco, gasoline, and automobiles.

This bill imposes a new tax on wagering.

Among other changes proposed one of the most important is the provision for withholding on dividends and certain interest and royalty payments.

As you know, we already have withholding on wages and salaries and have had for a number of years. Since we already have withholding on earned income from wages and salaries, your committee felt it was only fair to provide for withholding on investment income from dividends, interest, and royalties. Information given the committee shows that there is $1,100,000,000 in dividends and $1,900,000,000 in interest, making $3,000,000,000 more from dividends and interest each year which is received by individuals in this country than is reported for income-tax purposes.

It is estimated that we will receive $323,000,000 additional revenue from this withholding provision, which is money the Government is supposed to be receiving, but is not now receiving because these payments of dividend and interest are not reported for tax purposes.

Under the provisions of this bill, there is to be no withholding on interest on United States savings bonds, postal savings certificates of deposit, bank deposits, mutual savings bank deposits, or on amounts paid by savings and loan associations, building and loan associations, cooperative banks, homestead associations, credit unions, or any similar organization with respect to withdrawable or repurchasable shares, investment certificates or deposits, whether or not the payments are designated as interest or dividends.

Certain important provisions are included in this bill with respect to the corporation taxes. That is one of the principal sources of our revenue, as is well known. The bill makes the following changes in the corporate income tax:

The corporate normal tax is increased from 25 to 30 percent.

The surtax rate remains the same, at 22 percent.

Since corporations with incomes of $25,000 or less are not subject to the surtax, their rate is increased from 25 to 30 percent.

The combined normal tax and surtax on corporate incomes in excess of $25,000 is increased from 47 to 52 percent.

As was pointed out a few moments ago, it is estimated that there will be $2,855,000,000 of additional revenue from corporations.

As has been previously stated, the changes made in this bill with respect to excise taxes are estimated to yield $1,252,000,000 of additional revenue. The limitation of time will not permit a detailed discussion of all of those provisions with respect to the excise taxes or with respect to many other important provisions of the bill, but most of those provisions will be discussed by different Members during the course of this debate.

As was so effectively pointed out by the chairman [Mr. DOUGHTON] during his splendid statement on this bill, we have to meet the situation as it is now presented. One of three things will have to be done. Either we will have to provide additional revenue, or substantially reduce the expenditures of the Government, or again resort to deficit financing. It should be borne in mind that during the last 5 years there has been no deficit financing, and during that time some $15,000,000,000 have been paid on the national debt. That much of the Government's obligations have been retired.

Of course, we realize that none of us especially likes the unpleasant task of imposing additional taxes, but we realize

that under the situation as it now exists, additional revenue has to be provided. For the next fiscal year it is estimated that our revenue will amount to about $60,000,000,000. Under the budget submitted by the President of the United States for the coming fiscal year, the sum of $71,000,000,000 is included. Therefore, it will be seen there is a difference of about 10 or 11 billion dollars between the anticipated amount of the revenues for the coming fiscal year and the budgeted expenditures for that time. It is hoped, of course, and I share that hope as fervently as anybody could possibly share it, that we may be able to reduce expenses some during this year. Certainly efforts have been made in this Chamber as the various appropriation bills have been considered to reduce the amounts provided in those bills. Most of the bills that have been presented so far by the Appropriations Committee have been below the budget estimates, and some further reductions have been made by the action taken here in the House of Representatives. Certainly we do not know yet just what the situation actually will be after the Congress completes its work of passing the necessary appropriation bills for the support of the Government and for our great national-defense program.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. COOPER] has expired.

Mr. DOUGHTON. I yield the gentleman from Tennessee 10 additional minutes.

Mr. COOPER. But even if this bill is finally enacted into law as it is now presented to the House and yields $7,200,000,000 additional revenues, the additional receipts for fiscal year 1952 will be $5,429,000,000, we may still reasonably expect that we will have to reduce expenditures by nearly $5,000,000,000 and reduce appropriations by that amount to be able to come out even.

The Secretary of the Treasury requested $10,000,000 of additional revenue, which is the amount that will be necessary unless the appropriations are reduced below the amount of the budget.

The pending bill provides $7,200,000,000 in a full year of operations, and $5,000,000,000 in the next fiscal year. So with the enactment of this measure there would still be the opportunity, in fact, the compelling necessity to reduce appropriations by $5,000,000,000 in order to be able to come out even and have a balanced budget and not have to resort to deficit financing.

Your committee presents this bill as the best product of its efforts that can be offered at this time and believes that this measure is worthy of your support.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield for a clarifying question?

Mr. COOPER. I yield.

Mr. ROGERS of Florida. I wish to have the gentleman's opinion with reference to whether farmers who borrow money from insurance companies or loan companies are required to withhold 20 percent of the interest they are supposed to pay to the loan or the insurance company.

Mr. COOPER. No; that does not apply to a case like that.

Mr. ROGERS of Florida. How would that be handled?

Mr. COOPER. There is just no change made in the present practice so far as this bill is concerned.

Mr. ROGERS of Florida. To whom does it apply? Who must withhold 20 percent of the interest paid?

Mr. COOPER. There would be withholding on dividends received from corporations and also on interest on bonds of corporations and items of that kind. I read to the House a long list of exemptions that are specifically provided under this bill, and the illustration that the gentleman gives would not be covered by the provisions of this bill so far as withholding is concerned.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from California.

Mr. JOHNSON. Would the gentleman be kind enough to explain to us the withholding of corporate dividends? Is it that the corporation takes a share, whatever the percentage is under the law, takes that share off the dividends and sends it to the Government? Or do they just report that a certain individual got a certain dividend?

Mr. COOPER. The gentleman, of course, knows how the law now operates with respect to withholding on wages and salaries.

Mr. JOHNSON. I understand that thoroughly.

Mr. COOPER. In other words, when somebody owes wages or salaries to an individual they withhold now 18 percent. Under this bill the rate would be increased to 20 percent. That amount of the tax is withheld and remitted to the Government and, of course, the individual gets his receipt showing the amount that has been withheld and paid for him as his tax, and he will claim credit for the amount withheld when he files his tax returns. Withholding on dividends and interest, except for the fact that withholding receipts are not required, will operate practically the same; in other words, if a corporation owes the gentleman a certain amount of dividends, it will simply withhold 20 percent, remit that to the Federal Government; and, of course, he will claim credit for that amount on his tax returns.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield for a further question?

Mr. COOPER. I yield.

Mr. JOHNSON. Does that apply to all corporations whether they do interstate business or not? Does it apply to every domestic corporation?

Mr. COOPER. It applies to all dividends and all interest except those specifically exempted, as I have heretofore stated.

Mr. YORTY. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from California.

Mr. YORTY. The gentleman has referred, I believe, earlier this morning to a tax on illegal activities. It seems to me it is important to clear up the fact that these illegal activities are not activities made illegal by Federal law. The Federal Government has no moral code. For instance, we do not interfere with activities in the State of Nevada which are perfectly legal there but illegal in other places. The Kefauver committee has caused many people to think that much of the local lawlessness is due to lax Federal enforcement when, in fact, the Federal government has no jurisdiction to enforce local laws.

Mr. COOPER. The gentleman has stated the situation very well. Of course, as I undertook to say, we are not in any sense condoning any of these illegal activities. We are just as much opposed to them as anybody could possibly be; but we are told that there are billions of dollars every year made through activities of this kind. We want to try to see to it that a tax is collected on those activities.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Minnesota.

Mr. MARSHALL. The Committee on Ways and Means, in considering a previous tax measure, did what I thought was a worthy thing in attempting to cut down the interest payment on overpayments of income tax. That was thrown out in the other body. I wonder if the gentleman could tell me what the plans of this committee might be in reference to this revenue measure or any future measures in connection with trying to close that loophole?

Mr. COOPER. As the gentleman points out, it is a matter that has received careful consideration. As I remember it now, in a previous measure reported by the Ways and Means Committee, and passed by the House, a provision of that nature was included but was taken out in the other body. It is one of those things we will have to give further consideration to. We recognize that there is considerable merit in the position taken by the gentleman from Minnesota. Many other Members have taken that position and quite a number of bills have been introduced by various Members of the House seeking to accomplish that result.

Mr. MARSHALL. As I recall, that runs into a sum of approximately $50,000,000 annually in interest on overpayments of income tax.

Mr. COOPER. At the moment, I do not recall the exact amount. I believe the provision in the 1950 revenue bill, as passed by this House, to cut interest on refunds from 6 percent to 3 percent would have saved $45,000,0000 a year.

Mr. MARSHALL. It is a considerable amount.

Mr. COOPER. There has been considerable interest in it and Members of the House have introduced bills along that line. I feel confident that the committee will give further attention to it.

Mr. MARSHALL. I know that the committee and the House have been very cognizant of the fact and have been working on it. It was merely the interest that people have shown in this matter that prompted me to ask the question of the gentleman.

Mr. LANTAFF. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Florida.

Mr. LANTAFF. I notice from the estimates that approximately $400,000,000 will be derived in revenue from the proposed tax on bookmakers.

Mr. COOPER. Wagering.

Mr. LANTAFF. I am wondering whether or not the effect of requiring an occupational tax and providing that the collector shall make a list public of all those engaged in bookmaking activities will not have the desirable effect of putting these bookmakers out of business and that little revenue will actually be received from this source?

Mr. COOPER. Many of us feel it would be a desirable thing to put them out of business and to the extent they are put out of business, of course, there will be no revenue. To the extent they stay in business and make money we propose to get some revenue out of it.

Mr. LANTAFF. In any event, the end result of this provision will be a desirable accomplishment.

Mr. COOPER. We feel to put them out of business would be desirable and for the best interest of the country, but if they do stay in business and make money from that source we propose to try to get some of it as revenue for the Government.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Illinois.

Mr. JONAS. As I understand the provision in the tax law which the gentleman from Tennessee has referred to that deals with illicit and illegal business was put in there for the purpose of collecting additional revenue, to accelerate what revenue is now being planned under the provisions of the bill.

Mr. COOPER. Of course, the purpose of that provision in this bill is to secure additional revenue.

Mr. JONAS. I want to cite a situation to the gentleman and I would like to get his reaction. In my State of Illinois, both under the Constitution and the statutes passed in pursuance thereof, it is provided that it is illegal to have any gambling paraphernalia in your possession or to conduct any business that depends upon gaming or chance or lottery. For instance, take a slot machine: Whether it works or not, in the eyes of the law in Illinois it is a crime per se to have it in your possession, and it is another crime if you play the machine. Now, I understand the Government is presently already licensing slot machines; in other words, they give you a license and they say to the owner, "You can operate that machine." Assuming that is in my State. Secondly, you have a provision in this bill that you will charge a bookmaker $50 occupational tax, which is nothing more or less in layman's terms than a license to do business. Now, by the wildest stretch of the imagination, and giving this section of the law the most liberal interpretation, does the gentleman for 1 minute take the position or assume that a bookmaker in Chicago, Ill., who operates now surreptitiously to some extent, would come to the Government of the United States and say, "Here is my address and here is my business, and here is your $50, and I am now operating under cover, but I want to be exposed for $50 and I want to make myself amenable to the law." Where is the consistency and the practicability of that kind of a law?

Mr. COOPER. Of course, it is doubtful whether they will come in and wilfully pay this occupational tax, but whenever you catch one who is doing that kind of business and has not paid the occupational tax, you have an opportunity of assessing an additional penalty against him for failure to do that.

Mr. JONAS. Do I understand that this law can be so interpreted that if a bookmaker is caught operating surreptitiously now, and he has no license, and he is doing it illegally—and if he is caught and convicted, the maximum fine is $200—you can impose upon him an additional fine of $50 under this law and allocate $50 of that fine to the Government of the United States?

Mr. COOPER. Of course, this is an occupational tax.

Mr. JONAS. It is a license.

Mr. COOPER. It is levied. If a man does that kind of business without paying the occupational tax, he is violating the law, and there are certain penalties provided for the violation of that law. If there is willful evasion, the penalty would be imprisonment of up to 5 years, and a fine of up to $10,000, or both.

Mr. JONAS. Is he not violating the law even if you give him this $50 license in my State?

Mr. COOPER. He may be violating the law in the State of Illinois but he is not violating any Federal law that I know of unless he fails to comply with this provision.

Mr. JONAS. All this does is this: In other words, it is bait to this fellow to go out and say to him in the State of Illinois, "You are violating the law, but if you come to the Government of the United States and get a $50 license it at least lends color that you can violate in the open?"

Mr. COOPER. No; I do not think that is the situation at all.

Mr. JONAS. I construe it that way.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

OPPOSITION TO INCREASED EXCISE TAXES IN THE PENDING BILL

Mr. DINGELL. Mr. Chairman, in accordance with my convictions and my consistent record of irreconcilable opposition to excise taxes, I have resisted the enactment of every new excise tax included in H. R. 4473, the pending bill. In fact, at all times and at every opportunity I have steadfastly opposed every increase and new levy in the existing excise tax structure.

I will recognize the need for additional revenue to finance our defense program and to resist the threat of Communist aggression whenever and wherever it may threaten the free world. Despite the need for additional revenue, however, there is no justification in my opinion for a departure from accepted principles of taxation on the basis of ability to pay.

The continued heavy reliance upon a large group of excise taxes appears to me to conflict in principle with the opposition expressed in the platform of the Democratic Party in 1948 to a general Federal sales tax. It will be recalled that during the Republican Eightieth Congress there were unmistakable signs and outright expressions that the party then in control of the Congress was leaning in the direction of a Federal sales tax. A ranking Republican member of the Committee on Ways and Means had introduced a bill for a general manufacturers' sales tax. The then Republican chairman of the Committee on Ways and Means had appointed a so-called special tax study committee of New York bankers and Wall Street lawyers which filed a report stating:

> In the opinion of our committee, excise taxes should continue to form an important part of the Federal revenue system. A case can certainly be made for strengthening the excise-tax structure.

Perhaps the best evidence of Republican support for a sales tax is their record on the repeal of the so-called temporary wartime excise taxes. When these wartime excise taxes were added by the Revenue Act of 1943, I opposed them just as I have opposed the inclusion of additional excise taxes in the pending bill. Although I was unsuccessful in avoiding the imposition of the higher wartime excises, at my insistence a provision was included in the bill providing for the termination of these taxes 6 months after the cessation of hostilities, if not earlier.

Again, although hostilities had not been terminated, I urged that repeal of the temporary excise taxes was a moral commitment upon the Congress of the highest priority and that it certainly took precedence over repeal of the excess-profits tax on corporations. When the Committee on Ways and Means was considering the Revenue Act of 1945, it was on my motion that a provision was inserted terminating these excise taxes on June 30, 1946—1 year before they would have been terminated under the provisions of the Revenue Act of 1943. Although this proposal was included in the 1945 bill as passed by the House of Representatives, the other body preferred to repeal in full the excess-profits tax and my excise-tax repealer was a sacrificial lamb upon the conference altar.

The 1946 election campaign gave Republican candidates for Congress an opportunity to pledge themselves to tax reduction generally and to excise-tax reduction in particular. The ranking minority member of the Committee on Ways and Means, Mr. Knutson, who was soon to become, for a brief but untimely period, the chairman of the Committee on Ways and Means, introduced a bill to repeal the wartime excise taxes in an effort to capitalize on Democratic failure to enact such repeal. All Republican members of the Committee on Ways and Means promised downward adjustments in Federal excise taxes in a public statement. Yet when theirs was the responsibility the first major bill of the Republican Eightieth Congress—January

1947—was one to make permanent the temporary war excise-tax rates. That this was done in order to grant income-tax reduction for the upper brackets was publicly announced by the Republican chairman of the Committee on Ways and Means, who said that it was "the hope of the committee to be able to shift much of the burden that is now being carried by the income tax group over to the excises, at least in part" and just to make it clear, he added:

Obviously, if we are going to extend the excise field we will have to include a great many items that are not now included.

This indicates definitely the philosophy of the Republicans to shift the tax burden to the shoulders of the consumer who constitutes at least 95 percent, most of whom are in the class least able to carry the tax load.

A trifle discouraged but not surprised by the repudiation of Republican campaign promises of excise-tax reduction, I still kept up the fight. When Chairman Knutson introduced his Republican rich-relief income-tax-reduction bill, I countered persistently with my bill re repeal the wartime excise taxes.

The Republicans concluded that Federal taxation was too complicated for the people to understand, but when President Truman took this issue to the country in 1948, after three vetoes of the Republican bill for tax windfalls for upper-bracket income and estate taxpayers, the people understood and rendered their verdict.

It gave me considerable hope and satisfaction, therefore, to introduce on the first day of the Democratic Eighty-first Congress another bill calling for the repeal of the wartime excise taxes and to see a substantial part of the provision of my bill included in the revenue bill of 1950 as passed by the House of Representatives. That bill did not go so far as I would have liked to see it go, but it did grant excise tax relief amounting to more than $1,000,000,000 and contained provisions to make up for the loss of revenue resulting from the excise tax reductions. It did my soul good to see the Democrats grant the excise tax relief that the Republicans had promised but failed to provide. Unfortunately, however, this excise tax reduction bill was passed by the House during the first week of the Communist aggression in Korea and this action snatched excise tax reduction from our grasp just as did the Republican victory in the 1946 election.

Since the invasion of Korea, during the enactment of two major tax bills and until now, I have been successful in resisting obvious efforts to expand greatly these "super duper" sales taxes. Although excise tax reduction was stricken from the 1950 bill as passed by the Senate, I was successful in obtaining agreement for insertion in the conference report a statement that—

The conferees recognize that there are inequities in our excise tax system and believe that the subject should have continuing consideration.

The necessity to abandon immediate repeal of the wartime excise taxes was bitter medicine for me. I had to acknowledge that at least temporary continuance was inevitable but it was my earnest hope that these excise taxes would soon be supplanted by the promised excess-profits taxes on the rapidly rising corporate profits. My disappointment was somewhat alleviated by expressions of Republican support of a pay-as-you-go fiscal policy and the public assurance by the ranking Republican member of the Committee on Ways and Means in a speech in the House on September 22, 1950, that—

When our war expenditures move into high gear, it will then undoubtedly be necessary to raise an additional $10,000,000,000, or more, if we are to attempt to meet our increasing expenditures on a pay-as-you-go basis, as, indeed, we must.

When the Republican reputation for fiscal responsibility was put to the test, however, they responded by opposing the Excess Profits Tax Act of 1950 just as they now oppose higher income-tax rates on individuals and corporations contained in the pending bill, although these taxes are generally recognized as the fairest and most equitable sources of additional revenue.

Despite the recognized need for additional revenue, I regret the inclusion of $1,250,000,000 in additional excise taxes on the consumers of the Nation. This is a most regressive and unfair method of sharing the burden of resisting Communist aggression. It is disappointing, indeed, to see the already overburdened automotive industry subjected to more than $500,000,000 in additional excise taxes alone. The breakdown of the excise-tax load on the automotive industry, with the excise taxes under present law, the increase under the pending bill, and the total in the event the bill becomes law, is shown in the following table:

Automotive excise tax burden

[In millions]

Items subject to tax	Estimated revenue under present law	Increased revenue under the bill	Total revenue under the bill
Automobiles and motorcycles	$465	$196	$661
Trucks, busses, etc.	102	61	163
Automotive parts and accessories	94	56	150
Gasoline	630	210	840
Diesel fuel		10	10
Tires and tubes	150		150
Total automotive excise taxes	1,441	533	1,974

According to the estimates of the staffs of the Joint Committee on Internal Revenue Taxation, the revenue yield from excise taxes under the pending bill would be nearly $10,000,000,000, or almost 70 percent greater than collections in 1945—the last year of World War II. Income taxes from individuals, however, under the pending bill would be increased by little more than 50 percent above the level of 1945 individual income-tax collections. Total corporate-income and excess-profits taxes under the pending bill are estimated to yield approximately 60 percent more than the yield from these taxes in the fiscal year 1945.

It is this relatively increased dependence upon excise taxes to finance the present defense effort as contrasted with the financing of World War II which causes me the greatest concern.

I am convinced that this action coincides with the avowed purpose of a substantial segment of the Republican members of the Committee on Ways and Means and of the House to obtain eventual enactment of a Federal sales tax. I have urged that we not resort to further increase in the excise taxes and, when this failed, I proposed that these new excise taxes, as well as all the wartime excise taxes imposed by the Revenue Acts of 1941, 1942, and 1943, should terminate within a period of 2 years from the effective date of the present bill. With excise taxes approaching a total yield of $10,000,000,000, it seems imperative to me that so regressive a tax burden should be subject to mandatory reexamination of the Congress within a very short time. That proposal, however, was also rejected by the Committee on Ways and Means, but I have thereby served notice to my colleagues and to the Members of the House that I shall remain ever alert against further extensions of the Federal excise taxes and shall, above all, oppose to the limits of my capacity and influence any effort to impose the curse of a general Federal sales tax.

Mr. Chairman, the provisions of this bill increasing the income taxes on individuals and corporations are based upon ability to pay and are required in the interest of a sound fiscal policy. The tax incentives afforded to the mining industry are essential if we are to maintain an adequate supply of raw materials for our highly industrialized economy in peacetime and for our survival in the event of war. Despite the additional excise taxes imposed, there are other worth-while tax concessions made to the average taxpayer, such as the offset feature when a home is sold at a profit and in its stead another is purchased at an inflated price. Therefore, I favor passage of the bill.

Mr. REED of New York. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. WOODRUFF] be permitted to extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WOODRUFF. Mr. Chairman, drastic times call for drastic action, and the people of my district are demanding that President Truman and this Congress put a quick halt to nonmilitary Government spending before imposing over $17,000,000,000 in new taxes within less than 12 months.

H. R. 4472 is not the first tax bill since Korea. It is not the second tax increase. It is the third tax increase bill—all within the past 12 months. And, during this same 12 months' period, has the Truman administration made any real attempt at Government economy? It has not. Instead, President Truman has asked the Congress for $71,600,000,000 in expenditures for the fiscal year 1952.

President Truman has proposed domestic-civilian expenditures totaling $9,800,000,000. This is an increase of

$1,300,000,000 over estimated expenditures for domestic-civilian items for the current year. It is $500,000,000 more than we spent for domestic-civilian items last year. It is $3,700,000,000 more than we spent for domestic-civilian items in 1948, when postwar peace and prosperity were thought to be inclined toward stability. It is $6,200,000,000 more than we spent for domestic-civilian items in 1946, when, as now, we were in a semi-war economy.

Just as in the World War II period, agencies all over the Government are again attempting to increase their expenditures on the grounds that they are contributing to the national defense.

Actually, the proposed domestic-civilian items in the President's budget include all the major socialistic programs of recent years—socialized housing, agriculture, and medicine, and federalized education. This year we are told they are imperative to preparedness and national defense.

But, Mr. Chairman, the people of my district and the people of the country want to know why the wasting of their money is permitted. They want to know why this Congress does not do something to halt the extravagance of the executive departments before raising their individual income taxes by 12½ percent.

They believe, as I believe, that at least seven or eight billion dollars could be cut from President Truman's budget without interfering with the defense program or with the essential operations of the Federal Government.

The biggest item in the budget is, of course, the $40,000,000,000 for military spending. But there is no question that the Armed Forces are notorious for extravagance in the use of civilian manpower and expenditures of the funds appropriated by the Congress. They have been employing approximately one civilian for each two men in uniform, as compared with one civilian for each five men in uniform at the World War II peak. The military effort would be strengthened if, through greatly needed efficiency, the Military Establishment's projected civilian employment of more than 1,250,000 were reduced by at least 150,000.

And just this morning's newspapers throughout the country carried the story that the procurement subcommittee of the House Armed Services Committee showed that two ex-convicts without money, plants, or experience, got four defense contracts amounting to $3,300,000 through "the haphazard, naive, and negligent actions of the Armed Forces procurement officers."

This is the background against which the merits of H. R. 4473 must be judged, and it should be understood by the Congress that there will be a surplus of approximately $4,000,000,000 for this fiscal year ending in just a few days, and that the net receipts from taxes under existing law will be $61,000,000,000 in the fiscal year 1952. This is over $15,000,000,000 more than it was ever thought advisable to raise through taxation during World War II.

In brief, Mr. Chairman, the issue before the Congress is whether, before imposing another $7,000,000,000 of new taxes, President Truman and this Congress should not be made to account to the people of the country as to why there has not been a corresponding reduction in nonessential Government spending. Such a reduction could be made.

H. R. 4473 is not only excessive taxation without justification, but it is economically unsound in its major revenue-raising provisions. It will increase, rather than decrease, inflation. It will not balance the Truman budget for the fiscal year 1952.

The 12½ percent flat increase in individual tax liability not only imposes an unfair burden on the lower-income groups but amounts to almost confiscation in the upper and middle group taxpayers by increasing sharply the already steeply graduated rates. The effect of the flat 12½ percent increase is to make the marginal rate of tax and the dollar amount of the tax burden on many taxpayers even higher than during World War II. This is particularly true of all single persons who do not qualify for the special head-of-the-household exemption and married couples in community-property States. In these cases, the marginal rate will become higher than it was during World War II on all surtax net income over $4,000.

Everyone knows that high progressive rates have no deflationary effect, because the tax comes out of dollars that would normally be saved or used for investment in our productive forces and not dollars which would be spent for consumer goods.

The effect of increasing the corporate rate from 38 to 52 percent within the past year, as is provided for in H. R. 4473, will be to increase the cost of living to all our consumers. The people in my district know that business taxes are just like any other cost of doing business, and in the end it is the consumer who pays every time.

Not only is the regular corporate rate, provided for in H. R. 4473, too high, but the Democratic members of the Committee on Ways and Means have seen fit to tax 25 percent of normal earnings at the 82 percent combined excess profits tax rate. This is, of course, grossly unfair to all the small business in my district which are not sharing in defense contract work. And this arbitrary extension of the war profits tax to one-fourth of normal earnings makes a farce of the excess-profits-tax law. The earnings of many companies during the 1946–49 base period were less than "normal," and yet H. R. 4473 will make the 82 percent tax rate apply to one-fourth of even subnormal earnings.

Moreover, I already have in my files many examples of the severe inequities arising as the result of the statutory relief provisions under the excess-profits-tax law. For companies which do not qualify for relief, the only salvation has been the fact that, under present law, the Government cannot take more than 62 cents out of every dollar they earn. But H. R. 4473 raises the ceiling to 70 percent, which means that some companies in my district might just as well close their plants and hope that their employees can find other employment.

H. R. 4473 contains several adjustments in the excise-tax field which have long been recommended by the Republicans, but at the same time it arbitrarily imposes excise taxes on certain new selective items even though the producers of these products did not appear during the public hearings.

Another serious defect in H. R. 4473 is the new 20-percent withholding provision against taxpayers who have no tax liability, but who have a little income from stocks and corporate bonds. No justification can be made for this unjust enrichment to the Federal Government at the expense of the lower income groups who owe no taxes.

Mr. Chairman, a true pay-as-we-go program—and the only program which will halt inflation and balance the budget—calls first for a reduction of Government spending; and, secondly, for the imposition of new taxes only to the extent that they are necessary to pay for national defense and the essential operations of the Federal Government. H. R. 4473 does not, however, follow this policy. The amount of new taxes imposed by it on the people is excessive, and the method of imposing these taxes is unsound.

Mr. REED of New York. Mr. Chairman, I yield 25 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, the Ways and Means Committee has labored for 5 months and now we are bringing to you not a mouse but a monstrosity. But here it is and the question is—should a conscientious Member vote for or against this bill?

Just as long as this administration continues its excessive spending, we will be faced with excessive taxation. The wages of the sin of continued waste and extravagance may be the death of our American way of life.

Last January the President came before us predicting a $2,000,000,000 deficit for this present fiscal year. Now we find he only guessed $5,000,000,000 wrong and that there will be a budget surplus of three billions and a cash surplus of about seven billions.

Last February the President at the White House told the members of the Ways and Means Committee we would need sixteen billions in new taxes to pay as you go for the coming fiscal year.

In April Secretary Snyder said that ten billions would be enough.

Now, our Joint Committee staff estimates a deficit for the coming fiscal year, based on present taxes, of about eleven billions. But in this estimate they figure expenditures as proposed in the President's budget and take no account of any possible savings by the Congress. I think it is fair to assume that even this Democratic Congress will see the light sufficiently to reduce expenditures by three to four billions.

So that based on a full year's result of the proposed new tax take of a little over seven billions, the budget would be approximately balanced.

Many have argued that the chief necessity for the present tax bill is to prevent inflation. That in order to do this,

the Treasury's income must meet the outgo.

However, if this bill passes the House tomorrow it will not immediately become law. The Senate in its dignity will take its time in considering the provisions which we have included therein. So it is evident that many of the taxes which we have enacted will not go into effect until the autumn, and taxes on this year's corporation earnings will not all be paid in fiscal 1952. Almost $2,000,000,000 of the proposed revenue will not be available in the coming fiscal year. So even if we pass this bill, the conventional budget for fiscal 1952 will not be balanced. However, the cash budget—which is what counts in the battle against inflation—will show a substantial surplus of two billions.

If we do not pass the bill, there will be a deficit in the coming fiscal year of some seven billions, and an inflationary cash deficit of some three billions.

Now unfortunately each of us can only register one vote against the waste and extravagance of this administration. We cannot cut expenditures as we feel they should be cut. Therefore, we are faced with a condition—not a theory—that owing to excessive spending we will have a sizable deficit if we do not enact this legislation. Is it better to pass a bad bill, than no bill at all?

Let us look at what is in it. The President asked for a balanced bill: approximately one-third of the revenue from each of three sources—corporation taxes, personal income taxes, and excise taxes. One purpose was to cut down the spending power of those who are bringing about the inflation.

Secretary Snyder suggested that the excess profits tax be forgotten until next autumn when we could see from the returns how it was working out.

No one has ever proved that increasing corporation taxes was not inflationary, but though the committee cut the President's request for taxes by about three billions, it almost granted in full the most inflationary part of his request—additional taxes on corporations.

Corporations have always been a fair target. Few remember that most corporations consist merely of a large aggregation of small stockholders with moderate incomes. And the very large earnings in the past year certainly make them more of a target than ever.

The Treasury had recommended that the corporation tax be increased to 55 per cent. This was not agreed upon, but in truth through devious methods the tax on the corporation which is not earning any more than it did in the base period has been increased even to a greater extent than recommended by the Treasury.

Through the device of lowering the base for excess-profits tax from 85 to 75 per cent of 1946–49 earnings, a heavy tax has been levied on what are really the normal earnings of corporations, under guise of the excess-profits tax.

In fact the tax on normal corporation income was raised to 59½ per cent, 52 per cent on 75 per cent of their earnings, 82 per cent on the remaining 25 per cent. And the same Democrats who would not vote to raise the normal tax to 55 per cent in an open and aboveboard manner, voted for this.

It is evident that they did not know any more what they were doing than when they voted on the individual income-tax schedule to tax every dollar earned over $100,000 more than a dollar. This boner was called to their attention in committee and they later corrected it.

A 59½ per cent tax on normal earnings is highly inflationary. Taxes are a cost of doing business and inevitably most of this tax will be passed on to the consumer in higher prices. The supporters of those whose demagogic leaders are the chief advocates of such taxation will be those who will suffer most through the resulting higher cost of living.

Then we have the excess-profits tax. Contrary to all the experiences in World War II; contrary to the testimony of those who lived through this period; the tax now goes to 82 per cent. This leaves 18 per cent for a company to keep, while Uncle Sam takes the rest.

Does anyone think for a minute that corporation executives are going to worry about wasting this 18-cent dollar? Inevitably, we will again be faced with an era of excessive expense accounts, excessive salaries, spending where it is not needed; and, of course, almost complete lack of resistance to requests for higher pay. For if it only costs the company 18 cents a day to raise an employee's pay by a dollar a day, and this might prevent a strike, certainly there will be little resistance to demands however excessive.

Of course, the employee thinks he is winning, but as everybody does the same thing prices rise, so he gains nothing in the end. And those living on pensions or fixed income are the chief sufferers. These corporate tax provisions of the bill are highly inflationary and unwise.

Now let us consider the personal income tax. The estimated take of two billion eight hundred and forty-seven million is only a little less than that which the Treasury requested. I believe that more consideration should have been given to the lowest income group who with the present high cost of living find it extremely difficult to obtain the bare necessities of life.

I believe that consideration should have been given to splitting the lowest income bracket, as I have long advocated. Certainly the average American family—a married men with two children—with an income of $2,900—is economically worlds apart from a like-sized family with an income of say $4,600. Why should they be taxed at the same rate?

The bill is harsh on the lower income group, but it is cold murder on the few in the high income brackets. This certainly is a soak-the-rich bill with a vengeance.

Of course no one is particularly sorry for those with $100,000 incomes. They will always have enough to eat. They will get along some way. But the revenue is so small in this sadistic taxation of the few who have by luck or ability managed to achieve these large incomes that I am not sure whether it is jealousy, an inferiority complex, or what, which impels my Democratic friends to ask for that last pound of flesh.

Is it wise to further reduce the take-home pay of an already highly taxed man in the upper income bracket by 24 per cent as we do in this bill? I doubt it.

What incentive is there for the wealthy man to use his capital in a productive way, in a way which will make more jobs and add to the Nation's wealth, when for every dollar he makes over $80,000 he is only allowed to keep 5½ cents?

Is there any incentive for a man of ability to use that last ounce of knowledge to help in the defense effort? Will he not throw up his hands, say, "What is the use," and spend his time lolling in the sands of Florida instead of working.

It is the American's temperament to work and to make use of the talents which God has given him, but his patience is wearing thin.

Some figures are interesting. If a large corporation should decide that it wants to give its chief executive $40,000 in take-home pay—not an unreasonable sum—it would have to pay him $369,656. If it wanted to give him $50,000 in take-home pay, it would have to pay him $500,000. And if some corporation ever had been so foolish as to contract to give him $100,000 take-home pay, it would, under the bill, have to pay him $1,000,000.

There is one very serious implication resulting from these confiscatory taxes which I think this Congress should ponder very carefully—for it is all important.

Our system of taxation is a voluntary one. Outside of those subject to the withholding tax—and withholding only applies to the tax in the lowest bracket—every American voluntarily makes a return of what he owes his Government. It is true that many of these returns are audited—occasionally in the lower brackets, and annually in the higher brackets. However, in general, what he reports as his income is the taxpayer's own responsibility.

The fact that Americans have paid their taxes in the past so fully has been a source of wonder to some foreigners, as in many nations of Europe people just do not expect to pay what they owe. So much a source of wonderment that commissions have been sent from European countries to learn why the American people pay.

So far we have had comparatively little dishonesty. But a man who is clever enough to make $100,000 usually is clever enough to find ways to avoid paying the full taxes imposed by the Government if he feels these taxes are unfair. You remember the lack of compliance under prohibition, a law which was felt by many people to be unfair.

I believe it is possible we have reached the point where individuals who find that they are only allowed to keep 5½ cents of a dollar earned may believe they are being treated unfairly and may do everything in their power to avoid paying these taxes.

There is danger that the entire enforcement of our tax laws may be due for a breakdown if we continue to increase these excessively high rates, and

that failure to pay taxes may, in the future, be no longer considered a heinous crime but something which anybody, if not a fool, should do.

Warning signs that this may occur are in sight. Treasury officials from day to day brought to the committee's attention new methods of tax avoidance which are being tried. New methods by which what is really ordinary income has been transferred to capital gains.

Though we keep trying to plug these loopholes, half a dozen are discovered for every one we plug. The device of using an expense account to deduct what are in truth personal expenses has become more and more prevalent, and this is most difficult to police.

The Committee itself has recognized the hardships that certain of these taxes bring, and themselves have added such palliatives as percentage depletion to more and more industries who suffer from too high corporation taxes. We have given relief to venture capital corporations. We have given capital gain treatment to coal royalties.

The real trouble, and the reason for all these attempts at avoidance is—and I say it categorically—that taxes are now too high. They are interfering, and will interfere more and more, with the continuance of the dynamic economy which we must maintain if we are to further increase the standard of living of the average man.

I think that most of the members of the Ways and Means Committee realize this, but what can we do when the Congress and the administration spend more and more, with no seeming thought of the future.

Before leaving the personal income tax, I want to discuss one portion of the bill which is good and in which I am keenly interested.

Owing to the split income provision which was forced on us, thanks to the unfair advantage held by citizens who happened to live in community property States, married people now have a tremendous tax advantage over single people.

This is partially justified as married people have more responsibilities, more expenses, and usually have to maintain a family home.

However, in the present law the moment the husband dies, a widow would find herself subject to a much higher income tax, while she often had the same responsibilities. Often the only saving caused by the husband's death is a couple of hundred dollars a year for food, a few clothes, some cigarettes, and an occasional bottle of liquor.

But the widow with children still has to keep up a decent home for them, still has to feed, clothe, and educate them, while Uncle Sam is asking for a larger share of her income than before her bereavement.

To correct this inequity, this bill includes a provision which provides that the head of a family who is unmarried may calculate her income tax on a separate table which gives her one-half of the benefits which she would have had if she had been able to file a joint return.

A head of the family is described as one maintaining a home and providing over 50 per cent of the upkeep thereof, in which he or she lives with unmarried children or grandchildren, whether they work or not; or one maintaining a home in which he or she lives with married children, parents, brother, sister, nephews or nieces, but only if these latter members of the family are not themselves earning a living, that is, if they do not have a gross income of over $500.

This provision should be of great help to many widows who find that owing to their bereavement Uncle Sam has really become Uncle Shylock in seeking the widow's mite.

Coming to the excise portion of the bill, we really could have made a noticeable dent in inflation if we had placed heavier taxes on luxuries and other things which people do not need to buy. But the committee has only levied one-third of the three billions in taxes which the administration asked for in this field.

The Treasury is largely to blame for this, for instead of asking for new taxes on items not now taxed, they requested merely increased taxes on those items already heavily burdened. Certainly their recommendations were unimaginative.

So we have before us a bill which is out of balance. A bill conceived in politics. Its major features were determined on by the Democrats in secret caucus. A bill which to some extent is inflationary rather than deflationary. A bill which on many points will injure the economy rather than help it. A bill in which large segments of those in business, such as cooperatives, still go tax-free. A bill in which there are still loopholes unplugged for industries favored by the Democratic majority.

It is a badly thought out bill, but still with the Government's heavy expenditures we do need the additional revenue which it provides if we are to pay as we go.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Maine.

Mr. HALE. I hear considerable argument that heavy taxes are the best weapons against inflation. It seems to be a favorite economic theory. I wonder if the gentleman would comment on that. Many of us would be much assisted if he would.

Mr. KEAN. Of course, to discuss that thoroughly you would have to go into the whole subject of what causes inflation. As the gentleman from New York [Mr. REED] said this morning, inflation is caused by too much money chasing too few goods. What causes inflation is when the people have more money to spend than there are goods available. The best way to stop that inflation is by persuading the people to save, either voluntarily or by practically forcing them to save through making it more difficult and uneconomical for them to make unessential purchases. Then after that, if you cannot persuade them to save, you have to tax, and take part of the excess spending power which they have, and that does prevent inflation, but a corporation tax does not prevent it at all. It depends where the taxes come from.

Mr. HALE. The point is, it seems to me, that the incentive to save is considerably diminished if one cannot have any expectation of deriving benefits from his savings.

Mr. KEAN. Of course.

Mr. HALE. If I felt that this bill was a powerful weapon against further inflation, I would certainly vote for it, but I am not entirely clear in my own mind on that point. I should like to say, if I may, that the gentleman has made an extremely fine speech.

Mr. KEAN. I thank the gentleman.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Ohio.

Mr. JENKINS. If this money that is taken away from the taxpayer was used judiciously, that is one thing, but if the Government takes it and spends it wildly, with the force of the Government behind it, it is more inflationary than if you leave it with the people.

Mr. KEAN. Yes, but the Government is going to spend the money anyway, unfortunately, owing to the action of this administration in recommending and the Congress in voting heavy expenditures.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from New York.

Mr. REED of New York. I just want to observe that there is no cure for this question of inflation so long as you are constantly increasing the money in circulation, and it has been increasing so rapidly lately that it has been watered down; it is like watered milk, it does not have the purchasing power any more, and until the currency question is settled you never can cure this matter of inflation. And, the other answer to inflation is greater production and this bill does not make for greater production.

Mr. KEAN. That is true. Greater production is one of the best answers to inflation.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. I was very much interested, as I always am, in the statement made by the gentleman from New Jersey, a very able Member of this House and of our committee. He is always very attentive and very diligent in the discharge of his duties. I was very much interested in that part of his speech in which he spoke of the loss of incentive for those individuals whose tax might be in the income brackets above $80,000 for a single person, or $160,000 for a married person. He suggested that they would lose incentive and say, "What is the use," and perhaps strike against the Government, so far as further activity in their business is concerned. In view of the fact that their taxes are to be used for the support of their Government, money which is now badly needed in time of distress, I am wondering whether the first consideration of the businessman

would not be one of great patriotism, instead of the amount of tax on additional profits from his business. Surely, after he has made enough for a living for himself and his dependents he will not openly resist contributing to his Government in time of need and distress, when our very liberty is threatened and the perpetuity of our Nation is threatened. Does the gentleman not believe that he would have sufficient incentive to go ahead, even if it took every dollar, after he had received $80,000 over and above exemptions?

Mr. KEAN. I will answer the gentleman.

Mr. DOUGHTON. I have not finished my question.

Mr. KEAN. I am afraid that the chairman figures out that all Americans are as good citizens as he is. In time of all-out war, yes, the average American will work, and tear his heart out working, because he thinks it has to be won, but certainly, in a time when he does not think that there is an urgency or emergency he is not going to tear his heart out and get stomach ulcers and heart attacks working to improve his business which would result in more people being employed when he gets no return out of it at all and can only keep a nickel out of the dollar that he earns. He is going to Florida, he is going to leave. The gentleman knows perfectly well that a lot of doctors right today who are not in perhaps as high an income-tax bracket as that, but who may be able to keep 10 or 20 cents, will work until about the 1st of October, and then they will say, "What is the use of my working any longer?" and then they go south for the rest of the winter.

Mr. DOUGHTON. If they have no higher consideration than that of profit and loss, if the motive of patriotism does not influence them, then the position of the gentleman is sound. But I do not concede that the average American businessman is going to sit down and let his business stand idle and depreciate by neglect. I do not believe he will do that. I believe he will go on and make every dollar he can, even if every cent of it is taken in taxes for the defense of this country. That is the opinion I have, and I think it is the view of the American businessman. There may be some who place their motive entirely on the basis of profit and loss, but I do not believe that is the viewpoint of the greater percentage of the American people.

Mr. KEAN. I wish I were as optimistic as the chairman is.

Mr. REED of New York. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. MASON] be permitted to extend his remarks at this point on this subject.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MASON. Mr. Chairman, I have already fully expressed my disapproval of this tax bill. It is a monstrosity, based not upon economic needs and principles, but upon the pressures of selfish groups and even more so upon what is generally known as political expediency. I have seen only condemnation of the bill by reputable newspaper editorial writers and by competent economic analysts. My previous statement that this tax bill would result in incalculable damage to our economy has been given widespread approbation.

Having already discussed the sins of commission which are present in the bill now before us, Mr. Chairman, I wish at this time to add a few thoughts on the sins of omission which are in some ways even more flagrant. I shall be brief.

Here, Mr. Chairman, is a bill that proposes to increase the income tax on the earnings of regular corporations to 52 percent—but still will permit certain competing corporations to escape without the payment of a penny of Federal tax.

Here is a bill that proposes to increase the excess profits tax on some corporations to the confiscatory figure of 70 percent—but says not a word about the earnings of huge cooperative corporations, bidding for the same kinds of business and making identical excess profits.

Here is a bill that taxes our commercial financial institutions on the profits they make—and at the very same time gives full approval to the complete tax exemption of a third banking system, made up of building and loan, savings and loan and such associations, that has grown to a position of tremendous assets and power on its very failure to pay taxes.

Here is a bill that increases by 12½ percent the tax paid by the individual proprietor on every dime of earnings from his business—and still gives official sanction to the tax freedom of the competing cooperative store directly across the street.

Here is a bill that soaks the workingman, the clerk, the stenographer, the farmer—and yet gives majority approval to the development of monopoly by the sinister route of tax freedom. And, Mr. Chairman, if you question that statement about tax-free monopoly I direct your attention to the arrogant tax-dodging cooperative that has so vicious a stranglehold on milk for babies in the city of Washington.

Here, Mr. Chairman, is a bill that levies heavy increases in the excise taxes on many items in common use by all our people—but it does not even attempt to adjust the inequality of taxation that exists between stock fire and casualty insurance companies and mutual fire and casualty insurance companies.

Here is a bill that actually and ridiculously exempts from present taxation—at a cost of some $16,000,000—the tiny tax that heretofore has been collected on tickets of admission to cooperative theaters and the like.

And here is a bill that provides a withholding tax of 20 percent on the dividends of regular corporations, but gives special exemption from even this simple tax to cooperatives, savings and loan associations, mutual savings banks, favorites of the committee's majority.

Mr. Chairman, these omissions are costing the Treasury—and indirectly every corporate and individual taxpayer—about $1,000,000,000 a year of brand new revenue that might and should be collected.

And this favoritism toward cooperatives, mutuals, savings and loan associations and other business tax-exempts that has been written into this bill as a continuation of past fiscal errors is the more remarkable because the administration itself—the President and his spokesman the Secretary of the Treasury—specifically demanded that these loopholes in the tax laws be closed.

It is even more difficult to understand these flagrant sins of omission in the face of studies made for us by the tax technicians of the Treasury Department and the Joint Committee on Internal Revenue Taxation—studies that revealed a complete unanimity of opinion among these tax experts that no valid reason exists why cooperatives, savings and loan associations, mutual savings banks and the like should not be taxed fully on their earnings, and that every reason in the world exists why they should now be made to pay their taxes just like the businesses and individuals with whom they compete.

I am disappointed, Mr. Chairman—disappointed and not a little ashamed that the committee of which I am a member should have produced so inadequate and so inequitable a revenue bill. I can only hope that the Senate will lead the way toward a better bill.

Mr. DOUGHTON. Mr. Chairman, I yield 20 minutes to the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Chairman, we have listened with interest to the speeches that have been made for and against the bill, H. R. 4473. I wish I could report to the House today that the Committee on Ways and Means, acting as the servants of the House, had found a way to maintain this highly plausible and theoretically sound fiscal policy of pay-as-we-go by increasing revenues sufficient to balance the budget in 1952, and yet that nobody would have to pay any more taxes as a result of our action. I am sure if I could assure you that the provisions of H. R. 4473 carried out such a prospect, there would be no opposition to the bill whatsoever.

The tax bill which is before the House will make a substantial contribution to the revenues which are needed to provide for our increased defense requirements.

There is almost unanimous agreement that we should finance the defense effort on a pay-as-we-go basis. Thus far our revenues have kept pace with the rise in expenditures largely because of the farsighted action of the Congress last year in enacting the Revenue Act of 1950 and the Excess Profits Tax Act. As a result of these timely actions, the Government is expected to run a surplus in the fiscal year which ends this month. This achievement, has contributed to the cessation of inflationary pressures during the past 2 months. If we are to keep our economy in balance we must keep our financial house in order. A pay-as-we-go policy is highly desirable and should be continued as long as it is possible to do so.

This bill is another installment necessary for the pay-as-we-go policy. It will

raise revenues by about $7,200,000,000 in a full year of operation and will increase collections in the fiscal year which begins July 1, 1951, by about $5,300,000,000.

Let us review, for just a moment, what the fiscal situation is, not in a sense of partisan criticism one way or the other, but let us look at the facts as we Americans most of the time try to look at governmental problems.

We realize that the budget which has been submitted by the President of $71,600,000,000 in the light of the reasoned sentiment for economy which seems to exist both here and in another body may well be reduced. In all probability that amount will be reduced. I see my good friend, the gentleman from New Jersey, of the Committee on Appropriations here. If we could be assured that this budget request which was submitted to us in January of 1951 would be the last request for expenditures in the year 1952, and that there would not be other requests for more airplanes and more tanks and all the other expenditures related to our defense program, we might feel safe in thinking in terms of trying to get enough revenue to meet expenditures of, say, $65,000,000,000, if the House and Senate can reduce the $71,000,000,000 request by $6,000,000,000, or as has been suggested by some by eight or nine billion dollars.

But I think it reasonable enough to assume that perhaps a $6,000,000,000 reduction of the $71,000,000,000 would be the most that will be accomplished, not the most that could be accomplished, but the most that is likely to be accomplished in the way of reducing that budget.

Let us look at the revenue side. We are told by the Treasury Department that they estimate receipts of around $58,000,000,000 in 1952. The staff of the Joint Committee on Internal Revenue Taxation has a higher estimate. They estimate we might well take in on the basis of existing law around $60,900,000,000. Perhaps somewhere in between those two figures would be a fair estimate of what we may take in on the basis of existing law in 1952.

If that is the case, we would be some five, six, or seven billion dollars short after having reduced the budget from $71,600,000,000 down to about $65,000,000,000.

With this deduction, I think the gentleman from New York, my very beloved friend, and one of the finest members of our committee, would agree. He is one of the most diligent and hardest-working members, and if he were not so young in spirit I know he would get as tired as some of us older members in years on the committee—but his great spirit keeps him going. He is there every day when we are working. The gentleman from New York made a speech on the floor of the House on September 22, 1950, in connection with the Revenue Act of 1950. The gentleman perhaps will recall his statement to the effect that if we were to remain on a pay-as-you-go basis, it would be necessary for us to find at least $10,000,000,000 of additional revenue. We found a part of that in the excess-profits bill subsequent to the date of the gentleman's speech. But we still are striving to find the difference that it would take to remain on a pay-as-you-go basis. There seems to be no question in our minds that if we are to pay in cash and through taxes the expenditures that we in the Congress vote for, it will be necessary for us to have some $7,000,000,000 additional for the fiscal year 1952.

Now, if that is agreed upon, then before we decide just to throw out the window the 5 months' work of the Committee on Ways and Means, we should take into account what this may involve, and what would be the probable consequences. Without any thought of injecting partisan politics into the consideration of this bill, I want to state that, on my part, I know of no secret sessions wherein policies were agreed upon by the majority members of the Committee on Ways and Means alone.

I do not know where the information came from. I will yield to any member of the committee to point out the day and the hour when Democratic members of the Ways and Means Committee got together in secret caucus and decided to write the terms of this tax bill. I know of no time when any decision was made. Yes. The Democratic members, like the Republican members, met. The Republicans meet as an entire group in a conference occasionally. We on our side meet as an entire group in a caucus occasionally. Yes; it is well for me to tell my Democratic colleagues on occasion what my thinking is about taxes. It is well for me to understand what their thinking is. But as far as any meeting ever being called for the purpose of getting the Democrats to agree on any particular provisions of this bill, I myself know of no such meeting. I did not attend it. I do not think any of the rest of them know about it.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. I am sure there is a misunderstanding this assertion that all the major provisions were agreed upon in secret caucus by the Democratic Members. I as sure our Republican friends would not make a mistake of that kind intentionally. Taking into account all the time put together, when the Democrats met, and it was not more than once, but all put together it would not exceed 1 hour that the Democratic membership met during the 4 months of consideration of the bill.

Mr. MILLS. Then I will ask the chairman if there was at any time during that meeting to which he refers any effort made or any suggestion made that the Democrats stand together as Democrats on any provision?

Mr. DOUGHTON. None whatever.

Mr. MILLS. None whatsoever. Now let us pass over that criticism that the bill was written by the Democrats. I will tell you what is the truth, if you want to know it, and I am not divulging any secrets of what took place in executive session. Just about any provision in the bill that increased revenue was a Democratic provision. Just about any provision in the bill that decreased revenue—well, I will not say that. Perhaps my friends do not want to take credit for all of them.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. BYRNES of Wisconsin. I wonder if the gentleman has checked the minutes, and whether he is going to stand by that statement that every time a reduction was made the motion was made and supported by the Republican side, and the contrary was true as far as motions to increase or pick up new revenue was concerned, that those motions only came from and were supported by the Democratic side. Is that the impression the gentleman wants to create?

Mr. MILLS. No. I do not say that all the motions to reduce taxes came from the Republican side, but I would say that a majority of my Republican colleagues on the committee voted for every motion that was made, irrespective of which side made the motion, if the motion involved a loss of revenue.

Mr. BYRNES of Wisconsin. That is your recollection?

Mr. MILLS. Yes. That would be my recollection.

Mr. BYRNES of Wisconsin. Have you checked recently so that you can be sure of its accuracy?

Mr. MILLS. No; I have not. My friend from Wisconsin may have voted against all of those provisions that reduced revenue. I do not just remember how he voted, and I may be in error as to how he voted, but I think in the majority of cases my statement would be right.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. JENKINS. I would say the gentleman's statement is right in most of the cases, as far as I am concerned, because I did vote against nearly all of them.

Mr. MILLS. That is my recollection. As the gentleman knows, I voted for most of the provisions of the bill that increased the revenue.

Now, I was discussing the necessity for some $7,000,000,000 of additional revenue to make up for what might be the deficit between what we appropriate and what we would receive under existing law. In deciding on the sources to be tapped for the purposes of this the largest tax bill in our history, the Committee on Ways and Means reviewed all of present revenue sources and also considered other possibilities. Except for the new tax on gambling, the bill relies almost entirely on the present taxes to yield the additional revenue. The committee avoided reducing the individual income-tax exemptions or other regressive tax measures because it felt that higher taxes should not be levied at the expense of those who are already hard pressed by the high cost of living.

Since the chairman and others have already made a complete report on the action taken by the committee, I should like to discuss some of the major pro-

visions of the bill, including, first, the change in individual income taxes, second, the change in corporation taxes, and third, the structural revisions which were adopted to improve enforcement and to close loopholes. Other members of the committee will discuss the remaining features of House Resolution 4473 which time will not permit me to include in my remarks.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. Before the gentleman concludes his remarks, I wish he would give some attention to section 306 of the bill with regard to capital gains on livestock.

Mr. MILLS. Let me answer the gentleman right now. As far as I know, and I think the gentleman's colleague from Iowa [Mr. MARTIN], who was greatly interested in the provision, will tell the gentleman that this particular provision is ideally satisfactory to the livestock people of the United States. I see my friend, the gentleman from Nebraska [Mr. CURTIS]. Am I not correct in that?

Mr. CURTIS of Nebraska. I think, generally speaking, that is true.

Mr. MILLS. They did not oppose it, in other words?

Mr. CURTIS of Nebraska. No. They are for it, even though the holding time for agriculture is 12 months, while for other industry it is 6 months.

Mr. MILLS. A 6 months' holding period.

Mr. CURTIS of Nebraska. They are supporting that position.

Mr. MILLS. They would have preferred a 6 months' holding period.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. GROSS. That is exactly the point; why ask the farmers to hold their breeding stock for 12 months, whereas in any other matter it is a 6 months' proposition; why should there be a differential?

Mr. MILLS. Of course there should not be a differential between the farmer and anyone else in the treatment afforded tax-wise; the gentleman is right about that. But I had understood that the livestock people were very well satisfied with this provision.

Let us look, then, to the amount the bill actually raises, which is $7,000,000,000. What is there about the bill that justifies its being returned to the committee, as some of my colleagues suggest? What is there about it that is so bad? Is it what is in the bill that is bad? Or is it what we failed to incorporate in the bill?

The gentleman and I discussed one important question earlier today—why there is nothing in the bill to modify the existing tax status of cooperatives. Some 6,000 farm cooperatives are entirely exempt from taxation. The committee did not include a suggested provision taxing cooperatives because after very careful study of the entire matter and based upon the information that had come to us from members of the staff, it was found that we would only increase the revenues of the Federal Government by about $58,000,000 if we taxed the exempt farm cooperatives and imposed a withholding tax on the dividends or the refunds paid out to the farmers. So the committee decided not to go into that field in this bill and agreed not to do so by rather overwhelming vote.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. REED of New York. The gentleman is correct there; and, of course, by putting on a withholding tax it exaggerated the amount of revenue they thought the Government would get.

Mr. MILLS. That was a large part of it. Let us look then at the taxation of the individual under the bill.

INDIVIDUAL INCOME TAX

Defense of freedom is everyone's job. Everbody will have to make his contribution according to his means if our way of life continues and I am certain that everyone will want to make his contribution to the full extent of his ability. The individual income tax reaches all citizens whose income exceeds the amounts needed for covering the bare necessities of life. The individual income tax is designed to tax all citizens in accordance with their ability to pay. There can be little doubt that this tax provides an excellent framework in which all citizens can be called upon to share equitably in the cost of building the armor which will protect the liberties we cherish.

It is for this reason that we propose to raise $2,847,000,000 or 40 percent of the required increases in revenues by means of the individual income tax. The principle of the proposed rate increases is simple and easily understood by everybody. Every taxpayer will compute his tax exactly as he did before and will then add the defense tax of 12½ percent to the tax he would have had to pay without the proposed increase. The percentage increase in the tax will be the same for everybody; all income below $5,000 will carry the same share in the total tax load as they did before, and so will incomes above $5,000. In view of the high marginal rates already paid by persons in the highest income brackets it was necessary to reduce the present surtax rates for taxpayers with surtax net incomes in excess of $80,000 for the duration of the defense tax.

The new rates are intended to become effective as of September 1, 1951, so that about one-third of the rate increase will be applicable to 1951 incomes. To facilitate the computations to be made by the taxpayer on his final return, the bill proposes a flat 4-percent increase of the taxes on 1951 income which would have been paid under present law.

By increasing everybody's taxes in the same proportion a major portion of the proposed over-all increase in revenue is not only distributed equitably but also in such a way that the increase can be easily repealed when defense needs are no longer as imperative as they are today. In fact, all present law rates remain on the statute books, and the elimination of the defense tax can be accomplished quickly and simply by removing the percentage increases and the rate adjustments in the top brackets.

We have afforded the same treatment to all taxpayers, those of less than $5,000 of net income and those of more than $5,000 of net income; but in the process of doing so, as my friend from New Jersey pointed out, it materialized that in certain of the very high brackets of personal income tax we would be taking more than they made; so in order to apply the 12½-percent rule across the board we have actually in this bill reduced the surtax bracket rates for the people in those high brackets. I do not mean we have reduced their taxes; we have increased their taxes, but we have not increased them by a full 12½ percent of their tax under present surtax rates.

Is there anything basically wrong in taxing an individual by applying the same rule, the same yardstick to all incomes, to all tax liabilities? The man on the street who talks to you when you go home will want to know something about how you have increased his income tax. You can ask him: "How much tax did you owe last year?" "Oh, I paid $200 tax in 1950."

Your reply would be: "We have increased your tax by just the same percentage that we have increased the individual who owed $10,000 tax. Each one of you has had his tax bill go up by 12½ percent."

We do not take very much credit on our side for this idea. In our committee we work in a nonpartisan way. We really got the idea from a Republican motion that was made earlier in the consideration of this matter. The only reason we could not accept the Republican motion was that it provided for a 10-percent increase in the tax of individuals across the board, like the 12½ percent in the bill, but that would only bring in about $2,300,000,000. We thought we needed a little bit more revenue from individuals than that, so we proposed this 12½ percent, based upon the same reasoning as the 10 percent, and this will bring in about $2,850,000,000 or about $550,000,000 more under the 12½ percent than under the 10 percent. For the life of me, I cannot see why 12½ percent would be a monstrosity or make the bill a monstrosity, if a 10-percent increase on the same basis would make it a good bill. It is just a question of degree. Maybe we have gone too far in our 12½ percent to suit some of our friends on the committee, but, certainly, the theory of it is the same as the motion which they made. As I recall, most of them voted for it.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Pennsylvania.

Mr. SIMPSON of Pennsylvania. There were two distinctions between the proposal offered from our side for a 10-percent across-the-board increase and the 12½ percent which was finally adopted. In the first place, there is a saving under the 10 percent to the American taxpayers of the low-income group and of the higher-income groups of over $500,000,000. A large part of that is a saving to the extremely low income group

who are the people today being penalized most by these increases in taxes. For that reason, and as one of the two reasons, I say that the Republican proposal for a 10-percent across-the-board increase was a substantially better and a wiser proposal than the 12½ percent that is in the bill.

Mr. MILLS. The gentleman will agree with me it is just a question of degree?

Mr. SIMPSON of Pennsylvania. Yes.

Mr. MILLS. The only difference between what the gentleman says and what is in the bill, the 10 and 12½, is a matter of degree.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. SIMPSON of Pennsylvania. I agree or I would not have offered the motion that the principle of an across-the-board increase is fair and equitable. I disagree as to the percentage. I also said, and I want to make this very clear, in my amendment was a proviso that we follow the course of the legislation we adopted in 1941 when we imposed a war tax of 10 percent. I wanted that formula followed. It is not followed in this proposal here.

Mr. MILLS. In all fairness, I want to ask the gentleman if what he is talking about now and if what he proposed in the committee was an exact duplicate of the old victory tax?

Mr. SIMPSON of Pennsylvania. It is the old victory tax formula.

Mr. MILLS. Then this bill is less burdensome on the individuals in the first bracket under the 12½-percent provision, and I will explain why. The old victory tax at a 10 percent rate would be more severe on the low-income groups because in the case of the old victory tax, as the gentleman knows, allowance was made for only a single exemption of $624 and there was no credit for dependents.

Mr. SIMPSON of Pennsylvania. The gentleman does not want to confuse me, I know.

Mr. MILLS. I thought that is what the gentleman had in mind.

Mr. SIMPSON of Pennsylvania. I had forgotten the exact designation. This was a defense tax.

Mr. MILLS. In any event, it is just the difference between the 10 and the 12½ percent.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. May I call attention to this fact: If the increase under the 12½ percent in a man's tax under the present law amounts to $5, the 10 percent would amount to $4, and the same thing all along the line. If the gentleman will refer to page 7 and elucidate on that a little bit I think it would help. That is the difference between a 10-percent and 12½-percent increase across the board.

Mr. MILLS. I was going to point out to the Members who are present just what the dollars-and-cents effect of this 12½-percent defense tax is at certain levels. Let us take a single person with no dependents and a net income before exemption of $1,000. Today he pays $180 in taxes, and he would pay an additional defense tax of $23, or less than 50 cents a week, under this bill. Now, for a taxpayer with a net income before exemption of $5,000 the defense tax would amount to $118, or slightly over $2 more per week. That does not seem to me to be actually an unbearable burden upon the people with incomes of $5,000 or less. Of course, it would be fine if we could find revenue and write a tax bill that did not increase their burdens at all, but it was impossible for us to do it.

The tax of a single person with no dependents with net income of $25,000 would increase from $9,796 to $11,021, or by $1,225, or $23.55 per week. At the $100,000 net-income level the weekly defense contribution would amount to about $154.

A married person with two dependents would be called to make a defense contribution only if his net income before exemptions was in excess of $2,400, since, in contrast with the victory tax of the last war, the defense tax is paid only if an individual income tax would be due also under present law. A married person with two dependents with a net income of $5,000 would pay only $65 more than under present law, or $1.25 per week. At the $25,000 net-income level the defense contribution would amount $784, or about $15 a week, and the tax of a married person with two dependents with net income before exemptions of $100,000 would see his liability increased from $51,912 to $58,401, or by $125 per week.

Mr. SIMPSON of Pennsylvania. I am sure the gentleman knows that there are many individuals in the country that are living up to their budget limits today.

Mr. MILLS. That is true.

Mr. SIMPSON of Pennsylvania. Fifty cents or $1 a week may mean the difference between necessaries and lack of necessaries.

Mr. MILLS. That is true.

Mr. SIMPSON of Pennsylvania. So to that individual and from his standpoint, there is a substantial difference between 10 percent and 12½ percent.

Mr. MILLS. Well, there is bound to be some difference or there would not be a difference of $550,000,000 in the amount of revenue to be received. But, to my theory, either the gentleman's motion of 10 percent or the motion which the committee finally agreed to of 12½ percent is a fair and equitable way to increase the tax burdens. Everybody has had his tax increased by the same percentage.

CAPITAL GAINS

In line with the increases in ordinary income-tax rates, House bill 4473 provides for a 12½-percent increase in the ceiling rate on long-term capital gains. Under present law, gains from the sale or exchange of capital assets held for more than 6 months are never taxed at a rate higher than 25 percent of their face amount. This rate will be increased to 28.125 percent. In judging this increase in the ceiling rate on long-term capital gains, it should not be forgotten that the Revenue Act of 1950, which provided for the first round of increases in the individual income-tax rates, did not raise the ceiling rate on long-term capital gains. While before Korea the alternative tax effective rate was 50 percent higher than the starting rate of 16.6 percent of the individual income tax, it would be only 11 percent higher than the starting rate of 22.5 percent under the committee bill. As the alternative rate benefits particularly taxpayers in the higher income brackets, the committee felt that at least part of the pre-Korean differential between the ordinary starting rate and the alternative tax rate should be restored. This would be accomplished by raising the alternative rate by the same 12½ percent by which all individual income tax rates are being raised.

TAX ADJUSTMENT FOR HEAD OF A HOUSEHOLD

The uniform percentage increase in income tax represented by the defense tax increases the differences in the tax liability of single persons and of married persons caused by the fact that married persons are allowed to split their income before computing their tax. A single person with one dependent with net income of $25,000 pays under present law $2,718 more tax than a married couple with no dependents. After passage of House bill 4473, the difference would be increased to $3,057 or 12½ percent since both rates would be increased by the same percentage. The differential in liabilities between single persons and married persons works considerable hardship particularly in cases in which a taxpayer loses his or her spouse. The obligations to provide for the children and to maintain the home remain the same although the means to do so are often drastically curtailed.

There are various ways by which the inequalities of the present tax structure between single and married persons could be reduced. The method provided in House bill 4473 would extend half the benefits of income splitting to single persons with family responsibilities. This measure would actually reduce the present tax liabilities of a considerable number of taxpayers and lose an estimated $56,000,000 of revenue, but I believe it is a revenue loss which we are compelled to accept in the interest of equity.

The following are the tax advantages to be gained by a taxpayer who qualifies as head of household. A single person with one dependent not eligible for the head of household status with net income of $25,000 would pay $10,622 or $1,530 more than a head of household with one dependent whose liability would amount to $9,092 and at higher income levels the difference would be even larger. Because the tax advantages are important, it is imperative to limit the abuse for purposes of tax evasion of this measure. Only persons who are not married and who maintain in their household one of their children or descendents or any other persons recognized as dependents under present law are eligible for the head of household status, provided that during the taxable year they actually furnish more than half the maintenance costs of the household.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. There is one thing that I would like to ask that is bothering me in this bill. I am for the increase in the income tax as the gentleman has explained so well, but one thing I would like to have explained to me, and that is why the committee, in considering excise taxes, increased excise taxes on automobiles and on trucks and other forms of transportation, and I understand the committee did consider a tax on yachts and other luxury boats. Can the gentleman explain to me why that tax was not imposed?

Mr. MILLS. On yachts and boats?

Mr. JONES of Missouri. Yes; yachts and luxury boats.

Mr. MILLS. My recollection as to what we did on this subject escapes me but I will yield to my friend from Pennsylvania if he has the answer as to what the committee did.

Mr. EBERHARTER. There was a proposal to limit the amount claimed as a loss on an enterprise operated as a hobby and not primarily for profit.

Mr. MILLS. It is a question whether it is a business expense or personal expense, and if it is a personal expense it was not deductible.

Mr. EBERHARTER. That is right.

Mr. JONES of Missouri. In other words, if I would purchase a luxury yacht I would not pay any excise tax on it.

Mr. EBERHARTER. I thought the gentleman was speaking of hobby losses.

Mr. JONES of Missouri. No; I am talking about a boat. In other words, some people like to travel by automobile, some like to have a pleasure car, and some people down on the river, on the Potomac, would like to have a yacht or something like that. I think that is a luxury. Would that come under the excise tax?

Mr. MILLS. There is no excise tax on the yacht to which the gentleman refers. There is no excise tax on an airplane that anybody may fly, if he owns and operates an airplane. So far as I know, there is no tax.

Mr. JONES of Missouri. In other words, I was asking if the committee considered that.

Mr. MILLS. Such a proposal was considered, but it was contended that there would be administrative difficulties in determining whether a boat is designed for pleasure or for commercial purposes. I think as far as the tax on automobiles is concerned, that the committee was quite favorably impressed by the argument made by the automobile manufacturers, the dealers, and so forth, that an increase from 7 percent to 20 percent on automobiles would be too much of a burden to impose upon the consumer. Actually, we have raised the tax on passenger cars from 7 to 10 percent. I think everybody on the committee would agree with me that the increase was arrived at in a spirit of compromise. It was a three-point raise. The Treasury had recommended a raise from 7 to 20 percent, a 13-point increase.

Mr. JONES of Missouri. I think you were wise in not going further.

Mr. MILLS. I thought the automobile people would generally be satisfied with the treatment the committee accorded them.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I apologize to the gentleman for breaking into his good discussion of another part of the bill, but since excise taxes have been mentioned, I simply could not wait to ask what kind of thinking lay back of the invasion of the American home by putting an excise tax on what is now almost a necessity, certainly the dream of every woman, a washing machine, an electric drier, a mangle. At a time when our women are seeking more time to go into defense plants, you have put more burdens on their hands. I cannot understand why such a wise committee would invade the American home in this fashion.

Mr. MILLS. I had not intended to discuss the excise taxes at all. In our list of electric appliances that are not now being taxed, I know we came to the electric sewing machine. One of the ladies who appeared as a witness before our committee convinced the committee completely that there should be no tax on sewing machines. It is my recollection that the committee declined to impose a tax on washing machines.

Mr. COOPER. The gentleman is correct on that. There is no tax on washing machines.

Mrs. CHURCH. But on the electric drier and the electric mangle there is a new excise tax, is there not, according to page 139?

Mr. MILLS. The majority of the committee decided that the tax could be justly imposed upon a mangle and upon this electric drying machine, since a tax was already imposed on electric flatirons. I presume they are all necessities, as far as that is concerned. I would have the gentlewoman realize completely that we are not just taxing those things today that are luxuries. We are taxing many things that are actually essential. I think an automobile has become a most essential item to most families in the United States. Yet we tax it.

Mrs. CHURCH. I would assure the gentleman I am perfectly sure that the American housewife would make every sacrifice. However, I think it is going to be rather hard to explain to her why there is no tax on a yacht, if you are sending her back to her own iron and the kitchen sink.

Mr. MILLS. Those of us on the committee have actually had no experience with yachts. Most of us come from areas where they do not have yachts. We are just not accustomed to them. We do not think in terms of them.

Mr. ARMSTRONG. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Missouri.

Mr. ARMSTRONG. May I ask the gentleman, who is making a very lucid explanation of the income-tax provisions, if I am interpreting the report correctly on page 12. I note that the total amount this bill would raise in income taxes is $2,847,000,000, in round figures.

Mr. MILLS. That is in a full year of operation, may I say to the gentleman.

Mr. ARMSTRONG. Of that amount, from those receiving incomes of $1,000 to $5,000, the increase would be $1,031,000,000.

Mr. MILLS. That is right.

Mr. ARMSTRONG. That tax would be taken from 35,860,000 taxpayers.

Mr. MILLS. The gentleman is correct.

Mr. ARMSTRONG. That is about 75 percent or more, and perhaps in the gentleman's district and in mine in the neighboring State of Missouri it would run higher than 80 percent. I am wondering if the gentleman would have us believe that it would be impossible to save $1,031,000,000 out of this present budget and thus relieve that high percentage of taxpayers of this increase?

Mr. MILLS. That is not the position of the gentleman who is addressing the committee at all. I tried to point out in the beginning that if we save as much as $6,000,000,000 out of the $71,000,000,000 budget submitted by the President in January of this year it is still necessary to have some $5,000,000,000 to $7,000,000,000 of additional revenue.

So if we take that out it will be necessary for us perhaps to reduce the budget by seven or eight billion dollars. I am not certain as to the figure, but at least $7,000,000,000, I would say, under the budget.

Mr. ARMSTRONG. Certainly the gentleman must be aware, as well as all the other Members of this body and the Members of the other body who make up this Congress, since this session of Congress began, and I would mention specifically the senior Senator from Virginia has pointed out how we could save $7,500,000,000 to use the Senator's figures exactly, which would be more than the amount asked for in this total bill.

Mr. MILLS. The gentleman from Missouri understands I am not talking in terms of what the Congress could do. I am talking in terms of what the Congress probably will do and I said I thought that the most we could reasonably hope to reduce the President's budget of $71,600,000,000 would be around $6,000,000,000. The most we can hope to reduce it, that is. If we do that—and I would be surprised if we should—I think that is the most we can expect. If we do that, we still are short for the fiscal year 1952 by about the amount represented in this bill, or something a little bit under that.

Mr. ARMSTRONG. I hope the gentleman will allow me the observation that back home the taxpayers are wondering when we are going to come up with a suggestion that should have come up before this bill was presented to us.

Mr. MILLS. I do not suppose the gentleman's people are any different from mine. So far as I know, there is no man in my district—no taxpayer in my district—who does not want the Congress to do all that it can and do all within its power, without regard to politics or anything else, to cut out wherever anything can be cut out in this budget. But I think they realize that,

even if you reduce the budget six or seven billions of dollars, you would not be on a pay-as-you-go basis without some increase in taxes. That is the position that I take, and I was referring earlier to a speech which my distinguished friend, the gentleman from New York, made on the floor of the House on September 22, 1950, when he said he thought it would require around $10,000,000,000, and the gentleman seems to have been about right.

Mr. REED of New York. That is where we are now.

Mr. MILLS. Exactly. I am just saying the gentleman appears to be about correct in his prediction.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. McCORMACK. Will the gentleman state what percentage of appropriations is connected with past wars or preparation for possible wars in the future?

Mr. MILLS. I believe it is 83 percent of the entire Federal budget.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. REED of New York. I said it would require $10,000,000,000, and we have raised it $10,000,000,000.

Mr. MILLS. In this bill, and by the excess-profits tax, yes, and we appear to be over about a billion dollars.

Mr. REED of New York. So I was correct about it.

Mr. MILLS. Yes, sir. You said after the Revenue Act of 1950, we might still need $10,000,000,000. Subsequent to that time we raised $3,900,000,000 from excess profits. Now we are proposing about $7,200,000,000 here, which would make a little bit more than what the gentleman predicted. Let us look to see whether or not the provisions increasing taxes on corporations makes this bill a monstrosity, as has been charged by my good friends.

I want to say a word or two with respect to the changes in taxes on corporation and to the structural revisions in the tax laws made by the bill.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. COOPER. Mr. Chairman, I yield five additional minutes to the gentleman.

Mr. MILLS. Mr. Chairman, may I be advised when I have used 2 minutes, because I am going to quit shortly.

CORPORATION TAX INCREASE

Mr. Chairman, what have we done with corporations? The bill properly allocates a fair share of the increased revenues to corporations. Of the total yield of $7,200,000,000, the net increase in corporation income and excess-profits taxes will account for $2,900,000,000. As a result of these changes, corporations will still be contributing proportionately less to total tax collections than they did at the World War II peak. During the years 1942 through 1945 corporation taxes averaged about 38 percent of total revenues; even after giving effect to the present bill, corporations will contribute only about 33 percent of total tax collections.

I feel that the extraordinary increase in corporation profits resulting from defense expenditures should enable them to bear a major share of the increased demands for revenue without imposing any hardships. Corporation profits for 1951 are estimated by the Joint Committee on Internal Revenue Taxation at $48,000,000,000 and may even exceed this amount. This represents an increase of more than 50 percent over the average postwar profits of $31,300,000,000 and is greatly in excess of the previous record level of $41,000,000,000 chalked up for 1950.

Of the estimated increase in revenue of $2,900,000,000 from corporations, about $2,100,000,000 will come from the increase in the corporation rate of 5 percent. This increase will be applied to the normal tax rate and will thereby raise the maximum amount of revenue. Because of the surtax exemption of $25,000 the corporation income tax rate will continue to favor small business. Under the new rate schedule corporations earning $25,000 will be taxed at an effective rate of 30 percent compared with a rate of 41 percent on a corporation with an income of $50,000 and a maximum rate of 52 percent which will not be reached until incomes are well over $1,000,000.

Rather than raise the entire amount of higher taxes on corporations from the income tax, the bill allocates an important part to adjustments in the excess profits tax. This will be accomplished by reducing the excess-profits credit from 85 percent to 75 percent of average base period earnings as originally proposed by the Treasury Department. This is equivalent to a rate increase of 3 percent for most corporations but will not affect those whose current earnings are less than 75 percent of their base period profits.

The committee considered the possibility of applying the full increase to the income tax rates. However, it was felt that this would not be desirable since it would bear too heavily on those corporations with substantial reductions in profits. While the profit situation is such that relatively few corporations now earn as little as 75 percent of their base period profits, some may be in this situation either because of raw-material shortages or because of difficulties incident to conversion to defense production. Reliance on reduction in the excess-profits credit from 85 percent to 75 percent for part of the revenue increase from corporations thus relieves those corporations which are now suffering hardships from part of the additional tax load. It was considered desirable nonetheless to increase the normal tax rate on all corporations because we are asking everybody to make an additional contribution for defense whether or not their incomes have risen.

Another reason for reducing the excess-profits credit to include only 75 percent of base-period earnings is that it gives fuller recognition to the fact that base-period earnings were very high due to the postwar inflation of profits. Despite the fact that the present law provides a credit of only 85 percent, it is clear from corporation reports that the excess-profits credits for many are highly generous. In the aggregate, profits in the three best years out of the four in the base period averaged $30,600,000,000; 85 percent of this amounts to $26,000,000,000. This is higher than the profits before taxes in any of the war years. It is well to note that these figures understate the total of all the credits available to all corporations, since the best 3 out of 4 years for each individual corporation does not necessarily correspond to the best three out of four for the aggregates.

Finally, a reduction in the excess-profits credit is justified because the Excess Profits Tax Act, as finally enacted contains numerous relief provisions which were not originally in the House bill. The committee will reexamine these provisions as soon as data become available. However, it is clear that they reduce the revenues which the House expected to collect from the excess-profits tax. The reduction in the credit to 75 percent does not alter the relief provisions, but obtains more revenue from all base-period-earnings corporations. If the relief provisions are justified the distribution of the increased burden resulting from the reduction in the credit is also justified.

In order to make these rate increases fully effective a corresponding increase of 8 percentage points was made in the maximum-ceiling rate, thereby raising the present effective ceiling from 62 percent to 70 percent. The necessity of this corresponding change in ceiling rate should be apparent. If the present ceiling rate of 62 percent were not increased, corporations now subject to the maximum rate would fail to pay any of the rate increases incorporated in the present bill. This adjustment in ceiling rate is therefore necessary to realize the full revenue effect of the proposed rate increases.

One of the results of the revised ceiling rate is to raise the level of income at which the rate limitation becomes effective. Under the present law corporations in general become subject to the ceiling rate when current income is 170 percent of base-period earnings. Under the proposed change the ceiling becomes operative at about 187.5 percent of base-period earnings. As a result, excess profits will be more effectively taxed than under present law. They will, nevertheless, be taxed less than during World War II. In 1942, for example, the ceiling rate was reached at a level of profits five times the prewar average. Between 1943 and 1945 the comparable level was three and two-thirds times the prewar level. It should also be noted that the maximum effective tax rate payable by corporations between 1943 and 1945 was 75.8 percent, compared with the newly proposed ceiling rate of 70 percent.

Despite the high level to which corporation rates have been raised, corporations with defense contracts may be able to realize the greatest profits in their history after payment of these taxes. This is because profits of many defense industries will rise many times their pre-Korean levels and also because of the advantages of accelerated depreciation

on new plant equipment. It is only fair to require corporations to make a substantial contribution to the revenues under such circumstances.

The bill also increases the capital-gains rate for corporation by 12½ percent, as in the case of individuals. This will raise revenues by an estimated $38,000,000.

After the payment of all taxes being imposed under the provisions of existing law and by this bill, corporations will have more than twice as much left to them on which to operate than they had in any year during World War II.

Oh, the charge has been made by some that this tax bill socializes American business because of the imposition of these additional taxes. I would admit, as readily as anyone, that you have the highest incentive when you have no tax burden. Of course, as you increase taxes you reduce some of the incentive on the part of the individual, and on the part of corporate business, to make profits. But we are faced with the practical situation—how much additional tax can business stand and not be injured as a result of the tax? And how little can we raise without injury to the country?

I feel as sincerely as anyone could possibly feel that business can take this additional tax and yet be left with more profits after taxes than it ever had in World War II. It can still continue to produce and still continue to supply America with those things which are needed both here and on the Korean front.

As we distribute these burdens of taxation, I am sure that those friends of mine in American business would not have us completely overlook their capacity, ability, and desire to pay taxes in the upkeep of the Federal Government.

STRUCTURAL REVISIONS

As in the case of the Revenue Act of 1950, the committee has continued its efforts to improve compliance and enforcement of the income-tax laws and to close loopholes. The technical provisions of the tax laws are numerous and the job of closing loopholes is necessarily a slow one. Nevertheless, I believe that the changes made last year and those that are contained in this bill represent real progress in this area. I should like to call attention specifically to the following provisions: the extension of withholding to dividends, corporate bond interest, and royalties, the denial of multiple surtax exemptions and excess-profits credits to members of a controlled group of corporations, the elimination of the two for one offset of short-term loss against long-term gain, and a number of other technical amendments designed to prevent the conversion of ordinary income into capital gains.

WITHHOLDING ON DIVIDENDS, INTEREST, AND ROYALTIES

In his statement before the committee on February 5, 1951, the Secretary of the Treasury suggested that the possibility of extending withholding to dividends and interest be explored. He pointed out that "to obtain maximum compliance requires more than improvement in auditing procedures. A tax system which reaches the great majority of income recipients must employ mass enforcement methods which are as nearly automatic in their application as possible." The extension of withholding under H. R. 4473 will be a substantial contribution in this direction. It is estimated that the amount of revenue which will be recovered by this provision will be $323,000,000 in a full year.

As Members of the House will recall, the House adopted a provision last year which was designed to withhold at a 10-percent rate on dividends only. Under the plan corporations would have been required to report the amount of taxes withheld to the stockholders at least once a year. Although corporations would have been allowed to report this information to their stockholders in any manner suited to their convenience rather than on a prescribed form, this provision was considered too burdensome for corporations. In addition, it was pointed out that the plan would involve collection of tax from tax-exempt corporations and would thus, in effect, deny them the use of funds which properly belong to them. For these reasons, the provision was eliminated from the Revenue Act of 1950 by the conferees.

The plan incorporated in this year's Ways and Means Committee bill provides for withholding at a 20-percent rate on dividends, corporate bond interest, and also on royalties. Interest on savings accounts and on United States Government bonds are not subject to the new withholding sytem. The mechanics of the system have been worked out to keep to a minimum the burden of compliance on the part of those paying interest and dividends. The major improvement is that in the case of dividends and interest, the withholding agent will not be required to keep records of the amounts of tax withheld from each individual or to submit any statement to the individual at the end of the year. In practice, withholding agents will not be required to do any more paper work than they do today in connection with their usual bookkeeping practices, except to remit the amounts withheld quarterly to the Collector of Internal Revenue.

To account for the proper amount of dividends and interest on his tax return, the taxpayer would merely enter the net amounts he received after withholding and then add one-quarter to the total of these amounts to obtain the gross amounts to be included in his income for tax purposes.

The problem of overwithholding on religious, charitable, and educational organizations has been overcome this year by a special provision which will permit these organizations to offset currently the amounts withheld from dividends and interest against the amounts withheld from employees. In those rare instances where the amount withheld from the tax-exempt organization exceeds the amount owed to the Government, the excess will be refunded promptly at the end of each quarter.

The committee had the assistance of the staffs of the Treasury Department and of the Joint Committee on Internal Revenue Taxation in working out these improvements for the benefit of the withholding agents and interest and dividend recipients. As is customary, the Chief of Staff of the Joint Committee on Internal Revenue Taxation held meetings with representatives of corporations and other organizations paying dividends and interest. The representatives of these organizations agreed that the withholding plan was practical, would involve but little additional cost to them, and was simpler than the plan which was considered by the Congress in 1950. Representatives of the universities were also consulted and they confirmed the opinions of the staffs that the offset system which was designed to meet the overwithholding problem in their case would eliminate the hardship that might arise if they were required to wait until the end of the year for refunds. It was on the basis of these assurances and the fact that the revenue involved is so great that the committee adopted the new withholding provision.

CORPORATE SPLIT-UPS TO OBTAIN MULTIPLE EXEMPTIONS AND CREDITS

The corporate surtax exemption of $25,000 provided in the Revenue Act of 1950 and the allowance of a minimum excess profits tax credit of $25,000 provides a strong incentive for splitting up corporations to gain tax advantages. By incorporating as many branches of a business as possible some taxpayers are able to obtain multiple exemptions and credits, thus minimizing tax liabilities.

This procedure was used by some corporations during World War II, even when the specific excess profits exemption was $10,000 as against the present $25,000 minimum credit. The Treasury litigated some of these cases as attempts to evade or avoid tax. While tax considerations had clearly entered as one element into the corporate management decisions, the Tax Court held that the facts did not show the principal purpose was tax avoidance, and therefore, concluded that the multiple exemptions could not be denied. In one of these cases, a company which had operated since 1928, had 60 retail shoe stores, and in 1944 split up 22 of these into separate corporations. Subsequently, between 1945 and 1949, 27 additional new corporations were organized, thus creating 49 sets of credits and exemptions instead of one. In such cases, the tax benefits of corporate split-ups may run into millions of dollars.

The tax loss inherent in the multiple use of the minimum excess-profits credit and the surtax exemption is not limited to new corporations which may be created in the future by splitting up existing corporations. Where an enterprise is already divided into several corporate entities, the tax loss is the same as in the case of the newly created subsidiaries. Moreover, the unwarranted use of multiple surtax credits and excess-profits credits is as undesirable if two or more corporations are owned by the same stockholders as where one corporation owns the stock of another.

The bill deals with this problem by permitting only one surtax exemption and only one minimum excess-profits

credit to a group of affiliated corporations. For this purpose such an affiliated group would include a group which under existing law may file a consolidated return. It would also include two or more corporations with 95 percent of the stock of each owned by the same person or persons. In the determination of whether an individual owns the stock of any corporation he is deemed to own the stock held by his spouse or by a corporation owned or controlled by him. Other technical provisions have been added to avoid intrafamily split-ups.

This provision is essential to confine the reduced tax burdens under the corporate income and excess-profits taxes to the small corporations, for whom they were specially designed.

OFFSET OF SHORT- AND LONG-TERM CAPITAL GAINS AND LOSSES

Section 305 of House Resolution 4473 intends to close a loophole which benefits mainly speculators in securities or commodities. Under present law, it is possible for individual taxpayers to make considerable capital gains in a given taxable year and actually not only not to pay any tax thereon but carry over to other taxable years a fictitious loss.

The mechanism by which this undesirable result is being achieved is known as the 2 to 1 offset of short-term capital losses against long-term capital gains. Since long-term capital gains—which are profits from the sale of assets held more than 6 months—are added to income from other sources at half their face value while short-term capital losses are deductible at the full amount, it is possible for a person to offset every $2 of long-term capital gain by a short-term capital loss of only $1. In such a case, the taxpayer actually realizes a net gain of $1, but does not pay any tax thereon. By properly timing his operations a speculator can make large actual gains which for tax purposes are treated as losses and used as offsets against ordinary income from other sources in the current and future taxable years, and as offset against capital gains in future years.

An example will indicate the extent to which present law permits such abuses: A speculator can realize net long-term capital gains of $6,000,000 and net short-term capital losses of $4,000,000, leaving him a net profit of $2,000,000. Despite this large profit averaging about $40,000 a week, the income-tax return under present law would show a net capital loss of $1,000,000, since only half of the long-term capital gain or $3,000,000 is taken into account. This individual not only can escape tax completely on his $2,000,000 profit but can also report a loss of $1,000,000 to be carried forward and offset against capital gains of the five succeeding years.

H. R. 4473 would put an end to the creation of such fictitious losses and to the avoidance of the payment of tax on profits from capital gains. Short-term capital gains will heretofore offset against long-term capital gains dollar for dollar, and only the resulting excess of long-term capital gains, if any, will be reduced by 50 percent for tax purposes.

OTHER LOOPHOLE-CLOSING PROVISIONS—SALE OF INVENTORY ITEMS THROUGH THE USE OF COLLAPSIBLE CORPORATIONS

The Revenue Act of 1950 attempted to close the loophole resulting from the use of "collapsible corporations" to convert ordinary income into long-term capital gains. However, recent reports of the Bureau of Internal Revenue have revealed that collapsible corporations may be used for the purpose of converting profits from sales of inventory and stock in trade into capital gains.

Generally the use of a collapsible corporation for the sale of merchandise or similar inventory items would be relatively infrequent. However, in any period during which there are large price rises, or if there are price controls that might be avoided by some artificial device, this technique to convert substantial ordinary income into capital gains with greatly reduced taxes may become fairly frequent. The bill contains an amendment which will prevent the use of collapsible corporations for this purpose.

DEALERS IN SECURITIES

The committee has been informed that dealers may shift securities from the investment to the inventory account, or vice versa. This presents the possibility of converting what would be ordinary gain into capital gain. In addition, there is a difficult administrative task in determining in which portfolio the securities have in fact been held.

It is recognized that dealers in securities may actually acquire certain securities for investment purposes. However, it is exceedingly difficult to determine at the time of subsequent sale whether securities have actually been acquired for investment or for inventory purposes. Accordingly, the bill provides that dealers must clearly earmark the securities which they hold for investment purposes and must not be used thereafter for sale to customers. Unless these terms are complied with, the gain from the sale of these securities will be treated as ordinary income.

SALE OF PROPERTY TO CONTROLLED CORPORATIONS

There is a growing practice of using controlled corporations for tax avoidance purposes by selling assets to such corporations in order to obtain tax benefits. In the typical case a stockholder—or a small number of stockholders—controlling and owning a corporation, desires to convert ordinary income into long-term capital gain. The technique by which this is accomplished is through the sale of depreciable property owned by the stockholders to the corporation. The bill eliminates this loophole by providing that any depreciable assets sold by stockholders of a closely held corporation to the corporation be considered noncapital assets and thus that any gains from such sales be taxed as ordinary gains.

VENTURE CAPITAL COMPANIES

Before concluding, I should like to call the attention of the House to a provision in the bill which, I believe, will be extremely beneficial to the economy in the long-run. This is a provision which will foster the growth of venture capital companies.

Under the Internal Revenue Code as now written, the corporate income tax is not imposed on regulated investment companies which distribute currently at least 90 percent of their income exclusive of capital gains. One of the other tests which investment companies must meet to qualify for this treatment is that they cannot invest more than 50 percent of their assets in companies in which they hold more than 10 percent of the value of the voting securities. This rule was adopted to deny the special benefits for regulated investment companies to the usual type of holding company.

Venture capital companies are investment companies which provide capital for other companies engaging in the development or exploration of inventions, technical improvements and new processes or products. They generally provide most of the capital needed to finance the venture and thus cannot comply with the 10 percent rule. Since venture capital companies promise to serve as an instrument for directing an increasing portion of the current savings of the country into the small innovating ventures which are so important for long-run economic progress, the committee felt that it was desirable to amend our income tax laws so as to allow these companies the benefit of the provisions for regulated investment companies. This is accomplished by waiving in certain cases the rule that not more than 50 percent of the assets of the investment company may be placed in the assets of companies in which it holds more than 10 percent of the voting securities.

To qualify for this exception, the investment company must obtain a certification from the Securities Exchange Commission that it is engaged principally in the financing of inventions and new technical developments. To forestall abuse of the provision, the bill imposes the limitation that the total of securities held in any one operating company for more than 10 years may not amount to more than 25 percent of the assets of the investment company.

The proposed amendment which has been discussed with representatives of venture-capital companies will make a real contribution to their development.

I have confined my remarks to the major provisions of the tax bill which is now before you. I believe it is an equitable tax bill. The substantial revenues provided by this bill are needed to keep the Government on a pay-as-we-go basis. I, therefore, urge the Members of the House to vote for its enactment.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from North Carolina.

Mr. BONNER. The gentleman has mentioned a subject in his discussion that is difficult for me to answer in the mails that I receive. The gentleman has stated that if the cooperatives were taxed on an equal basis with competitive business it would only return $50,000,000 additional taxes. Will the gentleman explain to me why any competitive business should have a differential in their taxation? It is a hard question for me to answer.

Mr. MILLS. I want to correct the gentleman's impression. Perhaps I did say that, but I did not intend to say that if we taxed all cooperatives on the same basis that other corporations are taxed there would be only about $50,000,000 additional revenue.

Mr. BONNER. I mean where they are competitive to each other, what excuse is there for not having equal and fair taxes? It is growing into a big business.

Mr. MILLS. If the gentleman could have been in the executive sessions of our committee, he would perhaps have heard more discussion on this subject than any other. The gentleman from New York pointed out this morning his reasons why cooperatives should not be taxed. During consideration of the tax bill I offered a motion in the committee which would have increased the burdens of taxation on some of those cooperatives. Personally, I feel that a farm cooperative is a highly desirable instrumentality. It is highly essential to the farmer, and it is here today because of the inability of the farmer to market his product, and receive the price he should for it in other channels.

Mr. BONNER. If the gentleman would go into one of his cooperative stores, he would find very little difference in the price of the articles for sale.

Mr. MILLS. I am not talking about the cooperative store. I am talking about the marketing cooperative.

Mr. BONNER. They are the same thing.

Mr. MILLS. Oh, no, they are not. I disagree with the gentleman. It is the cooperative store that the gentleman's constituents complain to him about, is it not?

Mr. BONNER. That is correct.

Mr. MILLS. That is the situation with my friends in the district I represent. That is what they complain about. I offered an amendment in the committee which would have increased the tax burden on that type of operation. The consumer cooperative is not exempt from taxation under existing law, except to the extent it refunds the profits made to its consumers, to the people who do business with it—the patrons generally. If the consumer cooperative retains income that is not allocated to those people with whom it does business, that is taxed under existing law. There is no exemption whatsoever in the tax law itself for the consumer cooperative, except in the case of those purchasing supplies and equipment for the use of farmers. There is exemption in section 101, paragraph 12, for what we refer to as farm marketing cooperatives and what we refer to as farm purchasing cooperatives. Those two types of associations have been exempted, one of them since 1916 and the other since 1921, from any taxation on anything retained by it. The gentleman understands that whatever is paid out to the farmer, supplementing his price for his commodity, by one of these marketing cooperatives, is taxed in the hands of the farmer, if the farmer makes a profit that year. Anything that is paid out to the farmer which affects his cost of operation, by one of these purchasing cooperatives, reduces the cost of making the crop to the farmer and therefore affects his income. There are only about 6,000, as I understand it, of those farm cooperatives which are entirely exempt from payment of income taxes on retained reserves.

Many, many cooperatives all through the country have declined to take the exemption which they may be entitled to otherwise; they would prefer to pay a tax on their unallocated reserve; the amount which they retain. Because of the little revenue involved, I presume more than anything else, a majority of the members of the committee without any regard whatsoever to political party affiliation, voted against putting anything in this bill with respect to changing the tax treatment of cooperatives. Had my motion carried I would have been satisfied, but it was defeated.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. Is it not a fact, however, that some members of the committee felt that something more should be done about this subject of taxing cooperative organizations than was done after long discussion? We just did not have votes enough to do it.

Mr. MILLS. The Chairman is absolutely right; it was a question of each individual having his own views. As I remember, we never came nearer than four or five votes of carrying any motion with respect to these cooperatives.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New York.

Mr. REED of New York. Was it not the position of the Treasury that the cooperative store, as some call it, that when the patrons of that store, a member of the cooperative, dealt with it and bought his goods more cheaply, that it was not income to the member of the cooperative? Is that right?

Mr. MILLS. The gentleman from New York is exactly right, and I think the gentleman from New York will agree with me when I say that the proposals which came to our committee from our advisors working with the committee accorded different treatment as between these consumer co-ops and farm co-ops which I personally considered to be more favorable to the consumer co-ops. Yet it is this latter type of organization that the gentleman from North Carolina [Mr. BONNER] referred to a moment ago, the very type of organization that causes the merchants of my own area their greatest difficulty and arouses the most objection on their part. Does the gentleman agree with me?

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I shall be glad to yield to the gentleman from Tennessee.

Mr. COOPER. I am sure the gentleman will remember that in the bill reported by the Ways and Means Committee and passed by the House last year a provision was included that would have resulted in about $20,000,000 additional revenue from the cooperatives, but that it was taken out in the Senate.

Mr. MILLS. Yes, and they would not in the conference under any circumstances agree to it. The House managers at the conference finally had to recede from their position and accept the amendment which had been adopted in the other body. We were in session for several hours on that one amendment.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from North Carolina.

Mr. BONNER. I want to make myself perfectly clear; I am not speaking of the cooperative that affords a marketing program or an assistance program under any condition, but I am speaking of competitive business with merchants and manufacturers, and this thing is going into heavy industry; it is going into insurance; it is going into all businesses of that kind, and certainly there is no way on earth that the Ways and Means Committee can justify taxing one business and not another.

Mr. MILLS. I have already suggested to the gentleman that I offered an amendment in the committee which I think the gentleman from North Carolina would agree with.

Mr. BONNER. I have outlined the question I would like an answer to.

Mr. MILLS. I think the gentleman will agree that, under my amendment, I was trying to do something about this cooperative enterprise which is entering into competition with the merchant, the hardware dealer and other tradesmen in my area and which the latter feel has a tremendously unfair tax advantage at the present time. I was thinking in terms of the psychological effect. I thought maybe the people in my area would have been more willing to assume greater tax burdens had we allocated part of it to that type of enterprise, but I was very zealous in my own thinking to do nothing that would in any way jeopardize these extremely valuable farm marketing co-ops which I think are highly essential to the agricultural people of the United States.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. REED of New York. Mr. Chairman, I yield the gentleman one additional minute to answer this question: Was it a fact that the Treasury, as I said before, claimed that this was not income?

Mr. MILLS. Oh, yes; the Treasury said that that which was received from one of these co-ops in the way of a distribution as a patronage refund was not income to the recipient, and since it was not income it could not be reached by any action of the committee in attempting to tax it to the patron. That was brought out and actually that position was one of the factors that kept anything out of this bill on cooperatives.

Mr. KERSTEN of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Wisconsin.

Mr. KERSTEN of Wisconsin. A very interesting observation was made a short time ago in answer to a question asked by the distinguished majority leader when he asked what part of the burden

pertained to past wars and present defense necessities. I believe the gentleman's answer was 83 percent.

Mr. MILLS. That is my recollection.

Mr. KERSTEN of Wisconsin. Does the gentleman know how much pertains to defense needs, present and future, as compared to past war expenditures?

Mr. MILLS. I cannot break it down. I understand there are four factors in this 83 percent. First, the amount of money we make available for the Defense Establishment, interest on the public debt, veterans, and international financing, foreign loans, grants, and all that. I understand those are the four things that make up 83 percent of the budget.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Mississippi.

Mr. WINSTEAD. The gentleman from North Carolina pointed out certain tax advantages enjoyed by these cooperatives. Some think they should pay taxes like a partnership. Will the gentleman take the time to explain the difference between the tax imposed upon these cooperatives and the tax treatment of partnerships?

Mr. MILLS. It is the argument of some of those in the cooperative movement that cooperatives are to be treated taxwise just as any partnership now is being treated because, they say, in fact they are a partnership, and whatever is made by a cooperative is made for the individual members of the cooperative in a sort of joint relationship. I take a somewhat different position with respect to these cooperatives that open up a place of business on Main Street and sell to anybody who walks in, irrespective of whether he is a member or not. To me the Congress never intended, when it gave birth and impetus to this great farm cooperative movement, to include that type of a cooperative in this sort of special treatment. It is that type of cooperative to which the gentleman refers and the fact it does not pay taxes on its entire earnings before anything is distributed to the patrons is the thing, in my opinion, that causes most of the complaint that exists today among the business people.

Mr. WINSTEAD. Would there be a difference if it sold only to its own members insofar as the argument goes that it should be treated for tax purposes as a partnership?

Mr. MILLS. There would be. I think there would be a difference if its entire business was done with members and only members.

Mr. REED of New York. As a matter of fact, under the regulations they are supposed to segregate those who are not members from those who are members and to tax those who are not members on the amount they buy.

Mr. MILLS. Is that true of a consumer cooperative?

Mr. REED of New York. Yes.

Mr. MILLS. That is true of a consumer cooperative.

Mr. REED of New York. Yes.

Mr. MILLS. I appreciate the gentleman's observation.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, my opposition to additional taxes at this time, and therefore my decision to vote to recommit the bill now before the House, is based on my conviction that other things should come first.

If new and heavier Federal taxes are to achieve a justifiable purpose; if they are to be a part of a pay-as-you-go mobilization of our strength; if they are to help in the fight against inflation, by siphoning off consumer buying power; then the Government itself must see to it that Government wastefulness does not defeat these legitimate purposes. We are close to a saturation point. Taxes from present sources have approached the point of diminishing returns. New tax sources have proved almost impossible to find. Additional tax levies will not necessarily bring in a large total revenue. This is tax experience.

Administration demands for heavily increased taxation is based on a fallacy. The administration appears to assume that Government spending is not inflationary, while that of individual citizens is inflationary. I find it hard to believe that the President, or anyone else in his administration, can fail to understand that the opposite is the fact.

Government spending is directly inflationary. Government does nothing to create wealth. Government spends. Non-Government spending, on the contrary, is channeled back into the production, for the most part, of goods and services which are essential to economic, and hence to military strength.

It follows, in putting first things first, that a sincere effort on the part of the administration to bring about economy in its own operations, and to enforce orthodox credit curbs, which, with increased production, can strike at the heart of inflation, must precede the imposition of additional taxes.

The administration continues to pursue a policy of inflationary spending, on an increasing scale. This is evident from a few budget figures, which I shall give you now, as examples of what I mean. I have had an opportunity, as a member of the House Committee on Appropriations, to study these figures.

In fiscal year 1939, the Federal Security Agency spent $758,536,061. In fiscal year 1947—the first budget request of Mr. Truman—it spent $928,077,000, or a percentage increase of 22.4 percent. For fiscal year 1952, the year for which we are now appropriating, the agency asked for $2,154,483,011, an increase in only 5 years of Mr. Truman's administration, and postwar years at that, of 132.1 percent.

The Department of Commerce jumped in the same three fiscal years from $239,456,636 to $368,556,000 and in the last 5 years to $761,918,904. This is a jump of 106.7 percent in Mr. Truman's peacetime administration.

Using percentages alone, in the past 5 years, the Interior Department increased its budget 123.7 percent; the housing and home finance agencies, 150.2 percent; the General Services Administration—adjusted to the reorganization—185.3 percent; TVA, 83.8 percent; NLRB, 86.5 percent; while the increase during the 5 years alone, for all Government agencies, was 82.2 percent.

Let me call your attention again to the fact that these increases are all post-World War II increases, and that the rate has been accelerating. So great indeed has been the increase in Government spending for civilian payrolls alone, that today the total is at an annual rate of $8,300,000,000. This is equal to the rate at the peak of World War II, when Government spending reached an all-time high.

I stop at this point, Mr. Chairman, to admit that I feel in a mood to congratulate the members of the subcommittee on the independent offices, of the Committee on Appropriation—which I admit includes myself—for the evidences of greater than the average economy in those agencies of government for whose budget this subcommittee is responsible.

Putting the agencies on a comparable basis, the ones for which we are responsible spent $10,571,039,000 in fiscal year 1947. This was an increase of 511.9 percent over the total for fiscal year 1939, which was $1,727,588,720. Since we have the Atomic Energy Commission, the Maritime Commission, the Veterans' Administration, the National Advisory Committee on Aeronautics, and others directly associated with the war efforts, this is not too surprising an increase for the war years. However, please note, Mr. Chairman, unlike the other agencies, the percentage for the last 5 years is not an increase but a decrease of 20.3 percent.

Because of the apparent unwillingness of the administration to reduce spending, even in peacetime, and its weakness for socialistic, money-wasting schemes, I cannot in good conscience support the tax bill now before us, nor any increases in taxes upon the small and already hard-pressed taxpayers of the United States.

If Congress and the administration will unite to reduce spending, then will be the time to consider the necessary steps to drain off the consumers' spending power by increased taxes, applying the increased revenues to the immediate demands of war, identified carefully as such, and to payments on the national debt.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. SHAFER].

LET'S HAVE SOUND FISCAL POLICIES AND ECONOMY BEFORE TAX INCREASES

Mr. SHAFER. Mr. Chairman, history records that James Watt received the inspiration which he translated into his invention of the steam engine while watching a steaming tea kettle.

I respectfully recommend the tea kettle to the President of the United States

as a possible source of timely inspiration, instruction and edification.

While I am well aware of the aversion of women folks to such husbandly intrusions, I suggest that Mr. Truman take a little time off from more imposing official duties, and that he forget politics for a few minutes, and pay a visit to the kitchen of the Blair House.

I suggest that the President there devote a few minutes of concentrated attention to the phenomenon of the steaming tea kettle.

Particularly I urge him to weigh the two alternative methods of controlling the steam rolling out of the tea kettle—on the one hand, the method of holding down the tea kettle lid and plugging the tea kettle spout, and, on the other hand, the method of turning down the fire under the tea kettle.

Then I respectfully suggest that the President of the United States return to his study—still forgetting politics for the moment—and reflect upon the possible application of a bit of tea kettle wisdom to the problem of inflation and what to do about it.

The matter of watching the tea kettle should be easy enough for the President to arrange. The matter of forgetting politics even for a few minutes, might take a bit more doing. But even that should not be impossible if Mr. Truman will take seriously his own statement, in his radio address last Friday evening, that the fight against inflation "is not a partisan fight," and that inflation, itself, is not partisan.

The simple truth, which is beginning to dawn upon a growing number of Americans, is that inflation cannot be prevented or controlled merely by holding down the tea-kettle lid or plugging the spout. This discovery, despite Mr. Truman's insinuation to the contrary, is not limited to members of the National Association of Manufacturers.

Despite the inept and obvious smear technique employed in the President's radio address, it is not the so-called lobbyists or the "interests" who have grave doubts as to the wisdom or efficacy of trying to stop the tea kettle from steaming by clamping on the lid and driving a cork in the spout.

Incidentally, when Mr. Truman professed to list the substitutes for price controls advocated by these terrible lobbyists, he very carefully avoided any reference to their proposals for Government economy and for lessening the flood of cheap money. He very carefully failed to mention these two indispensable devices for turning down the fire under the tea kettle.

The President indulged in another familiar line of deception when he charged that the same people who urge higher taxes as a means of controlling inflation are—and I quote his words—"going around urging another committee of Congress to go easy in raising taxes on corporate profits."

The fact is, of course, that the matter of taxes is definitely and deeply involved in the whole problem of inflation. But it also is a fact, and a fact which the President likewise chose to ignore, that the effectiveness of higher taxes as a device for controlling or preventing inflation depends upon whether those higher taxes are used in conjunction with—or as a substitute for—other necessary methods of turning down the fire under the steaming tea kettle of the national economy.

The $7,200,000,000 tax bill now before this House must be appraised in relation to the total problem of inflation and inflation controls. It must also be appraised in relation to the administration failure to adopt anti-inflation measures which strike at causes instead of symptoms alone. It must be appraised in relation to the President's insistence that you can stop the tea kettle from steaming if only you enact enough laws; impose enough controls; invoke enough penalties; post enough price ceilings; hire enough snoopers, price czars, and OPS lawyers—all at the taxpayers' expense; add the frightening governmental power of licensing all businesses and the corollary power to revoke licenses and drive Americans out of business, and create and expand the vast and appalling apparatus of regimentation.

This tax bill, Mr. Chairman, must be appraised, not by itself alone, but against this background of a blind and stupid economic and political philosophy which ignores the fact that the only possible result of these methods, like the procedure of bottling up the steam in a tea kettle while leaving the fire on full blast, will be a disastrous explosion which could wreck not only our economic system but our system of political freedom as well.

So far as I am concerned, when this tax bill is so appraised, when it is appraised against this background, it leaves no possible choice but that of opposition.

By way of elaborating the reasons for that opposition, I point out, first of all, that the higher taxes represented by this bill, when taken alone, have inflationary effects.

Higher income taxes, imposed on the wage earner, bring demands for higher wages—and so contribute to the inflationary pressures.

Higher corporate tax rates, inevitably passed on to the consumer, bring demands for higher prices—and so contribute to the inflationary pressures.

Higher corporate taxes and higher taxes on dividends—despite the politically popular appeal of "soaking the rich"—actually result in drying up the streams of investment capital which are the source of new or expanded business operations. This drying up of the streams of investment capital, in turn, curtails production and the very output of goods and services which effectively limit and control inflationary forces.

Excessive taxation, of the type represented by this bill, has a production-curbing effect which is obvious even to the average wage earner. It produces the taxpayers' strike—the unwillingness or reluctance of the worker to work extra hours or days when he realizes that the extra earnings will put him in a higher income tax bracket which takes part or all of his extra earnings away from him in taxes.

Higher taxes, taken by themselves, without measures which turn down the fire of inflation, actually serve to feed that fire.

In the second place, higher taxes, voted ahead of and without regard for every possible economy in Government, merely confirm the tax spenders in their spendthrift ways and thereby make it easy for them to continue their reckless and profligate extravagance.

For these wastrels of the Nation's substance, higher taxes voted prior to real economy in Government are merely a welcome assurance that "there's more where that came from."

There is a time and a place for higher taxes—if they can be geared to a genuine pay-as-you-go Government program based on real economy and sound fiscal policies.

But that time and place are related to, and dependent upon, economy in Government becoming a fact and not a mere Presidential dare.

There is a third important point bearing on the relationship of taxes to other and prior efforts to combat inflation by turning down the heat under the tea-kettle.

Higher taxes are a blow to thrift—to the habit of current saving by the American taxpayer. Higher taxes mean less individual saving—less purchases of E bonds, less reinvestment in E bonds by citizens whose present savings bonds are maturing.

A decrease in E-bond purchases will make it necessary for the Government to sell more bonds to commercial banks which, in turn, means turning loose new floods of cheap money. And these new floods of cheap money will have the effect of further depreciating the dollar and of lowering the value of E bonds as an investment, thus adding a further discouragement to prospective E bond purchasers.

It is a vicious circle, a dangerous chain reaction. And higher taxes can be the very factor which touches off that chain reaction.

There is one other aspect of this inflation and tax increase picture which bears particular emphasis. One group of our fellow citizens, above all, is caught in this disastrous economic pinchers.

I refer, of course, to those persons relying on fixed incomes for their subsistence level of economic existence.

Included in this category are those persons entirely dependent upon pensions, annuities, life-insurance benefits, dividend payments, and various types of savings, including bank accounts and savings bond investments.

Because of its direct bearing on this group of Americans and their present plight I call attention to a fact recently cited by Dr. Walter E. Spahr, professor of economics of New York University. Dr. Spahr said:

> The total loss, because of a depreciated dollar, on the average value of life insurance policies, time deposits in banks, and E, F, and G savings bonds for the years 1941–50, in 1950 dollars as compared with 1941 dollars, amounted to $116,565,524,000. This huge loss, lightly regarded because so

poorly understood, stands in sharp contrast to the officially estimated total loss of $1,901,000,000 by depositors in suspended banks during the years 1921–1933. Regarding the latter loss, extending over 13 years, and which is only one-sixty-first of that over 10 years on the three items mentioned, we still write and speak with emotion for the reason, apparently, that the meaning of that loss was brought home to us in a manner we could understand. But regarding a loss more than 61 times greater, on only the 3 items specified, we offer in general little more than platitudinous observations that reveal our small understanding of the devastating effects of a depreciating currency.

And, as Dr. Spahr goes on to point out, the factor of irredeemability of the currency, which has its roots in the repudiation of the gold standard, "is the most potent of all forces known as causes of a depreciating currency."

The supreme irony of the situation which it is now proposed to further aggravate by higher taxes, and by continued attention to the symptoms rather than the causes of inflation, is that this situation is the product of the policies of New Deal and Fair Deal administrations which have made long and loud professions of concern for so-called social security, and for freedom from fear and want.

Social security today has become ashes in the mouths of America's pensioners and others dependent upon fixed incomes.

Mr. Chairman, all of these interrelated problems of taxes, prices, and inflation offer immense opportunities for political exploitation, for demagoguery, for quackery and sure-cure promises, and for demands for vast new authority for a power-hungry executive department.

The administration is not missing any chances of exploiting these opportunities.

The legend is that when James Watt sat for a long time watching the steaming tea kettle, his aunt reproved him for his idleness and urged him to engage instead in some useful activity.

It is not the first time—nor the last time—that activity has been mistakenly urged as a preferable substitute for careful and sober thought.

Perhaps this is another lesson which the administration could learn from James Watt and his aunt's tea kettle.

Earnest, searching thought regarding the complex and critical problems of our economy will contribute much more, in the long run, toward solution of those problems than the politically inspired, hurry-up activity which seeks the answers in new Government bureaus and job holders, more directives, and more and more use of administrative powers directed against the long-suffering American citizen.

Mr. REED of New York. Mr. Chairman, I yield 25 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I think it can be safely said that up to this time this debate has been very lucid and illuminating and very fair. Taxation is a very complicated and intricate subject, and nobody is safe to assume that he knows all about it. Taxation is almost a science. Taxation must be just and it must be general in its application so that no person or group is favored, and consideration should be given to ability to pay.

Mr. Chairman, in the consideration of this tax bill there is not very much new about it. There are no new tax principles involved except, I might say, two. There are two principles that are somewhat new to personal income taxes and corporate income taxes. One of them is withholding of dividends and interest, and I shall discuss that later. Another new principle, I presume, that would be new, and that is going to be very experimental, is the provision which seeks to tax gambling. Up to this time we have taxed about everything else, but we have never taxed gambling from a national standpoint. In this bill we do not seek to tax the gambling game as it progresses, but we take the position that we tax the promoter as we would tax an occupation. Personally, I hope the experiment is successful, and I think it can be successful if those who administer this law will carry on with vigor and with real earnestness. It was unfortunate that the House and the Senate, through investigations, were compelled to expose this terrible business. The American people approve what these investigating committees have done, but if the district attorneys and the prosecuting attorneys and the law-enforcement agencies of the country had done their part it would not have been necessary for these groups to act.

Several of the Members who have spoken today have said this. They said it with some little pride, I thought. They said that this is the biggest tax bill ever introduced and considered in any Congress. You know, that kind of terrifies me to think that this is the biggest tax bill that ever has been introduced in any Congress, and it is coming on so soon after two other big tax bills that were recently passed, one last year producing more than $6,000,000,000, I think, and another this year producing more than $3,000,000,000, making altogether about $10,000,000,000. Then this one comes along, providing for something over $7,000,000,000. You know, my friends, I dare say everybody here is old enough to remember when the first income-tax bill was passed. It has only been a few years ago. George Washington did not know anything about an income-tax bill, and neither did Abraham Lincoln and neither did William McKinley.

As you well know, when the Government was set up nobody ever thought about an income tax on coporations or on private individuals. Well I wonder how in the world the Government existed up to that time. Originally taxes were levied on ability to pay or rather taxes were levied on property. In some States only property owners had the right to vote. The complexity of business brought on new tax theories that were more liberal and more just.

Now just think of the millions and millions and billions that are taken in by the Government by way of income taxes. The first income tax law was passed after the Constitution was amended in 1913. We had to amend the Constitution to have a right to levy an income tax. We had to go through that great and profound formality of passing an amendment to the Constitution. Well, after we amended the Constitution, Congress soon came forward with an income-tax law. It was very mild as compared to what the law is today. Do you know what personal exemptions were then? The exemption then for a single man was $3,000 and for a married man was $3,500 and the rate of taxation was only about, I think, 6 percent. In those days $3,500 was considered to be a princely salary or income. That was about as high as they dared to go for several years. They carried that high exemption and that low rate for several years, but now just think of it. In this bill the corporations are up against an 82-percent tax limit and the individuals are up against a 90-percent tax limit.

Who is it that wants to start out in business as a corporate entity when he only has about an 18-percent margin to operate on if he becomes highly successful? What individual wants to figure on making a big income if he knows he is going to be taxed 90 percent on the dollar on what he earns? There is no question that we have gone about our limit in the field of income taxes.

Mr. Chairman, the fact that this is the biggest tax bill in history carries tremendous implications. It means that we have about reached our limit. In the early days the Government's principal income came from tariffs, rents, and sale of Government lands and from the tax on liquor and tobacco. The cost of Government was held down. When Roosevelt was first elected the total cost of Government was more than a billion dollars a year less than the interest on the public debt is now.

Harry Hopkins made himself immortal when he announced the formula that the Roosevelt administration would follow which was "tax, tax, tax, spend, spend, and elect, elect, elect." While he made himself immortal he made himself eternally ignoble, for this policy has all but ruined our great country.

Mr. Chairman, while our committee was laboring so hard and faithfully on this bill I got what I felt was a profound conviction; that conviction was that this tremendously big bill might be the limit beyond which we could not safely go. When you go up to 90 percent on individuals how much farther have you got to go? When you go up to 82 percent on corporations how much further have you got to go?

In contemplating this situation I got scared. So I talked with a man who, I think, knows more about taxation than anybody in the United States. I said to him, "I am worried about this big tax bill. I am afraid this may be the last one. What are we going to do if we are called upon to pass another such bill along the same lines?"

This man has been for years closely identified with all the tax bills that Congress has passed. Do you know what he told me? He practically agreed with me. He said, in effect, that he thought that we have gone about as

far as we can along the present lines, and he further said, in effect, that we will inevitably be driven to levy a straight national sales tax on everybody and everything.

Mr. Chairman, let me say in all seriousness that if we have come to a national sales tax on everybody and everything, we have come to that place that would bring rejoicing to the Socialists and Communists of the world. When the Government controls everything that our people spend individually, then the Government controls everything and everybody. Up to this time we have been trying to permit our people to control what they have earned and what they spend. When the Government controls by taxes what a person spends, it will tell him what he can buy and what he cannot buy.

Mr. Chairman, there is a school of tax philosophers who believe that the Government should control all spending. Some of these, I am advised, are pretty close to the White House. My colleagues, you may be in favor of this kind of a program, but listen to me. Whenever we levy a tax on spending, and expect to finance the National Government on a national sales tax, then who is going to pay the most, who is going to carry the burden? Inevitably, the man who spends the greatest part of his income, that is, the poor man, the workingman with a family. He is the man that spends the greatest part of his income, and he will be the man that will have to carry the load.

Mr. Chairman, that kind of a tax is not consonant with democracy or with republicanism that has made us the greatest country in the world. We would find ourselves in a position where the Government would tell us what to do instead of our telling the Government what to do.

We have been proud in our preachments when we say that the people rule, the people control, the people control the Government, but whenever the Government comes along with the heavy hand of taxation and makes all its expenses out of what people spend, then I tell you we have turned it around. If and when we come to having a general sales tax as the complete method of getting all our governmental expense money then we will be taxing the man of small means with a large family much more proportionately than anyone else because he spends a larger percentage of his earnings than anyone else. He spends all his earnings and therefor is taxed on all he earns.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. Is it not true that the excise taxes provided for in this bill as well as previous excise taxes are in fact sales taxes? Is there any difference between an excise tax and a sales tax? Is it not added to the price of the product?

Mr. JENKINS. Practically, that is right.

Mr. CUNNINGHAM. And is it fair to have such a tremendous sales tax on certain products and none on others?

Mr. JENKINS. That is a great problem in taxation. I know the gentleman has thought it out, and I have thought it out, too. But whenever you put an excise tax on commodities it is a hard thing to say what to tax and what not to tax, where to start and where to end. You just could not do it completely equitably, because what might be an exorbitant sales tax to one individual, or an exorbitant excise tax, would not be so to somebody else.

Mr. CUNNINGHAM. I am confused about the tax on cooperatives, after listening to the splendid speech by the gentleman from Arkansas. If I understood him correctly, store cooperatives are taxed, but under a ruling of the Revenue Department their profits are held not to be income, therefore they are not covered by the bill. Is that correct?

Mr. JENKINS. That is the way it is. The gentleman from Arkansas is one of the best versed tax men in this House. I think what he said is correct.

Mr. CUNNINGHAM. These marketing or consumer cooperatives are not taxed if they distribute their profits to the members, such as the farmer, on the theory that when the farmer or the member gets the profit it is added to his income, and therefore he pays the tax on that. But if the cooperative does not distribute it to the members, then that part of the profit is now withheld by the cooperative, even though it is a consumer cooperative or a marketing cooperative, is subject to taxation. Is that correct?

Mr. JENKINS. That is the bone of contention—what to do with the surplus.

Mr. CUNNINGHAM. Is that correct? Is it correct that they are not taxed now if they are handed out to the members, but if they are retained as a part of the assets of the cooperative they are taxed? Is that correct?

Mr. JENKINS. Well, no, if they are handed out to the member, they are taxed, in the hands of the member.

Mr. CUNNINGHAM. But if they are not handed out to the member, and if it goes to the marketing or consumer cooperative, then they are not taxed at all. Why then, does not the same rule—or does the same rule apply in that case as a ruling by the Internal Revenue Department as to store cooperatives—that is, are they not taxed when they are not passed out, because the Internal Revenue Department has a ruling that this profit is not income? Is that the reason?

Mr. JENKINS. That is a very complicated question. The Treasury has dealt with it, and the cooperatives have dealt with it, and private individuals have, also.

Mr. CUNNINGHAM. Can the gentleman not answer whether or not the Treasury Department has a ruling that it is not income?

Mr. JENKINS. I may not understand the question. As I understand the gentleman's example, which he just gave, it is not income.

Mr. CUNNINGHAM. Then when you get to the bottom of the whole controversy, the trouble lies, not with the Congress or with the Committee on Ways and Means of the House of Representatives, but with the interpretations placed upon our law by the Treasury Department.

Mr. JENKINS. In order to be absolutely fair with the Treasury Department, the Treasury Department does not want to institute a program, if it cannot effectuate it, and if they cannot make it work. One branch of the Treasury has to enforce it, of course, and it would not behoove another branch to advocate the passage of legislation which would not work.

Mr. CUNNINGHAM. Is there any basis that the Treasury Department has given for classifying this profit of these cooperatives as not being income?

Mr. JENKINS. I can just give a little illustration. For instance, if you go to one store and buy a shirt which costs you $2, and I go to another store and get the same kind of a shirt, exactly, for $1.50, why, that is not income to me.

Mr. CUNNINGHAM. Why is not that extra differential of 50 cents called income, or, in other words, profit to the store that gets it?

Mr. JENKINS. It is not income to me.

Mr. CUNNINGHAM. No; but it would be income to the store.

Mr. JENKINS. That was not the gentleman's question. As I understand it, here is the real bone of contention. Many people claim that the cooperatives do not pay tax on everything that they themselves earn and keep to themselves. They cite an illustration. For instance, where a cooperative built a great big office building, which cost probably $100,000.

Mr. CUNNINGHAM. That is what you call a store cooperative?

Mr. JENKINS. Yes. They claim that that was bought by surplus of the cooperative, whereas, had they been a corporation, they would have been compelled to pay on that surplus. There is a line of demarcation there, and the Treasury Department makes out that line of demarcation. These gentlemen have discussed that. The gentleman from New York [Mr. REED] is an outstanding expert on that subject, and so is the gentleman from Arkansas. If I have not answered the gentleman fully I am sure that he can find the answer in the speeches made by Mr. REED and Mr. MILLS.

Mr. CURTIS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. CURTIS of Nebraska. The facts are that the Congress at no time has given any special treatment by way of legislative enactment for any cooperative except those marketing agricultural products, and those distributing agricultural supplies and equipment.

Mr. CUNNINGHAM. I want to thank the gentleman. My state of confusion is not as great as it was before he was kind enough to yield to me.

Mr. JENKINS. I am glad that we have been able to help the gentleman. If the gentleman has come to the place where he is complacent and thoroughly satisfied with reference to this cooperative question, I want to congratulate him, because he is a very able Member of Congress and the matter of taxing cooperatives is a difficult one to understand fully. I am always glad to do

the best I can to explain it as I understand it.

Mr. CUNNINGHAM. I will not accept that tribute, but I am very much concerned. Like others, I am unable to answer questions that I receive from constituents in the mail. They are confused. I know I am confused. The gentleman has helped me quite a bit. There are still some points that are not quite clear in my mind, but perhaps I can find the answer to them later.

Mr. COMBS. Mr. Chairman, will the gentleman yield for an observation?

Mr. JENKINS. I yield to the gentleman from Texas, Judge COMBS, who comes from an agricultural section of the country and understands the workings of cooperatives fully.

Mr. COMBS. On this cooperative proposition, there is a great deal of misunderstanding. Let us take a marketing cooperative that has been referred to. Suppose a thousand farmers or other individuals get together and put in $100 each. That raises $100,000 capital. Suppose they build a store. Now suppose they make their sales to their members, and at the end of the year they total up the expenses and they distribute every dime of profit left, after they pay salaries and expenses, to those 1,000 members. They do not pay a dime of tax. Neither would a corporation pay any that was operated on that basis. But under existing law, if they retain anything to add to their capital, to expand their business, it is taxable, exactly as a corporation is taxable today.

Mr. JENKINS. I wish to thank Judge COMBS for his learned explanation. Now let me get back to my original thesis with reference to whether or not this may be the last tax bill. I want you to consider this with some little solemnity. Perhaps some people would be happy if it would be the last tax bill, but I would not be happy if this would be the last tax bill. I do not like to see us pass a bill that will practically tax our people beyond financial endurance. We must defeat this bill or send it back to the committee on a motion to recommit so that we can bring back a more moderate bill and save our tax structure.

I have stated publicly that I am going to vote against this bill. I have a number of good reasons. I have abundant reasons. In the first place we do not need the large amount that this bill will take away from the people. Another reason is that I am opposed to this principle of withholding on dividends and interest. There is another reason: You know everybody talks about economy. It has come up a half dozen times today and everybody says, "What are we going to do about doing away with spending for nonessentials.

Let me call this important incident to your attention: It shows why we do not cut out this extravagant spending. Our committee, I mean the Ways and Means Committee, went down to see the President 2 or 3 months ago. He invited us to come down there. That was the first time I had been in the White House for a long, long time. We went down and met the President as he had called us down to talk with him about this big tax bill. He treated us very nicely. I think everybody put on a clean shirt and went down there and we looked the best we could. He looked the best he could, I think. He came out and spoke to us and made a real good speech. As he was making his speech I thought a little more of him than I had previously. Of course I knew somebody else had written the speech, but he delivered it very well. After he got through, he assumed that usual cocky atmosphere that he has, and he said, in effect, "Now, if anybody wants to ask me any questions, I will be glad to try to answer them." Sure enough, some members asked him some questions. I do not think any Republicans asked him any questions for a while. Most of the Democrats asked him questions that would naturally encourage him. After 10 or 15 minutes of this there came a little lull in the proceedings and I timidly volunteered to ask him a litle simple question. I said, "Mr. President, I do not want to change the subject, but I would like to know what do you recommend with reference to national economy?" He went up the figurative stepladder pretty fast on that question. He took it right up quick. And this is what the President said—I do not claim to quote him exactly, but the President was really cocky and defiant. He wanted us to understand that he had gone over the budget in great detail and that nobody could justify cutting anything out of it. He dared anybody to cut anything out of it. But my colleagues you know that the Appropriations Committee of the House cut millions out of his budget and that the membership of the House has cut additional millions out of his budget by motions on the floor of the House.

He said, "I want you to raise $16,100,000,000 and I want you to raise $10,000,000,000 by the first bite and $6,000,000,000 on the next bite." He looked at the Democratic members as though he thought they would do just what he asked them to do, but I noticed that some of the Democratic Members did not approve of his demands. They went back up to Congress and took their own good time to work out the matter.

The Democratic members of the House Ways and Means Committee are, taken as a whole, competent tax authorities and by their action showed that the President's demands did not have much effect on them.

When the President finished his little speech about how much taxes he wanted the committee to raise forthwith he then took up the matter of curtailing Government expenses as I had inquired. In effect he claimed that he had practiced rigid economy and talked as if he was America's chief economizer.

Now, Mr. Chairman, here is the point I want to make: It is not the problem of the Congress of the United States to determine how the money shall be spent; in our set-up of Goverment, Congress makes the laws, the Supreme Court interprets the laws, but it is up to the Executive to enforce the laws and spend the money required in carrying out the laws. It is up to him to make the recommendations. It is up to him to see, as the Chief Executive, the purpose of the laws is carried out and the money spent wisely.

He said that we could not cut the budget and he dared us to try to cut the budget. What has happened? I have already told you. Down there in the White House in the executive branch of the Government there is no responsibility apparently for reducing expenditures. There has been no evidence of it. Nobody in the executive branch wants to economize. They all seem to feel that spend and elect is the proper procedure.

Mr. Chairman, unless the President wishes to economize the Congress must do it if it is to be done.

Then you ask me: How can you vote against this bill without any finances coming in? I want you to know, as has been brought out here several times, strange as it may seem, we have $4,000,000,000 in the Treasury unspent; and I am surprised that the President has not got at that yet, but there it is, and we are going to have a lot more money coming in. From all the figures I have, and I do not want to tire you with them now, but figures by the best estimators, they show that we are going to have enough money under the present tax law to carry us through 1952 unless the President comes forward with some program far beyond any reason. So there is the situation; we are not busted, and do not forget we are already reeling under a terrific load of taxes, a terrific load. We do not repeal any of them in this bill, and if we fail to pass this bill we will continue to collect what we are collecting now. If you should send this bill back to the committee, or if you should vote against this bill there would be no reduction of any kind. So I say to you I am going to vote against it with great complacency because I think that the money that we already have down there and the money that is going to come in under the big tax bill we passed last year and the one we passed early this year will provide enough money until the Executive shows some inclination to do what the American people want him to do. He knows that that failure to economize is on the lips of everybody everywhere: Why do you not cut expenditures is the question asked by thousands every day. Until he cuts expenditures I am not in favor of giving him any more money to spend; and that is one of my reasons for not voting for this bill.

Mr. YORTY. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. Not at this time; I want to discuss one other subject and that is a new provision, the matter of withholding.

Last year over the protests of myself and many other Republicans the House passed a bill providing for a withholding of income taxes on corporations and individuals? What happened to it? When the bill went to the Senate the Senate took the withholding provision out—the Senate took it out completely. What about this bill? When this bill first came to the Ways and Means Committee, first for consideration, it had a provision that withholding would apply against all the interest paid out by the many building and loan companies of

the land, and against all of the interest paid out by the savings banks, which are located all over the country. One bank in Cleveland wrote me that it had 450,000 of these little savings accounts. Hundreds of savings banks and building and loan companies throughout the country were in a similar position. The Democratic members of the Ways and Means Committee heard protests from all over the country against this 20 percent withholding and brought in an amendment relieving the savings banks and the building and loan companies of this terrible burden of withholding on these millions of accounts. Maybe the Democrats did not have any secret meetings but we Republicans were astonished when one of the Democrats rose in committee and moved that we take out the withholding as far as it applied to these savings banks and building and loan companies and other similar agencies. Now, then, if they were willing to take out withholding as far as it applied to all those different small accounts why not take it out altogether? I maintain that it should be done. How does it work? Let us take the case of an old lady, we will say she is an ex-school teacher; she lives on her little retirement and she has a few shares of stock in her home bank maybe. Her dividend may be $50 twice a year. She has gone to San Francisco or to Florida or to some other place to live and she depends on her meager retirement and her little dividends. A notice comes to her that they have taken out 20 percent of those dividends and they are withholding it. She looks it over and wonders, well, what do I have to do to get that 20 percent back? The company paid it to the Government. You know, that is the bad thing about this bill and we have gone into this extensively in our minority report. A lot of that money that goes back to the Government will never get into the hands of the poor people to whom it belongs. They will not go to the expense to engage a lawyer or a notary public to make out the application for a refund. The Treasury estimates that many thousands of dollars will stay in the Treasury. This is a most unjust enrichment by the Government at the expense of small helpless owners of small amounts of stock.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. REED of New York. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. JENKINS. Mr. Chairman, it is argued that this is the same as withholding on wages. It is not the same. The man who works, the man who labors, the man who works in a factory can see the bookkeeper of that factory or the auditor of that factory every day. If he loses 2 or 3 days he knows how much he has lost, he knows when his pay check comes to him whether or not he has the right amount. If he has not received the right amount he goes in to see the auditor to determine what is the matter. But this school teacher far off someplace does not know anything about what is going on until they have taken the money out and sent it to Washington.

If the man who labors or works has a new baby in his family, he knows he has an additional exemption by reason of that and he hurries to the bookkeeper and says: "I have a new baby in the family. I have an additional $600 exemption, so you cannot take so much out on me because my total tax will be reduced." All of that works out nice for the workingman because they in a way keep his books. But I tell you, this withholding of 20 percent of dividends is an abomination to many deserving people. It is not for the rich people because it is provided now that if any company pays a man more than $100 in dividends that company must report the fact to the Treasury. The Treasury gets reports on all people who make any appreciable amount of dividends. But I say again this withholding of dividends is not right. That is my principal opposition to this bill. They say this withholding will bring $400,000,000 into the Treasury. How do they know how much it is going to amount to if they do not know who has not been paying? It is not right that they should withhold on a person whose total income is not sufficient to cause him to be an income-tax payee. I venture the assertion that if you pass this bill with this withholding portion in it the Senate will take it out as it did before.

Mr. SCHWABE. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Oklahoma.

Mr. SCHWABE. This is calculated to put in a lot more jobs, is it not?

Mr. JENKINS. I am glad for the observation of the distinguished gentleman from Oklahoma. There is no doubt all this mess that will result from withholding will call for the employment of many more Government employees.

Mr. Chairman, I have not the time to discuss excise taxes as I should like to do. They claim that they are going to get $1,000,000,000 more out of those additional excise taxes. The gentlewoman who asked a question a while ago spoke the voice of the American women and the housekeepers of the Nation. In this bill we put an extra tax on liquor, which may be all right, and on cigarettes, which may be all right, and on gambling, which is all right, too. But in addition to this we go out and take the little lead pencil that a child uses in school and put a tax on it. We are going to put taxes on a lot of these things and take money away from our people which have not been taxed before. And at the same time we run the income tax on personal incomes up to 94½ percent on an individual who has a big income, and we run the tax up on the corporations until they can hardly exist any longer. But they say, "Well, we need the money."

We ask, What for? They say, "For Korea." It is not right to hide behind that. There is not a man or woman in this House who would not vote the last dollar of this Nation's money for the boys in Korea if that was necessary. But there is a lot of money down there in the Treasury. And when we come to economy we should watch where the money is being spent so far as the military of the country is concerned. There is a lot of waste there. You talk to any man on either side who is a military man and you will find that he is of the same opinion. A half dozen of them have told me recently that much of the money spent by the military is wasted. But nobody says a word about that, we do nothing about it. That is where Mr. Truman and General Marshall could do some real economizing.

Mr. Chairman, I hope we will defeat this bill, send it back to the committee and let that committee come back with a bill that is consonant with the voice of the Nation and of the people.

Mr. Chairman, recently I made a series of speeches on the floor of this House. The subject of these speeches were:

First. The Government Is Spending too Much Money.

Second. The Government Is Giving Away Entirely too Much Money.

Third. The Government Is Lending Entirely too Much Money.

Mr. Chairman, I could add to this list by saying the Government is taxing the people out of entirely too much money.

Mr. DOUGHTON. Mr. Chairman, I yield 20 minutes to the gentleman from California [Mr. KING].

Mr. KING. Mr. Chairman, for 4½ months your Committee on Ways and Means has had under consideration the bill that is now before the House. For 4½ months perhaps the most complicated and involved legislative proposal that has been before the Congress in many years was considered, debated, and passed out. The taxing establishment of our Government is probably the greatest, the largest, and most involved system in the entire world. To say that it is debatable, is to put it mildly. Men and women in the country really do not realize to what extent taxation in our country is debatable. So long as it remains debatable on a good, sound, argumentative basis, how debatable it is is not important, but when claims and innuendo enter into a proposition as important as the financing of this effort is concerned, then it becomes serious. We have just heard considerable said about withholding, withholding on salaries of those who work, and as this bill anticipates, withholding on those who earn their livelihood by methods other than work.

Mr. Chairman, most of us have already forgotten that it was the development of a system of withholding on wages and salaries which made it possible for us during World War II to make the income tax generally applicable. Without a system of collection at source we could not have expected the great bulk of the population consisting of those in the middle- and lower-income groups to budget their finances to the degree necessary to pay the large income taxes imposed during and since World War II. Moreover, the withholding system, by collecting the actual amount of tax due on wages and salaries, had the effect of immeasurably increasing the equity of the individual income tax by assuring that all individuals with wages or salaries would report this income for tax purposes with a high degree of accuracy.

Without these two advantages of a collection at source system I believe that most fiscal authorities will agree that it would have been impossible for us to raise anything like the revenue we did during World War II.

Now, in this bill we are taking another great step forward by instituting a withholding system on most dividends and certain interest and royalty payments. This is another substantial advance toward securing equality of treatment for all taxpayers. The need for withholding in these areas is indicated by the estimates that at the present time there is in excess of a billion dollars of dividend payments which should be reported for tax purposes but is not, that there is nearly $2,000,000,000 in the case of interest and $40,000,000 in the case of royalties that should be reported, but is not. As stated in the report on this tax bill, it is anticipated that the introduction of collection at source on dividends and certain interest and royalty payments will increase tax collections with respect to this $3,000,000,000 of unreported income by $323,000,000 a year. This does not represent the imposition of new tax burdens on anyone. To the contrary, it merely means that for the first time it will be possible to collect the actual tax already due in the case of many dividend, interest, and royalty recipients.

It is difficult to see how anyone in this day of high taxes can object to the introduction of a system which will assure the most equitable distribution of the tax burden, yet there have been objections, and, in fact, a provision approved by the House last year in the Revenue Act of 1950 was bitterly opposed by some of my Republican friends on the committee and was finally deleted from the bill by the other body. The chief objection raised was that the institution of a withholding system on dividends would mean too much paper work for both the corporation paying the dividends and the stockholder receiving them. Although it has not been shown that any more paper work would have been involved for dividend recipients than is already true in the case of wage and salary earners, your committee has taken this complaint seriously. As a result the withholding system provided by H. R. 4473 for dividends and certain interest payments is a streamlined and simplified system. Although in the case of wages and salaries the employer is required to give the employee a receipt showing the amount of withholding, and the employee is required to attach this receipt to his income-tax return, no such paper work is involved in the case of the dividends and interest payments withheld upon.

It has been found possible to introduce a simplified and streamlined withholding system in the case of dividends and interest payments by using a flat 20-percent withholding rate. Under this system a corporation paying dividends simply sends the stockholder 80 percent of the dividends declared, and the remaining 20 percent is sent to the Bureau of Internal Revenue, together with a return showing the total amount of dividends withheld upon. The corporation will not find it necessary to compute the 20 percent with respect to each dividend payment, but need only multiply the total dividends declared by 20 percent. Thus the return to the Government in the case of dividends will be much simpler than that now used on wages and salaries, since the amount held from each individual stockholder will not need to be shown. Moreover, the corporation will not need to furnish withholding receipts to the stockholder as the employer now does to the employee in the case of withholding on wages and salaries. Thus, the withholding system provided by this bill is indeed a simple system from the standpoint of the corporation paying the dividends. It is in fact far simpler than the system already used by employers in withholding on wage and salary payments to employees.

From the viewpoint of the stockholder the withholding system provided by this bill also is much simpler than the system now used by wage and salary workers. No receipt forms need to be obtained from the corporation and attached to the tax return form when it is filed. Rather, under this simplified system, the stockholder will simply record on his return form the 80 percent of the dividends he has actually received. The next line on the return form will tell him to take one quarter of this 80 percent which, of course, is 20 percent of the dividend payment. The 80 percent and 20 percent of the dividends are then added together and the taxpayer thus has a complete reporting for tax purposes of his entire dividend payment. Moreover, the 20 percent figure also represents the amount which he can take as a credit against his tax after it is computed in the same manner as is now provided in the case of withholding on wages and salaries.

Having overcome the necessity for paper work in the case of a system of withholding on dividends, which was the chief complaint made against the withholding provision last year, you would think that everyone would be sufficiently interested in securing greater equity in the tax system to at least then support a system of withholding on dividends. However, this has not been the case. Now, new reasons are found for opposing collection at source in the case of dividend payments. It is said that if it is unfair in the case of those few stockholders who do not owe any tax to withhold 20 percent during the year even though this money is refunded to them after the end of the year. Usually when this statement is made the length of time required to obtain a refund is considerably exaggerated. The minority report on this point, for example, indicates that "around the middle of the following year they will, if a proper claim for refund is made, be reimbursed." However, the actual facts of the case are that it will be possible for the individual eligible for a refund to file such a claim around the first of January. If he does so, I am told that he can expect his refund back within 15 or 20 days instead of the 6 months implied by the minority report.

However, even here the committee's bill has found a way of relieving part of these taxpayers from the burden of having funds temporarily withheld from them. In the case of tax-exempt organizations receiving dividends, the bill specifically authorizes them to offset withholding on their dividends by not sending in to the Government an equivalent amount that they themselves have withheld on their employees with respect to the employee's income or social security taxes. Moreover, if even this should not be sufficient, these organizations are permitted to file claims for refunds at the end of each quarter of their calendar year instead of waiting until the entire year has elapsed.

I, too, wish we could find some way of making it unnecessary for the Government to hold even temporarily this 20 percent with respect to individuals who will owe no tax. However, it has not as yet, at least, been possible to develop any such system. I hope, however, that a system of this type can be worked out in the future.

In any case I do not see how the plight of the stockholder who owes no tax, yet is withheld upon, is any worse than that of the low-income wage earner who is withheld upon but owes no tax. It is estimated, for example, by the Treasury Department that the system of withholding on dividends and certain payments of interest provided by this bill will result in the temporary withholding of taxes not due in the case of slightly over two million additional interest and dividend recipients. In the case of wages and salaries, we already have 10,000,000 individuals who are withheld upon but owe no tax. Yet I have heard no clamor against the withholding system as a whole because of this, and, therefore, it is difficult for me to see why there should be the clamor against withholding on dividends when a much smaller number of additional taxpayers owing no taxes will have amounts temporarily withheld. I personally am concerned about this temporary overwithholding but I do not see why it is any more serious in the case of the stockholder than it is in the case of the wage earner. In any case, however, I hope that eventually it will be possible to work out some system of refunds during the year so that this will not be necessary. But if such a system can be worked out, I see no reason to apply it to stockholders and not to wage earners.

In this bill a withholding system is provided for almost all dividends. In the case of interest payments, however, the withholding system is primarily limited to interest payments made by corporations with respect to their bonds. The withholding system does not extend to interest payments on Government savings bonds, bank accounts or similar accounts. The committee believed that withholding would represent too big a chore to the banks in these cases. To me this appears unfortunate. With the simplified and streamlined system outlined by this bill I do not believe that withholding would have been difficult in the case of these other types of interest

payments. Moreover, largely through forgetfulness and carelessness I believe that there is a substantial amount of underreporting in this area. In view of this I believe that after the simplicity of the system provided by this bill in the case of dividends is generally better understood, that the objections to withholding on these other forms of interest payments can also be overcome. I suspect, in fact, that the banks might find this easier than making reports to the Government on interest payments on individual accounts. The Secretary of the Treasury would, in fact, require a detailed report from each bank on interest payments to each depositor, no matter how small the payment.

Mr. Chairman, the withholding provisions of the bill constitute a major improvement in the interest of equity and enforcement of the tax laws.

Mr. REED of New York. Mr. Chairman, I yield 20 minutes to the distinguished gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS of Nebraska. Mr. Chairman, in the early days of our Republic it was declared that the power to tax is the power to destroy. That declaration had a far broader meaning than was then realized. The power to tax carries the power to destroy anything anywhere. This great American economic system can be destroyed by taxation. The question is at what time does this process of destruction become so great that the likelihood of turning back becomes hazardous?

That time is now. This bill will be a disastrous blow to our economy under any circumstances. It is a bar to production, jobs and growth in America. Taxes are now too high. The Government's take in every transaction at the present time makes the Government the biggest partner in the citizen's business. This bill adds to and accelerates this destructive trend.

President Truman wants to spend $71,000,000,000 in the fiscal year that will begin the first of July. This is approximately six times more than the Roosevelt administration spent in any year prior to our involvement in World War II. It is 12 times the annual cost of the Government in the highest year prior to the Roosevelt administration. The Truman program of global spending is a millstone around the neck of every productive citizen. Unless it is reversed it will confiscate the property of the "haves" and freeze forever the status of the "have nots."

This Government has no right to impose further taxes on the people and refuse to cut the cost of government. There are too many Federal programs. We must go further than merely eliminating the inefficient and unnecessary activities of the Federal Government. We must cut out some good things that we can either get along without or that can be handled by the local governments or by the citizens themselves. We are in a jam today, faced with a question of our survival because of the false philosophy that the Federal Government could take care of everything. Apostles of destruction have taught that the Federal Government should assume all of the responsibility and supply all the wants and needs for the individual. Such a thing is an impossibility. The Government cannot give security but it can make its citizens paupers and slaves of the state in such an effort.

Those misguided individuals who have proceeded on the theory that the United States can spend without limitation have brought the country to greater danger than any foreign enemy. They have invited a sell out by both individuals and by the sovereign States of their basic rights and freedoms in return for a portion of the Federal treasure.

To most people a pay-as-you-go system is a two-sided proposition. The first and most essential is a reduction of expenditures and secondly, the raising of the necessary revenue to pay those expenditures. The Truman administration recklessly and thoughtlessly demands more and more of the taxpayers to keep up with their political spending. You just cannot keep up with them. The Committee on Ways and Means worked for 6 months trying to write this bill. They hunted in vain for places to find revenue. It involves about $7,000,000,000. This $7,000,000,000 will be hard for the American taxpayers to dig up. Yet, without batting an eye, Mr. Truman in recent weeks has asked for $8,500,000,000 more in foreign-aid programs.

These expenditures have not brought peace to the country. There is no peace in sight. They have by their dangerous spending put the United States on both sides of every conflict that has occurred in the world in the last 12 years. We started out to help little Finland; later on American material and equipment was furnished the Russians to fight Finland. This policy continues today. The Truman administration has ignored the mandate of Congress to stop sending aid to nations that are supplying Red China with military equipment that is being used to kill the finest and best young men on the face of the earth. The Truman spenders are still working both sides of the street.

The American Revolution was a revolt against taxes. Those men were not resisting locally imposed taxes for police, schools, and other essential elements of Government. They resisted taxes that were imposed upon them to support Europe. This Congress is going to find out that the spirit of the Revolution is not dead and that the American taxpayers today can and will resist.

I am thankful that the American people are great protestors. They still have the courage to criticize. They are in no sense docile. They are willing to fight back. This spirit of independence can and will be aroused again to resist the taxes that are at this time destroying the greatest economic system ever devised by man.

What we need is more resistance. The taxpayers need to rise up and drive out the spenders and preserve our economic system that has given more good things to more people over a longer period of time than any other economic system in history.

Do not let it be said that this tax bill is a curb on inflation. It will promote inflation. Take for instance the manufacturers' excise tax of 20 percent on mechanical pencils and pens. If the manufacturers' cost of a pencil is now 25 cents it will raise it to 30 cents. The distributor and the retailer will figure their percentage mark-up on this new increased price. Is that going to be inflationary or deflationary?

Under our present system of withholding the taxes on wages the emphasis has been placed on the take-home pay. By increasing the individuals' direct income taxes by one-eighth will this naturally cause a demand for more take-home pay?

When we tax corporations we know that they will be taking more money away from their customers through higher prices. When the corporate rate was 38 percent, management had to make $1.68 profit in order to have $1 profit left for the shareholders. This bill raises the rate to 52 percent. This means that the corporation's management in order to have a $1 profit for the company will have to make a profit of about $2.11. The only way to do this is to raise prices. Will this be inflationary? The above 52-percent rate is exclusive of the excess-profits tax which is also increased in this bill.

The over-all ceiling on the corporate tax is fixed at 70 percent of the total income. The situation will exist in many cases, however, where the income above a certain point will be taxed at an effective rate of 82 percent. In other words, out of every dollar of new profit made, the Government will get 82 cents and the owners of the corporation 18 cents. What inducement will there be for the corporation to hold-down their production costs when the Government will in effect be paid 82 percent of it? A corporation might as well go ahead and spend lavishly because after all they will only be spending 18-cent dollars. Some corporations may hoard manpower because their tax situation is such that the cost of such a wasteful procedure will be borne largely by the Government. This is most inflationary. It is not just a theory. It is something that will increase the cost of living for millions of American families.

If this bill is enacted it will mean that taxes have been increased by $17,000,000,000 in the last 12 months. The Tax Act of 1950 wiped out the percentage reduction on individual income taxes made by the Republican Eightieth Congress. This bill proposes to further increase the individual income tax rate by 12½ percent. This is going to be especially burdensome on people of low income.

Take the case of a married person with two dependents whose income is $3,000 per year. A year ago their Federal income tax amounted to $432. With the enactment of this measure it will be $585 or an increase within 1 year of over 35 percent. The taxes for a married person with two children on an income of $5,000 at the rates that prevailed a year ago amounted to $974. If this bill

is enacted it will be $1,296. This is likewise an increase of over 35 percent in 1 year.

When the New Deal came to power the personal income tax exemption was $1,000 as to the normal tax and $6,000 for the surtax. Today it is $600 for both. The only time that it has been raised since 1933 was when the Republican Eightieth Congress increased the personal exemption from $500 to $600. Due to the Government-made inflation the $600 personal exemption now has a purchasing power of far less than that amount.

Most taxes are passed on to the consumer. There are many individuals, however, who cannot pass their taxes on to somebody else. I refer to individuals on a fixed salary—retired people living on assistance, a small pension or their own savings, and farmers. Recently a minister wrote and asked how he could send two children to college on a salary of $2,700 a year in light of the present inflation and high taxes? This man's problem is going to become more difficult with the passage of this bill. It places a very heavy burden on the rank and file of our people who live on small incomes. Mr. Chairman, I wish to insert a table showing the effect of this bill in reference to the individual income tax rates:

SINGLE PERSON, NO DEPENDENTS

Income after deductions but before exemptions	A year ago	Under H. R. 4473	Tax increase
$600			
$800	$33	$45	$12
$1,000	66	90	24
$1,500	149	203	54
$2,000	232	315	83
$3,000	409	549	140
$5,000	811	1,062	251
$8,000	1,546	2,003	457
$10,000	2,124	2,741	617
$15,000	3,894	5,004	1,110
$20,000	6,089	7,810	1,721
$25,000	8,600	11,021	2,421
$50,000	23,201	29,687	6,486
$100,000	58,762	74,831	16,069

MARRIED COUPLE,[1] NO DEPENDENTS

$1,000			
$1,500	$50	$68	$18
$2,000	133	180	47
$3,000	299	405	106
$5,000	631	855	224
$8,000	1,206	1,593	387
$10,000	1,621	2,124	503
$15,000	2,839	3,668	839
$20,000	4,247	5,481	1,234
$25,000	5,877	7,565	1,688
$50,000	17,201	22,041	4,840
$100,000	46,403	59,373	12,970

MARRIED COUPLE,[1] 2 DEPENDENTS

$2,000			
$3,000	$100	$135	$35
$5,000	432	585	153
$8,000	974	1,296	322
$10,000	1,361	1,791	430
$15,000	2,512	3,263	751
$20,000	3,888	5,022	1,134
$25,000	5,476	7,052	1,576
$50,000	16,578	21,245	4,667
$100,000	45,643	58,401	12,758

[1] Income earned by one spouse.

Spenders in Government have always tried to convey the idea that someone other than the rank and file of the people paid the bill. This is quite untrue. It is very apparent that the men and women who work and produce are the ones who must pay the bill.

Even before enactment of H. R. 4473 confiscating all normal and surtax net income over $10,000 will yield only an additional $3,500,000,000 in taxes—or just enough to pay for the Truman budget for 18 days.

Confiscating all normal and surtax net income over $26,000 will produce only an additional $713,000,000 in taxes—or just enough to pay for the Truman budget for 4 days.

Confiscating all normal and surtax net income over $100,000 would yield only an additional $39,000,000 in taxes—or just enough to pay for the Truman budget for 5 hours.

This pending bill increases the ordinary normal tax on corporations by 5 percentage points. In addition, the so-called excess-profits tax is increased in this bill.

An idea of the increased tax imposed by H. R. 4473 over the tax burden just 12 months ago on various size corporations, even though they have no increased earnings, is shown below:

Earnings	Tax a year ago	Tax under H. R. 4473	Percentage increase
$25,000	$5,750	$7,500	30.4
$50,000	19,000	24,250	27.6
$100,000	38,000	59,500	42.0
$200,000	76,000	125,000	49.0
$500,000	190,000	297,500	54.0
$1,000,000	380,000	595,000	55.0
$10,000,000	3,800,000	5,950,000	56.0

This pending measure also contains provisions for the withholding of taxes on dividends, royalties, and in some cases on interest. This means that before a corporation can pay out money for dividends that they must take 20 percent of that amount and remit it to the Federal Government. This will be done even though the individual owning some of that stock and who is entitled to the dividend owes no taxes. I can best point this up by citing a paragraph in the minority report which is as follows:

"If the flat 20-percent withholding provided for in this bill is to become law, then it seems to us that at the very least additional attention should be directed to the serious problem of preventing the unjust enrichment of the Government at the expense of the people who owe no taxes. For example, an elderly couple may have interest from corporate bonds and a few dividends which bring in $800 a year and together with the husband's retirement pay have a yearly income of $2,400. This couple will have no tax liability but they will be out of pocket $160 next year as the result of withholding 20 percent on their $800. Sometimes, around the middle of the following year they will, if a proper claim for refund is made, be reimbursed the $160, but of course, by that time approximately one-half of this amount will already have been withheld on the current year's dividends, and by the end of the year they will be out of pocket the full $160 all over again. The continuous withholding by the Government of an amount equal to approximately 10 percent of this couple's investment income will go on each year until they die or dispose of their investment."

This bill increases the excise taxes upon the American people by $1,252,000,000. In the field of highway transportation alone the increased burden amounts to half a billion dollars. This is accounted for in the following manner:

½-cent-a-gallon increase in the Federal gasoline tax	$210,000,000
2-cent-a-gallon gasoline tax to be applied to Diesel fuel	10,000,000
The increase of from 7 to 10 percent of the excise tax on automobiles and motorcycles	196,000,000
Increased tax on trucks, trailers and busses	61,000,000
The increased tax on automotive parts	56,000,000

The above figures are only the amount of the increase. They do not show the present Federal taxes. In addition to that, automobiles and gasoline are taxed heavily by every State in the Union and by some cities.

A number of additional items are selected under this bill for the imposition of excise taxes. Some of these new taxes were imposed by the committee even though the industries involved were not notified of the pending action at the time the public hearings were being conducted. They had no chance to explain how a particular excise tax might affect their industry. Such procedure should be frowned upon.

Soon after the war, corporation taxes were reduced. Later on the Eightieth Congress made a reduction in individual income taxes. A reduction of World War II excise taxes has been long overdue. The effect of the passage of this measure is to freeze these wartime taxes on certain selected items. Some of those taxes were put on for the express purpose of retarding production. The continuation of these wartime excise taxes has not only been disastrous to many industries but very unfair. For instance, the World War II tax on furs of 20 percent has had its adverse effect not only on the employees engaged in the manufacturing of furs but on the dealers and the fur farmers. Even during the war, the question could rightly be asked—why should a $200 fur coat have a special tax of $40 when a $200 cloth coat had no tax of that kind? If the Federal Government expects to raise huge sums in excise taxes they should not attempt to do so by high taxes on a few selected items. There should be a greater uniformity of treatment for all industries.

Mr. Chairman, President Truman should have brought about a drastic reduction of expenditures before asking the Congress to increase the burdens of the already overtaxed citizens. This is not a question of the citizens declining to pay their portion of the cost of the Federal Government. This measure must be judged in the light of its effect upon our total economy. We cannot continue high tax rates like this and preserve our system of private enterprise in a strong, healthy, and expanding economy.

Mr. REED of New York. Mr. Chairman, I yield 7 minutes to the gentleman from Illinois [Mr. SHEEHAN].

Mr. SHEEHAN. Mr. Chairman, the tax bill under consideration is, in my estimation, a Socialist's dream to help

bring on socialism without revolution. The present-day Socialists are smart enough to know that they can socialize income by the use of punitive taxation and thus liquidate the middle-class people of America. The once modest corporation and income taxes have been gradually raised to pay for wars and so-called defense projects; to finance farm subsidies; to extend aid to foreign countries, and to advance the social reforms of Roosevelt, Truman, and the give-away Democratic Party.

Aristotle, Leo XIII, the writers of the Constitution and the Federalist papers all knew the importance of the middle-class people to the welfare of a country. As Aristotle pointed out, the most perfect political community is one in which the middle class predominates. The successive boosts in income taxes, estate and gift levies are reaching the point of confiscation because the left-wing liberals think there is something unsocial in leaving something for your wife and children. These fake liberals want a leveling process and the liquidation of the middle class so that everyone is on the same plane without regard for ability, thrift, or willingness to work.

The taxation purge is the Socialist-Communist war of extermination against the middle classes. No Socialist regime can exist in a country that has a middle class or in which the spark of middle-class ideals can survive. Where Socialists are in power or want to achieve power, they now conduct—like our Korean War—a war of attrition, by gradually limiting property through confiscatory taxes.

Big government, big business, and big labor get bigger. This eventually makes it easier for big government to take over big business and big labor. Meanwhile the middle class is ground between big business and big labor. The middle class receives a decreasing proportion of the apparent increase in national wealth while it pays an increasing proportion of the very real skyrocketing tax burden. The main characteristic of the middle class is its independence or self-reliance. By saving a part of one's earnings one could provide against a day when earnings may cease to provide for sickness, to provide for old age, to give to charity.

But when people must depend on the Government for these responsibilities the middle class will no longer exist. They will be discouraged to a point where they will no longer fight for their ideals and we will find representative government on the way out.

The tax law voted by the House Ways and Means Committee follows closely the recommendations of the top officers of the CIO and I feel that the great majority of the CIO members do not know they are being taken for a Socialist ride. The political sting from taxes is far less when the tax burden is shifted to the middle class and to business and the committee has taken this course. I, personally, question the motives of this CIO tax bill, especially when I realize that a former leading legal mind in this CIO clique, formerly a darling of the Socialist followers of the Fair Deal, is a self-confessed Communist who will not reveal the names of his fellow Communists. I question their motives because one of their leading officers who is a Marxist Socialist took a course of study in Russia and no one has yet accused him of taking this Russian course as a sleuth for the United States Government.

Taxes not only raise money but cut deeply into our economy. We should not attempt an unjust equalization of income and thus weaken our capitalistic system. Yet this is exactly what the Socialists want to do. Devise every spending plan possible, make the taxes higher and higher, make the individual place more dependence on the state and then you kill initiative and private enterprise, and make the state or socialism supreme.

That is what the present tax bill is doing because the Democratic administration has not given us a real economy budget and I will, therefore, have to voice the will of the majority of my constituents and vote against this socialistic tax bill.

Mr. DOUGHTON. Mr. Chairman, I yield 15 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman, I have asked for this time more to get information than for any other reason, because I am somewhat confused. Recognizing as we all do that a tax bill is not easy to write—I have never seen one yet that suited everybody, and I am sure this one does not—I do want it known that I have great confidence in the chairman and the other members of the committee. I think they have done a splendid job and done the best they could under existing circumstances. But I do regret that the bill was not delayed until after the appropriation bills were acted upon. I say that because of the cuts we are making in the appropriation bills which should have some effect on how much money we must appropriate for the Federal Government.

I also feel that in appropriating the moneys we now are, it is not for the purpose that the Constitution decreed, that is, the upkeep and maintenance of the Federal Government. There is so much of this money being appropriated for redistribution to countries throughout the world that I am getting a little fearful.

The steady increase in excise taxes is a very disturbing thing. We are asking now for $1,252,000,000 more in excise taxes. We already have more than $8,000,000,000 in excise taxes, and I think this brings the total amount up to about $11,000,000,000 in that form of tax.

The excise tax is the most vicious of all taxes because it is a hidden tax and you do not know what you are paying. Back in the early thirties we had no such thing as an excise tax. Now we have so many I do not think a member of the Committee on Appropriations or of the Committee on Ways and Means, or anyone in the Treasury Department knows half of them.

I was quite concerned a few months ago, after listening to a broadcast on a national network from California. The gentleman who was conducting the program was Mr. Walter O'Keefe. He had what we call a "jackpot question." The question was: How many concealed taxes are there in one pair of shoes? The different ones said 3, 5, or 10. One man got up and said 75. They all laughed, and they had trouble getting order. The answer was that there are 502 hidden excise taxes involved in the sale of a pair of shoes.

Then I began to realize the difference between the pair of shoes I used to purchase in 1938–39, which cost me about $8, and which now cost me $22. The only difference in the shoe is that it is not as good as the one I bought in 1939. The difference in cost is entirely due to the excise taxes.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield.

Mr. BUDGE. I am wondering if the gentleman has noted that this bill carries a new excise tax on bedsheets and pillowcases. Apparently our taxes are even going to bed with us now.

Mr. DEMPSEY. Well, they have been going to bed with us for a long, long time if our subconscious mind works at all. The laboring man, until recent years, did not have too much difficulty in purchasing an automobile. An automobile today is not a luxury conveyance, it is a necessity. Workingmen use it to go to work and bring the children to school and do other things that are necessary.

In the great State of New Mexico which I am privileged to represent, about the only transportation you can depend upon there is that which we provide for ourselves. We have no trolley cars, thank God. We have very few busses, except the transcontinental busses going from California to New York City and Chicago. So we provide our own transportation. It is the fourth largest State in the Union, covering 122,000 square miles. The distances between towns are great, oftentimes more than 50 miles. We must provide transportation. In the old days, a Ford car or a Chevrolet or a Plymouth sold for about $1,000 or $1,200. Today they run from $1,800 to $2,100, largely because of excise taxes.

I notice in this bill that the people in the brackets from $1,000 to $5,000 will pay $1,081,000,000 in additional taxes. Those are the same people who will pay a goodly portion of the excise taxes, and I am fearful when this bill becomes law that the laboring people will call the attention of the employers to the fact that they must have more money. They can show the need. There will not be any question about the need. When they do, they will get an increase. When that happens, the farmer says, "What about my parity? It must be increased."

I do not want to see the dollar go down lower than it is. It is worth about 40 cents now. If it goes down to 25 cents, I would rather be in favor of taking the likeness of that great American bird, the eagle, off of it and putting a little sparrow on instead, because I do not like to embarrass the American eagle.

What we should be doing is to increase the purchasing power of the dollar, rather than decreasing it. All of this propaganda that you hear in certain quarters around Washington, which says that this inflation is due to the spending of the laboring class and that if you take

the money away from them in taxation you will eliminate inflation, is pure nonsense. Inflation was created and is going on now because of the extreme spending of the Federal Government and the wasteful manner in which it was expended. I am not going into detail about some of these things, because we have too many investigations going on now to suit me. We have so many that our people are beginning to question our form of government. I think it is the greatest government that any nation in this world has ever had. I want to see it preserved. I am not so sentimental that I would say to you, in part, that which I was going to say.

I think every dollar we need for the defense of this Nation or to help those who help us win this terrific conflict should be spent, but I am not naive enough to say or to think that when you give a man in uniform billions of dollars to spend and he has had no previous experience in purchasing, that you will achieve the greatest efficiency along that line. I think the men who represent the purchasing department of the armed services ought to be men of great ability along that line. You do not learn that in West Point or Annapolis. There you learn to have great military knowledge. We certainly recognize that such military knowledge has been used well in the various conflicts in which we have been engaged.

I am greatly disturbed about this bill. I am also disturbed about the immense effort put in by the distinguished Ways and Means Committee, all honorable and fine men, all doing the best job they can. But I sometimes wonder if we should completely take the word of those who desire to see us appropriate large sums of money until such time as we know what we can appropriate and what we can spend. The Federal Government is not much different from the State or even the individual's home, except that it has the power to tax. But the barrel is getting empty, as I visualize the situation today in the financial world, and I think our Government, like the head of a household, should look at his funds unless he wants to go into debt.

Our great chairman has told us there are three ways to meet this tax situation. One is to pass this bill. Another is to cut appropriations. I have seen the chairman vote to cut appropriations around here, and I know how he feels about it. He would like to see every appropriation, in my opinion, cut to the bone, as I would. But unfortunately, he does not have all the power to do that; a lot of it rests in the agencies, and a lot rests with Members of Congress. The agencies and departments cannot spend more than we allow them to spend. I think sometimes we do not investigate the situation except to appropriate. I think that the heads of the committees of this great house of Congress should not only appropriate the moneys, but also they should follow through to a conclusion on how the moneys have been expended. That is part of the job. This is one of the most serious things we have to do. This session we have the greatest, the largest group of appropriation bills ever passed in the Congress of the United States, I am told.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I shall be glad to.

Mr. STEFAN. I like the gentleman's approach on the income and outgo of our fiscal program. The gentleman at the outset of his very remarkable and edifying statement indicated that he would like to know what we are going to appropriate before we start charging the people for the expense of Government.

Mr. DEMPSEY. That is true.

Mr. STEFAN. If we knew today what we were actually going to appropriate, what the decreases were going to be, if any, in any appropriation bill, I believe the Ways and Means Committee could come to this House today with a bill for taxes much reduced over the bill presented today. I read the report very carefully and I noted that the committee in one instance indicated how much we have obligated ourselves to spend. The President's budget asked for more than $71,000,000,000-plus, but our obligations and appropriations according to the latest figures in the Committee on Appropriations will run over $94,000,000,000.

I also notice in one part of the report that the reductions in appropriations at this time on bills considered in the House run something over a billion and a half dollars. My figures as a member of the Committee on Appropriations indicate that our reductions made in the House up to this time have run very close to $3,000,000,000, taking in the Jensen amendment and other amendments.

Then there is another reduction that we effected. We had a bill in here amounting to $6,500,000,000, a supplemental bill for the Defense Establishment. The first request came for $10,000,000,000 but when it left the House it was a little over $6,000,000,000, so another reduction was made by a conference between the Appropriations Committee and the agencies submitting that bill trimming it from $10,000,000,000 to $6,000,000,000-plus.

The total reduction, therefore, has been around $6,000,000,000, taking into consideration the defense reduction as the result of that conference. There will be more reductions because we have $8,500,000,000 in the machinery now, plus the $60,000,000,000 bill for defense which will soon come before us, and there will be other reductions.

Why could we not hold this tax bill over as intimated by the distinguished gentleman from New Mexico until these appropriation bills are passed and we can actually measure the outgo and income of Government finances? What would the gentleman say to that?

Mr. DEMPSEY. I would like to see that, but we must consider that at this time of the year you would ordinarily expect the appropriation bills to have been acted upon, but the Senate because of so many investigations has not gone as far as the House has.

Mr. STEFAN. They are writing a concurrent resolution now to furnish the departments money through extending resolutions. The gentleman knows that when the Senate gets this bill it will never come out of the Senate until some time in September perhaps, probably later, and it will be very much amended. Your appropriation bills are delayed not due to the fault of members of the Appropriations Committee, I assure the gentleman.

Mr. DEMPSEY. I am not critical of the Appropriations Committee or any other committee. I think we are all doing the best we can.

Mr. STEFAN. We have plenty of time so that we should know how much money we are going to appropriate before this bill is passed by the Senate.

Mr. DEMPSEY. When you say that a man is earning $5,000, that seems in terms of 1935 and 1936, a sufficient amount to take care of him and his wife, and perhaps a child or two, but with today's high pirces where a dollar will only purchase about 40 percent of what it once did, that $5,000 does not go quite so far.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. DEMPSEY. Mr. Chairman, I want to say a few words about the gasoline tax. Today we have a tax on gasoline of 1½ cents, we have a tax on lubricating oils and various other items that a car needs in order to perform. We are adding another half cent. The total income last year from taxes on various automobile accessories amounted to $1,450,000,000 to the Government. Those taxes were levied solely for the purpose of permitting the Federal Government to participate in road building in the various States. Some of the States did not have sufficient money to do this work themselves. We wanted a uniform road system throughout the United States and that was the method selected. It was a good method. No one should complain about that.

But the Federal Government is expending for roads today only $531,000,000 of that more than one and one-half billion dollars. A lot of that goes to forest roads, which is all right, too. But the Federal Government is diverting nearly a billion dollars to other purposes. We are adding a half cent more which will also be diverted. The strict rule of the Federal Bureau of Public Roads is that you cannot divert moneys collected in the respective States from gasoline taxes for road-building purposes, and if you violate that rule you will be denied Federal participation. Then they, themselves, divert all of this Federal tax money, or most of it. As a matter of fact, the States would be better off to levy their own gasoline taxes and go on their own rather than to have the Federal Government do it.

This is not the fault of the Ways and Means Committee. I am simply telling you what occurs when you earmark a tax for a specific thing in Washington as compared to doing it in the States.

The CHAIRMAN. The time of the gentleman from New Mexico has again expired.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. ANFUSO].

Mr. ANFUSO. Mr. Chairman, I have this day introduced a bill to establish in the Bureau of Customs the United States Customs Port Patrol and the United States Customs Border Patrol in order to improve the enforcement of the antismuggling laws.

This bill is principally directed against the smugglers of narcotics into the United States. Its purpose is to apprehend the drug before it gets into the country and thus robbing the smuggler of the great profit he would have derived from its sale in this country.

We all know that all narcotics originate outside our boundaries. The very abundant supply in the possession of thousands of individual peddlers throughout the country clearly indicates the necessity of tightly closing the doors of entry of the illegal traffic from planes, ships, and across our borders.

Imposing severe jail sentences on the peddlers will not prevent the traffic, because the business is too lucrative. Imposing the death sentence would be futile because no jury would enforce such a law against a small peddler while the big pin operating outside this country is left unpunished.

Besides, it must be borne in mind that the peddler of narcotics is usually an addict himself and a sick person. He needs medical treatment.

This bill will get at the smuggling racket at the source.

I want to take this opportunity to give credit for this proposed legislation to two individuals who have labored with me on it since April 23, 1951, when a statement was put in the CONGRESSIONAL RECORD by me that a bill would be forthcoming. They are Col. Charles I. Stengle, former Member of Congress, now legislative representative of Government Employees, and Lynn H. Fairfax, publicity director of Lodge No. 981 of the American Federation of Government Employees, himself a patrol officer for more than 25 years. Mr. Fairfax deserves a great amount of praise because he has made several trips to Washington at his own expense to sponsor this bill, and has also contacted many large organizations in this country which have been clamoring for an antismuggling bill.

Every Member of Congress will receive a copy of this bill, and it is hoped that all will join in its early passage.

The bill provides as follows:

A bill to establish in the Bureau of Customs the United States Customs Port Patrol and the United States Customs Border Patrol in order to improve the enforcement of the antismuggling laws

DECLARATION OF PURPOSE

SECTION 1. It is the purpose of this act to increase the efficiency and effectiveness of the Bureau of Customs, Department of the Treasury, in the administration of the laws relating to the prevention of the smuggling of articles, particularly narcotic drugs, into the United States, and, for such purpose, to establish by law in the Bureau of Customs two major law-enforcement bodies with adequate personnel and with the most efficient means and fecilities available, including, where necessary, radio-equipped motor vehicles, small watercraft, and aircraft, for use in patrol work in harbors and along the coasts and other borders of the United States.

ESTABLISHMENT OF UNITED STATES CUSTOMS PORT PATROL

SEC. 2. There is hereby established in the Bureau of Customs, Department of the Treasury, a major law-enforcement body, to be known as the United States Customs Port Patrol, which shall be under the supervision of the Commissioner of Customs, and shall be charged with the duty of enforcing the antismuggling laws, and the laws of the United States in general. There shall be in each port a division of the United States Customs Port Patrol. Each such division shall have as its head a chief Customs Port Patrol supervising officer, and such number of subordinate supervising officers and other Customs Port Patrol officers as the Commissioner of Customs deems necessary to enable such division to perform its functions under this act.

FUNCTIONS OF UNITED STATES CUSTOMS PORT PATROL

SEC. 3. (a) Customs Port Patrol officers shall be assigned to every pier and dock where any vessel from a foreign country or any vessel carrying cargo from a foreign country has berthed. Such assignment shall continue without interruption on a 24-hour basis as long as any foreign cargo remains on such vessel and as long as any such cargo unladen from any such vessel remains on the pier or dock.

(b) Customs Port Patrol officers shall be assigned to every pier and dock where persons are disembarking from any vessel which has arrived from a foreign country.

(c) Customs Port Patrol officers shall be assigned, on a 24-hour basis, to every airfield used as a landing field by aircraft engaged in the transportation of passengers or freight to or from any foreign country.

(d) It shall be the duty of Customs Port Patrol officers so assigned under subsections (a), (b), and (c) to enforce, under the direction of Customs Port Patrol supervising officers, the antismuggling laws, and to perform such other related work as may be prescribed by the Commissioner of Customs.

(e) Customs Port Patrol officers are authorized and empowered, under the direction of Customs Port Patrol supervising officers, to make searches, including searches of all types of seagoing vessels, and to make seizures and arrests, in accordance with the laws of the United States and regulations of the Secretary of the Treasury.

(f) As used in this section, the term "pier and dock" and the term "pier or dock" includes any landing place prescribed as a landing place for manually operated or self-propelled small watercraft operating as marine taxis, and making contact with a seagoing vessel at anchor, which has arrived from any foreign country or which has any foreign cargo aboard.

REPORT OF EXPECTED DATE AND TIME OF ARRIVAL OF VESSELS

SEC. 4. It shall be the duty of the owner or operator of each vessel bound from any foreign country to a port of the United States to inform the customhouse at such port, or the customhouse nearest to such port, of the expected date and time of arrival of such vessel, taking into account weather and navigating conditions. Such information shall be supplied at least 24 hours in advance of the expected date and time of arrival of the vessel and in accordance with such regulations as the Commissioner of Customs may prescribe. Each such owner or operator who fails to report such information as provided in this section shall be fined $500.

ESTABLISHMENT OF UNITED STATES CUSTOMS BORDER PATROL

SEC. 5. There is hereby established in the Bureau of Customs, Department of the Treasury, a major law-enforcement body, to be known as the United States Customs Border Patrol, which shall be under the supervision of the Commissioner of Customs, and shall be charged with the duty of enforcing the antismuggling laws, and the laws of the United States in general. The United States Customs Border Patrol shall be organized in such manner as the Commissioner of Customs may prescribe, and shall consist of such number of supervising officers and other Customs Border Patrol officers as the Commissioner deems necessary to enable such Border Patrol to perform its functions under this act.

FUNCTIONS OF UNITED STATES CUSTOMS BORDER PATROL

SEC. 6. (a) It shall be the duty of Customs Border Patrol officers to make frequent patrols, by day and by night, on foot or on horseback, by motor vehicle, small watercraft, or aircraft, or by other means, along the coasts and other borders of the United States, in order to prevent and detect violations of the antismuggling laws, and the laws of the United States in general.

(b) Customs Border Patrol officers are authorized and empowered to make searches, seizures, and arrests in accordance with the laws of the United States and regulations of the Secretary of the Treasury.

AUTHORIZATION TO CARRY FIREARMS

SEC. 7. Customs Port Patrol officers and Customs Border Patrol officers are authorized and empowered to carry firearms in the performance of their duties under this act.

DISSEMINATION OF INFORMATION TO PERSONNEL OF THE CUSTOMS PORT PATROL AND THE CUSTOMS BORDER PATROL

SEC. 8. (a) The Commissioner of Customs shall establish such procedure as may be necessary to provide accurate and concise information, on a current basis, to all personnel of the Customs Port Patrol and the Customs Border Patrol with respect to all laws and regulations relating to the performance of their respective functions and all amendments and revisions of, and changes in, such laws and regulations.

(b) It shall be the duty of the Commissioner of Customs and of all supervising officers in the Bureau of Customs to transmit to all personnel of the Customs Port Patrol and the Customs Border Patrol information received from any investigative agency of the Federal Government or from any other source with respect to any suspected violation of any of the antismuggling laws.

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. There are hereby authorized to be appropriated from time to time such sums as may be necessary to carry out the purposes of this act.

Mr. REED of New York. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I am glad I follow the gentleman from New Mexico, as, in my opinion, he made a very excellent speech about this bill.

Mr. Chairman, this bill is not a tax bill. It is an increase-in-the-cost-of-living bill. I want to refer to the deception in this bill and when I say "deception" I am not criticizing the Ways and Means Committee. I know of no 25 Members we could get who would do as good a job as the present members of the Ways and Means Committee. When I refer to the deception in the bill, I am aware of the fact that there probably has never been a tax bill in the Congress or in any State legislature that was not full of deception. This bill, however, seems to be almost 100 percent deception. Again I want to say, there is no

criticism of the committee; it could not do otherwise with the conflicting views that must have been presented to it by the various witnesses during 4½ months.

But, what do I mean by "deception?" The workingman, the low-income worker, every citizen, is being deceived by this bill. This bill, as I understand, provides 12½ percent increase in the taxable income of individuals. Then it provides several increases on corporations. The fact of the matter is that increase on corporations will not be paid by a single one of the corporations. It is going to be paid by the average citizen. The workingman, everyone who goes to the store and buys anything that he uses or eats, will pay the increase in corporate taxes provided in this bill.

The distinguished gentleman from New Mexico made reference to the increase of one-half cent a gallon on gasoline. Who will pay that half cent? The man or the woman who drives the automobile. You wait until that tax goes on, and the price of gasoline will go up all over the United States just exactly one-half cent per gallon and the oil companies will not pay it.

This bill provides for one cent per package increase on cigarettes. The tobacco companies, the manufacturers of the cigarettes are not going to pay that one cent per package. The price of the package of cigarettes will go up one cent per package the day that tax becomes effective and the smoker or the consumer of the cigarettes will pay it.

It provides for a 7 to 10 percent increase in the tax on new automobiles. I ask you who will pay that tax? Will the automobile companies pay it? No. The purchasers of the automobiles, whether it be a Ford, Chevrolet, Cadillac, or Buick. It will not be paid by the automobile companies. I could go on through this bill with every item, and it is nothing but deception. It is kidding the people into believing that someone else is paying the tax that in fact they are paying. Next week we expect to have before this body a price-control law or a bill to extend that law, the purpose of which will be to hold down prices. I ask you how can the price administrator fail to grant the manufacturer, the wholesaler, the jobber and the retailer an increase to offset the additional taxes that are provided in this bill?

Again, I say it is no particular criticism of this bill. It applies to any tax bill. Some years before I came to the Congress I was a member of a committee of the State Legislature which drafted our present State sales-tax law. We spent a lot of time on that bill and a lot of research. Among other documents that came to us was a statement put out by the Ford Motor Co. telling the amount of money it had received from the sale of 1,000,000 cars in the first 11 months of the previous year. This statement showed that the Ford Motor Co. received $745,000,000 for 1,000,000 cars or $745 per car. It then went ahead to break down this money and show where it went, what the Ford Motor Co. did with the money it received for those automobiles. Approximately $300 per car went for labor; a certain item for paint; another for upholstery; another for tires and tubes; another for batteries; another for glass, wiring and the like, and a certain amount for income on the investment of the company. But, the last item was the interesting one: $145,000,000 for taxes paid by the Ford Motor Co. or $145 per car. Who paid those taxes? Did the corporation known as the Ford Motor Co. pay them? Not one penny of them. Who did pay them? The people who bought the Fords. Who bought the most Fords? The working man, the farmer, the low-income wage earner. Yet there seems to be existent in our country a philosophy among our people that this Congress can impose more and more taxes on corporations and business and thereby they will be saved from paying these taxes. We are only kidding them when we do that, because the corporations do not pay the taxes.

I am so glad the gentleman from New Mexico preceded me, because he made the observation that he heard on some quiz program on the radio that in a pair of shoes there are 502 hidden taxes. I did not know the number was that large.

I recall 15 years ago when we worked on our tax bill out home the figures we had then, put out by the research department of the University of Iowa, were that on the average product all together there were 5.2 different taxes the purchaser paid. So the consumer does now, always has, and always will pay all taxes. There is no escape from it. You cannot write a tax bill where the consumer ultimately will not pay the taxes unless it be a capital levy tax.

Under this bill, there is not a person in the United States that can avoid paying taxes unless he spends not one penny, except those in our penal institutions and other institutions where everything is provided for them, because under this bill any time anyone goes to the store to purchase anything he is going to pay some of the taxes provided for in this bill.

I realize that such an observation is of little value except for one purpose. The distinguished gentleman from Ohio [Mr. JENKINS] rather alarmed me when he said, "I hope this will be the last tax bill. I am afraid it will be the last tax bill. It ought to be the last tax bill."

I believe I know what he was thinking. We have reached the saturation point. We cannot have another tax bill of this kind and survive. He hates to go to a sales tax. So do I, and I am not advocating it at this time. But apparently he and other members of the committee are thinking that if we again have to raise taxes some alternative will have to be found.

Therefore my suggestion to the Committee is this, that when that time comes let us throw everything we have out the window and start fresh from the bottom and build a tax program, out in the open, that will not kid anyone, that will not have so many indirect taxes, so everyone in the United States will know exactly what he is being taxed and not be fooled by it as he is being today under this bill and all other bills. I submit to you it can be done.

Mr. DOUGHTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ALBERT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4473) to provide revenue, and for other purposes, had come to no resolution thereon.

HOUR OF MEETING TOMORROW

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the tax bill in committee may be permitted to insert extraneous matter, such as tables, in their remarks, which they requested at the time.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PROPOSAL TO DISPERSE AMERICAN INDUSTRIAL PLANTS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks and include certain extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, as I understand it, a dispersal plan has been recommended by a group in the other body which would prevent new industry from coming into areas where industries already exist. In Massachusetts we have industries that are flourishing and growing there. We also have some war industries, not enough. It seems to me, Mr. Speaker, very much like a plan that Henry Wallace had when he was the Secretary of Labor, which would make of Massachusetts—and he told me this very thing, and I believe it is also to be found in one of his books—a recreational State.

If our industrial plants are to be moved away and our labor moved away, that is exactly what will happen. It is an extremely dangerous thing, and I, for one, shall move to kill any measure which has that for its purpose. It is very bad for the whole country. The transplanting of labor and the removal of our plants and the prevention of industries coming into certain areas of the country would be very bad and would also greatly retard our war production.

PROPOSAL TO DISPERSE AMERICAN INDUSTRIAL PLANTS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I heard today of a very astounding plan, which has been suggested. It is the most astonishing thing that has been proposed for some time, in my opinion. It is a proposal to scatter the industries of this country out on the plains and deserts where there are no natural resources and no skilled labor and no transportation facilities available. Furthermore, such a plan could only be put into effect through the expenditure of Government money. It is one of those things that I can hardly believe. Think, for example, of establishing a steel mill on the desert, or taking the great electrical industry and moving it out to some area where there is no skilled labor and perhaps no railroads and no water. I understand that actually such a proposal has been accepted in a committee, and I hope the membership of the House, Mr. Speaker, will mean a great loss to all the districts volved in a suggestion of that kind.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mrs. ROGERS of Massachusetts. I understand that such a report has already been made and it is exactly to the effect that the gentleman has said. It will mean a great loss to all the districts that now have industries. It will mean the transplanting of labor and a great reduction in the prosperity of those areas and in the taxes which those areas contribute to the welfare of the Nation.

Mr. EBERHARTER. It certainly could not be done without the expenditure of vast sums of governmental money on uneconomic programs.

Mrs. ROGERS of Massachusetts. Like Mr. Wallace's plan to make a recreation center of New England instead of an industrial center.

Mr. EBERHARTER. Exactly.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. THOMPSON of Texas asked and was given permission to extend his remarks and include an article.

Mr. JUDD asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. REES of Kansas asked and was given permission to extend his remarks and include an article.

Mr. VAN ZANDT (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks and include an editorial.

Mr. PATTERSON asked and was given permission to extend his remarks in three instances and include three editorials.

Mr. OSTERTAG asked and was given permission to extend his remarks and include an editorial.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks and include some tables on Federal expenditures and receipts.

Mr. FLOOD (at the request of Mr. LIND) was given permission to extend his remarks and include an editorial.

Mr. EBERHARTER asked and was given permission to extend his remarks and include a communication from the Washington Post of June 21, 1951, entitled "MacArthur in Texas."

Mr. ROOSEVELT (at the request of Mr. EBERHARTER) was given permission to extend his remarks and insert an editorial from the New York Post.

Mr. RABAUT asked and was given permission to extend his remarks and include a newspaper item.

Mr. ENGLE (at the request of Mr. MILLS) was given permission to extend his remarks and include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HAYS of Arkansas (at the request of Mr. TRIMBLE), until Wednesday, June 27, 1951, on account of official business.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 929. An act to amend section 6 of the Central Intelligence Agency Act of 1949.

ADJOURNMENT

Mr. MILLS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 1 minute p. m.), under its previous order, the House adjourned until tomorrow, Friday, June 22, 1951, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

544. A letter from the Acting Librarian of Congress, transmitting the Annual Report of the Librarian of Congress for the fiscal year ending June 30, 1950, as well as a complete set of the Quarterly Journal of Current Acquisitions, the Supplements to the Annual Report; to the Committee on House Administration.

545. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to amend and extend the Sugar Act of 1948, and for other purposes"; to the Committee on Agriculture.

546. A letter from the Assistant Secretary of the Interior, transmitting copies of various acts and resolutions adopted by the Legislature of Hawaii during its recent session; to the Committee on Interior and Insular Affairs.

547. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

548. A letter from the Secretary of State, transmitting a draft of a proposed bill entitled "A bill for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions and catastrophes of nature; to the Committee on the Judiciary.

549. A communication from the President of the United States, transmitting the budgets for the fiscal year 1952 in the amount of $238,784,000 for administrative expenses of defense production activities (H. Doc. No. 172); to the Committee on Appropriations, and ordered to be printed.

550. A communication from the President of the United States, transmitting the budget for the fiscal year 1952 in the amount of $31,800,000 for the Selective Service System (H. Doc. No. 173); to the Committee on Appropriations, and ordered to be printed.

551. A communication from the President of the United States, transmitting the budget for the fiscal year 1952 in the amount of $535,000,000 for the Federal Civil Defense Administration (H. Doc. No. 174); to the Committee on Appropriations, and ordered to be printed.

552. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1952 in the amount of $870,000 for the District of Columbia (H. Doc. No. 175); to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAWSON: Committee on Expenditures in the Executive Departments. S. 718. An act to authorize the lease and purchase by the United States of the Young Men's Christian Association Building and premises in Phoenix, Ariz.; without amendment (Rept. No. 633). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. H. R. 4431. A bill to extend and revise the District of Columbia Emergency Rent Act; with amendment (Rept. No. 634). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOGGS of Louisiana: Committee on Ways and Means. H. R. 3490. A bill to amend the penalty provisions applicable to persons convicted of violating certain narcotic laws, and for other purposes; with amendment (Rept. No. 635). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 4475. A bill to amend the Agricultural Adjustment Act of 1938, as amended; without amendment (Rept. No. 636). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 4544. A bill to establish in the Bureau of Customs the United States Customs Port Patrol and the United States Customs Border Patrol in order to improve the enforcement of the antismuggling laws; to the Committee on Ways and Means.

By Mr. BAILEY:

H. R. 4545. A bill to provide for Federal financial assistance to the States and Territories in the construction of public elementary and secondary school facilities; to the Committee on Education and Labor.

By Mr. BERRY:

H. R. 4546. A bill to provide for the education, medical attention, relief of distress, and social welfare of Indians in the State of South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. COOLEY:
H. R. 4547. A bill to amend the Defense Production Act of 1950; to the Committee on Banking and Currency.

By Mr. CELLER:
H. R. 4548. A bill to amend the Immigration Act of February 5, 1917, to safeguard the internal security by regulating the discharge of alien seamen in the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. CLEMENTE:
H. R. 4549. A bill to establish a hospital for juvenile drug addicts; to the Committee on Interstate and Foreign Commerce.

By Mr. BATTLE:
H. R. 4550. A bill to provide for the control by the United States and cooperating foreign nations of exports to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CAMP:
H. R. 4551. A bill to provide for the acquisition of a site for the new Federal building in Newnan, Ga., adjoining the existing Federal building there as an economy measure before land value has increased as a result of land improvement; to the Committee on Public Works.

By Mr. LUCAS:
H. R. 4552. A bill to establish a Wage Stabilization Board, to define its functions, and for other purposes; to the Committee on Banking and Currency.

By Mr. SHAFER:
H. R. 4553. A bill granting cost-of-living increases to certain members and former members of the Armed Forces who are now or hereafter receiving or entitled to receive retired, retirement, or equivalent pay by reason of physical disability; to the Committee on Armed Services.

By Mr. CELLER:
H. J. Res. 274. Joint resolution to provide for the continuation of operations under certain mineral leases issued by the respective States covering submerged lands of the Continental Shelf, to encourage the continued development of such leases, to provide for the protection of the interests of the United States in the oil and gas deposits of said lands, and for other purposes; to the Committee on the Judiciary.

By Mr. LANTAFF:
H. Con. Res. 125. Concurrent resolution providing a Code of Ethics for Government Service; to the Committee on Post Office and Civil Service.

By Mr. BOYKIN:
H. Con. Res. 126. Concurrent resolution providing a Code of Ethics for Government Service; to the Committee on Post Office and Civil Service.

By Mr. BOLLING:
H. Res. 265. Resolution to provide for a Select Committee on Problems of the Aging; to the Committee on Rules.

By Mr. CASE:
H. Res. 266. Resolution to provide for a Select Committee on Problems of the Aging; to the Committee on Rules.

By Mr. HESELTON:
H. Res. 267. Resolution to provide for a Select Committee on Problems of the Aging; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States relative to their senate joint resolutions Nos. 35, 43, and 44; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:
H. R. 4554. A bill for the relief of Caterina Ruello; to the Committee on the Judiciary.

By Mr. BERRY:
H. R. 4555. A bill for the relief of St. John's McNamara Hospital; to the Committee on the Judiciary.
H. R. 4556. A bill for the relief of Black Hills General Hospital; to the Committee on the Judiciary.

By Mrs. BOSONE:
H. R. 4557. A bill for the relief of Serojini Dongre Harris; to the Committee on the Judiciary.

By Mr. DONOHUE:
H. R. 4558. A bill for the relief of Mrs. Alberta S. Rozanski; to the Committee on the Judiciary.

By Mr. GRANAHAN:
H. R. 4559. A bill for the relief of Dikran Keuleyan; to the Committee on the Judiciary.

By Mr. KLEIN:
H. R. 4560. A bill for the relief of Zsigmund Goldman; to the Committee on the Judiciary.

By Mr. LANTAFF:
H. R. 4561. A bill for the relief of Norberto Linaza Yrigoyen and Maria Josefa Maseda Lopez; to the Committee on the Judiciary.

By Mr. MULTER:
H. R. 4562. A bill for the relief of Olga Rubin Donn; to the Committee on the Judiciary.

By Mr. O'BRIEN of Illinois:
H. R. 4563. A bill for the relief of Mrs. Fany Meletopoulou and Helen Meletopoulou; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts:
H. R. 4564. A bill for the relief of Frida Adelheid Pinschke; to the Committee on the Judiciary.

By Mr. VAIL:
H. R. 4565. A bill for the relief of Herman J. Koehl and Lambert Graulich; to the Committee on the Judiciary.

By Mr. WHARTON (by request):
H. R. 4566. A bill for the relief of Dr. Laszlo Sima; to the Committee on the Judiciary.

By Mr. WIER:
H. R. 4567. A bill for the relief of Roy Sakai; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII:

324. Mr. HOPE presented a resolution adopted by the Kansas Master Farmers protesting the limitations on slaughter of cattle as imposed by the Office of Price Stabilization which was referred to the Committee on Banking and Currency.

SENATE

FRIDAY, JUNE 22, 1951

(Legislative day of Thursday, June 21, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, who has bidden the light of the day to shine out of the darkness of the night, we would still our hearts for this hallowed moment as we bow for the benediction of Thy loving kindness in the morning; for—

"New mercies each returning day,
Hover around us while we pray."

Grant us this day the grace to live on the altitudes of our aspirations. Solemnize our hearts with the responsibility of ability, as our America plays her awesome role in this decisive day. As servants of Thine and of the Nation and of the peoples of this shattered earth, fear-haunted, stricken, exploited, starving, save us from false choices and guide our hands and minds to heal and build and bless. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 21, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 22, 1951, the President had approved and signed the bill (S. 1025) to expand the authority of the Coast Guard to establish, maintain, and operate aids to navigation to include the Trust Territory of the Pacific Islands.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MAYBANK, and by unanimous consent, the Committees on Armed Services and Foreign Relations, meeting jointly, were authorized to meet this afternoon during the session of the Senate.

EXCLUSION FROM GROSS INCOME OF INCOME FROM DISCHARGE OF INDEBTEDNESS—ORDER OF BUSINESS

Mr. McFARLAND. Mr. President, yesterday evening, before the Senate took a recess, the senior Senator from Ohio [Mr. TAFT] made a motion to reconsider the vote by which House bill 2416, Calendar 305, relating to exclusion from gross income of income from discharge of indebtedness was passed. I thought at that time we could take up the motion and dispose of it today. I had, however, made definite statements to Members on both sides of the aisle that we would not have a record vote today, because I thought at that time that we were not going to be in session today. So in order to keep faith with those Members I ask unanimous consent that whatever business may be before the Senate on Tuesday, may it be temporarily laid aside, and that the motion by the Senator from Ohio be made the unfinished business until disposed of.

The VICE PRESIDENT. Without objection—

Mr. LONG. Mr. President, reserving the right to object; do I correctly understand that there is no present pending business before the Senate?

Mr. McFARLAND. No; there is not.

Mr. LONG. There is no pending business.

Mr. McFARLAND. No.

Mr. LONG. Then that would make the motion the pending business?

Mr. McFARLAND. No. I was going to make a motion, as I told the Senator from Louisiana I would, to take up Senate bill 719, but the bill would not be debated, as I understand, today.

Mr. LONG. Why does not the Senator from Arizona include in his unanimous-consent request that Senate bill 719 be made the pending business thereafter?

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. WHERRY. I have no objection to making Senate bill 719 the unfinished business now, with the complete understanding that it will not be taken up until the control bill is disposed of. It has already been agreed on both sides that the control bill shall be taken up on Monday; that the motion by the Senator from Ohio [Mr. TAFT] be made special order for Tuesday, and that if action on the control bill has not been concluded on Monday the debate on the bill shall continue until it has been concluded.

Mr. McFARLAND. Yes.

Mr. WHERRY. I shall be glad to have that done.

The VICE PRESIDENT. Is there objection to the unanimous-consent request made by the Senator from Arizona? The Chair hears none, and it is so ordered.

PRICING PRACTICES

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of Senate bill 719, Calendar 233, so that it may be made the unfinished business.

The VICE PRESIDENT. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 719) to establish beyond doubt that, under the Robinson-Patman Act, it is a complete defense to a charge of price discrimination for the seller to show that its price differential has been made in good faith to meet the equally low price of a competitor.

The VICE PRESIDENT. The question is on the motion of the Senator from Arizona that the Senate proceed to the consideration of Senate bill 719.

The motion was agreed to, and the Senate proceeded to consider the bill.

ORDER OF BUSINESS

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. WHERRY. I wish to refer to two matters. First, as I understand the parliamentary situation, Senate bill 719 is now the unfinished business, and by unanimous consent that bill is to be laid aside on Monday, and the control bill is to be taken up on that day.

Second, that by unanimous consent the motion to reconsider the vote by which House bill 2417 was passed has been made a special order for Tuesday.

I wish to ask the distinguished majority leader a question. In the event the control bill has not been concluded on Monday will not the Senate return to consideration of the control bill on Wednesday until it is concluded?

The VICE PRESIDENT. There is no unanimous consent on that subject.

Mr. McFARLAND. I may say that I do not think it will take very long to dispose of the motion of the Senator from Ohio [Mr. TAFT] to reconsider the vote by which House bill 2416 was passed. I know the Senator from Ohio does not talk long, and I do not talk long, and I think we can dispose of it in an hour or two.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. TAFT. I am afraid it will take all afternoon at least. I am delighted that the Senator from Arizona has put off consideration of that motion until Tuesday, because the question is an extremely complicated one. The more I go into it, the more complicated I find it to be. It is difficult to find the amendments which have been made. It is difficult to determine the effect of the amendments. It is one of the most complex matters I have ever had to deal with. My effort will be to have the bill sent back to committee so it may finally be considered in committee. I think discussion of the motion will take all afternoon.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield to the Senator from South Carolina.

Mr. MAYBANK. Of course, I do not object to having the motion to reconsider taken up on Tuesday. I had been led to believe, however, that consideration of the motion would not take much time, and I was hopeful it would not.

Mr. President, I merely wish to say that consideration of the bill extending the Defense Production and Housing and Rent Acts will take a long time. It must be considered and passed by the Senate. Many amendments will be proposed to the bill. There will be a long conference with the House conferees. It is very important that we write the bill in such language as it should be written, and it is essential that that work be done by June 30.

The Senator from Ohio said his motion would take all afternoon on Tuesday. I am now thinking out loud, and if I may do so, I suggest that the majority leader had better begin to consider the advisability of holding some night sessions next week, in view of the fact that the Defense Production Act expires on June 30, and that many amendments to the bill which has been reported will have to be considered, and that there will have to be a conference with the House. Because of the circumstances, it is absolutely essential that the bill be passed not later than Thursday night.

Mr. WHERRY. I wish to assure the majority leader that if such an eventuality as the Senator from South Carolina has mentioned should arise the majority leader will have complete cooperation from our side so as to expedite consideration of the measure.

Mr. McFARLAND. It will be necessary to have long sessions next week, and perhaps night sessions.

COMMITTEE SERVICE

On motion of Mr. WHERRY, and by unanimous consent, it was

Ordered, That Mr. FLANDERS be, and he is hereby, excused from further service as a member of the Committee on Rules and Administration and assigned to service on the Committee on Finance.

That Mr. DIRKSEN be, and he is hereby, excused from further service as a member of the Committee on Post Office and Civil Service and assigned to service on the Committee on the District of Columbia.

That Mr. MCCARTHY be, and he is hereby, assigned to service on the Committee on Rules and Administration.

That Mr. BENNETT be, and he is hereby, assigned to service on the Committee on Post Office and Civil Service.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FERGUSON:

S. 1719. A bill for the relief of Silverio Salvatore Conte; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 1720. A bill to extend to persons in the active service of the Armed Forces on or after June 27, 1950, certain benefits provided by law for veterans of World War II; to the Committee on Labor and Public Welfare.

S. 1721. A bill for the relief of Tane Watanabe; to the Committee on the Judiciary.

By Mr. WILEY:

S. 1722. A bill for the relief of Maria Alexandra Banescu; to the Committee on the Judiciary.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS—AMENDMENT

Mr. DIRKSEN. Mr. President, I submit for appropriate reference an amendment intended to be proposed by me to the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, and I ask unanimous consent that an explanatory statement of the amendment be printed in the RECORD.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table, and, without objection, the explanatory statement will be printed in the RECORD.

The explanatory statement presented by Mr. DIRKSEN is as follows:

EXPLANATION OF SUGGESTED AMENDMENT 1

This amendment accomplishes two primary objectives:

1. Continues authority to exert tight control based on historical, competitively developed percentage margins.

2. Permits exercise of administrative discretion in reducing percentage margins within certain limitations designed to authorize such action in the event of shortage and to be exercised on single items out of lines of materials.

APPLICABILITY

This proposed amendment is applicable to the wholesale and retail distributive trades

and would include processing retailers such as, for example, retail bakeries, candy shops, and tailor shops.

AMENDMENT ESTABLISHES REASONABLE LIMITATIONS BUT ALSO RETAINS AN AREA FOR ADMINISTRATIVE DISCRETION

Experience demonstrates that the establishment of reasonable limits on administrative discretion to change competitively established margins is vitally necessary to preserve the system of distribution, while at the same time according to the price director such freedom of action as is required to achieve maximum possible price stabilization at distributive levels.

The proposed amendment establishes the only practical and reasonable method available, without getting into complexities and unrealistic requirements that would bring about the collapse of the entire structure of regulations controlling the distributive trades.

WHY THE FREEZE OF PERCENTAGE MARGINS EXERTS EXTREMELY TIGHT CONTROL

A freeze of the historic, competitively established percentage margins of individual sellers at the wholesale and retail level exerts tight control at the only point where distributive trades affect prices to consumers.

When that is done it precludes the distributive trades even from increasing margins to cover increased costs or increased taxes, although it is probably necessary to require them to accept that hazard in the hope that as a result of reduced services, fewer mark-downs, or other partially offsetting savings that might be effected, the distributive trades might be enabled to continue with no more than their historic, competitively developed margins.

WHAT HAPPENS WHEN HISTORIC PERCENTAGE MARGINS ARE DENIED

Margins are not the same as profits. They are only tools that under favorable circumstances might produce profits. Denial of historic, competitively established percentage margins by the substitution of either lower margins, or a simple dollars-and-cents passthrough of increased cost of goods results in an unbearable squeeze on the margins of the distributive trades. This is so because a substantial portion of distributive costs are related directly, percentage-wise to costs of goods. Examples are occupancy costs, selling commissions, insurance, credit losses, and similar factors.

HOW THE THEORY OF COST ABSORPTION VITIATES REQUIREMENT OF "GENERALLY FAIR AND EQUITABLE" UNLESS REASONABLY LIMITED

To impose any additional squeeze on margins is to vitiate completely the requirement that regulated prices be generally fair and equitable.

Yet OPS has undertaken a policy of additional margin squeezes through the technique of cost absorption.

Cost absorption means that sellers are required to subsidize out of their competitively established margins, price increases, in whole or part, granted at prior levels.

Not only does cost absorption upset the pattern of margins which individual sellers have found to be essential to an opportunity to strive for profit, but it operates to reduce margins inequitably as between sellers, thus distorting the competitive relationships.

WHERE COST ABSORPTION COULD BE IMPOSED IF DEEMED NECESSARY BY THE ADMINISTRATION

However, despite the dangers and inequities of cost absorption as a device to be applied generally, this amendment would nevertheless permit its use in certain instances. Its application would be limited to cases of shortage, when price control assumes its real importance. Its use would be restricted to assisting other governmental action in facilitating production and distribution of representative single items in lines of materials.

To the extent that price regulations conform to the requirement of generally fair and equitable, taking into consideration the intent of this amendment, no changes in existing regulations are required. It is the intent that margins would be determined within the limits of administrative regulations to achieve reasonable equity rather than mathematical precisions. Thus, for example, the technique in CPR 7 for freezing retail margins would conform to the requirements of this amendment, with the exception of pricing rule 4 in section 35.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Post Office and Civil Service.

(For nominations this day received, see the end of Senate proceedings.)

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. FREAR:

Article entitled "Frankly Speaking," written by Bill Frank, and published in the Wilmington (Del.) Morning News of June 21, 1951, portraying the expanding economy of Delaware.

By Mr. LEHMAN:

Editorial entitled "The Wisdom of 20-20 Hindsight," published in the Commonweal of June 22, 1951, having to do with United States policy in the Far East.

By Mr. WILEY:

Article by Victor Riesel in his column "Inside Labor," relating to the infiltration of labor unions by organized crime.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

Mr. MAYBANK. Mr. President, I ask unanimous consent that the report (S. Rept. No. 470), which will be completed this evening, on the bill (S. 1717) to amend and extend the Defense Production Act of 1950, and the Housing and Rent Act of 1947, as amended, be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

TO AMEND AND EXTEND THE DEFENSE PRODUCTION ACT OF 1950 AND THE HOUSING AND RENT ACT OF 1947, AS AMENDED

The Committee on Banking and Currency, having considered amendments to the Defense Production Act of 1950, report favorably a committee bill (S. 1717) and recommend that the bill do pass.

GENERAL STATEMENT

The Defense Production Act of 1950 erected the framework for a vast effort by the Government and the people of the United States to expand and redirect our productive strength quickly to such unprecedented levels as to create for the free world an invincible barrier against the threat of successful Communist aggression and conquest. This vast effort in defense of freedom was proved urgently necessary last June by the fateful decision of world communism to substitute for its cold-war tactics of infiltration and subversion against the infant Republic of Korea a desperate new policy of outright invasion and war. The urgency of our program of rearmament and productive expansion became even more pressing when the collapse of the North Korean Communist aggressors under American and United Nations counterattack was instantly followed last November by the intervention of Communist China with her seemingly limitless resources of manpower. In launching war in Korea, communism served notice on the free world that it regarded armed might as its key to world domination. In continuing the war, after the United Nations came to Korea's defense, communism demonstrated an utter disregard of the U. N. and its principles and contempt for the basic principles of human decency and the sentiment of world opinion. In widening the scope of that war by throwing the Chinese hordes into the conflict to avoid total military defeat of the original aggressors, communism revealed a willingness to chance world war in pursuit of its expansionist ambitions. The free nations, led by the United States, recognized in these manifestations of international gangsterism an urgent need to confront strength with strength as the ultimate and decisive barrier to communism's achievement of its imperialist goals. The Defense Production Act grew out of that realization.

The approach taken by the Congress in this act to the problem of rebuilding our military potential as quickly as possible was threefold: to provide equipment for the rapid expansion of our Armed Forces and those of the friendly nations associated with us; to provide for the rapid expansion of our productive capacity to a point where we could supply materials and equipment for a world-wide total war; and at the same time to assure the Nation's financial and economic ability to mount such a vast defense effort by establishing authority for the control of inflationary pressures arising out of the unavoidable temporary dislocations and shortages in supplies bound to result from such tremendous diversion of materials from normal peacetime to emergency defense uses.

The Defense Production Act, which became law on September 8 last, was put into actual operation, especially the price and wage sections, gradually and all too slowly in the period following its enactment and before the sudden reversal of the United Nations military situation in Korea. Most of the agencies set up under it existed at that time largely on paper, or with skeleton staffs devoting virtually all of their time and effort to the recruitment of additional personnel. The Nation was permeated with a psychology of quick victory in Korea and a lessening of the fear of world war. The rush of anticipatory buying set off by initial attack in June was gradually subsiding. With the decrease in scare buying, there was a corresponding decrease in the price spiral.

But the optimism over the prospects of early peace was abrupty shattered by the new invasion and the retreat of U. N. forces below the thirty-eighth parallel. Once again, sparked by strategic imports such as rubber, tin, copper, tungsten, and similar materials prices soared to new heights. The production agencies and the military departments revised their estimates of immediate need and stepped up their requirements substantially. This put additional pressures on prices. The price-control agency, meanwhile, was not equipped to cope with the upward surge of prices. It appealed for voluntary restraint by sellers, but the appeal was largely ignored. Wage rates were climbing to catch up with the increased cost of

living and, in some instances, to exceed it in anticipation of further inflation in living costs.

Not until January 26, 1951, 6 months after the inflationary spiral got under way, and more than 3 months after passage of the act providing authority for price and wage controls, was the accelerating price-wage spiral finally met with an across-the-board freeze of prices and wages, and both prices and wages, since then, have been held at comparatively stabilized levels.

The programs authorized under the Defense Production Act, although in many cases late in getting under way, are now beginning to acheive the results Congress envisioned in drafting and enacting the legislation. But the Defense Production Act expires on June 30—only a week from now. Your committee unanimously believes that world conditions are such, and the danger of new and bolder Communist aggression so real and menacing, that renewal of this legislation is absolutely vital to the safety of this Nation and to the survival of freedom in all parts of the world where it now exists. To allow this legislation to lapse and the programs under it to end would, in the opinion of your committee, reflect a total blindness by the Congress to the world-wide imperialist designs of Communism so strikingly and shamelessly revealed in naked candor in the devastation of the Republic of Korea.

In reaching its decision to recommend approval of this legislation, your committee has devoted 6 weeks of continuous all-day study to the issues raised in this bill, and has listened to and consulted not only those Government officials assigned major responsibilities in the administration of programs under this act but also qualified and representative spokesmen for virtually every economic interest in the United States which is or would be affected by operations under this act or under amendments proposed to it. Moreover, the many weeks of formal hearings had been preceded by numerous hearings and frequent examination into actual operations under the act by individual members of the Committee on Banking and Currency who serve on the Joint Committee on Defense Production. All of this information was available to your committee in reaching its decision—a decision reinforced further by the experience of the committee in drafting the initial legislation last year.

Throughout this extended and continuous study of the basic legislation, your committee has been gratified by the increasing evidence of the fundamental soundness of the Defense Production Act as it was finally recommended by this committee to the Congress last year. Although drafted originally under the stress of emergency circumstances arising from the outbreak of war, the major provisions of the act have stood the test of experience in remarkable fashion. Indeed, evidence of this soundness can be found in the fact that none of the amendments proposed by the executive officers administering the act suggested any significant basic change, but rather sought only to widen the scope of the legislation in limited areas or to provide the administering agencies with what they described only as perfecting changes based on experience under the act. All of these facts would indicate that the Congress last year met the issues of mobilization with foresight, courage, and effectiveness.

At the same time, your committee cannot refrain from expressing its deep disappointment over the delays which occurred before parts of this effective machinery—particularly in the stabilization area—were finally put to work. Since this authority was not exercised as quickly as it should have been, it has not yet been as effective as it could have been. Furthermore, in areas where flexibility was recommended, rigidity was sometimes used; in other areas where strict controls were provided for use when needed, loose ones were in some instances relied upon to meet problems far beyond the capacity of such measures to solve.

Nevertheless, and on balance, it appears to your committee that however belatedly some of the stabilization powers of this act were invoked, however inflexibly some of the credit controls may have been used, and however loosely some of the production provisions may have been administered, the fact remains that real results are now being achieved in what are still initial phases of the act's operations. Expansion of military supplies and of productive capacity under the act is proceeding at satisfactory speed, according to responsible Defense Department and Mobilization officials, even though results are not readily visible to the average citizen. Much more visible, on the other hand, there has finally occurred a dramatic halt to the price-wage spiral; prices leveling off, and in some cases are turning downward; wage increases are being held generally within comparatively strict limits; the cost of living has remained stable.

Steadily increasing production and expansion of productive capacity, the leveling-off of prices and wage rates, and the demonstrated ability of United Nations troops in Korea to withstand and even push repeated Communist attacks, all have contributed to a calm in the Nation and in the market places. These commendable achievements have, unfortunately, led many persons to believe the emergency provisions of the Defense Production Act are no longer needed. The facts simply do not justify such complacency—a complacency verging on blindness.

Virtually all of the inflation which occurred between June 1950 and the imposition of direct price and wage controls in January originated in advance buying—fear buying—and hoarding, by both consumers and businessmen. Production of civilian goods, in fact, increased in that period even though stocks of many items seemed to be disappearing from shelves and showroom floors. The sudden halt to scare buying inspired by direct action to stabilize prices revealed that business, likewise fearing shortages and higher prices, had accumulated a gigantic inventory. The Government contributed to the buying rush by reaching out into world markets for vast quantities of stockpiling materials regardless of price. This bidding for supplies by our Government, coupled with equally spirited bidding in foreign and domestic markets by private business, resulted in spot market increases such as the following:

Commodity	June 1950 price	January 1951 price	Percentage increase
Wool.....pounds..	$1.97½	$4.14½	109.9
Tin.....do....	.772	1.82	135.8
Rubber.....do....	.29	.72	148.3
Copper.....do....	.224	.244	8.9
Lead.....do....	.12	.17	41.7
Zinc.....do....	.157	.182	15.9

The import spot market index rose to levels about 62 percent above those of last June.

Although not matching that degree of rise, domestic spot market prices and wholesale prices were following the same upward trend in this period, leveling off or even declining slightly in September, then renewing an upward climb which became almost perpendicular when the Chinese Communists entered the fighting, and continuing unchecked until controls were imposed.

The violence of the price spiral which occurred between June 25 and January 26, and the degree to which it has been checked since then are shown in the following tables:

Spot market indexes

Date	August 1939=100		June 1950=100	
	Import	Domestic	Import	Domestic
June 2, 1950	268.0	266.2	100.1	100.1
June 9, 1950	268.0	269.7	100.1	101.4
June 16, 1950	264.8	263.2	99.0	98.9
June 23, 1950	266.0	262.8	99.4	98.8
June 30, 1950	271.2	268.2	101.3	100.8
July 7, 1950	277.4	270.8	103.7	101.8
July 14, 1950	291.8	282.7	109.0	106.3
July 21, 1950	301.6	288.8	112.7	108.6
July 28, 1950	313.9	297.5	117.3	111.8
Aug. 4, 1950	329.2	291.0	123.0	109.4
Aug. 11, 1950	332.0	292.9	124.1	110.1
Aug. 18, 1950	334.8	297.4	125.1	111.8
Aug. 25, 1950	342.3	301.6	127.9	113.4
Sept. 1, 1950	341.7	309.1	127.7	116.2
Sept. 8, 1950 (DPA Act signed)	350.2	316.9	130.9	119.1
Sept. 15, 1950	356.2	318.5	133.1	119.7
Sept. 22, 1950	355.7	315.3	132.9	118.5
Sept. 29, 1950	346.2	308.9	129.4	116.1
Oct. 6, 1950	350.5	312.3	131.0	117.4
Oct. 13, 1950	354.1	311.2	132.3	117.0
Oct. 20, 1950	356.1	314.2	133.1	118.1
Oct. 27, 1950	359.1	316.9	134.2	119.1
Nov. 3, 1950	363.9	320.1	136.0	120.3
Nov. 10, 1950	372.9	324.6	139.3	122.0
Nov. 17, 1950 (Chinese intervention)	378.6	327.7	141.5	123.2
Nov. 24, 1950	371.0	326.1	138.6	122.6
Dec. 1, 1950	376.0	330.0	140.5	124.1
Dec. 8, 1950	380.8	339.8	142.3	127.7
Dec. 15, 1950	385.8	342.7	144.2	128.8
Dec. 22, 1950	391.8	347.2	146.4	130.5
Dec. 29, 1950	396.7	350.3	148.2	131.7
Jan. 5, 1951	404.6	355.6	171.2	133.7
Jan. 12, 1951	427.1	360.5	159.6	135.5
Jan. 19, 1951	434.1	361.1	162.2	135.7
Jan. 26, 1951 (Gen. C. P. R.)	426.9	359.8	159.5	135.3
Feb. 2, 1951	431.8	365.9	161.4	137.5
Feb. 7, 1951	432.6	362.8	161.7	136.4
Feb. 14, 1951	434.8	365.7	162.5	137.5
Feb. 23, 1951	434.4	364.7	162.3	137.1
Mar. 2, 1951	434.7	362.0	162.4	136.1
Mar. 9, 1951	422.0	358.6	157.7	134.8
Mar. 16, 1951	418.6	356.0	156.4	133.8
Mar. 23, 1951	416.7	356.5	155.7	134.0
Mar. 30, 1951	417.8	355.7	156.1	133.7
Apr. 6, 1951	413.1	351.6	154.4	132.2
Apr. 13, 1951	411.2	352.3	153.7	132.4
Apr. 20, 1951	407.5	351.8	152.3	132.4
Apr. 27, 1951	409.3	351.8	153.0	132.2
May 4, 1951	406.7	348.3	152.0	130.9
May 11, 1951	405.7	348.8	151.6	131.1
May 18, 1951	395.8	350.2	147.9	131.6
May 25, 1951	393.1	346.2	146.9	130.1
June 1, 1951	385.3	343.8	144.0	129.2
June 8, 1951	379.0	340.1	141.6	127.8
June 13, 1951	378.5	338.2	141.4	127.1

Weekly wholesale price index

Date	Index (1926=100)	Index (June 1950=100)
June 6, 1950	157.6	100.2
June 13, 1950	157.0	99.8
June 20, 1950	157.4	100.0
June 27, 1950	157.4	100.0
July 4, 1950	159.6	101.4
July 11, 1950	163.0	103.6
July 18, 1950	164.3	104.4
July 25, 1950	164.6	104.6
Aug. 1, 1950	165.8	105.4
Aug. 8, 1950	166.3	105.7
Aug. 15, 1950	165.8	105.4
Aug. 22, 1950	166.6	105.9
Aug. 29, 1950	167.8	106.6
Sept. 5, 1950 (DPA Act signed)	167.7	106.6
Sept. 12, 1950	169.1	107.5
Sept. 19, 1950	169.8	107.9
Sept. 26, 1950	169.4	107.7
Oct. 3, 1950	168.8	107.3
Oct. 10, 1950	168.4	107.0
Oct. 17, 1950	168.7	107.2
Oct. 24, 1950	168.9	107.3
Oct. 31, 1950	169.6	107.8
Nov. 7, 1950	170.0	108.0
Nov. 14, 1950	171.0	108.7
Nov. 21, 1950 (Chinese intervention)	171.2	108.8
Nov. 28, 1950	171.7	109.1
Dec. 5, 1950	172.6	109.7
Dec. 12, 1950	173.6	110.3
Dec. 19, 1950	174.7	111.0
Dec. 26, 1950	176.0	111.9
Jan. 2, 1951	176.8	112.4

Weekly wholesale price index—Continued

Date	Index (1926=100)	Index (June 1950=100)
Jan. 9, 1951	178.1	113.2
Jan. 16, 1951	178.7	113.6
Jan. 23, 1951	180.0	114.4
Jan. 30, 1951	180.9	115.0
Feb. 6, 1951	182.3	115.9
Feb. 13, 1951	183.4	116.6
Feb. 20, 1951	183.3	116.5
Feb. 27, 1951	183.0	116.3
Mar. 6, 1951	183.5	116.6
Mar. 13, 1951	183.4	116.6
Mar. 20, 1951	183.9	116.9
Mar. 27, 1951	183.9	116.9
Apr. 3, 1951	183.3	116.5
Apr. 10, 1951	183.0	116.3
Apr. 17, 1951	183.1	116.4
Apr. 24, 1951	183.6	116.7
May 1, 1951	183.4	116.6
May 8, 1951	182.8	116.2
May 15, 1951	182.2	115.8
May 22, 1951	182.4	115.9
May 29, 1951	182.5	116.0
June 5, 1951	181.9	115.6
June 12, 1951	181.7	115.5

Consumer prices naturally reflected these same trends.

Consumers' Price Index

Month	Index (1935-39=100)	Index (June 1950=100)	Percent change from previous month
June 1950	170.2	100.0	+0.5
July	172.0	101.1	+1.1
August	173.4	101.9	+.8
September (DPA Act signed)	174.6	102.6	+.7
October	175.6	103.2	+.6
November (Chinese intervention)	176.4	103.6	+.5
December	178.8	105.1	+1.4
January 1951 (General Ceiling Price Regulation)	181.5	106.6	+1.5
February	183.8	108.0	+1.3
March	184.5	108.4	+.4
April	184.6	108.5	+.1

The effect of this price inflation on wage rates was obvious.

Average hourly earnings—Production workers in manufacturing

Month	Gross	Index (June 1950=100)	Percent change from previous month
June 1950	$1.453	100.0	+0.8
July	1.462	100.6	+.6
August	1.464	100.8	+.1
September (DPA Act signed)	1.479	101.8	+1.0
October	1.501	103.3	+1.5
November (Chinese intervention)	1.514	104.2	+.9
December	1.543	106.2	+1.9
January 1951 (General Ceiling Price Regulation)	1.555	107.0	+.8
February	1.560	107.4	+.3
March	1.569	108.0	+.6

The spiral was compounded by a vast expansion in credit.

Commercial bank loans—Loans outstanding end of period

	Billions	Index (June 1950=100)
1950—June	44.8	100.0
July	46.0	102.7
August	47.3	105.6
September (DPA Act signed)	48.9	109.2
October	49.8	111.2
November (Chinese intervention)	51.5	115.0
December	52.2	116.5
1951—January (General Ceiling Price Regulation)	52.7	117.6
February	53.5	119.4
March	54.4	121.4
April	54.4	121.4

Increased taxes passed by the Congress in 1950 to meet greater defense requirements were, to a large extent, dissipated in late 1950 and early 1951 in higher unit costs for military goods. Secretary of Defense George C. Marshall, in an appearance which deeply impressed members of your committee, testified: "Taking into account hidden increases, we believe that the best over-all estimate of the cost of inflation to the Department of Defense during the past year has been roughly equivalent to the 20-percent increase in the wholesale price index. Thus, approximately $7,000,000,000 out of the $35,000,000,000 authorized for procurement of hard and soft goods and military construction for the Department of Defense during fiscal year 1951 can be regarded as the cost of inflation."

General Marshall presented a great many specific examples of cost increases which explain that $7,000,000,000 advance. Taken at random, following are some of the examples of price increases on standard civilian-type items among scores he cited:

Some examples of cost increases to the military since Korea

Item	From—	To—	Percent
Fuel oil	$0.99	$2.18	120
Dish-washing machine	1,454.00	2,200.00	51
Khaki trousers	.74	.93	26
Wool serge, yard	3.60	7.32	103½
Cotton webbing	.04	.07½	83
Combat boots, pair	5.72	11.36	99
Winter undershirts	2.74	4.97	82
Glycerin, pound	.35	.85	109
Cotton mop	.47	.76	63

In addition to the $7,000,000,000 added cost to the Government for military procurement, price inflation also cost the taxpayers themselves—the consumers of this country—an estimated $18,000,000,000 or $20,000,000,000 more for the goods and services they buy. This represents about as much as the American people spent for clothing or for shelter in 1950; it represents an amount greater than the net income of all of the farm proprietors of America in any one year.

The decisive action taken in January to halt this spiral, while coming too late to prevent millions of Americans on fixed incomes from suffering real hardship, nevertheless, as is shown in the foregoing tables, accomplished the kind of results your committee envisioned when it wrote title IV into the bill initially.

Inasmuch as the inflation which occurred between June and January was largely anticipatory in nature, and not based on such genuine inflationary factors as deficit financing or acute shortage of civilian goods, your committee has studied carefully the whole question of need for price and wage controls now that the intial onslaught of inflation has been stopped.

Your committee, backed by the unanimous opinion of all witnesses who testified in many weeks of hearings, is convinced that the real inflationary danger is ahead, not behind. Although opinions differed on the need for the direct controls, there was no disagreement on the necessity for bulwarking our economic defenses against a surge of inflationary pressures which all witnesses regarded as inevitable.

Those pressures are recognized as inevitable because of the timetable of defense planning. Our goal, as outlined by Defense Mobilizer Charles E. Wilson, is to crowd into approximately 2½ years an expansion of 17 percent—17,000,000 tons—in the steel-producing capacity of the United States; as compared with an expansion of 14,000,000 tons in 1940-45; an expansion of 30 percent or 22,000,000 kilowatts in the electric-power capacity of the Nation; an expansion of 65 percent or 500,000 tons in the aluminum capacity, while at the same time equipping a 3,500,000-man Military Establishment and the armed forces of Allied Nations, providing necessary guns, tanks, planes, ships, and ammunition for our forces in Korea, creating the capacity to produce 50,000 airplanes and 35,000 tanks a year and 18,000 jet engines a month, and above and beyond that, accumulating reserves of key items regarded as sufficient to carry us through the first year of an all-out world war.

Achieving such goals will require the full utilization of America's productive genius. It will require a substantial increase in our working force and a substantial increase in overtime work. This will mean more money for individuals to spend. This added purchasing power, however, will not be matched by corresponding increases in the availability of goods for that increased purchasing power to buy; on the contrary, it is virtually certain that there will be less consumers' goods. Therein lies the seed of an economic disaster that might well destroy the military might we are straining to build.

Examining this problem in terms of just one commodity—steel—your committee finds a graphic picture of the over-all inflationary danger growing out of reduced civilian supplies and rising incomes. Our plant for the production of iron and steel had a rated capacity in June 1950 of 100,000,000 ingot-tons a year. This represented a substantial increase over peak World War II capacity of 95,000,000 ingot-tons, but was still far from enough to satisfy the demands of American industry and the American people for steel and products made from steel, even though that plant was operated during most of the year at levels above 100 percent of theoretical capacity. Thus, even before the outbreak of the Korean war and the decision to increase our defense effort vastly, there was a gray market in this basic commodity despite the fact that virtually the entire output went to civilian uses and only about 1,000,000 tons for military uses.

In the year since June 1950 we have increased steel capacity more than 5 percent to about 105,000,000 ingot-tons. By the end of this year, capacity should, according to present plans, be increased to somewhere near 108,000,000 ingot-tons. Yet demands of the military services and the atomic-energy program alone this year and next year will take off the civilian market every ton of steel produced by this extra capacity, and millions of additional tons as well.

Considering only the steel which will be required for straight military purposes in the next 2 years, it is estimated that the 24,000,000 tons so diverted—as against less than 1,000,000 tons used for these purposes in 1950—will represent sufficient tonnage to build 14,000,000 new automobiles. This is more than twice as many new automobiles as were manufactured in 1950 and almost equal to the production of the entire passenger automobile industry during the years 1936 through 1940.

To illustrate in another way the magnitude of these military requirements, 24,000,000 tons of steel would be roughly enough to build and make all of the automobiles, all of the trucks, all of the busses, all of the automotive parts, and all of the household hard goods and appliances of all kinds, as well as all of the farm implements and wheel tractors, which were manufactured in this country in the peak year of 1950.

Yet even if the steel were available in the next 2 years for production of those civilian goods at the same levels as in 1950, the hard goods which could be produced would fall far short of meeting the demands of the substantially increased purchasing power our people will have. Informed estimates indicate that the national income by the first quarter of 1952 will reach an annual rate $37,500,000,000 higher than the rate achieved in the first quarter of 1951. Where will this income go? Into savings and taxes? Or into higher prices for the limited goods available? The former path would be anti-

inflationary; the latter inflationary and disastrous. Witnesses before your committee were in complete agreement on this point.

Your committee has received innumerable proposals for containing these inflationary pressures by reliance entirely on means other than the use of direct controls over prices, wages, and rents; that is, by indirect controls over the money supply through higher taxes, stringent credit policies, reduction in Government spending, and incentives to greater saving.

In the opinion of your committee, after exhaustive study of the whole inflation problem, each of these steps has great merit in itself as a necessary part of an integrated, effective, and completely rounded anti-inflation program. All must be utilized to the maximum degree possible, consistent with the requirements of production, of efficient operation of our complex economic system, and of necessary Government services, in contributing to a lessening of the basic inflationary pressures growing out of greatly increased purchasing power and decreased supplies of many civilian goods.

But your committee would be less than realistic if it were to accept the thesis put forward by those witnesses opposing the direct controls, that the Committee on Banking and Currency should recommend abandonment of the direct controls now, on the chance, or the hope, that the Congress eventually might enact tax, credit, and budget control measures sufficiently Spartan to accomplish the purposes of stabilization through indirect controls alone. Such a program would be so drastic as to constitute a serious threat to production and to our economy.

The recent experience of the Committee on Ways and Means in the House of Representatives in writing new tax legislation is a striking illustration of the difficulties to be encountered in a democracy in imposing new tax burdens. Many segments of the bill are under strong attack from affected groups. Yet no responsible fiscal authority has indicated that this pending bill represents a tax increase sufficient to siphon off excess purchasing power. The additional revenues proposed in the measure do not even assure a balanced budget when defense expenditures mount to levels scheduled for late this year and next year.

The Congress already has demonstrated its desire to cut out all unnecessary Federal expenditures and to reduce budget requests wherever it is considered safe to do so, but since the vast bulk of the Federal budget is assigned to defense purposes, and since these military programs cannot be abandoned or greatly reduced in the face of the world situation, the cuts we can anticipate will be relatively small in relation to total budget amounts. It is the opinion of your committee that reductions in Government expenditures now in prospect cannot by themselves, or in concert with prospective tax increases and credit restraints, achieve the goal of economic stabilization in the months and years immediately ahead without complementary controls over prices and wages and over rents in areas of acute housing shortages and high defense activity.

Should price, wage, and rent controls be permitted to die at this time on the wishful premise that Congress some day might enact monetary restraints adequate to meet the full surge of inflationary pressures ahead, it is inevitable that in a few months, at the latest, when present inventories are depleted and cut-backs in civilian production become more severe, a new spiral of price inflation dwarfing that occurring after the outbreak of the Korean war would be inevitable and irresistible.

Demands for higher wages to maintain labor's purchasing power in the face of rising living costs would be equally inevitable and equally irresistible, particularly in a tightening labor market. Wage incentives by industries to pirate manpower from each other would reach such levels that skilled craftsmen in many trades might well be receiving hourly wages of $10 or $15 per hour as the entire wage structure would be raised to such heights that thousands of small businesses, particularly in the service trades, would be priced entirely out of the labor market and forced to close their doors.

Rent increases are already becoming alarming in many uncontrolled areas of expanding military and defense activity. The morale of our fighting men recalled to service has already suffered from the hardships they experience in finding homes or apartments for their families at rents they can afford. The turn-over of labor in many defense areas because of inability of in-migrant workers to find suitable accommodations at reasonable rents is reaching proportions alarming to production officials. The scheduled increase in defense activity will certainly compound these dislocations and hardships if adequate rent-control machinery is not available.

Were your committee and the Congress to decide to abandon the direct controls at this time in the belief that they could be reimposed if the situation deteriorates sufficiently to require corrective action, the fact remains that the damage which would be done to our economy in the mean time could not be rectified. Evidence of this can be seen in the fact that the increase in the general price level which occurred between June 1950 and January 1951 could not successfully be rolled back when controls were imposed, and this inflation now in effect appears to be "built in" for the duration.

Isolated retail price wars in New York and elsewhere in recent weeks have not led to any general decline in living costs for the reason that the raw material, manufacturing, wholesale, and wage-cost increases which led to or accompanied retail-price increases are now virtually ineradicable. It might be argued that a new spiral of inflation let loose by the elimination at this time of direct controls could be halted eventually by reimposition of the direct controls, but the Nation by then would be saddled with a new price and wage plateau as difficult to push backward as has been the price-wage plateau of January 26.

The simple arithmetic of defense—an increase in the rate of contract letting for defense purposes from less than $1,000,000,000 a month before June 1950 to current levels of $1,000,000,000 a week—makes clear that stabilization must be maintained if the dollars we appropriate to the military are to buy their full share of necessary supplies and equipment.

The contracts placed by the defense agencies do not reflect immediate cash payments, of course. But deliveries and expenditures by Government are advancing sharply. The monthly rate of deliveries has increased 300 percent annually in the past year. Actual deliveries of defense items in fiscal 1952 are estimated by Secretary Marshall at $38,000,000,000. And, as he testified, the impact on the economy is not measured solely by deliveries actually made and paid for, but also by orders in the pipelines for deliveries in future years which are now taking vast quantities of steel, aluminum, copper, and other material off the civilian market.

The term "billion" has become commonplace among Americans, and the billion dollars we are obligating weekly for defense purposes is taken pretty much in stride by the press and the public. The immensity of the mobilization effort and of the productive facilities needed to carry it out can be seen better from a tangible illustration. We are now obligating each week more than the entire cost of the Tennessee Valley Authority's far-flung water-control power and chemical facilities. Each week we are obligating for defense enough to build 20 Empire State Buildings or practically enough to build the entire St. Lawrence seaway project.

In contemplation of such a stupendous effort, your committee agrees with General Marshall when he testified:

"When the Defense Production Act of 1950 was passed, it was intended to be a keystone in our industrial mobilization. The reason today for continuation of that act, I think, are more compelling than the reasons for its original enactment."

ADMINISTRATION OF PROGRAM

No profit control

Throughout the hearings a great number of witnesses expressed the fear of a system of profit control. Your committee wishes to emphasize as emphatically as it knows how that this act authorizes no such a program. The Defense Production Act as its very name implies is designed to increase production. To control profits would do the very contrary. If the Congress sees fit to control profits it will do so through tax legislation and do it through its Finance and Ways and Means Committees, as it did last year when it enacted the excess profits tax and renegotiation laws. Your committee hastens to add, however, that it realizes that the price and production control cannot operate without having some effects on profits. But that is the residual effect, and profits, as such, still may be increased or not depending on the ingenuity and productive genius of the entrepreneur. Once we try to control or destroy the germ of our American enterprise system, we only destroy ourselves. The clear and unmistakable intent of your committee is that this act does not authorize a profit-control program.

Allocations and priorities

Your committee was urged to amend the language of title I of the Defense Production Act of 1950 to incorporate specific formulas for the allocation of adequate materials to continue civilian production wherever this is consistent with military needs. It was also urged to make other specific statutory allocations of materials to certain users. Because your committee was of the opinion the inclusion of such provisions in this case might create undesirable inflexibility in the administration of allocation and priority powers, it decided not to recommend amendment of the act in these respects.

Your committee considered the need for flexibility in granting the allocation authority in the Defense Production Act of 1950, and in presenting S. 3936 on the Senate floor last year, the following statement was made by the chairman of your committee:

"The powers granted in this bill are great. Their very flexibility, so necessary to accomplish our purposes without harm, raises the possibility of abuse. Your committee considered the possibility of limiting the powers or imposing arbitrary restrictions on the President. Your committee did not adopt this negative view. Instead, reliance was placed upon requirements of consultation with industry and other persons affected by regulations and on the watchdog committee set up in the bill. These positive measures to protect the public interest will be more valuable, in our judgment, than any negative measures we could have provided."

While neither your committee, nor those of its members who are members of the watchdog committee, have agreed in every instance with the decisions of the officials administering the act, we have felt that our original recommendation was correct—that flexibility of authority, tempered by consultation with industry (a policy which has been disregarded all too often and which your committee feels should be emphasized much more), and tempered by the scrutiny of the watchdog committee, is far superior to arbitrary rules and formulas imposed by statute.

Under the present flexible priority and allocation authority the executive branch has been able to prohibit recreational and amusement construction, to direct materials

to the freight-car program, to limit the use of tin and other materials by specification controls and by prohibiting their use where substitutes will do, to institute a controlled-materials program for steel, copper, and aluminum, and to prohibit American-flag vessels from discharging at any port in the world any cargo destined to Communist China, or even from calling at any port in Communist China.

The act now authorizes these and many other types of controls over materials: Restrictions on imports and exports, rationing, and innumerable other production and distribution controls. It is to be hoped that most of these additional controls will not be needed, but if they are needed, arbitrary limitations imposed by statute might prevent the most effective use of the allocation authority.

Your committee wishes to emphasize the statement in the Declaration of Policy in section 2 of the act, that the powers conferred by the act are to be used to prevent "undue strains and dislocations upon wages, prices, and production or distribution of materials for civilian use, within the framework, as far as practicable, of the American system of competitive enterprise."

Direct military needs must, of course, be considered and tended to first. Then in fields such as farm machinery, fertilizer, and freight cars, where there are unquestionably bona fide needs, adequate allocations and priorities orders must also be made by the agencies administering the act. However, the requirements of so-called defense-supporting and essential civilian industries should be carefully screened to make certain that they represent bonafide needs to support defense requirements. These agencies should be wary of the claims of those who exaggerate the needs and essentiality of their particular industries to obtain the benefits of allocations and priorities as defense-supporting or essential civilian industries.

Your committee appreciates that the defense-supporting industry category is much broader than it has been in past wars, and that there is frequently no clear line of distinction between essential and nonessential industries. Our experience with export controls has made it clear that the essentiality of a product to a nation's mobilization program depends on many things, the supply, the availability of substitutes, the place the material fills in the Nation's economy, and the like. Your committee is in agreement with Mr. Fleischmann's statement, on page 2780 of the hearings, of the NPA position on this point:

"It is indeed the position of the NPA that no sharp distinction can be made between the essentiality of products without reference to the quantity to be produced. Thus the twenty-thousandth tank produced this month (if this could be done) would be of less essentiality to the Nation than the first railway car, a valve to maintain New York City's water system, or even the first passenger automobile."

In the current phase of mobilization, the defense-supporting and essential civilian category of industry is not all-inclusive and should be most carefully screened. Many of the requirements of these industries can and should be filled in the ordinary course of business, without governmental intervention. The claim of essentiality should not be used to let certain concerns gobble up materials which otherwise would continue to flow through normal business channels and increase goods made available for civilian consumption. In our present twilight of part-peace, part-war, our normal base of civilian production with its concomitant full employment of wage earners should be preserved and encouraged to as great an extent as possible consistent with direct military needs and the minimum of defense-supporting and essential civilian demands. At the same time, in accordance with the act's policy, the powers should be used where necessary to prevent undue strains and dislocations.

Your committee expects that the agencies administering this act will keep these principles in mind in carrying out the powers granted under the act, and will exercise wise judgment and sound discretion in applying them to specific situations.

SMALL BUSINESS AND THE DEFENSE EFFORT

Experience under the Defense Production Act has demonstrated clearly the dangers to our free competitive economy and to independent small business which your committee foresaw last year. Constant vigilance must be exercised of all officials carrying out the program, to prevent undue concentration of industry and to prevent injury or destruction to innumerable independent small enterprises which frequently are less able to shift to defense production and less able to take care of themselves in a disturbed and partly controlled economy.

This problem permeates the entire mobilization program. Small business must be given a fair chance to bid or negotiate on procurement contracts; small business must receive fair consideration in the handling of applications for accelerated tax amortization and loans under title III of the act; small business must be fairly represented in the agencies administering the act and on advisory committees in those agencies; and the orders and regulations must provide for fair treatment and a fair distribution of materials for small business.

Your committee recognizes that many concerns will be hurt by the mobilization program, and that many small concerns will be among them. Your committee also recognizes that efforts have been made by the agencies to give proper consideration to independent small business.

However, your committee does not consider that enough is being done, that the agencies, or at least many officials in the agencies, are sufficiently aware of the importance of giving full and fair consideration to small business in every phase of the mobilization program. Without this vigilant attention to the needs of small business, the mobilization program will suffer, their skilled labor forces and managerial talents may be dissipated, and the contribution which could be made by thousands of energetic and capable businesses would be lost. Equally important, in the long run perhaps more important, is the injury which will result to our free competitive economy unless small business receives full and fair consideration in all aspects of the mobilization program and is permitted to make its full contribution to the defense program.

Your committee urges with all the emphasis at its command that the agencies review their policies and procedures to eliminate anything which might adversely affect independent small business and to take every step which might ensure full and fair consideration to their needs.

Because your committee considered that the present legislative provisions do not provide sufficient protection and assurance to small business, serious consideration was given by your committee to an amendment which would establish a Small Defense Plants Corporation to assist and protect small business. Your committee tentatively decided to incorporate this amendment in the bill, but, because of questions concerning the effect of some of the provisions on small business and the mobilization program, your committee decided that it was unwise to adopt the amendment without further information on these points. Accordingly your committee determined, in order to report out the most effective and helpful bill possible, to hold hearings on the Small Defense Plants Corporation proposal within a week, and to report a bill on the subject within 3 weeks.

ADVERTISING MATTER

In section 402 (e) (iii) of the law, Congress expressly exempted, among other items, rates charged for advertising in newspapers, magazines, radio and television broadcasts, and outdoor advertising facilities. The Office of Price Stabilization extended this advertising exemption by regulation to other general and specific categories, after finding that such exemption would not result in inflationary price rises and would ease the complexities of administration. Clearly this extension of exemption for advertising matter is in accord with the intent of Congress and your committee.

Your committee is unable to understand, however, why book matches were specifically excluded, by name, from the regulatory exemption of advertising matter printed on paper. By no stretch of the imagination could book matches be held to have any effect on inflationary price rises. It is common knowledge that book matches are manufactured and distributed for almost exclusively advertising purposes. More often than not they are given away free of charge to the user. Your committee recommends, in view of these facts, that book matches for advertising purposes be treated in the same manner as other advertising matter printed on paper.

RETAILER'S MARGINS OF PROFIT

Your committee received testimony on need for the maintenance of the May-June 1950 margins of profit to retailers operating on a percentage discount or mark-up basis. The Defense Production Act in its present form now requires that due consideration be given to margins, among other factors, and your committee expects that such consideration will be given in establishing ceilings. Where the retailer's expenses, in the form of commissions and the like, go up with the cost of the product consideration must, of course, be given to these increases in costs incidental to the primary increase in costs.

AMENDMENTS

Extension of the Defense Production Act of 1950—(sec. 1) page 1 of bill

The bill provides for extension of title I (priorities and allocations), title II (authority to requisition), and title III (expansion of productive capacity and supply), together with the voluntary agreement and administrative authority in title VII, in full force to June 30, 1952, and to June 30, 1953, to the extent necessary to aid in carrying out contracts relating to national defense entered into by the Government prior to July 1, 1952. Title IV (price and wage stabilization), title V (settlement of labor disputes), and title VI (control of credit) would be extended through February 29, 1952.

The February 29, 1952, date for the extension of titles IV, V, and VI was chosen because it was felt by your committee that it was necessary to review the program again in the near future. As a result of the delay in the imposition of general price and wage controls, the stabilization program has not been under way for a long enough time to warrant a thorough evaluation of the statute and its effects. How much the present difficulties are the result of administrative deficiencies, how much the result of the delay in starting the program so late, and how much these difficulties are the result of possible deficiencies in the statute, cannot, in our judgment, be determined at this early date. By next winter, also, it will be possible to make a better appraisal of the impact of the defense program on our economy. By that time the making of military obligations should be in full swing, deliveries to the military extremely heavy, the expansion of indus-

trial facilities at its peak, and the pressure on prices and wages very heavy.

The same considerations also apply to the extension of titles I, II, and III, which are concerned primarily with channeling and increasing supply and production. Here, however, it seemed to your committee appropriate to extend the powers to the end of the fiscal year, partly because the operations of the NPA and other agencies exercising the allocations authority are so closely tied to quarterly production schedules and require so much advance scheduling and lead time, and partly because of the longer-run phases of the various programs under the title III authority for increasing production. The limited extension of these powers from July 1, 1952, to June 30, 1953, to aid in carrying out defense contracts entered into before July 1, 1952, was continued, in the light of the testimony presented before your committee to the effect that the military programs and the necessary expansion of productive capacity would continue into 1953. It is not clear at this time, of course, what defense contracts made before July 1, 1952, will have to be carried out during fiscal 1953, nor what priority allocation, requisitioning authority under titles I and II, or what contracting, loaning, or subsidy functions under title III will be needed in fiscal 1953 to carry out those contracts. But your committee feels that there can be no question as to the desirability of providing broad authority under titles I, II, and III, to whatever extent is necessary for the purpose of carrying out any such contracts.

Limitation on roll-backs—(sec. 2) page 2 of bill

Much testimony was presented to your committee on the subject of price roll-backs, particularly as they were applied to beef. The evidence showed that the threat of future roll-backs, possibly even to pre-Korea price levels, was acting or might act as a deterrent to production, by imposing an undue risk on the processing, financing, and distribution of commodities.

The Government has had, since the general price freeze in January 1951, 5 months to roll back any prices which were seriously out of line. Producers should not be required or expected to go on indefinitely not knowing whether their prices will be rolled back to a pre-Korea level.

Since anything which hampers production has an inflationary tendency, your committee came to the conclusion that it would contribute to the stabilization program to impose limitations on the authority to roll prices back.

At the same time, your committee was of the opinion that the roll-backs which had already taken effect could not reasonably be considered a hardship on producers, or a threat to production. Consequently, the decision was made not to recommend cancellation of roll-backs taking effect before the enactment of the amendment.

While the provision adopted by your committee is in some respects similar to a change in the base date (May 24–June 24, 1950), your committee was of the opinion that such a change was not necessary or desirable. In those cases where fair and equitable ceilings can be maintained below the 1951 levels, either by reason of roll-backs which have already taken effect or by reason of possible future orders not involving roll-backs which could freeze prices below the January 1951 levels, your committee considered that the stabilization program would be strengthened, without injury to the producer or a threat to production.

Accordingly, with a view to increasing production, your committee adopted a provision limiting the extent to which prices could be rolled back.

The provision prohibits roll-backs which take effect after the enactment of the provision and which roll the price below the price prevailing during the period from January 25 to February 24, 1951. This period was selected in the light of the action of the executive branch in freezing the general price level on January 26, 1951.

The provision does not cancel roll-backs which have already taken effect; it permits roll-backs which do not reduce prices below the January-February 1951 level if the ceiling is set at the price immediately preceding the issuance of the regulation, thus involving no roll-back. It should be noted that the provision does not permit ceilings to be imposed on agricultural commodities at levels below the minimum levels now prescribed in section 402 (d) (3) of the Defense Production Act.

Hold the Line

In the Defense Production Act which your committee recommended last August to this body and which the Congress subsequently enacted with amendments, a base period was provided, May 24–June 24, 1950—which was intended to serve as a standard for the determination of maximum price ceilings. It was the earnest desire and intent of your committee that in the administration of the price stabilization program prompt steps would be taken to keep prices in a reasonably satisfactory relationship to prices existing in this normal pre-Korean war period. Instead prices were allowed to go on their merry upward way, in spite of the pleading of many members of your committee, the Congress, and other patriotic citizens.

Finally, after 4 months had passed and new price levels and price relationships had enmeshed themselves in the economy, the general ceiling price regulation was issued on January 26 and prices were fixed at the maximum price existing for each commodity during the period December 19, 1950–January 15, 1951. The base period was not the one recommended by Congress and could just as well have been fixed for any prior period.

Since the issuance of that general regulation so-called tailored price ceiling regulations have been issued. Some, it is true, provide for roll-backs from the general freeze date but many new regulations are providing for price increases over the ceilings on the freeze date—in the name, of course, of maintaining proper price relationships.

Your committee has heard enough evidence to be convinced that any method or any base which may be chosen will result in a certain amount of arbitrariness and relative inequity. Since it is convinced that industry possessed, as it will be of the certain knowledge that it will not suffer any further price roll-backs beyond January 24 to February 24 and since there will be considerably less wasted effort and irritation, production will be that much greater. However, your committee is likewise concerned that while prices cannot be rolled back beyond January 24 they are likely, in view of recent actions, to be rolled forward. While your committee realizes that to fix in the law a price freeze on the date of January 24 would be impractical and in very rare instances perhaps unworkable it urges that the Price Administrator hereafter in fixing any maximum ceiling not fix a maximum ceiling at a higher price than the minimum price existing for the commodity in the period January 24 to February 24. This will once and for all stop any further price increase based on other price increases that were, in turn, based on other price increases. The vicious circle of price increases must be broken sometime and by someone. Your committee is satisfied that unless it urges what to some may appear and will be called an arbitrary action, the easy way—the inflationary way—will be taken. Your committee is not convinced that the so-called anti-roll-back amendment will cause a general upward increase in prices across the board as some suggest. Quite the contrary, it is your committee's opinion that it will result in a leveling out and a price level lower than would otherwise be the case.

Limitations on credit controls for automobiles—(sec. 3) page 2 of bill

When the Defense Production Act of 1950 was under consideration by your committee it was apparent that demand for consumer goods had been rising rapidly even before the Korean crisis, and that consumer credit had been a major factor in expanding this demand. This expansion was being greatly accelerated as a result of the Korean crisis, and was recognized as an important factor contributing to the growing inflationary pressure. Following expiration on June 30, 1949, of the authority of the Board of Governors of the Federal Reserve System to exercise control of consumer credit, such credit had increased at an average annual rate of about $3,000,000,000, and in the month of May 1950 the increase in such credit was at the annual rate of $6,000,000,000.

By far the greater portion of consumer credit is installment credit, especially for the purchase of durable goods. Of the total increase in consumer credit above referred to, 83 percent was in installment credit. Following the removal for consumer-credit controls on June 30, 1949, reduced down payments and extended periods for deferred payments became general.

Your committee last August recognized the fact that the extraordinarily high and increasing demand for consumer goods was being greatly accelerated by the easy credit terms which prevailed after the removal of controls. It was clear in this situation that demand for consumer goods tended to outrun supply, with consequent rapid rises in prices, which were approaching record levels. It was clear also that increased requirements for military purposes would further aggravate the situation, and that unless prompt action was taken the country would be faced with serious problems of gray markets and spiraling prices.

Such was the situation that prompted enactment of section 601 of the Defense Production Act of 1950. The section revived the authority of the Board of Governors of the Federal Reserve System to exercise consumer-credit controls in accordance with the provisions of Executive Order No. 8843 (August 9, 1941) until such time as the President might determine that the exercise of such controls was no longer necessary, but in no event beyond the date of termination of the section.

Exercising the authority conferred by this section promptly, the Board of Governors of the Federal Reserve System on September 18, 1950 (10 days after the bill became law, issued Regulation W, applying to the business of extending installment credit in amounts of $5,000 or less. Among other provisions, the regulation required down payments of one-third on passenger automobiles designed for the purpose of transporting less than 10 passengers, including taxicabs, and payment of balances due in 21 monthly installments. Less than a month later—October 16, 1950—the period allowed for completing deferred payments was reduced to 15 months.

This drastic restriction was established just when expansion of defense industries was bringing about extensive migration among workers, thousands of whom needed automobiles for transportation to and from their places of employment. It became exceedingly difficult—in many cases impossible—for such workers, as well as other low-income persons, to acquire needed transportation because they were unable to meet the larger monthly payments necessary under the shortened period for completing payment. Complaints from persons so situated were received in great numbers by members of your committee to the effect that employment in defense industries was

available to them, but that they were unable to provide themselves with transportation to and from the place of employment, and unable to secure living accommodations at the plants where employment was available.

Data received by members of the committee also established the fact that moderate- and low-priced cars—the type needed by defense workers and other low-income persons—were accumulating in the hands of dealers and manufacturers. Plants and workers were becoming idle and the resulting decreased production only served to intensify the inflationary pressures rather than reducing them. Abundant evidence of these facts was presented to your committee as well as to the Joint Committee on Defense Production. It is our understanding that similar evidence has been presented to the Board of Governors of the Federal Reserve System, but the Board has not seen fit to liberalize the terms of Regulation W as applied to the purchase of automobiles.

Your committee is convinced that the representations made as to conditions prevailing in the field of installment purchases of automobiles are sufficient to justify enactment of a statutory requirement that no more than one-third down payment and not less than 18 months for completion of deferred payments shall be prescribed by the Board of Governors of the Federal Reserve System for installment purchases of automobiles under the authority conferred by the Defense Production Act of 1950, as amended. Your committee's sole purpose in approving this provision is to extend from 15 to 18 months the maximum maturity for deferred payments on automobiles, and to prevent a higher down payment than 33⅓ percent as now provided in Regulation W. No change in the method of calculation is intended.

In arriving at this decision your committee wishes to emphasize its conviction that the administration of controls over consumer credit by the Board of Governors of the Federal Reserve System should be sufficiently flexible to permit relaxation or tightening of the regulation in accordance with the conditions prevailing in the respective segments of the economy to which the regulations apply. Specifically, it is your committee's view that relaxation of the control regulations should be promptly effected when it becomes evident that accumulation of inventories seriously threatens to impede production with resulting unemployment in the industry affected. Conversely, controls should be tightened when it becomes apparent that the supply of the articles affected tends to fall below demand. An important element in the desired flexibility of credit-control regulations is promptness in making changes to meet changed conditions of the type above indicated.

REAL-ESTATE CREDIT CONTROL

It is your committee's further firm conviction that regulations for the control of real-estate credit, authorized under sections 602–605 of the Defense Production Act of 1950 should be relaxed insofar as they tend to retard the production of adequate housing in officially designated critical defense areas as provided for in section 204 (m) of section 5.

Repeal of title III, appropriation limitation—(sec. 4) page 3 of bill

This amendment would delete the present ceiling on appropriations for the expansion of productive capacity and supply under title III. Section 304 (a) now provides borrowing authority in the amount of $600,000,000 for this purpose, and section 304 (b) contains additional appropriation authority in the amount of $1,400,000,000. Of this authorization, $1,000,000,000 has already been appropriated to cover purchases and resales, commitments to purchase, and loans during the fourth quarter of fiscal 1951.

This would leave only $400,000,000 available for appropriation for the entire fiscal 1952. Such a limited amount for the purpose of increasing productive capacity and supply, in the magnitudes described earlier in this report, would be hopelessly inadequate.

Your committee, therefore, removed the specific limitation. Requests for appropriations for these purposes will, of course, be scrutinized by the respective Committees on Appropriations and passed upon by the Congress.

Extension of the Housing and Rent Act of 1947—(sec. 5) page 3 of bill

On June 6 of last year your committee recommended an extension of Federal rent control to June 30, 1951, which it believed consistent with the policy of Congress to terminate Federal rent control at the earliest possible time and to provide for an orderly transition to a free rental market. Your committee stated in its report: "This bill will achieve two major purposes—it will prevent hardship and economic dislocation for millions of citizens and, at the same time, it will insure an orderly transition to a free rental market."

The bill recommended was a decontrol bill in that it provided four methods of decontrol, three of which were based on local self-determination. It was the belief of your committee that the easiest transition to a free rental market was to give local governing bodies the authority to remove rent control and further to require local bodies to request affirmatively controls if they were to continue in the community after January 1 of this year. At that time it was the consensus of your committee that on June 30 of this year rent control at the Federal level should and would be permitted to die.

The day after the Housing and Rent Act of 1950 became a law marked the outbreak of the present Korean conflict. Since that time a vast mobilization program has been undertaken. Legislation has been provided for economic stabilization and we are engaged in an all-out defense effort.

In the meantime rent control would have expired in a very large number of communities on December 31, 1950, through failure of the local governing bodies to act affirmatively for continuance of Federal rent control. When your committee began looking into this potentiality on November 29, 1950, it was reported that about 1,700 incorporated places with a population of 27,839,000 and an estimated 3,750,000 rental units had failed to act. Your committee felt it necessary to extend the automatic decontrol date to give the new Congress an opportunity to review the entire matter of rent control in the light of the total mobilization program. The Congress extended the date to March 31, 1951. Again in March the date was extended to June 30, 1951.

Present Need

In the light of these new and changed conditions your committee conducted a thorough hearing on the need for further Federal rent control. Government officials, representatives of landlords, tenants, veterans, labor and consumers, and individual property owners were heard on the question. After a careful study of the testimony your committee feels that Federal rent control should be continued during the present national emergency in order to assist in the achievement of over-all economic stabilization and in the interest of our vast defense effort.

Evidence presented to the committee left no doubt whatsoever that there exists a very serious housing shortage in a large number of communities, particularly in areas around reactivated and expanded military establishments and areas to which large numbers of workers are migrating because of increased work in defense plants. Testimony on behalf of the military as well as that of other Government officials indicated that in many areas around military installations exorbitant rents are the rule rather than the exception. This information came from exhaustive surveys made by the Army, Navy, and Air Force, and presented by them to your committee.

Your committee also received a number of communications from commanding officers of military posts telling of exorbitant rents being charged GI's and their families and the wholesale increases in rents in and around these military establishments as the limited supply of vacant housing accommodations diminish. Your committee also has been informed that vital defense work is already being held up and will suffer even greater delays because of the inability to secure or retain the manpower required because of the high rentals being asked for the housing accommodations still available.

A typical example of what is happening around military installations may be taken from the Detroit (Mich.) Free Press, March 7, 1951:

"SELFRIDGE AIRMEN CITE RECKLESS RENT BOOSTS

"MOUNT CLEMENS.—Excessive rent increases have been imposed on Selfridge Field Air Base personnel, a spokesman for the base charged.

"Capt. Arthur J. McConnell, Jr., public information officer, declared that some of the increases imposed on 800 military families were reckless.

"He said Col. James R. Gunn, base commander, had recommended a continued survey of the situation by unit commanders.

"The Selfridge Flyer, air base publication, complained of the increases in a front-page editorial.

"Controls were lifted a week ago despite protests by Colonel Gunn.

"The following instances were cited:

"An airman who had been paying $55 a month for a $45-ceiling apartment has been asked to pay $80.

"A rental which had been $75 was raised to $125."

The 1950 census reported a vacancy rate country-wide of only 1.1 percent for nonseasonal, nondilapidated dwelling units offered for rent. The Housing Expediter reported that housing surveys in 100 cities indicated less than two-thirds of 1 percent of units vacant. The Bureau of Labor Statistics recently reported that: "In nine areas where rents have been uncontrolled, * * * from 28 to 70 percent of all rental units have experienced rent increases. * * * The average rise in rents since mid-1949 for the nine decontrolled cities was 19.8 percent. In contrast the cities which remained under control rose an average of 3.5 percent." These surveys were made several months ago and in areas where presumably the vacancy ratio was nearer normal. Your committee was persuaded that with the slowing down of new residential construction, and the sudden expansion in the demand for rental housing accommodations in many industrial and defense areas that rents without reasonable control in these areas would increase inordinately and cause inflationary pressure on wages and all segments of the economy.

Testimony on the part of mobilization officials, including the Defense Mobilizer and the Chairman of the Munitions Board, urged that the authority to stabilize rents is essential to the successful prosecution of our industrial expansion and military procurement program. It was insisted that without such controls there would be a serious morale problem as well as a large turnover in workers with the resultant additional expense involved in training new workers.

Provisions of the Bill

Controls in critical areas: In the light of this and other testimony your committee, fully cognizant that the Congress prior to Korea was definitely committed to an early termination of Federal rent control, feels

that authority should be granted to impose or reimpose controls in certain limited areas. The bill as reported, therefore, provides authority for the recontrol or control of maximum rents in "critical defense housing areas." Such controls can be imposed only upon the designation of an area as a critical defense housing area by the Secretary of Defense and the Defense Mobilizer, acting jointly, under certain well-defined standards. In order for such an area to be so designated, all of the following conditions must exist:

1. a new defense plant or installation has been or is to be provided, or an existing defense plant or installation has been or is to be reactivated or its operation substantially expanded;

2. substantial in-migration of defense workers or military personnel is required to carry out activities at such plant or installation; and

3. a substantial shortage of housing required for such defense workers or military personnel exists or impends which impedes or threatens to impede activities of such defense plant or installation.

In addition, your committee felt that, since the need for rent control as an aid to the defense effort is not limited to any particular type of housing accommodations, authority should be granted to impose controls on all types of housing, including those heretofore exempted from controls, such as new construction since February 1947, conversions, hotels, motor courts, and the like.

Rent control can continue in such areas only so long as the area is determined to be a critical defense housing area. In addition, the local-option provisions of the present act are applicable to critical defense housing areas with the proviso that controls may be reimposed upon a further certification after the expiration of 30 days from the date of the local option decontrol.

Relaxation of Regulation X: Your committee is well aware that rent control is not the answer to a housing shortage. The only real solution is the building of additional housing. For that reason your committee has included in the bill a provision that when an area is certified as a critical defense housing area, real estate construction credit control shall be relaxed. Your committee feels that this is a necessary incentive toward the creation of sufficient construction as to make possible an earlier termination of rent control.

Recontrol by local governing bodies: Under the present law in an area that has been decontrolled through action of a local governing body Federal rent control may not be reimposed in any manner. Your committee feels that provision must also be made permitting the local governing bodies to reimpose Federal rent control where heretofore they had the authority to remove those controls. Your committee is well aware that the housing situation in many localities has changed substantially as a result of our defense effort. Where there were vacancies there are now shortages; where landlords were in competition for tenants, now tenants are in competition for the accommodations. In the operation of the democratic processes at a time of national emergency your committee feels that it is only just and fair to permit recontrol upon initiative of these same local governing bodies. Such a provision is now included in the bill.

Local and State control: Testimony before the committee indicates that at least one State and some local communities have their own local rent control. Your committee feels now, as it did a year ago, that rent control, whenever possible, should be handled by local law and local authorities. While circumstances of the moment necessitate that Federal controls should be continued, where local controls are in effect and are adequate they should be permitted to continue and the Federal Government should not be permitted to reimpose its controls.

Accordingly, safeguards are placed in the bill to continue effective State and local controls by providing that Federal controls cannot be reimposed unless and until the rent component of the Consumers' Index of the Bureau of Labor Statistics for such State or locality has increased more than the rent component of the index for the entire country during any 6 months' period.

Twenty-percent increase: In considering new rent-control legislation your committee was quite concerned with the position of landlords, particularly the small landlords who rely upon the income from one or two pieces of property for their livelihood. Every known avenue was considered to find some method to provide landlords a satisfactory income from their property so that, to some extent at least, the landlord's, particularly the small landlord's take-home pay was in line with the relative position of others in our economy.

The testimony of the Housing Expediter relative to adjustments granted during the past year indicates that the amount of the adjustments has been liberalized and the procedures have been simplified. With the aid of local rent advisory boards a simplified procedure was instituted for granting landlords, particularly the small landlords, compensation for increased operating costs. Out of 317 local rent advisory boards in all areas under rent control, 190 adopted the simplified procedure for areas containing approximately 3,200,000 rental units out of the estimated total of 6,700,000 under rent control. The majority of the boards recommended a standard 15-percent increase. Most of the boards which did not adopt the plan felt that other simplified procedures for individual adjustments were adequate. As of April 25, 1951, almost 400,000 such adjustments had been granted.

There was also evidence that during 1950 the landlords' net operating income had increased considerably since 1942. It was not denied that expenses were higher in 1950, but because of additional income through lack of vacancies, elimination of so-called sales expenses, less maintenance and repair expenses, and reduction of nonessential services, the net operating income position of landlords was considerably better than in pre-World War II days. His income after expenses is considerably higher now. Further evidence indicated that the landlords' investment was in good condition in that foreclosures were at an all-time low and sales prices of rental housing had increased very materially over the prewar level. For these reasons, some of the members of your committee felt that the present provisions for the adjustments in rent were adequate and no further grounds for an increase in rent should be written into the act. Particularly were these Senators impressed with the work of the local rent advisory boards, composed of volunteer citizens who work in the interest of both landlord and tenant. It was believed that these local citizens could, and would, as they had during the past year, bring about necessary rent adjustments within the framework of the present act.

On the other hand, other members of the committee, cognizant that all the other items making up the cost of living had increased considerably over that of rent, felt that it was only just and fair to bring landlords into a more favorable position by allowing them rent increases commensurate with the increase in the consumers' cost-of-living index. They felt that, while landlords' net income might be higher, their dollars still would not buy as many cost-of-living items due to the increased cost of food, clothing, shelter, services, etc.

Your committee stated in a previous report on the Housing and Rent Act of 1949, a slight increase in rent can result in a very large increase in the net return to the landlord. The net return to the landlord is in effect his take-home pay. In the interest of bringing about a satisfactory and equitable solution, your committee was confronted with the problem of determining just what percentage increase in rent was necessary to bring the average landlord's net operating income to such a level as would place him in a more favorable position in contrast with the increase in the over-all cost of living since World War II and at the same time seeking to protect the tenant against an exorbitant increase in his rent bill and ultimately to help check inflation.

Your committee feels after considered deliberation that it has reached a just and fair solution of the matter. A 20-percent increase in rents above the level of wartime rents will, in the opinion of your committee, raise the net operating income of landlords sufficiently to place his income in line with the present cost of living. Provision has been made in the bill, therefore, for an automatic increase in rent so that every landlord will be able to collect at least 120 percent of the maximum rent under the Emergency Price Control Act. Adequate safeguards are provided for increases granted for capital outlays, increased services, furniture, furnishings, and equipment under the Housing and Rent Act of 1947 and for hardship and other adjustments granted prior to the present act. Likewise provision is made for a deduction of those increases which individual landlords may have already received under the present act to compensate them for increased costs and expenses, so as to bring all landlords into the same relative position.

Inequity and hardship adjustments: Provisions of the present act for correction of inequities and hardships are continued. Likewise the local rent advisory board machinery is continued to provide a means of equitable treatment for both landlords and tenants at the local level.

It would be impossible to write a rent formula that would be fair to every landlord in the country or that would place each landlord in the same position. Your committee feels, however, that with this amendment and the continuation of the provision for hardship adjustments, landlords would generally be treated equitably during this period of emergency.

Eviction control: The testimony revealed that the problem of evictions was acute in areas where serious housing shortages existed. In fact, illegal evictions are difficult to cope with and prevent under the present act. Yet, an illegal eviction is more disruptive of the family life than are illegal overcharges. It was apparent that additional authority was necessary to correct a deficiency in the present enforcement machinery. Accordingly, the bill makes any person who unlawfully evicts a tenant liable to the person so evicted (or upon civil action by the Government) for reasonable attorney's fees and costs plus liquidated damages. This is similar to the provisions in the present act for damages for unlawful overcharges.

Chicago hotels: The present act now exempts hotels from control except residential hotels in cities of over two and one-half million in population. The practical effect of this is to control residential hotels only in the city of Chicago. At the time this provision was placed in the act accommodations of this type constituted an acute problem in that city. Your committee feels, however, that this provision should now be eliminated. If control of hotel accommodations is necessary in Chicago and it is designated as a critical defense housing area, ample provision is made in the bill for control in the same manner as such accommodations may be controlled in other critical defense housing areas.

Government housing: The bill amends the present act so as to make clear a position that your committee has always taken. It

had always been intended that housing owned and operated by the Government should be subject to rent control. Because this was not made explicit in the act it has been construed differently in some quarters and in at least one court decision. Accordingly, the definition of the word "person" is amended by the bill to expressly include the "United States or any agency thereof."

Transfer of rent control office: Your committee considered rent-control legislation as a part of the over-all mobilization and stabilization program. It feels that rent control should be a constituent of the agencies dealing with those objectives. Accordingly, the bill abolishes the Office of the Housing Expediter except for liquidation purposes. Further, it places the powers, duties, and functions, heretofore vested in the Housing Expediter, in the President, with the provision that rent control shall be administered through the Office of Economic Stabilization. Appropriate provision is made for the transfer of functions and personnel of the Office of the Housing Expediter to that agency.

CONCLUSION

In the light of all the facts and circumstances brought to its attention during the extensive testimony your commitee is convinced that rent controls should not be removed on June 30 of this year. To do so would not be in the interest of the stabilization of our economy or in the interest of our broad mobilization program. To meet the problem your committee feels rent control should be extended along with price and wage controls, with certain changes that are necessary to gear the new rent control program to the present mobilization effort as distinguished from a program of rent control geared to early decontrol of rents as contained in the act passed last June. It is the opinion of your committee that the bill accomplishes those objectives.

ADDITIONAL VIEWS OF SENATORS FULBRIGHT, SPARKMAN, DOUGLAS, BENTON, AND MOODY ON THE ANTI-ROLL-BACK AMENDMENT

We are presenting these additional views because we believe that if the Senate enacts this bill, as reported, it will be telling the American public that it does not care about inflation, the strength of our economy, or the value of the dollar.

We believe that the times, and the events ahead of us call, if not for a stronger anti-inflation law than the one we now have, then certainly for one no weaker.

Yet the bill reported by your committee is merely a crippled version of the present law, hamstrung by a single, brief amendment, the so-called anti-roll-back amendment.

The partially controlled inflation that might be achieved under this new bill is certainly better than the chaos of having no bill at all. For this reason, we voted to report the bill.

But we are compelled to state what we believe to be the disastrous consequences of enacting the anti-roll-back amendment, adopted by your committee.

It should be clearly understood that this amendment does not apply to beef alone. It strikes across the board—at prices paid by labor, by business, by farmers.

We are convinced that this amendment will either cripple production, or impose upon a war-distorted economy a level of prices drastically higher than today's already inflated prices. The prices paid by farmers will not be exempt. And with the price line thus broken, the wage stabilization level cannot but follow suit. We will be caught up in the vortex of inflation.

Your committee was in agreement upon the evils and the dangers of inflation. We agree that our fight is not on one but on two fronts: against communism from without and inflation from within. We are agreed that a defeat from within would be just as disastrous as a defeat from without—and much less costly to our enemy.

We agree that we must build and maintain our strength, both military and economic, if we are to avert another world war. We know that this will require the expenditure of many tens of billions of dollars for defense purposes, and that this can only mean an ever-widening gap between consumer dollars and consumer goods.

Yet the committee hearings were held during a temporary lull in the advance of inflation, and there was and still is a temptation to forget, or to minimize these dangers. We had watched the wholesale price index, which jumped 16 percent from June 1950 to February 1951, hold steady during the last 4 months. And as the hearings closed, wholesale prices had just begun to turn downward. Consumer prices experienced a similar leveling throughout the spring. The effect of this price lull was to make the problem of digging in against inflation less urgent in the public mind.

Yet your committee received abundant evidence that this is merely the lull before the real inflationary storm. Our mobilization effort is now in low gear. Its speed will accelerate during the coming year, bringing on mounting inflationary forces. During the next 12 months, our defense spending will be twice what it has been since Korea. During the past year actual deliveries to the Defense Department alone averaged just under $1,000,000,000 a month; currently the delivery rate is about $2,000,000,000 a month; over the next 12 months it will average over $3,000,000,000 a month.

During the first quarter of this year, only 12 percent of our steel supply was being devoted to defense production. By the end of the year it will be 20 percent. Civilian allotments of copper have been cut by 25 percent already, and defense uses of copper continue to rise. One-quarter of our aluminum supply this year will be diverted from civilian to military uses. Only a third of our total stockpile requirements have as yet been met. From three to four million workers will have to be diverted from civilian to defense production, and we have not yet drawn all of the required manpower into the armed services.

The $38,000,000,000 actual deliveries of defense items during the next year means sharp drains from civilian supplies of goods, and sharply reduced civilian markets; and at the same time it means that $38,000,000,000 will be paid into the hands of business and wage earners, which can be used to bid up prices on limited civilian markets—unless effective price ceilings prevent it.

All of this spells one thing: Ever-shrinking consumer supplies; ever-growing consumer demands. Lower Government spending, higher taxes, and tight credit policies can and must help narrow the gap. But as the defense economy shifts from second to high, the gap cannot be totally closed. Direct controls, effective controls, well-administered controls, must make up the difference.

The great mass of consumers, who are not prodded by some organized group, often do not express themselves on economic issues until the economic pressure are upon them, and it is too late to take preventive action. During recent months, the necessity of writing to Washington about inflation has seemed postponable. A general feeling arose in Washington that there was no great interest throughout the country in this anti-inflation legislation.

The consumers as such have no lobby and no lobbyists.

No consumer representative appeared before your committee to complain about the $20,000,000,000 that has been taken from consumers through the rising prices of the past year.

Your committee heard no representatives of the American taxpayer, as such, to protest the fact that a Garand rifle that used to cost $44 now costs $64, and that last year's tax increase has already been rubbed out by the $7,000,000,000 extra the Defense Department is paying in higher prices.

We believe that the Congress should be the consumer's spokesman. We believe that the Congress should lead and educate, should give the public the facts and help it to face the real dangers, and should not merely follow the tardy spurts of public alarm or public apathy.

We believe the Congress should see beyond this temporary calm, and fix its attention on the pressures of inflation which are coming within the 8-month life proposed for this act.

We have heard it said that the American public and American business will not stand for "a system of price roll-backs or the burdens and complications of controls." We believe that the Congress should begin to ask, "What will the American economy stand?" While it may not function ideally under controls, the economy cannot withstand a runaway inflation.

Any effective program for controlling inflation—through tax increases, expenditure cuts, and credit restrictions, as well as the awkwardness of controls—is not likely to be popular. But if the Congress should fail to protect our basic economic structure; if it should stand by while the fires of inflation are burning out our free system, then it would scarcely be doing its duty.

For these reasons, we oppose the anti-roll-back amendment reported by your committee. That is why we have set down, in these additional views, the basis for our conviction that this amendment can only sabotage the entire stabilization program by leading to drastic price increases—and an engraved invitation to a round of wage increases.

PRICE RELATIONSHIPS ARE VITAL TO PRODUCTION

No price lives alone. All prices come in groups and bear close relationships with each other. The price of raw wool governs the price of woolen worsteds which governs the price of men's suits.

Trying to freeze all prices on a given date is as impossible as trying to freeze a high jumper in midair. Like the high jumper, prices are always in motion and, like the high jumper, they are always somewhat distorted from their normal position.

Any general price freeze, such as the one instituted on January 25, is bound to catch prices out of shape and in midair. To go back to the wool example, raw wool prices had jumped from $2.93 a pound on October 19, 1950, to $3.90 a pound on the freeze date. But, in the same period, the price of 14-ounce men's suiting had only had time to advance from $4.75 to $5.24 a yard. In order to bring the suiting prices into line with raw wool prices, OPS had to advance suitings to $6.70 a yard, which probably increases the price of a man's suit by $5.11. Without such an adjustment, the suiting manufacturer would have been forced out of business. A more desirable alternative would be to bring the abnormally high price of wool down rather than raising the price of men's suits to meet the price of wool. Such a thing would be prohibited by the anti-roll-back amendment.

The last time we had normal price relationships was during the month before Korea (May 24 to June 24, 1950), which is the base period established in the Defense Production Act of 1950 as it now stands.

Since then these relationships have been severely distorted by four events: (1) The post-Korean scare-buying spree that took place during July and August; (2) the second scare-buying wave that occurred after the Chinese intervention in Korea; (3) the Government's December 19 request that all prices be held voluntarily to their current

level, which induced many businesses to hold their prices while costs were rising; and (4) the anticipation, during most of January, that price controls would ultimately be imposed. These four events meant that on January 25, when all prices were frozen, prices were badly out of shape and were moving very rapidly. The following table of wholesale price increases between January 1950 and January 1951 indicates the magnitude of the distortions:

BLS wholesale price subgroups:	Percent increase
Dairy products	26.2
Eggs	27.6
Fruits and vegetables	−3.1
Hides and skins	57.7
Shoes	18.6
Cotton goods	27.6
Silk	77.7
Anthracite coal	4.0
Petroleum and products	4.8
Nonferrous metals	26.6
Structural steel	6.6
Lumber	10.6
Oil and fats	79.1
Rubber, crude	134.1

Admittedly, the general price freeze is unfair, since it freezes all the distortions into the economy. The January freeze also locked prices at peak levels. Unfortunately, it is the only way the present price program could start. After the general freeze, it is then the job of the price-control agency to devise ways of taking each area of the economy (manufacturers, wholesalers, retailers, etc.) out of the general freeze, and of putting them under tailor-made orders that will bring price relationships back into shape.

This "tailored pricing" job has its basis in the setting of manufacturing prices, since it is on these that retail and wholesale prices will be based. This is the principal area in which the pre-Korea base period is used. Each manufacturer is permitted to charge his pre-Korea price (of May 24–June 24, 1950), plus any post-Korea cost increases of materials and factory labor only (in most cases). This is the formula used in the general manufacturer's regulation (CPR 22) and in regulations covering machinery, woolens, cotton textile, apparel, and shoes.

For those manufacturers whose prices have gone up less than their labor-and-material cost increases since Korea, this formula will allow a "roll forward," as in the case of the woolen suitings, so that prices will catch up with costs. Those manufacturers whose prices have gone up more than their cost increases will be required to bring their prices down into line with their costs. It is this which section 2 of your committee's bill prohibits.

It is also the intention of the committee, as stated in the committee's report, that in the administration of this amendment, not only should prices not be rolled back below the January 25 level; they should also be prevented from rising any further above the January 25 level. In other words, all prices that have not been changed by OPS since January 25 would be frozen solid—with all the distortions of January 25 frozen in. The adjustment that kept our woolen worsted manufacturer in business would no longer be possible.

These distortions of prices are not confined to one industry. They are distortions between business and business, between business and farmers, between business and labor, and between farmer and laborer. They are not easy to work out of the economy. Yet if production is to continue, they must be worked out.

THE SPECIFIC EFFECTS OF THE ANTI-ROLL-BACK AMENDMENT

A. It would mean a general price increase to the level of the highest prices: Unless production is to be stopped, the distortions must be taken out of the economy. Without an upward adjustment for the rising price of raw wool, the worsted manufacturer cannot continue in business. The anti-roll-back amendment, which forbids downward adjustment of the highest out-of-line prices, leaves only one alternative: to raise all prices into line with the highest general freeze prices.

For example, rayon cloth prices have risen sharply. Rayon converters, who make up clothing, are appealing for a price increase. A planned roll-back of the high rayon prices would be prohibited by this amendment, and clothing prices would have to rise.

The magnitude of the resulting general price increase is impossible to fix accurately. Economic Stabilizer Johnston has estimated it at a 6-percent increase in the Consumers' Price Index, over half as great as the post-Korean inflation we have suffered. The most accurate industry estimate is for the building trades. Without this amendment, a $1,000,000,000 saving will be effected annually. If the amendment is enacted, there will be annual price increases of $500,000,000 in building materials alone.

B. It would mean an upward revision of the wage stabilization formula: If there were a general price increase, not only would the 3,000,000 workers covered by escalator clauses rise automatically, but the general formula of the Wage Stabilization Board, which now automatically permits wage increases up to 10 percent since January 1950 would be revised.

In testifying before your committee, Dr. George Taylor, Chairman of the WSB, said:

"The central theme of regulation No. 6 was the equity of preserving the standard of living of work, as it existed on January 15, 1950. The Board expressly provided in regulation No. 6 that:

" 'The Wage Stabilization Board recognizes that there may be further changes in the cost of living. The present policy is adopted for the period until July 1, 1951. The policy set forth herein will be fully reviewed and reexamined before the end of this period' " (p. 847, vol. 1, hearings).

C. It would not necessarily prohibit, but might authorize severe farm roll-backs: The amendment provides that a price ceiling may be set as low as (A) the price prevailing just before any price regulation is issued or (B) the January 25, 1951, price.

Farm prices are always the first to go down when there is a general price recession. Although the ceiling price on cotton is 45 cents a pound, the October futures, based on the anticipated 16,000,000-bale cotton crop, are now at 37 cents. Under this amendment, OPS could step in tomorrow and place a price ceiling of 37 cents on cotton, since the price prevailing just before the issuance of the regulation was lower than the January 25 price.

If this amendment is designed to prevent the roll-back of beef cattle prices, it is poorly designed. For if a sudden glut of the beef market broke the average price of beef to $25 a hundredweight, OPS could step in with a $25 ceiling.

We believe this amendment could be used to the great injury of the farmers.

D. It would invalidate all manufacturers' price regulations as well as all reporting work and expenses of over 75,000 manufacturers: This amendment would prohibit the use of the pre-Korea-price-plus-cost-increase formula used for manufacturers, since that formula involves a roll-back of prices out of line with the pre-Korea base period, and since the first regulation to use that formula is not effective until July 2. That would raise the following problems:

(a) All of the expense and work of reporting costs on the part of well over 75,000 manufacturers would be wasted.

(b) The job of devising tailor-made regulations for manufacturers' prices would be delayed by 4 months.

(c) Many concerns have already reported their cost; for them ceilings, involving both roll-backs and roll-forwards, are now in effect. Presumably, these ceilings would have to be canceled if the early reporters were not to be penalized.

E. It would generally preclude passing on to consumers the advantages of drops in raw materials costs: The price of burlap from India is now softening. If burlap bag manufacturers are now selling at their January 25 levels, it would be impossible to enforce the passing on to the farmer the advantages of the low-cost burlap, since roll-backs beyond January 25 levels are prohibited.

F. Larger price increases would have to be granted those concerns "caught short" by the general price freeze: Two general types of concerns would be penalized by the general price freeze unless their prices were raised significantly, to the level of the highest frozen prices:

(a) Those concerns which responded to Government's request for voluntary price ceilings: although this supposition has been deprecated, the fact remains that a great many public-spirited concerns did respond to the Government's request of December 19, and held their prices despite increasing costs.

There are many such cases that can be cited, of which the following are typical:

The makers of Dr. Denton's children's apparel, which have the largest plant in the city of Centerville, Mich., held their prices despite rising cotton prices, and have had to seek relief. The Cone Export & Commission Co., which makes denim material in Greensboro, N. C., held its price to 45 cents a yard while the industry price rose to 48 cents.

(b) Makers of heavy capital machinery, whose contracts are fixed far in advance of delivery or production: The Baldwin Locomotive Co. would have operated at an annual loss of $400,000 had it been kept at the general price-freeze level. If the committee intent of no price rises over January 25 is carried out, no adjustments would be possible.

G. It might prevent the lowering of import prices: the placing of a ceiling on domestic wool at 30 percent below the world price, which would have made American importers sell here at a loss, and which kept them from bidding at the world price, brought about a lowering of the Australian wool market, and enabled us to import much-needed wool at lower prices. The only other way this advantage could have been achieved is through a Government buying monopoly on wool, which is strongly opposed by the wool traders. The price of Scandinavian wood pulp might be lowered similarly, were it not for this amendment.

We would also like to raise questions as to the difficulties of interpreting this amendment.

For example, what is meant by "the price prevailing" during the base period? Does this mean the lowest price, or the highest price? Does it mean the average price for an industry, or the prices that individual concerns were charging?

And why was the base period selected as the month following the general price freeze? Presumably, the intention of the amendment was to prevent roll-backs beyond the general price freeze. Why was the standard for the general freeze—the highest prices prevailing between December 19 and January 25—not chosen?

It must be admitted that to say that the Price Administrator has the authority to roll prices back to June 1950 gives the appearance of a drastic power in the hands of Mr. DiSalle. We believe that this is not a fair phrasing of the present provisions of the law, which require that he "give due consideration to" the prices prevailing in the pre-Korea period. To roll prices back completely,

without giving any consideration to cost increase since that date would, we believe, violate the requirement that all price regulations be generally fair and equitable.

On the contrary, the application of the manufacturers' formula, permitting actual cost increases to be added to the pre-Korea price proves to be more moderate in its effect than might be thought. The following table arrays the various price roll-forwards and roll-backs which result when this formula is applied to the building-materials industry. It will be seen that the largest roll-back is 11 percent, whereas there are price advances of 15 and 20 percent. The annual net saving of this regulation is about $1,000,000,000, since the roll-backs would total $1,500,000,000, and the price advances $500,000,000.

Commodity	Percent decrease from GCPR	Percent increase from GCPR
Aggregates	0	0
Air-conditioning equipment	2.5	
Agricultural drain tile	7.5	
Brick	5.0	
Builders' hardware		2.5
Cast-iron furnaces		15.0
Cast-iron boilers	10.0	
Cast-iron radiation	5.0	
Cement	0	0
Commercial refrigeration		5.0
Concrete blocks	5.0	
Furnace pipe and fittings	10.0	
Gypsum products		5.0
Glass	2.5	
Hardboard	0	0
Insulation board		1.5
Lime	0	0
Miscellaneous building products	5.0	
Metal lath		2.5
Mineral wool	2.5	
Prefabricated buildings		5.0
Prefabricated silos	0	0
Plumbing brass		2.5
Plumbing fixtures:		
China	10.0	
Cast iron	7.5	
Steel	11.0	
Oil burners and stokers	2.5	
Ready-mix concrete		5.0
Roofing		5.0
Sewer pipe	5.0	
Steel furnaces	0	0
Soil pipe		2.0
Tanks	5.0	
Stove pipe and fittings	10.0	
Paint, lacquer, and varnishes		3.5
Cork products		20.0
Valves:		
Brass		10.0
Iron	10.0	
Steel		5.0
Fittings:		
Brass		5.0
Iron	5.0	
Steel	0	0
Installed sales	3.0	(1)

[1] Anticipated.

Our economic structure gets its strength from its variety and complexity. Yet these characteristics make the task of price control exceedingly complex. Equally complex is the task of writing price-control laws. The amendment in question is an excellent case in point. It consists of less than six lines. Yet, as we see it, these six lines have the effect of ripping out the level foundations of the price-control structure, and substituting for it the ragged edge of an artificial floor. It destroys much of 4 months' work and experience in the building of a price-control structure. It makes us begin to build again with a completely new set of plans. One of the great complaints about the period immediately preceding the imposition of price controls was the uncertainty of the future. A price-control system was established—tardily perhaps—and much of the uncertainty began to be resolved. The enactment of this amendment will stir up that uncertainty anew. All this, we believe, is the result of an apparently simple six-line provision.

This amendment was adopted—by a bare majority of your committee—without, we believe, a full appreciation of the many ramifications and implications which we have attempted to set forth in these additional views.

Should this amendment be adopted, it would only be the first among many hundreds that would soon be presented in an effort to correct the inequities and distortions which would be frozen into our economy.

The Congress has often criticized our executive agencies for their ivory-tower approach to problems. In our view, this amendment represents the acme of economic unreality, the height of economic folly.

J. WILLIAM FULBRIGHT.
JOHN SPARKMAN.
PAUL H. DOUGLAS.
WILLIAM BENTON.
BLAIR MOODY.

SUPPLEMENTARY STATEMENT OF VIEWS OF SENATORS DOUGLAS, BENTON, AND MOODY ON PROPOSALS TO STRENGTHEN THE DEFENSE PRODUCTION ACT

Aside from the anti-roll-back amendment, which we believe will sabotage the entire stabilization program, there were a number of proposals to strengthen the Defense Production Act which we believe are deserving of more serious consideration than they have been accorded. Some of these proposals have been the victims of widespread misunderstanding. For that reason, we believe it of value to set forth some of the points that have been brought forward in their favor.

A. Date of extension: We believe that the 8-month extension provided for in the committee's bill is insufficient and unrealistic. We feel that the Congress will be just as hard-pressed to meet a deadline 2 months after the convening of the next session as it has been in meeting the present June 30 deadline. We believe that the Congress can profit by the experience of an additional 3 months, and that the act should be extended for at least 1 year.

B. Authority to build defense plants: During World War II, a greater proportion of our plant expansion was achieved through the Defense Plant Corporation, and a lesser portion through the incentives to private concerns of accelerated tax amortization. Most of the plants though owned by the Government were built, and operated by and ultimately sold to private firms.

In the light of the conduct of the present tax amortization program, as presented both before your committee and before the Hardy subcommittee on expenditures in the House of Representatives, we believe that the findings of the Brewster report—that legal profiteering resulted from certificates of necessity is still the case. We feel that plant expansion could in many cases be undertaken at less cost to the taxpayer by direct Government building rather than by tax incentives. In cases where plant expansion is achieved only by the promise of a high amortization certificate, coupled with a direct or guaranteed loan, and a guaranteed market, the Government is actually assuming nearly all the risk. It seems only reasonable that the Government should also own the equity.

In other cases, such as high octane aviation gasoline or titanium plants, where there is no peacetime use for the product, or in cases where the desired location of a plant involves excessive risk, private enterprise cannot assume such risk, and if the expansion is to be achieved, the Government must build the plants.

C. Small Defense Plants Corporation: Members of the Senate Small Business Committee, who are in closest contact with the problems of small business, are unanimous in their belief that the present provisions of the Defense Production Act are inadequate to assure small business its proper place in our mobilization effort. They also agree that the creation of a Small Defense Plants Corporation, similar to the Smaller War Plants Corporation of World War II, with powers to assume prime contracts from procurement agencies and subcontract to small business, is desirable. While bearing in mind the hearings that have been scheduled on this legislation, we wholeheartedly endorse this proposal.

D. Commodity speculation control: For many years the Securities and Exchange Commission has had authority to set margin or down-payment requirements for the stock exchanges. Under this authority, shortly after the outbreak of the Korean conflict, margin requirements on the stock exchanges were raised from 50 to 75 percent. In contrast no such authority exists to regulate margins on the commodity exchanges, which during 1950 handled nearly twice the dollar volume of trading handled by the stock exchanges. Although margin requirements on some markets were raised temporarily during the consideration of the Defense Production Act last year, they are, on the average, only somewhat higher than they were a year ago. The volume of trading in the five principal grains during the first quarter of 1951 was a third greater than in the same quarter of 1950, despite smaller crops of wheat, corn, and cotton.

It is frequently said that for every gainer there is a loser and for every buyer a seller, yet, when there are more people wanting to buy than there are people wanting to sell, there is an upward pressure on prices. It seems to us wrong that while a workingman must make a third down payment on an essential automobile, a grain speculator need only make a 7-percent down payment in order to speculate in rye futures. We believe that higher margin requirements should be established which will help separate the professional from the nonprofessional traders, provided these requirements be not permitted to interfere with legitimate hedging operations.

E. Additional enforcement powers for the price-control program: During the course of the hearings much was made of the difficulties of enforcing price regulations and the dangers of black markets. Two proposals seem to us particularly worthy of further consideration and adoption:

(1) The power to suspend licenses: This is one of the most misunderstood provisions that have been proposed for addition to the Defense Production Act. Few people realize that the proposed provisions are almost identical to those used by OPA in World War II; (2) that licenses are granted to all businesses as a matter of right; the President cannot deny any established or new business a license; and (3) a license can only be suspended after a warning notice of a first violation has been sent, and then only by a court after a full court hearing. The experience of the last war showed that while over 32,000 first-violation warning notices were sent, only 325 suspension cases had been filed in a court up to March 1945, and only 101 of these suits resulted in an order of suspension. Former President Herbert Hoover has called the licensing system the backbone of all control. It is aimed only at the repeated violators and the experience of the last war indicates that it was not used against the inadvertent or accidental violator.

(2) Removal of the present $10,000 limit in penalizing price overcharges: Provisions of the present Defense Production Act on treble-damage suits limit the damages collectable for a price overcharge to the amount of the overcharge plus $10,000. Thus, a $1,000 overcharge can be penalized to the extent of $13,000, while a $500,000 overcharge is only subject to a $510,000 penalty. The result is that the larger the violation, the cheaper the penalty. We believe that the $10,000 limit should be removed, leaving the

damage ceiling three times the amount of the overcharge. There seems to us no reason why the punishment should not be made to fit the crime.

F. Limited subsidies as an aid to stabilization: There are some commodities in which the production of marginal items can only be undertaken at a cost much higher than the general average. For example, small meat packers cannot derive the same income from byproducts (such as glands) as do large processors; a price that provides a fair margin for the large concerns is too low for the small processors; but a price that provides a fair margin for the small processors results in windfall profits to the larger companies, and means higher meat prices for everyone. The same principle applies in the case of expensive shipments of iron ore by rail in the winter, as compared with cheaper shipment by water in the summer.

In such cases the cost to the Nation can be reduced if the Government pays a subsidy covering the extra cost on that part of the production which is high-cost, thus permitting the general price level to be kept at normal levels. The alternative is to let the price on the low-cost item go up to the level of the highest cost items—which case the public pays the difference in cost on the entire amount of meat or iron ore, rather than on the high-cost portion alone.

The increase in the general price of a basic commodity results in still further increases in later processing and still higher costs to the ultimate consumer. We believe that the stabilization agencies should have limited authority to use subsidies to promote the objective of stabilization, along the general lines proposed in the original bill, S. 1397. Such subsidies would be paid only on those items which involve high-cost production and not across the board.[1]

PAUL H. DOUGLAS.
WILLIAM BENTON.
BLAIR MOODY.

INDIVIDUAL VIEWS OF UNITED STATES SENATOR IRVING M. IVES

This report of individual views is filed in opposition to section 2 of S. 1717. That section would amend section 402 (d) of the Defense Production Act of 1950, and thereby deny the Administrator of the Office of Price Stabilization the power to roll back prices below the price prevailing during the period January 25, 1951, to February 24, 1951, inclusive. It does not affect the legality of roll-backs effective before June 30 of this year or before the effective date of this legislation.

On September 1, 1950, the Congress passed and sent to the President the Defense Production Act of 1950, which legislation had been introduced on July 19. With other powers granted to the President was control over prices and wages. Congress realized the necessity for immediate imposition of controls. Pre-Korea war orders had to be tripled. By the end of 1951 almost one-fifth of all goods and services produced would be devoted to the matériels of war.

Increase in war orders must be filled by an economy which even before Korea was straining at the leash to fill peak peacetime demand. Unemployment neared rock bottom, and consumer and wholesale price indexes rose sharply in the first half of 1950. Expectations were that prices would rise even further as inventories were accumulated at a rapid rate. With prices already on their way up, the inflationary dangers of tripled war orders in an uncontrolled economy were frighteningly apparent to everyone except the President and his administration.

Almost 5 months passed before prices were frozen. During these 5 months controls were a toothless farce. On December 19, 1950, the Price Administrator requested everyone voluntary to hold the line. But his pleas generally fell on deaf ears.

The effects of this policy were disastrous. From August to January wholesale prices generally rose over 10 percent while consumer prices jumped 5 percent. The price jumps of isolated items which play an important part in the consumer's cost of living were even more spectacular during that period. Beef prices, for example, increased almost 25 percent. And beef accounts for almost one-half of the average American's meat diet and for over 13 percent of every dollar spent for food.

Granted that our present judgment of the Price Administrator's action has the benefit of hindsight. Assume that the 5 months' recess from September to January was necessary for a staff to be assembled and controls formulated. Still unexplained is the reason why all prices were not controlled in January, and why prices were not rolled back then. An incredible lack of courage seems the only plausible explanation.

Finally on January 25 partial price controls were imposed. However, even then many important items making up the consumer's cost of living were not controlled. As a result, even with so-called controls, consumers' prices rose another 5 percent between January and June 1951.

It is apparent to all that drastic mistakes have been made. But this was almost inevitable. Politics and controls do not mix well. This the administration has taken almost 1 year to discover. At last, however, the administration is beginning to do now what should have been done 6 months ago. When ceilings were first clamped on prices should have been rolled back where necessary. This was not done.

These roll-backs still must be made, but the provision in the bill will prevent the Price Administrator from making them. This will throw the whole burden of the past mistakes where it least belongs—on the consuming public. Failure to permit further roll-backs will cause prices to go up even further and perpetuate serious inequities in the existing price structure.

The section, as written, would prevent price roll-backs already announced by the Administrator but not yet in effect. By preventing further reductions in beef prices, this proposal would freeze prices of beef at 35 percent above January 1950 levels. Other prices and wages will be allowed only a 10-percent increase above that level. Also, the series of regulations which started with the General Manufacturers Regulation (CPR 22) and has been extended to a wide area of machinery and related industries, including machine tools, farm machinery, and other production equipment (CPR 30), woolen yarns and fabrics (CPR 18), cotton textiles (CPR 37), men's and women's apparel (CPR 45), and shoes (CPR 41) would be nullified. These regulations have been issued, but will not become fully effective until various dates after June 30, 1951.

The object of these regulations is to remedy distortions in the "stabilized" price structure. The general ceiling price regulation not only froze prices at the highest level in our history, but also froze them badly out of balance with each other. The Price Administrator has promulgated regulations aimed at eliminating these distortions. Where January 25 prices had risen faster than costs, roll-backs will cut prices. Where prices have not kept pace with costs, prices actually will be moved forward. Thus, the regulations allow increases where prices have not kept pace with costs, while rolling back those prices which jumped beyond—and often far beyond—cost increases. Section 2 of this bill will cripple these regulations. In fact, the committee's action discriminates against those manufacturers who between December 19, 1950, and January 25, 1951, heeded the Price Administrator's plea to hold down prices. For many of them did not raise prices in line with increased costs.

If rollbacks are not permitted, then some prices must be raised. Stabilization requires that prices be related both to each other and to wages in an equitable manner. Because the increase of demand since Korea has not been spread evenly throughout the economy, some prices have risen more than others. Stabilization requires that prices which have skyrocketed be brought into line with prices that have not risen so rapidly. Unless this is done serious inequities may result. For one man's price is another man's cost. And if one man's prices are not controlled, then another man's costs are rising, and his ceiling must in turn be raised. Prices can be brought into line with each other by either raising the lagging prices or by rolling back the skyrocketing ones. Rolling back prices is the only answer.

Two specific examples illustrate what section 2 of this bill will mean in terms of higher prices to the consumer. Concider the case of building materials. Present indications are that CPR 22, which would be nullified, would roll back building material prices $1,500,000,000 a year, while allowing increases for cost equivalent to $500,000,000 a year. If the proposed section becomes law, the net result would be changed from a saving of $1,000,000,000 to an immediate price increase of $500,000,000. Similar disastrous results to consumers will stem from nullification of CPR 22 as applied to the chemical industry. CPR 22 would lower chemical prices a total of $300,000,000 to $400,000,000 per year. These price reductions would affect synthetic solvents (alcohol, methanol), certain plastics, DDT, and related heavy chemicals. Since chemicals are basic industrial raw materials, this would mean higher prices for a wide range of manufactured goods.

Furthermore, another price rise now would touch off a new round of wage increases. Labor-management contracts covering some 2,940,000 workers are tied to the consumers' cost-of-living price index. As the cost of living rises, their wages must rise. Also, rising prices will provide ammunition for new wage demands by workers whose wages are not specifically tied to the cost-of-living index. As the noted labor economist, Carrol Daugherty, recently wrote:

"Wage controls and price controls are closely and intimately related. In the end there is no effective price control without effective wage control, and there is no effective wage-rate control without price control at the retail level. The only way to hold wage rates down is to hold the cost of living down."

Thus another price rise would inspire another wage rise, and we would be on our way again along the spiraling path of inflation. This situation cannot be tolerated.

Both consumer and producer interest dictates that section 2 of the bill be rejected.

IRVING M. IVES.

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[1] Senator DOUGLAS believes that this authority should be limited to differential subsidies on commodities where the additional cost of inducing greater production rises steeply, as in the case of extending copper mining to the lower-grade ores. Senator BENTON believes that the inflationary pressures of the coming months will be so great that the use of general subsidies may well be necessary if the price line is to be held, particularly if the so-called anti-roll-back amendment is enacted. He believes that the stabilization agencies should have the necessary authorization, so that if the need for such subsidies arises, they can appear before the appropriations committees to justify the exercise of that authority.

APPROPRIATION FOR TARIFF COMISSION FOR FISCAL YEAR 1952

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a memorandum

regarding the appropriation for the Tariff Commission for the fiscal year 1952, which is now in conference. The memorandum is by Oscar B. Ryder, Chairman, United States Tariff Commission. It shows that the staff of the Commission has already been reduced below its prewar status, and that, because of the increased demands upon it growing out of the provisions of the Trade Agreements Extension Act, which recently became a law, the reduction in the number of employees which would be brought about by the 10-percent cut made by the amendment to the independent offices appropriation bill would make it difficult for the Commission to carry on its work.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM REGARDING THE APPROPRIATION FOR THE TARIFF COMMISSION FOR THE FISCAL YEAR 1952 NOW IN CONFERENCE

The appropriation for the Tariff Commission as provided in the President's budget was $1,266,300, of which it was estimated that $1,214,010 would be expended for personal services although there was no specific limitation upon the amount to be so expended. The House approved an appropriation of $1,259,300 for the Tariff Commission with no provision limiting personnel expenditures. As passed by the Senate, the total appropriation for the Commission was reduced to $1,144,600, with the provision that only $1,092,600 shall be available for personal services. The $1,092,600, carrying out the purposes of the Ferguson amendment, is 10 percent less than the estimate for personal services in the President's budget.

The budget estimate of $1,214,010 for Commission personnel would have suported an average employment of 219, 5 less than the average in the current fiscal year. The $1,092,000 provided in the Senate bill for personnel would provide an average employment of only 194. This figure represents a reduction of at least 11 percent from the average employment of 219 contemplated for the Commission in the President's budget (and 13 percent from the average of 224 for the current year). It, moreover, represents a reduction of more than 35 percent from the Commission's prewar average staff of more than 300. This progressive reduction in staff owing to appropriations lagging behind increases in salary rates prescribed by law, has occurred during a period when the workload of the Commission has been steadily increasing. With a staff of 224 the Commission in the current fiscal year has been able to meet only the most urgent demands upon it and then only by working under heavy pressure. With the reduced staff provided in the Senate bill the Commission could not hope to cope effectively with the essential work program which faces it in the fiscal year 1952. This is especially true in view of the increased burden of work imposed upon the Commission under the provisions of the Trade Agreements Extension Act of 1951 which has recently become law.

Your attention is invited to the conditions which make a further reduction in staff especially serious for the Tariff Commission. In the first place, it is a small organization, one of the smallest in the Government, and an exceptionally large part of its staff consists of key personnel with extensive experience and specialized training. Its staff, already reduced by 25 percent compared with prewar, cannot be further reduced without separating a number of these key employees with the inevitable result that the operating efficiency of the entire organization would be seriously impaired. Obviously, these adverse repercussions would be far more serious for a small agency such as this Commission than for larger agencies. In the second place, the President's budget, as indicated above, provided for a small decrease not an increase in the Commission's staff. It follows, therefore, that a reduction of 10 percent from the President's budget will have a much more injurious effect upon the Commission than upon agencies for which the President's budget provided an increase in staff over that of the current year.

In view of the foregoing, and in view of the certainty that the Commission will be faced with a substantially heavier workload in the next fiscal year, as explained in detail in our budget justification, it is respectfully requested that you make every effort to have the Tariff Commission exempted from any general percentage reduction in appropriation or from any other general program of staff reduction, such as the Jensen amendment, which may be adopted by the conference committee on the independent offices appropriation bill.

EXCLUSION FROM GROSS INCOME OF INCOME FROM DISCHARGE OF INDEBTEDNESS—MOTION TO RECONSIDER

Mr. TAFT. Mr. President, I wish to make only a brief statement with regard to the bill which was passed yesterday and the amendment which was offered by the distinguished majority leader, and state briefly the reasons why I think the bill should be reconsidered and sent to the Committee on Finance for consideration.

In the first place, according to the figures which I have just received from the Federal Security Administration, the amendment agreed to by the Senate would increase the appropriations of the Federal Government by $256,000,000. In 5 minutes we would wipe out all the savings which were accomplished during 3 weeks of consideration of appropriation bills up to this date. We would insert an item which is not in the President's budget. Certainly it should have more consideration than it received on what almost amounted to a call of the calendar.

The proposal calls for an increase in the so-called assistance programs to the States. The net result, so far as I can see, may well be during the next year merely to transfer from the States to the Federal Government an expense of $256,000,000 which otherwise the States would pay.

Many States have fixed payments. Their legislatures will not meet for 2 years, and they will not be able to increase those payments in many cases without legislative authority. The result will be that at a time when the States should be bearing a greater share of the expense and the Federal Government less, we shall be undertaking to assume for the Federal Government a greater portion of the burden.

It was stated that this amendment had been previously passed. This amendment has never been passed before. It has never been considered before. It has never been introduced as a bill. It has never been referred to the Finance Committee. The Finance Committee has considered it at no time and in no way, and has never approved it, by implication or otherwise.

Only last year we passed a social security bill in which we fixed present payments of $50. We increased in various respects the payments to dependent children. We increased payments to the blind. We put on the rolls a considerable number of wholly disabled persons, and we considered the entire picture at that time in relation to the old-age insurance program.

We have, of course, two systems. We have a completely Federal system of old-age insurance. We increased the payments last year to make the system more satisfactory. It is a pay-as-you-go contributory system. This bill provides for an increase in the so-called Federal old-age assistance and other payments under programs which are administered by the States, and in which the Federal Government has merely the role of an assistant, in order to make the task of the States somewhat easier and induce them to give a more generous allowance.

There are other matters which ought to be considered. For example, today the State of Louisiana has on the rolls 725 out of every 1,000 persons over 65 years of age. The State of Louisiana has pursued a policy of putting everyone on the old-age assistance rolls, and keeping the payments low. If they keep their payments low the Federal Government pays three-fourths of the entire cost of the State of Louisiana's old-age pension system.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield to the Senator from Louisiana. I meant no reflection upon the State of Louisiana. I used Louisiana only as an example, because it happened to have more people on the rolls, in proportion, than any other State.

Mr. LONG. I believe the Senator will notice that the payments are not necessarily low in Louisiana. The average payments in Louisiana are higher than they are in a great many other States. They may not be as high as they are in the Senator's State, but I believe that the average old-age pension payment runs from $45 to $47 in Louisiana. There are probably more in that State receiving $50, which is the maximum for Federal matching, than any other amount.

Mr. TAFT. I have the figures before me. The Senator is correct. The average payment in the State of Louisiana is $46.

Mr. LONG. My only objection is that the Senator made the statement that the payment was low.

Mr. TAFT. I withdraw that statement. However, the lower the payments the more the Federal Government pays. This proposal is to have the Federal Government pay four-fifths instead of three-fourths of the payments up to $25. That seems to me to be a dubious policy which ought to be considered. We ought to have some method by which more definite standards are imposed if we are to expand this system and the Federal Government is to take more responsibility.

The State of Louisiana has 725 out of 1,000 persons over 65 years of age on the payroll. The State of Ohio has 163 out of 1,000 on the payroll. New Jersey has only 60 out of 1,000 under the old-age

assistance program. The State of Delaware has about 61 out of 1,000. In other words, proportionately the State of Louisiana has more than 10 times as many people over 65 years of age on the rolls as do the other States.

Those are matters to be considered. I do not question the right or propriety of them. I say only that if we are to undertake to revise the system we ought to revise the entire system. The proposal ought to be referred to the committee, and the committee ought to consider the results.

It is not true that this amendment was ever passed. In 1948 a somewhat similar amendment, although not exactly similar, was passed, increasing the overall payments from $45 to $50, and increasing the Federal proportion from two-thirds to three-fourths. That certainly is no argument for saying that we should now increase the Federal proportion to four-fifths, and the payments from $50 to $55. No $55 amendment has ever been considered or passed by the Senate.

Mr. McFARLAND. Mr. President, unless some other Senator wishes to speak——

Mr. LONG. Mr. President, I should like to say a few words. Does the Senator plan to have the Senate take a recess?

Mr. McFARLAND. Yes.

In answer to what the distinguished Senator from Ohio has said, we can find many excuses for not taking care of the aged and the blind. We are spending money to take care of everyone else before taking care of our own old people. I am hopeful that the Senate will be willing to send this amendment to conference. If the distinguished Senator from Ohio does not agree with some of the wording of the amendment, perhaps it can be improved in conference, although I doubt it. The amendment is substantially the same as the one which was passed 2 years ago, and in 1946.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. MAGNUSON. Is it not correct to say that for many months prior to the passage of the McFarland Act, which is now under discussion, because of the increased cost of living it was attempted on many occasions to bring about a revision of the provision so as to take care of such people?

Mr. McFARLAND. That is correct.

Mr. MAGNUSON. This is the only way in which to do it, unless we wish to drag the matter out for months and months.

Mr. McFARLAND. That is correct.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McFARLAND. Yes.

Mr. TAFT. On the question raised by the Senator from Washington, I see no reason for dragging it out for months and months. I do not object to adding an amendment to a House bill in order to take up something which the House failed to initiate, but I believe that the subject should first be considered by the Committee on Finance, so that the committee could give very careful study to it, which has not been done.

I may say to the Senator from Arizona that his own State will have to await the next session of its legislature before any payments would go to the old and aged recipients of Arizona, and up to that time Arizona would contribute $5 to the burden of the Federal Treasury.

Mr. McFARLAND. I have no hesitation in saying there is no question in my mind that the aged people will get the benefit of the increase. Every time we have passed a $5 increase thus far the State of Arizona has matched it with another $5. That is what I hope the States will do in this instance.

The VICE PRESIDENT. What is the pleasure of the Senate?

RECESS TO MONDAY

Mr. McFARLAND. Mr. President, I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 12 o'clock and 21 minutes p. m.) the Senate took a recess until Monday, June 25, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 22 (legislative day of June 21, 1951):

POSTMASTERS

The following-named persons to be postmasters:

ARIZONA

James H. Callan, Litchfield Park, Ariz., in place of E. H. Kuhn, deceased.

CALIFORNIA

Horace C. Brown, Desert Hot Springs, Calif., in place of J. C. Bowman, resigned.

James H. Armistead, Chowchilla, Calif., in place of H. E. Rogers, resigned.

NaDell E. Jensen, Riverside, Calif., in place of J. H. Allen, retired.

CONNECTICUT

William L. Humphrey, Kensington, Conn., in place of W. W. Fagan, deceased.

Nina J. Bartram, Sharon, Conn., in place of T. P. Loughlin, resigned.

FLORIDA

Lemuel B. Crandell, Madison, Fla., in place of R. H. Browning, deceased.

IDAHO

Margaret J. Redl, Pierce, Idaho, in place of R. D. Keirnes, resigned.

ILLINOIS

John Wherry, Danville, Ill., in place of C. R. Leins, resigned.

Wayne L. Donahue, Huntley, Ill., in place of R. J. Kelley, resigned.

Roy E. Williams, Kane, Ill., in place of A. P. Pope, retired.

John Lawrence McCuen, Percy, Ill., in place of W. C. Rogers, Sr., retired.

INDIANA

Delbert E. Wright, Birdseye, Ind., in place of John Leonard, transferred.

IOWA

Raymond Baumgartel, Amana, Iowa, in place of H. W. Graichen, deceased.

Laurel H. McDonald, Castana, Iowa, in place of C. H. Ward, retired.

Roy H. Smith, Delhi, Iowa, in place of M. B. Schug, retired.

Ernest L. Perrin, New Hartford, Iowa, in place of D. E. Carson, transferred.

Leo P. McGrane, Osage, Iowa, in place of J. G. Casey, retired.

Dean A. Whitney, Radcliffe, Iowa, in place of C. G. Wiemer, retired.

Beltran L. Lambertsen, Wiota, Iowa, in place of P. C. McDermott, resigned.

KANSAS

Harold E. Coonrod, Mahaska, Kans., in place of W. G. Arnold, retired.

KENTUCKY

Corinne Aswell Cantrill, Georgetown, Ky., in place of W. C. Thomason, deceased.

John H. McGee, Jr., Horse Cave, Ky., in place of L. L. Patton, deceased.

William A. Patton, Louisa, Ky., in place of R. W. Vinson, retired.

Frank J. Murphy, Pleasure Ridge Park, Ky., in place of C. B. Westerman, declined.

LOUISIANA

Ellis A. Terrebonne, Golden Meadow, La., in place of H. G. Simoneaux, removed.

LeRoy Ford, Leesville, La., in place of W. K. Ferguson, retired.

MAINE

Howard W. Stormann, Stillwater, Maine, office became Presidential July 1, 1948.

Harold C. Smith, West Buxton, Maine, in place of A. T. Elwell, retired.

MARYLAND

Garland Berdan Jones, Girdletree, Md., in place of L. S. Townsend, retired.

MINNESOTA

Nestor E. Dols, Stewart, Minn., in place of L. L. Krouss, resigned.

MICHIGAN

Rex C. Sirrine, St. Johns, Mich., in place of G. E. Judd, deceased.

MISSISSIPPI

Bonnie B. Ball, Summit, Miss., in place of J. A. Jones, deceased.

MISSOURI

John J. Summers, Hale., Mo., in place of J. W. Evans, retired.

John R. Short, Jackson, Mo., in place of C. G. Macke, deceased.

Alvin O. Hendrickson, Memphis, Mo., in place of I. M. Horn, retired.

NEBRASKA

Phillip T. Grove, Alliance, Nebr., in place of P. J. Brennan, retired.

Ellsworth C. Tepner, Plainview, Nebr., in place of Martin Sorenson, retired.

NEVADA

Virginia M. Waller, Goldfield, Nev., in place of E. L. Gregory, resigned.

Marietta R. Bracken, Montello, Nev., in place of E. M. Pruitt, resigned.

NEW JERSEY

Thomas G. Radica, New Brunswick, N. J., in place of E. J. Gleason, retired.

NEW YORK

Kenneth B. Smith, Ballston Lake, N. Y., in place of L. H. Sears, retired.

Katherine H. Gallagher, Brentwood, N. Y., in place of K. H. Gallagher. Incumbent's commission expired June 18, 1938.

Erwin L. Becker, Brightwaters, N. Y., in place of Emma Reynolds, resigned.

Chauncey M. Dayton, Grahamsville, N. Y., in place of C. M. Krum, deceased.

Louis A. Schermerhorn, New Berlin, N. Y., in place of R. P. Talbot, deceased.

Emily G. Crear, New Scotland, N. Y., in place of R. S. Crear, resigned.

NORTH CAROLINA

Love D. Cain, Albemarle, N. C., in place of W. H. Snuggs, retired.

Albert L. Bennett, Grantsboro, N. C., in place of B. P. Hardison, removed.

Rebecca D. Meyer, McLeansville, N. C., in place of O. B. Dick, retired.

Thomas B. Ashby, Mount Airy, N. C., in place of Henry Folger, resigned.

OHIO

John J. Scholes, Danville, Ohio, in place of D. C. Banbury, transferred.

Claude A. Benedict, Johnstown, Ohio, in place of Lester Bishop, resigned.

Harold H. Hill, Sr., St. Paris, Ohio, in place of E. L. Brown, retired.

OKLAHOMA

Maudie M. Wands, Copan, Okla., in place of I. C. Courtney, retired.

PENNSYLVANIA

Dorina B. Torris, Green Ridge, Pa., in place of A. C. Musante, deceased.

Ralph E. Bartholomew, Northampton, Pa., in place of P. L. Young, deceased.

Carl A. Truance, Rossiter, Pa., in place of Ann Conner, retired.

David B. Beach, Woodbury, Pa., in place of J. F. Beach, deceased.

SOUTH CAROLINA

Francis O. Haselden, Scranton, S. C., in place of B. B. Myers, retired.

TENNESSEE

James M. Fry, Camden, Tenn., in place of J. F. Odle, retired.

Rankin E. Mathis, Jr., Milan, Tenn., in place of W. S. Fields, retired.

TEXAS

Tommie Wood, Hawley, Tex., in place of Annie Lawrie, resigned.

Marvin J. Booker, Newton, Tex., in place of B. E. Ramsey, removed.

VERMONT

George F. Whitcomb, Bristol, Vt., in place of C. H. Bosworth, transferred.

Lynford F. Lamphere, Underhill, Vt., in place of A. C. Schmit, resigned.

VIRGINIA

John H. Coleman, Lynchburg, Va., in place of S. W. West, retired.

Raymond H. Woodall, Sandston, Va., in place of J. B. Blake, resigned.

WEST VIRGINIA

Charles P. Ott, Ronceverte, W. Va., in place of L. C. Thrasher, deceased.

WISCONSIN

Leo F. Mashak, Bangor, Wis., in place of Otto Hussa, retired.

John B. Hoffman, Brantwood, Wis., in place of Fred Martin, deceased.

Stephen V. Johnson, Williams Bay, Wis., in place of M. T. Lenney, resigned.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 22, 1951

The House met at 11 o'clock a. m.

Lt. Col. Samuel B. Hill, formerly pastor of the First Presbyterian Church, Victoria, Tex., offered the following prayer:

Almighty God, Thou who art the giver of every good and perfect gift, Thou who hast brought us along the history of the Nation thus far and preserved us in this hour of recent great need, vouchsafe unto us Thy divine guidance through the power of Thy holy spirit.

We beseech Thee that the decisions that are made by our action in these hours may be those which will give glory and honor unto Thy name and shall give unto the world that safety and that security which the hearts and the minds of all have so patiently longed for.

Bless those who meditate and who act upon the momentous issues that are before them; preserve and keep them; give them openness of mind; give them depth of soul; give them depth of heart.

We commit and commend unto Thy most gracious care and keeping our Nation and those who are responsible for her destiny.

In the name of Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 157. An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation;

H. R. 389. An act for the relief of the State of Maryland;

H. R. 574. An act for the relief of the estate of James Patrick Hackett and Charles L. Stover;

H. R. 616. An act for the relief of Thomas J. Zafiriadis;

H. R. 621. An act for the relief of the Morgan Foods Corp.;

H. R. 630. An act authorizing the Secretary of the Interior to issue a patent in fee to Richard James Brown;

H. R. 631. An act authorizing the Secretary of the Interior to issue a patent in fee to Alice E. Williams Sisk;

H. R. 715. An act for the relief of Aenny Blank;

H. R 737. An act for the relief of Judith Leone Banks;

H. R. 740. An act for the relief of John Reginald Leat;

H. R. 888. An act for the relief of Mrs. Johanna Hampton;

H. R. 895. An act for the relief of Dr. Giuseppe Mazzone;

H. R. 896. An act for the relief of Mrs. Clara Raffoer Droesse;

H. R. 964. An act authorizing the Secretary of the Interior to issue a patent in fee to Percival E. Glenn;

H. R. 1120. An act for the relief of William Yinson Lee;

H. R. 1268. An act for the relief of Dr. Jiri Liska;

H. R. 1415. An act for the relief of Gabriele Gildo Falvo Citrigno;

H. R. 1431. An act for the relief of Tetsuko Hidaka;

H. R. 1593. An act for the relief of Charles E. Maulden;

H. R. 1613. An act to amend section 2883 (d) of the Internal Revenue Code as amended by Public Law 448, Eighty-first Congress;

H. R. 1676. An act for the relief of Elizabeth Sabow;

H. R. 1746. An act to amend subdivisions d and e of section 58 of the Bankruptcy Act, approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 1791. An act for the relief of Joe Tortolini;

H. R. 1799. An act for the relief of Bella and Archie Kennison;

H. R. 1840. An act for the relief of Bernard Spielmann;

H. R. 1844. An act for the relief of Capt. William Greenwood;

H. R. 1854. An act for the relief of Maria Roza Tarnowska;

H. R. 1910. An act for the relief of Henry Kolish;

H. R. 2107. An act for the relief of Edward M. Chapman, Roland P. Davis, and the Fidelity & Casualty Co. of New York;

H. R. 2284. An act for the relief of Ethel Martha Quinn;

H. R. 2310. An act for the relief of Jindrich (Henri) Nosek and Mrs. Zdenka Nosek;

H. R. 2349. An act authorizing the Secretary of the Interior to issue patents in fee to certain allottees on the Crow Indian Reservation;

H. R. 2363. An act for the relief of Mr. and Mrs. Emil Sbarbori, Edna Perfetti, and Anthony Perfetti;

H. R. 2372. An act for the relief of Michael Post-Posniakoff and Zinaida Post-Posniakoff;

H. R. 2396. An act to amend chapter 213 of title 18 of the United States Code;

H. R. 2453. An act for the relief of John R. Harris;

H. R. 2746. An act to amend section 2883 (b) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress;

H. R. 2785. An act for the relief of Kimi Hatano;

H. R. 2852. An act for the relief of Quon Mee Gee, also known as Loui Siu Lin;

H. R. 2853. An act for the relief of Shizue Sakurada;

H. R. 2854. An act for the relief of Dorothy Fumie Maeda;

H. R. 2924. An act to amend section 4164 of title 18, United States Code, relating to conditional release of Federal prisoners;

H. R. 3033. An act authorizing the Secretary of the Interior to lease certain land in the State of Montana to the city of Poplar and the county of Roosevelt, Mont.;

H. R. 3063. An act for the relief of Rosina Mouradian;

H. R. 3133. An act for the relief of Chin Yuen Ling, minor unmarried Chinese child of a United States citizen;

H. R. 3141. An act for the relief of Evelyn Reichardt;

H. R. 3215. An act to authorize the sale of certain allotted land on the Crow Reservation, Mont.;

H. R. 3216. An act authorizing the Secretary of the Interior to issue a patent in fee to Lulu M. Whitebear;

H. R. 4338. An act to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del.; and

H. R. 4393. An act to extend for 2 years the period during which free postage for members of the Armed Forces of the United States in Korea and other specified areas shall be in effect.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 512. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Mrs. Walter J. Bickford;

H. R. 671. An act for the relief of Mrs. Sylvia Laquidara;

H. R. 795. An act for the relief of Carlos Sanchez Perez;

H. R. 953. An act for the relief of Joseph A. Myers, Hazel C. Myers, and Helen Myers;

H. R. 1103. An act for the relief of Sidney Young Hughes;

H. R. 1692. An act for the relief of Chester A. Macomber;

H. R. 1726. An act to provide for the organization of the Air Force and the Department of the Air Force, and for other purposes;

H. R. 1789. An act for the relief of Sgt. Benjamin H. Martin;

H. R. 1800. An act for the relief of Lucy Kong Lee;

H. R. 2084. An act relating to the treatment of powers of appointment for estate and gift-tax purposes;

H. R. 2321. An act to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs;

H. R. 2395. An act to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," to provide basic authority for certain activities of the United States Secret Service, and for other purposes;

H. R. 3229. An act for the relief of Mrs. Albert W. Lack;

H. R. 3576. An act to amend the Displaced Persons Act of 1948, as amended;

H. R. 4200. An act to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes;

H. J. Res. 73. Joint resolution amending chapter 26 of the Internal Revenue Code; and

H. Con. Res. 90. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens.

The message also announced that the Senate had passed bills, joint resolutions, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 17. An act to provide general rules of practice and procedure before Federal agencies;

S. 29. An act for the relief of Teresa E. Dwyer;

S. 41. An act prohibiting the sale in the District of Columbia of rockfish weighing more than 15 pounds;

S. 61. An act for the relief of Sister Carmen Teva Ramos;

S. 211. An act for the relief of Maria Enriquez;

S. 236. An act for the relief of Nicholas George Strangas;

S. 258. An act to amend section 824 of the Code of Laws for the District of Columbia;

S. 289. An act for the relief of Arno Edvin Kolm;

S. 295. An act for the relief of Michail Ioannou Bourbakis;

S. 350. An act for the relief of the Z. D. Gilman Co., Inc.;

S. 493. An act to require the taking and destruction of dangerous weapons in certain cases, and for other purposes;

S. 501. An act for the relief of Willen Houwink;

S. 518. An act for the relief of Dr. Isac C. Goldstein;

S. 520. An act for the relief of Wilma M. Stiehl;

S. 526. An act for the relief of Dr. Lorna Wan-Hsi-Feng;

S. 530. An act for the relief of Gerhard H. A. Anton Behr;

S. 543. An act for the relief of Elizabeth Jean Clarke;

S. 560. An act for the relief of Jean Marie Newell;

S. 561. An act for the relief of Kiyoko and Chiyiko Ishigo;

S. 565. An act for the relief of Shizu Fujii and her son, Suenori Fujii;

S. 657. An act to amend and clarify the District of Columbia Teachers' Leave Act of 1949, and for other purposes;

S. 673. An act to permit the exchange of land belonging to the District of Columbia for land belonging to the abutting property owner or owners, and for other purposes;

S. 674. An act for the relief of Arthur Koestler;

S. 684. An act to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured until title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes;

S. 759. An act to extend to screen-vehicle contractors benefits accorded star-route contractors with respect to the renewal of contracts and adjustment of contract pay;

S. 818. An act to authorize the sale of certain allotted land on the Crow Reservation, Mont.;

S. 826. An act to provide free postage for members of the Armed Forces of the United States;

S. 827. An act for the relief of Fred P. Hines;

S. 855. An act to provide for free transmission of official mail of organizations and units of certain United Nations commands;

S. 885. An act for the relief of Wong Thew Hor;

S. 930. An act for the relief of Ivan Herben, his wife, son, and daughter-in-law;

S. 1006. An act for the relief of Libuse Chalupnik Pavlish;

S. 1009. An act for the relief of Ella Maria Nyman;

S. 1010. An act for the relief of Dominic Arcella;

S. 1033. An act authorizing the Secretary of the Interior to issue a patent in fee to Lucille Ellen Sanders Groh;

S. 1034. An act authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders;

S. 1036. An act authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders;

S. 1042. An act to amend the act creating the Motor Carrier Claims Commission (Public Law 880, 80th Cong.);

S. 1074. An act to repeal certain obsolete laws relating to the Post Office Department;

S. 1105. An act for the relief of K. C. Be, Swannio Be, Wie Go Be, Wie Hwa Be, Wie Bhing Be, and Swie Tien Be;

S. 1152. An act to provide for the payment and collection of wages in the District of Columbia;

S. 1167. An act to require a premarital examination of all applicants for marriage licenses in the District of Columbia;

S. 1242. An act for the relief of Salomon Henri Laifer;

S. 1246. An act to amend certain laws relating to the submission of postmasters' accounts under oath, and for other purposes;

S. 1281. An act for the relief of Eric Adolf Lenze;

S. 1282. An act for the relief of Cecil Lennox Elliott;

S. 1362. An act for the relief of Howard Lovell;

S. 1417. An act for the relief of Lefrancois & Chamberland, Inc.;

S. 1425. An act for the relief of Mrs. Okuni Kobayashi;

S. 1436. An act for the relief of Mrs. Marie Y. Mueller;

S. 1438. An act for the relief of Paul D. Banning, chief disbursing officer, Treasury Department, and for other purposes;

S. 1442. An act for the relief of Marie Louise Dewulf Maquet;

S. 1443. An act for the relief of Rev. Thomas K. Sewall;

S. 1503. An act for the relief of Harold Frederick D. Wolfgramm;

S. 1504. An act for the relief of Valmai Eileen Mackenzie;

S. 1590. An act to extend and revise the District of Columbia Emergency Rent Act;

S. 1645. An act to amend the act incorporating the American University;

S. 1696. An act to amend Public Law 587 of the Eighty-first Congress (approved June 30, 1950) to provide relief for the sheep-raising industry by making special quota immigration visas available to certain alien sheepherders;

S. J. Res. 42. Joint resolution consenting to an interstate compact to conserve oil and gas;

S. J. Res. 71. Joint resolution relating to the compensation of employees of the House and Senate press, periodical, and radio galleries; and

S. Con. Res. 34. Concurrent resolution favoring the suspension of deportation of certain aliens.

TAX ON COOPERATIVES

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, the failure to include in the present revenue bill the taxable income of the 35,000 tax-exempt profit-making corporations such as cooperatives, building and loan associations, mutual fire and casualty companies, mutual savings banks, credit unions, and so forth, is a travesty on justice and a cruel joke on every taxpayer in America. I hope and believe the other body will do the job that the Ways and Means Committee of the House had the opportunity to do, but lacked the courage to do it. This is particularly puzzling to me because my district is a heavy agricultural one. The farmers vote for me, yet they know that I stand for taxation of all business profits, even those made by their own cooperative corporations.

The farmer is a good citizen. He has no objection to his profit-making cooperatives paying their share of the corporate tax. It is evident that my colleagues on the committee have accepted the claims of shortsighted co-op leaders and have placed politics above tax justice.

Mr. Speaker, I predict that the 60,000,000 taxpayers of this country are going to continue their demands for tax equality in such effective political terms that it will be only a question of a short time before justice is done. How much longer can the tax-paying businesses of this country survive when tax-exempt corporations earning up to $10,000,000 per year are tax free? You may rest assured that all taxpayers forced to compete with tax-exempt competitors are not going to quit this fight but are going to keep everlastingly at it until tax equality is accomplished.

PERMISSION TO EXTEND REMARKS

Mr. FORAND asked and was given permission to extend the remarks he expects to make in the Committee of the Whole today on the tax bill and include therein certain quotations and tables.

EXECUTIVE OFFICE AND INDEPENDENT EXECUTIVE AGENCIES APPROPRIATION BILL, 1952

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. PHILLIPS. Mr. Speaker, reserving the right to object, may I ask the gentleman from Texas whether I am correct in the assumption that the other

body in acting upon this bill since we have last seen it has increased the amount of the total appropriations?

Mr. THOMAS. Yes, by some $62,000,000 over and above the amount fixed by the House.

Mr. PHILLIPS. I have a figure in front of me of $66,432,303.

Mr. THOMAS. That is approximately correct. They raised the House figures that much.

Mr. PHILLIPS. Am I correct in the assumption that when this bill goes to conference the conference committee will consist of the members of the subcommittee in addition to the gentleman from Missouri [Mr. CANNON] and the gentleman from New York [Mr. TABER]?

Mr. THOMAS. I did not understand the gentleman.

Mr. PHILLIPS. The conference committee will consist of the seven members of the subcommittee, in addition to the chairman of the full committee and the ranking Republican member of the full committee?

Mr. THOMAS. We will be glad to include the gentleman from New York [Mr. TABER] if the gentleman so desires.

Mr. JAVITS. Mr. Speaker, reserving the right to object, I would like to know from the gentleman whether or not this is the usual conference request without instructions to conferees? They are free to act in accordance with the rules of the House?

Mr. THOMAS. That is right.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON, THOMAS, GORE, ANDREWS, YATES, TABER, PHILLIPS, COUDERT, and COTTON.

REVENUE ACT OF 1951

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4473) to provide revenue, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4473, with Mr. RAINS in the chair.

The Clerk read the title of the bill.

Mr. REED of New York. Mr. Chairman, I yield 35 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I think the debate yesterday, among other things, certainly disclosed the fact that the job imposed upon the Ways and Means Committee is a very heavy and severe one. In my opinion, in view of what I choose to call the lack of close cooperation between the spending agencies of Government and our committee, which is the taxing agency, the job of balancing the budget is an almost impossible job when those in charge of spending are on a spending spree. There is not an individual in this room but who knows that if this administration is given a dollar it will spend a dollar and twenty cents or more. It has proved that throughout the years that have passed, and this great Committee on Ways and Means, because it attempts to do what has proved to be an impossible job, has again done what the majority considers the best it can do. But, at that we failed miserably, for on that basis we do not give the administration the money they say they are going to spend in the next 12 months. What is even worse, the fact that we bring this bill out short of what is demanded is, in my opinion, an indication that the members of the Committee on Ways and Means of both political parties know beyond any doubt that we have scraped the bottom of the tax barrel, that we are now in the wood, if you please, and that under our economy as it exists today there is no way short of actual confiscation or short of imposing taxes upon the people who cannot afford to pay them without very seriously crippling their standards of living, and there is no way by which this spending spree of the current administration can be met and the budget balanced.

The members of the committee know what the alternative is, and it is more inflation. Some foolish individuals have said, "Well, the tax receipts next year will be greater than anticipated or estimated. We will have some inflation, and instead of collecting $36,000,000,000, if we pass this bill in conjunction with existing law, we will collect more than that and the budget will be balanced despite the apparent deficit." Well, that is only wishful thinking of the most dangerous kind, because if you have inflation, and if thereby the base upon which the taxes are levied is broadened, then everything you buy will have increased correspondingly and inflation will be out of hand surely, as it has been, and we will be in a most dangerous situation. I think that the time has come for every Member of this body to realize the truth, to realize that fact which I have just stated to you, that we have and are now scraping the bottom of the tax barrel and that any further steps will result in real suffering upon the lower-income groups in particular, and a retarding of our expansion of industries so essential in this time of war. Do you realize that 1 year ago today we were meeting with every expectation that we were going to cut a billion dollars off the tax burden of the American people? How utterly little we knew of the facts of life when an administration was so taken by surprise that within the following 12 months three very large new tax bills have imposed and will impose new taxes in the amount of $17,000,000,000 and when, after having imposed those taxes, we know in advance that the budget will not, and what is worse, cannot be balanced if the present spending spree continues.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I would like to compliment the gentleman on his basic premise. I would like to ask this question, Does not the gentleman agree that the premise that the higher the tax the better the fight against inflation is completely incorrect?

Mr. SIMPSON of Pennsylvania. Oh, yes, it is entirely fallacious, and I think this bill illustrates that, and I do full justice to all the members of the committee. They know it. They do not take this bill with an expectation it will stop inflation. I think I am speaking for them on that because it is obvious.

In the first place, I will say to the gentleman from Pennsylvania, we increased the tax bill of the lowest income taxpayers 12½ percent. We thereby give him the most valid argument for an increase in his wages, for that individual, I know and the gentleman knows, is barely making ends meet today.

At the other end of the bill we impose taxes upon that man's employer, the corporation, on the theory as expressed by some men here when the rule was under consideration that, oh, a corporation is big, and it can afford to pay the taxes, forgetting entirely that a corporation never has one single penny to pay in taxes unless it first of all takes it from the man that buys the product of that corporation. And who are the customers? Why, they are the millions upon millions of low-income groups in our country. Do you realize there is not a corporation of any size in the country today that could remain in business 1 year if it were not for that mass purchasing power of the American people?

Mr. FULTON. The effect of the bill then, as I understand the gentleman, all through every wage and salary group, is to cut down the incentive to hustle, to work, and to produce, which is inflationary; and secondly, when it is putting a 12½ percent tax on the incomes of the lowest groups, it is then making greater pressures for further wage and price increases, which again makes it inflationary.

Mr. SIMPSON of Pennsylvania. That is true. That is one of the things it does. It causes suffering, too. Imagine the group who are earning less than $1,000 a year, who are taxed today, having their taxes increased, or the group earning less than $2,000 having theirs increased. It requires desperate remedies. It does seem to me that 12½ percent is too large an increase, particularly as the net effect of the bill, as I see it, is inflationary.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Michigan.

Mr. DONDERO. The gentleman spoke of the increased spending on the part of the Government. Perhaps the most amazing example of that is that the State Department in 10 years, from 1940 to 1950, increased its cost to the American taxpayers from $20,000,000 to $361,000,000, or 1,800 percent in 10 years. I do not believe this Government or any other government on the face of the earth can continue that program of spending and survive.

Mr. SIMPSON of Pennsylvania. One might wonder how that was foisted upon the Members of this House and the Congress, yet I am told that the ticker tape here in our lobby yesterday carried a story to the effect that many of the representatives of the American Government abroad are right now on their way

back home for the avowed purpose of having increases made in their budgets, in their allowances, and that they are coming here to exert pressure or influence or one thing or another to induce Congress to pass legislation which will inure to their benefit.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. HOFFMAN of Michigan. It is my understanding from what the gentleman has already said that his committee, no matter how it might try, had not been and would not be able to get money enough to meet the appropriations we are making.

Mr. SIMPSON of Pennsylvania. At the level at which they are being made. We have proved we are not able to raise sufficient money to balance the budget.

There is one other phase of this tax picture we should consider.

Mr. HOFFMAN of Michigan. If the gentleman will yield further, then the obvious answer is that until we cut down appropriations the gentleman's committee is not going to get anywhere in balancing the budget?

Mr. SIMPSON of Pennsylvania. I am of the opinion that we cannot and will not balance the budget unless we are willing to cause such undue sacrifices by the low-income groups of our people that they cannot stand it, or unless we are willing to actually have the Government take over and operate our business.

What we have been doing in recent years through our tax program, as a result of what has been called a soak-the-rich policy—and I am not here defending the rich because almost without exception they are eliminated today, and you will recall you were told yesterday by the gentleman from New Jersey how extreme the taxes are and how much money must be paid to an individual in order that he may retain forty or fifty thousands of dollars income—for example, I recall that in order to have $50,000 remaining in a man's hands, he must receive a salary of $500,000, and of course you realize that that $500,000 will be included in the cost of producing the article that the corporation manufactures, and $450,000 will go back to the Government with $50,000 being retained by the man.

But as I was saying, as a result of what has been called the soak-the-rich policy, we have wiped out that group of taxpayers who have in the past been paying a large share of our tax burden. They are gone.

As you were told yesterday, if we were to take every penny they earn, when you get above $10,000 we would have sufficient money to operate our Government for only a few months.

The result of all that is that the burden of any tax increase which comes along in the future will rest squarely upon the people who earn from five to ten thousand dollars. And it will not be for only 1 year that they assume the burden. They will assume it permanently. You will have eliminated the great source of income—people who earn more than $10,000 and the people who have in the past provided the capital by which jobs have been provided. They will be gone.

Under the bill before us, when and if it becomes law, the man who has money and who is in the high-income brackets, but has his money invested in business will, I think, be foolish if he does not sell that stock and invest the proceeds in United States Government bonds, or in tax-exempt securities, unless he is one of those who is motivated, as I will admit he should be, and as was described by our great chairman yesterday, a really patriotic man. That man will take it easy unless he is such a person. And who will suffer if the man takes his money out of business and puts it into Government bonds or tax-exempt securities? Why, the worker, the man who is going to have all the tax burden imposed upon his shoulders. He is the man who will suffer. There will not be jobs unless the Government proceeds to provide the jobs. I do not think there is a man or woman in this audience who wants the Government to assimilate the industries of our country.

Why, today, taxes are so high that in order for us to expand our industries to take care of the war effort we have to have special tax concessions which we call accelerated amortization. In other words, Government has to say to industry—industry which wants to expand, "You go out and build a new plant and help us win this Korean police action." And industry is happy to do it. But looking over their expense accounts, advertising the fact that they want to sell stock and secure money to expand their plants, they simply do not have the money.

So I believe it is about $20,000,000,000 that industry has already asked our Government to give them special tax concessions on so that they can charge off the cost of their new plant in 5 years, instead of the customary period of from 15 to 20 years. Billions upon billions of dollars are being given to industry on that basis. I am for it. I am for it only because our tax laws so penalize our corporations that they do not have the money with which to expand.

It was stated yesterday that the corporations will have a lot of money left this year under this bill after they pay their taxes. They will have a lot of dollars left, there is no doubt about that, but the dollars are not the equivalent of the dollars of only 2 or 3 years ago. At that time, after the corporations paid their dividends—and I point out that they must pay dividends or they will not have any capital to invest in business—after they had paid their dividends and after they had paid their taxes—and they must pay their taxes—the money which remained in their hands amounted to about $17,000,000,000. Now it is said because the corporations are earning $48,000,000,000, as estimated in the current year, a figure which is contestable in view of certain current economic conditions—but accepting the figure of forty-eight billion and knocking off this 59-percent tax levied against them, which we are doing in this bill, it is said they will have about $21,000,000,000 remaining in their hands. From that they will pay their dividends of about one-third, which is about $7,000,000,000, leaving $14,000,000,000. It is that money which they will have to maintain the current industrial plants of our country and to use as their share of the cost of expanding their industry. They had $17,000,000,000 before dividends from 1946 to 1949, but the comparison of $21,000,000,000 today with that $17,000,000,000, keeping in mind the greatly increased cost, and keeping in mind the fact that people today will not invest in business with the same freedom as they did a few years ago, you will find that business will not be able to expand as it must do if the industrial might of America is to help us win this war in Korea.

Under this bill we have raised the taxes on corporations far beyond what President Truman and Secretary Snyder said was the amount we should increase the taxes to; namely, 55 percent. We do not do it on corporations that are making great profits. We go into your community, and your community, and we pick out any small corporation, perhaps your milk distributor or your coal dealer or your bank, and we say to that corporation: "If you do not earn one penny more than you earned back between 1946 and 1949, we are going to say that you have an excess profit; that you are a profiteer as a result of the Korean war, and we are going to soak you a higher tax of 25 percent on that which you think is normal; that which you earned between 1946 and 1949. We are not going to tax you 52 or 55 percent, but on 25 percent of what you earned back in those years we are going to soak you 82 percent. You will have $18 left out of $100. You can do with that what you want to."

What will you do? Perhaps you will take a little trip, have some heavy traveling expenses, because it is only an 18-cent dollar; or some man who has worked for you a great many years comes in and says, "I would like to have an increase in wages." You say, "Oh, sure. I will give you $500 or $1,000, because it only costs me $40 and Uncle Sam will pay the rest." That is inflationary. That is what will happen under this excess-profits tax which this committee adopted, and adopted, I am sorry to say, without any hearings, and I might almost say adopted without any discussion in our committee. It just is not right. No. This taxing program has got out of hand, and the people who are going to bear the brunt of it are your neighbors and mine, the little people, and they are going to do it very soon if we do anticipate balancing the budget.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. SIMPSON] has expired.

Mr. REED of New York. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from New York.

Mr. REED of New York. I want to congratulate the gentleman on the fine, constructive way he has presented this tax matter. I am interested in the expansion of industry to meet the demand

for employment on the part of the youth of the country. Many will be employed in war but there are many more who will have to be employed in industry if we are going to maintain our economy.

Most of the savings that go into venture capital, that is new industries in small communities and in large communities, has to come from the savings of the people, but under this tax bill they cannot save.

If we are going to make normal expansion and employ the people of this country who need to be employed it will take $18,000,000,000 a year, and that has to come from these people who are now going to be so heavily taxed that they cannot save to invest in new enterprise.

Mr. SIMPSON of Pennsylvania. The gentleman is right.

Mr. REED of New York. The thing that is lost sight of by labor itself is the fact that somebody ventures his capital to give them a job in many instances as high as $40,000—that is the risk, that is the amount somebody has saved to give one man a job. Dry that up and you dry up the payrolls of this country.

Mr. SIMPSON of Pennsylvania. Of course; and the only capital comes from those who have worked and saved it, but now they are going to dry it all up in Federal taxes and there will be nothing left.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. SUTTON. Would not the gentleman agree that the new slogan should be "Old taxes never die; they just stay, and stay, and stay."

Mr. SIMPSON of Pennsylvania. I am sure the old taxes do not die; they stay with us, unfortunately, and the spending spree continues. The effect of taxation ordinarily would be a deterrent to inflation, but unfortunately the spending gets completely out of hand as a result of these taxes and induces inflation.

Mr. ARMSTRONG. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. ARMSTRONG. In view of what the gentleman has said in connection with the Committee on Appropriations, I wonder if he can inform this House as to whether there is any liaison between that important committee and the important committee of which he is a member to this extent: Can the gentleman tell us whether or not the leaders of the Committee on Appropriations have taken into account the very obvious facts the gentleman has mentioned and whether they have shown any indication of trimming their program to those facts?

Mr. SIMPSON of Pennsylvania. Our very distinguished chairman, the gentleman from North Carolina [Mr. DOUGHTON], and our ranking minority member, the gentleman from New York [Mr. REED], have undoubtedly held consultations with their respective counterparts on the Appropriations Committee, but I will wager anything that the recommendations of the gentleman from North Carolina do not bind in any sense, do not control at all, the actions of the leadership of the Committee on Appropriations. I think they do consult, but there is nothing formal.

Economy, in my opinion, is the only way by which we are going to get a balanced budget in any true sense of the word. Do you realize that if we should be able to save $1,000,000,000 only, that we could take off the tax roll every one of the taxpayers who pays a tax on $1,000 or $2,000 of his adjusted gross income? And there are 8,800,000 of them; they could all be taken off the rolls. There are 42,000,000 people who pay income taxes. The average divided between that number would be $600 per year as the average of all income-tax payments that are made, and if you save just $1,000,000,000, 1,666,666 of them could be taken off the tax rolls.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. H. CARL ANDERSEN. The gentleman referred to the liaison which should exist between the Committee on Appropriations and the Committee on Ways and Means. Two days ago we had a good example on the floor of the House here of how Congress binds the Committee on Appropriations by authorizing without real study the construction of veterans' hospitals amounting to $335,000,000. Who is responsible except the people right here in the House, those who do not have the fortitude to vote occasionally against authorizing expenditures?

Mr. SIMPSON of Pennsylvania. The gentleman, a member of the Appropriations Committee, has made his point most effectively and I compliment him. The question that was asked me was: Is there liaison between the Ways and Means Committee and the Appropriations Committee? I replied that there was to a certain extent.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Ohio.

Mr. JENKINS. The gentleman will agree with me, I am sure, that we may expect the Appropriations Committee to take care of the expenses of the Nation. That is distinctively a function of the Executive. Does not the gentleman agree with me on that?

Mr. SIMPSON of Pennsylvania. Yes. The Executive makes the recommendations and the Appropriations Committee scrutinizes them and it is endeavoring to do a proper job.

Mr. JENKINS. Yesterday in my speech I took this position, and I think the gentleman agrees with me from the fine speech he has already made, that so far nobody can truthfully say that the Executive, the President of the United States, and those about him have ever shown any sign of wanting to economize and to meet the cry of the people all over the Nation who are asking for economy.

Mr. SIMPSON of Pennsylvania. The President has given lip service to balancing the budget and to enconomizing but I personally do not see where he has made any substantial effort with respect to either of these items.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. The gentleman from Pennsylvania has inveighed quite eloquently against the spending spree of the present administration. I would like to ask him if in his opinion the situation with which we are now confronted is not due so much to the spending spree of the administration as it is to probably the spending action of the Congress? It is the spending action of the Congress, which is more acute right now than the spending spree of the administration.

Mr. SIMPSON of Pennsylvania. That is a bit of play on words. After all the majority party here is charged, and quite properly so, with looking after the program of the President of the United States. It is true that the Congress does pass the bills, but, as I said, when any government becomes so strong that it can send out all over the world and instruct its representatives to come back and put pressure upon Members of the Congress, I think the powers of that particular administration are altogether too strong.

Mr. DOUGHTON. If the gentleman believes that in a time of prosperity we can raise revenue, is he optimistic enough to believe that, taking into consideration the increased taxes as proposed in this bill or otherwise, there will be a possibility of votes on his side to reduce the budget something like that contained within this bill, probably $11,000,000,000 of a reduction? In other words, is there a possibility of the Congress doing that?

Mr. SIMPSON of Pennsylvania. My point is that no matter how much we raise taxes we cannot balance the budget. The economy cannot stand it so long as the spending goes on, on and on, with apparently no effort to control it. It may be that conditions are such today that we cannot hope to balance the budget and that we are going to have to have deficit financing.

Mr. DOUGHTON. In the consideration of this bill in committee I never heard a single Member of the minority—of course my memory is not perfect—contend that we should not raise some additional revenue in the bill we had under consideration. This is all new to me since we came in here. I think we all realized we have to have some additional revenue, that that is necessary.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, there were many votes to increase revenue by Members on both sides of the House. The question is how much we can increase it. But the thing I am worried about is the fact the more we tax the more they are going to continue to spend and I say we cannot continue indefinitely doing that.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Illinois.

Mr. MASON. The point I want to make is that in the last analysis there is one department with its 1,800 percent increase in the last 10 years could not

have done that unless we had voted the funds, and in the last analysis the blame lays upon our shoulders for voting that way.

Mr. SIMPSON of Pennsylvania. The greatest good, in my opinion, that could come from this tax bill would be to have every Member of this Congress realize that we are today scraping the very bottom of the barrel, and if we hope to balance the budget at any time in the future we can do it only at the expense of greatly lowering our standard of living, particularly the lower income groups where the vast amount of money is today.

Mr. DOUGHTON. Mr. Chairman, I yeld 10 minutes to the gentleman from Texas [Mr. COMBS].

Mr. COMBS. Mr. Chairman, first of all I want to pay tribute to my fellow members on the Committee on Ways and Means. I have only been a member of that committee about 3 years. I think if the American people could have had the privilege of looking in on our sessions of more than 4 months behind closed doors and had seen the earnestness of every member and the freedom behind those closed doors from political and partisan considerations in writing this tax bill, they would realize we tried the best we could to raise the revenue that every one of us knew had to be raised, but to do it at the least harm, as it were, to groups or individuals in the application of the tax to be levied. The work of that committee, in spite of the fact that it is burdensome, was rendered pleasant first of all by the geniality and the consideration of our honored chairman, whom we have the greatest affection for, and the ranking minority member, the distinguished gentleman from New York [Mr. REED], who in every sense is a kindly and considerate gentleman. It was a pleasure to serve with those gentlemen, as it was with all the other members of the committee. Although partisanship creeps out here on the floor—and that is traditional; it has been that way from time immemorial—the majority party having the responsibility of tendering such a measure as this defends it as the best that could be offered, and the minority party members are free to criticize it from every viewpoint. But, I dare say to you that 95 percent of the provisions that went into this bill went in there without the slightest partisan vote. In most instances the vote was right across the table without respect to party. I recall one amendment that I offered was adopted by a vote of 4 Democrats, including myself, and 10 Republicans. That is not unusual. A great deal of what is contained in this bill is in there by unanimous consent or by votes of members cast regardless of party. To me it has been inspiring, in spite of the tremendous burden, to see the earnestness and the consideration that we all gave regardless of party to the serious task we had to perform.

Mr. Chairman, at various times in this debate reference has been made to alleged reckless spending of the administration. It has been charged that inflation has been caused by deficit financing. That charge has been made repeatedly.

Such charges are completely without foundation. The current inflation is due to a number of causes, but deficit financing by the Federal Government is not one of them. Let us get the record straight. There has not been one dime of deficit financing by the Federal Government in 5 years. On the contrary, we have been on a pay-as-we-go basis for 5 years. Furthermore since June 1946, the Federal debt has been reduced by about $15,000,000,000. Half of this $15,000,000,000 reduction resulted from the application of surplus cash left over from war financing. The other half represented debt reduction resulting solely from an over-all budget surplus in excess of $7,000,000,000 during this period of 5 years. During that same period insurance companies and savings banks reduced their holdings of Government securities by more than $8,000,000,000 to help finance postwar expansion of industry and home building. But I think the most encouraging thing of all is the investment by individuals in savings bonds and deposits in savings accounts. After World War I there was a tremendous amount of marketing of Liberty bonds, and the price went down to 80 cents on the dollar. That great loss fell very largely upon private citizens who had invested their savings in such bonds. No such thing has happened since the end of World War II.

The amount of savings bonds outstanding has gone up by $9,000,000,000 since 1946—$4,000,000,000 in E bonds alone. Today the amount of savings bonds held by individual investors is $55,000,000,000, and of this amount, $34,000,000,000 is represented by E bonds which, as you know, are purchased largely by wage earners, small salaried people, and other small investors. What is more, the savings accounts of private institutions, banks, savings and loan associations, and the like have shown a very substantial increase. The figures show that the sale of the $25 and the $50 E bonds for the first 5 months of this year were also 11 percent higher than for the corresponding period of 1950. That the increase of 15 percent of the savings bonds holdings of individuals during the past 5 years is not competitive with private financing is shown by the fact that there has been an increase of 25 percent in mutual savings deposits; 40 percent in life insurance; and, 85 percent in savings and loan shares during that period.

Are we spending ourselves into socialism? That charge has been made. Nothing could be farther from the truth. In addition to what I have already said about the savings, there is this further astounding fact. Since the end of World War II, American industry has expended $110,000,000,000 in new plants, plant expansion, and new equipment. This represents the investment of the American people and expresses their faith in the security and value of the American free enterprise system.

I have taken the information used here from an address delivered by the Secretary of the Treasury, Hon. John Snyder, before the Bond Club of Chicago on June 13, 1951.

Secretary Snyder and his Treasury organization have been working in full cooperation with the American Bankers Association, the Savings Bonds Association, the life insurance companies, and others in an educational campaign promoting thrift. And in the sale of United States savings bonds all of the great financial organizations mentioned have been recommending United States savings bonds as the safest investment on earth. They have been engaged in a great educational campaign in which the equivalent of $40,000,000 worth of free advertising has been made available to the Treasury. The result has been that there are probably more Americans engaged in systematic saving than at any period in our history. So, the calamity howlers in Congress and out who charge that this Government and this country are going socialistic have no facts to base their dire predictions on.

These prophets of doom have no faith in their country. But the American people do have faith in their country, and they have shown it by their investments in Government bonds. The gloomy Jeremiahs scream socialism while the people invest $101,000,000,000 in expanding free enterprise.

I want to comment on the suggestions that have been made that this tax bill bears down on the needy people of small income. There is not one among us who does not regret to see the tax burden increased upon the low-income fellow, the wage earner, the small-salaried person. But let us take a look at the picture. Turn to page 12 in the committee report and look at that table. You will find some interesting facts. The total number of individual tax returns last year were 44,187,468. Of that total 35,860,757 had gross incomes of less than $5,000. Again the gross incomes of the individuals reporting amount to $180,000,000,000. Of that amount $101,073,000,000 represented the incomes of people earning less than $5,000. There are so many small wage-earners, and so many small-salaried people that you cannot raise the funds that are needed to finance our Government without taxing those of low incomes.

We have tried to make it as light as possible. We have tried to put it on such a percentage basis that the smallest taxpayer will not be taxed any more in proportion than the biggest taxpayer.

Furthermore, let us not sell the American people short. They are patriotic. All of us will have to make sacrifices. That is true of the small-income taxpayer. I voted against the tax reduction bill of 1948 and at that time I made a speech saying that to defend this Nation and to preserve its liberty we have piled up such a tremendous debt that we owe it to the generations coming after us to continue high taxes and reduce that debt. Let me say to you, my fellow Members, we today must decide what we will do and what sacrifices we will make. The children who come after us are not here to speak. They will not be at the ballot box come next election. They must accept as good Americans, and pay whatever part of this debt we shall elect

to pass on to them. Most of these wage-earning people have a family of children to feed and clothe and educate. It is going to be a sacrifice to them to meet this increased tax. But I dare say that to the last patriotic man among them they would prefer to pay out of their wages and salaries, though it be sacrificial, and to be able to say to their children and their grandchildren that we did not shirk our responsibility when we had the chance and sole choice of passing on an unfair part of the burden that we have created for them to pay.

So far as I am concerned, I believe this tax bill represents the smallest amount that we could afford to raise, if we can indulge in the hope that we will continue on a pay-as-you-go basis. Let us hope world conditions will improve; that we can cut down on the enormous expense of war and devote some of our funds to creating more instrumentalities for the creation of wealth. Let us look forward to the day when we can return to peace through the sacrifices we are now making. Personally I have an abiding faith in the soundness of this country and of the American people who have faith in it. They know we went through the terrible trials of the Civil War. They know we have gone through two great World Wars, and they know we have come through stronger and better.

Yes, there are those who say we are giving away all the wealth of America to others. They said that after World War I. We do have a marvelous people. There is no nation that has ever done what we have done and fought two World Wars, and that has gone out to help even our stricken enemies, to feed and clothe their babies and to reestablish their economies.

Yes; I know we were called Uncle Shylock after World War I when we tried to collect our loans. I know that some of the money we sent over there during the war to help feed the German babies during the war period, the milk we sent to feed them, was turned over to the munition plants, and the tin cans were melted down to make hand grenades to throw back at our boys. But, after all that, this much is true: With all the spending and our efforts after this war, we are trying to build a decent world in which to live. These vast expenditures, for which this Nation was criticized by many in the past, has been as bread cast upon the water. In spite of all that spending, we, today, stand as a nation which has produced the highest standards of living of any nation in the world. All we need is a little of the faith and courage that our fathers had and to quit whining and face our responsibilities.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield.

Mr. SIMPSON of Pennsylvania. The gentleman is everlastingly right when he tells us the American people are sound. We all agree to that. Is this tax bill sound, in the gentleman's opinion?

Mr. COMBS. It is as sound as 25 men working 4 months could make it.

Mr. SIMPSON of Pennsylvania. But that does not answer the question.

Mr. COMBS. That is a matter of opinion. It is as sound as we can get it. There are some provisions in it that I do not like. There are some other provisions that I would like to see in it, but I recognize the judgment of the majority of both parties went into this bill, and I am supporting it because it is the best we could produce.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield.

Mr. MILLS. Is it not a fact that the bill before the House is simply a compromise of the views of 25 members of the committee; that no one man on the committee is satisfied with everything in it or satisfied because certain things were left out?

Mr. COMBS. Of course, that is true. That is true of every controversial piece of legislation. That is the way we arrive at legislation in a representative government. Certainly no one man can have his views prevail entirely. This bill is a composite of the best judgment of all.

At Gettysburg, Mr. Lincoln referred to the Civil War as a struggle to determine whether this free Government or any government so conceived and so dedicated could long endure. These immortal words of Lincoln have world-wide application today. This Nation and all free nations are now engaged in another struggle, a struggle not merely of armies but of ideologies, a strugle, the outcome of which may determine for centuries to come whether freemen shall live in peace under free governments of their own choosing. We are going to win this struggle. None of us have any doubt of that. But how quickly we shall accomplish it may be determined, in large measure, by our willingness to sacrifice now. I think the American people understand this vital issue. And although heavy taxes are necessary, the sacrifices we shall have to make to pay them is small indeed compared to the sacrifices made by the youth of our Nation who defend us. Let us have faith in our country, faith in our people, and do our simple duty.

Mr. Chairman, I yield back the remainder of my time.

Mr. REED of New York. Mr. Chairman, I yield 25 minutes to the distinguished gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, along with the other members of the Committee on Ways and Means who have preceded me, I want to say I have tremendous admiration for the industry and integrity of every man on that committee; and their devotion to duty has been most amazing, both in endurance and in the quality of their attention to this almost unsolvable problem of tax legislation.

I had the good fortune to serve on the Committee on Military Affairs for 8 years including the period of World War II. The last 4½ years I have been serving as best I can on the Committee on Ways and Means. As I look back over the past 13 years, I have come to the conclusion that service on the Committee on Ways and Means is a battle all the way, both in peacetime and in wartime, because of the nature of our problem. I want to pay particular tribute to the older members on the committee because they have so much more information, so much more background that a youngster serving only in his fifth year on this committee stands necessarily in reverence of their capacity and their ability. I have tried to follow this legislation carefully throughout its entire consideration.

Mr. Chairman, I voted against the bill now under consideration, H. R. 4473, in the Committee on Ways and Means and I intend to vote against it when it comes up for passage. I also intend to vote to recommit the bill to the Committee on Ways and Means on a straight motion to recommit as I understand such motion will be made. I sincerely hope the motion to recommit this bill to the Committee on Ways and Means passes the House of Representatives so that the Committee on Ways and Means can give full consideration to the many points of objection registered in this debate. I have such high regard for the ability of my colleagues on the Committee on Ways and Means that I am sure they are very capable of appraising accurately the value of these points and incorporating them into a revised bill drawn in the light of the hearings and long study of the Committee on Ways and Means and this debate in the Committee of the Whole House.

THE BUDGET

I was stunned by the size of President Truman's budget for 1952 when he delivered it to Congress January 15. His estimated expenditures were $71,600,000,000, an amount in excess of any previous budget except for the years 1943, 1944, and 1945 when we were running at maximum speed in the closing years of World War II. In addition to the estimated cash expenditures President Truman requested enough new obligational authority to bring his total planned spending for the fiscal year 1952 to the astounding total of $94,400,000,000 of which amount $71,600,000,000 is for actual cash expenditures in that year.

President Truman challenged Congress to cut his budget and I have gladly accepted the challenge because it is only through reduced Federal spending that we can reduce our tax load enough to make it bearable. Experts have figured out that Iowa's share of President Truman's $71,000,000,000 cash budget is $1,059,000,000. That is $407.50 for each man, woman, and child in the State of Iowa, or a total of $1,630 for the average family of four and that is for 1 year's spending under the direction of President Truman alone. It does not include State and local taxes.

When 1 year's planned spending exceeds the total Federal spending for any 10 successive years added together in the history of our Nation up to the beginning of the fiscal year 1942, there is something seriously wrong with an administration that dares us to cut that administration's spending budget for next year.

FEDERAL TAX REVENUE

The receipts of Federal tax revenues for 1952 were estimated in January by

the administration at fifty-five billion one hundred million but this was raised to fifty-eight billion five hundred million by the administration in their estimate presented to the Committee on Ways and Means on April 2 and the staff of the Joint Committee on Internal Revenue Taxation on April 16 estimated these receipts in 1952 at $60,900,000,000. This estimate of vast revenue is based upon present law and does not take into account any of the $7,200,000,000 additional revenue covered by the bill now under debate. Sixty-one billion dollars is more Federal revenue than our Nation raised in any 10 successive years prior to the beginning of the fiscal year 1943. It is more than $13,000,000,000 higher than the staff estimate of April 16 for the fiscal year 1951 which in turn is the highest record for any fiscal year in our entire history even topping the highest year of World War I or World War II.

The additional revenue proposed in this bill, $7,200,000,000, is alone more than our highest total Federal annual revenue for any fiscal year prior to 1942. We have indeed climbed to dizzy heights in spending and in taxation.

INFLATION

Wasteful and extravagant Federal spending has not stopped with the funds raised by taxation. The Federal public debt is now more than $260,000,000,000 of which $238,000,000,000 has been added since President Roosevelt was inaugurated, March 4, 1933. High taxes cannot offset the inflationary impact of such a governmental spending orgy as we have witnessed during the past 20 years. We should level off the ceiling of Federal spending far below the $71,000,000,000 spending budget of President Truman and adopt a far less drastic tax bill than H. R. 4473 now before us.

INCREASES IN FEDERAL TAX REVENUE PROPOSED IN H. R. 4473

I do not consider this tax bill well balanced, because the proposed increases in individual-income and capital-gains taxes and in corporate-income and capital-gains taxes are far too high. In the field of manufacturers' excise taxes I consider this bill most unfair in singling out a few manufacturers' items to bear the brunt of the $447,000,000 additional excise taxes proposed in that field.

I. INDIVIDUAL INCOME TAX

This bill will increase the total amount of individual income taxes by $2,855,000,000 and this is done by increasing capital-gains and individual income taxes one-eighth or 12½ percent. If enacted into law, this increase in individual income taxes will strike hardest in the lower brackets of income where the pinch of inflation already is hitting the hardest today. On Tuesday of this week I secured from the Bureau of Labor Statistics information that the cost of living increased 9.6 percent between April 15, 1950, and April 15, 1951. Using the base period of 1935–39 as 100 percent, the index on April 15, 1950, stood at 168.5, and on April 15, 1951, it stood at 184.6, and the cost of living is still going up. I understand that this increase in cost of living is an all-time record increase in our country for any 1 year.

Starting with the increases imposed by the Revenue Act of 1950 enacted last September and including the proposed increases in this bill, individual income taxpayers will have an increase of $6,285,000,000 added to their tax burden. That is an increase of 31.4 percent in individual income-tax liability. I know my people will be interested to hear that individual income taxpayers paid less than 20 percent of the total Federal internal revenue in 1939, 1940, and 1941, whereas today they are paying 45.3 percent of the total Federal internal revenue and this bill will add 39.5 percent of the proposed new taxes to the personal income-tax load.

II. CORPORATION INCOME TAX

This bill proposes an increase in capital-gains tax by 12½ percent, an increase in corporate normal tax rate of five percentage points and it includes also a reduction of the average earnings credit for excess-profits tax from 85 percent to 75 percent of average base period earnings. These increases, together with the increase in corporate taxes in the Revenue Act of 1950 and the excess-profits tax of 1950, place an additional annual tax load on the corporations of our country of $8,995,000,000 above the corporate tax load in force and effect 1 year ago. This is an increase of 57.9 percent in corporation income-tax liability over 1 year ago. This additional tax burden confronts our corporations with the alternatives of passing this charge along to the consumers or going broke.

My people will be interested to know that Federal corporate income and excess-profits tax collections were 22.4 percent of the total revenue in 1939, 21.6 percent in 1940 and today stand at 28.1 percent with an increase in 1952 to 34.1 percent under present law, and this bill by adding $2,855,000,000 to the corporate income and excess-profits tax will increase that percentage still further as the added corporate tax is 39.6 percent of the total new taxes covered by this bill.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. We would not have to have this tax bill, would we, if we had not sent $7,000,000,000 to European countries?

Mr. MARTIN of Iowa. I thank the gentleman. I agree with him completely.

III. EXCISE-TAX CHANGES

Excise taxes in 1939 accounted for 31.9 percent of the total Federal tax revenues. In 1940 it accounted for 32.9 percent but in 1951 this percentage had reduced to 17.2 percent and it is estimated that in 1952 under present law the percentage will reduce to 13.2 percent. The new excise taxes proposed in H. R. 4473 in the amount of $1,252,000,000 compared with other taxes will obviously reduce that percentage still further.

My criticism of the proposed excise-tax changes is directed at the hit-and-miss selection of items to be taxed. Secretary Snyder told our committee when he appeared before us February 5 that—

> The excise taxes as a whole apply directly to about 25 percent of total consumer expenditures. The remaining 75 percent of consumer purchases, which are outside of the excise-tax base, do not on the whole represent a promising source for additional tax revenues.

Having spent many months with the Committee on Ways and Means in 1950 selecting items for reduction of excise taxes only to have our entire work set aside because of the Korean war, I have witnessed our committee's effort this year to select items for increase of the excise tax imposed. Without criticizing the committee in any way, I must say that there is decidedly an element of luck in the fate of any particular item in such selective procedure. Generally speaking I have devoted my own time and effort to sponsoring excise-tax treatment that I consider most helpful to the production and preservation of food and the sinews of war. Occasionally I have taken active part in the debate on other items. One could hardly classify a mechanical pencil or a cheap fountain pen as a war item but I am vigorously opposed to placing a $24,000,000 manufacturers' excise tax on the cheap mechanical pencils and fountain pens so essential to the needs of our school children, rich and poor alike. In my humble opinion, this is about the last field that should be invaded by the excise tax.

By the way, I know each Member of the committee will get the point I am driving at. I call your attention to the opening paragraph of the statement made yesterday by the gentleman from Michigan [Mr. DINGELL] appearing in the debate on page 6906, in which he states unequivocably his stand on excise taxes. I commend his forthright statement of his stand to the limit, and I only hope he is on the committee of conference, because we need a little more help on that committee of conference on this particular provision imposing the tax on fountain pens and mechanical pencils.

Apparently President Truman and Secretary Snyder did not select cheap mechanical pencils and fountain pens for increased excise taxes as no mention was made of them in their messages. The pen and pencil manufacturing industry were not on notice during the course of the hearings that the Committee on Ways and Means had any notion of including this proposed tax in the 1951 Revenue Act and consequently none of these manufacturers appeared in the committee hearings before the committee. The addition of this tax was clearly a blow in the dark without warning to this industry.

GASOLINE TAX

The proposed increase of one-half cent per gallon in gasoline taxes, thereby raising Federal gasoline tax to 2 cents per gallon is not only a blow to the States that have come to look upon the gasoline tax as their best source of revenue, but it is also a serious blow to transportation. We have literally millions of workers who are dependent upon private transportation to get to and from their jobs. The

marginal workers will seriously feel the impact of this additional transportation cost. This impact is a blow especially to the dispersal of industry which I consider of paramount importance in the impending threat of enemy bombing if we should ever go to war with Russia or any other major power.

AUTOMOBILES, AUTOMOTIVE PARTS AND ACCESSORIES, TRUCKS, AND BUSSES

We were told during the hearings that a new automobile costing $2,000 today includes $475 in taxes. This is enough to put new cars out of the reach of many people dependent upon private transportation to and from work. Nevertheless the Committee on Ways and Means has approved an increase in the 7-percent excise tax on new automobiles to 10 percent, and an increase in automotive parts and accessories from 5 percent to 8 percent, and on trucks, truck trailers, and busses from 5 percent to 8 percent. This proposed increase will remove a great many marginal workers from the market for new automobiles. The Treasury staff argued during the hearings that there is still an adequate market for every new car, but they did not attempt to prove that point and they could not refute my charge that the removal of marginal workers from the car market will have a serious effect upon the ability of these marginal workers to get to and from their jobs at the very time many of these workers are most needed in our defense plants, and dispersal of industry should be encouraged rather than discouraged.

The total additional new revenue from the proposed increase in these taxes and the gas tax is estimated at $533,000,000, and that additional charge can produce real hardship on badly needed private transportation.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from Connecticut.

Mr. PATTERSON. On this dispersal of industry I would like to get the gentleman's idea.

Mr. MARTIN of Iowa. I have very fixed ideas on the need for such dispersal after studying the matter for 13 years. All you have to do is to concentrate industry in a small spot and then let the bombers of an enemy come over and see what happens.

Mr. PATTERSON. The gentleman is not recommending that, say, the great industrial area on the east coast should be all dismantled and moved at this time?

Mr. MARTIN of Iowa. No; just enough of it to keep us alive in case we are bombed.

Mr. PATTERSON. For instance, what part of the East would the gentleman want to see moved?

Mr. MARTIN of Iowa. I have not pinpointed my policy. I will say this much, that if you want to make yourself a perfect target, leave yourself highly concentrated. This has been a 13-year study of mine.

IV. PROPOSED STRUCTURAL CHANGES IN INTERNAL REVENUE LAW—DEVELOPMENT EXPENDITURES OF MINES

The Committee on Ways and Means approved an amendment to the internal revenue law to treat expenditures incurred in the development of mines, after discovery of commercial quantities, as deferred expenses deductible ratably over the period the mineral benefited is sold. I vigorously approved this action because it will go far to encourage development of our domestic mining industry. I feel, however, that it is highly important to extend similar treatment to prospecting and exploration costs. It is, indeed, my sincere hope that the Senate Committee on Finance will give favorable consideration to this extension.

In my opinion, there is real need for encouragement of prospecting, exploration, and development of war essential metals and minerals. The self-sufficiency of our Nation for defense is more dependent upon the encouragement and expansion of our domestic mining industry and the preservation of its productive strength than on any other single factor.

Rules followed by the Bureau of Internal Revenue make it very uncertain whether these items can be classed as expenditures for tax credit and consequently exploration and development of minerals in the United States has lagged so seriously as to weaken our defense self-sufficiency alarmingly.

Our Federal tax revenues from this source might even increase by encouragement extended by such amendment.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from California.

Mr. JOHNSON. The gentleman will remember that he and I were on a subcommittee to draft the strategic stockpiling bill we now have, and which was passed in 1946, 1 year after the shooting war terminated. I want the record to show that I believe the gentleman from Iowa is the best informed man in the entire Congress on the problem of strategic stockpiling. His interest started in 1939 and has been continued unabated to this present moment. He is recognized by the mining men of America as the one man in Congress who understands the need for the development of the metal industry, especially the need for it today when we are building up our defense force. The need for the stockpiling of critical material is now imperative and the gentleman from Iowa is giving intelligent and effective leadership to that effort because of his grasp of the problem.

Mr. MARTIN of Iowa. I appreciate the gentleman's comment. I will add this, that the Committee on Armed Services is still giving very good consideration to this field, and I am proud of the work the Committee on Armed Services is doing and also the work of the Appropriations Committee in that field. I am very proud of the work done in that field by Congress. As a member of the Committee on Armed Services, the gentleman from California has had a very real part in this good work and I commend him very highly.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from Arkansas.

Mr. MILLS. In line with the statement of my friend from California, may I say that the gentleman's experience of 8 years on the House Committee on Armed Services has been invaluable to me as a member of the Committee on Ways and Means since he has been on that committee, because he has been very active in matters dealing with minerals, strategic and critical. It has been a source of great comfort to me to have him on the Committee on Ways and Means.

Mr. MARTIN of Iowa. I thank the gentleman, indeed. The gentleman from Arkansas has been most helpful to me on the Committee on Ways and Means. I appreciate his helpful cooperation in this particular field very much.

CAPITAL GAINS TAX FOR LIVESTOCK

H. R. 4473 extends capital gain treatment to livestock held by taxpayers for draft, breeding, or dairy purposes for 12 months or more. I supported this provision vigorously and I call attention of the House to the unusual feature of identical wording in the majority report and the minority report on this point as follows—see page 32 and page 152 of the committee and minority reports

The term "livestock" should be given a broad, rather than a narrow, interpretation; and the gains should be computed in accordance with the method of livestock accounting used by the taxpayer and presently recognized by the Bureau of Internal Revenue.

I should call attention of the House to the fact that the word "definition" in the minority report should have read "interpretation."

WITHHOLDING ON DIVIDENDS, ROYALTIES, AND CERTAIN PAYMENTS OF INTEREST TO INDIVIDUALS

I voted against the withholding provision of this bill. It is undoubtedly true as reported by the staffs of the Treasury and the Joint Committee on Internal Revenue Taxation to the Committee on Ways and Means in April that $1,120,000,000 in dividends will be unaccounted for on tax returns in 1951 and interest of all kinds will be unaccounted for in 1951 in the amount of $1,930,000,000. I have no way of knowing how much of these items can be brought to account by other means but I know this that the Federal Government cannot honorably punish people who owe no tax in order to catch those who are guilty of tax evasion. Yet that is exactly what the Government proposes to do in this amendment.

The staff of the Joint Committee on Internal Revenue Taxation have told me that 2,200,000 cases of such withholding will be entitled to such reimbursement of taxes withheld by the Government but not owing by these people to the Government. Many of these people will have their funds taken over by the Government without their knowledge of their entitlement to reimbursement or because of their reluctance to undertake the tedious procedure of recovery. The amount of money that will be thus improperly taken by the Government each year has been estimated by the staff at $250,000,000 which indicates the average sum per person will be in the neighborhood of $100. Even to those who claim their refund at the earliest date available to them, this high-handed seizure by the

Government will deprive them of the use of their funds from year to year.

In closing, I will read a letter I have received from one of my constituents living at Davenport, Iowa. This letter was written to me on June 9, 1951, as follows:

MY DEAR CONGRESSMAN MARTIN: I note from the press that there is a likelihood of a 20 percent withholding tax at the source on dividends.

My entire income is from dividends, and last year it amounted to $2,700. I have no other income.

I will be 81 years of age my next birthday, my wife will be 79 years. Just how can we stand such a deduction? Must we old people, who have helped to carry the burden all these years, be penalized in this way, now, when our need is greatest, and we have no earning power?

I would be pleased to hear from you.

Just what reply do you think I can make in defense of such indefensible procedure.

CONCLUSION

These objections and other important objections discussed here by Members of the House of Representatives justify recommittal of this bill to the Committee on Ways and Means for their further consideration. I strongly recommend and urge recommittal in the hope that the Committee on Ways and Means will bring this bill back with these objectionable points removed.

Mr. REED of New York. Mr. Chairman, I yield to the gentleman from Oregon [Mr. ANGELL] for a unanimous-consent request.

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

SGT. LOREN R. KAUFMAN, OREGON INFANTRYMAN, AWARDED MEDAL OF HONOR POSTHUMOUSLY

Mr. ANGELL. Mr. Chairman, I was glad to have the opportunity to participate in the ceremony yesterday at the Pentagon when the chairman of the Joint Chiefs of Staff, Gen. Omar N. Bradley, awarded a Congressional Medal of Honor posthumously to Sgt. (1c) Loren R. Kaufman, an infantryman from The Dalles, Oreg. His father, Mr. D. A. Kaufman, a resident of Portland, Oreg., in my congressional district, accepted the award. I am advised this is the seventh Congressional Medal of Honor awarded to Oregonians for heroism in the Korean conflict, and the twentieth to be presented since the Korean War started.

Sergeant Kaufman was born at The Dalles, July 27, 1923, and was a veteran of 9 years Army service. He first enlisted December 13, 1941, served in North Africa and Europe and with the Third Infantry Division for 3 years and during a subsequent enlistment served in Germany and Trieste. He accompanied the second division to Korea from Fort Lewis, Wash., last July. He won the bronze star medal for heroism in World War II and was decorated with the oak leaf cluster to that medal for valor in Korea last August. He also received the combat infantryman's badge.

The release by the Department of Defense on this award is as follows:

OREGON INFANTRY SERGEANT AWARDED MEDAL OF HONOR POSTHUMOUSLY

The Medal of Honor has been awarded posthumously to Sgt. (1c) Loren R. Kaufman, an Army infantryman from The Dalles, Oreg., whose single-handed bayonet charges and inspiring leadership demoralized the enemy and enabled his unit to accomplish its mission, the Department of the Army announced today.

Sergeant Kaufman, 27, survived his heroic exploits on September 4 and 5, 1950, which won the Nation's highest military honor, but was killed in action on February 10, 1951.

Gen. Omar N. Bradley, Chairman of the Joint Chiefs of Staff, will present the twentieth Medal of Honor announced by the Army for heroism in Korea to Sergeant Kaufman's father, D. A. Kaufman, 529 Southeast Grand Avenue, Portland, Oreg., in a ceremony at the Pentagon on June 21, at 11 a. m. eastern daylight time.

Also attending the ceremony will be Sergeant Kaufman's sister, Mrs. Ila May Hensle, 7227 South Vincennes Avenue, Chicago, Ill., and three brothers, all in the Armed Forces. They are Sgt. (1c) Fred R. Kaufman, Fort Lewis, Wash.; Carpenter's Mate (2c) Kenneth V. Kaufman, Amphibious Construction Battalion No. 1, Coronado, Calif.; and Seaman Apprentice Alan W. Kaufman, serving with United States Naval Cargo Handling Battalion No. 2 in the Pacific area.

Sergeant Kaufman, a member of Company G, Ninth Infantry Regiment, Second Infantry Division, observed a column of men in the dark as his unit was moving to new positions. Discovering they were enemy, he bayoneted the lead scout and assaulted the remainder with rifle and grenades causing them to retreat in confusion.

Later, while his company was pinned down by enemy fire, Kaufman single-handedly charged the enemy lines. He bayoneted two enemy, seized an unmanned machine gun, and poured deadly fire into the enemy ranks.

When his company resumed the assault, Kaufman led the attack, destroying a hostile machine gun, and routing the enemy. Pursuing the fleeing enemy troops, he bayoneted two of them and then rushed a mortar position, killing the gunners. He concluded his saga of heroism by leading a patrol into a village occupied by the fleeing enemy, dispersing them and burning the buildings.

A graphic description of the action which won the Medal of Honor for Sergeant Kaufman is given in an eyewitness account by two of his comrades, Sgt. (1c) Richard P. Switala, of 1514 South Monroe Street, Bay City, Mich., and Sgt. Leonard N. Miller, of Conowingo, Md.:

"Sergeant Kaufman was with us on the night of September 4, 1950, near Yongsan, Korea, when we received orders to pull back from the second platoon into a new position on the right of them.

"Early in the morning of the following day we heard an awful lot of firing going on in the vicinity of where the second platoon was still located. Our platoon leader gave us the order to return to the platoon area to give them assistance.

"On our way back we observed a large group of men coming up a draw in the same direction we were heading. Not knowing whether they were friendly or enemy troops, due to it not being light enough to see at the time, Kaufman went forward to investigate. He walked up to the lead man in the group and upon discovering that the leader was a North Korean, hit him over the head with the butt of his rifle and bayoneted him. He then raced back to where we were standing, giving the alarm as he ran that they were North Koreans.

"We hit the dirt then, while Sergeant Kaufman was still firing from a standing position, and started throwing grenades into the group of enemy. After a while we worked our way back to where the second platoon was. Kaufman was the last man to fall back, covering us all the time with very effective fire.

"As the Koreans tried to advance, he would raise up in a standing position in order to get a better look at where they were trying to break through and then would start throwing grenades and firing his rifle. During this action there was a lot of crossfire, and at times it seemed that he would surely get hit, if not by the company, by the friendly troops that were firing back.

"When we arrived Sergeant Kaufman found a few of the second platoon's men had moved back because of lack of ammunition. He immediately started giving encouragement to the men by running back and forth all along the top of the hill firing his rifle and throwing grenades. When a fellow got hit, he stopped long enough to tell him that everything would be O. K., and then grabbed the fellow's rifle and started firing back at the enemy.

"During all this time he was completely exposed to enemy fire, and at one time had bayoneted two Koreans who had worked their way almost to the top of the hill. He then moved along the position to where a machine gun was set up and started firing it. When he realized that the fellows who were originally manning the machine gun, had been hit and were under fire by the enemy who were trying to knock the machine gun out, he picked it up by himself and moved to a new position so as not to draw fire on the wounded men.

"Later we jumped off on an attack, with the second platoon hitting the hill on the right and our platoon on the left side. We got half way up the hill, but discovered we were under heavy fire without hardly anywhere at all to take cover. Sergeant Kaufman moved up the hill as far as he could and began throwing grenades as fast and in as many directions as he could, trying to knock out the enemy positions in order for his platoon to advance.

"I saw him kill quite a few enemy in close-in hand-to-hand combat, using his bayonet on them. After bayoneting two North Koreans, he then ran over to a mortar position where there were three Koreans and opened up on them with his rifle, killing all three. The Koreans that were left on the hill took off for the village just below the hill.

"We stayed on top of the hill until the second platoon moved up, and then we moved out with Sergeant Kaufman leading us down to the village and began searching and firing into the village until the remaining enemy were killed or dispersed."

Sergeant Kaufman was born on July 27, 1923, at The Dalles, Oreg. He was a veteran of 9 years' Army service. After enlisting in the Army on December 13, 1941, he served in North Africa and Europe with the Third Infantry Division for 3 years. He was awarded the Bronze Star Medal for his service in World War II.

During a subsequqent enlistment he again served in Germany and Trieste. He accompanied the Second Infantry Division when it left the United States for Korea last July. He won an Oak Leaf Cluster to his Bronze Star Medal for valor in action against the enemy last August, and also the Combat Infantryman Badge.

The Medal of Honor citation follows:

"Sergeant Kaufman, Company G, Ninth Infantry Regiment, distinguished himself by conspicuous gallantry and intrepidity above and beyond the call of duty in action on September 4 and 5, 1950, near Yongsan, Korea. On the night of September 4 the company was in a defensive position on two adjoining hills. His platoon was occupying a strong point 2 miles away protecting the battalion flank. Early on September 5 the

company was attacked by an enemy battalion and his platoon was ordered to reinforce the company. As his unit moved along a ridge it encountered a hostile encircling force. Sergeant Kaufman, running forward, bayoneted the lead scout and engaged the column in a rifle and grenade assault. His quick vicious attack so surprised the enemy that they retreated in confusion. When his platoon joined the company he discovered that the enemy had taken commanding ground and pinned the company down in a draw. Without hesitation Sergeant Kaufman charged the enemy lines firing his rifle and throwing grenades. During the action, he bayoneted two enemy and, seizing an unmanned machine gun, delivered deadly fire on the defenders. Following this encounter the company regrouped and resumed the attack. Leading the assault he reached the ridge, destroyed a hostile machine gun position and routed the remaining enemy. Pursuing the hostile troops he bayoneted two more and then rushed a mortar position shooting the gunners. Remnants of the enemy fled to a village and Sergeant Kaufman led a patrol into the town, dispersed them and burned the buildings. The dauntless courage and resolute intrepid leadership of Sergeant Kaufman were directly responsible for the success of his company in regaining its positions, reflecting distinct credit upon himself and upholding the esteemed traditions of the military service."

An interesting discussion of this award and the significance of it appeared in the Oregonian in its issue of Sunday, June 15, 1951, which I include in these remarks:

KAUFMAN SEVENTH OREGONIAN WINNING MEDAL OF HONOR

In earning a Congressional Medal of Honor for heroism in Korea, Sgt. (1c) Loren R. Kaufman, The Dalles, joi .s a select company of Oregonians and Americans.

Only six Oregonians have received Medals of Honor in previous wars. Kaufman, killed in action after his heroic encounter with the enemy, is the first Oregonian to get the Nation's highest military decoration in the Korean war.

His father, D. A. Kaufman, 529 Southeast Grand Avenue, will fly to Washington, D. C., to receive the Medal of Honor for his son from Gen. Omar N. Bradley, Chairman of the Joint Chiefs of Staff.

The Medal of Honor long has been coveted as the Nation's ultimate honor to its military heroes. Few of the heroes have survived the engagement cited to accept the medals personally.

The medal itself is a five-pointed star, surrounded by a laurel wreath, suspended from a bronze star bearing the inscription, "Valor," and surmounted by an eagle. In the center of the star is the head of Minerva, encircled by the inscription, "United States of America." On the reverse of the medal are engraved the name, grade, and organization of the recipient, with the place and date of the act for which the award was granted. The ribbon is light blue, with 13 stars.

The Medal of Honor was originated by act of Congress in 1862, when feeling arose in Government circles that some inviolate and sacred award should be tendered those who risked all for their country.

SPECIAL PRIVILEGES GRANTED

It is won only by a deed of personal bravery or self-sacrifice, above and beyond the call of duty. Army regulations in awarding the medal permit no margin of error.

The deed of the recipient must be proved by at least two eyewitnesses; it must be so outstanding that it distinguishes his gallantry beyond the call of duty from lesser forms of bravery; it must involve the risk of his life; and it must be the type of deed which, if he had not done it, would not subject him to any justified criticism.

Winners of the medal are entitled to certain privileges, such as a special pension of $120 a year after reaching 65, increased military pay of $2 a month, and under certain conditions, free Army airplane transportation.

Through World War II, 2,116 Americans had won Medals of Honor. More than half of the medals were awarded during the Civil War. Congress awarded 292 Medals of Honor for heroic deeds during World War II, almost 200 more than were tendered during World War I.

Oregonians awarded the medal before Sergeant Kaufman:

Pfc. Stuart S. Stryker, Portland, Seventeenth Airborne Division, World War II; Second Lt. David R. Kingsley, Portland, Ploesti, Rumania, air sortie during World War II; Capt. Edward C. Allworth, World War I; Marcus W. Robertson, and Charles E. Kilbourne, Philippine Insurrection; and Lewis Phife, Indian wars.

Mr. REED of New York. Mr. Chairman, I yield to the gentleman from California [Mr. JOHNSON].

Mr. DOUGHTON. Mr. Chairman, I yield 15 minutes to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Chairman, all day yesterday and since 11 o'clock this morning, we have listened to our Republican friends use high-sounding words, scare words of every type, with reference to the bill now under consideration. I want to remind my colleagues that they, like myself, every election day go before the public to seek the great honor of being a Member of the Congress, and I point out that with that honor goes a grave responsibility, the responsibility not just of voting to get votes, not just voting on what we think will plesase the people, but the responsibility of voting as our conscience dictates, and voting for the general welfare of our Government in general, because by so doing we are voting for the general welfare of all the people. Scare words have been used. In fact, I believe every scare word in the dictionary has been used. They may attract attention. Yes. They may attract a few votes. I hope that the results will not disturb your sleep in the future.

Mr. Chairman, as was said before, the bill before us is not fully satisfactory to each and every Member. In fact, if each of us had the privilege of writing a tax bill, I am sure it would be different, but it is a compromise of the views of 25 Members, all honest, sincere men, trying to do a job. I believe, as was said by previous speakers, that it is perhaps the best tax bill that could be written at this time.

As was said by my good friend Randolph Paul, who at one time was general counsel for the Treasury, no law can do absolute justice all along the line in an economy of shifting dollar purchasing power, but the impossibility of doing absolute justice is not a valid reason for failing to do justice that can be done. A perfectionist is a dangerous man in the tax world, which is full of things that need to be done only as well as they can be done.

Mr. Chairman, that represents the tax bill we have brought before you. It is the best that can be done under present circumstances. I sincerely hope and trust that the membership of this House will have enough confidence in the Ways and Means Committee to give us their full support when the final vote comes.

Much has been said about the so-called bad features of the bill, but nothing at all has been said so far as to the relief provisions contained in that bill.

Mr. Chairman, although the bill, H. R. 4473, which is now before us, is largely a revenue-raising measure, it contains one very important relief provision which is necessary during times like these.

I invite your attention to section 303 on page 76 of the bill. That section amends the present provisions of the law relating to gains on the sale of a taxpayer's principal residence. It defers the capital gains tax when another residence is purchased during the same year. While this provision involves a revenue loss, it is necessary to alleviate the hardship involved in transfers of residences, especially when individuals move from one city to another in the process of changing to a defense job.

The capital gains provisions of the Internal Revenue Code are designed to include in the tax base profits from the sale of capital assets. The major source of such profits is, of course, gains from the sale of stocks and bonds. However, a personal residence is also considered a capital asset, and properly so, and as a consequence, gains from the sale of residences are subject to the capital gains provisions.

It is evident, however, that for the most part, the sale of a personal residence especially when it precedes the purchase of another residence is entirely different from the sale of stocks and bonds. Most individuals move into new homes because their jobs change or because their requirements for housing change as the family grows, or as the children marry. Gains resulting from switches of personal residences are therefore not in the same category as gains from the sale of other capital assets since they are ordinarily not obtained as a result of a desire to make profit in the usual sense of the word.

Perhaps more important, many changes of personal residences are in the nature of involuntary switches. A person, for example, may live in New York for a long time and then because of expansion of the defense program may find a new job in Cleveland. The sale of his home in New York does not enrich him if he buys a home of comparable size in Cleveland. The imposition of a capital gains tax in such cases reduces the amount of money which is available to the individual to purchase a new home.

The hardships involved in such instances have been the subject of considerable complaint, I am certain, to practically every Member of the Congress. Especially during World War II when labor mobility was unusually great, wage earners protested that the capital-gains tax imposed considerable hardships on them. Labor mobility is again on the increase as a result of the defense program and we must guard

against imposing tax hardships under these circumstances.

We pride ourselves on the fact that our tax system is progressive and is based to a very great extent on ability to pay. The average man on the street does not consider the temporary gain on the sale of a personal residence before another is purchased as indicating ability to pay. By reducing his capital resources, the capital-gains tax, in fact, makes it harder for him to maintain his former standard of living. Relief from this condition is long overdue.

Mr. Randolph E. Paul, former general counsel of the Treasury Department, in his book Taxation for Prosperity makes a very pertinent observation on this subject. I quote a brief excerpt from that book:

> No tax law can do absolute justice all along the line in an economy of shifting dollar purchasing power.
>
> The impossibility of doing absolute justice is not a valid reason for failing to do justice that can be done. A perfectionist is a dangerous man in the tax world, which is full of things that need to be done only as well as they can be done. But one problem recurs too frequently to be neglected any longer. It can be illustrated by a simple case history.
>
> In 1915 Mr. Smith came to Washington to work for the Government. He bought a house for $5,000. In 1945, after he had devoted 30 years to Government service, he was ordered to Chicago. He sold his house for $15,000 and moved his family. Plainly he had a capital gain of $10,000. But Mr. Smith was spoiled; he liked to own his home; moreover, in Chicago he could find no apartment at a reasonable rental. So he bought another house. It was no better than the one he had sold in Washington, but it cost him $15,000, exactly the amount he had received for his Washington house. The amount he had received, yes. But not the amount he had left in his pocket. The Government had part of the first $15,000, and Mr. Smith had to dip into his savings to pay for the second house.
>
> Mr. Smith's tax lawyer told him that he had no recourse. But if Mr. Smith had been in business and his house had been a ship which was requisitioned by the Government for $15,000, the advice would have been different. Then he would have had an involuntary conversion, and he could have established a fund with the first $15,000 to replace the ship. Then he would have had no taxable gain, and the $15,000 would have been in his pocket and available to buy the second ship. In practical fact, although not technically under the law, Mr. Smith had an involuntary conversion. He had no choice but to go to Chicago. It is hard to see why he should not enjoy the financial position in Chicago that he had in Washington.
>
> There are thousands of Mr. Smiths in Government and in business. Never were business conditions so chaotic as today, and the geographical shifting of personnel required both by business and Government did not end with the war. If Mr. Smith were politically minded, he could make a strong case for tax relief. But he is just an ordinary citizen, so he takes his medicine. It can be added that the income tax is not popular in that house in Chicago. Mr. Smith might pay his other taxes more willingly if he thought he had been fairly treated.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I yield.

Mr. SIMPSON of Pennsylvania. I want to compliment the gentleman on this portion of the bill. My recollection is that the gentleman has urged the adoption of this proposal for some years.

Mr. FORAND. The gentleman is correct.

Mr. SIMPSON of Pennsylvania. The fact is that the individual who allegedly benefits as a result of this change in the law has no profit to himself anyway, because when he gets a selling price for his own home he must immediately put that money in another home, and he gets nothing aside from credit in the new home for that which he had in the old; is not that correct?

Mr. FORAND. The gentleman is absolutely correct; and I want to take advantage of this particular moment to pay a tribute to the gentleman from Pennsylvania, because he, too, has been working with me on this very important subject. As I go along it is my hope to cite a few examples to make clear just where the taxpayer stands when he changes his residence.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I yield to the gentleman from Arkansas.

Mr. MILLS. I want to join with the gentleman from Pennsylvania in commending the gentleman from Rhode Island for this provision. The gentleman from Rhode Island called it to the attention of the committee, made the motion in the committee that resulted in this provision being included in the bill. This is further evidence of the gentleman's constant study of our tax statutes in the hope of bringing greater equity to the people of the United States.

Mr. FORAND. I thank my friend from Arkansas.

Another important consideration which led the committee to decide to defer the capital-gains tax in these situations is that, primarily for administrative reasons, capital losses on the sale of homes are not deductible in arriving at net income. Thus, if an individual switches homes in 1950, and makes a gain on the sale of his original house, he would be taxed on that gain under present law. If he made another switch in 1955 and takes a loss at that time, that loss would not be deductible. In effect, therefore, even though the individual may suffer a loss in capital over the period of 5 years, he is subject to tax on the original gain. In connection with the capital-gains provisions on the sales of other capital assets, an individual is permitted to deduct capital losses either against capital gains or against ordinary incomes.

The purpose of section 303 of the bill is to eliminate these anomalies in the tax law. The specific provisions are as follows:

First. When the sale of the taxpayer's principal residence is followed within the period of 1 year by the purchase of a substitute, gain will be recognized for tax purposes only to the extent that the selling price of the old residence exceeds the price of the new one. This rule applies also when the substitute is purchased within a year prior to the sale of the taxpayer's principal residence. Thus, if a dwelling purchased in 1940 at $10,000 is sold in 1951 for $15,000, there would be a taxable gain of $5,000 under existing law. Under this bill no portion of the gain would be taxable provided a substitute "principal residence" is purchased by the taxpayer within the stated period of time for a price of $15,000 or more. If the replacement cost is less than $15,000, say $14,000, the amount taxable as gain would be $1,000.

Second. This special treatment is not limited only to cases where the switch of a personal residence is in the nature of an involuntary conversion. While the need for relief is especially clear where the taxpayer is forced to sell his home because his place of employment is changed, an attempt to confine the provision to such cases would conflict with the fact that relief is desirable whenever the sale of one home is accompanied by the purchase of another.

Third. The adjusted basis of the new residence is reduced by the amount of the gain not recognized by the sale of the old residence. In this way the capital gains tax is not completely forgiven, but rather is deferred until the time when the gain is fully realized. For example, if the replacement home is purchased for $19,000, the old residence cost $10,000 and was sold for $15,000, the adjusted basis of the new residence would be $19,000 minus $5,000, or $14,000. This is equal to the cost of the old residence and the additional funds invested at the time the new residence is purchased. If the individual later sells this house for $20,000 and does not purchase another one within a year, he will be taxable on the difference between $20,000 and $14,000, or $6,000. In total, the individual made a gain of $6,000 on the sales of the two houses—$5,000 on the first and $1,000 on the second—and this is the total amount of gain upon which he will be taxable.

Fourth. The relief provisions of this bill are applicable whether an individual purchases an existing home or builds a new one so long as he sells another house within a year of the new purchase.

Fifth. The bill covers not only sales for cash but also direct exchanges of one house for another. Moreover, it covers cases where a new home is purchased with insurance proceeds when the old home is destroyed by fire.

Sixth. To prevent abuse of the provision, the bill provides that the special treatment can be availed of only with respect to one sale or exchange per year except when the taxpayer's new residence is involuntarily converted. In such cases he will be treated as though a year had elapsed since the time of a previous sale of an old residence.

Seventh. Where the taxpayer's residence is part of a property also used for business purposes—as in the case of an apartment over a store building or a home on a farm—and the entire property is sold, the provisions of the bill will apply only to that part of the property used as a residence.

Eighth. The relief provided under the bill will be applied to the sales of residences made after December 31, 1950.

The beneficiaries of these provisions will be the average home owner in the United States. Lest it be argued that

this legislation is likely to benefit a relatively small and undeserving group in the population, I should like to introduce in the RECORD two small tables which show the nature of home ownership.

Table 1 shows the number of nonfarm houses purchased in the United States in the period 1947-50 and the average cost of these purchases for the years 1947, 1948, and 1949. In 1947, 2,200,000 nonfarm purchases were made at an average cost of $7,100. In 1948 2,400,000 homes were purchased at an average cost of $9,000. In 1949, 1,600,000 homes were purchased at an average cost of $7,040. In 1950 we know only that about 2,500,000 homes were purchased, but we do not know exactly what the average cost was. Nevertheless, it is obvious from the preceding figures that the average cost is still less than $10,000 per home. These figures, it seems to me, amply illustrate that the beneficiaries of section 303 of the bill will be relatively low-income recipients.

This is made clear by the figures shown on table 2. This table gives the percentage distribution of the purchasers of nonfarm homes by income classes. I should like to rea some of these figures because I believe they are not generally known. In 1949, 27 percent of all purchases of nonfarm houses in the United States were made by spending units with incomes under $3,000. Another 28 percent of those who purchased homes in that year had incomes between $3,000 and $4,000. Another 16 percent had incomes between $4,000 and $5,000. In total, 71 percent of all purchases of homes in 1949 were made by people with incomes below $5,000. The data for 1947 and 1948 generally show a somewhat rising trend in the proportion of purchases made by the groups above $5,000. It is clear nevertheless that the vast majority of those who purchase homes are in the lower income groups.

In summary, I believe that section 303 of the bill will make an important improvement in our tax laws. It is justified on the following grounds:

First, people who switch from one home to another do not ordinarily do so for reasons of profit making. It is usually incidental to changes in employment or to changes in the housing needs of the family. Payment of a capital-gains tax when an individual switches homes may be a real hardship, because ordinarily he needs as much cash as he can lay his hands on. In an inflationary situation, switching homes does not produce a capital gain which indicates ability to pay.

Second, capital losses on personal residences are not deductible and consequently the imposition of a tax on the capital gains from such sales may actually be a tax on capital rather than a tax on income.

Third, the provision will be helpful to all groups in the population, especially those with low incomes who constitute the majority of those purchasing homes in the United States.

The revenue loss of this provision is $112,000,000, but I believe it is well worth it.

TABLE 1.—*Number of nonfarm houses purchased in the United States and their average expenditures, 1947–50*

[Number of houses in millions]

	New houses	Existing houses	Total	Average expenditures
1947	0.6	1.6	2.2	$7,100
1948	.8	1.6	2.4	9,000
1949	1.0	.6	1.6	7,040
1950	(1)	(1)	[2] 2.5	(1)

[1] Not available.
[2] Estimated.

Source: Survey of Consumer Finances, Federal Reserve Board.

TABLE 2.—*Income groups of purchasers of nonfarm houses, 1947–49*

Income group	1947	1948	1949
	Percent	*Percent*	*Percent*
Under $1,000	4	5	4
$1,000 to $2,000	13	6	8
$2,000 to $3,000	22	21	15
$3,000 to $4,000	24	25	28
$4,000 to $5,000	19	18	16
$5,000 and over	18	25	29
Total	100	100	100

Source: Survey of Consumer Finances, Federal Reserve Board.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I yield to the gentleman from Arkansas.

Mr. MILLS. Would the gentleman advise the Members of the House what he thinks might happen if the bill were recommitted to our committee, as we understand an effort may be made to do?

Mr. FORAND. Well, I should be glad to give my own personal opinion. As I pointed out earlier, we had a responsibility as Members of Congress. There were many things in the bill that did not appeal to us, perhaps, all the way along the line, but there are certain portions in this bill that I am certain everybody can go along with, and if the bill is referred back to the committee, unless someone is able to give us some concrete way of doing a better job than we have done, I do not know what will happen. I do not know how we can do a better job unless there is a great change in the minds of some people.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I am glad to yield to the gentleman from North Carolina, the chairman of our committee.

Mr. DOUGHTON. The gentleman is a diligent and earnest member of our committee. He attends sessions regularly and he has rendered outstanding service. With the gentleman's familiarity with our situation, can he think of any source not contained in this bill from which we could get any considerable or substantial amount of additional revenue on which we would be likely to obtain a majority vote to report out a bill?

Mr. FORAND. Mr. Chairman, I am sorry to say that I do not know of any source that we could consider other than the many sources that we have already considered in the committee. All the members of the committee realize that we have had a list of suggestions as long as your arm offered to us by the special tax study group of the Treasury and the members of the staff of the Joint Committee on Internal Revenue Taxation, both groups having been busy for a number of months seeking sources of revenue. When we went through that list there was objection to this item and objection to that item so that we could not get a majority vote on many items that some of us felt should carry a tax. That is the reason why I said a moment ago, that unless there is a change of heart I see absolutely no good that will come from referring this bill back to the committee. It may well result in killing the bill, and if the bill is to be killed, let the responsibility lie upon those who vote to kill it.

Mr. MILLS. Mr. Chairman, if the gentleman will yield further, does the gentleman know of any source that can now be taxed if the Congress does not want the individual income tax raised or the tax burdens of corporations raised, except to impose some form of national sales tax either at manufacturers', wholesale, or retail levels? Certainly the House, if we brought out such a proposition, would not permit it to pass.

Mr. FORAND. I would vote against it.

Mr. MILLS. Certainly the gentleman would.

Mr. FORAND. Because I have always been opposed to a sales tax, and I swallowed a few of the items in this bill, not because I wanted to, but because I realized it is our responsibility to raise much-needed revenue. Practically every one of the 200 or so witnesses who appeared before our committee during the course of the hearings pointed out the urgent need for tax increases. They all argued: "Yes; we need more taxes but," in effect, they said, "do not tax me." We are having a very good repetition of that performance right here on the floor now.

Mr. MILLS. Is it not a fact that if we do not increase individual income taxes and taxes on corporations there is no other way that would be satisfactory of raising anything like $7,000,000,000?

Mr. FORAND. That is the recommendation, as I understand, of the United States Chamber of Commerce and the National Association of Manufacturers.

Mr. MILLS. The gentleman misunderstands me. There is no other way of raising $7,000,000,000 that would be satisfactory to this House except to raise a large percentage of that amount from individuals and corporations.

Mr. FORAND. I am sorry. I had misunderstood the gentleman from Arkansas. That is absolutely true, because if you tried any other way it would not be acceptable to anyone.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. With respect to the suggestion that has been made about a general sales tax, either a retail sales tax or a manufacturers' sales tax, I believe that in our hearings there were a few witnesses who recommended the im-

position of a general sales tax, but may I ask the gentleman if in our committee that was ever seriously considered, or if any member of the committee, as far as the gentleman knows, earnestly recommended a general sales tax in our deliberations?

Mr. FORAND. I recall no such instance, and I believe most of the members of the committee are opposed to that type of tax because it is nothing but a camouflage, it is nothing but a tax we would be imposing on the so-called little people. I have argued that point many times and I will argue it again if ever that subject comes to the floor.

Mr. DOUGHTON. In any event, there was no sentiment expressed in our committee, as I recall, in favor of a general sales tax.

Mr. FORAND. There has not been; no, sir.

Mr. Chairman, I sincerely hope that the Members will not recommit this bill but will vote with us to pass it.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. DONDERO] be permitted to extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DONDERO. Mr. Chairman, the power to tax is still the power to destroy.

I rise at this time in opposition to H. R. 4473, not because I feel that additional taxes are needless, in view of the necessity for a pay-as-you-go defense mobilization; but because I feel that new and heavier taxes will fail of their legitimate purpose, unless and until some other things are done.

It is all very well for the administration to come in here with a demand for a heavier tax load on the already overburdened American people, on the plea that such taxes will not only make a pay-as-you-go mobilization possible, but also will serve to combat price inflation. But the administration properly should do so, only if its own hands are clean of inflationary policies, which in themselves might be expected to make a pay-as-you-go mobilization utterly impossible.

Let me say, that the Ways and Means Committee of the House has done a remarkable job, all things considered, in attempting to squeeze more taxes out of the American people, when taxes already have reached what well may prove to be the point of diminishing returns. My criticism is directed chiefly to the fact that the committee was willing to report out any tax bill at all, until after administration steps had been taken to assure its real effectiveness in financing the mobilization, and in helping to prevent inflationary expenditures by anyone at all.

Aside from the need for additional billions to pay for war material, for arms and equipment for ourselves and our allies, this whole business of vastly increasing the tax burden—as it was increased last year by $10,000,000,000, as it would be increased this year by $7,000,000,000 and as it obviously is intended to increase it by another $12,000,000,000 a year hence—appears to be predicated upon one great fallacy. It is a fallacy which I cannot believe the administration incapable of understanding.

This great fallacy lies in the assumption, by the administration and many of its supporters on this floor, that reducing the spending power of the people, in itself, will curb inflation. This fallacy lies, too, in the further assumption that Government spending is not inflationary spending; that it is not, indeed, more inflationary than spending by the people for the things they desire.

The truth is—and we all know it, even though some of us refuse to admit the truth—that most Government spending is profitless and truly destructive spending; whereas, much of the spending outside of Government is creative spending, inasmuch as it goes for increased productiveness and the creation of wealth.

Admittedly, the inflationary effects of spending for arms and munitions cannot be avoided. This great Republic of ours must arm to the teeth, or perish in a world where brute force has become paramount internationally. Therefore it is all the more imperative that every possible step shall be taken to cut down inflationary spending when and wherever it does not contribute to national defense and to the strengthening of our national economy.

Earlier I mentioned that the administration properly can demand a vast increase in the Federal tax burden only if it comes here with hands clean of inflationary policies, which in themselves might be expected to make a pay-as-you-go mobilization impossible. Manifestly the administration has not done so.

It is too early, perhaps, at this time to evaluate munitions procurement policies. A little later on we shall be able to judge as to whether the mobilization dollar is buying a dollar's worth of war goods. But the time is long since past when we first realized—all of us, who were willing to think objectively—that the administration was literally looking for political rat holes, at home and abroad, down which to throw the taxpayers' money.

I shall not impose upon you to enumerate all of these needless and often ridiculous expenditures in furtherance of the administration's political fortunes and of its socialistic ideology. Let me cite just one instance. Let me tell you again of what may be the most wasteful and viciously inflationary of the administration's domestic spending policies. The information is contained in a Civil Service Commission report, and therefore cannot be gainsaid by the administration.

During the month of March 1951, the Federal civilian payroll totaled $693,000,000. This equaled the $8,300,000,000 annual rate at the peak of World War II, when this country was maintaining Armed Forces comprising 11,000,000 men and women, and was fighting on battle fronts in every corner of the globe; when this country employed one civilian Government employee for every five in the Armed Forces. Yet our present military strength is little more than 1,230,000 men and women.

The figures I have just cited comprise only one small example of wasteful spending—the inflationary spending—in which the Federal administration now engages. A small example only when the tremendous total is considered. This is the kind of spending which must be stopped, before I and many others in this House, I believe, will go along with such a drastic increase in taxes.

Not only is this inflationary spending policy of the administration now creating ever higher prices for everything; prices which will make a pay-as-you-go mobilization entirely out of the question, but it is adding from day to day to the national debt. And that public debt already approximates $270,000,000,000, a total which threatens the financial stability of the Government, and which will be a grievous burden upon our children for many generations to come.

Because of these things, it is my conviction that nonessential nondefense spending on the part of the Federal Government must be cut to an irreducible minimum—to the point where only those nondefense services which serve to maintain law and order remain—before new and heavier taxes are laid upon the people of America.

When this policy of strictest Government economy is made really effective, then, and only then, shall I support a bill resembling the present one. When it becomes possible to use the new taxes, not only to implement a pay-as-you-go mobilization, but also to reduce in some measure the public debt; then I shall support the proposal for new taxes, up to the point where they do not discourage private savings and private investment or destroy the incentive to produce goods and services so necessary to our survival.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, much has been written during recent years about the question of what constitutes a sound fiscal policy. We have also had many speeches yesterday and today dealing with that subject. It seems to me that in spite of all of the formulas that have been devised there are two basic principles of conduct that are still sound and still honorable. The first is that one should not spend more than he can afford, and the second is that one should pay his bills.

The first principle relates to expenditures. I think we must understand right from the beginning that this bill in no way either increases or decreases the expenditures of the Federal Government. We are not debating whether we are going to spend $71,000,000,000, $65,000,000,000, or $90,000,000,000 in the year 1952. That is not the issue. That question is being decided in other legislation. It is being decided in the authorization bills that come before the Congress, bills such as the six bills which passed the House of Representatives only day before yesterday, and

which it is estimated will add over half a billion dollars to next year's expenditures.

It is being decided in general appropriation bills. It will be decided in the supplemental appropriation bill, and the deficiency appropriation bills as time goes on between now and June 30, 1952. It is when these bills are debated in the Congress that the question should be asked: Are we spending more than we can afford? I have asked that question many times, and my answer has been: Yes, we are spending more than we can afford. I have voted time and again against new authorizations and against increased appropriations. I must sadly relate that most of the time I have found myself in the minority when the votes were counted.

Mr. Chairman, I think, however, that my record is quite clear. I have tried my best, during my membership in this House, to prevent spending more than we can afford. The record also shows I have not been successful in accomplishing that objective. The Congress and the administration is spending more than we can afford. It has done it in the past and it is doing it today. Much as I regret the situation, it will not be corrected, however, by what we do in this legislation.

This is a tax bill. It relates to the second principle which I believe is essential to a sound and honorable fiscal policy. What we do today, I think, will be evidence of our willingness or unwillingness to pay our bills.

I do not rise to defend the provisions of the legislation before us. Some of the provisions I agree with, and I supported them in committee. Other provisions I wholeheartedly disagree with, and I oppose them in the committee. On still further provisions I think the committee went too far. In others, it fell short of what I believe should be contained in a tax bill at this time. In those cases, I tried to correct that when it was considered in committee.

It is easy to criticize this bill. From now on it is going to be easy to criticize any tax bill which comes before the Congress because we are scraping the bottom of the barrel. I agree wholeheartedly with those members of our committee and other Members of the House, both on the majority and minority side when they say we have hit that bottom. Let us remember, and it must be remembered constantly, as every bill comes before the Congress which involves the expenditures of money that we are at the bottom and we cannot go any further. I believe it is next to impossible to devise a completely sound tax measure which will meet the expenses of government now being incurred. The major provisions of this bill were written by the Democratic majority of the committee. That is only natural. The composition of that committee is 15 to 10. There are 15 Democrats and 10 Republicans. They have the majority. It was written by them and it is their bill. It is a different bill than would have been presented if it had been written by a Republican majority. But I think, in all fairness, I must say I am fearful that even such a bill if it raised the amount of money needed to pay for present expenditures, it would be subject to criticism. I regret to differ with some of the Members, probably the majority of the Members on my side of the aisle, and the minority members on the Committee on Ways and Means. It is a very unpleasant task. But many are talking about voting to recommit this bill to the committee. I disagree with that position.

If the bill is recommitted to the committee under a general or straight motion to recommit, I think we will either be left without any tax bill at all or any new tax bill that comes out will still be a Democratic tax bill. I do not think the basic views of the members of the Democratic majority of the committee are going to change overnight. I do not think the majority members are going to be more willing to accept the views of the gentleman from New York [Mr. REED], or the gentleman from Ohio [Mr. JENKINS], or my own views or the views of any of the Republican members of the committee tomorrow more than they were last week. I think their speeches yesterday and today are pretty good evidence of the fact that they do not have much of an intention to change their minds on these basic matters. I therefore do not believe that anything can be accomplished by a motion to recommit, and therefore it is not my intention to support a straight motion to recommit.

We are faced with a very ugly fact which we cannot avoid, no matter how hard we try. During the next fiscal year this Congress and the administration will spend in excess of the income produced by present taxes. It will do no good at this point to argue that they are spending too much. We know that fact. But the fact remains that the expenditures are going to be made. It is estimated by the staff of the Joint Committee on Internal Revenue Taxation that income from present taxes will amount to approximately $61,000,000,000. At the beginning of the year the President called for expenditures of around $72,000,000,000. That is being increased constantly. You will recall that just last Wednesday we received a request from the President, through the Department of Defense, for an appropriation of $4,500,000,000 during fiscal 1952 for building construction for the Defense Establishment. That is not in the seventy-two billion Presidential budget; it is in addition to the seventy-two billion.

This House has demonstrated that the $72,000,000,000 budget can be cut. There is no question but that it must be cut, but the question today, however, is not how much it could be cut. The question is how much it will be cut. We are dealing with a matter of dollars and cents, and I do not think that wishful thinking is going to give us the answer to that question.

I sincerely doubt if there is anyone in this Chamber who honestly believes that the expenditures made during the fiscal year 1952 will be less than $68,000,000,000 when it comes to the end of the fiscal year 1952 and we add up the bills that have been incurred during that period of time. There are probably many, I think, who would call even that figure of $68,000,000,000 as wishful thinking. But the point is that probably the best we can hope for, considering the temper of the administration and the temper of the Congress, is a difference of $7,000,000,000 between the tax receipts under existing law and the expenditures that will be made.

The question before us today, therefore, is how is this bill for $7,000,000,000 going to be met. There are only two methods—one is by increasing taxes and the other is by Government borrowing. Some of my colleagues have attempted to rationalize opposition to the tax bill by saying that if we do not raise the money they will not be able to spend it. I wish, and I wish so fervently, that that were true, but, unfortunately, that is not a true statement of the facts, nor is it a sound conclusion.

We speak of loopholes in the tax laws. Mr. Chairman, there is a big loophole in our spending laws. This loophole is well know to the present administration It has been their salvation ever since 1935. I refer to the ease with which the statutory debt limitation is raised and bonds, certificates of indebtedness, and Treasury bills are issued. Since 1935 the limitation on the statutory debt has been raised six times, and today the prevailing ceiling is $275,000,000,000. The public debt as of today is $254,000,000,000, thus leaving a borrowing potential or spending loophole of $21,000,000,000.

I cannot support the proposition that the bills we are incurring should be met by borrowing. In the first place, such a policy would be the height of folly and inconsistency.

We are presently engaged in a battle in defense of freedom. Let us not forget that there is another battle that must also be won. That is the battle in defense of the value of the dollar. A sure way to lose both battles is to embark further on a program of deficit financing. No policy can be more inflationary and have more disastrous consequences to our people and our political and economic institutions. That is the practical reason why we must pay today's bills by today's revenue. But there is also a moral reason. In my judgment, there is no more dishonest, immoral, and contemptuous means of financing today's expenditures than that of putting it on the backs of our children. Yet, that certainly is exactly what we will be doing if we fail to provide tax revenue sufficient to meet the spending that is being authorized.

Mr. Chairman, on the wall behind the Speaker's desk is a plaque which reads:

> Let us develop the resources of our land, call forth its powers, build up its institutions. Promote all its great interests and see whether we also in our day and generation may not perform something worthy to be remembered.

Loading our obligations on the generations to follow is certainly not something worthy to be remembered.

Mr. Chairman, I am going to vote for this legislation. I am going to vote to send this bill to the Senate rather than back to the Ways and Means Committee. I sincerely trust that the Senate will

make substantial changes in some of the provisions of the bill. In voting for this measure, I am not voting for its provisions; I am voting for the principle that it is only sound and only honorable that we today pay our bills.

Mr. DOUGHTON. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, I wish all Members of the House had been present to listen to the remarks of the gentleman from Wisconsin [Mr. BYRNES]. The gentleman from Wisconsin has made what I consider to be a very fine statement regarding the finances of the country and the policies that should be pursued. His statement indicates why he is considered one of the most able members of the Committee on Ways and Means, and I, for one, want it to be known that I appreciate it, and I am sure every member of the committee does. I was particularly happy when he said that he felt that, although he did not approve of all the provisions of the bill, he was not going to vote to recommit it. That should cause the Members who are opposed to the present passage of the bill to think very seriously about what would happen if this bill were recommitted.

Mr. Chairman, personally, I opposed several provisions that are in the bill now pending before the committee. I opposed them as vigorously as I could. I think they are unwise provisions; I think they are inadvisable, at least; but, all in all, the measure is a good one.

It would be a catastrophe not to adopt at this time a tax measure which will raise about $7,200,000,000.

I do not approve of some of the depletion allowances, at least, to the extent granted under the bill. I think it is a loophole that cannot be justified.

I do not approve of the provision which weakens the present law relating to family partnerships because it, in my opinion, opens a loophole by encouraging the owners of business to take in fictitious partners, relatives, and minors, thereby reducing the tax brackets in which they should be and resulting in their not paying their fair share of the tax load.

There are several other provisions with which I do not agree, but in considering the measure as a whole I have come to the conclusion that they are minor.

The overriding consideration which the membership should keep in mind about this measure is whether as a whole it will be for the benefit not only of our defense program but of the economy of the country in future years to come. We certainly have not heard anybody in industry or finance, or in labor or in agriculture, or in any segment of our economy, or any Member of the Congress of the United States or any administrative official, or any economist, say anything that was in favor of deficit spending. The only way we can avoid deficit financing is either to cut out appropriations sufficient to balance the budget or raise taxes.

I think the remarks made by the gentleman from Wisconsin [Mr. BYRNES] were directed more at the action of the House and the other body in approving appropriations beyond the expected revenues. It was more a criticism of both branches of the Congress for their action in appropriating money than it was against the bill reported by the Committee on Ways and Means.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Connecticut.

Mr. SADLAK. Inasmuch as there are more appropriation bills to be brought to the House for consideration, and we do not know the amount of the full expenditures to be made in the ensuing fiscal year, why would it not be a good idea to wait until we dispose of those appropriation measures before we finally enact a tax bill?

Mr. EBERHARTER. One of the main reasons for passing quickly a tax measure is to halt the inflationary spiral. The longer we delay passing a tax measure the worse the spiral is going to get. If we were to wait until September or October, it will cost the Government of the United States alone, to say nothing of the citizens of the country, billions of dollars additional because of inflation. We have the testimony of the procurement officers in our defense effort that the inflationary spiral has already cost over $2,000,000,000. If we wait 3 months more, when the full impact of the procurement program of the Government is put into effect, it will probably cost $5,000,000,000 additional, which we would not be compelled to spend if we held down the inflationary spiral. The best way to hold down the inflationary spiral, according to the best economists, if not all of the economists, of the country, is to have higher taxation which will stop the amount of spendable money in the hands of the people who do the spending, and to restrict credit. I expect, Mr. Chairman, to go into that in a little more detail and to refer to certain authorities in my prepared remarks on that subject. But I think the longer we delay the tax measure the worse it will be for the economy of the country.

Mr. SADLAK. Will the gentleman yield for one further observation in that connection?

Mr. EBERHARTER. I yield.

Mr. SADLAK. I am very interested in the gentleman's reply and I shall listen to what he has to say in his prepared statement. But, I thought I read yesterday that the other body is contemplating taking a recess before they take any action on the tax bill. If that were to come about, then it will be another month or two before the other body takes any action on a bill which we might pass here today.

Mr. EBERHARTER. My information—and I am glad the gentleman brought that out—is different. I was told informally that the program in the other body is to commence hearings on this bill, if it passes the House, next Thursday. The hearings definitely will start in the other body on Thursday, starting with Government witnesses and then continuing with other witnesses. If that is true, it would certainly be a mistake for us not to act on it today.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Oklahoma.

Mr. ALBERT. With further reference to this matter, should the revenues exceed the expenditures on the final windup, there would be nothing wrong with retiring a little bit of the national debt, would there?

Mr. EBERHARTER. That is a very wise observation on the part of my colleague, the gentleman from Oklahoma [Mr. ALBERT]. Everybody would be very, very happy if circumstances should arise so that we could reduce the national debt. It is a millstone around our neck. It costs us, I think speaking from memory, about $5,000,000,000 to pay the interest on the public debt, and anything that we can reduce that public debt by would be a great accomplishment. I want to say that since the close of hostilities the public debt has been reduced, I think, approximately twenty-five or thirty billion dollars, so in reducing the public debt we have saved perhaps a billion dollars a year in interest.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Nebraska.

Mr. STEFAN. The gentleman has stated that inflation has increased the price to the Federal agencies by about $2,000,000,000. I believe the President, in his statement the other night, mentioned the figure $7,000,000,000.

Mr. EBERHARTER. I assume by that, perhaps, the President meant that, when all of the contract authorizations are consummated, the total cost, because of inflation, will be an additional $7,000,000,000. Of course, we have not spent that much yet.

Mr. STEFAN. Where did the gentleman get the $2,000,000,000 figure?

Mr. EBERHARTER. That was the figure on contracts, I think, that have already been completed.

Mr. STEFAN. The $7,000,000,000 is on obligations, then; is that what the gentleman means?

Mr. EBERHARTER. I think that is what the President referred to.

Mr. STEFAN. There is another figure going back and forth on the public debt. I think the gentleman from Wisconsin mentioned a figure of $254,000,000,000. It is generally stated that the public debt is $256,000,000,000. Does the gentleman have any further information on that?

Mr. EBERHARTER. Those figures, I will say to the gentleman from Nebraska, are easily obtainable. My recollection was, the last time it was presented to me, it was about $256,000,000,000.

Mr. STEFAN. I think the 256 figure is the figure I got from the Treasury.

Mr. EBERHARTER. Our revenue receipts have increased recently because of the high business activity and the general prosperity of the country. That has increased our revenue receipts beyond expectations. Perhaps that has temporarily reduced the deficit.

Mr. STEFAN. But so far as the gentleman is concerned he figures it at 256 rather than 254.

Mr. EBERHARTER. That is correct.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Minnesota.

Mr. O'HARA. I would like to ask my colleague, the gentleman from Pennsylvania, if he approves of the 12½ percent increase in the income taxes in this bill. I am thinking particularly of what it is going to mean to those in the low pay-scale brackets.

Mr. EBERHARTER. I will say to the gentleman that I proposed the 12½ percent increase, so I am in favor of it. I have prepared some figures which will show how lightly it will bear on the lower income groups in comparison with some other suggestions that may have been made. I expect to go into that subject a little further, if the gentleman will bear with me, when I go over my prepared statement to make sure that I do not make any misstatements.

Mr. O'HARA. If the gentleman will yield for a brief comment, personally I have been very much concerned about that phase of the tax bill because I know people now who are just barely getting along by using extreme caution in their expenditures. Some of them frankly do not know where they are going to get this 12½ percent unless they get another round of wage increases.

Mr. EBERHARTER. That is one of the principal reasons why the 12½ percent is a preferable method of imposing a defense tax, because it bears a little less heavily on those in the brackets below $5,000. In other words, if a man's tax bill is $200 a year and he is raised by 12½ percent, 12½ percent of the $200 is $25. In other words, he is raised about $2 a month; whereas the taxpayer who has been paying, say, $2,000 a year in taxes, when he is raised by 12½ percent, pays $250 in additional taxes. He can bear a little more. I have those figures here, if the gentleman will bear with me, and I will put them in the RECORD. I should like to go ahead with my prepared speech now.

Mr. Chairman, as the distinguished chairman of the Committee on Ways and Means emphasized in the opening speech in the debate on this bill, under the Constitution, the Congress bears the primary responsibility for the fiscal solvency of the Government. More than that, it is with the House of Representatives that our founding fathers left the authority to initiate bills to raise revenue. The same is true of appropriation bills.

It is this body, therefore, regardless of which party is in power, to which the people of the country must look for guidance in matters of taxation and the wise expenditure of public funds.

The CONGRESSIONAL RECORD over the years is profuse with statements by Republican Members of the Congress that theirs is the party of conservatism. Theirs was the conviction that income should balance expenses, whether in Government or in private life. It is very difficult for me to understand, therefore, the reckless Republican irresponsibility in opposing the pending bill.

Perhaps, their lines of communication with their big business supporters have broken down, for within the past month most of the leaders of the big business organizations of the country have appeared before other committees of the Congress in suport of higher taxes and a pay-as-we-go fiscal policy in the present emergency.

Of course, the setting for many of these statements was somewhat different. They were made before committees which have been considering the recommendations of the President for improving and continuing the Defense Production Act and the direct price controls and the other anti-inflationary controls provided by that legislation. Still, the leaders of business—both within and without the Government—were unanimous in support of higher taxes in the fight against inflation.

Mr. Charles Wilson, Director of Defense Mobilization and former head of General Electric, testified on May 7, 1951, before the Senate Committee on Banking and Currency, as follows:

When more and more money is bidding for the same or a lesser amount of goods and services, pressure on prices is generated. If prices were permitted to rise, wages would follow, then prices again and then wages. The only real answer to this problem is to balance supply and demand. Since we cannot achieve the balance by increasing civilian production immediately, we must reduce the excess purchasing power.

The President has emphasized the central importance of a fair and adequate tax program to meet this problem. I wholeheartedly endorse this recommendation.

He was followed and supported by Mr. Eric Johnston, Administrator of the Economic Stabilization Agency, and former president of the United States Chamber of Commerce. Since Mr. Johnston has now been branded as a "renegade capitalist" by the National Association of Manufacturers, I suppose his reputation as a sound and successful businessman may be somewhat tarnished in the minds of my Republican friends. Nevertheless Mr. Johnston made the following statement in support of a pay-as-we-go tax program. He said:

This is the fundamental step in inflation control. It is not just a device for "siphoning off buying power"—as the economists call this technique for hitting us all in the pocketbook—but it also serves another equally important purpose. It avoids the necessity for the creation of new money.

If we don't pay as we go, the Government has to borrow the funds it needs. Spending borrowed money—borrowed from the banking system—is inflationary.

Furthermore, whether we take the cost of defense out of the pay checks of the people now or out of their bank accounts later—whether we pay as we go or go in for deficit financing—the real cost of this program cannot be deferred.

The real cost of defense is in things—in steel, coal, aluminum, copper, lead, and a host of other materials; also in manpower and horsepower. We're using them up now in defense procurement. Whether we pay for their cost now in dollars or pay those dollars later, we will see the actual cost of defense paid every day in terms we can understand—in terms of the availability of things we want to buy and otherwise would buy.

The extra $10,000,000,000 or so a year which we would have to pay to put defense on a balanced budget is a small price to pay, indeed, when the alternative is inflation.

And Secretary of Commerce Sawyer, himself a recruit from the ranks of successful businessmen, recommended that—

Increases in taxation at least sufficient to cover the increased Federal expenditures planned for the coming fiscal year, should be provided without delay.

Even the president of the organization which is now so caustically attacking Mr. Eric Johnston—Mr. William H. Ruffin, president of the National Association of Manufacturers—in opposing continuation of wage and price controls, on the ground that they deal only with the symptoms rather than the basic causes of inflation, publicly recommended that—

The total cost of the military program, as well as other Government expenditures, must be covered by taxes.

And here is what Mr. Ruffin stated, as recently as Friday, May 18, 1951, despite what the gentleman from New York and other Republican Members of the Committee on Ways and Means have to say, and here I quote Mr. Ruffin, president of the National Association of Manufacturers:

We realize that probably no one knows the amount of additional revenue that is going to be needed. We think it is bound to come to a minimum of $10,000,000,000 and perhaps closer to $25,000,000,000 annually, and we hope that Congress will raise that money by taxes in some way and certainly not continue the disastrous deficit spending.

Mr. Chairman, it would seem that our Republican friends really are not even in tune with the most conservative business thinking of the country. The president of the United States Chamber of Commerce testified before the Senate Committee on Banking and Currency, as follows:

Every effort should therefore be made to make indirect controls the primary weapon against inflation. With proper emphasis on them, Government wage and price-fixing should be unnecessary. Accordingly, we urge the following principles:

* * * * * *

Levying of new and additional taxes to assure pay-as-we-go, consistent with necessary expenditures, and consistent also with maintaining incentives to work and produce.

He was preceded by Mr. Rowland Jones of the American Retail Federation, who opposed direct controls of prices and wages, and urged a pay-as-we-go fiscal policy. Mr. Jones said:

Further deficit financing by the Government should be avoided at all costs. Such additions to the public debt would add to the present huge reservoir of spendable funds creating additional inflationary pressures.

Mr. Chairman, this is but a sample of the most representative thinking of the business community. It is firmly in support of the policy of higher taxes to finance the defense effort.

Mr. Chairman, quite an issue has been made by the minority about the 12½ percent across the board increase in the individual income tax. The minority report suggests that this is socialism or at the very least that it is a great stride in the direction of socialism.

Of course, we have grown accustomed to Republican charges of socialism. More than 50 years ago other Republi-

cans considering an income tax had even worse things to say. In the CONGRESSIONAL RECORD of June 22, 1894, a Republican Senator from Ohio described an income-tax provision in a pending bill as socialism, communism, devilism. And a famous Republican lawyer before the Supreme Court of the United States went the whole way and charged that the income tax there challenged as being unconstitutional was defended upon principles as communistic, socialistic—what shall I call them—populistic, as ever have been addressed to any political assembly in the world.

So as I say, Mr. Chairman, it is nothing new for Republicans to call an income tax based upon ability to pay socialism or any other smear word that only indicates they have no real arguments against it. This is particularly true here because the very method of increasing the income tax on individuals, as is contained in the pending bill, was first proposed in the committee in the form of a motion by the gentleman from Pennsylvania [Mr. SIMPSON].

I repeat—there was no disagreement between Democrats and Republicans as to method, but only as to the amount of the percentage increase. The gentleman from Pennsylvania [Mr. SIMPSON] offered a plan for a 10-percent increase and our proposal was for a 12½-percent increase.

Since it is necessary to rely heavily on the individual income tax, the only question was how the individual income tax, based upon ability to pay, could best be adjusted to raise the additional amount of revenue. The following four reasons support a 12½-percent increase in present tax:

First. The 12½-percent increase has the effect of increasing the rate of tax in the first tax bracket from 20 to 22.5 percent. Any larger increase in the lowest bracket would constitute a severe hardship on the low-income groups, especially in view of the increase in cost of living.

Second. The 12½-percent increase would distribute the additional tax burden by income classes—over and below $5,000—on the same proportion as under present law. In other words, under the 12½-percent plan, each group bears as much of the increase as they do the tax burden at the present time.

Third. The 12½-percent plan cuts take-home pay in the higher brackets to a greater degree than the lower brackets, and therefore conforms with ability to pay.

Fourth. The 12½-percent plan is simple, and when it is possible to reduce taxes, quick repeal would be feasible.

Now in the debate on yesterday, there was a colloquy between the gentleman from Pennsylvania and the gentleman from Arkansas, during which the gentleman from Pennsylvania indicated that his 10-percent-across-the-board increase would have followed the form of the defense tax imposed in 1940.

It was pointed out thereafter that the so-called Victory tax in 1940 failed to allow more than a single personal exemption and gave no recognition for the number of children or other dependents of the taxpayer. Consequently, I have checked the minutes of the Committee on Ways and Means, and believe that if the gentleman from Pennsylvania will do the same, he will find that his motion embodied a flat 10-percent across-the-board increase in the present tax liability of all taxpayers.

In any event, Mr. Chairman, just what is the margin of difference between the 10 percent increase proposed by the Republicans and the 12½ percent increase contained in the pending bill. I have prepared a table comparing the individual income tax liabilities of a single person and of a married person with two dependents under present law, the Republican 10-percent plan, and under the increases provided by House bill 4473. Now, this is what the difference in tax would be at various income levels.

Individual income tax

SINGLE PERSON—NO DEPENDENTS

Net income before exemption	Amounts of tax			Increase in tax over present law per year		Difference in tax between Republican plan and H. R. 4473
	Present law	Republican plan	H. R. 4473	H. R. 4473	Republican plan	
$800	$40	$44	$45	$5	$4	$1
$1,000	80	88	90	10	8	2
$1,500	180	198	203	23	18	5
$2,000	280	308	315	35	28	7
$3,000	488	537	549	61	49	12
$5,000	944	1,038	1,062	118	94	24
$8,000	1,780	1,958	2,003	223	178	45
$10,000	2,436	2,680	2,741	305	244	61
$15,000	4,448	4,893	5,004	556	445	111
$20,000	6,942	7,636	7,810	868	694	174
$25,000	9,796	10,776	11,021	1,225	980	245
$50,000	26,388	29,027	29,687	3,299	2,639	660
$100,000	66,798	73,478	74,831	8,033	6,680	1,353
$500,000	429,274	[2] 450,000	[3] 450,000	20,726	20,726	
$1,000,000	[1] 870,000	[2] 900,000	[2] 900,000	30,000	30,000	

MARRIED COUPLE—TWO DEPENDENTS

$3,000	$120	$132	$135	$15	$12	$3
$5,000	520	572	585	65	52	13
$8,000	1,152	1,267	1,296	144	115	29
$10,000	1,592	1,751	1,791	199	159	40
$15,000	2,900	3,190	3,263	363	290	73
$20,000	4,404	4,910	5,022	558	446	112
$25,000	6,268	6,895	7,052	784	627	157
$50,000	18,884	20,772	21,245	2,361	1,888	473
$100,000	51,912	57,103	58,401	6,489	5,191	1,298
$500,000	402,456	442,702	[3] 432,027	29,571	40,246	[3] −10,675
$1,000,000	857,456	[2] 900,000	[2] 900,000	42,544	42,544	

[1] Maximum effective rate limitation of 87 percent.
[2] Maximum effective rate limitation of 90 percent.
[3] Maximum marginal rate limitation of 94½ percent applies under H. R. 4473.

First, this table shows that a single person earning $1,500 a year would pay only $5 more under the committee bill than under the Republican proposal. A single person earning $5,000 a year would pay only $24 a year more.

A married couple with two children and a family income of $8,000 would pay only $29 a year more. Such a family with $50,000 a year income would pay only $480 a year more, and even the $500,000-a-year family would pay only $1,300 a year more in taxes under the bill than under the Republican alternative. Persons receiving a million dollars and over would pay no more under the committee bill than under the Republican plan.

Now, in all sincerity, Mr. Chairman, I ask my Republican friends, does the difference between socialism and Republicanism really hang on such a slender thread as this?

Mr. Chairman, in all sincerity I think if the membership will really give serious consideration to the different arguments advanced here and to the relatively slight small differences of opinion, I think there should be no doubt in their minds that this bill ought to be passed. It should not be recommitted to the committee because, in my opinion, if it is recommitted, we will have no tax bill whatsoever and we will be flying in the face of the advice of every economist, every person who has studied finances, every successful businessman, and the representatives of the most conservative business organizations.

So, Mr. Chairman, I hope that the members of the committee will weigh carefully the consequences of their vote on this measure, and will vote in favor of the bill as an integral part of our program of economic and fiscal support of the defense program.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. REED of New York. Mr. Chairman, I yield 10 minutes to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Chairman, I have listened with interest and with a great deal of concentration to the discussion on the bill now before the House. After listening to the protagonists of the legislation, may I say that I am more than ever convinced that I will vote against it. It is very evident that most Members on both sides of the aisle consider this a poor bill. It has a great many things in it that are hypocritical and absurd: among others, the taxing of gambling when gambling is illegal in the United States. To me this is an utter farce and absolutely ridiculous. To say that you are going to license a gambler but that his business is illegal certainly,

to me, is not a very logical or equitable form of taxation. In addition to that, this bill, of course, is introduced under the guise that it is necessary for national defense.

We have just heard it said that a good many things that have been stated today and yesterday have been said before—yea, even 50 years ago—but I submit, Mr. Chairman, it is the fashion now, whether we want to give pea shooters to the Hottentots or to raise money for skimmed milk for South Africa, to say it has got to be done for national defense, and then trust that there is no answer to that.

Let us look at some of the figures. This bill will raise by taxation $7,199,000,000. The President's budget asks for national defense, including aid to Europe and the defense of Western Europe, $60,600,000,000; so that certainly $7,199,000,000 will be a flea bite as far as national defense is concerned.

Last week I inserted in the RECORD some figures by Professor Moley, who is one of the original architects of the New Deal, and who, therefore, I do not think can be considered as biased or as a reactionary Republican.

As I am sure this has not been read by many of the membership, I would like at this time to read some of these figures again. Professor Moley takes exception to the fact that the President frequently has made predictions that were not only a little short of the mark but very far short of the mark. He says:

The President predicted an income for fiscal 1951 of $44,100,000,000. The prospect now is that there will be about $51,000,000,000. A deficit of $3,100,000,000 will not appear. Instead, there will probably be a surplus of about $4,000,000,000. The President's figure is a $7,000,000,000 error.

That, I submit, is quite a large error.

There is an almost certain assurance of a continued rise in the Nation's gross national product in 1952. This will produce billions more in Federal income from present tax rates. The President estimated tax receipts for fiscal 1952 at $55,100,000,000. It is probable that tax receipts at present rates will be about $8,000,000,000 higher than that.

And this bill proposes to raise $7,199,000,000.

There will also be an improvement in cash in trust funds available for nonnegotiable bonds (money from one of Uncle Sam's pockets to another) of $2,000,000,000. Thus, if no additional taxes are levied, and if no great increase appears in expenditures, we shall come close to a balanced budget in fiscal 1952.

These are Professor Moley's figures and words, not mine.

Now, to go on with the problem of national defense. He says:

All of this assumes no cutting of expenditures in line with the sound suggestic of Senators BYRD, DOUGLAS, and others. I. we want to balance our budget with a comfortable surplus, Congress should search for more economies rather than more taxes.

And here, indeed, is the crux of the problem. If we go on giving this administration more money so that they can spend more extravagantly, the spiral will go on forever. We have got to economize first and tax afterwards. Again, Dr. Moley says:

If we need more money later because of greater military expenditures here and abroad, there will be time later this year or in early 1952 to levy new taxes.

It is my understanding that already the Pentagon is working on its supplementary appropriations for the next fiscal year, so quite obviously these things can be taken care of when they come. Professor Moley says further:

President Truman's past record is there for anyone to see. Let us go back to another preelection year, 1947. In January 1947, he predicted a surplus of $202,000,000 for fiscal 1948. In August he changed that estimate to a surplus of $4,400,000,000. The actual surplus for fiscal 1948, * * * was $8,400,000,000. Truman has had plenty to say about people who failed to predict his election. In answer to this I wish to say that in 1947 in this column and elsewhere I wrote that his tiny surplus for fiscal 1948 would turn out to be a surplus of between seven and eight billion dollars. I also suggested that in underestimating the fiscal 1948 income in 1947 he was preparing a sweet political brew for 1948.

And maybe this sweet brew is going to be prepared here on the floor of this House for 1952.

No, it is the same old slogan, I am afraid, of "Tax, tax, spend, spend, elect, and elect." How long are we as the people's representatives going to stand by and let this continue? I believe indeed that we are responsible for this situation. I do believe that we Members of Congress are responsible for the extravagance and the waste in our Government. I do believe that we could well trim down a lot of waste and extravagance, even on that sacred cow, the Defense Department of the United States.

I hope that here this afternoon we will take a stand and make a stand and go back to our people and tell them that we have tried, and we hope succeeded, in holding the line. If we do not do it now we are going down that road to socialism from which it is hard to return. It is the fashion now to decry this, to speak of the great gains in corporation incomes, but it will not take long to pull that string; and with unwise taxation, as this most surely is, we may very well accomplish the ruin of this country as Lenin expected it to be accomplished and as Stalin intends that it shall be accomplished, namely, by ruining the fiscal policy and the free-enterprise system of these United States.

Mr. Chairman, I sincerely and earnestly hope that this bill will be defeated and will be sent back to the committee.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. MORRIS].

Mr. MORRIS. Mr. Chairman, I should like to present some figures for your consideration and for the RECORD, and to ask a few questions.

According to the budget figures, approximately 83 percent of this proposed budget of $71,600,000,000 is for either past wars or the present war or national defense. Only 17 percent of the budget is for everything else. To put it in dollars and cents, $59,700,000,000 of the budget is for past and present wars, and our national defense, and $11,900,000,000 is for all other purposes. For the General Government item alone it is $1,400,000,000. The point I make is this: If we are to carry on with our defense, the defense of our Nation, and no one certainly will object to that, for we are all for national defense, then how are we going to reduce the budget to any appreciable degree?

The budget estimate of receipts for the fiscal year 1952 is $55,100,000,000. The budget for 1952 is $71,600,000,000. It seems to me it is imperative that we pass this tax bill or some tax bill, unless we are to engage in deficit financing. Of course it is an unpleasant thing for us, always, to vote for taxes. But if we are going to bring in all these authorization bills, and the appropriation bills, and if they are going to become the law of our land, then there is no other way for us to balance the budget, that I can see, except to raise taxes. The great and beloved chairman of the Committee on Ways and Means has told us, as well as other members of the committee, both on the right and the left, that so far as they can ascertain, if the bill is recommitted, they will not be able to bring in any better bill. So I think it would be foolish for us to recommit the bill and I think, to some extent, it might be disastrous for us to do so.

If you will excuse a personal reference, I might say that I am personally in a better position to vote against this bill—although I am going to vote for it and against a motion to recommit—than some other Members of the House may be because, personally, I have voted against and have opposed most of the billions of dollars that have gone to foreign governments.

So I could say, and excuse my conscience, halfway, at least, "I did not vote for those billions and, therefore, I am not going to vote to raise the taxes to pay them."

But that is beside the point at this time. My theory did not prevail and the authorization bills passed anyway, notwithstanding my opposition, and they were followed by the appropriation bills. Since Congress passed them, then there is no other way for us to perform our duty, as I see it, except to support this tax bill. Yes; I could have an out myself by saying, as I suggested, that I was not responsible for this. But, as a responsible Member of the Congress, I realize that the Congress has worked its will in the matter on these authorizations and appropriation bills, and, therefore, there is nothing for us to do, as I see it, except to raise taxes, to some appreciable degree, to take care of these enormous expenses.

Some of the Members have indicated—and I want to emphasize this—that the thing to do is to reduce expenditures. Of course, all of us agree that we are against waste and all of us agree that we will vote to reduce expenditures that we think are not necessary. But some have suggested that we reduce the budget $10,000,000,000. Some have sug-

gested that we reduce it $5,000,000,000. I want to repeat that all phases of the budget—everything outside of defense and wars—amounts to only $11,900,000,000, and if you should reduce it $5,000,000,000, you would reduce it almost 50 percent and you would practically destroy the Government.

Of course, if someone can step forward and show where there are billions of dollars for our national defense that are not needed, then we might be able to get somewhere. Both you and I and all the rest of us are going to vote every dime that is necessary for us to defend ourselves. If there is any question in our minds, we are going to resolve it in favor of the defense of our grand country, our way of life, our Constitution, our laws, and our Americanism. So unless somebody can come forward and present some figures that will show there is enormous waste and unnecessary appropriations for our defense, there just is not any feasible way, that I can see, where we can reduce this budget very much, percentagewise.

Certainly, since the budget calls for seventy-one and six-tenths billion, and since the estimated receipts will be fifty-five billion, it is quite a long way between those two points, fifty-five and seventy-one and six-tenths billion.

I think the great chairman of this great Committee on Ways and Means, and the members of it, are to be complimented for this bill that they have labored with and worked on, lo, these many weeks and months. Let us give them our approval of this bill.

There are a number of items in the bill, of course, that I wish were not there. I have listened carefully to this debate. I have studied the report and the bill as best I could in the time I have had. I know the bill is not a perfect bill, but if we recommit this bill, and if it remains recommitted from now until doomsday, there will never be a perfect tax bill brought in. It just cannot happen. If you recommit it, you will destroy the labor of this great committee which it has performed in a herculean manner, and you will, in my judgment, retard the progress of our great Nation.

I ask you to consider the figures that I have presented to you.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. MORRIS] has expired.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. D'EWART].

TAXES TAKE THE HIGH ROAD

Mr. D'EWART. Mr. Chairman, the House, after 6 months of study, has completed action on the new tax bill.

The bill includes increases in individual and corporate income taxes as well as in manufacturers and retail excise taxes, the total of which, it is estimated, will yield the Government an additional $7,200,000,000 a year, beginning in 1952.

The largest source of new revenue will be individual income taxes, on which a 12½-percent increase is expected to yield $2,847,000,000.

Secondly, a 5-percent increase on corporation income tax and a 12½-percent increase on capital gains is expected to yield $2,817,000,000. For corporations with an income of less than $25,000, this means a rate of 30 percent. For those above $25,000 the new rate is 52 percent. The House bill makes this tax effective as of January 1, 1951, one of the few retroactive features in the bill. This is the highest corporation tax in the history of our country. It is an inflationary tax, adding to the cost of the products of industry.

The third general category is excise taxes, where a net increase of $1,252,000,000 is made.

The House refused to reduce the depletion allowance on oil operations, and it voted to extend capital-gains treatment to livestock, two decisions that will affect Montana people.

YOU TAKE THE LOW

In a general discussion several weeks ago, I referred to the fact that billions of dollars do not have much meaning to most of us unless they are broken down to show how much each of us must pay.

At that time I pointed out that Montana people are contributing an estimated $166,000,000 in all kinds of Federal taxes this year. Incidentally, that is about four times as much as our State government costs us. But with the new proposed taxes in operation, in 1952, Montana's contribution to the Federal Government will rise to about $220,000,000. On a per capita basis, this means that each Montana family of four will have a Federal tax bill of $1,300, an increase of some $400 above the present level. Let me examine some of the provisions that go to make up that total.

First, of course, is the individual income tax. You can figure out your own probable tax bill for this year and next. Since the new law as approved by the House would be effective September 1, the new rate would be effective for only one-third of this year's income. This you can compute this year's tax by adding 4 percent to the 1950 tax. For 1952, add the full 12½ percent. For example, a married man without children, earning $5500, paid $760 in taxes in 1950. This year, under the House bill, his tax will be $30 more, and next year $95 more—or a total of $855 for 1952.

The 5 percent increase in corporation taxes—and the 12½ percent rate on capital gains—are simply added costs of doing business. They will be passed on to the consumer—adding to each person's individual share of Federal taxes.

The new excise taxes will take another cut of your income. To illustrate—a new dishwasher or electric razor will cost you 10 percent more than it does now. A $1500 automobile will carry a tax of $150 or $45 more than the present amount. And if you use 10 gallons of gas a week to drive your car, the Federal Government will take an additional $26 per year above the present levy.

The expected yield of some of these increases in excise taxes include: $177,000,000 on cigarettes; $168,000,000 on distilled spirits; $210,000 on gasoline; $196,000,000 on automobiles, and $400,000,000 on gambling.

The bill also includes some items in which there are tax reductions—but in the main it is a large increase in the high cost of government and, therefore, in the high cost of living of every American.

This is the price we are paying for 20 years of self-indulgence in national affairs—and for the blunders that have brought us into a new war—the second in 10 short years.

You have the Congress to thank that the bill is not greater than it is. President Truman—you will recall—asked for $10,000,000,000—40 percent more than the House authorized in this bill.

The House thought it possible to get along with the lesser amount because it is working toward a corresponding reduction in the amount the Government will spend—an item the President failed even to mention in his recent speech to the Nation—but one that I believe is of paramount importance.

OBJECTIONS TO THE BILL

In spite of the need for increased Government revenue, at the present rate of spending, I will vote to send this bill back to the tax committee for further consideration. I will do this, first, because 75 percent of the tax increase will fall on those with incomes under $5,000 a year; second, because it is confiscatory in the top brackets, in that the rate is 94½ percent, which added to State income taxes, would leave little or no income in at least 15 States; third, the budget is now approximately in balance because of the tax increases made last year; fourth, the bill is inflationary and puts a penalty on thrift; fifth, I have serious doubts that our economy can stand a $17,000,000,000 increase in taxes in 1 year—particularly when it means that 31 percent of our national income will be drained off to support Government; sixth, I believe the economies recommended by the Hoover Commission and the cuts in spending recommended by Senator BYRD should be put into effect before taxes are raised. If these things were done, no such increase as is contained in this bill would be necessary to balance the present 1952 budget; seventh, the bill is full of inequities such as the fact that under its provision a corporation in the higher brackets could increase its own spending with 82 percent of the additional coming out of its Federal tax liability and only 18 percent from the company.

If, in the next fiscal year, our budget does get out of balance due to national security expenses, the Congress can then reexamine the situation and take such action at that time as the new conditions warrant.

Inflation, as I have said many times, is the result very largely of wasteful and unnecessary expenditures by the Federal Government over the past 20 years. Many of these expenditures may have been desirable, but we did not pay for them out of current income.

It is true that increased taxation is one of the tools that can be used against

inflation. But we are not going to win the fight against inflation until we stop the practices that brought it upon us. We should exhaust the possibilities of cutting Federal spending before providing additional revenue. This we have not done as yet.

As 10 Republican members of the Tax Committee said in a minority report:

> The new $7,200,000,000 tax bill is unbalanced and lopsided and is economically unwise in its major revenue-raising provisions.

They also said:

> The Truman administration is under the false illusion that pay-as-we-go means only a one-way street of ever-increasing expenditures paved with higher taxes.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Connecticut [Mr. PATTERSON].

Mr. PATTERSON. Mr. Chairman, the tax bill we are being asked to consider is an economic monstrosity. It imposes an unjust burden on the people least able to assume the burden. The tax boost was of doubtful conception and is being illegitimately fostered upon the American taxpayer.

The whole process of increasing taxes at this point is a case of putting the cart before the horse. Although the House has adopted some appropriation measures, we are by no means close to an estimated budget for fiscal 1952. The Senate has not as yet shown any substantial progress in this regard. Yet without knowing what amounts are to be spent, we are asked to levy even greater taxes upon the people.

I have told the citizens of my district for many months that I would refuse to consider additional tax-revenue measures until some disposition had been demonstrated by the President and his subordinates in the executive branch toward economy. In lieu of any such attitude, Congress was dared by the President to cut his estimated budget. We have made strides toward just that objective. Some cuts have been made, and I trust that the same spirit will be in evidence in considering the remaining appropriation bills.

No effort has been made to inform the public as to the very substantial reductions in take-home pay alone under this bill. With a multitude of manufacturers' and consumers' excise taxes included, passage of this bill would lower the standard of living of the lowest income groups.

In income-tax increases alone the average increase on wages between $1,000 and $5,000 would amount to $30 per person per year. This will naturally vary with the amount earned. Those approaching an income of $5,000 will pay vastly more than the $30 amount. Let us not forget that this is merely an addition to the extremely high withholding tax now imposed. About 80 percent of my constituents are in this earnings class, and they cannot bear this additional burden without lowering their living standards.

If the revenue under this bill were to be used exclusively for the security of our Nation not one citizen would protest. If this were the only way in which our Nation could attain a balanced budget and a pay-as-you-go system, not one citizen would protest. Instead, we observe daily the wasteful expenditure of money by the administrative agencies of Government. We observe the reluctance to reduce personnel. We observe the continued inefficiency and the continued sponsorship of pet nonessential projects.

My constituents demand that such practices be stopped. They demand economy and efficiency in Federal Government before taxes are raised. I subscribe to their demands, and refuse to support this "tax upon tax" bill.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, in the few minutes allotted to me I would like to present my views on the Revenue Act of 1951, which is now being considered and which is without doubt one of the most important legislative matters to come before this Congress. It is important because it affects the daily life of every American citizen.

When discussing this legislation, I want it understood that I have always voted for every dollar necessary for our national defense. I have, however, always opposed wasteful expenditures of Federal funds which increases the cost of government and makes high taxes necessary.

The bill we are now considering will produce in a full year of operation $7,233,000,000 in tax revenue, which, added to the two tax increases already granted by Congress since the beginning of the Korean war, June 25, 1950, brings the over-all total of new taxes within the past year to $17,000,000,000.

When this legislation is enacted the total amount of taxes to be paid by the American people during the fiscal year 1952 will amount to $66,329,000,000—the greatest tax load ever assumed by the American people.

The $7,233,000,000 in taxes to be raised by this bill will come from the following sources:

(a) First. Individual income taxes will be increased 12½ percent, or one-eighth of an individual's present income tax.

Second. The withholding tax on all wage earners will be increased from 18 percent to 20 percent.

Third. In case of persons in the higher salary brackets, the maximum tax is 90 percent.

(b) Regular tax on corporations will be increased from 38 to 52 percent, retroactive to January 1, 1951.

(c) Makes the 82 percent combined excess profits tax applicable to 25 percent of normal profits on all corporations, with the tax being retroactive to January 1, 1951.

(d) Raises the limit on the over-all tax on corporations to 70 percent.

(e) Increases the excise or so-called luxury tax on certain items, including gasoline, automobiles, electrical appliances, cigarettes, sporting goods, fountain pens, and so forth.

(f) Establishes several new taxes, including a 20-percent withholding tax at the source on all dividends derived from investments.

The request by the President to Congress for sufficient moneys to operate the Government for the fiscal year 1952 amounted to $71,600,000,000, and by subtracting the total taxes to be paid by the American people during that period, which amounts to $66,329,000,000, one can readily see a possible deficit for the fiscal year 1952 of $5,271,000,000.

Unless the cost of government is drastically reduced for the fiscal year 1952, the President will have to do one of two things. He will either have to ask Congress for more taxes, or he will have to add the deficit to our already huge national debt, now in the neighborhood of $260,000,000,000.

In speaking about the national debt, it is interesting to note that it is six times larger than it was in 1939. Based on our population of 154,000,000 people, each person's share is approximately $1,635.

It is unfortunate that the American people are being led to believe that the national debt is of no concern and that we merely owe it to ourselves. Nothing could be further from the truth.

Every American who has saved a dollar, or who has purchased life insurance or other forms of investments, or who owns a small savings account or a piece of real estate is seriously affected by our swollen national debt. Every time we add a dollar to the national debt, we encourage inflation which decreases the value of the dollar and thereby places our national economy in jeopardy.

As an example, the purchasing value of the American dollar in 1945 was 94½ cents and since that date, because of inflationary causes, it has steadily decreased in value until today it is about 54 cents. Some economists claim that in certain fields of business the value of the dollar has decreased to 38 cents.

As the value of the dollar declines, more and more dollars are needed by everyone to buy the same amount of goods. When such a condition exists for any length of time, the whole economy is in danger of total collapse.

As I have said before, every American who has a bank account, a share of stock, a piece of real estate, or an investment of any kind, stands to lose as the value of the dollar shrinks.

If our country should ever face an economic collapse, we will awaken some morning to find that the dollar in our pocket is virtually worthless.

In addition to the national debt of some $260,000,000,000, which vitally affects all of us, the question of increasing taxes definitely threatens the economic structure of our Nation. This bill, which we are considering here today, taxes industry and commerce to a point where it virtually amounts to confiscation of private property.

On the other hand, these high taxes increase the cost of living to the individual taxpayer. Incidentally, during the past year the cost of living has increased from 170.2 percent over 1939 to 185 percent—an increase of about 15 percent.

Mind you, the individual taxpayer who has had his cost of living increased 15 percent the past year is paid in wages

with a dollar that has decreased in the last 12 months to 54 cents.

Therefore, when we talk of increasing taxes on industry and commerce, we actually increase the cost of living to the individual taxpayer while paying him in wages with a dollar that is worth little more than half its face value.

At the same time, through this bill, we are increasing the individual's personal income taxes to his Government by one-eighth of the amount he is now paying.

In other words, out of every dollar the average American earns today, 35 cents is paid in taxes to the Federal, State, county, and local governments. This is the highest tax level in the history of our country and warrants serious consideration in the opinion of trained economists.

I have heard it said many times on this floor by experienced legislators that when we reach the day that you extract from the pockets of American taxpayers an amount over one-fourth of his earnings, you are courting national bankruptcy.

It may be well for us to take a lesson from the experience of France and England, who have suffered from one economic crisis after another.

Looking at France we find that between World War I and World War II, French public expeditures rose to a point where 34 percent of the French taxpayer's income was taken by his Government. As a result, the franc was devalued to a point where the economy of the country was destroyed. Today France is vainly trying to recover its economic balance.

In the case of England, at the beginning of World War II the Government was taking 26 cents out of every dollar earned by the wage earner for tax purposes. In 1945 it rose to 42 cents and in 1947 it continued its flight until it reached the high figure in 1949 of 44 cents.

Today Great Britain has the highest tax rate of any nation in the world, and we all know that the economy of the British Government would have completely collapsed, were it not for the financial aid extended by the United States.

While considering the economic plight of France and England, we are reminded that during World War II Federal taxes alone in this country took 29 cents out of every dollar earned by American citizens. Between 1946 and 1948, these taxes decreased to 25 cents out of every dollar earned.

Today, however, as I have already mentioned, the average American is paying over 35 cents in taxes out of every dollar earned.

In my opinion, we have passed the danger point in taxes in this country and unless we profit from the fate that befell France and England, we face the pain and torture they endured in going through the process of reestablishing a sound monetary system.

We should never lose sight of the fact that when any foreign nation finds itself in an economic tailspin, Uncle Sam is always ready with an open purse to aid in bailing it out of its financial difficulties. Yet, we all know that if our economy is wrecked there will be no Santa Claus to come to the aid of Uncle Sam.

Make no mistake, we are in the dizziest spending and taxing period in the history of our country and it is for that reason that we must stop, look, and listen, if we are to maintain any semblance of a sound and solvent Government.

We must reduce nonessential governmental expenditures to an absolute minimum.

The $1,240,000,000 that we Members of the House of Representatives have cut from the President's huge budget of $71,600,000,000 represents a reduction in appropriations for seven Federal agencies. While this reduction is only a drop in the bucket, it is evidence of the fact that savings can be effected if there is a genuine effort made to achieve such a goal.

We must scrutinize closely and carefully the foreign aid and military authorization requests still to be considered by the House and which total almost $70,000,000,000.

The time for talking about economy in Government is over.

If we are to meet the challenge of communism, we need a strong and solvent nation, and therefore economy must be practiced and not merely preached.

After all, it was Lenin who said that the hope of communism was to maneuver this Nation into a position where it would spend itself to destruction.

In my opinion, at the rate we are going, that day is not far distant.

Mr. REED of New York. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Illinois [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I wish it were possible to say that this distinguished committee that has been working on the laborious task of preparing this involved and very important bill could have prepared a measure that would have satisfied every segment of our society throughout the country. I am convinced it cannot be done. I am further convinced that if they did perform such an outstanding task it would be registered as the most outstanding achievement of this twentieth century.

In the few minutes that have been allotted to me I want to point out that I have objection to two particular phases of this bill. I consider a third segment of this bill as obnoxious.

I am not in favor of this occupational tax; the $50 tax to start with, but I will get to that in a moment.

I am opposed to the 20 percent withholding tax on interest and on dividends. I am opposed to it because the Federal Government is again guilty of what it has been guilty of for so many years past. They have extended their powers way beyond that which is justified, and in this respect the Federal Government is guilty of encroaching upon the rights of the people in trying to collect taxes. They confess that they do not have the facilities to collect all the taxes. So they are again branching out and loading this task upon private enterprise. The money that the Government will collect in comparison to the hardship that they will impose upon the people who will be victims of the withholding tax on dividends and interest is so infinitesimal that it is not worth it in comparison to the hardship they perpetrate upon these people.

Secondly, there is another feature of the bill which is objectionable, it is that section exempting a private residence from paying a capital gains tax when it is sold. Standing alone I would be for such exemption. But as the tax is planned to be imposed it is not only inflationary but it is class legislation, it picks out residential property only. What about the farmer who may be so unfortunate as to have a house on a piece of property larger than 50 by 100 feet?

Third, I call your attention to this—it is very enlightening—the license feature in this bill which has to do with wagering, the wagering tax. It begins by stating that each person required to pay a special tax under this subchapter shall register with the collector of the district, his name, and place of residence. I come from the great city of Chicago, with more than 4,000,000 people in the city proper and another two million in its environs. We have 180 fixed racing days in that area. After serving in our city courts for about 14 years I have had considerable experience in knowing what it means to operate a bookie and to keep track of what can be done about them.

If this legislation can reach out and stamp out gambling and vice in my good community I will be the most grateful person who ever walked the floor of this House. But all this legislation does is to throw a sop to the people; it does not stamp out anything; it is specious and fictitious.

In our State if the Federal employees come in there to indirectly give countenance to permitting gambling, I hope the sheriff of my city will take them by the scruff of the neck and show them the way out of the city. I am not in favor of gambling; I am against all forms of illegal gambling, including the paraphernalia or whatever it takes to carry it on. It is unthinkable for the Federal Government to come into the city of Chicago or into my State in the light of the fact that we have stringent and strong antigambling laws, and by this proposed legislation to circumvent our laws. I am opposed to the Federal Government coming in and encouraging gambling in the State of Illinois. In the late thirties the Legislature of Illinois attempted to do exactly what you are trying to do here; they passed a law that licensed "bookies," which is the common term applied to these people who take bets. In other words they said: "You pay your license fee and then you can bet all you want to." Then the Governor of the State consulted the attorney general and the attorney general did not go into any long-winded dissertation on why the legislature could not do it. He said: "Governor, just read the constitution, and then read the statute passed in pursuance thereof. Gambling in our State in all of its ramifications is illegal under the constitution and you cannot give substance, sanction, or

countenance to a business that is inherently illegal."

That is what you are trying to do here. Why should you encourage a man to do something illegal by giving him a license? I am reading from the bill because I am sure most Members have not read it; they have been more immersed and absorbed and interested in other phases of this bill and they evidently have not given thought to the ridiculous side of it. Listen to this provision:

Every person liable for special tax under this subchapter shall place and keep conspicuously in his principal place of business the stamp denoting the payment of such special tax; except that if he has no such place of business, he shall keep such stamp on his person, and exhibit it, upon request, to any officer or employee of the Bureau of Internal Revenue.

Now the penalty:

(a) Failure to pay tax: Any person who does any act which makes him liable for special tax under this subchapter, without having paid such tax, shall, besides being liable to the payment of the tax, be fined not less than $1,000 and not more than $5,000.

Before I leave the well of the House I would be very pleased to have any one of the distinguished gentlemen on this committee tell me how we are going to enforce this law in my State. How are you going to make it applicable, how are you going to make it work in any way, shape, or manner? If you can find a solution, I think it will have some persuasion upon my final action relative to supporting this measure, but as long as this fictitious and specious paragraph is in this bill I could not vote for it, because I cannot go back to my people and tell them that I openly countenanced the right of the Federal Government to take over the police powers of my State.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Tennessee.

Mr. COOPER. It should be borne in mind that most of those provisions to which the gentleman has invited attention have been in the law for years and years and apply to all present occupational taxes.

Mr. JONAS. Under what law have they been for years and years? What law says that you have the right to come into the State of Illinois and by indirection legalize gambling when our laws say that gambling is illegal?

Mr. COOPER. It applies with respect to slot machines and all occupational taxes.

Mr. JONAS. That law was passed last year, and that is just as fictitious and specious as this bill is here.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Illinois.

Mr. YATES. I was going to comment and refer to a list in Chicago newspapers of those who now own and operate slot machines under the Federal tax laws. The gentleman has referred to that.

Mr. JONAS. I hope the gentleman will give that list to the sheriff of Cook County.

Mr. YATES. I assumed that is what the gentleman had in mind.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. REED of New York. Mr. Chairman, I yield myself 1 minute.

ENFORCEMENT OF THE WAGERING TAX

Mr. Chairman, it is understood that the Bureau of Internal Revenue, as a part of its racket investigations, has already been compiling lists of bookmakers and other gamblers throughout the country. These lists are being built up and constantly revised in cooperation with local law-enforcement agencies. Thus, the Bureau now has on hand a constantly growing mass of information which will be of great assistance in identifying the most important of the individuals who will be liable to the wagering tax. Therefore, the first big step in the enforcement of this new tax—the identification of the big taxpayers—can be substantially accomplished without any undue strain upon the existing administrative organization. Identification of the small-fry will, of course, take longer but many of them can be expected to fall into line once the big gamblers are forced to comply.

The registration requirements of this tax should prove of material assistance to the racket squad investigations which are an outgrowth of the recommendations of the Senate Crime Committee. Furthermore, the new tax on wagers should make possible a more accurate audit of gamblers' income-tax returns. By knowing the gross amount of wagers placed with a bookmaker, a rough, but fairly accurate, estimate can be made of his gross income. Likewise, present income-tax information will make possible a fairly close estimate of the amount of wagers which the bookmaker has received and which are subject to the wagering tax. Therefore, the present income tax and the new wagering tax will complement each other and the existence of these two taxes side by side should improve taxpayer compliance throughout this area.

In areas where gambling is a monopoly in the hands of one group, enforcement should prove relatively easy because of the small number of taxpayers it will be necessary to deal with. In other areas, bookmaking and lottery operation is a highly competitive business, and once the wagering tax is successfully applied to a few of the larger operators in these areas these individuals can be expected to seek similar compliance from their competitors. Thus, conditions within the gambling business itself may bring about a measure of self-enforcement.

Finally, while most bookmakers and lottery operators are engaged in violating State and local laws, very many of them undoubtedly comply substantially with the Federal tax laws. It would seem reasonable to suppose that under the new tax there will be similar areas of voluntary compliance. In other cases, a few examples of successful prosecution should go far to encourage compliance. In this connection it should be noted that the bill provides criminal penalties for noncompliance ranging up to 5 years' imprisonment.

In conclusion, it appears probable that substantial compliance with the new wagering tax can be achieved within the existing framework of the Bureau's organizational and procedural machinery.

Mr. REED of New York. Mr. Chairman, I yield such time as he desires to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, I am opposed to the tax bill now before us for three reasons:

First. I am of the opinion that the Congress should first give consideration to reducing the expenses of government before passing an increased tax bill that will further burden our people. The passage of this bill will provide an additional $7,200,000,000 to be spent by a reckless and wasteful administration.

Second. The administration claims the increased revenue received this fiscal year, as a result of two other tax bills passed during the year, will provide a surplus at the close of this fiscal year, June 30, 1951, of three to four billion dollars. Another basis of figuring would show upward of $7,000,000,000. Of course, any such surplus is hard to believe, but in any event, if any substantial surplus should exist, then why should this third bill be passed further increasing Federal taxes by approximately $7,200,000,000.

Third. The bill was brought before the House under a gag rule that made it impossible for any Member to even offer an amendment for the consideration of the House.

REDUCE EXPENDITURES OF GOVERNMENT BEFORE INCREASING TAX BURDEN

The ever-increasing cost of our Federal Government challenges the serious consideration of every thoughtful citizen. This, together with an inefficient administration of the price-control system, can be chargeable in large measure for the inflationary prices against which our people cry out for relief. To further increase the amount of take from our taxpayers, as this tax bill provides, will not stop the inflationary spiral, but, will more likely add to it by the extent to which new revenue is provided for a spendthrift and wasteful administration.

No effort has been made by the present administration to eliminate useless jobs or to eliminate or curtail unnecessary programs or projects. Our Federal bureaucracy has expanded to such an extent, and jobs have been handed out with such a lavish hand in the years following World War II that the taxpayer now finds himself supporting the salaries of 2,410,000 Government employees. This is an increase of nearly 500,000 over this time last year.

Consider the National Production Authority which came into being only a few months ago, but which already has a payroll of more than 4,000. And, consider the Office of Price Stabilization. Although Michael DiSalle was appointed less than 6 months ago, he already has 6,700 employees and hopes to add another 28,000 before another year rolls around. If something worth while was accomplished there would not be so

much objection, but, nothing that amounts to anything has yet been done for our people. Much more could be said with reference to this and other departments of government. The administration, however, has nothing to say about reducing expenses, but, continually asks for more and more revenue from the taxpayers to carry on its policy of tax and spend—tax and spend. This will be the third bill increasing taxes to be passed by the administration in this fiscal year. The time has come to call a halt. This bill should not be passed until a real job is done in eliminating wasteful expenditures and cutting down the cost of government.

SURPLUS FOR PRESENT FISCAL YEAR IS CLAIMED BY ADMINISTRATION; IF SO, THEN WHY ADDITIONAL TAXES?

It is claimed by administration sources that there will be a surplus of three to four billion dollars at the close of the present fiscal year, June 30, 1951. This may or may not be true. Some enthusiastic administration spokesmen even suggest as much as a $7,000,000,000 surplus. I am of the opinion that this latter figure can only be arrived at by a system of bookkeeping that ignores pertinent existing facts. But, even if it be true that the surplus will reach three or four billion dollars, then why is it necessary to tax our people another $7,200,000,000 as the bill seeks to do?

This bill is the third tax bill to be put by the administration before Congress in the past year. It raises our tax burden to the highest point that has ever existed in our Government throughout our entire history as a nation. This, together with State and local taxes, now take about one-third of our national income. How long can such a tax burden be carried by our people? There is a limit to what they can bear. Unfortunately, the present administration does not seem to think that such is the case. It is my opinion that the time has come to call a halt on extravagant spending by the Federal Government and stop continually increasing the tax burden of our people.

TAX COLLECTIONS BY TRUMAN ADMINISTRATION GREATER THAN ALL PREVIOUS ADMINISTRATIONS TAKEN TOGETHER SINCE 1789

Mr. Chairman, we are all aware of the tremendous expenditures of the present administration, but I am certain that the average citizen does not realize how great the expenditures really are. An article by Paul O. Peters, editor of the News Bulletin, Washington, D. C., dated June 22, 1951, forcibly and accurately makes the situation so plain that it challenges the attention of every thoughtful citizen. In accordance with the consent granted, I make the article a part of my remarks. It reads as follows:

TAX COLLECTIONS BY TRUMAN ADMINISTRATION GREATER THAN ALL PREVIOUS ADMINISTRATIONS SINCE 1789

With the enactment of the pending new revenue bill, H. R. 4473, the administration of President Harry S. Truman will have the chance in but seven fiscal years to have collected more revenues from the people of the United States in various ways than all previous administrations were able to collect from the establishment of the Republic in 1789 down through the years to June 30, 1945.

A study of the fiscal records of the Government indicates that total receipts up to June 30, 1945, were reported as follows:

Period	Receipts	Expenditures	Public debt (millions)
All Presidents, Washington to Roosevelt, 144½ years, 1789 to 1933	$91,586,076,130	$112,203,367,065	$22,538.6
Administration of Roosevelt, 12 years, fiscal 1934-45	165,760,825,357	372,235,200,271	258,000.0
Total receipts	257,346,901,487		

The table illustrates the fact that in 156½ years the total receipts of the Federal Treasury amounted to $257,346,901,487. For comparison, there is submitted a table showing the total revenue receipts and the net budgetary receipts for the fiscal years commencing July 1, 1945, with actual reported collections through June 15, 1951, and budget estimates for fiscal 1952. The table follows:

Fiscal year	Total receipts by Treasury	Net receipts by Treasury
1946	$44,238,590,336	$43,037,798,808
1947	44,702,703,321	43,258,833,189
1948	46,098,807,313	44,745,542,077
1949	42,773,505,520	38,245,667,810
1950	41,310,627,851	37,044,733,557
1951 [1]	47,683,725,909	42,779,650,597
1952 [2]	55,100,000,000	55,100,000,000
Total	321,907,960,250	304,212,226,038

[1] Actual collections to June 15, 1951, from Treasury statement.
[2] Budget estimate contained in President's message to Congress.

PAUL O. PETERS.

The above figures showing the amount of revenue collected by imposition of taxes under the present administration will leave no doubt that the time has come to stop taxing and do some economizing.

GAG RULE PREVENTS AMENDMENTS

Mr. Chairman, there has not, nor will there be any subject of legislation before the present session of Congress that will more vitally effect all classes of citizens, than the tax bill now under consideration. Notwithstanding this fact the bill is brought before us for consideration under a closed rule that prevents any Member from offering even one amendment to it.

This gag rule adopted by the Democratic majority is indefensible. It violates the fundamental principle of a representative form of government. It is inconceivable to the average citizen that such a condition could exist, or, that any responsible political party would use its power to prevent representatives of the people in the House of Representatives from fully performing their duties and obligations to the people they represent. Yet, that is just what the Democratic Party in the House has done by its action in this matter.

How can there be true representative government when the Representatives of the people are denied this basic right of offering, for the consideration of the House, amendments to the pending bill. It has the characteristics of totalitarianism and dictatorship. It is based on the theory that the ruling class or party knows best. It precludes the membership from drawing a distinction between what is good and what is bad in the provisions of the bill. The arrogance of the rule is found in the expression commonly used of "take it or leave it." This is not proper procedure for a representative body such as the Congress. It is a violation of the very principles of our American form of government. It deserves the condemnation of all thoughtful citizens.

As I recognize the injustices in many of the provisions of the bill, the hardships that it will entail on many of our low-income groups, who already are burdened with Federal, State, and local taxes, and, further recognizing the difficulty that they already have in meeting the high cost of living, in supporting their families and educating their children, I just cannot take the bill in the form presented to us. As the only choice I have under the rule is to take or leave it, then, I choose to leave it. I do so with the hope that the Senate will be more realistic and more responsive to the will of our people.

Mr. REED of New York. Mr. Chairman, I yield 7 minutes to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I do not labor under any illusion that any remarks of mine on this pending tax bill will change any votes. There is little to be added to what has already been said, pro and con, during these 2 days of debate. I suppose every Member has decided by now how he intends to vote this afternoon. If perchance there should be any undecided, I wish I could somehow be persuasive with him that this bill should be sent back to committee.

We have no other choice than to recommit this bill. With all due respect to the Ways and Means Committee, and with due regard to our additional revenue needs, the committee has presented us with a bill which, in my considered judgment, is an economic monstrosity. The rule precludes our amending it in any particular. We are in the unfortunate position of having to reject it in its entirety.

Of course, it is impossible to write a tax bill that would be satisfactory to everyone in every particular. For that matter, no one likes taxes of any kind. But I doubt if any tax bill could be so unsatisfactory in so many particulars as the one we presently have before us.

This bill violates every acceptable principle for sound revenue legislation for a free competitive economy. It does not distribute the tax burden fairly and equitably. It discriminates against certain individuals and allows special tax privileges to others, even though these same individuals are in exactly the same

economic status. It penalizes small business and discourages growth. The bill as obviously written without regard to our actual revenue needs and with no consideration to the long-range effect of these proposed new taxes on our national economy.

During the course of the debate much has been said about the importance of balancing our national budget and the necessity of raising additional revenue. With that premise I take no issue. In fact, I pause to welcome this new-found interest in a balanced budget presently being shown by my friends on the other side of the aisle. I regret they do not show this same interest in the balanced budget when we seek to cut the various nondefense items in the appropriation bills. The issue is not simply whether the budget should be balanced, but, more important, at what level should it be balanced.

It is my view that before we write a tax bill to meet our revenue needs we should first determine what those needs will be. The Congress has yet to adopt the various appropriation bills for the next fiscal year. In fact, only one regular departmental appropriation bill has been cleared by both the House and Senate at this time, and it may well be that our economy efforts will make our revenue requirements less than anticipated. That is my hope.

In other words, before we concentrate on the revenue side of the budget, adding more to the people's tax load, I believe we should attack the expenditures side of the budget to lighten any possible additional tax burden necessary to be imposed.

It is my firm conviction that our first line of defense, in the fullest sense of the word, is our fiscal stability. Our most dangerous enemy today is the growing inflation stemming from our enormous public debt and successive years of deficit financing. Our people are already paying dearly, in high prices and in taxes, for the excessive spending policy followed by our Government. The day of reckoning is now at hand.

I am prepared to vote for additional taxes. We find ourselves in a fiscal situation where it is more or less imperative that additional revenue be raised. My people understand this. When I speak of the necessity of balancing the budget and placing our economy on a sound fiscal basis I do so with the utmost good faith.

But I frankly question the good faith of the administration in that respect. Notwithstanding the extraordinary defense demands, President Truman submitted to us a budget of around $72,000,000,000 that actually increased Government spending for nondefense items. And he dared us to cut it. The administration has not only failed to cooperate with us in cutting the cost of Government, it has actually resisted our efforts.

I question the good faith of the administration in presenting this bill to us as an anti-inflation measure when, at the same time, the President and his horde of bureaucrats continue to advocate Government spending for nonessential items. I question their good faith when they continue to advocate various new programs for still more Government spending. I agree that properly imposed taxes would serve as a brake on inflation, and I believe it is a brake that must be applied for our survival. But it is pure nonsense to think that new taxes will be anti-inflationary, however wisely imposed, if the Government is to continue its policy of reckless spending.

The bill we have before us is by no means an anti-inflation measure. On the contrary, I am convinced that this proposed bill will of itself contribute to inflation. Every recognized economist and every recognized tax expert will tell you that an excess-profits tax can be one of the most inflationary types of taxes that could be imposed. The distinguished chairman of the Senate Finance Committee, Senator WALTER F. GEORGE, of Georgia, has frequently referred to the inflationary character of excess-profits taxes as encouraging waste and retarding expansion. This type of tax is not what it is popularly known to be. It rests on an arbitrary statutory definition of what constitutes excess profits, and as such favors big business and strangles little business. Companies with high earning base periods or with liberal capital investment have an advantage over the new concerns. The bill before us extends this tax and raises the existing ceiling to the detriment of small business concerns, which are the backbone of the country.

This particular tax sets arbitrary ceilings beyond which economic growth can be only slow and feeble. As such, it discourages rather than encourages expansion and increased production.

When the excess-profits tax was repealed in the Seventy-ninth Congress, the Senate Finance Committee stated in its report:

> The primary reason for advocating the repeal of the excess-profits tax as of the first of 1946 is the belief that this tax is a major obstacle in the way of reconversion and expansion of business.

Moreover, we learned from experience during the last war that the excess-profits tax tended to make management lax in its control of costs and materials. In the end the Government and the average taxpayer paid the costs. There is no question but that corporate taxes should be increased in order to provide the additional revenue. But in this bill we have a proposed method of increasing them that will actually contribute to inflation.

There are a number of other features of this bill that I would like to discuss, but time prevents. I have great respect for the members of the Ways and Means Committee, but I am frank to say, as I said at the outset, the bill they have presented to us is a monstrosity. I hope it will be recommitted and that the committee will report to us a bill that rests on sound principles and not simply a bill raising money without regard to its practical effects and its fairness.

Mr. DOUGHTON. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. MACHROWICZ].

Mr. MACHROWICZ. Mr. Chairman, the Members of this Congress are called upon today to make a grave and important decision in casting their vote on the pending revenue bill. Their decision will have a profound effect on the destiny of this country for the coming years.

I have carefully studied the provisions of the proposed bill. There are many provisions which I dislike and oppose.

Taxation should, in my opinion, be based on the ability to pay. The increase in excise taxes is unfair, because it shifts the tax burden on the shoulders of the consumer who constitutes the tremendously large group, most of which is in the class least able to carry the tax load.

I have introduced a bill which would increase the exemption on the individual taxpayer, and thus remove from tax liability a large group of those in the lowest-income bracket, who have no ability to shoulder the tax burden.

The committee has seen fit to disregard this and similar bills introduced by various Members of this House.

The bill before us today has some worth-while provisions, one of them being the offset feature when a home is sold at a profit and another is purchased in its place at an inflated price.

I realize that this is probably the best bill that could be obtained from the Ways and Means Committee at present, and accordingly, by necessity, I am voting for it. I shall, however, continue to advocate and hope for legislation which will more fairly distribute the tax burden upon those who can afford to pay it.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Utah [Mr. GRANGER].

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from California.

Mr. HOLIFIELD. I have noticed in listening to these speeches from the other side of the aisle that constant reference is made to the fact that this revenue bill has been brought in under a so-called gag rule. I have been in this Congress for 10 years, including the time of the Eightieth Congress. I know that during that time no revenue bill was ever brought in with an open rule or a rule that would allow any type of amendment. I have been told on good authority that that has been the situation for 20 years. I wonder why constant reference to this gag rule is made in these speeches. Is it for partisan political advantage or is it an indication of an irregular procedure on the part of the Committee on Ways and Means? What is the meaning of this constant reiteration of the fact that this has been brought in under a rule which does not provide for amendment?

Mr. GRANGER. I will say to the gentleman that, to my knowledge, bills of this kind have generally been brought in under this same sort of rule. As I remember it, in the Eightieth Congress there were some people on our side who were making the same contentions that are being made on the other side today, that this was a gag rule. It is a rule that, as the gentleman from California

said, has been generally applied, and I think it is a rule that must be applied, in dealing with subjects of this kind.

Mr. HOLIFIELD. As a matter of practical legislative action, we know it would be impossible to allow amendments to be offered to the tax bill, to cut it all to pieces and throw it out of adjustment.

Mr. GRANGER. Let me say in that connection to the gentleman from California that I am just a new member on the Committee on Ways and Means, but I have been on other committees in this Congress. I have sat there and listened to the testimony and heard the distinguished gentlemen on the committee argue all the points of this bill. I want to say here without fear of contradiction that we have on that committee on either side of the aisle men whose judgment and whose veracity and knowledge of tax matters this Congress can trust. I especially say that about the distingushed chairman of the committee, a great American, a man who we all know is gifted with great physical endowments, a man who despite his age has gone through all these hearings with an alert mind. No one can accuse him of advocating or being a party to anything that even smells of or looks toward socialism, communism, or anything that is not entirely American.

Mr. HOLIFIELD. I agree with my friend 100 percent.

May I refer to the remarks that were just made by my good friend from Illinois [Mr. ARENDS], the minority whip, in which he conceded his own good faith in making his argument but cast an imputation of lack of good faith upon everyone that had anything to do with this proposed tax bill, from the administration on down. I think it is hardly fitting that a charge of bad faith be made in the producing of a bill which has required 4½ months of the committee's time. I am perfectly willing to concede the motive of good faith on the part of every member of the Committee on Ways and Means. I shall vote for or against the bill upon the basis of the merit of the bill and not upon any imputation of bad faith.

Mr. GRANGER. I think the gentleman's statement is well taken, and I agree with it.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. McCORMACK. I will state for the record that in the Eightieth Congress the leadership on the Democratic side did not oppose the closed rule. We made no arguments about the gag rule and as I remember no Democratic member of the Committee on Ways and Means at that time made any such argument.

Mr. GRANGER. I thank the gentleman.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. REED of New York. So far as the minority is concerned, we went before the Committee on Rules and vigorously urged the adoption of a closed rule.

Mr. GRANGER. That is true.

Mr. McCORMACK. Mr. Chairman, none of the observations relate to the gentleman from New York, or other Members, except to those Members who have made arguments about it.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. MILLS. I think every Democrat on the Committee on Ways and Means appreciates the splendid support which was given by the Republican Members of the Committee on Ways and Means before the Committee on Rules. All those who appeared before the committee said they favored the closed rule which was requested.

Mr. TACKETT. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. TACKETT. Whether the Democratic leadership or the Republican leadership wanted a gag rule, what in the world has that to do with the merits of this bill, which would require about half of the argument that has been made on it, as to who wanted and who did not want a gag rule. I would like to hear something about the bill.

Mr. GRANGER. I will get back to some of the things that I had in mind, I will say to the gentleman from Arkansas.

Mr. Chairman, the provisions of the pending bill have been covered in considerable detail by the senior members of the Committee on Ways and Means who have spoken before me. I shall not presume to try to repeat what they have said. All that I desire to do is to observe that never have I seen such complex problems as those involving the application of Federal taxation to our diversified economy with all the range of customs and State and local laws that have to be taken into account. Nor have I seen a more earnest group of men sit down to study and to try to understand and solve the many problems that must inevitably arise.

Rather than try to repeat what has already been said, I think it might be more appropriate for me to try to answer some of the questions that have been raised during this debate as to the reasons for some of the basic decisions underlying this bill. First, I believe that there is no serious question but that we shall need, during the years immediately ahead, at least the $7,000,000,000 of additional revenue which this bill will provide. Despite all the talk of eliminating nonessential Federal expenditures, which I steadfastly support, and the strict review of the military and foreign aid budgets, the plain truth is that we all know that we cannot expect to cut the President's budget by more than $4,000,000,000 or $5,000,000,000 at the outside. Even with such a substantial reduction, if inflationary deficit financing is to be avoided the additional $7,000,000,000 will be required.

The only real issue, therefore, is whether the Committee on Ways and Means has levied this additional tax burden in the wisest and most equitable manner. Questions have been raised about various sections of the bill, and I shall try to give our reasons for the action taken on each one:

First, why did we decided upon a 12½-percent increase in the present tax liability of individuals all across the board, instead of upon some one of perhaps a dozen alternatives that were presented to the committee?

Now if this question were to be answered by each member of the Committee on Ways and Means, there might be a variety of answers received. But adding them all together, I think that these were the factors which appealed to us:

In the first place, the 12½-percent increase is simple and easily understood. Perhaps because of the fine educational job done by our Republican friends when they were in control of the Eightieth Congress the flat percentage across-the-board type of tax has certain appeals. The fact that it resulted in a greater tax benefit to the higher income brackets did not deter them from using this method of tax reduction. Now, however, when it takes a bit more of the take-home pay of the upper bracket taxpayer than of the hard-pressed people at the bottom, they scream "bloody socialism."

I think it is clear enough to most people that what is fair on the down grade ought to be equally fair when we start up hill.

Under existing law taxpayers under $5,000 bear approximately 37 percent of the total tax burden. Even under the committee bill, these low-income taxpayers will pay 38 percent of the tax burden. From these data which appear on page 12 of the committee report, I do not understand how anyone can seriously contend that the 12½-percent across-the-board increase is unfair to the income groups above $5,000.

Second, why are we giving the relief to heads of families at a time when we are raising revenue?

Today there are about 800,000 single persons in both community-property and common-law States who maintain a family home for themselves and one or more close relatives. A married man and his wife pay substantially lower tax than a single individual by reason of the income-splitting provision.

This may result in a very real hardship when a husband loses a wife, or a wife loses a husband, and still tries to keep the family together in the same house. The family expenses may actually have increased, yet under existing law the tax burden would be higher. Therefore, in order to take into account the additional obligations of a head of a household over a single person without such responsibilities, the committee decided to give approximately one-half the benefit of income-splitting to a head of a household as is received by a married couple under present law.

Third, why did we combine an excess-profits increase with the corporate normal tax increase in raising the additional revenue from corporations?

The minority report on this point is extremely critical. It is not clear just what alternatives they would propose and we can only conclude that they could not agree among themselves, else alternative tax proposals for both individuals and corporations would have been recommended in their report. However, I seem to recall that when the excess-profits tax bill was under consideration in the last Congress a Republican motion to recommit was offered to combine a

simple increase in the ordinary tax on corporations with a lighter excess-profits tax than that reported by the Committee on Ways and Means. At that time the Republican members of the Committee on Ways and Means and those Members of the House who supported them urged that the additional revenue from corporations be raised by combining an increase in the normal tax with an increase in the excess-profits tax. Now, when the Democratic members of the Committee on Ways and Means follow this same procedure in raising revenue from corporations under this bill, they scream in protest.

Fourth, why did we limit the number of exemptions in the case of related corporations?

Evidence was presented to our committee in executive session that a number of corporations were splitting up and incorporating as many branches of their businesses as possible in order to obtain for each separate branch the $25,000 surtax exemption and the $25,000 minimum excess profits tax credit. This practice now gives the chain stores who are indulging in it a tremendous advantage over other corporations which are continuing to operate as a single corporation through branch retail outlets. In one case which the Treasury Department lost in the Tax Court a chain of shoe stores operating 60 retail stores split up 49 of these stores into separate corporations. Under this arrangement the corporate surtax exemption would be $1,250,000 instead of the $25,000 from operating the chain as a single corporation. Corresponding advantages are available under the minimum excess-profits tax credit.

Mr. Chairman, with the necessity for the higher tax rates imposed under this bill, we just could not tolerate such obvious tax avoidance schemes as this. Although taxes will have to be high, we at least can do what we can to make them fair.

Fifth. What is the purpose of the provision on collapsible corporations?

Another loophole closed by the pending bill is the practice of setting up a collapsible corporation for the purpose of converting profits from the sales of ordinary inventory and stock in trade into a capital gain. As explained to the committee in executive session, this technique was used quite commonly in connection with whisky. Under one series of transactions the tax savings from this type of operation from converting ordinary income into long-term capital gains amounted to more than $6,000,000. The pending bill would make this impossible.

Sixth. Why do we need statutory clarification on sales of livestock?

For several years there has been considerable confusion regarding the tax treatment of sales of livestock used for breeding, dairy, or draft purposes. The Internal Revenue Code clearly provides that depreciable property used in a trade or business, if sold at a profit, shall be taxed as a long-term capital gain if held for more than 6 months. Our tax collectors, however, have never been able to understand that cattle, sheep, hogs, and horses used by a farmer for breeding, dairy, or draft purposes are just as much the tools and machinery of farming as are the lathes, tools, and dies of a manufacturer. So they took it to court and the Tax Court, the Federal district courts and the circuit courts of appeals decided the obvious fact that breeding, dairy, and draft animals are depreciable property used in the trade or business of the taxpayer-farmer. Since then the Treasury Department, until very recently, has been quite reluctant to follow the court decisions in administering the tax law. Also there is much uncertainty. The committee decided to include in this bill a provision to save the farmers from further harassment and to lay down a clear and fair rule. It really gives the farmers no more than they are entitled to already, but it will make the law easier to administer.

Mr. Chairman, these are some of the highlights of the bill and I have tried to explain the principal considerations as I recall them which led the committee to take these actions.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, in my opinion, this House faces an almost impossible task this afternoon.

We have before us a complex revenue proposal of 153 pages.

The Ways and Means Committee held public hearings for 2 months taking testimony from more than 200 witnesses. It then held executive sessions for approximately 2½ months more. The hearings of 2,884 pages, the committee report of 152 pages and the bill were not available until Tuesday. Yet other Members of the House are forced to try to reach considered conclusions in only 3 days after an attempt to study the hearings, the report, and the bill, and to follow the general debate.

Beyond this, we are given no opportunity to present or discuss any amendments because of the gag rule. Under all these circumstances, I have come to the conclusion that the net effect of this bill, if enacted in its present form, would be extremely unfortunate.

I recognize the necessity of providing sufficient revenue to finance the defense effort and essential nondefense activities. I think there are few taxpayers who would not concede that.

But I am greatly concerned about the stubborn attitude of the administration in refusing to admit that there is any possibility of reducing nonessential expenditures by one cent. Its vigorous and continuous efforts to defeat all suggestions of such reductions convicts it of arrogant indifference to the plight of the American taxpayers whose hard-earned and prudently saved money furnishes the means of conducting all Federal operations. That attitude also convicts the administration of attempted deception in its alleged concern about the effect of the sharply increasing cost of living which is straining the budgets of the American consumers. The administration knows, or certainly should know, that heavy expenditures by the Federal Government constitute one of the greatest single factors in that increase, both directly and indirectly.

I doubt if a single Member of Congress would challenge the fact that there is waste in practically all, if not all, the current activities in the executive department.

As but one example, I want to make as a part of this record a report on such a situation in connection with the food purchasing program of the Department of Agriculture. I have been studying these operations for over a year and have been doing everything within my power to focus attention upon them and to obtain action to eliminate them, but with next to no success.

Recently, I completed a partial study of the report published for the period ending April 30.

When I found that in the first 10 months of this fiscal year losses on the disposition of but nine food commodities had accumulated in the amount of $263,175,628 and that this was 30.6 percent of the losses sustained in the disposition of these commodities from October 17, 1933, I wrote to the President calling his attention to these disturbing facts and urged that he take whatever steps are necessary to bring about an immediate review of this situation and the elimination of future expenditures wherever that appears proper. As of this moment, I have received no acknowledgment of that letter and I confess that I have no confidence whatever that I will receive any such acknowledgment or that any such action will be taken by him. My letter is as follows:

The PRESIDENT,

The White House, Washington, D. C.

DEAR MR. PRESIDENT: During your radio speech last Thursday evening you said: "We all know what inflation can do to people. It can take their earnings away from them. It can take the food out of their mouths."

I am sure that you will agree that it is equally true that unnecessary and unjustified activities and expenditures by the Federal Government have the same evil results.

As you know, I have urged for many months that attention should be given to the food purchasing activities of the Department of Agriculture. I submit that these activities should not be continued unless they can be fully justified.

Recently the report for the period ending April 30 has been published. It contains disclosures which are startling.

Between June 30, 1950, and April 30, 1951, purchases were made of 5,937,597,528 pounds of nine food commodities—butter, cheese, dried milk, dried eggs, dried peas, dried beans, potatoes, grain sorghum, and peanuts. In that period the Department took losses on disposition of these commodities in the amount of $263,175,628.

It paid for carrying charges alone $32,505,130.

All this has happened after American men were sent into Korea.

It happened while American housewives have been struggling to meet the increasing prices for food. They have seen prices rise since June 30, 1950, to today in approximately the following amounts: butter from 71.1 cents to 89 cents per pound, cheese from 51.1 cents to 70 cents per pound, milk from 18.2 cents to 23 cents per quart, eggs from 51.6 cents to 79 cents a dozen, dried beans from 14.9 cents to 19 cents a pound.

It happened while the American taxpayers were paying the first increased tax bill.

It is still happening when another substantial tax increase seems certain.

Another fact disclosed by this report seems to me to be most significant. From October 17, 1933, through April 30, 1951, the losses incurred in the disposition of these nine commodities amounted to $858,709,441. Consequently the loss in the first 10 months of the current fiscal year of $263,175,628 is 30.6 percent of the losses sustained in a period of nearly 18 years.

The total losses for the price-support program during that 18-year period are stated to be $912,575,612. Therefore, the losses taken on these nine commodities constitute 94.1 percent of the losses incurred in the whole price-support program.

I do not know what has been done in this field since April 30, nor can I find out. However, on April 30 there was on hand 2,609,413,987 pounds of these nine commodities.

I think no one can dispute the economic fact that when the Federal Government buys substantial quantities of food commodities in competition with the American housewife the inevitable result is a decrease in available supplies in the open market and higher prices.

Later in your radio speech you said: "Government spending for defense will increase very fast in the next few months. And the more money the Government spends on defense the greater the danger of rising prices."

It certainly is a matter of major importance that Government spending in nondefense activities creates just as much danger of rising prices.

I think that these facts point up the imperative necessity for a full disclosure of all the facts in connection with this program. I urge that you take whatever steps are necessary to bring about an immediate review of this situation and the elimination of future expenditures wherever that appears proper.

I am enclosing the data I have taken from the report in connection with the losses.

Sincerely yours,

JOHN W. HESELTON.

Figures from Commodity Credit Corporation report of Apr. 30, 1951

LOSS ON DISPOSITION

Commodity	Fiscal 1951 through Apr. 30	Oct. 17, 1933 through Apr. 30, 1951
Butter	$43,088,987	247,200,848
Cheese	24,000,684	25,061,762
Dried milk	38,763,731	52,830,041
Dried eggs	61,470,986	141,503,049
Dried peas	219,153	880,177
Dried beans	9,403,986	10,459,915
Potatoes	54,220,587	468,721,246
Grain sorghum	20,488,277	34,145,806
Peanuts	11,489,237	77,906,597
Total	263,175,628	858,709,441

In terms of the committee report, it is shocking to realize that this single item of loss and waste is the equivalent of more than double all the taxes which will be paid for 1 year under this bill by those receiving the lowest taxable income, and that they are said to be 1,868,095 persons.

I submit that when such situations exist, quite apart from the merit or lack of merit of the tax bill as a whole, each of us has a definite right to use the only means available to us of making our protest entirely clear and of indicating beyond any possible question of doubt that a vote in favor of final passage is not an endorsement of the reckless and indefensible fiscal policies of this administration.

Beyond this, however, there are features in this bill which are objectionable and most inequitable. They have been covered in the minority report and by members of the committee in general debate. Consequently, I shall refer briefly to only two of them.

The arbitrary, discriminatory, and unscientific provisions for excise taxes cannot be defended. Any system of taxation which imposes unequal burdens upon competitive elements in our economic world, or which gives unfair advantages, is contrary to every principle of sound taxation. This bill may seem to have taken an easy course by increasing a few such taxes while ignoring other possible taxes as to which certainly an equally tenable case could be presented. Enactment of this portion of the bill, in its present form, will surely bring results of far-reaching consequences which would affect the scores of thousands of patriotic Americans whose livelihood and ability to pay taxes would be jeopardized. I know that they would accept without complaint an equitable and fair tax burden. But this proposal is doubly unfair in view of the sharply increased individual and corporate taxes, and this threat to them as employers, employees, and those engaged in selling the products so taxed.

The new 20-percent withholding tax on dividends and other similar payments will, in part at least, bring about serious and most objectionable results. To deprive individuals who have no income-tax liability of what may be a substantial portion of their income for an uncertain period is a new and anything but a commendable step. Although it has been asserted in general debate that such withholding from institutions such as churches, hospitals, and other charitable institutions has been handled so as not to bring about such a serious effect upon them, I am by no means certain that the end result would be found to be at all satisfactory. In these days, when such income is so desperately needed by these institutions, I believe there could be the most serious kind of consequences.

I consider this unfair and improper, even though only one individual or one institution is so affected. It is shocking in view of the estimate that the amount of the withholding from these sources will run to $100,000,000 annually, and it is unbelievably inequitable in view of the unchallenged statements that a substantial percentage of this improperly taxed revenue will never be returned because of the difficulty of filing and obtaining action upon proper claims for refund.

Surely the committee could easily and promptly correct these and any other deficiencies which have been pointed up during the course of debate.

But when other Members of this House are asked to put their unqualified stamp of approval on such a very controversial proposal, I believe they have a clear right to voice their objections and to seek such improvements in the bill by supporting a motion to recommit. In any event, with the procedure under this gag rule leaving us no alternative, this is the only means given to us by which we can make it entirely clear that a vote for the bill, if recommittal fails, is definitely not an expression of approval of the administration's activities, nor any endorsement of the reckless, extravagant, and indefensible waste of the taxpayers' money. Rather, it will be merely a recognition that this is the first step in the legislative process in a field where it is universally considered action is necessary and because most of these increased funds should be devoted to the benefit of our Armed Forces in Korea and elsewhere. Such a vote is also subject to the clear right to take final action on the conference report, when probably, and I hope certainly, the inequities and the errors in this bill before us now will have been removed.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. ARMSTRONG].

Mr. ARMSTRONG. Mr. Chairman, on several occasions during the debate on this bill I have asked some pointed questions. I have not done so in a spirit of carping criticism, but of honest inquiry. The burden of my questioning has been as follows:

If this bill is passed, can we offer our constitutents, the taxpayers who will have to dig down more deeply into their resources and wages to meet this increased load, any assurance or even any hope that this huge Government spending will ever be cut and their taxes reduced? Has this administration any plan, or have the administration leaders in this House any plan, looking toward a policy of retrenchment in spending? Will any such program be offered this Congress?

To all such questions, I have received no favorable answer. The distinguished and venerable chairman of the Ways and Means Committee, whom I greatly respect, answered that the responsibility for cutting expenses rested on the Appropriations Committee. I asked the distinguished gentleman from Pennsylvania [Mr. SIMPSON] if there was any liaison between the Appropriations Committee and the Ways and Means Committee, that would justify the hope that the Appropriations Committee leaders planned some program of reduction in Federal expenditures. The answer to that was "No." I have heard during this debate that it is up to the President of the United States to propose reductions and retrenchment. I have heard also that we can expect no such thing to happen. I have heard that it is the responsibility of Congress that taxes are so high and spending so astronomical. So apparently no one wants to assume any responsibility for the state of affairs, and no one wants to come forward with any program of relief for the taxpayers.

In his remarks before this committee yesterday, the distinguished minority leader of the Ways and Means Committee, the gentleman from New York [Mr. REED], mentioned that there are signs of revolt on the part of the taxpayers. Certainly that is true, when you reflect upon the progress being made by those who propose a constitutional amendment, limiting the power of the Federal Government in its spending of the income of the people. Specifically, this

movement would call for the limitation of a percentage of the total national income that could be spent for all purposes of government, only with the exception of war declared in the constitutional manner by Congress. No one need ignore this as the work of cranks. That movement is ready to catch fire and sweep the country, for the people see no relief from either the executive branch of the Government or from Congress, from this steady confiscation of their resources.

Another movement will bear watching. It is the proposed formation of a national taxpayers' association, in order to bring actual political pressure to bear on Members of Congress and the Government generally, to cut expenses and save the taxpayers' money. If that organization ever gets going, it will be the biggest and most effective, and the most unselfish, lobby in existence.

Meantime, however, we of this Congress cannot escape our responsibility in any such fashion as passing the buck from one committee to another, or from us to the President and back again. Of course, the President of the United States could propose a program of drastic fiscal reform. Of course, he could lift some of the burden from the back of the long-suffering taxpayers. Of course, he could boil some of the fat out of his bloated budget. But no one expects him to—least of all his own party leaders in this House. Of course the Appropriations Committee could come up with a program of drastic reduction of nonessential spending. They could show how numerous agencies of the Government could be eliminated or consolidated with others or modified for economy and efficiency. But I doubt that any Member of the House expects that committee to do so. With full respect to what members of that committee have done in trimming a little here and a little there, the taxpayers of this country are not so foolish as to believe that they have done a real job of economy and cutting of expenses.

Now although neither the administration nor the administration leaders of this House seem likely to do this needed job, I as a minority Member cannot feel that I am relieved of my responsibility. I promised the people of my district when I was elected that I would not vote for higher taxes until I had made every effort, and until my party had made every effort, to cut out needless spending, to eliminate nonessential activities of Government, to cut nondefense appropriations to the bone. That has not been done. How then could I in good conscience vote for this bill?

It is my theory of representative government that under our two-party system, the majority party has the responsibility of leadership. But that does not relieve the minority party of continued and critical scrutiny of the actions of the majority. I believe the minority should support the majority when it is right and oppose it when in the opinion of the minority it is wrong. I believe the minority party's criticisms should be constructive. If we oppose, then we should offer a better way. I cannot be content to vote against this bill without urging my party to go the needed step further: Let us come up with a program of retrenchment and economy of our own.

It is well known that many Members of this Congress have made definite suggestions for trimming out the needless expenditures of our Federal agencies. The distinguished senior Senator from Virginia, Mr. BYRD, has repeatedly offered a plan which he says will save the taxpayers of this country around $7,500,000,000 annually—more than this whole tax bill would raise in additional revenue. Many public-spirited organizations have offered similar studies and suggestions. It was the intent of the Hoover Commission that its proposals would save several billions of dollars in present expenditures. What has happened to those proposals for saving money?

I suggest, I urge, the Republican Members of this House to join in working out a definite program to show just how many billions of dollars may be saved by economies that will not hurt a single necessary agency or functioning of Government. Let us challenge the majority leaders to show cause why it should not be adopted by this Congress. Let us invite all Members, of all parties, to follow our lead. Then, if we are defeated, we shall at least have done something constructive for our constituents and taxpayers generally. And our constituents, seeing the efforts we have made, and the efforts of our friends who will join us on the other side of the aisle, will rally to the cause they know is in their interests and for the welfare of the country.

Mr. REED of New York. Mr. Chairman, I yield 4 minutes to the gentleman from Idaho [Mr. WOOD].

Mr. WOOD of Idaho. Mr. Chairman, my principal reason for rising at this time is to take exception to one of the paragraphs proposed in this tax bill. I refer to the 20-percent withholding tax on interest on dividends and savings accounts. I have received more letters from my constituents in the last 3 or 4 weeks on that one particular thing than on anything else.

It is difficult for me to conceive of anything which would be more iniquitous and more foolish than a provision of this sort. Many of these older people in my district, with whom I have practiced in and among for 47 years have very small savings. Their savings were cut down very largely during the time of the depression and they have very little to go on and in all too many instances if the 20-percent withholding bite or pound of flesh is taken out of their paltry savings it will simply mean they will have to go whole hog on relief.

I cannot think of anything that I could oppose in any bill more vigorously than I do this treacherous provision.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Idaho. I yield to the gentleman from Tennessee.

Mr. COOPER. Did I understand the gentleman correctly to say that he understood the withholding applied to bank deposits and interest on savings accounts?

Mr. WOOD of Idaho. On savings accounts; yes.

Mr. COOPER. The gentleman is in error on that. They are exempt. If the gentleman will turn to page 16 of the committee report, right in the middle of the page, he will find a paragraph setting out the exemptions that are provided in the bill. Bank deposits and savings accounts are specifically exempted.

Mr. WOOD of Idaho. I understand bank deposits were exempt but I did not understand interest on savings and dividends were exempt.

Mr. COOPER. They are exempt also.

Mr. WOOD of Idaho. I received four letters this morning from different persons on that very question.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Idaho. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Will the gentleman from Tennessee or the gentleman from Arkansas point out the change that was made?

Mr. MILLS. The gentleman has in mind, and these people who are writing to him, the tentative action taken by the committee extending the provisions of the withholding to interest on savings accounts; but before the bill was reported the committee reconsidered its previous action and did, as the gentleman from Tennessee has just stated, exempt withholding on interest and savings and Government bonds, and so forth.

Mr. WOOD of Idaho. I thank the gentleman very much for his statement.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Idaho. I yield to the gentleman from Ohio.

Mr. JENKINS. The gentleman is absolutely right, however, that this nefarious practice does apply on dividends and many other things of that kind. It still applies and many people are writing me and what they are writing about is still in the bill. I refer particularly to dividends.

Mr. WOOD of Idaho. I thank the gentleman very much. That will relieve my mind a great deal in the consideration of this bill.

Mr. REED of New York. Mr. Chairman, I yield such time as he desires to the gentleman from Oregon [Mr. ANGELL].

WASTE AND DISHONESTY IN GOVERNMENT

Mr. ANGELL. Mr. Chairman, we have heard on the floor, and the press has been full in the last few days, of reports showing that in the conduct of national defense officials awarded contracts aggregating $3,214,000 to two promoters who were jailbirds and who had no plant and no visible financial support and no experience in the manufacture of the products covered by the contract awarded to them. This is in keeping with the lack of moral responsibility in the present administration demonstrated in the

conduct of many governmental affairs, as evidenced by the deep-freeze gifts to White House connivers, 5-percent agencies, contracts acquired through backdoor entrance to the White House, and to the fraudulent expenditures of billions of dollars of the taxpayers' money.

As other evidence of this all-time high in dishonesty in the operation of our Federal Government, there has just come to my desk a telegram from a constituent in my congressional district with reference to the veterans' hospital at Vancouver, Wash., which refused to award a contract for the delivery of milk on a bid aggregating $45,706.72 but awarded the contract to a competitor on a bid which was higher by some $2,500. The text of this telegram is as follows:

This firm submitted the low bid for milk supplied to the United States veterans hospital at Vancouver, Wash. The total amount of our bid was $45,706.72, or more than $2,500 less than the nearest competitor. This firm was the only Portland dairy bidding for this business. The other bidders were all Vancouver, Wash., dairies. The bid was given Sanitary Dairy, of Vancouver, Wash., although they were substantially higher than the bid submitted by the firm. When we contacted the sales officer and requested an explanation, he claimed that the inspecting committee felt that our plant did not meet with their satisfaction. The committee of three people, including the sales officer who made this inspection, are amateurs. This firm is inspected and approved by the United States Public Health Service, and in their most recent inspection our rating was 93.79 percent. We are further approved by the United States Veterinarian Service for all Army contracts. We have the milk contract to supply all the United States engineers dredges on points along the Columbia River. We are the successful bidder for the United States veterans hospital in Portland, Oreg. The inspecting committee for this hospital has approved us in the past on four different occasions and have given their approval 1 week ago. We believe there is collusion involved in the awarding of the milk contract of the veterans hospital of Vancouver, and have evidence on two former occasions. What can be done to correct and remedy this situation? Will you please advise?

Thank you kindly.

From this telegram it will be observed that the low bidder who was denied the the contract was fully qualified and the product offered by him had the approval of many Government agencies, including the Public Health Service, and that apparently through manipulation the contract was not awarded to the low bidder.

I have demanded an explanation from the Veterans' Administration and will be interested to know the reason why the Federal Government in this particular case was deprived of $2,500 of tax money by refusing the acceptance of the lowest qualified bidder.

Mr. REED of New York. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, earlier in the afternoon there was some debate dealing with two or three points which I want to discuss very briefly. One of the points had to do with the break in the bond prices, on bonds issued by the Federal Treasury in connection with the financing of World War I. Students of this question will recall that the World War I debt reached about $26,000,000,000, and assuming that all of those bonds outstanding at that time had broken 20 percent, that is $100 down to $80 per $100 bond, the loss on the whole would only have been $5,200,000,000. Of course, all of those bonds did not sell at a break in price.

Now, let us take your situation at the moment, with the people of this country holding about $65,000,000,000 of savings bonds. Since 1939 no man will dispute that you have had a drop in the buying power of dollars in excess of 25 percent, so if we use this 25 percent break in the buying power of the savings of our people on the $65,000,000,000 of savings bonds, you have suffered a loss through the inflationary forces of about $16,000,000,000, or more than three times the break in the 20-percent drop in the price of Government bonds following World War I.

For 4 or 5 years as a member of the Committee on Banking and Currency I scrapped over this question with our past Secretary of the Treasury, Mr. Morgenthau, because at no time did I ever agree that he was following a course which would save our people from loss due to depreciation in the market value of dollars. And that is what you are dealing with, is dollars. They started out on this idea that you could buy a bond today and 60 days later you could cash it back in for what you paid for it, but nevertheless you have lost this buying power in savings which certainly exceeds $16,000,000,000 on the bonds now held by the people.

Another point was made to the effect that the insurance companies of this country during the past 4 or 5 years have sold Government bonds which they held so as to go into the ownership of mortgages on homes. The joker in that transaction was that the Federal Reserve bank was the primary purchaser of bonds sold by insurance companies, and as the Federal Reserve banks went into the market and purchased those bonds, that was equivalent to printing press money, and if you want authority on that, ask Marriner Eccles, ex-Chairman of the Board of Governors of the Federal Reserve System. And when the Federal Reserve System steps into the market and purchases obligations, whether sold by insurance companies or by industrial concerns or other people, it puts the printing-press money into the market and thereby supplies the main force of inflation against the savings of our people.

Still another point was made in the debate this afternoon.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. JOHNSON. I had an investigation made on the matter of loss of purchasing power in connection with benefits realized from insurance policies, and it amounted to over $100,000,000,000.

Mr. CRAWFORD. Practically every man on this floor has an insurance policy, or anywhere from 1 to 50 policies running in favor of their families, and these policies are dropping in buying value every minute because of this inflationary force.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. CLEMENTE].

Mr. CLEMENTE. Mr. Chairman, I regret to find that in this tax bill, while it is a revenue-producing measure, yet no consideration was given to the poor man in allowing him to include his entire medical expenses as well as other exemptions, and that no consideration was given in connection with pensions, except social-security benefits are deductible.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Chairman, the tax increase called for in this bill now before us is the largest in our history. However, it is not alone because of its enormous amount that I intend to vote against it.

I intend to vote against it because it would impose upon the American taxpayer a financial burden that is unnecessary and unfair.

I do not feel that the administration has stopped the nonessential spending that has been its trade-mark so many years. This bill would be a license to continue that spending in a time of dire emergency, when our taxpayers already are carrying unprecedented loads.

Let me cite one good example of the administration's unwillingness to cut unnecessary spending.

Under the whiplash of administration leaders, the Senate recently passed S. 75, the central Arizona project bill. If there ever was a project that should come under the heading of wild and woolly spending, this is it.

Called a rescue project, this reclamation scheme would cost an estimated $788,000,000 to construct, a very conservative estimate. Not included are other dams and works without which the main project could not operate.

In addition, the project would cost the taxpayers more than $2,000,000,000 for lost interest alone. Secretary of Interior Chapman made that estimate, not I.

Who would the project rescue? It would rescue some private landowners in one State. More than half of the money allotted to irrigation works in this project would go to 420 landowners, many of whom are war speculators. These 420 private landowners would receive benefits averaging half a million dollars each.

Is that economy?

I believe the representatives of the 47 States, excluding Arizona, of course, should examine this project, as I have done. It would cost the taxpayers of my State nearly $120,000,000.

For the benefit of the representatives of the other States, I will include here a list showing what the central Arizona project would cost the taxpayers of each State in lost interest alone.

The list follows:

Cost to Nation's taxpayers, by States, of central Arizona project

OFFICIAL STATEMENT BY SECRETARY OF INTERIOR INDICATES EXTRA TAX BURDEN OF $2,075,729,000 FOR INTEREST ALONE IF CONGRESS APPROVES PROJECT BILL S. 75

State:	Cost to taxpayers[1]
Alabama	$24,286,000
Arizona	7,680,000
Arkansas	14,945,000
California	172,701,000
Colorado	16,606,000
Connecticut	34,665,000
Delaware	8,303,000
Florida	26,777,000
Georgia	29,060,000
Idaho	6,642,000
Illinois	157,548,000
Indiana	47,534,000
Iowa	32,797,000
Kansas	23,871,000
Kentucky	24,909,000
Louisiana	25,324,000
Maine	9,133,000
Maryland	34,872,000
Massachusetts	70,575,000
Michigan	97,767,000
Minnesota	38,609,000
Mississippi	14,738,000
Missouri	52,516,000
Montana	7,265,000
Nebraska	17,851,000
Nevada	2,698,000
New Hampshire	6,020,000
New Jersey	68,291,000
New Mexico	5,812,000
New York	304,509,000
North Carolina	33,004,000
North Dakota	7,057,000
Ohio	119,977,000
Oklahoma	24,286,000
Oregon	21,588,000
Pennsylvania	158,171,000
Rhode Island	11,624,000
South Carolina	15,776,000
South Dakota	7,473,000
Tennessee	28,438,000
Texas	90,917,000
Utah	7,056,000
Vermont	3,736,000
Virginia	30,928,000
Washington	34,250,000
West Virginia	19,097,000
Wisconsin	43,590,000
Wyoming	3,736,000
District of Columbia, Hawaii, and Alaska	30,721,000
United States total	2,075,729,000

[1] Cost to the Nation's taxpayers of $2,075,729,000 is an official estimate of Oscar L. Chapman, Secretary of the Interior. It is based on the provisions of S. 75 (central Arizona project bill) and the following specified conditions: Construction-cost estimate of $708,780,000, made by the Bureau of Reclamation (S. Rept. No. 832, 81st Cong., 1st sess.); an interest rate of 2½ percent; an 8-year construction period; and a 75-year financing period. The Secretary's statement appears in his letter dated June 28, 1950, to J. Hardin Peterson, chairman of the House Public Lands Committee. The statement was approved by the Bureau of the Budget.

I repeat. Is that economy?

The administration leaders forced this extravagant, fantastic, and totally nonessential project through the Senate.

When will this crazy spending stop?

If the administration continues to approve such unnecessary and infeasible projects as this one for private landowners in Arizona, the breaking point in our economy will soon be reached. From one side of its mouth the administration proposes economy, and from the other side shouts for a single project in one State that would add a tax burden of several billions on the backs of the Nation's taxpayers.

I repeat that I intend to vote against this tax increase because it is unnecessary and unfair. I could not be opposed to such wild spending schemes as the central Arizona project and vote to give the administration more billions to spend on other nonessential projects. That is what this tax increase would do—give the administration billions of dollars to waste at a time when we are facing a fight for our existence and when the Nation's taxpayers are already carrying the greatest tax burden in our history.

This Congress should slash appropriation bills to the bone—billions can be eliminated—then pass a pay-as-we-go tax bill to meet the reduced budget. It is just as simple, Mr. Chairman, as the old adage, "A penny saved is a penny earned." In this case two billion saved is two billion earned for the American taxpayer.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, as I analyze the proposed Revenue Act of 1951, H. R. 4473, its purpose is to pursue the philosophy of "pay as you go" which the administration has at long last admitted is the only sound economic philosophy that this country of ours can safely follow.

The pay-as-you-go philosophy or the balanced-budget philosophy which is another name for the same thing, has as its basis one axiom. If you keep spending more than you take in, you will go bankrupt. To this axiom there is a corollary which the administration in its present lip service away from deficit financing to a balanced budget does not seem to care to recognize. The corollary is this: Becoming bankrupt is not an immediate result of overspending; in the interim the increasing debt built up from overspending produces inflation which becomes increasingly worse.

In all the President's statements and all the statements of the President's economic advisers, nowhere is the corrollary admitted. He refuses to tell the people that the inflation from which we are suffering is directly caused by our $260,000,000,000 Federal debt.

I am interested in only two things when it comes to considering this tax bill. First, to try to ease the inflation which is sapping the living standards of our people. Second, to try to prevent the bankruptcy toward which we are going.

If this tax bill is not going to ease inflation and if it is not going to stay us on our road to bankruptcy it has no justification.

The only purpose of pay-as-you-go is to prevent the increase of the Federal debt which causes inflation. There are two ways to put this Nation on a pay-as-you-go basis: First, to limit our expenditures to fit our income. Second, to increase our income to meet our expenditures.

Mr. Truman chooses the second method to put us on a pay-as-you-go basis. He wants to increase the Federal income, and the only way to do that is to increase taxes.

However, inflation occurs as the result of decrease in productivity as well as from increase in purchase power. Increasing taxes to meet increased Federal spending does not in any sense decrease purchasing power. As a matter of fact, it actually increases purchasing power because the Government itself is doing the spending and purchasing. It is in many instances taking what would be savings of the private citizens—which is money withdrawn from the purchasing market—and insuring that it will go into the purchasing market via the Federal Government.

Nor does increasing taxes result in increasing productivity. It has the opposite effect. It withdraws in many instances capital devoted to private production and converts it to Government spending.

On top of all this the present tax bill encourages wasteful spending. The experience we had with the excess-profits tax in the last war should be sufficient evidence of the terrible encouragement to waste rather than efficiency on the part of corporations. The same may be said for the exceedingly high taxes on certain private individuals.

Whether we like the rich men or not, we are all agreed that we want them to keep working and not just spend money lolling on the sands of Florida or in the spas of Europe. But there is little encouragement for them to work when for every dollar they earn they can keep only 5 cents of it, that is, except for the patriotism of these men. But then the purpose of soaking them is because we do not think they are patriotic. If they were patriotic, they would not earn so much money. Do we in America really believe this, or is this the whisperings of a serpent in our garden of Eden?

The greatest tragedy of this tax bill is the calloused way in which the administration decides to hit the low-income group. The little man is being hit on the theory if you take his money away from him he will not be able to enter the buying market and so you cut down on the purchasing power available for goods. Well, this is as false a theory as it is wicked. It is false because the money will be spent in the market, only the Government will spend it, not the little man. It is wicked because the little man being hit is only buying necessities of life, and cutting his income in these inflationary times is cutting his standard of living. In other words, it is doing just what we are fighting inflation to prevent.

Our immediate fight against inflation is predicated upon our desire to prevent a decrease in the standard of living of our people. Let us not forget this objective.

For these reasons I am strongly of the opinion that pay-as-you-go must rest upon cutting expenses, not increasing taxation. The President has not made the slightest attempt to cut Government

spending. Only the Congress has done this and then not very effectively. Until he does, there is no sense in even talking about balancing the budget or a pay-as-you-go program. Until the President cuts Federal expenditures, he cannot be considered to be in favor of abandoning his theory of deficit financing.

There is still time for this to be done. Nor need our national defense suffer. There is more waste today in the military branch of our Government than anywhere else.

The studies and reports on military supply and procurement and military surplus property made by the Bonner subcommittee of the Expenditures Committee, on which I serve, show the waste to be in the billions of dollars. Anyone who is presently serving in the Armed Forces knows first-hand instances of unnecessary waste and inefficiency. If the President would really crack down on the military so that they ran off their fat, we would end up with less cost and a more efficient service.

I am voting against this tax bill although I believe some tax increase is necessary to meet the reasonable rising costs for our national defense. I suggest that $3,000,000,000 rather than $7,000,000,000 as proposed in this tax bill, is more realistic. I say the President must get his budget down. I believe deficit financing is preferable to a false pay-as-you-go program. For only one reason, it keeps clearly before us just what poor sense we are using.

In closing my remarks I want to again emphasize that the present tax bill is highly inflationary. We are all agreed we must fight inflation. Let the President get to work. Let him roll up his sleeves and tackle the job of cutting out the terrible waste and corruption in Federal expenditures. Then we can match our income with our outgo.

Mr. DOUGHTON. Mr. Chairman, I yield 15 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS of Louisiana. Mr. Chairman, we are nearing the end of the debate on the Revenue Act of 1951. I have followed the work of the committee and listened to the debate as carefully as I know how. I believe there have been, as customary in our deliberations, quite a few reckless and unconsidered charges.

I have a deep friendship and respect for all the members of the minority on the great Committee on Ways and Means. The thing that always astonishes me, however, is the way we work together rather harmoniously in committee sessions and then, after working as diligently as we know how as a team, when the bill is finally reported the majority is invariably portrayed as a group of grasping, power-seeking, desperate despots seeking control of our economy, and we become the beneficiaries of all sorts of labels, names, and so forth.

I presume that is the history of most legislation and that is the history of politics as such. I am not complaining about it. I believe fundamentally in the two-party system and the objectives thereof. At the same time, however, I believe in being factual about what transpires in our committee sessions.

I do not know how many Members have read the minority report, but to use the common expression, "It just ain't so." That report starts off with the assertion that this bill was finally conceived in a star-chamber session of the Democratice members of the committee.

We began consideration of this bill some time back in January or February, I have forgotten when it was.

Mr. DOUGHTON. February 5.

Mr. BOGGS of Louisiana. I know it has been a long time ago, because it seems to me I have been attending committee meetings for months and months. To make the charge that this legislation was conceived in a star-chamber proceeding is just silly. As a matter of fact, no bill has been more fully considered.

All of you know how the Committee on Ways and Means operates. We have a fine staff made up of our own people, made up of the Treasury Department people, and made up of experts from the outside. After we have considered all of the data, all of the information available from business, from industry, from private organizations, from private citizens, and from representatives of the various segments of the American economy and society, we sit down in executive sessions and draft a tentative bill. Not only have these decisions not been made by star-chamber proceedings, but in every instance the decisions of the committee were voted on at least twice and in some cases as many as three or four times. As a matter of fact, if you were to take the various votes of the committee you would find that in most instances the minority was represented one way and another on the various major decisions made by the committee.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. EBERHARTER. I just had a check made, and I am informed that there were 109 roll-call votes in addition to all the votes by a show of hands and voice votes. Of those 109 roll-call votes, less than 1 out of 15 was along party lines. In other words, the gentleman is absolutely correct. The votes were not on party lines all the way through the deliberations of the committee. I might add this, also. The staff of the committee this year is the same staff and the same personnel that have worked with the committee when the Republicans were in control.

Mr. BOGGS of Louisiana. I thank the gentleman.

Here is what we are up against as members of this committee. Let us try to be objective about it. Let us look at the situation and try to examine what it is. Everybody knows there is not a single, solitary member of this body who wants to vote for more taxes. I wonder if the members of the minority think it is any easier for the members of the majority to return to their constituents and say, "We have had to raise taxes." Do you think so? It is very difficult. It is a lot easier to say, "Nosiree, I stood there in the well of the House of Representatives and I voted against that nefarious measure."

What a pleasant sensation. What an easy approach to the difficult problems of this Nation.

Now, what are the facts? The United States of America, loved by every Member of this body, whether he sit on this side or on the other side of the aisle, is threatened more desperately than at any time in its whole history. We face a military power dominated by communism, determined to conquer. We face a demand for increased revenues. We face a demand for a sound fiscal policy in order to maintain a defense program that all of the Members on this side, with very few exceptions, are patriotically and sincerely voting for. Either we vote to provide the revenues to finance a preparedness program or we attempt a deficit finance program. There is no alternative.

The members of the minority, in their report, and it is written there in black and white, insist upon a pay-as-you-go policy, and yet they say even under this bill if it be enacted into law there is a prospect of a deficit ranging from five to six to seven billion dollars.

They are saying in one breath that we must pay as we go. They are saying in the next breath that we must not raise revenues. They are saying in the third breath that even if we raise them to this extent we will still face a deficit of from five to seven million dollars. "O Consistency, thou art a jewel!"

I agree with my distinguished chairman [Mr. DOUGHTON] that this bill goes as far as we can possibly go. I agree, too, with my distinguished chairman that this bill is as well considered, is as well thought out, is as well contrived as any revenue measure could be under the existing conditions facing our great country.

It seems to me to be the height of irresponsibility and failure to recognize the exigencies of the times if we, without counterproposals that are practical, vote against this legislation. I have voted for all of these measures to reduce government expenditures, and I shall continue to do so. The facts are, however, that about 80 cents out of every tax dollar, and the minority report admits it, is going either to pay for past wars or to pay for present wars, or to try to prevent greater wars. Everybody knows those are the facts. Regardless of how you may color them or how beautiful a picture you may paint, you cannot alter those facts.

Do not forget this, that in an inflationary period, such as we are now living in, the cost of all agencies of government has advanced along with the cost of living. We had an interesting experience before our committee recently. I remember it quite vividly. The Director of the Bureau of the Budget was summoned before the committee. He impressed me as being a very able and sincere man. We asked him some questions. As a matter of fact, there were some questions asked of this gentleman which might have been interpreted as political questions. He could have answered them one way or the other had he been thinking in terms of politics. But he did not do that at

all. As a matter of fact, he gave the definite impression of being a completely conscientious public servant, unaware of the political implications of some of the questions. But here was the interesting thing about it. Someone asked him this question: "Mr. Director, how many letters do you have from Members of the House or the other body requesting reductions in specific items in the budget?"

He said, "I do not recall having any."

Then, someone else said, "How many letters do you have from Members of the House or of the other body requesting increases in the budget estimate?"

He said, "Well, on the last count it was about 200."

This was about 3 or 4 months ago. The point I make is this, that the pressure on these expenditures is not limited to this side of the aisle or that side of the aisle. The pressure comes from groups all over the United States of America. I think under those conditions the Committee on Appropriations, which has already effected an over-all reduction of about 10 percent in items which have been considered by this body, is doing a remarkably good job. But as the minority itself points out in its own report, carrying out the 10 percent you will still not establish a pay-as-you-go system.

That is the main issue before this body. Do you want what business says we must have, on what every sound-thinking economist says we must have, namely, a sound fiscal policy? Do you want to pay as you go, or do you want to sell some more bonds and tell the soldiers as they come back that they have got to pay for this war also? That is the issue before this body.

I say to you that the members of this committee, headed by the distinguished gentleman from North Carolina [Mr. DOUGHTON] are just as anxious to preserve free enterprise, our business structure, our equity capital, and the other incidents of production in America as any member of the minority.

In conclusion, it seems to me inescapable that it is the height of irresponsibility not to vote for a bill which has been as thoroughly and carefully considered as this legislation.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. REED of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, a few minutes ago the gentleman from Utah [Mr. GRANGER] pointed to section 306 as being one of the good provisions of this bill. If he is satisfied with it and the livestock men, the farmers of Utah, are satisfied with it, all I can say is they are easily pleased. I say to you that this is one of the most rankly discriminatory provisions in that it establishes a 12 months' period before the farmer can obtain the benefits of the capital gains tax, whereas all others are on a 6 months' basis. Why not put all the people of this country on an equal basis of either 6 or 12 months? Why single out the farmer for discrimination? The farmer is already being discriminated against in the matter of the cattle price roll-backs, because there have been no roll-backs in the prices of things farmers must buy. This is just another half loaf, another kick in the teeth for the farmers of America.

Under the terms of this bill you give preferential treatment to promoters, among others. I recall that a year ago a man came to Washington and bought a large block of the stock of the Washington baseball club hoping to obtain control of this baseball organization, but he failed to obtain a controlling interest. He held what he had bought until he could apply the capital gains tax provision of the law, and, as I remember, in a matter of some hours after the 6 months expired he sold the stock he had obtained. Who is more important, farmers who feed the Nation or promoters?

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. GRANGER. What the gentleman said is true; it extends the time from 6 months to a year. But I must say to the gentleman that it was the people from his own State, the State of Iowa, who raised the question of the time; and as a result of a controversy between the livestock interests themselves it was their decision, not the decision of the committee, but the decision of the livestock interests themselves, that all the interests would be best served by having it extended to 1 year, and they all agreed to it.

Mr. GROSS. I do not know who from Iowa the gentleman refers to, but I am certain that this discriminatory provision will never meet with the approval of the farmers of the State of Iowa.

The CHAIRMAN. The Chair would like to announce that the gentleman from North Carolina as of now has consumed 4 hours and 15 minutes; the gentleman from New York as of now has consumed 4 hours and 4 minutes. The gentleman from New York is recognized.

Mr. REED of New York. Mr. Chairman, I yield 4 minutes to the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, we have been warned by the able and distinguished chairman of the committee [Mr. DOUGHTON] that he has doubts of being able to secure much further revenue under the present system of taxation than is carried in the pending bill. Others have stated this bill scrapes the bottom of the barrel and that further revenue can only come from the imposition of a national sales tax.

These statements all indicate the seriousness of our financial condition and show conclusively that we must stop excessive spending if we are to protect the value of the dollar, which some people are now facetiously designating as a "dollarette."

This will be the third tax increase proposed since the Korean war. It will mean, if enacted, $17,000,000,000 tax increase in a little over a year. Still there are no real signs of any concerted effort toward economy. The administration keeps on asking, yes lobbying, for larger spending. It continues to press for new proposals and tenaciously fights against any retrenchment in the bureaucracy.

No one in the executive branch raises any cautionary signal in the administration concerning the military spending, regardless of how fantastic may be some of their proposals. It is all stampeded through practically on the "say so" of the military. Congress, wanting to meet all just demands of security, finds itself in a difficult position because of the lack of this cooperation. Yet we move along until we could have a financial crash. There is a limit to what the workers, the farmers, the white collar people, as well as industry, can bear.

The seriousness of our condition is such that I have decided to vote to recommit this tax bill, and if that fails, to vote against the bill.

Before these terrific taxes are imposed we should know what our expenditures are to be. None of the appropriation bills has yet been enacted. Actually, we don't know how much money is needed to balance the budget. This tax bill should be delayed until we do know.

This tax bill is being sought by the administration on two contentions: First, that additional revenue is needed to finance defense; second, that it is needed as an anti-inflation measure. Assuming the need, this bill will not bring about these objectives; it will do more harm than good. An aggressive and intelligent program of economy can achieve the ends sought without ruinous taxation on the people and the imposition of alien policies.

The administration says this tax bill is needed to help finance the war in Korea. At the same time, the administration says that it plans to continue its treadmill war in Korea on the same senseless basis that General MacArthur protested against and that 141,000 casualties attest to.

The administration says that this tax bill is needed to expand national defense. At the same time, the Secretary of the Army, Frank Pace, publicly announces that our Defense Establishment has been built to a point of readiness for a war with Russia.

The administration says that this tax bill is needed to help control inflation. At the same time the administration continues its uncontrolled and profligate spending, which is almost universally recognized as the fundamental cause of our inflation.

The truth is the more money we raise the more the administration spends.

The truth is that we are slowly losing our freedoms as we move toward the garrison state.

The truth is that we are losing all hope of national solvency and financial stability as one inflated budget after another is sent to the Congress.

In fact, what we have here is a so-called pay-as-we-go tax bill sponsored by a pay-as-we-lose administration.

Regardless of how dire the administration paints the picture, regardless of how critical the administration finds each emergency, the facts are that the Congress has been duped into passing one tax increase after another by an administration which is bent on taxing us into socialism.

The scheme is so simple as to be diabolical. The Government reaches into

every citizen's pocketbook and extracts by taxation an ever-increasing percentage of the citizen's income until finally he finds himself no longer free and independent, but financially dependent upon the Government for his sustenance. When that stage is reached, the Socialists have achieved their goal.

All we have to do is look at a few simple figures to see what is being done to America by the Socialist-minded planners who infest our Government.

Year	National income	Total taxes (Federal, State, local)	Percentage extracted from our citizens
1941	$103, 800, 000, 000	$15, 226, 000, 000	14. 70
1945	182, 700, 000, 000	50, 187, 000, 000	27. 45
1951 (estimated on basis of no change in tax laws)	260, 000, 000, 000	75, 000, 000, 000	28. 80
1952 (estimated on basis of House bill becoming law)	260, 000, 000, 000	81, 000, 000, 000	31. 10

When approximately one-third of a citizen's income is seized by the Government, the citizen is no longer free and independent. He must look to Government for help. He, along with 149,000,000 other Americans, has become what the Socialists wanted—an incipient ward of the state.

Just as 14 percent became 27 percent, and as 27 percent will become 31 percent under this tax bill, 31 percent will soon become 35 percent, then 40 percent as it is in Britain today, then 50 percent, then 60 percent as it is in the Soviet Union today. The Socialists will have their socialism, but Americans will have lost their freedom completely. Government, which should be the servant of the people, will have become the master.

What is needed to save America is to cut Federal spending and cut it drastically. What we need to do is what the Eightieth Congress did—cut spending and cut taxes. And the Eightieth Congress did it while providing for an expanded national defense. It did it by sending our bureaucracy to the steam vat to lose excessive fat.

What the Eightieth Congress did, this Congress can do if the Democratic leadership which controls this Congress has the courage to do it. What this Congress should do is start a revolt and start it now. It should recommit this bill. We must stop confiscatory taxation and stop nonessential spending and apparently the only way to do it is to turn down the constant requests for new spending money.

If the Congress does not start the revolt this year, the American people will next year.

The administration's contention that this tax bill is needed to help control inflation is economic voodoo talk. No set of controls and no pyramid of taxes ever devised by man will stop inflation in America when the root of the evil is Government spending.

And the only way we are going to stop this Government spending is to stop excessive taxation and stop the borrowing. The American taxpayer is going to have to do to his Government what a father does to a wasteful son—cut off the spending money.

What this administration wants is uncontrolled Government and controlled people.

What America needs is a controlled Government and a free people.

It is about time the Congress slapped some controls on Government and took a few off the American people.

Every Member of Congress and every man, woman, and child in this country knows that world conditions require us to have the strongest practical national defense. Every American and every Member of Congress is willing to contribute their share toward raising the necessary revenue to achieve that defense. But they want their military leaders to use a little discretion in their spending.

Let the administration pare nondefense expenditures to the bone and hold military expenditures to essentials, and no increase in taxes will be necessary. Let the administration do this, and then if conditions should arise where additional taxes are necessary, which I question, then let them come to Congress with an American tax program where all will share the sacrifice equally.

The time has come when everybody must stand up and be counted. I, for one, want it unmistakably known that I oppose any increase in taxes until a sincere effort has been made to wring the water out of our Government's blue-sky ventures into the realm of socialism.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, this bill to extract over $7,000,000,000 more from the pocket of the already overburdened taxpayers of America should be properly entitled "A bill to insure uncontrollable inflation by presenting more billions to the party in power to spend and waste." When, in the name of common sense, and also in justice to the people now living and yet unborn, will a majority of the Members of Congress demand, as do a great majority of the thinking people of our land, that this mad rush to national and individual bankruptcy be brought to a dead stop?

Does it ever occur to you that the tax take in local, State, and Federal taxes for each American family already averaged close to $2,000 annually, most of it in hidden taxes, and that if this bill is made law an additional tax burden of $165 will be piled on the back of each American family? Cannot you see, my colleagues, just how this will affect the living standard of our people, and what the ultimate end will be? Surely you must know that the passage of this bill will take another bite out of almost every workingman's pay check by increasing his taxes 12½ percent, which is a greater tax burden than the average person can endure and will long tolerate, to say nothing of the incentive destroying tax burden this bill imposes on every kind of business in our land, including the business of farming, our basic industry.

Since the last tax bill was considered by this House on December 4, 1950, and which I also spoke against and voted against, but which is now the law of the land, many of my colleagues who voted for that bill have told me that my vote was the right vote and that they would in the future oppose all bills to increase taxes. I earnestly hope enough Members have now seen the light to defeat this unjust and unnecessary bill now before the House.

This is what I had to say about the last tax-increase bill on December 4, 1950:

Mr. Speaker, here we go again. History will prove the statement I am about to make—that every time Mr. Truman and this administration get messed up, which they are most of the time, they simply ask for more money, more appropriations by the billions. We appropriate, then, of course, they say, "Now we must tax. We must tax the big fellow. We must tax the rich." The facts are that the ultimate consumer pays the whole bill in the final analysis regardless of who we try to soak. Who are we taxing if we pass this bill? We are taxing the ultimate consumer. And who are they? Well, the white-collar worker and the blue-denim worker plus the retired folks pay approximately 60 percent of the taxes. The farmer pays about 30 percent; and all the rest of us, including the corporations and all business and industry in America, plus folks like you and me, pay the balance of about 10 percent. Remember the ultimate consumer is the only fellow who cannot pass his tax load on to the other guy, so the ultimate consumers pay the entire tax bill in the final analysis. Oh, yes, we are going to tax the rich. England tried that. But the Socialist Party had to tell the common man in England about a year ago that there were no more rich left to tax, and so the common man, the little fellow, the laboring man, the consumers must pay the bill from now on. This party in power, the New Deal, the Fair Deal, the Socialists, or whatever you care to call them has never had a cure for anything except to spend more billions, go deeper into the red, then tax, tax. That is all they know. They have no conception of how to properly run a republic such as ours, and the American people have finally awakened to that fact. Spend and spend; elect and elect. Well, my colleagues, that day is over. The day of electing spendthrifts is over. The President has asked us for $17,000,000,000 more for defense for the fiscal year 1951. I suppose we will do about as we have done before. Give it to the reckless wasters to spend, for what?

Will they spend 82 percent for housekeeping and only 18 percent for armaments, as is the case with every dollar Congress appropriated for national defense since VJ-day? That is tragic and a crime of the highest order. I pray God that those responsible will finally be brought to the bar of justice and that no more of that kind of business will be tolerated even by the spenders and wasters in power, or is that too much to expect even while our boys are dying in Korea for lack of fighting tools, and reinforcements from our friends across the seas who talk nice about us when their hands are out, but who forget when the going is tough, as it is for our boys in Korea? God help them.

Mr. Speaker, the boys who survive this war will have to pay and pay and pay, for they will be consumers, too. How tragic. What a disgraceful showing. One of these fine days we will tax the homes, the farms, and

the business away from the American people just as sure as we are sitting in this House of Representatives today, because every nation in the world that traveled the full length of the spending, wasting road we have traveled at breakneck speed during 16 of the last 18 years have all come to ruin and destruction, socialism, communism, endless strife, and war. After we spend ourselves into complete bankruptcy and uncontrolled inflation, who, I ask, is going to be the great savior of this world as far as human beings are concerned? No nation can then look to us to save them as we are trying to do; no nation in the world will have anywhere to go for aid and protection or to give them bread to save them from communism. Mr. Speaker, the thing we should do, instead of passing this bill, is to send this bill back to committee and then pass a bill to rescind about $4,000,000,000 of nondefense appropriations that we have already appropriated for the fiscal year 1951. We could go through the nondefense appropriations we have already made for 1951 and find at least $4,000,000,000 that could and should be eliminated under present conditions. But, of course, the spenders in control will not do that; they will keep on appropriating and taxing, and by so doing we will ruin this great, free America of ours just as sure as night follows day.

That, my colleagues, expressed my sentiments then just as it expresses my sentiments on this bill before us today.

The spokesmen who favor this bill from the President right down the line are again giving us the same old bologna they have been feeding the people and the Congress for years and years, which is that we must tax away from the people any surplus dollars they might have laying around in order to stop inflation by making the people so poor they cannot buy the things they need for their businesses and their families.

So, here we go again getting all set to take over $7,000,000,000 from the people, bringing it to Washington for the smart boys, the White House palace czars, to spend and waste, just as they see fit, paying the salaries of 2,500,000 Federal employees, amounting to about $10,000,000,000 annually, many of whom also have carte blanche authority to spend your tax dollars by the billions by signing cost-plus, fixed-fee contracts with thousands of manufacturers here and abroad for services and goods, from common pins and champagne to airplanes for our federally controlled establishments of every nature, and for the military, with little thought of the exorbitant prices paid.

Now I ask, wherein lies the least inflationary force and the least threat to our way of life, by the passage of this bill or by its defeat? Surely, my colleagues, you know the answer. No; we should not, we dare not tax the people more. You may be sure this reckless spending spree will never stop so long as Congress continues to take untold billions from the people for this sprawling bureaucracy to spend. What we should do and must do is defeat this tax bill, and then cut to the bone every appropriation requested by the President which is clearly not justified for military, domestic, or foreign aids. To do less will not save the lives of our fighting men, nor help our friends across the seas, nor safeguard our priceless heritage.

Mr. REED of New York. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I will vote to recommit this tax bill. If this motion fails, I will vote against the bill. Out of respect for my colleagues, my constituents and the American people, I will state my reasons for this decision.

First, this bill comes before us prematurely.

Second, it comes before us as a "yes or no" proposition, with no opportunity for the elected representatives of the people in this body to perfect or improve this measure through the normal legislative process of amendment.

Third, this measure takes another step in the direction of totalitarian, socialistic control of our national economy.

Fourth, it is deceptive, it is unfair, and conceived in political expediency, and favoritism to certain economic groups and discrimination against others.

Fifth, it contributes another powerful underlying force to the basic causes of inflation.

First. This tax bill is premature because it comes before us at a time when many appropriation measures are still undetermined. The House of Representatives has acted upon 10 appropriation bills, and has authorized appropriations totaling $13,018,172,594. The Senate has acted on two of these bills.

The Congress accepted the President's challenge to squeeze water out of the budget requests of $71,600,000,000, and thus far, in its appropriation bills, has cut approximately $1,818,978,740 from the budget requests.

Still to come before us are the President's program for $8,500,000,000 for foreign military and economic aid, a defense measure which totals $6,500,000,000, on which yesterday Secretary Marshall urged prompt action by the Congress. In addition, there are to come before us the State Department appropriation bills, in which the budget requests are $283,686,476, and the Defense Department appropriation bills, of which the budget requests are $60,000,000,000, including four and one-half billion of the six and one-half billion requested by Secretary Marshall on Thursday.

Thus, a total of $70,783,686,476 in budget requests is still to be acted upon by the Congress. No one can now predict precisely by what amount the Congress will reduce these estimated expenditures. It seems to me to be getting the cart before the horse to raise the money before we know how much we are going to spend. Of course, it is true that should the taxes we raise exceed the expenditures, the surplus can be applied in reducing the Federal debt. But this is not the time, during the period of increased expenditures for defense, to add additional burdens to the American economy for the retirement of the public debt.

However, not even the proponents of this measure have advocated this reason as a basis for the confiscatory increase in taxes that they now propose. Pay as you go in the current fiscal year is the maximum that has been advocated.

No harm will be done if this measure is recommitted to the Ways and Means Committee for reconsideration and report when a clearer picture of the authorized expenditures is available.

The bill at the present time is before us prematurely.

Second. The bill is presented to us under the gag rule, which prevents 422 of the 435 elected Representatives in Congress from participating in the raising of revenue. It is shoved down our throats by 13 majority members of the Ways and Means Committee on a take-it-or-leave-it basis. As far as I am concerned, I do not propose to take it. I regard my responsibility to those who elected me as their spokesman and their agent as of far greater dignity than to rubber stamp the action of a small group of Representatives, no matter how wise or able they may be.

I am fully aware of the contentions made in support of this gag rule, that lack of it would cause delay in the passage of the tax bill, and would subject Members to the pressure of interests who desire favored treatment of their particular industries or businesses. To me, this is no valid reason for disenfranchising those upon whom the Constitution placed the responsibility of adopting national policies. It is a confession of weakness in the Congress that its Members must be protected from the pressures and representations of economic classes and groups.

The one hope for this country, in my judgment, is that our national directorate be composed of men and women who have the courage and fortitude and devotion to the interest of this country sufficient to resist the type of approach from which the gag rule is designed to protect us. I, for one, do not propose to confess such weakness on the part of the House of Representatives.

Third. In the previous talks on the floor of the House on this measure, and from the reading of the bill and the report of the committee, it is perfectly apparent that the effect of this measure is to enhance and expand the influence and control of the Federal Government and, particularly, the executive branch of the Federal Government, over our national economy.

This bill proposes to drain into the coffers of the United States Treasury more than 28 percent of our national income. We have arrived at this point slowly and by stages, but this bill, like the straw that broke the camel's back, suddenly brings upon us the realization that our economy has been transformed from a free economy, where the American people, by and large, direct their own livelihoods, into an economy where important decisions are made by the bureaus and departments in Washington and forced upon our citizens. Under this bill, the American people will be working for the executive branch of the National Government in Washington. In a real and fundamental sense, they will have become the slaves, not the masters, of their Government.

I do not charge that the members of this committee, who have presented this confiscatory measure, have done so with

the purpose and intent of shackling the American economy. I am not as charitable, however, toward those in the executive branch who have discovered new ways of spending Federal funds and have propagandized them, at public expense, to attempt to create the belief that these huge expenditures are necessary to preserve the existence of our Nation.

I am perfectly willing to believe that there are those in the various echelons of the bureaus and departments who have no sympathy with—or confidence in—the American people and their capacity to exercise intelligent judgment on our national affairs; who believe that they are much better equipped to make decisions for the people than either the people or their elected representatives in Congress, and who are consciously and intentionally accumulating power and authority in their hands, pressing ever nearer to the overgrown bureaucracy of the type we criticize in the totalitarian nations. This bill is an important step in that direction.

Fourth. The bill proposes to withhold taxes from those who are known not to be subject to the tax withheld, in the full knowledge that simply through inertia or ignorance, claims for refunds will not be made. This is a deceptive and immoral device unworthy of the American Government.

This bill imposes a tax which, on the surface, seems to be paid by business enterprises, always a fair target for the political demagogs, in the full knowledge that this tax will be passed on to the consumers, and will not, in fact, be borne by the corporations themselves. This likewise is a deception unworthy of the American Government which, in its conduct, ought to espouse standards of morality and fair dealing equal to those which it establishes for the governed.

Through its omissions to tax, through the manipulation of rates of excise taxes, this bill favors those groups and interests conceived by this administration to be politically advantageous to its retention of power and deals harshly with those groups regarded as possessing little voting potential.

The entire measure smacks of a philosophy punitive of the industrious, the thrifty, the energetic, and the enterprising. By action, this bill attacks the system which has made this country what it is today—the free-enterprise system, which has been the target of the jibes and innuendoes of those in this administration who consciously, and with malice aforethought, would drive this country ever nearer a Socialist economy.

Fifth. This measure is inflationary. It is advertised as being a depressing factor on the inflation we now endure as a result of profligate national policies. This propaganda is false. It is said that we will drain off purchasing power from the consuming public. In fact, what we are draining off is rather that portion of the purchasing power which most likely would be devoted to savings and investment. The fact is that the money will be spent, whether it is in the hands of the American people or in the hands of the Government. The spending of the money is the cause of the inflation, and we know that the Government will spend it all, whereas, if it remained in the hands of the American people, at least some of that money would not be devoted to the purchase of consumer goods but would be saved or put to work in the expansion of productive facilities.

I must confess that I am disturbed that Congress has not fully discharged its responsibilities to the American people, because it has failed to examine and to challenge in an effective way the representatives of the executive branch of of the Government as to the need for Federal expenditures.

The cuts, totaling more than $1,800,000,000 so far made in appropriation requests, have been altogether too superficial and inadequate. Furthermore, these cuts have been made in a fashion of which Congress cannot well be proud. They have been crude and awkward, of the meat-ax type, but under the present weak condition of the Congress it could not do otherwise. Unless the Congress equips itself with a fact-finding staff, capable of penetrating below the surface generalities of Government operations, it will never be able to make effective and intelligent reductions in nonessential Government expenditures.

The professional staffs of the congressional committees number only some 300 persons for the entire Congress. Even assuming that all of these persons are able investigators, and I do not assume this, it is a wholly inadequate instrument to examine the varied and expensive activities of the 2,000,000 employees in the executive branch of the Government, with a view to separating those which are useful and necessary from those which are wasteful and superfluous. Congress has no one but itself to blame for failing to equip itself to perform this task it owes to the American people. I urge now, as I have urged frequently in the past, that Congress strengthen itself through acquiring competent and loyal staffs to do the fact-finding job without which intelligent judgment—not only on the appropriations and revenue measures—but on its other policy-making work cannot be effectively exercised.

I hope this bill will be recommitted to the Ways and Means Committee in order that that committee may reshape this legislation in the light of the sentiments expressed by the Representatives who have discussed this measure on the floor of the House.

If this motion is not adopted, I shall vote against this bill, because I believe it to be vicious, iniquitous, and contrary to the public interest.

Mr. REED of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, the tax bill before us for consideration carries the largest amount in taxes ever requested from our people—$7,200,000,000. This is the third increase in taxes since the outbreak of the Korean war last June. The tax bill of 1950 contained approximately $6,000,000,000. In addition we passed the Excise Profits Tax Act of 1950 which contained $3,900,000,000.

When we add this to the $7,200,000,000 within a little over 12 months, we will have placed an additional tax burden on the people of over $17,000,000,000.

The Ways and Means Committee for months has been searching every nook and cranny of our entire economic structure from the most insignificant business to the largest, and trying to get a few extra nickels out of the pockets of the very poor and the greatest amount they can take from business and from the very well-to-do.

In fact this bill indirectly will tax the old-age pensioners and those on relief. This will be accomplished by the increase in excise taxes and by the increase of corporation taxes, most of which increase will be added to the cost of the goods, food, and shelter those subsisting on old-age and relief are obliged to buy.

It will take an extra 12½ percent increase in taxes from the lowest income wage group and will reduce take-home pay of every working man and woman in the Nation in the same amount. This tax bill will increase the personal income tax by 12½ percent of everyone from the lowest to the highest.

In the higher brackets the Government will take up to 82 percent out of every dollar, leaving the taxpayer only 18 cents and in some instances will take as high as 94 cents out of every dollar on which taxes are paid leaving the individual only 6 cents.

The passage of this bill will place the greatest burden of taxation on all of the people they have ever been compelled to endure.

It places an undue burden on the very poor and an undue burden on those who are living on fixed salaries and annuities. It places an undue burden on the wage earners in the lowest bracket and in every bracket as we go on up in the higher wage scale.

The best evidence that it places a terrific burden on the poor and the working men and women of America is proven by the facts which disclose that 70 percent of the personal income taxes provided in this bill will be paid by people in all walks of life whose net income is below $5,000. When you further consider that the extra billions in this tax bill are largely provided by the raising of corporation and excise taxes, most of which will be passed on to the consumer in everything he buys as indirect taxes, you can begin to understand what a terrific burden in taxes is placed on those who pay taxes on earned income of $5,000 or less.

Throughout the many past years of tax and spend and a lot of talk about the forgotten man by this administration, its policy of reckless spending and its constant search for and raising of taxes, the myth of protecting and doing something for the forgotten man has been exploded into thin air.

Over 40,000,000 people who now pay taxes were not on the tax rolls before they began to talk about the forgotten man. This administration, because of its reckless spending, has found all of them. Each one now has a number. They are all burdened with every tax plus the high cost of living, yes, they are burdened with taxes so high that a few years ago they changed the law to take the wage earner's taxes out of his

pay check before he got it because they feared if he were allowed to pay his taxes at the end of the year they would be so great he could not pay them.

Mr. Chairman, the proof of this statement can be found in the fact that only 11 years ago, in 1940, only 4,000,000 people were paying income taxes. Today the astounding number of 52,000,000 people are paying income taxes. In 1940, those in the lowest income bracket were paying only 4 percent. Today they are paying 20 percent and this new bill will increase the amount they will pay by 12½ percent.

Only 11 years ago, in 1940, Uncle Sam collected only four billion in income, corporation, and excise taxes. Today under the present law, Uncle Sam collects fifty-five billion from these same three sources. This bill, if passed, will increase the amount by 12½ percent.

We have reached the end of the tax road. This bill scrapes the bottom of the barrel. It in fact increases the tax or cost on the lowly lead pencil that the children must use in school. It is the last big tax bill increasing income, excise and corporate taxes, that can be written without destroying the economy of the country. Next year, if we have to have more taxes, we will have to adopt a Federal sales tax and again those in the lower brackets who pay on net earnings of $5,000 or under who are carrying 70 percent of the tax load of the Nation, who will have to spend for food, clothing, and shelter on what income is left, will have to pay the major burden of a Federal sales tax.

The highest tax authorities in the Nation and the ablest men in the Congress realize the truth of these statements.

We have arrived at this dangerous and unhappy situation as a result throughout the past number of years of a Government policy of pretending to give the people general hand-outs from Washington, the policy of pretending to give them something for nothing in return and by following the policy of giving unnecessarily too many billions of dollars away to various nations of the world at the expense of our economy out of the sweat and toil of the taxpayers of America.

It has been brought about partially by the expenses of World War II and by the reckless and profligate Government waste day after day, year after year, and with the centralization of power in Washington attempting to regulate and direct the lives and activities of the people throughout the Nation and the building up of a Federal payroll of over 2,000,000 people for the past number of years, the cost of which for the civilian Federal payrolls has reached the staggering amount of $8,000,000,000 a year.

Now the question arises, should we approve this bill before us that will place this further burden upon the people and the economy of the Nation. It is a very difficult question to decide. Many sincere Members of the House believe that the legislation contains so many bad features that they overbalance the good, and that a tax bill at this time should not be enacted.

A great many believe the Members of the House should vote to recommit the bill to the committee so that it could be revised, some features stricken out and later reported back to the House.

Those who favor this action point out that we have a surplus of approximately $4,000,000,000 in the Treasury and that an increasingly greater amount of money will come into the Treasury from here on out, under the operation of the present tax bill. Of course, if this bill is defeated, we will still have the present tax bill with its present rates which will bring in an enormous amount of money with income running at the present high level.

Many of us believe that with the cooperation of the President we could reduce the budget request of $71,200,000,000 by $8,000,000,000 or more. If the President would join with the Congress in a drive to reduce Federal spending for the fiscal year 1952, there is no question but that we could put off until next year any increase in taxes over the present rate.

Many Members of Congress on both sides of the aisle during the past 2 or 3 years have worked and voted to cut the cost of government to the bone. They have pointed out on the floor of the House that unless we cut out all unnecessary spending and practice real economy, we would reach the very point we have reached today.

These same Members have made a great effort in this session of the Congress to reduce unnecessary and unjustifiable Government spending with much success. Unfortunately the President and his leaders in both branches of the Congress have not only failed to fully cooperate in an effort to reduce the cost of government but have opposed such action.

Under our Constitution, it is the responsibility of the Congress to provide, through the process of appropriations, the money with which to defray the cost of government.

Mr. Chairman, some Members of Congress have strongly taken the position that this bill should be recommitted to the committee for further study and action. I feel that that should be done. Some have gone further and say that the Congress should defeat this bill as a warning to the President that they will not provide a further increase in taxes until the President changes his policy of spending and joins with the Congress in a real effort to cut the cost of government to the bone; that if the President will join with the Congress in such a drive we may be able to reduce the cost of government to where a much milder increase can, if necessary, be imposed upon the people at a later date and at the same time keep the economy of the country in a sound expanding position which will add greater strength to the Nation in meeting the serious days ahead.

Mr. Chairman, it is the duty and the responsibility of the Congress to take such bold and drastic action as it believes is necessary to see to it that unnecessary spending and waste is reduced to a minimum. That done, we should, if necessary, consider the further increase of taxes.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, some reference was made by one of the speakers on the other side to the responsibility of the majority in the writing of the tax bill and the attitude sometimes taken by the minority. I would just like to say for the record that up to this time I have voted for every tax bill that has come to this floor in the 16 years I have been here, and I have been voting for those tax bills as a member of the minority. Likewise, I have been voting consistently to cut expenditures, as many of us on this side have.

To talk about it being irresponsible not to take this particular measure is, in my opinion, a completely indefensible statement. I have taken a lot of tax bills, but this one is more than I can swallow. It has been offered to us with apologies, apologies from those who say it does not go far enough, apologies from those who say it goes too far, apologies from those who say it is ill-timed, apologies from those who say that maybe we ought to wait and see what we can do about expenditures, apologies for this provision, apologies for that provision.

Under those circumstances, in my opinion, it is clear that this measure should be recommitted to the Committee on Ways and Means, with the obligation vested and required of them to bring to us a bill that will meet the needs of the day and the hour and the years to come.

We are told that the committee has done the best it could. We are told that in the view of the committee the additional taxation provided in this measure represents the end of the line as far as the ability of the American people to bear up under such a burden is concerned.

If this is true we can only conclude that an administration which has for years insisted on confiscating the earnings of American breadwinners for its spendthrift programs has now brought us to the end of the rope.

We now find ourselves in a tragic position. That position is simply that, having wasted our resources down through the years—much of it on ill-advised, socialistic, give-away schemes—we now find ourselves at the breaking point in our attempts to provide the wherewithall for our defense effort.

Because we have wasted and are still wasting the people's money on things we did not and do not need we are now told by the committee that this bill represents the end of the road as far as new sources of revenue are concerned.

What greater indictment of an administration can we conceive than that implied by the statement of the chairman of the Ways and Means Committee—that we have reached the ultimate in taxation consistent with the safety of our national economy?

If this is true then I say it is high time we pause to reconsider.

It has been suggested that with this bill now before us and with proper curtailment in nonessential Government spending we can balance the budget for the fiscal year 1952.

I am happy to know there is a recognition on the other side of the aisle that

such a thing as nonessential government spending does exist.

And it is in the light of that recognition that I submit this fact:

We are here being called upon to impose the third major tax increase on the citizens of America in a period of 12 months. We are considering this third tax increase even before we have fully explored the extent to which nonessential spending can be curtailed.

To me a far more logical course would be to determine first the extent of our spending before saddling the people of this Nation with taxes to the point of danger.

Moreover, if we pass this bill now, what assurances do we have that the administration will not come forward with proposals for even greater spending?

You know as well as I do that we have no such assurances. In fact I do not believe there is a Member in this House today who would gamble that new requests will not be made.

The history of recent years has demonstrated conclusively that the more money this Congress appropriates the more money the administration will spend and the more it will demand. I would like to see what our total appropriations for next year will be. At this time we cannot tell.

It has been suggested that we face three alternatives:

First. Additional taxation to meet budget demands.

Second. A reduction of nonessential expenditures.

Third. Deficit financing.

On two occasions in the past 12 months the Congress has provided additional taxation to meet budget demands. We have demonstrated our willingness to cooperate in this emergency.

Can any Member tell me in what way or in what place the administration has demonstrated its willingness to cooperate by modifying its proposals for spending?

I fully agree that it is necessary to meet our responsibilities in government and in the area of national defense by providing the wherewithal to finance such enterprise.

But I also believe it is long since time this administration take into account its responsibilities by cooperating with the Congress in cutting the costs of government, by showing some inclination toward efficiency and economy of operation.

We have demonstrated our good faith. When is the administration going to do likewise?

I am supporting a motion to recommit for these reasons:

The bill is out of balance. It is neither honest nor equitable in its provisions. It contains errors of commission and errors of omission which should be corrected. It does not do what it should to curb the forces of inflation.

Furthermore, it is untimely in the light of the existing situation. With proper Federal economies there is no reason why the people of this Nation must be called upon to make sacrifices in the manner demanded by this bill.

It is high time the administration demonstrates a sincere willingness to cooperate in helping the Congress to meet this problem. We must achieve a major reduction in nonessential spending and we must work out tax legislation that is equitable, legislation which meets the needs of this emergency in a manner that visits the least possible burden on our people while avoiding punitive levies which discourage a continuing expansion of our productive effort.

Given evidence of a real determination on the part of the administration to follow such a program I, for one, will be happy to lend my wholehearted support.

Mr. REED of New York. Mr. Chairman, I yield half a minute to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, there are a number of fundamental inequities frozen into this tax bill. First, there is the pension provision which fails to give the same exemption from tax to pensioners from Government service and industry as it does to recipients of social security, also pensioners. All these people have given the best part of their lives to the service of the rest of us; there certainly should be no question among them as to the taxability of this modest return in their later years.

There is also considerable doubt as to the propriety of the withholding tax on dividends, bond interest, and so forth. A great hardship is worked, particularly on millions of holders of small blocks of securities who will be put to all the trouble of tax accounting and obtaining refunds. This has not been a major source of tax loss; there are many much greater which are not being dealt with at all or certainly not such summary fashion.

Another inequity frozen into this bill is the heavy amount taken in excise taxes on gasoline, cigarettes, beer, wine, and liquor, television sets, and many other items. Of the total amount of $7,199,000,000 expected to be raised from this bill $1,252,000,000 is estimated to come from excise taxes whereas out of a total of over $6,000,000,000 contemplated to be raised under the tax law we passed in 1950 only $73,000,000 was for excise taxes, the rest coming primarily from corporations. I believe we have again heavily taxed especially the moderate income family suffering now from the grave increases in the cost of living while we have much too lightly taxed corporate earnings and excess profits.

These, among others, are major inequities and show the hardship in not permitting amendments to this bill. Taking the situation as a whole I believe the only justification for supporting this bill is the time—of the utmost gravity for our people brought on by the Communist menace of slavery to us and to free peoples everywhere—involving also the national-security interest of the United States and to enable us to do the job at home and abroad that this tragic situation forces upon us. That is my position on this bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. REED of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. BUSBEY].

TAX COLLECTIONS BY TRUMAN ADMINISTRATION GREATER THAN ALL PREVIOUS ADMINISTRATIONS SINCE 1789

Mr. BUSBEY. Mr. Chairman, with the enactment of the pending new revenue bill, H. R. 4473, the administration of President Harry S. Truman will have the chance in but seven fiscal years to have collected more revenues from the people of the United States in various ways than all previous administrations were able to collect from the establishment of the Republic in 1789 down through the years to June 30, 1945.

A study of the fiscal records of the Government indicates that total receipts up to June 30, 1945, were reported as follows:

Period	Receipts	Expenditures	Public debt
			Millions
All Presidents, Washington to Roosevelt, 144¼ years, 1789 to 1933	$91,586,076,130	$112,203,367,065	$22,538.6
Administration of Roosevelt, 12 years, fiscal 1934–45	165,760,825,357	372,235,200,271	258,000.0
Total receipts	257,346,901,487		

The table illustrates the fact that in 156½ years the total receipts of the Federal Treasury amounted to $257,346,901,487. For comparison there is submitted a table showing the total revenue receipts and the net budgetary receipts for the fiscal years commencing July 1, 1945, with actual reported collections through June 19, 1951, and budget estimates for fiscal 1952. The table follows:

Fiscal year	Total receipts by Treasury	Net receipts by Treasury
1946	$44,238,590,336	$43,037,798,808
1947	44,702,703,321	45,258,835,189
1948	46,098,807,313	44,745,542,077
1949	42,773,505,520	38,245,667,810
1950	41,310,627,851	37,044,733,557
1951 [1]	47,683,725,900	[3] 44,565,556,373
1952 [2]	55,100,000,000	55,100,000,000
Total	321,907,960,250	305,998,131,814

[1] Actual collections to June 19, 1951, from Treasury Statement.
[2] To June 19 of the present fiscal year.
[3] Budget estimate contained in President's message to Congress.

FILIBUSTER OF SILENCE

Mr. Chairman, the printed hearings for the Department of State appropriations for 1952 reveal that they began the hearings on February 21, 1951, and concluded them on April 3, 1951. This is over 11 weeks ago and still there has been no decision as to the amount of money that will be available. There has been no word of the committee's action, not only on the Department of State, but also on Commerce, Justice, and the Judiciary.

As near as I have been able to ascertain this unwarranted delay is unique in the annals of Congress. The normal procedure is to prepare the bill immediately after the hearings have been completed while the testimony is still fresh and clear in the minds of the committee members.

Apparently the leadership in the House has been instructed by the boss downtown to pigeonhole the bill until the President can find a new Secretary of

State or at least until Mr. Acheson gets off the hook to which he is presently attached.

In the meantime innocent victims of this dubious strategem are unable to intelligently plan their operation for not only next year but for fiscal year 1953, since I am informed the Bureau of the Budget is pressing the various departments for their estimates for that year.

Shortly now, we will be presented with a continuing resolution to permit the departments involved to operate beyond June 30. This device is also a dubious strategem and I will be interested in seeing what explanation will be offered to justify it. I would likewise invite the attention of the Members of the House to the fact that such a resolution will probably permit the departments to obligate funds at the current rate which will therefore result in their being able to continue operations at a level substantially higher than the Congress in their present mood would permit if the regular bill were acted upon. If this dilly-dallying is permitted to continue we will find that 3 or 4 months of the new fiscal year will already have elapsed before the bill is completed and our opportunity to economize will have been greatly handicapped and probably lost as well, since we will be faced with the familiar accomplished fact.

I consider it a sad commentary on the prerogatives of Congress that Truman, Acheson, and others, are being permitted to put a ring in our nose with a string that leads to the White House. This is a filibuster of silence that confronts us while four of the most important agencies in Government are faced with possible inactivity and probable impotence. This bill that is being held under the iron curtain contains such important agencies as the Federal Bureau of Investigation, the entire Foreign Service with its 200 or 300 missions all over the world, the Federal courts, and the entire Department of Commerce, with its many defense functions. The American public is not only entitled, but I am sure anxious, to receive from the leadership the answers to the following questions:

First. Just why has this bill been held up so long and under such mysterious circumstances?

Second. Are we waiting for Acheson to resign in the hope that such action will placate an aroused Congress who would then rubber stamp the inordinate requests for funds?

Third. What will be the effect of a continuing resolution? Will it permit the Departments to obligate funds at a higher rate than the Congress would probably supply if they were given the privilege by the solons downtown of acting on this bill?

Fourth. Is this filibuster of silence an admission that the elected representatives of the people are subservient to the Executive?

Fifth. What effect does this filibuster have on our relations with our allies abroad? Should they be expected to cooperate with a Secretary of State who fears to have his request for funds debated in the Congress?

Sixth. If the impasse is occasioned only by the very controversial Secretary of State, why is it not possible to act on the other Departments involved in this bill in order that they may go about their business while the State Department stews in its own juice?

Seventh. How is it possible for the hard-pressed members of the subcommittee to intelligently draw this bill with the hearings 3 months behind them?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. TACKETT].

Mr. TACKETT. Mr. Chairman, the limited time afforded will not permit me to discuss the many provisions of this bill with which I am not in accord, but the arguments that are being advanced that this bill is inflationary just do not register with me. The three fundamental prerequisites necessary to curb inflationary tendencies which, if not curtailed, will no doubt ultimately result in a depression following the emergency are: First, reduction of nonessential Government spending; second, credit controls of the higher-income business bracket; and third, necessary taxation to siphon off war profiteering and emergency net gains. Of course, we could spend hours discussing these three functions and their connection with inflation, but it will suffice to state that, regardless of efforts to stabilize our economy with the hopes of curtailing inflation, price ceilings are not worth a "hoot" unless rigidly controlled at the manufacturing and jobber levels, along with wages, and the aforementioned three functions are likewise brought into actuality.

I will admit that there has been little effort to reduce nonessential Government spending, the most inflationary activity during either peace or war. Government spending naturally soars during an emergency. Therefore every possible effort should be made to curb unnecessary public spending in an effort to curtail inflation.

It is difficult to know the limitation on credit controls during the emergency; however, I am firmly convinced that the Economic Stabilization Administration has started at the wrong end with Regulation W. This regulation attempts to curtail spending by regimenting the purchasing power of the lower economic branch of our people. It is an unequitable, unrighteous, and dishonorable means by which the poorer people are penalized for the sake of those with unencumbered bank accounts. There is no restraint upon big credit accounts, which encourages inflation. If we are to curb the buying power through credit restrictions, we should equally and proportionately restrain all credits—especially the large accounts. To restrict the buying power of the lower income bracket, while allowing free trade among the higher income bracket, will in no wise curb inflation.

Of course, small business drastically feels the effect of the present-day excess profit taxation, but, actually, the excess profit tax laws now in force are not sufficiently rigid upon the higher income business bracket to prohibit war profiteering by big business, and to curb inflation. For instance, the following table will reveal profits of certain industries in the higher income bracket during this last quarter:

Industry	Net profit before payment of taxes	Net profit after payment of all taxes including excess-profit taxes
	Percent	*Percent*
Electrical machinery	62.4	25.2
Motor vehicles and parts	58.4	16.8
Rubber	47.6	21.6
Instruments	43.2	19.2
Paper and allied materials	40.4	20.8
Chemicals	40.0	17.2
Stone, clay, and glass	39.6	16.0
Furniture	39.2	20.4
Fabricated metals	30.0	17.6
Iron and steel	36.4	14.0

You will notice the tax discrimination among these various industries. It is a certainty that the excess-profit taxation now in effect is not curtailing excessive profits and thereby prohibiting war profiteering and inflationary tendencies. The tax bill now under consideration will at least in some manner adjust this situation.

Many of you today are arguing that this tax bill is inflationary in face of the uncontradicted facts that, unless the excess-profits-tax features of this bill are enacted, inflation will soar by virtue of wartime profits—yes, blood money. Regimenting our young manhood for the supreme sacrifice in Korea is given less concern than the regimentation of war profits. I do not believe that any man or any business should profit off the valor and bloodshed of the young manhood of this country. You do not mind taking those young men away from their homes, families, jobs, and schools, but you so regret to regiment the dollars that are made as a result of and during their suffering to pay for this war as we go. It is the constant hue and cry that we pay our way in this conflict to preclude further national indebtedness; and, yet, you hesitate to restrict profiteering brought about because of the emergency. This is just further evidence of activities proving the saying that "war is a rich man's business, and a poor man's fight." I sincerely contend that the protection of this democracy is the responsibility of every man, woman, and child; not that of any segment of our population, and certainly not only that of our fine young manhood on the battle fronts.

I must admit that I did not feel any too kindly on my return from World War II toward many who had profited as a direct result of the war.

I could not see why they should make enormous war profits and blood money when I was to return home to my family, completely broke and with several months of my life wasted. Maybe a lot of this is beside the point, but I cannot go for the argument that we should not be regimenting war profiteering.

Much of the discussion during debate on this measure has added absolutely nothing to the merits or demerits of this legislation. The Republican leadership accuses the Democratic leadership of bringing in a gag rule, and the Democratic leadership accuses the Republican

leadership of insisting upon a gag rule. That does not add to or take from the merits or demerits of this bill; and does not afford any excuse to anyone for being for or against this tax bill. It is the custom, procedure, and the only practical means for the consideration of a tax bill. No one will contradict that statement; therefore, why all the argument about the fact that this bill has followed the customary proceedings that were established long ago by this Congress?

We realize that in order to stabilize the economy of this country, preclude inflation, and, perhaps, prohibit a depression, it is absolutely necessary to siphon off war profits and emergency gains during the international crisis in which we are involved.

Yes, the individual by virtue of this legislation will be required to pay 12½ percent more taxes than he paid last year, but, we must recall that the certain segment of our population that has been regimented to fight the physical battle for the preservation of our democracy is denied an opportunity to make a dime upon which to pay income tax. I am quite sure that most of those fellows had rather pay an additional 12½ percent of taxes than to sacrifice their opportunity to live each and every day that they are exposing themselves to the enemy on the front lines.

Mr. REED of New York. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, the hour is drawing to a close when we shall take our final vote on a bill which has required constant attention since February 5 on the part of 25 Members of this House—the Ways and Means Committee.

There are very few on the floor of this House who have lived through the same period that I have. I remember when I came to Congress the country then had the largest national debt in its history—a Democratic debt. It seemed large in those days—$26,000,000,000. It seemed a difficult situation to face, with 7,000,000 people walking the streets, soup kitchens being built in every town; and most of you men were still wet behind the ears at that time. You were not familiar with what was going on. Our mills were closed. There was not a mill operating in this country. I have been trained in a different philosophy than a great many of you people. In those days the Republican Party believed in a sound currency, and we had one. It believed in the philosophy of hard work and retrenchment—retrenchment in Government. The Republican Party had to take over under those conditions, and I sometimes wondered, as a young man, how the Republican leaders were going to face that situation. But then, within 1 year after they had reduced taxes, we were again in prosperity. After 2 years, 7,000,000 people were working and every smokestack was belching smoke. Again we reduced taxes, and prosperity proceeded to gain all the time. People were thoroughly prosperous. The third time we reduced taxes, and we got more revenue than we had under the higher rates.

Four times we reduced taxes, until less than 2 percent of the people paid any income taxes at all. We paid $1,000,000,000 on the national debt each year for 10 years. So I say I was trained in a philosophy that puts your country in a solvent condition.

Then came the black war of the Democratic Party under Woodrow Wilson. Now we have come along to this bill, H. R. 4473. But the best that we have been able to do year in and year out is that over 20 revenue bills have been passed. We talk about taxation stopping inflation; it is perfectly silly. If over 20 revenue bills, and this one, if passed, added to them, will not stop inflation or slow it up at all, what are you going to do with this tax bill, and after this will it be another tax bill? To do what? Cure inflation? No, Mr. Chairman, we are just like a dog chasing its tail; he just cannot catch it. All the tax bills you may bring in here will not stop inflation at all, for the spending is going on day after day, money poured in here and poured in there, and poured out abroad, where it simply cannot do any good at all. No, Mr. Chairman, we are simply going to pauperize foreign people. We are not helping them by leading our foreign neighbors to believe that from now on they are our "poor relations."

I can speak of this question of economy because I challenge any man in the House to show where I have voted for one single thing, one single item that could cause inflation. I have an economy record, and every Member knows that my record is one of economy. I have done my best to save even down to the point of not using all my secretarial allowance, but turning a part of it back into the Treasury. I have even turned in my unused mileage into the Treasury. This question of economy should begin at home; it is a responsibility not only of the Congress but of every man in this Congress to save money for the taxpayers. Then you will not have these great huge tax bills here for which the Members blush. Every time you mention a tax bill every Member on the Democratic side of the aisle blushes to think that he has been responsible for it. I will say this, we are united in our determination to prevent further inflation through unbridled spending, united in our determination to keep faith with the American people by reducing Government spending; united in our determination to preserve our free economy during this crisis.

United in these common objectives, this Eighty-second Congress can make its mark on the history of our Republic.

Reductions in Government spending have already been made by this great body. Further cuts have been assured and when made will make H. R. 4473 excessive taxation without justification.

The time for this Congress to cry "Halt" to nonmilitary Government spending is now—not after passage of H. R. 4473 which imposes on the people $20,000,000,000 more in taxes than was ever imposed during World War II.

By recommitting this bill we will show the American people that this Congress has demanded the same sacrifice and control in the spending of their money by the Federal Government as the Federal Government has imposed upon the people.

The American people are asking that this be done.

They are asking that this Congress reduce Government spending before imposing higher taxes.

This is the issue before the Congress.

The American people are waiting and watching for your answer.

You must not fail them when we vote in a few minutes.

MAJOR ISSUES IN THE DEBATE ON THE TAX BILL

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Chairman, (A) do we need higher taxes in the amount of at least $7,000,000,000 at this time?

First. Even if the bill becomes law in its present form and is in effect by the 1st of September on individuals and is retroactive to January 1 on corporations, the total tax collections for next fiscal year would be around $66,000,000,000—committee report, page 2. This would still require a reduction in the budget of between $4,000,000,000 and $5,000,000,000 if we are to avoid deficit financing.

Second. Nearly 5 months ago, President Truman, in his special tax message, gave us the soundest advice on this subject:

> It is my firm conviction that we should pay for these expenditures as we go. A balanced budget now is just as important a mobilization measure as larger Armed Forces, allocations of basic materials, and controls over prices.

Third. Yesterday the distinguished gentleman from New York, the ranking Republican member of the Committee on Ways and Means and long a recognized Republican authority on taxation and fiscal policy, asserted that we do not need higher taxes now, and he based his argument on the assumption that at least $8,000,000,000 can safely be cut from the present budget. Although this would still leave a deficit, he says, of $2,500,000,000 for fiscal 1952, the gentleman from New York asserts, and I quote his remarks on page 6893 of the RECORD of yesterday:

> This is the sound position. This is the American position. This is the Republican position.

Fourth. This opposition to higher taxes is not in accord with the conservative business thinking of the country. As the gentleman from Pennsylvania [Mr. EBERHARTER] has pointed out this morning, most of the leaders of business organizations appearing in opposition to the continuation of price and wage controls before the Committee on Banking and Currency of the House and Senate have urged the enactment of higher taxes as a basic anti-inflationary weapon. The president of the National Association of Manufacturers, when asked how much taxes should be increased, gave this response just last month:

> We realize that probably no one knows the amount of additional revenue that is

going to be needed. We think it is bound to come to a minimum of $10,000,000,000, and perhaps closer to $25,000,000,000 annually, and we hope that Congress will raise that money by taxes in some way, and certainly not continue the disastrous deficit spending. (Hearings before the Senate Committee on Banking and Currency on S. 1397, pt. 2, p. 1171.)

And, as the gentleman from Arkansas pointed out yesterday, the gentleman from New York himself told this House on September 22, 1950:

The most serious problem, however, will have to be faced when our war expenditures move into high gear and it will then undoubtedly be necessary to raise an additional $10,000,000,000 or more if we are to attempt to meet our increasing expenditures on a pay-as-you-go basis, as indeed we must.

Fifth. Which is the sounder position, then—that we recognize that at least $7,000,000,000 in additional taxes are necessary to finance the defense effort or the Republican contention that no tax bill is now required?

(B) Is there anything unfair about the 12½ percent across-the-board increase in individual income taxes?

First. In the Republican Eightieth Congress when taxes were being reduced, Republican Members contended that this was the fairest and most feasible way of reducing taxes. If it was good while we are cutting taxes, why is it not just as good as we raise them?

Second. This flat percentage method, but at a 10-percent rate, was, as I understand it, first advocated in the Committee on Ways and Means by a Republican member, and as the gentleman from Pennsylvania [Mr. EBERHARTER] has pointed out, the difference in taxes paid for persons in each bracket would be relatively slight.

Third. The 12½ percent flat percentage increase—which is merely a one-eighth increase in personal tax liability—has the advantage of insuring that the lower-income brackets pay no greater share of the total tax burden than they do under existing law.

Fourth. Anyone who proposes an alternative method of raising the same amount of money will probably find that it would hit the lower-income groups harder than the present bill.

Fifth. And just what do the Republicans now propose as an alternative if they object to an across-the-board percentage increase?

(C) Is there anything unfair about the tax increases on corporations?

First. The Republicans object because three-fourths of a billion dollars in additional revenue is being derived from an adjustment in the excess-profits tax on corporations. These are the 22,000 most prosperous corporations in the country who are reaping over $50,000,000,000 a year in corporate profits—the highest in history. Even after the additional taxes under this bill, these corporations would have profits of more than double the profits of the peak year of World War II, 1944.

Second. The Republicans claim surprise and they charge that this amendment is unfair to the corporations. However, there were full hearings on this identical proposal less than 6 months ago.

Third. At that time during the consideration of the excess-profits-tax bill, the Republicans were urging that at least a part of the additional corporate tax load should come from higher normal and surtax rates. Now, when in this bill the Democrats propose to get a part of the revenue from an increase in the normal tax and part from the excess-profits tax, they still criticize and complain.

Fourth. Again, just as in the case of the individual income-tax increases, how would the Republicans suggest that we raise from corporations the same amount of money?

(D) Excise taxes: The minority report also criticizes the excise taxes under the bill. But again, they suggest no alternative for collecting an equivalent amount of revenue. Now, finally, how would the Republicans get the same amount of revenue as provided by H. R. 4473?

Since they oppose income taxes on individuals, income taxes on corporations, and excise taxes, is it unfair to conclude that this is the prelude to a campaign by them for a Federal sales tax?

(E) Are the provisions of this bill based on equality of sacrifice?

First. The minority indicates that the bill is not based on equality of sacrifice. But let us look at the provisions of the bill. Two billion eight hundred million dollars of the additional revenue comes from corporations whose inflated profits have continued to skyrocket; $1,800,000,000 of the additional individual income tax increase comes from people with incomes of $5,000 or more; $232,000,000 comes from those who are today evading taxes on their dividends and corporation interest receipts; $1,300,000,000 comes from excises, mainly on nonluxury items and from the new tax on gambling.

Second. The distribution of additional revenue under the bill is distributed throughout the tax system and was specifically designed to take a higher proportion of the tax increase from high-income individuals and corporations. The charge about equality of sacrifice can only mean that the minority believes that tax increases should be made on the poor and that the wealthy should be comparatively free from contributing to the defense program.

(F) Have we reached the bottom of the barrel?

First. The ranking minority Member states that we have reached the bottom of the barrel. But let us look at the facts.

Second. Corporation incomes are expected to reach the unprecedented levels of $48,000,000,000 before taxes in calendar year 1951. Even after the tax increases proposed under the bill, corporations will have left about $20,000,000,000, twice as much as they had left after taxes in World War II.

Third. Individual incomes are at the highest levels in history. We have just emerged from a 5-year period during which the American people benefited from the greatest prosperity we have ever had. The $2,300,000,000 reduction in their disposable incomes resulting from the provisions of this bill has still left their disposable incomes at a very high level. Since the bill takes 62 percent of the additional $2,800,000,000 from those with incomes above $5,000, it cannot be argued that the additional burden will be too heavy. What better method of distributing the additional tax burdens among individuals is there than by way of the individual income tax which is levied on the basis of ability to pay.

(G) Is this bill an invitation to tax avoidance?

First. The minority have argued that the rates in this bill are so high that people will be encouraged to avoid their taxes.

Second. Such an irresponsible statement can only mean that the minority believes that high-income people will not be patriotic enough to contribute their fair share of the taxes needed for the defense effort.

Third. Can anybody seriously argue that the tax rates are too high when they leave a married man with $100,000 income with more than $40,000 after taxes?

(H) Is this tax bill inflationary?

First. The minority apparently believes that by reducing the incomes available for spending we are contributing to inflation. What sort of distorted version of economics can this be. Our major problem is to balance the budget so that the Government will not pay out more than it receives.

Second. Much of the credit for the cessation of inflation during the past 2 months is due to the far-sighted action of Congress last year in raising taxes under the Revenue Act of 1950 and the Excess Profits Tax Act. If we did not have a budget balanced in the early part of this year price pressures would have been substantially greater and it would have been difficult to stabilize them.

Third. The success of the stabilization program thus far is proof positive that direct controls and a balanced budget is the only method by which we can stop inflation. This bill will make it possible for us to continue with an effective stabilization program.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. Mr. Chairman, it is with extreme reluctance that I approach the vote on this measure. There are so many implications in this bill, so many clearly burdensome effects upon the people, upon business, upon the American productive economy that I have the greatest of apprehension concerning the results and impact of the operation of this measure.

Three things are immediately apparent from a candid analysis of this bill.

First. In the light of present emergency conditions facing the Nation and gravely threatening our security, we must conclude that Congress must provide the financial means adequately to defend the United States.

Second. That until the emergency should become worse and involve us in all-out war—which God forbid—it is

highly desirable, indeed of paramount importance, that we should raise all financial means required to this end under a pay-as-you-go policy. This will be difficult, I know. This will call for great sacrifices by our people, for unprecedented burdens upon every class and group.

Third. We should strive in every way available to us to impose taxes in such a manner that the burdens, however onerous, are equitably distributed on the principle of ability to pay, and that no fundamental impairment of our great, energetic, productive forces of free private enterprise will occur.

Frankly, I am not satisfied in my mind that this bill will meet all these standards. I regret and deplore many provisions which lay such oppressive burdens on the people and on business, large and small. I dislike the high levies on all our taxpayers. I regret the many nuisance excise taxes which will be onerous in their effects. On the whole, I am most unhappy that we cannot, under the rules of the House, change and amend many of these objectionable features.

But we have no such choice. If we do not vote for this bill we will have to seek other alternatives that may be even more unpleasant, more burdensome, more obnoxious to the country. In my opinion we must raise revenue for this world emergency and we must do it now. We must meet the challenge of our potential enemies. We cannot flinch or delay. We cannot trifle with the grave needs of the present. We cannot add to the national debt at this time. We cannot now embark upon further deficit spending with all its very grave implications. For these reasons, briefly, I have outlined some of my views on this bill. While I regret the necessity for such sweeping and drastic taxation at this time, in the interest of security, and solvency, and ordered fiscal policy, I am constrained to vote for the bill.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman from Massachusetts [Mr. McCORMACK] the balance of the time on this side.

Mr. McCORMACK. Mr. Chairman, we have heard a lot during this debate about reducing the cost of Government. Each and every one of us agrees with that where it can properly be done. Yet, as I sit here, and hear the speeches and view the votes of all of us, including myself, I realize that it is really a question of fact confronting each and every one of us. I hear some of our friends talk about reducing; yet I have heard them make urgent appeals to increase appropriations, and properly so because it concerns their district. The thought has run through my mind that there is at least a practical inconsistency there.

We must bear in mind that 83 to 84 percent of every dollar appropriated by the Congress goes for our national security and our national defense, preparing ourselves for future events in case war should take place, because we have got to be prepared. We cannot prepare after war occurs. Also it is for the payment of past wars. Seventeen percent of the budget estimates and recommendations go for the payment of the general conduct of Government.

So we are faced with a situation, and it is a practical one, that 83 cents of every dollar we appropriate is in connection with past wars or obligations incurred as the result of past wars, taking care of our veterans in hospitals, the payment of pensions and compensation, payment of interest on the national debt, because all of our national debt except $40,000,000,000 was incurred in connection with preserving our country and our liberties as a result of World War II; also in preparation for anything that might occur in the future and in order that America might be so powerful in the world of today that we hope the power of America will deter any aggressive act on the part of a potential enemy which might lead to a third world war.

During the next year we will spend $60,500,000,000 for our national security. Who would dare reduce that substantially? Who would dare strike down a 95-wing Air Force to 70 or 60 or 50 in light of the conditions in the world today? That $60,500,000,000 which we will spend during the next fiscal year will provide a military establishment of 3,472,000, it will provide for a 95-wing Air Force, it will provide for a 1,161-ship Navy.

There are many outstanding Members of the Congress, and I cannot close my eyes and my mind to their thoughts and to their arguments, who think that instead of a 95-wing Air Force we should have a 150-wing Air Force. What does that mean in connection with appropriations on the part of the Congress of the United States?

I have heard arguments about a straight motion to recommit. If a motion to recommit is made with instructions, that is one thing, because that is an assumption of responsibility. A straight motion to recommit is an abdication, in the light of the situation confronting us, of the responsibilities of one of the two major parties in this country. If you recommit, what is going to be the result? In my opinion there will be no tax bill at all. The provisions in the tax bill are not entirely satisfactory in every respect to every one of us. Certainly from an over-all angle it represents the best collective judgment that could be obtained from the 25 members of the Committee on Ways and Means.

Mr. Chairman, I know what a hard task it is to conduct hearings on a tax bill. I know how difficult it is in executive session, because for 10 years, as you know, I was a member of the Committee on Ways and Means, and I sat in on five tax bills. It is not an easy task, with the pressures that are exerted upon individual members of that committee, and with the other influences that come in the direction of those who are members of that committee. I therefore urge that the Members vote against the motion to recommit, because that is an abdication of responsibility on the part of all of us, as I see it, without regard to party. Even if one were opposed to the bill, he could vote against recommittal and be consistent. They could say, "We recognize we have got to have additional revenue" and while they might not be satisfied with this bill to the extent that they could, in conscience, vote for it, they ought to realize that sending it back to the committee means no bill at all, and as every one of us realizes, additional revenue in the national interest of our country is absolutely necessary at this time. So, any Member who might feel constrained to vote against it would be voting in a consistent manner if he or she voted against a straight motion to recommit, which simply means sending the bill back to the committee. It is my strong opinion that if that happens there will be no tax bill this year, and whether or not we agree with this bill, we ought to recognize the fact that in the national interest of our country a tax bill of some kind is necessary. If this bill goes back to the committee it is a repudiation of what is contained in the bill from the over-all angle. If it goes back, where are you going to get a source of new revenue? It is either going to be a sales tax or a general manufacturers' excise tax. Honesty would permit you to say that if we are going to recommit, we ought to state to the country why you are recommitting. We should have the courage to say that some taxes provided for in this bill are wrong and that some other kind of tax is right, and we should assume our responsibility, that is, those who vote for recommittal, by telling the country what you believe should be contained in a tax bill.

I think most of the Members here are overwhelmingly opposed to a sales tax. I think the great majority of the Members are opposed to a general manufacturers' excise tax. Personally I am not. I advocated a general manufacturer's excise tax in 1930. It came out of the Committee on Ways and Means in the tax bill of 1930 and it was stricken out on the floor of the House. I am probably one of the few Members of the House who publicly stated that I favored a general manufacturers' excise tax, but I recognize the fact that the great majority of the Members do not, in the exercise of their judgment, and I respect their views. If this bill goes back to committee, in all honesty, one should come out. I do not think one can come out under the circumstances, but if one does, if the provisions in this bill are repudiated, the only place that can be tapped now is through the medium of a general manufacturers' excise tax or a general sales tax.

I have heard the cry of socialism raised against this bill. That cry could be directed against other legislation much better than against the tax bill. This is a defense tax bill. These taxes are being imposed for defense purposes. Over and above everything is the United States of America as a country.

We talk about our personal liberty, which we all prize and treasure, but if Communists take over our country, personal liberty would be destroyed and slavery of the individual would take place.

We talk about business, yes, and I am for business, big and little. I am not against any segment of American society. I want to preserve and strengthen every one of them. But if we fail to do the things we ought to do now, and as the result of it the thing happens that is too dreadful even to picture, then what

good is the property of anyone, what good is the business of anyone? You have to have a country before you can have a business. You have to have a country before you can enjoy the blessings of personal liberty.

This tax bill is vitally important to you and me as Members of Congress, picked out from our constituencies as we have been through election, charged with direct responsibility as we are, doing those things we ought to do in this emergency not only to preserve our country but to strengthen it, as a contribution toward the national interest and security of the United States of America and a contribution toward future world peace.

Yes, if we fail, communism dominates, and with communism comes enslavement of the people and the destruction of everything that each and every one of us holds near and dear. We might differ as individuals on this bill or that bill, but each and every one of us fundamentally believes in and loves our institutions of Government. We believe in those words contained in the Declaration of Independence and in the Constitution of the United States. Yes, we may disagree on this or that, as I have said, but each and every one of us, without regard to party, are charged now in this world crisis with the responsibility of doing those things that will be for the best interests of our country and for the best interests of future peace.

As I see it, and I repeat what I have said before, there is only one thing the Communists, Stalin and his gang, respect. The only thing they respect is what they fear, and the only thing they fear is power greater than they possess. This bill is one of the instruments, not all, but one of the instruments by and through which we create power in America, power for good, power for peace, power to stop evil, power to deter evil. This bill, as I see it, is one of the necessary instruments to that end.

I recognize that not a one of us agrees with every particular provision of the bill, but that is not necessary to vote for the bill. I have heard no Member, even those opposing the bill, say that they take the position that the raising of taxes now is not for the national interest of our country. Everyone agrees that a tax bill should be passed. This bill is before us as the result of months of consideration. We are faced with a situation of a straight motion to recommit. As I have said, that amounts to an abdication of individual responsibility and of party responsibility to send the bill back with the knowledge that if the motion succeeds, the strong probabilities are that no tax bill will come out because you and I know it will take many, many months, and you and I know the practical problems confronting the Committee on Ways and Means. If this bill is recommitted, it is done for this year at least, and probably done for the remainder of the session.

So I strongly urge my colleagues to respond to the world emergency and to recognize our country has a rendezvous with destiny; that it is either our leadership which will prevail—as the great President of Ecuador said from this rostrum the other day—the leadership of those who believe in God and what He stands for and the spiritual aspects of life—either our leadership is going to prevail or the leadership of destruction will prevail. I have every confidence and every feeling of optimism that we will prevail. I have no feeling of fear in the ultimate outcome, if we only do the things we ought to do now, because this is the most dangerous period in the life of the democracy. Based upon my experience, I have had implanted in my mind the thought—and it will always remain there—that the most dangerous period in the life of a democracy is when danger is imminent. That is the time when we can conjure our hopes and say, "This will not happen," or "This will happen." "War will not take place." I hope it will not take place, but we have to be prepared if it does and we have to be prepared to stop it because, as I have said, and I repeat, the only things the Communists respect is what they fear, and the only thing they fear is power greater than theirs.

This bill is necessary to avoid deficit spending. This bill is necessary to obtain revenue to increase the strength and power of America and of our allies of the still remaining free world. With the right kind of leadership in America and with the leadership of other free countries responding and cooperating, with all of us doing the things we ought to do, I have every feeling of confidence as to the outcome and that we will succeed. The passage of this bill is one of the instrumentalities in the future success of our country. It is in the interest of our national security. It is in the interest of future peace.

The CHAIRMAN. The gentleman from Massachusetts has consumed 19 minutes.

Mr. CURTIS of Nebraska. Mr. Chairman, I wish to insert in the CONGRESSIONAL RECORD an exchange of correspondence between myself and the Secretary of the Treasury which greatly disturbs me. This correspondence relates in particular to the tax treatment of family partnership cases, but I am far more concerned over the dangerous implications of this exchange of correspondence than I am over any particular tax question that has ever come before this Congress.

The proper development of tax laws in this Congress is essential to the lasting security of this country. This development must be through a democratic process. A continuing danger is that the increasing complexities of our expanding economy, together with increasing needs for revenue may make tax laws so complicated that the policy makers are lost, and only the technicians understand them. When this happens the technicians then have the power to make policy, and our democratic process fails. To avoid this result, we of the Ways and Means Committee require the greatest cooperation from the Treasury Department which, in many instances, is called upon to give us technical advice and assistance.

This exchange of correspondence which I am inserting in the RECORD pertains to an issue which is, in itself, relatively minor in relation to all of the many tax questions now before us. It is an issue on which the policy which I and others on the Ways and Means Committee advocate differs from the wishes of the Legislative Counsel of the Treasury. I wrote the Treasury on March 1, 1951, asking for some technical advice. All of the questions asked could readily have been answered in the Bureau of Internal Revenue within a few days. It was 81 days before I received a reply, and that reply was given to me on May 21, 1951, just as I was going into a meeting of the Ways and Means Committee which was to discuss this particular question.

The letter was completely evasive, and I am by no means alone in my opinion that it represents a studied effort by the technicians at confusion and evasion. This, coupled with the long delay, suggests that the answer was withheld for 81 days in order to prevent any consideration of the answer prior to action by the Ways and Means Committee on the question.

This charge is not made without the most serious consideration on my part. It is not a charge against the Secretary of the Treasury for he, like ourselves, must necessarily call upon his technicians for advice. This invidious attempt on the part of Treasury technicians to take advantage of technicalities so as to control policy should be of greatest concern to this Congress and will, I hope, receive the attention also of the Secretary of the Treasury.

MARCH 1, 1951.

Hon. JOHN W. SNYDER,
Secretary of the Treasury,
Washington, D. C.

DEAR SECRETARY SNYDER: You are aware that there have been widespread complaints as to the uncertainty, confusion, and conflict in the administrative and judicial treatment of family partnerships. Numbers of complaints have come to me from persons in Nebraska who are urging that legislation is necessary to remedy the present confusion. It is contended that the Commissioner and the tax court, for income tax purposes, are disregarding bona fide transfers of partnership interests, while at the same time gift taxes are being collected on such transfers.

I would like to have a clear understanding of the present Treasury policy in these cases. As an aid to my understanding of that policy, I shall present certain hypothetical cases which seem to illustrate the major facets of the problem as it is presented to me. It should be of great service to our committee if you will be good enough to answer the several questions directed to the hypothetical cases stated.

For the purpose of all of the cases stated, I wish you to make the following assumptions which should be kept clearly in mind:

1. That every transaction in each case was bona fide, that is, the facts were exactly what they purported to be. If it is stated that a gift was made, let it be assumed that it is real and that there were no secret agreements or understandings varying in any way the stated terms of any transaction.

(In this connection I am, of course, quite aware that many transactions between members of a family group are not what they purport to be. Where a purported gift between husband and wife or children is involved, whether the subject matter be stock or bonds or real estate or a partnership interest, it is much more likely to be a sham and a fraud upon creditors or the Treasury

than are transactions between strangers. It is, of course, assumed that in any case you would be authorized to inquire fully into the question of bona fides and that after such investigation any transaction will be treated as what it really is rather than what it purported to be. But in considering the cases here, I am asking you to assume that a full investigation has been made by you and has disclosed complete bona fides.)

2. That a desire to save taxes along with the desire to benefit the donee was present in each case and helped to motivate the transaction.

3. That the donees in each case were persons without any business ability, that they had no interest in helping in the running of any business, and that they relied upon the donor to handle any property they might own from whatever source derived.

4. That neither the transfer to the donee, nor the bringing of the donee into partnership with the donor, in any way improved the business situation that would have existed if the same capital had been in the business and had all been owned by the donor; and that the transfers were not made and that the partnerships were not formed with any thought that the credit or the standing of the donee would improve the business situation which would have existed if the same business with the same total capital had remained in the ownership of the donor.

5. That the donee did not perform any services and was not expected at the time of the donation or the time of the formation of the partnership to perform any services for the business, nor to participate in its management.

6. That a gift-tax return was made reporting each transfer and that in each case the gift-tax return was investigated by the Commissioner, a slight increase in value determined, and additional gift tax paid.

7. That notwithstanding the fact that other members of the family took no interest in the conduct of the business and did not attempt to advise in any way with reference to it, the donor at all times recognized each donee's proprietary interest in the business and the right of the donee to participate in the management of the business to the full extent that the law would allow under the partnership agreement, and that at no time did the donor commit any act which discriminated against their interests or which was inconsistent with his fiduciary obligation as managing partner.

It is very important that all the questions be answered on the basis of the foregoing assumptions. Any answer which presupposes any bad faith whatever on the part of the donor or any intention whatever on the part of any party that any transaction stated should be in any way other than what it purports to be, will cause your answers to be meaningless; because I am not directing my questions to any case where there is any sort of fraud to be perpetrated.

The following are the hypothetical cases to which my questions are directed:

CASE NO. 1

In 1930, Smith organized a manufacturing corporation with a capital of $10,000. He was the sole stockholder. The business was quite successful. After payment of salaries and dividends to Smith during the 10-year period to 1940, the net worth of the corporation was $100,000. He then made a gift to his wife of 10 percent of the stock. In 1941, the corporation paid a $30,000 salary to Smith, and had net income of $50,000. It paid a $10,000 dividend. Mrs. Smith received $1,000, and chose to purchase a fur coat. The Commissioner determined that a reasonable salary for Smith for 1941 was $20,000, and the coporation paid a deficiency tax on the $10,000 disallowance. The 10-percent stock given to Mrs. Smith was issued to her, and kept by her in her own vault.

CASE NO. 2

On December 31, 1941, the corporation discussed in case No. 1 above was liquidated. Pursuant to direction to the stockholders, all assets subject to liabilities were transferred to the Smith Co., a partnership. The net liquidating dividend was $120,000, which then comprised the capital of the partnership. Smith's capital was $108,000; Mrs. Smith's was $12,000. Smith was to draw a $20,000 salary, and the remaining profits were to be divided 90–10. Smith was designated as the managing partner with the right to manage the business affairs and to determine the amount of profits which could be distributed each year. Any distribution, however, was to be made in the ratio of 90–10. The partnership was to remain in effect for 5 years. During 1942, the partnership earned $50,000, of which $20,000 was paid to Smith as salary, and the remaining $30,000 was credited to the partners' capital accounts in the amounts of $27,000 and $3,000. Smith determined that $20,000 should be distributed of which he received $18,000, and Mrs. Smith received $2,000. Mrs. Smith deposited the $2,000 in her separate bank account. All persons dealing with the company were advised that Mr. and Mrs. Smith were partners.

CASE NO. 3

On December 31, 1942, the capital of the partnership was $130,000, of which $117,000 was credited to Smith and $13,000 to Mrs. Smith. At that time the Smiths' two children were—a daughter, Mary S. Jones, 21 years old, married and living with her husband, and John Smith, Jr., 17 years old and attending college.

After several conversations between Mr. and Mrs. Smith about the matter, Mr. Smith explained to both children that he wanted to make gifts to them of an interest in the business, so that they would have a source of independent income. Mary, being an adult, was to receive her share outright. John's share was to be placed in trust with the income to be accumulated until he was 21, at which time he was to receive his interest outright. Mrs. Smith was to be the trustee. Accordingly, a trust agreement was executed which we will assume is entirely valid under the Clifford case and the appropriate Treasury regulations. Mr. Smith also told his wife that he wanted to increase her interest in the business.

A new partnership agreement was signed on December 31, 1942, under which Mr. Smith was to receive $25,000 salary plus 60 percent of the partnership profits; Mrs. Smith was to receive 20 percent; Mary S. Jones, 10 percent; and the John Smith, Jr., Trust, 10 percent. Mr. Smith's management rights were the same as in the prior agreement. The new partnership was duly registered and publicized. The capital accounts of the new partnership were as follows: Mr. Smith, $78,000; Mrs. Smith, $26,000; Mary S. Jones, $13,000; John Smith, Jr., Trust, $13,000. For the year 1943, the partnership earned $75,000, of which $25,000 was paid to Mr. Smith as salary. The balance was credited to the capital accounts as follows: Mr. Smith, $30,000; Mrs. Smith, $10,000; Mary S. Jones, $5,000; John Smith, Jr., Trust, $5,000. Shortly after the end of the year, Mr. Smith decided that the business needed $20,000 of the 1943 income as working capital, and the partnership, therefore, distributed $30,000 to the partners, as follows: Mr. Smith, $18,000; Mrs. Smith, $6,000; Mary S. Jones, $3,000; John Smith, Jr., Trust, $3,000.

The following are the questions which I would like to have answered:

Question 1, relating to case No. 1: Was the $1,000 dividend received by Mrs. Smith in 1941 reportable as her income, or was it reportable as the income of Mr. Smith?

Question 2, relating to case No. 2: Was the $3,000 credited to Mrs. Smith reportable in her income for 1942, or was it reportable in the income of Mr. Smith?

Question 3, relating to case No. 3: Was the $10,000 credited to Mrs. Smith reportable in her income for 1943, or was it reportable in the income of Mr. Smith?

Question 4, relating to case No. 3: Was the $5,000 credited to Mrs. Jones reportable in her income for 1943, or was it reportable in the income of Mr. Smith?

Question 5, relating to case No. 3: Was the $5,000 credited to John Smith, Jr., Trust reportable in the income for 1943, or was it reportable in the income of Mr. Smith?

Question 6: If your answer to any of the above questions should be that any of the amounts referred to is taxable to the donor and not to the donee, please explain fully the reason for your answer.

I assume that questions identical with those stated have had so much attention in the department that they can be answered without the necessity of any research. I shall appreciate it, therefore, if you will let me have a prompt reply so I may proceed immediately to take this problem up with my committee.

Sincerely yours,

CARL T. CURTIS.

TREASURY DEPARTMENT,
Washington, May 21, 1951.

Hon. CARL T. CURTIS,
House of Representatives,
New House Office Building,
Washington, D. C.

MY DEAR MR. CURTIS: Reference is made to your letter of March 1, 1951, in which you pose certain questions relating to assumed hypothetical situations in the family partnership field. You suggest that complaints have been made of confusion and conflict in the field and of the need for legislation. It is also suggested that bona fide transfers of partnership interests have been disregarded for income-tax purposes although gift taxes are levied in such transfers.

It may be well to discuss briefly the last point first. As you know, gift taxes are historically taxes on the transfer of property and have in general followed property-law concepts. On the other hand, the income tax is less related to concepts of title to property than it is to taxing income to the person who earned it. Thus, short of exact correlation between the two taxes, it is possible for a gift to be effective for one purpose and not for another. Moreover, in point of fact, gift taxes on the transfer of partnership interests have been paid voluntarily by donors, with the intent to use such payment as evidence that the transfer was bona fide for income-tax purposes, which it may or may not be. Later controversy over the taxation of partnership income not infrequently finds that the statute of limitations has run to prevent a refund of the gift tax paid even though it appears that no effective gift had been made.

With reference to the five questions concerning the family-partnership situations (and the dividend received by Mrs. Smith as a result of stock transferred to her by her husband), it is noted that you request initially that it be assumed that "every transaction in each case was bona fide." This assumption, as you know, goes to the heart of the controversy in every family-partnership situation and thus assumes the very answer which is being sought. You will recall that the Supreme Court in the Culbertson case stated the question in such cases generally to be "* * * whether, considering all the facts, * * * the parties in good faith and acting with a business purpose intended to join together in the present conduct of the enterprise." All tests are thus directed toward the question of whether the partners in good faith intended to form a valid partnership for income-tax purposes. Since, by your letter we must assume good faith in every transaction, the meaningful question

at the root of all family-partnership controversies is answer by assumption.

As you know, this question is one of fact and which under the Culbertson decision, must be discovered from all the circumstances in the case. Some pertinent factors which may come into play in the discovery of that factual question are the actual distributiotn of income and the measure of its allocation, the participation by the donee in management and conduct of the business, the retention of controls by the donor and whether he was influenced solely by tax avoidance motives in admitting the donee as a partner. The question is thus whether, taking all such factors into account, the partnership is real or merely a device for income-tax avoidance purposes. As you may recall, this was one of the very real difficulties the Department found with the amendment proposed last year, in that it removed from the scope of consideration in determining good faith several important factors. Since the question is one of fact, the scope of inquiry is seriously crippled unless all the circumstances can be taken into account.

It is doubtless true that the family partnership area has been a controversial one. It is the feeling of the Department, however, that much of the controversy has arisen from the fact that, as you indicate, "many transactions between members of a family group are not what they seem," and many taxpayers have not hesitated to use an ostensible family partnership, which did not alter real relationships, as an income-tax device. It is the belief of the Department that the opinion of the Supreme Court in the Culbertson case provides realistic and workable rules which will foreclose use of the partnership device to those who do not in good faith enter into the arrangement and which will also recognize bona fide partnerships.

Moreover, the Department has in recent months had the family partnership problem under intensive study with a view to issuing instructions to the revenue agents for their guidance in examining such partnerships. The study has included a sampling of typical cases recently pending in field offices and of the judgment of the field personnel with respect to such cases. A similar study was made with respect to the facts and decisions in family partnership cases decided in the Tax Court and in the District courts during the year 1950. The information thus obtained will be used to provide any clarification of the Bureau position which would appear desirable. It is anticipated that any instructions on the subject will be agreed upon and issued in the near future.

Very truly yours,

THOMAS J. LYNCH,
Acting Secretary of the Treasury.

Mr. BENDER. Mr. Chairman, the House Ways and Means Committee, which is a congressional branch of the White House, as far as its majority membership is concerned, is working out a new tax measure based upon the same old theory. It is operating on the belief that all you have to do is to figure out ways and means of raising new taxes to meet expenditures, and that's the answer.

For some reason, it never appears to have occurred to some of our legislative Democratic leaders that you might not have to wrack your brains to dig up new taxes or increase old ones if you cut down some of the things you buy. The minority of the committee, speaking for the Republican position, has declared that—

The Truman administration is under the false illusion that pay-as-we-go means only a one-way street of ever-increasing expenditures paved with higher taxes.

To counteract this approach, the minority has urged an immediate 10-percent cut in all nonmilitary spending and the simultaneous elimination of all unnecessary spending by the military forces as well. The report of the Republican group calls attention to the fact that the present Government has done nothing to promote economy in administrative expenditures, or even to look for them:

The plain facts are that additional sources of revenue to pay for President Truman's $71,600,000,000 expenditure budget for fiscal 1952 are not available under any sound tax program.

Sweat on, Mr. Taxpayer, sweat on.

Mr. FELLOWS. Mr. Chairman, it may be that there are places where people never knew or have forgotten their unalienable rights. There are those perhaps who do not appreciate or fail to perform the duties their citizenship here entails, but in Maine—in New England—folk are slow to rouse but impossible to silence once they realize their freedom is menaced. The energetic and salty characters who shattered the quiet of nature with the blows of their axes to carve out of the wilderness a new Nation dedicated to liberty know what is what and give not a continental who is who. Uncompromising Americanism is our natural resource, and down-Easters remain, now as always, I like to believe, like the pines on their hillsides: Rugged, clean, undaunted, and, in their faith, ever green. Enterprise is any project involving activity, courage, energy or the like. It is a bold, arduous attempt, and Maine people still believe, pray God, that individuals should be free from unnecessary restraints of government to make that attempt to improve their lot by exercising those qualities. We admire—not envy—courage, energy, and initiative, and applaud the successful.

The idea and ideal that our forefathers were entitled to life, liberty, and property preceded any reference to pursuit of happiness.

It was upon the firm foundation of property rights that the independence of this Nation was built. Almost 200 years ago, February 1761, a stalwart but slow-to-rouse New Englander, James Otis, of Massachusetts, electrified his countrymen by his oratory opposing writs of assistance. He denied any man has the right to take another's property on any pretext whatsoever. Government's only excuse for existence is protection of the rights of the individual, and only the person or his representative can waive those rights. Taxation can be confiscation.

"Nothing in religion or government ever touched to the quick the people of all classes in any country, like taxation." It was on the firm foundation of property rights that the independence of this Nation was built. Why, from the day an infant first learns to yell 'I want my mama' until the probate court gives consideration to his last will and testament, his property is his paramount thought. The intrinsic value of his mama as a person is not the basis for the child's cry. The important fact is that she is his.

No act of government is more universal in its impact than taxation, and whether one be rich or poor the assault upon his pocketbook is like a blow upon his elbow, unless he be foolish or embalmed, the response is immediate.

Imagine the shriek of a hungry man when his bread is snatched from his hand. Hear the howl of a woodsman whose axe has been taken. Is it less angry and more controlled than the reaction of a millionaire whose estate has been confiscated?

James Harrington wrote that—

Domestic government is founded on dominion, and dominion is property—real or personal; that is to say, in lands, or in money and goods.

A government whose foreign policy appears to be based on fear and whose ever-increasing demands upon the earnings and savings of the people reflect a disregard for the rights and needs of those whose servant it is can be stopped in its tracks only by a revolt of the citizens through their legally elected Representatives. As the Representative of all the people of the Third District of Maine—rich and poor—and most of them are not rich—I do not consent to a picking of their pockets by a Government which is wasteful, wanton, and cynical in its disregard of the will of the people and of their Congress.

When the day arrives that fear is the controlling emotion of the citizens, as it now appears to be of the Government—when a yell of anguish fails to follow close upon attacks by government upon the property rights of the governed, then indeed is all hope lost. I oppose this tax bill as risky, if not ruinous. God help America.

Mr. DONOHUE. Mr. Chairman, with great reluctance, I am going to support and vote in favor of this revenue bill, because there is no other choice. As you know, this measure is not subject to amendments and there is no substitute proposal to be offered. It is either this bill or no tax bill. All authorities agree that, under the desperate circumstances facing us now and the imperative need for defense preparations, we must have more money immediately. Unpleasant as my action will be I consider it a duty, at this emergency period of our history. I have never shirked a conscientious duty, and I do not intend to begin now.

My personal reluctance in supporting this measure is because I know full well the present burden already resting heavily on the shoulders of the American taxpayers, particularly those in the medium and low income brackets.

However, I very deeply feel all Americans recognize the imperative need for additional revenue to finance our defense program and to resist the threat of Communist aggression now threatening the free world with slave bondage or total destruction.

One of the chief reasons, in my opinion, we must accept this bill, and that it is practically wise to do so, is because the only alternative is the evil resort to deficit financing. I am convinced the great majority of our people would favor

the adoption of the lesser evil of providing for additional revenue.

Another substantial reason for my supporting action is that the bill inherently will require the Congress, the President and the Budget Bureau officials to work out a method of real reduction in Government expenditures. This feature of the measure gives me a genuine feeling of enthusiasm because it means an attempt must be made to afford the taxpayer some relief. The situation I am describing comes about in this way.

You will recall that originally the Secretary of the Treasury asked for $10,000,000,000 of additional revenue which is the amount that will be necessary unless pending appropriations are cut below the amount of the budget. This bill provides $5,000,000,000 in the next fiscal year. Therefore, with the enactment of this measure there is fortunately the compelling obligation to reduce future appropriations by $5,000,000,000 to come out even and have a balanced budget. I earnestly believe that this Congress can and must accomplish such a reduction in order to keep faith with the American people.

As one who has long been on public record as being in substantial agreement and vigorous support of the Hoover Commission recommendations, I am personally enthused with the prospect of helping to achieve the adoption of the remaining Hoover Commission plans to sensibly cut our extravagant Federal spending. I know that the House Committee on Expenditures in the Executive Departments, of which I am a member, did a good job of encouraging enactment of almost half of the Hoover economy proposals in the last Congress and, we are going to continue our energetic, persistent efforts to gain approval of the rest of the Hoover reorganization plans in this Congress. I am very proud of my membership on this committee.

I would feel derelict in my obligation if I did not briefly speak, once again, on the deficiencies of our over-all antiquated tax system. Since becoming a Member of Congress, I have continually urged that a nonpartisan committee be appointed to thoroughly study and recommend elimination of the existing injustices and overlapping of our spread-eagling, topsy-turvey tax structure which is fast demoralizing the American people. Noted tax experts and authorities have supported my stand in this respect. The conflict, and competition, between the various States and the Federal Government in the collection of taxes is robbing the American taxpayer of his birthright and will bankrupt the country unless we institute corrective steps in the very near future. I have no desire to transgress on the time allotted me, but I do want to emphasize to my colleagues the vital importance of this pressing domestic problem. I intend to talk further on this subject when the time is not limited.

Although our patriotic American taxpayers will be willing to assume the increasing hardship imposed by this new tax bill, I warn you gentlemen they are in no mood to tolerate any continuance of waste, extravagance, duplication, and needless expenditures for nondefense programs. I heartfully urge you to keep this warning in mind when appropriation bills are brought into this House for consideration in the future. I urge you to concentrate on and vote for the elimination of every nonessential item in any appropriation bill that comes before us and also to support and vote for the enactment of all the reasonable economy objectives embodied in the Hoover Commission recommendations. You and I can do no less if we are to be worthy of the trust of the people who sent us here to truly represent them.

Mr. KEATING. Mr. Chairman, this bill has many objectionable features. Among them is the provision for withholding 20 percent of all interest or dividends. This will work a great hardship on pensioners, widows, and others living on modest incomes, who are not subject to income tax and will eventually get a refund from the Government, but who need every cent of their income from week to week to live on.

Also, in some cases, Federal sales taxes have been imposed on specific items without giving the companies making them, or their employees, any right to be heard. This does not seem to me in accord with principles of fair play.

There are many inequities in the excise taxes levied, although I am gratified over the reduction of the excise tax on photographic equipment and clarification of the law in this field, which is naturally a matter of great concern to thousands employed in or connected with the great photographic industry.

There are a number of other good features in this bill about which I have been particularly interested in getting the present law changed. One has to do with the unfair proposition that if you sell your house and take a gain, you must pay a tax on it, but if you take a loss, you cannot charge it off for income-tax purposes. This bill provides that the reporting of any gain from the sale of a residence can be deferred, if the proceeds are used to buy another house, which seems entirely fair.

Another good thing is the exemption from any admissions tax on functions given by nonprofit, religious, educationable, and charitable organizations; the elimination of the discriminatory tax on your electric bill, and tax on baby oils, powders, and lotions, which cannot possibly be considered luxuries in the modern sense.

There are still important tax loopholes that are not plugged in this bill. I hope the final bill, after Senate action and conference, will be an improvement on the measure.

I have exhausted all efforts available at this point to improve the bill and expect to vote to send it back to the committee for that purpose. On the other hand, if that is not done, I shall feel compelled to vote for the measure on final passage.

Although I have supported every one of the 55 amendments offered to reduce figures in the appropriation bills and have opposed each of the 20 amendments offered to increase figures, the fact remains that there is no possibility of balancing the Federal budget, even with this tax bill. If every penny of nonessential spending is eliminated, a result devoutly to be hoped for, but not expected—an additional revenue bill will be needed to finance the defense effort on anything approaching a pay-as-you-go basis. We must not jeopardize our survival as a free nation by failing to provide the sinews of defense—necessary men and material.

The only other way to do it is by going deeper into debt, which is obviously unsound and is bound to fan the fires of inflation, our No. 1 enemy at home.

No one likes taxes. The easy and popular course is to oppose them all. In my judgment, however, that course would not keep faith with the courageous young men who are today gallantly making sacrifices out of all proportion to any involved in a tax bill.

Those who differ with this position undoubtedly do so with the utmost sincerity. I respect their views, but must follow the dictates of my own conscience, as I analyze the problem.

Mr. KERSTEN of Wisconsin. Mr. Chairman, the distinguished majority leader [Mr. McCORMACK] has referred to the gravity of the Soviet threat to our Nation. I thoroughly agree that we are confronted with the greatest crisis in our history. But that crisis has been created in large part by the present administration and its immediate predecessor. The disclosures recently made in the Senate investigation regarding the machinations of our own diplomats that produced the perfidious Yalta Agreement; the stubborn arrogance of Acheson that still refuses to utilize the Chinese Nationalist troops to set the Communists back in China; the failure to implement the European defenses with the anti-Communist troops of Spain and the other anti-Communist forces on that continent; the long record of the Secretary of State that accepts as legitimate the gangster Communist governments of the world—this record together with the profligate financial record of the administration—all of this demonstrates that this administration must make at least two fundamental changes before it can justify its request for still greater finances.

First, it must take a forthright stand against the Communist threat in the field of foreign policy. Any policy that smacks of appeasement cannot succeed, no matter how much money is spent to support it.

Secondly, one of the greatest threats to our security is the attempted prostitution of our economic system by the Fair Deal Socialist planners. The present tax burden on the people of America is tremendous. This new bill presents the greatest tax burden in American history. It is a tax burden that falls overwhelmingly upon the worker and the average American—upon the little taxpayer. The percentage of money raised by this bill from the rich is comparatively small. The average worker's check will pay a very large part of the bill.

Before this profligate administration turns the screws further upon the average American's pocketbook, it should

demonstrate its financial responsibility. It should cut out the unnecessary spending. It should cooperate with the minority in seeking to cut the water out of the appropriations.

Unnecessary burdens have already corrupted this Government. The decks should be cleared of all the Socialist dreams and plans that would weaken us as they have weakened Britain. When the administration has demonstrated its sincerity in the field of foreign affairs to oppose the terrible threat and has demonstrated its sincerity in spending, then it is in a position to ask Americans to pay still further sums of money.

Mr. ANGELL. Mr. Chairman, it is my intention to vote for the motion to recommit this tax bill, and if that fails, to vote against the bill. I am compelled to do this for the following reasons, among others:

First, the time is inopportune now to enact another tax bill due to the fact that there is no definite understanding at the present time as to what our necessary expenditures will be for the next fiscal year. None of the appropriation bills has yet been enacted into law. A number of them have not even been submitted to the House by the Appropriations Committee.

Second, this is the third of three bills proposed within the last year for tax revenues aggregating some $17,000,000,000. This bill alone is for $7,200,000,000. It is admitted by the chairman of the Appropriations Committee and practically all members of the committee that we have reached the bottom of the barrel of available tax resources. In fact, the chairman stated on the floor during the discussion of this bill that, in his judgment, it is impossible to raise more revenues by taxation than is provided by this bill and the existing laws.

Third, it is generally conceded that this bill is inflationary rather than deflationary in view of the fact that it makes available for Government spending of over seven billion additional dollars in the markets of our country and of the world for goods available for use either by private citizens or the Government.

Fourth, this administration is the greatest spendthrift administration in all history. It has expended more money than all other administrations prior to it in American history combined. It has based its philosophy upon the principle of tax and tax and spend and spend. The President has said that it is impossible to reduce Government spending and lower the cost of Government and he challenged the Congress to attempt to do so. It is my judgment that, if we are to inaugurate a program of economy in Federal Government and eliminate the flagrant waste that is now taking place and eradicate the dishonesty and the grafting and needless spending of public money by dishonest bureaucrats and public officials, it is necessary to curtail the amounts of tax dollars available to them to spend. In my judgment, there is no other way to compel this administration to bring the Government down to a sound fiscal policy, eliminate waste and graft and useless expenditures, and keep within our income.

Fifth, I am thoroughly in accord with the pay-as-you-go program and, except in cases of extraordinary emergency such as a world-wide war, I believe that each generation should collect the necessary Government revenues to meet Government expenses, and not carry debts over for future generations to pay. However, in the guise of pay-as-you-go, I am not willing to tax the American people with unnecessary and stupendous taxes as this bill does merely to place in the hands of a spendthrift government the power and opportunity to spend more tax dollars on unessentials.

Sixth, the Congress will be in session except for a short recess until the Eighty-third Congress convenes. There will be ample opportunity after our appropriation bills have been approved to determine the necessary expenditures for the next fiscal year and at that time the Congress can, if necessary, enact any tax legislation needed to cover these expenditures.

Seventh, I believe it is entirely possible for this administration, by eliminating waste and graft and unnecessary expenditures not only in the domestic field but foreign relief and aid and military expenditures, to save the full amount it is intended to be raised by this tax bill. If these curtailments in Government expenditures and the reduction of the costs of Government are made, this bill will be unnecessary. But as I have said if it is found after all the appropriation bills have been approved that some additional tax revenues are needed the Congress then in session can enact the necessary legislation.

Eighth, I have supported all appropriations needed for national defense during my entire 13 years in the Congress and I will continue to do so. However, in the guise of national defense I am not willing to squander the taxpayer's money and put our country in an insolvent condition by appropriating huge sums, as this bill does, for so-called national defense when the administration has not given the Congress proof that the expenditures are necessary for national defense.

Ninth, I am especially opposed to the bill because it is brought in under a closed or so-called gag rule which does not permit the members the right to offer any amendments to correct the many injustices in taxes imposed on certain individuals and groups, under the bill.

Tenth, I have not attempted in the time at my disposal to call attention to these inconsistencies but it might be mentioned in passing the one which exacts from small-income taxpayers receiving often a $1,000 or $1,500 a year from dividends a 20-percent withholding tax which in many cases will take food from the mouths of these low income groups. They will not be able to get a refund on these taxes unjustly withheld where no tax is payable until long after the withholdings have been made. A glaring example of the operation of this is seen by the following letter which I have just received from residents of my State of Oregon:

DARIEN, CONN., *June 16, 1951.*

Hon. H. ANGELL,
Washington, D. C.

DEAR SIR: My wife and I are old. She is 75, and I am 81 years.

We have worked hard and saved carefully all our lives that we might have enough to take care of us during our declining years.

We have a total income from interest and dividends amounting to about $1,000 a year.

From this you propose to withhold 20 percent.

Unless this bill is defeated we will face stark despair.

We ask you to vote against it.

A. A. BROTHEN,
Mrs. A. A. BROTHEN.

We are registered voters in the West Woodburn district, Oregon.

Eleventh, one of the glaring injustices of the bill is the levying of a 12½ percent additional tax on low-income workers which, together with the present high tax exacted of them will amount in many cases to confiscation and deprive these low-income taxpayers of the meager funds needed for the support of themselves and their families. Under the bill taxes may be exacted which together with local taxes will be over 100 percent of the taxpayers' income.

Mr. Chairman, for these reasons and many others which I have not time to enumerate, it is my purpose to vote to recommit this bill and if that fails to vote against it on final passage.

Mrs. BOLTON. Mr. Chairman, H. R. 4473—the Revenue Act of 1951—came before this body under a gag rule which means there is nothing for the membership to do but vote it up or down. I had hoped to be able to vote for the bill, as I am well aware that increased funds must be found if we are to keep alive even a pretense of sound financing. As the debate developed, so many inequities were made manifest, so many injustices shown, that I found it impossible to do so. I shall do no more here than to point out what seems to me to be several of the most flagrant of these.

Small business has always been the core of our democratic way of life even as family farms have been. This tax bill imposes such taxes upon corporations as would fall heaviest upon the smaller corporations. To increase the tax from 37 cents to 58 cents on the dollar will in many cases be disastrous to the little man.

Under this new bill the excess-profits feature will create a situation where small business may find itself paying 19 or 20 percent more taxes although its earnings will not have increased because in figuring excess profits, one-fourth of the corporation's normal income must be figured at the excess profit rate of 82 percent. In order to expand, this same company would have to borrow or sell its Government bonds, both of which methods are highly inflationary.

Not only is the small-business man put into a strait-jacket out of which he may very well be unable to extricate himself, but the men and women in the lower income groups will find themselves seriously affected.

Let me illustrate:

A single person without dependents earning $5,000 a year would, under this bill, have a decrease in take-home pay of $118.

A married couple with no dependents, $95.

A married couple with two dependents, $65.

For these same people in the same categories, tax increase would be $251, $224, $153. Going a step further we find that those in the $4,000, $3,000, and $2,000 bracket, although the increases may be smaller in dollars, they are even harder to bear. As a matter of fact the $4,000 bracket carries about the heaviest burden of all.

And what of the withholding of interest, and so forth, where does that hit hardest? On the pensioners, the old people, the people least able to pay. No, Mr. Speaker, I cannot agree to such a bill. No, Mr. Speaker, this bill is neither just nor does it present a wall against inflation. In all too many of its regulations, it will increase inflation.

The bill now goes to the Senate where the Senators will be free to use their own better judgments.

It is my earnest hope that they will produce a sane and far more equitable bill than H. R. 4473—and that the conferees will bring back to this House a measure which will have within it at least some quality of soundness.

Mr. DOUGHTON. Mr. Chairman, by direction of the Committee on Ways and Means, I offer four minor amendments. They are for the purpose of making clerical corrections and none of them change the purpose or provisions of the bill.

Therefore, I ask unanimous consent that they be read and considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. DOUGHTON:

On page 17, line 5, strike out "(1)" and insert "(2)."

On page 24, line 23, strike out "decedents" and insert "descendents."

On page 38, line 8, strike out "on or after January 1, 1934."

On page 151, line 23, strike out "1950" and insert "1951."

The amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RAINS, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H. R. 4473) to provide revenue, and for other purposes, pursuant to House Resolution 262, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. REED of New York. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. REED of New York. I am, sir.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. REED of New York moves to recommit the bill H. R. 4473 to the Committee on Ways and Means.

Mr. DOUGHTON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. REED of New York. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 171, nays 220, not voting 41, as follows:

[Roll No. 83]

YEAS—171

Aandahl	Fellows	Meader
Allen, Calif.	Fenton	Miller, Md.
Allen, Ill.	Ford	Miller, Nebr.
Andersen, H Carl	Fulton	Miller, N. Y.
	Gamble	Morano
Anderson, Calif.	Garmatz	Mumma
Andresen, August H.	Gavin	Nelson
	George	Nicholson
Angell	Golden	O'Hara
Arends	Goodwin	Ostertag
Armstrong	Gross	Patterson
Auchincloss	Gwinn	Phillips
Ayres	Hagen	Poulson
Baker	Hale	Radwan
Bates, Mass.	Hall,	Reece, Tenn.
Beall	Edwin Arthur	Reed, Ill.
Beamer	Hall,	Reed, N. Y.
Belcher	Leonard W.	Rees, Kans.
Bender	Halleck	Riehlman
Bennett, Mich.	Hand	Rogers, Mass.
Berry	Harden	Sadlak
Betts	Harrison, Wyo.	St. George
Bishop	Harvey	Schwabe
Blackney	Herter	Scott, Hardie
Boggs, Del.	Heselton	Scrivner
Bolton	Hess	Seely-Brown
Bow	Hill	Shafer
Bramblett	Hillings	Sheehan
Bray	Hinshaw	Short
Brehm	Hoeven	Simpson, Ill.
Brown, Ohio	Hoffman, Ill.	Simpson, Pa.
Budge	Hoffman, Mich.	Sittler
Burdick	Horan	Smith, Kans.
Busbey	Hull	Smith, Wis.
Bush	Hunter	Springer
Butler	Jackson, Calif.	Stefan
Canfield	James	Taber
Chenoweth	Jenison	Talle
Chiperfield	Jenkins	Taylor
Church	Jensen	Thompson, Mich.
Cole, Kans.	Jonas	
Cole, N. Y.	Judd	Towe
Corbett	Kean	Vail
Cotton	Kearney	Van Pelt
Coudert	Kearns	Van Zandt
Crawford	Keating	Vaughn
Crumpacker	Kersten, Wis.	Vursell
Cunningham	Kilburn	Weichel
Curtis, Mo.	Latham	Werdel
Curtis, Nebr.	Lovre	Widnall
Dague	McConnell	Wigglesworth
Denny	McCulloch	Williams, N. Y.
Devereux	McDonough	Wilson, Ind.
D'Ewart	McGregor	Withrow
Dolliver	McVey	Wolcott
Dondero	Mack, Wash.	Wolverton
Eaton	Martin, Iowa	Wood, Idaho
Ellsworth	Martin, Mass.	Woodruff
Elston	Mason	

NAYS—220

Abbitt	Bates, Ky.	Brown, Ga.
Abernethy	Battle	Bryson
Addonizio	Beckworth	Buckley
Albert	Bennett, Fla.	Burleson
Andrews	Bentsen	Burnside
Anfuso	Blatnik	Burton
Aspinall	Boggs, La.	Byrnes, Wis.
Bailey	Bolling	Camp
Bakewell	Bonner	Cannon
Barden	Bosone	Carlyle
Baring	Boykin	Case
Barrett	Brooks	Celler
Chelf	Jackson, Wash.	Priest
Chudoff	Jarman	Prouty
Clemente	Javits	Quinn
Colmer	Johnson	Rabaut
Combs	Jones, Ala.	Rains
Cooley	Jones, Mo.	Ramsay
Cooper	Jones, Hamilton C.	Rankin
Cox		Reams
Crosser	Jones, Woodrow W.	Redden
Davis, Ga.		Regan
Davis, Tenn.	Karsten, Mo.	Ribicoff
Davis, Wis.	Kelly, N. Y.	Richards
Dawson	Kennedy	Riley
Deane	Keogh	Roberts
DeGraffenried	Kerr	Robeson
Delaney	King	Rodino
Denton	Kirwan	Rogers, Colo.
Dingell	Klein	Rogers, Fla.
Dollinger	Kluczynski	Rogers, Tex.
Donohue	Lane	Rooney
Donovan	Lanham	Roosevelt
Dorn	Lantaff	Sabath
Doughton	Larcade	Saylor
Doyle	Lesinski	Scott, Hugh D., Jr.
Eberharter	Lind	
Elliott	Lucas	Secrest
Engle	Lyle	Shelley
Fallon	McCarthy	Sheppard
Feighan	McCormack	Sieminski
Fernandez	McGuire	Sikes
Fine	McKinnon	Smith, Miss.
Fisher	McMullen	Smith, Va.
Fogarty	Machrowicz	Spence
Forand	Mack, Ill.	Staggers
Forrester	Madden	Stanley
Frazier	Mahon	Steed
Fugate	Mansfield	Stigler
Furcolo	Marshall	Stockman
Gary	Mills	Sutton
Gathings	Mitchell	Tackett
Gordon	Morgan	Teague
Gossett	Morris	Thomas
Granahan	Morrison	Thompson, Tex.
Granger	Morton	Thornberry
Grant	Moulder	Tollefson
Green	Multer	Trimble
Greenwood	Murdock	Vinson
Gregory	Murphy	Walter
Hardy	Murray, Tenn.	Watts
Harris	Norblad	Welch
Harrison, Va.	Norrell	Whitten
Hart	O'Brien, Ill.	Wickersham
Havenner	O'Brien, Mich.	Wier
Hays, Ohio	O'Neill	Williams, Miss.
Hébert	O'Toole	Willis
Hedrick	Passman	Wilson, Tex.
Heffernan	Patten	Winstead
Heller	Perkins	Wood, Ga.
Heriong	Philbin	Yates
Holifield	Poage	Yorty
Holmes	Polk	Zablocki
Hope	Powell	
Howell	Price	

NOT VOTING—41

Adair	Gore	Patman
Allen, La.	Graham	Pickett
Breen	Hays, Ark.	Potter
Brownson	Irving	Preston
Buffett	Kelley, Pa.	Rhodes
Byrne, N. Y.	Kilday	Rivers
Carnahan	LeCompte	Sasscer
Chatham	McGrath	Scudder
Clevenger	McMillan	Velde
Dempsey	Magee	Vorys
Durham	Merrow	Wharton
Evins	Miller, Calif.	Wheeler
Flood	Murray, Wis.	Whitaker
Gillette	O'Konski	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. LeCompte for, with Mr. Carnahan against.

Mr. Clevenger for, with Mr. Byrne of New York against.

Mr. Potter for, with Mr. Evins against.

Mr. Graham for, with Mr. Kelley of Pennsylvania against.

Mr. Velde for, with Mr. Patman against.

Mr. Adair for, with Mr. Sasscer against.

Mr. Buffett for, with Mr. Preston against.

Mr. Brownson for, with Mr. Flood against.

Mr. Vorys for, with Mr. Chatham against.

Mr. Wheeler for, with Mr. Hays of Arkansas against.

Mr. Gillette for, with Mr. Rivers against.

Mr. Wharton for, with Mr. Whitaker against.

Mr. Scudder for, with Mr. Durham against.

Mr. O'Konski for, with Mr. McGrath against.

Until further notice:

Mr. Magee with Mr. Merrow.

Mr. Irving with Mr. Murray of Wisconsin.

The result of the vote was announced as above recorded.

The question is on the passage of the bill.

Mr. MILLS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 233, nays 160, not voting 39, as follows:

[Roll No. 84]

YEAS—233

Abbitt	Frazier	Morrison
Abernethy	Fugate	Morton
Addonizio	Furcolo	Moulder
Albert	Garmatz	Multer
Allen, Calif.	Gary	Murdock
Andersen, H. Carl	Gathings	Murphy
Andrews	Gordon	Murray, Tenn.
Anfuso	Gossett	Norblad
Aspinall	Granahan	Norrell
Auchincloss	Granger	O'Brien, Ill.
Bailey	Grant	O'Brien, Mich.
Bakewell	Green	O'Neill
Barden	Greenwood	Patten
Barrett	Gregory	Perkins
Bates, Ky.	Hale	Philbin
Bates, Mass.	Hardy	Poage
Battle	Harris	Polk
Beckworth	Harrison, Va.	Powell
Bennett, Fla.	Hart	Price
Bennett, Mich.	Harvey	Priest
Bentsen	Havenner	Prouty
Blatnik	Hébert	Quinn
Boggs, La.	Hedrick	Rabaut
Bolling	Heffernan	Rains
Bonner	Heller	Ramsay
Bosone	Herlong	Rankin
Boykin	Herter	Reams
Brooks	Heselton	Redden
Brown, Ga.	Hillings	Rhodes
Bryson	Holifield	Ribicoff
Buckley	Holmes	Richards
Burleson	Hope	Riley
Burnside	Howell	Roberts
Burton	Hunter	Robeson
Byrnes, Wis.	Jackson, Wash.	Rodino
Camp	Jarman	Rogers, Colo.
Cannon	Javits	Rogers, Fla.
Carlyle	Johnson	Rogers, Tex.
Case	Jones, Ala.	Rooney
Celler	Jones, Mo.	Roosevelt
Chelf	Jones, Hamilton C.	Sabath
Chudoff	Jones, Woodrow W.	Saylor
Clemente	Judd	Scott, Hugh D., Jr.
Cole, Kans.	Karsten, Mo.	Seely-Brown
Colmer	Kean	Shelley
Combs	Keating	Sheppard
Cooley	Kelly, N. Y.	Sieminski
Cooper	Kennedy	Sikes
Corbett	Keogh	Smith, Miss.
Cotton	Kerr	Smith, Va.
Cox	Kilburn	Spence
Crosser	King	Staggers
Davis, Ga.	Kirwan	Stanley
Davis, Tenn.	Klein	Steed
Davis, Wis.	Kluczynski	Stigler
Dawson	Lane	Stockman
Deane	Lanham	Tackett
DeGraffenried	Lantaff	Teague
Delaney	Larcade	Thomas
Denton	Lesinski	Thompson, Tex.
Dingell	Lind	Thornberry
Dollinger	Lucas	Tollefson
Donohue	Lyle	Trimble
Dorn	McCarthy	Vinson
Doughton	McCormack	Walter
Doyle	McGuire	Watts
Eberharter	McKinnon	Welch
Elliott	McMullen	Whitten
Ellsworth	Machrowicz	Wickersham
Engle	Mack, Ill.	Wier
Feighan	Madden	Williams, Miss.
Fernandez	Mahon	Willis
Fine	Marshall	Wilson, Tex.
Fisher	Mills	Winstead
Fogarty	Mitchell	Wood, Ga.
Forand	Morgan	Yates
Ford	Morris	Yorty
Forrester		Zablocki

NAYS—160

Aandahl	Fulton	O'Hara
Allen, Ill.	Gamble	Ostertag
Anderson, Calif.	Gavin	O'Toole
Andresen, August H.	George	Passman
Angell	Golden	Patterson
Arends	Goodwin	Phillips
Armstrong	Gross	Poulson
Ayres	Gwinn	Radwan
Baker	Hagen	Reece, Tenn.
Baring	Hall, Edwin Arthur	Reed, Ill.
Beall	Hall, Leonard W.	Reed, N. Y.
Beamer	Halleck	Rees, Kans.
Belcher	Hand	Regan
Bender	Harden	Richlman
Berry	Harrison, Wyo.	Rogers, Mass.
Betts	Hays, Ohio	Sadlak
Bishop	Hess	St. George
Blackney	Hill	Schwabe
Boggs, Del.	Hinshaw	Scott, Hardie
Bolton	Hoeven	Scrivner
Bow	Hoffman, Ill.	Secrest
Bramblett	Hoffman, Mich.	Shafer
Bray	Horan	Sheehan
Brehm	Huli	Short
Brown, Ohio	Jackson, Calif.	Simpson, Ill.
Budge	James	Simpson, Pa.
Burdick	Jenison	Sittler
Busbey	Jenkins	Smith, Kans.
Bush	Jensen	Smith, Wis.
Butler	Jonas	Springer
Canfield	Kearney	Stefan
Chenoweth	Kearns	Sutton
Chiperfield	Kersten, Wis.	Taber
Church	Latham	Talle
Cole, N. Y.	Lovre	Taylor
Coudert	McConnell	Thompson, Mich.
Crawford	McCulloch	Towe
Crumpacker	McDonough	Vail
Cunningham	McGregor	Van Pelt
Curtis, Mo.	McVey	Van Zandt
Curtis, Nebr.	Mack, Wash.	Vaughn
Dague	Mansfield	Vursell
Dempsey	Martin, Iowa	Weichel
Denny	Martin, Mass.	Werdel
Devereux	Mason	Widnall
D'Ewart	Meader	Wigglesworth
Dolliver	Miller, Md.	Williams, N. Y.
Dondero	Miller, Nebr.	Wilson, Ind.
Donovan	Miller, N. Y.	Withrow
Eaton	Morano	Wolcott
Elston	Mumma	Wolverton
Fallon	Nelson	Wood, Idaho
Fellows	Nicholson	Woodruff
Fenton		

NOT VOTING—39

Adair	Gore	O'Konski
Allen, La.	Graham	Patman
Breen	Hays, Ark.	Pickett
Brownson	Irving	Potter
Buffett	Kelley, Pa.	Preston
Byrne, N. Y.	Kilday	Rivers
Carnahan	LeCompte	Sasscer
Chatham	McGrath	Scudder
Clevenger	McMillan	Velde
Durham	Magee	Vorys
Evins	Merrow	Wharton
Flood	Miller, Calif.	Wheeler
Gillette	Murray, Wis.	Whitaker

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Carnahan for, with Mr. LeCompte against.

Mr. Irving for, with Mr. Clevenger against.

Mr. Evins for, with Mr. Potter against.

Mr. Kelley of Pennsylvania for, with Mr. Graham against.

Mr. Patman for, with Mr. Velde against.

Mr. Sasscer for, with Mr. Vorys against.

Mr. Magee for, with Mr. Wharton against.

Mr. Preston for, with Mr. Gillette against.

Mr. Flood for, with Mr. Buffett against.

Mr. Miller of California for, with Mr. Brownson against.

Mr. Rivers for, with Mr. O'Konski against.

Mr. Hays of Arkansas for, with Mr. Adair against.

Mr. McGrath for, with Mr. Wheeler against.

Until further notice:

Mr. Durham with Mr. Merrow.

Mr. Whitaker with Mr. Murray of Wisconsin.

Mr. Chatham with Mr. Scudder.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I inquire of the majority leader as to the program for next week?

Mr. McCORMACK. Monday is District day. There are two bills scheduled: H. R. 4431, extension of the District of Columbia rent control, and S. 11, relating to assets of persons of advanced age.

Tuesday, Wednesday, Thursday, Friday, and Saturday:

On Tuesday the first order of business will be the conference report on Senate Concurrent Resolution 11, expression of American friendship, and on that there will be a roll call.

The next order of business will be H. R. 3283, the farm migrant labor bill, and thereafter H. R. 3871, Defense Production Act amendments of 1951.

I understand there will be a continuing resolution in relation to appropriations. I am unable to state what day it will come up, but I will give the House as much advance notice as possible. Any further program or change in program will be announced later. Of course, conference reports are always in order.

Mr. MARTIN of Massachusetts. I understand we are going to be obliged to meet on Saturday this coming week.

Mr. McCORMACK. I am inclined to think, as I look ahead, that that is probably what we will do.

Mr. MARTIN of Massachusetts. Does the gentleman know anything about the July Fourth program? Several Members have inquired about that.

Mr. McCORMACK. I am unable to state now. It is a little early. That will depend upon what legislation comes out of the committees next week. If any important legislation does come out, of course, it will have to be brought up. But, if we dispose of the Defense Production Act, I know of none that is in being. But, next week will govern that.

Mr. JONES of Missouri. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I would like to inquire about the program for tomorrow. According to one notice, it stated we would be in session tomorrow. We had a bill scheduled for one day this week, and I presumed it would be brought up on Saturday. I am referring to the farm migrant labor bill.

Mr. McCORMACK. That is scheduled for next Tuesday.

Mr. JONES of Missouri. It was assigned for this week, was it not?

Mr. McCORMACK. It was on the program for this week, but it comes up next Tuesday.

Mr. JONES of Missouri. Well, the program indicated that it would be

brought up this week, and it was indicated there would be a session on Saturday. Now the gentleman has indicated there would be a session on Saturday of next week.

Mr. McCORMACK. Well, the fact that there is an indication does not necessarily say it will be so.

Mr. JONES of Missouri. It just indicates to me that if we are going to be in session next Saturday we should be in session tomorrow and take care of legislation that we have on the program that is ready to be acted upon.

Mr. McCORMACK. In the case of the program for next Saturday might I advise the gentleman that will be in connection with legislation which expires on June 30.

ADJOURNMENT UNTIL MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks prior to the vote on the bill (H. R. 4473) to provide revenue, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

DEPARTMENT OF THE AIR FORCE

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1726) to provide for the organization of the Air Force and the Department of the Air Force, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia. [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON, BROOKS, KILDAY, SHORT, and ARENDS.

OFFICER PERSONNEL

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4200) to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON, BROOKS, KILDAY, SHORT, and ARENDS.

POWERS OF APPOINTMENT FOR ESTATE AND GIFT TAX PURPOSES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2084) relating to the treatment of powers of appointment for estate and gift tax purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 8, after "(c)", insert "or "(d)."

Page 2, line 9, after "power", insert "or the complete release of such a power."

Page 2, line 10, strike out "July 1, 1951," and insert "November 1, 1951."

Page 3, line 3, strike out all after "(c)" down to and including "power" in line 6 and insert "or (d)."

Page 6, line 7, strike out "power.'" and insert "power."

Page 6, after line 7, insert:

"'(5) Lapse of power: The lapse of a power of appointment created after October 21, 1942, during the life of the individual possessing the power shall be considered a release of such power. The rule of the preceding sentence shall apply with respect to the lapse of powers during any calendar year only to the extent that the property which could have been appointed by exercise of such lapsed powers exceeded in value, at the time of such lapse, the greater of the following amounts:

"'(A) $5,000, or

"'(B) 5 percent of the aggregate value, at the time of such lapse, of the assets out of which, or the proceeds, of which, the exercise of the lapsed powers could have been satisfied.'"

Page 7, line 5, after "power", insert "or the complete release of such a power."

Page 7, line 7, strike out "July 1, 1951," and insert "November 1, 1951."

Page 7, line 17, strike out "or release."

Page 7, line 18, after "1942", insert "or the release after May 31, 1951, of such a power."

Page 7, line 20, strike out all after "power" where it occurs the first time down to and including "power" in line 23.

Page 10, line 20, strike out "power.'" and insert "power."

Page 10, after line 20, insert:

"'(5) Lapse of power: The lapse of a power of appointment created after October 21, 1942, during the life of the individual possessing the power shall be considered a release of such power. The rule of the preceding sentence shall apply with respect to the lapse of powers during any calendar year only to the extent that the property which could have been appointed by exercise of such lapsed powers exceeds in value the greater of the following amounts:

"'(A) $5,000, or

"'(B) 5 percent of the aggregate value of the assets out of which, or the proceeds of which, the exercise of the lapsed powers could be satisfied.'"

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. EBERHARTER. Reserving the right to object, Mr. Speaker, I wonder if the chairman of our committee can explain the Senate amendments, because this is a measure which I opposed in the form in which it passed the House. I was particularly objecting to several of the provisions, but I understand now corrections have been made which will meet the objections previously voiced by both the Treasury and myself in respect to the passage of this measure.

Mr. DOUGHTON. Mr. Speaker, all of the Senate amendments are in accord with the general principles of the bill as it passed the House. The first Senate amendment is a technical change which includes a reference to section 811 (d)—relating to revocable transfers—in the estate-tax provisions of the bill. The second amendment merely makes it clear that the bill does not tax the complete release of a power of appointment created on or before October 21, 1942. The third amendment extends from July 1, 1951, to November 1, 1951, the period during which holders of preexisting powers may make partial releases of these powers without being subjected to estate or gift tax upon the subsequent exercise of the limited powers. This amendment is desirable in order to give the holders of these old powers an opportunity to study them in the light of this new legislation. The fourth Senate amendment permits the release without gift tax of a power created after October 21, 1942, if the release occurred before June 1 of this year. This amendment was necessary in order to prevent retroactive application of the gift tax in the case of such releases.

The fifth Senate amendment exempts from estate and gift tax the lapse of a power of appointment during life to the extent, in each year, of $5,000 or 5 percent of the property out of which the powers could have been statisfied, whichever is the greater. The House bill completely exempted the lapse of a power, but the more limited exemption in the Senate bill will be sufficient to take care of the common type of annual, noncumulative powers to invade which the provision in the House bill was designed to exempt.

The period for tax-free release of powers of appointment created on or before October 21, 1942, expires, under present law, at the close of this month. It is, therefore, very important that this bill—H. R. 2084—be enacted as promptly as possible in order to clarify the situation with respect to these old powers. For this reason, and because the bill as amended by the Senate contains essentially the same provisions as the bill which passed the House, I ask that we concur in the Senate amendments.

Mr. Speaker, I now yield to the gentleman from Georgia [Mr. CAMP], who will further explain the Senate amendments.

Mr. CAMP. Mr. Speaker, five amendments were placed on this bill in the Senate. Three of them are technical. One of the amendments placed a limitation on invasion trusts, namely, a limitation of $5,000 or 5 percent on invasions, whichever is the larger. I think that meets the main objection the gentleman from Pennsylvania had to the bill.

May I say that this meets with the views of the Treasury, and they have given their approval to this amendment.

Mr. EBERHARTER. In other words, the invasion which the gentleman is speaking of is the invasion of the corpus of the trust?

Mr. CAMP. The encroachment on the corpus of the trust estate. That has been limited in this Senate amendment to $5,000 per year or 5 percent of the trust, whichever may be larger.

Mr. EBERHARTER. In other words, if 5 percent of the trust estate is more than the $5,000, it would be limited to 5 percent in any 1 year?

Mr. CAMP. Yes.

The other amendment was increasing the time when powers of appointment

may be withdrawn in gifts or deeds made prior to 1942, giving them instead of a limitation of July 1, 1951, a limitation of December 31; that is, giving them from now until then to make those corrections in deeds, gifts, or wills as we have been discussing here.

Mr. EBERHARTER. They have until December 31 of this year?

Mr. CAMP. That is right.

Mr. EBERHARTER. I am delighted that the other body has seen fit to make these amendments, and I certainly have no objection to the adoption of the amendments.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. MILLS. The amendments which the other body adopted and which the gentleman from Georgia has explained are actually amendments which the gentleman from Pennsylvania would have desired in the bill in the Committee on Ways and Means.

Mr. EBERHARTER. I thank the gentleman, and withdraw my reservation of objection.

Mr. REED of New York. Mr. Speaker, I have no objection, but I would like to insert my explanation of those amendments, if I may, at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REED of New York. Mr. Speaker, I join with the chairman in requesting that the House concur in the Senate amendments to the bill (H. R. 2084) relating to the treatment of powers of appointment for estate and gift tax purposes. It is of the utmost importance that this bill be enacted into law as promptly as possible because the period contained in the present law for the tax-free release of powers of appointment created on or before October 21, 1942, expires on the 30th of this month.

I believe the Senate amendments to this bill should be adopted. The first and second amendments by the Senate merely carry out the intent of the House bill by including a reference to section 811 (d) of the code and by specifically providing that the complete release of a preexisting power at any time is not taxable. In extending to November 1 of this year the period during which persons holding preexisting powers may release them partially without subsequent estate or gift tax liability, the Senate has taken cognizance of the fact that the holders of these powers created on or before October 21, 1942, need a short period of time after enactment of this bill in which to make a proper disposition of these powers. A further amendment by the Senate prevents the retroactive imposition of the gift tax in the case of powers created after October 21, 1942, which were released before June 1 of this year.

The Senate amendments also limit the exemption of powers which lapse during the life of the holder to $5,000 or 5 percent in each year. While this provision is not as liberal as the provision contained in the House bill, it will exempt the noncumulative invasion powers with which our committee was concerned. Consequently, I recommend that the House concur in the Senate amendments to this bill.

The SPEAKER. Without objection, the amendments will be printed in the RECORD at the proper place.

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

FUR PRODUCTS LABELING ACT

Mr. CROSSER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2321) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs, with an amendment of the Senate thereto, disagree to the Senate amendment, and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. BECKWORTH, PRIEST, HARRIS, WOLVERTON, and O'HARA.

AMENDING DISPLACED PERSONS ACT OF 1948

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3576) to amend the Displaced Persons Act of 1948, as amended, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, strike out all after line 4 over to and including line 15 on page 2 and insert:

" 'SEC. 3 (a) I. During the three and one-half fiscal years beginning July 1, 1948, and ending December 31, 1951, eligible displaced persons and persons defined in subdivisions (2), (3), and (4) of subsection (b) of this section seeking to enter the United States as immigrants, and

" 'II. During the four fiscal years beginning July 1, 1948, and ending June 30, 1952, eligible displaced orphans seeking to enter the United States as immigrants may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided*, That not more than 341,000 such visas shall be issued under this act, as amended, including such visas heretofore issued under the Displaced Persons Act of 1948: *Provided further*, That no such immigration visa shall be issued to eligible displaced persons unless the Commission initiated the selection or processing of such persons on or before July 31, 1951; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced-persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency'."

Mr. WALTER (interrupting the reading of the Senate amendment). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is this the amendment that the gentleman from Maine [Mr. FELLOWS] talked to me about and which he said was satisfactory to him?

Mr. WALTER. I suppose it is. All the amendment does is to change the terminal date for issuance of visas to displaced orphans so that the terminal date is the same as the date for other orphans under existing law.

Mr. Speaker, on the occasion of the final passage of this act, I wish to convey to the House certain information regarding the present status of the displaced-persons program.

I am informed that up to June 15, 1951, 243,702 displaced persons have been admitted to the United States. In addition, again as of June 15, 1951, visas were issued to 360 out of the 2,000 persons classified as the Venezia Giulia refugees; 893 visas were issued to displaced orphans defined in section 2 (e) of the existing law; and 220 visas were granted to war orphans adopted by American citizens under section 2 (f) of the act.

I do not want to discuss at this time the activities of the agencies charged with the administration of the act, but I cannot refrain from pointing out that the processing of immigrants classified as "persons of German ethnic origin" who are authorized to come to this country under section 12 of the act has been unfortunately very slow. While 10,190 immigrants of this category have entered the United States between July 1948 and July 1950, only 752 such immigrants reached our country between July 1950 and June 15, 1951. Compare these figures, please, with the total number of persons authorized to enter this country under section 12 of the act, which is 54,744, and bear in mind that this authorization expires on June 30, 1952.

I believe that I am expressing the unanimous sentiment of the Congress in urging all three agencies involved—the Department of State, the Department of Justice, and the Displaced Persons Commission—to make every possible effort in order to comply with congressional intent by expediting the processing of this category of immigrants, without, of course, relaxing any of the statutory requirements for admission.

Having now spent over 4½ years watching the social, political, and legal aspects of this problem, I am happy to be able to advise my colleagues that the passage of the 1948 act, its amendment of June 16, 1950, and the amendment now before us, will permit the United States fully to discharge its voluntarily assumed moral obligations toward the displaced populations of Europe. I am also happy to report that the International Refugee Organization has now finally decided to finish its work and to terminate its existence on December 31 of this year. The problem of the displaced persons in Europe, as we first met it back in 1945, right after VE-day, could be safely regarded as liquidated.

However, there is a much larger problem, namely, that of the 7,000,000 or 8,000,000 refugees of German ethnic origin who have been forcibly ejected from

their homes by the Communist-dominated governments of Eastern Europe. In addition, there is the problem of surplus population plaguing economically and causing political and social disturbances in at least three more European countries in addition to Western Germany, namely, in Italy, Greece, and the Netherlands.

The existence of this problem is reflected in the most disturbing pressure on our immigration system. The steadily increasing number of people who try to enter the United States illegally or by posing as temporary visitors while they are actually immigrants; the rapidly mounting number of private bills introduced in the House and in the other body; and the constant lobbying of certain groups in behalf of legislation to increase our immigration quotas—those are only a few of the occurrences facing us every day.

The Congress was well aware of this situation when it enacted into the law section 16 of the Displaced Persons Act. Under this section, the Government of the United States was authorized to participate in a conference between affected nations for the purpose of studying and making recommendations which would provide for a satisfactory solution of these problems.

I am sorry to report that very little, if anything, has been done in order to implement the clearly stated Congressional intent. Similarly, very little, if anything, has been done to implement recommendations made in House Report No. 1841, Eighty-first Congress, submitted by a special subcommittee of the House Judiciary Committee, of which I was the chairman. This lack of activity has produced—among other things—a highly unsatisfactory situation regarding the future operation of a whole fleet of reconditioned passenger vessels operated now by the International Refugee Organization for the purpose of shipping immigrants to this country, to Canada, to Australia, to certain countries of Central and South America, and to Africa. This extremely useful fleet which could be used for the purposes envisaged in section 16 of the Displaced Persons Act, will have to be disbanded and the vessels put in moth balls on the expiration date of the IRO, which is only slightly over 6 months away.

Faced with the increased pressure on our immigration system and aware of the heavy burden placed by surplus populations on the economies of countries which we are assisting at great expense, we should not permit that this excellent instrument of moving people to places where they are wanted, be destroyed.

It is perfectly clear that section 16 of the Displaced Persons Act gives the Government of the United States sufficient authority to call upon all interested nations, both those who are faced with surplus and homeless populations as well as those who are ready and willing to receive them, to get together as soon as possible and to devise ways and means of continuing the good job that the International Refugee Organization has done in moving in excess of 900,000 people within the last few years. Exactly 1 year has elapsed now since section 16 became law and I most sincerely hope that the Department of State and the Economic Cooperation Administration join forces with other free nations and work toward a solution of a problem in which at least 21 nations of the world are vitally interested.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

LABOR, FEDERAL SECURITY APPROPRIATIONS

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

Mr. SCHWABE. Reserving the right to object, I would like to ask the gentleman from Rhode Island if it is not a fact that the amendments consist chiefly of increases in the figures over the bill as it passed the House.

Mr. FOGARTY. It does show an increase over the House figures.

Mr. SCHWABE. Do you know approximately how much, in toto?

Mr. FOGARTY. In the neighborhood of over $30,000,000, excluding consideration of the railroad retirement fund.

Mr. SCHWABE. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island? [After a pause.] The Chair hears none and appoints the following conferees: Mr. FOGARTY, Mr. HEDRICK, Mr. MCGRATH, Mr. DENTON, Mr. CANNON, Mr. SCHWABE, Mr. STOCKMAN, and Mr. BUSBEY.

UNITED STATES v. JOSEPH P. KAMP

Mr. DOYLE. Mr. Speaker, I rise to a question of the privilege of the House.

I have been subpenaed to appear before the District Court of the United States for the District of Columbia, to testify on June 25, 1951, at 1:30 p. m., in the case of the United States against Joseph P. Kamp, which is a congressional contempt proceeding. Under the precedents of the House, I am unable to comply with this subpena without the consent of the House, the privileges of the House being involved. I therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpena.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—THE UNITED STATES *v.* JOSEPH P. KAMP, No. 1788-50.

The President of the United States to Hon. Clyde Doyle, United States Congress, House Office Building, Washington, D. C.:

You are hereby commanded to attend the said court on Monday, June 25, 1951 at 1:30 o'clock p. m., to testify on behalf of the United States; and not depart the court without leave of the court or district attorney.

Witness, the Honorable Bolitha J. Laws, chief judge of said court, this 22d day of June A. D. 1951.

[SEAL] HARRY M. HULL, *Clerk*
By MICHAEL JAMES SULLIVAN,
Deputy Clerk.

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 270) and ask for its immediate consideration.

The Clerk read as follows:

Whereas Representative CLYDE DOYLE, a Member of this House, has been served with a subpena to appear as a witness before the District Court of the United States for the District of Columbia, to testify at 1:30 o'clock post meridian, on the 25th day of June 1951, in the case of the *United States* v. *Joseph P. Kamp*, Criminal Docket No. 1788-50; and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative CLYDE DOYLE is authorized to appear in response to the subpena of the District Court of the United States for the District of Columbia in the case of the *United States* v. *Joseph P. Kamp* at such time as when the House is not sitting in session; and be it further

Resolved, That a copy of this resolution be submitted to the said court as a respectful answer to the subpena of said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. LANHAM. Mr. Speaker, I rise to a question of the privilege of the House.

I have been subpenaed to appear before the District Court of the United States for the District of Columbia, to testify on June 25, 1951, at 1:30 p. m., in the case of the United States against Joseph P. Kamp, which is a congressional contempt proceeding. Under the precedents of the House, I am unable to comply with this subpena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpena.

The SPEAKER. The Clerk will read the subpena.

The Clerk read, as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—THE UNITED STATES *v.* JOSEPH P. KAMP, No. 1788-50

The President of the United States to Hon. HENDERSON LANHAM, United States Congress, House Office Building, Washington, D. C.:

You are hereby commanded to attend the said court on Monday, June 25, 1951, at 1:30 o'clock p. m., to testify on behalf of the United States; and not depart the court without leave of the court or district attorney.

Witness, the Honorable Bolitha J. Laws, chief judge of said court, this 22d day of June A. D. 1951.

[SEAL] HARRY M. HULL, *Clerk*,
By MICHAEL JAMES SULLIVAN,
Deputy Clerk.

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 271) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas Representative HENDERSON LANHAM, a Member of this House, has been served with a subpena to appear as a witness before the District Court of the United States for the District of Columbia, to testify at 1:30 o'clock p. m., on the 25th day of June 1951, in the case of the *United States* v. *Joseph P. Kamp*, Criminal Docket No. 1788–50; and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative HENDERSON LANHAM is authorized to appear in response to the subpena of the District Court of the United States for the District of Columbia in the case of the *United States* v. *Joseph P. Kamp* at such time as when the House is not sitting in session; and be it further

Resolved, That a copy of this resolution be submitted to the said court as a respectful answer to the subpena of said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. ALBERT. Mr. Speaker, I rise to a question of the privilege of the House.

I have been subpenaed to appear before the District Court of the United States for the District of Columbia, to testify on June 25, 1951, at 2 p. m., in the case of the United States against Joseph P. Kamp, which is a congressional contempt proceeding. Under the precedents of the House, I am unable to comply with this subpena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpena.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—THE UNITED STATES *v.* JOSEPH P. KAMP, No. 1788–50

The President of the United States to Hon. CARL ALBERT, United States Congress, House Office Building, Washington, D. C.:

You are hereby commanded to attend the said court on Monday, June 25, 1951, at 2 o'clock p. m., to testify on behalf of the United States; and not depart the court without leave of the court of district attorney.

Witness, the Honorable Bolitha J. LAWS, chief judge of said court, this 22d day of June, A. D. 1951.

[SEAL] HARRY M. HULL, *Clerk.*
By MICHAEL JAMES SULLIVAN,
Deputy Clerk.

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 272).

The Clerk read as follows:

Whereas Representative CARL ALBERT, a Member of this House, has been served with a subpena to appear as a witness before the District Court of the United States for the District of Columbia, to testify at 2 o'clock post meridian, on the 25th day of June, 1951, in the case of the *United States* v. *Joseph P. Kamp*, criminal docket, No. 1788–50; and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative CARL ALBERT is authorized to appear in response to the subpena of the District Court of the United States for the District of Columbia in the case of the *United States* v. *Joseph P. Kamp* at such time as when the House is not sitting in session; and be it further

Resolved, That a copy of this resolution be submitted to the said court as a respectful answer to the subpena of said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. O'HARA. Mr. Speaker, I rise to a question of the privilege of the House.

I have been subpenaed to appear before the District Court of the United States for the District of Columbia, to testify on June 25, 1951, at 1:30 p. m., in the case of the United States against Joseph P. Kamp, which is a congressional contempt proceeding. Under the precedents of the House, I am unable to comply with this subpena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpena.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—THE UNITED STATES *v.* JOSEPH P. KAMP, No. 1788–50

The President of the United States to Hon. JOSEPH P. O'HARA, United States Congress, House Office Building, Washington, D. C.:

You are hereby commanded to attend the said court on Monday, June 25, 1951, at 1:30 o'clock p. m. to testify on behalf of the United States; and not depart the court without leave of the court or district attorney.

Witness the Honorable Bolitha J. LAWS, chief judge of said court, this 22d day of June, A. D. 1951.

[SEAL] HARRY M. HULL, *Clerk.*
By MICHAEL JAMES SULLIVAN,
Deputy Clerk.

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 273).

The Clerk read as follows:

Whereas Representative JOSEPH P. O'HARA, a Member of this House, has been served with a subpena to appear as a witness before the District Court of the United States for the District of Columbia, to testify at 1:30 o'clock p. m., on the 25th day of June 1951, in the case of the *United States* v. *Joseph P. Kamp*, Criminal Docket No. 1788–50; and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative JOSEPH P. O'HARA is authorized to appear in response to the subpena of the District Court of the United States for the District of Columbia in the case of the *United States* v. *Joseph P. Kamp* at such time as when the House is not sitting in session; and be it further

Resolved, That a copy of this resolution be submitted to the said court as a respectful answer to the subpena of said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HALLECK. Mr. Speaker, I rise to a question of the privilege of the House.

I have been subpenaed to appear before the District Court of the United States for the District of Columbia, to testify on June 25, 1951, at 1:30 p. m., in the case of the United States against Joseph P. Kamp, which is a congressional contempt proceeding. Under the precedents of the House, I am unable to comply with this subpena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpena.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—THE UNITED STATES *v.* JOSEPH P. KAMP, No. 1788–50

The President of the United States to Hon. CHARLES A. HALLECK, United States Congress, House Office Building, Washington, D. C.:

You are hereby commanded to attend the said court on Monday, June 25, 1951, at 1:30 o'clock p. m. to testify on behalf of the United States; and not depart the court without leave of the court or district attorney.

Witness, the Honorable Bolitha J. LAWS, chief judge of said court, this 22d day of June A. D. 1951.

[SEAL] HARRY M. HULL, *Clerk.*
By MICHAEL JAMES SULLIVAN,
Deputy Clerk.

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 274).

The Clerk read as follows:

Whereas Representative CHARLES A. HALLECK, a Member of this House, has been served with a subpena to appear as a witness before the District Court of the United States for the District of Columbia, to testify at 1:30 o'clock post meridian, on the 25th day of June 1951, in the case of the *United States* v. *Joseph P. Kamp*, Criminal Docket No. 1788–50; and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative CHARLES A. HALLECK is authorized to appear in response to the subpena of the District Court of the United States for the District of Columbia in the case of the *United States* v. *Joseph P. Kamp* at such time as when the House is not sitting in session; and be it further

Resolved, That a copy of this resolution be submitted to the said court as a respectful answer to the subpena of said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL PERMISSION TO EXTEND REMARKS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that all Members of the House may have five legislative days in which to extend their remarks on the tax bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. POLK asked and was given permission to address the House for 15 minutes today, following any special orders heretofore entered.

Mr. RABAUT asked and was given permission to address the House for 40 minutes on Monday next, following the legislative program and any special orders heretofore entered.

ALTERCATIONS AND ASSAULTS

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, inasmuch as today marks the reported fourth occasion on which the same Member of the House has in the Capitol Building and adjoining the House Chamber engaged in an altercation during which he is alleged to have used insulting and provocative words to another Member or in an assault on another Member, in which another Member on this occasion has been grievously injured, it would seem that the appropriate committee of the House might well take under consideration the advisability of legislation which would protect Members of this House and perhaps the Senate, in a somewhat similar manner as men in hazardous occupations are protected and paid compensation when they are injured in the course of their employment. This is a matter the leadership of the House on both sides should give some consideration.

Mr. BENDER. Is being a Member of Congress a hazardous occupation?

Mr. HOFFMAN of Michigan. Apparently it is becoming very hazardous. We have had the smear-and-gag experts both within and without the administration working on some of us for many years when we did not follow or swallow their party line; and if a man is as peaceful and soft-spoken as is the assaulted Member on this occasion, some of us who venture to disagree in a positive way may be in danger of being liquidated the Stalin way.

VETERANS' PETITION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a petition by amputee patients of the Korean war hospitalized at Walter Reed Army Hospital in Washington, D. C.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the amputee patients at Walter Reed Hospital have sent a petition to the Congress asking for the passage of the bill H. R. 2983. However, since that petition was started, the Elliott bill, together with the provisions of my bill, H. R. 2983, which takes in the arm amputees and blind, has passed the House.

May I ask, therefore, that that explanation be made so that the petition will now ask that the Senate pass H. R. 4233 which I believe will pass unanimously.

The petition to which I refer follows:

To Eighty-second Congress, First Session—To the House of Representatives, Washington, D. C.:

We the undersigned amputee patients of the Korean war hospitalized at Walter Reed Army Hospital in Washington, D. C., urge the Committee on Veterans' Affairs for immediate action on H. R. 2983, a bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes.

Pfc Oscar J. Sidihan, Corp. Franklyn B. Jackson, Jr., Pfc Edward S. Paszkiewicz, Corp. Chas. Kippleheiser, Corp. Theodore Freeman, Corp. Henry Harris, Jr., Pfc Charles Foley, Pfc Norman McClain, Corp. Donald H. Poleat, Corp. Frank P. Foley, Pcf Jerry W. Powell, S1c Chappel Hampton, Pfc Paul E. Meeks, Pfc Eckford M. Strowd, Pfc Frank D. Brennan, Pfc Gerald A. Pollard, Corp. Bill B. Wright, Pfc William A. Abess, Sgt. James Wassmann, Corp. Arthur Willoughby, Pfc L. D. Lane, Jr., Sgt. Calvin G. Beshap, Pfc Lynn E. Mestlor, Pfc Francis J. Elsner, Pfc Leonard J. Sas, Corp. Julio Acenedo Rodriguez, Pfc Allen E. Christian, S1c B. F. Basset, Corp. Harry W. Carter, Corp. Arnold E. McKerney, Errel J. Sartori, Melvin Rosenberg, Walter G. Lyons.

To Eighty-second Congress, First Session—To the House of Representatives, Washington, D. C.:

We the undersigned amputee patients of the Korean war hospitalized at Walter Reed Army Hospital in Washington, D. C., urge the Committee on Veteran Affairs for immediate action on H. R. 2983, a bill to authorize payments by the Administrator of Veteran Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes.

Carl W. Bonlin, Melvin P. Hood, Herbert J. Adams, Harold L. Lewis, William G. McGregor, Frederick G. Manamon III, Richard A.. Lshudy, Alfonzo Spencer, Wayne B. Kichitell, Nevel L. Cox, Charles R. Farmer, Gordon R. Merrill, Roy M. Johnson, Charles L. Woody, James C. Wellman, Charles D. Ray, Robert S. Salmon, Lawrence E. Milbee, William O. Steckel, Jr., Edward G. Chapman.

To Eighty-second Congress, First Session—To the House of Representatives, Washington, D. C.

We the undersigned amputees of the Korean war hospitalized at Walter Reed Army Hospital in Washington, D. C., urge the Committee on Veterans' Affairs for immediate action on H. R. 2983, a bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyance by certain disabled veterans, and for other purposes.

Corp. JOHN D. FRANKS, Jr.
Sgt. JOHN K. TIRRELL.
Corp. RAYMOND MAXINVENKO.

To Eighty-secoond Congress, First Session—To the House of Representatives, Washington, D. C.:

We the undersigned amputee patients of the Korean war hospitalized at Walter Reed Army Hospital in Washington, D. C., urge the Committee on Veterans' Affairs for immediate action on H. R. 2983, a bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes.

Corp. Harvey H. Hopkins, Edwin G. Jones, Sgt. Richard E. Pease, Gerard M. Albert, Richard F. Robinson, Pfc Richard N. Wagner, Pfc Charles E. Lestement, Tech. Sgt. Ralph L. Hudgins, Pfc Bruce C. Clement, Pfc Raymond G. Bordner, Corp. Alva E. Cress, Sgt. Joseph Frederick, William C. Skinner, Corp. Nathaniel Clark, Pfc Joe J. Mason, Pfc Jacob E. Altman, Pfc John D. Johnson, Charles J. Bipe, Carl Dyer, Pfc Joseph W. Seaborn, Pfc Robert L. Smith, Pfc Gwinn H. Allen, Corp. Charles E. Secton, Wallace D. Duff, Pfc Tony Whittaker, Pfc Robert T. Smith, Pfc Maurice Graer, Pfc Ormond R. Herndon, Pfc Girard H. Allen, Tech. Sgt. William G. King, Corp. Ralph W. Lambert, John L. Wismer, Adam N. Courtney, Walter C. Smith, Patrick Talings, G. W. Postlethwait, James D. Kennedy, Willie L. Young, Lawrence F. Jantzen, Lt. Rose Roberts, Charles O. Brooks, Gerald Waterman, James N. Collier, Franklin P. Stone, Jr., John Giocinto.

CONSEQUENCES OF THE WETBACK TRAFFIC: WAGES

Mr. POLK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. POLK. Mr. Speaker, I include as a part of my remarks excerpts from the report of the President's Commission on Migratory Labor in American Agriculture:

The wetback is a hungry human being. His need of food and clothing is immediate and pressing. He is a fugitive, and it is as a fugitive that he lives. Under the constant threat of apprehension and deportation, he cannot protest or appeal, no matter how unjustly he is treated. Law operates against him, but not for him. Those who capitalize on the legal disability of the wetbacks are numerous and their devices are many and various.

Wage rates reflect graphically and dramatically the impact and consequences of the wetback traffic. In 1947, when daily wages for chopping cotton (thinning the rows of cotton plants) in the lower Rio Grande Valley were $2.25 (10 hours), wages were continuously higher at points northward from the border: In the sandy lands of Texas, $3; in the Corpus Christi and coast prairie areas, $4; in the rolling plains, $5; in the high plains, $5.25.

When the Commission held hearings in Texas in August 1950, wage rates for picking short staple cotton in the lower Rio Grande Valley were reported as low as 50 cents per hundredweight and as high as $1.75 per hundredweight. From the evidence presented, we conclude that the bulk of the cotton in this area was picked in 1950 for approximately $1.25 per hundredweight. Comparative wage rates for picking cotton elsewhere in Texas were not obtained in the hearings because no other area had yet commenced its cotton harvest. However, the State-wide average 1950 rate for Texas is now reported officially by the United States Department of Agriculture to have been $2.45 per hundredweight. Thus, the lower Rio Grande Valley cotton growers got their

cotton picked for approximately one-half the wages paid by the average cotton grower of Texas.

Wages for common hand labor in the lower Rio Grande Valley, according to the testimony, were as low as 15 to 25 cents per hour. To the north and west through El Paso, we found a marked tendency for wages for similar work to rise. In southern New Mexico, the prevailing wages for the same type of work were reported to be 40 to 50 cents per hour. Thus, New Mexico was paying twice as much to get its hand labor work done as was being paid in the lower Rio Grande Valley.

Further west in Arizona, wages are still better. In 1950, the State-wide average for picking of short staple cotton in Arizona was officially reported to be $3.10 per hundredweight. Cotton chopping and common farm labor wages were reported, in August 1950, to be $4 to $7 per 10-hour day.

The fact that wages in areas near the border tend to rise to the westward conforms to the general pattern in which State-wide average farm wages also rise to the westward. This is evident in the State average wages for all farm work as reported by the United States Department of Agriculture, which for 1950 were:

	Cents per hour
Texas	54
New Mexico	54
Arizona	64
California	88

Notwithstanding the strong and clear tendency for wages to rise as one moves westward, with California the highest of the group, we found wages in the Imperial Valley on the Mexican border to represent a complete reversal of this pattern. The going wage rate for common and hand labor in the Imperial Valley was 50 cents per hour. Thus, Imperial Valley farm employers pay no more to get their farm work done than do farm employers in southern New Mexico, and probably less than do Arizona farm employers. Direct comparison in wages paid in cotton cannot be made since Imperial Valley has no cotton, but the comparison in terms of wages paid to hand labor for other types of work leads to this conclusion.

It is thus clear that the Imperial Valley, with its large wetback traffic, represents a substantial contradiction to an otherwise consistent general tendency for farm wages to improve toward the West. The force of the Imperial Valley wetback traffic is strong enough to upset this well-established East-West wage pattern; at the same time, it is strong enough to institute in one of the high farm wage States of the Nation the same type of wage differential that is found on the Texas border. While common farm labor wages in 1950 in the Imperial Valley were 50 cents per hour, the going rate in the San Joaquin Valley was 85 cents per hour.

That the wetback traffic has severely depressed farm wages is unquestionable. We further inquired if the wetback, as an individual among others doing similar work, was paid a discriminatory, low wage. The testimony on this point was conflicting. In some cases it was said that the wetback was paid the same rate as everyone else; in other cases it was claimed that the wetback was paid less. Apparently the answer to this question is determined by the proportion which wetbacks are of the local labor force. In the lower Rio Grande Valley the wetback proportion is so high that the wages paid them largely determine the wages paid to everyone there. The wetback wage tends to become the prevailing wage. In comparison, the wetback appears to be proportionately less important in the Imperial Valley and, accordingly, there is a chance for discrimination to occur. This is reflected by the testimony of a deputy labor commissioner of California:

"The Mexican wetbacks work for 40 cents an hour and a few of them work for between 25 and 30 cents an hour. In many of our complaints the employer will bring in records showing that the wetbacks didn't work the number of hours claimed, and I would say that in the majority of cases they finally settled for anywhere from 25 percent to 75 percent of the original claim, which gives the farmer an opportunity to make a little additional saving in his labor bill by just cutting it down."

MECHANICS OF THE WETBACK TRAFFIC

Mr. POLK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. POLK. Mr. Speaker, I include as a part of my remarks excerpts from the report of the President's Commission on Migratory Labor in American Agriculture:

MECHANICS OF THE WETBACK TRAFFIC

The hub of the wetback traffic is in the plazas of the Mexican towns and cities immediately below the border. Here, or in sections around the railroad which serve the same purpose, the wetback seeks information about jobs in the United States and how to get them. It is here that he encounters the first of many exploiters he will come to know well before he is once again in his homeland. The principal topic of conversation in the plazas of the Mexican border towns for several months of the year is how to get into the United States and what crops and jobs promise employment once there. His urgent need of food and money makes him an easy mark for the smuggler, the labor contractor, or the agent of the farm employer. He is eager when any of these approach him and whisper that there is a way to get out of the vast mob—all looking for a job and a chance to get into the United States where jobs seem plentiful and wages seem high.

Although smuggling of wetbacks is widespread, the majority of wetbacks apparently enter alone or in small groups without a smuggler's assistance. In a group moving without the aid of a smuggler there usually is one who has made the trip before and who is willing to show the way. Not infrequently the same individual knows the farm to which the group intends to go and sometimes he has made advance arrangements with the farm employer to return at an appointed date with his group. Such wetbacks stream into the United States by the thousands through the deserts near El Paso and Calexico or across the Rio Grande between Rio Grande City and Brownsville. When employment on the farms adjacent to the border is filled, the wetbacks push northward into new areas following rumor or promise of employment.

Often the wetbacks entering alone or in small groups have written to farm employers or friends in the United States and have made arrangements to be met at some cross road, gate, or other well-known place within a night's walk of the border. Some make two or three separate entries within a season, after having been apprehended, and head for the place where they were formerly employed.

If the wetback makes a deal to be guided or escorted across the Rio Grande or some section of the land border, everything he is able to pay is usually extracted in return for the service which may be no more than being guided around the fence or being given a boat ride across the Rio Grande. Wetbacks who are without funds to pay the smuggler for bringing them in or to pay the trucker-contractor who furnishes transportation and direction from the boundary to the farm are frequently "sold" from one exploiter to the next. For example, the smuggler will offer to bring a specified number of wetbacks across the river for such an amount as $10 or $15 per man. The smuggler or boatman with his party in tow will be met by the trucker-contractor who will then "buy" the wetback party by paying off the smuggler. This trucker-contractor, in turn, will have a deal to deliver workers to farm employers at an agreed-upon price per head.

There are other well-known and well-established practices to facilitate and encourage the entrance of wetbacks. They range from spreading news of employment in the plazas and over the radio to the withholding from wages of what is called a deposit which is intended to urge, if not guarantee, the return to the same farm as quickly as possible of a wetback employee who may be apprehended and taken back to Mexico.

The term "deposit" requires some explanation. Members of this Commission personally interviewed wetback workers apprehended by immigration officers in the lower Rio Grande Valley. These workers had been paid for the cotton they had picked during the preceding 2 or 3 weeks. However, their employers had withheld $10 to $15 from their pay. Such sums, we discovered, are known as deposits. To redeem this deposit, the wetback was required to reenter illegally and to reappear on the farm employer's premises within 10 days.

Once on the United States side of the border and on the farm, numerous devices are employed to keep the wetback on the job. Basic to all these devices is the fact that the wetback is a person of legal disability who is under jeopardy of immediate deportation if caught. He is told that if he leaves the farm, he will be reported to the immigration service or that, equally unfortunate to him, the immigration service will surely find him if he ventures into town or out onto the roads. To assure that he will stay until his services are no longer needed, his pay, or some portion thereof, frequently is held back. Sometimes, he is deliberately kept indebted to the farmer's store or commissary until the end of the season, at which time he may be given enough to buy shoes or clothing and encouraged to return the following season.

When the work is done, neither the farmer nor the community wants the wetback around. The number of apprehensions and deportations tends to rise very rapidly at the close of a seasonal work period. This can be interpreted not alone to mean that the immigration officer suddenly goes about his work with renewed zeal and vigor, but rather that at this time of the year cooperation in law enforcement by farm employers and townspeople rapidly undergoes considerable improvement.

SPECIAL ORDER GRANTED

Mr. JACKSON of California asked and was given permission to address the House on Tuesday next for 30 minutes, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

The SPEAKER. Under previous order of the House the gentleman from Ohio [Mr. POLK] is recognized for 15 minutes.

MEXICAN FARM LABOR BILL, H. R. 3283

Mr. POLK. Mr. Speaker, within the next few days the House of Representatives will consider the Mexican farm

labor bill, H. R. 3283. This bill is considered as an amendment to the Agricultural Act of 1949 by adding at the end thereof a new title V—Agricultural Workers.

H. R. 3283 deals with a serious and difficult problem and if passed in its present form will grant legislative sanction and approval of the illegal wetback traffic across the Mexican border. As was clearly pointed out by the gentleman from Minnesota, Hon. EUGENE J. MCCARTHY, in the minority report—No. 326, part 2—on this bill, this proposal should not pass unless drastically altered by amendment. I concur in Mr. MCCARTHY's conclusions and joined him in signing the minority report.

The fundamental defect of H. R. 3283 is the granting of legislative approval to the illegal wetback traffic across the Mexican border. The words "the Secretary of Labor is authorized (1) to recruit such workers (including any such workers temporarily in the United States)" page 2, lines 1 and 2, grant approval to recruitmen. of wetbacks. The words "under legal entry" are omitted and should be inserted after "United States" in line 2, page 2.

Likewise section 504—page 4—reading as follows: "Workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws (or if already in, and otherwise eligible for admission to the United States may, pursuant to arrangements between the United States and the Republic of Mexico be permitted to remain therein) for such time and under such conditions as may be specified by the Attorney General, but notwithstanding any other provision of law or regulation, no penalty bond shall be required which imposes liability upon any person for the failure of any such worker to depart from the United States upon termination of employment," omits the words "by virtue of legal entry."

Stripped of its legal verbiage, these sections open wide the doors to the illegal entry of wetbacks and their employment in competition with United States citizens and furthermore because no penalty bond is required there is no incentive to see that wetbacks depart from the United States when their employment is terminated. The words "by virtue of legal entry" should be inserted after the word "in," on line 12 of page 4.

To grant legislative approval to the illegal wetback traffic will further encourage increasingly large numbers of Mexicans to enter the United States illegally. If the bill H. R. 3283 is approved in its present form, the House of Representatives will be sanctioning and aggravating a situation that is developing into a national problem of serious proportions.

Mr. Gladwin Hill, writing in the New York Times of March 25, 1951, under the heading "Million a year flee Mexico only to find peonage here," states:

A year's study of the situation by this correspondent, ending in a recent 5,000-mile tour of the border area, shows it to be a phenomenon whose real economic and social implications should shock the average American when fully known and comprehended.

Technically, every one of these wetbacks is an illegal alien, the same as a foreigner who slipped through the paradoxically tight immigration controls of Ellis Island—a violator of the Federal law, subject to imprisonment.

But because the bulk of this immigration is tidal, advancing and receding with the seasons, it has come to be taken for granted, both by the United States border population, and the Nation at large.

The impression is widespread that these Mexicans simply come as a regular essential and harmless supplement to the domestic harvest forces. The fact is that they are attracted by the glittering prospect of high American wages, and in many cases are actively recruited by large-scale ranchers or their representatives, only to work for wages that have been described by United States Immigration Officers as tantamount to peonage, and under conditions compared on the same authority to ante-bellum slavery.

A nationally prominent figure in the Southwest commented a few days ago, "This traffic in contraband labor actually is worse in its elements than either prohibition or slavery, because prohibition involved only traffic in alcohol. This is traffic in human beings, and in slavery, some responsibility at least was acknowledged by the owners for the relief of the slaves. Here there is none."

The wetback, a penniless fugitive, has to take whatever is available, which, because of the multitude of wetbacks available, usually are at a bare existence level or below it. His traditional housing is the crudest form of shack or hovel, wherever he can find it, or just the open air. His status denies him access to regular community legal and welfare agencies. If he doesn't like his situation, he can go back where he came from. There are thousands of other hopefuls south of the border ready to take his place.

A visitor to the Southwest today has to make a double mental adjustment to comprehend the conditions he finds.

First, he has to think back 20 years to prohibition days, when wholesale violation of the laws of the United States were being ignored, tacitly sanctioned or overtly encouraged by a large cross-section of the population.

Second, he has to project himself in imagination back a full century to the days of slavery, where the systematic exploitation of an underprivileged class of humanity as cheap labor was an accepted part of the American social and economic order.

Then the observer has to compound mentally these two diverse anomalies and conceive of their existence in 1951.

For that, in effect, is the situation today in the Southwest, and in parts of the deep South and the far West as well, arising from the ceaseless and steadily increasing tide of illegal immigration from Mexico into the United States. The illegal immigration now amounts to more than 1,000,000 individuals a year. They sneak across the thinly patrolled 1,600-mile border between Brownsville, Tex., and San Diego, Calif., in an unending hegira from Mexican unemployment and wage levels as low as 40 cents a day, seeking farm work and any other labor available in this country.

Some 500,000 of these wetbacks—so-called because of those who swim the Rio Grande, the Texas-Mexico boundary—were caught by the United States Immigration and Naturalization Services' border patrol last year and put back across the international line.

The estimate of a total traffic of 1,000,000 is conservative, based upon the surmise that for every one caught there is one who isn't caught. Most immigration officers would concede a more likely average of 5 or 10 to 1, and for some areas responsible estimates go as high as 100 to 1; in such a reckoning many of the total would be not different individuals, but repeaters who recross after having been reported.

There are fewer than 900 border patrol officers to guard the whole 1,600 miles of the boundary, and sometimes the deportees get back into the United States before the deporting officers do. Some Mexicans have been deported as many as 20 times, only to return again and again.

Aside from the abuses to which these Mexicans themselves are subject, the traffic in wetbacks has manifestly baneful effects on the citizenry with which they mingle.

In many sections of Texas, Arizona, California, and other areas they depress the general standards of wages and working conditions below the accepted American standards. Instead of supplementing the domestic labor force, they under-cut it, taking jobs from tens of thousands of native citizens, farm and urban workers alike.

Also, it has lately been realized that the wetback traffic offers a wide open avenue for Communist spies to enter the country. Immigration officers acknowledge that every year at least a handful of Europeans, some of them from Communist backgrounds, are netted among the wetbacks, and that in cold facts, Joseph Stalin might adopt a perfunctory disguise and walk into the country in this way.

Legal immigration into the United States from Mexico, on which there is no quota limit, involves such complications as fees, literacy standards, job assurance, and consular approval. It is much easier to sail, wade or swim the Rio Grande, seldom more than 100 yards wide, or just walk across the largely unfenced dry sections of the border.

Such an illegal crossing is a misdemeanor and a felony after an initial deportation, subject to 2 years' imprisonment, and a $1,000 fine, but the wetbacks numbers largely defy prosecution.

Detention facilities and court dockets are so crowded that anything beyond quick deportation of first offenders has had to be abandoned. The later authoritative analysis indicates that only about 25 of every 10,000 caught are prosecuted. So, the influx has snowballed. In the San Antonio immigration district, the largest of three covering the border, the number of apprehensions, generally conceded to be in direct proportion to the total traffic, has jumped from 43,000 in 1945 to 215,000 last year. In the Los Angeles district, covering California and western Arizona, they jumped from 4,000 in 1943 to 230,000 last year, and the traffic is mounting steadily. The Los Angeles district's apprehensions in January and February of last year totaled 19,500; for the same period this year they were 33,800.

The wetback traffic dwarfs the legal contracting of Mexican labor under the international agreement, and has become almost inextricably enmeshed with it. At the moment, according to the United States Employment Service, there are about 28,000 contract Mexicans in the country. Most of them were not imported at all, but are ex-wetbacks who were rounded up north of the border, processed at the border immigration and consular stations, and given legal work permits under guaranties of somewhat better conditions than those accorded wetbacks.

Employment of wetbacks, although from a realistic standpoint tantamount to harboring a fugitive, has been held by the Federal courts to be not a punishable offense because of the omission in the 1917 version of the immigration laws of any specific penalty.

Again in the New York Times of March 26, 1951, Mr. Hill wrote as follows:

The lower Rio Grande Valley is the heart of the 1,600-mile border belt stretching from Texas to California, into which more than 1,000,000,000 Mexicans annually infiltrate illegally in quest of work.

In the three counties of Cameron, Hidalgo, and Willacy, on an average day during last year's harvest peak, a check of 14 farms taken at random, according to a careful study by Dr. Lyle Saunders, of the University of New Mexico, and Dr. Olen Leonard, of Vanderbilt University, disclosed that 93 out of every 100 workers were illegal Mexican aliens.

Farmers acknowledged to the President's Commission on Migratory Labor last summer that they paid field hands as low as 15 cents an hour. According to the Saunders-Leonard study, the prevailing hourly wage for wetbacks in this valley last year was 25 cents an hour.

Two cases reported last summer at McAllen were a father, mother, and two children who had worked 4 days for a net of $6.50, and an inexperienced cotton picker who, after 3 days' work, was told he had just earned the food he had eaten.

It is not extraordinary for wetbacks to report having worked for weeks, only to be told that there was no cash due them. In such a circumstance the wetback has little scope for argument; the farmer can just turn him in to the immigration authorities for deportation.

Aside from wages, the wetback gets nothing. His lodging is seldom better than an irrigation ditch-bank or hut improvised from junk or thatch. The worker housing situation in lower Rio Grande Valley ranches was tersely summarized in a report published by the University of Texas last December, "No housing facilities exist."

The University of Texas surveys made by Prof. Eastin Nelson and Prof. Frederick Meyers, found, for instance, that in the lower Rio Grande Valley seasonal cotton labor needs fluctuated from 5,000 to 125,000 against a total permanent labor force on only 38,000. However, the same study found that an adequate supply might well be drawn from within the State of Texas if adequate monetary and other considerations were offered.

In the face of the purported labor shortage in Texas, every year about 100,000 residents of the State take to the road, joining the migrant farm labor streaming to the northwest and east where less wetback competition brings more adequate compensation.

Dr. George Sanchez, head of the department of history and philosophy of education at the University of Texas, and probably the foremost student of regional interracial affairs, states, "the influx of 1,000,000 or more wetbacks a year transforms the Spanish-speaking people of the southwest from an ethnic group which might be assimilated with reasonable facility into what I call a culturally indigestible peninsula of Mexico.

"The wetback migration tends to nullify processes of social integration going back 300 or 350 years, and I would say at the present time has set the whole assimilation process back at least 20 or 30 years.

"No citizen who wants to live in even a minimum of comfort and decency can compete with the wetback-wage scale, Dr. Sanchez and Dr. Lyle Saunders, of the University of New Mexico said in a recent report to the University of Texas continuing study of the Spanish-speaking peoples, a project of the Rockefeller Foundation's general education board.

"With an oversupply of cheap, unprotected labor always present, organization of workers is impossible. Individual bargaining is futile.

"There are only two choices: work for what the wetback works for and live as he lives or leave the area. Many accept the former alternative. Those who can, choose the second and become displaced persons. Either choice results in undesirable conditions for the individual and social problems for the community.

"For those who stay and attempt to compete there is poverty and all the evils associated with it—disease, ignorance, child labor, crime and delinquency, lack of concern over civic affairs, slum conditions, and always the weight of a deadened, passive, apathetic population to be carried on the shoulders of other elements of the community.

"The dislocations are not confined to the agricultural field. Wetbacks filter into every occupation from culinary work to the building trades. Practically any labor union in the 1,600-mile border zone from Texas to California can cite local instances of wetback competition. An analysis of a group of 160 supposedly agrarian wetbacks picked at random from among a summer's deportations by Dr. Saunders disclosed 9 bricklayers, 7 truck drivers, 3 miners, 2 factory workers, 2 welders, 2 weavers, a painter, a barber, a blacksmith, a butcher, a shoemaker, and a policeman.

"A check of a single residential block in El Paso, Tex., turned up three wetbacks doing craft work—a painter, a carpenter, and a carpenter's helper—working at rates from 57 cents an hour down to 37 cents."

In the New York Times of March 28, 1951, Mr. Hill states:

Although wetbacks are fugitives from justice, southwestern cotton, citrus, and vegetables growers have come to the fixed view that there is nothing wrong in employing them, harboring them or even in actively recruiting them across the international boundary. Further, they have come to feel they have a vested right in the traffic. Any more than the normal token interference with it by the Immigration Service's skimpy border patrol—with less than 900 officers for the 1,600 mile expanse from Texas to the Pacific Ocean—brings an outraged hue and cry from communities thoroughly indoctrinated with the farmers' attitude.

Communities have become so accustomed to wetbackism that in the leading wetback areas of Texas, Dr. Lyle Saunders, University of New Mexico sociologist, recently reported, after extensive first-hand study of conditions: "Almost anyone who needs help of any kind will hire a wetback—farmers, contractors, businessmen, housewives, city governments, county governments, and even the International Boundary Commission. In this Texas does not differ substantially from the wetback areas of Arizona, California, and other Western States.

"On the hallowed bureaucratic principle of the left hand's not knowing what the right hand is doing, while the Immigration Service struggles with the wetback influx, the Social Security Administration freely issues cards to wetbacks on which they have little chance of collecting benefits, but which are handy for pseudo-identification. Wetbacks get draft board cards for the same purpose, giving worthless addresses. State employment offices in many places—quasi Federal agencies—refer wetbacks to employment opportunities right along with citizens.

"A leading California labor contractor, asked by the President's Commission on Migratory Labor where he located the wetbacks in which he admittedly trafficked, replied blandly, 'From the State employment service.' "

The most conspicuous official hypocrisy regarding wetbacks has been that surrounding the United States-Mexico farm-labor agreement of 1949, one of the periodical extensions of which is now before Congress. The professional aim of this agreement was to eliminate the wetback traffic by providing for the recruitment of Mexican farm labor below the border and its orderly importation into the United States for maximum work periods of 1 year where real shortages of domestic labor were duly certified by the United States Employment Service.

After 18 months of its operation, however, many close observers feel that the agreement manifestly has worked out as a travesty on intent. The agreement opened with a solemn declaration of representatives of the United States State Department and the Mexican Foreign Ministry deploring the wetback traffic of Mexican workers, which has mounted steadily, and no appreciable steps have been taken to reinforce the border patrol.

The agreement then offered an incentive to border jumping by providing that wetbacks should have preference in hiring under the contract system. Such priority was limited to wetbacks in the United States at that time, but this deadline for absolution from law violation has been extended over and over. Last summer the legalization of wetbacks in the United States before July 26 was authorized. When this did not produce enough cheap Mexican labor, the preference was extended to all wetbacks in the country before October 20.

The disclosures of Mr. Hill, of the New York Times, are confirmed by the report of the President's Commission on Migratory Labor in Agriculture, chapter 4 of which is entitled "The Wetback Invasion—Illegal Alien Labor in American Agriculture."

I hope all Members of the House will read this report which concludes that the need for this proposed legislation is doubtful.

DISPERSAL OF INDUSTRIES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I want to remind the House again of the great danger if the provisions of the Senate's report regarding the dispersal of industry is carried out. It will not only mean the scrapping of our industries in Massachusetts, but it will prevent many coming in. The labor market is the best in the entire country, I will say the best in the world, and we should see to it, for the protection of our workers, and the interest of the Commonwealth, that the industries continue there and that they not be taken away. Certainly we cannot afford to have the great industrial State of Massachusetts become only a recreational State as suggested by Mr. Henry Wallace when he was Secretary of Agriculture.

ASSISTANT PARLIAMENTARIAN

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 277) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House, until otherwise provided by law, compensation for the employment of an additional Assistant Parliamentarian at the basic salary rate of $7,000 per annum.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in three separate instances in each to include extraneous matter.

Mr. FURCOLO asked and was given permission to extend his remarks in two instances, in each to include extraneous matter.

Mr. MACHROWICZ asked and was given permission to extend his remarks and include an editorial.

Mr. FINE asked and was given permission to extend his remarks and include an editorial.

Mr. MORANO asked and was given permission to extend his remarks in two instances in each to include extraneous matter.

Mr. HOEVEN asked and was given permission to extend his remarks and include certain tables submitted by the Iowa Development Commission.

Mr. REED of New York asked and was given permission to extend his remarks in three separate instances, in each to include extraneous matter.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include an article.

Mr. BETTS asked and was given permission to extend his remarks and include a resolution by the Findlay (Ohio) Chamber of Commerce.

Mr. JENISON asked and was given permission to extend his own remarks.

Mr. JONAS asked and was given permission to extend his remarks and include an editorial.

Mr. CANNON asked and was given permission to extend his remarks and include a report by the gentleman from Florida [Mr. SIKES] on a recent mission of a special committee to Europe.

Mr. TEAGUE (at the request of Mr. MILLS) was given permission to extend his remarks in 3 instances and to include extraneous material.

Mr. FALLON (at the request of Mr. PRIEST) was given permission to extend his remarks and include two letters and a resolution.

Mr. ELLIOTT asked and was given permission to extend his remarks and include a newspaper article.

Mr. MURDOCK asked and was given permission to extend his remarks in two instances and include extraneous material.

Mr. HOWELL (at the request of Mr. BURNSIDE) was given permission to extend his remarks in two instances and include extraneous material.

Mr. GARMATZ (at the request of Mr. HAVENNER) was given permission to extend his remarks and include a resolution.

Mr. BUSBEY asked and was given permission to extend the remarks he made in general debate on the tax bill and to include certain tables and other material.

Mr. ANGELL asked and was given permission to extend the remarks he made in the Committee of the Whole today in two instances and include extraneous matter in each.

Mr. KERSTEN of Wisconsin asked and was given permission to extend his remarks in two instances and also to extend the remarks he made in Committee of the Whole on the tax bill and to include the remarks just before the vote on recommittal.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks in two instances and include extraneous material.

Mr. KEARNEY (at the request of Mr. KEATING) was given permission to extend his remarks in two instances; to include in one an editorial, and in the other an address delivered by Mrs. ST. GEORGE.

Mr. HAND (at the request of Mr. MORTON) was given permission to extend his remarks and include extraneous matter.

Mr. MORTON asked and was given permission to extend his remarks and include a letter from a constituent.

Mr. GAVIN asked and was given permission to extend his remarks and include an editorial.

Mr. JACKSON of California asked and was given permission to extend his remarks and include an article appearing in National Republic.

Mr. McCULLOCH asked and was given permission to extend his remarks and include an editorial.

Mr. WOLVERTON asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. HESELTON (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks on H. R. 4473 and include certain tabulations.

Mr. VAN ZANDT (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks and include an editorial.

Mr. BENDER asked and was given permission to extend his remarks in three instances.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills, a joint resolution, and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 17. An act to provide general rules of practice and procedure before Federal agencies; to the Committee on the Judiciary.

S. 29. An act for the relief of Teresa E. Dwyer; to the Committee on the Judiciary.

S. 41. An act prohibiting the sale in the District of Columbia of rockfish weighing more than 15 pounds; to the Committee on the District of Columbia.

S. 61. An act for the relief of Sister Carmen Teva Ramos; to the Committee on the Judiciary.

S. 211. An act for the relief of Maria Enriquez; to the Committee on the Judiciary.

S. 236. An act for the relief of Nicholas George Strangas; to the Committee on the Judiciary.

S. 258. An act to amend section 824 of the Code of Laws for the District of Columbia; to the Committee on the District of Columbia.

S. 289. An act for the relief of Arno Edvin Kolm; to the Committee on the Judiciary.

S. 295. An act for the relief of Michail Ioannou Bourbakis; to the Committee on the Judiciary.

S. 350. An act for the relief of the Z. D. Gilman Co., Inc.; to the Committee on the Judiciary.

S. 493. An act to require the taking and destruction of dangerous weapons in certain cases, and for other purposes; to the Committee on the District of Columbia.

S. 501. An act for the relief of Willem Houwink; to the Committee on the Judiciary.

S. 518. An act for the relief of Dr. Isac C. Goldstein; to the Committee on the Judiciary.

S. 520. An act for the relief of Wilma M. Stiehl; to the Committee on the Judiciary.

S. 526. An act for the relief of Dr. Lorna Wan-Hsi-Feng; to the Committee on the Judiciary.

S. 530. An act for the relief of Gerhard H. A. Anton Bebr; to the Committee on the Judiciary.

S. 543. An act for the relief of Elizabeth Jean Clarke; to the Committee on the Judiciary.

S. 580. An act for the relief of Jean Marie Newell; to the Committee on the Judiciary.

S. 581. An act for the relief of Kiyoko and Chiyiko Ishigo; to the Committee on the Judiciary.

S. 585. An act for the relief of Shizu Fujii and her son, Suenori Fujii; to the Committee on the Judiciary.

S. 657. An act to amend and clarify the District of Columbia Teachers' Leave Act of 1949, and for other purposes; to the Committee on the District of Columbia.

S. 673. An act to permit the exchange of land belonging to the District of Columbia for land belonging to the abutting property owner or owners, and for other purposes; to the Committee on the District of Columbia.

S. 674. An act for the relief of Arthur Koestler; to the Committee on the Judiciary.

S. 684. An act to amend the Bankhead-Jones Farm Tenant Act so as to provide a more effective distribution of mortgage loans insured under title I, to give holders of such mortgage loans preference in the refinancing of loans on a noninsured basis, to adjust the loan limitations governing title II loans so as to provide more effective assistance to production and subsistence loan borrowers, and for other purposes; to the Committee on Agriculture.

S. 759. An act to extend to screen vehicle contractors benefits accorded star-route contractors with respect to the renewal of contracts and adjustment of contract pay; to the Committee on Post Office and Civil Service.

S. 818. An act to authorize the sale of certain allotted land on the Crow Reservation, Mont.; to the Committee on Interior and Insular Affairs.

S. 826. An act to provide free postage for members of the Armed Forces of the United States; to the Committee on Post Office and Civil Service.

S. 827. An act for the relief of Fred P. Hines; to the Committee on the Judiciary.

S. 855. An act to provide for free transmission of official mail of organizations and units of certain United Nations commands; to the Committee on Post Office and Civil Service.

S. 895. An act for the relief of Wong Thew Hor; to the Committee on the Judiciary.

S. 930. An act for the relief of Ivan Herben, his wife, son, and daughter-in-law; to the Committee on the Judiciary.

S. 1006. An act for the relief of Libuse Chalupnik Pavlish; to the Committee on the Judiciary.

S. 1009. An act for the relief of Ella Maria Nyman; to the Committee on the Judiciary.

S. 1010. An act for the relief of Dominic Arcella; to the Committee on the Judiciary.

S. 1033. An act authorizing the Secretary of the Interior to issue a patent in fee to Lucille Ellen Sanders Grob; to the Committee on Interior and Insular Affairs.

S. 1034. An act authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders; to the Committee on Interior and Insular Affairs.

S. 1036. An act authorizing the Secretary of the Interior to issue a patent in fee to

Julia Jackson Sanders; to the Committee on Interior and Insular Affairs.

S. 1074. An act to repeal certain obsolete laws relating to the Post Office Department; to the Committee on Post Office and Civil Service.

S. 1105. An Act for the relief of K. C. Be, Swannio Be, Wie Go Be, Wie Hwa Be, Wie Bhing Be, and Swie Tien Be; to the Committee on the Judiciary.

S. 1152. An act to provide for the payment and collection of wages in the District of Columbia; to the Committee on the District of Columbia.

S. 1167. An act to require a premarital examination of all applicants for marriage licenses in the District of Columbia; to the Committee on the District of Columbia.

S. 1242. An act for the relief of Salomon Henri Laifer; to the Committee on the Judiciary.

S. 1246. An act to amend certain laws relating to the submission of postmasters' accounts under oath, and for other purposes; to the Committee on Post Office and Civil Service.

S. 1281. An act for the relief of Eric Adolf Lenze; to the Committee on the Judiciary.

S. 1282. An act for the relief of Cecil Lennox Elliott; to the Committee on the Judiciary.

S. 1362. An act for the relief of Howard Lovell; to the Committee on the Judiciary.

S. 1417. An act for the relief of Lefrancois and Chamberland, Inc.; to the Committee on the Judiciary.

S. 1425. An act for the relief of Mrs. Okuni Kobayashi; to the Committee on the Judiciary.

S. 1436. An act for the relief of Mrs. Marie Y. Mueller; to the Committee on the Judiciary.

S. 1438. An act for the relief of Paul D. Banning, chief disbursing officer, Treasury Department, and for other purposes; to the Committee on the Judiciary.

S. 1442. An act for the relief of Marie Louise Dewulf Maquet; to the Committee on the Judiciary.

S. 1443. An act for the relief of Rev. Thomas K. Sewall; to the Committee on the Judiciary.

S. 1503. An act for the relief of Harold Frederick D. Wolfgramm; to the Committee on the Judiciary.

S. 1504. An act for the relief of Valmai Eileen Mackenzie; to the Committee on the Judiciary.

S. 1645. An act to amend the act incorporating the American University; to the Committee on the District of Columbia.

S. 1696. An act to amend Public Law 587 of the Eighty-first Congress (approved June 30, 1950) to provide relief for the sheep-raising industry by making special quota immigration visas available to certain alien sheepherders; to the Committee on the Judiciary.

S. J. Res. 42. Joint resolution consenting to an interstate compact to conserve oil and gas; to the Committee on Interstate and Foreign Commerce.

S. Con. Res. 34. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 157. An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska, or the continental United States, either directly or via a foreign port, or for any part of the transportation;

H. R. 389. An act for the relief of the State of Maryland;

H. R. 574. An act for the relief of the estate of James Patrick Hackett and Charles L. Stoner.

H. R. 616. An act for the relief of Tomas J. Zafiriadis;

H. R. 621. An act for the relief of the Morgan Foods Corp.;

H. R. 630. An act authorizing the Secretary of the Interior to issue a patent in fee to Richard James Brown;

H. R. 631. An act authorizing the Secretary of the Interior to issue a patent in fee to Alice E. Williams Sisk;

H. R. 715. An act for the relief of Aenny Blank;

H. R. 737. An act for the relief of Judith Leone Banks;

H. R. 740. An act for the relief of John Reginald Leat;

H. R. 888. An act for the relief of Mrs. Johanna Hampton;

H. R. 895. An act for the relief of Dr. Giuseppe Mazzone;

H. R. 896. An act for the relief of Mrs. Clara Raffloer Droesse;

H. R. 964. An act authorizing the Secretary of the Interior to issue a patent in fee to Percival H. Glenn;

H. R. 1120. An act for the relief of William Yinson Lee;

H. R. 1268. An act for the relief of Dr. Jiri Liska;

H. R. 1415. An act for the relief of Gabriele Gildo Falvo Citrigno;

H. R. 1431. An act for the relief of Tetsuko Hidaka;

H. R. 1593. An act for the relief of Charles E. Maulden;

H. R. 1613. An act to amend section 2883 (d) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress;

H. R. 1676. An act for the relief of Elizabeth Sabow;

H. R. 1746. An act to amend subdivisions d and e of section 58 of the Bankruptcy Act, approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 1791. An act for the relief of Joe Tortolini;

H. R. 1799. An act for the relief of Bella and Archie Kennison;

H. R. 1840. An act for the relief of Bernard Speilmann;

H. R. 1844. An act for the relief of Capt. William Greenwood;

H. R. 1854. An act for the relief of Maria Roza Tarnowska;

H. R. 1910. An act for the relief of Henry Kolish.

H. R. 2107. An act for the relief of Edward M. Chapman, Roland P. Davis, and the Fidelity & Casualty Co. of New York;

H. R. 2284. An act for the relief of Ethel Martha Quinn;

H. R. 2310. An act for the relief of Jindrich (Henri) Nosek and Mrs. Zdenka Nosek;

H. R. 2349. An act authorizing the Secretary of the Interior to issue a patent in fee to certain allottees on the Crow Indian Reservation;

H. R. 2363. An act for the relief of Mr. and Mrs. Emil Sbarbari, Edna Perfetti, and Anthony Perfetti;

H. R. 2372. An act for the relief of Michael Post-Posniakoff and Zinaida Post-Posniakoff;

H. R. 2396. An act to amend chapter 213 of title 18 of the United States Code;

H. R. 2453. An act for the relief of John R. Harris;

H. R. 2746. An act to amend section 2883 (b) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress;

H. R. 2785. An act for the relief of Kimi Hatano;

H. R. 2852. An act for the relief of Quon Mee Gee, also known as Loui Siu Lin;

H. R. 2853. An act for the relief of Shizue Sakurada;

H. R. 2854. An act for the relief of Dorothy Fumie Maeda;

H. R. 2924. An act to amend section 4164 of title 18, United States Code, relating to conditional release of Federal prisoners;

H. R. 3033. An act authorizing the Secretary of the Interior to leave certain land in the State of Montana to the city of Poplar and the county of Roosevelt, Mont.;

H. R. 3063. An act for the relief of Rosina Mouradian;

H. R. 3133. An act for the relief of Chin Yuen Ling, minor, unmarried Chinese child of a United States citizen;

H. R. 3141. An act for the relief of Evelyn Reichardt;

H. R. 3215. An act to authorize the sale of certain allotted land on the Crow Reservation, Mont.;

H. R. 3216. An act authorizing the Secretary of the Interior to issue a patent in fee to Lulu M. Whitebear;

H. R. 4338. An act to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del.; and

H. R. 4393. An act to extend for 2 years the period during which free postage for members of the Armed Forces of the United States in Korea and other specified areas shall be in effect.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 15 minutes p. m.) the House, under its previous order, adjourned until Monday, June 25, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred, as follows:

553. A letter from the Assistant Secretary of Defense, transmitting a draft of legislation entitled "A bill to provide for the establishment of a United States Air Force Academy, and for other purposes"; to the Committee on Armed Services.

554. A letter from the Secretary of Commerce, transmitting the Fifteenth Quarterly Report, pursuant to the Export Control Act of 1949; to the Committee on Banking and Currency.

555. A letter from the Secretary of State, transmitting the first Quarterly Report of the Technical Cooperation Administration for the quarter ending December 31, 1950, pursuant to the general appropriation act for the fiscal year 1951; to the Committee on Foreign Affairs and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Armed Services. H. R. 4113. A bill to amend section 125 of the National Defense Act to provide that distinctive mark or insignia shall not be required in the uniforms worn by members of the National Guard of the United States, both Army and Air; without amendment (Rept. No. 637). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 638. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 4568. A bill to amend part VII of Veterans' Regulation No. 1 (a), relating to vocational rehabilitation, so as to permit veterans to pursue training thereunder at institutions and establishments in foreign countries; to the Committee on Veterans' Affairs.

By Mr. DOLLINGER:

H. R. 4569. A bill to establish a hospital for juvenile drug addicts; to the Committee on Interstate and Foreign Commerce.

By Mr. DONOVAN:

H. R. 4570. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

H. R. 4571. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

By Mr. HORAN:

H. R. 4572. A bill to assure allocations for freight cars and locomotives; to the Committee on Banking and Currency.

By Mr. ROGERS of Florida:

H. R. 4573. A bill to amend the War Claims Act of 1948, as amended, to extend compensation to prisoners of war for the period elapsing between release and return to military control; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON:

H. R. 4574. A bill to provide for the establishment of a United States Air Force Academy, and for other purposes; to the Committee on Armed Services.

By Mr. BARING:

H. R. 4575. A bill to change the date for the beginning of annual assessment work on mining claims from July 1 to October 1; to the Committee on Interior and Insular Affairs.

By Mr. POLK:

H. R. 4576. A bill to amend the act entitled "An act to establish Civil Air Patrol as a civilian auxiliary of the United States Air Force and to authorize the Secretary of the Air Force to extend aid to Civil Air Patrol in the fulfillment of its objectives, and for other purposes"; to the Committee on Armed Services.

By Mr. FINE:

H. R. 4577. A bill to establish a hospital for juvenile drug addicts; to the Committee on Interstate and Foreign Commerce.

By Mr. JARMAN:

H. R. 4578. A bill to provide for the procurement and installation of mechanism for recording and counting votes in the House of Representatives; to the Committee on House Administration.

By Mr. KLEIN:

H. R. 4579. A bill to establish a hospital for juvenile drug addicts; to the Committee on Interstate and Foreign Commerce.

By Mr. RODINO:

H. R. 4580. A bill to provide free postage for members of the Armed Forces of the United States; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Mississippi:

H. R. 4581. A bill to provide a more comprehensive ban on the introduction of private claims bills in the Congress, to provide for judicial and administrative determination and settlement of private claims against the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. WOOD of Idaho:

H. R. 4582. A bill providing for an extension of the time during which annual assessment work on mining claims held by location in the United States, including Alaska, may be made, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BUSBEY:

H. Res. 268. Resolution amending rule XXI of the Rules of the House of Representatives; to the Committee on Rules.

By Mr. PRICE:

H. Res. 269. Resolution to provide for a Select Committee on Problems of the Aging; to the Committee on Rules.

By Mr. KEOGH:

H. Res. 275. Resolution favoring the negotiation of a treaty for the defense of the Mediterranean area against Communist aggression; to the Committee on Foreign Affairs.

By Mr. McKINNON:

H. Res. 276. Resolution to provide for a Select Committee on Problems of the Aging; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL:

H. R. 4583. A bill for the relief of Inooka Kazumi; to the Committee on the Judiciary.

By Mr. COOLEY:

H. R. 4584. A bill for the relief of certain claimants against the United States who suffered personal injuries, property damage, or other loss as a result of the explosion of a munitions truck between Smithfield and Selma, N. C., on March 7, 1942; to the Committee on the Judiciary.

By Mr. DORN:

H. R. 4585. A bill for the relief of Jesse A. Lott; to the Committee on the Judiciary.

By Mr. HORAN:

H. R. 4586. A bill for the relief of Gina Bellagamba; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 4587. A bill for the relief of Evert Zeeven; to the Committee on the Judiciary.

By Mr. McVEY:

H. R. 4588. A bill for the relief of Mark Yen Hui; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 4589. A bill for the relief of Chu Kong Ding, also known as Ah Ding; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 4590. A bill for the relief of Jose Luis Segimont de Plandolit and Fuencisla Segimont; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 4591. A bill for the relief of Miltiagis Dionysious Siadimas; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

325. Mr. CANFIELD presented a resolution in favor of equal ratings for male nurses in the Armed Forces (H. R. 911) passed unanimously by the American Association of Nurse Anesthetists and supported by the New Jersey State Association of Nurse Anesthetists, Trenton, N. J.; to the Committee on Armed Services.

SENATE

MONDAY, JUNE 25, 1951

(Legislative day of Thursday, June 21, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, mid all the traffic of life's busy ways at the beginning of another week of challenge and of toil we turn unfilled to Thee. From the framing of laws and the forming of policies, holding in their reach the woe or weal of the commonwealth, we would pause amid all the shattering events and tempestuous emotions of our times at an inner sanctuary where the world's angry voices die and Thou alone art real.

May we follow the gleam of the highest and best we know, as it leads o'er moor and fen and crag and torrent, till the evening comes and the fever of life is over and our work is done; then of Thy great mercy grant us a safe lodging and a holy rest, and peace at the last. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 22, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1726) to provide for the organization of the Air Force and the Department of the Air Force, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. BROOKS, Mr. KILDAY, Mr. SHORT, and Mr. ARENDS were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2321) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BECKWORTH, Mr. PRIEST, Mr. HARRIS, Mr. WOLVERTON, and Mr. O'HARA were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FOGARTY, Mr. HEDRICK, Mr. McGRATH, Mr. DENTON, Mr. CANNON, Mr. SCHWABE, Mr. STOCKMAN, and Mr. BUSBEY were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 4200) to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. BROOKS, Mr. KILDAY, Mr. SHORT, and Mr.

ARENDS were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2084) relating to the treatment of powers of appointment for estate- and gift-tax purposes.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3576) to amend the Displaced Persons Act of 1948, as amended.

The message further announced that the House had passed a bill (H. R. 4473) to provide revenue, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 157. An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska, or the continental United States, either directly or via a foreign port, or for any part of the transportation;

H. R. 389. An act for the relief of the State of Maryland;

H. R. 574. An act for the relief of the estate of James Patrick Hackett and Charles L. Stoner;

H. R. 616. An act for the relief of Tomas J. Zafiriadis;

H. R. 621. An act for the relief of the Morgan Foods Corp.;

H. R. 630. An act authorizing the Secretary of the Interior to issue a patent in fee to Richard James Brown;

H. R. 631. An act authorizing the Secretary of the Interior to issue a patent in fee to Alice E. Williams Sisk;

H. R. 715. An act for the relief of Aenny Blank;

H. R. 737. An act for the relief of Judith Leone Banks;

H. R. 740. An act for the relief of John Reginald Leat;

H. R. 888. An act for the relief of Mrs. Johanna Hampton;

H. R. 895. An act for the relief of Dr. Giuseppe Mazzone;

H. R. 896. An act for the relief of Mrs. Clara Raffloer Droesse;

H. R. 964. An act authorizing the Secretary of the Interior to issue a patent in fee to Percival H. Glenn;

H. R. 1120. An act for the relief of William Yinson Lee;

H. R. 1268. An act for the relief of Dr. Jiri Liska;

H. R. 1415. An act for the relief of Gabriele Glido Falvo Citrigno;

H. R. 1431. An act for the relief of Tetsuko Hidaka;

H. R. 1593. An act for the relief of Charles E. Maulden;

H. R. 1613. An act to amend section 2883 (d) of the Internal Revenue Code, as amended by Public Law 446, Eighty-first Congress.

H. R. 1676. An act for the relief of Elizabeth Sabow;

H. R. 1746. An act to amend subdivisions (d) and (e) of section 58 of the Bankruptcy Act, approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 1791. An act for the relief of Joe Tortolini;

H. R. 1799. An act for the relief of Bella and Archie Kennison;

H. R. 1840. An act for the relief of Bernard Spielmann;

H. R. 1844. An act for the relief of Capt. William Greenwood;

H. R. 1854. An act for the relief of Maria Roza Tarnowska;

H. R. 1910. An act for the relief of Henry Kolish;

H. R. 2084. An act relating to the treatment of powers of appointment for estate and gift tax purposes;

H. R. 2107. An act for the relief of Edward M. Chapman, Roland P. Davis, and the Fidelity & Casualty Co. of New York;

H. R. 2284. An act for the relief of Ethel Martha Quinn;

H. R. 2310. An act for the relief of Jindrich (Henri) Nosek and Mrs. Zdenka Nosek;

H. R. 2349. An act authorizing the Secretary of the Interior to issue a patent in fee to certain allottees on the Crow Indian Reservation;

H. R. 2363. An act for the relief of Mr. and Mrs. Emil Sbarbari, Edna Perfetti, and Anthony Perfetti;

H. R. 2372. An act for the relief of Michael Post-Posniakoff and Zinaida Post-Posniakoff;

H. R. 2396. An act to amend chapter 213 of title 18 of the United States Code;

H. R. 2453. An act for the relief of John R. Harris;

H. R. 2746. An act to amend section 2883 (b) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress;

H. R. 2785. An act for the relief of Kimi Hatano;

H. R. 2852. An act for the relief of Quen Meo Gee, also known as Loui Siu Lin;

H. R. 2853. An act for the relief of Shizue Sakurada;

H. R. 2854. An act for the relief of Dorothy Fumie Maeda;

H. R. 2924. An act to amend section 4164 of title 18, United States Code, relating to conditional release of Federal prisoners;

H. R. 3033. An act authorizing the Secretary of the Interior to lease certain land in the State of Montana to the city of Poplar and in the county of Roosevelt, Mont.;

H. R. 3063. An act for the relief of Rosina Mouradian;

H. R. 3133. An act for the relief of Chin Yuen Ling, minor, unmarried Chinese child of a United States citizen;

H. R. 3141. An act for the relief of Evelyn Reichardt;

H. R. 3215. An act to authorize the sale of certain allotted land on the Crow Reservation, Mont.;

H. R. 3216. An act authorizing the Secretary of the Interior to issue a patent in fee to Lulu M. Whitebear;

H. R. 3576. An act to amend the Displaced Persons Act of 1948, as amended;

H. R. 4338. An act to extend the time for completing the construction of a toll bridge across the Delaware River near Wilmington, Del.; and

H. R. 4393. An act to extend for 2 years the period during which free postage for members of the Armed Forces of the United States in Korea and other specified areas shall be in effect.

HOUSE BILLS REFERRED

The bill (H. R. 4473) to provide revenue, and for other purposes, was read twice by its title, and referred to the Committee on Finance.

LEAVE OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. MORSE was excused from attendance on the sessions of the Senate today and tomorrow.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. O'CONOR, and by unanimous consent, the Committees on Armed Services and Foreign Relations, sitting jointly, were authorized to meet this afternoon during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators may be permitted to make insertions in the RECORD, introduce bills and joint resolutions, present petitions and memorials, and transact other routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORT ON MUTUAL DEFENSE ASSISTANCE PROGRAM (H. DOC. NO. 179)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States:

Pursuant to the provisions of Public Law 329 (81st Cong., 1st sess., 63 Stat. 714), I submit herewith the third semiannual report on the mutual defense assistance program, covering the period from October 6, 1950, to March 31, 1951.

During the 6 months covered by this report, United States shipments of military equipment and materials to free nations were more than three times as great as during the whole first year of the program. This assistance, together with training programs and help directed toward increasing military production abroad, has not only strengthened our friends in a material sense, it has strengthened their morale and their determination to resist aggression. The combined defense effort of the free world has in effect just begun, but there is good reason for encouragement at its progress.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 25, 1951.*

REPORT OF NATIONAL ADVISORY BOARD ON MOBILIZATION POLICY—COMMUNICATION FROM THE PRESIDENT

The VICE PRESIDENT. The Chair has received, in his capacity as Vice President, a communication from the President, which the clerk will read.

The legislative clerk read the communication, as follows:

THE WHITE HOUSE,
Washington, June 22, 1951.

The Honorable ALBEN W. BARKLEY,
The Vice President of the United States, Washington, D. C.

MY DEAR MR. VICE PRESIDENT: I have received the attached report from the National Advisory Board on Mobilization Policy, which I am forwarding for the information of the Congress.

This is an especially timely report, because two pieces of defense legislation—the tax bill and the Defense Production Act amendments—are about to be considered by the Congress. The Board naturally did not concern itself with the details of this legislation. But I should like to call the attention of the Congress to the main conclusion stated by the Board. The Board unanimously concluded that during the past year "the dangers confronting our national safety and economic stability have in no sense diminished, and that consequently the Congress should as rapidly as possible complete consideration of and take action

upon pending legislation relating to the national emergency." The Board unanimously concluded also that "such action as the Congress may take should be for a long enough period of time—which means at least a year—so that the planning and execution of the mobilization program may not be fatally harassed by prolonged Nation-wide uncertainty concerning national policy."

I most heartily endorse these conclusions. We do need rapid action by the Congress, and legislation of at least a year's duration—I have recommended 2 years—in order to carry forward our defense mobilization effort successfully.

I should like to add one point which did not come within the Board's considerations. I have been considerably distressed by some provisions in the defense production bills reported by the Senate and House Banking and Currency Committees. These provisions take the easy way—to relax controls and hope for the best—which is extremely dangerous. All of us should realize that we are in a hard, tough fight with inflation in this country—just as we are in a hard, tough fight with aggression in Korea. A relaxed, soft attitude is an invitation to disaster.

I recommend most strongly that the defense production bills be strengthened by the Congress, so that we can build the defenses of our country without undermining the standard of living of our people or weakening the American dollar.

Very sincerely yours,

HARRY S. TRUMAN.

The VICE PRESIDENT. The communication from the President, together with an accompanying letter from the Director of the Office of Defense Mobilization and a statement approved by the National Advisory Board on Mobilization Policy, will lie on the table; and, without objection, the letter and statement will be printed in the RECORD.

The letter and statement were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
OFFICE OF THE DIRECTOR,
Washington, June 22, 1951.

The PRESIDENT,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: At the request of the National Advisory Board on Mobilization Policy, I am transmitting herewith two copies of the statement, dated June 20, 1951, as approved by the Board at its last meeting on Tuesday, June 19.

In voting his approval of this statement, Mr. Philip Murray requested the record to show that in his opinion the statement does not go far enough in making specific recommendations to you or to the Congress with reference to implementation of the mobilization program.

Respectfully yours,

CHARLES E. WILSON.

To the President.
From the National Advisory Board on Mobilization Policy.

Very recent events—both military and economic—have brought to the fore an issue of central importance: Whether we shall continue in full force or relax the mobilization efforts which were commenced in response to the new Communist aggression of a year ago.

Important legislation bearing directly upon this issue is now pending in the Congress. We, as members of the National Advisory Board on Mobilization Policy, have varying views on some specific details of program and policy. But we are unanimous in the view that the dangers confronting our national safety and economic stability have in no sense diminished, and that consequently the Congress should as rapidly as possible complete consideration of and take action upon pending legislation relating to the national emergency.

We feel also that the mobilization program could not proceed effectively in the state of uncertainty which would be caused by an indefinite extension of basic mobilization legislation now up for renewal. While we do not all agree as to all the details of the pending legislation, we are unanimously in agreement, not only that action must be speedy but also that such action as the Congress may take should be for a long enough period of time—which means at least a year—so that the planning and execution of the mobilization program may not be fatally harassed by prolonged Nation-wide uncertainty concerning national policy.

The job of building America's strength is not solely or mainly a Government undertaking—even in time of stress. It depends for full success upon using the experience and training of every sector of the economy. It depends upon a full clarification of purposes, so that those who participate in the workings of a free economy—workers, businessmen, farmers, and consumers—will put their own shoulders to the wheel.

Our greatest asset in meeting the dangers now confronting us is to mobilize in full, without delay or uncertainty, the potential unity and unshakable will of the people of the United States. Consequently, the Board presents—unanimously—these agreed upon general principles which may help to promote that unity and strengthen that determination.

NO TIME TO RELAX

The President has said recently that we face three great dangers—aggression, inflation, and relaxation. The third of these dangers vitally affects the other two. For only by relaxation could we lose in the fateful world struggle between freedom and slavery. If we maintain vigilance and resoluteness, the superior resources of the free nations assure the ultimate triumph of freedom.

We must not relax for even a moment in building up our armed strength. The recent successes of the United Nations' forces in Korea should not blind us to the reality of the power and purposes of the Soviet Union. That power has not been impaired, and those purposes have not been altered, by anything which has thus far occurred. Relentlessly the Soviet Union, backed by enormous reserves of manpower and material, is continuing to expand its armed might and to foment discontent in every area that it can reach. Until that power is reduced, or those purposes altered, the threat to civilization is still on the march.

We believe that this threat can be removed without a third world war, but only if we persist in our hopeful purpose to make the free world strong enough to maintain its honor and security without war. Each success in a limited military engagement will make our prospects brighter, if it does not lead to premature relaxation. But if these limited successes should cause us to lower our guard, we shall have fallen into the very trap set for by our main opponent.

The Advisory Board cannot determine the appropriate size of our military expansion. That must be left to the trained judgment of experts, subject as they must always be in a democracy to civilian authority. The Board, of course, does not favor the development of a military machine in excess of our genuine needs, for such an effort might fall of its own weight. Our defense effort should also guard against waste of any kind. But in the absence of perfect judgment, it is safer that our preparation be a little too large rather than a lot too small. The test, in any event, should be the true requirements for national security. We believe that our economy with intelligent policies can support, and that our people with full information will sustain, whatever defense program the realities of the world crisis impose upon us. We have carried, without permanent impairment to our economy, much larger defense efforts than any now contemplated.

Since our immediate defense goals have been established, it is essential that we build toward them with utmost speed.

We are the strongest Nation on earth, but we are not strong enough to stand alone. We must not relax in our efforts to join our strength with that of our allies. Both military and economic aid should be continued. Despite slenderer resources, our allies in return can furnish us with many supplies which are not sufficiently available here. Our large export program cannot be carried safely in the long run without measures to increase imports also, on a selective basis compatible with our needs. The Board welcomes the increasing efforts now being made to evaluate how and where the combined resources of the free peoples may be used most efficiently in the common cause.

Our strength does not rest upon arms alone. We must broadcast and demonstrate by our deeds the righteousness of our cause to the countless millions, on every continent, who stand at the crossroad of decision between totalitarianism and democracy.

The other free peoples of the world know as well as we do that our ability to bear our fair share of the load, no matter how good our intentions, depends ultimately upon the strength of our economy. We must not relax it our efforts to keep our economy strong and to make it stronger.

THE IMPORTANCE OF MORE PRODUCTION

To remain strong, our economy must be stable. But it cannot be stable by standing still. The record of our economic progress is a record of productive growth. Maybe this Nation does not excel all others in knowledge of the secrets of stabilization. But we are unequaled in knowledge of the secrets of production.

The mobilization effort has already developed a well-conceived strategy and program for the expansion of production. The expansion programs and incentives should be carefully administered; but they are too vital to be subjected to loose or careless criticism. As the military take becomes larger, increasing attention must be given not only to producton but also to the programs which affect the distribution of materials and manpower. It is encouraging that there is now under way some further tightening up and simplification of the governmental machinery for the programing of competing needs and the determination of relative priorities. It is increasingly necessary to strike a careful balance, not only between the production expansions programs and the consumer goods programs, but also among different types of production programs. For example, it is necessary to make sure that manpower and materials are made available for industrial facilities, transport equipment, and agricultural production in accord with a well-balanced and constantly reviewed program.

We should press forward, through every available means, to clarify and popularize our main production and supply targets and the means for their attainment. This will strike a responsive note in the hearts and minds of the American people. It will place major emphasis, not upon what we must do without, but rather upon what we must and can do. It will show that the task ahead, while hard indeed, is well within our range. It will provide the surest foundation for national unity.

There is no room for the fear that the expansion of our productive capabilities now will burden us with more than we can use when the emergency is over. We must have confidence in our ability, when the time comes, to beat our swords back into plowshares, and to translate the abundance achieved in time of stress into still higher standards of living when the stress is over. We did this after World War II; we can do it again when durable peace has been achieved.

The test of fire through which we passed in World War II demonstrated the prime importance of production. It also demonstrated our power to lift production to the level of our need. We were forced to divert 12,000,000 of our finest manpower and a great portion of our other resources from the production line to the battle line. Nonetheless, we accomplished miracles of production in factory and field. During the war years, we expanded out total output—not just measured in dollars but in real goods—by about 15 percent each year. By 1944, at the peak of the war production effort, the annual rate was about 75 percent higher than when we commenced that effort. In consequence, although by 1944 our military programs and aid to our allies were absorbing about as much output as the total output in our economy in 1939, we had enough left over to supply the home front well. We maintained excellent standards of living; and we also made large quantities of manpower and materials available for the maintenance and expansion of our productive tools and equipment.

In view of the indefinite duration of the task now confronting us, it is equally or even more important than during World War II to bear in mind the three parts of our job—defense expansion, enlargement of our producing capacity, and civilian supply. To do the whole job well obviously requires the expansion of total production. Our available resources for this purpose are even greater than during World War II. Although we start now with less slack in the economy, this is more than compensated for by the fact that we are contemplating the diversion of a much smaller portion of our total manpower and materials to military and related programs.

If we operated now under the same forced pressure as we did during World War II, it is entirely within the range of possibility that we could expand our total production over the next few years as much as we did between 1940 and 1944. But the timing of our effort should be adjusted to the nature of the contest, and it would not now be desirable to operate under as high pressure as we did then. Nonetheless, even under a more temperate program, it is conservative indeed for us to set out to increase our total productive output by 5 to 7 percent a year. Certainly, with a far smaller defense burden, and consequently with more resources available at home, we can well undertake to expand our economic strength at about half the pace we did during World War II.

With this rate of expansion, the burden of a defense program of any given size will grow relatiyely lighter rather than heavier from year to year. If a general war is avoided, this will enable us gradually to reduce or eliminate some of the controls which we do not like in peacetime. Most important of all, this enlargement of our economic strength will also enlarge our security by making us better able to cope with any new international difficulties that might arise.

For these reasons, the task of economic mobilization extends far beyond making available to the Armed Forces the manpower and materials which they require. That must come first, but, in addition, we must utilize as efficiently as possible the vast bulk of manpower and materials which will be left over, even as the military program is being served. This is the reservoir upon which we must draw to expand production and thus become still stronger.

The expansion of production depends, first of all, upon manpower. Through voluntary methods, we must provide incentives adequate to expand the number of people seeking employment even faster than the population grows. We must develop improved programs of training and guidance so that workers will move toward the jobs where they are most needed. We shall also need—at least in certain industries—to encourage the trend toward a longer workweek—somewhere between the current workweek and the workweek during World War II.

The expansion of production depends also upon higher productivity. Employers and workers, in cooperation, can make great joint contributions toward higher productivity. Gains in productivity depend also upon improved tools and equipment and better methods. In addition, to expand production sufficiently, there is need for enlarged capacity at many vital points in the economy.

Thus, the expansion of production depends a great deal upon what part of our immediately available resources of manpower and materials we use to produce goods and services for immediate consumption, and what part we use to expand productive capacity and to improve tools and equipment. We must and can well afford to maintain an abundant flow of goods for immediate consumption. But some short-run restraints upon consumption to enable us to build up our productivity and productive capacity will benefit the entire Nation in the long run—just as some restraints upon consumption to build up our necessary Armed Forces will benefit all in the long run.

This dynamic program of expanding our productive strength does not mean that we can afford to allow all types of production to go forward indiscriminately at breakneck speed. Just as some types of excessive consumption must be restrained, many nonessential, deferable, or wasteful types of production must be curbed. If we tried to do more of everything than our resources permit, inflation would get entirely out of hand.

The programs of Government must also be subjected to this selective process. Many public programs, suitable for normal peacetime, must be reduced or postponed because we do not have the resources to do everything at once. But there are some governmental programs, other than the military, which are an essential part of the build-up of our total strength. They need to be continued and, in some cases, enlarged.

PROTECTION AGAINST INFLATION

While the expansion of production along sound lines is vital, this alone will not check inflation in the short run. In the first place, even with heroic efforts, production could not be increased enough in the next year or two to counteract fully the rapid expansion of the defense program. In the second place, some of the necessary programs to expand production add to inflationary pressures in the short run, because they utilize manpower and materials before they enlarge the flow of supplies. And third, the entire productive activity of the economy generates income for both business and consumers, while only that part of total production which is not absorbed by the defense program and other international programs is available for business and consumers to buy.

The Advisory Board believes that the recent "lull" in inflationary pressures has been subject to some misinterpretation. A brief faltering in a general inflationary movement has several times in recent years been succeeded by a more powerful upsurge, even under circumstances when the underlying factors making for more inflationary pressures have been far less compelling than they are now.

Despite developments in some sectors of the economy which have attracted much attention, such as the recent "price wars," the total economic situation is very tight. Utilization of current capacity is at the highest levels, and unemployment at the lowest levels, since World War II. On top of this, we face the inescapable necessity of doubling the rate of defense outlays before the middle of next year. This will be accompanied unavoidably by a swelling of incomes of almost all kinds as general expansion continues. Unless the spending of these incomes is kept approximately in line with the available supply of goods, inflationary forces would take command of the situation.

The Board has wide contacts with representative opinion in all parts of the country and in every walk of life. It is our judgment that the inflationary pressures ahead of us are greater than any that we have encountered since the new situation was created a year ago. Under these circumstances, the relaxation of concern about inflation would be no less an error than the relaxation of concern about the world menace of Communist aggression because of our recent successes in Korea.

We do not make this statement to produce alarm. Irrational alarm can itself contribute to inflation. But it would do no good for us to soft-pedal facts which are apparent to all, or to close our eyes to trends which are in process whether we talk about them or not. In fact, nothing would do more to encourage inflation than a public feeling that those in positions of responsibility were unaware of the dangers or unready to meet them. On the other hand, the factors making for more inflation will be much reduced by public realization that all those who are able to act mean business in the war against inflation.

If protection against inflation is kept the first order of business on the home front, the effort can succeed. Viewed in their entirety, the programs thus far undertaken to control inflation have produced substantial results. But the greater inflationary pressures which are in prospect cannot be contained with weaker measures. Stronger and even more effective measures are needed.

The basic cause for inflation is the pressure of excessive demand upon an inadequate supply of goods. Therefore, until supplies can be sufficiently increased, the basic remedy for inflation is to cut down on the excessive demand. Proposed remedies which overlook this fundamental fact are superficial.

There is no single remedy or panacea for inflation. If the whole job were attempted through taxation alone, the taxes would have to be so heavy as to cripple initiative and stifle production. The same consequences would result if the remedy was sought through credit contraction alone. Instead, a variety of measures must be used in sensible combination. Such a combination is in fact a more moderate approach than doctrinaire reliance upon a single device.

While a variety of measures is needed to combat inflation, they are not all of equal importance. The most important approach is to put the affairs of the Federal Government on a pay-as-we-go basis, because otherwise the Government itself is pouring excess purchasing power into the economy and is thus contributing to the inflation.

This pay-as-we-go policy requires constant scrutiny of public outlays including defense outlays, the deferment of nonessential programs, and economy in the use of personnel. This is entirely consistent with recognition that the military programs are not the only ones which add to our national strength.

But even with rigorous economies, it is apparent that defense outlays must be in-

creased far more rapidly than other outlays can be contracted. Consequently, taxes must be raised further if the first and foremost step is to be taken toward controlling inflation.

The Board cannot undertake at this stage to recommend the details of a tax program. In any such program, a balance must be struck between maintaining adequate incentives and raising sufficient revenues. All taxes are unpleasant, but we feel that additional taxes sufficient to keep the defense program on a pay-as-we-go basis, if distributed soundly among various types of taxes, would accomplish the major purpose of reducing inflationary pressures without preventing the accomplishment of our production objectives.

The burden of national defense is borne by the people whether or not we tax ourselves to cover the cost. Taxation is a fairer and safer way of covering the cost than price inflation. In view of the certainty of a large and growing deficit without increased taxes, it is safer to take the tax action now than to wait for the deficit to appear. Even a temporary surplus for a short period of time would reduce the strain upon the more direct controls until production can be further expanded.

The holding down of excessive consumer and business credit is another effective means of restraining inflation. The flexible adjustment of consumer credit regulation to changes in the economic situation has proved useful several times since World War II. In view of the unequal impact of this type of regulation upon different income groups, some of whom are more dependent than others upon credit terms for their purchases, the consumer credit controls should be kept under constant administrative review. Drastic changes in inventory situations should also be watched carefully. But it would be highly undesirable to remove or limit the existing authority to utilize this flexible device. The inflationary expansion of bank credit seems to have been noticeably reduced by a Nation-wide voluntary program which has been initiated under the general supervision of the Federal Reserve Board.

The general management of the national debt has important bearing upon interest rates and upon business credit, and consequently upon the whole economy. The recent efforts to reconcile the sound management of the national debt with some restraint upon inflationary private credit should be welcomed, although it is too early to weigh the results accurately. However, the size of the national debt and the recurrent problem of huge Treasury financing operations must be taken into account in dealing with this problem.

The allocation of materials in short supply, supplemented by limitation on nonessential use, is one of the most effective and direct means of cutting down on some types of inflationary business activity. On the other hand, experience indicates that a vigorous allocations program increases the inflationary strain at some points, and consequently this necessary tool is only one among many required for an effective anti-inflationary program.

Direct controls of prices and wages are at best supplementary methods for helping prevent the inflationary gap from becoming larger, until it can be closed by the more fundamental remedies which reduce excess purchasing power and increase production. So long as direct price and wage controls remain in use, the practical objective should be to seek to operate them in accord with these general principles:

First, the price and wage controls are not a substitute for a sound tax policy to put the defense effort on a pay-as-we-go basis, or a substitute for the other indirect measures which involve less interference with the myriad details of economic activity.

Second, those operating price and wage controls need widespread public cooperation based upon full understanding and general support.

The main requirement for this public understanding and support is a price and wage policy which exhibits firmness and relative simplicity. Such a policy would help the public to understand that there is cogency in what is being done, and that each new action is not based solely on expediency. This cogent policy should recognize that public acceptance, justice, and the terms of the Stabilization Act require that due consideration be given to achieving maximum production, that regulations be generally fair and equitable, and that necessary steps be taken to prevent or correct hardships or inequities.

Consistent with a cogent policy based upon the foregoing considerations and demonstrably fair in its application to all groups, considerable scope should be allowed for the operations of the free market, business judgment, and collective bargaining. Only in this way can the requirements of a prolonged emergency be reconciled with the unique efficiency and dynamic character of our economic system.

Price and wage stabilization policy should also bear in mind the production objectives for an expanding economy. Expanding production, which requires the addition of new workers to the labor force and overtime work, and which also requires adequate incentives, will result in additions to the income stream greater than any attainable increases in the availability of civilian goods.

For this reason, all of the stabilization measures thus far discussed need to be reinforced by a vigorous and effective savings campaign. It is estimated that, for effective stabilization, the rate of personal savings needs to be increased greatly between now and the early part of next year. The recent trend in this direction should be accelerated by a rapid stepping up of efforts at every level to encourage savings through systematic efforts. In addition to the customary types of sales of savings bonds, voluntary plans should be developed at the collective bargaining level to divert into savings rather than into the immediate spending stream some of the wage increases which, even under an effective stabilization program, will be necessary for equitable reasons and to assure maximum production.

The Advisory Board has formulated these views on the inflationary danger because we are deeply impressed by the urgency of the current situation. The troubled decade since 1940 has subjected the United States economy to a number of inflationary movements, and we cannot afford to tolerate another of even greater potential size than any witnessed thus far. More inflation would play havoc with our defense efforts, jeopardize our international strength, and threaten our whole domestic economy. Building on what has already been accomplished, we must set out firmly with the courageous conviction that economic stabilization is an imperative which can be achieved. We are hopeful that this presentation of our views will help to bring before the public some improved understanding of the great problems confronting us and of the means available to a free people for their satisfactory solution.

Respectfully yours,

David W. Brooks, William H. Davis, Marion B. Folsom, William Green, Dechard A. Hulcy, George Houk Mead, George Meany, Philip Murray, Herschel D. Newsom, John Lord O'Brian, James G. Patton, Paul Porter, Claude A. Putnam, Walter P. Reuther, Samuel Abbot Smith, Robert B. Taylor, *Members, National Advisory Board on Mobilization Policy.*

ORDER OF BUSINESS

Mr. McCARRAN. Mr. President, I have conferred with the Senator from South Carolina [Mr. MAYBANK] who has charge of the defense production bill. I have a statement I wish to make, which I believe to be of vital importance at this hour. I am going to ask unanimous consent that I may be permitted to make it. It will require about 12 or 14 minutes.

The VICE PRESIDENT. Would the Senator from Nevada be willing to permit the Senate to conclude the transaction of routine business, so that Senators will not have to wait with that until the Senator has concluded?

Mr. McCARRAN. Yes, Mr. President. Following the conclusion of the routine business, I shall suggest the absence of a quorum. I should like to have a quorum present when I make my statement.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Kings County Council Ladies' Auxiliary, Jewish War Veterans of the United States, Brooklyn, N. Y., relating to the public housing program; to the Committee on Appropriations.

A statement in the nature of a memorial from the Nueces County Property Owners Association, Corpus Christi, Tex., remonstrating against the enactment of legislation to extend rent controls; ordered to lie on the table.

AUTOMOTIVE EXCISE TAXES—RESOLUTION OF SOUTH DAKOTA STATE GRANGE, HURON, S. DAK.

Mr. CASE. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the South Dakota State Grange, at its annual meeting in Huron, S. Dak., protesting against proposed increases in Federal automotive taxes.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

SOUTH DAKOTA STATE GRANGE RESOLUTION OPPOSING PROPOSED INCREASES IN FEDERAL AUTOMOTIVE EXCISE TAXES

Whereas the Congress of the United States has before it a proposal to increase Federal automotive excise taxes from 1½ cents to 2 cents a gallon on gasoline and from 7 to 10 percent on the manufacturers' list price on new automobiles, and an increase on trucks, truck trailers, busses, and auto parts and accessories from 5 to 8 percent; and

Whereas automobiles, trucks, tractors, and gasoline-powered farm machinery are essential to farmers, and as their cost of operation would be greatly increased by these proposals; and

Whereas increasing these Federal automotive excise taxes will add to the cost of living and inflationary influences already at work, and will further increase costs for all farmers: Now, therefore, be it

Resolved, That the South Dakota State Grange officially oppose any increase in Federal automotive excise taxes; and be it further

Resolved, That Senators and Representatives in Congress from South Dakota be furnished copies of this resolution to present to the proper congressional committees.

Adopted at the annual State Grange meeting in Huron, S. Dak., on June 9, 1951.

C. G. BELL,
Master, South Dakota State Grange.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary, without amendment:

S. 1028. A bill for the relief of Mrs. Lou Wong Shong Ngon (Rept. No. 475);

S. 1414. A bill for the relief of the E. J. Albrecht Co. (Rept. No. 476);

S. 1562. A bill for the relief of Harvey Marden (Rept. No. 477);

H. R. 598. A bill for the relief of Sonja Lohmann and her minor son (Rept. No. 478);

H. R. 1899. A bill to amend section 2 of the act entitled "An act to incorporate the National Society of the Daughters of the American Revolution" (Rept. No. 479);

H. R. 3002. A bill for the relief of George H. Whike Construction Co. (Rept. No. 480);

H. R. 3708. A bill for the relief of Mrs. Goldie Weiner (Rept. No. 481); and

H. R. 4165. A bill for the relief of A. D. Woods Rept. No. 482).

By Mr. McCARRAN, from the Committee on the Judiciary, with an amendment:

S. 367. A bill for the relief of Kay Adel Snedeker (Rept. No. 483); and

S. 1365. A bill to assist Federal prisoners in their rehabilitation (Rept. No. 484).

By Mr. McCARRAN, from the Committee on the Judiciary, with amendments:

S. 880. A bill for the relief of Ann Lamplugh (Rept. No. 485).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

S. 1704. A bill to amend section 9 of the Shipping Act, 1916, relating to transfer of vessels documented under the laws of the United States to foreign citizens, and for other purposes; without amendment (Rept. No. 486).

By Mr. WHERRY (for Mr. ECTON), from the Committee on Interior and Insular Affairs:

H. R. 629. A bill to authorize the sale of certain allotted land on the Blackfeet Reservation, Mont.; with amendments (Rept. No. 487).

By Mr. GEORGE, from the Committee on Finance:

H. R. 315. A bill to liberalize the service pension laws relating to veterans of the war with Spain, the Philippine Insurrection, or the Boxer Rebellion, and their dependents; without amendment (Rept. No. 488);

H. R. 1072. A bill to amend the existing law to provide the privilege of renewing expiring 5-year level-premium-term policies of United States Government life insurance; without amendment (Rept. No. 489);

H. R. 3193. A bill to establish a rate of pension for aid and attendance under part III of Veterans Regulation Numbered 1 (a), as amended; without amendment (Rept. No. 490);

H. R. 3549. A bill to modify eligibility requirements for payment of pension to certain widows of veterans of the Civil War, Indian wars, and Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection; without amendment (Rept. No. 491); and

H. R. 4000. A bill to amend subsection 602 (f) of the National Service Life Insurance Act of 1940, as amended, to authorize renewals of level-premium-term insurance for successive 5-year periods; without amendment (Rept. No. 492).

ASSESSMENT WORK ON CERTAIN MINING CLAIMS—REPORT OF A COMMITTEE

Mr. O'MAHONEY. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably an original bill relating to assessment work on certain mining claims, and I submit a report (No. 471) thereon.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

The bill (S. 1726) to change the date for the beginning of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska, from the first day of July to the first day of November and to extend the time during which annual assessment work on such claims may be made for the year beginning July 1, 1950, to the first day of November 1951, reported by Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, was read twice by its title and ordered to be placed on the calendar.

CITATION OF GEORGE S. MAY FOR CONTEMPT

Mr. O'CONOR. Mr. President, from the Special Committee To Investigate Organized Crime in Interstate Commerce, I report favorably an original resolution citing George S. May for contempt of the Senate, and I submit a report (No. 472) thereon. I ask unanimous consent for the immediate consideration of the resolution.

There being no objection, the resolution (S. Res. 159) was considered and agreed to, as follows:

Resolved, That the President of the Senate certify the report of the Special Committee To Investigate Organized Crime in Interstate Commerce of the United States Senate as to the refusal of George S. May to answer a series of questions before the said special committee, together with all the facts in connection therewith, under the seal of the United States Senate, to the United States attorney for the District of Columbia, to the end that the said George S. May may be proceeded against in the manner and form provided by law.

CITATION OF ROCCO FISCHETTI FOR CONTEMPT

Mr. O'CONOR. Mr. President, from the Special Committee To Investigate Organized Crime in Interstate Commerce, I report favorably an original resolution citing Rocco Fischetti for contempt of the Senate, and I submit a report (No. 473) thereon. I ask unanimous consent for the immediate consideration of the resolution.

There being no objection, the resolution (S. Res. 160) was considered and agreed to, as follows:

Resolved, That the President of the Senate certify the report of the Special Committee To Investigate Organized Crime in Interstate Commerce of the United States Senate as to the refusal of Rocco Fischetti to answer a series of questions before the said special committee, together with all the facts in connection therewith, under the seal of the United States Senate, to the United States attorney for the District of Columbia, to the end that the said Rocco Fischetti may be proceeded against in the manner and form provided by law.

CITATION OF MURRAY L. HUMPHREYS FOR CONTEMPT

Mr. O'CONOR. Mr. President, from the Special Committee To Investigate Organized Crime in Interstate Commerce, I report favorably an original resolution citing Murray L. Humphreys for contempt of the Senate, and I submit a report (No. 474) thereon. I ask unanimous consent for the immediate consideration of the resolution.

There being no objection, the resolution (S. Res. 161) was considered and agreed to, as follows:

Resolved, That the President of the Senate certify the report of the Special Committee To Investigate Organized Crime in Interstate Commerce of the United States Senate as to the refusal of Murray L. Humphreys to answer a series of questions before the said special committee, together with all the facts in connection therewith, under the seal of the United States Senate, to the United States attorney for the District of Columbia, to the end that the said Murray L. Humphreys may be proceeded against in the manner and form provided by law.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation five lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 1723. A bill for the relief of Abdul Ghani, Abdul Karim, Baro Khan, Hamid Khan, Irfan Khan, Lal Khan, Lal Khan, Lookman Ali, Mohamed Kahn Fazil Din, Mohammed Thuna Khan, Nona Mish, Rang, Razul Khan, Waris Miah, and Yaqub Mohamed; to the Committee on the Judiciary.

By Mr. WILLIAMS:

S. 1724. A bill for the relief of Elina Branlund; to the Committee on the Judiciary.

By Mr. GILLETTE:

S. 1725. A bill to protect the public with respect to the practice of the law, by those other than duly licensed attorneys and counselors at law, before the United States Government departments, bureaus, commissions, and agencies and in the United States tax courts; to the Committee on the Judiciary.

S. 1726. A bill to change the date for the beginning of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska, from the first day of July to the first day of November and to extend the time during which annual assessment work on such claims may be made for the year beginning July 1, 1950, to the first day of November, 1951; ordered to be placed on the calendar.

(See the remarks of Mr. O'MAHONEY when he reported the above bill, which appear under a separate heading.)

By Mr. McMAHON:

S. 1727. A bill for the relief of Haig, Zabelle, Louise, and Gene Gulbenkian; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 1728. A bill for the relief of Teresa Leopando Lucero Nelson and her minor son, Luis Vicente Lucero; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 1729. A bill to remove the present limitation on the filling of vacancies occurring after July 1, 1951, in temporary housing under the jurisdiction of the Administrator of the Housing and Home Finance Agency; to the Committee on Banking and Currency.

S. 1730. A bill to authorize the acquisition by exchange of certain properties within Death Valley National Monument, Calif., and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1731. A bill for the relief of Rhee Song Wu; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. BENTON, Mr. DOUGLAS, Mr. LEHMAN, Mr. MAGNUSON, Mr. MORSE, Mr. MURRAY, Mr. NEELY, and Mr. PASTORE):

S. 1732. A bill to prohibit discrimination in employment because of race, color, religion, or national origin; to the Committee on Labor and Public Welfare.

S. 1733. A bill to declare certain rights of all persons within the jurisdiction of the United States, and for the protection of such persons from lynching, and for other purposes; to the Committee on the Judiciary.

S. 1734. A bill outlawing the poll tax as a condition of voting in any primary or other election for national officers; to the Committee on Rules and Administration.

S. 1735. A bill to strengthen the Federal Government machinery for the protection of civil rights; to the Committee on the Judiciary.

S. 1736. A bill providing relief against certain forms of discrimination in interstate transportation; to the Committee on Interstate and Foreign Commerce.

S. 1737. A bill to amend and supplement existing civil rights statutes; and

S. 1738. A bill to protect the right to political participation; to the Committee on the Judiciary.

S. 1739. A bill to strengthen the laws relating to convict labor, peonage, slavery, and involuntary servitude; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HUMPHREY when he introduced the above bills, which appear under a separate heading.)

By Mr. MAGNUSON:

S. 1740. A bill for the relief of Tom Tateki Iriye; to the Committee on the Judiciary.

By Mr. McCARRAN (by request):

S. 1741. A bill for the relief of Samuel A. Wise; to the Committee on the Judiciary.

By Mr. STENNIS:

S. 1742. A bill to provide appropriate lapel buttons for parents of members of the Armed Forces who lost their lives in the armed services of the United States during World War I or during the period of Korean hostilities; to the Committee on Armed Services.

By Mr. LEHMAN:

S. 1743. A bill for the relief of Altoon Saprichian;

S. 1744. A bill for the relief of Dr. Albert Haas; and

S. 1745. A bill for the relief of Paciencia Liagan; to the Committee on the Judiciary.

By Mr. UNDERWOOD:

S. 1746. A bill for the relief of Baron Fred Alexander D'Osten-Sacken; to the Committee on the Judiciary.

By Mr. O'CONOR (for himself, Mr. KEFAUVER, Mr. HUNT, Mr. TOBEY, and Mr. WILEY):

S. 1747. A bill to permit the compelling of testimony under certain conditions and to grant immunity from prosecution in connection therewith; to the Committee on the Judiciary.

(See the remarks of Mr. O'CONOR when he introduced the above bill, which appear under a separate heading.)

By Mr. O'CONOR (for himself and Mr. TAFT):

S. 1748. A bill to amend section 32 of the Trading With the Enemy Act, as amended, with reference to the designation of organizations as successors in interest to deceased persons; to the Committee on the Judiciary.

(See the remarks of Mr. O'CONOR when he introduced the above bill, which appear under a separate heading.)

ORGANIZED CRIME IN INTERSTATE COMMERCE

Mr. O'CONOR. Mr. President, on behalf of myself, the Senator from Tennessee [Mr. KEFAUVER], the Senator from Wyoming [Mr. HUNT], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Wisconsin [Mr. WILEY], members of the Committee to Investigate Organized Crime in Interstate Commerce, I introduce for appropriate reference a bill to permit the compelling of testimony under certain conditions and to grant immunity from prosecution in connection therewith, and I ask unanimous consent that a statement by me be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 1747) to permit the compelling of testimony under certain conditions and to grant immunity from prosecution in connection therewith, introduced by Mr. O'CONOR (for himself and other Senators), was read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. O'CONOR is as follows:

STATEMENT BY SENATOR O'CONOR

The bill carries out another important recommendation made in the third interim report of the committee, filed in the Senate on May 1, 1951.

This bill relates to the privilege against self-incrimination conferred on witnesses by the fifth amendment to the Constitution of the United States. For more than 50 years the courts have held that this privilege can be modified and the witness compelled to testify when his testimony is deemed important enough to warrant immunity from prosecution for any crime revealed in the course of such testimony. Committees of Congress and more than 20 administrative and quasi-judicial agencies now have statutes which make it possible for them to confer immunity and elicit testimony from witnesses notwithstanding this privilege against self-incrimination. Yet, curiously, the principal law-enforcement agency of our Government is unable to do the same thing in the course of ordinary grand jury investigations and criminal prosecutions. This situation came to the attention of the committee many times in the course of its investigation and has been noted by the Attorney General himself on numerous occasions.

The bill which I am introducing today is the result of full cooperation between the committee staff, Department of Justice officials, and other interested persons, and is designed to put Federal prosecuting officers on a parity with other investigative and enforcement officials in this respect. It will operate to confer full Federal immunity upon any witness before a court or grand jury who, after pleading his privilege, is ordered to give testimony or produce records which might otherwise be incriminating to him.

Since the operation of this proposed law, applying as it does to all Federal cases, will be very widespread, and since its application in each case involves a balance of the public interest between immunizing a criminal to prosecution and eliciting his testimony, it was felt that the immunity should be conferred on a discretionary basis rather than automatically. The proposed law, therefore, provides for its use in any particular case only after the Attorney General has made a finding that such action is in the public interest.

AMENDMENT OF TRADING WITH THE ENEMY ACT, RELATING TO DESIGNATION OF ORGANIZATIONS AS SUCCESSORS TO DECEASED PERSONS

Mr. O'CONOR. Mr. President, on behalf of myself and the Senator from Ohio [Mr. TAFT], I introduce for appropriate reference a bill to amend section 32 of the Trading With the Enemy Act, as amended, with reference to the designation of organizations as successors in interest to deceased persons, and I ask unanimous consent that an explanatory statement by me be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 1748) to amend section 32 of the Trading With the Enemy Act, as amended, with reference to the designation of organizations as successors in interest to deceased persons, introduced by Mr. O'CONOR (for himself and Mr. TAFT), was read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. O'CONOR is as follows:

STATEMENT BY SENATOR O'CONOR

One of the problems arising as an aftermath of World War II, particularly in Europe, is the disposition to be made of that considerable amount of property as to which there are no claimants because the owners and their prospective heirs have died in concentration camps or elsewhere.

There were bills introduced both in the Eightieth and Eighty-first Congress regarding the disposition of such property, with particular respect to its utilization in the United States for relief and rehabilitation purposes. These bills passed the Senate on the Consent Calendar and in the Eighty-first Congress the bill which reached the floor of the House (S. 603) was approved with certain minor amendments, by the House Interstate and Foreign Commerce Committee. Objected to on the Consent Calendar it was never granted a rule by the House Rules Committee and, therefore, died with the Eighty-first Congress. In essence, the bill was predicated on the principle that the property of those who had been persecuted should not be used by this Government for war claims against the governments which persecuted the owners of such property. In accordance with this principle, it has been possible for nearly 4 years for an individual thus persecuted to be able to obtain his property by entering the proper claim.

There is a large amount of property, however, for which there are no claimants and it is this so-called heirless property which, under the bill I am submitting, would be turned over to successor organizations, to be designated by the President and its proceeds to be used for relief and rehabilitation.

For different types of property different successor organizations could be designated, as for instance a Catholic successor organization for Catholic persecutees, the JRSO, for Jewish persecutees, etc. The procedures outlined in the bill are quite simple and provide merely for a presumption of heirlessness where no claim has been filed for a period of 2 years after vesting of the property.

A top limit of $3,000,000 was inserted in the legislation in the House Interstate and Foreign Commerce Committee in order to

meet the objections that there was no predictable limit to the amount which might be returned under this legislation. According to the best estimates obtainable at this time it is expected that the actual amount which could be claimed would be somewhere in the neighborhood of $2,000,000.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS, 1952—REENGROSSMENT OF SENATE AMENDMENTS

Mr. MAYBANK. Mr. President, I submit a concurrent resolution providing for the reengrossment of the Senate amendments to the bill (H. R. 3880) making appropriations for the Executive and Independent Offices for the fiscal year 1952, and I ask unanimous consent for its present consideration.

There being no objection, the concurrent resolution (S. Con. Res. 35) was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed to reengross the amendments of the Senate to the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1952, and for other purposes; and to reengross Senate amendment No. 79 so as to read as follows:

"(79) On page 25, line 23, strike out '$875,163,335' and insert '$873,105,770'."

EXTENSION OF DEFENSE PRODUCTION AND HOUSING AND RENT ACTS—AMENDMENTS

Mr. McCARRAN submitted an amendment intended to be proposed by him to the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, which was ordered to lie on the table and to be printed.

Mr. LEHMAN submitted amendments intended to be proposed by him to Senate bill 1717, supra, which were ordered to lie on the table and to be printed.

Mr. CAPEHART submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. FERGUSON submitted amendments intended to be proposed by him to Senate bill 1717, supra, which were severally ordered to lie on the table and to be printed.

Mr. IVES (for himself and Mr. CAPEHART) submitted amendments intended to be proposed by them, jointly, to Senate bill 1717, supra, which were ordered to lie on the table and to be printed.

Mr. DIRKSEN submitted amendments intended to be proposed by him to Senate bill 1717, supra, which were severally ordered to lie on the table and to be printed.

Mr. O'MAHONEY (for himself, Mr. SPARKMAN, and Mr. FULBRIGHT) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

AMENDMENT OF TARIFF ACT OF 1930—AMENDMENT

Mr. CASE submitted an amendment intended to be proposed by him to the bill (H. R. 2192) to amend section 313 (b) of the Tariff Act of 1930, which was ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. UNDERWOOD:

Address entitled "The Farm Program Succeeds—Tobacco Sets an Example," delivered by him, at the meeting of the Burley Auction Warehouse Association, in Louisville, Ky., June 18, 1951.

By Mr. WILEY:

Address entitled "Restoring Bipartisan Foreign Policy," broadcast by him from Radio Station WGN, Chicago, Ill., June 23, 1951.

By Mr. LEHMAN:

Remarks by the Ambassador from India, Madame Vijaya Lakshmi Pandit at Girard Point Landing, Philadelphia, Pa., June 19, 1951, on the departure of the first shipment of food grains to India.

By Mr. MUNDT:

Editorial entitled "If Truman Had His Way," published in the Jackson (Miss.) Daily News, and reprinted in the Southern Weekly.

By Mr. MAGNUSON:

Statement of travel of State Department personnel during the year 1950 to the Mediterranean and North African and the European and Baltic Sea areas, with letter of transmittal dated June 22, 1951, from W. K. Scott, Deputy Assistant Secretary, Department of State, to Honorable EDWIN C. JOHNSON, chairman, Committee on Interstate and Foreign Commerce, United States Senate.

By Mr. MAGNUSON (for Mr. MURRAY):

Letters in opposition to the proposed deepening of the upper Missouri River Basin channel to 9 feet.

By Mr. BENTON:

Two articles written by Jack Gould and published in the New York Times of June 24 and June 25, discussing the effect of television on the living habits of the American people, which appears in the Appendix.

ANTIRELIGIOUS NATURE OF COMMUNIST IDEOLOGIES

Mr. O'CONOR. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement prepared by me relative to further religious persecutions by Soviet-dominated countries.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR O'CONOR

The venom of communism's leaders against any moral force which might question their despotic and unjust actions, revealed so shockingly to the world in the case of Josef Cardinal Mindszenty, is being disclosed again from two centers of Communist activity.

And once again the whole Christian world has been alerted to the basic antireligious nature of the Communist ideologies.

In one Russian satellite country, Hungary, where the grossest abuse of justice was employed to jail and discredit Cardinal Mindszenty before the world, a Hungarian court again has gone through the mockery of a trial. This time it was directed against the person of Archbishop Joseph Groesz, the highest ranking member of the Hungarian Catholic Hierarchy, and the successor in office to Cardinal Mindszenty, imprisoned Primate of Hungary.

The pattern of these alleged trials is too well known to the world, from the publicity attendant upon the so-called conviction of His Eminence Josef Cardinal Mindszenty, and more recently in the much publicized Vogeler case, to require any comment. That the Communist leadership has felt it necessary to go through such a mockery again is proof conclusive, if such a proof were needed, that despite all the efforts of their godless leaders to drive out from the hearts of their enslaved subjects the love of God and regard for morality, there efforts have failed.

Along the same pattern are the restrictions which have been placed upon Bishop James E. Walsh and other personnel of the Catholic Central Bureau in Shanghai, following their usual denouncement as tools of imperialism. Having known Bishop Walsh and his family intimately for many years, and in the conviction borne of such intimate knowledge that there is no more moral or priestly gentleman to be found anywhere in the world, the inescapable conviction is that it is his religion, and the moral force represented by Christians everywhere, which is being attacked by the Chinese Communists in the persons of Bishop Walsh and his associates.

In the name of Christianity and of the members of the Christian faiths everywhere, our Government should protest vigorously against such indefensible attacks upon Archbishop Groesz and Bishop Walsh. They must seek to impress upon the responsible officials, as they did in the Mindszenty case, that the whole world looks with horror upon such evidence of hatred towards that Christian morality which is the lone force which despots cannot overcome.

ORGANIZATION OF AIR FORCE AND DEPARTMENT OF AIR FORCE

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 1726) to provide for the organization of the Air Force and the Department of the Air Force, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LONG. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. HUNT, Mr. BYRD, Mr. STENNIS, Mr. SALTONSTALL, and Mr. KNOWLAND conferees on the part of the Senate.

REVISIONS IN TITLES I THROUGH IV, OFFICER PERSONNEL ACT OF 1947

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 4200) to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LONG. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. STENNIS, Mr. BYRD, and Mr. FLANDERS conferees on the part of the Senate.

PROTECTION AGAINST MISBRANDING, ETC., OF FUR PRODUCTS AND FURS

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its dis-

agreement to the amendment of the Senate to the bill (H. R. 2321) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JOHNSON of Colorado. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. JOHNSON of Colorado, Mr. MCFARLAND, Mr. MAGNUSON, Mr. BREWSTER, and Mr. CAPEHART conferees on the part of the Senate.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

The VICE PRESIDENT. Under the order of the Senate of June 21, the unfinished business, Senate bill 719, is temporarily laid aside for the consideration of Senate bill 1717.

The Senate proceeded to consider the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. McCARRAN obtained the floor.

CALL OF THE ROLL

Mr. McCARRAN. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Green	Monroney
Bennett	Hayden	Moody
Benton	Hendrickson	Mundt
Brewster	Hennings	Neely
Bricker	Hickenlooper	Nixon
Bridges	Hill	O'Conor
Butler, Md.	Hoey	O'Mahoney
Butler, Nebr.	Holland	Pastore
Cain	Humphrey	Robertson
Capehart	Ives	Russell
Carlson	Jenner	Saltonstall
Case	Johnson, Colo.	Schoeppel
Chavez	Kem	Smith, Maine
Clements	Kerr	Smith, N. J.
Connally	Kilgore	Sparkman
Cordon	Knowland	Stennis
Dirksen	Langer	Taft
Douglas	Lehman	Thye
Duff	Long	Tobey
Dworshak	Magnuson	Underwood
Eastland	Maybank	Watkins
Ellender	McCarran	Welker
Ferguson	McCarthy	Wherry
Flanders	McClellan	Wiley
Frear	McFarland	Williams
Fulbright	McKellar	Young
George	McMahon	
Gillette	Millikin	

Mr. McFARLAND. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Wyoming [Mr. HUNT], the Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Montana [Mr. ECTON], the Senator from Massachusetts [Mr. LODGE], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Oregon [Mr. MORSE] is absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

KOREA AND COMMUNIST INTERNATIONAL BRIGADE

Mr. McCARRAN. Mr. President, the war in Korea may still be regarded by some as a police action. But it has been going on for a year now, and in that year it has so vitally involved the lives and destinies of so many American men, that there can no longer be any doubt that this conflict, solely from the standpoint of the persons involved, closely concerns millions of our cities, the friends or loved ones of the boys who are doing the fighting. Of course, from the standpoint of its impact upon our economy, and its implications for our national future, this conflict gravely concerns America as a Nation, and every American, as a citizen.

At the end of last week, some words were tossed on the air by Mr. Malik, a representative of Soviet Russia, which have been interpreted by some as holding out hope for peace in Korea, on the basis of a negotiated settlement. The hope for peace is uppermost in all hearts today, and so it is a natural inclination to try to read into this latest Russian move some measure of real sincerity, some solid promise for the future of a troubled world. But, Mr. President, though I, too, earnestly desire peace, though I dislike being a bearer of bad tidings, or playing the mourner at the feast, nevertheless I feel it my duty to the Senate and to the people of America to call attention to a situation which exists in the Far East today, which has many troublesome implications, a situation which must be taken into account in our consideration of any proposal for a negotiated truce in Korea.

I think the people of America have a right to know about this, without any obscuring diplomatic indirections, because they have a right to know what we are up against, and a right to make their voices heard for or against any course of action our Government may be contemplating, which affects the lives of our fighting men. I think it is better that our people should have the plain truth about this situation, now, in an announcement from an American source, rather than learn of it later in some manner controlled or inspired by Soviet sources, and skillfully colored for the best possible propaganda effect.

The situation I refer to, Mr. President, is the existence of a Communist international brigade in the Far East.

Such a brigade has been formed. It exists. Its avowed purpose is to support the Korean War and liberate Japan.

This international brigade includes contingents from 10 different nations, as well as from Red China.

These contingents are from the Soviet Union, Outer Mongolia, the former Japanese Kwantung Army, North Korea, Poland, Hungary, Czechoslovakia, Lithuania, Estonia, and Latvia.

This Communist international brigade was formed pursuant to orders from Moscow, to carry out a plan conceived in Moscow. It is commanded, at the top, by Soviet Russian generals, with three or four high-ranking officers from Red China, two or three from Outer Mongolia, and one from North Korea.

This is not a token force. It comprises more than half a million men. It includes infantry, armored units, artillery, cavalry, an air force, and services of supply; and it even has naval units, consisting largely of Soviet Russian submarine squadrons.

The infantry of this international brigade includes Red Chinese, North Koreans, sixty or seventy thousand Japanese from the former Japanese Kwantung Army, and at least four divisions of Soviet Russian infantry.

Armored units of this Soviet international brigade include tank divisions from Red China, North Korea, Outer Mongolia, Japan, and the Soviet Union, using almost entirely tanks manufactured in Russia, but with some lighter tanks made in Japan.

Cavalry units included in this Communist international brigade include divisions from Red China and Outer Mongolia.

Artillery in this international brigade includes units from Soviet Russia, Red China, North Korea, Poland, and Czechoslovakia, and also some Japanese.

The table of organization of the air force of this international brigade includes more than 2,000 aircraft, including some 500 jet airplanes. Pilots from the Soviet Union will handle the jets, as well as a substantial number of the other aircraft; but pilots from Red China, North Korea, Japan, and Poland are also included.

Latvia, Lithuania, Estonia, and Hungary have supplied, or have been directed to supply, medical, logistic, and technical units, which, with supply units from Poland, North Korea, Red China, and the Soviet Union, will make up the services of supply of the Communist international brigade in the Far East.

The idea for this Communist international brigade was conceived in Moscow in the late spring or early summer of 1950. The plan was worked out as a top-secret project; and Chou En-lai, the Red Chinese Premier, got his orders with respect to the project when he visited Moscow in September of last year. Chou had a hard time selling the project to the elder statesmen of his own party after he returned to China; and Soviet Russia finally had to send one of its top-ranking military officers to Peiping to put on the pressure. In order to get the Chinese Communists to accept Russian orders with respect to the project, Moscow agreed that arms and equipment for the Communist international brigade would be contributed by the Soviet Union, Czechoslovakia, and Poland; and

that the international brigade would be set up as an independent combat unit, rather than under the command of the Soviet far-eastern army area, as originally considered. However, orders from Moscow set up the chain of command and appointed all top personnel. The international brigade officially came into being toward the end of February of this year, with headquarters at Mukden, in Manchuria, its headquarters being the former National Northeastern University, just outside Mukden to the north.

As I have indicated, the avowed purpose of the Communist international brigade was and is to support the Korean War and liberate Japan. The brigade had and has, however, other tasks and objectives. Among them, it is to serve as the garrison force of Manchuria. That is important, because it means, in effect, that the Chinese Communists gave up their direct control over Manchuria, by virtue of having placed the whole body of Chinese Communist armed forces in Manchuria under the direct command of the Soviet general commanding the international brigade. In the same manner, the Chinese Communists relinquished to the international brigade numerous air bases in Manchuria and North Korea. All that the Soviet Union transferred to the new international brigade command were small forces stationed at Port Arthur and at Dairen.

The Soviet Army was the model for the plan of organization of the Communist International Brigade. This means that divisions, regiments, and battalions of the Communist International Brigade are set up approximately twice the size of similar units in the Chinese Communist Army. The International Bridgade has adopted the policy of avoiding mixed nationalities in individual units, retaining each national contingent as a separate unit; but, of necessity, nationalities are mixed in units of division size and larger, and in the air force.

The Communists made quite an affair out of the activation of the Communist International Brigade. The turning over of command to the Soviet general who headed the brigade was made the subject of a ceremony, which was carefully planned for its effect, both at the time, and as subsequent propaganda. This ceremony was personally attended by Mao Tse-tung, Chu Teh, and Chou En-lai, among a group of Chinese Communist officials. Mao Tse-tung, in addition to representing Red China, also represented the Central Executive Committee of the Comintern. The Soviet ambassador to Communist China was there, as was the Soviet ambassador to North Korea, and also the ambassadors and military attachés of Poland, Czechoslovakia, Hungary, and Outer Mongolia. Also present were Kim Il-sung, of North Korea, and Ulan Musa, of Outer Mongolia.

Apparently the formal activation of this Communist International Brigade, at the end of February, was followed within a month or 6 weeks by the actual activation of the unit as a force in being. Most of the units called for by the tables of organization of the Communist International Brigade are actually physically present in Manchuria and operating under discipline as a part of the brigade. For instance, Lithuanian and Estonian medical units have been in Mukden as a part of the brigade since sometime prior to about the 1st of April of this year.

It would be an interesting intellectual exercise to attempt to draw a parallel between the formation of this Communist International Brigade in the Far East and the formation of an international brigade in Spain in connection with the so-called Spanish civil war. However, while there are some similarities in the two cases, there are also some differences, as I am sure my colleagues will recognize; and I am not sure there are any clear conclusions to be drawn from such a comparison.

The formation of this Communist International Brigade undoubtedly was intended by the Communists to have not only a practical military value, but also a very substantial propaganda value, through dramatizing what the Communists call the struggle of the free world—by which the Communists mean the Soviet-dominated world, Soviet Russia and her Communist satellites—and the "slave world"—by which the Communists mean all the rest of us.

Undoubtedly, it has been the plan of the Communists to attempt, sooner or later, to capitalize upon the existence of this international brigade in an effort to show that the war in Korea was not a matter of the United Nations fighting Communist China, or Communist China and North Korea combined, but was in fact a case of an international effort, joined in by various nations, not only Asiatic but also European, to resist what the Communists choose to characterize as the "aggression" of the United States and her allies.

The fact is, of course, that the very existence of this Communist International Brigade is a threat to Korea and the United Nations forces there, is a threat to our position in Japan, and is a threat to world peace.

Possibly the Communists will consider that the disclosure of the existence of this international brigade, as a result of my remarks here today, is premature. It may be that what I have said here may have the effect of reducing in some measure the propaganda value of this Communist International Brigade from the Communist standpoint. If that is so, I shall not be sorry. On the other hand, I think we should recognize the possibility that the Communists may decide to let go with their propaganda barrage, now that the existence of the international brigade has been publicly made known to the Western World; or they may even hold up the propaganda offensive until some later date which they consider more suitable. Whatever may happen in that connection, I have felt that I should lay these facts before the Senate, and before the people of America.

The important thing now, as I see it, is not the present or future propaganda value or effect of this Communist International Brigade, but rather the impact of its existence upon any so-called peace proposal, and the question of the good faith in which such a proposal may have been made.

Television has taught many of us that when a wrestling villain advances across the ring with his hand outstretched in a gesture of friendliness and sportsmanship, the crowd cries "No, no," as a warning to his opponent that, in all probability, the outstretched hand is only intended to lull suspicion, or is in fact the opening move in some tricky plan for fouling the opponent. Perhaps in time we shall also learn that international diplomacy, as carried on by the Communists, is certainly no less devious than professional wrestling, nor conducted on the basis of a more honorable code.

INTRODUCING CIVIL RIGHTS LEGISLATIVE PROGRAM

Mr. HUMPHREY. Mr. President, once again I stand before this great democratic body, the United States Senate, to make a plea for an end to discrimination against American citizens because of their race, religion, color, or national origin. Again I ask the Congress for action on a legislative program for human rights, and I humbly join with a distinguished array of my colleagues in presenting such a program.

I do this today for a reason. I do this today rather than tomorrow or last month or a week from now because it is essential to dramatize, in every way we know how, the historic importance of the anniversaries which this day represents. One year ago today the Communist forces of North Korea invaded the Republic of South Korea.

Ten years ago today the first national Fair Employment Practices Committee came into existence by Executive order of our late President, Franklin Delano Roosevelt.

The relationship between these two events is an important one for us to understand. This relationship affects the very roots of our national security.

We have been drawn into a global struggle against the communistic and totalitarian forces of Stalinism. All over the world, from central Europe through the Near East and into Asia, we stand opposed to a ruthless group of men who espouse doctrines denying the dignity of men and their right to develop to the best that is within themselves. The North Korean attack on South Korea, on June 25, 1950, represented an attempt by the totalitarian world to begin its program of world conquest by the use of force. Our support through the United Nations in resisting the Communist invaders in Korea has symbolized our resolve to resist Communist attack wherever it may occur. Thus, on both the military and political fronts, we stand as opponents of Communist aggression. However, it is on the political or in a more comprehensive sense, the ideological front that we are weakest. The conflict with Stalinism is not merely of a military character. Equally important, it is political or ideological in nature. Ideologically, as the great protagonists of democracy and freedom, we stand opposed to those doctrines which enslave and reduce men to mere machines. We

believe in the inherent dignity and worth-whileness of man, that man is an end in himself, that only in a genuinely free society can man attain his true nature. We believe that, given equality of opportunity each individual irrespective of color, religion, national origin, or race, can realize his true self. These are the great values for which we are currently engaged in the struggle against communism.

Yet, while we may be winning the conflict in military terms, I believe—and this is a view supported and confirmed by the observations of many—that we are losing ground on the ideological front. We are in danger of losing the political and ideological fight for many reasons, but I believe that the most important of them lies in the fact that there are occasional practices at home which conflict with the values in which we believe and which we are trying to spread abroad.

Newspapermen, travelers, and others who have visited many areas of the world report that communism at present has its greatest appeal in those areas of the world inhabited by dark-skinned peoples. These areas—Africa, the Near East, Southwest Asia, Asia itself—house two-thirds of the world's population, a population which, in the main, is non-Caucasian. Needless to say, China is already gone and sections of southeast Asia may be on the way.

To these people our exhortations about democracy and equality of rights seem hollow and empty; they are not taken seriously. How can they be? They point to the peoples of dark skin such as Negroes, Oriental-Americans, Mexican-Americans, Indians, and others who all too often are treated as second-class citizens right here in the United States. They do not have equality of opportunity—for jobs, for education, for medical care, for housing. While much has been done in the past decade to guarantee these rights to all Americans, there is much that has yet to be done. The extent to which these things are not done does irreparable harm to our international policy.

Soviet propagandists point daily to the discrepancies between the American theory of democracy and its practice at home. I have been analyzing the kind of information about the United States brand of democracy which Soviet broadcasters beam daily to all areas of the world, and I should like to bring some of these items to the attention of my distinguished colleagues.

Thus in a broadcast last October to India in Hindustani, Moscow radio stated that there is "a world of difference between the Soviet Republics and the imperialistic republics. The imperialist republic is designed to conceal the rule of the imperialists and to suppress the common people. In America, most Negroes cannot participate in elections. According to the laws of the Soviet Republics, all adult citizens can participate in elections and the opportunity is offered to all citizens to take part in social, economic, and political activities."

This is the kind of "news" that the Kremlin dins daily into the startled ears of those whom we hope to have as our friends. We know this propaganda is a gross exaggeration, but nevertheless, it is effective.

The lack of equality of rights accorded to our Negro citizens has furnished the Soviet propaganda machine with valuable and effective items. In news stories circulated in the Soviet Union, Czechoslovakia, Eastern Germany, Hungary, and China, there is a steady repetition of the lowly status of our Negro citizens. For example, in an item circulated in Czechoslovakia on March 14, 1951, the Soviet-controlled news agency stated:

> In the United States a person who has black skin cannot forget that he is a Negro. He is continually reminded of his race and in various ways: from the warning of the train conductor that the coach for Negroes is in the rear; to the poster on the church which says that services are reserved to whites; from election booths protected by white gangsters to prevent the admission of members of an inferior race; to the factory which has no jobs for colored people; from the judge who proceeds according to the unwritten law of Negroes always being guilty; to the masked Ku Klux Klan members who with rifles and whips put into practice the theory of alleged white supremacy.

While these statements are distortions, particularly because they leave the wholly false impression of unbridled discrimination in America, nevertheless the fact that discrimination against our colored citizens exists at all, makes it difficult for the United States to refute absolutely the statements made by the Moscow radio.

I should like to mention another development in Soviet propaganda techniques since the Korean war. Negroes, according to Soviet releases, are being used "as cannon fodder in this Korean adventure." In an article disseminated in Czechoslovakia on March 14, 1951, entitled "United States Negroes do not intend to fight for MacArthur," the Soviet-controlled press alleged that—

> Even on the battlefields of Korea, Negro soldiers feel that they belong to an oppressed and persecuted race, although President Truman cunningly promised them that in Korea they would be equal to whites. The United States imperialists know that they placed in MacArthur's mercenary army an excessive proportion of Negroes. As the old Romans used mostly members of conquered peoples in their wars of expansion, as Hitler put the armies of his allies on the most dangerous sectors of the eastern front, the rulers of America of today use "allies" and "inferior colored races" to gain mastery in the Far East and to enslave the people of China and Korea. They husband their white men and send instead to the Korean front an excessive number of Negroes.

The United States has used Negro troops, according to the same report, for another reason: to hide from the colored far-eastern peoples the repelling fact of United States imperialism and feign unity and concord of all races in the freest nation of the world. The black skin of the wretched victims who have been ordered into MacArthur's army serves as a camouflage for the colonial character of the expedition against the people of Korea. By playing on the Negro question in this utterly falacious manner, the Soviet propaganda is directed toward creating disunity within this country and toward breaking up the unity of the free world which includes many countries with non-Caucasian populations.

Do some persons protest that this is merely Soviet propaganda and worthy of no respect because it lies? All right. But while these examples which I have just cited may appear farfetched and incapable of acceptance, I should like to indicate to my distinguished colleagues in the Senate that this kind of Soviet propaganda is not without considerable success. Not so long ago I had an opportunity to talk with an Indonesian friend. He questioned the fact that the United States was a democracy. "After all," he said, "were there not 486 lynchings in the United States in 1949? Did not white mobs exploit and hunt down colored men?" I pointed out that there had been only three lynchings in the United States in that year, that the figure which he cited was much exaggerated, and that this small number reflects in reality the extensive progress we have made in this country toward civil rights for all. But I had to admit to myself that my answer was not at all what I should have liked it to be, that even one lynching was one too many, and that its commission impairs our position as the great leader of democracy and freedom.

Sometime later, in talking to a man from Nigeria, educated in Cambridge, England, I was amazed to hear the same query, down to the exact number of lynchings mentioned by my Indonesian friend. The use of the identical number made me realize the effectiveness of the Communist propaganda blared out into those areas of the world inhabited by dark races.

There was another angle to the comments made to me by the Nigerian which I believe is of significance. To him the lack of equality of opportunity in the United States for colored peoples was only one aspect of American attitudes toward all colored peoples everywhere in the world. The United States, he said, regards colored men as peoples it can exploit, and to carry out this program the United States has become the greatest imperialist power in the world. It is bent on preserving the status quo of colonialism and imperialism in Africa, the Near East, and southeast Asia. The United States, in the view of this man from Nigeria—and mind you, a highly-educated person—has no genuine interest in supporting social and economic change in Africa and Asia. It desires only to exploit as it exploits at home, so goes the propaganda.

Soviet propaganda has done an effective job of putting American democracy on the defensive. It seems to me a sad commentary that Americans have to be apologetic for the weaknesses in our great democracy, that so far we have been unable to face the Soviet propaganda machine squarely disproving absolutely the statements which it makes.

Unfortunately the charges of discrimination can be validated even by visitors to this country. There are many people from all over the world who come to

this great land to study, to see what makes America a world leader. All are impressed with America's industrial strength, its material power and wealth, and its scientific approach to the solution of man's conflict with nature. They visit our mammoth river projects—the TVA and Hoover Dam; they tramp through our gigantic automobile factories in Detroit; they learn of the tremendous advances in atomic energy production, and in the fields of medicine, sanitation, child and health care.

People everywhere respect, honor, and accept America's great leadership in the field of science and technology. Here we are strong. We can and do face the world with pride and assurance.

In the area of self-government, of representative government, we again set the pace—lead the field. We have proven our ability to govern and to maintain a strong economy. People everywhere respect America for its political organization and processes.

But democracy is more than achievement, more than material progress, more than elections and government. Democracy is essentially a faith of freedom, of equality, of human dignity, and brotherhood.

It is the spirit of democracy that we need to strengthen. That spirit has been the victim of a lingering and stubborn infection which saps our strength. I refer to the infection of discrimination. This is the skeleton in our closet. Our enemies have exposed it. They parade our sin before the world.

To people stirred with the spirit of nationalism, seeking to establish their own independence as free and equal people and nations, human relations are paramount. Acceptance as equals is the prerequisite to friendship.

A basic criterion for leadership is that leaders must set an example of righteousness and benevolence if they are to expect support. Only by proper behavior can they command the allegiance and respect of their followers.

Recently a friend told me about a speech he had just heard an Egyptian make to a large audience. During the question period one of the listeners asked the speaker what he thought of the United States. He replied, "The United States has made great material progress." Period. The implication was clear. A reference to American ideals, values, and democracy was conspicuous by its absence.

To cite another especially pertinent incident. The State Department informs me that not long ago there was in a Nigerian newspaper, published in Lagos, a news report involving a Nigerian citizen named Dr. Obi, with advanced degrees from London and Canterbury, who represented Nigeria at the Foreign Summer Seminary of the Massachusetts Institute of Technology, the International Congress of Mathematicians, and the Congress of Fluid Mechanics at Harvard University in 1950. Here is an able, experienced, educated man. According to the newspaper report, Dr. Obi was refused service in a restaurant on Pennsylvania Avenue in Washington, only a 10-minute walk from the State Department and close to the White House. Our sin of discrimination in this instance, here in the Nation's Capital, severely damaged our prestige abroad and lost us a friend.

There are other incidents like the ones I have brought to the attention of the Senate which make it easier for the Soviet propagandists to demonstrate to the peoples of Africa and Asia whom we want as our friends, that America does not really believe in democracy and freedom for all. At the United Nations in New York, many foreign delegates find it difficult to secure housing because of their color. Indian visitors and students wear their native costumes in the United States largely for the purpose of being recognized as Indians from India so they will not be subject to the humiliation of discriminatory treatment in restaurants and other places.

Those responsible for the conduct of our foreign policy are aware of the danger to our prestige and standing in the world as a result of discriminatory practices in America. In May 1946, speaking for the Department of State, Dean Acheson, who was then Under Secretary of State, said:

> The existence of discrimination against minority groups in this country has an adverse effect upon our relations with countries. An atmosphere of suspicion and resentment in a country over the way a minority is being treated in the United States is a formidable obstacle to the development of mutual understanding and trust between the two countries. We will have better international relations when these reasons for suspicion and resentment have been removed.

Mr. President, I repeat that every visitor to foreign countries who comes back to our country, every representative of our Nation who returns to report to our officialdom, in Congress and in our executive branch, says that our No. 1 problem in the underdeveloped areas of the world is the problem of racial discrimination.

Fortunately, we live in a country where it is possible to institute change by democratic progress. We can make improvements and correct weaknesses in the American society. We do not live in a frozen society where change is due only to the whims of a few. We can establish ourselves as an example of a dynamic, functioning democracy so that our ideas are tested by actual experience.

At no time in the history of the United States has our country been in such a precarious international situation, and at no time in our history has it been so imperative to make America a strong practicing democracy, setting the example for others in the world and earning the loyalty and regard of free men.

I do not cite these stories and examples of Communist propaganda being spread into every village and hamlet of the world where Soviet tentacles can reach for the purpose of acting as an oracle of despair. This would be not only foolish and wrong but would be a disservice to those millions of people in this country who have worked diligently and with towering success to end the menace of discrimination wherever it crops up. Justice for all our brothers—black, white, yellow, red, or brown—is winning in America. And I am overjoyed to stand before this great parliamentary body, so genuinely symbolic of the democracy which is America, to report that the end of discriminatory practices, which have been such a tragic blight on our democracy, is at least in sight.

Mr. President, we spend a great deal of time in America and elsewhere in the world pointing out that the United States is a democratic nation. Let me say right here that there can be no legitimate question that this is a true and accurate statement. America is a great democracy, as any fair and observant person will know who goes into its highways and byways to talk to its people and to observe its activity.

The people of America believe in freedom—believe that all alike should have the opportunity to develop themselves in the manner in which they choose and to the degree which is within them. These are not idle words or false words of half-truth. They are words that reflect the fundamental attitude and deep feeling of those who live within the confines of the United States and who know what it means to be a part of a society which is based on these values. Deep within the individuals who make up our democracy lies a sense of justice which no one who has any understanding at all of what this means can disparage or treat lightly.

Some few years ago the brilliant Swedish social scientist, Gunnar Myrdahl, was responsible for an exhaustive study of precisely this seeming conflict in American values. His conclusion in his book, the American Dilemma, showed a remarkable insight into what America is in terms of values and mores. He showed that there can be no question but that Americans are sincere in their democratic faith. Individually, in informal group, in organizations, in governmental institutions, in the daily activity of individual lives, Americans evidence their basic faith in the democratic way of life.

The inconsistency between the American creed and much of the American practice is what Dr. Myrdahl calls the American dilemma. The American people, he says—all the people north, south, east, or west—have feelings of guilt about the inconsistency of their faith and practice. They are not, however, he continues, a hypocritical people. The inconsistency is not hypocritical because Americans constantly talk about their shortcomings and constantly strive to eliminate them. The American history is one of a relentless effort to harmonize our faith in human brotherhood with practice.

Our humble effort on the floor of the Senate at this time, Mr. President, is an example of that American characteristic.

No objective student of our people can deny that the story of America is one of an expanding democracy opening up new opportunities to more and more of our citizens to take their place as full and equal partners in a free society without discrimination.

We have seen changes take place before our very eyes and within our own

lifetime. These changes have been in our mores, in legislation, and in judicial decisions. We are all aware that this striving for full democracy has become a matter of real concern to all of us. Altogether, organizations representing more than 65,000,000 citizens have gone on record favoring legislation assuring full civil liberties to minorities. These organizations varying in purpose and composition have loaned their name, their time, and their effort to the promulgation of legislation at all levels of Government—Federal, State, and local. Churches of all denominations, veterans' groups, labor organizations, chambers of commerce, civic and community organizations, racial and ethnic groups—all are in the midst of the effort. The platform of each of the major political parties contained planks calling for an end to discrimination and the enactment of civil rights legislation. The voice of the American people is being unmistakably heard.

Our courts are making it possible to end segregation and other forms of discrimination in the field of higher education. Antilynching legislation has been enacted throughout America in recent years, particularly in the South. Twelve cities, for example, in Georgia, North Carolina, Virginia, and Florida have recently passed antimask or anti-cross-burning ordinances. These were in: Wilmington, Hickory, Greensboro, Reidsville, Tarboro, and Raleigh in North Carolina; Claxton, Eatonton in Georgia; and West Palm Beach, Orlando, and Hialeah in Florida; Suffolk, Virginia.

Today, as a result of fair employment practices legislation passed in our cities and States, 50,000,000 Americans, more than one-third of our Nation's population, live in communities which have proclaimed by law their opposition to discrimination in employment. This is a particularly noteworthy fact to mention since we are today commemorating the establishment of the first Federal Fair Employment Practices Committee 10 years ago. As a result of the significant strides made by the first FEPC, there were by the end of 1950, 10 States and 19 municipalities with FEPC laws. I am proud of the fact that during my term of office as mayor of the city of Minneapolis, our community was one of the first to enact FEPC ordinances.

We are today making significant strides in the elimination of segregation in the Armed Forces. In 1948, the President created a Committee on Equality of Treatment and Opportunity in the Armed Services, stating that the policy of the Federal Government was to establish full equality in the Armed Forces. That committee recommended in 1950 the complete integration of minority racial groups in the armed services. I am proud that steps in this direction have already been taken, and are continuing. I commend the leaders of our Armed Forces for the very sensible and forward-looking program which they have inaugurated, which is making steady and noteworthy progress. It remains now for the Congress to act in accordance with the wishes of the vast majority of the people of America. It is only in the Congress, particularly in the Senate of the United States, that the area of civil-rights progress in America is ignored. It is altogether fitting and proper that on this day of commemoration and anniversary, the Senate of the United States may make itself again aware of the need to face up to its responsibilities. In the interest of the continued free existence of our Nation, we must blunt the criticism leveled against our country and, indeed, use our dedication to civil rights as a weapon to turn against the enemies of the free world.

For all these reasons, we have chosen this day to present to the Congress a program for civil rights fully consistent with the traditions and wishes of the American people.

On behalf of myself, the junior Senator from Connecticut [Mr. BENTON], the senior Senator from Illinois [Mr. DOUGLAS], the junior Senator from New York [Mr. LEHMAN], the senior Senator from Washington [Mr. MAGNUSON], the junior Senator from Oregon [Mr. MORSE], the senior Senator from Montana [Mr. MURRAY], the junior Senator from West Virginia [Mr. NEELY], and the junior Senator from Rhode Island [Mr. PASTORE], I introduce a series of bills designed to carry out such a civil-rights program. These are:

First. A bill to prohibit discrimination in employment because of race, color, religion, or national origin.

Second. A bill to protect persons within the United States from lynching.

Third. A bill outlawing the poll tax as a condition of voting in any primary or other election for national officers.

Fourth. A bill to strengthen the Federal Government machinery for the protection of civil rights by establishing a Commission on Civil Rights in the executive branch of the Government; creating a Joint Congressional Committee on Civil Rights; and by reorganizing the civil rights activities of the Department of Justice through establishing a Civil Rights Division in the Department under an Assistant Attorney General.

Fifth. A bill to provide relief against segregation and other forms of discrimination in interstate transportation.

Sixth. A bill to strengthen existing civil rights statutes.

Seventh. A bill to protect the right to political participation, by effectively protecting individuals against intimidation, coercion, and other interferences with the right to vote; and

Eighth. A bill to strengthen the criminal laws relating to peonage, slavery, and involuntary servitude.

I ask unanimous consent that there be incorporated at the conclusion of these remarks brief statements in connection with each of the bills.

Our beloved first lady of the world, Mrs. Eleanor Roosevelt, in September 1949, quoted a famous phrase from the late Thomas Wolfe, ending, "a wind is rising and the rivers flow."

The distinguished American, Mr. Walter White, executive secretary of the National Association for the Advancement of Colored People, used that quotation as the title of a book. There is no doubt in my mind but that a wind is rising in America—a wind that will blow from our shores every particle of the dust of discrimination and then reach in hurricane force spreading the seeds of democracy so that men all over the world can be free.

I send to the desk at this point the series of bills to which I have appropriately referred or mentioned in the course of my remarks. I ask that statements accompanying the bills be printed in the RECORD.

The VICE PRESIDENT. Without objection, the bills will be received and appropriately referred, and the statements will be printed in the RECORD.

The bill (S. 1732) to prohibit discrimination in employment because of race, color, religion, or national origin, introduced by Mr. HUMPHREY (for himself and other Senators), was read twice by its title and referred to the Committee on Labor and Public Welfare.

The statement presented by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY ON S. 1732, TO PROHIBIT DISCRIMINATION IN EMPLOYMENT BECAUSE OF RACE, COLOR, RELIGION, OR NATIONAL ORIGIN

I am particularly proud to propose this bill today, Mr. President, because today is the tenth anniversary of the establishment of the first Fair Employment Practice Committee in the Federal Government. It has been 10 years since this Government went on record in a concrete way with a statement of national policy that there shall be no discrimination in employment because of race, color, religion, or national origin. In historical terms, I suppose 10 years is a very short period of time. But in the fast-changing world in which we live today, 10 years is like forever, especially for those in our society who have lived the days of those years in the seemingly unending reality of discrimination. Today on this tenth anniversary of the first Fair Employment Practice Committee, I call upon this Congress to right the wrongs against the minorities and bring to them the justice which is the basis of our democracy.

We are in a period of national emergency. So far, the emergency has not developed into the seriousness of total war and we all, of course, devoutly hope that total war will never again come to the nations and the peoples of the world. But, unfortunately, hoping is not sufficient to quiet our troubles, nor is it a sufficient defense against those nations that have avowed themselves again and again to be our enemy, and the enemy of all who believe in true democracy.

The knowledge that the Allied democracies are regarded as the natural enemy of those governments which practice the evils of totalitarianism is knowledge that cannot be ignored. While we must be ever alert to peaceful solutions, we must also prepare to defend ourselves and our friends against aggression. We are all agreed that the time for preparation is long since past, and so we hastily draw our forces together in the belief that should attack come, we and our allies can, with God's help, withstand it. We face, however, a serious problem in our effort to strengthen ourselves against totalitarian aggression.

A mere glance at population figures reveals a startlingly serious situation. As of today the Soviet Union has under its direct and indirect domination 752,000,000 people, spreading from Peiping to Berlin. Against this 752,000,000, the United States has a population of 152,000,000. Adding the population of our allies that are bound by mutual defense pacts to join us in the struggle, we can still count on a population of 508,000,000. In sheer numbers of people alone, we are clearly outmatched by the Communist world.

I do not quote these figures to bring unnecessary distress and a sense of futility to the democracies, for the statistics need not mean this. Although the population differential is significant, it does not tell the whole story. Unlike the Soviet Union and its satellites, we are a highly industrialized nation, as are many of our allies, with a power potential far above that of the Soviet Union. At the same time, the manpower of the United States is free manpower with all the advantages that come with freedom. This is an asset that can never be paralleled by regimes which depend on coercion and slavery to achieve their ends.

But the population figures do mean that we must plan the use of our manpower with meticulous care and must employ our labor force as efficiently as we possibly can. We have entered a period of tightening labor supply which is becoming more and more pronounced as defense contracts are let with increasing rapidity. By March of this year, 60,179,000 people were employed. Unemployment dropped from 4,700,000 in February of 1950 to 2,147,000 in March 1951. At the same time the Armed Forces had absorbed more than a million men and were continuing to expand.

During the course of this year, we are going to need a shift of at least 5,000,000 men and women into defense production or into the Armed Forces. This is the estimate of the Labor Department's Defense Manpower Administration. One million of these will go to the Armed Forces to reach the announced goal of 3,500,000, and the other 4,000,000 will have to be shifted into defense production.

Secretary of Labor Tobin assures us that these 4,000,000 workers will be secured and our manpower needs met in this defense period. He says we can turn to the more than 2,000,000 unemployed, to the new workers entering the labor force who are attracted by the good wages in defense production. He counts on more extensive employment of women, of older workers, of handicapped workers, of youth. And he counts on the maximum use of members of minority groups.

But can our manpower resources be stretched even further should the need develop, should there be total war? It is estimated that our 1952 defense program manpower needs will reach 8,500,000 without war. Thousands of men and women are now working at jobs which do not fully use their skills. The President recognized this in his manpower mobilization policy when he called on each individual to "serve in the capacity in which he can contribute most to the total mobilization program." At the same time it is possible to develop more efficient use of manpower through widespread training, upgrading, scientific personnel methods, and progressive handling of labor and human relations.

Consideration of these facts about our labor force, both actual and potential, bring to mind our experience with manpower in World War II when labor supply was short after the unemployed millions were used up. As the supply of labor became tighter, we found that we had to turn to measures never before used in order to assure sufficient supply. We found that we had to assemble statistics on where the manpower in the United States was located and where it was needed. We had to use our United States Employment Service with its 1,700 local offices to guide workers to defense jobs. We had to offer incentives to women to invite their entrance into the labor force. And we had to set up a Fair Employment Practices Committee in order to assure that minority workers would be used efficiently and fairly.

Now we are in a like situation. Labor is short; the international problem is serious; we are in a defense economy. And we are beginning to use much of the equipment and knowledge that we found so necessary and, in fact, indispensable a decade ago when we needed defense manpower. We have agencies collecting, assembling, and analyzing manpower information. We have a public employment service guiding workers to defense jobs. We have the National Security Resources Board acting as the over-all manpower planner. The Department of Defense is recruiting for the Armed Forces. But there is an agency that we lack, that we need, that we once had—a Fair Employment Practice Commission.

We cannot afford to waste manpower in this country any longer. But we are wasting it. Discrimination in employment is a waste. This would seem to be clear merely on the face of it. When a skilled mechanic is unable to assume his rightful place as a member of his craft simply because of his color, the economy suffers. His skill as a mechanic is not utilized, his education and training is wasted, and because he cannot earn he cannot consume the economy's goods. We all know the dire consequences to an economy when its people cannot consume its goods. This I call waste of human resources.

Think of the enormous cost to an area such as we have in the United States where a large segment of the population is thus discriminated against. Responsible estimates have put the total cost of discrimination in America at more than $15,000,000,000 a year. This is not only waste—this is tragedy.

And it may very well be that this is a tragedy that can pay off in the very near future in dividends for the Soviet Union.

There are, of course, other considerations, sociological and psychological, which have been treated exhaustively in the more than 5 years of legislative history on proposed measures similar in content and purpose to the one we are now introducing. When jobs are withheld from a minority group, that group is forced to a lower economic level, to a lower level of health, housing, and education. We know that the average life of the Negro is 10 years shorter than that of the white population. An appalling statistic—one which has within it the pitiful question, "How could this happen in America?" Negro women die three times more often in childbirth than white women. We who dare not estimate the value of a single life should ponder this incalculable cost to our society.

Some persons argue that while the place of minorities in our society is unfortunate, this cannot be changed or alleviated except by education and persuasion. I have no quarrel with the argument tht these are useful devices, and, indeed, our bill relies extensively on the use of investigation, conference, conciliation, and community organization as tools for the elimination of discrimination in the employment field. But these are not sufficient; they are not nearly sufficient.

Many oppose legislation because they say you cannot legislate against intolerance. This is manifestly true. But it overlooks the distinction that while intolerance or prejudice is a state of mind which laws cannot reach, discrimination, such as denying a qualified man the right to earn a living, is a separate act which law can effectively regulate.

Five years ago in its letter of resignation to the President, the wartime Fair Employment Practice Committee stated the need for legislation firmly and clearly. It said:

"Conformity to the national policy of nondiscrimination will come only when fair employment practice legislation has been adopted by the Congress. We recommend, therefore, that you continue to urge upon the Congress the passage of legislation which will guarantee equal job opportunity to all workers without discrimination because of race, color, religious belief, or national origin."

President Truman, in submitting his request to Congress in 1946 for legislation establishing a new FEPC, stated:

"The degree of effectiveness which the Fair Employment Practice Committee was able to attain has shown once and for all that it is possible to equalize job opportunity by governmental action, and thus eventually to eliminate the influence of prejudice in the field of employment."

So too, the President's Committee on Civil Rights, a nonpartisan group of distinguished citizens representing all segments of American life which did as exhaustive and authoritative a study of civil rights practices in America as has yet been done by a public body, recommended the enactment of a Federal fair employment practice act prohibiting all forms of discrimination in both public and private employment.

But would passage of an act such as the one I am proposing really alleviate the problem of discrimination against minority groups in employment? Fortunately, we have actual experience in this country to which we can look for an answer. The experience begins with Executive Order No. 8802, whose anniversary we commemorate today, which was issued on June 25, 1941, by President Roosevelt who stated: "No nation combating the increasing threat of totalitarianism can afford arbitrarily to exclude huge segments of its population from its defense industries."

Executive Order 8802 said in part: "I do hereby reaffirm the policy of the United States that there shall be no discrimination in the employment of workers in defense industries or Government because of race, creed, color, or national origin." The order was to be enforced by the Committee on Fair Employment Practice which was to "receive and investigate complaints of discrimination in violation of the provisions of this order and * * * take appropriate steps to redress grievances which it finds to be valid."

In May of 1943, Executive Order 8802 was followed by Order 9346 which set up the committee as an independent agency in the Executive Office of the President with a full-time salaried chairman and six part-time members from management, labor, and the general public who served without compensation. Fifteen regional and subregional offices located in major industrial centers began active operation.

In the 3 years during which this Committee was in existence, some 8,000 cases were docketed, the largest portion of which originated in the industrialized East. The West came second, the South last in number of cases. After careful screening, two-thirds of the cases were dismissed, either for lack of valid complaint, or because the Committee had no jurisdiction over them. The Committee reported that about 800 employers never knew that they had been charged with discrimination, since FEPC, without notice to them, persuaded the complainants to withdraw their charges for one of the reasons indicated.

It soon became clear that the minority group against whom discrimination was practiced most frequently was the Negro-American. In fact, Negroes filed 80 percent of FEPC complaints. Other minority groups most frequently subjected to discrimination during the war were Jews, Mexican-Americans, and a scattering of religious creeds, as well as Japanese-Americans, aliens, and citizens of recent origin in foreign countries.

The discriminatory practices faced by minority group workers were rated in order of importance as follows: Refusal to hire, unwarranted dismissal, refusal to upgrade, discriminatory working conditions, and refusal to refer qualified workers for employment.

During its most active 2 years, FEPC closed an average of 250 cases each month. What was the result? Some war-plant gates were

thereby opened to minorities hitherto refused admittance. Government and industry were persuaded to advance many minority workers to their established skills. Members of religious sects were permitted to celebrate holy days under arrangements that they would make up the lost war work. A number of newspapers were persuaded to discontinue discriminatory want ads. Many worker groups withdrew their objections to working side by side with minority group members.

In adjusting discrimination cases, the Committee came upon a very interesting and useful fact. It was found that the majority of all discrimination cases could be settled by informal negotiation, when there is a third party in attendance with authority to act if necessary. The Committee, in transmitting its final report to the President, concluded:

"The Committee's wartime experience shows that in the majority of cases discriminatory practices by employers and unions can be reduced or eliminated by simple negotiation when the work of the negotiator is backed up by firm and explicit national policy."

It went on to say that two fundamentally hopeful facts developed out of the Government's efforts to open wartime opportunities to all workers:

"1. Employers and workers abandoned discrimination in most cases where Government intervened.

"2. Once the barriers were down, the workers of varying races and religions worked together efficiently and learned to accept each other without rancor."

The committee did find, however, that there were occasional cases which could not be settled by any amount of persuasion and negotiation. Although few in number, these cases received wide publicity, thus giving the impression that FEPC normally met with unyielding opposition. This wholly false impression was emphasized through the public hearings which were held and the public expressions of defiance by some recalcitrant employers and unions. It was these cases which authority alone could settle.

But final authority was never given to this Federal Fair Employment Practice Committee, and this was its great weakness, a weakness which we propose to correct in our bill. FEPC's unsolved cases show that Executive authority is not enough to insure compliance in the face of stubborn opposition. Those employers and those few unions which successfully defied the national policy of nondiscrimination proved that persuasion must be backed by legislative authority. Legislative authority must provide for an enforceable penalty in order to assure full compliance with the law. As Daniel Webster put it—"A law without a penalty is simply good advice."

But even without enforcement powers and without an adequate budget and sufficient staff, the record made by FEPC proves conclusively, if proof be needed, that the authority of Government can succeed in bringing an end to the blight of employment discrimination. During the war years, Jews, Negroes, and members of other minorities gained a foothold in industries and occupations which previously had been denied them. Although the acute manpower shortage set the stage for these gains, they were in large measure directly attributable to the work of FEPC.

Hundreds of cases disproved the assumption of the inexperienced that it can't be done, that white workers would not work side by side with workers from minority groups. Threats to strike if minorities entered the plant evaporated when responsible employers and unions took firm positions against discrimination.

With the cessation of hostilities and the liquidation of FEPC, it became abundantly clear that the wartime gains made by the members of minority groups in employment were threatened by a revival of discriminatory employment practices. As early as 1947 the Department of Labor's Labor Market Reports showed a widespread tendency on the part of American industry to return to earlier discriminatory practices of last hired, first fired for the member of minority groups.

During reconversion, FEPC made a study of seven war centers, all of which, except Chicago, showed a heavier loss of jobs by Negro than by white workers to accept the lowest paid jobs. The Census Bureau's unemployment rates between July 1945 and May 1946 showed a consistently higher rate of unemployment among Negroes. Negro income, generally lower than white income, took a sharp over-all cut during the year that saw the war's close.

Despite this return to prewar employment practices on the part of many industries, it cannot be accurately said that all the effects of FEPC were short-lived. Undoubtedly the greatest advance, that with long-range effects, was the arousal of the conscience of the Nation against the maintenance of underprivileged racial and religious groups within our own borders.

That the Nation has been aroused is evident when one considers the activity that has been taking place in the field of minority rights since the end of the war.

I have mentioned previously in my introductory remarks some of the accomplishments in the fair employment practices field. But I should like here to analyze them a little more thoroughly.

Private organizations of all kinds and of varied purposes have lent themselves to the promulgation of law—Federal, State, and local—to the end of fair employment practice. Churches of all denominations, labor organizations, veterans' groups, civic organizations, racial and ethnic groups, all have gone on record for a new national fair employment practice act. All together these groups amount to upward of 65,000,000 citizens, after discounting the overlapping of the various organizations.

The organizations have been effective. Fifty million Americans today, or more than one-third of our country's population, live in communities governed by State and municipal FEPC laws. Congress, from the seventy-eighth session on, has been made well aware of the problem by the large number of bills introduced proposing a permanent fair employment practice act. The President has repeatedly urged upon the Congress adoption of civil-rights legislation, including Fair Employment Practices Committee. Through two Executive orders in July of 1948 the President used the powers of his office to realize the objectives of some of his program.

One of the Executive orders, that establishing a policy of nondiscrimination on account of race, color, religion, or national origin within the Federal service and directing the establishment of a Fair Employment Board within the United States Civil Service Commission, followed on the heels of a study of one Government agency by the National Committee on Segregation in the Nations' Capital. In this study samples of Negro and white workers were matched for the variables of age, sex, marital status, educational level, length of services, job title, and grade when inducted.

In April 1947 a check on promotion and resignation for the sample was made. The results were shocking. The whites had received 12 grade promotions in a total service of 22 years. This was an average of one promotion for each two man-years of service. The Negroes had received two grade promotions in a total service of 28 man-years. This was one promotion for each 14 years. In other words, it took the average Negro seven times as long as the average white to get a promotion, in spite of the fact that almost all of the variables which could effect promotion were exactly the same.

To carry out the President's Executive order, the Fair Employment Board has issued instructions requiring each Federal department or agency to designate officers in their department and field offices, vested with full operating responsibility for carrying out the President's fair employment objectives. Under these instructions each department or agency is required to make known the names of these officers to all of its employees.

The second 1948 Executive order established a President's Committee on Equality of Treatment and Opportunity in the Armed Services. The order, in addition to setting up the committee, provided:

"It is hereby declared to be the policy of the President that there shall be equality of treatment and opportunity for all persons in the armed forces without regard to race, color, religion, or national origin. This policy shall be put into effect as rapidly as possible, having due regard to the time required to effectuate any necessary changes without impairing efficiency or morals."

The report of the committee was submitted in 1950 and recommended a complete integration of minority racial groups in the armed services. By the time of the report, steps in this direction had already been taken, and the movement for integration was well underway. This is not to say that there is no room for improvement in the practices of the armed services, for there is much still that must be done to end discrimination there, but the beginning has been made and the policy has been set.

As I have said previously, both houses of Congress have, since 1944, been considering legislation establishing a permanent Fair Employment Practice Commission. Each session new bills are introduced by Members from both sides of the aisle. In the Seventy-eighth Congress, three identical bills were introduced in the House, hearings were held and the House Committee on Labor reported favorably. In the Senate a companion bill was introduced, hearings were held, and a subcommittee of the Senate Committee on Labor and Public Welfare reported favorably. No further action was taken.

In the Seventy-ninth Congress, 13 bills creating a permanent FEPC were submitted in the House. A bill was reported out of committee and referred to the House Committee on Rules which refused to report it. A discharge petition failed for want of sufficient signatures. In the Senate, a bill very similar to the House bill was introduced and reported favorably by committee. This time the bill was called up, but was filibustered for 3 weeks. A vote on cloture was taken and defeated, thus ending discussion of the bill during that Congress.

Even in the great "do-nothing" Congress, the Eightieth, there was some activity on FEPC. Sixteen bills were introduced in the House, but the Committee on Education and Labor failed to take action. Hearings were held by a subcommittee of the Senate Committee on Labor and Public Welfare, and a bill was reported favorably by the full committee. Characteristic of this Congress, no further action was taken.

Certainly no one will forget the Eighty-first Congress on FEPC. Three bills were introduced in the Senate; the committee reported out one and it was called up. For many long memorable weeks the motion to take up the bill was filibustered and, of course, it was filibustered to death, but not before three votes on cloture were taken and defeated. In the House, 10 bills were introduced and, after great effort, one of them passed the House. It did not do so, of course, until it was drastically amended and reduced in effectiveness, but at least we know now that it is within the realm of possibility for Congress to pass a fair employment practice act. The House which is most responsive to the majority will, acted.

Again we stand before this Congress, the Eighty-second, and call for the enactment of a permanent fair employment practice act. I am a hopeful man, Mr. President, I am ever hopeful. But I am a wondering man, too, and wondering leads to astonishment in the case of FEPC legislation, astonishment over the fact that the Congress still hesitates to enact Federal fair employment practice legislation. With the millions of citizens in this country constantly calling for civil rights legislation, with State and local governments throughout the country setting up State and local FEPC's, with the Soviet Union convincing millions of people all over the world that America does not really practice what it preaches, with a serious manpower shortage developing as we get closer and closer to all-out war, still Congress refuses to legislate. I realize full well, Mr. President, that one of the reasons which prevented the Senate from acting during the Eighty-first Congress was the thoroughly undemocratic rule of the Senate adopted early in 1949, called the Wherry Resolution, which made it difficult for the Senate to apply cloture and protect itself against a filibuster. For these reasons I am proud to be associated with the distinguished junior Senator from Oregon, Mr. MORSE, and with the distinguished junior Senator from New York, Mr. LEHMAN, in resolutions to strengthen our rules and allow the Senate to stop a filibuster by a majority vote after full opportunity for reasonable debate.

The rules of the Senate must be changed, but the Senate also must commit itself to the enactment of FEPC legislation with conviction and fiery faith that I have not yet seen in this distinguished hall.

In his State of the Union message of January 5, 1949, President Truman stated to the Congress:

"We in the United States believe that all men are entitled to equality of opportunity. Racial, religious, and other invidious forms of discrimination deprive the individual of an equal chance to develop and utilize his talents and to enjoy the rewards of his efforts.

"Once more I repeat my request that the Congress enact fair employment practice legislation prohibiting discrimination in employment based on race, color, religion, or national origin. The legislation should create a fair employment practice commission with authority to prevent discrimination by employers and labor unions, trade and professional associations, and Government agencies and employment bureaus. The degree of effectiveness which the wartime Fair Employment Practice Committee attained shows that it is possible to equalize job opportunity by Government action and thus to eliminate the influence of prejudice in employment."

Now at a time when millions of new workers are entering the defense forces of our Nation, the Congress has a responsibility to assure them an equality of treatment consistent with the principles of democracy which we profess.

The bill which we are today introducing will fulfill that responsibility. It would prohibit discrimination in employment in any establishment of 50 or more workers engaged in interstate commerce. A 5-man commission appointed by the President with the advice and consent of the Senate for a term of 5 years would enforce the bill.

The bill specifically provides that where a State or local governmental agency has adequate fair employment laws, the commission can cede jurisdiction to that local agency so as to centralize the functions of government and resolve the difficulty at a community level. The bill also requires commission to use every voluntary technique of conference, conciliation and persuasion to settle the charges prior to a formal hearing. Adequate provisions for judicial review are also provided.

The bill (S. 1733) to declare certain rights of all persons within the jurisdiction of the United States, and for the protection of such persons from lynching, and for other purposes, introduced by Mr. HUMPHREY (for himself and other Senators), was read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY ON S. 1733, TO PROTECT PERSONS WITHIN THE UNITED STATES FROM LYNCHING

The American people have demonstrated by the continued resolutions of church, labor, business, and fraternal organizations that they desire to rid themselves forever of that bloodiest of stains upon the honor of a democratic nation, the crime of lynching. Proof that we stand united upon that determination is the fact that both the Republican and the Democratic Parties have pledged their efforts in behalf of legislation in the Congress to make lynching a Federal crime. It is time that the Members of Congress who supported that platform pledge when they offered themselves to the American people for election fulfill that pledge and see to it that the Congress acts immediately.

Antilynching legislation is not new legislation. It has been before the Congress for 22 sessions and it has indeed frequently passed the House of Representatives only to fall before the parliamentary tactics of an entrenched minority in the Senate determined to obstruct the bill. I urge the Congress, however, to open its eyes and see the crying need to override sectional and partisan interests. If our Nation is to survive we must practice at home the freedoms we preach abroad, for lynching is systematic mob violence, directed primarily against the Negro but which threatens, in fact, any minority any place in the United States. Until we, as a nation and as a people, have destroyed every vestige of this crime in the United States, we cannot truthfully declare to the world that all Americans know the meaning of that most fundamental freedom, freedom from fear.

Our bill declares, "Every lynching that occurs within the United States discredits this country among the nations of the world." We cannot afford, not only for the sake of the ideals that tie us to the heritage of Thomas Jefferson, Thomas Paine, and the fathers of our democracy, but also for the sake of our national self-interest, to compromise with freedom any place within our borders. To do so would undermine our moral position as the leader of a free and democratic world determined to resist the encroachments of totalitarian aggression.

It is perhaps true, as is sometimes said, that lynching has all but disappeared and that there is no further need for the enactment of a Federal antilynching bill. It is true that the average number of lynchings has declined sharply from the 50 or more who were lynched each year a generation ago. The fact that it is true is a tribute to the determination of the American people—all our people in every section of the country, North, South, East, and West—to rid their communities of this cruel, lawless, and irresponsible practice. It would be sheer folly and serious error, however, were we to allow this development to terminate or diminish our drive for legislation. In fact, it has been the persistent efforts in behalf of Federal legislation which have played an important role in awakening community consciousness.

There is one other factor, however, of which we must be constantly aware. The statistics with regard to the extent of lynching reflect not only community awareness but also the fact that the techniques of the crime have been modified radically. We have no record of the number of people who have disappeared, the number who have received injuries from mob violence and remain silent, and the vast numbers of families and their friends who heed in silent terror the lesson that a Negro is not yet a free American. The replacement of the noose with the ax handle in no way diminishes the need for Federal action.

Furthermore, even if it be assumed that the actual number of lynchings is small, the ultimate fact remains that in a nation founded on freedom lynching is akin to treason against the democratic way of life. A single lynching, like a single act of treason, is one too many.

It is because the techniques of the crime have changed that we must be particularly wary in the type of legislation we enact. Lynching today is rarely the public demonstration of former years sponsored by the infamous Ku Klux Klan and participated in by leading citizens and public officials. Lynching, 1951 style, as we have demonstrated, tends to be more covert. Let us, therefore be wary of legislation already introduced in the Congress which would in name go by the title of antilynching legislation, but in fact be powerless in its provisions to meet the need.

The present need for effective Federal antilynching legislation was clearly pointed out as recently as 1947 in the thoughtful and painstaking report of the President's Committee on Civil Rights. That distinguished committee, headed by Mr. Charles E. Wilson, who was then president of General Electric and is today Director of the Office of Defense Mobilization, strongly urged the prompt enactment of adequate legislation. Moreover, the committee made specific recommendations as to the content of the necessary legislation. Our bill conforms in detail with those recommendations.

1. The Committee on Civil Rights urged that lynching be given broad definition. Our bill in section 5 (a) defines lynching as mob violence which is committed because of the victim's race, creed, color, national origin, ancestry, language, or religion, or which is committed against the person accused of crime as a tragic substitute for the ordinary processes of criminal justice.

2. The committee urged that legislation, to be adequate, must condemn both private individuals and public officials who "mete out summary punishment and private vengeance" and must also condemn public officials who are derelict in their duty to bring members of lynch mobs to justice. Our bill in sections 6 and 7 is carefully drawn to accomplish these objectives.

3. The committee urged legislative authorization so that suspected lynchings can be investigated by the Federal Government immediately. Section 8 of our bill directs the Attorney General to institute such full and prompt investigations.

4. The committee urged "adequate and flexible penalties ranging up to $10,000 and 20-year prison terms." Section 6 of our bill provides for a fine of $1,000, or 1 year's imprisonment, or both, for anyone who aids, abets, or participates in a lynching. If, however, the lynching results in death or maiming or serious physical or mental injury or in serious damage to property, penalties up to a $10,000 fine or 20 years' imprisonment may be imposed. Section 7 of our bill deals specifically with governmental officers or employees and provides for fines of up to $5,000 and up to 5-year prison terms for officials who fail to make all diligent efforts to prevent lynchings or who are derelict in bringing members of lynching mobs to justice.

5. The committee, in discussing the general policy of sanctions in civil rights cases, said that "the potential use of civil sanctions * * * is very great." Our bill specifically provides for civil action in behalf of a lynching victim or his next of kin for damages resulting from his injury or death. Any person who violates this law, whether a private individual or a Government official, is

to be held civilly liable as well as the State or governmental subdivision thereof in which the lynching takes place, unless the officers responsible for police enforcement have carried out their duties with diligence.

Lynching has robbed thousands of Americans of their lives, millions more of their freedom to walk erect in their own land, and has done serious damage to the prestige of our country here and abroad. The responsibility for lynching is national in scope. The prompt enactment and the vigorous enforcement of this bill will help discharge that responsibility.

The bill (S. 1734) outlawing the poll tax as a condition of voting in any primary or other election for national officers, introduced by Mr. HUMPHREY (for himself and other Senators), was read twice by its title and referred to the Committee on Rules and Administration.

The statement presented by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY ON S. 1734, OUTLAWING THE POLL TAX AS A CONDITION OF VOTING IN ANY PRIMARY OR OTHER ELECTION FOR NATIONAL OFFICERS

This bill would outlaw once and for all the poll tax in national elections. It decreeing that no State shall exact a price of admission to the Federal voting booth, it advances the United States a long step forward on the road to universal suffrage.

The evil of the poll tax has long been recognized. Although Congress has exempted servicemen from the poll tax and the tax has been abolished by State legislatures in all but six States, there are still millions of Americans to whom the priceless heritage of voting is a luxury. Today, when the very meaning of freedom is challenged by the ruthless forces of totalitarianism, Americans can no longer tolerate this excise on democracy.

To eliminate this obstacle in voting, our bill declares it unlawful "to levy, collect, or require the payment of, any poll tax" as a condition of voting in any primary or other election for President, Vice President, Senator, or Member of the House of Representatives. The bill empowers Federal district courts to enjoin or otherwise prevent violations of the act and authorizes the aggrieved voter or the Federal Government to bring civil suit for relief should a violation take place.

The basis of a democracy is that its government rests on the consent of the governed. The machinery for expressing that consent is the right to vote. The history of our Government has been one of an expanding democracy. The efforts of our people have been to enlarge the area of suffrage. We have, with slow and yet deliberate movement, been removing the blights on our democracy. Property, religious, and sex qualifications have all disappeared. Racial qualifications have now largely been abolished and exist only by subterfuge and indirection.

It might be of interest for the Senate of the United States to recall that during our early days immediately following the Revolutionary War our Colonies had many types of suffrage qualifications. The Colonies of New York, Rhode Island, and New Hampshire required the ownership of real estate stated in terms of value as a condition for voting. The Colonies of North Carolina and Virginia required real estate stated in terms of acres as a condition of voting. Delaware, Connecticut, Massachusetts, Georgia, South Carolina, and Maryland required either real estate or other property. In New Jersey it was necessary to possess fifty pounds of proclamation money before a resident could vote. In Pennsylvania it was necessary for an individual to have paid the public taxes before he could vote.

These property and tax-paying qualifications for voting have all been removed. They have been removed as the people have constantly demonstrated their faith in democratic government and as they have come to earn for themselves and gain for themselves the power to rule. It will be observed from a table which I am hereby incorporating in the RECORD at this point that these undemocratic and restrictive qualifications are now all removed and have been removed in most of our States for many years.

TABLE 1.—*Duration of property and tax-paying qualifications*

	Property qualifications ended in—	Taxpaying in—
Connecticut	1818	1845
Delaware	1792	1897
Georgia	1789	1798
Maryland	1810	(1)
Massachusetts	1821	1863
New Hampshire	1784	1792
New Jersey	1844	(1)
New York	1821	1826
North Carolina	1856	1868
Pennsylvania	(1)	1933
Rhode Island	1842	(?)
South Carolina	1778	1810
Virginia	1850	(1)
Tennessee	1834	(1)
Ohio	(1)	1851
Louisiana	(1)	1845
Mississippi	(1)	1832

[1] Had none.

Vermont and Kentucky came into the Union in 1791 and 1792, respectively, and Indiana in 1816 but without property or taxpaying qualifications. After Mississippi, in 1817, no State came in with a property or taxpaying qualification.

One other restriction on suffrage and thus an obstacle to democratic government was the sex qualification on voting. It was not until 1920 when the nineteenth amendment to the Constitution of the United States was adopted that the full suffrage was granted to women.

The change came about slowly and in parts. Women were first given the right to vote on school matters in certain States. Then they were given the right to vote on tax and bond loans. Finally they were given the right to cast their ballots on the same terms as men.

The most serious obstacle to the suffrage that remains is the poll tax. It has its roots in an attempt by a number of States to prevent the Negro from voting. Its effect, however, is frequently also to disenfranchise the poor white as well.

The fifteenth amendment to the Constitution once and for all prohibited the States from denying the suffrage to any American on account of his race, color, or previous condition of servitude. Prior to that, of course, the Negro had been considered a slave and was thus excluded by law from voting in most States. It is interesting, however, that even prior to the Civil War the States of Maine, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont never excluded the Negro from voting.

Poll tax laws were enacted following the period of Reconstruction. There are historical reasons for these laws, Mr. President, and I fully appreciate them. The North must never forget and never ignore its share of blame for the serious injury done the South in the period following the Civil War. All the poll tax laws now in effect were enacted between 1890 and 1903. That sorry era in our national history explains to a large extent the reason for the lingering prejudices which still continue to exist in many sections below the Mason-Dixon Line.

In an attempt to keep the Negro from voting, a number of States used ingenious legal devices. The most famous of those are the "grandfather clause," the white primary, and the poll tax. The one that remains today is the poll tax.

Whatever historical reasons there may be for the poll tax, however, there can be no justification for this undemocratic infringement upon the franchise. The purpose of the poll tax was to limit the electorate and that it has done. In Virginia, for example, one of the six remaining poll tax States, the number of votes cast in the election of 1900, the last election before the enactment of the poll tax, was 266,000. The number voting in Virginia in the election of 1902, the next election after the tax was enacted, was 136,000. The poll tax evidently caused a reduction in the electorate of 49 percent. Another State which illustrates the extent to which the poll tax was successful in limiting the electorate was Mississippi, which enacted its poll tax in 1890. The number of votes cast in the election prior to the enactment of the tax was 117,000. In the very next election the number voting was 52,000, a reduction of 56 percent.

The poll tax continues to disenfranchise American citizens and frustrate the principles of majority representative government. I have asked the Library of Congress to analyze for me the laws which now govern payment of poll tax in the six remaining States, and I include a summary table of the poll-tax-payment requirements and laws in the RECORD at this point:

TABLE 2.—*Poll-tax requirements in 6 States*

State	Annual poll-tax payment	Possible maximum poll-tax payment
Alabama	$1.50	$36.00
Arkansas	1.00	2.00
Mississippi	2.00	6.00
Tennessee [1]	1.00	2.50
Texas	1.00	1.75
Virginia	1.50	5.01

[1] General elections only. Poll tax abolished in primary elections.

Alabama: Payment must be made on or before the 1st day of February preceding the election. Amount, $1.50, payable by persons from 21 to 45 years of age. Back taxes must be paid (constitution, art. VIII, sec. 178, 194; code (1940), title 14, sec. 71; title 17, secs. 12, 136–138; title 51, secs. 237–248).

Arkansas: Payment must be made before October 1. Amount, $1 (constitution, art. III, sec. 1, art. XIV, sec. 3; amendment No. 8; Stat. Ann. (1947; Supp. 1949), secs. 3–104.1, 3–106, 3–108 to 3–109).

Mississippi: Payment must be made on or before the 1st day of February preceding the election. Amount, $2, subject to increase by county supervisors to not more than $3. All persons between the ages of 21 and 60, except those who are deaf and dumb or blind or who have lost a hand or foot, are subject to the tax. Taxes for the 2 years preceding the election must be paid (constitution, art. XII, secs. 241, 243; Code Ann. (1942), secs. 3235–3236, 9751; as amended Laws 1950, ch. 238).

Tennessee: Payment of tax for the year preceding the election must be made 60 days before election. Amount, $1, payable by male inhabitants between the ages of 21 and 50, except those who are deaf, dumb, blind, or incapable of labor and of earning a livelihood (constitution, art. II, sec. 28; art. IV, sec. 1; art. XI, sec. 12; Code Ann. (Williams, 1934), secs. 2027, 4820, 10239).

Texas: Payment must be made before the 1st day of February next preceding the election. Amount, $1.50, payable by persons between the ages of 21 and 60 who resided in the State in the January preceding the levy, except Indians not taxed, and persons insane, blind, deaf, or dumb, or those who have lost one hand or foot, or are permanently disabled. Counties may levy an additional tax of 25 cents, cities an additional tax of $1 (constitution, art. VI, sec. 2; art. VII, sec. 3; art. VIII, sec. 1; Civil Stat. Ann. (Vernon, 1939), arts. 1030, 2955, 2959, 7046).

Virginia: Payment must be made at least 6 months before the election. Amount, $1.50, payable by all persons over 21, except veterans of the War Between the States and the wives or widows of such veterans. Taxes for the 3 years next preceding the election must

be paid (constitution, art. II, secs. 18, 20, 21; art. XIII, sec. 173; code (1950), secs. 24–17, 24–22, 58–49 to 58–51).

Today the statistics clearly demonstrate that those States which have the poll tax thus exclude from a meaningful right of citizenship many millions of people who, because of the poll tax, are prevented from voting. This is serious not only to the States involved. It is also serious to the Nation, since Members of the Senate and Members of the House of Representatives elected from those States vote on crucial matters of national importance when they arrive in the Congress and occupy positions of national power.

It will be of interest to the Senate to see certain statistics in connection with the election of 1948 in those States which had the poll tax in that year. This material was supplied to me by the Library of Congress, and is based on reports of the United States Bureau of the Census and the House of Representatives. I am hereby incorporating it in the RECORD at this point:

Comparison of voter participation in poll-tax and non-poll-tax States in the 1948 presidential election

	1 United States population 21 years of age and older	2 Total vote for President	3 Percent adult voters voting
POLL-TAX STATES			
Alabama	1,570,000	214,980	13.7
Arkansas	1,101,000	242,475	22.0
Mississippi	1,161,000	192,190	16.6
South Carolina	1,049,000	142,571	13.6
Tennessee	1,846,000	550,283	29.8
Texas	4,360,000	1,147,245	26.3
Virginia	1,807,000	419,286	34.7
Total	12,894,000	2,909,000	22.6
REPEAL STATES			
Florida	1,488,000	577,643	38.9
Georgia	1,776,000	418,760	23.6
Louisiana	1,502,000	416,326	27.7
North Carolina	2,074,000	791,209	38.1
Total	6,840,000	2,203,938	32.2
NON-POLL-TAX STATES			
Arizona	380,000	177,065	46.6
California	6,802,000	4,021,538	59.1
Colorado	730,000	515,237	70.6
Connecticut	1,378,000	883,518	64.1
Delaware	196,000	139,073	71.0
Idaho	318,000	214,816	67.6
Illinois	5,927,000	3,984,046	67.2
Indiana	2,558,000	1,656,214	46.5
Iowa	1,718,000	1,038,264	60.4
Kansas	1,303,000	788,819	60.5
Kentucky	1,635,000	822,658	50.3
Maine	570,000	264,787	46.5
Maryland	1,382,000	596,735	43.2
Massachusetts	3,236,000	2,155,347	66.6
Michigan	3,985,000	2,109,609	52.9
Minnesota	1,907,000	1,212,226	63.6
Missouri	2,624,000	1,578,628	60.2
Montana	321,000	224,278	69.9
Nebraska	849,000	488,909	57.6
Nevada	91,000	62,117	68.3
New Hampshire	367,000	231,440	63.1
New Jersey	3,270,000	1,949,555	59.5
New Mexico	301,000	185,767	61.7
New York	10,053,000	6,274,527	62.4
North Dakota	332,000	230,716	66.5
Ohio	5,196,000	2,936,071	56.5
Oklahoma	1,445,000	721,599	49.9
Oregon	1,109,000	524,080	47.3
Pennsylvania	7,119,000	3,735,149	52.5
Rhode Island	507,000	326,098	64.3
South Dakota	388,000	250,105	64.5
Utah	371,000	276,305	74.5
Vermont	238,000	123,382	51.8
Washington	1,671,000	905,059	54.2
West Virginia	1,104,000	[1] 748,750	67.8
Wisconsin	2,148,000	1,276,800	59.4
Wyoming	172,000	101,425	59.0
Total	73,710,000	43,720,742	59.3
United States	93,444,000	48,833,680	51.9

[1] 10 States give registration figures and the remainder apparently give estimates. In this case, the estimate is obviously too large.

The poll tax is a threat to democracy not only because of its undesirable political consequences but because it has damaging social consequences. It affects that segment of the population which has the lowest per capita income. When those individuals are denied their voice in the choosing of the Government, it is only logical to assume that their desires as to how the Government is to be run will in fact be ignored. We cannot be certain that we indeed have representative government in America so long as we cannot be certain that the Representatives elected to the Congress are chosen by the majority of the people in their respective districts and States.

I think it is fair for me to state that all who have the best interests of our Nation at heart will agree that the poll tax must be abolished. The legislative debate that now takes place in connection with this issue more directly hinges on the question of how the poll tax is to be abolished. Many advocate a constitutional amendment as the means to accomplish this objective. In my honest judgment, Mr. President, I belive that an anti-poll-tax bill enacted by the Congress would be constitutional without an amendment.

There are many who say that the poll tax should be abolished by State action and by State action alone. They, too, condemn the poll tax but believe the most effective way to rid our Nation of its consequences is through local action. Local action, Mr. President, is, of course, always preferable but we have waited too long. These laws have been on the books in most cases for about 50 years. There are resistances to changing the poll tax within the States that now have such a tax because the very forces controlling the instrumentalities in the State government which have the power to abolish the tax are the very ones who benefit most from it. It is expecting a great deal to expect a genuine repeal of the tax by those whom the tax has put into authority.

President Truman in his message on civil rights in 1947 said, "We cannot await the growth of a will to act in the slowest State or the most backward community. Our National Government must show the way." The responsibility rests on the Congress. I pray that the Congress will live up to its responsibilities and accept the challenge.

The bill (S. 1735) to strengthen the Federal Government machinery for the protection of civil rights, introduced by Mr. HUMPHREY (for himself and other Senators), was read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. HUMPHREY is as as follows:

STATEMENT BY SENATOR HUMPHREY ON S. 1735, TO STRENGTHEN THE FEDERAL GOVERNMENT MACHINERY FOR THE PROTECTION OF CIVIL RIGHTS

The Federal Government has a responsibility in all the branches of its Government to protect the civil rights of the American people. To carry out that function, this bill establishes a permanent five-man Commission on Civil Rights to be appointed by the President, sets up a Joint Congressional Committee on Civil Rights, and elevates the existing Civil Rights Unit in the Department of Justice to the status of a division under an assistant attorney general.

Our bill would create a five-man Commission in the executive branch of the Government, to be appointed with the advice and consent of the Senate. The Commission would have the right to conduct studies, investigations, and research necessary to prevent the abridgement and denial of civil rights; to investigate operations and activities of the Government in the field of civil rights; to assist states, counties, municipalities, and private agencies in conducting studies to prevent the abridgment and denial of civil rights; to make an annual report to the President; and to recommend to Congress legislation necessary to safeguard our civil rights. This Commission is designed primarily to be an advisory commission.

Title 2 of our act calls for the appointment of an additional assistant attorney general to be in charge of a civil-rights division of the Department of Justice. If the Federal Government is to live up to its responsibilities to enforce the civil-rights statutes now part of the established law of our land, it is essential its law enforcement agency be strengthened so that it can effectively perform its duties. The protection of civil rights is now and must become further a foremost activity of the Department of Justice. We must be vigilant so that we demonstrate both to the peoples of the world and to our own citizens that our Government is dedicated to the preservation of freedom and democracy. Violations of liberty must therefore be met effectively, immediately, and energetically by the arm of the Federal Government. The existence of a civil-rights division is thus a fundamental part of a realistic program.

Our bill also makes provision for increasing the personnel of the Federal Bureau of Investigation to carry out the duties of the Bureau in its investigations of civil-rights cases. We also provide for the Bureau to include a special training program for its agents responsible for the investigation of civil-rights cases. Here too is an essential support of the Congress. Law enforcement is one of the most vital needs of the American society.

Finally, this bill would establish a Joint Congressional Committee on Civil Rights, to be composed of 14 members, 7 Senators, to be appointed by the President of the Senate, and 7 Members of the House of Representatives, to be appointed by the Speaker of the House, with due regard for party representation. It shall be the duties of this joint committee to make and conduct a study of matters relating to civil rights and civil liberties; to study means of improving responsibility for and enforcement of civil rights; and to advise with the committees of the Congress who have the legislative responsibility relating to this vital area of our democratic heritage.

It is essential that this joint committee, like any other joint committee of the Congress, should be authorized to hold whatever hearings it deems necessary, with the power of subpena to carry out its functions. One of the important activities should also be that of consulting with representatives of State and local governments and with private organizations vitally interested in the preservation of human rights.

I urge upon the Senate that it act speedily and effectively to enact the provisions of this bill. Whatever considerations there may be calling for further study of other proposals dealing with the area of human rights, there can be no excuse and no justification for further delay as it affects the three basic provisions of this bill. This problem is a serious one and a most complex one which calls for constant study, constant evaluation, and constant effort.

The bill (S. 1736) providing relief against certain forms of discrimination in interstate transportation, introduced by Mr. HUMPHREY (for himself and other Senators), was read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY ON S. 1736, PROVIDING RELIEF AGAINST CERTAIN FORMS OF DISCRIMINATION IN INTERSTATE TRANSPORTATION

Millions of Americans took pride and satisfaction in recent decisions of the Supreme Court declaring segregation and other forms of discrimination in interstate transportation to be illegal. The Supreme Court has again affirmed the basic creed of the American people and their faith in liberty and equality for all men. This bill is introduced to implement and support the existing Supreme Court decisions.

The illegality of racial discrimination in interstate transportation has been conclusively adjudicated in *Morgan* v. *Virginia* (328 U. S. 372 (1946)) and *Henderson* v. *United States* (339 U. S. 816 (1950)). Legislation must be enacted now to provide adequate remedies for such discrimination.

This bill provides that all persons traveling within the jurisdiction of the United States should be entitled to equal treatment in any public conveyance engaged in interstate commerce, without segregation or other discrimination based on race, color, religion, or national origin.

This bill would also make punishable by fine and subject to a civil suit the conduct of anyone who denies or attempts to deny equal treatment to travelers of every race, color, religion, or national origin in the use of a public conveyance, or carrier.

A final provision of the bill would make it unlawful for the bus, railroad, or other public carrier facility engaged in interstate commerce to segregate or otherwise discriminate against passengers based on race, color, religion, or national origin. It would also make it unlawful for an officer, agent, or employee of such carrier to so discriminate.

The bill (S. 1737) to amend and supplement existing civil rights statutes, introduced by Mr. HUMPHREY (for himself and other Senators), was read twice by its title, and referred to the Committee on the Judiciary.

STATEMENT BY SENATOR HUMPHREY ON S. 1737, TO STRENGTHEN EXISTING CIVIL RIGHTS STATUTES

The need to enlarge the scope of Federal legislation protecting the rights of individuals to liberty, security, and citizenship is very clear. This can be achieved by enacting new legislation and it must also be achieved by strengthening existing civil-rights laws. One such law to be strengthened is a criminal conspiracy statute (18 U. S. C. 241) which has been used to protect rights secured by the Federal Government against encroachment by private individuals and public officers. Section 201 of our bill is designed to achieve that effect. It does so by extending the protection of the Federal Government to any inhabitant of the United States, not just to a citizen alone. Our courts have ruled (*Baldwin* v. *Franks* (120 U. S. 6788)) that an alien does not come within the protection of the statute. In deciding that case the Court stated:

"It may be by this construction of the statute some are excluded from the protection it affords who are as much entitled to it as those who are included; but that is a defect, if it exists, which can be cured by Congress, but not by the courts."

The amendment which our bill proposes would bring the language of the statute into conformity with other supplemental protective statutes (18 U. S. C. 242). Under the broader statutes, the court has already decided (*United States* v. *Classic* (313 U. S. 299)) that an inhabitant is protected from interference by a State official in his constitutionally protected right to vote in a congressional election or primary. There is more than the need for conformity to support this section, however. The protection of inhabitants is a well-established public policy of our country. We, in fact, subscribed to that policy in the United Nations Charter to promote respect for the observance of human rights and fundamental freedoms for all.

This bill would make a further change in the existing statute by protecting inhabitants not only when their Federal rights are infringed upon as a result of the conspiracy but also where the infringement is performed by persons acting individually. Whenever a person enjoins, oppresses, threatens, or intimidates any inhabitant of the United States in the free exercise or enjoyment of his rights and privileges, that inhabitant should be protected by our laws.

Our bill would also plug gaps in the existing laws insofar as civil remedies to the aggrieved are concerned. The present statute (sec. 47, title 8) appears to provide a civil remedy whenever a citizen's rights are interfered with as a result of a conspiracy. Even this remedy is inadequate, as demonstrated by a recent Supreme Court decision (*Collins* v. *Hardyman*, June 4, 1951). It appears to me, and I am pleased to report that this and the other recommendations of the bill apparently have the support of the Department of Jutsice, that a civil remedy should be provided the injured person, either where he has been the victim of a conspiracy or the victim of individual action to interfere with his rights and privileges as an inhabitant of the United States. Such an individual, therefore, should have the right to sue those found guilty of violating the law, whether the violators are public officials or private citizens. These suits should be brought in the Federal courts or appropriate State courts, no matter what the sum of money involved in the controversy.

One other question has been raised by the courts (*Screws* v. *United States* (325 U. S. 91)) with regard to the rights, privileges, and immunities which inhabitants of the United States should enjoy. The courts have held (*Pullen* v. *United States* (164 F. (2d))) that our statutes protect inhabitants only against being deprived of their constitutional rights "willfully." The proof of a general "bad" purpose alone may not be enough. We therefore consider it essential to enumerate in some detail some of the rights to be protected by our laws. All of these rights have already been sustained by the courts and are not new. The rights we desire specifically to set forth follow:

1. The right to be immune from exaction of fine without due process of law (*Culp* v. *United States* (131 F. (2d) 93)).

2. The right to be immune from punishment for a crime except after a fair trial and confession after due process of law (*Screws* v. *United States* (325 U. S. 91); *Crews* v. *United States* (160 F. (2) 746); *Moore* v. *Dempsey* (261 U. S. 86); *Mooney* v. *Holohan* (294 U. S. 103)).

3. The right to be immune from physical violence applied to compel a confession of a crime or to exact testimony (*Chambers* v. *Florida* (309 U. S. 227); *United States* v. *Sutherland* (37 F. Supp 344)).

4. The right to be free of illegal restraint such as being detained by a sheriff without jurisdiction (*Catlette* v. *United States* (132 F. (2d) 902); *United States* v. *Trierweiller* (52 F. Supp. 4)).

5. The right to protect the person and property without discrimination by reason of race, color, or national origin (*Catlette* v. *United States; Yick-Wo* v. *Hopkins* (118 U. S. 35)).

6. The right to vote as protected by Federal laws (*United States* v. *Classic* (313 U. S. 299); *United States* v. *Saylor* (322 U. S. 385); *Smith* v. *Allwright* (321 U. S. 649)).

The bill (S. 1738) to protect the right to political participation, introduced by Mr. HUMPHREY (for himself and other Senators), was read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY ON S. 1738, TO PROTECT THE RIGHT TO POLITICAL PARTICIPATION

The Hatch Act (18 U. S. C. 594) now makes it a crime for anyone to intimidate or coerce an American citizen for the purpose of interfering with his right to vote as he wishes in elections for national office. This law was enacted in 1939, at a time when there was doubt in Congress as to the constitutionality of Federal regulation over nominating primaries. It is clear, however, today that the Federal Government does have the right to regulate the nominating primaries system. This has been so since 1941 and the case of *U. S.* v. *Classic* (317 U. S. 299). It is therefore essential that our laws be clear and unequivocable in this respect.

This bill therefore provides that it is a crime to intimidate or coerce an American citizen and thus interfere with his right to vote in primary and special elections, as well as general elections for Federal office. This bill also makes certain minor technical changes in the existing laws so as to unequivocably declare it to be the right of citizens to vote at any election without distinction as to race, color, religion, or national origin; and that interfering with that right by anyone is a crime. These changes have been requested by the Justice Department, which has been responsible for carrying out the provisions of the law and protecting the rights of the citizens.

It is clear that discrimination against voters on the basis of race or color is a direct violation of the fifteenth amendment (*Smith* v. *Allwright* (321 U. S. 649)), and the equal protection clause of the fourteenth amendment (*Nixon* v. *Herndon* (273 U. S. 536); *Nixon* v. *Condon* (286 U. S. 73)). Our courts have continually ruled that discrimination in voting based on religion or national origin is arbitrary, unreasonable, and "by their very nature odious to a free people whose institutions are founded on the doctrine of equality."

This bill further strengthens the existing civil-rights statutes insofar as voting is concerned by providing in addition to criminal penalties that the party whose voting rights are interfered with can bring a suit for injury against the person or persons who interfered or attempted to interfere with his right to vote. One other provision of our bill would authorize the Attorney General to bring a law suit in the courts to prevent violation of the law or provide relief if the violations take place.

The bill (S. 1739) to strengthen the laws relating to convict labor, peonage, slavery, and involuntary servitude, introduced by Mr. HUMPHREY (for himself and other Senators), was read twice by its title, and referred to the Committee on Labor and Public Welfare.

The statement presented by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY ON S. 1739, TO STRENGTHEN THE CRIMINAL LAWS RELATING TO PEONAGE, SLAVERY, AND INVOLUNTARY SERVITUDE

During the fiscal year ending June 30, 1950, the Department of Justice received 85 complaints concerning possible peonage and involuntary servitude. I am informed that during the current fiscal year, the number of complaints received will probably equal that amount. Peonage, of course, is a form of involuntary servitude rising out of a payment of a debt. It is essential that our laws

be strengthened so that this form of involuntary servitude will be eliminated once and for all from our society. This is certainly the intent of the thirteenth amendment to our Constitution.

Our existing laws (secs. 1581, 1583, and 1584 of title 18, U. S. Code) declare the following to be a crime: holding or returning persons to conditions of peonage; arresting persons with the intent of pressing them or returning them to conditions of peonage; kidnaping, arresting, or carrying away persons with the intent that they be sold into involuntary servitude or held as slaves; enticing, persuading, or inducing persons to go on board vessels with the intent that they be made or held as slaves; and knowingly and wilfully holding persons to involuntary servitude or selling a person into any condition of involuntary servitude.

There are two basic changes which must be made to strengthen these laws. First it is essential to make clear that to hold an individual in involuntary servitude is punishable; secondly, it is important that not only the acts described above be considered criminal, but an attempt to commit the acts be in itself criminal. Every human being must have the right to be protected in this most vital area of his personal security and human diginity.

I am chairman of the Subcommittee on Labor and Labor-Management Relations of the Senate Committee on Labor and Public Welfare. I have had brought to my attention specific evidences of peonage which have been most shocking and disturbing. I have asked the members of my staff to investigate those instances of peonage and to have them brought to the attention of our subcommittee. Their tentative report to me shows that the persons reduced to peonage are impoverished, uneducated colored men, and that all persons having knowledge of the circumstances surrounding the peonage are for one reason or another extremely reluctant to discuss it. The evidence so far accumulated shows this peonage to be associated with a bold and forthright antilabor and antiunion campaign being waged by certain irresponsible employers. The system apparently calls for certain law enforcement officers to release prisoners to the custody of employers when those employers pay the fine or post the bond necessary. The prisoners remain with their employers until the fine is repaid through payroll deductions. When the bond is posted, employment continues until the time of trial. If the accused leaves employment before the time of trial, the bond is withdrawn and the accused is again put in jail.

This is an outrageous state of affairs. There is evidence of conspiracy with police officials which the Justice Department must investigate. Our laws must be strengthened to deal with this problem, and our enforcement officers must be reawakened to the need for firm and serious activity.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. O'MAHONEY. The tenor of the Senator's remarks prompts me to call his attention and the attention of Senators who have been listening to his speech to the fact that there are pending upon the calendar of the Senate, approved by the Committee on Interior and Insular Affairs, two bills, the so-called statehood bills. One bill is to admit the Territory of Alaska as a State, and the other to admit the Territory of Hawaii as a State.

Both those bills would accord the full status of citizenship to the citizens of Alaska and Hawaii. In the case of Alaska, of course, there are many native Eskimos and Indians who would thereby be admitted to full status as citizens. In the case of Hawaii there are innumerable citizens of that Territory—Hawaiians, Chinese, Japanese, and other oriental peoples—who, if the Territory were admitted as a State, would be able to carry to all the oriental world the knowledge that the United States means what it says when it talks of equality among the various people.

I hope—in fact, I know—that the Senator from Minnesota will give his support to those bills.

Mr. HUMPHREY. Let me say to the distinguished Senator from Wyoming that as one of his stalwart admirers in this body, I know that he has worked tirelessly and persistently in an effort to have passed the bills providing statehood for Alaska and Hawaii. I will say very frankly that from my point of view the passage of those bills would be equivalent to a revitalization of our foreign policy, in terms of its effectiveness particularly in the Far East. I feel that their passage constitutes a fundamental part of the weapons of democracy as we try to throw back the onrush of Communist ideology.

I commend the Senator from Wyoming, and assure him of my unqualified support for whatever good that support may be to him and his cause.

Mr. O'MAHONEY. I thank the Senator. I could not allow the opportunity to pass without making this observation.

Mr. President, I now wish to address the Senate on another subject.

The PRESIDING OFFICER. The Senator may proceed.

MIDWESTERN GOVERNORS' CONFERENCE, ADDRESS BY THE SECRETARY OF THE INTERIOR

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point in my remarks the text of an address which was delivered by the Secretary of the Interior, the Honorable Oscar L. Chapman, at the Midwestern Conference of Governors, held at Omaha, Nebr., on June 18, 1951. The conference was called by the Governors of Nebraska and Michigan, to consider problems of the development of the natural resources of the area, particularly of the Missouri Basin. Eight governors attended in person, and seven governors sent representatives. Fifteen States of the area were represented at the conference.

Secretary Chapman's topic was the development of hydroelectric power. A representative of the National Grange discussed the agricultural potentialities of the Missouri Basin. Secretary of War Frank Pace stressed the necessity for the construction of the St. Lawrence seaway project as a defense measure. General Pick, of the Army engineers, who recently returned from an inspection tour of the St. Lawrence area, pointed out the rapid depletion of the Mesabi Range. Governor Williams, of Michigan, also discussed the need for the seaway. A considerable portion of Secretary Chapman's talk was likewise devoted to the necessity for the St. Lawrence seaway. Inasmuch as the Senate will presently consider appropriations for the Department of the Interior, I believe it to be important that the discussion of the general problem of hydroelectric development at the conference by Secretary Chapman be made a part of the CONGRESSIONAL RECORD.

I therefore ask unanimous consent that Secretary Chapman's address may be printed in the RECORD at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF SECRETARY OF THE INTERIOR OSCAR L. CHAPMAN AT THE MIDWESTERN CONFERENCE OF GOVERNORS, OMAHA, NEBR., JUNE 18, 1951.

I am happy to be here today to discuss our hydroelectric power resources with the governors of inland America.

This great inland portion of our Nation is both the workshop and the breadbasket of the country. We have in this mighty region a tremendous source of national strength. Our greatness as a Nation is built upon this base.

Today, as we face the totalitarian challenge it is up to us to make best possible use of all the strength we can muster. It is equally our responsibility to do everything we can to increase that strength as we use it.

We are not only obliged to meet the immediate military challenge. We must also use our resources in such a way that when this time of trial is over we shall be stronger than we were before.

One of the great resources which we rely upon is hydroelectric power.

Hydroelectric power is the great work horse of our economy. We do not wear it out and we do not exhaust it. When we develop and use it we know that we are not squandering one of those riches which can never be replaced. It is something we can always have.

It is a low-cost resource; so economical that it is wasteful of us not to use it to the full. It gives immense, lasting returns for every dollar we invest.

Right now we are witnessing a necessary increase in the demand for the electric power which is available for the industry of America.

Early in the defense emergency, the electric power program called for an expansion of the Nation's generating capability by 21,000,000 kilowatts from 1951 through 1953. Now, however, the Defense Electric Power Administration is talking in terms of a 27,000,000 kilowatt expansion for those 3 years. The total load which had been expected by 1953 will actually be confronting us by the end of this year. During the 3 years ending in 1950, the Nation's electric generating capacity increased by about 17,500,000 kilowatts, and the 27,000,000 kilowatt increase just mentioned must come on top of that. To put it another way—in recent years, the Nation's electrical load has been growing at a rate of 6 percent a year. During the next 3 years the increase will be just twice that, or 12 percent a year.

EXPANSION KEYED TO DEFENSE NEEDS

The new electric power facilities which will be coming into operation over the next 3 years have been scheduled on the basis of urgent defense needs. The Defense Electric Power Administration in the Department of the Interior has keyed this expansion of power facilities directly to defense needs.

The expansion in electric power capacity which is now being made is the bare minimum that we must have. We will not be building any surplus capacity. On the contrary, even with the great expansion proposed, we face a grave danger of critical shortages in certain areas.

Let me repeat—this expansion is directly keyed to our defense needs. We need every kilowatt of it.

Unfortunately, there is now pending in the Congress legislation which, if adopted, would actually limit our supply of critically needed power.

Last week President Truman pointed out, in a letter to Senator CARL HAYDEN, of Arizona, that amendments made by the House of Representatives to the pending Interior Department appropriation bill would in effect reverse our long-standing public power policy and would seriously restrict the operation of Federal hydroelectric projects.

One amendment would prohibit construction of Federal transmission lines in areas where wheeling agreements with private power companies are in effect. Other amendments would cut out funds needed to build vital transmission lines that would carry power produced at Government dams to the areas where it is needed.

The effect of these amendments would simply be to put the consumer at the mercy of the private utilities. As President Truman declared, they "would be a long step in the direction of making taxpayers' investment in power facilities serve the profits of the private power companies." I am hopeful that on mature consideration the Congress will kill these amendments. If they are adopted, there will be a serious handicap in the way of supplying the country with the electric power it vitally needs.

One factor taken into account in scheduling new capacity for public power plants—Federal projects, municipal projects, and rural cooperative projects—has been the relatively large production of hydroelectic energy.

THIRTY-EIGHT BILLION KILOWATTS PRODUCED BY FEDERAL PLANTS

During 1950, more than 38,000,000,000 kilowatt hours of hydroelectric energy were produced by Federal power plants—built by authority of the Congress and operated by the Bureau of Reclamation of the Department of the Interior, by the Corps of Engineers of the United States Army, or by the Tennessee Valley Authority. These plants combined accounted for about 12 percent of the total electric energy production of all plants, public or private, hydro or fuel, in the United States in 1950.

The urgent need for the expansion of Federal power projects is developed by our experience in World War II, when the national value of such projects was abundantly demonstrated. In that war we led the world in the development of atomic energy. We met the gigantic requirements for aluminum and other critical materials in order to build the greatest Air Force and arsenal in history.

In all of this a principal reliance was the power supply obtained from Federal plants in the Columbia and Tennessee River Basins. These plants, which have been substantially expanded since 1945, are today the chief sources of supply for the immense blocks of power needed for aluminum production and for further atomic development.

All of this has a direct application to this region, the great Missouri Basin. Nowhere else in inland America can we see so plainly the tremendous values which can be gained by a proper development of the soil and water resources of a geographical region. The great potentialities here have been discussed for years, but I do not think that even yet we have fully grasped their importance.

The Missouri Valley is richly blessed with mineral resources. With these minerals, with its soil and with its water resources, this basin has an extremely important part to play in the development of our Nation.

One of the great needs here, especially in the upper valley, is for more electric power—much more of it than is now available.

BASIN HAS 2,500,000-KILOWATT POTENTIAL

The original studies on which the Missouri Basin project was authorized showed that this basin could develop hydroelectric resources to the extent of 2,500,000 kilowatts. The Bureau of Reclamation is now completing a comprehensive resurvey of power possibilities, which will show that this estimate was too modest. We can now look forward to an ultimate hydroelectric development of over 4,000,000 kilowatts.

Let me emphasize right here that the valley will need all of that power and a great deal more besides to attain its proper development.

In the 15 years between 1935 and 1950, the demand for electric power in the Missouri Basin tripled—1,300,000 to 3,900,000 kilowatts. During the decade ending in 1960 this demand will increase to 7,500,000 kilowatts. By 1970 a great additional increase will have taken place, and market requirements will be twelve to thirteen million kilowatts—fully three times what they are today.

Obviously, even with hydroelectric resources here developed to the absolute maximum, it will still be necessary to rely on steam generating plants for the greater part of the electric power which this valley will need.

Fortunately, the valley's rich deposits of coal and lignite, plus its oil and gas resources, will make that possible.

But we cannot afford to let any of this potential hydro power go to waste. The trend in power development in the United States in recent years has been somewhat disturbing. When the last war ended it was predicted in some quarters that we could ease up on new power-plant construction. As it turned out, that prediction was entirely wrong. In the past 5 years we have hardly been able to draw a deep breath, because demand for electric power all across the country was pressing so hard upon supply.

HYDRO POWER STILL BEING WASTED

When the mistake became evident, and construction of power plants again went into high gear, most of the construction went into steam plants. As a result, our hydro development has fallen behind. We are still wasting potential water power capable of producing as much power as this country is using today.

In the Missouri Basin today there are approximately 800,000 kilowatts of hydro power and 3,700,000 kilowatts of steam power. The Federal Government now has under construction in this basin projects with a capacity of 1,400,000 kilowatts of hydro power, and another million kilowatts of hydropower are scheduled. But even when these projects are completed, and the basin has over 3,000,000 kilowatts of hydro power in operation, demand will still run ahead of supply. When we finally bring in all of the remaining good hydro sites, and the basin has upward of 4,000,000 kilowatts of hydro power, it will still be necessary to figure that by 1970 the basin must have steam plants to the extent of 9,500,000 kilowatts.

It is perfectly clear that this tremendous development indicates a solid growth in the industrial activity of the Missouri Basin. A great era of increased prosperity and activity lies ahead. Irrigation and flood-control benefits from the project will bring new land under cultivation and provide economic stabilization against the periodic peaks and valleys of floods and drought. The basin has the resources to supply power for that era. By a coordinated and interconnected transmission system which is now being planned and scheduled, there will be a flexible interchange between public and private hydro and steam electric plants which will provide the whole basin with a strong power system.

I have gone into detail about all of this because it is absolutely vital to this Nation that every feasible increase be made in our national electric power supply.

POWER SUPPLY SITUATION DISTURBING

In the 17 Western States where the Bureau of Reclamation operates, the power-supply situation today is disturbing. In the Pacific Northwest a serious shortage is indicated as a result of recent congressional action. In northern and central California, the estimated margin of capacity reserve is far too low for safety. In central California today only about a third of the total generation is hydropower.

In 1950, oil and gas consumption in California for generating electricity was nearly 11,000,000 barrels; in 1953, it is estimated that consumption will be more than 24,000,000 barrels. Meanwhile, the potential hydropower resources of the State are far from full development.

The same trend is observed in the Pacific Southwest. Construction is being rushed for some 600,000 kilowatts of steam-electric plants. The great output of our Hoover power plant, amounting normally to over 5,000,000,000 kilowatt-hours a year, has long since been entirely allocated; the output of one project, the Davis power plant, amounting to about 1,000,000,000 kilowatt-hours a year, is being rationed, and if it were five times as large it still could not meet demand. The only immediate answer is to build more steam-electric plants, although this is the wrong solution in a fuel-short area. Yet we are right now wasting the equivalent of another Hoover Dam at our bridge canyon site on the lower Colorado River, because the peoples of two great States cannot resolve their water differences.

In the area served by the Southwestern Power Administration rivers with an abundant supply of water have been allowed to flow unharnessed into the Gulf of Mexico, and electricity has been both scarce and costly. When the authorized projects of the Corps of Engineers are completed, this tragic waste of water will be largely corrected. The Southwestern Power Administration, which is now marketing 157,000 kilowatts, will have slightly more than 500,000 kilowatts available by 1955, and the various flood control and navigation projects now being built or authorized will ultimately provide a million kilowatts. Still further expansion is possible and desirable, and eventually an area which has been deficient both in water supply and in electricity can have much more.

HYDRO DEVELOPMENT PROBLEM IS NATIONAL

One fact which stands out unmistakably, as we consider all of these situations, is that these problems of hydro power development are national rather than local problems. In the same way, once a great hydro development has been put into operation, it becomes a genuinely national asset. The vast stores of power supplied by Grand Coulee, Bonneville, and the dams of the TVA for our aluminum and atomic energy programs are an asset to the people of the entire Nation.

In the same way, here in the Missouri Basin and in all other parts of the country we can and must recognize the incalculable importance to the Nation as a whole of the great St. Lawrence seaway and power project, which is now under consideration by Congress.

Development of the international rapids of the St. Lawrence River will create approximately 1,880,000 kilowatts of new hydroelectric capacity—more than twice as much as the entire output of all of the hydro plants now operating in the whole Missouri Valley. This power would be equally divided between the United States and Canada.

But that is not the whole story. A treaty was ratified in 1950, to permit the redevelopment of Niagara Falls, and Canada is now proceeding with construction of a project to use her share of the increased water diversions from that river. The redevelopment of Niagara on the United States side will create

1,250,000 kilowatts of new hydro power, in addition to the power which will come from development of the St. Lawrence.

ST. LAWRENCE HYDRO POWER SHOULD BE DEVELOPED

The Great Lakes constitute an unparalleled system of natural reservoirs for hydro power. The St. Lawrence carries to the sea the waters of all five lakes, draining a great mid-continent area of 300,000 square miles. Surely, if any body of water on earth should be harnessed for the public benefit, it is the boundary waters of the Great Lakes-St. Lawrence system.

All in all, the St. Lawrence and Niagara projects combined will add over 2,000,000 kilowatts to the hydro generating capacity of the United States—the equivalent of Grand Coulee when all of its generating units are installed.

In authorizing other river developments, Congress has provided that the electric energy produced should be made available to preference customers at local centers—to municipal and other public bodies, to rural electric cooperatives, to Federal facilities.

Scores of municipalities, rural electric cooperatives and installations of the Army, the Navy, and other Federal agencies are situated in the northeast within reach of the projected St. Lawrence and Niagara developments. They are entitled to the same public benefits that are being enjoyed today from the development of the Columbia, the Tennessee, and other great rivers.

I say that this Niagara-St. Lawrence power is vitally needed by this Nation, and that when it is developed and sold the public interest must be held paramount.

But the interest of the interior of America in this St. Lawrence project is not merely an indirect one, growing out of the benefits which would come from an addition of this magnitude to our national supply of hydroelectric power.

Much more direct and immediate is the importance of the St. Lawrence project as a means of insuring the continued health and strength of the Middle West's industrial potential.

The building of the same dam which will develop St. Lawrence power will also, with its short-side canal and its 30-foot locks, provide the interior of this country with deep-draft navigation from the Great Lakes to the Atlantic.

SEAWAY DEVELOPMENT WILL ASSIST MIDWEST

Low-cost water transportation of course lies at the very heart of the growth of the Middle West in population and in industry. The Great Lakes have been a great seaway for inland America. Because of the commerce they have borne, the whole interior of the country has been able to reach a height of prosperity and productivity which is paralleled nowhere else on eath.

This has particular reference to the steel industry, which is centered in the Middle West.

This country is the only country on earth which has been able to maintain the great producing centers of its steel industry—steel, which is basic to all other industries—hundreds of miles inland from salt water.

In Michigan and Minnesota we have had enormous deposits of iron ore. In the Middle West we have equally great deposits of coal. The limestone which is third basic ingredient in the making of steel is found nearby. Through the low-cost transportation made possible by the Great Lakes, these elements have been brought together in the titanic steel industry of Illinois and Indiana, of Ohio and Pennsylvania.

For more than a century there has been a progressive deepening and improvement of the channels which connect the Great Lakes, so that the iron ore could come down swiftly and inexpensively from upper Minnesota and Michigan to the mills on or near the lower lakes. Without that constant improvement of this inland seaway, the iron ore of the upper lakes could never have been shipped in such enormous volume to supply the steel mills in Illinois, Indiana, Ohio, and Pennsylvania.

It would simply be pointing out the obvious to dwell on the incalculable importance to the whole interior of our country of that fact. We have not only built the world's greatest steel industry in the inland of America; we have geared the entire economy of inland America to that industry.

For around this steel industry has grown up the whole complex industrial network of the American Middle West—the great metal-using industries, which have been located close to the great steel-producing centers.

PROSPERITY IN MIDWEST BASED ON STEEL

Thus, it is not merely the steel manufacturer who relies on our ability to bring in iron ore cheaply and in great volume by our inland waterway. It is the whole of interior America. The prosperity of this entire section of the country rests ultimately upon the gigantic mass-production industries which must of necessity be based close to the source of supply of steel. Anything that might cause a serious dislocation of the steel industry will have direct, immediate effects on the lives and fortunes of all the citizens of this part of the country.

That is what makes this St. Lawrence seaway project a matter of such profound importance to inland America.

The most fundamental of all of the natural resources on which our prosperity rests is iron ore, and the most serious threat to our industrial security which is visible on the horizon today is the rapid depletion of our reserves of high-grade, open-pit, direct-shipping iron ore on the Mesabi Range in Minnesota. To a constantly increasing extent, we must henceforth look to foreign sources to supply us with what we need.

Fortunately, we do not have to look far. Extensive fields of high-grade ore exist along the Quebec-Labrador border.

This ore body—which we already know contains at least 400,000,000 tons of high-open-pit direct-shipping-grade ore, comparable in quality to the best Lake Superior ores—is situated some 350 miles north of Seven Islands in the Gulf of St. Lawrence. Exploratory prospecting for additional deposits is now under way in adjacent areas. A railroad from the ore fields to Seven Islands is now being built. It is estimated that 5,000,000 tons of ore from these fields will be shipped by 1954, with shipments rising to at least 10,000,000 tons by 1956.

BOTTLENECK MUST BE REMOVED

So we are very fortunate. As the stocks of high-grade Lake Superior ores dwindle, a new source of equally good area will come into production within fairly close range. Our steel industry will be able to go on producing in its present locations—if we make it possible for this new supply of ore to come in as cheaply as the old supply has always moved.

The Great Lakes waterway which made our inland steel empire possible—and, remember, our whole middle western industrial strength is based on this steel empire—can easily be extended so that this Labrador-Quebec ore can be carried along its channels. All we have to do is remove the bottleneck.

The bottleneck lies in the inadequate canals and locks on the St. Lawrence River which connects Lake Ontario with the Atlantic. No ship which draws more than 14 feet of water can now use those locks. Volume delivery of iron ore from the new fields to the inland steel centers will not be possible until that bottleneck is removed.

Construction of the St. Lawrence project would open a deep-draft channel from tidewater to Duluth. With only minor improvements to existing Great Lakes channels, it would enable the vast majority of all ocean-going ships to reach our Great Lakes ports. In itself, that would be immensely important. It would open an invaluable low-cost transportation outlet for the great grain fields of our Northwest. But its greatest value would be that it would enable our steel industry to remain in the Middle West.

We are now in the process of making a great expansion in steel production capacity. At the end of 1950, that capacity stood at just under 100,000,000 tons a year. By 1960 it shou'd stand at 130,000,000 tons. Instead of using 110,000,000 gross tons of iron ore annually, it will use 158,000,000 tons.

ORE DEMAND CONSTANTLY RISING

This stupendous increase in our demand for iron ore is taking place concurrently with an inexorable decline in our own domestic supply of high-grade ore.

One of the great advantages of Mesabi Range production has been the fact that so much of it has been open-pit production, with the ore lying so near the surface. In the past that meant that our supply of high-grade ore was elastic. It could be expanded enormously in short order, if expansion was needed. But even though we may continue to get much iron ore from the Lake Superior area, and even though our stock of low-grade ores there may continue to be very large, we are fast losing that possibility of sudden expansion. The low-cost open-pit yield is declining.

As a result, the Middle West may cease to be the best location for the steel industry. If an ever-increasing quantity of iron ore must be shipped in by salt water, to salt-water ports, we face nothing less than a progressive relocation of our steel industry. It will have to have its chief producing centers near the ports where iron ore can be unloaded. If those ports are no longer on the Great Lakes, the leading steel centers before long will migrate to the vicinity of salt water too.

You do not need to meditate on that fact very long to see that the result for all of inland America would be nothing less than disaster. We would see an economic dislocation that would affect every citizen of the country. The heavy industry which constitutes so great a part of the strength of interior America would sooner or later follow the steel industry to the sea.

SEAWAY OF VITAL IMPORTANCE TO AREA

We are meeting today in a city several hundreds of miles removed from the Great Lakes, and equally removed from the centers of our steel industry. Nevertheless, the construction of the St. Lawrence seaway is a vital matter for everyone in this region. The economic life of this entire area will be very different if lack of water transportation forces a shift in the industrial base of interior America.

It goes without saying, of course, that even if we do build this waterway there will be a considerable development of the steel industry along the sea coast. That development is already under way. It is a healthy development. We are making so prodigious an expansion in the industry that every possible source of iron ore must be used, and ores from Africa and South America can be brought to salt-water ports more economically than they can be brought to the interior.

But that development can go hand in hand with continued development of the steel industry in the Middle West, if the bottleneck to low-cost transportation of ore to the Midwest producing centers is once removed.

To remove that bottleneck we must proceed with the St. Lawrence project. It justifies itself many times over, both as a defense project and as a means of maintaining the strength and prosperity of the great Middle West, which is so large a part of our national strength.

It is not by accident that I began by talking about hydroelectric power and wound up

by talking about water-borne transportation. The two go hand in hand. The great rivers with which providence blessed us are mighty contributors to our prosperity.

The unending descent of their waters provides us with an inexhaustible source of power. Their broad channels offer us the means by which we may continue to bring to our workshops the materials without which those shops would cease to function. All we need to do is to take advantage of our opportunities.

We can enrich ourselves for all time simply by making the most of what good fortune offers us.

EXTENSION OF DEFENSE PRODUCTION AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. BUTLER of Maryland. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Green	Monroney
Bennett	Hayden	Moody
Benton	Hendrickson	Mundt
Brewster	Hennings	Neely
Bricker	Hickenlooper	Nixon
Bridges	Hill	O'Conor
Butler, Md.	Hoey	O'Mahoney
Butler, Nebr.	Holland	Pastore
Cain	Humphrey	Robertson
Capehart	Ives	Russell
Carlson	Jenner	Saltonstall
Case	Johnson, Colo.	Schoeppel
Chavez	Kem	Smith, Maine
Clements	Kerr	Smith, N. J.
Connally	Kilgore	Sparkman
Cordon	Knowland	Stennis
Dirksen	Langer	Taft
Douglas	Lehman	Thye
Duff	Long	Tobey
Dworshak	Magnuson	Underwood
Eastland	Maybank	Watkins
Ellender	McCarran	Welker
Ferguson	McCarthy	Wherry
Flanders	McClellan	Wiley
Frear	McFarland	Williams
Fulbright	McKellar	Young
George	McMahon	
Gillette	Millikin	

The PRESIDING OFFICER (Mr. MONRONEY in the chair). A quorum is present.

Mr. MAYBANK. Mr. President, on last Friday, I advised the Senate of the absolute necessity for all-day, and perhaps night, sessions in order that this committee bill should be passed not later than Thursday of this week. This is essential so that we may have a conference with the House on Friday and have the conference report agreed to on Saturday. If this is not done, there will be no law, because the present law expires on June 30.

It is not my purpose at this time to go into a lengthy discussion of each section. I intend to explain briefly each of these sections as they are read from the desk. This will conserve time and, I believe, will be of more assistance to Senators.

The bill as reported to the Senate consists of four sections. Section 1 contains the 7 titles of the Defense Production Act of 1950, which would be extended by this new bill. For the convenience of the Senators, these titles are as follows:

Title I. Priorities and Allocations.

Title II. Authority To Requisition.

Title III. Expansion of Productive Capacity and Supply.

Title IV. Price and Wage Stabilization.

Title V. Settlement of Labor Disputes.

Title VI. Control of Consumer and Real Estate Credit.

Title VII. General Provisions.

Section 2 is the so-called anti-roll-back provision amending title IV.

Section 3 is the amendment to regulation W as it affects automobiles under the general authority of title VI.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield for a question.

Mr. BUTLER of Maryland. Will the Senator, at this point, explain why washing machines, radios, televisions, refrigerators, and other household items, were not included?

Mr. MAYBANK. I shall be glad to make a brief explanation, but I had hoped that, if the Senator would bear with me, full explanations of those particular items would come as we reached the pertinent section of the bill, because there was quite a discussion in committee. Senators will find that there are three volumes of hearings, conducted over a period of approximately 6 weeks, and also a report which not only goes fully into the committee action, but, in addition, on page 41, it goes into the changes of existing law.

Mr. BUTLER of Maryland. Is that in volume 1 of the hearings?

Mr. MAYBANK. It is in the report. The report refers to regulation W.

Mr. BUTLER. Does the Senator refer to the report on Senate bill 1717, Calendar No. 448?

Mr. MAYBANK. I do. I helped prepare the report, but do not recall all the details. On page 18, I may say to the Senator from Maryland, he will find a statement under the heading: "Limitations on credit controls for automobiles." The provision in the bill relating to the subject is found on page 2, section 3. The report goes rather thoroughly into the question of the change in limitations on controls for automobiles, though it does not go into the changes requested with respect to television, radios, washing machines, and certain types of furniture. That was done because the committee believed that automobiles were in a somewhat separate class; in other words, that they were so-called war necessities for defense workers who were required to travel long distances, according to the testimony of many of the witnesses, as shown in many pages of the hearings.

I may also say to the Senator that many of the witnesses, including the electrical workers of the CIO and members of other unions which had large numbers of employees working within television factories and similar places, testified that a great number of persons had been laid off, and that there was a tremendous surplus of these goods on hand.

The House included in its exemption certain of the articles which the Senator mentions, but the Senate confined its exemption insofar as regulation W was concerned—and it did not interfere with regulation X to automobiles—upon the basis of the need on the part of workers for automobiles, and considering that it could not be unduly inflationary to permit a worker to buy an automobile for use in going to and from work, when the automobile company had to finance the automobile, the automobile being either on the lot, in the garage, or in storage, with some type of credit being allowed by the bank. That was, in substance, the reason for the committee's action. It was in a way a priority for war workers.

Mr. BUTLER of Maryland. The Senator from Maryland asked the question, because I have been approached by many persons interested in the radio and television business and in other nondurable items of that kind who are suffering extreme hardship, and have asked for relief.

Mr. MAYBANK. I desire to call the Senator's attention to the following statement, appearing at page 20 of the report:

> In arriving at this decision, your committee wishes to emphasize its conviction that the administration of controls over consumer credit by the Board of Governors of the Federal Reserve System should be sufficiently flexible to permit relaxation or tightening of the regulations in accordance with the conditions prevailing in the respective segments of the economy to which the regulations apply.

In other words, I believe the committee was unanimously of the opinion—I can recall no dissenting voice—that the Federal Reserve had not been flexible enough in its dealings with respect to consumer goods, and that it should be more flexible. But we included in the bill a provision respecting automobiles, because of the necessity of war workers having automobiles. We did not include television sets and other things, but we did say that in our opinion the Federal Reserve Board should be more flexible in administering credit controls; and we are hopeful that it will be. Is that explanation satisfactory to the Senator?

Mr. BUTLER of Maryland. I thank the Senator from South Carolina.

Mr. MAYBANK. Section 4 relates to the extension of rent control, and amends the Housing and Rent Act of 1947, as amended.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Nebraska.

Mr. WHERRY. I did not have an opportunity to hear the Senator's explanation of section 2. As I entered the Senate Chamber the Senator had about concluded his explanation of section 3, having to do with relaxation of the limitations on credit with respect to automobiles.

Mr. MAYBANK. I may say to the Senator from Nebraska, I stated at the beginning of my remarks that it was not my intention at this time to make a lengthy explanation, and, with respect to section 2, all I did was call attention to the fact that it was the so-called anti-roll-back provision, amending what was known in the 1950 law as title IV; and I stated we would discuss it fully when it was reached.

Mr. WHERRY. If the Senator will yield for a question, there are two alternatives. First:

> (4) After the enactment of this paragraph no ceiling price shall become effective which is below the lower of (A) the price prevailing just before the date of issuance of the regulation or order establishing such ceiling

price, or (B) the price prevailing during the period January 25, 1951, to February 24, 1951, inclusive.

That means, does it not, that the first roll-back would be kept within the provisions of the bill?

Mr. MAYBANK. The Senator is correct.

Mr. WHERRY. The provision (B) applies to all other agricultural products, does it not?

Mr. MAYBANK. The Senator is correct. We have provided that roll-back can be made to a price less than that existing on January 24-February 24, for all agricultural products and for industrial products too. In effect we have changed the base date, as far as roll-backs go, from last June to January 1951. If the Senator from Nebraska will bear with me, I have a brief statement concerning that, and I would appreciate it if he would listen to it.

Mr. WHERRY. I shall be glad to do so. I merely thought this might be a good time for the Senator to make some statement about it, while he is giving us a detailed explanation of that section.

Mr. MAYBANK. If the Senator will bear with me, I shall explain that later. I spoke of the rent-control section.

The Senate Banking and Currency Committee has worked on this bill for 7 weeks, not only holding all-day hearings, but also through the Joint Committee on Defense Production conducting hearings until as late as 11 o'clock at night on several occasions. I make this statement, so there can be no blame attributed to the Senate Banking and Currency Committee for a lack of interest in keeping on the statute books the controls which will stop inflation. Rising costs have already created a hardship among our people, and will create far greater ones, when the Defense Department commences to spend more than $70,000,000,000, which is to be appropriated for the next year.

Again, let me say that whatever we do for the good of our citizens we must do immediately, regardless of how late the sessions may be.

For the information of the Senator from Nebraska, let me say that I stated that we must do something by Thursday night if we are going to have a conference with the House on Friday and if the bill is to become law by Saturday.

The bill we are considering is not a tax bill—that is, it is not a limitation of profits. It is a production and control bill. There are now seven titles in the Defense Production Act, which is amended by the new bill S. 1717. There will be little controversy, I believe, on six of the titles of the act. There is one—title IV, on prices and wages—which is highly controversial. Then there is the rent-control section of Senate bill 1717 which is an amendment to the Housing and Rent Act of 1947, as amended. There will be some controversy over this rent-control section.

The great controversy, let me repeat, will be on title IV. The committee voted 7 to 6 for an amendment to this title which will prohibit further roll-backs and freeze all prices fairly as of January 25.

Last year the Congress approved a bill giving the administration the authority to freeze prices or to roll back prices to a base period of May 24 to June 24, 1950. The administration did not desire to do this, but apparently wished prices to rise so that increased taxes could be collected from larger incomes, and thereby attempt to balance the budget.

The administration determined finally to freeze most prices as of January 25, 1951, but provided no roll-backs at that time. Unfortunately, the administration refused to even freeze all prices on this date, and permitted some prices to continue to rise in an effort to get greater production.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. WHERRY. Just a second, please. The bill contains prohibition against any further imposition of roll-backs on beef; does it not?

Mr. MAYBANK. It contains a prohibition against a further imposition of any roll-back, beyond that now in effect, except that perhaps the Administrator might take into consideration a 2-percent further roll-back.

I now yield to the Senator from Indiana.

Mr. CAPEHART: Never mind. I thank the Senator.

Mr. MAYBANK. The committee, of course, did not suggest or concur in such an arrangement as that made by the administration, either at that time or later. We have amended this new bill to make the January 25 freeze an equitable one. There may be no future roll-backs beyond this date in justice to the manufacturers and producers who cannot be expected to plan future operations under such uncertainties as those in which they are now living.

It is impossible to expect anyone to purchase raw material and convert it into a finished product when there is a chance that the retail price at some future date may be rolled back below the cost of the raw material. In many businesses, there is a period of 6 months or longer between the contract for raw material and the time the product reaches the retailer. This is the kind of possible inequity the committee seeks to prohibit through this amendment.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. THYE. I am sure the Senator from South Carolina agrees with me that some of the regulations of the Office of Price Stabilization have created very serious hardships.

Mr. MAYBANK. The Senator is correct.

Mr. THYE. And they have created so much confusion that depression has been brought about in some of the Minnesota apparel industries. I think the Senator will also agree with me that there has been a lack of understanding of the particular type of business affected by the price freeze.

Mr. MAYBANK. The Senator is correct.

Mr. THYE. An administrative regulation was issued last winter affecting the packing industries under which it was absolutely impossible to operate because of the fact that some of the high-quality beef and pork was sold at a certain price and the inferior or cheaper cuts were allowed to come up to the same top price. This brought about a chaotic situation. No regulations should be imposed without first having consulted the affected industries and working out a regulation to be administered. We tried to write a safeguarding provision into the law last year, but evidently it has been disregarded, and regulations have been imposed without consulting with the industry. Therefore some of the regulations are impossible of administration. Am I correct?

Mr. MAYBANK. The Senator is correct. I can appreciate the difficulties of the administrators, starting out with something new, but, in my judgment, the administration of the law has been very poor. Everyone seems to be excited about the roll-back on beef. There is no one who will not say that the price of beef is too high. But the people forget that the roll-backs affect more than beef. Everyone knows what a beefsteak is; but hundreds of other commodities have been affected by the roll-backs. There has been very little in the press about it, but they have affected air-conditioning equipment, agricultural-drain tile, brick, cast-iron boilers, cast-iron radiators, furnace pipes, and fittings. A long list of commodities has been affected by the roll-back, including hides and oils. The only thing we hear about, apparently, is beef. That is only a small item, considering the total economy of the Nation. It comes home, of course, to every American family, and it can be understood. It attracts attention the way a fur coat did in the RFC study; but there are many things involved in the RFC study besides a fur coat.

Mr. THYE. There is difficulty with respect to granting permits to slaughtering plants. If a slaughtering plant happened to be closed in the calendar year 1949 and 1950, they cannot obtain a permit to slaughter in the year of 1951. Many small plants found it necessary to close, for economic reasons, in 1949, but they had a historic background of slaughtering for the past 15 or 20 years. Those plants are closed today, they cannot obtain a permit to slaughter.

Mr. MAYBANK. In that case, again, there is an administrative regulation which it is impossible to continue, for the reason that it would mean the destruction of the business of a firm which had been in operation for 15 or 20 years.

Mr. THYE. That has happened not only in Minnesota, but in all the States of the Union. The Peters Sausage Co., of St. Paul, Minn., was closed in 1949 and is not now allowed a slaughtering permit. There are other slaughtering plants which are affected by the same conditions and regulations. Many complaints have arisen, so that the act has become unpopular in the minds of many persons, and they want the regulations adjusted in such manner that business establishments may be continued and not be completely ruined. I wonder if the Senator can explain to us that there

are some safeguards, and some course which the OPS can follow that would rectify or correct some of the administrative policies which have been forced on business, and which cannot be carried out without destroying a particular business.

Mr. MAYBANK. If the Senator asks me why the act is not administered differently, I cannot answer his question. All I know is that under the law various groups should be consulted, and my information is that the proper groups have not been consulted. In many instances, I understand the persons consulted were not representative of the group most directly affected by the regulation.

Mr. THYE. There is sufficient latitude in the act to correct the administrative policies which have been laid down if there is a desire to correct them.

Mr. MAYBANK. The Senator is absolutely correct. The law is broad enough.

Mr. THYE. The law is broad enough.

Mr. MAYBANK. Yes.

Mr. THYE. The trouble arose from the promulgation of a rule without sufficient knowledge of how it would affect the industry, and once having announced it, the Office of Price Stabilization has been reluctant to make a reexamination to determine what the questions are, and then to make corrections in order that business may function in a normal manner, as it has functioned during the past 15 or 20 years.

Mr. MAYBANK. The law gives the Government officials that power. In fact, they are commanded to do what the Senator has suggested, though not in so many words; but the law provides for certain flexibility, and the officials have the power to act. The Senator from Minnesota says he believes they have not made use of that power.

This is a big country, Mr. President. When a few men are brought to Washington to administer the affairs of the Nation apparently at times they cannot see beyond the Potomac River; they seem to feel that everything is centered here. They look upon Washington as a big city, and they cannot envision the troubles of the farmers. They cannot appreciate the troubles of the timber men. They do not know what goes on in the State of Washington, in the State of Minnesota, in the State of Maine, or in the State of Florida.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. MAYBANK. I yield.

Mr. THYE. At the time the Defense Production Act was debated on the Senate floor a year ago, the chairman of the Committee on Banking and Currency and I engaged in a colloquy one afternoon during which I asked him whether there was a provision in the act that would compel the Price Administrator to consult with those to be affected.

Mr. MAYBANK. The law provides that he must consult with the different groups affected by the regulations—industry, labor, agriculture, or whatever they may be.

Mr. THYE. Yes; with the industry affected by an order, before the order is put into effect, in order that there might not arise the same administrative criticisms and problems we experienced in connection with OPA in the war years of World War II.

Mr. MAYBANK. Because of the difficulties which arose in connection with OPA during World War II we placed in the act provisions like those to which the Senator refers. Because of the errors which were made then, we wrote into the law language by which we tried to correct the mistakes. I must say that I can appreciate what administrators of such laws are up against. It is rather difficult for them to carry out the purposes of the laws at all times.

Mr. THYE. The criticism of the act has been more by reason of the misuse of the law than because of the wording of the law itself.

Mr. MAYBANK. Yes. The Congress of the United States wrote a wonderful law. If it had been administered properly, there never would have been the slightest ill effects from inflation in this country. The law was expected to be put into effect last October and November, but it has not yet been put fully into effect.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. CAPEHART. Why does the Senator from South Carolina feel that they did not put the act into effect in October?

Mr. MAYBANK. I have just received a copy of a statement made by Mr. DiSalle himself of the effect of the act on prices, from January on. I can only refer the Senator to what occurred after Mr. DiSalle was appointed to his present position, according to his own statement.

Mr. CAPEHART. Did I understand the able Senator from South Carolina to say a moment ago that he felt that the administration did not want control of prices at one time, but wanted prices increased so as to collect more taxes?

Mr. MAYBANK. I said that was my personal opinion.

Mr. CAPEHART. The Senator said that was his personal opinion. In other words, the Senator feels that the reason why price control was not imposed last July——

Mr. MAYBANK. Was as I have just stated. That was one of the reasons. Another was that there was an election impending.

Mr. CAPEHART. So the administration wanted prices to go up?

Mr. MAYBANK. That is my personal opinion. I think that is one of the reasons.

Mr. CAPEHART. I agree with the Senator. Of course, I think they were wrong in that.

Mr. MAYBANK. I think so, too; otherwise, I never would have voted for the law last year.

Mr. CAPEHART. Now what other reason might they have had for not wanting to follow the law as passed by the Congress?

Mr. MAYBANK. The Senator and I worked long and hard on that law. We had many distinguished witnesses before us, including Mr. Baruch. I am not a mind reader, and I would not know all the reasons why the law was not carried out. In the course of the hearings, Mr. DiSalle went back to 1950, and stated as follows:

> One week after I was sworn in, on December 19, we issued our voluntary standards, asking American business to comply with those standards. We sat back hopefully awaiting the reduction in price levels.
>
> What happened, of course, now is history. Prices did not fall—there wasn't a great wholesale rush to reduce prices on the part of business generally, and instead we found an acceleration of pressures. A good many business people who attempted to comply with these voluntary standards found it impossible, and so on January 26 we took the only action left open to us, and that was a general ceiling price regulation.

The only difference I have with Mr. DiSalle is that he ought to have done that on December 19, not to have waited until January 26, until all prices went up.

Mr. CAPEHART. Is it not a fact that DiSalle testified, as appears on page 587 of the hearings, volume 1, that he had no intention of rolling back any prices?

Mr. MAYBANK. The Senator from Indiana asked a similar question, as appears in the Defense Production Act Progress Report No. 1 of the so-called watch-dog committee. The Senator from Indiana asked several questions. In answer, Mr. DiSalle said, in reply to one of the questions by the Senator from Indiana:

> There will be certain things that will have to be adjusted before we can reach that plateau.

He talked about a plateau of prices in January.

Mr. CAPEHART. What did he mean by a plateau of prices? Did he mean that he would let prices go up?

Mr. MAYBANK. He had to reach a plateau from June prices, when the Congress had authorized the freezing of prices.

Mr. CAPEHART. In other words, is it the Senator's opinion that the intention of the administration had been to permit prices to go up rather than to hold prices down, and to freeze prices?

Mr. MAYBANK. Until January 25 it appears so, at least that was the effect; since then, no. The administration has been trying to freeze prices, and did freeze prices. They rolled some back. But with reference to the other question of the Senator from Indiana as to Mr. DiSalle, I cannot quote him exactly, but the Senator from Indiana has the hearings in his hand and can check on what Mr. DiSalle said. As I recall, Mr. DiSalle intimated that he did not have any idea of rolling back the prices of anything except beef. I may be wrong, but that is as I remember the testimony. But as soon as we had placed in the bill the section providing that he could not roll back anything else, he came up with the statement, as I read it in the newspapers, that he had intended to roll back many other things. How a businessman can operate not knowing whether the prices of his products are to be rolled back or not I do not understand. The issue is political. We ought to be frank about that. It is, "What is the price of a beef steak?" All other

things are forgotten. The cry is, "What is the price of a beef steak?" But the point is that if we are going to let the Director roll back the price of beef, we ought to let him roll back the price of everything else.

Mr. CAPEHART. I have been reading the newspapers, as the Senator from South Carolina has, that the administration has in mind that if Congress should pass the bill which the Senate Committee on Banking and Currency reported, the bill we are considering at the moment, it would mean an increase in prices to the American people. How can it mean an increase in prices to the American people if prices were frozen on January 25?

Mr. MAYBANK. The bill which is before the Senate lets the executive department freeze the prices as of that date and permits no further roll-backs, but permits the roll-backs which have been put into effect since January 25, in proportion to the advances in the prices of the articles affected since January 25. In other words, beef rose a little bit more than textiles, let us say. At any rate, we give the administration the right to roll back prices of everything to January 25, and freeze prices as of January 25; so how the price of anything can rise is beyond my comprehension.

Mr. CAPEHART. That is the point. Let us forget whether beef is too high or too cheap, and let us forget whether prices are too high or too low. The fact remains that the prices were frozen on January 25.

Mr. MAYBANK. And they would roll back the price of beef, for instance, since then 10 percent.

Mr. CAPEHART. Meat has been selling at a certain price, and now it is said that the bill which the Senate Banking and Currency Committee reported to to the Senate, if it becomes law, will increase prices.

Mr. MAYBANK. The Senator knows that last year the Banking and Currency Committee and the Senate itself forced title IV into the bill, to control prices and wages. It was not even asked for. It was not used until January, and it has not been used correctly. The Senator certainly knows that.

Mr. CAPEHART. I agree with the able Senator from South Carolina; but I am trying to find out how prices can go up under the terms of the bill which we are now considering. I cannot see it.

Mr. MAYBANK. Of course, the Senator knows that if the administration wishes to do so it can roll prices forward. If the administration wants commodities to cost the American people more money, it can roll prices forward. But I cannot for the life of me understand how any price can go up when it is frozen—and prices generally are now frozen as of January 25. Prices which have advanced since January 25 can be rolled back to that level under the committee bill. Am I correct?

Mr. CAPEHART. The Senator is 100 percent correct.

Mr. MAYBANK. How prices can go up unless the administration deliberately intends to put them up is beyond my comprehension.

Mr. CAPEHART. What I am trying to find out is whether there is any basis for the contention of the administration. Or is it purely propaganda?

Mr. MAYBANK. I believe it is propaganda. Of course, they can raise prices, and then they will say that Congress did it. Do not misunderstand me. The administration can roll prices forward, as the Senator well knows.

Mr. CAPEHART. It can permit prices to increase.

Mr. MAYBANK. Certainly it can. It did so last August, September, October, November, December, and January. Then it froze some prices, and let some others go up, during February, March, April, and May. It can do so again.

Mr. CAPEHART. It is permitting prices to go up each day.

Mr. MAYBANK. Certainly.

Mr. CAPEHART. Even though the law gives it the right to freeze prices.

Mr. MAYBANK. Yes. The pending bill provides that prices may be frozen as of January 25, and also permits a roll-back of prices to January 25.

Mr. CAPEHART. Perhaps we had better offer an amendment to the bill actually freezing all prices.

Mr. MAYBANK. The bill lets the administration freeze the price of everything generally as of January 25, 1951.

Mr. CAPEHART. But it still gives the administration the right to increase prices if it wishes to do so. However, if it does so, it will be the administration, rather than the Congress, which will be doing it.

Mr. MAYBANK. If we enact a rigid law, it may affect an isolated case involving some national defense material, which would not be a good idea. The only way prices can go up is for the administration to let them rise.

Mr. CAPEHART. The only reason they are up today is that the administration permitted prices to rise.

Mr. MAYBANK. It did not freeze them last year.

Mr. CAPEHART. Congress enacted a law on September 8 giving the administration the right to control and freeze all prices.

Mr. MAYBANK. The Senator is correct—as of May and June a year ago.

Mr. CAPEHART. And it did not control prices. It did not freeze prices.

Mr. MAYBANK. It did not freeze anything, except automobiles and hides, to my knowledge, until the 25th of January, and then froze only certain prices.

Mr. CAPEHART. Since January 25 it has been permitting some prices to rise.

Mr. MAYBANK. The Senator is correct.

Mr. CAPEHART. In all fairness, we must admit that, of course, the law provided that farm prices could not be controlled below parity.

Mr. MAYBANK. I know that; as the Senator knows, the major farm commodity the price of which has been over parity is beef, on which parity was figured wrong. The Senator from Virginia [Mr. ROBERTSON] will explain that subject very fully when we reach it. Of course, with respect to cotton, unfortunately there was a crop failure.

Mr. CAPEHART. I want to be fair. With respect to all items other than farm prices, if there has been any increase since Congress enacted the law of September 8, the administration is 100 percent responsible for it.

Mr. MAYBANK. The price of ready-mixed concrete was permitted to rise. The same thing applies to roofing, soil pipe, cork products, valves, brass fittings, and other products. The prices of a large number of things were permitted to rise since January 25.

Mr. CAPEHART. Does the able Senator, who is chairman of the Senate Committee on Banking and Currency, have a statement from Mr. DiSalle or Mr. Johnston, or anyone else who is telling the American people that if the Congress enacts the pending bill it will be responsible for price increases? Does the Senator have a statement from anyone pointing out how that might happen? It is my understanding that members of the administration are telling the people of America that if the Congress enacts the pending bill, prices will increase.

Mr. MAYBANK. I receive so many statements from so many sources regarding the bill that I cannot keep them all in mind. However, I cannot remember any such statement.

Mr. CAPEHART. They are telling the American people that if the bill which we are considering today becomes a law prices will automatically increase, and that the cost to the American consumer of what he buys will be greater.

Mr. MAYBANK. I have no such statement that I can recall. I read it in the press.

Mr. CAPEHART. How can that possibly happen if they themselves, who are charged with the responsibility of administering the law, hold prices, which they have a right to do under the existing law?

Mr. MAYBANK. I cannot figure out how it could happen.

Mr. IVES. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. IVES. I ask unanimous consent to reply to the question which the distinguished Senator from Indiana just raised.

Mr. MAYBANK. The question he raised with me?

Mr. IVES. Yes.

Mr. MAYBANK. With respect to the letter or statement?

Mr. IVES. I refer to the question which the Senator from Indiana just raised with the Senator from South Carolina. I should like to reply to it.

Mr. MAYBANK. What question was that?

Mr. IVES. As to how prices will rise.

Mr. MAYBANK. If the Senator from Indiana desires to have the Senator from New York reply——

Mr. CAPEHART. I want the information.

Mr. MAYBANK. I should like to have the information, too.

Mr. CAPEHART. Bear in mind that those administering the law have the right to deny price increases if they wish.

Mr. MAYBANK. I am glad to yield provided I do not lose the floor.

The PRESIDING OFFICER. Is there objection to the Senator from South Carolina yielding with the understanding that he will not lose the floor? The Chair hears none.

Mr. IVES. Mr. President, I merely wish to point out that I have had several conversations with Mr. Eric Johnston on this question. Apparently—and this is something I had not myself realized—there are quite a number of businesses whose prices were held down in the fall. Their prices did not rise materially during the fall and early winter, prior to the so-called price freeze on January 25. If no roll-back should occur, the prices which have been in force in those businesses would be left as they were, presumably, unless the administration permitted them to rise in line with other prices which had previously been raised. If that is not permitted, those particular businesses, both from the standpoint of competition and from the standpoint of their relationship with others in industry generally, will find themselves at a great disadvantage.

I am very sure that the administration is not going out of its way to try to raise prices unduly at this particular time, or at any other time. In all fairness to the particular businesses which would be adversely affected, as I have indicated, Mr. Johnston stated that the average increase in manufacturers' prices would probably have to be somewhere between 5 and 6 percent, which in turn would necessitate another round of wage increases. I am dealing with that subject in remarks I shall make later, but I wish to bring out the point in question at this time.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MAYBANK. I have the floor.

Mr. CAPEHART. I should like to reply to the Senator from New York.

Mr. MAYBANK. I shall be glad to yield to the Senator, but I want the Senator from New York to understand that, of course, I can comprehend how certain industries can be permitted to advance prices. I made that perfectly clear. But it is up to the administration to do that. It should have frozen the prices of competitors some time ago, so that certain industries would not be in the present difficulty.

Mr. IVES. Let me point out to the Senator that two wrongs do not make a right.

Mr. MAYBANK. The Senator is correct.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Indiana.

Mr. CAPEHART. What the Senator from New York is saying, and what members of the administration have been saying to him, is that from June 30, when the Korean War started, until January 25 this year, certain companies in the United States did not raise their prices.

Mr. IVES. To any extent.

Mr. CAPEHART. To any extent; or perhaps they did not raise them at all. Now the administration desires to permit those industries to raise their prices.

Mr. IVES. If roll-backs are not to be permitted.

Mr. CAPEHART. What does the Senator mean by saying "if roll-backs are not to be permitted"?

Mr. IVES. If industries are to find themselves in a condition where the prices which they are now charging are out of line—that is, too low—where other prices are concerned, then if roll-backs were not permitted, in order to permit such industries to proceed properly and carry on their businesses without loss, they would have to be permitted to increase their prices.

Mr. CAPEHART. Suppose there were no roll-backs, and suppose the Committee and Banking and Currency had not written any roll-back limitation provisions into the bill, would the administration permit them to increase their prices?

Mr. IVES. No; that was not the idea. My understanding is that there were certain roll-backs which have not been made, but which are to be required.

Mr. CAPEHART. That is the point. The administration itself is now permitting prices to increase, which is increasing the cost of living. The roll-back limitation which the Committee on Banking and Currency wrote into the bill we are now considering, has absolutely no relationship whatever to what happened to such industries with respect to raising prices between June 25 and January 25.

Mr. IVES. On the contrary, I feel that the provision in section 2 of the bill as now written has a great deal to do with the prices which were established in the period between June 25, 1950, and January 25, 1951. It has a great deal to do with them, because inequities have been brought about, which will have to be corrected, either by rolling back some prices or, if no roll-backs are permitted, by allowing other prices to be increased. The situation cannot be left as it exists at the present time, from the standpoint of equity.

Mr. CAPEHART. I do not agree with the Senator. If I did, I would be agreeing that a situation had developed through an almost unpardonable sin on the part of the administration, because the administration did not freeze prices as of September 8 of last year. Is that correct?

Mr. IVES. If the Senator from Indiana will recall, he himself proposed to freeze prices on June 25, 1950, which history has indicated should have been done.

Mr. MAYBANK. Mr. President, I merely wish to add that the administration has had since January 25 to roll prices back and straighten out the inequities. Is that correct?

Mr. IVES. The Senator from New York will point that out in the remarks he is about to make. The Senator from New York is not apologizing for any derelictions which may have occurred in the administration under the act.

Mr. MAYBANK. The Senator from New York feels as the chairman of the committee feels, that two wrongs do not make one right.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. MOODY. Like the Senator from New York, the Senator from Indiana, and the Senator from South Carolina, I feel that action was not taken to freeze prices promptly enough. I should like to ask the Senator from Indiana whether he feels now that it is advisable or feasible to remove all price and wage controls.

Mr. CAPEHART. I have never advocated it.

Mr. MOODY. Then why did the Senator from Indiana vote to do so in committee a few days ago?

Mr. MAYBANK. Mr. President——

Mr. MOODY. A motion was made to strike title IV, and the Senator from Indiana voted for the motion.

Mr. CAPEHART. That is not correct.

Mr. MOODY. The Senator from Illinois [Mr. DIRKSEN] made the motion to strike title IV from the bill. The record shows that four votes were cast in favor of the motion. The Senator from Indiana and three other Senators from the other side of the aisle voted in favor of the motion.

Mr. CAPEHART. Let us say for the sake of the argument that I did vote as the Senator says.

Mr. MOODY. Let us say the Senator did, period.

Mr. CAPEHART. I do not remember that I did.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MAYBANK. To answer what the Senator from Michigan has said?

Mr. DIRKSEN. Yes. I wish to clarify the RECORD by saying that my good friend from Detroit is hopelessly in error.

Mr. MOODY. I would not say so.

Mr. CAPEHART. There is nothing unusual about that.

Mr. MOODY. I would ask the Senator from Illinois [Mr. DIRKSEN] whether he denies having made a motion to strike out title IV?

Mr. DIRKSEN. No, but I deny that the Senator from Indiana voted in favor of the motion.

Mr. CAPEHART. Mr. President, I do not known what all this discussion has to do with the consideration of the pending bill. I should like to be informed how the bill which we are considering would automatically increase prices. That is what I should like to find out.

Mr. MOODY. Mr. President, I would say to the Senator from Indiana that during the period when the President of the United States was endeavoring to apply a voluntary system for controlling inflation, which so many witnesses before our committee advocated, there was a sharp increase in prices. However, I agree with the Senator from Indiana that it would have been better to apply controls at an earlier date. Nevertheless, during that period there were a number of sharp increases in prices. Some businesses responded to the plea of the President of the United States not to increase their prices. If the Senator

will permit me to say so, there now exists a sharp distortion and inequity between those who increased their prices very rapidly and those who did not.

If the adjustment, as the Senator from New York has pointed out, is permitted to take place an endeavor to reach an equilibrium will at least be made. On the other hand, if we freeze by law the increases which have been made by the persons who profiteered during that period, then as a matter of pure equity it would be necessary to allow increases in prices among those who did not increase their prices but held the line when they were requested to do so by the President.

According to the best estimate of Mr. Eric Johnston, this would bring a 6 percent increase in the cost of living. I do not believe the Senator from Indiana would expect that under such conditions it would be possible to hold the present wage stabilization program. Therefore, if we remove the opportunity to stabilize the situation by some roll-backs and some increases, we would be blasting the wage line and, in my opinion, starting a new spiral of inflation. I believe that is the point to which the Senator from New York referred.

Mr. CAPEHART. In other words, the argument is made that there are a great many manufacturers who did not raise their prices between June 25 and January 25.

Mr. MOODY. There are some; yes.

Mr. CAPEHART. Whose prices are now too low, and, therefore, whose prices must be raised. That seems to to be the argument.

Mr. MOODY. If the Senator will yield at that point, I would say that the effort is to stabilize prices. According to the formula which has been announced, manufacturers are entitled to increase any prices in accordance with their increase in cost of labor and materials since the Korean base date. If they are entitled to do so, I believe the Senator from Indiana would agree that they should do so. There are others, however, who moved up their prices much more rapidly, to a point which has not been justified by increased costs or the public interest, and those prices should be rolled back. I wonder what the Senator from Indiana thinks about it.

Mr. CAPEHART. Mr. President, please let us keep the RECORD straight, so that every Senator may have the facts before him. There is nothing in the pending bill which would prohibit the Administrator from permitting every one of the increases to which the able Senator from Michigan is referring. There is nothing in the bill which would prohibit their increasing their prices.

Mr. MOODY. Mr. President, will the Senator yield at that point?

Mr. CAPEHART. There is nothing in the bill which would prohibit it.

Mr. MOODY. I believe the Senator from Indiana will agree that if the committee's stabilization plan is upset by amendment, so as to make it impossible to stabilize the relationship of prices, it will be necessary, as a matter of equity, to increase various prices, which will result in an increase in the cost of living by an estimated 6 percent. If that is what the Senator is trying to do, let us have it out in the open.

Mr. MAYBANK. Mr. President, I have the floor. I appreciate the fact that Senators wish to ask questions, but I have only a 5-minute statement, and 40 minutes have been consumed already. I have been able to read only the first page of it. I shall be glad to yield for a question.

Mr. CAPEHART. I wish to ask this question of the able Senator from South Carolina [Mr. MAYBANK], the chairman of the Banking and Currency Committee, and the Senator who reported the pending bill: Is there anything in the bill or anything in the existing law which prohibits the Price Administrator from permitting all manufacturers to increase their prices above what they were on September 8, when the present law went into effect?

Mr. MAYBANK. No, there is not. Of course, the Office of Price Stabilization can continue to make investigations and findings, including findings in hardship cases. The Administrator can continue to administer the law under which Congress gave the President authority to freeze prices as of last May or June.

This bill will allow freezing prices as of January 1951. We think that is when prices should be frozen, because since then great increases in prices have occurred.

Mr. CAPEHART. Mr. President, if the Senator from South Carolina will yield for a further question, I shall appreciate it. As chairman of the Banking and Currency Committee, can he state whether there is anything in the pending bill which will prohibit the Administrator from permitting any of the concerns which did not increase their prices to raise their prices?

Mr. MAYBANK. No. Of course there is a formula which the Administrator is supposed to follow in connection with the adjustment of prices. However, the worst thing about the roll-backs, as the Senator well knows, is that they constitute an indirect method of taxation.

I should like to say—and I call this point particularly to the attention of the Senator from Ohio [Mr. BRICKER]—that in connection with this matter we must bear in mind the tax bill, and particularly the excess-profits-tax features of that bill, which has been passed by the House of Representatives, and soon will be before the Senate. If we give the Administrator the authority to roll back prices, and if he does so and continues to do so, when he rolls back prices he also will roll back the income of the Government by means of taxation, because if prices are rolled back, lower prices will be charged and profits will be decreased, and then the excess-profits tax, which was passed on last week by the House of Representatives, and will be considered by the Senate shortly, in connection with the tax bill, will be seriously affected. Thus the income of the Government will be curtailed if prices continue to be rolled back or if Congress gives Mr. Johnston and Mr. DiSalle authority to roll back prices.

Many persons are confused because of the situation in connection with the price of beef. However, it is clear that when prices are rolled back, profits also are rolled back, and then the tax revenue is reduced.

The Senator from Georgia [Mr. GEORGE] tells me that the rollbacks thus far in effect have already had a serious effect on the tax revenues, according to the Treasury Department.

I should like to have the Senator from Ohio and the Senator from Indiana express themselves on that point.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. BRICKER. There is no question that there is much confusion in this connection. We can add to it the confusion which will exist when prices are rolled back in particular industries in the way that beef prices were rolled back. Not only will the result be confusion, but it will also be a reduction in production, and that will feed the fires of inflation, and will prevent the production of the goods which it is necessary for our country to have in connection with carrying on the war in Korea and in connection with our own defense effort. Any situation of that kind not only would cause confusion and would curb production, but also would decrease the income of the Government, which the Government will need in order to carry out the other provisions of the bill.

Mr. MAYBANK. Yes, it will materially decrease the Government's income, as a result of a drastic decrease in profits, with the result that a much smaller number of persons will pay taxes under the excess-profits provisions.

Mr. BRICKER. In that way, confusion and inflationary pressure will be caused. Even under the testimony of Secretary Brannan before a House of Representatives committee, the ultimate effect will be to curb production and prevent the accomplishment of the very purposes we have in mind in enacting the bill.

Mr. MAYBANK. In connection with this matter, we must consider the price increases in the case of rubber, tin, copper, lead, and zinc. We should bear in mind that some of those price increases occurred only because the United States Government itself put up the prices.

Mr. MOODY. Mr. President, I wonder whether the Senator from Ohio knows that in 1943 and 1944, at the height of World War II, when price controls were in effect, production in the United States was at a higher rate than it ever had been before or since. That was not because of the controls, of course, but the controls did not prevent the high rate of production.

Mr. BRICKER. Again, Mr. President, the Senator from Michigan is in error. Today the production in the United States is higher than it has ever been.

Mr. MOODY. That is the second error which has been made today by Senators on the other side of the aisle. The first was when the Senator from Illinois [Mr. DIRKSEN] said the Senator from Indiana did not vote in favor of the motion of the Senator from Illinois to strike title IV. I have just consulted the clerk, and he says the vote was 8 to 4, and I remember very clearly that the

Senator from Indiana did vote for that motion.

Mr. MAYBANK. Was there a yea-and-nay vote?

Mr. MOODY. The chairman was on the floor of the Senate handling the independent office appropriation bill and the Senator from Virginia [Mr. ROBERTSON] was acting chairman. The Senator from Indiana held up his hand, and I think that was an indication of a vote.

Mr. CAPEHART. Mr. President, the Senator from Michigan says that I held up my hand. I do not know why the Senator brings up that matter on the floor, and whether it is necessary to have persons snooping to see whether a Senator holds up his hand. I wish to say that I do not like such tactics, and I do not think the Senator should make such statements. I think it is out of order for him to do so.

Mr. MOODY. I do not believe it is out of order, Mr. President. Is it out of order for one Senator to say how another Senator voted in a committee? Why should a Senator's position on a matter of this importance be secret? Let me ask the chairman of the committee about that.

Mr. MAYBANK. Mr. President, let me say to the Senator that I cannot rule on a point of order; the Presiding Officer will have to do that.

In conclusion, Mr. President, let me say that to the amazement of the committee, after the administration had had the opportunity, since September 8, 1950, to roll back excessive prices to the June level and refused to do so, the committee now finds that the administration have a desire to have legislation passed to permit drastic roll-backs.

Any such roll-back of prices now would further unbalance the budget and create greater inflation. Instead of the corporations and business firms of this country paying their taxes and contributing to the excess-profits tax, they would be relieved because the administration would roll back their prices, so that profits, on which taxes are collected, would not accrue. This would naturally be followed by further inflation and a demand for total rationing of all articles not in excess supply.

It has been stated that wages will have to be raised if the roll-backs are not allowed. Of course, there will always be wage adjustments. But the members of the larger unions, with their escalator clauses, will be protected; and the Wage Stabilization Board was supposed to have adjusted wages to the January 25 price level. If it has not, it is its duty to do so.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. TAFT. Is there anything in the present law or in the extension bill which would authorize subsidies; and if so, to what extent would subsidies be authorized?

Mr. MAYBANK. We were asked to include in the bill various provisions in regard to subsidies. However, that has not been done. On the other hand, there are in the present act certain types of marginal subsidies in regard to mine production and similar strategic material production. That matter is presently handled through the Secretary of the Interior.

Mr. TAFT. Does the Senator mean that occurs under various provisions of existing laws?

Mr. MAYBANK. Yes, under section 303 of the present law.

Mr. TAFT. In this bill or in any existing law, is there any authority to subsidize imported commodities?

Mr. MAYBANK. No express authority so far as I know. The Government buys tin and rubber directly; and, as the Senator knows, the only reason for the substantial price increases in the case of those commodities was the action of the Government itself. Now the Government is putting those prices down. However, the Government was the cause of the price increases in the case of those commodities. There is no express subsidy program for them.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Ohio.

Mr. TAFT. I suppose that the Government, through some of its corporations, can buy things such as copper, the price of copper in the Argentine and in Chile now being 28½ cents, for example.

Mr. MAYBANK. Through the various appropriations which have been made for stockpiling agencies, purchase contracts have been made with respect to copper and several other items.

Mr. TAFT. I am not so much concerned about stockpiling as I am with the question of whether the Government has power to buy copper at 28½ cents in Chile, and then sell it to American manufacturers at a loss, thereby subsidizing the price of copper.

Mr. MAYBANK. It could do so, because copper could be declared a critical material, and the Government could buy it.

Mr. TAFT. But that does not necessarily come under the Defense Production Act.

Mr. MAYBANK. Well——

Mr. TAFT. It is rather under general powers.

Mr. MAYBANK. I think it would be under the Defense Production Act under section 303 (a). If the Senator will recall, in the present act we authorized $600,000,000 borrowing power and an additional $1,400,000,000 in appropriations. Some of this money was later turned over to the Reconstruction Finance Corporation for defense loans. The Senator suggested that it not be left wide open, but that the Appropriations Committee should determine the amount of money to be provided. I may say to the Senator that is exactly what we have done in this bill. We have changed it so that it will be possible to go to the Appropriations Committee to get the specific amount of money needed.

I may say to the Senator that if he will refer to page 44 of the report, section 304, subsection (c), he will see to what I refer. Subsection (c) reads:

> In addition to the sums authorized to be borrowed under subsection (b), there is hereby authorized to be appropriated to carry out the purposes of sections 302 and 303, such sums as may be necessary therefor.

In other words, we left it to the Appropriations Committee, and, as the Senator knows, we eliminated the clause "not in excess of $1,400,000,000."

Mr. TAFT. I thank the Senator.

Mr. IVES obtained the floor.

Mr. SPARKMAN. Mr. President, will the Senator from New York yield, that I may make a brief statement?

Mr. IVES. Mr. President, the Senator from New York appreciates the problem with which the Senator from Alabama is faced. He asks unanimous consent that he may yield to the Senator from Alabama for a brief statement, with the understanding that the right of the Senator from New York to the floor will in no way be prejudiced, and with the further understanding that debate will not ensue.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I appreciate the kindness on the part of the Senator from New York, and I have promised him that I would not use more than 10 minutes. Therefore, I must announce in advance that I shall not be in a position to yield during that brief time. Unfortunately, I have an appointment tomorrow of long standing, which will take me out of the city. I shall have to take an early train in order to keep the appointment. It is for that reason that I have asked for the privilege of speaking at this time.

I am always regretful when I find myself in opposition to the chairman of the Committee on Banking and Currency, of which I am a member, in reference to any matter. I think I may say conscientiously that I have never known a chairman with whom I was so reluctant to differ as I am with the very able chairman of our committee. However, I am in opposition to him with reference to one part of the pending bill which I consider really the heart of the measure. It is the amendment which is found on page 2, section 2. When I read the amendment, I hope every Member of the Senate will carefully follow the reading:

> SEC. 2. Section 402 (d) of the Defense Production Act of 1950 is amended by adding at the end thereof the following new paragraph—

This is new legislation—

> (4) After the enactment of this paragraph no ceiling price shall become effective which is below the lower—

Mr. President, please note that it says "below the lower," not the higher, of—

> (a) the price prevailing just before the date of issuance of the regulation or order establishing such ceiling price, or (B) the price prevailing during the period January 25, 1951, to February 24, 1951, inclusive.

Mr. President, before I say anything about the bill, I desire to take a moment to pay a compliment to the very able chairman of the committee. This is a most difficult piece of legislation to handle. The Senator from South Carolina [Mr. MAYBANK], our chairman, has been brave, enduring, considerate, courteous, grave, and hard working. The hearings

continued for weeks. He sat in committee day in and day out, hearing witnesses who represented every viewpoint to be found in the country with reference to the proposed legislation. It was one of the finest jobs of patient and careful consideration I have ever seen. His is not an easy position. Many of the votes in committee were close, many of the questions being decided by a single-vote margin, yet he has the job of coming to the floor of the Senate to present the bill as the committee directed him to present it to the Senate.

I have heard some say that if the provision I have read should remain in the bill, we would be better off without any bill at all. I do not know whether or not that is true, but I believe that it constitutes bad legislation; and I desire to mention but a few points. We started out with a bill which included as the base period the period from May 25 to June 24, 1950. Personally, when similar legislation was being considered last year, I advocated controls across the board. I advocated the Baruch plan, and I did my best to have it written into the law; but that was not done.

Statements have been made that the administration was tardy in starting to take action under the law which was passed last year. It may have been. I do not know.

My own personal feeling is that we should have been in position to step in last fall when the United States Steel Corp. announced the first rise. That is when the fireworks started anew.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. SPARKMAN. I cannot yield. I have only 5 minutes remaining.

We fixed the period I have mentioned as a base period, and when controls were started, using that as a base period, there was worked out the relationship between prices and wages. The thing we are working for is not freezing or controlling, it is stabilization. Working to that end, it was decided that a wage level could be set at approximately 10 percent above the prevailing wage. That was worked out carefully by taking into consideration the various price levels. We are now changing the base date, and just as certain as anything can be changing the date changes the relationship between prices and wages.

We are in a pretty well stabilized condition at the present time as between prices and wages. That is one reason why so many persons throughout the country have a feeling of indifference as to whether controls should be continued. We have been throwing them out, and, as a result, there will be a new round of wage demands. I asked Mr. Eric Johnston the other day what he thought the effect of it would be. He said that in his opinion it would increase the wage level from 5 to 6 percent. I said, "What would that amount to in dollars?" He said it would amount to $7,500,000,000. That is $300,000,000 more than the tax bill which the House has just passed. On the one hand we raise taxes, and on the other hand we inflate wages and wipe out the effect of the tax bill. I should like to discuss that subject further, but I want to move to another subject.

We who come from farming sections of the country are sometimes accused of writing legislation that protects the farmer. Some persons may believe that the section I am discussing protects the farmer, but it does just the opposite. I am not sure that this section would not have the effect of repealing the parity section written into the law last year, because it is contradictory to it and there is no saving clause involved.

I use cotton as an illustration. I could use beef, wheat, or any other farm product. It is a well-known fact that when things level off, if anything like a recession, a depression, or a slow period comes, farm prices are the first prices to go down. Under this provision, any farm product or any other product which goes to a lower price may be frozen at that lower price. I refer to farm products because some persons think the bill would protect the farmer.

Cotton has a ceiling of nearly 46 cents a pound. It is selling for slightly less than that amount. This year the farmers planted a 16,000,000 bale crop and we are hoping to harvest it. Because of that prospect cotton futures are selling at a little less than 40 cents a pound. It is anticipated that cotton may well go down to 36 cents a pound. The very day it does down to that extent, the Administrator, if he desires can put a price ceiling on cotton of 36 cents. If there is a poor crop next year, the farmer will be frozen.

If the beef price should go down below its present level, the very day it goes down the Administrator can clamp on a ceiling. That would prevent our taking the benefit of lowered prices on imported goods. The report of the committee makes reference to burlap. That commodity has had a decrease in price recently. If the section which I am discussing should remain in the law, the price decrease could not be passed on to the consumer, even though the manufacturer of the burlap bag received the benefit of the lowered cost of the imported goods. The same thing is true of any imported raw material.

Mr. President, there is much I should like to say about this amendment, and I hope to have an opportunity to discuss it further, but at this time I must stop with these few brief words, expressing my sincere appreciation to the able senior Senator from New York for yielding to me at this time.

Mr. IVES. Mr. President, I was very glad to yield to the Senator from Alabama.

At the outset of my remarks I should like to say that I shall decline to yield until I have completed the prepared portion of what I have to say, for two reasons: First, we are faced with a matter of time, which has been pointed out rather forcefully by the distinguished chairman of the Committee on Banking and Currency, and I do not want to take any more time than I believe to be necessary. In the second place, by yielding, as I might be inclined to do under normal circumstances, the continuity of my thought as it would appear in the RECORD would be utterly destroyed. Therefore, as I have said, I shall decline to yield until I have finished my remarks, at which time I shall be very glad to yield to any Senator for any questions he may put to me, and shall endeavor to answer them so far as I am able to do so.

Mr. President, last August, when we were debating the Defense Production Act of 1950, there was considerable reluctance to grant to the President stand-by authority to impose controls over prices and wages. This opposition was especially understandable in the light of the fact that the President himself had not only declined to request such stand-by powers, but actually seemed to resent the insistence of the Congress upon granting them to him.

Because of the President's refusal to exercise them immediately after the Defense Production Act of 1950 was passed by the Congress on last September 1, the result of these congressional efforts has seemed to some to have been worse than would have been the outcome if we had acted otherwise. This question is now academic, and can be debated ad infinitum without reaching a conclusion which will meet with general agreement.

The fact remains that the President did not take early advantage of the authority thus bestowed upon him by the Congress. More than 3 months elapsed before he established the Economic Stabilization Agency. During this period many prices—especially food prices—skyrocketed.

Belatedly, the administration called upon the public voluntarily to keep prices down and urged the workers to be reasonable in demands for wage increases.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. IVES. The Senator from New York has indicated that he would not yield until he had concluded his remarks, and he cannot make an exception.

The PRESIDING OFFICER (Mr. LEHMAN in the chair). The Senator from New York declines to yield.

Mr. IVES. The response of the public to the pleas of the Government was no more than half-hearted. The temptation to chisel and to profiteer, as long as the other fellow was indulging in similar practices, was too great for too many.

And here I pay tribute to those patriotic Americans who last autumn, when the Nation's economy was drifting dangerously on a turbulent sea of politics attendant upon the November elections, patriotically carried on, with the welfare of their country rather than their own immediate personal and financial gain as their first consideration.

The yielding of many to the temptation to profiteer demonstrated beyond question the truth of the fact which many of us had been emphasizing last summer, that voluntary controls and selective or partial controls are ineffective and useless. At the same time, the inevitable consequence of so inexcusable an experience was a desperate national economic condition when the Economic Stabilization Agency was finally established.

I emphasize the statement that the inevitable consequence of so inexcusable an experience was a desperate national economic condition when the Economic Stabilization Agency was finally estab-

lished. It made the mobilization and stabilization tasks assigned to Mr. Wilson, Mr. Johnston, Mr. DiSalle, and others well-nigh impossible to handle.

Not until January 25 of this year—almost 5 months after the passage of the Defense Production Act of 1950—was there any formal or legal attempt to freeze prices.

All of us are acquainted with the problems attendant upon efforts to obtain at least some semblance of wage stabilization. In effect, this record is the old story of "locking the barn after the horse is stolen."

Nor has there been any stabilization in wages or prices since January 25, 1951.

Regulations, orders, directives, and what not have been pouring forth by the carload from the various administrative agencies. Business, particularly small business, is confused, frustrated, desperate. Reports from around the country insist that compared to the situation to which I refer, the regime of the old OPA was a paradise.

I have a great deal of sympathy for those who have made these complaints; especially do I sympathize with the little merchant in the country village who many times single-handedly must carry on his business. It has seemed to me that a far more simple and practical approach could have been instituted initially than that which has stirred up so much misunderstanding and ill feeling among so sizable and important a part of American business. I have been glad that this situation has been partially corrected by an amendment to CPR–7.

It is significant that the criticism is directed not primarily at the price levels themselves, but largely at the red tape and monkey business which has surrounded their effectuation.

So it is that the hue and cry for the elimination of price and wage controls have been increasing on the part of a substantial element in our business community; and so it is that the additional controls and authority provided in S. 1397 have met with substantial opposition in the Congress and that S. 1397 itself has been scrapped.

In all fairness I would point out, however, that one reason for denying such additional power and authority to the President is a very real doubt regarding the character and ability, not of Mr. Wilson or of Mr. Johnston, but of some possible successor to either of them who may some day fill the position of the Director of the Office of Defense Mobilization or the Administrator of the Economic Stabilization Agency. If we could be sure that Mr. Wilson and Mr. Johnston or men of equal caliber would fill these positions during the life of the Defense Production Act, it is very probable that congressional opposition to the new and added powers and authority, which these gentlemen have requested and the President has recommended, would be substantially reduced. But the uncertainties of human life and the exigencies and vicissitudes of politics being what they are, many of us are unwilling to take the gamble which S. 1397 requires. Consequently, instead of S. 1397, we now have under consideration S. 1717, which is very different from the administration's bill.

The committee report and the statement by the chairman of the Banking and Currency Committee, in supporting S. 1717, have covered most effectively its background, content, and purpose. To a considerable degree I concur in these presentations.

For example, the rent control provisions which are included in the bill and replace provisions in the Housing and Rent Act of 1947, seem to constitute a very reasonable and equitable solution of a most difficult and controversial problem. By these provisions the basic principles of local determination and local autonomy are preserved. In other words, Federal rent control cannot be imposed in any State or locality of the country which does not desire such control, and which has its own rent control setup with standards that are as high as those established by the operation of Federal rent control itself, regardless of the "critical defense area" status of the State or locality concerned.

I repeat that, because it is the essence of the provision on rent control in the bill. As I understand, Federal rent control cannot be imposed in any State or locality which does not desire such control, and which has established its own rent control—with standards that are as high as those established by the operation of Federal rent control itself, regardless of "critical defense area" status of the State or locality concerned.

This provision assures both a high quality of standards in force in every critical defense area of the country and the sanctity of the great American principle of home rule.

On the other hand, I am not satisfied with the termination date for titles IV, V, and VI of the act, which is February 29, 1952. It seems to me that the present outlook is altogether too uncertain to extend the Defense Production Act beyond some date within the current calendar year.

In this connection, it should not be forgotten that 6 months or so ago we were being told by various so-called economists and other dopesters that this summer, the present summer, there would be a sizable shortage in durable goods, such as automobiles, electrical equipment, home appliances generally, etc. All of us know that such an eventuality has not occurred. To be sure, we are told now that it is a bit difficult to obtain a Cadillac, but at the same time we are informed that there is a tremendous surplus of nearly every other make of automobile. Indeed, the automobile dealers warn us that the used-car market is clogged completely with a great mass of used cars which are not being sold.

Only recently we have witnessed the unusual spectacle of "price wars" in certain sections of the country in which many items falling within the category of durable goods and containing materials which are presumed to be scarce were being dumped on the consumer market at bargain prices.

Please do not misunderstand me; I am not finding fault with these price reductions or with the anxiety of certain merchants to undersell one another. The public has been the great beneficiary in these controversies. But the fact remains that the conditions to which I refer, have had the effect, rightly or wrongly, of convincing many of those in business generally that the predicted shortages have only been figments of the imagination, and that we may be faced actually with the danger of serious deflation rather than with any menace of greater inflation, or even with a continuation of the inflation we are now experiencing.

I do not know the answers to the questions in the conflict of opinion between those who are predicting serious scarcities of consumer goods during the coming fall and those who insist that such prediction should be classified with the prophecies of the past winter, to which I have referred. I have my ideas, of course. It is pointed out that the pessimistic prognosticators were wrong then and that they may be wrong now.

On the contrary, they may be right, and it seems to me that the preponderance of present evidence sustains their predicitions.

If they are proved to have been right, if serious scarcities in essential goods do occur at a time when employment is higher than ever before and there is more money to spend by consumers than ever before, if such conditions do arise when price and wage controls are either inadequate or non-existent, then in all reverence I say, "Heaven help the American people."

Hence, as I have stated, it has seemed to me that titles IV, V, and VI of the Defense Production Act of 1950 should be extended, but not beyond some date in the current calendar year, and I am not in agreement with the bill's termination date for these three particular titles, which I regard as too remote. I think February 29, 1952, is altogether too remote with conditions as they are, and with the bill in its present form.

Indications are that the Congress will be in session during the greater portion of the present year and that we can well consider a still further extension of the act in the late fall.

Furthermore, I can well understand the attitude of those who feel that the Office of Price Stabilization should not be left with so much authority to roll back prices during the 8 months' extension which is provided in the bill. In fact, I first voted in Committee in favor of section 2 as it is written in S. 1717 because it seemed to me that the limitation on price roll-backs which is contained in this section should be conducive to clarifying and stabilizing a situation which has been and is very foggy and uncertain; I voted for it because the Office of Price Stabilization has had 5 months in which to do all the rolling back of prices it desired to do, and it seemed to me that such a period of time should have been ample for the effectuation of any roll-backs which may have been justified and necessary. I voted for it with the realization that roll-backs can still be made until July 1. I voted for it, hoping that its adoption would encourage greater production. It seemed to me that, on the whole, this

provision might be beneficial to the economy.

However, my attention has been called to certain phenomena connected with the price roll-back problem and the wage-stabilization effort.

In the first place, increased production of consumer goods is out of the question when there are shortages of materials for such production. Furthermore, it would appear that the enactment of this bill with the present section 2 in it either would do a great injustice to many businesses in the country, which last year voluntarily held prices down and thus would be caught in an inequitable, and in many instances damaging, freeze, or would require that these same businesses be authorized to raise their prices in line with price increases in other industries, with which they are connected or by which they can be or are being adversely affected.

Mr. Eric Johnston has told me that such an adjustment upward would mean an average manufacturing price increase—I point out that this is an average increase—of from 5 to 6 percent, thereby necessitating another round of wage increases which, in turn, would further aggravate and complicate and augment our dangerous inflation difficulties. After most careful and thorough consideration, I have reached the conclusion that the proposed roll-back restriction should not be allowed. Rather, we should curtail greatly the period of extension for title IV, as I have indicated.

I have submitted in the committee report accompanying S. 1717 a statement of my individual views regarding section 2. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the text of that statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INDIVIDUAL VIEWS OF UNITED STATES SENATOR IRVING M. IVES

This report of individual views is filed in opposition to section 2 of S. 1717. That section would amend section 402 (d) of the Defense Production Act of 1950, and thereby deny the Administrator of the Office of Price Stabilization the power to roll back prices below "the price prevailing during the period January 25, 1951, to February 24, 1951, inclusive." It does not affect the legality of roll-backs effective before June 30 of this year or before the effective date of this legislation.

On September 1, 1950, the Congress passed and sent to the President the Defense Production Act of 1950, which legislation had been introduced on July 19. With other powers granted to the President was control over prices and wages. Congress realized the necessity for immediate imposition of controls. Pre-Korean war orders had to be tripled. By the end of 1951 almost one-fifth of all goods and services produced would be devoted to the materials of war.

Increases in war orders must be filled by an economy which even before Korea was straining at the leash to fill peak peacetime demand. Unemployment neared rock bottom, and consumer and wholesale price indexes rose sharply in the first half of 1950. Expectations were that prices would rise even further as inventories were accumulated at a rapid rate. With prices already on their way up, the inflationary dangers of tripled war orders in an uncontrolled economy were frighteningly apparent to everyone except the President and his administration.

Almost 5 months passed before prices were frozen. During these 5 months controls were a toothless farce. On December 19, 1950, the Price Administrator requested everyone voluntarily to hold the line. But his pleas generally fell on deaf ears.

The effects of this policy were disastrous. From August to January wholesale prices generally rose over 10 percent while consumer prices jumped 5 percent. The price jumps of isolated items which play an important part in the consumer's cost of living were even more spectacular during that period. Beef prices, for example, increased almost 25 percent. And beef accounts for almost one-half of the average American's meat diet and for over 13 percent of every dollar spent for food.

Granted that our present judgment of the Price Administrator's action has the benefit of hindsight. Assume that the 5 months' recess from September to January was necessary for a staff to be assembled and controls formulated. Still unexplained is the reason why all prices were not controlled in January, and why prices were not rolled back then. An incredible lack of courage seems the only plausible explanation.

Finally, on January 25, partial price controls were imposed. However, even then many important items making up the consumer's cost of living were not controlled. As a result, even with so-called controls, consumers' prices rose another 5 percent between January and June 1951.

It is apparent to all that drastic mistakes have been made. But this was almost inevitable. Politics and controls do not mix well—this the administration has taken almost 1 year to discover. At last, however, the administration is beginning to do now what should have been done 6 months ago. When ceilings were first clamped on, prices should have been rolled back where necessary. This was not done.

These roll-backs still must be made, but the provision in the bill will prevent the Price Administrator from making them. This will throw the whole burden of the past mistakes where it least belongs—on the consuming public. Failure to permit further roll-backs will cause prices to go up even further, and perpetuate serious inequities in the existing price structure.

The section, as written, would prevent price roll-backs already announced by the Administrator but not yet in effect. By preventing further reductions in beef prices, this proposal would freeze prices of beef at 35 percent above January 1950 levels. Other prices and wages will be allowed only a 10-percent increase above that level. Also, the series of regulations which started with the General Manufacturers Regulation (CPR 22) and has been extended to a wide area of machinery and related industries, including machine tools, farm machinery, and other production equipment (CPR 30), woolen yarns and fabrics (CPR 18), cotton textiles (CPR 37), men's and women's apparel (CPR 45), and shoes (CPR 41) would be nullified. These regulations have been issued, but will not become fully effective until various dates after June 30, 1951.

The object of these regulations is to remedy distortions in the stabilized price structure. The General Ceiling Price Regulation not only froze prices at the highest level in our history, but also froze them badly out of balance with each other. The Price Administrator has promulgated regulations aimed at eliminating these distortions. Where January 25 prices had risen faster than costs, rollbacks will cut prices. Where prices have not kept pace with costs, prices actually will be moved forward. Thus, the regulations allow increases where prices have not kept pace with costs, while rolling back those prices which jumped beyond—and often far beyond—cost increases. Section 2 of this bill will cripple these regulations. In fact, the committee's action discriminates against those manufacturers who between December 19, 1950, and January 25, 1951, heeded the Price Administrator's plea to hold down prices. For many of them did not raise prices in line with increased costs.

If roll-backs are not permitted, then some prices must be raised. Stabilization requires that prices be related both to each other and to wages in an equitable manner. Because the increase of demand since Korea has not been spread evenly throughout the economy, some prices have risen more than others. Stabilization requires that prices which have skyrocketed be brought into line with prices that have not risen so rapidly. Unless this is done serious inequities may result. For one man's price is another man's cost. And if one man's prices are not controlled, then another man's costs are rising, and his ceiling must in turn be raised. Prices can be brought into line with each other either by raising the lagging prices or by rolling back the skyrocketing ones. Rolling back prices is the only answer.

Two specific examples illustrates what section 2 of this bill will mean in terms of higher prices to the consumer. Consider the case of building materials. Present indications are that CPR 22, which would be nullified, would roll back building material prices $1,500,000,000 a year, while allowing increases for cost equivalent to $500,000,000 a year. If the proposed section becomes law, the net result would be changed from a saving of $1,000,000,000 a year to an immediate price increase of $500,000,000. Similar disastrous results to consumers will stem from nullification of CPR 22 as applied to the chemical industry. CPR 22 would lower chemical prices a total of $300,000,000 to $400,000,000 per year. These price reductions would affect synthetic solvents (alcohol, methanol), certain plastics, DDT, and related heavy chemicals. Since chemicals are basic industrial raw materials, this would mean higher prices for a wide range of manufactured goods.

Furthermore, another price rise now would touch off a new round of wage increases. Labor-management contracts covering some 2,940,000 workers are tied to the consumers' cost-of-living price index. As the cost of living rises their wages must rise. Also, rising prices will provide ammunition for new wage demands by workers whose wages are not specifically tied to the cost-of-living index. As the noted labor economist, Carroll Daugherty, recently wrote:

"Wage controls and price controls are closely and intimately related. In the end there is no effective price control without effective wage control, and there is no effective wage rate control without price control at the retail level. The only way to hold wage rates down is to hold the cost of living down."

Thus another price rise would inspire another wage rise, and we would be on our way again along the spiraling path of inflation. This situation cannot be tolerated.

Both consumer and producer interest dictates that section 2 of the bill be rejected.

Mr. IVES. Mr. President, I am convinced that wage and price controls, as provided in the Defense Production Act of 1950, and rent controls, as provided in section 5 of the pending bill (S. 1717), should be continued.

If our national defense production program is as large as we are told it should be, if we are to prepare adequately against powerful aggression which apparently only awaits a propitious mo-

ment to strike at us, there are going to be real scarcities in consumer goods which are not only luxuries in some instances, but vital necessities in very many other cases.

In other words, there is not likely to be enough of everything so that everyone can have all he will want, or perhaps all he will need desperately.

Such a condition may necessitate eventual rationing. In any event, it would seem to require the minium of controls, which are authorized by the present law and by the bill now before the Senate, if it is amended as I have indicated I feel it should be amended.

I realize that price and wage controls are not the most important or essential forces in our struggle to combat inflation. I realize that, improperly administered, these controls actually can aggravate and increase inflation. I realize also—and this is most important of all—that there is too great a desire for gain by business safely to permit a condition to exist in which there are increasing scarcities of goods needed for civilian use at a time when the demand for these goods is increasing and there is no control over the prices which the public can be soaked for them.

It is frequently stated nowadays—I presume that most Senators have heard the statement—that a smart vote on the question of controls is to vote against this legislation—if it is going to be enacted. Every American hates controls; and the chances of their being administered to the satisfaction of most people are not good.

But, if this legislation should fail of enactment, woe unto him who will have voted against it. And woe unto our free competitive enterprise system in such circumstances. Compared to the economic, financial, and social chaos which would accompany the uncontrolled inflation that might follow the defeat of this legislation, present inequities and unpleasantness and inconveniences—annoying and unwarranted though they may be in many cases—are truly trivial.

Mr. President, I yield the floor.

Mr. SCHOEPPEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Green	Monroney
Bennett	Hayden	Moody
Benton	Hendrickson	Mundt
Brewster	Hennings	Neely
Bricker	Hickenlooper	Nixon
Bridges	Hill	O'Conor
Butler, Md.	Hoey	O'Mahoney
Butler, Nebr.	Holland	Pastore
Cain	Humphrey	Robertson
Capehart	Ives	Russell
Carlson	Jenner	Saltonstall
Case	Johnson, Colo.	Schoeppel
Chavez	Kem	Smith, Maine
Clements	Kerr	Smith, N. J.
Connally	Kilgore	Sparkman
Cordon	Knowland	Stennis
Dirksen	Langer	Taft
Douglas	Lehman	Thye
Duff	Long	Tobey
Dworshak	Magnuson	Underwood
Eastland	Maybank	Watkins
Ellender	McCarran	Welker
Ferguson	McCarthy	Wherry
Flanders	McClellan	Wiley
Frear	McFarland	Williams
Fulbright	McKellar	Young
George	McMahon	
Gillette	Millikin	

The PRESIDING OFFICER. A quorum is present.

Mr. MAYBANK. Mr. President, I invite the attention of the majority and minority leaders to a request which I am about to make. I appreciate that it is rather early to request unanimous consent regarding a limitation of time for debate and the setting of a time for a vote on the pending bill, but I think it worth considering. As Senators know, the pending bill is to be laid aside temporarily tomorrow in order that a motion by the Senator from Ohio to reconsider the vote by which House bill 2416, Calendar No. 305, relating to exclusion from gross income of income from discharge of indebtedness, was passed by the Senate, may be taken up. It will, therefore, probably be Wednesday before we can resume consideration of the pending bill. As Senators know, the present act will expire on Saturday. Consideration of the bill must be completed, and, if there is to be proper conference, the conference report will have to be agreed to by Saturday.

I am wondering whether the distinguished majority and minority leaders would think that we could limit debate on the amendments and begin voting perhaps tomorrow afternoon, if the consideration of the motion of the Senator from Ohio does not extend too far into the afternoon. I realize that the Senator from Ohio stated on Friday that he would speak at length. If we could resume consideration of the pending bill later tomorrow afternoon, or at least by Wednesday, and get along with its consideration, I should appreciate it. I understand there are no more speakers on the other side of the aisle, or, as a matter of fact, on this side of the aisle, in connection with the pending bill. I know of no Senator on the other side of the aisle who wants to speak, and the Senator from Indiana [Mr. CAPEHART] and the distinguished minority leader have both told me they had no knowledge of any other Senator on their side of the aisle desiring to speak.

Mr. WHERRY. Mr. President, I may say in behalf of the minority that I have not canvassed the situation thoroughly, but my feeling is that if the distinguished Senator will propound his unanimous-consent request following the disposition of the motion of the Senator from Ohio tomorrow afternoon, so far as the minority is concerned, there will be no difficulty in determining the matter at that time one way or the other. We feel that the pending bill must be disposed of within the time limit, and that the sooner it is disposed of, the better.

Mr. MAYBANK. I appreciate the Senator's statement. The bill must be passed by Thursday, if there is to be time for a proper conference, and if the conference report is to come before the Senate for consideration and is to be agreed upon before the present law expires, as it does, on Saturday night.

Mr. WHERRY. That is correct. I have no objection to proceeding with the consideration of the pending measure. I think we should do so. I should like to have the amendments taken up and acted upon now.

Mr. MAYBANK. I was going to suggest that, a little later, we proceed to the consideration of amendments, if any. I feel certain that a vast majority of the Senators appreciate the fact that controls, to a certain extent, must be maintained, and I do not think there is going to be any great debate over the bill, except on the section regarding rollbacks. That section I think will require considerable time.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. McFARLAND. I certainly hope we may be able to enter into a limitation of debate, and I may say that, so far as I am concerned, there will not be very much time consumed on the motion of the Senator from Ohio to reconsider the bill referred to. That motion will be taken up tomorrow. I am hopeful that we may be able to devote considerable time tomorrow to the consideration of the pending measure.

Mr. MAYBANK. I am hopeful we may be able to accomplish quite a little bit this afternoon in connection with the bill.

Mr. McFARLAND. I may say that, for myself, I expect to have very little to say upon the pending bill.

Mr. MAYBANK. I hope that we shall remain in session and that we shall be able to get well under way in the consideration of the bill this afternoon. It would be nothing less than shameful if the Senate were to meet for only a few hours for the consideration of this most important bill.

Mr. WHERRY. Mr. President, if the Senator from South Carolina will yield in order that I may ask a question of the majority leader, does not the majority leader feel that the time for making the proposal would be at the conclusion of the action upon the motion to reconsider?

Mr. MAYBANK. To that I agree. I withdraw my unanimous consent request at this time, with the understanding that we shall take it up again tomorrow, following disposition of the motion of the Senator from Ohio. I would ask, then, that the Senate proceed to the consideration of amendments, if any, to the pending bill.

The PRESIDING OFFICER. The bill is open to amendment from the floor.

Mr. KERR. Mr. President, I desire to call up an amendment offered by me, for myself and on behalf of my colleague the junior Senator from Oklahoma.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 2, after line 23, it is proposed to insert a new section, as follows:

LOANS GUARANTEED BY VETERANS' ADMINISTRATION

SEC. 4. Section 605 of the Defense Production Act of 1950 is amended by striking out the period and inserting in lieu thereof the following: "*And provided further*, That no more than 6-percent down payment shall be required in connection with the loan on any home guaranteed by the Veterans' Administration, pursuant to the Servicemen's Readjustment Act of 1944, as amended, and the cost of which home does not exceed $12,000."

On page 3, lines 2 and 6, strike out "SEC. 4." and "SEC. 5." and insert in lieu thereof "SEC. 5." and "SEC. 6." respectively.

Mr. KERR. Mr. President, the purpose of this amendment is to provide that, in the future, veterans shall have an opportunity, with reference to homes costing not to exceed $12,000, to purchase a home with a down payment of not to exceed 6 percent. A survey of the situation has been made in Oklahoma, which I believe is somewhat typical of the Nation, which shows that, in the 5 months' period ending May 1, 1951, 82 percent of all home-loan applications made to lending agencies in Oklahoma were made by veterans; and showing further that only 15 percent of the veterans applying for loans could qualify under the restrictions of regulation X. Eighty percent of the loan applications made during that period were with reference to homes selling for $11,000 or less.

Another survey showed that the indicated need for the building of new homes pointed to a condition whereby not to exceed 20 percent as many homes would be built within the next 6 months as have been built within the past 6 months.

It is my belief that the act should be so amended that the great demand for homes in the lower-priced classification, especially the demand on the part of veterans, may be met, and met in a way consistent with the ability of the veterans to continue to be home owners.

I hope, Mr. President, that the committee will accept this amendment; if not, that it will be approved by the Senate.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KERR. I yield for a question.

Mr. MAYBANK. I merely wish to state to the Senator that I, as chairman of the committee, could not accept the amendment. I do not want to be misunderstood by the veterans, but certain credits have been relaxed in defense areas. The substance of this amendment is that a veteran, whether he were in a defense area or in any other area, would be permitted on a $12,000 house to put up only 6 percent and could proceed with the construction. Is that correct?

Mr. KERR. That is correct.

Mr. MAYBANK. We might get into a more critical situation and not be able to channel into the defense areas the additional material which might be needed. I am standing only on that which the committee itself decided when the bill was reported, with all due respect for and appreciation of the veterans. I am sure the Senator from Oklahoma can understand that I would be unable to accept the amendment. It would be a question for the Senate to determine.

Mr. KERR. Mr. President, in that connection, it is my conviction that, on the basis of regulation X and on the basis of the bill reported by the committee, there will be far fewer than 850,000 home units constructed this year, and that there will be a considerable decline next year. In fact, if it would make the amendment satisfactory to the chairman, I should be willing to include a proviso that in the event the number of homes being built is greater than 800,000 a year the Federal Reserve Board could suspend the operation of this amendatory provision.

Mr. MAYBANK. I should be glad to take such an amendment to conference.

Mr. KERR. I should be glad to have that kind of a proviso in the amendment.

Mr. MAYBANK. Let me get clear what the Senator desires, because it comes to me rather fresh, I might say. The Senator from Oklahoma is modifying his amendment to conform with the statement on the part of the Federal Reserve Board and the Housing Agency that housing could be restricted in the neighborhood of 800,000 units. The Senate voted for 50,000 housing units under the same theory. Is that correct?

Mr. KERR. My suggested modification is that, in the event my amendment is accepted and the rate of the building of home units should exceed a total of 850,000, the Federal Reserve Board would have the authority to suspend the provisions of the amendment.

Mr. MAYBANK. I can speak only for myself as chairman of the committee. I shall be willing to take the amendment as modified to conference.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. WHERRY. Does the amendment reduce the down payment of 6 percent?

Mr. KERR. Provided the purchase price of the house is less than $12,000, and provided further, that in the event the over-all building program of home units attains and exceeds the rate of 850,000 a year, the Federal Reserve Board will be authorized to suspend the provisions of the amendment.

Mr. WHERRY. What would it include?

Mr. KERR. The total number of home units being built in the country.

Mr. WHERRY. Units of every description?

Mr. MAYBANK. Mr. President, I would say that was a recommendation of the President, on the basis of which many housing regulations have been promulgated.

Mr. WHERRY. Would that be the basis upon which the 850,000 homes would be determined?

Mr. MAYBANK. It was recommended by the President some time ago.

Mr. WHERRY. I think it should be made plain in the amendment. What 850,000 homes are referred to?

Mr. MAYBANK. The 850,000 as stated by the Federal Reserve Board, and others, because of the shortage of materials, it was felt that housing should be cut back this year. I do not have the exact order before me.

Mr. KERR. Mr. President, I shall offer perfecting language to the minority leader and to the chairman of the committee.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. KERR. I yield to the distinguished Senator from Ohio.

Mr. BRICKER. Would the total number of 850,000 include all homes being built, regardless of private houses?

Mr. KERR. That is correct.

Mr. BRICKER. Would the amendment give to the Federal Reserve Board authority to suspend the limitations of regulation X?

Mr. KERR. It would give the Federal Reserve Board authority to suspend the provisions of this amendment.

Mr. BRICKER. That is what I mean.

Mr. KERR. In the event the over-all building program exceeded the rate of 850,000 units a year. If this amendment is accepted under the conditions proposed, it would mean that so long as the rate of building housing units in the country did not exceed 850,000 a year veterans, under the provisions of the act, could purchase homes with a down payment of not more than 6 percent of the value of the home purchased, provided it did not cost over $12,000.

Mr. BRICKER. Mr. President, will the Senator yield further?

Mr. KERR. I yield.

Mr. BRICKER. I wanted to offer one comment to clarify the amendment in its final form. Last year 1,430,000 houses were started. Because of the restrictions there was a large rush for credit at the end of the year. It was stated before the committee that the number of starts this year would reach more than a million. Before the hearings were completed representatives of financial institutions stated that the number might be less than 800,000. The question I propound to the Senator from Oklahoma is, how are we going to determine the question by depending on the monthly starts, on the total number already authorized, or by determination at the end of the year, when the computation would be practically meaningless for this year and would be applicable only to the succeeding year?

Mr. KERR. The purpose of the language I shall offer will be based on the building rate at the time.

Mr. BRICKER. It cannot be done by the day. If for any one month the rate of building falls below the proportion of 850,000 as projected over the year, then the Federal Reserve Board would have to amend regulation X.

Mr. KERR. It would have the authority to suspend the provisions of this amendment.

Mr. BRICKER. It has been suggested that the amendment should cover a period of 1 month. Would it not be well to have it cover 3 months?

Mr. KERR. I think that would be satisfactory.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. MAYBANK. In my opinion, it should be 3 months. At the present time, the question is not so much one of the scarcity of material as it is one of the scarcity of credit, particularly mortgage bankers' credit. Governor Martin testified, and, later, representatives of mortgage banks testified, and I spoke to some of them this morning, with respect to mortgage banks being unwilling to underwrite these mortgages.

Mr. BRICKER. The fact is that the action of the Federal Reserve Board in ceasing its program of monetizing the

debt has had more effect than has anything else.

Mr. MAYBANK. That is correct. It has prevented the mortgage bankers and insurance companies from taking the mortgages, because they would have to sell their Government bonds at a loss and reinvest their money in these mortgages.

Mr. BRICKER. That is correct. A further fact is that there are times of the year when the number of starts is very low. There are other times when they are very high. So a 3 months' provision would more or less tend to equalization and get a proper ratio of building for the year.

The further fact must be taken into consideration, I think, in drafting the amendment, that the money which is being used by insurance companies and financial institutions on home-building mortgages at the present time is particularly low because of the fact that the regulations, or the failure of the Federal Reserve to buy bonds at par or above, has considerably contracted their available supply of money or the credit they might give. Money will be coming in from time to time on the outstanding mortgages, and there will be a replenishment of the reserve funds in the hands of the financial institutions for the purposes of buying mortgages and building new homes. So, this particular period would be a very poor time to secure any satisfactory ratio of figures. I am inclined to think that if the Senator from Oklahoma wishes in any way to aid the veterans, it might more properly be done in the housing bill which is now before the House rather than to attempt in any formula of this kind to secure immediate benefits. I am doubtful of the success of the amendment because of the various factors I have mentioned.

Mr. MAYBANK. Mr. President, as chairman of the committee I stated I would accept the amendment. The Senator from Oklahoma suggested that he would consult with the minority leader.

Mr. KERR. And with the Senator from South Carolina.

Mr. MAYBANK. And with me, yes, on the amendment. But I call attention to the fact that it is not so much a question of regulation of materials as it is the question of the mortgage money being available to get these houses started.

Mr. BRICKER. I agree with the chairman of the committee that we should accept it, and then we can ascertain the figures before it is time to go to conference.

Mr. CAPEHART. Mr. President, I do not think this is the place to take the proposed action. I am not going to object to it. I suspect I will be a member of the conference committee, and will certainly give due consideration to the subject at that time. But I hope we are not accepting the amendment on the basis that the Senate conferees are to be bound to vote for it in conference.

Mr. MAYBANK. Of course, as to any amendment the Senate agrees to, naturally the conferees on the part of the Senate bill do the best they can to have it included in the permanent legislation.

Mr. CAPEHART. I will do that, yes, but I do not think we should find the Senate conferees after they have had a chance to study it, which certainly they have not had on the floor of the Senate.

Mr. MAYBANK. I will be perfectly frank and state to my distinguished friend from Indiana that there is much more to regulation X than might appear in an amendment. The great trouble with respect to the amount of construction under regulation X, as everyone testified before the committee, was the decline in the Government bonds. That stopped the mortgage bankers, insurance companies, and other large financial organizations from selling their bonds to reinvest in mortgages. Furthermore, it has been stated that some of the money, as the Senator from Ohio [Mr. BRICKER] has said, comes from payments made back into the fund. The real reason for the curtailment of housing is the lack of housing credit; not because of regulation X but because of the decline of Government bonds below par.

Mr. KERR. Mr. President, I do not want to prolong the discussion. I am very grateful to the chairman of the committee for his expression of willingness to accept the amendment with the inclusion of the principle to which we have agreed. But I must say that in Oklahoma the decline and the forecast of decline in building is far more due to regulation X than to other factors. I myself am convinced that money will be available for loan. I am convinced that material will be available for 850,000 housing units a year. I myself am convinced that this amendment will have a very salutary effect upon the situation of the average veteran seeking to become a home owner.

Mr. MONRONEY. Mr. President, will my colleague yield?

Mr. KERR. I yield.

Mr. MONRONEY. Is it not a fact that Mr. Wilson, the Defense Mobilizer, said that he would like to see 850,000 housing units built? Is it not also a fact that this amendment will channel such units into the field where they are most needed, which is into the low cost field, the GI housing field? Is it not a further fact that a survey made in our own State of Oklahoma shows that only 21 percent of the veterans who have bought homes in the last year under the GI program would have been able to purchase a house if they had had to pay under the terms of regulation X?

Mr. KERR. That number or less. I think the statement made by my colleague is entirely accurate with reference to the real situation about the veterans' ability to become home owners.

Mr. MAYBANK. Mr. President, I have no such knowledge as the Senators from Oklahoma have with respect to their State. Ours is a big country, containing 48 States. What I was referring to was the general testimony from bankers throughout the country. A home builder from Oklahoma appeared before the committee, and made a favorable impression. From what he said, it appears that conditions are somewhat different in Oklahoma than they are in other sections. I was speaking, however, nationally.

Mr. CASE. Mr. President——

Mr. WHERRY. Mr. President, does the Senator from Oklahoma yield the floor?

Mr. KERR. Did the Senator from South Dakota wish to ask me a question?

Mr. CASE. Yes.

Mr. KERR. I yield to the Senator from South Dakota.

Mr. CASE. Does the Senator's amendment do anything about the materials question?

Mr. KERR. It does not.

Mr. CASE. The reason I raise that question is this: The Senator mentioned that it took both money and materials. The last paragraph of the pending bill repeals the provisions of the Independent Offices Appropriation Acts of 1946 and 1947 which established a priority for housing built for veterans second only to that required for military uses.

Mr. KERR. The amendment does not in any way affect materials any more than the other provisions of the bill do. It merely fixes the formula with reference to what may be done under regulation X.

Mr. CASE. Mr. President, it occurs to me that if the amendment is to be effective in helping veterans build houses, consideration ought to be given to the question whether or not we want to include the last paragraph in the bill, as reported by the committee, which repeals existing provisions in two independent offices appropriations acts establishing a priority for materials for veterans' housing. I invite the Senator's attention to page 15, beginning in line 15, subparagraph (j) which reads:

> (j) Section 215 of the Independent Offices Appropriation Act, 1946 (59 Stat. 134), and section 213 of the Independent Offices Appropriation Act, 1947 (60 Stat. 81), are hereby repealed.

Reference to the report, on page 76, gives the language of the appropriation act paragraph which would be repealed, and which reads as follows:

> In order to enable persons who have served 90 days or more in the land or naval forces during the present war, and who have satisfactorily completed their period of active military or naval service, to obtain materials required for the construction, alteration, or repair of dwelling houses to be occupied by them any department or agency of the Government, in allocating or granting priorities with respect to any materials, shall give to such persons a preference over all other users of such materials (except to the extent such materials are needed by such other users to meet actual military needs), without requiring any showing of hardship or other necessity for the construction, alteration, or repair of such dwelling houses.

Now I raise the question as to whether the amendment offered by the Senator from Oklahoma dealing solely with credits, will be effective under present conditions if that provision in the Independent Offices Appropriation Acts of 1946 and 1947 should be repealed? What would then be the situation?

Mr. KERR. I would rather have someone better informed than I answer the question. My information is that it is not pertinent to this amendment.

This amendment does not propose to enlarge or decrease the power of allocation of critical materials. It only changes the formula of the law as it applies to the building of homes with whatever materials may be available. It does not add to or take from the supplies available, nor fix the formula as to what must be done in connection with the allocation of materials.

Mr. CASE. The Senator from South Dakota accepts the statement that the Senator's amendment does not go to the question of materials. But in the discussion by the Senator from Oklahoma, as well as in the discussion by the Senator from South Carolina, reference was made to materials. If we establish a priority for credits——

Mr. KERR. In that connection, I made the statement that it is my information and my opinion that under a general situation comparable to the present, there are adequate critical materials which could be available for housing, to the extent of enabling the building of 850,000 housings units a year, both with reference to 1951 and with reference to 1952. It is my opinion, however, that even though the materials were available, unless this amendment were added to the law there would be tens of thousands of veterans who could not qualify to become home owners under regulation X, because of not having the amount of money required to make the down payment. However, with this amendment they could qualify.

Mr. CASE. The Senator from South Dakota has no quarrel with that observation; but it would lessen the inflationary pressures if, along with the creation of the priority in credit, and the reduction of the requirements under regulation X, we could reestablish, or, at least, maintain, the priority of materials. Otherwise, if we release funds for the building of an additional amount of housing for veterans and provide priority in money, if there is an area of limited materials the additional funds will be competing for scarce materials.

It seems to me that it would be appropriate, in addition to adopting the amendment offered by the Senator from Oklahoma, to strike from the bill the paragraph which would repeal the materials priority. It seems to me that amendment should go along with the amendment offered by the Senator from Oklahoma.

Mr. WHERRY. Mr. President, I should like to ask the Senator from Oklahoma a question.

Mr. KERR. I yield to the Senator from Nebraska.

Mr. WHERRY. I shall be glad to cooperate with the chairman of the committee in perfecting the language so far as concerns the 850,000 housing units. I appreciate the service of the Senator from Oklahoma. I should like to ask him this question: If the housing bill which the Senate has passed does not pass the House, where shall we be? My understanding is that nothing has been done by the other body in connection with that bill. It is still in the House, but no action has been taken.

Mr. KERR. The Senator from Oklahoma cannot answer that question. I cannot see that it is pertinent to the adoption of this amendment. This amendment will have only such significance as the act itself has.

Mr. WHERRY. That is correct.

Mr. KERR. If the House failed to do that which would change the significance of the prior law, it would change this amendment. Otherwise, I do not see that it would.

Mr. WHERRY. If by chance a resolution extending the present act were passed, of course, that would take care of the situation in some respects. Would such action affect this amendment?

Mr. KERR. I think if that were done, neither this amendment nor any other provision of the pending bill not consistent with the present act would be in effect.

Mr. WHERRY. I should like to ask the distinguished Senator if he would permit me to ask the Senator from South Carolina the same question. Does the Senator from South Carolina know the status of the bill to which I have referred?

Mr. MAYBANK. I wish I knew what its status is. All I can say is that I worked for a couple of months, with the aid of the Senator from Nebraska and the Senator from Indiana. We wrote a pretty good housing bill and sent it to the House about the 1st of April. The Senator from Utah [Mr. BENNETT] also worked very hard on it. We passed a bill including the provisions of the Wherry Act, including provisions for veterans' homes, and including provisions for what we used to call FHA title II housing. Nothing has been done, to the best of my knowledge. Sixty million dollars was provided for facilities sorely needed in defense areas. Another $50,000,000 was provided for public housing for extremely critical areas in New Mexico, Colorado, and Kentucky. Nothing has been done by the other body. I cannot answer why nothing has been done. It is beyond me. I do think that it is a shame that we are rapidly approaching the 1st of July, when a number of these laws are expiring. Of course, if the bill to which I refer had become a law, much of this work would be under way. I think the Senator from Oklahoma agrees with me, but I doubt if he knows why the House has not passed the bill.

Mr. WHERRY. The reason I raise the question is that I am attempting to help perfect this legislation. It was not my purpose to indicate any adverse reaction to what has been done by the House. I am not familiar with what the House has done.

Mr. MAYBANK. I do not mean to criticize the House. All I mean to say is that I do not know what the status of the bill is.

Mr. WHERRY. I do know that unless that bill is passed, we are doing a great deal of work which is unnecessary.

I invite the attention of the Senate, and particularly of my distinguished colleague and friend from South Carolina, to the fact that I believe that the title which applies to the so-called Wherry housing ought at least to be extended in a separate resolution. In the so-called Wherry Act housing is provided for those on military installations, which are being used for the defense of the country, and the construction is being done by private enterprise.

Mr. MAYBANK. I have no quarrel with the Senator from Nebraska about that title of the act. However, I believe that the FHA and other sections of the bill should also be approved by the House.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. BRICKER. Does the Senator understand that the critical housing bill, or the defense housing bill—however we may describe it—goes beyond what the Senator has just suggested, and applies to any area which might be declared to be a critical defense area? If that bill should pass the House substantially as it passed the Senate, there would be no need for the amendment of the Senator from Oklahoma in such areas, because the power exists to relax credit restrictions under regulation X in any critical defense area, which likely would encompass areas of greatest need.

Mr. MAYBANK. The Senator is correct.

Mr. WHERRY. I thank the Senator. I have had several inquiries along that very line, from so-called critical areas. I believe that, as chairman of the Committee on Banking and Currency, the distinguished Senator from South Carolina should permit the junior Senator from Nebraska to bring up a measure providing for extension of the Wherry provision before it is too late. As the Senator knows, I have been waiting to see what would happen in the House. If the House fails to act, I hope the distinguished Senator will at least permit such an extension, regardless of the other features of the bill. As the Senator knows, I have been working with him.

Mr. MAYBANK. I think the Senator will agree, as the Senator from Ohio stated, that all the features of the bill are sound and constructive, and lean toward private enterprise. I dislike to take one section out of a bill containing many sections, a bill over which the Senate labored long and hard, and finally passed in April.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Michigan.

Mr. FERGUSON. I send to the desk two amendments to the pending bill and ask that they be printed and lie on the table.

The PRESIDING OFFICER. The amendments will be printed and lie on the table.

Mr. BRICKER. Mr. President, will the Senator from Nebraska yield to me once more?

Mr. WHERRY. I yield.

Mr. BRICKER. The Wherry Act applies only to military installations and the areas surrounding them.

Mr. WHERRY. The Senator is correct.

Mr. BRICKER. It does not go as far, of course, as the critical defense area bill which we passed.

Mr. WHERRY. The Senator is correct.

Mr. BRICKER. Even if the House does not pass the housing bill, to take care of the critical defense areas, it is still essential and necessary to continue the Wherry Act.

Mr. WHERRY. Certainly. That is the point I was raising. In the event the bill which we sent to the House is not passed by the House, but is held up beyond June 30, the Wherry Act will die. Thousands of units ought to be built for soldiers and other military personnel on military installations. The military personnel ought to have the housing provided. There can be no question about that. Apparently the bill is hopelessly tied up, and for some reason or other is not being acted upon in the House. I believe there are some excellent features in the housing bill that should be saved, and enacted separately, if possible, so as not to terminate the work which has already been started.

Mr. MAYBANK. I do not recall any feature in Senate bill 349 which does not serve an excellent purpose.

Mr. WHERRY. I was referring to features which the House should save.

Mr. MAYBANK. I believe the House should save them all. Of course, we cannot make the House do it. There would also be a great many FHA loans which would be destroyed on July 1, as well as many other veterans' loans.

Mr. WHERRY. I should like to make one further observation, if I may.

The PRESIDING OFFICER. The Chair was under the impression that the Senator from Nebraska had yielded the floor.

Mr. WHERRY. That I had yielded the floor?

The PRESIDING OFFICER. Yes. The Chair was under the impression that the Senator from Nebraska had yielded the floor when the Senator from Michigan was recognized by the Chair for the purpose of submitting an amendment.

Mr. WHERRY. The Senator from Michigan asked me to yield to him for that purpose, and I did so. I am not complaining about the ruling of the Chair, because I am about ready to give up the floor, anyway.

The PRESIDING OFFICER. Under the rules of the Senate a Senator who has the floor may yield only for a question, not for any other purpose.

Mr. WHERRY. May I have unanimous consent to make an observation?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and the Senator may proceed.

Mr. WHERRY. Of course, there are excellent features in Senate bill 349 in addition to the so-called Wherry military-housing provision, which without doubt should be enacted into law. I was discussing the subject with several Members of the House yesterday. They said, "Are you going to let the act lapse? Are you not going to do something about it?"

I may say that last week I introduced a resolution to extend the so-called Wherry Housing Act. At the time I did so, the distinguished chairman of the committee said, "Hold it up for a while. We want the House to pass the bill." That is agreeable to me. We would like to have the House pass the bill. However, if the House fails to pass the bill, many good features in the bill would be lost. Therefore, it seems to me that we should adopt a separate resolution to the effect I have indicated

Mr. BRICKER. Mr. President, will the Senator yield for a question?

Mr. WHERRY. I am glad to yield.

The PRESIDING OFFICER. The Senator yields for a question.

Mr. WHERRY. Provided I do not lose the floor.

The PRESIDING OFFICER. The Senator from Nebraska yields to the Senator from Ohio for a question.

Mr. BRICKER. So that the record may be clear, the Wherry Act applies essentially to military installations, does it not?

Mr. WHERRY. Yes.

Mr. BRICKER. Therefore it ought to be continued.

Mr. WHERRY. Yes.

Mr. BRICKER. The provisions continuing the Wherry Act are in the critical defense housing bill. If the House should pass the bill nothing further would have to be done.

Mr. WHERRY. That is true.

Mr. BRICKER. The Wherry Act should not be allowed to lapse, even if the House fails to act on the housing bill.

Mr. WHERRY. Yes. That is the appeal I am making to the Senate. Apparently we will wait until the last minute. As a matter of fact, I believe we have already waited until the last minute. The resolution is on the table. If the bill is not passed by the House in the next day or two I hope the Senate will adopt the resolution by unanimous consent, and also take care of any other features of the housing bill that ought to be saved. I am satisfied that the Members of the House would extend the provisions of the Wherry Act if they were taken out of the bill which we sent to the House. Otherwise, the Wherry Act would die and we would not be able to provide the thousands of units which are necessary to take care of military personnel at military installations throughout the country. The military personnel needs housing. Certainly if we are to do anything for the defense effort we must continue in effect the Wherry provision of the bill which is now before the House.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR], as modified.

The amendment, as modified, was agreed to.

Mr. DOUGLAS. Mr. President, on behalf of the junior Senator from Alabama [Mr. SPARKMAN], the junior Senator from New York [Mr. LEHMAN], the junior Senator from Michigan [Mr. MOODY], the junior Senator from Connecticut [Mr. BENTON], the senior Senator from New York [Mr. IVES], the junior Senator from New Jersey [Mr. HENDRICKSON], and myself I offer an amendment to strike lines 4 to 13, inclusive, on page 2 of the pending bill, in order to eliminate section 2, the so-called anti-roll-back amendment, and to restore the base period which existed in the original act.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, it is proposed to strike line 4 to 13, inclusive, as follows:

LIMITATION ON ROLL-BACKS

SEC. 2. Section 402 (d) of the Defense Production Act of 1950 is amended by adding at the end thereof the following new paragraph:

"(4) After the enactment of this paragraph no ceiling price shall become effective which is below the lower of (A) the price prevailing just before the date of issuance of the regulation or order establishing such ceiling price, or (B) the price prevailing during the period January 25, 1951, to February 24, 1951, inclusive."

Mr. CASE. Mr. President, will the Senator from Illinois yield so that I may ask a question of the Senator from Ohio [Mr. BRICKER], who tells me he can answer the question I raised with respect to the amendment which has just been disposed of?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. I should like to inquire of the distinguished Senator from Ohio whether he believes the rights to materials in hardship cases among veterans who seek to build houses will be protected even though we permit the repeal of the provision in the Independent Offices Appropriation Act to prevail, as reported by the committee?

Mr. BRICKER. In reply to the Senator from South Dakota, I may say it is my judgment, and the judgment of the committee, that the provision referred to in no way affects the hardship cases of veterans which are covered in any veteran or GI bill. It applies only to priority without the showing of hardship in the securing of materials. Therefore, if the Kerr amendment should be agreed to in conference the Senator from Ohio believes materials will be available.

Mr. CASE. The hardship rights would still apply to all veterans?

Mr. BRICKER. I am confident of it.

Mr. CASE. I thank the Senator from Ohio and the Senator from Illinois.

Mr. DOUGLAS. Section 2, which has been written into the bill by the committee, is the most severely weakening amendment in the present bill which the committee has recommended. If the present act were continued the Price Administrator would have the power to roll back prices, if the advance were appreciably greater than the increase in costs, to the relationship that existed during the month preceding the attack on Korea.

In other words, it would be possible, under the existing law, not merely to have the present 10 percent roll-back on beef cattle, but two additional 4½ percent roll-backs on beef, amounting to a total of 19 percent for all three roll-backs, which would still leave beef cattle at 25 percent above the parity price prevailing between 1909 and 1914.

It is well known that the Price Administrator on the 2d of July was to roll back the prices of a variety of manufactured goods and building materials to a very appreciable figure. He was going to roll back—and had so announced his intention—the price of a wide variety of building materials on which the increases had been appreciably greater than the rise in the materials out of which they had been fabricated, or in wages. In other words, the roll-back was to be made in cases in which the price increase has been very much above the increase in costs, and in which, therefore, the profit margin is high.

The amendment which the committee wrote into the bill has sometimes been referred to as the "beef amendment." The purpose of the amendment is said to be to protect beef from an additional 9 percent reduction.

Mr. BRICKER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. O'CONOR in the chair). Does the Senator from Illinois yield to the Senator from Ohio?

Mr. DOUGLAS. No, Mr. President; I would prefer to conclude my argument, and then to yield, rather than to yield now. I hope the Senator from Ohio will excuse me for the moment.

Mr. BRICKER. Very well.

Mr. DOUGLAS. Mr. President, I think the term "beef," in regard to the insertion of section 2, is a misnomer. I would call it the Trojan steer amendment. [Laughter.]

We are familiar with the Trojan horse, which was a device used by the Greeks to get inside the city of Troy. They did so by concealing themselves inside a horse. This section is concealed inside a steer; and the committee amendment will permit and perhaps necessitate tremendous increases in prices, and will prevent roll-backs which otherwise would have occurred, effective the 2d of July, in the case of the general manufacturers' regulation—CPR 22—and on succeeding dates in the case of special industry regulations, such as those for apparel, shoes, and the like. If section 2, as proposed by the committee, is adopted, those roll-backs will be canceled. It will also be impossible to roll back the prices of building materials or the prices of manufactured goods generally.

In the additional views of five committee members, on page 33 of the committee report, we find a partial list of the commodities upon which the roll-backs were to have occurred. They would have amounted to a total of $1,500,000,000 in the case of building materials alone.

Mr. CAPEHART. Mr. President, will the Senator state again the page to which he has referred?

Mr. DOUGLAS. Yes; it is page 33 of the committee report in the additional views which are signed by five members of the committee.

As I was saying, the gross roll-backs in the case of building materials alone would have amounted to $1,500,000,000.

Mr. MAYBANK. Mr. President, I understand that the Senator from Illinois does not wish to yield until he concludes.

Mr. DOUGLAS. Yes; I prefer not to yield until I conclude.

Although the gross roll-backs on building materials alone would amount to $1,500,000,000, yet the Office of Price Stabilization would permit price advances of approximately $500,000,000, so that the net amount of the roll-backs would be approximately $1,000,000,000 annually.

As I have said, the roll-back in the case of building materials would amount to $1,000,000,000 net; in the case of chemicals, $300,000,000; cutting tools, $25,000,000; electrical equipment, $55,000,000; and the possible roll-back in the case of rubber, $150,000,000.

In all, if we consider the roll-backs which go into effect if section 2 does not become effective, the total savings to the American purchasers would amount to several billion dollars; and as the goods moved on to the consumers there would be still greater savings.

So, Mr. President, the beef issue has been pushed forward to conceal what the real issue is, although, of course, I do not mean that this has been done intentionally. Nevertheless, the effect has been the same. If section 2 as it is now phrased is permitted to become law, we shall prevent potential savings of many billions of dollars to the American consumers. I make a rough estimate that probably at least $5,000,000,000 of roll-backs will be prevented by this section if it is enacted into law.

Therefore, the Senators who sponsor the amendment to strike section 2 wish to have us return, at least in the beginning, to the present provisions which will permit roll-backs to achieve the price relationships existing prior to the attack upon Korea.

Certainly I am not authorized to speak for any of those who are associated with me in regard to the amendment. However, so far as I personally am concerned, I should like to say that we can make an individual adjustment in the case of beef itself. That can be considered by means of separate amendments which can be applied to the base period, so that if any particular hardships are suffered by the producers of beef, that situation can be taken into account.

For example, it might be possible for us to work out a compromise, if the cost increases seem to warrant it, by means of which the second roll-back would be permitted, but the third roll-back of 4½ percent would be canceled. I want to make it clear that this is not a firm offer, a prejudgment of what is equitable in the case of beef cattle, but it is a tentative suggestion.

However, I urge my good friends who come from the beef-producing States not to let themselves be used, in effect, as cat's-paws to rake the chestnuts out of the fire for the big manufacturers and monopolists who have enjoyed speculative gains since the attack on Korea.

Mr. President, I have great respect for the beef industry of the prairie and plains States. However, we wish to recognize what the real stakes—spelled s-t-a-k-e-s—in this matter are. The real stakes are the price decreases which we otherwise would be able to put into effect if section 2 were eliminated and the present law allowed to stand.

I think it will also be found that this section, approved by the committee, would not permit prices to be decreased in cases in which the increases in prices have been far greater than the increases in costs, but the amendment would permit prices to be increased in cases where the price increases have been less than the increases in cost. In other words, the amendment would work only one way, namely, upward. It would not work both upward and downward.

So, Mr. President, I think this is the most important single question before the Senate in connection with this bill. I am sure it will be discussed in the course of later addresses made on the floor of the Senate during the debate; but I wish to raise the issue at this early stage so as to indicate that some of us think very strongly that this provision is a mistake.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to my good friend the Senator from South Carolina.

Mr. MAYBANK. The Senator from Illinois said the beef amendment was pushed forward, if I correctly understood him.

Mr. DOUGLAS. I said it was known as the beef amendment.

Mr. MAYBANK. I addressed the Senate earlier today. Was the Senator from Illinois in the Chamber at that time?

Mr. DOUGLAS. I regret that I was not present then.

Mr. MAYBANK. Was the Senator from Illinois present at the hearings, which went on continuously for 6 weeks?

Mr. DOUGLAS. I was present at as many of the hearings as I was able to attend.

Mr. MAYBANK. I wish to say that the Senator is utterly mistaken if he thinks I had anything to do with this matter.

The Senator has referred to a so-called Trojan horse in regard to roll-backs. I wish to say that I had nothing to do with that, for the first I knew about anything in regard to roll-backs was after we included in the bill a provision that the Administrator could not make roll-backs; and Mr. DiSalle himself said they did not intend to make any roll-backs, except in two cases. However, after the amendment was drawn by the legislative counsel, at my request, and was approved by the committee members who were present, the next morning Mr. DiSalle said, to my utter amazement, he had intended to roll back all these prices as of the 2d of July.

Mr. President, I have been in the Senate a long time, and I hope to remain here a few years more; but I have never known an administrator to act in that way. Does he think the Members of the Senate would give to him, Mr. DiSalle, the unrestrained power to roll back prices to the May–June 1950 level?

To the best of my knowledge, during the testimony, not a word was said to the effect that he intended to roll-back any prices. However, now it seems that

he thought Congress would give him the authority to roll back to June 1950 the prices of all manufactured articles and the prices of the products of all other businesses and industries in the United States.

It is claimed that $5,000,000,000 will be saved in that way. However, the momentary saving made by means of the roll-backs will be canceled because of the decreased tax revenues, for the roll-backs will mean that less revenue will be obtained from the corporations.

Of course, the consumers think they will get something cheap, but the poor persons will be taxed to make up the deficit which will accrue to the Treasury because the roll-backs will decrease the corporations' profits, and thus there will be a decrease in the tax revenues.

I am glad the Senator has brought out this point because, as I said earlier today, the effort which is made in connection with this matter does not fool me. I believe—although I hope I am mistaken—that the intention was to wait until Congress passed the bill on June 30 or July 1, and then roll back the prices on July 2.

The Senator was present when I drew up the amendment, and my purpose in doing so was to save the American way of life and the American Government, not to permit an administrator in Washington to decide what would be the prices for textiles, cotton goods, steel, aluminum, copper, and other commodities 6 or 8 months from now.

Mention is made of the price of rubber and of the price of tin. Mr. President, the United States Government itself caused the increases in those prices. Now one of the Government's administrators would roll back the prices which the Government itself increased.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Kansas. They never fool me. I am not interested in beef. I am interested in the American system of Government.

Mr. SCHOEPPEL. In what the distinguished Senator has said as chairman of the committee, I thoroughly agree with him. That is the attitude, and that is the perspective with which we are approaching this feature of the bill.

Mr. MAYBANK. I have no intention, as the representative of a sovereign State in this body, to extend the law in a manner which would leave to an administrator appointed by the President of the United States the power to roll back the price of every manufactured article or commodity, under the section regulating prices of agricultural commodities, to the price of May or June 1950. If I did that, I would feel that I ought to resign tomorrow morning from the Senate.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Minnesota.

Mr. THYE. Mr. President, it was brought out in one of the hearings conducted by the Committee on Small Business, when we were considering the question of rubber, that the United States Government agreed with Great Britain and other countries that the production of synthetic rubber in the United States would be curtailed or reduced, and, by that curtailment, there came about a shortage of rubber which, month by month, forced an increase in the price of natural rubber. It was our own State Department which had much to do with that increase in the price of natural rubber.

Mr. MAYBANK. Of course, the Government did it.

Mr. DOUGLAS. Mr. President, I merely want to make one or two further points by way of clarification. I think it was not the intention of the Administrator to roll prices all the way back to June 1950——

Mr. MAYBANK. But the old law would give him that power.

Mr. DOUGLAS. May I finish? His intention was not to roll the level of prices back to the pre-Korea level, regardless of cost increases. As a matter of fact, the law forbids him to disregard cost increases. His intent was to restore the relationships between prices that existed during the last normal month we had, namely, June 1950. In the case of those commodities where the prices had increased very much more than the costs, and where profit margins had thereby widened very greatly, his intention was to reduce those prices and at the same time to increase the prices of those commodities where the prices had not increased commensurately with the increase in the costs. On the whole, there would have been a net reduction in total price, hence a saving to the consumer, hence a saving, on the whole, to the low-income groups of the population; and hence, I believe, an improvement in general welfare.

I want to say to my good friend from South Carolina—and he knows this since I have publicly stated it—that I think he is one of the most valuable Members of this body; he is a devoted public servant, and I mean every word of that. I have paid tribute to him before and I shall pay tribute to him now. I want to say I think he did a magnificent job in connection with this bill. I happen to believe that this section constitutes a serious weakening of the act, and I therefore hope it will be eliminated; but this does not lessen my very real respect for the Senator from South Carolina, nor, I may say, does any other feature of the committee bill. As a matter of fact——

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I should like to finish before yielding. Is it not true that the Price Administrator issued his General Manufacturers' Regulation, CPR 22, on April 25, to take effect on May 28, and that he postponed the effective date of this order until July 2 so as to give manufacturers more time in which to adapt themselves to it, to make the necessary reports, and in order to get more information?

The effect of section 2 will be that all the manufacturers' regulations will never become effective. The insertion of section 2 and the cancellation of the price decreases which the Price Administrator ordered will, therefore, penalize the consumers and penalize the Office of Price Stabilization for the leniency which they showed to American business. I think those are really the points at issue.

Mr. MAYBANK. I may only say to the Senator that the Office of Price Stabilization has had since January 25 in which to roll prices back. They have still a few days in which to roll them back. They have not rolled them back. I would not place myself in a position of leaving the matter open.

I am not here to say unkind words about Mr. DiSalle. I know the trouble he has had. I know the troubles he is going to have. I know he did not come here until December, after the law had been passed in September; but I would never be willing to leave such a law on the statute books; and the Senator from Illinois will not differ with me when I say that, if we leave the law as it is, he can roll back prices to May or June 1950. That is correct, is it not? He would have that authority, would he not?

Mr. DOUGLAS. Well, to restore the pre-Korea price relationships.

Mr. MAYBANK. No.

Mr. DOUGLAS. Restore the relationship between prices, so that no one will be squeezed; that is the point.

Mr. MAYBANK. How is it possible to restore the relationship without rolling the prices back?

Mr. DOUGLAS. They can be rolled back, practically, but he does not have to——

Mr. MAYBANK. "But he does not have to." I did not say he had to, but he can.

Mr. DOUGLAS. I am sure that was not intended, and the law requires Mr. DiSalle to make allowances for cost increases.

Mr. MAYBANK. I do not suggest that it was the intent; but he could roll them back, and how do I know who is going to be in charge of it next month, or month after next, or in January? I simply do not think that the Congress ought to leave with some administrator the power under the law to roll-back prices to May or June of last year. That is my sole contention. I am not arguing that some prices are not too high—of course, they are too high.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. CAPEHART. What makes it necessary to roll-back any prices?

Mr. DOUGLAS. Because certain prices have advanced much more rapidly than the costs of the ingredient labor and materials factors, and therefore very large profit margins have accumulated. The cause of these greater increases, in part, has been speculative advances, and the anticipation of price controls. I think in some cases there have been shortages, where the owners have reaped a sort of windfall profit, and in other cases I believe it has been because of monopoly control, where there has not been full competition, and where, with a limited number of firms, it has been possible to boost prices without the restraining effects of competition.

Mr. CAPEHART. Mr. President, will the Senator yield for another question?

Mr. DOUGLAS. I yield for a question.

Mr. CAPEHART. Why did the Government permit this sort of thing to be done?

Mr. DOUGLAS. The Senator means, does he not, why did we not put price control into effect last year?

Mr. CAPEHART. The Congress passed the price-control bill in October. Why has the administration permitted prices to rise to the point where it is now thought to be necessary to roll back the prices? Why was that permitted? I think if we can get the answer to that question we may be able to throw some light on this whole situation.

Mr. DOUGLAS. If I may reply to the Senator's suggestion, I may say that I am not regarded as an official spokesman for this administration, nor as a warm and ardent defender of all its actions. But, as I listened to the speech of my very able colleague, the Senator from New York, with the conclusion of which I agreed, he also made the same imputation, namely, that the administration has been very slow and that it had been criminally negligent in not applying controls at an earlier date.

I may point out that the job of Price Stabilizer was offered to 25 different persons before the services of Mr. DiSalle were finally secured; and that of necessity, created a long period of delay. People who come to Washington and who are exposed to the public attacks to which we Members of the Congress sometimes subject them are reluctant to put their heads into the lion's mouth. The President had to request the services of 25 men before he was finally able to secure the services of Mr. DiSalle; and I may say that I do not think Mr. DiSalle is on the twenty-sixth team, either. I think he is worthy of being on the first team. But that, of necessity, created a delay.

The second reason for the delay was that the initial Economic Stabilizer, Mr. Valentine, who is an extremely fine man, a very able man, and a very high-minded man, who happens to be a Republican from New York—did not believe in controls and did not believe in imposing price controls, but wanted everything to be done on a voluntary basis; so that this also took up the time until about December, and finally the present team went in, and the first move was to freeze prices as of the period December 19 to January 25. But this freeze was merely preparatory to an ultimate readjustment in which certain prices would be raised, others would be reduced, and prices could then be stabilized at levels which would yield average returns.

Mr. CAPEHART. Mr. President, will the Senator yield for another question?

Mr. DOUGLAS. I yield.

Mr. CAPEHART. The able Senator said they froze prices on January 25 in order to stabilize them.

Mr. DOUGLAS. As the first step toward stabilization.

Mr. CAPEHART. That was 5 months ago. If they failed to roll prices back, or to hold prices, during the past 5 months, and permitted them to go up, as they have, that has literally cost the American people several billion dollars, has it not?

Mr. DOUGLAS. I may say that I am not trying to score political advantage for my party or for the administration, or to lay the blame upon any other group——

Mr. CAPEHART. I noticed that the Senator referred to someone as being a Republican.

Mr. DOUGLAS. That was an offensive-defense tactic so to speak. I simply threw that in to indicate that the delay to which the Senator was referring was not entirely Democratic in origin. I am not trying to apportion political blame for the past, but I am interested in protecting the consumers in the future. As a matter of fact, as sponsors of this amendment to strike out section 2, there are two members of the party on the other side of the aisle. I hope their numbers will increase overnight. There is still room for any Senator who wants to sign the amendment to add his name to it. We shall be very grateful for the help of the Senator from Indiana if he wishes at this late date to reduce prices and roll prices back. May I add his name to the amendment?

Mr. CAPEHART. Mr. President, I think this is too serious a question to make light of, because this is the United States Senate, and not a vaudeville theater. I should like to ask the able Senator, who is a member of the committee, this question: Why, when Mr. DiSalle came before our committee as a witness, did he not say that he wanted to roll back prices, or that prices should be rolled back to the tune of a few million dollars, as the able Senator pointed out on the floor? There is nothing in the hearings as to that, and we asked many forthright questions with respect to roll-backs. The only roll-backs he mentioned were those on hides, steel scrap, tallow, and several other products. I asked him the question:

> You mean minor things?
>
> Not minor things. They are not minor at all. Steel scrap certainly is not minor.

At no place did he indicate that he was going to roll back prices to the extent of millions of dollars, as the able Senator from Illinois stated a moment ago. Why can we not have on the part of the Administrator when he comes before the committee some frankness with respect to roll-backs? When did he come to the conclusion—he had 5 months in which to do it—that it was going to be necessary to roll back numerous items to the extent of millions of dollars?

Mr. DOUGLAS. If my good friend from Indiana will look at page 629 of the hearings, the testimony of Mr. DiSalle, which was early in the hearings, in the fourth paragraph from the bottom of the page——

Mr. CAPEHART. Is that part 1 of the hearings, may I ask?

Mr. DOUGLAS. It is the testimony of Mr. DiSalle in part 1, page 629, on May 15.

Mr. CAPEHART. In the volume which I have before me, that page is headed "Chapter II. OPS Actions Since the Freeze."

Mr. DOUGLAS. That is correct. If the Senator will direct his attention to the fourth paragraph from the bottom of the page, in the middle of that paragraph he will see the following language:

> In the general manufacturers' regulation (CPR 22) the OPS took a large block of commodities out of the GCPR under a formula designed to bring prices and production costs into a more normal balance. This is an interim measure pending the writing of regulations for particular industries.
>
> Some commodities were stabilized in December by a series of voluntary understandings between the producers and the Government. These arrangements, unlike the voluntary standards of December 19, set forth specific prices. These commodities included such basic materials as steel, copper, lead, zinc, rayon, and sulfur. These specific prices were generally maintained and as a consequence there have not arisen such distortions and inequities as characterize the prices of most goods under the GCPR.

Then he describes, in the succeeding paragraph, how, since January 26, they have been dealing with future relationships, such as general merchandise at retail. He states that they began work early on a regulation for retailers of most consumer goods, other than food, to be issued as promptly as possible following the freeze.

I particularly want to invite the attention of the Senator from Indiana to page 630 where Mr. DiSalle goes on to say:

> (3) Manufacturers' regulations: The general manufacturers' regulation (CPR 22), issued April 25, 1951, sets the pattern of OPS ceilings at the manufacturers' level during the interim period following the general freeze.
>
> The basic formula of the regulation is simply pre-Korea prices, plus increases in costs of factory labor and manufacturing materials up to certain cut-off dates. The manufacturer has the option of selecting any quarter in the year preceding the Korean outbreak. The cut-off date for labor costs and for costs of materials generally classifiable as raw materials is March 15, 1951. For materials which are themselves manufactured materials priced under the regulation, the cut-off date is December 31, 1950.
>
> This regulation has the effect of correcting many of the inequalities frozen into ceilings by the GCPR. It restores more normal price-cost relationships by achieving roll-backs where prices have outpaced costs since Korea and permitting increases where the GCPR resulted in squeezes. It establishes a pricing method which does not favor those who ignored the voluntary appeal of December 1950 and does not penalize those who cooperated.

From this I would say that we should have known what the Office of Price Stabilization was thinking and doing when they gave notice not only to us but to the general public, and certainly to manufacturers and retailers, as to what their policy was going to be. The order of April 25, was to have gone into effect on May 28. It was canceled in order to give manufacturers more time to file reports and to submit a more careful study of the situation which this regulation deals with. It seems to me that Mr. DiSalle, far from being subject to criticism, deserves a great deal of credit for the patience with which he has acted in the matter. I do not see where he deceived or tried to deceive, either the committee or the country.

The effect of section 2 as it is now drawn is to eliminate all these roll-backs

and to legitimatize increases which might otherwise occur, and, in effect, to take billions of dollars out of the pockets of American consumers. I believe, on the record, Mr. DiSalle should not be attacked.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield.

Mr. MAYBANK. The only thing I do not understand is why Mr. DiSalle did not freeze prices then. I am not criticizing Mr. DiSalle. I know the problem he is up against. The thought I have is that we did not have this section in the law and if we pass the bill without section 2, it gives a Government employee—it might be Mr. DiSalle or it might be someone else next month, or in January—the right to roll back prices to the level of May-June 1950. I do not say the Administrator will use that authority. I do not know who may succeed him, but, nevertheless, the Congress has passed a law giving him that authority. That is the reason for the amendment to the law.

Mr. DOUGLAS. I should like to say again to the Senator from South Carolina that it is not that Mr. DiSalle will roll prices back to the pre-Korea price level, but to the relationship which then prevailed.

Mr. MAYBANK. Does the Senator know or does Mr. DiSalle know what relationship prevails in tobacco?

Mr. DOUGLAS. I think that from the record of hourly wage rates of labor and the prices of raw tobacco in relation to the prices of cigarettes and cigars it can be worked out.

Mr. MAYBANK. If that can be worked out it will be the first one we ever could work out.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am glad to yield to the Senator from Nebraska.

Mr. WHERRY. I was not present when the Senator submitted his amendment. He may have made an explanation as to the effect of the amendment on beef.

Mr. DOUGLAS. I referred to the beef feature of the amendment as a Trojan steer.

Mr. WHERRY. There are other animals besides steers that are rolled back when beef is rolled back.

Mr. DOUGLAS. I shall not be "cowed" by that remark.

Mr. WHERRY. Being a cowman I should like to say to the Senator from Illinois that I am interested in the force and effect of the amendment, so far as meat is concerned. If I understand the amendment correctly, what the Senator from Illinois proposes to do is to strike out the prohibition with respect to further roll-backs. Therefore roll-backs on all items would be effective if the Stabilizer so determines. That would include meat. If I understand the amendment correctly—and I am asking for information—if Mr. DiSalle decided to impose the second and third roll-backs on meat, the amendment would permit the Stabilizer to do so, would it not?

Mr. DOUGLAS. Taken by itself it would. So I also sent up a dove of peace applying to the cattle country.

Mr. WHERRY. That is the thing in which I am interested.

Mr. DOUGLAS. I stated that beef should be treated separately, and that if our amendment eliminating section 2 is accepted by the representatives of the cattle interests or the cattle States, it may be possible to work out some arrangement which would soften the impact of the future beef roll-back.

Mr. WHERRY. Would the distinguished Senator be willing to have that considered now?

Mr. DOUGLAS. I think it might be better to have it considered tomorrow. Then we would have the evening and tomorrow morning for adjustment and compromise.

Mr. WHERRY. The Senator means, then, that after the prohibition has been eliminated he would be willing to discuss the matter of exempting meat?

Mr. DOUGLAS. I would not only be willing to talk about it, but I think we might be willing to consider amendments which might possibly, let us say, eliminate the third roll-back, but hold the second.

Mr. WHERRY. Would the Senator consider making that modification in his amendment, even though it would be tomorrow?

Mr. DOUGLAS. I should like to know how much support for the amendment which we have proposed such a concession would attain. I do not want to buy a pig in the poke, so to speak.

Mr. WHERRY. We are talking about beef and not pigs, now.

Mr. DOUGLAS. They are both forms of meat.

Mr. WHERRY. That is true, but at the present time pigs are not involved. Beef is what we are considering. The Senator comes from a State which feeds a great deal of cattle.

Mr. DOUGLAS. That is true.

Mr. WHERRY. And the cattle feeders of Illinois are interested in knowing whether, as they make their replacements, there will be a second or third roll-back.

Mr. DOUGLAS. Mr. President, I have no power to commit my fellow sponsors of the amendment, but personally I believe that perhaps some of them would be willing to sit down with representatives of the cattle States, and if they would support the amendment permitting us to get roll-backs on manufactured goods, possibly we could make concessions on the beef situation. But it is well not to do this trading or adjusting of differences on the floor of the Senate.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. MAYBANK. Mr. President——

Mr. WHERRY. Let me finish, please.

Mr. MAYBANK. I may say, in connection with the statement made by the Senator from Illinois, that it is well not to do such trading on the floor of the Senate, and I do not believe such trading is going to be done.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. WHERRY. Mr. President, I have asked the Senator if he would not yield for another question.

Mr. DOUGLAS. I yield to the Senator from Nebraska.

Mr. WHERRY. I was not suggesting that there be such a trade. I do not know anything about such trading, either in mules or pigs. There has already been one roll-back on meat. I am serious about this subject, as the Senator from Illinois well knows. If I understand the Senator from Illinois correctly, he would rather amend the amendment so as to permit roll-backs on other items, and then talk about meat. My feeling is that inasmuch as there has already been one roll-back on meat, then if there is to be interest in the amendment, so far as those who come from the meat-producing areas are concerned, they would like to know what is in the Senator's mind and what he intends to propose in the event his amendment is adopted, so far as meat is concerned.

Mr. DOUGLAS. I have always wanted to have the company of the distinguished Senator from Nebraska at dinner, and I now shall be very glad to invite him to have dinner with me, and we can have a very charming conversation on this and other matters.

Mr. WHERRY. One more question; is the Senator going to serve beef?

Mr. DOUGLAS. Yes; I shall be delighted to do so.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to my good friend from New York.

Mr. LEHMAN. I doubt very much whether I would agree to any provision which would make it impossible to roll back the prices of beef.

Mr. DOUGLAS. I was not proposing that. I said we might possibly reach an agreement by which we would get a second roll-back, if not a third, and I would only be willing to do that if we could get a roll-back on manufactured goods, but that we should not consider that question on the floor of the Senate.

Mr. LEHMAN. I feel very strongly about the price of beef. Is it not a fact that if the price of meat or any other agricultural products should be reduced, the farmer would not be seriously hurt provided authority were given to roll back manufactured articles which are entirely out of line.

Mr. DOUGLAS. That is correct.

Mr. LEHMAN. Today the farmer is buying at inflated prices the clothing for his family; his shoes, his jute bags, his fencing material, the thousand and one things which go into the economy of a farm. If the prices of the things he must buy can be reduced, the farmer will not be hurt, but rather be benefited, even though he may have to make some sacrifices in the prices of his products.

Mr. DOUGLAS. I think the Senator from New York has put his finger on a very important point in the problem, namely, that the farmer is a consumer as well as a producer, and that the roll-backs will help him as a consumer. The Senator from New York mentioned burlap bags. I have here a memorandum prepared by the Office of Price Stabilization which shows that they have in

process a regulation which would reduce the price of used burlap bags by 12½ percent. This could not be done if roll-backs are prevented as they are now prevented by section 2. Similarly there is a provision in the stocks for OPS to roll back the price of shoes, but this would be prohibited by section 2. There are price reductions in the price of rubber, of which the farmer is a consumer, and which therefore would help him as a consumer.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. I should like to recur to the question of rubber. The United States Government can put the price up or down. I want to say to the Senator from Illinois, for whom I have the greatest respect, and with whom I enjoy association in the committee——

Mr. DOUGLAS. The Senator could not enjoy that association more than I do association with the chairman of the committee.

Mr. MAYBANK. The Senator referred to burlap. Burlap comes from India. The State Department—I do not want to bring the State Department into the argument unnecessarily—but so far as burlap is concerned we have had a terrible time getting it into this country. Attempt is being made to roll back the price of something which comes from India. I am glad that when the Senate passed the Indian grain loan measure, discussion was had respecting the things the United States needed from India.

Mr. President, every time we hear about a commodity the price of which is going to be rolled back or controlled we hear about something—an article the price of which already has been controlled, such as tin or rubber. Now burlap has been brought into the discussion. Burlap is used in a few mills in the South. Most of it is used to make bags to contain rice and some other agricultural products.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MOODY. Is it not also true that the farmer may be penalized by section 2? If there is a sharp recession in the price of some farm product, as the section is now worded, could not a freeze be put on that price at a level perhaps far below a fair price? I do not mean to imply that the Administrator would do that. I merely say that as the section now is written that could happen, and would penalize the farmer very sharply.

Mr. DOUGLAS. That would be possible, because section 2 as now written provides as follows:

(4) After the enactment of this paragraph no ceiling price shall become effective which is below the lower of (A) the price prevailing just before the date of issuance of the regulation or order establishing such ceiling price, or (B) the price prevailing during the period January 25, 1951, to February 24, 1951, inclusive.

In other words, what this amendment does is to provide that the farmer may lose and that the consumer must lose. In a sense, it is a "heads I win, tails you lose" proposition. It denies to the consumer the possibility of roll-backs in manufactured goods, but permits such reductions in the case of a farmer suffering a fall in the prices of farm products should that occur. If Senators have been reading the ticker tape this afternoon from the Associated and United Press services, they will find that grains broke 6 cents a bushel on the Chicago Board of Trade today, and would have fallen more than that were it not for the fact that the price movement is limited to 6 cents a bushel in any one day.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MILLIKIN. Am I correct in my understanding that under the law as it now is prices may be rolled back to a certain date without restriction as to fields? What is the date?

Mr. DOUGLAS. The basis for comparison is to be the month prior to the attack upon Korea; but I have been emphasizing again and again that the idea is to maintain the relationship which existed at that time, and not the absolute level of prices.

Mr. MILLIKIN. What does the law provide as to the right to roll back prices?

Mr. DOUGLAS. I believe the law provides that the administrative authority shall give due consideration to the prices then prevailing and requires him to make allowances for post-Korea cost increases.

Mr. MILLIKIN. Is there any restriction at the present time on the Administrator to prevent him from rolling back the price of any commodity to that period of time in such degree as he shall see fit?

Mr. DOUGLAS. Let me read the section in question.

Mr. MILLIKIN. I should like to hear it.

Mr. DOUGLAS. It is section 402 (c), on page 9, of the act, as separately reprinted. It reads as follows:

(c) So far as practicable, in exercising the authority conferred in this section, the President shall ascertain and give due consideration to comparable prices, rentals, commissions, margins, rates, fees, charges, and allowances, and to comparable salaries, wages, or other compensation, which he finds to be representative of those prevailing during the period from May 24, 1950, to June 24, 1950, inclusive, or, in case none prevailed during this period or if those prevailing during this period were not generally representative because of abnormal or seasonal market conditions or other cause, then those prevailing on the nearest date on which, in the judgment of the President, they are generally representative.

Mr. MILLIKIN. Does that mean generally representative industry by industry, or commodity by commodity, or all the way across the board?

Mr. DOUGLAS. The standards which I have been reading are for general commodities, other than agricultural commodities. The agricultural standards are set forth in paragraph (d) (3), on page 10.

Mr. MILLIKIN. I am not speaking of agricultural standards now. In the field outside the agricultural standards, when the Senator is referring to relative prices and relative values, does that mean on the basis of commodity by commodity?

Mr. DOUGLAS. If the relationship was normal in the months preceding Korea, that relationship will be reestablished, so far as possiblie; and where price increases have been in excess of the increase in costs, and, therefore, where profit margins have greatly expanded, in such cases the roll-back will apply.

Mr. MILLIKIN. Let me return to my original question. I am not now speaking about the agricultural field. Outside the field of agriculture, is there any prohibition against the administration, rolling back the price of any commodity to a particular date?

Mr. DOUGLAS. It could not do so without a consideration of the movement of the price in question—let us say the price of shoes in relationship to the price of hides, and so forth.

Mr. MILLIKIN. Assume that to be correct, without admitting it. That would simply enter into the general administrative judgment or discretion of the Administrator.

Mr. DOUGLAS. Let me put it this way. I think it is quite obvious from the wording of the act that if general prices have increased by 17 percent, and the price of a particular product has increased by only 5 percent, it would not be within the law to decrease the price of that product by 5 percent, so that its absolute level would be decreased to the pre-Korea price, despite cost increases and despite all other prices. It could not be put back to the price in June, when other prices, on the average, had gone upward 17 percent.

It is necessary to consider a given price in relationship to the movement of other prices, and, in particular, the relationship of the prices of the commodities out of which a particular commodity is fabricated.

Mr. MILLIKIN. Quite obviously all this process of ratiocination which the Senator has indulged in is within the field of discretion of the Administrator. Is not that correct?

Mr. DOUGLAS. I think it is within the confines of the law. It is within the mandate laid down by the law.

Mr. MILLIKIN. The law does not operate automatically, does it?

Mr. DOUGLAS. I know of no law which can guarantee wisdom to administrators; but we presume that laws are administered by persons of average intelligence. I will say that in the case of Mr. DiSalle I think we have someone who is of greater than average intelligence.

Mr. MILLIKIN. Let us assume it for the purpose of discussion.

Reverting, now, to my question, the law does not administer itself.

Mr. DOUGLAS. No; but the courts——

Mr. MILLIKIN. Wait a moment. If the Senator is going to yield to me, let me ask my question.

Mr. DOUGLAS. Very well.

Mr. MILLIKIN. The law does not automatically administer itself. Therefore someone must administer it. The law provides who shall administer it; and what we are talking about is within the discretion of the Administrator; is it not?

Mr. DOUGLAS. No.

Mr. MILLIKIN. In the judgment of the Senator or in my judgment the Administerator may be exceeding what we think is the proper interpretation of the

law. But that, of course, is no impediment if it is within his general field of discretion. Is that correct?

Mr. DOUGLAS. Let me say to my good friend from Colorado that he is one of the most eminent lawyers in this body——

Mr. MILLIKIN. The Senator said earlier that he did not want to be cowed.

Mr. DOUGLAS. Or bulled. [Laughter.]

Mr. MILLIKIN. I want to be steered correctly, and I do not want to be bulled. [Laughter.]

Mr. DOUGLAS. Neither do I.

Let me say to my good friend from Colorado, who is one of the most eminent attorneys in this body, that I should like to remind him publicly of something of which I am sure he is perfectly aware. Courts frequently interpret administrative regulations to see whether they go beyond the confines of the powers laid down in the appropriate law. If any administrator were to be foolish enough to roll back to June 1950 levels the price of one commodity which had advanced only slightly, while other prices, which had advanced greatly, were allowed to go scot free, I think there is no doubt that any such ruling would be suspended by the courts.

Mr. MILLIKIN. It would depend upon the ruling, and upon all the facts which the Administrator had weighed. I remind the distinguished Senator that the courts are very loath to upset exercises of administrative discretion.

I do not ask the Senator to accept the word which I use, but suppose that the present looseness of the law should be tightened by providing that in the case of a roll-back outside the field of agriculture adjustments should be made for increases or decreases in costs subsequent to the date to which the price is rolled back.

Mr. DOUGLAS. Does the Senator ask whether adjustments should be made for increases or decreases in costs?

Mr. MILLIKIN. Yes.

Mr. DOUGLAS. Certainly, and that is provided for in the roll-back order of the Administrator which would have gone into effect on the 2d of July if it were not for section 2.

Mr. MILLIKIN. Is there any objection to having it in the law?

Mr. DOUGLAS. No, I do not believe so, provided it permitted the Administrator to make allowances for the almost infinite variety of factors and practices that differentiates one industry from another. I would be perfectly willing to have the able Senator from Colorado work out the details and prepare proper language to provide standards clarifying that section of the original act. I have the greatest confidence in the ability of the Senator from Colorado to bring about such a clarification, if he were to turn his talents in that direction.

Mr. MILLIKIN. I am merely suggesting that it would be a proper field for amendment of some kind to provide that if there is to be a roll-back—and I am not talking about agricultural products—the ceilings must reflect either increases or decreases in costs from the date from which the roll-back moves forward.

Mr. DOUGLAS. I assume the Senator means cost increases and decreases from the base period, which in this case is May 24 to June 24, 1950. I would also want a further delineation of just what cost components are to be included, but I believe it would be very constructive to do so, although I should like to reserve final judgment until I see the Senator's proposal drafted into legislative language. I may say that we have here another example of the reconciliation of apparent opposites.

Mr. CAPEHART. Did I correctly understand the Senator from Illinois to say that he would be willing to write into the bill a provision requiring the Administrator to make certain increases in prices?

Mr. DOUGLAS. No; to provide certain standards which he would follow in making increases or decreases.

Mr. CAPEHART. And would the Senator from Illinois vote for such a provision?

Mr. MILLIKIN. He said he would.

Mr. DOUGLAS. May I point out that the bill itself states, at page 9:

> In determining and adjusting ceilings on prices with respect to materials and services, he shall give due consideration to such relevant factors as he may determine to be of general applicability in respect of such material or services, including the following: Speculative fluctuations, general increases or decreases in cost of production, distribution and transportation, and general increases or decreases in profits earned by sellers of the material or by the persons performing the service, subsequent to June 24, 1950.

If that language is not sufficiently clear I believe I would be perfectly ready to consider a clarification.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. DOUGLAS. Yes.

Mr. MILLIKIN. I am suggesting that such language opens up a whole nightmare of all sorts of speculative considerations in the mind of the Administrator. If we are going to do something, if the Administrator makes a roll-back outside the field of agriculture should we not provide for adjustment for increases or decreases in cost? It is just that simple.

Mr. DOUGLAS. Personally, I would have no objection.

Mr. MILLIKIN. Is there anything wrong with it?

Mr. DOUGLAS. No, nothing at all that I see as of this moment.

Mr. MILLIKIN. Then it is a deal.

The VICE PRESIDENT. The Senate will be in order.

Mr. DOUGLAS. I wish to amend the language of the Senator from Colorado by saying that it is not a closed deal, but awaiting the embodiment of the Senator's idea in legislative language, the possibility of the beginning of a happy solution.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. DOUGLAS. Yes.

Mr. WILLIAMS. Am I not correct in that under the existing law the price administrator could have at any time during the past year, at least since September 8, 1950, frozen prices and simultaneously rolled all prices back to the pre-Korean level? Is that correct?

Mr. DOUGLAS. Does the Senator imply that since the Administration has not done so, it has been guilty of negligence?

Mr. WILLIAMS. I wish to establish whether or not he had such power under the law. I wish to know whether he had the power to freeze all prices at the prevailing prices prior to the outbreak of hostility in Korea.

Mr. DOUGLAS. All prices, yes.

Mr. WILLIAMS. He had that power?

Mr. DOUGLAS. Yes. Is the implication of the Senator that therefore he was negligent, or that the administration was therefore negligent, for not doing so?

Mr. WILLIAMS. I merely asked the Senator the question because I wished to have a clear understanding of his amendment.

I supported an amendment to the present Defense Production Act to strike out exemptions for both wages and agricultural commodities because I felt it was necessary either to freeze prices across the board or not at all. As I understand the amendment of the Senator from Illinois he would restore the power of the Price Administrator, if he wishes to do so, to roll prices back to the pre-Korean level.

Mr. DOUGLAS. Only in conjunction with all other prices and costs.

Mr. WILLIAMS. But the Administrator could roll them back if the Senator's amendment were agreed to.

Mr. DOUGLAS. Yes, to the extent that post-Korean cost increases enabled him to do so and still have his regulations fair and equitable, as the law requires. I am merely restoring the existing act; not changing it at all.

Mr. WILLIAMS. All prices and all wages could be rolled back to the pre-Korean level; is that not correct?

Mr. DOUGLAS. It would be a very difficult thing to do. In practice, what any sensible Administrator would do would be to merely roll back the prices on the commodities on which increases have been appreciably greater than that of the cost of the raw materials from which they had been fabricated and the cost of labor used in its production. It would be done only in cases in which abnormal profit margins have been shown. It would be very hard to roll back everything, regardless of cost increases. Some manufacturers would have paid 10 percent, 15 percent, or more for ingredient factors since June 1950, and if they had to sell their finished product at the June 1950 price they would suffer a great shrinkage in profit, and perhaps actually incur losses. No one would wish to have them do that. The best method to pursue would be merely to bring down prices which had increased more than the average. The only alternative is to increase all prices to the level of today's highest prices, and this would cost consumers literally billions of dollars.

Mr. WILLIAMS. And you would allow the other prices to rise up to that level?

Mr. DOUGLAS. Yes.

Mr. WILLIAMS. Theoretically, however, it would be possible to roll them all back, and that is what the American people are being led to believe is his intentions.

Mr. DOUGLAS. In practice that could not be done.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. WILLIAMS. Mr. President, will the Senator yield for one more question? I am very much interested in his amendment.

Mr. DOUGLAS. It is really the amendment of the Senator from Alabama [Mr. SPARKMAN], and other Senators. I am merely offering it.

Mr. WILLIAMS. Under the existing act, we have a provision which provides that agricultural prices shall not be rolled back beyond 100 percent of parity. Would the Senator's amendment strike out that provision?

Mr. DOUGLAS. No.

Mr. WILLIAMS. The Senator's amendment would strike out the committee amendment which would change the existing law, does it not?

Mr. DOUGLAS. No.

Mr. WILLIAMS. The Senator's amendment would let the provision stand?

Mr. DOUGLAS. Yes; it is still in there.

Mr. WILLIAMS. Then the Senator's amendment if adopted would make it possible to roll prices back either to 100 percent of parity or to the pre-Korean level on any agricultural commodity as the Administrator chooses, is that correct?

Mr. DOUGLAS. It would be possible to do so.

Mr. WILLIAMS. For instance, let us take wheat.

Mr. DOUGLAS. The amendment would not change the law in that respect at all.

Mr. WILLIAMS. That is what I wanted to examine. The Senator has been referring to beef. Let us take wheat, for instance. Do I understand that under the Senator's amendment it would be possible to roll wheat prices back either to 100 percent of parity or to the pre-Korean level at the Administrator's option?

Mr. DOUGLAS. Such a provision is not contained in my amendment. That is the existing law. It is the existing law that does it, and my amendment would not change the existing law.

Mr. WHERRY. Yes; it would do that.

Mr. DOUGLAS. It would strike out the amendment which would prohibit a roll-back.

Mr. WILLIAMS. Yes, and in so doing the Senator's amendment would continue those provisions in the existing law.

Mr. DOUGLAS. If the Senator from Delaware wishes to alter that provision in the law he may do so by introducing an amendment to that effect. It is impossible to do it all with one amendment, as was demonstrated very clearly by the amendment offered by the Senator from Oklahoma [Mr. KERR]. It is impossible to meet all parts of the bill in one amendment.

If the Senator from Delaware wishes to prepare an amendment permitting the Administrator to reduce prices below parity, he may do so. If he wishes to reduce the price from 100 percent to 90 percent of parity, he may do so.

Mr. WILLIAMS. I appreciate the Senator speaking plainly with respect to what would be the effect of his amendment. I have not proposed any amendment as yet. I am merely trying to determine what the Senator's amendment would do. I should like to ask one further question. Does the Senator from Illinois realize that even though his amendment is agreed to, it would still be impossible to roll back prices, under the Defense Production Act to the pre-Korean level? In fact, your amendment just will not provide lower prices as it is now written.

Mr. DOUGLAS. I may say that it would most certainly do so on manufactured goods.

Mr. WILLIAMS. Will the Senator yield further?

Mr. DOUGLAS. Yes.

Mr. WILLIAMS. I merely wish to point out to the Senator from Illinois that his amendment, if agreed to, would be in direct conflict with the price-support program, because part of the increases in the cost of food since the outbreak of the Korean war is due to the price-support program. Today the Department of Agriculture is supporting certain agricultural commodities at prices which are higher today than the prices prevailing prior to the outbreak of the Korean war. Under the support program the Government is buying many of the agricultural products for the sole purpose of forcing higher prices. The only way in which the amendment of the Senator from Illinois would be practical in operation would be to amend it so as to suspend the price-support program at least for the duration of price controls. If the Senator were to modify his amendment accordingly, so as to make it practicable, I shall support his amendment.

Mr. DOUGLAS. May I say to my good friend from Delaware——

Mr. WILLIAMS. Otherwise I cannot support the Senator's amendment, because it is nothing more than idle words. Even if the Senator's amendment were agreed to, the Administrator could not possibly roll back prices to the pre-Korean war level on agricultural products, because to do so would be in direct conflict with the price-support program. You cannot force prices higher and lower both at the same time. May I inquire whether the Senator from Illinois would consider modifying his amendment so as to strike out this inconsistency to which I have referred? If he will do so, Mr. President, I shall support his amendment. Let us make up our minds; either we are afraid of inflation or deflation. If we fear inflation and shortages, then we do not need price supports. If we fear deflation and surpluses, then we do not need price controls. To insist on both simultaneously is merely an admission that the administration's primary objective is a controlled economy for this country, rather than controlling inflation. It is an admission that they are just not sincere.

Mr. DOUGLAS. Let me say to the Senator from Delaware that our amendment eliminates only section 2 of the committee's bill, and restores the original act. The amendment would not eliminate the restriction imposed in the original act, namely, that no ceiling on farm products shall be less than the parity price.

Mr. WILLIAMS. That is the point, the administration, promising higher prices for the farmers and lower prices for the consumers all at the same time.

Mr. DOUGLAS. That restriction would continue.

I do not think the increase in farm prices since the attack on Korea has been caused by the price-support program of the administration. It has been caused in some cases by agricultural shortages, as in the case of cotton; and in other cases it has been caused by increased speculative demand. However, I do not think it can be argued successfully that it has been caused by the agricultural commodity price-support program.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. WILLIAMS. I was discussing this matter with the Department of Agriculture, and I have obtained these figures from the Department of Agriculture. They will appear in the RECORD, and the Senator from Illinois will be able to confirm them.

Under the bill now before us if the Senator's amendment is adopted—and I say again that the amendment has much merit, if it can be worked out properly—the Price Administrator would have authority to roll back the price of wheat to $2.06 a bushel; but, on the other hand, there is now on the statute books another law requiring the price of wheat to be supported at $2.17 a bushel.

Mr. DOUGLAS. The parity price is $2.17?

Mr. WILLIAMS. If both provisions remained in effect, the Secretary of Agriculture would have to pay 11 cents a bushel more than the roll-back price, to support the price of wheat at the 90-percent mandatory level. But at the same time he would be violating the Price Control Act by paying more than $2.06 a bushel for wheat, or 11 cents a bushel more than anyone else would be allowed to pay for wheat. In view of that inconsistency, it is apparent that it would be necessary either to repeal one act or to change them in such a way as to make them consistent with each other.

Mr. DOUGLAS. Mr. President, I am somewhat puzzled by the figures the Senator from Delaware has just quoted.

Mr. WILLIAMS. I was puzzled by them, too.

Mr. DOUGLAS. I am puzzled by them because in consulting the publication Agricultural Prices of the Bureau of Agricultural Economics and the prices it published on May 29, I find that the price of wheat on May 15 is given as $2.41 a bushel, and that is stated as being only 88 percent of the parity price. So

I am puzzled by the implication in the statement of the Senator from Delaware that wheat is now selling at more than the parity price and that the maintenance of the parity price would prevent the price of wheat from falling.

Mr. WILLIAMS. I said that the Department of Agriculture on May 15, 1951, announced a support price on wheat of $2.17 a bushel that is on the current crop of wheat. These figures were given to me just this morning.

Mr. DOUGLAS. I think that price is approximately 80 percent of parity.

Mr. WILLIAMS. It is 90 percent of the new parity. The parity has advanced during the succeeding months, and that accounts for the $2.17 price.

However, if the amendment of the Senator from Illinois is adopted in its present form, the Price Administration would be authorized to roll back prices to the pre-Korean level, which is $2.06 for wheat. The Secretary of Agriculture would then be violating the Price Control Act by paying 11 cents a bushel more for wheat than would be allowed under the Price Control Act.

Therefore, I think it only makes good sense to amend the Senator's amendment so as to have it provide that for the duration of the Price Control Act all price supports would be suspended. I think the Senator will agree that it does not make sense to have one agency spend hundreds of millions of dollars in buying an agricultural commodity, storing it, exporting it at bargain prices, or destroying it, for the purpose of forcing the price of that commodity higher, and at the same time to have Congress pass a bill telling another Government agency to hold prices down. Let us decide which way we are going.

Mr. DOUGLAS. In other words, the Senator from Delaware wishes to have all price supports for agricultural commodities eliminated, does he?

Mr. WILLIAMS. I want to do either one thing or the other; let us stop supporting the prices of agricultural commodities, in order to force the prices of those commodities higher, while at the same time we talk about bringing prices down.

Certainly we cannot justify price ceilings to hold down the prices of agricultural commodities when at the same time we are appropriating millions of dollars in order to put those prices up. That just does not make good sense. Also, it is not possible for the administrators of the two laws to administer them without coming into conflict.

I am not speaking on the merits or demerits of the price-support program. I am speaking merely of their inconsistency with title IV, which relates to price controls. During the period in which we are operating under shortages and an inflationary threat, we should suspend this program. We should stop this asinine policy of destroying good edible foods and most certainly we do not wish to destroy any commodity of which there is a shortage. If there is a surplus, we do not need price ceilings. It is impossible for anyone to argue intelligently in favor of both of them.

Mr. DOUGLAS. I had thought that the remaining days in which this law will still be in effect would not be sufficient to permit us to debate and decide again on the agricultural price-support program which the country should follow. We could spend weeks and months on that issue. My amendment would merely continue the price provisions of the present act.

However, after the amendment is adopted, the Senator from Delaware can deal separately with the problem he has mentioned. If the Senator from Delaware and his associates wish to submit an amendment eliminating all price supports on agricultural commodities and returning agricultural commodities to the competitive market, I think such an amendment would be very valuable for discussion purposes. I am not sure how much support the Senator from Delaware would obtain from Senators on this side of the aisle for such an amendment, but I think it might be interesting to have the issue raised.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. WILLIAMS. As a further example, let me say that if the amendment of the Senator from Illinois is adopted in its present form, Mr. DiSalle apparently would roll back the price of rice to $4.18 per hundred pounds, although on May 15, 1951, Mr. Brannan announced a $5 per 100 pounds support price for rice.

I may say that, under the law, the Secretary of Agriculture is compelled to support the price of rice at $5 per hundredweight. How can Mr. DiSalle roll back the price of rice to $4.18 per hundredweight while, under another law, the Secretary of Agriculture is compelled to support rice at $5 per 100 pounds?

If the amendment of the Senator from Illinois is adopted, Mr. DiSalle will, if he is sincere, attempt to roll back the prices, as he has already told the American consumers he will do. If Mr. DiSalle rolls back the price of rice to $4.18 per hundred pounds, either he will be violating the price support law to the extent of 82 cents per 100 pounds of rice or else the Secretary of Agriculture will violate the price ceiling. If triple damages are allowed, as has been done in the past, one Government agency will then be collecting tremendous damages from another Government agency, and the confusion would, if possible, be even worse than that which now exists.

Mr. DOUGLAS. Mr. President, certainly there is much merit in dealing with one issue at a time. If the Senator from Delaware brings the agricultural commodity price support issue into the debate, we shall be here for months. I had hoped we could deal only with the price-control situation, which is really the subject of title IV of the Defense Production Act.

Mr. WILLIAMS. I realize that we should not bring into the argument at this time the merits or demerits of the price-support program, but I point out that there is a direct conflict between the price-support law and the amendment of the Senator from Illinois, therefore we must consider the question.

I am in sympathy with the argument the Senator from Illinois has been making, but certainly there is no use in trying to kid the American consumer. If we are going to leave the price-support law on the statute books, there will be no possibility of making great savings by means of reductions in food prices. To Senators who think that several billion dollars will be saved by means of rolling back prices, I point out that that cannot possibly occur in view of the present situation and in view of the laws which already are on the statute books.

Mr. DOUGLAS. Under this measure we shall secure the advantage of rollbacks on prices in cases in which prices have increased more than the increases in (a) the cost of the ingredient materials plus (b) the cost of the labor used to fabricate the materials. When prices have advanced in excess of those costs, we shall be able to roll them back. We shall also be able to eliminate speculative gains which have been made, at least so far as the future is concerned. Thus we shall be able to remedy both the sort of inequity to the producer where cost increases exceed price increases, and the inequity to the consumer when the price exceeds cost increases.

As to the question of whether we should have agricultural commodity price ceilings which are no less than 100 percent of parity, that is another matter. Probably it is true that in the case of some agricultural commodities, the reductions which have occurred in the costs of production per unit have been such that the maintenance of the same price relationship which existed before would result in a vastly increased margin of profit to the farmers. That is quite possible. Possibly it should be reviewed as a separate issue.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. WILLIAMS. I think the Senator from Illinois misunderstands me somewhat. I am not speaking of whether we should continue to guarantee 100 percent of parity, but I am speaking of the support program in general.

Even though we agreed to strike out the 100 percent of parity provision, the difference would then be greater than the increase I stated to the Senator.

I am pointing out to him that, at least theoretically, it is impossible to administer both of these laws in accordance with their provisions, if both of them are on the statute books at the same time. Either we do not want to pass one, or we have got to suspend the other. I think,the Senator from Illinois will agree with me that it is impossible to leave one law on the books which tells the Secretary of Agriculture that he has got to buy wheat at $2.17 per bushel, and hold it at that mark, dumping it in the Atlantic Ocean or any place else in order to get rid of it, and then, at the same time, tell another Government agent that he must hold the price of wheat down to $2.06. It would make a black-market operator out of every farmer who cooperated with the Secretary of Agriculture. It would make the Secretary of Agriculture a black-market operator,

and it simply does not make sense. Let us make up our minds which way we are going. I would go along with the Senator from Illinois if he would amend his amendment so that it would do exactly what he says he wants to do, because I agree with him 100 percent in what he says he wants to do—but he cannot do it with his amendment as it is now written.

Mr. DOUGLAS. If I may reply, now, this is a complicated issue, and I may not have understood correctly the Senator from Delaware. But it is my understanding that the price-support program to which the Government is committed through the Agricultural Act is much less stringent than parity, that in most cases it provides a ratio of less than parity, usually no more than 90 percent of and that therefore, under that act, it is possible to have supplies increased and prices maintained which will be less than parity.

On the other hand, the section 402 (d) (3) of the Defense Production Act provides that no ceiling shall be set which is lower than parity. But it is possible to refrain from setting a ceiling, but instead to permit the forces of supply and demand within the acreage and production quotas allowed to bring prices down to the support level; that is not to require that the prices must rise to parity. In fact, the price of wheat now is below parity, and, if my figures are correct, the price of peanuts is below parity. The price of corn is below parity. Cotton, as we know, is very appreciably above parity, namely, at 125 percent of parity as of May 15. Beef is 52 percent above parity, or was, before the roll-back.

Mr. WILLIAMS. I may say to the Senator from Illinois that I still think he is confused as to what I am discussing. It is mandatory that the Department of Agriculture must support—they have no option about the matter—they must support the basic commodities at 90 percent of parity.

Mr. DOUGLAS. Yes, that is correct.

Mr. WILLIAMS. They must do that, and, under the new parity formula, which has recently been issued, which took into consideration the wage rises, and so forth, the 90-percent parity formula for wheat, for example, is 11 cents a bushel higher than $2.06 pre-Korean price for wheat which can be established under this amendment.

Mr. DOUGLAS. The only way to reconcile these is to permit the Price Administrator to roll prices back to 90 percent of the current parity price. Is that what the Senator from Delaware is proposing?

Mr. WILLIAMS. I may say to the Senator from Illinois that, even if——

Mr. DOUGLAS. Would the Senator from Delaware answer that question? Is he proposing that the Price Administrator be permitted to roll prices back to 90 percent of parity?

Mr. WILLIAMS. The Senator from Delaware, when the Defense Production Act was before the Senate——

Mr. DOUGLAS. Mr. President, will the Senator answer the question?

Mr. WILLIAMS. I am going to answer it by telling the Senator how I voted when the Defense Production Act was before the Senate last year. I voted against the amendment which exempted either wages or agricultural prices from being rolled back to less than 100 percent of parity. If I remember correctly, the Senator from Illinois voted for it. There is no use in any man who voted for an exemption of both wages and agricultural commodities to get up and shed tears for the consumers. The Congress put the prices up when that amendment was passed; and every Senator knew it at the time, and the Senator from Illinois knew it.

Mr. DOUGLAS. Am I correct in my inference that the distinguished Senator from Delaware would permit the Price Administrator to roll prices back to less than parity?

Mr. WILLIAMS. The Senator from Delaware would not permit——

Mr. DOUGLAS. Mr. President, will the Senator answer yes or no to that?

Mr. WILLIAMS. If the Senator will yield, I do not think the answer is that simple. The Senator from Delaware offered an amendment, which I do not think received the support of the Senator from Illinois, which would have permitted the Price Administrator simultaneously to freeze all prices and wages at a pre-Korean level, irrespective of whether they were 100 percent of parity or not; and the Senator from Illinois voted against it.

Mr. DOUGLAS. And he would roll agricultural prices back, even if they were less than parity?

Mr. WILLIAMS. I voted for it. That answers the question. The same thing was also true of wages. I said then they must be considered together. You cannot freeze one without the other. Those exemptions plus very weak administration of the law account for the price increases, and the——

Mr. DOUGLAS. I may say there have not been any increases in the past few months. The prices have been relatively stable since the price stabilization went into effect. I do not say that the price-control program alone caused prices to remain stable, but the fact remains that prices have not increased in that period.

Mr. WILLIAMS. No; they have not, but——

Mr. DOUGLAS. As a matter of fact, I should like to put in the RECORD at this point a chart showing the weekly wholesale price index since January 15, which shows comparative stability in prices. This, as a matter of fact, is in the committee report itself on page 6, and I am merely citing the fact that with June 1950 as a base of 100, the weekly wholesale price index number, on January 23, 1951, when the general price freeze was instituted, was 114.4, and, on June 12, 1951, was 115.5, an increase of only 1 point, or less than 1 percent, in 5 months; so that there has not been a real increase within the past 5 months. The increase occurred prior to January.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Weekly wholesale price index

Date	Index (1926=100)	Index with (June 1950=100)
June 6, 1950	157.6	100.2
June 13, 1950	157.0	99.8
June 20, 1950	157.4	100.0
June 27, 1950	157.4	100.0
July 4, 1950	159.6	101.4
July 11, 1950	163.0	103.6
July 18, 1950	164.3	104.4
July 25, 1950	164.6	104.6
Aug. 1, 1950	165.8	105.4
Aug. 8, 1950	166.3	105.7
Aug. 15, 1950	165.8	105.4
Aug. 22, 1950	166.6	105.9
Aug. 29, 1950	167.8	106.6
Sept. 5, 1950	167.7	106.6
Sept. 12, 1950 (DPA Act signed)	169.1	107.5
Sept. 19, 1950	169.8	107.9
Sept. 26, 1950	169.4	107.7
Oct. 3, 1950	168.8	107.3
Oct. 10, 1950	168.4	107.0
Oct. 17, 1950	168.7	107.2
Oct. 24, 1950	168.9	107.3
Oct. 31, 1950	169.6	107.8
Nov. 7, 1950	170.0	108.0
Nov. 14, 1950	171.0	108.7
Nov. 21, 1950 (Chinese intervention)	171.2	108.8
Nov. 28, 1950	171.7	109.1
Dec. 5, 1950	172.6	109.7
Dec. 12, 1950	173.6	110.3
Dec. 19, 1950	174.7	111.0
Dec. 26, 1950	176.0	111.9
Jan. 2, 1951	176.8	112.4
Jan. 9, 1951	178.1	113.2
Jan. 16, 1951	178.7	113.6
Jan. 23, 1951	180.0	114.4
Jan. 30, 1951	180.9	115.0
Feb. 6, 1951	182.3	115.9
Feb. 13, 1951	183.4	116.6
Feb. 20, 1951	183.3	116.5
Feb. 27, 1951	183.0	116.3
Mar. 6, 1951	183.5	116.6
Mar. 13, 1951	183.4	116.6
Mar. 20, 1951	183.9	116.9
Mar. 27, 1951	183.9	116.9
Apr. 3, 1951	183.3	116.5
Apr. 10, 1951	183.0	116.3
Apr. 17, 1951	183.1	116.4
Apr. 24, 1951	183.6	116.7
May 1, 1951	183.4	116.6
May 8, 1951	182.8	116.2
May 15, 1951	182.2	115.8
May 22, 1951	182.4	115.9
May 29, 1951	182.5	116.0
June 5, 1951	181.9	115.6
June 12, 1951	181.7	115.5

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. WILLIAMS. I think the Senator from Illinois realizes as well as 99 percent of the people of the United States realize that the scare buying was over when Mr. DiSalle acted; prices had begun to recede. The Price Administrator said, "I will put the controls on and hold the line." Again I say that if the Price Administrator had been sincere in his effort to roll back the price of beef to 125 percent of parity, as he now says he wants to do, all he had to do was to freeze the price of beef at 125 percent of parity last October on its way up. It was then a very simple thing. He did not do it, because I do not think he wanted to hold down prices.

Mr. DOUGLAS. The Senator means, does he, that he might have frozen prices in October?

Mr. WILLIAMS. If he intended to freeze them, he should have frozen them in October, yes.

Mr. DOUGLAS. If I may point out again what is apparently overlooked, the

President asked 25 men to be Price Stabilizer before, on the twenty-sixth time, he got Mr. DiSalle; it took months for him to get a man. During the period in which an effort is being made to set up an administration, if it is impossible to get a price administrator, how, in heaven's name, can he freeze prices at that time?

Furthermore, he had an Economic Stabilizer—and I want to pay tribute to the character of Dr. Valentine, a splendid man, but a man who did not believe in fixing prices; he is an eminent member of the political party on that side of the aisle, and a very honorable gentleman, who would not put into effect any mandatory price controls—and he was completely honest and completely conscientious in it. If the Senator objects, he should direct his objections to Mr. Valentine. Poor fellow, he has already had too much trouble, and I do not think the Senator should add to it.

Mr. WILLIAMS and Mr. McFARLAND addressed the Chair.

The VICE PRESIDENT. Does the Senator from Illinois yield, and if so, to whom?

Mr. DOUGLAS. I have answered many questions asked by the Senator from Delaware, and now, if I may, I yield to the Senator from Arizona.

Mr. McFARLAND. Mr. President, I merely wanted to ask the Senator a question as to the time of day that he invited the distinguished minority leader to dinner, as to whether it was 6 o'clock, 7, 8, or 9. I have been asked the question, myself.

Mr. DOUGLAS. Mr. President, I may say it took me about 10 minutes to make my speech, not more than 10 minutes. The time since then has been taken up by questions.

Mr. McFARLAND. I wanted to ask the question.

Mr. DOUGLAS. Would the majority leader address his question to the Senator from Delaware, and inquire about what time he wants to let me off the alleged hook?

Mr. WILLIAMS. If the Senator will yield, I shall answer the question.

The VICE PRESIDENT. The Senator from Illinois has the floor in his own time.

Mr. WILLIAMS. Mr. President, will the Senator from Illinois yield for one more question?

Mr. DOUGLAS. My friend from Nebraska grows restive and hungry; so the Senator should not prolong the questioning.

Mr. WILLIAMS. The Senator from Delaware also is hungry, and he likes a good steak. He would be glad to join the trio of Senators in going to dinner. Several of the other Members who are present might also be willing to join him.

Mr. DOUGLAS. I have only one $10 bill in my pocket.

Mr. WILLIAMS. I merely wish to say to the Senator from Illinois that perhaps the President would not have had so much difficulty in getting a good Price Administrator or in getting other good employees in that office had he not passed out the word that every employee had to be cleared with the Democratic National Committee.

Mr. DIRKSEN. Mr. President, will the Senator yield for a reply?

Mr. DOUGLAS. I shall be very glad to yield to my colleague, and I may say that no two Senators from opposing political parties could get along better than my colleague and I.

Mr. DIRKSEN. That is correct; and I do have the protection of my senior colleague from Illinois. However, I believe it is necessary to keep the RECORD straight. As the Senator knows, Dr. Valentine, who was the first price administrator, was a very estimable man——

Mr. DOUGLAS. He was a very fine gentleman.

Mr. DIRKSEN. And a fine scholar. I should like to ask the Senator whether he saw Dr. Valentine's statement in yesterday's newspaper.

Mr. DOUGLAS. No, I did not.

Mr. DIRKSEN. There were two very fine columns in yesterday's Washington Times-Herald, which I think are worthy of being inserted in the RECORD. Dr. Valentine said:

> I took on the job of economic stabilizer aware of its difficulties and dangers, and was prepared to see it through—

This is Dr. Valentine speaking—

> but any man not supported by organized labor, or by the White House secretariat, or by the Democratic National Committee needs to watch his step. I was unpopular will all three.

Then he has this to say, which I think is worthy of note:

> Price and wage stabilization was an economic issue, but it became a political one.

He speaks from an abundance of knowledge of all the difficulties he encountered when he became the first Republican to be fired by a Democratic President.

Mr. DOUGLAS. He was not the first Democrat to be fired by a Democratic President. The President has exercised his power to dismiss officials within the Democratic Party. The ax is not reserved for Republicans only.

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have the entire article printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VALENTINE SEES POLITICS RIFE IN CONTROLS SET-UP—EX-STABILIZER FLAYS H. T.'S "WARD HEELERS"

(By Robert Young)

Dr. Alan Valentine, economic stabilization director fired by President Truman early this year, has denounced the economic stabilization program of the Truman administration.

He told this reporter that Government price and wage controls in their present form and as presently administered are dangerous, futile, expensive, and even tragic. He said that the administration has infused the stabilization program with a "ward heeler, city-hall" type of politics.

FIRED 3 MONTHS LATER

The President appointed Valentine Economic Stabilization Administrator last October and gave him the assignment of establishing price and wage controls. Valentine was fired just 3 months later—January 19—after a disagreement with Mr. Truman and his other control chiefs over price-wage ceiling policies. The President wanted controls clamped on the Nation more rapidly and more drastically than Valentine believed necessary or workable.

Valentine, who was executive director of the National Committee of Democrats for Willkie in the latter's campaign against the late President Roosevelt in 1940, commented in discussing the summary termination of his career as a Government official that "I was only another Republican fired by a Democratic President."

"I took on the job of economic stabilizer aware of its difficulties and dangers, and was prepared to see it through," he continued. "But any man not supported by organized labor, or by the White House secretariat, or by the Democratic National Committee needs to watch his step. I was unpopular with all three."

ISSUES TOO IMPORTANT

"There are issues too important to compromise. I could not compromise my basic economic judgment, but my judgment was not shared by most of the powers in Washington. Price and wage stabilization was an economic issue, but it became a political one. There was another issue I had been promised would not be allowed to impede my work, but soon I was forced to choose between being a participant in large-scale political patronage or by being a victim of it. I chose the latter."

Valentine said the Truman administration has failed to take the obvious, fundamental actions to achieve real, effective stabilization of the national economy during the defense mobilization period "because these steps are politically unpopular."

Valentine observed that rising prices are only a manifestation, a symptom of inflation and not the cause of inflation. He asserted that inflation can be stopped only by a direct attack on the basic causes and not merely by decreeing Government price-wage controls.

"Until that is realized and acted upon," he said, "price and wage controls will continue to be a temporary and dangerous expedient and, in their present chameleon form, a futile, expensive, and even tragic venture.

"Price control as presently operated is futile because it will not hold down prices. It is expensive not only in terms of its dollar cost, but in terms of hampering production through regimentation and paper work, in uncertainty and irritation to producers, in black markets and shortages to consumers, in expanding bureaucracy and rampant political patronage.

"This kind of price control will prove even more costly as it increasingly weakens American free enterprise and public confidence in the intelligence and integrity of our Government. This kind of price control is tragic because it weakens the Nation when it must be strong."

Valentine said that any effective attack on the basic causes of inflation must include real Government economy, a sound program of higher taxes to siphon off excess consumer-spending power, credit controls, intelligent Government interest-rate policies and a national campaign urging the public to do without personal luxuries and increase savings.

FOUND MORE EXPEDIENT

The one-time economic stabilization chief charged that rather than apply these anti-inflation measures "and risk failures at the next elections," the Truman administration found it easier and more expedient to talk

about price controls, demand them, and "feature them as if they alone could do the job."

Some of this buck passing, he remarked, was due to ignorance on the part of Government officials, but some of it also was due to cynical self-interest.

Valentine said the administration price-control program can scarcely be expected to be sound in economic concept "because it never was an economic concept." He characterized the program as "conceived in haste by wishful thinking out of political expediency." He said that those who formulated the price-wage-control program disregarded the advice of sound economists and those experienced with World War II controls.

ONLY STOPGAP STEP

Valentine recalled that the initial Government price freeze put into operation shortly after he was ousted never was intended to be more than a stopgap measure, "an expedient sop to public demand," which was to be modified as time permitted. He disclosed that one of the administration planners who had a hand in drafting the original price-control program believed that if it "merely created the illusion of control and economic soundness" the program would serve its purpose.

Asked if the present control system is working, Valentine replied that no one can prove to what extent Federal controls have held down prices. But, he continued, it can be proved that controls have been "worse than troublesome" to the Nation's production.

He said that production is essential to defeat inflation, but that whatever short-term value the price-control program may have probably is already more than offset "by its impairment of production and production incentives."

Valentine commented that "if we do get lower prices we can thank the operation of natural economic fears far more than the prestidigitators of price control."

PIECEMEAL EXPEDIENTS

He said that administration stabilization planners are now using the original hastily drafted, stopgap price freeze of early this year as the foundation upon which to add "future piecemeal expedients."

Valentine does not foresee a very bright future for the present price-wage controls program.

Valentine predicted that irritation among consumers, producers, merchants, and businessmen with price controls is likely to increase as the controls become more complicated and time demanding. He added, however, that as the elections approach the administration can be expected to ease up on enforcement and become more liberal in allowing exceptions to controls.

"Public esteem of price controls will not be increased by the recognition that prices which our controllers have not even attempted to control, such as basic agricultural prices, have risen less than many prices which they theoretically have frozen," Valentine concluded.

"Economic laws do not always bow to government edicts."

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. McFARLAND. Does not the Senator think that if this discussion proceeds it will be inappropriate for the Senator from Illinois and the minority leader to have the dinner to which reference has been made?

Mr. DOUGLAS. I am willing to yield the floor at this time.

Mr. WILLIAMS. Mr. President, I send to the desk an amendment to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] which I ask to have printed and lie on the table. I am offering it so that it may become the pending question.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MAYBANK. Do I correctly understand that the amendment is to be printed and lie on the table?

The VICE PRESIDENT. Yes, but the Senator wishes to have it made the pending question.

Mr. McFARLAND. Is there not an amendment pending?

The VICE PRESIDENT. There is.

Mr. McFARLAND. I have no objection.

The VICE PRESIDENT. The amendment to the amendment will be stated.

Mr. McFARLAND. The amendment offered by the Senator from Illinois is the pending amendment, and the proposal of the Senator from Delaware is an amendment to his amendment, is it not?

The VICE PRESIDENT. The Chair so understands. The amendment offered by the Senator from Delaware to the amendment of the Senator from Illinois will be stated.

The CHIEF CLERK. At the appropriate place it is proposed to insert:

SUSPENSION OF PRICE SUPPORTS ON AGRICULTURAL COMMODITIES

SEC. —. (a) Section 402 (d) (1) of the Defense Production Act of 1950 is amended by striking out ", except as provided in this subsection."

(b) Section 402 (d) (3) of the Defense Production Act of 1950 is amended by striking out "Nothing contained in this act shall be construed to modify, repeal, supersede, or affect the provisions of the Agricultural Marketing Agreement Act of 1937, as amended, or to invalidate any marketing agreement, license, or order, or any provision thereof or amendment thereto, heretofore or hereafter made or issued under the provisions of such act," and inserting in lieu thereof the following: "Notwithstanding any other provision of law, no department or agency of the United States shall undertake or continue to support, by purchase, loan, or other operation, the price of any agricultural commodity."

On page 3, line 6, strike out "Sec. 5" and insert "Sec. 6."

TRIBUTE TO SENATOR RUSSELL

Mr. CAIN. Mr. President, for some weeks the junior Senator from Washington has wished to make a brief statement about an important person, but the junior Senator from Georgia [Mr. RUSSELL] has successfully, to this minute, prevented such a comment being offered to the Senate.

The junior Senator from Georgia has acted as chairman, since May 3, 1951, of the combined Committees on Armed Services and Foreign Relations in their inquiry into the military situation in the Far East and the facts surrounding the relief of General of the Army Douglas MacArthur from his assignment in that area.

The Senator from Georgia, in pursuance of the committee assignment, has kept the committees in almost constant session since their inquiry was undertaken in the early part of May. During the past 7 weeks, no member of the committees has had any free time in which to offer comments of any kind to the Senate. This is one reason why the Senator from Georgia kept the Senator from Washington from doing what the latter had in mind.

Perhaps by instinct the Senator from Georgia knew what the Senator from Washington intended to say. Because he is a truly modest man, the Senator from Georgia would not look with any favor on the present intentions of the Senator from Washington.

Mr. President, all I wish to do is publicly to pay my respects, both personal and official, to the Senator from Georgia in his capacity and for his conduct as chairman of the joint committee. I came to the Senate of the United States almost 5 years ago, and I have never been more privileged than by my recent opportunity to serve as a member of the committees which have pursued, sitting jointly, their work, under the splendid and intelligent leadership of the Senator from Georgia. In all my life, I have never known an individual to be more fair, patient, considerate, and tactful. He has been completely impartial in his treatment of the witnesses and in his dealings with every member of the two committees. Because of his understanding of the rights and feelings of others, the inquiry has uncovered facts and information which have been hidden for years, and the published record of the hearings will constitute an accurate and illuminating chapter in the history of America.

In hands less able and in a prejudiced mind, the hearings would have developed only bitterness, recriminations, and a distorted view of the Far East and the MacArthur question. I have known of Senate committee hearings which were without purpose and without any constructive result. In having been a willing servant of the Senator from Georgia in weeks gone by, I have a new appreciation for sound and disinterested leadership.

School children of the future will have reason to refer to the joint committee hearings as a factual textbook on the Far East period from the close of World War II until the present.

The State of Georgia is to be complimented on the contribution to the Nation's good which has been made possible by the character, poise, and moral integrity of its junior Senator. The Nation will have reason in years to come to appreciate and approve of what has been accomplished and brought to light by the joint committee.

In having had my say about the Senator from Georgia, I feel refreshed, and my faith and admiration for the American legislative process is a real and substantial thing to me because of what I have just related.

EXECUTIVE SESSION

Mr McFARLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McCARRAN from the Committee on the Judiciary:

Bryce R. Holt, of North Carolina, to be United States attorney for the middle district of North Carolina.

By Mr. KILGORE, from the Committee on the Judiciary:

Howard Caplan, of West Virginia, to be United States attorney for the northern district of West Virginia, vice Charles Lee Spillers, term expired.

By Mr. O'MAHONEY from the Committee on Interior and Insular Affairs:

Robert R. Rose, Jr., of Wyoming, to be Assistant Secretary of the Interior, vice C. Girard Davidson.

By Mr. MAYBANK, from the Committee on Banking and Currency:

John W. Snyder, of Missouri, to be United States Governor of the International Monetary Fund, and United States Governor of the International Bank for Reconstruction and Development.

The VICE PRESIDENT. If there be no further reports, the clerk will state the nominations on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Irving Florman, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Thomas F. Murphy, to be United States district judge for the southern district of New York.

Mr. WHERRY. Mr. President, at the request of another Senator, I ask that the nomination be passed over.

The VICE PRESIDENT. The nomination will be passed over.

Without objection, the President will be immediately notified of the confirmation of the nomination in the Diplomatic and Foreign Service.

RECESS

Mr. McFARLAND. Mr. President, as in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 26, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 25 (legislative day of June 21), 1951:

UNITED STATES ATTORNEY

Cyril Michael, of the Virgin Islands, to be district attorney for the District Court of the Virigin Islands, vice Francisco Corneiro, whose term will expire July 3, 1951.

UNITED STATES MARSHAL

Loomis E. Cranor, of Kentucky, to be United States marshal for the western district of Kentucky. He is now serving in this office under an appointment which expires July 10, 1951.

CONFIRMATION

Executive nomination confirmed by the Senate June 25 (legislative day of June 21), 1951:

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA

Irving Florman, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 25, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou prayer-hearing and prayer-answering God, may this moment of meditation and fellowship with Thee be for each of us a time of self-examination, of cleansing of heart, and of renewed consecration to that which is noble and true.

May we be men and women who, at all times and under all circumstances, can be trusted and relied upon to do that which is honest and upright and just. Give us an uncompromising attitude toward everything that is wrong and ignoble.

Help us to see more clearly that we cannot improve the social order in which we are living unless we improve ourselves, and that the greatest contribution which we can make toward the world's progress is the gift of our life and character at their best.

Forgive us for so frequently being guilty of that carping and cynical criticism which puts the blame for our present-day condition upon someone else. May we feel that it might be well to suspend our judgment and indictment of others until we have taken stock of ourselves.

We pray that in our personal character and in all the areas of human relationships we may manifest the spirit of our blessed Lord.

Hear us in His name. Amen.

The Journal of the proceedings of Friday, June 22, 1951, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries.

SPECIAL ORDER GRANTED

Mr. STAGGERS asked and was given permission to address the House for 5 minutes today, following the legislative program and any special orders heretofore entered.

HOW LONG IS A YEAR?

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, how long is a year?

It is long enough for twelve to fifteen thousand Americans to be killed in a war of attrition—operation meat grinder—in Korea.

It is long enough for this administration to permit inflation to gore deeply into the economy of the Nation.

It is long enough to slap further tax increases on the already hard-pressed American people.

It is long enough for a further demonstration of disdain for our constitutional form of government.

And it is long enough to bare the United Nations for what it is—a Tower of Babel, a one-way, dead-end street with Americans doing virtually all the fighting, dying, and paying.

Yes, it has been a long year since President Truman, without consulting Congress, and in a contradiction without precedent, threw our forces into Korea in what he was pleased to call a police action, after 50,000 American combat troops were pulled out of that country less than a year before.

Then the President procrastinated for five long, inflation-riddled months—waited until it was too late—before invoking the economic control powers of the Defense Production Act.

Mr. Speaker, we cannot bring the dead back to life and we cannot recover the losses of inflation. But we can prevent the further loss of lives, and we can go far toward sanity to the economy. We can do these things through an honorable end to the war in Korea. That was the purpose of my resolution, introduced on June 15, but ignored by those in control of the legislative machinery.

Must Americans go on and on living war, talking war, thinking war, breathing war, and dying in war?

SPECIAL ORDERS GRANTED

Mr. BAKEWELL asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

Mr. TACKETT asked and was given permission to address the House for 15 minutes on Wednesday on the subject of regulation W, following the legislative program and any special orders heretofore entered.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 85]

Abbitt	Fogarty	Murphy
Adair	Frazier	Murray, Tenn.
Allen, Ill.	Fulton	Murray, Wis.
Allen, La.	Furcolo	O'Brien, Mich.
Anfuso	Gamble	O'Konski
Armstrong	Garmatz	O'Neill
Baker	Gary	Philbin
Battle	Gillette	Pickett
Beall	Gordon	Powell
Beamer	Gore	Preston
Bender	Granger	Priest
Bentsen	Green	Ramsay
Boggs, La.	Hall, Edwin Arthur	Redden
Bolton	Hall, Leonard W.	Rees, Kans.
Bonner	Halleck	Richlman
Bow	Hand	Rivers
Boykin	Harden	Robeson
Breen	Harrison, Va.	Rogers, Mass.
Brehm	Hart	Rooney
Brownson	Harvey	Roosevelt
Buffett	Hays, Ark.	St. George
Burnside	Heller	Scott, Hardie
Burton	Herter	Scott, Hugh D., Jr.
Bush	Hoffman, Mich.	Scudder
Camp	Irving	Shafer
Canfield	James	Shelley
Carnahan	Javits	Sieminski
Case	Judd	Simpson, Pa.
Celler	Kelley, Pa.	Sutton
Chatham	Kennedy	Taylor
Clevenger	Kersten, Wis.	Thompson, Tex.
Cole, Kans.	Kilday	Towe
Cooper	Lantaff	Trimble
Coudert	Latham	Vaughn
Curtis, Mo.	LeCompte	Velde
Davis, Ga.	McCulloch	Vorys
Davis, Tenn.	McDonough	Watts
Dawson	McGrath	Weichel
D'Ewart	McMillan	Wharton
Dingell	Mack, Ill.	Whitten
Donohue	Magee	Wickersham
Donovan	Mansfield	Widnall
Doughton	Merrow	Wilson, Ind.
Durham	Miller, Calif.	Wolverton
Eberharter	Miller, Md.	Woodruff
Evins	Morano	Yates
Fallon	Morgan	
Fine		
Flood		

The SPEAKER. On this roll call 290 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DISTRICT OF COLUMBIA EMERGENCY RENT ACT OF 1951

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4431) to extend and revise the District of Columbia Emergency Rent Act; and pending that motion, I ask unanimous consent that time for general debate be limited to 1 hour, with 30 minutes to be allotted to the minority and 30 minutes to be allotted to this side.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. MILLER of Nebraska. Reserving the right to object, Mr. Speaker, I do not believe the gentleman should limit us to an hour's debate. This is District day and the emergency rent-control bill is involved. There are several people who want to speak on the bill. I would object to a limitation of 1 hour.

Mr. HARRIS. Does the gentleman have any suggestion as to what time limit might be set?

Mr. MILLER of Nebraska. Let us let the debate run along for a while, and when we get through with the general debate, we can read the bill for amendment.

Mr. HARRIS. Then Mr. Speaker, I ask unanimous consent that, even though the time for general debate be not fixed, the time be equally divided and controlled by the gentleman from Minnesota [Mr. O'HARA] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4431, with Mr. HOLIFIELD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HARRIS. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, the chairman of our committee, the gentleman from South Carolina [Mr. McMILLAN], unfortunately is not able to be with us today because he is back home in South Carolina ill, and could not return over the week end. He has requested that I and other members of the committee proceed to present to the House today the bills that the Committee on the District of Columbia has reported for your consideration.

Pursuant to the suggestion, we have brought to you the bill H. R. 4431, to extend and revise the District of Columbia Rent Act, which expires on June 30, 1951.

The Rent Administrator for the District of Columbia appeared before a subcommittee of the House District Committee and recommended that rent control be extended for a period of 2 years; that landlords be granted an increase, not to exceed 20 percent of the rates as frozen in 1941; that all new construction since March of 1948 be put under control with prices frozen as of January 1, 1951; that the section relating to obtaining possession of accommodations in cooperative apartments be amended so that a member of such cooperative corporation or association would be required to pay at least 30 percent of the full purchase price of the apartment before obtaining possession of such accommodations. The Rent Administrator also recommended that the criminal penalty provision which was eliminated by Public Law 45 of the Eighty-first Congress be restored in the new legislation. The Administrator finally recommended that controls be again placed on hotels in the District of Columbia with stand-by controls written into the bill concerning lodging, rooming, and boarding houses.

The Judiciary Subcommittee of the House District Committee held extensive hearings on the continuation of rent control in the District of Columbia and eventually came to the agreement that controls should be extended for 1 year only; that the 20 percent increase over the 1941 date should remain in the bill as recommended by the Administrator; that all new construction since March 1948 be placed under control with the freezing date effective as of January 1, 1951. The subcommittee did not agree to the proposed change in the section relating to cooperative apartments in the District of Columbia and agreed that the law should remain the same as that now existing, namely that at least 65 percent of the occupants of a building must join in in any agreement before any apartment house could go cooperative. The subcommittee further agreed to retain the criminal penalty provision in the new legislation as recommended by the Administrator, and finally came to the conclusion that no controls, either now or on a standby basis, would be necessary as to hotels, rooming, lodging, or boarding houses.

In accordance with these changes a new bill, H. R. 4431, was prepared and introduced in the House on June 13, 1951.

This bill was considered by the District Committee and finally approved by the full committee with these major differences in the final bill not existing in the recommendation of the Judiciary Subcommittee. The full committee agreed that the new law should be extended only until March 31, 1952, so that this would be consistent with the proposed Federal law. The committee also considered and adopted an amendment to strike the "penalty clause" from the bill as recommended by the Administrator and approved by the Judiciary Subcommittee.

With these changes the bill was ordered reported by a record vote of 15 to 9 before the House District Committee on June 20, 1951.

Mr. Chairman, there is a great deal of interest in this proposal and I am sure there are members on the floor of the House in this committee right now who would like very much to listen in an effort to understand some of the provisions of this bill, because the Members of the House probably have had more to say one way or the other about rent control for the District of Columbia than any other provision, other than home rule, that I have had brought to my attention during the time I have served on this committee.

In view of that, Mr. Chairman, I trust that we might have the attention of the committee.

Mr. Chairman, rent control for the District of Columbia was first established here and provided by the Congress by the act of January 1, 1941, approximately 1 year before rent control was provided for the rest of the Nation. It may be recalled that rent control for the District of Columbia is a matter of law. It started as a matter of law and has been administered as a matter of law throughout its existence. In this respect it differs from national rent control provisions because, as we all know, rent control for the rest of the Nation was initiated by Executive order in 1942 and subsequently thereto was provided for by special act.

The authority in the special act, however, for Rent Administrator for the Nation, provided administration of the law by regulation, and it has practically been administered by regulation through that general authority.

That is the premise on which the two different types of rent-control law have been administered during this time since World War II up until the present time.

The Committee on the District of Columbia recognized that there was a situation in 1946 following the war that made it imperative that the whole matter be reviewed. However, there was no action taken that in any way amended the act until 1948. At that time the gentleman from Minnesota [Mr. O'HARA] was chairman of the Judiciary Subcommittee, of which I have the distinct honor and privilege to serve at the present time. In 1948 we rather drastically amended the rent-control law of the District of Columbia. At that time, in view of the fact that new construction was requested, and it was apparently imperative, we decontrolled the new construction in 1948. Out of the action in 1948 decontrolling new construction, there were a number of new apartment buildings erected in the District of Columbia. A number of those apartment units are just now being completed. Some of them are not yet quite completed. Those that are not already available under the new construction program will be available in the near future. We decontrolled lodging and boarding in 1948. From the hearings we determined at that time it was not necessary. We decontrolled hotels in 1948, as we did throughout the United States. Since that time the act has been extended.

I would like to remind the committee that in the administration of the Rent Control Act we have used the base of 1941 throughout. The Rent Administrator has had a very difficult task, but I would say he has done a very fine job. He has performed a duty that was a very difficult one to perform, but yet I think I would venture to say, Mr. Chairman, that there has been less criticism and complaint against the Administrator in the District of Columbia in the administration of the Rent Control Act than there has been on a Nation-wide basis, for obvious reasons. The main reason, as I said a moment ago, is that it has been administered by law. If I remember correctly, he has issued only 11 regulations during the 10 years of this law being in effect. To me that is a very interesting situation. Considering the fact that we have had the 1941 base, the Rent Administrator feels as a matter of law that it is very difficult for him to continue using 1941 as a base, because there have been so many adjustments for these units from time to time.

You will remember we have raised taxes in the District of Columbia on real estate. We have had advances in prices, and the Rent Administrator has had to make adjustments on these units on that basis from time to time.

The rent law will expire June 30, next Saturday. The subcommittee held hearings for 2 days on this subject; we gave everyone who desired an opportunity to come before the committee. In my opinion we had very satisfactory hearings; we heard all sides. The amazing thing about it to us I believe was that there was only one witness who came before the committee and actually asked or requested that there be no rent control at all; every other witness who came before the committee either was for rent control and its extension with certain adjustments necessary to meet changed conditions, or else he himself assumed that there was going to be a rent-control extension anyway and recommended what he thought would be the advisable procedure in the District of Columbia.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. MILLER of Nebraska. Could the gentleman give the committee any opinion as to when he thinks rent control might end in the District of Columbia?

Mr. HARRIS. I will discuss that a little later, if the gentleman will permit.

Out of the 2 days hearings which were started by Mr. Cogswell, the Rent Administrator, the committee wrote a bill. We had a bill pending before us, but it was merely an extension of the old law, such as we have had from year to year.

The Rent Administrator proposed a new act altogether. Let me explain very briefly what he thought we should have. First, he wanted to extend the rent act for 2 years; second, he wanted the authority to make it mandatory that there be a 20-percent increase in rents on rental units in the District of Columbia, giving credit for increases which have already been provided since 1941; third, he wanted to control new construction, buildings erected since the decontrol we provided in 1948 on the basis of January 1, 1951. We wanted recontrol of lodging and boarding houses on a stand-by basis. He wanted to recontrol hotels immediately as of January 1, 1951. He had a recommendation for a repossession clause which was highly desirable because of the criticisms and the difficulty over the period of time that people have had in actually repossessing their property when they were justly entitled to it. He wanted, furthermore, to include again the criminal penalty which the Congress in 1948 left out of the extension of rent control. Those were the major provisions requested by the Rent Administrator.

Your subcommittee considered all of these together with the recommendations of the District Commissioners who held hearings subsequent thereto down at the District Building and made their recommendations. Out of all this and the budget hearings your committee proposed the bill H. R. 4431. The subcommittee action provided an extension for 1 year. We gave the 20-percent increase, making it mandatory, giving credit already provided in certain units to an over-all 20-percent increase across the board since 1941. I might say that the average increase for the District of Columbia since 1941 has been 7 percent. We provided the Administrator with authority to control new construction on the basis of January 1, 1951. Someone suggested that some of these apartments not yet completed but which will be within the next few months would have some difficulty; but it was explained that no difficulty would arise whatsoever, because without exception those are FHA units and those rents are set by FHA regulation.

We provided that lodging and boarding houses not be recontrolled, because the evidence did not show any justification for it at all. It was on a competitive basis in the District of Columbia and was operating very satisfactorily. We did include the penalty provision recommended by the subcommittee. We adopted the repossession provision, but we did not include hotels.

The only one who came before the committee requesting that hotels be included, so far as the hearings are concerned, was the Rent Administrator himself. So out of the abundance of testimony that we had, we felt this would be the appropriate recommendation to our committee.

The subcommittee presented this program to the full committee. The bill here reported did not accept all of the recommendations of the subcommittee. This bill provides an extension until March 31, 1952, through amendment offered by the gentleman from Nebraska. They struck out the penalty provision, but I believe they did adopt the other recommendations of the subcommittee as we have brought them to you.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Georgia.

Mr. COX. I have never been particularly interested in rent control, but since we have it, I am wondering just what the justification is for giving hotels a preferential status. In other words, is the gentleman's committee satisfied with the justification for exclusion of the hotels from rent control?

Mr. HARRIS. I appreciate the gentleman's concern, and we have had the same concern expressed by many other Members. It was a matter of much consideration by members of the committee in the hearings, by the subcommittee and also the full committee. Hotels were under control during the war and up until 1948 both in the District of Columbia and throughout the United States.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HARRIS. Mr. Chairman, I yield myself three additional minutes.

Mr. Chairman, during that time hotels throughout the Nation were under control. They have been decontrolled since.

Mr. COX. Remembering the treatment that some of the hotels in the District accorded their patrons, which seemed to be very rough, was why I asked the question. I recall particularly one of the hotels, a sort of apartment hotel in the District, some months ago, gave notice to patrons that have been in the hotel for years to get out; that they did not want any of them on a monthly basis. They chased them out and elevated their rents to an unjustifiable figure.

Mr. HARRIS. I appreciate that situation and it is very unsatisfactory, I may say to the gentleman, but let me explain that what was called the permanent occupancy of hotels was frozen in those hotels to prewar prices. Transient hotels are for the purpose of taking care of people who come here or to any other city. In 1948 that situation was gone into thoroughly and we found it to be

a fact that people, permanent occupants of units, in transient hotels were obtaining their rentals and preferred treatment in those hotels at a price way below the average rental for permanent occupancy. People who came here—transients—requesting accommodations could not get them. Hundreds and hundreds of units were occupied by permanent residents. Due to that dilemma we were in at that time in trying to make more space or rooms available for transients in 1948, those apartment units in hotels were decontrolled and at that time the hotels put those permanent units on a daily basis instead of a monthly basis.

Mr. COX. The gentleman's answer seems reasonable and is to me satisfactory.

Mr. HARRIS. The reason the tremendous increase in price in so many of them is because they were put on transient rates, on a daily basis, instead of being given what I think was an unfair advantage by being frozen in those apartment units, taking advantage of the prewar prices that were given.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Illinois.

Mr. JONAS. I have in mind substantially the same question that the distinguished gentleman from Georgia propounded, and I want to follow it up with this: In reference to hotels, did anybody representing local hotel organizations or associations appear before the committee and present their side of the case?

Mr. HARRIS. Mr. Bourbon Dawes, who is, I believe, the executive secretary of 32 hotels and a member of the District of Columbia Association, appeared.

Mr. JONAS. In this bill I understand hotels are exempt?

Mr. HARRIS. Yes.

Mr. JONAS. This bill only refers to apartment houses and lodging houses, so to speak.

Mr. HARRIS. Not lodging houses. They are not included.

Mr. JONAS. You left them out.

Mr. HARRIS. That is right.

Mr. JONAS. Does it not occur to the gentleman that there are no worse offenders in this area, or anywhere else, insofar as relates to overcharges and rent gouging, than the hotels are doing in this area?

Mr. HARRIS. I will say to the gentleman I am not familiar with what is happening in other places in the country. Here is the problem we found, and I think it is a real one, and we wanted to approach it from a practical basis. They talk about gouging. I deplore gouging, and every Member of this House does, but you will have a situation otherwise, which has been the experience, that if they are recontrolled, you have even a worse situation, because a man comes in, he does not have a room, he does not have a reservation, but someone else does, so he then slips around and hands a $10 or $20 bill to the clerk or somebody else and he gets a room. Now that is the worst kind of black marketing.

Mr. JONAS. You do not have any proof in the record to that effect, do you?

Mr. HARRIS. Yes, we had absolute proof of one case.

Mr. JONAS. Well, that case should have been prosecuted and an example made. But, I still hold to the text that if there was a fair investigation made by the committee and the facts and circumstances gone into about the residential hotels, that they are in the No. 1 category when it comes to gouging. This is the hub of the Nation, and there are literally thousands and thousands of businessmen that must come here for their business, and they are just treated ignominiously and disgracefully, first, by the charge that is exacted of them, and, secondly, the accommodations they get. They are arrogant; they are intemperate in their language, discourteous and inhospitable, and the conditions are getting worse and worse.

Mr. HARRIS. I will say that we did have some information that that was going on, but, on the other hand, we found that it was even worse when the hotels were controlled. We found that the condition in the District is probably no different than it is in New York or any place else in the Nation, and the committee did not include hotel accommodations, so they must have had some reason for it. We did conclude, however, that in view of all the testimony and the facts presented, it would not be wise at this time to extend control and further controls, which is a step toward the general direction which many of us do not like at all, and we had difficulty in getting many of the Members to go along with this bill not controlling hotels.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Minnesota.

Mr. O'HARA. Speaking of the hotel situation, it was true that there was considerable feeling expressed within the subcommittee for recontrolling hotels. That amendment was lost in the subcommittee. I was not present when the subcommittee filed its report or submitted the bill to the entire committee, but I understand such a motion was made again and it lost again in the committee. Therefore, the subcommittee and the full committee on the District of Columbia had this matter very much under consideration and there was some very strong division of feeling.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. DONDERO. Was any testimony presented to the gentleman's committee in the consideration of this bill as to what effect decontrol has had throughout the country and what the increase in rents might have been?

Mr. HARRIS. Our committee did not go into that except for the fact that the area across the river in Virginia has been decontrolled, and we did make some inquiry about the reaction there and just what has resulted. Outside of that we did not go into it any other place throughout the Nation.

I might say we did not have any serious complaint. There was a lot of difference in rents in Virginia, across the Potomac, and in the District of Columbia, but it became obvious to us that we are in a more compact area here in the District. There is no place anybody can go except these new apartment units under construction, but over there they can expand and go further.

Mr. DONDERO. I might say to the gentleman that over my desk, and his too, no doubt, came information to the effect that when rents were decontrolled in California the average increase was around 6 percent. Certainly no one would say that is gouging.

May I further say to the gentleman that I think the committee acted wisely in leaving out the hotels and other units here in the District of Columbia. I have been here nearly 20 years, and I have never had the experience my good friend from Illinois has just recited about being gouged or being treated unfairly. I have been treated fairly.

Mr. HARRIS. I thank the gentleman for his comments. I would say some of us have been given information to the same effect as was reported by the gentleman.

Mr. KLEIN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from New York.

Mr. KLEIN. Is it not a fact that one of the reasons we have controls, which I know many of the Members do not like, is that there is a shortage of space? Is it not a fact that during the testimony before our committee a representative of the Hotel Association of the District of Columbia stated that the nightly average of vacant rooms in the District of Columbia was 1,358? Does the gentleman recall that testimony?

Mr. HARRIS. That is out of the 32 hotels, I would say to the gentleman.

Mr. KLEIN. Was not that a factor in the decision not to include the hotels?

Mr. HARRIS. It was. The average this year, I believe, or during the last several months, was 85 percent occupancy in the hotels each night.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from West Virginia.

Mr. BAILEY. If I have been correctly informed, this proposed legislation carries a 20-percent increase in rates. Would the gentleman be kind enough to explain the application of that going back to the base period when that applies?

Mr. BROWN of Ohio. Before the gentleman explains that, would he yield to me, because I was going to ask the same question but with this thought: If I read correctly the wordage on page 4 starting with (A) in line 2, it seems to me this is a mandatory 20-percent increase rather than an increase to be granted where it is justifiable. Is that correct?

Mr. HARRIS. That is true as explained earlier, but any increases that have already been granted since 1941 will be taken into consideration.

Mr. BROWN of Ohio. I understand that, but even though the 20-percent

increase is not justifiable because of the fact that the property is completely rented now, where it was not, and even though the profits of that particular apartment building may be more than normal and sufficient, the automatic increase of 20 percent is effective on application regardless of whether or not it is justified; is that correct?

Mr. HARRIS. It is not mandatory on the owner of the property. It is mandatory on the Administrator. The owner of the property does not necessarily have to increase his rent if he does not want to.

Mr. BROWN of Ohio. We understand that, but what I am trying to get at is this. I have been informed differently by different members of the committee, and I am trying to clarify it. The law seemingly does say that if the owner of a property wants to increase his rent by 20 percent the rent shall be so increased by the Administrator. It is mandatory upon the Administrator to increase the rent whether or not such an increase is justifiable. In other words, there is no discretion left for the Rent Control Administrator. Is that correct?

Mr. HARRIS. That is true, except for the rent increases that have already been granted since 1941.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. KEATING. In that respect, is it not a fact that it differs from the general rent-control bill which we passed for the rest of the country? In that case was it not discretionary?

Mr. HARRIS. It has been discretionary up until this time as has been any rent-control program for the rest of the country.

Mr. KEATING. And that is true in the rest of the country?

Mr. HARRIS. I understand that the committees of both the House and Senate took similar action on the bills they reported from their respective committees.

Mr. KEATING. But my point is, is this a respect in which this bill differs from the rent-control legislation which we passed for the rest of the country?

Mr. HARRIS. I understand not. I understand the bills reported by the other committees have a similar provision for rent increases. I do not know whether it is mandatory.

Mr. KEATING. You mean from here on out?

Mr. HARRIS. Yes.

Mr. KEATING. But existing rent-control provisions in the rest of the country differ in this respect, do they not?

Mr. HARRIS. So does the existing rent control for the District of Columbia.

Mr. KEATING. In what other respects does the law relating to the District of Columbia, as embodied in this legislation differ from existing general legislation throughout the country—in what other important respects?

Mr. HARRIS. They would be so numerous, because it has been necessary for the National Administrator, that is, the Expediter, to issue regulations affecting a certain situation in this locality and in that locality and so forth where the general regulations do not apply. It is different here in the District of Columbia. The law sets up specifically how the Administrator shall administer the law for the District of Columbia. As I said a moment ago, and I think I am correct when I say that he has issued during the 10 years only 11 regulations, but he is administering rent control as the law sets out, which you will find in the committee report.

Mr. KEATING. It strikes me that that is an extremely important matter for those of us who are open-minded on this question to be informed about and that we should be informed on it sometimes during this debate.

Mr. HARRIS. I have endeavored to tell the gentleman the different conditions in the course of the more than 25 minutes that I have been speaking. I do not want to go over the matter again because other Members do want to take time to speak.

I yield to the gentleman from Minnesota at this point.

Of course, I would like to explain anything that the gentleman has in mind.

Mr. O'HARA. Mr. Chairman, if the gentleman will yield to me, I must say that I did not understand this bill provided an automatic increase upon petition of the property owner. But if it does, I certainly feel very strongly that the language of the bill should make such an increase subject to proof of the increased amount to which the landlord is entitled, and not have such an increase operate automatically, regardless of what the situation is.

Mr. HARRIS. There was testimony before the committee, that in all deference to the economic situation throughout the country and here in the District of Columbia that those controlled units which had been controlled during all these years are entitled not only on an average, but specifically and individually to a 20-percent increase over the rental they received in 1941. I believe I am correct when I say to you now that that is not even to the extent that the rest of the economy of the Nation has risen. The real-estate people wanted a mandatory, automatic 30-percent increase and they asked the committee to grant it to them, but we did not feel we should go that far.

Mr. Chairman, we have done the best we can. We recognize there are some on one side and some on the other side of this situation. There are some things in this bill that I do not like. Other members of the committee take a different viewpoint. But this bill represents the combined judgment and action of the committee and we have brought to you for your consideration the best bill we could report.

In my opinion, if we are going to have such controls anywhere in the Nation we should have them here in the District of Columbia. We have a responsibility so far as the economic situation is concerned throughout the entire country as well as here in the District of Columbia.

The CHAIRMAN. The gentleman from Arkansas has consumed 31 minutes.

Mr. O'HARA. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, the gentleman from Arkansas [Mr. HARRIS] has explained in considerable detail the provisions of the bill. There were one or two items that were left out, such as the increased salary for the Administrator, which was stricken from the bill and turned back to $10,000.

The history of rent control in the District of Columbia is about as follows: Ten years ago the House imposed rent control. The bill was signed by the late President Roosevelt 5 days before Pearl Harbor. It has been extended at various times for 1 or 2 years, each time the Congress meets, and now we have an extension for 9 months.

Originally the bill provided for a 1-year extension. I asked the chairman of the subcommittee, the gentleman from Arkansas [Mr. HARRIS] how long it would be necessary to have rent control in the District, but due to pressure of time he did not get a chance to answer it.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Arkansas.

Mr. HARRIS. I did not intentionally evade the gentleman's question.

Mr. MILLER of Nebraska. I am sure the gentleman did not.

Mr. HARRIS. If the gentleman will yield, I will gladly give him my viewpoint at this time.

Mr. MILLER of Nebraska. I would be pleased to hear it.

Mr. HARRIS. The action of the committee extended rent control a proposed year, until March 31, 1952. I felt the subcommittee action extending it to June 30, 1952, would have been more appropriate, because I did not think the first part of next year we should be required to take it up until we could see what would develop later on next year. As far as I am concerned, as soon as conditions exist in the District of Columbia and throughout the Nation to permit doing away with rent control, then I am for doing away with it.

Mr. MILLER of Nebraska. I thank the gentleman.

The first vote in the committee was 7 to 6 against continuation of rent control. Then the committee was called back into session a few days later, and, by a small majority, the rent control bill was reported to the House. I agree that if you need rent control in the Nation at all, perhaps the District of Columbia, because of the great influx of workers coming in temporarily, and other people coming to the District of Columbia, needs some protection. On the other hand, you must remember there has been more building of apartment houses and hotels in the District of Columbia on the average far above that of any other city, because they have been given special treatment in the District of Columbia as to credits and as to the building of apartment houses.

Time and time again it has been mentioned that it is necessary, because there is a shortage of rooming houses and a shortage of apartments.

Yesterday I had occasion to go through one of the Sunday daily papers as to the number of apartments and rooming houses and houses for rent. It was well over 2,000 in one edition of the paper. Then I looked at the ads to see how many people were actually looking for apartments and were putting ads in the paper. There were actually 194. It was easy to count them. There were 194 who actually had ads in the papers looking for places to live. So I wondered how acute this housing situation really was.

It has been mentioned that the total vacancies in 33 hotels in the District of Columbia is more than 1,300 each night. That is about 85-percent occupancy.

So, if you are really looking for a place to live, it seems there is something available. Many people have money in their pockets, and they are eating pretty high on the hog, and perhaps they do not want to go to the place that would be a little below what they desired; perhaps more than they could really afford.

I voted against rent control in the committee. I did vote for it while the war was on. Perhaps we still have a war. Maybe it should be called that. We are living in an emergency from year to year. I do not think the administration could exist unless there was an emergency going on some place. Of course, this being the anniversary of the Korean outbreak, I was thinking someone might say something about the tremendous war and the tremendous casualties in Korea. The day should not go by until someone has pointed out some things that happened in Korea, with the profound expression in prayer that perhaps the word "peace" might develop into something that would give us a just and lasting peace. But coming back to the rent-control bill adopted as it was in 1941, the present bill allows only a 20-percent increase on those units that were under control in 1941. I submit that wages have gone up more than 20 percent since 1941; living conditions generally have gone up more than that.

I lived in an apartment for 8 years, and because of rent control the apartment owner says, "I cannot afford to keep up those apartments." They were new apartments 8 years ago. I moved in 8 years ago. They have run down to a point that is disgraceful. He said: "I cannot put any more money into the upkeep of those apartments." I moved out into a house of my own where I can be my own landlord and quarrel with myself. But in the matter of the control of apartment-house buildings with the 7-percent increase that has been allowed up to the present time and the 13 percent that will be allowed under this bill—and that probably is not sufficient; the apartment I have in mind probably should not have any more increase in rent because they are doing nothing toward the upkeep of it—but it should be an incentive to apartment-house owners generally to do some fixing, repairs, and upkeep to make them livable again and somewhat desirable.

On page 4 of the bill I would remove the word "shall" and insert in place thereof "may, after proper proof." I think there are some apartment houses that probably need more than a 20-percent increase, and there are others that do not deserve any increase, because they have done nothing to keep up their properties, absolutely nothing as far as continuing them as acceptable apartments.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. DONDERO. Is it not true that perhaps the income from the apartment was not sufficient to meet the cost of the repairs? The gentleman used the word "landlord"; a person is not lord over anything in this country; there is no such thing today. Does the gentleman believe there is sufficient income from the average apartment to pay the cost of painting, decorating, and upkeep?

Mr. MILLER of Nebraska. I think that is correct. I believe, though, that given a proper increase there would be some incentive to keep up the apartments.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. O'HARA. At least in the realm of possibility, does the gentleman know in the case of apartments similar to the one he lived in what the rate of earnings was?

Mr. MILLER of Nebraska. No; I would not know.

Mr. O'HARA. I only know one or two; they have done very well even under rent control. It is true that they have done no repairs, and in some ways, I do not blame them. It is true, also, that some property owners, as the gentleman has said, have had financial hardship.

Mr. MILLER of Nebraska. I am reminded also of rent control as carried on in France. They had rent control in World War I and it is still on in France. The result has been that the building of new apartments has come to a standstill; the upkeep of apartments has gone down to a point until now there are no desirable living quarters in France. For a period of more than 30 years they have had control over the people, so it has not been possible.

In our case you must remember that here in the Nation's Capital we have extended special privileges for construction, and so forth, for apartment houses with the building of more and more apartment houses. But a time is coming when the apartments that were nice and new and clean when they were first built will be so run down at the heel as to be no longer desirable.

I admit that up to this time we have had pretty good administration of rent control in the District of Columbia under Mr. Cogswell; I will say that, but I am a little suspicious, because in the new bill he brought in he asks for some additional powers. He wanted to bring boarding houses and hotels under control, and new construction; he wanted a salary increase; he wanted rent control extended for 2 more years. He added a criminal section in the bill, a criminal section which was vicious legislation. Under the prodding of the gentleman from Virginia [Mr. SMITH] the committee did take out that criminal section. But I want to read to you another section that has been in the bill—I was surprised to find that it had been in the bill all this time; they say it is not new legislation but has been in the bill. It appears on page 17. Speaking of the municipal court of appeals, and so forth, it reads:

Provided, That the Administrator may at any time, upon reasonable notice and in such manner as he shall deem proper, rescind, modify, or set aside, in whole or in part, any such order of the Administrator—

Meaning in this case the court—

at any time notwithstanding the pendency of the petition to review.

The people have always given this power to the court. They say that is where we can go and get relief, and they should have that right. Out in my country we have courts set up where you can be tried by a jury, which I think is a pretty honest way of settling differences. But here we provide that the Administrator can come along and say: Wait a minute, here is a court decision, and under the law he has the right and power to set aside that court decision. I think that is entirely too much power to give any one individual.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. O'HARA. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman refers to the review section, and may I say to the gentleman that I have the highest degree of respect for his interpretation and opinion, but what he refers to is the order of the Administrator in any case that might be pending for review by the courts. The purpose of that is if it is obvious that during the pendency of the litigation in the courts some adjustment or change should be made, then the Administrator can change his own order, not the order of the court as the gentleman feels, I understand. This does not give the Administrator the power to change the order of the court and I do not want the gentleman to leave the inference in the RECORD that it does.

Mr. MILLER of Nebraska. I hope that is right. It says:

Upon the filing of such transcript, the court shall have exclusive jurisdiction to affirm or set aside such order, or remand the proceeding: *Provided*, That the Administrator may at any time, upon reasonable notice and in such manner as he shall deem proper, rescind, modify, or set aside.

Mr. HARRIS. Set aside the order, not the decision; set aside the order of the Administrator.

Mr. MILLER of Nebraska. It does not say that. It says:

Upon the filing of such transcript, the court shall have exclusive jurisdiction to affirm or set aside such order—

Which is as it should be. Then it says:

Provided, That the Administrator may at any time, upon reasonable notice and in such manner as he shall deem proper, rescind, modify, or set aside.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Illinois.

Mr. JONAS. If the gentleman reads that language correctly, I cannot conceive of the fact this committee in reviewing that provision of the bill came to the conclusion that a civilian, or a man not in a judicial position, a man who is in an administrative capacity, would have the authority under that section to set aside a court decree or a court order. I understand from the gentleman from Arkansas that that was not contemplated and I received a reasonably good explanation from what he said. He is in an advisory capacity and he can dispose of his own order, but he cannot interfere with the final court order.

Mr. MILLER of Nebraska. I hope that is correct.

Mr. JONAS. I would like to ask the gentleman from Arkansas if that is correct.

Mr. MILLER of Nebraska. There is a difference of opinion between me as a mere layman and the judicial members of the committee, but it disturbs me that the power is put in the Administrator's hands, and the fact he wanted to get all of the other powers back that Congress has seen fit to take away, the repossession paragraph, the criminal section, which was a very vicious proposition, the 2-year extension, the salary increase, and so forth, made me view it all with a little suspicion. I suggest that the amendments of limitation to the bill be adopted or that the bill be sent back to the committee for further consideration.

Mr. O'HARA. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I have the greatest respect for the membership of my colleagues upon the Committee of the District of Columbia, and I recognize the difficulties which the chairman of my Judiciary Subcommittee has had in connection with this bill, and I fully appreciate the feelings of the gentleman from Nebraska who has just spoken. There was a difference of opinion in the committee. It is highly distasteful to any one of them to continue rent control without serious thought of its possible consequences. I do not think there is any member of the committee that enjoys the continuation of controls in the District of Columbia, and I hope that the day will soon be here when we can do away with rent control.

However, I want to make my position plain that I have always supported in the time I have been in the Congress rent control in the District, and I am not either a beneficiary or a victim of it in any sense of the word. The situation is one where the Congress of the United States is sitting as a village council or city council legislating for the people in the District of Columbia. I do feel that we have a completely different problem in the District of Columbia than we probably have in any other city of the United States, because we are compelled to recognize that we not only bring many people here as servants of the Government in one form or another, who must live under these conditions, but we also compel our constituents to come here to either live or remain here for some time for the convenience of the Nation's Capital and the operation of the Government.

I am in accord with extending this rent control for a period of 9 months. I want to say frankly to you that with possibly one exception I voted against national rent control because I felt that it was a matter which was a local matter and should be handled by the States.

Again I come back to the proposition that confronts each one of us here, that it is the responsibility of the Congress to make up its mind one way or the other as to the continuation of rent control, and I think, as the gentleman from Arkansas has said, there are these conditions that exist that make it necessary that we do continue rent control for a period of 9 months. I am hopeful that by that time this emergency situation which exists will have been wiped out and that all rent control will be abolished.

Let me say that I join with some of my colleagues in their comments on rent control on hotels. Many of my colleagues in the Congress have talked to me about the matter of their own experience in this regard, and some of them are certainly entitled to the indignation which they feel over the treatment which they or their people have received in some quarters in Washington. Let me say to the gentlemen that this is not the expression of the attitude or the treatment that is rendered by some of those who operate hotels but is confined to those who, I think, are very inconsiderate, and very arrogant, and riding for all they can charge the public; whether they are trying to encourage rent control or make it impossible for some people to stay in hotels, most are fair, some unfair, and I speak without prejudice or bias.

Mr. JONAS Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Illinois.

Mr. JONAS. I heartily concur in what the distinguished gentleman from Minnesota has just related with reference to hotels. I think as he does. I want to say to the distinguished gentleman that I have no bias or prejudice against the institution just because it is a hotel, but in this whole over-all rent picture it continually presents a background that is discriminatory and unjust, and it enters into the situation here in this bill like it will probably in other bills. I voted for rent control for the District. I am wondering now, when these bills are discussed and investigations are made before a distinguished committee consisting of outstanding and intelligent, erudite members of the bar, whether in those investigations it is not brought to light by the financial statements of these chain hotels that seem to dominate the hotel business in this city, that tremendous amounts of money have been made in the last 2 or 3 years, and that they have made it only when rent controls were taken off their backs. Because of that we are juggling back and forth and up and down in this way and that to load it on the little landlord. I think it is unfair, inequitable, and unjust.

Mr. O'HARA. Let me say in response to the gentleman that I know he feels as I do—that in his experience he has met with very courteous and very fine treatment from some of the hotels—but that of which he complains and that of which I complain comes from certain sources within the city of Washington, and it leaves a very bad taste in the mouths of everyone.

In the committee I voted for recontrolling hotels. I want to be perfectly frank about it. If the gentleman offers such an amendment, I shall support it. However, being a member of the subcommittee and the committee, I am not in a position to offer such an amendment.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is it not also a fact that the record shows that the difficulty that has been raised is brought about by the fact that practically everyone who comes here and wants a reservation in a hotel must have it in either the Mayflower, the Statler, the Shoreham, or one of the other of the 4 or 5 leading hotels in the District of Columbia, whereas there are 33 transient hotels that are members of the association? Most of the complaints—in fact, all the complaints—we have along the line of the discussion we are having here now probably arise because everyone wants to go to these four or five leading hotels instead of trying to go some other place in the District?

Mr. O'HARA. Let me say in fairness that there is certainly some substance to what the gentleman says, but I have had considerable difficulty from my own office in finding hotel space for people who were very happy to go to any modest hotel. I do not recall whether it was during the war or shortly after the war, but on one occasion my secretaries called some 27 different hotels in order to get a constituent of mine a place to stay. During this last emergency, the so-called Korean emergency, we have had considerable difficulty in finding space for constituents who came here and were unable to get hotel space.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. MILLER of Nebraska. I wonder if the gentleman would have any comment on the fact that there has been an average of 1,328 vacant hotel rooms each night, and also on the fact that one of the daily papers yesterday had over 2,000 ads for rooms to rent, and only 180 by people who were looking for a place to live.

Mr. O'HARA. Last week a very good friend of mine, a constituent, was here in Washington. He came here and had no reservation. We called the hotel association and they said, "There is one suite vacant in the city of Washington. Does he want it?" Of course I said, "Yes." That was just last week, may I say to the gentleman from Nebraska. So I am a little bit skeptical

about those figures on vacant rooms in the city of Washington in the hotels.

Mr. MILLER of Nebraska. They certainly would not be spending good money to advertise those rooms if they did not have them vacant. There were over 2,000 ads trying to rent apartments.

Mr. HARRIS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. KLEIN], a member of the committee.

Mr. KLEIN. Mr. Chairman, I think this subject has been pretty well covered. However, there are two or three points I would like to touch on. One is this: On every occasion that we discuss bills for the District of Columbia it seems to me we take much time from our busy day discussing bills and legislation for the District of Columbia which could much better be handled by a city council here in the District. If we had home rule here we would not have to take this time. Then the District of Columbia itself could do what it felt to be best for its people.

We debate these bills day in and day out over the years, daylight-saving time, the sales tax, and so forth. We often disregard what the people of the District want. We come in here and we bring in the prejudices of our own people back home, and impose on the people of the District many things they do not want.

One of the reasons we should have rent control in the District is the fact that there is going to be a national-rent control bill, it is in the Defense Production Act which we will debate this week. If they have it throughout the country, then we ought to have it here. If we had home rule here then we could bring this bill in under the national bill and have the legislature here or the city council, or whatever it would be called, decide whether the people want it and also decide when and if it should be decontrolled or recontrolled.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. MILLER of Nebraska. The gentleman knows that under rent control now over the Nation, I think 15 or 16 States have decontrolled.

Mr. KLEIN. That is correct.

Mr. MILLER of Nebraska. Does the gentleman state now that the new bill is going to bring them back under rent control?

Mr. KLEIN. No. I do say this, however, if the national bill contains a provision for local option, and if we are under it and if we had a city council here, then the city council here could decide whether they want to be decontrolled or recontrolled, the same as any other city, which right they do not now have.

Mr. MILLER of Nebraska. Then an amendment should be put in the national bill giving the legislature or the city the right to decide whether they want rent control.

Mr. KLEIN. I think it is in there.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. ABERNETHY. What home rule bill is the gentleman speaking about which would eliminate the committees?

Mr. KLEIN. Any home-rule bill which would provide autonomy for the people of the District.

Mr. ABERNETHY. Well, it does not do away with either of the District committees or the consideration of legislation by the Congress.

Mr. KLEIN. It should, if it does not.

Mr. ABERNETHY. The gentleman ought to reread his bill because it does not do that.

Mr. KLEIN. I believe my bill does, and if it does not, I would be very happy to have it amended here on the floor so that it would do that.

Mr. ABERNETHY. I understand the gentleman to say that his bill does away with the House and Senate District Committees, and confers complete jurisdiction on the city council.

Mr. KLEIN. If it does not, by the time it comes out here, I can assure the gentleman it will.

Mr. ABERNETHY. I can assure the gentleman that the bill he introduced does not do that.

Mr. KLEIN. If the gentleman from Mississippi will promise me to hold hearings on the home-rule bill, I will promise him I will have it in such form.

Mr. ABERNETHY. Will the gentleman be present?

Mr. KLEIN. I most certainly will.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. HARRIS. The gentleman is a very distinguished lawyer and he understands perfectly well that what he has just said could not actually be a fact, because the Constitution of the United States provides that the Congress shall have exclusive jurisdiction of legislative matters in the District of Columbia. So I think the gentleman knows that he could not, by offering an amendment or any such proposal, do away with the provision of the Constitution.

Mr. KLEIN. The gentleman also knows that the Constitution has been amended a number of times, and I do not think that is a great obstacle.

I will agree with the gentleman from Nebraska, Dr. MILLER, that this 20-percent increase which is a mandatory increase is bad. It provides that every landlord, or owner of real property may, if he files a petition, without any further showing or without any justification, simply by filing a petition, will obtain an increase of 20 percent over what the base rental was in 1951, deducting, of course, any increase that he has had since then. There is no need for any showing of hardship. He does not have to show he is not receiving a fair return. He simply files a petition and the increase is automatic. We all know that every person who is handed more money will take it. There is no doubt about that.

I understand the gentleman from Nebraska is going to offer an amendment, and I will say to the gentleman I agree with him, although I do not often agree—we very rarely think alike—but on this point I would support this amendment if it is in such form—I hope the gentleman is listening. I do not want him to faint from the shock. I am agreeing with him.

Mr. MILLER of Nebraska. I assure the gentleman that our philosophies of government are miles apart—I agree with the gentleman when he says that.

Mr. KLEIN. That is true, and I am just as happy about that as is the gentleman. But it does not seem fair to me to hand the owners of these properties this increase without any showing on their part that they need it. It may well be that they have already received these hardship increases, and therefore the property is paying for itself for they are receiving a fair return on their investment.

Here we are taking out of the pockets of the residents of the District this additional amount and handing it to the real-estate interests without any showing that they need it. So if the gentleman's amendment will provide that in order for anybody to obtain this increase he must show that there is a hardship, and that he is not getting a fair return, I will support it.

In conclusion, I might point out that there is no doubt that the people of the District of Columbia, mainly Government employees, are caught in a squeeze, and their income does not and cannot keep pace with the ever-increasing cost of living. They are in the position where if we do not impose rent controls, they will have that additional factor in the rising cost of living, without being able to obtain an increase in their wages. So I hope everybody here will feel that while this emergency exists—I am not one who is in favor of controls if we do not need them, but we are in an emergency, and while that emergency exists it seems to me that we ought to take these unusual and necessary measures.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. MILLER of Nebraska. How often will these emergencies come in the next few years? Several times?

Mr. KLEIN. I did not bring my crystal ball with me, but I am hopeful that whenever the emergency is over we can do away with these emergency measures.

Mr. MILLER of Nebraska. You would die when the emergency is over.

Mr. KLEIN. I am not so sure. The shoe might be on the other foot.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. O'HARA. Mr. Chairman, I have no further requests for time.

Mr. HARRIS. I have no further requests. I suggest the Clerk read the bill.

The Clerk read as follows:

Be it enacted, etc., That the District of Columbia Emergency Rent Act is hereby amended to read as follows:

"PURPOSES; TIME LIMIT

"SECTION 1. (a) It is hereby found that the national emergency and the national defense program (1) have aggravated the congested situation with regard to housing accommodations existing at the seat of government; (2) have led or will lead to profiteering and other speculative and manipulative practices by some owners of housing accommodations; (3) have rendered or will render ineffective the normal operations of a free market in housing accommodations; and (4) are making it increasingly difficult for persons whose duties or obligations re-

quire them to live or work in the District of Columbia to obtain such accommodations. Whereupon it is the purpose of this act and the policy of the Congress during the existing emergency to prevent undue rent increases and any other practices relating to housing accommodations in the District of Columbia which may tend to increase the cost of living or otherwise impede the national defense program.

"(b) The provisions of this act, and all regulations, orders, and requirements thereunder, shall terminate on June 30, 1952; except that as to offenses committed, or rights or liabilities incurred, prior to such expiration date, the provisions of this act and such regulations, orders, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"MAXIMUM-RENT CEILINGS AND MINIMUM-SERVICE STANDARDS

"SEC. 2. Subject to such adjustments as may be made pursuant to sections 3 and 4, maximum-rent ceilings and minimum-service standards for housing accommodations in the District of Columbia shall be the following:

"(1) For housing accommodations rented on January 1, 1951, and not under control under this act prior to that date, the rent and service to which the landlord and tenant were entitled on that date.

"(2) For housing accommodations not rented on January 1, 1951, but which had been rented within the year ending on that date, and not under control under this act during that year, the rent and service to which the landlord and tenant were last entitled within such year.

"(3) For housing accommodations not rented on January 1, 1951, or within the year ending on that date, and not covered by subsection (4) hereof, the rent and service generally prevailing for comparable housing accommodations as determined by the Administrator.

"(4) For housing accommodations under control under this act on December 31, 1950, the rent and service to which the landlord and tenant were entitled on December 31, 1950; except that upon the filing, by any landlord of any housing accommodations covered by this subsection, of a new rent schedule on a form prescribed by the Administrator and setting forth the pertinent circumstances as indicated by such form, the rent and service shall be adjusted and automatically effective upon the date of filing thereof, (A) for housing accommodations rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased to 20 percent above the rent heretofore frozen at the level of January 1, 1941, or the last rent in the year 1940, whichever was applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator; and (B) for housing accommodations not rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased by 2 percent per year for each calendar year ending after rent schedules for such housing accommodations were first filed in the office of the Administrator, for the calendar years 1941 to 1950, inclusive, to the extent applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator.

"GENERAL AND SPECIAL ADJUSTMENTS

"SEC. 3. (a) Whenever in the judgment of the Administrator a general increase or decrease since January 1, 1951, in taxes or other maintenance or operating costs or expenses has occurred or is about to occur in such manner and amount as substantially to affect the maintenance and operation of housing accommodations generally or of any particular class of housing accommodations, he may by regulation or order increase or decrease the maximum-rent ceiling or minimum-service standard, or both, for such accommodations or class thereof in such manner or amount as will in his judgment compensate, in whole or in part, for such general increase or decrease. Thereupon such adjusted ceiling or standard shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto.

"(b) Upon a showing by any landlord of good cause in the judgment of the Administrator that the maximum-rent ceiling on any housing accommodation is substantially lower than the maximum-rent ceiling for comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, the Administrator may, by special order under this section, adjust such lower ceiling so as to equalize the same with such higher ceiling, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"(c) Upon the showing by any landlord to the satisfaction of the Administrator that the maximum-rent ceilings, on any comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, will vary in amount due to the effect of General Orders 12 and 13 or similar general orders, the Administrator may, by special order under this section, adjust any or all of such ceilings so as to equalize the same, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"PETITION FOR ADJUSTMENT

"SEC. 4. (a) Any landlord or tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling is, due to peculiar circumstances affecting such housing accommodations, substantially higher or lower than the rent generally prevailing for comparable housing accommodations; whereupon the Administrator may by order adjust such maximum-rent ceiling to provide the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"(b) Any landlord may petition the Administrator to adjust the maximum-rent ceiling or minimum-service standard, or both, applicable to his housing accommodations to compensate for (1) a substantial rise in taxes or other maintenance or operating costs or expenses over those prior to January 1, 1951, or (2) a substantial capital improvement including furniture and furnishings or alteration made since January 1, 1951; whereupon the Administrator may by order adjust such maximum-rent ceiling or minimum-service standard in such manner or amount as he deems proper to compensate therefor, in whole or in part, if he finds such adjustment necessary or appropriate to carry out the purposes of this act: *Provided*, That no such adjusted maximum-rent ceiling or minimum-service standard shall permit the receipt of rent in excess of the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"(c) Any tenant may petition the Administrator on the ground that the service supplied to him is less than the service established by the minimum-service standard for his housing accommodations; whereupon the Administrator may order that the service be maintained at such minimum service standard, or that the maximum-rent ceiling be decreased to compensate for a reduction in service, as he deems necessary or appropriate to carry out the purposes of this act.

"(d) Any landlord may petition the Administrator for permission to reduce the service supplied by him in connection with any housing accommodations whereupon the Administrator, if he determines that the reduction of such service is to be made in good faith for valid business reasons and is not inconsistent with carrying out the purposes of this act, may, by order, reduce the minimum-service standard applicable to such housing accommodations and adjust the maximum-rent ceiling downward in such amount as he deems proper to compensate therefor.

"(e) Any tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling permits the receipt of an unduly high rent; whereupon the Administrator may by order adjust such maximum-rent ceiling in such manner or amount as shall, in his judgment, effectuate the purposes of this act and provide a fair and reasonable rent for such housing accommodations, but not less than the generally prevailing rate for comparable housing accommodations.

"(f) A petition made pursuant to this section shall be subject to the provisions of sections 8 and 9 of this act. Any adjusted maximum-rent ceiling or minimum-service standard ordered pursuant to this section shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto; except that, in the event that the adjustment order is stayed or set aside by the court in accordance with section 9 of this act, the maximum-rent ceiling and minimum-service standard theretofore applicable to such housing accommodations under this act remain in full force and effect.

"(g) Upon the expiration of 45 days after the date of the filing of any petition by any landlord for adjustment of the maximum-rent ceiling under the provisions of subsection (b) of this section, the maximum-rent ceiling for the housing accommodations covered by such petition automatically shall become the ceiling requested in such adjustment petition, unless and until such adjustment petition shall have been finally disposed of by the Administrator or his office, pursuant to the provisions of this section and the provisions of sections 8 and 9. Upon such final disposition the maximum-rent ceiling provided by this subsection during the pendency of such adjustment petition shall exceed the maximum-rent ceiling as finally disposed of by the Administrator or his office, any tenant having paid such excess or any part thereof shall be entitled to a refund to the extent of such payment, but the landlord shall not be liable for any penalties under the provisions of this act.

"PROHIBITIONS

"SEC. 5. (a) It shall be unlawful, regardless of any agreement, lease, or other obligation heretofore or hereafter entered into, for any person to demand or receve any rent in excess of the maximum-rent ceiling, or refuse to supply any service required by the minimum-service standards, or otherwise to do or omit to do any act in violation of any provision of this act or of any regulation, order, or other requirement thereunder, or to offer or agree to do any of the foregoing.

"(b) No action or proceeding to recover possession of housing accommodations shall be maintainable by any landlord against any tenant, notwithstanding that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled, unless—

"(1) The tenant is (A) violating an obligation of his tenancy (other than an obligation to pay rent higher than rent permitted under this act or any regulation or order

thereunder applicable to the housing accommodations involved or an obligation to surrender possession of such accommodations) or (B) is committing a nuisance or using the housing accommodations for an immoral or illegal purpose or for other than living or dwelling purposes; or

"(2) The landlord seeks in good faith to recover possession of the property for his immediate and personal use and occupancy as a dwelling: *Provided*, That in the case of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association no such action or proceeding under this paragraph or paragraph (3) of this section shall be maintained unless stock or membership in the cooperative corporation or association has been acquired by persons who are or were tenants in occupancy of at least 65 percent of the dwelling units in the structure or premises at the time said cooperative corporation or association either (1) acquired or leased said structure or premises, or (2) entered into a contract or option to acquire or lease said structure or premises, whichever date is earliest, and who as such stockholders or members are entitled to possession of their respective dwelling units in the structure or premises by virtue of proprietary leases or otherwise, and this provision shall apply whether such corporation or association acquired or leased such structure or premises or entered into a contract or option to do so prior to or after the effective date of this amendatory act or unless as the holder of stock or membership acquired in the cooperative corporation or association prior to March 1, 1949, a stockholder or member was entitled to possession of a dwelling unit in the structure or premises by virtue of a proprietary lease or otherwise.

"(3) The landlord has in good faith contracted in writing to sell the property for immediate and personal use and occupancy as a dwelling by the purchaser and that the contract of sale contains a representation by the purchaser that the property is being purchased by him for such immediate and personal use and occupancy; or

"(4) The landlord seeks in good faith to recover possession for the immediate purpose of substantially altering, remodeling, or demolishing the property and replacing it with new construction, the plans for which altered, remodeled, or new construction having been filed with, and approved by, the Commissioners of the District of Columbia; or

"(5) The landlord seeks in good faith to recover possession for the immediate purpose of discontinuing the housing use and occupancy for a continuous period of not less than 6 months, during which period, commencing on the date possession is recovered under this subsection, it shall be unlawful for the owner of such housing accommodations or his agent to demand or receive rent for the same, and any person paying such rent may bring an action for double the amount of rent so paid, pursuant to the provisions of section 10 of the act; or

"(6) The landlord, being a recognized school or an accredited nonprofit university, has a bona fide need for the premises for educational, research, administrative, or dormitory use.

"(c) It shall be unlawful for any person to remove, or attempt to remove, from any housing accommodations the tenant or occupant thereof or to refuse to renew lease or agreement for the use of such accommodations because such tenant or occupant has taken or purposes to take action authorized or required by this act or any regulation, order, or requirement thereunder.

"ADMINISTRATOR

"SEC. 6. There is hereby created in and for the District of Columbia the Office of Administrator of Rent Control. The Administrator shall be appointed by the Commissioners of the District of Columbia and shall be a bona fide resident of the District of Columbia for not less than 3 years prior to his appointment. He shall devote his full time to the Office of Administrator and shall receive a salary at the rate of $11,200 per annum. The Administrator shall establish offices, acquire supplies and equipment, and employ such personnel subject to approval by the Commissioners of the District of Columbia, and in accordance with the Classification Act of 1949, without regard to race or creed, as may be necessary in the performance of his functions under this act. The Administrator shall submit a semiannual report to the Commissioners of the District of Columbia for transmittal to the Congress of the United States.

"OBTAINING INFORMATION

"SEC. 7. (a) The Administrator may make such studies and investigations, and obtain or require the furnishing of such information under oath or affirmation or otherwise, as he deems necessary or proper to assist him in prescribing any regulation or order under this act, or in the administration and enforcement of this act, and regulations and orders thereunder. For such purposes the Administrator may administer oaths and affirmations; may require, by subpena or otherwise, the attendance and testimony of witnesses and the production of documents at any designated place; may require persons to permit the inspection and copying of documents, and the inspection of housing accommodations; and may, by regulation or order, require the making and keeping of records and other documents. No person shall be excused from complying with any requirement under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C., 1934 ed., title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege. In the event of contumacy or refusal to obey any such subpena or requirement under this section, the Administrator may make application to the United States District Court for the District of Columbia for an order requiring obedience thereto. Thereupon the court, with or without notice and hearing, as it in its discretion may decide, shall make such order as is proper and may punish as a contempt any failure to comply with such order.

"(b) The Administrator shall have authority to promulgate, issue, amend, or rescind rules and regulations, subject to approval by the Commissioners of the District of Columbia, and to issue such orders as may be deemed necessary or proper to carry out the purposes and provisions of this act or to prevent the circumvention or evasion thereof.

"PROCEDURE

"SEC. 8. (a) Any petition filed by a landlord or tenant under section 4 shall be promptly referred to an examiner designated by the Administrator. Notice of such action, in such manner as the Administrator shall by regulation prescribe, shall be given the tenant and landlord of the housing accommodations involved. If the petition be frivolous or without merit, the examiner shall forthwith dismiss it. Such order of dismissal may be reviewed by the Administrator in the manner provided in subsection (c) of this section. The examiner shall grant a hearing upon the petition except in cases dismissed under this subsection.

"(b) Hearings under this section shall be conducted in accordance with regulations prescribed by the Administrator. The landlord and tenant shall be given an opportunity to be heard or to file written statements, due regard to be given the utility and relevance of the information offered and the need for expedition. In any such hearing the common-law rules of evidence shall not be controlling.

"(c) The examiner, after hearing, shall make findings of fact and recommend an appropriate order. Copies of such findings and order shall be served upon the parties to the proceeding in such manner as the Administrator may prescribe by regulation. Within 5 days after such service, any such party may request that the recommended order be reviewed by the Administrator. If there be no such request within such 5 days, the findings and recommended order of the examiner shall thereupon be deemed to be the findings and order of the Administrator: *Provided*, That the Administrator may review the proceedings, as herein provided, on his own motion at any time within 10 days after service of the examiner's findings and order upon the parties. The Administrator may, in his discretion, grant a hearing upon the request. Upon such request or motion, the record in the case shall be forthwith transferred to the Administrator for review and he may, in his discretion, grant a hearing. He shall state his findings of fact or affirm the examiner's findings of fact, which findings in either case shall be conclusive if supported by substantial evidence, and shall make an appropriate order.

"COURT REVIEW

"SEC. 9. (a) Within 10 days after issuance of an order of the Administrator under section 4, any party may file a petition to review such action in the municipal court of appeals for the District of Columbia and shall forthwith serve a copy of such petition upon the Administrator. Thereupon, the Administrator shall certify and file with the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript, the court shall have exclusive jurisdiction to affirm or set aside such order, or remand the proceeding: *Provided*, That the Administrator may at any time, upon reasonable notice and in such manner as he shall deem proper, rescind, modify, or set aside, in whole or in part, any such order at any time notwithstanding the pendency of the petition to review.

"(b) No objection that has not been urged before the Administrator shall be considered by the court unless the failure to urge such objection shall be excused because of extraordinary circumstances. No order shall be set aside or remanded unless the petitioner shall establish to the satisfaction of the court that the order is not in accordance with law, or is not supported by substantial evidence. The commencement of proceedings under this section shall not, except as provided in subsection (d), operate as a stay of the Administrator's order.

"(c) The municipal court of appeals for the District of Columbia is hereby granted exclusive jurisdiction to review any order of the Administrator made pursuant to section 4 of this act. The judgment and decree of the court shall be final, subject to review as provided by law relative to other judgments of the court.

"(d) No court shall issue any interlocutory order or decree staying the effectiveness of any provision of this act or any regulation or order issued thereunder unless the person objecting to such provision, regulation, or order shall file with the court an undertaking with a surety or sureties satisfactory to the court for the payment, in the event such objection is not sustained, of the amount by which the maximum rent, if any, permitted under such provision, regulation, or order exceeds or is less than the amount actually received or paid while such stay is in effect.

"ENFORCEMENT; PENALTIES

"SEC. 10. (a) If any landlord receives rent or refuses to render services in violation of any provision of this act, or of any regulation or order thereunder prescribing a rent ceiling or service standard, the tenant paying such rent or entitled to such service, or the Ad-

ministrator on behalf of such tenant, may bring suit to rescind the lease or rental agreement, or, in case of violation of a maximum-rent ceiling, an action for double the amount by which the rent paid exceeded the applicable rent ceiling and, in case of violation of a minimum-service standard, an action for double the value of the services refused in violation of the applicable minimum-service standard or for $50, whichever is greater in either case, plus reasonable attorney's fees and costs as determined by the court. Any suit or action under this subsection may be brought in the municipal court for the District of Columbia regardless of the amount involved, and the municipal court is hereby given exclusive jurisdiction to hear and determine all such cases.

"(b) Any person who willfully violates any provision of this act or any regulation, order, or requirement thereunder, and any person who willfully makes any statement or entry false in any material respect in any document or report required to be kept or filed thereunder, and any person who willfully participates in any fictitious sale or other device or arrangement with intent to evade this act or any regulation, order, or requirement thereunder, shall be prosecuted therefor by the Corporation Counsel of the District of Columbia or an assistant, on information filed in the municipal court for the District of Columbia, and shall upon conviction be fined not more than $1,000 or imprisoned for not more than one year, or both.

"(c) No person shall be held liable for damages or penalties in any court on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this act or any regulation, order, or regulation thereunder, notwithstanding that subsequently such provisions, regulation, order, or requirement may be modified, rescinded, or determined to be invalid. The Administrator may intervene in any suit of action wherein a party relies for ground of relief or defense upon this act or any regulation, order, or requirement thereunder. No costs shall be assessed against the Administrator in any proceedings had or taken in accordance with this act.

"(d) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of this act, or any regulation, order, or requirement thereunder, he may make application to the United States District Court for the District of Columbia for an order enforcing compliance with this act or such regulation, order, or requirement, and upon a proper showing a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

"DEFINITIONS

"SEC. 11. As used in this act—

"(a) The term 'housing accommodations' means any building, structure, or part thereof or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes in the District of Columbia, together with all services supplied in connection with the use or occupancy of such property; but the term 'housing accommodations' shall not include (1) any of the accommodations in a hotel in which more than 60 percent of the space devoted to living quarters for tenants and guests is used for furnishing accommodations for transients, or the building constituting such hotel; or (2) furnished non-housekeeping accommodations, whether or not in a hotel, which are rented as rooms without kitchen privileges or facilities for cooking (but not in a suite of two or more rooms); or (3) any building used as a licensed rooming house.

"(b) The term 'services' includes the furnishing of light, heat, hot and cold water, telephone, elevator service, furnishings, furniture, window shades, screens, awnings, and storage; kitchen, bath, and laundry facilities and privileges; maid service; janitor service; the removal of refuse, and the making of all repairs suited to the housing accommodations or necessitated by ordinary wear and tear; and any other privilege or facility connected with the use or occupancy of housing accommodations.

"(c) The term 'rent' means the consideration, including any bonus, benefit, or gratuity, demanded or received per day, week, month, year, or other period of time, as the case may be, for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"(d) The term 'maximum-rent ceiling' means the maximum rent which may be demanded or received for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"(e) The term 'minimum-service standard' means the minimum service which may be supplied in connection with the renting or leasing of housing accommodations.

"(f) The term 'tenant' includes a subtenant, leessee, sublessee, or other person entitled to the use or occupancy of any housing accommodations.

"(g) The term 'landlord' includes an owner, lessor, sublessor, or other person entitled to receive rent for the use or occupancy of any housing accommodations.

"(h) The term 'person' includes one or more individuals, firms, partnerships, corporations, or associations, and any agent, trustee, receiver, assignee, or other representative thereof.

"(i) The term 'documents' includes leases, agreements, records, books, accounts, correspondence, memoranda, and other documents, and drafts and copies of the foregoing.

"SEPARABILITY

"SEC. 12. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

"APPROPRIATIONS

"SEC. 13. There are hereby authorized to be appropriated such funds as may be necessary to carry out the provisions of this act, to be paid out of money in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated.

"SHORT TITLE

"SEC. 14. This act may be cited as the 'District of Columbia Emergency Rent Act of 1951'."

SEC. 2. This act shall take effect on the day following the date of its enactment.

Mr. HARRIS (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, that it be printed in the RECORD at this point and be open to amendment at any point. I might suggest there are several committee amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk concluded the reading of the bill.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 15, strike out "June 30, 1952" and insert "March 31, 1952."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 13, line 19, after the word "and" strike out "shall receive a salary at the rate of $11,200 per annum" and insert "notwithstanding the provisions of any other law heretofore enacted, shall receive a salary at the rate of $10,000 per annum."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 18, line 1, insert "of the Administrator."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 19, line 24, strike out all of subsection (b).

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 20, line 12, strike out "(c)" and insert "(b)."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 21, line 1, strike out "(d)" and insert "(c)."

The committee amendment was agreed to.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Nebraska: Page 4, line 5, after the word "ceiling" strike out "shall" and insert "may, after proper approval."

Mr. MILLER of Nebraska. Mr. Chairman, all the amendment does is to strike out the word "shall" and make anybody who comes in for a rent increase justify it. It does not permit the Administrator to raise rents automatically 20 percent over January 1, 1941, but it permits him after proper proof has been presented. I am willing to admit there are some apartments that need more than a 20-percent increase. I would agree to change the 20 percent to 30 percent if proper proof is shown, because I am convinced that since January 1, 1941, there has been a great deal more than a 20-percent increase in the cost of labor. Whether it is labor, whether it is the thing you buy at the grocery store or that goes into the upkeep of an apartment, I doubt whether the 20 percent is sufficient to meet the needs of the average apartment owner. I believe that if apartment owners would then set up standards for keeping their apartments in good shape, it would be worth while.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. HARRIS. I am sure the gentleman understands the purport of the amendment he offers, but I should like to say that the committee heard the testimony of witnesses and problems of

the Rent Administrator. The gentleman's amendment strikes at the heart and the base of this new proposal giving the Administrator the authority to have a new base to start with. The gentleman goes back to the old base of 1941, and there will ensue the same administrative difficulties that have arisen out of the 10 years the law has been administered on the individual apartment unit method as a base on which to start. This states that the new base shall be a 20-percent increase giving due credit for the over-all economic situation, a justifiable increase for rental property since 1941 giving due consideration and credit for the increase already granted since that time. It does not place a limitation on the Administrator on other justifiable increases that the owner of the property might show. It provides that if an owner of property is entitled to a 30-percent increase, which the gentleman says might well be justified in some cases, then by making the proper showing as the gentleman would want, he could get that additional increase under the gentleman's amendment. It would strike at the heart of the new over-all base of an adjustment to present-day economies when you strike out the word "shall" and insert the word "may."

Mr. MILLER of Nebraska. I submit to the gentleman from Arkansas [Mr. HARRIS] that the word "shall" is mandatory, that they must increase it 20 percent over the January 1, 1941, base. I think some proof ought to be shown, because there are some apartment houses that ought to be reduced 20 percent instead of being raised 20; there are others where a 20-percent increase is not sufficient because of the splendid condition in which the buildings are kept and the improvements that are made from time to time.

Mr. HARRIS. The members of this committee, if the gentleman would permit, would like to have information of any apartment in the District of Columbia that should be reduced 20 percent, as the gentleman says.

Mr. MILLER of Nebraska. Some that are hardly fit for living purposes that I have seen from time to time.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. JONAS. What I have in mind after listening to this discussion is that the present bill makes it mandatory that rents be increased 20 percent upon application, whereas the gentleman's amendment would require the landlord to show cause why the rents should be increased.

Mr. MILLER of Nebraska. Under the present bill the landlord does not even have to come in and ask for an increase; it is given automatically.

Mr. JONAS. The gentleman from Nebraska would change that increase from being mandatory to discretionary.

Mr. MILLER of Nebraska. I would make it discretionary based upon proper proof.

Mr. JONAS. May I add this? While I am not very much in favor of these drastic mandatory orders, yet if we are to judge the future by the past, if you leave the question to the decision of the Rent Administrator as to whether the landlord is entitled to any more rent he will have the landlord so tied up in red tape that he will be without a home and have no life left in him before he would ever get an increase. I think things would be better off to leave it mandatory instead of discretionary.

Mr. KLEIN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. KLEIN. I would be disposed to go along with the gentlemen's amendment provided he could explain what he means by the words "proper proof"; what kind of proof?

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. KLEIN. Mr. Chairman, I ask unanimous consent that the gentleman from Nebraska may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MILLER of Nebraska. That could be left to the discretion of the Administrator.

Mr. KLEIN. What does the gentleman mean? He must have something in mind.

Mr. MILLER of Nebraska. Standards could be set up.

Mr. KLEIN. They could be set up showing whether there was a hardship condition of the property and so forth. I think some properties that have had an increase since 1940 should be condemned and torn down. I think it would be wrong to give them any increase at all.

Mr. MILLER of Nebraska. I agree with the gentleman.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Nebraska [Mr. MILLER].

Mr. Chairman, it is very difficult for me to understand the attitude of the gentleman who has just offered the amendment, considering the fact he is opposed to any rent control whatsoever in the District of Columbia. He opposes it now and he makes no apologies for it except the fact he is opposed to all rent control. Yet he comes in and offers an amendment that strikes out the heart of the bill by not recognizing the economic situation of today as it is different from 1941.

The gentleman wants as a base under his amendment the original act effective on January 1, 1941. The gentleman from California [Mr. ALLEN] myself and other members of the committee heard this testimony throughout. We heard the Administrator explain how difficult it was under present-day economics and the conditions that exist to administer this law as to the various steps that have been taken. If we are to recognize, Mr. Chairman, this is a different situation in the over-all and general economy since 1941, then we must give the man something to start from as a base and not go back to the archaic base of 1941.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Will not the gentleman admit there are some apartments that have been kept in good shape that perhaps deserve the increase or even more than an increase of 20 percent, whereas there are other apartments that have been given no attention, they are run down and not fit to live in at this time, yet under this bill there is no discretion at all, you must give them a 20 percent raise over January 1, 1941?

Mr. HARRIS. The administration of the law is well defined.

The gentleman recalls that at any time an owner of property comes in and by petition justifies an increase for the purpose of improving his property then he is entitled to it and he can get it.

Mr. MILLER of Nebraska. Does the gentleman admit that he must come in, apply for the increase and make a showing?

Mr. HARRIS. He must go to the Administrator and suggest it to him.

Mr. MILLER of Nebraska. It is stated here that it shall be increased 20 percent above and beyond the level of January 1, 1941.

Mr. HARRIS. The record is replete with testimony that we have people here in the District of Columbia and at other places who depend on their rental property for their living. The record is full of information that they have endeavored to obtain rent increases and the Administrator himself under the information that was submitted said it did not justify his taking any action in increasing it. Yet these people are still laboring under the same 1941 rents, their property is, of course, going down and they do not have any opportunity where they can as of present-day economics get what they are entitled to get.

Mr. MILLER of Nebraska. If that is true why did the Administrator raise their rents?

Mr. HARRIS. Because they did not make a showing as the law requires and they could not make it because it was not there.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. DONDERO. Did the committee consider the question of making it permissive rather than mandatory?

Mr. HARRIS. Yes, we did, and the reason we made it mandatory was because we recognized that there was a difference in the economic picture of today as compared with 1941, and we are giving him a base to start from.

Mr. DONDERO. The committee saw the picture when it increased it from 7 to 20 percent and at one fell swoop recognized the injustice to the property owners of the District and the fact they had not received sufficient rent to maintain their property, including the payment of taxes?

Mr. HARRIS. The gentleman is correct. As I said a moment ago, the overall increase thus far in the District is 7 percent. It is quite obvious there are some apartment units that will not automatically increase their rents to the mandatory 20 percent where it is not justified from an economic standpoint. I will say this, that where a man comes in and says that he is entitled to more, as the gentleman said a while ago some might be, for improving his property, and he makes a showing on that basis, then the Rent Administrator must recognize those advances and permit him to have it.

Mr. DOLLINGER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from New York.

Mr. DOLLINGER. Does the gentleman state that, if a landlord does not need an increase because he is making a fair return on his investment at the present time, he should be given the right to come in and make an application for an increase under such circumstances?

Mr. HARRIS. I will say that that is a decision that should be left to the landlord, if we are going to recognize a difference in the economic system generally in this country now and as of 1941.

Mr. DOLLINGER. Does not the gentleman think that the landlord should be compelled to come in and say he is not making a sufficient return and be put to some proof that he needs the increase, and not give every person a right to come in regardless of whether he is making a sufficient return on his property or not?

Mr. HARRIS. I understand the gentleman is a member of the Committee on Banking and Currency, and I understand that you were reporting the same provision in the national bill.

Mr. DOLLINGER. Yes; and I disagree with that provision in that bill just as I do in this bill.

Mr. HARRIS. But that was the action of your committee, though; was it not?

Mr. DOLLINGER. Yes; but not with my vote.

Mr. SITTLER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Pennsylvania.

Mr. SITTLER. I want to express my appreciation for the clarity with which the chairman of the subcommittee has expressed his opposition to this amendment and say that in my opinion he is quite correct. I think also that my colleague the gentleman from Nebraska [Mr. MILLER] and others have left out of this whole matter the consideration of the economic power for self-defense of an exceedingly important person, namely, the tenant, the person who rents the property. It seems to me that if the property owner who since 1941 has not adequately improved his property, raises his rent 20 percent, and if that is not a reasonable rent for that area, then the tenant has a right and an opportunity to go out and look for some place eles to live. After all, in a free economy the principal discipline that the landlord must sustain in an area where there are vacancies is the discipline of the tenant who has the capacity to move out and go some place else. I would call the attention of the House to information brought out in the hearings when Mr. Lusk testified, that the base period in 1941 showed that there were 3.8 persons per dwelling unit in the District and that there are today 3.5 persons per dwelling unit. Hence if there was no need for this type of control prior to 1941, and if the ratio of people to dwelling units is now actually more favorable to tenants, why not let the economic law of supply and demand settle the problem? That is the reason I happen to be opposed to rent control for the District of Columbia, and is the reason for being doubly opposed to this type of amendment. I conclude by saying that if we are going to have rent control, we certainly need a new and stable base on which to hang it.

Mr. HARRIS. Mr. Chairman, I would suggest to the members of the committee that if they want to hold the Rent Administrator to the almost impossible and impractical base of 1941, to support the amendment offered by the gentleman from Nebraska, but if they want to recognize the change in the economic situation in the District of Columbia and throughout the country on rental properties, then this amendment should be, in all fairness to the property owners, voted down.

Mr. O'HARA. Mr. Chairman, I move to strike out the last word.

Mr. ALLEN of California. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from California.

Mr. ALLEN of California. I only wish to remark, in connection with the statement made by the gentleman from Arkansas [Mr. HARRIS] that in all of the hearings I do not recall that any witness made any claim that a 20-percent increase on the basis of 1941, in regard to any rental property in the District, would be at all out of the way. Now, I have opposed rent-control bills both in the District and nationally, but from my point of view the amendment here should be voted down in order to come closer to a fair control, if we do have controls, than the bill would provide if the amendment were adopted.

Mr. O'HARA. Mr. Chairman, I rise in support of the amendment offered by my colleague from Nebraska. It seems to me that we do not need the rent-control Administrator if the position of the gentleman from Arkansas is correct. All we need is a file clerk who says that these people who come in, regardless of the financial returns on the property, are going to automatically get a 20-percent increase. If I had understood that—and it was not explained to me when I attended the executive committee of the subcommittee, and I was not able to be present at the hearings because I was out in my district—I would have voted against this bill.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. Right along that line, it seems to me that if an efficient landlord has made improvements and obtained a 10-percent increase, he now gets an increase of 10 percent automatically.

Mr. O'HARA. That is correct.

Mr. FERNANDEZ. But the inefficient landlord who has made no improvements and has been unable to justify an increase in the past gets a 20-percent increase automatically?

Mr. O'HARA. That is correct. Some of those landlords, not all of them, are already making a good return on their property.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Michigan.

Mr. DONDERO. May I say to my good friend from New Mexico that even an efficient landlord has no jurisdiction or control over the increases in taxes and the cost of maintaining the property, no matter how efficient he may be.

Mr. O'HARA. That is very true, but I say that some of them are still making a substantial net return on their property—not all of them, do not misunderstand me, but I know of one or two apartment owners in this city who have never done anything for their tenants who over the years have made a substantial return, and I know other owners of properties here who, frankly, have not made any substantial return because some of them have had a greater increase in expenses and have tried to keep up their property.

When you approach this on the philosophy that you have had an increase in the general economic picture and that everybody is entitled to an increase, whether it is rated or not on the basis of returns, then I say you do not need a rent-control Administrator, you need a file clerk, with whom the property owners can file petitions for an increase and automatically get it. This is perfectly ridiculous to me. I support the theory of the gentleman from Nebraska that there should be a showing made. If the showing is as bad as some of my colleagues say it is, then the owners ought automatically to get their 20-percent increase, but those that cannot make that kind of showing should not have it.

Mr. KLEIN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New York.

Mr. KLEIN. I agree with the gentleman. I am a little concerned, however, about the language that is employed here. I do not know, and I should like the gentleman to tell me, for I know he is a good lawyer, if he believes that the words "upon further proof," which I think are the words used in the amendment, would mean that the landlord would have to come in and show the Administrator that he was not receiving a fair return on his investment before he could get an increase.

Mr. O'HARA. That is correct. I think it is, briefly, that, that he can come in and show that his expenses are higher or that he is not getting the return upon his investment he is entitled to. Then he would have the increase.

Mr. KLEIN. The gentleman feels he should not be entitled to an over-all increase simply because he owns the property, whether or not he is making money on it?

Mr. O'HARA. Of course not; otherwise, what is there fair about rent control?

Mr. DONDERO. That was the reason and the basis for asking whether or not the gentleman's committee had considered the permissive provision rather than the mandatory provision.

Mr. O'HARA. I may say to the gentleman that I was there when it was in executive session, and I did not hear one word said that this was an automatic increase.

Mr. DONDERO. Did anybody quarrel with the fact, and I think it is a fact, that everything that goes into the maintenance of property today has increased more than 20 percent in 10 years?

Mr. O'HARA. I do not know. I would say that perhaps generally that is true. Some of them had to put in additional expense and some of them did not. All do not stand on the same level.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. MILLER].

The question was taken; and on a division (demanded by Mr. MILLER of Nebraska) there were—ayes 29, noes 36.

So the amendment was rejected.

Mr. HARRIS. Mr. Chairman, if there are no further amendments, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HOLIFIELD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4431) to extend and revise the District of Columbia Emergency Rent Act, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division, there were—ayes 45, noes 39.

Mr. MILLER of Nebraska. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 171, nays 120, not voting 141, as follows:

[Roll No. 86]

YEAS—171

Aandahl	Gathings	Mills
Addonizio	Gordon	Mitchell
Albert	Granahan	Morris
Andersen, H. Carl	Grant	Morrison
	Greenwood	Moulder
Angell	Gregory	Multer
Aspinall	Gross	Murdock
Auchincloss	Hale	Nelson
Ayres	Hardy	Norrell
Bailey	Harris	O'Brien, Ill.
Bakewell	Havenner	O'Hara
Baring	Hébert	Ostertag
Barrett	Hedrick	Patman
Bates, Ky.	Heffernan	Patterson
Bates, Mass.	Herlong	Perkins
Beckworth	Heselton	Polk
Bennett, Fla.	Hess	Price
Bennett, Mich.	Holifield	Prouty
Bentsen	Holmes	Rabaut
Blatnik	Howell	Radwan
Bolling	Hull	Rains
Bosone	Jackson, Wash.	Reams
Boykin	Jarman	Rhodes
Bray	Johnson	Ribicoff
Brown, Ga.	Jones, Ala.	Riley
Bryson	Jones, Mo.	Roberts
Butler	Jones, Hamilton C.	Rodino
Byrne, N. Y.		Rogers, Colo.
Camp	Jones, Woodrow W.	Rooney
Cannon		Sabath
Carlyle	Karsten, Mo.	Sadlak
Celler	Kelly, N. Y.	Sasscer
Chelf	Kerr	Secrest
Chudoff	Kersten, Wis.	Seely-Brown
Cole, N. Y.	Kilburn	Shelley
Colmer	King	Sheppard
Combs	Kirwan	Sikes
Cooley	Klein	Spence
Corbett	Kluczynski	Staggers
Cox	Lane	Steed
Crosser	Lanham	Stigler
Deane	Larcade	Stockman
DeGraffenried	Latham	Talle
Delaney	Lesinski	Thomas
Dempsey	Lind	Thornberry
Denton	McCarthy	Tollefson
Devereux	McConnell	Vinson
Dollinger	McCormack	Walter
Dorn	McGuire	Welch
Doughton	McKinnon	Whitaker
Doyle	McMullen	Wier
Eaton	Machrowicz	Wigglesworth
Elliott	Mack, Wash.	Williams, Miss.
Engle	Madden	Willis
Feighan	Mansfield	Winstead
Forand	Marshall	Withrow
Forrester	Martin, Mass.	Yorty
Fugate	Miller, N. Y.	Zablocki

NAYS—120

Abernethy	Elston	McDonough
Allen, Calif.	Fellows	McGregor
Anderson, Calif.	Fenton	McVey
Andrews	Fernandez	Mahon
Arends	Fisher	Martin, Iowa
Barden	Ford	Mason
Belcher	Gavin	Meader
Berry	George	Miller, Nebr.
Betts	Golden	Morton
Bishop	Goodwin	Mumma
Blackney	Graham	Nicholson
Bramblett	Gwinn	Norblad
Brooks	Hagen	Passman
Brown, Ohio	Harrison, Wyo.	Patten
Budge	Hill	Phillips
Burleson	Hillings	Poage
Busbey	Hinshaw	Potter
Bush	Hoeven	Poulson
Byrnes, Wis.	Hoffman, Ill.	Rankin
Chenoweth	Hope	Reece, Tenn.
Chiperfield	Horan	Reed, Ill.
Church	Hunter	Reed, N. Y.
Cotton	Jackson, Calif.	Regan
Crawford	Jenison	Rogers, Fla.
Crumpacker	Jenkins	Rogers, Tex.
Cunningham	Jensen	Saylor
Curtis, Nebr.	Jonas	Schwabe
Dague	Kearney	Scrivner
Davis, Wis.	Kearns	Sheehan
Denny	Keating	Short
Dolliver	Lovre	Simpson, Ill.
Dondero	Lucas	Sittler
Elsworth	Lyle	Smith, Kans.
Smith, Miss.	Teague	Wheeler
Smith, Va.	Thompson, Mich.	Williams, N. Y.
Smith, Wis.		Wilson, Tex.
Springer	Thompson, Tex.	Wolcott
Stanley	Vail	Wood, Ga.
Stefan	Van Pelt	Wood, Idaho
Taber	Van Zandt	
Tackett	Werdel	

NOT VOTING—141

Abbitt	Fogarty	Murray, Tenn.
Adair	Frazier	Murray, Wis.
Allen, Ill.	Fulton	O'Brien, Mich.
Allen, La.	Furcolo	O'Konski
Andresen, August H.	Gamble	O'Neill
	Garmatz	O'Toole
Anfuso	Gary	Philbin
Armstrong	Gillette	Pickett
Baker	Gore	Powell
Battle	Gossett	Preston
Beall	Granger	Priest
Beamer	Green	Quinn
Bender	Hall, Edwin Arthur	Ramsay
Boggs, Del.		Redden
Boggs, La.	Hall, Leonard W.	Rees, Kans.
Bolton		Richards
Bonner	Halleck	Riehlman
Bow	Hand	Rivers
Breen	Harden	Robeson
Brehm	Harrison, Va.	Rogers, Mass.
Brownson	Hart	Roosevelt
Buckley	Harvey	St. George
Buffett	Hays, Ark.	Scott, Hardie
Burdick	Hays, Ohio	Scott, Hugh D., Jr.
Burnside	Heller	
Burton	Herter	Scudder
Canfield	Hoffman, Mich.	Shafer
Carnahan	Irving	Sieminski
Case	James	Simpson, Pa.
Chatham	Javits	Sutton
Clemente	Judd	Taylor
Clevenger	Kean	Towe
Cole, Kans.	Kelley, Pa.	Trimble
Cooper	Kennedy	Vaughn
Coudert	Keogh	Velde
Curtis, Mo.	Kilday	Vorys
Davis, Ga.	Lantaff	Vursell
Davis, Tenn.	LeCompte	Watts
Dawson	McCulloch	Weichel
D'Ewart	McGrath	Wharton
Dingell	McMillan	Whitten
Donohue	Mack, Ill.	Wickersham
Donovan	Magee	Widnall
Durham	Merrow	Wilson, Ind.
Eberharter	Miller, Calif.	Wolverton
Evins	Miller, Md.	Woodruff
Fallon	Morano	Yates
Fine	Morgan	
Flood	Murphy	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Wolverton for, with Mr. Miller of Maryland against.

Mr. Kean for, with Mr. Shafer against.

Mr. Beall for, with Mr. Velde against.

Mrs. Rogers of Massachusetts for, with Mr. Buffett against.

Mr. Garmatz for, with Mr. LeCompte against.

Mr. O'Brien of Michigan for, with Mr. Brehm against.

Mr. Canfield for, with Mr. Gillette against.

Mr. Coudert for, with Mr. Woodruff against.

Mr. Leonard W. Hall for, with Mr. Hoffman of Michigan against.

Mr. Keogh for, with Mr. Towe against.

Mr. Battle for, with Mr. Harrison of Virginia against.

Mr. Gary for, with Mr. Clevenger against.

Mr. Granger for, with Mr. Allen of Illinois. siana against.

Until further notice:

Mr. Fallon with Mr. Bender.

Mr. Murphy with Mr. James.

Mr. Heller with Mr. D'Ewart.

Mr. Roosevelt with Mr. Rees of Kansas.

Mr. O'Toole with Mr. Simpson of Pennsylvania.

Mr. Fine with Mr. Hand.

Mr. McGrath with Mr. Case.

Mr. Anfuso with Mr. Brownson.

Mr. Morgan with Mr. McCulloch.

Mr. Powell with Mr. Morano.

Mr. Buckley with Mr. Judd.

Mr. Clemente with Mr. Herter.
Mr. Quinn with Mr. Widnall.
Mr. Evins with Mr. Weichel.
Mr. Eberharter with Mr. Harvey.
Mr. Dingell with Mr. Fulton.
Mr. Magee with Mr. Merrow.
Mr. Kelley of Pennsylvania with Mr. Gamble.
Mr. Flood with Mr. Edwin Arthur Hall.
Mr. Green with Mr. Halleck.
Mr. Carnahan with Mr. Wharton.
Mr. Chatham with Mr. Taylor.
Mr. Boggs of Louisiana with Mr. Hugh D. Scott, Jr.
Mr. Abbitt with Mr. Vaughn.
Mr. Burton with Mr. Vorys.
Mr. Sieminski with Mrs. St. George.
Mr. Irving with Mr. Riehlman.
Mr. Fogarty with Mr. Cole of Kansas.
Mr. O'Neill with Mr. Murray of Wisconsin.
Mr. Miller of California with Mr. Scudder.
Mr. Trimble with Mr. August H. Andresen.
Mr. Wickersham with Mr. Baker.
Mr. Hart with Mrs. Bolton.
Mr. Hays of Arkansas with Mr. Bow.
Mr. Redden with Mr. Boggs of Delaware.
Mr. Preston with Mr. Beamer.

Mr. TACKETT and Mr. GEORGE changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1590) to extend and revise the District of Columbia Emergency Rent Act, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the District of Columbia Emergency Rent Act is hereby amended to read as follows:

"PURPOSES; TIME LIMIT

"SECTION 1. (a) It is hereby found that the national emergency and the national defense program (1) have aggravated the congested situation with regard to housing accommodations existing at the seat of government; (2) have led or will lead to profiteering and other speculative and manipulative practices by some owners of housing accommodations; (3) have rendered or will render ineffective the normal operations of a free market in housing accommodations; and (4) are making it increasingly difficult for persons whose duties or obligations require them to live or work in the District of Columbia to obtain such accommodations. Whereupon it is the purpose of this act and the policy of the Congress during the existing emergency to prevent undue rent increases and any other practices relating to housing accommodations in the District of Columbia which may tend to increase the cost of living or otherwise impede the national-defense program.

"(b) The provisions of this act, and all regulations, orders, and requirements thereunder, shall terminate on June 30, 1952; except that as to offenses committed, or rights or liabilities incurred, prior to such expiration date, the provisions of this act and such regulations, orders, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"MAXIMUM-RENT CEILINGS AND MINIMUM-SERVICE STANDARDS

"SEC. 2. Subject to such adjustments as may be made pursuant to sections 3 and 4, maximum-rent ceilings and minimum-service standards for housing accommodations in the District of Columbia shall be the following:

"(1) For housing accommodations rented on January 1, 1951, and not under control under this act prior to that date, the rent and service to which the landlord and tenant were entitled on that date.

"(2) For housing accommodations not rented on January 1, 1951, but which had been rented within the year ending on that date, and not under control under this act during that year, the rent and service to which the landlord and tenant were last entitled within such year.

"(3) For housing accommodations not rented on January 1, 1951, or within the year ending on that date, and not covered by subsection (4) hereof, the rent and service generally prevailing for comparable housing accommodations as determined by the Administrator.

"(4) For housing accommodations under control under this act on December 31, 1950, the rent and service to which the landlord and tenant were entitled on June 15, 1951, except that upon the filing, by any landlord of any housing accommodations covered by this subsection, of a new rent schedule on a form prescribed by the Administrator and setting forth the pertinent circumstances as indicated by such form, the rent and service shall be adjusted and automatically effective upon the date of filing thereof, (A) for housing accommodations rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased to 20 percent above the rent heretofore frozen at the level of January 1, 1941, or the last rent in the year 1940, whichever was applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator; and (B) for housing accommodations not rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased by 2 percent per year for each calendar year ending after rent schedules for such housing accommodations were first filed in the office of the Administrator, for the calendar years 1941 to 1950, inclusive, to the extent applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator.

"GENERAL AND SPECIAL ADJUSTMENTS

"SEC. 3. (a) Whenever in the judgment of the Administrator a general increase or decrease since January 1, 1951, in taxes or other maintenance or operating costs or expenses has occurred or is about to occur in such manner and amount as substantially to affect the maintenance and operation of housing accommodations generally or of any particular class of housing accommodations, he may by regulation or order increase or decrease the maximum-rent ceiling or minimum-service standard, or both, for such accommodations or class thereof in such manner or amount as will in his judgment compensate, in whole or in part, for such general increase or decrease. Thereupon such adjusted ceiling or standard shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto.

"(b) Upon a showing by any landlord of good cause in the judgment of the Administrator that the maximum-rent ceiling on any housing accommodation is substantially lower than the maximum-rent ceiling for comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, the Administrator may, by special order under this section, adjust such lower ceiling so as to equalize the same with such higher ceiling, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"(c) Upon the showing by any landlord to the satisfaction of the Administrator that the maximum-rent ceilings, on any comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, will vary in amount due to the effect of General Orders 12 and 13 or similar general orders, the Administrator may, by special order under this section, adjust any or all of such ceilings so as to equalize the same, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"PETITION FOR ADJUSTMENT

"SEC. 4. (a) Any landlord or tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling is, due to peculiar circumstances affecting such housing accommodations, substantially higher or lower than the rent generally prevailing for comparable housing accommodations; whereupon the Administrator may by order adjust such maximum-rent ceiling to provide the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"(b) Any landlord may petition the Administrator to adjust the maximum-rent ceiling or minimum-service standard, or both, applicable to his housing accommodations to compensate for (1) a substantial rise in taxes or other maintenance or operating costs or expenses over those prior to January 1, 1951, or (2) a substantial capital improvement including furniture and furnishings or alteration made since January 1, 1951; whereupon the Administrator may by order adjust such maximum-rent ceiling or minimum-service standard in such manner or amount as he deems proper to compensate therefor, in whole or in part, if he finds such adjustment necessary or appropriate to carry out the purposes of this act: *Provided*, That no such adjusted maximum-rent ceiling or minimum-service standard shall permit the receipt of rent in excess of the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"(c) Any tenant may petition the Administrator on the ground that the service supplied to him is less than the service established by the minimum-service standard for his housing accommodations; whereupon the Administrator may order that the service be maintained at such minimum-service standard, or that the maximum-rent ceiling be decreased to compensate for a reduction in service, as he deems necessary or appropriate to carry out the purposes of this act.

"(d) Any landlord may petition the Administrator for permission to reduce the service supplied by him in connection with any housing accommodations; whereupon the Administrator, if he determines that the reduction of such service is to be made in good faith for valid business reasons and is not inconsistent with carrying out the purposes of this act, may, by order, reduce the minimum-service standard applicable to such housing accommodations and adjust the maximum-rent ceiling downward in such amount as he deems proper to compensate therefor.

"(e) Any tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling permits the receipt of an unduly high rent; whereupon the Administrator may by order adjust such maximum-rent ceiling in such manner or amount as shall, in his judgment, effectuate the purposes of this act and provide a fair and reasonable rent for such housing accommodations, but not less than the generally prevailing rate for comparable housing accommodations.

"(f) A petition made pursuant to this section shall be subject to the provisions of sections 8 and 9 of this act. Any adjusted maximum-rent ceiling or minimum-service standard order pursuant to this section shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto; except that, in the event that the adjustment order is stayed or set aside by the court in accordance with section 9 of this act, the maximum-rent ceiling and minimum-service standard theretofore applicable to such housing accommodations under this act remain in full force and effect.

"(g) Upon the expiration of 45 days after the date of the filing of any petition by any landlord for adjustment of the maximum-rent ceiling under the provisions of subsection (b) of this section, the maximum-rent ceiling for the housing accommodations covered by such petition automatically shall become the ceiling requested in such adjustment petition, unless and until such adjustment petition shall have been finally disposed of by the Administrator or his office, pursuant to the provisions of this section and the provisions of sections 8 and 9. Upon such final disposition, if the maximum-rent ceiling provided by this subsection during the pendency of such adjustment petition shall exceed the maximum-rent ceiling as finally disposed of by the Administrator or his office, any tenant having paid such excess or any part thereof shall be entitled to a refund to the extent of such payment, but the landlord shall not be liable for any penalties under the provisions of this act.

"PROHIBITIONS

"SEC. 5. (a) It shall be unlawful, regardless of any agreement, lease, or other obligation heretofore or hereafter entered into, for any person to demand or receive any rent in excess of the maximum-rent ceiling, or refuse to supply any service required by the minimum-service standards, or otherwise to do or omit to do any act in violation of any provision of this act or of any regulation, order, or other requirement thereunder, or to offer or agree to do any of the foregoing.

"(b) No action or proceeding to recover possession of housing accommodations shall be maintainable by any landlord against any tenant, notwithstanding that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled, unless—

"(1) The tenant is (A) violating an obligation of his tenancy (other than an obligation to pay rent higher than rent permitted under this act or any regulation or order thereunder applicable to the housing accommodations involved or an obligation to surrender possession of such accommodations) or (B) is committing a nuisance or using the housing accommodations for an immoral or illegal purpose or for other than living or dwelling purposes; or

"(2) The landlord seeks in good faith to recover possession of the property for his immediate and personal use and occupancy as a dwelling: *Provided*, That in the case of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association, no such action or proceeding under this paragraph or paragraph (3) of this section shall be maintained unless the landlord is a bona fide owner of stock in, or member of, such cooperative corporation or association and has actually paid in in cash at least 30 per centum of the full purchase price of the stock, proprietary lease, or other evidence of ownership entitling the landlord to possession of such housing accommodations, or was, immediately prior to the effective date of this amendatory act, entitled to recover possession.

"(3) The landlord has in good faith contracted in writing to sell the property for immediate and personal use and occupancy as a dwelling by the purchaser and that the contract of sale contains a representation by the purchaser that the property is being purchased by him for such immediate and personal use and occupancy; or

"(4) The landlord seeks in good faith to recover possession for the immediate purpose of substantially altering, remodeling, or demolishing the property and replacing it with new construction, the plans for which altered, remodeled, or new construction having been filed with, and approved by, the Commissioners of the District of Columbia; or

"(5) The landlord seeks in good faith to recover possession for the immediate purpose of discontinuing the housing use and occupancy for a continuous period of not less than 6 months, during which period, commencing on the date possession is recovered under this subsection, it shall be unlawful for the owner of such housing accommodations or his agent to demand or receive rent for the same, and any person paying such rent may bring an action for double the amount of rent so paid, pursuant to the provisions of section 10 of the act; or

"(6) The landlord, being a recognized school or an accredited nonprofit university, has a bona fide need for the premises for educational, research, administrative, or dormitory use.

"(c) It shall be unlawful for any person to remove, or attempt to remove, from any housing accommodations the tenant or occupant thereof or to refuse to renew lease or agreement for the use of such accommodations because such tenant or occupant has taken or purposes to take action authorized or required by this act or any regulation, order, or requirement thereunder.

"ADMINISTRATOR

"SEC. 6. There is hereby created in and for the District of Columbia the Office of Administrator of Rent Control. The Administrator shall be appointed by the Commissioners of the District of Columbia and shall be a bona fide resident of the District of Columbia for not less than 3 years prior to his appointment. He shall devote his full time to the Office of Administrator and shall receive a salary at the rate of $11,200 per annum. The Administrator shall establish offices, acquire supplies and equipment, and employ such personnel subject to approval by the Commissioners of the District of Columbia, and in accordance with the Classification Act of 1949, without regard to race or creed, as may be necessary in the performance of his functions under this act. The Administrator shall submit a semiannual report to the Commissioners of the District of Columbia for transmittal to the Congress of the United States.

"OBTAINING INFORMATION

"SEC. 7. (a) The Administrator may make such studies and investigations, and obtain or require the furnishing of such information under oath or affirmation or otherwise, as he deems necessary or proper to assist him in prescribing any regulation or order under this act, or in the administration and enforcement of this act, and regulations and orders thereunder. For such purposes the Administrator may administer oaths and affirmations; may require, by subpena or otherwise, the attendance and testimony of witnesses and the production of documents at any designated place; may require persons to permit the inspection and copying of documents, and the inspection of housing accommodations; and may, by regulation or order, require the making and keeping of records and other documents. No person shall be excused from complying with any requirement under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C., 1934 ed., title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege. In the event of contumacy or refusal to obey any such subpena or requirement under this section, the Administrator may make application to the United States District Court for the District of Columbia for an order requiring obedience thereto. Thereupon the court, with or without notice and hearing, as it in its discretion may decide, shall make such order as is proper and may punish as a contempt any failure to comply with such order.

"(b) The Administrator shall have authority to promulgate, issue, amend, or rescind rules and regulations, subject to approval by the Commissioners of the District of Columbia, and to issue such orders as may be deemed necessary or proper to carry out the purposes and provisions of this act or to prevent the circumvention or evasion thereof.

"PROCEDURE

"SEC. 8. (a) Any petition filed by a landlord or tenant under section 4 shall be promptly referred to an examiner designated by the Administrator. Notice of such action, in such manner as the Administrator shall by regulation prescribe, shall be given the tenant and landlord of the housing accommodations involved. If the petition be frivolous or without merit, the examiner shall forthwith dismiss it. Such order of dismissal may be reviewed by the Administrator in the manner provided in subsection (c) of this section. The examiner shall grant a hearing upon the petition except in cases dismissed under this subsection.

"(b) Hearings under this section shall be conducted in accordance with regulations prescribed by the Administrator. The landlord and tenant shall be given an opportunity to be heard or to file written statements, due regard to be given the utility and relevance of the information offered and the need for expedition. In any such hearing the common-law rules of evidence shall not be controlling.

"(c) The examiner, after hearing, shall make findings of fact and recommend an appropriate order. Copies of such findings and order shall be served upon the parties to the proceeding in such manner as the Administrator may prescribe by regulation. Within 10 days after such service, any such party may request that the recommended order be reviewed by the Administrator. If there be no such request within such 10 days, the findings and recommended order of the examiner shall thereupon be deemed to be the findings and order of the Administrator: *Provided*, That the Administrator may review the proceedings, as herein provided, on his own motion at any time within 20 days after service of the examiner's findings and order upon the parties. The Administrator may, in his discretion, grant a hearing upon the request. Upon such request or motion, the record in the case shall be forthwith transferred to the Administrator for review and he may, in his discretion, grant a hearing. He shall state his findings of fact or affirm the examiner's findings of fact, which findings in either case shall be conclusive if supported by substantial evidence, and shall make an appropriate order.

"COURT REVIEW

"SEC. 9. (a) Within 10 days after issuance of an order of the Administrator under section 4, any party may file a petition to review such action in the municipal court of appeals for the District of Columbia and shall forthwith serve a copy of such petition upon the Administrator. Thereupon, the Administrator shall certify and file with the court a transcript of the record upon which the

order complained of was entered. Upon the filing of such transcript, the court shall have exclusive jurisdiction to affirm or set aside such order, or remand the proceeding: *Provided*, That the Administrator may at any time, upon reasonable notice and in such manner as he shall deem proper, rescind, modify, or set aside, in whole or in part, any such order at any time notwithstanding the pendency of the petition to review.

"(b) No objection that has not been urged before the Administrator shall be considered by the court unless the failure to urge such objection shall be excused because of extraordinary circumstances. No order shall be set aside or remanded unless the petitioner shall establish to the satisfaction of the court that the order is not in accordance with law, or is not supported by substantial evidence. The commencement of proceedings under this section shall not, except as provided in subsection (d), operate as a stay of the Administrator's order.

"(c) The municipal court of appeals of the District of Columbia is hereby granted exclusive jurisdiction to review any order of the Administrator made pursuant to section 4 of this act. The judgment and decree of the court shall be final, subject to review as provided by law relative to other judgments of the court.

"(d) No court shall issue any interlocutory order or decree staying the effectiveness of any provision of this act or any regulation or order issued thereunder unless the person objecting to such provision, regulation, or order shall file with the court an undertaking with a surety or sureties satisfactory to the court for the payment, in the event such objection is not sustained, of the amount by which the maximum rent, if any, permitted under such provision, regulation, or order exceeds or is less than the amount actually received or paid while such stay is in effect.

"ENFORCEMENT; PENALTIES

"SEC. 10. (a) If any landlord receives rent or refuses to render services in violation of any provision of this act, or of any regulation or order thereunder prescribing a rent ceiling or service standard, the tenant paying such rent or entitled to such service, or the Administrator on behalf of such tenant, may bring suit to rescind the lease or rental agreement, or, in case of violation of a maximum-rent ceiling, an action for double the amount by which the rent paid exceeded the applicable rent ceiling and, in case of violation of a minimum-service standard, an action for double the value of the services refused in violation of the applicable minimum-service standard of for $50, whichever is greater in either case, plus reasonable attorneys' fees and costs as determined by the court. Any suit or action under this subsection may be brought in the municipal court for the District of Columbia regardless of the amount involved, and the municipal court is hereby given exclusive jurisdiction to hear and determine all such cases.

"(b) Any person who willfully violates any provision of this act or any regulation, order, or requirement thereunder, and any person who willfully makes any statement or entry false in any material respect in any document or report required to be kept or filed thereunder, and any person who willfully participates in any fictitious sale or other device or arrangement with intent to evade this act or any regulation, order, or requirement thereunder, shall be prosecuted therefor by the corporation counsel of the District of Columbia or an assistant, on information filed in the municipal court for the District of Columbia, and shall upon conviction be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

"(c) No person shall be held liable for damages or penalties in any court on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this act or any regulation, order, or requirement thereunder, notwithstanding that subsequently such provision, regulation, order, or requirement may be modified, rescinded, or determined to be invalid. The Administrator may intervene in any suit or action wherein a party relies for ground of relief or defense upon this act or any regulation, order, or requirement thereunder. No costs shall be assessed against the Administrator in any proceedings had or taken in accordance with this act.

"(d) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of this act, or any regulation, order, or requirement thereunder, he may make application to the United States District Court for the District of Columbia for an order enforcing compliance with this act or such regulation, order, or requirement, and upon a proper showing a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

"DEFINITIONS

"SEC. 11. As used in this act—

"(a) The term 'housing accommodations' means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes in the District of Columbia together with all services supplied in connection with the use or occupancy of such property; but the term 'housing accommodations' shall not include (1) any of the accommodations in a hotel in which more than 60 percent of the units devoted to living quarters for tenants and guests is used for furnishing accommodations for transients, or the building constituting such hotel; or (2) furnished non-housekeeping accommodations, whether or not in a hotel, which are rented as rooms without kitchen privileges or facilities for cooking (but not in a suite of two or more rooms); or (3) any building used as a licensed house.

"(b) The term 'services' includes the furnishing of light, heat, hot and cold water, telephone, elevator service, furnishings, furniture, window shades, screens, awnings, and storage; kitchen, bath, and laundry facilities and privileges; maid service; janitor service; the removal of refuse, and the making of all repairs suited to the housing accommodations or necessitated by ordinary wear and tear; and any other privilege or facility connected with the use of occupancy of housing accommodations.

"(c) The term 'rent' means the consideration, including any bonus, benefit, or gratuity, demanded or received per day, week, month, year, or other period of time, as the case may be, for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"(d) The term 'maximum-rent ceiling' means the maximum rent which may be demanded or received for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"(e) The term 'minimum-service standards' means the minimum service which may be supplied in connection with the renting or leasing of housing accommodations.

"(f) The term 'tenant' includes a subtenant, lessee, sublessee, or other persons entitled to the use of occupancy of any housing accommodations.

"(g) The term 'landlord' includes an owner, lessor, sublessor, or other person entitled to receive rent for the use or occupancy of any housing accommodations.

"(h) The term 'person' includes one or more individuals, firms, partnerships, corporations, or associations, and any agent, trustee, receiver, assignee, or other representative thereof.

"(i) The term 'documents' includes leases, agreements, records, books, accounts, correspondence, memoranda, and other documents, and drafts and copies of the foregoing.

"SEPARABILITY

"SEC. 12. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

"APPROPRIATION

"SEC. 13. There are hereby authorized to be appropriated such funds as may be necessary to carry out the provisions of this act, to be paid out of money in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated.

"SHORT TITLE

"SEC. 14. This act may be cited as the 'District of Columbia Emergency Rent Act of 1951'."

SEC. 2. This act shall take effect on the day following the date of its enactment.

Mr. HARRIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Strike out all after the enacting clause of S. 1590 and insert the provisions of H. R. 4431 as passed: "That the District of Columbia Emergency Rent Act is hereby amended to read as follows:

"'PURPOSES; TIME LIMIT

"'SECTION 1. (a) It is hereby found that the national emergency and the national defense program (1) have aggravated the congested situation with regard to housing accommodations existing at the seat of government; (2) have led or will lead to profiteering and other speculative and manipulative practices by some owners of housing accommodations; (3) have rendered or will render ineffective the normal operations of a free market in housing accommodations; and (4) are making it increasingly difficult for persons whose duties or obligations require them to live or work in the District of Columbia to obtain such accommodations. Whereupon it is the purpose of this act and the policy of the Congress during the existing emergency to prevent undue rent increases and any other practices relating to housing accommodations in the District of Columbia which may tend to increase the cost of living or otherwise impede the national defense program.

"'(b) The provisions of this act, and all regulations, orders, and requirements thereunder, shall terminate on March 31, 1952; except that as to offenses committed, or rights or liabilities incurred, prior to such expiration date, the provisions of this act and such regulations, orders, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"'MAXIMUM-RENT CEILINGS AND MINIMUM-SERVICE STANDARDS

"'SEC. 2. Subject to such adjustments as may be made pursuant to sections 3 and 4, maximum-rent ceilings and minimum-service standards for housing accommodations in the District of Columbia shall be the following:

"'(1) For housing accommodations rented on January 1, 1951, and not under control under this act prior to that date, the rent and service to which the landlord and tenant were entitled on that date.

"'(2) For housing accommodations not rented on January 1, 1951, but which had been rented within the year ending on that

date, and not under control under this act during that year, the rent and service to which the landlord and tenant were last entitled within such year.

"'(3) For housing accommodations not rented on January 1, 1951, or within the year ending on that date, and not covered by subsection (4) hereof, the rent and service generally prevailing for comparable housing accommodations as determined by the Administrator.

"'(4) For housing accommodations under control under this act on December 31, 1950, the rent and service to which the landlord and tenant were entitled on December 31, 1950; except that upon the filing, by any landlord of any housing accommodations covered by this subsection, of a new rent schedule on a form prescribed by the Administrator and setting forth the pertinent circumstances as indicated by such form, the rent and service shall be adjusted and automatically effective upon the date of filing thereof, (A) for housing accommodations rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased to 20 percent above the rent heretofore frozen at the level of January 1, 1941, or the last rent in the year 1940, whichever was applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator; and (B) for housing accommodations not rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased by 2 percent per year for each calendar year ending after rent schedules for such housing accommodations were first filed in the office of the Administrator, for the calendar years 1941 to 1950, inclusive, to the extent applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator.

"'GENERAL AND SPECIAL ADJUSTMENTS

"'SEC. 3. (a) Whenever in the judgment of the Administrator a general increase or decrease since January 1, 1951, in taxes or other maintenance or operating costs or expenses has occurred or is about to occur in such manner and amount as substantially to affect the maintenance and operation of housing accommodations generally or of any particular class of housing accommodations, he may by regulation or order increase or decrease the maximum-rent ceiling or minimum-service standard, or both, for such accommodations or class thereof in such manner or amount as will in his judgment compensate, in whole or in part, for such general increase or decrease. Thereupon such adjusted ceiling or standard shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto.

"'(b) Upon a showing by any landlord of good cause in the judgment of the Administrator that the maximum-rent ceiling on any housing accommodation is substantially lower than the maximum-rent ceiling for comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, the Administrator may, by special order under this section, adjust such lower ceiling so as to equalize the same with such higher ceiling, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"'(c) Upon the showing by any landlord to the satisfaction of the Administrator that the maximum-rent ceilings, on any comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, will vary in amount due to the effect of General Orders 12 and 13 or similar general orders, the Administrator may, by special order under this section, adjust any or all of such ceilings so as to equalize the same, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"'PETITION FOR ADJUSTMENT

"'SEC. 4. (a) Any landlord or tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling is, due to peculiar circumstances affecting such housing accommodations, substantially higher or lower than the rent generally prevailing for comparable housing accommodations; whereupon the Administrator may by order adjust such maximum-rent ceiling to provide the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"'(b) Any landlord may petition the Administrator to adjust the maximum-rent ceiling or minimum-service standard, or both, applicable to his housing accommodations to compensate for (1) a substantial rise in taxes or other maintenance or operating costs or expenses over those prior to January 1, 1951, or (2) a substantial capital improvement including furniture and furnishings or alteration made since January 1, 1951; whereupon the Administrator may by order adjust such maximum-rent ceiling or minimum-service standard in such manner or amount as he deems proper to compensate therefor; in whole or in part, if he finds such adjustment necessary or appropriate to carry out the purposes of this act: *Provided*, That no such adjusted maximum-rent ceiling or minimum-service standard shall permit the receipt of rent in excess of the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"'(c) Any tenant may petition the Administrator on the ground that the service supplied to him is less than the service established by the minimum-service standard for his housing accommodations; whereupon the Administrator may order that the service be maintained at such minimum-service standard, or that the maximum-rent ceiling be decreased to compensate for a reduction in service, as he deems necessary or appropriate to carry out the purposes of this act.

"'(d) Any landlord may petition the Administrator for permission to reduce the service supplied by him in connection with any housing accommodations; whereupon the Administrator, if he determines that the reduction of such service is to be made in good faith for valid business reasons and is not inconsistent with carrying out the purposes of this act, may, by order, reduce the minimum-service standard applicable to such housing accommodations and adjust the maximum-rent ceiling downward in such amount as he deems proper to compensate therefor.

"'(e) Any tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling permits the receipt of an unduly high rent; whereupon the Administrator may by order adjust such maximum-rent ceiling in such manner or amount as shall, in his judgment, effectuate the purposes of this act and provide a fair and reasonable rent for such housing accommodations, but not less than the generally prevailing rate for comparable housing accomodations.

"'(f) A petition made pursuant to this section shall be subject to the provisions of sections 8 and 9 of this act. Any adjusted maximum-rent ceiling or minimum-service standard ordered pursuant to this section shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto; except that, in the event that the adjustment order is stayed or set aside by the court in accordance with section 9 of this act, the maximum-rent ceiling and minimum-service standard theretofore applicable to such housing accommodations under this act remain in full force and effect.

"'(g) Upon the expiration of 45 days after the date of the filing of any petition by any landlord for adjustment of the maximum-rent ceiling under the provisions of subsection (b) of this section, the maximum-rent ceiling for the housing accommodations covered by such petition automatically shall become the ceiling requested in such adjustment petition, unless and until such adjustment petition shall have been finally disposed of by the Administrator or his office, pursuant to the provisions of this section and the provisions of sections 8 and 9. Upon such final disposition the maximum-rent ceiling provided by this subsection during the pendency of such adjustment petition shall exceed the maximum-rent ceiling as finally disposed of by the Administrator or his office, any tenant having paid such excess or any part thereof shall be entitled to a refund to the extent of such payment, but the landlord shall not be liable for any penalties under the provisions of this act.

"'PROHIBITIONS

"'SEC. 5 (a). It shall be unlawful, regardless of any agreement, lease, or the obligation heretofore or hereafter entered into, for any person to demand or receive any rent in excess of the maximum-rent ceiling, or refuse to supply any service required by the minimum-service standards, or otherwise to do or omit to do any act in violation of any provision of this act or of any regulation, order, or other requirement thereunder, or to offer or agree to do any of the foregoing.

"'(b) No action or proceeding to recover possession of housing accommodations shall be maintainable by any landlord against any tenant, notwithstanding that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled, unless—

"'(1) The tenant is (A) violating an obligation of his tenancy (other than an obligation to pay rent higher than rent permitted under this act or any regulation or order thereunder applicable to the housing accommodations involved or an obligation to surrender possession of such accommodations) or (B) is committing a nuisance or using the housing accommodations for an immoral or illegal purpose or for other than living or dwelling purposes; or

"'(2) The landlord seeks in good faith to recover possession of the property for his immediate and personal use and occupancy as a dwelling: *Provided*, That in the case of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association no such action or proceeding under this paragraph or paragraph (3) of this section shall be maintained unless stock or membership in the cooperative corporation or association has been acquired by persons who are or were tenants in occupancy of at least 65 percent of the dwelling units in the structure or premises at the time said cooperative corporation or association either (1) acquired or leased said structure or premises, or (2) entered into a contract or option to acquire or lease said structure or premises, whichever date is earliest, and who as such stockholders or members are entitled to possession of their respective dwelling units in the structure or premises by virtue of proprietary leases or otherwise, and this provision shall apply whether such corporation or association acquired or leased such structure or premises or entered into a contract or option to do so prior to or

after the effective date of this amendatory act or unless as the holder of stock or membership acquired in the cooperative corporation or association prior to March 1, 1949, a stockholder or member was entitled to possession of a dwelling unit in the structure or premises by virtue of a proprietary lease or otherwise.

"'(3) The landlord has in good faith contracted in writing to sell the property for immediate and personal use and occupancy as a dwelling by the purchaser and that the contract of sale contains a representation by the purchaser that the property is being purchased by him for such immediate and personal use and occupancy; or

"'(4) The landlord seeks in good faith to recover possession for the immediate purpose of substantially altering, remodeling, or demolishing the property and replacing it with new construction, the plans for which altered, remodeled, or new construction having been filed with, and approved by, the Commissioners of the District of Columbia; or

"'(5) The landlord seeks in good faith to recover possession for the immediate purpose of discontinuing the housing use and occupancy for a continuous period of not less than 6 months, during which period, commencing on the date possession is recovered under this subsection, it shall be unlawful for the owner of such housing accommodations or his agent to demand or receive rent for the same, and any person paying such rent may bring an action for double the amount of rent so paid, pursuant to the provisions of section 10 of the act; or

"'(6) The landlord, being a recognized school or an accredited nonprofit university, has a bona fide need for the premises for educational, research, administrative, or dormitory use.

"'(c) It shall be unlawful for any person to remove, or attempt to remove, from any housing accommodations the tenant or occupant thereof or to refuse to renew lease or agreement for the use of such accommodations because such tenant or occupant has taken or purposes to take action authorized or required by this act or any regulation, order, or requirement thereunder.

"'ADMINISTRATOR

"'SEC. 6. There is hereby created in and for the District of Columbia the Office of Administrator of Rent Control. The Administrator shall be appointed by the Commissioners of the District of Columbia and shall be a bona fide resident of the District of Columbia for not less than 3 years prior to his appointment. He shall devote his full time to the Office of Administrator and, notwithstanding the provisions of any other law heretofore enacted, shall receive a salary at the rate of $10,000 per annum. The Administrator shall establish offices, acquire supplies and equipment, and employ such personnel subject to approval by the Commissioners of the District of Columbia, and in accordance with the Classification Act of 1949, without regard to race or creed, as may be necessary in the performance of his functions under this act. The Administrator shall submit a semiannual report to the Commissioners of the District of Columbia for transmittal to the Congress of the United States.

"'OBTAINING INFORMATION

"'SEC. 7. (a) The Administrator may make such studies and investigations, and obtain or require the furnishing of such information under oath or affirmation or otherwise, as he deems necessary or proper to assist him in prescribing any regulation or order under this act, or in the administration and enforcement of this act, and regulations and orders thereunder. For such purposes the Administrator may administer oaths and affirmations; may require, by subpena or otherwise, the attendance and testimony of witnesses and the production of documents at any designated place; may require persons to permit the inspection and copying of documents, and the inspection of housing accommodations; and may, by regulation or order, require the making and keeping of records and other documents. No person shall be excused from complying with any requirement under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C., 1934 ed., title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege. In the event of contumacy or refusal to obey any such subpena or requirement under this section, the Administrator may make application to the United States District Court for the District of Columbia for an order requiring obedience thereto. Thereupon the court, with or without notice and hearing, as it in its discretion may decide, shall make such order as is proper and may punish as a contempt any failure to comply with such order.

"'(b) The Administrator shall have authority to promulgate, issue, amend, or rescind rules and regulations, subject to approval by the Commissioners of the District of Columbia, and to issue such orders as may be deemed necessary or proper to carry out the purposes and provisions of this act or to prevent the circumvention or evasion thereof.

"'PROCEDURE

"'SEC. 8. (a) Any petition filed by a landlord or tenant under section 4 shall be promptly referred to an examiner designated by the Administrator. Notice of such action, in such manner as the Administrator shall by regulation prescribe, shall be given the tenant and landlord of the housing accommodations involved. If the petition be frivolous or without merit, the examiner shall forthwith dismiss it. Such order of dismissal may be reviewed by the Administrator in the manner provided in subsection (c) of this section. The examiner shall grant a hearing upon the petition except in cases dismissed under this subsection.

"'(b) Hearings under this section shall be conducted in accordance with regulations prescribed by the Administrator. The landlord and tenant shall be given an opportunity to be heard or to file written statements, due regard to be given the utility and relevance of the information offered and the need for expedition. In any such hearing the common-law rules of evidence shall not be controlling.

"'(c) The examiner, after hearing, shall make findings of fact and recommend an appropriate order. Copies of such findings and order shall be served upon the parties to the proceeding in such manner as the Administrator may prescribe by regulation. Within 5 days after such service, and such party may request that the recommended order be reviewed by the Administrator. If there be no such request within such 5 days, the findings and recommended order of the examiner shall thereupon be deemed to be the findings and order of the Administrator: *Provided*, That the Administrator may review the proceedings, as herein provided, on his own motion at any time within 10 days after service of the examiner's findings and order upon the parties. The Administrator may, in his discretion, grant a hearing upon the request. Upon such request or motion, the record in the case shall be forthwith transferred to the Administrator for review and he may, in his discretion, grant a hearing. He shall state his findings of fact or affirm the examiner's findings of fact, which findings in either case shall be conclusive if supported by substantial evidence, and shall make an appropriate order.

"'COURT REVIEW

"'SEC. 9. (a) With 10 days after issuance of an order of the Administrator under section 4, any party may file a petition to review such action in the Municipal Court of Appeals for the District of Columbia and shall forthwith serve a copy of such petition upon the Administrator. Thereupon, the Administrator shall certify and file with the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript, the court shall have exclusive jurisdiction to affirm or set aside such order, or remand the proceeding: *Provided*, That the Administrator may at any time, upon reasonable notice and in such manner as he shall deem proper, rescind, modify, or set aside, in whole or in part, any such order of the Administrator at any time notwithstanding the pendency of the petition to review.

"'(b) No objection that has not been urged before the Administrator shall be considered by the court unless the failure to urge such objection shall be excused because of extraordinary circumstances. No order shall be set aside or remanded unless the petitioner shall establish to the satisfaction of the court that the order is not in accordance with law, or is not supported by substantial evidence. The commencement of proceedings under this section shall not, except as provided in subsection (d), operate as a stay of the Administrator's order.

"'(c) The municipal court of appeals for the District of Columbia is hereby granted exclusive jurisdiction to review any order of the Administrator made pursuant to section 4 of this act. The judgment and decree of the court shall be final, subject to review as provided by law relative to other judgments of the court.

"'(d) No court shall issue any interlocutory order or decree staying the effectiveness of any provision of this act or any regulation or order issued thereunder unless the person objecting to such provision, regulation, or order shall file with the court an undertaking with a surety or sureties satisfactory to the court for the payment, in the event such objection is not sustained, of the amount by which the maximum rent, if any, permitted under such provision, regulation, or order exceeds or is less than the amount actually received or paid while such stay is in effect.

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"'(b) No person shall be held liable for damages or penalties in any court on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this act or any regulation, order, or requirement thereunder, notwithstanding that subsequently such provision, regulation, order, or requirement may be modified, rescinded, or determined to be invalid. The Administrator may intervene in any suit or action wherein a party relies for ground of relief or defense upon this act

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"'(c) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of this act, or any regulation, order, or requirement thereunder, he may make application to the United States District Court for the District of Columbia for an order enforcing compliance with this act or such regulation, order, or requirement, and upon a proper showing a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

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"'SEC. 11. As used in this act—

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"'(b) The term "services" includes the furnishing of light, heat, hot and cold water, telephone, elevator service, furnishings, furniture, window shades, screens, awnings, and storage; kitchen, bath, and laundry facilities and privileges; maid service; janitor service; the removal of refuse, and the making of all repairs suited to the housing accommodations or necessitated by ordinary wear and tear; and any other privilege or facility connected with the use or occupancy of housing accommodations.

"'(c) The term "rent" means the consideration, including any bonus, benefit, or gratuity, demanded or received per day, week, month, year, or other period of time, as the case may be, for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"'(d) The term "maximum-rent ceiling" means the maximum rent which may be demanded or received for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"'(e) The term "minimum-service standard" means the minimum service which may be supplied in connection with the renting or leasing of housing accommodations.

"'(f) The term "tenant" includes a subtenant, lease, sublessee, or other person entitled to the use or occupancy of any housing accommodations.

"'(g) The term "landlord" includes an owner, lessor, sublessor, or other person entitled to receive rent for the use or occupancy of any housing accommodations.

"'(h) The term "person" includes one or more individuals, firms, partnerships, corporations, or associations, and any agent, trustee, receiver, assignee, or other representative thereof.

"'(i) The term "documents" includes leases, agreements, records, books, accounts, correspondence, memoranda, and other documents, and drafts and copies of the foregoing.

"'SEPARABILITY

"'SEC. 12. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

"'APPROPRIATION

"'SEC. 13. There are hereby authorized to be appropriated such funds as may be necessary to carry out the provisions of this act, to be paid out of money in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated.

"'SHORT TITLE

"'SEC. 14. This act may be cited as the "District of Columbia Emergency Rent Act of 1951".'

"SEC. 2. This act shall take effect on the day following the date of its enactment."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The proceedings whereby the bill H. R. 4431 was passed were vacated, and that bill laid on the table.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a supplemental report on the bill H. R. 3871.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PROVIDING FOR APPOINTMENT OF CONSERVATORS FOR PERSONS OF ADVANCED AGE AND MENTAL WEAKNESS

Mr. HARRIS. Mr. Speaker, I call up the bill (S. 11) to provide for the appointment of conservators to conserve the assets of persons of advanced age, mental weakness, not amounting to unsoundness of mind, or physical incapacity, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That if a person residing in or having property in the District of Columbia is unable, by reason of advanced age, mental weakness (not amounting to unsoundness of mind), or physical incapacity properly to care for his property, the United States District Court for the District of Columbia may, upon his petition or the sworn petition of one or more of his relatives or friends, appoint some fit person to be conservator of his property.

SEC. 2. Upon the filing of such petition, the court shall fix a time and place for a hearing thereon; and shall cause at least 14 days' notice thereof to be given to the person for whom a conservator is sought to be appointed if he is not the petitioner, and to such other persons as the court shall direct. The court in its discretion may appoint some disinterested person to act as guardian ad litem in any proceeding hereunder. Upon a finding that such person is incapable of caring for his property, the court shall appoint a conservator who shall have the charge and management of the property of such person subject to the direction of the court.

SEC. 3. Such conservator before entering upon the discharge of his duties shall execute an undertaking with surety to be approved by the court in such maximum amount as the court may order, conditioned on the faithful performance of his duties as such conservator; and he shall have control of the estate, real and personal, of the person for whom he has been appointed conservator, with power to collect all debts due such person, and upon authority of the court to adjust and settle all accounts owing by him, and to sue and be sued in his representative capacity. He shall apply such part of the annual income, and such part of the principal as the court may authorize, of the estate of such person to the support of such person, and the maintenance and education of his family and children; and shall in all other respects perform the same duties and have the same rights and powers with respect to the property of such person as have guardians of the estates of infants.

SEC. 4. When any person for whom a conservator has been appointed under the provisions of this act shall become competent to manage his property, he may apply to such court to have such conservator discharged and to be restored to the care and control of his property. If the court finds him to be competent, an order shall be entered restoring the care and control of his property to such person. The court shall have the same powers with respect to the property of any person for whom a conservator has been appointed as it has with respect to the property of infants under guardianships.

SEC. 5. Upon filing of a petition as provided by this act the court may, with or without notice or hearing, appoint a temporary conservator of the estate of any person hereunder, if it deems such action necessary for the protection of such estate, subject to the provisions for an undertaking contained in section 3 hereof. Such temporary conservator shall serve only until such time as a permanent conservator can be appointed or until sooner discharged.

SEC. 6. Where a conservator is appointed pursuant to the provisions of this act, all contracts and business transactions, subsequent to the filing of the petition, of a person for whom a conservator has been appointed hereunder, shall be presumed to be a fraud upon him and against his rights and interests.

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill, S. 11, was passed by the Senate on April 11, 1951, and has for its purpose to provide for the appointment of conservators to conserve the assets of persons of advanced age or mental weakness not amounting to unsoundness of mind or physical incapacity.

The bill provides that the District Court of the District of Columbia may appoint a conservator or a person to have charge and control over the properties of persons who have reached certain ages or that status of life where they are not capable mentally of looking after their own property.

I would like to say that under the law of the District of Columbia there are provisions for people who are of unsound mind. The law provides that their property will be taken care of by appointment of a guardian, but we have a condition which exists in the District where people who have reached a certain age or for some reason are mentally incapable of looking after their properties, and some outside or disinterested individual who has no claim

whatsoever on the property, may come in under any method and may be able to obtain the confidence of that person and dispose of the property at their will, and there is no way in the world whereby that situation can be reached.

This matter was called to the attention of both committees in the House and Senate by one of the judges of the District Court. In fact, he advised that there were a number of situations where some provision should be made whereby some person be appointed to take over and look after the property of the parties, under supervision of the court.

I might say for the information of the Members of the House that one of the judges of the United States district court advised us of a case where there was an elderly lady, 88 years old, who was under the absolute domination of a party who had been a roomer in that house for some 15 years. He had obtained most of her cash. He got her to execute a power of attorney giving complete authority to handle her property. He had her make a will leaving everything to him, and, in fact, has had a debt of some $5,500 forgiven. Consequently, this lady who has reached this age is about to be dispossessed of all her property. She is mentally incompetent to do anything about it. It seems that the court cannot move in and do anything about the condition that may exist, as I have explained, unless there is a definite determination as to the sanity of the individual.

There was one case where the court declared the party to be of unsound mind. The case was then appealed and was brought before a jury. The jury determined that this person who had reached the age of senility was mentally sound and that the person was not of unsound mind and consequently was not committed to the hospital.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. O'HARA. As I understood the situation, the only way they could take action was upon petition for insanity, and the jury found that this woman was not insane. There was no other provision by which they could proceed.

Mr. HARRIS. That is true. After the jury did find that the person was not of unsound mind and should not be committed, the court had no authority whatsoever to act. Consequently, this situation exists. The purpose of this bill is to relieve that situation which now exists in the District of Columbia.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. KEATING. Under the provisions of this bill, then, it is not possible to obtain a jury trial in such a case? It is not possible to obtain a jury trial to establish the facts set forth in the first section of the law. Am I correct?

Mr. HARRIS. No, not at all, because there is no way that such a case can be brought into court; there is no provision of law for it.

Mr. KEATING. I do not know that I made myself clear. It is necessary, is it not, under the terms of this bill to establish mental weakness not amounting to insanity, or to establish advanced age, or physical incapacity? Someone must find that as a fact.

Mr. HARRIS. This bill provides that the judge having this matter called to his attention may appoint what this bill calls a conservator, and the conservator would have authority to take over the property of the person involved.

Mr. KEATING. And the judge may do that without any opportunity to be heard on the part of those who may oppose that action?

Mr. HARRIS. He may do it on his own initiative, but it would not deprive the parties to a hearing before the court.

Mr. KEATING. In other words, under this provision, relatives or friends may obtain such a hearing?

Mr. HARRIS. Oh, yes.

Mr. KEATING. If they asked for it and if the person himself were opposed to being adjudged of advanced age or mentally weak, he would have an opportunity to contest the action, would he?

Mr. HARRIS. Very definitely so.

Mr. KEATING. And in such an action, if he sought to contest it, would he be entitled to ask for a jury trial or would it be entirely in the hands of the court to make the determination?

Mr. HARRIS. This, as I understand, does provide for jury trial in cases such as the gentleman mentioned.

Mr. KEATING. I thank the gentleman.

Mr. HARRIS. I understand that the gentleman from Minnesota, one of the very able and esteemed members of our committee, proposes to offer a substitute to this bill. I have had occasion to look it over briefly and, as I understand, he will explain that it proposes to accomplish the same objective. If so, perhaps it might be a better procedure.

Mr. O'HARA. Mr. Speaker, I move to strike out the last word and ask unanimous consent to proceed for 10 additional minutes.

The SPEAKER. Without objection, the gentleman from Minnesota may proceed for 10 additional minutes.

There was no objection.

The SPEAKER. The gentleman from Minnesota is recognized for 15 minutes.

Does the gentleman wish to offer his amendment now?

Mr. O'HARA. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA: Strike out all after the enacting clause and insert the following: "That if an adult person residing in or having property in the District of Columbia because of old age or imperfection or deterioration of mentality is incompetent to manage his person or estate, or any person because of gambling, idleness, or debauchery so spends or wastes his estate or injures his person as to be likely to expose himself or his family to want or suffering or physical incapacity to properly care for his property, the United States District Court for the District of Columbia may upon his petition or the sworn petition of any person appoint some fit person to be guardian of his property or his person or both.

"SEC. 2. The petition shall show—

"1. The name and address of the person for whom the guardian is sought;

"2. The date and place of his birth, if known;

"3. The names and addresses of his spouse, if any, parents, if any, children, if any, or if there be no known spouse, parents or children, the names and addresses of his nearest kindred;

"4. The reasons for the guardianship;

"5. The probable value and general character of his real and personal property, and the probable amount of his debts;

"6. The name, age, address, and occupation of the proposed guardian.

"SEC. 3. Upon filing such petition, the court shall fix the time and place for hearing thereon and shall cause at least 14 days notice thereof to be given to the person for whom the guardian is sought to be appointed, if he is not the petitioner, and to such other persons as the court shall direct. The court, in its discretion, may appoint some disinterested person to act as guardian ad litem in any proceeding hereunder.

"SEC. 4. Upon proof of the petition the court shall appoint one or two persons suitable and competent to discharge the trust as general guardians of the person or estate or of both.

"SEC. 5. Such guardian before entering upon the discharge of his duties shall execute an undertaking with surety to be approved by the court in such maximum amount as the court may order, conditioned upon the faithful performance of his duties as such guardian, and he shall have control of the estate, real and personal, of the person for whom he has been appointed guardian and of the person, if the court so directs, with power to collect all debts due such person, and upon approval of the court, to adjust and settle all accounts owed by him, and to sue and be sued in his representative capacity. He shall apply such part of the annual income and such part of the principal as the court may authorize, of the estate of such person to the support of such person and the maintenance and education of his family and children; and shall in all other respects perform the same duties and have the same rights and powers with respect to the property of such persons as have guardians of the estates of infants.

"SEC. 6. When any person for whom a guardian has been appointed under the provisions of this act shall become competent to manage his property, he may apply to such court to have such guardian discharged and to be restored to capacity. If the court finds him to be competent, an order shall be entered restoring the care and control of his property to such person and the court shall direct that he be restored to capacity. The court shall have the same powers with respect to the property and person for whom a guardian has been appointed under the provisions of this act as it has with respect to the persons and property of infants under guardianship.

"SEC. 7. Upon the filing of a petition as provided by this act, the court may with or without notice of hearing appoint a temporary guardian of the estate of any person hereunder if it deems such action necessary for the protection of such estate, subject to the provisions for an undertaking contained in section 5 hereof. Such temporary guardian shall serve only until such time as a permanent guardian can be appointed or until sooner discharged.

"SEC. 8. Lis pendens: Upon the filing of a petition hereunder, a certified copy of such petition may be filed for record in the office of the Recorder of Deeds of the District of Columbia. If a guardian be appointed on such petition, all contracts, except for necessaries, and all transfers of real and personal property made by the ward after such filing and before the termination of the guardianship shall be void."

Mr. O'HARA. Mr. Speaker, this legislation, as has been explained by the gentleman from Arkansas, originated out of the anomalous situation which exists in the District of Columbia that if an individual is not insane or is not a drunkard

or a drug addict there is nothing that can be done by the court to protect that individual or to preserve the assets of the individual against waste.

This bill was presented to our committee very hurriedly, and I felt at the time the matter was considered by our committee in executive session that further consideration should be had on the bill. I asked for that consideration, but my good friend from Arkansas and the rest of the members of the committee felt it should be reported immediately.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Arkansas.

Mr. HARRIS. I should like to say, in order to complete the record, that we did take cognizance of the fact hearings were held in the Senate and we had copies of those hearings.

Mr. O'HARA. I never saw them or had an opportunity to see them. They may have been before the gentleman, but I did not have an opportunity to see them.

This last Saturday I became further constrained to check on the condition which exists in the statutes of the District of Columbia, the code, and I find there is provision in there for the appointment of guardians for infants and for insane persons. Many years ago they passed a separate statute pertaining to drunkards and drug addicts, and there they provided for the appointment of a committee to act.

Now they come along with another bill by which they attempt to appoint a conservator under the rather anomalous situation which exists, which rises out of one case downtown. They have sort of geared this bill to one case where the person involved is rather aged and senile. They make provision for the appointment of a conservator of the property, but give no regard for the care and custody of the person of the alleged incompetent except by general language providing that the conservator collect the income and pay out such of the principal and income as is necessary for the maintenance of the individual or his family.

Many of you have had these rather tragic experiences of dealing in your home States with persons who are in the shadowland between normal and subnormal, yet they are not insane or totally incompetent. They are perhaps incompetent to rightfully manage their property and by reason of some other condition which may exist they are wasting their property or causing a waste of their property and are liable to subject themselves and their loved ones to want. In most States—in fact, in as many as I know anything about—they have specific provisions to take care of that sort of situation. Generally it is just as important that you protect the individual as his property. It is equally important that someone is looking after the individual or the proposed ward. So I took the time to prepare what I think spells out, not a quicky appointment of someone to look out after someone's property but an orderly way in which the individual is protected, and that the court set up the procedure that everyone who is entitled to notice in the discretion of the court should have notice.

I hope my good friend from Arkansas will agree that this bill is far more specific than the one which was passed by the other body and which was sent up from downtown.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New York.

Mr. KEATING. As I read S. 11 very hurriedly, there is no provision in it about notice to those who might be interested, such as is contained in the gentleman's substitute.

Mr. O'HARA. Yes. I think it provides that notice shall be given to the person for whom the conservator is sought and other persons as the court may direct. I think it does provide for that.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Arkansas.

Mr. HARRIS. In reply to the gentleman from New York you will find on page 2, section 2, this language:

> Upon the filing of such petition, the court shall fix the time and place for a hearing thereon; and shall cause at least 14 days' notice thereof to be given—

The same as provided in the gentleman's proposal.

Mr. KEATING. Yes, I do see that now, but in the gentleman's substitute he is more specific, is he not, about just who shall get that notice?

Mr. O'HARA. Let me say to the gentleman that I provide that the petition shall set out the family relationship, if any. Certainly I would not think too much of a court that failed to give notice to the spouse or children, because they, in the very essence of things, are extremely interested.

Mr. KEATING. And would usually be better able to know whether the proceedings should be contested than the person himself that was under scrutiny.

Mr. O'HARA. The gentleman is absolutely correct.

Mr. BELCHER. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Oklahoma.

Mr. BELCHER. Does this substitute provide for the filing of a report by the guardian, and the approval of the court?

Mr. O'HARA. Yes, and, let me say, he is circumscribed generally speaking, to the control of the court in all respects. If he wants to be protected the guardian better be careful and get the consent of the court on these things in connection with both the ward and the estate.

Mr. BELCHER. I think that is a very essential part of any bill.

Mr. O'HARA. Let me say that the original bill is rather cloudy. The title of the act is defective and it is difficult to know whether it provides for only unsoundness of mind or physical incapacity. Let me say that the original bill is further very definitely lacking in its consideration of the personal needs which the ward may have of someone looking after him. That is why I provide for one or two persons. You might have a situation where some disinterested person might necessarily need to be appointed as the guardian of the estate, and yet some member of the family should be appointed for the well being of the ward as the guardian of the person. But, certainly, if you have a critical situation where it is necessary to appoint a guardian for the ward, that the physical well being of the ward should be of as much consideration as the estate.

Mr. WERDEL. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from California.

Mr. WERDEL. Did I understand one of the purposes of the gentleman's substitute to be that where the ward is of that mental capacity that he cannot take care of his property and that a guardian is to be appointed, that you also make the guardian the guardian of the ward?

Mr. O'HARA. No. I provide that the court may appoint one or two persons. He may appoint the same guardian as guardian of the person and the estate. I leave it in the plural; that he can appoint two, one in charge of each.

Mr. WERDEL. As I understood the proceedings and the original discussion of the gentleman from Arkansas, there is now in the law of the District of Columbia provision for appointing a guardian of the person, that is, of an insane person.

Mr. O'HARA. Of an insane person, and of infants.

Mr. WERDEL. When you appoint a guardian of a person you also make that guardian the guardian of the estate of that person. You have to take charge of his estate. Most of our States have provisions, as the gentleman says, to appoint guardians of the estates of persons who are not competent to handle their own estates, but they are free to travel about as they see fit. You do not have a guardian of the person.

Mr. O'HARA. That is provided in this bill. The bill provides that the court may appoint a guardian of the person or of the estate, or both, as he sees fit. It is amply protected.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New York.

Mr. KEATING. Does the gentleman's substitute have any provisions similar to those in section 4 of the principal bill? It would seem to me desirable to give the adjudged person an opportunity, if he gets free of his disability, to apply to have his conservator or conservators discharged.

Mr. O'HARA. That is in substance the language I have provided in my substitute, so there is ample protection, but it is limited to the ward himself rather than permitting some officious intermeddler to come in.

Mr. KEATING. That is right; I think it should be that way. That is amply covered?

Mr. O'HARA. That is amply covered, I may say to the gentleman.

One other feature I have provided in here, which I think took care of a rather obnoxious provision in the original bill, relates to the filing of a lis pendens, which is oftentimes necessary. In my practice I had such an occasion where a man by reason of drunkenness was wast-

ing his property and subjecting his family to want. Some sharpshooters were trying to get him to dispose of his property. He happened to be a widower. There is a provision in my own State that you may file such a petition, and file a copy of such in the register of deeds office, and it can be indexed against the property. It is immediately notice to anyone attempting to deal with the individual that he is under question as being a competent person. That, of course, would amount to public notice to anyone so attempting to take advantage of such an individual.

I would have preferred, if we could have had a little time, to include in this bill the sections dealing with drunkenness and drink addicts, so that they could have been covered, and the old statute repealed, although I will say frankly that it undoubtedly is covered in the broad language of the bill. However, due to the peculiar present statute that exists as to drunkenness and drink addiction, I did not want to put it in here because there might be a question whether it was germane if I attempted to do so.

Mr. BELCHER. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Oklahoma.

Mr. BELCHER. Do I correctly understand that under the gentleman's amendment the person would be entitled to a jury trial?

Mr. O'HARA. No; not under this amendment. It is provided in the statute here that a person proceeded against on the ground of insanity has the right to demand a jury trial, as happened in the case mentioned by the gentleman from Arkansas, but I do not see any justification for a jury trial in the questions involved in this matter. I know in my home State there is no such provision. We have ample provision for appeal and review if the court goes astray.

Mr. BELCHER. We have the same thing in Oklahoma. The party is not entitled to a jury trial. I do not think it is a good provision to make him subject to a jury trial because there are too many ways to mislead the jury, and the jury does not have an opportunity to observe the party.

Mr. O'HARA. I think the gentleman is completely right.

Mr. BELCHER. So I think it is right not to have it subject to a jury trial.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. KEATING. I understood the gentleman from Arkansas in replying to an inquiry which I made that under the bill itself a person would have an opportunity for a jury trial if he so desired to oppose the adjudication set forth in the first paragraph. The gentleman from Arkansas, of course, possibly might not have understood my question and perhaps gave me an answer which was not exactly correct. But I wonder whether that was a respect in which your substitute differed from the original bill or whether whatever the answer is, the same answer would apply to either your substitute or the original bill.

Mr. O'HARA. It would be a question whether the law of the District of Columbia so provides for jury trial. My amendment makes no such provision.

Mr. HARRIS. That is my understanding, though it is not covered in either the pending bill as passed by the other body, or the gentleman's amendment. I think it is a provision of law under which a person is entitled to that. It was discussed somewhat at length in the course of the hearings held by the Senate committee. I should like to say at this point that this bill, Senate bill 11, was not brought to the Congress by the Commissioners of the District of Columbia. It was presented by the Bar Association of the District of Columbia who felt that the problem was worked out very well so as to meet the situation. Therefore, I say this because I think you would be interested in knowing the history of it and how it originated. Certainly the committee of the bar of the District of Columbia is not going to present something to us without their usual thorough consideration.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. O'HARA. I did not know that the bar had presented it. The report did not show that. But I would suggest to them that if they were looking into the matter and presenting this matter to us for our consideration they should consider how many different situations there might be other than guardians and conservators and committees. It would seem to me a sound principle to provide for guardianships rather than figure out some new name to call somebody.

Mr. MORRIS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. MORRIS. Does your bill cover also physical incapacity? I was listening, but I might have missed that.

Mr. O'HARA. Let me read to the gentleman what it covers:

An adult person who because of old age or imperfection or deterioration of mentality, is incompetent to manage his person or estate or any person who because of gambling, idleness, or debauchery, so spends or wastes his estate or injures his person as to be likely to expose himself or his family to want or suffering, or physical incapacity to properly care for his property.

Mr. MORRIS. Then physical incapacity is covered.

Mr. O'HARA. Yes.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. O'HARA. I am happy to yield to the gentleman.

Mr. ROGERS of Colorado. Do I understand that under the petition filed under the gentleman's amendment this notice is then given to the heirs or persons interested?

Mr. O'HARA. The mandatory provision is that notice must be served upon the person of the ward, and such other persons as the court may direct. But in my amendment I provide that it must state if there is any spouse, parents, or children. The original bill makes no reference to that. I do not provide any compulsion on the court to give notice to such children or spouse, but it would certainly seem to me that if such information is contained in the petition, such notice would be given.

Mr. ROGERS of Colorado. Then I understand that the statute would not require notice other than as the court itself may determine as to the process that may be served on others than the incompetent?

Mr. O'HARA. The gentleman is correct. Both the Senate bill No. 11 passed by the other body and my amendment so provide, which I believe is consistent with the statutes of most of the States.

Mr. ROGERS of Colorado. Then what hearing is had before the court to ascertain whether or not this individual is incompetent?

Mr. O'HARA. The court sets the time and place of the hearing in the notice.

Mr. ROGERS of Colorado. The court itself passes upon the question of whether or not the person is incompetent?

Mr. O'HARA. That is correct, subject to any District of Columbia provisions as to jury trial.

Mr. ROGERS of Colorado. As I understand this bill it is not necessary for that person to be insane to the point that the statutes of the District of Columbia ordinarily would apply?

Mr. O'HARA. That is correct.

Mr. ROGERS of Colorado. But that if in the opinion only of the judge before whom the petition is filed the person is declared incompetent, there is a likelihood that an individual who may still be mentally competent, as we construe mental competence within the law, the court may without any further proof take his property away from him? Is that likely to happen?

Mr. O'HARA. No. Let me say that the customary situation, as I understand the practice both here and elsewhere, is that of course there must be adduced before the court sufficient proof to convince the court that the person was in need of a guardian, or someone to look after his property or his person, or both. It could not be based simply upon a written petition, but would have to be supported as testimony in any other case.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield further?

Mr. O'HARA. I yield.

Mr. ROGERS of Colorado. While I am not familiar with the law in the District of Columbia, is there some provision made for a jury trial to determine the competency or incompetency of the person?

Mr. O'HARA. It is not made in this act or in the act which was before us in the committee. Whether there is provision in the general District law for a jury trial, is not clear in my own mind. There is a direct provision on an insanity petition in this District for a person to demand a jury trial, and they are entitled as a matter of right to a jury

trial. It is the practice in my own State, and I believe the majority of States, upon petition for guardianship such as this, that there is no provision for a jury trial. In my own State we have a right of appeal to the district court from the probate court. In the District of Columbia they are before the United States District Court as it is.

Mr. ROGERS of Colorado. Would not the effect of this bill and the gentleman's amendment seek to deprive an individual, whose folks may determine that the individual is senile or incapable of handling his property, the right to petition the court on the proper testimony of psychiatrists and others, and the individual could be deprived of his property without the question of a jury determining his mental condition?

Mr. O'HARA. May I say to the gentleman, I do not think the appointment of a guardian is depriving a person of his property, in any sense of the word. It might deprive him of the management of it in some degree, but it is still his property.

Mr. ROGERS of Colorado. Does the gentleman understand that if a guardian was appointed in this case he would be authorized under court order to take possession of all of the property of the person?

Mr. O'HARA. That is true. And he would be held accountable to the court for it.

Mr. ROGERS of Colorado. Would be legally responsible?

Mr. O'HARA. That is correct.

Mr. ROGERS of Colorado. But is there any provision in this bill, or in the amendment that has been offered, that this person, upon recovering from that senility or inability to properly manage his property, can have it restored to him?

Mr. O'HARA. That is correct. Both the bill and my amendment provide the absolute right of the ward to come in and petition, upon restoration of his capacity. That again comes before the court both as to his mental and physical capacity.

The SPEAKER. The time of the gentleman from Minnesota has again expired.

Mr. STEED. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD immediately following the conclusion of the consideration of this bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I take this time in the hope that we may come to some mutual understanding and avoid a lot of additional time and make it necessary for a drawn-out consideration of this bill.

As I explained, the purpose of the bill as introduced on the recommendation of the Bar Association of the District of Columbia, was to make provisions for persons who were physically incapable of looking after their own affairs, because of old age and so forth, but yet they are not of unsound mind, and so determined by the courts. I explained to you a particular case which was brought to the attention of the District Court for the District of Columbia, and I am advised, and the hearings revealed that there are many such cases that are called to the attention of the judges from time to time. This bill is designed to do something about it.

I have listened to the gentleman from Minnesota as attentively as I could; I have tried to follow him, and I have come to the conclusion that his substitute does about the same thing and includes practically everything that this one does except it is a little tighter in its language, not quite as broad in its general form; and it does not include any provision whatsoever with reference to pending contracts. Am I right about that?

Mr. O'HARA. No; the gentleman is not correct about that.

Mr. HARRIS. I want to be set right on it.

Mr. O'HARA. In my substitute it is provided that upon the filing of the petition hereunder—that could be either temporary or permanent—certified copy of such petition may be filed for record in the office of the Recorder of Deeds of the District of Columbia. If a guardian be appointed on such petition, all contracts except for necessaries and all transfers of real and personal property made by the ward after such filing and before the termination of the guardianship shall be void. I make them absolutely void; they are not voidable; they are void.

Mr. HARRIS. Then it seems to me, Mr. Speaker, that we have pretty much the same thing presented to us here in connection with the bill and the substitute offered by the gentleman from Minnesota on this floor. In the brief time I have had to consider it I cannot see too much difference between them at all. I may say that before the Senate committee a representative of the bar association testified after the corporation counsel, Mr. Vernon West, then the chairman of the commission on mental health of the District Bar Association testified and said:

> I am so enthusiastically in favor of the bill that I do not like to see too many lines cut from it.

That statement was made by Mr. Thuee, chairman of the commission on mental health. He said he was not presenting the matter as the official representative of the bar association, because Mr. Mann, who was the official representative of the bar association, had just come in. But he testified on a similar bill in the last Congress and was also chairman of the commission on mental health and consequently was interested in this problem. He made the statement out of the fact that Senators McCARTHY, PASTORE, and NEELY had made some statements with reference to the general provisions being too broad. That was his reply.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. O'HARA. Will the gentleman tell me if there is any place in this bill where we have this void that exists where there is not anything here but for the conserving of the property and no power of the court to appoint someone to care for and look after a ward in unsound mental condition?

Mr. HARRIS. That is the major difference between the two proposals here. The judges of the District Court did not make any suggestion or request that they be given authority to appoint someone to have custody over the individual or the person; their attention had been called to these abuses in connection with the property. They did not come to us and ask us to give them this authority to appoint a guardian over the person, but to give them the authority to designate someone to have charge of their property that it be not squandered and disposed of by some party who had no interest whatsoever. Now, as I understand it, the gentleman's amendment, in his opinion—and I know he is thoroughly convinced that it is the proper procedure—proposes to give the court jurisdiction and authority to reach such cases as have been brought to our attention in a letter of a few days ago?

Mr. O'HARA. Does the gentleman think that is as equally humane and as important as preserving their property?

Mr. HARRIS. Do I understand that the court has authority to take immediate jurisdiction over it?

Mr. O'HARA. That is correct.

Mr. HARRIS. When the matter is called to his attention, either on his own initiative or by petition from somebody else?

Mr. O'HARA. Yes; by temporary order, of course. He could not take snap judgment without giving notice except through the appointment of a temporary guardian.

The SPEAKER. The time of the gentleman from Arkansas has expired.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Georgia.

Mr. FORRESTER. I want to inquire of the gentleman if he will enlighten us as to the pay this conservator would receive for performance of the duties set out in this Act or in the amendment?

Mr. HARRIS. Under the bill as presented by the committee, the general laws of the District of Columbia in such matters would apply, giving the court authority to determine that. I assume the same procedure would apply under the gentleman's substitute.

Mr. O'HARA. There is no question that both under the bill and under my proposed substitute, they would be completely controlled as to the amount of fees by the court, the same as any other guardian.

Mr. FORRESTER. I do not see that. Where is that in this bill?

Mr. HARRIS. You will find it on page 3 in the bill.

Mr. O'HARA. Lines 3 and 4 show that in the bill.

Mr. HARRIS. In the bill?

Mr. O'HARA. Yes. I have a similar provision in my substitute.

Mr. FORRESTER. I notice that, but I do not think that would be authority for payment.

Mr. HARRIS. I believe that is one of the purposes of the provision.

Mr. FORRESTER. As I understand the rules of law generally, no one is ever paid for any service except as expressly provided by statute and I do not see anything expressly pointing that out. I raise that point on account of the fact that a laborer is worthy of his hire and I believe you would be in danger in placing someone in as conservator unless it is expressly provided that he is to receive proper remuneration.

Mr. HARRIS. I may say to the gentleman it is my understanding that the court has that authority.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from New York.

Mr. KEATING. The substitute offered by the gentleman from Minnesota has a provision about the filing of lis pendens. Is that in the bill presented by the committee?

Mr. HARRIS. No, it is not. The only provision that relates to it would be on page 3 of the bill.

Mr. KEATING. About appointing of a temporary conservator?

Mr. HARRIS. Section 5.

Mr. KEATING. Does the gentleman feel that section 5, covering a temporary conservator, would take the place perhaps of the provision in the bill offered by the gentleman from Minnesota about filing lis pendens?

Mr. HARRIS. So far as I know, that would be the interpretation.

The SPEAKER. The question is on the amendment offered by the gentleman from Minnesota [Mr. O'HARA].

The amendment was agreed to.

Mr. O'HARA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. O'HARA. Mr. Speaker, in my opinion, the title of the act in the bill S. 11 is somewhat defective.

The SPEAKER. We will come to that later after the passage of the bill. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

Mr. O'HARA. Mr. Speaker, I offer an amendment to the title of the bill.

The Clerk read as follows:

Amendment to the title offered by Mr. O'HARA: "To provide for the appointment of guardians of adult persons who because of old age or deterioration of mentality are incompetent to manage their person or estate, or of any person who because of gambling, idleness, or debauchery so spends or wastes his estate or injures his person as to be likely to expose himself or his family to want or suffering."

The amendment to the title was agreed to.

A motion to reconsider was laid on the table.

CONTROLS ARE IMPORTANT FOR GOVERNMENTS AT HOME

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a table.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, I had just returned from a week end in my district, where I had an opportunity to obtain first-hand information concerning the effect of price increases on items used by our city's government. I thought that the Members of this body, who will consider the Defense Production Act extension measure this week, may be interested in some statistics pertaining to the rise in the cost of local government, as experienced by the city of Milwaukee.

The inflation which was let loose in this country after the outbreak of the Korean conflict has put the people of the Fifth Congressional District and the people of my district—which comprise the metropolitan area of the city of Milwaukee—in a squeeze. They are paying high prices for food, for clothing, for other necessities, for rent, and, although they do not always realize it, their city government is also costing them a lot more.

They are paying 8.1 percent more for a loaf of bread than they did before Korea. Coffee has gone up more than twice as much percentagewise. Round steak is up 13 cents a pound—a rise of 13.3 percent. The market basket of the average household brings home a lot less now than it did 12 months ago.

The same is true of the purchasing made by the city government. The city purchasing agent brings home a lot less now than he was able to last year. A check of prices on things needed by the city government shows that in many cases they are running 50 percent higher than last year. It is going to cost the city of Milwaukee about $4,000,000 more for necessary purchases than they figured on when the 1951 budget was adopted. Frankly, Mr. Speaker, unless we take strong action to control our economy in this time of crisis, we are going to have a serious situation in many of our cities. Many public services may have to be curtailed.

Here are some examples of the increased costs. They range from 18 percent on traffic marker castings, to 74 percent on truck-mounted air compressors. They include such items as manhole covers, and spreaders, cable, paint, lumber, and so on.

For 127 manhole covers, for instance, the city has to pay $3,210. The same number of manhole covers would have cost $2,584 1 year ago. This is an increase of 24 percent. Tires and tubes for the city will cost $54,216 this year against $33,885 last year, a rise of 60 percent. Four thousand curb stops have risen from $5,620 to $9,133, an increase of 63 percent.

Inflation has even hit the American flag. The city of Milwaukee is a patriotic American community. During the year we need about 60,000 flags. The price on these flags has risen from $3,240 to $4,110.

The rises in cost which I have set forth here are not ones which we often think about. We are more apt to turn our attention to food, clothing, rent and other items. But, it is the American citizen that pays the cost of his city government. These costs are just as important to him as his other living costs.

Mr. Speaker, I wish to include a table, showing the increase in price which the city of Milwaukee is paying on the chief items which it needs. From what I can find out, the experience of Milwaukee is typical of the experiences being had by other cities. This is a problem that we must keep at the front of our thinking during the discussion of economic controls under the Defense Production Act.

Commodity	Previous price	1950	Latest price	1951	Percent increase
840 gray iron traffic marker castings	$4,977	February	$5,845	February	18
52,000 feet 6- and 8-inch cast-iron water pipe	84,840	September	100,040	March	18
1,100 gray iron transformer case castings	3,405	February	4,826	February	41
7,000 manhole steps	7,810	May and September 1949	11,163	January	43
127 gray iron square manhole covers	2,584	February	3,210	February	24
128,000 feet electric cable	30,990	March and July	42,822	January	38
Annual requirements of tires and tubes	33,885	Entire year	54,216	Entire year	60
4 motorcycle Servi-Cars	4,300	July	4,880	January	14
800 each, 6- and 8-inch gate valves	28,795	August 1947	36,174	do	25
475 each, transformer coils	4,487	March	6,358	do	42
12,500 feet 2½-inch fire hose	10,537	July 1949	14,651	do	39
14,300 firebrick	1,434	March	2,033	do	42
17 motorcycles	15,108	do	18,190	do	20
2 combination ambulance-patrols	6,380	April	7,936	do	24
17 tons arsenate of lead	7,310	March	8,751	February	20
2,000 gallons yellow street-marking paint	3,280	do	4,370	do	33
1,400 aluminum street lighting lantern castings	3,469	April	5,541	do	60
4,000 corporation and curb stops	5,620	May	9,133	do	63
1,000 gallons interior semigloss white wall paint	2,320	February	2,940	March	25
2 gasoline-powered truck-mounted air compressors	6,361	June 1949	11,079	do	74
14,840 board feet mixed oak bridge plank	1,855	August	2,312	do	25
60,000 United States flags 8 by 12 inches	3,240	May	4,110	do	27
24 sand spreaders	4,296	January	5,496	do	28
2,400 pounds brown kraft wrapping paper	216	Entire year	336	Entire year	55
13,200 feet ½- and 1-inch galvanized conduit	1,511	March	1,954	March	30
1 office desk, 60-by 34-inch flat top—Yawman & Erbe No. 6604-31	115	April	155	April	35
650 cases paper towels	1,852	August	2,632	May	42

GEN. RAY McLAIN

Mr. STEED. Mr. Speaker, I rise at this time to say a word of praise of a great Oklahoman, Lt. Gen. Ray McLain, who recently was named by President Truman to serve a 5-year term as a member of the newly created Universal Military Training Commission.

General McLain, presently comptroller general of the United States Army, has made an outstandingly successful career, being the only National Guard man in World War II who rose to the rank of a corps commander. He was a brigade artillery officer in the Oklahoma National Guard at the outbreak of World War II and his career since that time has been a succession of promotions to places of greater responsibility.

His latest assignment is, perhaps, his most important. Certainly it is one which gives him the greatest personal satisfaction since a good universal military-training program has been his dream for many, many years.

General McLain's wide experience in Army fiscal matters equips him as well as any man in the Armed Forces to know the advantages to a continuing national defense in the UMT program, since it is clearly the best and most economical way in which this Nation can remain prepared in the uncertain years ahead.

Those of us who desire a training program in keeping with sound and workable principles, causing the least possible loss of personal liberty to the young manhood of this Nation, take comfort in the fact that General McLain will be one of those shaping this program. His long military experience has not dimmed his keen interest in the civilian outlook on this problem.

The accomplishments of this great citizen-soldier speak for themselves. He entered World War II as commander of the Seventieth Artillery Brigade of the Forty-fifth Division, later commanded the Ninetieth Infantry Division and then the XIX Corps in Europe. He headed the Army's UMT section in 1946–47, then became information director of the Army, and finally the comptroller general of the Army.

PRICE AND RENT CONTROLS MUST BE EXTENDED

Mr. O'BRIEN of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a newspaper item.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'BRIEN of Illinois. Mr. Speaker, in my district, the people are demanding to know what we are going to do about high prices. Are we going to follow the special interest advice of the National Association of Manufacturers and kill price control—and let prices go higher?

Or is the Congress of the United States going to face up to its responsibilities to all of the people, pass a strong price control law, and not only get meat back on the tables of our people but get it back on the table at prices our people can afford to pay?

I ask unanimous consent to have printed at this point in the RECORD an article, Packers' Full Pockets Cry Is Flayed, from the Trainmen News of June 11.

The article follows:

PACKERS' FULL POCKETS CRY IS FLAYED—SAYS BUSINESS-AS-USUAL PLEA IS UNPATRIOTIC

WASHINGTON.—A pitched battle is developing on the control front, with labor and Government leaders fighting industry and special interests on the problem of controls and profiteering.

Economic Stabilizer Eric Johnston hurled a strong blow against one of industry's prominent fighters against controls—the beef trust which has cut production of beef in opposition to price roll-backs.

They are trying to run roughshod over the American housewife with a cry of "damn the consumer and full pockets ahead," said Johnston in a recent radio interview.

The Nation, warned the Government leader, is sitting on an economic time bomb that may explode into runaway inflation next fall unless Congress keeps a strong controls program on the books.

Strong support for Johnston's position came from former head of World War II price control program, Chester Bowles, who urged stronger control provisions than the Government program seeks.

Farmers and labor have either lost ground or gained nothing from inflation, while corporations are reaping the lion's share of increased national production, he said.

His recommendations called for:

Dollars-and-cents ceilings on all consumer goods.

Rent controls on commercial buildings and new construction.

Quality standards on low-cost goods.

Wage boosts for labor to match living cost rises since January 15.

Reduced Government spending.

Stricter materials rationing.

Bowles begged Congress not to listen to the siren song of special-interest lobbyists, and not to ignore the needs of the people. He echoed the warning of Johnston that inflation threatens heavily in the fall.

"Inflationary storms are ahead, building up," Johnston warned. "Sometime this fall defense factories will really hit their stride. At that point, if we're not wearing economic life belts, we'll be swamped.

"Runaway dollars would cheapen our dollars. Our fighting men would not get all the weapons they need. Our Congress couldn't pass tax bills fast enough to make up the money lost through inflation."

Hitting the men who want no controls on the Nation's economy, Johnston said:

"What many of these people are really doing is grinding their own axe without thought for the welfare of anyone or anything else. What do they care about the consumer?

" 'Business as usual' has an ominous ring to me at a time when men are dying in battle in Korea for a free way of life."

Mr. Johnston is out of the ranks of business himself—he was a four-term president of the United States Chamber of Commerce.

MIGRATORY FARM LABOR

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, I wish to call the attention of the House to the remarks of the gentleman from Ohio [Mr. POLK] appearing on page 7003 and following of Friday's RECORD, dealing with the migratory farm labor problem. His statement is a further explanation of the article entitled "United States Toils for Answer to Migrant Laborer," appearing in the Christian Science Monitor, Thursday, June 14, 1951.

The article reads as follows:

The wetback is a problem all by himself. Wetbacks are illegal Mexican aliens who originally earned the nickname by swimming or fording the Rio Grande to evade Immigration Service officers. They often travel tremendous distances. Women are known to have walked 140 miles in one trek, and use the most ingenious methods to reach American farms.

About 10,000 to 25,000 wetbacks are caught each month in Imperial Valley and 15,000 to 30,000 get by border patrolmen. The figures are subject to qualification since once-apprehended Pedro Gonzales usually filters back to the United States and the next time caught he will be Pedro Moreno. One clever Mexican admitted crossing the border illegally 12 times, with 12 different names reported to the border patrol.

ASSIMILATION RETARDED

An illegal entrant, the wetback violates United States immigration laws. Economically he undercuts wages of domestics and contracts. His wages vary from 25 to 60 cents an hour in various border areas. His home is the familiar ramada shelter on a ditch bank or just a cave or tar-paper shacks.

Sociologically the assimilation of 3,000,000 Spanish-American citizens of the United States living in the Southwest has been retarded a generation by this illegal traffic, according to a University of Texas study. Disease, schooling, language, and espionage potentiality are additional problems confronting communities in which illegals are used.

MUTUAL DEFENSE ASSISTANCE PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 179)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed with illustrations:

To the Congress of the United States:

Pursuant to the provisions of Public Law 329 (81st Cong., 1st sess., 63 Stat. 714) I submit herewith the Third Semi-Annual Report on the Mutual Defense Assistance Program, covering the period from October 6, 1950, to March 31, 1951.

During the 6 months covered by this report, United States shipments of military equipment and materials to free nations were more than three times as great as during the whole first year of the program. This assistance, together with training programs and help directed toward increasing military production abroad, has not only strengthened our friends in a material sense, it has strengthened their morale and their determination to resist aggression. The combined defense effort of the free world has in effect just begun, but there is good reason for encouragement at its progress.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 25, 1951.*

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. RABAUT] is recognized for 30 minutes.

BEEF PRICE ROLL-BACKS AND THE ECONOMIC STABILIZATION PROGRAM

Mr. RABAUT. Mr. Speaker, we have had plenty of bull about beef prices and particularly about the OPS requirement that they be rolled back on August 1 and October 1 to save consumers about 10 cents a pound and establish prices at which they can afford to buy at least the cheaper cuts for themselves and their families.

The people I represent, many thousands of whom are engaged in vital defense work in the great Detroit arsenal of democracy, know that meat prices, and particularly beef prices, are too high. They know they are out of line. Many of these people are members of the A. F. of L. and CIO unions and the rail labor groups which make up the United Labor Policy Committee. But they are all consumers and they have supported the program for across-the-board economic stabilization including not only effective price and rent control, but also wage stabilization. They are for a tough pay-as-we-go tax program, based on ability to pay. They are for a fair parity program for the farmers.

But, Mr. Speaker, I tell you and the Members of this House, that these good, hard-working, patriotic American citizens are getting impatient with a system that first freezes and then rigidly stabilizes wages while prices and profits go up and up. They are impatient with a meat lobby that comes to Washington and, when it finds it cannot intimidate and panic Mike DiSalle or President Truman, comes up here and persuades committees to recommend cancellation of roll-backs in beef prices that would cut those prices back, not to the parity level that farm spokesmen have always said they wanted, but back to 125 percent of that parity level.

The consuming public, not only in the Fourteenth District of Michigan, but throughout the Nation, are asking how long they are going to be played for suckers in this so-called economic stabilization program. They are asking me and my colleagues what we are going to do about it.

Well, the first thing I have done about it is to get the facts.

Now that I have the facts I am going to share them with my colleagues and then I am going to urge them to vote for an amendment to the Defense Production Act that will knock out the provision canceling the August 1 and October 1 roll-backs of beef prices.

Mr. Speaker, when you have an issue involving economic injustice and inequity that affects the pocketbooks and the daily lives, the very dinner tables and daily food of the American people, you have a major political issue. That is what this fight over the roll-back of beef prices is. And if it is decided unjustly by us now, it will become a bigger political issue in the months to come. Furthermore, Members of this House will search their consciences in vain for the sense of justice which would allow the meat producers to take advantage of the defense emergency to get not just 100 percent of parity, not just the 125 percent of parity that OPS Director DiSalle proposes they shall have after both the August and October roll-backs, but at least 135 percent of parity.

My concern however, is not with the possibility of painful political consequences. My concern is with the strong probability of devastation facing the whole program of economic stabilization.

This program is part of the broader defense mobilization program which, in turn, is the way we implement our determination to halt and defeat threats of aggression by communism and other forms of totalitarianism.

The only way a free people can mobilize democratically to survive and to win out over this threat is to adopt, implement, and operate under a system that insures equal treatment for all and special privileges for none, under a program of genuine equality of sacrifice.

That is exactly what the meat lobby does not want. It does not want economic justice. It wants wages stabilized but prices—especially meat prices—running wild.

I say we cannot mobilize that way. With some people you might mobilize that way, provided you could drive men to work at the point of a bayonet. But you cannot do it with American citizens. It has to be done fairly, in a spirit of cooperation, on the principles of economic justice, by the very standard of parity to which my farm friends have so long subscribed and about which we have heard so much eloquence on this floor in the past 18 years when the American farmer was being rescued from the sheriffs' sales and misery he had known for so many years.

The meat lobby tells us that meat must be immune to price control because you cannot grade either slaughtered cattle or cattle on the hoof. That just does not make sense to anyone who knows about meat grades and who has seen the daily cattle quotations in the back pages of the newspapers. Common sense tells us that both meat and cattle are bought and sold by quality and that both buyers and sellers can and do understand each other and likewise will understand price ceilings for various types and grades of meats. They also recognize "bull" when they hear it.

Nevertheless the representatives of the meat packers and cattle raisers have testified before various committees of Congress that price control on beef and cattle is unworkable. They have said it will lead to a decline in production and that it creates black markets that destroy all respect for law.

They have also testified that beef and cattle price regulations are unfair and will create losses all down the line—losses to cattle growers, to the cattle feeders, and to the beef packers. By forcing the producers to operate at a loss the regulations, in their opinion, will destroy the legitimate beef supply for consumers and will create the same black-market conditions as attended the last days of OPA.

PRICE CONTROLS ON BEEF ARE CRUCIAL

When we in this Congress passed the Defense Production Act of 1950 we did not see fit to exempt beef and cattle from future price controls.

Should such an exemption be made in the legislation extending the price control powers? My answer—and the answer of every responsible person who realizes the necessity for halting inflation and stabilizing our economy—is, absolutely not.

Beef is not an unimportant or isolated commodity, and our decision to control or not to control its prices cannot be made on the basis of the ease or difficulty of administering the regulation. Beef occupies a crucial position both in the consumer's cost of living and in the agricultural sector of our economy.

Beef accounts for almost half of our meat diet and for over 13 percent of the food dollar. On the other hand, uncontrolled beef prices would have the effect of bidding away feed from other uses and would thus force up the prices of other meats and poultry, of eggs, milk, and cereals.

Failure to control beef prices would thus result in wrecking controls on all food prices. And with no controls on food prices—which account for a third of the Consumers' Price Index—the wage stabilization program would become unjust and unenforceable.

And with wage control out of the picture, it is easy to see that we would have to give up price control on the industrial sector, as well as on the agricultural sector of our economy.

We therefore have to face the fact that to give up controls on beef means giving up controls on all prices and wages. Control legislation without the authority to control the prices of beef and other meats would be unworkable, and would not be worth bothering with.

PRODUCTION RECORDS BROKEN DURING OPA CONTROLS

Are beef and cattle price controls unworkable, as the producers claim?

The facts are that we went through World War II with controls on beef and cattle, and that the controls did not stand in the way of steady record increases in beef production during all the war years. In fact, our wartime record of beef production has been exceeded only once since the war, and that was in 1947, when the farmers reduced the number of cattle on the farm, in fear of a price crash in a free market.

It is argued that the wartime production record was accomplished by a spirit of patriotism called out in response to a grave national emergency, and it is claimed that this condition does not exist today.

I readily grant the argument that the success of our wartime controls was facilitated by a spirit of patriotism, but I dispute the contention that we cannot count on this today.

If we cannot count on a patriotic response to the grave national emergency that confronts us, then it will not be merely the price control program that will be put in jeopardy—it will be our whole defense program—our production of defense weapons, our acceptance of the draft and universal military training, our acceptance of higher taxes, our acceptance of wage stabilization, and so on down the line.

We must not forget that price control was enacted as part of the Defense Production Act. It is meant to function, not in a peacetime business-as-usual

context, but in a situation of grave national crisis. And if some of those who testified on behalf of the packers and cattle growers do not seem as yet to feel the sense of national urgency in their economic activities, we can trust the pressure of public opinion to bring them into line. I am sure that ultimately we can count on them to show the same patriotic cooperation that they displayed during the war years.

BLACK MARKET PROBLEM CAN BE LICKED

The question of black markets is again largely a matter of patriotism, partly a matter of effective administration. I think we are entitled to assume patriotic cooperation from the average citizen. At the same time, experience under OPA was profitable and the Office of Price Stabilization has been able to devise an improved system of licensing slaughterers and distributing the supplies equitably among them. Also the civilian supply situation is more favorable than at the time controls were instituted in World War II, and thus there is every indication that OPS is getting started this time on the right foot.

To my mind, those who challenge beef and cattle price controls on the ground that they are in principle unworkable are pure defeatists. They do not help us to get on with the task to be done. They simply say no, no, no. That way lies disaster.

FISCAL CONTROLS ALONE NO SOLUTION

When pressed to come forward with some method for checking runaway price rises in beef, the only thing some representatives of the packers and cattle growers can suggest is the so-called indirect or fiscal controls—higher taxes and credit controls to drain away the surplus-purchasing power.

But these indirect controls cannot ruthlessly drain away all surplus-purchasing power without stifling our defense-production effort. If these indirect controls are used as far as it is practical to use them, there will still be left enough excess-purchasing power that has to be dealt with by the direct methods of price and wage controls.

As a matter of fact, the case of beef and cattle prices provides the best illustration of the insufficiency of the so-called indirect controls and the need of direct price controls if we are to prevent an inflationary spiral. Beef and cattle prices, before the recent roll-back, were about 50-percent higher than their normal relationship to other retail and farm prices.

What happened was that as consumer income increased as a result of the defense program, an undue amount of that increase went into the purchase of beef higher and higher prices. This meant that the cattle growers were willing to bid up the price of feed in order to send more cattle to market.

The index of feed prices rose 19 percent, from 201 to 238 in the period from January 1, 1950, to May 1, 1951, according to the Bureau of Agricultural Economics.

That caused a pressure on the producers of milk and other foods to raise their prices in order to be able to compete for feed with the cattlemen.

If OPS had not clamped on the controls of beef and cattle, we would have witnessed an insane merry-go-round, which would have rapidly pushed up the prices of all foods and blown up our wage stabilization program.

The inflationary merry-go-round can always get started as long as there is any excess-purchasing power left in the hands of the consumers—after the indirect controls have been clamped down as tightly as they can be—and the only way to stop that merry-go-round is by holding the various prices at their proper levels and rolling back those that have gone too high.

In considering the objections raised by the packers and cattle growers to the beef and cattle regulations, one must bear in mind that they come from people who admit that they are opposed in principle to any form of price control on beef or cattle. Thus it is hard to imagine any kind of regulation, the issuance of which would not have been greeted with cries of "ruin."

OPS Administrator DiSalle worked out the most equitable set of regulations that he and his staff could devise. And to date, no facts have been presented that sustain any charge of injustice or any claim of widespread loss as a result of the regulations.

WHY CATTLE PRICES WERE EXEMPTED FROM THE JANUARY FREEZE

Price-control efforts with regard to beef and cattle began with the General Ceiling Price Regulation. That regulation, which went into effect on January 26, 1951, and froze prices generally at the highest prices charged by specific sellers in the period December 19 through January 25, took in the slaughterers, wholesalers, and retailers of beef.

Sellers of live cattle, however, were exempted from the regulation.

Why did OPS make this exemption? Because OPS Director DiSalle regarded the general freeze as a temporary device—as a device to give OPS time to work out more refined and more enforceable price regulations. It was hoped that in the meantime, the announcement that OPS would later impose ceilings on live cattle would serve as a warning to feeders not to stock up on animals at ever-advancing prices. Mr. DiSalle also thought that the freeze on the prices that slaughterers were permitted to charge would act as a brake on the prices they would be ready to pay for live cattle.

In both of these respects the American people were disappointed. It is possible that some packers felt that price control would not last and that, in that case, the way to speed the end of price control would be to let the prices of cattle go up and up. It is possible that some feeders felt that no matter what prices they paid for their feeder cattle, OPS would have to recognize them when they set up a permanent system of prices on beef and cattle. Whatever the reason, the fact is that live cattle prices, which had risen phenomenally all during 1950, both before and after Korea, rose an additional 12 percent between the end of January—at the time the general freeze was announced—and the end of April. Taking January 1950 as 100, the index of cattle prices stood at 122.2 in June 1950, at 139.3 in January 1951, and at 155.7 in April 1951.

CATTLE PRICES WAY OUT OF LINE IN APRIL

Now put yourself in OPS Director DiSalle's shoes and think of what you would have done when confronted by these price trends. Even at January 1951 levels, the prices of cattle and the prices of beef were way out of line with related prices.

As against an almost 40 percent rise in cattle prices in a year, the prices of competing products like milk, eggs and poultry had risen between 14 and 30 percent. This indicated the pull that the cattle industry was exercising on our feed supply, diverting it from the nutritionally more economical utilizations in the form of pork, poultry, eggs, and milk.

Beef at retail had risen some 29 percent from January 1950 to April 1951, as against a rise in wages of only 10.6 percent from January 1950 to March 1951. This discrepancy was making labor restive under the stabilization program.

Good price-control policy required OPS to think about how to roll back beef and cattle prices from their 1951 levels and restore a more healthy balance with related prices. But, instead of being able to devote its attention to that problem, OPS was confronted by the more immediate and pressing problem of how to handle the new 12 percent rise in live cattle prices from January to April.

That rise obviously was not reflected in the January prices to which slaughterers, wholesalers, and retailers of beef were held by the general freeze regulation.

To eliminate operations at a loss, OPS had to make the two sets of prices conform, and that meant either raising the prices of beef or rolling back the prices of cattle.

THEY HAD TO BE ROLLED BACK TO PREVENT NEW RISE TO CONSUMER

In view of the previous record advance in beef prices, it was unthinkable for OPS to raise them still further. Accordingly, OPS decided to roll back cattle prices by 10 percent and thus hold beef prices at approximately their January levels.

At the same time, OPS felt that it was necessary to do something to get both cattle and beef prices in better balance with other food and consumer prices. And so OPS announced simultaneously two additional roll-backs to apply both to cattle and beef at the end of the summer, when there is something of a natural tendency for prices to recede. The first of these roll-backs calls for a cut in live cattle prices of 4½ percent effective August 1, and this will be reflected in a cut in beef prices at retail averaging 5 cents a pound. The second roll-back is to take effect October 1. The exact amount has not yet been announced, but OPS assumes that it can be about the same amount as the first roll-back, and thus assure the consumer

a total reduction of about 10 cents a pound on his beef.

The initial roll-back of cattle prices has been characterized by spokesmen for the cattle interests as taking away hundreds of millions of dollars from the cattlemen and putting this money into the pockets of the packers. This is a complete misunderstanding of the impact of the regulation.

Under the law OPS could not hold packer's prices at the levels of the January freeze while live cattle prices had risen 12 percent above their January prices.

If OPS had not rolled back cattle prices, it would simply have had to raise the packer's ceilings and the prices to the consumer. Thus it was the consumer and the consumer alone who benefited from the cattle price roll-back. He benefited because the price increase which was in the works, although it had not yet been translated into an actual increase in retail ceilings, was canceled out by the roll-back of cattle prices.

CATTLE PRICES AFTER ROLL-BACK TO BE 120 TO 125 PERCENT OF PARITY

Taken in relation to the farm parity concept, this is the picture of cattle prices before and after the various roll-backs:

In January 1950 cattle were selling at 115 percent of parity.

In June 1950 they were 137 percent of parity.

In January 1951 they were 141 percent of parity.

In April they stood at 152 percent of parity.

The ceiling after the first roll-back represents 135 percent of parity.

After August 1, when the second roll-back takes place, the ceilings will reflect about 130 percent of parity.

After October 1, at the time of the third roll-back, cattle prices should be between 120 and 125 percent of parity.

Incidentally, parity, as now applied to cattle, is not the relationship between prices received and prices paid by the farmer during the classic period 1909 to 1914, but rather the relationship obtaining during the ten years 1941 to 1950. Everybody knows that the price relationship during this 10-year period was quite favorable to the prosperity of the cattle grower. And so, when ceilings after the final roll-back are estimated to be 120 to 125 percent of parity, it is hard to sustain charges of basic injustice.

CATTLE CEILINGS OPERATE THROUGH SLAUGHTERERS

Before discussing further the impact of the various roll-backs, a word should be said about the structure of the price ceiling regulation. Under the ceiling regulation, OPS limits the total amount a slaughterer can legally pay for the cattle he salughters during his monthly accounting period, and it sets the limit on the basis of the dressed grades and standards yields of the monthly drove that has been slaughtered.

For animals where the yield is above standard the slaughterer is allowed an extra margin in the price he is permitted legally to pay. The following table indicates the maximum calculated prices which packers in Chicago are permitted to pay during the current period, after August 1, and after October 1:

Table of maximum calculated prices for live cattle under the various ceilings

	May through July ceiling	August to September ceiling	Oct. 1 ceiling [1]
Prime	$37.05	$35.50	$33.95
Choice	34.20	32.75	31.30
Commercial	27.30	26.00	24.70

[1] Oct. 1 prices estimated by reducing Aug. 1 prices same amount per hundredweight as Aug. 1 is smaller than current prices.

Although the OPS regulation directly determines the highest price slaughterers are permitted to pay for cattle of various grades, indirectly it, of course, determines the highest prices to be paid for feeder cattle for fattening, and also the cost and profit margin available for the feeding process.

Thus operators of feed lots buy commercial cattle and fatten them up for sale as choice or prime animals. As one can see from the table of maximum calculated prices, the margin for fattening commercial cattle into prime is $9.75 per hundredweight at the present level of prices, and will go down to about $9.25 per hundredweight after the last roll-back in the fall.

In considering the effect of the cattle regulation on the various classes of cattle growers and feeders, we should ask and answer the following questions:

First. Are the prices of grass-fed cattle as determined by the cattle regulation adequate for continued profitable production?

Second. Is the margin for feeding an adequate one?

Third. Will there be any sizable inventory losses to feeders because of the roll-backs?

CEILINGS WILL NOT HINDER RAISING OF GRASS-FED CATTLE

The answer to the first question is an obvious "Yes." Both beef production and the number of cattle on the farm have risen steadily in 1949, 1950, and 1951—an indication that beef and cattle production have been profitable as continued crops. The cattle-price ceilings, even after the final roll-back, will be 3 percent above the June 1950 prices, and will represent between 120 and 125 percent of a farm parity based on the years 1941–50.

If one cannot operate at a profit at such a price, then it means that the farmers have been operating at a loss all the way up to last summer—and increasing their production nevertheless.

To judge from some of the figures offered to Members of Congress, that seems to be the contention of some cattlemen. Without batting an eyelash, they have told us that it costs $192.58 to produce a 400-pound calf, or $48.14 per hundredweight, and that at the market price, even before the roll-back, they have been taking a loss of $52.58 for every calf they produce. They would have us believe that after the 10 percent roll-back in cattle prices, the loss will be $66.58 per head.

It seems to me that such figures ought to go into a joke book, along with the story of the pants manufacturer who loses 25 cents on every pair of pants he produces but makes up for the loss through his high sales volume.

FEEDING OPERATIONS WILL CONTINUE PROFITABLE

On question No. 2, whether the margin for feeding is adequate, that problem was given most careful thought before OPS fixed the spread between the various cattle grades. The figure OPS arrived at affords an ample and more than ample margin for profitable cattle-feeding operations. In support of this statement I offer the following illustrative table of feeding costs and the profit margins that would be available on cattle sold at OPS ceiling prices:

Table of costs and returns from feeding cattle under OPS ceilings for four kinds of cattle

[Feeding costs from Illinois study of costs of feeding [1] cattle on 183 farms in 1948, adjusted to January to April conditions]

	Calves, long fed	Yearlings		Heavy steers
		Long fed	Short fed	
Average price at Kansas City (per hundredweight):				
August to December 1950 (simple average)	$32.91	$30.23	$29.21	$21.21
January 1951	$36.40	$32.98	$31.69	$31.69
February to April 1951 (simple average)	$40.00	$36.76	$35.09	$35.09
Days on feed	333	300	192	178
Average weight purchased	419	646	670	851
Total cost per head:				
August to December 1950	$137.89	$195.29	$195.71	$248.58
January 1951	$152.52	$213.05	$212.32	$269.68
February to April 1951	$167.60	$237.47	$235.10	$298.62
Gain on feed	517	465	330	308
Cost of gain per hundredweight	$24.70	$31.58	$32.12	$38.15
Cost of gain per head	$127.70	$146.85	$106.00	$117.50
Finished cost per head:				
Purchased August to December 1950	$265.59	$342.14	$301.71	$366.08
Purchased January 1951	$280.22	$359.90	$318.32	$387.18
Purchased February to April 1951	$295.30	$384.32	$341.10	$416.12
Finished weight per head	936	1,111	1,000	1,159
Sale value per hundredweight:				
June to July ceiling	$34.20	$37.00	$34.20	$35.60
August to September ceiling	$32.70	$35.50	$32.70	$34.10
October ceiling	$31.20	$34.00	$31.20	$32.60
Total returns per steer:				
June to July ceiling	$320.11	$411.07	$342.00	$412.60
August to September ceiling	$306.07	$394.41	$327.00	$395.22
October ceiling	$292.03	$377.74	$312.00	$377.83

[1] Cost of purchases of feeder cattle are based on average prices of Good to Choice calves for "calves long fed," average price for Good and Choice feeder steers for "yearlings long fed" and for "heavy steers" and average prices of Good feeder steers for "short fed yearlings."

All other data are taken from the statement of the Secretary of Agriculture of May 17, 1951, Some Facts Relating to Current Meat Situation.

SOME INVENTORY LOSSES POSSIBLE ON FEEDERS PURCHASED AT HIGH PRICES

Turning to the third question, the possibility of inventory losses to feeders as a result of the roll-backs, those feedlot operators who, in defiance of OPS warnings, and the warnings of the banks and

the farm services, stocked up feeder cattle at February and March prices may suffer slight losses on the sale of those cattle. However, in most cases they stand to make inventory profits on cattle bought at earlier price levels.

It was to minimize the possibility of inventory losses to feeders that OPS decided to postpone the further roll-backs to the end of July and the end of September, when the supply of feeder cattle on the feed lots is at the lowest level of the year. Since those roll-backs have been announced 3 and 5 months ahead of time, there is no likelihood of those roll-backs bringing about inventory losses to feedlot operators.

PREDICTIONS OF DOOM BELIED BY FACTS

When the OPS beef and cattle regulations were first announced, we heard many predictions of doom. I am glad to say, as Mark Twain did with the reports of his death, that they have been "greatly exaggerated."

Thus we are told that the cattle growers, in a rush to beat the OPS roll-back, would bring to market immature cattle—thus depriving the Nation of the extra production involved in bringing the cattle to full finish.

What are the facts?

Well, in the first week after the announcement of the regulation, the average dressed weight of cattle slaughtered was 10 pounds heavier than in the corresponding week of a year ago. In the second week it was 23 pounds heavier than in the corresponding week a year ago.

We have also heard the fear expressed that the OPS regulation will drive away cattlemen seeking to market their cattle. Specifically, it has been claimed that the OPS slaughter quota system would prevent the marketing of the full cattle supply. There is no basis for the fear. The quota system is designed to market the full supply, at the same time it distributes the supply fairly among all the licensed slaughterers by giving to each slaughterer a quota based on his share of last year's slaughter.

Each month, OPS makes an advance estimate of the prospective cattle supply during the coming month. If that estimate is 90 percent of last year's supply, quotas are set to absorb this 90 percent; if the estimate is 110 percent, quotas are set to absorb 110 percent. As it happened, OPS estimated the supply for the first month of OPS operations at 90 percent, and quotas were set on that basis. Immediately people started to ask what was OPS doing with the remaining 10 percent. The answer was that there was not any remaining 10 percent.

The quota system is made sufficiently flexible, both nationally and locally, so that an increase in marketings over the supply estimated in advance can be promptly taken care of by an adjustment of quotas. Thus, in St. Paul, Minn., OPS adjusted calf quotas within 24 hours after getting indications that the marketing would exceed the advance estimate.

To take care of the fear that slaughterers may try to fill their quotas at the beginning of each monthly accounting period, and thus create a shortage of buyers at the end of the period, OPS regulations provide that no slaughterer may buy more than 60 percent of his quota within the first half of any accounting period. Thus it is impossible for the quota system to create a shortage of buyers and a glut of cattle at any time.

ALL OF US BENEFIT FROM EFFECTIVE PRICE CONTROL

In conclusion I would like to say that OPS Director DiSalle and his staff have done a just and equitable job in beef and cattle regulations setting price ceilings. They have devised a better system of administration than OPA had. OPS, with the help of Congress and the American people can prevent the rise of black markets and make the regulations work.

And let us not forget that when price controls work in America, it is the whole American people—and, indeed, the whole free world—that benefits.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to congratulate the gentleman on his powerful presentation of the subject matter he has discussed, which is so vital in the people's interest. It is not only one of the ablest presentations I have ever heard presented to the House of Representatives in my 23 years as a Member but one of the finest analyses of any subject that any Member has ever discussed. I want to congratulate the gentleman.

Mr. RABAUT. The distinguished majority leader pays me a high compliment.

Mr. Speaker, Price Stabilizer Michael V. DiSalle paid a call upon his grocer and made a shopping tour with his wife. The story is recorded as follows in the Sunday, June 24, 1951, issue of the New York Times:

DiSALLE'S GROCER IS WITH YOU 100 PERCENT—PRICE CHIEF GOES SHOPPING AND MEETS A WARM BACKER OF HIS CONTROLS

WASHINGTON, June 23.—Price Stabilizer Michael V. DiSalle went shopping at the small corner grocery with his wife and three children yesterday, inspecting the retail prices of pickles, pears, and round steak.

Mrs. DiSalle; Mickey, 14 years old; Constance, 13; and Diane, 10, were on their way for an afternoon picnic and stopped at the store for such essential items as soft drinks and gum. Mr. DiSalle went along.

Leo Browdy, owner of a grocery store three blocks from the Capitol, was quite surprised when the man who dictates the prices walked in. He explained that Mrs. DiSalle was a frequent customer but this was the first time she brought her husband.

Walking to the small meat case in the store, Mr. DiSalle, who has heard many opposing opinions on the subject, asked Mr. Browdy:

"What do you think of the beef regulations?"

"I think they're good," replied the grocer. "You're doing a fine job. If it weren't for these price controls, the average workingman and the small-business man like myself could not live today. I'm with you 100 percent, Mr. DiSalle."

"What about the beef specifications," Mr. DiSalle queried. "Are you having any trouble with them?"

"No," said Mr. Browdy, "but sometimes it's a little expensive for us to trim off the meat fat and the bone. But I really don't mind it, and the customers like it."

With this, Mr. Browdy pulled out a round of beef, demonstrating just what he meant.

"But yet," the grocer said, "it seems to me that beef sales have fallen off. It's either a buyer's strike or the hot weather."

As his wife and children continued shopping, Mr. DiSalle walked to the side of the store and picked up a jar of pickles, two cans of pears and soup. He looked at the marked prices and asked:

"Are ceiling prices high enough? Is your margin of profit adequate?"

Replying to both in the affirmative, Mr. Browdy told the price chief that he was even selling a few items below ceiling prices.

"Take steak, for instance," Mr. Browdy said. "The top price is $1.17 a pound. I sell it for $1.10 and still make something."

By now, Mrs. DiSalle had gathered up her groceries and children and paid the grocer.

"He's a nice fellow with a warm smile," said Mr. Browdy. "And she's a nice woman. Why this week she's spent close to $12 here."

And Mr. Speaker, from the pen of BLAIR MOODY, the new Senator from Michigan, comes the timely article As Senator MOODY Sees It, as recorded in the Sunday, June 24, 1951, issue of the Washington Star, under the caption "New price surge predicted if current controls bills is voted":

AS SENATOR MOODY SEES IT—NEW PRICE SURGE PREDICTED IF CURRENT CONTROLS BILL IS VOTED

(By BLAIR MOODY, United States Senator from Michigan)

Congress seems on the verge of jerking the rug from beneath the stabilization program just as it is being molded into balance, and sentencing the consuming public to another sharp upsurge in prices.

This will be the virtually certain result if Congress accepts the Senate Banking and Currency Committee's version of the new Controls Act bill which goes into debate tomorrow noon.

In most respects, this bill is very like the present law which expires June 30. It extends the President's power to allocate materials and control rents. It rejects most of his requests for stronger measures to enforce control orders and make them more effective to regulate speculation and curb profiteering. The urgent, last-minute atmosphere in which the bill had to be considered, after many months during which congressional attention had been diverted to other channels, swept such proposed changes aside with scant consideration.

CALLS AMENDMENT INFLATIONARY

But the narrow margin of one vote in committee, recorded on two 7–6 roll calls, has written into the measure that reaches the floor an amendment which a minority of the committee—Senators SPARKMAN, Democrat, of Alabama; DOUGLAS, Democrat, of Illinois; FULBRIGHT, Democrat, of Arkansas; BENTON, Democrat, of Connecticut; IVES, Republican, of New York, and the writer—holds to be violently inflationary.

This amendment grew out of the controversy over rolling back the price of beef. Though cattle prices have risen 53 percent since January 1950, compared with a 10-percent rise in industrial wages, a 15-percent rise in the price of food and a 13-percent rise in the prices of things farmers buy—there is widespread sentiment on Capitol Hill to wipe out the last, and perhaps the last two, of Administrator Michael V. DiSalle's three roll-backs.

WOULD RUIN BASIC STRUCTURE

But if the committee majority's purpose was merely to restrict further roll-backs on meat, their amendment would burn down the house to roast the pig. It would not alone kill the beef order, but would change the entire basic structure of the stabilization

program, freeze distortions which have occurred since the Korean invasion into the economy by law, prohibit passing on to the consuming public great savings as the prices of imported raw materials drop, and blast open the wage-stabilization formula which was established only after months of difficult and delicate negotiations.

The amendment provides that no ceilings—on anything—shall be set at a level less than the lower of (a) the current price at the time the ceiling is set, or (b) the lowest price in the period January 25–February 24, 1951. Superficially, on the grounds that "you can't make any roll-back stick," this is a proposal to let everyone know just where he stands and thus increase production.

If Congress accepts the committee ban on all roll-backs of every kind, those who think that soaking the public to the last penny in time of emergency is "the American system" will have their profiteering frozen into the law. Those who believe, on the other hand, that a responsibility of those privileged to live under the American system is to respond to a request by their Government while American draftees are dying on the battlefield to protect freedom, will be put at a sharp disadvantage as compared with those who did not feel that way.

FEAR NEW UPSURGE

Either they will be put at a disadvantage or their prices will be increased all along the line, which would transfer the disadvantage to the consuming public. Eric Johnston, the economic stabilizer, thinks the increases would come and that they would boost the cost of living by at least 6 percent. That, of course, would automatically bring a resulting rise in the wages of organized workers, and that would boost the whole cost structure of industry, increase the prices of things farmers buy, jack up food prices, and start the economy off again astride that swirling upward spiral which the Johnston-DiSalle order checked January 25.

Actually, so far as the stabilization program is concerned, it merely makes certain that prices can move in only one direction—up. It also sets in motion a chain of events making it inevitable that they move.

FREEZING IS DIFFICULT

One Senator who favors the amendment says often that this would amount to an over-all "freeze" on the economy. Senator DOUGLAS' economic aide, Philip Stern, has a colorful riposte for that one:

"Trying to freeze all prices on a given date," he says, "is as impossible as trying to freeze a high jumper in mid-air. Like the high jumper, prices are always in motion, and, like the high jumper, they are always somewhat distorted from their normal position."

During the period between last June 25, when the Reds struck, and January 25, the date of DiSalle's temporary freeze, which is now being tailored down to fit the complexities of the economic system, prices moved violently and very unevenly. That was the period during which President Truman tested out the advice of those who said that direct controls were not needed to restrict the economy in time of emergency—advice, incidentally, which is still being given to the President and the Congress by a parade of great interests who appeared before the committee.

VOLUNTARY CONTROLS FAIL

The voluntary system did not work, even in that period when the full impact of military production had not yet struck. Some businessmen patriotically responded to their Government's plea not to increase prices. Others ignored the plea, and piled on everything the traffic would bear. One Senator, incidentally, expressed surprise to the committee a few days ago that anyone would expect them to do anything else. "That's the American system," he said.

It is ironic that Congress should be considering such a blow at the stabilization system, now that the impact of military production is about to strike and the inflationary danger is increasing. For it was Congress last year that first moved toward the very sort of steering wheel for the economy which its action may now cripple or destroy.

SEEK TO CURB PROFITEERING

Mr. Johnston and Mr. DiSalle are endeavoring, by a twin cost-price formula, to squeeze some of the profiteering out of the price structure. They work from the base of normal price-cost relationships that existed before Korea, and they declare that in fixing his price any manufacturer may add cost increases for both materials and labor since that date.

When prices have been boosted sharply beyond this level, ceilings are being set to see that the public is not overcharged. A roll-back does not happen to businessmen who respond to the President's antiprofiteering plea. It does happen to those who ignore the request, just as Mr. DiSalle is trying to make it happen to cattle people who ran up the prices after being on notice ceilings were going to be imposed.

NEW ROLL-BACKS IN WORKS

Now in the works at OPS are roll-backs on clothing, shoes, and other necessities. In prospect are other reductions which promise to be possible as a result of the Government's action in forcing down the world price of important materials such as tin, wool, and rubber.

The question before the Senate this week is whether this difficult task, for which some of the Nation's ablest men have left far more lucrative private positions to come here and tackle, is to be completed and the Nation is to be able to arm itself against the danger from abroad without burning out its system from within. Or whether the public is to be slugged with another round of inflating prices, with new distortions and inequities even harder to harness or remedy.

Those on Capitol Hill who feel that Congress should be the general public's lobby, since the public doesn't have any other, will be fighting to hold the line.

(Mr. RABAUT asked and was given permission to revise and extend his remarks and include extraneous matter.)

FAIR EMPLOYMENT PRACTICES

Mr. ADDONIZIO. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ADDONIZIO. Mr. Speaker, I have today introduced a resolution requesting the President to issue an order for a national emergency FEPC at the earliest possible moment, similar to the Executive order issued 10 years ago today, June 25, 1941, by President Franklin D. Roosevelt.

Earlier in the session I introduced H. R. 4264, providing for Congressional enactment of a fair-employment practices law, but, since the alliance of southern Democrats and northern Republicans has prevented action on the legislation, I hope that our President will set up another FEPC for the duration of this great national emergency through a special Executive order. It is imperative that such action be taken without delay.

The enactment of a Federal fair-employment practices program cannot be postponed. Discrimination is on the increase. The records of the Department of Labor show that in numerous industries there is a widespread tendency to return to prewar practices of "last hired, first fired" for members of minority groups. Although the task of measuring the exact extent of employment discrimination is admittedly very difficult, nevertheless, the various voluntary plans undertaken to encourage employers to carry out their democratic obligations to the people have been very disappointing. Citizens' groups who approach employers known to be practicing discrimination against minority groups are told that the war is over and that the full-page ads they publish during Brotherhood Week each year are just advertising.

At present we are engaged in a huge emergency effort calling for the fullest possible mobilization of all our manpower resources. The Director of Defense mobilization has stated that—

> The economic and military strength of our Nation depends upon the brains and hands that develop, maintain, and operate the machines of production and defense. But in numbers our manpower resources are limited. If we are wasteful of our resources, manpower deficiencies could become the limiting factor in production and in military strength.

A fair-employment practices program implemented by the Federal Government would marshal all our manpower resources so that no weak spot in our goals for increasing the working force in this critical period might occur. Expansion of all phases of our defense program requires that no segment of manpower be ignored nor the potential abilities of any group of workers be unused because of discrimination of any kind.

There can be no argument with the fact that effective use of manpower will increase productivity. But full employment, so necessary to our national economy, cannot be achieved if artificial barriers are placed in the path of large groups of workers preventing them from securing the jobs in which their greatest skills and abilities might be utilized to meet the Nation's needs. The Federal Government can achieve this objective by putting into operation through a FEPC, a dynamic program for raising the level of America's productive capacity not only during this emergency but for all times.

Further proof that Federal action is needed in this field we gather from the reports of State and local fair employment practices programs. As successful as these efforts have been, the most serious limitations appear in the production of materials requiring the use of interstate commerce. Despite experiments in voluntary cooperation, the States face a serious handicap without the force of a Federal law to handle matters dealing with discrimination on an interstate level. Reduced wages and job opportunities result in reduced markets. With a higher level of productivity, due to more effective uses of manpower throughout the Nation, localized problems of employers engaged in production involving interstate commerce can be erased.

A FEPC is a guaranty of all American citizens to freedom of opportunity characterized in the ideal American way of life. There must be equality of economic opportunity for every American citizen. We must remove from the American ideal the blot of discrimination that robs us from fully enjoying the production of our entire labor potential and that furnishes the Kremlin with its most effective propaganda to the great colored areas of the world. Passage by the Congress of a fair-employment practices law or, failing that, issuance of an executive order by the President, would bring great benefits to every American here at home and would demonstrate to the Kremlin and the rest of the world that the United States stands for tolerance and fair play toward all her citizens, regardless of race, creed, or color.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report on the Defense Production Act.

The Speaker. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HOME OWNERS LOAN CORPORATION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, in 1932, when the people of the country turned to Franklin Delano Roosevelt and the Democratic Party for leadership that would take our country and our people out of the terrible economic conflagration that we had been led into by the Republican Party, tens of thousands of homes and farms throughout the country had been foreclosed and were being foreclosed. The situation was terrible. There was nothing being done to try and assist the owners of homes and farms to tide them over during the depression and to preserve their life savings which were invested in the little property that they owned.

Under the late Franklin Delano Roosevelt the Democratic Party moved to quick action to assist the farmers, those on the land to hold their farms until the better days arrived. Under the leadership of Franklin Delano Roosevelt the Democratic Party enacted legislation also to assist the home owner.

About a month ago the Home Owners Loan Corporation closed its books and went out of business as a lending and mortgage-holding agency of the Government. During the period of its existence it saved from foreclosure nearly 1,000,000 homes throughout the country. During the period of its existence the Home Owners Loan Corporation issued bonds in the sum of $3,489,000,000 in addition to the original capital of $200,000,000 which by law was furnished to this Corporation by the Treasury Department. The $200,000,000 advanced by the Treasury Department has been repaid and all of the issues of the Home Owners Loan Corporation bonds have been paid off. At the time of going out of business of this agency, a profit of some millions of dollars was turned over to the Federal Government. This Corporation was established in 1933 when foreclosures of homes were taking place at the rate of about 1,000 a day. Throughout the first 3 years of its existence the Corporation refinanced 1,017,821 defaulted home loans. I have been informed that this was an average of one out of five mortgages on owner-occupied homes in the Nation's nonfarm areas during the above period.

At the time of the refinancing of the mortgages of these homes which meant that the homes were saved to the owners, the average borrower was then delinquent 2 years on his old mortgage and up to 3 years in arrears in taxes.

The financial aspects of the Home Owners Loan Corporation have been liquidated 100 percent and the profit turned over to the Federal Government. It saved hundred of thousands of homes throughout the country and stopped bitter disillusionment that would have come to the owners of those homes and their families.

The Home Owners Loan Corporation has done an outstanding job.

This is one of the many outstanding contributions of the Democratic Party of the past 20 years.

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. BAKEWELL] is recognized for 15 minutes.

ARCHBISHOP JOSEF BERAN

Mr. BAKEWELL. Mr. Speaker, today the representative of our Government sits in the United Nations with the representative of the Government of Czechoslovakia. We meet on the basis of equality with a Government which stands directly opposed to our position in everything which we as Americans defend. The Government of Czechoslovakia denies the basic rights of free speech, free press, and the freedom of religious expression. If there be any doubt in anyone's mind as to where this and the other Governments behind the iron curtain stand on the basic rights in which we believe and for which Americans have fought, bled, and died through the centuries, I would like to call to the attention of the Members of the House the case of Archbishop Josef Beran, Archbishop of Prague.

Archbishop Beran was born in Pilsin, Bohemia, in 1888. He came of an humble family. He attended local schools and was ordained a priest in July 1911. After ordination, he spent 15 years in parish work near Prague. In 1927 he began a teaching career and in 1937 was made rector of the Archepiscopal Seminary in Prague. On June 6, 1942, the then Monsignor Beran was arrested by the invading police forces of the Nazi Gestapo. His offense was that he was a native Bohemian and championed the rights of his people—in his actions, in his speech, and in his conversation. He did it before his fellow nationalists. He did it before the occupying Nazi horde. Because he was courageous and acted as a sincere nationalist he was arrested, held without trial, and thrown into Pankrac prison in Prague. Later he was sent to the infamous concentration camp of Dachau. From Dachau he was liberated by the arrival of American troops who swept victoriously across Europe in 1945 under the command of the late Gen. George S. Patton.

While in Dachau Monsignor Beran won the high esteem of the Czechoslovakian people. He came to know intimately his fellow nationalists who were prisoners with him. After liberation the late President Eduard Benes, of Czechoslovakia, conferred on the then Monsignor Beran the two highest awards which his nation could give him. Because he was a great nationalist, a great patriot, and a great churchman, he was elevated to be Archbishop of Prague on December 8, 1946.

Archbishop Beran, having known turmoil, strife, and invasion, looked forward to a peaceful episcopate. But unfortunately, as a result of post-World War II developments, Archibshop Beran once again found his nation overrun by an invading horde. Once again the rights of Czech nationals were denied. The rule of order, the rule of reason, the rule of justice gave way to the hangman's noose. Once again it became a crime to be a Czech, to be a patriot, to believe in liberty. As before, Archbishop Beran found himself in a position where he could not compromise, could not subscribe to the totalitarian doctrines of the foreign invader. Once again he acted as a Christian, as a patriot, as a man who believes in freedom, liberty, and dignity of the individual.

History has a curious and oftentimes ironic way of repeating itself.

Late in 1949 the then Minister of Communist-dominated Czechoslovakia, President Gottwald's son-in-law, Alexei Cepicka, called on Archbishop Beran in his residence on Hradeny Square. This traitor to his nation, the agent of a foreign regime, arrived in the archbishop's private office and said, "You'd better support our national front or else." He got no further. Archbishop Beran with a tolerant and Christian smile walked over to a closet a short distance from his desk, opened the door, took out a small bundle of rags, and said, "Here is my uniform from Dachau. Let's go."

Since that date people of the free world have heard nothing of Archbishop Beran. The members of his congregation in Czechoslovakia know nothing more than I do at this moment of the whereabouts of Archbishop Beran. Everyone knows that he is a hostage of Communist imperialism. He is our security temporarily in pawn until released by the force of the opinion of freemen everywhere. Every day that he lives as a hostage he expresses our hopes for a free world. Each moment of his torture is a prayer for us who are free to enjoy the air and to speak as we deem fit and proper.

Recently Robert Vogeler returned from behind the iron curtain. He was an American national. Through the devotion and unremitting efforts of his wife, our State Department effected his

liberation from the Communist Hungarian Government—at a price. Anyone who read the news accounts of Mr. Vogeler's torture behind the iron curtain must be moved at the thought that there are many others suffering the same torture but who steadfastly believe that someday right will triumph, and justice will be enthroned.

I deplore the thought that my Government must quietly condone the action of the Government of Communist Bulgaria, which convicted, sentenced, and imprisoned 10 Protestant churchmen merely because they saw and performed their duty as Christian churchmen.

I deplore the paradoxical situation in the United Nations which compels us to complacently adhere to diplomatic amenties with a nation whose government brazenly violates the basic freedoms of mankind.

I deplore the detention of Archbishop Beran and also deplore the failure of our Government to lift its hand in protest. International justice cries out. Crime must be avenged. We as Americans cannot indifferently stand by and sanction bold violations of the basic tenets of the United Nations by governments whose delegates come to the conference table with hands dripping in blood.

Mr. Speaker, I suggest to the Congress that we urge our delegate in the United Nations to protest to the member-nations the unlawful detainment and confinement of Archbishop Beran; and that our delegate be directed to bring the issue before the conference table in the hope that the voice of the free world will open the iron curtain of detainment of this renowned Christian apostle.

Mr. Speaker, there should be no doubt in anybody's mind as to the objectives of communism. Communist policy follows the Communist bible. The Communist's bible is the writings of Marx, Lenin, and Stalin. Hitler spelled out in detail in Mein Kampf his objectives and the means he would utilize to achieve them. Then we were too naive to believe what we could read. We learned otherwise when World War II began.

There should be no doubt in anybody's mind as to one of the avowed objectives of communism, which is the destruction of all religion. Religion which teaches the dignity of the human being is directly opposed to the teachings of communism, which glorifies the state as being paramount. Although the incompatibility is apparent from the doctrines and objectives of both Christianity and communism, nevertheless we have the communistic party line spelled out in the words of their high priest himself, Josef Stalin, as follows:

> Have we suppressed the reactionary clergy? Yes; we have. The unfortunate thing is that it has not been completely liquidated.
>
> Antireligious propaganda is a means by which the complete liquidation of the reactionary clergy must be brought about.

Mr. Speaker, within the past few days communism has again moved against religion and the clergy. In Hungary, Archbishop Joszef Groesz, who succeeded to the authority of Archbishop Mindszenty, has been seized and imprisoned. He is another hostage in Communist hands. On Sunday, June 24, the Reverend Dr. Frederick Brown Harris, Chaplain of the Senate, said to his congregation at Foundry Methodist Church, speaking of Archbishop Groesz:

> We clasp his hand with the clasp of a brother and would assure him, if we could, of our prayers in this hour of his living martyrdom at the hands of those who lift their puny arms against his Christ and ours; and so, again, Christ stands in Pilate's court, but it is not Christ, but anti-Christ, who is really on trial. Every believer who is with the Christ whose truth makes men free is in the prisoner's dock with this priest of the church.

I would like to conclude by reading an editorial from the St. Louis Globe-Democrat, June 20, entitled "Red War on Church," which is as follows:

> Another Mindszenty has been hailed to the Communist dock in Hungary, headed for imprisonment or death. Archbishop Joszef Groz, highest ranking Roman Catholic prelate of the country since Cardinal Mindszenty was sentenced to life imprisonment, has been charged with plotting against the Red government, black market currency dealings, aiding persons to flee Hungary, and other offenses. The indictment said he has confessed, along with eight others, including two additional bishops.
>
> Thus again the ruthless, anti-God pattern of Communist totalitarianism. No doubt they will be proved to have confessed. The trial is a rigged mockery. The most adroit forms of torture, able to rob man of will, judgment, even knowledge have been employed by Red "jurisprudence." If psychological pressures do not bring a vacuous madness, drugs finish the job.
>
> Communist rule knows it cannot exist as long as Christian religion has any authority left. In Hungary where the Catholic Church is the chief religious preceptor, communism has set out to destroy the bishops, the schools, the churches. The doctrine of a Supreme Being cannot coexist in a Communist state, which holds itself the supreme authority. The conviction of personal liberties and human dignity, a bulwark of Christianity, cannot be tolerated by Red government enslavement.
>
> So Reds have declared death or destruction to the Church of Hungary. Modern martyrdom is without dignity, cloaked under the guise of court trappings that hood not even their injustice. But no assault against Christianity has ever succeeded. The sacrifice of Hungary's clergy is an ugly, bitter but temporary trial.

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

MORGANTOWN ORDNANCE WORKS

Mr. STAGGERS. Mr. Speaker, in my district, the Second Congressional District of West Virginia, there is located a large ordnance plant—in fact, one of the largest of its kind in the United States. This is known as the Morgantown Ordnance Works, at Morgantown, W. Va., and was erected by the du Pont Co. for the Government during World War II, at a cost of approximately $65,000,000.

The plant was utilized by the Government for the production of some of the essential materials of war, and after the war it was used to produce part of the components for making fertilizer which was shipped to Germany and Japan to help in the rehabilitation of the soils of those countries.

The latter program expired in the early part of 1950, and an order was given in the summer months last year to put the plant in a stand-by condition.

At the outbreak of the Korean war in June 1950, inactivation had begun and it was assumed by most of the people connected with the ordnance works and the residents of the surrounding area that the plant would be put back into operation for the production of war materials. However, this was not the case. The Army continued closing down the plant until at the present time it is in a 90-percent stand-by condition.

Many inquiries have been presented to me by the citizens as to why the Army has not been utilizing this plant in the present emergency, or at least as to why it is not being readied for war production, if necessary. The different departments of the Army cannot get together on this matter and do anything about it.

I understand that in the last appropriations bill, $8,500,000 was appropriated to the Army for the change-over from coal to gas at the Morgantown Ordnance Works. Yet it is located in the heart of the largest coal field in the Nation.

Bids have been submitted to the Army and the contract was supposed to be let today, June 25. Now all bids have been refused and the companies are having to resubmit their bids, which are to be opened on July 25.

I think the proper committee of the House should look into this and see that the plant is leased and operations started, and also see that there is no slip-up on July 25 when the new bids are reopened.

The Secretary of Agriculture has stated that his Department is in need of all the anhydrous ammonia that can be produced at this plant, if the Army does not want it for war material. Then, at least, the plant would be in readiness for war production should an emergency arise. This plant can produce as a by-product one very essential component to the war effort which will be badly needed by August of this year.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a concurrent resolution of the following titles in which the concurrence of the House is requested.

S. Con. Res. 35. Concurrent resolution ordering the reengrossment of the Senate amendments to H. R. 3880, the independent office appropriation bill for 1952.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LIND for Tuesday, June 26, 1951, on account of attendance at funeral.

To Mrs. HARDEN, for today and tomorrow, on account of official business.

EXTENSION OF REMARKS

Mr. HARRISON of Wyoming asked and was given permission to extend his remarks in two instances and to include extraneous matter.

Mr. LANE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. PRICE asked and was given permission to extend his remarks and include an editorial.

Mr. FERNANDEZ asked and was given permission to extend his remarks and include extraneous matter.

Mr. LARCADE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. GROSS asked and was given permission to extend his remarks and include an article entitled "Wall Streeters Hold Down Top United States Jobs."

Mr. JONAS asked and was given permission to extend his remarks and include the text of an address from the Chicago Tribune.

Mr. SHEEHAN asked and was given permission to extend his remarks and to include an editorial from the Chicago Daily News and the Chicago Daily Tribune.

Mr. ANGELL asked and was given permission to extend his remarks and include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. SCHWABE asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. AYRES asked and was given permission to extend his remarks and include a statement.

Mr. HARRISON of Wyoming asked and was given permission to extend his remarks and include a newspaper article.

Mr. LOVRE asked and was given permission to extend his remarks and include a newspaper article.

Mr. BENNETT of Florida asked and was given permission to extend his remarks and include extraneous matter.

Mr. HARRIS asked and was given permission to extend his remarks and include a speech made by Mr. O. P. Frame, assistant deputy administrator, Domestic Petroleum Operations, before the Kentucky Oil and Gas Association on June 22, 1951, at Ashland, Ky., on the subject of Observations of a WOC.

Mr. McCORMACK asked and was given permission to extend his remarks in two instances and include two editorials.

Mr. HILL asked and was given permission to extend his remarks and include extraneous matter.

Mr. McGREGOR asked and was given permission to extend his remarks and include two editorials.

Mr. REECE of Tennessee asked and was given permission to revise and extend his remarks and include an editorial by Mr. Fulton Lewis, Jr.

Mr. YORTY asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. KIRWAN and Mr. BECKWORTH (at the request of Mr. MANSFIELD) were given permission to extend their remarks in the RECORD and include editorials and extraneous matter.

Mr. RHODES asked and was given permission to extend his remarks and include three editorials.

Mr. MITCHELL (at the request of Mr. RHODES) was given permission to extend his remarks and include a letter and two articles.

Mr. GATHINGS asked and was given permission to extend his remarks in three instances; to include in two, editorials, and in one a letter.

Mr. MARTIN of Massachusetts asked and was given permission to extend his remarks and include an editorial appearing in Collier's magazine.

Mr. SITTLER asked and was given permission to extend his remarks and include an editorial.

Mr. RABAUT asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. JENSEN asked and was given permission to extend his remarks and include an editorial.

Mr. SHORT asked and was given permission to extend his remarks in the Appendix in three instances; in one to include a commencement address recently delivered by Mr. Roy Roberts, editor of the Kansas City Star, and two newspaper articles.

Mr. BAILEY asked and was given permission to extend his remarks in the Appendix in two instances and to include extraneous matter in the nature of newspaper editorials.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 71. Joint resolution relating to the compensation of employees of the House and Senate press, periodical, and radio galleries; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3576. An act to amend the Displaced Persons Act of 1948, as amended;

H. R. 2084. An act relating to the treatment of powers of appointment for estate and gift-tax purposes.

ADJOURNMENT

Mr. JONES of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 14 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 26, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

556. A letter from the Chairman, Atomic Energy Commission, transmitting a report of claims paid by the United States Atomic Energy Commission during the calendar year 1950, pursuant to the Federal Tort Claims Act; to the Committee on the Judiciary.

557. A letter from the Deputy Attorney General, relative to H. R. 3283, "a bill to amend the Agricultural Act of 1949," authorizing the recruitment of agricultural workers in Mexico and transporting them to and from the United States, and urging the adoption of two amendments thereto; to the Committee on Agriculture.

558. A letter from the Comptroller General of the United States, transmitting the report on the examination of the financial statements and accounts of Commodity Credit Corporation for the fiscal year ended June 30, 1950 (H. Doc. No. 177); to the Committee on Expenditures in the Executive Departments, and ordered to be printed.

559. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1952 in the amount of $600,000 for the Department of Commerce (H. Doc. No. 178); to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 21, 1951, the following bill was reported on June 23, 1951:

Mr. SPENCE: Committee on Banking and Currency. H. R. 3871. A bill to amend the Defense Production Act of 1950, and for other purposes; with amendment (Rept. No. 639). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee on Banking and Currency. H. R. 3871. A bill to amend the Defense Production Act of 1950, and for other purposes; without amendment (Rept. No. 639, pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. H. R. 3049. A bill to authorize the sale of the Chicago Appraisers' Stores Building to the city of Chicago; without amendment (Rept. No. 640). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Interior and Insular Affairs. H. R. 1043. A bill to provide for medical services to non-Indians in Indian hospitals, and for other purposes; with amendment (Rept. No. 641). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Interior and Insular Affairs. H. R. 3782. A bill to authorize a per capita payment to members of the Menominee Tribe of Indians; without amendment (Rept. No. 642). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 281. Resolution providing for the consideration of H. R. 3871, a bill to amend the Defense production Act of 1950, and for other purposes; without amendment (Rept. No. 643). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. POULSON:

H. R. 4592. A bill to amend the Sherman Antitrust Act with respect to certain contracts and agreements which establish minimum resale prices and which are extended by State law to nonsigners; to the Committee on the Judiciary.

By Mr. ANGELL:

H. R. 4593. A bill to amend the penalty provisions applicable to persons convicted of violating certain narcotic laws, and for other purposes; to the Committee on Ways and Means.

By Mr. TALLE:

H. R. 4594. A bill to increase the penalty for the sale of narcotic drugs to persons under 21 years of age; to the Committee on Ways and Means.

By Mr. BARRETT:

H. J. Res. 275. Joint resolution pertaining to the act of June 28, 1948 (Public Law 795, ch. 687), relating to Independence National Historical Park, Philadelphia, Pa.; to the Committee on Interior and Insular Affairs.

By Mr. VAN ZANDT:

H. J. Res. 276. Joint resolution to designate the 1st day of May in each year as Loyalty Day; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. Con. Res. 127. Concurrent resolution providing a Code of Ethics for Government Service; to the Committee on Post Office and Civil Service.

By Mr. GATHINGS:

H. Res. 278. Resolution to authorize the Committee on Interstate and Foreign Commerce to investigate and study offensive and undesirable radio and television programs; to the Committee on Rules.

H. Res. 279. Resolution to authorize the Committee on Post Office and Civil Service to investigate and study the publication and distribution of offensive and undesirable books; to the Committee on Rules.

By Mr. ADDONIZIO:

H. Res. 280. Resolution reestablishing principles stated in Executive Order 8802 of June 25, 1941, as amended, and requesting the President to provide for fair employment practices; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BAKEWELL:

H. R. 4595. A bill for the relief of Cecilia T. Tolentino; to the Committee on the Judiciary.

By Mr. BARRETT:

H. R. 4596. A bill for the relief of Elizabeth Vogel, former Foreign Service clerk; to the Committee on the Judiciary.

By Mr. BRAMBLETT:

H. R. 4597. A bill for the relief of Jalal Rashtian; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 4598. A bill for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions and catastrophes of nature; to the Committee on the Judiciary.

By Mr. McDONOUGH (by request):

H. R. 4599. A bill for the relief of Mahmud Ali Mahmud Areiquat; to the Committee on the Judiciary.

H. R. 4600. A bill for the relief of Abdullah Hasan Areiquat; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

326. The SPEAKER presented a petition of Thad Fusco, clerk, Cleveland, Ohio, relative to requesting an appropriation of sufficient funds to carry out an adequate low-income housing program, as contemplated in the bi-partisan Housing Act of 1949; to the Committee on Banking and Currency.

SENATE

TUESDAY, JUNE 26, 1951

(Legislative day of Thursday, June 21, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Dear God and Father of us all, whate'er our name or sign, under the canopy of Thy goodness and mercy we pause to seek Thy face. Gather our wandering minds and our wayward spirits into Thy secret place where, even before we lift our own voices concerning the affairs of these perplexing times, we may have ears to hear those voices which tell us of the meaning and worth of life. On the tablets of our hearts may there be written Thy decrees. In all our attitudes and expressions may we not forget that he that is slow to anger is better than the mighty, and he that ruleth his own heart is better than he that taketh a city.

Enrich us with the durable satisfactions of life so that the multiplying years may not find us bankrupt in those things that matter most, the golden currency of faith and hope and love. We ask it in the name of man's Best Man and love's Best Love. Amen.

THE JOURNAL

On request of Mr. LONG, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 25, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 26, 1951, the President had approved and signed the act (S. 927) to amend section 6 of the Central Intelligence Agency Act of 1949.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 11) to provide for the appointment of conservators to conserve the assets of persons of advanced age, mental weakness, not amounting to unsoundness of mind, or physical incapacity, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 1590) to extend and revise the District of Columbia Emergency Rent Act, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. THOMAS, Mr. GORE, Mr. ANDREWS, Mr. YATES, Mr. TABER, Mr. PHILLIPS, Mr. COUDERT, and Mr. COTTON were appointed managers on the part of the House at the conference.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. NEELY, and by unanimous consent, the Committee To Investigate Organized Crime in Interstate Commerce was authorized to meet this afternoon during the session of the Senate.

On request of Mr. JOHNSON of Colorado, and by unanimous consent, the Committee on Interstate and Foreign Commerce was authorized to meet at 2 o'clock p. m. today to hear a witness from the Bureau of the Budget with reference to a bill pending before the committee.

EXTENSION OF DISTRICT OF COLUMBIA EMERGENCY RENT ACT

Mr. LONG. I now suggest the absence of a quorum.

The VICE PRESIDENT. Will the Senator from Louisiana withhold his suggestion for a moment so that the Chair may lay before the Senate a message from the House and call it to the attention of the Senator from West Virginia?

Mr. LONG. I withhold the suggestion, Mr. President.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1590) to extend and revise the District of Columbia Emergency Rent Act, which was to strike out all after the enacting clause and insert:

That the District of Columbia Emergency Rent Act is hereby amended to read as follows:

"PURPOSES; TIME LIMIT

"SECTION 1. (a) It is hereby found that the national emergency and the national defense program (1) have aggravated the congested situation with regard to housing accommodations existing at the seat of government; (2) have led or will lead to profiteering and other speculative and manipulative practices by some owners of housing accommodations; (3) have rendered or will render ineffective the normal operations of a free market in housing accommodations; and (4) are making it increasingly difficult for persons whose duties or obligations require them to live or work in the District of Columbia to obtain such accommodations. Whereupon it is the purpose of this act and the policy of the Congress during the existing emergency to prevent undue rent increases and any other practices relating to housing accommodations in the District of Columbia which may tend to increase the cost of living or otherwise impede the national defense program.

"(b) The provisions of this act, and all regulations, orders, and requirements thereunder, shall terminate on March 31, 1952; except that as to offenses committed, or rights or liabilities incurred, prior to such expiration date, the provisions of this act and such regulations, orders, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"MAXIMUM-RENT CEILINGS AND MINIMUM-SERVICE STANDARDS

"SEC. 2. Subject to such adjustments as may be made pursuant to sections 3 and 4, maximum-rent ceilings and minimum-service standards for housing accommodations in the District of Columbia shall be the following:

"(1) For housing accommodations rented on January 1, 1951, and not under control under this act prior to that date, the rent and service to which the landlord and tenant were entitled on that date.

"(2) For housing accommodations not rented on January 1, 1951, but which had been rented within the year ending on that date, and not under control under this act during that year, the rent and service to which the landlord and tenant were last entitled within such year.

"(3) For housing accommodations not rented on January 1, 1951, or within the year ending on that date, and not covered by subsection (4) hereof, the rent and service generally prevailing for comparable housing accommodations as determined by the Administrator.

"(4) For housing accommodations under control under this act on December 31, 1950, the rent and service to which the landlord and tenant were entitled on December 31, 1950; except that upon the filing, by any landlord of any housing accommodations covered by this subsection, of a new rent schedule on a form prescribed by the Administrator and setting forth the pertinent circumstances as indicated by such form, the rent and service shall be adjusted and automatically effective upon the date of filing thereof, (A) for housing accommodations rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased to 20 percent above the rent heretofore frozen at the level of January 1, 1941, or the last rent in the year 1940, whichever was applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator; and (B) for housing accommodations not rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased by 2 percent per year for each calendar year ending after rent schedules for such housing accommodations were first filed in the office of the Administrator, for the calendar years 1941 to 1950, inclusive, to the extent applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator.

"GENERAL AND SPECIAL ADJUSTMENTS

"SEC. 3. (a) Whenever in the judgment of the Administrator a general increase or decrease since January 1, 1951, in taxes or other maintenance or operating costs or expenses has occurred or is about to occur in such manner and amount as substantially to affect the maintenance and operation of housing accommodations generally or of any particular class of housing accommodations, he may by regulation or order increase or decrease the maximum-rent ceiling or minimum-service standard, or both, for such accommodations or class thereof in such manner or amount as will in his judgment compensate, in whole or in part, for such general increase or decrease. Thereupon such adjusted ceiling or standard shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto.

"(b) Upon a showing by any landlord of good cause in the judgment of the Administrator that the maximum-rent ceiling on any housing accommodation is substantially lower than the maximum-rent ceiling for comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, the Administrator may, by special order under this section, adjust such lower ceiling so as to equalize the same with such higher ceiling, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"(c) Upon the showing by any landlord to the satisfaction of the Administrator that the maximum-rent ceilings, on any comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, will vary in amount due to the effect of General Orders 12 and 13 or similar general orders, the Administrator may, by special order under this section, adjust any or all of such ceilings so as to equalize the same, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"PETITION FOR ADJUSTMENT

"SEC. 4. (a) Any landlord or tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling is, due to peculiar circumstances affecting such housing accommodations, substantially higher or lower than the rent generally prevailing for comparable housing accommodations; whereupon the Administrator may by order adjust such maximum-rent ceiling to provide the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"(b) Any landlord may petition the Administrator to adjust the maximum-rent ceiling or minimum-service standard, or both, applicable to his housing accommodations to compensate for (1) a substantial rise in taxes or other maintenance or operating costs or expenses over those prior to January 1, 1951, or (2) a substantial capital improvement including furniture and furnishings or alteration made since January 1, 1951; whereupon the Administrator may by order adjust such maximum-rent ceiling or minimum-service standard in such manner or amount as he deems proper to compensate therefor, in whole or in part, if he finds such adjustment necessary or appropriate to carry out the purposes of this act: Provided, That no such adjusted maximum-rent ceiling or minimum-service standard shall permit the receipt of rent in excess of the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"(c) Any tenant may petition the Administrator on the ground that the service supplied to him is less than the service established by the minimum-service standard for his housing accommodations; whereupon the Administrator may order that the service be maintained at such minimum-service standard, or that the maximum-rent ceiling be decreased to compensate for a reduction in service, as he deems necessary or appropriate to carry out the purposes of this act.

"(d) Any landlord may petition the Administrator for permission to reduce the service supplied by him in connection with any housing accommodations; whereupon the Administrator, if he determines that the reduction of such service is to be made in good faith for valid business reasons and is not inconsistent with carrying out the purposes of this act, may, by order, reduce the minimum-service standard applicable to such housing accommodations and adjust the maximum-rent ceiling downward in such amount as he deems proper to compensate therefor.

"(e) Any tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling permits the receipt of an unduly high rent; whereupon the Administrator may by order adjust such maximum-rent ceiling in such manner or amount as shall, in his judgment, effectuate the purposes of this act and provide a fair and reasonable rent for such housing accommodations, but not less than the generally prevailing rate for comparable housing accommodations.

"(f) A petition made pursuant to this section shall be subject to the provisions of sections 8 and 9 of this act. Any adjusted maximum-rent ceiling or minimum-service standard ordered pursuant to this section shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto; except that, in the event that the adjustment order is stayed or set aside by the court in accordance with section 9 of this act, the maximum-rent ceiling and minimum-service standard theretofore applicable to such housing accommodations under this act remain in full force and effect.

"(g) Upon the expiration of 45 days after the date of the filing of any petition by any landlord for adjustment of the maximum-rent ceiling under the provisions of subsection (b) of this section, the maximum-rent ceiling for the housing accommodations covered by such petition automatically shall become the ceiling requested in such adjustment petition, unless and until such adjustment petition shall have been finally disposed of by the Administrator or his office, pursuant to the provisions of this section and the provisions of sections 8 and 9. Upon such final disposition the maximum-rent ceiling provided by this subsection during the pendency of such adjustment petition shall exceed the maximum-rent ceiling as finally disposed of by the Administrator or his office, any tenant having paid such excess or any part thereof shall be entitled to a refund to the extent of such payment, but the landlord shall not be liable for any penalties under the provisions of this act.

"PROHIBITIONS

"SEC. 5. (a) It shall be unlawful, regardless of any agreement, lease, or other obligation heretofore or hereafter entered into, for any person to demand or receive any rent in excess of the maximum-rent ceiling, or refuse to supply any service required by the minimum-service standards, or otherwise to do or omit to do any act in violation of any provision of this act or of any regulation, order, or other requirement thereunder, or to offer or agree to do any of the foregoing.

"(b) No action or proceeding to recover possession of housing accommodations shall be maintainable by any landlord against any tenant, notwithstanding that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled, unless—

"(1) The tenant is (A) violating an obligation of his tenancy (other than an obligation to pay rent higher than rent permitted under this act or any regulation or order thereunder applicable to the housing accommodations involved or an obligation to surrender possession of such accommodations) o. (B) is committing a nuisance or using the housing acoommodations for an immoral or illegal purpose or for other than living or dwelling purposes; or

"(2) The landlord seeks in good faith to recover possession of the property for his immediate and personal use and occupancy as a dwelling: *Provided*, That in the case of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association no such action or proceeding under this paragraph or paragraph (3) of this section shall be maintained unless stock or membership in the cooperative corporation or association has been acquired by persons who are or were tenants

in occupancy of at least 65 percent of the dwelling units in the structure or premises at the time said cooperative corporation or association either (1) acquired or leased said structure or premises or (2) entered into a contract or option to acquire or lease said structure or premises, whichever date is earliest, and who as such stockholders or members are entitled to possession of their respective dwelling units in the structure or premises by virtue of proprietary leases or otherwise, and this provision shall apply whether such corporation or association acquired or leased such structure or premises or entered into a contract or option to do so prior to or after the effective date of this amendatory act or unless as the holder of stock or membership acquired in the cooperative corporation or association prior to March 1, 1949, a stockholder or member was entitled to possession of a dwelling unit in the structure or premises by virtue of a proprietary lease or otherwise.

"(3) The landlord has in good faith contracted in writing to sell the property for immediate and personal use and occupancy as a dwelling by the purchaser and that the contract of sale contains a representation by the purchaser that the property is being purchased by him for such immediate and personal use and occupancy; or

"(4) The landlord seeks in good faith to recover possession for the immediate purpose of substantially altering, remodeling, or demolishing the property and replacing it with new construction, the plans for which altered, remodeled, or new construction having been filed with, and approved by, the Commissioners of the District of Columbia; or

"(5) The landlord seeks in good faith to recover possession for the immediate purpose of discontinuing the housing use and occupancy for a continuous period of not less than 6 months, during which period, commencing on the date possession is recovered under this subsection, it shall be unlawful for the owner of such housing accommodations or his agent to demand or receive rent for the same, and any person paying such rent may bring an action for double the amount of rent so paid, pursuant to the provisions of section 10 of the act; or

"(6) The landlord, being a recognized school or an accredited nonprofit university, has a bona fide need for the premises for educational, research, administrative, or dormitory use.

"(c) It shall be unlawful for any person to remove, or attempt to remove, from any housing accommodations the tenant or occupant thereof or to refuse to renew lease or agreement for the use of such accommodations because such tenant or occupant has taken or purposes to take action authorized or required by this act or any regulation, order, or requirement thereunder.

"ADMINISTRATOR

"SEC. 6. There is hereby created in and for the District of Columbia the Office of Administrator of Rent Control. The Administrator shall be appointed by the Commissioners of the District of Columbia and shall be a bona fide resident of the District of Columbia for not less than 3 years prior to his appointment. He shall devote his full time to the Office of Administrator and, notwithstanding the provisions of any other law heretofore enacted, shall receive a salary at the rate of $10,000 per annum. The Administrator shall establish offices, acquire supplies and equipment, and employ such personnel subject to approval by the Commissioners of the District of Columbia, and in accordance with the Classification Act of 1949, without regard to race or creed, as may be necessary in the performance of his functions under this act. The Administrator shall submit a semiannual report to the Commissioners of the District of Columbia for transmittal to the Congress of the United States.

"OBTAINING INFORMATION

"SEC. 7. (a) The Administrator may make such studies and investigations, and obtain or require the furnishing of such information under oath or affirmation or otherwise, as he deems necessary or proper to assist him in prescribing any regulation or order under this act, or in the administration and enforcement of this act, and regulations and orders thereunder. For such purposes the Administrator may administer oaths and affirmations; may require, by subpena or otherwise, the attendance and testimony of witnesses and the production of documents at any designated place; may require persons to permit the inspection and copying of documents, and the inspection of housing accommodations; and may, by regulation or order, require the making and keeping of records and other documents. No person shall be excused from complying with any requirement under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C. 1934 ed., title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege. In the event of contumacy or refusal to obey any such subpena or requirement under this section, the Administrator may make application to the United States District Court for the District of Columbia for an order requiring obedience thereto. Thereupon the court, with or without notice and hearing, as it in its discretion may decide, shall make such order as is proper and may punish as a contempt any failure to comply with such order.

"(b) The Administrator shall have authority to promulgate, issue, amend, or rescind rules and regulations, subject to approval by the Commissioners of the District of Columbia, and to issue such orders as may be deemed necessary or proper to carry out the purposes and provisions of this act or to prevent the circumvention or evasion thereof.

"PROCEDURE

"SEC. 8. (a) Any petition filed by a landlord or tenant under section 4 shall be promptly referred to an examiner designated by the Administrator. Notice of such action, in such manner as the Administrator shall by regulation prescribe, shall be given the tenant and landlord of the housing accommodations involved. If the petition be frivolous or without merit, the examiner shall forthwith dismiss it. Such order of dismissal may be reviewed by the Administrator in the manner provided in subsection (c) of this section. The examiner shall grant a hearing upon the petition except in cases dismissed under this subsection.

"(b) Hearings under this section shall be conducted in accordance with regulations prescribed by the Administrator. The landlord and tenant shall be given an opportunity to be heard or to file written statements, due regard to be given the utility and relevance of the information offered and the need for expedition. In any such hearing the common-law rules of evidence shall not be controlling.

"(c) The examiner, after hearing, shall make findings of fact and recommend an appropriate order. Copies of such findings and order shall be served upon the parties to the proceeding in such manner as the Administrator may prescribe by regulation. Within 5 days after such service, any such party may request that the recommended order be reviewed by the Administrator. If there be no such request within such 5 days, the findings and recommended order of the examiner shall thereupon be deemed to be the findings and order of the Administrator: *Provided*, That the Administrator may review the proceedings, as herein provided, on his own motion at any time within 10 days after service of the examiner's findings and order upon the parties. The Administrator may, in his discretion, grant a hearing upon the request. Upon such request or motion the record in the case shall be forthwith transferred to the Administrator for review, and he may, in his discretion, grant a hearing. He shall state his findings of fact or affirm the examiner's findings of fact, which findings in either case shall be conclusive if supported by substantial evidence, and shall make an appropriate order.

"COURT REVIEW

"SEC. 9. (a) Within 10 days after issuance of an order of the Administrator under section 4, any party may file a petition to review such action in the Municipal Court of Appeals for the District of Columbia and shall forthwith serve a copy of such petition upon the Administrator. Thereupon, the Administrator shall certify and file with the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript, the court shall have exclusive jurisdiction to affirm or set aside such order, or remand the proceeding: *Provided*, That the Administrator may at any time, upon reasonable notice and in such manner as he shall deem proper, rescind, modify, or set aside, in whole or in part, any such order of the Administrator at any time notwithstanding the pendency of the petition to review.

"(b) No objection that has not been urged before the Administrator shall be considered by the court unless the failure to urge such objection shall be excused because of extraordinary circumstances. No order shall be set aside or remanded unless the petitioner shall establish to the satisfaction of the court that the order is not in accordance with law, or is not supported by substantial evidence. The commencement of proceedings under this section shall not, except as provided in subsection (d), operate as a stay of the Administrator's order.

"(c) The Municipal Court of Appeals for the District of Columbia is hereby granted exclusive jurisdiction to review any order of the Administrator made pursuant to section 4 of this act. The judgment and decree of the court shall be final, subject to review as provided by law relative to other judgments of the court.

"(d) No court shall issue any interlocutory order or decree staying the effectiveness of any provision of this act or any regulation or order issued thereunder unless the person objecting to such provision, regulation, or order shall file with the court an undertaking with a surety or sureties satisfactory to the court for the payment, in the event such objection is not sustained, of the amount by which the maximum rent, if any, permitted under such provision, regulation, or order exceeds or is less than the amount actually received or paid while such stay is in effect.

"ENFORCEMENT; PENALTIES

"SEC. 10. (a) If any landlord receives rent or refuses to render services in violation of any provision of this act, or of any regulation or order thereunder prescribing a rent ceiling or service standard, the tenant paying such rent or entitled to such service, or the Administrator on behalf of such tenant, may bring suit to rescind the lease or rental agreement, or, in case of violation of a maximum-rent ceiling, an action for double the amount by which the rent paid exceeded the applicable rent ceiling and, in case of violation of a minimum-service standard, an action for double the value of the services refused in violation of the applicable minimum-service standard or for $50, whichever is greater in either case, plus reasonable attorneys' fees and costs as determined by the court. Any suit or action under this subsection may be brought in the Municipal

Court for the District of Columbia regardless of the amount involved, and the municipal court is hereby given exclusive jurisdiction to hear and determine all such cases.

"(b) No person shall be held liable for damages or penalties in any court on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this act or any regulation, order, or requirement thereunder, notwithstanding that subsequently such provision, regulation, order, or requirement may be modified, rescinded, or determined to be invalid. The Administrator may intervene in any suit or action wherein a party relies for ground of relief or defense upon this act or any regulation, order, or requirement thereunder. No costs shall be assessed against the Administrator in any proceedings had or taken in accordance with this act.

"(c) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of this act, or any regulation, order, or requirement thereunder, he may make application to the United States District Court for the District of Columbia for an order enforcing compliance with this act or such regulation, order, or requirement, and upon a proper showing a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

"DEFINITIONS

"SEC. 11. As used in this act—

"(a) The term 'housing accommodations' means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes in the District of Columbia, together with all services supplied in connection with the use or occupancy of such property; but the term 'housing accommodations' shall not include (1) any of the accommodations in a hotel in which more than 60 percent of the space devoted to living quarters for tenants and guests is used for furnishing accommodations for transients, or the building constituting such hotel; or (2) furnished nonhousekeeping accommodations, whether or not in a hotel, which are rented as rooms without kitchen privileges or facilities for cooking (but not in a suite of two or more rooms); or (3) any building used as a licensed rooming house.

"(b) The term 'services' includes the furnishing of light, heat, hot and cold water, telephone, elevator service, furnishings, furniture, window shades, screens, awnings, and storage; kitchen, bath, and laundry facilities and privileges; maid service; janitor service; the removal of refuse, and the making of all repairs suited to the housing accommodations or necessitated by ordinary wear and tear; and any other privilege or facility connected with the use or occupancy of housing accommodations.

"(c) The term 'rent' means the consideration, including any bonus, benefit, or gratuity, demanded or received per day, week, month, year, or other period of time, as the case may be, for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"(d) The term 'maximum-rent ceiling' means the maximum rent which may be demanded or received for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"(e) The term 'minimum-service standard' means the minimum service which may be supplied in connection with the renting or leasing of housing accommodations.

"(f) The term 'tenant' includes a subtenant, lessee, sublessee, or other person entitled to the use or occupancy of any housing accommodations.

"(g) The term 'landlord' includes an owner, lessor, sublessor, or other person entitled to receive rent for the use or occupancy of any housing accommodations.

"(h) The term 'person' includes one or more individuals, firms, partnerships, corporations, or associations, and any agent, trustee, receiver, assignee, or other representative thereof.

"(i) The term 'documents' include leases, agreements, records, books, accounts, correspondence, memoranda, and other documents, and drafts and copies of the foregoing.

"SEPARABILITY

"SEC. 12. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

"APPROPRIATION

"SEC. 13. There are hereby authorized to be appropriated such funds as may be necessary to carry out the provisions of this act, to be paid out of money in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated.

"SHORT TITLE

"SEC. 14. This act may be cited as the 'District of Columbia Emergency Rent Act of 1951'."

SEC. 2. This act shall take effect on the day following the date of its enactment.

Mr. NEELY. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed Mr. NEELY, Mr. CLEMENTS, and Mr. WELKER conferees on the part of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. WHERRY. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. WHERRY. I ask the acting majority leader if he will not make a unanimous-consent request that Senators be permitted at this time to make insertions in the RECORD and transact other routine business, without debate.

Mr. LONG. Mr. President, I ask unanimous consent that there be a brief period set aside at this time in which Senators may make insertions in the RECORD and transact other routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

PETITION

Mr. MAGNUSON presented a petition signed by Robert A. Hidden and sundry other citizens of Vancouver, Wash., praying for the enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, which was referred to the Committee on Interstate and Foreign Commerce.

ESTABLISHMENT OF SEPARATE IMMIGRATION QUOTA FOR NATIONALS OF PAKISTAN—LETTERS AND PETITION

Mr. LANGER. Mr. President, I am in receipt of a letter from the Pakistan League of America, Inc., New York, N. Y., signed by Mubarek Ali Khan, enclosing a petition signed by sundry officers and citizens of the State of Arizona, a letter from L. C. Boles, sheriff of Maricopa County, Ariz., and a letter from Earl L. O'Clair, chief of police, of Phoenix, Ariz., in support of the bill (S. 1615) to provide for the establishment of a separate immigration quota for nationals of Pakistan, which I introduced on June 8, 1951. I ask unanimous consent that the letters and petition be appropriately referred and printed in the RECORD, together with all the signatures attached thereto.

There being no objection, the letters and petition were referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, together with all the signatures, as follows:

PAKISTAN LEAGUE OF AMERICA, INC.,
New York, N. Y., June 21, 1951.

Hon. WILLIAM LANGER,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: You will be glad to know that I am sending you, under separate cover, a petition for the support of your Pakistan quota bill, S. 1615, including a special bill to stop deportation. Am also sending the Pakistan league members in New York petitions, which I have drafted, for signatures.

Ever since I returned to Phoenix I have been extremely busy in getting public support behind your bills. I am sending petitions to Senator ERNEST MCFARLAND and Senator CARL HAYDEN, which have been endorsed. I am sure that public opinion will help to support your bill.

I expect to be in Washington on June 24 and then hope to have the pleasure of seeing you.

Thanking you and God bless you, and wishing you and Mrs. Langer long life and good health, I am

Sincerely yours,

MUBAREK ALI KHAN.

JUNE 20, 1951.

Hon. ERNEST W. MCFARLAND,
Hon. CARL HAYDEN,
United States Senators,
Washington, D. C.

A PETITION TO THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES OF AMERICA FOR THE SUPPORT OF THE PAKISTAN QUOTA BILL, S. 1615, BY SENATOR WILLIAM LANGER, ALLOWING APPROXIMATELY 300 PAKISTAN NATIONALS WHO HAVE ENTERED THE UNITED STATES PRIOR TO 1949 TO BE ELIGIBLE FOR AMERICAN CITIZENSHIP

We, the undersigned, thank you for your democratic spirit.

Pakistan League of America, Dr. Mubarek Ali Khan, Welfare Chairman for the League, Phoenix, Ariz.; Fred O. Wilson, Attorney General, State of Arizona, Phoenix, Ariz.; Earl Anderson, Deputy Attorney General, State of Arizona; Wm. M. Luig, Deputy Attorney General, State of Arizona; Kent A. Blake, Deputy Attorney General, State of Arizona; Alexander B. Baker, Deputy Attorney General, State of Arizona, Phoenix, Ariz.; Chas. Rogers, Deputy Attorney General, State of Arizona, Mesa, Ariz.; Walter Hopman, Chairman, Board of Parole, Phoenix, Ariz.; Jewel W. Jordan, State Auditor, Phoenix, Ariz.; Mildred Clapp, State Auditor's Office Staff, Phoenix, Ariz.; R. E. Taylor, State Auditor's Office Staff, Phoenix, Ariz.; Wm. H. Graves, General Manager, Asia Supply Corp., Phoenix, Ariz.; Gov. Howard Pyle, Governor of the State of Arizona, Phoenix, Ariz.; Warren Peterson, State Tax Commissioner, Phoenix, Ariz.; Rose Pervis, Secretary, State Tax Commission, Phoenix, Ariz.; Joe Hunt, State

Tax Commissioner, Phoenix, Ariz.; Thad. M. Moore, Assistant State Tax Commissioner, Phoenix, Ariz.; O. Stanford, Deputy Attorney General, Phoenix, Ariz.; R. Bentley, Deputy Attorney General, Phoenix, Ariz.; Leo R. Barton, Deputy Attorney General, Phoenix, Ariz; H. M. Henderson, Deputy Attorney General, Phoenix, Ariz.; Orme R. Morehead, Captain of Police, Phoenix, Ariz.; J. H. Ashley, Police Department, Phoenix, Ariz.; R. A. Patterson, Police Department, Phoenix, Ariz.; Wm. McGill, Police Department, Phoenix, Ariz.; Harry Roberts, Police Department, Phoenix, Ariz.; C. W. Hoyt, Police Department, Phoenix, Ariz.; Fred Nichols, Police Department, Phoenix, Ariz.; Francis J. Donofrio, Judge of Superior Court, Phoenix, Ariz.; Phil J. Munch, Deputy Attorney General, Phoenix, Ariz.; Ed. Marshall, Liquor Department, Phoenix, Ariz.

PHOENIX, ARIZ., *June 20, 1951.*

Dr. ALI KHAN,
Phoenix, Ariz.

DEAR DR. KHAN: During the time that I have been Sheriff of Maricopa County, the fine citizens of Pakistan who have been residents of this valley have been among our most upstanding group of citizens.

Any legislation tending to remove any of these people from this valley would be a blow to not only our agricultural economy but also a blow to good law enforcement.

You may feel free to use this letter or call upon me for any amplification of these remarks herein.

Very truly yours,

L. C. BOIES,
Sheriff, Maricopa County.

CITY OF PHOENIX,
POLICE DEPARTMENT,
Phoenix, Ariz., June 21, 1951.

Dr. ALI KHAN,
Phoenix, Ariz.

DEAR DR. KHAN: During the time I have been in office as police chief of Phoenix, I have formed an opinion regarding the citizens of Pakistan which I am passing on to you. I feel that this group of people are a fine, hard-working group of citizens and a credit to the community.

They are honest and law abiding, and I believe that any action taken by any group or organization tending to remove them from this valley would be detrimental to the community and create a problem in the agricultural industry.

You have my permission to use this letter or call on me for clarification of the statements herein made.

Sincerely yours,

EARL L. O'CLAIR,
Chief of Police.

PERSONAL INCOME TAX INCREASE—MEMORIAL

Mr. LANGER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a memorial signed by L. R. Gregory, of West Fargo, and sundry other citizens of the State of North Dakota, remonstrating against the proposed increase in personal income tax.

There being no objection, the memorial was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

DICKINSON, N. DAK., *June 17, 1951.*

Senator WILLIAM LANGER.

DEAR SENATOR: We, the undersigned, protest passage of the pending personal income tax increase unless or until the tremendous waste and the "I don't give a damn where the taxpayers' money goes" attitude is changed in the present administration. We do not care to throw any more of our tax dollars away to make someone else rich just because he knows somebody in the Government.

L. R. GREGORY,
(And sundry other citizens of Dickinson and Fargo, N. Dak.)
WEST FARGO, N. DAK.

STUDY OF WHEAT AND OTHER GRAIN MARKETS

Mr. LANGER. Mr. President, a few days ago I submitted a resolution, Senate Resolution 155, providing that the Committee on Agriculture and Forestry should investigate and make a complete study of the wheat and other grain markets to determine the reason for the present low grain prices in certain areas. I ask unanimous consent that the resolution be printed in the RECORD, together with a letter which I have received from A. O. Aune, president of the Northwestern Bank of Langdon, N. Dak., showing what is wrong with the grain situation there.

There being no objection, the resolution and letter were ordered to be printed in the RECORD, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is directed to make a full and complete study of the wheat and other grain markets to determine the reasons for present low grain prices in certain areas and to report to the Senate at the earliest practicable date the results of such study together with such recommendations as it may deem advisable.

THE NORTHWESTERN BANK OF LANGDON,
Langdon, N. Dak., June 23, 1951.

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR LANGER: Thank you very much for your letter of June 13 enclosing a copy of the resolution that you introduced in connection with the investigation of the grain market.

In connection with this investigation I am sure there is information that you will want to have. I believe the one thing that should be brought up to the attention of someone is the method the local grain buyers have in testing the moisture content of grain. I do not know if it is the fault of the machine that tests the moisture or the men that operate it, but I do know there is something wrong. For every point of moisture that they find in the grain there is about a 10-cent reduction in price, so if there is a difference of two points of moisture content, that makes 20 cents a bushel difference.

Just to show you how irresponsible these machines are, yesterday I took a sample of barley from my own farm to a local elevator who found 16.35 percent moisture content in the sample. I took that same sample to another elevator within the hour, he tested it on his machine and found 18.34 percent moisture content. I took it to the third elevator man and he found 17 percent moisture in it. Now this is a sample of how the wheat was graded last fall. I have had several customers take the same sample of grain to several elevators and very, very seldom did they find the same moisture content, and the price would vary from 10 cents to 30 cents a bushel.

I took in a sample of my own durum the other day and the moisture content in that grain was 14.30 percent and the best price offered me was $2. This durum weighs 60 pounds and should sell for No. 1 Dark Amber Durum.

I am giving you this information, and it is authentic, so if you get anywhere with this investigation, you will know what we are up against. Write me again if there is any further information that I can give you.

Yours very truly,

A. O. AUNE, *President.*

P. S.—I am going to suggest that you contact our mutual friend, Alex Haaven or Ludvig Pederson, both of whom you know personally are responsible parties and have had plenty of experience of this kind in getting rid of their 1950 crop.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEFAUVER:

S. 1749. A bill for the relief of Gordon E. Smith; and

S. 1750. A bill for the relief of Gertrude H. Payne; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1751. A bill to provide for the reimbursement of McLean County, N. Dak., for the loss of certain tax revenue; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 1752. A bill for the relief of Lt. Col. John T. Malloy; to the Committee on the Judiciary.

By Mr. KEM:

S. 1753. A bill for the relief of Mrs. Emily Wilhelm; to the Committee on the Judiciary.

By Mr. KILGORE:

S. 1754. A bill for the relief of certain aliens from Finland; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 1755. A bill for the relief of Winfried Kohls; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado (by request):

S. 1756. A bill to provide for the separation of subsidy from air-mail pay, and for other purposes; and

S. 1757. A bill to provide for the separation of air-mail subsidy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

INCREASE IN LIMIT OF EXPENDITURES FOR COMMITTEES ON APPROPRIATIONS

Mr. McKELLAR submitted the following resolution (S. Res. 162), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-second Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

CHANGE OF REFERENCE

Mr. HILL. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be discharged from further consideration of Senate bill 1284, to amend the act entitled "An act to amend Veterans Regulations to establish for persons who served in the Armed Forces during World War II a further presumption of service connection for psychoses developing to a compensable degree of disability within 3 years from the date of separation from active service."

It is the sense of the Committee on Labor and Public Welfare that this bill properly comes within the scope and jurisdiction of the Committee on Finance.

The VICE PRESIDENT. Without objection, the Committee on Labor and

Public Welfare will be discharged from further consideration of the bill, and it will be referred to the Committee on Finance.

EXTENSION OF DEFENSE PRODUCTION AND HOUSING AND RENT ACTS—AMENDMENTS

Mr. CASE submitted an amendment intended ot be proposed by him to the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, which was ordered to lie on the table and to be printed.

Mr. CAPEHART submitted two amendments intended to be proposed by him to Senate bill 1717, supra, which were ordered to lie on the table and to be printed.

Mr. FREAR submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. LEHMAN submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. BUTLER of Nebraska submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. LEHMAN (for himself, Mr. DOUGLAS, Mr. MOODY, Mr. BENTON, and Mr. PASTORE) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. BENTON (for himself, Mr. O'MAHONEY, Mr. DOUGLAS, Mr. MCMAHON, Mr. LEHMAN, and Mr. MOODY) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. BENTON (for himself, Mr. DOUGLAS, Mr. LEHMAN, and Mr. MOODY) submitted amendments intended to be proposed by them, jointly, to Senate bill 1717, supra, which were ordered to lie on the table and to be printed.

Mr. DOUGLAS submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. DOUGLAS (for himself, Mr. LEHMAN, Mr. BENTON, and Mr. MOODY) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. DOUGLAS (for himself, Mr. LEHMAN, and Mr. MOODY) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. KEFAUVER:

Address delivered by the President on June 25, 1951, at the dedication ceremonies in connection with the opening of the Arnold Engineering Development Center at Tullahoma, Tenn.

Article entitled "Justice Comes Too Late," written by Richard L. Neuberger, and published in This Week magazine.

By Mr. O'MAHONEY:

Address entitled "The Communists Have Warned Us," delivered by him at the centenary commencement exercises of St. Josephs College, Philadelphia, Pa., June 10, 1951.

By Mr. LEHMAN:

Statement prepared by him commenting on the first anniversary of Communist aggression in Korea and the tenth anniversary of the creation of the Fair Employment Practices Commission, June 25, 1951.

By Mr. HENDRICKSON:

Address entitled "The Road to Survival," delivered by Irving H. Saypol, United States Attorney for the Southern District of New York, at the annual convention of Jewish War Veterans of the United States of America, department of New Jersey, at the Hotel Ambassador, Atlantic City, N. J., June 23, 1951.

By Mr. HUMPHREY:

Address entitled "American Relations With the Far East," delivered by O. Edmund Clubb, Director for Chinese Affairs, Department of State, in St. Paul, Minn., on April 14, 1951, at a State-wide conference on American foreign policy.

By Mr. LANGER:

Editorial entitled "Magazine Portrays Painted Pheasants," published in the June 14, 1951, issue of the Golden Valley News of Beach, N. Dak.

By Mr. FLANDERS:

Letter from Lessing J. Rosenwald, dated June 1, 1951, to the editor of the New York Times, commenting on the right of anyone to speak for all American Jews.

By Mr. CARLSON:

Article entitled "Principle of Tributary Control," written by A. Q. Miller, and published in the Belleville (Kans.) Telescope.

By Mr. MAGNUSON:

Bulletin No. 242, May 28, 1951, issued by the National Popular Government League, dealing with the development of public power.

By Mr. BREWSTER:

Article entitled "The Role of the Lawyer in Military Procurement," written by E. K. Gubin, and published in the May 1951 issue of the Federal Bar Journal.

By Mr. MUNDT:

Article entitled "Where the West Is Wild but Not Too Woolly," published in the current issue of Holiday magazine, dealing with South Dakota, which appears in the Appendix.

By Mr. BRIDGES:

Article entitled "Button, Button, Who's Got the Button?" written by Aled P. Davies and published in the Hoosier Farmer for June 1951.

By Mr. DWORSHAK:

An article entitled "The Betrayal at Yalta," published in a recent issue of the Idaho Statesman.

LETTER WRITTEN BY PFC WALTER F. EVERSON FROM A HOSPITAL IN JAPAN

Mr. SALTONSTALL. Mr. President, recently I received news of the death, in Korea, of a boy from Massachusetts. I wrote a letter of sympathy to his stepmother. I received a letter in return from her, and with it was enclosed a copy of a letter from the boy, written while he was in a hospital in Japan, after which he returned to Korea and was killed by the Reds. The boy had been wounded twice, was twice hospitalized, and the second time he died in the hospital. He wrote this letter which I should like to read in full because it is a wonderful letter—to me one of the most wonderful I have ever received—and expresses so strongly the feeling of what we stand for in this country and the understanding that this boy had before his death of what he was fighting for.

This letter was written by Pfc Walter F. Everson from a hospital in Japan where he was taken after being trapped by the Reds for 13 days. After spending 3 months in the hospital he was sent back to Korea, and was killed by the Reds on April 20, 1951.

The letter is dated November 29, 1950, and is addressed, "Dear Peoples."

It is written to his family. His father and mother had died, and his stepmother had brought him up.

NOVEMBER 29, 1950.

DEAR PEOPLES: Well here I am again after a short pause. Feeling better than when I started out. They are still giving me my 34 pills a day plus a "formula." I think it is a vitamin enriched eggnog but not sure.

The weather here is warm but it has been raining the last couple of days. The news didn't look so good today when I read in the paper that 200,000 Chinese have been thrown into battle. I know just how those guys feel over there when they have to withdraw. Even if it's a foot of ground, one feels that it is going to take some bloodshed to regain it. But then again I guess that's the price for freedom.

You know the word freedom is only a seven letter word, but listen Marion, Billy and Bob and you, too, Helen, maybe back in the States you sort of take the house on the hill, the television set, movies, street cars, buses, schools, business and such for granted because you go home every day, ride to work or school, but look over here (not in Japan—in Korea) all the country is made up of mountains and behind these mountains are more. When one is climbing hills you are crossing rice paddies, cornfields, small remote villages. The houses in the country aren't made of wood, steel, stone. No, they are made of mud. Yes, mud huts with kerosene lamps and paper windows and the people old.

When you come into a village they look bewildered. The middle aged are still hiding in the hills when you first come. Then the old ones begin to yell and the others come out of the hills. But last and maybe most important is the kids—the little kids. They look bewildered, scared as they peer around the corner of a house at you. Small kids, dirty, ragged, hungry. Maybe the "commies" killed their parents, some of the more unfortunate. When we speak to them, offer them candy or a biscuit from the C rations or just smile, they look with a glow of hope in their eyes, sort of saying these people want to help us and not take everything for themselves like the "commies" that just ran out of here.

When we came from Osaka over here to Kyoto by ambulance (a bus converted for litter cases) I was looking out the window and watching the kids playing and the merchants selling their wares. I said, "Yes," that is what we're fighting for—the free enterprises, the freedom of the kids playing—not worrying about war and where's my mommie and daddy? Are those bad soldiers going to kick me again for playing cowboys and Indians or hide and seek instead of playing soldier? No, maybe some day soon I hope all the kids in the world will be able to run about with no worries in mind, only the thinking of a new game, not the worries of where they are going to sleep or eat.

Yes, freedom is a wonderful thing. I know there is a lot more to it than that but you know me, I always did like kids and some day when I get married I don't want to bring my sons up for future gun

fodder. That is why we must, some of us must forfeit our lives now for those in the future.

Well, that's about all I have on my mind and its off now and I feel better since I've told you what I've been thinking. Good night for now; I'll write again tomorrow. A person can really think a lot when he is in bed flat on his back.

Love to all.

WALLY.

And that boy died.

THE VOICE OF AMERICA

Mr. BENTON. Mr. President, I ask unanimous consent to have printed in the RECORD a series of interesting and illuminating quotations on our Campaign of Truth, commonly known as the Voice of America. The first group of comments on the effectiveness of our international information and educational exchange program are quotations from people in many walks of life, including journalists and first-hand observers such as Edgar Ansel Mowrer and Edward R. Murrow, both distinguished foreign analysts. Later quotations cover journalists from our foreign-language press and include interesting comments from abroad.

I am also pleased to be able to remind the Congress and the readers of the CONGRESSIONAL RECORD of the quotations from testimony last year at the hearings on my Senate Resolution 243, calling for what I termed a "Marshall plan in the field of ideas." It seems particularly important at this time to remind the Congress of these comments by our distinguished colleagues, Senators LEHMAN, HENDRICKSON, FLANDERS, MUNDT, and MORSE—not to mention the important observations of Generals Marshall, Eisenhower, Bedell Smith, Secretary Acheson, Ambassador Dulles, Assistant Secretary Barrett, and others—because it is my understanding that hearings are to commence this very week before the subcommittee of the Committee on Appropriations considering the appropriations for the State Department.

Last Wednesday I spoke to the Senate about the Gallup poll published that morning in the Washington Post. As I read my remarks the following day I feared they might be misunderstood because in my efforts to be brief, in line with the generosity of the majority leader in yielding me a few minutes' time, I did not stress my opinion that great progress has been made under Secretary Barrett's administration. I want now to go on record that out of my considerable observation of this area of the State Department's activities it is my judgment that it is well led and well administered, and that the group of operating men in Washington and throughout the world are among the finest that can be found in our Government or in any government, or, indeed, in any line of activity. This testimony to their ability, however, does not run counter to my comments on the floor last week, when I regretted the fact that this entire area of the State Department activity has not received sufficient emphasis by top State Department leadership, including all the major political officers, both here and abroad, and that in general the administration and the Congress share responsibility for our failure to set up this major arm of our foreign policy with appropriations and responsibility and personnel to the extent that is urgently required.

Mr. President, I also ask unanimous consent to have printed in the RECORD a series of articles and editorials dealing with the Voice of America operations, and, in some instances, Radio Moscow's constant efforts to jam our VOA broadcasts. These articles and editorials illustrate again and again the need for an expanded, more aggressive effort on our part to counter the increased output of lies and distortions by Radio Moscow.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

THE CAMPAIGN OF TRUTH—COMMENTS ON THE EFFECTIVENESS OF THE UNITED STATES INTERNATIONAL INFORMATION AND EDUCATIONAL EXCHANGE PROGRAM AS OF JUNE 1, 1951

FROM THE PEOPLE

A series of comments on the United States International Information and Educational Exchange Program (USIE) from the people follows:

Mario Bermudez, director, international relations, International House, New Orleans, La.:

"May I take this opportunity to thank you and the State Department for the wonderful cooperation I received from the American Embassy in each of the South American countries I visited in connection with the International House cultural program. We have always been honored with the most constructive advice, help, and innumerable courtesies, not only personally, but the same applies to the various groups we have conducted to the different countries."

Clay Shaw, managing director, International Trade Mart, New Orleans, La.:

"I was very favorably impressed by the work being done by the United States Information Service in Buenos Aires.

"The location of your center on the Calle Florida is an excellent one and my talks with various Argentinians indicated that the information program is effective."

Malcolm Johnson, in the St. Louis Post-Dispatch, December 5, 1950:

"Letters to the Voice of America headquarters in New York indicate that Russians living outside the Soviet Union are not being taken in by Moscow's propaganda.

"For example, a letter in Russian, received from Bavaria, Germany, states in part:

" 'I listen every day with pleasure to your truthful information, especially when you speak of the Soviet Union. Do not think that the Russian people cannot separate truth from lies. They are tired of Bolshevik lies. They don't want to listen to the Bolsheviks, and they do want to listen to the Voice of America.' "

Robert W. Ruth, Baltimore Sun, February 16, 1951:

"The Voice of America, now that it is speaking up with some chance of being heard in Soviet Russia, is hammering hard on one of the best anti-Marxist themes in years: the widening Communist defections in Europe.

"The story of 'bourgeois nationalist deviations,' particularly in Italy, which the Voice is taking behind the iron curtain, comprises a skillful mixture of news and propaganda."

Peter Edson, Washington Daily News, April 10, 1951:

"A ring of 14,000,000-watt broadcasting stations to blanket Russia and her satellite states is now being planned for the Voice of America. With four more new broadcasting stations in the United States and the 43 other transmitters known to exist, this would give the Voice a total of 61 outlets through which the aggressive 'campaign of truth,' could be beamed to the Communist world.

"Russia now has an estimated 1,200 stations set up to jam all foreign broadcasts directed at its people. In spite of this, it is believed about 20 percent of the free world broadcasts get through to the heart of Moscow. About 80 percent get through to the suburbs of Moscow and more get through to areas remote from the jamming stations."

James E. Roper, UP staff writer, January 29, 1951:

"The Voice of America, a global radio network, is the United States big propaganda weapon in the east-west psychological war. The Voice attacks communism and answers the lies that come from Red countries.

"Broadcasts to Russia are heavy and compact so the listener can hear the story quickly and get away from his radio, since it is not safe to listen there."

Donald G. Bishop, chairman, international relations concentration committee, Syracuse University:

"I was greatly impressed with the informational activities wherever I went and I returned to the United States both with a greater awareness of what you are doing, and with an increased apprecition of the efforts which the members of the staff are making."

Edgar Ansel Mowrer, Boston Herald, April 15, 1951:

"To preserve the Union of Burma as an 'independent and democratic country,' the United States administration, unable to provide that military aid which Burma is not yet ready to accept, has fallen back on other steps.

"The first of these was gaining the confidence of the Burmese Government and, as far as possible, of the people. This has been predominantly a propaganda job accomplished for the most part by the United States Information Service. Until fairly recently, means were small and not much accomplished. In the last year, so much change has been brought about by the USIS, beautifully aided by the sheer friendliness of a well-picked embassy staff, that by September 1950, the Prime Minister and many influential citizens had come to believe that the United States was trying neither to force them into war nor to dominate and exploit them economically."

Emory W. Morris, president and general director, W. K. Kellogg Foundation, Battle Creek, Mich.:

"I was amazed by the comprehensive services being provided by the Information Service."

Edward R. Murrow, CBS commentator, April 6, 1951:

"The Voice of America * * * has belatedly come up with an intelligent and workable idea. It's a plan to put a powerful transmitter on a ship so that it will be mobile and can really reach the Russian people. They have plans for a whole group of these transmitters. This pilot model will cost about a million and a half."

E. M. Lind, district manager, Pan American Airways, Bangkok:

"By sending students and other citizens of Thailand to our country for a study, observation and comparison, we Americans give focus and meaning to the American story. True friendship implies true understanding. Only by this exchange of visits can we ever hope to reach a basis of understanding and friendship between Thailand and the United States of America."

FROM THE FOREIGN LANGUAGE PRESS

The foreign language press comments on the Voice of America follows:

Amerika Magyarsag (the American Hungarian), Bridgeport weekly publication, August 25, 1950:

"We have mentioned it on two previous occasions that our editor, an interview with whom has been broadcast over the Voice of

America radio a few weeks ago, has been receiving letters not only from Hungary, but from all over the world, from Hungarians who have heard the interview. These letters are evidence of the significance of the Voice of America, and of its world-wide success."

Amerikai Magyar Nepszeva, New York:

"On July 1, this publication reported from Vienna that Hungarian banknotes were exchanged for new ones on that date. When last October the Voice predicted this event (October 1949) a buying panic broke out in Hungary. Communists at that time ridiculed the Voice and called it a rumor monger. Now when the new banknotes appeared in circulation it turned out that their date of issue happens to be October 23, 1949."

Caskoslovenske Nezavisle Noviny, a daily newspaper published for Czechoslovakian refugees at Ludwigsburg, German, October 1, 1950, in a special note from Czechoslovakia:

"Recently an old peasant woman came to the local SNB (police) station with an anguished and excited face: 'Gentlemen, gentlemen, please, help me. My only goat got lost. Please, help me.' The police lieutenant in charge was very sympathetic. "Well, well, grandma, don't you worry. We'll get your precious goat back for you. We will make an announcement about it in the next police broadcast.'

" 'But don't you forget,' came the old lady back, 'to announce about my goat when there is the largest audience. The best would be in those broadcasts from the Voice of America.' "

FROM THE DOMESTIC PRESS

The domestic press presents the following items of interest on the USIE:

Detroit News, March 19, 1951:

"We must put across the fact that America was founded by people who fled from oppression and tyrants, from the very kind of thing Stalin would have the gullible believe we are today trying to impose on other peoples.

"All this we can do only by stepping up, many times, the real Voice of America, the true America, which, itself, is a towering refutation of Stalin's big lie."

Providence, R. I., Journal, March 4, 1951:

"The radio war in Europe starts every night at sundown. In Germany one heart it at its loudest. The big guns open up at 7 p. m. booming over tens of millions of German radio sets, trying to capture a fireside here, a village square there.

"First comes 'The Voice' from New York, calm, well mannered, painfully earnest and honest.

"It gives the news straight, good or bad. Then, on a typical day, a commentator will discuss Russia's newest smokescreen at Lake Success, a German trade-union delegation will tell what it has been seeing in America, and a dialog skit will poke genteel fun at Russian bureaucrats tangled in their own red tape."

Portland (Maine) Press-Herald, March 20, 1951:

"The campaign of truth is gaining ground, and the Voice of America is really getting itself heard. It's the least expensive of all our weapons, and may well be the most potent in the end. If it can win the battle for men's minds, it will do away with other battles. It will do away with the Big Lie."

Philadelphia Inquirer, April 7, 1951:

"The cause of world peace needs a powerful, vigorous presentation of the American stand against the gigantic Red evil. The United States should not reduce the Voice to a whisper, but should take steps at once to find any weaknesses in it, and correct them."

Dayton News, February 26, 1951:

"The Voice of America is sending news to clandestine newspapers behind the iron curtain similar to the ones that thrived during the Nazi occupation of Western Europe.

"This is imaginative enterprise in presenting the theme of freedom in Russia, not the least appealing aspect being the fact the newspapers are not even supposed to exist."

New York Times, March 15, 1951:

"Essentially the Voice of America is today our most effective means of communicating directly with the other peoples of the world. It can and does overcome barriers which are often insuperable for other media, barriers set up by rulers whose reigns rest on terror and deliberate misinformation. Roughly one-third of the world's population lives in countries ruled by Moscow, directly or indirectly. Day and night the press, radio, theater, schools, and other propaganda channels in these lands repeat that the United States wants war, that the United States is a land of unbelievable misery for the great majority of Americans, that the United States is the 1951 equivalent of Nazi Germany. Against these lies the Voice of America does battle, exposing falsehoods, correcting misrepresentations, and offering in their stead the truth."

Washington Star, April 9, 1951:

"The mere fact that there is such a thing as Soviet jamming—a costly and elaborate business of around-the-clock squeaks and squawks designed to drown out the sound of truth—is proof enough that the men of the Kremlin regard the Voice as a potent weapon against them. It is proof enough, too, that no misunderstanding should be allowed to stand in the way of making that weapon as strong as possible."

FROM FOREIGN LANDS

From foreign lands come comments on the Voice of America:

Hong Kong Chinese paper, Hsing-tao-Jih-pao, published the following comments on VOA listener reaction in the Canton area:

"The consensus of listeners is that the VOA is very much welcomed because of its good reception and its interesting programs."

Report from Japan:

"Eight Chinese crewmen of a ship which regularly calls at north China ports were interviewed in a Japanese port and said that the VOA broadcasts in Chinese (Mandarin dialect) to Communist China are currently more popular in China than the Peiping Communist broadcasts. They stressed that most of the Chinese are disgusted with the Communist broadcasts finding them monotonous and dry, with an overemphasis on Marxism. Truth seemed to be the most highly regarded quality of the VOA broadcasts. The accuracy of the VOA was accepted by the people regardless of the nature of the news disseminated. The Chinese must maintain secrecy when listening to VOA programs as they never know who might report them to the local police. The main VOA audiences are found mostly in the metropolitan areas of China, where the majority of radio receivers are located. The informants went on to say, however, that the essence of VOA broadcasts is relayed quite rapidly by word of mouth to rural areas."

Chinese daily newspaper, T'ai-p' ing-yang Wan-pao, published in Haipong, (Indochina), October 17, 1950:

"It is believed that an estimated 500,000 people in Canton listen to the Voice of America despite severe punishment meted out by the Communist authorities if the listeners are discovered. But why this enthusiasm for the Voice of America? One reason is that the programs are interesting, informative, and entertaining. Another is that its programs satisfy the hunger of the Communist-controlled people for the news from 'outside.' News about Soviet-bloc countries can be read in the local papers; but news from the United States and other non-Soviet dominated countries can be obtained only through listening to the radio."

FROM MAGAZINES

The following magazines present comments on the USIE:

Broadcasting magazine, February 5, 1951:

"The Voice of America has vigorously denounced Josef Stalin—and in so doing pulled off one of the neatest propaganda tricks of the century. Noting the Soviet celebration of the anniversary of Lenin's death, the Voice described Stalin as rude, impulsive, and not entirely patient or loyal. The trick: The voice was that of America but the words were those of Lenin himself."

Mrs. Marguerite Clarke, medical editor, Newsweek:

"The first thing to catch my attention was the fact that any information accompanied by pictures, or projected through the cine (how the Mexicans adore United States movies) seemed to make the most profound impression."

Harriet Rasooli-Sa'sed, Presbyterian Life, April 14, 1951:

"The Voice of America * * * has become the champion of religious freedom in the iron-curtain countries.

"The importance that the Voice attaches to the suppression of religious freedom behind the iron curtain can be measured by the fact that generally all major developments are broadcast not only to the satellite countries themselves, but in all 28 languages now going out over the frequencies of the Voice.

"The cases of Cardinal Mindszenty and Lutheran Bishop Ordass, the arrest of 15 Protestant pastors in Bulgaria, the persecution of Archbishop Beran in Czechoslovakia, and a host of less publicized violations of religious freedom which have scarcely come to the notice of the American public, have constituted a major theme in broadcasts to the Communist sphere. In fact it would be difficult to cite any other issue into which the Voice of America has put such concentrated effort.

"There is scarcely a day when all the broadcasts to the Soviet satellites do not have some item of religious news, with the religious struggle sometimes taking precedence even over the Korean war news.

"The Voice has not failed to remind its listeners frequently of the fundamental incompatibility of communism with all religion, quoting often from Lenin that 'Religion is a sort of spiritual moonshine in which the slaves of capital drown themselves.' "

FROM REPORTS

The International Library Institute (ILI) in its semiannual report says:

Semiannual report, ILI, December 14, 1950:

"From Iran comes word that the Iranian boy and girl chosen to come to the New York Herald Tribune forum last year, and who spent 10 weeks in the United States, returned enthusiastic about American education. Both in public addresses and in their schools they helped further to bring more appreciation and more understanding of the United States to Iran, and to influence other high-school students in this direction."

A VOA evaluation reports says:

VOA evalution report, January 15, 1951:

"A number of VOA listeners in China have managed to send letters by devious ways, informing the VOA that its programs command large audiences on the mainland of China and meet with general satisfaction there. This evidence is also supported by comments of the Chinese overseas press, indicating that the VOA programs serve to satisfy the hunger of the Communist-controlled people for news from outside. Interrogation of Korean listeners revealed that

the VOA is valued for its full and accurate presentation of news.

"Audience mail from other far-eastern countries emphasizes the widespread reputation of the VOA for veracity and timeliness in its news and commentaries."

Reports from Finland and Afghanistan comment as follows:

Field report, from Helsinki, Finland, November 11, 1950:

"Although Soviet pressure on Finland has increased greatly in recent months, a recent event indicates the real sympathies of the Finnish people. In cooperation with the Student Association of Helsinki University, USIE rented a 400-seat theater in Helsinki to show UCLA, United States Library of Congress and a news magazine to students. Interest in the program was so great that the theater was filled 15 minutes before the performance began and at least 200 persons were turned away. USIE reports that the popularity of its films is so great that since September practically the entire catalog has been continuously booked for 3 or 4 weeks in advance."

Field report on USIE film showings in Afghanistan:

"The mayor of Maimana, an important town near the Soviet border, became interested in USIE films during a recent visit to Kabul and requested the long-term loan of an Embassy projector. When he discovered that he would have to clear this request with his government's foreign ministry, he purchased a machine from his own funds, and arranged for regular shipments of films by truck. The mayor estimates a total audience of 100,000 persons in Maimana and surrounding villages."

QUOTATIONS FROM TESTIMONY AT HEARINGS ON SENATE RESOLUTION 243

Gen. George C. Marshall, president and chairman of the board of directors, the American Red Cross:

"Something has to be done, and it has to be more dynamic than the procedure, I think we have followed up to the present time.

"We ought to have a dynamic procedure in this matter in this conquest of the mind."

Gen. Dwight D. Eisenhower, president, Columbia University:

"We have had a conquest, a military conquest, but it is not lasting. There is a confusion of the mind. How you correct that, I do not know unless it is by some such method as this.

"For the purposes sought by this resolution, I am in complete and absolute accord, so emphatically that it is possible I will experience the sense of frustration in trying to express how deeply I do agree.

"What we're actually talking about here is the morale factor in any struggle. * * * Our experience, not only in our own lives, but in history, keeps emphasizing and emphasizing the value of morale, its decisiveness in battle, with other factors even having a semblance of equality.

"There is no victory here as long as we are trying to avoid war to be found solely in the piling up of military armaments. They are useless to stop the flow of ideas.

"There is just not enough to win without morale. I believe that can be done by truth.

"Truth, in my opinion, could almost be classified as our T-bomb, if you want to call it that, in this warfare, because it is the truth about everything, the truth about the fact that a committee can meet and discuss these things right here this morning."

Hon. HERBERT H. LEHMAN, United States Senator from New York:

"The contest to win men to ideals of freedom, peace, and justice has reached a stage of crisis. We must strive with the greatest speed and determination to mobilize the moral resources of all nations and all peoples as we prepare for the next phase of the struggle.

"Armed might alone cannot speak for democracy. We cannot run the risk of having peoples throughout the earth remain in ignorance of our democratic ideals and of our objectives, or be deceived by the devious propaganda of the Soviet Union and its satellites.

"I think, no matter how powerful we may be in a military way, we still could not hope to hold our position in the face of communism unless we sold people the idea that we were fighting for democracy, fighting here for democracy, and fighting in every other part of the world where peoples wish to be free."

Hon. Dean Acheson, Secretary of State:

"We must make the truth known to the peoples of the world. This is a task that calls for greatly expanded and intensified efforts. Truth in the world today is a political force. Nothing makes plainer the power of this force, I think, than the Communist fear of it.

"If totalitarian regimes cannot flourish where the truth is fully available, free and democratic countries cannot flourish unless their citizens do have access to the truth. The growth of an international community of free and democratic nations depends upon the ready and free flow of facts, ideas, and people. Only this free flow of facts, ideas, and people can make clear the common bonds and interests of nations and allow them to settle their differences peaceably and justly.

"So far as Communist efforts to foster falsehoods about the United States are successful, they serve these Communist designs. They help to drive wedges between the United States and other countries, to create hesitancy, and to prevent clear, effective, unified resistance against Communist aims. We must therefore make unmistakable the truth about the United States and the other free nations.

"The facts about what we do, the facts about why we do it, the facts about the way we do it, are integral parts of what we do in foreign affairs.

"There has never been a time when men everywhere who value freedom had a greater need to know the truth.

"You will find quite often that if you put stress on either a military or an economic program, or both, without full explanation, the most curious misconceptions, all of which are aided by Communist propaganda, get loose in the world, and really slow up the program.

"We have accomplished no good if they are not convinced of the rightness of what we are doing."

John Foster Dulles, special consultant to the Secretary of State:

"I believe that the question of whether we have a general war or not may depend, may hinge, very largely upon the relative effectiveness of the Communist propaganda and the free world propaganda.

"It is extremely important that we should effectively use information by all types of media to slow up and prevent any possible consolidation of the captive world by their Soviet Communist leaders.

"Through the iron curtain, through terrorism, and through intensive propaganda, Soviet communism is making an effort to beat masses of people into mental submission. * * *

"If we can get some word through to these captive peoples to keep hope alive, and resistance alive, passive resistance, because there is not occasion at this moment for open resistance, that would be a very important thing.

"If * * * (Communists) find that they can move from the cold war to the hot war, and still be, in the eyes of the world, the peace-loving people, then that will encourage them to go on in this way. I think, on the other hand, if this open military assault gets branded throughout the world, as it ought to be, that then it will show them they cannot indulge in open military aggression as against indirect aggression, and if we can demonstrate that in this case, then I doubt whether there will be a repetition of it. Therefore, I think a great deal depends upon the effectiveness as to the way the world is informed as to the realities of the situation."

Mark Ethridge, publisher of the Louisville Courier-Journal:

"By a bold program we saved Greece, Turkey, France, Italy, and perhaps all of Western Europe. By boldness, rather than by force, we saved Iran. Korea presents us with another problem. Our action there makes it all the more necessary that we marshal the efforts of all the nations of the free world in the realm of ideas, as we have in economic and military measures, and create such an understanding and desire for freedom and for self-determination of peoples free from repressions and fears of minorities, that no force will dare move against them.

"It is tragic that the United States is so far behind Russia in the use of this modern method of battling for the minds of men."

David Sarnoff, chairman of the board, Radio Corp. of America:

"The immediate need is to expand our international radio broadcast service as quickly as it is physically and technically possible to do so.

"Now, a large part of the world does not understand yet that our action in Korea is in response to the resolution passed by the United Nations to which we are responding as one nation, and other nations who are members of the United Nations are likewise invited to respond and assist.

"I think, for example, if in our own broadcasting services we referred to the actions in Korea as the actions of the U. N. and not always as the actions of the United States of America only, that would be an effective way, one effective way, to neutralize this obvious malicious propaganda that Russia is broadcasting day and night to indicate that only the United States is engaged in this activity in Korea.

"I agree that there is a need for the Voice of America, and by that I mean a voice that will reflect the American way of life, the happenings here, the events of the day, and the news to the rest of the world.

"That need is emphasized by the fact that we are today the largest and most prosperous and most productive country in the world. One way to maintain peace even if there was no imminent threat of war is to increase the understanding among the peoples of the world."

Hon. ROBERT C. HENDRICKSON, United States Senator from New Jersey:

"In my opinion, we have not done all that we could have done or should have done in democratizing occupied countries, but our past mistakes and shortcomings should be a lesson for future guidance in the course of critical weeks and months and years to come."

Hon. RALPH E. FLANDERS, United States Senator from Vermont:

"Furthermore, it is going to take something more than arms to safeguard Indochina, which is our dike against the southward spread of communism."

Hon. KARL E. MUNDT, United States Senator from South Dakota:

"Now, it is true, Mr. Chairman, that neither history nor communism stand still. Consequently, since last March a lot of water has gone over the dam and a lot of blood has been shed in Korea, and the needs which we expressed in that joint resolution in March it seems to me, are much more drastic and immediate today than they were then.

"We have already moved too long in turtle gear, in a race for the minds of men, which is taking place in an era of jet-propulsion speeds."

Hon. Edward W. Barrett, Assistant Secretary of State for Public Affairs:

"There is one way to overcome the big lie, which was a technique that Hitler exploited, which is a technique that the Russians are exploiting even more, and that way is the big truth, repeated over and over again through all possible facilities as frequently as possible; and today, in my opinion, the big truth is that freedom is on the march.

"We have not been able so far with the manpower available and facilities available to get down among the masses—to get down among the labor groups, for example, who are the raw material which communism so often deals with. I do not see how we can without increased manpower and increased physical facilities; that is why, in this program to which I have referred, we are advocating several definite, concrete steps in that direction."

Hon. WAYNE MORSE, United States Senator from Oregon:

"The program of information and education must be related to the needs and conditions of the peoples involved. We must demonstrate to them that their own well-being lies in truly democratic practices, and we must give them active proof of the superiority in terms they understand, of free human institutions."

Lt. Gen. Walter B. Smith, commanding general, First Army:

"It is a recognition of the effectiveness of our beginning that the Russians have exerted this enormous effort to silence our own voices in this country. Their jamming program is probably the biggest effort of its kind that has ever been undertaken, and it has until recently been extremely effective in the Soviet Union."

Stanley H. Ruttenberg, director of research and education, Congress of Industrial Organizations:

"We must fight communism through the extension of democratic ideals and not through totalitarian methods. This means that we must extend the principles of democracy by improving democratic institutions. This must be forever in the forefront of our minds as we engage in counteracting the propaganda and infiltration of the Communist philosophy.

"We sincerely believe that an extensive program such as that proposed in Senator BENTON'S resolution and supported by sufficient appropriations, would go a long way in precluding the eventual use of military power by democratic governments of the world."

Hon. Frank P. Graham, United States Senator from North Carolina:

"Falsehoods repeated often and loudly get possession of the minds and then control the wills of people to the denial of truth, the crushing of freedom, and the undermining of peace in the world.

"Above and beyond the war of bullets on the battlefields of Korea is the war of ideas on the air waves of the world. Moscow is spreading misinformation about the United States in every nation on earth. International communism moves from one aggression to another yet the United States is blasted day and night through the years as the great war monger."

[From the Dayton (Ohio) News of June 6, 1951]

UNDER THEIR SKINS

Twice within 3 days the Soviet press has lashed out bitterly at the United States Government's Russian-language pictorial magazine: Amerika. The magazine, says the Literary Gazette, with rather unliterary flourishes, stinks with the rottenness of unpardonable lies, coated with the many-colored cover which also is false. Pravda finds that the magazine arouses in Russian readers only laughter and nausea.

In Singapore, principals of the two largest Chinese schools have asked the United States Information Service to quit sending them the magazines America Today and America Today Pictorial. They claim the students, irritated by American propaganda, have been tearing up the magazines and throwing them away.

Here are the late examples of the way the American information program is getting under the skins of the Communists. They are two of many. During the last year, the American information libraries in satellite Europe were closed by request of the Rumanian, Bulgarian, Hungarian, and Czechoslovakian Governments. Nor is this the first spate of harsh treatment for America. The Russian Government, which used to permit distribution of 50,000 copies of the magazine has chiseled on its agreement and some time ago began returning about half the copies.

When J. Douglas Knox and Sanford Marlowe of the State Department were in Dayton recently for the Council on World Affairs Institute on the Campaign of Truth, they reported that the Russians spend five times as much money trying to jam the Voice of America broadcasts as we spend in transmitting them.

Clearly, the Communists are afraid of the truth, and with reason. They have discovered that the truth hurts. If the truth hurts the enemy, we should be pouring it on him. We should be stepping up the program, not letting it stand still or cutting it back by niggardly congressional appropriations.

[From the Richmond Times-Dispatch of May 27, 1951]

REDS STEP UP FOREIGN RADIO PROPAGANDA

WASHINGTON, May 26.—The State Department reported today that Russia will have achieved a 25-percent increase in its foreign propaganda output through radio Moscow this summer.

Radio Moscow's schedule has doubled its English-language service to North America during the last 6 months and substantially stepped up its output to Western Europe. One of the largest European increases has been in German-language programs to Germany, doubled in recent months.

English and French programs likewise have been increased, as have Spanish-language broadcasts to Latin America. Reports to Indonesia have been doubled during the past 6 months and Arabic programs to the Middle East have been expanded. Within the iron curtain bloc the only change reported was a slight increase in Hungarian-language broadcasts.

[From the Washington Star of June 12, 1951]

SOVIET RADIO POWER STEPPED UP, HEARD STRONGLY IN MIDWEST—BROADCASTS IN ENGLISH TO THIS COUNTRY ALMOST DOUBLED IN 6 MONTHS

Radio Moscow is currently throwing a much stronger propaganda voice into the midwestern United States.

Officials speculated today that the power of its overseas transmitters has been stepped up and the number of English-language broadcasts beamed to this country has been virtually doubled during the last 6 months.

So strong was the Soviet signal at times last week that some short-wave listeners in Des Moines, Iowa, got the impression a United States station was rebroadcasting the Radio Moscow programs.

FREQUENCIES SHIFTED

Officials of the Federal Communications Commission which investigated this possibility, told a reporter it just wasn't so.

FCC's monitor, who police the ether around the clock, reported, however, that the Russian short-wave radio last week put through "an exceptionally strong signal throughout the Middle West," with peak reception recorded at Grand Island, Nebr.

Commission experts said the answer may lie in increased power, or may be accounted for by Moscow's recent shift to summer frequencies, something it does at the start of each June.

At least two persons in the Des Moines area reported they thought they heard an American station identification at the sign-off of Russian programs. However, the FCC monitors said both these persons were using standard home sets with short-wave attachments, which may not be highly selective, and that what they probably heard were identifying calls by American short-wave Stations WABC at Brentwood, N. Y., or KWID at San Francisco.

BROADCASTS EVERY DAY

Both these United States stations, which handle Voice of America broadcasts for the State Department, are now sandwiched into the middle of the summer frequencies being used by Radio Moscow.

Moscow beams English language broadcasts at the United States 7 days a week, in the late afternoon and early evening hours, United States time. The programs are simultaneously spread over 15 different international frequencies and have the benefit of booster relays in Siberia, Budapest, Warsaw, and Prague.

In addition, United States officials say, Russia operates scores of other transmitters for the sole purpose of jamming the Voice of America and keeping that program out of the U. S. S. R.

The State Department says this country carries on no counter jamming of the Russian broadcasts.

[From the New York Herald Tribune of June 18, 1951]

RUSSIA ON THE AIR—DREAM AND DISTORTION AS PRESENTED IN SOVIET'S WORLD-WIDE RADIO PROPAGANDA

(By Gene Gleason)

There is a happy land far away, but well within the range of American short-wave receivers, where 37,000,000 students freely select their own curricula, scramble eagerly through a vigorous sports program and face no real problem except that of choosing a profession. Their elders work on peaceful construction, cultivate the arts and shop in ever larger stores for increasingly diversified merchandise.

The image of this Greater Graustark, projected by the world's most powerful transmitters, now reaches every country where there is a short-wave radio receiver. This is the Soviet State as it is presented to its listeners in 52 languages by Radio Moscow and hundreds of satellite stations. Outside it, to quote the Soviet broadcasters, looms only an abyss of imperialist war-mongers, American monopolists, enemies of the working class and tools of Wall Street.

Radio Moscow, the dominant voice of the paranoid paradise, broadcasts on nine frequencies in the 19-, 25-, and 31-meter short-wave bands and relays its programs through Communist stations in Budapest, Warsaw, Prague, and Sofia. Every 6 months since April, 1949, the Soviet radio has stepped up its wattage, added new transmitters and expanded its program schedule.

Powered by transmitters ranging from 100,000 to 500,000 watts—the latter more than twice the maximum wattage of any American short-wave station—Radio Moscow and its captive European stations stream clearly into our east coast throughout the evening hours. After midnight, eastern transmitters of the U. S. S. R., probably located in Siberia, beam

their programs to the Pacific States. The weaker Peiping radio and other Communist short- and medium-wave stations also contributed to the propaganda barrage.

The colossus of the Soviet network is the Stalin or "Big Bertha" transmitter, entirely constructed of lend-lease materials during World War II. From its remote location in the Ural Mountains it attained a peak output of 2,500,000 watts, thundering down on Radio Berlin with a ghost voice that shouted "Lies," and similarly emphatic dissents in the midst of Hitler's speeches. After the war, its power was cut back to 500,000 watts. It has since been dismantled, moved west and reassembled as part of the Radio Moscow transmitting apparatus.

The real power of the Soviet radio lies more in its motives than its wattage. It exists, above all other reasons, as the most direct means of pumping Communist propaganda to the Russian people and the world. In 1948, Stalin said, "If our propaganda should ever be permitted to go lame for one reason or another, our entire state would inevitably collapse." In that year, Russia employed 1,401,000 full-time paid propaganda workers, or about 400,000 more than the total personnel of the MVD, the political police organization.

In April 1949, about the time the Berlin blockade became a clear failure, Mikhail A. Suslov was replaced as Soviet propaganda chief by D. T. Shepilov, of the staff of Pravda.

Shepilov's succession coincided with an unmistakable spurt in Soviet postwar propaganda. Intensive jamming of radio stations outside the iron curtain began, and Russian broadcasting started a sharp climb which has continued ever since.

The content of Soviet short-wave programs varies only slightly from Radio Moscow to the iron-curtain stations. All are hooked tightly to the same party line. American reception from Moscow is generally clear, and its announcers, who sound like native American men and women, are competent professionals. Poor radio voices, including that of a particularly callow female on the Budapest radio, are pretty well confined to satellite stations.

The first two paragraphs of his article are a close paraphrase of Radio Moscow's description of life in Russia. One of its programs, Moscow Mailbag, purports to answer questions about Russia from North American listeners whom the announcer identifies only by their initials. One writer asked to have American foreign correspondents appear on Radio Moscow to discuss what they had seen in Russia.

The announcer dismissed this suggestion with the tart comment that "press monopolies deliberately suppress news about Russia" and put on a bewildered trade-unionist who seemed lost in admiration of the peace-loving Reds. The announcer swung into a discussion of Soviet education, observing in a snide parenthesis that American students "have to quit school to go to work," and interviewed several students working on peaceful power plants.

Radio Moscow, like the stations at Budapest and Sofia, reports on the opening of new stores in Russia and the availability of additional merchandise for civilians. Locations of the stores are not given, nor are sales increases stated, except in meaningless percentages.

In all the radio discussions of Soviet life, one feels the Communist Party's eternal struggle to tell the world in ringing terms of its accomplishments, while fearing to reveal anything either relevant or concrete. What the listener receives is a dream world, vague and unconvincing.

The pervading theme of the Soviet radio programs is peace—the same sort represented in the Stockholm and Warsaw peace appeals. Radio Moscow takes great pains to deny the Communist origin of its peace movement and offers various American sponsors as proof of its neutrality. The effect is somewhat spoiled by the inclusion of one educator who has labored tirelessly for Red front organizations. Peace-petition signatures running into the millions are reported from Italy, Poland, and France, and they sound exactly as fraudulent as the Daily Worker estimates of petition signatures in the United States.

Developing the peace theme further, the Sofia radio attacks the rearming of Western Germany. Radio Moscow, quoting Stalin, offers the American and Bolshevik Revolutions as twin proofs that resisters of aggression are invincible. Stalin held that American intervention in Korea would fail because American soldiers regarded it as unjust. With evident pleasure, the Soviet announcer quotes former Ambassador Joseph P. Kennedy's characterization of American policy in Korea as suicidal.

With a technique borrowed from Hitler, the Soviet radio offers interviews and letters from American GI's held prisoner by the Chinese Communists. Exactly as in the Radio Berlin "interviews" of World War II, the prisoners appeal to the home folks to stop the war and argue that Korea is too remote to fight for. The Budapest radio tells of a heavy vote against rearmament in Western Germany and in favor of a German peace treaty this year.

This is a rather remarkable result since no vote was taken on the matter in Western Germany. However, it is probably felt that the Soviet puppet vote in Eastern Germany needs a little more scope.

The Soviet love of peace stops considerably short of an Allied peace settlement with Japan. Within the last week, Radio Moscow has devoted a series of extraordinarily long speeches to an assault on the United States policy in Japan, charging that we intend to use Japan as a permanent base for aggression against Russia. Indeed, the "American warmongers" are the prime target of the Soviet radio in all parts of the world.

According to Radio Moscow's history of the Korean war, the Americans seized North Korea and were threatening Red China when the Chinese people "rose voluntarily" to protect Korea. On this station, the Chinese Reds in Korea are still "volunteers."

The Soviet war news from Korea changes little from day to day. One short communique states that "the Korean People's Democratic Army continues to throw back the enemy on all fronts, inflicting heavy losses in men and materials." There may be an added line claiming several aircraft shot down, but there is no mention of towns taken or lost, miles advanced, numbers of enemy casualties, or other pertinent data. There are frequent accusations that the Americans have bombed hospitals or churches, though the listener is given no reason why the Reds are concerned over the loss of a church.

In its world news bulletins, Radio Moscow and the captive-station network predicts American failure in halting nationalization of the Iranian oil industry, stresses Communist gains in Italy, and consistently attacks Marshall plan aid to Europe.

The Budapest radio quotes at length from Eugene Dennis' statement attacking the Supreme Court decision which upheld his conviction and those of the other 10 American Communist leaders.

In between the speeches, the listener hears selections from Tchaikovsky and Rachmaninoff, but even these suffer some distortion on short wave. Nevertheless, their relative fidelity is refreshing after the gross distortions of the Soviet speeches.

[From the Binghamton Press of Friday, April 13, 1951]

WHAT IS THIS VOICE OF AMERICA?—GRASS ROOTS STATEMENT, LETTERS GIVE HUMAN TOUCH TO PROGRAMS

(By Stuart Dunham)

NEW YORK.—The Voice of America goes deep into the grass roots for ammunition against Russia's hate-America campaign.

To the seven continents, beamed by powerful transmitters in 29 languages, go the fireside sentiments of Americans from coast to coast.

The Voice of America sends a mobile unit to record interviews with farmers and clerks and doctors and steelworkers.

In this effort to show the United States to the world, the Voice of America also broadcasts open letters from American citizens to people abroad.

In addition, the Voice staff draws material from the deluge of mail it receives from overseas—an all-time high of 33,242 letters last month alone.

SOME GET THROUGH

Only a driblet of this mail comes from behind the iron curtain, where an intercepted letter can send a man to prison. But it is a significant driblet.

One letter smuggled out of Budapest, Hungary, was a direct answer to an open letter from an American mother.

"You, dear madame," wrote the Hungarian, "say in your letter that your 20-year-old son will become a soldier. Your eyes in motherly anxiety see tragedy ahead. You foresee that your son will be forced to fight our sons.

"We shall not fight your sons. We see, with rejoicing, that your country is assembling all the forces of the whole free world against those who are trying the menace the world's peace."

TELLS OF SADNESS

Through the far-sweeping Voice of America, Mrs. Melvin R. Rose, of Arbuckle, Calif., told the world of her sadness:

"In the past my prayers have started, 'Dear God, please help me to be a good mother.' * * *

"But now I can go no further with my prayer because in the middle of my prayer come these questions: 'But God, what about the children in the rest of the world? The children in Korea, who is praying for them? The children in Yugoslavia, in Russia, in China?'"

A Virginian, Alfred S. Brand, addressed his letter to the people of Russia, saying in part:

"In all my life I have never heard an American express hatred or even dislike toward a Russian. It is only your leaders that we cannot understand and trust."

TELLS OF PROSPERITY

A Greek-American, Theodore Phillips, of Norwich, Conn., told how he had prospered in America, and added:

"My wife and I are very proud of our adopted country. This country is made of different nationalities—that means it belongs to everybody who lives in it."

For contrast, the Voice of America broadcast a letter which came from the Communist shadowland, from Cracow, Poland:

"The danger of a knock at the door at midnight threatens everyone who risks listening to the Voice of America in the presence of unreliable witnesses.

"As in the U. S. S. R., the listening can take place in cellars only, in the catacombs.

"We, a group of reliable persons, therefore gather at the radio at the time of the Polish broadcasts of the Voice of America—to listen to the truth about our Polish cause and

about everything that actually goes on in the world."

From Communist China:

"I write on behalf of many listeners in Shanghai who have to take risk to tune in your daily broadcasts to the Far East."

LANGUAGE OF ALL

The Voice of America makes liberal use of an international language which needs no translation—music.

Under the direction of Walter Ducloux, Swiss-born acting chief of the music unit and guest conductor of the NBC Symphony Orchestra, the Voice of America gives the world a varied musical diet which includes Jo Stafford, John Philip Sousa's compositions, Giuseppe Valdengo of the Metropolitan Opera, Pee Wee Russell and many others.

Much of this music, contributed free by performers and musicians' unions, is sent on discs to hundreds of local radio stations abroad.

Besides helping to portray America, the music creates audiences for other Voice of America programs.

Ducloux favors high-brow music himself, but he concedes: "We find that popular American music is a wonderful come-on."

The Hit Parade, the Boston Pops, cowboy laments—their themes are hummed by Voice of America listeners from Dutch Guinea to Malaya.

[From the Washington Star of May 28, 1951]

A MESSAGE FOR STALIN

Through the Voice of America, the United States has just inaugurated a daily broadcast to Russian in Generalissimo Stalin's native Georgian language. The project is an interesting one, and maybe we can accomplish something with it if the Soviet dictator will listen in and if we keep hammering at his ear with such ideas as the one expressed in the following passage from President Truman's recent message to Congress on foreign military and economic aid:

"Let it never be forgotten * * * that we are ready, as we have always been, to follow the road of peaceful settlement of disputes, of control and reduction of armaments, of cooperation in applying man's talents to the building of a just and prosperous world society.

"If the rulers of the Soviet Union did not drown their words of peace with the drums of war, if their professions of peaceful intent were matched by deeds, the century in which we live could become the brightest man has known upon this earth. For our part, if peace could be made sure, the American people would be glad to invest a part of the resources we must now allocate to defense to a large-scale program of world-wide economic development.

"The benefits of such a program would be immense; the cost, a small part of what we must now pay to build our defenses at home and abroad. With such a program, we could, in cooperation with other peoples, inaugurate the most hopeful and fruitful period of peaceful development the world has ever seen."

That idea is a completely sound one. With the greatly improved technological equipment now at his disposal, and with the wondrous potentialities of things like atomic energy, man today has the means to bring about revolutionary advances in all parts of the globe—advances that would enrich peoples everywhere and open the way to the finest and happiest age since time began. By the same token, however, man also has the means, as never before, to sound the death knell of his race.

The danger that exists now—the danger that the nations of the world will drift into catastrophe instead of working together to create a golden age—stems primarily from the Soviet Union's policy of dominance-seeking aggression. Yet that policy, if persistently pursued, can net its pursuers nothing but disaster in the end. By way of contrast, the Russians, like all other peoples, would gain enormously from peaceful cooperation.

The central issue of our time is basically as simple as that. The idea expressed by Mr. Truman ought to be repeated over and over again in our Georgian-language broadcasts and in other ways. Possibly—just possibly—Stalin will eventually lend an ear and do something to make the Soviet Union a cooperator, not a saboteur, in the effort to establish an enduring peace and put mankind on the road to a great new era of shining progress.

[From the Washington Post of May 29, 1951]

CHANGING VOICE

The Georgian accent which the Voice of America recently has acquired is directed at listeners not in Atlanta but in Tiflis. It is appropriate that the new language added to the languages in which the State Department is waging the battle of facts and ideas should be in the native tongue of Joseph Stalin. Whether the Voice has acquired a great number of direct listeners in its broadcasts to the Soviet Union may be doubted, but it seems to have had an impact. At any rate, the Kremlin has gone to absurd lengths to jam the broadcasts.

Which reminds us that those in a position to appraise the work of the Voice of America say there has been a noticeable improvement in quality in the last few months. The program has become tougher. Not that it distorts the truth; instead it tells the truth about the Soviet Union as well as about the United States, as well as about relations between them. It has become frankly an instrument of psychological warfare, and it has taken the offensive. This is all to the good.

Quite properly the State Department has disavowed, in Secretary Acheson's appeal to the Georgian people over the heads of their leaders, any attempt at encouraging national revolution or separatism in the U. S. S. R. That there is a basis for separatism has been pointed out by such authorities on psychological warfare as Wallace Carroll. But now is not the time to stress it; the result, very likely, would be purges and needless sacrifice.

Nor ought the Voice to be extolling the virtues of American motor cars or the glories of American plumbing. It ought to be plugging the spiritual values of freedom, such as the dignity of the individual, which is a spark in men's asperations everywhere, and citing famous libertarians in Russian history. It ought to be asking embarrassing questions about every kind of Soviet denial of those values—slave labor, the MVD, and the other terrors which every Soviet citizen fears. It ought to be making use of recent escapees as sources, though there it is often handicapped by overstrict security regulations. Happily, the Voice has long since abandoned the program of straight news only for a more positive approach designed to indicate to oppressed peoples the bond of kinship which the love of liberty creates.

Elsewhere, too, there ought to be a minimum of programs dwelling upon American material advantages. Senator BENTON has called for a campaign to win India, a friendly country, away from Communist influence. That would be welcome, but it will take some careful thought, calling for an adjustment of the instrument to the field of operation. The boasting of the material wealth of America, for instance, has boomeranged in the free expectations of Indians that all they had to do was to put in a requisition for some of our bounty. The grain loan taught them differently. We must see that we don't create jealousy and resentment and disillusion, instead of friendship.

EXCLUSION FROM GROSS INCOME OF INCOME FROM DISCHARGE OF INDEBTEDNESS—MOTION TO RECONSIDER

The VICE PRESIDENT. The Chair will state that under the order of the Senate of the 22d instant, Senate bill 1717, to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, is temporarily laid aside, and the Senate will now proceed to the consideration of the motion of the Senator from Ohio [Mr. TAFT] to reconsider the vote on the passage of the bill (H. R. 2416) relating to exclusion from gross income of income from discharge of indebtedness.

The question is on agreeing to the motion to reconsider.

Mr. LONG. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Gillette	McKellar
Bennett	Green	McMahon
Benton	Hayden	Millikin
Brewster	Hendrickson	Monroney
Bricker	Hennings	Moody
Bridges	Hickenlooper	Mundt
Butler, Md.	Hill	Neely
Butler, Nebr.	Hoey	Nixon
Byrd	Holland	O'Conor
Cain	Humphrey	O'Mahoney
Capehart	Ives	Pastore
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Kefauver	Saltonstall
Clements	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Smith, N. J.
Dirksen	Knowland	Stennis
Douglas	Langer	Taft
Duff	Lehman	Thye
Dworshak	Long	Underwood
Eastland	Magnuson	Watkins
Ellender	Malone	Welker
Ferguson	Maybank	Wherry
Flanders	McCarran	Wiley
Frear	McCarthy	Williams
Fulbright	McClellan	Young
George	McFarland	

Mr. McFARLAND. I announce that the Senator from Wyoming [Mr. HUNT], the Senator from Texas [Mr. JOHNSON], the Senator from North Carolina [Mr. SMITH], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official commitee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Montana [Mr. ECTON], the Senator from Massachusetts [Mr. Lodge], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Oregon [Mr. MORSE] is absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

Mr. TAFT. Mr. President, I have heretofore moved to reconsider the action of the Senate in passing the bill (H. R. 2416) relating to exclusion from gross income of income from discharge of indebtedness.

The VICE PRESIDENT. The Chair will state that the motion of the Senator from Ohio is now before the Senate.

Mr. TAFT. My reason for making the motion to reconsider was that there was attached to the bill an amendment which had nothing whatever to do with the subject of the bill as it appeared on the calendar. The amendment, which was offered by the distinguished majority leader [Mr. MCFARLAND], changes all social security payments in the way of Federal assistance to the States for the various social security programs. It proposes a major change in the whole social security setup so far as assistance is concerned. The amendment was agreed to and the bill was passed by the Senate without any consideration having been given to it by the Committee on Finance. If the Senate reconsiders its vote on this bill I shall move to refer the bill to the Committee on Finance. If the authors of the amendment then desire to set some time limit within which a report is to be made by the Committee on Finance I am quite willing to agree that that be done.

I do not want to say today that necessarily the proposed increase of $5 is not a proper increase; but I do object very strenuously to the change in the whole matching formula; to the fact that the entire burden is to be placed on the Federal Government, and to the fact that the various other complications which have arisen because the assistance programs have not been given proper attention.

Last year the Committee on Finance recommended, and Congress passed, an elaborate revision of the entire social-security program, in which the subject involved in the McFarland amendment was considered. The Senate made substantial increases in old-age insurance. It made very large increases in the aid to dependent children. It made increases in assistance to the blind. At that time, the Senate did not increase old-age assistance because it felt that in the whole picture, from the standpoint of a balanced arrangement between insurance and assistance, such assistance payments were already in line with the figures newly adopted for old-age insurance.

The amendment, Mr. President—and, of course, the money it would call for would be binding on the Appropriations Committee, so for all practical purposes it is an appropriation—would increase the present total payments made by the Federal Government to the States, in order to enable them to carry out these programs, which are cash-payment programs, not operations programs by the States. The present budget, that for this year, calls for $1,300,000,000 for this purpose. The result of the McFarland amendment, as I have obtained the estimates from the Federal Security Administration, would be an automatic increase of $256,296,000 in the necessary appropriations.

We struggled here for 3 weeks with two appropriation bills making cuts here and there, but this one increase, without any consideration by the Senate of its effect, more than wipes out all those decreases. I think it is probably three or four times as much as all the economies the Senate voted for in the course of the consideration of the two appropriation bills which have been recently passed.

The increase in old-age-assistance payments is $165,000,000; in aid to the blind, $5,700,000; in aid to the totally disabled—a new program which the Senate Finance Committee and the Congress adopted last year—the increase is $6,300,000. The total increase brought about by this amendment in aid to dependent children would be $79,000,000. In each case the increase is approximately 20 percent over the present Federal payments provided for in the budget.

This increase has not been recommended by the President. It is not included in his budget, although in the budget he has recommended a number of other increases in programs, and Congress may or may not adopt those proposals.

So, Mr. President, it seems to me perfectly obvious that we should refer this matter to the Finance Committee for consideration. In the first place, the amendment is not a simple increase of $5, but it changes the entire matching formula by which these payments are made. These payments have gradually increased. They began, back in 1935, with $15 from the Federal Government and $15 from the States—in other words, on a straight 50–50 matching basis. In 1938 the payments were increased to a total of $40, with $20 coming from the Federal Government and $20 coming from the States.

In 1946 the total was increased to $45, with the total amount of the increase being entirely at the expense of the Federal Government, namely, $25 from the Federal Government and $20 from the States.

In 1948 it was increased by changing the 50–50 basis to a two-thirds basis for the first $15.

In 1949 the two-thirds basis was changed to a three-fourths basis for the first $20. The result of that change is that the present law provides that of the first $50, the Federal Government puts up $30 and the States put up only $20.

The present proposal is to increase the Federal contribution to 80 percent of the first $25, and no increase by the States is proposed.

Of course, it is certain that the States will not increase their contributions. As a matter of fact, there is no assurance, even, that they will maintain the present State payments. Under this amendment, it is entirely in the power of the States, if they desire to do so, simply to transfer to the Federal Government the expense they have. In the long run, I do not think the States will do so. They may do so temporarily, but probably in the long run the increase of $5 in the Federal payments will be reflected in an increase of $5 in the total payments made by both the Federal Government and the States. However, that has not always been so in the case of past increases.

There are many other complications. In particular, as I wish to develop at some length, I point out the difference in the relationship between the old-age-assistance program and the old-age-insurance program. There is also involved the general question of whether the standards for placing persons on the rolls are fair ones—standards which in some States result in only 60 out of 1,000 persons being on the rolls, whereas in other States as many as 700 persons out of 1,000 are on the rolls.

The point I wish to make is that if we are going to increase the Federal percentage, such an increase will furnish an inducement to the States to increase the number of persons on the rolls, rather than to increase the State payments.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield.

Mr. LONG. The question I have in mind is that if the committee were to consider the question of the standards which the States apply in connection with placing welfare applicants on the rolls, the consideration of that question would require a great amount of study; and inasmuch as the tax bill is before the Senate Finance Committee at this time, it is difficult for me to see how the committee would have time to go into the factors the Senator from Ohio is now discussing.

Mr. TAFT. I think this is largely a matter of expert advice. The Social Security Board, for instance, so far as I can discover—and I talked at length to representatives of the Board—was not consulted about this matter. We can get the Board's recommendations in regard to whether anything should be done in this case. That problem was before us last year, and we decided that nothing should be done.

I notice that on June 21, the Senator from Louisiana recommended that we not increase by $23,000,000 the annual and sick leave privileges to certain substitute employees in the postal service. At that time he said, in regard to the amendment of the Senator from Kansas [Mr. CARLSON]:

> Mr. President, • • • I wish to say that I have no reason to question the suggestion made by the Senator from Kansas. However, I believe the subject has not been studied by a committee. It should be studied by a committee and reported from a committee. I am told that the cost of the proposed amendment will be $23,000,000. I believe it is well to take a look at the figures and see if that is what it will cost. It might be well also to consider it in connection with the bill which is before the committee to provide a flexible-leave schedule.

The Senator from Louisiana opposed that amendment because he thought any increase of that kind should be referred to a committee, and I hope the Senator from Louisiana thinks this matter should go to a committee.

Incidentally, certainly the proposal to change the Federal Government's contribution to four-fifths should be referred to a committee. If we are to increase at this time by $5 a month the

amounts paid to recipients of old-age assistance, half of that increase should be provided by the States. That change alone would cut the Federal Government's cost by $128,000,000.

It seems to me that it is in the matching field that particular consideration by the Senate Finance Committee is required.

There is now at the desk an amendment submitted by the distinguished Senator from South Dakota [Mr. CASE], which he thinks we should consider. It involves the question of permitting aged persons who receive this assistance to earn some additional money. We permit that to be done in the case of old-age insurance, but not in the case of old-age assistance. Such permission, if given, may help in connection with some of the problems the older persons have. Such a change would require an amendment to the present law.

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. TAFT. I yield.

Mr. LONG. I am certain that the suggestion the Senator from Ohio has made is well taken. The only question in my mind is whether there would be time for the Finance Committee to consider this matter and study it properly and consider all the factors the Senator from Ohio has in mind, whereas, on the other hand, at this time, there is a real need for a little additional assistance to the old-age pensioners, particularly because of the enormous increase in the price of food since Korea.

Mr. TAFT. I may say that the old-age-assistance payments have more than doubled since 1939 and 1940. There has been a rather steady increase, and I do not necessarily object to it.

As I have said, I am quite willing to have the Finance Committee instructed to report on this matter within a reasonable time—for instance, within 3 weeks, or a similar period of time—because I think we can get together the necessary information in 3 days. I have succeeded in gathering enough information to be able to form conclusions of my own, and I think the committee can report a much sounder program with much less cost to the Federal Government.

Last year Representative MILLS, of Arkansas, made to the House of Representatives a proposal which the Federal Security Administration tells me they much prefer to this amendment, and it would cost the Federal Government at least $100,000,000 less than this particular amendment would.

Mr. LONG. Mr. President, will the Senator yield for another question?

Mr. TAFT. I yield.

Mr. LONG. As a matter of fact, is it not true that last year the Senate Finance Committee considered a proposal to increase the matching formula, and turned it down, even though the committee voted to increase by a substantial amount the assistance for almost every other group of needy persons?

Mr. TAFT. Yes.

Mr. LONG. Many Senators voted at that time to increase it, for the reason that there was not much hope of the committee's changing its position substantially, because the committee at that time was composed of the same members who compose it today.

Mr. TAFT. But the Senator must remember that since that time, there has been an increase in the cost of living, which the committee certainly is willing to take into consideration. One reason for our not increasing the rate, I may say, was that we wanted to get the right relationship between the contributory system of old-age insurance, which we increased substantially—doubled, in fact—and the noncontributory system. Before the amendments of last year the point had been reached where in most of the States which did not contribute a beneficiary received a larger payment than in the States which contributed, so far as old-age insurance was concerned; and we raised the figures for the old-age insurance to such a point that we felt that the relationship between the noncontributory payments and the contributory payments was correct.

It is possible that if we are to increase the noncontributory payments, we ought also to increase the insurance payments. That, I may say, is a possibility, because the fund has brought in so much more money, under the increased tax and the very largely inflated payroll since Korea, that it is quite possible to make a larger payment on insurance, also, without increasing the tax. I think that if one is to be increased, there ought to be a relative position between them, because obviously the contributory pension ought to be larger than the noncontributory pension.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. The Senator from New Jersey has this question to ask of the Senator from Ohio: The suggestion has been made that a vote to support the motion of the Senator from Ohio on this matter would be a vote against increases in some of these pensions. As I understand the Senator from Ohio, he is not at the moment going into that particular question. Such a vote would not mean that we were opposed to increases. Personally, I think we may have to consider increases all down the line in these various areas.

But the suggestion has further been made that the language of the amendment might make it possible for the States to take the Federal funds and, so to speak, bail themselves out. That has been suggested to me, and I am assuming that that is one of the questions the Senator from Ohio wants to have investigated when the matter goes back to the committee. The proportion to be contributed by the States, as well as by the Federal Government, makes this relief practical, without having the entire burden cast on the Federal Government.

Mr. TAFT. Yes, I think that is true. There is no provision in the amendment that the States must add anything at all to their total payments. As I have said, in the end they will probably pass it on. We have pretty direct advice from one State that it is simply going to relieve its own difficult fiscal situation. We could insert an amendment which would prevent that, I think. But I call attention to the fact that the report of the Federal Security Agency shows that in January 1947, after the increase of $5 in 1946, the old-age-assistance payments to beneficiaries, actually increased but $3.24. The increase from Federal funds amounted to $4.16; but there was a decrease from State and local funds of 92 cents a month. After the 1948 increase, from September 1948 to December 1948 the beneficiaries received an increase of $2.49 only, instead of $5. Though there was an increase of $4 in Federal funds, there was a decrease of $1.50 in State and local funds. The Federal Security Board itself at that time said that while, for the country as a whole, the decline in State funds was relatively small, in some States the contributions were such as to raise a question whether the States had not used a considerable part of the additional Federal funds to relieve the burden on State and local treasuries, instead of to strengthen their public assistance program. That this was not the case in most States is apparent, but in some States it was true. So, since that result did follow, it seems to me we ought to provide by legislation that that shall not happen.

When we made the increases in 1946 and 1948 we were at peace, and the income of the Federal Government was considerable. In 1948, we had had a surplus of $8,000,000,000 in the Federal Treasury. Today, with the present tremendous budgetary program, which may cost $70,000,000,000 this year and $90,000,000,000 next year, we have felt that we cannot make the increased appropriations for purely domestic activities we had hoped to make. We have already cut down the housing program, we have cut down along various other lines, and certainly if there is to be the increase in assistance payments which is proposed, it seems to me the Federal Government ought not to be asked to put up more than half of it at the present time.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. If I understand the Senator from Ohio correctly, then, he is not necessarily opposing the consideration of the question whether there should be increased participation on the part of the Federal Government and the States, but he feels that a matter of this kind, which may involve $250,000,000 should be further considered by the committee before final action is taken on the proposal. Is my understanding correct?

Mr. TAFT. The Senator is correct; and I have no objection to having the committee report within a definite time, so that we can consider the problem intelligently on the basis of a committee report.

Mr. LEHMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from New York?

Mr. TAFT. I yield.

Mr. LEHMAN. As I understand, the Senator from Ohio does not object to

the granting of a degree of help to those who are now on the public-assistance rolls, but he objects to the manner in which it has been done, and to the fact that there is no assurance that under the amendment which has been adopted, the beneficiary will receive any larger payments in the aggregate. Do I correctly understand the Senator?

Mr. TAFT. The Senator is correct. The money provided could be used in either of two ways. It could be used to relieve the State treasury, or it could be used to put more people on the roll.

Mr. LEHMAN. Will the Senator yield further?

Mr. TAFT. I yield further to the Senator from New York.

Mr. LEHMAN. I am sure my colleagues in the Senate know how I feel about these grants for public assistance. I believe them to be completely inadequate, and I should be delighted to see the beneficiaries receive increased allotments. But what worries me about the suggested amendment is that there would be nothing which would prevent a State from actually reducing its share. In other words, there is nothing in the amendment which has been adopted which would give any assurance whatever that the beneficiaries would receive larger allotments. I want to see them get larger allotments. I am not interested in the Federal Government's baling out the States, and I believe that could happen under the amendment of the Senator from Arizona. I wondered whether under those circumstances it would not be possible for the Senator to submit an amendment which would prevent a reduction in payments by a State to any beneficiary; in other words, to assure that there would be no diminution, but rather an increase in the benefits accruing to a person receiving public assistance.

Mr. TAFT. I think I would ask an even more drastic amendment than the Senator from New York suggests. To begin with, until the vote is reconsidered I cannot offer an amendment. But it seems to me that, if we are to increase the payments $5, we ought to make the States match the Federal payments 50–50, certainly as to the particular $5 increase, at least. Under present conditions, I do not think the Federal Treasury ought to have to bear four-fifths of the additional increase. There is no evidence that the States will increase their share at all. I shall present some evidence to show that they may not pay to the persons affected the full $5. They will merely put it in the State treasuries. I think the amendment could be somewhat more stringent than the Senator suggests. I think I could work that out, though, much more easily in committee than I could on the floor of the Senate.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to say to the Senator from New York that I have conferred with the legislative counsel of the Senate to try to get an amendment drafted along the lines he is suggesting because I believe that there should be some increase in the payments to the beneficiaries, and I wanted to make sure, if we acted, that the increase would go to them. I am informed by the Senate legislative counsel that they have tried for about 2 years to draft an amendment along those lines, but that it is very difficult because of the flexibility in the amounts contributed by the States, and, if a specific amount like the one suggested is provided, it might throw out of kilter the whole benefit scheme within the States. That is what I have been told by the Senate legislative counsel.

The Senator from Ohio has twice stated that he would be willing to agree, if the bill were referred back to the committee, that a time limit of 3 weeks might be set for bringing it out again. I would hope that he would be willing to set a time limit of 2 weeks. It would have much influence on my vote if I knew the Finance Committee would report the bill in 2 weeks.

Mr. TAFT. That could be done easily enough. If all the members of the committee would sit down and consider it, it could be done in 3 days. But probably that would not be possible. I do not see why an amendment like this cannot be agreed on in 2 weeks.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. McFARLAND. Is it not a fact that what is provided in the bill is precisely the method which has been used for increasing assistance to the aged, the blind, and to dependent children the last two times that subject has been considered?

Mr. TAFT. It is true that the last two times the Federal Government has assumed the entire burden of the increases under programs which are entirely State programs. The Federal Government gives assistance to the States. The States fix the requirements and determine the total number of payments. In Colorado they amount to $77 a month; in California, to $67; in Texas, to only $32. The lowest is in the State of Mississippi, where the payments are $19.30.

What we have been doing has been simply taking more and more out of the Federal Treasury. We have done it twice. We did it to such an extent that noncontributory payments were greater than the contributory payments under the old-age insurance system. They were wholly out of relationship. That was due partly to the delay in revising old-age insurance. The result has been an increase in the number of persons on the rolls. The smallest number is in the District of Columbia, where only 46 out of a thousand persons are on the old-age assistance roll. In Delaware the number is 61 out of a thousand. On the other hand, in Colorado, it is 417; in Arkansas, 539, more than half the persons being over 65 years of age. In Louisiana the number is 725 out of a thousand. That tendency has grown until a State finds that it is easier to get more money out of the Federal Government by having a large number of low payments instead of adequate pensions. The distinguished Senator from Louisiana [Mr. LONG] pointed out that his State more than doubled its own payments. In contributions to old-age insurance it is spending more money per person than is any other State in the Union. But that is not true as to Texas, which is a much wealthier State than is Louisiana.

Mr. LONG. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LONG. I believe it would be fair to point out that in the northern and more industrialized States a much higher percentage of persons are covered by social security, while in the State of Ohio the figure was almost 80 percent. In a State like Louisiana, where so large a percentage of the people are not covered by social security, they have to look to old-age assistance. There is no point in offering any excuse or apology. I hope the Senator will not think that we have any desire to receive more money out of the Federal Treasury and match it with our State funds. It is sought merely because of the need of the persons in the State of Louisiana who fall within the classes to be assisted.

Mr. CASE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. CASE. Under the current manpower situation, does the Senator know of any reason why we should permit persons who are receiving contributory assistance to obtain up to $50 a month for doing certain work, and deny the opportunity to those who are under the old-age-assistance program?

Mr. TAFT. I do not. I have read the report of the advisory committee of the Senate, on which the bill was based. They take the position that the program should be based on need only. I do not know the exact reason for that, but that was their position.

Mr. CASE. The able Senator from Ohio will recall that during World War II it was made possible for one who was receiving old-age assistance to engage in agricultural labor without having his assistance payments taken into consideration. Later, by a second amendment, the law was extended to include employment in nursing, so the persons receiving old-age assistance could receive money earned on farms or in nursing without affecting their payments.

Mr. TAFT. It seems to me that that should certainly be considered.

Mr. CASE. It has been my observation that the old-age-assistance recipients hesitate to take odd jobs lest they be stricken from the rolls. The gentleman who used to mow my lawn does not mow it any more because he is now on the old-age-assistance roll. Under the present manpower situation, I think we should make it possible for these on assistance rolls to help out with chores or do nursing. That is the purpose of the amendment which I suggested.

Mr. TAFT. Let me say that Colorado's average payment is $66.73. The Federal share of that payment was 45 percent. It is now raised to 52 percent. In Texas, on the other hand, the average payment by the State in April of 1951 was only $32.68, less than half the amount paid in Colorado. There are

more than four times as many persons on the rolls in Texas as are on the rolls in Colorado. The Federal share of the low payment in Texas, under this increase, would be $27.68, or 81 percent of the total payment. The Federal Government is carrying 81 percent of the total old-age-assistance payments in Texas, whereas in California it is carrying only 52 percent. The effect of the new amendment would be to increase greatly the amount of payments in Texas. At the same time, Texas has the highest per capita income of any southern State. Colorado has a per capita income of $1,386. The per capita income in Louisiana is approximately half of that of Texas.

The result of requiring the Federal Government to pay a higher and higher percentage is that every State is given a tremendous incentive to widen the rolls, to put everyone on the rolls, and get more money, because the Federal Government will pay 75 percent under the existing law. Thus there is an even greater incentive to do that instead of paying adequate old-age pensions to persons who are really in need, because it cannot be that there is a clear case of need as to 750 persons out of a thousand who are over 65 years of age. Surely those States are disregarding any obligations on the part of the children to do something in looking after their parents.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. McFARLAND. First, I wish to make a statement and then to ask the Senator a question. I should like to say that the method proposed in this amendment is the only effective method we have been able to use. It has resulted in increased assistance for the aged, the blind, and dependent children. The Finance Committee had this subject before it a year ago and at the request of those in charge of the legislation we did not offer the amendment. Of course, that would have been the time to increase the amount had the committee been disposed to act.

However, if the Senator from Ohio wants the committee to consider the matter for a couple of weeks, I am perfectly willing that the Senator enter into a unanimous-consent agreement to the effect that the bill, as amended, be referred to the Committee on Finance for its consideration for 2 weeks, at which time the committee shall report its recommendations, including its recommendation respecting possible increases in old-age-insurance payments as well as increases in old-age assistance, aid to the blind and totally disabled, and increases in children's benefits. If the Senator is agreeable, I am willing to enter into such an agreement.

Mr. TAFT. I think everyone will agree to that. I think we can do that if that is agreeable to the Members of the Senate. It will enable us to proceed with the defense-production measure more quickly.

The VICE PRESIDENT. Is there any request made?

Mr. McFARLAND. May I say before I make the request, Mr. President, that I am hopeful the committee will give prompt and careful consideration to the bill, and, of course, when it comes back to the Senate we will then have an opportunity to look at it. I am one of those who believes it is desirable that a committee have the opportunity to consider proposed legislation.

But before I propound the unanimous-consent request I wish to say that the people here involved are the forgotten people. No one has done anything for the aged and the blind and the dependent children since 1948, although the cost of living has gone up, way up.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. TAFT. Do not include the blind in that statement. We increased the amount for the blind last year.

Mr. McFARLAND. Mr. President, the recipients of this aid need the little extra money for food. We are going to consider shortly a recommendation to increase salaries of Government employees. Why? Because of the rise in the cost of living, of course. I am in favor of economy. I want to save every dollar that can be saved. But, Mr. President, I am not willing for an aged person, a person who has not had an opportunity to save money during his lifetime, who has not had the opportunity to build some security through social security, to go hungry simply because helping him would mean the imposition of a little more taxes. I do not believe the people of the United States are willing that such individuals should go hungry merely to save the payment of some taxes.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Ohio has the floor.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the distinguished Majority Leader.

Mr. McFARLAND. This is no small matter to those who are affected. Some may ask, "What is $5 a month? In a large number of the States the $5 contribution is matched by the States' equal payment. Why did we not make such a provision mandatory for all States? Why did we not compel the States to match the Federal payment? I will tell the Senate why. It is because in the South and in some other sections, States are not able to match the Federal payment. So the amendment was submitted in order to give the poor people in those States a little better chance in life.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McFARLAND. I will yield in a moment. I feel deeply in regard to this matter. The Social Security Administration recommended the variable grant program. The House passed a bill along that line and sent it to the Senate. We did not take action on the variable grant program.

The amendment now under consideration is only temporary provision for 2 years to aid the old people in this period; so that they may live, if you please, while we in Congress are working on the program. I dislike to see a delay for even 2 weeks, but I am willing to have the bill receive committee consideration because I believe in committee hearings where possible, and because in this case I believe that with the active cooperation and wise assistance of both the distinguished Senator from Ohio and the distinguished Chairman of the Finance Committee we will have before us very shortly a bill which will increase these payments in all categories and thus give recognition to the fact that these people on small fixed incomes are literally being ground between the upper and nether millstones.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I am glad to hear the Senator from Arizona take the position he has taken, because it seems to me that if we want to attain this objective—and I personally want to increase the payments to a certain degree—we can better do so by having a bill brought before the Senate in an orderly way; a bill which we can amend and which we can discuss. As the matter now stands, we cannot discuss the amounts, we cannot discuss the subject with our home State authorities to see how the plan will work out. If the committee reports a bill in 2 weeks, then it will be open to discussion. We can increase the amount if we think we should do so, or we can change the provisions. I hope the Senator will put the unanimous consent request.

Mr. TAFT. Will the Senator from Arizona put the unanimous-consent request? I now yield the floor.

Mr. LEHMAN. Mr. President, is the Senator from Arizona going to present his unanimous-consent request?

Mr. McFARLAND. I will do so in a moment.

Mr. LEHMAN. I will wait until the Senator has submitted his unanimous-consent request.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the vote by which House bill 2416 was passed be reconsidered, and that the entire bill, as amended and passed by the Senate, be recommitted to the Senate Committee on Finance, with definite instructions that it be reported back to the Senate within 2 weeks with recommendations, including recommendations with respect to possible increases in old-age insurance payments.

The VICE PRESIDENT. The Senator from Arizona asks unanimous consent that the vote by which the bill was passed be reconsidered, and that the bill, with the amendment adopted by the Senate, be referred to the Committee on Finance with instructions to report back not later than 2 weeks from today. Is there objection?

Mr. LEHMAN. Mr. President, reserving the right to object, in the first place, I ask unanimous consent to place in the RECORD a letter which I received from the Federal Security Agency under date of June 26, 1951, giving certain figures and data.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL SECURITY AGENCY
SOCIAL SECURITY ADMINISTRATION,
Washington, D. C., June 26, 1951.

Hon. HERBERT H. LEHMAN,
The United States Senate,
Washington, D. C.

DEAR SENATOR LEHMAN: This is in reply to your request for information concerning the public-assistance amendment adopted by the Senate on June 21 to H. R. 2416.

In accordance with your request, I am enclosing a copy of our statistical tables for March 1951 which, among other things, show the average amount paid to assistance recipients. There is also enclosed, as you requested, a table showing the Federal share of the average payments for old-age assistance for September 1950, the most recent month for which data are available.

The answers to the other information you requested are as follows:

1. What is the cost of the amendment?

The additional cost to the Federal Government, assuming that all of the additional Federal funds is passed to recipients, is about $256,000,000 annually. This figure is based upon estimated case loads as of the end of the fiscal year 1951. The present Federal cost for public assistance is approximately $1,250,000,000 annually.

2. Is there any provision in the amendment which requires or assures that the needy individual will receive the additional Federal funds?

No; there is not.

3. Does all of the additional Federal money need to be passed on to the recipient or can the money be saved by the State or be used to put additional persons on the assistance rolls?

The State is free under the amendment (1) to pass all or part of the additional Federal money on to the individual, (2) to save all or part of the additional Federal money, (3) to put additional persons on the rolls, or (4) any partial combination of these three policies.

This can be illustrated, in part, by the following examples:

A State paying $40 to an aged individual can increase the payment to $45. In this case the Federal share of $25 is increased to $30, and the State share of $15 remains the same.

But if the State wished to save all the Federal money, it could keep the payment to the individual at $40, in which case the State share would be reduced to $12.50, a saving of $2.50 a case, while the Federal share would be increased $2.50 a case to $27.50.

Alternatively, a State could increase the total payment to an individual to $43, an increase of $3, which would result in a State share of $14, a decrease of $1, while the Federal share would be $29, an increase of $4.

As an example of how a State can add additional persons onto the rolls without increasing its own costs, assume that the State is now paying 100 persons $40 a month, of which the Federal share is $2,500; the State share is $1,500. If the State divided its $1,500 by paying $12.50 to 120 cases, the Federal share would be increased to $27.50 each or a total of $3,300, or $800 more in total Federal funds.

Based upon the experience of similar amendments in 1946 and 1948, it requires about one full year for recipients to get the full benefit of the additional Federal funds. In some States it takes even longer. In the meanwhile, a portion of the additional Federal cost is merely a replacement of State and local funds.

4. Is the Federal share also increased for Puerto Rico and the Virgin Islands?

No.

If there are any additional facts you wish, please let me know.

Sincerely yours,

WILBUR J. COHEN,
Technical Adviser to the Commissioner for Social Security.

Mr. LEHMAN. Mr. President, in the second place I may state to the Senate that, as the majority leader knows, my interest in this question is to see that the beneficiaries receive a larger allotment, a considerable part of which, of course, is paid by the Federal Government. Under the amendment of the Senator from Arizona as it stands, if a State making an allotment of $40 wishes to "save" all the Federal money, it could keep the payment to the individual at $40, in which case the State share would be reduced to $12.50—a saving of $2.50 a case, while the Federal share would be increased $2.50 a case to $27.50.

I want to make certain that if the Federal Government makes this further large grant to the States——

Mr. McFARLAND. The Senator does not call $5 a large grant, does he?

Mr. LEHMAN. No. I am talking about $256,000,000 representing the additional share of the Federal Government.

Mr. McFARLAND. I understand.

Mr. LEHMAN. If the Federal Government makes this grant to the States on a matching basis of some kind, I want to make certain that the beneficiaries will receive a very substantial portion of the additional funds which are made available by the Federal Government.

I wonder whether the distinguished majority leader could include in his motion a direction to the Finance Committee to make certain that there would be (a) no diminution of funds provided by the States and (b) an increase in the benefits which flow to the recipient from the State and Federal funds. I think it is most important that the beneficiaries be benefited by the action which may be taken. I am not interested in saving the States money. I want to make sure that the needy persons who are getting this meager and totally inadequate allotment will receive a greater benefit from these funds.

Mr. McFARLAND. I may say to my friend that the Senator from Massachusetts [Mr. SALTONSTALL] has stated the difficulties. It is very difficult to draft an amendment such as this. I think that a study of the record will disclose that the needy people have received these benefits. I myself do not believe that any State officials could remain in office if they were to take this money simply to reduce their State taxes. I believe the needy people will receive benefits from the Federal payments.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. MILLIKIN. Our State puts up more than its share of the money. That is neither here nor there. What I want to suggest to the distinguished Senator from New York is that there ought not to be any limitations placed upon the instructions to the Finance Committee.

Mr. McFARLAND. We can take care of that on the floor if the job is not properly done in committee.

Mr. LEHMAN. Mr. President, continuing my reservation—and I do not intend to object—may I ask the majority leader whether, if the bill when reported from the Finance Committee does not provide increased benefits to the beneficiaries of public assistance, he will think it is bad faith on my part if I oppose the report and fight against it as hard as is possible? I do want to make certain that the beneficiaries receive more liberal treatment than they are receiving today.

Mr. McFARLAND. I will say to my good friend from New York, in all sincerity, that I do not believe there is a Member of this body who has a kinder feeling toward the people who need help than has the Senator from New York. I know that he is sincere in what he is saying, and that he wants to help the people who need help. If I did not feel that this amendment would accomplish the desired purpose, I would not have proposed it. However, I am willing to have the committee give further consideration to the project. I hope the Senator from Ohio will be convinced before final action is taken. That is one reason why I was willing for the Senator from Ohio to have more time to study the question. I want him with us in helping to put through this worthy legislation.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona?

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object—and I shall not object—I wish to compliment the Senator from Arizona for the fight which he has consistently made to increase the assistance to these forgotten people and improve their welfare. I refer to the aged, the blind, and the orphans. I do not believe that anyone can go too far in his concern for those people. I appreciate what the Senator from Arizona has done in past years, and what he is attempting to do by this proposed legislation. So reluctantly I agree with the purpose now to postpone consideration for 2 weeks and send the bill to the Committee on Finance.

I agree with what has been said by my colleague [Mr. MILLIKIN], that no strings should be tied to what the Finance Committee does with the bill, because the Finance Committee has made a long study of this kind of legislation and is well informed on it. It is capable of dealing with it in an intelligent way, and with good judgment, I believe. When the bill returns to the Senate, within 2 weeks, I feel that the Senate may expect a bill which all Senators can support.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona?

Mr. LANGER. Mr. President, reserving the right to object, I invite the attention of Senators to the fact that sometimes chickens come home to roost.

Only last week the distinguished Senator from South Carolina [Mr. JOHNSTON], chairman of the Committee on Post Office and Civil Service, pleaded

with tears in his eyes that leave for Government employees be not reduced from 26 days to 20 days. He stated that a committee had been considering the subject for a long time, and was almost ready to report. He called attention to the further fact that an employee who had worked a long time for the Government might be entitled to more leave than one who had worked for only a year or two.

At that time, nevertheless, the Senate, with the distinguished Senator from Ohio voting for the proposal, took the matter out of the hands of the committee and legislated upon the floor of the Senate, providing for 20 days' leave instead of 26 days. The result was that the Committee on Post Office and Civil Service might just as well not have existed.

Coming to this specific question, I remember that in 1946 the senior Senator from North Dakota called attention to the fact that North Dakota was the first State in the Union to have old-age pensions. That was long before we ever heard of Dr. Townsend. At that time it was said, "We are not going to pass upon the question today. We are going to refer it to a special committee." A special committee was named, consisting of two of the most distinguished Members of this body. That was the last we heard of the subject for an entire year.

I agree with everything the distinguished Senator from Arizona and the distinguished Senator from New York have said relative to the need on the part of these poor people for an additional $5 a month.

Mr. President, I object.

The VICE PRESIDENT. Objection is heard.

The question is on agreeing to the motion of the Senator from Ohio [Mr. TAFT] to reconsider the vote by which House bill 2416 was passed. [Putting the question.]

The Chair is in doubt.

Mr. McFARLAND. Mr. President, may I ask the distinguished Senator from North Dakota if he will withhold his objection for a moment?

Mr. LANGER. Mr. President, I have no objection to being outvoted, but I will not withdraw the objection. It is a matter of principle with me. If, for example, we can take away the power of the Committee on Post Office and Civil Service, why not abolish it and be through with it? After a committee has worked for many months, as did the Committee on Post Office and Civil Service, the Senate comes along and arbitrarily wrecks everything it has done. So far as I am concerned, I will not withdraw my objection to the unanimous-consent request.

The VICE PRESIDENT. The Senator from North Dakota objects.

The question is——

Mr. GEORGE. Mr. President, I hope the Senate will agree to the motion to reconsider the bill, in view of the objection and in view of the willingness of the distinguished majority leader to have the bill reconsidered. This is not a new subject with the Finance Committee.

The VICE PRESIDENT. The Chair suggests to all Senators that if the motion to reconsider is agreed to the Senate may then refer the bill to the committee with instructions to report back in accordance with the unanimous-consent request of the Senator from Arizona.

Mr. GEORGE. Mr. President, the committee is entirely willing to report back within a reasonable time. Possibly 2 weeks is a little short, in view of the fact that we must undertake the consideration of a tax bill. However, we can make a report within 2 weeks. We have studied this question. The question was before the Finance Committee last year, and we gave 6 months' study and consideration to it.

This proposal, so far as the amendment is concerned, is simply to have the Federal Government pay four-fifths of the appropriation for these particular beneficiaries. That is not fair to the Federal Government. It is perfectly ridiculous that the States themselves do not shoulder an equal share of this burden. But we did not so arrange it. We now pay a disproportionate part of the burden.

The committee is entirely willing to make its report promptly, and within 2 weeks. I hope very much that the motion to reconsider the vote by which the bill was passed will be agreed to, so that the bill may go back to the committee.

The VICE PRESIDENT. The Chair will put the question again. The question is on agreeing to the motion of the Senator from Ohio [Mr. TAFT] to reconsider the vote by which House bill 2416 was passed.

The motion was agreed to.

Mr. McFARLAND. Mr. President, I now move that the bill, as amended, be recommitted to the Committee on Finance, with definite instructions to report it back to the Senate, in accordance with the unanimous-consent agreement which I have propounded, within 2 weeks.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arizona. [Putting the question.] The "ayes" have it, and the bill is recommitted to the Committee on Finance with instructions.

ANNUAL ASSESSMENT WORK OF MINING CLAIMS

Mr. O'MAHONEY. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 460, Senate bill 1726, to change the date for the beginning of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska, from the 1st day of July to the 1st day of November and to extend the time during which annual assessment work on such claims may be made for the year beginning July 1, 1950, to the 1st day of November 1951.

No objection was raised to the bill in committee. It was unanimously reported by the committee. I have consulted with the minority members of the committee and I have also consulted with the minority leader. I am certain that no objection will be made to the immediate consideration of the bill.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, I have been absent from the floor for a few minutes. I wonder if it would be necessary to have a quorum call.

Mr. O'MAHONEY. I am quite certain that it will not be necessary to have a quorum call. As I say, the Committee on Interior and Insular Affairs was unanimous in voting to report the bill.

The bill deals solely with the problem of doing $100 worth of assessment work upon mining claims during each year. The Senate has heretofore passed similar bills.

Mr. WHERRY. I understand. I shall not insist on a quorum call. I should like to invite the attention of the Senate to the situation in which we found ourselves in connection with the last bill. A motion was made to reconsider the action of the Senate in passing the bill. It resulted from the generosity of the minority leader in permitting a bill to pass without having a quorum call. I believe a quorum call should be had before action is taken on a unanimous-consent request to consider a bill. I have been assured by the distinguished Senator from Colorado [Mr. MILLIKIN] that the minority members of the committee were unanimously in favor of reporting the bill; therefore, I withhold my suggestion of the absence of a quorum. However, if a Senator should come in later and make a request to reconsider the action by which the Senate passed the bill, I wish the RECORD to show that the junior Senator from Nebraska, acting as the minority leader, attempted to protect the rights of any Senator who may later wish to move to reconsider the action of the Senate on the bill.

Mr. O'MAHONEY. I thank the Senator for his comment.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 2324 of the Revised Statutes, as amended, is further amended by striking out "1st day of July" and inserting in lieu thereof "1st day of November."

SEC. 2. The amendment made by the first section of this act shall be effective as of 12 o'clock meridian, 1st day of November 1951, and for the purposes of section 2324 of the Revised Statutes the period from 12 o'clock meridian, July 1, 1951, to 12 o'clock meridian, 1st day of November 1951, shall be considered part of the period commencing at 12 o'clock meridian, July 1, 1950.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. McFARLAND. Yesterday, when the Senator from South Carolina suggested securing a limitation on debate with reference to the defense-production bill the distinguished minority leader

suggested that it be proposed at this time. I understand that some Senators who are interested in the bill are not present, and therefore I shall not propound the request at this time. I am very hopeful that we shall be able to enter into such a unanimous-consent agreement. I may say that in the Democratic caucus this morning I was instructed to try to work out a unanimous-consent agreement limiting debate. I am certain that the minority leader will cooperate with me in that regard, as he always has cooperated with me. As soon as he is able to do so I would appreciate his conferring with me on a proposed unanimous-consent agreement to limit debate.

Mr. WHERRY. I can inform the majority leader now that there are two Senators on this side of the aisle who would like to speak generally on the bill, as I presume the Senator from Michigan is about to speak on it now. I am not certain that it would be necessary to provide more than 30 minutes for that purpose. As soon as I am informed I shall confer with the majority leader. So far as the minority is concerned, we shall be willing to limit debate.

Mr. McFARLAND. Even if we agree to limit debate beginning tomorrow morning it would be of some help.

Mr. WHERRY. I am satisfied that after the two speeches have been delivered there will be no difficulty in entering into a limitation of debate, at least with respect to amendments.

Mr. MOODY. Mr. President, at the outset of my remarks I should like to say that I shall decline to yield until I have completed the prepared portion of what I have to say, for two reasons: First, we are faced with a matter of time, which has been pointed out rather forcefully by the distinguished chairman of the Committee on Banking and Currency [Mr. MAYBANK], and I do not want to take any more time than I believe to be necessary. In the second place, by yielding, as I would certainly be inclined to do under normal circumstances, the continuity of my thought as it would appear in the RECORD would be utterly destroyed. Therefore, as I have said, I shall decline to yield until I have finished my remarks, at which time I shall be very glad to yield to any Senator for any questions he may put to me, and shall endeavor to answer them so far as I am able to do so.

Almost exactly a year after the day of the invasion of Korea by the Red hordes from the north, what purports to be an offer to negotiate a peace is made by our Communist enemies.

Good people everywhere who love peace and freedom will pray to God that there is a measure of sincerity in this overture from the Kremlin and from Peiping.

But, Mr. President, I believe the people and the Congress of the United States must be alert to the danger that this Soviet move regarding Korea, whether it culminates in a successful cease-fire or not, may be an effort to induce the American people to relax their vigilance, to fail to do the things we must do to protect our security, to fail specifically either to continue the military build-up at home and abroad, or to adequately renew the anti-inflation law now before us.

In my judgment, America will not be safe, the American people dare not relax, until there is dependable proof of a real reversal of basic position in the Kremlin. Until then we must proceed with out program of strengthening our military forces, and our economic, political, and psychological efforts abroad, whatever happens in Korea.

Since we must go forward with our program for strengthening our military forces, Mr. President, a program which able Senators on both sides of this aisle have so firmly supported, then, in my judgment, we must be sure that the very process by which we prepare to preserve our Nation from the external danger of Red aggression is not permitted to turn loose the destructive and dislocating forces of inflation within our borders.

That—if we let it destroy our economy from within—would be playing into the hands of Stalin as thoroughly, and almost as painfully, as thought we failed to prepare ourselves militarily and left ourselves vulnerable to attack from without.

I do not question the motives of any man on either side of this aisle as to the means or purposes we take to secure the internal structure of our Nation and of our free incentive system. We are all seeking the same thing—peace, and a stable, prosperous Nation.

But I submit, Mr. President, that the facts of economic history have amply proved that in a period when from $38,000,000,000 to $50,000,000,000 worth of our production each year is to be transferred from civilian to military goods, we cannot permit our economy to operate without a steering wheel and a good set of brakes.

In my judgment, it would be reckless in the extreme to move into the crucial period that lies ahead without a firm, direct, effective and well-administered check on prices and wages, which are the parts of our economic system which affect the consumer most closely.

It has been argued on the Senate floor and elsewhere that direct controls prevent the greater production which we all agree must be the ultimate solution to inflation. The facts do not bear out this contention.

In 1943, at a time when full price and wage controls were in effect, industrial production in America reached a level higher than at any time before or since. That, of course, was not because we had controls; but the controls did not prevent it.

None of us like controls. We all know that the things that have made America great are brains and skill and determination and industrial know-how, all of which operate best when they are free and have the maximum incentive.

But we cannot operate our economy if the value of the dollar is to be allowed to plummet downward because of the distortions which must result when so great a proportion of our total production is removed from the normal consumer markets. In these times we must make sure that our dollar is held as stable as we can hold it, so that our taxes will not rise out of sight; so that the business structure will not be distorted; so that our working people will not be caught in a vortex of rising prices which wages could never catch; so that our farmers will not be ruined by an ultimate deflation; and so that our white-collar workers and our old people and others living on fixed incomes will not be squeezed cruelly in the vise of needlessly higher prices.

It is argued that the way to keep prices down is by greater production. In normal times this is true; but when we are lifting tens of billions of dollars worth of goods out of the markets for the purpose of making ourselves militarily strong, it is illogical and absurd to contend that the supply can be adequate immediately to take care of demand in sufficient degree to keep the economy stable.

The program of the Government, as outlined by Charles E. Wilson, the Mobilization Director, and others, is to increase production to such a degree that in approximately two years we shall have enough military goods to meet the requirements of the global threat of aggression, and also enough civilian goods so that the markets can take care of themselves through the normal workings of supply and demand.

Therefore, Mr. President, we must potect our country against the vicious spiral of prices such as was already on the move in December 1950, and January 1951, before the tentative stabilization was imposed January 25.

I agree with those who say, as Senators on both sides of the aisle said yesterday, that this freeze was delayed too long. I think it should have been ordered more quickly. But I also agree with the estimable, hard-working chairman of this committee, for whom I have the highest regard, the Senator from South Carolina [Mr. MAYBANK]—who, I may say, conducted the hearings every day for six weeks, and heard many witnesses on this subject—that two wrongs do not make a right, and that we should not compound the injury.

I would point out, however, that in delaying, the Government was giving a thorough trial to the economic theory of those who say that direct price and wage controls are not necessary in this emergency. It was giving this machinery a trial at a time before the real impact of military production had hit the economy, as indeed it has not yet fully hit.

As part and parcel of this trial, the Government made a plea directed to the patriotism of the people with things to sell, and many businessmen responded to this plea. Others did not respond. The result, as figures on price movements now in this RECORD will show, was a highly uneven and violently distorted increase in prices. That is something that all of us know.

I am sure it is the purpose of the Senate, as it works toward renewing the present authority to control the economy, to pass a bill which will in fact be workable and will be a stabilizing weapon in the hands of the men who have answered their country's call to lead this fight against inflation.

But I fear this would not be the case should the bill before us today be passed

in its present form. I am supporting the Douglas amendment. If it is adopted, I think the bill will be workable. However, at the present time the bill contains an amendment which six members of the committee hold to be violently inflationary. It is a section banning further roll-backs of prices.

If the committee majority's purpose were merely to restrict further roll-backs on meat, their amendment would burn down the house to roast the pig.

It would not alone kill the previously programmed beef order, but would change the entire basic structure of the entire stabilization program.

It would freeze distortions, which have occurred since the Korean invasion, into the economy by law.

It would prohibit passing on to the consuming public great savings as the prices of raw materials drop; and it would blast open the wage-stabilization formula which was established only after months of difficult and delicate negotiations.

When the price of an article today represents its pre-Korean base price, plus increase in labor and material costs, plus the reasonable pre-Korean profit margins, no one is going to try to roll that price back. Is that not the fair yardstick? Many businessmen adhered to it.

But others did not. They profiteered at the public's expense at a moment when American men were dying on the battlefield to establish the principle that aggression does not pay and an aggressor cannot get away with it. Is Congress now to say: "You who ignored the plea of the President of the United States to hold your price mark-ups to reasonable levels, you who thought it was 'the American system' to soak the consuming public when the fires of inflation you were helping to kindle could burn out the free-incentive system within which you operate, are now to have your gouging prices condoned and frozen into the economic structure by law?

Are we to say to those who held the line: "You men who responded to a patriotic appeal by your Government, you who have a greater sense of public responsibility, were foolish, and Congress will not protect you"? Are we going to put a penalty on the public spirit and patriotism and response to the public interest of these men? It would appear so, for the majority report of this committee, on page 18, in effect directs the Price Administrator not to adjust their prices.

The issue in this amendment, as it is written, boils down to this, even though the distinguished Senators supporting the anti-roll-back amendment of course did not mean it so: The consumers versus the profiteers.

Eric Johnston, the economic stabilizer, is convinced that the increases which would be forthcoming as a result of the necessary upward adjustments would boost the cost of living by at least 6 percent. Six percent may not seem to be very much of an increase, Mr. President, but of course it would automatically bring a resulting rise in the wages of organized workers, under the lawful wage stabilization formula, and that in turn would boost the entire cost structure of industry—increasing the prices of things farmers buy, jacking up food prices, and launching the economy again on the swirling upward spiral which the Johnston-DiSalle order checked on January 25.

Actually, so far as the stabilization program is concerned, this amendment merely makes certain that prices can move in only one direction—up!

It also sets in motion a chain of events making it inevitable that they move.

It is ironic that Congress should be considering such a blow at the stabilization system, now that the impact of military production is about to strike and the inflationary danger is increasing, for it was Congress that last year first moved toward the very sort of steering wheel for the economy which its action now may cripple or destroy.

Mr. Johnston and Mr. DiSalle are endeavoring, by a twin cost-price formula, to squeeze some of the profiteering out of the price structure. They work from the base of normal price-cost relationships that existed before Korea, and they declare that in fixing his prices, any manufacturer may add cost increases for both materials and labor since that date.

Mr. President, when prices have been boosted sharply beyond this level, ceilings are being set to see that the public is not overcharged. I should like to ask, what is wrong with that? A roll-back does not happen to businessmen who respond to the President's antiprofiteering plea. It does happen to those who ignored the request.

Now in the works at OPS are roll-backs in clothing, shoes, and other necessities. In prospect are other reductions which promise to eventuate from the Government's own action in forcing down the world price of important materials such as tin, wool, and rubber.

The fact is, Mr. President, that the prices of many essential items are too high today and should be rolled back.

One such item is beef. I believe it would be difficult to convince any housewife that the witness who appeared before our committee was right when he said that beef prices are "subnormal."

I realize of course that the meat industry is immensely complicated. I realize that the roll-backs may not be easy to accomplish. But since January 1950 there has been a 10-percent rise in wages, a 12-percent rise in the things farmers must buy, and a 15-percent rise in prices of food products generally. In the same period cattle prices have gone up 53 percent. Why? At no time has a clear, adequate answer to this question been made by anyone, so far as I have heard.

The Price Administrator is endeavoring to bring these prices back toward balance with other prices. He is trying to do it fairly, and I do not believe we should stop this effort.

I submit, Mr. President, that this amendment, on which the committee chairman yesterday predicted "great controversy" in this Chamber, contains ill-concealed threats against virtually every category of consumer and producer, and those threats may not have come to the attention of this body.

Seven of these ill effects on the Nation's economy are spelled out for all to examine in the committee report, beginning on page 27. I should like to say at this point that I believe the two reports issued by the committee, the majority report with which regarding the anti-roll-back amendment I disagree, and the minority views, are documents which I hope every Member of the Senate, and everyone else in the country who can get them, will read, because I think they do a remarkably good job of spelling out just what the problem is today. I already have referred to the certain general price increase to the level of the highest prices, and to the automatic upward revision of the wage stablization formula, as indicated by the testimony before the committee of Dr. George Taylor, Chairman of the Wage Stabilization Board.

The able Senator from Alabama [Mr. SPARKMAN] spoke yesterday about the authority conveyed in this amendment to impose a ceiling on farm prices even lower than the prices prevailing during the so-called freeze period of January 25—thus in effect permitting a roll-back in the event of future temporary deflationary fluctuations in agricultural prices.

Of grave concern to me is the prohibition apparent in this amendment on the passing on to the consumer of any declines in the prices of raw materials which may eventuate after the enactment of this bill banning roll-backs. By the way, the Senator from Illinois [Mr. DOUGLAS] yesterday pointed out that this amendment would prevent a roll-back of burlap prices in line with the reduction in the price of burlap which is imported. There appears to be a similar prohibition on the lowering of other import prices.

We have had numerous witnesses appear before our committee, testifying on various sections of this bill and sharing with us their knowledge of business and industry, marketing and processing, and we have given great weight to their observations and opinions.

But I wonder if we have given full consideration to the unrepresented consumers who have not been before us with counsel and prepared statements, and who do not have the financial backing which would enable them to come to Washington and to have representatives here. The consumers have no lobby and no lobbyists. They have no one to plead their cause save we ourselves, who have been sent here to represent them.

I shall be everlastingly grateful to a young housewife in Grand Rapids, Mich., who wrote with the eloquence that can come only from the heart, and in her writing made all too evident to me the role that I must play in this debate. I should like to read briefly what she said:

> We are a family of three, with another child due next fall. Our children deserve oranges, eggs, cod-liver oil, warm clothes—yet, we, like many other young couples who cannot afford lobbyists in Washington, wonder how much longer we can buy these things.

Our grocery bill alone now takes half my husband's salary. That means a lot of figuring for housing, heat, insurance, and growing children's clothes. Even a new child is almost dreaded.

We are not helping inflation; we cannot afford necessities, much less luxuries. We are not saving either, although we long for the self respect a bank account gives.

Why don't our Congress investigate housewives and independent grocers instead of economists? Let your investigators figure out a way to feed a family nutritiously on $80 a month without controls—and if they can't, please, please give us a tight lid on prices.

That, Mr. President, is typical of the letters we get from the people back home who are not represented by one organization or another, in Washington.

There is not a Senator in this Chamber who has not received, also, a huge volume of mail complaining of ever-mounting taxes. Does it give us any pleasure to report that the $7,000,000,000 brought in by last year's tax increase already has been thrown down the sinkhole of inflation because of the $7,000,000,000 extra the Defense Department has already paid in higher prices?

Now the House has approved a new tax bill. Are these additional revenues to be dissipated in the same manner?

The issue before us is quite simple. The Congress can appropriate billions for armaments designed to make of us the strongest nation on earth. But if we permit the insidious leech of inflation to fasten onto our economic structure and drain away the lifeblood of our defense mobilization, then we shall be set up for a swift, telling blow from without, or a fatal pernicious anemia from within.

What is to be gained from the terrible, swift forging of a mighty array of armaments if the left arm is too weak to support the shield, and the right cannot wield the sword?

Are we to battle without stint—in a spirit of bipartisan realization as to the desperate goal—on the field of foreign engagement, only to succumb to destructive pressures in dealing with the economic ills which beset us within our own country?

To do so is to surrender bloodlessly to the enemy, offering him an easy victory with the weapon of his own choosing and on the battlefield of his own selection.

Shall we go ahead with our military preparations at home and abroad; shall we continue to work through the United Nations for a just decision in Korea and in the other troubled areas about the world; shall be continue with the economic uplifting of the impoverished nations with which someday we may conduct a flourishing trade; shall we continue with all the great aims which destiny has given us in this century—or shall we supinely surrender now to selfishness and greed and the un-Christian philosophy of every man for himself and let the devil, and Joe Stalin, take the hindmost?

That decision is the decision which must be made here and now. It is ours and ours alone to make. And the world is watching us.

Mr. McMAHON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Connecticut?

Mr. MOODY. I yield to the distinguished Senator from Connecticut.

Mr. McMAHON. Mr. President, I should first like to say that I compliment the Senator upon his maiden speech in the Senate.

Mr. MOODY. I thank the Senator very much.

Mr. McMAHON. It is good for those of us who have been constantly engaged in the MacArthur hearings to have an opportunity now of learing something about this very important bill. Would the Senator tell me who appeared before the committee in opposition to the amendment which the Senator offered, for himself and, I believe, on behalf of five other Senators.

Mr. MOODY. The Senator asks who appeared before the committee?

Mr. McMAHON. Who appeared in opposition to roll-back provision? Is it called the Douglas amendment?

Mr. MOODY. The Douglas amendment is the amendment, as the Senator from Connecticut knows, which would take out of the bill, as it came from the committee, the ban on all roll-backs.

Mr. McMAHON. I am asking who appeared in opposition to that amendment. Did the committee not have testimony regarding that subject?

Mr. MOODY. There was testimony before the committee in support of the view that all price controls should be lifted. There was testimony by a number of representatives of large groups to the effect that such groups should be exempted.

Mr. McMAHON. If the Senator will permit, I may say that everyone is in favor of letting the wife's relatives make the sacrifices.

Mr. MOODY. Yes; that is so. There seems to be a disinclination by many people to have controls on their own part of the economy. I may say it was a somewhat disillusioning experience, even though I had been around the Capitol as a newspaperman for some time, to hear one group after another come forward and place testimony in the record which, in my judgment, appeared to me to have been formulated merely with the temporary, short-term, self-centered view of the present situation in mind, without undertaking the responsibility of realizing that if everyone got his own little advantage, if everyone received his own immunity, the entire structure within which we operate, the very system of free enterprise which means so much to those men who appeared before the committee, and to all the rest of us, might go up in flames and burn out our strength from within.

Mr. McMAHON. Does not the Senator agree that that approach is also used in connection with additional taxes? Everyone who comes before the Finance Committee to testify seems to agree that the budget must be balanced and that we must have more taxes, but says, "Of course, I am a special case. Do not put any more taxes on me."

Mr. MOODY. That is precisely the case. I am glad the Senator mentioned that, because gentlemen appeared before our committee who took the position that inflation could be controlled entirely by indirect methods. I might point out that Mr. Eric Johnston and others who testified pointed out that today a very vigorous attempt is being made in Canada to control inflation by indirect methods. Canada has a very heavy program of restriction on credit. As a matter of fact, a person has to pay 50 percent down in order to buy an automobile in Canada. There is a very heavy program of taxation, much heavier than our own. There is a general sales tax on nearly everything, amounting to 10 percent, and there is a 25-percent excise tax on automobiles. To buy a car in Canada one has to pay 50 percent down and a 35-percent ad valorem tax on the car. Yet, despite those and other very stringent indirect controls, prices in Canada have risen even faster in the past 6 months or a year than have prices in the United States.

Some persons who appeared before the committee asking that title IV be stricken from the bill and that price and wage controls be eliminated entirely are the same persons, I might say, who appeared in 1946 and said at that time that if price controls were prematurely removed prices would adjust themselves downward and the economy would be stabilized. We all know what happened after the denouement in 1946.

In further reply to the Senator's question, it was brought out by some of the questioning by members of the committee that organizations whose representatives urged higher taxes were some of the same organizations who earlier had gone before the House Ways and Means Committee, from which tax bills emanate, and had testified that they would like to have heavier taxes, but, again, to be applied on someone else, "because we cannot take it."

I believe the fact is very clear that if we want to burn out our economy from within, if we want to subject the consuming public to higher prices, and if we want to risk the very sort of deterioration of our capitalistic system on which the Communists are counting and which Karl Marx said would happen, then we should take off the controls and spend $50,000,000,000 a year on military production and see what happens to our prices and our economy.

I might add that I hope the Senator from Connecticut and all other Senators will read the majority report and the minority views on this bill, because as to this general principle there is no difference in our committee, as I understand, except as to one Senator. While there is a difference as to how we should accomplish the result, there is, with one exception, no difference between the members of the committee on the point that we cannot afford to lift price and wage controls at this time. It would be a national disaster if we did.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MOODY. I yield.

Mr. LEHMAN. Is it not a fact that even though defense production has not reached its peak, by any means, prices for a long time have continued to rise

perpendicularly, and is it not also a fact that starting 2 or 3 months from now our production of defense material will be at the rate of more than $3,000,000,000 a month, from 50 to 75 percent higher than it is today? If that comes about, is it not inevitable that if we do not have controls, prices will skyrocket without limit?

Mr. MOODY. I believe the Senator is correct. In my judgment delay in the imposition of controls was a mistake. I believe the advice of Mr. Bernard Baruch, of New York, and of the Senator from Wyoming [Mr. O'MAHONEY], and others, should have been taken when they predicted what would happen and asked for more stringent controls after the Korean invasion. But I should like to point out to the Senator from New York that at that time the impact of the military production and the impact of the withdrawal of consumer goods from the market had not even begun to be felt. There was speculation, and there was no authority in the law to regulate the speculation. Increases in prices were taking place, as I pointed out a little earlier, because there was not a response made to the President's plea that prices be controlled voluntarily. I should like to say to the Senator from New York that the very persons who are the most critical of the stabilization program, the very persons who have asked that controls now be removed, had an opportunity to see that the voluntary system would work had they established leadership in our private economy during the period when the President was calling on them to hold their price line.

As to the Senator's question regarding the greater danger of inflation in the months to come, the expenditure for military production, as the Senator well knows, will not really begin to rise rapidly until the late summer and fall, and, under the present program, it will continue to rise through the year 1952. Then will be the time when we must guard ourselves most firmly against the danger which has its beginning as of today. We shall be a very foolish nation, even if, happily, we reach a cease-fire in Korea, if we relax and go to the ball game thinking that the fight is over because it will not be over until the Kremlin changes its basic policy. Until that time shall come we had better not sit around any council tables with representatives of the Kremlin, like a weak man sitting opposite a bully. If we can bring the Korean war to a successful conclusion and stop the tragic slaughter that is going on there, I hope that we will not relax our efforts, but will continue with our programs, not only increasing our military strength, but also go ahead with such great programs as have been presented to the Senate by the Senator from Connecticut when he said that we must try to reach the minds and hearts of men in the world and let them see what freedom means and that theirs is threatened.

Mr. LEHMAN. I wonder whether the experience of the Senator from Michigan has been the same as mine. In my contacts with businessmen I have found that the small-business man is not opposed to controls.

Mr. MOODY. I think that is very true.

Mr. LEHMAN. He is in favor of them. I have found that the average independent businessman is not opposed to controls but is rather in favor of them. I have found that the representatives of the National Manufacturers Association and representatives of the great chambers of commerce are the ones who are trying to break down controls and open the way, without any handicaps at all, to uncontrolled inflation.

Mr. MOODY. I think the Senator's statement is correct, but I should like to say that I believe the great organizations to which he refers misrepresent not only small business but the better informed segments of big business. On a recent trip to Detroit I had a talk with some businessmen who do not feel very happy about the presentations which have been made before the Senate committee by persons who purport to represent them.

I might also say that there is another thing about which I believe we should be very careful. There is a tendency to overcomplicate the situation and weigh down the small-business man with complex and intricate questionnaires. I believe that one of the most important things that can be done by the Government is to keep the program as simple as may be possible.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the Senator from South Carolina, the distinguished chairman of the committee.

Mr. MAYBANK. I compliment the Senator from Michigan on his statement about the unfortunately long rules and regulations which are promulgated. But I will ask the Senator if it is not true that the committee did not suggest most of those rules and lengthy orders, but that as a matter of fact the committee has repeatedly asked the Office of Price Administration and others to try to simplify the rules and regulations for the benefit of small-business men?

Mr. MOODY. The distinguished chairman is entirely correct, and I hope his great influence downtown will continue to be exercised to the end that there may be further simplification.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MOODY. I yield for a question.

Mr. LONG. As a former member of the Committee on Banking and Currency, and as one who had to give up his place on that committee to go on the Committee on Armed Services, I noticed that the junior Senator from Michigan was one of the most faithful of the committee members, in his attendance on the meetings of the committee and in making a study of these matters and examining the witnesses. Certainly the information he has presented to us today should be most helpful because of the study he has made of the subject.

Mr. MOODY. I thank the Senator from Louisiana.

Mr. LONG. I compliment the Senator on the helpful presentation he has made. It will be helpful to me in arriving at what should be a proper conclusion and a proper vote on this question.

Mr. CARLSON. Mr. President, will the Senator yield to me?

Mr. MOODY. I yield to the distinguished Senator from Kansas.

Mr. CARLSON. I have enjoyed very much listening to the statement made by the distinguished Senator from Michigan in regard to food prices and controls. I was especially interested in his comments in regard to the roll-back on meat prices. Admittedly the price of meat is high. I think there is no question about that. However, I think the basis for the cost of meat is the amount that can be purchased by hours of labor. For the RECORD I should like to quote from one or two statements by the United States Department of Agriculture, dated April 25, 1951, as to the amount of meat that can be purchased by 1 hour of labor. Take, for instance, sliced bacon. In 1914, 1 hour of labor purchased eight-tenths of a pound. In 1919, 1 hour of labor purchased nine-tenths of a pound. In 1929, 1 hour of labor purchased 1.3 pounds. In 1939 1 hour's labor bought 2 pounds. In 1949, 1 hour bought 2.1 pounds. In February 1951 it bought 2.3 pounds.

When it comes to beef, I am willing to concede that the price is high. But there has been a great deal of, I would say, loose and unwarranted talk about the high price of beef at the present time. Let us go back to 1914, when 1 hour of factory labor purchased nine-tenths of a pound of beef. In 1919 it purchased 1.2 pounds of beef; in 1929, 1.2 pounds; in 1939, 1.8 pounds; in 1949, 1.6 pounds; in February 1951, 1.5 pounds, 1½ pounds of beef.

An hour of factory labor in 1951 bought almost as much round steak as it did in 1949. It bought only one-sixth less than it did when beef was still at bargain prices in 1939.

The PRESIDING OFFICER. Will the Senator permit the Chair to make an observation? The Senator from Kansas knows, of course, that the Senator from Michigan can yield only for a question. The rule has been very liberally interpreted. The Senator from Kansas will pardon the Chair, but there are other Senators who are desiring to ask the Senator from Michigan to yield.

Mr. CARLSON. I appreciate very much the comment made by the Chair and the observation is well taken.

Mr. MOODY. I thank the Senator from Kansas for the information he has furnished. But I should like to observe that what the Senator has said, it seems to me, is an indication that our standard of living has been rising steadily in the United States, as it should have been. That is an indication of increase in production and an indication that our system works. I am sure the Senator from Kansas would not be very happy if the real income of the average American family was lower now than it was in 1929 or 1914.

Mr. CARLSON. Mr. President, will the Senator yield to me for a question?

Mr. MOODY. Yes, I yield to the Senator from Kansas for a question.

Mr. CARLSON. I appreciate very much the Senator's comment, and I am in accord with him with respect to the income of the people of our Nation. I am for a high income of our individual citizens, especially the laboring people, because that is what makes a prosperous and a sound economy.

I wish to ask the Senator from Michigan a question. In view of the fact that we have been discussing the only roll-back we have on a food commodity, namely on cattle, did the information given the Banking and Currency Committee give any indication that the consumer had received any benefits from a $700,000,000 roll-back?

Mr. MOODY. My understanding, I may say to the Senator from Kansas, is that the dislocations which happened because of the violent increase in prices, have made it necessary for the Price Administrator to adjust the whole structure of marketing meat, and my understanding is that the Price Administrator's intent was to utilize the benefit of the roll-back—if it will be conceded that there are benefits from roll-backs; I realize there are some Senators who do not concede that—first in reaching an equilibrium, and then extending the benefit to the consumer. I might point out that if the Senate now decides to suspend roll-backs, the consumers will now be penalized. The Senator from Kansas will perhaps agree with that.

Mr. CARLSON. May I ask the Senator a question further?

Mr. MOODY. I yield for another question.

Mr. CARLSON. I should like to ask the Senator from Michigan if it is not true the ceiling prices were placed so high on meats even when the roll-back was established that the shops increased their prices 3 cents, 5 cents, and as high as 25 cents a pound? I should like to make the statement that it is my opinion, after some study, that even with two additional roll-backs, if placed in effect, the consumers would receive no benefit from the roll-backs.

Mr. MOODY. I hope the Senator from Kansas is wrong about that.

Mr. CARLSON subsequently said: Mr. President, I ask unanimous consent that I may insert in the colloquy which I had with the junior Senator from Michigan [Mr. MOODY] a table and statement from a publication of the Department of Agriculture.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Here we quote from a USDA Office of the Secretary publication, dated April 25, 1951, and identified as memorandum No. 10, subject: Food Prices and Farm Returns. We quote direct, pages 4 and 5:

"FOOD PRICES RELATIVE TO CONSUMER INCOMES

"If we are going to consider average increases in food costs, it is only fair to consider also the average increases in the ability to buy.

"An hour's earnings in a factory may buy less of some things now than it has in the past, but it will buy more food.

"Estimates indicating approximately how much of different foods an hour of factory labor would buy at the beginning of this year and the comparable buying power of factory earnings in earlier years are shown in the following table:

Quantity of each item that could be purchased with 1 hour of factory labor, United States, designated years

Item	Unit	1914	1919	1929	1939	1949	February 1951
Round steak	Pound	0.9	1.2	1.2	1.8	1.6	1.5
Pork chops	do	1.0	1.1	1.5	2.1	1.9	2.0
Sliced bacon	do	.8	.9	1.3	2.0	2.1	2.3

Prices and earnings used were compiled from Bureau of Labor Statistics data.

"Round steak: An hour of factory labor in February 1951 bought almost as much round steak as it did in 1949, only one-sixth less than it did when beef was selling at bargain-basement prices in 1939, one-fourth more than in 1919 at the postwar price peak following World War I, and two-thirds more than in 1914.

"Other items: The same hour's work in the factory will also buy more milk, eggs, oranges, potatoes, and bacon than it would in 1949, 1939, 1929, or 1914.

"MORE FOOD FOR SMALLER SHARE OF DISPOSABLE INCOME

"Americans spent for food last year a smaller share of their disposable income (income after direct taxes, chiefly income taxes) than they did in 1947, 1948, or 1949—and the same share as in 1946. Their expenditures for food and the various services which come along with it, including restaurant service, last year amounted to 27 percent of their total expenditures for goods and services—compared to 23 or 29 percent in every other year since 1941.

"If we had been satisfied with the same kinds and quantities of food we bought in 1935–39 with 23 percent of our disposable income, it would have cost us only 18 percent of our 1950 disposable income."

Mr. BENTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. (Mr. MONRONEY in the chair). Does the Senator from Michigan yield to the Senator from Connecticut?

Mr. MOODY. I yield for a question.

Mr. BENTON. I address the question to my fellow member on the Banking and Currency Committee. With the possible exception of our chairman, no one was more devoted during the long hearings than the distinguished Senator from Michigan. In line with the quotation from Mr. Eric Johnston in the Senator's most able presentation, on which I congratulate him——

Mr. MOODY. I thank the Senator.

Mr. BENTON. That the cost of living will increase at least 6 percent as the result of the so-called roll-back provision, did the Senator notice the Associated Press dispatch this morning quoting an official spokesman of the CIO?

Mr. MOODY. Yes; I did.

Mr. BENTON. Does not the Senator agree that it will be impossible to expect labor to cooperate on any wage-stabilization program in the face of rising prices, and that 6 percent is a very substantial rise?

Mr. MOODY. I am glad the Senator from Connecticut brought up that point. The wage-stabilization formula, which I mentioned earlier in my remarks, was worked out only after a long and difficult and detailed series of negotiations, in which at one point representatives of labor refused to participate in the stabilization program because they felt that they were being discriminated against in favor of other segments of the economic community. The wage-stabilization program has now been agreed to by various segments of the economy, by various groups in the economy. It is not a firm freeze, I concede, any more than the price-control situation is a firm freeze, but it certainly is something very different than we would have if we did not have any such formula at all.

Mr. BENTON. Is the Senator from Michigan aware that Mr. Johnston's estimate of a 6-percent increase in prices is based upon manufacturers' prices?

Mr. MOODY. I was about to say that if the cost of living is now permitted to rise, of course, labor will ask for higher wages. Of course there will have to be a readjustment, as Dr. George Taylor testified before our committee. He placed in the RECORD a statement in which he said that the entire wage-stabilization formula would call for a review in July, I believe. If the cost of living is higher at that time, of course the formula will be revised. That is what I meant when I said that costs would go up.

Mr. BENTON. Does the Senator from Michigan realize that the 6-percent estimate of Mr. Johnston is based upon manufacturers' prices, and that 6 percent of manufacturers' prices, interpreted through retail distribution channels, will undoubtedly mean 8 or 8½ percent? Is the Senator aware of that point?

Mr. MOODY. I am; and I believe it is an excellent point. It reinforces the point I am trying to make, that this proposal would undermine the entire effort which I am sure the distinguished chairman of the committee and other members of the committee are trying to make.

My impression of this amendment was that an effort was made to handle the very complicated and controversial question of the price of beef. But when the amendment was proposed it not only addressed itself to the price of beef, and to the controversial roll-backs which have been introduced into the economy, but also, by changing the base date of the stabilization program, it affected everything all along the line, and would require an entirely new calculation.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the distinguished chairman.

Mr. BENTON. Mr. President, may I finish my line of questioning with one further question?

Mr. MOODY. I yield to the Senator from Connecticut.

Mr. BENTON. Does the Senator from Michigan recall the statement which was read into the record at the committee hearings, from the former OPA Administrator, former Governor Bowles, of Connecticut, who thought that even a 3-percent rise in prices was so significant that he suggested what he called a cost-of-living bonus in the event of a 3-percent rise?

Mr. MOODY. In an effort to hold the line in the event of such a rise.

Mr. BENTON. Does the Senator recall the evidence submitted through the Senator from Illinois [Mr. DOUGLAS], in the form of a statement from former Governor Bowles?

Mr. MOODY. I certainly do.

Mr. BENTON. Does the Senator from Michigan then agree that we are facing a potential 8 or 8½ percent rise in prices because of the so-called roll-back amendment, and that we are facing grave risk of destroying hope for the stabilization of our economy?

Mr. MOODY. I agree again with the Senator from Connecticut. I had intended to wait a good deal longer than I have waited before making what my friends call a maiden speech. I wanted to listen and learn rather than speak in the Senate. But it seemed to me that this was such an important matter, and that the real significance of this amendment was so misunderstood, that it was necessary to speak out upon it.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I should like to complete my statement.

In line with what the Senator from Connecticut said about a statement being placed in the RECORD by the former OPA Administrator, I remind the Senator from Connecticut that there was also placed in the RECORD a statement from Mr. Bernard M. Baruch, of New York.

Mr. BENTON. Does not the Senator agree that those two gentlemen are two of the most experienced men in the country on the subject which we are discussing today?

Mr. MOODY. I certainly do.

The Senator may recall that last July, a few days after the Korean invasion took place, Mr. Baruch stated that the time to freeze prices was then. He was right at that time. It should have been done then. However, there were many who felt that it could be done voluntarily. Some of the witnesses coming before our committee are still saying that it still can be done voluntarily. The President tried the voluntary system.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I yield.

Mr. MAYBANK. I concur in what the Senator has said about Mr. Baruch. Mr. Baruch came before us last year and testified. Congress enacted a control law in September. I felt, as Mr. Baruch and others felt, that prices should have been frozen immediately at that time.

Mr. MOODY. I feel the same way about it.

Mr. MAYBANK. Various control bills were introduced although they were not even recommended by the Administration.

I congratulate the Senator, and thank him for his attendance at the committee meetings. He was of great assistance in bringing out much information. As the Senator from Connecticut [Mr. BENTON] has said, no Senator was more faithful in his attendance than was the Senator from Michigan, and none gave more thought or time to the subject.

Mr. BENTON. Except the chairman, the Senator from South Carolina [Mr. MAYBANK].

Mr. MOODY. Except the chairman. Let me say that as a newspaperman I have always had the highest respect for the chairman. That respect was enhanced when I saw him in operation every day.

Mr. MAYBANK. I appreciate the Senator's remarks. I wish to bring out a point with respect to the so-called beef amendment, which, by the way, is a misnomer. The Senator from Illinois [Mr. DOUGLAS] called it a Trojan horse amendment. I do not consider it a Trojan horse amendment.

Mr. MOODY. I am sure that it was not intended to be such. The Senator from Illinois referred to it as the "Trojan steer" amendment.

Mr. MAYBANK. The Senator was at the committee meeting when I proposed the amendment. I said that it had nothing to do with beef or cotton as such. It was a general amendment, to affect every manufacturer.

Mr. MOODY. That is correct.

Mr. MAYBANK. The reason for the amendment was that the administration had not frozen prices in October of last year. So when the administration froze prices in January, the committee changed the date from May to January, so as to freeze prices as of January.

In the amendment the committee gave authority for the roll-backs which Mr. DiSalle had placed in effect, and went even further and allowed a 2-percent further roll-back. This is correct, is it not?

Mr. MOODY. Yes.

Mr. MAYBANK. The amendment was not a beef amendment as such. I know that the Senator differs somewhat with me on the amendment. I appreciate his views. However, the purpose I had in the amendment was to freeze prices when the Government said it wanted them frozen. It is said that prices can be allowed to increase 6 percent when everything is frozen. The law freezes everything as of January, and gives authority for roll-backs to take effect up to July 1. I cannot for the life of me figure out how any prices can advance unless the Government wants them to advance. All prices are frozen under this bill. They cannot advance.

Mr. MOODY. I fully appreciate the Senator's fine motives, and I am not in any way questioning his intent.

Mr. MAYBANK. We freeze prices, do we not?

Mr. MOODY. We do not. That is the point at issue, as I see it.

Mr. MAYBANK. My amendment only says that there can be no further roll-backs, after July 1.

Mr. MOODY. That is correct.

Mr. MAYBANK. Prices were frozen on January 25, were they not?

Mr. MOODY. Prices were frozen only tentatively on January 25. That is the whole issue. Prices are not frozen now.

Mr. MAYBANK. Whose fault is it? The administration had authority to freeze prices since last September. The Senator will admit that, will he not?

Mr. MOODY. Oh, yes.

Mr. MAYBANK. The administration has had authority to freeze prices. It froze what it wanted in January, and rolled back the prices it wanted to roll back in May, and said, "Leave it open to us until October, November, or December. We might find something else to roll back."

How is the businessman to conduct his business? How is the farmer to manage his crops? The cotton farmer was led to believe that cotton would be 45 cents a pound. What is it today? Thirty-five cents a pound. It is down $50 a bale. Senators visited the President, and told him, "If we freeze the price of cotton it will go down $50 a bale." It did go down. I said that I was going to use my influence as chairman of the Committee on Banking and Currency to write a control bill to stop inflation.

Prices were frozen on January 25, and roll-backs can take effect until July 1. There is a desire to have something to hang over the heads of the people in the months to come when Congress is not in session. Who is going to be rolled back? The farmer, of course.

Mr. MOODY. I wish to refer to what the distinguished Senator from South Carolina has said, but first I should like to yield to the Senator from New York. I ask unanimous consent that I may yield to the Senator from New York so that he may ask a question of the chairman of the committee, without my losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LEHMAN. The Senator from South Carolina, for whose service as chairman of the committee I have the highest regard——

Mr. MAYBANK. I appreciate the fact that the Senator from New York attended our meetings. We were glad to have him there.

Mr. LEHMAN. He has referred to cotton. Spot cotton today, bought for delivery in June or July, is selling for 45 cents a pound.

Mr. MAYBANK. At 46 cents a pound.

Mr. LEHMAN. But cotton bought for delivery in October is selling for 35 cents a pound.

Mr. MAYBANK. The Senator is correct.

Mr. LEHMAN. A difference of ten cents a pound.

Mr. MAYBANK. Approximately.

Mr. LEHMAN. Yes. Why should there be any prohibition placed on a stabilizer to reduce the price of cotton goods when the cost of cotton is down to 35 cents a pound?

Mr. MAYBANK. There is no prohibition placed on the Price Stabilizer to freeze the price of cotton goods. The only thing that my amendment would do would be to prevent him from rolling the price back to May or June of last year.

Mr. LEHMAN. Under the bill he could not roll it back.

Mr. MAYBANK. Unless my amendment is adopted, he could.

Mr. LEHMAN. He could not roll it back.

Mr. MAYBANK. If my judgment is not agreed to he could roll it back.

Mr. LEHMAN. I am talking about the amendment which is in the bill.

Mr. MAYBANK. Yes.

Mr. LEHMAN He cannot roll it back.

Mr. MAYBANK. That is correct.

Mr. LEHMAN. He cannot lower it——

Mr. MAYBANK. I may say to the Senator from New York that he had the right to freeze it on the 25th of January. He did freeze some items.

Mr. LEHMAN. Cotton at that time, as it is today, was selling for 44 to 45 cents a pound. I refer to spot cotton.

Mr. MAYBANK. That is correct.

Mr. LEHMAN. In October it will be selling for 35 cents a pound.

Mr. MAYBANK. Let me remind my good friend the Senator from New York and former governor of his State that manufacturers do not make cotton goods today to be sold today. The cotton mills in New England and in the South are manufacturing cotton goods today to be sold in the Christmas trade and, in some instances, in the spring trade. Then the price will be far below the price of cotton goods today. That is the reason why big stores such as Macy, Gimbel, and others, have already cut prices. They are buying goods much cheaper in the markets, as the Senator knows. Incidentally, Wall Street is the biggest cotton goods market in the world. In Wall Street and in the St. Louis markets prices are down because of the cheap price of cotton goods based on a $50 break in November. It takes months to go through the process. That is the fear I have. I am afraid to leave open the right to roll back prices to May or June of last year, which the Administrator would have the right to do. I do not say that he would use the right. It would be necessary to consider the increased cost of labor. However, that is the fear I have.

Mr. MOODY. I should like to suggest on this point that it is well known that formulas have been announced by the Price Administrator and Economic Stabilizer which govern their policies at least with regard to industrial roll-backs.

Mr. MAYBANK. That is correct.

Mr. MOODY. The distinguished chairman would agree, I am certain, that if a roll-back as severe as he contemplates were imposed by any administrative officer of the Government there would be very quick action to cancel it.

Mr. MAYBANK. I agree with the Senator that we would have to try to get quick action. However, I fear the policies of agencies. I would like to see positive provisions incorporated into law. As was emphasized in the testimony, representatives of the great labor organizations left the meetings of the economic stabilizers because they did not think they were being treated right. They came back later and they were treated much better. No farmer, so far as I know, has ever been invited to such meetings. So far as business is concerned, the law requires that representatives from business should be consulted. Business organizations should have an opportunity to be consulted before prices are established. The testimony will show that time after time, according to the testimony of witnesses such as the chambers of commerce and the trade associations, businessmen were not adequately consulted.

Therefore, I can agree thoroughly with the Senator with reference to policy, but the administrators have not followed the policy. They never invited the farmers. The Senator from North Dakota knows that the farmers have not been invited. They invited labor representatives. What did they do for labor? They did nothing for labor until labor walked out of the meetings. I am not accusing labor of anything. I am not criticizing labor for leaving. I know what they were up against. Business people were never adequately consulted, very few farmers were ever invited. The head of the Grange testified that he was not consulted. The head of the Farm Bureau testified he was not consulted.

Mr. MOODY. Does the Senator from South Carolina agree that, under the amendment we are discussing, a violent downward fluctuation in the price of cotton or——

Mr. MAYBANK. My amendment does not apply to cotton alone. I want it distinctly understood that, although I shall never forget the cotton growers and manufacturers, the amendment I have sponsored has as its purpose the freezing of prices at the time the Government wanted them frozen, and to prevent the possibility of rolling them back to July of last year.

Mr. MOODY. I understand the Senator's position.

Mr. MAYBANK. I used to be directly interested in cotton, and, as a Senator from an important cotton State, I am still deeply interested in cotton, but I am not engaged in dealing in cotton.

Mr. MOODY. Let us take wheat. Does the Senator from South Carolina agree that under the amendment we are discussing a violent downward fluctuation in the price of wheat would make it possible for the Administrator to act as the Senator seems to fear he would act?

Mr. MAYBANK. He could freeze the price at the highest price or at the parity price.

Mr. MOODY. Or at the current price?

Mr. MAYBANK. No; he could not go below parity.

Mr. MOODY. He could not go below parity, but he could freeze at any price at parity or above.

Mr. MAYBANK. We tried to protect the parity formula.

Mr. MOODY. That is correct.

Mr. MAYBANK. He could not go below parity. As Mr. Ruether testified, parity is the farmer's insurance. He brought out very clearly that labor would not oppose parity. He was able to secure the escalator clause. He is the head of a big labor union with many members in Detroit, and I congratulate him for his stand. Mr. Ruether said that he would not object to parity.

Mr. MOODY. I believe every intelligent student of economy believes that parity is necessary, because the buying power of the farmer is one of the great keystones of our economy.

Mr. MAYBANK. I wish to remind the Senator that farmers were not adequately represented at the meetings.

Mr. MOODY. During the 1920's when there was no such thing as parity there occurred a great depression, which helped build up a disastrous national situation. Before we get too far away from what the Senator from Connecticut [Mr. BENTON] has said, I should like to refer to the letter written by Mr. Baruch, in which he answered some questions I had asked him. In my letter to him of June 4, 1951, I asked him if price, wage, rent, and other direct controls should be removed what the effect would be on our program to increase our military strength, on the stability and soundness of our economic system, on the cost to the taxpayers of our mobilization program, and on the living standards of the American family. I should like to read a paragraph from his letter, because I believe it to be very pertinent.

Mr. MAYBANK. If the Senator will permit me to say so, I am heartily in agreement with what Mr. Baruch said. Prices should have been frozen. I am supporting title IV of the act. I submitted my amendment only for the purpose of protecting the people who were not adequately represented at the meetings.

Mr. MOODY. The Senator certainly has done so, and I thank him for his leadership in supporting the general principles of title IV.

Mr. Baruch stated:

> The removal of price, wage, rent, and other mobilization controls would be a tragic, perhaps mortal, blow to our efforts to rebuild our defenses in time to avert another world war; the stability and soundness of our economic system would be sapped, and the long-range effects might even be worse than the immediate ones. The cost to the people in higher taxes would be doubled and tripled—already price rises have cut every defense dollar by more than one-fifth.

Then Mr. Baruch said:

> Although in the process some would profiteer, the living standards of millions would be severely lowered.

I think the following statement by Mr. Baruch is very significant:

> What will it gain the farmer or worker or businessman to get a little more for his production, if that is offset by rising prices and by the cheapening of all savings in every form—life insurance, Government bonds, thrift accounts, annuities, pensions.

Very pointedly this great elderly statesman said:

> The issue before your committee—and the Nation—is a simple one. It is a question of which is to be put first—the national interest or the selfish interest.

He also said:

> I could go on for pages showing how inflation strikes at everything Americans hold

dear, at all our social and personal values, at all our families and institutions. Nor is it surprising that it should be so. For the test of our ability to stop inflation is the test of our ability to govern ourselves. It is the test of what we prize most highly—petty profits and trivial comforts, or freedom.

Then he said:

It is the test of our fitness to survive.

Mr. President, I think that is a very eloquent statement of the issue which is before us today.

Mr. BENTON. Mr. President——

Mr. MOODY. I now yield to the Senator from Connecticut.

Mr. BENTON. Mr. President, let me ask the distinguished Senator from Michigan whether he agrees, in line with what Mr. Baruch said in his letter and in line with the other statements to which the Senator has been referring, that the last time we had normal price relationships was before Korea; and the minute the North Korean troops crossed the border, the forces which were let loose caused distortions in our economy.

Mr. MOODY. I thoroughly agree.

Mr. BENTON. I should like to have the Senator comment on the various percentages of increase to which I shall now refer, because they so well illustrate the situation. Does the Senator from Michigan recall that between January 1950 and January 1951 dairy products increased 26 percent in price; eggs, 27 percent; hides and skins, 57 percent; shoes, 18 percent; cotton goods, 27 percent; silk, 77 percent; anthracite coal, only 4 percent; petroleum and petroleum products, 4 percent; nonferrous metals, 26 percent——

Mr. MOODY. Does not the table also show that vegetables and fruits decreased in price during the same period?

Mr. BENTON. Yes; the table shows that fruits and vegetables decreased 3 percent, but it also shows that structural steel increased in price 6 percent; lumber, 10 percent; oils and fats, 79 percent; and crude rubber, 134 percent.

Does the Senator from Michigan wish to comment on those figures, which illustrate the distortions in our economy as of the date fixed by the particular rollback provision we are now discussing in connection with this bill?

Mr. MOODY. I thank the Senator from Connecticut, and I shall be glad to comment. The table the Senator has just read indicates clearly the distortions which have occurred in the economy since the invasion of Korea. The effort made here is, not to let prices rise rapidly or to roll back prices in an unfair way, but to stabilize the economy and to stabilize the relationships between wages and prices, and to reach as nearly as possible the former relationships—not the price levels existing before Korea, because it is impossible for us to do that, and not the wage levels existing before Korea, because that is also impossible for us to do, although there are some persons with fixed incomes who have had no increase in their incomes since then, and they are being squeezed badly. The effort is to restore normal relationships and normal balance.

I may say to the Senator from Connecticut that, as I have said before, one of the most important points in this situation is that there are businessmen—including some who called me on the telephone before my appointment to the Senate and some who called me after the committee hearings began—who said they had endeavored to hold the line and had responded to the President's plea not to increase prices, but that they now find themselves squeezed because they responded to that plea, whereas in the case of others, who did not respond to that plea, but rapidy raised the prices of their goods during that period, when I believe controls should have been imposed, now it is proposed that we prohibit by law any effort on the part of the Price Administrator or the Economic Stabilizer to squeeze some of the water out of those prices and to give the public a break.

Mr. BENTON. Is not the Senator from Michigan stating that this provision would reward those who increased their prices and attempted to profiteer, and would penalize the businessmen who heeded the pleas and warnings of the Government to the effect, "There is no use in increasing your prices, because if you do, we will roll them back."

Mr. MOODY. Yes.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the distinguished Senator from Indiana.

Mr. CAPEHART. I have several questions I should like to ask. I believe the distinguished Senator from Connecticut just said that the price of fruits and vegetables has decreased.

Mr. MOODY. That is correct.

Mr. CAPEHART. Is it not a fact that fruits and vegetables were never under price controls?

Mr. MOODY. That is true.

Mr. CAPEHART. And yet they are among the items which have decreased in price.

Mr. MOODY. That is true.

Mr. CAPEHART. As to the many items which increased in price, is it not a fact that the Administrator had a right, under the law Congress passed last year, to control prices and to prevent them from rising, if he wished to do so?

Mr. MOODY. As the Senator from Indiana well knows, because he also was very dutiful in his attendance at the committee hearings, an experiment was made along the lines of the advice which was given to the committee by so many witnesses who said to the committee that this matter should have been handled by voluntary means. I have said several times during the debate today, perhaps before the Senator from Indiana entered the Chamber, that I agree with what I believe is the Senator's position; namely, that there was too long a delay in the imposition of the controls, and I think the one thing that delayed their imposition proved beyond any doubt that we cannot afford to remove controls now and we cannot afford to freeze into the economy the distortions which have resulted.

A great deal has been said about the question of why the stabilization has not been handled more rapidly. The distinguished senior Senator from Illinois [Mr. DOUGLAS] pointed out yesterday that the President in endeavoring to fill the position of Price Administrator, asked 25 different persons to accept the position before he was able to get the able Mr. DiSalle to accept it.

I may say that I can understand thoroughly why many persons might be hesitant in these days to stick out their chins, so to speak, in accepting such a position. However, there was a great deal of difficulty in setting up the organization to handle the program, and I believe that the Senator from Indiana may agree that that may have had something to do with what occurred.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. MOODY. I yield.

Mr. CAPEHART. There is no question that it takes times to do these things; but my point is that on September 8 of last year the bill which Congress had passed was signed and went into effect, and provided the power to control prices. That power could have been used at that time. I believe we should have a permanent statute in connection with this matter, so that the very minute our country goes to war all prices and all wages will be frozen at the then existing levels, because it is impossible to roll back prices effectively.

The Administrator did not freeze prices as of the day we went to war, even though the law went into effect on September 8. Prices were frozen on January 25. All that the amendment of the able Senator from South Carolina provides is that prices cannot be rolled back beyond that point. Had prices been frozen as of last September, I would have voted to prevent prices from being rolled back beyond that date.

Mr. MOODY. I may point out to the Senator from Indiana that the Congress waited from July until September to pass the law.

Mr. CAPEHART. No.

Mr. MOODY. I agree with the distinguished Senator from Indiana that the law should have been placed in effect speedily after its enactment. We have no difference on that point.

Mr. CAPEHART. The Congress started hearings on the bill in the early part of July, and the bill which was presented to the Congress at that time had absolutely no price or wage controls in it.

Mr. MAYBANK. It was in June.

Mr. CAPEHART. Hearings were started in June, and the bill at that time contained no price or wage controls whatever; and had it not been for the Congress, and had it not been for the Committee on Banking and Currency, of which the able Senator from Michigan is a member, as is also the Senator from Illinois, there would never have been any price or wage controls in the act. The result would have been that we would not today be considering for the first time a bill to control prices and wages but on January 3 of this year, we would probably have begun consideration of a bill to control prices and wages.

Mr. MOODY. I may say to the Senator that I did not mean that what I said should be considered in the least as a criticism of the Congress. I merely wanted to point out to the Senator that

our democratic processes require time, and it took a few months for the bill to pass; and, as I pointed out a few moments ago, it also took a few months to set up the administration, to look over the situation, and to analyze and consider the advice which was received, which, as the distinguished Senator will remember, we received in the form of testimony by witness after witness, who came before the committee to tell us that we ought to pull the plug now. I am sure the Senator had that sort of advice, as well as advice of the other sort.

Mr. CAPEHART. I agree with the Senator, it is unfortunate that prices and wages were not frozen as of May or June a year ago.

Mr. MOODY. I agree.

Mr. CAPEHART. Likewise, it is again unfortunate that the administration did not freeze them on the very day the President signed the bill Congress had passed. They did freeze them on January 25. Therefore, I say it is almost impossible to roll prices back beyond that date.

Mr. MOODY. The distinguished Senator from Indiana will agree, I am sure, that the freeze of January 25 was a temporary administrative measure, undertaken for the purpose of readjusting the balance and the equilibrium which existed, as the Senator from Connecticut pointed out a moment or two ago, before Korea. I am sure the Senator from Indiana would agree that it would not be equitable merely to freeze into the law the distorted prices of that particular date, which was a date which had followed 2 months of price increases, which had been as rapid as in any other 2 months of our history, or more so.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I will yield to the Senator in a moment. I am sure the Senator from Indiana will also agree that, during a period when a great many businessmen had held their prices, and others had done their utmost to get all they could out of the markets, the freeze of January 25 would have been an entirely unjust procedure, had it not been an administrative measure, temporary in form, which was adopted for the purpose of holding the line while some stabilization measures could be applied.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MOODY. Would the Senator agree to that?

Mr. MAYBANK. No.

Mr. CAPEHART. The truth, of course, is that the Administrator and the administration have been dealing with this matter on a temporary basis, rather than following a law providing for the freezing and controlling of prices. The Senator must remember that if there has been a single increase in price in the United States since September 8 last year it has been because the Administrator and the administration permitted prices to go up, because all during that period there was upon the statute books a law which said they could control them.

Mr. DOUGLAS rose.

Mr. MOODY. I should like to answer the statement of the Senator from Indiana, but I believe the Senator from Illinois has been on his feet for some time. He seems eager to answer it, so I yield to the Senator from Illinois.

Mr. DOUGLAS. No; I do not want to answer it. I should like to ask the Senator from Michigan a question. Is it not true that, immediately after the passage of the act, the President tried to get a man to fill the Office of Price Stabilizer and that he made an offer of the office consecutively to 25 persons before he secured the services of Mr. DiSalle, after a considerable delay? Is not that true?

Mr. MOODY. The Senator from Illinois also pointed out yesterday on the floor of the Senate that Mr. DiSalle is not a "twenty-sixth" team, and what the Senator said is true.

Mr. DOUGLAS. Was not at least 2 months of time consumed before a Price Administrator could be obtained, and is it not true that without a Price Administrator prices could not have been frozen?

Mr. MOODY. That is certainly true.

Mr. DOUGLAS. Is it not also true that, during the initial period when Mr. DiSalle was Price Stabilizer the Economic Stabilizer was Mr. Valentine, who, in all honesty, did not believe in any compulsory price controls, but wanted everything to be done on a voluntary basis, and that it was not until Mr. Valentine resigned and Mr. Eric Johnston came into office that we got an administration which really wanted to control prices?

Mr. MOODY. That is certainly correct.

Mr. DOUGLAS. I do not want to bring in any partisan consideration, but the political affiliations of Mr. Valentine are well known.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I will yield to the Senator in a moment. I might add that the views of Mr. Valentine are the views of persons who came forward to attack wage and price controls, and that they are the views of some of the sharpest critics of the administration.

Mr. DOUGLAS. Is it not true that the same group which is now saying, "Yes, you should have frozen prices last fall," is now saying, "You should unfreeze prices now"? In other words, whatever is being done is wrong, according to this group.

Mr. MOODY. I think that is an unusually penetrating observation.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the Senator from South Carolina.

Mr. MAYBANK. I should like to make a comment regarding 26 persons having been invited to take the position of price stabilizer. I am glad the Senator from Illinois informed us that there had been 26 persons invited to take the position.

Mr. DOUGLAS. That is well known.

Mr. MAYBANK. I understand that perfectly. I also understand that this is no place to debate the merits or demerits of Mr. DiSalle. What I say about Mr. DiSalle is certainly not said with any but the kindliest motives, because he is trying to do the best he can. But no one can convince me that had the President of the United States wanted to get someone to fill the position, he would not have been able to do so. I desire to say also that the Banking and Currency Committee stood ready to vote to confirm the nomination of anyone the President might choose. The only time I was absent from the city was on one brief occasion, at which time I was called from Washington on the telephone. I requested the Senator from Arkansas [Mr. FULBRIGHT], as acting chairman, to conduct a hearing; and the appointment of Mr. DiSalle was confirmed in 1 day. The President may have tried to get others to take the position; I do not doubt that he did. But when a similar law was passed previously, President Roosevelt sent to the Senate a nomination, if I remember correctly, within 48 hours.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the Senator from Indiana.

Mr. CAPEHART. Is it not a fact that, under the law passed by the Congress on September 8, 1950, the President was given the right to make the Secretary of Commerce the Administrator, if he desired, and if the Secretary of Commerce wanted the job. Is it not also true that he could have appointed any one of his Cabinet members to handle the job, particularly the Secretary of Commerce, because the Secretary of Commerce, at the time, was given complete responsibility for the allocation of materials, rent control, and similar matters? The President could have given him the power to control prices. Is it not a fact, that under the law, the President could have made the Secretary of Commerce the Price Stabilizer?

Mr. MOODY. Perhaps the President felt, since the Secretary of Commerce was assuming other very great responsibilities, that he did not wish to overload him and thus prevent his handling his work properly.

Mr. UNDERWOOD. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the Senator from Kentucky, but first let me add to what I said to the Senator from Indiana, that the price and wage control section of the law required that a new agency be created.

Mr. UNDERWOOD. What happened in a good many of the States, where cattle are brought in to be fed, is that cattlemen went to the Western States to buy cattle, and bought them before the ceiling was imposed. They bought cattle after September, when the ceiling was authorized, but they bought the cattle before the ceiling was imposed. They then transported the cattle into their respective States, including the State of Kentucky, where grass is grown, and the cattle were fed and fattened on the grass. After they had bought the cattle, a ceiling was imposed. My reason for asking for a ceiling which will continue for at least a year without a roll-back, is that we want the price of meat in the cities to be as cheap as possible. But we do not want to pay for that privilege accruing to those living within the large cities.

Mr. MOODY. Our desire is that meat may be cheap for everyone, not merely for those living in the great cities.

Mr. UNDERWOOD. We want it to be cheap for everyone, whether in or out of the great cities; but we do not want to pay for it, ourselves. We do not think it fair to require a cattle feeder to pay a subsidy in order that consumers may be able to buy meat at other places at low prices. Can the Senator tell us any method by which to prevent changing the price of cattle, or rolling the price back, once the cattle have been purchased?

Mr. MAYBANK. My amendment undertakes to do that.

Mr. UNDERWOOD. That is the purpose, as I see it, and the only justification for it. I may not be an old cowhand, but I am an old stabilizer, because I was here with Fred M. Vinson when he was Director of the Office of Economic Stabilization. Certainly we want to hold prices down, but we want to do it in a fair and honest way. We do not want to let one group buy cattle and then roll the price back. We do not want to change the rules of the game after the hands are already down.

Mr. MOODY. I should like to point out that my principal objection to the amendment which is pending—not the Douglas amendment, but the amendment of the majority of the committee—is that in endeavoring to roast the pig, it burns down the house. If there are Members of the Senate who want to take action on the beef roll-back, that is their privilege, but I should like to have a separate vote on it. My understanding is that the intent of the amendment is practically to prohibit the third beef roll-back and part of the second. But it also prevents the adjustment and stabilization of other prices all along the line. It freezes into the economy the unjustified price increases which were made without paying attention to the patriotic request made by the Government to hold the line, and it penalizes the people who did hold the line. In other words, it freezes into the economy a distortion which in all equity and all justice should not be frozen into the economy. If we want to adjust that inequity, which Mr. Eric Johnston says must be adjusted, then we shall bring about an increase in the cost of living which will obviously blast the wage line, and we shall again be in an inflationary spiral.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MOODY. I yield.

Mr. CAPEHART. Does not the Senator know that under the act as it is now in force, and under the bill which the Banking and Currency Committee reported, the Administrator can permit changes in prices? There is nothing in the act to keep prices as they are.

Mr. MOODY. I thoroughly understand that.

Mr. CAPEHART. The Senator said it was unfair, after prices are frozen at a certain point. Under the law, the Administrator can permit them to rise.

Mr. MOODY. What I was trying to say was that we will have a very unfortunate choice to make if this amendment should be adopted. Either we will have to freeze the prices to which the Senator has been referring, freeze an inequity into the structure, or we will have to let prices rise. In the latter case we shall have a spiral of inflation. Neither one is the choice of the junior Senator from Michigan.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I yield.

Mr. MAYBANK. I congratulate the junior Senator from Michigan on his statement that he would not like to take that choice. It would not be his duty, nor would it be my duty, to take that choice. But since January 25 the administration has had an opportunity to adjust inequities. The Office of Price Stabilization should get down to business and not leave inequities to be taken advantage of by some.

Mr. MOODY. I agree with the distinguished Senator and believe it is getting down to business as the contemplated roll-backs indicate.

Mr. MAYBANK. I offered the amendment to stop the dilly-dallying, because the administration created the inequities, and the Senator from Michigan knows it. Of course, I am not suggesting what the House of Representatives will do. I do not know what sort of bill will be sent to the Senate. But the Office of Price Stabilization had from January 25 until last Monday to make any roll-backs or any adjustments or to correct any inequities that might exist. I think they should have done it, and I am sure the Senator from Michigan thinks they should have done it.

Mr. MOODY. That is correct. The adjustments should be made as rapidly as possible.

Mr. MAYBANK. I do not want to leave it open to the Administrator to create inequities and let them continue month after month. I can appreciate the difficulties of Mr. Johnston and Mr. DiSalle, but the administration of the law has not been in keeping with either the letter or the spirit of the law. That is what I do not like about it.

Mr. MOODY. I agree with the Senator that the entire procedure has been too slow in originally imposing controls and in carrying out the functions under the act which the Senator has mentioned.

Mr. MAYBANK. How does the Senator know that they will not continue to be slow? I am as much opposed to inflation as is the Senator from Michigan. When the Senate was sitting in the old Supreme Court Chamber I fought last June, July, August, and September, to stop inflation. But these inequities have been created, and I am not certain that they will not continue to occur or that we can correct them unless we do it by law.

Mr. MOODY. If we write this language into the law now, the Office of Price Stabilization will not, as a practical matter, have time to complete readjustment of the economy between now and July 1. I do not dispute the Senator's point that the administration of the law has not proceeded with sufficient expedition, and that we want to stop inflation.

Mr. MAYBANK. The Senator will admit that they have had time to do it.

Mr. MOODY. I do not admit that, in view of all the difficulties in getting able officials to administer the law and all the administrative difficulties they may have had, with which neither the Senator from South Carolina nor I are fully acquainted.

Mr. MAYBANK. We did away with the OPA years ago, and we brought back an organization to do the same thing OPA had done before—dilly-dally.

Mr. MOODY. The Senator stated yesterday, in response to a question of the senior Senator from New York [Mr. IVES], who agreed with the Senator, that the procedure had been too slow. Nevertheless, two wrongs do not make a right.

Mr. MAYBANK. I am not arguing that, but if we make it the law, the Office of Price Administration will have to take positive action.

Mr. MOODY. Does the Senator want them to make these roll-backs before July 1?

Mr. MAYBANK. The law will not become effective until it passes. I hope the amendment will be adopted.

Mr. MOODY. Do we want them to make roll-backs before July 1?

Mr. MAYBANK. The Senate cannot make legislative history as to a bill which has not yet passed the House. We can only express our personal opinion.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MOODY. I yield.

Mr. DOUGLAS. Is it not a fact that section 2 really prevents the Office of Price Stabilization from doing anything to correct inequities, except to raise prices? That is, it permits upward, but not downward, corrections.

Mr. MOODY. That is correct.

Mr. DOUGLAS. It prevents the Office of Price Stabilization from reducing prices. It is a heads-I-win-tails-you-lose amendment.

Mr. MOODY. It may be a tails-everybody-loses amendment.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MOODY. I yield.

Mr. WILLIAMS. Do I correctly understand that the amendment of the Senator from Michigan provides for roll-backs so that all prices will be rolled back in proportion until we reach the pre-Korean level?

Mr. MOODY. No. The present law, as I am sure the Senator from Delaware well knows, provides for due consideration to be given—I believe that is the wording of the law; I do not have it before me at the moment—to the level, equilibrium, and balance of prices as they existed before the invasion of South Korea.

Mr. WILLIAMS. There has been much said about meat prices. Is the Administrator to roll back the price of meat and automatically roll back the price of grain that goes to make up the meat, until we have the same relationship which existed before the Korean war? Is that correct?

Mr. MOODY. I hope the Senator from Michigan in the debate here this afternoon may have made some small contribution in bringing out this point, which I think is the central point of the

entire issue before the Senate; that is, that this is not an effort to victimize anybody who is producing. It is not an effort to roll back prices to the pre-Korean level, except that in a case where there had been no increase in cost it would operate in that way; but there is little likelihood that many such cases would exist.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. MOODY. Let me answer first. The fact is that every Member of the Senate knows how the present law is being administered. A formula has been set up which is based on the pre-Korean base price, which allows any fair increases in labor and material costs to be added, plus the pre-Korean profit margin. Now if we are in the business of trying to stop inflation, I should like to have the Senator from Delaware tell me what is the matter with that formula.

Mr. WILLIAMS. There may not be anything the matter with the formula——

Mr. MOODY. I am glad to hear that.

Mr. WILLIAMS. If we both understand it alike. The question I ask is this: The Senator comes from a great wheat-producing State. If we roll back the price of cattle to the pre-Korean level, would the Senator be willing to say that we should roll back the cost of grain which goes to make up the cost of production of cattle? In other words, as the Senator has just defined the law, if we allow grains and other costs entering into production of cattle to advance 10 percent, would the Senator allow the cattle producer to carry that increase over into his cost, or would the Senator let the price of wheat advance while the cattle producers in other States are rolled back?

Mr. MOODY. Perhaps the Senator can explain to me—because I have been trying to get an explanation from committee witnesses, and I have listened quite carefully to what others have had to say on the subject—why the price of cattle has gone up 53 percent in a period when most other prices have not gone up so rapidly.

Mr. WILLIAMS. I think the Senator from Michigan does not understand me. I am not defending the increase in the price of cattle.

Mr. MOODY. I am glad to hear that.

Mr. WILLIAMS. I told the Senator from Illinois [Mr. DOUGLAS] that his amendment, as he explained it, posessed a great deal of merit if we were convinced that it would do the things it is claimed to do. That is what I am trying to find out.

Mr. MOODY. If the Senator from Delaware asks me the question whether I believe the price of wheat should be rolled back to what it was before the Korea period I should say not.

Mr. WILLIAMS. Do I understand that the amendment applies merely to meat alone?

Mr. MOODY. It does not apply specifically to meat.

Mr. WILLIAMS. Would it apply to all agricultural commodities in relation to the pre-Korean situation?

Mr. MOODY. Is the Senator speaking of the Douglas amendment now?

Mr. WILLIAMS. Yes.

Mr. MOODY. Very well. The Douglas amendment merely deletes from the bill, as reported by the committee majority by a 7-to-6 vote, the six-line insertion by the committee, which would prevent any roll-back beyond the base period, not only in farm commodities but in any other commodities. I should like again to say to the Senator from Delaware that the amendment not only affects meats but it affects every price which rose on a profiteering basis between the Korean invasion and January 25. I believe that if the Senate clearly understands the Douglas amendment it will want to vote it into the law.

Mr. WILLIAMS. Mr. President, will the Senator yield again?

Mr. MOODY. I yield to the Senator from Delaware.

Mr. WILLIAMS. With respect to many commodities the price increase since Korea is the result of the Department of Agriculture's planned program of forcing prices higher. After buying commodities they are shipping them out of the country as surplus, or destroying them, as was done in the case of potatoes, for the purpose of pushing the prices upward, at the same time we are talking about holding prices down. I wonder which purpose the Senator is for. I think we should make up our minds.

Mr. MOODY. Now the Senator is going deep into the question of farm economics. I should say, however, that I am for stabilization of the economy. The history of price support in the law, which was previously passed by Congress, was that in the 1920's when the party the Senator from Delaware has the honor to represent was in power, there was no provision for supporting farm prices, and as a result there was an agricultural depression which lasted a decade, and helped to build up in America a depression which nearly ruined our economy.

Mr. WILLIAMS. Will the Senator from Michigan yield further at that point?

Mr. MOODY. Yes, I yield.

Mr. WILLIAMS. I should like to point out to the Senator from Michigan that in pulling us out of the so-called "Republican depression" we have had two "Democratic" wars which left us with a $260,000,000,000 debt. This debt is the pyramid upon which today's "Democratic" inflation is erected.

Mr. MOODY. Will the Senator pardon me? I did not hear his statement.

Mr. WILLIAMS. I might point out to the Senator that as the Democratic Party pulled us out of the depression we have had two wars, which cost the American people $260,000,000,000.

Mr. MOODY. Yes, we resisted aggression. And my understanding is that the war has something to do with the national debt.

Mr. WILLIAMS. It must also be the Senator's understanding if he understands economics at all, that war has something to do with increased prices since 1932.

Mr. MOODY. Oh, yes, indeed.

Mr. WILLIAMS. So I think that if the Senator is going to take the credit to his party for having pulled us out of the depression, he should also take credit for the inflation, and assume responsibility for his two wars.

Mr. MOODY. I was simply pointing out that if the Senator from Delaware is attacking the general parity principle, which the Senate so often has endorsed, I simply wanted to remind him that in the days when we did not have a parity principle in the law, agriculture in America was not in a very prosperous condition.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. MOODY. I yield to the Senator from Delaware.

Mr. WILLIAMS. I am not discussing at this point the merits or demerits of the parity principle. What I am endeavoring to point out is the inconsistency of having one agricultural agency buy agricultural products and destroy them, thus creating artificial shortages, and then shedding crocodile tears because of the results.

Mr. MOODY. Is the Senator from Delaware implying that I am shedding crocodile tears?

Mr. WILLIAMS. Yes, so to speak.

Mr. MOODY. I was not a Member of the Senate when the potato program was passed. If I had been I would have taken a very dim view of it, as I hope the Senator from Delaware did.

Mr. WILLIAMS. I did. I voted against it. I hope the Senator will go along with us this afternoon in knocking out all these support programs, at least for the duration of the emergency of this inflationary period. Certainly we should immediately stop this Government agency from destroying food at a time when the country is at war.

Mr. MOODY. I do not think we are destroying food. And I do not know who is, as the Senator said, shedding crocodile tears. But I know that the housewife is having difficulty in obtaining what she needs because of the high price of groceries.

Mr. WILLIAMS. Not only is she having difficulty, but extreme difficulty, largely due to this administration's reckless-spending policies.

Mr. MOODY. Is the Senator from Delaware shedding crocodile tears while saying that?

Mr. WILLIAMS. I shall vote as I am speaking. I will say to the Senator from Michigan that I believe he will agree with me that we certainly cannot justify a food-destruction program in this country in time of war.

Mr. MOODY. I agree with the Senator on that point completely.

Mr. WILLIAMS. I hope the Senator will support me on that point this afternoon.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MOODY. I yield.

Mr. DOUGLAS. May I ask the Senator from Michigan if, when he was not a member of this Chamber, but sat in

the Olympian heights of the press gallery up there——

Mr. MOODY. It is a good deal more comfortable up there, I will say, than it is down here.

Mr. DOUGLAS. If he remembers the vote on the motion of my then senior colleague, Senator Lucas, abolishing the potato subsidy? Is it not true that on the question of the potato subsidy a majority of the Senators on this side of the aisle voted to abolish the subsidy, and a majority of the Senators on the other side of the aisle voted to retain the subsidy?

I want to pay tribute to the Senator from Delaware and say that he voted against that subsidy. I think he is a completely honest and sincere man. But I suggest to him that his missionary efforts should be devoted to the other side of the aisle, because I can well remember the votes cast on that side by Members from the potato-producing States.

Mr. MOODY. We are glad to have him with us at the moment on this side of the aisle, but as the Senator from Illinois said, perhaps he might direct his missionary efforts toward Members on the other side of the aisle.

Mr. DOUGLAS. Yes; we are glad to have him here with us now.

Mr. WILLIAMS. I wish to point out to the Senator from Illinois that I was a cosponsor of the amendment providing for doing away with the potato subsidy, and was one of the first to criticize that program, and was supported in my effort by a majority of my party.

Mr. DOUGLAS. The Senator from Delaware has been a completely sincere representative of those and other issues. I only lament that the seeds of wisdom which he has sown did not bear fruit across on the other side of the aisle. But apparently he has now discovered his spiritual affinity for us, and has come over here to be with us.

Mr. WILLIAMS. I am glad to know that the Senator from Illinois is susceptible to my charms.

Mr. DOUGLAS. I will say I was susceptible to the logic of the situation.

Mr. BENTON. Mr. President, will the Senator from Michigan yield?

Mr. MOODY. I yield.

Mr. BENTON. I should like to have the attention of the committee chairman while I ask this question.

Mr. MAYBANK. Mr. President, I shall be glad to remain in the Chamber for a few minutes. However, the Senator from Nebraska [Mr. WHERRY] is waiting outside the Chamber to confer with me. With the help of Mr. Watkins, the Parliamentarian, we are endeavoring to arrange a unanimous-consent agreement.

Mr. BENTON. I was about to ask some questions in which I thought the chairman of the committee might be interested.

In line with the spirit of the recent colloquy with the chairman of the committee, does the Senator from Michigan feel that if the present roll-back proposal of the committee is adopted the administrative officers should be given 30 days in which to examine all the discrepancies and distortions and to take the kind of action which the distinguished committee chairman has suggested they take between now and the 1st of July?

Mr. MAYBANK. Is the Senator addressing the question to me?

Mr. BENTON. Yes.

Mr. MAYBANK. I may say that they had 5 days in January; they had 31 days in March; they had 28 days in February; they had 30 days in April; they had 31 days in May; they have already had 25 days in June, and they have done nothing. If we pass a bill leaving it wide open for them to take their time to do things, we shall never get anything done. What I am trying to do is to make them take some action to stop inflation.

Mr. MOODY. On that point, I may say to the distinguished Senator from South Carolina, the chairman of the committee, that CPR 22, which is the general manufacturing order, was delayed three times at the request of industry, for the purpose of adjustments. It will not become effective until July 2. The pending legislation is so complex that it could not be applied overnight.

Mr. MAYBANK. It is no more complex than the orders issued by the economic and price stabilizers through Mr. DiSalle and Mr. Johnston, which no one understands.

Mr. MOODY. I agree that they should be simplified as much as possible.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BENTON. Mr. President, may I ask a further question?

Mr. MOODY. I yield to the Senator from Connecticut.

Mr. BENTON. Is it not true that the administrative officers have not only been delayed throughout this long period, as the distinguished Senator from Michigan has pointed out, by the absence of personnel, and, as the committee chairman has pointed out, by pressures from industry, but also by uncertainty as to what legislation Congress is going to enact, as the distinguished Senator has suggested?

Mr. MOODY. I believe that to be true.

Mr. BENTON. In view of the many reasons for delays on roll-backs and other actions on the part of administrative officials, if the Senate should make what in my judgment and the judgment of the Senator from Michigan would be the mistake of accepting the committee recommendation with respect to the new roll-back provision, could there not at least be attached to it a 30-day provision, so as to give to the administrative officers the opportunity to make the kind of adjustments which our distinguished committee chairman agrees are necessary?

Mr. MOODY. I thoroughly agree with the Senator from Connecticut. Sixty days would be better.

Mr. UNDERWOOD. Mr. President, will the Senator yield?

Mr. MOODY. I yield.

Mr. UNDERWOOD. Is not production the only key to meet the situation of high prices?

Mr. MOODY. Fundamentally that is true.

Mr. UNDERWOOD. We can enact all the laws we wish, and the Office of Price Stabilization can issue all the regulations it wishes, but unless we have beef in this country, beef prices will be high.

Mr. MOODY. That is certainly correct.

Mr. UNDERWOOD. Either because of the black market, or for other reasons. No one in any Eastern State is going to Texas to get cattle and bring them into a feed lot if there is to be a roll-back. The cattle feeders must have a little profit from their operations. I think the same thing is true in regard to parity price supports as is true with respect to what is undertaken in line with the intent of the Maybank amendment, which is to permit production, which is the only way in the world, in the long run, to keep prices down to a reasonable level. While we want to retard prices, we do not want to stop production.

Mr. MOODY. I agree with the Senator from Kentucky that we should not retard or stop production. I am confident that means can be worked out whereby we can have reasonable prices on beef without stopping production.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MOODY. I yield.

Mr. LEHMAN. Is it not a fact that the cattle population at the present time is very near, if not quite up to the record of recent history?

Mr. MOODY. I believe that to be true.

Mr. LEHMAN. Is it not also a fact that the present level of the price of meat, which is 157 percent, is so high that no question is raised by any cattle grower as to whether or not he is making very substantial profits?

Mr. MOODY. I believe that in general profits must be adequate, because of the price situation.

Mr. LEHMAN. And also because the cattle population is at such a very high level, very considerably higher than it has been in the past 2 or 3 years.

Mr. MOODY. The Senator from New York will recall, I am sure, that the problem in connection with the matter of production, to which the Senator from Kentucky [Mr. UNDERWOOD] refers, does not relate so much to the cattle population as to what happens when the cattle are placed in feed lots, and whether or not adequate feeding occurs. I think that is a very difficult problem. My own personal judgment is—I may be wrong, but I hope I am not—that if the proposed roll-back goes into effect, possibly with an incentive-payment system to absorb any actual losses, that in itself will stabilize the situation in such a way that we shall get production. There may be some individual losses; and I should be willing to support a proposal whereby there would be some sort of equalization payment made to any cattle feeder who actually suffers a loss and can prove it.

That is the same sort of problem that exists in connection with the copper mines of upper Michigan. When the Nation needs more copper, the question is whether to raise the price all along the line and make the taxpayers, who are buying a great deal of the copper produced in America, pay a higher price for all the copper which is produced, or whether to keep the price at a normal

level and make an equalization payment of some sort to the high-cost mines to bring in additional production. If anyone is actually losing money in the feed lots, perhaps that would be the way to solve the problem. However, I do not believe that it is necessary to have the price of beef so high as it is today. I should like to have someone really spell out if there is a good reason for beef prices being so high.

Mr. LEHMAN. Of course, no provision is made in the bill as it came from the committee for the granting of subsidies. I intend to offer an amendment which would make it possible to grant subsidies in connection with marginal or high-cost production, with respect to agricultural products as well as mining products and other materials.

Mr. MOODY. I am glad to learn that.

Mr. President, I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the concurrent resolution (S. Con. Res. 11) reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union.

PERSECUTION OF ARCHBISHOP JOSEF GROESZ

Mr. IVES. Mr. President, recently the free world has been shocked by the revolting story of the imprisonment and forced "confession" of Archbishop Josef Groesz. We can only speculate on what foul means were used to extract such distortions from that noble man's lips.

No matter what their religious background may be, all men of good will must join in deploring such suppression of religion. The lessons of the thirties must not go unheeded. Suppression of any religious group denies those values on which all religions are based.

The entire free world must join in extending a positive message of hope and encouragement to this imprisoned man of God. While the specter of Communist tyranny haunts men like Archbishop Groesz, no man of religion may be secure in the sanctity of his faith.

Mr. President, together with the distinguished senior Senator from Connecticut [Mr. McMAHON] I have prepared a resolution, which reads:

> Whereas the arrest, confinement and trial of Archbishop Josef Groesz in Hungary evidences anew the abridgment and violation of fundamental human freedoms guaranteed in the treaties of peace and reaffirmed in the United Nations Charter: Now, therefore, be it
>
> *Resolved*, That it is the sense of the Senate that these actions should be strongly protested in the United Nations or by whatever other means may be appropriate.

I ask unanimous consent to submit the resolution and ask that it be appropriately referred.

The PRESIDING OFFICER. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 163) submitted by Mr. IVES (for himself and Mr. McMAHON), was received and referred to the Committee on Foreign Relations.

Mr. McMAHON. Mr. President, I join with my colleague the distinguished senior Senator from New York [Mr. IVES] in his expression of sentiment relative to the persecutions which are now going on in Hungary. The archbishop and his associates, who are being persecuted in Hungary, are mostly in the news today. However I understand there is a tremendous wave of persecution now going on all through Hungary.

Persons who belong to what is now left of the middle class are being taken from their homes in the dead of night and shipped in cattle cars to God knows where. It would seem that there is a new wave of extermination under way which may proceed through all satellite states.

Mr. President, I can only say that such actions, horrible as they are, would seem to indicate that back of the iron curtain there is a growing disaffection within the police states. As more and more persons are placed in concentration camps, it cannot but weaken the forces which would seek to overwhelm us. I think it is most important that we in the Senate, as we did in similar cases of persecution, evidence once again our feeling of loathing and revulsion for the terrible men who are committing these horrible crimes against God and mankind.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. DIRKSEN obtained the floor.

Mr. CARLSON. Mr. President, will the Senator from Illinois yield so that I may suggest the absence of a quorum?

Mr. DIRKSEN. I yield for that purpose.

Mr. CARLSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Gillette	McKellar
Bennett	Green	McMahon
Benton	Hayden	Millikin
Brewster	Hendrickson	Monroney
Bricker	Hennings	Moody
Bridges	Hickenlooper	Mundt
Butler, Md.	Hill	Neely
Butler, Nebr.	Hoey	Nixon
Byrd	Holland	O'Conor
Cain	Humphrey	O'Mahoney
Capehart	Ives	Pastore
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Kefauver	Saltonstall
Clements	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Smith, N. J.
Dirksen	Knowland	Stennis
Douglas	Langer	Taft
Duff	Lehman	Thye
Dworshak	Long	Underwood
Eastland	Magnuson	Watkins
Ellender	Malone	Welker
Ferguson	Maybank	Wherry
Flanders	McCarran	Wiley
Frear	McCarthy	Williams
Fulbright	McClellan	Young
George	McFarland	

The PRESIDING OFFICER. A quorum is present.

The Senator from Illinois has the floor.

Mr. MAYBANK. Mr. President——

Mr. DIRKSEN. I yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I appreciate the Senator's courtesy in yielding to me. The proposed unanimous-consent agreement is not quite prepared as yet. It is possible that a little later either the majority leader or the minority leader may ask the Senator to yield, in order that we may be able to consider the proposed agreement when it is prepared.

Mr. DIRKSEN. I shall be glad to yield for that purpose.

Mr. MAYBANK. I thank the Senator.

Mr. DIRKSEN. Mr. President, when the pending bill was reported by the Banking and Currency Committee, there was one vote against it. That vote was mine. It was cast in the utmost sincerity, because I have a deep and abiding conviction in regard to some of the provisions of the bill. I do not know what the ultimate disposition of the bill will be or whether there will be votes against it; but unless the bill is modified in substantial form, there will be at least one vote against it, and that vote will be mine. So, Mr. President, I propose to take a little time this afternoon not only to delineate my own viewpoint in regard to the bill, but also to redevelop a little of the background behind the 1950 bill.

It was just a year ago that the troops moved into Korea. I was in the field at that time, contacting many persons at group meetings. I remember the feeling and the passion and the sense of distress which came to people everywhere, and it was quite common to hear them say, "Well, this is it." A note of defeatism was expressed, and over and over again people talked about the inevitability of war. I think they envisioned another catastrophic conflict in the form of world war III. Let me say parenthetically, Mr. President, that I certainly do not share that sense of defeatism.

However, it was 3 weeks after that action that the President sent a message to Congress. The interesting thing about his message is that at that time the President did not ask for controls. It was not until hearings had gotten under way in the House committee and in the Senate committee, and not until after the testimony of Mr. Baruch—and if there is any member of the Senate Banking and Currency Committee who was in attendance at those hearings, I shall be glad to have him correct me if I am in error about them, because I was not a Member of the body at that time—that amendments were suggested for a price freeze; and even then the President of the United States was rather disinclined to accept them. However, provisions for controls were finally incorporated in the bill. So today we have before us an extension of the 1950 act, which became law on September 8 of last year.

We have had quite a time wrestling with this bill in the Senate committee,

Mr. President. One hundred and sixty-five applications came from national organizations to testify before the committee. In view of the limitation on time, it was necessary to reduce that number to approximately 65 organizations and some individuals. Nearly 2,000 pages of testimony were taken on the bill and on the 47 amendments which came from the other end of the Avenue.

When the act became effective in September of 1950, of course, it was necessary to obtain a Price Administrator. However, if my friend, the Senator from Michigan [Mr. MOODY], is now in the Chamber, I wish to correct him about one matter: Unless I am in error and cannot read the English language, in that act there is not the slightest hint of the creation of a separate agency for a Price Administrator.

I remember that when the Office of Price Administration was created in 1942 and my distinguished and lamented friend, Leon Henderson, became the first Price Administrator, I was a member of the House Appropriations Committee. I almost fell out of my chair when he came before the committee and gently suggested that he expected to have 66,000 full-time employees to monitor the people of America and keep them in line. The appropriations for that agency finally amounted to $201,000,000 in a single year.

I may state for the edification of the Senate and for the information of the country that I asked Mr. DiSalle what requests and estimates he had in the new budget. He presently has somewhat more than 6,000 employees. He is asking for 29,000 more. So, Mr. President, he will have a force of 35,000 persons in order to enforce the directives, edicts, ukases, decrees, regulations, and so forth. So the agency will be a rather substantial one before we get through.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MALONE. Does the distinguished Senator from Illinois have any idea that the 35,000 employees will be the maximum number employed by that executive agency?

Mr. DIRKSEN. Mr. President, I discovered from rather painful experience when the OPA was operating that not only did the number of employees of that agency increase, but, in addition, more than 100,000 persons were recruited to cooperate in the policing effort. So 35,000 may not be the maximum number of employees of the present agency, which is just getting started.

I wish to say to the Senator from Indiana [Mr. CAPEHART] that this power could have been delegated to any Cabinet officer, because the power is, by the act, delegated to the President of the United States, and the cooperation of all the executive agencies is enlisted. So, although it may have been difficult to find a Price Administrator, and although the effort proved abortive for quite a while, yet the fact is that any Cabinet officer or any person in the executive agencies could have been used at any time for that purpose.

I wish to comment again on the point that 25 persons were considered before an Administrator was finally obtained. The first person selected was Mr. Alan Valentine, a very distinguished scholar, a very distinguished economist, and a very distinguished American. When it is said that he had no sympathy with compulsory price controls, it should be pointed out that he was only echoing the sentiment which had been expressed by the President of the United States when the 1950 act was under consideration and when testimony was being taken in the Senate Banking and Currency Committee and in the House Banking and Currency Committee regarding it. Mr. Valentine knew fairly well what he was about; and in the Sunday morning press he had a two-column article stating that in his judgment the effort would be futile and expensive and tragic and that it did not come to grips with the fundamentals or with the real causes of inflation and the inflationary pressures which disturb us at the present time.

The nomination of Mr. DiSalle, it will be remembered, was confirmed on the 6th of December, and the nomination of Mr. Wilson, Director of Defense Mobilization, was confirmed on December 20; and it was on the 26th of January, but one day after the placing into effect of controls, that we got the general freeze. After all the testimony, 2,000 pages of it, I found myself unpersuaded, I found myself unconvinced; and I am unconvinced now.

What we are dealing with essentially, and were at the outset, was a scare-buying volume, which was the most natural thing in the world, because of the irresponsible statements and the irrational pronunciamentos which were issued from Washington. What was more natural, when people in Washington, in my home town in Illinois, and elsewhere could recall so vividly the coffee queues, the nylon lines? One had even to line up in order to get into a picture show. We became indoctrinated with the complex of forming queues in order to get a pound of coffee or a pair of nylon hose which would fit. So, when scare statements go out to the public, what should be more natural than that, first of all, individual families should say, "This is it, we might just as well get ready"? The Government taught the American people that. So, will anyone quarrel about that now? No. The people have long memories; they are wise; they are smart, in the accepted sense of that word; and they are not going to get caught at a disadvantage this time, if this country shall be projected into an overwhelming conflict, in meeting the kind of conditions with which we had to contend starting back in 1942.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MALONE. Does the distinguished Senator from Illinois recall that about July or August, 1950, when we first discussed price controls, the Government sent tons of propaganda materials throughout the country, saying that the housewives must not hoard—thereby indicating that they had been hoarding, when as a matter of fact, they had not even thought of it—but the propaganda itself started the very buying they said they wanted to avoid. So then, of course, there was a wave of buying.

The junior Senator from Nevada said at that time, "The time to hoard is when there is a plentiful supply of commodities on the market; the time to fill the cellar is when the goods are available." They mentioned sugar, particularly when it was possible to get another shipload of sugar from Cuba at any moment. Does the distinguished Senator remember that that was done, that propaganda was sent out, along that line?

Mr. DIRKSEN. I know, from the figures which were submitted to the committee, that retail sales went up from June 1950 to February 1951, by one and one-third billion dollars, retail inventories went up by $3,100,000,000, and manufacturing inventories went up by $5,600,000,000. That was simply a reflection of the statements which were made to the country, which frightened the people who did what human behavior has dictated since the beginning of mankind, namely, to come out of the rain, if possible. That is what our people did.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. DIRKSEN. I yield.

Mr. MALONE. Then, does the distinguished Senator from Illinois remember that, after 2 or 3 months, the date being relatively unimportant, but in the early fall, they sent out another type of propaganda to the effect that "now is the time to buy"? In other words, they were trying to influence the buying and selling and were thereby causing the buying sprees. To bring about the necessity of controls they excite the buyers, then try to allay fears; and now again, they are building up the fears, are they not, to get extension of controls?

Mr. DIRKSEN. Yes. There is one other thing to which I desire to allude. One would assume, from all the discussions we have heard, that there was no inflation before the announcement came with respect to Korea. The country was in a roaring inflation, as a matter of fact, and the conditions brought about by the emergency simply threw more fuel upon the fire and built it infinitely higher.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. DIRKSEN. I yield.

Mr. MALONE. The distinguished Senator from Illinois will certainly remember that the first act of the Democratic administration, in 1934, or one of its first acts, was to remove the metal base of our currency.

In other words, they followed the pattern of the rulers of nations throughout the world for 2,000 years of recorded history, who, when they wanted to control their people, first removed the thing they had been using for money, giving them something which they could fully control. They removed the gold and started printing money freely, did they not?

Mr. DIRKSEN. That is true.

Mr. MALONE. Then we have never made any attempt to stop inflation.

I may say to the distinguished Senator, if we try to stop the price at the top, it is like a man putting his thumb on the snout of a teakettle without extinguishing the fire under it. The teakettle sim-

ply keeps on creating steam. He knows that finally he is going to be scalded and hurt, and it is but a question of time; and that is just what we are now building up through controls.

Mr. DIRKSEN. I have said on occasion that high blood pressure is not cured by putting a man in a strait-jacket; and that is about what is being attempted.

But, Mr. President, to continue. First, I think everyone would like to find the answer to inflation. It is a common search, and I believe inflation represents a common fear in the country.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield briefly.

Mr. MALONE. I should like to say to the distinguished Senator, I thoroughly agree with him regarding that point. But further, there has been no attempt to stop inflation. It is easy to stop inflation; the President has the necessary machinery in his hands, but he will not use it, because the man who stops inflation will not be popular as President of the United States.

Mr. DIRKSEN. I said that certainly it is quite different from applying the real remedy. There is a search for it, there is a constant effort to find it. In some places it has been found. The people have found it in our neighboring country of Canada, and they have no price controls there; they eschew them and run from them as if there were something leprous about them.

Now, Mr. President, I wish to allude to what my friend from Nevada has just said, because one of the high and mighty councils we have in the country today is the Council of Economic Advisers. Frankly, I was astonished to find in their midyear report for 1950 this statement:

> But it is no solution to overcome an inflation by private or public policies which turn the economy downward, for this not only carries us into an even more difficult situation, but also leaves us with a prospect of a restoration of inflationary trends as we shake off the recessionary threat and move vigorously forward.

That is like having Mr. Keyserling say, "Why stop it, because, afterward, you are going to have inflation all over again?" But, while I differ with my committee colleagues, and while I voted against the report on this bill, I think it ought to be said for me that I try, in my own humble way, to find the answers as best I know how, and I am not going to be taken off the rock of conviction by letters or by importunings; and I am not going to be taken away from my conviction with respect to what I think is the ultimate destiny of the country. I would rather be the only one in the Senate to intone my voice to the Reading Clerk and say "nay" when this bill comes to a vote, if it is a matter of conviction, and, Mr. President, I assure you that it is.

There are differences of opinion as to the best way of reaching the objective. That is not at all strange. It will be remembered that Henry Ford once said, "My policy is to reduce the price, extend the operation, and improve the article." That was a great American slogan; and he built his business, of course, into a transportation empire. The Ford Motor Co. sent us a representation that they favor certain controls, with modifications, and then they say, also, that they believe that a price rise for Ford cars is overdue. If I am wrong in that statement, I hope I shall be corrected.

Ten years ago—to be exact, it was on January 29, 1941—"Charley" Wilson, the Chief Mobilizer, said in the course of a speech in New York:

> We must demonstrate that the public-spirited people administering the private enterprise inherently and actually excel the people comprising the political organizations as instrumentalities for insuring an ever-increasing measure of economic freedom and security for all of our people.
>
> The free-enterprise system must either deliver the goods or be pushed aside • • • for Government agencies will then come into being.

That was Mr. Wilson, speaking 10 years ago. Ten years later he comes into the Government. I respect him and his capacity as a brilliant businessman and a capable organizer, but today he favors controls and putting the country into a strait-jacket. I said:

> Mr. Wilson, in essence, what you are saying to us is this: You would have the American people, through their Representatives in Congress, surrender their freedoms until June 30, 1952, and then, if things work out all right, we will restore those freedoms to them. How can you be sure?

One can lean out of a window too far just once, and then he is going to hit the ground. A nation can lean out too far only once, and then the question is, Do you finally get your freedoms back?

It is on that basis, and on the basis that mischief comes from the human heart and the human brain, that I have got to be convinced beyond the point where I have been persuaded before I can, with a sense of conviction, approve this bill so long as it contains its present control features.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MALONE. As the distinguished Senator from Illinois will remember, when the bill passed last year there were three votes against it. They were the votes of the Senator from Delaware [Mr. WILLIAMS], the Senator from Montana [Mr. ECTON], and the present speaker, the junior Senator from Nevada.

There was one argument made against it on the Senate floor, and that was by the junior Senator from Nevada.

There is only one answer to a scarcity of meat, for example, and that is more meat.

If the great DiSalle, who has laid down these orders running lean steers out of the feed lots, would give a little more thought to adopting principles that would bring more steers into the feed lots—and my statement relates to other products as well as beef—there might be some expectation of lower prices for the consumer.

If we are to adopt the system which is used in the very countries which we are trying to defeat as soon as an emergency arises, then we cannot possibly increase our production, which is necessary. We cannot go any place in the direction of this bill.

Mr. DIRKSEN. I doubt it.

We are confronted by three points of view. First of all, the viewpoint of those who would take the bill without any modification whatsoever. It had seven titles, relating to inflation control, allocations and priorities, requisitioning of property, expanding productive capacity, making amortization loans, and the price, wage, and rent stabilization feature, settlement of labor disputes, the control of credit, and the enforcement provision.

The second viewpoint might be represented by the act of 1950, plus the proposal written into the bill by the committee against further roll-backs, recognizing the validity of the roll-backs which were made, especially insofar as they relate to cattle.

There was one other, and that was a modification of regulation W as it related to automobile credit. The Federal Reserve Board was given broad powers in the act, and out of those powers came regulation X and regulation W.

Television and radio manufacturers appeared before the committee and stated that they had 600,000 radio and television sets in storage ready to be sold, but they could not sell them because of the credit restrictions.

Representatives of automobile manufacturers came before the committee. I say this not with any malice, but I was just a little tickled when my predecessor in office, the former majority leader of this body, came before the committee and asked that we relax regulation W so that it would not affect the financing of automobiles.

He said:

> Mr. Chairman—
>
> Referring to the very distinguished and genial chairman of the Committee on Banking and Currency—
>
> if I had had the slightest idea that the Federal Reserve Board was going to take the powers delegated and use them in the way it did, I would have insisted that there be a floor under those powers.

My friend, Mr. Lucas, got smart when he left this distinguished body, because he now has a different idea.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MAYBANK. I think the Senator from Illinois will agree with me that no one has worked any harder than have he and I to try to get the Federal Reserve Board to be realistic in its approach to this subject. The Senator has spoken of automobiles, television sets, and radio sets. For those who are employed in their manufacture and those who finance those industries, it would not be any more anti-inflationary for automobiles to be tied up in a yard than it would be to permit them to be sold to someone who was employed in the war effort, would it?

Mr. DIRKSEN. There is real truth in the Senator's statement, and I appreciate the encomium which the Senator has bestowed upon me.

Mr. President, the Senate Banking and Currency Committee was persuaded by the observations of my distinguished predecessor, so that it did, at the instance of the Senator from Indiana [Mr. CAPEHART], write a modifying provision into the bill.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the distinguished Senator from Ohio.

Mr. BRICKER. I should like to emphasize the fact that the 600,000 units of radio and television sets mentioned by the Senator are in manufacturing inventory.

Mr. DIRKSEN. Yes.

Mr. BRICKER. The former leader of the majority in this body was joined by the former Democratic whip of the Senate in advocating the elimination of regulation W, which they were both active in getting passed. Is not that correct?

Mr. DIRKSEN. That is correct.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MALONE. I should like to ask the Senator from Illinois what wage bracket is first affected by regulations such as those promulgated by the Federal Reserve Board.

Mr. DIRKSEN. I do not know; nor do I know whether they are tied to any wage bracket.

Mr. MALONE. The wage bracket first affected by tighter credit controls is that of the workingman, is it not?

Mr. DIRKSEN. I was wondering whether the Senator was talking about the Federal Reserve Board, and whether they had that in mind. I do not know. They did not say. But when such a regulation is imposed, the first persons hit are the humble people of America. When the question was put to Mr. Green, president of the American Federation of Labor, and the background was spelled out, he said to the committee that the regulation should be flexible. That is sensible, and I think that is what we have been contending for.

Mr. MALONE. It does not make very much sense, unless we want to stop the lower-wage-bracket folks from having these conveniences, because the people who can simply pay cash are not affected, and the only ones really affected by such regulations are the lower-wage earners.

Mr. DIRKSEN. That is quite true.

Mr. President, I said there were three points of view. One was in favor of the original act as such being extended for 8 months or a year. The second was to take the original act and put in two provisions on roll-backs and the modification of regulation W, to which I referred. The third, of course, would have been to take the original act plus the amendments which are embodied in a bill covering 47 pages. There has not been very much discussion about it. I think the committee in its wisdom rejected virtually in toto the amendments which came from the other end of the Avenue.

Among other things the President wanted—and I say "the President" because these matters came, after all, from the White House and the Bureau of the Budget, and, of course, had the blessing of Mr. Wilson and his associates—among other things there was the exemption of certain types of hoarders and certain kinds of hoarding. They wanted power to condemn property, to take a man's property without asking him whether he wanted to surrender it. They wanted subsidies for foreign agricultural products. There was a provision which I spelled out for myself as authority to pay food subsidies to producers under certain conditions. There was authority to acquire and build more plants, as a matter of fact. I do not know that I want to give my blessing to that unless it can be shown that it is indispensable to the defense effort of the country. There was the power—and oddly enough it was compressed in probably not more than 20 words—to create more Government corporations. It put no limit on such corporations. It did not say what kind of corporations they were to be. It simply would give to the Government blanket authority to create Government corporations within the will and discretion of the President of the United States.

Mr. MALONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Illinois yield to the Senator from Nevada?

Mr. DIRKSEN. I yield.

Mr. MALONE. Since the beginning of our Government we have had the law of eminent domain relating to the matter of condemning and purchasing private property. The law of eminent domain can be utilized when there is any desire on the part of the Federal Government to obtain property for any legal purpose. Is it not true that property can be condemned in the regular course under the law without delay?

Mr. DIRKSEN. Yes.

Mr. MALONE. Then why should the Government seek further power along such lines? It is just a "sleeper" to be used for ulterior purposes.

Mr. DIRKSEN. That is a question which is constantly asked: Why was this power needed?

I continue with the other powers which were requested. The power was requested to make virtually unlimited loans. Also the power to set price ceilings below parity. And then the power was requested to freeze parity.

Then request was made for the creation of a council for production planning to bring everybody in. It did not specify particularly those who might have an interest in the matter. So anybody could be brought in.

Then there were additional penalties and sanctions. Mr. President, I like the word "sanctions." It is a good mouth-filling term. But it takes on rather a mean aspect when it is spelled out. So there were pages of penalties and sanctions.

Then more damages and certain kinds of damages in enforcement suits.

Then of course there were licenses. The authority to license business so that one would be doing business conditionally, just as in the radio industry and in the television industry. A man gets a license which lasts for 6 months. The conditions of course are that he comport himself according to the regulations which are issued by the Federal Communications Commission, and if he fails to do so, his license can be suspended or even revoked. So a man would be doing business conditionally and his license could be suspended. It might be revoked for a limited period of time. A man might find himself in the toils of the Federal court.

And then of course there were credit restrictions on existing housing. Homes built 5 or 6 or 10 or 20 years ago were to be brought in.

Then there was the regulation of trade on the commodity exchanges. I have placed some figures in the RECORD to show that in the case of lard, eggs, and other commodities which are traded in on the exchanges, such as the one in Chicago, we have the largest volume of trading, and there is the smallest percentage of price rise. So the theories which were advanced to us simply did not stand up on the basis of experience.

Then there was the broader re-delegation of power; and finally legislative hearings by the President. Frankly I have never seen that in a bill before, where the President could call a person in, and I suppose by persuasion or otherwise, compel him to testify, to give of his knowledge, his talent, his background, even though he might be unwilling to do so. The procedure was not spelled out, but at least the power was there.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. WILLIAMS. The Senator from Illinois referred to the President's request for the regulation of trading on the commodity exchanges. Apparently this was for the purpose of stopping speculation, but I wonder if the President had in the back of his mind that he wanted to stop Government officials from speculating. I remember this was the situation we discovered a few years ago.

Mr. DIRKSEN. The junior Senator from Illinois cannot very well observe on that statement. But we could see no necessity for handing over control of margin trading on the commodity exchanges of the country.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CARLSON. I was interested in the comment of the Senator from Illinois in regard to the powers of persuasion on the part of the President of the United States, as it might affect legislative action. I believe it is less than 10 days ago that the President went on the air and appealed to the public of the Nation to let the Members of the Congress know their views on controls and price ceilings. I was expecting in my own office a large volume of mail. The truth is that I received nine letters in which the writers mentioned that they had heard the President's speech. Eight of them opposed and one favored price controls.

Mr. DIRKSEN. The Senator expected a mountain, and he got a mouse.

Mr. CARLSON. That was what I received recently, but previous to that time one of the commentators went on the air, and my office did receive, thereafter, 17,000 letters.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. BRICKER. On the question of commodity exchanges I wish to say that in the hearings every Government witness was interrogated as to the effect control of commodity exchanges would have on the ultimate price to the consumer. No one said that it would have any effect, except temporarily, when the little fellow rushes in, when there might be an inflation of prices to the ultimate consumer. That was the only excuse given. No proof was offered to the committee at any time in the memory of the Senator from Ohio as to what effect commodity exchange trading would have upon the price to the consumer or the price of any commodity.

Mr. DIRKSEN. That is correct. Mr. President, I wanted to develop this background. The hearings began on the 7th day of May and ran well into June, and then the committee sat behind closed doors and endeavored to contrive some kind of a bill which might be brought to the Senate floor. The Chairman of the committee, the Senator from South Carolina [Mr. MAYBANK], presided with rare patience, and has done a masterly job, and the bill is now before the Senate for consideration. As I indicated at the outset, I voted against it, in committee, and, so, I think I ought to make my views known somewhat about this matter.

First of all, I fully recognize the necessity of what I refer to as the military features of the bill. Allocations and priorities are, in my judgment, necessary to the defense effort. I recognize that the President or some agency of Government must have power to requisition material, and take over property. I also recognize the necessity for credit control, because it is consonant with my own views, Mr. President, as to how I think inflation ought to be controlled. But I could not bring myself to approve this measure so long as it contained the physical control features. So, the burden of my observations today will be devoted mainly to the question of wage, price, and rent controls.

At the outset, by way of prelude, let me say that I am not unmindful of the fact that perhaps I will be called the enemy of the housewife. I understand that in one of the newspaper columns this morning I was referred to in that way. Mr. President, my antecedents have been humble. I shall not take the time of the Senate to dwell upon them, except to say that I started out in blue jeans when I went to school, one of five kids who lost his father at the age of five. Mr. President, no matter how long one lives, I do not believe that the heart develops such encrustation as to make one insensible to the welfare of his country.

I wore the uniform of my country on the western front in 1917, and I am sensitive enough not to like the kind of reference to which I have alluded because I think it is extremely unfair. But I shall not throw back at those who talk that way, because I have learned to defend myself, and so long as one stands upon what he thinks is his convictions, nothing else matters. With that feeling and with that instinct in my heart, Mr. President, I will say simply that I am against the physical controls which are provided for in the bill, and that applies to price controls, and wage controls, and rent controls.

First of all, I would say that they would not be needed if some of the irrational and unsupported statements that go out from the Nation's Capital were stopped.

If we persist in this sort of thing, we shall continue to frighten the people, and there will be a continuation of scare buying. The result will be to add to the inflationary fever.

It is strange, is it not, that our neighboring country to the north, where conditions are not unlike those in our own country, and where a defense program is in progress, has got away from price controls? They were never imposed. I have before me a very interesting article by James Muir, president of the Royal Bank of Canada, in which he sets forth, seriatim, quite to my heart's content, what he esteems to be the way to meet inflation. In his summation in the article from the Tax Review for March 1951, he says:

> Direct controls, especially in the form of price control and rationing, should be measures of the last resort.

They have met their problem in the general credit field, and reasonably satisfactorily.

So I affirm that we could get along without this program. Productivity and production being what they are, the economy would level off, and it would not be necessary to place an unconscionable burden upon the people.

A little while ago I diverted myself by reading Ceiling Price Regulation No. 7. It deals with retail selling prices for certain consumer goods. Senators ought to take a little time off to read that document. It is one of the most intriguing mental exercises I know of. When one finishes reading it, he finds that he has been through an etymological bath. He wonders where he has been, and how a humble merchant can understand what is written upon that piece of paper. So I advise Senators to read CPR No. 7. It is a very engaging mental exercise.

I reaffirm that we would not need controls if we gave the economy half a chance and stopped the business of frightening people and exaggerating everything, which seems to be the custom today. The President talks about disaster. I do not believe that that is a good, rational way to talk to the American people. I do not believe that he has implemented his case by pointing out the disaster at all.

The second reason why I am against controls is that they are a palliative. They are secondary. On Sunday I was on the television with my esteemed colleague, the Senator from Illinois [Mr. DOUGLAS]. I think I can safely say that as an economist he shares the view that controls are of secondary importance, that they are palliative. I think he approaches the question from the proper angle—that we have extraordinary conditions, and consequently the other weapons must be implemented with price control. But price control does not deal with causes. It deals only with symptoms. It deals only with effects.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. ROBERTSON. I was interested in the comment of the distinguished Senator from Illinois to the effect that credit, price, and wage controls do not deal with causes. I received a letter to that effect today. One of my valued constituents wrote me that he wanted all prices frozen and many of them rolled back, but he wanted nothing done to wages until he had had two more increases.

Of course, all economists will tell us that the inherent cause of inflation is a situation in which spending power outstrips production.

Mr. DIRKSEN. Certainly so. That is the contention which the Senator from Illinois has made ever since he started to give some attention to this problem, back in 1941, when my esteemed and learned friend from Virginia and I were serving at the other end of the Capitol.

Mr. BRICKER. Mr. President, will the Senator from Illinois further yield?

Mr. DIRKSEN. I yield.

Mr. BRICKER. Has the Senator any illusions about this being an anti-inflationary bill?

Mr. DIRKSEN. The bill before us?

Mr. BRICKER. Yes.

Mr. DIRKSEN. Indeed, no.

Mr. BRICKER. I was about to ask if there were any anti-inflationary aspects about the bill. If so, I should like to have them pointed out to me. I think the whole import of the bill is inflationary instead of deflationary.

Mr. DIRKSEN. Yes. That is the point I made a while ago, that we are frightening the people more and more; and the effect will be exactly contrary to deflation.

Mr. BRICKER. The only claim for deflationary effect in this bill is with respect to price and wage and rent controls, which have nothing to do with fundamental causes. The bill treats only the outward aspects of inflation.

Mr. DIRKSEN. The Senator from Ohio is correct. I wish to assign some observations to that very question.

The root cause is fiscal, and in the credit field. I think the record will bear out that statement. The law, including a delegation of power to the Federal Reserve Board, became effective on September 8, 1950. A long time went by before the Federal Reserve Board ever actually, vigorously, and diligently moved into the credit field. If that is not a correct statement, I defer to my esteemed friend from Virginia, whom I recognize as an authority in that field when it comes to the Federal Reserve Board. But there was dilatory action on the part of the Board. So the economy got out of hand. That situation was coupled with scare buying when we invaded Korea, and we had a situation

which was to be expected in view of every principle of human behavior of which I have any knowledge whatsoever.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. JENNER. In the President's speech on this subject is he not again attempting to bring on scare buying when he says:

> In the next few months, as shortages of civilian goods develop, the danger of inflation will become more and more serious.

Is not that an invitation to further scare buying?

Mr. DIRKSEN. I would not be a bit surprised, although I would not attribute anything deliberate to the President in that field. I try to recognize that he is just as earnest in discharging his responsibilities as we are. I shall not reflect upon his purposes or motives. I simply disagree with him.

The real root force, and the first of the root forces, is Federal spending. Let me say to my senatorial colleagues that I have seen no tangible evidence in this body that we are coming to grips with the question of Federal spending. We are pouring more and more billions into the economic blood stream. It all becomes consumer dollars. If there is anything to the inflation equation, the price finally equals the amount of spendable money multiplied by the velocity of the money, checked against the available consumer goods in the country. I have always been taught that. I think it is a sound formula. I think it is sound doctrine. However, the Government and the Congress themselves violate that doctrine by pouring more and more spending money into the economic arteries of the country.

Does that statement require any proof? What happened last week? An amendment was offered to a bill which would charge the Federal Treasury with another $250,000,000 of public-assistance payments by modifying the social-security formula.

What happened when we had under consideration Senate bill 445, to establish public-health units in all the States? I had to embarrass one or two of my colleagues who kept saying, "It will cost only $15,000,000," or "It will cost only $20,000,000." I had to say to the Senator from Minnesota [Mr. HUMPHREY] and to my colleague [Mr. DOUGLAS], "I am sorry, but you forget the testimony which was taken a year ago. It will not cost $20,000,000. It will cost $80,000,000 out of the Federal Treasury and $160,000,000 out of the State and local treasuries. That is a total of $240,000,000."

We authorized it; and if the House passes favorably upon it, we shall disburse more and more money into the economic blood stream. It is like holding one's hand on a teakettle lid and stuffing up the spout while forgetting to turn off the gas. The result will be an explosion.

Mr. McKELLAR. Mr. President——

Mr. DIRKSEN. I yield with delight to my esteemed friend from Tennessee.

Mr. McKELLAR. The Senator from Illinois will recall that last week we passed the Labor and Federal Security appropriation bill and the independent offices appropriation bill. We saved a very large sum of money. I do not recall exactly what the total amount was, but it was in the millions of dollars. It should help.

Mr. DIRKSEN. I hope so.

Mr. McKELLAR. The Senator voted for the bills.

Mr. DIRKSEN. Yes, indeed. I will be on that side any old time. Then we had a dispersal bill before us, involving $107,000,000. The distinguished occupant of the chair [Mr. HOLLAND] gave very earnestly of his time to that bill, because his heart was in it. I was distressed that I had to oppose him on the floor. We agreed to a motion to recommit the bill. It involved $107,000,000. I was not against it as such. What I was concerned about mostly was that if the inflation danger is as great as it is said to be, why do we not start, as charity starts, at home, in this Chamber and in the Chamber at the other end of the Capitol, in coming to grips with the moving root causes which develop inflation?

Mr. BRICKER. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. BRICKER. The Senator recalls, does he not, that in the record of the hearings there appears the testimony of Mr. Martin, the Chairman of the Federal Reserve Board, as well as of other witnesses, to the effect that Government money is multiplied by about five when it is expressed in the form of impact upon the credit and currency of the country?

Mr. DIRKSEN. Yes.

Mr. BRICKER. The Senator realizes, does he not, that in the public-housing program, by the authorization of 50,000 housing units, we pumped into the pressure of inflation more than $3,000,000,000?

Mr. DIRKSEN. Yes; that is correct.

Mr. BRICKER. It is more than double the savings we made by all the votes of all the Senators in the appropriation bills which we have passed thus far.

Mr. DIRKSEN. Yes; it becomes cheese paring, and it does not go to the root of the problem. It will take much more heroic action than that to remedy the situation. If we could get away from irresponsible statements and inspire a degree of confidence in the American people, we would experience a leveling process and we would not have to put our country in a strait-jacket.

Secondly, I am opposed because I think it is a mustard plaster when a surgeon's scalpel is needed to cut deep.

Thirdly, as I pointed out, we are not going to the root cause.

Mr. President, we have an advisory committee in existence in the mobilization set-up. They issued a rather interesting release under date of June 22. It comes from the executive office of the President, Office of Defense Mobilization. For all I know it may have appeared in the press. I shall only summarize it. At first they set up the background, and then say that among the weapons needed are, first of all, economy and a balanced budget. They stress taxes. They stress credit. They speak of flexible credit. They speak about keeping the debt within manageable dimensions. They speak about interest rates. They speak about allocation of materials which are in short supply. This is what they say about prices and wages:

> Direct controls of prices and wages are at best supplementary methods for helping prevent the inflationary gap from becoming larger until it can be closed by the more fundamental remedies which reduce excess purchasing power and increased production.

Who made that statement? I did not make it. It was made by the members of the National Advisory Board on Mobilization Policy. Many distinguished Americans are members of the Board. The membership of the Board includes George Meany, of the A. F. of L.; Philip Murray, who I understand signed with some reservations; Paul Porter, who at one time was Administrator of the OPA; and Walter Reuther. It seems to me it is rather faint praise for a price-and-wage-control set-up such as is proposed within the dimensions of the pending bill.

Mr. President, I say—and one of the reasons I assign for my attitude—that it becomes a rather clumsy and uneconomic approach. We have 9,000,000 prices in the country. We have 35,000 employees to administer the program. Perhaps that is not the top number. Then it runs athwart some rather interesting situations.

The Commodity Credit Corporation, as I understand, lost $276,000,000 last year in supporting prices. We support the prices from the bottom, and then we put a ceiling on prices at the top. In that way we get the old millstone effect.

I am glad that my good friend, the Senator from Delaware [Mr. WILLIAMS], has taken account of the situation and is endeavoring to cure it with the amendment which is now pending and will be voted on first.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. KILGORE. I should like to ask the distinguished Senator from Illinois for a short definition of "inflation" as he has used the word.

Mr. DIRKSEN. I can give the Senator many definitions. I could define "inflation" as a cheapened and depreciated dollar. That is the short definition. I can give the Senator a definition which I believe will stand up and which is in accordance with the sound economics I have learned. The definition is that inflation results from too many dollars with too much velocity of those dollars against a limited or unavailable supply of goods.

Mr. KILGORE. I may say to the distinguished Senator from Illinois that inflation is actually the depreciation of the purchasing power of a unit of value, such as the dollar.

Mr. DIRKSEN. Yes; I just stated that it was the short answer or definition. It is a cheapened and depreciated dollar.

Mr. KILGORE. The Senator has stated that the Government has lost money by its support of farm prices. I

ask the Senator whether he means that he is opposed to the program of supporting farm prices?

Mr. DIRKSEN. Not necessarily. However, let us look at the other side of the dollar.

Mr. KILGORE. I want to know. Is the Senator from Illinois opposed to the idea of supporting farm prices?

Mr. DIRKSEN. The Senator from Illinois is opposed to what he believes to be an irrational and anomalous policy under which prices are pushed up and pulled down.

Mr. KILGORE. The Senator from Illinois declines to say specifically whether or not he is opposed to the theory of support prices for the farmer?

Mr. DIRKSEN. Oh, I believe the record is abundantly clear that the Senator from Illinois has been on record many times as carrying the torch for them as chairman of a subcommittee of the Committee on Agriculture in the House of Representatives.

Mr. KILGORE. May I ask the Senator for whom he carried the torch?

Mr. DIRKSEN. The Senator from Illinois was just as regardful of the farming population as he was of any other segment of the population. The Senator from Illinois is glad to say that the farmers of the country are willing to let the tail go with the hide and to make all necessary sacrifices, and nothing has heartened him quite so much as to hear farm leaders say, "We will take our share of the sacrifices and we are only too glad to do so, if Congress will diminish the funds, if it will be in the interest of a balanced budget and a sound economy."

Mr. KILGORE. Then, I take it that the Senator from Illinois interprets the farmers' statement as meaning that they are perfectly willing to do away with the farm-support-price program.

Mr. DIRKSEN. The Senator from Illinois did not say anything of the kind.

Mr. KILGORE. Then, I cannot understand what the Senator has in mind. The Senator from Illinois apparently has one foot on one side of the fence and the other foot on the other side of the fence.

Mr. DIRKSEN. No; he is standing solidly on one side of the fence. The Senator from Illinois will say to the Senator from West Virginia, if we are to have controls, the Senator from Illinois will be willing to take every dollar out of farm price support, because it does not make sense to put a ceiling at the top and to put pressures at the bottom at the same time.

Mr. KILGORE. Shall I interpret the Senator's position with respect to controls to be in favor of farm-support prices or vice versa?

Mr. DIRKSEN. Was my good friend the Senator from West Virginia in the Chamber when the Senator from Illinois began his remarks? The Senator from Illinois started with reason No. 1, and he is now down to No. 5 or No. 6. He has still some additional reasons to give.

Mr. KILGORE. I have listened to many of them. I am trying to interpret the Senator's position based upon the theory that the depreciation of currency is inflation, and therefore if a dollar will not buy as much as it should we have inflation. In other words, when the purchasing power of the dollar drops, we have inflation. Then the Senator from Illinois would say that the way to handle the problem would be to let the law of supply and demand control the situation.

Mr. DIRKSEN. Indeed, sir.

Mr. KILGORE. What?

Mr. DIRKSEN. Indeed, sir.

Mr. KILGORE. Suppose it is found that the shortage of supply has repealed that law. On what do we then stand?

Mr. DIRKSEN. Frankly, I do not know what the Senator has in mind.

Mr. KILGORE. The law of supply and demand. In an inflationary period we have a surplusage of supply as against demand.

Mr. DIRKSEN. Let us see whether in my very humble and somewhat obtuse way I can make it clear. First, the January survey of the Department of Commerce shows that production, particularly of consumer durable goods, was approximately 60 percent more than that in 1941; it increased that much in approximately 10 years. At the present time there is enough for all our people, if the administration will stop frightening them and cease employing scare techniques and inducing scare buying, as has been done, and thus causing the decrease of inventories. If my friend will consider the state of inventories, he will see how goods have been going out of circulation.

Mr. KILGORE. Are not prices related to the hoarding of the supply?

Mr. DIRKSEN. Oh, certainly.

Mr. KILGORE. I thank the Senator.

Mr. DIRKSEN. Mr. President, it seems to me that price controls simply hamstring production. I sometimes wonder at the patience and forbearance of producers and distributors as they get along somehow under this blanket of restrictions.

Let us consider what happened. On the 26th of January the general freeze came. It is rather astonishing, Mr. President, my old friend, Eric Johnston, stated to the committee that it was an attempt to fence in the stampede. Of course that is a picturesque expression, but I do not know that the matter was quite that simple, actually, for the effect of imposing the price freeze was to say to the merchants, "The prices of the goods you have on your shelves are frozen, and the prices of the goods you bought for delivery 3 months from now at higher prices are frozen, and the prices of goods which you purchased for delivery 6 months from now at even higher prices, are frozen, under this ceiling."

Mr. President, it took only 30 days to ascertain the difficulties which ensued from that freeze. So a modification was made. It was known as CPR–7, I believe, although I rather lose track of the numbers. In any event, it had the fancy title of "Divisional Factor Directive." I have not the slightest idea what that means, but I know that it affected more than 200,000 items with which retailers deal. That modification was made because the Administrator realized that it was not quite so simple to impose that kind of a freeze and to take into account all the complexities of the commercial and economic life of America. I say that in my judgment price controls hamstring production and thwart the incentive of people and develop a kind of frustration, as these burdens are imposed.

Let us consider what happened in the hardware trade. When the Administrator issued a directive calling for a determination of the price of each of the countless items hardware stores handle, by measuring the price against the invoice sheet of long ago, and then finding out what the increase in price was, and then setting a ceiling, some hardware stores probably had on their shelves items which had been there for 20 or 30 years, particularly in the case of the country hardware stores. The proprietors of those stores simply gave up the task; it seemed entirely futile to them, because they could not begin to comply with that directive. That is the inevitable result, I think, of trying to put the country into that sort of a strait-jacket.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CARLSON. While the Senator is talking about controls, let me say that an example of that situation is presented by the packing houses. I have on my desk a letter in regard to a packing house at Goodland, Kans. The writer of the letter states that the owner of that packing house "has $40,000 invested in his plant, and will have to close it unless something is done, and so far as the regulation is concerned, it does not, in my opinion, accomplish the purpose for which it is intended, and conditions will be worse than before, if black marketing starts."

I think everyone knows that when production at the packing houses is limited to 80 percent of their former production, they simply cannot operate.

Mr. DIRKSEN. In my judgment, the Senator from Kansas is correct.

Mr. President, it seems to me that if the present price controls are suspended and if the country is given a chance to go back to a normal level, and if there is an end to the effort to inspire fear from the minarets and turrets of Washington, where everyone seems to want to try to throw a scare into the good people of the country, we shall go a long way toward inducing economic healing and shall make it unnecessary to put this kind of blanket control on the country—a blanket control which can only retard us, instead of helping us go forward.

Of course, it is very easy to impose such controls, just as it is easy to snap on a pair of handcuffs. It is quickly done, of course. However, it is not easy to remove them, for when the time comes to remove them, often it is difficult to find the key. In many cases the handcuffs do not come off quite so easily as they were put on.

Mr. President, I could make quite a speech in regard to rent control, which has been in effect since 1942, 9 years ago. In fact, in 8 more months it will have been in effect 10 years. When we

come to February 29, 1952, whom shall we find camped on the doorstep of the Capitol, asking for an extension of rent controls? We shall find camped there the same persons who were here in 1942, to my certain knowledge, requesting rent controls, and who have requested their extension ever since—in 1947, in 1950, and in 1951. Meanwhile, year by year we have fewer and fewer tenant-occupied houses, because our builders and our enterprisers simply cannot go into the rental field under present conditions.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MALONE. I assume that the distinguished Senator is familiar with the second-hand automobile market and with the inventories of second-hand automobiles and with the inventories of many different kinds of goods which now are on the shelves in the stores. I refer to the necessities. Those inventories are increasing day by day, chiefly because the controls prevent the free movement of the goods from the shelves or off the lots, as the case may be.

Mr. DIRKSEN. Yes.

Mr. MALONE. Of course, once that condition develops, it is practically impossible to handle it by means of the remedy now proposed. Those who urge the use of that remedy are rather like those who would attempt to stop steam from coming out of the spout of a tea kettle by putting their finger over the spout.

The way to handle that situation is to take the kettle off the fire or pull the fire out from under the kettle, and remove the cause of the situation. This can be done by removing the causes of inflation—restore the metal base for our currency and stop deficit financing.

Mr. DIRKSEN. Exactly so.

Mr. MALONE. Most of those who feed cattle, for example, in the feed lots, do not own the cattle clear of debt, but borrow from the banks the necessary funds. Those persons may have 10 or 50 or 100 steers ready for the feed lots, and they borrow from the banks sufficient funds to be able to have enough feeders to comprise an economic unit. I know that in my own State of Nevada as much as 37 cents a pound has been paid for feeders. Today many of those who are in that business are getting out, since they can follow their own judgment, but not a random price-fixer such as DiSalle, 2,000 miles away.

In view of the present high prices for feed, a man who has a 750-pound steer in a feed lot figures that in 90 days he will not only increase the weight 100 to 150 pounds, but the meat will be worth more per pound. He cannot gamble on what a bureaucrat will do.

I could cite many examples—perhaps 100—of that situation in other industries.

In any event, DiSalle changes the entire situation; while the steer is in the feed lot, Mr. DiSalle grades down the meat and tells him he cannot sell the meat in that category. The result is to scare those operators almost to death, and many of them get out of the business.

Many sell the steers at the first opportunity. As a result, the lean meat reaches the market under the 60, 90, or 120 days, where it should have been held long enough to be developed into prime beef.

Thus there is later a shortage of prime beef.

Similarly, in the case of housing, during the 9 years since 1942, private money has practically disappeared from the housing market. In other words, a house can only be built by using the taxpayers' money, either through FHA or some other Government agency.

No one will invest the savings of a lifetime in a duplex or in other rental units in hopes of developing an income.

So, Mr. President, as a result of that process, private capital is run out of business—whether in the case of steers, automobiles, or housing. Is that not true?

Mr. DIRKSEN. Yes.

Mr. MALONE. In the opinion of the junior Senator from Illinois, over a long period of years—and the President is very frank to say that the emergency may last that long—what will happen in all these cases?

There will be more demands for more of the taxpayers' money, will there not, or else the entire program will have to be abandoned?

Mr. DIRKSEN. Yes; they will either have to go deeper in the hole or they will have to throw themselves upon the mercy of government at the State and local levels.

Mr. MALONE. The consuming public is interested in a program of plenty—not of scarcity.

The answer to a scarcity of meat is more meat; the answer to a scarcity of automobiles is more automobiles.

The way to get more meat, more automobiles, or any other commodity is to establish incentives for the investment capital—not run it out of the market.

Mr. CASE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CASE. The one community in the State of South Dakota which today has the tightest housing situation is one where rent control has been continued in existence, and it has successfully accomplished the driving of rental housing off the market. There is practically no rental housing whatever being built. The only housing that is being built is that which is being built for sale. The very purpose sought to be accomplished is being defeated.

Mr. DIRKSEN. Mr. President, let me add to this discussion by saying that how anyone expects sensibly and effectively to control business, producing a commodity, without controlling every component in it, is simply more than I know; and, one of the larger elements of cost—the largest element, now—is the element of labor. Let us see what happened. General Motors Corp., by reason, of course, of the escalator clause which is in its contract with the men, has said, "We have to approve 4 cents an hour increase for 335,000 employees"; so that much is added to the rising stream.

Ford, Chrysler, and Packard, they being closely competitive, of course, with General Motors, will have to approve, for 1,000,000 persons, extra compensation to the extent of $80,000,000.

The railroad-yard workers got wage increases up to 33 cents an hour, as I understand; the road workers, up to 18½ cents an hour, which pierces the ceiling by 5 percent. The new Westinghouse agreement, entered into for the purpose of averting a strike, calls for an increase of 9 cents an hour, dated back to April, for 51,000 employees. The packing-house workers in Chicago obtained approval of an increase of 9 cents an hour; and the shipyard workers got an increase of 15 percent for 25,000 employees. Furthermore, there are, as I understand, 5,000 cases of one kind and another pending at this time before the Wage Stabilization Board. Various conditions will be imposed, such as fringe benefits, direct compensatory benefits, and so forth. All of this goes into the economic stream of the country, and it has an upward, inflationary effect.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MALONE. I presume the distinguished Senator from Illinois has in mind the escalator clause, on the basis of the cost of living index, and that the wages are adjusted to that. Is that correct?

Mr. DIRKSEN. That is correct.

Mr. MALONE. Perhaps that is about as fair a way as could be adopted to adjust wages. But I should like to ask the distinguished Senator, if we take care of wages, adjusted to the cost of living index, which seems to be a very fair way to do it, should there not be a way of increasing prices in accordance with the general cost index? If we do not do that, are we not right back to where we started?

Mr. DIRKSEN. Yes. And what it amounts to finally is legislating a price spiral and a wage spiral. That is about what it amounts to.

Mr. MALONE. That is true, because, as the Senator knows, referring to the illustration he used of a man putting his thumb over the spout of a teakettle without putting out the fire under the kettle, the thumb is going to be blown off the spout of the teakettle, because no one has the courage to extinguish the fire; by which I mean inflation. That is in the hands of the President of the United States; is it not?

Mr. DIRKSEN. That is correct.

Mr. WHERRY. Mr. President, I understand the distinguished majority leader is about to propound a unanimous-consent request. Before he does so, if the Senator from Illinois will yield, I desire to propose an amendment.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that I may yield to the Senator from Nebraska for that purpose, without prejudice to my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHERRY. Out of order, I send to the desk an amendment, which I ask to have read. I do this in order that it may come within the provisions of the unanimous-consent request about to be propounded by the distinguished majority leader.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed that title VIII of the Housing Act, as amended, be amended—

(a) By striking out of section 803 (a), "July 1, 1951", and inserting "July 1, 1953."

The PRESIDING OFFICER. The amendment will lie on the table and be printed.

Mr. DIRKSEN. Mr. President, I shall not detain the Senate much longer, but I desire to correct one impression which I may have left, that it was not mandatory for the head of an independent agency to enforce and administer controls. From reading the context of the bill, it is mandatory. If I left the wrong impression, I want to correct it now, so that the RECORD may be accurate.

Mr. MOODY. Mr. President, I thank the Senator from Illinois for making that correction.

Mr. BRICKER. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. BRICKER. The prices are to be administered under the same authority.

Mr. DIRKSEN. Yes.

Mr. BRICKER. And the Stabilization Board, so-called, is not authorized directly in the bill.

Mr. DIRKSEN. That is correct. Let me indulge in two more observations. I am fully sensible of the diligence and the earnest quality that officials bring to their jobs. With reference to the price-control establishment, I would be the last man in this Chamber to demean Mr. DiSalle. I believe he is doing the best he knows how. That goes also for Eric Johnston, with whom I have had a long friendship, and I salute him as a patriot and a great citizen. But there is not enough genius in the mind of a man or a group of men to operate under a law such as this without some harmful effects. I think we do best by our people if we keep our economy on an even keel and stay away from the strait-jacket of control.

Mr. President, our Dominion neighbors have been a little wiser than we have. Mr. James Muir, president of the Royal Bank of Canada, had this to say:

The only priorities are on steel.

Price control and rationing are last-resort measures and should be treated as stopgap efforts and not as substitutes for true anti-inflationary policy.

He makes this interesting observation:

There is a moral and economic obligation for governments to maintain ordinary expenditures at the lowest possible level.

Mr. President, it seems to me the President of the United States ought to be the first to suggest to the Congress all those things with which we can dispense in an hour of crisis and emergency, but I cannot agree that the President and the Budget Bureau have gone far enough with what I am pleased to call a rather swollen budget.

Finally, Mr. Muir makes this observation:

The allocation of armament expenditure is a job for military experts but the over-all size of the defense program like war itself is too important to be left to the generals.

Mr. President, it was Clemenceau, "The Tiger," the great Prime Minister of France, who made that statement in World War I. That is another thing which I think we can take to heart.

So, Mr. President, I simply express myself humbly upon this subject. Unless the bill is substantially modified, I shall probably oppose it when it comes up for final action and the Senate works its will. But I shall do so only because I sincerely feel that it is harmful for the country and that it is not necessary, if the Government will proceed along rational lines in foreign and domestic policy. I believe that we shall get infinitely further, as have our neighbors on the north, if we do not surrender our freedom even for a brief time. As I said before, a man can lean out of the window too far just once. That goes not only for an individual, Mr. President, but for a country as well.

I yield the floor.

Mr. McFARLAND. Mr. President, I ask unanimous consent that on Wednesday, June 27, 1951, after a quorum call, following the convening of the Senate, the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, be proceeded with; that the general debate thereon shall be limited to not to exceed 2 hours and 30 minutes, to be divided equally and controlled by the Senator from South Carolina [Mr. MAYBANK] and the Senator from Nebraska [Mr. WHERRY], respectively; that after the disposition of amendments of a perfecting nature, pending or that may be proposed to section 2 of the bill, further debate upon the motion of the Senator from Illinois [Mr. DOUGLAS] to strike out section 2, being lines 4 to 13, inclusive, on page 2, shall be limited to not to exceed 1 hour, to be divided equally and controlled by the Senator from Illinois [Mr. DOUGLAS] and the Senator from South Carolina [Mr. MAYBANK]; provided that debate on the amendment on rent control shall be limited to not to exceed 1 hour, to be controlled by the proponent of the amendment or amendments, and the Senator from South Carolina [Mr. MAYBANK], if he opposes the amendment; and, if he is in favor of the amendment, then by the Senator from Nebraska [Mr. WHERRY], or any other Senator he may designate; and that thereafter the debate upon any amendment or motion, including appeals, with the exception hereinafter indicated, shall be limited to not to exceed 30 minutes, to be divided equally and controlled, respectively, by the mover of any such amendment or motion and the Senator from South Carolina [Mr. MAYBANK], or if the Senator from South Carolina is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Senator from Nebraska [Mr. WHERRY], or some Senator designated by him; provided further, that no amendment or motion which has not heretofore been submitted as an amendment intended to be proposed to said bill that is not germane to the subject matter thereof shall be received; and provided further, that upon the question of the final passage of the bill, debate shall be limited to not to exceed 1 hour, to be divided and controlled by the Senator from South Carolina [Mr. MAYBANK] and the Senator from Nebraska [Mr. WHERRY], respectively, or by some other Senator designated by the latter.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Is there objection to the unanimous-consent request?

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. On behalf of the Senator from Alabama [Mr. SPARKMAN], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Dakota [Mr. CASE], and myself, I offered yesterday an amendment to the bill to provide for the consideration of the desirability of dispersing new defense plants so as to avoid too great a geographical concentration and so as to make better utilization of the natural resources of the country. How much time, may I inquire, would be available for the discussion of such an amendment?

Mr. McFARLAND. There would be 30 minutes, 15 minutes to a side.

Mr. O'MAHONEY. It is a rather important amendment. I realize, of course, that it is desirable to limit the period of discussion, but I am wondering whether there could not be allowed, say, 45 minutes for the discussion of that amendment.

Mr. McFARLAND. Forty-five minutes or fifty minutes?

Mr. O'MAHONEY. Fifty minutes.

Mr. McFARLAND. Fifty minutes. That would be agreeable. I modify the unanimous-consent request to that extent.

The PRESIDING OFFICER. The majority leader modifies his unanimous-consent request.

Mr. WHERRY. Reserving the right to object—and I shall not object—I desire to ask the distinguished Senator from Wyoming if he is referring to the so-called smaller business plant matter.

Mr. O'MAHONEY. No. It has nothing to do with that.

Mr. LEHMAN. May I ask the Senator from Arizona whether, if the amendment proposed by the Senator from Illinois [Mr. DIRKSEN] shall be defeated, it will be in order to present amendments in substitution therefor, and, if so, how much time would be permitted?

Mr. McFARLAND. The amendments relating to rent control are limited to 1 hour. Any other amendment would be in the same category.

Mr. LEHMAN. I have reference to amendments in connection with section 2 of the committee bill.

Mr. McFARLAND. The time would be 30 minutes.

Mr. WHERRY. The unanimous-consent request is silent on that point. I think we should have an understanding that on such amendments there may be allowed 30 minutes, 15 minutes to each side. Any perfecting amendment to the Douglas amendment would have to be offered prior to the time of the vote on the Douglas amendment.

Mr. DOUGLAS. If my amendment is defeated, it is our intention to offer an

alternative, and, if that is defeated, to offer a third. We should like to have the way clear, so that if the original amendment is defeated, it would then be in order to propose a second and third amendment.

Mr. McFARLAND. Then I ask, Mr. President, that as to any additional amendment the time be limited to 15 minutes to a side.

Mr. WHERRY. Outside the rent control amendment and the O'Mahoney amendment, all amendments can be discussed for 30 minutes, 15 minutes to a side, the same as in the case of any motion or appeal.

Mr. McFARLAND. That is correct.

The PRESIDING OFFICER. The Chair understands that as to the excepted amendment, which will take a longer time, all amendments may be discussed for 30 minutes.

Is there objection to the request of the Senator from Arizona? The Chair hears none, and the unanimous-consent agreement is entered into.

The unanimous-consent agreement as subsequently reduced to writing, is as follows:

Ordered, That on Wednesday, June 27, 1951, after a quorum call following the convening of the Senate, the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, be proceeded with; that general debate thereon shall be limited to not exceeding 2 hours and 30 minutes, to be equally divided and controlled, respectively, by Mr. MAYBANK and Mr. WHERRY; further debate upon the motion of Mr. DOUGLAS to strike out said section (being lines 4 to 13, inclusive, on page 2), shall be limited to not exceeding 1 hour, to be equally divided and controlled, respectively, by Mr. DOUGLAS and Mr. MAYBANK; that debate on the amendment on rent control, when offered, or on any amendment thereto, shall be limited to not exceeding 1 hour, to be equally divided and controlled by the proposer thereof and Mr. MAYBANK, respectively; that debate on the amendment intended to be proposed by Mr. O'MAHONEY (for himself and others), relating to dispersal of defense plants, shall be limited to not exceeding 50 minutes, to be equally divided and controlled by Mr. O'MAHONEY and Mr. MAYBANK, respectively; and that upon any other amendment or motion (including appeals) debate shall be limited to not exceeding 30 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and Mr. MAYBANK: *Provided*, (1) That in the event Mr. MAYBANK is in favor of any amendment or motion proposed during the consideration of the bill, the time in opposition thereto shall be controlled by Mr. WHERRY, or some Senator designated by him; and (2) that no amendment or motion that has not heretofore been submitted as intended to be proposed to said bill that is not germane to the subject matter thereof shall be received.

Ordered further, That upon the question of the final passage of the bill, debate shall be limited to not exceeding 1 hour, to be equally divided and controlled, respectively, by Mr. MAYBANK and Mr. WHERRY, or some Senator designated by him. (June 26, 1951.)

Mr. WHERRY. Mr. President, I wonder if the distinguished majority leader will state now whether any votes will be taken before tomorrow. It would be of interest to many Senators.

Mr. McFARLAND. A vote will be taken if we can reach a vote; but I take it that unless the amendment of the Senator from Delaware is agreed to we shall not reach a vote this evening. I think I should say that I believe the importance of the pending bill justifies our holding a night session tomorrow night.

Mr. WHERRY. Mr. President, I did not quite understand the majority leader's statement as to whether there will be a vote tonight.

Mr. McFARLAND. I cannot say. I do not think it will be necessary for the Senate to remain in session late tonight, because of the unanimous-consent agreement.

Mr. WHERRY. I have no objection to arguments being presented, but I feel that an announcement as to any votes, if one could now be made, would be of assistance.

Mr. MAYBANK. Mr. President, I defer to the wishes of the Senator from Delaware [Mr. WILLIAMS] who thought that perhaps we might get his amendment out of the way tonight.

Mr. WHERRY. Several Senators have asked whether there is to be a vote. If there is not to be a vote today, I think it would be a fine thing to announce that tomorrow the Senate will hold a night session if necessary.

Mr. WILLIAMS. I am willing to let the vote go over until tomorrow.

Mr. WHERRY. In view of the unanimous-consent agreement and the lateness of the hour, if it is agreeable, the Senate might continue in session as long as any Senator wishes to discuss the bill, but I believe the vote should go over until tomorrow.

Mr. MAYBANK. I thoroughly agree with the Senator.

The PRESIDING OFFICER. The unanimous-consent request has been entered into.

PETITION FOR RENEWAL OF STRONG PRICE CONTROLS

Mr. LEHMAN. Mr. President, this morning I was called up by a group of civic leaders from New York City who presented me with a statement showing that 9,167 signatures of New York City settlement members and neighbors had been placed on a petition addressed to the President asking for the renewal of strong price controls. I ask unanimous consent to have this statement, showing where and by whom these signatures were collected, printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

UNITED NEIGHBORHOOD HOUSES OF NEW YORK, INC.,
New York, N. Y., June 26, 1951.

Signatures from New York City settlement members and neighbors asking for renewal of strong price controls on a petition addressed to President Harry S. Truman

Collected by—	Number of signatures
Christodora House, 154 Avenue D, New York 9, N. Y.	755
Church of All Nations, 9 2d Ave., New York 3, N. Y.	196
Educational Alliance, 197 E. Broadway, New York 2, N. Y.	1,520
Grand St. Settlement, 283 Rivington St., New York 2, N. Y.	1,951
Greenwich House, 27 Barrow St., New York 14, N. Y.	87
Hamilton House, 72 Market St., New York 2, N. Y.	246
Henry St. Settlement, 265 Henry St., New York 2, N. Y.	792
Hudson Guild, 436 W. 27th St., New York 1, N. Y.	187
J. W. Johnson Community Center, 173 E. 112th St., New York 29, N. Y.	856
Lavanburg Social Center, 132 Baruch Pl., New York 2, N. Y.	29
Madison House, 226 Madison St., New York 2, N. Y.	416
Manhattanville Neighborhood Center, 514 W. 126th St., New York 27, N. Y.	113
Mosholu Neighborhood Center (JANC), 3508 Tryon Ave., Bronx 67, N. Y.	60
Recreation Rooms, 86 E. 1st St., New York 3, N. Y.	666
Riis House, 48 Henry St., New York 2, N. Y.	290
Riis-Queensbridge Center, 10-25 41st Ave., L. I. C., N. Y.	257
Union Settlement, 237 E. 104th St., New York 29, N. Y.	353
University Settlement, 184 Eldridge St., New York 2, N. Y.	423
Total	9,167

Mr. WILLIAMS. Mr. President, I direct my remarks briefly to the pending amendment. I think the amendment can best be described by quoting from the analysis prepared by the legislative counsel, which reads as follows:

This amendment will have the effect of suspending the price-support provisions of the Agricultural Act of 1949 for the duration of title IV of the Defense Production Act of 1950 (Price Control Authority) which, under the proposed extension, is until March 1, 1952.

In other words, the amendment would merely suspend—not repeal—the agricultural support programs for the duration of price controls. The administration claims that the purpose of this bill is to control inflation. The farm-support program was authorized to check deflation. If the purpose of this bill is, as announced, to check inflation, then surely there is no justification for the continuation of a support program under which the Government declares surplus and destroys good agricultural products.

I refer to the report of the minority members, who pointed out reasons why, in their opinion, food prices have advanced. For instance, on page 29 of the report, they call particular attention to how the wool price has advanced unreasonably since the outbreak of the war in Korea.

We all know that at the present time the Government is in the midst of stockpiling 200,000,000 pounds of wool. The committee report points out accurately that wool has advanced over a dollar a pound since the outbreak of the Korean war. I call attention to the fact that in 1948 the Eightieth Congress extended a law authorizing an agency to stockpile strategic materials and appropriated adequate money for that purpose. At that time the Government owned and held in inventory 252,000,000 pounds of wool. That inventory of wool was declared surplus and liquidated at a loss to the American taxpayers of some $44,000,000. After it was liquidated at

such a loss the Government agency which was responsibile for stockpiling strategic materials suddenly decided that wool was a strategic commodity, and announced a program to repurchase 200,000,000 pounds of wool at a price of over $1.50 per pound higher than the price for which it was sold. Thus we find that this one stupid operation will cost the taxpayers over $300,000,000 plus the $44,000,000 loss when declared surplus and, ending up with substantially the same inventory as originally held. This was bad enough, but it is even worse when we reflect what this artificial price rise means to the American consumers in higher cost of clothing.

This is just the first example I am calling to your attention today showing how this administration is directly responsible for today's inflationary trends.

The administration is expressing a great deal of sympathy for the American people because of the high cost of clothing resulting from the high price of cotton. Mr. DiSalle is threatening now to roll back the price of cotton to the pre-Korean level to help the poor consumer. I will now show how the Truman administration is directly responsible for today's high prices on clothing. At the outbreak of the Korean war this Government, through the Commodity Credit Corporation, held in storage inventories of 3,413,635 bales of cotton which had cost the taxpayers $580,236,924. After the war broke out in June of last year they decided that this cotton was surplus, a nonessential, and proceeded to liquidate every pound of this cotton within 60 to 90 days at slightly over its cost.

Cotton always advances when war starts, but the sales were made early and at that time when the Government had placed into effect very strict export controls over cotton. Therefore the cotton was sold in the domestic market, in wholesale quantities, thereby depressing the domestic market to such an extent that it only brought about $600,000,000. These sales were made at the lower price on the assumption that the buyers would not be allowed to export the cotton out of this country. After this cotton had all been disposed of, placed over into the hands of the private individuals, the Government then reversed itself, and said that they would allow exports. On October 10, 1950, 10 days after they liquidated their inventory, they granted export-control licenses for 2,000,000 bales, and on November 2, 146,000 bales, and on November 7, 1,350,000 bales. This authorized the exporting from this country of a total of 3,496,000 bales, which is almost identical with the amount of cotton which had been declared surplus and sold just a few weeks prior at 10 to 15 cents per pound lower than the world market price prevailing at the time the export licenses were granted. Thus this cotton, which was purchased from the Government after the war started last June, was exported at a profit to the individual buyers of about $200,000,000.

Prices had advanced about 50 percent. The Government manipulated the market at a loss to the taxpayers of around $200,000,000.

Another interesting point is that since the war in Korea broke out on June 25, 1950, some of this cotton which was sold by the Government was allocated for shipment to Red China. Those shipments of cotton are documented. This cotton was shipped from United States ports in American-flag ships since the outbreak of the war to Red China under authorization of the United States Government itself.

So I think we might well question the sincerity of any administration official today who stands up and says that he sympathizes with the American housewife because the price of cotton and clothing has gone up. The price of clothing is up today because, and only because, they planned it that way. This question is another part of the New Deal planning from Washington.

It is another example of New Deal bureaucrats regulating the law of supply and demand.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a chart showing a breakdown of the shipments of cotton to Red China and Manchuria since the outbreak of the war in Korea. These shipments were justified by the administration on the basis that we are not at war with Red China, it is only a police action.

There being no objection the chart was ordered to be printed in the RECORD, as follows:

Cotton exports, June–September 1950

MANCHURIA

Month	Dollar value	Pounds	Bales	Amount CCC cotton
				Bales
June	0	0	0	0
July	3,407,337	10,926,712	22,377	22,377
August	2,728,500	8,690,667	17,798	21,771
September	0	0	0	0
Total	6,135,857	19,617,379	40,175	44,148

CHINA

June	$3,613,339	11,345,205	22,802	0
July	1,246,447	7,792,080	15,361	0
August	8,410,929	25,466,478	50,227	4,415
September	74,393	247,209	500	0
Total	13,345,108	44,850,972	88,890	4,415

Date	Amount exported	Destination
	Bales	
July 13, 1950 (2 shipments)	13,000	Dairen, Manchuria.
	1,857	Do.
July 17, 1950	7,520	Do.
Aug. 7, 1950 (2 shipments)	3,946	Do.
	10,127	Do.
August 21, 1950	3,615	Tientsin-Taku Bar, China.
August 24, 1950 (2 shipments)	800	Do.
	2,839	Dairen, Manchuria.
August 28, 1950	4,859	Do.
Total	48,563	

Mr. WILLIAMS. Mr. President, the same thing is true with respect to butter. The Government, since the outbreak of the war in Korea has been buying butter at over 60 cents a pound, and shipping that butter all over the world. Housewives in other countries can buy good American butter at from one-half to one-third the cost, and in some instances we have given the butter to them in order that we may create an artificial shortage of butter here in America and force the price higher to our own housewives.

Yet the same Government officials who have been operating this program are speaking to the country today and expressing sympathy to the poor housewives. What a farce? The rules of the Senate would not permit me to express my real opinion of this absurd and deceitful policy.

Again I say the price of butter is high because the Government "planned it that way." They have bought and shipped out of this country since the outbreak of the war in Korea over 75,000,000 pounds of butter that has been either given away outright or else sold for an insignificant fraction of its cost. All this was done by a Government agency under a law sponsored by the same New Deal administration which now says it wants to roll back prices.

The same thing is true with respect to cheddar cheese. The Government has been buying cheese to keep the price up. I pointed out some weeks ago how the Government had sold for export cheese for about one-third of what it cost. At the same time they were forcing prices higher in this country. To make it even more ridiculous, during the period in which we were selling 50,000,000 pounds of cheese at a fraction of its cost and exporting it, we were actually importing cheese from the same countries to which we sold the bargains. They were selling their cheddar cheese to the American housewives at advanced prices. Cheese was being imported into this country under a reciprocal-trade agreement, whereby tariffs had been lowered in order that the countries who were the recipients of our benevolence could ship their cheese into this country at a lower rate. Again I say that the high price of cheese to the American housewife did not just happen. It is a part of the administration program. It was planned that way. The administration has been deliberately manipulating the commodity markets for the past several years and more so during recent years than ever before.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I made on February 21, 1951, outlining the Government's activities in manipulating the cheese market, and also included in this report is the over-all cost to the American taxpayers of all these programs.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN J. WILLIAMS IN THE UNITED STATES SENATE, FEBRUARY 21, 1951, RE SALE OF CHEDDAR CHEESE TO BRITISH GOVERNMENT

Mr. President, recently there was released to the press by the Department of Agriculture a notice to the effect that 50,000,000 pounds of Cheddar cheese had been sold to the British Government.

Upon inquiry relative to the price the British paid, I was advised that it was the policy of the Department not to disclose prices of negotiated sales with foreign governments. However, further correspondence has developed the information which I now pass on to the taxpayers who, after all, are going to pay the bill.

This 50,000,000 pounds of Cheddar cheese cost the Federal Government an average of about 31 cents per pound, or approximately $15,500,000. On October 20, 1950, the 50,000,000 pounds referred to above was sold to the United Kingdom Ministry of Food for 15 cents a pound, or about one-half of its cost, representing a loss of about $7,500,000.

It is of interest to note that during the same period in which this cheese was purchased by the Federal Government, and subsequently was exported out of this country to Great Britain, at a substantial loss—apparently for the purpose of making the price of Cheddar cheese higher to the American housewife—we imported Cheddar cheese from the British Empire in quantities amounting to over 13,000,000 pounds, with 2,470,000 pounds coming from Canada and 10,370,000 pounds coming from New Zealand, at prices ranging from 21 to 37 cents a pound.

To further complicate the case, the importation of this cheese was encouraged under the reciprocal-trade agreements by a 50-percent reduction in tariff rates.

The senior Senator from Massachusetts [Mr. SALTONSTALL] recently called a similar transaction to the attention of the Senate in relation to our exportation of substantial quantities of butter at 15 cents a pound, while the American housewives are being forced to pay 75 cents.

Unless we discontinue this absurd contradictory policy, by which we find that one Government agency is spending millions of dollars for the sole purpose of deliberately forcing food prices higher, by creating artificial shortages, and, at the same time, another Government agency is set up and staffed with thousands of employees for the sole purpose of holding down these same prices, Washington, instead of being classified as the Capital of the the State of Confusion, will find itself as the Capital of Bankruptcy.

As evidence of what this type of program is costing the American taxpayers, I ask unanimous consent to have inserted in the RECORD at this point a letter from Mr. F. J. Lawton, Director of the Bureau of the Budget, dated October 11, 1950, in which he points out that the Commodity Credit Corporation, the agency which handles these transactions, has, since its inception, cost the American taxpayers $3,251,843,466.22. This amount does not include $1,952,544,994 which has been expended by the Department of Agriculture under section 32 of the Agricultural Adjustment Act; although that amount has been spent as a subsidy to agriculture, those operations are conducted under separate legislative authority.

Mr. WILLIAMS. Let us now discuss butter. I point out that 37,500,000 pounds have been given away outright to various countries, 18,000,000 pounds going to Israel, 11,000,000 pounds to Yugoslavia, 5,000,000 pounds to Germany, 1,250,000 pounds to Italy, 547,000 pounds to France, 278,000 pounds to Trieste, 43,000 pounds to Great Britain, and so on down the line. Housewives in those countries have been able to get cheap butter since the outbreak of the war in Korea, because the United States taxpayers have been charged with the cost of the butter. It has been shipped out of the country and given to housewives in other countries, in order that an artificial shortage might be created here at home, pushing the price of butter up to the point where the average workingman today cannot buy it. It is done by the same administration which is bewailing high prices and telling how it pities the American people. Again what a farce.

This program is operated by a branch of the Department of Agriculture, handling export sales of what is described as surplus and nonessential commodities—commodities of which, supposedly, we have more in this country than we need, so we are exporting them in order to get rid of them.

In December of last year—1950—I called to the attention of the Senate, and placed in the RECORD, a chart showing several thousand carloads of commodities which were being offered at bargain prices for export to foreign countries only. I read for the information of the Senate a list of those international bargains, a list which was issued as recently as December 1950. This, I may say, was at the time when our boys were being driven back in Korea, and no one knew whether the war in Korea would end without the outbreak of world war III.

On this international bargain list—or what may be called the "international gravy train" of the New Deal administration—are the following: 2,400 carloads of dried skim milk, or 240,000,000 pounds; 5,000 carloads of raw linseed oil, or 529,000,000 pounds, representing 66,000,000 gallons, declared surplus and nonessential; 1,120 carloads of bulk flaxseed, or 2,000,000 bushels; 920 carloads of dried pinto beans, or 92,000,000 pounds.

These commodities were declared surplus and nonessential by this administration which at that time was, as it is today, advocating price ceilings on the same commodities in order to hold down prices. Yet, as recently as 3 months ago, the Government was trying to give them away all over the world. Only one condition was attached to the contract, and that was that under no circumstances could any American citizen or housewife be the recipient of the bargains; nor could they go to any of our international friends. They could go only to those countries which were not the recipients of the ECA program.

Continuing with the list: 250 carloads of dried pea beans, or 25,000,000 pounds; 570 carloads of dried red kidney beans, or 57,000,000 pounds; 1,370 carloads of Great Northern dried beans, or 137,000,000 pounds; 126 carloads of dried pink beans, or 12,600,000 pounds; 150 carloads of dried baby lima beans, or 15,000,000 pounds; 600 carloads of dried edible peas, or 60,000,000 pounds; 73 carloads of Austrian winter pea seed, or 7,300,000 pounds; 60,000 carloads of wheat, or 100,000,000 bushels.

I may point out that this wheat was carried on the surplus list as recently as December 1950 and offered for sale anywhere in the world at bargain prices. At the same time the same administration and the same agency of this administration was calling on the American farmers for increased production as a result of the Korean war. They were actually asking farmers to increase their production this year to take care of the shortage of wheat, when at the same time the same agency was declaring surplus and offering on the international bargaining counter 60,000 carloads of wheat.

Continuing with the list: 3,700 carloads of oats, or 11,675,000 bushels; 15,000 carloads of barley, or 28,300,000 bushels; 56,000 carloads of corn, or 100,000,000 bushels, offered as an international bargain to anyone who wanted to buy it, by the same agency of the Government, the Department of Agriculture, which at the same time was asking the American farmers to increase their corn acreage.

Continuing with the list of commodities: 16,000 carloads of grain sorghum, or 1,600,000, pounds; 540 carloads of potato starch, or 5,460,000 pounds. An unspecified quantity of fresh Irish potatoes was being offered at 1 cent per 100-pound bag. They were offered to anyone, provided it was not an American housewife. She was not eligible, but anyone else could buy them. If the buyer did not want the potatoes, he could load them on a barge and take them off the Atlantic Coast, dump the potatoes, and bring the bags back, and we would give him 15 cents apiece for the bags.

All this was permitted and encouraged by the same Government which today is shedding crocodile tears for the American housewife. No one can say but that this program has added to the increased cost of living in the past few months. I fully agree with the President of the United States when in his campaign speeches last year he stated that these things do not just happen, but "we plan them that way." This is a part of the planned program of the administration to create shortages in order that there may be price controls, and then to create surpluses in order to bring about supports. The administration wants a completely regulated economy in this country. It does not care what happens to the taxpayers, the housewives, or anyone else, provided it can keep them fooled and get the votes.

Continuing with the list: 210 carloads of dried eggs, or 21,000,000 pounds, representing about 63,000,000 dozen in shell form. This is why the American housewife pays dearly for eggs. Only this afternoon the junior Senator from Michigan [Mr. MOODY] read a letter from one of his constituents. At that time he stated that that letter influenced his support for this bill to a large extent, and he pointed out how this mother had written from Grand Rapids, Mich., that she was having a great deal of trouble obtaining eggs for her children. She was also having trouble obtaining oranges which her children needed, as well as clothing. The junior Senator from Michigan should tell her that the reason she was having trouble getting eggs and oranges for her children was that an agency of the Government, with her tax money, was buying them and destroying them, or exporting them from this country.

Again I say that these shortages did not just happen. They were "planned that way," by an administration which wants to create artificial shortages and increase prices. In other words, it is part of a planned inflationary program. I criticized these sales last December. I pointed out that during the last 6 months of 1950 the export sales of agricultural commodities listed as surplus

and nonessential in this country had increased 1,200 percent above the sales of the 6 months prior to the outbreak of the war in Korea. Countries all over the world were taking advantage of the bargains that were being offered by Santa Claus. The argument was advanced at that time that it was unfair for me to make such a comparison because, as was pointed out, farmers automatically harvested crops in the last half of the year. Therefore it was argued the Department of Agriculture under this program would have more of a surplus in the last half of the year than in the first half of the year.

At that time I could not contradict this argument because I did not know what they would be in January or February.

Since that time, however, I find that in January and February of this year, which months surely are in the first half of the year, sales under the program have increased not 1,200 percent but 1,400 percent over the prewar period. In other words, in the first 2 months of the year sales were running at a rate 1,400 percent higher than during the first 6 months of 1950. It confirms again the fact that foreign countries were taking advantage of the stupid and wasteful policies of this administration, which had no more sense than to liquidate and dissipate the resources of our country at a time when we were at war.

They are now talking about stockpiling cotton. The administration proposes to stockpile cotton today when it is being sold at 15 cents a pound higher than it was last July and August during which time the administration was liquidating its cotton inventories. Again, the American taxpayers are the victims and it is these contradictory policies which account for a substantial part of the President's budget.

These stupid operations which I have listed in the last few minutes of my remarks would account for hundreds of millions of dollars of the taxpayers' money since the outbreak of the Korean war. These millions are only a part of the many which have been poured down the rat hole of confusion in Washington by this Fair Deal administration.

There is no excuse for it. I do not know a single Senator on the other side of the aisle who would stand up and try to justify it to the American housewife.

I ask unanimous consent to have printed in the RECORD an article which appeared in the Washington Post of January 22, 1950, written by John W. Ball, in which he points out very clearly how this international give-away program operates and how the American housewife is victimized.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CCC FOOD BARGAINS LISTED

The world's biggest dealer in food commodities last week advertised Irish potatoes for sale at 100 pounds for 1 cent.

Similar bargains in canned meat, eggs, edible beans, peanuts, flaxseed, etc., were made public by Ralph S. Trigg, president of the Commodity Credit Corporation, Uncle Sam's agency for operating the Government's farm price support program.

These prices, however, are only for export. The goods can't be bought for use in this country.

The sacks in which the potatoes will be sold cost from 10 to 15 cents apiece, or 10 to 15 times as much as the Government asks for them filled with the world's best potatoes.

NEW CCC POLICY

The low prices accompanied announcement of a new CCC policy to encourage export of surplus farm commodities bought by the Government to keep prices in this country high and farmers prosperous.

Americans will still be charged several hundred times the export price. Similar potatoes retailed in Washington this week at 3¼ to 4 cents a pound. In other words, the Government is selling potatoes at 100 pounds for 1 cent that are costing American housewives from $3.50 to $4. The potatoes cost the Government about $2.10 a bag.

The entire operation was ordered by Congress in its series of laws for the benefit of the Nation's twenty-odd million farmers.

In addition to the potato bargains, CCC is offering to sell to exporters:

1. Thirty million pounds of Mexican canned meat at 15 cents a can. This was bought from Mexico at about 30 cents a can. These purchases were made to reimburse Mexican cattle raisers whose markets were shut off when this country put an embargo on the importation of Mexican cattle, because of a hoof-and-mouth disease epidemic in Mexico. This meat is not permitted to be sold in this country under the pure food and drug laws because it comes from areas infected with the dreaded hoof-and-mouth disease.

2. Dried whole eggs, 73,000,000 pounds, at 40 cents a pound. These cost Uncle Sam about $1.20 a pound.

3. About 4,750,000 100-pound bags of beans. Pinto beans are offered at $7 a bag (cost about $9), red kidney at $8 (cost about $9.50) and great northern, $6 a bag (cost about $8).

4. Thirteen million bushels of flaxseed at $4.45 a bushel that cost the Government $6 a bushel in 1948.

5. About 50,000,000 pounds of shelled peanuts at 8⅛ cents a pound, or just half the 16¼ cents CCC paid for them.

OATS, BARLEY, AND CORN

Trigg also offered 13,579 bushels of oats, 20,000,000 bushels of barley and 100,000,000 bushels of corn at "not less than market price on date of sale."

Sales will not be made to buyers using ECA dollars or other Government funds. Other methods, such as subsidies, are provided for such sales. Sales of potatoes are restricted for export to areas not normally supplied by United States exporters.

Similar announcements will be made monthly, Trigg said. The prices named last week will prevail until March.

The announcement was met by a sharp break on the Nation's commodity exchanges. Most of the losses were regained later.

From now on, Trigg said, "exporters will know in advance the commodities and quantities that are available, and the prices for a fixed period ahead. Thus they will be in a better position to negotiate sales abroad."

LOSSES ABSORBED

The loss the Government takes on such sales is absorbed in several ways. Much is replaced from "section 32" funds. Section 32 of Public Law 320 sets aside 30 percent of the Nation's customs receipts. "Such sums," the law states, "shall be used by the Secretary of Agriculture" to:

1. Encourage the export of agricultural commodities by benefits to the exporter, or payment of losses in connection with the exportation or by payments to producers to encourage production of commodities needed domestically.

2. Encourage domestic consumption of farm commodities by increasing their use through benefits, donations, etc., among persons in low-income groups.

Under the first provision, CCC is making the following subsidies available:

1. Four million dollars to exporters of fall and winter apples and winter pears. These may be shipped to ECA countries, and to any Western Hemisphere countries except Cuba, Canada, and Venezuela. They also may be exported to Israel, Egypt, and the Philippines.

These funds may be used to pay half the cost of the commodities.

2. Fifty thousand dollars, to permit payment of 10 cents a bale to exporters of cotton.

3. Seven and a half million dollars to exporters of surplus dried peaches, prunes, and raisins. These funds are to be used to reimburse the exporter up to 50 percent of the cost of the commodities.

4. One million dollars for dried egg exports.

5. Two million dollars for flaxseed or linseed oil sold for export to any "agency * * * furnishing relief to foreign countries."

6. Forty thousand dollars to encourage use of concentrated orange juice abroad.

7. Five million dollars to encourage use of peanuts abroad, to be paid to any Government agency administering relief to foreign countries.

8. Five million dollars to wheat exporters to meet the difference in price between the current domestic price and the International Wheat Agreement price of $1.80 a bushel.

9. Two million dollars for export sales of packed fresh oranges, and "canned single-strength orange juice," to be used to meet half the cost of such exports.

OTHER ALLOTMENTS

Other section 32 funds have been allotted to purchases and donations of the following commodities for domestic use—chiefly school lunches. Government and charitable institutions:

Butter, $14,000,000.
Early fruits, $4,000,000.
Dried fruits, $1,800,000.
Dried eggs, $6,500,000.
Payment for transportation, storage, packaging, etc., of dried eggs to be so donated, $500,000.
Vegetables, $300,000.
Honey, $260,000.
Potatoes, $5,000,000.
Non-fat dry-milk solids, $3,050,000.
Sweetpotatoes, $500,000.
Fall and winter apples, $10,000,000.
Pork products, $5,000,000.
Cotton, for insulation program, $150,000.
Dried fruit—to divert surplus dried prunes, raisins and figs outside normal channels of trade—$11,200,000.
Sorghum grains, for study of dry-milling process, $40,000.
Almonds—to divert shelled almonds from normal channels of trade, $7,750,000.
English walnuts, to divert from normal channels, $2,200,000.
Filberts, same as above, $250,000.

A third program, operating under the National School Lunch Act, provides for the following payments for use in the national school-lunch program and to dispose of farm surpluses bought by the Government:

Canned tomatoes and tomato juice, $3,600,000.
Concentrated orange juice, $2,800,000.
Processed and natural Cheddar cheese, $5,000,000.
Peanut butter, $2,000,000.
Canned fruit, $3,850,000.

Mr. WILLIAMS. Mr. President, in the event any Senator is under any illusions that the administration does not like this program, I should like to read what they had to say about it as recently as October 2, 1950, 3 or 4 months after the outbreak of the war in Korea. I quote a statement of Ralph W. Trigg, the president of the Commodity Credit Corporation a division of the Department of Agriculture, which was in charge of administering these sales. He says:

> This program is working out very well. Since the 1st of July nearly $30,000,000 of our surplus commodity holdings have been moved into export through normal consumer channels.

In other words, he boasts that he has been able to give away or sell at bargain prices $30,000,000 worth of our food products, which the American housewife was not able to buy at that time. He was boasting of the fact, and he said the program was working out very well. He was very much pleased with it.

From their viewpoint it was working out very well because it is part of the planned program to create an artificial shortage so that the American housewife will have to pay high prices. They then hope to get her vote by promising her price controls and low prices. Then they go to the American farmer, who receives at the other end, and they solicit his vote. In that way they play one group against the other. Again I say what a farce! Some day this administration will be called to an accounting by the American people.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. WHERRY. I know that the Senator has made a very careful investigation of the sales. I do not know whether the Senator from Delaware has mentioned it, but sometime ago a Senator mentioned the fact—and I would not want to make an excessive statement—that millions of dozens or thousands of cases of eggs were stored in caves in the West. Does the Senator know anything about it?

Mr. WILLIAMS. Yes.

Mr. WHERRY. What became of the eggs?

Mr. WILLIAMS. I do not know what became of the eggs. A great many of them were sold in export at approximately one-fifth of what they cost. It is interesting to note that our commercial users have imported dried eggs from Red China for their purposes because they can import them cheaper than they can buy them from the Commodity Credit Corporation at the established domestic price. Therefore we are importing from Red China dried eggs, and we are exporting our own eggs to other nations. Whether or not some of our own eggs come back to us I do not know. I have not been able to find out. I have not been able to find anyone in the administration who even cares.

Mr. WHERRY. Does the Senator know whether the eggs which were supposed to have been store in caves have actually been shipped out of the country?

Mr. WILLIAMS. I understand that some of them have. I understand some of them are still stored in caves. I was greatly concerned about the subject and I asked the Department of Agriculture to explain what was happening. I asked them whether or not they were making a careful check to see that we were not buying back some of the same agricultural products that we were exporting out of the country at bargain prices. I also expressed concern that some agricultural products sold at these bargain rates might eventually end up in Russia, China, or other Communist countries. After all, it could happen. I read from a letter from the Department of Agriculture dated December 14, 1950. It is signed by Mr. Lionel C. Holm, acting president of the Commodity Credit Corporation. It reads:

> The matter of checking on any rerouting of commodities is not administratively feasible since we do not have available the means for such an undertaking. In the past, we have consulted with the State Department in certain cases to make certain that sales to the original countries of destination did not interfere with the foreign policies of the United States.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. WHERRY. The State Department does not even enforce the provision of the Export Control Act with reference to strategic materials which was placed in the act by the Senate. The President has nullified the act of Congress so far as Austria and Norway are concerned, and he has completely nullified the act for 90 days with respect to strategic materials which find their way into Red China. Certainly if the Commodity Credit Corporation is depending on the State Department to make a check on whether or not eggs and agricultural commodities are coming back they will have to wait a long time before they get any correction from the State Department. Is that not a fact?

Mr. WILLIAMS. I checked with the State Department. I have not been able to find out whether they have made any effort or whether they have any concern with what is going on.

I wish to read an excerpt from another letter. I was concerned about the subject and I took it up again with the Department of Agriculture. I told them I thought there should be some check made because these bargains were being offered to any country who was not a recipient of ECA aid, which excluded almost every friendly nation in Europe. I received the following letter on January 8, 1951:

> In line with the prime concern of the Corporation and of the Department, proof of exportation is required on all commodities which are sold to exporters at reduced prices. Since it is the responsibility of other departments of the United States Government to maintain controls over exports and export licensing, it is not considered to be within the jurisdiction of the United States Department of Agriculture to follow through each export sale to the point of ultimate recipient.

As near as can be determined, one agency of the Government seems to be waiting for another agency of the Government to do the job. In the meantime the American cupboard is becoming bare. There are a lot of mothers in America who will agree with me that charity should begin at home. This asinine policy of destroying good edible food and creating artificial shortages is hard to explain to a mother who is having difficulty in obtaining sufficient food for her children.

I might add that the farmers of America do not endorse this stupid program either. This is purely a New Deal bureaucratic socialistic scheme.

No agency of our Government is making any effort to find cut where this food goes. It does not seem to be of any concern whatever to anyone. The sole purpose of the administration seems to be, as I have said, to buy the commodities with taxpayer money and give them away. As Mr. Trigg said, he thinks the program is working out very well. It does not seem to make any difference to them whether or not they lose money on the transactions.

In fact, after making some checks, I believe that a number of them ran their own businesses that way before they came to Washington, and that is perhaps why they are in Washington now, they could not make a living operating their own business.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. WHERRY. Does the Senator know whether some of the potatoes which were sold for 1 cent a 100 pounds may have found their way to the reciprocal trade countries and may later have been shipped into the United States market, to burden it, in addition to the regular imports from those countries?

Mr. WILLIAMS. Of course, it is impossible for us to determine whether that has actually happened, because there seems to be no effort on the part of any of the Government departments to check on that matter. Much has been said by the Secretary of Agriculture and by others in the administration in an attempt to excuse themselves for carrying on that stupid program. They have said that Congress is at fault and that Congress gave them the instructions to do it.

To repudiate that false claim, Mr. President, I ask unanimous consent to have printed at this point in the RECORD my correspondence from Mr. Harker T. Stanton, assistance legislative counsel of the Senate.

This correspondence places the responsibility squarely upon the administration. This shows that a large number of commodities are being supported solely at the discretion of the Secretary of Agriculture. Those which are supported under the mandatory provisions of the law are being supported under a law which was endorsed by the Fair Dealers. They cannot dodge their responsibility.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DECEMBER 5, 1950.

Mr. HARKER T. STANTON,
Legislative counsel,
United States Senate,
Washington, D. C.

DEAR MR. STANTON: I notice that the Department of Agriculture has declared as surplus the following commodities:

Mexican canned beef, Mexican canned meat, dried whole eggs, flaxseed, dry edible beans, dry edible peas, wheat, corn, barley, grain sorghums, gum rosin, linseed oil (raw), nonfat dry milk solids.

Will you please advise me which of these commodities are being supported under the mandatory provisions of the law and which are being supported merely at the discretion of the Secretary of Agriculture?

Yours sincerely,

JOHN J. WILLIAMS.

MEMORANDUM FOR SENATOR WILLIAMS

This replies to your letter of December 5 concerning price-support operations for the commodities hereinafter mentioned.

Price support for wheat and corn is mandatory under the provisions of title I of the Agricultural Act of 1949 (Public Law 439, 81st Cong.).

Price support for milk and its products (which would include nonfat dry milk solids) is mandatory under the provisions of title II of the Agricultural Act of 1949.

Mexican canned beef and Mexican canned meat are not subject to any price-support program, but supplies of these commodities were acquired in carrying out the foot-and-mouth disease and rinderpest programs undertaken pursuant to the act of February 28, 1947 (21 U. S. C. 114b-114d), and supplementary legislation.

The 1950 production of eggs, flaxseed, dry edible beans, dry edible peas, barley, grain sorghums, and gum rosin, have been supported at the election of the Secretary. Prior to 1950, eggs, flaxseed, beans, and peas were required to be supported under the provisions of the so-called Steagall amendment and the Agricultural Act of 1948, but these acts were not operative with respect to the 1950 production. Linseed oil has been supported in the past as an incident of the flaxseed-price-support program.

The Secretary of Agriculture has announced that the price of eggs will not be supported in 1951. It has been announced that there will be programs for flaxseed and barley in 1951. No announcement has been made with respect to 1951 programs for the other discretionary commodities listed in your letter.

Respectfully,

HARKER T. STANTON,
Assistant Counsel.

DECEMBER 6, 1950.

Mr. WILLIAMS. Mr. President, I shall read excerpts from Mr. Stanton's letter:

Mexican canned beef and Mexican canned meat are not subject to any price-support program—

In other words, as to them, price supports are optional.

I read further from the letter:

The 1950 production of eggs, flaxseed, dry edible beans, dry edible peas, barley, grain sorghums, and gum rosin, have been supported at the election of the Secretary.

So there is no dodging the responsibility for this program.

I read further from the letter:

Prior to 1950, eggs, flaxseed, beans, and peas were required to be supported under the provisions of the so-called Steagall amendment and the Agricultural Act of 1948, but these acts were not operative with respect to the 1950 production.

In other words, those commodities were bought and sold at bargain prices or were given away by the administration on its own responsibility, without being required to do so by law. Nevertheless, the administration wished to do so because it was trying to create an artificial shortage in the United States and trying to raise the cost of living. At the same time they did a lot of howling about how they were trying to hold down prices. They have deliberately been promoting inflation under one law by creating scarcities while at the same time advocating price controls. Again I say what a farce. When we think of what this administration is doing it is little wonder that the laboring man and the farmer are having a hard time to make both ends meet. It is to correct these abuses that I have submitted my amendment to the amendment of the Senator from Illinois. I wish to correct that inconsistency and put a stop to this destruction of good edible food, and at the same time to halt the inflationary spiral.

Much has been said about the meat shortage. Only this week the Quartermaster Corps, which is the procurement division of the Army, stated that it was attempting to procure 20,000,000 pounds of beef, but was unable to obtain it in the United States. The Quartermaster Corps said it needed beef so badly that it would purchase 10,000,000 pounds of beef in foreign countries.

In the first place, Mr. President, there is no sense at all in having the Government agencies make all their purchases at one time. They have followed that practice time after time, even though its stupidity has been pointed out to them. Certainly there is no justification for it. The Government may need 20,000,000 pounds of beef in the next 3 months; I do not question that. However, it is senseless for the Government agencies to attempt to purchase all of the 20,000,000 pounds of beef in a period of 5 days. The Army already has a substantial supply of meat on hand. The sensible thing to do to prevent disrupting the market would be to spread out the purchases over a fairly long period. However, the Government is not willing to do that, but insists on purchasing the entire 20,000,000 pounds of beef at one time.

On the other hand, I find that the Department of Agriculture had 28,000,000 pounds of canned meat and canned beef on hand at the outbreak of the war in Korea. Practically all of that canned meat and canned beef has been declared surplus and has been sold to foreign countries at less than one-half of what it cost the American taxpayers. I checked with the Department of Agriculture to find out whether that was good, edible meat and beef, suitable for American consumption. The Department of Agriculture informs me that the canned meat and canned beef are edible; in fact, the Department has pointed out that a portion of it was shipped to Korea, to be fed to our forces there. If that beef is good enough for our boys in Korea, certainly it is good enough for those of us who are here at home.

Twenty-eight million pounds of meat has been declared surplus by the same administration that is making a terrific complaint about the shortage of beef. There may be a temporary shortage in this country; but if such a shortage exits, it exists because the administration planned it that way. The administration wants to have these shortages to exist because they give the administration something to talk about. Shortages and the high cost of living occupy the attention of the American people, and take their minds off the scandals and corruption that have been exposed in Washington. I think the administration is glad to find something to divert the attention of the American people from its corruption.

Another major reason for the adoption of my amendment to the amendment of the Senator from Illinois is that if those who are sponsoring the roll-back are sincere, and if Mr. DiSalle is sincere in his stated purpose of rolling back the price of beef to the projected level that he has for October 1951, he must agree to the desirability of the adoption of my amendment suspending the price-support program.

It is agreed by the Senators sponsoring the roll-back that in rolling back prices, meat prices would not be the only ones to be rolled back to the pre-Korean level, but equal treatment would be given to the prices of all agricultural commodities. The statement was made that the prices of both beef and manufactured articles and many other commodities would be rolled back, but I point out that unless my amendment is adopted suspending the price-support program and canceling this wasteful food-destruction program, their amendment just will not work. In fact, it would only be a continuation of the same policy which has existed since the outbreak of the Korean war—a policy which has promoted the greatest cost-of-living rise ever known in this country during such a short period.

Regardless of how many times the American consumers are told that they will be able to obtain cheap meat or lower-price groceries if the Douglas amendment is adopted, or that the cost of living will come down, I say it just will not happen. It cannot come down as long as there is a continuation of this stupid policy of hoarding food products, or having one Government agency throw them away—give them away to some other country—all in an attempt to create an artificial shortage. Such a procedure is senseless, and the sooner that is recognized, the better it will be for all of us.

If the Douglas amendment is adopted, theoretically Mr. DiSalle would have authority to roll back the price of beef to $23.80 per 100 pounds. Also, theoretically, if the Douglas amendment is adopted, Mr. DiSalle claims he will roll back the price of wheat to the pre-Korean level or $2.06 a bushel. However, Mr. DiSalle cannot roll back the price

of wheat to the pre-Korean $2.06 a bushel without violating the price support of $2.17 per bushel which was recently announced by the Secretary of Agriculture. In fact, if the minimum 100-percent-parity provision is left in the law he cannot roll back wheat prices beyond $2.41. They cannot roll back the price of wheat without rolling back the price of other grains—if they roll back the price of wheat to $2.06 a bushel, every farmer who cooperates with the Department of Agriculture then will be a black-market operator and the Secretary of Agriculture will then be the biggest black-market operator the country has ever had. Every sponsor of the roll-back amendment knows full well that they are only kidding the American consumers when they talk about roll-backs to the pre-Korean level. It just cannot be legally done with their amendment as it is now written. It can only be done if they will accept my modification providing for a suspension of the support program for the duration of price controls.

Under the law, the Secretary is supporting the price of wheat at $2.17 per bushel, and it is mandatory, unless we suspend that law, that he must support the price of wheat this year at $2.17 per bushel. So there is no sense in standing on the floor of the Senate to say that, if we vote for the Douglas amendment, we shall roll these prices back and thereby give cheaper bread, because it cannot be done. The same thing is true of practically every agricultural commodity.

Under the Douglas amendment, unless we repeal or suspend the price support program at least for the duration of the crisis the benefits to the American consumers will be exactly zero.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from Nebraska.

Mr. WHERRY. I should like to ask the Senator this question: If the Douglas amendment were adopted, then Mr. DiSalle could roll back meat prices to the October level, which is approximately 18 percent lower than the prices were at the time the meat prices were frozen. If that is done, and if the price of corn is not controlled, and there is a floor under it, because of the support price, and if corn goes up—and it is steadily climbing, with the weather conditions—how in the world can anyone expect to get cattle fed, with no price ceilings on corn, but with a floor under the price of corn which supports it to a point where it is difficult even now to buy and feed cattle at the levels at which prices were made in December. Does the Senator believe the Secretary of Agriculture, can, without cattle feeders, get a replacement of cattle, when there is no importation of corn, and when there is a roll-back on meat?

Mr. WILLIAMS. Of course, it could not happen. I point out to the Senator from Nebraska that, in the language of the committee report, and in the legislative background of this amendment, and the legislative background on the floor will govern the interpretation of the law; the Senator knows that—all of those sponsoring it admit and agree that they recognize the relationship of one commodity to another, and if they roll back one commodity to the pre-Korean level, they must also roll back others. Likewise you cannot roll back farm prices unless you roll back wages proportionately. The sponsors of the Douglas amendment noticeably avoid mentioning this obvious fact.

No matter how long Senators may stand on the floor of the Senate, or how much they may say they want to roll back prices, mathematically it cannot be done, unless the support program is suspended. Otherwise we will have one Government agency violating the laws. For instance, with respect to rice, the Secretary of Agriculture is buying rice at $5 per hundred pounds. Mr. DiSalle would have to roll the price of rice back to $4.18, to reach the pre-Korean level. He would not do that, but if he is not going to do that, and if Mr. DiSalle is going to authorize higher prices—prices in some instances 25 to 30 percent higher than the pre-Korean level then someone has been lying to the American housewife, telling her that she is going to get a lot of cheap food, because she is not going to get it under the Douglas amendment.

The administration has no intention of rolling back prices, and I think the people should be plainly and frankly told the truth.

I offer this amendment to correct this inconsistency. If my amendment is adopted, thus making it possible to accomplish the purpose which every sponsor of the Douglas amendment says he intends, I shall vote for the Douglas amendment as modified. It is impossible to justify a continuation of the price support program, which is purely designed to check deflation and take care of surplus, at the same time that Senators are standing on the floor of the Senate trying to rush through a price-control law. We do not need both.

There can be a difference of opinion of whether we need one or whether we need the other, but no man can intelligently rise to tell the American people that they need both agencies operating at the same time. It is but an example of another stupid program and policy of this administration, which, if not checked, will complete the sending of this country into bankruptcy.

The New Deal bureaucrats are always pitying the poor fellow. They are keeping him on their minds so much that they have just about run him into the poorhouse. They cannot build poorhouses fast enough to take care of them. They are always talking about how they are going to put the tax on rich men. As recently as 12 months ago I obtained from the Secretary of the Treasury information as to how much revenue we would get if we were to place a 100-percent tax on all incomes in excess of $20,000. At that time I was advised that we would only get $1,800,000,000 extra money, if we confiscated all incomes over $20,000. Yesterday I asked him the same question in order that I might show how we have gradually been killing off incentive in this country. I was advised that if we were to pass this same 100-percent tax on all over $20,000 incomes today, we would only get $1,300,000,000. In other words, it is down from $1,800,000,000 in that bracket a year ago to $1,300,000,0000 this year, 12 months later. This reduction comes at a time when most incomes in this country have advanced substantially. So I say that it is time somebody quit talking about how he is going to put this tax and the cost of all these operations on the rich fellows, because there are not enough rich fellows left. We have practically milked dry that source, and we are going to have to put the income tax into the low brackets, because that is about all that if left in this country.

Mr. President, for the information of the Senate and for the information of the country, I ask unanimous consent to have inserted in the RECORD this letter from the Secretary of the Treasury, and the Assistant Secretary of the Treasury, which gives a complete breakdown of the taxes paid by the $5,000 group, the $10,000 group, and the $20,000 group, and the corporations.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
Washington, June 25, 1951.

Hon. JOHN J. WILLIAMS,
United States Senate,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: This is in further reference to your letter of June 4, 1951, to the Secretary requesting information pertaining to the distribution of individual income taxes, corporation taxes, and excise taxes.

The answers to your questions are as follows:

1. At calendar year 1951 income levels, it is estimate that the revenues from the individual income tax will amount to a total of $24,000,000,000 under present law rates. Of this total, $8,300,000,000 or 34.5 percent will be paid by those with adjusted gross incomes (i. e. incomes before deductions and exemptions) under $5,000. We have not prepared estimates of the proportion of total individual income taxes paid by taxpayers with taxable net incomes under $5,000.

2. Of the total $24,000,000,000 of individual income tax liabilities in 1951, $13,300,000,000 or 55.4 percent would be paid by those with adjusted gross incomes under $10,000.

3. In the fiscal year 1952, it is estimated that corporation taxes will represent 37 percent of the total net budget receipts.

4. Excise taxes will represent approximately 14 percent of budget receipts in fiscal year 1952.

5. An increase to 100 percent in the rate on taxable incomes in excess of $20,000 would raise revenues by $1,300,000,000.

Sincerely yours,

JOHN S. GRAHAM,
Assistant Secretary of the Treasury.

Mr. WILLIAMS. Mr. President, I am not going to press tonight for the vote. I understand it is desired to carry that over until tomorrow, but I hope that those who express concern for the housewife, those who express concern over the inflationary spiral in this country will remember that concern when voting. Inflation is a grave threat, and unless some degree of sanity is restored in this country we will find our country in the same category as many other nations which have spent themselves into

socialism. I venture to say we shall not find a single Member of the Senate rising in an effort to justify this wasteful program at any time during this debate.

They know it cannot be defended.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. DWORSHAK. The Senator from Delaware has indicated that he finds it extremely difficult to justify the criminal procedures involving the destruction of our foods and natural resources, which have resulted in a total loss of approximately a billion dollars. Is it not possible that the administration has followed the course of destroying our wealth primarily to justify the huge additional tax bill which the President has requested? I think he has asked for about $10,000,000,000 in taxes. Is it not possible that the President feels that the American taxpayers will be happy to provide the dollars which will be used to compensate the Commodity Credit Corporation for the one-billion-dollar loss? Is not that a plausable justification for the new tax bill?

Mr. WILLIAMS. That is where part of the money goes. They will not attempt to use it as one of the justifications, because they are ashamed to tell the truth to the American people. We shall see in the next campaign a repetition of what we saw in the last campaign. Officials of the administration will go out into the country and tell the farmers, "Look at the high prices. We gave them to you. We planned it that way." Then they will tell the consumers how they tried to hold their prices down but were handicapped.

There has been authority in the hands of the Government for the past 12 months to check the price of beef as it crossed the level to which they now attempt the roll-back. They could have checked the price of cotton, and wheat or any other commodity instead of waiting until the prices went up to an unreasonable figure and then tried to roll them back.

If they were sincere in wanting to hold the prices of beef below the projected level of October, it would have been sensible to have held it before it crossed that figure, and not go through the farce of trying to roll back the price. The President could have put the law into effect in September, last year, but, no, they let the price advance out of all reason, and, when it neared the peak, they asked for an extension of the law. They said, "If you will extend the law we will roll back the price." Both of the projected roll-backs of beef prices have been promised by Mr. DiSalle under a bill which has never been passed by the Congress. In other words, for 6 months he sat around and did nothing. Now he is making a great hullabaloo about what he would do if we will pass another law giving him the authority to do it. If he had wanted to do it, he could have done it before. Frankly, I think he would be the most disappointed man in the United States if Congress gave him the power to do what he said he wanted to do. It would expose the hypocrisy of the administration claims because Mr. DiSalle and every administration official knows full well they cannot roll back prices without suspending the farm-support program.

EXECUTIVE SESSION

Mr. BENTON. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. NEELY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. If there are no reports of committees, the clerk will read the nominations on the Executive Calendar.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Thomas F. Murphy to be a United States district judge for the southern district of New York.

Mr. WHERRY. Mr. President, I ask that that nomination be passed over. I think that by tomorrow we shall be ready to consider it.

The PRESIDING OFFICER. The nomination will be passed over.

INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The Chief Clerk read the nomination of John W. Snyder, of Missouri, to be United States Governor of the International Monetary Fund and United States Governor of the International Bank for Reconstruction and Development for a term of 5 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF THE INTERIOR

The Chief Clerk read the nomination of Robert R. Rose, Jr., of Wyoming, to be Assistant Secretary of the Interior.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEYS

The Chief Clerk read the nomination of Bryce R. Holt, to be United States attorney for the middle district of North Carolina.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Howard Caplan to be United States attorney for the northern district of West Virginia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. O'MAHONEY. Mr. President, I observe that the junior Senator from West Virginia [Mr. NEELY] is presiding over the Senate at this time. I know that if he were not in that position he would move that the President be notified immediately of the confirmation of the nomination of the United States attorney for the northern district of West Virginia. So I ask that the President be immediately notified of the confirmation of the nomination of Howard Caplan and all the others whose nominations have been confirmed.

The PRESIDING OFFICER. Without objection, the President will be immediately notified of the confirmations of nominations made this day.

ADJOURNMENT

Mr. BENTON. Mr. President, as in legislative session, I move that the Senate adjourn until tomorrow at noon.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. There has been a unanimous-consent agreement entered into that after the quorum call tomorrow the time is to be divided.

Mr. O'MAHONEY. Mr. President, the Senator from Arizona [Mr. MCFARLAND] spoke to me a few minutes before he left the Chamber. I see that he is now in the Chamber.

Mr. BENTON. I yield to the majority leader on this subject.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the time will be divided from the time the first quorum call is had.

Mr. MCFARLAND. Mr. President, if I may state my reason for wanting an adjournment, it was to end the legislative day. It does not make any real difference.

Mr. WHERRY. It means that we shall have a morning hour, does it not?

Mr. MCFARLAND. No, it does not, because we have a unanimous-consent agreement.

The PRESIDING OFFICER. Under the unanimous-consent agreement, there would be no morning hour.

Mr. WHERRY. It is all right with me, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut.

The motion was agreed to; and (at 5 o'clock and 56 minutes p. m.) the Senate adjourned until tomorrow, Wednesday, June 27, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 26 (legislative day of June 21), 1951:

IN THE AIR FORCE

The following officers for appointment to the positions indicated under the provisions of section 504, Officer Personnel Act of 1947:

To be lieutenant generals

Lt. Gen. Idwal Hubert Edwards, 11A (major general, U. S. Air Force), Air Force of the United States, to be commandant, Air University, with rank of lieutenant general, with date of rank from October 1, 1947.

Lt. Gen. Earle Everard Partridge, 33A (major general, U. S. Air Force), Air Force of the United States, to be commanding general, Air Research and Development Command, with rank of lieutenant general, with date of rank from April 11, 1951.

Lt. Gen. Otto Paul Weyland, 63A (major general, U. S. Air Force), Air Force of the United States, to be commanding general, Far East Air Forces, with rank of lieutenant general, with date of rank from April 11, 1951.

Lt. Gen. Edwin William Rawlings, 95A (major general, U. S. Air Force), Air Force of the United States, to be commanding general, Air Matériel Command, with rank of lieutenant

general, with date of rank from October 1, 1947.

Lt. Gen. Benjamin Wiley Chidlaw, 23A (major general, U. S. Air Force), Air Force of the United States, to be commanding general, Air Defense Command, with rank of lieutenant general, with date of rank from October 1, 1947.

Maj. Gen. Thomas Dresser White, 22A United States Air Force, to be Deputy Chief of Staff, Operations, United States Air Force, with rank of lieutenant general, with date of rank from date of appointment.

Maj. Gen. Orval Ray Cook, 36A, United States Air Force, to be Deputy Chief of Staff, Matériel, United States Air Force, with rank of lieutenant general, with date of rank from date of appointment.

Maj. Gen. Charles Bertoddy Stone III, 66A, United States Air Force, to be Deputy Chief of Staff, Comptroller, United States Air Force, with rank of lieutenant general, with date of rank from date of appointment.

Lt. Gen. Kenneth Bonner Wolfe, 15A, Deputy Chief of Staff, Matériel, United States Air Force (major general, U. S. Air Force), to be placed on the retired list in the grade of lieutenant general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Air Force of the United States under the provisions of section 515, Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Thomas Herbert Chapman, 189A, United States Air Force.

Brig. Gen. William Maurice Morgan, 439A, United States Air Force.

Brig. Gen. Raymond Coleman Maude, 269A, United States Air Force.

Brig. Gen. Joseph Vincent DePaul Dillon, 205A (colonel, U. S. Air Force), Air Force of the United States.

Brig. Gen. John Halliday McCormick, 253A (colonel, U. S. Air Force), Air Force of the United States.

Brig. Gen. Frederick Rodgers Dent, Jr., 444A (colonel, U. S. Air Force), Air Force of the United States.

Brig. Gen. Julius Kahn Lacey, 538A (colonel, U. S. Air Force), Air Force of the United States.

Brig. Gen. William Dole Eckert, 560A (colonel, U. S. Air Force), Air Force of the United States.

To be brigadier generals

Col. Earl Maxwell, 19025A, United States Air Force (medical).

Col. Wilfrid Henry Hardy, 226A, United States Air Force.

Col. Walter Williams Wise, Jr., 245A, United States Air Force.

Col. Joseph Cyril Augustin Denniston, 252A, United States Air Force.

Col. Elmer Blair Garland, 322A, United States Air Force.

Col. Matthew Kemp Deichelmann, 331A, United States Air Force.

Col. William Tell Hefley, 353A, United States Air Force.

Col. Donald Bertrand Smith, 355A, United States Air Force.

Col. Ernest Keeling Warburton, 407A, United States Air Force.

Col. Thomas Ludwell Bryan, Jr., 452A, United States Air Force.

Col. Daniel Campbell Doubleday, 471A, United States Air Force.

Col. George Elston Price, 475A, United States Air Force.

Col. Floyd Bernard Wood, 500A, United States Air Force.

Col. Wiley Duncan Ganey, 553A, United States Air Force.

Col. Gordon Aylesworth Blake, 582A, United States Air Force.

Col. Henry Keppler Mooney, 589A, United States Air Force.

Col. Lee Bird Washbourne, 810A, United States Air Force.

Col. John Raymond Gilchrist, 836A, United States Air Force.

Col. Clinton Dermott Vincent, 1213A, United States Air Force.

Col. Lloyd Pauahi Hopwood, 1261A, United States Air Force.

Col. William Milton Gross, 663A, United States Air Force.

The following-named persons for appointment in the United States Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947), and title II, Public Law 365, Eightieth Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947):

To be captains, USAF (medical)

Roy B. Coffey, AO1907121.
Richard W. Eells, AO1906980.
Donald M. Haskins, AO970761.
George J. Murphy, AO1785416.
Guy L. Rutledge, Jr., AO978166.
Fred S. Schwarz, O1718796.
Craig R. Sigman, AO1767264.
Robert W. Youngblood, Jr., AO976505.

To be first lieutenants, USAF (medical)

Robert H. Adams, AO751227.
George R. Anderson, AO972996.
McAlpin H. Arnold, 494016USNR.
Harry R. Claypool, AO976683.
Robert T. P. de Treville.
Walter W. Dewey, AO409642.
Charles W. Does, AO1906345.
Alonzo M. Donnell, Jr., AO828108.
Louis A. Frayssе III, AO786265.
Benjamin W. Gilliotte, AO668929.
Raphael S. Good, AO1906947.
John E. Graf, O828158.
William K. Graves, AO965834.
R. D. Gregory, Jr., AO756548.
James P. Hensen, AO1906346.
Alvin S. Natanson, AO2213194.
Bertram L. Pear, O854441.
Chester R. F. Poole, AO976327.
George E. Reynolds, AO392893.
Gerard B. Schroering, Jr., AO2212418.
Bland H. Schwarting, AO720729.
Franklyn C. Spiro, O670279.
Thomas P. Talley, O403948.
Andrew L. Tucker, AO2212968.
Allen S. Weed, AO972600.
Gregory J. Zann, O2201309.

To be first lieutenants, USAF (dental)

William E. Ayres, AO424878.
Edward E. Dickson, AO1906241.
Barnes R. Kendrick, AO969607.
Ray E. Parsons, AO566385.
Hubert W. Woodward, AO1906204.

Subject to physical qualification and subject to designation as distinguished military graduates, the following-named distinguished military students of the Senior Division, Reserve Officers' Training Corps, for appointment in the United States Air Force, in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

Wilbur O. Aikin, Jr.	Edgar L. Drain, AO1856295
Burt S. Bailey	Arthur A. Fagen, Jr.
James E. Banks	Harry E. George, Jr.
Wendall C. Bauman	Elmer H. Green, Jr.
Cecil L. Brewer	Charles R. Hoffman, Jr.
Murray L. Brockman, Jr.	Jesse A. Key
John A. Brown, Jr.	Robert H. Krumpe
George M. Browning, Jr.	Wilbur S. Light
Richard P. Cline	John W. Lloyd
Jack P. Davey, Jr.	Eugene L. Main
George W. Mallick	Russell E. Schmitt
Frank S. McCracken	Stanley G. Southworth, Jr.
Richard H. McFarland	Herbert R. Swing, Jr.
James F. Patton	Richard R. Tumlinson
James L. Quinn	William A. Warner
John T. Schiffer, AO1863395	

The following-named graduate, United States Naval Academy, class of 1951, for appointment in the United States Air Force, in the grade of second lieutenant, with date of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

Melto Goumas, AO2239112.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 26 (legislative day of June 21), 1951:

INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

John W. Snyder, of Missouri, to be United States Governor of the International Monetary Fund, and United States Governor of the International Bank for Reconstruction and Development for a term of 5 years.

DEPARTMENT OF THE INTERIOR

Robert R. Rose, Jr., of Wyoming, to be Assistant Secretary of the Interior.

UNITED STATES ATTORNEYS

Bryce R. Holt to be United States attorney for the middle district of North Carolina.

Howard Caplan to be United States attorney for the northern district of West Virginia.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 26, 1951

The House met at 12 o'clock noon.

Rev. Wales E. Smith, pastor of the First Christian Church, Santa Monica, Calif., offered the following prayer:

Almighty God, who hast given us this good land for our heritage, kindle, we pray Thee, in the hearts of men, the true love of peace, and guide with Thy pure and perfect wisdom those who take counsel for the nations of the earth. We beseech Thee with Thy favor, to behold and bless Thy servants, the Representatives of these United States. Endue with the spirit of wisdom all these to whom, in Thy name, we entrust the authority of government, that there may be justice and well-being at home and abroad. We pray for a true and just peace in Korea, and for all time to come, throughout the world.

Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 1726) entitled "An act to provide for the organization of the Air Force and the Department of the Air Force, and for other purposes" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses

thereon, and appoints Mr. HUNT, Mr. BYRD, Mr. STENNIS, Mr. SALTONSTALL, and Mr. KNOWLAND to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 2321) entitled "An act to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSON of Colorado, Mr. MCFARLAND, Mr. MAGNUSON, Mr. BREWSTER, and Mr. CAPEHART to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 4200) entitled "An act to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. BYRD, and Mr. FLANDERS to be the conferees on the part of the Senate.

CALL OF THE HOUSE

Mr. RIBICOFF. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently a quorum is not present.

Mr. RANKIN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 87]

Adair	Furcolo	Morano
Allen, Ill.	Gillette	Murphy
Allen, La.	Hall,	Murray, Wis.
Boggs, La.	Edwin Arthur	O'Konski
Breen	Harden	Philbin
Burton	Harvey	Potter
Byrne, N. Y.	Hays, Ark.	Powell
Camp	Irving	Preston
Carnahan	Johnson	Ramsay
Chatham	Kelley, Pa.	Redden
Cole, Kans.	Kilday	Riehlman
Cotton	Larcade	Sutton
Cox	LeCompte	Trimble
Dawson	Lind	Velde
D'Ewart	Lucas	Vorys
Dingel	McGrath	Watts
Durham	Mack, Ill.	Whitaker
Evins	Magee	Whitten
Flood	Merrow	Wickersham
Frazier	Miller, Calif.	Woodruff

The SPEAKER. Three hundred and seventy-three Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REAFFIRMING FRIENDSHIP OF THE AMERICAN PEOPLE FOR ALL OTHER PEOPLES

Mr. RIBICOFF. Mr. Speaker, I call up the conference report on Senate Concurrent Resolution 11, reaffirming the friendship of the American people for all the peoples of the world, including the people of the Soviet Union, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 632)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 11) entitled "Concurrent resolution reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House and agree to the same.

A. A. RIBICOFF,
THURMOND CHATHAM,
BROOKS HAYS,
JOHN M. VORYS,
FRANCES P. BOLTON,
Managers on the Part of the House.
TOM CONNALLY,
BRIEN MCMAHON,
ALEXANDER WILEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 11) reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union, submit the following statement in explanation of the effect of the action agreed upon by the committee of conference and recommended in the accompanying conference report.

The House struck out all of the Senate concurrent resolution after the resolve clause and the preamble and inserted substitute amendments. The committee of conference has agreed upon the House amendments. The resolution, as agreed upon by the members of the committee of conference, reads:

"Whereas the goal of the American people is now, and ever has been, a just and lasting peace; and

"Whereas the deepest wish of our Nation is to join with all other nations in preserving the dignity of man, and in observing those moral principles which alone lend meaning to his existence; and

"Whereas, in proof of this, the United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom; and

"Whereas the Congress reaffirms its policy as expressed in law 'to continue to exert maximum efforts to obtain agreements to provide the United Nations with armed forces as contemplated in the Charter and agreements to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion'; and

"Whereas this Nation has likewise given of its substance and resources to help those peoples ravaged by war and poverty; and

"Whereas terrible danger to all free peoples compels the United States to undertake a vast program of armaments expenditures; and

"Whereas we rearm only with reluctance and would prefer to devote our energies to peaceful pursuits: Now, therefore, be it

"Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States reaffirms the historic and abiding friendship of the American people for all other peoples, and declares—

"That the American people deeply regret the artificial barriers which separate them from the peoples of the Union of Soviet Socialist Republics, and which keep the Soviet peoples from learning of the desire of the American people to live in friendship with all other peoples, and to work with them in advancing the ideal of human brotherhood; and

"That the American people believe the Soviet Government could advance the cause of peace immensurably by removing those artificial barriers, thus permitting the free exchange of information between our peoples; and

"That the American people and their Government desire neither war with the Soviet Union nor the terrible consequences of such a war; and

"That, although they are firmly determined to defend their freedom and security, the American people welcome all honorable efforts to resolve the differences standing between the United States Government and the Soviet government, and invite the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor; and

"That the Congress request the President of the United States to call upon the Government of the Union of Soviet Socialist Republics to acquaint the peoples of the Soviet Union with the contents of this resolution."

This resolution was initiated solely by the legislative branch of our Government. It sets forth in simple language an attitude that has characterized American policy since the inception of our Government. As a nation we have condemned tyrannous and oppressive governments; for those who have suffered under them we have always felt a deep sympathy. We have never engaged in a policy of damning those whose voices cannot be heard because of their master's voice.

We know that the Soviet philosophy is an aggressive one. The Politburo uses every opportunity to attack peace-loving nations by word and even by arms through its satellites. These activities, bordering so close to war, give us tremendous concern.

This resolution is not belligerent in word or spirit. It seeks to explain in explicit language the underlying attitudes that determine American foreign policy. If the artificial barriers between the Soviet-dominated peoples and the outside world could be lowererd, if not leveled, and these ideas imparted to them, the committee is confident that present tensions could be immeasurably reduced.

As the elected representatives of the American people, we feel a particular responsibility in these critical days to do everything that will further the cause of peace. At the same time we wish to make known our sentiment that we do not seek peace at the expense of freedom and security.

This resolution seeks to convey these thoughts to all peoples, including those of the Soviet Union.

The purpose of this resolution is to ask the Soviet Government to lift the iron curtain so as to inform the Soviet people of the peaceful purposes of the American people and the American Government. Under our American system of freedom of expression, the position of the Soviet Union is always made available to the American people. At the same time, the Soviet Government which has complete control of its press and radio refuses to publish the truth about the peaceful aims and purposes of American foreign policy.

This is indeed the iron curtain in operation. It is without a rival as the world's greatest threat to peace.

The resolution touches the Soviet Government in its most vulnerable spot by inviting its peoples "to cooperate in a spirit of friendship" in an endeavor to resolve the differences between the United States Government and the Soviet Government.

Dictators fear nothing more than the unleashed wrath of their subjects. Any endeavor to separate the people from the rulers challenges the illusory popular base on which dictatorship rests. The Soviet Government is no exception to this age-old concept of tyranny.

An English-language broadcast from Moscow accused the resolution's sponsors of "resorting to demagogical and hypocritical maneuvers and subterfuge, posing as men of peaceful aspirations whose only desire is to achieve peace and international cooperation."

The resolution's sponsors were accused of "obviously trying to pull a fast one when they speak of settling differences between the American people and the Soviet Government."

The request to the President to make the contents of the resolution known to the peoples of the Soviet Union drew heavy fire from the broadcaster.

"The authors of the resolution seek to contrast the Soviet Government with the Soviet people. The absurdity and duplicity of such an assertion is only too obvious. The Soviet Government is serving only the interests of the people. It enjoys the complete support and confidence of the people. The Soviet Government is firmly and persistently fighting for peace because it is thereby expressing the aspirations and defending the vital interests of the Soviet people."

Soviet reaction to the resolution is striking proof that the Soviet authorities fear an appeal to the rank and file of their citizens. It may well mark the first step in furthering a body of public opinion within the Soviet state that may check, if not counter, the Kremlin's policies.

The resolution challenges the Soviet Government by urging it to take a positive step toward the advancement of peace, namely, by removing the artificial barriers which block the free exchange of information between the peoples of the two countries.

A. A. RIBICOFF,
THURMOND CHATHAM,
BROOKS HAYS,
JOHN M. VORYS,
FRANCES P. BOLTON,
Managers on the Part of the House.

Mr. RIBICOFF. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the conference report on the resolution before us today is a simple and effective one. This resolution expresses the friendship and good will of the American people for all the peoples of the earth. It also reaffirms the deep and sincere desire of the American people to do everything in their power to bring about a just and lasting peace.

This resolution further asks the Soviet Government to lift the iron curtain so that the people of the Soviet Union can be informed of the peaceful purposes of the American people of the American Government. Under our system of freedom of expression, the position of the Soviet Union is always made available to the American people. At the same time, the Soviet Government, which has complete control of its press and radio, refuses to publish the truth about the peaceful aims and purposes of American foreign policy.

The resolution invites the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor.

This resolution was introduced on February 8, 1951, simultaneously in the House and the other body. It was adopted unanimously in the other body. The resolution received most careful study by the Committee of Foreign Affairs and numerous changes were made at the suggestion of various members of that committee. It was reported unanimously from the Committee on Foreign Affairs and came to the floor on June 4, 1951. Unfortunately, on that day, there was an agreement between the leadership that there would be no roll-call votes. When the resolution was before the House for passage, a division was asked for by a Member and the resolution was adopted on a 36 to 7 vote.

The proponents of this measure were deeply disturbed over the fact that only 10 percent of the House was recorded in favor of the high principles contained in this resolution. The psychological value of the resolution was therefore undercut. It is most difficult to explain to the peoples of the world the parliamentary situation which led to such a small vote.

The damage to our good faith had to be restored. The Senate and the House resolutions differing were then sent to conference. The Senate conferees adopted verbatim the House version. The conference report was then adopted unanimously by the Senate. The conference report is now before this body. A roll call will be asked so that this House can tell in overwhelming numbers that it, too, stands for a just and lasting peace and friendship for all the world's peoples and inviting the Russian people to work with the American people to advance the cause of peace. To be effective, this resolution should be passed as near to unanimity as possible.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Ohio.

Mr. BENDER. The gentleman stressed that this is a statement of our policy. I do not interpret this as a statement of foreign policy at all. It is merely a statement of our hopes and aspirations and our desire for world peace.

Mr. RIBICOFF. That is correct.

Mr. BENDER. And expressing our general attitude as a Christian nation toward our fellow nations. It is not an endorsement of any specific foreign policy.

Mr. RIBICOFF. Our western civilization is based on the Judeo-Christian principles. As a matter of fact, this particular resolution comes out of this Congress, and it is an expression of this Congress itself as to its desire. I believe it is a definite contribution that we can make toward our foreign policy. These are the ultimate aims of the Congress and the people of the United States.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Mississippi.

Mr. COLMER. In the other body we had no dissenting votes cast.

Mr. RIBICOFF. No dissenting votes whatsoever.

Mr. COLMER. Then it would be very appropriate and commendatory if this body could also go on record by a record vote, as the gentleman points out, without a dissenting vote.

Mr. RIBICOFF. That is correct.

Mr. COLMER. While some of us realize the conditions that exist over there and realize that this is possibly a pious hope, I think it would be a splendid thing for the Congress to go on record without a dissenting vote.

Mr. RIBICOFF. I thank the gentleman.

I want to point out that the effect of this is incalculable. In the final analysis, as General MacArthur and General Wedemeyer stated, the great mass of people all over the world want peace. The Soviet Union, in their cold war, have dropped most of their propaganda and stress peace, so they say. They have stolen this word "peace," and you notice every time the Soviet Union takes a position it finds the front pages in the newspapers and on the radio of the United States of America, because we have freedom of the press, as witness Malik's statement last Sunday, and yet when we express our point of view, the Politburo keep it out. Thus the people behind the iron curtain do not realize that we are a peaceful nation and that our deep desire is a just and lasting peace for the entire world.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I am wholeheartedly in favor of this conference report. It ought to pass unanimously.

On a recent inspection trip some of us made to Europe I was struck by a remark I heard a high American official make. He was one of the leading architects of our foreign policy during and after the last war. He said the single biggest mistake made by our Government in World War II was the Casablanca decision requiring so-called unconditional surrender by the Germans. He said it was the biggest mistake because it made no differentiation between the Nazi Government and the German people, and it gave no hope to the German people, millions of whom were opposed to Hitler and would have worked harder than anybody else in the world to overthrow him from within while we were fighting his regime from without. Without some indication that we were their friends as much as we were Hitler's enemies, they had little choice except to fight and support him. That led to the unnecessary loss of a great many American lives and left a vacuum in Germany with an inevitable struggle between Russia and the West over who is to fill the vacuum.

This resolution is evidence that we have learned something from that experience. We do not want to make the same kind of mistake again. It is designed to begin the process of hammering away relentlessly in every possible way to pierce the iron curtain and get through to the people who are enslaved behind it that the American people do differentiate sharply between their tyrannical Communist governments and the people themselves. The governments are our enemy. They are the enemy of all free

peoples. The peoples of those countries are our friends. There is every reason, in my judgment, why we should make the maximum effort to make clear to those people that we have no attitude toward them whatsoever except one of complete good will and a desire to encourage them in their efforts to regain their freedom.

In the long run we can have no world peace and no relaxation in our own country until the tyrannies that exist under the domination of the Kremlin are overthrown. How can they be overthrown? Only from the outside or from the inside. Surely we do not want to have to do it from the outside. That is the way that would cost most in American money and American lives, and leave us with a burdensome problem after the overthrow.

Surely to the extent that we can encourage and strengthen resistance from the inside we are saving American lives and money and helping build friendly forces that can take over the countries after liberation. Therefore we must do everything possible to give hope to these people who in many places have been reduced to despair.

We are facing a resourceful enemy that uses two main weapons. One is arms and the other is ideas. Sometimes you hear people say, "Don't worry about the Soviet arms. Our better idea will ultimately win. You cannot stop an idea with a bullet." That is true, but it is also true that you cannot stop a bullet with an idea. We cannot overcome their bullets with our ideas, or their ideas with our bullets. We have to have better arms to overcome their arms and better ideas to overcome their ideas. I am not so worried today about the strength of our arms as I was a year or two ago. America and its allies are rapidly rebuilding military strength. Our greatest weakness now is in the field of ideas. Our society is built on the better idea but we are not using it effectively, we are not selling it.

Therefore, this resolution is a part of our efforts to strengthen ourselves in the vital field of defeating bad ideas with good ideas, overcoming falsehood with the truth, while at the same time we are strengthening our arms in order to be able to resist any attacks by them.

I cannot imagine why anybody who wants to save American lives or American dollars or American freedom would vote against this resolution. It cannot conceivably do any harm and it can conceivably do a great deal of good.

One of the evidences of that is reported on page 4 of the conference report. Just look at this quotation from the Soviet press. It is the best proof that the passage of the original resolution some weeks ago struck home in a vital spot. The Soviet press said:

> The authors of the resolution seek to contrast the Soviet Government with the Soviet people. The absurdity and duplicity of such an assertion is only too obvious. The Soviet Government is serving only the interests of the people. It enjoys the complete support and confidence of the people. The Soviet Government is firmly and persistently fighting for peace because it is thereby expressing the aspirations and defending the vital interests of the Soviet people.

Do you suppose they would have bothered to go to all that trouble to deny the implications in this resolution if it were just an innocuous, pious gesture, as someone has suggested? On the contrary, it shows that the resolution is a powerful shaft and that it struck them in the spot where they are weakest, namely, that they do not have the support of their people.

Their squirming denial demonstrates the wisdom and good strategy of a policy of sound ideological warfare in this struggle with a relentless enemy. So if we want to win the over-all struggle with a minimum of cost in lives from our own homes and money from our own pockets, it seems to me we must vote unanimously for this conference report. We must do everything we can to weaken the enemy's home front as well as to strengthen ourselves and our allies.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from New York.

Mr. KEARNEY. Simply as a matter of personal information, can the gentleman tell me why the nations behind the iron curtain were not mentioned in the resolution by name?

Mr. JUDD. It does not mention them by name, but you will note it says it is "the deepest wish of our Nation to join with all other nations in preserving the dignity of man." It "reaffirms the historic and abiding friendship of the American people for all other peoples." It begins with the major premise: The people of the United States are friendly toward all peoples. Among "all peoples" are the Russian people. Therefore we are friendly toward them. Then we direct our attack at the Russian Government because the real enemy is not the people of Russia or the people or the government of Czechoslovakia or of Poland or of North Korea; the real enemy is the government sitting in the Kremlin. Why should we not pin the rose where it belongs, on the one that is responsible for putting up the iron curtain: It is the one we want to expose and ultimately compel to remove the iron curtain.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. RIBICOFF. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Speaker, this resolution is an expression of friendship on the part of the American people for the peoples of all nations. It does not specify any particular people in the resolution. If we can convey to the people of Russia or of any other nation that has a totalitarian government that we are a friend of all people, regardless of the type of government they have, it would be helpful, I think, in building up a counterforce to what is going on in those countries at this time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. GROSS. Is the friendship of the American people suspect all over the world?

Mr. REECE of Tennessee. I do not think it is.

Mr. GROSS. Then why this resolution?

Mr. REECE of Tennessee. This expression is pointed not to the people of any one nation, but to the peoples of all nations. Certainly it can do no harm. We are not suspect so far as the people are concerned, but there are certain governments that are making an effort to make us suspect and that is what we want to overcome. This expression should be helpful.

Mr. GROSS. Then why not beam this resolution at those governments?

Mr. REECE of Tennessee. It is the hope that our Government will have some means of making this expression of friendship known to the people of Russia.

Mr. GROSS. You say all of the people all over the world. Another question: What other parliament, or what other legislative body in the world is adopting a resolution expressing its friendship for the United States? Do you know of any?

Mr. RIBICOFF. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. RIBICOFF. Of course I think the United States should take the lead in this. It is our hope that after this body expresses its friendship, and the President of the United States notifies the Soviet Government, other legislative bodies throughout the world will adopt similar resolutions. It is no answer to say "Why are we the first?" I think we ought to be the first to make such an expression at this time because the United States is the leader of the free world.

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

Mr. RIBICOFF. Mr. Speaker, I yield to the gentleman two additional minutes.

Mr. REECE of Tennessee. The gentleman is quite correct. We are the leaders and we are making an expression of friendship which certainly can do no harm. An expression of friendship will do good if that expression is forcefully carried to the peoples of the other nations. That is the purpose of the resolution.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. RANKIN. Having gone through the terrible aftermath of reconstruction in the South, I want to ask the gentleman from Tennessee if he does not think the best thing we could do would be to stop this carpetbag regime with which we are now punishing the German people and try to make peace with them. We are going to need them a darn sight worse than we are going to need Russia, if this thing keeps on.

Mr. REECE of Tennessee. I think the expression of friendship ought to be forcefully carried to the people.

Mr. RANKIN. You cannot make peace with people by carrying on a carpetbag administration, and by hanging German soldiers, doctors, and civilians 5 or 6 years after the close of the war. We know what happened after the War Between the States. The people of the South have never got over it. It has

kept us divided for almost a century. The thing we need most today is for the real Americans of both sections to get together and save this country.

Mr. REECE of Tennessee. I sympathize with the gentleman's feelings, but had we had more expressions of this kind at that time we would have had a little easier time of it during the reconstruction period.

Mr. RANKIN. The long, drawn-out friction between the North and South was not about the war, but it was over the evil blunders of reconstruction. Yet we are doing the same thing in Germany today, in a worse form, if possible, than was perpetrated against the people of the South.

We should make peace with the German people. We may need them.

Mr. REECE of Tennessee. I hope that that condition will be overcome.

Mr. WOOD of Idaho. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. WOOD of Idaho. Do you not think we ought to find out the constitutional authority for this resolution, wherein the effort to treat with other countries is entirely 100 percent through the present State Department, which has been taken over from the American people and the American Congress?

Mr. REECE of Tennessee. This resolution expresses the hope that the President will find some manner of sending an expression to the German people.

The SPEAKER. The time of the gentleman from Tennessee has again expired.

Mr. RIBICOFF. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Speaker, I believe at this time the Congress would like to have a statement on the floor as to the answer of the Secretary of State to my question before the Foreign Affairs Committee this morning.

The Secretary of State has stated that he will not enter into negotiations with the North Koreans or with Communist China until he has assurances that each of those nations will conform to the Geneva Convention on American and Allied Prisoners. That will mean good news to the relatives and the families of the soldiers of this country who have been taken prisoner. There will be no talk of peace unless these opponents tell us who the prisoners are, where they are located, their mailing addresses, and identify them, and show us that they took care of the wounded; and, in addition, let our packages and medical supplies go through to them. The Secretary of State secondly, in answer to my question whether Formosa would be used as a makeweight or a bargaining element in making peace in Korea, has again assured us for the administration that Formosa will not be used as any bargaining element in any peace negotiations in Korea, and that the freedom of the free people of Formosa will be respected.

Mr. ARMSTRONG. Mr. Speaker, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Missouri.

Mr. ARMSTRONG. Can the gentleman tell us if he has any assurance from either the President or the State Department whether or not in this ceasefire talk there will be any assurance to the other peoples of the world that those who have been declared the aggressors, both by our Government and the United Nations, will somehow be apprehended and brought to the bar of international justice and punished for their aggression, or whether we are going to sit down and dicker on the thirty-eighth parallel.

Mr. FULTON. As I have no such assurance, I would yield to the gentleman from South Carolina [Mr. RICHARDS], chairman of the Foreign Affairs Committee, to answer the gentleman's question, on behalf of the administration.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. RIBICOFF. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Speaker, I vigorously support the conference report reaffirming the friendship of the American people for all peoples of the world, including the peoples of the Soviet Union, and urge every Member of this distinguished legislative body to approve the same by his or her vote on the roll call.

I supported the House resolution when it was before us previously, and now that the United States Senate has unanimously approved the text thereof and it is referred back to this House for conference consideration, I find pleasure and satisfaction in again having opportunity to vigorously support the worthy objectives as stated on the part of the managers of the House and embodied in the conference report.

Do not the first two paragraphs of this report state what is in the heart and mind and soul of all patriotic thinking Americans?

First:

Whereas the goal of the American people is now, and ever has been, a just and lasting peace; and

Second:

Whereas the deepest wish of our Nation is to join with all other nations in preserving the dignity of man, and in observing those moral principles which alone lend meaning to his existence; and then each and every subsequent statement in the report, so clearly and ably made to us by our own managers on the part of the House, is likewise crystal clear in revealing to all peoples of the world, the intent and purpose of the American people to be friends with all freedom-loving peoples of the world. Nor does it put the soft pedal on any aggressive communistic philosophy in the Soviet Union, for it, among other things, states:

We know that the Soviet philosophy is an aggressive one. The Politburo uses every opportunity to attack peace-loving nations by word and even by arms through its satellites. These activities, bordering so close to war, give us tremendous concern.

Previous speakers today have urged to your attention that the battle of ideas is not less important that the battle of bullets and that both are sometimes necessary. I state that the battle of ideas is perpetually necessary, and I pray God that the time may not be too far distant when it shall be unnecessary to have any battle of bullets. But, until that happy day arrives, we must be prepared, if needs be, to enforce peace by virtue of our military strength and resourcefulness.

Inasmuch as previous remarks by Members this day are strongly in accord with my own convictions in the area of the importance of promulgating to other peoples of the world our concept of life as rapidly as possible, I am reminded that on May 23 on the floor of this House I, amongst other things, stated:

We can help spank spreading communism by spreading the practice of American idealism. Yes, Mr. Chairman, I have an abiding and enduring faith that the American idealism which speaks out for human dignity and for human rights can be made more than a match for aggressive communism. I read history which tells me that the surest way a false idea or ideology can be whipped is to match it with an idea or ideal which has enduring value in the hearts and minds and souls of men. The destiny of our Nation ultimately will be determined by our applied ideals and ideas far more than by power and bombs.

So it is, by the express terms of this conference report on which we are voting in a few minutes, again clearly stated by the Congress of the United States—by both Houses thereof—that we not only oppose the Soviet philosophy of aggressive communism, but that we have something tangible and feasible which can be possessed by the common people of the world.

In other words, the raising of the human being to the level of personal dignity with the freedoms which are ours, for an idea which will promulgate human liberty of our own national security and the security of the nations of the world. This is the way we live, and we must let the peoples of all other nations know this at the earliest possible moment. This resolution will be a powerful factor in this regard. Peace is the normal way of human life. Americans are peace loving and abiding. This resolution, given life, will help toward world peace, peace with honor and assurance of it lasting, for when the people of the world cement together for peace, dictatorial government will not destroy it.

Mr. RIBICOFF. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. KERSTEN].

Mr. KERSTEN of Wisconsin. Mr. Speaker, a victim in the depths of his torture is not much inspired or consoled by expressions of sympathy from one standing by when those expressions are coupled with meekness toward the torturer.

The people of the Soviet Union are the foremost victims of a satanic tyranny—their own Communist regime. Since it came into power in 1917, this regime has murdered over 40,000,000 of its own citizens. The body of the Soviet citizenry is presently being tortured on the rack of the police state.

This resolution insofar as it expresses sympathy for the peoples of the Soviet Union is one step in the right direction.

But the greater part of the realities of the situation are left untouched.

There is a very large area in our relations with the peoples of the Soviet Union and with the regime that now enslaves them which has not been covered. I have attempted to cover that additional area by Resolution No. 89, introduced by me on April 3, 1951, to which I call to the committee's attention and I ask that the committee give it early consideration. I have also introduced Resolution No. 4, pertaining to the enslavement of non-Russian peoples within the Soviet Union; Resolution No. 119, pertaining to the enslavement of the Hungarian people; Resolution No. 120, pertaining to the enslavement of the Polish people; Resolution No. 121, pertaining to the enslavement of the Bulgarian people; and Resolution No. 123, pertaining to the enslavement of the Rumanian people.

I also call the committee's attention to these additional measures.

The resolutions introduced by me go considerably further into the relationship between the American people and the Russian people than does the resolution we are now debating. They also go into fields untouched by the instant resolution: Namely, the specific relationship between the Soviet Government and the various classes of Soviet society, the basic rights of the Soviet citizens as human beings, specific measures that might be taken to help the peoples of the Soviet Union toward their liberation.

I was deeply impressed by the speech of the gentleman from Minnesota [Mr. JUDD]. He referred to the necessity of assisting these unfortunate people in overthrowing their government. I commend him for his forthright statement. I believe that that is the great and urgent necessity in the relationship between the free world and the slave world. The world cannot continue to exist half free and half slave.

Mr. RIBICOFF. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.].

Mr. FULTON. Mr. Speaker, will the gentleman yield? Will the gentleman yield me 1 minute to answer the gentle- from Missouri [Mr. ARMSTRONG], because I had passed the question to the chairman of the Foreign Affairs Committee to be answered? The question has been asked and it has not been answered.

Mr. RIBICOFF. I yield 1 minute to the gentleman from Pennsylvania.

Mr. FULTON. And I now yield for answer to the gentleman from South Carolina [Mr. RICHARDS], chairman of the Foreign Affairs Committee, to the gentleman's question.

Mr. RICHARDS. I did not hear the gentleman's question.

Mr. ARMSTRONG. The question I asked, in substance, was whether we can have assurance, as these cease-fire talks are contemplated, that there will be some agreement with those who have been declared aggressors because of their military action against free and peaceful peoples, namely, the North Koreans and the Chinese Red Communists regime, that those aggressors will be apprehended and brought to the bar of international justice for punishment, or whether we are going to sit and dicker with them at the thirty-eighth parallel; that we should have some assurance that we are going ahead and fulfill the desire of peaceful peoples that they be punished.

Mr. RICHARDS. I am sure the gentleman knows I cannot give him any assurance on the question he has raised.

Mr. FULTON. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. I should like to inquire of the members of the committee if this resolution would in any way commit us to this one-world plan?

Mr. FULTON. I do not believe this resolution would commit us to a one-world plan. It is merely an expression of friendliness to all the peoples of the world.

Mr. RIBICOFF. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.].

Mr. HERTER. Mr. Speaker, will the gentleman yield?

Mr. HUGH D. SCOTT, JR. I yield.

Mr. HERTER. Mr. Speaker, I hope very much this resolution will pass unanimously in this House because I think it is of very great value overseas.

Mr. RANKIN. Mr. Speaker, will the gentleman yield for a question?

Mr. HUGH D. SCOTT, JR. I am sorry; I have only 3 minutes; I cannot yield.

Mr. Speaker, I may say that I support the resolution.

I do not think, in supporting this resolution, that it is necessary for any Member of this House to disavow his detestation of aggressive, armed Soviet Communist expansionism as now enforced from the top by its leaders. But the desire for peace runs strong and penetrates high and low in Soviet Russia. I want to tell you a story.

Once upon a time not so very long ago I had the very rare and unusual experience of a private conversation outside the United States with a Russian commissar. I said to him: "My country is strong, and proud, and great, and is prepared to defend itself against aggression. I know that your country is strong, and proud, and great, and equally prepared to defend itself. I hope that within your country there will grow up a concern for a peaceful way of life among all the peoples of the world, a concern I am sure exists on the part of the people of your country, and I know it exists on the part of our American people."

He looked down for a minute, then he looked around to see whether anyone else was within earshot. Then he said, "Mr. SCOTT, do you like vodka?"

I had always thought vodka was something I could well do without, but I thought, too, that protocol demanded an answer and a friendly answer, so I told him "Yes," I appreciated the offer, and the implication behind the offer. He said, "Tomorrow at 10 o'clock there will be in your room the finest bottle of vodka in this city."

The next day at 10 o'clock that bottle was there. It has not been consumed, Mr. Speaker, but I keep it as a memento of something very revealing. What? The fact that that Russian commissar was trying to say to me that even as high as he was in the hierarchy, the will and the desire for a peaceful way of life existed among the people behind the iron curtain as it existed with him, and just as it exists in this country.

I believe that truth is a flaming sword, that if wielded with courage and intelligence its sharp edge will cut through error, rumor, distrust, suspicion, that if the Russian people know the truth it is the only hope they have of achieving freedom, that only the truth will give to them the incentive to find the ways and the methods to join the ranks of the free peoples, and that also is even more true of the satellite nations behind the iron curtain. I will therefore support this resolution of good will and of friendship, this message of spiritual force from a free and peaceful people to all those who live in darkness and hunger for the truth.

Mr. RIBICOFF. Mr. Speaker, I yield to the gentleman from Ohio [Mr. REAMS] for a consent request.

Mr. REAMS. Mr. Speaker, I support this resolution enthusiastically. It is an expression of the American people for an abiding friendship with the people of the Soviet Union. May I briefly summarize what it means to me:

We, the people, speaking through the Congress of the United States, reaffirm our historic friendship for all other people. We regret the artificial barrier that separates us from the Soviet people and keeps them from learning of our desire to live in friendship and to work with them in advancing the ideal of human brotherhood.

We believe that the Soviet Government could immeasurably advance the cause of peace if this barrier, which we call the iron curtain, was removed. With a free exchange of ideas and information between us, you could then see that neither we nor our Government wants war or its terrible consequences.

We will defend ourselves if we are forced to, because freedom means much to us. But we welcome your help in peacefully resolving any differences between your Government and ours.

We invite you the Russian people to work with us toward the realization of a just and lasting friendship between our Governments and the people of our respective lands.

Those are the ideas which we express when we vote for this resolution. But let us not underestimate its value because it is couched in such simple words and is so plain in its meaning. Great movements have always appeared over the horizon of history garbed so plainly that they have not been recognized by the sophisticated.

People have resisted the invasion of marching armies but not the power of an idea whose time has arrived. The simple ideas expressed in this resolution when implanted in the minds of the Russian people may be more effective than all or weapons of defense—as necessary as armaments seem to you and to me today. They may be the rearmament program for which we strive.

I hope Mr. Speaker, this resolution may have the unanimous vote of this House.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. This resolution does not commit us to the United Nations, does it?

Mr. RIBICOFF. This is a resolution reaffirming the desire of Congress and the American people for a just and lasting peace. It also confirms our inherent friendship for all the peoples of the world.

Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, let us understand what this resolution is. The Russian people are not only kept enslaved by a dictatorship, but they are kept enslaved by fear constantly dinned into their ears over the radio and from various sources that somehow or other the "imperialists," and that is always pictured by the Communist propagandists to include the United States, will attack and enslave them. It is pointed out to them by the same poisonous propaganda that after World War I there was an allied force which actually went into Russia and occupied some of its territory without in any way explaining the situation of that time. The resolution before us is an effort to assure the Russian people as to their own security and as to their personal safety; and as such, it is tremendously valuable because it is so true. The United States wants to win in this situation with the weapons of peace and it can do so only if it gets across the truth of its peaceful intentions; this we must do with the peoples of the free world, but also with the Russian and satellite peoples. This resolution is an opportunity for doing so. I hope the resolution will pass unanimously.

Mr. RIBICOFF. Mr. Speaker, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Speaker, Senate Concurrent Resolution 11 as now before the House in the form of a favorable conference report has my entire approval. The underlying purpose of the resolution is to give assurance to the peoples of all nations of the friendship of our Nation, expressed through its duly elected representatives in House and Senate.

The resolution clearly sets forth in unmistakable terms that our Nation has no desire other than to promote peace and good will among the nations of the world. It deprecates conditions that preclude the people of some nations from understanding our true and sincere objectives. It is fervently hoped that this expression of good will upon the part of the Congress of the United States will go far in giving assurance to all people that peace and security for all people is the basic policy of the Government of the United States. At no time has the Nation sought territorial gains or enhancement of its material resources. We have already in two world wars, and, in the Korean incident, given evidence of a willingness to sacrifice and die in the cause of liberty and to protect the weak against the strong, to the end that justice might prevail as between all peoples and nations.

America is a peace-loving Nation. Never in all the history of our Nation can it be said that this Nation has provoked war, but, on the contrary, time and again, our strength and influence have prevented war. The desire for peace is the aspiration of our people.

Nowhere in all the world is there a more pronounced and outstanding desire for universal peace than in America. Nowhere has there been a more ready and willing response to every effort that has been made to substitute peaceful means for the settlement of international differences rather than resort to military force. As a people we are justifiably proud of the fact that our Nation, above all others, has led in every movement to establish principles upon which international peace might be promoted. The peace of the world, made permanent and secure, is the sincerest desire of our people—an aspiration of the very heart and soul of America. It was for this that America shed her blood in two world wars and in Korea. What finer or more sacred contribution to the cause of peace could there be?

As America in the past has sought to foster and maintain peace and good will among the nations of the world, so we can with confidence look into the future with the fullest assurance, knowing full well that peace and not war will continue to be the aspiration of the heart and soul of America.

This resolution, to which I give my full support, is in my opinion an outstanding document in that it sets forth in clear and strong language the attitude of our Nation, and, makes plain that which is now and always has been our policy since the inception of our Government.

It is my fervent hope and prayer that the passage of this resolution will make plain to the peoples of the world the true spirit of brotherhood that dominates this Nation in all its undertakings to advance the cause of peace and justice in the world.

The resolution reads as follows:

Whereas the goal of the American people is now, and ever has been, a just and lasting peace; and

Whereas the deepest wish of our Nation is to join with all other nations in preserving the dignity of man, and in observing those moral principles which alone lend meaning to his existence; and

Whereas, in proof of this, the United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom; and

Whereas the Congress reaffirms its policy as expressed in law "to continue to exert maximum efforts to obtain agreements to provide the United Nations with armed forces as contemplated in the Charter and agreements to achieve universal control of weapons and mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion"; and

Whereas this Nation has likewise given of its substance and resources to help those peoples ravaged by war and poverty; and

Whereas terrible danger to all free peoples compels the United States to undertake a vast program of armaments expenditures; and

Whereas we rearm only with reluctance and would prefer to devote our energies to peaceful pursuits: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States reaffirms the historic and abiding friendship of the American people for all other peoples, and declares—

That the American people deeply regret the artificial barriers which separate them from the peoples of the Union of Soviet Socialist Republics, and which keep the Soviet peoples from learning of the desire of the American people to live in friendship with all other peoples, and to work with them in advancing the ideal of human brotherhood; and

That the American people believe the Soviet Government could advance the cause of peace immeasurably by removing those artificial barriers, thus permitting the free exchange of information between our peoples; and

That the American people and their Government desire neither war with the Soviet Union nor the terrible consequences of such a war; and

That, although they are firmly determined to defend their freedom and security, the American people welcome all honorable efforts to resolve the differences standing between the United States Government and the Soviet Government and invite the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor; and

That the Congress request the President of the United States to call upon the Government of the Union of Soviet Socialist Republics to acquaint the peoples of the Soviet Union with the contents of this resolution.

Mr. RIBICOFF. Mr. Speaker, I yield 3 minutes to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. Mr. Speaker, I hope this conference report will be adopted without a negative vote. As has been said, it passed the Senate unanimously and it was passed by the Foreign Affairs Committee unanimously. This is the next step to be taken.

Mr. Speaker, the thing for the Members of this body to primarily remember in the consideration of this measure is that it commits the Congress and the American people to the program of no organization. It commits us to nothing except friendship to all the peoples of the earth.

This resolution was not proposed by the State Department or any other department of our Government. It comes from the people of America through the Congress of the United States, made up of their chosen representatives.

As the gentleman from Minnesota so aptly said a few moments ago, a select committee of this Congress, composed of members of the Appropriations Committee, the Committee on Armed Services, and the Committee on Foreign Affairs, has just returned from Europe after 10 or 12 days of the hardest study and work I think any committee ever made abroad. One of the glaring weaknesses we found abroad in this so-called warfare against communism was in the field of the battle of ideas. As has been said, we are coming along pretty good in the field of the military and in the field of economic cooperation, but in the field of dissemina-

tion of ideals and ideas we are sadly deficient.

This is a statement from the people of the United States to people everywhere saying that no matter what you may think of our Government or what we may think of yours, so far as your people and our people are concerned we have a common desire for peace and a friendly spirit for each other.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Iowa.

Mr. GROSS. Was there a roll call in the Senate on the passage of this measure?

Mr. RICHARDS. No; there was not a roll call. I hope there will not be a vote against this conference report.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. RIBICOFF. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. KERSTEN].

Mr. KERSTEN of Wisconsin. Mr. Speaker, I would like to ask the chairman of the Committee on Foreign Affairs a question, and I compliment him for his expression regarding the feeling of the two peoples, the American people and the Russian people. But apart from that, can the gentleman tell me as to his idea, or does he believe any agreement that we may make with the Soviet regime would be effective, and, if so, might not such an agreement be against the Russian people?

Mr. RICHARDS. I have not any faith at all in any agreement we have made or may make with the Soviet regime; therefore, our only sensible approach is to the people of Russia and not to the Government of Russia.

Mr. KERSTEN of Wisconsin. I am happy to hear the gentleman say that.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. RIBICOFF. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, would the gentleman from South Carolina explain this particular section:

> Whereas, in proof of this, the United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom—

And so forth.

Mr. RICHARDS. That is correct.

Mr. GAVIN. What does the gentleman mean by "share"?

Mr. RICHARDS. The United States has announced to the people of all the world on more than one occasion that we consider atomic energy a force that should be used for the benefit of all the peoples of the earth and not as a force of destruction. This resolution reasserts that principle.

Mr. RIBICOFF. Mr. Speaker, I yield 5 minutes to the distinguished majority leader, the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, the reason that the conference report is before us now is due to practical conditions. A few weeks ago this resolution came up under suspension of the rules, as I remember. On that day there was no controversial legislation and many Members were engaged in their office work or in conferences, or performing their duties with different agencies of Government in connection with their constituents, and the result was that there were few Members on the floor at the time. You and I know that the vote on that occasion represented the will of the House as a whole. But, we found out, due to the fact that there were few Members present on that occasion, that the Communists abroad used that for propaganda purposes against us and against the very purposes of the resolution. Therefore a very practical situation presented itself to us as the result of which the resolution as it passed the House, in different form in detail than it passed the Senate, was sent to conference, to come back for a separate vote at a time when the full will of the House might be expressed on this particular resolution.

There will be a roll call on the resolution because, again, from a practical angle, that is advisable and wise. The contents of the resolution certainly represent the hopes and the aspirations and the policies of our Nation. I think it represents the hopes and the aspirations of every decent-minded person. No harm can certainly come out of its adoption and an awful lot of good might come out of its adoption.

I think the gentleman from Minnesota [Mr. JUDD], as well as other speakers, but the gentleman from Minnesota [Mr. JUDD], in particular, gave to the House the benefit of his profound knowledge on this particular resolution when he said that it is in "the field of ideas" that we have got to take the affirmative. I thoroughly agree with the gentleman. When he talks about "the field of ideas" he is also talking about the minds of people, because in the challenge that confronts the world today there is a difference in philosophy, that is, our philosophy against the ideology of atheistic communism, and that comes within the purview of "the field of ideas," or what might otherwise be termed, but meaning the same thing, "the battle of the mind."

Behind the iron curtain and throughout this world in nations dominated by dictators, whether vicious or benevolent, but addressing myself to the totalitarian type, there are countless millions of persons who are hoping for their day of deliverance. There are countless millions of human beings who want liberty. That is something which we all obtain from God Himself through the natural law. The people dominated by totalitarian regimes inherit the same desire through the natural law that we have inherited.

One of the great inheritances by and through the natural law is the desire of every man and woman for some degree of freedom. Behind the iron curtain in those countries dominated by Communist regimes are countless millions of persons who have the desire for freedom and who are hoping and praying for the day of their deliverance. This resolution might make some contribution in that respect.

In all honesty, I cannot see why any Member would vote against the resolution. I hope no Member will. But in any event, if any do, I hope the vote on the part of the House will be overwhelming, conveying as it will behind the iron curtain—it will trickle through to those people—the sentiments of the people of the United States for peace, for friendship, and for freedom, not only for ourselves but for the people of those lands where it is effectively denied at the present time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. We are being called upon to pass this friendship resolution. We passed a resolution not so long ago branding China as an aggressor. Does the gentleman suppose that when the next police action is started we will get a resolution before the House of Representatives to approve or disapprove that police action?

Mr. MCCORMACK. The gentleman is asking a question which has no relevance to the matter before the House.

Mr. GROSS. It has every relevance to it.

Mr. MCCORMACK. In my opinion, the gentleman's question has no relevance to the matter before the House. I say that with all respect for the gentleman's views. I am talking on this particular friendship resolution. It is one that every one of us could well vote for, and I hope there will be no vote against it.

Mr. Speaker, throughout its proud history, this Chamber has echoed the convictions of those whom we represent. There are issues upon which the American people are divided. That division is reflected here, and the will of the majority prevails. That is true democracy in action.

But there are many profound convictions shared by an overwhelming majority of the people of our Nation. These convictions are rightfully a powerful force in shaping the destiny of civilization. When, in the exercise of our duties, we give voice to these convictions—then, we have contributed toward the universal understanding which must be the foundation of any just and enduring peace.

We now have an opportunity to make such a contribution. There is before the House a concurrent resolution expressing once more the deep friendship of the American people for all other peoples.

It is especially fitting that we reaffirm this abiding feeling for all peoples, at this time. We live in a world threatened by tyranny. The enemies of freedom have enslaved millions, and conspire to extend their sway through new aggressions.

The heart of this conspiracy lies among the rulers of the Soviet Union, and its strength lies in the iron grip which the conspirators have fastened upon the bodies and minds of the peoples of the Soviet Union.

By artificial barriers, the conspirators have denied these great peoples all contact with the free world. They have

launched a "hate America" campaign of unexampled virulance. The Soviet peoples are told they have no friends, save their masters. They are told that the American people are their enemies, and that they must stand ready, at their masters' bidding, to destroy America.

This monstrous lie is vital to the Communist bid for world domination. If it is not destroyed, the future of civilization is dark and forbidding. Destroy it—and mankind can resume the march toward peace, and freedom, and justice, and decency.

I say to you that it is our duty to destroy this lie; to make every effort to let the Soviet peoples know that Americans are their friends, not their enemies; that we seek only to work with all men "in advancing the ideal of human brotherhood."

This is the purpose of the concurrent resolution now before the House. In simple language, it states the feelings of the American people.

It reaffirms their friendship for their fellow men.

It expresses the conviction that the Soviet Government has done a disservice to peace by isolating the Soviet peoples from their friends.

It states forcefully and directly that the American people abhor war and its terrible consequences.

It sets forth again our eagerness for just and honorable settlement of differences between nations; and invites the cooperation of the Soviet peoples toward this end.

And finally, the resolution asks that the President call upon the Soviet Government to acquaint Soviet peoples with these abiding convictions of the American people.

This is a challenge to the Soviet rulers. It says to them: "Let your people know the truth."

We must acknowledge that they may reject the challenge. They may seek to keep this message from those for whom it is intended.

If they do this—if they reject the challenge—they will have admitted their guilt, and their lies.

But they proclaim themselves the champions of peace. Their deeds belie them, but let us give them one more opportunity. If we adopt this resolution, we say to the men in the Kremlin: "If you seek peace, let there be an end to these lies. Let the peoples of the Soviet Union know the truth about the American people. Then, let them judge for themselves."

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it is unfortunate that this resolution was not debated thoroughly, and the House given all the facts involved.

It is my intention to vote "present." I do not like to be put in the attitude of voting against an alleged expression of "friendship," and I certainly do not want to be put in the position of underwriting by my vote some of the expressions contained in this resolution.

In the first place, I am disturbed over this expression:

> The United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom.

Just how much attention communism would pay to the last portion of that statement is certainly problematical. After we had shared "all that is good in atomic energy," how do we know what use would be made of it?

We had better build up our own defenses, including the strongest air force on earth, with an ample supply of atomic bombs, an adequate Navy, and a radar perimeter covering the entire Western Hemisphere. Then, I dare say, no nation will dare attack us, because they know that to do so would probably mean their destruction.

But one of the most dangerous provisions of this resolution is this one:

> Whereas the Congress reaffirms its policy as expressed in law "to continue to exert maximum efforts to obtain agreements to provide the United Nations with armed forces as contemplated in the Charter and agreements to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion."

In other words, this resolution underwrites the United Nations and would make of it a supergovernment to control the weapons of destruction, even in the United States.

Everyone knows that this United Nations is teeming with Communists who are bent on the destruction of this Government, the wiping out of Christianity, and destroying the American way of life.

They have already attempted to repeal some of our local laws, such as alien land laws, and are now trying to interfere with our marriage laws and our school laws in the various States. In that way, they are stirring up race trouble throughout the country and subjecting the people of the South to a degree of irritation, if not persecution, they have not experienced since the dark days of reconstruction.

The sooner we get out of this United Nations, and get that group of spies out of this country, the better it will be for these United States.

As I said, I do not want to be put into the awkward position of voting against "peaceful relations" with the peoples of other countries throughout the world, but I cannot vote for a resolution containing provisions that I fear would not contribute to the welfare or the safety of my country.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I know of no substantial reason why this resolution is before the House of Representatives unless it is admitted by proponents that the friendship of the American people toward other people of the world is suspect.

And still unanswered is my question as to whether legislative bodies in other nations of the world have or contemplate adopting resolutions professing friendship for the people of the United States.

In the minds of other people, the world over, we will be measured by our deeds, not by what we say. We will judge foreign governments and their people likewise.

Members of the House have a right to expect, as I suggested to the gentleman from Massachusetts [Mr. MCCORMACK], that if resolutions dealing with foreign relations are to be decided by a record vote, there should also be record votes approving or rejecting police actions such as President Truman launched in Korea.

There is no reluctance on the part of the House leadership in bringing to the floor a resolution branding the Chinese as aggressors or this one professing friendship for everyone. But the House was denied even the slightest consideration of an action that threw the Nation into one of its most sanguinary wars—an action that has affected every home in America.

In my opinion the pending resolution will accomplish no good and it may do no particular harm.

For that reason I will neither support nor oppose it. I will vote "present."

Mr. SPRINGER. Mr. Speaker, during the last 6 years since the end of World War II we have been trying to achieve permanent peace by direct negotiation. In this we have failed time and again. This resolution is now a part of a plan of appealing directly to the peoples themselves who live behind the iron curtain. If we are to keep the friendship of those peoples, it is necessary that our position be not only clearly stated but also understood. By this resolution we are trying to get the thoughts of this body about peace to the ordinary man at the street level. If there is any vulnerable spot in the Soviet Union, I believe that we are striking at it in this resolution. Our battle is the free exchange of ideas and I agree with the gentleman from Minnesota [Mr. JUDD] when he states our position as "fighting ideas with other better ideas."

At the present time the Soviet Union is carrying on a campaign and is using the word "peace" on every occasion. I presume that if that word is used often enough some people would come to believe it regardless of the manner in which it was used or by whom it was spoken.

I believe that we are on the right track by showing that the two legislative bodies in this country are directly behind the idea of spreading the truth about our stand toward other peoples of the world. There is nothing to be feared so much as for us to be misrepresented or to be misunderstood. This resolution is just one more striking example of our attempt to tell the truth to other peoples of our peaceful intentions toward them.

Mr. RIBICOFF. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. RIBICOFF. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 351, nays 6, answered "present" 8, not voting 67, as follows:

[Roll No. 88]

YEAS—350

Aandahl	Dague	Jenkins
Abbitt	Davis, Ga.	Jensen
Abernethy	Davis, Tenn.	Johnson
Addonizio	Davis, Wis.	Jonas
Albert	Deane	Jones, Ala.
Allen, Calif.	DeGraffenried	Jones, Mo.
Andersen, H. Carl	Delaney	Jones, Hamilton C.
Anderson, Calif.	Dempsey	Jones, Woodrow W.
Andresen, August H.	Denny	Judd
Andrews	Denton	Karsten, Mo.
Anfuso	Devereux	Kean
Angell	Dollinger	Kearney
Arends	Dolliver	Keating
Armstrong	Donohue	Kelly, N. Y.
Aspinall	Donovan	Kennedy
Auchincloss	Doughton	Keogh
Ayres	Doyle	Kerr
Bailey	Eaton	Kersten, Wis.
Baker	Eberharter	Kilburn
Bakewell	Elliott	King
Barden	Ellsworth	Kirwan
Baring	Elston	Klein
Barrett	Engle	Kluczynski
Bates, Ky.	Fallon	Lane
Bates, Mass.	Feighan	Lanham
Battle	Fellows	Lantaff
Beall	Fenton	Latham
Beamer	Fernandez	Lesinski
Beckworth	Fine	Lovre
Belcher	Fisher	Lucas
Bender	Fogarty	Lyle
Bennett, Fla.	Forand	McCarthy
Bennett, Mich.	Ford	McConnell
Bentsen	Forrester	McCormack
Berry	Fugate	McCulloch
Betts	Fulton	McGregor
Bishop	Gamble	McGuire
Blackney	Garmatz	McKinnon
Boggs, Del.	Gary	McMillen
Bolling	Gathings	McVey
Bolton	Gavin	Machrowicz
Bonner	George	Mack, Wash.
Bosone	Golden	Madden
Bow	Goodwin	Mahon
Boykin	Gordon	Mansfield
Bramblett	Gore	Marshall
Bray	Gossett	Martin, Iowa
Brehm	Graham	Martin, Mass.
Brooks	Granahan	Mason
Brown, Ga.	Grant	Meader
Brown, Ohio	Green	Miller, Md.
Brownson	Greenwood	Miller, Nebr.
Bryson	Gregory	Mills
Budge	Gwinn	Mitchell
Burdick	Hagen	Morgan
Burleson	Hale	Morris
Burnside	Hall, Leonard W.	Morrison
Busbey	Halleck	Morton
Bush	Hand	Multer
Butler	Hardy	Mumma
Byrnes, Wis.	Harris	Murdock
Canfield	Harrison, Va.	Murray, Tenn.
Cannon	Harrison, Wyo.	Nelson
Carlyle	Hart	Nicholson
Case	Havenner	Norblad
Celler	Hays, Ohio	Norrell
Chatham	Hedrick	O'Brien, Ill.
Chelf	Heffernan	O'Hara
Chenoweth	Heller	O'Neill
Chiperfield	Herlong	Ostertag
Chudoff	Herter	Passman
Church	Heselton	Patman
Clemente	Hess	Patten
Clevenger	Hill	Patterson
Cole, Kans.	Hinshaw	Perkins
Cole, N. Y.	Hoeven	Phillips
Colmer	Hoffman, Ill.	Pickett
Combs	Holifield	Poage
Cooley	Holmes	Polk
Cooper	Hope	Potter
Corbett	Horan	Price
Cotton	Howell	Priest
Coudert	Hull	Prouty
Crawford	Hunter	Quinn
Crosser	Jackson, Wash.	Rabaut
Crumpacker	James	Radwan
Cunningham	Jarman	Rains
Curtis, Mo.	Javits	Reams
Curtis, Nebr.	Jenison	Reece, Tenn.
Reed, Ill.	Sheehan	Van Pelt
Rees, Kans.	Shelley	Van Zandt
Regan	Sheppard	Vaughn
Rhodes	Short	Vinson
Ribicoff	Sieminski	Vursell
Richards	Simpson, Ill.	Walter
Riley	Sittler	Weichel
Rivers	Smith, Miss.	Welch
Roberts	Smith, Va.	Wharton
Robeson	Smith, Wis.	Wheeler
Rodino	Spence	Whitaker
Rogers, Colo.	Springer	Widnall
Rogers, Fla.	Staggers	Wier
Rogers, Mass.	Stanley	Wigglesworth
Rogers, Tex.	Steed	Williams, Miss.
Rooney	Stefan	Williams, N. Y.
Roosevelt	Stigler	Willis
Sabath	Stockman	Wilson, Ind.
Sadlak	Taber	Wilson, Tex.
Sasscer	Tackett	Winstead
Saylor	Talle	Withrow
Scott, Hardie	Taylor	Wolcott
Scott, Hugh D., Jr.	Teague	Wolverton
Scrivner	Thomas	Wood, Ga.
Scudder	Thompson, Mich.	Yates
Secrest	Thompson, Tex.	Yorty
Seely-Brown	Thornberry	Zablocki
Shafer	Towe	

NAYS—6

Hoffman, Mich.	Schwabe	Werdel
Reed, N. Y.	Smith, Kans.	Wood, Idaho

ANSWERED "PRESENT"—8

Buffett	Jackson, Calif.	Rankin
Gross	Kearns	St. George
Hillings	Poulson	

NOT VOTING—68

Adair	Hall, Edwin Arthur	Murray, Wis.
Allen, Ill.	Harden	O'Brien, Mich.
Allen, La.	Harvey	O'Konski
Blatnik	Hays, Ark.	O'Toole
Boggs, La.	Hébert	Philbin
Breen	Irving	Powell
Buckley	Kelley, Pa.	Preston
Burton	Kilday	Ramsay
Byrne, N. Y.	Larcade	Redden
Camp	LeCompte	Richlman
Carnahan	Lind	Sikes
Cox	McDonough	Simpson, Pa.
Dawson	McGrath	Sutton
D'Ewart	McMillan	Tollefson
Dingell	Mack, Ill.	Trimble
Dondero	Magee	Vail
Durham	Merrow	Velde
Evins	Miller, Calif.	Vorys
Flood	Miller, N. Y.	Watts
Frazier	Morano	Whitten
Furcolo	Moulder	Wickersham
Gillette	Murphy	Woodruff
Granger		

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Boggs of Louisiana with Mr. Gillette.

Mr. Irving with Mr. Simpson of Pennsylvania.

Mr. Hébert with Mr. Miller of New York.

Mr. Sikes with Mr. Adair.

Mr. Trimble with Mr. Velde.

Mr. Lind with Mr. Harvey.

Mr. Magee with Mr. Richlman.

Mr. Murphy with Mr. D'Ewart.

Mr. Evins with Mr. O'Konski.

Mr. Carnahan with Mr. LeCompte.

Mr. Kelley of Pennsylvania with Mr. Murray of Wisconsin.

Mr. Burton with Mr. McDonough.

Mr. Buckley with Mr. Merrow.

Mr. Wickersham with Mr. Edwin Arthur Hall.

Mr. Miller of California with Mrs. Harden.

Mr. O'Brien of Michigan with Mr. Tollefson.

Mr. O'Toole with Mr. Woodruff.

Mr. Preston with Mr. Allen of Illinois.

Mr. Granger with Mr. Vail.

Mr. Dingell with Mr. Dondero.

Mr. McGrath with Mr. Morano.

Mr. Furcolo with Mr. Vorys.

Mr. SHEPPARD changed his vote from "nay" to "yea."

Mrs. ST. GEORGE changed her vote from "yea" to "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. RIBICOFF. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks at the point in the RECORD just prior to the ordering of the previous question.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

LEGISLATIVE REORGANIZATION ACT

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 285, Rept. No. 647), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1181) to amend section 207 of the Legislative Reorganization Act of 1946 so as to authorize payment of claims arising from the correction of military or naval records. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

NAVAL VESSELS

Mr. COLMER (on behalf of Mr. Cox), from the Committee on Rules, reported the following privileged resolution (H. Res. 286, Rept. No. 648), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3463) to authorize the transfer of certain naval vessels. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

IMPORTATION OF FOREIGN AGRICULTURAL WORKERS

Mr. COLMER. Mr. Speaker, I call up House Resolution 257 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself

into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3283) to amend the Agricultural Act of 1949. That after general debate which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH], and pending that I yield 5 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, several months ago I appointed a subcommittee and directed the members of that subcommittee to carefully consider all aspects of the problems involved in the use of Mexican nationals on the farms of our country. The committee was authorized to conduct studies, hold hearings, and to make such investigations as might be deemed necessary. Hearings were held in different parts of the country and the hearings were well-attended by interested parties. Hearings were held here in Washington, and I am certain that all parties interested were accorded an opportunity to be heard and to be present their views. As a result of the studies, investigations, and hearings, the House Committee on Agriculture reported the bill now under consideration. This a very important measure and vitally affects many people. Failure to pass the pending bill might very well likewise vitally affect the production of essential food and fiber.

American agriculture has embarked upon a greatly expanded program. High production goals have been fixed and the farmers of the Nation have been called upon to produce the abundance which will be needed. American agriculture has been called upon again to fill the bread basket of democracy. We can recall with great pride how the American farmer discharged his assignment in World War II. Our farmers performed magnificently and actually amazed the world with their production.

The bill which we are presenting seeks to deal with an unfortunate situation. It is unfortunate that we do not have in America sufficient farm labor to harvest the abundant production of our farm lands. There is no question about a shortage of farm labor. Everyone familiar with the situation is apparently willing to admit that there is a great need for a great number of laborers for the farms of America. Because there may perchance be unemployment in some of our metropolitan centers does not necessarily mean that the unemployed of the cities are available for farm labor. The situation now facing us has actually existed for many years.

In the past, Mexican farm workers, without regard for our immigration laws, have crossed the border and have performed farm work in many States. Our immigration authorities have been unable to cope with the situation. Many of these so-called wetbacks have been exploited by selfish landlords. Some of these wetbacks have remained in America, our immigration laws to the contrary notwithstanding. Some of them, knowing that they were illegally in this country, no doubt feel somewhat as fugitives, and they cannot, therefore, demand fair wages and decent living conditions. We seek by the pending bill not to legalize the entry or the status of wetbacks who are illegally in this country, but we can try to provide machinery which will authorize the entry of Mexican workers under the terms of a contract which is negotiated and agreed upon by the officials of the American Government and officials of the Mexican Government, and it is clearly understood and agreed that Mexican laborers desiring to enter America for farm work will be carefully screened before being admitted. Protection is afforded the workers and the landlords and both Governments and it should certainly bring about a great improvement in the deplorable situation which has existed in the past. This is not a local, district, or State matter. Mexican workers have been used in about 18 States of the Union in the harvesting of crops. Mexicans will not be permitted to enter as contract laborers for the purpose of accepting employment in this country except upon proper certification to the effect that no American is available to perform the services. How then can it possibly be contended that Mexican laborers will take over the jobs of American workers?

I would like to call your attention to the fact that our cotton farmers have been called upon to produce a 16,000,000-bale cotton crop. Almost all of the American cotton crop must be picked by human hands, and cotton pickers in sufficient numbers are not available in the American labor market. Unfortunately, they must be imported or brought in from other places. This situation is not only true in the cotton country; the same problem exists with fruits and vegetables and with a variety of crops.

I shall not attempt to discuss the details of the pending measure but shall leave that assignment to the gentleman from Texas [Mr. POAGE], the chairman of the subcommittee. I urge you to give Mr. POAGE your careful attention, as I am certain that he will intelligently discuss all phases of the matter, and I believe that if you understand the provisions of the bill you will agree that the House Committee on Agriculture has done a very good job. If this bill is controversial, I am frankly of the opinion that it is because its purpose and provisions are not fully understood.

Certainly no member of the House Committee on Agriculture would be willing to bring in foreign labor to take jobs away from American citizens. I do not suppose you could find 30 better Americans than the 30 members of the House Committee on Agriculture, and certainly every member of our committee is not only interested in farmers and farm problems but is likewise interested in American laboring men and in the general welfare of all our people. Certainly no American landlord would prefer to give work to an alien in preference to a citizen, nor is it reasonable to believe that American employers of farm labor would be willing to incur the expense and to assume the risk incident to bringing in foreign labor if local labor were available.

Let us start this discussion by realizing the urgent need for importing Mexicans to do a job which otherwise will not be done.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. Are they drafting farm boys in North Carolina?

Mr. COOLEY. Yes, they are drafting farm boys not only in North Carolina but in all the other agricultural States in the Union.

Mr. GROSS. They are in the State of Iowa, that I well know.

Mr. COOLEY. I would just like to say this, without attempting to discuss the details of the measure before you, that I do hope you will listen as it is discussed. I again urge you to listen to the gentleman from Texas [Mr. POAGE], the chairman of the subcommittee that conducted the hearings. He understands all of the problems here presented. If you will listen to him as he presents the bill, I think you can vote more intelligently.

I know none of us want to destroy the labor market, none of us want to break down our immigration laws. We have provided in this bill safeguards which we think will enable us to bring in the labor and return the labor. The gentleman from Texas [Mr. POAGE] was in Mexico at the time of the negotiations between our Government and the Mexican Government regarding the importation of Mexican labor to our Nation. This problem has been handled at a high level, and we are trying to protect the immigration laws. I think that when the gentleman from Texas [Mr. POAGE] comes to discuss the details you will understand the bill better.

NARCOTIC PEDDLERS TO TEEN-AGE DRUG ADDICTS AMERICA'S MAJOR CRIMINALS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, I have introduced H. R. 4593 which has for its purpose imposing of life sentences on certain major criminal addicts with death sentences in certain cases where these diabolical criminals are convicted of peddling these habit-forming drugs to persons under the age of 21 years and thereby making them slaves of the drug habit.

Traffic in these habit forming narcotic drugs has become a menace to thousands of young people in our schools and there is a determined effort being made throughout the Nation to stamp

out this nefarious practice. I believe that the severe penalties provided in this legislation, which has also been introduced in the Senate, will be a deterrent to these dope peddlers and will help to destroy this inhuman practice.

Harry J. Anslinger, United States Narcotics Commissioner, has described this increasing traffic in an interview appearing in a recent issue of United States News and World Report which I include as part of these remarks:

[From the United States News and World Report of June 29, 1951]

TEEN-AGE DOPE ADDICTS: NEW PROBLEM?—NARCOTICS CHIEF SAYS ONLY BIG CITIES SUFFER

(Juvenile dope addicts are a sign of the times. Their number is increasing rapidly in the big cities. Youngsters start on marihuana, quickly graduate to other narcotics. Smugglers, dope peddlers keep them supplied. In the following recorded interview Harry J. Anslinger, United States Narcotics Commissioner, tells what is behind the dope spree, where it is centered, and how to combat it.)

Question. Is teen-age addiction to narcotics limited to major cities, Mr. Commissioner?

Commissioner ANSLINGER. Yes; it is.

Question. It isn't spread generally throughout the country?

Answer. No. There is little of it in small cities and rural areas.

Question. Then is there actually an epidemic?

Answer. I wouldn't say an epidemic. We have a situation in the metropolitan centers—New York, Philadelphia, Washington, Baltimore, Detroit, Chicago, St. Louis, and New Orleans.

Question. No city on the west coast?

Answer. We haven't seen it there. In Seattle they say, "What's worrying them back East? We haven't seen it."

Question. Has teen-age use of drugs actually increased in the last few years?

Answer. Yes; it has. It happened after the First World War, too, and the rate was much higher then. I hope it is a temporary phenomenon. It is happening in many other countries. Turkey is one. And you see all this bebop partying in London—marihuana parties and all that. In Japan, the first time they had addiction was in 1940. There is a lot of it now.

Question. Do you trace it to the war?

Answer. I think it is just a general breakdown—breaks in family life, lack of parental control, lack of personal responsibility in the home. Repeatedly we said it was coming, as supply spots were opening in Turkey, Italy, and China, and we might as well face it.

Of course, we thought the returning GI would be a problem, but he didn't turn out to be one at all. He came back perfectly clean and he stayed clean. He stayed out of this. It's the kids who never saw a gun. It is hard to figure out the reasons. Family conditions have a lot to do with it.

Question. Is it correct that addiction among young people has doubled or tripled in 1950 and again this year?

Answer. Oh, it has. I think I made that statement. At the Lexington, Ky., hospital for addicts we find that our average age has dropped 10 years, from 36 to 26, in just 2 years' time.

Question. That is because more teen-agers use narcotics?

Answer. Yes. And they are all from metropolitan centers. High-school addiction, as far as we find right now, is confined to New York City.

They say, educate them. But what education can you give children who are not in school? In a weak mind? Education on narcotics places ideas. I don't think it is a wise thing.

Question. Is there more addiction among boys than girls?

Answer. It's 10 boys to 1 girl. If anything, the proportion of girls is decreasing.

Question. Are the youngsters who use dope mostly from broken, unfortunate families?

Answer. Yes, they are. And so many of them have criminal records before we get to them. That, again, shows that criminals make addicts and addicts make criminals.

Question. What is the relative use of marijuana, cocaine, and heroin among teen-agers?

Answer. Hardly any cocaine. They start on marijuana, then graduate to heroin. Marijuana is the dried leaves and flower of the hemp plant. It is put up in cigarettes, "reefers," and smoked.

Question. Is it illegal to smoke marijuana?

Answer. It is illegal to possess it. And you can't smoke marijuana without possessing it.

Question. Is it habit forming? Is it as dangerous as other narcotics?

Answer. It is habit forming but not addiction forming. It is dangerous because it leads to a desire for a greater kick, from narcotics that do make addicts.

Question. What is heroin?

Answer. A narcotic produced from morphine, which in turn is produced from opium. Its production has been forbidden in this country since 1922.

Question. Do young people get these drugs from peddlers on the streets?

Answer. They have to know somebody in the underworld. They associate with underworld characters, with criminals.

Question. Where do the narcotics come from?

Answer. They are smuggled in, largely from Italy, Turkey, and Communist China. Now Communist China is the unreachable source. They put 500,000 tons of opium, a year's supply for the world, on the market through Hong Kong. But nobody has bought it yet. They tried to exchange it for cotton in this country. I said, "Absolutely no."

I might say that that is about half of our problem now. It's half smuggling and half forging of prescriptions and robbing of drug stores. We have about 130 drug-store robberies a month.

Question. Do narcotics cause an addict to commit crimes or does he turn to crimes to get money to buy narcotics?

Answer. Well, it works two ways. You commit the crime to get the money to buy narcotics. Then you see how easy it is to commit crime when you take narcotics, so you keep on going.

You see, in the hospitals they use narcotics for preoperative care, to relieve tension and fear. If you get a bank-robbery job, or a house, and you get it all figured and cased, naturally you're on tension. A good shot of heroin will take all that tension and fear out of you. That's why those fellows use it and why they are dangerous. Our agents are out there where they are using guns and where there is blood and danger. We have casualties. But usually when they play rough, we do, too—probably rougher.

Question. Just how do narcotics affect a person physically?

Answer. You build up a tolerance, then a habit. You've got to have it at regular hours. That sets up a metabolism in your body, which you can't throw off. It throws you off.

If the drug is denied you, after 8 hours you have 18 different withdrawal symptoms which hit your body. There is diarrhea, there's vomiting, there's perspiration, water running out of your eyes and nose and mouth, cramps, you've got the jitters, and your skin is like a cold turkey. Nature does horrible things to you. It says, "Come on. You've had the pleasure, now pay me." And usually the drug addict lives about two-thirds as long as the average person. He's very susceptible to tuberculosis.

Question. Can a teen-age addict be cured relatively easily?

Answer. We like to have them 4 months.

Question. Would the cure be effective and complete?

Answer. If he doesn't go back to bad associations. We get repeaters. We get about 4 percent readmission in the age group under 21.

Question. Can a youngster, and his family, who wants to get over the drug habit be protected from humiliation and embarrassment?

Answer. The record is entirely secret—the first time. The second time we have to run it through the courts and they go into the hospital as offenders. The first time, they can just come voluntarily to us or the Public Health Service. An addict anywhere in the country can walk into a police station and say, "I want to be cured." Unless he is a repeater, they will turn him over to us to be cured, secretly and without arrest.

Question. Do parents generally need to worry about this increasing use of drugs among young people?

Answer. Not if they look after their children properly. We don't find addicts among children from good homes. People get a bit hysterical about reports of narcotics sales around school children.

Question. Then the increase in sales and addiction among teen-agers is not a grave menace?

Answer. Certainly it is a menace, as far as the situation goes. And we have to clean it up. It is a social danger. There is no question about that.

Question. It is a menace that can be licked?

Answer. It can be stopped.

Question. How?

Answer. I think the situation in St. Louis probably is cured by the fact that Federal Judge Roy W. Harper gave a peddler there 18 years. There is a general exodus.

We have 180 agents. It's like using blotting paper on the ocean. But we catch them—the smugglers, the syndicates, the pushers, the wholesalers, and the users. We can catch them. But we can't keep them in. They serve about 16 months. We put one crowd in jail, then start on another one. By the time we get the second one, the first is out working again. So it's just a merry-go-round.

Question. Can Congress help?

Answer. The merry-go-round probably will stop if the bills are passed to increase the penalties to a minimum of 2, 5, and 10 years for first, second, and third offenses. Senator DIRKSEN is introducing a bill making it life for the sale of narcotics to minors. We are going to support that.

We would like to increase our force. And of course the Customs Bureau should be given additional guards.

Question. You have 180 agents—one for 800,000 people?

Answer. We had 250 at one time.

Question. What is being done internationally to combat the drug traffic?

Answer. The UN Economic and Social Council will consider next month calling an international conference to approve an agreement to limit opium production in Turkey, Yugoslavia, India, and Iran to medical and scientific needs. The agreement was worked out by the UN Commission on Narcotic Drugs—the first agreement we've had on that since the United States enunciated a policy on it in 1909.

Question. Is there anything States and cities should do?

Answer. We are recommending that States provide heavier penalties. Four States have done it—Tennessee, West Virginia, New Jersey, and Maryland.

We recommend that States and cities provide hospital facilities for drug addicts, instead of saying, "Send them to Lexington." We recommend that States increase the force of narcotics enforcement agencies. Pennsylvania and California have the only adequate forces. City police departments should establish narcotics squads. Los Angeles has the only adequate squad.

Question. Hasn't all the hue and cry about enforcement and teen-age addicts developed since the first of the year?

Answer. Yes, but the situation has been with us and we have been aware of it. Bills have been pending in Congress 2 years, but only now are there signs of action. And, of course, we are getting heavier sentences. If they all did like Judge Harper in St. Louis, we wouldn't need a new law.

A thought-provoking discussion of this nefarious practice appeared in the Pathfinder in its issue of June 27, 1951, as follows:

DRUG PEDDLING, THE DIRTIEST CRIME

For once, at least, New York's junior high-school students had a composition topic assigned them which cut through the tough rind of boredom: What I Know About Narcotics.

Their harrowing, first-hand essays—prescribed as part of a $50,000 State-wide investigation of dope peddling—hammered home the uncomfortable truth: That all too many of the Nation's kids know too much about narcotics. The total number of addicts in the United States is not large—about 60,000. But two facts alarm officials: The roster has grown by 10,000 in only 2 years; and the proportion of addicts under 21 has jumped from 3 percent in 1946 to 18 percent today.

In New York City alone, police believe, at least 6,000 of secondary school-age children have become addicts, while arrests of teenagers are running at 27 times the 1946 rate.

LOST GENERATION?

It takes a lot to shock a New Yorker about New York. But the story back of these bald statistics, told in recorded interviews by the children themselves, had plenty of Gothamites in a mood for murder. They learned that boys and girls were smoking "reefers," "snorting" heroin, and "going on the needle" within the schools themselves—in the lunchroom or down in the boiler room or up on the roof. Others were trailing their favorite bebop bands to sleazy joints and mixing drugs with downbeats. Still others indulged in all-night sex-and-narcotics binges in "joy palace" apartments.

For beginners, the children testified, the price is often cheap—at first. Initial doses of heroin are sometimes given free by peddlers; marijuana cigarettes can be had for 75 cents apiece. "Naturally," explained one boy bookie, "if they continued the habit, the price would go up to $3, $3.50." Addicts (it takes less than a month to clinch the heroin habit) soon find daily bills running up to $15.

SOLUTION

For such youthful victims of a conspiracy managed by adults, neither pious horror nor easy pity will suffice. As New York's Attorney General Nathaniel Goldstein has stated: "The public is apathetic. If the public gets all the ugly facts, the public will get mad. Then we will get action—that is the chain reaction of law enforcement."

Last week the chain reaction started popping. In New York police raided dope peddlers in three boroughs, arrested 21. Among them: 39-year-old dancer Ralph Kaye, described as Broadway's No. 1 "pusher." In Washington, the House Ways and Means Committee voted minimum penalties of 2, 5, and 10 years imprisonment for all narcotics vendors. And in Lisbon, Portugal, police of 36 countries[1] met to synchronize their war against the smuggling of drugs by air.

IMPORTATION OF FOREIGN AGRICULTURAL WORKERS

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Speaker, in our consideration of the bill H. R. 3283, made in order by this rule, the first question should be that of its benefit to the farmers of this country. If it will not be beneficial to them, then it has no place on the statute books.

There are, however, at least two other factors which must be satisfactorily resolved. One of these is the question of the Mexican Government's attitude, for if the bill is not satisfactory to the Government of Mexico, then it is not properly before us now for it involves the use of Mexican nationals as farm laborers in this country.

The third element, and one I think extremely important, is the effect this measure may have upon the thousands and thousands of American farm laborers. If it is to affect them adversely, then assuredly it should not pass.

There is a definite shortage of farm labor and American farmers have responded readily to the Government's call for a bumper cotton crop. It is one of the largest in the history of our country, and there is a serious question as to whether there will be labor available to pick it.

However, anyone who would take the time could soon ascertain that it is not the desire of the Texas farmers to employ illegal Mexican immigrants. It is simply not good business. They do not make desirable or dependable workers. The farmers of our area much prefer and as a rule use only American citizens, or, if they are not available in sufficient numbers, then Mexican nationals who have been properly and legally admitted.

The Committee on Agriculture deems this measure to be the best that they are able to bring out after exhaustive hearings. I am convinced, after considerable study, that the measure, as reported out by the House committee, could not adversely affect American farm labor.

However, if this bill were amended in the House as it was in the Senate by adding the so-called Douglas amendment, it would do great harm to hundreds of thousands of splendid Americans of Latin descent, it would humiliate and disgrace them, and it would make informers out of reputable citizens. It is an amendment which has been foolishly introduced without regard to the facts and without regard to the people involved.

Many of our fine citizens are of Latin descent. Their ancestors fought for the independence of Texas and for the freedom of this country in three other wars. They have proven their loyalty and allegiance to this country in a manner which makes their citizenship unchallengeable. Yet, they bear Mexican names. They have the characteristics of the people across the border. They speak Spanish fluently. Yet the effect of this amendment would be to compel them to carry at all times, when they sought employment, proof of their citizenship, in effect, a card saying, "I am an American citizen because I was born in this country and because I have fought for this country."

This House could do no greater disservice to thousands of fine people than to adopt the Douglas amendment. I know that it is popular in some sections among people who are not familiar with the problems involved, or who, understanding, do not care that highly discriminatory legislation is being offered under the guise of protecting so-called downtrodden people. It is popular, yes, and will have great appeal to those who do not know its real effect. But I hope that no Member of this House will vote for an amendment for political reasons or votes which may accrue to them by such sponsorship.

There is a shortage of farm labor in Texas and in other parts of the country. But if the House of Representatives does not feel that it can pass the bill as recommended by the Committee on Agriculture, which has thoroughly studied the problem and has the facts, then let it be defeated. Many farmers will find it difficult, if not impossible, to gather their crops, but I am certain that they would prefer that difficulty, that they would prefer to have their crops go to waste, rather than have this House pass ill-advised legislation which would be calculated to cause much harm to fine Americans of Latin descent and would serve only the illusion of helping to uplift humanity. We do not want illegal foreign labor. We want only a workable, practical, sound program by which they may be brought to this country for seasonal employment under terms which are agreeable to both countries. If we cannot have that, we would prefer to have no legislation on the subject at all.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Has there been some kind of agreement with the Mexican Government on this bill?

Mr. LYLE. Yes.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from New York.

Mr. CELLER. I think the gentleman means he does not wish anybody to hire anybody who comes into this country illegally. The so-called wetback is one who is in this country illegally, who does not satisfy the provisions of the immigration statutes, the public-health statutes, the narcotic statutes, the McCarran law with reference to internal security. You would not expect anybody to come in without regard to those laws?

Mr. LYLE. Of course not.

Mr. CELLER. All that the Senate bill does with reference to those illegal entrants is to provide a penalty for anybody who conceals or hires or transports any

[1] No United States representatives attended. FBI Chief J. Edgar Hoover boycotted the conference after it refused to help trace four Czechs on grounds the men were refugees, not criminals.

illegal entrant. He shall be guilty of an offense. As it is now, the law is inadequate, under the decision in *United States* v. *Evans* (33 U. S.). That decision provides that because of lack of penalty the Department of Labor cannot apprehend those who were guilty of bringing in these illegals.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. ELLSWORTH. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the bill has already been explained by the distinguished chairman of the Committee on Agriculture, the legislative committee which has so thoroughly considered and reported this bill.

I would like to direct the attention of the House to the fact that this bill is not essentially a bill for farmers, or to help farm production. It has a deeper purpose and a deeper significance than that. The real objective of this bill is to attempt to solve, in an orderly way, a problem which has been of great concern and of considerable trouble to the Governments of the United States and Mexico over a great many years. We all know there are thousands and perhaps millions of Mexicans in the United States. They are here to work and help us harvest the crops and plant them and so on. We also know, the report so reveals, that thousands upon thousands of those Mexicans are here illegally. It is a problem which has plagued our Immigration Service and which has plagued the Government of Mexico. Early this year a meeting was held in Mexico City between representatives of our Government and the Mexican Government for the purpose of working out some details and plans for alleviating this situation, to bring about some orderly way of having Mexican farm labor come into the United States and not be in violation of immigration laws, and not be the subject of controversy as between our two Governments. The meeting in Mexico City resulted in a very comprehensive report, a part of which is embodied in the bill reported by the House. The Government of Mexico now tells us, I think with good reason, that unless there is legislation of this kind, which will make this problem of employing Mexican Nationals in the United States a matter of orderly procedure, the present haphazard procedure by which Mexicans are coming into this country will be terminated as of the end of this month.

Now, without this bill which is now before us, if this rule should fail to pass and the legislation is not considered, our present arrangement with Mexico would be terminated. We would have a far greater area of confusion especially along the border states, far greater than we have now under the arrangement existing; so it seems to me that there is much more in this bill than merely a plan, and it is a specific plan, for the importation of Mexican labor for farmers. The bill is much broader than that; it helps two friendly governments solve a problem which has been mutually disturbing down through the years.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from New York.

Mr. CELLER. I think it would be well for the House to know, and I wonder if the gentleman can supply the information, as to what portions of the bill the Mexican Government has agreed to and what portions it has disagreed to?

Mr. ELLSWORTH. I would have to let that be answered by members of the committee in general debate. The only answer I can make to the gentleman is that the Mexican Government has said that unless appropriate legislation—and we are told by the committee that this is appropriate legislation—that unless such legislation is passed the present arrangement is to be terminated.

The bill is very simple and it is specific. It has for its purpose as stated in the very first section, section 501:

> For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

To recruit workers and so on, and the bill sets up specific procedure.

Section 502 provides:

> No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

The whole procedure is spelled out.

Section 504 provides that workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws, and so on, under conditions to be specified by the Attorney General.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Iowa.

Mr. GROSS. How many such employables are available in Mexico today?

Mr. ELLSWORTH. That question will have to be asked of some members of the Committee on Agriculture, one of the students of this subject; I cannot answer the gentleman with figures.

Section 505 provides exemption from certain United States laws for Mexican nationals who are brought in under this arrangement. Then the Secretary of Labor is authorized to enter into agreements with Federal and State agencies, and all the way through, the procedure under which these Mexican laborers will be brought in is spelled out, and I assume and believe it is true, spelled out in accordance with, insofar as the provisions of the bill are concerned, the Republic of Mexico.

Mr. Speaker, I urge the adoption of this rule and I urge the favorable consideration by the House, not as a hand-out to farmers, because I do not think the bill is that; I do not think the bill has much of that feature in it at all, although there has been in my opinion a great deal of misunderstanding along that line. I think the bill is necessary to further and complete the friendly relations we now have between the Government of Mexico and the Government of the United States.

I think the bill is sound legislation as reported by the House committee. I wish to make a digression at this point. The other body has also acted on this legislation. The Senate bill up to the last section which was added as an amendment in the Senate is very nearly identical with the bill now before us, but the Senate amendment which has been discussed by the gentleman from Texas [Mr. LYLE] goes far afield from the purposes of the bill now before us and deals with subjects entirely foreign to the purposes of the bill; it deals with the matter of criminal penalties against anyone, not just farmers, but against anyone who has knowledge of the presence of an alien in the country and who does not report that knowledge.

So I conclude my remarks on the rule with the warning that the bill as reported by the House Committee on Agriculture is, in my opinion, a sound bill and should not be amended with the amendments which appear in the bill passed by the other body.

The SPEAKER. The time of the gentleman from Oregon has expired.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Speaker, I am for the adoption of this rule and will support the bill. It is, in my opinion, absolutely essential to help the farmers who have been asked to increase their production this year to harvest their crops after they have planted them.

Mr. Speaker, I would like to direct the remainder of my remarks to the agricultural situation, which may be deemed out of order under the strict rules of the House; therefore, I ask unanimous consent to speak out of order for the balance of my time.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, a recent report from the Department of Agriculture crop experts has brought forth the greatest argument that can be used against the need of further price controls and consumer subsidies.

The Department of Agriculture reports the average family of four persons will have 592 pounds of meat available in 1951, which is 87 pounds more than was available during the period 1935–40.

That there will be available to the average family in 1951, 196 pounds of eggs compared to 148 pounds in 1935–40. This means 126 dozen eggs during 1951, or one egg a day for every breakfast for each in a family of four.

The Agriculture Department states that the public will have an 88-percent increase in turkey poundage, greater than in the years 1935–40 when we had a surplus.

Butter is reported to be the only staple food in shorter supply than in during prewar years, and oleomargarine is expected to fill this gap.

RECORD-BREAKING CROP YIELDS

Mr. Speaker, a check this morning with the Department of Agriculture gives indication of the abundant food supply for 1951 which, in fact, carries over into 1952.

the attention of those who are responsible for this legislation to section 509 on page 6 of the House bill.

I have known and everyone else has known for many years that much of the common labor, especially west of the Mississippi River and on the railroads and the farms, and more especially the transient labor, has been Mexican labor. A good portion of these are known as wetbacks. They have come across without any legal entry papers. They come and go as they please. The immigration authorities have on many occasions never been too strict about getting them out, because they knew it would cost them considerable money to get them out, and they knew they would be right back in again.

If this law is to be applied strictly to agricultural labor, that is one thing. I would not be at all in favor of the amendment someone has told me about that Senator DOUGLAS has introduced, because that would work a terrific hardship on the farmers of the West.

We know that farmers generally would be apt to employ any Mexican who would appear to be physically able to do his work, and would not go into any details about how this laborer came into the country, but the Douglas amendment would make him liable for a severe penalty. But getting down now to my objection with reference to section 509 on page 6, it is this: I want to call your attention to it because if I am wrong of course I will be glad to be corrected. It says:

> Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws—

That means all the immigration laws—

> to permit the importation of aliens of any nationality for agricultural employment as defined in section 508.

You surely do not propose through this bill to allow the admission of immigrants of every nationality. Basically in this bill you are contracting for Mexican immigrants and only Mexican immigrants. Then why do you want to give authority to the Attorney General to open all the immigration gates and let everybody in who wants to come in from other countries?

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I happen to be responsible for that provision in the bill. The Attorney General now has the authority to make rules and regulations with reference to the importation of alien workers in agriculture.

Mr. JENKINS. Does he have that authority outside of the authority under the displaced persons laws?

Mr. AUGUST H. ANDRESEN. He has had this authority right along and has exercised it.

Mr. JENKINS. I want to understand this correctly now. You say the Attorney General has the authority now to prescribe regulations whereby aliens of any nationality can come in if they want to work in agricultural employment?

Mr. AUGUST H. ANDRESEN. That is true, and that authority has been exercised largely in respect to agricultural workers from the Western Hemisphere. It is true that this agreement only has to do with Mexico, and some of us felt that the agreement should extend further than that. But it was the opinion of the committee and also of others responsible for the legislation that this agreement should be limited to Mexico.

Mr. JENKINS. If that is the case—if the gentleman from Minnesota, who everybody knows is an expert on all agricultural matters—approves of language, and he can guarantee to me that it will be held down strictly within the limitations that he has indicated, then I would have no objection. You can see my position. If you parse that language out, literally you are giving to the Attorney General, pursuant to the general immigration laws, permission to bring in aliens from any country, and then, of course, I would not be for it.

But if you are going to hold it down to mean that under it you bring in immigrants for agricultural purposes only, and bringing them in under the law which controls now, then I have no more to say.

Mr. AUGUST H. ANDRESEN. He has that authority in section 508, which was referred to on line 17. We did not want some other agency of the Government to make some other regulations which might contravene the definition as prescribed by the Attorney General.

Mr. McCARTHY. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. McCARTHY. I think there is a bit of confusion here in that the power will still remain for him to authorize the bringing in of foreigners from other countries. The only thing is that when they come in from Mexico they would have to come in under the terms of this act. The House should know that much of the impetus behind the passage of this bill came from the Mexican Government because they insisted on having certain safeguards for their people which are not being given to them now.

Mr. JENKINS. I am sorry about this contractual business. That does not fool me at all. I know we have to make ourselves responsible. Mexico will not do any more than she has to do, and many of our farmers will be called upon probably to pay money that they do not know they are contracting to pay. I do not think this is a very fine thing for our farmers, but I am not going to oppose it because we have this Mexican help all throughout the West now, anyhow, and we might as well use them; and just as the gentleman from Minnesota says, if these other people can come in from these other countries in the Western Hemisphere, with the regulations of the Attorney General applied to them, it might not be so bad.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman from Ohio is one of the outstanding food experts of this country and he knows that we must have labor to produce food.

Mr. JENKINS. You have to have people who know how to do agricultural work and you must have confidence in them.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Independent of what the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has said, the bill reads:

> Nothing in this act shall be construed as limiting the authority of the Attorney General.

As I understand, this language in itself says in substance the Attorney General has this authority, under the present law—the general immigration law. So I would like to have the point cleared up on the basis of the language contained herein.

Mr. JENKINS. I think the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has been sincere and, as he always is, and I am willing to take his interpretation of the language of this section.

The SPEAKER. The time of the gentleman has expired.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. POLK].

Mr. POLK. Mr. Speaker, I am not seriously opposed to the rule. I am deeply concerned about some of the provisions of the bill which this rule makes in order.

Like the gentleman from Ohio [Mr. JENKINS], I am concerned about immigration and the entry of illegal aliens into the United States.

The bill as reported from the Committee on Agriculture, in my judgment, opens wide the doors to the continued illegal entrance of so-called wetbacks from Mexico. For a number of years this has been a very serious problem in the Southwest and is becoming a serious problem for a great part of the United States. We know that these Mexican wetbacks go as far north as Chicago. They become a serious social problem wherever they congregate in large numbers. They come in as illegal entrants. This bill as reported from the committee, as I said before, tends to give legislative sanction to this illegal entry.

At the proper time it is my purpose to offer an amendment in the nature of a substitute, which will contain the provisions of the bill which passed the Senate. The Senate bill, I believe, is a much better bill than the bill reported by the Committee on Agriculture of the House.

I hold in my hand a letter which I received from the president of the United Latin-Americans of America, Inc., an organization with headquarters in San Francisco. With your permission, I would like to read a portion of that letter:

> The following resolution was introduced and adopted unanimously by our members at our general-assembly meeting April 20,

WHEAT

Mr. Speaker, here is good news. Over a billion bushels of wheat, will be produced in 1951, a bountiful supply for every person in America and some to export to the rest of the world.

PIGS AND PORK

The biggest pig crop for both spring and fall the country has ever known. The spring pig crop for 1951 is 5 percent above the high record of last year, and the fall pig crop shows an increase of 8 percent—premium ham, pig knuckles, ham hock, spare ribs and bacon in abundance for all.

BEEF ROLLS ON

If the roll-back on beef does not prevent millions of grass-fed steers from rolling into the feed lots of the Corn Belt States where each steer will have added to its carcass an extra 200 pounds of prime beef, there should be such a supply of beef as will cause the price to recede as beef production in the Nation is also above normal.

BUMPER CORN CROP

To feed the extra millions of beef cattle, we will be blessed this fall, according to the present outlook of the Department of Agriculture, with a corn crop that will exceed a billion bushels, probably the largest on record.

Potatoes, like hidden taxes under this administration, cannot be reduced to a shortage or eradicated. This underground tuber against which the people and the Congress have declared war throughout the years continued to produce to the extent that acres of them were left underground, millions of bushels were dehydrated or fed to animals, and millions of bushels were destroyed by the bureaucratic application of kerosene.

They thrived on begrudged subsidies. Regardless of the fight of the people and the restricted measures affecting its production by the Congress, which has been effective in reducing potato production, our good earth will turn out this year 350,000,000 bushels, enough to supply the need of everyone.

CONTROLS NOT NEEDED

With the production of fruit and foods of every other kind supplementing these basic agricultural products, it seems foolish indeed to ask that any agricultural products be brought under price controls, or that present controls on agricultural products should be continued.

Greater production of agricultural products, yes, and manufactured goods of every kind as well, is the only real cure that will stop inflation.

If this Congress and the administration will assure the farmer of this Nation that no controls will be placed on any of his production, and he is urged to produce to the limit, his greater production will not only make a greater contribution to the financial strength of the Nation, but will make a greater contribution than can be made in any other way to prevent inflation and reduce the high cost of living through greater production.

Let us eradicate the cause of inflation rather than perpetrate it by treating only its symptoms.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to ask the gentleman if he believes in farm subsidies?

Mr. VURSELL. Only to a certain extent; where they are absolutely necessary.

Mr. BAILEY. All right. Is the gentleman aware that this legislation that he puts his approval on contains both direct and hidden subsidies?

Mr. VURSELL. I would not consider this a subsidy.

Mr. BAILEY. I will take it upon myself to prove it when my time comes.

Mr. ELLSWORTH. Mr. Speaker, I yield such time as he may desire to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Speaker, I am wholeheartedly in favor of this rule and shall support it. The distinguished chairman of the Committee on Agriculture has stressed the incisive work and effort put forth by the subcommittee headed by the gentleman from Texas [Mr. POAGE]. I feel it is proper that an opportunity be afforded by passage of this rule to have the benefit of the explanation, the investigation, the negotiations with the officials of Mexico and the reasons why the bill H. R. 3283 merits favorable consideration on the basis that the need of farm workers, in this instance, is an emergency measure.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, down through the years it has been, as the honorable Speaker of this House often refers, my high privilege to work at this type of work which is performed by the workers who are covered by this bill. By that I mean to say that in past years I have had the high privilege of chopping cotton and picking cotton and planting cotton and working in the grain fields, and following the threshing machines from the Southwest to the Northwest, working in sugar-beet fields, and performing other types of work such as is performed by the people who are covered in this bill, and I speak from experience.

Mixed up in this international game which we are playing today, with rumors of wars, and with the international contributions that we are making, I wish to say to my friend from West Virginia that if the people of this country want food it is going to be necessary to have a source of supply of workers to produce that food. You have two real sources of raw labor left in the Western Hemisphere applicable to the United States, and that labor is located in old Mexico and Puerto Rico. We do not have any substantial supply of migratory workers any place else except in those two areas. Old Mexico is a foreign republic, and this bill deals with contractual relations between the United States Government and old Mexico. Puerto Rico is a Territorial possession of the United States. Puerto Ricans are citizens, and therefore you have an entirely dissimilar relationship between the people of Puerto Rico and the people of the United States and the Puerto Rican government and the United States Government than you have between old Mexico and the United States. So, when my friend from West Virginia refers to this bill carrying subsidies direct and indirect, it might pay him to give some consideration to what a subsidy consists of. This bill is designed to provide a supply of labor from old Mexico.

In reading the provisions of the bill I find that someone has given a lot of good thought to it because this language is more or less technical. For instance, suppose you as an individual farmer go into old Mexico and try to recruit labor to come into the United States to work your farm lands. Suppose five, ten, twenty-five, or a million other farmers go down into old Mexico and try to bring in workers. You can imagine what a perfect mess we would soon involve ourselves in under such a procedure.

Here the Government of the United States proposes to establish and operate reception centers at or near the places of actual entry of such workers into the continental United States. After those workers are centralized at those centers within the United States, American farmers can go to those centers and pick up their supply of labor, provided the farmers can qualify under this bill.

I think that is one of the most constructive steps this country has ever made since the supply of raw labor disappeared here in the United States. Why did it disappear? Because of our developing economy and the absence of migrants from the Old World, or Western Europe. For years we brought them in by the hundreds of thousands, and there was a constant supply of raw labor coming into this country from Western Europe and from the Near East. In recent years that supply of labor has been discontinued.

In my district in Michigan we have literally hundreds of top-level citizens who came into that part of the country as raw labor recruits, as sugar-beet workers, for instance. They have acquired ownership of very fine farms. Their sons and daughters have been educated at the Michigan State College at Lansing and the university at Ann Arbor. They have gone out into the professions and into the banks and into the hospitals, acting as nurses, doctors, and surgeons. Who were these people? They were raw migrants who came to this country from Europe and found the opportunity here. In my State we have citizens of old Mexico who have done likewise.

Mr. Speaker, I am for the rule and for the bill.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, in years gone by I used to take a great deal of interest in immigration matters, but of late I do not claim to be anything like an expert. However, I should like to call

into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3283) to amend the Agricultural Act of 1949. That after general debate which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH], and pending that I yield 5 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, several months ago I appointed a subcommittee and directed the members of that subcommittee to carefully consider all aspects of the problems involved in the use of Mexican nationals on the farms of our country. The committee was authorized to conduct studies, hold hearings, and to make such investigations as might be deemed necessary. Hearings were held in different parts of the country and the hearings were well-attended by interested parties. Hearings were held here in Washington, and I am certain that all parties interested were accorded an opportunity to be heard and to be present their views. As a result of the studies, investigations, and hearings, the House Committee on Agriculture reported the bill now under consideration. This a very important measure and vitally affects many people. Failure to pass the pending bill might very well likewise vitally affect the production of essential food and fiber.

American agriculture has embarked upon a greatly expanded program. High production goals have been fixed and the farmers of the Nation have been called upon to produce the abundance which will be needed. American agriculture has been called upon again to fill the bread basket of democracy. We can recall with great pride how the American farmer discharged his assignment in World War II. Our farmers performed magnificently and actually amazed the world with their production.

The bill which we are presenting seeks to deal with an unfortunate situation. It is unfortunate that we do not have in America sufficient farm labor to harvest the abundant production of our farm lands. There is no question about a shortage of farm labor. Everyone familiar with the situation is apparently willing to admit that there is a great need for a great number of laborers for the farms of America. Because there may perchance be unemployment in some of our metropolitan centers does not necessarily mean that the unemployed of the cities are available for farm labor. The situation now facing us has actually existed for many years.

In the past, Mexican farm workers, without regard for our immigration laws, have crossed the border and have performed farm work in many States. Our immigration authorities have been unable to cope with the situation. Many of these so-called wetbacks have been exploited by selfish landlords. Some of these wetbacks have remained in America, our immigration laws to the contrary notwithstanding. Some of them, knowing that they were illegally in this country, no doubt feel somewhat as fugitives, and they cannot, therefore, demand fair wages and decent living conditions. We seek by the pending bill not to legalize the entry or the status of wetbacks who are illegally in this country, but we can try to provide machinery which will authorize the entry of Mexican workers under the terms of a contract which is negotiated and agreed upon by the officials of the American Government and officials of the Mexican Government, and it is clearly understood and agreed that Mexican laborers desiring to enter America for farm work will be carefully screened before being admitted. Protection is afforded the workers and the landlords and both Governments and it should certainly bring about a great improvement in the deplorable situation which has existed in the past. This is not a local, district, or State matter. Mexican workers have been used in about 18 States of the Union in the harvesting of crops. Mexicans will not be permitted to enter as contract laborers for the purpose of accepting employment in this country except upon proper certification to the effect that no American is available to perform the services. How then can it possibly be contended that Mexican laborers will take over the jobs of American workers?

I would like to call your attention to the fact that our cotton farmers have been called upon to produce a 16,000,000-bale cotton crop. Almost all of the American cotton crop must be picked by human hands, and cotton pickers in sufficient numbers are not available in the American labor market. Unfortunately, they must be imported or brought in from other places. This situation is not only true in the cotton country; the same problem exists with fruits and vegetables and with a variety of crops.

I shall not attempt to discuss the details of the pending measure but shall leave that assignment to the gentleman from Texas [Mr. POAGE], the chairman of the subcommittee. I urge you to give Mr. POAGE your careful attention, as I am certain that he will intelligently discuss all phases of the matter, and I believe that if you understand the provisions of the bill you will agree that the House Committee on Agriculture has done a very good job. If this bill is controversial, I am frankly of the opinion that it is because its purpose and provisions are not fully understood.

Certainly no member of the House Committee on Agriculture would be willing to bring in foreign labor to take jobs away from American citizens. I do not suppose you could find 30 better Americans than the 30 members of the House Committee on Agriculture, and certainly every member of our committee is not only interested in farmers and farm problems but is likewise interested in American laboring men and in the general welfare of all our people. Certainly no American landlord would prefer to give work to an alien in preference to a citizen, nor is it reasonable to believe that American employers of farm labor would be willing to incur the expense and to assume the risk incident to bringing in foreign labor if local labor were available.

Let us start this discussion by realizing the urgent need for importing Mexicans to do a job which otherwise will not be done.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. Are they drafting farm boys in North Carolina?

Mr. COOLEY. Yes, they are drafting farm boys not only in North Carolina but in all the other agricultural States in the Union.

Mr. GROSS. They are in the State of Iowa, that I well know.

Mr. COOLEY. I would just like to say this, without attempting to discuss the details of the measure before you, that I do hope you will listen as it is discussed. I again urge you to listen to the gentleman from Texas [Mr. POAGE], the chairman of the subcommittee that conducted the hearings. He understands all of the problems here presented. If you will listen to him as he presents the bill, I think you can vote more intelligently.

I know none of us want to destroy the labor market, none of us want to break down our immigration laws. We have provided in this bill safeguards which we think will enable us to bring in the labor and return the labor. The gentleman from Texas [Mr. POAGE] was in Mexico at the time of the negotiations between our Government and the Mexican Government regarding the importation of Mexican labor to our Nation. This problem has been handled at a high level, and we are trying to protect the immigration laws. I think that when the gentleman from Texas [Mr. POAGE] comes to discuss the details you will understand the bill better.

NARCOTIC PEDDLERS TO TEEN-AGE DRUG ADDICTS AMERICA'S MAJOR CRIMINALS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, I have introduced H. R. 4593 which has for its purpose imposing of life sentences on certain major criminal addicts with death sentences in certain cases where these diabolical criminals are convicted of peddling these habit-forming drugs to persons under the age of 21 years and thereby making them slaves of the drug habit.

Traffic in these habit forming narcotic drugs has become a menace to thousands of young people in our schools and there is a determined effort being made throughout the Nation to stamp

out this nefarious practice. I believe that the severe penalties provided in this legislation, which has also been introduced in the Senate, will be a deterrent to these dope peddlers and will help to destroy this inhuman practice.

Harry J. Anslinger, United States Narcotics Commissioner, has described this increasing traffic in an interview appearing in a recent issue of United States News and World Report which I include as part of these remarks:

[From the United States News and World Report of June 29, 1951]

TEEN-AGE DOPE ADDICTS: NEW PROBLEM?—NARCOTICS CHIEF SAYS ONLY BIG CITIES SUFFER

(Juvenile dope addicts are a sign of the times. Their number is increasing rapidly in the big cities. Youngsters start on marihuana, quickly graduate to other narcotics. Smugglers, dope peddlers keep them supplied. In the following recorded interview Harry J. Anslinger, United States Narcotics Commissioner, tells what is behind the dope spree, where it is centered, and how to combat it.)

Question. Is teen-age addiction to narcotics limited to major cities, Mr. Commissioner?

Commissioner ANSLINGER. Yes; it is.

Question. It isn't spread generally throughout the country?

Answer. No. There is little of it in small cities and rural areas.

Question. Then is there actually an epidemic?

Answer. I wouldn't say an epidemic. We have a situation in the metropolitan centers—New York, Philadelphia, Washington, Baltimore, Detroit, Chicago, St. Louis, and New Orleans.

Question. No city on the west coast?

Answer. We haven't seen it there. In Seattle they say, "What's worrying them back East? We haven't seen it."

Question. Has teen-age use of drugs actually increased in the last few years?

Answer. Yes; it has. It happened after the First World War, too, and the rate was much higher then. I hope it is a temporary phenomenon. It is happening in many other countries. Turkey is one. And you see all this bebop partying in London—marihuana parties and all that. In Japan, the first time they had addiction was in 1940. There is a lot of it now.

Question. Do you trace it to the war?

Answer. I think it is just a general breakdown—breaks in family life, lack of parental control, lack of personal responsibility in the home. Repeatedly we said it was coming, as supply spots were opening in Turkey, Italy, and China, and we might as well face it.

Of course, we thought the returning GI would be a problem, but he didn't turn out to be one at all. He came back perfectly clean and he stayed clean. He stayed out of this. It's the kids who never saw a gun. It is hard to figure out the reasons. Family conditions have a lot to do with it.

Question. Is it correct that addiction among young people has doubled or tripled in 1950 and again this year?

Answer. Oh, it has. I think I made that statement. At the Lexington, Ky., hospital for addicts we find that our average age has dropped 10 years, from 36 to 26, in just 2 years' time.

Question. That is because more teen-agers use narcotics?

Answer. Yes. And they are all from metropolitan centers. High-school addiction, as far as we find right now, is confined to New York City.

They say, educate them. But what education can you give children who are not in school? In a weak mind? Education on narcotics places ideas. I don't think it is a wise thing.

Question. Is there more addiction among boys than girls?

Answer. It's 10 boys to 1 girl. If anything, the proportion of girls is decreasing.

Question. Are the youngsters who use dope mostly from broken, unfortunate families?

Answer. Yes, they are. And so many of them have criminal records before we get to them. That, again, shows that criminals make addicts and addicts make criminals.

Question. What is the relative use of marijuana, cocaine, and heroin among teen-agers?

Answer. Hardly any cocaine. They start on marijuana, then graduate to heroin. Marijuana is the dried leaves and flower of the hemp plant. It is put up in cigarettes, "reefers," and smoked.

Question. Is it illegal to smoke marijuana?

Answer. It is illegal to possess it. And you can't smoke marijuana without possessing it.

Question. Is it habit forming? Is it as dangerous as other narcotics?

Answer. It is habit forming but not addiction forming. It is dangerous because it leads to a desire for a greater kick, from narcotics that do make addicts.

Question. What is heroin?

Answer. A narcotic produced from morphine, which in turn is produced from opium. Its production has been forbidden in this country since 1922.

Question. Do young people get these drugs from peddlers on the streets?

Answer. They have to know somebody in the underworld. They associate with underworld characters, with criminals.

Question. Where do the narcotics come from?

Answer. They are smuggled in, largely from Italy, Turkey, and Communist China. Now Communist China is the unreachable source. They put 500,000 tons of opium, a year's supply for the world, on the market through Hong Kong. But nobody has bought it yet. They tried to exchange it for cotton in this country. I said, "Absolutely no."

I might say that that is about half of our problem now. It's half smuggling and half forging of prescriptions and robbing of drug stores. We have about 130 drug-store robberies a month.

Question. Do narcotics cause an addict to commit crimes or does he turn to crimes to get money to buy narcotics?

Answer. Well, it works two ways. You commit the crime to get the money to buy narcotics. Then you see how easy it is to commit crime when you take narcotics, so you keep on going.

You see, in the hospitals they use narcotics for preoperative care, to relieve tension and fear. If you get a bank-robbery job, or a house, and you get it all figured and cased, naturally you're on tension. A good shot of heroin will take all that tension and fear out of you. That's why those fellows use it and why they are dangerous. Our agents are out there where they are using guns and where there is blood and danger. We have casualties. But usually when they play rough, we do, too—probably rougher.

Question. Just how do narcotics affect a person physically?

Answer. You build up a tolerance, then a habit. You've got to have it at regular hours. That sets up a metabolism in your body, which you can't throw off. It throws you off.

If the drug is denied you, after 8 hours you have 18 different withdrawal symptoms which hit your body. There is diarrhea, there's vomiting, there's perspiration, water running out of your eyes and nose and mouth, cramps, you've got the jitters, and your skin is like a cold turkey. Nature does horrible things to you. It says, "Come on. You've had the pleasure, now pay me." And usually the drug addict lives about two-thirds as long as the average person. He's very susceptible to tuberculosis.

Question. Can a teen-age addict be cured relatively easily?

Answer. We like to have them 4 months.

Question. Would the cure be effective and complete?

Answer. If he doesn't go back to bad associations. We get repeaters. We get about 4 percent readmission in the age group under 21.

Question. Can a youngster, and his family, who wants to get over the drug habit be protected from humiliation and embarrassment?

Answer. The record is entirely secret—the first time. The second time we have to run it through the courts and they go into the hospital as offenders. The first time, they can just come voluntarily to us or the Public Health Service. An addict anywhere in the country can walk into a police station and say, "I want to be cured." Unless he is a repeater, they will turn him over to us to be cured, secretly and without arrest.

Question. Do parents generally need to worry about this increasing use of drugs among young people?

Answer. Not if they look after their children properly. We don't find addicts among children from good homes. People get a bit hysterical about reports of narcotics sales around school children.

Question. Then the increase in sales and addiction among teen-agers is not a grave menace?

Answer. Certainly it is a menace, as far as the situation goes. And we have to clean it up. It is a social danger. There is no question about that.

Question. It is a menace that can be licked?

Answer. It can be stopped.

Question. How?

Answer. I think the situation in St. Louis probably is cured by the fact that Federal Judge Roy W. Harper gave a peddler there 18 years. There is a general exodus.

We have 180 agents. It's like using blotting paper on the ocean. But we catch them—the smugglers, the syndicates, the pushers, the wholesalers, and the users. We can catch them. But we can't keep them in. They serve about 16 months. We put one crowd in jail, then start on another one. By the time we get the second one, the first is out working again. So it's just a merry-go-round.

Question. Can Congress help?

Answer. The merry-go-round probably will stop if the bills are passed to increase the penalties to a minimum of 2, 5, and 10 years for first, second, and third offenses. Senator DIRKSEN is introducing a bill making it life for the sale of narcotics to minors. We are going to support that.

We would like to increase our force. And of course the Customs Bureau should be given additional guards.

Question. You have 180 agents—one for 800,000 people?

Answer. We had 250 at one time.

Question. What is being done internationally to combat the drug traffic?

Answer. The UN Economic and Social Council will consider next month calling an international conference to approve an agreement to limit opium production in Turkey, Yugoslavia, India, and Iran to medical and scientific needs. The agreement was worked out by the UN Commission on Narcotic Drugs—the first agreement we've had on that since the United States enunciated a policy on it in 1909.

Question. Is there anything States and cities should do?

Answer. We are recommending that States provide heavier penalties. Four States have done it—Tennessee, West Virginia, New Jersey, and Maryland.

We recommend that States and cities provide hospital facilities for drug addicts, instead of saying, "Send them to Lexington." We recommend that States increase the force of narcotics enforcement agencies. Pennsylvania and California have the only adequate forces. City police departments should establish narcotics squads. Los Angeles has the only adequate squad.

Question. Hasn't all the hue and cry about enforcement and teen-age addicts developed since the first of the year?

Answer. Yes, but the situation has been with us and we have been aware of it. Bills have been pending in Congress 2 years, but only now are there signs of action. And, of course, we are getting heavier sentences. If they all did like Judge Harper in St. Louis, we wouldn't need a new law.

A thought-provoking discussion of this nefarious practice appeared in the Pathfinder in its issue of June 27, 1951, as follows:

DRUG PEDDLING, THE DIRTIEST CRIME

For once, at least, New York's junior high-school students had a composition topic assigned them which cut through the tough rind of boredom: What I Know About Narcotics.

Their harrowing, first-hand essays—prescribed as part of a $50,000 State-wide investigation of dope peddling—hammered home the uncomfortable truth: That all too many of the Nation's kids know too much about narcotics. The total number of addicts in the United States is not large—about 60,000. But two facts alarm officials: The roster has grown by 10,000 in only 2 years; and the proportion of addicts under 21 has jumped from 3 percent in 1946 to 18 percent today.

In New York City alone, police believe, at least 6,000 of secondary school-age children have become addicts, while arrests of teenagers are running at 27 times the 1946 rate.

LOST GENERATION?

It takes a lot to shock a New Yorker about New York. But the story back of these bald statistics, told in recorded interviews by the children themselves, had plenty of Gothamites in a mood for murder. They learned that boys and girls were smoking "reefers," "snorting" heroin, and "going on the needle" within the schools themselves—in the lunchroom or down in the boiler room or up on the roof. Others were trailing their favorite bebop bands to sleazy joints and mixing drugs with downbeats. Still others indulged in all-night sex-and-narcotics binges in "joy palace" apartments.

For beginners, the children testified, the price is often cheap—at first. Initial doses of heroin are sometimes given free by peddlers; marijuana cigarettes can be had for 75 cents apiece. "Naturally," explained one boy bookie, "if they continued the habit, the price would go up to $3, $3.50." Addicts (it takes less than a month to clinch the heroin habit) soon find daily bills running up to $15.

SOLUTION

For such youthful victims of a conspiracy managed by adults, neither pious horror nor easy pity will suffice. As New York's Attorney General Nathaniel Goldstein has stated: "The public is apathetic. If the public gets all the ugly facts, the public will get mad. Then we will get action—that is the chain reaction of law enforcement."

Last week the chain reaction started popping. In New York police raided dope peddlers in three boroughs, arrested 21. Among them: 39-year-old dancer Ralph Kaye, described as Broadway's No. 1 "pusher." In Washington, the House Ways and Means Committee voted minimum penalties of 2, 5, and 10 years imprisonment for all narcotics vendors. And in Lisbon, Portugal, police of 36 countries[1] met to synchronize their war against the smuggling of drugs by air.

IMPORTATION OF FOREIGN AGRICULTURAL WORKERS

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Speaker, in our consideration of the bill H. R. 3283, made in order by this rule, the first question should be that of its benefit to the farmers of this country. If it will not be beneficial to them, then it has no place on the statute books.

There are, however, at least two other factors which must be satisfactorily resolved. One of these is the question of the Mexican Government's attitude, for if the bill is not satisfactory to the Government of Mexico, then it is not properly before us now for it involves the use of Mexican nationals as farm laborers in this country.

The third element, and one I think extremely important, is the effect this measure may have upon the thousands and thousands of American farm laborers. If it is to affect them adversely, then assuredly it should not pass.

There is a definite shortage of farm labor and American farmers have responded readily to the Government's call for a bumper cotton crop. It is one of the largest in the history of our country, and there is a serious question as to whether there will be labor available to pick it.

However, anyone who would take the time could soon ascertain that it is not the desire of the Texas farmers to employ illegal Mexican immigrants. It is simply not good business. They do not make desirable or dependable workers. The farmers of our area much prefer and as a rule use only American citizens, or, if they are not available in sufficient numbers, then Mexican nationals who have been properly and legally admitted.

The Committee on Agriculture deems this measure to be the best that they are able to bring out after exhaustive hearings. I am convinced, after considerable study, that the measure, as reported out by the House committee, could not adversely affect American farm labor.

However, if this bill were amended in the House as it was in the Senate by adding the so-called Douglas amendment, it would do great harm to hundreds of thousands of splendid Americans of Latin descent, it would humiliate and disgrace them, and it would make informers out of reputable citizens. It is an amendment which has been foolishly introduced without regard to the facts and without regard to the people involved.

Many of our fine citizens are of Latin descent. Their ancestors fought for the independence of Texas and for the freedom of this country in three other wars. They have proven their loyalty and allegiance to this country in a manner which makes their citizenship unchallengeable. Yet, they bear Mexican names. They have the characteristics of the people across the border. They speak Spanish fluently. Yet the effect of this amendment would be to compel them to carry at all times, when they sought employment, proof of their citizenship, in effect, a card saying, "I am an American citizen because I was born in this country and because I have fought for this country."

This House could do no greater disservice to thousands of fine people than to adopt the Douglas amendment. I know that it is popular in some sections among people who are not familiar with the problems involved, or who, understanding, do not care that highly discriminatory legislation is being offered under the guise of protecting so-called downtrodden people. It is popular, yes, and will have great appeal to those who do not know its real effect. But I hope that no Member of this House will vote for an amendment for political reasons or votes which may accrue to them by such sponsorship.

There is a shortage of farm labor in Texas and in other parts of the country. But if the House of Representatives does not feel that it can pass the bill as recommended by the Committee on Agriculture, which has thoroughly studied the problem and has the facts, then let it be defeated. Many farmers will find it difficult, if not impossible, to gather their crops, but I am certain that they would prefer that difficulty, that they would prefer to have their crops go to waste, rather than have this House pass ill-advised legislation which would be calculated to cause much harm to fine Americans of Latin descent and would serve only the illusion of helping to uplift humanity. We do not want illegal foreign labor. We want only a workable, practical, sound program by which they may be brought to this country for seasonal employment under terms which are agreeable to both countries. If we cannot have that, we would prefer to have no legislation on the subject at all.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Has there been some kind of agreement with the Mexican Government on this bill?

Mr. LYLE. Yes.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from New York.

Mr. CELLER. I think the gentleman means he does not wish anybody to hire anybody who comes into this country illegally. The so-called wetback is one who is in this country illegally, who does not satisfy the provisions of the immigration statutes, the public-health statutes, the narcotic statutes, the McCarran law with reference to internal security. You would not expect anybody to come in without regard to those laws?

Mr. LYLE. Of course not.

Mr. CELLER. All that the Senate bill does with reference to those illegal entrants is to provide a penalty for anybody who conceals or hires or transports any

[1] No United States representatives attended. FBI Chief J. Edgar Hoover boycotted the conference after it refused to help trace four Czechs on grounds the men were refugees, not criminals.

illegal entrant. He shall be guilty of an offense. As it is now, the law is inadequate, under the decision in *United States* v. *Evans* (33 U. S.). That decision provides that because of lack of penalty the Department of Labor cannot apprehend those who were guilty of bringing in these illegals.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. ELLSWORTH. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the bill has already been explained by the distinguished chairman of the Committee on Agriculture, the legislative committee which has so thoroughly considered and reported this bill.

I would like to direct the attention of the House to the fact that this bill is not essentially a bill for farmers, or to help farm production. It has a deeper purpose and a deeper significance than that. The real objective of this bill is to attempt to solve, in an orderly way, a problem which has been of great concern and of considerable trouble to the Governments of the United States and Mexico over a great many years. We all know there are thousands and perhaps millions of Mexicans in the United States. They are here to work and help us harvest the crops and plant them and so on. We also know, the report so reveals, that thousands upon thousands of those Mexicans are here illegally. It is a problem which has plagued our Immigration Service and which has plagued the Government of Mexico. Early this year a meeting was held in Mexico City between representatives of our Government and the Mexican Government for the purpose of working out some details and plans for alleviating this situation, to bring about some orderly way of having Mexican farm labor come into the United States and not be in violation of immigration laws, and not be the subject of controversy as between our two Governments. The meeting in Mexico City resulted in a very comprehensive report, a part of which is embodied in the bill reported by the House. The Government of Mexico now tells us, I think with good reason, that unless there is legislation of this kind, which will make this problem of employing Mexican Nationals in the United States a matter of orderly procedure, the present haphazard procedure by which Mexicans are coming into this country will be terminated as of the end of this month.

Now, without this bill which is now before us, if this rule should fail to pass and the legislation is not considered, our present arrangement with Mexico would be terminated. We would have a far greater area of confusion especially along the border states, far greater than we have now under the arrangement existing; so it seems to me that there is much more in this bill than merely a plan, and it is a specific plan, for the importation of Mexican labor for farmers. The bill is much broader than that; it helps two friendly governments solve a problem which has been mutually disturbing down through the years.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from New York.

Mr. CELLER. I think it would be well for the House to know, and I wonder if the gentleman can supply the information, as to what portions of the bill the Mexican Government has agreed to and what portions it has disagreed to?

Mr. ELLSWORTH. I would have to let that be answered by members of the committee in general debate. The only answer I can make to the gentleman is that the Mexican Government has said that unless appropriate legislation—and we are told by the committee that this is appropriate legislation—that unless such legislation is passed the present arrangement is to be terminated.

The bill is very simple and it is specific. It has for its purpose as stated in the very first section, section 501:

> For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

To recruit workers and so on, and the bill sets up specific procedure.

Section 502 provides:

> No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

The whole procedure is spelled out.

Section 504 provides that workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws, and so on, under conditions to be specified by the Attorney General.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Iowa.

Mr. GROSS. How many such employables are available in Mexico today?

Mr. ELLSWORTH. That question will have to be asked of some members of the Committee on Agriculture, one of the students of this subject; I cannot answer the gentleman with figures.

Section 505 provides exemption from certain United States laws for Mexican nationals who are brought in under this arrangement. Then the Secretary of Labor is authorized to enter into agreements with Federal and State agencies, and all the way through, the procedure under which these Mexican laborers will be brought in is spelled out, and I assume and believe it is true, spelled out in accordance with, insofar as the provisions of the bill are concerned, the Republic of Mexico.

Mr. Speaker, I urge the adoption of this rule and I urge the favorable consideration by the House, not as a hand-out to farmers, because I do not think the bill is that; I do not think the bill has much of that feature in it at all, although there has been in my opinion a great deal of misunderstanding along that line. I think the bill is necessary to further and complete the friendly relations we now have between the Government of Mexico and the Government of the United States.

I think the bill is sound legislation as reported by the House committee. I wish to make a digression at this point. The other body has also acted on this legislation. The Senate bill up to the last section which was added as an amendment in the Senate is very nearly identical with the bill now before us, but the Senate amendment which has been discussed by the gentleman from Texas [Mr. LYLE] goes far afield from the purposes of the bill now before us and deals with subjects entirely foreign to the purposes of the bill; it deals with the matter of criminal penalties against anyone, not just farmers, but against anyone who has knowledge of the presence of an alien in the country and who does not report that knowledge.

So I conclude my remarks on the rule with the warning that the bill as reported by the House Committee on Agriculture is, in my opinion, a sound bill and should not be amended with the amendments which appear in the bill passed by the other body.

The SPEAKER. The time of the gentleman from Oregon has expired.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Speaker, I am for the adoption of this rule and will support the bill. It is, in my opinion, absolutely essential to help the farmers who have been asked to increase their production this year to harvest their crops after they have planted them.

Mr. Speaker, I would like to direct the remainder of my remarks to the agricultural situation, which may be deemed out of order under the strict rules of the House; therefore, I ask unanimous consent to speak out of order for the balance of my time.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, a recent report from the Department of Agriculture crop experts has brought forth the greatest argument that can be used against the need of further price controls and consumer subsidies.

The Department of Agriculture reports the average family of four persons will have 592 pounds of meat available in 1951, which is 87 pounds more than was available during the period 1935–40.

That there will be available to the average family in 1951, 196 pounds of eggs compared to 148 pounds in 1935–40. This means 126 dozen eggs during 1951, or one egg a day for every breakfast for each in a family of four.

The Agriculture Department states that the public will have an 88-percent increase in turkey poundage, greater than in the years 1935–40 when we had a surplus.

Butter is reported to be the only staple food in shorter supply than in during prewar years, and oleomargarine is expected to fill this gap.

RECORD-BREAKING CROP YIELDS

Mr. Speaker, a check this morning with the Department of Agriculture gives indication of the abundant food supply for 1951 which, in fact, carries over into 1952.

XUM

WHEAT

Mr. Speaker, here is good news. Over a billion bushels of wheat, will be produced in 1951, a bountiful supply for every person in America and some to export to the rest of the world.

PIGS AND PORK

The biggest pig crop for both spring and fall the country has ever known. The spring pig crop for 1951 is 5 percent above the high record of last year, and the fall pig crop shows an increase of 8 percent—premium ham, pig knuckles, ham hock, spare ribs and bacon in abundance for all.

BEEF ROLLS ON

If the roll-back on beef does not prevent millions of grass-fed steers from rolling into the feed lots of the Corn Belt States where each steer will have added to its carcass an extra 200 pounds of prime beef, there should be such a supply of beef as will cause the price to recede as beef production in the Nation is also above normal.

BUMPER CORN CROP

To feed the extra millions of beef cattle, we will be blessed this fall, according to the present outlook of the Department of Agriculture, with a corn crop that will exceed a billion bushels, probably the largest on record.

Potatoes, like hidden taxes under this administration, cannot be reduced to a shortage or eradicated. This underground tuber against which the people and the Congress have declared war throughout the years continued to produce to the extent that acres of them were left underground, millions of bushels were dehydrated or fed to animals, and millions of bushels were destroyed by the bureaucratic application of kerosene.

They thrived on begrudged subsidies. Regardless of the fight of the people and the restricted measures affecting its production by the Congress, which has been effective in reducing potato production, our good earth will turn out this year 350,000,000 bushels, enough to supply the need of everyone.

CONTROLS NOT NEEDED

With the production of fruit and foods of every other kind supplementing these basic agricultural products, it seems foolish indeed to ask that any agricultural products be brought under price controls, or that present controls on agricultural products should be continued.

Greater production of agricultural products, yes, and manufactured goods of every kind as well, is the only real cure that will stop inflation.

If this Congress and the administration will assure the farmer of this Nation that no controls will be placed on any of his production, and he is urged to produce to the limit, his greater production will not only make a greater contribution to the financial strength of the Nation, but will make a greater contribution than can be made in any other way to prevent inflation and reduce the high cost of living through greater production.

Let us eradicate the cause of inflation rather than perpetrate it by treating only its symptoms.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to ask the gentleman if he believes in farm subsidies?

Mr. VURSELL. Only to a certain extent; where they are absolutely necessary.

Mr. BAILEY. All right. Is the gentleman aware that this legislation that he puts his approval on contains both direct and hidden subsidies?

Mr. VURSELL. I would not consider this a subsidy.

Mr. BAILEY. I will take it upon myself to prove it when my time comes.

Mr. ELLSWORTH. Mr. Speaker, I yield such time as he may desire to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Speaker, I am wholeheartedly in favor of this rule and shall support it. The distinguished chairman of the Committee on Agriculture has stressed the incisive work and effort put forth by the subcommittee headed by the gentleman from Texas [Mr. POAGE]. I feel it is proper that an opportunity be afforded by passage of this rule to have the benefit of the explanation, the investigation, the negotiations with the officials of Mexico and the reasons why the bill H. R. 3283 merits favorable consideration on the basis that the need of farm workers, in this instance, is an emergency measure.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, down through the years it has been, as the honorable Speaker of this House often refers, my high privilege to work at this type of work which is performed by the workers who are covered by this bill. By that I mean to say that in past years I have had the high privilege of chopping cotton and picking cotton and planting cotton and working in the grain fields, and following the threshing machines from the Southwest to the Northwest, working in sugar-beet fields, and performing other types of work such as is performed by the people who are covered in this bill, and I speak from experience.

Mixed up in this international game which we are playing today, with rumors of wars, and with the international contributions that we are making, I wish to say to my friend from West Virginia that if the people of this country want food it is going to be necessary to have a source of supply of workers to produce that food. You have two real sources of raw labor left in the Western Hemisphere applicable to the United States, and that labor is located in old Mexico and Puerto Rico. We do not have any substantial supply of migratory workers any place else except in those two areas. Old Mexico is a foreign republic, and this bill deals with contractual relations between the United States Government and old Mexico. Puerto Rico is a Territorial possession of the United States. Puerto Ricans are citizens, and therefore you have an entirely dissimilar relationship between the people of Puerto Rico and the people of the United States and the Puerto Rican government and the United States Government than you have between old Mexico and the United States. So, when my friend from West Virginia refers to this bill carrying subsidies direct and indirect, it might pay him to give some consideration to what a subsidy consists of. This bill is designed to provide a supply of labor from old Mexico.

In reading the provisions of the bill I find that someone has given a lot of good thought to it because this language is more or less technical. For instance, suppose you as an individual farmer go into old Mexico and try to recruit labor to come into the United States to work your farm lands. Suppose five, ten, twenty-five, or a million other farmers go down into old Mexico and try to bring in workers. You can imagine what a perfect mess we would soon involve ourselves in under such a procedure.

Here the Government of the United States proposes to establish and operate reception centers at or near the places of actual entry of such workers into the continental United States. After those workers are centralized at those centers within the United States, American farmers can go to those centers and pick up their supply of labor, provided the farmers can qualify under this bill.

I think that is one of the most constructive steps this country has ever made since the supply of raw labor disappeared here in the United States. Why did it disappear? Because of our developing economy and the absence of migrants from the Old World, or Western Europe. For years we brought them in by the hundreds of thousands, and there was a constant supply of raw labor coming into this country from Western Europe and from the Near East. In recent years that supply of labor has been discontinued.

In my district in Michigan we have literally hundreds of top-level citizens who came into that part of the country as raw labor recruits, as sugar-beet workers, for instance. They have acquired ownership of very fine farms. Their sons and daughters have been educated at the Michigan State College at Lansing and the university at Ann Arbor. They have gone out into the professions and into the banks and into the hospitals, acting as nurses, doctors, and surgeons. Who were these people? They were raw migrants who came to this country from Europe and found the opportunity here. In my State we have citizens of old Mexico who have done likewise.

Mr. Speaker, I am for the rule and for the bill.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, in years gone by I used to take a great deal of interest in immigration matters, but of late I do not claim to be anything like an expert. However, I should like to call

the attention of those who are responsible for this legislation to section 509 on page 6 of the House bill.

I have known and everyone else has known for many years that much of the common labor, especially west of the Mississippi River and on the railroads and the farms, and more especially the transient labor, has been Mexican labor. A good portion of these are known as wetbacks. They have come across without any legal entry papers. They come and go as they please. The immigration authorities have on many occasions never been too strict about getting them out, because they knew it would cost them considerable money to get them out, and they knew they would be right back in again.

If this law is to be applied strictly to agricultural labor, that is one thing. I would not be at all in favor of the amendment someone has told me about that Senator DOUGLAS has introduced, because that would work a terrific hardship on the farmers of the West.

We know that farmers generally would be apt to employ any Mexican who would appear to be physically able to do his work, and would not go into any details about how this laborer came into the country, but the Douglas amendment would make him liable for a severe penalty. But getting down now to my objection with reference to section 509 on page 6, it is this: I want to call your attention to it because if I am wrong of course I will be glad to be corrected. It says:

> Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws—

That means all the immigration laws—

> to permit the importation of aliens of any nationality for agricultural employment as defined in section 508.

You surely do not propose through this bill to allow the admission of immigrants of every nationality. Basically in this bill you are contracting for Mexican immigrants and only Mexican immigrants. Then why do you want to give authority to the Attorney General to open all the immigration gates and let everybody in who wants to come in from other countries?

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I happen to be responsible for that provision in the bill. The Attorney General now has the authority to make rules and regulations with reference to the importation of alien workers in agriculture.

Mr. JENKINS. Does he have that authority outside of the authority under the displaced persons laws?

Mr. AUGUST H. ANDRESEN. He has had this authority right along and has exercised it.

Mr. JENKINS. I want to understand this correctly now. You say the Attorney General has the authority now to prescribe regulations whereby aliens of any nationality can come in if they want to work in agricultural employment?

Mr. AUGUST H. ANDRESEN. That is true, and that authority has been exercised largely in respect to agricultural workers from the Western Hemisphere. It is true that this agreement only has to do with Mexico, and some of us felt that the agreement should extend further than that. But it was the opinion of the committee and also of others responsible for the legislation that this agreement should be limited to Mexico.

Mr. JENKINS. If that is the case—if the gentleman from Minnesota, who everybody knows is an expert on all agricultural matters—approves of language, and he can guarantee to me that it will be held down strictly within the limitations that he has indicated, then I would have no objection. You can see my position. If you parse that language out, literally you are giving to the Attorney General, pursuant to the general immigration laws, permission to bring in aliens from any country, and then, of course, I would not be for it.

But if you are going to hold it down to mean that under it you bring in immigrants for agricultural purposes only, and bringing them in under the law which controls now, then I have no more to say.

Mr. AUGUST H. ANDRESEN. He has that authority in section 508, which was referred to on line 17. We did not want some other agency of the Government to make some other regulations which might contravene the definition as prescribed by the Attorney General.

Mr. McCARTHY. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. McCARTHY. I think there is a bit of confusion here in that the power will still remain for him to authorize the bringing in of foreigners from other countries. The only thing is that when they come in from Mexico they would have to come in under the terms of this act. The House should know that much of the impetus behind the passage of this bill came from the Mexican Government because they insisted on having certain safeguards for their people which are not being given to them now.

Mr. JENKINS. I am sorry about this contractual business. That does not fool me at all. I know we have to make ourselves responsible. Mexico will not do any more than she has to do, and many of our farmers will be called upon probably to pay money that they do not know they are contracting to pay. I do not think this is a very fine thing for our farmers, but I am not going to oppose it because we have this Mexican help all throughout the West now, anyhow, and we might as well use them; and just as the gentleman from Minnesota says, if these other people can come in from these other countries in the Western Hemisphere, with the regulations of the Attorney General applied to them, it might not be so bad.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman from Ohio is one of the outstanding food experts of this country and he knows that we must have labor to produce food.

Mr. JENKINS. You have to have people who know how to do agricultural work and you must have confidence in them.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Independent of what the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has said, the bill reads:

> Nothing in this act shall be construed as limiting the authority of the Attorney General.

As I understand, this language in itself says in substance the Attorney General has this authority, under the present law—the general immigration law. So I would like to have the point cleared up on the basis of the language contained herein.

Mr. JENKINS. I think the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has been sincere and, as he always is, and I am willing to take his interpretation of the language of this section.

The SPEAKER. The time of the gentleman has expired.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. POLK].

Mr. POLK. Mr. Speaker, I am not seriously opposed to the rule. I am deeply concerned about some of the provisions of the bill which this rule makes in order.

Like the gentleman from Ohio [Mr. JENKINS], I am concerned about immigration and the entry of illegal aliens into the United States.

The bill as reported from the Committee on Agriculture, in my judgment, opens wide the doors to the continued illegal entrance of so-called wetbacks from Mexico. For a number of years this has been a very serious problem in the Southwest and is becoming a serious problem for a great part of the United States. We know that these Mexican wetbacks go as far north as Chicago. They become a serious social problem wherever they congregate in large numbers. They come in as illegal entrants. This bill as reported from the committee, as I said before, tends to give legislative sanction to this illegal entry.

At the proper time it is my purpose to offer an amendment in the nature of a substitute, which will contain the provisions of the bill which passed the Senate. The Senate bill, I believe, is a much better bill than the bill reported by the Committee on Agriculture of the House.

I hold in my hand a letter which I received from the president of the United Latin-Americans of America, Inc., an organization with headquarters in San Francisco. With your permission, I would like to read a portion of that letter:

> The following resolution was introduced and adopted unanimously by our members at our general-assembly meeting April 20,

1951, and we urge you to give it your most serious consideration:

"RESOLUTION

"Whereas hundreds of thousands of Spanish-Americans, mostly in Texas, California, and Arizona, have been displaced from their jobs by the importation of illegal labor known as wetbacks, specially in the agricultural fields and urban work.

"These people are Americans who have been in this country for two or three generations. Now they are confronted with disaster, having to leave their homes and belongings because they no longer can make a living. They cannot compete with the miserable wages that are paid to the poor wetback, who has been exploited and compelled to work for pay so low as to be tantamount to peonage. These conditions are intolerable as mentioned in the Look magazine, edition of March 27, and also mentioned in the New York Times.

Resolved, That a congressional investigation start immediately to bring justice and prosecute the individuals and corporations responsible for the violation of the minimum wage and immigration laws.

"ALFRED A. ESPINOR,
"President."

A few months ago the New York Times carried a series of articles by Mr. Gladwin Hill, who spent some considerable length of time along the Mexican border. He made a statement which I think is very significant with reference to these illegal entrants into our country. He said that by this procedure Communists and subversive elements could come in very easily; in fact, he made the statement that Josef Stalin by using a very slight disguise could walk across the border without detection.

There are about 1,600 miles of this Mexican border and about 900 employees to police the border. And that brings up another point. In that area they have what is known as the high law and the low law. They refer to the border patrolmen and the Texas Rangers, whenever they enter into the picture as the high law; but the low law is the term by which they refer to local police officers in the communities. The low law are very often interested in helping the so-called wetbacks get across the border. Because of local pressures local law-enforcement officers make little effort to enforce our immigration laws, and leave the entire problem to the immigration service.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I think it is essential to clear up one or two misunderstandings that have crept into this debate thus far. This bill permits the entrance of a vast number of Mexicans, most of whom I will say will be illegal entrants who would unduly interfere with American labor. The CIO, the A. F. of L., and the railroad brotherhoods are opposed to this bill. I read from the report of the President's Committee on Migratory Labor:

> The Commission received evidence that in 1950 domestic workers had been removed from employment from cotton picking in order to accommodate contract Mexican aliens.

The inducements to wetbacks this bill affords will greatly aggravate the situation.

I have before me a communication from the Department of Labor in which it is stated that during the freeze in late January, in early July in certain counties in Texas in the Rio Grande Valley, approximately 10,000 American agricultural workers were unemployed; 45,000 to 50,000 were on relief, and despite that fact between 1,200 and 2,000 Mexicans were working on farms.

Again, between March 12 and 25, 8,191 wetbacks were picked up. Those are illegals who come into the country. Five thousand and sixty-two were employed, while many American workers were on relief and out of work, seeking work. My complaint is not lodged so much against legal entrants as against the illegals, the wetbacks.

What I am primarily interested in is the failure of this bill to provide adequate safeguards against the coming in of the wetbacks. A wetback is one who is illegally in this country. There is no provision in this bill with reference to proper safeguards concerning the public health, and the testimony is replete with evidence to the effect that these illegal Mexican workers coming in here are afflicted with tuberculosis, dysentery, and in some cases leprosy. I understand that we need workers to handle the crops, particularly the additional crops, needed for defense, but when we have these disease-ridden workers handling our food, as they do in the Imperial Valley in California, as they do in New Mexico, Arizona, and Texas, handling the food that we all eat, and when we further consider that this bill does not set up proper safeguards involving public health, we must do something about it. This bill does nothing about it. It actually would encourage wetbacks to come across the border—encourage more disease-ridden Mexicans to handle our raw food. Furthermore, what about internal security? We can pass all the internal security acts we wish, but when we have inadequate border control, and we have an invasion—that is what it is called, an invasion—of Mexican illegals coming into the country, thousands of them undoubtedly imbued with communistic ideas, we run into difficulty. Evidence has been brought to bear on the fact that they come in with communistic literature. There are no safeguards in this bill to protect our internal security. The wetbacks can come in—in fact are encouraged to do so. They are not examined either for health or screened for security purposes.

Let me read to you line 1, page 2 of the pending bill: "to recruit such workers, including any such workers temporarily in the United States."

It does not say that one can recruit such worker whether the worker is here illegally or legally. The legality is immaterial. Are they here? That is all that is necessary. Then they can be hired with no questions asked. No inquiry is made how they got here. That puts the stamp or legality upon those who are in this country illegally. If they are here temporarily they can be employed and recruited.

That must give us pause. It is dangerous to do that. How about the narcotic carriers? The narcotic carriers can come in without hindrance. The illegal wetback is not examined for narcotics. There is nothing in the provisions of this bill that exclude or that will put proper safeguards against those who would carry heroin, marijuana, and opium into this country. That is a grave danger that I am addressing myself to.

At the proper time I shall offer amendments.

How shall the American farmers expand agriculture production to the degree required by our defense program and obtain a sufficient labor supply to harvest these needed crops; and, secondly, should the greed of a few agricultural producers be permitted to endanger the health and the internal security of our Nation?

It now appears that the defense agricultural program will result in the American farmers cultivating approximately 28,000,000 acres for the production of 16,500,000 bales of cotton. The production of foods also is being tremendously expanded. It is the opinion of the manpower experts in our Government that the complete utilization of all agricultural workers in this country will not permit us to harvest these crops. An additional 200,000 to 225,000 agricultural workers may be needed during 1951.

If it is evident that additional agricultural workers are essential to our defense effort, the Department of Labor must be in a position to obtain these workers from friendly foreign countries. The present international agreement between our Government and the Government of Mexico will be terminated by the Mexican Government on July 1, 1951, because it has permitted unscrupulous employers to defraud and mistreat Mexican nationals. The Mexican Government has notified us officially that no additional agricultural workers will be furnished to American farmers unless Congress authorizes the United States Department of Labor to regulate the flow of workers to the United States and to guarantee that Mexican nationals will be paid all amounts due them by American farmers.

The Mexican Government also is concerned about the use of wetbacks—Mexicans entering the United States illegally—by American farmers. It is demanding that no Mexican Nationals be furnished to any employer who also hires wetbacks, and has urged our Government representatives to prohibit entirely the employment of Mexicans entering the United States illegally.

The Mexican border extends for approximately 2,000 miles, and the Immigration and Naturalization Service has a Border Patrol force on duty which consists of only 700 officers. Annual and sick leave, holidays, and the 5-day week reduce this force by approximately 39 percent, leaving only 427 officers available for daily duty. When this group is divided by 3, to get a 24-hour daily coverage, and again by 2, because these officers invariably work in teams of at least 2 men, we find that only 71 Border Patrol teams are available at any one time to cover the entire Mexican border.

Despite its meager force, the Border Patrol back in 1940 apprehended and deported 7,000 wetbacks. Since that

XUM

time, however, the flow of wetbacks into this country has reached the proportions of a raging torrent. For 1950 the Border Patrol deported almost 600,000 Mexican illegals. This tremendous increase is the result of two serious blunders. First, certain groups of American farmers are granting employment to wetbacks as freely as they possibly can. They have become so actively engaged in stimulating the desire of Mexicans to enter this country illegally regardless of the consequences to our Nation that the Mexican Government complained very bitterly to representatives of our Government that American employers had come into Mexico and distributed leaflets inviting Mexicans to enter the United States illegally and accept work on American farms. Second, in 1949 representatives of our Government and the Government of Mexico entered into an international agreement which permitted the contracting of Mexican wetbacks for work in American agriculture. When it became known in Mexico that wetbacks were being given legal status and steady employment by American farmers, this country was flooded with wetbacks. The records show that in 1944, when employment of wetbacks was not "legal" fewer than 30,000 wetbacks were apprehended by the Border Patrol. In 1949, however, this figure jumped to more than 300,000; in 1950 it became almost 600,000; and if H. R. 3283, the Poage bill, is passed by the House we can expect the number of apprehensions to exceed 1,000,000.

Because the present small force of border patrol officers cannot possibly apprehend even half of those who enter this country illegally, it is reasonable to believe that another million wetbacks have eluded them and are remaining in this country breaking down labor standards and spreading communicable diseases.

Reference to the breaking down of labor standards by Mexican wetbacks is not merely inflammatory language, but is very realistic. For example, the records of the Texas State Employment Commission have estimated that in Texas alone 80,000 to 100,000 American citizens annually are driven from their homes to enter the migratory ranks of labor because they cannot stay at home and complete with illegal labor. A Government survey revealed that most wetbacks are being paid from 20 cents to 25 cents per hour.

It is also important to know that these wetbacks do not always remain in agriculture. There are no well-supported statistics on this phase of the subject, but Border Patrol officers have apprehended wetbacks as far north as the State of Michigan, where they were employed in various industries. Some of the Members of the House no doubt are aware that it is estimated that as many as 30,000 are in the Chicago area.

An illustration of the danger to American health standards is revealed by the records of the Public Health Services. According to C. R. Kroeger, health officer of Imperial County, Calif., the more than 1,000,000 wetbacks now illegally entering this country annually will infect more than 6,000 Americans with tuberculosis. Other surveys have revealed that these Mexicans have 12 times as much whooping cough as Americans, that the death rate among babies is 5 to 1 against the Mexicans, and that they have 4 to 6 times as much dysentery and malaria as the average for the United States.

Through examinations by Public Health Service officers, it has been discovered that Mexican wetbacks are, found as I said before, to have a substantial incidence of tuberculosis, syphilis, and other highly communicable diseases. Even a few cases of leprosy have been observed.

I repeat, because these wetbacks handle food which is shipped all over the United States, it is reasonable to believe that the greed of a few American farmers is being permitted to endanger the health of the whole country.

If the facts relating to labor standards and health conditions are startling, the truth about the dangers to our internal security are appalling. Because the border patrol is so busy apprehending, processing, and deporting wetbacks it is unable to do the work for which it was originally designed; that is, protect our borders from subversive elements.

One border patrol officer reported that he and his partner discovered a single group of more than 400 wetbacks crossing the border. Another pair of officers apprehended more than 150 wetbacks at a river crossing one night. The volume of the flow of wetbacks into this country has so completely broken down effective control of our borders that it has created a highway through which this country can be invaded by subversive elements. Although most of the wetbacks are innocent agricultural workers, it would be a simple matter for highly subversive individuals to intermingle with groups of wetbacks as they entered this country. In fact Communist literature has been found on some wetbacks when they were apprehended. It is also well established that much opium and marijuana have been smuggled into this country by people who had joined innocent-looking groups of wetback agricultural workers.

The failure of Congress to treat effectively this wetback situation has made a mockery of the Displaced Persons Act and the McCarran Antisubversive Act. How futile it is for Congress to devote time and energy to debate over the admission to this country of a few hundred thousand European aliens while more than a million others freely pour across our borders.

The wetback problem has extended itself all the way to the Canadian border where the border patrol has stripped its forces to no more than 232 officers in order to bolster the Mexican border group. This is being done at a time when distressing numbers of European aliens have been apprehended who have illegally entered this country through our northern border.

If it were possible to rid ourselves of the wetback problem, the border patrol could then effectively give its attention to the type of alien whose entry is a menace to our Government and its institutions. We must strengthen the hand of the Immigration and Naturalization Service before we pass a Poage bill. That Service should have its forces increased to the point where it can effectively deal with subversive elements and make our borders secure. It also should have the clear statutory authority to enter places of employment to determine if illegal aliens are there, and also by statutory penalties against harboring, concealing, or transporting illegal aliens.

The international agreement, to which I referred earlier, now has been corrected to prohibit the use of wetbacks by those employers who participate in the program of importation of Mexican workers for American agriculture. Now they are here solely because American agriculture claims it is impossible to harvest crops without Mexican labor. The solution to both our problems is through the passage of good legislation creating an orderly program for the importation of Mexican workers and the outlawing of the employment of wetbacks.

In this endeavor we shall have the wholehearted support of the Government of Mexico whose representatives have repeatedly endorsed the entering of this country by Mexican nationals only through the orderly processes established by law and by international agreement. I repeat, this country can be safe only through the adoption by Congress of legislation such as is proposed in S. 984 with the additional amendments which would strengthen the Immigration and Naturalization Service.

Finally, while I was temporarily absent from the Chamber, I regret to note that the gentleman from California [Mr. WERDEL] injected some remarks of a "racist" character into the RECORD. He implied that I supported the so-called Douglas amendment. He wondered what I would say if the punishment involved therein would be directed against an Irishman or a Jew in New York. That is how colleagues reported to me his remarks which I did not hear. If he made that statement, it has rather unfair undertones. I shall not dignify it with any extend answer. It speaks volumes concerning the thinking of the gentleman, volumes that are not very edifying in my opinion.

I want our laws enforced without regard to race, color, or creed. That is the American way.

Frankly, I oppose the Douglas amendment as being too severe. The gentleman from California is woefully uninformed as to my views.

Mr. ELLSWORTH. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, the gentleman from New York seems to think it is necessary to deal with illegal aliens coming into this country in the present bill. Why, we already have laws on our statute books and if properly enforced they will take care of all the illegal aliens who come into the United States. There is no place for such provision in this act.

The gentleman from Ohio referred to the fact that this bill might make possible the coming into the United States of a lot of Communists. There might be a few come in. But if you will look

XUM

at the records submitted by the FBI, you will find Mr. Hoover states that we now have 50,000 or more Communists running loose in the United States, in all parts of the country, in every community, who are operating under orders from Russia, ready to sabotage anything we have on a moment's notice. If I had my way about it, I would take all of the Communists in the United States and their fellow travelers, put them on some of these boats we have now in moth balls, and ship them all over to Russia where they really belong. So that we do not need to have any fear about any great number of Communists coming in as a result of this act.

I would rather not have a bill of this kind to import foreign labor to do certain kinds of agricultural work in this country, but it is absolutely necessary because American citizens will not do the stoop labor that is required in producing a tremendous amount of food in this country to take care of the needs of the American people. At this time when we have an inflationary spiral. It seems rather strange some of the gentlemen who are here advocating stricter controls in the United States are opposed to this bill. The only reason they may be doing that is because we will have a greater shortage of food so that there will be tighter controls and a lot of this food will have to go into the black market at higher prices to the people. This bill should be passed in the interest of the general economy of the country and to increase the food supply for the people.

Mr. COLMER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, permit me to say at the outset that I am a restrictionist when it comes to immigration. I want to see our immigration laws tightened rather than liberalized. But we are faced here with a practical situation. This is not a question of immigration; this is a question of whether we are going to have the necessary labor supply in order to harvest the necessary food and the staples that are produced in this coming year. This is nothing new. It is an old practice, but it has a new angle. These people have been coming here for years, doing this work, but here this year we are engaged in a war. The thing we need above everything else in this war to defeat communism is production and more production. That is the way to defeat communism. Here is a bill that tends to do that, and at the same time it is something that would halt inflation.

Frankly, I am at a loss to understand some of my friends to whom I have yielded time here today. They oppose this legislation. They say that American labor is opposed to this legislation, yet American labor is occupying the forefront today in the advocacy of controls in order to keep down the cost of living. Now, the best way to keep down the cost of living is to produce and to produce and to produce. So, it seems to me that some of my friends who label themselves liberals—and with that I find no fault—should be behind this legislation in order to bring about the production to keep down inflation and prevent the necessity for controls.

Incidentally, I agree with them on the question of controls. I think this inflation has got to be beat and I think the best way to beat it and the best way to stop Russia in its one main objective above everything else in breaking down our economy is to produce, as I said.

The question was raised about the health of these people. Why, this bill provides that safeguards shall be made for the health of these people that are brought in here. So far as I know, that is something entirely new and I think it is a very liberal provision in this bill. Let me say again, although I speak as one who comes from a southern State and a cotton-growing State, that this is not a question of cotton. Yes, we have been using Mexicans over here to harvest cotton for many years. This is not a question of harvesting apples in the Northwest. It is not a question of harvesting beets in the West. This is not a question, as was so appropriately stated by the gentleman from Oregon [Mr. ELLSWORTH], of aiding the farmer. It is a question in this immediate year of 1951 of assisting the people of the United States, the American farmers, laborers, and all other segments of our economy, in defeating inflation and winning this conflict with which we are engaged with Russia.

Mr. Speaker, I think this bill ought to pass. Frankly, it does not affect me personally any more than it affects you or anyone else. It is all a part of the set-up; of the scheme of defeating communism. I do not see how we can afford not to pass this bill.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3283) to amend the Agricultural Act of 1949.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3283, with Mr. GORE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, I had hoped it would not be necessary to offer a detailed explanation of the purpose of this legislation, but the remarks of the two gentlemen who have spoken in opposition to this bill and to the rule made it clear that there is much misunderstanding as to both the purpose of the bill and its actual content.

The criticism that has been launched at this proposed legislation so far has been confined to suggestions that illegal entrants were coming into the United States from Mexico and that doubtless after this bill was passed there might still be violations of our laws along the Mexican border. I would readily grant that this bill cannot be expected to prevent the violation of other laws, but surely it will in no wise aggravate the situation.

For the 103 years that the United States has had a common border with the Republic of Mexico there have been individuals who have crossed that border in both directions without the permission of the governmental authorities. Probably such crossings will continue to be made by certain individuals. Certainly this bill in no wise adds to the ability of anybody to cross the border without detection. Certainly this bill in no wise makes it more likely that there will be illegal entrants in the United States. On the contrary, this bill goes a long way toward making it improbable that we will have the substantial numbers of illegal entrants we have had in the past.

Certainly the only effect this bill will have upon the enforcement of the immigration laws will be to make the enforcement much easier than it has been in the past, because it provides a legal method whereby a Mexican can enter the United States, whereas, if you do not pass this bill, there will be no legal method whereby a Mexican can come in, yet the economic magnet of high wages on the north side of the Rio Grande as opposed to the very low wages and poor living conditions on the south side will continue to draw Mexican workers across that river just as it has during the past 100 years.

If perchance additional legislation in regard to purely immigration matters is needed, the gentleman who so recently addressed you, the chairman of the Judiciary Committee, might well consider bringing in such legislation, but to condemn the Committee on Agriculture because that committee properly exercised a function which is within its jurisdiction and did not seek to extend its jurisdiction into a field over which the Committee on the Judiciary has unquestioned jurisdiction, seems to me to be a little unfair and uncharitable on the part of the chairman of that committee. Why blame us if the chairman of that committee does not bring in the type of immigration legislation that he wants? We are not writing immigration laws. We are amending the Agricultural Labor Act. We are not trying to change or add to or diminish existing immigration laws. In our strict endeavor to try to leave the jurisdiction of other committees to those committees, we wrote a provision in this bill which was questioned here on the floor, which provision simply says that nothing in this bill shall be construed to interfere with the powers that the Attorney General now has. The gentleman from Ohio questioned the propriety of that. We are simply saying all the way through that we are trying to provide adequate agricultural labor for this country. When we have done that the Committee on Agriculture is not concerning itself with social reforms or immigration laws or with the jurisdiction of the Attorney General of the United States. We have sought here to bring to the House legislation which would correct an obvious evil. If members of other committees feel that reforms within the jurisdiction of their respective committees are needed, let those members bring legislation out of their own committees.

Let me review the circumstances that make this legislation necessary: Throughout all these years, as has already been stated, many of our farmers have used Mexican labor. Sometimes it has come into the country legally, and other times it has come in without benefit of law. But it has come into this country. Why does it come? Right now the wages on the Mexican side of the river are possibly 2 pesos a day. A peso is worth less than 20 cents—that is less than 40 cents for a day's work on the south side of the river. In the lowest wage areas on the United States side that same worker can make more than that amount by 1 hour's time.

On the Mexican side of the river the population is pressing against the means of subsistence with such tremendous force that the Mexican worker who wants to provide for his home and family—and my experience with those people is that they have the same love of family and home that you have for your family and home—that man sees the opportunity to cross the Rio Grande and goes to the north and there in a few weeks' or months' time makes more to support his family than he could by working a year at home. He works on the American side. He goes home and takes with him the means whereby he purchases the necessities of life for himself and family. He, his family, and his country profit thereby. And what of the north side of the river? Here we are producing what we hope will be some of the largest crops in history, our vegetable crops and our fruit crops, our beet crops and cotton crops, all need much more stoop labor than is available on the American side.

Last year we grew less than 10,000,000 bales of cotton. This year, if the season remains good, we will harvest between 16,000,000 and 17,000,000 bales of cotton, a 60- to 70-percent increase.

Last year we were barely able to pick that cotton crop with the labor force that was available—and it included a substantial number of Mexicans, both contract Mexican nationals and illegal entrants. Since that time there have been thousands of American boys who have left those farms and gone to work in the industries of the Nation, in the war plants, and in the Armed Forces of the country. Our own labor force is not nearly as large as it was 1 year ago. We were barely able, with a long picking season, to gather 9,750,000 bales of cotton. With sixteen or seventeen million bales this year and a smaller force to gather it, how can we hope to save that fiber without the help of our neighbors to the south? How can we hope to save the fruits and vegetables on the Pacific coast without our neighbors to the south? How can we hope to save the beet crop of America without someone who is willing to get down on his hands and knees and do the stoop labor required to do it?

So we have turned, as always, to Mexico, seeking the needed labor.

We have had an agreement with Mexico whereby Mexican nationals come into this country under contract, but the Mexican Government has said that agreement was not favorable enough to the Mexican nationals, and they wanted it amended in numerous respects.

I went to the city of Mexico about the 1st of February and the chairman of the Senate Committee on Agriculture went. We worked with representatives of our State Department and with representatives of the Mexican Government, seeking to secure a new agreement. The Mexicans demanded first that the United States agree to a contract between the Government of the United States and the Mexican workers. They insisted that the United States Government be the employer of every Mexican worker in this country. They said in that way they would know that they would get paid, that they would be properly treated.

We took the position, and I think we were right, that it would be improper for the United States to become a broker in human lives, human labor. We took the position that the United States would not employ Mexican labor and then subcontract it to someone else, like you might sell a herd of cattle. We finally convinced the Mexican officials that the dignity of their citizens required that we reject that proposal of governmental contracting.

Then they said, "We must have some guarantee that the Mexican worker who comes to the United States will be paid; he cannot rely upon the courts." Of course he cannot. How can a worker, who has a few dollars coming to him and who lives in the Guadalajara or Hermosillo come back to the United States to collect $30 due him for work in Arkansas or in Colorado? Oh, the Federal Court is open to him, but how can he get before it, and how could he stay around and litigate the matter? We realized that he could not. So we agreed with the Mexicans that the United States Government would guarantee that these wages would be paid.

Then we said we wanted that contracting done on the American side of the border, because that is the only way we can get it done with the efficiency and dispatch that we feel is necessary. We felt there was too much delay in going down to Monterey and Hermosillo and Chihuahua to make those contracts. The Mexicans finally agreed, but they said, "You have to guarantee the transportation of our workers up there during the time they are employed." So the United States agreed that we would send our immigration officials and health officials and Department of Justice officials to make a security check down to Hermosillo and Monterey and Chihuahua, and there we will make an examination of the Mexican workers, just as we have heretofore made it on the border when they came in. We will then give clearance to those Mexican workers at those points, and the United States Government will bring them to recruitment centers on the American side of the river or the American side of the American boundary farther west, and there, on the American side, the American farmer will come and, under the terms of this bill, he will be allowed to employ any Mexican he wants, and he can reject any individual Mexican whom he does not want to employ. The individual Mexican has the same right; if he does not like your looks and thinks you will not be a good boss he has the right to say "I do not want to work for you."

But the American employer who goes and gets those men must then and there pay the United States Government for the expense it has been to bringing them in. We did not propose to have the United States Government subsidize the transportation of workers either within or without the United States; on the contrary, we said in this bill that the employer must reimburse the Government for all of the expenses incident to bringing those individuals in except the ordinary expenses of maintaining the immigration service and other services which would go on whether they brought these contract laborers in or not. We put a limit of $10 upon these expenses in this bill. This limit is intended to restrain the Government, not to relieve the employer. This action has been criticized. It is claimed that it would constitute a subsidy, because it has been said that the Government would spend more than $10. Maybe the Government will spend more than $10, but this limitation will certainly tend to restrain the Government. The Government need not and should not spend more than $10.

We put the $10 limit on as a limitation on the Government not for the purpose of giving anybody a subsidy. I hold in my hand a number of affidavits as to the actual cost of bringing Mexicans from Monterey to various points in the United States last year and some of them this spring. Incidentally, I see right here that the cost of bringing and maintaining workers from Hermosilla to Nogales was $2.10 on May 16, 1951. It cost $2.15 to transport workers from Monterey to McAllen, Tex., on May 12, and to provide them with two meals; $3 for first-class transportation and two meals from Monterey to Hidalgo, Tex. These are the actual costs that are current now. That means that a round trip costs less than $5 at the present time. We figured it would cost the Government more than it would cost an individual—it always does—but we thought that if we should let the Government take twice as much as an individual that that ought to be very liberal and that that was hardly a subsidy to the farmer to make him pay twice what he would normally have to pay as an individual.

No, Mr. Chairman, there is no subsidy in this bill. This bill provides that the man who employs the Mexican will pay all the costs; then it provides that he will pay the current wages in the community, and it provides that he shall not have the opportunity to recruit any Mexican until the Department of Labor—not the State Department as some have suggested, not the Department of Agriculture which might be accused of being biased toward the farmer, not somebody else—but until the United States Department of Labor finds: First, that there are not enough American workers in the community to do the work; and, second, that the importation of Mexican nationals would not impair the wage standard or living conditions of Americans if those Mexican nationals were brought in.

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Those things have to be affirmatively found by the United States Department of Labor before any man can get a certificate to bring in a Mexican national. After that has been found and after the American employer has brought the Mexican national in, the American employer has got to pay his transportation, his subsistence while he is bringing him in, provide him with a place to live when he gets there, and then he has to pay him current wages.

Now, do you believe—and I want to submit this to the intelligent businessmen in this House and I want you to hear me and I want you to answer it honestly and fairly in your own conscience—may I ask the membership to search your own conscience and ask yourself can you honestly say that there is any reason to believe that any American farmer would employ Mexican nationals under the terms of this bill if competent American labor were present, ready, and willing to do the work? Remember that American labor will cost exactly the same per day, per hour, or per hundred as the Mexican labor and in order to use Mexican labor the farmer has got to pay in addition the transportation, subsistence and other charges. Do you think they are going to pay a bonus to use this Mexican labor? I do not think so. I do not believe it will be done. We have given the strongest guaranty that can be devised to American farm labor that we are not going to allow any harmful competition with American labor. I think these economic guaranties are far stronger than any political or legislative guaranties that we might write into the bill.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. COOLEY. Mr. Chairman, I yield the gentleman five additional minutes. Will the gentleman yield?

Mr. POAGE. I yield to the gentleman from North Carolina.

Mr. COOLEY. The chairman of the Committee on the Judiciary made a speech which indicated that the wetback situation might involve a health risk. As we visualize this bill, all of the Mexicans coming in will be screened; they will be healthy; they are supposed to be honest upright farm workers. Is that true?

Mr. POAGE. That is right.

Mr. COOLEY. We are trying to improve the wetback situation?

Mr. POAGE. That is right. I tried to point out that we are proposing under this bill to send American health authorities to Hermosillo and other places down there. The Mexicans got in here before and there was no screening. If he had the most loathsome disease all we could do was to send him out if we could get him out. Now under this bill we will send American authorities down into Mexico, we will go over every one of these individuals, we will give them a physical examination, a health examination, a security examination, and we will do all of that in Mexico. If the worker does not meet our tests he will never get a chance to ride to the border.

Mr. COOLEY. The gentleman was in Mexico during the period of negotiation between our Government and the Mexican Government?

Mr. POAGE. Yes; I was.

Mr. COOLEY. This contract was worked out at that level?

Mr. POAGE. That is right.

Mr. COOLEY. The gentleman is of the opinion this will bring about a situation greatly improving that which has heretofore existed?

Mr. POAGE. There is no question about that. If you do not pass this bill, if you leave us with no contract with Mexico, then you are going to make inevitable some of the things that Look magazine, Collier's, and the other articles have depicted and tried to play up as being the result of the legal importation of Mexicans but without one scintilla of evidence to support those charges, for in every case when you run those down they came back to the proposition of wetbacks in the United States who have entered this country illegally. If you do not provide a legal method of entrance, the Mexican workers will come in anyway.

Again, let me ask you to search your own conscience. Under this bill these Mexican workers have an opportunity to make a choice between entering the United States under a legal contract, where their rights are preserved, and, on the other hand, of coming in as a wetback, an illegal fugitive from the law. Which choice will they make? I am sure you would come to the conclusion that they will come in under the contract system. We give the Mexican worker that choice under this bill. We give him the opportunity to come in legally. If you defeat this bill and there is no opportunity for a Mexican to come in legally, they are going to be forced to resort to swimming the river. I think that the matter is perfectly clear. This bill greatly improves the condition of the Mexican worker, of the American worker, and of the American farmer who must rely upon some kind of orderly entrance of the Mexicans in order to have a proper distribution of farm labor in those parts of America where we need it and not simply where it is easiest for the Mexican to go.

Mr. COOLEY. Under the situation which has existed, the wetback could very easily be exploited; but under this contract arrangement he is protected in every respect?

Mr. POAGE. Exactly.

Mr. COOLEY. He cannot be exploited by a ruthless or heartless landlord here in this country?

Mr. POAGE. That is exactly the protection this bill provides. We have made provision whereby a Mexican can stand up and make a contract of employment with the assurance that he is dealing within the law and with the protection of the law. This bill attempts to give protection where protection is needed. This bill attempts to provide a workable piece of legislation that will allow us to harvest this year's crop.

This bill has been discussed with the Mexican officials. If it is passed, I am sure that we can extend the agreement with Mexico. If it is not passed or if it is materially amended I fear that we will have no agreement with Mexico and that this year's crop will be lost.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, I want to discuss first the bill itself, but prior to that I will say a word about the reasons before I discuss what is in the bill.

I might add in the beginning that I know something first hand about migrant labor. For more than 30 years I have lived in a beet sugar producing area. For several of those years I was teaching in the center of one of those communities where we used Mexican labor. I have had Mexican students under me while I was teaching. We like to call them Spanish-Americans or Americans of Spanish descent. They are very good students, always willing to cooperate with the school authorities, and their parents likewise. So, I do not come before this group this afternoon and speak without any personal experience.

Mr. Chairman, I know that we should understand exactly what we are trying to do. The thing that this House needs to do, that this Nation of ours should have done, is the thing that is contained in this bill. Why do we need any outside laborers at all? The answer is evident; the answer is obvious. The farmer is in a different position than any other type of employer. We need this special labor at a certain specific time in the harvesting of the crop. You may need it in the planting season. That may be the time of the shortest and sharpest need of outside or migrant labor. It may not be there. It may be in the bean-picking season. Again, it may not be in the middle of the summer; it may be in the fall during the harvest. Now, we must have this labor during a short period of time and during that particular time we cannot harvest our crop without that help. If it is the planting, we cannot plant the crop without the help.

I might say further that I believe in the last 10 or 15 years we have mechanized at the greatest speed possible that ever occurred in any nation in the history of the world, but you cannot mechanize everything. Some things must still be done by stoop labor. Some work on the farm must still be done by hand labor. Even in the finest dairies in this country they still use the hand to strip and take the last milk out of the cow's udder. I know some do not do it, but that is what they should do, and it is the same with other farm work. We must use hand labor.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from California.

Mr. JOHNSON. To illustrate what the gentleman says, take cherries, apricots, and grapes. Thousands and thousands of tons have to be hand picked, and the harvesting season is very short in some of those crops; some only 10 to 15 days.

Mr. HILL. Exactly.

Mr. JOHNSON. And while the farmer and his wife and children can

do all the other work, when the time comes to harvest they require 25 times that amount of help.

Mr. HILL. And that very thing is not understood by a good many of the gentlemen that are going to oppose this bill. In the harvesting of potatoes 10 days may mean the entire loss of the potato crop, yet Members will stand on the floor and pretend you can harvest those potatoes over a period of 3 months.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman tell me whether the Mexicans are good cow milkers, or do they milk goats?

Mr. HILL. With the mechanization we have today, yes, anybody can milk a cow, even someone who never saw one before or someone who does not know which end produces the milk.

I cannot yield further.

I want to mention what the bill provides. First, it provides a way to recruit these Spanish-Americans in Mexico that you have never had before under any organized legislation. It provides the establishment of reception centers and gives a program to direct them in a way that you have not had before. It also provides more in the way of medical care and subsistence than the Spanish-American people have ever had.

There are several other provisions that are not as important as the one I mentioned, but the bill also provides that you may go to this reception center and secure your own employees. It gives the Spanish-American the right to turn down a particular job if he wishes.

Mr. CELLER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and five Members are present, a quorum.

Mr. HILL. Now I should like to discuss how you get these Spanish-American workers. First of all, you must enter into a contract with the Federal Government of the United States. You just do not go down to Mexico and get your help. You make an agreement with the United States Government that you will do certain things, and they are spelled out as plain as they can be in the bill.

Section 503 states that no workers recruited under this title shall be available for employment in any area unless the regional director, Bureau of Employment Security, United States Department of Labor for such area has determined and certified that there are not sufficient laborers in the area to do the work.

There is no use of anyone's getting up on this floor and crying about us in the fruit areas working children. That is out of the picture. I am surprised they have not already mentioned that. Now they have transferred the argument about child labor to wetbacks. So this afternoon you have had a demonstration of those ready to shed tears about bringing in wetbacks. I do not qualify my statement one particle. The evidence is there. I never saw a wetback, to my knowledge. I will have a little bit more to say about that later. I would not know one if I met him in the beet field. I dare say that probably not a gentleman on this floor can identify one to save his neck from a noose.

So there is a very slim line between a wetback and whatever other words you would like to use. It is nothing in the world but window dressing and camouflage. Let me just digress a moment and tell you what happened in my own area less than a year ago.

These very men they were talking about went out all over the country to find out how badly we were treating these wetbacks. He did not know a thing about them. He came into my territory and called me up, and told me where he had been. What did he do? He brought a photographer with him to take a picture. He waited until we had a flood down there in that dry area where it only rains now and then, and then he said, "Where are those folks kept?" And he sent the picture all over the country, back here to the East, so that you could see all these poor Spanish-Americans wading around in the mud ankle deep. Why, bless their silly hearts, we were so glad when we got that rain. We were praying for it.

Now we have even gone one better than that. Do you know what we have done now? Do you know what we have now? We have rain-makers. He probably could have gotten his picture with less trouble if we had rain-makers last years.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. FISHER. What this bill does, as I understand it, is to create an orderly procedure whereby the Mexican nationals may be processed in old Mexico and thoroughly screened with respect to their health conditions and any possible subversive elements that might be amongst them.

Mr. HILL. That is right.

Mr. FISHER. That is done by the officials of the Department of Justice and the Public Health Service officials and the immigration service, and after all of that is done, then they can cross the Rio Grande into our own processing camps, and after they are so brought across, then they are permitted to work for any individual who might meet the conditions contained in this bill, and in the agreement that we have with the Mexican Government.

Mr. HILL. The Government has the set-up, and the employers can pick out the employees and the employees can pick out the people that they would like to work for.

Mr. FISHER. The passage of this bill would be a death blow to this wetback situation about which we have heard so much today; is that not correct?

Mr. HILL. Yes. There is another thing I want to say, and that is this is a temporary bill. This bill expires on December 31, 1953. What we are trying to do here is to take care of the situation during this war emergency.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. BAILEY. Would the gentleman be kind enough to explain to the Committee why the Committee or the Subcommittee on Agriculture proposed to set aside provisions of the Internal Revenue Code in that these workers will be exempted from the payment of income taxes, and why they propose to set aside provisions of the Social Security Act? I think there is some explanation due the Committee from somebody on this proposal.

Mr. HILL. Exactly. Remember what the question is, and I am glad to have the question, because everyone listening here this afternoon will see what is wrong with this discussion on this bill and with the opposition. How in the world could you put a man under that kind of a tax and under that kind of a plan who comes in to harvest a crop and then goes back to Mexico?

Mr. BAILEY. There is plenty of sense in the question.

Mr. HILL. I refuse to yield any more. I have no time to answer foolish questions.

Mr. BAILEY. Many of them never go back to Mexico.

Mr. HILL. That is no question at all, because it has nothing to do with that. A man comes here for 3 months or 2 months or 30 days and then the gentleman wants to put him under the Social Security Act. The workers recruited under this act are those who are not citizens of the United States, who shall be admitted to the United States under the present immigration laws.

Now, go back and change your immigration laws, if you want what the gentleman says.

There is another element that I want to mention. You are going to have someone propose an amendment that was placed in the bill in the other body. I want to call your attention to that amendment. I am going to jump the gun on that amendment and show you how foolish it is. I want to read it to you and then you do your own thinking. Far be it from me to even give you any advice. I quote:

> Any person who shall employ any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States under the terms of this act or any other law relating to the immigration or expulsion of aliens, when such person knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such alien is not lawfully within the United States, or any person who, having employed such an alien without knowing or having reasonable grounds to believe or suspect that such alien is unlawfully within the United States and who could not have obtained such information by reasonable inquiry at the time of giving such employment, shall obtain information during the course of such employment indicating that such alien is not lawfully within the United States and shall fail to report such information promptly to an immigration officer, shall be guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding $2,000, or by imprisonment for a term not exceeding 1 year, or both, for each alien in respect to whom any violation of this section occurs.

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Let me just whisper this to you. If a man hired 50 of them—I tell you, you cannot define them—and then if he puts them to work and some smart egg from the city of New York, who knows all about farming in the West—and I am not talking about any Member of Congress—comes along——

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HILL. Not until I have finished. If he finds that he has employed 50 wetbacks to pick his bean crop he only would go to the jug for 50 years, that is all, and be fined $2,000 each. You multiply that by 50, and you will see how foolish that is. You cannot even start to enforce such a law.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HILL. If the gentleman will give me some more time.

Mr. HOPE. Mr. Chairman, I will yield the gentleman two additional minutes.

Mr. CELLER. The gentleman had occasion to mention me. Will he yield?

Mr. HILL. I am going to read first from the Farm Bureau publication, and then I will yield if I have time.

The Farm Bureau paper of June 18, 1951, says in talking about this labor bill:

1. The constructive approach to the problem of illegal immigrants is to first provide an orderly, legal means of meeting the economic need on both sides of the border. Until this prgram has been developed, the punitive approach to the problem will only create confusion and unrest.

2. Farmers in the areas most affected have already expended effort, time, labor, and money to meet the increased production goals of the Department of Agriculture. To establish new "rules of the game" at this time of need for peak agricultural production would inevitably result in losses of production.

3. The bill would throw the major burden of enforcement of immigration law on farmers. It is difficult or impossible to distinguish between United States citizens of Mexican ancestry and Mexican nationals. Over 2,000,000 citizens claim Spanish as their mother tongue. These citizens would be required to carry evidence of citizenship. They would be handicapped in obtaining employment as compared with other citizens.

4. The amendment is not germane to an emergency farm-labor bill.

That is what the great American Farm Bureau, with hundreds and hundreds of thousands of farm members all over the United States, says about this Senate amendment.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. FISHER. The gentleman read from an amendment which has been adopted in the Senate which makes it a penitentiary offense for an American to employ a Mexican alien. Is there anything in that provision that would make it a penitentiary offense for someone in New York, for example, to employ a Pole, or a Russian, or an Italian, or some other illegal entrant in New York?

Mr. HILL. Of course there is not, and there will not be, I may say to the gentleman, for some time any such amendment as the gentleman speaks of.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I rise in support of the bill introduced by my distinguished colleague the gentleman from Texas [Mr. POAGE]. I earnestly urge the House to adopt this bill. It has the support of the American Farm Bureau Federation, also the National Grange.

I should like to point out just a few facts about California, particularly the district I represent, which is the Ninth Congressional District located in the San Joaquin Valley in California. There will be a record crop this year of cotton and canning vegetables according to a report which I received, dated June 22, from the California State Board of Agriculture. The production of cotton this year will be up 60 percent and the production of canning vegetables will be up 35 percent. Last year we had in cultivation in California about 600,000 acres in cotton. I have been informed that this year we will have about 1,250,000 acres of cotton. Other crops, including crops of tree fruits will be of above-average yields.

The demand for farm labor in California will be the greatest in history, but at the same time the supply of farm labor has greatly diminished. The reasons for this are two-fold: One, inductions into the military service; and two, more attractive fields of employment, such as in the defense industries.

The conclusion is obvious that unless we have a supplemental supply of labor from the outside there will be serious crop losses. The situation is very much the same as it was during World War II when at the peak of demand we employed in California, under Public Law No. 45, some 36,600 Mexican nationals. In addition to that we employed 14,500 prisoners of war.

The Mexican Government has announced cancellation effective June 30 of its present agreement with the United States under which Mexican nationals are employed in this country, and unless we have enabling legislation, Mexican agricultural workers will no longer be available for employment in the United States. So I cannot impress upon you too greatly the extremely critical situation with which California agriculture is faced.

Mr. HAND. Mr. Chairman, will the gentleman yield at that point?

Mr. HUNTER. I yield.

Mr. HAND. I would like to suggest to the gentleman who is making a very clear and interesting statement that all the way across the country, especially in the State of New Jersey we are faced with identically the same conditions, and while we may not have any direct interest in Mexican labor we do have a direct interest in Puerto Rican labor, and we feel that the South and the West may take this from us unless they have an ample supply of their own. We cannot harvest our own crops in New Jersey, which are important to us and important to the war effort, without an additional labor supply. I am perfectly willing, as I am sure the gentleman is, to listen to any proper amendment to safeguard the rights of the workers, but the workers we do need all over the country.

Mr. HUNTER. That is correct.

Mr. SHELLEY. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SHELLEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

Mr. HUNTER. Mr. Chairman, this labor shortage is not the figment of the farmers' imagination. The situation is acknowledged both by the United States Department of Labor and also by the California Department of Employment.

In a letter written to me by Secretary of Labor Maurice J. Tobin, Secretary Tobin stated:

We anticipate that we will have shortages despite the use of older men and women and youth who are not normally a part of the agricultural labor force in California.

Mr. Tobin further stated:

We have approached the problem on the basis that we take steps to assure a supplementary supply of agricultural labor from Puerto Rico, Hawaii, Mexico, and Canada to be brought in if the need for a supplementary supply of such labor should develop. We wish to make available the labor which will insure production for the national interest.

Mr. O. W. Farney, who is the San Joaquin Valley supervisor for the farmplacement service of the California Department of Employment, advises that in the Ninth Congressional District, which I represent, the demand for farm labor will reach its peak in October, during which an estimated 127,075 agricultural laborers will be needed. This compares with a peak of 78,970 in October 1950. This figure represents total hired labor force in agriculture and excludes farmers and unpaid family workers.

It has been said by those who oppose this bill that this is nothing more than a scheme to get cheap labor for the big farmers. Such a contention is not in line with the facts. In my district, whether a man owns 40 acres of grapes or 1,000 acres of cotton, he is going to need help in getting his crops off. Farmers, big and small, need help in harvesting their crops.

Mr. SEELY-BROWN. They have to be paid the prevailing wage?

Mr. HUNTER. Yes.

Domestic labor is protected under this bill. It is not the intent of the farmers in my district to use Mexican labor to beat down the wages of our own American citizens. The bill provides that no workers shall be recruited from Mexico unless the Department of Labor testifies that, first, sufficient domestic workers are not available; and, second, employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers.

The bill does not involve a raid on the Treasury. Farmers are required to arrange and pay for transportation for workers from the Mexican border to places of employment. In addition, farmers must reimburse the United States Government for charges incurred

by it for the transportation and subsistence of such workers from points in Mexico to reception centers on the border.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from New York.

Mr. KEATING. It strikes me, in reading the bill, that there might be a difficult problem of administration, and I wondered whether the Secretary of Labor or any other witness gave your committee any estimate of the proposed cost of administering the bill over and above the reimbursement which might come to him from the farmers themselves.

Mr. HUNTER. I am not a member of the Committee on Agriculture.

Mr. KEATING. I beg the gentleman's pardon.

Mr. HUNTER. That testimony is not available to me. I would like to make this point though, since the gentleman brought the subject up. If this labor is not made available and serious crop losses result, the loss in income tax to the United States Government and also excise taxes will be far in excess of any cost of administering this program. Take my district, for example. It only comprises four counties. The value of crops in the district in 1950 was about $550,000,000. It will probably be around $750,000,000 this year. Say the applicable income-tax rate is 30 percent, and a loss of income of $100,000,000 is suffered because of crop losses resulting from a lack of farm labor. Then the loss of income-tax revenues from those four counties would be $30,000,000.

Mr. KEATING. I appreciate the force of the gentleman's argument, but it does seem to me that we ought to be very careful at this time in passing these bills giving wide authority to the head of an executive department to administer a law, because they so frequently come back to us and say, when it comes to appropriation bills, "Now, you in Congress authorized such and such an activity, and the expense of it is a large sum of money," and oftentimes there is very little we can say in reply to that. It seems to me, and I am very open to be convinced otherwise, that the obligations which are placed upon the Secretary of Labor under the provisions of this bill might entail a rather expensive administration.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I would like to say to my colleague from New York that the purpose of this legislation is to get labor to produce more food, and by producing more food for the people of the country we lower the price of food, and the end result will be a gain for the American people if there is a little loss in the expense of the administration of the act.

Mr. KEATING. Presumably, under a normal economy, what the gentleman says is true, that the more food you produce the cheaper it will be, but some of the consumers in my area seem to doubt whether those laws are now operative.

Mr. HUNTER. As for the charges that these Mexican nationals are exploited, mistreated, and underpaid, allow me to point out these facts: In my district, these people are protected in their working conditions and wages by State and local regulations, which the farmers must meet. Not only must the farmers go to the added expense of paying the transportation of Mexican nationals from points within Mexico, but they are also obligated to pay the going rate for farm labor generally in the area. Today in my district the lowest rate being paid for farm labor is 80 cents an hour. The average rate for cotton picking last year was $3.50 per hundred pounds. That rate, or an even higher one, will prevail this cotton-picking season. That means that the average cotton picker working no more than 8 hours a day will make a minimum of from $12 to $16 per day.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from California.

Mr. JOHNSON. The reason those farmers and all organizational groups agreed to this bill is because they are in such desperate need of getting this labor during the harvesting period; is that not correct?

Mr. HUNTER. That is correct. Ed Hayes, Chief of the Farm Placement Service, said that we will probably have in California a farm-labor shortage of 75,000 this summer and fall. By using domestics from outside of California, by using housewives, by using school students, and by using soldiers during time off to earn extra money, we will still have a shortage of some 50,000, which, as you can see, can result in a very serious crop loss.

There is one more point I want to make in closing, because it has been brought up earlier today. It has been said that this bill will help the Communists and let Communists into the United States. I inquired of the Department of Justice very recently if there was any evidence of Communists infiltrating the farm-labor program from Mexico to the United States. On April 24 I received a letter from the Acting Commissioner of the Immigration and Naturalization Service, in which he said:

> Actually, we know of no instance so far of a Communist agent having succeeded in infiltrating the farm-labor program.

Mr. HAND. Mr. Chairman, supplementing my brief remarks, I wish to read a letter from the New Jersey Farm Bureau:

NEW JERSEY FARM BUREAU,
Trenton, N. J., June 14, 1951.

Hon. T. MILLET HAND,
House Office Building,
Washington, D. C.

DEAR MILLET HAND: The labor situation on farms in our State, as well as in most other States, continues to be very critical. In view of the terrific demands for food at this time, it is imperative that appropriate action be taken by the Congress to insure labor requirements and no action be taken that will in any sense lessen the supply.

Many of our Central and Western States rely upon Mexican labor and this labor has made possible food production which continue- to meet the consuming demands of the people of our country.

In our State, the farm bureau has developed a labor project known as Garden State Service. This organization recruits in Puerto Rico, transports, and cares for workers in New Jersey, for the season from April till November. This is all accomplished through contracts with the department of labor in Puerto Rico, with the approval of the United States Employment Service. We are proud of this job and recently the President's Migrant Labor Commission has complimented the farmers in this area on the program.

Now, if the Mexican labor program is not cleared up there will be terrific demands on our sources of labor from Puerto Rico. Therefore, New Jersey does have a great interest in the Mexican issue.

We do not concur in the Douglas amendment because we cannot support the idea that farmers should become policemen to ascertain if the labor whom he happens to employ is a United States citizen of Latin American ancestry or a Mexican national.

It seems to us that the only constructive approach to the wetback problem is to work out an orderly and legal means for meeting the economic needs of both sides of the border. It is only after a workable approach to the problem has been demonstrated that any rational program can be undertaken.

I write to remind you of the interest of our farmers in this Mexican problem, trusting you will keep us in mind when the House of Representatives acts on this bill.

Sincerely,

HERBERT W. VOORHEES,
President.

Mr. POAGE. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. POLK].

Mr. POLK. Mr. Chairman, I assure you that I am just as much interested in helping the farmers of America secure sufficient labor as anyone here present. I am a farmer and have been engaged in agriculture practically my entire life. I live on a farm and I know the problems which we farmers face with reference to labor. However, this problem involves so many other very serious issues that I believe the bill as reported by the Committee on Agriculture is bad legislation.

The problem of migratory labor in the United States has become so serious that several months ago the President of the United States appointed a Commission on Migratory Labor. I hold in my hand a copy of that report. It contains about 188 pages of very enlightening information concerning this very, very serious problem. I regret very much that our Committee on Agriculture did not have before us during the hearings on this farm labor bill the information that is contained in the President's Migratory Labor Commission.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. POLK. I yield to the gentleman from Arkansas.

Mr. GATHINGS. The President named that Commission on the 3d day of June 1950, before the outbreak in Korea. I do not believe the President of the United States would have named this Commission to go into this problem had he known that war would break out a few days later in Korea.

XUM

Mr. POLK. Nevertheless the problem exists. It is a serious problem. I wish all Members of the Committee might have the benefits of this very informative report, because it points out many, many problems and recommends numerous suggestions that should be eacted into law with reference to this entire problem.

I cannot agree with those who state there is no danger from communistic infiltration because of the situation which exists on our southern boundary. As I mentioned in the debate on the rule, Mr. Gladwyn Hill, of the New York Times, spent considerable time traveling about 5,000 miles throughout the Southwest, and came very definitely to the conclusion that there is communistic infiltration. It is true that only a few of these Communists have been caught. I believe the immigration service admits they have caught a few. But there is nothing to hinder them from coming in. Under the House bill it is wide open as far as legal entry is concerned. The Senate bill includes the words "legal entry" in at least two instances. Under the Senate bill these migratory workers would have to be in this country subject to legal entry. That is not true in the House bill. It is wide open as far as that particular provision is concerned.

There is another point that is very strongly stated in the President's report, the consequences of the wetback traffic as far as wages are concerned. I should like to read you a few statements.

The report says:

The wetback is a hungry human being. His need of food and clothing is immediate and pressing. He is a fugitive and it is as a fugitive that he lives. Under the constant threat of apprehension and deportation, he cannot protest or appeal no matter how unjustly he is treated. Law operates against him but not for him. Those who capitalize on the legal disability of the wetbacks are numerous and their devices are many and various.

Wage rates reflect graphically and dramatically the impact and consequences of the wetback traffic. In 1947, when daily wages for chopping cotton (thinning the rows of cotton plants) in the Lower Rio Grande Valley were $2.25 (10 hours), wages were continuously higher at points northward from the border: in the Sandy Lands of Texas, $3; in the Corpus Christi and Coast Prairie areas, $4; in the Bolling Plains, $5; in the High Plains, $5.25.

When the Commission held hearings in Texas in August 1950, wage rates for picking short staple cotton in the Lower Rio Grande Valley were reported as low as 50 cents per hundredweight and as high as $1.75 per hundredweight. From the evidence presented, we conclude that the bulk of the cotton in this area was picked in 1950 for approximately $1.25 per hundredweight. Comparative wage rates for picking cotton elsewhere in Texas were not obtained in the hearings because no other area had yet commenced its cotton harvest. However, the State-wide average 1950 rate for Texas is now reported officially by the United States Department of Agriculture to have been $2.45 per hundredweight. Thus, the Lower Rio Grande Valley cotton growers got their cotton picked for approximately one-half the wages paid by the average cotton grower of Texas.

Wages for common hand labor in the Lower Rio Grande Valley, according to the testimony, were as low as 15 to 25 cents per hour. To the north and west through El Paso Valley, we found a marked tendency for wages for similar work to rise.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. POLK. I yield.

Mr. JONES of Missouri. Do you not believe, though, that the reason those rates are so low is because the work is performed by the wetbacks and that that rate would be raised if they were brought into this country legally under an agreement, and that this agreement would be beneficial not only to this country, but even to those illegal entrants?

Mr. POLK. I would say to the gentleman that he has touched on what I believe is the crux of the whole matter. The recruitment of wetbacks is the main source of Mexican labor. Figures show that at one time in a study which was made in 1947, about 93 out of every 100 farm workers in the area close to the Rio Grande River were illegal wetbacks.

Mr. JONES of Missouri. But do you not think if we had this agreement you would do away with these wetbacks, and also with this agreement you would have a contract with the wetbacks who are here illegally, and you would gain control over them and thus eliminate the situation which you are complaining about, and that with this bill you could eliminate the very thing you are complaining about?

Mr. POLK. If we pass the bill as it passed the Senate, you are correct, because under the bill as it is reported from the House committee there is no reference to illegality or legality—just so they are in this country, they can be recruited.

Mr. JONES of Missouri. They can be recruited, but you will have a contract with them and they will have a contract to work.

Mr. POLK. On the other hand, in the Senate bill it is specifically stated that the men recruited must have come in legally.

The CHAIRMAN. The time of the gentleman has expired.

Mr. POAGE. Mr. Chairman, I yield 10 minutes to the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, I am going to address myself to only one point which will be in controversy and which constitutes the chief difference between the Senate bill and the House bill.

It is my understanding that when this bill is read under the 5-minute rule, an amendment will be offered to substitute the Senate bill for the House bill. The main distinguishing feature of the Senate bill from the House bill is that the Senate bill provides that any person who employs a Mexican alien not legally admitted to this country shall be guilty of a felony and shall be punished by a fine not exceeding $2,000 or be imprisoned for a term not exceeding 1 year, or both.

I do not question the sincerity and good intentions of those who sponsor that amendment, and I do not minimize in the least the situation which confronts us, but I am taking the floor in the hopes that I may dissuade the proponents of that amendment from offering it in connection with this bill.

In the first place, the result of that amendment if it should become law would be to punish the innocent as well as the guilty. It would deny employment not only to the illegal Mexican alien or wetback but it would result in denying employment also to thousands of native Americans who like myself are of Mexican or Spanish descent, and who like myself have Mexican or Spanish names. It is mainly for this reason that I could never support such an amendment. The farmer would be running too great a risk in employing those native Americans, unless he happens to know them personally, and the result would be that preference, particularly in the rush of getting workers quickly, would be given to Negroes and Mexican aliens with an immigration card, to the exclusion of the native Americans with Spanish or Mexican names.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield.

Mr. FISHER. Does the gentleman believe that if he were called upon today to prove that he was an American citizen that he could prove it?

Mr. FERNANDEZ. No; and I may say to the gentleman that if I were to go away from my home community and decide to seek employment I doubt if I could even get a birth certificate, and there are thousands of my fellow Americans in the same shape. That is one of the points I am coming to.

Mr. KEATING. Mr. Chairman, will the gentleman yield on that point of the Senate amendment?

Mr. FERNANDEZ. I yield.

Mr. KEATING. The gentleman has touched an important element in the Senate bill. In order to convict under the Senate bill is it necessary for the farmer or employer to have knowledge that the person is here illegally?

Mr. FERNANDEZ. The trouble is that he would always be subject to being accused and arrested, and then in self-defense he would have to show that he did not know all these things. Farmers have enough to do beside running to court to establish the fact that they are not felons. Consequently, to be safe, they would decline to employ Americans of Mexican or Spanish descent whom they did not know personally.

There are thousands of these in every community in New Mexico, and no doubt in Texas, Colorado, Arizona, and California. Those native Americans are well known in their communities where they and their forefathers have lived for generations, but when they leave their communities or their States to seek employment elsewhere it would be hard for the employer to distinguish them from Mexican aliens. Many of them, if not most of them, would like myself be unable to furnish a birth certificate. Like myself all they could furnish, if that, would be a church record of their baptism. The work season would be over before they could obtain such a record, if they could obtain it at all. It is a well-established American principle that it is better for nine guilty persons to go free than for one innocent person to be punished. Under this law you would be punishing many native

XUM

Americans by depriving them of employment merely because they could not promptly and adequately prove that they were American-born.

Furthermore, it would be unfair to the employer. Are the Immigration Service and our Government so inept and so impotent that it is necessary to make farmers act as immigration policemen or risk becoming felons?

The original amendment as offered in the Senate applied equally to the employment of all aliens illegally in this country. Senator BREWSTER, of Maine, immediately pointed out the difficulty they would have in distinguishing Canadian aliens from native American citizens, and so he wanted to know what was meant by the words "reasonable inquiry" in connection with the investigation of prospective laborers on the part of employers. I read from the RECORD:

Mr. BREWSTER. How is he to know that a certain employee is not a native? Would a birth certificate be required? I suppose conditions are different in the South, but up in Maine a great many of us speak the same language. What is the employer supposed to do?

Mr. DOUGLAS. The Immigration and Naturalization Service would be expected to issue cards to those who are legal entrants, and the employer could at least ask to see a man's card. If he did not ask to see the man's card, this would be one circumstance in which he would fail to make reasonable inquiry.

Mr. BREWSTER. If he is a native, of course, he will not have a card.

Mr. DOUGLAS. I understand that.

Mr. BREWSTER. When a native of Maine goes to Illinois, he has no card to show that he is a native of Maine.

Mr. DOUGLAS. There is supposed to be freedom of migration within the country—and fortunately there is.

This provision, of course, applies only to aliens. It is not intended to establish a registration system for persons who are citizens of the United States. However, those who are legal entrants are supposed to carry with them some document to indicate that they are legal entrants. It would be proper to ask a man whether or not he was an immigrant. If so, he could be asked to show his card.

Mr. BREWSTER. If he says that he is not an immigrant, what is the employer supposed to do? Is he supposed to investigate his birth certificate?

Mr. DOUGLAS. There is certainly no obligation to investigate his birth certificate or to ascertain whether he has paid a poll tax or property tax or whether he is upon any voting roll or not. There is certainly no such obligation. But if all the circumstances of appearance and language and lack of identification care and failure to furnish any evidence of residence give rise to a question as to legality of entry, the employer should make some further inquiry.

The amendment was modified and in its present form applies only to Mexican aliens.

The fact that it does apply only to Mexican aliens makes it all the more objectionable because it is discriminatory. Why punish the man who employs a Mexican alien and by implication permits the employment of a Cuban alien, a Chinese alien, or any other alien.

It may be that we are in such a terrible shape with respect to wetback and other illegal immigrants that some such drastic action as this may be necessary. I realize that the very fine Migratory Labor Commission appointed by the President recommended some such step. Before that step is taken, however, it should be given careful consideration by the committee which has jurisdiction over immigration matters, and provisions should be worked out whereby native Americans may be protected in their right to employment and not frozen out by such a left-handed approach. This provision has not received the consideration of either the Judiciary Committee or the Committee on Agriculture which handled this bill in the House and in the Senate.

Furthermore, it was not subjected to searching debate in the Senate. It so happens that pursuant to the recommendations of the Migratory Labor Commission, Senator ELLENDER, chairman of the Committee on Agriculture, had introduced a general bill dealing with such matters and which was then pending in the Judiciary Committee. Because he had sponsored such a provision in the other bill, he stated that he was not in position to object to its being offered in this bill except on the grounds of jurisdiction. No real debate on the merits of this provision was had in the Senate.

This provision is without precedent. If we are to depart from the well established procedures in the matter of immigration, I repeat that careful consideration by the appropriate committees should be given to the bill and provisions worked out to protect native Americans and employers alike from the hazards and injustices of such a policy.

Notwithstanding the recommendation of the Migratory Labor Commission, it is questionable that we should ever adopt such a drastic and devious policy. It seems to me to be immoral for a Christian nation to make a felon out of a person who, in Christian charity to say the least, gives a needy human being the opportunity to earn bread and shelter for his children. This country is too great to resort to the necessity of starving good people into submission to get rid of them.

I have in mind the case of a Mexican woman, Maria Paez, who came to a community in New Mexico some 25 or 30 years ago without immigration papers, as did many, many others for years, most of them ignorant of the fact that immigration papers were required. She remained in that community without being disturbed until 3 or 4 years ago when proceedings were undertaken to deport her to Mexico. The only relatives she has and the only people she knows are in that community. I intervened at the request of the pastor in the parish where she lives and at the request of the people who have cared for her when she is sick and given her employment as a domestic when she is well. A few days ago I was notified that proceedings to deport her would be dropped. The immigration officials realized that to uproot this old woman from the community in which she has lived for 30 years, and to dump her in Mexico where she has no friends or relatives would be a crime. This bill now makes it a crime to give her employment. This bill would require that she be starved to death or live on charity. And there are many such Marias in New Mexico, and to them their neighbors and relatives will have to say, it is unlawful for you to earn your bread and butter.

For these reasons I plead with you not to go off the deep end by adopting this drastic measure in this bill. There are other provisions in the Senate bill which would seem adequate to accomplish the purpose, and to which I have no objection if they are added to the House bill, but it would be criminal in my opinion to adopt this particular provision.

This provision is objectionable on many grounds: First it forces the employer into becoming a "gestapo" for the Immigration Service or risk becoming a felon; second, it will result in denying opportunity for employment to thousands of native Americans of Mexican or Spanish descent; third, it is discriminatory in that it singles out the Mexican alien; fourth, it is immoral and unchristian to starve people into submission; five, it has not received adequate consideration by the two judiciary committees which have jurisdiction, and it was not presented to the Agriculture committees of either the House or Senate. It is unfair to require us to vote on this far-reaching provision.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield.

Mr. FISHER. The gentleman has made a commendable, certainly an unanswerable argument against the so-called Douglas amendment which would be vicious and would work untold hardship. In the first place the gentleman has pointed out that thousands of worthy, loyal American citizens of Mexican descent would be deprived of employment because employers would not dare employ them without getting proof of their citizenship, which would be very difficult in most instances.

Mr. FERNANDEZ. There is no question about that. Even Senator HUMPHREY, when he was debating the amendment I have referred to, and by the way he supported it, but he pointed out in the Senate that this great Commission that the President appointed and which recommended that that be done, considered it pretty far reaching. Senator HUMPHREY said:

The President's Commission on Migratory Labor in American Agriculture, which spent a great deal of time investigating this problem—much more time, I may say, than any Member of the Senate has; and I think I am not unkind in making that statement—feels that my amendment is a rather modest, meek, mild proposal. On page 87 of the report of the President's Commission, the proposal in the amendment which has just been adopted—that of the Senator from Illinois [Mr. DOUGLAS], is referred to as one which goes so far that the Commission is not sure that it should be adopted.

That Commission has done a very fine job. There is no question about it. I think that the two great committees of Congress having to do with this matter, the Judiciary Committees of the Senate and of the House ought to take the work of that Commission and work out some system whereby if it is necessary to make it unlawful to employ wetbacks, as we call them, at least some other provisions ought to be put in along with that to

XUM

protect people who are not Mexican nationals but who have Spanish names but who cannot readily prove, as the gentleman so well said, that they are American-born.

Mr. FISHER. The gentleman has also pointed out another flaw which would make the Douglas amendment contrary to every concept of legislating that we have ever undertaken in this country in that it is so obviously discriminatory that it makes it a penitentiary offense for an American citizen to employ an illegal alien who happened to be a Mexican national, but it would be no offense for an employer in New York or Chicago to employ illegal aliens who happened to be Poles, Italians, Russians, and so forth.

Mr. FERNANDEZ. There is no excuse for this kind of action. It is unprecedented, and a radical departure from established principles. It certainly should not be adopted without careful consideration by the committee having jurisdiction of that subject.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. WERDEL].

Mr. WERDEL. Mr. Chairman, I concur in the very able statements made by the gentleman from California [Mr. HUNTER] and by the gentleman from New Mexico [Mr. FERNANDEZ], who have preceded me. I do not think I will take all of my time, but there are one or two points I desire to mention.

Originally I was opposed somewhat to this bill, even though I represent an agricultural area that does need assistance. I did not like to see permanent legislation of this kind put on the statute books and I did not like to see the possibility for all future time of an individual going to some agency of the Federal Government, getting a certificate of necessity and moving foreign labor into a community without at least consulting with the boards of supervisors and the cities, if necessary, to determine what they thought about this influx. It is they who would be spending taxes to support the community and to police the community. Those agencies should have an opportunity to protect local workers. However, that has been eliminated by the last paragraph of the bill we are now considering. It is temporary legislation. I think that should be borne in mind by all Members of the House who are in doubt about some of the provisions of this bill.

It is a necessary bill if we are going to harvest our crops. The gentleman from New Mexico has anticipated the offering of an amendment here which was put in the Senate bill. May I say that the area that the gentleman from New Mexico and some of the rest of us represent was at one time under Spanish rule. That rule was carried on by very honorable families. There is a carry-over of much Spanish blood. Some of these peoples and those families are still dwelling in rather closed communities of their own.

If the penalty amendment that was put in by the Senate is inserted in this bill it will have the effect of saying to the farmer that, under penalty of being a felon, "You had better not employ anyone that is Spanish if you can get someone else"; and all of the tens of thousands of families that are in our West, citizens of this country, would thus be discriminated against. It seems rather unusual to me to see a gentleman like the gentleman from New York, who apparently is in support of the Senate amendment, not rise in opposition to an amendment that says: "Any person who shall employ a Mexican—." I wonder what the gentleman would say if some of us would add language: "or Irish or Jew or French or English." What would he say?

I am also disturbed a little bit about the gentleman's concern over the subversives that come into our great West over the border. I have had a little concern about those subversives myself in connection with State investigations, and it has been my experience that they are coming out of what some people think is the capital of world communism—New York.

Certainly the gentleman voted against registration last August for subversives, voted against the conference report, voted against overruling the President's veto when we passed the law which now says if these Mexicans come in under this proposal in this bill they will be under the control of Government agencies who can say, "Mister, we want your registration."

The passage of this bill provides a means whereby honorable Mexican nationals can honorably enter this country and do an honorable job in a mutual effort in an emergency. Certainly it will not stop illegals from crossing the border, but the failure to pass this bill will not stop those illegals either. As it has been pointed out, it will encourage them.

Mr. Chairman, there are many provisions in this bill that merit discussion, but I think the gentleman from Texas [Mr. POAGE] is presenting the best bill that can be presented for temporary relief of a condition that is urgent for the harvesting of the crop this year. Time is so short that the defeat of this bill will make it impossible to provide the means whereby necessary Mexican labor can come in under proper supervision. We need an estimated three to four hundred thousand people to harvest the Nation's crop this fall.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. MCCARTHY].

Mr. MCCARTHY. Mr. Chairman, I think there is some misunderstanding here in regard to the objective of the opposition. The gentleman from Ohio [Mr. POLK] and I, of the Committee on Agriculture, together filed a minority report on this legislation. What we proposed was not the defeat of the bill but the improvement of it so that all of the things which have been set out here as desirable objectives today, and many of the things which the President's Commission on Migratory Labor recommended, might be achieved.

I would like to clear up one or two other points before I go on to a presentation of our case. Reference has been made to the position of the liberals in this particular instance as being somewhat contradictory. As I understood the principal argument, it was this—that the liberals are always for more food—so that if we take a position in opposition to this bill somehow we would be in contradiction. I think that is an oversimplification of the liberal position. You will find, on careful examination of my position—and I am willing to accept the title of "liberal"—that we were never in favor of any action which results in the exploitation of human beings, and what we do have in this situation is one of real exploitation of American citizens, of Mexican wetbacks, who crossed the border, and to a certain extent also, as the record will show, the exploitation of Mexicans brought in under these legal contracts. The motivation for this legislation, I understand, did not come principally from the growers of cotton, from the vegetable growers, and other producers of the far West and of the Southwest, but it arose principally because the Mexican Government was refusing or threatening to refuse to permit its people to come into this country and be exploited. There may be political considerations on the part of the Mexicans, but the point is that the principal motivation—although I am sure there was some consideration given to it—was not a humanitarian motivation from this side of the border seeking to improve the condition of the Mexicans coming into this country, of the wetbacks already in, or of the American migrants, but rather one of meeting the demands which the Mexican Government made.

The question was raised in committee as to whether the terms of this bill should be extended so as to include the people from the Bahama Islands and from Jamaica, who were as you will note, in the bill originally introduced. There are some other producing areas in this country which do use labor from other foreign countries. It was not to the advantage of the growers; and the governments of those countries from which these persons come did not demand the kind of protection that is being demanded by Mexico. So the people who come in from those countries are excluded from coverage under this bill.

I will discuss later in some detail the question of subsidy.

I should like to touch now upon the argument that has been made in regard to jurisdiction. It has been said that our committee is being asked to do something which was beyond its jurisdiction; that here is an immigration matter which should properly have been handled by the Committee on the Judiciary. I think that even a cursory examination of the bill will show that the Committee on Agriculture was not so careful to avoid infringing on the jurisdiction of other committees. The bill contains amendments to the Internal Revenue Code, it contains amendments to the Social Security Act, and also amendments to the immigration laws, as well as to the Wage-Hour Act. The important thing to keep in mind is what we are trying to do in this legislation. At least we who signed the minority report are trying to do some little bit toward

solving a really pressing social and economic problem in the Southwest and in the far West, one which affects every American and which reaches out and affects every State in this country.

We, too, are concerned with providing labor to harvest the crops, but we do not think we need to accept the provisions of this bill to accomplish that purpose.

I should like to make the point that this migratory labor problem is really a most serious problem. The number of migratory laborers in this country is something over 1,000,000. Approximately 500,000 of these are American citizens. Of the other 500,000, about 400,000 are Mexican wetbacks, and about 100,000 on the average are people who are admitted legally from Mexico and a few from other countries. So approximately 1,000,000 people are affected.

The President's Commission makes this report, that the average annual wage of these people, considering all of the housing that they get and all of the other special advantages, amounts to about $550 a year. That is not all income from agriculture, that is their total income. Their agricultural wage is enhanced by what they can pick up in odd jobs and part-time employment in industry and in the cities, either between crops or during the winter season.

You have heard statements in regard to health conditions among these people. You have been given description of the kind of shelter which they are forced to use as housing.

There is one other important point I think we should not overlook, and that is the abuse of the child-labor law. One Congressman presented a statement before our committee which is, I think, indicative of the kind of thinking that is behind this bill. His general statement was to this effect, that the enforcement of the Wages and Hours Act in regard to child labor whereby certain growers were not permitted to use school children during school hours while school was in session, resulted in a great hardship to certain growers and certain farmers. I am sure it does. The fact that any factory owner has to pay a minimum wage and cannot use child labor at depressed wages is a hardship upon him, if our only consideration is that of the profit he may make. Understand, that in these States they could suspend school, let everybody get out of school to work in the fields, or let those that did not want to work take a vacation. The objective is to keep these schools going so that some children, those who come from families which have sufficient income, can continue to go to school, but the children of the poorer parents can be taken out of school while school is in session and during school hours and be put to work at the stoop labor that has been here described.

The purpose of the minority of the committee in offering the Senate bill as a substitute is threefold: First. In the first place, we feel that something should be done about stopping the movement of the wetbacks. Second. In the second place, we think that adequate protection should be given to Mexican laborers who come in under contract. Third. In the third place, we hope through these two steps to give some kind of protection to American domestic agricultural workers.

Under the terms of the bill we could not touch them directly. Actually what you have in this bill as presented by the author and in the bill that was passed by the Senate, and in the bill which we are advocating here with certain amendments, is a procedure whereby the Mexican Government is establishing standards for the employment of American agricultural workers. The terms of this bill will give advantages to the Mexicans who come in under contract which are not presently given to the domestic agricultural workers. For example, the bill provides that the Government shall guarantee the wage and the transportation of the people who are brought in under contract from Mexico.

Of course, the argument has been made here that the Mexicans could not very well go into court. What of the Americans? Take any American migrant who is making $550 a year, and he is not going to make a very strong case in any court in this country. So the Mexicans do have that guaranty.

In addition the bill provides $150 for burial expenses for Mexican workers. It also provides that the medical expenses of these people shall be paid. Is any such guaranty given to American migrants? Of course not. What is proposed is the establishment of standards for Mexican migrant workers in this country which are far and above the standard for domestic workers. We do not have any standards for American farm workers. As I say, we of the minority would like to get at that problem directly but we cannot do it because this bill is restricted to foreign workers, so the only thing for us to do is establish decent standards for these people so that there may be an economic motivation for the American growers to give fair or at least somewhat equitable terms to the Americans who might apply for these same jobs.

That is the problem in its simplest terms. That is the thing which we of the minority are attempting to do, not by defeating the legislation, but by improving it. We do feel that the terms of the bill as they have been presented do not go far enough, and that this is the time to make some real progress, first, toward discouraging the flow of wetbacks into this country; second, toward establishing decent standards for the contract labor, and so indirectly make some slight progress in the way of providing decent wages and decent living and working conditions for American migratory farm laborers, also.

The CHAIRMAN. The time of the gentleman has expired.

Mr. POAGE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Chairman, I do not question the intent of my friend from Ohio who says he will offer the Senate felony amendment to the migratory-labor bill, but I do question his knowledge of the southern border of the United States and the effect this proposed amendment will have on its citizens.

There are many reasons why this amendment is completely impractical in its application, but since my time is so limited, I shall confine myself to a brief review of some of its gravest inequities.

First. First and foremost, it is completely discriminatory as it is aimed at a class of people. Many United States citizens of Latin ancestry will be denied employment if this amendment is accepted. Farmers will be afraid to hire them for fear they might be Mexican nationals posing as United States citizens. Faced with a possible year in jail, the farmers simply will not take a chance on hiring a man of Latin ancestry.

This amendment does not apply to those farmers along this country's northern border who hire Canadians or those on the east coast who hire Bahamans and Jamaicans. This amendment should not apply to those farmers any more than it should apply to the farmers on the southern border. When a supporter of this amendment in the other legislative body was asked why he did not apply it to Canadian aliens, he said: "You cannot tell them from United States citizens" which is clear proof he does not understand the southern United States border.

Over 50 percent of my district is made up of United States citizens of Latin ancestry. Over 2,000,000 United States citizens claim and speak Spanish as their native tongue. As a practical matter, it is virtually impossible for the ordinary United States citizen, without the assistance of the FBI to distinguish a Mexican citizen illegally in this country from a United States citizen of Latin ancestry.

While I was a county judge in south Texas, I had men appear before my court to obtain delayed birth certificates. They would testify that they were born in this country and would have two witnesses to corroborate this testimony. In addition, they would offer in evidence a baptismal certificate from the Catholic Church to show they were baptized north of the Rio Grande River. Being satisfied with the evidence, I would grant them their certificate. A month later the FBI would come in and state that the applicant and witness had perjured themselves before my court and that the baptismal certificate was a forgery. The farmer will find himself just as helpless if not more so in determining true citizens.

The Senator who offered a similar amendment stated there was no obligation to investigate the employee's birth certificate, nor to see that he had paid a poll tax or was on the voting rolls. Just what is intended by this dangerous amendment? Does it mean merely because a United States citizen happens to be of Latin ancestry that he has to wear a government dog tag or perhaps acquire a governmental tattoo before it is safe to hire him?

A man or woman of Latin ancestry who is a United States citizen would be one of the major victims of the discrimination contemplated by this dog-tag amendment.

Second. This is a most serious and far-reaching amendment and yet it is offered here without previous study by the Agricultural Committee which had

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proposed the bill. It is logically a matter which requires the careful consideration of the Judiciary Committee with its jurisdiction over proposals relating to crime and immigration.

Third. A new statutory offense must be defined in language understood by the common mind. The prohibited act must be described in explicit terms. This is required by the fifth and sixth amendments to the Constitution. But this dog-tag amendment, with its loose terms, is completely vague. It uses the words "reasonable grounds to suspect" but it does not state what constitutes such grounds for the farmer to determine that the employee is an alien who has illegally entered this country. What is the farmer to do? Does the farmer have to call the nearest Federal authority everytime he hires a laborer? If so, who does he call? How does he prove the call? Must he report or inquire by registered mail?

This ill-considered amendment is an outstanding example of what can be offered from the floor without careful consideration by a Congressional committee of all of the possible consequences of such severe and far-reaching legislation.

Fourth. This amendment attempts to shift the burden of enforcement from the Federal officers to the farmer. In all fairness, if it is enacted, we should put the farmers on the Government payroll as enforcement officers and turn our able immigration men out to grass.

Fifth. A further example of how little study and ill-considered is this amendment is the fact that it places a greater penalty on the farmer by making him guilty of a felony than it does on the smuggler who brought the alien in and is only guilty of a misdemeanor—United States Code, chapter 8, page 144.

As a Member who represents a district that would be most seriously affected by this amendment which has little or no bearing on the welfare of the district represented by the author of the amendment, I strongly urge its defeat.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. BENTSEN. I yield.

Mr. PHILLIPS. I would just like to point out that a great many are employed by industry, such as the railroads, and are not included in this bill.

Mr. BENTSEN. That is quite correct.

Mr. POAGE. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Chairman, I subscribe to the able statement of my colleague from Texas who has just spoken, and I am supporting the measure offered by my colleague from Texas [Mr. POAGE].

Mr. Chairman, this bill seeks to correct several situations which seriously affect the farmers of this country. In the first place, if the seasons remain favorable during the year, the estimated cotton crop is between sixteen and seventeen million bales. This past year the farmers of my district in Texas had great difficulty in gathering their cotton. They had difficulty in making legal arrangements to secure Mexican cotton pickers and then after pickers were secured, their children under 16 years of age were not permitted to work by reason of the so-called minimum-wage law.

Now, Mr. Chairman, I have never voted for a minimum wage provision and was opposed to the measure which contained this feature and which has worked such an injustice and hardship on the Texas farmers. Doubtless it has been most impractical to farmers in other parts of the country.

One of my colleagues from Texas, either Mr. ROGERS or Mr. MAHON, expects to introduce an amendment to this bill, which will make exception to the Fair Labor Standards Act and permit children under 16 years of age, when not legally required by State law to attend school, to engage in agricultural labor. I certainly expect to support the amendment and hope that no point of order is placed against it. If a point of order is made, I hope the Chair will overrule such an objection and find the amendment to be germane to the bill.

Mr. Chairman, there is such a thing as being practical, although it is not too much in evidence at times. For years Mexican labor has picked the cotton in Texas—to a very large extent. They live through the winter on what they are able to make in the crop-gathering season. Now if we want to prevent thousands of Mexicans from making a living, many of whom remain in this country the year around, by not correcting existing law is a good way to do it.

Mr. Chairman, farm labor is extremely short at this time. Cotton picking labor is always short at the time it is needed.

The Government is asking the farmer for greater production of most products, particularly food. Our boys are being drafted and reservists and National Guard men have been called to active duty, which further contributes to a serious situation. Now why should we not pass this bill with the amendment, allowing children under 16 years of age to assist in gathering crops in these critical times and making provision in an orderly way for the farmer to utilize the services of Mexican labor imported from Mexico for that purpose?

Certainly, Mr. Chairman, I am opposed to the Senate provision which places the burden on the farmer to determine that the alien laborer has entered this country legally. That is the business of the authorities whose duties are already prescribed by law for this purpose.

Mr. Chairman, I support the bill authored by my colleague from Texas [Mr. POAGE], and will support the amendment to which I have referred, as a practical, workable, and just arrangement for the American farmer in the harvesting of crops so vitally necessary for the country's welfare.

Mr. HOPE. Mr. Chairman, I yield myself 8 minutes.

The CHAIRMAN. The gentleman from Kansas is recognized.

Mr. HOPE. Mr. Chairman, I am interested in this bill from the standpoint of a consumer only. As far as I know there are no Mexican laborers in my district; there will be none if this bill becomes a law.

I hold in my hand a monthly bulletin issued by the Bureau of Agricultural Economics entitled "Farm Labor," dated June 11, which reads as follows:

> People working on the farms in May totaled a half million less than a year ago and about one and one-half million less than the postwar peak in 1946–47.

That tells the story of the problem that is facing the American farmer today at a time when he has been asked by the Secretary of Agriculture to produce more than he has ever produced.

This bill does not try to solve all the problems of migratory labor, it deals with only one segment of that problem; it does not try to solve our immigration problems except this particular one involving the temporary immigration of farm labor from Mexico. I realize that there is a serious migrant labor problem in this country. The President about a year ago appointed a commission to deal with this subject, a very able commission. It has made a voluminous report, and a number of recommendations. These recommendations should be considered by the Congress. We cannot, however, consider those far-reaching recommendations today or try to incorporate them in the framework of this very modest bill which attempts to deal with only one particular situation, that of Mexican labor.

I want to speak briefly about the provisions of the pending bill. As has already been stated, it was drafted primarily for the purpose of carrying out an agreement which has been made by the Government of the United States with the Government of Mexico. That agreement sets up certain standards which must be maintained here in the United States as far as Mexican labor is concerned and institutes a procedure by which that labor may be brought into this country. If that agreement is to be carried out, it is necessary to have this legislation.

Under the provisions of this bill we set up a procedure whereby the procurement of farm laborers in Mexico will be conducted by the United States Government. That is in contrast with what has been going on in the past few years where the farmers themselves who were to use the labor were compelled to go down into the interior of Mexico to procure these workers. The bill also provides for the establishment of reception centers in the United States to which these workers will be brought and from which they can be sent out to work on farms. It provides for the transportation of these workers from recruitment centers in Mexico to the reception centers on this side of the border and for the transportation of workers from those reception centers back to Mexico at the termination of their employment in this country.

It provides that the United States Government shall assist these workers in making contracts of employment and contains another provision whereby the United States Government guarantees that the employers will perform their contracts.

In order to save itself harmless, the Government of the United States must require from the employer a contract under this bill. Those contract provisions are set out in section 502 of the bill and provide a way by which the

United States Government may be indemnified for any loss which it may suffer because of its guaranty that employers will carry out their contracts with the workers.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HOPE. Mr. Chairman, I yield myself two additional minutes.

Mr. Chairman, under the provisions of the bill the employer must agree to pay to the United States in any case in which the worker is not returned to a reception center an amount which is determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning these workers. He is compelled to reimburse the United States for the expenses incurred in transportation and subsistence of workers from the recruitment centers in Mexico to the reception centers in this country in an amount not to exceed $10 per worker; in other words the farmer pays substantially all of the expense of bringing these workers from Mexico to his farm and then back to the place of recruitment when the worker returns to Mexico.

The Committee on Agriculture held extensive hearings on this bill. We gave it a great deal of consideration in executive session. We heard a large number of witnesses. We heard all the different viewpoints, and as a result of this very exhaustive consideration we bring you this bill which I feel does what it sets out to do. It is a temporary measure but one which will meet the present situation, it will help alleviate the shortage of certain types of farm workers and will enable our farmers to help meet the obligation which has been put upon them by the Secretary of Agriculture to produce the greatest amount of food and fiber that has ever been produced by the farmers of this country.

Mr. POAGE. Mr. Chairman, I yield 8 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, why is this legislation before this body at this time? On the 30th day of June the contract with the Mexican Government will expire, so it is necessary that we bring in legislation prior to June 30 so that we can have the labor available when needed on the farms of America. In the mid-South area the workers have left our particular section and gone to the larger cities; they have gone into Memphis, to Detroit, to Chicago, and Los Angeles. They have gone where they can get employment in defense industries. Further, many of them have been called into the armed services. So now we do not have enough labor not only to harvest our crops down in the mid-South area, but we do not have enough labor to chop the cotton. At this particular time there are 5,000 Mexican nationals in the State of Arkansas chopping cotton. They are badly needed since our cotton acreage has increased greatly in the current year—the production of cotton requires quite a lot of labor—I have here from the Department of Agriculture a report which says that the people who worked on the farms in May 1951, totaled half a million less than a year ago. So, you can see when we are asked to produce more food, when we are asked to produce more cotton, 60 percent more cotton in 1951 than in 1950—and we had an awfully hard time to get enough labor to harvest our crop in 1950—that it will be extremely important and necessary that we do have legislation to negotiate with Mexico so that we can recruit the necessary labor to be used in the harvesting of cotton and various food crops that are so highly essential in this emergency.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Even with your small crop last year you had to call upon Mexican help to harvest that crop, did you not?

Mr. GATHINGS. Oh, yes. Last year in the gentleman's State of Missouri several thousand workers were imported. We had 21,000 in the State of Arkansas during the harvest season last year.

Mr. JONES of Missouri. And you are going to have a bigger crop this year with less local labor.

Mr. GATHINGS. Yes. We increased the acreage in that section this year.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman speaks of this as being a bill to help the farmers of the United States. There is not an ounce of help in this bill for the midwest farmer.

Mr. GATHINGS. Whoever comes and applies for this labor and follows the provisions set out in this bill can go to Mexico and obtain that labor.

The gentleman from New York [Mr. CELLER] is the chairman of one of the most important committees of this House, the Committee on the Judiciary. He came before this body today bitterly complaining about this legislation. He urged that something ought to be done to curb the illegal entry into this country of Mexican farm workers. As chairman of the important Committee on the Judiciary, the gentleman has full and complete authority to present legislation to curb the illegal entry into this country of Mexicans. It is the gentleman's job to do that.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman, inasmuch as I have called his name.

Mr. CELLER. Does not the gentleman believe this bill should have been referred to the Committee on the Judiciary, since it is primarily an immigration statute? Further, does not the gentleman believe that members of the Committee on the Judiciary should have an opportunity to pass on the provisions of this bill?

Mr. GATHINGS. I do not think so, because of the fact that it amends the Agricultural Act of 1949. It applies to agricultural labor. We are not coming in here trying to regulate the flow across the border of Canada or Mexico. We are not asking for immigration legislation in the least. We are asking this House to pass this legislation so that we can produce the food and fiber necessary for the support of our economy.

Mr. CELLER. I want to see that the crops are harvested; I agree with the gentleman.

Mr. GATHINGS. That is very fine.

The cost is extremely high in order to get this labor to the farms of America. It costs a lot of money to do that.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from California.

Mr. JOHNSON. Is it not a fact that over 10 years ago the Tolan committee made a very exhausive and constructive study of the migratory problem and it has been resting in the Committee on the Judiciary ever since, with not a thing being done about it?

Mr. GATHINGS. I recall the Tolan investigation. They could have something done about illegal entry of Mexicans or others if they desired to do so.

Mr. JOHNSON. They have taken 10 years to do something, based on a very thorough study.

Mr. GATHINGS. It has been said by the opposition to this bill that there is enough domestic labor available for use on the farms of America. That has been brought out repeatedly.

Mr. McCARTHY. Does the gentleman remember who made that statement on the floor?

Mr. GATHINGS. The opposition has hinged on utilizing available domestic labor.

Mr. McCARTHY. I did not say it, and the gentleman from Ohio [Mr. POLK] did not.

Mr. GATHINGS. It was said in the committee by the farm-labor groups. They came in and said, "Let us utilize the labor that is available in America first."

The gentleman filed a minority report. If I remember rightly, in that minority report he brought out the point that he wants to utilize the labor in this country. Does not the gentleman think that if there were a laborer available on his farm or close by where he could bring him to his farm he would not send all the way to the Mexican border, a distance of 1,200 miles from my district, to recruit labor? They go to the expense of sending a man down to the border on a truck and go to all the extra expense of paying the worker's transportation by train or bus up to the border from Monterrey, Hermosillo, or Chihuahua. Hotel expenses and food are provided by the farmer, too.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from California.

Mr. PHILLIPS. The gentleman should point out that none of these laborers can be employed until the Department of Labor has certified that there is no other labor available.

Mr. GATHINGS. The gentleman is correct. Until the Secretary of Labor makes such a determination, he could not obtain Mexican national labor. What farmer in America would go to all that expense to bring this labor back and pay the transportation and subsistence expense if he did not need that labor on his farm?

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Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman made the statement that the opposition had contended that American labor was available in sufficient numbers. Then he was challenged on that and asked to say who had made that contention. I am just wondering if those opposing this bill are frank enough to admit that we do not have sufficient labor. Is that the contention of the opposition, or the admission of the opposition?

Mr. McCARTHY. I think I would concur in that statement. I do not wish to stop the bill or stop the bringing in of contract labor. What I am trying to do is stop the bringing in of wetback workers.

Mr. COOLEY. That is an entirely different proposition than the gentleman just mentioned. That is a matter for the Immigration Committee. We are not trying to enforce the immigration laws and we are not amending them. We have no way on earth to make it easier to bring in wetbacks.

Mr. GATHINGS. That is right. The various departments charged with responsibility of this problem of recruitment of foreign labor came before our committee and every one of them recognized the need on the farms of America for this additional labor.

Mr. COOLEY. If there were any way to pass a law now to keep out all wetbacks, I am sure the House would do it, but that is not the proposition before us.

Mr. GATHINGS. We are faced with the proposition whether we are going to have anything to eat on our tables or anything on our backs to wear. I hope the House bill will be approved by this body.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Agricultural Act of 1949 is amended by adding at the end thereof a new title to read as follows:

"TITLE V—AGRICULTURAL WORKERS

"SEC. 501. For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

"(1) to recruit such workers (including any such workers temporarily in the United States);

"(2) to establish and operate reception centers at or near the places of actual entry of such workers into the continental United States for the purpose of receiving and housing such workers while arrangements are being made for their employment in, or departure from, the continental United States;

"(3) to provide transportation for such workers from recruitment centers outside the continental United States to such reception centers and transportation from such reception centers to such recruitment centers after termination of employment;

"(4) to provide such workers with such subsistence, emergency medical care, and burial expenses (not exceeding $150 burial expenses in any one case) as may be or become necessary during transportation authorized by paragraph (3) and while such workers are at reception centers;

"(5) to assist such workers and employers in negotiating contracts for agricultural employment (such workers being free to accept or decline agricultural employment with any eligible employer and to choose the type of agricultural employment they desire, and eligible employers being free to offer agricultural employment to any workers of their choice not under contract to other employers);

"(6) to guarantee the performance by employers of provisions of such contracts relating to the payment of wages or the furnishing of transportation.

"SEC. 502. No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

"(1) to indemnify the United States against loss by reason of its guaranty of such employer's contracts;

"(2) to reimburse the United States for essential expenses, not including salaries or expenses of regular department or agency personnel, incurred by it for the transportation and subsistence of workers under this title in such amounts, not to exceed $10 per worker; and

"(3) to pay to the United States, in any case in which a worker is not returned to the reception center in accordance with the contract entered into under section 501 (5), an amount determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning other workers from the place of employment to such reception center, less any portion thereof required to be paid by other employers.

"SEC. 503. No workers recruited under this title shall be available for employment in any area unless the Regional Director, Bureau of Employment Security, United States Department of Labor for such area has determined and certified that (1) sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which such workers are to be employed, and (2) the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed.

"SEC. 504. Workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws (or if already in, and otherwise eligible for admission to, the United States may, pursuant to arrangements between the United States and the Republic of Mexico, be permitted to remain therein) for such time and under such conditions as may be specified by the Attorney General but, notwithstanding any other provision of law or regulation, no penalty bond shall be required which imposes liability upon any person for the failure of any such worker to depart from the United States upon termination of employment.

"SEC. 505. (a) Section 210 (a) (1) of the Social Security Act, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"'(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended.'

"(b) Section 1426 (b) (1) of the Internal Revenue Code, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"'(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended.'

"(c) Workers recruited under the provisions of this title shall not be subject to the head tax levied under section 2 of the Immigration Act of 1917 (8 U. S. C., sec. 132).

"SEC. 506. For the purposes of this title, the Secretary of Labor is authorized—

"(1) to enter into agreements with Federal and State agencies; to utilize (pursuant to such agreements) the facilities and services of such agencies; and to allocate or transfer funds or otherwise to pay or reimburse such agencies for expenses in connection therewith;

"(2) to accept and utilize voluntary and uncompensated services; and

"(3) when necessary to supplement the domestic agricultural labor force, to cooperate with the Secretary of State in negotiating and carrying out agreements or arrangements relating to the employment in the United States, subject to the immigration laws, of agricultural workers from the Republic of Mexico.

"SEC. 508. For the purposes of this title—

"(1) The term 'agricultural employment' includes services or activities included within the provisions of section 3 (f) of the Fair Labor Standards Act of 1938, as amended, or section 1426 (h) of the Internal Revenue Code, as amended, horticultural employment, cotton ginning, compressing and storing, crushing of oil seeds, and the packing, canning, freezing, drying, or other processing of perishable or seasonable agricultural products.

"(2) The term 'employer' includes associations or other groups of employers.

"SEC. 509. Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws, to permit the importation of aliens of any nationality for agricultural employment as defined in section 508, or to permit any such alien who entered the United States legally to remain for the purpose of engaging in such agricultural employment under such conditions and for such time as he, the Attorney General, shall specify.

"SEC. 510. No workers shall be made available under this title for employment after December 31, 1953."

Mr. COOLEY (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with.

Mr. McCARTHY. Mr. Chairman, reserving the right to object, is my understanding correct that if the unanimous-consent request is granted, the bill will be open to amendment at any point?

The CHAIRMAN. That is correct.

Mr. CELLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CELLER. Mr. Chairman, I intend to offer a preferential motion. Will the granting of the unanimous-consent request have any effect on my preferential motion?

The CHAIRMAN. The Chair does not so understand.

Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. CELLER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. CELLER moves to strike out all after the enacting clause.

The CHAIRMAN. The gentleman does not submit a preferential motion.

Mr. POLK. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. POLK in the nature of a substitute for H. R. 3283: "That the Agriculture Act of 1949 is amended by adding at the end thereof a new title to read as follows:

"'TITLE V—AGRICULTURAL WORKERS

"'SEC. 501. For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

"'(1) to recruit such workers (including any such workers temporarily in the United States under legal entry);

"'(2) to establish and operate reception centers at or near the places of actual entry of such workers into the continental United States for the purpose of receiving and housing such workers while arrangements are being made for their employment in, or departure from, the continental United States;

"'(3) to provide transportation for such workers from recruitment centers outside the continental United States to such reception centers and transportation from such reception centers to such recruitment centers after termination of employment;

"'(4) to provide such workers with such subsistence, emergency medical care, and burial expenses (not exceeding $150 burial expenses in any one case) as may be or become necessary during transportation authorized by paragraph (3) and while such workers are at reception centers;

"'(5) to assist such workers and employers in negotiating contracts for agricultural employment (such workers being free to accept or decline agricultural employment with any eligible employer and to choose the type of agricultural employment they desire, and eligible employers being free to offer agricultural employment to any workers of their choice not under contract to other employers);

"'(6) to guarantee the performance by employers of provisions of such contracts relating to the payment of wages or the furnishing of transportation.

"'SEC. 502. No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

"'(1) to indemnify the United States against loss by reason of its guaranty of such employer's contracts;

"'(2) to reimburse the United States for essential expenses, not including salaries or expenses of regular department or agency personnel, incurred by it for the transportation and subsistence of workers under this title in amounts not to exceed $20 per worker; and

"'(3) to pay to the United States, in any case in which a worker is not returned to the reception center in accordance with the contract entered into under section 501 (5) and is apprehended within the United States, an amount determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning other workers from the place of employment to such reception center, less any portion thereof required to be paid by other employers.

"'SEC. 503. No workers recruited under this title shall be available for employment in any area unless the Secretary of Labor for such area has determined and certified that (1) sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which such workers are to be employed, and (2) the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed, and (3) reasonable efforts have been made to attract domestic workers for such employment at wages and standard hours of work comparable to those offered to foreign workers.

"'SEC. 504. Workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws (or if already in, by virtue of legal entry and otherwise eligible for admission to, the United States may, pursuant to arrangements between the United States and the Republic of Mexico, be permitted to remain therein) for such time and under such conditions as may be specified by the Attorney General but, notwithstanding any other provision of law or regulation, no penalty bond shall be required which imposes liability upon any person for the failure of any such worker to depart from the United States upon termination of employment: *Provided*, That no workers shall be made available under this title to, nor shall any workers made available under this title be permitted to remain in the employ of, any employer who has in his employ any Mexican alien when such employer knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such Mexican alien is not lawfully within the United States.

"'SEC. 505. (a) Section 210 (a) (1) of the Social Security Act, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"'"(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended."

"'(b) Section 1426 (b) (1) of the Internal Revenue Code, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"'"(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended."

"'(c) Workers recruited under the provisions of this title shall not be subject to the head tax levied under section 2 of the Immigration Act of 1917 (8 U. S. C., sec. 132.)

"'SEC. 506. For the purposes of this title, the Secretary of Labor is authorized—

"'(1) to enter into agreements with Federal and State agencies; to utilize (pursuant to such agreements) the facilities and services of such agencies; and to allocate or transfer funds or otherwise to pay or reimburse such agencies for expenses in connection therewith;

"'(2) to accept and utilize voluntary and uncompensated services; and

"'(3) when necessary to supplement the domestic agricultural labor force, to cooperate with the Secretary of State in negotiating and carrying out agreements or arrangements relating to the employment in the United States, subject to the immigration laws, of agricultural workers from the Republic of Mexico.

"'SEC. 507. For the purposes of this title—

"'(1) The term "agricultural employment" includes services or activities included within the provisions of section 3 (f) of the Fair Labor Standards Act of 1938, as amended, or section 1426 (h) of the Internal Revenue Code, as amended.

"'(2) The term "employer" shall include an association, or other group, of employers, but only if (A) those of its members for whom workers are being obtained are bound, in the event of its default, to carry out the obligations undertaken by it pursuant to section 502, or (B) the Secretary determines that such individual liability is not necessary to assure performance of such obligations.

"'SEC. 508. Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws, to permit the importation of aliens of any nationality for agricultural employment as defined in section 507, or to permit any such alien who entered the United States legally to remain for the purpose of engaging in such agricultural employment under such conditions and for such time as he, the Attorney General, shall specify.

"'SEC. 509. Any person who shall employ any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States under the terms of this act or any other law relating to the immigration or expulsion of aliens, when such person knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such alien is not lawfully within the United States, or any person who, having employed such an alien without knowing or having reasonable grounds to believe or suspect that such alien is unlawfully within the United States and who could not have obtained such information by reasonable inquiry at the time of giving such employment, shall obtain information during the course of such employment indicating that such alien is not lawfully within the United States and shall fail to report such information promptly to an immigration officer, shall be guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding $2,000, or by imprisonment for a term not exceeding 1 year, or both, for each alien in respect to whom any violation of this section occurs.

"'SEC. 510. No workers will be made available under this title for employment after December 31, 1952.'"

Mr. ELLSWORTH. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. ELLSWORTH. Mr. Chairman, I make a point of order against the amendment on the ground that it contains matter not germane to the House bill, and I should like to be heard on the point of order.

The CHAIRMAN. The Chair will be glad to hear the gentleman and requests that the gentleman point out the specific language to which objection is made.

Mr. ELLSWORTH. It is made to section 509 of the substitute which has just been read, appearing on page 7 of the bill S. 984, and reading as follows:

SEC. 509. Any person who shall employ any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States under the terms of this act or any other law relating to the immigration or expulsion of aliens, when such person knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such alien is not lawfully within the United States, or any person who, having employed such an alien without knowing or having reasonable grounds to believe or suspect that such alien is unlawfully within the United States and who could not have obtained such information by reasonable inquiry at the time of giving such employment, shall obtain information during the course of such employment indicating that such alien is not lawfully within the United States and shall fail to report such information promptly to an immigration officer, shall be guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding $2,000, or by imprisonment for a term not exceeding 1 year, or both, for each alien in respect to whom any violation of this section occurs.

Mr. Chairman, this section 509 is a general provision, strictly general, entirely general; whereas the House bill,

XUM

which is the bill we are considering at this time, is a specific bill having a specific purpose. The purpose is stated in the opening section of the bill, as follows:

For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary—

And so forth. Section 509 of the proposed substitute does not deal in any way with the subject of the pending House bill. Section 509 of the proposed substitute deals only with the matter of finding information as to the illegal entry of alien Mexicans into the United States, and imposes a penalty for failure to supply information concerning such illegal entry. That is the sole purpose and the sole effect of this section 509. It does not refer to the employment of farm labor, and it does not go to the purpose of the bill.

I think it is a fact that one of the principals applying to germaneness is that an amendment must be in accordance with the fundamental purposes of the bill to which the amendment is proposed.

I make a second point of order against the substitute on the ground that it is not germane but is a general provision. Read the language of the bill, Mr. Chairman—section 509. Section 509 of the substitute speaks of any person who employs a Mexican alien not certified by the Secretary of Labor, any person, whether that person be the provider of a restaurant or the operator of a steamship company, railroad, bus line, and so forth, any person who shall employ any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States.

A restaurant operator in the city of New York would be subject to a $2,000 fine and 1 year in prison or both if he employed a Mexican alien without taking the trouble to go to the FBI or some other source and find out if that Mexican was in the country with proper credentials.

I submit, Mr. Chairman, that that is strictly a general proposition and is offered to this bill which has specific reference to a program of orderly recruitment and dispersal of farm labor—farm labor only; whereas the amendment, Mr. Chairman, applies to any person who shall employ any Mexican alien wherever he may be and whatever he may be doing.

I submit, therefore, on those two counts, first, it is an amendment, a general provision, a general amendment, applied to a specific bill, which, according to the way I read the rules of the House, is not allowable as germane; and, secondly, that the amendment itself does not have anything to do in fact with the purpose and the fundamental intent of the bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to call the gentleman's attention to the fact that the bill before us now amends the Agricultural Act of 1949. I agree with the gentleman's observations on the point of order. The section he referred to, 509, is general in its application and in effect rewrites the immigration laws of this county insofar as they affect Mexico.

Mr. ELLSWORTH. I may say to the gentleman along that same line that there is now pending before this House a very large omnibus immigration bill to which this particular section 509 should be added if it is the will of the House, but it has no place as a penalty provision in an amendment to the Agricultural Act.

Mr. PHILLIPS. Mr. Chairman, may I be heard briefly?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. PHILLIPS. Mr. Chairman, the gentleman from North Carolina has just said that the bill did not intend to amend the immigration laws and the RECORD will disclose that in the preceding debate he said the same thing. If the Chair will refer to page 7 of the bill I hold, which is the Senate edition, lines 15 and 16, he will observe the words "or any other law relating to the immigration or expulsion of aliens"—not necessarily Mexican aliens.

This is a broad provision saying that everyone in the United States must know all the immigration laws if he is to operate under this amendment, therefore placing upon the shoulders of all citizens of the United States the responsibility we assigned by legislative action to the immigration service. It is manifestly legislation out of place in this bill.

Mr. COOLEY. Mr. Chairman, may I be heard?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. COOLEY. Mr. Chairman, I would like to call attention to the fact that if section 509 had been introduced as a separate bill, it would not even have been referred to the Committee on Agriculture. It would have gone to the Immigration Committee.

Now we are faced with a situation of having to pass upon a question which our committee had no right under the rules of the House to even consider and because it happens to be a provision in a Senate bill certainly does not make it germane to the bill now before us.

We are attempting to amend an agricultural bill. If the pending amendment is approved, it will greatly enlarge the scope of the subject with which we are dealing. It should not be held to be germane because there is no provision in this bill which came from the House Committee on Agriculture dealing with the problem of immigration generally. It deals only with agricultural aid. The pending amendment seeks to make it apply to even domestics or to people in all other vocations and avocations of life in this country.

I submit the point of order should be sustained.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I would like to ask the distinguished chairman of the Committee on Agriculture this question: Should this substitute prevail, in his opinion, would it not completely kill this whole proposition?

Mr. COOLEY. There is no question about that. I think it would be the end of the legislation if the amendment prevails. I do not think we would have a bill.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. POLK. Yes.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. POLK. Mr. Chairman, I call attention to the fact that this bill amends the Social Security Act, and I am speaking now on the bill before the House, H. R. 3283. It also amends the Immigration Act of 1917, and I refer to lines 7, 8, 9, and 10, on page 5. It amends the Internal Revenue Code, and I refer to lines 2, 3 and 4, at the top of page 5. In other words, in several instances the bill which is before the House amends other Federal statutes.

I therefore respectfully submit, Mr. Chairman, that the point of order against 509 of this bill should not be sustained.

The CHAIRMAN. The Chair is ready to rule.

The bill before the Committee is a bill to amend the Agricultural Act of 1949. The gentleman from Ohio offers an amendment in the nature of a substitute to which a point of order of germaneness is made by the gentleman from Oregon, the particular objection being directed to the last section of the amendment offered by the gentleman from Ohio.

The Chair feels that it is necessary to be fair and explicit in this matter to spell out in some detail the rule of germaneness and its application to this particular amendment. As the Chair understands the rule of germaneness, its purpose is to provide for and protect the orderly procedure in the Committee of the Whole and in the House. It is to protect the legislative processes, to protect the membership from hasty, ill-considered, and extraneous subject matter being offered to the proposition under consideration. An amendment, to be germane to a bill under consideration, must be akin to and relative to the subject matter of the bill. The Chair does not feel that the provision of a penalty or the provision for civil relief from a law seeking to be enacted would be a matter unakin or unrelated to the bill. However, there is specific matter in the amendment, to wit, "or any other law relating to the immigration of expulsion of aliens" which is to be found in section 509 to which specific objection was made. The Chair has examined the bill before the Committee and is unable to find reference to any other law relating to the immigration or expulsion of aliens.

Therefore, because of the references just cited, the Chair sustains the point of order.

Mr. POLK. Mr. Chairman, I offer an amendment in the nature of a substitute. May I state that this is the same amendment that has just been ruled out on a point of order with section 509

stricken out, and I ask unanimous consent that it be printed in the RECORD at this point and considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The amendment is as follows:

Be it enacted, etc., That the Agricultural Act of 1949 is amended by adding at the end thereof a new title to read as follows:

"TITLE V—AGRICULTURAL WORKERS

"SEC. 501. For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

"(1) to recruit such workers (including any such workers temporarily in the United States under legal entry);

"(2) to establish and operate reception centers at or near the places of actual entry of such workers into the continental United States for the purpose of receiving and housing such workers while arrangements are being made for their employment in, or departure from, the continental United States;

"(3) to provide transportation for such workers from recruitment centers outside the continental United States to such reception centers and transportation from such reception centers to such recruitment centers after termination of employment;

"(4) to provide such workers with such subsistence, emergency medical care, and burial expenses (not exceeding $150 burial expenses in any one case) as may be or become necessary during transportation authorized by paragraph (3) and while such workers are at reception centers;

"(5) to assist such workers and employers in negotiating contracts for agricultural employment (such workers being free to accept or decline agricultural employment with any eligible employer and to choose the type of agricultural employment they desire, and eligible employers being free to offer agricultural employment to any workers of their choice not under contract to other employers);

"(6) to guarantee the performance by employers of provisions of such contracts relating to the payment of wages or the furnishing of transportation.

"SEC. 502. No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

"(1) to indemnify the United States against loss by reason of its guaranty of such employer's contracts;

"(2) to reimburse the United States for essential expenses, not including salaries or expenses of regular department or agency personnel, incurred by it for the transportation and subsistence of workers under this title in amounts not to exceed $20 per worker; and

"(3) to pay to the United States, in any case in which a worker is not returned to the reception center in accordance with the contract entered into under section 501 (5) and is apprehended within the United States, an amount determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning other workers from the place of employment to such reception center, less any portion thereof required to be paid by other employers.

"SEC. 503. No workers recruited under this title shall be available for employment in any area unless the Secretary of Labor for such area has determined and certified that (1) sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which such workers are to be employed, and (2) the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed, and (3) reasonable efforts have been made to attract domestic workers for such employment at wages and standard hours of work comparable to those offered to foreign workers.

"SEC. 504. Workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws (or if already in, by virtue of legal entry and otherwise eligible for admission to, the United States may, pursuant to arrangements between the United States and the Republic of Mexico, be permitted to remain therein) for such time and under such conditions as may be specified by the Attorney General but, notwithstanding any other provision of law or regulation, no penalty bond shall be required which imposes liability upon any person for the failure of any such worker to depart from the United States upon termination of employment: *Provided*, That no workers shall be made available under this title to, nor shall any workers made available under this title be permitted to remain in the employ of, any employer who has in his employ any Mexican alien when such employer knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such Mexican alien is not lawfully within the United States.

"SEC. 505. (a) Section 210 (a) (1) of the Social Security Act, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"'(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended.'

"(b) Section 1426 (b) (1) of the Internal Revenue Code, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"'(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended.'

"(c) Workers recruited under the provisions of this title shall not be subject to the head tax levied under section 2 of the Immigration Act of 1917 (8 U. S. C., sec. 132).

"SEC. 506. For the purposes of this title, the Secretary of Labor is authorized—

"(1) to enter into agreements with Federal and State agencies; to utilize (pursuant to such agreements) the facilities and services of such agencies; and to allocate or transfer funds or otherwise to pay or reimburse such agencies for expenses in connection therewith;

"(2) to accept and utilize voluntary and uncompensated services; and

"(3) when necessary to supplement the domestic agricultural labor force, to cooperate with the Secretary of State in negotiating and carrying out agreements or arrangements relating to the employment in the United States, subject to the immigration laws, of agricultural workers from the Republic of Mexico.

"SEC. 507. For the purposes of this title—

"(1) The term 'agricultural employment' includes services or activities included within the provisions of section 3 (f) of the Fair Labor Standards Act of 1938, as amended, or section 1426 (h) of the Internal Revenue Code, as amended.

"(2) The term 'employer' shall include an association, or other group, of employers, but only if (A) those of its members for whom workers are being obtained are bound, in the event of its default, to carry out the obligations undertaken by it pursuant to section 502, or (B) the Secretary determines that such individual liability is not necessary to assure performance of such obligations.

"SEC. 508. Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws, to permit the importation of aliens of any nationality for agricultural employment as defined in section 507, or to permit any such alien who entered the United States legally to remain for the purpose of engaging in such agricultural employment under such conditions and for such time as he, the Attorney General, shall specify.

"SEC. 510. No workers will be made available under this title for employment after December 31, 1953."

Mr. ELLSWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ELLSWORTH. Did I understand the gentleman to say that the amendment now offered is identical with the one previously offered, with the exception that section 509 is stricken out?

The CHAIRMAN. The Chair so understood the gentleman.

Mr. POLK. Mr. Chairman, the Ellender and Poage bills are somewhat similar in substance.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. POLK. I yield to the gentleman from Kansas.

Mr. HOPE. Will the gentleman state whether or not his substitute now offered is exactly the Senate bill with section 509 stricken out?

Mr. POLK. That is correct.

Mr. Chairman, the Poage bill, however, contains several very undesirable provisions and fails in several important respects to meet the test of adequate legislation in this field, namely to assure that Mexican workers, when needed, are obtained in an orderly manner and under a Government supervised program and to prevent and penalize effectively the illegal traffic in Mexican wetback labor. The Ellender bill, Mr. Chairman, more adequately meets this test.

First, H. R. 3283 would provide for contracting of Mexican workers upon certification for a limited area made by a subordinate official of the Department of Labor instead of the Nation-wide certification of reasonable availability to be made by the Secretary of Labor under S. 984, the Ellender bill. This provision of the Poage bill not only ignores sound principles of Government by giving responsibilities by statute to subordinate departmental officials, such as the regional director of the Bureau of Employment Security, but also indicates a policy of ignoring American farm workers who may be reasonably available for work even though they are outside the immediate area of regional certification.

Second, while the bill authorizes the United States Government to guarantee to Mexican workers amounts due them for wages and transportation under the employment contacts, provisions relating to indemnification by employers' associations are not adequate to protect the Government's interests. A number of employers' associations are not incorporated and have little or no assets. Nevertheless they contract for Mexican workers on behalf of their members. The legislation should provide that workers may be made available to these associations only where the individual

XUM

members are liable upon the agreement of the association or where other satisfactory assurances of liability or solvency exist. The Ellender bill corrects this defect of H. R. 3283.

Third, the authority under the Poage bill for obtaining contract Mexican labor extends broadly to many processes which are industrial and not agricultural in nature whereas the Ellender bill is carefully limited to agricultural activities, as such, which, I understand, is the only area of potential need toward which present legislation can be reasonably directed and justified. Here, again, the drawbacks of H. R. 3283 would be corrected by the substitution of the Ellender bill.

Fourth, and this is the most important consideration, Mr. Chairman, the Ellender bill would effectively shut the door to the use of Mexican labor which is illegally in the United States and would provide measures for curbing the influx of wetbacks. Sections 501 and 504 of the Poage bill, on the other hand, provide that Mexican workers already in this country, even if they are here illegally, may be recruited and permitted to remain here if the Mexican Government so agrees. Under the Ellender bill these sections would be corrected so that recruitment would be authorized only in the case of these Mexican workers who have legally entered the United States.

The approval of the Ellender bill as a substitute for H. R. 3283 will provide sound stand-by legislation for obtaining Mexican contract labor to the extent necessary during the present national emergency. It will correct the defects in the machinery provided by H. R. 3283 and, above all, it will create for the first time effective remedies for the gradual control and eventual abolition of the wetback system. Moreover, in achieving substantial agreement with the Senate bill by accepting its bill as a substitute we will expedite the process of conference and adjustment and will insure the prompt enactment of a necessary measure. I cannot underestimate the importance or significance of the provisions of the Ellender bill which are designed to control the wetback situation.

In recent years the United States literally has been invaded by hundreds of thousands of Mexican agricultural workers—known as wetbacks—illegally entering this country in search of employment. No one knows exactly how great this invasion is today. We do know for a fact, however, that it has grown to fantastic proportions. For example, only 7,000 illegal Mexican wetbacks were picked up by the Immigration and Naturalization Service in 1940, whereas 565,000 of these wetbacks were apprehended in the year 1950. There are some reliable estimates that more than 1,000,000 illegal farm laborers from Mexico entered this country in 1950 and I have not any doubt that, while I am standing here today, Mexican braceros—or stoop laborers—are pouring across our southern border displacing American workers, reducing labor standards and spreading communicable diseases.

The record and effects of this illegal invasion have been dramatized so recently in the newspapers and magazines of the Nation that all of you must be somewhat familiar with the story. The report of the President's Commission on Migratory Labor has conservatively stated the facts. The Commission points out:

> The wetback is a hungry human being. His need of food and clothing is immediate and pressing. He is a fugitive and it is as a fugitive that he lives. Under the constant threat of apprehension and deportation, he cannot protest or appeal no matter how unjustly he is treated. Law operates against him but not for him. Those who capitalize on the legal disability of the wetbacks are numerous and their devices are many and various.
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> That the wetback traffic has severely depressed farm wages is unquestionable—the wetback wage tends to become the prevailing wage.

These illegal Mexican workers not only create viciously unfair competition, destroying American labor standards and displacing American workers, but also bring with them problems of death and disease, of housing and sanitation. These workers live in shacks and sheds which no one would wish to put a horse in. They bathe and drink from the irrigation ditches upon the banks of which they live.

There is another very important aspect to this wetback situation. In these precarious times when our country is extending every effort to balk communistic infiltration, the wetback invasion offers a serious threat to our internal security. It is no secret that one of the easiest ways for a Communist spy or saboteur or foreign organizer to enter the United States is across our southern border in the disguise of a Mexican bracero. Wherever we encourage or invite or fail to control this invasion we are jeopardizing our very existence as a nation. It is our clear duty to support the Immigration and Naturalization Service in the already huge task of holding back the hordes of illegal entrants which daily elude our border patrols. Rather than relax our immigration laws, we must tighten them. Above all things we must impose adequate penalties upon those who entice Mexican workers across our border or employ them without concern as to their legal status in this country.

With all of these factors firmly in mind, it is paramount that we act with deliberate speed and unity of purpose. Unity in these times is vital to a successful defense of the Nation. The need for speedy action to provide stand-by legislation is required not only by the prospect of farm-labor shortages which confront us but also by the most recent position taken by the Mexican Government with respect to obtaining Mexican farm workers in an orderly manner under Government supervision. It is my understanding that, because certain employers in the past have failed to meet their obligations under contracts signed with Mexican workers, Mexico has stated that no workers will be furnished after the end of June unless the United States guarantees the fulfillment of the employment contracts with these workers. It is therefore the path of wisdom to choose a legislative course which provides the speediest method of agreement on effective legislation accomplishing this purpose.

To provide adequate legislation to assure that Mexican workers are, when needed, obtained in an orderly manner and under a Government supervised program the Senate recently passed a bill, S. 984, introduced by the distinguished Senator from Louisiana, Mr. ELLENDER. There is now pending before this House another bill, H. R. 3283, the Poage bill, somewhat similar in substance, containing several very undesirable provisions and failing in several substantive respects to meet the test of adequate legislation in this field.

In my opinion, Mr. Chairman, the Senate bill is far sounder legislation than is H. R. 3283. Time is now of the essence. If we are to have an orderly program for obtaining Mexican workers for the coming harvest, we must proceed with dispatch. We must provide adequate time for the Government agencies to renegotiate an agreement with Mexico. We must provide adequate time for working out the myriad administrative and legal problems incident to undertaking this type of program. We must provide adequate time for the Mexican Government to open recruitment centers in Mexico and for the United States Government to establish reception centers in this country.

Because H. R. 3283 does not meet the test, I propose at the appropriate time to move the substitution of the Senate bill, S. 984, the Ellender bill, for that bill. The Ellender bill is a sound measure providing an orderly basis for obtaining legal contract labor from Mexico to the extent that American workers are not reasonably available. In addition, it will correct the glaring failure of H. R. 3283 to prevent and penalize effectively the illegal traffic in Mexican wetback labor. Let me review, for a moment, the differences between the Senate bill and H. R. 3283.

First. H. R. 3283 would provide for contracting of Mexican workers upon certification for a limited area made by a subordinate official of the Department of Labor instead of the Nation-wide certification of reasonable availability to be made by the Secretary of Labor under S. 984, the Ellender bill. This provision of the Poage bill not only ignores sound principles of government by giving responsibilities by statute to subordinate departmental officials, such as the regional director of the Bureau of Employment Security, but also indicates a policy of ignoring American farm workers who may be reasonably available for work even though they are outside the immediate area of regional certification.

Second. While the bill authorizes the United States Government to guarantee to Mexican workers amounts due them for wages and transportation under the employment contracts, provisions relating to indemnification by employers' associations are not adequate to protect the Government's interests. A number of employers' associations are not incorporated and have little or no assets. Nevertheless they contract for Mexican workers on behalf of their members. The

legislation should provide that workers may be made available to these associations only where the individual members are liable upon the agreement of the association or where other satisfactory assurances of liability or solvency exist. The Ellender bill corrects this defect of H. R. 3283.

Third. The authority under the Poage bill for obtaining contract Mexican labor extends broadly to many processes which are industrial and not agricultural in nature whereas the Ellender bill is carefully limited to agricultural activities, as such, which, I understand, is the only area of potential need toward which present legislation can be reasonably directed and justified. Here, again, the drawbacks of H. R. 3283 would be corrected by the substitution of the Ellender bill.

All of these defects in H. R. 3283, which I have mentioned as being corrected by S. 984, are very important, but of infinite importance is the basic failure of the bill to provide some reasonable control over the entry and employment of wetbacks. Here is what H. R. 3283 provides on this subject. Sections 501 and 504 provide for the recruitment of any Mexican workers and for permission to any such workers to remain in the country if they are already here and Mexico agrees that they may remain here. In other words, Mr. Chairman, this bill not only opens the door to recruitment of wetback labor but also is completely silent on any means for controlling the present wetback situation. By providing for the legalization of wetbacks and giving publicity to this type of provision we would encourage and invite the invasion of this country by a million or more wetbacks seeking employment. Even if we gave employment to one-fourth of them, which is unlikely, the Immigration and Naturalization Service would be required to spend millions of dollars in rounding up and deporting those not employed.

My fears in this direction, Mr. Chairman, are not the result of any illusion. Before World War II, the record shows quite clearly that we neither imported Mexican contract labor nor were faced with any large-scale wetback problem. However, in 1949, we made a colossal blunder when we entered into an international agreement with Mexico which permitted the contracting of wetbacks in this country. The number of apprehensions jumped from less than 30,000 in 1944 to more than 300,000 in 1949. Then in 1950 this figure grew to nearly 600,000. Representatives of both Governments have expressed the opinion that it is obvious that the tremendous increase in illegal entries is the result of the word being spread throughout Mexico that wetbacks are being given legal status in the United States through contract employment. Therefore, it is apparent to me, Mr. Chairman, that if we contract for Mexican labor without dealing directly with the wetback problem, we encourage the entry of wetbacks in ever increasing numbers. On the basis of the figures which I have cited from the Report of the President's Commission on Migratory Labor, I believe that I can predict with certainty that the passage of H. R. 3283 in its present form will attract even greater numbers of wetbacks seeking employment on our farms and in our factories.

As I have said, the annual invasion is beginning right now. I am informed that while the United States Employment Service has been requested by States some distance from the Mexican border—without ready access to wetback labor—to make certification for the entry of thousands of Mexican contract workers, nevertheless, farmers from the State of Texas, the southern border of which lies upon the Rio Grande River, has placed with the United States Employment Service requests for comparatively few contract Mexicans. The answer is obvious. Farmers from the State of Texas are receiving and using right now so great a number of illegal Mexican wetback laborers that there is little present need in that State for seeking legal contract workers through the orderly process of legal entry after certification by the Government.

Now, Mr. Chairman, let me turn to the Ellender bill. This bill would effectively shut the door to the use of Mexican labor which is illegally in the United States. Sections 501 and 504 of H. R. 3283 would be corrected by the Ellender proposal so that the Secretary of Labor would be authorized to recruit only those Mexican workers legally entering the United States. In this way S. 984 would discourage rather than encourage an invasion of illegal migrants in violation of our immigration laws in the expectation of obtaining employment in this country. Second, the Ellender bill would discourage the use of illegal entrants by preventing employers from obtaining legal contract labor where they also use wetback labor in situations charging them with knowledge that they are employing wetbacks. Third, the Ellender bill would impose effective criminal penalties upon any person employing any Mexican alien illegally in this country where the employer knows or has reasonable grounds to believe, or suspect, or by reasonable inquiry could have ascertained that the alien is not lawfully in the United States. Similar penalties would be imposed for a failure of the employer to report promptly to an immigration officer information obtained during the course of employment indicating that the alien is not legally in the United States.

The enactment of the Ellender bill as a substitute for H. R. 3283 will provide sound stand-by legislation for obtaining Mexican contract labor to the extent necessary during the present national emergency. It will improve the minor defects now present in the machinery provided by H. R. 3283 and, above all, it will create for the first time effective remedies for the gradual control and eventual abolition of the wetback system. Moreover, in achieving substantial agreement with the Senate bill by accepting its bill as a substitute we will expedite the process of conference and adjustment and will insure the prompt enactment of a necessary measure. I cannot underestimate the importance or significance of the provisions of the Ellender bill which are designed to control the wetback situation.

There is one final thought that I wish to express. I anticipate that our failure effectively to control wetbacks as provided by the Ellender bill would, in view of the report of the President's Commission on Migratory Labor, only serve to invite a veto by the President and consequent disruption of our efforts to provide sufficient labor on our farms and in our fields at this time of national emergency.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think the gentleman from Ohio has removed the most serious objection to the Senate bill, the one that makes it absolutely unworkable, but there are certain other features about the Senate bill which seem to me to be less desirable than the provisions of the House bill.

There has been a question of how much the expenses would be in bringing a Mexican from Mexico to the United States border. The House bill limits that expense to $10. The Senate bill allows the Government to assess $20 against the employer.

Remember what that $20 is for. That $20 is simply to pay the expenses of bringing that worker from either Monterrey, Chihuahua or Hermosillo to the United States border, providing the cost of meals, and taking care of him on the American side of the border until he is removed by the employer who is going to take him to the place of employment.

I presented to the House a few moments ago a number of affidavits that show that the actual cost as paid by the farmers is running less than $5, so the House bill provides that the farmer will pay twice as much as the actual cost if the Government spends that much. The Senate bill allows the Government four times that cost. We just think it is a useless waste and an unnecessary burden on the American economy to allow the Government to spend that much.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. No, I cannot yield.

Mr. BAILEY. The gentleman does not know the facts.

Mr. POAGE. I know what each bill provides. I know what it actually costs to bring these workers in. I know that the Government notoriously spends more than is necessary. I also know the Government will spend all we allow. I know the House bill will save money. We feel it is not a sound policy to deliberately waste the money of anybody, and we feel that $10 is a liberal fee. That is one of the matters in issue.

The other important matter in issue is the question of how much employment can be given to these Mexican nationals. The House bill provides that they may be employed not only on farms but in agricultural processing plants, such as gins, packing sheds, and compresses, in the area where the production is taking place. We feel those activities are so closely related to the immediate agricultural work that to deny the use of Mexican nationals in these operations would in many instances seriously hamper the agricultural activities of the community and

XUM

result in the loss of food and fiber throughout the country.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. HOPE. The gentleman from Texas is pointing out some of the differences between the two bills. They are not, as he says, of such great importance as the issue that was raised by section 509. But I do want to make this suggestion for whatever it is worth: This bill would have to go to conference in any event, even if we vote down the amendment of the gentleman from Ohio. The bill would go to conference, and at that time these questions can be settled.

On the other hand, if we adopt the gentleman's amendment with the meager debate which it is possible to have here in Committee of the Whole, I am afraid that a great many people would not know exactly what they are adopting. Does not the gentleman think it would be the wise thing to vote down the gentleman's amendment and then settle these differences in conference?

Mr. POAGE. I think the gentleman from Kansas has expressed it excellently. Let us vote down this amendment. Let us send the bill to conference, and let us decide these questions there, rather than preclude the discussion of these questions in the conference.

Mr. McCARTHY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the two speeches already made on this amendment really define the basic question.

Mr. Chairman, the House is, I believe, qualified to pass on this legislation. The principal differences remaining now between the Senate bill and the House bill are four: The House bill in its present form permits the legalization of wetbacks, that is, of Mexicans who are already in this country. The effect of that, of course, is to encourage them to cross the border because once they are here, it is much easier to have them approved.

The Mexican Government itself is opposed to that provision.

Mr. POAGE. Mr. Chairman, if the gentleman will yield, I do not think the gentleman is correct in stating what the House bill contains.

Mr. McCARTHY. The language in the Senate bill is very clear.

Mr. POAGE. If the gentleman will read the language of the House bill, it says that this can only be done with agreement with the Mexican Government.

Mr. McCARTHY. Mr. Chairman, I do not yield to the gentleman.

Mr. Chairman, under the House bill wetbacks can be legalized. The point is that the Senate bill is very clear to the effect that any Mexicans who are illegally in this country cannot be legally contracted. So we can pass on from that particular point. The second point relates to the argument which has been made that this bill affects only agricultural laborers. We have a rather clear definition of agricultural workers in the Wages and Hours Act. The Poage bill, the House bill, attempts to extend that definition so as to permit employment of these people in processing plants. So it takes them out of the field and beyond agriculture. The Senate bill clearly defines the limitation so that these contract workers cannot be used in food packing or processing plants as is allowed by H. R. 3283. The third important difference is that in the Senate bill the definition of an employer is strengthened so as to preclude exemptions which are possible in the House bill and the avoidance of the individual responsibility which is possible under the House bill.

Under the Senate bill employer associations are also defined as being employers. No employer can escape individual responsibility by saying that the association has done this thing. I think that is an important provision.

Finally, the Senate bill provides the certification of need shall be done by the Secretary of Labor rather than by a regional labor officer. This problem of farm labor is not confined to one region of the country only; the decision on supply of labor should not be made in a region, it should be made by the Secretary who has jurisdiction over all the regions. This is only a matter of good procedure. I am sure that the Hoover Commission would sustain me.

The Senate bill also provides that anyone who has an employment contract for Mexicans who is also found to be employing wetbacks shall forfeit his right to contract additional legal Mexicans. This gives statutory recognition to a provision already recognized in the international agreement. Those are the four principal points of difference. I think the House should pass upon them and that the Senate should not be allowed to go to conference to speak for us. We should write our own bill. Otherwise what is the use of passing on the legislation at all? Why not just appoint conferees and give them a blank check and let them bring back what they can get out of the conference?

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, on the bill and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. SHELLEY. I object.

Mr. CELLER rose.

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. COOLEY. Mr. Chairman, I move——

Mr. CELLER. Mr. Chairman, was I not recognized?

The CHAIRMAN. The Chair inquired for what purpose the gentleman rose; that does not entail recognition.

Mr. COOLEY. Mr. Chairman, I move that all debate close in 10 minutes on the amendment and on the bill.

The CHAIRMAN. Will the gentleman restate his motion?

Mr. COOLEY. Mr. Chairman, I move that all debate on the pending amendment and the bill close in 10 minutes.

The CHAIRMAN. And all amendments?

Mr. COOLEY. And all amendments thereto.

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. Is the motion on the pending amendment and all amendments thereto or to the bill?

The CHAIRMAN. The Chair understood the gentleman to move that all debate on the pending amendment, on the bill and all amendments thereto close in 10 minutes.

Mr. McCORMACK. Has the bill been read?

The CHAIRMAN. The bill has been read.

The question is on the motion of the gentleman from North Carolina.

The question was taken; and the Chair being in doubt, the Committee divided and there were—ayes 99, noes 87.

Mr. CELLER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. POAGE and Mr. McCARTHY.

The Committee again divided; and the tellers reported that there were—ayes 71, noes 97.

So the motion was rejected.

Mr. CELLER. Mr. Chairman, I offer an amendment to the Polk amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER to the amendment offered by Mr. POLK: Add a new section as follows:

"SEC. —. Any person who shall employ as a farm laborer any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States under the terms of this act, when such person knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such alien farm laborer is not lawfully within the United States, or any person who, having employed such an alien without knowing or having reasonable grounds to believe or suspect that such alien farm laborer is unlawfully within the United States and who could not have obtained such information by reasonable inquiry at the time of giving such employment, shall obtain information during the course of such farm labor employment indicating that such alien farm laborer is not lawfully within the United States and shall fail to report such information promptly to an immigration officer, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding $1,000, or by imprisonment for a term not exceeding 1 year, or both, for each farm laborer in respect to whom any violation of this section occurs."

Mr. COOLEY. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. COOLEY. Mr. Chairman, I call the Chair's attention to the fact that the amendment is almost identical with the amendment appearing in the Senate bill, the substantial difference being only in the matter of degree. It changes the penalty provision, but otherwise it is almost identical with section 509 which was held to be not germane.

I make the point of order that the amendment now before the Committee is not germane to the bill under consideration.

The CHAIRMAN. Does the gentleman from New York desire to be heard?

Mr. CELLER. Mr. Chairman, I have stricken out of the Senate bill and section 509, which was embodied in the Polk amendment, the words "or any other law relating to the immigration or expulsion of aliens." I make my amendment applicable only to alien farm labor. This bill concerns alien farm labor—alien Mexican farm labor—and within the four squares of what is meant by Mexican alien farm labor the words of my amendment to the substitute relate. This is a bill concerning the operations of alien labor, what they shall do and what they shall not do, under the terms and conditions that they may or may not come over the border, and my amendment certainly is consistent with the purposes and aims of the bill in general. A penalty for violation of the terms laid down is germane.

The CHAIRMAN. The Chair is ready to rule.

The Committee has before it a bill to which the gentleman from Ohio has offered an amendment, to which, in turn, the gentleman from New York has offered an amendment providing specific penalties for violation of the provisions of the bill when written into law. The rule of germaneness has been interpreted rather narrowly, but the Chair does not feel that it can declare or hold that the provision of a penalty for the violation of the provisions of the bill is new subject matter or unrelated subject matter.

Therefore, the point of order is overruled.

Mr. COOLEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3283) to amend the Agricultural Act of 1949, had come to no resolution thereon.

SPECIAL ORDER GRANTED

Mr. JACKSON of Washington asked and was given permission to address the House for 15 minutes today, following any special orders heretofore entered.

HOUR OF MEETING TOMORROW

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. EBERHARTER asked and was given permission to address the House today for 5 minutes, following any special orders heretofore entered.

Mr. LANE asked and was given permission to address the House tomorrow for 15 minutes, following any special orders heretofore entered.

T. L. MORROW

Mr. BYRNE of New York. Mr. Speaker, I call up the conference report on the bill (H. R. 1424) for the relief of T. L. Morrow, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 583)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1424) for the relief of T. L. Morrow, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

That the House recede from its disagreement to the amendment of the Senate, and agree to the following:

"Restore the matter stricken out by the Senate amendment with the figures in line 6, page 1, namely, $5,000."

And the Senate agree to the same.

PETER W. RODINO, Jr.,
THADDEUS M. MACHROWICZ,
EDGAR A. JONAS,
Managers on the Part of the House.

H. M. KILGORE,
ALEXANDER WILEY,
WARREN G. MAGNUSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1424) for the relief of T. L. Morrow, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The bill as passed by the House appropriated the sum of $5,000 to T. L. Morrow of Hattiesburg, Miss., in full settlement of all claims against the United States for personal injuries sustained by him in a collision with a United States Army vehicle at the intersection of Route 90 and White Road, Biloxi, Miss., on March 3, 1942.

The Senate reduced the amount to $2,500 and at the conference the sum of $5,000 was agreed upon.

PETER W. RODINO, Jr.
THADDEUS M. MACHROWICZ,
EDGAR A. JONAS,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CHESTER A. MACOMBER

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1692) for the relief of Chester A. Macomber, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That Chester A. Macomber, of Everett, Mass., is relieved of liability for repayment to the United States of the sum of $130.63, representing salary paid to him for services rendered as a temporary employee of the Post Office Department for the period from December 13, 1943, to January 5, 1944, during which time he was on terminal leave as a civilian employee of the Department of the Navy.

"SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Chester A. Macomber the sum of $130.63, such amount having been withheld from the annuity payable to him under the Civil Service Retirement Act of May 29, 1930, as amended, on account of the dual employment referred to in the first section of this act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. KEATING. Reserving the right to object, Mr. Speaker, may I ask the gentleman from New York whether the change in the Senate bill is simply of a technical nature?

Mr. BYRNE of New York. The amendment of the Senate does not change the purpose of the bill. It is merely a safeguard.

Mr. KEATING. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MRS. ALBERT W. LACK

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3229) for the relief of Mrs. Albert W. Lack, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out lines 9 to 12, inclusive, and insert "such award, pursuant to said act of September 7, 1916, to Mrs. Albert W. Lack, widow of Albert W. Lack, as on the basis of such findings shall appear equitable."

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. KEATING. Reserving the right to object, Mr. Speaker, do I understand correctly that this is simply changing the name of the beneficiary in this bill?

Mr. BYRNE of New York. No; the Senate amendment was merely to clarify the intent of the bill. It does not change the purpose of the bill as passed by the House.

Mr. KEATING. In what respect does it change the bill? My understanding was that it changed the name of the beneficiary under the bill.

Mr. BYRNE of New York. I do not believe this is the bill the gentleman has in mind.

Mr. KEATING. I should like to know in what respect it does change it.

Mr. BYRNE of New York. The bill itself does not indicate.

XUM

Mr. KEATING. I suggest the gentleman withdraw his request until tomorrow.

Mr. BYRNE of New York. Surely.

Mr. Speaker, I withdraw my request.

MRS. WALTER J. BICKFORD

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 512) conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Mrs. Walter J. Bickford, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 14, after "amended.", insert "Enactment of this act shall not be construed as an implication of liability on the part of the United States."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LUCY KONG LEE

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1800) for the relief of Lucy Kong Lee, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 5 and 6, strike out "Lucy Kong Lee, widow" and insert "the estate."

Amend the title so as to read: "An act for the relief of the estate of Chin Hien Lee."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SGT. BENJAMIN H. MARTIN

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1789) for the relief of Sgt. Benjamin H. Martin, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out "$15,000" and insert "$10,500."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. ARMSTRONG asked and was given permission to address the House for 45 minutes on Thursday next, following the legislative program and any special orders heretofore entered.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. BENNETT] is recognized for 30 minutes.

(Mr. BENNETT of Florida asked and was given permission to revise and extend his remarks and include extraneous matter.)

GENERAL LEAVE TO EXTEND

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks on the subject upon which I will address the House at this time.

The SPEAKER pro tempore (Mr. HERLONG). Is there objection to the request of the gentleman from Florida?

There was no objection.

CODE OF ETHICS FOR GOVERNMENT SERVICE

Mr. BENNETT of Florida. Mr. Speaker, today, a concurrent resolution setting forth a proposed code of ethics for Government service has been introduced.

No one Congressman drew this code. It was done by an informal, bipartisan committee, which has been at work on this for several months. At the request of this committee. I have taken the initiative in the introduction of the resolution.

A number of Members of Congress join as sponsors of this legislation. They include: CLIFFORD R. HOPE, JAMES J. MURPHY, HALE BOGGS, BILL LANTAFF, ROBERT J. CORBETT, JAMES T. PATTERSON, LAWRIE BATTLE, FRANK BOYKIN, WILLIAM JENNINGS BRYAN DORN, KATHARINE ST. GEORGE, GERALD FORD, MARGUERITE STITT CHURCH, JOHN PHILLIPS, FRED E. BUSBEY, WESLEY A. D'EWART, HARLEY O. STAGGERS, ROBERT HALE, THADDEUS M. MACHROWICZ, ROBERT T. SECREST, CLEVELAND M. BAILEY, PAUL CUNNINGHAM, CHARLES B. DEANE, EDWARD T. MILLER, HOMER D. ANGELL, WILLIAM L. SPRINGER, FRAZIER REAMS, CLEMENT J. ZABLOCKI, JAMES P. S. DEVEREUX, HENDERSON LANHAM, ERNEST GREENWOOD, and A. S. HERLONG.

When the committee which studied this matter first undertook the task, it drew up a preliminary statement concerning the foundations of any possible code of ethics that could be formulated. This statement was as follows:

PRELIMINARY STATEMENT

Government exists for men and not men for government. In a democratic republic such as ours, government is of, for, and by men. He who participates in government—whether as voter, elected office holder, or civil servant—is under a solemn obligation to recognize its great purpose, and to conduct himself accordingly.

The Christian, Jewish, and other religious faiths which share a belief in the sacredness and dignity of man will base their civic conduct on certain fundamental principles, including the following:

1. Individual rights arise from the brotherhood of man under the fatherhood of God. The great freedoms of speech, of the press, or religion are imperatives to be fostered and not disregarded.

2. Individuals are unequal in ability, but equal in their right to be regarded as individuals. Equality of opportunity, the American dream, is a major expression of this truth.

3. The office holder is the servant of the people and not their master. "He that is greatest among you, let him be the servant of all."

4. Public office is a public trust. It carries with it the obligation of personal integrity. Honor and truth in the spoken and written word are basic to responsibility in government.

These are governmental principles that derive from the spiritual faith of our ancestors. They precede any code of concrete conduct. Those who sincerely hold them may be trusted.

No code of conduct can hope to cover specifically the multitude of concrete situations which the complex and vast sphere of contemporary government contains within itself. Yet we believe there is value in identifying certain concrete principles which should guide public officials—in whatever branch or level of government.

In approaching this question of a code of ethics for all Government employees, including elective officials, we did not wish to become theoretical, complicated, or falsely pious in treatment of the subject; for it was our belief that a practical, brief, and understandable code could be worked out that would be of real assistance in the daily workings of government.

We read that many had thought about the idea in the past but never presented a code for enactment. In the May 1922 issue of The Annals of the American Academy of Political and Social Science, Prof. R. M. MacIver, of the University of Toronto, wrote:

The false old notion that there was, for that most ancient, and still most imperfectly defined, profession of statesmanship, a peculiar code which liberated it from ordinary ethical standards, has died very hard. In truth there could be no conflicts of ethics and politics, for politics could justify itself only by applying to its own peculiar situations and needs the principles which belong equally to every sphere of life.

We feel that there is a need for a code of ethics in the field of government at this time. And in saying this we do not wish to indulge in confessing the sins of others or even in bemoaning the low state of public morals. There are plenty of people putting in full time in those activities without there being any need for volunteers to fill their ranks at this time.

It would be well for us to remember that on the walls of this Chamber there are the pictures of many legislators of ancient times who found it necessary to mention standards of moral conduct in connection with governmental procedures. Up there is Hammurabi who, in 2250 B. C., considered it fitting to announce that "If a man offer as a bribe grain or money to witnesses, he himself shall bear the sentence of the court in that case"; and in the laws of Moses we read: "And thou shalt take no gift; for a gift blindeth them that have sight, and perverteth the word of the righteous."

In the early days of our own Republic, we find our ancestors establishing strong laws against those who might be found to be corrupt in public office. Bribery is one of the two specific grounds listed

in our Constitution as sufficient foundation for impeachment. In fact, we have on our statute books today many laws regulating the conduct of officials. We have an Administrative Procedures Act, which needs amendments to provide against recently discovered abuses in governmental functions. I have introduced H. R. 4389 for this purpose; and others have introduced other bills to perfect our governmental procedures in an effort to eliminate such abuses.

Yet, with all of our criminal laws and procedural acts and amendments which may be added, there still remains and will remain a need for a simple statement of ethical principles which can be used as a guide in governmental conduct. That is what we hope this proposed code will be. It might be well to mention what we feel that it is not. It is neither literature, religious dogma, criminal law nor political philosophy.

It would seem that even a simple code of ethics, such as we have submitted, might play its part in strengthening the forces of right and in increasing the internal security by adding to the sum of public confidence. In the book First Book on Jurisprudence by Sir Frederick Pollock the author says the following words which seem as appropriate today as they did when written:

> The need for internal order is as constant as the need for external defense. No society can be stable in which either of these requirements substantially fails to be provided for; and internal order means a great deal more than the protection of individuals against willful revolt or wanton lawlessness.

There are some who have written me concerning this matter expressing extreme pessimism about the value of any code of ethics. One United States Senator wrote me: "I learned years ago that no code of ethics has any effect on those who are not already ethical." Nevertheless, I personally think that the code can have considerable practical value.

I practiced law for a number of years and I can certainly testify that the lawyers' code helped me to turn down requests for improper actions which were occasionally made by persons seeking to employ me as an attorney. Reference to a code of ethics has helped thousands of attorneys to convince clients of the impropriety of contemplated actions. I do not think that there can be any doubt that the lawyers' code has helped to maintain a higher standard in the bar than would otherwise prevail.

Behind almost every politician who has exerted improper influence there is a constituent who has demanded such action. Most politicians resist improper requests, and very few indeed do wrong for financial advantage to themselves. But some do comply, silently cursing their unreasonable constituent and their own weakness and their fear of financial ruin and mostly their fear of political defeat. A code of ethics to show the constituent might provide the slender life line that could keep this brother afloat.

Most politicians are honest; just as most constituents are honest. A code of ethics might help to underline obscure ethical points which both parties would be happy to comply with, once having had the matter pointed out.

A code of ethics could help the voters to measure candidates at elections. This is true because it sets up standards of ethical behavior in a technical field in which some constituents might otherwise, through lack of experience, fail to appreciate important distinctions.

Moreover, the code of ethics can help governmental employers in evaluating the quality of the service of employees. Federal employees, for instance, may be fired for unsatisfactory work. It would seem that violations of a code of ethics could be the basis of finding an employee unsatisfactory. So it would appear that the code could have a bearing on the continued tenure of not only elected officials but also of civil-service employees.

In an article on codes of ethics, at page 57 of the October 1924 issue of the International Journal of Ethics, the author, W. Brooke Graves, says of a code of ethics:

> If it does nothing else than direct the thought of men toward ethical matters, the effort is not lost, for when the normal man thinks about matters of this sort he is more likely to try to do better. And the group can only reach a higher ethical standard as its individual members strive for the realization of such a standard.

If it would appear that the above practical applications of such a code are not sufficient to accomplish concrete results, it could be implemented by penalties and procedures; but I do not think that such are essential. I do believe, however, that any code of ethics will need revision from time to time; and I am rather certain that the Committee on Post Office and Civil Service will make changes in the present resolution before it is brought to the floor for a vote. I am sure that this code can be improved upon; but it is the best product that I could bring before you with the help of the others who worked with me and who have asked to remain anonymous.

The fact that the proposed code of ethics can be improved upon should not deter us from attempting to improve upon it, and then adopting it. The fact that there will still be transgressions after such a code is approved should not discourage us. If it helps in any case it is justified. A defeatest attitude should not be allowed. Criminal laws have frightened many men away from evil. Religions have inspired many men away from evil. Codes of ethics have done a little of both. I hope that we can all join together in attempting to perfect and establish a code of ethics for Government service that will be worth while.

The resolution to which I have referred reads as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the following code of ethics should be adhered to by all Government employees, including officeholders:

CODE OF ETHICS FOR GOVERNMENT SERVICE

Government employment, whether as an elected officer or not, requires both conscientious vocational labor and righteous personal conduct. It should be characterized by devotion to God and country.

As a desire and purpose to forward the best interests of the United States are an essential part of the loyalty of citizenship, no person who fails to have such desire and purpose should hold Government employment.

A Government employee should:

1. Put loyalty to God and country above loyalty to persons, party, or Government department.
2. Uphold the Constitution, laws, and legal regulations of the United States and of all governments therein and never be a party to their evasion.
3. Give a full day's labor for a full day's pay.
4. Seek to find and employ more efficient and economical ways of getting tasks accomplished.
5. Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not; and never accept favors or benefits from persons doing business with the Government.
6. Make no private promises of any kind binding upon the duties of office. (A Government employee has no private word which can be binding on public duty.)
7. Engage in no business with the Government either directly or indirectly.
8. Never use any information coming to him in public functions as a means for making private profit.
9. Expose corruption wherever discovered.
10. Never seek to influence another to violate these principles.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Florida. I yield.

Mr. PHILLIPS. I congratulate the gentleman for what he has done. I have seen him working on this and struggling with it for many months. It was his idea. He was the first to bring it informally to the attention of individual Members of the House. I do not think at any time the gentleman felt—and I think he would say so today—that he would bring in for the first time a perfect Code of Ethics; any more than the code of ethics for the Bar Association for the attorneys, or a code of ethics for doctors, or a code of ethics for any other profession such as engineers, or what have you, was perfect at the first time. Such codes were placed on paper and brought to the light of day.

I believe he has done a great service. I believe out of this will come eventually a code of ethics that we will look upon with pride as something as to which we can say, as public servants: This is what we stand for; this is our guide.

I am glad, indeed, and I thank the gentleman for permitting me to associate myself with him as one of the sponsors of this initial introduction of what will be a code of ethics for people in public life.

Mr. BENNETT of Florida. I certainly wish to thank the gentleman from California and to say he has given me great assistance in working this thing out and has given me much encouragement and worked in every possible way to assist me. I entirely agree with him that this code, in its present form, cannot be considered as being perfect. It has been a real inspiration to me to serve with the gentleman from California in trying to work out this code of ethics to the best of our ability.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Florida. I yield.

XUM

Mrs. ROGERS of Massachusetts. This shows real courage. The gentleman has courage in every way and in every other respect. We do honor to him.

Mr. BENNETT of Florida. I thank my good friend. She certainly has been a true friend to me in everything that I have attempted to do here. Your great career in Congress has been a challenge to me in what I have tried to do.

Mrs. ST. GEORGE. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Florida. I yield.

Mrs. ST. GEORGE. I want to add my comment to those which have been made concerning the gentleman from Florida for this very splendid work that he has done. I know he has given a great deal of time and a great deal of thought to it. I also like this code of ethics because it is simple. It is straightforward. It is something we can all understand, and we can all adapt it to our own needs. It is not pompous, it is not preachy, it it not holding up anything or anybody as being better than anything or anyone else. It is simply a straightforward statement of facts. In this modern world it seems to me that such a statement is needed. The gentleman from Florida deserves the greatest credit for having put this into simple form and for having brought it to the attention of the Members of the House of Representatives, and finally for having brought it to the floor. I thank the gentleman for having allowed me to associate myself in some small way with this work. I hope it will go forward. I hope it will prosper and I hope it will improve because I am sure it is something that is necessary and something that can do a great deal of good, not only so far as we are concerned, but also for our Government employees and as a reassurance to all the people of the country, that they may know that their public servants have God-righteousness and God-fearingness in their hearts and minds.

Mr. BENNETT of Florida. I certainly am deeply indebted to the gentlewoman for her remarks and her help in this project. Her splended work in this House sets an example of public service at its best.

Mr. RHODES. Mr. Speaker, I commend the gentleman from Florida for his noble objective in seeking to improve moral and ethical standards in Government.

Although we cannot legislate high morals and good ethics I believe that the adoption of a code of ethics as proposed by my colleague, would be helpful in bringing light on some of the evils which need to be challenged and eliminated so far as it is humanly possible.

But we must not attempt to disassociate immoral and unethical acts in Government from the lack of ethics and morals in our community and economic life.

Government, whatever it is, generally reflects the understanding, the intelligence, the morality, or the apathy and confusion of the public.

Deceptive propaganda of fronts and lobbies adds to confusion and immorality. For a high standard of morality and ethics in our communities, in the Government, or in the Congress the Nation's press must adopt higher moral and ethical standards.

Nothing can be more effective in promoting high moral and ethical standards than a press which is not only free but honest and clean.

If the stream of public information is polluted, it will not only affect morality in Government, but the unity of our people, the strength of our Nation, and the welfare of our people.

Mr. Speaker, I hope to discuss this question in greater detail at some future time.

MRS. ALBERT W. LACK

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3229) for the relief of Mrs. Albert W. Lack, with Senate amendment thereto, and concur in the Senate amendment.

Since I made my previous request I have taken this up with the gentleman from New York and satisfied him on the point on which he desired information.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out lines 9 to 12, inclusive, and insert "such award, pursuant to said act of September 7, 1916, to Mrs. Albert W. Lack, widow of Albert W. Lack, as on the basis of such findings shall appear equitable."

Mr. KEATING. Mr. Speaker, reserving the right to object, since the matter came up before I had examined the text of this change and find it is simply of a technical nature. It does not in my judgment change the meaning of the bill.

I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Under the previous order of the House the gentleman from California [Mr. JACKSON] is recognized for 30 minutes.

THE COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. JACKSON of California. Mr. Speaker, I dislike to impose upon the House at this late hour, but unfortunately my remarks are in the form of notes and not a manuscript which I could insert in the RECORD else I would gladly do so.

I should like in a few minutes to briefly to discuss the work of the House Committee on Un-American Activities as it shapes up at this time some 6 months after the convening of the first session of the present Congress. We all know that since the creation of the House Committee on Un-American Activities it has been one of the most controversial committees of the Congress; at least one President of the United States has berated it as a "red herring" and as "the un-American committee." The Communist press and the fellow traveler press of the Nation have frothed at its activities and at an alleged disregard of the rights of witnesses appearing before the committee. At other times the more conservative elements of the American press have taken issue with the conduct of the committee and have, in a maner of speaking, shaken a saddened editorial head at some of those activities. But, Mr. Speaker, through all of the vicissitudes of the existence of the House Committee on Un-American Activities that committee has had one great and priceless asset; it has enjoyed to the fullest extent the confidence of the vast majority of the people of this country. That approval has rendered it possible for this committee to do a very important task, a task which cannot be underestimated in the light of present world conditions.

Much of the credit for the continuing success of the Committee on Un-American Activities must be given its able and conscientious chairman, the distinguished gentleman from Georgia [Mr. WOOD], who in the conduct of his important assignment has been eminently fair, straightforward, and desirous of protecting all of the legitimate rights of the witnesses who have been subpenaed before the committee. In this task he has been assisted by an able and conscientious staff of investigators and by the chief committee counsel, Mr. Frank Tavenner.

The Communist press to the contrary notwithstanding, it is safe to say that today there is no badgering of witnesses before the committee, and there is no "baiting" of those who appear to give their testimony. All witnesses may be represented by legal counsel in their appearances before the committee and may seek advice on points having to do with possible self-incrimination. Postponements have been granted from time to time to those witnesses whose immediate appearance might cause injury to their health. I quote these instances only to indicate that every reasonable consideration is given to the witness and to his reasonable and legal requests.

In short, the House Committee on Un-American Activities has been making every effort to justify itself in the eyes of the Congress and of the Nation as an important investigative arm of the House of Representatives and of the Congress of the United States. During the present session of the Congress there has been little criticism in public print or from other sources with respect to the conduct of the committee. This statement, of course, excludes the Daily Worker, the Daily People's World ,and other publications of a left-wing or Communist character.

Much of the universal acceptance of the present work of the Un-American Activities Committee can, of course, be traced to changed world conditions and to a changed public opinion, both in the United States and abroad, and to a new recognition and a fuller realization of the threat posed to freemen and to free institutions by the international Communist conspiracy. What was once considered by some well meaning but misdirected people as a "witch hunt" or as "Red baiting" is now generally recognized throughout this country as a proper

activity in the defense of the American people and of our way of life against an organized and secret conspiracy which has sought and presently seeks the overthrow of every constitutional form of government in the world that does not parallel that practiced in the Soviet Union. No thinking man today, Mr. Speaker, underrates the threat of the Communist conspiracy. Frustrated in its efforts to achieve its goal by subversion and treason, we have seen that conspiracy engage in the utilization of the armed force as an implement of foreign policy in Korea. Political developments in Poland, Estonia, Latvia, Lithuania, Bulgaria, Rumania, Albania, China, North Korea, Tibet, and other lands have shown the power of organized minorities working undercover and through subversive channels to disrupt and destroy human liberty and human freedom.

Two of the finest words in the English language have been combined and corrupted to form the ironic phrase "people's republic." Neither "republic" nor "people's" are words to describe organized misery and the concentration camp methods practiced within the Communist system.

Propaganda is one of the most lethal weapons in the hands of Communist leaders. It is a weapon which is wielded skillfully by those leaders. Communism, we know, uses the minds and the talents of individuals to influence the thinking and the mass actions of others. Perhaps no fields of human endeavor have offered quite the fertile field for Communist propaganda as have those activities associated with the arts, sciences and professions. Those fields were particularly subject to attack by communism during the period of the late war and in the years immediately succeeding that conflict. The stage, the screen, the radio, and every other medium of public entertainment and public information came under a premeditated and determined attack during the period. Recruits were found and Communist cells flourished wherever artists for one reason or another lent themselves to this conspiracy.

There is, of course, no greater medium of information in the world today than the medium of moving pictures. From the small beginnings in Hollywood of Vitagraph and Pathé Pictures, and of many of the other early studios, there has grown a great and prosperous industry, an industry in which there has been made financial investments totaling hundreds of millions of dollars; an industry which has furnished employment to thousands and thousands of American citizens of unquestioned integrity and unquestioned loyalty. From Kankakee to Tanganyika there is no hamlet, no matter how small, that has not come under the influence of motion pictures. There is scarcely a community of any size in the world today which does not number among the groups and associations in that community a fan club of one sort or another who take as their idol one of the great artists of the moving picture industry. Mabel Normand, Pearl White, Nita Naldi, Charlie Chaplin, William and Dustin Farnum, William S. Hart and a score of other great stars in the early days of the moving picture industry were forerunners of those who were later to amass fortunes and become known throughout the civilized world through the medium of moving pictures. In short, it can be said that within the space of a very few years the motion picture became a great medium for good or for evil. The Communists were not slow to recognize this fact. As adept as they are in propaganda efforts, they early recognized the medium of the motion pictures as a channel through which there might be disseminated that information which they considered essential to the creation of a political climate in which communism could and would flourish. We, who have the privilege of living in the so-called democratic nations of the earth, are sometimes slow to use the weapons at our hands for the dissemination of information which tends to paint an accurate picture of life here in America. The Communists, on the other hand, are never asleep at the switch and are always ready to seize upon any opportunity given them to spread their doctrines and their philosophies.

Hollywood, obviously then, offered to the Communist movement four great things. If they could capture and could control the moving-picture industry there were open to them four channels of inestimable value. In the first place, the Communist movement, if successful in Hollywood, would gain the prestige of great names, names known throughout the world as leading artists, directors, writers, and others in the industry. They would obtain, secondly, financial support from the world capital of the moving-picture industry in which fabulous salaries were being paid to the artists. They saw also the opportunity of gaining control of the craft unions and the guild unions in Hollywood, which control would, in turn, place them in a position to dictate their own terms to the industry leaders and lead, in turn, to the fourth great propaganda medium which they hoped to achieve, and that was the planting of Communist propaganda in motion pictures by the insertion of material favorable to the Communist system.

Under the direction of V. J. Jerome, the Communist Party cultural director, the attack was launched. John Howard Lawson, one of the Hollywood 10 who was imprisoned for contempt of the Congress, became the bellwether of the Hollywood flock. It was to John Howard Lawson that confused and bewildered members of the party took their problems. It was John Howard Lawson who explained how the United States could be allied with one force on any given day and then move 180 degrees around the circle and be with the other side on the following day. Evidently Mr. Lawson did a splendid job of rationalization in this respect, because he did convince a number of people that these changes of course were logical and justified. Recruits were sought in Hollywood and were obtained in every section of the moving-picture industry. Stars, directors, writers, grips, electricians—all of the guilds and crafts—were finally represented in the Communist Party in Hollywood when it reached the height of its strength during the war years.

If there is any question, Mr. Speaker, that is asked more frequently than any other, it is, How is a high-paid moving picture actor or actress induced to join the Communist Party, a political group which holds as anathema anything and everything connected with the capitalistic system? Several reasons have been advanced by those witnesses who appeared before our committee as the reason why they, as individuals, became members of the Communist Party and took part in its activities. In the first place, there was the thrill of the unique and unconventional which might be compared to the feeling of self-achievement experienced by one who sits on a flagpole for a hundred days. Secondly, there was the individual who had a sincere and deep sense of social obligation, and it appeared to him that he could best find an outlet for this expression in the ranks of the Marxists. Third, there were the careful characters, those who thought, that while the democratic way of life might continue to exist and prosper, there was always the chance that a Communist system might overcome the democratic form of life in the final struggle. These people said, "Just to be safe I am going to keep a foot in each camp."

There was another large group who suffered from a weird assortment of neuroses and who took those neuroses with them into communism and tried to solve their problems within the framework of the Marxist philosophy.

Finally, there were those for whom no brief can be held at all except to say that they were stupid.

It has been estimated that during the height of the Communist activity in Hollywood from 200 to 250 name personalities were recruited into the party. This would have been during the period of the late 1930's and the 1940's. Many of those individuals have since that time unquestionably left the Communist Party, but by the same token many are members to this day.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of California. I yield to the gentleman from California.

Mr. PHILLIPS. The gentleman is making a very good contribution to what might be called a library of information that is accumulating, especially out of his committee, on not merely the effort but the technique of imposing thoughts upon this country. I wonder if he could answer this: Has the gentleman any idea of what was taken out of the movie colony in money during those days?

Mr. JACKSON of California. I hope to come to that if time permits.

Was the Communist Party in its Hollywood activity successful in achieving any of the objectives which I have set forth? The prestige of great names was achieved and used successfully especially within the ranks of the party itself, to attract others to membership. The names played a material part in recruitment.

In the field of financing, I question very much whether it will ever be known how much money was contributed by

XUM

party members to the Communist Party in Hollywood. We do know that several witnesses have testified that they drew salaries in amounts varying from $2,000 to $4,000 and $5,000 during the period when they were members of the party and that regular pledges were paid to the party over a period of many months.

As to the control of unions, there was a marked success during one particular period when the Conference of Studio Unions, under the leadership of Herbert K. Sorrell, struck and succeeded in tying up the entire moving-picture industry over a period of many months. However, it must be said in all justice and all fairness that the Communists were never successful except in very isolated cases in obtaining control of any of the craft or guild unions.

Propaganda in picture content was successful to some extent, particularly during and immediately after the war years, when the Soviet Union was our ally. The so-called documentary film offered an excellent medium for Communist propaganda.

During the last 5 months the House Committee on Un-American Activities has been investigating the extent of Communist infiltration and activity in the motion-picture industry. I should like to point out, Mr. Speaker, that "industry" in this sense means not only the men who control the destinies of the studios but comprises as well thousands and thousands of American citizens who, after their work is finished, go to their homes and their families in much the same manner and with much the same spirit as do millions of other Americans.

One of the first witnesses this year before the House Committee on Un-American Activities was Larry Parks, the star of the Jolson Story. The case of Larry Parks is unusual because he was the first to appear before the committee and admit prior membership in the Communist Party. Since then the committee has heard two score or more witnesses from Hollywood, and they have been, according to their own determination, cooperative, uncooperative, arrogant, or contemptuous. Each has been an individual case and has had to have consideration upon its individual merits.

The majority of the witnesses have been represented by counsel. An attorney, Mr. Ben Margolis, of Los Angeles, who has represented a number of noncooperative witnesses, has been identified on the witness stand as being himself a member of the Communist Party.

Great progress, I believe, has been made in the current hearings, and there is reason to believe that a majority of the more prominent members of the party in Hollywood have at this time been identified. I believe it is the intention of the committee to carry on further investigations on the west coast, and unquestionably a number of additional subpenas will be issued at the proper time.

The right of a witness to answer questions or not to answer questions put to him by committee counsel or by committee members has been scrupulously observed in the present hearings.

In general, I can say that witnesses who have appeared before the committee during the past 6 months can be classified in three categories. We have first of all the witness who has been a member of the Communist Party and whose membership in the Communist Party is documented. That category of witnesses breaks down still further to first, those who talk, and second, those who do not talk. Naturally, the first category is very helpful to us in gathering the information necessary to propose intelligent legislation to the Congress.

In the first category of those who talked to the committee were Parks, Collins, Hayden, Rosenberg, Dmytryk, and Lawrence, among others. In the category of those who refused to cooperate with the committee were Gough, Da Silva, Polansky, and of course, in 1947, the original Hollywood ten. Obviously the committee obtains its best information from those former Communists who are willing to cooperate and who are willing to tell the committee what they know about the operations of the party and tell about those who held membership during the same period of time.

The Committee on Un-American Activities has a tremendous job to do. It has the job of spotlighting those whose activities are subversive in nature and those whose activities and whose public statements have made them suspect. Not only in entertainment, but in education, labor unions, and in industry Communists have succeeded in infiltrating. Even at this moment there are seminars and institutes being held throughout the country at which some of those who have become suspect are participating.

Mr. HILLINGS. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of California. I yield.

Mr. HILLINGS. I wish to commend the gentleman for the excellent presentation he is making this afternoon on the very important subject of subversive activities. I might say that I can remember when not very many months ago the conservative and liberal elements throughout the country, in addition to Communists and the Communist Party itself were roundly condemning the Committee on Un-American Activities of this body for the work it had been doing. I prefer to recall the splendid work of the committee in sending Mr. Alger Hiss to the Federal penitentiary.

Again I wish to commend the committee for the excellent job it has done in exposing these subversive activities.

I wish to ask the gentleman if he is aware of the fact that an organization known as the Institute of International Relations currently is holding a meeting on the west coast at Whittier, Calif., in which a number of the individuals who are carrying the torch for some of this Communist propaganda are scheduled to be in attendance. Is the gentleman familiar with that?

Mr. JACKSON of California. I would say to the gentleman from California that my understanding is that such an institute is being held and that several of the individuals who have become suspect over the years are connected with that institute. If the gentleman likes, I will read a couple of paragraphs here which might cast some light on that subject.

Mr. HILLINGS. I would appreciate it if the gentleman would do that.

Mr. JACKSON of California. One of the participants in the institute in question is Mr. Henry J. Cadbury, a professor at Harvard University. Dr. Cadbury was one of the sponsors of the American Rescue Ship Mission arranged under the auspices of the United American Spanish Aid Committee. That committee was cited by Attorney General Tom Clark and he said in the citation:

> The Communist Party threw itself wholeheartedly into the campaign for the support of the Spanish Loyalist cause, recruiting men in organized, multifarious, so-called relief organization.

There are several other citations with respect to Dr. Cadbury.

Mr. HILLINGS. Would the gentleman find it possible to place that material in the RECORD?

Mr. JACKSON of California. I should be very happy to place all of the material in the RECORD.

Another educator connected with the same institute is Dr. Maynard C. Kreuger, professor of economics at the University of Chicago. The citations are too long to read in the time allotted to me, but I will ask permission to extend them in the RECORD.

Mr. HILLINGS. I wish again to thank the gentleman and urge that this material be brought to the attention of some of the people who are concerned about the particular meeting which I have mentioned.

Mr. JACKSON of California. I thank the gentleman.

Mr. Speaker, in conclusion, I feel that the Committee on Un-American Activities is doing a constructive, well thought out, and conscientious job in bringing to light these facts. This is not a question of thought control. It is not a question of suppressing opinions. It is simply a question of certain individuals holding opinions which those under their control or those who are subject to their instruction should know.

It is one thing to teach the facts about any political party, including the Communist Party, but it is another thing to propagandize under the guise of education. This is a matter of grave concern to everyone who is concerned with education. It is to be hoped that if any injustice has been worked upon any of the individuals I have mentioned, that they will come forward to repudiate the associations or to make a statement relevant to the matter. I might say, and I am sure that Judge Wood has said this same thing many times, that anyone who feels the House Committee on Un-American Activities has been unfair, or has been instrumental in damaging his character is welcome to come before the committee and make a full explanation. This does not mean, of course, that we are particularly anxious to have a long procession of people through the committee who decline to answer the questions of the committee. We are seeking information, and we are not trying to be a whistle stop on the way to jail; but the

only way we can get this information is from individuals who appear as witnesses and cooperate with the committee.

In conclusion, Mr. Speaker, I should like to call attention of the membership of the House to the recently published document Guide to Subversive Organizations and Publications which was prepared and released by the House Committee on Un-American Activities. It should be in the office not only of every Member of Congress, but of every educator, of every union official, of every captain of industry. This is the listing of organizations whose conduct across the years has been such as to indicate that they have been consistently following the Communist Party line. I recommend it to the attention of the membership of the House and of the American public at large.

Mr. Speaker, I ask unanimous consent that I may insert at this point in my remarks the information I referred to earlier in my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

(The matter referred to follows:)

The public records, files, and publications of the Committee on Un-American Activities contain the following references to persons named in the subject above:

Henry J. Cadbury (Hollis professor of New Testament, Harvard University, and chairman of the American Friends Service Committee):

Dr. Henry J. Cadbury was one of the sponsors of the American Rescue Ship Mission, arranged under the auspices of the United American Spanish Aid Committee, as was shown on a letterhead of that committee dated February 13, 1941. In 1937 and 1938, "the Communist Party threw itself wholeheartedly into the campaign for the support of the Spanish Loyalist cause, recruiting men and organizing multifarious so-called relief organizations," among which was the United American Spanish Aid Committee (Rept. 1311 of the Special Committee on Un-American Activities, released March 29, 1944, pp. 82 and 138). Attorney General Tom Clark cited the United Spanish Aid Committee as Communist on lists furnished the Loyalty Review Board (press releases of April 25, 1949, and July 25, 1949); he further cited the American Rescue Ship Mission as Communist and "a project of the United American Spanish Aid Committee" on his list which was released to the press July 25, 1949.

The Daily Worker of September 24, 1940 (p. 1), reported that "83 prominent church men, educators, and other leaders in public life joined yesterday in an open letter to Attorney General Robert H. Jackson urging him to take action under Federal statutes on unlawful attempts to prevent minority parties from being placed on the ballot. The letter was made public by Dashiell Hammett, chairman of the Committee on Election Rights, 1940, of the National Federation for Constitutional Liberties." Among the list of persons who signed the open letter was the name of Dr. Henry J. Cadbury, Harvard University, a leader in the Society of Friends.

The Special Committee on Un-American Activities cited the Committee on Election Rights as a Communist-front organization "whose function was to agitate for placing the Communist Party on the ballot throughout the United States" (Rept. 1311 of March 29, 1944, pp. 47 and 48). The same report contained the following citation of the National Federation for Constitutional Liberties: "There can be no reasonable doubt about the fact that the National Federation for Constitutional Liberties—regardless of its high-sounding name—is one of the viciously subversive organizations of the Communist Party" (also cited in the Special Committee's reports of June 25, 1942, and January 2, 1943). The congressional Committee on Un-American Activities cited the National Federation as "one of the organizations spawned for the alleged purpose of defending civil liberties in general but actually intended to protect Communist subversion from any penalties under the law" (Rept. No. 1115, released September 2, 1947, p. 3). Attorney General Tom Clark cited the National Federation as subversive and Communist (letters to the Loyalty Review Board, released to the press December 4, 1947, and September 21, 1948); Attorney General Biddle cited the National Federation as "part of what Lenin called the solar system of organizations, ostensibly having no connection with the Communist Party, by which Communists attempt to create sympathizers and supporters of their program." (CONGRESSIONAL RECORD, volume 88, part 6, page 7446.)

Maynard C. Krueger (professor of economics, University of Chicago; frequent participant University of Chicago Radio Roundtable):

A press release which was issued by the American Youth Congress named Maynard Krueger, vice president, American Federation of Teachers, as one of the prominent individuals who endorsed the American Youth Act. Attorney General Tom Clark cited the American Youth Congress as subversive and Communist (letters to the Loyalty Review Board, released December 4, 1947, and September 21, 1948); "it originated in 1934 and * * * has been controlled by Communists and manipulated by them to influence the thought of American youth." (Attorney General Francis Biddle, CONGRESSIONAL RECORD, volume 88, part 6, page 7444; also cited in re Harry Bridges, May 28, 1942, p. 10.) The Special Committee on Un-American Activities cited the American Youth Congress as "one of the principal fronts of the Communist Party" and "prominently identified with the White House picket line * * * under the immediate auspices of the American Peace Mobilization." (Report of June 25, 1942, p. 16; also cited in reports of January 3, 1939, p. 82; January 3, 1941, p. 21; June 25, 1942, p. 16, and March 29, 1944, p. 102.)

On August 17, 1938, Mr. Walter S. Steele appeared before the Special Committee on Un-American Activities and testified as follows:

"Just as the Communist Party has its defense movement, the International Labor Defense, so also has the Socialist Party, the Workers' Defense League. The latter organization was formed in May 1936 by leading members of the Socialist Party. * * * The National Committee of the Workers' Defense League is composed of the following Socialist and extreme left wingers: * * * Maynard Krueger." (Public hearings, vol. I, pp. 678–679.)

Milton Mayer: Milton Mayer, identified as a professor at the University of Chicago, was reported to have addressed a meeting of One Worlders in Syracuse, N. Y., as follows: "We must haul down the American flag. And if I wanted to be vulgar and shocking, I would go even further and say haul it down, stamp on it, and spit on it." (from the CONGRESSIONAL RECORD, volume 93, part 2, pages 1720–21, Representative Gearhart of California, in introducing H. R. 234 for punishment of those who desecrate the flag; his quotation was from newspaper clipping from Syracuse Post-Standard of February 16, 1947.)

The Daily People's World for July 5, 1950 (p. 4), reported that Milton Mayer, who described himself as "a rabid anti-Communist," addressed the Quaker Institute of International Relations and told them that the United States policy in Korea "seems dangerously like the totalitarianism we are supposed to be fighting."

Mordecai Johnson (president of Howard University, Washington, D. C.):

According to the Daily Worker of March 16, 1922 (p. 1), Mordecai Johnson praised the Communist Party; he praised the Communists and defended the Soviet Union (Daily Worker, May 21, 1948, p. 7).

The Summary of Proceedings of the Win-the-Peace Conference of the National Committee To Win the Peace, Washington, D. C., April 5–7, 1946, carried the name of Dr. Mordecai Johnson as chairman of the Saturday Evening Session. The National Committee To Win the Peace was cited as subversive and Communist by former Attorney General Tom Clark in letters furnished the Loyalty Review Board and released to the press by the United States Civil Service Commission December 4, 1947, and September 21, 1948.

An advertisement of the National Federation for Constitutional Liberties carried in the New York Times of April 1, 1946 (p. 16), listed Mordecai W. Johnson, educational administrator, Howard University, as one of the signers of a statement opposing the use of injunctions in labor disputes. The Daily Worker for March 18, 1945 (p. 2), shows that Dr. Mordecai W. Johnson was one of the endorsers of a statement sponsored by the National Federation for Constitutional Liberties, hailing the War Department's order on commissions for Communists. (See pp. 1 and 2 of this memorandum for citation of the National Federation.)

Mordecai W. Johnson spoke at the Southern Negro Youth Conference, as shown by the Daily Worker for January 23, 1937 (p. 3). The Southern Negro Youth Congress was cited as subversive and among the affiliates and committees of the Communist Party, USA, by Attorney General Tom Clark in a letter furnished the Loyalty Review Board, released to the press December 4, 1947. The Special Committee on Un-American Activities (in its report of January 3, 1940, p. 9), cited the Southern Negro Youth Congress as a Communist-front organization.

Dr. Johnson spoke at the second conference of the Southern Conference for Human Welfare, Chattanooga, Tenn., April 14–16, 1940, as shown by the Call to the Conference. The Southern Conference was cited as a Communist-front organization by the special committee in its report dated March 29, 1944 (p. 147). The congressional Committee on Un-American Activities, in its Report No. 592, released June 12, 1947, cited the Southern Conference as an organization "which seeks to attract southern liberals on the basis of its seeming interest in the problems of the South" although its "professed interest in southern welfare is simply an expedient for larger aims serving the Soviet Union and its subservient Communist Party in the United States."

Dr. Mordecai W. Johnson was quoted with approval by the Daily Worker (November 24, 1950, p. 3); a speech delivered by Dr. Johnson was reprinted in the December 17, 1950, issue of that newspaper (p. 2) and he was also quoted with approval in the December 24, 1950 issue (sec. 2, p. 5). The Daily Worker was cited as "the chief journalistic mouthpiece of the Communist Party * * * founded in response to direct instructions from the Communist International in Moscow" by the Special Committee on Un-American Activities in its report dated March 29, 1944 (pp. 59 and 60). It was cited as the "official Communist Party, U. S. A., organ" by the Congressional Committee on Un-American Activities. (Rept. No. 1920 of May 11, 1948, p. 44.)

James A. Cobb, attorney, testified before the Special Committee on Un-American Activities on November 5, 1938, in public hearings, "that Dr. Mordecai Johnson, president

XUM

of Howard University, has publicly advocated the doctrines of communism." He read portions of speeches delivered by Dr. Johnson to substantiate his statement. (Vol. 3, public hearings before the Special Committee on Un-American Activities, pp. 2143–2161.)

NAM ATTACK ON ERIC JOHNSTON

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that I may extend my remarks at this point in the RECORD and to include immediately following my personal remarks the contents of two letters with respect to the National Association of Manufacturers controversy with Mr. Eric Johnston.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, the National Association of Manufacturers, which was the big winner here in 1946 when the Congress crippled price control—and which was promising the people that prices would not go up out of line if price control was killed—is now trying once again to persuade the Congress of the United States to rip off the only protection the people now have against higher and higher cost-of-living prices. The NAM says get rid of price controls and use taxes and credit restraints instead. But the same NAM that says do not use price control to curb inflation because taxes can do the job, also was in here last week trying to kill off the tax bill. That kind of logic might appear to the NAM to be good enough to fool Congress with, on the theory that it does not take much to fool the Congress, but the NAM is wrong on that theory just as it is on most of the theories it tries to lobby into law.

I was very disturbed, Mr. Speaker, to see that this organization, which is not above turning itself into a lobby for organized greed, has launched an attack on an outstanding American businessman who has had the patriotism to take over a difficult and thankless job of trying to stabilize this economy in the face of the dangerous inflationary threat ahead. I am referring to Mr. Eric Johnston, the Administrator of the Economic Stabilization Agency, a man who has had the courage to stand up for the consumers and the people against this selfish drive for business-as-usual in time of national crisis.

The NAM says Eric Johnston now has a "new economic religion" from the one he followed when he was president of the Chamber of Commerce of the United States and an active businessman. It says he has "not been engaged directly in business for some time," meaning, therefore, that he just cannot know what he is talking about when he calls upon business to do its part in this emergency by holding down prices—and requiring that prices be held down.

I was therefore very pleased to learn that when a businessman sent Mr. Johnston a copy of a NAM attack on him, and chided Mr. Johnston for allegedly changing his economic views, that Mr. Johnston not only replied forcefully but made public the exchange of correspondence.

I believe, Mr. Speaker, that the Members of Congress would be interested in reading that exchange of letters for a real insight on how an outstanding businessman can go ahead in a difficult job in the public interest despite smears from an outfit from the NAM.

The exchange of correspondence follows:

OTT-HEISKELL CO.,
Wheeling, W. Va., June 8, 1951.

Mr. ERIC JOHNSTON,
Washington, D. C.

GOOD MORNING, MR. JOHNSTON: There is an editorial in the June 9 issue of NAM News captioned "Eric Johnston's new economic religion." I think your position, as quoted in press interviews, gives ample grounds for this editorial.

Of course, it's all right for an individual to change his mind. That is often done, but for one with your background—one with your past experience—it seems to me you would be a bit loath to give up all that you once believed in simply because of a changed position now. For one, I am still old-fashioned enough to believe that America should remain a land of freedom and opportunity. A system you once advocated and defended. It is still a pretty good plan to follow. What has become of the rugged individual you once were?

Yours truly,

W. F. KENNEDY.

ECONOMIC STABILIZATION AGENCY.

Mr. W. F. KENNEDY,
President, Ott-Heiskell Co.,
Wheeling, W. Va.

DEAR MR. KENNEDY: As you were thoughtful enough to take a few minutes from your busy day to write to me about the editorial in the NAM News of June 9, I am taking a few minutes to reply.

Although my views on the need for temporary direct controls apparently differ from the stated position of the National Association of Manufacturers, I have no quarrel with that organization, or any organization that takes the NAM position. The writer of the editorial you sent is entitled to his point of view and his right to express it. I only regret his many inaccuracies which give a distorted picture.

Among those is the statement: "It is fair to point out, however, that Mr. Johnston has not been engaged directly in business for some time. His cast of thought and motivation are no longer governed by the requirements of running a business successfully to safeguard the jobs of employees and the rights of stockholders."

Now, what are the facts? I have been the operating head continuously, until I took the position as Economic Stabilizer in January, of four businesses in the Northwest, three of which I founded. These businesses are all successful financially. They give employment to a number of people. The businesses are expanding and are creating more jobs. The stockholders appear to be satisfied with the operation and with the dividends they are receiving.

But the factual inaccuracies are not the only unfortunate aspect of the NAM editorial. Isn't the writer saying, in effect, that the United States has citizens of the first class, in those who are engaged in business, and second-class citizens in those who are not in business? Is that the kind of country we want America to be? It certainly is not my idea of America.

And I'm wondering if you'd really subscribe to the editorial writer's indicated philosophy of public service. He lays down a rule that Government officials should be guided by the requirements of running a business successfully with the first regard to employees and stockholders. Wouldn't you agree with me that a man who accepts a position of responsibility with the Federal Government in time of national emergency has a greater loyalty that comes first? I mean a loyalty above all to the public interest. I believe the public interest embraces business, labor, the farmer, the consumer and transcends the interest of any one group, no matter how vocal or politically powerful that group may be.

In discharging the responsibilities of my office I believe that I can be most effective in safeguarding the rights of stockholders and the jobs of employees by safeguarding the security of the United States to the best of my ability. And right now that means bending all my efforts to speeding the national-defense program as effectively as possible.

Would the NAM editorial writer set up the requirement that one must be a businessman to serve in Korea? Would he reserve the Purple Hearts for those who are stockholders in corporations? Would he save the headstones for those who have met a payroll?

There never has been any secret about my views on the American economy and the place of controls in that economy. I have said repeatedly, and I say now, that I am inherently opposed to controls. But during this period of emergency, controls are a safeguard to our democratic capitalism, and uncontrolled inflation is the major threat to our system. It's because I want to see our capitalism continue that I support controls as a temporary necessity.

Why do we need controls? Because the American people are determined to preserve their freedoms. They realize that when we are dealing with an aggressor who respects only force, we must rearm as rapidly as possible. And that is what we are doing, rearming for national security and survival. The decision to take this course was not a Washington decision. It was made by 150,000,000 Americans. I am sure you are among them, and that other members of the NAM are among them.

In building up our national defense we are going to spend vast sums for things that cannot be consumed. The national income is rising while the supply of consumer goods is being restricted. By this time next year we will be spending for national defense at the rate of about $60,000,000,000 annually. More people will be employed than ever before, more hours will be worked, more overtime will be paid. At the same time there will be fewer civilian goods and services to purchase.

This is the making of a highly inflationary spiral. We must attempt to prevent this inflationary spiral by both direct and indirect controls until we can increase production sufficiently to provide both the implements of war and the requirements of the civilian economy. I believe that barring all-out war, we can increase production sufficiently to achieve this objective within 2 years.

Why is it necessary to stabilize? First, because we could lose all through inflation. Already we have paid a heavy price to it. Already inflation has cost the Defense Department $1 out of every $5 voted by the Congress last year for the rearmament program. That means guns and planes and tanks lost just as surely as if they were destroyed by enemy action. The revenue from the two tax bills voted by the Congress last year was wiped out by inflation. If inflation were uncontrolled, do you think Congress could pass tax bills fast enough to keep up with the requirements of national defense?

Now look what inflation has done to consumers. Every 1 percent increase in the cost of living adds $2,000,000,000 to the consumers' bill for goods and services. This means that already inflation has cost the American people some $21,000,000,000 since January a year ago. And let's not forget that there are no margins for the consumer—no pass-through provisions in the family budget.

That $21,000,000,000 is an appalling sum, especially when we consider that the consumer got no benefits. Instead he got it in the neck. It's more than all farm families received in income in the peak year of 1947. It's more than all of us spent for housing, or clothing last year. It's almost as much as all profits after taxes from all businesses in 1950.

Do you think we could continue to pay a price like that to inflation without economic catastrophe? I don't. Do you think we could achieve our rearmament goals? I don't.

Do you think we could long maintain our system of business, private property, free institutions, and representative government if we allowed uncontrolled inflation to take hold? I don't.

Such a course could lead only to disaster for all of us and I don't propose to see us follow that course if I can help it.

Next time you're in Washington why don't you come in to see me? I'd be pleased to discuss this whole question of economic stabilization with you further. I think it's most important for all of us to discuss it, to understand it, and to do something about it.

Sincerely yours,

ERIC JOHNSTON,
Administrator.

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Washington [Mr. JACKSON] is recognized for 15 minutes.

GEN. GEORGE C. MARSHALL

Mr. JACKSON of Washington. Mr. Speaker, I would like to discuss briefly recent attacks against the Secretary of Defense, George C. Marshall, which, to my mind, have made little contribution to our national unity, nor to the solution of our grave and pressing problems in this critical and uncertain period in our history.

I am less interested in defending the Secretary of Defense than I am in analyzing the meaning and effect of the attacks against him, in themselves. General Marshall needs no defense from me or anyone else. You cannot serve your country and your people for half a century, as he has, without making some mistakes. No one can. But, on the other hand, no man in America can go from one high office to another for generations unless there is great justification for the public confidence implied in the proferring of those posts of high responsibility. The rules of politics in a democracy require that a President appoint to important office men whom the public trusts, whose character is above reproach, and whose ability is not open to question. A man appointed to office of national—in these days, international—prominence, will not and cannot long survive the scrutiny of a questioning public and an alert, often hypercritical press unless he measures up to those qualifications.

George Marshall, as you all know, has held not one but three such posts in the last 10 years. As Chief of Staff during World War II, he more than earned the tribute paid him by his Chief, Secretary Stimson, on the day of Germany's unconditional surrender, when he said, and I quote:

> I have seen a great many soldiers in my day, and you, sir, are the finest soldier I have ever known.

Churchill saw him, not only as "a magnificent organizer and builder of armies," but as a "statesman with a penetrating and commanding view of the whole scene." Admiral Leahy said that "his drive, courage, and imagination transformed America's great citizen Army into the most magnificent fighting force ever assembled." These are but a fragment of the tributes paid Marshall for his work as Chief of Staff, but they suffice to show the measure of his contribution in that post during the greatest war in history.

As if his wartime service were not service enough, George Marshall became Secretary of State in January 1947, at a time when Soviet aggression was on the march and many of the problems we face today were in their early stages. Here, again, the record speaks for itself. The Marshall plan is best known to us as the major achievement of his term in office, but there was achievement, and, of course, frustration in other fields. You may recall the beginning of military aid to Greece and Turkey, forerunner of our present vital program of military assistance. You may recall that it was Marshall who asked the UN to establish its Little Assembly to meet the continuing problems of the international situation. It was Marshall who asked the United Nations to eliminate the much-misused veto in the Security Council. It was Marshall who, on September 17, 1947, placed the problem of Korean independence before the General Assembly because he was determined that Soviet obstructionism should not delay the urgent and rightful claim of the Korean people to independence.

The New York Times' James Reston wrote of Marshall as Secretary of State, and I quote:

> Here is a forbidding, honorable, dispassionate, moral man who can speak for America * * * he has the clarity that is necessary to form a sharp vision of the basic purpose of our foreign policy, and he has the integrity to try to relate each day's action to that purpose.

Of Marshall's record as Secretary of Defense little need be said. He is faced now with doing in the military sphere what he did in the diplomatic, namely, building up this country and the world to the point of strength where the Communists will think more than twice before threatening the security of the free nations of the world. As a long-time exponent of the unification of the Armed Forces, and a level of military strength sufficient to meet our global, diplomatic commitments, he is superbly qualified to hold this post.

Against this background, we have a barrage of attacks against George Marshall which, if their peddlers' sincerity were not open to question, would more than justify a resolution of impeachment. I must confess I do not understand these charges.

Is their purpose to solve the problems raised by the Korean war? Obviously not. I find no constructive suggestions in these attacks that would help the United States and the United Nations in their fight against flagrant and unwarranted aggression.

Is their purpose to study the history of the past 10 years with an eye to better judging our present position by it? I think not. The study of the past is certainly a valuable guide to our conduct in the present and the future. But no historian of note ever reached his conclusion first and then found the facts to support his point of view. And when the facts are untenable, the conclusion preposterous, the resulting distortion is laughable.

Is the purpose of these attacks to malign a public servant for political purposes? Here, perhaps, is a possible motive. But those who attempt to do so underestimate, in my opinion, the public esteem for their target. The public may listen to such charges, but it will not be fooled.

Parenthetically, Mr. Speaker, I might point out that whatever the purpose of these attacks, they will not induce capable men to enter the Government service. Admitting a continuing need for the talents of the ablest men we can find, I do not understand how we can ask them to submit themselves to constant libel and vilification. And who may be immune from such falsification if a man who has been called the "greatest public servant of our times" is subject to it?

If there is any purpose, Mr. Speaker, in these attacks, it is to create dissension and disunity in this country when we need, as we have never needed so much before, to present a unity of purpose and design to the world. I suspect that those who expound these charges are less than happy with our relatively new role of international responsibility. They would, I suggest, retreat into the foxhole of isolationism that offers, at best, only temporary protection from the realities of global life. Today, far more than in 1920, such a position invites disaster.

When I speak of unity, I do not mean that we must stifle constructive debate on foreign and domestic issues. We cannot expect to formulate sound policies without intelligent discussion both in Congress and elsewhere. But I do say that there is no place in the United States today for the contemptible attacks to which I have referred. It is enough that we must deal with the false and irrational charges of the Russians, without having to face equally senseless propaganda on the domestic scene. In the case of the Soviet Union there is, I suppose, a method in their madness. As regards the attacks on George Marshall, there is no method involved of which we can be proud.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of Washington. I yield to the gentleman from Montana.

Mr. MANSFIELD. I want to compliment the gentleman on his very able remarks and to agree with him that as far as General Marshall is concerned he needs no apology. I think General Marshall is one of the greatest Americans of all time. He is a man who has earned his retirement, but a man who on two occasions came back out of that retirement to serve his country in an extremely difficult situation.

The gentleman mentioned the fact that Secretary Stimson, in my opinion one of the greatest Secretaries of War; Mr. Churchill, and others had kind words to

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say about General Marshall. I would like to add to that list Mr. Bernard Baruch who at the ceremonies at VMI honoring Marshall had equally fine words to say about him. I hope that the gentleman's words will be taken and that we will give to General Marshall the respect, the admiration, and the affection which is his due.

Mr. JACKSON of Washington. I appreciate the very fine observations made by the gentleman from Montana. I know that his long service on the House Committee on Foreign Affairs, before which Secretary Marshall has appeared from time to time as Secretary of State and as Secretary of Defense, has given him the opportunity of seeing General Marshall's fine qualities at first hand.

Mr. SHELLEY. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of Washington. I yield to the gentleman from California.

Mr. SHELLEY. Mr. Speaker, I take this opportunity to express my agreement with the gentleman in his commendation of General Marshall who I, too, think is a great American. I also want to commend the very able gentleman from Washington, [Mr. JACKSON], for so pointedly high lighting a very sad and sorry situation which some people seem to be more and more engaging in these days and times in personal assassination of those with whom they have disagreements on issues and on policies. I think it is a sad commentary in the history of our country that some people, elevated to public office and holding positions of public trust and importance, either in public or in private life, are so devoid of the finer sense of values and of responsibility that they cannot keep the disagreement to the issue without engaging in character vilification. I certainly wish to commend the gentleman for high lighting that particular point in his address and in commending General Marshall, who is certainly an outstanding American.

Mr. JACKSON of Washington. I thank my good friend from California for his very fine contribution.

EXTENSION OF REMARKS

Mr. DEMPSEY asked and was given permission to extend his remarks and include an address delivered by the Ambassador of Spain.

Mr. YATES asked and was given permission to extend his remarks and include an address by Hon. Hugo L. Black, Associate Justice of the United States Supreme Court, on June 7 in the city of Chicago.

Mr. JACKSON of Washington asked and was given permission to extend his remarks in two instances and include extraneous material.

Mr. HAYS of Ohio asked and was given permission to extend his remarks and include a newspaper article.

Mr. FISHER asked and was given permission to extend his remarks.

Mr. MARTIN of Massachusetts asked and was given permission to extend his remarks and include an article by Father Gillis in the Boston Pilot.

Mr. SHEEHAN asked and was given permission to extend his remarks.

Mr. AYRES asked and was given permission to extend his remarks and include a statement.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks and include appropriate data.

Mr. DAGUE asked and was given permission to extend his remarks.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks.

Mr. DOLLIVER asked and was given permission to extend his own remarks in two instances and include extraneous material.

Mr. CRAWFORD asked and was given permission to extend his remarks and include a letter.

Mr. PATTERSON asked and was given permission to extend his remarks in two instances and include articles.

Mr. WERDEL asked and was given permission to extend his remarks and include a news item.

Mr. HAND asked and was given permission to revise and extend the remarks he made in Committee of the Whole, following the address of Mr. HUNTER, and include a letter.

Mr. HARRIS asked and was given permission to extend his remarks and include an address by Mr. A. P. Frame, entitled "Observations of a WOC," notwithstanding the fact that it will exceed two pages of the RECORD and is estimated by the Public Printer to cost $191.34.

Mr. BROOKS asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. McCARTHY asked and was given permission to extend his remarks and include two editorials.

Mr. HELLER asked and was given permission to extend his remarks in six instances and include extraneous matter.

Mr. ZABLOCKI asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. MANSFIELD asked and was given permission to extend his remarks in three instances and in two include extraneous material.

ADJOURNMENT

Mr. SHELLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 44 minutes p. m.) the House, under its previous order, adjourned until tomorrow, Wednesday, June 27, 1951, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

560. A letter from the Attorney General, transmitting copies of the orders of the Commissioner of Immigration and Naturalization granting the application for permanent residence filed by the subjects of such orders, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

561. A letter from the Attorney General, transmitting a letter relative to the cases of Basil Nicholas Krallis, file No. A-6256074 CR 30405, and Marina Massip y Villar Schoonmaker, file No. A-4951591 CR 29978, requesting that they be withdrawn from those now before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

562. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled, "a bill to extend the provisions of the Federal Credit Union Act, as amended, to the Virgin Islands"; to the Committee on Banking and Currency.

563. A letter from the Assistant Secretary of Defense, transmitting a draft of proposed legislation entitled "a bill to repeal the provision of the act of July 1, 1902 (32 Stat. 662), as amended, relating to pay of civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska"; to the Committee on Armed Services.

564. A letter from the Assistant Secretary of Defense, transmitting a draft of proposed legislation entitled "a bill to exempt certain civilian employees of the Department of Defense from the laws governing the employment, removal, classification, pay, retirement, leave and disability and death compensations of Federal officers and employees"; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MITCHELL: Committee on Rules. House Resolution 285. Resolution providing for the consideration of H. R. 1181, a bill to amend section 207 of the Legislative Reorganization Act of 1946 so as to authorize payment of claims arising from the correction of military or naval records; without amendment (Rept. No. 647). Referred to the House Calendar.

Mr. COX: Committee on Rules. House Resolution 286. Resolution providing for the consideration of H. R. 3463, a bill to authorize the transfer of certain naval vessels; without amendment (Rept. No. 648). Referred to the House Calendar.

Mr. CANNON: Committee on Appropriations. House Joint Resolution 277. Joint resolution making temporary appropriations for the fiscal year 1952, and for other purposes; without amendment (Rept. No. 655). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 360. An act for the relief of Stefan Lenartowicz and his wife, Irene; with amendment (Rept. No. 644). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 417. An act for the relief of Sui Ken Fong and Sui Tung Fong; without amendment (Rept. No. 645). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 915. An act for the relief of Betty Minoru Kawachi; without amendment (Rept. No. 643). Referred to the Committee of the Whole House.

Mr. MACHROWICZ: Committee on the Judiciary. S. 536. An act for the relief of the estate of Sidney Lomax, deceased; without amendment (Rept. No. 649). Referred to the Committee of the Whole House.

Mr. MACHROWICZ: Committee on the Judiciary. S. 1109. An act for the relief of Grady Franklin Welch; without amendment

(Rept. No. 650). Referred to the Committee of the Whole House.

Mr. MACHROWICZ: Committee on the Judiciary. S. 1113. An act for the relief of Philip J. Hincks; without amendment (Rept. No. 651). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 796. A bill for the relief of Roy F. Wilson; with amendment (Rept. No. 652). Referred to the Committee of the Whole House.

Mr. FRAZIER: Committee on the Judiciary. H. R. 3026. A bill for the relief of Joseph A. Ferrari; with amendment (Rept. No. 653). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 4456. A bill for the relief of Vincent F. Leslie; without amendment (Rept. No. 654). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McCORMACK:

H. R. 4601. A bill to provide that the admissions tax shall not apply in respect of admissions free of charge of uniformed members of the Armed Forces of the United States; to the Committee on Ways and Means.

By Mr. SIMPSON of Pennsylvania:

H. R. 4602. A bill to amend the Excess Profits Tax Act of 1950 by adding thereto a new subsection 432 (f); to the Committee on Ways and Means.

By Mr. TEAGUE:

H. R. 4603. A bill to provide additional compensation for members of the Army, Navy, and Air Force during periods of combat duty; to the Committee on Armed Services.

By Mr. BEALL:

H. R. 4604. A bill providing for an investigation and study by the Interstate Commerce Commission of the adequacy and convenience of passenger carrier facilities and services and the reasonableness of fares in the metropolitan area of the District of Columbia, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ELLIOTT:

H. R. 4605. A bill for the establishment of a temporary National Advisory Committee for the Blind; to the Committee on Education and Labor.

By Mr. MARTIN of Iowa:

H. R. 4606. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

H. R. 4607. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

By AUGUST H. ANDRESEN:

H. R. 4608. A bill to control imports of fats and oils, oil-bearing materials, peanuts, butter, cheese and other dairy products, and rice and rice products; to the Committee on Banking and Currency.

By Mr. FORD:

H. R. 4609. A bill to amend part VIII of Veterans Regulation No. 1 (a), so as to increase the outside compensation which a veteran may earn while receiving subsistence allowance thereunder; to the Committee on Veterans' Affairs.

By Mr. BUDGE:

H. R. 4610. A bill to provide for the grant of certain lands to the American Falls school district No. 381, American Falls, Idaho; to the Committee on Interior and Insular Affairs.

By Mr. HAVENNER:

H. R. 4611. A bill to amend the Trading with the Enemy Act to extend the time for filing claims in the case of certain Italians; to the Committee on Interstate and Foreign Commerce.

By Mr. HOFFMAN of Michigan:

H. R. 4612. A bill to amend section 402 (a) (3) of the Federal Food, Drug, and Cosmetic Act; to the Committee on Interstate and Foreign Commerce.

By Mr. CANNON:

H. J. Res. 277. Joint resolution making temporary appropriations for the fiscal year 1952, and for other purposes; to the Committee on Appropriations.

By Mr. BENNETT of Florida:

H. Con. Res. 128. Concurrent resolution providing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. HALE:

H. Con. Res. 129. Concurrent resolution providing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. LANHAM:

H. Con. Res. 130. Concurrent resolution providing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. BATTLE:

H. Con. Res. 131. Concurrent resolution providing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mrs. ST. GEORGE:

H. Con. Res. 132. Concurrent resolution providing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. SHEEHAN:

H. Res. 282. Resolution creating a select committee to conduct an investigation and study of the massacre of Polish Army officers in the Katyn Forest, Union of Soviet Socialist Republics, and the disappearance of other Polish Army officers who fled for protection to the Union of Soviet Socialist Republics in 1939 and 1940; to the Committee on Rules.

By Mr. DEMPSEY:

H. Res. 283. Resolution favoring the negotiation of a treaty for the defense of the Mediterranean area against Communist aggression; to the Committee on Foreign Affairs.

By Mr. ELLIOTT:

H. Res. 284. Resolution to provide for a Select Committee on Problems of the Aging; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 4613. A bill for the relief of Karlo Mattiazzi and Kostanza Mattiazzi; to the Committee on the Judiciary.

By Mr. BOLLING:

H. R. 4614. A bill to record the lawful admission for permanent residence of certain aliens; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 4615. A bill for the relief of Gattas A. Maloof; to the Committee on Foreign Affairs.

By Mr. GORDON:

H. R. 4616. A bill for the relief of Stanislaw Stein; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 4617. A bill for the relief of Luiz Lourenco Diniz; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 4618. A bill for the relief of Victoria Lardizabal Valencia; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 27, 1951

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of our fathers, above all the commotion and confusion of the busy present, with its demands that drain our souls, we would turn for this hallowed moment to seek the quietness of Thy presence at the beginning of the day's deliberations. In the secret of Thy pavilion we take refuge from the strife of tongues. By tasks too difficult for us we are driven unto Thee for strength to endure and wisdom to interpret rightly the signs of these trying times. In these hallowed halls may Thy servants, trusted by the people with high responsibility, serve with fidelity the cause of our country and our common humanity, and so help to build the city of God on the ruined wastes of this disturbed and disordered world. We ask it through riches of grace in Christ Jesus our Lord. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 26, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 51) providing for United States participation in the celebration at Philadelphia, Pa., of the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 1103) for the relief of Sidney Young Hughes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WALTER, Mr. FEIGHAN, and Mr. GRAHAM were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1424) for the relief of T. L. Morrow.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 512. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Mrs. Walter J. Bickford;

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H. R. 795. An act for the relief of Carlos Sanchez Perez;

H. R. 1692. An act for the relief of Chester A. Macomber;

H. R. 1789. An act for the relief of Sgt. Benjamin H. Martin; and

H. R. 3229. An act for the relief of Mrs. Albert W. Lack.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1800) for the relief of Lucy Fong Lee.

The message also announced that the House had agreed to the amendment of the Senate to the concurrent resolution (H. Con. Res. 90) favoring the granting of the status of permanent residence to certain aliens.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1424) for the relief of T. L. Morrow, and it was signed by the Vice President.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. STENNIS, and by unanimous consent, the Committee on Armed Services and the Committee on Foreign Relations, sitting jointly, were authorized to meet during the session of the Senate today.

On request of Mr. BUTLER of Maryland, and by unanimous consent, the Subcommittee on Civil Service of the Committee on Post Office and Civil Service was authorized to meet during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. The Chair understands that, under the unanimous-consent agreement, a quorum call is now in order.

Mr. McFARLAND. Mr. President, I ask unanimous consent that, without affecting the time as prescribed in the unanimous-consent agreement, Senators may be permitted to make insertions in the RECORD before the quorum call, and transact other routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE ON CEREMONIES IN HONOR OF CONSTANTINO BRUMIDI

The VICE PRESIDENT. The Chair appoints the junior Senator from Rhode Island [Mr. PASTORE], the senior Senator from Rhode Island [Mr. GREEN], the Senator from New Mexico [Mr. ANDERSON], the Senator from Maine [Mrs. SMITH], and the Senator from Pennsylvania [Mr. DUFF] members on the part of the Senate of the joint congressional committee to provide for an appropriate ceremony in the rotunda of the Capitol in honor of Constantino Brumidi, created by House Concurrent Resolution 100.

AMENDMENT OF DISPLACED PERSONS ACT—RESOLUTIONS OF GENERAL COURT OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, on behalf of my colleague, the junior Senator from Massachusetts [Mr. LODGE] and myself, I present for appropriate reference resolutions of the General Court of the Commonwealth of Massachusetts favoring an amendment to the Displaced Persons Act to include 55,000 displaced persons now in Italy, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolution memorializing Congress to amend the Displaced Persons Act, so-called

Whereas an amendment to the present Federal law, known as the Displaced Persons Act, extending the present definitions of displaced persons to include 55,000 displaced persons now in Italy; and

Whereas the number of displaced persons now in Italy is 500,000: Therefore be it

Resolved, That the General Court of Massachusetts hereby urges the Congress to amend said act as aforesaid; and be it further

Resolved, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth.

In senate, adopted, June 14, 1951.

IRVING N. HAYDEN, *Clerk.*

In house of representatives, adopted, in concurrence, June 15, 1951.

LAWRENCE R. GROVE, *Clerk.*

A true copy.

Attest:

EDWARD J. CRONIN,
Secretary of the Commonwealth.

IMPORTS ON FOREIGN DAIRY PRODUCTS—LETTER FROM PRESIDENT OF LAND O' LAKES CREAMERIES, INC., MINNEAPOLIS, MINN.

Mr. WILEY. Mr. President, I have received from the distinguished president of Land O' Lakes Creameries, John Brandt, one of the great dairy experts of this Nation, a message objecting to the reduction in the tariff on butter. I believe that this matter will be of interest to my colleagues and so I ask unanimous consent that the letter be printed in the RECORD, and appropriately referred.

Mr. Brandt points out the contradiction between our governmental policies which result in importation of foreign farm products like butter and cheese at the very same time as domestic surpluses of these products are piling up in our own warehouses. This matter will be taken care of, I understand, by an import-control amendment to be offered by the Senator from Washington [Mr. MAGNUSON]. Adoption of that amendment would, I believe, prevent the recurrence of the sort of lopsided situation we experienced when Canadian potatoes poured into America while domestic potatoes piled up in our fields and bins.

There being no objection, the letter was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

LAND O' LAKES CREAMERIES, INC.,
Minneapolis, Minn., June 21, 1951.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: We are writing you to express the concern of the dairymen here in the Northwest regarding the coming possibility of imports of butter from foreign countries which after July 1 will be encouraged because of the previous reduction in the duty on butter from 14 cents to 7 cents per pound and the expansion of the import quotas under our reciprocal-trade treaties.

About the time our dairy farmers are producing dairy products in the high-cost season, which will be in the fall and winter, New Zealand and Australia will be in their cheap, high-production season and will have considerable quantity of butter and cheese available for export to the United States. If this happens, and it likely will, the price of butter and cheese in America will immediately follow to the support-price level, which will only be about 80 percent of parity, and this Government will be forced to buy the imported dairy products or the equivalent of home-produced dairy products to make room for the imports from foreign countries. We will have another potato deal where the United States will be in a position of supporting the world price on butter and absorbing world surpluses at price levels above world markets.

Dairy production needs to be encouraged rather than discouraged, as it is already in the low bracket of price return to farmers which has already caused a decrease in dairy production to the extent that it is presenting a rather alarming situation so far as the health and economy of the Nation are concerned.

We urge you to use your influence in correcting this possible development through the enactment of legislation that will prohibit imports of dairy products and, so far as that goes, any farm product below a parity-price level. It hardly makes sense that we should try to support farm prices and then encourage imports to the extent that the United States will have to absorb the surplus world production. Dairy farmers cannot produce at prices below parity. In fact, even parity prices are not sufficient to encourage production of dairy products. For this reason it seems quite essential that some action should be taken to protect the price of dairy products from foreign competition at least to the extent of parity levels.

Yours very truly,

LAND O' LAKES CREAMERIES, INC.,
JOHN BRANDT, *President.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare:

S. Res. 143. Resolution extending the authority of the Committee on Labor and Public Welfare to employ additional personnel; without amendment (Rept. No. 493); and, under the rule, referred to the Committee on Rules and Administration.

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

S. 752. A bill authorizing the Secretary of Agriculture to convey certain lands to the Maryland National Capital Park and Planning Commission; without amendment (Rept. No. 494); and

S. 1403. A bill to authorize and direct the Secretary of Agriculture to transfer to the Department of the Navy certain property at Shumaker, Ark.; without amendment (Rept. No. 495).

DISPUTE BETWEEN THE RAILWAY CARRIERS AND FOUR OPERATING BROTHERHOODS—REPORT OF A COMMITTEE (S. REPT. NO. 496)

Mr. HUMPHREY, from the Committee on Labor and Public Welfare, submitted a report entitled "Dispute Between the Railway Carriers and Four Operating Brotherhoods," together with the minority views, which were ordered to be printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 1758. A bill to provide for a cost-of-living increase in the rates of compensation of policemen and firemen employed by the Panama Canal; to the Committee on Armed Services.

S. 1759. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide annuities for certain officers and employees engaged primarily in fire fighting and fire prevention in the Panama Canal Zone; to the Committee on Post Office and Civil Service.

By Mr. BRIDGES (for himself and Mr. RUSSELL):

S. 1760. A bill to provide for the establishment of a United States Air Force Academy, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. BRIDGES when he introduced the above bill, which appear under a separate heading.)

By Mr. KNOWLAND (for himself and Mr. MOODY):

S. 1761. A bill to remove the present limitation on the filling of vacancies occurring after July 1, 1951, in temporary housing under the jurisdiction of the Administrator of the Housing and Home Finance Agency; to the Committee on Banking and Currency.

By Mr. CONNALLY (by request):

S. 1762. A bill to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing assistance to friendly nations in the interest of international security; to the Committee on Foreign Relations.

(See the remarks of Mr. CONNALLY when he introduced the above bill, which appear under a separate heading.)

By Mr. BYRD:

S. 1763. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

By Mr. KEFAUVER:

S. 1764. A bill to provide for an increase in the age limit for appointees to the United States Military Academy and the United States Naval Academy who have served honorably in the Armed Forces of the United States prior to the termination of hostilities in Korea; to the Committee on Armed Services.

UNITED STATES AIR FORCE ACADEMY

Mr. BRIDGES. Mr. President, on behalf of myself and the Senator from Georgia [Mr. RUSSELL], I introduce for appropriate reference a bill to provide for the establishment of a United States Air Force Academy, and for other purposes. I ask unanimous consent that I may be permitted to make a short statement in connection with the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the Senator from New Hampshire may proceed.

The bill (S. 1760) to provide for the establishment of a United States Air Force Academy, and for other purposes, introduced by Mr. BRIDGES (for himself and Mr. RUSSELL), was read twice by its title and referred to the Committee on Armed Services.

Mr. BRIDGES. Mr. President, the Department of Defense has given long and serious consideration to the problem of adequately supplying the United States Air Force with regular officers properly educated and trained in the art of military tactics peculiar to the needs of that branch of our armed services. The problem has not been that alone of the Department of Defense, but also that of the Congress, many of whose Members have followed closely the development of unification of the armed services and the problems arising out of that unification.

Our military leaders have viewed the situation of the Air Force from every angle and have arrived at the conclusion that there is an immediate requirement for an Air Force Academy. Their conclusions and recommendations have been incorporated in this bill, which has the approval of the executive department. It is strongly urged that most serious consideration to the merits of this bill be undertaken at the earliest date possible, and it is the sincere hope of my colleague the able Senator from Georgia [Mr. RUSSELL] and myself that early favorable action may be taken on this proposed legislation so that creation of an Air Force Training Academy may be effected without undue delay.

Such an academy is badly needed to provide a continuous and adequate flow of young career officers educated and trained to traditional service academy standards.

The Service Academies of the Army and Navy have for many generations been recognized as the primary source of furnishing the armed services with a nucleus of Regular officers, educated and trained from youth in the arts of war and leadership and strongly motivated to a lifetime of service to our country.

The air arm of our defense has long been handicapped by the lack of facilities for an adequate supply of Regular officers properly educated and trained. Yet, despite these handicaps air warfare startegists within our armed services made tremendous contributions to the sweeping victory of allied forces during World War II. These feats will provide an extraordinary chapter in American history. But more important, American air warfare during World War II and during the Korean war has emphasized the great importance of the Department of the Air Force in the national defense program. In an era of world tension, the ever-increasing range of war planes, and the frightening prospects of atomic and hydrogen bombs have made us more conscious than ever before that the Air Force is the key to our defense as well as our offense in time of war.

I cannot place too much emphasis on the fact that the Air Force does not now have the facilities to adequately educate and train youth in the art of air warfare to provide itself with the kind of Regular officers whose duty it will be henceforth to carry out the tremendously important task assigned to it in our national defense program.

At present the Air Force receives 25 percent of each of the graduating classes of the Military and Naval Academies. These graduates are urgently needed by the Army and Navy to meet their own needs for highly qualified Regular officers; and although they in some measure meet the Air Force needs they amount to less than one-half of the Air Force requirements for Service Academy graduates. The existing academies are not able to meet the numerical requirements of all three services, and it has been determined that it is not feasible to expand these Academies sufficiently to meet these requirements.

As a result of the extensive postwar growth of the Regular Air Force and deficiencies existent in the Regular officer procurement sources available, the educational level among Regular Air Force officers has been far below that considered desirable. A recent survey indicates that only 47 percent of Regular Air Force officers have college degrees, whereas 71 percent of the Army and 87 percent of the Navy Regular officers are college graduates.

The Service Academy Board, appointed by the Department of Defense "to recommend the manner in which officer candidates should receive their basic education for a career in the Armed Forces," recommended on February 16, 1950, that an Air Force Academy be established to commence operation at the earliest possible date. The Chairman of the Board was Dr. Robert L. Stearns, president of the University of Colorado; the Vice Chairman was General of the Army Dwight D. Eisenhower.

The Joint Chiefs of Staff had made a similar recommendation to the Secretary of Defense in 1949.

In accordance with the recommendation of these two groups, it is planned that approximately 50 percent of the Regular officers of the Air Force would be obtained from the Air Force Academy; the remainder from the Air Force Reserve Officer Training Corps and other programs.

Establishment of an Air Force Academy is being urged, therefore, to improve the unsatisfactory regular officer procurement situation in the Air Force and to alleviate the burden being placed upon the Army and the Navy by allocation of their academy graduates to the Air Force.

It is contemplated that the Air Force Academy will be an undergraduate institution and will confer a baccalaureate degree upon the graduates. The curriculum will be designed to offer an integrated and specialized program of instruction, emphasizing in each course of instruction the direct application to Air Force situations. The graduates will thereby be accurately tailored to meet Air Force needs, and will be provided a sound foundation for future development and service.

Initially, the Air Force contemplates the establishment of the academy at some existing Air Force installation or at a civilian institution which could be leased to the Air Force at a minimum of expense. This would permit operation of the academy prior to the time that permanent facilities are constructed and, in addition, would permit the early organization and orientation of the faculty and staff.

The proposed legislation would provide an authorization of $10,000,000 to acquire land and develop plans, designs, and surveys for construction of permanent facilities. It is contemplated that this preliminary phase will be accomplished within the period of a year.

The proposed legislation also would provide an authorization, not to exceed

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$10,000,000, for erection of buildings and modification of existing structures and facilities at a temporary location.

EXTENSION OF DEFENSE PRODUCTION AND HOUSING AND RENT ACTS—AMENDMENTS

Mr. HOEY submitted an amendment intended to be proposed by him to the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, which was ordered to lie on the table and to be printed.

Mr. LONG submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. TAFT submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. ELLENDER submitted amendments intended to be proposed by him to Senate bill 1717, supra, which were severally ordered to lie on the table and to be printed.

Mr. CAPEHART submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. MAGNUSON (for himself and Mr. THYE) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. FULBRIGHT submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. MILLIKIN submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. THYE submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. AIKEN submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

Mr. WHERRY submitted an amendment intended to be proposed by him to Senate bill 1717, supra, which was ordered to lie on the table and to be printed.

REVENUE ACT OF 1951—AMENDMENT

Mr. WILLIAMS (for himself, Mr. FREAR, Mr. CASE, Mr. WATKINS, Mr. FERGUSON, Mr. GILLETTE, Mr. KNOWLAND, Mr. ECTON, Mr. WELKER, Mr. DIRKSEN, Mr. IVES, Mr. BENNETT, Mr. DWORSHAK, Mr. SCHOEPPEL, Mr. BYRD, Mr. CAIN, Mr. BRICKER, Mr. BUTLER of Maryland, Mr. HENDRICKSON, Mr. MCCLELLAN, Mr. JENNER, Mr. STENNIS, Mr. LODGE, Mr. BREWSTER, Mr. MARTIN, Mr. DOUGLAS, Mr. BUTLER of Nebraska, and Mr. KEM) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 4473) to provide revenue, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the nomination of Bruce W. Freck to be postmaster at Fall River, Wis., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare:

James Joseph Reynolds, Jr., of New Jersey, to be a member of the National Labor Relations Board for a term of 5 years from August 27, 1951 (reappointment);

Ralph E. Knutti, and sundry other candidates for appointment in the Regular Corps of the Public Health Service; and

Welby W. Bigelow, and sundry other candidates for appointment in the Regular Corps of the Public Health Service.

By Mr. SALTONSTALL, from the Committee on Armed Services:

James W. Wadsworth, of New York, to be a member of the National Security Training Commission for a term of 3 years, expiring June 19, 1954;

Adm. Thomas C. Kinkaid, United States Navy, to be a member of the National Security Training Commission for a term of 4 years, expiring June 19, 1955;

Lt. Gen. Raymond S. McLain, United States Army, to be a member of the National Security Training Commission for a term of 5 years, expiring June 19, 1956;

William L. Clayton, of Texas, to be a member of the National Security Training Commission for a term of 2 years, expiring June 19, 1953; and

Karl T. Compton, of Massachusetts, to be a member of the National Security Training Commission for a term of 2 years, expiring June 19, 1953.

By Mr. GEORGE, from the Committee on Finance.

Donald Gunn, of St. Louis, Mo., to be collector of internal revenue for the first district of Missouri, vice James P. Finnegan, resigned.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. BYRD:

Address on the subject The Truth at Washington as I See It, delivered by him at the Jefferson-Jackson Day dinner in Atlanta, Ga., on June 25, 1951.

By Mr. MCMAHON:

Article entitled "We Can Get Through the Iron Curtain", written by him, and published in the New York Times magazine section of June 24, 1951.

Report of the Advisory Committee of the Electric Power Committee to the Atomic Energy Commission.

By Mr. LANGER:

Editorial dealing with the public housing program, entitled "Modest Income Family Suffers," published in the Bismarck (N. Dak.) Tribune of June 22, 1951.

By Mr. BRIDGES:

Letter from John E. Graham, president, New Hampshire Automobile Dealers Association, regarding the effect of regulation W on automobile dealers.

By Mr. CAPEHART:

Editorial entitled "The Post Misleads Congress," published in the Indianapolis Star of June 22, 1951, having reference to the Jenner amendment lifting the secrecy ban on welfare spending.

By Mr. KEFAUVER:

Article entitled "Congress Needs a Focal Point," written by Robert Heller, and published in a recent issue of the New York Times.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. MCFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Gillette	McMahon
Anderson	Green	Millikin
Bennett	Hayden	Monroney
Benton	Hendrickson	Moody
Brewster	Hennings	Morse
Bricker	Hickenlooper	Mundt
Bridges	Hill	Neely
Butler, Md.	Hoey	Nixon
Butler, Nebr.	Holland	O'Conor
Byrd	Humphrey	O'Mahoney
Cain	Ives	Pastore
Capehart	Jenner	Robertson
Carlson	Johnson, Colo.	Russell
Case	Johnson, Tex.	Saltonstall
Chavez	Kem	Schoeppel
Clements	Kerr	Smith, Maine
Connally	Kilgore	Smith, N. J.
Cordon	Knowland	Sparkman
Dirksen	Langer	Stennis
Douglas	Lehman	Taft
Duff	Long	Thye
Dworshak	Magnuson	Underwood
Eastland	Malone	Watkins
Ellender	Maybank	Welker
Ferguson	McCarran	Wherry
Flanders	McCarthy	Wiley
Frear	McClellan	Williams
Fulbright	McFarland	Young
George	McKellar	

Mr. JOHNSON of Texas. I announce that the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The VICE PRESIDENT. A quorum is present.

The Chair will state the parliamentary situation. From now on during the remainder of the consideration of the pending bill the time will be controlled. First, there is to be 2½ hours of general debate, to be controlled

one-half by the Senator from South Carolina [Mr. MAYBANK] and one-half by the Senator from Nebraska [Mr. WHERRY].

On certain amendments the time is limited, to be controlled. Therefore, the Chair cannot recognize Senators for any purpose in their own right. They must have time yielded to them by Senators who are in control of the time, even for the insertion of matters in the RECORD or for the introduction of bills. Such time must be charged against the Senator yielding the time.

Mr. MAYBANK. Mr. President, if I may have the attention of the Senator from Indiana [Mr. JENNER], I should like to say that I shall be glad to yield sufficient time to the Senator from Mississippi [Mr. STENNIS] and to the Senator from New Hampshire [Mr. BRIDGES] for their purposes. I understand the Senator from Mississippi wishes to submit a conference report. Is that agreeable to the Senator from Indiana? I understand that he is to speak first today.

Mr. McFARLAND. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. MAYBANK. Yes.

Mr. McFARLAND. Mr. President, several Senators who were not present before we had the quorum call wish to transact routine business. I ask unanimous consent that they be permitted to transact routine business, without prejudice to the rights of either side under the unanimous-consent agreement.

Mr. MAYBANK. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MAYBANK. Can the same request be made on behalf of the Senator from Mississippi for the purpose of submitting a conference report?

Mr. McFARLAND. Yes; my request would include the conference report.

The VICE PRESIDENT. Does the Chair understand that the request now being made is to apply all day or only for the time being?

Mr. McFARLAND. Only until we have completed the transaction of routine business. Following the transaction of routine business the time under the unanimous-consent agreement would begin to run.

OFFICER PERSONNEL ACT OF 1947—CONFERENCE REPORT

Mr. STENNIS. Mr. President, under the unanimous-consent agreement entered into I submit a conference report on House bill 4200, to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The Secretary will read the report.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4200) to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

HARRY F BYRD,
JOHN C STENNIS,
RALPH E. FLANDERS,
Managers on the Part of the Senate.
CARL VINSON,
OVERTON BROOKS,
DEWEY SHORT,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report? The Chair hears none. Without objection, the report is agreed to.

CONFIRMATION OF NOMINATIONS IN THE ARMED FORCES

Mr. KNOWLAND. Mr. President, as in executive session, from the Committee on Armed Services I report certain routine nominations in the armed services, none of them above the rank of lieutenant colonel in the Air Force, and none of them above the rank of major in the Army. I ask unanimous consent that the nominations be confirmed.

The VICE PRESIDENT. Without objection, as in executive session, the nominations are confirmed, and without objection, the President will be notified.

THE SOVIET UNION'S PROPOSAL FOR A CEASE-FIRE IN KOREA

Mr. JENNER. Mr. President, the Soviet Union's proposals for a cease-fire in Korea are nothing new.

The VICE PRESIDENT. The Chair would state that if the Senator from Indiana is beginning to make a speech it will be necessary for him to have time yielded to him, under the unanimous-consent agreement.

Mr. JENNER. I thought it was understood that I had been yielded 30 minutes by the Senator from South Carolina.

Mr. McFARLAND. As I understood, the Senator from Nebraska [Mr. WHERRY] was to yield time to the Senator from Indiana.

Mr. JENNER. Thirty minutes.

Mr. McFARLAND. The Senator from Nebraska was to have yielded the time to the Senator from Indiana, but the request has not been made.

Mr. LANGER. Mr. President, in behalf of the Senator from Nebraska I yield such time to the Senator from Indiana as he may desire to take.

The VICE PRESIDENT. The Senator from Indiana is recognized for 30 minutes.

Mr. JENNER. Mr. President, as I had started to say, the Soviet Union's proposals for a cease-fire in Korea are nothing new. The U. S. S. R. submitted its peace terms 6 months ago in the U. N. Assembly. The only thing which is new is the clever publicity build-up. The only effective answer to the Soviet peace terms, which represent a strategic victory for the U. S. S. R., is to state a truly American peace program which will strengthen free nations in Asia and the world.

Six months ago the Soviet Union laid down its basic terms, essentially the same as those offered in their Saturday broadcast. They specified that all "foreign" troops should withdraw, and political questions should be left to the "self-determination" of the Korean people themselves.

On the surface this looks very attractive, but so does any booby trap. If we lift up the pleasing cover of words, what do we find? American troops and Chinese Communist forces are to withdraw from the thirty-eighth parallel, and soon from Korea. But what will be left? Merely the Soviet-trained North Korean divisions, just the thousands of men of fighting age who fled from Korea during the Japanese occupation, and were trained in Russian armies at Stalingrad, and in the Chinese civil war against Chiang Kai-shek.

Of course Americans believe in the self-determination of small nations, but what kind of self-determination would our anti-Communist friends in Korea enjoy, if the Communists have a large well-trained "native" army in North Korea?

Mr. President, look closely at this peace offer, and you will see what it really is. It is the "peace" program that Marshall took to China in December 1945, the "peace" settlement for China which cost us 400,000,000 allies.

That plan provided that both "foreign" armies, the Americans and the Russians, were to withdraw their forces from China, and then China would have "peace." The same booby trap was hidden behind the pleasant-sounding words, then as now. As the Russians withdrew, they gave all their spare arms to the Chinese Communists.

We took a few thousand marines out of China at Russian insistence. They were guarding the Chinese railways to keep the Communists from destroying the railroads so that the Nationalists could move their troops northward. We took our marines out, the railroads were destroyed, and the Communists swept down. Now a million armed Chinese Communists are killing our boys in Korea.

We took a few thousand marines out of guard duty in China, for the sake of agreement with Russia, and we had to put over 300,000 men into the battle lines in Korea. Now they are asking us to take our troops out of Korea, and in another year or so we shall have to put a million men somewhere else.

We took our naval forces out of Tsing Tao, at Russian insistence that the city must be returned to China. Now the Chinese city of Tsing Tao is a Soviet naval base threatening Korea and Japan.

Mr. Malik's Soviet peace proposal is, in fact, the old Yalta peace plan for Poland. We kept our armies out of Central Europe and the Balkans. We even gave orders to the American armies to retreat across the Elbe after they had advanced. We trusted to self-determination for the election of democratic governments in Poland, Bulgaria, and Rumania. Today we put American troops in Europe for garrison duty, because yesterday we pulled Eisenhower and Patton back from a quick and easy victory in Eastern Europe.

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Twice we have fallen for that kind of Soviet peace. We dare not do it again, not with the turmoil in Iran.

The Soviet Union is using every device of high-powered publicity to make this plan look sweet, like Little Red Riding-hood's grandmother, and not like the big bad wolf it really is.

For 6 months the Soviet Union has been quietly building its underground publicity for this proposal. Its propaganda has been distributed through labor unions, women's organizations, churches, youth groups.

The new plan is, in fact, only a variant of the Stockholm peace proposal in American dress. If we want to find out how the Communists have been working on their build-up for the Malik proposals, we can find it fully outlined in the report of the House Un-American Activities Committee, called The Communist Peace Offensive. Only change the words a little, and the Stockholm peace petition becomes the Soviet Union's peace proposal for Korea.

Recently even a prominent Member of this body was won over to propose a peace resolution for a cease-fire on June 25, the anniversary of the start of this war that is not a war.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. JENNER. I shall be glad to yield briefly to the distinguished Senator from Colorado, because in my remarks I am referring to his peace resolution. However, I am speaking under a time limitation, and I cannot yield very long.

Mr. JOHNSON of Colorado. I understand, and I do not wish to take very much of the Senator's time.

The Senator has said that one of the Members of the Senate was won over. What I am interested in is who won him over and when was he won over? Will the Senator elucidate that point?

Mr. JENNER. I certainly will.

If we look at the peace resolution introduced in this body, we see that the Senator makes two main points. He wants all "foreign" troops withdrawn from Korea, and in the statement of purpose he praises the American principle of self-determination for small nations.

That senatorial resolution has been sent all over the United States by the Soviet propaganda machine. It has been sent to women's groups, churches, editors, and families of men in Korea. Many of us in this body have received letters from innocent, loyal Americans which were written as a result of the clever Soviet campaign for a mock peace.

The newspapers appeared to be surprised at the announcement by Mr. Malik on Saturday, but they should not have been. For 13 weeks the U. N. has been building up the peace propaganda in radio broadcasts at the same time every week. We pay most of the cost of preparing those broadcasts, and our radio stations probably give the time free, as a public service. Then—surprise, surprise—the Soviet Union gets the preferred spot, and just by accident its representative talks of peace on the anniversay of the Korean war, the date they have been stressing for months for the climax of their publicity campaign.

I am sure that the distinguished Senator whose name is taken in vain has not the faintest idea that someone in Moscow in the Soviet propaganda bureau planned every step he innocently took. But the effect is no less serious because the Senator was unaware of their intentions. When the name of a distinguished Member of this body can be attached to an appeal for the Stockholm peace petition in American dress, when it can be circulated throughout the country to delude innocent and unhappy people, then all of us are concerned in the danger, all of us must work to see that this campaign does not succeed and that our people are warned of this newest Soviet booby trap.

The most diabolical phase of the Soviet peace plan is that it exploits the desire of all decent people for an end to the senseless slaughter in Korea, which in the first place never should have been started.

No one wants to end the Korean war more than I. I have spoken again and again of the need to bring this slaughter to an end. But we cannot end it on Soviet terms, especially when those terms are so open to suspicion that the Soviet Union must, by subterfuge, try to seduce Americans into accepting them.

We can best meet the Russian mock-peace terms by submitting genuine American peace terms; of course we are for peace, of course we are for a cease-fire, but they must be on American terms.

We can agree to a cease-fire today. But we cannot agree to moving a single American soldier from the dark and bloody ground his comrades have bought with their lives until we have a trustworthy program for keeping that peace.

That means only one thing. We must replace American battle-hardened soldiers with well-equipped, well-trained Asiatic soldiers—free Chinese, Koreans, Japanese, and Filipinos. This is the same answer that we found for the Philippines. Had it not been for the betrayal which exposed Pearl Harbor to the Japanese, the Philippines would have been safe from invasion.

There can be no self-determination for small nations except behind a living wall of fighting men who can keep predatory aggressive powers from invading their country.

The free Chinese, the Koreans, the Japanese, and the Filipinos have all felt the power and cruelty and hate of Soviet Russia. They can work together to defend each and all from Soviet attack, while we guard the sea and air along our island chain and make the Pacific, as General MacArthur said, a peaceful lake.

It should not be our business to defend the Koreans. It is their business. We were involved in Korea when the American State Department refused to let our military men train the Koreans and equip them with necessary arms. The State Department said no; they could have arms only for police work, although the evidence was clear and unmistakable that the North Koreans would strike when ordered by the Soviet Union.

Our State Department insisted that we leave Korea before it was ready to defend itself. It engaged in constant intrigue against the elected representatives of Korea and kept alive the turmoil which the Communists needed. It publicly announced that we had no interest in Korea, thus inviting the Soviet Union to take over.

We have an interest in Korea now, bought with the lives of the men who were sacrificed by our State Department. We cannot suffer 140,000 casualties only to open the door wider for Soviet expansion. We have a peacetime role in Korea—that our Armed Forces shall train the South Koreans to defend their country. They can learn to do it as the Turks and Greeks have learned to defend their countries.

The simple-appearing Soviet peace proposal has behind it all the subtle organization, all the hidden aggression, that are the Soviet strength. Our peace proposal must have behind it our total moral and political power within the framework of historic American principles of foreign policy.

Americans have always believed in the rights of small nations. We have not the slightest desire to rule over or to interfere with their affairs. We have clearly demonstrated over many years that that is our policy. But we cannot permit small nations within our security zone to be swallowed up by the Soviet Union, and we cannot wait without a policy or with a hidden pro-Soviet policy, and then enter the wrong war at the wrong time and in the wrong place.

The policy which is best for the free people of Asia is the policy that is best for us—for us to do everything in our power to help the free nations of Asia defend themselves against conquest. We need not interfere in their affairs, or be distracted from our own affairs by periodic wars, crises, and more wars.

It is time for all Americans, Republicans and Democrats, who believe in our historic American foreign policy to insist that the Korean war be settled according to the principles of freedom enunciated in our historic Monroe Doctrine. We want no more settlements by the hidden collectivists who made our "peace" in China. We want a truly American settlement, true to the principles of George Washington, Thomas Jefferson, James Monroe, and John Hay. That policy is self-determination for small nations behind a wall of their own well-trained, well-equipped fighting men, which in turn is protected by our air power and our control of the sea.

We do not have to go on forever in this brutal half war in which the collectivists in our own Government have embroiled us. We cannot escape if we keep on discussing their tortuous proposals. But we can escape very quickly if we do our own thinking. We can have peace at home, and hold out the hope of peace to the free people of Asia, if we will accept the challenge of the Soviet peace proposals, and state now the principles of an American peace for Asia and the world.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from South Carolina yield me 5 minutes?

Mr. MAYBANK. I am not able to do so at this time. I shall be glad to do so at a later time.

Mr. JOHNSON of Colorado. The reason I ask is that——

Mr. LANGER. Mr. President, I yield 5 minutes of my time to the Senator from Colorado.

Mr. JOHNSON of Colorado. The Senator from North Dakota has yielded me 5 minutes of his time, if I may use it.

The VICE PRESIDENT. The Senator from Colorado is recognized for 5 minutes.

Mr. JOHNSON of Colorado. Mr. President, the Senator from Indiana [Mr. JENNER], in his usual vigorous and bitter manner of speech, has made a very serious charge against the senior Senator from Colorado.

On May 17 I submitted a resolution in the Senate. I did not slip around the back door. I stood up and received recognition from the President of the Senate and I read my resolution word for word, from top to bottom. A few days later I was interviewed on the radio and was asked who was interested in the resolution other than myself. I stated the facts of the case at that time on the radio, and that statement as broadcast was placed in the CONGRESSIONAL RECORD. I stated then that I had not discussed it with any other Senator or with any other person. Previous to its submission I had not discussed it at all with anyone. I added, "I thought it up all by myself." I am still proud of that resolution, Mr. President. I think it is one of the wisest and most statesmanlike documents authored by me. It was something which should have been done by someone, and I am glad I had the intelligence and the courage to do it. I knew when I submitted the resolution what the politicians would say about it. I have been in public life a long time, and I know beforehand what the reactions of certain people to such proposals will be. So I did not do it with my eyes shut; I did not sneak around in any way to do it. I am still proud of what I did. If I had not submitted this resolution on May 17, 1951, I would submit it today.

When the Senator from Indiana says that I was importuned or influenced to do it, he is saying something which is absolutley false, unless there is such a thing as subconscious influence. Maybe Malik or Stalin were working on me from across the ocean; I do not know. Maybe there is such a thing as mental telepathy which causes people to act one way or the other. If there is, I did not feel any heat wave strike my brain cells at the time, and I am certain no such unknown influence was at work. I know very positively that no one representing Russia or any other country wrote to me or talked to me about it.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. JENNER. Mr. President, in my remarks, I did not try to impugn the motives of the Senator from Colorado. Every Member of this body knows that he is an outstanding American and a great Senator. I only stated that I was sure the Senator's name had been taken in vain and that he had not the faintest idea that someone in Moscow was planting this same type of propaganda throughout the country and had been doing it for 6 months previously, and, at the same time, had been using the same broadcasting facilities at the same hour for several weeks to lay a foundation for Malik to make his proposal. I also referred to the distinguished Senator's main objective, which was self-determination for small nations. I did not impugn the Senator's motives. I attributed the best of American intentions to the Senator.

If we accept this proposal, we have no way to protect the boys who are giving their lives in Korea.

I hope the Senator will not take my remarks in any other light, because I certainly did not intend them to be taken in any other light.

Mr. JOHNSON of Colorado. I have no apologies for any of the points I raised in my resolution. If I had it to do over again, I should submit exactly the same resolution, without changing one letter or one word. If my resolution had any influence on the Kremlin, or anyone, I am glad indeed.

The VICE PRESIDENT. The time of the Senator from Colorado has expired.

Mr. LANGER. Mr. President, I yield the Senator an additional 3 minutes' time.

Mr. JOHNSON of Colorado. I thank the Senator from North Dakota.

My proposals were, No. 1, that the United Nations should order a cease-fire on or before the anniversary of our entrance into the war. No. 2 was that the United Nations forces retire to a point south of the thirty-eighth parallel, that the opposing forces retire to a point north of the thirty-eighth parallel, and that immediately an exchange of prisoners of war be made.

I want to say a word about these prisoners. Theoretically, at least, 10,000 American boys are prisoners of war. What their condition is, no man knows, but every one of us can imagine what their situation is while they remain in the hands of the heathen enemy.

Mr. President, I have received many telephone calls about our boys who are prisoners of war since the resolution was presented. The calls came from the parents and the loved ones of these war prisoners. They urged the adoption by the Senate of the resolution requesting the United Nations to arrange a cease-fire, hoping and praying that maybe their loved ones might be restored to them thereby.

The third proposition, and the one to which the Senator from Indiana has referred, was that on or before January 1, 1952, all foreign troops leave Korea and only diplomatic representatives remain.

The Senator from Indiana says that if that were done, North Korea would immediately conquer South Korea. North Korea has one-third the population of Korea, South Korea having two-thirds of the total population. The thirty-eighth parallel was established by the United Nations. I do not think it was a wise move, and I said so in my interview; but I think the people of Korea are stuck with it for the time being. I hope Korea may be united, not by force of arms, but through political action.

Since one-third of the population of Korea is on the north side of the thirty-eighth parallel and two-thirds of the population is on the south side of that parallel, I do not see how one-third of the population can take over the two-thirds on the south side of the thirty-eighth parallel unless the people on the south side of that parallel want that to be done.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point my interview over the radio.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

CEASE FIRE IN KOREA

(Extension of remarks of Hon. EDWIN C. JOHNSON, of Colorado, in the Senate of the United States, Monday, May 28, 1951)

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD a radio program entitled "Pro and Con," conducted by Frank Bourgholtzer, White House correspondent of the National Broadcasting Co., who interrogated me about the resolution I offered in the Senate on May 17 with the objective of ending hostilities in Korea.

"CEASE FIRE IN KOREA

"('Pro and Con' program on National Broadcasting Co. Washington radio station WRC 10:45 p. m. to 11 p. m., May 25, 1951, Frank Bourgholtzer, White House NBC correspondent, interrogator; EDWIN C. JOHNSON, United States Senator of Colorado, being questioned)

"Question. Korea and what to do about her still dominates the news. Last week Senator EDWIN C. JOHNSON, Democrat, Colorado, offered a Senate resolution calling upon the United Nations to promulgate a cease-fire order effective 4 a. m. June 25, 1951, the first anniversary of the beginning of hostilities there. Senator JOHNSON is here in the studio with me and I shall start 'Pro and Con' off with this question: Why did you propose a cease-fire order by U. N.?

"Answer. There are many reasons for the resolution, but the facts developed by the testimony of the MacArthur hearing convinced me that a cease-fire order now is not only timely but is the only way out.

"Question. What facts, Senator?

"Answer. General MacArthur indicated that only a madman would undertake a war on the mainland of China. In other words, he, too, is against an all-out war in China. When General Bradley took the witness-stand he made it clear that in the administration's opinion a Chinese war would be the wrong war, at the wrong time, in the wrong place, with the wrong enemy. Hence, both sides in the "great debate" veto an all-out war with China. But the facts are that China and the United States have been at war many months. Last week we claimed we killed and wounded 70,000 Chinese soldiers, and we admitted that we suffered severe casualties ourselves.

"I believe that our generals are correct when they say "War with China would be madness,' and when they say it would be 'the wrong war, in the wrong place, at the wrong time, with the wrong enemy.' In my opinion there is no way to keep the limited war with China from developing into a full-scale war with China. The logical thing to do, therefore, is for the United Nations to stop the terrible slaughter in Korea before

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it matures into a full-scale war with China, which it must do unless it is stopped.

"Question. Are you suggesting that General MacArthur and the administration are in agreement on the Chinese war?

"Answer. Oh, no. There are areas of disagreement, but the areas of agreement are far greater than the areas of disagreement between these opposing factions. As I understand their positions, the administration advocates a more limited war than does General MacArthur. Their difference is one of degree. Both appear to believe that a general war with China would be a major catastrophe and that world war III would rock the very foundations of civilization. The best way I know to stop the impending all-out war with China and impending world war III is for the United Nations to stop the so-called limited war between the Allies and China now. During the past 3 years the world's foremost statesman, Winston Churchill, repeatedly has urged negotiating small wars for the best possible peace which can be obtained. It is his contention that sooner or later small wars are certain to lead to a big war.

"Question. Just what are the terms of your resolution, Senator?

"Answer. Perhaps I should read it. It is not very long, and it is full of meat.

"In Senate Resolution 140, submitted in the Senate May 17, I list 11 reasons for its enactment, as follows:

"First, to permit civilization to be destroyed by world war III is utter insanity and unworthy of the men of this century.

"Second, the Korean war has every appearance of being a hopeless conflict of attrition and indecisiveness and a breeder of bitter racial hatreds.

"Third, a limited war, like a limited or smoldering fire, is gravely dangerous, for it may burst forth into a world-wide conflagration at any moment.

"Fourth, the North and South Koreans, the Chinese, and the United Nations have suffered more than 1,000,000 casualties, with the only tangible result, so far, the indescribable misery which has been heaped upon the Korean people.

"Fifth, tremendous strides have been made in the development of hitherto unused lethal and destructive weapons of war with potentials of unbelievable fury and horror.

"Sixth, by slaughtering additional millions of humans an uneasy peace might in time be forced upon the vanquished.

"Seventh, the people of the United States traditionally have held the people of China in the highest esteem and affection and still do.

"Eighth, the people of the United States have long recognized the wisdom of the principles of the Monroe Doctrine so eloquently portrayed by the slogan 'Asia for Asiatics' if it were to be applied to Asia.

"Ninth, it has long been the policy of the American people that no nation should seek to extend its form of government over any other nation or people, but that as an inherent right every people should be left free to determine its own form of government and its own way of life, unhindered, unthreatened, unafraid—the little along with the great and the powerful.

"Tenth, the traditional policy and desire of the people of the United States of America is now and has been a just and enduring peace; and

"Eleventh, it is never too early for God-fearing and peace-loving peoples to earnestly endeavor to stop needless human slaughter.

"'Now, therefore, be it

"'*Resolved*, That it is the sense of the Senate that the United Nations call upon all nations and all groups now engaged in the war in Korea to cease fire and declare an armistice effective at 4 a. m. (Korean time) June 25, 1951; and that prior thereto the United Nations forces retire to points south and the opposing forces retire to points north of the thirty-eighth parallel; and that before December 31, 1951, all prisoners of the Korean war shall be exchanged and all non-Korean persons, military and nonmilitary (except the ordinary diplomatic representatives), shall depart from North and South Korea.'

"Question. What does the State Department think of your resolution?

"Answer. I do not know. I have not asked them, but I am certain that the State Department above everything else wants peace in the world.

"Question. What groups in this country suggested the introduction of Senate Resolution 140?

"Answer. No groups suggested it. None were consulted. However, I hope that church groups, women's clubs, organized labor groups, luncheon clubs, and many other alert organizations devoted to the public interest and a peaceful world will demand prompt action on it.

"Question. Do you regard this resolution a partisan political issue?

"Answer. Indeed I do not. It is the hottest issue in the United States today, but it is not partisan. Every responsible political party and every responsible political leader in the United States should and does want to stop the war in Korea at the earliest possible hour. No political party in the United States is a war party. Certainly I have no personal political ambition or design myself.

"Question. What about the newspapers?

"Answer. Most of them have shied away from the issue which my resolution presents as though it were a hot potato. The Denver Post, the largest newspaper in the Rocky Mountain empire, has castigated me as a defeatist, an isolationist, and an appeaser, but support from the Colorado people has been tremendous which proves that, while they read the Denver Post, they do their own thinking and want the conflict in Korea settled now.

"Question. Have any Senators joined you in sponsoring this resolution?

"Answer. I did not ask any Senator to join me, nor did I consult any Senator with respect to it. I introduced it strictly on my own. I thought it up all by myself. However, multiplied millions of people in the United States and all over the world long for peace and so I know that any equitable, realistic, and sincere peace proposal would find countless supporters all over the world. The affair in Korea has the whole world on edge.

"General Ridgway, commanding general of Korea, in a recent letter to his church wrote:

"'Hundreds of thousands of poor people, the old, infirm, infants, the sick, fleeing night and day across country over the ice of frozen streams, in temperatures at zero, no shelter at night but that obtained from huddling together and from such of their belongings as are on their backs or ox or small two-wheeled cart—would to God the American people might see a full-length movie of current events here in their true setting.'

"When General MacArthur testified recently before the Senate committee, he said: 'The war in Korea has already almost destroyed that nation of 30,000,000 people. I have never seen such devastation. I shrink with a horror that I cannot express in words, at this continuous slaughter in Korea. I have seen, I guess, as much blood and disaster as any living man, and it just curdled my stomach the last time I was there. After I looked at that wreckage and those thousands of women and children and everything, I vomited. If you go on you are going to destroy that people. I think we should make some extraordinary effort to bring it to an end.'

"Question. It is said that Russian newspapers gave your cease-fire proposal considerable attention. Is that bad news?

"Answer. No, indeed, that is good news. Peace is not a one-way street. There can be no peace in the world unless Russia agrees to it. If Russia would cooperate with the peace-loving people of the world, we could have world peace and world prosperity right now. So if Russia is interested in establishing peace in Korea, the battle is half won.

"Question. Does your resolution appease the Communists?

"Answer. Of course it does not. There is not one word of appeasement in it. Senate Resolution 140 turns Korea back to the Koreans. Under its terms every people other than the Koreans get out by next New Year's day. The United States wants nothing in Korea except the happiness and prosperity of the Korean people.

"Senator DUFF, in a commencement address at Carson College in Jefferson City in Tennessee, said:

"'Unless we are dealing with complete madmen in Russia, there must surely be some avenue whereby it will be possible to discuss seriously and sincerely methods to adjust the misunderstandings on some other basis than by destroying civilization itself.'

"Question. Will it not prove very difficult for the U. N. to negotiate an armistice now?

"Answer. Korea is a testing ground for negotiating peace. If we cannot settle this conflict where the conditions now are so ripe for settlement, we must confess impotency to negotiate peace anywhere. If we wait for an unconditional surrender before we start developing peace terms, we better start preparing for a hundred years' war. Men of good will, Korea is the testing ground of U. N.'s capacity to negotiate peace. Dorothy Thompson, in one of her recent columns, wrote this:

"'War has become the supreme lunacy. It can accomplish nothing for an ideology, for it crushes every idea. It is the dissolver of all social orders; it is the dissolver of life itself.'

"Question. How will the recent victories of the United Nations forces affect your resolution?

"Answer. In peace negotiations, it is always a great advantage to lead from strength and not weakness. It is great to be in the driver's seat. Our current victories and smashing rout of the enemy in Korea give us a tremendous psychological advantage right now in pressing for a just peace.

"Question. Will North Korea invade South Korea the moment foreign troops are withdrawn?

"Answer. I do not think so. The Korean war has taught many people, including the people of the United States, many lessons. The North Koreans have learned the hard way that aggression does not pay. I hope they have been cured of thinking that the world will sit idly by while they try to subdue their neighbors with gunpowder. I believe they have learned this lesson well. Furthermore, there are more than twice as many South Koreans as North Koreans. The tail is not going to wag the dog.

"Question. Does not your resolution add to the significance of the thirty-eighth parallel?

"Answer. It neither adds to nor detracts from it. The civil war in Korea did, of course, add great importance to this imaginary line. But we are the original architects of this poorly conceived device. When our war with Japan ended, the United States Government created the thirty-eighth parallel. Now the Koreans are stuck with it and only the Koreans can eliminate it. Even bad eggs cannot be unscrambled. We created the same botched-up misfortune for Germany and Austria. Perhaps time, patience, and good will may eliminate these wicked and arbitrary divisions of peoples and states.

"Question. What results other than talk do you anticipate from your cease-fire resolution?

"Answer. I expect it to stop hostilities in Korea 4 a. m., June 25, 1951. One year of the futile, senseless, inhuman sacrifice of the

youth of many nations is shocking. A further extension of this debacle would be criminal. Our best hope is not to muddle on and on. Everyone knows that one day a cease-fire order will be issued. W. Averell Harriman, official Presidential adviser, in speaking on a radio program recently, about the Korean war ending, said:

"'The Korean fighting might end next week, the week after, in a month or 2 months.'

"Eventually peace will be negotiated. How many additional thousands of youths must die before we do that negotiating? Why not negotiate right now? Emerson says, 'Nine-tenths of wisdom is being wise in time.' There will never be a more appropriate time to cease fire than on or before June 25, 1951."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 35) ordering the reengrossment of the Senate amendments to the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1952, and for other purposes.

The message also announced that the House insisted upon its amendment to the bill (S. 1590) to extend and revise the District of Columbia Emergency Rent Act, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HARRIS, Mr. ABERNETHY, and Mr. O'HARA were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 512. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Mrs. Walter J. Bickford;

H. R. 1692. An act for the relief of Chester A. Macomber;

H. R. 1789. An act for the relief of Sgt. Benjamin H. Martin;

H. R. 1800. An act for the relief of the estate of Chin Hien Lee; and

H. R. 3229. An act for the relief of Mrs. Albert W. Lack.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. MAYBANK. Mr. President, I should like to make a brief statement at this point. I have noticed in the afternoon edition of the Evening Star an article to the effect that the bill now under consideration in the Senate may not be passed by the House of Representatives before the end of June. As chairman of the Banking and Currency Committee and as representing the party which held a caucus yesterday, following which the statement was made that it is our intention to have a night session tonight and possibly a night session tomorrow in order to complete action on the bill, I believe that it is my duty to state that I shall insist that this bill be passed by the Senate within that period of time, because we must not let the present law expire. If the House is not going to pass the bill before the expiration of the present act, it will have great difficulty in writing a new bill after June 30.

As chairman of the Banking and Currency Committee, and after conferring with our caucus yesterday and with the other members of the Banking and Currency Committee, I wish to state that if we remain here tonight and possibly tomorrow night, and thus complete action on the bill, it will not be the responsibility of the Senate if the bill is not enacted into law before the first of July.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. I yield.

Mr. LANGER. Do I correctly understand that we are to remain in session tonight and all day tomorrow and tomorrow night, with possibly 1 hour allowed for sleeping?

Mr. MAYBANK. I can only say to my good friend, the Senator from North Dakota, that it is our hope to complete action on the bill sometime tomorrow.

I wish to make this statement because I hope the House of Representatives will be able to take final action on the bill tomorrow or the next day, so that following a conference on the bill, the conference report will be agreed to by both Houses by Saturday night.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Virginia.

Mr. ROBERTSON. I fully endorse what the chairman of the committee has said. There can be no doubt about the fact that we must have a control program. Regardless of differences on minor details, the Senate is going to pass a bill continuing some kind of credit, wage, and price controls, as well as the allocation of scarce materials. There is no inherent reason in the world to think that the Senate cannot complete action on the bill by tomorrow afternoon, or, certainly, by some time tomorrow night, without, as the distinguished Senator from North Dakota has indicated, staying up all of Wednesday night and all of Thursday night; because, with all due deference, there is a limitation on debate, and no amendment which is not germane, and which has not already been offered, can be offered.

It would be most unfortunate if a hiatus were to occur in the control program, or in the attempt to pass a bill to continue it, when it is entirely within our power to complete action before the expiration of the law. I hope that the message which the distinguished Senator has just given us about this news item, which, as I understood, was to the effect that the House leaders did not intend to finish the work on the bill—and though we are not at liberty to comment upon what happens in the House, we can read what is published in the press—will be followed by a change of mind on the part of House leaders, if that is their present plan.

Mr. MAYBANK. I merely wish to say that I did not intend to comment upon the House action. I only wanted to state the position of the Senate and of the Senate Policy Committee, as I understood it.

Mr. McFARLAND. Mr. President, will the Senator from South Carolina yield?

Mr. MAYBANK. I yield to the distinguished majority leader.

Mr. McFARLAND. In answer to the question of the distinguished Senator from North Dakota, I may say it is not our intention to remain in session all night tonight, but I gave notice of a night session. How late it will continue will depend upon how much progress we were able to make. I had hoped that we could finish consideration of this bill this afternoon or tonight; if not, we could continue its consideration tomorrow and possibly have a night session. We must finish it. I may say the position attributed to the House leaders is not in accordance with my understanding.

Mr. MAYBANK. I merely referred to an article which appeared in the press.

Mr. McFARLAND. It is my understanding that the House leaders intend to push forward, as we intend to do, in order to complete this legislation.

Mr. LANGER. Mr. President, I yield 12 minutes of my time to the senior Senator from Kansas.

The VICE PRESIDENT. The Senator from Kansas is recognized for 12 minutes.

Mr. SCHOEPPEL. Mr. President, I am one of the members of the committee who considered the proposed legislation which is now before the Senate.

Mr. MAYBANK rose.

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. MAYBANK. To propound a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MAYBANK. Mr. President, it was understood by the Senator from Nebraska and myself that the Senator from Indiana [Mr. JENNER] should have 30 minutes and was to be followed by the Senator from Nevada [Mr. McCARRAN] for 45 minutes.

The VICE PRESIDENT. The Chair knows nothing about any off-the-record agreement. The Senator from North Dakota, representing the Senator from Nebraska, has yielded 12 minutes to the Senator from Kansas. The Chair could not do otherwise than to recognize the Senator from Kansas.

Mr. SCHOEPPEL. Mr. President, I gladly defer. I had no knowledge of the arrangement.

Mr. MAYBANK. Mr. President, the Senator from Nevada [Mr. McCARRAN] says it is quite all right with him.

Mr. SCHOEPPEL. I assure the Senator from Nevada that I knew nothing about the arrangement.

The VICE PRESIDENT. The Senator from Kansas is recognized.

Mr. SCHOEPPEL. Mr. President, I concurred in and supported section 2, which is the so-called anti-roll-back provision amending title IV. Likewise, I supported section 3, the amendment to

XUM

Regulation W, as it affects automobiles under the general authority of title VI.

I have attended practically every hearing of this committee over a period of several weeks and, outside the Government witnesses who appeared, there were very few who were in favor of all sections and provisions in the bill. The greatest objection was to title IV, and it came from all sections of the country. As has been pointed out by other Senators, this was the section, or a part thereof, that was not requested by the Chief Executive but was placed in the bill by the Congress. A great delay ensued before anything was done under this section to freeze prices—in fact, from September 9 until January 25, 1951—despite the fact that last year the Congress approved a bill giving the administration the authority to freeze prices or to roll back prices to a base period of May 24 to June 24, 1950.

On January 26, 1951, the administration moved under the act and froze some prices; others were permitted to rise. It is significant to note that no roll-backs were made at that time.

It was then January 25, that for the first time rather officially, or unofficially, as the case may be, we began to hear about rolling back some prices. A strong hint was put out that the roll-back was going to be on beef prices. We all must recognize that Mr. DiSalle was sworn in on December 19. He started new on the job. That, however, does not, in my judgment, excuse those in authority for failing to act sooner. It is a rather flimsy excuse to say that nothing could be done because no one had been appointed Administrator. By the simple expedient of no appointment, there were no controls or freezes until prices had gone merrily on their way upward—encouraged every few days and weeks by statements from those in Washington that this or that was likely to happen. Senators will remember the press reports of lines of people before stores—to get in ahead of some alleged deadline.

The memories of the people of the country were not short. They remembered what happened in World War II and were not going to be caught again, at least, not to the extent they were in the World War II period.

It probably will never be known exactly how much went into inventories of one kind or another, but it was terrific. Manufacturing concerns of all kinds were at or near capacities. No one in Washington wanted to disturb all this. That fact was quite apparent. Later, despite all the predictions of the economists as to shortages, great surpluses began to show up in many lines of commodity goods. We heard about it by the week from witnesses from all over this land. All one needs to do is to read the record. It is there. Senators can inquire in their own communities and they will find it. Press reports and advertisements reminded us of cut-rate sales to get rid of overstocks of all kinds. Lay-offs have appeared in many places.

I am sure that many members of the committee were impressed that something had to be done to assure business, industry, labor, and agriculture that they would have some protection against drastic roll-backs when their investments, savings, and credits were tied up in inventories of raw materials and finished products.

There was too much uncertainty in the air. The people of the country had a right to know what the attitude and policy were to be in regard to future roll-backs and who would determine the policy and when. As a result, this amendment in the bill, section 2, was written.

I am for it. Some may feel that the dates fixed will allow some prices to become too high. Many feared that roll-backs, which could be invoked, would, unless limited, cause financial ruin, chaotic conditions, and loss of revenue to the Government. To all practical intents and purposes the amendment strikes a deadline.

If this bill passes, a businessman can operate in the future with some degree of certainty. Financial institutions can continue loans on inventories and stocks. And last but not least, I feel it will remove the charge of playing politics with roll-backs, and that will be a welcome relief to this country.

Mr. President, the amendment establishes a period beyond which roll-backs of prices cannot go. I now want to turn briefly to the farmers' and ranchers' side of the question. It might be well to point out that there are in this country approximately 6,000,000 farm units, the great majority of which own, grow, and are interested in livestock production of some kind.

Mr. DiSalle's first roll-back of 10 percent hit them squarely. Even under this amendment that situation will remain. Let us not forget that. But two additional roll-backs of 4½ percent each or 9 percent will be prohibited, and I think rightfully so.

Livestock men and their representatives, whether growers, feeders, or processors, complained that they were not consulted or advised concerning roll-backs of beef prices. In fact, many of them were advised there would be no roll-backs. This was not right. Congress sought to protect the people against arbitrary controls by providing for industry advisory committees, and I am sure that was meant to be more than merely a token gesture.

Farmers by the thousands and the leaders of the great farm organizations were not satisfied with the law or some of the proposed amendments to it. They told our committee so in no uncertain terms, and I do not think they were wrong.

Many of them and their leaders could not see the justice of roll-backs of beef prices when administration forces were looking the other way, away from roll-backs, across the board in the case of scores of other commodities which the farmers were and are forced to buy. No satisfactory answer has been given them on this point.

I have been somewhat surprised at the criticism and veiled insinuations directed at the farmers and ranchers as profiteers, chiselers, and Government-supported gougers, and the charges made against them, by indirection, of being responsible for the high cost of living. Some administration officials, as well as segments of the city press and radio, have indulged in this dangerous pastime and misrepresentation. I am sure we all recognize that this attitude and practice is not good and is not justified.

The farmers and ranchers and those engaged in agricultural pursuits have always done their part in meeting emergencies which this Nation has encountered. They have never walked off the job of producing even when it involved a loss at times. They have never struck against the constituted law of the land or against the Government. They have never threatened nor do they threaten now in this emergency to refuse to cooperate or to withdraw from the present picture that is before us. They seek fair play, a just and equitable consideration of their position in this squeeze play which they did not direct.

The farmers are smart enough to know that they do not set the price they receive or the price the city consumer pays for their products. They understand that the law of supply and demand fixes those things.

They also understand when they purchase hundreds of items from industry that they pay the prices fixed by someone other than the farmer, and they do not see much evidence of any roll-back on those prices.

The farmers have seen industrial profits and wages constantly rise in the postwar era, whereas 2 years before 1950 the average of farm prices declined 26 percent, and many farm prices have not yet caught up with either wages or prices of industrial goods. They have seen their net income go down steadily since 1947 from $18,000,000,000 that year to $14,000,000,000 in 1949 and to about $13,000,000,000 in 1950. And, as many know, last year the 20 percent of the United States population that lives on the farms received only 12 percent of the national income.

Herschel D. Newsom, master of the Grange, points out:

> The fact is, as known by Government figures, that the average factory worker can buy more food now with the same percentage of his pay than he could at any time before World War II. What is overlooked is that, per capita, the consumer now is buying almost 15 percent more food than before World War II and he is adding to his grocery list more of the higher-quality meats.

It has been advocated that the successive roll-backs on beef are justified because it is 152 percent of parity. Parity is by its very nature a moving relationship which represents the fair exchange value of farm commodities at a given time for goods and services farmers must buy.

There has been considerable questioning of how this parity formula of 152 percent was arrived at as it relates to beef. The distinguished chairman of the Senate Banking and Currency Committee and other members have requested additional information from the Agriculture Department as to how this parity figure was arrived at and finally determined. As late as June 21 some members of the committee were receiving information from the Agriculture Department indicating that a new

method of calculating parity prices had been arrived at resulting in a parity price for beef cattle about 34 percent higher than that calculated according to the method previously in effect. In all fairness, I feel we should have a clean, clear-cut determination as to how this parity figure was arrived at and what changes have been made. I have often wondered why the Agriculture Department and the Administrator under the present act have failed to take into consideration the determination in establishing a parity formula covering each grade of beef rather than relating it to an average figure for all grades together. This would seem to me to be a fair approach, and I may say quite frankly that if this were done some of the parity figures for the various grades would show that if all the roll-backs were allowed certain grades would be below parity, which would be illegal.

I happen to be one who believes that unless additional roll-backs are prohibited, as provided for in the bill, many injustices will be done to the cattle industry, resulting in heavy losses of money, because, to my way of thinking, testimony was produced for the record showing the costs and clearly demonstrating that these roll-backs would result in losses to the cattlemen.

The PRESIDING OFFICER (Mr. LONG in the chair). The Senator's time has expired.

Mr. LANGER. Mr. President, I yield an additional 3 minutes to the Senator from Kansas.

Mr. SCHOEPPEL. I especially commend the statement in the record of Glenn Pickett, secretary of the Livestock Association in the State of Kansas, a man who is practical, competent, and reliable and has an excellent grasp of the situation. What he says is convincing and shows the practical aspects and the results which will occur under these roll-backs.

Many witnesses who testified before the committee tried to tell us that the practices and regulations established in World War II, which were similar, even with the aid of subsidies did not work. We will all have to admit if we look back that that experience led to black markets, dwindling supplies, and empty meat markets; and, finally, a revolting public forced the end of OPA.

We are asked to go over the same ground again, blind as to what the effects were before. The result can only be the premature marketing of short-weight cattle, or cattle leaving the feeding pens and being turned back to grass in order to cut down losses. Information which I have received indicates that a large number of feeders in the Corn Belt are cutting down and turning their cattle back to pasture. The result will be that the slaughterers will receive, later on this year and early next, grass-fed instead of finished prime or good beef.

I cannot refrain from mentioning before I close that the expected results from the first roll-back have been disappointing to the public. The public did not get lower prices. In fact, practically every section of the country has reported that prices were raised at the meat markets. If one does not believe this, let him ask his butcher how he trimmed his meat before and how he can sell it under the present regulation. Meat packers throughout the country have experienced difficulty in meeting the regulations and have been unable to purchase cattle in compliance. Farmers and ranchers have experienced difficulty in sending cattle to market because of the reduced slaughtering quotas. Apparently, the theory of the agency has been to hold them back on the farm and let the farmer and stockman carry the additional expense during this period. We can readily understand why they are not happy with the results. I cite these things to show some of the difficulties and how confusing some of these regulations can be, all of which has added to the chaotic picture which we seek to clarify by this amendment.

I prefer to take my position on this measure and support section 2. I prefer to have a type of legislation which will prevent uncertainty and chaotic conditions and which, if properly administered, will eliminate confusion. This amendment is not limited to the cattleman alone. As I pointed out in the beginning, it covers every segment of our economy. It is in this spirit that I am working for and shall support this phase of the bill.

LEGISLATIVE EROSION OF THE ADMINISTRATIVE PROCEDURE ACT

Mr. McCARRAN. Mr. President, I have on the desk an amendment. Although it may not come up for consideration, I ask unanimous consent that it be read by the clerk at this time, so that the Senators who do me the courtesy of listening may know what I am talking about.

The PRESIDING OFFICER. Without objection, the amendment will be read.

The CHIEF CLERK. On page 15, following line 18, it is proposed to insert the following new section:

SEC. 6. (a) Clause (4) of section 2 (a) of the Administrative Procedure Act is amended to read as follows:

"(4) the functions conferred by the following statutes: the Universal Military Training and Service Act; the Contract Settlement Act of 1944; and the Surplus Property Act of 1944."

(b) All laws or parts of laws enacted prior to the date of enactment of this section which grant exemption from the provisions of the Administrative Procedure Act are repealed, and the following parts of laws are specifically repealed:

(1) Section 302 of the First Supplemental Appropriation Act, 1947 (60 Stat. 918);

(2) Section 601 of the Social Security Act Amendments of 1946 (60 Stat. 993);

(3) Section 6 (a) of the Sugar Control Extension Act of 1947 (61 Stat. 37);

(4) Section 210 of the Housing and Rent Act of 1947 (61 Stat. 201);

(5) Section 301 of the Housing and Rent Act of 1948 (62 Stat. 99);

(6) Section 5 of the Second Decontrol Act of 1947 (61 Stat. 323);

(7) Section 7 of the Export Control Act of 1949 (Public Law 11, 81st Cong.);

(8) Section 3 (1) of the International Wheat Agreement Act of 1949 (Public Law 421, 81st Cong.);

(9) The first sentence of section 709 of the Defense Production Act of 1950 (Public Law 774, 81st Cong.);

(10) The paragraph headed "General Provisions—Department of Justice" in chapter III of the Supplemental Appropriation Act, 1951 (Public Law 843, 81st Cong.); and

(11) Section 305 of the Federal Civil Defense Act of 1950 (Public Law 920, 81st Cong.).

(c) Nothing contained in this section shall be construed to invalidate, or to require any change in, any proceedings conducted by or before any agency of the Government which were commenced prior to the effective date of this section, or to invalidate any action of any such agency taken prior to such date or any action taken after such date in connection with any such proceedings.

(d) This section shall become effective on the 30th day following the date of its enactment.

Mr. McCARRAN. Mr. President, for some time I have been concerned with the growing trend toward legislative erosion of the Administrative Procedure Act. It seems to me the time has come to make an effort to halt this trend, and reverse it; and I propose to make that effort now.

The Administrative Procedure Act became, upon its enactment, what an eminent member of the bar has described as "a bulwark against unfairness in the procedure of Federal agencies." But that bulwark is being weakened every time Congress assents to another exemption from the act.

Mr. President, the Administrative Procedure Act is a bill of rights for many hundreds of thousands of Americans whose affairs are controlled or regulated in one way or another by agencies of the Federal Government. I have said before that I do not believe a more important piece of legislation has been or will be presented to the Congress of the United States, because the Administrative Procedure Act deals with rights and remedies which touch intimately the most lowly as well as the most elevated and lofty citizen in the land. This law touches at some point virtually every phase and form of human activity. As the Senator from North Carolina [Mr. SMITH] so ably stated it, at a time when he was president of the American Bar Association:

> For our day the Administrative Procedure Act is in many ways as important as the Judiciary Act of 1789 was in the founding of our Federal Government.

Let me say, at the risk of repeating myself, that the Administrative Procedure Act is a fundamental enactment. The early years of its administration are, therefore, extremely important years. They are the years in which necessarily occur the pulling and hauling which will in part determine the future of the act.

In the larger sense, this act has not yet had time to make its full impact felt. It has done much good, but the greatest good it may do is still to come. It is extremely unfortunate that the Congress, even before this act has been fully effectuated, should be a party to narrowing its scope, and chipping away at its foundations, by granting exemption after exemption.

I have pointed out at other times and in other places how, in many respects, the Administrative Procedure Act has been evaded and avoided by one agency

XUM

or another. The time is coming when the Congress will have to deal with that phase of the matter. For the present, however, the phase to be dealt with concerns the action of the Congress itself in permitting a series of exemptions which have been whittling away at one of the important attributes of the act, namely, the greatest possible uniformity throughout the executive branch of the Federal Government. My amendment asks the Congress to reverse that trend, to wipe out the exemptions recently granted, and, in effect, to serve notice upon the future that any exemption to this act will have to be clearly justified, on the basis of most careful consideration, before the Congress will approve it.

Technically speaking, the purpose of my amendment is to repeal all laws or parts of laws granting exemption from the provisions of the Administrative Procedure Act, except in the case of such functions as were granted specific exemptions in the original act. In other words, this amendment is intended to wipe out all the exemptions which have been granted since the Administrative Procedure Act became law.

Mr. President, since the date of approval of the Administrative Procedure Act, three laws have been specifically added to the list of exemptions in section 2 (a) of the act, and seven other laws have been exempted from the act in whole or in part.

The first of the exemptions specifically added is the Veterans' Emergency Housing Act of 1946, which was added to the list of exemptions by section 302 of the First Supplemental Appropriations Act, 1947 (60 Stat. 918), and also by section 601 of the Social Security Act amendments of 1946 (60 Stat. 993).

The second exemption specifically added was the Sugar Control Extension Act of 1947, added by section 6 of that act (61 Stat. 37).

The third exemption specifically added was the Housing and Rent Act of 1947, added by section 210 of that act (61 Stat. 201) and section 301 of the Housing and Rent Act of 1948 (62 Stat. 99).

First on the list of the other laws exempted in whole or in part from the Administrative Procedure Act are title III of the Second War Powers Act of 1942, and section 6 of the act of July 2, 1940 (relating to export controls), both of which were exempted by section 5 of the Second Decontrol Act of 1947 (61 Stat. 323).

The next exemption was the Selective Service Act of 1948 (exempted by section 13 (b) of that act). Senators will note that this exemption is being retained under my amendment, being considered within the spirit and intent of the provisions of the original act, which exempted the selective-service system.

The third exemption was the Export Control Act of 1949, exempted by section 7 of that act.

The fourth exemption was the International Wheat Agreement Act of 1949, exempted by section 3 (i) of that act.

The next exemption was the Defense Production Act of 1950, exempted by section 709 of that act.

The next exemption was the Federal Civil Defense Act of 1950, exempted by section 305 of that act.

The next exemption embraced proceedings for exclusion or expulsion of aliens. This exemption was from sections 5, 7, and 8 of the Administrative Procedure Act only. This exemption was granted by the paragraph headed "General Provisions—Department of Justice" in chapter III of the Supplemental Appropriation Act of 1951.

These exemptions, which have come along since the Administrative Procedure Act became law, have not been considered or approved by the Judiciary Committees of the Congress, which handled the Administrative Procedure Act itself. These exemptions have been, rather, slipped into or tacked onto bills which have been handled by other committees. I do not mean to criticize in any way any of the committees of either House of the Congress, because these exemption proposals and provisions which have been grafted into or onto one bill or another, in many cases have not been brought to the specific attention of the committees handling such bills, have not been the subject of hearings, and, in the broadest sense, have not been actually considered by those committees. These exemption provisions have been presented, time after time, largely as matters of technical draftsmanship; no hearings have been held on them; and they have found their way into law without, in some cases, even a word of discussion on the floor of either House of Congress.

In the case of the exemption of the Civil Defense Act of 1950, Senators will recall I raised the question with respect to that exemption, and that the Senate voted to delete the exemption provision from the bill. It was restored in conference, so that the Senate had no further opportunity to vote on the exemption separately.

In connection with at least one of the exemptions which has been granted, namely, the exemption of the proceedings for exclusion or expulsion of aliens from sections 5, 7, and 8 of the act—the plea has been made that the exemption was justified on the basis of economy. As a matter of fact, it appears to have been this economy argument solely which led to that particular exemption.

Leaving aside the question of just how much economy, if any, is actually involved, and in order to avoid dodging an issue, let me say that in my own opinion the actual cost involved in complying with the Administrative Procedure Act provisions was greatly overstated by the Immigration and Naturalization Service representatives in the plea made to the House Appropriations Committee, which resulted in this exemption. However, that may be, let me paraphrase the Supreme Court, in its decision in the case of Wong Yang Sung against McGrath, and say that Congress has already decided that achieving fairness and justice in administrative proceedings is worth whatever it may cost.

The Administrative Procedure Act originally exempted the Selective Service System, and on that basis my proposed amendment would exempt the functions conferred by the Universal Military Training and Service Act. This was an initial decision made by the Congress on the basis of complete information and careful consideration of the matter. In that respect, this exemption, like the other specific exemptions made in the original act, is different from some of the exemptions more recently granted, which were slipped into general bills, and which passed the Congress without debate.

The specific exemptions granted in the Administrative Procedure Act itself at the time when the act was approved, concerned the functions conferred by the Selective Training and Service Act of 1940, the Contract Settlement Act of 1944, and the Surplus Property Act of 1944. The Administrative Procedure Act also contained a clause exempting from its provisions certain temporary agencies which had been set up to deal with the war emergency.

It is important to remember that the purpose in exempting these emergency functions from the Administrative Procedure Act was not to set a pattern of exempting all such functions or all similar functions, but was only to avoid upsetting existing organizations which were nearing termination, which therefore were themselves of limited duration, by requiring the establishment of new procedures in such organizations.

Nevertheless, in connection with various exemptions which have been sought and secured, the argument has been used that such exemptions were following a pattern set by the Administrative Procedure Act itself. This argument is fallacious, and its results have been most regrettable.

It is easy to say that in time of great emergency, it is proper that the rights of the individual be subjugated to the good of the majority; but I submit that any proposal which involves subjugating the rights of individuals to the welfare of the central state should be most carefully examined.

Whenever the Congress is dealing with a statute which creates new functions, there should be a clear showing of some valid reason why the function so newly created should not be exercised in compliance with the applicable provisions of the Administrative Procedure Act, before the Congress approves an exemption from that act.

If Congress is going to make a practice of exempting new agencies and new functions from the Administrative Procedure Act every time it passes a bill, then Congress might just as well repeal the Administrative Procedure Act in its entirety, for every such exemption granted by act of Congress is another prop knocked out from under the Administrative Procedure Act.

Before we vote upon the question of exempting these agencies from the Administrative Procedure Act or making them subject to that act, it might be well to spend a little time considering some of the important guaranties which the Administrative Procedure Act gave to every citizen who must have dealings with some administrative officer or agency of the Federal Government—and we should bear in mind, Mr. President, that means virtually every citizen in the land, for today the administrative functions of the Federal Government touch us all, high and low.

One of the most important guaranties in the Administrative Procedure Act is the right of any person compelled to appear in person before an agency or representative thereof, to be accompanied, represented, and advised by counsel.

Another important guaranty contained in the Administrative Procedure Act is the right of every person who is compelled to submit data or evidence to an administrative agency to be entitled to retain, or, on payment of lawfully prescribed costs, to procure a copy or transcript of his testimony.

Another important guaranty of the Administrative Procedure Act is the right of a person suffering legal wrong, because of an agency action, to have judicial review of that action.

Surely, there is nothing about the prospective emergency operations of these so-called emergency agencies, even in connection with the civilian defense program, which requires the blanket suspension or abolition of these rights.

The Administrative Procedure Act provides that "No sanction shall be imposed or substantive rule or order be issued except within jurisdiction delegated to the agency and as authorized by law." Do we want to free these administrative agencies from that requirement?

For about 5 years now the Administrative Procedure Act has stood as a sentry, if you please, between the bureau and the bureaucrat on the one hand, and the individual on the other. I am asking the Senate not to dismiss that sentry from the whole field of so-called emergency controls and emergency powers.

One of the factors which helped to produce the climate in which the Administrative Procedure Act could be enacted was the wave of protest from all over the country against various arbitrary, capricious, and oppressive actions by Federal agencies. A substantial part of this criticism was directed at the so-called control agencies, like the Office of Price Administration. The Administrative Procedure Act was looked to as a cure for the future of all such abuses. The then-existing temporary agencies were exempted in the act because at the time when the act was passed those agencies were about to wind up their business, and it would have been wasteful of time and money to require them to change their procedures at that late date. But it was clearly contemplated that if similar agencies should be set up in the future, they should be subject to the provisions of the Administrative Procedure Act. Yet, Mr. President, what happened? When we passed the Defense Production Act of 1950, which set up the machinery for reestablishing all these controls, we approved another exemption from the Administrative Procedure Act.

Let us examine this situation a little more closely, Mr. President. Here is an act which sets up an agency under which price controls and wage controls and production controls are to be administered. Do we want to open the door to all manner of possible abuses of administrative discretion and all manner of possible arbitrary and even oppressive tactics and practices, by providing that the existing bill of rights for private litigants shall not apply to this new agency?

Here we are attempting to set up rules in connection with the extension of this agency and to define its powers; and yet, unless we make this agency subject to the Administrative Procedure Act, it will be in a position to take arbitrary action over which there will be no adequate review; to establish procedures which will be binding upon the public, but under administrative orders about which the public may have extreme difficulty in getting any information.

As I pointed out in connection with debate on the Civil Defense Act, section 305 of that act contains a specific exemption from the Administrative Procedure Act. There is no provision in the Civil Defense Act for court review of any action of the agency. In the absence of any provision for such review in some other statute there appears to be no way, other than by habeas corpus or some other extraordinary writ of general application, in which the validity or propriety of any action by the Civilian Defense Agency can be called into account in any court in the land. This is a truly deplorable situation, a situation not to be tolerated.

Congress has here created a new agency and vested it with broad powers, necessarily on the assumption that such powers will be used only as needed in the national interest and only in a proper manner, never arbitrarily or unreasonably. Why should Congress then say to the new agency in effect, "There is to be no person, no entity, which can challenge, in any legal way, the validity or propriety of anything you do"?

In the Defense Production Act there are specific provisions for administrative and judicial review. Let no Senator be concerned for fear conflict or confusion with these provisions will be caused by removing the exemption from the Administrative Procedure Act. That cannot happen. The specific provisions written into the Defense Production Act will continue in full force and effect, and the Administrative Procedure Act will have applicability only in those areas where there is no direct conflict with such specific provisions.

There are many instances in which Congress has written specific review provisions into statute, yet where the Administrative Procedure Act applies, and it is salutary that this should be so, for the Administrative Procedure Act was designed to close up all loopholes, to stop all chinks, through which the rights of the individual might trickle or be siphoned away.

The important point to remember is that the Administrative Procedure Act is not a strait-jacket. It is sufficiently flexible to permit an emergency operation.

If it be argued that in an emergency there would not be time to give advance notice and permit hearings upon proposed rules and regulations, it need only be noted that in section 4 (a) of the Administrative Procedure Act, concerned with rule-making, it is provided that the requirements of the section shall not apply "in any situation in which the agency for good cause finds that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest." And in section 4 (c), concerning effective dates of new agency rules, the Administrative Procedure Act provides:

> The required publication or service of any substantive rule * * * shall be made not less than 30 days prior to the effective date thereof except as otherwise provided by the agency upon good cause found and published with the rule.

It is clear, therefore, that under the Administrative Procedure Act, hearings are not mandatory in connection with emergency rule-making, and the prescribed period of notice before new rules become effective may be shortened or eliminated as the exigencies of a situation may require. Furthermore, the procedural section of the act with respect to adjudication provides:

> The agency shall afford all interested parties opportunity for (1) the submission and consideration of facts, arguments, offers of settlement, or proposals of adjustment where time, the nature of the proceeding, and the public interest permit.

In the section of the act dealing with appearance, it is provided:

> So far as the orderly conduct of public business permits, any interested person may appear before any agency or its responsible officers or employees for the presentation, adjustment, or determination of any issue, request, or controversy in any proceedings (interlocutory, summary, or otherwise) or in connection with any agency function.

It is perfectly clear, in the light of the provisions of the act which I have quoted, that an agency of the Government can operate under the administrative Procedure Act even in an emergency. The point to remember is that under the act as it now stands, the agency must declare that there is an emergency, must show some justification for acting otherwise than in accordance with the act, in order to make such action valid and legal; whereas, on the other hand, if a blanket exemption is granted by the Congress, the agency may do as it pleases under the guise of "emergency action," without regard to whether there is an actual emergency, and without regard to what the emergency may actually require in the way of departure from the Administrative Procedure Act standards.

Because it expresses a very cogent thought, I want to repeat one paragraph from a speech delivered before the Southwestern Regional Convention of the American Bar Association, at Dallas, Texas, in April, by Mr. Charles S. Rhyne, of the District of Columbia Bar. Mr. Rhyne said:

> Five years of experience under the Administrative Procedure Act demonstrates that the bar cannot rest on its oars and assume that with the adoption of that act everything needed to curb arbitrary, capricious and oppressive action by Federal administrative agencies was accomplished. Scuttling of the benefits of the act insofar as emergency agencies are concerned, at the very time when those agencies have or are getting ready to expand their control so as to affect directly or indirectly nearly every person in the Nation is already an accomplished fact. * * * This experience demonstrates the necessity for constant vigilance * * * to prevent congressional nullification of the act.

I am pleading today, Mr. President, against progressive congressional nullification of the Administrative Procedure Act. I am pleading for affirmative action by the Senate to reaffirm the intent of the Congress that all our citizens who must deal with one or another of the multiplicity of agencies of the Federal Government shall be assured of a basic minimum of fair dealing, administrative justice, and procedural protection. I am pleading for the principle that no agency of the Government shall have the right to force a citizen to be bound by proceedings to which he cannot become a party, and of which he may not even have notice. I am pleading for the principle that no American dealing with his Government shall be forced to have recourse to procedures which have not been fairly and openly established. I am pleading for the right of every man who has suffered legal wrong as a result of the action of some administrative agency of the Government to have judicial review of that action to determine whether it was justified under law, as a proper exercise of administrative discretion, if discretion is involved, and was not arbitrary or capricious, on the basis of the reasonable, probative and substantial evidence in the case. I am pleading for the preservation, and reaffirmance, of the charter of basic rights for administrative litigants which Congress granted with open hands just 5 years ago, in one of the most historic steps in the improvement of justice since the granting of the Magna Carta; but which Congress has been withdrawing, bit by bit, ever since it was granted.

I am pleading, Mr. President, for a square deal for every man when he deals with our Government, even though it may cost more money to give him a square deal than to cheat him, or deal arbitrarily with him, or otherwise impose upon him.

I believe, Mr. President, that a majority of my colleagues feel, as I do, that the Administrative Procedure Act was good legislation and is good law, and that it should stay on the statute books and be protected against its enemies, whatever their motives.

So that every Member of the Senate may have the opportunity to speak for himself on the matter of high principle involved in this amendment, I shall, at the proper time, ask for the yeas and nays when the amendment is presented.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BRICKER. I should like to say, frankly, that I appreciate the constructive contribution of the Senator from Nevada to the thinking of the jurisprudence involved in this issue. When the bill was originally before our committee, the Senator from Ohio insisted upon the right of every citizen, with reference to rules and regulations of a substantive character which affected his rights, to have a review of any arbitrary or capricious action on the part of any agencies involved in the act. We did, as the Senator remarked in his speech, create the Emergency Court of Appeals, but, as I understand, it would not be affected by the amendment of the Senator from Nevada. Is that correct?

Mr. McCARRAN. That is correct. However, the machinery established under the Administrative Procedure Act is so set up and has been so tried out that it would have been much better if it had been placed in the act.

Mr. BRICKER. I agree entirely with the Senator. I think the rule ought to be general that the Administrative Procedure Act should apply to all boards, both temporary and permanent. It is perhaps more important to have it apply to temoray boards, because they are inclined to be more inconsiderate of the rights of the individual. It is as important in an emergency to protect the rights of citizens as it is in normal times; possibly more so. I agree entirely. But I should like to know the application which the amendment has to this specific bill. In the rent-control section it is provided that one must receive the consent of the expediter before he can even go into court.

Mr. McCARRAN. That is correct.

Mr. BRICKER. He is not only not permitted to go into court, but he is absolutely prevented from going into court except with the approval of one of these bureaucratic administrators. So I want to commend the Senator from Nevada and tell him that I agree entirely with his philosophy. Instead of weakening the Administrative Procedure Act, I think the Senate should be intent upon strengthening it and applying it across the board.

Mr. McCARRAN. I am very grateful to the Senator from Ohio for his kind expression.

Mr. WELKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WELKER. How much time remains under the control of the minority leader?

The PRESIDING OFFICER. Twenty-eight minutes' time remains.

Mr. MAYBANK. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from South Carolina has 27 minutes.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. Is the amendment which the Senator from Nevada discussed now before the Senate?

The PRESIDING OFFICER. No, it is not.

Mr. MAYBANK. What will be the status of that amendment when it is called up?

The PRESIDING OFFICER. It will have to be submitted from the floor, and then there will be 15 minutes on a side for discussion.

Mr. MAYBANK. I understood that the distinguished Senator from Utah [Mr. BENNETT] was to follow the Senator from Nevada [Mr. McCARRAN]. I ask unanimous consent that a statement which I have prepared in reference to the amendment of the Senator from Nevada may follow the statement of the Senator from Nevada, so that Senators may read the statements together, if the Senator from Utah will be generous enough to permit his remarks to come after my statement.

Mr. BENNETT. That is agreeable to me.

Mr. WELKER. Mr. President, will the Senator from South Carolina yield?

Mr. MAYBANK. I yield.

Mr. WELKER. Will the distinguished chairman of the Banking and Currency Committee help me out of a dilemma? I understand the junior Senator from Utah wants 45 minutes. He is a former member of the committee. The Senator from Nebraska [Mr. WHERRY] has only 28 minutes remaining.

Mr. MAYBANK. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 27 minutes remaining.

Mr. MAYBANK. I shall be glad to yield 17 minutes to the distinguished former member of the committee.

Mr. BENNETT. I thank the Senator from South Carolina.

Mr. MAYBANK. Does the Senator desire to proceed at this time, or would he permit me to make my statement first?

Mr. BENNETT. I am agreeable to the Senator proceeding at this time.

Mr. MAYBANK. I should like to read the statement into the RECORD in connection with the amendment of the Senator from Nevada. Whatever time is left, so far as I am concerned, the Senator is welcome to.

Mr. BENNETT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BENNETT. Am I to understand that I am assured the amount of time which was arranged for when the unanimous-consent agreement was entered into, namely, 45 minutes?

Mr. MAYBANK. The Senator is welcome to any time I have remaining after I read this statement. I did not know what the distinguished minority leader may have arranged for. I was not advised about that, so it is no responsibility of mine. I am glad to yield to the Senator what time I have left.

Mr. BENNETT. I thank the Senator from South Carolina.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. WELKER. Mr. President, may I advise the Senator from Utah that by the gracious act of the senior Senator from South Carolina, if he takes 10 minutes to read the instrument he has in his hand, it will leave us 17 minutes, and will permit the Senator from Utah to have his 45 minutes.

Mr. MAYBANK. Mr. President, I regret that I must object to the amendment of the Senator from Nevada [Mr. McCARRAN]. In my judgment this amendment would cripple all the agencies operating under the Defense Production Act. I also question the desirability of an amendment to the Defense Production Act which would at one stroke, and in the course of debate tightly limited due to the pressure of time, completely revise the operations and procedures under a number of basic

statutes, such as the Social Security Act, the Sugar Control Extension Act, the Export Control Act, the International Wheat Agreement Act, the immigration laws, and the Civil Defense Act.

Consideration was given to these separate provisions when these various exemptions were granted. For example, in reporting out the Export Control Act of 1949, in Senate Report 31, Eighty-first Congress, first session, the Banking and Currency Committee made the following statement:

There is continued a limited exemption from the Administrative Procedure Act. By section 7 provision is made that section 3 alone (the public-information requirement) of the Administrative Procedure Act shall be applicable to the export-control program in view of the temporary character of this legislation and its intimate relation to foreign policy and national security. This is in accord with the policy expressed in section 2 of the Administrative Procedure Act itself. Other temporary regulatory activities authorized since that act have been granted comparable exemptions. Examples of such are contained in the Sugar Control Extension Act (50 U. S. C. App. 981-985); Housing and Rent Act of 1947 (50 U. S. C. App. 1881-1884, 1891-1902); Veterans' Emergency Housing Program (50 U. S. C. 1821-1833); War Housing Insurance Act (12 U. S. C. 1738, 1739, 1743, 1744). The essential safeguards of consultation with the trade in promulgating regulations, and of an opportunity to be heard on appeal from hardship, are obtained through the afore-mentioned provisions of the bill (4b) and existing agency procedures for review and appeals from licensing and compliance actions.

We have not had time nor would it be the responsibility of the Banking and Currency Committee to consult the various agencies which would be affected by this sweeping amendment.

Speaking of the Defense Production Act, I wish to point out that this exemption from the Administrative Procedure Act was specifically discussed on page 11 of the Report on Senate Bill 3936, and the exemption was recommended on the ground that the bill was emergency legislation. No objection was taken, so far as I can recall, to the provision on the floor of the Senate. I remember that the Senator from Ohio [Mr. BRICKER] engaged in some discussion regarding it on the floor, as he stated. No objection to this exemption was raised in the extended hearings before the committee.

In my judgment, this amendment would seriously hamper, if not completely wreck, the operations of the agencies under the act. As I understand it, the provision would require not only reasonable advance notice, before making any order or regulation, but 30 days' additional delay before it could take effect. I think the agencies should have consulted industry more fully before they acted, in many cases. But my regret that they have not fully carried out our wishes does not blind me to the plain fact that the extended delay for every allocation and price order would wreck the allocation and price programs.

The Supreme Court in the case of *Bowles* v. *Willingham* (321 U. S. Rept.) upheld the rent-control provisions of the Emergency Price Control Act, and specifically sustained the issuance of rent-control orders without preliminary hearings. The court said:

To require hearings for thousands of landlords before any rent-control order could be made effective might have defeated the program of rent control.

If this is true in the case of rent-control orders, it is much more true in the case of allocation orders. To give 30 days' notice of many allocation orders, such as those applying to steel, cotton, aluminum, and other defense items would completely defeat their purpose. All the materials might be gone by the time the order became effective. The Commerce Department was able to prohibit American ships from going to China within 24 hours from the time the decision was made. To have given 30 days' notice of this order would have encouraged a tremendous boom in shipments to China.

In normal times full-dress public hearings, after reasonable notice, plus a 30-day delay, are required under the Administrative Procedure Act and are advisable as a matter of good administration.

But these are not normal days. In these pressing times we must use the best practical methods. Instead of full-dress hearings, we rely on consultation with industry committees, and a program for such consultation has been carefully worked out and embodied in the Act.

When the Administrative Procedure Act was enacted, in June 1946, after very careful hearings by the Senate Judiciary Committee under the able guidance of the Senator from Nevada, with whose amendment I have no quarrel whatsoever, except to say that I believe it has no place on this bill, careful consideration was given to military and wartime functions. Section 4 (b) excepted military and foreign affairs functions from the 30-day-notice requirement. In addition, the allocations power under the Second War Powers Act and the price and rent control authority under the Emergency Price Control Act were excepted.

The reasons given for these exceptions were clearly stated in the masterly report of the Senate Judiciary Committee. The Committee points out the necessity of affording necessary freedom of action for these functions. The Committee pointed out that these functions are not accompanied by statutory requirements for hearing, and are therefore different from most of the functions governed by the Administrative Procedure Act.

In my judgment these principles apply in full force to the powers under the Defense Production Act. I do not like to differ with my distinguished friend, the Senator from Nevada, but I must oppose his amendment. I urge that the amendment be rejected.

Mr. MAGNUSON. Mr. President, will the Senator from South Carolina yield a moment to me?

Mr. MAYBANK. I yield.

Mr. MAGNUSON. Mr. President, inasmuch as the time is limited on the pending measure, and I do not wish to take up the time of the Senate unnecessarily, I ask unanimous consent to have placed in the body of the RECORD at this point a statement which I have prepared with reference to the pending bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

Mr. President, much has already been said by Members of the Senate, and great consuming groups of the public, concerning the glaring defects in the bill now before us. At the risk of being repetitious, I feel compelled to express my anxiety at the seeds of disaster this legislation contains.

I select as my text a statement contained in the report to the President from the National Advisory Board on Mobilization Policy, released on June 23. This advisory board is made up of eminent citizens of this country, selected because of their insight into national economic problems. Together they represent a cross section of our national economic life.

The National Advisory Board on Mobilization Policy said:

"Viewed in their entirety, the programs thus far undertaken to control inflation have produced substantial results. But the greater inflationary pressures which are in prospect cannot be contained with weaker measures. Stronger and more effective measures are needed."

Here are some of the facts which underscore the truth of this statement:

During the next 2 years an estimated 24,000,000 tons of steel will be required for straight military purposes. Less than 1,000,000 tons were used for these purposes in 1950. As the committee states in its report on this bill, this is enough steel to produce more than twice as many new automobiles as were manufactured in 1950 and almost as much steel as was required to produce all passenger automobiles in the 5-year period 1936 through 1940.

Unemployment in May stood at 1,600,000, or less than any month since 1945. That is getting pretty close to the practical peacetime minimum.

In 1950 we were letting contracts for defense purposes at a little less than $1,000,000,000 a month. At the present time we are placing defense contracts at the rate of $1,000,000,000 a week.

Last year the Congress authorized about 50 flood-control, reclamation, navigation, and power projects in the great Columbia Basin of the Pacific Northwest. The estimated construction cost of this vast resource development—including such giant dams as Libby, Priest Rapids, The Dalles, Albeni Falls, with transmission facilities—is about two and one-half billion dollars.

During every 3-week period, therefore, we are spending more on the "hardware of war" than it would cost to complete the so-called initial phase of the comprehensive plan for the Columbia Basin development.

The magnitude of this effort is difficult for the human mind to grasp. We have become so accustomed to dealing in billions. The impact of the effort on our economy can hardly be overestimated.

We will be diverting over 20 percent of our entire productive capacity to defense purposes. Inevitably this will produce drastic shortages of things people want to buy. The national income by the first quarter of 1952 will reach an annual rate of $37,500,000,000 higher than the rate achieved in the first quarter in 1951. Where will this income go?

Unless the Congress of the United States is willing to face facts and take action adequate to the situation, that additional income—plus much of the savings the American people now possess—will be sopped up by higher prices.

Already rising prices, stimulated by the economic forces I have just cited, have saddled the American people with over $7,000,000,000 of additional defense costs. The

committee's own report cites some shocking examples of what inflation means:

Combat boots that cost $5.72 a pair when the fighting started in Korea now cost $11.36—a 99-percent increase.

Winter undershirts that cost $2.74 a year ago are now costing $4.97—an 82-percent increase.

This is what inflation means to the military—this is what inflation means to the workingman, to the housewife, to the American people.

Already rising prices have taken an additional $20,000,000,000 out of the pockets of American consumers. The 8½-percent increase in the cost of living since Korea means that the man earning $3,000 a year has taken a cut in his take-home pay of over $200. It means he is denied a new suit of clothes, a dress for his wife, shoes for the kids, and more palatable food on the table.

When the Defense Production Act was before us last fall, I advocated on the Senate floor, and to the executive branch, that prices and wages be frozen across the board at pre-Korea levels. Obviously such action is impossible at this time because your corner grocery man, your druggist, and your service-station operator have on hand stocks they have had to purchase at ever-increasing prices. Goods now in trade channels, on their way from producer to consumer, were purchased at prices higher than those prevailing when we went into Korea. We cannot, without putting thousands of people out of business, roll prices back to "year-ago levels." But we can and we must break the price-wage spiral at this point, if we are to avoid disaster. We can and we must roll back those prices which have poked their heads far above the level that generally prevails.

Charles Wilson, Eric Johnston, and Mike DiSalle cannot do the job unless Congress is willing to give them the tools. The bill reported by the committee is weaker than the present act. The so-called anti-roll-back provision is particularly objectionable.

There is no provision for subsidies in the bill. Subsidies, properly applied, can break the price spiral and save consumers of this country many times the cost of the subsidy—at the same time protecting the private enterpriser who is caught in a squeeze between the price he paid and the ceiling under which he must sell.

The committee has recommended an 8-month extension of the price-and-wage-stabilization section, the labor-dispute section, and the consumer-and-retail-credit section of the present act. As a very minimum, the authority, these vital sections of the act represent, should be extended for a full year.

The committee talks about the disastrous effects uncertainty has on production. Nothing we can do will produce more uncertainty in the business community than a mere 8-month extension. Every businessman will tailor his operations to the possibility that controls may expire in February 1952.

According to the committee's own statement, 6 weeks of continuous study were devoted to the bill we are now considering. Congressional wheels grind slowly. I predict that unless the titles I have just mentioned are extended for a full year, we will be confronted in February 1952 with the necessity of taking the same hasty action we are taking today. Furthermore, top-flight men will be even more reluctant to leave their normal pursuits to render public service in vital agencies of the Government—agencies which have a hectic and uncertain life expectancy of only 8 months.

Mr. President, the times in which we are living are putting democracy—our way of life—to the supreme test. The question is whether we, as freemen, will voluntarily place upon ourselves the restraints demanded by the times, or whether the times will drive us into a dictatorship of either the left or the right.

There is much talk on the floor of the Senate about "protecting free enterprise." Free enterprise means enterprise engaged in by men who are free to choose the type of activity in which they will invest their talents and their efforts. The democratic way of life means a lot of little things, as well as big things, that we come to take for granted in our daily living—the right to patronize the grocer of our choosing—the right to go to a Protestant or a Catholic Church, if we desire—the right to become a doctor, or a lawyer, or a businessman, or a mechanic, if our talents lead in that direction.

In times of crisis, freemen do voluntarily that which must be done—without being driven by the lash of a dictator.

The committee has stated the case well in its report. It says:

"Your committee unanimously believes that world conditions are such, and the danger of new and bolder Communist aggression so real and menacing, that renewal of this legislation is absolutely vital to the safety of this Nation and to the survival of freedom in all parts of the world where it now exists. To allow this legislation to lapse and the programs under it to end would, in the opinion of your committee, reflect a total blindness by the Congress to the world-wide imperialist designs of communism so strikingly and shamelessly revealed in naked candor in the devastation of the Republic of Korea."

I urge the Senate to adopt the amendments which will be presented here to strengthen this bill.

I return now to the text with which I started:

"Viewed in their entirety, the programs thus far undertaken to control inflation have produced substantial results, but the greater inflationary pressures which are in prospect cannot be contained with weaker measures. Stronger and even more effective measures are needed."

Mr. MAYBANK. Mr. President, I yield the remainder of my time to the Senator from Utah [Mr. BENNETT].

Mr. WELKER. Mr. President, on behalf of the Senator from Nebraska [Mr. WHERRY] I yield 28 minutes to the distinguished Senator from Utah [Mr. BENNETT].

Mr. BENNETT. Mr. President, before I begin, I should like to make sure that I have at least 45 minutes.

The PRESIDING OFFICER (Mr. UNDERWOOD in the chair). The Senator from South Carolina [Mr. MAYBANK] has 26 minutes remaining under his control and the Senator from Idaho [Mr. WELKER], acting for the Senator from Nebraska [Mr. WHERRY], has 28 minutes, which makes a total of 54 minutes.

Mr. BENNETT. I thank the Presiding Officer.

Yesterday the junior Senator from Illinois [Mr. DIRKSEN], in his able presentation expressed so many of the points of view on the pending legislation which I also hold, and did it so ably, that if this were not my maiden speech before this body I should have been satisfied simply to say "Amen" to him and assure him that he does not stand alone. My presentation will be different from his, however, and this difference is my justification for taking the time of the Senate today. Since I am operating on a limited time allowance under the unanimous-consent agreement, I hope my colleagues will permit me to finish without interruption for questions.

Mr. President, this week we are preparing to pass a bill which will continue to impose a totalitarian pattern of control on our American economy for at least another 8 months, and perhaps if the cold war continues, for that many years. There is no clear, powerful, public demand for this pattern—in fact, the public is so apathetic that the President has personally undertaken to stir the people up, largely without success, and the Democratic National Committee has rushed to his support with a barrage of letters and bulletins to the Party faithful. In the congressional committee hearings, outside of Administration spokesmen, only 20 witnesses appeared recommending the controls requested by the President, while 104 appeared in opposition to some specific controls or controls in general. Those who appeared in opposition were not limited to witnesses from business and industry, representing such organizations as the National Association of Manufacturers, which the President delights to castigate. Others represented American agriculture, including leaders of the Farm Bureau and the Grange, the value of whose political support the President's party would do well to consider. In my own State, the Farm Bureau has embarked on a statewide campaign against the bill. Moreover, the bill is not without opponents in organized labor; so in terms of the weight of public opinion, as represented by the hearings, and as expressed to me personally through my mail, I would say that the opponents of the bill are in the majority and its supporters lack enthusiasm. This encourages me to believe that we should take another careful look at the long-range problem involved, and at the implications of any bill for direct consumer controls, before we rush to pass this bill just to meet a deadline.

THE PURPOSE OF THE BILL

The first and fundamental question we face goes to the purpose of the bill. Why do we need a bill like this and is the program it sets up adequate to achieve that purpose?

There should be no question about the purpose of the bill. I have yet to hear anyone claim that the pattern of controls this bill imposes is desirable as an end in itself, as a permanent change in our American way of life. Even the bill's loudest supporters disavow the philosophy of controls and, therefore, admit that at best such a program is a necessary evil. The American people are deeply concerned about the dangers of inflation and they want legislation that will stop it. So its supporters offer it to us as a sure cure for the evil of inflation. Its only purpose then can be to cure inflation. No other purpose is defensible.

THE BILL WILL NOT CURE INFLATION

Will this bill cure inflation? I have yet to hear anybody claim that, by itself, it will. C. E. Wilson, Director of the Office of Defense Mobilization, said:

> Direct price controls treat only the symptoms of inflation, not its basic cause.

To repeat the example used so effectively by the Senator from Illinois yesterday, price controls have been compared to the cork that is driven into the spout of a boiling tea kettle. This may prevent the steam from escaping but unless the fire is turned out under the

tea kettle, they will eventually assist in building up the pressure which will create a real explosion. My favorite illustration is the wise saying: "You can't cure dysentery with adhesive tape."

In short, I hope no Member of this body or no one in the United States believes that the bill we propose to pass this week is a cure for inflation. I am sure it falls far short of that goal.

WHAT PROGRAM IS NECESSARY?

If the powers provided by the bill, standing alone, are not a cure for inflation, we should see what other programs are necessary and whether they are being adopted and followed.

I am not a theoretical economist. I have learned about our American economic system the hard way—standing behind a retail counter, operating a small manufacturing plant, managing several small merchandising businesses involved in both wholesale and retail distribution.

So I think I can understand the simple explanation that inflation comes when there are too many customers with too much spendable money, bidding for too few buyable goods.

The current inflation did not start when we went into Korea a year ago. Inflation has been the deliberate policy of this Administration for nearly 20 years. It is probably fortunate that the reaction of the American people to the implied threat of scarcity after last June finally forced our Government to face the dangers of inflation before it could become a permanent pattern in our economy, affecting not only our lives but the lives of our children. It is fortunate that today the American people themselves are asking themselves for a program that will really cure inflation.

FOUR BASIC OBJECTIVES

It seems to me that such a program must have four basic objectives:

First. It must be one that restricts the national supply of money and credit.

Second. It must be one that—however painful—will limit the individual's personal supply of spendable money and credit.

Third. It must be one that will increase the supply of goods until buying power and available goods come into a kind of balance.

These three must be faced on a long-range basis; and only when they are operating should we consider the fourth.

Fourth. The fourth part of the program is the temporary one designed to sit on the wage-and-price lid only until these long-term programs have their effect.

It is this temporary part and, therefore, the least important one, that we are concerned with in this bill.

I am convinced that no one of these alone will do the job. All must be courageously and vigorously pursued. Are we, as a part of Government under the leadership of the present Administration, equally concerned with all four? That we are not is plain, and this disturbs me.

MONETARY CONTROL

Let us look first at our program to restrict the national supply of money and credit. For many years we have had a Federal Reserve Board which has had that basic power. But after 1932 and until this year its powers to regulate the supply of money and credit were generally used to expand buying power and feed inflation. Even as late as March 4 of this year, the Secretary of the Treasury fought to prevent the use of these powers to control inflation when he insisted on a program of pegged prices for Government bonds. It is only since that program was dropped that the Federal Reserve has been free to take any really effective steps in the field of monetary control. Even now, in this bill, we give evidence that we in Congress still do not trust the Federal Reserve Board to use its powers to control inflation wisely, because this bill seeks to restrict them. The Kerr amendment, adopted Monday, limited its powers to use Regulation X, and the committee wrote into the bill in section 3 a limitation on its powers to use Regulation W. At the moment, I have no wish to argue whether these limitations are wise or not; I simply suggest that we in Congress are acting to limit rather than increase the power of the Federal Reserve Board to act freely against inflation. But even if these limitations are adopted, we are very fortunate that the power is there. We can only hope that it will be used with courage.

FISCAL-CONTROL POLICIES

When it comes to the second problem, the restriction of individual buying power, the real failure of the Administration appears. Such a program, according to the wisest economists I can find, requires us to face our present need for defense rearmament with a balanced budget on a pay-as-you-go basis. To do this will require a full about-face in the Administration's 20-year program of continuing deficits in times of peace as well as war. To accomplish a balanced budget, we must have, first, a carefully-drawn tax law, devised to drain off excess spending capacity, at least in an amount equal to the money required for the defense effort; second, we need a rigorous program of economy in Government which will make a balanced budget possible at the lowest possible level of expenditures. If this is not achieved, the necessary tax burden to balance the budget may be so heavy as to undermine our power to produce, and weaken our power to defend ourselves.

DO WE HAVE A REALISTIC TAX POLICY?

Is the Administration's tax policy realistically aimed to combat inflation? The House has just passed a bill which the Senate will soon consider. Will this bill do the job? Because I might be considered a biased witness, I cite the editorial of a newspaper often considered to be pro-Administration. The Washington Post, in its issue of June 23, 1951, says:

Since national income is concentrated in the low-income groups, a tax bill designed to halt inflation should hit the broad sources of consumer purchasing power which are the prime cause of inflationary pressure. Under the defense tax, however, the rates range from 22.5 percent in the bottom income bracket to 94.5 percent at the top. Thus, in these higher brackets, the new taxes will siphon off income that would otherwise be saved, whereas the aim of a tax program for control of inflation should be to encourage savings and discourage consumer consumption. * * *

Funds that could have been used to provide for new plants and equipment will also be siphoned off and expansion programs needed for defense purposes will have to be financed by borrowing, leading to an inflationary expansion of bank loans. Moreover, high rates of taxation imposed on companies subject to the excess-profits tax will add to inflationary pressure by encouraging wasteful expenditures and weakening incentives to the efficiency of operation. * * *

There is a lack of balance in the tax program for it goes easy on consumers and puts the lion's share of the increased tax burden on producers.

What is needed is heavier taxes on consumers to hold down spending.

To say the least, the House bill is disappointing. All authorities seem to agree that to be effective against inflation taxes must rest on the broadest possible base. The President's Council of Economic Advisers pointed out recently in discussing individual income taxes that by far the largest part of the additional revenue must come from the middle- and low-income brackets. These are the brackets in which the great bulk of the income is located. Of the net income on all taxable returns, 86 percent of the amount remaining after previous Federal income taxes is estimated to be received by the taxpayers with net incomes of less than $10,000. If taxation is to hold down consumption—and this is vital to the control of inflation—the bulk of consumers must be affected directly by tax increases.

By changing the basis for individual income-tax increases from a uniform addition of percentage points to a basis of percentage of the previous tax, the House turned its back on an anti-inflation tax program. It will be interesting to see if we in the Senate have more fiscal courage.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. MAYBANK. I have been listening with much interest to the remarks of the Senator from Utah. I know, of course, that he is familiar with the hearings, which are quite extensive. I shall not take too much of the Senator's time to read from the hearing at length, because I realize the shortage of time. When Mr. Keyserling, who was in charge of the Economic Advisers appeared before the Senate Committee on Banking and Currency, he made the following statement, on page 307 of the hearings, so far as taxation is concerned:

There are only two ways to close that gap. The most important way is through taxation, because taxation, by taking out of the economy as much spending as the Government is pouring into the economy, shortens that gap.

The Senator is correct when he says that this control bill is not in itself the answer to inflation, as some would have us believe. I am for controls. I do not want to be misunderstood. Nevertheless, the tax situation is as has been described.

On page 272 Mr. Keyserling referred to the production situation, in the following words:

Now, the second phase of increased output is productivity. Productivity is even more important than increases in the labor force. I have said on many occasions that we can never hope to excel the Soviet and its satellites in manpower. But we can excel them

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in the efficiency of manpower, which means providing manpower with superior tools and equipment. Between 1939 and 1944, when we increased our total output by 80 percent, we increased our labor force by only about 20 percent, as shown in chart 3.

In other words, most of the increase came through better tools, through plant expansion, through sharper weapons on the industrial front. In fact, that is the whole history of the United States. The population has doubled every 50 years, and the output has doubled every 20 or 25 years.

Throughout the hearings Mr. Keyserling calls attention to the fact—as does the Senator—that this bill is not the complete answer. The Senator may not believe that this bill is necessary. We differ in that respect. I believe that we should have some type of control. However, what the Senator says is eminently correct. This bill, by itself, is not the answer to inflation, even though it has been so contended in certain quarters.

Mr. BENNETT. I deeply appreciate the Senator's point of view, and I agree with him.

Mr. MAYBANK. Throughout the hearings even the Government witnesses themselves say that the bill is not the answer to inflation.

Mr. BENNETT. I thank the Senator from South Carolina.

WHERE IS OUR ECONOMY PROGRAM?

We come now to my next question: Is the Administration devoted to economy? It is interesting and significant that when its spokesmen discuss its anti-inflation program, Government economy is seldom mentioned. I have scanned the President's recent speeches against inflation, hoping to find a plea for economy in Government, but in vain and when I read the June 9 issue of Capital Comment, issued by the Democratic National Committee, I found a 3-point program: raise taxes, extend credit restrictions, and improve price controls. Not a word about Government economy.

When the Senate was debating the Independent Offices bill I was very much impressed by what the figures read into the RECORD by the senior Senator from Delaware [Mr. WILLIAMS] showed. There was appropriated for Mr. Truman's predecessor in the White House in 1944, $302,000; in 1945, $339,000; and in 1946, $312,000. Remember, this was for a President who was managing the greatest war in our history and operating our civilian economy at its peak of production. After Mr. Truman took office we find the following appropriations facts: For the first year the appropriation more than doubled, being in 1947, $883,000. In 1948 it was $952,000; in 1949, $969,000; and in 1950, $1,375,000. By 1951 it had almost again doubled to $1,585,000.

For 1952 $1,883,000 was asked for—six times as much as President Roosevelt used in 1944. When the Senate reduced the appropriation to $1,585,000, the same amount as was appropriated last year, news commentators spoke of it as the breaking of a tradition, and suggested that the President might be forced to veto it. Does this attitude suggest a devotion to economy? Does it encourage us to reduce appropriations?

INCREASING PRODUCTION

I have not discussed the question of increasing production. So far as I know, every witness who testified on this subject said controls would restrict rather than increase our productive rate. So, for this phase of the battle against inflation, we must continue to rely on the basic strength of our productive facilities and the evident willingness of men in agriculture and industry to drive forward to even higher production goals in spite of Government obstacles and reduced incentives. One witness testified that our rate of production has increased approximately 10 percent since last June, and if Mr. Charles E. Wilson is right in saying that our rearmament effort at the present rate will take only about 20 percent of our national product, at that rate, after another year we will be able to take rearmament in our stride and still have our pre-Korean productive capacity for civilian use, raw materials being available.

Those who argue for controls delight in using industry as the whipping boy, but by increasing its production it is probably doing more today to solve this basic problem of inflation than any other agency, including the Federal Government.

All this is evidence to me that no matter what kind of bill we pass here this week, it will not win the fight against inflation because in fact, we have not really had the courage to come to grips with it.

IN THE RACE AGAINST INFLATION WE NEED A SOUND MOUNT

Let me try another metaphor, one that I know will appeal to many of my colleagues, and particularly to the junior Senator from Oregon [Mr. MORSE], were he here: One cannot win a horse race or a horse show with a horse that has only one sound leg. The horse we must ride in the race against inflation needs four sound legs, balanced in strength and stride:

First. A courageous monetary policy.

Second. A realistic tax program.

Third. A budget balanced at the lowest possible expenditure level.

Fourth. A workable but temporary program of consumer controls.

No matter how much we strengthen the fourth leg, consumer controls, we cannot compensate for our deliberate weakening or hobbling of the other three.

THE PRESENT PROGRAM'S GREATEST WEAKNESS

In corroboration of this point of view I turn to the statement of Alan H. Valentine, whom the senior Senator from Illinois Monday praised as a Republican and a fine economist. After he left his position as Economic Stabilization Administrator, he said this about our stabilization effort:

The greatest weakness in our stabilization effort has been the failure of Government to take strong, prompt, and fundamental steps toward deflation—including Government economy, a wise and fair plan of increased tax revenue that would draw off excessive spending power, greater credit restrictions, more intelligent policies on interest rates, increased personal savings and purchase of Government bonds. Most of these remain undone, and meanwhile the ship of state drifts with the vagrant pressure tides, and stabilizers flounder.

One trouble has been an overemphasis in Government circles, in press circles, and in the public mind, upon the price-control aspects of economic stabilization. This was natural and perhaps inevitable. Prices are of immediate concern to the public; prices are news to the press; price control can provide legislators with an excuse for not voting unpopular taxes or troublesome Government economies. This overemphasis has led to too little emphasis and too little action upon other and more basic deflationary measures absolutely essential to stabilization.

CURE—OR NARCOTIC

I have come now to the end of the answer to my first question. If the purpose of this bill is to cure inflation, it cannot succeed because it is not being supported by other necessary and, to me, more important programs. The thing that frightens me about this bill is that people will come to accept it as a cure, and the pressure for the other necessary programs will disappear. Remembering that C. E. Wilson said that price controls treat only the symptom, it seems to me, then, that this bill might be compared to an aspirin, which deadens the pain, or more seriously, to a narcotic, which, in the process of bringing relief, fastens an ever-growing habit on the patient. Once the pain is gone, the determination necessary to effect the basic cure may disappear and the patient will get worse.

WILL THE PROGRAM WORK?

So much for my first area of doubt about the bill. My second area of doubt goes to the whole idea of controls and their administration. Now that these 9 months since the Defense Production Act of 1950 have passed, I think we would do well to stop and appraise our experiences before we shut our eyes and vote to continue the process for many months more. As a basis for appraisal I raise these questions:

HOW DID THIS THING START?

Where did the urge for controls come from anyway?

Looking back, it seems to me that the American people reacted last June to their experience in World War II. They certainly didn't react consciously to the problem of inflation because they had been living with that for 20 years, and ignoring it. Nor had there been, up to that time, any sincere Government concern about inflation. In fact, the Government was accepting its effects as desirable, and, at least to the extent they were translated into wage increases, was taking credit for them. I think a pretty good case can be made by the fact that the postwar inflation spiral began with the 18½-cent-wage-increase formula, known as the "first round." The formula, as I remember, was credited to the President and was offered as a cure for an expected depression or deflation.

Between the end of the war and of 1948 the Consumers Price Index of the Bureau of Labor Statistics rose from 129 to 172, 43 points, a rise of 33 percent. It wavered during 1949 and stood

still at about the same level a year ago. Since then it has increased 14 points, or 8 percent, and we have become concerned about it. We were not concerned in 1947 when it increased 20 points over 1946. There was then no fear of inflation and no program for the reimposition of controls which the President had recently removed in response to public opinion, as he will some day be forced to remove these.

The scare buying of 1950, which seems the obvious excuse for the controls law, was born out of the memory of scarcities, rationing, and controls during World War II. It was a perfectly normal, natural human reaction. There is already ample evidence, in the slackening off of retail sales generally and in the tremendous piling up of merchandise inventory, that this temporary bubble has already been pricked. We may be locking the stable door after the horse is gone.

HUMAN WEAKNESSES AND LAW

I have come to believe that there is another interesting source of the present problem. I think it grows out of the same human weakness that is encouraging some of our colleagues to try to develop a new code of ethics for Government. Apparently, in every unusual situation there will always be those who seek to twist events to their advantage. Business is most readily castigated for this, but labor, agriculture, and even Government have provided examples. This was revealed when witnesses came before the Senate committees and said, in effect, "Control the other fellow so I may improve my position, but do not control me." Only a few brave souls have dared to say that Americans can be trusted to work out of this situation, and that no controls are necessary. One of these happened to be the president of the National Association of Manufacturers, and he has been singled out for attack. I am sure he must take comfort from the fact that the president of the Farm Bureau took the same position.

Every time we attempt to solve problems growing out of human weaknesses by slapping on controls, I wonder if we are not repeating the same mistake we made 35 years ago when, through the prohibition law, we attempted to legislate temperance.

A SECOND DOUBT

Now for my second doubt. I have come to believe that uniform enforcement is impossible even with Mr. DiSalle's 35,000 employees. The odds are against them. Consider these figures: In America there are 4,000,000 businesses or 114 businesses for every price administration employee to worry about. Someone has estimated that there are 9,000,000 commercial articles for sale in the United States, all with their own particular problems and traditions—260 articles apiece for each of Mr. DiSalle's people. There are 150,000,000 of us citizens—all customers. Allowing us each one transaction a day, that is 45,000,000,000 transactions a year, or 1,250,000,000 transactions for each of Mr. DiSalle's helpers to be responsible for. It just will not work.

The United Mine Workers recognized this when they said, in their resolution of May 25, that—

Under the terms of this act—an almost unparalleled and unlimited grant of powers to the Chief Executive and the grant by him of these powers to the Economic Stabilization Agency and other agencies—there were thereby created, among other departments, agencies, and bureaus, the Office of Price Stabilization and Wage Stabilization Board; and, from the date of their creation, there has been one never-ending and continuous stream of orders, rules, regulations, decrees, promulgations, amendments, interpretations, and declarations set off by such agencies and manifold respective administrators, directors, chairmen, and other official and unofficial spokesmen, as to, in effect, virtually overwhelm and flood all industry, business, and labor—large and small—with long, involved, technical, legalistic, complex, complicated, duplicitous, confusing, and confounding rules and standards of conduct, restricting, limiting, prohibiting, circumscribing, and choking their otherwise normal and ordinarily successful and smooth operations—all running to full and complete defeat of the above-declared purposes of the act.

I can almost see those famous black eyebrows knit in concentration on that language. It is florid, but I agree with every word of it.

So I believe that, in a practical sense, enforcement is impossible, and that the law can have no meaning unless it is accepted voluntarily by at least the 99 out of every 100 businessmen who are always patriotic and honest.

COMPLIANCE—IF POSSIBLE

So, if the success of the law rests not on enforcement but on compliance, let us talk about compliance. The Senator from Ohio [Mr. BRICKER] in a recent speech estimated that it would take at least 10 employees in business for every employee in the Administration to do the necessary paper work. That, is, I think, a mastery of understatement, because that would only allow 1 employee for every 12 businesses. But the matter of paper work is not the only burden. The tremendous confusion created by the imposition of programs that cannot possibly take all local conditions into account is both costly and destructive of production.

NO ONE KNOWS THE ANSWERS

For my first example, let me read from the testimony of W. D. Lawson, president of the American Cotton Shippers before the Senate committee:

Raw cotton has now been under ceilings for 4 months, and I would like to review this period. On January 25, 1951, GCPR was issued. Its wording was so ambiguous that when the vice president of the New York Cotton Exchange contacted the OPS the next morning, Mr. DiSalle did not know if it applied to cotton. After consultation with one of the OPS lawyers, he found that cotton did come under the regulation. Instantly all dealing in raw cotton ceased, the futures exchanges closed, and business was stalemated. Our association immediately sent a committee to Washington in a futile attempt to show OPS why ceilings were unworkable and unenforceable. Several meetings were held with Mr. DiSalle or his officials. At no time did they find one person in OPS who had a working knowledge of cotton. At the same time representatives of cotton producers, ginners, futures brokers, warehousemen, and cotton spinners, in fact, every branch of the cotton industry, voiced opposition to the order. The USDA presented an excellent brief to Mr. DiSalle in an attempt to show why it would not work.

Subsequent events have proven that prices would not have risen, as Mr. DiSalle feared. In spite of this, after 6 weeks of inactivity, on March 3, CPR No. 8 was issued expressly applicable to American upland cotton, but the cotton futures markets were still unable to open. At this time, adding further confusion to an already disordered situation, Mr. DiSalle stated that this order cut across all old contracts. Mills who needed cotton, which they had previously bought, could not get it, and shippers, who had previously sold cotton, could not legally deliver it. Contracts previously entered into were invalidated.

A MORAL ISSUE

No wonder Mr. Lawson said in the same testimony:

No possible goal that could be attained or even hoped for, pricewise, could possibly offset the moral turpitude that develops from the imposition of a law that cannot be enforced to any extent and penalizes those who would try to abide by its regulations; a law that is not enforceable should never be imposed.

A PERSONAL EXPERIENCE

Mr. President, until I came to the Senate, for many years I had been the head of a small retail automobile establishment in my native State of Utah. When price ceilings were put on automobiles, this firm, like all other concerns, was puzzled about their meaning and was distressed by its inability to interpret them. So it took its price lists to the newly opened OPS office in Salt Lake City, had two long conferences with the top officials in that office, and obtained complete local approval of its price lists. They asked that that approval be given to them in writing, but were told that that was impossible, that it might take a year to obtain such approval in writing. I am afraid that I showed off a little then, when I was in Utah and found out about this situation for I said, "I am a Senator, and no doubt the main office will answer my questions." So I sent the Bennett Motor Co. price ceilings to the OPS headquarters in Washington. That office, after making a careful study and admitting the situation not to be free from doubt, reversed the decisions of the Utah office, and set the price ceilings at a lower level. That was all right; they were only seeking to find out where they belonged.

As a result of that reversal, they were asked to refund the amount of money represented by the difference between their sales at the higher price ceiling and the prices they should have charged in terms of the second decision. Ninety customers were involved. We refunded $722 to 90 different customers, an average of $8 for each customer.

I have before me a letter from the Salt Lake City Director of the Office of Price Stabilization, which outlines the sincere attempts of the Bennett Motor Co. to ascertain the price ceilings and to comply with them. The district director in Salt Lake City was embarrassed by the fact that because of a leak in the Washington office, a national commentator stated, both in the newspapers and on

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the radio, that the OPS had "raided" the Bennett Motor Co., that our firm was an offender, and something to the effect that a Senator who made laws should live up to them. He wrote me this letter, for which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF PRICE STABILIZATION,
Salt Lake City, Utah, June 20, 1951.

Re Pearson broadcast.

Hon. WALLACE F. BENNETT,
United States Senate,
Washington, D. C.

DEAR SENATOR BENNETT: I did not hear the above broadcast and I think not many people in Utah did hear it, but this is to advise you that the Utah office of OPS is in no way responsible for any matter or thing reported on such broadcast.

Nothing happened, nor was any record made in the dealings of this office with the Bennett Motor Co. from which any derogatory public statement can be made. We did have dealings with the company concerning its pricing practices which were amicably settled. It appears that officials of the company had sought advice from various sources, including this office, concerning ceiling prices involving sales of automobiles and automobile accessories at a time when official interpretation had not reached this office on points about which there might be a difference of opinion. After receiving such advice the company made sales of automobiles and accessories which it apparently believed to be in accordance with OPS regulations. When, however, official interpretation of the regulation had been published it appeared that some of the sales made by the company were in violation of ceiling prices, which fact was brought to the attention of the company. Upon receipt of such advice the company expressed a desire to promptly conform to OPS regulations and suggestions and agreed to an immediate check of all its sales and to refund any overcharge made to any customer. Accordingly a check was made by this office of all sales made during the period December 22, 1950, to April 15, 1951, and every sale in excess of ceiling prices during that period was duly listed. Refunds on all such sales were promptly made by the company under the supervision of this office, after which a full report was sent to the Washington Enforcement Division with the recommendation "that this case be closed and that no further action be taken with reference thereto."

Since the date of said report, May 28, 1951, no request or directive has come to this office from Washington, requiring further action and as far as we are concerned, the case is closed and the inquiring public press of Salt Lake City has been informed that no court action has ever been contemplated against the Bennett Motor Co. and no action of any kind has been instituted against it other than to aid it to get into full compliance with OPS regulations.

This statement is made to you because it has been reported to me that said broadcast somehow connected you personally with some alleged misconduct of the Bennett Motor Co.

Yours truly,

DELBERT M. DRAPER,
District Director.

Mr. BENNETT. I suggest, Mr. President, when the OPS and its operations are used for the purpose of pillorying a man who is not only obeying the law but doing everything he can to be sure he is complying with vague and indefinite regulations, that we have a perfect illustration of what is involved in complying with the OPS regulations, and of the dangerous political application of administrative authority. In view of my experience, I am sure that my colleagues understand why I believe that compliance with OPS regulations is difficult.

INJUSTICES AND INEQUITIES INEVITABLE

If I am right in assuming that many of these problems arise out of human weakness and that both enforcement and compliance are difficult, if not impossible, then I am sure that there is a reasonable basis for the further assumption that injustices and inequities must necessarily be the result. By its very nature, the program froze into our system such injustices as existed at that certain moment when the controls were applied. Now, months later, when we attempt to correct these by roll-backs or increases, we can only create new injustices and demonstrate what we have always known—that no planned program can substitute for the elasticity of the free market. For an interesting example of injustice or at least inequity, I turn back to the automotive industry. When the day came under the wage contract between the automotive producers and the UAW on which the workers were to receive a 4-cent-an-hour so-called productivity bonus, the Administration was faced with the choice of requiring a breach of the contract to hold its wage ceiling or allowing a breach of the ceiling to permit the contract to operate. They chose to hold to the contract and break the ceiling. But earlier, in the same industry, they had made exactly an opposite decision. The automobile dealer has a contract with the manufacturer based on a percentage discount from the official list price. When the Administration allowed automotive manufacturers to increase their list prices 3½ percent, it required the automobile dealer to limit his price increase to the actual dollars involved and did not allow him the slight added dollar profit he could have made if his historic discount had been applied to the new ceiling price. It did not amount to much in money—less than 1 percent of the dollars in the dealer's profit—but the principle is there just the same. In one case, the Administration, faced with the same choice of breaking the ceiling or breaking the contract, chose to break the contract. In the other case, the Administration chose to hold to the contract and break the ceiling. To me, that is an administrative injustice, and I am happy to say that the Senator from Illinois [Mr. DIRKSEN] has an amendment which will remedy the injustice, but we cannot hold Congress in session, standing by to present new amendments to remedy every injustice.

THE REAL REASON

I come now to what I think is the real reason behind the request to extend the power for consumer controls in this bill. If they are unenforceable and cannot easily be complied with by an honest and prudent man, create inequity, and are opposed by those who have to live under them, why are they so vigorously demanded by the Administration?

I believe these demands arise out of the mistaken idea that this program will be of beneficial value in the 1952 elections. Certainly there has been ample evidence that the jobs created are being used to supply political patronage and for the political flavor of the whole program. I turn again to Mr. Valentine. I would recommend to every Senator that he reread the statement of Alan H. Valentine in the Appendix of the RECORD of March 20, inserted as extension of remarks by the Senator from Ohio [Mr. BRICKER]. If time permitted, I should like to reread the entire statement now, but from it I take this summary. Speaking of the political factors which finally led him to resign, Mr. Valentine said:

> These factors are not remote from my discussion of stabilizing our economy, for they are major hazards which our stabilizers must overcome. Sound economics and partisan politics simply do not mix. Even a Charles Wilson cannot successfully organize our production and oversee our stabilization if he must also cope with an undercover government as well as a legally constituted one.

I shall vote against the bill. I am a political neophyte and have no right to pit my political judgment against that of the masters of the art in the opposite party. But I am coming to believe that in supporting this program they may be making a great political mistake. The American people are depending on it to cure inflation. Standing alone, this bill will not do the job, and unless, under the leadership of the Administration, we soon adopt a vigorous policy of monetary controls, sound taxes and strict economy, the fear of inflation which helped elect me and other Republicans in 1950 will continue and will become an overwhelming force in 1952.

On the other hand, I think the bill as reported after diligent work by the Banking and Currency Committee by its chairman, the senior Senator from South Carolina [Mr. MAYBANK], is probably the best of its kind that could be produced, and if it were backed up with the other sound elements of a balanced anti-inflation program I should feel safe in voting for a short-term extension. Certainly I have no quarrel with those powers which set up priorities in the procurement of material and grant the materials necessary for the rearmament of America. I agree that they must be continued. If it were possible, I should like to vote for them, without voting for consumer controls; but that apparently will not be possible. So, therefore, since I consider that this bill is not a cure, but a narcotic, and since I am against the narcotics approach, I shall vote against the bill as a protest against the failure of the Administration to present a balanced program, and secure in the belief that in my State, at least, the people can see this whole problem in its true light. If we could have a chance to consider a completely balanced program to cure inflation I would vote for it with all my heart.

Mr. HENDRICKSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	McKellar
Anderson	Green	McMahon
Bennett	Hayden	Millikin
Benton	Hendrickson	Monroney
Brewster	Hennings	Moody
Bricker	Hickenlooper	Morse
Bridges	Hill	Mundt
Butler, Md.	Hoey	Neely
Butler, Nebr.	Holland	Nixon
Byrd	Humphrey	O'Mahoney
Cain	Ives	Pastore
Capehart	Jenner	Robertson
Carlson	Johnson, Colo.	Russell
Case	Johnson, Tex.	Saltonstall
Chavez	Kefauver	Schoeppel
Clements	Kem	Smith, Maine
Connally	Kerr	Smith, N. J.
Cordon	Kilgore	Sparkman
Dirksen	Knowland	Stennis
Douglas	Langer	Taft
Duff	Lehman	Thye
Dworshak	Long	Underwood
Eastland	Magnuson	Watkins
Ellender	Malone	Welker
Ferguson	Maybank	Wherry
Flanders	McCarran	Wiley
Frear	McCarthy	Williams
Fulbright	McClellan	Young
George	McFarland	

The PRESIDING OFFICER (Mr. PASTORE in the chair). A quorum is present.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the clerk may read a letter from Mr. Eric Johnston, Administrator, Economic Stabilization Agency, and that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will read the letter.

The legislative clerk read the letter, as follows:

ECONOMIC STABILIZATION AGENCY,
Washington, D. C., June 26, 1951.

Hon. ERNEST W. MCFARLAND,
United States Senate,
Washington, D. C.

DEAR SENATOR MCFARLAND: Nothing that has occurred since I became Administrator of the Economic Stabilization Agency has disturbed me more than the approval by a majority of the Senate Committee on Banking and Currency of the so-called anti-roll-back amendment to the Defense Production Act.

I am disturbed because the amendment would permit only roll-forwards and not roll-backs in prices.

Many business concerns increased prices enormously following the Communist aggression in Korea while others heeded the request of the Government to hold prices.

Naturally there should in common justice be roll-forwards for those companies unfairly hit by rising costs. But, under the amendment, there could be no compensatory roll-backs for those whose prices soared too high in relation to costs. One is as essential as the other to a sound stabilization policy. In no other way can equitable treatment be assured. The amendment would require us to stabilize the economy at the highest prices.

This would add $10,000,000,000 to $12,000,000,000 a year to the present cost level, which is already $20,000,000,000 higher than before Korea.

Such a toll is a hidden tax. It affects all the people, but particularly those with moderate incomes—those least able to pay—because they must spend a larger portion of their income for food, clothing, rent, and other cost-of-living items.

Compare the $12,000,000,000 added cost that would result from the amendment with the $7,200,000,000 tax bill just passed by the House, and it is easy to see how the American people would be affected.

It is not only the civilian who would suffer. The military would also have to pay higher prices. Inflation has already exacted a tribute of $7,000,000,000 out of $35,000,000,000 appropriated by the Congress this fiscal year to the Department of Defense for purchase of military needs. This loss is the equivalent of the new tax bill.

I am disturbed, too, because the new price plateau forced by this amendment would inevitably bring about a much higher base for the stabilization of wages.

The amendment would handcuff and hobble a stabilization program that is working effectively. This program is curbing inflation. It is stabilizing the cost of living.

I think we can hold a stabilized line under our program. The amendment would crack and break that line.

More than ever we need the assurance of stability if we are to carry out the needed mobilization program. Under the amendment, we would have not assurance but uncertainty. We would have not stability but an inflationary spiral.

The amendment is based on an apparent belief that the economy can be stabilized by being held in a vise. But our economy does not—and cannot—function in chains. There must be flexibility in pricing policy if there is to be flexibility in production and supply. The amendment destroys flexibility in pricing unless prices are always moved upward to ever higher levels. That is not stabilization. That is administered inflation.

In the interest of a fair and effective stabilization program for the American people, I hope the Senate will reject the anti-roll-back amendment.

Sincerely yours,
ERIC JOHNSTON, *Administrator.*

The PRESIDING OFFICER. All time has expired. The question now is on agreeing to the amendment of the Senator from Delaware to the amendment of the Senator from Illinois. The amendment may be discussed for 30 minutes, 15 minutes to each side.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. As I understand, under the unanimous-consent agreement, debate on all amendments from this time on is limited to 30 minutes, 15 minutes on a side, with the exception of those which were excepted, such as the rent-control amendment, the amendment of the Senator from Illinois [Mr. DOUGLAS] to strike out section 2, debate on each of which is limited to an hour, and the amendment intended to be proposed by the Senator from Wyoming [Mr. O'MAHONEY], on which debate is limited to not exceeding 50 minutes. Am I correct in that understanding?

The PRESIDING OFFICER. The Senator is correct.

Mr. MAYBANK. Mr. President, how much time is allocated on the amendment of the Senator from Delaware [Mr. WILLIAMS]?

The PRESIDING OFFICER. Thirty minutes, 15 minutes to be controlled by the Senator from South Carolina, and 15 minutes by the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. I explained to the Senate yesterday why I felt my amendment should be adopted. I wonder if the Senator from Illinois will modify his amendment so as to include my amendment. I think the Senator from Illinois recognizes that his amendment is no good unless my amendment is added to it. The Price Administrator, Mr. DiSalle, just cannot do the things he says he wants to do under the Douglas amendment. Unless this disgraceful food-destruction program is stopped we cannot check price rises. The Senator from Illinois recognizes that fact. I pointed out yesterday how this administration as late as January of this year was either destroying or exporting at bargain prices agricultural commodities at a rate of 1,400 percent faster than they did last year before Korea. The Senator from Illinois should be willing to accept my amendment to his amendment so the lower prices he speaks for can be achieved by his amendment. If the Senator from Illinois does accept my amendment I shall vote for his amendment in return because I favor what he says he wants to do but he cannot do it as now written.

Mr. DOUGLAS. Mr. President, I do not believe in making trades on this matter. I may say that the amendment of the Senator from Delaware is addressed primarily to the general agricultural price support program. I think it should therefore not be attached to the amendment which I am proposing, which relates to roll-backs. The Senator's amendment should be addressed to some other portion of the bill. Therefore I do not wish to confuse the issue by accepting the amendment of the Senator from Delaware.

Mr. WILLIAMS. Did I understand the Senator from Illinois to say that he accepts my amendment?

Mr. DOUGLAS. No. Quite the contrary; I am not accepting the amendment.

Mr. WILLIAMS. Mr. President, before speaking, I will let the Senator from Illinois proceed. Perhaps he can tell the American housewives how he can justify his endorsement of the policy of destroying good edible food while our country is at war.

Mr. DOUGLAS. Mr. President, I have no desire to persuade the Senator. The time of those who favor the amendment is in charge of the Senator from Delaware and the time of those opposed to the amendment is in charge of the Senator from South Carolina. I have no intention of participating in a discussion of a totally irrelevant subject.

Mr. MAYBANK. Mr. President, I shall be glad to yield any part of my time up to 2 minutes to any Senator who wants to speak either for or against the amendment.

Mr. DOUGLAS. I suggest to the Senator from Delaware the sentiment expressed by Priscilla when John Alden came to her to make a proposal on behalf of his friend, Capt. Miles Standish. Priscilla said to John Alden, "Why don't you speak for yourself, John?"

Mr. WILLIAMS. I remind the Senator from Illinois that a lot of people feel that John Alden betrayed his trust with Miles Standish. Be sure that you do not likewise betray the American housewives today.

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The Senator knows he cannot refute my statement of yesterday and if anyone is interested in knowing just why food prices are high I suggest he read my remarks as appearing in the CONGRESSIONAL RECORD of yesterday. I clearly demonstrated that it is mathematically impossible to roll back prices under the Douglas amendment. I said that if Senators on the other side of the aisle who have been shedding crocodile tears for the housewife were sincere they would help me stop this reckless and disgraceful destruction of good food products while at the same time they advocate price controls.

The reason they have not done so is that they do not have the political courage to do so. It is significant that not one of them dares defend the administration.

The fact of the matter is that mathematically, even if the Douglas amendment is accepted, prices cannot be rolled back to anywhere near the pre-Korean level unless something is done about the price-support program. The price of wheat cannot be rolled back below $2.41 under the Douglas amendment. Two dollars and forty-one cents is 35 cents or 15 percent higher than the pre-Korean price for wheat. The price of western corn—and the Senator's State of Illinois is a great corn-producing State—cannot be rolled back below $1.75 under the Douglas amendment. This is again about 15 percent higher than last June. The price of rice cannot be rolled back to the pre-Korean price of $4.18. The Secretary of Agriculture is supporting rice at $5 per hundredweight or 20 percent above last June.

If the Douglas amendment is accepted it will not roll back the cost of food for the housewife within 25 percent of what it was before Korea.

Mr. President, I challenge any Member of the Senate on the other side of the aisle to contradict my statements. I shall be glad to yield to any Senator for the purpose of making a statement on that point. If any Senator desires to dispute my figures I shall be glad to yield to him. Silence speaks for itself.

All the talk about rolling back the price of food and clothing is just cheap demagoguery by a group who know they cannot do it and have no intention of doing it.

Mr. President, I ask for the yeas and nays on my amendment. I want to know who is sincerely in favor of rolling back these prices. A vote against this amendment is an endorsement of the administration policy of destroying agricultural products for the sole purpose of creating artificial shortages. Do not forget that this one program of the administration has cost the American taxpayers over $3,000,000,000 during the past 15 years—nor does this figure include the enormous cost to the American housewives represented by increased food prices. I ask for the yeas and nays.

Mr. DOUGLAS. I also ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested. Is the demand sufficiently seconded?

The yeas and nays were ordered.

Mr. MAYBANK. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from South Carolina has 15 minutes.

Mr. MAYBANK. I will say to the Senator from Delaware that I appreciate all he has said. I listened attentively to him when he addressed this body last evening. But I may say to him that, as chairman of the committee, it is not my prerogative to accept an amendment of this nature, or to vote for it. When I use the expression "my prerogative," I merely mean that the amendment would change the basic agricultural law of the land—the Senator will agree with that statement, will he not?—and I cannot, as chairman of the committee, accept such an amendment.

Mr. WILLIAMS. I will say that the Senator from South Carolina is consistent in his position. I have talked to him on the subject and I respect his position. At the same time the Senator from South Carolina is taking the position that prices should not be rolled back. I respect the Senator from South Carolina because he is standing on the floor of the Senate saying what he believes in and he proposes to vote accordingly. But there are others on the floor who have spoken loudest for a roll-back who I know will vote against my amendment. That position just cannot be justified. You cannot defend both positions at the same time. If you believe in and vote for a continuation of this food-destruction program then stop talking about the need of price controls.

No one disputes my statement that if there is to be a roll-back in prices it is necessary that my amendment be adopted. Every Member of this Senate knows that mathematically a roll-back cannot be had unless my amendment is adopted.

I think the Senator from South Carolina is absolutely correct in his position as he sees it. I respect him for it.

Mr. President, I recognize that I am in the minority, but I still want a record vote. I may be defeated today but sometime the American people are going to rise up in indignation against this scandalous policy and the hypocrisy of some present-day politicians.

Mr. MAYBANK. Mr. President, I appreciate very much the kind remarks the distinguished Senator from Delaware has made about the chairman of the Committee on Banking and Currency. I am only chairman of the committee by reason of the generosity of the Senate.

I hope the Senate will defeat the amendment because it would change the basic law of the land. The bill is not supposed to do that. It is an emergency bill dealing with priorities and allocations. It is a defense measure. Its purpose is not to change the law of the land, and we should not do so by adopting the amendment of the Senator from Delaware. Therefore, I hope the amendment will be defeated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] to the amendment of the Senator from Illinois [Mr. DOUGLAS]. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Wyoming [Mr. HUNT], the Senator from Maryland [Mr. O'CONOR], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland, and if present would vote "nay."

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the Senator from Massachusetts [Mr. LODGE] and the Senator from New Hampshire [Mr. TOBEY] would each vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Utah [Mr. BENNETT], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Idaho [Mr. WELKER], and the Senator from Wisconsin [Mr. WILEY] are detained on official business. If present and voting, the Senator from Wisconsin [Mr. WILEY] would vote "nay."

The result was announced—yeas 4, nays 78, as follows:

YEAS—4

Benton	Smith, Maine	Williams
Dirksen		

NAYS—78

Aiken	Green	McClellan
Anderson	Hayden	McFarland
Brewster	Hendrickson	McKellar
Bricker	Hennings	McMahon
Butler, Md.	Hickenlooper	Millikin
Butler, Nebr.	Hill	Monroney
Byrd	Hoey	Moody
Cain	Holland	Morse
Capehart	Humphrey	Mundt
Carlson	Ives	Neely
Case	Jenner	Nixon
Chavez	Johnson, Colo.	O'Mahoney
Clements	Johnson, Tex.	Pastore
Connally	Kefauver	Robertson
Cordon	Kem	Russell
Douglas	Kerr	Saltonstall
Duff	Kilgore	Schoeppel
Dworshak	Knowland	Smith, N. J.
Eastland	Langer	Sparkman
Ellender	Lehman	Stennis
Ferguson	Long	Taft
Flanders	Magnuson	Thye
Frear	Malone	Underwood
Fulbright	Maybank	Watkins
George	McCarran	Wherry
Gillette	McCarthy	Young

NOT VOTING—14

Bennett	Lodge	Smith, N. C.
Bridges	Martin	Tobey
Ecton	Murray	Welker
Hunt	O'Conor	Wiley
Johnston, S. C.	Smathers	

So Mr. WILLIAMS' amendment to the amendment of Mr. DOUGLAS was rejected.

Mr. DOUGLAS. Mr. President, I inquire, what is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I yield 5 minutes to the Senator from Alabama [Mr. SPARKMAN].

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. How much time for debate is remaining on the Douglas amendment?

The PRESIDING OFFICER. One hour.

Mr. McCLELLAN. One hour of debate?

The PRESIDING OFFICER. Yes.

Mr. McCLELLAN. Another parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. If the Douglas amendment to strike out section 2 of the bill does not prevail, will that section then be subject to amendment?

The PRESIDING OFFICER. It will be; yes.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Any amendment which is offered, even though the Douglas amendment is now under consideration, would be termed a perfecting amendment, and debate of 30 minutes would be allowed on such an amendment, would it not?

The PRESIDING OFFICER. If it is a perfecting amendment to section 2, it will take precedence.

Mr. WHERRY. So that even though we are now proceeding with the consideration of the Douglas amendment, in the event a perfecting amendment is offered, 30 minutes of debate will be allowed on such amendment?

The PRESIDING OFFICER. Yes.

MUTUAL SECURITY ACT OF 1951

Mr. CONNALLY. Mr. President, will the Senator from Illinois yield briefly to me?

Mr. DOUGLAS. I yield.

Mr. CONNALLY. Mr. President, by request, I ask unanimous consent to introduce a draft of a bill to be known as the Mutual Security Act of 1951. It is a draft of the executive department, and is not in final form. It is subject to modification and amendment by the committee to which it may be referred. I request consent to have printed in the RECORD at this point a statement by myself briefly explaining the bill.

The PRESIDING OFFICER (Mr. PASTORE in the chair). Without objection, the bill will be received and appropriately referred, and the statement will be printed in the RECORD.

The bill (S. 1762) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing assistance to friendly nations in the interest of international security, introduced by Mr. CONNALLY (by request), was received, read twice by its title, and referred to the Committee on Foreign Relations.

The statement by Mr. CONNALLY is as follows:

STATEMENT BY SENATOR CONNALLY ON INTRODUCTION OF EXECUTIVE DEPARTMENT DRAFT OF THE MUTUAL SECURITY ACT OF 1951

On May 24, 1951, the President recommended to the Congress that it take "another vital step along the road to real security and lasting peace" by the enactment of the mutual-security program.

I am today introducing a draft bill designed to give effect to the President's proposals. The proposed legislation has been prepared by the executive branch of the Government. It is the product of long and careful study by the Defense Department, the Department of State, the Economic Cooperation Administration, the Executive Office of the President, and other interested executive agencies.

The purpose of this bill is to promote the foreign policy of the United States by extending military, economic, and technical assistance to friendly countries. Our assistance is in our national interest because it will enable the free countries to strengthen their individual and collective defenses against the danger which threatens us all.

While the bill I am today introducing has a new title, it builds upon legislation we have approved in the past by bipartisan votes. It covers the European recovery program, the Mutual Defense Assistance Act, Palestine refugees, the Greek-Turkish aid legislation, and a number of other foreign policy matters of considerable importance. Each of these proposals was given careful study in past years by the Committee on Foreign Relations. I can assure my colleagues that the bill which I introduce today will be given close scrutiny and study by the committee. I have urged some of my colleagues on the committee to visit General Eisenhower and other American officers in Europe within the next few weeks so that the Senate may have the benefit of their first-hand reports on the prospects of building the defenses of the free world.

I have had some hesitancy in introducing this bill because I have not had time to study its terms, not only with respect to the amounts of money involved but also from the viewpoint of administrative and operating provisions of the bill. My full-time occupation for the past 7 weeks has been with the hearings relative to the issues raised by the recall of General MacArthur. It has seemed to me, however, that in view of the great importance of this proposal that the administration's draft bill should be formally before us. I consider the bill a working paper for the use of the committee. I, of course, reserve my right to propose changes in this draft bill as the result of careful study of its provisions and of hearings which must be held before we can act upon it.

In conclusion, I want to remind my colleagues that this proposed legislation embodies the best judgments of the executive branch of our Government as to what the security of the United States requires during the next year in the way of help to our friends abroad. The men who have worked out these proposals have done so from a nonpartisan point of view. In fact, I am sometimes impressed in my talks with representatives of the Department of State that there appear to be so many Republicans in the Department.

I hope that we in the Senate will approach this legislation from a nonpartisan point of view. The times are too dangerous, the stakes are too high, for any Member of this body to consider the proposed program from any other point of view than that of the vital interests of the United States.

EXTENSION OF DEFENSE PRODUCTION AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. As I understand, a limitation on debate is in effect, and the Douglas amendment is the pending question. Is my understanding correct?

The PRESIDING OFFICER. It is.

Mr. WHERRY. A Senator who wishes to speak must have time yielded to him by either side, must he not?

The PRESIDING OFFICER. Yes.

Mr. DOUGLAS. Mr. President, I yielded to the Senator from Texas with the understanding that the time which he took would not be deducted from my time.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. I do not like to differ with my good friend from Illinois, but the time for debate is limited. Only 30 minutes of debate is now in order on my side. I have had requests already for more than 30 minutes, and I have had to refuse some of the requests.

Mr. DOUGLAS. May I ask whether the time taken by the Senator from Texas [Mr. CONNALLY] was deducted from my time?

The PRESIDING OFFICER. It was, but it amounted to no more than half a minute.

Mr. DOUGLAS. If time taken on extraneous subjects is to be charged to my time, I shall not yield further. I now yield 5 minutes to the junior Senator from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. President, the provision in the bill which the Douglas amendment seeks to strike out is often spoken of as a provision to prevent a roll-back of meat prices. I believe there has been a great deal of misunderstanding about it. It is not so limited at all. It goes across the board. It applies to all products upon which prices may be placed, and it relates not solely to roll-backs in the sense we usually think of them. It relates to the setting of price ceilings of every kind. Briefly, it provides that after the enactment of the section, no ceiling shall be set which shall be lower than the prices prevailing on one or the other of two different dates. It shall not be lower than, first, the price which prevailed immediately prior to the setting of the price ceiling, or second, the price which prevailed between January 25 and February 24, 1951.

Some newspaper columnists have said that it represented a combination of farm interests and others in an effort to kill the roll-back of beef prices. As a matter of fact nothing could be further from the truth.

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The provision in the bill, as now written, could be one of the most dangerous provisions which could be enacted so far as the farm interests of the country are concerned. On the surface it would seem to be of benefit to farmers. It appears to be advantageous largely because it definitely would prevent roll-backs on live cattle prices now scheduled to go into effect on August 1 and October 1, and because it seemingly would prevent roll-backs on other farm products.

A closer study of the probable effect of the provision on the prices of the consumer goods and producer goods that farmers have to buy and on ceiling prices for farm products during the entire period the provision would be in operation indicates that there may be long-time disadvantages which would more than offset these temporary advantages.

The proposal is likely to encourage price increases in commodities other than farm commodities. This will materially affect the farmer because he must buy a wide group of consumer goods, such as clothing, items required in household operations, and household furnishings, and a wide variety of producer goods, such as motor supplies, farm supplies, farm machinery, fertilizer, building and fencing materials. Today the farmer is buying at inflated prices the clothing for his family, his shoes, his burlap bags, his fencing material, and the thousand and one things which go into the economy of a farm. Under manufacturer's orders issued recently by the Office of Price Stabilization, plans have been made for the roll-back of some of these inflated prices. Thus, there is in process a regulation which would reduce the price of used burlap bags. If these roll-backs are prevented by the proposal and, at the same time, the Price Administrator must take action to increase prices of some firms to bring them in line with prices of others, then the farmer's cost of production and his cost of living are bound to go up. Such an increase will mean a squeeze on the farmer. It will tend to distort the fair relationship between farm prices and prices of other commodities which we have sought to achieve under the present legislation.

These increases in prices of manufactured commodities will definitely affect the index of prices paid by farmers—the index the Department of Agriculture computes monthly in connection with the determination of parity prices. If prices of manufactured products cannot be rolled back, the index of prices paid is likely to increase more than appeared likely without the restrictions. With farm prices weakening, there thus is a definite possibility of a lowering in the parity ratio—the ratio between the average prices farmers receive for commodities and the average prices paid by farmers.

The proposal also would tend to place domestic producers in a less favorable position than producers in foreign countries. All of us know that prices of imported commodities went up much higher and much faster than domestic prices did. Because of their importance to the defense effort, it was necessary temporarily to pay high prices for imported goods, with the hope that once we were over the hump, prices of imported commodities could be rolled back. The proposed amendment would preclude this action.

So far as farm commodities are concerned, the proposal may have a result, during the course of the next year, directly the opposite of the one the proponents of the amendment hope to achieve. Under the proposal, the Congress would be establishing a new criteria for use of the Price Administrator in establishing ceiling prices. He would be authorized to use as a guide the lower of the price prevailing prior to the time the ceiling is put into effect, or the price prevailing during January 25–February 24, 1951. Consequently, if prices of farm products decline during the year, the Price Administrator could well take the position that Congress specifically has authorized a roll-back in the price to the lower of these two levels to the extent that this ceiling still was above the legal minimum. Price declines are a possibility in the case of some commodities, such as cotton, where farmers are increasing production substantially as part of our all-out defense effort. This proposal thus might have the effect of penalizing producers of these crops, instead of giving them price protection. Without this proposal, the Price Administrator would be bound only by the more general guides to ceiling prices contained in the Defense Production Act, such as the legal minimum provisions of section 402 (d) (3) and the general considerations required under section 401 (c), and he still might roll back prices. However, each case would have to be justified on the basis of the facts at the time when the roll-back is proposed. The Price Administrator would not be able to use any set periods, such as are proposed in this new provision, solely on the grounds that this period was authorized by the Congress. Mr. President, not only do I believe that under the language of this bill the Price Administrator could say that the Congress had authorized that, but I think it would actually serve as an invitation to the Price Administrator to do so.

So far as the future is concerned, and the possibility that farm prices may decline during the coming year, we know that in some cases they are bound to decline. All we have to do is watch the markets day by day, to know that farm prices are going to decline. They are declining now. I have just been looking at the cotton futures quotations in the New York Times today. As soon as the new crop comes in, it is predicted that the price will fall to 36 cents.

A similar situation applies in the case of many other commodities; and this proposal will be an invitation to change the ceilings to the lower price levels.

Mr. DOUGLAS. Mr. President, I yield 4 minutes to the junior Senator from Michigan [Mr. MOODY].

Mr. MOODY. Mr. President, during the period between the invasion of South Korea June 25, 1950, and January 25, 1951, as all of us know, there was a swift upward movement of prices in the United States, and that upward movement was very uneven. An appeal was made by the President to hold the line on prices by voluntary means. Many business concerns acceded to the President's request, considering it their patriotic duty to do so. However, other businessmen did not follow that appeal; to the contrary, they increased their prices. The result was that, in general, the price levels rose very rapidly.

When the so-called freeze was imposed on January 25, it was then announced that it was a temporary and tentative order, as a move to stop the inflationary spiral where it was then, and to adjust the various inequities and unevennesses in prices which had developed since the invasion of Korea. In some cases the necessity for rolling prices forward was contemplated, and in other cases the necessity to roll some prices back. That process is now going on.

If the bill as reported by the majority of the committee is passed without including in it the Douglas amendment, the result will be that the inequities which have resulted because some businessmen held their prices in line, while others refused to do so in a time of emergency, will either be frozen by law or else we shall have, because of the adjustment of those inequities, a general, wholesale price increase, which has been estimated by the Director of Stabilization, Mr. Johnston, at about 6 percent. As the Senator from Connecticut [Mr. BENTON] demonstrated yesterday, that would mean a probable increase of 8 percent in the cost of living.

I should like to point out that under those conditions it would be impossible to expect that the wage stabilization line which has been established could be held at its present level, and therefore unless we were ready to say that we were prepared to freeze the obviously gross inequities into our price structure, we then would be writing them automatically into the law.

Mr. Johnston has written a letter to the majority leader, a copy of which I have received. It is brief, and I should like to read it, because I think it expresses the situation which would result in the United States if the Senate should fail to adopt the Douglas amendment. Mr. Johnston says:

> Nothing that has occurred since I became Administrator of the Economic Stabilization Agency has disturbed me more than the approval by a majority of the Senate Committee on Banking and Currency of the so-called anti-roll-back amendment to the Defense Production Act.
>
> I am disturbed because the amendment would permit only roll-forwards and not roll-backs in prices.
>
> Many business concerns increased their prices enormously following the Communist aggression in Korea, while others heeded the request of the Government to hold prices.

Mr. Johnston goes on to say that in common justice there ought to be some roll-forwards for companies which were unfairly hit, and in other cases there should be roll-backs. He says that if the Douglas amendment is not adopted there will be an increase of from $10,000,000,000 to $12,000,000,000 in the present cost-of-living level.

Mr. President, it seems to me that the Douglas amendment is the most important thing we shall vote on today, or perhaps the most important thing we shall vote on this year, because it goes straight to the heart of the question of whether we are to have a firm and sound stabilization program or whether we are not going to have such a program.

I hope the Senate will vote to adopt the Douglas amendment.

Mr. MAYBANK. Mr. President, I shall take a few minutes of my time, and then I shall yield to the Senator from Illinois.

Mr. President, I am not going to speak at length of my opposition to the amendment because of the confusion it would cause to the business people of America, and because of the many orders which would have to be issued in order continually to roll back prices on some sort of basis under the present law.

Last September the Senate passed the control law, and prices were frozen in January of this year, and roll-backs were put in effect in May. This amendment offered by the Senator from Illinois would permit the continuation of roll-backs to a level which, taking into consideration the increases in wages and so forth, could be figured out based on the period of May–June 1950.

I wish to call the attentior of the Senate to the most important feature of the amendment, namely, its effect upon the corporations of the United States and their taxes. I shall not differ with the Senator from Michigan [Mr. MOODY] when he says that there are present inequities which may be frozen. I hope and pray that someone will find some solution to that problem, so as to be able to do away with inequities which may be frozen. However, I have always been fearful that this bill might be used as a means to defeat the collection of taxes. I have always been opposed to interfering with the House Ways and Means Committee or the Senate Finance Committee in their handling of the tax problem. I do not think this bill should be used as a means for the limitation of profits, and the RECORD clearly shows that to be the intent of Congress.

I take it for granted that Mr. Johnston's statement is correct. I have no quarrel with Mr. Johnston. I am sorry he did not do earlier what he now proposes. He suggests that they intended to roll back prices approximately $1,000,000,000 in building materials alone. Who is to pay the bill? These figures have been checked as carefully as possible by Mr. Stam, of the Joint Committee on Internal Revenue Taxation; and Mr. McKenna, whom the Senator from Georgia was kind enough to permit to assist me in the work of the committee, has prepared a memorandum. I wish to read what Mr. McKenna has said. It would require a very long time to substantiate in detail the figures here cited, but I have the material here to do it. In his memorandum, Mr. McKenna states:

> The OPS estimates a net roll-back of $1,000,000,000 on building material prices will result from Ceiling Price Regulation 22.

I do not know what great good that would do the housewife. I think I am as much a friend of the housewife as is any other Senator, but the principal items which would be the subject of roll-backs include various building materials, the price of which the Government itself increased.

Referring to regulation 22, Mr. McKenna says:

> Taking this as an example, estimates I have received from the Joint Committee on Taxation indicate that this would result in a loss of about $450,000,000 in Federal taxes at the rates in the new tax bill just passed by the House. If this loss results, it will have to be made up because of the great increase in military appropriations alone. It can be made up only in two ways.
>
> 1. There will have to be another increase in tax rates. If this takes place in corporate tax rates, the increased tax will be passed on to the consumer.

That is because the law gives the corporations whose taxes would be increased the right to increase their prices. I continue:

> If the increase is obtained from greater taxes on lower-income people, the consumer will have to pay it directly.

For every cent the housewife saves, her husband will pay much of that in taxes, if it is left to the consumers to pay it. I continue:

> In either event the consumer will ultimately pay the increase in taxes. So he will not be saving as much as he would expect because of any roll-back in prices.
>
> 2. The second way the Treasury can obtain money is by issuing Government securities. As we all know, this is very inflationary and expands the credit base by 4 or 5 times under current bank reserve requirements. This cheapens the value of every dollar held by the consumer, as well as all other dollars.
>
> In any event, it is clear that the consumer will not make any great saving from roll-backs. The above example involves only a single roll-back item.

That is only one. It was the order of January 2. I continue:

> This is far less than the total possible roll-backs that may be made under the present law by the OPS. Just remember that for every billion dollars in roll-backs, the Treasury loses $450,000,000 in taxes.

According to the best statistics I could obtain, the loss would be $450,000,000, and, in addition to that, 75,000 firms, I understand, would be subject to roll-backs. Imagine the bookkeeping, imagine the business confusion. In the future, how could a man make a contract regarding almost any commodity if he did not know whether he would be subject to a roll-back? Think of the inconvenience to business people which would result from roll-back orders. Think of the confusion. Remember that the consumer will pay the taxes, if the roll-back is ordered, insofar as manufacturers are concerned. I hope somebody may devise a way to obviate some of the inequity which would result.

I cannot understand how the Senate of the United States would permit a continuation of the present law, which gives the power to an administrator in Washington to roll back not merely beef prices, but other prices. That is not possible under the provision of the bill reported by the committee. The amendment would affect all prices. The committee did not make fish of one and fowl of another.

I have endeavored to show the effect of the Douglas amendment upon American business.

Mr. GEORGE and Mr. FLANDERS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Carolina yield; and, if so, to whom?

Mr. MAYBANK. I yield first to the Senator from Georgia.

Mr. GEORGE. Mr. President, not only would the roll-back result in a direct Treasury loss, which is not overestimated by the staff——

Mr. MAYBANK. The staff was conservative.

Mr. GEORGE. Yes; extremely conservative.

Mr. MAYBANK. I wanted to be on the conservative side.

Mr. GEORGE. Not only would the roll-back result in a direct loss to the Treasury, but, if the theory is adhered to that we can regulate prices by controlling and regulating profits, the result would be to cut further into the Federal revenue.

Mr. MAYBANK. Where, then, would we be able to get the revenues?

Mr. GEORGE. They would be seriously depleted. And if the roll-back principle is left in this bill, it will virtually stagnate business. I may say it is doing so now, in more than one line of business, in the Southeastern section of the country.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Vermont.

Mr. FLANDERS. The Senator from South Carolina will remember, I think, that I was among those—as I believe he also was—who were dubious about the possibility of administering the bill which Congress finally passed last year.

Mr. MAYBANK. The Senator is correct. It was not administered until January, though it was passed in September.

Mr. FLANDERS. In that time there was a period of confusion, in which wages were increased and prices were increased. Many prices which were increased speculatively have since decreased. The wage increases remain.

If I may, I want to say a word regarding the confusion of business organizations.

Mr. MAYBANK. I am glad to yield to the Senator from Vermont. How much time does he desire?

Mr. FLANDERS. One minute.

Mr. MAYBANK. I yield 1 minute to the Senator from Vermont.

Mr. FLANDERS. I may simply say that I know of one business firm, not of great size, which, because of the threat of a roll-back to June, was required to engage the services of five certified public accountants and six clerks over a period of 2 months. I hope, for the sake of that firm, and every other business similarly involved, that roll-backs will not be made to January prices.

Mr. MAYBANK. Let me remind the Senator that it is stated by the best economists, and by the Government itself, that the prices since Korea, shortly after which the control law was passed,

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have increased $17,000,000,000. There is a desire now to roll back one-seventeenth of it in the example I gave earlier.

Mr. BRICKER. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. I yield to the Senator from Ohio.

Mr. BRICKER. I merely wanted to ask one question. It was called to our attention, by the letter of Mr. Eric Johnston of June 26, which the chairman placed in the RECORD today, that the military would have to pay higher prices if section 2 were not stricken from the bill. Inflation has already exacted a tribute of $7,000,000,000 of the $35,000,000,000 appropriated by the Congress this fiscal year, he says. I merely want to ask the chairman if the RECORD does not show that the military purchases, until within the past month or 6 weeks, have not been in anywise subject to price control.

Mr. MAYBANK. The Senator is correct.

Mr. BRICKER. And practically all the purchases have been made under negotiated contracts, not made on bid.

Mr. MAYBANK. The Senator is correct.

Mr. BRICKER. Practically all of this cost is for original units, or for improvements or for changes in items which have been heretofore purchased.

Mr. MAYBANK. That is correct. The contracts can all be negotiated, as the Senator knows.

Mr. BRICKER. That is correct, and the unit prices will go down, as mass production increases.

Mr. MAYBANK. That is correct.

Mr. AIKEN. Mr. President, will the Senator from South Carolina yield for a question?

Mr. MAYBANK. I yield to the Senator from Vermont.

Mr. AIKEN. I am sure the Senator from South Carolina listened to the reading of the letter from Mr. Charles Wilson, in which he charges $7,000,000,000 additional cost of armament to inflation. Does not the Senator from South Carolina agree that inflation is the result of the exorbitant prices paid by the Government for goods, rather than the cause of it? Certainly the Government itself started the inflationary movement.

Mr. MAYBANK. I have said on the Senate floor heretofore that the Government was paying too much under the program. It was paying Canada too much for copper, several years ago. The Senator remembers that. I said the Government paid too much for copper, too much for tin, and also too much for rubber. Of course, the currency of the exporting countries was not used in order to purchase the materials which were needed. Instead, the Government of the United States paid for them with dollars.

Mr. AIKEN. Is it not a fact that the great corporations with which the Government is dealing today are virtually fixing their own prices on the things they sell to the Government?

Mr. MAYBANK. The Senator is correct.

Mr. AIKEN. In my opinion, today, a few corporations are running the Government, both the political end of it as well as the economic end of it.

Mr. MAYBANK. I do not know about that, but I do know that some corporations, as the Senator well said, have negotiated contracts with the Government.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, I yield 5 minutes to the senior Senator from New York [Mr. IVES].

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. IVES. Mr. President, I can well understand the attitude of those who feel that the Office of Price Stabilization should not be left with the authority to roll back prices, which would be retained in any extension of the Defense Production Act of 1950 if section 2 were to be eliminated from it. In fact, I first voted in committee in favor of section 2 as it is written in Senate bill 1717 because it seemed to me that the limitation on price roll-backs contained in this section might be conducive to clarifying and stabilizing a situation which has been and still is very foggy and uncertain. I voted for it because the Office of Price Stabilization has had 5 months in which to do all the rolling back of prices it desired to do, and it seemed to me that such a period of time should have been ample for the effectuation of any roll-backs which may have been or are justified and necessary. I voted for it with the realization that roll-backs could still be made until July 1. I voted for it hoping that its adoption would encourage greater production.

Since that time, however, my attention has been called to certain aspects of the price- and wage-control problem which I had not appreciated in the first instance. For one thing, increased production of consumer goods is out of the question in those areas of production where there are shortages of materials for such purpose. Moreover, it would appear that the enactment of this bill with the present section 2 in it either would do a great injustice to and work a real hardship on many businesses in the country, which last year voluntarily held prices down and thus would be caught in an inequitable and, in many instances, damaging freeze, or the enactment of this bill, without section 2 removed, would require in all justice that these same businesses be authorized to raise their prices in line with price increases in other industries with which they are connected or by which they can be or are adversely affected.

In conversations with Mr. Eric Johnston I have learned that such an adjustment upward would mean an average manufacturers' price increase of from 5 to 6 percent; such an increase would clearly mean an even greater percentage increase in retail prices to consumers.

By this process another round of wage increases would be provoked, which would probably necessitate that the formula percentage be raised from the 10-percent level which exists at the present time to as much as 15 percent; and again, I may say, I received this information from Mr. Johnston. In other words, another price rise would inspire another wage rise, and we would again be on our way along the spiraling path of inflation, as pointed out in the letter from Mr. Johnston which has been read by the clerk today. The truth of the matter is that in such circumstances we are not going to be able to raise new taxes rapidly enough or in sufficient amount to offset the dwindling value of the dollar.

This situation cannot be tolerated, and I am convinced that no action which may be taken by the Congress at this time would go further toward knocking out any present semblance of restraint over runaway inflation than would be the inclusion of section 2 of the bill before us in any measure extending the Defense Production Act of 1950 which may be enacted.

Mr. President, the most vital interest of both consumer and producer dictates that section 2 of the bill be rejected.

Mr. DOUGLAS. Mr. President, I yield 4 minutes to the junior Senator from New York [Mr. LEHMAN].

The PRESIDING OFFICER. The junior Senator from New York is recognized for 4 minutes.

Mr. LEHMAN. Mr. President, I trust the Senate will approve the Douglas amendment, of which I am proud to be a cosponsor. I hope the amendment will permit remedial action in a wide field. I shall, however, speak with reference to only one commodity.

This amendment in striking out the six lines of the committee bill comprising section 2, will permit the administration to go through with its pledge to the American people to roll back the prices on the one food article, beef, which is the dietary staple of the American workingman and of the average American family. This amendment means more, in a more direct manner, to the American housewife than any other proposal before us. By our vote on it the Senate and the Congress will largely be judged.

I would not want to be unfair to any producer, to any cattle grower or feeder. If there are cases in which the proposed roll-backs would work a demonstrated hardship, some means can be found—legislatively or administratively—to ease that hardship. But to try to ease the hardships by preventing the roll-backs—by preventing all the projected roll-backs—is like throwing out the baby with the bath water.

While the roll-backs might be unfair to a few individual feeders, a possibility of which I am not thoroughly convinced, section 2 of the committee bill works a hardship on the entire American public. It is the height of economic folly to propose that because some feeders are caught in an alleged squeeze we should let all the rest of the industry—growers, feeders, and processors—make an excessive profit. It strikes me, as it strikes the American public, as being unconscionable to reject by legislative action a roll-back which is long overdue, a roll-back to a price level which will still stand at 125 percent of parity.

If we are thinking of the relatively small number of individuals who might be slightly squeezed by this roll-back, let us also think of the millions of Amer-

icans of fixed income—widows living on pensions and annuities, workers who are retired on pensions, and vast numbers of white-collar workers living on fixed salaries—whose meager incomes have been drastically cut by the inflation of the past year. What are we doing for those people? It is true that they have not been writing many letters to us in Congress, they are tired of writing letters; but, if our goal is to do justice, it would be better to turn our attention to the plight of these individuals than to use the congressional authority to prevent the roll-back in beef prices to a level of 125 percent of parity, which, under all circumstances, is a profitable price.

A proposal for differential subsidies to take care of high-cost feeders and other high-cost producers and still permit such roll-backs as the ones on beef was recommended by the President. That amendment was not reported by the committee. I have submitted such an amendment, and invite all those who are sincerely concerned over the plight of the high-cost cattle feeders to rally to its support.

Mr. President, I cannot conceive that the Douglas amendment will be defeated. I cannot conceive that the consumers of this Nation will be refused the relief they require. The Douglas amendment must be approved.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry, with the understanding that it shall not come out of the time of the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I yielded earlier in the discussion to the Senator from Texas [Mr. CONNALLY] and discovered that the time which he took was deducted from my time. I should like to ask unanimous consent that I may yield to the Senator from Wyoming without having the time taken by his remarks charged against my time.

The PRESIDING OFFICER. Is there objection?

Mr. MAYBANK. Reserving the right to object, it can be taken out of my time, because I have considerable time remaining.

Mr. DOUGLAS. The Senator from South Carolina is typically gracious in this matter, and I thank him.

Mr. O'MAHONEY. Mr. President, I think we have already consumed more time than my parliamentary inquiry would have consumed.

I desire to offer an amendment to the amendment of the Senator from Illinois which would be in the nature of a substitute. The committee amendment which he seeks to strike out provides that no ceiling shall be placed upon any commodities after a certain date. The amendment which I wish to propose would permit the roll-back authority which the Senator from Illinois seeks to preserve upon all commodities except cattle, sheep, and meat products therefrom. My parliamentary inquiry, therefore, is whether or not, when I offer my amendment, I may have the time which is set forth in the unanimous-consent agreement.

The PRESIDING OFFICER. Thirty minutes of debate will be allowed.

Mr. O'MAHONEY. Then I shall reserve my remarks until after the Senator from Illinois has concluded.

Mr. DOUGLAS. Mr. President, I understand that the Senator from South Carolina [Mr. MAYBANK] does not want to use the remainder of his time.

Mr. MAYBANK. Mr. President, how much time do I have left?

The PRESIDING OFFICER. Sixteen minutes.

Mr. DOUGLAS. I believe I have 10 minutes.

Mr. President, the present price-control law permits the Office of Price Stabilization to roll back certain prices so as to restore the relationship which prevailed in the month prior to Korea. It permits the Administrator in those cases where prices have increased very much more rapidly than costs, and where, therefore, profits are and have been extremely large, to roll back prices so that the normal profit relationship of last May and June may be restored.

Under those powers the Office of Price Stabilization on the 25th of April issued a regulation which was to have gone into effect on May 23, rolling back prices on a wide variety of articles, the sum total of which would have gone into the billions of dollars. For example, the roll-back in building materials was to have been $1,000,000,000, as against a roll-forward of $500,000,000, for a net loss to the consumers of $1,500,000,000; in chemicals, $300,000,000; in electrical equipment, $200,000,000; in rubber, $150,000,000; a 4-percent roll-back in farm equipment would be prevented by section 2; a 5½-percent roll-back in burlap bags, and so on. I assume that probably the potential roll-back under this order would amount to at least $5,000,000,000.

The Office of Price Stabilization, in order to be fair to business, postponed the effective date of the order to the 2d of July. It would go into effect next Monday were it not for section 2. Section 2 would prevent any roll-back.

Mr. THYE. Mr. President, will the Senator yield?

Mr. DOUGLAS. No, Mr. President, I cannot yield because I am limited in time.

Section 2 therefore denies to the American consumer these potential roll-backs of billions of dollars which were to have occurred next Monday. It snatches away from the American consumer these reductions in prices which otherwise would happen. But section 2 does something more. It not only prevents the consumer from getting these gains which he otherwise would get, but requires an increase in prices on a wide variety of other goods, because while there are some commodities on which the rate of profit has gone up enormously, there are other commodities where the increase in prices has not been so great as the increase in cost. These prices will advance and probably they should advance.

But that is not all. It will be necessary, I believe, for the Office of Price Stabilization to give to all producers the same profit margins which the most-favored producers have received. The prices will move up to the level of the highest profit margin. Therefore, there will be a tremendous increase in prices, the precise amount of which cannot be stated, but which will probably be 5 or 6 percent, and may indeed go above that level. That money will be taken out of the pockets of the American consumers. Instead of the savings which they otherwise would have obtained, there will be a further deduction from the pocketbooks of the American families and the result will be a decrease in their purchasing power and an inevitable demand for an increase in wages.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Georgia [Mr. GEORGE] said that if the roll-backs went into effect, the profits of speculators would be diminished, and therefore they would not be able to pay as large an amount of taxes into the Treasury as they otherwise would. If we carry that reasoning to its logical conclusion, the way to obtain taxes is to permit the speculators to make as large profits as possible.

Mr. MAYBANK. Mr. President, will the Senator yield to me in my time?

Mr. DOUGLAS. I shall be glad to yield on the Senator's time, but not on my time.

Mr. MAYBANK. I am glad to give the Senator time. But I certainly did not suggest that speculators and gamblers be the beneficiaries. I spoke of business corporations. I do not think the Senator from Georgia intimated that speculators and gamblers would be the beneficiaries. He referred to the business of the country.

Mr. GEORGE. I will tell the Senator from Illinois that the textile mills in my State are now running on 3 days' time a week. The laborers in the mills are suffering, and many of them have had to supplement their salaries by asking for relief.

Mr. FREAR. Mr. President, will the Senator yield to me in my time?

Mr. DOUGLAS. Not in my time.

Mr. FREAR. No; in my time.

Mr. DOUGLAS. Does the Senator from Delaware have any time?

Mr. FREAR. I doubt it.

Mr. MAYBANK. Mr. President, how much time does the Senator from South Carolina have left?

The PRESIDING OFFICER. Fourteen minutes.

Mr. MAYBANK. If the Senator from Illinois wants 5 minutes, I shall be glad to let him have it.

Mr. FREAR. Mr. President, I will take 1 minute of that time. Will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. FREAR. I will ask the Senator from Illinois why the date of July 2 was set for the roll-backs he has mentioned.

Mr. DOUGLAS. It was set in order to give business time to adjust itself. The original date was the 28th of May, but the time was postponed until July 2, in order that business might have some time to adjust itself. Other manufacturers' regulations, for such things as apparel and shoes, are scheduled to take effect on subsequent dates. OPS was trying to play fair.

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Mr. FREAR. The act will expire on June 30. Then why was July 2 fixed as the roll-back date?

Mr. DOUGLAS. I believe OPS thought Congress would be wise enough to retain the roll-back provision. I do not think it occurred to reasonable, sensible men that Congress would cancel the roll-back provision.

Mr. FREAR. It seems to me that the roll-back would have been ordered into effect at an earlier date if those in charge had done what it was the intention of Congress they should do.

Mr. DOUGLAS. Actually, they had carried out that intention, and had planned to put these roll-backs in effect on May 28. But to be more fair to industry, they delayed the action.

I may say that the freeze came in January; that the OPS then made a study of the situation in a wide variety of industries before the roll-back order was issued. Throughout they have been trying to be fair, I believe, to American industry, and now the consumer will be heavily penalized if the projected roll-back is eliminated.

Mr. THYE. Mr. President, will the Senator yield?

Mr. DOUGLAS. May I proceed?

Mr. THYE. Mr. President, will the Senator from South Carolina yield to me of his time that I may ask the distinguished Senator from Illinois a question?

Mr. MAYBANK. I am glad to yield of my time to the Senator from Minnesota.

Mr. THYE. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. Yes; I yield.

Mr. THYE. I believe I understood the Senator from Illinois to state that there would not be a roll-back in the price of burlap bags. Am I correct in my understanding?

Mr. DOUGLAS. That is my understanding.

Mr. THYE. I must remind the distinguished Senator from Illinois that burlap bags are made from jute, and that the Government itself buys all the jute from India; therefore, the Government has control of the price from the very time the Government makes an offer for the jute.

Mr. DOUGLAS. I should have said, "used burlap bags."

Mr. THYE. I also call attention to the fact that the Senator from Illinois referred to rubber. Again, the United States Government buys all natural rubber, and has control of all the synthetic rubber. I wonder why the Government does not exercise its power of rolling back the price of rubber, when it controls rubber from the beginning to the end?

Mr. DOUGLAS. If the Senator from Minnesota will be a little more charitable to the Senator from Illinois, he should realize that what I meant was rubber goods in whose fabrication raw rubber is used.

Mr. THYE. Mr. President, I believe the Senator from South Carolina will allow me sufficient time to ask a further question. How is the businessman going to roll back the price of the finished rubber goods when the Government has control of what he is going to pay for the rubber, whether it be natural or synthetic?

Mr. DOUGLAS. I believe that rubber has broken 14 cents a pound and this lower rubber price should permit the Government to reduce the price of rubber goods produced in the future. This will be prevented if we pass section 2. I may say the same statement applies to textiles, because, as the Senator may know, the spot price of cotton is now 45 cents a pound, but the cotton future price for textiles is 36½ cents a pound. If I am correctly informed, the textile mills are making contracts for cotton cloth based on 45-cent cotton, which will be fulfilled, however, in cotton purchased at 36½ cents. If the price of textile goods is prevented from being rolled back, that will give a speculative profit of 8½ cents a pound to the textile mills, or $42.50 a bale. There are hundreds of millions of dollars at stake in textile purchases alone.

Mr. LEHMAN. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. LEHMAN. Is it not possible that the high prices at which textiles are now being sold, when we know that the price of cotton futures has declined, is the explanation for the statement made by the distinguished Senator from Georgia [Mr. GEORGE], that the mills of his State are working only 3 days a week?

Mr. DOUGLAS. I think it may well be.

Mr. GEORGE. No, Mr. President. That is not the reason at all. The reason is that buyers will not buy the products of the mills because prices may be rolled back next week, next year, or next month. Therefore businessmen simply quit doing business.

Mr. DOUGLAS. If I may carry the argument of the Senator from South Carolina and the Senator from Georgia to its logical conclusion, it is this: Allow the manufacturers and producers to make as large profits as possible. Allow the real purchasing power of the American consumer to be diminished as much as possible, and then, out of the large profits, let the producers split 50–50 with the Government by paying income and excess profits taxation. I would prefer to have $2 in the pocket of the American consumer than to have $1 in the pocket of the producer and $1 in the pocket of the Government. The tax dollars would be an illusory gain moreover because the increase in prices will send up the total cost of the budget and require the levying of more taxes.

The Office of Price Stabilization is working under great difficulties. But if we deprive it of the possibility of rolling back prices, we not only decrease possible savings to the consumer, but we increase the money losses which the consumer will suffer.

I hope very much that my amendment will be adopted.

Mr. MAYBANK. Mr. President, I wish to make a statement in connection with what the Senator from Georgia [Mr. GEORGE] said. He stated that some of the mills in his State are working only 3 days a week. The same situation prevails in the Carolinas. Many of the mills are on short time. That brings suffering to the textile workers in my State.

Section 2 of the bill would not prevent the textile mills from selling goods cheaper. It would prevent only the establishment of a ceiling. The reason why the textile mills cannot sell their goods, as I understand, is principally that they do not know what kind of contracts to make. They do not know what prices are going to be rolled back and what are not.

Any Senator who was a Member of this body during the last war, from 1942 to 1946, knows that a great many weird ceilings were established on textiles. The mills stopped making certain types of goods which were needed and went into the production of fancy goods, such as fancy striped shirts instead of plain shirts, and short-tailed shirts, shirts with tails so short that one could not sit on them. I speak the literal truth. The Senator from Georgia and other Members who were Members of this body at that time know that was the result. It was ridiculous.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. LEHMAN. I understand that the price of spot cotton today is 45 cents.

Mr. MAYBANK. July futures are 45 cents. There is not much spot cotton. The crop was short.

Mr. LEHMAN. If anyone demands delivery on his option, he can get it. October options are selling at 36½ cents a pound.

Mr. MAYBANK. The Senator is correct.

Mr. LEHMAN. A difference of 8½ cents. I ask the Senator from South Carolina for information. I am not informed on this subject. If this amendment were adopted, could the price of cotton at 36½ cents instead of at 45 cents be rolled back?

Mr. MAYBANK. I do not think it would be necessary. I think the textile mills would be able to sell cotton goods. What the cotton people are worried about is having a floor on cotton, not a ceiling. We are going to have a crop of 16,000,000 bales of cotton, with the permission of the Lord. So there will be no concern about ceiling prices.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. DOUGLAS. Is it not true that contracts with the cotton mills for delivery have been made on the basis of an estimated 45-cent cost?

Mr. MAYBANK. I will say to the Senator from Illinois that I do not know what the cotton-mill contracts are; but knowing a little about business, my judgment is that the contracts would be made on the October, November, December, and next March prices. That is the way it has always been.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. LEHMAN. Let us assume that the demand for cotton goods becomes very great, as might very well be the case, and the manufacturers, with a limited output, can sell everything they can produce. They do not have to take into ac-

count the price of the raw materials which go into the manufacture of their textiles. They will be able to sell at whatever the traffic will bear. There will be no recourse, no way of rolling back prices, even though there may be profits beyond the dreams of any manufacturers.

Mr. MAYBANK. The Senator is correct. It would not be possible to roll back prices. But I am still a believer in private competitive enterprise in the United States. There are enough cotton mills in Georgia competing with the cotton mills in South Carolina, New Hampshire, Connecticut, and Alabama to bring prices down. The cotton business is conducted on a purely competitive basis.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. GEORGE. For the benefit of the distinguished Senator from New York and the distinguished Senator from Illinois, I ask the Senator if there is not a price ceiling on raw cotton.

Mr. MAYBANK. The Senator is correct.

Mr. GEORGE. I ask the Senator if that has not driven the price in America down to a point much below the Mexican market.

Mr. MAYBANK. Let me say to the distinguished Senator from Georgia that Mr. DiSalle put a ceiling price on raw cotton at 45 cents, after a large group of Senators went to see the President. After he put the ceiling price on, I will admit that, because of the increased acreage and the better crop, it has gone down 10 cents a pound. However, the farmers were led to believe that the price would be kept up. It was stated that there would be a great demand for cotton to be used in manufacturing in this country and for export. So the farmers prepared their crops at high wages, high farm-machinery costs, high fertilizer costs, and high taxes. It is an expensive crop. Cotton in the State of Texas sold for 70 cents a pound.

I received from the New York Cotton Exchange approximately 100 contracts. They are in the hands of the committee. I did not print them because I did not want the names of the private individuals to be known. However, any Senator is welcome to see them. American concerns paid 80 cents for the same cotton which was being sold across the Rio Grande, after the ceiling, for 45 cents. Those are the facts. Senators can examine the records.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. LEHMAN. The Senator stated that the ceiling price on cotton was 45 cents.

Mr. MAYBANK. The Senator is correct.

Mr. LEHMAN. Is it not a fact that the Senator from South Carolina or the junior Senator from New York can go to the New York Cotton Exchange and buy cotton at 36½ cents, for delivery in October?

Mr. MAYBANK. The Senator is correct.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. LANGER. Is that true of any other products except cotton?

Mr. MAYBANK. I do not know. I understand that it is true of beef. I have heard a little talk about beef.

Mr. LANGER. Is it true of any grain?

Mr. MAYBANK. No; because, as the Senator who comes from the great Wheat Belt knows, wheat has been below parity.

Mr. CASE. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. I told the Senator from South Dakota that I would yield some time to him to make a statement.

Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. CASE. I merely wish to ask a question.

Mr. MAYBANK. I yield first to the Senator from South Dakota, and then I shall yield to the Senator from Nebraska [Mr. WHERRY].

Mr. CASE. I should like to ask the distinguished chairman of the committee if it is not true that there could be a roll-back of prices if the prices during the period from January 25 to February 24 were lower than prices have come to be since that time?

Mr. MAYBANK. At the present time that is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Nebraska.

Mr. WHERRY. I should like to ask the Senator from South Carolina a question. Before doing so, I wish to state that I shall oppose the amendment of the Senator from Illinois [Mr. DOUGLAS]. I have talked with the Senator from South Carolina several times today, as well as with other members of the committee. If the amendment does not prevail, it seems to me that the language of the provision of the bill as reported, which has to do with agricultural products, must be changed to carry out the intention of members of the committee to establish a point at which to fix a ceiling in the event the market on agricultural commodities goes down. Several Senators have asked me about that subject.

Mr. MAYBANK. The Senator is correct. Several Senators have spoken to me. I understand that there are several amendments on the desk.

Mr. WHERRY. I was reading the amendment of the Senator from Louisiana [Mr. ELLENDER].

Mr. MAYBANK. I understand that the Senator from Arkansas [Mr. FULBRIGHT] also has an amendment.

Mr. WHERRY. None of them clarify the point which we desire to make. So I thought it would be of interest to Senators to know that if this amendment is defeated, a clarifying amendment will be offered. Possibly other Senators have the same idea. I am not sure.

Mr. MAYBANK. I understand that several amendments will be offered, not only to the pending amendment, but to the amendment as amended. The Senator from Wyoming [Mr. O'MAHONEY] stated that he intended to offer an amendment.

Mr. WHERRY. Is the Senator referring to an amendment to the Douglas amendment?

Mr. MAYBANK. That is what I understood.

Mr. O'MAHONEY. Yes. Mr. President, on behalf of the junior Senator from Arizona [Mr. MCFARLAND] and myself, I send to the desk an amendment to perfect the amendment of the Senator from Illinois, and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In lieu of the matter proposed to be stricken, it is proposed to insert the following:

LIMITATION ON ROLL-BACKS

SEC. 2. Section 402 (d) of the Defense Production Act of 1950 is amended by adding at the end thereof the following new paragraph:

"(4) After the enactment of this paragraph no ceiling price for cattle and sheep for slaughtering, or meat derived therefrom, shall become effective which is below the lower of (A) the price prevailing just before the date of issuance of the regulation or order establishing such ceiling price, or (B) the price prevailing during the period January 25 to February 25, 1951, inclusive."

Mr. O'MAHONEY. Mr. President, I should like briefly to describe the purpose of the amendment. First I should like to say that there is a great deal of misunderstanding of the livestock industry among Government employees and among the public. Many persons in OPS, elsewhere in Government, in Congress, and generally among the population of the country see no reason why meat prices should not be rolled back. They cannot understand that the production and distribution of meat products is utterly and completely different from that of any manufactured article. First I desire to make that fact absolutely clear.

OPA during World War II made no effort whatever to fix ceiling prices upon live animals.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Yes.

Mr. MAYBANK. That is equally true with respect to raw cotton. No provision to fix ceiling prices on raw cotton was in effect.

Mr. O'MAHONEY. That is correct.

OPA did not fix ceiling prices on live animals. OPS to date has not attempted to fix ceiling prices on live animals. The reason for it is perfectly clear. If I may be permitted to be facetious, I would say that there is no one in the Senate gallery who could look down upon us and grade the Members of this body for their meat quality, their weight, their grade, their productivity. It is absolutely impossible to grade animals on the hoof. Of course, the result is that when an attempt is made to fix ceiling prices on the butcher's lot, the effect cannot go back to production.

There is still another factor involved. So many individuals are concerned with the grading of livestock that it is utterly

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impossible for any agency of Government to hire a sufficient number of employees to superintend the transactions which are made. OPS has imposed a quota upon the slaughtering of live animals. It was supposed that such a quota would help in distributing meat among the consumers of the country. However, it takes only a moment's time to realize that when OPS sends out an order to the packers—small packers and large packers alike—to the effect that they may not kill more than 80 percent of the live animals they slaughtered a year ago, the result is a reduction of the amount of meat available for consumers.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Yes.

Mr. BRICKER. That power is not included in the Production Act, but is a power which is claimed by the Director, Mr. DiSalle, as redelegated authority from the Secretary of Agriculture. Is not that correct?

Mr. O'MAHONEY. The Senator is quite correct. I know that the Senator from Nebraska has an amendment dealing with the subject, which he will presently offer. I should like very much to support it.

The point is that the policy of OPS with respect to attempting to impose ceiling prices upon delivered meat is a complete mistake. It deceives the consumers, who believe that they are going to get lower prices, when the result will be, as was demonstrated during World War II, that there will be a lessening of the meat supply. The animals will be driven away from the slaughterhouses and into the black market. The distribution of meat throughout the United States will be upset. Meat consumers in Chicago, Pittsburgh, Boston, New York, San Francisco, and in all other large cities will have less meat to eat than they have now. It will all be because of the absolutely and completely demonstrable difference between the production of meat and the production of manufactured articles.

As I stated before the Committee on Banking and Currency, an automobile, for example, is produced according to specifications. A person can go into an automobile shop anywhere in the United States, from coast to coast, from border to border to the Gulf, and order a Ford, Cadillac, or Chevrolet, and he will get exactly the same car, because a car is built to specifications. Animals are not raised to specifications. There is no possible way of determining the specifications, and no possible way of determining the meat. When animals which are grown on the range are sent to the feed lot, where from 200 to 400 pounds of meat may be added to them, the meat supply is cut off the minute it is stated that sometime in the future we are going to roll prices back. It is absolutely impossible to expect the feeder to purchase live animals, take them into the feed lot, buy corn and feed them, hold them there for 60, 90, 120 days, or whatever may be the period required, and then try to sell them, if word has gone out that another roll-back is to go into effect.

In that way we reduce our meat supply. Today we are reducing the supply of meat for the consumers of the United States by the overhanging roll-backs in one instance, and in another instance by way of the 80-percent slaughtering quota, which says to the packer, "You may kill only 80 percent as many animals as you killed a year ago." For that reason ceiling prices will not operate with respect to livestock.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TAFT. I heard the Senator's amendment read, but I did not quite understand one point. Would the Senator's amendment have the effect of nullifying not only future roll-backs on beef but also the past roll-back?

Mr. O'MAHONEY. No; it does precisely what the committee bill does. It preserves the 10 percent roll-back which has been made already. It would permit an additional 2 percent roll-back, but it would cancel the two 2½ percent roll-backs which were proposed.

Mr. TAFT. In other words, the Senator proposes that the committee amendment be modified by having it apply only to livestock, not to anything else?

Mr. O'MAHONEY. The Senator from Ohio is quite correct.

Mr. CASE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CASE. My question is the same as the question asked by the Senator from Ohio, but, to state it in the words of the Senator from Illinois [Mr. DOUGLAS], the amendment offered by the Senator from Wyoming would be merely a steer amendment, not a Trojan steer amendment. Is that correct?

Mr. O'MAHONEY. The Senator is quite correct. Perhaps the Senator from Ohio [Mr. TAFT] may have misunderstood my answer. I wish to make it perfectly clear that my amendment, which I have offered in the nature of a substitute for the Douglas amendment, would permit roll-backs on manufactured products, but would exempt cattle and sheep from the roll-backs, except to the degree that the roll-backs are preserved in the committee bill.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. UNDERWOOD in the chair). Does the Senator from Wyoming yield to the Senator from Ohio?

Mr. O'MAHONEY. I yield.

Mr. TAFT. However, the roll-back could apply to hogs and other animals, as well as to cattle and sheep, could it not?

Mr. O'MAHONEY. Yes, but the amendment would not apply to poultry. It would not apply to hogs, because they fall into an utterly different category.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. Would a byproduct of sheep—namely, wool—also be included?

Mr. O'MAHONEY. No, my amendment does not touch wool.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. Will the Senator state what will become of the 20 percent of cattle that will not be permitted to be slaughtered this year? Has anyone ever seen a satisfactory answer or, in fact, any kind of an answer to that question?

Mr. O'MAHONEY. The result is that they go to the black market.

Mr. AIKEN. They could be carried over, if the farmer wanted to board them for a year.

Mr. O'MAHONEY. Yes; the farmer could spend more money feeding them or boarding them, as the Senator says.

Mr. AIKEN. But after a steer is ready for market and reaches the weight of 1,200 pounds——

Mr. O'MAHONEY. Then the steer ought to go to market.

Mr. AIKEN. And if the farmer is required to carry that steer for another year, it then becomes a boarder.

Mr. O'MAHONEY. That is correct.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HICKENLOOPER. I am interested in having the Senator from Wyoming discuss the fundamental difference between the application of this proposal to cattle, which are grown prolifically in Wyoming, and its application to hogs, which are grown prolifically a little farther to the east.

Mr. O'MAHONEY. Yes; in Iowa.

Mr. HICKENLOOPER. Of course, in my State we feed more cattle, also, than are fed in any other State in the Union.

Mr. O'MAHONEY. That is correct.

Mr. HICKENLOOPER. Why does not the proposal apply to hogs, when it is applicable to cattle? I agree with the Senator, insofar as cattle are concerned.

Mr. O'MAHONEY. I consulted some experts on the raising of swine, and they advised me not to include swine. Not having any direct experience with the livestock operations in the State of Iowa, except with the feeders, of course, I thought I would talk about the subjects I know about. So I confined this proposal to cattle and sheep. As I understand, hogs are produced for market usually within the year; so they fall into a different category from cattle, which sometimes take as much as 3 years to be matured for market.

Mr. THYE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. THYE. I thank the Senator for yielding to me.

The fact of the matter is that if any action which Congress takes has a tendency to destroy confidence in the future marketing of livestock, there will be a decrease in the population of beef cattle.

Mr. O'MAHONEY. The Senator is quite correct. The population of cattle is now increasing.

Mr. THYE. That is correct.

Mr. O'MAHONEY. If we permit the incentive to remain, the population of cattle will increase still more.

Mr. THYE. That is correct.

Mr. O'MAHONEY. I should like to add that I listened with a great deal of

interest to the Senator from New York, who spoke about the unconscionable profits. I want the Senate to realize that the pending tax bill——

Mr. THYE. Mr. President, will the Senator yield long enough to permit me to round out the thought I had in mind when I requested that he yield to me?

Mr. O'MAHONEY. Very well.

Mr. THYE. I should like to call the attention of this legislative body to the fact that when the raising of sheep was disturbed by the fact that the importations of wool were such that the producers of sheep could not afford to compete, the sheep population dropped, and at the present time we are paying $1 a pound for raw wool. That is an example of what happens when we destroy the foundation of one segment of the agricultural economy. When the incentive to raise sheep was destroyed by the importation of wool at a lower price than the price which would enable the sheep raisers to raise sheep, there was then a reduction in the number of sheep raised in the United States, to the point where today we are dependent upon imports for wool and for mutton products.

For that reason, the Senator from Wyoming is entirely correct in his argument that if we take any action which will destroy the economy of the beef producers, there will be a decrease in the beef animal production, and that will have an ultimate effect upon the consumers.

Mr. President, if the Senator from Wyoming will yield further, let me say that constant reference is made to meat. However, it is only beef that is above parity. Pork, poultry, eggs, and all other foods related to meat are below parity. For instance, pork is selling at 96 percent of parity, and chickens are selling at 93 percent of parity.

Mr. O'MAHONEY. Mr. President, I should like to interrupt the Senator at this point.

Mr. THYE. Mr. President, I thank the Senator from Wyoming for yielding to me; I appreciate very much his courtesy.

Mr. O'MAHONEY. Mr. President, I did not wish to cut off the Senator from Minnesota, but I wish to refer for a moment to parity.

Parity is a perfectly splendid word; it sounds wonderful, and it carries to those who are not familiar with the agricultural industry the connotation of complete justice. However, the consumers do not realize that the parity formula is a perfectly arbitrary one, based upon the prices which existed during a given period. In the case of some agricultural products, the prices at that time were down. In the case of others, the prices were up. So the parity formula is not a law of the Medes and the Persians, but it is a variable, arbitrary rule which was put into effect at a time when agricultural prices were extremely low.

Today the price of beef is supposedly at 157 percent of parity, only because a new formula was invented for the purpose of making the price of beef seem to be 157 percent of the old parity formula. However, the present formula does not at all correctly indicate the actual situation.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. MAYBANK. Mr. President, I believe I have 15 minutes. I wish to yield to the Senator from Nebraska. However, there are some Senators who wish to oppose the amendment. Let me inquire whether the Senator from Illinois desires to speak in opposition to the amendment and whether the Senator from New York desires to speak in opposition to it.

Mr. LEHMAN. I should like to have about 3 minutes.

Mr. MAYBANK. Mr. President, I shall yield 4 minutes to the Senator from New York and 4 minutes to the Senator from Illinois, and then I shall yield to the Senator from Nebraska, to permit him to speak on his substitute, in his own time.

Mr. DOUGLAS. Mr. President, first, I should like, if I may, to have the Senator from Wyoming clarify the practical effect of his amendment to my amendment. Do I correctly understand that if the amendment of the Senator from Wyoming to my amendment were adopted, it would be possible for the Office of Price Stabilization to put into effect manufacturing roll-backs?

Mr. O'MAHONEY. That is correct.

Mr. DOUGLAS. But it would not be possible for the Office of Price Administration to put into effect the two scheduled additional price roll-backs on beef. Is that correct?

Mr. O'MAHONEY. That is correct; but the OPS would—under the formula which comes from the committee—be able to impose, as I understand, another 2-percent roll-back, in addition to the 10-percent roll-back which already has been put into effect, and which was primarily beneficial to the packer, not to the consumer.

Mr. DOUGLAS. If that is the actual effect, this amendment to my amendment may not be so bad.

However, as I read the amendment which the Senator from Wyoming has offered to my amendment, it will not be possible to roll-back prices "below the lower of (A) the price prevailing just before the date of issuance of the regulation or order establishing such ceiling price, or (B) the price prevailing during the period January 25 to February 24, 1951, inclusive."

The January price did not include the 10-percent roll-back, and under the Senator's amendment to my amendment the price could not be reduced below the price prevailing before the issuance of the roll-back order. So it would seem to me, from reading the amendment which has been offered to my amendment, that the original 10-percent roll-back would be swept out the window, and prices would go back to where they were prior to the 10-percent reduction.

Mr. O'MAHONEY. Mr. President, I should like to have the comment of the Senator from South Carolina on that point, because this amendment to the amendment of the Senator from Illinois was written after consultation with the experts of the committee. I assume it would have that effect, but I want the Senator to understand that the result of the amendment to his amendment is merely to make a prohibition against the imposition of ceiling prices on cattle and sheep, but it does not extend that prohibition to any other commodity.

Mr. DOUGLAS. But if the wording is as I fear it is, would the Senator from Wyoming consent to an alteration which would make clear that the first 10-percent reduction would go into effect?

Mr. O'MAHONEY. Yes, of course.

Mr. DOUGLAS. And that an additional 2-percent reduction could be made?

Mr. O'MAHONEY. It was my understanding that that was implicit in section 2 which came from the committee.

Mr. DOUGLAS. I am dubious on that point.

Mr. O'MAHONEY. I shall be very glad to make that change.

Mr. DOUGLAS. It is a matter of great importance.

However, I think the attitude of the beef industry toward this amendment is very similar to the sentiment of Bill Nye, at the time of the Civil War, when he said that he was in favor of the war, even if he had to send all of his wife's relatives to the front. The Senator from Wyoming is proposing that price reductions can be made on all commodities except beef.

Mr. President, if we start making an exception in the case of beef, we are going to be driven, as the Senator from Iowa indicated, to make an exception also in regard to pork, and we would go from one exception to another, until we swept away the entire effect of the price regulatory system. As a practical political measure, it may be necessary to make such a concession in order to get the other roll-backs through, but I think it is wrong in principle, and, if passed, it is going to deprive the consumer of gains and economies which otherwise he would have made.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Arizona.

Mr. McFARLAND. Does not the Senator from Illinois think that the exception has already been made, and that it was made when the 10-percent roll-back was made on beef, a roll-back which has not been made on a number of other commodities?

Mr. DOUGLAS. It is notorious that the rise in the price of beef has been much greater than the increase in the price of virtually every other commodity, at least of those which enter into daily consumption.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. LEHMAN. Mr. President, the Senator from Wyoming has offered an amendment which would exempt cattle and sheep and their products from the roll-back provisions which would be in effect if the Douglas motion were agreed to. It is a compromise which should not be accepted, for it strikes at the heart of the roll-back authority which is essential in any control bill.

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Beef and beef products have come to be a staple in the American diet. To exempt them from possible roll-backs would destroy to a great extent the good which would be achieved by the Douglas motion. The adverse psychological effect on the American people would, in my opinion, be disastrous. The O'Mahoney amendment would break the line of price controls by exempting that commodity which is the most important in the domestic economy of our country, and would strike at the budget of the average American family. I very much hope it will be defeated.

Mr. President, there is no doubt that a roll-back to 125 percent of parity will still leave a very generous profit to the producer. Certainly if a small group are squeezed to a slight extent, and that is all it would amount to; the number of people involved as feeders is small; if they are hurt to some extent, there are ways of protecting them, and the amendment which I have offered, and which I shall call up a little later, making it possible to give subsidies where substantial hardship has been demonstrated, would care for that situation.

Meat is on every table of the country as the staple diet in instances where the family can afford to purchase it. To place and maintain a price on meat which is prohibitive is, I think, an injustice to millions of people, an injustice which the Government has promised to relieve. That injustice can be eliminated by the moderate roll-backs which are now in contemplation. To me it is inconceivable that we should take this one item, the item which is a symbol of decent living, and make it impossible to place a reasonable price on it. I very much hope that the amendment of the distinguished Senator from Wyoming will be defeated, and that the Senate will adopt the Douglas motion.

Mr. BENTON rose.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield 2 minutes to the Senator from Connecticut.

Mr. WHERRY. Mr. President, I believe the Senator from South Carolina [Mr. MAYBANK] has control of the time, has he not?

Mr. LEHMAN. The Senator from South Carolina has requested me to control the time while he is out of the Senate Chamber.

Mr. WHERRY. I had understood that, when the Senator from New York had concluded his remarks, the Senator from South Carolina would yield to me.

Mr. O'MAHONEY. That is correct.

Mr. WHERRY. I desire to offer a substitute for the amendment of the Senator from Wyoming. If the Senator from New York prefers that I wait, I shall be glad to do so.

Mr. LEHMAN. I certainly shall not press the point. I understood from the Senator from South Carolina [Mr. MAYBANK], when he left the Senate Chamber, that he had been suddenly called away, and that he had asked me to yield some of the time.

Mr. WHERRY. I shall send the amendment to the desk.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. The Senator from Nebraska has just said that it might be his intention to offer a substitute for my amendment.

Mr. WHERRY. That is correct.

Mr. O'MAHONEY. Would that be in order?

Mr. BENTON. Mr. President, may I have the 2 minutes which were yielded me?

Mr. O'MAHONEY. Mr. President, I suggest the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. WHERRY. If I may be permitted, I send the substitute amendment to the desk. I do not want to interrupt the procedure.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Was not the amendment of the Senator from Wyoming an amendment in the nature of a substitute for my own amendment?

Mr. WHERRY. It was.

The PRESIDING OFFICER. It was proposed as a substitute for the language of the Senator's amendment.

Mr. DOUGLAS. Therefore, the amendment of the Senator from Nebraska is an amendment in the second degree, not an amendment in the third degree, and it is therefore in order. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BENTON. Mr. President, do I not have the 2 minutes which were given to me by the Senator from New York?

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. BENTON. Mr. President, I wanted 2 minutes in order that I might immediately follow the distinguished Senator from New York by reading a paragraph from a letter which I received this morning from Connecticut, a letter which bears perfectly on what is happening in the industrial States in connection with the high price of meat. We all recall that Mr. Wilson and Mr. Johnston and Mr. DiSalle have said that around the control of the price of meat is going to be determined the entire effectiveness of our price-control program. Let me read from this letter, which happens to come to me from the music teacher of my children in Connecticut:

> The blood bank in Westport turned away about 60 of its 200 plus volunteers because of low hemoglobin. This has been true all over Connecticut on this trip of the bloodmobile. The answer seems to be that so few of us can afford to buy meat. I stopped buying it in March, and although I have had it about half a dozen times since, it is not enough, because mine was very bad and the nurse would not allow me to give my pint, although I assured her I was not afraid. My problem is that people take the lessons but are so slow in paying for them that I have long gaps with a limited food supply.

Mr. President, we are receiving thousands of letters of this kind from people of small means who feel the high prices much more keenly and much more sharply than any other thing which has happened in our economy. For that reason, I think it is essential, if we are to make the price-control program work, that the suggested amendment of the Senator from Wyoming be rejected.

Mr. BRICKER. Mr. President, will the Senator yield for a question?

Mr. BENTON. I shall be glad to yield for a question if I have any more time left.

Mr. BRICKER. I should like to say to the Senator that there must be an exceptional case of malnutrition in Connecticut, because the consumption of meat is higher this year than it has been at any other time in the history of the country, with the exception of one year.

Mr. BENTON. The Secretary of Agriculture testified before our committee, as I am sure the distinguished Senator recalls, that as other commodities go off the market, the consumption of meat increases, but that is only by the higher income class.

The PRESIDING OFFICER (Mr. HOEY in the chair). The time of the Senator from Connecticut has expired.

Mr. MAYBANK. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 1 minute left.

Mr. MAYBANK. Mr. President——

Mr. WHERRY. Mr. President, I sent an amendment to the desk which is in the nature of a substitute.

Mr. MAYBANK. Mr. President, may I use the remainder of my time to ask one or two questions of the Senator from Nebraska, after the clerk has read the amendment?

Mr. WHERRY. Certainly.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Nebraska.

The LEGISLATIVE CLERK. On page 2, after line 3, it is proposed to insert the following new section:

LIMITATION ON ROLL-BACKS

SEC. 2. Section 402 (d) of the Defense Production Act of 1950 is amended by adding at the end thereof the following new paragraph:

"(d) After the enactment of this paragraph no ceiling price shall become effective which is below any of the following, (A) the price prevailing just before the date of issuance of the regulation or order establishing such ceiling price, or (B) the price prevailing, during the period January 25, 1951, to February 24, 1951, inclusive, or (C) the ceiling price prescribed for any agricultural commodity by any regulation or order issued prior to the enactment of this paragraph."

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. MAYBANK. I was going to ask the Senator from Nebraska a question or two, because many Senators have asked me about the amendment, and I want to clarify the thought on it. This is the amendment which the Senator from Nebraska, the Senator from Louisiana [Mr. ELLENDER], and other Senators have discussed as a substitute; is it not?

Mr. WHERRY. It is.

Mr. MAYBANK. And it takes into consideration all commodities, whether it be hogs, beef, or lambs. In other

words, there is no differential with reference to one as against another?

Mr. WHERRY. That is correct.

Mr. MAYBANK. Therefore the amendment applies to all agricultural products?

Mr. WHERRY. And everything else.

Mr. MAYBANK. That is what I understood.

Mr. McKELLAR. Including cotton?

Mr. WHERRY. Including cotton, and every other agricultural product.

Mr. MAYBANK. And it does not affect any other roll-back?

Mr. WHERRY. No.

Mr. MAYBANK. In other words, it does not affect section 2. The Senator has explained how it adjusts everything, but it does not nullify section 2 as to manufactured products.

Mr. WHERRY. No.

Mr. MAYBANK. I thank the Senator.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. WHERRY. I do not believe I am yet speaking on my own time.

Mr. MAYBANK. Mr. President, I yield the floor.

Mr. WHERRY. Mr. President, I ask to be recognized, and I offer the amendment which I have sent to the desk.

This amendment has been worked on for several days. It applies to all products covered in section 2 of the bill. I want to be absolutely frank about it. It includes meat, beef, sheep, pork, agricultural products—everything involved in the section.

I am in total agreement with what the Senator from Wyoming said about meat. Of course, his amendment excludes beef and sheep from the products which would be affected by the motion of the Senator from Illinois. I know that feeders can be prejudiced, of course, if we do what the Senator has suggested. I think we should deal with all products; therefore, my amendment applies to all of them. I am trying to accomplish what I think the committee wanted done, but what I think its bill would not bring to pass. The Senator from Wyoming said his amendment would not affect the first roll-back on meat, to which I agree. Neither would the amendment which I have offered affect the first roll-back. But the Senator said his amendment would prohibit the imposition of the second and third roll-backs, and I cannot go along with him on that statement.

The Senate bill provides, as follows:

After the enactment of this paragraph no ceiling price shall become effective which is below the lower of (A) the price prevailing just before the date of issuance of the regulation or order establishing such ceiling price——

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. WHERRY. Let me finish, and then I shall be glad to yield. I read further—

or (B) the price prevailing during the period January 25, 1951, to February 24, 1951, inclusive.

If I correctly interpret the first clause, the price of meat can go down and down, and when it reaches a certain point the Administrator of the Office of Price Stabilization can establish a ceiling under clause (A) at the very lowest point at which it may be when the new order is issued. The only way in the world to prevent that is to change the language. So my amendment provides that no ceiling price shall become effective which is below "any of the following"—setting forth clause (A), clause (B), and clause (C).

Mr. DOUGLAS. Does that mean that the highest price must be taken?

Mr. WHERRY. No; it means that the ceiling cannot be lower than the third clause. The Senate bill provides that a ceiling price can be established under clause (A) at the low point in the market, any time the Administrator wants to issue the order. I know the Senator from Illinois does not want that to be done. He does not want the price to go down several dollars a hundred on meat and then have the Administrator make up his mind as to whether the ceiling should be placed on the low price.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. O'MAHONEY. I am sure that if the Senator will again read the language he will see that he is mistaken in his interpretation. The language reported by the committee is as follows:

After the enactment of this paragraph no ceiling price shall become effective which is below the lower of (A) the price prevailing just before the date of issuance of the regulation or order.

I submit to the Senator that it would be utterly impossible for the contingency envisaged by the Senator to take place, namely, the price going down. It is just as though the language read:

The price prevailing on the day before the issuance.

Mr. WHERRY. Oh, no.

Mr. President, in answer to the observation of the distinguished Senator from Wyoming let me say that I took this language up with the agency, and asked them, "How would you interpret it?" I was told that they would interpret it exactly as I have given it to the Senate.

Mr. O'MAHONEY. If they did that——

Mr. WHERRY. Just a moment. Let me finish my answer, because I love my friend from Wyoming and I want to get along with him. If I thought for one moment that we could place upon it the interpretation the Senator from Wyoming gives it, I would not be here with this amendment. But I took it up with the authorities. We do not want an interpretation placed upon the language of the Senate provision which means that after the prices go down and down, as in the case of cotton, the Price Administrator may put a ceiling on meat at that low point. The Senator from Wyoming is the chairman of several subcommittees of which I am a member, and now and then we get into discussion with respect to the use of language. I wish he would study the language I have submitted, because I am satisfied there is no chance for a mistake in that language. The language provides that—

After the enactment of this paragraph no ceiling price shall become effective which is below any of the following, (A)—

Subdivision (A) is the same as that in section 2 of the Senate Banking and Currency Committee bill.

Secondly, the price of the agricultural products during the period January 25, 1951, to February 24, 1951; and, finally—or lower than "the ceiling price prescribed for any agricultural commodity by any regulation or order issued prior to the enactment of this paragraph."

Now that gives some protection by indicating what the ceiling might be in a falling market.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. MAYBANK. I merely wish to say that the Senator's amendment is merely a perfecting amendment to the committee amendment, in my judgment, because I was told by the departments exactly what the Senator from Nebraska says he was told.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FULBRIGHT. I am not clear on this matter. The amendment of the Senator from Wyoming says that the price could not be lower than that of any of the three classifications. Would not the amendment in effect mean that it could not be lower than the highest of any of the three?

Mr. WHERRY. Whichever is the higher would be the floor and a ceiling price could not go lower than that floor. I will put it in that way. [Laughter.] The Senator from Delaware [Mr. WILLIAMS] convinced me that there can be a ceiling lower than a floor. Is that not correct? That is the whole argument of the Senator from Delaware. We had passed a law which bound the Administrator, if a ceiling price is established below the figure of the support price, and some departments are in violation. Therefore, my answer to the Senator from Arkansas is that the ceiling price in this case would have to be the highest floor price. The ceiling price could not go below the floor. That is not a bad answer, either, as Senators will find when they think it over. [Laughter.]

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. MAYBANK. I do not quite understand the amendment as the Senator read it. It does not affect the roll-back that has already been put into effect?

Mr. WHERRY. No.

Mr. DOUGLAS. Mr. President——

Mr. MAYBANK. Mr. President, I shall be glad to yield to the Senator from Illinois of my time. I have some time left.

It does not affect the additional 2 percent roll-back.

Mr. WHERRY. I do not know whether the 2 percent comes in the second and third roll-backs or not. It certainly does not affect the order that is already in effect.

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Mr. MAYBANK. Or any other orders that have been imposed.

Mr. WHERRY. That is correct; or any other ceiling price that has been imposed.

Mr. CASE. Mr. President, will the Senator yield?

Mr. WHERRY. For example, if we go back to the April 30 date, the time the order on meat was issued, that would be a prior order, and they could use that, or they could use the two clauses brought in by the Senate Banking and Currency Committee bill, and go back to the date of February 24, or they could use the price which is prior to the issuance of a new order, but under my (c) clause, they could not issue an order below the ceiling price already established by a prior order. That protects those interested in cotton.

Mr. MAYBANK. Not unless there had been a roll-back, and that roll-back has not been in effect.

Mr. WHERRY. That is correct. It has to be in effect.

Mr. MAYBANK. The roll-back has to be in effect.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. DOUGLAS. I should like to ask the Senator from Nebraska if it is not true that his amendment will prevent any roll-back on manufactured goods? There is a roll-back scheduled for next Monday. Will this amendment prevent that roll-back from going into effect?

Mr. WHERRY. The amendment does not change any of the provisions of the Senate Banking and Currency Committee bill on manufactured products. It remains the same. I am going to oppose the motion of the Senator from Illinois to strike out section 2. Whatever the law provides now, it would provide the same after my amendment is adopted.

Mr. DOUGLAS. Mr. President, will the Senator from Nebraska yield to me for a further question?

Mr. WHERRY. I have only 3 minutes left.

Mr. DOUGLAS. Since the bill of the committee prohibits the July 2 roll-back or any other roll-back on manufactured goods, and the amendment of the Senator from Nebraska does not change the bill in that respect, therefore, it follows that the amendment of the Senator from Nebraska also prohibits the roll-back on manufactured goods. Is that not true?

Mr. WHERRY. The amendment of the Senator from Nebraska does not change the committee provision at all. The amendment uses the same provision as is in the Senate committee bill. Instead of saying that the Price Administrator can do this or that, he must take the higher price of the three clauses and make that the floor.

Mr. DOUGLAS. Then the roll-back on manufactured goods is prohibited?

Mr. WHERRY. Mr. President, I do not want the time used by the Senator from Illinois to be charged against me. How much time have I lost by that statement?

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. HOEY in the chair). The Senator will state it.

Mr. O'MAHONEY. I desire to ask what Senator has charge of the time in opposition to the amendment offered by the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. WHERRY. Mr. President, I do not want that time charged to me, either. The Senator from Kansas [Mr. SCHOEPPEL] has been on his feet, and I am glad to yield to him now.

Mr. SCHOEPPEL. Mr. President——

Mr. MAYBANK. Mr. President, I can use a part of the time under my control, can I not?

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. MAYBANK. Mr. President, will the Senator from Nebraska allow me to make a statement?

Mr. WHERRY. Yes.

Mr. MAYBANK. The amendment offered by my good friend from Wyoming [Mr. O'MAHONEY] applies to beef and mutton. The amendment of the Senator from Nebraska applies to everything. Very frankly, I am opposed to picking out one thing or two things. Whatever we do, we should do across the board, as we did in December of last year and in October of last year. I believe in working across the board. So I am in favor of the substitute of the Senator from Nebraska for the amendment of the Senator from Wyoming. Therefore, I shall not oppose the amendment of the Senator from Nebraska.

In justice to myself, I should like to be relieved of control of the time, and let some other Senator who wishes to speak in opposition take charge. We have tried to work in agreement on this matter. We feel we cannot pick out beef and tell the housewife, "We did so and so with beef," or pick out mutton and say, "We did so and so with mutton," and then leave corn and other commodities untouched.

Mr. LONG. Mr. President, will the Senator from South Carolina yield to me for a question?

Mr. MAYBANK. I should like to have the time of those in opposition to the amendment controlled by other Senators.

Mr. ROBERTSON. Mr. President, will the Senator from South Carolina, the chairman of the committee, not yield to me?

Mr. MAYBANK. Very well.

Mr. ROBERTSON. I will say to the distinguished chairman of our committee that I think I know the meaning of the Senate committee's provision. But I cannot say that I know the meaning of the substitute. I am rather in the position of the colored boy from Virginia about whom a naval officer was telling me yesterday. The boy, who was out in the Pacific in a heavy fog, said, "The fog horn keeps blowing and blowing, but the fog keeps rolling in."

Mr. MAYBANK. The issue is whether to vote for an amendment relating to beef or an amendment relating to mutton or an amendment dealing with everything.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. Yes.

Mr. LONG. Are we to understand that what the amendment means is that when a ceiling is imposed, the ceiling price will not be lower; that one can depend upon that price being the ceiling price? Is that what the amendment means?

Mr. MAYBANK. The Senator from Nebraska explained that we have three choices in this case: Clauses (a), (b), (c).

Mr. LONG. If a ceiling is imposed, that ceiling cannot be lowered; that is, the price cannot be lower than the ceiling price once it has been imposed?

Mr. MAYBANK. The ceiling price; yes.

Mr. LONG. It means that the ceiling price cannot be lowered?

Mr. MAYBANK. That is what I understand.

Mr. LEHMAN. Mr. President, will the Senator yield to me for a question?

Mr. MAYBANK. Yes.

The PRESIDING OFFICER. The Chair will say that the Senator from Kansas [Mr. SCHOEPPEL] has the floor. The Senator from Kansas is recognized.

Mr. SCHOEPPEL. Mr. President, there has been some discussion on this floor today to the effect that after the roll-backs the parity figure would be 125 percent. I should like to read a letter which our colleague the distinguished Senator from Virginia [Mr. ROBERTSON] has received from the Department of Agriculture. It is signed by K. T. Hutchinson, Assistant Secretary, and reads as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., June 21, 1951.

Hon. A. WILLIS ROBERTSON,
United States Senate.

DEAR SENATOR: This is in reply to your letter of May 29 regarding parity prices of beef cattle.

Parity price is the one generally accepted standard developed for measuring changes in purchasing power of farm prices. As a general standard it is stated in terms of the United States average price for all grades and classes of the commodity rather than the price of a specific grade at a specific location. With but few exceptions parity for all farm commodities is calculated by the same method or formula. Parity prices for beef cattle, thus, are just as good a measure of this factor as are the parity prices of other farm commodities. As parity prices are a general standard, however, it may be necessary in some cases to consider additional factors in order to measure the adequacy of the price for a particular purpose.

I wish to place special emphasis on the next two statements:

It is possible that your constituent was commenting on parity price as computed by the formula in effect prior to January 1, 1950. At that time the parity price for beef cattle was revised to take into consideration two additional factors. The first was to include the additional factor of farm wages in calculating prices paid by farmers, and the second was to use a more recent period (the immediate preceding 10 years) in calculating average prices farmers received.

As prices received by farmers for beef cattle during the 10-year period, 1941–50, were high relative to prices received by farmers for other commodities, parity prices for beef cattle are higher than they would have been under the old formula. The parity price for beef cattle, as calculated by the method in effect prior to January 1950, would be $14.80 as of May 15, 1951. The parity price for beef cattle as calculated

under the new formula was $19.80. In other words, the new method of calculating parity prices resulted in a parity price for beef cattle about 34 percent higher than that calculated according to the method previously in effect. The average price received by farmers as of May 15 was $29.50, or 149 percent of parity.

If you desire any further information on this question, please let us know.

Sincerely yours,

K. T. HUTCHINSON,
Assistant Secretary.

That is the last word, up to this date, on the change in the parity figures, and I think it goes a long way toward dispelling some of the assurance of the statement that, despite the three roll-backs, parity yet will be 125 percent. This letter does not so state.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SCHOEPPEL. I yield.

Mr. AIKEN. I point out that those are very evidently farm parity prices, not prices on the market. Am I not correct?

Mr. SCHOEPPEL. He refers to the market price.

Mr. AIKEN. The farm market price. That is very important, because it costs a great deal of money to get those animals to market. Such additional cost would have to be added to the $19.80.

Mr. CASE. Mr. President, does the Senator from Nebraska have additional time?

Mr. WHERRY. Mr. President, I should like to yield to the Senator from South Dakota. I have lost track of the time. I hope I can yield to the Senator from South Dakota, because he was on his feet for some time.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. WHERRY. Mr. President, I ask unanimous consent that the Senator from South Dakota be recognized for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, I wish to ask the Senator from Nebraska a question. I ask him if it is not a fact that the bill, as reported, would establish two floors below which the Administrator could not order a roll-back. The amendment which the Senator from Nebraska has proposed would establish three floors below which the Administrator could not order a roll-back.

Mr. WHERRY. The Senator is correct.

Mr. CASE. However, is it not also true that prices can go below those floors if they do so from natural causes, and not as the result of an order?

Mr. WHERRY. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. WHERRY] in the nature of a substitute for the amendment of the Senator from Wyoming [Mr. O'MAHONEY].

Mr. O'MAHONEY. Mr. President, if the Senator from Illinois will yield to me a part of the time in opposition to the amendment offered by the Senator from Nebraska, I should like to make a brief statement.

The Committee on Banking and Currency reported a bill containing section 2, which prohibited the imposition of ceilings on all commodities of any kind below certain figures described in phrases (A) and (B).

The Senator from Illinois [Mr. DOUGLAS] offered a motion to strike out that section, so that it would be possible for OPS to continue to impose ceilings in precisely the manner in which it had been doing.

I offered a substitute for the language proposed to be stricken out by the Douglas motion, the effect of which is to preserve the authority of the OPS to provide ceilings on all commodities except cattle and sheep.

The Senator from Nebraska offers another amendment, which prohibits ceilings, and therefore prohibits roll-backs, upon all commodities, agricultural and manufacturing, below the highest of three figures. So the amendment of the Senator from Nebraska, as I see it, would be completely inflationary. The amendment of the Senator from Illinois would continue the very unfortunate power to make further roll-backs on livestock products from cattle and sheep; whereas the amendment which I have offered would preserve the power to establish ceilings upon manufactured commodities, but would exclude livestock products from cattle and sheep.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. WHERRY] in the nature of a substitute for the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. DOUGLAS. Mr. President, has the time of those who are opposed to this amendment been exhausted?

The PRESIDING OFFICER. There are still 8 minutes available to Senators opposing the amendment.

Mr. DOUGLAS. Mr. President, the amendment of the Senator from Nebraska is the worst yet. It would prevent any roll-back on manufactured goods, which was the purport of section 2. It would prevent any future roll-backs on beef, and might, indeed, cancel the existing 10-percent roll-back. It would prevent any roll-back on any agricultural commodity. It provides that prices shall be frozen at the highest level; and, as a corollary, it requires the raising of other prices up to that highest level. This would cost the American consumer billions of dollars. I think my use of the term "the worst yet" is a very mild phrase, indeed.

I hope the amendment will be defeated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. WHERRY] in the nature of a substitute for the amendment of the Senator from Wyoming [Mr. O'MAHONEY].

Mr. LEHMAN. Mr. President, will the Senator from South Carolina yield to me?

Mr. MAYBANK. Mr. President, I do not want any misunderstanding. I should like to make a statement.

I understand that the amendment does not cancel the roll-backs.

I now yield to the Senator from New York.

Mr. LEHMAN. Mr. President, I am stunned by what is going on in the Senate this afternoon. I have the feeling that I am living in an Alice-in-Wonderland scene.

We are faced with one of the great crises in our history, a crisis which requires not only great military strength and integrity, but economic strength and economic integrity. We cannot possibly hope to win against those who threaten our very survival and the freedom of the world unless we make certain, so far as it is humanly possible to do so, that the economy of the United States remains on a sound basis. Certainly the greatest threat to the economic strength of our country is inflation. Yet the amendment offered by the Senator from Nebraska [Mr. WHERRY] would nullify the basic purposes we seek to achieve. It would tear down all the possible safeguards which we seek to set up to strengthen and maintain our economy.

I just cannot believe that it is possible that my colleagues in the Senate would render impotent all the efforts of our public servants who are charged with the responsibility of maintaining, serving, and strengthening our economy, whose stability is so necessary if we are to withstand the threats to our freedom, to the survival of our country, and to the survival of world civilization as we know it. I stand aghast at what is here proposed by the Senator from Nebraska. I can only plead—and plead with all the sincerity of my heart and soul—that we do not destroy the best weapons we have with which to control inflation; let us not here enact legislation which would make it impossible truly to control prices, or to stabilize wages. I again plead with my fellow Senators to refrain from any such action.

Mr. MOODY. I compliment the Senator from New York for his eloquent remarks. I am glad to note that he is thinking, first, of all of the American consuming public, instead of the interests which have been trying to tear down the only machinery which the Nation has in its possession to save it from the inflation that could burn out our economy and place us squarely at the mercy of the Kremlin.

We spend a great deal of time cutting a few million dollars from the budget. Of course, it is a highly worthy undertaking to do so. The other day we adopted an amendment to an appropriation bill which cut 5 percent from the personnel rolls, and saved about $4,000,000. Yet this afternoon, if the amendment offered by the Senator from Nebraska is adopted, we would dissipate billions of dollars of the consumers of America.

I hope the amendment will be voted down. The amendment offered by the Senator from Illinois [Mr. DOUGLAS] is in the interest of the consumers of America.

Mr. LONG. Mr. President, I have listened very carefully to the discussion

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of the pending amendment. The amendment would prevent exactly the danger which was pointed out in the individual views of the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alabama [Mr. SPARKMAN], the Senator from Illinois [Mr. DOUGLAS], the Senator from Connecticut [Mr. BENTON], and the Senator from Michigan [Mr. MOODY]. In their individual views they stated:

Farm prices are always the first to go down when there is a general price recession. Although the ceiling price on cotton is 45 cents a pound, the October futures, based on the anticipated 16,000,000-bale cotton crop, are now at 37 cents. Under this amendment, OPS could step in tomorrow and place a price ceiling of 37 cents on cotton, since the price prevailing just before the issuance of the regulation was lower than the January 25 price.

They continue with the statement:

We believe this amendment could be used to the great injury of the farmers.

If that is what they fear, certainly there would be every reason for their supporting the amendment offered by the Senator from Nebraska.

The PRESIDING OFFICER. All time for debate has expired.

The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. WHERRY], in the nature of a substitute for the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. WHERRY and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Wyoming [Mr. HUNT] is absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the Senator from Massachusetts [Mr. LODGE] and the Senator from New Hampshire [Mr. TOBEY] would each vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The result was announced—yeas 39, nays 49, as follows:

YEAS—39

Bennett	George	McClellan
Bricker	Hickenlooper	McKellar
Butler, Md.	Hoey	Millikin
Butler, Nebr.	Holland	Mundt
Cain	Jenner	Russell
Capehart	Johnson, Colo.	Schoeppel
Carlson	Kem	Stennis
Case	Langer	Thye
Connally	Long	Watkins
Dirksen	Malone	Welker
Dworshak	Maybank	Wherry
Eastland	McCarran	Wiley
Ellender	McCarthy	Young

NAYS—49

Aiken	Hayden	Morse
Anderson	Hendrickson	Neely
Benton	Hennings	Nixon
Brewster	Hill	O'Conor
Bridges	Humphrey	O'Mahoney
Byrd	Ives	Pastore
Chavez	Johnson, Tex.	Robertson
Clements	Kefauver	Saltonstall
Cordon	Kerr	Smith, Maine
Douglas	Kilgore	Smith, N. J.
Duff	Knowland	Smith, N. C.
Ferguson	Lehman	Sparkman
Flanders	Magnuson	Taft
Frear	McFarland	Underwood
Fulbright	McMahon	Williams
Gillette	Monroney	
Green	Moody	

NOT VOTING—8

Ecton	Lodge	Smathers
Hunt	Martin	Tobey
Johnston, S. C.	Murray	

So Mr. WHERRY's amendment in the nature of a substitute for Mr. O'MAHONEY's amendment was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had passed a bill (H. R. 3181) to continue until the close of June 30, 1952, the suspension of duties and import taxes on metal scrap, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the following concurrent resolution (H. Con. Res. 134), in which it requested the concurrence of the Senate:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is hereby requested to return to the House of Representatives the enrolled bill (H. R. 2349) authorizing the Secretary of the Interior to issue patents in fee to certain allottees on the Crow Indian Reservation; that if and when such bill is returned by the President, the action of the Speaker of the House of Representatives and of the President of the Senate in signing such bill is hereby rescinded; and that the Clerk of the House of Representatives is hereby authorized and directed, in the re-enrollment of such bill, to strike out in the paragraph thereof which relates to the issuance of a patent in fee to Estella Wolfe the phrase which reads "the northwest quarter of the southeast quarter" and to insert in lieu thereof "and the northwest quarter of the southeast quarter of section 28."

HOUSE BILL REFERRED

The bill (H. R. 3181) to continue until the close of June 30, 1952, the suspension of duties and import taxes on metal scrap, and for other purposes, was read twice by its title, and referred to the Committee on Finance.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950, and the Housing and Rent Act of 1947, as amended.

Mr. MILLIKIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLIKIN. I should like to offer, and I wonder whether I may do so, an amendment to or a substitute for the O'Mahoney amendment, which I understand is now the pending question. Would such an amendment to the O'Mahoney amendment be in order?

The PRESIDING OFFICER. Yes; it would be in order.

Mr. MILLIKIN. Then, Mr. President, I offer and send to the desk, and ask to have read by the clerk, with the paragraphs and other formal matters appropriately stated, such an amendment to the O'Mahoney amendment.

The PRESIDING OFFICER. The amendment of the Senator from Colorado to the O'Mahoney amendment will be stated.

The CHIEF CLERK. To the O'Mahoney amendment, after the period, it is proposed to add the following new sentence:

Nothing in this act as amended shall prohibit the establishment or maintenance of a ceiling price with respect to any article (other than an agricultural commodity) in the case of an individual seller which is based upon a period prior to January 25, 1951, if such ceiling price reflects adjustments for increases or decreases in all costs of such seller occurring subsequent to such period.

Mr. MILLIKIN. Mr. President, I invite attention first to the fact that it is not the purpose of this amendment to the O'Mahoney amendment to interfere with the livestock provisions intended either by the Senator from Wyoming [Mr. O'MAHONEY] in his amendment or by the committee bill. This amendment to the O'Mahoney amendment goes to a point in the committee bill which disturbs me somewhat, and for which I believe there should be some relief. The committee bill, as to matters outside of agriculture, prohibits roll-backs beyond the first of this year. I think it is a matter of common knowledge that many of the prices as of the first of this year reflected greed and unconscionable grasping, and I do not believe we should commit ourselves to that part of a new base.

Therefore, I believe we should have provision for a roll-back to the Korea period, provided that such roll-backs—and I am not talking about agriculture now; I am talking about the whole field outside of agriculture—shall reflect either all additional costs and cost decreases from that time on. That, in brief, is the purpose of this amendment to the O'Mahoney amendment. It short-circuits all the confusing administrative gobbledegook and mandates that, if we roll back beyond the January 1951 period, we shall allow and adjust to the increased or decreased costs since the date to which the price is rolled back.

This amendment to the O'Mahoney amendment relates itself to each individual seller, subject to such a roll-back, and to each article.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MILLIKIN. I am glad to yield.

Mr. CORDON. Does the Senator's amendment to the O'Mahoney amendment contemplate that the several individuals shall be the exclusive judges of the reasonableness of such an adjustment?

Mr. FULBRIGHT. Mr. President, will the Senators please speak louder? We cannot hear what they are saying.

Mr. McFARLAND. Mr. President, may we have order? No one can hear unless there is order in the Chamber.

The PRESIDING OFFICER. The Senate will be in order. Conversations on the floor will cease.

Mr. MILLIKIN. Mr. President, will the Senator from Oregon please repeat his question?

Mr. CORDON. Yes. Does the Senator's amendment to the O'Mahoney amendment contemplate that each individual shall himself be the sole judge of the reasonableness of an adjustment made under the amendment? If not, who will determine the reasonableness of the judgment?

Mr. MILLIKIN. Under the present procedure whereby these contemplated roll-backs will be made. I think each individual in the first instance will be making his own roll-backs; but, of course, he will be subject to the final overriding judgment of the department if he does not do it properly.

Mr. CORDON. Should not the amendment at least contain the word "reasonable," so as to leave some basis for a conclusion on the part of the Administrator which might differ from that of the individual?

Mr. MILLIKIN. Is the Senator referring to costs?

Mr. CORDON. I refer to adjustments on account of costs.

Mr. MILLIKIN. What I am trying to avoid, I may say to the Senator, is getting off into a mystic maze as to theories of cost. A complete formula cannot be put into any amendment which can be written in the Senate. I want to have all of the costs reflected. The Administrator already has a whole series of standards, which he works around with, relative matters, and all that sort of business; but when he gets all through, the particular seller concerned must, under this amendment, get his costs.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MILLIKIN. I yield to the Senator from Oregon.

Mr. CORDON. Having in mind that the test of the language is what may be done under it, rather than what we might hope would be done under it, if the Senator's amendment should be adopted, would it not put each individual who might be subject to price control in this position: When there is an attempt to set a ceiling with reference to his particular sales, if he can show a change upward of any kind or character in his costs, and can prove the change, would not his own judgment prevail as to what he may do in the way of adjustment with respect to the change, so long as he relies upon the change for his justification?

Mr. MILLIKIN. I do not agree with that at all, for the simple reason that even if, in the first instance, it is a self-administered roll-back, in the last instance the Administrator has the final say.

Mr. FLANDERS and Mr. ROBERTSON addressed the Chair.

Mr. MILLIKIN. I believe the Senator from Vermont was next on his feet.

Mr. FLANDERS. I should like to ask the distinguished Senator from Colorado whether there is not a bit of complication in his proposal, as there is in any proposal which relates to the fixing of detailed costs.

Mr. MILLIKIN. I am frank to say that there is. I wish that I did not feel that we should have an amendment of this kind. I wish there were no reasons for going back to a point beyond January 1. I dislike the interferences and uncertainties inherent in roll-backs, but I dislike even more having straight across-the-board standards as of early in January, including the freezing of price bases which are unconscionable.

Mr. FLANDERS. If I may, I should like to inquire further of the Senator from Colorado whether the proposal does not introduce a new complication, namely, that the calculations as to increases in costs, since the Korean war began, relate to articles and services which themselves will become subject to new determinations of cost by the same procedure? In other words, the elements of the cost are themselves subject to the same sort of calculation which the Senator from Colorado proposes.

Mr. MILLIKIN. I am very frank to say that it is impossible to have any kind of price control in which we shall not be confronted with some phase of that problem. It is very, very difficult. It is very complicated. It works unjustly at times.

Mr. FLANDERS. I wonder, however, whether the simple scheme of going back to a period earlier this year does not sidetrack some of that complication.

Mr. MILLIKIN. The simple scheme of going back to an earlier date this year would sidetrack some of that complication, but it would not sidetrack the complication of putting our imprimatur on many prices which are greedy and unconscionable.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MILLIKIN. I yield to the Senator from Ohio.

Mr. TAFT. The existing regulation does exactly what the Senator is proposing in his amendment, except that the administration has refused to allow certain costs, it has permitted the allowance of only direct costs. Is that not correct?

Mr. MILLIKIN. The Senator is entirely correct.

Mr. TAFT. The effect of the Senator's amendment would be that we would say, "You can do what you are doing now, so far as manufactured goods are concerned, but you have got to allow all costs, and not simply direct costs." Is that correct?

Mr. MILLIKIN. The Senator is entirely correct. A business can go broke because of disallowance of indirect as well as direct costs.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. MILLIKIN. I yield to the Senator from Ohio.

Mr. TAFT. There is another phase of the matter which has come to my attention relative to conditions prior to January 25, 1951. If we go back to any quarter when industries were in a distressed condition and were making no profits, they are not now being allowed any profits under existing regulations. Is that statement not correct?

Mr. MILLIKIN. That is correct.

Mr. MAYBANK. Mr. President, I was about to suggest that what worries me is treating this matter on the basis of individuals, instead of treating it on an industry-wide basis. I appreciate that the Senator's time is short. I am in accord with his ideas, but I do not see how the plan of dealing with the individual can be advocated as against an industry-wide proposition. Would the Senator mind explaining his idea, with the understanding that he may do so in my time? I should like to understand it.

Mr. MILLIKIN. I shall be very glad to do that.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MILLIKIN. In a moment. I base my argument in favor of restricting the provision to individual sellers on the obvious correctness of the proposition that no seller can conduct his business on the basis of industry-wide averages, and, therefore, we should not impose that kind of a rule. Business cannot be run that way.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MILLIKIN. I yield to the Senator from Illinois.

Mr. DOUGLAS. Do I correctly understand that the amendment of the Senator from Colorado would call for an additional sentence to be added to section 2, as reported by the committee?

Mr. MILLIKIN. My picture of the parliamentary situation is that the amendment or the substitute of the Senator from Wyoming [Mr. O'MAHONEY], whatever it is, is before the Senate; so my purpose is to amend that which is being proposed by the Senator from Wyoming.

Mr. DOUGLAS. Is it to be added to the amendment of the Senator from Wyoming, or is it to be added to section 2 of the committee's proposal? As I read the text, it is to be added to section 2.

Mr. MILLIKIN. I do not have the text of the amendment of the Senator from Wyoming before me. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLIKIN. What is before the Senate?

The PRESIDING OFFICER. The substitute offered by the Senator from Wyoming, to which the Senator from Colorado has offered his amendment.

Mr. MILLIKIN. This is a proposal to add something to the Senator's amendment, is it not?

The PRESIDING OFFICER. That is correct.

Mr. DOUGLAS. As I read it, it was an addition to section 2 as reported by the committee.

Mr. MILLIKIN. I changed the reading of it in my explanation. That had been my original intention, but the amendment of the distinguished senior Senator from Wyoming [Mr. O'MAHONEY] indicated that I should make a different approach, and so I changed it and I am

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adding it to what the Senator from Wyoming has proposed.

Mr. DOUGLAS. Mr. President, I may say this is a very crucial issue, because the amendment of the Senator from Wyoming would permit the roll-back on manufactured goods to go into effect. The committee text will not permit it to go into effect, so that, if the amendment of the Senator from Colorado is an addition to the committee amendment, it forbids the roll-back on manufactured goods, and that is the way it was drawn.

Mr. MILLIKIN. If it is an addition to the committee amendment, it does not forbid a roll-back; it authorizes a roll-back on manufactured goods. What I am aiming to do is to add to the livestock part of the O'Mahoney amendment my amendment which under the conditions provided will permit a roll-back on manufactured goods. If the parliamentary situation takes such a turn that I cannot attach my amendment to the O'Mahoney amendment, I hope to offer it as an amendment to the bill.

Mr. CASE. Mr. President, will the Senator yield?

Mr. MILLIKIN. I yield.

Mr. CASE. What the Senator's amendment does is to give the producers of livestock the benefit of cost increases. But the amendment, if it is attached to the O'Mahoney amendment, will not extend to manufacturers and other producers the benefits of cost increases. The amendment offered by the Senator from Wyoming limits the administrator's powers only with respect to livestock, cattle and sheep.

Mr. MILLIKIN. I am accepting the restrictions on the Administrator so far as livestock is concerned. I am adding the right to roll-back prices of the manufacturer if the costs elements are adjusted in the manner provided.

Mr. CASE. With respect to livestock?

Mr. MILLIKIN. Manufactured products—other than agricultural products. All I have to work with is the O'Mahoney amendment. If it is defeated, I shall then offer my proposal as an amendment to the bill.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. MAYBANK and Mr. O'MAHONEY addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. MAYBANK. Mr. President, the Senator from Virginia [Mr. ROBERTSON] asked me for 5 minutes. Does the Senator from Wyoming wish to speak?

Mr. O'MAHONEY. I wish to make a comment on the amendment of the Senator from Colorado.

Mr. MAYBANK. How much time does the Senator wish?

Mr. O'MAHONEY. Three minutes will be sufficient.

Mr. MAYBANK. I yield, first, to the Senator from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. President, after taking some 4,000 pages of testimony, when the committee went into executive session I proposed to the committee that it report a simple continuing resolution and vote down all amendments. Unfortunately, I think, only the Senator from Arkansas [Mr. FULBRIGHT] and I consistently took that position, until the committee finally wound up with two amendments.

The amendment proposed by the distinguished Senator from Colorado, which seems to nullify the roll-back amendment of the committee with respect to manufactured goods, sounds very plausible, but, Mr. President, it is utterly impracticable and unworkable. It does not say whether the price shall be at the manufactured wholesale or retail level; it does not say whether the man who claims a cost which would give him a higher price can put the new cost into effect before he receives the approval of Mr. DiSalle, or after he receives his approval. If all the hundreds of thousands of manufacturers, the hundreds of thousands of wholesalers, and the millions of retailers, are going to have separate prices, and Mr. DiSalle has to pass on all the prices, we shall have to provide that they can all establish their own prices which would be legal unless Mr. DiSalle vetoed them. In 2 years' time he could not get around to them all, even on one item.

Therefore, Mr. President, I am sure I was right when I first took the matter up in the committee. If we want a control law, as I think most of us do, and we certainly need one, at least the Democrats on the committee should have stuck by me when I made my proposal. I think most of them will admit it now. We have two proposals by way of amendment reported by the committee, and I propose to stand by them, but I am against every other proposal.

Mr. MAYEANK. Mr. President, the committee had no chance to study the amendment. This is the first time I have seen it. As chairman of the committee, I am opposed to it; but since it is an amendment to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY], I will give the remainder of my time to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I desire to ask a question of the author of the amendment in order to clear up what I consider to be a misunderstanding by the junior Senator from South Dakota. The Senator from Colorado has offered his amendment to the amendment which I offered as a substitute for the amendment offered by the Senator from Illinois [Mr. DOUGLAS]. My amendment has the effect of preserving to the OPS authority to make roll-backs upon manufactured commodities and other commodities, but it prohibits it with respect to cattle and sheep.

The amendment which the Senator from Colorado offered, adding new language to the amendment which I offered, has the effect of saying that in imposing ceilings upon manufactured products, the Administrator shall take into consideration, in the case of an individual seller, based upon a period prior to January 25, and so forth, increases and decreases in all costs of such seller. That, clearly, has the effect of directing the Administrator to take into consideration every individual seller all over the country, because the Senator has stricken out the word "commodity" and substituted the word "article."

Mr. MILLIKIN. That was the intention, sir.

Mr. O'MAHONEY. It would, in my opinion, be utterly impossible of administration. It would be impossible for the OPS to recruit a staff sufficiently large to compute the costs and differentials in the case of every individual seller. In my opinion, therefore, this amendment, much as I regret to say it to my distinguished friend from Colorado, ought to be defeated.

Mr. BENTON. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield to the Senator from Connecticut.

Mr. BENTON. Does not the distinguished Senator from Wyoming agree that the effect of the amendment is to put the American economy on a cost-plus basis?

Mr. O'MAHONEY. I think it would have that effect, but the worst part of it is that it requires an examination of every individual transaction, which is perfectly impossible.

Mr. BENTON. Does not the Senator also agree that prices are not related to costs to the extent that is assumed generally by people who have not carried responsibility for fixing prices, but are related to competition, to what one can get, and, most important of all, to anticipated lower costs or anticipated higher costs at some future time?

Mr. O'MAHONEY. I think the Senator is correct.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TAFT. Has the Senator read ceiling price regulation 22 in which the OPS does exactly what the Senator says it cannot do?

Mr. O'MAHONEY. If the Senator from Ohio will permit me to say so, there is a great deal of difference between a regulation written by OPS and a law. The Administrator may come to his senses, but if we put this amendment into the law, no one can bring sense into it.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. Is it not true that the amendment of the Senator from Colorado would require separate prices to be fixed for competing producers turning out the same article?

Mr. O'MAHONEY. Yes; that is correct.

Mr. DOUGLAS. So that there would be manufacturers producing identical articles with differing ceilings. Is not that a manifest absurdity?

Mr. O'MAHONEY. That is what I just tried to show.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MILLIKIN. It is a manifest absurdity that all prices should be the same. When they are the same it indicates criminal connivance.

Mr. O'MAHONEY. I have concluded my statement.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I shall be very glad to yield.

Mr. MOODY. Is it not true that in addition to regulation 22, as the Senator from Ohio just pointed out, which is roughly incorporated into the bill, there is another regulation at the present time in effect by the OPS which provides that in order to stop inflation, no manufacturer shall ask for an increase in price, provided the profit of his industry is at a level higher than 85 percent of the highest of the 4 years between 1945 and 1949. So would not the amendment actually wipe out that particular provision of the OPS regulation?

Mr. O'MAHONEY. I think the Senator from Michigan is correct.

Mr. Eric Johnston, on numerous occasions, in committee and elsewhere, has explained over and over again that he has attempted to avoid dealing with the profit status of individual companies or firms but has been content to deal with industries as a whole.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. GEORGE. Is it the intention of the Senator from Wyoming, in drafting his amendment, to carry out the ancient democratic doctrine of equal rights to all and special privileges to nobody, except the producers of cattle and sheep?

Mr. O'MAHONEY. Mr. President, I think the Senator from Georgia was not present when I explained my amendment. I would be very glad, indeed, to have ceiling prices on cattle, on live animals of any kind, if the Senator from Georgia or if Mr. Mike DiSalle or any other individual in price control, past, present, or future, can explain how a ceiling price can be placed upon a live steer.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McFARLAND. I ask the Senator from Wyoming if it is not a fact that this inequality has already existed by reason of the fact that the OPS has rolled back the price of beef 10 percent, and as to a great many other commodities they have not rolled back any prices.

Mr. GEORGE. All I wanted to be sure of was that this was in full accord with the ancient democratic principle for which I thought I stood in years past.

Mr. O'MAHONEY. I am sure that the Senator from Georgia has always stood for the ancient democratic principle, and that principle deals with fundamental justice.

Mr. GEORGE. I ask the Senator if a hog is not a live animal, and if a goat is not a live animal, and if poultry and chickens are not live fowls; and if a ceiling cannot be put on one, how can a ceiling be put on the other?

Mr. O'MAHONEY. The reason is perfectly simple. In the case of a hog, that product is grown within a year. To raise cattle or sheep, particularly cattle, it takes 3 years.

Mr. GEORGE. Oh, no.

Mr. O'MAHONEY. I beg the Senator's pardon.

Mr. GEORGE. I have been raising some of them and I sell them all before they are 14 months old.

Mr. O'MAHONEY. Then, the Senator is dealing in calves?

Mr. GEORGE. Yes, I am. But that is the only profitable way I can do it under this democratic principle. So I want to conform.

Mr. O'MAHONEY. I am giving the Senator the democratic doctrine under which he can make some profit.

Mr. MILLIKIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLIKIN. Who is now controlling the time?

Mr. MAYBANK. Mr. President, I believe I have 2 minutes remaining.

Mr. MILLIKIN. Mr. President, will the Senator from South Carolina yield to me so I may withdraw my amendment, and I shall offer it later on?

Mr. WHERRY. Mr. President, will the Senator yield for a minute to me?

Mr. MAYBANK. Yes.

Mr. WHERRY. I should like to ask the Senator from Wyoming——

The PRESIDING OFFICER. Just a moment, please. The Senator from Colorado has withdrawn his amendment. No time is left.

Mr. MILLIKIN. I withdraw my amendment.

The PRESIDING OFFICER. The Senator from Colorado has withdrawn his amendment.

Mr. WHERRY. Is no time left on the O'Mahoney amendment on either side?

The PRESIDING OFFICER. No time is left on either side. The question now is on the amendment of the Senator from Wyoming [Mr. O'MAHONEY].

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. What is the question before the Senate?

The PRESIDING OFFICER. The Chair has just stated that the question now is upon the amendment offered by the Senator from Wyoming.

Mr. DOUGLAS. Mr. President, I should like to say——

The PRESIDING OFFICER. There is no time left for debate.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Is it possible for me to accept the O'Mahoney amendment?

The PRESIDING OFFICER. Yes.

Mr. DOUGLAS. I accept the O'Mahoney amendment.

Mr. MAYBANK. Mr. President, I ask for the yeas and nays.

Mr. GEORGE. On what?

Mr. O'MAHONEY. On the Douglas motion.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. I want to get the parliamentary situation straight. I submit first, that the Senator from Illinois can modify his own amendment, or his motion, rather, but he cannot accept the amendment of the Senator from Wyoming.

The PRESIDING OFFICER. The motion of the Senator from Illinois is to strike. Therefore the Senator cannot accept the amendment of the Senator from Wyoming. The Chair, when he made his previous statement, was not conversant with the fact that the Senator from Illinois had made a motion to strike. On a motion to strike the Senator cannot accept the amendment of the Senator from Wyoming.

The question is on the adoption of the amendment offered by the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. May I so amend my motion as to include the O'Mahoney amendment?

Mr. WHERRY. Mr. President, that is out of order. The yeas and nays have been ordered.

Mr. DOUGLAS. There has not yet been an order for the call of the roll. No Senator has voted.

Mr. WHERRY. The yeas and nays have been ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered on the amendment of the Senator from Wyoming. The clerk will call the roll.

The Chief Clerk proceeded to call the roll, and several Senators voted as their names were called.

Mr. CASE. Mr. President, is a parliamentary inquiry in order?

The PRESIDING OFFICER. Yes.

Mr. CASE. The junior Senator from South Dakota would like to ask: If the O'Mahoney amendment prevails would the vote then recur on the Douglas motion as amended by the O'Mahoney amendment?

The PRESIDING OFFICER. The vote would recur only on the Douglas motion to strike out a section of the bill. The motion made by the Senator from Illinois is to strike out a certain provision of the bill. If the O'Mahoney amendment is defeated, then the question recurs upon the Douglas motion to strike.

Mr. CASE. Was not the O'Mahoney amendment offered as an amendment to the Douglas motion, and if so, if it were adopted——

The PRESIDING OFFICER. No, the O'Mahoney amendment was only offered as a substitute for language which the Douglas motion proposes to strike.

Mr. CASE. In other words, the O'Mahoney amendment is an amendment to the original bill?

The PRESIDING OFFICER. Yes.

Mr. CAPEHART. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CAPEHART. If the O'Mahoney amendment should prevail, would there then be a vote on the Douglas motion?

The PRESIDING OFFICER. Yes. The next vote would be on the Douglas motion to strike.

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Mr. CAPEHART. If the O'Mahoney amendment, on which we are now voting, should prevail, then the next vote will be on the Douglas motion to strike?

The PRESIDING OFFICER. Yes.

Mr. MAYBANK. To strike out section 2.

The PRESIDING OFFICER. To strike out section 2, as amended.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. The Chair just now said "as amended."

The PRESIDING OFFICER. The Chair meant that if the O'Mahoney amendment were adopted, then the language in question would be amended.

Mr. CASE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE. If the O'Mahoney amendment should prevail, and the vote should then come up on the Douglas motion, the vote on the Douglas motion then, in effect, would be a vote to strike out the language of the O'Mahoney amendment?

The PRESIDING OFFICER. Yes; that is correct.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FULBRIGHT. The Senator from Illinois a moment ago attempted to accept the O'Mahoney amendment. He can still withdraw his motion to strike out, can he not, and then if the O'Mahoney amendment is agreed to, the language of that amendment remains in the bill and is a part of the bill. Is not that correct?

The PRESIDING OFFICER. The Senate is now in process of voting on the amendment offered by the Senator from Wyoming. The Senator from Illinois may withdraw his motion if he wishes to do so.

Mr. FULBRIGHT. Then what would be the status?

The PRESIDING OFFICER. Of course, if the Senate should agree to the O'Mahoney amendment, it would take the place of the original provision in the bill.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Do I correctly understand that the O'Mahoney amendment would eliminate section 2?

Mr. WHERRY. Mr. President, we cannot hear.

Mr. O'MAHONEY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. Is it not out of order, after a yea-and-nay vote has been started, to have all this discussion?

The PRESIDING OFFICER. The Chair will say to the Senator from Wyoming that the Chair has been very lenient in responding to the inquiries of Senators, in the hope that the situation might be clarified. Strictly speaking, it is out of order. The proper order is to proceed with the roll call.

The Chief Clerk resumed and concluded the call of the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Wyoming [Mr. HUNT] is absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the Senator from Massachusetts [Mr. LODGE] and the Senator from New Hampshire [Mr. TOBEY] would each vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The result was announced—yeas 25, nays 63, as follows:

YEAS—25

Anderson	Hickenlooper	Mundt
Butler, Nebr.	Hill	O'Mahoney
Cain	Johnson, Colo.	Sparkman
Case	Johnson, Tex.	Underwood
Chavez	Kefauver	Welker
Clements	Langer	Wherry
Connally	McCarran	Young
Dworshak	McFarland	
Hayden	Monroney	

NAYS—63

Aiken	Gillette	McMahon
Bennett	Green	Millikin
Benton	Hendrickson	Moody
Brewster	Hennings	Morse
Bricker	Hoey	Neely
Bridges	Holland	Nixon
Butler, Md.	Humphrey	O'Conor
Byrd	Ives	Pastore
Capehart	Jenner	Robertson
Carlson	Kem	Russell
Cordon	Kerr	Saltonstall
Dirksen	Kilgore	Schoeppel
Douglas	Knowland	Smith, Maine
Duff	Lehman	Smith, N. J.
Eastland	Long	Smith, N. C.
Ellender	Magnuson	Stennis
Ferguson	Malone	Taft
Flanders	Maybank	Thye
Frear	McCarthy	Watkins
Fulbright	McClellan	Wiley
George	McKellar	Williams

NOT VOTING—8

Ecton	Lodge	Smathers
Hunt	Martin	Tobey
Johnston, S. C.	Murray	

So Mr. O'MAHONEY's amendment was rejected.

Mr. McFARLAND. Mr. President, I wish to make an announcement.

As I announced yesterday, and again today, there will be a night session this evening. I hope that we shall make sufficient progress so that we can complete consideration of the bill tomorrow without a night session. I believe that if we all work hard enough we can do so.

Mr. WHERRY. I should like to inquire of the distinguished occupant of the chair what the status of time is with respect to the so-called Douglas motion.

The PRESIDING OFFICER. The Senator from Illinois [Mr. DOUGLAS] has 2 minutes remaining. The Senator from South Carolina [Mr. MAYBANK] has 3 minutes remaining.

Mr. MAYBANK. Mr. President, I used part of my time by asking for the yeas and nays.

Mr. DOUGLAS. I cede 2 minutes——

Mr. MAYBANK. Mr. President, if I have 3 minutes remaining, I yield the time to the Senator from Delaware [Mr. WILLIAMS].

Mr. WHERRY. Mr. President, what is the status with respect to the yeas and nays, which have been requested?

The PRESIDING OFFICER. The request for the yeas and nays is sufficiently seconded, and they are ordered.

Mr. DOUGLAS. I cede 2 minutes of my time to the distinguished junior Senator from Minnesota.

Mr. MAYBANK. I cede my time to the Senator from Delaware [Mr. WILLIAMS].

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, as I see the issue, in view of the fact that we have disposed of all substitutes and amendments to the Douglas motion, it boils down to the following: There are one of two ways in which to adjust the inequities which have necessarily crept into the system of price-control mechanism because of the delay in imposing price controls. One way, which is proposed by the committee, is to have all prices elevated, with no roll-backs, which is to penalize the consumer and to place upon the backs of the people of the country an additional obligation, because of the inflation which would be involved.

The second way in which to handle the inequities is to roll back the prices which were the product of business concerns and economic forces which took advantage of the market at the time the United States Government asked for voluntary controls. Each time the Government announced its desire to have voluntary controls prices of certain products went up.

What does the committee propose to do about it? The committee proposes to say that what was done despite the request of the Government shall be legalized. In other words, the committee says that business firms which complied with the request of the Government shall be penalized, and the firms which took advantage of the market shall be given a degree with honor.

We shall have before us in a little while a tax bill which will raise individual income taxes anywhere from 10 to 12 percent. The tax will be collected from individuals. The greatest amount of the tax will be paid, not by corporations, but by individuals. We are going to have an increase in excise taxes, which will be paid by the individual citizens. I have in my hand a study of the wage and price indexes, which was made by the Subcommittee on Labor and Labor-Management Relations of which I

am the chairman. It shows that the overwhelming majority of nonagricultural workers in America have not received a wage increase of over 5 percent since January 1950. In other words, it shows that if we hike up prices and if we hike up taxes what we would be doing would be to take it out of the pockets of the little people of America.

I wish the issue to be stated quite plainly. By the vote we are about to cast we will indicate whether we are for the American people or whether we are for the institutions which have taken advantage of our critical international situation to raise prices. That is the issue before us. I submit that the Douglas amendment would hold down the cost of living.

IRREGULARITIES IN INTERNAL REVENUE COLLECTOR'S OFFICE, ST. LOUIS

Mr. WILLIAMS. Mr. President, I shall not direct my remarks to the pending amendment. I wish to insert in the RECORD certain correspondence which I have received from the Treasury Department and the Department of Justice. On May 7, 1951, I called to the attention of the Senate certain irregularities in the Office of the Collector of Internal Revenue in St. Louis. As a background to my speech, I stated that there were three reports which formed the basis for my remarks. I made the flat statement that these reports were in the possession of the departments in Washington during the first grand jury proceedings, March 1 to March 14, 1951, and that either the Treasury Department or the Department of Justice, or both, were responsible for withholding them from the first grand jury, which convened in St. Louis.

Following my speech I received a call from the Department of Justice. They disclaimed any responsibility. I said that if I had erred in referring to them I would correct the RECORD and asked for a letter. I received a reply from them on June 1, 1951. However, in their first letter they referred to the grand jury now sitting, which is the second grand jury. I asked them to clarify their statement.

I ask for unanimous consent to insert in the RECORD at this point the letter which I wrote under date of June 6, 1951.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., June 6, 1951.

Mr. PEYTON FORD,
Deputy Attorney General,
Department of Justice,
Washington, D. C.

DEAR MR. FORD: I acknowledge receipt of your letter of June 1, 1951, in which you point out that it is not the Department of Justice which is responsible for certain evidence having been withheld from a grand jury in St. Louis, Mo.

I note, however, that your letter specifically refers to "the grand jury now sitting in the Eastern District of Missouri." My remarks on May 7, 1951, were directed about proceedings of the first grand jury, which was convened on March 1, 1951, through March 14, 1951. I suggest that you reread my statement as it appears in the CONGRESSIONAL RECORD of May 7, with particular reference to page 4929. You will find that this clearly indicates that it was to the first grand jury procedings to which I was directing my remarks.

The question which is still unanswered is this: Did the Treasury Department advise anyone in the Department of Justice prior to March 14, 1951, of the existence of these files which contained this evidence against James P. Finnegan or is the Treasury Department solely responsible for the evidence having been withheld?

Did Mr. Drake Watson, the United States attorney in St. Louis, at any time during the first grand jury proceedings, which ended March 14, 1951, ask the representatives of the Treasury Department to supply him with whatever additional evidence they might have relative to any questionable activities on the part of the officials in the office of the Collector of Internal Revenue in the St. Louis district?

I am sure you have the answer to these questions readily available, and I therefore hope to receive an immediate reply in order that we might clear up this question in the RECORD and place the responsibility where it rightfully belongs.

Yours sincerely,

JOHN J. WILLIAMS.

Mr. WILLIAMS. Mr. President, I read one paragraph of the letter which I sent to the Department of Justice on June 6, 1951:

The question which is still unanswered is this: Did the Treasury Department advise anyone in the Department of Justice prior to March 14, 1951, of the existence of these files which contained this evidence against James P. Finnegan or is the Treasury Department solely responsible for the evidence having been withheld?

I received a reply to that inquiry from Mr. Peyton Ford, Deputy Attorney General, on June 26, 1951. I ask unanimous consent to have the letter printed in the RECORD at this point as part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE DEPUTY
ATTORNEY GENERAL,
Washington, June 25, 1951.

HON. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Further reference is made to my letters of June 1 and June 11 with regard to the grand jury at St. Louis, Mo.

I wish to reiterate the information given you in the third paragraph of my letter of June 1, 1951: A report with respect to this matter prepared by Treasury Agents Hartman and Lohn was presented to the grand jury on April 30, 1951; a report prepared by Treasury Agents Scanion and Holt was presented to the grand jury on May 9, 1951; a report prepared by Treasury Agents Franklin and Coy was presented to the grand jury on May 10, 1951. You were advised in my subsequent letter of June 11, 1951, that at no time prior to these dates did the Department of Justice or the United States attorney's office at St. Louis have these reports.

I have discussed this matter with the Attorney General and without reference to the date of the reports you are again assured that at no time prior to the aforementioned dates did the Department of Justice, or the United States attorney's office at St. Louis, receive these reports.

The reports were promptly presented to the grand jury upon receipt thereof and the investigation with which you are concerned has been in progress and is still continuing on an active basis, and all facts will be presented to the grand jury.

Yours sincerely,

PEYTON FORD,
Deputy Attorney General.

Mr. WILLIAMS. Mr. President, I read one paragraph from the letter, which speaks for the whole letter. It reads:

I have discussed this matter with the Attorney General, and without reference to the date of the reports you are again assured that at no time prior to the aforementioned dates did the Department of Justice or the United States attorney's office at St. Louis receive these reports.

In other words, the Department of Justice emphatically denies that these reports had ever been turned over to it prior to the adjournment of the first grand jury on March 14, 1951. I want to say at this point that all the evidence indicates that the Department of Justice is correct and that I was in error in blaming them for withholding the reports from the first grand jury. It appears that the responsibility rests solely upon the Treasury Department.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that I may proceed for two additional minutes, in order to complete my insertion of these letters in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WILLIAMS. Mr. President, following the denial on the part of the Department of Justice I directed a letter to Mr. George J. Schoeneman, Commissioner, Bureau of Internal Revenue, in Washington. I ask unanimous consent to have printed in the RECORD at this point in my remarks a copy of the letter which I sent to Mr. Schoeneman.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 8, 1951.

Mr. GEORGE J. SCHOENEMAN,
Commissioner, Bureau of Internal Revenue, Washington, D. C.

DEAR MR. SCHOENEMAN: I am sure you have read the CONGRESSIONAL RECORD of May 7, 1951, at which time I discussed certain questionable financial transactions of James P. Finnegan while serving as collector of internal revenue in St. Louis, Mo.

I made the statement that this evidence and the reports referred to in my speech were in the possession of the departments here in Washington at the time the first grand jury was in session—March 1 to March 14, 1951. I also made the statement that both the Treasury Department and the Department of Justice must assume responsibility for this evidence having been withheld from that first grand jury.

The Department of Justice is now denying their responsibility, and they claim that the evidence had never been presented to them nor were they aware of its existence prior to the adjournment of that first grand jury

on March 14, thereby indicating that it is the Treasury Department alone who is responsible.

In order that you might have an equal opportunity to present the Treasury Department's side of this question, I would appreciate it if you will advise me whether or not such is the case. If not, upon what date was the Department of Justice or any of its representatives advised of the existence of those files referred to in my speech.

If it is true that the Treasury Department did not present this evidence to the Department of Justice or to the first grand jury which convened in St. Louis on March 1 to March 14, will you please explain.

Yours sincerely,

JOHN J. WILLIAMS.

Mr. WILLIAMS. Mr. President, I read from that letter:

The Department of Justice is now denying their responsibility, and they claim that the evidence has never been presented to them nor were they aware of its existence prior to the adjournment of that first grand jury on March 14, thereby indicating that it is the Treasury Department alone who is responsible.

In order that you might have an equal opportunity to present the Treasury Department's side of this question, I would appreciate it if you will advise me whether or not such is the case. If not, upon what date was the Department of Justice or any of its representatives advised of the existence of those files referred to in my speech.

If it is true that the Treasury Department did not present this evidence to the Department of Justice or to the first grand jury which convened in St. Louis on March 1 to March 14, will you please explain.

I received a reply from Mr. Schoeneman under date of June 19, 1951. It reads as follows:

JUNE 19, 1951.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: This will acknowledge receipt of your letter dated June 8, 1951, in which you refer to the CONGRESSIONAL RECORD of May 7, 1951, at which time you discussed certain transactions of James P. Finnegan while serving as collector of internal revenue in St. Louis, Mo.

The alleged irregularities are now being actively presented to the grand jury at St. Louis. Although I appreciate your affording this office an opportunity to discuss the questions you raise, I am convinced, and I am sure you will agree, that until the grand jury which has been sitting continuously since March 1, 1951, shall have completed its investigation it would be inappropriate for me to say anything at this time which might be prejudicial to their fair consideration and action upon all of the facts.

Very truly yours,

GEO. J. SCHOENEMAN,
Commissioner.

In other words he has no comment to make on the charges. It is rather significant to note that one of the representatives who appeared before the first grand jury, was a Treasury agent whose name appears on one of the reports. I am glad to clear up this situation and add that I agree with the Department of Justice that apparently the responsibility rests solely on the Treasury Department for the reports having been withheld.

Apparently the Treasury Department has awakened. I understand that Mr. Schoeneman has turned in his resignation today. Also it is rather interesting to note that the collector of internal revenue in the Boston district was suspended this morning.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois to strike out section 2. On this question, all time has expired, and the yeas and nays have already been ordered.

Mr. SPARKMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SPARKMAN. In the event the motion of the Senator from Illinois is agreed to, section 2 will be stricken out. Is that correct?

The PRESIDING OFFICER. Yes; in that event the entire section 2 will be stricken out.

Mr. SPARKMAN. In the event the motion of the Senator from Illinois is rejected, will that section of the bill be open to amendment?

The PRESIDING OFFICER. It will be open to amendment.

Mr. BUTLER of Nebraska. Mr. President, it had been my intention to obtain some time to discuss the pending question. However, that has not been possible. Therefore, I ask unanimous consent to have printed at this point in the RECORD a statement which I had intended to make on this question.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PREVENT ANY MORE ROLL-BACKS ON CATTLE—STATEMENT BY SENATOR BUTLER OF NEBRASKA

I very much hope the Senate will not permit the OPS to put into effect the two additional roll-backs which have been announced. I believe this proposed action would be disastrous from the standpoint of the production of beef. Furthermore, I do not feel that these roll-backs are justified by the facts at all.

During the last few months, the country has heard a great deal of antagonistic propaganda from the Office of Price Stabilization directed toward the cattle industry. The Office of Price Stabilization seems to have picked the cattle industry as its particular whipping boy in any discussion of the problem of controlling prices. Perhaps OPS officials recall that it was their inability to control meat in 1946 which led to the abolishment of price controls at that time. Perhaps it is the old story of bearing a grudge against someone to whom you have done an injury.

Certainly the old OPA did terrible injury to the meat industry in 1946. It took 3 or 4 years for the cattle industry to recover from the destruction of breeding herds and the interference with normal marketing practices which occurred at that time. Now, it appears that the OPS has taken up where its predecessor has left off. It appears that the OPS is determined to show the cattle industry that it must submit to the dictates of bureaucratic regulation.

Mr. Michael DiSalle is particularly fond of stating that cattle and meat prices are too high. In doing that, he has two arguments. He commonly quotes the parity formula as it affects cattle, and he has repeatedly stated that even after the roll-backs, cattle prices are still at 125 percent of parity. That statement is simply not true—at least for some grades of cattle, particularly those grades which supply the better quality meat.

For some years, the Department of Agriculture has regularly published a table showing the parity prices for various grades of beef cattle translated or converted into market prices at the Chicago Stock Yards. In other words, the parity formula is based in the first place on prices at the farm, and is a simple average of all types of cattle—prime choice, good, and commercial grades, canners and cutters, feeders, and so forth.

It is possible to compute what the department calls a parity price equivalent for each grade at each marketing point, and until very recently this parity price equivalent has been computed for the various grades at the Chicago Stock Yards.

I have worked out the parity price equivalents for prime steers at Chicago for the rest of this year, using the Agriculture Department's formula. Assuming that the farmers' costs do not advance any further on the basis of this calculation, it is evident that the two impending roll-backs, if put into effect, would actually force the prices of prime steers at Chicago below parity. In other words, by November and December of this year, prime steers at Chicago would be selling at only 92 percent of parity—not the 125 percent that Mr. DiSalle is so fond of quoting.

I have called these facts to Mr. DiSalle's attention in a letter I wrote him yesterday. That letter reads as follows:

JUNE 26, 1951.

Hon. MICHAEL V. DISALLE,
Director, Office of Price Stabilization.

MY DEAR MR. DISALLE: During the last few months you have repeatedly made the statement that cattle prices had reached a level of 152 percent of parity prior to your recent order, and that the three roll-backs you have ordered would not reduce cattle prices below a level of approximately 125 percent of parity. These statements you have used as justifications for the series of regulations controlling prices of the meat and cattle industries.

I do not question your sincerity in making these statements, since I understand you rely upon the Department of Agriculture for computations of parity prices. However, I believe I should point out to you that these figures you have used do not give an accurate picture of the cattle-price situation. In fact, your roll-back orders, if put into effect, would actually reduce cattle prices, on some grades of cattle at least, below parity.

I have prepared a table showing the effect of the roll-back orders on the price of Prime steers at Chicago, together with a tabulation showing the parity price equivalent of such steers, using the formula developed by the Department of Agriculture and until recently published by the Bureau of Agricultural Economics in the publication entitled "Agricultural Prices." This table is enclosed, and, as you can see, under your orders the price of Prime steers at Chicago would be depressed below parity beginning in September of this year and would fall as low as 92 percent of parity by November.

Under these circumstances, your second and third roll-backs would not be within your authority even under the terms of

existing law. Furthermore, it seems to me that this administration owes an apology to the cattle industry, and particularly to cattle feeders, for attempting to make out that they are demanding something unfair or unwarranted.

Your comments with respect to this matter would be appreciated, and I am also sending copy of this letter with the attached table to the Secretary of Agriculture.

Sincerely yours,

HUGH BUTLER,
United States Senator, Nebraska.

On the basis of these facts, I do not see how Mr. DiSalle can possibly have the authority to put these new roll-back orders into effect. Paragraph 3 of section (d) under title IV provides:

"No ceilings shall be established or maintained for an agricultural commodity below the following prices: (i) The parity price for such commodity as determined by the Secretary of Agriculture * * * and adjusted by the Secretary of Agriculture for grade location and seasonal differentials."

The other figure Mr. DiSalle is fond of quoting is the increase in cattle prices since January 1950. I have secured from the Department of Agriculture a tabulation showing prices for beef cattle by months from the beginning of 1948 up to date. It is certainly true that cattle prices have advanced substantially since January of 1950. It is also a fact that in January 1950 cattle prices were near the lowest point in recent years.

Why does Mr. DiSalle choose January 1950 as the basis of his comparison? Why has he selected the lowest price period for beef cattle as the basis on which to make his computations? Does he mean to imply that the level of prices in January 1950 was ideal? If so, he has picked a period of depression as the basis for his regulations in the cattle industry.

In 1948 average prices received by farmers for beef cattle reached a high point of $25.20, and averaged $22.20 during the year. In 1949 cattle prices were generally unfavorable, but, even so, averaged higher than Mr. DiSalle's base figure. They averaged $19.80 throughout the year 1949, whereas they had dropped to $19.70 by January of 1950.

During 1950, even before the fighting started in Korea, cattle prices had again advanced substantially. By June of last year, before the fighting started, cattle prices to farmers averaged $23.70. Mr. DiSalle prefers to make his comparison with the January 1950 prices of $19.70. He likes to show that cattle prices have increased, and he neglects to mention the fact that a large part of that increase occurred before the fighting started.

If he is interested in making comparisons, the least he could do would be to make the comparison with a normal price, such as obtained just before the Korean outbreak.

I now submit a table showing prices received by farmers for beef cattle by months from 1948 up to date, prepared by the Department of Agriculture:

TABLE 50.—*Livestock: Prices received by farmers, United States averages, Livestock Market News, statistics and related data, 1949*

[Livestock Branch, U. S. Department of Agriculture, Production and Marketing Administration]

	Beef cattle, per 100 pounds												
	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	July 15	Aug. 15	Sept. 15	Oct. 15	Nov. 15	Dec. 15	Average
1948	$21.30	$20.10	$21.50	$22.50	$23.90	$24.40	$25.20	$23.70	$23.30	$21.20	$20.80	$20.40	$22.20
1949	20.20	18.90	20.70	21.00	21.10	20.90	20.00	19.40	19.70	19.20	18.90	19.00	19.80
1950	19.70	20.50	21.20	21.90	23.10	23.70	24.40	24.20	24.60	24.20	24.60	25.20	23.20
1951 up to date	27.00	29.00	29.70	30.20	29.50								

NOTE.—The above figures for the years 1948–49 are taken from the printed figures in the publication referred to for the year 1949. The figures for 1950 and the 5 months of 1951 were furnished by the Livestock Branch of the Production and Marketing Administration from the same source as the printed figures for the earlier years.

As a matter of fact, prices of cattle have only recently recovered to the levels they reached in 1948. All during 1949 and the early part of 1950, cattle prices were in a bad slump. Not until the early part of 1951, had they recovered to the 1948 level.

I have secured another table comparing prices for various grades of cattle at Chicago during 1948 and 1951. In some grades of cattle, prices have recovered to 1948 levels only during the last few months—as recently as March of this year. For example, Prime steers reached a high of $39.48 in 1948, but then slumped off badly. As recently as January of 1951, Prime steers were still only $38, and in February they were $39. They did not reach the 1948 figure until March of 1951, when the average price was $40.03. Since the OPS roll-back, they have slumped off again, and are again below the price levels reached in 1948. The same is true for Choice. In other cases, they have not yet reached the 1948 level.

The prices of the things the farmer must buy have increased substantially since 1948, and they are still going up. Wage rates have been increased steadily and substantially since 1948. But Mr. DiSalle wants to push cattle prices down below the 1948 levels.

I submit at this point a table supplied me by the Department of Agriculture, giving average market prices at Chicago for various grades of beef cattle:

Market price per 100 pounds for selected classes of cattle and calves 1948 and 1951—beef steers for slaughter

	Chicago					
	Prime	Choice	Good [1]	Commercial [1]	Utility	Grades
1948						
January	36.80	30.36	25.69	.....	21.82	29.16
February	30.57	27.10	23.91	.....	20.95	26.43
March	29.42	26.92	24.41	.....	22.07	26.71
April	30.37	28.17	25.43	.....	22.59	28.43
May	32.41	30.91	28.62	.....	25.48	31.33
June	36.79	34.85	30.97	.....	23.91	34.72
July	38.72	36.44	30.83	.....	22.84	36.37
August	39.48	36.02	29.15	.....	22.89	35.23
September	38.91	34.49	27.59	.....	22.63	34.03
October	37.06	32.24	25.95	.....	21.68	32.05
November	36.28	30.68	25.80	.....	22.01	30.71
December	32.56	27.82	24.09	.....	21.28	28.78
Year	35.24	30.96	26.31	.....	22.16	30.88
1951						
January	38.38	34.77	31.88	29.47	27.32	34.10
February	39.45	35.98	33.09	30.96	28.54	34.88
March	40.03	36.67	33.86	31.97	29.96	35.62
April	40.16	36.93	34.49	32.78	30.74	35.95
May	38.73	36.82	34.03	31.32	28.06	35.71

[1] Good grade for 1948 is comparable to the good and common combined in 1951.

As to prices of beef, I have secured a table from the Bureau of Labor Statistics, and again we find that prices on beef carcasses are hardly at all above the levels they reached in 1948. Beef carcasses, Choice grade, reached an average point during September 1948 of $59.80 per hundred pounds. They dropped sharply late in 1948, and stayed down during 1949 and part of 1950. In January of this year, when the freeze order was issued, beef carcasses were still substantially cheaper than they were in 1948. They did not reach and pass 1948 figure until April of this year. By OPS regulations they are to be pushed far down below the price received in 1948.

I do not believe any other industry is so pushed down below the levels reached 3 years ago. I am sure no labor group is to be asked to accept a wage below the 1948 levels. During these 3 years, costs and prices to the farmer have gone up, but he is told he must accept a lower return for the product of his labor.

I submit at this point a table supplied me by the Bureau of Labor Statistics, giving average wholesale prices of beef carcasses by months during 1948 and 1951.

Average wholesale prices of beef carcasses, per 100 pounds

Date	Beef carcasses	
	Choice grade	Utility grade
1948		
January	$54.232	$34.179
February	48.804	33.000
March	47.214	36.229
April	49.946	39.250
May	52.214	42.375
June	55.364	40.686
July	58.714	39.857
August	59.493	37.914
September	59.804	37.661
October	56.902	34.071
November	54.536	34.229
December	51.107	34.214
Annual average	54.037	36.994
1951		
January	56.200	41.771
February	58.705	44.500
March	59.625	45.071
April	59.911	45.750

Source: U. S. Department of Labor, Bureau of Labor Statistics.

If these two additional roll-backs are put into effect, I do not like to think of the consequences that may result for American consumers. In England, they still have meat rationing left over from World War II. The Socialist Government of England, despite all its promises and all its good intentions, have never been able to provide British consumers with an unrationed supply of the meat they want to buy. Worse than that, the ration for British consumers has been steadily reduced. During recent weeks, the ration was cut down to the point where English consumers were permitted only about 10 or 12 pence worth of meat per week. In this matter, as in so many others, those who desire to control our economic system from bureaus in Washington seem to have taken the British as their model. I am informed that ration books have already been printed, and are ready for distribution. Official spokesmen for the OPS and other defense agencies deny on every occasion that they have any thought of returning to rationing, but there can be no doubt that it is in the back of their minds. They are not so foolish that they cannot see some of the consequences of their policies. They know perfectly well what the ultimate results will be if cattle feeders are forced to cut down sharply on their operations.

XUM

If meat producers cannot be given assurance against the arbitrary destruction of values by Government regulation, they cannot be held responsible for the shortages they are sure to develop. It is far more important to be sure we have enough meat than to worry about a few cents one way or the other on the price that consumers pay. Consumers want a reasonable price, but they also want to be sure they can buy something at that price. Every Member of the Senate knows in his heart that these two additional roll-backs will hurt beef production. We are not protecting the interests of consumers if we permit that to occur.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois to strike out section 2 of the bill.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Wyoming [Mr. HUNT] is absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the Senator from Massachusetts [Mr. LODGE] and the Senator from New Hampshire [Mr. TOBEY] would each vote "yea."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Utah [Mr. WATKINS] is detained on official business.

The result was announced—yeas 26, nays 61, as follows:

YEAS—26

Anderson	Hennings	Moody
Benton	Hill	Morse
Chavez	Humphrey	Neely
Douglas	Ives	O'Conor
Fulbright	Kefauver	Pastore
Gillette	Kilgore	Saltonstall
Green	Lehman	Smith, Maine
Hayden	Magnuson	Sparkman
Hendrickson	McMahon	

NAYS—61

Aiken	Flanders	Millikin
Bennett	Frear	Monroney
Brewster	George	Mundt
Bricker	Hickenlooper	Nixon
Bridges	Hoey	O'Mahoney
Butler, Md.	Holland	Robertson
Butler, Nebr.	Jenner	Russell
Byrd	Johnson, Colo.	Schoeppel
Cain	Johnson, Tex.	Smith, N. J.
Capehart	Kem	Smith, N. C.
Carlson	Kerr	Stennis
Case	Knowland	Taft
Clements	Langer	Thye
Connally	Long	Underwood
Cordon	Malone	Welker
Dirksen	Maybank	Wherry
Duff	McCarran	Wiley
Dworshak	McCarthy	Williams
Eastland	McClellan	Young
Ellender	McFarland	
Ferguson	McKellar	

NOT VOTING—9

Ecton	Lodge	Smathers
Hunt	Martin	Tobey
Johnston, S. C.	Murray	Watkins

So Mr. DOUGLAS' motion was rejected.

Mr. MOODY. Mr. President, I offer an amendment, which I send to the desk and ask to have read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, in line 8, after the word "after" it is proposed to insert: "60 days after."

Mr. MOODY. Mr. President, this is a simple amendment. It is designed merely to delay for 60 days the effective date of section 2, which was inserted in the bill by majority vote of the Banking and Currency Committee.

The distinguished chairman of the committee in discussing this amendment, which he fathered on the floor yesterday, conceded that there were distortions in the price rises which occurred between the date of the invasion of Korea and the date of the tentative freeze on January 25; but he said that the administrative agencies had had plenty of time to adjust those distortions and to make such roll-backs as were in the national interest.

I should like to point out again to the Senate that during the period of rising prices between July 1, 1950, and January 25, 1951, there were some persons who held their prices in response to the plea of the Government, but there were others who did not do so, but took all they could out of the markets and inflated the price structure. The recent effort of the Office of Price Stabilization has been to rebalance and restore the equilibrium which existed on the last date of the normal economy, namely, in last May and June. The provision of the Committee on Banking and Currency would change this basic stabilization date from pre-Korea to January and February of this year.

It occurs to me that, since there are certain dislocations which must be adjusted, and since two or three amendments have been offered today with the purpose of affording opportunity to adjust dislocations, which, I believe was the intent of the amendments of the Senator from Colorado and other Senators, we should give Mr. Johnston a 60-day period in which to put those adjustments into effect.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the Senator from Delaware.

Mr. FREAR. Do I correctly understand that the meaning of the Senator's amendment is that it will extend the effective date of section 2 for 60 days?

Mr. MOODY. That is correct.

Mr. FREAR. That is all?

Mr. MOODY. That is all.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the Senator from South Carolina.

Mr. MAYBANK. I deeply appreciate the suggestions of the Senator from Michigan. I understand someone suggested that the House wanted an extension of 30 days.

Mr. MOODY. I am not talking about extending the entire law.

Mr. MAYBANK. The debatable aspect, and the most serious aspect, in my judgment, is that rent control was saddled with the amendment of the Senator from Illinois. I may be wrong, but I hope the Senator will not press his amendment, because a vote has been taken, and every vote has been counted. There may be some other amendments, regarding which I may differ with the distinguished Senator from Illinois or with the distinguished Senator from Michigan, but I merely wanted to make it plain that I do not see how, on behalf of the committee, we could accept such an amendment.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. MOODY. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is the effect of the amendment of the Senator from Michigan to permit the manufacturer's roll-back, scheduled for July 2, to go into effect, and to permit the second roll-back on beef to go into effect, but not the third roll-back on beef?

Mr. MOODY. That is correct.

Mr. DOUGLAS. So, the effect of the amendment of the Senator from Michigan is really to do what the Senator from Wyoming was seeking to do, but which we could not effect because of the parliamentary situation existing at the time?

Mr. MOODY. That is the case.

Mr. DOUGLAS. We hope, therefore, that the amendment of the Senator from Michigan will pick up more support than the amendment which I offered.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the Senator from South Carolina.

Mr. MAYBANK. Do I correctly understand that the amendment would affect the second roll-back on beef? I voted against the O'Mahoney amendment, not believing that beef should be exempted, by itself.

The PRESIDING OFFICER. The Senator from Michigan has not completed his remarks.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the Senator from Delaware.

Mr. FREAR. I think the Senator from South Carolina would like to have his question answered.

Mr. MOODY. Pardon me.

Mr. MAYBANK. I voted against the O'Mahoney amendment, not believing that beef should be permitted to be exempted.

Mr. MOODY. May I inquire of the Senator whether this is in his time?

Mr. MAYBANK. Certainly. What else does the Senator's amendment affect?

Mr. MOODY. The Senator will remember that the two of us discussed at some length the dislocations which have taken place in the industrial economy of the country, as between the business people who held the line between Korea and January 25, and those who increased their prices. Now, as the Senator so well pointed out, there has been some time in which to make the necessary readjustments, and perhaps the action in that regard has been too slow.

Mr. MAYBANK. That is my judgment.

Mr. MOODY. Nevertheless, I submit to the Senator from South Carolina that it has been a very difficult job. There were delays in setting up the agency, and like obstructions, and since the dislocations, for whatever reason, have not yet been remedied, if we are to pass a bill which would make it impossible for the adjustments to be made, effective as of the end of this week, it seems to me that we should give them a little period of time in which to make the required adjustments, and to squeeze some of the unneeded price increases out of the economy. I hope the distinguished chairman agrees with me. I believe this is in line with his thoughts and in accordance with his views in this matter.

Mr. MAYBANK. No; I do not believe in any roll-backs beyond July. But I will say that I voted against the amendment to permit beef and lamb not to be rolled back for the benefit of the housewife. Now the Senator brings up an amendment to roll them back even further, does he?

Mr. MOODY. No.

Mr. MAYBANK. I know the Senator voted against it. I also voted against it.

Mr. MOODY. My principal purpose in offering this amendment is to allow for the adjustment of inequities and dislocations which certainly have taken place within the economy, by allowing a 60-day period for adjustment, before section 2 shall take effect.

Mr. MAYBANK. I understand, then, if I may clear up the situation in my time, that the committee bill permits the roll-back on beef, which has been put into effect. Is that generally understood?

Mr. MOODY. Pardon me?

Mr. MAYBANK. The committee amendment permits the beef roll-back under the order which has been put into effect.

Mr. MOODY. That is correct, the first roll-back.

Mr. MAYBANK. I am glad to hear the Senator say that. Now, what the Senator proposes is another roll-back, is it?

Mr. MOODY. The second roll-back.

Mr. MAYBANK. I am not so much interested in beef as in people. I am not primarily interested in beef or cotton or any other commodity. I am interested in the general economy, as the Senator from Georgia stated when an effort was made to adopt an amendment to accomplish a special purpose. I have never sponsored such an amendment.

Mr. MOODY. My amendment would merely make it possible to adjust the dislocations which exist in the economy.

Mr. FREAR. My President, will the Senator yield?

Mr. MOODY. I yield to the Senator from Delaware.

Mr. FREAR. Do I correctly understand that this amendment does not pertain to the roll-back on beef, but to other commodities?

Mr. WHERRY. Mr. President, may we have order? We are unable to hear.

The PRESIDING OFFICER. The Senate will be in order.

Mr. FREAR. My question is, do I correctly understand that the 60-day extension which the Senator has proposed would permit another roll-back of beef prices, but that would be the only roll-back to be permitted? Or would it permit roll-backs on commodities the Administration might desire?

Mr. MOODY. It would permit adjustments of inequities in the price structure, and would give an additional 60 days within which to restore the normal balance of price relationships in the economy.

Mr. FREAR. I thank the Senator.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the Senator from Nebraska.

Mr. WHERRY. By reason of the confusion, it has been very difficult to hear the colloquy. I should like to ask the distinguished Senator whether I correctly understood the effect of the amendment which has been offered. As I understood, it is proposed that, for a period of 60 days following the passage of this bill, the Price Administrator could take some action. What action could he take? Could he make any roll-back he desired to make?

Mr. MOODY. The effect of the amendment, I may say to the distinguished minority leader, would be to defer the effective date of the so-called Maybank amendment for 60 days.

Mr. MAYBANK. It is not the Maybank amendment.

Mr. MOODY. The amendment of the committee majority.

Mr. MAYBANK. I want to make the record straight. It was a committee amendment, though I proposed it.

Mr. MOODY. It was an amendment approved by the committee. The purpose of it is to give the Administrator a further opportunity to adjust and bring into balance the prices which rose in an uneven degree between Korea and January 25.

Mr. WHERRY. One more question, if the Senator will yield.

Mr. MOODY. I shall be delighted to yield.

Mr. WHERRY. The answer to my question is, is it not, that the Price Administrator will have an opportunity within 60 days to make any roll-back he desires, whether it be on meat or anythink else?

Mr. MOODY. He may continue to operate under the present law for 60 days.

Mr. WHERRY. So, if he wants to make adjustments between now and 60 days from now, before these prohibitions go into effect, he can do as he chooses with reference to rolling back prices on any commodity?

Mr. MOODY. Yes. One of the points made repeatedly by the distinguished chairman of the committee, has been that he wants to clear up all uncertainty. He does not want to have the law continued——

Mr. WHERRY. I understand the purpose.

Mr. MOODY. So I felt that this amendment would set a specific date beyond which the Administrator could make no more roll-backs, but it would give him time to adjust inequities in the present price structure.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MAYBANK. Mr. President, I yield ten minutes, if necessary, to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Michigan still has the floor.

Mr. CAPEHART. I shall speak on my own time, Mr. President.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. MOODY. I yield to the distinguished Senator from Connecticut.

Mr. McMAHON. If the amendment goes into effect it would mean that the Administrator would operate under the present law, would it not?

Mr. MOODY. For 60 days; yes.

Mr. McMAHON. Under the present law, he can institute roll-backs from a pre-Korea date, and this amendment would give him 60 days to institute some further roll-backs if he should find them justified.

Mr. MOODY. That is correct. I might point out that there are roll-backs on clothing, shoes, and other articles which have been announced but which are not yet effective, and if the committee bill is passed it is my understanding that they would not be effective and the consumers would lose the benefit of those roll-backs.

Mr. McMAHON. If this bill is not enacted this week, and if we extend the law for 30 days, it will give the Administrator a chance, for 30 days, to put those roll-backs into effect. It that correct?

Mr. MOODY. It would. But I feel that the Administrator might be hesitant in the face of a situation in which he might feel he would be criticized if Congress was about to ban roll-backs, if he placed many roll-backs in effect. Of course, he is undoubtedly inured to criticism by now.

Mr. McMAHON. I can say to the Senator that any Price Administrator who thinks he is not going to be criticized, no matter what he does, is out of his mind.

Mr. MOODY. I think that is a very penetrating observation.

Mr. WHERRY. I should like to go back to the meat question. Of course the amendment applies to every commodity, but because it contemplates a roll-back in August it would also be against meat. I am wondering whether the Senator intended that to be the result.

Mr. MOODY. I believe there has been considerable discussion in the Senate and around the Senate as to the possibility of having one of the two remaining roll-backs on beef effective and the other one not effective. I believe the effect of the amendment would be to make the second roll-back on beef effective, but the third one would not be effective.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MOODY. I yield.

Mr. MAYBANK. First, I should like to ask the Senator whether he wants a yea-and-nay vote.

Mr. MOODY. I merely hope that I have made a constructive suggestion which the Senate may adopt.

XUM

Mr. MAYBANK. I do not agree with the Senator from Michigan, but at least he brings the issue to the Senate. Some persons are talking about extending the present law for 30 or 60 days, doing by indirection what the Senator from Michigan has had the courage to bring directly before the Senate of the United States.

Mr. MOODY. I thank the Senator from South Carolina.

Mr. MAYBANK. I commend him for his sincerity, as I have done previously. He wants to extend for 60 days the roll-back provisions under section 2, which would allow all roll-backs to go back to pre-Korea. It has been stated that we cannot get a vote by next Saturday. By indirection it is sought to do what the Senator from Michigan has stated on the floor of the Senate.

Mr. MOODY. I thank the chairman of the committee. I yield to the Senator from Connecticut.

Mr. BENTON. Mr. President, this amendment is not out of line with the spirit of the remarks of the chairman of the Banking and Currency Committee in the debate on the floor yesterday. Again and again he pointed out that the administrative authorities have had a great deal of time within which to effect the greatly needed adjustments, and to iron out the distortions in the price structure. More than once he said they still have until the 1st of July.

Mr. President, I invite the attention of the Senate to one of the forthcoming scheduled actions of the Price Administrator, due on July 2. It is based on a study of the experience of over 75,000 manufacturers. Many of these concerns have gone to great expense to get the costs assembled. Roll-forwards as well as roll-backs are involved on the 2d of July. Whether these ceilings would be canceled under the new law, I have not determined.

Mr. President, I think we are all inclined to forget the effort made last fall to hold down prices on a voluntary basis. I should like to read a statement of our distinguished committee chairman on that subject. I am sure that many patriotic and honest American businessmen heeded that statement. The Senate Banking and Currency Committee, on page 32 of its report on last year's bill, stated:

> While no specific measures can be prescribed for this purpose in the bill, in fact much can be done on an entirely voluntary basis to restrain the inflationary forces.

The committee chairman, in opening the debate on the floor on August 10 of last year, discussed this part of the report in the following statement:

> Under these measures, the first reliance is placed on the voluntary self-restraint and discipline of consumers, industry, and agriculture. I wish to impress upon the Senate the fact that the first thing we did was to suggest the voluntary self-restraint program which is contained in Title I. Patriotic Americans can do much, on an individual basis, to prevent hoarding and unwarranted price increases.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BENTON. I yield.

Mr. MAYBANK. When I suggested the voluntary basis it was merely because the administration did not send down any price-control bill at all last year, and through the efforts of the Committee on Banking and Currency we wrote into the law, after testimony by Mr. Baruch, a provision which was never used until last January.

Mr. BENTON. It is difficult to recapture what motivated our administrative officers during the difficult periods we have been through in the last year. For example, there was a lull last fall in the rising prices, when we were doing well in Korea and before the Chinese Communists moved in. There was this lull when we thought the current had turned. We hoped that the price index would not continue to swing upward. During that period, prior to December 19, many businessmen held their prices down, and failed to raise them while they had the full power to do so, in the hope that by voluntary methods and cooperation the job could be properly done and the line held. Both large and small business concerns were included among these.

Not long ago I received a telephone call from a representative of friends who are executives of the great Ford Motor Co. in Detroit, complaining about the fact that because they voluntarily cooperated last fall with Government officials and did not increase prices, they have since been penalized through the manner in which the provisions now operate against them.

Mr. President, unfortunately this hope of last fall for voluntary cooperation, although thousands of businessmen all over the country cooperated, did not work out.

Under section 2 of the present act which we are now debating, these honest businessmen, who cooperated last fall and did not raise their prices, are the ones who are going to be penalized, and those who did raise their prices, who decided they would jump on the bandwagon of inflation, who put up their prices all they could, who tried to get all the traffic would bear—they are the ones who are now being rewarded by this new provision. We should at least amend the act in line with the Senator from Michigan's amendment so that before title 11 begins to operate, some of the more grievous distortions can be ironed out.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BENTON. I am glad to yield.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. MAYBANK. Mr. President, I have promised some time to the Senator from Indiana and also to the Senator from Vermont.

Mr. BENTON. Mr. President, will the Senator yield me a few more minutes? I should like to complete my statement. There was so much colloquy with the Senator from Missouri in an effort to have this amendment properly understood, that the Senator from Missouri was not able to yield to the Senator from Connecticut the time for his speech that he had promised him.

Mr. MAYBANK. I am glad to yield some time to the Senator from Louisiana so he may ask the Senator from Connecticut a question. I yield the Senator from Louisiana 1 minute, or if he desires, 2 minutes.

Mr. LONG. Mr. President, the Senator from Connecticut spoke of those who did not comply with voluntary controls. The Senator realizes, does he not, that those who administer the act had authority at all times to apply voluntary controls instead of compulsory controls, had they so desired?

Mr. BENTON. That is true. And the very ones who protested compulsory controls and who were hoping most to avoid them, are among those today who are most vigorous and vociferous in their questions: Why were they not put in? Why were the prices allowed to go up?

Mr. LONG. Those who are administering the act, who would like to go back and reward those who complied with voluntary controls, could have instituted compulsory controls at that time had they wanted to?

Mr. BENTON. Yes.

Mr. President, in the interest of fairness and completeness, I would like to discuss briefly what the President and the agencies administering the Defense Production Act have done in connection with price controls. There has been a good deal of criticism on this score, some of which, in my judgment, overlooks facts which I wish to point out.

The first point which I wish to take up is the oft-repeated charge that the President objected to price and wage controls in the summer of 1950, and resisted the efforts of the Congress to include titles IV and V in the act.

The President did not request these powers in his message to the Congress of July 19, 1950. This was not, however, as has been charged because "the inflationary dangers of tripled war orders in an uncontrolled economy were frighteningly apparent to everyone except the President and his administration." In his letters of August 1, 1950, to the chairmen of the Senate and House Banking and Currency Committees, the President set forth the reasons why he had not recommended these powers, and his recommendations to the Congress on the proposals to grant them to him.

After raising a number of points, which the President felt the Congress should consider in connection with those powers, including the immediate need for the priority, allocation, and credit-control powers. He concluded as follows:

> If these reasonable conditions can be met, I should have no objection to the granting of authority beyond that requested in my message of July 19. But if, for any reason, these conditions cannot be met, I urge strongly that the Congress move at once to enact the defense-production bill without including these additional powers.

The junior Senator from Ohio, in a statement commenting on the conference report, also expressed disappointment at the action of the Congress. He stated:

> Mr. President, I hope that the powers conferred by this bill do not come too late. Throughout the past 6 weeks I have urged

that we give the President the economic controls he asked at once, and that action on price and wage controls be considered as separate legislation. A majority of the Senate Banking and Currency Committee did not agree. As a result, action on vital economic controls has been seriously delayed. In addition, the price- and wage-control sections of the bill show the result of hasty action without benefit of hearings on the subject.

Mr. President, the next point which I would like to discuss briefly is the charge we have heard so often that the President and the administration have been negligent because they did not immediately impose price controls on September 8 when the Defense Production Act became law.

Before discussing this point, I would like to state parenthetically that the administration proceeded very promptly with the exercise of many of the powers the President had requested. The Federal Reserve Board issued Regulation W, restricting consumer credit on September 18; it issued Regulation V, initiating the program of guaranteed V-loans under section 301 on September 27; and on October 12 it issued Regulation X, restricting residential real-estate construction credit. The first NPA regulation, on inventory control, was issued on September 18. The construction of amusement, recreational, and entertainment buildings was prohibited by NPA on October 27. By January 1, 1951, some 14 materials were being allocated under specific orders; priorities assistance had been provided for the military and AEC programs and for such other important activities as the freight car program.

The stabilization program, under the Economic Stabilization Agency, the Office of Price Stabilization and the Wage Stabilization Board, created on September 9, did not proceed as rapidly. There were several reasons for this.

The allocation powers and credit controls were carried out through existing agencies, already staffed with many persons who had had experience with similar controls in World War II—the Departments of Commerce, Interior, and Agriculture, the Interstate Commerce Commission, and the Federal Reserve Board. The stabilization agencies had to start from scratch, with all the administrative difficulties of finding qualified personnel, and clearing them through the Civil Service and loyalty procedures.

More important, however, were the economic facts of the period just after the passage of the act.

One reason for what happened was that the very rapid rise in prices just after Korea slowed down greatly for the next 2 months; in fact in many cases prices dropped during September and October. Not until mid-November did prices start to rise sharply again, and even then the rate of increase was not so rapid in most cases as during July and August. These changes can be followed in the tables in the committee report.

The spot-market indexes for imported commodities rose at a rate of more than 2 8/10 points a week from June 23, 1950, to September 8; from then to November 17 they rose just over one point a week; from November 17 to January 26, 1951, they rose at the rate of 1 8/10 points a week.

The spot-market indexes for domestic commodities during the same three periods increased at rates of 1 8/10 points a week, 4/10 of a point a week, and 1 2/10 points a week.

The weekly wholesale price index showed the same general trends, from an increase of ½ a point a week between June 6 and September 5, it dropped 2/10 of a point a week during the period to November 21; it then increased between November 21 and January 23 at a weekly rate of 9/10 of a point.

Mr. MOODY. Mr. President, will the Senator from Connecticut yield?

Mr. BENTON. May I finish? A part of the Senator from Michigan's 15 minutes went to the colloquy in explaining his amendment. May I ask how much time has been given to me, and whether I will have the 3 minutes or so needed to finish my statement?

The PRESIDING OFFICER. How much time does the Senator from South Carolina yield?

Mr. MAYBANK. I yield 5 minutes to the Senator from Indiana and I yield 1 minute to the Senator from Vermont. I will yield 3 minutes to the Senator from Connecticut.

Mr. BENTON. I am grateful to our distinguished chairman.

I should like to remind the Senate of the many actions taken by the Administrator when once the picture became clear in late December that these control programs were unhappily necessary and that the voluntary plan was a failure.

On December 26, ESA established ceiling prices for new passenger automobiles. On January 25, 1951, the ESA rolled the prices of hides back to November prices.

Then, on January 26, 1951, as it became clear these prices were going to continue to rise, the ESA issued its General Ceiling Price Regulation and its General Wage Stabilization Regulation No. 1, providing for general price and wage stabilization. The program was just getting under way at this point, after a long period of resistance to the whole idea of these compulsory controls.

Since that time OPS has issued about 40 individual ceiling price orders, but even now it has not had the time to make analyses or get the material or get the data from manufacturers in order to decide the ways in which roll-backs are most indicated, in order to eliminate the distortions that took place in the price structure in the first 7 or 8 months after the outbreak of the Korean War. And this is the essence of our question, I think, Mr. President. We should now give them more time to get this job done. We should not put title II into effect for 60 days.

We can all agree that it would have been a good thing if general price ceilings had been established last September. But our regret that this was not done should not lead us to overlook the economic and military factors which prevailed at that time.

It is not easy to put ourselves back into an earlier and different period, to remember the things which influenced us then, which passing time has caused us to forget, or to remember only imperfectly. We tend to forget the success which was reached in the campaign against the North Koreans before the Chinese intervention. We tend to forget, now that the shock of the establishment of general price controls is over, the hesitance and reluctance with which we faced this drastic measure. We tend to forget, now that the OPS has been established, how hard it was to build a large organization from scratch.

We should try to keep these things in mind when we discuss the administration of these powers. No one here likes price controls. No one is anxious to have them imposed except in a serious emergency, when there is danger of substantial inflation. No one wants to have them imposed if other measures will accomplish the result as effectively. I suggest, therefore, that we view with charity the effort to refrain from imposing these drastic controls over our economy until it becomes clear that no other measure would suffice.

If our administrative officers failed to act as early, as decisively, and as fully as now seems to have been justified, they were merely reflecting the widespread desire of our people and the Congress that these controls could be avoided or at least minimized. Like the rest of us, they do not claim to be prophets or geniuses.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. MAYBANK. Mr. President, I yield to the Senator from Vermont 1 minute, and to the Senator from Indiana [Mr. CAPEHART] 5 minutes.

Mr. AIKEN. Mr. President, this amendment, as I understand, would give the Office of Price Stabilization 60 days in which to roll prices back, away back, to the point where the farmers of the country could be forced to accept a subsidy from Government in order to keep in business. I do not think we should forget for a minute that that is one of the major objectives of this administration, and if they can get this amendment through it will give them a great advantage in forcing subsidies upon the farmers.

Mr. WHERRY. Mr. President, will the Senator from Vermont yield for a question, if he has any time in which to yield?

Mr. AIKEN. I yield.

Mr. WHERRY. The Senator is the ranking minority member of the Committee on Agriculture and Forestry. I should like to ask him if he does not feel that just what he said can be accomplished by clause (A), section 2, of the Senate bill.

Mr. AIKEN. I have not examined that language.

Mr. WHERRY. It is very necessary that the Senator examine it.

Mr. AIKEN. I will say to the Senator from Nebraska that the Senator from Vermont plans to offer an amendment which will eliminate some of that danger.

XUM

The PRESIDING OFFICER. The Chair recognizes the Senator from Indiana.

Mr. CAPEHART. Mr. President, my conscience hurts me a little bit for taking any time at all on this question, for the simple reason that I am sure no one is taking the amendment seriously, by reason of the 61 to 26 vote on another amendment just a few moments ago. As everyone knows, if there is delay in putting into effect the provision of the bill the committee reported to the Senate, it will simply mean giving the Administrator 60 days to roll prices back.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. CAPEHART. The Administrator has 60 days' time in which he can roll prices all back and do anything he wants to do. Sixty-one Senators voted against such procedure just a few moments ago. They said they did not want him to do that. Now we have before us an amendment which would give the Administrator the right to roll back prices for 60 days. He does not need 60 days to do it. He can be given 6 days or 6 hours, just long enough to write an executive order, and he can roll all prices back to the pre-Korean level.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. CAPEHART. Yes.

Mr. MOODY. Of course, he can now roll them back in 6 hours, and still have considerable time remaining within which he can take action. I think the Senator from Indiana has misinterpreted one phase of this matter. The distinguished chairman of the committee, and other Senators, in advocating the amendment which the majority of the committee finally reported, advanced as one of the chief points the continued uncertainty of renewing the law for a considerable period of time without having a termination date at a time when the roll-backs could no longer be put into effect.

I did not realize that the Senator from Indiana was disputing the fact, which I think is undoubted, that during the pre-Korean to January 25 period there were a number of dislocations which obviously ought to be corrected, and they have not yet been corrected, whether or not there has been time to correct them.

Mr. CAPEHART. Mr. President, I thought the Senator was going to ask me a question.

Mr. MOODY. I ask the Senator whether that is not so?

Mr. CAPEHART. I have very little time left; but go ahead. I will give all my time to the Senator from Michigan.

Mr. MOODY. I should like to ask the Senator whether he does not think the dislocations which took place between the beginning of the conflict in Korea and January 25 should be corrected?

Mr. CAPEHART. I think they should have been corrected during the past 5 months. The Administrator has had plenty of time to correct them, if he intended to correct them. In fact, the law should have been enforced last September, instead of delaying until January 25. The law was not put into effect until January 25.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. CAPEHART. No, I think my time has expired, and that all time has expired.

The PRESIDING OFFICER. Yes, all time has expired. The question is on the amendment of the Senator from Michigan [Mr. MOODY].

Mr. MOODY and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll and Mr. AIKEN voted "nay" when his name was called.

Mr. MAYBANK. I suggest the absence of a quorum.

Mr. AIKEN. Mr. President, I ask unanimous consent to withdraw my vote.

Mr. WHERRY. Mr. President, I think the Senator from South Carolina has made a very good suggestion. I believe there should be a quorum call by reason of the fact that many Senators are at supper.

Mr. HUMPHREY. Mr. President, before the roll is called, may I ask unanimous consent to submit a committee report? I have been waiting a considerable time to do so.

Mr. WHERRY. No, Mr. President, I cannot give consent if the report is the one I think it is, until a certain Senator is on the floor.

Mr. HUMPHREY. The question is all settled, I may say to the Senator.

Mr. WHERRY. I appreciate that. I submit that the Senator should make his request after the quorum call.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Gillette	McMahon
Anderson	Green	Millikin
Bennett	Hendrickson	Monroney
Benton	Hennings	Moody
Brewster	Hickenlooper	Morse
Bricker	Hill	Mundt
Bridges	Hoey	Neely
Butler, Md.	Holland	Nixon
Butler, Nebr.	Humphrey	O'Conor
Cain	Ives	O'Mahoney
Capehart	Jenner	Pastore
Carlson	Johnson, Colo.	Robertson
Case	Johnson, Tex.	Saltonstall
Chavez	Kefauver	Schoeppel
Clements	Kem	Smith, Maine
Connally	Kerr	Smith, N. J.
Cordon	Kilgore	Smith, N. C.
Dirksen	Knowland	Sparkman
Douglas	Langer	Stennis
Duff	Lehman	Taft
Dworshak	Long	Thye
Eastland	Magnuson	Underwood
Ellender	Malone	Welker
Ferguson	Maybank	Wherry
Flanders	McCarran	Wiley
Frear	McCarthy	Williams
Fulbright	McClellan	Young
George	McFarland	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. MOODY]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arizona [Mr. HAYDEN], the Senator from Wyoming [Mr. HUNT], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

The Senator from Tennessee [Mr. MCKELLAR], who is absent on official business, has a general pair on this vote with the Senator from Utah [Mr. WATKINS].

I announce further that if present and voting, the Senator from Georgia [Mr. RUSSELL] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Massachusetts [Mr. LODGE] is paired with the Senator from New Hampshire [Mr. TOBEY]. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from New Hampshire would vote "yea."

The Senator from Utah [Mr. WATKINS] is detained on official business and on this vote he has a general pair with the Senator from Tennessee [Mr. MCKELLAR].

The result was announced—yeas 22, nays 61, as follows:

YEAS—22

Anderson	Humphrey	Morse
Benton	Ives	Neely
Chavez	Kefauver	O'Conor
Douglas	Kilgore	Pastore
Frear	Lehman	Smith, Maine
Green	Magnuson	Sparkman
Hennings	McMahon	
Hill	Moody	

NAYS—61

Aiken	Fulbright	Millikin
Bennett	George	Monroney
Brewster	Gillette	Mundt
Bricker	Hendrickson	Nixon
Bridges	Hickenlooper	O'Mahoney
Butler, Md.	Hoey	Robertson
Butler, Nebr.	Holland	Saltonstall
Cain	Jenner	Schoeppel
Capehart	Johnson, Colo.	Smith, N. J.
Carlson	Johnson, Tex.	Smith, N. C.
Case	Kem	Stennis
Clements	Kerr	Taft
Connally	Knowland	Thye
Cordon	Langer	Underwood
Dirksen	Long	Welker
Duff	Malone	Wherry
Dworshak	Maybank	Wiley
Eastland	McCarran	Williams
Ellender	McCarthy	Young
Ferguson	McClellan	
Flanders	McFarland	

NOT VOTING—13

Byrd	Lodge	Smathers
Ecton	Martin	Tobey
Hayden	McKellar	Watkins
Hunt	Murray	
Johnston, S. C.	Russell	

So Mr. MOODY's amendment was rejected.

Mr. O'MAHONEY. Mr. President, on behalf of myself, the Senator from Alabama [Mr. SPARKMAN], the Senator from Arkansas [Mr. FULBRIGHT], and the Sen-

ator from South Dakota [Mr. CASE] I call up the amendment which is included in the unanimous-consent agreement.

Mr. WHERRY. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. Mr. President, as I understand this is the amendment for which 50 minutes of debate is provided in the unanimous-consent agreement.

Mr. O'MAHONEY. That is correct.

Mr. WHERRY. One-half of the time, or 25 minutes, to be controlled by the proponents, and 25 minutes to be controlled by the Senator from South Carolina [Mr. MAYBANK].

Mr. O'MAHONEY. That is correct.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. I wish to have it distinctly understood that I am opposing the amendment.

Mr. O'MAHONEY. Mr. President, I should like to ask——

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. STENNIS in the chair). On this amendment, the Senator from Wyoming has one-half of 50 minutes, and the Senator from South Carolina [Mr. MAYBANK] has the other half.

The amendment submitted by the Senator from Wyoming, on behalf of himself and other Senators, will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill, it is proposed to insert the following:

(e) Title III of the Defense Production Act of 1950 is amended by adding at the end thereof the following new section:

"SEC. 305. (a) No construction or expansion of plants, factories, or other facilities shall be (1) undertaken, or assisted by means of loans (including participations in, or guaranties of, loans), by the United States under this or any other act, or (2) certified under section 124A of the Internal Revenue Code (relating to amortization for tax purposes), and no equipment, facilities, or processes owned by the Government shall be installed under the authority of this or any other act in any plant, factory, or other industrial facility which is privately owned, unless the President shall have determined that the proposed location of such construction, expansion, or installation is consistent, insofar as practicable, with a sound policy of (1) utilizing fully the human and material resources of the Nation wherever located, (2) dispersing productive capacity for purposes of national security, and (3) minimizing the necessity for further concentrations of population in areas in which available housing and community facilities are presently overburdened.

"(b) In making the determination required by subsection (a), the President shall give consideration to location in counties, or comparable governmental subdivisions, which—

"(1) have natural resources embracing minerals, metals, materials, and other commodities valuable to the defense program;

"(2) are not fully utilizing their employed labor forces (as indicated by a relatively low rate of production per worker), or are not fully utilizing their natural resources;

"(3) are relatively underdeveloped industrially;

"(4) by reason of outward migration since 1930, have not retained their natural increase in population; and

"(5) are relatively less vulnerable to enemy attack by reason of geographic location, or the absence of heavy concentrations of population or vital defense industry.

"(c) The President shall make quarterly reports to the Congress on the administration of this section. Such reports shall reveal the extent to which the policy objectives of this section have been attained, the cases in which they have been found impracticable of attainment, and the criteria used in such cases. Such reports may include such recommendations as the President may deem appropriate."

Mr. O'MAHONEY. Mr. President, it may be that the votes which already have been cast indicate a general tendency on the part of Members of the Senate to reject amendments to the bill as reported by the committee. Be that as it may, this amendment is one of such great importance, as I see it, that I desire very briefly to explain it to the Senate.

Word which has come to me from some of my distinguished colleagues, particularly from those from New England, leads me to believe that they imagine that the amendment is hostile to the development of New England. However, there is no basis whatever for that thought, and I venture to say to the Senators from the New England States, and particularly to those who in the past have resisted some of the economic concentration in the steel industry, that they will find that their interest is upon the side of this amendment, rather than against it.

Applications for amortization certificates amounting to approximately $18,000,000,000 have been made to date. Approximately 1,600 such applications have been approved, covering approximately one-half, or a little less, of the total amount for which applications were made; and those grants have been made primarily to the big industrial enterprises which have resisted the development of small business throughout the country.

Mr. President, if this were a matter of only a short preparedness program or a short war, perhaps the amendment would not be worth while. However, we are dealing with a situation which may require years of effort.

All of us are aware that the Congress has been called upon to provide large appropriations for civil defense.

Members of the Joint Committee on Atomic Energy have urged upon the Senate and the House that there should be a dispersal of Government offices in order to reduce the risk of hostile bombing upon the political functions of the Government. Mr. President, I say it is equally important that there be a dispersal of the future expansion of our defense industry, in order to avoid the building up of a concentrated target upon which the atom bombs of a hostile force might be dropped.

I and the Senators associated with me in sponsoring the amendment, offer it, therefore, primarily in the interest of the national security, so that the defense plants will not be concentrated, as they are now, in a small area.

I also offer the amendment in the interest of the better utilization of the economic resources and the human resources of the country, particularly the natural resources. There are in the United States many natural resources which we are seeking to develop. Steps are being taken to bring about exactly the attainment of that objective. However, unless we undertake to provide, in the grants and aids which the Government provides, that full consideration shall be given to these objectives, we shall continue to have this tremendous concentration.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. I have noted the Senator's reference to the concentration of industry in New England.

Mr. O'MAHONEY. Mr. President, the Senator from Vermont is mistaken; I made no such statement.

Mr. AIKEN. Then let me state that I noted the Senator's particular reference to New England.

Mr. O'MAHONEY. Yes; I was advising the Senators from New England that this amendment will be in the interest of New England, not to the disadvantage of New England, because I know that New England has suffered from the concentration of industry elsewhere.

Mr. AIKEN. Does not the Senator know that the shortage of power and the high cost of power in the northeastern area of the United States will effectively prevent the development of very much more industry in that region? Industry has gone where it can obtain the power with which to operate; and New England utility and financial interests are themselves largely to blame for that condition, through their success in blocking the development of the St. Lawrence and other power projects.

So I am simply pointing out that if the Northeast is one of the highly centralized industrial areas, the Senator's fears that more industry probably will be concentrated there are groundless.

Mr. O'MAHONEY. Mr. President, I have not expressed any such fears. I have pointed out that the very interests which have blocked the development of electric power and other power in New England are the ones that are saying that this amendment is hostile to New England. They are the sources of hostility to New England.

Mr. AIKEN. I wish to point out that it is not simply a certificate of necessity that New England needs in order to have more industry. New England needs the power with which to operate more industry.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Arkansas.

Mr. McCLELLAN. As I interpret this amendment, I am in thorough accord with its objectives. I commend the Senator from Wyoming and the other Senators who have joined with him in proposing the amendment. The real criterion should be, What is in the best

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interests of our national security, and the progressive development of America?

Mr. O'MAHONEY. Precisely.

Mr. McCLELLAN. If the spirit and intent of this amendment were observed, it would serve a high purpose, both in national security and in the further development of our great country. But I ask the Senator from Wyoming, suppose we wrote this amendment into the law, and it were not observed in its spirit and intent; would there be any recourse? We may have the President make a report after it is all over, assigning his reasons, but there is actually no mandate. It is simply an expression of the will and sentiment of the Congress of the United States. That is exactly what it amounts to.

Mr. O'MAHONEY. Yes; it is not mandatory. I expressly refrain from making it mandatory.

Mr. McCLELLAN. I again want to commend the Senator and those associated with him for presenting the amendment. In spirit and in intent, it is for the best interests of the country, both from the standoint of national security and from the standpoint of the proper development of America, with all her natural resources and wealth.

Mr. O'MAHONEY. I am very grateful to the Senator from Arkansas for that statement. He has correctely appraised the purpose of the sponsors, and the intent of the language which is offered.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Kansas.

Mr. CARLSON. I think that probably the Senator from Wyoming has already answered my question, by stating that the amendment would merely be a declaration of intent on the part of the Congress, would not be mandatory upon the officials who are issuing certificates of necessity for tax-amortization purposes. But I should like to make the record clear that there are instances of installations and locations which are very important to the national defense effort, when it comes to the manufacture of airplanes.

Under the provisions of this particular amendment, I think the city of Wichita, Kans., might be excluded, but that is a very important point in the manufacture of aircraft for defense purposes. I happen to know that at the present time one of the factories in that city is endeavoring to obtain a certificate of necessity for tax amortization purposes, in order to expand its facilities, and in order to take care of additional markets. It is in part connected with the development and production of the new B–47.

I would not want the amendment to be interpreted to mean that our great city and the company referred to could not receive the benefits of amortization for tax purposes.

Mr. O'MAHONEY. There is nothing in the amendment which would have any such effect. Let us read the provision on page 2, line 12, which specifically says:

> (b) In making the determination required by subsection (a), the President shall give consideration to location in counties, or comparable governmental subdivisions, which—
>
> (1) have natural resources embracing minerals, metals, materials, and other commodities valuable to the defense program;
>
> (2) are not fully utilizing their employed labor forces (as indicated by a relatively low rate of production per worker), or are not fully utilizing their natural resources;
>
> (3) are relatively underdeveloped industrially;
>
> (4) by reason of outward migration since 1930, have not retained their natural increase in population; and
>
> (5) are relatively less vulnerable to enemy attack by reason of geographic location, or the absence of heavy concentrations of population or vital defense industry.

It will be observed that that is merely a direction that the President shall give consideration to these matters. Of course, there was no intent to control the discretion of the President in determining that the proposed location of such construction, expansion, or installation is consistent, insofar as practicable, with a sound policy of utilizing fully the human and material resources of the Nation wherever located.

From page 2, beginning in line 5, I read:

> Insofar as practicable, with a sound policy of (1) utilizing fully the human and material resources of the Nation wherever located, (2) dispersing productive capacity for purposes of national security, and (3) minimizing the necessity for further concentrations of population in areas in which available housing and community facilities are presently overburdened.

Mr. CARLSON. I very much appreciate the Senator's comment.

Mr. O'MAHONEY. This is, as I say, the declaration of a perfectly obvious national need, that we should not permit geographical concentration, and that at the same time we should make every possible effort to expand and improve the national economy.

I should merely like to add that the Government helps to expand the national defense installations in three ways, perhaps in four: First, military expenditures to expand plants. Such military expenditures are made through appropriations raised by taxation upon all the people of the United States. Second, military expenditures for the construction of Government plants. Again, the people, and all the people of the United States, pay. Third, the tax amortization certificates, which to date have been granted primarily to the largest of the big industries, to the largest of the big companies in the United States. And, finally, loans, both direct and guaranteed. Five hundred and sixty-three million dollars has been advanced to date, or up to May of this year, in the form of direct loans, and approximately $422,000,000 additional in guaranteed loans.

So I say the amendment is merely an exhortation to the President and to the defense authorities to make certain that we do not have too great a concentration of defense plants, which could easily become the target of hostile action in a war, and that we shall also undertake to utilize all the natural resources of the country.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I shall be very happy to yield to the Senator. I have agreed to yield some time to the Senator from Missouri. How much time does the Senator from Missouri want?

Mr. HENNINGS. I will need only about 5 minutes.

Mr. FULBRIGHT. Five minutes would be sufficient for me.

Mr. O'MAHONEY. I yield 5 minutes to each of the Senators; and, first, to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. FULBRIGHT. Mr. President, I believe I was a cosponsor of the pending amendment, or I intended to be. I have been extremely interested in it, and I desire only to mention a few aspects which I think are pertinent.

First, I call attention to the National Security Act of 1947, in which the Congress itself set forth the positive policy calling for the strategic relocation of industries. How much more sensible it is, rather than by the relocation of existing industries, that in the building of additional ones, which we must do, we build them in the first instance in strategic areas. It seems to me that is only common sense, and this amendment is thoroughly in accord with the expressed policy of the National Security Act passed in 1947.

I do not wish to reiterate exactly the same points made by the Senator from Wyoming, but I desire to call attention to certain aspects of the problem. The private industries seeking tax amortization certificates have no reason to be interested in such matters as the social consequences which arise from continual overbuilding in certain highly congested areas. The fact of the matter is that, about 2 months ago, I saw an account in the press of approximately 80 defense plants which were then applying for tax amortization, and practically all of them were in such cities as Detroit, Birmingham, Chicago, Los Angeles, and so on. They were following the existing pattern. There were no instances in which they had gone into new territories.

See what happens so far as congestion of schools is concerned. That is one of the reasons why applications are made for Lanham Act funds. Problems are created in connection with schools, public utilities, and housing. So there is a call for additional funds to build housing to take care of overcrowded conditions.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. Has the Senator seen the report on military procurement and the report on participation of small business? I have not checked them as to every State, but in several of the States the number of new contracts is just about in proportion to the population of the State on a percentage basis of the State to the whole United States of America.

Mr. FULBRIGHT. I have not seen the report, but I thoroughly disagree with the implication that there is a widespread distribution of defense factories, that is, factories being built as a result

of amortization certificates. I do not believe that. I am not sure that that is what the Senator meant to imply.

Mr. SALTONSTALL. I gave the fact from the report.

Mr. FULBRIGHT. I do not doubt that. I do not doubt that many persons who want to cultivate favor with the Congress tell us they have done wonderful things for small business, but, in my opinion, it amounts to practically nothing. During the last war small business was very definitely at a disadvantage, and many businesses folded up.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. DWORSHAK. I do not think the amendment would greatly change the industrial pattern in our country. I should like to invite the attention of the author of the amendment and the Senator from Arkansas to a table or graph which appeared in the Washington Star last Sunday, showing the distribution of contracts placed by the Government within recent months, indicating that six States, including California, Michigan, and Indiana, received a total of 61 percent of the total number of contracts awarded by the Government. Maybe that is not a significant fact, but one cannot distribute such contracts equitably over the 48 States.

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired.

Mr. O'MAHONEY. I yield two more minutes to the Senator from Arkansas.

Mr. FULBRIGHT. I thank the Senator. I should like to comment on what the Senator from Idaho has said. It is in accord with my understanding of the facts. The actual building of plants under the amortization program is even more highly complicated than the contracts.

In the last war, under the Defense Plants Corporation, the Government had much more control, and did take into consideration the problems of distribution to a much greater extent than is resulting from the program of tax amortization. For that reason I, for one, shall be in favor of a revival of a Defense Plants Corporation so that there can be some alternative to the building up and concentrating of defense plants in the most vulnerable areas in the country.

The Senator from Connecticut [Mr. McMAHON] has had much to say about the danger of atomic attack, with which I agree. I only desire to emphasize that if we continue to erect defense plants in the same great cities, such as Pittsburgh, Detroit, and so forth, we are simply making the task of the Russians or any other enemy much easier, and are inviting such attacks, as a matter of fact.

Mr. HENNINGS. Mr. President, I desire to commend the farsightedness of the distinguished Senator from Wyoming and the distinguished Senator from Arkansas with reference to the great peril confronting American industries under circumstances which we have known to exist for so long in the highly concentrated defense areas.

I feel that the urgency of our present economic situation is so great that I am compelled to state very briefly a few of my own thoughts on the measure now before us.

Nothing would give Communist imperialism greater satisfaction than the spectre of our American economy manacled and impotent under an inflationary Colossus. We must not be lured into a false sense of complacency by any hopes of an early end of the conflict in Korea. Totalitarian aggression does not stop at the 38th parallel, but threatens the entire world. Of course we would welcome a peaceful settlement in Korea on the proper terms, but our greatest hope for peace and a free world lies in a strong United Nations and a strong United States, and there must be no let-down in our mobilization program until we have achieved our fullest potential. American industrial and military might offers the most positive deterrent to Soviet aggression, and spiraling inflation can frustrate and destroy our efforts and incapacitate our production machinery.

I have studied with care General Marshall's testimony before the Senate Banking and Currency Committee, and particularly his statement that approximately $7,000,000,000 out of the $35,000,000,000 authorized for procurement of hard and soft goods and military construction for the Department of Defense during fiscal year 1951, can be regarded as increased cost caused by inflation. This means an increase of 20 percent over what it should have cost us for defense this year, and the cost will be monumentally greater if we fail to adopt strong anti-inflation measures. This money does not just flow from the United States Treasury. It is the hard-earned money coming from the pockets of every taxpayer—of consumers who themselves are paying $20,000,000,000 more for the goods and services they must buy. We simply cannot afford to let this epidemic of inflation continue to debilitate the American economy. We cannot afford further wasteful delay in adopting an effective program for controlling it, including tax increases, expenditure cuts, and credit restrictions. But these indirect controls cannot do the job unless they are reinforced with direct and decisive controls on prices and wages.

The Congress showed great foresight and wisdom, Mr. President, in the Defense Production Act of 1950, in providing the authority for controls which have succeeded in halting the inflation which followed the outbreak of war in Korea. Direct controls are painful, distasteful, and antagonistic to our entire concept of free enterprise, but I am convinced that they provide the only sound and workable means of meeting our problem.

Let us not delude ourselves into thinking that our defense production can be achieved without sacrifices. We must decide right now whether the sacrifices our men are making in fighting and dying in Korea are to be meaningless, or whether we as Americans are willing to back them up by cheerfully making the relatively small and temporary sacrifices that are asked of us to keep our security and our freedom.

We cannot with any degree of fairness exempt any segment of our productive economy while controlling the rest, for we must continually bear in mind the interdependence of all segments. Every producer ultimately is a consumer, not only in terms of the finished products he must buy for his own use, but also in terms of the raw materials required for his production. The price distortions which have grown up during this period of rapid expansion must be adjusted if production is to continue. I believe that the so-called anti-roll-back amendment is ill-conceived and ill-advised. It is little understood and is fraught with potential danger to the farmer, to labor, to industry, to every consumer, and to our entire defense effort.

Mr. President, as the amendment stands, it would not necessarily prohibit, but might even authorize severe roll-backs in farm commodities while at the same time prohibiting the needed adjustments on manufacturers' prices in many industries, at a cost to the public of many billions of dollars. This amendment can only serve to seduce American business into a fool's paradise which would collapse under the impact of further inflation, destroying the solvency of business and industry, farmer and consumer alike.

I do not think we can stress too often or too strongly the disastrous effect of passing a Defense Production Act so riddled with holes and omissions that it safeguards neither defense nor production. The bill now before the Senate is, perhaps, better than no bill at all, but it actually is such a crippled and watered-down version of the present law that it offers merely the shadow of inflation control without the substance.

I have read thousands of letters that have come into my office on the whole question of stabilization. Many of these letters reflect apprehension over control of particular business or industry or wages because the writers are fearful that controls will hurt them while the prices which they are forced to pay will go ever higher.

They will certainly have every justification for this feeling if the anti-roll-back amendment shall prevail. These letters are written from the heart, and I am convinced from them that the American people are genuinely prepared to accept with good grace whatever sacrifices are asked of them if they can believe that we are sincerely striving to insure equality of sacrifice.

But the overwhelming majority of the letters are from consumers—from the average man, the housewife, the white-collar worker, the teacher, the elderly person living on a small fixed pension—who are caught in the squeeze and must have decent protection against runaway inflation if they are to secure the bare necessities of life.

Men of the caliber of Charles E. Wilson and Eric Johnston, whose belief in our free-enterprise system is beyond any doubt or question, have given the best that is in them, against enormous pressure, to set up as sound and workable a program of controls as can be devised.

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The architects of this program are leaders in the business and professional life of our Nation who have been drafted—at great personal and financial sacrifice—and who have applied themselves with diligence and sincerity to this problem. Their blueprint for economic survival is the collective judgment of the best minds available. They say this is necessary. And I for one, Mr. President, intend to stand with them and to work for every strengthening amendment in an effort to stave off economic chaos and to promote the security of the free world.

I refuse to believe that there are in our economic order any deliberately or consciously unpatriotic groups or interests who would knowingly wreck a program which our national administration and broad-gaged men of selfless patriotism are advocating. I refuse to believe that the recorded history of this time will portray us as a people so lacking in courage, idealism, and vision, that, in utter disregard of the common good, we yielded to the appeal of temporary and short-lived profits which will inevitably result in economic anarchy.

On the contrary, I have an unshakable faith in the essential common sense and sound judgment of all our citizens. In these days of decision which transcend in importance any threat which this Republic has been called upon to meet, I refuse to believe that the American people will not rise to the challenge.

Mr. President, from among the thousands of letters I have received on this subject, I have selected a few which are typical of the earnest support of the people of my State for a decent Defense Production Act. I ask unanimous consent that these letters be printed in the RECORD, together with several editorials on the same subject.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

COLUMBIA, MO., *June 19, 1951.*

Senator THOMAS HENNINGS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: Last week my husband and I, who are members of the Farm Bureau, received from that organization a letter suggesting that we write you to help defeat price controls. Though we live on a farm and raise beef cattle, it happens that we are in favor of the beef roll-back and are against the stand of the Farm Bureau in the matter of price control.

We feel that 150 percent of parity is a selfish amount for cattle growers to demand. We feel also that while farmers should fight for parity and their fair share of profits, they should work with the leaders of labor and of capital, and the three should honestly try to fit their several programs into an over-all pattern for the economic good of the Nation.

Furthermore, the argument that price controls are inconsistent with the American way sounds rather hollow to me. That same American way permitted the Government to take our two boys in 1941—one of them contributed 3 years of training and combat and the other contributed his life. I did not hear business protesting then against the curtailment of their individual freedom. Why should business now protest over the curtailment of its freedom to make as much profit as the law allows? Especially as everyone knows that inflation is as much a threat to our country today as Hitler was in 1941?

I am not resenting the fact that our boys sacrificed for the preservation of our freedom. But I can't help resenting the attitude of some groups that freedom to make excessive profits is more sacred than freedom to live a normal life or to live. Why is it more un-American to take profits than to take lives?

We farmers who favor price controls are not organized like those who are writing you this week in response to the Farm Bureau's well-organized drive. But we do vote. We are watching Washington with the hope that the Senate will reverse the committee action today against the next two beef roll-backs, and that it will strengthen price controls all along the line. We just want you to know that some farmers at least support those of you who are supporting the good of the majority.

Very truly yours,

MRS. W. I. MCHARG.

WASHINGTON, D. C., *June 22, 1951.*

Hon. THOMAS HENNINGS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: I am a displaced Missourian with a frantic urge to tell somebody on the Hill how important it seems to me it is that the administration's price control and roll-back program be enacted. This family is rapidly being priced right out of the food market. We dropped out of the competition for beef some time ago. However, we still eat, and beans are not our favorite selection.

I see by the morning paper that the roll-back proposals, or a watered-down version of the present controls law, will reach the Senate next week. Please do something to keep your constituents eating regularly. I have not forgotten what happened to prices after the war when controls were lifted. How could I, with an 18-year-old refrigerator chumping away in the kitchen, a refrigerator we had hoped to replace, until inflation snatched that item out of the budget?

Most respectfully,

BETTY J. DOUGLAS.

THE RESEARCH INSTITUTE
OF AMERICA, INC.,
New York, N. Y., June 17, 1951.

Senator THOMAS C. HENNINGS, Jr.,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: This is to emphatically urge you to support the renewal of price and wage controls, and if it is at all possible, to get the administration program, or as much of it as possible, through Congress to strengthen these weapons against inflation, our greatest enemy.

We want you to know that we, among your many constituents, feel extremely strongly the exceptional importance of these being continued in full force and, as we say above, if possible, they should be augmented. This is absolutely necessary to insure the stability of the American dollar and to continue the soundness of our economy.

While we fully recognize the inconvenience of controls, and from my business letterhead you may understand that I definitely understand the many difficulties of administering and enforcing them, and while we realize that no such pattern will help or even please everyone, it is our firm belief that the presently existing controls have, to a great extent, been successful in preventing a run-away inflation and a further increase in the cost of our arms program.

Believe us to be

Ever so sincerely yours,

Mr. and Mrs. F. BACH.

CLAYTON, MO.

THE EPISCOPAL CHURCH OF THE
HOLY COMMUNION,
St. Louis, Mo., June 16, 1951.

MY DEAR SENATOR HENNINGS: It is essential for every man in the Senate and Congress to realize that it is important for us to preserve our American way of life. Those of us who are in contact with the general public hear on all sides how the dollar is rapidly decreasing in its purchasing power.

I am writing you this letter asking your assistance to help the Nation at large in this tremendous crisis, to sustain price control as a most urgent necessity for daily living. I minister to a great group of people in the white collar class. If rents are increased, if the prices of beef are not rolled back, if we do not get the help from Congress that is needed, there is a grave possibility that we will not be able to preserve the American way.

Communism breeds through misery. You have an opportunity to help sustain the American family by maintaining price control. I do not believe this is a party issue, this is a human necessity, and we must look to our men in the Senate and Congress to rise above party lines and help preserve our American way of life by defeating inflation.

I hope that, before you vote, you will bear in mind the great mass of your constituency who really are battling to maintain their families in a dignified and honorable manner.

With all good wishes, I am

Cordially yours,

W. W. S. HOHENSCHILD, *Rector.*

LEAGUE OF WOMEN VOTERS OF MISSOURI,
St. Louis, Mo., June 5, 1951.

Hon. THOMAS C. HENNINGS, Jr.,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: The League of Women Voters of Missouri strongly urges that you use your influence in securing the extension for 2 years of the Defense Production Act. We represent no special-interest groups unless the desire for such economic measures as insure our continuing strength at home and abroad could be called a special interest. Inflation is a definite threat to our whole economy and national morale. Such measures as have been adopted to stem the flood should be continued and made stronger.

We believe that is unlikely that the average citizen will be willing to make such sacrifices as he is being asked to make, if certain powerful groups stand to gain while he tightens his belt and reduces his standard of living. Equality of sacrifice cannot be attained without firm economic controls for the duration of the defense emergency. We also believe that these controls must be fully effective if such deflationary measures as private savings and investment in Government bonds are to operate successfully.

A failure to extend the Defense Production Act would convince the people that the national emergency that demands so much of them is, in fact, no emergency at all. We hope that you will vote for the extension of the act.

Sincerely,

MRS. LESLIE PRICHARD, *President.*

ST. LOUIS, MO., *June 8, 1951.*

Hon. THOMAS C. HENNINGS,
United States Congress,
Washington, D. C.

DEAR SIR: Most of the citizens of our country are in the categories of small- or middle-income groups whose welfare will be greatly undermined if price controls are allowed to expire at such a crucial time. Still another group that will suffer belongs in the categories of the aged, the disabled, the pensioned, et cetera, not to mention the hundreds of thousands of servicemen's families who are already sharing an unequal burden

of the sacrifices needed for the defense of our country.

My husband is a combat veteran of World War II who was called back to active duty with the United States Marines. In his absence it is necessary that I be employed as a white-collar worker on a frozen salary in an attempt to supplement the small allotment which I receive; it is next to impossible for me to make ends meet now while maintaining our home and raising my child; whatever in the world would families like us do if price controls are scuttled? Certainly Congress would not feel called upon to increase our allotments or our men's service pay to compensate for the rise in the cost of living.

Recently I have read accounts of the consternation felt because of the low morale of our fighting men. The answer is simple; most of them fought one war and feel it unfair to be called upon to fight another. Like all other normal husbands and fathers they worry over the welfare of their families knowing full well the struggle they are having in their absence trying to tread the financial waters; all this on top of the heartbreak of unnatural separation and worry. Not one of them would complain, nor would their families if the burden of this country's problems were shared more equally and by all with no exceptions. But it is a mighty bitter potion to swallow to hear the unethical practices of our men in Government, to see millionaires made from the blood and sacrifice of a few. Men in Korea are fighting for their lives while our cattlemen fight over the price of beef. Senate investigating committees wrangle with the State Department, the Joint Chiefs of Staff, not out of altruism, but to take advantage of free campaign publicity.

Another aspect to be considered in favor of controlling prices is the increased cost to the taxpayers of generations to come if the financial burden of our mobilization program doubles its size, because of the selfish interests of unscrupulous businessmen who would raise their prices to the Government of vital materials. The appropriations which now stand would cover only a portion of what they would cover if controls are maintained. This most certainly would be the outcome without price controls; proof of this is rampant in view of the lobbyists and pressure groups who are doing their utmost to influence legislators to scuttle what controls we have. Why? Money. Their main concern is not the welfare of the country in spite of all the clever propaganda they spout.

Please do all that is humanly possible to protect us from further inflation, and accompanying financial hardship, by voting to keep controls.

Yours most respectfully,

Mrs. CLIFTON W. JARNAGIN.

ST. LOUIS, MO., *June 15, 1951.*

Hon. THOMAS C. HENNINGS,
Senator from Missouri,
Washington, D. C.

DEAR SENATOR: We heard the President's speech last night and are amazed that congressional inaction should make such a speech necessary. Surely you and all Senators and Representatives are fully aware that fair and just control laws are necessary during this crisis. Who is naive enough to expect anybody, from farmers to United States Steel, to forego great profits when thrown in their laps?

We are an elderly couple and recently celebrated our anniversary by having dinner at a cafeteria. One had a very thin slice of roast beef, one, beef goulash. Each had soup, one vegetable, pie, coffee, bread and butter. Cost: $3.26. Had we taken chicken, it would have been $4.50 or more. How can the average white-collar man with a family possibly make both ends meet with such prices prevailing?

We hope you can see your way clear to help prepare and vote for a fair control on all cost-of-living items, as well as getting it passed before June 30.

We thank you for your consideration.

Sincerely,

Mr. and Mrs. J. U. MENTEER.

St. Louis, Mo., June 16, 1951.

Hon. THOMAS C. HENNINGS, Jr.,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: The rise in the cost of living has been liquidating a considerable section of the population whose income consists of salaries which have not kept pace with the rising cost of living. Do Members of Congress regard the plight of such people as a casualty of the times about which they can do little except offer sympathy? By and large these fixed-salary people have contributed substantially to the well-being of the people of the Nation. It is not that we lack lessons from other countries of the evils of inflation.

To protect the public interest, the public has to rely largely on Members of Congress who have opportunity to be better informed than most people and whose opportunity and duty it is to protect the public interest. In my judgment a strong price-control system and measures to produce increased quantities of needed goods and services, both for defense purposes and for ordinary living, are essential at this time.

Sincerely yours,

WILLIAM W. BURKE.

P. S.—I happen to be a university teacher, an occupational group many of whose members are placed in a vulnerable position by inflationary developments.

WEBSTER GROVES, MO., *June 18, 1951.*

Senator THOMAS C. HENNINGS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: I listened last Thursday evening to the President's anti-inflation radio address, and find myself in almost complete agreement with him that the Nation will need continued controls over inflation if we are to keep our economic house in order in the months to come.

Mr. Booth and I represent the salaried group whose monetary income has not changed and whose real income has progressively declined with rising prices. We heartily agree with Mr. Baruch's recommendation—about a year ago, I believe—for "hold-the-line" controls, and we believe now that the interest of the Nation as a whole, as well as the interest of the individual taxpayer and consumer, requires the renewal of the Defense Production Act.

The League of Women Voters, of which I am a local president, takes its position in support of the indirect controls on consumer and real-estate credit as embodied in regulations W and X of the present act. I support these controls, but as an individual citizen I also support price and wage controls to check price increases and consumer demand, and feel that authority to continue these direct controls should be renewed. I should like to remark here, too, that in spite of the difficulties these days of personal budget-balancing, I think the tax increase on personal incomes is a good thing, to necessitate as little deficit financing as possible, to reduce funds available for civilian-goods purchases, and to minimize credit expansion incident to increases in the public debt.

Sincerely yours,

Mrs. LOUIS F. BOOTH.

ST. LOUIS, MO., *June 19, 1951.*

MY DEAR SENATOR: Please do not drop any of the controls about to expire. If anything, make them more drastic.

We, my husband and I, are of the little people of our glorious Nation. There are many of us. Much is made of high wages being paid. Nothing is said of the small wages paid the office worker, the clerk in the store, the shoe worker, the seasonal worker, the salesman, and many others. Please think of us when considering controls.

We don't want to be on charity in a few years but as living expenses soar, we are barely able to live on our salary and if we should have sickness or a death in the family, what we have saved would be gone. We are not able to accumulate savings for an emergency.

Please be understanding of the problems of us, the little people. Give us the controls we need so much.

Very truly yours,

Mrs. J. F. DAWSON.

ASSOCIATED FUND, INC.,
St. Louis, Mo.

Hon. THOMAS HENNINGS,
Senator from Missouri,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: This is to urge you very strongly to lend your support and your vote to the passage of an effective anti-inflation bill. Although it is true that President Truman's speech last evening is the immediate cause for this letter, it is equally true that my husband and I have been all along in favor of tighter, more effective controls than those now in force.

We have become genuinely alarmed as the deadline approaches to see many Congressmen only concerned with their own petty politics and seemingly utterly oblivious to the great danger of inflation which has even now made altogether too much headway.

Once again we urge you to do everything in your power to put through the Congress a strong anti-inflation program which will include price controls, wage controls, rent controls, and credit controls.

Yours very truly,

MABEL M. O'NEILL,
HARRY J. O'NEILL,
President.

JEFFERSON CITY, MO.,
June 6, 1951.

Senator THOMAS HENNINGS, Jr.,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HENNINGS: It is my earnest belief that price controls and rent controls are an absolute necessity to uphold the economy of our country. I feel, therefore, my duty to urgently request that you, as the Senator of our great State of Missouri, support with the best of your ability these controls.

I realize that there are many interests of big business and capital opposing such controls and that many strong measures are being used to try to defeat any passage of them. These are a few of the many reasons why I strongly urge you to support pending legislation to control these essentials.

It is the fate of the common man, the wage earner, and the people of moderate means that the Congress is deciding. Let not the blood of the populace of this great country of ours rest on your conscience.

I will be very pleased to note in coming ballots on these issues that you have upheld the integrity of your constituents.

Very truly yours,

Mrs. FRANK FARRAH.

XUM

[From the St. Louis Post-Dispatch of June 23, 1951]

SOFTENING CONTROLS

(The hardest part of the job still lies ahead. Nothing could be more foolhardy than to slacken the intensity of our defense mobilization effort just because we have gotten off to a good start.—President Truman to Congress, April 27.)

In the face of this warning by the President, committees of both House and Senate have proposed a watered-down extension of the Defense Production Act which will invite a slackening of effort by everybody.

Nothing is more important to a united national effort than a sense of community enterprise—the consciousness that everybody is doing his part, that the sacrifices are equally shared. The Senate committee struck a blow at this intangible asset of mobilization when it voted to prohibit future price roll-backs not only in beef, but in machinery, cotton textiles, and clothing.

The effects of that decision, if confirmed by the Senate, will be felt far beyond the fields immediately concerned. It will be taken as a symbol that price control is to be soft rather than tough—as confirmation of the already widely held suspicion that certain favored interests are not pulling their weight in the boat. What could be more natural then, that other interests should refuse to pull theirs?

Specifically, Senator SPARKMAN put his finger on the danger when he pointed out that wage stabilization efforts are pegged directly to cost-of-living stabilization. Weaken the latter, and how much chance will there be of holding the former?

In other ways, too, the Senate committee weakened the act instead of strengthening it, as the President had asked. Facing the prospect of fewer automobiles to buy, it relaxed credit restrictions so that more buyers can get into the market—a sure way to build up inflationary pressure. Confronted with a defense program that will last at least 2 years, the committee voted to extend the act only 8 months, which is like buying a ticket to Chicago when you have to get to New York.

The House committee's version of the bill is somewhat better than the Senate's, but still falls far short of the strengthened law which Mr. Truman asked and which the situation demands. It is clear that both committees approached their work with the idea of adopting only such controls as seemed unavoidable—not such controls as would best contribute to an intense productive effort.

Is this to be the last word? Some Senators promise a floor fight for a stronger law and President Truman is expected to renew his appeal for one.

The President said on April 27:

"We must demonstrate to the whole world that the founding fathers were wise in their faith that our Government of divided powers would never suffer disunity or frustrate necessary action in times of peril."

If the founding fathers could see Congress now, their faith might be strained a little.

[From the St. Louis Post-Dispatch of June 20, 1951]

NO FAVOR TO HOUSEWIVES

Both Senate and House Banking Committees have voted—and by just 1 vote—to block further beef price roll-backs. This is a gratuitous favor for both producers and processors and no favor at all for consumers.

The committee's action would mean that housewives would see little or no reduction in beef prices at the meat counter. The price roll-back of a few weeks ago affected only live cattle prices. Retail price cuts were postponed because live prices were squeezing wholesalers and retailers.

Once live cattle costs were reduced OPS thought, it would be possible to roll back retail prices 4 or 5 cents a pound on August 1 and again on October 1. Then the housewives would see some results. But the committees would eliminate these over-the-counter price cuts.

Hence retail beef prices would remain at inflated levels, though the Government tried to slice the top off inflated prices of some other goods. And beef prices were already at near-record levels when the Korean war began. Since then they have jumped right out of many consumers' pocketbooks.

Chairman MAYBANK of the Senate committee predicts that the weakened price control extension bill will mean a "real freeze." That is most doubtful. But beef would be frozen off many dinner tables. Do the two committees want to accept responsibility for that?

[From the St. Louis Post-Dispatch of June 15, 1951]

MR. TRUMAN'S APPEAL

When representatives of cattle interests went to see President Truman, many people assumed that the pressure against the beef price roll-back would succeed. So far, it has not.

When auto dealers and other business interests complained against credit restrictions, a rumor circulated that the restrictions would be relaxed. So far, that has not happened. The Federal Reserve Board has just announced that the credit rules will stay as they are.

President Truman could honestly tell the country Thursday night, therefore, that the administration has stood firm in its efforts to hold inflation in check. The administration can justifiably be criticized for having got a late start; it should have done last summer some of the things it did not get around to doing until January and February. But it is acutely aware of the inflationary danger now, and Mr. Truman was on strong ground when he appealed to the people for congressional action to uphold his hand. Congress has just 15 days in which to extend the Defense Production Act which authorizes price and wage controls.

Perhaps the most important part of the President's address was that in which he emphasized that the severest test of the Nation's ability to tie down inflation is yet to come. The leveling off of price rises in recent weeks has encouraged the illusion that the danger of runaway prices has been surmounted. This may be why Congress has heard more from special interests which want to abandon controls than from consumers who have a stake in keeping them in force.

Mr. Truman's speech was a frank attempt to correct this balance. He was right in pointing out that as defense production takes a deeper bite of the national economy in months to come inflationary pressure will mount. He was right in predicting that "the price rises we have had so far are only curtain raisers to what will come along if the Congress fails to pass a strong price-control law."

Not only a strong law, but strong administration of it is needed. That is why the President's refusal to be intimidated by the cattle lobby is so important. The country will support him in his conviction that 125 percent of parity is "fair enough" for cattle prices. It will also support him—and this is crucial to the anti-inflation program—in resisting unreasonable demands from all other economic groups.

As Mr. Truman said, the people acting together are stronger than any special interest. They will act together only if they are convinced that both the law and its administration serve the general welfare and not the purposes of any special group.

[From the St. Louis Globe-Democrat of June 7, 1951]

CONTROLS BATTLE

Senate and House committees have been the scene of a major offensive against the Government's controls program. One segment of the economy after another has been ganging up to smash price, wage, and other inflation curbs. This battering free-for-all might succeed in wiping Federal controls authority off the books.

Is that what consumers want? Is that what the majority of the Nation wants? Can defense production and the over-all economy afford to risk junking controls, dubiously effective as they have so far proved? The answer is an obvious "No."

But unless Congress acts quickly, these curbs will be abandoned. The present power expires June 30. That leaves scarcely more than 3 weeks for decision by a Congress that has been preoccupied and inertia-bound virtually its whole session.

There are perhaps three principal factors that contribute to jeopardize controls. The first is a rising discontent with the control machinery, any kind of control machinery. The second is the fact that temporarily there has been a halt in the inflation spiral. The third is the political complexion of the coming election year, when parties want to be all things to all people.

The spreading resentment over curb schedules is very real. Labor spokesmen complain about price loopholes, but contend for rising wage ceilings. Businessmen raise wrathy laments about vast paper work and incomprehensible regulations. The real estate groups want to end rent controls. Industry has its kicks. And even the housewife is bitter over uncontrolled food prices and thinks the whole curb system often a farce.

Director DiSalle, of the Price Stabilization Agency, explained, in a TV broadcast last Sunday, as controls reach into more and more fields, resentment over regulation tends to grow. Groups approve regulations for the rest of the economy, but are galled and sore about their own.

The present stall in prices is due to a combination of factors, including overstocked inventories, tighter consumer credit, an abatement of the war-scare buying, and a delay in military production, which leaves more for civilian supply. But these conditions will not continue static.

The country still needs a system of controls. It needs a much better system than it has, free of gaps and soft spots and special concessions. But weak as such a program may be, it has a braking effect on runaway inflation. Politics and widespread disgruntlement should not blind Congress to a real need for maintaining economic control authority during the defense building period.

[From the St. Joseph News-Press of June 15, 1951]

A JOB TO BE DONE

It was no fighting speech, with the belligerence of the underdog, that President Truman delivered to the Nation last night. Those who heard it over the radio and those who watched him on television noted that the President's tone was one of determined acceptance that what he had to tell the people was a job that had to be done.

His declarations backed up his tone and his manner. The collapse of our economic system would be capitulation to communism without a bomb being dropped. In the opinion of the President the need for controls to preserve our economy is as acute as the need to hold a line against a charging enemy. The Chief Executive assailed special interests who were lobbying against the Government's program and reiterated to the listening pub-

lic that controls were a job that had to be accepted by us as a part of our peaceful preservation of the free way of life.

[From the St. Joseph News-Press of June 15, 1951]

CONSUMER'S CRUSADE

We are bombarded with the story of beef with each side equally vocal and equally positive. And yet the whole quarrelsome situation can be resolved quietly and irrevocably by our good friend the housewife. If the shopper refuses to buy beef there soon will be an abundance of pot roasts in the butcher's deep freeze. And when this happens there will be a slash in price to lure the buyers.

If the consumers band together in a crusade against buying then prices come down. It has happened before and it can happen again. The moment that a commodity slows down in sales value or comes to a halt completely the merchandiser cuts prices on that item and holds a bargain sale. Presto! The bargaining tag is the bait that snares the shopper.

The family market basket is a sound barometer of America's income in that the burden of its contents reflects the buying power of the American dollar. That same market basket can empower the same dollar with greater value by refusing to harbor items priced out of reach. This cold snub by the housewife in time brings the price within her reach.

We would like to see the housewives of America settle this beef war in their own inimitable manner. They are just the gals to do it too providing that they first can convince the family that it likes salmon as well as hamburger, that fried chicken is as tasty as individual steaks cooked to order.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

The Senator from South Carolina is recognized.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me for 10 seconds?

Mr. MAYBANK. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, my attention has been called to an omission in the amendment; so I ask unanimous consent that I may amend my amendment on page 1, line 5, by inserting the word "defense" before the word "facilities", so that it will refer to the construction of other defense facilities.

The PRESIDING OFFICER. The Senator may modify his amendment accordingly.

The Senator from South Carolina is recognized for 25 minutes.

Mr. MAYBANK. Mr. President, I will not speak very long. I merely wish to say that I regret exceedingly that the amendment was not brought before the committee. It was never considered by the committee. It was never thought of by the committee. If it had been brought before the committee we could have had hearings on it and debated it. We had weeks and weeks of hearings. The amendment is offered now, at the last minute. I agree with the substance of the amendment. However, no one took the trouble even to call the amendment to the attention of the committee.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Massachusetts.

Mr. BENTON. Mr. President, the Senator from South Carolina has agreed to yield 25 minutes to me.

Mr. SALTONSTALL. Has there been any estimate made of the comparative cost of carrying out the dispersal in the way the Senator from Wyoming would have it done under his amendment, as compared to having it done where the factories are located, and with extension of existing facilities, in cases where facilities must be extended?

Mr. MAYBANK. The Senator has asked me a question which I cannot answer, because there have been no hearings on the matter before the committee. There were hearings before the Joint Committee on the Economic Report for the first time yesterday, when the Secretary of the Interior came before that committee and gave some figures as to what might happen. That I shall not discuss, because the hearing was a closed one. I am not here to oppose the amendment, because the amendment is in line with the spirit of the law. But as chairman of the Committee on Banking and Currency, I oppose it because there have been no hearings on it.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. O'MAHONEY. I call attention to the fact that the staff of the Joint Committee on the Economic Report has prepared a 56-page study upon the need of industrial dispersal.

Mr. MAYBANK. I thoroughly agree with my distinguished friend from Wyoming. He is absolutely right with respect to his position on industrial dispersal, and I had hoped it would be brought about.

So far as certificates of necessity are concerned, no one has had more to do with them than I. But the Joint Committee on the Economic Report cannot legislate. Neither can the Small Business Committee legislate. However, the matter was not called to the attention of the Committee on Banking and Currency. The Senator from Wyoming is correct in his statement as to what the Joint Committee on the Economic Report has done, and what the Small Business Committee reported. But I cannot find one line about this amendment in the hearings which occupied six long weeks in the Committee on Banking and Currency.

Mr. O'MAHONEY. Mr. President, may I ask the Senator a question?

Mr. MAYBANK. I yield.

Mr. O'MAHONEY. Does not the Senator recall that one of the sponsors of the amendment, the distinguished and able junior Senator from Alabama [Mr. SPARKMAN], is a member of the Senator's Committee on Banking and Currency?

Mr. MAYBANK. There is no one who is more friendly with or appreciative of the ability of the Senator from Alabama than I am. But unfortunately my dear friend from Alabama, whom I respect and admire, as also my dear friend, the Senator from Arkansas [Mr. FULBRIGHT], were always tied up with the MacArthur hearings when we tried to get something done in the Committee on Banking and Currency. The only Senator, so far as I know, who has had anything to say with respect to certificates of necessity, is the Senator from Illinois. The Senator from Illinois suggested that there should not be a second round before there had been a first round of such certificates. I want to be perfectly frank about this matter. We have, however, had no hearings on the subject in the committee, as I stated.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. FULBRIGHT. I called attention a moment ago to the fact that Congress as long ago as 1947, in the National Security Act, laid down as a positive policy that of strategic relocation. It seems to me that this proposition is so obvious that there is no need whatever for any hearings on it. When it is stated, "All we want is that new plants be strategically relocated," then there is no need for any kind of hearings.

Mr. MAYBANK. I deeply appreciate the statement made by the Senator from Arkansas. The Senator knows that my heart is with him in this matter. Nevertheless, no hearings have been held on the subject before the committee.

In view of the fact that I promised the time under my control to the Senator from Connecticut [Mr. BENTON], I now yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut [Mr. BENTON] is recognized.

Mr. BENTON. Mr. President, I am grateful to the distinguished chairman of the committee for allotting the time to me. So many Senators want to speak on the amendment that I believe I must limit the time for each to 2 minutes.

Mr. President, I believe this is the most far-reaching proposal that has come before the Senate since I have been a Member of it. The amendment would literally try to change the economy of the United States with but 50 minutes of debate, without a report on the subject from the Committee on Banking and Currency, and without waiting for a report from the particular committee which the President has established and which is now studying the subject.

I should like to read a paragraph from a letter written by me to Gen. George C. Marshall, after which I shall ask that the entire letter be printed in the body of the RECORD. I said in the letter:

Manifestly, industry centers in Connecticut as it does in Detroit, Chicago, and other industrial areas, because they have the electric power, the railroads, the shipping, and the water, the housing and the skilled workers, the knowledge of finance and selling, and a hundred other advantages which, under our free-enterprise system, account for their industrial supremacy. Now comes this report asking us to turn our backs on the factors which make for efficiency and low cost and to dull the industrial power which is today our greatest world asset by shifting our industrial effort to those areas of the country which, if suitable or efficient, would have developed long since. This is dangerous doctrine advanced in the name of economics.

XUM

Mr. President, I ask unanimous consent that the entire letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 25, 1951.

Gen. GEORGE C. MARSHALL,
Secretary, Department of Defense,
Washington, D. C.

DEAR GENERAL MARSHALL: A few days ago the staff of the Joint Committee on the Economic Report published a statement dealing with the dispersal of industries which poses a serious threat to the New England economy.

First, let me assure you that this was a staff report and in no way reflects the views of the entire committee, of which I am a member. The committee has not met to discuss it.

Secondly, I wish to emphasize that I am terribly distressed by the nature of this report because of its possible impact on the economy and future industrial potential, not only of Connecticut but of the entire six New England States. (I am attaching a copy of my letter to Mr. Paul W. Norency, president of the Hartford Chamber of Commerce, which will serve as a guide on my views and the nature of the staff report.) Moreover, the recommendations in this report are so unsound and so uneconomic for the people of the country as a whole, that their cost to the taxpayers can only be calculated in terms of tens or even hundreds of billions of dollars.

This report proposes to freeze any future industrial development in Connecticut and the adjoining New England States, as well as in other highly industrialized areas. This is perhaps a good time for me to point out that Connecticut, during World War II and indeed during the current Korean crisis, has played a role second to none in terms of productive capacity and in its major contribution to our industrial war output. This, of course, is due not only to the nature and variety of our industrial potential in Connecticut, but to the progressive ingenuity and technical know-how of our industry to gear itself quickly, effectively, and efficiently from the manufacture of peacetime goods to the sinews of war. Any move which proposes to disrupt this marvelous productive capacity seriously jeopardizes the war effort of this Nation.

I am not certain how my views and those of my colleagues in the Congress from New England, many of whom I believe share my distress, coincide with the Defense Department's with regard to the dispersal of industry and to the future development of new war industries. I very much wish to believe that we are in complete accord on the necessity for keeping Connecticut and other New England States free of any industrial freeze-out which in turn would greatly harm our war effort.

Manifestly, industry centers in Connecticut as it does in Detroit, Chicago, and other industrial areas, because they have the electric power, the railroads, the shipping and the water, the housing and the skilled workers, the knowledge of finance and selling, and a hundred other advantages which, under our free-enterprise system, account for their industrial supremacy. Now comes this report asking us to turn our backs on the factors which make for efficiency and low cost and to dull the industrial power which is today our greatest world asset by shifting our industrial effort to those areas of the country which, if suitable or efficient, would have developed long since. This is dangerous doctrine advanced in the name of economics. I would appreciate your views upon it.

Very sincerely yours,
WILLIAM BENTON,
United States Senate.

Mr. LEHMAN. Mr. President, will the Senator yield to me?

Mr. BENTON. I yield 2 minutes to the Senator from New York.

Mr. LEHMAN. Mr. President, I look with grave doubts upon the pending amendment. I know that the sponsors of this proposal have every good and constructive motive. From the viewpoint of their respective States it is a good amendment.

I submit, however, that from the viewpoint not only of the State which I represent, but of the many other populous States of this Nation—and of the Nation itself—this amendment could prove to have most unfortunate consequences. It could be dangerous and damaging to the economy of my State and to the Nations' economy. It could contribute to the formation of weak spots in exactly those parts of the Nation where strength is the most important and most vital for the carrying out of the defense effort.

I want to make crystal clear that the State of New York and the city of New York, whose economic welfare and well-being are so critical to the welfare and well-being of the entire Nation, are already forced to bear a disproportionate share of the sacrifices exacted by the mobilization program and its attendant shortages of materials.

The pending amendment could intensify an already serious situation and cause unwarranted and unjustified hardship and economic disclocation in the entire Nation.

Mr. President, this is a time when we cannot afford to be wasteful. As the distinguished Senator from Connecticut has already pointed out, this is no time to try to reconstruct the entire economy of the Nation, after 50 minutes' debate on the floor of the Senate. That is exactly what this amendment proposes to do.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. BENTON. Mr. President, I yield 2 minutes to the distinguished Senator from California.

Mr. KNOWLAND. Mr. President, this is not only an effort to remake——

Mr. MAYBANK. Mr. President, will the Senator yield in my time for a unanimous-consent request?

Mr. KNOWLAND. In the Senator's time; yes.

Mr. MAYBANK. Mr. President, I ask unanimous consent that this debate be extended for 10 minutes, in view of the time which was consumed in the colloquy between the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Arkansas [Mr. FULBRIGHT], and myself.

The PRESIDING OFFICER. How is the 10 minutes to be divided?

Mr. MAYBANK. Ten minutes, to be divided by the opponents.

The PRESIDING OFFICER. Is there objection?

Mr. SALTONSTALL. Mr. President, how is the time to be divided?

The PRESIDING OFFICER. Ten minutes are to be allowed to the opposition. Is there objection?

Mr. O'MAHONEY. Mr. President——

Mr. FLANDERS. Mr. President, who is given the time?

Mr. O'MAHONEY. If the Senator will pardon me, I have the floor.

The PRESIDING OFFICER. Let the Senator from Wyoming proceed.

Mr. O'MAHONEY. I wanted to determine what the unanimous-consent request was.

Mr. FLANDERS. The unanimous-consent request is not clear to this Senator.

The PRESIDING OFFICER. The Senator from Vermont is out of order. The Senator from Wyoming will proceed.

Mr. O'MAHONEY. Mr. President, I merely wished to know from the Senator from South Carolina if the additional time is being requested because the colloquy between the Senator from Arkansas and the Senator from Missouri was so strong that he needs more time to answer it.

Mr. MAYBANK. That is correct. [Laughter.]

The PRESIDING OFFICER. Without objection, 10 minutes are allowed to the opposition.

The Senator from California is recognized for 2 minutes.

Mr. KNOWLAND. Mr. President, this is not only an effort to remake the industrial map of America in 50 minutes, but I think it is one of the most dangerous proposals which has come before the Senate.

In our country up to this time people have had freedom of movement from one State to another. Some States have gained and others have lost. To carry this proposal to its ultimate conclusion, we would give to the Federal Government the power to freeze a worker to his job, wherever he might be, whether he wanted to remain there or not. Ultimately, if we should carry this idea to its logical conclusion, we would freeze the resident of a State to that State, so that no other State could gain, and that particular State would not lose.

In my judgment, the dictatorships and totalitarian governments of Europe have never opened up a Pandora's box which had such great implications for the people of the country as this amendment opens up.

What is it that we are primarily seeking in the defense program? It is to arm this country as quickly as possible so that we may be able to face any potential threat with which we are confronted. Moving industry into less thickly populated States would mean that we would have to supply housing. We would have to take people there if they were not already there, in order that they might become producers. I submit that it would be wasteful. It would be extravagant. It would slow down our defense program, and it would not achieve any of the things which have been pointed out by the proponents of the proposal.

In the old days of our country's history our coastal States used to be the ones which were subject to naval bombardment. Today a State in the middle of the country may be closer, across the polar ice cap, to the threat of Soviet aggression than is a coastal State. By what standards are we to measure the likelihood that a given area would be subject to air attack?

I submit that the amendment is dangerous on its face. With the small amount of time allotted to us on a matter of this importance, the Senate should not even consider the amendment at this time, and it should be voted down.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. BENTON. I yield 2 minutes to the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. SALTONSTALL. Mr. President, I thank the Senator from Connecticut. I ask the same question which the Senator from California [Mr. KNOWLAND] has asked. Do we want to have defense orders executed as efficiently and as economically as possible, or do we want to try to change the face of the United States on the ground of defense?

In Pittsfield, Mass., there is a General Electric plant. At that plant, in World War II, there was made for the first time in quantity the first automatic gun director. At the present time that plant is being extended by 62½ acres. The workers in that plant have the know-how. They worked on gun directors in the Second World War, and they have the skill to do it now. There is plenty of housing, and so far as I know there is no overemployment.

I point out to the Senator from Wyoming and the Senator from Arkansas that we have industries manufacturing consumer goods which are now going out of business temporarily because they cannot obtain the necessary materials. The skilled workers in those industries are available to go into the war effort.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. BENTON. Mr. President, I yield 2 minutes to the distinguished Senator from Pennsylvania [Mr. DUFF].

Mr. DUFF. Mr. President, this amendment, however well-intentioned, would seriously interfere with the pattern of successful production.

In my own State of Pennsylvania, in World War II, more steel was produced than was produced by any nation in the world outside the United States. Pennsylvania produced more steel than did Germany and almost as much as Germany and Japan combined. It produced twice as much steel as did Russia and almost as much as Russia and England combined.

That business is located in Pennsylvania because of the fact that the things which are necessary are near at hand, enabling us to make the cheapest steel and the best steel in the shortest time.

At the present time the United States Steel Corp. is spending $500,000,000 more of its own money in Pennsylvania. The only reason it is doing so is that steel can be produced more efficiently there than anywhere else. At a time when world leadership depends in a considerable degree upon our ability to produce, it would be a fatal mistake to adopt any measure which would seriously interfere with the pattern of that successful production.

Mr. BENTON. Mr. President, I yield 2 minutes to the junior Senator from Michigan.

Mr. MOODY. Mr. President, I thank the Senator from Connecticut.

This is a serious business, as the senior Senator from California [Mr. KNOWLAND] stated a moment ago. This amendment would slow down war production, at a time when the safety and security of America are at stake.

Detroit has been mentioned. All of us in Detroit, including the senior Senator from Michigan [Mr. FERGUSON] and myself, are proud of the record which Detroit made in the last war and are proud of what it is doing in the present situation. I point out that the labor is there, the skills are there, and the management know-how is there. Detroit and other communities are the type of community from which leadership must come.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. MOODY. In a moment. If I have time when I finish, I shall be glad to yield.

More than 50 percent of the defense production assigned to Detroit is now being subcontracted throughout the United States, and much of it to small business. A large share of the arms orders given to great corporations, such as General Motors, Chrysler, and Ford, represents production in States other than Michigan.

At a time when we need production it seems to me it would be highly impractical to put war production on a pork-barrel basis and to try to parcel it out on the basis of a revision of the entire economy of the country.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired. The Senator from Connecticut.

Mr. BENTON. Speaking of Detroit, I think it is very appropriate that I should yield 2 minutes to the Senior Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 2 minutes.

Mr. FERGUSON. Mr. President, this amendment is of very serious import. It is an attempt to revolutionize the industries of America and distribute them on a political basis. That is what it amounts to. Our Nation was founded by men who had skills, and who knew where they wished to locate because of economic conditions, geography, transportation, water, and so forth. Now we come to the point in America when we would say that such considerations have no bearing, but that politics should control.

Today I hear from Detroit that in the Chrysler plant 20,000 employees have been laid off. Nine thousand will be laid off at the Briggs plant. The Ford plant is going to lay off a great number of employees. We have the capacity in the places where industries are located at the present time. There it is not necessary to build homes. The machine-tool industry is well developed in Michigan, and workers can go from one plant to another when the Government needs the men. Their skills can be used, and homes will not have to be built for them, as would be the case if they had to move to other States.

This is a matter of granting great subsidies where it is not economically sound to do so. Of course, to some that will not make any difference. If it is considered politically sound, industries will be moved all over the United States. When we return to peacetime production, we will not be able to produce in competition with the rest of the world.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

The Senator from Connecticut.

Mr. BENTON. May I ask how much time I have remaining?

The PRESIDING OFFICER. Under the unanimous-consent agreement 10 minutes was added to the opposition to the amendment. Therefore, the Senator from Connecticut has 11 minutes remaining.

Mr. O'MAHONEY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. The unanimous-consent agreement was to the effect that 10 minutes should be added to the debate, but that it should be equally divided.

The PRESIDING OFFICER. The Chair inquired of the mover of the unanimous-consent agreement, and the mover replied that 10 minutes was to be allowed to the opposition.

Mr. O'MAHONEY. It must be perfectly clear that the sponsor of the amendment would not agree to such an allocation of time.

Mr. MAYBANK. Mr. President, if I made a mistake, or if I did not understand correctly, I am sorry. Naturally I would have asked that the time be equally divided between the opponents and the proponents.

The PRESIDING OFFICER. There was a great deal of confusion.

Mr. MAYBANK. The Senator is correct. Reference has been made to the situation in Detroit, Pennsylvania, Massachusett., Connecticut, Arkansas, and South Carolina. I should like to ask the Presiding Officer whether the time could be equally divided. Perhaps I should make such a request.

Mr. McMAHON. Reserving the right to object, Mr. President, I should like to hear the proponents. I should like to have them granted 10 minutes also. I ask unanimous consent that the previous unanimous-consent agreement be revised, so as to give 10 minutes to the opponents and 10 minutes to the proponents.

Mr. MAYBANK. Reserving the right to object, is the Senator making such a request at this hour, in view of what has happened?

Mr. DIRKSEN. Mr. President, reserving the right to object, I wonder whether the Senator from Connecticut would revise his request to provide that the proponents shall exhaust their time first?

Mr. McMAHON. I believe the proponents will agree to do it. Would the sponsor agree to it?

The PRESIDING OFFICER. Such a matter is usually adjusted between the managers of both sides.

Mr. O'MAHONEY. I desire to use only 3 minutes. I do not need an extra

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10 minutes. I believe the opponents should exhaust their argument and then I should like to take 3 minutes to reply to their arguments.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request that 10 additional minutes, in addition to the 10 additional minutes heretofore allowed, be granted, so that each side will be allotted 10 minutes, to be controlled by the floor managers on each side?

Mr. SALTONSTALL. Reserving the right to object, I understood that the distinguished Senator from Wyoming [Mr. O'MAHONEY] said he would be satisfied with 3 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. FULBRIGHT. I do not know why it should be done that way.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The Senator from Connecticut is recognized.

Mr. BENTON. What does it add up to now?

The PRESIDING OFFICER. The opposition has 11 minutes.

Mr. BENTON. The time includes the 10 minutes just recently agreed upon?

The PRESIDING OFFICER. Yes.

Mr. BENTON. I yield 2 minutes to the distinguished Senator from Vermont.

Mr. FLANDERS. Mr. President, I endeavored to clear up the confusion a few minutes ago by inquiring what it was all about. I am glad it has been settled. I was ruled out of order in trying to find out.

The PRESIDING OFFICER. The Senate will be in order.

Mr. FLANDERS. As other Senators have already stated, I wish to say that the purposes of the amendment are beyond reproach in themselves. In one part it says:

> In making the determination required by subsection (a), the President shall give consideration to location in counties, or comparable governmental subdivisions.

Therefore it is not required that it be done by States or by regions.

While the announced purpose of the amendment is good, while in certain respects getting down to the county as a unit is good, I have such a profound suspicion of adminstrative offices in administering any law which is not specific but general in its terms, that I would expect that this law amendment, if adopted and placed in operation would be administered to suit certain regions.

I am convinced that it is completely unnecessary to enact such a provision, in view of the experience we had in World War II, in which no such limitations or controls were in effect. The South increased enormously in industry, as it should have. The Midwestern States increased enormously in industry, as they should have, and the same is true of the Pacific coast. All of it came about under sound economic conditions.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. FLANDERS. Not at this time.

The PRESIDING OFFICER. The Senator from Vermont declines to yield.

Mr. FLANDERS. If I have a few minutes remaining, I shall be glad to yield. Furthermore, Mr. President, the amendment is a little amateurish in the matter of the considerations which shall be used in making determinations. There are some 40 or 50 different considerations which a private firm takes into consideration when it looks for a new location. Private industry would do a much better job than would be done under this proposal.

Mr. FULBRIGHT. Mr. President, will the Senator now yield?

Mr. FLANDERS. I yield.

Mr. FULBRIGHT. During the last war the system of amortization which is being used now was not used. The plants were built in the South, as the Senator knows, under the Defense Plant Corporation.

Mr. FLANDERS. But they had EPC, and that was just as good or better in the final result.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

The Senator from Connecticut has 15 minutes remaining.

Mr. FULBRIGHT. Mr. President, how many minutes are remaining? A parliamentary inquiry. The Senator from Connecticut had only 11 minutes before he yielded the last time.

The PRESIDING OFFICER. The Senator from Connecticut has 13 minutes remaining.

Mr. FULBRIGHT. A parliamentary inquiry. The chair announces the Senator had 11 minutes remaining before he yielded to the Senator from Vermont. How did he get 13 minutes?

The PRESIDING OFFICER. The Senator from Arkansas has 10 minutes remaining. The Senator from Connecticut has 13 minutes remaining.

Mr. BENTON. In the light of the suggestion of the junior Senator from Illinois, before I take my 13 minutes, would it not be appropriate for the distinguished Senator from Wyoming to take his 10 minutes and finish his presentation?

Mr. O'MAHONEY. Is the Senator asking me a question?

Mr. BENTON. I am addressing a question to the Presiding Officer.

The PRESIDING OFFICER. The matter referred to by the Senator is one to be adjusted between the floor managers.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. BENTON. I yield.

Mr. O'MAHONEY. I think the request of the Senator from Connecticut has made is an extremely strange one. The Senator from Connecticut, after having yielded 3 minutes to other Senators, found his time increasing. [Laughter.] He had 11 minutes which he could apportion; and after 4 minutes were used by other Senators, the Senator was informed that he had 13 minutes remaining; and now he asks me to present my case so that he will be able to finish the debate on the amendment. Oh, Mr. President, I could not consent to that.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly.

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. BENTON. Mr. President, I was merely trying to learn the lesson which I thought the junior Senator from Illinois [Mr. DIRKSEN] suggested to me in his comment at the time when the unanimous-consent agreement was suggested.

I yield now 2 minutes to the distinguished junior Senator from Illinois, while I confer with the Senator from Wyoming.

Mr. DIRKSEN. Mr. President, this has certainly been an interesting day of contrasts. We have spent 6 or 7 hours fighting the great battle of the roll-back, and now we are engaged in the battle of the roll-out—namely, to roll out and bring about a great dispersion of American industry.

Mr. President, all that commends the amendment, I believe, are the rather entrancing humor and the good grace of its sponsors, for whom I have great respect and affection. Other than that, Mr. President, I know of nothing to commend the amendment. [Laughter.]

It would be rather interesting to have a constituent negotiate the amortization of a loan, and then, after determining what kind of defense article he would make, to find that the next stop would be the White House, where he would have to find out where he could build the plant, because in the amendment that power is delegated to the President. A businessman might, for the sake of efficiency, wish to build his plant in Chicago, New York, Pennsylvania, or elsewhere, but then he might find that, under the authorization he would receive, he would wind up with building the plant in Casper, Wyo. [Laughter.]

Mr. President, I think the amendment needs no further comment.

Mr. BENTON. Mr. President, I yield 2 minutes to the Senator from Rhode Island [Mr. GREEN].

Mr. GREEN. Mr. President, in part the amendment relates to utilizing the know-how of skilled workers, including steelworkers. I represent a State which has many skilled workers—in fact, a large portion of the skilled workers in the United States. We feel that this amendment would discriminate against us.

This is not the first time that such a situation has arisen. Seven years ago a similar situation developed; at that time a similar proposal was made and argued, and an embattled Americanism defeated the proposal under similar circumstances.

Mr. President, I am somewhat amused, if not indignant, to hear the persuasive voice of the Senator from Wyoming telling us that the amendment is in the interest of New England and that New England really wants the amendment adopted. I have before me several telegrams on the subject which were sent to me. Perhaps the Senator from Wyoming would suggest that they were sent by some mistake on the part of the senders, inasmuch as those who have sent me the telegrams do not realize how much New England wants the amendment adopted.

The first telegram which I shall read comes from the president of the New England Council. The telegram is dated

the 22d of this month, and reads as follows:

The executive committee of the New England Council, meeting at Manchester, Vt., today, views with deepest concern the proposed O'Mahoney-Sparkman amendment to the bill extending the Defense Production Act of 1950. We regard this amendment as an entirely unwarranted interference with the judgment and decisions of both the Government procurement agencies and the managers of American industry. Having in mind the McCarran effort to force an unnatural and uneconomic dispersal of industry in 1944, we cannot help but feel that this present proposal, whether so intended or not, would have the same effect of grossly discriminating against New England industry. We strongly urge that members of the New England delegation unite in determined opposition to this proposal unless and until they are absolutely satisfied it has been stripped of all arbitrary and discriminatory provisions.

That telegram is signed by Walter H. Wheeler, Jr., president of the New England Council.

The PRESIDING OFFICER. The time yielded to the Senator from Rhode Island has expired.

Mr. FULBRIGHT. Mr. President, does the Senator from Connecticut now have 15 minutes?

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. BENTON. Mr. President, I now count that I have yielded to 11 Senators. Therefore, I ask whether their inspiring words have sufficiently moved the Senator from Wyoming so that he may be willing to resume his remarks, inasmuch as the time available to him now exceeds the time available to me?

Mr. O'MAHONEY. I shall be glad to accommodate the distinguished Senator from Connecticut if the Senator from Rhode Island will be kind enough to hand me the telegram from which he has just read.

Mr. GREEN. I am very glad to do so.

Mr. O'MAHONEY. I thank the Senator.

Mr. President, I read from the telegram:

The executive committee of the New England Council, meeting at Manchester, Vt., today, views with deepest concern the proposed O'Mahoney-Sparkman amendment to the bill extending the Defense Production Act of 1950. We regard this amendment as entirely unwarranted interference with the judgment and decisions of both the Government procurement agencies and the managers of American industry.

Mr. President, there is a declaration of the real source of the opposition to the amendment. The management of concentrated, modern industry does not want dispersal. The management of concentrated, modern industry in the United States, which has been receiving the benefit of the great proportion of the certificates of necessity, does not want this amendment. Of course, that management does not want the amendment.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Mr. President, they do not want any interference with the judgment of the defense agencies, which are staffed, if I read correctly the article appearing this morning in the Times-Herald, by Wall Streeters.

Why do not we come down to the fact of the matter, Mr. President, which is that this amendment, which does not in any sense make any mandatory direction or discrimination against any industry, but is merely an exhortation to the managers of American industry who are controlling now in its distribution——

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. GREEN. Mr. President, what is the answer of Wyoming's industry?

Mr. O'MAHONEY. Mr. President, I do not yield.

Mr. GREEN. Mr. President, I yielded to the Senator from Wyoming. Will he reciprocate?

Mr. O'MAHONEY. I decline to yield, Mr. President.

The PRESIDING OFFICER. The Senator from Wyoming declines to yield.

Mr. O'MAHONEY. Mr. President, I say that this amendment undertakes to beg and petition with these gentlemen that the rest of the country shall have some consideration, particularly in view of the fact that the concentration of industry and the expansions which thus far have been granted are in a concentrated target area.

If it was just for the Congress of the United States, in the enactment of the National Security Act, to provide for the dispersal of existing industry, what objection can there be to a suggestion that all the resources of the United States be used in industries yet to be built? This amendment takes nothing away from New England.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Mr. President, I note from the article to which the Senator from Idaho [Mr. DWORSHAK] referred a few moments ago, that the State of Rhode Island receives five-tenths of 1 percent of the contracts issued; New York State, 16 percent; California, 18 percent; and little Rhode Island joins the parade of concentrated economic control.

Mr. GREEN. Mr. President, do all those figures mean the same thing to the Senator from Wyoming?

Mr. FLANDERS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Vermont?

Mr. O'MAHONEY. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Wyoming has 5 minutes remaining.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Mr. President, I have promised to yield 2 minutes to the Senator from Idaho.

Mr. FLANDERS. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. Mr. President, I am yielding 3 minutes to the Senator from Minnesota and 1 minute to the Senator from Idaho. I do not wish to dissipate their time by answering the questions of Senators of the opposition.

Mr. FLANDERS. Mr. President, I wish to correct a misapprehension which the Senator from Wyoming seems to have.

Mr. O'MAHONEY. Mr. President, I now yield to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. THYE. Mr. President, I rise to support the pending amendment. I think it a very worthy amendment. Those of us who represent the great Middle West of the United States recognize, first, that we have an ample supply of food; in fact, we are constantly shipping food to the seaboard areas of the United States. In other words, we are mining the fertility of the land of the Middle West and shipping that fertility, in the form of food grains, to the great seaboard areas.

Furthermore, we have workers. They are the type of men who will provide the factories of the country the skilled artisans and mechanics needed for any plant which it may become necessary to develop. We have the plant sites; we have the plants which will accommodate such industries as this particular amendment contemplates; and we have in the great Northwest the recreational areas which will permit weary men and women to find relaxation and regain their vigor and their strength, so that they may return to their work with renewed spirit; and we are able to provide an abundance of everything.

Mr. FREAR. Mr. President, will the Senator yield for a question?

Mr. THYE. I have but 3 minutes, and I would rather talk about the great Middle West.

The PRESIDING OFFICER. The Senator from Minnesota declines to yield.

Mr. THYE. I would rather tell of the opportunities afforded in that area, of the ability to accommodate workers and to support industrial plants; and, above all, the ability to promote the national security.

I have flown over the great eastern seaboard area. I have traveled every mile of it by automobile and train. I have seen factory after factory, almost joining one another, extending from this great National Capital to the rocky coast of Maine. So, Mr. President, I say there is a need of this type of legislation to disperse the great industrial centers, which are so highly concentrated that one bomb could erase many industrial plants. I say bring them out into God's open country, and allow the children of the workers to enjoy the freedom of that great area in the Middle West, as well as the great recreational opportunities in areas in which the workers could find retirement and recuperation when they become exhausted from their work in the plants.

Mr. President, I thank the Senator for having yielded me these moments. There is need of this type of legislation. I hope that the amendment will be favorably acted upon.

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Mr. O'MAHONEY. Mr. President, I yield 2 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 2 minutes.

Mr. DWORSHAK. Mr. President, as I have already stated, I do not believe that this amendment will materially change the industrial pattern of our Nation. I believe that there has already been a concentration of authority in the hands of the administrative agencies in approving applications for amortization for tax purposes when industrial plants are being constructed. I think it would be more pertinent and timely if the Congress were to bestir itself and make an investigation to determine whether such agencies in the executive branch are abusing the privilege of giving special tax amortization rights to many industrial concerns.

I think that is one of the real threats to free enterprise in our country today. I am quite sure the record will show that many industrial concerns and corporations have made applications for these special privileges upon the pretense that they are expanding plants which are deemed essential for military production. I think that is a threat which should concern this body more than the redistribution of contracts for defense commodities.

I am sure that the Members of the Senate recognize the possibility of granting these special privileges of amortizing war plants during a period of 5 years, instead of 25 or 30 years. On that basis, we are destroying the potential tax returns of our country.

Mr. President, instead of making this a hilarious occasion—and there may be some justification of humor and levity in an evening session—I desire to point out that the appropriate committee of the Senate should make an investigation to determine whether there has been an unnecessary and undue concentration of authority in the agencies of the executive department to flout our tax laws. I think that is more important.

The PRESIDING OFFICER. The time of the Senator from Idaho has expired.

Mr. BENTON. Mr. President, I yield 1 minute to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized for 1 minute.

Mr. BREWSTER. Mr. President, I am happy to associate myself with the believers in free enterprise, and to answer the suggestion that it is big business that is interested in the pending amendment. I speak for a small community in Maine, a community of 5,000. Next Wednesday they are to celebrate the one hundred and fiftieth anniversary of those who blazed the trail through the forests to found little woolen mills there, mills which are still owned by the same management. There are 250 employees in each of three or four mills, and there is a little machine shop which is now employing 800 men, a manifestation of what free enterprise can do.

They have asked no aid, and have received none. They have to establish themselves by the utilization of the limited resources at their command. We had none of the great prairies of the West, we had none of the great natural resources, but free enterprise built these industries and built this community. I commend the example to other communities of the country, saying to them, "Go thou and do likewise." We shall then have a better and a richer America.

The PRESIDING OFFICER. The time of the Senator from Maine has expired.

Mr. BENTON. Mr. President, that was a very inspiring 1-minute speech.

Mr. CAIN. Mr. President, will the Senator yield for a question?

Mr. BENTON. I yield to the Senator from Washington for a question.

Mr. CAIN. Will the distinguished Senator from Connecticut be so kind as to tell me what can be accomplished under the amendment which is before the Senate which is not possible of achievement under existing authority?

Mr. BENTON. I answered that question in my own remarks. A report is now being prepared for the President by the National Resources Board, the Defense Department, and other governmental agencies. I am sure that in that report the Senator will have a better answer to his question than I could give him now.

Mr. CAIN. I thank the Senator.

Mr. BENTON. Mr. President, I yield 1 minute to the Senator from Illinois?

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. DOUGLAS. Mr. President, this amendment would have no chance of success were it not for the lack of representation which the great industrial States have in this body. Five leading industrial States have one-third of the population of the country, but only one-tenth of the representation in the Senate. The 10 leading industrial States have over half the population of the country, but have only about half of the representation here. We, from the industrial States, are glad to have the great open spaces prosper. We are ready to pay taxes, to help education in the poorer States, but we object to having the political power of the more sparsely populated States used to decimate the industries of the great industrial centers of the United States.

Mr. BENTON. Mr. President, I yield the remainder of my time to my distinguished colleague, the senior Senator from Connecticut, but I should like to conclude with the remark that, in these six brief 2-minute speeches I think there has been more good economic sense than I have heard concentrated in a like period of time during my 18 months in the Senate.

The PRESIDING OFFICER. The senior Senator from Connecticut is recognized for 3 minutes.

Mr. McMAHON. Mr. President, I cannot believe that the Senator from Wyoming and the Senator from Alabama seriously proposed this amendment in the hope that it would be adopted. I rather think they brought it out for a trial run, because certainly Senators who are so experienced in the legislative process would hardly have proposed the adoption by the Senate of an amendment which basically affects the economy of the United States without having first presented it in full fashion and in detail to a suitable committee of the Senate. We have a committee system, and the longer I serve here the more impressed I am by the wisdom of that system, which provides for a weighing of the arguments pro and con regarding basic proposals, and this is one of the most basic proposals that has been made here in my time.

The Senator from Wyoming and the Senator from Arkansas have referred to the fact that I supported the governmental dispersal bill. That is true. By that bill the Senator from Connecticut thought and believed, as he believes now, that we could have solved, by the expenditure of $125,000,000, what I regard as a very desperate situation, by seeing to it and guaranteeing that we would have at the nerve center of the country a continuing command if our defenses were struck. Certainly that is no argument that would lead to the conclusion that we should disperse the cities of our country, because to do so would cost us in the neighborhood of $400,000,000,000, if we wanted some kind of security from atomic attack.

Mr. President, what is suggested would be a most wasteful proposal. It would necessitate the building of schools, streets, and all the other services required by cities which would have to surround the new plants.

I should like to say further, Mr. President, that there has been some mention of the delegation of power to the Executive. We know we would not be delegating this power to the President of the United States, because he would certainly not be able to administer it personally; he would have to delegate it to some officials who would be able to designate States for the relocation of cities, and deprive our people of the right of free choice as to where they should live and where they should work. I think the amendment is unwise, and that in the interest of our country it should be defeated.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired. All time for debate on this amendment has expired.

The question recurs on the adoption of the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. O'MAHONEY. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been requested.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Cain	Duff
Anderson	Capehart	Dworshak
Bennett	Carlson	Eastland
Benton	Case	Ellender
Brewster	Connally	Ferguson
Bricker	Cordon	Flanders
Bridges	Dirksen	Frear
Butler, Nebr.	Douglas	Fulbright

George	Langer	O'Mahoney
Gillette	Lehman	Pastore
Green	Long	Robertson
Hayden	Magnuson	Russell
Hendrickson	Malone	Saltonstall
Hennings	Maybank	Schoeppel
Hickenlooper	McCarran	Smith, Maine
Hill	McCarthy	Smith, N. J.
Hoey	McClellan	Smith, N. C.
Holland	McFarland	Sparkman
Humphrey	McMahon	Stennis
Ives	Millikin	Taft
Jenner	Monroney	Thye
Johnson, Tex.	Moody	Underwood
Kefauver	Morse	Welker
Kem	Mundt	Wherry
Kerr	Neely	Wiley
Kilgore	Nixon	Williams
Knowland	O'Conor	Young

The PRESIDING OFFICER. A quorum is present. The question recurs on the adoption of the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Wyoming [Mr. HUNT], and the Senator from Colorado [Mr. JOHNSON] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

The Senator from Tennessee [Mr. MCKELLAR], who is absent on official business, has a general pair on this vote with the Senator from Utah [Mr. WATKINS].

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the Senator from Massachusetts [Mr. LODGE] and the Senator from New Hampshire [Mr. TOBEY] would each vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Utah [Mr. WATKINS], who is detained on official business, has a general pair on this vote with the Senator from Tennessee [Mr. MCKELLAR].

The Senator from Maryland [Mr. BUTLER] is detained on official business, and if present, he would vote "nay."

The result was announced—yeas 25, nays 56, as follows:

YEAS—25

Carlson	Langer	Schoeppel
Case	Long	Sparkman
Cordon	McCarran	Stennis
Dworshak	McClellan	Thye
Fulbright	McFarland	Welker
Hayden	Millikin	Wherry
Hennings	Mundt	Young
Hill	O'Mahoney	
Kefauver	Russell	

NAYS—56

Aiken	George	McCarthy
Anderson	Gillette	McMahon
Bennett	Green	Monroney
Benton	Hendrickson	Moody
Brewster	Hickenlooper	Morse
Bricker	Hoey	Neely
Bridges	Holland	Nixon
Butler, Nebr.	Humphrey	O'Conor
Cain	Ives	Pastore
Capehart	Jenner	Robertson
Connally	Johnson, Tex.	Saltonstall
Dirksen	Kem	Smith, Maine
Douglas	Kerr	Smith, N. J.
Duff	Kilgore	Smith, N. C.
Eastland	Knowland	Taft
Ellender	Lehman	Underwood
Ferguson	Magnuson	Wiley
Flanders	Malone	Williams
Frear	Maybank	

NOT VOTING—15

Butler, Md.	Hunt	McKellar
Byrd	Johnson, Colo.	Murray
Chavez	Johnston, S. C.	Smathers
Clements	Lodge	Tobey
Ecton	Martin	Watkins

So Mr. O'MAHONEY's amendment was rejected.

Mr. BUTLER of Nebraska. Mr. President, I call up my amendment designated "6–26–51–C," and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, between lines 4 and 5, it is proposed to insert the following:

SLAUGHTERING LIMITATIONS PROHIBITED

SEC. 5. Section 101 of the Defense Production Act of 1950 is amended by adding at the end thereof the following: "No restriction, quota, or other limitation shall be placed upon the quantity of livestock which may be slaughtered or handled by any processor."

Renumber succeeding sections accordingly.

Mr. BUTLER of Nebraska. Mr. President, the amendment will simply prohibit the Office of Price Stabilization from attempting to impose any quotas or other quantitative limitations on the slaughter of cattle, hogs, or other livestock under the terms of this act.

I do not believe it was ever the intention of Congress to grant to the OPS the right to place quotas on the slaughter of cattle and hogs. This matter was raised with Mr. DiSalle during the course of the hearings, and he was asked by what authority he presumed to impose these quotas. As I understand, the only authority he could cite was that contained in section 101, which granted the President the authority to allocate materials. It is clear, however, that Congress had in mind the allocation of steel, aluminum, and other scarce materials needed for direct war production. I do not believe Congress ever intended that authority to be used in an attempt to regulate the purchase and slaughter of livestock by meat packers.

At present there are quotas on the slaughter of both cattle and hogs by packing houses. In the case of cattle, the quota for June is 80 percent of the quantity slaughtered during June of 1950. In the case of hogs, the quota is 115 percent of the 1950 slaughter.

These quotas were instituted not in order to divide livestock equitably among the various meat packers. The principal purpose of the Government officials—probably their sole purpose—was to knock down the price of cattle and hogs. The authority assumed by the OPS under this section has been used as an indirect means of price control.

Furthermore, the authority has been used, I believe, illegally. The Defense Production Act of 1950 contains a specific provision that no ceilings shall be placed on any agricultural product at less than parity. Hogs are below parity. According to the Department of Agriculture, hogs have been down at 96 percent of parity for the last three consecutive months through May 15, the last date available.

By imposing these slaughter quotas, the OPS is able to prevent meat packers from buying as many head of livestock as they otherwise would. In effect, it takes buyers out of the market, and thereby prevents the normal action of demand and supply from bidding the price of hogs up to parity. As I said, I see no justification for the OPS to use this allocation power indirectly to hold the price of a farm product down below parity. Yet that is exactly what is being done.

In the case of cattle, as I said, the quota for June is 80 percent of their kill during 1950. That means that meat packers may be prohibited from supplying the needs of their normal market even though the cattle are available and the customers are waiting. We are all aware of the grave danger that these control measures may result in a serious shortage of beef. Yet the OPS has decreed that meat packers may slaughter only 80 percent as much as they did last year.

How can we possibly expect to feed the people of this country with only 80 percent of the beef that they had last year? This order is simply outrageous.

This use—or rather misuse—of the allocation power by the OPS in this manner has another angle. We have talked a good deal about granting the administration the power to license businessmen. The committee, after full consideration of this proposal, has decided that it would be too dangerous to grant the licensing power to the President or his appointee during peacetime. Yet the OPS is today, in effect, licensing or refusing to license meat packers. Those who are registered with OPS may slaughter in accordance with its rules. Those who have been denied the right to register may not operate at all.

This matter of registering is handled through the use of the allocation power. No licenses as such are issued. However, those meat-packing plants which are not to be permitted to operate are simply denied registration. This denial of the right to register, in effect, prevents them from operating in just exactly the same way as if they were denied a license.

In my own State, there is a packing plant at McCook, Nebr., which desires to operate so as to provide a market for the livestock in the southwest and central parts of the State. It is a plant which has been in existence for a good many years, but it happens that it did not operate at all last year—1950. Because it did not operate during 1950, it has not been permitted to operate under the new

slaughter regulations of the OPS. It has filed an application for an allocation, but its application has not yet been acted on although I have hopes that it will be granted very shortly. In effect, it has been denied a license to date, despite the fact that there is no authority for the use of licensing contained in this Defense Production Act.

Mr. President, I do not believe that the OPS should be permitted to set up what amounts to a licensing system through the use of the allocation power contained in title I. Furthermore, I do not believe this authority should be extended to the livestock industry when it was intended primarily for use in controlling the flow of scarce materials, such as aluminum, copper, and steel, directly needed in the manufacture of tanks and planes. I believe we should put a stop to this expansion of authority by the OPS, and I move the adoption of my amendment.

Mr. McFARLAND. Mr. President, will the Senator yield 4 minutes to me?

Mr. BUTLER of Nebraska. I yield 4 minutes to the Senator from Arizona.

Mr. McFARLAND. Mr. President, I am happy to join with the distinguished Senator from Nebraska in this amendment. It has been pointed out on the floor of the Senate this evening that the cattlemen have already had their prices rolled back 10 percent.

Some thought, when we offered an amendment which would exclude beef producers from roll-backs, that that was special privilege. Mr. President, was it special privilege when the prices of beef producers were rolled back 10 percent, and other prices were not rolled back?

This amendment is even more important to the cattlemen than the other amendment. The feeder must buy his cattle; and if he does not know whether he is going to sell them, he is not going to buy them and feed them. Yet the regulation, providing a quota upon slaughtering, would prevent a cattleman from selling his cattle when they are fat. If we want beef, we cannot treat the cattle producers in that manner. The one thing that has broken more cattle raisers in the United States than any other factor is holding their cattle after they were fat and should be sold. Yet it is proposed by regulation to compel the cattlemen to hold their cattle when they should be placed on the market. That costs them money. The cattle feeders cannot buy feed for nothing.

Let me say to Senators who represent consumer States, and who voted against us on the other amendment, that if they want beef they had better vote for this amendment. They had better let the cattle producer sell his product when it is ready to be sold. If that is not done, he is not going to feed cattle. As was pointed out by the distinguished Senator from Vermont, after the steer becomes fat, it becomes a boarder.

Mr. President, I do not believe that we should have any argument on this amendment. I think we ought to adopt it without discussion.

Mr. MAYBANK. Mr. President——

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. How much time has the distinguished senior Senator from Nebraska left on the amendment?

The PRESIDING OFFICER. The Senator from Nebraska has 6 minutes remaining.

The Senator from South Carolina is recognized.

Mr. MAYBANK. Mr. President, I merely wished to make it plain that, to the utmost of my ability, I shall oppose this amendment, as being the worst amendment we could possibly have in its effect on consumers. I am to be joined in my opposition by a former Secretary of Agriculture, the distinguished Senator from New Mexico [Mr. ANDERSON], who knows how this proposal would work.

Mr. WHERRY. Mr. President, I ask the distinguished Senator from South Carolina if he expects to use his 15 minutes?

Mr. MAYBANK. I certainly do.

The PRESIDING OFFICER. The Senator from Nebraska [Mr. BUTLER] has charge of the time on the side of the proponents and the Senator from South Carolina [Mr. MAYBANK] on the opponents.

Mr. ANDERSON. Mr. President, I suggest to the Senate that this is a very dangerous amendment. I think we should all recognize that when we tried to apply price ceilings to cattle in World War II we had a black market. One of the things which made it most difficult to control the black market was the absence of slaughter quotas.

At one time I went to the city of Cleveland. I was called there by a man named Baker, who was the head of the Stockyards Association. He asked me to take a look at the empty pens. While the pens were empty in Cleveland there was a most thriving business in Massillon, Akron, and other places, by people who had never been in the butchering business in their lives. Not one of those persons was saving the essential parts of the livestock which are particularly valuable for the cure of certain diseases. I was interested because I am a diabetic. I want to be sure that I can have insulin; but not a single plant which was slaughtering those animals was preserving the essential parts which contribute to the drug which is helpful to me and to other Members of this body. When the black market operates the byproducts are not saved. They are not saved when the animals are hauled in, slaughtered, and then taken away.

I went to Brooklyn, where Wilson & Co. had a large calf-slaughtering plant. There was not an animal in that plant, and Wilson & Co. had to suspend business in its Brooklyn plant, but a firm who had never been in the livestock business in their lives bought every calf that came into that place.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MAYBANK. The same thing happened in Washington 2 weeks ago with respect to certain byproducts of cattle.

Mr. ANDERSON. At one time we received a report that plants in Oklahoma City were having difficulty. I see the distinguished junior Senator from Oklahoma [Mr. MONRONEY] in the Chamber. He was then a member of the Committee on Banking and Currency of the House of Representatives. The Oklahoma plants could not get their products——

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. ANDERSON. In a moment. Cows were being sold every day at the Oklahoma City stockyards, but they were not being slaughtered in Oklahoma. One day we traced several carloads which left Oklahoma City and found they went to Pittsburgh. The Department of Agriculture tried to check what happened when they got to Pittsburgh. I found that one carload went to Wheeling, W. Va. Every one of those animals went into the black market. The butcher, when he was examined by the attorneys to determine whether or not he had paid more than the ceiling price, said, "They looked like choice beef to me." They were a stringy bunch of canner cows. He sold every one of them in the black market. They looked like choice beef to him.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. If, as the Secretary of Agriculture says, there is more beef on the hoof than there was last year, and the slaughterer licensed by the United States Government is permitted to slaughter only 80 percent as much beef as he did last year, will the Senator from New Mexico answer the question to which I have been seeking an answer for a long time, namely, what becomes of the other 20 percent of the animals which the legitimate slaughterer is not permitted to slaughter?

Mr. ANDERSON. One of the things which happens to them is that the farmers try to feed their cattle to better grades when there is a premium for better grade beef and there is plenty of feed. Eighty percent as many animals may produce exactly as much beef.

Let me say to the Senator that there is no reason why the OPS cannot, later in the year, when it finds that the beef supply has been sufficient, raise the quantity with respect to any individual plant. One of the reasons why 80 percent is put into the normal channel is that some of the 20 percent gets away. Farm slaughter is permitted in periods of this nature. The Senator recognizes that farm slaughter is not ordinarily engaged in; but people like to drive into the country in the summer time and pick up a little beef.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MAYBANK. This afternoon the OPS ordered an increase to 90 percent.

Mr. ANDERSON. It could be increased to 90 or 100 percent. However, the point I desire to make is that unless we are able to channel beef into the

hands of those whose business it is normally to handle beef, we channel it into the black market every time. Swift, Armour, Cudahy, and firms of that type, who have large financial responsibilities, do not dare to violate the OPS regulations. However, a man who had a plant at Massillon, Ohio, said frankly to our inspectors, "I have my money in a safety-deposit box, and I know what to do when I go out of business." When the OPA started to make a claim against him, he closed his plant and disappeared. However, Swift, Armour, Cudahy, and the other firms cannot do that. Unless we channel beef into the hands of the reputable firms, it will be sold in the black market every time.

I now yield to the Senator from Vermont.

Mr. AIKEN. May I inquire what becomes of the other 20 percent?

Mr. ANDERSON. I have tried to show what happens to it. What happens to it is exactly what is now happening to it. The OPS has increased the quota from 80 to 90 percent. If it finds the supply sufficient it can go up to 100 percent or 110 percent. It tries to see to it that the traditional pattern of slaughtering is preserved and that meat does not find its way into the black market.

Mr. AIKEN. The Secretary of Agriculture and the head of OPS have already agreed that there are more cattle on the hoof this year than last year. I heard them say so the other night.

Mr. ANDERSON. All I can say is that any person who knows anything about the problem realizes that that is the only way in the world that it is possible to keep cattle out of the black market and to maintain the traditional pattern of slaughtering.

Mr. SALTONSTALL and Mr. FERGUSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Mexico yield; and if so, to whom?

Mr. ANDERSON. I yield first to the Senator from Massachusetts.

Mr. SALTONSTALL. I do not come from a cattle-producing State. However, I was Governor of Massachusetts during the war and we had a great deal of difficulty with meat. It was because the legitimate slaughterer could not get cattle. It was due to the fact that he would not pay the black-market price. The cattle, therefore, went into the small, illegitimate slaughterhouses. What the Senator has mentioned happened. If the legitimate slaughterer has no quota and there are plenty of cattle in the market are not cattle going to go to the legitimate slaughterer?

Mr. ANDERSON. Experience is still the best teacher. I told the Senate what our experience was. We went through Chicago, and we saw empty pens. We went through Kansas City, and we saw empty pens. We found the same situation in Omaha. We found that situation wherever we went. The legitimate buyer of cattle was not there. He could not get the cattle. I do not guarantee the exact accuracy of the figure, but, as I remember, less than 10 percent of the purchases had gone to the Big Five packers. The rest went into the black market. It will always be that way unless we have quotas which channel cattle into the normal market.

Mr. SALTONSTALL. I should like to ask another question. Why should not the Senator's suggestion be applied when cattle become scarce? So long as cattle are numerous why is it not a good idea to have no quotas on legitimate slaughterers?

Mr. ANDERSON. I have tried to say that in a tough financial situation in the cattle market the price may be permitted to be bid up to a certain ceiling. The big packers, who have a tremendous financial responsibility, will not evade the ceiling. They will not pay $21 if the ceiling is $19.50. Therefore, every time cattle come up they will be sold to other individuals.

I remember one such individual in the State of Ohio. His name was Hughes. He went to every sale which was held and bought every animal that came into the sale ring. How could he do it? Because he did not have the faintest interest in whether he violated the top ceiling price. He said, "I am buying this at the top, but I am getting other cattle at the bottom." When he was caught he closed shop and that was all there was to it.

We went into Seattle and there found all the big packers in trouble because there were several fly-by-nights in business. The only way it is possible to put a stop to that sort of thing is to make sure that a part of the business at least traditionally flows through normal channels.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from Michigan.

Mr. FERGUSON. Is it correct to say that the Senator found the conditions he mentioned to exist when licensing quotas were in existence?

Mr. ANDERSON. No. That is what I am trying to explain. When there were no slaughtering quotas in existence we found the conditions I have indicated. That is what prompted OPA to establish licensing practices.

Mr. FERGUSON and Mr. McFARLAND addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield?

Mr. ANDERSON. I yield back the remainder of the time to the chairman of the committee.

Mr. MAYBANK. I do not care to have any time. All I wish to say is that what the Senator from New Mexico stated was stated before the committee not long ago when the large packers of the country came before it.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I know very little about the cattle business. I do not know the people engaged in it. I do not set myself up as an expert. I do know that the former Secretary of Agriculture, the Senator from New Mexico, knows all about it. I yield the rest of my time to him. I do not know any of the details; but I know that the black-market operators came before the committee 2 weeks ago Tuesday night and said that they were buying cattle in Sioux City, Iowa. They had bought 130 head of cattle, they said.

Mr. McFARLAND. It was the big packers, no doubt. Did any little packers testify?

Mr. MAYBANK. The committee heard everyone it could possibly hear. We did not hear anyone on this amendment, because no one asked to be heard on it.

Mr. WHERRY. A parliamentary inquiry. What is the situation with respect to the time?

Mr. MAYBANK. I yield the remainder of my time to the Senator from New Mexico [Mr. ANDERSON].

The PRESIDING OFFICER. The Senator from New Mexico has 2 minutes remaining.

Mr. WHERRY. How much time remains on the other side?

The PRESIDING OFFICER. Six minutes.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Mr. President, I desire to ask the Senator from New Mexico if in his opinion price control on meat was successful during World War II?

Mr. ANDERSON. The answer is, it was not. One of the reasons why it was not successful was because meat moved into the black market.

Mr. DIRKSEN, Mr. WHERRY, and Mr. LANGER addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. ANDERSON. I yield first to the Senator from North Dakota.

Mr. LANGER. I ask the Senator whether in World War II a farmer whose neighbors were going hungry was able to butcher meat on his own?

Mr. ANDERSON. There was a good deal of farm slaughtering practiced, and a great deal of it was proper and legitimate.

Mr. LANGER. But the insulin was wasted?

Mr. ANDERSON. Yes. I do not claim to be a friend of the big packer. However, I say there is an economical and proper way of handling a carcass. It is much better when carcasses go through the big packing plants.

Mr. DIRKSEN and Mr. WHERRY addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and, if so, to whom?

Mr. ANDERSON. I yield first to the Senator from Illinois.

Mr. DIRKSEN. I may say to my good friend from New Mexico that I think his testimony is quite at variance with statements I have seen which were attributed to the packers. Their testimony runs like this: If 50,000 head of cattle a week are delivered in Chicago and the slaughterers can slaughter only 90 percent, 5,000 head of cattle represent the number of cattle they cannot buy. They disappear somewhere down the road. The black-market slaughterer will throw the glands into the ditch. The big packers are denied the extra 5,000 head. Frankly I should like to understand the argument of my friend.

XUM

Mr. ANDERSON. I would like to see a statement of any one of the large packers to the effect that when the quotas are set at 80 or 90 percent, only 10 percent of the cattle disappears down some dark alley. One man after another, round after round, testified that as conditions were they had to close their plants down. They did not get 10 percent of the animals. I would rather give them 90 percent than 10 percent, because I know that the cattle will move in normal channels.

The PRESIDING OFFICER. All time has been exhausted on the side of the Senator from New Mexico. The Senator from Nebraska has 6 minutes remaining.

Mr. BUTLER of Nebraska. Mr. President——

Mr. MOODY and Mr. O'MAHONEY addressed the Chair.

Mr. BUTLER of Nebraska. I have only 6 minutes. I yield first to my colleague.

Mr. WHERRY. In answer to the argument made by the Senator from New Mexico, the enforcement of cattle-slaughtering regulations is done through the licensing system. No slaughterer should be permitted to kill cattle unless he is licensed. This amendment would permit that to be done. Otherwise, there would be forced out of business many of the small slaughterers, and a black market would be built up. The 20 percent are going to be killed somewhere.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. WHERRY. I should like to finish.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. WHERRY. I wish to give the Senator from New Mexico the experience in Nebraska. A slaughtering plant was licensed in Nebraska, but he was given such a small quota that he could not operate profitably. That is the difficulty with many plants. To say that by enforcing licensing we will get away from the black market is a fallacy. We tried to maintain that all these years. When cattle is in abundant supply we should let the legitimate slaughterer slaughter all the cattle he can, and slaughter up to 100 percent. If that is done, the meat will go through the legitimate channels that are licensed, and then we shall not have the experience with black-market operations about which the Senator told us. When there is a slaughter of only 80 percent, the result is that cattle are carried over.

If what this amendment proposes is not to be allowed, those in charge of the program should at least permit the licensed slaughterers to purchase all the cattle they wish to purchase whenever they wish to purchase them, and then be permitted to slaughter the cattle within the quotas which are allowed daily; and then eliminate a certain percentage, so as not to have a black market.

Mr. MOODY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Michigan.

Mr. MOODY. Is it not true, as the Senator has said, that the purpose of the allocations is to keep the cattle out of the black market.

Mr. WHERRY. No; the licensing keeps the cattle out of the black market.

Mr. MOODY. But is it not true that the 80-percent allowance, made as of a year ago, is exactly 100 percent of the cattle now coming into the market?

Mr. WHERRY. Mr. President, I ask the Senator to let me proceed; I do not have enough time to be able to yield further.

What the situation was a year ago makes no difference now. If price ceilings are going to be imposed, we have to approach this situation as if there were a scarcity of beef. The only way to obtain adequate production is not only to permit the feeders to feed cattle in the feed lots, but also to let the slaughterers kill 100 percent of the cattle that are available. That is exactly what we need today.

Mr. FERGUSON. Mr. President, if the Senator will yield, let me say that there will be no quotas unless this amendment is adopted, but there will be licenses.

Mr. WHERRY. Yes, there will be licenses, not quotas; and then we shall get rid of the black market.

Mr. BUTLER of Nebraska. I yield now to the Senator from Wyoming.

Mr. THYE. Mr. President——

The PRESIDING OFFICER. The Chair asks Senators to suspend for a moment. The Senator from Nebraska has only 2 minutes remaining.

Mr. THYE. Mr. President, I seek some information in regard to the amendment.

Mr. BUTLER of Nebraska. Mr. President, if I have only 2 minutes remaining, I divide that time, and yield 1 minute to the Senator from Wyoming [Mr. O'MAHONEY] and 1 minute to the Senator from Ohio [Mr. BRICKER].

I yield now 1 minute to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 1 minute.

Mr. O'MAHONEY. Mr. President, I hold in my hand an official document in which the OPS refers to the present system as a quota system, and in the document it is expressly stated that one of the purposes of the quota system is to eliminate competition among the packers for the purchase of cattle. Mr. President, when a few men in Washington undertake to eliminate the competitive system, that is something for us to think about.

Another statement in this document is a clear acknowledgment that the system does not work. I read from the document:

> The intent of slaughter quotas is not to restrict but to limit equitably, says the OPS. The percentage factors provided slaughterers each month in advance represent the informed expectation of OPS officials. If the quota program were working perfectly, the above statement would hold.

Mr. President, there is an acknowledgment that it is not working perfectly, and that is why the amendment should be adopted.

Mr. BUTLER of Nebraska. Mr. President, I now yield 1 minute to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio [Mr. BRICKER] is recognized for 1 minute.

Mr. BRICKER. Mr. President, the question of licensing is one of delegated power from the Secretary of Agriculture. There is a very serious question in my mind as to whether the Price Administrator has the power of licensing; but he has said before our committee that he does not intend to license any more slaughterers. He has held legitimate slaughterers down to an 80-percent quota, and next month I think a 90-percent quota will be allowed.

In the Second World War, to which the Senator from New Mexico alluded, there were 11,000 additional licensed slaughterers. They were legitimate slaughterers; but even with that situation, beef went into the black market.

Today, with no additional licensed slaughterers, and with the legitimate slaughterers being able to slaughter only 80 percent of their 1950 quota, and with the people demanding more and more beef, thus requiring more beef on the hoof than ever before, it is inevitable that the beef will be driven into the black market.

The description given a few minutes ago by the Senator from New Mexico explains exactly what the legitimate packers presented to our committee 1 night week before last. Their stockyards also were depleted, and they were not getting their quotas. They told us that the cattle were going down the road, not to newly licensed slaughterers, but to the black market.

Today the legitimate slaughterers are losing the market, just as occurred during the Second World War; and the black market is getting the cattle, because the quota system is driving the cattle there.

The PRESIDING OFFICER. All time for debate on the amendment has expired.

Mr. WHERRY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested. Is the demand sufficiently seconded?

The yeas and nays were ordered.

Mr. MAYBANK. Mr. President, I ask unanimous consent that there be printed in the RECORD a statement I have prepared in regard to the amendment offered by the Senator from Nebraska [Mr. BUTLER].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAYBANK

The proposed amendment would prohibit all restrictions on the quantity of livestock to be slaughtered or handled by any processor of livestock.

THE AMENDMENT WOULD PREVENT EFFECTIVE MEAT PRICE CONTROL

This amendment, which would knock out the entire OPS slaughter quota program, seems to be based on a misconception of the purpose and effect of that program.

(a) Objectives of the slaughter quota program: The OPS slaughter quota system is a method for allocating available supplies of livestock among slaughterers. Its objectives are:

1. To assure a fair division of available supplies of livestock among existing slaughterers.

2. To prevent irresponsible operators from diverting meat into the black market.

First, experience in World War II demonstrated that there can be no equitable distribution of meat among areas, or to consumers, or to meat processors or distributors unless livestock is kept moving in normal channels. Slaughter quotas are the foundation of any program for equitable distribution of meat.

Second, it is an essential requisite of any system of controls that the businesses regulated have an opportunity for a fair profit. In the absence of slaughter controls, established slaughterers might not be able to get adequate supplies of livestock and be unable to earn a fair return.

Third, unless meat is controlled at the slaughter level, the task of controlling the black market becomes very difficult. In World War II black-market sellers frequently obtained their supplies from irresponsible operators who invaded the slaughtering business and diverted supplies from legitimate slaughterers. Moreover, legitimate and established businesses which do not get their fair share of livestock or of meat are under constant economic pressure to go into the black market in order to survive.

(b) Method of the order: The method used in distribution regulation 1 to achieve these objectives is basically simple.

Packers are prohibited from slaughtering in any given month a greater proportion of the total available livestock than they slaughtered in 1950. Thus if a packer slaughtered in June 1950 1 percent of the total liveweight of cattle slaughtered in that month, he may slaughter in June 1951 only 1 percent of the liveweight of all cattle slaughtered in June 1951.

This result is accomplished by giving each slaughterer for each month a quota base for each species of livestock equal to the amount he slaughtered in the corresponding month of 1950. Then an estimate is made of the livestock which will come to market in a particular month. This estimate is based on information from various sources, including Department of Agriculture data.

If it is estimated that marketings of a particular species of livestock in a particular month will be 110 percent of what they were in the same month last year each slaughterer has a quota equal to 110 percent of his quota base. If the estimate for that species in that month is 90 percent, each slaughterer's quota for that species is equal to 90 percent of his quota base.

(c) Objections to the quota system are due to misunderstanding: Two general objections have been made to the slaughter quota program. The first is that it is designed to limit livestock marketings and will result in shortages. The second is that the order is unfair to persons who want to enter the slaughtering business.

First, it is obvious from the explanation above that the quotas are not a limitation on livestock marketings but only a method for dividing livestock brought to market, equitably among slaughterers. Quota percentages are fixed on the basis of estimated marketings. If the percentage proves to be too low, the regulation provides for an increase. Also individual quota increases are granted in local situations when marketings are running higher than the national average.

When, as in the month of May, cattle quotas were set at 90 percent the question is sometimes raised as to what will become of the other 10 percent. As explained above, there is no other 10 percent. The quotas in any given month are set at a level sufficient to absorb all cattle brought to market in that month.

When quotas are set at 90 percent, the percentage is not 90 percent of current marketings but rather 90 percent of last year's marketings. This is because the number of livestock being marketed in a particular month is that much less than the number marketed in the corresponding month of 1950.

Second, the slaughter-control order also provides in effect that new operators will not receive a quota for livestock except in certain situations. Thus, adjustments have been granted under section 9 of the order in cases where slaughterers made investments in facilities prior to the date of the order even though they did not slaughter any livestock in 1950. Adjustments have also been granted where facilities have been expanded.

Also section 10 of the order provides that new entrants into the slaughtering business will be registered and granted quotas where they show that their operations are essential to meet civilian needs in the area to be served, that the products to be produced cannot be obtained from any other source, and that the operation of the new establishment will promote the national defense by facilitating the production and orderly distribution of meat.

These provisions obviously will keep out potential black market operators but permit the entry of persons whose proposed operations serve a genuine need and contribute to the national defense.

In brief, the slaughter quota program is a method of assuring equitable distribution of livestock and of meat, of protecting legitimate enterprises in the meat business and of preventing the growth of the black market. It is not a restriction on production not a device to limit marketing of livestock.

THE AMENDMENT MIGHT BE CONSTRUED SO BROADLY AS TO FORBID THE ENTIRE OPS SLAUGHTERER'S REGISTRATION PROGRAM AND CRIPPLE PRICE CONTROL

The effect of the present OPS program is to limit slaughtering operations to those persons who were engaged in such operations prior to February 9, or who show that their operations would serve an essential civilian need. The lack of such controls would make it very difficult to prevent diversion of meat from normal channels of distribution into the black market. The experience in World War II demonstrated that a major portion of the black market activities under OPA were carried on by new slaughterers. These new slaughterers bought cattle at overceiling prices, and thereby prevented legitimate slaughterers from getting their fair share of the supply. In addition, instead of selling meat to legitimate wholesalers and retailers, they sold meat over the ceiling to persons who in turn charged consumers prices in excess of the ceiling. The registration provisions of the slaughter-control program are essential to protect legitimate packers and distributors of meat and to protect consumers.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska [Mr. BUTLER]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Wyoming [Mr. HUNT], the Senator from Colorado [Mr. JOHNSON], and the Senator from Louisiana [Mr. LONG] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

The Senator from Tennessee [Mr. MCKELLAR], who is absent on official business, has a general pair on this vote with the Senator from Utah [Mr. WATKINS].

I announce further that if present and voting, the Senator from Louisiana [Mr. LONG] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the Senator from New Hampshire [Mr. TOBEY] would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Utah [Mr. WATKINS], who is detained on official business, has a general pair on this vote with the Senator from Tennessee [Mr. MCKELLAR].

The Senator from Maryland [Mr. BUTLER], who is detained on official business, is paired with the Senator from Massachusetts [Mr. LODGE], who is absent on official business. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Massachusetts would vote "nay."

The result was announced—yeas 47, nays 33, as follows:

YEAS—47

Aiken	Ferguson	Millikin
Bennett	Flanders	Mundt
Brewster	Gillette	Nixon
Bricker	Hayden	O'Conor
Bridges	Hendrickson	O'Mahoney
Butler, Nebr.	Hickenlooper	Saltonstall
Cain	Jenner	Schoeppel
Capehart	Johnson, Tex.	Smith, N. J.
Carlson	Kem	Taft
Case	Knowland	Thye
Connally	Langer	Welker
Cordon	Malone	Wherry
Dirksen	McCarran	Wiley
Duff	McCarthy	Williams
Dworshak	McClellan	Young
Eastland	McFarland	

NAYS—33

Anderson	Holland	Moody
Benton	Humphrey	Morse
Douglas	Ives	Neely
Ellender	Kefauver	Pastore
Frear	Kerr	Robertson
Fulbright	Kilgore	Russell
George	Lehman	Smith, Maine
Green	Magnuson	Smith, N. C.
Hennings	Maybank	Sparkman
Hill	McMahon	Stennis
Hoey	Monroney	Underwood

NOT VOTING—16

Butler, Md.	Johnson, Colo.	Murray
Byrd	Johnston, S. C.	Smathers
Chavez	Lodge	Tobey
Clements	Long	Watkins
Ecton	Martin	
Hunt	McKellar	

So the amendment of Mr. BUTLER of Nebraska was agreed to.

Mr. McFARLAND. Mr. President, I stated the Senate would remain in session until around 10 o'clock this evening. If we were now to take up another amendment, we would be kept here until close to 11. I hope that tomorrow when the Senate reconvenes all Senators will be present on the floor. We have an average of three quorum calls a day. It takes 20 minutes to call a quorum, and that means that we consume 1 hour every day on quorum calls. For 5 days

that amounts to 1 day that we lose every week on quorum calls. If all Senators would be on the floor ready to transact business we could save 1 day a week. I respectfully ask Senators to be on the floor tomorrow at 12 o'clock, so that we may dispose of the pending bill. We can omit night sessions if Senators will only be on the floor so that it will be unnecessary to consume time on quorum calls.

Mr. AIKEN. Mr. President, will the Senator yield so that I may offer an amendment?

Mr. McFARLAND. I yield.

Mr. AIKEN. I offer an amendment to the pending bill and ask that it be printed and lie on the table.

The VICE PRESIDENT. The amendment will be printed and lie on the table.

Mr. MAYBANK. Mr. President, I wish to congratulate the distinguished majority leader for having held the Senate in session this evening. As I understand, it is expected that we will be in session here tomorrow night if we do not finish the bill in the meantime. Is that correct?

Mr. McFARLAND. Yes. It is our intention to finish with the bill tomorrow.

Mr. MAYBANK. I am fearful over one possibility, and I can speak for the majority of the members of the Committee on Banking and Currency in saying this. They feel that we should pass the bill, that we should not postpone action on it and pass a resolution continuing the act for 30 or 60 days. I wish to make it perfectly clear and perfectly plain that, if such a resolution comes before the Senate, there are several Senators, including myself, who intend to talk and talk and talk, because we believe it is the duty of the Senate to pass the bill.

We believe that as a committee we have fulfilled our duty. We conducted hearings for 6 weeks. We have written and reported a bill, and are making an effort to have it passed. I understand from newspaper reports that perhaps there may have to be an extension of the present law. I hope and pray that will not be necessary. I am certain that, with the able leadership of the majority leader, and of the minority leader, who stated he would remain here, we can get the bill passed by the Senate. It would be for the good of the people. I trust it will not be necessary to have a continuing resolution, which would only create more pandemonium, not only for the country, but for every Senator for the next 30 days.

Mr. THYE. Mr. President, will the Senator from Arizona yield?

Mr. McFARLAND. I yield to the Senator from Minnesota.

Mr. THYE. I send to the desk an amendment to the pending bill.

The VICE PRESIDENT. The amendment will be printed and lie on the table.

PAYMENT FROM CONTINGENT FUND FOR PERSONAL SERVICES

Mr. HUMPHREY. Mr. President, I ask unanimous consent for the immediate consideration of a resolution which I submit from the Committee on Labor and Public Welfare. The purpose of the resolution is to authorize an expenditure from the contingent fund of the Senate of the sum of $841.49. This is to pay a salary which is long overdue. The resolution was unanimously approved and is presented on behalf of the full committee. It is merely a routine matter for the payment of a salary which needs to be paid to an employee who is no longer with us.

Mr. WHERRY. Is this a resolution which would ordinarily go to the Committee on Rules and Administration?

Mr. HUMPHREY. Yes. I should like, however, to have it considered now and acted on at this moment, if possible.

Mr. WHERRY. Does the Senator desire to have it acted upon, without having been referred to the Committee on Rules and Administration?

Mr. HUMPHREY. Yes; it was my intention to have it voted upon by the Senate.

Mr. WHERRY. Is this the report to which the Senator previously referred?

Mr. HUMPHREY. No; this is an entirely different matter. The Senator from Nebraska is thinking of another employee. This is in reference to one who was on our payroll, but who has been off the payroll since February. The committee owes him for about 2 months' services.

The VICE PRESIDENT. The Senator will send forward the resolution. The Chair will state that, unless the requirement of the rule that it go to the Committee on Rules and Administration is waived, it will have to go to the committee, and cannot be acted upon at this time.

Mr. WHERRY. I asked the Senator to yield so that I could ascertain whether that was his purpose. I did not know he wanted to have the resolution considered now. I can see no reason why it should not follow the regular procedure. If there is some reason to the contrary, I should like to have the explanation.

Mr. HUMPHREY. I should be very happy to try to give the explanation.

The reason for asking action at this time is because the gentleman who was the associate counsel of the committee has been without pay for several months while other resolutions have been held up in the Senate. I feel that since this gentleman is not in question, we should pay him, and the only way we can do so is to get action on the Senate floor at this time. The man is getting a little hungry, Mr. President.

Mr. WHERRY. The man may be hungry, but that is no fault of the Committee on Rules and Administration. Certainly to consider such resolutions is the work of the Committee on Rules and Administration. Has the Senator consulted the chairman of that committee about the matter?

Mr. HUMPHREY. I just consulted with a minority member of the committee.

Mr. WHERRY. He is not a member of the Committee on Rules and Administration.

Mr. HUMPHREY. I have been around here long enough to watch "quicky" resolutions go through. I am not asking for any "quicky" resolution to be considered at this time.

Mr. WHERRY. Mr. President, I think the resolution should be referred to the Committee on Rules and Administration. Did the Senator from Minnesota get clearance from the chairman of the committee? Unless that can be done, I shall ask to have the resolution lie on the table. A half day will not make much difference—it may involve one hamburger sandwich. We can take it up tomorrow. I have no particular objection, but I certainly think the Committee on Rules and Administration should not be bypassed.

The VICE PRESIDENT. The rule requires that such resolutions must be referred to the Committee on Rules and Administration, unless by unanimous consent the rule is waived.

Mr. WHERRY. Mr. President, I ask unanimous consent that the resolution lie on the table until tomorrow noon, and at that time the Senator from Minnesota can bring it up again. In the meantime, he can poll the members of the committee and if they are satisfied, it is all right with me.

Mr. HUMPHREY. Mr. President, I am very grateful for the request of the Senator from Nebraska. I only want the RECORD to be clear that it is not an unusual performance for a resolution to be given immediate consideration. In this instance, all I was attempting to do was to expedite the matter. It had been lying around, tied in with other business. This resolution was taken out of another resolution, and it pertains to one individual. I shall be glad to wait until tomorrow to take care of the urgent needs of the gentleman in question.

The resolution (S. Res. 164) submitted by Mr. HUMPHREY (for himself and Mr. MURRAY), was ordered to lie on the table, as follows:

Resolved, That the Committee on Labor and Public Welfare is authorized to expend from the contingent fund of the Senate the sum of $841.49 for the purpose of discharging obligations for personal services incurred under authority of Senate Resolution 140, Eighty-first Congress, as extended by Senate Resolution 367, Eighty-first Congress.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. McFARLAND obtained the floor.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, on June 4, last, 55 Members of the Senate joined me in an amendment to the bill which has since been reported from the committee as Senate bill 1717. The Banking and Currency Committee tentatively changed the amendment and then struck out the change by a 7 to 6 vote when some of the agencies concerned suggested changes which we did not have time to make. Since that time we have gotten together and have prepared certain changes in the amendment which meet the objections. We have letters

from all of the agencies concerned, the Comptroller General, the Munitions Board, the defense agencies, RFC, and the Department of Commerce, all approving the amendment. Originally it called for the establishing of a Small Defense Plants Corporation. The changes have been made in accordance with the recommendations, and these agencies are asking for the proposed legislation.

Therefore, Mr. President, on behalf of myself and other Senators who would like to join me, although I have not included their names because I have not had an opportunity to clear it with each individual Senator who joined in the other amendment, I send to the desk a proposed amendment to the pending bill and ask that it be printed and lie on the table.

The VICE PRESIDENT. The amendment will be printed and lie on the table.

Mr. WHERRY. Mr. President, will the Senator from Arizona yield?

Mr. McFARLAND. I yield.

Mr. WHERRY. Mr. President, I should like to offer an amendment to the bill and have it printed and lie on the table. The amendment is to line 9, page 2. I want to strike the word "lower" and insert in lieu thereof the word "either."

The VICE PRESIDENT. The amendment will be printed and lie on the table.

RECESS

Mr. McFARLAND. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 9 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 28, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 27, 1951:

COMMISSIONER OF INTERNAL REVENUE

John B. Dunlap, of Texas, to be Commissioner of Internal Revenue, in place of George J. Schoeneman, whose resignation is effective July 31, 1951.

UNITED STATES ATTORNEY

Harvey Erickson, of Washington, to be United States attorney for the eastern district of Washington. He is now serving in this office under an appointment which expired February 7, 1951.

UNITED STATES MARSHAL

Wayne Bezona, of Washington, to be United States marshal for the eastern district of Washington. Mr. Bezona is now serving in this office under an appointment which expired September 27, 1948.

IN THE NAVY

William C. Bagot (Naval ROTC) to be an ensign in the Navy, in lieu of ensign in the Navy as previously nominated and confirmed, to correct name.

The following-named (Naval ROTC) to be ensigns in the Medical Service Corps of the Navy, in lieu of ensigns in the Navy as previously nominated and confirmed:

Kenneth N. Anderson
Richard S. Jonas
Maurice Leenay

The following-named women (civilian college graduates) to be ensigns in the Navy:

Barbara A. Garrett
Helen L. Larson

The following-named (civilian college graduates) to the grade indicated in the Medical Corps of the Navy:

LIEUTENANTS (JUNIOR GRADE)

James C. Larkin, Jr.
William R. Ploss

The following-named (civilian college graduates) to the grade indicated in the Dental Corps of the Navy:

LIEUTENANTS (JUNIOR GRADE)

Howard H. Morman
Paul H. Ohlson
Edwin F. Weaver III

The following-named to be ensigns in the Nurse Corps of the Navy:

Annette K. Dingman
Nancy A. Hamlen

CONFIRMATIONS

Executive nominations confirmed by the Senate June 27, 1951:

IN THE ARMY

The nominations of John F. Connole et al. for appointment in the Regular Army of the United States, which were confirmed today, were received by the Senate on June 13, 1951, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of John F. Connole, which appears on page 6501, and ending with the name of Webb S. Wraith, which is shown on page 6503.

IN THE UNITED STATES AIR FORCE

The nominations of Willard Mayes Shankle and other officers for promotion in the United States Air Force, which were confirmed today, were received by the Senate on June 11, 1951, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Willard Mayes Shankle, which appears on page 6366, and ending with the name of John Patrick Foy, which is shown on page 6371.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 27, 1951:

POSTMASTER

Bruce W. Freck, Fall River, Wis.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 27, 1951

The House met at 11 o'clock a. m.

Rev. George Creitz, First Reformed Church, Easton, Pa., offered the following prayer:

Our Heavenly Father, we give thanks unto Thee for Thy guidance in times past. We pray for Thy continued guidance in times to come, with an ever-increasing awareness of Thy providence. We are grateful especially in this place for Thy national blessings. We thank Thee for our liberty. Only enable us to use our liberty not as an occasion to the flesh but in love serving one another. We thank Thee for our Union. Only guide us that we may live as a united people in the spirit of brotherliness. We thank Thee for our democratic institutions. Enable us to perpetuate the spirit of democracy by noble and consecrated citizenship in all walks of life. This we ask so that, being blessed of Thee, we may become a blessing to all nations, to the praise and honor of Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

ONE HUNDRED AND SEVENTY-FIFTH ANNIVERSARY OF THE SIGNING OF THE DECLARATION OF INDEPENDENCE

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 51) providing for the United States participation in the celebration at Philadelphia, Pa., of the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the joint resolution, as follows:

Whereas the one hundred and seventy-fifth anniversary of the adoption of the Declaration of Independence will occur on July 4, 1951; and

Whereas it is desirable to accord suitable recognition of the value of the precepts of the Declaration in sustaining the Government of the United States as a strong bulwark against totalitarianism; and

Whereas fitting ceremonies to commemorate this anniversary are in process of preparation, such ceremonies to be held in the city of Philadelphia during the week of July 1 to July 7, 1951: Now, therefore, be it

Resolved, etc., That (a) there is hereby created a commission to be composed of 12 members, as follows: Two officers of the executive branch of the Federal Government to be appointed by the President of the United States; two Members of the Senate to be appointed by the President of the Senate; two Members of the House of Representatives to be appointed by the Speaker of the House; and six persons who are not officers or employees of the Federal Government to be appointed by the President of the United States, three upon recommendation of the Governor of the Commonwealth of Pennsylvania and three upon recommendation of the mayor of the city of Philadelphia if those officials desire to recommend any such persons. Any vacancy in the membership of such commission shall be filled in the same manner as the original appointment.

(b) The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. (a) It shall be the function of the commission, in cooperation with the government of the Commonwealth of Pennsylvania, the government of the city of Philadelphia, and the Commission for the Commemoration of the One Hundred and Seventy-fifth Anniversary of the Signing of the Declaration of Independence, (1) to prepare a plan for appropriate ceremonies at Philadelphia, Pa., on July 4, 1951, to observe and celebrate the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence, and (2) to execute such plan.

(b) In performing the functions set forth in subsection (a) of this section, the commission may—

(1) prepare, print, and distribute to public libraries, public schools, universities, colleges, patriotic organizations and groups material containing such historical data as the

commission may deem desirable to acquaint the public with the nature and significance of the celebration;

(2) if the commission deems it advisable, invite the participation of other nations in the celebration, and arrange for such participation with the governments of such nations;

(3) accept contributions of money and material for expenditure for use in the various activities of the commission;

(4) do all other things it deems necessary or appropriate to carry out the purposes of this joint resolution.

(c) The commission shall submit to the Congress, on or before March 1, 1952, a report of its activities, together with a detailed statement of the manner of expenditures of any funds appropriated pursuant to the authorization contained in section 3 (b).

(d) The commission shall cease to exist 30 days after it submits the report required by subsection (c) of this section. No person employed by the commission under the authority of section 3 of this resolution shall continue to receive any salary, wage, or remuneration of any kind by virtue of this resolution after the date on which the commission ceases to exist.

SEC. 3. (a) The commission may appoint not more than two employees in 1 year and may fix the compensation of such employees without regard to the Classification Act of 1949, as amended. The commission may make such expenditures as are necessary to carry out the purposes of this joint resolution, including expenditures for printing and binding and expenditures for necessary traveling and subsistence expenses of commissioners and of employees of the commission in accordance with the Travel Expense Act of 1949. All expenditures of the commission shall be allowed and paid upon presentation of itemized vouchers therefor, approved by the chairman of the commission.

(b) There are hereby authorized to be appropriated to the commission such sums, not to exceed $100,000 in the aggregate, as may be necessary for the performance of its functions.

SEC. 4. Upon the request of the commission, the heads of the various Federal agencies (including the Library of Congress) may collect, prepare, and lend documents, articles, and other exhibits which, in their judgment, will serve to carry out the purposes of this joint resolution.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BRYSON. Mr. Speaker, in supporting Senate Joint Resolution 51 before the Committee on the Judiciary and now in the House, I would point out the peculiar significance of such a measure at this particular time.

Through the past 175 years, under varying conditions, celebrations have been held on July 4. Due regard has been observed on this our Nation's birthday of independence. When we contemplate the significance of this special anniversary, surely we should rejoice and make every preparation for its proper observance. Some days ago both the majority and the minority leaders of the House assisted by our distinguished colleague from Pennsylvania, Judge GRAHAM, gave due notice of preparations under way for a celebration to be held on July 4 in Philadelphia under the joint auspices of the Commonwealth of Pennsylvania and the city of Philadelphia. Now it is entirely proper that the Federal Government should join in the program. Plans are under way to have an informal session of the Congress convene in Independence Hall, thus perpetuating the history of our great country. I sincerely hope that most of us may be present and join in the joyous observance of the one hundred and seventy-fifth anniversary of our national independence. It will be an occasion when our patriotism traditionally expresses itself in an exuberant manner, and rightly so, for not only will it mark the birthday of our beloved country but will constitute one of the most significant dates in the history of the world. In the slow march of mankind from his primeval beginnings there are certain occasions which stand out like great mountains towering over the plain whose impressiveness is thrown into true perspective the farther one recedes from them. There have been many of these great landmarks in the course of the past 10,000 years and the day on which the intrepid patriots, assembled at Philadelphia, "conceived and brought forth on this continent a new Nation" is one never to be forgotten. It was one of the major contributions to the enlightenment and progress of mankind.

So it is entirely right and proper that Americans assembled in their respective communities all over this broad land, and wherever they may be gathered together throughout the earth, should rejoice and give thanks to a merciful Providence, first, that their ancestors had the courage to resist tyranny, and second, under that same providence, the wisdom and farseeing statesmanship to create the great Constitution to bind and hold us together as a great and happy family. Let us beware, however, of complacency; that way lies destruction. The long road of history—the great Appian Way, as it were—is bordered with the ruins of nations who, forgetting that man cannot live by bread alone, fatuously assured themselves that nothing could ever shake their prosperity and that they would endure forever.

But this Fourth of July, apart from our natural rejoicing, should bring us some very sober second thoughts. For the world, my friends, as I need not tell you, is in a very perilous state. Outside this blessed land the vast majority of the world is underprivileged and underfed. And when people are underfed they become dangerous. As Dr. Frank C. Laubach, the world-famous missionary, says:

> The bottom four-fifths of the world are going Communist because they are hungry, terribly unhappy, and grimly determined to rise out of their destitution.
>
> We can stop communism cold—
>
> Says Dr. Laubach—
>
> by lifting these wretched people above their misery and desperation. We can do it by sharing our know-how. They lack progressive methods, and will follow anyone who promises to help them rise.

Meanwhile, the Kremlin which fattens on hunger and unrest, grows daily more insolent until its solemn declarations of peaceful intent have become a ghastly farce. In the face of this admittedly grave situation many people quite sincerely see no possible alternative to complete surrender to the tide of communism but war with the source of communism—Russia. They say, these good people—and I repeat, I do not question their sincerity—that we must be practical, we must face up to the reality of the situation, we must look facts in the face.

If this were really the situation, it would be terrible indeed and I, for one, would not find room in my heart for any rejoicing even on the Fourth of July. But I protest that it is not the true picture. This realistic-pessimist attitude is not justified. In short, I do not believe war inevitable. Why not, you may ask? Because, my fellow citizens, we have at hand an instrument which, if zealously cherished and perfected, may yet save the peace and sanity of the world. I refer, of course, to the United Nations. In 1920 the United States because of a tragic domestic political battle failed to join the League of Nations. I will not here enter into the merits of that bitter controversy—it is past and "let the dead bury their dead." That the League had certain structural faults, that the Treaty of Versailles which brought it into being was in many respects both foolish and iniquitous, I presume no man today will question. At any rate, be that as it may, we did not embrace the opportunity to participate in the first genuinely international organization for the preservation of world peace.

Now we have another opportunity. In the United Nations, gathered around one common board, the nations of the earth, through their representatives, are brought face to face. Here is an unparalleled chance to know what our world neighbors think. Of course there are differences. Of course there are misunderstandings. Of course there are hot words, stubbornness, and temporary resentments. But is there anything so remarkable in that? Could not the like be found in any town meeting, muncipal body, or State legislature? These 60 nations, including our own, are composed of beings who are very human indeed and it is not to be expected that all can always be sweetness and light. No, we are all very fallible but that does not excuse us from trying to make a better world. And if any undertaking ever deserved a fair trial it is the United Nations, launched with so many hopes. Already it has passed through many fiery tests each, it would seem, more crucial than the preceding one. It has had to contend with the constant, unvarying, inflexible obstructionism of the Soviet Union and its satellites. The wonder is that, hampered by such vindictive opposition within its own camp where it had the right to expect at least a degree of cooperation, the frail new structure did not collapse. It undoubtedly would have collapsed but for certain nations—among which I am proud to number my own—whose steadfast loyalty kept life in the body and gave it time to stabilize its functions.

All this is very fine, very praiseworthy, but it is not enough. We must have more than passive loyalty; we must bring to the support of this great agency for in-

ternational peace that fiery zeal, that fierce determination, which is the work of the crusader in a great moral cause. We must have faith, real faith, that ours is a great moral cause; that it can, must and shall triumph and that no temporary set-backs, no crisis of the moment shall prevent our victory. We must have faith in ourselves. As Franklin D. Roosevelt said at another great crisis, "The only thing we have to fear is fear itself."

We dare not fail. Vast and unforseeable consequences are involved here. For example, most of us have followed the Korean situation with keen anxiety and most of us have been sorely perplexed by it. The first and most natural reaction is, let us settle matters as quickly as possible and get out. But, considering the sacrifices already made, is it really worth while to compromise and thus risk the loss of the just and lasting peace we really desire? For, of course, the only sort of peace which is going to last is the just peace. Again, in our eagerness for a quick peace can we take risks which might involve us in a long war? It is natural, even desirable, to be partial to some favorite leader, but in our confidence in our particular hero—Bradley, Eisenhower, Marshall, MacArthur—can we afford to ignore the views of other experts who may be equally competent? Yet again, in considering what we might gain by involving ourselves completely in one continent dare we fail to consider what we might lose in another? It is a wise old saying which bids us not to put all our eggs in one basket.

We have recently been witness to the uncovering of numerous traitors—men and women who have accepted all the benefits and protection of this great country, and yet who stood ready to betray it. It was a horrifying revelation and in my opinion no punishment the law permits is too great to be inflicted on these debased creatures. Yet we must be careful not to use the word appeaser too loosely. We must not automatically assume that every man and woman who honestly, openly, sincerely, and zealously endeavors to bring to fruition the goal of world peace is an appeaser of the Kremlin and of communism. Certainly no American need fear to support the United Nations to which his own country has adhered and in which it exerts a vast if not predominant influence. The United Nations may appear to be weak and indecisive at the present but remember so did the United States under the Articles of Confederation, but in time a rich and more perfect Union emerged and that is what will happen here if we all bend our backs to the wheel and give our hearts and strength to this great enterprise. And we can do it. If only for the most selfish reasons we must do it. The old, proud boast the United States has never lost a war may yet turn and rend us if we remain blind to the times. The world today is a small community; oceans are but ditches; continents but hops between starting and stopping points. It is, as Wendell Willkie truly said "one world." I put it to you whether we have not reached the point where it is no longer safe to go it alone? Even if we stubbornly adhered to splendid isolation—to quote a famous remark of an English statesman—and actually emerged victorious from a war, we might still be the losers. No less an authority than Gen. Omar Bradley says:

> There are no victors in modern warfare. The winner in the next war stand amid its own ruins in an impoverished world.

And so, my colleagues, shall we not on this our national feast day manifest humble gratitude to the Power which has made and preserved us a Nation by joining with other nations to guarantee, protect and preserve the peace of all?

At all costs we must uphold the United Nations. As General Marshall rightly says, "Its success is the hope of the world."

CARLOS SANCHEZ PEREZ

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 795) for the relief of Carlos Sanchez Perez, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Strike out all after the enacting clause and insert "That for the purposes of the immigration and naturalization laws, Carlos Sanchez Perez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GRANTING STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (H. Con. Res. 90) favoring the granting of the status of permanent residence to certain aliens, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

> Page 14, after line 17, insert:
> "A-7450475, Szasz, Alexander."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SIDNEY YOUNG HUGHES

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1103) for the relief of Sidney Young Hughes, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WALTER, FEIGHAN, and GRAHAM.

CALL OF THE HOUSE

Mr. HOPE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 89]

Adair	Gillette	Murphy
Allen, Ill.	Gordon	Murray, Wis.
Allen, La.	Hall,	O'Brien, Mich.
Anfuso	Leonard W.	O'Konski
Auchincloss	Irving	O'Neill
Berry	Jackson, Calif.	Powell
Boggs, La.	Jones, Ala.	Preston
Breen	Judd	Redden
Buckley	Kearney	Scott, Hardie
Camp	Kearns	Smith, Kans.
Carnahan	Kelley, Pa.	Sutton
Chatham	Kilday	Trimble
Dawson	King	Velde
Dingell	Larcade	Vorys
Durham	LeCompte	Werdel
Elliott	McKinnon	Whitten
Evins	Merrow	Woodruff
Flood	Miller, Calif.	
Frazier	Miller, N. Y.	

The SPEAKER. On this roll call 379 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

> S. 1726. An act to change the date for the beginning of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska, from the 1st day of July to the 1st day of November, and to extend the time during which annual assessment work on such claims may be made for the year beginning July 1, 1950, to the 1st day of November 1951.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1590) entitled "An act to extend and revise the District of Columbia Emergency Rent Act"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. NEELY, Mr. CLEMENTS, and Mr. WELKER to be conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing

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votes of the two Houses on the amendment of the Senate to the bill (H. R. 4200) entitled "An act to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes."

INDEPENDENT OFFICES APPROPRIATION BILL, 1952

Mr. THOMAS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (S. Con. Res. 35) ordering the reengrossment of the Senate amendment to H. R. 3880, the independent offices appropriation bill for 1952.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed to reengross the amendments of the Senate to the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1952, and for other purposes; and to reengross Senate amendment numbered 79 so as to read as follows:

On page 35, line 23, strike out "$875,163,335" and insert "$873,105,770."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. PHILLIPS. Mr. Speaker, reserving the right to object, will the gentleman from Texas [Mr. THOMAS] please explain the reason for the request on the part of the other body?

Mr. THOMAS. Mr. Speaker, this resolution authorizes reengrossment of amendment No. 79 of the independent offices appropriation bill. It all adds up to this: Apparently the other body has made a mistake in printing or engrossing this amendment. Amendment No. 79 deals with salaries and expenses for the Veterans' Administration. What happened was that they show a reduction in that appropriation of about $1,200,000 more than the figure actually agreed upon by the Senate.

This merely rectifies the mistake in printing at the other end of the Capitol.

Mr. MARTIN of Massachusetts. It was just a clerical error?

Mr. THOMAS. That is all.

Mr. PHILLIPS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. THOMAS]?

There was no objection.

The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

OFFICER PERSONNEL ACT OF 1947

Mr. VINSON submitted a conference report and statement on the bill (H. R. 4200) to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes.

CIVILIAN PHYSICAL FITNESS AND TRAINING PROGRAM

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of House Concurrent Resolution No. 19, to express the sense of the Congress that a civilian physical fitness and training program should be established in the interest of national security, and that the concurrent resolution be re-referred to the Committee on Interstate and Foreign Commerce.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

DISTRICT OF COLUMBIA EMERGENCY RENT ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1590) to extend and revise the District of Columbia Emergency Rent Act, with an amendment of the House thereto, insist on the amendment of the House and agree to a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. HARRIS, ABERNETHY, and O'HARA.

TEMPORARY APPROPRIATIONS FOR GOVERNMENT AGENCIES

Mr. SABATH, from the Commitee on Rules, reported the following privileged resolution (H. Res. 287, Rept. No. 657), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Commitee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 277) making temporary appropriations for the fiscal year 1952, and for other purposes. That after general debate, which shall be confined to the joint resolution and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the joint resolution shall be read for amendment. No amendment shall be in order to said joint resolution except amendments offered by the direction of the Committee on Appropriations. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

IMPORTATION OF FOREIGN AGRICULTURAL WORKERS

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3283) to amend the Agricultural Act of 1949.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 3283, with Mr. GORE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday there was pending the amendment of the gentleman from Ohio [Mr. POLK], and the amendment offered by the gentleman from New York [Mr. CELLER] to the Polk amendment.

Without objection, the Clerk will again report the amendment of the gentleman from New York.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. CELLER to the amendment offered by Mr. POLK: Add a new section as follows:

"SEC. —. Any person who shall employ as a farm laborer any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States under the terms of this act, when such person knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such alien farm laborer is not lawfully within the United States, or any person who, having employed such an alien without knowing or having reasonable grounds to believe or suspect that such alien farm laborer is unlawfully within the United States and who could not have obtained such information by reasonable inquiry at the time of giving such employment, shall obtain information during the course of such farm labor employment indicating that such alien farm laborer is not lawfully within the United States and shall fail to report such information promptly to an immigration officer, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding $1,000, or by imprisonment for a term not exceeding 1 year, or both, for each farm laborer in respect to whom any violation of this section occurs."

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes in support of his amendment.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from New York is recognized for 10 minutes.

Mr. CELLER. This amendment that I have offered puts teeth into this bill. Without these teeth the bill is not worth a sou marqué. Without the sanctions which my amendment involves you have here an engraved invitation for the predatory interests along the border, the huge cotton growers in Texas and Arizona and New Mexico—I do not speak of the small cotton growers—and the huge citrus-plantation owners, for example, in the Imperial Valley to go into Mexico and induce people, smugglers, and procurers to round up all these wetbacks and bring them in and sweat them on the plantations and on the ranches, and on the huge farms. I wager that if the penalties are added to this bill, it would be defeated.

Why do I offer this amendment in addition? Attempts have been made earnestly and sincerely by the border patrol of the Immigration Office to prevent the coming into this country of these huge numbers of wetbacks. They collared 600,000 in the last fiscal year, and for every one that is picked up there

are two or three others who are not apprehended. They anticipate an invasion this fiscal year of over a million wetbacks. A wetback is one who is in this country illegally. The problem is difficult to solve. Sincere farmers must help solve it by refusing to hire wetbacks. Some burden should be upon them. They dare not refuse that burden, otherwise they convict themselves of the charge they desire to use wetbacks.

I applaud the efforts to bring in Mexican aliens legally who satisfy the immigration statutes, the public health laws, our narcotic statutes, and our internal security laws, but all should be examined and be screened by the various services at the border. Because, however, of a 2,000-mile border at the southern end of these four States it is almost impossible adequately to screen all these aliens who come in. Yet there is some duty, there is a social responsibility upon those who hire these wetbacks, to see that they do not employ illegals, but they do not want this responsibility; they want to continue to hire these wetbacks. I do not question the sincerity of those who argue here for this bill. I do question the huge farming interests who want to put something over on the gullible and unwary. But I am not fooled. There is no doubt that the huge farming interests want this bill just to have an excuse to use the wetbacks. If they are sincere, why object to an amendment?

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman.

Mr. WIER. I wonder if the gentleman from New York is familiar with the position of the distinguished Senator from Louisiana, Mr. ELLENDER, who on April 26, during a discussion of this legislation, made this statement relative to the subject now before the Committee, and I cite the position of the distinguished Senator on the wetback problem.

Mr. CELLER. Yes; I think I am.

Mr. WIER. I quote: "Mr. President"——

Mr. CRAWFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRAWFORD. Are the rules being violated by quoting what some Member of the other body stated on the subject under debate?

The CHAIRMAN. It is contrary to the rules of the House to refer to the debate in another body on a particular matter. The gentleman will proceed in order.

Mr. CELLER. There is weighty opinion in Washington in both Houses to the effect that we should put sanctions in this statute. In the other body they provided that the sanctions would be in the form of a penalty involving 2 years in jail; they made violation a felony. I think that is entirely too strong. I would make it a misdemeanor involving a fine of not exceeding $1,000—it could be anything up to $1,000—and a jail sentence not exceeding 1 year; it could be for a day or more than a day up to 1 year.

A case was brought before the United States district court by the Immigration Service—the case of a wetback. The case went to the Supreme Court. I read the import of the opinion of Mr. Justice Rutledge, handed down in 1948 in the case of *United States* v. *Evans* (333 U. S. 483). Mr. Justice Rutledge said that—

> There is no doubt that Congress intended to make the act of concealing and harboring any alien not duly admitted or unlawfully in the United States and not entitled to enter or reside in the United States a criminal act. The actual bringing in of such aliens undoubtedly was intended also to be a crime. But Congress' intent as to the penalty therefor is so unclear as to make it impossible for the Court to set it out.

But I want to do away with the ambiguity, which is a loophole in the law through which all these wetbacks can come in. Presumably, it may be unlawful, but there is no penalty. It is like saying, by law, do not sin, but if you sin there will be no punishment. What good is such a declaration? It is about as useful as a 2-foot yardstick.

That is like making a great pontifical declaration period. In order to avoid that, we have to prescribe a penalty so that the Supreme Court can finally say when the border patrol apprehends a wetback the person who harbors or hires the wetback intentionally and with knowledge shall be guilty of a crime and will be subjected to punishment. All the Poage bill does is to make a nice, pretty declaration. It is a nice pronouncement, it is harmless language, but it has no earthly use whatsoever to keep out the wetbacks and those who come in illegally, unscreened as to morals, not investigated as to their political affiliations and so forth.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. KEATING. I am sympathetic with the objective of the gentleman and feel that perhaps something should be written into this law along the lines of his suggestion; but I am greatly worried over the wording which the gentleman has suggested in imposing a criminal penalty in a case where a person has reasonable grounds to believe or to suspect something; then later in the gentleman's amendment the word "suspect" is again used.

Mr. CELLER. I will say to the gentleman we have to put language in there that has real teeth. It is the language generally adopted by the Senate.

Judging from what we heard yesterday, it would appear everything is sweetness and light, and all these persons who retain and hire these wetbacks are perfectly angelic, they do not intend any wrong whatsoever. But that is not the case. I pass around among the Members the wretched housing conditions under which these wetbacks are compelled to live. The houses they live in are not fit for pigs to be left in and the record shows that these habitations and stockades which these huge interests set up to house these wetback are unsanitary, are rat-infested, and breed all manner and kinds of diseases.

Let me quote in part from the report of the President's Commission on Migratory Labor in American Agriculture:

> The wetback undergoes no health or physical examination as he illicitly enters the United States. The bringing in of disease and contagion cannot, therefore, be avoided. Moreover, while he is here as an illegal alien, the wetback will not ordinarily risk the chance of apprehension by seeking medical or health assistance. Reciprocally, the health and medical service agencies that might otherwise be ready to provide assistance for residents will ordinarily be foreclosed to the wetback, even if he were to seek aid, because of residence ineligibility. This circumstance does not arise with legal foreigners for whom provision is made.
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> One of the most sensitive indicators of the state of public health in any population is the rate of infant mortality. This is defined as the number of deaths under 1 year of age per 1,000 live births. For the United States at large, this rate in 1948 was 32. The State-wide average for Texas was 46.2; for the 28 counties of Texas on or immediately adjacent to the border, the average rate was 79.5.
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> A wetback is in no position when offered work to ask whether there is satisfactory housing or indeed whether there is any housing at all. Members of this Commission personally inspected wetback camps in the Lower Rio Grande Valley, in the El Paso Valley, and in the Imperial Valley. Where the wetback makes up the major proportion of the seasonal and migratory work force, virtually no housing, sanitary facilities, or other conditions of civilized living are supplied. Where the wetback concentration is proportionately less, housing conditions tend to improve but even so, remain far below the level of decency. A witness testifying at Brownsville did not overstate the squalor of the housing and living conditions that are much too common in the Lower Rio Grande Valley when he said, "I have seen, with my own eyes, people living in these shacks and sheds, getting their water to use, drink, and cook with out of irrigation ditches, no type of sanitary facilities, bathing or toilet facilities of any kind within sight; living in shacks that I wouldn't put a horse in."
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> Speaking of the Imperial Valley, a deputy labor commissioner of the State of California told us:
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> "The plight of the wetbacks I consider very serious there because the majority of them live on the ditch banks or in shed housing which is very, very poor. I would say that this is true mostly with the small farmers rather than the large growers as most of the large growers have facilities, but the small growers or the small operators get them to live on the ditch banks or a chicken house. I have seen lots cleaner and better chicken houses for chickens than I have seen for human beings in the Imperial Valley."

The traffic in wetbacks reveal unspeakable rapacity and greed. The users and employers of these wetbacks who actually know they harbor and employ these illegals are directly and indirectly guilty of this rapacity and greed.

I again quote from the President's Commission on Migratory Labor in Agriculture:

> Wetbacks who are without funds to pay the smuggler for bringing them in or to pay the trucker-contractor who furnishes transportation and direction from the boundary to the farm are frequently sold from one exploiter to the next. For example, the smuggler will offer to bring a specified number of wetbacks across the river for such

an amount as $10 or $15 per man. The smuggler or boatman with his party in tow will be met by the trucker-contractor who will then buy the wetback party by paying off the smuggler. This trucker-contractor, in turn, will have a deal to deliver workers to farm employers at an agreed-upon price per head.

There are other well-known and well-established practices to facilitate and encourage the entrance of wetbacks. They range from spreading news of employment in the plazas and over the radio to the withholding from wages of what is called a "deposit" which is intended to urge, if not guarantee, the return to the same farm as quickly as possible of a wetback employee who may be apprehended and taken back to Mexico.

The term "deposit" requires some explanation. Members of this Commission personally interviewed wetback workers apprehended by immigration officers in the Lower Rio Grande Valley. These workers had been paid for the cotton they had picked during the preceding 2 or 3 weeks. However, their employers had withheld $10 to $15 from their pay. Such sums, we discovered, are known as "deposits." To redeem this deposit, the wetback was required to reenter illegally and to reappear on the farm employer's premises within 10 days.

Once on the United States side of the border and on the farm, numerous devices are employed to keep the wetback on the job. Basic to all these devices is the fact that the wetback is a person of legal disability who is under jeopardy of immediate deportation if caught. He is told that if he leaves the farm, he will be reported to the Immigration Service or that, equally unfortunate to him, the Immigration Service will surely find him if he ventures into town or out on the roads. To assure that he will stay until his services are no longer needed, his pay, or some portion thereof, frequently is held back. Sometimes, he is deliberately kept indebted to the farmer's store or commissary until the end of the season, at which time he may be given enough to buy shoes or clothing and encouraged to return the following season.

When the work is done, neither the farmer nor the community wants the wetback around. The number of apprehensions and deportations tends to rise very rapidly at the close of a seasonal work period. This can be interpreted not alone to mean that the immigration officer suddenly goes about his work with renewed zeal and vigor, but rather that at this time of the year cooperation in law enforcement by farm employers and townspeople rapidly undergoes considerable improvement.

Of course we have to be mighty careful when we devise a penalty to be sure that only those who harbor, those who retain, those who hire wetbacks have knowledge or reason to believe or could easily find out those whom they employ are wetbacks shall be subject to penalty. Intent must be proven before conviction. It is a very simple matter for those who hire a wetback to ask the wetback: Where is your card issued by the immigration authorities? Where is your social-security card? Identification would not be difficult.

Up in New York or up in Rochester, for instance, where the gentleman from New York comes from, or out in Chicago, where the gentleman from Illinois comes from, if anyone would hire, retain, harbor, and give comfort to an illegal alien coming down from Canada or coming in from Poland or Russia or what have you, they would be on top of that individual in a minute, would detain him and invoke all possible penalties against him. But when it comes to farm laborers who come from Mexico, no. The shoe is on the other foot. Texas employers of wetbacks and aliens illegally are sacrosanct. We put the aura of legality around everything they do. I cannot swallow that.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. I appreciate the sincerity of the gentleman and his desire to do something effective, but does he realize that there are thousands of these alien Mexicans who fall within the category described by the gentleman's amendment who have dependent children born in this country, therefore are American citizens, and who would be starved out?

Mr. CELLER. If they are American citizens they do not come within the purview of this amendment. I do not wish to and actually do not harm American citizens. Any citizen can produce easily records to show his citizenship.

Mr. FERNANDEZ. I am speaking about the parents.

Mr. CELLER. If they are American citizens or children of American citizens, they are not within the four squares of this legislation whatsoever.

The employers of wetbacks think they have a vested right to them.

I quote from the report of the President's Commission once again:

Although farm employers testified they preferred legal to illegal labor, their position comes to this: If Mexican labor cannot be obtained legally on terms satisfactory to the employers, they will obtain Mexican labor illegally. The manager of the Agricultural Producers Labor Committee said as much in his testimony at Los Angeles:

"If Government red tape and the inability of the two Governments involved prevent us from putting under contract the help we need during the peak harvest seasons, we will use wetbacks, because we are going to harvest our crops. We have wetbacks in our employ today. In fact, one of our association's representatives is in El Centro and Calexico today legalizing wetbacks."

Arizona has the least wetback traffic. This unequal access to wetback labor causes resentment, as is well expressed in the testimony of the manager of the Arizona Cooperative Cotton Growers' Association:

"Our farmers for several years have had a continuous and loud complaint that their friends and acquaintances in other bordering States have a comparatively large supply of wetback labor, while in Arizona the border patrol very successfully and carefully enforces the law against illegal aliens on the ranches. We have never tried to exert pressure to have this enforcement relieved, but we do want to call the attention of high figures (officials) to the fact that the other States should be treated alike; that if enforcement is being relaxed in other States, it should be relaxed in Arizona; that if enforcement is going to be strict in Arizona, we want it strict in other States."

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

Mr. Chairman, I would like to make it perfectly clear that the House Committee on Agriculture is not interested in perpetuating the influx of wetbacks into this country. There is nothing in this bill that impairs or imperils any of the immigration laws of this Nation. It is amazing to me to hear the distinguished gentleman from New York, the chairman of the Committee on the Judiciary, charged with the responsibility of giving attention to the immigration laws, standing in the well of the House and denouncing a bill from the Committee on Agriculture which in no way interferes with the jurisdiction of the gentleman's committee. He stood here yesterday with tears in his eyes, almost, begging you to protect the health of the people of this Nation from the loathsome hands of the Mexicans that were coming in with all kinds of diseases that were likely to destroy the health and habits of our people. Why does the gentleman not go to his own committee room and assemble his own committee and do something about the wetback problem? That is not my problem; that is his problem. The wetback problem is deplorable. There is a responsibility, and all of us know where it belongs, and it is not in the Committee on Agriculture. If we, by chance, should be bold enough or audacious enough to come out with a bill that interfered with the gentleman's jurisdiction, he would be the first one to protest about it. Why does he not look after the aliens of New York and catalog them and examine them? What is fair for the goose is also fair for the gander. If they want to clean up this country of all aliens, they will have the cooperation of the gentleman from North Carolina and other members of our committee. I am anxious to enforce the immigration laws and I want them enforced, and I am not willing to do anything to weaken them.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield for a question.

Mr. CELLER. I would say that the Committee on the Judiciary has inaugurated an investigation of the wetback situation, and that investigation is in process now. The gentleman from Pennsylvania [Mr. WALTER] is chairman of the subcommittee, and they are going down into the various areas and checking on that very matter. We are working on it.

Mr. COOLEY. That is not a question. The gentleman's committee started working on this problem after I had appointed a subcommittee and after our subcommittee had conducted hearings throughout the country.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from California.

Mr. JOHNSON. Furthermore, the wetback problem is over 25 years old. This has been going on for a long time.

Mr. COOLEY. Certainly, and there is nothing new about it. For the gentleman from New York to become so zealous and intemperate and refer to the cotton farmers of the South as a bunch of

predatory pimps and procurers is intolerable.

Mr. CELLER. I did not say that.

Mr. COOLEY. That is what I understood the gentleman to say. He said that the little ones were the pimps but the big ones were predatory pimps and procurers, as I understood it.

This amendment appears to me to be just about as ridiculous as the gentleman's argument in support of it. He would make it unlawful for an American citizen to fail to report a person whom he suspected of being in this country illegally. Is there any precedent, I ask you, in all the legal jurisprudence of this Republic that you could point to for support of any such proposal as that?

If, by chance, an American citizen, some farmer in some section, failed to comply, he could be fined and imprisoned.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. I fear he has misunderstood the gentleman from New York, because his amendment does not say that if anybody suspicions anyone else of being in here illegally that he is guilty of any crime if he does not report it, but only if an employer, who suspicions a Mexican being in here illegally, does not report him. If he is living in New York City he is not guilty of any crime.

Mr. COOLEY. That is right, as long as he is not a Mexican.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. KEATING. The amendment goes further than that and says, if he has any reasonable grounds to suspect.

Mr. COOLEY. That is right.

Mr. KEATING. I do not agree entirely with the gentleman from North Carolina. I would like to support an amendment on this general subject, but I cannot support the amendment offered by the gentleman from New York.

Mr. COOLEY. Certainly the gentleman would want to support something that could operate with uniformity and in all sections of this country.

Mr. KEATING. And furthermore, something that would be constitutional.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. CELLER. I object, Mr. Chairman, unless the gentleman will respond to a question.

Mr. HOFFMAN of Michigan. Mr. Chairman, reserving the right to object, is there a condition attached to it?

The CHAIRMAN. The question before the Committee is the unanimous-consent request of the gentleman from North Carolina.

Is there objection?

There was no objection.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. CELLER. Is the gentleman acquainted with the fact that the other body passed an amendment making it a felony, and that I reduced it to a misdemeanor and the other body accepted it?

Mr. COOLEY. That may be true, but that does not mean that I am willing to accept it, nor does it mean that the House should accept it, and I do not think it is right for us to pass a law of this kind with all these penalties and pains in it, and make it applicable only to the Mexican people.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The gentleman has just stated that there are no precedents in this country, or in the jurisprudence of this country, for a law of this kind, and he is eminently correct. I would like to point out to the gentleman and to the House that there was a precedent for such in Hitler's Germany and Mussolini's Italy. The fiery ovens of Buchenwald are still smoking from the burned flesh of a particular group of people because of their failure to report to Hitler and Mussolini the knowledge or suspicion which they had or should have had of some individuals who had violated Hitler's laws. America has never punished its people because of their failure or refusal to be snoopers and more particularly for their failure to report their suspicions of offenders of the law.

Mr. ELLSWORTH. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Oregon.

Mr. ELLSWORTH. I should like to make a correction or see that the committee is aware of the facts with reference to the statement just made by the gentleman from New York. I understood him to say that his amendment was identical with the provisions enacted by the other body. That is not the fact, because the amendment offered by the gentleman from New York states, "Any person who shall employ as farm laborers." Those words did not appear in the Senate bill and those words very distinctly modify the provisions of the bill proposed by the gentleman from New York.

Mr. COOLEY. I agree with the gentleman.

Mr. ELLSWORTH. He sets out a certain class of people to whom the law should apply, whereas the general practice is to make it apply to all.

Mr. COOLEY. It applies only to farm laborers. If it is adopted, you could bring them in for any other work except on farms. That is the very place we need them. I do not need them in my district, but there are 18 States in which the farmers are calling for aid to help them harvest the crops.

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from California.

Mr. SHELLEY. May I ask the gentleman from North Carolina in all fairness if this is a fact, that the proposal in a general nature, applying to all workers and to all employers, was stricken out on a point of order yesterday?

Mr. COOLEY. Yes, it was.

Mr. SHELLEY. Therefore, the only way that any penalty provision could be brought into the bill at all was by applying it to the title of the bill and narrowing it to agricultural labor.

Mr. COOLEY. The thing about it is that, the gentleman of course realizes, all of section 509 went out of the bill.

Mr. SHELLEY. That is right, but I do not want to leave the impression with those who were not here yesterday that this is just addressed to farm laborers.

Mr. COOLEY. Of course it is.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. Is not that exactly the reason the Committee on the Judiciary ought to consider a matter of this kind and give some active consideration to it, rather than trying to amend our bill on the floor?

Mr. COOLEY. The gentleman is correct. Section 509 is properly within the jurisdiction of the Committee on the Judiciary.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Illinois.

Mr. YATES. How would the gentleman enforce compliance with the law other than through a penalty provision?

Mr. COOLEY. This is the confusion. We are not trying to legalize the entry of wetbacks. We are not dealing with the wetback problem except insofar as we are providing a legal method by which contract labor can be brought into this country under contracts negotiated between the Republic of Mexico and the United States Government.

Mr. YATES. Do not such contracts set forth certain conditions and regulations which farmers must obey?

Mr. COOLEY. That is right.

Mr. YATES. Suppose there is a violation of the contract provision, how would the gentleman enforce the contract?

Mr. COOLEY. The employer is held to account, first for the cost of transportation.

Mr. YATES. How?

Mr. COOLEY. All of this will be taken care of in the contract.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. There are two provisions involved there, first the provision that before the farmer can get the contract labor he has to enter into an obligation with the United States Government to carry out the provisions of the contract, and second, that if he violates any of the terms of the contract he cannot get any more contract labor. To any man who

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is in the farming business, that is the most effective way to keep him from a violation.

Mr. COOLEY. And he has a civil liability at every moment of the time the man is in the country.

Mr. POAGE. The chairman of the Committee on the Judiciary is noted for the fact that he has sought to defend the rights of minority groups. He has sought to see that some minorities are not oppressed. The chairman of the Committee on the Judiciary with that creditable record in behalf of certain minorities now comes here and asks us to pass a piece of legislation which would utterly destroy the rights of a great group of American citizens, to wit, those American citizens of Latin ancestry. You cannot tell whether they were born in the United States or whether they were born in Mexico.

Our distinguished colleague who represents the State of New Mexico stood in the well yesterday and pointed out that were this amendment to be adopted in all probability he would find it extremely difficult to secure employment anywhere under normal conditions or when there was a surplus of labor, because nobody could look at him and tell whether he was born in the United States or born in Mexico, and that he could not prove that he was born in the United States.

There are 3,000,000 of these citizens of Latin ancestry in the United States, and they are just as much citizens as the gentleman and I are. They were born here, but you cannot tell whether they were born in the United States or born in Mexico. They are the ones on whom the chairman of the Committee on the Judiciary would impose the burden, because it would be they who would not get employment. With this amendment in force, what farmer would employ an American of Latin descent if he could find somebody else to employ. He would say, "Why take a chance? Why employ you?" I might suspect that any man was of Mexican ancestry because perchance he could speak Spanish. This would put a penalty on every man who speaks Spanish. Are we going to do that sort of thing in the United States? Are we going to create discrimination by law against a great part of our citizens? Is that the kind of treatment the gentleman from New York advocates for minorities?

Mr. COOLEY. I just want to ask you not to lose sight of the importance of these objectionable amendments, because if the amendments are adopted, I am convinced we will just not have any legislation on the subject. I think this legislation is badly needed, and I hope you will vote the amendments down.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. CELLER. Since my name was not mentioned—reference being made to the chairman of the Committee on the Judiciary—I want to point out that it will simply be a matter, so far as the Mexican aliens are concerned, of them being possessed of a court order admitting them, and they could show that to the prospective employer. So far as engaging workers of Spanish-American origin, there is nothing unlawful about hiring those of Spanish-American origin.

Mr. JONES of Missouri. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think in this debate we have lost sight of the purposes of this bill. This bill was introduced to give some relief to the agricultural producers of America, who have been called upon to produce as they have never produced before. Down in my section of Missouri, and some people do not consider Missouri as a cotton-producing State, we will need 10,000 Mexicans if we are to get out the cotton crop that we have been asked to produce. I make that statement based upon a statement made by the Division of Employment Security at Jefferson City, in which it is said that we are going to need these employees. Substantiating this statement, I herewith quote a letter from the Division of Employment Security, Department of Labor and Industrial Relations of the State of Missouri, Jefferson City, Mo., under date of May 7, 1951, addressed to S. Crews Reynolds, president, Missouri Cotton Producers Association, Portageville, Mo.:

DEAR MR. REYNOLDS: I want you to know that I share the concern expressed in your letter of May 3, regarding labor supply for your cotton crop this year. We are directing our efforts to the supplying of every possible assistance in recruiting the necessary workers for cotton chopping and picking in southeast Missouri, and I expect to fully support the importation of any workers from outside the United States that may be necessary to supplement our available labor supply.

The following answers to your specific questions are based on the best information that we can obtain. As you suggest, the questions are difficult, but we at least have same background of experience to support our estimates on labor supply and demand for cotton production this year.

1. Under normal conditions the production of 600,000 acres of cotton, plus other crops in the cotton counties, requires about 53,000 workers at the peak of cotton chopping. Due to mechanization in crops other than cotton, and due to the fact that acreage for other crops varies in relation to the amount of acreage set aside for cotton production, we believe that labor for crops other than cotton can be handled without any material increase in the total of workers estimated for the cotton crop. This same observation also holds for the harvesting season.

2 and 3. We estimate that approximately 38,000 workers in the local area will be available for cotton chopping. This will leave an additional need for 15,000 workers at the chopping peak. We estimate that 3,000 of the 15,000 workers will be obtained from adjacent and other areas in Missouri, and that approximately 12,000 will have to be brought in from out of State areas. We believe that the necessary 12,000 workers can be obtained from the States of Texas, Arkansas, Tennessee, Illinois, and Kentucky, and doubt that workers imported from outside the United States will be necessary during the chopping season.

4. We estimate that a total of 100,000 workers will be required under normal conditions to harvest 600,000 acres of cotton. This means 100,000 "different" workers, as the average worker does not work throughout the cotton-picking season. We further estimate that approximately 86,000 workers will be needed for the peak of the cotton picking season during the latter half of October. As I stated in an earlier paragraph, other crops in the area, we think should be harvested without materially increasing the total of workers required for the cotton crop.

5. It is our estimate that approximately 50,000 local workers will be available for the cotton-picking season.

6. On the above basis, about 35,000 or 36,000 workers from outside your local area will be needed for the peak of your cotton harvest. We estimate that 5,000 to 6,000 of these additional workers will come from other areas in Missouri, and that probably up to 30,000 will need to be brought in from outside the State. Migratory workers from the States of Texas, Arkansas, Illinois, Kentucky, and Tennessee constitute the usual source of supply for pickers during the season peak.

It is our opinion at this time that it may prove difficult to obtain all of the 30,000 additional out of State workers from the States indicated. You may be interested to know that we had a meeting last Wednesday with Representatives Wallace, Buckley, Sando, and Penman, who with others sponsored the recent House resolution with reference to the urgency of the labor-supply situation for cotton production in Missouri. We agreed with these gentlemen that probably up to 10,000 Mexican nationals may be needed to supply the possible deficit in our available labor supply during the cotton harvest. If it is necessary to import such workers I will use all the means within my power in an endeavor to obtain these workers for you.

As a matter of interest to you, Mr. Charles Kenyon, our farm placement representative, is in Austin, Tex., this week to make any preliminary arrangements that may be possible to direct Texas migratory workers to Missouri this year. Also Mr. Joseph Feigenspan of our employment service is en route to old Mexico where we are hoping he may be very useful in representing our anticipated need for Mexican national workers for the cotton harvest.

You will find enclosed a short narrative which will give you some detail regarding the organization and program maintained by our agency to assist cotton producers in their labor supply problems. This narrative also contains our preseason estimates on labor supply and demand for Missouri cotton production this year, and I believe it will, to some extent, amplify my reply to your questions.

I appreciate your interest in writing to me, and will be very glad if you will advise me at any time that you believe I may further assist you.

Very truly yours,

CHAS. A. RICKER, *Director.*

Also I would like to present herewith a copy of a resolution adopted in the House of Representatives of the Missouri Legislature, pertaining to this same subject:

House Resolution 90

Whereas by reason of national mobilization for defense production the Federal Government has requested that the acreage used for the growing of cotton be increased to 30,000,000 acres in 1951, an increase of 11,000,000 acres over that grown in the year 1950; and

Whereas Missouri's quota of such acreage devoted to the growing of cotton has been fixed at 600,000 acres; or 40 percent over 1950 planted acres; and

Whereas cotton constitutes the largest cash agricultural crop produced in the State of Missouri; and

Whereas such increase in acreage as well as increased production required in the production of all agricultural products, will

necessarily require a substantial increase in the number of farm workers to plant, cultivate and harvest such crops; and

Whereas in the year 1950, out of a total of approximately 100,000 workers required to handle the cotton crop, over 42,000 were brought into the State for such purpose; and

Whereas the Government is building and will soon operate an atomic bomb plant at Paducah, Ky., which will require thousands of employees in its operation, most of whom will be drawn from southeast Missouri and on the neighboring States of Kentucky and Tennessee, thus further reducing the potential labor supply; and

Whereas the increased acreage as aforesaid will require about 20 percent more workers in 1951 than was used in 1950 to plant and cultivate said cotton crop and about 30 percent more workers for the harvesting of such crops: Now, therefore, be it

Resolved, That the Federal Government, the United States Employment Service, and the Missouri State Employment Service be requested by the House of Representatives of the General Assembly of Missouri to lend assistance to the cotton growers of this State in providing adequate numbers of farm workers to enable the production of the amount of cotton required as aforesaid; and be it further

Resolved, That a copy of this resolution be forwarded by the chief clerk of the house to the President of the United States; to Senators Thomas C. Hennings, Jr., and James P. Kem; to Hon. Paul C. Jones, Representative in Congress of the Tenth District of the State of Missouri; to the Honorable Maurice Tobir Secretary of Labor; Hon. Robert Goodwin, Director of the United States Employment Service; to Gov. Forrest Smith, and to Hon. Charles A. Ricker, director of the Division of Employment Security of the State of Missouri.

I think it is very unfair for people who are not acquainted with this situation at all, and I have noticed that most of those who are speaking against this bill have never had any experience with this type of labor, to attack the bill. This bill is not for the purpose of helping any wetbacks to get into the country. If you will read the bill as it was approved by the committee, you will find it was to permit the legal entry of emergency temporary agricultural workers. Now, some do-gooders would try to cover up or correct mistakes which should have been corrected by some other committee, by putting on a rider to this bill. I think you should consider the fact that in the other body the section which was adopted as an amendment to the original bill was declared out of order here yesterday. Then they seek to put on another amendment here which has not been considered by the committee and which could not properly have been considered by the Committee on Agriculture, which brought forth a good bill, which will give relief. In view of the action taken yesterday, I believe most people will agree that we should pass the bill as originally reported by our committee.

I ask all of you people who are interested in helping the agricultural people and the farmers of this country who are sorely in need of labor, to help the farmers and to help us get through a bill which will permit the legal entry and legal contracting of these workers and leave the correction of any inequities or any illegalities that may exist to the proper committee.

All I ask is that the farmers and the people who are producing be treated fairly and be given an opportunity to bring in these workers who are so sadly needed in this emergency.

For that reason I ask that the amendment of the gentleman from New York be defeated and that the Senate substitute be defeated, and that we adopt a bill which has been considered and approved in committee, and not a bill written on the floor of the House because we will make the same mistake in doing that that they made in the other body when they adopted an amendment which was out of order, although the point of order was not raised there at the time—and I think if it had been raised there, we would not have had this thing come up here.

Some of the opponents of this bill who apparently are posing as experts on this subject merely because they have read a series of newspaper articles written by a New York correspondent seem to place implicit confidence in this one man's opinions and apparently have sought no further information. It is rather amusing to note that not less than three of the opponents have each seen fit to have inserted in the CONGRESSIONAL RECORD, either all or excerpts from this series of articles and appear to be basing their case wholly upon the writings of this one man. Here again the opponents persist in calling attention to the existence of a problem which no one denies does exist, despite the fact that it may be greatly exaggerated, but at the same time it is not a problem which should be corrected by the bill before the House or by any legislation emanating from the Committee on Agriculture. The age-old problem of the illegal wetbacks is one which should be corrected by the Committee on Judiciary after the proper consideration and not be hastily-drawn legislation on the floor of the House.

As to the problem presently before the House, I have stated my position on several occasions along the lines contained in the following excerpt from a recent weekly newsletter which appeared in most of the newspapers of my district, as follows:

Reconsidering its previous action, the Committee on Rules on last Wednesday granted a rule permitting the migratory (Mexican) farm labor bill to be brought before the House for consideration. Members from the cotton-producing States, where such labor is used, are hopeful that this bill will be brought up some time during the coming week. While there is considerable opposition to the bill, I think most of this comes from the fact that many people, including some of my friends in southeast Missouri, do not appreciate the problem which we are facing as a result of a labor shortage which appears to be likely this fall unless some arrangements are made to import some of this emergency migratory labor.

A recent communication from the Division of Employment Security in Jefferson City states that a recent survey indicates that approximately 86,000 workers will be needed for the peak of the cotton-picking season in southeast Missouri during the latter half of October. That office estimates that approximately 50,000 local workers will be available and that an additional 5,000 to 6,000 workers will come from other areas in Missouri. In addition, there will be migratory workers from the States of Texas, Arkansas, Illinois, Kentucky, and Tennessee who will be attracted to our section during the cotton-picking season. In checking the possibility of obtaining outside labor from adjoining States, the State employment service estimates that probably up to 10,000 Mexican nationals may be needed to supply the possible deficit in our available labor supply during the cotton harvest. This agency has been working with a delegation from the Missouri State Legislature which recently adopted a resolution urging "the Federal Government, the United States Employment Service, and the Missouri State Employment Service * * * to lend assistance to the cotton growers of this State in providing adequate numbers of farm workers to enable the production of the amount of cotton required. * * *"

Despite the fact that under normal conditions few of us like to see any type of migratory or foreign labor come into our community and would much prefer to have all of this work done by citizens residing in our own communities, I think we must recognize the situation that due to the fact that Missouri has planted its largest cotton crop in the face of an impending labor shortage, it is imperative that we make such arrangements as are necessary to provide for the picking of this crop. Only by obtaining an adequate supply of labor can southeast Missouri and other cotton-producing sections of the Nation reach the production goals which have been called for by the Secretary of Agriculture, and it is also necessary that this labor be made available if our farmers are to avoid the great loss which would follow failure to harvest what may prove to be a record-breaking crop.

Under the law we are seeking to pass, all foreign labor would be available only after the United States Department of Labor had certified that domestic labor was not available at the time and place needed to perform the work for which such workers are to be employed; (2) the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed; and (3) reasonable efforts have been made to attract domestic workers for such employment at wages and standard hours of work comparable to those offered to foreign workers.

The urgency for this legislation is brought about by the fact that the agreement between the United States and Mexico under which Mexican agricultural workers are permitted to enter this country under contract to perform certain specific work expires on June 30 and the Mexican Government has already indicated that it will not be favorable to renewing this agreement until some legislation has been passed.

Mr. HOFFMAN of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this piece of legislation is distasteful to some of us because we think it opens the door to bringing in people who are undesirable and who might be permitted to remain here. However, the present administration has created the conditions which make it necessary that some of our fruit growers and farmers have help. This administration has taken the boys from the farms, out of the orchards and berry patches, and sent them overseas to fight in a war the purpose of which is still—after a year of fighting—unknown.

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This administration will have 2,000,000 or 3,000,000 more young Americans, if their plans succeed, over in Germany pretty soon. It will keep our young men in military service for seven or more years if it has its way.

The old folks, 60 and 65 years of age, in my district, and I notice along the road as I drive home through Pennsylvania, Ohio, and Indiana, who are operating the tractors in the fields long after the sun goes down, yes and often all through the night. The old men and the old women are trying to farm, and produce the food for our people and for our Armed Forces. They are finding it difficult. They just cannot complete their task and do a worth-while job without help. The gentleman from New York [Mr. CELLER] who knows so much—and I do admire his educational ability—he has traveled, as I understand, all over the world and he knows quite a bit about slums, I take it that he could have learned more about that right at home in New York than anywhere else. Gratuitously—we did not pay him for it, and I do not think that anyone else did—he gave it to us from the goodness of his heart, he criticized and took a crack at the farmers because, he contends, they are not treating migrant laborers as they should be treated. He intimated some of our farmers and fruit growers are compelling these people to live in slums. Well, it is unfortunate that the gentleman does not get on a horse or take his automobile, or a plane, and get out to Michigan, for example, over on the west side of the State, next to the lake where people live like human beings and treat not only their neighbor—yes, everyone with whom they come in contact with kindness and consideration. He will find mile after mile along that lake shore and going back several miles from the lake shore clear up to Petoskey, Mich., land under a high state of cultivation; he will find square mile after mile of berries and fruit of all kinds being grown and harvested. He will find miles of orchards producing millions of bushels of apples, peaches, pears, plums. He will find people coming in from Mexico principally, however, from some of the other States to the southwest living there, some of them making as much as $50 a day picking berries by the pound. He will find them, true, living outdoors in tents, cabins or shacks. He will find them out in God's sunshine and clear air, their living and sleeping accommodations similar to all living and working conditions where people are seasonably employed. He will find them eating good food, sleeping in good beds. He should go see those so-called slums, as he calls them. People are there who have come back year after year for 10, 15, or 20 years. Those people come back every year because they find the work profitable, the living conditions satisfactory. They get this fresh air, they get this good food, pure water, plenty of milk, eggs, fruit—oh, yes, and they get some meat once in a while too, quite often, much oftener I think than the average dweller in New York city; and year after year they come back. They live better in western Michigan than many do at home. They like it, they earn good wages, they have a vacation up there, in many cases with members of their families; they work and save their money, and they go back home with a pocket full of money and they go back much stronger, healthier than when they came. They like it; the work is good for them. They go home fat, healthy and happy—thinking of the day when they can return. These folks from New York and the other cities who are complaining about legislation—I suggest to the gentleman and others that they go back to their home cities, clean up their own slums and send some of the people who live there, if they really want to enjoy a vacation this summer, send them out to Michigan. We will give them plenty of everything they ought to have not only for their material body, but we will get a little more religion and patriotism into some of those who have never seen or lived in the country—in the great outdoors. Because they live out in the open—room to move around—to see and enjoy the sunshine during the day—good restful sound sleep during the quiet nights—they will be better Americans for the experience.

Mr. McCARTHY. Mr. Chairman, I ask unanimous consent that all debate on this amendment end in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. YORTY. Mr. Chairman, I object.

Mr. FERNANDEZ. Mr. Chairman, I rise in opposition to the amendment. I am going to admit to start with that this amendment which the gentleman has offered is effective if what you want to do is to starve every illegal Mexican alien out of this country; it is most effective. The trouble is that it affects and punishes a lot of other laborers who are not Mexican aliens, but Americans. As I said yesterday, a man of my nationality, American, but of Mexican or Spanish descent, with a Mexican or Spanish name, would be very adversely affected in his efforts to obtain employment.

This amendment would require the farmer to become a policeman, an investigator, an informer, or run the risk of being a criminal. And you know very well that the average farmer is not going to run any such risk by employing anybody unless he can present an immigration card—and I could not do that myself. Once people like myself leave their States or communities in search of work, it would be most difficult to present proof that they are American citizens, American born. The simple fact of the matter is that they did not have any system of reporting births in my State until late years, and even now it is not the best.

In addition to those people I have already mentioned, there are thousands of Mexican aliens, some of them having lived here 10, 15, and 20 years, many of them with dependent children who were born in the United States, and are American citizens, yet their parents are Mexican aliens, and most would fall in the category covered by this amendment. Under this amendment, the farmers could not afford to employ the parents of those dependent American children. Under this amendment, you propose to starve them and their children.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman says they could not produce a birth certificate. Why would not a social-security card be all right? I will answer the question for the gentleman—because the social-security laws are set aside by this bill and amendment and they would not be sufficient. That is the answer.

Mr. FERNANDEZ. That is a poor excuse for the gentleman's position. I have no social-security card. The social-security card is no answer, nor does the amendment provide any exception in cases where a man does carry a social-security card.

Mr. BAILEY. This amends the social-security law.

Mr. FERNANDEZ. If the substitute does that, the gentleman seems to be supporting it. The trouble with this amendment is that it is wrong in principle. To starve people into submission is wrong in principle, it is un-Christian, it is un-American. We are using a weapon that is wholly foreign to American concepts of justice. This country is too great to resort to that. That great humanitarian, President Roosevelt, would have never tolerated any such inhumanity to poor people seeking a livelihood. Our immigration officials can, if they will, cope with the problem. Proof of that is that this last year they returned over 600,000 illegal Mexican entrants back to Mexico. The trouble is that the border officials are not enforcing the law in some places as they are in Arizona and New Mexico, where there is no problem of excessive illegal immigration.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from New York.

Mr. ROOSEVELT. I am seeking information. I am very much interested in the point the gentleman makes about the farmer not daring to run the risk of hiring someone, as the gentleman, for instance. First of all, the action would only come up if a Government attorney brought an action against the farmer?

Mr. FERNANDEZ. That is correct.

Mr. ROOSEVELT. In order to do that he would first have to prove that the employee was not a citizen of the United States and secondly, he would have to prove intent on the part of the farmer to employ a noncitizen.

Mr. FERNANDEZ. Yes; in order to convict him, but you could have farmers being hauled up to court and harassed, and the farmer shuns litigation like the plague. So he would demand an entrance certificate before taking the risk of employing anybody with a Spanish name. Can you blame him?

Mr. ROOSEVELT. The gentleman is really worried about possible harassment?

Mr. FERNANDEZ. That is right. You could not convict a man in my State for hiring a needy Mexican laborer, but the zealous Government can harass him, and he is not going to take any chances on being hauled into court, nor will he submit to becoming an informer, a gestapo agent.

Mr. ROOSEVELT. I sense a good deal of emotion in this debate, and I am trying to get away from that. What the gentleman is really worried about is the possible harassment and what the gentleman has just said actually is that the farmers are going to employ these people anyway regardless of whether they are citizens or not?

Mr. FERNANDEZ. Indeed not. He will employ only the Mexican with an immigration card and the Negro to the exclusion of Americans who look, speak, and have names like the Mexican nationals. I said any provision that would tend to involve the farmer or make him an informer is most effective in denying employment to people who are or look and talk like Mexican aliens, but who have no immigration card. Such result is inhuman in that it starves the Mexican who is guilty, and the native American of Mexican descent who is innocent.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. FERNANDEZ. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Let me ask the gentleman this question in all seriousness. We are conducting hearings on furnishing eight and a half billion dollars more of economic aid. Why not put this in as a contrary movement to economic aid, feed part of the world on the one hand and fix it so that our own citizens and our good neighbors across the Rio Grande cannot work in this country. Let us stigmatize them, let us starve them to death, while we feed all the others.

Mr. FERNANDEZ. Yes, this amendment has that effect, it starves them out, to be rid of them, and it starves American adults and American children along with them.

Mr. LYLE. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from Texas.

Mr. LYLE. What this amendment proposes to do in effect is to make every man of Mexican name, every man who is of Latin-American descent, a suspect?

Mr. FERNANDEZ. That is right.

Mr. LYLE. It would be embarrassing to them, they would hesitate to drive up and down the area where Mexicans live.

Mr. FERNANDEZ. Yes. We have native Americans in New Mexico, natives we are called, who go to Wyoming to the sheep camps, to Colorado for the beet fields, to the Northern and Western States on other crops. They could not afford to make the trip and then come back disappointed, because they could not present an immigration card, which of course they could not. That is the trouble with the amendment.

Mr. YORTY. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I certainly have nothing against our farmers. I am certainly not against the best interests of the farmers of my own State. I do want to do something about the wetback problem. As one of the gentlemen from California suggested previously, this is a very old problem. It was with us when I went to the Legislature of California over 15 years ago. It involves, as well as foreign labor, migrant workers who are not from Mexico. The conditions under which these people work are deplorable and if I had time enough to describe them I am certain the factual description would shock the conscience of every Member of this House. These unfortunate people have to live under deplorable conditions without medical attention or the most elemental necessities.

I am for bringing in the contract workers where it is necessary, where you cannot get local help. It is one way to help solve a problem but I do want the emphasis to be on legal contract workers and I favor the amendment which would make it hazardous to employ those who come in illegally.

There is also an element of good faith involved in this amendment. The senior delegate of the United States in his negotiations with the delegates of the Republic of Mexico promised the Mexican delegates he would sponsor American legislation to place a penalty upon the hiring of wetbacks. I will say for him that he has at least introduced that kind of legislation over in the other body. If all of these arguments are valid; if you cannot identify these people; if you cannot separate Americans from Mexican nationals how could that promise to sponsor this legislation have been made in good faith?

I believe these arguments are specious, I think they are made by people who want to hire the wetbacks and who do not want to be forced to rely exclusively upon legal contract labor. Mind you, if they are willing to rely exclusively upon contract labor they do not have to worry about the penalty for use of wetbacks because it will not affect them.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. YORTY. I yield to the gentleman from Minnesota.

Mr. McCARTHY. I have a memorandum from the Ministry of Foreign Relations, Government of Mexico, which expresses great concern over the news report that the House Rules Committee had refused to report favorably on S. 984.

Furthermore, the statement shows that the Ministry is so concerned over the apparent desire of some American farmers to use wetbacks they announce the possibility that the Government of Mexico would refuse to permit illegals to come back into Mexico. In other words, there are 500,000 or more over here, and when they come back to the border the Mexican Government says, "Prove that you are a Mexican citizen."

Mr. YORTY. I thank the gentleman. The point is this: Having made that promise to the Mexican delegation, can we, in good faith, when we have an opportunity to carry out our promise, refuse to do it, and on the specious ground that maybe the committee did not have jurisdiction.

I submit to you, if you look at the Reorganization Act under "Committee on Education and Labor" you will find that this is a matter that falls within the jurisdiction of the Committee on Education and Labor. So this whole subject, if properly dealt with, in my opinion, should have gone to that committee. Unless we are going to refer legislation on the basis of who employs the particular labor involved, then this legislation should have been considered, in the first place, by the Labor Committee. So I say, at this time, we should keep our promise to the Republic of Mexico. We should put a penalty on the hiring of wetbacks and force the employers to rely on local or legal contract labor. This whole situation arises from a defect in our laws. We already have a law which we thought prevented the harboring and concealing of aliens illegally in this country. In United States against Evans the Court pointed out that the language of the statute was very ambiguous. The Court was not sure just how to apply the penalty provision of the act or what penalty to apply, and therefore they ruled that the matter should be referred to Congress for clarification. In discussing the definition of the penalty that was meant to apply for harboring and concealing, the Court said in that opinion:

> We agree that Congress meant to make criminal and to punish acts of harboring and concealing.

So the plain intent of Congress could not be carried out by the Court because of the ambiguous wording of the penalty provision of the statute. We are, by the pending amendment, simply trying to clarify the statute, at least as to the so-called wetbacks.

I agree with General Eisenhower, who was shocked by this particular situation. Most of you know that General Eisenhower wrote to Senator FULBRIGHT and quoted from the revealing articles by Gladwyn Hill which appeared in the New York Times. He cited our use of wetbacks as an example of our decadent ethics and morals.

Mr. Chairman, I should like to direct the attention of the House to the following three telegrams which I have just received. I am not acquainted with the senders of the messages. I feel, however, that the Members will be interested in what they have to say about the pending bill.

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CORPUS CHRISTI, TEX., *June 27, 1951.*
Hon. SAMUEL W. YORTY,
House of Representatives,
Washington, D. C.:

The League of United Latin-American Citizens, a national organization covering five Southwestern States—Texas, New Mexico, Arizona, Colorado, and California—and representing more than 3,000,000 Spanish-speaking people of the Southwest United States, in its annual national convention, held in Laredo, Tex., on June 23 and 24, adopted the following unanimous resolution pertaining to wetback and imported labor:

"1. That Congress provide civil and penal punishments for persons who employ wetbacks (Mexicans who enter the United States illegally to find work).

"2. There should be no certification of a shortage of domestic labor to bring in braceros (Mexican workers) under contract unless domestic labor has been offered the same wages and working conditions as that required in importing alien workers.

"3. Wetbacks should be deported before any contract labor is imported.

"4. Alien labor should not be used to suppress wage scales and prevailing wages paid wetbacks should not be considered for any purpose in determining wage levels."

HECTOR P. GARCIA, M. D.,
American GI Forum of Texas.

CORPUS CHRISTI, TEX., *June 27, 1951.*
Representative SAMUEL W. YORTY,
House of Representatives,
Washington, D. C.:

The American GI forum of Texas joins with forum groups in Corpus Christi and surrounding towns of Sinton, Taft, Odem, Rivera, Robstown, Bishop, Kingsville, Alice, Woodsboro, Gregory, Laguna Acres, Molina, Refugio, Rockport, Aransas Pass, and many other places in Corpus Christi area in demanding investigation of request by the Corpus Christi, Tex., Employment Commission for certification of alleged need of 30,727 Mexican braceros for this Corpus Christi area.

Veterans groups and families in abovementioned places strongly and emphatically oppose any importation of labor from Mexico into this area because there is enough local labor available here. Certification of labor shortage by local office is grossly inaccurate and phenomenally exaggerated. There are many thousands of American workers of Mexican origin here waiting for crop harvest but if labor is imported they will leave this area and migrate to Northern and Western States. Use of imported labor in this area will perpetuate mistakes of previous years when imported labor brought wages and wage rates downward to a point where semislavery wages prevailed. Local citizen populace now suffering results of imported labor as shown by undernourished, underfed, and poorly clothed children and families living in slum areas and falling easy prey to all sorts of killing diseases like tuberculosis and infant diarrhea.

Imported labor into this area will only perpetuate and increase the suffering and exploitation of our workers here who are waiting for agricultural jobs.

HECTOR P. GARCIA, M. D.,
Chairman, American GI Forum of Texas.

CORPUS CHRISTI, TEX., *June 27, 1951.*
Hon. SAMUEL W. YORTY,
House of Representatives,
Washington, D. C.:

The American GI Forum of Texas, representing 50,000 veterans and their families with the lowest standard of living in Texas, strongly favor the Douglas amendment to the Poage bill, which would penalize persons who knowingly employ wetbacks, thereby hurting the economic, social, and educational status of these veterans and their families who are now fighting a siege of death of diarrhea and polio due to lack of proper housing, plumbing, and sufficient nutrition. These wetbacks decrease the earning potential of the veterans who served and sacrificed themselves in the last war and of many who are now serving in Korea in order to make this country a better place to live in. The use of wetbacks is an act of treason to these veterans and their families and to the American economy. The Douglas amendment in its original form must, in any case, be a part of any treaty with Mexico regarding use of imported labor. Herewith follows a copy of resolution adopted by the forum at its latest convention at Corpus Christi, April 29, 1951:

"*Be it resolved,* That we, the undersigned citizens of Texas, do, by the inscription of our signatures hereto, endorse the action recommended in the following resolution circulated by the American GI Forum of Texas:

"Whereas Texas, and especially the Rio Grande Valley of Texas, is subject to the constant illegal immigration of aliens known locally as wetbacks; and

"Whereas laboring citizens of the United States are injured grievously competing with these illegal aliens for laboring jobs; and

"Whereas the practice of hiring illegal aliens has a further detrimental effect upon the economy of the valley, particularly in lowering purchasing power at the retail level; and

"Whereas the Government of the United States is charged with the responsibility of preventing illegal immigration; and

"Whereas a tremendous expense is entailed in the maintenance of a veritable army of border guards and, recently, of an airlift into the interior of Mexico; and

"Whereas the continuing illegal immigration of said aliens is fostered and encouraged by a ready market for low-cost labor; and

"Whereas the presence in Texas and the valley of these illegal aliens in great numbers constitutes a pool of cheap labor with which resident valley laborers cannot compete; and

"Whereas only cessation of the practice of employing illegal aliens will effectively stem the tide of illegal immigration: Therefore be it

"*Resolved,* That the Congress of the United States enact such legislation as is necessary to deter effectively the nefarious practice of hiring illegal aliens at un-American wages while citizens of the Rio Grande Valley and Texas are forced to travel great distances to earn livable wages doing the same type of work for which they are hopelessly underbid at home; be it further

"*Resolved,* That a copy of this letter be sent to the following: Vice President Alben Barkley; Secretary of State Dean Acheson; Speaker of the House Sam Rayburn; Representative Lloyd M. Bentsen, Jr.; Senator Tom Connally; Senator Lyndon Johnson; Senator Herbert Lehman; Senator Wayne Morse; Secretary of Labor Maurice J. Tobin; and to the Bracero Pact Commission.

"HECTOR P. GARCIA, M. D.,
"State Chairman, American GI Forum.
"JOE ZAPATA, *Secretary.*"

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is one similarity between the arguments of the gentleman from New York [Mr. CELLER] and the gentleman from California [Mr. YORTY]. They are both sufficiently far removed from the scene of the employment to be misinformed. They live in areas where there are many slums which they are unable to see and where there are many aliens whom they are unable to count. The largest farm in either area would be a window box and the principal agricultural product would be wild oats.

If I may, Mr. Chairman, let me give a few facts. The entire area that we are talking about, from Mexico to the Oregon border, once belonged to Mexico, and the original people in that area were Mexican people who left many of their relatives and descendants there. The Mexican border, like the Canadian border, is an open border. There is no way in which you could stop a Mexican citizen from coming into the United States, provided he had a visa from the Mexican Government and provided he was in good health and did not have a criminal record.

The gentlemen from the highly populated cities of the country wish to eat the products we raise, but also wish to take from the area the labor that has been used in the methods under which we have farmed for 150 years.

When you talk about 600,000 people, which is entirely too large a figure—wetbacks—having been put back across the line, it is much less than that, what we do is to put the same Mexican back across the line, probably every week, maybe every day, and he comes back again. He sleeps at home and he comes back to work the next day. So the Immigration Department takes credit for one additional wetback on each trip. Can you picture in your mind, Mr. Chairman, a relationship like the State of Maryland and the District of Columbia? What you are asking us to do is to say that a man in the District of Columbia, who employs a man who is a resident of the State of Maryland, is subject to a fine of $1,000, and is to be accused of a felony—or misdemeanor I think, in the gentleman's somewhat modified amendment. How can you tell whether the man lives in Maryland? How can you tell whether he lives in the District of Columbia?

In the area where I live the same people have picked crops for years and years. Why have they done it? Because we pay four times as much in the United States for agricultural labor as is paid in Mexico. The reason the wetback comes across is not because the American farmer desires him to come across as a wetback but because the conditions in Mexico are such that it is cheaper for him to come across a nonexistent line, than to pay the demands made of him by his own country. The Mexican laborer, from time immemorial has harvested these crops, so he comes across and harvests them and goes back. Every time he is taken back instead of going back on his own power, the Immigration Service takes credit for another wetback sent back across the line. These men rarely go a distance from the border. Whenever they go from the border, there are immigration roadblocks.

I sincerely hope, Mr. Chairman, that we will not write into this bill the amendment suggested, perhaps through misunderstanding, by the gentleman from New York [Mr. CELLER] and

through less excusable misunderstanding, by the gentleman from California [Mr. YORTY], who ought to know. I hope we will not write in an amendment which, while the Department of Agriculture asks for a 60-percent increase in cotton and a 40-percent increase in food because of the war emergency, will take away not merely the agricultural labor which has always harvested the crops but which will impose a burden upon every person in the United States who speaks Spanish, who looks Spanish, and who has not a birth certificate you can depend upon to prove that he is an American citizen. Even though his children may have served in the American Army and even though his children may be married to American citizens, you do not know whether he will come under the amendment offered by the gentleman from New York. This is not cheap labor, Mr. Chairman. That will be brought out in the discussion. It should also be brought out that the system is advantageous to the Republic of Mexico, which profits in cash money, put in circulation, and by knowledge of improved farm methods.

Mr. McCARTHY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Chairman, I had not intended to speak on this amendment or upon this bill, but when I hear some of these pseudo farmers in this House, such as the gentleman from California [Mr. PHILLIPS] standing in the well explaining how to farm and the processes of it I am beginning to think that if ignorance is bliss they should probably be the happiest men in Congress.

I happen to know a little bit about agriculture. I make my living that way. I heard someone yesterday expounding upon the art of dairying. Then later he said that anyone could put a milking machine on a cow. I am inclined to think that if he were to put one on, it would probably act like a stomach pump.

This thing is pretty fundamental. I have heard a lot of remarks about helping agriculture. I do not know what the situation is as far as helping agriculture in Texas is concerned, but if any Member from Ohio says this bill is going to help agriculture in the State of Ohio he just does not know what he is talking about.

We do not employ any Mexicans from Mexico in Ohio but we do employ Mexican-Americans occasionally who are displaced by wetback labor. If you will go up into the fields of northwestern Ohio where they employ stoop labor they will tell you that those people come up there hunting jobs and say they cannot find jobs down where they came from because there are too many illegal entrants who are working for lower wages and who are taking jobs away from the people who have long lived there.

We also find that there are problems when they come up into Ohio as far as living conditions are concerned, as far as living in slums is concerned, and as far as not wanting to send their children to school is concerned. The farmers who have employed them have found that they are a problem that is not worth the nuisance that is involved in comparison with the labor they get from them.

During World War II we employed same labor from Jamaica, but they were brought in under legitimate contracts where at a specified time the employer had certain specified responsibilities which he had to assume and which he was willing to assume.

When the season was over he was under some obligation to see that those people were sent back home where they came from, and that they did not become a problem.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. HOPE. The gentleman states that farmers in the State of Ohio would get no particular benefit from this bill. I have no doubt that is true. Farmers from the State of Kansas would get no particular benefit from it either. In fact, the bill, as I understand it, will affect only 18 States, so far as farmers are concerned. But the people of the State of Ohio have to eat and the people of the State of Kansas have to eat, and people from every other State have to eat.

Does not the gentleman think that a bill which makes it possible to bring in some labor to help harvest the crops is going to be a good bill for the people of Ohio as well as the people of every other State?

Mr. HAYS of Ohio. I do not say that you should not bring in any labor. But I am getting a little bit tired of Members of Congress trying to keep the potential employers of this labor from assuming any responsibility whatever for the labor that is brought in. If the employer wants to bring in the labor, and certainly to profit from it, he should be willing to comply with certain terms and with the provisions of the contracts. He should assume certain responsibilities for seeing that that labor is returned whence it came when he is through with it and when there is no employment for that labor.

Some of these arguments are more than specious, they are just a little bit foolish, because some of the people who have been standing in the well of the House here worrying about the poor Mexican workers are some of the same people who have fought civil rights ever since I have been in the Congress. So, as I see it, it is just a question of whether they can get something for their own territory or their own State, without too much responsibility to the people of the United States. I agree with you that the situation in agriculture is such that there is a need for labor—yes—but I do not agree with you that it is so bad the Federal Government should step in and assume all the responsibilities and let the employer who is going to profit from it assume none of the responsibility. Certainly, if I want labor, I am willing to assume some responsibility for it.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, my feeling is that it would be desirable to write into this bill some legislation along the line of that suggested by the gentleman from New York [Mr. CELLER]. I am sympathetic to the objectives sought by the gentleman. I have no doubt there have been abuses by many employers and that their participation in illegal acts should be punished. However, I believe that the amendment offered by my colleague, despite its adoption in the other body, is fatally defective, and no court in the country would ever sustain the wording of this particular amendment.

I call attention particularly to the language of the amendment that an operator who employs a person whom he knows or has reasonable grounds to believe or to suspect is an alien, then becomes subject to criminal penalties. In my judgment the Supreme Court has never in the past and would never in the future sustain such a penal provision as that. Criminal statutes must be written with clarity and definiteness to be valid. I say this with the utmost deference to the chairman of my committee, and with the utmost deference to the Member of the other body who offered the amendment there.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. CELLER. Has the gentleman any change in the language in mind which might be consonant with his views on this matter?

Mr. KEATING. I would suggest the elimination of the words "or suspect" in both cases where they appear. My inclination would be, if those words were eliminated, to support the amendment of the gentleman from New York. I am certain that with those words in the amendment it is fatally defective.

Mr. CELLER. I would be glad to accept the gentleman's suggestion.

Mr. KEATING. I have no power to make that change. If the gentleman from New York would attempt to make it, it would be entirely acceptable to me.

Mr. CELLER. Why does not the gentleman ask unanimous consent to have the words eliminated?

Mr. KEATING. I suggest that the author of the amendment would be the appropriate person to ask for unanimous consent to do that. I shall certainly not oppose it; indeed, will welcome the change.

Mr. CELLER. Will the gentleman yield to me for that purpose?

Mr. KEATING. I am happy to do so.

Mr. CELLER. Mr. Chairman, I ask unanimous consent that the words mentioned by the gentleman from New York

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[Mr. KEATING] be deleted from the Celler amendment to the Polk substitute amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

Mr. COOLEY. Mr. Chairman, I object.

Mr. THOMPSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. THOMPSON of Texas. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON of Texas. Mr. Chairman, at the outset I would like to correct an impression which seems to prevail in the minds of some of my colleagues who have spoken. In the first place, my district does not contain any great plantations such as those pictured by the gentlemen from Illinois and New York State. Mine are for the most part small farms and very few are operated except by or under the direct jurisdiction of the owners themselves.

I also wish to comment particularly on the description of the living conditions as set forth by some of these same gentlemen. The itinerant Mexicans live under the same conditions in all respects as native American workers. Their houses are clean and sanitary and in all probability they live far better here than in their native land.

Since the offering of the Celler amendment yesterday, I have been checking into the history of any similar measure ever to be proposed or considered in this Congress. Certainly none has ever been enacted and I doubt if one was ever offered.

If this amendment prevails, it will set a precedent which will eventually affect every employer who may in the future consider hiring a foreign-born person. This amendment says in effect that if a job applicant speaks with an accent or if he has a dark complexion, the prospective employer must check into the antecedents of the applicant and satisfy whoever it is who would administer this strange new law that the applicant is in America legally.

True, this amendment applies only to Mexicans. However, once the principle has been established by the chairman of the Judiciary Committee, presumably in the interests of fairness, he will introduce a similar measure to embrace all aliens. What such a law would do to his own New York, where countless thousands speak broken English, is hard even to imagine.

I think the author of this amendment knows perfectly well that if he proposed any such measure in the form of a new bill, it would never pass his committee. His only chance of getting a foot in the door with any such drastic measure is by the present means of urging it on the House of Representatives when the House has had no time to study it. In any event, if the House votes down this amendment, the author of it may still introduce a bill which will provide for it, and he can make it all-inclusive, or discriminatory as he sees fit.

I hope the committee will reject the amendment and then I shall watch with great interest to see whether such a bill is introduced.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. CRAWFORD. I want to ask a question which relates to the statement made by the gentleman who preceded you. Suppose you have a farm out here and three or a dozen of these workers are brought to your farm at 6 o'clock in the afternoon. They are handed to you and you place them in a nice house—and I mean that literally—and they ask you for forty or fifty dollars to buy a grubstake and you advance the funds. You get up the next morning and they are all gone. What are you going to do about it?

Mr. KEATING. I am afraid you would have to ask someone who has had more experience along that line.

Mr. CRAWFORD. I use that as a simple illustration which happens very often, to indicate that the gentleman from Ohio does not know much about farm labor.

Mr. KEATING. So far as I know, we do not have any of these Mexican migrant laborers in my particular territory.

Mr. THOMPSON of Texas. Mr. Chairman, will the gentleman yield further?

Mr. KEATING. I yield.

Mr. THOMPSON of Texas. This is an exceedingly complicated matter as we have found out in the last few hours. Does not the gentleman think the place to thrash this out is in the Committee on the Judiciary rather than on the floor of the House?

Mr. KEATING. Yes; I do; I agree. I think that all such legislation relating to immigration matters should be passed upon by the Committee on the Judiciary.

Mr. THOMPSON of Texas. Could not this be killed on the floor and then perhaps the chairman of this committee or the gentleman from New York could bring it out later in the form in which the committee itself approves?

Mr. KEATING. I am in favor of consideration by the Committee on the Judiciary of legislation similar to the amendment offered by the gentleman from New York. I would be strongly inclined to favor a measure along those lines which is carefully drawn and thoroughly digested.

The CHAIRMAN. The time of the gentleman from New York has expired, all time on the amendment to the amendment has expired.

The question is on the amendment offered by the gentleman from New York [Mr. CELLER] to the amendment offered by the gentleman from Ohio [Mr. POLK].

The question was taken; and on a division (demanded by Mr. CELLER) there were—ayes 55, noes 125.

So the amendment to the amendment was rejected.

Mr. McCARTHY. Mr. Chairman, I offer an amendment to the substitute.

The Clerk read as follows:

Amendment offered by Mr. McCARTHY to the substitute amendment offered by the gentleman from Ohio [Mr. POLK]: On page 3, strike out paragraph (2) of section 502 and insert in lieu thereof the following:

"(2) to reimburse the United States for essential expenses, not including salaries or expenses of regular department or agency personnel, incurred by the United States under this title. Direct expenses for transportation and subsistence shall be assigned, by the Secretary of Labor, to individual employers to the extent possible, in an amount not to exceed $20 per worker. The Secretary of Labor shall determine on January 1, 1952, and on each succeeding January 1 during the life of this title, if such payments fully reimburse the United States for the essential expenses (as defined in this paragraph) incurred by it under this title. If the Secretary of Labor finds that the United States is not so fully reimbursed, he shall prorate the remaining amount due the United States among all employers in accordance with the number of man-hours of labor received by such employers from workers made available under this title. For the purposes of this paragraph, the Secretary of Labor shall determine the essential expenses (as defined in this paragraph) incurred by the United States per man-hour of labor provided under this title, and employers shall keep such records as the Secretary of Labor deems necessary to determine the amount of reimbursement due the United States under this paragraph."

Mr. McCARTHY. Mr. Chairman, the purpose of this amendment is simply to carry out what was declared as the intent and desire of all the farmers in the West and in the Southwest, namely, that there should be no subsidy involved in this. If you will read the terms of the Poage bill you will find that it provides that the farmer shall pay up to $10 of expenses. The Senate bill carried $20. The gentleman from Texas [Mr. POAGE] has practically admitted that it would cost more than $10 for the Government to carry out this thing, but he said, "We want to discourage their spending too much."

I want to prevent the payment of a subsidy and I want to call to your attention statistics and figures of what it cost to bring in farm labor during the war. In that period 309,000 foreign workers were brought in at a cost of about $76,000,000. Figured out on a per capita cost it amounts to $214 per man. That is over $200 more than the amount the gentleman from Texas proposed that the farmers pay.

More immediately, if we take the question of cost of transportation and subsistence, the most recent report of the Farm Replacement Service indicates it would cost $34.90 per man for transportation and subsistence. If we are going to have to take care of the problem of getting the foreign worker who skips back to Mexico, then the cost is increased on the average by another $33 per man. So in effect what we have here is a program to subsidize the farmers of the Southwest and of the West, even though they protest that they want no subsidization.

My amendment carries out what certain representatives of farm groups asked from the committee. The farmers came in and said, "This is what we want." The committee said, "We will give you what you want and more."

Mr. Bailey, legislative consultant, National Grange, said in the Senate hearings on the question:

> We would suggest that the entire cost of farm labor program be put into one pool, and if you brought in a hundred thousand workers, you would divide the cost by 100,000 and apportion that to everybody, because this is a national farm labor program to the benefit of all the country.
>
> The CHAIRMAN. Would you be more specific and tell us what extent you think the Government should share any of these costs of transportation and sustenance of labor in transit?
>
> Mr. BAILEY. We believe in no subsidy whatever for the program.

My amendment does not go that far. It provides that the direct expenses which can be determined shall be assigned to the individual farmer in whose behalf they are incurred up to $20. All of these other incidental expenses that we cannot determine at this particular point will be added and on January 1 following the end of the crop season a determination will be made. If an employer had a hundred thousand manhours of labor under this contract, and the Government finds it cost 2 cents an hour to provide that labor to him, the farmer will then be assessed that amount and will be expected to pay it into the Treasury of the United States. There will be no subsidy if my amendment is adopted. If it is not adopted, then the cost depends on how many men may be brought in. The more we bring in the more it will cost the Government. Remember it cost $214 per man to provide these laborers during the only period in which we had any experience.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from Kansas.

Mr. HOPE. May I ask the gentleman if he understands the provisions of the House bill which limits the amount to $10, and the Senate bill which limits it to $20, to cover anything more than the travel expenses and the subsistence in bringing these Mexicans from Mexico to the centers in this country from where they will be sent out to the farmers?

Mr. McCARTHY. I understand that and also that the penalty bond which used to be in force requiring each employer to put up $25, which was forfeited if he did not return to Mexico, has been eliminated and the Poage bill now provides that if a worker is not returned and later is apprehended, then the employer shall pay to the Government what it would have cost to take the worker from the farm to the reception center. If the worker gets away and is never caught, the employer does not pay anything. If he had to pay $15 transportation in the first place, he could give the Mexican $5 and say: Get lost, and you save yourself $10. That is exactly what is permitted in the bill. It gives an incentive to skipping. The immigration people estimate that if the Poage bill passes 50 percent of the contract labor will likely skip. At the present time about 20 percent skip, even with the $25 penalty in force.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from New York.

Mr. KEATING. Does the gentleman's amendment include a prorating of the expenses of administering the program, as well as the actual costs for transportation and subsistence embodied in the specific clause we are discussing?

Mr. McCARTHY. Excepting those expenses that would be part of the regular administration of the Department of Labor Immigration and Naturalization Office.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. KEATING. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was not objection.

Mr. KEATING. Would the gentleman give us again the estimated cost per operator regarding which this substitute requires reimbursement by the employer of only $20?

Mr. McCARTHY. The Senate bill provides $20; the Poage bill $10.

Mr. KEATING. And the actual cost is estimated at what?

Mr. McCARTHY. The actual cost is estimated at $34.90 for transportation and subsistence plus $33 which it costs to apprehend skips on the average. The actual program, when in effect during the recent war, cost on an average $214 per man per year.

Mr. KEATING. I am sympathetic with the gentleman's amendment. As a matter of fact, I prepared one myself with relation to the original bill, striking out the words "not to exceed $10 per worker." The effect of that would be to require the employer to reimburse the Government for its actual expenses without this limitation. I see no reason why this Congress should vote a subsidy to any group of our population for this type of program.

I agree entirely, if I understand fully the gentleman's amendment, that the purpose he is seeking to achieve is desirable. In fact, unless this amendment or something similar to it to protect the Government purse is adopted, I do not see how I can support it.

Mr. McCARTHY. We have consulted with the departments in charge and they say it can be worked out, and that the matter of keeping the record of manhours, and so forth, will not be an undue burden. You must remember that only about 100,000 or 125,000 growers use this contract labor, anyhow.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from California.

Mr. PHILLIPS. I should like to ask the gentleman if the large figure he gave for World War II did not include a great many other items in this cost for bringing these people in from countries outside of the United States.

Mr. McCARTHY. These are foreign workers.

Mr. PHILLIPS. That was the complete transportation cost.

Mr. McCARTHY. I said of foreign workers.

Mr. PHILLIPS. Would it not be better to send this to conference and work out a better bill?

Mr. McCARTHY. We can still confer on this question because it is not in the Senate bill. I think the House should not take the position of subsidy to secure labor for a few farmers in one section of the country. As to subsidies on food, those of you who oppose subsidies ought to be opposed to subsidizing the producer. If you subsidize one and not the other, you do not have much of a case.

Mr. POAGUE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Minnesota has just stated that we should not pay a subsidy to American farmers. I fully agree with him. That has been one of the objectives of the subcommittee that wrote this bill, from the very beginning. We do not propose to pay a subsidy to anybody. We have made in provision in this bill to prevent any subsidy.

The question involved here is not a question of subsidy; it is a question of extravagance of Government as compared with the ability of private operators to handle their own business on a businesslike basis.

The gentleman pointed out that the United States had squandered, had wasted, had poured down a rat hole some two hundred dollars per worker during the war, when it included the payment of housing, transportation, and all kinds of extravagant expenses.

I want to quote to the House actual figures, not something that somebody estimates, not any $34 per worker but the actual figures showing what has been paid this last month to bring workers from Mexico to the United States and to provide for their subsistence while bringing them here.

I have before me the affidavit of C. W. Wood, prepared on May 28, 1951, in which he testified that he brought certain Mexican nationals from Monterrey to Hidalgo, Tex., at a transportation cost of $2 per person and two meals per person at 50 cents, making $3 per person for bringing them in.

I have the affidavit of George A. Graham, who testified that on May 16, 17, and 18 he recruited 1,067 Mexican workers at Hermosillo, Mexico, and transported them to Nogales, Ariz., and the transportation expense between those points was $2.10 per man.

I have affidavits here from many others. They averaged out less than $2.50 cost of transportation from the Mexican centers to the American border, including the payment for food on the way. That means less than $5 a round trip. That is what these people are actually today paying and what the

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actual cost is, not what somebody estimates. It is actually being done for less than $5 round trip right now.

Now, I submit when it is being done for $5, and when we allow the Government to charge $10, that we are being quite liberal with the Government, and we are not subsidizing any farmer when we are providing that the farmer can be called upon to pay twice as much as he would if he did it himself.

This limitation is put on here not for the purpose of subsidizing the farmer but for the purpose of requiring the extravagant agencies to live within the bounds of reason and to exercise some reasonable care.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. I want to ask the gentleman if one of the affidavits in question does not refer to an affidavit made by a group from Mississippi, where the cost was listed as no more than two-dollars-and-some-cents for transportation for the worker.

Mr. POAGE. That is right.

Mr. SMITH of Mississippi. I happen to personally know the gentleman who made that affidavit, and I can personally vouch for the facts involved in those costs. I think any effort we make to restrict the amount that is allowed for the individual cost will go a long way toward restricting the Government agencies from squandering funds.

Mr. POAGE. We want to give the Government agencies the opportunity to recoup all the costs, so we say they can take twice the cost, but we do not want to pay more than is needed to these Government agencies. We do not propose to let them just spend without limit; just throw the money away because we are going to collect it from the farmers.

The proposal by the gentleman from Minnesota is to put no limit upon the expenditures of the Government agencies, and if you have been in Congress 6 weeks you know that if you do not put a limitation on every one of these Government agencies that they are going to go on a spree worse than any drunken sailor.

Mr. O'TOOLE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New York.

Mr. O'TOOLE. According to the farmers' affidavits they spend more on the transportation of pigs than they do on these poor humans.

Mr. POAGE. I do not know what it costs to transport pigs from Mexico. Does the gentleman from New York know?

Mr. O'TOOLE. No.

Mr. POAGE. Then the gentleman does not have any right to come here and say what it costs to transport pigs when he does not know.

Between the three Mexican contract centers and the American border we do know what the first-class bus fare is, and it averages less than a dollar.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GATHINGS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think an effort is being made to hamstring this legislation. They say in effect, "Now, we will put it on the farmer, yes; we will charge him $20 to transport these Mexicans some 150 miles from these three recruitment points in the Republic of Mexico—Hermosillo, Chihuahua, and Monterrey—and move them to where the farmer can get them at the Mexican border.

"Yes; we will take care of them; we will put $20 in there. We are going to insist that the Government of the United States collect $20 from that farmer. We will dress him up so he cannot farm." This seems to be the attitude of those who oppose the Poage or committee bill.

Let us see what the facts are. I hold in my hand an affidavit made by a man from my district who has made trips down there repeatedly to get labor for the cotton farmers in my section of Arkansas. He says the average cost to the association for processing a worker, feeding him, and transporting him to Laredo, Tex., amounts to $1.74 per worker. Multiply that by 2 to get him back home when he has completed his contract, and that is the total cost for these items. It is $1.74 each way. He is an expert in doing this thing apparently, because he has been there so much he knows how to do it economically.

Here are many letters I have received regarding costs and the great need for this labor.

One letter states:

> This spring we recruited our labor from Mexico at a cost of $6.62 per man.

This person refers to the total cost from Monterrey to his farm. His cost to the border reception center was only a fraction of that amount. The expenditures from the border to the farm and return are not included in the $10 or $20 provision now under consideration.

Here is a letter that says it cost $1.35 per worker, making the total cost $2.70, to get him back home at the conclusion of his contract.

Here is a letter showing that the cost is $1.77 per man for transportation, pictures, and food, to get the Mexican national up to the border.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from West Virginia.

Mr. BAILEY. How could you transport somebody from Arkansas to Mexico for $1.35?

Mr. GATHINGS. I said that this letter came from Arkansas through the mail.

Mr. BAILEY. Is the gentleman talking about the cost of procurement up to the border?

Mr. GATHINGS. The farmer after he gets him at the border has to pay for the transportation and subsistence of the worker to the farm. This $1.35 is the cost the farmer pays to get him from one of the three centers in Mexico which are about 150 miles from the border, up to the reception center, at or near the border, where the farmer gets him.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Illinois.

Mr. SABATH. If the amount is so small, why cannot these large farmers or planters that need this labor and derive the benefit of their labor assume the cost themselves?

Mr. GATHINGS. They are doing it right now. They are paying this cost. Even when these men abscond and are apprehended in this country, when they go up to the city of Chicago to see the country and happen to be picked up there, the farmer pays the cost of transporting them back to Mexico. They have done it every time. Whenever that bill is submitted to the farmer, the farmer pays it. He pays every nickel he is obligated to pay under the contract.

Mr. SABATH. Why is it that it is worth so much to the Government to import and deport these Mexicans?

Mr. GATHINGS. The Immigration Service has its men in the field regardless. They have these fellows, enforcement officers, all around over the country.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from North Carolina.

Mr. COOLEY. Let me make this clear: There is no subsidy contemplated by this bill. It is contended that the farmer shall do just what the gentleman has indicated he should do, that is, to pay all the cost incurred from the time he takes him from the reception center until he is returned there.

Mr. GATHINGS. That is right. I do not want to see a punitive proposal come in here to make him pay up to $20. If you put $20 in the bill the farmer is going to have to pay $20. In addition to his transportation, the farmer pays medical fees, his food and lodging, a place to live, an insurance policy, and the prevailing wage in that particular area. This is expensive labor.

Mr. SABATH. I am not in favor of the Government's recklessly spending the money of the poor farmers who hire these thousands of Mexicans.

Mr. GATHINGS. That is fine. I thank the gentleman so much, and appreciate his support in opposition to this amendment, that ought to be defeated.

Mr. SABATH. I think this is a step in the right direction.

Mr. GATHINGS. The farmer has a hard enough time as it is. I trust that this committee will not penalize him further by such an amendment as this.

Mr. BAILEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, you have listened to some wild-eyed statements from some of the proponents of this legislation. You have noted the presentation of certain affidavits from interested parties as to the cost of this transportation.

I am dealing with the cost here and the procurement of these Mexicans south

of the border and bringing them to the border. I am going to give you an itemized breakdown supplied to me no later than this morning by the Farm Placement Service, in an analysis of S. 984, which is the Senate bill. This is the average cost and it does not apply to some particular individual from whom these affidavits were presented. This is the average cost based on the experience of the Farm Placement Service, from the migration center in Mexico through the United States Reception Center at or near a port of entry and return: recruitment, 75 cents per individual; transportation $15.65; subsistence, $6—a total of $22.40.

Reception processing, assignment, reassignment, and return to Mexico, 50 cents; subsistence at the center on the border, $12—making a total of $12.50, or an over-all total of $34.90.

The Poage bill, the House bill presented by the gentleman from Texas, would fix the figure of $10 to reimburse the Government for this expenditure. The Senate bill would fix the total at $20. Why not take the actual cost applied by a responsible bureau of the Government as to the actual cost involved for the average of those procured?

Why not write into the bill the proposal of the gentleman from Wisconsin and allocate it on a pro rata basis? Or why not write into the bill the actual cost of $35, instead of $10 or $20?

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield briefly.

Mr. COOLEY. I was just wondering if it is not possible that the $34 figure included transportation for a greater distance than that which is contemplated by this program? I know that at one time they were recruiting laborers from 800 miles south of the border. We do not contemplate that at all.

Mr. BAILEY. You are going to get them any place that you can get them, and you know you are.

Mr. COOLEY. No.

Mr. BAILEY. And you are going to reimburse the Government $10 for bringing them in from Mexico City. Do not try to kid the committee.

Mr. COOLEY. I am not trying to deceive or mislead the committee, or even the gentleman who is now addressing us. I am of the opinion that those figures are inflated because of the great distance involved for transportation.

Mr. BAILEY. Are they as likely to be inflated figures coming from a regular bureau of the Federal Government, than the figures of some private affidavit submitted on the floor here?

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Minnesota.

Mr. McCARTHY. I think the members of the committee are quite certain if the demand for these contract laborers increases, as we have had indications here that it will increase, the Mexican Government has said that they are going to set up their recruitment centers much farther south of the border and this $34 which the Department of Labor, or the Immigration and Naturalization Service says it will cost is based on the quite certain possibility that we are going to have to go 500 or more miles into Mexico in order to recruit them.

The Mexican Government does not want these recruiting centers up near the border because you will have more Mexicans coming there, and if they cannot come in legally and if they are not given the legal right to come in as contract workers, they will just start moving north and thus you will have more wetbacks.

Mr. BAILEY. I thank the gentleman from Minnesota.

Mr. Chairman, let me carry this cost situation just a little bit further. The official figures of the Labor Department are that 579,105 illegal aliens were reported during the year 1950, and that 98 percent of them are Mexican wetbacks. If you take that figure between the House bill and the Senate bill of $10 and the actual cost of $35 alone, the Federal Government is going to have to pay $25 on each one of them. Suppose you bring in the 125,000 laborers they say they need in southern California and the approximately 200,000 that they say they need in the Delta States, and probably another 100,000 in the State of Texas, why, I can figure here by just saying that if you bring in more than you brought in last year, it is going to cost the Government $16,500,000 on that one item alone.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. KEATING. No matter how thin you slice it, if the gentleman's figures are accurate, the House bill calls for a subsidy of twenty-four-dollars-and-some-cents per worker, and the Senate bill for a subsidy of fourteen-dollars-and-some-cents per worker.

Mr. BAILEY. Correct. That is correct.

Mr. Chairman, I insist that the committee either take the amendment offered by the gentleman from Minnesota, or I shall offer an amendment to put in the exact figure of $35.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are confronted with a very critical time in the history of this Government. Downstairs in the Committee on Appropriations we are considering a bill which would provide $60,000,000,000 for additional national defense for the coming fiscal year. Munitions of war are important, but, of course, there are many other things essential if we are to measure up to the requirement that America be strong at this time. You have to have guns and airplanes, but you have to have food and fiber just as well. For example, the Quartermaster General is asking Congress to appropriate $300,000,000 to create a pool for supplies of cotton duck and cotton webbing that will be used in the military effort. But if we are to have these fibers we must be able to grow them and harvest them. It is absolutely essential in my judgment in the interest of national defense that this Poage farm-labor bill be passed. The committee worked on it for weeks; they considered all aspects. I was up there and testified before the committee; I saw the committee at work. They have brought in a good bill. I think it would be unfortunate to adopt the amendment now pending or any other amendment. Let us go to conference with the Senate on the basis of the House bill. It is different from the Senate bill which is now being offered as a substitute to the Poage bill. In conference the differences between the two bills can be ironed out. I trust the House bill will prevail in conference.

It is absolutely necessary that the so-called Douglas amendment, which would require the farmer to know whether the Mexican laborer were a wetback or not, be entirely eliminated from the bill. Such an unfair amendment would wreck the bill and injure the farmer, the laborer, and the national defense effort.

I would like to speak for a moment about the cost of bringing these laborers into the United States from Mexico. The figure set in the Poage bill, $10, seems to be a reasonable and accurate figure and I see no reason why other statistics not submitted in the hearings should be accepted here on the floor now.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. POAGE. I would like to call the attention of the gentleman from Texas and the attention of the membership generally to the actual transportation figures of the public carriers, the bus lines at the present time. These are not imaginary figures but they are what it actually costs today. These figures are sworn to. The fare from Hermosillo is almost exactly $1. The bus fare from Monterrey to Laredo, Tex., is 66 cents. The bus fare from Chihuahua, Mexico, to El Paso is $1.15. These are rates charged by common carriers today.

Mr. MAHON. The gentleman is correct, and the Members of the House should understand that the farmer must pay the transportation, not the Government, after the man gets into this country. This $10 seems to be abundantly adequate and I do trust that the House bill may be adopted with that figure, that the substitute bill may be defeated, and that we can send this bill to conference as soon as possible, because it is extremely urgent that the bill be enacted into law at the earliest possible moment—it would be difficult to exaggerate the importance of this legislation.

Let me say further that these citizens from the Republic of Mexico will not be treated like peons, or worked for nothing. When they come to the district which I represent, where we will harvest perhaps 3,000,000 bales out of the 16,000,000 bales that we hope will be produced in this country, they will be treated well. They will take hundreds and hundreds of thousands of American dollars back to their homes in Mexico and their wage rates will be abundantly high, and the living standards will be

XUM

satisfactory. This is no case of sweatshop labor, but this is a case of giving the people south of the border down Mexico way an opportunity to participate in American prosperity and at the same time help the American farmer and contribute to the defense effort. They will be adequately and almost fabulously paid in some instances for the labor they perform in the cotton fields of the country, particularly in west Texas. The bill has adequate safeguards to prevent any injustice to laborers from the Republic of Mexico.

There are a number of other matters with respect to the farm-labor situation which I think should be said to the House at this time. The passage of the Poage bill now before us will go a long way in helping provide labor from the Republic of Mexico. In other words, the Poage bill will do one thing. Another thing should be done. The House should pass House Joint Resolution 208 which I introduced on March 19 or similar legislation. The point is the Senate amendment with respect to child labor which became the law in 1949 has brought about a great injustice both to the farmer and to the children and families involved. Congress should enact legislation which would leave to the States the matter of determining age limitations and school attendance of families engaged in agriculture. I have collaborated with the gentleman from Texas [Mr. ROGERS] in preparing an amendment which will be introduced by the gentleman from Texas [Mr. ROGERS] later in the day. I wish to appeal to the House to join with Mr. ROGERS and me and with other Members of Congress from agricultural areas in seeking to repeal or modify existing law which makes it impossible for many children to participate in the harvesting of basic farm crops. It is not that we wish to exploit children. The contrary is true. The Mexican children from south Texas who help gather the cotton crop in west Texas, for example, accompany their parents to the cotton-producing areas and these families earn relatively large incomes during the period they participate in the cotton harvesting and are thereby enabled to greatly improve their economic condition and earn the funds which enables them to attend school after the cotton harvest is over.

In short, Mr. Chairman, I trust that the House will today approve the Poage bill and that approval may likewise be secured today or in the not too distant future of legislation required to further improve the farm-labor situation.

Mr. GROSS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, yesterday—and I am sorry the gentleman from Colorado [Mr. HILL] is not on the floor—he and I had a little colloquy over the milking of cows, and he made the assertion at that time that many Members of the House probably would not know the producing end of a cow and, before revising his remarks, inferred that I might be one of them. Now, the gentleman form Michigan [Mr. CRAWFORD], one of the leading farmers in the State of Maryland, says he has some cows, including a Guernsey and a Holstein, and he has offered to stage a milking contest. If the gentleman from Colorado will accept this challenge, I will be glad to furnish him with convincing evidence that I do know something about the milk-producing end of a cow.

Mr. Chairman, I should like to ask members of the committee a few questions about this bill. I should like to know first of all how many people will be brought in from Mexico?

Mr. POAGE. That depends on when you pass the bill. We could have used probably a half-million earlier in the season, but the number will be less now.

Mr. GROSS. How many such employables are there in the Republic of Mexico.

Mr. POAGE. In the Republic of Mexico there are about 23,000,000 people. I would assume the male adult population is all employable.

Mr. GROSS. Are they all unemployed?

Mr. POAGE. No.

Mr. GROSS. How many?

Mr. POAGE. I do not know how many are employed.

Mr. GROSS. I would like to know how many Mexicans you intend to bring into the American labor market.

Mr. POAGE. We have to bring in enough to harvest the crop. It will be impossible to process that many now. You cannot process more than 7,000 a day as a physical proposition. The immigration authorities cannot process them today to exceed about 7,000 a day. The result is that the number that would come in during the season is limited by the number that can be processed. Had we been able to get this bill passed 2 or 3 months earlier, we could have processed more workers, we could have brought them in here legally, we could have processed and screened them for the work that should have been done.

Mr. GROSS. I cannot yield further for a speech. I would like to get some questions answered.

Mr. CELLER. Mr. Chairman, will the gentleman yield? I will answer his questions.

Mr. GROSS. I want the Committee to answer them. How many of these people are adults that you are bringing in here?

Mr. POAGE. We do not bring in anybody but male adults.

Mr. GROSS. Mexico is a member of the United Nations?

Mr. POAGE. Yes.

Mr. GROSS. How many troops has that country sent to fight in Korea?

Mr. POAGE. The gentleman will have to ask the Armed Services Committee about that. That is not under the jurisdiction of the Agricultural Committee.

Mr. GROSS. The gentleman knows they have not contributed any troops?

Mr. POAGE. I do not know. You can testify to that. I thought the gentleman wanted to ask me a question?

Mr. GROSS. You are going to take the skilled labor off the farms and out of the processing plants of this country, bring in Mexicans to do the work and draft American into the military. The gentleman knows what the draft law says, that farmers and processing workers are not deferrable if they are replaceable.

Mr. POAGE. So what?

Mr. GROSS. So I am against this bill. Let some of these Mexicans go over and do some of the fighting and dying in Korea.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Minnesota.

Mr. McCARTHY. I do not think the gentleman should criticize too much the gentleman from Texas who, as the gentleman knows, has advocated that we have our fighting done by the Japanese and Germans. Now he wants to bring in the Mexicans to do our work, so the rest of us will not have very much to do.

Mr. GROSS. I wonder why he does not advocate that Mexicans join in the fighting? I have heard of no proposals for importing foreign doctors, bankers, lawyers, and so forth, so that Americans in these fields, who might otherwise be deferred, can be drafted into the Armed Forces.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, the gentleman from Michigan who is also an eminent farmer in Maryland [Mr. CRAWFORD] made some sort of hypothetical statement about giving three people a house and $40 to buy a steak, then having them leave before they have done any work. He used that then as a basis to try to show I did not know anything about farming.

I admit, Mr. Chairman, I never had that happen to me, just possibly because I am not so miserably difficult to get along with that potential employees leave before they do any work.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. McCARTHY].

The question was taken; and on a division (demanded by Mr. McCARTHY) there were—ayes 47, noes 85.

Mr. McCARTHY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. POAGE and Mr. McCARTHY.

The Committee again divided; and the tellers reported that there were—ayes 62, noes 149.

So the amendment was rejected.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY to the amendment offered by Mr. POAGE: In the last line of paragraph 2 of section 502, strike out the figure "$20" and insert in lieu thereof the figure "$35."

Mr. BAILEY. Mr. Chairman, some question was raised as to the proposal of the gentleman from Minnesota as to a pro rata arrangement on this cost. Here we are dealing with the actual

costs of approximately $35 each as compared to $10 in the House bill and $20 in the Senate bill.

I am offering this amendment primarily for the purpose of calling attention to the fact that there is some bad faith being exercised by the proponents of this legislation. I have heard several of the proponents of this legislation say that they have the approval of the Farm Bureau and the National Grange for this legislation. They have a conditional approval from the Farm Bureau and from the National Grange, and they are not carrying out their part of the agreement. I want to read the testimony. This was the testimony offered by Mr. Matt Triggs, assistant director, Washington office, American Farm Bureau Federation, before the Senate committee in the consideration of this legislation. Mr. Triggs said:

The basic policy of the American Farm Bureau Federation in this connection is that the problem is one that should be handled to the maximum feasible extent, by farmers themselves. We believe that Government's place in the picture should be primarily one of "opening doors" so that farmers and their organizations can do the job for themselves. We are opposed to any significant degree of subsidization of farm-labor recruitment and transportation by the Federal Government. * * * We are opposed to the payment by the Federal Government of any portion of the transportation of either foreign or domestic workers within the United States.

In the testimony of Mr. Fred Bailey, legislative consultant of the National Grange, the chairman said:

Would you be more specific and tell us to what extent you think the Government should share any of these costs of transportation and sustenance of labor in transit?

I quote Mr. Bailey's reply:

We believe in no subsidy whatever for the program.

I want to quote to you from the testimony before the same committee of Mr. J. C. Baird, Jr., representing the Agricultural Labor Users of the United States, Indianola, Miss.:

Mr. BAIRD. * * * We want to pay the actual expenses of it.

The CHAIRMAN. That is what is intended by this bill.

Mr. BAIRD. Yes, sir.

The CHAIRMAN. Nothing but actual expenses on an average basis.

Mr. BAIRD. Yes, sir.

Mr. Baird further testified:

The group from our area generally has opposed the theory of the payment of any transportation costs by the Government, either for foreign workers—for foreign workers, because we are limiting this to a foreign labor bill. At our meeting in January with the National Farm Labor Advisory Committee, there was quite a discussion on the payment by the Government of all transportation costs over 500 miles. Up to 500 would be paid by the employer. We scaled off here on the United States map that even Dallas would qualify for a certain payment of Government expense.

Now the States who were particularly opposed to any type of subsidization are Georgia, Mississippi, Alabama, Arkansas, and Louisiana.

Yet their Representatives in Congress are here today offering to those farm people these subsidies in violation of their agreement, in violation of the wishes of the American Farm Bureau and the National Grange; yet they say the Grange and the Farm Bureau are supporting it.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman speaks about an agreement that someone seems to have made with the American Farm Bureau and the Grange. Does the gentleman suggest that the House Committee on Agriculture or the Senate committee has entered into any agreement with anybody about the legislation we have under consideration?

Mr. BAILEY. That may be so. In reply to the gentleman from North Carolina, may I say that the names of the Farm Bureau and the Grange have been used as proponents of this legislation. I say that is a falsification and a misstatement. There is no truth in it.

Mr. COOLEY. That is quite a different thing from suggesting we had an agreement.

Let me ask a further question: The gentleman quoted from a statement in the Senate hearings. Did the Senate hearing develop any figures which the gentleman would be willing to accept with regard to the cost of transportation?

Mr. BAILEY. I am offering the exact cost, which is $35. That is the language of my amendment.

Mr. COOLEY. The gentleman did not get that figure from the Senate hearings.

Mr. BAILEY. I got it from the Labor Department, from the Farm Service.

Mr. COOLEY. I still suspect that those figures include transportation from 800 miles south of the border.

Mr. BAILEY. That is the average cost, and approximately that figure will be the average cost under this bill.

Mr. SMITH of Mississippi. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I should like to call attention to a negligence on the part of the gentleman from West Virginia in his reference to the testimony in regard to this bill. His negligence leads to statements in the well of the House that are in error.

He made reference to the statement of J. C. Baird, of Indianola, Miss.

Mr. BAILEY. Mr. Chairman, will the gentleman yield? He has used my name. I am going to put Mr. Baird's testimony in the RECORD. It is taken from the Senate record.

Mr. SMITH of Mississippi. I want to read Mr. Baird's testimony.

Mr. BAILEY. I propose to put it in the RECORD.

Mr. SMITH of Mississippi. I call attention to page 87 of the hearings on this bill before the House Committee on Agriculture. The statement begins on page 86. Mr. Baird says:

We are in favor of Mr. POAGE's bill, H. R. 3048, except for the following minor changes. We suggest this limitation because the $10 figure is much above the expenses normally incurred by employers.

In other words, Mr. Baird said $10 would be all right, but $10 was above the normal cost. As long as you are going to bring the names of people into these matters, you should at least cover their testimony fully. In other words, Mr. Baird testified that the cost of transporting these workers was normally far below $10, but he asked that the bill be changed to provide not more than $10 to take care of any possible foreseeable cost in the transportation.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield.

Mr. POAGE. Is it not a fact that the Department of Labor suggested they would like to have authority to go down in southern Mexico and recruit labor way down below Oaxaca and bring them up to the United States border? Our committee took the position that it was utterly unreasonable to do that sort of thing because there are plenty of Mexicans available at the recruiting centers that the Republic of Mexico had set up.

In other words, all this amendment proposes to do is to give the Government officials the money to carry on the wildest kind of social reforms in Mexico to allow them, if they decide that it would be advantageous to Mexico, to go clear to Guanajuato, and pay the way of Mexicans all the way across the Republic, instead of using those Mexicans available who want to come into the United States somewhere near our borders.

Mr. SMITH of Mississippi. The primary purpose of this provision in the bill is to limit the cost to the taxpayers. In other words it would limit the amount of money that these agencies can use in carrying out the functions of this law. We would not ask for a limit if it provided any cost to the Government.

Mr. POAGE. Mr. Chairman, will the gentleman yield further?

Mr. SMITH of Mississippi. I yield.

Mr. POAGE. The purpose of this bill can be carried out and yet keep the cost within $10, can it not?

Mr. SMITH of Mississippi. Of course it can, and very likely the average cost will be well below $10.

Mr. POAGE. All this limitation does is to impose upon the Government officials the exercise of some reasonable, ordinary, common horse sense in requiring them to use some discretion, rather than to go hog-wild about it.

Mr. SMITH of Mississippi. This bill provides that the Government shall be reimbursed to the extent of not more than $10. We hope that the Government officials will not spend more than $10 in getting this labor transported.

Mr. POAGE. Of course, the Government has been moving people by airplane. Of course, if the Government proposes to move these Mexicans in here

XUM

by airplane, they can spend $35 or $50 per individual.

Mr. SMITH of Mississippi. Of course.

Mr. POAGE. But if they propose to use common carrier or busses—common-carrier busses, the kind that haul ordinary people, they can bring them in for $1 apiece.

Mr. SMITH of Mississippi. The gentleman is right.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield.

Mr. McCARTHY. I simply wanted to say that if the immigration people feel it is cheaper to move them out by airplane, it might be cheaper to move them in by airplane.

Mr. SMITH of Mississippi. I do not care about the mode of transportation. I just wanted to make it clear that every past experience shows that the workers can come in much cheaper than $10 and to show the statements were made contrary to the testimony given before the committee. The cost should be below $10, and the limit should be $10.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield.

Mr. COOLEY. The $15.65 figure that the gentleman from West Virginia [Mr. BAILEY] used could very well be for air transportation because our information is to the effect that the bus fare from those centers ranges from 66 cents to $1.15.

Mr. SMITH of Mississippi. That is correct.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from West Virginia [Mr. BAILEY] to the amendment offered by the gentleman from Ohio [Mr. POLK].

The question was taken; and on a division (demanded by Mr. BAILEY) there were—ayes 26, noes 81.

So the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. POLK].

The question was taken; and on a division (demanded by Mr. POLK) there were—ayes 34, noes 85.

Mr. POAGE. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. POLK and Mr. POAGE.

The Committee again divided; and the tellers reported that there were—ayes 44, noes 137.

So the amendment was rejected.

Mr. JACKSON of Washington. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JACKSON of Washington: On page 2, strike out lines 3 to 8, inclusive, and insert in lieu thereof the following:

"2. To establish and operate for such workers such reception centers in the continental United States as may be necessary to accomplish the purposes of this title."

Mr. JACKSON of Washington. Mr. Chairman, I am offering this amendment for two reasons. First, the State of Washington has a need for emergency farm labor help. I may say at the outset that Oregon and Washington pay the highest farm-labor wage in the United States. We need outside of our domestic labor supply, from information I have received through the Bureau of Employment Security of the State of Washington, between five and six thousand imported foreign workers.

Second, under the terms of the bill now pending before the committee, the reception centers will be located along the Mexican border. If we are going to have legislation on this subject it ought to be on a fair and equitable basis. It should be possible for farmers throughout the United States who are short of help on the farms to get help on the same basis that the States along the border obtain them. After all, there is a subsidy in this bill and if we are going to provide assistance, it should be fair, just, and equitable to every farmer in the United States where a need exists.

At the present time under the existing bill the people along the border will be able to get farm-labor assistance. The people in the North, East, and West will have to pay an inordinate share of the cost of transporting the farm workers to their particular section or State.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Washington. I yield to the gentleman from North Carolina.

Mr. COOLEY. Does the gentleman have any idea what the cost would be if the amendment which he has offered were adopted?

Mr. JACKSON of Washington. I do not have an estimate, any more than the gentleman has an estimate on what his bill is going to cost.

Mr. COOLEY. The gentleman knows that under his amendment they could recruit two or three hundred thousand works south of the border and transport them to reception centers in the State of Washington.

Mr. JACKSON of Washington. If you are going to bring labor into the United States why should not each State be entitled to get that labor on the basis of equality of cost?

Mr. COOLEY. The farmers in the State of Washington can get this Mexican labor by going to the reception centers at the Mexican border and paying the charges.

Mr. JACKSON of Washington. The obvious effect of the legislation is to give an advantage to the States along the border. You do not have to study this bill 5 minutes to come to that conclusion.

Mr. COOLEY. The gentleman knows they are the States where the problem really exists.

Mr. JACKSON of Washington. In my State of Washington, where we pay incidentally over one dollar an hour for farm help, after the exhaustion of all of our domestic farm labor we will need between five and six thousand imported laborers. Why should they not get some assistance under those circumstances?

Mr. COOLEY. Why should not your farmers pay the cost?

Mr. JACKSON of Washington. Why should they pay a greater share of this bill that is now before the Congress than the people along the border?

Mr. COOLEY. The gentleman's amendment puts a subsidy in this bill.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Washington. I yield to the gentleman from Washington.

Mr. HORAN. We want equity in this, and that is all the gentleman's amendment calls for. We want fairness in the parceling out of the available excess labor, and we need them, too. We are already handicapped with high wages and high transportation costs away out in the State of Washington.

Mr. JACKSON of Washington. Is not this a bill to provide farm labor assistance to all 48 States if it is needed? If so, then the cost ought to be borne equitably. That is just common sense.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Washington. I yield to the gentleman from Washington.

Mr. HOLMES. In connection with the demand for this labor that we have in the Pacific Northwest, the transportation charges for some 1,500 to 2,000 miles to the Mexican border, combined with the high rate we pay for agricultural labor in the Northwest, the highest in the United States, makes the burden greater on the farmers of the Northwest and favors those close to the border of Mexico, is that not right?

Mr. JACKSON of Washington. The gentleman is absolutely right.

Mr. COOLEY. The logic of the gentleman's argument is to the effect that we should have reception centers in all of the States and that such reception centers shall be exactly the same distance from every farmer's farm.

Mr. JACKSON of Washington. Obviously not. The reception centers should be in the same general areas where they were located during World War II. I am not asking that they be established in every State; but the gentleman has a bill now before the House that has only one obvious purpose and that is to provide preferential treatment. That is the effect of his bill. It is not spelled out in so many words but that is the effect in actual practice. It gives the farm employer located close to the Mexican border an advantage over farm employers in the North, West, and East. It hurts the employers that are paying the highest farm-labor wage.

Mr. COOLEY. Have the farmers in your State been dependent upon Mexican labor to harvest their crops?

Mr. JACKSON of Washington. Yes; they have.

Mr. COOLEY. How have they arranged for the transportation cost up there?

Mr. JACKSON of Washington. During the war they had a reception center not far away. As I recall, I believe it was Portland, Oreg., and they paid the transportation cost from that point.

Mr. COOLEY. And they were not Mexican citizens altogether. They recruited them from many States and paid the transportation cost.

Mr. JACKSON of Washington. That may be true to a certain extent, but we had a large amount of Mexican help.

Mr. Chairman, I hope the House will vote for this amendment.

Mr. HOPE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to call attention to the fact that if this amendment was to have been offered it should have been offered before we settled the question of cost in this bill. The $10 limitation or the $20 limitation or a $30 or $40 limitation probably will not take care of the expense if you are going to establish centers in the places proposed by this amendment. I suggest that if we adopt this amendment we should reconsider the question of the application of these costs, otherwise there is going to be a big farmer subsidy in this bill.

Mr. McCARTHY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the event this amendment is adopted, I will offer an amendment to take care of the additional cost that would be involved.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I point out that a great deal more is involved in this amendment than the question of whether or not the Government is going to pay the transportation of some Mexican workers to the Pacific Northwest. I can understand and I can sympathize with the problem that confronts the people of that section of the country, because they do face a most difficult problem. They are a long way from the source of labor. However, I think if you will but reflect a moment you will realize that if you were to adopt this amendment and establish the principle that we were going to undertake to pay the transportation of foreign workers within the United States, that you could not escape the logic of the argument that you should then extend that same principle to domestic workers who wanted to go from one State of the Union to another.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from North Carolina.

Mr. COOLEY. Was not that very thing discussed fully in our committee?

Mr. POAGE. It was. It was discussed at great length in our committee room, and everybody agreed, the opponents and the proponents, who came before our committee. I think it is fair to say that most had to agree that they could not, with one side of the mouth, ask that we guarantee the transportation cost of Mexican workers across the continent, and with the other side of the mouth say that if a man from Arkansas wanted to go out to California to work that we would not guarantee his transportation.

Mr. JACKSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Washington.

Mr. JACKSON of Washington. I will say to the gentleman, if there is a finding that there is no domestic labor now available, then it is certainly proper to call on outside assistance. If the gentleman wants to be logical about this, then I would say that he should not ask for any kind of subsidy. You have subsidy from inside of Mexico to the border.

Mr. POAGE. We have discussed that matter of an alleged subsidy, and this House has found by its vote that there was no subsidy involved in this bill, and that is a correct finding. I do not propose to go back into that question. This bill is very plain. It does not pay a subsidy to anybody at the present time.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield for a question.

Mr. BAILEY. The gentleman is setting aside the provisions of the Internal Revenue Act——

Mr. POAGE. I yielded for a question and not for a speech.

Mr. BAILEY. Are those not subsidies?

Mr. POAGE. Mr. Chairman, I yielded for a question and the gentleman did not see fit to ask a question.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Are not the cotton farmers of southeastern Missouri about as far from the labor supply as the Pacific Northwest is?

Mr. POAGE. Almost as far, but not quite.

Mr. JACKSON of Washington. Mr. Chairman, if the gentleman will yield, I suggest the gentleman look at the map.

Mr. POAGE. It is about 1,100 miles to the Pacific Northwest, and about 900 miles to southeastern Arkansas. There is about a 200-mile difference. I do not have any quarrel with the people of the Pacific Northwest or the cotton farmers of Arkansas. They are both fine folks, but I do not believe in the proposition of having the Government guarantee the transportation of everybody who wants to ride all over this country. We had an experience of that kind during the war. When a man from Arkansas decided he wanted to take a job in California. All he had to do was to go out there, and they paid his food on the way, and then when he decided he did not like to work, they paid his way back.

Now, there is a considerable group of people in the United States who believe in that sort of philosophy. I do not believe in it. I do not believe in the Government's assuming obligations to provide transportation for everybody who wants to ride all over this country, and that is what we will inevitably come to if we pass this amendment.

Mr. HORAN. Mr. Chairman, I rise in support of the amendment offered by my colleague from Washington, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HORAN. Mr. Chairman, I think all we are trying to do here is be fair to every American. I take the floor today to appeal to you that the bill as it now stands is not fair to the Pacific Northwest. I know this Committee wants to be fair. I hope the amendment is accepted. Some of the rough spots in this bill are going to be worked out in conference. So I hope an effort is made to be fair to the people of the remoter parts of the United States who need farm labor and who are going to be quite a distance from these reception centers. The amendment is sufficiently wide, I think, to permit adoption by the Committee and perhaps modification in conference.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman's arguments, of course, would also apply as far as Minnesota is concerned. What I should like to know from my colleague on the Subcommittee on Agricultural Appropriations is, how many additional millions of dollars will this amendment add to this bill?

Mr. HORAN. I do not think you are going to have a bill like this and feel you will not have it cost something. When we went to war with Korea and put our available migrant labor to work in the defense plants, we found we had crops to harvest and we had to get help from someplace. Last year at the hearings of this committee, and I want to give the committee full credit, for I attended some of those hearings, the United States Employment Service said, "you do not need a farm labor bill, we can supply the needs." During the summer I contacted the State officials in the State of Washington and they said, "We can take care of the situation." But when it came time to harvest our apple crop, the Governor of the State of Washington had to call on General Wedemeyer and he gave extended furloughs to the Army. They came in and helped us get our apple crop in.

We are in dire need of help now. I say I want you to be fair with us, because we have high freight rates. They have gone up 67 percent since the end of World War II. We in the State of Washington in order to attract farm labor have upped our hourly pay to an average of $1.01. That is the average as of April 1 of this year. We do that to attract workers, but we still cannot attract enough of them.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from North Carolina.

Mr. COOLEY. I want to compliment the gentleman on his interest in this matter. I recall that he came to the committee and discussed the matter very thoroughly and earnestly. While I sympathize with the fact that labor is needed in the gentlemen's section of the country, I think the gentleman will agree with me that if this amendment is adopted it could very reasonably involve a cost running into the millions of dollars to the Government, unknown millions.

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Mr. HORAN. I think this bill is going to cost the Government millions of dollars. We do not want to kid ourselves.

Mr. COOLEY. Further, we would then be faced with paying Mexicans' transportation across the country and refusing the same consideration to our own people.

Mr. HORAN. No, we are going to recruit Mexican nationals under a contract. They have no similarity to the domestic people, who have the freedom of the United States.

Mr. COOLEY. The gentleman knows that when he was in our committee room there were those there who advocated that we pay the cost of the laboring men working on the farms.

Mr. HORAN. No, we are merely asking you to be fair to us.

Mr. COOLEY. I know the gentleman did not ask us to pay for domestic labor transportation, but others did.

Mr. HORAN. I am only talking now in support of this amendment. I do not want to be dragged off the trail.

Mr. JACKSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. JACKSON of Washington. It is true that the bill does provide for the Federal Government to pay the cost of transportation from Mexico to the reception centers in the United States.

Mr. HORAN. That is right.

Mr. JACKSON of Washington. So if the gentleman from North Carolina wants to be logical and consistent, then that transportation ought to be borne and all the costs of the bill ought to be borne by the farmers.

Mr. HORAN. When we argue economy and turn down justice to all of the people, and we are going to need Mexican laborers, we are adding just one more straw of inequity on the backs of the farmers I represent. It can ruin them.

Mr. COOLEY. Have not the gentleman's farmers been using Mexican labor in the past?

Mr. HORAN. We used Mexican labor during World War II and it turned out very well.

Mr. COOLEY. Who paid the bill?

Mr. HORAN. The Government paid the bill to the reception center, and our farmers paid part of the transportation from a point equidistant.

Mr. COOLEY. They had these farm workers working on a city street, Columbia Avenue, in Portland. They had been transferred from 800 miles south of the border, and the Government was paying the entire cost, medical care, child care, and so forth. That is the reason the figure went up to $200 or $300.

Mr. HORAN. You are in charge of this bill. You are writing this bill. I am not asking you to do those things. But we do want you to consider an equitable amendment here so that the farmers can be treated right. You are going to write this bill in conference. Do not tell me what happened in the past. I do not agree with that, either. It is your responsibility to be fair with us.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Iowa.

Mr. GROSS. Whose money established the reception centers in Texas and California?

Mr. HORAN. That is Government money.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just want to take a minute to state that it is my opinion that this amendment will cost the Government a good many additional millions of dollars. There is no telling how many millions. I think the acceptance of such an amendment will result unfortunately in killing the bill itself on final roll call.

Mr. JACKSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman.

Mr. JACKSON of Washington. If the gentleman followed my amendment, of course, he would see that it simply requires reception centers to be located equitably throughout the United States. It would apply to the States of Minnesota and Maine, as well as the State of Washington.

Mr. H. CARL ANDERSEN. Has the gentleman any idea whatever as to what his amendment would cost?

Mr. JACKSON of Washington. I do not.

Mr. H. CARL ANDERSEN. That is one good reason why the amendment should be defeated.

Mr. STAGGERS. I represent a great farming section in West Virginia, the main farming section of my State, and I agree with my colleague, the gentleman from Washington. If we are going to be fair to the people of the United States, we should be fair to all the farmers of the different States. We have an apple-growing section in my district in which all of the orchardists are raising heck because they cannot get apple pickers.

The sons of these farmers and orchardists have been called into the armed services and now they cannot get help. Down below our border, Mexico, a member of the UN, has not sent one soldier to the Korean front. Yet they have hundreds of thousands of workers who are idle and should be put into the service to fight for liberty and freedom for mankind, but they choose to let them come into this country to take the jobs of these American boys who are fighting for their welfare.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield.

Mr. GROSS. The gentleman has put his finger exactly on the thing that ought to be emphasized here—that Mexico has not contributed a single ounce to the fighting and dying in Korea while we are putting our American boys on the auction block in this deal.

I thought we had ended auction blocks with the Civil War.

Mr. STAGGERS. That is true.

I just want to say that to be fair—we are not going to write a fair bill on the floor of the House—no—but the members of this committee can be fair when they go to conference table in seeing that there is some equity given. I am saying this ought to be considered. That if cheap labor is made available to one section of the nation it should be made available to all sections. In the first place, I do not believe in any foreign labor being brought into this country. It has a demoralizing effect upon our own people. Let them take out citizenship papers, if they wish to come to the United States.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from North Carolina.

Mr. COOLEY. We did consider it very carefully, and the members of the committee considered it very carefully. We considered it was not feasible.

Mr. STAGGERS. It may not be feasible. I have heard the word "sympathy" used here. Each member of the committee said they sympathized, and so forth. Sympathy does not do anything for the people. The Congress is here to enact laws equitably for every citizen of the United States and not for one section, and you cannot answer that argument in any other way.

Mr. COOLEY. The gentleman said that we should consider it, and I say we have considered it.

Mr. STAGGERS. That is all right—your responsibility as a Congressman is to consider, not your section or anyone else's section, but every section in the United States.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield.

Mr. BAILEY. Do you not think that we ought to have equality under the revenue laws and under the social security laws when certain groups get certain benefits and everybody else takes it on the nose?

Mr. STAGGERS. Mr. Chairman, I said I was not going to take the full 5 minutes, but I suggest that we should consider the boys who are in the service right now and who are doing the fighting for this country before we bring in outsiders to do our work. Do you want to bring them in? If so let us bring them in as nationals. Let them become citizens of the United States. Do they not want citizenship in the United States? What is the trouble? You have been talking about costs. It is a matter of principle. There is not a man in the Committee of the Whole here who can say it is a matter of cost. It is a matter of principle.

I think when we search our own consciences we will find that it is not a matter of cost with any individual because the citizens of my section of the country and the citizens of the United States are going to pay for this and they will have to bear the burden whatever the end results might be.

If we must bring them in, let us make their services available to all the farmers of the Nation. Let us do away with sectionalism.

Mr. SHELLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, after sitting through this debate on the Poage farm labor importation bill I want to say that I am extremely happy with the broad discussion which has been allowed and which has prevailed up to this point. I want to take occasion to thank the very able and affable gentleman from North Carolina for allowing the debate to be on such a broad basis today.

I do not come from a farming section. I come from San Francisco, which is strictly a city area. Possibly someone will ask, if I am not from a farm, or do not live in a cotton-growing or melon-growing area, such as are in my home State of California, why should I interest myself in this legislation? My answer would be that I have an interest in this legislation because I do not subscribe to the idea that we are elected to the Congress of the United States only to take an interest in legislation which affects our districts, or with which we may have some personal connection. In addition to that I have an interest in human beings, and I have seen with my own eyes some of the human problems which have developed as a result of the wetback situation in the State of California.

Before I touch on that, may I say that contrary to the impression held by some of the Members here, there is no concerted desire, no move to block enactment of proper legislation on this subject. In fact, there is a real recognition of the problem faced by the agricultural industry in this country at the present time—a knowledge of the fact that there is a shortage of labor because of the emergency in which the country is involved. I do not want to use the word "sympathy," so I will say an "understanding"—an understanding of the fact that a shortage of labor could mean a shortage of food to the Nation and its fighting forces and to other nations throughout the world who depend upon us for our help, assistance, and, at times, generosity. I know of no opposition to finding an acceptable and fair solution to that problem—one that will be fair to both the farmer and the farm laborer, and also to whatever imported labor it may develop is necessary to bring in.

Mr. Chairman, it had been my very sincere hope that the Polk substitute amendment, the Senate bill, would be adopted by the House as a substitute for the Poage bill. That bill had certain restrictions set up in it which make it far more acceptable, far more practical, to those who completely understand this problem—to the fair-minded farmer, to those from the field of labor, from business, from big cities, and particularly to myself—than the Poage bill which seems to be championed by those who come from the Southwest and from my own State, and who have displayed on the floor that their primary concern is with the limited interests involved in their own particular problem.

To substantiate my statement that we who are in opposition to the Poage bill are not opposing the idea of bringing labor in when necessary, to substantiate my statement that we are aware of the problem, let us go back over some history. This wetback and Mexican labor problem is not new; it has been with us for many years, since long before World War II. Because of the fact that in World War II our young men moved to the service, the factories, and the metropolitan areas, a shortage of agricultural labor developed and the proposal was made that we set up machinery for bringing in groups of agricultural workers from the neighboring Republic of Mexico to help solve the problem. Representatives of the workers of this country, representatives of the Government, the State Department and the Labor Department and the Immigration Service, and representatives of the growers' associations sat together with members of like organizations of Mexico, and a program was worked up and the people were brought in.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SHELLEY. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHELLEY. A great many of those people came into the States, and the agricultural labor problem of the country was to a great extent solved. There was no objection at the time to what was recognized as a wartime and emergency necessity. However, as a result of that program, and since that program was first developed, certain weaknesses have developed and certain objections have been recognized, which we feel should be corrected before authorizing any extension or continuation of it. The Ellender bill, as passed by the Senate, would have taken care of some of those weaknesses. I had hoped to see it perfected in the House with further amendments. Our only chance now to correct those weaknesses in the program, and to protect the interests of our own farm labor, our other labor groups who have been hurt by the infiltration of Mexican workers, and the country itself which is presented with a terrific social problem, is to adopt some of the perfecting amendments to the Poage bill which we are now considering.

A great many of those Mexicans who were brought in and are being brought in at the present time never return to their own country, and they have been a recurring problem not only in certain agricultural areas, but in industrial areas as well—not only in the border States, but in other States throughout the country ever since. The Poage bill eliminates the bonding requirement formerly required of employers of Mexican contract labor to insure their return to Mexico. That elimination promises to cause a multiplication of the problems connected with the Mexicans who remain in this country illegally, and it should be reinstated.

Even greater than the difficulties caused by the contract nationals who remain here are those resulting from the hordes of wetbacks, illegal Mexican entrants who stream across the borders. The problems which they bring with them have increased tremendously. The press and magazines of this country have brought the disgraceful conditions in the Southwest to everyone's attention. The President's Commission on Migratory Labor called for a correction of the conditions. The wetbacks move from agricultural areas into the metropolitan areas, not only in the four States along the Mexican border but in many States much farther north. They have created new impacts, new sociological situations, in the metropolitan sections of many States. Yet the Poage bill actually legalizes the presence of these people, for it states "Those who are temporarily here" in talking of contracting for their employment, without specifying how they may have come here. It is an open invitation of more thousands of them to pour into the country. Without the amendment to the Poage bill which the Senate included in their bill, imposing strict penalties for the employment of wetbacks, and without the amendment restricting contracting of Mexicans to those who have legally entered the United States, I cannot in good conscience vote for this measure. To do so would be to accept part of the blame for the deliberate violations of our immigration laws which are now encouraged, and to accept part of the guilt for the shameful peonage under which these Mexican workers exist.

There is abundant evidence that Mexican contract workers have been brought into this country when there is no real need for them. The Poage bill places the responsibility for certifying that a need exists on the Regional Director of the Bureau of Employment Security rather than on the Secretary of Labor, as provided in the bill passed by the Senate. Proof has been given on the floor of the House during this debate that Mexicans have been contracted for when there is a large number of unemployed Americans looking for work in the same area. To avoid that condition the determination that there is no American labor available should be made on some uniform national basis. There is no question in my mind but that the Bureau of Employment Security local officials have not done a good job of canvassing all possible sources of labor before certifying to a shortage, and for that reason I am firmly convinced that the responsibility should be given to the Secretary of Labor. Continuance of the present system will just insure that our local domestic labor will continue to be done out of jobs in favor of imported Mexican citizens. I believe that the Poage bill should be tightened up so that will no longer be possible. There is no reason why our own people should be on the welfare rolls while we are bringing in others to take their jobs. And in this respect I refer particularly to the plight of American citizens of Mexican descent

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who are now finding themselves displaced and unemployed by Mexican nationals and wetbacks who are working cheaper. Under the terms of the Poage bill the use of imported Mexican labor is not restricted only to our farms. Under the definition of agricultural employment which it now contains, Mexican nationals can be imported to work in our canneries and packing houses anywhere in the country. That certainly is not the type of "stoop labor" which Americans will supposedly not do. It will inevitably lead to a lowering of wage standards for which American workingmen have had to fight so strongly. Without a strict limitation of the type of work which these people may be imported to do, I certainly cannot vote for passage of this bill. It would be directly contrary to everything for which I have fought during my whole adult life—the protection of the American workingman and the improvement rather than the destruction of the American standard of living.

Another factor in the practically unlimited use of Mexican labor which has developed as a result of the present system of importation and use of Mexicans, legally or illegally, is the terrific downward pressure on wages and piece rates paid to farm workers. The prevailing wage to be paid the Mexican worker or offered to the native farm laborer is set by the growers themselves, usually acting through their associations. The Poage bill provides nothing to alter that system. It leaves the way clear for continued payment of near-starvation wages to farm workers who must accept what is offered, or get no job at all, since if the American worker does not take what the farmer chooses to pay it can then be certified that domestic labor is not available, and Mexican nationals can be contracted for. Without a formula for impartial determination of what the prevailing wage should be, the Poage bill is only a device for holding wages down and is not acceptable to me or the great majority of right-thinking people who are more concerned about the welfare of the American wage earner than they are about the profits which the large corporation farmers of this country squeeze out.

Mr. Chairman, my time is running short. The faults which I have cited in the Poage bill are not all, by any means. The amendment now under consideration would help remove this bill from the class of legislation intended for the benefit of a limited few. The Poage bill, as a whole, will throw the doors wide open, and in voting against the amendment presently under consideration you will be definitely establishing it as sectional legislation which plays into the hands of those border States which are close to the centers along the Mexican border.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. SHELLEY. I yield.

Mr. COOLEY. How can the gentleman say that the Poage bill throws the doors wide open? The gentleman must know, if he knows anything about it at all, that these people come here under contracts, and this bill in no way affects the Mexican border.

Mr. SHELLEY. Because the labor coming in at the present time comes in under an agreement between the Republic of Mexico and the Government of the United States, which expires on June 30, and because the Government of Mexico has said it will refuse to continue that contract or that agreement between the two countries unless this Congress adopts legislation which will protect their nationals coming in here and which will bring an end to exploitation of these human beings of Mexican nationality who, the RECORD shows, are being exploited by some of the large farm operators. I say to you that the Poage bill makes no contribution to that end.

Mr. COOLEY. Does not the gentleman think that the Mexican Government was right in insisting upon American farmers not exploiting the laborers of Mexico?

Mr. SHELLEY. I most assuredly do.

Mr. COOLEY. Does not the gentleman think Mexico was right in insisting that their nationals be protected in this country? That is what we are trying to do.

Mr. SHELLEY. That is the responsibility of the Mexican Government. However, I am sorry, although that may be the gentleman's version of what he is trying to do, it is not my version of what the Poage bill will accomplish. I maintain that the Poage bill does not set up standards which will permit that to happen.

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on the amendment offered by the gentleman from Washington [Mr. JACKSON].

The question was taken; and on a division (demanded by Mr. JACKSON of Washington) there were—ayes 47, noes 97.

So the amendment was rejected.

Mr. CELLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER: Add a new section:

"SEC. 512. Notwithstanding any other provision of law to the contrary and without regard to section 3709 of the revised statutes, the Attorney General is authorized to purchase, construct, lease, equip, operate, and maintain on either Government-leased or Government-owned land such detention facilities as may be necessary for the apprehension and removal to Mexico of Mexican aliens illegally in the United States. Appropriations made to the Immigration and Naturalization Service shall be available for expenditures to carry out the purposes of this act."

Mr. COOLEY. Mr. Chairman, I reserve a point of order against the amendment offered by the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I wish to read briefly a statement submitted to me by the Bureau of Immigration and Naturalization. That language of the amendment is not mine. It is language submitted by the Bureau of Immigration and Naturalization. Accompanying the suggested amendment, they wrote to me as follows:

> There is an urgent and immediate need by the Immigration and Naturalization Service for a detention camp at Brownsville, Tex., for the assembling and processing for removal to Mexico of Mexican aliens who have entered the United States illegally. Hundreds of these illegal entrants are being apprehended by the border patrol daily, and the Immigration and Naturalization Service anticipates that beginning in July illegal entries in the Lower Rio Grande Valley area will increase by tens of thousands. As the Service does not have an adequate detention facility, it can neither properly carry out its duty under the immigration laws nor give effect to the requirement of the international agreement with Mexico that Mexican nationals who are in the United States illegally be apprehended and removed to Mexico.
>
> Additional detention facilities are also required for the same purposes in the State of California.

In a word, all this does is to allow the Immigration Service to erect detention camps at various important places along the border so as to facilitate the removal of all those aliens who came in illegally and that they are able to detect. It does no more than that, and I do hope that those who are interested in this bill will not object to the amendment.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Kansas.

Mr. HOPE. Can the gentleman give us any figures as to the cost of these detention buildings?

Mr. CELLER. I have no exact figures as to cost. The Immigration and Naturalization Service said that the cost would be inconsequential, that the camps that would be built could be cheaply constructed, and that the cost would be out of appropriations usually allotted to the Immigration and Naturalization Service. It may be that there would be no additional cost beyond the appropriations usually granted to the Immigration and Naturalization Service, but they were quite certain in their statement to me that the cost would not be of considerable consequence.

Mr. HOPE. I thank the gentleman.

Mr. CELLER. The debate on this bill has at times been rather acrimonious. Apparently the proponents seemed to resent opposition. Some of the advocates of the bill seemed to lack adequate answers to some of the views in opposition, and they adopted the policy, "If you cannot find adequate answer, stoop to abusing personally the opponent." I resent some of the abuse addressed to me. However, those attacks were like one spitting in the wind. Those who thus attacked merely bespattered themselves.

Mr. COOLEY. Mr. Chairman, I renew my point of order.

The CHAIRMAN. Will the gentleman please state the grounds of his point of order?

Mr. COOLEY. First, that it broadens the scope of the legislation under consideration. It is not germane, and it actually constitutes an appropriation. In the last sentence of the amendment we find this language:

Appropriations made to the Immigration and Naturalization Service shall be available for expenditures to carry out the purposes of this act.

Now that certainly would be broadening the powers of former appropriation bills and would confer upon the Attorney General the right to actually acquire property and to build buildings and to maintain and operate such buildings either on land owned by the Government or on land leased by the Government.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. CELLER. I would be perfectly willing to strike out any reference to appropriations. Would the gentleman then agree to the amendment?

Mr. COOLEY. Mr. Chairman, if I may be heard another minute, I think that this particular amendment would appropriately come before the Committee on the Judiciary. I do not think that under any stretch of the imagination it could be referred to the Committee on Agriculture. It is foreign entirely to the matters which come within the jurisdiction of our committee, and I think it is a matter which the chairman of the Committee on the Judiciary could well afford to consider in his own committee. Actually, I have no real objections to what the Attorney General proposes to do or what this amendment proposes to do, but I do object to accepting an amendment or having an amendment adopted here which actually is not germane to the matter under consideration.

The CHAIRMAN. Does the gentleman from New York desire to be heard further on the point of order?

Mr. CELLER. Mr. Chairman, this bill affects aliens who come in from Mexico, and the purpose of the amendment is to erect stockades or detention camps that would facilitate the operation of the Immigration and Naturalization Service in sending back aliens who are in the country illegally. I believe that the amendment, since it facilitates the activity of the Immigration and Naturalization Service in their operations concerning these aliens—and this bill concerns these alien foreign laborers—is eminently sound and proper and comes within the four squares of the aims of the purposes of the bill in question.

I offered the amendment at the suggestion of the Immigration and Naturalization Service, and I understood that the gentlemen on the Committee on Agriculture were going to accept it. I would be perfectly willing to strike out all verbiage and language that has to do with appropriations, but other than that I think the amendment is in order.

Mr. Chairman, I ask unanimous consent that the following language be deleted from my amendment:

Appropriations made to the Immigration and Naturalization Service shall be available for expenditures to carry out the purposes of this act.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. COOLEY. Mr. Chairman, reserving the right to object: As I said a moment ago, I personally have no objection to the amendment. However, I do not think it is appropriate for it to be attached to the bill under consideration, and therefore I must object.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from New York offers an amendment to the bill before the committee and the gentleman from North Carolina makes the point of order against the amendment on the ground that it is not germane and that it contains an appropriation.

The Chair has had an opportunity to study the amendment offered by the gentleman from New York. As the Chair understands the bill before the committee, H. R. 3283, it applies to certain Mexican aliens as a class and as described in the bill. The amendment offered by the gentleman from New York broadens the group to include Mexican aliens illegally in the United States, beyond the class described in the bill. The amendment also proposes to appropriate funds for a certain purpose described in the amendment.

For these two reasons, the Chair is constrained to sustain the point of order.

Mr. ROGERS of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Texas: Add a new section to be numbered 511 and to read as follows:

"For the purpose of further assisting in such production of agricultural commodities and products as the Secretary of Labor deems necessary, and notwithstanding any of the provisions of this act or the provisions of the Fair Labor Standards Act of 1938, as amended, the Secretary of Labor is empowered to authorize and shall authorize the employment in agriculture of employees under the age of 16 years, while such employees are not legally required to attend school."

Mr. COOLEY. Mr. Chairman, I make a point of order against the amendment, but will reserve it so the gentleman may present his amendment.

Mr. ROGERS of Texas. Mr. Chairman, I want to urge the adoption of the Poage bill, as it is legislation that will be of great help to the farmers of this Nation. The amendment that I offer at this time is offered as a further aid to the farmers and an aid to migrant workers of this country, and for the purpose of correcting an injustice that is now present in existing laws. This injustice that I refer to was brought about by a Senate amendment to the Fair Labor Standards Act in 1949. The wording of the amendment operated to prevent and prohibit the employment of the children of these migrant workers. The result is that the migrant workers who are following the harvest in order to earn a living cannot use their children to assist them. In many cases these workers have large families, that is 9, 10, or 12 children. All of these children who are under 16 years of age cannot work in the harvest if school is in session in the district in which they desire to work. This creates a situation where the children of these migrant workers must be left to roam the streets or find something to do while their parents are working in the field. The law does not require them to attend school in those districts but prohibits them from working in those districts while school is in session. My amendment merely provides in effect that these children may work so long as they are not legally required to attend school. It does not in any manner permit anyone to engage in unfair child-labor practices nor condone sweatshop tactics. I would not under any circumstances acquiesce in unfair child-labor practices nor in existence of sweatshops. This amendment does not allow a child to do any work that he is not allowed to do under the present law. It merely clarifies ambiguous and misleading language now existing in the law that has created a serious problem and will continue to so do. The migrant worker with a large family who is not allowed to use his family while work is available is forced to appeal to the relief boards in order to provide a living for his family while he is working and following the harvest. This has resulted in a serious social problem, and unless this law is corrected it will operate to contribute to child delinquency and in many cases to crime. The reason that many of you are not familiar with the problems of which I speak is because the enforcement of this law began only last year, and the full force of its bad effects will not be felt until the harvest season of this year.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield.

Mr. MAHON. I want to thank the gentleman from Texas and commend him for offering his amendment. It has been my pleasure to collaborate with him in drafting the amendment and in seeking support for it. I wish to urge that no point of order be made against it.

Is it not true that the amendment offered by the gentleman should be incorporated in this bill and, if it is held to be subject to a point of order, should it not be incorporated in a separate bill? With the farm-labor situation as it is, we need not only the Poage bill as written but a provision in some form which would meet the situation described by the gentleman from Texas [Mr. ROGERS].

Mr. ROGERS of Texas. That is exactly right. The reason this amendment is offered now is that we are fast approaching the harvest season. People in the farming districts all over this country are going to feel the pressure of this matter this year more than they have ever felt it before. I urge the

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adoption of this amendment. Let us put it in this bill, so that the farmer can be helped in harvesting crops and in producing the agricultural products we so badly need.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Texas.

Mr. FISHER. The amendment offered by the gentleman is absolutely sound, whether it meets the parliamentary situation or not. The gentleman has a bill pending, and so do I and the gentleman who just spoke, Mr. MAHON, before the Committee on Education and Labor now on the same subject. As it now stands, a terrible injustice is being heaped upon the migrant laborers themselves, because they are not permitted to pursue their normal livelihood and accumulate money to buy food and clothing and so forth during the school year which follows immediately after the harvest.

The gentleman is to be commended on bringing this up and for presenting the reasons for it. I am hopeful that we will have a hearing, if the amendment is not placed in the bill, and that legislation correcting this injustice can be brought in soon.

Mr. ROGERS of Texas. I thank the gentleman.

There is one particular situation I have in mind, and I can bring you isolated cases by the dozen. A boy finished high school when he was 15 years old. Because he was under 16 he could not work in agriculture under the present law.

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from California.

Mr. SHELLEY. Does not the bill before us only contemplate the bringing in of male adult workers?

Mr. ROGERS of Texas. That is exactly true, but the people I am trying to help are not the children of the aliens but the children of the people that live in this country and have to make a living by following the harvest.

Mr. SHELLEY. So in addition to bringing in these Mexicans under a wide open thing we want to take the American migrant workers and destroy all our child-labor standards as applied to them.

Mr. ROGERS of Texas. You are not destroying any child-labor standards. If the gentleman knew anything about the Fair Labor Standards Act, he would know that statement was not true.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield.

Mr. CRAWFORD. As I understand the amendment, it does not interfere with any of the children attending school during the school term?

Mr. ROGERS of Texas. That is exactly right.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The CHAIRMAN. Does the gentleman from North Carolina [Mr. COOLEY] renew his point of order at this time?

Mr. COOLEY. Mr. Chairman, I will withhold my point of order further.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ROGERS of Texas. Here is what happened: Under the previous provisions of section, I believe, 13 (c), of the Fair Labor Standards Act, there was a provision that children could work in agriculture. It was not in those exact words, but it was to the effect that they could work in agriculture so long as they were not legally required to attend school. That was amended in 1949 by a Senate amendment, and the language was changed at the insistence of the Secretary of Labor. It read this way, that those children could not work in agriculture so long as school was in session in the district in which the employee was living at the time of the employment.

So the result is that you are not creating a new pool of child labor. The children are allowed to labor right now under those exemptions, but you are prohibiting a child who is legally out of school in one district to work and help in another district where school is in session.

Mr. CRAWFORD. The gentleman represents one of the great districts of Texas, does he not?

Mr. ROGERS of Texas. That is right.

Mr. CRAWFORD. A district where the children of families in that district attend universities and are college graduates and live on the ranches and on the wheat farms and grow cattle, and all of them, I would venture to say, in all of the families which the gentleman represents, who live on the farms, the children start work at anywhere from 5 to 7 years of age and work right on through? Is that not true?

Mr. ROGERS of Texas. Yes, sir. I did when I was that age. The situation under the present law is that a man who owns a farm and has four or five children can keep his own children out of school to harvest his own crop, but a man who is not fortunate enough to own land himself——

Mr. CRAWFORD. But who works in agriculture.

Mr. ROGERS of Texas. That is right—he cannot keep his own children out to work another man's harvest.

Mr. CRAWFORD. It is a case of destroying the child and destroying his future to live within the concepts of some crazy law that Congress has passed.

Mr. ROGERS of Texas. That is right. In many instances it seems to be the order of the day to use every available means to teach a child how not to work and to pass laws making it a penal offense for anyone to show a child how to work. This is not the kind of principle upon which this country was founded and it is not the kind of practice upon which this country will endure.

I want to express my deep appreciation to my distinguished colleagues from Texas, Mr. GEORGE MAHON, Mr. CLARK FISHER, and Mr. OMAR BURLESON, for their untiring efforts in seeking relief from the injustices of the present law, and I am sure that they join with me in the observation that our efforts will continue to remedy this situation should the point of order be sustained and this amendment not be made a part of this act. The outstanding work of these gentlemen toward a solution of this problem is well recognized by all the Members of this House.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. COOLEY. Mr. Chairman, I renew the point of order.

The amendment is obviously not in order, since the author of the amendment clearly indicates it is an effort to amend the Fair Labor Standards Act, which is not before the House at this time at all.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. MCCARTHY. Mr. Chairman, I I would like to be heard on the point of order.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. ROGERS of Texas. Mr. Chairman, I do not care to be heard further on the point of order.

The CHAIRMAN. The Chair will be glad to hear the gentleman from Minnesota.

Mr. MCCARTHY. Mr. Chairman, I would suggest that there is an amendment to the Fair Labor Standards Act already in the bill, and it would seem to me another amendment to the same effect would not constitute a serious obstacle.

The CHAIRMAN (Mr. MILLS). The Chair is ready to rule.

The gentleman from Texas offers an amendment to which the gentleman from North Carolina makes a point of order on the ground that it is not germane to the bill before the committee.

The bill H. R. 3283 refers to a certain class of Mexican nationals, as described in the bill. The amendment offered by the gentleman from Texas does not relate to this group described in the bill, but to an entirely different group of individuals—American citizens and residents of the United States. The amendment therefore is beyond the purview of the bill H. R. 3283, and the Chair sustains the point of order.

The CHAIRMAN (Mr. GORE). If there are no further amendments under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3283) to amend the Agricultural Act of 1949, pursuant to House Resolution 257, he reported the bill back to the House.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. Unqualifiedly.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill H. R. 3283 to the Committee on Agriculture.

Mr. COOLEY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. McCARTHY. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. McCARTHY. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 240; nays 139; answered "present" 1; not voting 52; as follows:

[Roll No. 90]

YEAS—240

Aandahl	Church	Grant
Abbitt	Cole, Kans.	Gregory
Abernethy	Cole, N. Y.	Gwinn
Albert	Colmer	Hagen
Allen, Calif.	Combs	Hale
Andersen, H. Carl	Cooley	Halleck
	Cooper	Hand
Anderson, Calif.	Cotton	Harden
Andresen, August H.	Cox	Hardy
	Crawford	Harris
Andrews	Crumpacker	Harrison, Va.
Arends	Cunningham	Harrison, Wyo.
Armstrong	Curtis, Mo.	Harvey
Ayres	Curtis, Nebr.	Hays, Ark.
Barden	Dague	Hébert
Bates, Mass.	Davis, Ga.	Herlong
Battle	Davis, Tenn.	Hill
Beamer	Davis, Wis.	Hillings
Beckworth	Deane	Hinshaw
Belcher	DeGraffenried	Hoeven
Bennett, Fla.	Dempsey	Hoffman, Ill.
Bentsen	Denny	Hoffman, Mich.
Berry	Devereux	Holmes
Betts	D'Ewart	Hope
Blackney	Dolliver	Horan
Boggs, Del.	Dondero	Hunter
Bolton	Dorn	Jackson, Calif.
Bonner	Doughton	Jackson, Wash.
Bosone	Eaton	James
Boykin	Ellsworth	Jenison
Bramblett	Engle	Jensen
Brooks	Fellows	Johnson
Brown, Ga.	Fernandez	Jones, Mo.
Brown, Ohio	Fisher	Jones, Hamilton C.
Brownson	Ford	
Bryson	Forrester	Jones, Woodrow W.
Budge	Frazier	
Buffett	Fugate	Judd
Burdick	Fulton	Keogh
Burleson	Gamble	Kerr
Burton	Gary	Kilburn
Bush	Gathings	Lanham
Butler	Gavin	Lantaff
Byrnes, Wis.	George	Lovre
Camp	Gore	Lucas
Chelf	Gossett	Lyle
Chenoweth	Graham	McConnell
Chiperfield	Granger	McCulloch
McDonough	Pickett	Stanley
McGregor	Poage	Steed
McKinnon	Potter	Stefan
McMullen	Poulson	Stigler
McVey	Priest	Stockman
Mack, Wash.	Radwan	Taber
Magee	Rains	Tackett
Mahon	Reed, Ill.	Talle
Mansfield	Reed, N. Y.	Teague
Martin, Iowa	Rees, Kans.	Thompson, Mich.
Martin, Mass.	Regan	
Meader	Richards	Thompson, Tex.
Miller, Md.	Riehlman	Thornberry
Miller, Nebr.	Riley	Towe
Miller, N. Y.	Rivers	Vail
Mills	Roberts	Van Pelt
Mitchell	Robeson	Van Zandt
Morano	Rogers, Fla.	Vaughn
Morris	Rogers, Mass.	Vinson
Morrison	Rogers, Tex.	Vursell
Morton	Sadlak	Walter
Moulder	St. George	Watts
Mumma	Schwabe	Wharton
Murdock	Scrivner	Wheeler
Murray, Tenn.	Scudder	Whitaker
Nelson	Seely-Brown	Wickersham
Nicholson	Shafer	Williams, Miss.
Norblad	Sheppard	Willis
O'Hara	Short	Wilson, Tex.
Ostertag	Sikes	Winstead
Passman	Simpson, Ill.	Wolcott
Patman	Smith, Miss.	Wood, Ga.
Patten	Smith, Wis.	Wood, Idaho
Phillips	Springer	

NAYS—139

Addonizio	Goodwin	O'Brien, Ill.
Angell	Granahan	O'Neill
Aspinall	Green	O'Toole
Bailey	Greenwood	Patterson
Baker	Gross	Perkins
Bakewell	Hart	Philbin
Baring	Havenner	Polk
Barrett	Hays, Ohio	Price
Bates, Ky.	Hedrick	Prouty
Beall	Heffernan	Quinn
Bender	Heller	Rabaut
Bennett, Mich.	Herter	Ramsay
Bishop	Heselton	Rankin
Blatnik	Hess	Reece, Tenn.
Boiling	Holifield	Rhodes
Bow	Howell	Ribicoff
Bray	Hull	Rodino
Brehm	Jarman	Rogers, Colo.
Burnside	Javits	Rooney
Byrne, N. Y.	Jenkins	Roosevelt
Canfield	Jonas	Sabath
Cannon	Karsten, Mo.	Sasscer
Case	Kean	Saylor
Celler	Kearney	Scott, Hugh D., Jr.
Chudoff	Kearns	
Clemente	Keating	Secrest
Clevenger	Kelly, N. Y.	Sheehan
Corbett	Kennedy	Shelley
Coudert	King	Sieminski
Crosser	Kirwan	Sittler
Delaney	Klein	Spence
Denton	Kluczynski	Staggers
Dollinger	Lane	Taylor
Donohue	Latham	Tollefson
Donovan	Lesinski	Weichel
Doyle	Lind	Welch
Eberharter	McCarthy	Widnall
Elston	McGrath	Wier
Fallon	McGuire	Wigglesworth
Feighan	Machrowicz	Williams, N. Y.
Fenton	Mack, Ill.	Wilson, Ind.
Fine	Madden	Withrow
Fogarty	Marshall	Wolverton
Forand	Mason	Yates
Furcolo	Miller, Calif.	Yorty
Garmatz	Morgan	Zablocki
Golden	Multer	

ANSWERED "PRESENT"—1

McCormack

NOT VOTING—52

Adair	Dingell	Kelley, Pa.
Allen, Ill.	Durham	Kersten, Wis.
Allen, La.	Elliott	Kilday
Anfuso	Evins	Larcade
Auchincloss	Flood	LeCompte
Boggs, La.	Gillette	McMillan
Breen	Gordon	Merrow
Buckley	Hall, Edwin Arthur	Murphy
Busbey		Murray, Wis.
Carlyle	Hall, Leonard W.	Norrell
Carnahan		O'Brien, Mich.
Chatham	Irving	O'Konski
Dawson	Jones, Ala.	Powell
Preston	Smith, Kans.	Velde
Reams	Smith, Va.	Vorys
Redden	Sutton	Werdel
Scott, Hardie	Thomas	Whitten
Simpson, Pa.	Trimble	Woodruff

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Whitten for, with Mr. Kelley of Pennsylvania against.

Mr. Boggs of Louisiana for, with Mr. Buckley against.

Mr. Jones of Alabama for, with Mr. Flood against.

Mr. Carlyle for, with Mr. Dingell against.

Mr. Auchincloss for, with Mr. Anfuso against.

Mr. Adair for, with Mr. Irving against.

Mr. Preston for, with Mr. O'Konski against.

Mr. Norrell for, with Mr. McCormack against.

Mr. Werdel for, with Mr. Powell against.

Mr. Evins for, with Mr. Woodruff against.

Mr. Trimble for, with Mr. Velde against.

Mr. Durham for, with Mr. Murphy against.

Mr. Redden for, with Mr. Gordon against.

Mr. Smith of Virginia for, with Mr. Dawson against.

Mr. Larcade for, with Mr. Breen against.

Mr. Chatham for, with Mr. O'Brien of Michigan against.

Mr. McMillan for, with Mr. Carnahan against.

Until further notice:

Mr. Allen of Louisiana with Mr. Merrow.

Mr. Sutton with Mr. Murray of Wisconsin.

Mr. Kilday with Mr. Simpson of Pennsylvania.

Mr. Elliott with Mr. Leonard W. Hall.

Mr. McCORMACK. Mr. Speaker, on this bill I voted "nay." I have a live pair with the gentleman from Arkansas, Mr. NORRELL. If he were here, he would vote "yea." I withdraw my vote and vote "present."

Mrs. ROGERS of Massachusetts changed her vote from "nay" to "yea."

Mr. BENDER changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 984) to amend the Agricultural Act of 1949, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Agricultural Act of 1949 is amended by adding at the end thereof a new title to read as follows:

"TITLE V—AGRICULTURAL WORKERS

"SEC. 501. For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

"(1) to recruit such workers (including any such workers temporarily in the United States under legal entry);

"(2) to establish and operate reception centers at or near the places of actual entry of such workers into the continental United

States for the purpose of receiving and housing such workers while arrangements are being made for their employment in, or departure from, the continental United States;

"(3) to provide transportation for such workers from recruitment centers outside the continental United States to such reception centers and transportation from such reception centers to such recruitment centers after termination of employment;

"(4) to provide such workers with such subsistence, emergency medical care, and burial expenses (not exceeding $150 burial expenses in any one case) as may be or become necessary during transportation authorized by paragraph (3) and while such workers are at reception centers;

"(5) to assist such workers and employers in negotiating contracts for agricultural employment (such workers being free to accept or decline agricultural employment with any eligible employer and to choose the type of agricultural employment they desire, and eligible employers being free to offer agricultural employment to any workers of their choice not under contract to other employers);

"(6) to guarantee the performance by employers of provisions of such contracts relating to the payment of wages or the furnishing of transportation.

"SEC. 502. No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

"(1) to indemnify the United States against loss by reason of its guaranty of such employer's contracts;

"(2) to reimburse the United States for essential expenses, not including salaries or expenses of regular department or agency personnel, incurred by it for the transportation and subsistence of workers under this title in amounts not to exceed $20 per worker; and

"(3) to pay to the United States, in any case in which a worker is not returned to the reception center in accordance with the contract entered into under section 501 (5) and is apprehended within the United States, an amount determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning other workers from the place of employment to such reception center, less any portion thereof required to be paid by other employers.

"SEC. 503. No workers recruited under this title shall be available for employment in any area unless the Secretary of Labor for such area has determined and certified that (1) sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which such workers are to be employed, and (2) the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed, and (3) reasonable efforts have been made to attract domestic workers for such employment at wages and standard hours of work comparable to those offered to foreign workers.

"SEC. 504. Workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws (or if already in, by virtue of legal entry and otherwise eligible for admission to, the United States may, pursuant to arrangements between the United States and the Republic of Mexico, be permitted to remain therein) for such time and under such conditions as may be specified by the Attorney General but, notwithstanding any other provision of law or regulation, no penalty bond shall be required which imposes liability upon any person for the failure of any such worker to depart from the United States upon termination of employment: *Provided*, That no workers shall be made available under this title to, nor shall any workers made available under this title be permitted to remain in the employ of, any employer who has in his employ any Mexican alien when such employer knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such Mexican alien is not lawfully within the United States.

"SEC. 505. (a) Section 210 (a) (1) of the Social Security Act, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"'(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended.'

"(b) Section 1426 (b) (1) of the Internal Revenue Code, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"'(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended.'

"(c) Workers recruited under the provisions of this title shall not be subject to the head tax levied under section 2 of the Immigration Act of 1917 (8 U. S. C., sec. 132).

"SEC. 506. For the purposes of this title, the Secretary of Labor is authorized—

"(1) to enter into agreements with Federal and State agencies; to utilize (pursuant to such agreements) the facilities and services of such agencies; and to allocate or transfer funds or otherwise to pay or reimburse such agencies for expenses in connection therewith;

"(2) to accept and utilize voluntary and uncompensated services; and

"(3) when necessary to supplement the domestic agricultural labor force, to cooperate with the Secretary of State in negotiating and carrying out agreements on arrangements relating to the employment in the United States, subject to the immigration laws, of agricultural workers from the Republic of Mexico.

"SEC. 507. For the purposes of this title—

"(1) The term 'agricultural employment' includes services or activities included within the provisions of section 3 (f) of the Fair Labor Standards Act of 1938, as amended, or section 1426 (h) of the Internal Revenue Code, as amended.

"(2) The term 'employer' shall include an association, or other group, of employers, but only if (A) those of its members for whom workers are being obtained are bound, in the event of its default, to carry out the obligations undertaken by it pursuant to section 502, or (B) the Secretary determines that such individual liability is not necessary to assure performance of such obligations.

"SEC. 508. Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws, to permit the importation of aliens of any nationality for agricultural employment as defined in section 507, or to permit any such alien who entered the United States legally to remain for the purpose of engaging in such agricultural employment under such conditions and for such time as he, the Attorney General, shall specify.

"SEC. 509. Any person who shall employ any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States under the terms of this act or any other law relating to the immigration or expulsion of aliens, when such person knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such alien is not lawfully within the United States, or any person who, having employed such an alien without knowing or having reasonable grounds to believe or suspect that such alien is unlawfully within the United States and who could not have obtained such information by reasonable inquiry at the time of giving such employment, shall obtain information during the course of such employment indicating that such alien is not lawfully within the United States and shall fail to report such information promptly to an immigration officer, shall be guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding $2,000, or by imprisonment for a term not exceeding 1 year, or both, for each alien in respect to whom any violation of this section occurs.

"SEC. 510. No workers will be made available under this title for employment after December 31, 1952."

Mr. COOLEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Mr. COOLEY moves to strike out all after the enacting clause of S. 984, and insert the provisions of H. R. 3283, as passed: "That the Agricultural Act of 1949 is amended by adding at the end thereof a new title to read as follows:

"'TITLE V—AGRICULTURAL WORKERS

"'SEC. 501. For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

"'(1) to recruit such workers (including any such workers temporarily in the United States);

"'(2) to establish and operate reception centers at or near the places of actual entry of such workers into the continental United States for the purpose of receiving and housing such workers while arrangements are being made for their employment in, or departure from, the continental United States;

"'(3) to provide transportation for such workers from recruitment centers outside the continental United States to such reception centers and transportation from such reception centers to such recruitment centers after termination of employment;

"'(4) to provide such workers with such subsistence, emergency medical care, and burial expenses (not exceeding $150 burial expenses in any one case) as may be or become necessary during transportation authorized by paragraph (3) and while such workers are at reception centers;

"'(5) to assist such workers and employers in negotiating contracts for agricultural employment (such workers being free to accept or decline agricultural employment with any eligible employer and to choose the type of agricultural employment they desire, and eligible employers being free to offer agricultural employment to any workers of their choice not under contract to other employers);

"'(6) to guarantee the performance by employers of provisions of such contracts relating to the payment of wages or the furnishing of transportation.

"'SEC. 502. No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

"'(1) to indemnify the United States against loss by reason of its guaranty of such employer's contracts;

"'(2) to reimburse the United States for essential expenses, not including salaries or expenses of regular department or agency

personnel, incurred by it for the transportation and subsistence of workers under this title in such amounts, not to exceed $10 per worker; and

"'(3) to pay to the United States, in any case in which a worker is not returned to the reception center in accordance with the contract entered into under section 501 (5), an amount determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning other workers from the place of employment to such reception center, less any portion thereof required to be paid by other employers.

"'SEC. 503. No workers recruited under this title shall be available for employment in any area unless the Regional Director, Bureau of Employment Security, United States Department of Labor for such area has determined and certified that (1) sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which such workers are to be employed, and (2) the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed.

"'SEC. 504. Workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws (or if already in, and otherwise eligible for admission to, the United States may, pursuant to arrangements between the United States and the Republic of Mexico, be permitted to remain therein) for such time and under such conditions as may be specified by the Attorney General but, notwithstanding any other provision of law or regulation, no penalty bond shall be required which imposes liability upon any person for the failure of any such worker to depart from the United States upon termination of employment.

"'SEC. 505. (a) Section 210 (a) (1) of the Social Security Act, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"'"(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended."

"'(b) Section 1426 (b) (1) of the Internal Revenue Code, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"'"(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended."

"'(c) Workers recruited under the provisions of this title shall not be subject to the head tax levied under section 2 of the Immigration Act of 1917 (8 U. S. C., sec. 132).

"'SEC. 506. For the purposes of this title, the Secretary of Labor is authorized—

"'(1) to enter into agreements with Federal and State agencies; to utilize (pursuant to such agreements) the facilities and services of such agencies; and to allocate or transfer funds or otherwise to pay or reimburse such agencies for expenses in connection therewith;

"'(2) to accept and utilize voluntary and uncompensated services; and

"'(3) when necessary to supplement the domestic agricultural labor force, to cooperate with the Secretary of State in negotiating and carrying out agreements or arrangements relating to the employment in the United States, subject to the immigration laws, of agricultural workers from the Republic of Mexico.

"'SEC. 507. For the purposes of this title—

"'(1) The term "agricultural employment" includes services or activities included within the provisions of section 3 (f) of the Fair Labor Standards Act of 1938, as amended, or section 1426 (h) of the Internal Revenue Code, as amended, horticultural employment, cotton ginning, compressing and storing, crushing of oil seeds, and the packing, canning, freezing, drying, or other processing of perishable or seasonable agricultural products.

"'(2) The term "employer" includes associations or other groups of employers.

"'SEC. 508. Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws, to permit the importation of aliens of any nationality for agricultural employment as defined in section 503, or to permit any such alien who entered the United States legally to remain for the purpose of engaging in such agricultural employment under such conditions and for such time as he, the Attorney General, shall specify.

"'SEC. 509. No workers shall be made available under this title for employment after December 31, 1953.'"

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings by which the bill H. R. 3283 was passed were vacated, and that bill was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may revise and extend their remarks on the bill (H. R. 3283) to amend the Agricultural Act of 1949.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1951

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 281, providing for the consideration of H. R. 3871, a bill to amend the Defense Production Act of 1950, and for other purposes, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3871) to amend the Defense Production Act of 1950, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 5 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be considered as having been read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. MADDEN. Mr. Speaker, because of a clerical error on the resolution, I ask unanimous consent that the four words "considered as having been", on page 1, line 10, be stricken out.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Ohio [Mr. BROWN] and yield myself such time as I may use.

The SPEAKER. The gentleman from Indiana is recognized.

Mr. MADDEN. Mr. Speaker, this legislation amends the Defense Production Act of 1950, and if enacted into law, without damaging amendments, will greatly stabilize our war effort and reduce the cost of living.

This is an open rule and calls for 5 hours' general debate, after which amendments can be offered under the 5-minute rule.

When Soviet Russia, acting through Communist China, attacked South Korea last June, it served notice on the free world that its first step toward Communist global domination had taken place. Had the United States, along with the other democracies in the United Nations, not taken military action in Korea, other free nations in Asia and Western Europe would now be receiving the whiplash of communistic aggression. Had we not acted in Korea, America would soon be the only free nation in a sea of world communism.

We must also not forget that most of the democratic nations belonging to the United Nations have not as yet recovered from the devastating bombings and repercussions of World War II. Consequently, upon the United States fell the duty to spearhead the drive against communistic aggression.

After June 25, 1950, our country was compelled to change from a peace to a wartime economy. Already billions have been expended and billions more will be spent not only to reestablish our own military power and defenses, but to aid our allies to rebuild their military strength to resist possible Communist aggression.

Unfortunately, a percentage of the American public and too many Members of Congress have failed to realize that our domestic economy is now in the preliminary stages of a devastating inflation unless something is done at once to stop it. Too many of our public officials and some of our large newspapers and prominent radio commentators are playing politics not only with our war and defense effort, but with inflation. We all realize that it has been highly popular to criticize the war and defense effort and to ridicule the necessity for economic controls while a percentage of corporations and individuals are wallowing in war profits and the cost of living is soaring day by day. The American people are gradually realizing that the time has arrived when desperate efforts must be made to groove our production and regulate the cost of living on a wartime basis. This is the responsibility of the Congress and if inflation

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gets beyond control, the American public will lay the responsibility where it rightly belongs.

President Truman; Charles E. Wilson, Director of Defense Mobilization; Eric Johnston; General Eisenhower; General Bradley; and all responsible leaders of our war effort are asking for legislation which will give them authority to proceed unhampered by economic problems in their fight for an effective war and defense program.

Some of our legislators still think that the American people will not submit to wartime sacrifice and inconvenience unless our own country is attacked. These people are being misled by self-seeking politicians and profiteers who in their mad rush for political and financial advantage, are gradually bringing our private enterprise economy to the brink of ruination. Since last January, military orders have been placed at an average rate of one billion a week. More than twenty-seven billion has been obligated for military requirements since the outbreak of hostilities in Korea. It is estimated that by July 1, 1952, at least an additional $60,000,000,000 will be spent and obligated.

SMALL BUSINESS

Iron and steel production will increase over 16,000,000 tons in the next 18 months. Aluminum, copper, manganese, and dozens of other strategic metals and other necessities must be grooved into a priorities and allocation system in order to make our wartime program effective. Failure to secure equitable distribution of basic materials could not only ruin small business, but hamper our production effort. This legislation provides for these regulations.

Many small-business enterprises, unable to meet increased prices for necessary materials, are already forced out of business and numerous others are on the brink of collapse. Competition for skilled manpower in an already tight labor market would be certain to force wages, and thus prices, upward. In the absence of a stabilization program, it would be foolish to control the disposition of essential materials if prices are allowed to soar. Secretary of Defense Marshall has pointed out that since Korea, the increased cost of military items alone has risen approximately $7,000,000,000 through inflation.

WAGES AND PRICES

We are beginning to witness devastating tie-ups by strikes throughout the country. Ninety percent of the wage problem today is brought about because of high living costs and ineffective price control. It is unrealistic to talk about trying to stabilize wages at a time when our over-all economy is not stabilized and prices and profits continue to soar. High prices and the cost of living have soared deplorably since the Korean trouble started. The vicious circle has been expanding since 1944. In 1944, industry and business considered their annual profit satisfactory, but during the last 7 years, profits have increased 97 percent and wages increased, on the average, only 26 percent. In other words, profits have increased three and one-half times beyond wages. The Government has clamped controls on wages. Sellers of manufactured goods are guaranteed the same margin of profits they made before controls. Sellers of labor are rigidly limited to a 10-percent increase. This does not apply to millions of unorganized workers. Prices soar, but wages are dormant for millions. Everyone admits that there should be equality of sacrifice in the war effort. Very few of our employers and statesmen will agree to place this equality in practical operation.

PROFITS

Ten years ago we had only two large corporations with gross incomes of one billion or more. Today we have 19, topped by General Motors with an annual income of seven and one-half billion; A. T. & T., three and one-third billion; Standard Oil, A. & P., and Sears, Roebuck, around three billion, and on down to Gulf Oil with one and one-half billion income. I am not complaining against an industry or business just because it is large, but these institutions should not be opposing legislation which would aid millions of consumer families. Today millions cannot enjoy even the simplest pleasures and conveniences because of wartime inflation.

Stabilization and control legislation is absolutely necessary in industrial areas or our war production in these areas will be wrecked. The industrial Calumet region of Indiana is but one of many metropolitan centers throughout the United States wherein thousands of workers have come from other areas of the country to work in the steel mills, oil refineries, transportation companies, and factories of all descriptions. The cost of living for meats, groceries, clothing, and rents has leaped immeasurably since June 30, 1950. Hundreds of steel workers in my district have not been able to provide a steak for their families in months. Their pay check is expended the day it is received and numerous families have already disposed of their war bonds in order to buy the bare necessities of life. In my last two visits home, committees and individuals have informed me of this serious situation.

POST OFFICE WORKERS AND RETIRED CITIZENS

Postal employees are resigning because they cannot support their families on their postal salaries in that high-cost-of-living area. Postal service in Hammond, Gary, and East Chicago, Ind., has greatly deteriorated because over 50 percent of the postal employees are new and inexperienced. This situation is brought about by reason of the resignations of the regular postal workers.

School teachers and office employees have the same complaint. Retired folks and older people living on pensions and retirement income cannot stretch their paltry income on the present inflationary prices. We are spending billions to curtail communism, but unless the cost of living is reduced we are creating millions of discontented and unhappy citizens upon whom the communistic agitators can find a fertile field to add memberships to their cause.

BEEF AS INFLATION EXAMPLE

The rapid rise of the cost of beef is an example of inflation in a wartime economy. In January 1950 cattle were selling at 115 percent of parity. In April of this year the price of beef stood at 152 percent of parity. The ceiling after the first roll-back represents 135 percent of parity. After October 1, if the third roll-back is allowed to take place, cattle prices should be between 120 and 125 percent of parity.

Figures of the United States Department of Agriculture show that in the past 11 years feeders in the Corn Belt have made an average $20.83 profit for each head of cattle they sell. Their profits in the past 12 months have been the highest in history—$68.54 per head. This is $25 more profit per head of cattle than in the plush 1946–47 season, after OPA price controls were killed. The 10-percent roll-back of May 22 has cut back profits per head of cattle to $47.69, according to the Government's agriculture experts. Yet the story the cattlemen tell the public is that they are losing money. What they mean is that instead of making all-time record profits they are earning 129 percent more than the 11-year average profit per head. In other words, if the Government roll-back is not carried out meat foods of all kinds will disappear from the tables of the working families of America.

RENT CONTROL

Rent control is provided for in this legislation. Shelter is the second most important expenditure in the family budget. At military establishments and in industrial defense areas the housing crisis is deplorable. On May 4, when this Congress reduced the number of defense housing units to 5,000 annually, it struck a body blow to tenants in the above-described areas. For 15 years the real estate lobby stated they could provide low-priced housing. They have failed miserably. At least 135,000 low-priced public housing units should be built annually so workers and their families could leave trailer camps, shacks, and slums.

It is estimated that in the industrial area of northern Indiana and south Chicago, over 100,000 defense workers and their families live in trailer camps and dilapidated shacks. Furthermore, owners of these shacks and run-down apartment buildings are charging outrageously high rentals.

Mayor Eugene Swartz, of Gary, Ind., recently testified before the Banking and Currency Committee that during the last war, thousands of defense workers in this area slept on cots in store buildings. These cots were rented three times in 24 hours to workers on the various shifts in the steel mills. The steel mills in this area provided old pullman cars in the switching yards for additional sleeping quarters for defense workers.

When this Congress refused the public housing legislation a few months ago,

it threw another wreath around the real estate lobby's neck and relegated millions of workers in urban and industrial areas throughout America to live under abhorrent conditions. Defeat of legislation of this kind will eventually bring dissatisfaction and discontent and lead on to strikes which will greatly hamper our war effort.

In decontrolled cities in my district, I have received numerous letters and telegrams where rents have increased 50 to 150 percent. On the other hand, I have received letters from landlords who have not profiteered in this housing crisis. These landlords should be given every right to receive a reasonable income on their investment and it is so provided in this legislation. Rent control in these critical areas should be immediately abolished when the housing crisis relaxes.

IMPORTS AND DEFENSE PROPERTY

This legislation will also regulate the importations of manufactured products of any raw material upon which domestic priorities or allocations are in effect.

It also provides for authority to acquire property by condemnation or by purchase, donation, or other means of transfer. The Defense Production Act at present provides only for the requisitioning of real and personal property for defense needs. Under these provisions, agreements by the Armed Services Committee of the House and Senate will be necessary for the acquisition of any real property for the use of the military.

Provisions are also set out in this legislation for the protection of the small-business man.

AUTO AND CONSUMER CREDITS

Provisions are also made for the relaxation of regulation W. Automobile dealers and car purchasers in my district, as well as other areas throughout the country, have been greatly curtailed on the sale and purchase of used and new automobiles because of the unreasonable high down payments and short-time credits on the sale of cars. The automobile is no longer a luxury. The breadwinner of every working family in America needs an automobile to go to and from his employment and for other personal and family purposes. Under the present regulation, the average worker cannot comply with the large down payment and limited time credit required for an automobile.

TAXES AND INFLATION

Last week the House passed a large tax bill which was necessary in order to pay for the largest defense and military war cost in our history.

Seventy-four cents out of every Federal tax dollar goes to pay for war and defense. Approximately five and one-half billion is expended every year for interest on our national war debt. Almost eight billion is expended for benefits, hospitalization, and so forth, for the veterans of past wars. The billions that have been spent to rehabilitate France, Italy, Greece, and Turkey in the last few years has saved all western Europe from communism. Paul Hoffman, Eric Johnston, Generals Marshall, Bradley, Eisenhower, and other nonpolitical leaders have testified that this has been our greatest investment. It has not been a question as to whether our country can afford it, but the fact is America could not afford to refuse this expenditure. The future of the free world, including ourselves, depends upon it.

Unless this stabilization and price-control legislation is enacted into law, millions of our citizens will not have the cash to pay the taxes called for in this war and defense effort. Uncontrolled inflation could ruin our economy and also our war and defense effort. Every true American is looking forward to the day when controls of all kinds can be eliminated, but we must undergo sacrifice when we are preparing our country in a Herculean effort to curb the spread of communistic dictatorship. After all, the price paid by the ordinary civilian is small compared to the sacrifice our boys are making at the front in fighting the battle against the fanatical Communists.

With equality of sacrifice on the part of everyone—business, agriculture, labor, and all other groups—we can win this fight and return to our normal peacetime economy.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Did I understand the gentleman to say that labor had received only a 26-percent increase since 1940?

Mr. MADDEN. That is right.

Mr. MILLER of Nebraska. What authority does the gentleman cite for that?

Mr. MADDEN. I got this from the Bureau of Labor Statistics.

Mr. MILLER of Nebraska. I am sure the gentleman wants to examine those figures very carefully.

Mr. MADDEN. I will recheck on it.

Mr. MILLER of Nebraska. Because the cost of Government has increased about 500 percent.

Mr. MADDEN. I might say that in my area thousands of postal workers, school teachers, and white-collar workers have not received even that much. I am referring to the grand average of all groups.

Mr. MILLER of Nebraska. I think the over-all increase for labor has been far more than 26 percent.

Mr. MADDEN. That was the general average.

Mr. FELLOWS. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Maine.

Mr. FELLOWS. The gentleman said that 52 percent of the postal employees had left their positions.

Mr. MADDEN. In my area, yes.

Mr. FELLOWS. And that that was to seek a better job.

Mr. MADDEN. That is right.

Mr. FELLOWS. Does the gentleman know where they went?

Mr. MADDEN. No, I do not.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. McGREGOR].

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, on June 20, Secretary of Defense General Marshall submitted a request to the Congress authorizing the additional appropriation of $6,561,262,387 for expansion and construction of military installations.

Incorporated in this request was one installation located in the Seventeenth District of Ohio which it is my honor to represent in Congress. This request was for $13,237,000 for the Shelby—Eight Hundred and Thirty-first—USAF Specialized Depot, Shelby, Ohio. I am in complete accord with any request that is absolutely needed and essential to the war effort, which will give the necessary material and equipment to those in the armed services in order that they might defend their lives and the liberty of our country. I am definitely opposed to any expenditures, either civilian or military, that are not necessary.

This request of $13,237,000 for the Shelby Depot might be essential and needed, but I want to be shown that such is the case.

I have written Secretary Marshall asking for complete information so that I can determine whether or not this Shelby Depot expenditure is necessary. I call upon every member of Congress to carefully investigate the projects in their districts which might be included in this $6,500,000,000 request and see if we can safely reduce this enormous expenditure.

The taxpayers are heavily burdened and no expenditures should be made on any projects regardless of whether or not they are in our own districts, that are not essential and absolutely necessary to our war effort.

Let us forget selfish interests and remember that unnecessary expenditures lead to increased debt and higher taxes and will destroy the freedoms for which our boys are fighting. Economy should begin at home.

I hope every Member of this Congress will join me in a complete investigation of General Marshall's request.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. PRIEST). The Chair will count. [After counting]. One hundred and twenty-eight Members are present, not a quorum.

Without objection, a call of the House is ordered.

There was no objection.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 91]

Adair	Boggs, La.	Cox
Allen, Calif.	Breen	Crosser
Allen, Ill.	Buckley	Davis, Wis.
Allen, La.	Busbey	Dawson
Anderson, Calif.	Carlyle	Dingell
Anfuso	Carnahan	Durham
Auchincloss	Celler	Elliott
Bentsen	Chatham	Engle

Evins	McMillan	Reams
Flood	Mack, Ill.	Redden
Gillette	Merrow	Regan
Gordon	Morrison	Scott, Hardie
Gossett	Morton	Smith, Kans.
Hall, Edwin Arthur	Mumma	Stockman
	Murphy	Sutton
Hall, Leonard W.	Murray, Tenn.	Teague
	Murray, Wis.	Thomas
Hart	Norrell	Trimble
Hinshaw	O'Brien, Mich.	Velde
Irving	O'Konski	Vorys
Jones, Ala.	Passman	Werdel
Kelley, Pa.	Patten	Wharton
Kilday	Powell	Whitten
Lantaff	Preston	Wilson, Ind.
Larcade	Price	Wood, Idaho
LeCompte	Ramsay	Woodruff

The SPEAKER pro tempore. On this roll call 356 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1951

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, as the gentleman from Indiana [Mr. MADDEN] has so ably explained, House Resolution 281 makes in order the consideration of H. R. 3871, to amend the Defense Production Act of 1950, and for other purposes, under an open rule with 5 hours of general debate. H. R. 3871 is perhaps one of the most important measures which will come before the Congress at this session, because it deals with the economic life of the Nation and provides for the continuation of many of the Government controls over business, industry, agriculture, credit, and housing, which have been in effect since the President issued his proclamation under the Defense Production Act of 1950 last January.

The bill, House bill 3871, was brought before the Committee on Rules early this week, after some 6 or 8 weeks of careful consideration by the House Committee on Banking and Currency. The measure does not contain, I am very happy to say, all of the suggestions or requests for additional powers and authorities submitted by the executive branch of the Government to the House Committee on Banking and Currency.

As this bill has been reported under this rule, it consists of the original law, or the Defense Production Act of 1950, with some 57 amendments. I wish to impress upon you, if I can, that this measure comes to the floor of the House in a rather unusual manner, under rather unusual conditions. The usual procedure is for a legislative committee to consider a piece of legislation and to amend it in the committee and then to report a clean bill, so that the measure, as it comes before the House, is actually the original bill as amended by the committee. Under such a method it would require adoption of amendments to change the final content of the bill as reported by the committee. However, in the case of this bill, the House must adopt 57 amendments in order to finally put the bill in the form the committee desires.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Indiana.

Mr. HALLECK. I wonder if the gentleman learned in the presentation before the Committee on Rules whether or not the Committee on Banking and Currency as a committee would back these various so-called committee amendments that are contained in the bill.

Mr. BROWN of Ohio. Yes. It is my understanding, from the testimony that was given before the Committee on Rules, that each of the amendments contained in this bill, as reported from the Committee on Banking and Currency, will be offered as committee amendments. And that is just the point I hope I may make very clear to the membership of the House.

Under the peculiar conditions surrounding this measure as it comes to the floor, each of the 57 amendments adopted by the committee will have to be offered first, of course, by the committee, presumably by its chairman, in the Committee of the Whole, and considered separately there. That action will come, of course, after the 5 hours of general debate, when we go into the Committee of the Whole and proceed under the 5-minute rule. This means that each of these 57 amendments submitted by the committee will be subject to debate, under the 5-minute rule, and possibly subject to amendment, or to the offering of substitute amendments.

As I read the bill and the amendments, and I listened to the discussion in the Committee on Rules, I came to the conclusion that at least 35 to 40 of the amendments which will be offered by the committee to this bill, or to the original 1950 Defense Production Act, are controversial, and will be subject to considerable discussion on the floor of the House.

In addition, I would like to remind you that each and every Member of the House of Representatives is entitled, under the rules, to offer any amendment to the measure he may see fit. Many of these amendments, which are to be submitted, or will be submitted, by the Committee on Banking and Currency, are indeed very, very controversial. Let me just mention a few of them for your consideration.

There is one amendment which provides, or I believe it provides, for consumer subsidies. There is considerable controversy, seemingly, within the Committee on Banking and Currency itself, as to whether or not that provision or amendment does actually provide for the payment of consumer subsidies. But the issue of whether or not consumer subsidies should be paid is indeed an important one and certainly a very controversial one. That issue will, first of all, have to be decided here on the floor of the House, as to whether the amendment does provide for consumer subsidy payments. Then next, we must decide whether we want to have consumer subsidies paid as a matter of policy and principle. Then, of course, we have in here a number of other amendments to the bill which are controversial.

Let me mention as an illustration, the amendment dealing with rent control, and as to under what terms rent control should or should not be extended.

We also have in this bill the question of credit controls. Regulation W will be involved in that discussion. That seemingly is a very controversial issue.

We will have before us the question of increasing the amount of money which can be expended or loans which can be made under certain provisions of the Defense Production Act. We have the question of price roll-backs. I think perhaps some of the Members of the House have been well informed in recent weeks on the question of the roll-back orders that have been issued on meat, for instance. However, this question involves other questions as well in connection with the roll-back of prices, or the authority or the right to roll back prices.

We have another important question involved in this legislation in which every farmer is interested, and that is the one of parity prices; whether they shall be fixed once a year or seasonally, or how. I think perhaps we may have a slight amount of discussion on that subject when this bill is read under the 5-minute rule. Then there is the amendment dealing with Presidential authority to condemn property or to enter into Government operation of certain industrial plants.

Why am I calling your attention to these particular provisions of the bill, and the amendments I have mentioned, the 57 committee amendments, plus, of course, the many other amendments which may possibly be offered on the floor of the House by the membership? Simply for this reason:

The Defense Production Act of 1950 expires at midnight on June 30. That is this coming Saturday night. This rule provides for 5 hours of general debate. But we have other legislation scheduled this week. So, whether we can consider 57 important committee amendments to this bill, as contained in the measure as it is reported by the committee, each of which will be subject, as I mentioned, to debate under the 5-minute rule before Saturday night is indeed questionable. And remember this, if these 57 amendments are adopted in the Committee of the Whole each of the 57 will also be subject to a roll-call vote when we get back into the House. While I am willing to vote on each of these amendments on the record, I sort of shudder and become a little weak when I think of the possibility of answering 57 roll calls, and perhaps more if other amendments are offered and adopted, plus, of course, a roll call on a motion to recommit if somebody makes such a motion, plus a roll call on the passage of the bill. The physical strain alone will be almost unbearable even if we can find the 24 hours or more of time such roll calls would require.

It seems to me the situation is such that if this legislation is to be thoroughly debated, discussed, and considered by the House of Representatives, all the amendments voted on, the final House decision made, the measure sent over to the other body, a conference committee appointed, the conferees reach an agreement, the conference report brought back here and agreed upon here,

and the measure reaches the President by this coming Saturday night, midnight, that we are going to be mighty, mighty busy here in the House during the next few days. No one, even the most critical constituent, will be able to claim the Congress has been doing nothing this week, at least.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. REES of Kansas. I shudder along with the gentleman from Ohio, but I wonder where in the world those in charge of this legislation have been all the time that they should have brought this up just a few hours before the legislation expired. Here we are on the brink of the close of the fiscal year. We are now discussing the question of putting this thing over. When do you expect to resume consideration of this legislation after you have gone along and extended it temporarily? I assume you are going to attempt to extend it temporarily and then take it up later.

Mr. BROWN of Ohio. The gentleman and I have discussed privately, at times, the very grave and important question as to whether or not each of us is our brother's keeper. In this particular instance, I do not believe or feel that either of us are our brother's keeper. I certainly do not want to assume the responsibility and shall not assume it, of the majority leadership of this House. I certainly do not think the Republican minority can or should be held responsible for the flow of legislation to the floor.

Mr. REES of Kansas. I agree with the gentleman.

Mr. BROWN of Ohio. I think the responsibility rests elsewhere. So I believe your question should be directed elsewhere.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. The gentleman has referred to the rather unusual manner in which this bill has been reported, that is, instead of reporting out a so-called clean bill containing the provisions as finally adopted by the committee, each of the committee amendments has been reported separately. Does not the gentleman agree with me, as he has pointed out, that considering the debate which will be involved and the probable calling of the roll, that this method of presenting the measure for action in the House has undoubtedly added 4 or 5 days to the time necessary for completion of action on the measure?

Mr. BROWN of Ohio. I agree fully with the gentleman from Indiana. I would like to point out at this time that it is not the responsibility or the fault of the Committee on Rules that the bill is here in its present form. The Committee on Rules could not decide whether this should be a clean bill or the type of bill that it is. I have listed the different amendments and some of the different issues and questions which will be involved when this bill is under consideration, simply for the purpose of impressing upon you, if I can, what appears to me the utter hopelessness and impossibility of the task which confronts us; and that we cannot accomplish that which we are supposed to accomplish as a legislative body in the few hours which now remain to the House for consideration of this bill prior to the date the act itself will expire, on midnight, June 30.

Therefore it seems to me if we are going to legislate wisely and well on the issues involved in this measure we will have to find some method of getting more time. Yet at the same time I certainly do not want to continue, or see continued, any of the many inequities which have crept into the administration of the Defense Production Act of 1950.

There are a great many Americans who are demanding, as I believe they have a right to demand and should demand, prompt relief from the unfair and unworkable administrative orders and regulations which in too many instances have been issued under the provisions of the 1950 act which is now in existence.

So we do have the grave responsibility of deciding how to best meet this particular situation which confronts us. I say, in justice to the House, that we have been placed in an untenable position where it is impossible to do that which we are called upon to do, and we must find some other solution to the problem.

Mr. DOLLINGER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from New York.

Mr. DOLLINGER. The gentleman has stated that it will be impossible to complete the bill because of the shortness of time. Does not the gentleman agree that this bill is so important we should work day and night in an effort to see if we can dispose of it before we make a determination that we can put the thing over, or should put it over?

Mr. BROWN of Ohio. I agree fully with the gentleman, but I regret—and you know I have the greatest affection, sir; for you personally—that your committee did not see fit to start earlier and to work longer hours on this legislation.

Mr. DOLLINGER. Our committee did work night and day.

Mr. BROWN of Ohio. Oh, yes; for the last few days, I am sorry to say. I would feel much better if we did not have so many Members of the Tuesday, Wednesday, and Thursday Club here in the House and if we had a little better attendance in the House, and a little more attendance in our committee, so that this and similar jobs could have been taken care of as they should have been taken care of long ago.

Mr. DOLLINGER. May I point out that of course the gentleman is not referring to me.

Mr. BROWN of Ohio. Oh, no; I am not referring to you personally. Of course I would not refer to the gentleman personally. Indeed I would not refer to anyone personally on the floor of the House.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. I think the gentleman would agree with me that the failure of the Committee on Banking and Currency to get this measure here prior to this time, the last week before the expiration date of the act, is completely inexcusable and indefensible. The fact of the business is that this measure should have been here weeks ago. Everyone knew that the time was running out on the measure. I, for one, cannot understand and cannot see any adequate reason why it should not have been here weeks and weeks ago in order that we could have acted upon it in a careful, orderly fashion.

Mr. BROWN of Ohio. I agree fully with the gentleman. I call the attention of the House, and the attention of the gentleman from New York, that another reason why it is going to be difficult to complete this legislation is the fact that it is going to be necessary to take some action in the next day or so to continue the appropriations needed to run the Federal Government after midnight of June 30, simply because the Committees on Appropriations of the House and of the other body have not yet completed the work which has been assigned to them.

We have not yet put through this Congress and sent to the President a single major appropriation bill, after having been in session for practically six full months. So I insist that the House of Representatives as such, and the great membership of this body as a whole, should not be held responsible for the situation in which we find ourselves. We should not be held responsible for something we cannot help. We should not be expected to accomplish the impossible in the next few hours or the next few days.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. BROWN of Georgia. Replying to the gentleman from Indiana I wish to state that practically everybody in the United States wanted to be heard for or against this bill, and we heard many, many witnesses. It took us 6 weeks to get to the point where we could write a bill that we thought was workable and present it to the House.

I resent the implication that the Committee on Banking and Currency was doing nothing.

Mr. BROWN of Ohio. I have not time to yield further, but I want to be fair. The gentleman from Georgia bears a splendid surname. I know that he was here working on the job as a member of the Committee on Banking and Currency and that he endeavored to the best of his ability to get a clean bill reported by his committee to meet the present situation. Nevertheless, the fact remains that we have before us a bill, and a situation, that is impossible to meet and care for properly between now and June 30.

Mr. MADDEN. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I do not think anybody is going to be

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opposed to this rule; we all realize we have got to give consideration to this bill, and I imagine that the rule will pass without any real trouble.

I was disturbed when the matter was brought to the Rules Committee by the report on the bill. Under the Ramseyer rule the report is required to contain a comparative analysis of the bill proposed and existing law. The bill that was proposed has been shot full of holes, but this compliance with the Ramseyer rule is tied to the original bill. It therefore does not mean anything, and you will find it most difficult to understand from the report of the committee what changes are actually taking place.

The chairman of the committee very kindly at my suggestion has had a committee print made that complies with the Ramseyer rule as tied to the bill after it was amended as the committee amended it; so, through the cooperation of the Committee on Banking and Currency, you can have both the report of the committee and the committee print in compliance with the Ramseyer rule as tied to the bill as amended. You can therefore look at the committee print and see just exactly what changes have been made in the bill. I think that will relieve a good deal of the difficulty, and I am very glad that the committee so willingly complied with that suggestion. I would suggest to Members who are interested that they ask the chairman of the committee to supply the desks here with the committee print so that we can understand the contents of the bill.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BROWN of Ohio. The gentleman will agree, I believe, as a very able parliamentarian, that the parliamentary situation as I described it actually exists with these 57 amendments.

Mr. SMITH of Virginia. Yes; it exists and is unusual. However, the Committee on Banking and Currency had the right to do it, and did do it, and it was a pretty shrewd parliamentary way to do the thing from the standpoint of certain members of the committee, and I do not have any criticism of them; I probably would have put it across myself if I had been on that side and on the committee.

Mr. MADDEN. Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, I was not in the Chamber and I did not hear the debate upon the resolution; however, I think I heard the gentleman from Ohio, a member of the Rules Committee, taking to task the Banking and Currency Committee because it reported a bill with amendments. In my opinion, it is not within the province of the Rules Committee to dictate to legislative committees in what form they should report their bills. I do not think any committee including the Rules Committee is the keeper of the conscience and the judgment of other committees.

I was for the committee bill being reported with amendments. That is why the CONGRESSIONAL RECORD is printed, that is why the doors of the gallery are always open—in order that the public may see its representatives at work and know how they vote.

Should any criticism result from reporting a bill that will assure to our constituents this right?

Then the question came up as to the Ramseyer rule. The Ramseyer rule did not apply to the amendments. So we had the staff of the committee file a supplemental statement which shows the history of these amendments that gives full effect to the Ramseyer rule.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. May I say to the gentleman that we have not questioned the right or the privilege of the committee, and I did not criticize the committee but explained what the parliamentary situation is.

Mr. SPENCE. I am glad to have the gentleman's statement. I suppose it came with some praise, but it did not seem to me that it was the voice of commendation when I came into the room. That is the reason I have taken the floor at this time for a few minutes to explain to the House that we reported the bill with amendments. I was deeply interested in them and I assume all the blame for it. If it is hard on gentlemen to make their positions known, I am sorry, but I felt that those we represent should know where we stand, what we are for and that that was a good way to do it.

I like to treat my colleagues with every consideration and courtesy, I like to help make their lives pleasant here, if I can, but I do feel in this particular case it is very desirable to have everybody show where he stands on this very great piece of legislation that means so much to the future happiness of the people of America and the stabilization of our economy.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Speaker, the unusual procedure under which House bill 3871 comes before us and a listing of some of the controversial amendments has been mentioned by members of the Rules Committee, among them them the distinguished gentleman from Ohio [Mr. BROWN] who has yielded me this time.

I submit, Mr. Speaker, that there is also another unusual amendment in the bill which should be specifically listed in the highly controversial category. It is section 305 on pages 12, 13 and 14, actually commencing at line 7 (e) on page 12 and is a new section of title III of the Defense Production Act of 1950.

I reiterate my contention that if it had not been considered controversial, heretofore, it will be very much so by the time we begin general debate and take up the amendments now incorporated in the measure. Realistic consideration of section 5 by my colleagues which is earnestly invited during the interim before this part of the bill is reached will, I hope, convince each of you to my belief that it is illogical, uneconomical, and a detriment to our national defense and should be removed from the bill.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Speaker, I appreciate very much the kindness of the gentleman from Ohio in giving me 3 minutes. I tried to get time from my own side of the aisle, but it was already allotted and for that reason I could not obtain it.

Mr. Speaker, I take this time for the purpose of calling the attention of the committee to a matter which it may desire to take into account and amend in this bill. A few days ago in purchasing an automobile, and exchanging my old one for the new one, the salesman asked me if I needed a spare tire. Well, I would not drive a car without a spare tire. I said, "Certainly; is there not one on the car? Have you not charged me for it?" He said, "No. The manufacturer is only permitted to provide four tires with a new car. That is due to the regulations of the National Production Authority."

He said, "I can sell you a tire, but unfortunately, it will cost you more money because we are only permitted to allow you $18 in lieu of your fifth new tire. That is the price the General Motors Co. would have to pay to buy a new tire and put it on there; but I have to sell to you at retail, so I am charging you $34.60."

I said, "Do you mean that in the manufacture of some 6,000,000 cars this year, every person who buys a car is going to be penalized that much?"

I assumed this was because of a direct shortage of rubber. He said, "There is no shortage of rubber. I wish you would give me an order for a thousand tires, and I will have them at your home before you get there."

So I consulted the National Production Authority. The rubber question had nothing whatever to do with this regulation.

Now, if the committee wants—and I do not think that it is their desire—to penalize the purchasers of automobiles to the extent of from $110,000,000 to $125,000,000 a year, then let this regulation stay in, and that is what you are going to do. But remember that in doing so you are not helping this defense effort one dime's worth. You are simply taking that much money away from the people at a time when we are trying to stop inflation. I am going to offer an amendment to relieve this situation if the committee does not. I would much prefer that they would do so, because it is not that I take any pride in calling this to your attention. But every person I have spoken to about the spare-tire situation believes that we are making some little sacrifice to the war effort when, as a matter of fact, rubber is going to be a drug on the market. We are going to reduce the number of cars we manufacture by reason of the steel situation. Rubber has nothing to do with

it. Mr. Larson is about through buying for the stockpile.

Mr. AYRES. Mr. Speaker, will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Ohio.

Mr. AYRES. I come from a rubber city, and I can confirm what the gentleman has said. Information has come to me, both from the workingmen in the factories running the storerooms and the warehouses and the officials of the company, to the effect that there will be no shortage of tires.

Mr. DEMPSEY. I do not have time to go into detail about the reason for this, but there is no reason for it at all, and we are not doing anything except adding to inflation, putting another burden of from $110,000,000 to $125,000,000 on the purchasers of cars. Considering that after the tax bill we passed, it is just about the last straw on the camel's back, in my opinion.

Mr. MADDEN. Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. MITCHELL].

Mr. MITCHELL. Mr. Speaker, I am very definitely in agreement with the gentleman from Indiana [Mr. MADDEN] and the gentleman from Ohio [Mr. BROWN] that this is a very important bill coming before the House on this rule. Certainly, I agree with the gentleman from Kentucky [Mr. SPENCE] that each of us, as individual Members of this body, has a very definite responsibility to determine whether the majority of the Committee on Banking and Currency reached conclusions in the best interests of the consumers of this country.

Mr. O'TOOLE. Mr. Speaker, will the gentleman yield?

Mr. MITCHELL. I yield to the gentleman from New York.

Mr. O'TOOLE. I just want to comment that I am very happy that the gentleman from Washington did not go down to the well of the House, because if he had spoken from the well of the House, he would have been up to his ankles in crocodile tears over the fate of this bill, as explained by the gentleman from Ohio and the gentleman from Indiana.

Mr. MITCHELL. Mr. Speaker, if the American consumer is to be protected and if our national economic strength is to be maintained, improved price and production controls must be enacted by Congress. The day following the outbreak of the conflict in Korea, I called for the enactment and enforcement of across-the-board price, rent, and production controls. History certainly will prove that that action should have been taken on June 26, 1950. It must be taken now.

During this past 1 year, the consumer and taxpayer has been forced to bear the brunt of unnecessarily high prices and spiraling inflation. The millions of American families who have carefully and traditionally set aside a portion of their monthly income have watched with fear and alarm while the value of their savings has constantly depreciated. A symptom of this is the fact that redemption of E bonds in the first quarter of 1951 exceeded sales by $258,000,000. Those people now living on pensions and fixed incomes find it more and more difficult to obtain even the basic necessities of life.

In the last year inflation alone has added $10,000,000,000 to the cost of our Nation's defense program. This means that for every $6 the taxpayer invests in his Government and national defense, he must pay $1 for inflation.

No one faces the facts of inflation more frequently than the American housewife. She does not care about the intricacies of economics. She wants only one thing: lower and reasonable prices.

The Bureau of Labor Statistics figures are a good indication of what has happened to prices. The BLS index climbed constantly and precipitously in the months immediately following Korea and did not leave off until price controls were put into effect in January. The Bureau's daily spot market index of the prices of 28 basic commodities which reflect over-all prices, rose 47 percent from mid-June 1950 to January 25, 1951, in spite of all the pleas for and promises that prices would be "voluntarily controlled." The Wholesale Price Index has risen from 170 percent of the 1935–39 average in June 1950 to 184 in February 1951.

These statistics, shocking though they are, are so general that it is difficult to visualize what they mean in terms of specific items for which the housewife must pay day after day. I have, therefore, to secure actual dollar-and-cent prices on a few representative items for my home city, Seattle, Wash.

A quart of milk that cost 17 cents in June 1950 cost 19 cents in April 1951; bread sells for 1.3 cents more than its June 1950 price; coffee has advanced in price from 76 to 91 cents; round steak from 98 cents a pound to $1.07.

The story on clothing is similar. The wool suit that cost $57 in May 1950, cost $60 in February 1951 and $62.50 in May 1951. Overalls sold at $3.01 in May 1950, went up to $3.83 in February 1951. Prices for women's rayon slips, men's street shoes, and bedsheets, to take typical examples, rose drastically from May 1950 to February 1951, and since price controls have been put into effect the prices have not advanced. The same story could be told for every city in the United States from New York City to Seattle.

Rents are another important item in family budgets. Many cities have seen rent controls relaxed in recent months. Rents in Seattle rose 2 percent between the Korean outbreak and February 1951. This was somewhat less than the increase in most cities, and can be credited to existing rent ceilings in Seattle. In March 1951, the local rent-control board approved a 22- to 25-percent increase in rents, over the level of maximum rents existing in 1942–46. This meant that dwellings which had already had a voluntary lease increase of 10 to 15 percent, could get a further increase, in some cases making a total increase of as much as 25 percent over the 1942–46 level. Preliminary estimates of the Bureau of Labor Statistics, based on a survey of Seattle rents, indicate that in the two months following this action, about a quarter of all rental dwellings reported more than 10 percent increases, with a typical increase of about $5.50. Rent increases of this magnitude have not taken place in every city in the United States; in many, local rent-control boards have permitted less liberal rises; in others rent control has been lifted and rents have skyrocketed.

I have mentioned food, clothing, and rent. These are not items on which the average family can economize by doing without. Most people look for the most inexpensive, not the most extravagant, housing available. To most families, a rise in food prices means a lowering of nutritional standards.

As Members of Congress we must face up to the problem. We know only too well what controls are not popular or pleasant, but every conscientious Member here realizes they are required if our people and our economy are to be protected from ruinous inflation.

Mr. MADDEN. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

FOR STRONG PRICE-CONTROL BILL

(Mr. PATMAN asked and was given permission to revise and extend his remarks and include statements and excerpts.)

Mr. PATMAN. Mr. Speaker, I expect to vote for a strong and effective price-control bill, even stronger than the committee presented. I am not taking this time to discuss the bill, because I have only 5 minutes. But I do want to invite your attention to two amendments which I am very much interested in, and I hope that you are interested in. One is the defense-plant amendment which 254 Members of the House have become coauthors of. It is a good amendment. It is similar to the Smaller War Plants Act in World War II. It will give the smaller concerns of this country a real opportunity to get contracts along with the larger ones, and I think it should become a law in this bill.

GOVERNMENT BONDS SHOULD BE SUPPORTED AT PAR

The other amendment was not presented to the committee, because I was unavoidably detained last week and could not be here at the committee's executive sessions. But I had prepared and expect to present from the floor of the House, an amendment to require and to compel the Open Markets Committee of the Federal Reserve Banking System to support direct Government obligations at par at 100 cents on the dollar. I think it is absolutely a shame and a disgrace that our great Federal Reserve Banking System would let direct obligations of our country go down to 96 and 97 as they are today. One insurance company has already gone broke. An insurance failure, as I read here, resulted from the drop in Government bonds,

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which was the final straw that brought about the action in New York. That one company has already gone broke because the bonds were permitted to go down below par. Many veterans throughout the country, as well as thousands who are not veterans, who would like to build small, modest homes, are unable to get the money because the insurance companies would have to sell their bonds below par in order to let them have money, and they are not going to do it. Therefore, we will have less housing in this country as long as that rule prevails.

WILL NOT COST PENNY FOR FEDERAL RESERVE TO SUPPORT BONDS AT PAR

So I hope the amendment I have to require and compel the Federal Reserve Banking System through its Open Market Committee to support these bonds at par will be adopted. I can assure you, too, that it will not cost the Government of the United States one penny. It will not cost the taxpayers one penny. Remember that. Without cost of any kind the bond market can be supported as it has been in the past up until recently.

We owe an obligation to the people who bought these bonds. Preceding the financing of World War II we made a commitment through laws passed by this Congress that we would not permit bonds to be sold on the market, as they were after World War I, down to 82, $18 below par. The people lost up to $18 on a $100 bond after World War I. Lots of people lost that. I see some people right here now that had that experience. We promised the people that would not be done during and after World War II. We kept that promise up until the last two or three months, when the Open Market Committee, composed of the 7 members of the Federal Reserve Board and 5 representing the private bankers of the country, got together and agreed that they would not support the Government bond market any longer, thereby violating that sacred obligation that Congress made and refusing to redeem those bonds 100 cents on the dollar.

I hope you give consideration to the amendment, and that when it comes up on page 45 of the bill you will vote for it.

The amendment is as follows:

Amendment by Mr. PATMAN: Page 45, after line 16:

"(c) Title VI of the Defense Production Act is amended by adding at the end thereof the following new section:

"'SEC. 605. In order to (1) maintain market stability for Government obligations, (2) maintain a stable and adequate money market to enable the Government to finance the mobilization program, and (3) assure an adequate source of mortgage funds for the financing of homes for defense workers and veterans, the Board of Governors of the Federal Reserve System and the Federal Open Market Committee of the Federal Reserve System are hereby directed to conduct open-market operations so that any marketable direct obligation of the United States which is issued at its par value shall at all times have a market value of not less than the par value of such obligations.'"

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, it is with amazement that I listened to the gentleman from Texas [Mr. PATMAN]. He gave us a terrific indictment of his party, the new Fair Deal. He told us a terrible story. He charged that this Government, under management of his party for 18 years, sold bonds to the people, people who had confidence in the Government, and they so mismanaged its business, to be charitable, to put it mildly if not accurately, that those bonds are not worth what they ought to be; that the price has dropped; that they are worth less than face value.

Who is at fault? Who has been in charge of this Government, and who has so conducted our affairs that we are bankrupt, our bonds are not worth par? Who other than the gentleman's party? Who but the leader of the gentleman's party have spent and wasted our national resources? Who but the gentleman and his party are responsible for a policy which causes him to come here and ask that these bondholders—and most of the bonds are now held by large corporations and banks—be protected from the loss growing out of the maladministration of the Nation's affairs by his party? I wonder why the new Fair Dealers do not think about that a little some night when it is dark and quiet, and your conscience might be heard.

Mr. BROWN of Ohio. Mr. Speaker, I yield my remaining time to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, as I pointed out earlier in the week, if you took the whole debt of $26,000,000,000 incurred during World War I and threw it on the market at a 20-percent loss, as the gentleman from Texas has referred to, you would have a loss of only $5,250,000,000, while those who hold the $65,000,000,000 of savings bonds which are now outstanding have certainly lost 25 percent on the whole $65,000,000,000 by reason of the drop in the purchasing power of the American dollar. They have already suffered a $16,000,000,000 loss. The gentleman from Texas gets up here and makes a speech such as he has just made, and I am glad he raised the subject, because we will certainly have some debate on the proposition before this bill is approved.

Mr. MADDEN. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I am very glad the gentleman from Texas [Mr. PATMAN] made the remarks he did. He is going to present to the House an issue of transcendent importance to countless millions of people throughout the country. It was only a few months ago when the change in the policy of over 10 years took place. I remember I took the well of the House and made a speech at that time against it. We now see what has happened, with bonds down to 96 and 97. My friend, the gentleman from Michigan [Mr. HOFFMAN] fails to remember history. After World War I our bonds were down to 82 and 83. Then those with plenty of money stepped in and made purchases. The people who had bought them had to sell them. Those with money, and this is a statement of fact, purchased them when they were low in price, then when the bonds came back, sold them at 105 and 106. We now have the same situation occurring after World War II as a result of action outside of Government, and not by the Congress of the United States, action by a small group who determined the financial policies of great concern to our people. The amendment which the gentleman from Texas proposes is nothing new. It has been going on for 10 years without legislation by administrative action and agreement. We remember the controversy a few months ago between the Federal Reserve and the Treasury. The Federal Reserve prevailed and, as a result, our bonds have gone down below 100. That is what happened after World War I, and millions of persons who owned the bonds during World War I and sold them were the ones who suffered. Those who purchased them, being in a position to hold them, waited until the market came back and disposed of their bonds, in many cases, at anywhere from 106 to 110.

I hope we are not going to have the same story now which took place after World War I.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ESTELLA WOLFE

Mr. MORRIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. Con. Res. 134) requesting the President to return the enrolled bill, H. R. 2349.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is hereby requested to return to the House of Representatives the enrolled bill (H. R. 2349) authorizing the Secretary of the Interior to issue patents in fee to certain allottees on the Crow Indian Reservation; that if and when such bill is returned by the President, the action of the Speaker of the House of Representatives and of the President of the Senate in signing such bill is hereby rescinded; and that the Clerk of the House of Representatives is hereby authorized and directed, in the reenrollment of such bill, to strike out in the paragraph thereof which relates to the issuance of a patent in fee to Estella Wolfe the phrase which reads "the northwest quarter of the southeast quarter," and to insert in lieu thereof "and the northwest quarter of the southeast quarter of section 28."

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. D'EWART. Mr. Speaker, reserving the right to object, I do this to clarify what we are trying to do. This is simply a correction of a clerical error in the description of the land; is that not true?

Mr. MORRIS. That is correct. Yes, sir.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CONTINUING SUSPENSION OF DUTIES AND IMPORT TAXES ON METAL SCRAP

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3181) to continue until the close of June 30, 1952, the suspension of duties and import taxes on metal scrap, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of September 30, 1950 (Public Law 869, 81st Cong., ch. 1119, 2d sess.), is hereby amended by striking out "June 30, 1951" and inserting in lieu thereof "June 30, 1952."

EXPLANATION OF H. R. 3181

Mr. EBERHARTER. Mr. Speaker, this bill would continue the exemption of metal scrap from import duties and taxes for another year, until the close of June 30, 1952. Import duties and taxes on metal scrap were suspended from March 14, 1942, to June 30, 1949, inclusive, under Public Law 497, Seventy-seventh Congress, and Public Laws 384 and 613, Eightieth Congress. The import duties on metal scrap were again suspended from October 1, 1950, to June 30, 1951, under Public Law 869, Eighty-first Congress.

The rates of duty on the principal types of ferrous and nonferrous metal scrap, suspension of which would be continued by the bill, are shown in the following table from a report of the United States Tariff Commission:

Item:	*Rate*
Ferrous scrap:	
Iron and steel scrap.	37½ cents per long ton plus additional duties on alloy content.
Relaying and rerolling rails.	1/10 cent per pound plus additional duties on alloy content.
Nonferrous scrap:	
Aluminum	1½ cents per pound.
Copper and copper-base alloy.	2 cents per pound on the copper content.[1]
Lead (including antimonial lead).	2⅛ cents per pound on lead content.
Magnesium	20 cents per pound.
Zinc (including zinc dross and skimmings).	¾ cent per pound.

[1] Free of duty under the Tariff Act of 1930. Sec. 3425 of the Internal Revenue Code provides for an import-excise tax of 4 cents per pound on the copper content of copper and copper-base scrap, which was reduced to 2 cents per pound under the General Agreement on Tariffs and Trade.

According to the Tariff Commission, these rates are the equivalent of an ad valorem rate based on import values in 1950, as follows: Iron and steel scrap, 1.4 percent; aluminum scrap, 14.4 percent; copper scrap, 11.7 percent; brass scrap, 13.9 percent; lead scrap, 23.9 percent; and zinc scrap, 6.2 percent. Imports of alloyed iron and steel scrap were small, and the insignificant imports of relaying and rerolling rails and of magnesium scrap were not separately reported.

Favorable reports on the legislation have been received from the Departments of Defense, Commerce, and Treasury and the Office of Defense Mobilization.

In his report dated May 7, 1951, the Director of Defense Mobilization stated, in part, as follows:

The demand for metal scrap, both ferrous and nonferrous, exceeds available supply. Consequently, it is essential to the defense production program that the importation of metal scrap from overseas sources be encouraged to the maximum extent possible. Continuation of the suspension of the duties and taxes on metal scrap imports is an important factor for the accomplishment of this purpose. Accordingly, I urge enactment of H. R. 3181.

The Assistant Secretary of Defense, in his report dated May 11, 1951, stressed the importance of enactment of the bill, as follows:

Metals are generally in short supply to meet all the requirements in the United States. It is believed that metal scrap imports to this country can supply a considerable portion of the marginal needs beyond the current scrap production. The suspension of import duties on scrap provides a margin of cost which makes it feasible to market foreign scrap in the United States. In view of the urgent need for foreign scrap, and to facilitate its flow, the Department of Defense recommends enactment of H. R. 3181. Inflationary aspects of a reimposition of the duty as well as the inconsistency of such a charge in view of our need for scrap prompt this recommendation.

According to the Acting Secretary of Commerce in his report of May 11, 1951:

The situation with respect to metal scrap is critical at the present time, the requirements of the military, of the stockpiling program, and of essential civilian uses being far in excess of the available supply. Suspension of the import duties affects favorably the flow of metal scrap into this country from foreign sources, while the present and prospective shortages of these materials insures a stable market for domestic scrap.

The Treasury Department has advised that it anticipates no unusual administrative difficulties under the provisions of the bill.

Mr. REED of New York. Mr. Speaker, I am in favor of H. R. 3181, a bill to continue until the close of June 30, 1952, the suspension of duties and import taxes on metal scrap, and for other purposes. This important bill was reported out of the Ways and Means Committee by unanimous vote.

This extension is necessary during this emergency for the reason that this country is desperately short of metal scrap, and has been ever since we furnished Japan all of our surplus scrap iron, steel, and metal scrap during the Japanese assault on China. It will be recalled that during the period from 1937 through 1940 we exported to Japan 8,000,000 tons of scrap iron, steel, and metal scrap, and also thousands of tons of other essential war material. I recall that it was in that very year 1937, when Japan opened war on China, our exports of scrap iron and steel amounted to 2,081,037 tons, or enough to build 20 battleships of 45,000 tons each, 200 submarines of 2,400 tons each, 10 aircraft carriers of 30,000 tons each, and 26 cruisers of 13,000 tons each.

The next year, 1938, our scrap iron and steel exports to Japan were 1,463,000 tons; in 1939, 2,179,000 tons; and in 1940, 1,248,000 tons. I mention this without going into further detail to show why we have been short of scrap iron, steel, and other war materials from 1940 to the present time.

This bill, of course, is to remove the tariff on these essential war materials to relieve the Government from paying duties and import taxes during the present Korean war.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE SCANDAL OF MIGRATORY LABOR

Mr. POLK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a portion of an article.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. POLK. Mr. Speaker, Archbishop Lucey, of San Antonio, Tex., a member of the President's Commission on Migratory Labor, in an article in the magazine, America, of May 26, 1951, under the heading "The scandal of migratory labor—We are tolerating the intolerable," wrote, in part, as follows:

THE SCANDAL OF MIGRATORY LABOR

(By Most Rev. Robert E. Lucey)

(Archbishop Lucey of San Antonio, Tex., was a member of the five-man President's Commission on Migratory Labor, which turned in its report at the beginning of April. The archbishop is episcopal chairman of the Bishops' Committee on the Spanish-Speaking and is a vice president of the Catholic Association for International Peace.)

A migratory farm laborer is a worker whose principal income is earned from temporary farm employment and who in the course of his year's work moves one or more times, often through several States. During the last 50 years migratory labor has been dealt with in many investigations and reports by Federal, State and private agencies. Few improvements have resulted.

Since there are more than 14,000,000 working farmers and hired workers one might reasonably ask why a special commission was appointed to study the 1,000,000 of the workers who are migrants. The answer is obvious. These people are human beings, largely defenseless against injustice. Their housing, food, and wages are often pitiful. The pattern of their economic life is unworthy of our Nation.

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SUPPLY AND DEMAND

In 1949 only 5 percent of the migrants did farm-wage work for 250 days or more. Seventy percent of these workers had fewer than 75 days at farm jobs. Many migrants do some nonfarm work. During the year 1949 they averaged 70 days of farm work and 31 days of nonfarm work, making a total average of 101 days' employment. For farm work they received $352 and for nonfarm work $162, making a total average income of $514 for the year.

A few months ago a Labor Department official stated publicly that 400,000 workers would have to be imported into the United States to meet the needs of agriculture this year. Another public servant, in an address to a growers' association, went all out with the statement that we will need 8,000,000 imported workers this year. Since a majority of migrant farm workers suffer from unemployment there seems to be no good reason why alien labor should be imported to make a bad situation worse.

Some will reply that we are at war; that this is a year of emergency. It is true that the Department of Agriculture has recommended a cotton-production goal of 16,000,000 bales. And we must produce more wool, feed grains, and livestock. But when we recall that in 1949 we produced 16,100,000 bales of cotton we will recognize that we need not get excited about cotton. And the use of migratory labor in the production of wool, feed grains, and livestock is insignificant.

The number of farm family workers remained almost constant during the World War II emergency. At the peak of the war effort in 1945, farm family workers were only 4 percent less than in 1940. In contrast, the number of hired workers declined sharply. Hired farm workers in 1945 were approximately half a million below 1940—a drop of almost 20 percent. Yet at this stage of the war emergency we were producing more crops and livestock than ever before. How did we do it? By bringing order into the chaos that is hired farm labor. On the average, the farm family and hired domestic workers together worked 10 days more a year at the height of the war emergency than they had in 1940.

Estimated farm output for 1951 is 3.6 percent above 1949. This additional production could be supplied by our present domestic labor force, including farm family labor, if each worker put in 6½ days more per year.

WAGES AND BARGAINING

Two things are expected of migratory workers: to be ready to go to work when needed; to be gone when not needed. Domestic family migrants sometimes find it difficult to be gone when not needed. Many farm employers prefer alien labor; it is cheap; it is docile. If the labor market can be flooded with migrants, domestic and foreign, wages would be reasonably low.

During 1949 some 65,000 Latin Americans left their homes in southern Texas to work in agriculture in other States. Wages in their home State are as low as 15 cents an hour. But in that same year Texas farmers imported 46,000 Mexican nationals to work in agriculture in Texas. And this does not include the thousands of Mexican workers illegally in this country and known as "wetbacks." It doesn't make sense. A comparison of more than incidental interest is the volume of the wetback traffic as compared to our admissions of displaced persons from Europe. In 1949, when we admitted 119,600 displaced Europeans, our wetback traffic was almost 300,000. In 1950, when we admitted 85,600 displaced Europeans, our known wetback traffic was between 500,000 and 600,000. The impact of this invasion on wages and employment can better be imagined than described.

Collective bargaining, or indeed any kind of equal bargaining, between migrants and farm employers is practically unknown. The farmers are organized. As members of growers' associations, and even as individuals, they can influence or determine wage rates. Through the foreign labor program, interstate recruitment and radio and newspaper advertising they can summon workers from far and near. When thousands of migrants converge on an area where only hundreds are needed it would be fantastic to mention collective bargaining. The illegal alien has even less chance to obtain justice than the domestic workers because the threat of deportation makes him take what he gets and say nothing.

Domestic migratory farm workers not only have no protection through collective bargaining but employers as a rule refuse to give to them the guaranties they have to extend to alien contract workers whom they import. These include guaranties of employment, workmen's compensation, medical care, standards of sanitation and payment of the cost of transportation. As these protections can be extended to alien contract migrants, it ought to be feasible to extend them also to domestic migratory workers.

HOUSING AND LIVING CONDITIONS

In recent years much has been written about on-job housing and home-base housing of migratory workers. The former consists of barracks, cabins, trailers, tents, rooming houses, auto-court cabins, shack houses, and not infrequently, a spot under a tree near a ditch. When units are grouped for several families they are usually called camps. Much, if not most, of on-job housing of migratory farm labor in the United States is below minimum standards of decency.

Housing is an aspect of labor supply. An employer who offers particularly bad housing has difficulty in holding his workers. They "skip" and he usually blames the workers for moving out. In the case of the Mexican wetback, he has to take what work he can get, housing or no housing. He often lives "in the brush."

Not infrequently a migratory worker finds that to get a job in an area of active seasonal work he must live in the employer's housing. Once hired he cannot retain the housing and work elsewhere. In some cases employers have threatened eviction even when the workers sought alternative employment only on idle days. In other words, job and housing are a "package" proposition.

Housing at the home base where migratory workers live for 6 to 8 months of the year is among the most deplorable in the Nation. Overcrowding, lack of running water, and use of pit privies are common. When 12 or 14 people, young and old, must live in one small room it is physically and morally unwholesome.

The director of a Florida county health department testified before the President's Commission on Migratory Labor:

"This is an actual observation. A sanitarian reports 180 people living in 60 rooms with only 1 toilet stool that works. This has been corrected somewhat by three additional stools which were added by the time of the last inspection. * * *

"One of our public-health nurses visited a nursery maintained on a private farm and found 48—I did not say 4, I said 48—infants on two double beds. I might add that two of the babies in that location subsequently died.

Members of the Commission personally observed the meager and unsanitary living conditions of migrants in many sections of the country. They were deeply disturbed by a realization that in many instances these conditions have persisted for decades without correction. The efforts of Federal, State, and local governments and of agricultural employers during recent years, commendable as they were, have been ineffective and leave a great deal of remedial work still to be done.

The diet of migrant farm laborers is as insufficient to maintain health as is their shelter. A physician testifying before the Commission said:

"I can say from the reports of the nurses that we do have dietary deficiency diseases such as pellagra—and cases of that have come to my attention—due to a diet consisting of cornmeal and perhaps rice and very little else, with no vitamins. There are also evidences of merely ordinary starvation among many of these people. * * *

"A survey which I made and photographed in the Mathis, Tex., labor camps showed that 96 percent of the children in that camp had not consumed any milk whatsoever in the last 6 months. It also showed that 8 out of every 10 adults had not eaten any meat in the last 6 months. The reason given was that they could not afford it with the money they were making."

* * * * *

Regardless of future developments in American agriculture, the enormous injustices of the whole system of migratory farm labor must be stopped now. Some powerful employers will put pressure on Congress to protect them in their evil ways. Many of the findings of the Commission will be called communistic; social justice is often killed by an epithet. Only an informed and articulate public opinion can compel Congress to translate into the law the recommendations of the President's Commission on Migratory Labor. Meanwhile, we are tolerating the intolerable.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to inquire about the program for tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, in response to the inquiry of my friend, the gentleman from Massachusetts, the business in order tomorrow will be the continuing resolution on the appropriations.

Mr. MARTIN of Massachusetts. That will probably last all day?

Mr. McCORMACK. I expect it to.

Mr. BROWN of Ohio. I understand that there is 1 hour on the rule and 3 hours for general debate?

Mr. McCORMACK. That is my understanding.

The SPEAKER. Under the previous order of the House, the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.] is recognized for 6 minutes.

WHY STAND WE HERE IDLE?

Mr. HUGH D. SCOTT, JR. Mr. Speaker, this is the first anniversary of our entry into the Korean war which for a little while was referred to as a police action, but which in time by virtue of its magnitude and the casualties involved, was recognized for what it really was, a very bitter and deadly war.

What is past is beyond recall and is useful now only in helping us to avoid similar mistakes in the future and perhaps in estimating the fitness of those charged with the responsibility for our national security.

On the day on which we entered the war the distinguished majority leader read to the House a statement which had just been made by the President indicating that the night before a decision had been made to throw this Nation into war. At that time I rose to say to the majority leader in this House that while it was gratifying to know that the State Department's policy in Asia had at last been invested with some abdominal fortitude, that I hoped our changed approach in Asia did not come too little and too late. Whether it did or not history will record.

The testimony before another body by the Secretary of State comprised several main points which I am going to review briefly for the purpose of setting the record straight and for no other reason.

The Secretary of State made the point that the Yalta agreement which he had defended as essential to bring in the Russians against the Japanese satisfied even Generalissimo Chiang Kai-shek when it was made. The subsequent testimony reveals that this was totally untrue.

The Secretary of State testified that the proposition to bring the Chinese Communists and Chinese Nationalists together had the approval of Generalissimo Chiang Kai-shek, General MacArthur, Admiral Spruance, and General Wedemeyer. Subsequent testimony revealed beyond any possibility of successful contradiction that such proposition did not have the support of Chiang Kai-shek, General MacArthur, or General Wedemeyer. I do not at this moment recall the position of Admiral Spruance.

The third major point insisted upon by the Secretary was that the United States withdrew its troops from Korea at the request of the South Korean President, Syngman Rhee, after the Russians had moved their armies to the north, and on that point did not reveal the warning of many American military officials and a good many Members of this House, speaking especially at the time of the Korean-aid bill, that such removal would lead to the conquest of all Korea by the Communists.

The Secretary of State further made the point that the United States intervened in Korea in defense of collective security. That point is at least admissible. The State Department, according to the Secretary, further contended that the Department had proposed last November to various U. N. countries that United States aviators be permitted to continue hot pursuit of Red planes into Manchuria. That is admitted, but our failure to press our allies for consent to do so has never been satisfactorily explained.

The Secretary makes the final point that the United States objectives in Korea were to reject the aggressors, and to restore peace and security. Nothing is said about our announced policy of punishing the aggressors and nothing is said about unification of Korea, nothing is said about achievement of an over-all policy in the Far East, except to deny at this late date that these too were among our objectives, a denial which contradicts earlier statements.

But all this is past. The Korean war has been a most severe war, more costly in casualties, men and matériel, and money than the war with Japan over a similar period.

In the first year of the war in Korea, as compared with the war against Japan, 8,000 men were killed in the Japanese war, 11,000 in the Korean war. Six thousand were wounded in the Japanese war, 48,000 in the Korean war. Forty-three thousand were missing in the Japanese war, 11,500 in the Korean War. The total casualties as of about 3 weeks ago were 57,000 in the war with Japan, 70,500 in Korea. They are now over 77,000. These, of course, are only the battle casualties and not the seventy-five-thousand-odd so-called nonbattle casualties also involved. The men involved of the Army and Air Force in the Japanese war were 347,500. In the first year of the war in Korea 350,000. Of the men involved in the Navy, there were 250,000 in the Japanese war, 60,000 in the Korean war and of the Marine Corps 78,000 in the Japanese war and 35,000 in the Korean war. These figures, of course, do not include other U. N. forces.

As far as cost goes, the cost of this war has run greater than the cost of the war against Japan, so far as can be allocated to that enemy.

Up to now our policy of a limited war has been based on the killer theory; that is, to kill enough of the enemy so that he will sue for peace. But there is evidence from Hong Kong and elsewhere, particularly from inside Red China, that she is building up her forces in Korea for new and bigger efforts, with special reference to a tremendous build-up of enemy air power now going on—and upon airfields we were not permitted to destroy.

We have received the so-called peace bid through United Nations channels which warrants the most careful examination, as no peace bid can be ignored or dismissed out of hand without every opportunity being given to determine the question of good faith and the possibilities of peace involved. We must at the same time be wary of the overtures of Mr. Malik, while we must hold open the door to a peaceful outcome. The vital question is why Mao should seek peace, rather than what Jacob Malik says, perhaps for propaganda purposes.

Malik knows we will not bomb Red China. We told him so. He knows we will not let the Nationalist troops attack because we told him so. He knows we will not cross the Yalu or bomb its bridges or bomb military installations in Manchuria or those in upper Korea, because we told him so.

Now, that is the record.

What have we gained at the end of the war? Some things of importance, surely. We have helped to apply, for the first time in history, the power of armed force in behalf of the principle of collective security. We have been forced to realize the magnitude of the Communist menace, and we have been driven to build a big armed force and launch a program which we might otherwise not have undertaken until it was too late.

Now, until the Senate investigation the Truman administration, which some have called the "war deal," and I spell that w-a-r d-e-a-l and not as others have spelled it w-a-r-d h-e-e-l, although there might be come justification for the second spelling—the Truman administration had admittedly done nothing to bring about peace. It had no foreign policy for Asia, other than to let the dust settle. Settle it did, in Korea, upon the sightless eyes of our dead.

I recall on the floor of this House, back in the spring of 1944, saying to the Members of Congress that we had no foreign policy, or at least none which the people had been informed of, and none which the public could understand, and I said, "When we get out of this war, at the end of a long dark tunnel, will we have any friends left anywhere in the world? Will the Chinese be our friends? Will the Russians be our friends?" In the well of this House on March 21, 1944, I asked: "Will our foreign policy leave us any friends?" I said then: "We entered the war with numerous friendly allies. When we come out at the other end of the long, dark tunnel and return some day to the ways of peace, will we have any friends left? Who will they be? Russia? France? China? Italy? Argentina? Would anyone be so sanguine as to predict it?

"What kind of a policy have the President and the State Department been following that we have come to this pass? Why will they not confide in the American people? What kind of people do they think we are? Have we a foreign policy? Whose? A people's foreign policy? Will our foreign policy be dictated by American public opinion? Not unless we get to work on it now by free and open public debate and discussion."

Personally, I think that was rather prophetic, because we did come out of the end of that long tunnel with very few friends, indeed.

Now, in the matter of our foreign policy, so far as it has emerged in Asia, if the speech of Dean Rusk means anything, and I hope it does, perhaps some gains have been made. But that, too, should remain for discussion on another day.

What I want to talk about is the possibility of peace in Korea. How can we bring about an honorable termination of the shooting war in order to free ourselves and disperse our forces in accordance with our choice of strategy for the best defense of America rather than to continue to be pinned down defensively when and where the Soviets elect to keep us trapped? When, in other words, can we gain and maintain the initiative for the security of America and the free world? It seems to me the plan offered by Mr. Malik is one on which Russia cannot lose, because under that plan it would assure the Communists political

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control of North Korea indefinitely and would ease the economic drain on Russia which the Korean war has imposed on her, and for months and maybe years Russia would be in no hurry to discuss the issues raised by the Korean war, if the Russian proposal is simply for a cease fire along the present battle line and for nothing else. Under those circumstances Russia can use the threat of resumption of hostilities in Korea as a lever to compel concessions on European political questions. The Russians now are aware that any such settlement as that proposed would have to go through the Security Council and be subject to the Soviet veto, if the Russians did not like it, so that the Soviets cannot fail to control whatever was done, and in that light it is easier to understand Mr. Malik's proposal.

Perhaps also involved in the Malik proposal is the fact that Red China is being seriously injured. Perhaps also involved in the Malik proposal might well be the possibility that the Chinese Red leaders have said to Red Russia that they are long overdue on their promises to come in with tremendous air power and to strike the United States and United Nations with Soviet air forces thinly camouflaged as Red Chinese air power. Perhaps Mr. Malik has said to his Chinese leaders, Mao Tse-tung and others, "First we will try a peace proposal. It will give us the good will of all the people that we can propagandize, that we want to end the war, and the bloodthirsty American imperialistic warmongers want to continue it." Perhaps he has also said to them, "If this peace proposal fails, then we will unleash this terrific air power against the United States in Korea."

Bearing in mind these other considerations, is it not perhaps incumbent upon us here in the Congress, since few if any proposals seem to originate with the administration looking to the end of the war, since the administration theme so far has been that the pointless accordion, yo-yo-type war up and down the peninsula represents foreign policy, since many of us do not believe that manslaughter constitutes a policy, since many of us do not believe that stalemate is a policy, since many of us do not believe that loss of initiative is a policy, perhaps it is incumbent upon us to see what we would do if we were in a position, as I think we are, to suggest to a delinquent administration that the people of this country want them to exert their best efforts to stop this killing and to bring about a truce in Korea, if at all possible.

I had a letter from a Korean veteran today in which he said:

> We still do not know what we are fighting for. We do not know what our objectives are. We do not know what we are over here for. When we fought the Germans we knew what we were doing. We had a purpose in mind. When we fought the Japanese we knew what we were doing. But when we are fighting these people over here we do not know what we are doing or why we are here or where we are going or whether we are expected to win or not.

Many of our soldiers are thinking that way. I was over there last fall and I know they are thinking that. I talked to a good many of them.

What can we do about it? I think, first of all, we are obligated to a continued exploration of peace possibilities, possibilities of truce, cease-fire, possibilities of U. N. action. I think we ought to step up in the meanwhile our efforts to persuade our other allied members in the United Nations to give more help against aggression.

I think perhaps, remembering the failure of the proposed oil sanctions in Mussolini's Ethiopian war, which gave Mussolini the tip-off and the nerve to go into World War II, we ought to insist on an economic blockade which really works, and which is supported by the other members of the United Nations.

I think we ought to give consideration to the possibilities of a naval blockade, as testified to by Admiral Sherman, General Wedemeyer, Admiral Badger, and others, but while all these things are being done we ought also to concern ourselves with the possibility of peace.

I therefore propose that an American program of arriving at peace might be along these general lines:

First, a general agreement for a cease-fire along the present battle line in Korea, subject to acceptance of the following conditions: The withdrawal of troops from a 50-mile quarantine zone and the ceasing of all belligerent action, this to be followed in the third place by gradually progressive withdrawal of all non-Korean forces from the entire Korean Peninsula, to be replaced coincidentally with a United Nations peace unification force composed of a membership drawn from all nations who are members of the United Nations. You will note that that would include the Russians and would not include the Red Chinese.

Fifth, that all Korean forces, north and south, thereafter—that is, after the entry of such a peace unification force—lay down their arms, and that that disarmament be supervised by the U. N. Korean Commission.

Sixth, that this United Nations Korean Commission be authorized to recommend procedures for free elections to be held in all of Korea and for the establishment of that unified, independent Republic of Korea, which we promised them.

Seventh, I propose, most important of all, that all decisions governing the cease-fire, the withdrawal of present belligerent forces and substitution of a peace unification force, and the actions of the United Nations Korean Commission, all be under the supervision of the United Nations Assembly, where no veto is required, rather than the United Nations Security Council, where of course any true effort to achieve unification or peace or security in the Orient could be blocked by the Soviet group.

I assume there are many other ways of seeking to find a peaceful solution of the Korean war. I would like to think that this body and the other body will come up with some suggestions. Certainly we are probably going to end up by indicating that Mr. Malik's proposal is mere propaganda. Unless we seek here for peace, unless the adminstration decides at last that its obligation as the Government of the United States in the executive branch requires it to do something about peace, unless the United States takes some lead in this, where will peace be found? In the United Nations?

To paraphrase Patrick Henry, gentlemen speak of peace, peace, and there is no peace. Little is to be expected from the United Nations unless leadership is exerted by the United States, and that leadership is too long delayed.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. HUGH D. SCOTT, JR. I yield to the gentleman from Minnesota.

Mr. JUDD. I want to commend the gentleman from Pennsylvania for his leadership in bringing this subject before us and for the practical, stimulating suggestions he has made. Surely one of our gravest dangers is to continue in a sort of state of paralysis on this subject, so that what we do or what we do not do is largely according to signals called by our enemy.

Would the gentleman care to comment on this: Does he himself believe that this Malik proposal is anything but a device to try to maneuver us into some position that will be advantageous to our enemies?

Mr. HUGH D. SCOTT, JR. Well hardly anything more than that. Mr. Malik would not have made the proposal unless he had felt there was some tactical or propaganda advantage to be gained from it. I do not believe the Russians are peacemakers. If they were, there were many previous instances when they might have made peace instead of limited war against us before this.

Mr. JUDD. Just because the gentleman believes, and I agree, that this is not a sincere effort to get peace and freedom for the peoples of Korea, that conclusion does not permit us to wash our hands of the matter and allow the Communists to appear before the world as if they genuinely seek peace, and we do not care about it, when as a matter of fact it is we and the free peoples of the world who are fighting only in defense of freedom who have most at stake by getting a genuine settlement that will end the ordeal of the people of Korea and of our own forces, and at the same time not put the Soviet Union in a position to begin her predatory activities in other areas which might be even more dangerous to us and to the world than is Korea.

Mr. HUGH D. SCOTT, JR. Precisely, because the stupidity of our own State Department's attempt to arrive at a foreign policy boils down to this: They have told the rest of the world and they have told our soldiers in Korea that we have no program for victory in war; that we have no plan or objective by which the war may end either with victory or even with an honorable solution which may be somewhat less than total victory.

Now, if we reject the Malik proposal without coming up with a genuine suggestion as to how peace may be achieved ourselves, then we have rejected a pro-

gram for peace just as we have denied a program for victory and just as we have failed with the "too little and too late" that I warned the majority leader about on the opening day of the war.

Mr. JUDD. And if we do not have a positive policy and a vigorous program whereby we can keep the blame for the continuation of this war unceasingly and constantly pinned on those who are responsible for it, little by little many people in the world, especially in the whole Far East where many are on the fence and do not know what to believe, may gradually come to the conclusion that after all it is imperialistic and capitalistic Uncle Sam who is trying to continue the war and kill people.

Mr. HUGH D. SCOTT, JR. Of course. If we do not make an intelligent effort to wage peace and to wage war, as the occasion may require, we cannot expect to be credited with intelligence by the peoples of the world who are looking to us for some answer as to a way of life other than communism.

Mr. JUDD. That is right.

Mr. HUGH D. SCOTT, JR. I think for instance it is a great tragedy that this great debate which was waged in the other body seems to have finally boiled down to a symposium on why we are afraid of Russia. That does not sound like the United States to me. It reminds me of Winston Churchill's famous remark about "What kind of people do they think we are?"

It seems to me Mr. Acheson's conduct of our foreign policy means that the rest of the world will answer that question of what kind of people do they think we are, by concluding that we act like a bunch of field mice and we are hiding in this dust that he spoke of and hoping we will be ignored by the fearful and terrible menace of the Communist sickle.

I think there is a greater destiny for America than that. A policy resting upon fear, appeasement, timidity, compromise, temporizing and general piddling and wasting away of the economic and military strength of America, and the moral and spiritual power of this country is a shameful position for the United States. All of our resources ought to be conserved for their maximum effect. I conceive our maximum effort to include a genuine, enlightened program for the achievement of peace and security for all the peoples of the world. As the gentleman knows, that is what people want most. I know the gentleman will agree with that Indochinese peasant who was asked what he wanted. He said, "I want to be happy." Then he was asked, "What do you mean? What do you understand by happiness?" And his answer was, "Rice and peace."

We ought to find some illumination in the light of what all of our friends in the world are thinking.

Mr. JUDD. And is it not true that our affairs have been so badly handled that the Soviet Union today has us in a position where we cannot long continue the burden that we have had to assume of trying to preserve the independence of Europe and Asia and yet we do not dare let either of them go down? That is what I meant when I said that the Soviets have the initiative and the advantage. If we do not continue our support of the free nations, then those countries will be weakened and will be taken over one by one, and the United States will be left alone.

On the other hand, if we have to continue our present burden too long without a positive policy that galvanizes into action and organizes effectively all the free people of the world, we will bankrupt and destroy our own economy. All Mr. Stalin has to do is to guide the situation so as to keep us over the barrel. The timing of this recent move is designed shrewdly to keep us divided and undecided. Just when we are considering vast appropriations for aid for Europe and Asia, and when we are faced with the necessity of tax increases and continuing controls on our own economy, he dangles a phony peace before us in order to keep our people confused so that they do not know whether there are greater risks in going ahead or in withdrawing from our present position. One way we may be able to get out of that most dangerous of all states, a state of paralysis, is along the general lines that the gentleman has with imagination suggested this afternoon, and I hope the State Department will pay attention.

Mr. HUGH D. SCOTT, JR. This, of course, is not a problem as the gentleman knows, of east or west; this is a problem of east and west; this is a problem of the defense of liberty wherever it is menaced and attacked. The defense should be the more vigorous the more serious the attack and the more violent the overt acts.

I agree with the gentleman's point that we have been tricked into making commitments far beyond our growing military strength, and frequently we have made commitments because too sure that we would be followed by allies that we committed ourselves first, got over the barrel, put our feet in the bear trap and then looked around for allies to help us out; and, naturally some of our allies say to us: "Well, we never know what you Americans are going to do next." And the confusion goes right back to the executive department. I am sure nobody in America knows what Mr. Truman is going to do next, including Mr. Truman; and I am sorry about that for I think we are in a position where we all ought to support him as far as we can.

Mr. JUDD. I was glad the gentleman put emphasis on another point. We talk about the Korean war; the Communists never call it the Korean war; they think and speak of it as a war for the liberation of Asia; it is just part of their never-ending world war. Some people say, "Well, let that area go in order to build up our strength over in Europe." But we can be sure that the Russians are not going to attack us where we are strong; they are going to attack us where we are weak. We are strong now in Korea and weak in other areas. Maybe in Burma, maybe in Iran, or some other place where we are weak is where they want to strike now, if they can get out of the Korean episode after great loss to us and very little relatively to them. If we build up strength in Europe they are not likely to fight us in Europe. If we do not build up Eisenhower's army in Europe, naturally they are going to move into Europe as soon as they can. So it is a world struggle, and we must conduct it as such on all fronts.

Mr. HUGH D. SCOTT, JR. We can be reasonably sure that the Russians themselves had no idea at the beginning of the Korean action that if we came in they could force us to spend more in guns and casualties and money in a single year than we spent in the Japanese war. That has been a terrific gain for the Communists everywhere in their plan for world control.

Mr. JUDD. The Secretary of State said before our committee yesterday he was convinced that if the Soviet Union had known that the United States and the free world would resist they would not have attacked in Korea. He conveniently overlooked the fact that he was the one who, more than any other, had announced to the Soviet Union and the world that we would not defend anything, including Korea, which lay beyond a certain perimeter in the Pacific. Naturally, the Russians thought they could move safely into an area when we were moving out and said we would not defend it. And then the Secretary of State reversed himself 180 degrees and moved that we go back into Korea and defend it. There must have been righteous indignation in the Kremlin. That was the only time, to my knowledge, that we have ever double-crossed the Kremlin. Such treatment we had previously reserved for our friends, such as Poland and China.

Mr. HUGH D. SCOTT, JR. The gentleman is correct. It is a case of the Department of Defense lavishly following the Department of State. It is a case of where we tell our fighting boys they must make a good show but not fight so hard as to win. So we tie one hand behind their back lest we aggravate the enemy hitting us harder than he has.

Mr. JUDD. It is outrageous that we should ask thousands of young men, or even one man, to give their lives—for all that a man has is his one life—to fight an enemy but at the same time not allow enough of an effort to be made to permit victory. When was there ever so fantastic a war—we must fight, but be sure not to win? When will we learn that in the last analysis the only way to end a war with armed communism is to win it?

Mr. HUGH D. SCOTT, JR. Certainly. It has been said in this House that there is no substitute for victory, yet while we are looking for a substitute for victory we are bear-trapped.

Mr. JUDD. We should get our thinking straight on this point. Since to end the conflict we must win it, then we must use our own armed strength where we can use it to the greatest advantage. That means in general on the sea and in the air where we are strongest and they weakest, rather than on the land where they are strongest and we weakest. We must do all those things everywhere that

XUM

most effectively weaken the enemy and build up ourselves and our allies.

Mr. HUGH D. SCOTT, JR. While we are pinned down in an indecisive, pointless, aimless struggle in Korea, Mr. Stalin is trying to decide whether to go into Burma and scare the daylights out of Nehru on one side or the Siamese on the other, or to take his chances in Iran or Yugoslavia. We are doing no good to the cause of our allies in Europe, and they are not helping themselves too much, if, again to paraphrase Patrick Henry, "Why stand we here idle?" If we stand here idle in this parliament and in the Parliament of England and do not come up with a constructive program of peace or a program for victory or a program of an honorable termination of the war, the result of which is we bar ourselves by our own inaction from an opportunity to redistribute our forces, as I am sure General Eisenhower would like to see them redistributed, as I am sure General Ridgway would like to see them redistributed, according to the way we think is best to meet the menace of communism and to offer against the Russians that power and that force, that imagination and that initiative, which will hold them motionless in their tracks, because communism proceeds only as a dynamic, outward, centrifugal growing force. If it can grow, it is winning; if it cannot grow, it turns inward on itself, the people back home begin to ask questions, and that is fatal to totalitarian rule.

Mr. JUDD. Again I wish to commend the gentleman for his excellent statement.

Mr. HUGH D. SCOTT, JR. I thank the gentleman very much. I am very appreciative of the intelligent and helpful interjections that the gentleman has made.

The SPEAKER pro tempore. Under the previous special order of the House, the gentleman from Arkansas [Mr. TACKETT] is recognized for 15 minutes.

SINISTER FORCES IN AMERICA SEEK DESTRUCTION OF INSTALLMENT-CREDIT METHOD OF DOING BUSINESS IN THIS COUNTRY—LEFT-WING INTELLECTUALS SOLD PRESIDENT ROOSEVELT A BILL OF GOODS AND TODAY CONTINUE TO BAMBOOZLE THE PUBLIC—REGULATION W IS ANTI-AMERICAN

Mr. TACKETT. Mr. Speaker, sinister forces in America are seeking the destruction of the installment-credit method of doing business in this country. For more than 10 years now they have employed every weapon at their command to ridicule, smash, or completely exterminate this pay-as-you-use instrument which has done so much for the general welfare.

I want to say a few words about installment credit, its place in our economy, and its contributions to our expansion, because the forces who would destroy it by lies and economic falsehoods are again storming the Congress with appeals for continued authority to regulate the relationship between buyer and seller.

The continued authority that they seek is contained in title 6 of the Defense Production Act and at the proper time I shall move to abolish it. Any and all controls on installment credit should be ripped at once from the statute books for reasons that I shall outline here.

The regulation of the relationship between buyer and seller is said to aid in the fight against inflation. Frankly, I do not follow this weird economic reasoning and, of course, I do not believe it, because it is specious reasoning designed to cover up the real motives of those behind this drive. If a merchant has known me for 20 years and is willing to let me take out a $200 refrigerator with only a $30 down payment, and with monthly installments that are agreeable to both of us, the Government steps in between us today and says that such a transaction is illegal. The Government says I must pay at least $50 down. This control of trade is known as regulation W and it is one of the most vicious, anti-American gags ever shoved down the throats of a free people. The galling hypocrisy of the American Government in preaching freedom all over the world and denying freedom of private contract to its own people is something to behold.

Left-wing intellectuals around President Roosevelt first schemed up this regulation in 1938, at a time, mind you, when there was no emergency in this country. They had been looking for years for an opportunity to destroy the installment credit business, because they knew that ultimately that would mean the end of democratic capitalism. They led the President to believe that regulation W of installment credit would solve our economic ills. Furthermore, it would give more jobs and power to the bureaucratic empire builders. Their original idea was to ask Congress for approval of a plan which would force the buyer to make a 50-percent down payment on his purchase, with the balance of the payments to be made in 6 months. Imagine the gall of that plan in a free America. But they actually wanted that at first. Finally, the war emergency period of 1941 gave the left-wingers the opportunity they had been seeking for years.

Of course, they did not come out openly and say that they wanted control of production, distribution, and the individual's buying habits. They dressed up their scheme in fancy language that they knew would appeal to Congress. They called it a credit control, and said it would help the fight against inflation. They knew they would gain public acceptance for their plan by saying it controlled inflation because inflation is just like sin—everybody is against it. Machiavelli in his best days could never equal this bit of cunning and duplicity.

The conspirators failed to point out the very important part installment credit played in the miraculous growth of our country. They failed to tell Congress that without installment credit this country would never have attained its enormous productivity.

INSTALLMENT CREDIT MADE MASS PRODUCTION POSSIBLE, BRINGING MORE THINGS TO MORE PEOPLE THAN ANY OTHER INSTRUMENT IN ALL HISTORY

Mr. Speaker, mass production made more goods available to more people than any other instrument in all history. Obviously, mass production depended on mass sales. Even a fourth-grade student knows that mass sales would never have been possible without installment credit.

Mass production, therefore, is so closely interwoven with installment credit that you cannot tinker with one without disturbing the other. The conspirators were aware of this economic fact when they first approached President Roosevelt with their scheme to destroy democratic capitalism. But, as I say, they had to be careful of their language and they needed public support. So they called it a "credit curb." They said control of installment buying would cut down demand for goods and so help the fight against inflation.

Regulation W has nothing to do with the control of credit. It is a trade control, pure and simple. But it sounds better to call it a credit curb. In that way the left-wing intellectuals are able to hoodwink President Truman and sell a bill of goods to the Congress.

Regulation W was conceived in deceit, born in iniquity, and has been raised in illegitimacy. It is one of the greatest frauds ever perpetrated on the American public. It has been part of our national economy since 1941, when the conspirators first got their foot in the door, and it looks now like small business and low-income consumers will have this halter around their necks for many years to come. All because of the dishonest language of the conspirators who have converted the American public into the belief that it is designed to halt inflation.

It is difficult to know the limitation on credit controls during the emergency. However, I am firmly convinced that the Economic Stabilization Administration has started at the wrong end with regulation W. This regulation attempts to curtail spending by regimenting the purchasing power of the lower economics branch of our people. It is an inequitable, unrighteous, and dishonorable means by which the poorer people are penalized for the sake of those with unencumbered bank accounts. There is no restraint upon big credit accounts, which encourage inflation. If we are to curb the buying power through credit restrictions, we should equally and proportionately restrain all credits, especially the large accounts. To restrict the buying power of the lower-income bracket while allowing free trade among the higher-income bracket will in no wise curb inflation.

If regulation W aided in the fight against inflation, as its sponsors claim it does, there would be no quarrel with it. Certainly in any emergency, such as we are experiencing now, none of us want to do anything that would contribute to inflation.

The truth is, however, that regulation W, instead of being a credit control, actually stimulates inflation. Instead of

being a deflationary device it is inflationary. You may push people around in this country, as we are trying to do in this regulation W, and you may hound them to death, and squeeze every ounce of blood out of them, but they will bounce back somehow. That is what they are doing. Regulation W says to the lower income groups that they cannot buy certain household necessities, like their wealthier neighbors. So what do these people do? They go out and borrow the cash. They borrow from their savings, they cash their bonds, they borrow from their relatives. They pour new cash into the already dollar-bloated streams of finance. That is inflation in its worse form.

PEOPLE ARE CASHING THEIR WAR BONDS BY THE MILLIONS, PUMPING ADDITIONAL NEW MONEY INTO THE ALREADY DOLLAR BLOATED ECONOMIC STREAM

Look at what happened to the cash situation in this country in the first 4 months of 1951:

In the first 4 months of 1951 the people withdrew $450,000,000 more cash from their accumulated savings deposits than in the same 4 months of 1950.

They redeemed $329,000,000 more of series E Government bonds than they bought for January, February, March, and April in this year. In fact, they actually cashed in $1,478,000,000 worth of E bonds in these 4 months, while at the same time another group bought only $1,149,000,000 worth of E bonds, representing a net loss to the Treasury of $329,000,000.

They withdrew $90,000,000 net from their Postal savings in the first 4 months of this year.

These are not my figures or those taken from the research department of some labor or business or political organization. These are the Federal Reserve Board's own figures. We have then the situation of the Government pushing down at one point in our economy and the money gusher breaking out at another point with the economic damage far greater than if they left it alone.

As a result of regulation W, there are still those in this country unable to obtain the things they need for decent living. Dammed-up inventories are rising at the rate of $1,000,000,000 a month. The stuff just cannot be moved through the ordinary channels of business. It is piled high in warehouses from coast to coast. The financing of these huge inventories requires new money, which adds further to the inflationary spiral.

While the power to regulate the relationship between buyer and seller is inherently evil and repugnant to the American's love of liberty, the enforcement of this power is still more repulsive to decent citizens who labor under the delusion that we still have personal freedom in this country. The power to enforce regulation W has been turned over to the Federal Reserve Board because the plot to destroy installment credit was hatched there many years ago.

The Federal Reserve Board is not even a Government agency, although many people think it is. It is an independent group, subsidized by assessments against banks that support it. They have unlimited funds and they do not have to go to Congress for permission to spend them. There is no Government audit on how these funds are spent or for what purposes.

Recently, for example, the Federal Reserve Board spent over $145,000 for a fake study designed to show us that regulation W is a good thing and should be continued. The study was made by the University of Michigan and it was tailored to meet the needs of the sponsors of regulation W. The university's study made a good case against unlimited use of installment credit, which is exactly what the Federal Reserve Board knew it would do when they signed the contract for the study. It was a fraudulent study from beginning to end, using all sorts of phony statistics to bolster their case. But, they came up with the right answer: Regulation W should be continued which is exactly what the Federal Reserve Board wanted them to say. Funds spent for this study was money poured down a rat hole but, as I say, they have plenty of it.

FEDERAL RESERVE BOARD IS PUTTING OUT PHONY FIGURES ABOUT INSTALLMENT DEBT IN DESPERATE EFFORT TO GET CONGRESS TO CONTINUE REGULATION W

Before going further with the enforcement features of regulation W I want to point out parenthetically that the Federal Reserve Board is accustomed to phony statistics, so that the Michigan fraud is nothing new to them. The Board itself uses fake figures and has peddled them all over the country. The Board, for instance, tells us that the amount of outstanding consumer debt totals $19,000,000,000. This is such a palpable falsehood that I wonder that anyone accepts it. Yet it is used in all of the arguments for cutting down the installment credit business. In this $19,000,000,000 figure is contained four billion of outstanding automobile debt. Now, of the outstanding automobile debt, almost a third is for commercial purposes and has nothing to do with individual debt, or consumer debt, as they call it. About $500,000,000 of telephone bills are contained in this $19,000,000,000 figure, and this again cannot in all fairness be called consumer debt, or installment debt. Over $200,000,000 of utility bills are contained in the figure and what the connection is between a utility bill and installment credit is something I cannot understand.

In the $19,000,000,000 figure is also included $4,000,000,000 that the rich owe on their charge accounts, which are not regulated. Finally, to show you how dishonest and how ridiculous the Federal Reserve Board can get in an effort to fool the public, the 30-day credit a farmer receives at the feed store to buy the horse's hay is included in the $19,000,000,000 of outstanding consumer debt.

FEDERAL RESERVE BOARD AGENTS ARE HOUNDING THE PEOPLE—BREAKING INTO HOMES IN SECRET SEARCH FOR VIOLATIONS OF REGULATION W—JUST LIKE THE KU KLUX KLAN

While, as I say, regulation W violates our personal liberties and is contrary to everything we have fought for, its enforcement is downright sickening. Hundreds of Federal Reserve Board agents are roaming the country, hounding the people into confessions that they were in collusion with neighborhood merchants in violating regulation W. These Government night riders are raiding the homes of private citizens in a secret search for violators of installment credit controls.

Innocent victims of these raids are shocked at the Government's "Ku Klux Klan" tactics. The robber uses a gun and the Ku Klux Klan a white hood to spread terror. Federal Reserve Board agents use Government credentials as a moral blackjack to strike terror into the hearts of their victims and to extract confessions of wrongdoing.

These legalized hoodlums violate every concept of American liberty by invading homes to determine exactly what down payments were made on the owner's automobile, refrigerator, vacuum cleaner, television, of furniture. They can break into American homes at any time of the day or night to check sales slips and to force terrified housewives into revealing where they got the cash for certain merchandise.

We spill American blood to guarantee liberty for oppressed Koreans, at the same time snatching liberty from our own people. How can we gain world respect when our own hypocrisy is so well-known?

The Federal Reserve Board's chief enforcer of regulation W is one Leonard Townsend, the attorney who has been after L. M. Giannini and his Trans-America Co. for almost a decade. This Townsend is plenty smart and he is one of those bureaucratic empire builders I mentioned a moment ago. He saw the Giannini case petering out some time ago. He jumped on the regulation W bandwagon. He knew he would have to have a new project to keep himself and his hundreds of snoopers on the payroll. Regulation W was the best break Townsend has had in years.

Townsend has been visiting the Federal Reserve district offices in an effort to inspire prosecutions for violations of regulation W. If one district does not have as many violations as another, Townsend gives them a nudge and tells them to get going. He wants complaints and prosecutions, because without them his job will fold up.

The Government night riders do not invade the homes of the middle classes, the upper middle classes, and the rich. They know that this group is not covered by regulation W. They know that individuals in this group can have three televisions in their homes, if they want them, all paid for in cash. It is the lower-income groups, the backbone of our Nation, who are being kicked around. They must buy their household necessities on the installment plan. They are covered, therefore, by regulation W. It is here that the Federal night riders look for violations.

By turning over these vast and dangerous powers to the Federal Reserve Board, Congress tells the country that

XUM

the lower-income groups are to be deprived of refrigerators, furniture, and household appliances, but that the rich can have all they want. This is discrimination of the rankest kind and this weakness alone in regulation W should be enough to have us abolish it.

REGULATION W IS REPUGNANT TO THE AMERICAN MIND, DISCRIMINATES AGAINST THE LOWER-INCOME GROUPS, IS HARMING THE SMALL MERCHANT WHO GOES TO BANK FOR ADDITIONAL CREDIT

While we here are being called on to extend the Federal Reserve Board's authority over installment credit—in other words to pass a law which is inherently repulsive to the American mind and is unfair and discriminatory in effect—we are playing into the hands of big business, another feature of the regulation which its proponents forget to tell the Congress and the President of the United States.

Small merchants all over the country are hard hit by regulation W. They are being forced to carry large inventories and to obtain bank credit to hold on. In addition to the fact that this bank credit is highly inflationary, which I have already pointed out, it is expensive to the small-town merchant who depends on a quick turn-over of his goods to remain in business. But, if regulation W is continued much longer I am afraid that many of these merchants will be gobbled up by their big-time competitors.

The truth is that I see nothing good and everything bad in regulation W. It is not, as its sponsors say it is, a credit curb. It could not possibly, therefore, have any effect on inflation, except to force people to cash war bonds, which adds more fuel to the inflationary fires.

The regulation is an evil design conceived by our domestic enemies to upset democratic capitalism. Its enforcement is part of the reign of terror, strife and division of class which the conspirators envisioned many years ago when they first dreamed up this plot to destroy us. They did not want to destroy installment credit. They wanted to destroy America.

In view of this I shall move at the proper time to have regulation W ripped from the statute books. It has no place in a free America. Then I shall be anxious to see the votes of the great majority of this Congress who daily contend that they represent the common man—the little farmers, laborers, and small-business men.

The SPEAKER pro tempore (Mr. HARRIS). Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 15 minutes.

THE VOICE OF AMERICA

Mr. LANE. Mr. Speaker, we are fighting against our own best weapon—the Voice of America. It cannot be the cost of this program—a program which could turn the scales for peace, because the full cost is only a fraction of 1 percent of the total we are spending to halt Communist aggression.

When a supplemental appropriation of $97,000,000 was requested by the President on April 5, in order to expand freedom's campaign of truth to a total of $208,000,000 for the fiscal year ending June 30, the request was slashed 90 percent by the Appropriations Committees of the House and the Senate.

The committees decided to paralyze the one weapon that would give us the initiative so that they could spite the State Department.

As a result, the men in the Kremlin are breathing easier.

They could not have done a much better job of sabotage themselves.

That is why I believe that the Voice of America should be merged into a new Department of Information, established as an agency of Cabinet level and reporting directly to the President. It should be the public-relations instrument of the Government in our dealings with other nations, patterned after the practice of all large corporations and organizations, an agency of sufficient prestige to cooperate with the State Department, the Army, Navy, Air Force, and other departments in the formulation of a consistent policy that will win congressional support.

George Washington, with an eye to the main chance, organized a propaganda bureau during the Revolutionary War. So important did he consider this effort that he picked men of the stature of Thomas Jefferson, John Adams, and Benjamin Franklin to provide it with winning ideas. They managed to get guerrilla pamphlets behind the British lines, and sold 6,000 Hessian troops on the advisability of deserting.

We need to be reminded that it was politics almost as much as force of arms that won victory in World War I. We drove a wedge between the Kaiser and the German people by dropping leaflets from planes and balloons that reassured the people as to our intentions. "Germany," said General Ludendorff, "failed in the fight of intellects."

When World War II broke out, we did not try to minimize the value of psychological warfare. With encouraging realism, we set up a full-bodied agency under the name Office of War Information, and staffed it with the best minds we could get. That it helped to soften up the enemy's aggressive will is beyond question.

Why is it that in the present crisis that will go on for a long, long time, whether it be hot, cold, or expediently under wraps, that we let communism hold the initiative? Up to now we have not acted but reacted. We dance to their tune, usually waiting for them to call the play before we adopt countermeasures.

All the while we are missing our one big opportunity.

By setting up an iron curtain around his vast heartland, Stalin has admitted his one great fear. It is that the truth reaching through to his own people will encourage them to take matters into their own hands and bring the prison walls of communism down into the dust.

Why do we hesitate?

Is American energy, intelligence, and imagination afraid of itself?

Military, economic, and diplomatic measures do not round out the formula necessary for survival as long as we omit or neglect the compelling duty to contact the Russian people and convince them of the better life outside that is being withheld from them by their masters, of our earnest desire for peace and mutual helpfulness, and of the hard fact that we are rearming only to defend ourselves from the very same tyranny that now enslaves the Russian people.

Mr. GATHINGS. Mr. Speaker, will the gentleman yield?

Mr. LANE. I yield.

Mr. GATHINGS. The gentleman is making a very fine speech. I commend him wholeheartedly, especially on that part of the speech in which he stated that we ought to go behind the iron curtain and bring our American ideals to those people who live back behind the curtain, even in Russia.

Mr. LANE. I thank the gentleman from Arkansas for his contribution.

The Soviets use the forum of the United Nations to spread the big lie in the United States, but seal us off from all touch with the Russian people and deny us the opportunity to bring home our factual side of the story to them.

The free exchange of information is as vital to us in our dealings with the peoples of other nations as it is in promoting understanding among groups and individuals here in the United States.

When any government refuses to extend to us the rights that we grant to it, there is but one recourse left. We must deliver the news of our actions and intentions, by every conceivable means, directly to the people of Russia.

For that job the Voice of America needs more money for material, facilities, and skilled personnel.

More than that, it needs the status of an independent agency, with a voice of its own in the shaping of those policies that will win cooperation and friendship for us throughout the world.

Stalin is not scared by the strenuous efforts being made by an aroused United States to rearm itself and its allies. This fits in with his theory that we will suffer an economic breakdown in the process. But it does give him the jitters to think of a revolt by his own people.

In the years from 1921 to 1941, there were more than 30 separate uprisings against the Soviet regime. Although they were poorly organized and soon crushed, they were symptoms of chronic discontent. Even today there are some 15,000,000 Russians in the concentration camps of their own government. It looks like Stalin fears a lot of his comrades.

We cannot win the friendship of the Russian people, or the Chinese people, or any others unless we communicate with them, and the VOA is the one remaining lifeline by which we can reach through to them now and as far as we can see into the uncertain future.

Many others have gambled with their lives to escape the clutch of communism. These people are the ones who can speak for the free Russia that millions of their kin must long for. They can inspire and guide the anti-Communist underground because they speak for Russia and against the oppressors in the Kremlin.

The Voice of America is a light in the dark that beams news to the Russian people past every obstacle that is calculated to keep the people in ignorance. Hour after Mrs. Kasenkina jumped from a window of the Soviet consulate in New York, rather than return to the so-called Communist paradise, word-of-mouth chain reaction to the story was spreading through Russia, thanks to the VOA. Expand this by a continuing stream of facts, and the day will come when the Communist tyranny will be overthrown by the Russian people themselves.

We have the best product in the world to sell to the Russian people. It is the hope of help from the free world to liberate them and give them the opportunity to attain the kind of life that they want—at peace with themselves and their neighbors.

We have the potential apparatus to get this message across to them. We possess all the means and methods if we but use them.

What is stopping us?

The Voice of America is the victim by association of the suspicions which, rightly or wrongly, are directed against the State Department. It also suffers from its junior status because it is not consulted in the shaping of the high-level policy that it is supposed to implement.

Free the Voice of America by making it an independent agency. Give it an appropriation that will permit the use of highly competent personnel to win public support the world over, for the truths that will bring peace and dignity to man.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted as follows to:

Mr. GRANGER.

Mr. KIRWAN, and to include an editorial from the Youngstown Vindicator.

Mr. HOWELL, and to include a letter.

Mr. GATHINGS, in two instances, in one to include an editorial.

Mr. ANGELL, and to include an article.

Mr. WOOD of Idaho, and to include extraneous matter.

Mr. ABERNETHY, and to include an editorial.

Mr. REED of New York (at the request of Mr. HALLECK), and to include extraneous matter.

Mr. VURSELL.

Mr. VAN ZANDT, and to include two editorials.

Mr. MILLER of Nebraska, in two instances.

Mr. CURTIS of Nebraska, and to include a newspaper article.

Mr. FELLOWS, and to include an editorial.

Mr. JAVITS, and to extend and include certain material on the New York rent-control law, notwithstanding the fact it exceeds the limit and is estimated by the Public Printer to cost $184.50.

Mr. JAVITS, and include extraneous matter.

Mr. REES of Kansas, and to include a newspaper article.

Mr. WIDNALL, and to include a newspaper editorial.

Mr. NORBLAD, and to include extraneous matter.

Mr. D'EWART, and include a speech by General Eisenhower.

Mr. JUDD, in three instances, in each to include extraneous material.

Mr. PHILBIN.

Mr. RIBICOFF.

Mr. MULTER, in four instances, in each to include extraneous matter.

Mr. FURCOLO, and to include extraneous matter.

Mr. MADDEN, and include a letter from Elmer Bailey, an automobile dealer of Gary, Ind.

Mr. JENSEN, and include extraneous material.

Mr. TACKETT, in two instances, in each to include editorials.

Mr. JONES of Missouri, to revise and extend the remarks he made in the Committee of the Whole and include extraneous matter.

Mr. YORTY, to revise and extend the remarks he made in the Committee of the Whole and include extraneous matter.

Mr. LUCAS, to revise and extend the remarks made in general debate on the Defense Production Act Amendments of 1951 and include certain lists.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. ANFUSO (at the request of Mrs. KELLY of New York), for Wednesday, June 27, on account of illness in the family.

SENATE BILLS REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1726. An act to change the date for the beginning of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska, from the 1st day of July to the 1st day of November, and to extend the time during which annual assessment work on such claims may be made for the year beginning July 1, 1950, to the 1st day of November 1951; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 512. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Mrs. Walter J. Bickford;

H. R. 1424. An act for the relief of T. L. Morrow;

H. R. 1692. An act for the relief of Chester A. Macomber;

H. R. 1789. An act for the relief of Sgt. Benjamin H. Martin;

H. R. 1800. An act for the relief of the estate of Chin Hien Lee; and

H. R 3229. An act for the relief of Mrs. Albert W. Lack.

BILLS PRESENTED TO THE PRESIDENT

Mr. STANLEY, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 512. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Mrs. Walter J. Bickford;

H. R. 1424. An act for the relief of T. L. Morrow;

H. R. 1692. An act for the relief of Chester A. Macomber;

H. R. 1789. An act for the relief of Sgt. Benjamin H. Martin;

H. R. 1800. An act for the relief of the estate of Chin Hien Lee; and

H. R. 3229. An act for the relief of Mrs. Albert W. Lack.

ADJOURNMENT

Mr. BENNETT of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 48 minutes p. m.) the House adjourned until tomorrow, Thursday, June 28, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

565. A letter from the Under Secretary of the Navy, transmitting a report of a proposed transfer to the city of Stamford, Conn., of one 30-foot fireboat for use in the protection of Stamford's industrial waterfront area, pursuant to section 6 of the act of August 7, 1946 (60 Stat. 897); to the Committee on Armed Services.

566. A letter from the Under Secretary, Department of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, pursuant to Public Law 8, Eightieth Congress; to the Committee on Agriculture.

567. A letter from the Attorney General, transmitting copies of orders of the Commissioner of Immigration and Naturalization suspending deportation as well as a list of the persons involved, pursuant to the act of Congress approved July 1, 1948 (Public Law 863), as amended; to the Committee on the Judiciary.

568. A letter from the Administrator, General Services Administration, transmitting a draft of a proposed bill entitled "A bill to amend or repeal certain laws relating to Government records, and for other purposes"; to the Committee on Expenditures in the Executive Departments.

569. A communication from the President of the United States, transmitting proposed rescissions of amounts placed in reserve pursuant to section 1214 of the General Appropriation Act, 1951, in the amount of $572,829,925 (H. Doc. No. 182); to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VINSON: Committee of Conference. H. R. 4200. A bill to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes (Rept. No. 656). Ordered to be printed.

XUM

Mr. SABATH: Committee on Rules. House Resolution 287. Resolution for the consideration of House Joint Resolution 277 making appropriations for the fiscal year 1952, and for other purposes; without amendment (Rept. No. 657). Referred to the House Calendar.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. Sixth intermediate report; without amendment (Rept. No. 658). Referred to the Committee of the Whole House on the State of the Union.

Mr. EBERHARTER: Committee on Ways and Means. H. R. 3181. A bill to continue until the close of June 30, 1952, the suspension of duties and import taxes on metal scrap, and for other purposes; without amendment (Rept. No. 659). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTION

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H. P. 4619. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

H. R. 4620. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

By Mr. CROSSER:

H. R. 4621. A bill to amend the Air Commerce Act of 1926, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTEN:

H. R. 4622. A bill to change penalties for the sale of narcotics; to the Committee on Ways and Means.

By Mr. SAYLOR:

H. R. 4623. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

H. R. 4624. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

By Mr. ADDONIZIO:

H. R. 4625. A bill to grant preference to certain quota immigrants who are the brothers and sisters of citizens of the United States, to the Committee on the Judiciary.

By Mr. COLE of New York:

H. R. 4626. A bill to amend sections 1505 and 3486 of title 18 of the United States Code relating to congressional investigations; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 4627. A bill relating to the promotion of certain officers and former officers of the Army of the United States, or of the Air Force of the United States, or of any component thereof, retired for physical disability; to the Committee on Armed Services.

By Mr. ROGERS of Texas:

H. R. 4628. A bill granting the consent of Congress to a compact entered into by the States of Oklahoma, Texas, and New Mexico relating to the waters of the Canadian River; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS:

H. R. 4629. A bill to prohibit the importation of certain articles and products containing raw materials with respect to which priorities have been established or allocations made under the Defense Production Act of 1950; to the Committee on Banking and Currency.

By Mr. SPENCE:

H. J. Res. 278. Joint resolution to continue for a temporary period the Defense Production Act of 1950, the Housing and Rent Act of 1947, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. MORANO:

H. Con. Res. 133. Concurrent resolution expressing the sense of the Congress that Greece, Turkey, and Spain should be invited to become parties to the North Atlantic Treaty and members of the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. BARRETT:

H. Res. 288. Resolution favoring a protest in the United Nations against the arrest, confinement, and trial of Archbishop Josef Groesz; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, urging amendment of the Displaced Persons Act; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KEARNEY:

H. R. 4630. A bill for the relief of Ayako Kimura; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 4631. A bill for the relief of Vincenzo Incorvaia; to the Committee on the Judiciary.

By Mr. PATTEN:

H. R. 4632. A bill to effect entry of a minor child adopted or to be adopted by United States citizens; to the Committee on the Judiciary.

By Mr. SABATH:

H. R. 4633. A bill for the relief of Eugenia Marchetti Belluomini, Mirena Belluomini, and Salvatore Belluomini; to the Committee on the Judiciary.

By Mr. WILSON of Texas:

H. R. 4634. A bill for the relief of Johann Komma; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

327. By Mr. HART: Petition of the State of New Jersey withdrawing the application, to the Congress of the United States, to call a convention to propose amendments to the Constitution of the United States to authorize the United States to join in a World Federal Government; to the Committee on Foreign Affairs.

328. By Mr. HESELTON: Resolutions of the General Court of the Commonwealth of Massachusetts memorializing Congress to amend the Displaced Persons Act, so-called; to the Committee on the Judiciary.

329. By Mr. SADLAK: Petition of the Bridgeport Industrial Union Council, CIO, Bridgeport, Conn., containing some 400 signatures urging the Connecticut Members of Congress to work toward strengthening and extending the Defense Production Act; to the Committee on Banking and Currency.